



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE:

ITEM NO: 6

DATE: October 7, 2026
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: **Authorize the Town Manager to Execute a First Amendment with Foster and Foster Consulting Actuaries, Inc., to Amend the Scope of Services**

RECOMMENDATION: Authorize the Town Manager to execute a First Amendment with Foster and Foster Consulting Actuaries, Inc., to amend the scope of services.

FISCAL IMPACT:

This First Amendment will increase the scope of services only. Sufficient budget is available in Administrative Services Townwide program (1111201) the FY 2026-2027 operating budget, and the \$5,600 cost of the additional services will be covered by the \$20,000 contingency included in the original agreement.

STRATEGIC PRIORITY:

This item supports the Town's amended 2025 to 2027 Top Strategic Priority to ensure prudent financial management, under the Fiscal Stability Core Goal.

BACKGROUND:

In October 2021, the Town of Los Gatos sent a Request for Proposals (RFP) for actuarial consulting services to sixteen qualified firms known to provide actuarial services. The opportunity was also promoted on the Town's website, What's New, and other social media platforms. Three firms responded with proposals: Actuarial Retirement Consulting, Precision Actuarial Inc., and Bartel Associates, LLC.

PREPARED BY: Diane Howard
Finance Division Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Administrative Services Director

A selection panel consisting of the Finance Commission Chair, the Finance Director, Assistant Town Manager, Finance and Budget Manager, and Finance Administrative Analyst reviewed and scored the three proposals. The firms were evaluated based on their technical expertise, qualified personnel, and responsiveness to the RFP. Based upon the firm's technical expertise, proposal, interview, and references, the panel selected Bartel Associates, LLC. This selection was approved by Town Council at its January 18, 2022 meeting. At the December 20, 2022 Council was informed that Bartel Associates, LLC had been acquired by Foster and Foster Consulting Actuaries, Inc. At that same Council meeting, an Assignment of Agreement was approved assigning the Bartel agreement to Foster and Foster.

DISCUSSION:

While working with Foster & Foster, staff identified a need to clarify the scope of work for the Fiscal Year 2025–26 reports. Although Section 1 on page 2 of the original agreement states that "The report for the year ending June 30, 2026, will be done after June 30, 2026," the GASB 78 and GASB 68 report fee sections on pages 15 and 17 did not include the fees associated with preparing these reports. This created uncertainty regarding whether the reports were included in the original scope of work.

The proposed First Amendment will clarify the scope of work by explicitly including preparation of the reports listed below and incorporating the associated fees. The additional costs will be covered by the contingency included in the original agreement; therefore, the amendment will not increase the total contract amount.

- June 30, 2026 GASB 68 report for Town's CalPERS cost-sharing plan
- June 30, 2026 GASB 75 report for Town's retiree healthcare plan

CONCLUSION:

Staff recommends authorizing the Town Manager to execute a First Amendment with Foster and Foster to amend the scope of services.

ENVIRONMENTAL ASSESSMENT:

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

ATTACHMENTS:

1. First Amendment to Foster and Foster Agreement
2. Assignment Agreement
3. Original Bartel Agreement