

RESOLUTION NO. 08 08 01

FUNDING FOR OLD HIRE POLICE PENSION PLAN IN 2008 AND 2009

Whereas, Sec. 2-5, Policemen's pensions; source of funds, *Fort Morgan Municipal Code* (1994) provides:

"The City, in compliance with the provisions of state statutes, does hereby authorize and direct the monthly payment to the policemen's pension fund an amount equal to that required from time to time by the State Policemen's and Firemen's Pension Reform Law and the Fire and Police Pension Association in administering said Law; provided, however, that the members of such Police Department shall, from their respective monthly salaries, contribute into the City's policemen's pension fund identical percentages monthly of their respective monthly salaries so that the contribution of the Police Department as a whole shall match the contribution for the City's general fund."

and,

Whereas, Sec. 2-8(c), *Fort Morgan Municipal Code* (1994), provides:

"(c) In addition to the base pension, a retiree shall be entitled to receive the full amount of any *cost of living* adjustment or increase in the amount of the monthly pension to which the retiree is entitled by the terms of a resolution adopted by the City Council for such purpose. The combined amount of the base pension and any applicable adjustment or increase thereto shall be referred to as the *aggregate pension*."

and,

Whereas, the City has recently received the *Actuarial Valuation as of January 1, 2008*, prepared by Gabriel Roeder Smith & Company for the Fire and Police Pension Association and the City of Fort Morgan Old Hire Pension Plan which sets forth the payments necessary to fund the Plan and maintain its actuarial soundness.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT MORGAN, COLORADO:

1. The monthly retirement benefit paid to all current retired members and beneficiaries shall be increased by 3.5% for inflation, effective January 1, 2008, and by 3.5 % increase for inflation to all current and future retired members and beneficiaries, effective January 1, 2009; recognizing the fact that this additional benefit will result in an increased cost to the City to maintain an actuarially sound pension fund, it is the

intention of the City to appropriate any necessary additional funds from the general fund revenues of the City to fund such increase.

2. For 2008, from the funds previously budgeted and appropriated for such purpose, General Fund Account No. 001-421-3 3112, the City Manager is hereby authorized to pay:

Budgeted amount not to exceed **\$73,280**;

3. For 2009 and 2010, the City Manager is directed to budget a sum not less than **\$73,280** in each year for Employer contributions and the additional contribution necessary to maintain the actuarial soundness of the Plan.

4. The former practice of making a lump-sum contribution in a single year for the foregoing purposes has been discontinued.

5. The obligation hereby undertaken to fund these pension plan obligations in 2009 and 2010 shall be secured by a cash reserve of **\$146,560.00** pledged irrevocably in the General Fund and held for payments in 2008 and 2009, each in the amount of **\$73,280**. The City Manager is hereby authorized and directed to establish and maintain such a cash reserve in the General Fund.

INTRODUCED, PASSED, APPROVED AND ADOPTED this 5th day of August, 2008, the vote upon roll call being as follows:

Ayes: Mayor Darnell; Councilmember Deal, Powers, Schafer, Shaver and Simmons

Nays:

Absent : Councilmember McAlister

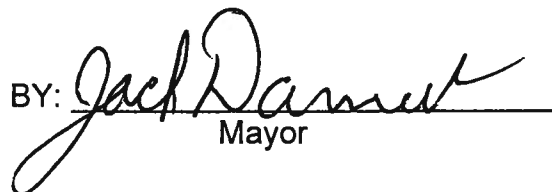
THE CITY COUNCIL OF THE CITY OF
FORT MORGAN, COLORADO

[SEAL]

ATTEST:



City Clerk

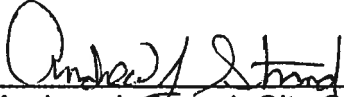
BY: 

Mayor

STATE OF COLORADO)
COUNTY OF MORGAN)
CITY OF FORT MORGAN) ss. **CERTIFICATE**

I, ANDREA J. STRAND, City Clerk for the City of Fort Morgan, Colorado, do hereby certify and attest that the foregoing **Resolution** is a true, perfect and complete copy of the **Resolution** adopted by the Council of Fort Morgan, Colorado, and is identical to the original thereof appearing in the official records of the City of Fort Morgan, Colorado, and that the same has not been, since its adoption, in any respect, rescinded or amended.

IN TESTIMONY WHEREOF, I have hereunto set my hand and have affixed the seal of the City of Fort Morgan this 6th day of August, 2008.



Andrea J. Strand, City Clerk