

RESOLUTION NO. (XX)
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COTATI
AUTHORIZING AN ADDITIONAL DISCRETIONARY PAYMENT
CONTRIBUTIONS TOWARD CALPERS PLAN PENSION LIABILITIES

WHEREAS, the City has adopted a financial policy for unfunded pension liability requiring an Annual Review of the CalPERS Actuarial Valuation Reports and Associated Tasks; and

WHEREAS, staff facilitated the annual review, and even though the funded status meets the minimum 80% funded ratio with a funding ratio of 83.1% at FYE 2023, staff proposes to take an initial step to address the unfunded pension losses by funding and remitting an additional discretionary payment in the amount of \$62,000 to fund the outstanding interest due on the 2023 UAL as incurred for the period covering fiscal year 2023/24, and

WHEREAS, steps to address the remaining 2022 CalPERS loss, including payment of the outstanding 2022 UAL interest incurred for fiscal year 2023/24 and the re-amortization of the loss basis removing the negative amortization, will be evaluated with Council during budget study sessions for fiscal year 2025/26, and

WHEREAS, the City maintains sufficient funds within its unallocated General Fund, Water Fund and Sewer Fund Balance to contribute toward each funds a proportionate share of the long-term liability.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Cotati does hereby approve the following:

1. Authorize the transfer of one-time funds to CalPERS to be applied to the pension plans as outlined for FYE 2024 in Table 10 of the Pension Liability Update Report, indicated below.

Table 10
City of Cotati
Summary of Current Interest ADPs

| Pension Plan | FYE 2024 Interest | FYE 2025 Interest | FYE 2026 Interest |
|-----------------|----------------------|----------------------|----------------------|
| Miscellaneous | \$31,000 | \$31,000 | \$0 |
| Safety | \$21,900 | \$21,900 | \$0 |
| Safety 2nd Tier | \$2,100 | \$2,100 | \$0 |
| Misc 2nd Tier | \$2,200 | \$2,200 | \$0 |
| PEPRA Safety | \$2,300 | \$2,300 | \$0 |
| PEPRA Misc | \$2,500 | \$2,500 | \$0 |
| TOTAL | \$62,000 | \$62,000 | \$0 |

2. Authorize the City Manager or their designee to sign any approvals to complete the transaction requirements to apply the payments to the outstanding interest balance due to the 2023 CalPERS loss in coordination with Ridgeline.

IT IS HEREBY CERTIFIED that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Cotati held on December 10, 2024, by the following vote, to wit:

Approved: _____

Mayor

Attest: _____

Kevin Patterson, Deputy City Clerk

Approved as to form: _____

City Attorney