RESOLUTION NO. 2008-________

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ANAHEIM ADOPTING A POLICY
TO PRE-FUND THE POST EMPLOYMENT BENEFIT
OBLIGATIONS OF THE CITY OF ANAHEIM

WHEREAS the City of Anaheim, as a public entity within the State, provides certain full time employees post-employment benefits such as healthcare; and

WHEREAS these benefits serve the public good by enabling the attraction and retention of qualified public employees; and

WHEREAS the Governmental Accounting Standards Board issued Statements 43 and 45, which set forth standards on accounting and reporting for post employment benefits by governmental entities; and

WHEREAS the State of California Public Employee Post-Employment Benefits Commission issued a report which sets forth recommendations for addressing unfunded post-employment benefits; and

WHEREAS the City of Anaheim recognizes its commitment to identify and make public its post-employment benefits’ liability and to fund such obligations in the most financially prudent manner, the City of Anaheim does find that it is in the best interest of the City to adopt the following policy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Anaheim that the City of Anaheim hereby adopts a policy to pre-fund all existing and future post employment benefit obligations; that with the completion of this fiscal year the City of Anaheim will pre-fund approximately $63,000,000, or 50% of the current post employment benefit obligation, and for each succeeding fiscal year at the adoption of the City’s Annual Budget the City Council of the City of Anaheim will dedicate funds to continue to pre-fund this obligation until it is 100% funded at the completion of the amortization period; and

BE IT FURTHER RESOLVED, that all pre-funding contributions will be placed in an irrevocable trust for the exclusive purpose of funding post employment benefits; that such contributions will be well invested in order to receive yield; and that each year the City Council of the City of Anaheim will publicly disclose in all appropriate financial documents the complete amount of the post employment benefits liability and that liability will be determined using the most appropriate actuarial practices and assumptions and in accordance with generally accepted accounting principles.
THE FOREGOING RESOLUTION is approved and adopted by the City Council of the City of Anaheim this _______ day of June, 2008 by the following roll call vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

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MAYOR OF THE CITY OF ANAHEIM

ATTEST:

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CITY CLERK OF THE CITY OF ANAHEIM

APPROVED AS TO FORM:
JACK L. WHITE, CITY ATTORNEY

BY: ________________________