

CITY OF GRAND JUNCTION

RESOLUTION NO. 20-94

Resolution authorizing the City's participation in the Pension Obligation Task Force.

WHEREAS, the Cities of Aurora, Colorado Springs, Denver, Grand Junction, Pueblo, Greeley and the Lakewood and North Washington Fire Protection Districts participate with the State of Colorado and the Fire and Police Pension Association of Colorado in keeping current the benefits of the "old hire" fire and police retirement programs, and

WHEREAS, these entities have jointly participated in funding and administering the "old hire" program since 1980 through State and local contributions and investment of pension fund assets through the Fire and Police Pension Association (FPPA), and

WHEREAS, the local governments (cities and districts) are required to make annual contributions to FPPA which along with employee contributions and State of Colorado contributions are expected to amortize unfunded liabilities over a period ending December 31, 2028, and

WHEREAS, the Unfunded Liabilities of the combined entities is approximately \$500,000,000, and

WHEREAS, the FPPA conducts actuarial studies to determine the annual required contributions, and

WHEREAS, the availability of a "Pension Obligation Bond Program" as outlined by Dougherty Dawkins and Kutak Rock may offer benefits to reduce the unfunded liabilities, and

WHEREAS, the FPPA voted on February 23, 1994 to cooperate with the local governments in examining costs, benefits and features of a pension obligation bond program, therefore

NOW IT BE RESOLVED THAT, the City of Grand Junction states its intention to cooperate with the other cities/districts to thoroughly evaluate the benefits and costs of a pension obligation bond program along with the FPPA and State of Colorado, and

BE IT FURTHER RESOLVED THAT Ron Lappi, Administrative Services and Finance Director be designated as the lead official to serve on a Pension Obligation Task Force of city/district representatives to undertake such an evaluation and report to the City of Grand Junction actions that can be taken to reduce unfunded liabilities of the "old hire" plans, and

BE IT FURTHER RESOLVED THAT the Pension Obligation Task Force shall cooperate with the FPPA and State of Colorado, and

BE IT FURTHER RESOLVED THAT enactment of this Resolution does not in any way obligate the City of Grand Junction to participate in a Pension Obligation Bond Program unless additional findings of benefit are made

and appropriate actions by the City Council are affirmatively taken.

Adopted this 16th day of March, 1994.

President of the Council

ATTEST:

City Clerk