



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 11/05/2019

ITEM NO: 6

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DATE: October 24, 2019  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager 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

**RECOMMENDATION:**

Authorize the Town Manager 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.

**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).

**DISCUSSION:**

To enroll in the CEPPT Program CalPERS requires that two documents be approved by our governing body in a public meeting. In addition, CalPERS requires that the Town Manager be authorized to enter into the CEPPT Program agreement and delegate authority to request disbursements. CalPERS recommends that separate votes be initiated for both the CEPPT Participation Agreement (Attachment 1) and the Authority to Request Disbursements (Attachment 2).

**PREPARED BY:** Arn Andrews  
Assistant Town Manager

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Reviewed by: Town Manager, Town Attorney, and Finance Director

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SUBJECT: Authorize the Town Manager to Enter into Agreements with CalPERS

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CONCLUSION:

If the Town Council takes these actions, the Town will establish its participation in the CalPERS CEPPT Program.

COORDINATION:

This item was coordinated with the Town Manager, Town Attorney and Director of Finance.

FISCAL IMPACT:

No fiscal impact at this time. If the Council directs staff to place monies into either of the CEPPT asset allocations in the future, both products 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.

Attachments:

1. CEPPT Participation Agreement
2. CEPPT Delegation of Authority to Request Disbursements