



**TOWN OF LOS GATOS
COUNCIL FINANCE COMMITTEE
REPORT**

MEETING DATE: 10/12/2020

ITEM NO: 1

DESK ITEM

DATE: October 12, 2020
TO: Council Finance Committee
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve the Minutes of the August 12, 2020 Council Finance Committee Meeting.

REMARKS:

A Committee Member had the following inquiries and staff's responses are provided below.

Regarding the draft minutes from the August 10, 2020, the comments pertaining to Item #4 Town of Los Gatos Retiree Healthcare Plan are incomplete and missing material detail:

- 1. The Bartel Report dated March 13, 2020, Page E20 shows a discount rate calculation of 6.75% which does not match the input assumptions on Pages E19 and E20. The actual rate is 6.21% using exactly the same assumptions and rounding margin - a materially different result.*
- 2. The Return Assumptions used for the most recent valuation are based on 2017 survey data.*

Staff Response: The Town utilizes the action minutes format for the Town Council and all Committees and Commissions. The minutes currently reflect that "Committee members noted that there was a numerical error on page E-19 of the exhibit." Staff will update the minutes to include a reference to E-20 as well. In addition, the audio tape of the meeting provides a full transcript of all areas of concern referenced during the meeting.

PREPARED BY: Stephen Conway
Finance Director

Reviewed by: Town Manager and Assistant Town Manager
