

**RESOLUTION NO. 3543-2012**  
**RESOLUTION OF THE FORT BRAGG CITY COUNCIL**  
**and**  
**RESOLUTION NO. ID 345-2012**

**RESOLUTION OF THE FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT BOARD**  
**APPROVING THE AGREEMENT TO PREFUND OTHER POST EMPLOYMENT BENEFITS**  
**(OPEB) THROUGH PARTICIPATION IN THE CALIFORNIA EMPLOYER'S RETIREE**  
**BENEFIT TRUST (CERBT), AUTHORIZING DELEGATION OF AUTHORITY TO REQUEST**  
**DISBURSEMENTS FROM THE TRUST, AND APPROVING BUDGET ADJUSTMENT NO.**  
**2012-24 AMENDING THE FY 2011/12 BUDGET TO APPROPRIATE \$76,140 TO ACCOUNT**  
**NO. 110-4190-0225**

**WHEREAS**, the City of Fort Bragg wishes to establish a trust to fund the actuarially accrued liability associated with its Other Post-Employment Benefits (OPEB) in the most cost-effective manner possible; and

**WHEREAS**, Bartel Associates, LLC has completed an actuarial valuation of the OPEB as of June 30, 2011 and the report has been presented to the City Council/District Board; and

**WHEREAS**, the California Public Employees Retirement System (CalPERS) has established the California Employer's Retiree Benefit Trust Fund (CERBT) to manage OPEB funds for public agencies; and

**WHEREAS**, staff considered several possible alternatives and believes that the CERBT best meets the City's needs for managing this long-term liability; and

**WHEREAS**, the CERBT qualifies as a trust for purposes of Governmental Accounting Standards Board (GASB) Statement 43, pursuant to paragraph 4 of GASB 43, so that amounts held under the CERBT will be treated as offsetting the unfunded OPEB liability that must be reported on the City's financial statements under GASB 45; and

**WHEREAS**, contributions to the CERBT will be irrevocable, and assets under the CERBT may not be diverted for any purpose other than funding the City's OPEB liability unless and until all liabilities associated with those benefits are satisfied; and

**WHEREAS**, all CERBT assets will be irrevocably dedicated to, and will be used for the exclusive purpose of providing for payments of OPEB and for paying expenses of administering the CERBT; and

**WHEREAS**, the City Council/District Board wishes to begin pre-funding the City's OPEB liability by transferring an amount not to exceed \$307,140 to the CERBT; and

**WHEREAS**, the City Council/District Board wishes to authorize delegation of the authority to request disbursements from the CERBT and to certify as to the purpose for which the disbursed funds will be used to the incumbents in the positions of City Manager, Assistant to the City Manager, and Finance Director; and

**WHEREAS**, to participate in the CERBT the City Council/District Board must approve the accompanying agreement, the Delegation of Authority to Request Disbursements, and the Certification of the Funding Policy & GASB43/45 Reporting Compliance; and

**WHEREAS**, funds in the amount of \$231,000 were appropriated in the FY 2011/12 budget for this activity and sufficient funding is available in the General Fund and the Enterprise Funds for the budget appropriation and the additional \$76,140 required for this transfer; and

**WHEREAS**, based on all the evidence presented, the City Council/District Board finds as follows:

1. The CERBT Fund qualifies as a trust for purposes of GASB Statement 43.
2. The City Council/District Board wishes to begin pre-funding the City's OPEB liability by establishing an irrevocable CERBT account.
3. There is sufficient unallocated fund balance in the General Fund and the Enterprise Funds to fund this transfer.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 does hereby accept the Actuarial Valuation as of June 30, 2011 prepared by Bartel Associates, LLC.

**BE IT FURTHER RESOLVED** that the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 does hereby adopt the resolution approving the agreement to prefund OPEB through participation in the CERBT, authorizing delegation of authority to request disbursements from the trust, and approving the Certification of the Funding Policy and GASB 43/45 Reporting Compliance.

**BE IT FURTHER RESOLVED** that the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 does hereby authorize the transfer of \$307,140 to establish the trust account.

**BE IT FURTHER RESOLVED** that the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 does hereby approve Budget Adjustment No. 2012-24 for \$76,140 amending the FY 2011/12 Budget to appropriate \$76,140 to Account No. 110-4190-0225 to cover the additional cost of this transfer.

**The above and foregoing Resolution was introduced by Council/Board Member Hammerstrom, seconded by Council/Board Member Gjerde, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 held on the 29<sup>th</sup> day of May, 2012, by the following vote:**

**AYES:** Council/Board Members Courtney, Deitz, Gjerde, Hammerstrom, and Mayor/Chair Turner.  
**NOES:** None.  
**ABSENT:** None.

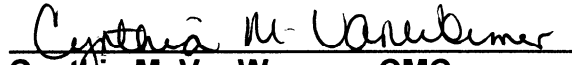
**ABSTAIN: None.**



---

**DAVE TURNER,  
Mayor/Chair**

**ATTEST:**



---

**Cynthia M. VanWormer, CMC  
City/District Clerk**