

ORDINANCE NO 1, 1978
BEING AN ORDINANCE AMENDING SECTION 30-2C
OF THE CODE OF THE CITY OF FORT COLLINS
AND ESTABLISHING A PENSION RESERVE ACCOUNT
IN THE TRUST FUND AND APPROPRIATING THE
SUM OF \$235,000 00 FROM RESERVES TO
SUCH PENSION RESERVE ACCOUNT

WHEREAS, the City of Fort Collins has elected to place its police and fire personnel under the State police and fire pension systems and

WHEREAS, an actuarial study has been conducted for the City Firemen's Pension Fund and Policemen's Pension Fund and such study indicates that neither of these funds are actuarially sound and both have potential unfunded liability and

WHEREAS, the actuarial study conducted indicates that the sources of revenue available to the Firemen's Pension Fund and the Policemen's Pension Fund are not adequate to maintain the degree of funding for such funds at current level but the unfunded liability will increase in future years and

WHEREAS, such actuarial study further indicates that an additional contribution of \$235 000 00 per year (\$80,000 00 for the Policemen s Pension Fund and \$155,000 00 for the Firemen's Pension Fund) would be required in order to maintain funding of the pension plans at their current level and

WHEREAS, the City Council recognizes that changes may be made in state law which increase the funding available to such pension funds and further recognizes that the City may not have a legal obligation to fund any deficits in either the Policemen's Pension Plan or the Firemen's Pension Plan and

WHEREAS the City Council has studied this matter and believes it is desirable to create a fund which would be available to make up deficits in either of said pension plans if this is deemed desirable at a future time and

WHEREAS there are surplus funds on hand consisting of reserves accumulated in prior years which have not been appropriated and could be appropriated under the provisions of Section 8 or Article V of the Charter of the City of Fort Collins to contribute to a fund for such purpose

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS:

Section 1. Section 30-2C(1) of the Code of the City of Fort Collins be, and the same hereby is, amended by adding thereto the following.

"The accounts of the trust fund shall further include an account to be known as the Pension Reserve Account. Such account is established in order that there may be funds available if the City Council at any time in the future determines it necessary or desirable to provide additional funding for the Firemen's Pension Fund and/or the Policemen's Pension Fund. Any amounts in this account shall not be considered a part of the assets of the Firemen's Pension Fund or the Policemen's Pension Fund, and nothing herein shall be construed to establish any responsibility on the City of Fort Collins to provide additional funding for either of said pension plans. The City Council may at any time order the assets in the Pension Reserve Account to be transferred to any other account or fund or to be expended for any purpose which the City Council deems proper."

Section 2. There is hereby appropriated the sum of \$235,000.00 from previously unappropriated surplus funds on hand consisting of reserves accumulated in prior years. Such amount is appropriated and to be placed in the Pension Reserve Account established in Section 1 above.

Introduced, considered favorably on first reading and ordered published this 3rd day of January, A D. 1978, and to be presented for final passage on the 17th day of January, A D 1978

ATTEST:


City Clerk


Mayor

Passed and adopted on final reading this 17th day of January, A D 1978

ATTEST:


City Clerk


Mayor