

5-12-05  
#45

**RESOLUTION**

**A RESOLUTION OF THE CITY OF AUSTIN ESTABLISHING A  
SUPPLEMENTAL FUNDING PLAN FOR THE CITY OF AUSTIN  
EMPLOYEE'S RETIREMENT SYSTEM.**

Whereas, the City of Austin-Employee's Retirement System (the "System") provides retirement benefits to employees as provided in and pursuant to *art. 6243n, Tex. Rev. Civ. Stat.*;

Whereas, the System's unfunded actuarial accrued liability results in an infinite funding period and will require supplemental funding if the System's market returns are not adequate;

Whereas, the System's actuary will not recommend cost-of-living increases if the System has an infinite funding period;

Whereas, pursuant to *Art. XVI, Sec. 66, Tex. Const.*, the City and the System are responsible for ensuring that accrued benefits payable by the System are not reduced, and *Art. XVI, Sec. 66*, and *art. 6243n* authorize supplemental funding to be provided by the City; and

Whereas, the attached City of Austin Employees' Retirement System Supplemental Funding Plan is adopted for the purpose of satisfying the requirements of *Art. XVI, Sec. 66, Tex. Const.*;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN, TEXAS, THAT:**

Sec. 1. The City Council adopts the attached City of Austin Employees' Retirement System Supplemental Funding Plan (the "Plan").

Sec. 2. If market returns do not meet the threshold established in the Plan, the City will provide the additional funding and subsidy to the System as set forth in Section II.A. of the Plan, beginning in 2007 and continuing thereafter as necessary under the Plan.

Sec. 3. The supplemental funding and subsidy will be appropriated and provided to the System pursuant to *Art. XVI, Sec. 66, Tex. Const.* and *art. 6243n, Tex. Rev. Civ. Stat.*, from the general fund and the enterprise funds with respect only to System members budgeted within such funds.

PASSED AND APPROVED on this the \_\_\_\_ day of \_\_\_\_\_, 2005.

**CITY OF AUSTIN**

\_\_\_\_\_  
Will Wynn, Mayor

Attest:

Shirley Brown, City Clerk