

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GARDEN GROVE, CALIFORNIA ADOPTING THE CITY OF
GARDEN GROVE PENSION FUNDING POLICY

WHEREAS, the City contracts with the California Public Employee Retirement System (CalPERS) as an investment and administrative agent for the City's pension plans; and

WHEREAS, the current funded status of both the City's Miscellaneous and Safety plans are below the average funding levels of all public agencies contracted with CalPERS; and

WHEREAS, the City Council has asked staff to formulate a policy to effectively address the City's unfunded pension liability for the purpose of strengthening the City's financial sustainability; and

WHEREAS, the unfunded pension liability has a direct and significant impact on the City's CalPERS contribution rate; and

WHEREAS, the Government Finance Officers Association (GFOA) recommends that government employers that provide defined benefit pensions create a funding policy that establishes the government's commitment to fund benefit obligations based on regular actuarial valuations, and through a systematic and disciplined manner to accumulate resources for future payments, thereby avoiding the transfer of costs into the future.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Garden Grove does hereby approve and establish the City of Garden Grove Pension Funding Policy attached hereto and incorporated herein by this reference.