

RESOLUTION NO. 47-13

PENSION REFORM AND
FISCAL RESPONSIBILITY PLAN

WHEREAS, the City Council desires to pursue measures to ensure the fiscal stability of the City while continuing to provide excellent services to its residents and businesses; and

WHEREAS, the City Council of the City of El Cajon seeks to continue to prudently manage the finances of the City on behalf of its residents and taxpayers; and

WHEREAS, the City's retirement costs required by the California Public Employees Retirement System (CalPERS) have increased dramatically in the past several years; and

WHEREAS, it is acknowledged that certain of these measures may require discussion with the City's respective labor groups through the meet and confer process; and

WHEREAS, the City Council has previously taken several significant steps to ensure fiscal stability and pension reform for the City of El Cajon, including the following measures:

1. Reducing the City's full time position workforce by approximately 17% between 2005 and 2012; and
2. Proposing and supporting the voter adoption of a City Charter, which facilitates both reduced costs for capital improvement projects, as well greater use of outside contract services, when appropriate; and
3. Requiring all City employees to assume their full share of CalPERS' retirement costs, which equals 8% for miscellaneous employees and 9% for safety employees; and
4. Establishing a second, less-costly retirement plan for new public safety employees; and
5. Paying down the CalPERS' liability for the City's former redevelopment agency (RDA); and
6. Paying down the City's share of the CalPERS' liability for the Heartland Communications Facility Authority.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of El Cajon, that the City Manager is hereby directed to pursue these additional measures:

1. Make periodic additional payments to CalPERS, whenever fiscally prudent, greater than the City's required annual payments, in order to accelerate the "pay down" of the City's unfunded pension obligations; and
2. Seek to implement pension cost-sharing for employees equal to not less than 50% of the total CalPERS' "normal costs" by January 2018; and

3. Whenever fiscally prudent, pay down and prefund Other Post-Employment Benefit (OPEB) contributions to the California Employers' Retiree Benefit Trust (CERBT) fund; and
4. Seek to stabilize and contain the costs of other employee benefits, such as vacation accruals and health care, in order to reduce unfunded long-term liabilities; and
5. Evaluate workforce efficiencies to explore opportunities to eliminate vacant, fully-benefitted positions and to replace them, if appropriate, with outside service contracts, while complying with the Meyers-Milias-Brown Act; and
6. Explore additional opportunities to coordinate services with other local public agencies, similar to the existing coordination of fire and emergency response services with the cities of La Mesa and Lemon Grove through the existing Heartland Fire and Rescue Joint Powers Agreement; and
7. Sustain General Fund operating reserves of at least 20% of operating expenditures in the annual budget; and
8. Present a structurally balanced General Fund operating budget each fiscal year for adoption, whereby ongoing operational expenditures do not exceed ongoing operational revenues.

PASSED AND ADOPTED by the City Council of the City of El Cajon, California at a Regular Joint City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meeting held this 9th day of April, 2013, by the following vote to wit:

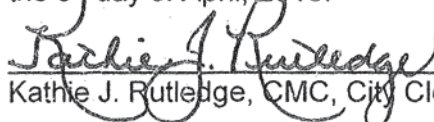
AYES	:	Lewis, Ambrose, Kendrick, McClellan, Wells
NOES	:	None
ABSENT	:	None
DISQUALIFY	:	None

MARK LEWIS
Mayor of the City of El Cajon

ATTEST:

KATHIE RUTLEDGE, CMC
City Clerk

I hereby certify that the above and foregoing is a full and true copy of Resolution No. 47-13 of the Resolutions of the City of El Cajon, California, as adopted by the City Council at the Regular Joint Meeting of the City Council/Housing Authority/Successor Agency to the Redevelopment Agency on the 9th day of April, 2013.


Kathie J. Rutledge, CMC, City Clerk