

RESOLUTION NO. 17-044

**A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL UPDATING THE
POLICY ADDRESSING THE UNFUNDED LIABILITY FOR OTHER POST-
EMPLOYMENT BENEFITS AND REPEALING RESOLUTION NO. 13-012**

WHEREAS, the City provides an Other Post-Employment Benefit (OPEB) of health insurance coverage to its eligible retired employees; and

WHEREAS, an independent actuary calculated the unfunded liability for the City's OPEB as \$39.1 million at June 30, 2015; and

WHEREAS, in 2011, the City established a trust fund in accordance with Internal Revenue Code Section 115, to set-aside money and earn investment interest for future retiree health insurance costs, which has an estimated balance of \$16,795,755 at June 1, 2017; and

WHEREAS, on February 5, 2013, the City Council adopted Resolution No. 13-012, establishing policies related to addressing the City's OPEB liability; and

WHEREAS, the City Council desires to repeal Resolution No. 13-012 and update its policy for pre-funding retiree health insurance, which is an OPEB.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CARSON DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. It shall be the policy of the City Council to review the results of each fiscal year, including favorable budget variances and remaining unrestricted fund balances, to determine whether to make a pre-funding contribution to the Trust. It shall also be the policy of the City Council to consider cost-sharing with City employees to pre-fund the OPEB liability. Resolution No. 13-012 establishing policies related to addressing the City's OPEB liability is hereby repealed.

Section 4. The City Clerk shall certify the adoption of this resolution and shall keep a copy of this resolution on file, and effective as of June 20, 2017, the same shall be in force and effect.

PASSED, APPROVED, AND ADOPTED this 20th day of June, 2017.

Mayor Albert Robles

ATTEST:

City Clerk Donesia Gause

APPROVED AS TO FORM:

City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF CARSON)

I, Donesia Gause, City Clerk of the City of Carson, California, hereby attest to and certify that the foregoing resolution, being Resolution No. 17-044, adopted by the City of Carson City Council at its meeting held on June 20, 2017, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

City Clerk Donesia Gause