



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/21/2020

ITEM NO: 11

DATE: April 14, 2020
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Adopt a Resolution Authorizing the Liquidation and Transfer of Assets to CalPERS California Employers' Pension Prefunding Trust (CEPPT) for Pension Prefunding Administration from Public Agency Retirement Services (PARS).

RECOMMENDATION:

Adopt a Resolution Authorizing the Liquidation and Transfer of Assets to CalPERS California Employers' Pension Prefunding Trust (CEPPT) for Pension Prefunding Administration from Public Agency Retirement Services (PARS).

BACKGROUND:

On September 17, 2019, the Town Council directed staff to terminate the PARS agreement, consistent with the Town Pension and OPEB Trusts Oversight Committee recommendation, and to return to Council with an agreement to initiate a California Employers' Pension Prefunding Trust (CEPPT). On November 5, 2019, the Town Council voted unanimously to enter into an agreement to participate in the CalPERS California Employers' Pension Prefunding Trust (CEPPT) Program and delegate authority to the Town Manager to request disbursements.

DISCUSSION:

To complete the transfer of assets to CEPPT, PARS needs to be removed as Trust Administrators, and this action requires a resolution to be approved by the Town Council (Attachment 1).

PREPARED BY: Stephen Conway
Finance Director

Reviewed by: Town Manager, Assistant Town Manager, and Town Attorney

PAGE 2 OF 2

SUBJECT: Adopt a Resolution Authorizing the Liquidation and Transfer of Assets to CalPERS California Employers' Pension Prefunding Trust (CEPPT) for Pension Prefunding Administration from Public Agency Retirement Services (PARS).

DATE: April 7, 2020

CONCLUSION:

Staff recommends the adoption of the Resolution removing PARS as Trustee and enabling the Town to participate in the CalPERS California Employers' Pension Prefunding Trust (CEPPT) Program.

COORDINATION:

This item was coordinated with the Town Manager and the Town Attorney.

FISCAL IMPACT:

If the Town Council authorizes the transfer of the qualified assets to CEPPT for prefunding administration, this will represent a cost savings compared to the previous PARS account.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachment:

1. Draft Resolution Authorizing the Liquidation and Transfer of Assets to CEPPT