



**TOWN OF LOS GATOS
FINANCE COMMISSION
MINUTES**

MEETING DATE: 10/14/2024

ITEM NO: 1

**Minutes of the Finance Commission Meeting
September 9, 2024**

The Finance Commission of the Town of Los Gatos conducted a meeting in person and utilizing teleconferencing means on Monday, September 9, 2024, at 5:00 p.m.

THE MEETING WAS CALLED TO ORDER AT 5:02 P.M.

ROLL CALL

Present: Chair Phil Koen, Vice Chair Linda Reiners, Commissioner Andrew Howard, Commissioner Joe Rodgers, and Vice Mayor Matthew Hudes.

Absent: Commissioner Ashby Monk and Council Member Rob Rennie.

Town Staff Present: Assistant Town Manager Katy Nomura, Finance Director Gitta Ungvari, Finance and Accounting Manager Eric Lemon, and Town Clerk Wendy Wood.

Chair Koen discussed moving item 11 to a future date due to timing concerns.

**MOTION: Motion by Vice Chair Reiners to move agenda item 11 to a future meeting date.
Seconded by Commissioner Howard.**

VOTE: Motion passed 4-0.

CONSENT ITEMS

1. Approve the Minutes of the May 13, 2024, Finance Commission Regular Meeting.
2. Approve the Minutes of the August 5, 2024, Finance Commission Special Meeting.
3. Receive the California Employer's Pension Prefunding Trust (CEPPT) Strategy Market Value Summary Report for the Period Ending June 30, 2024 and Performance as of July 31, 2024
4. Receive the California Employer's Retiree Benefit Trust (CERBT) Strategy 1 Market Value Summary Report for the Period Ending June 30, 2024 and the Performance Report as of July 31, 2024.
5. Receive the Monthly Financial and Investment Reports for April, May, June, and July 2024.
6. Receive the CalPERS Actuarial Valuation Reports as of June 30, 2023.
7. Approve Finance Commission Recommendation that Town Council Engage a Professional Consulting Firm to Prepare a Comprehensive Fiscal Impact Analysis Including Scenario Sensitivity Analysis with Risks and Opportunities which will Evaluate Potential Fiscal Impact of Planned Growth.

Chair Koen pulled items 1, 3, 4, 5, and 6

There was no public comment.

MOTION: Motion by Chair Koen to approve consent Items 2 and 7. **Seconded** by Vice Chair Reiners.

VOTE: Motion passed 4-0

PULLED CONSENT ITEMS

1. Approve the Minutes of the May 13, 2024, Finance Commission Regular Meeting.

Chair Keon asked about a recommendation listed in the minutes.

The Commission asked questions and discussed the item.

Staff addressed the Commissioners' questions.

MOTION: Motion by Chair Koen to approve the minutes for the May 13 meeting. **Seconded** by Vice Chair Reiners.

VOTE: Motion passed 4-0

6. Receive the CalPERS Actuarial Valuation Reports as of June 30, 2023.

Chair Keon discussed concerns with the safety plan.

The Commission asked questions and discussed the item.

Staff and consultant Doug Pryer from Foster and Foster addressed the Commissioners' questions.

MOTION: Motion by Vice Chair Reiners to approve receipt of the CalPERS Actuarial Reports. **Seconded** by Commissioner Howard.

VOTE: Motion passed 4-0

3. Receive the California Employer's Pension Prefunding Trust (CEPPT) Strategy Market Value Summary Report for the Period Ending June 30, 2024 and Performance as of July 31, 2024.

Chair Koen asked questions regarding the trust strategies.

The Commission asked questions and discussed the item.

Staff addressed the Commissioners' questions.

There was no public comment.

MOTION: Motion by Vice Chair Reiners (to recommend to the Town Council) that if the Town continues to have a CEPPT, it should move from Strategy 2 to Strategy 1 (listed in the staff report). **Seconded by Commissioner Howard.**

VOTE: Motion passed 4-0

4. Receive the California Employer's Retiree Benefit Trust (CERBT) Strategy 1 Market Value Summary Report for the Period Ending June 30, 2024 and the Performance Report as of July 31, 2024.

Chair Koen asked for clarification regarding market value totals and contributions.

The Commission asked questions and discussed the consent item.

Staff addressed the Commissioners' questions.

MOTION: Motion by Vice Chair Reiners to approve receipt of the California Employer's Retiree Benefit and Trust report. **Seconded by Chair Koen.**

VOTE: Motion passed 4-0

OTHER BUSINESS

8. Receive the Town of Los Gatos Retiree Healthcare Plan June 30, 2023 Actuarial Valuation and its Assumptions as Prepared and Recommended by Foster and Foster, Inc., and Provide Any Comments to the Town Council.

Consultant Doug Prior from Foster and Foster gave a presentation on the item.

The Commission asked questions and discussed the item.

Staff and the consultant addressed the Commissioners' questions.

There was no public comment.

There was no action taken on this item.

VERBAL COMMUNICATIONS

No one spoke.

OTHER BUSINESS

9. Discuss Upcoming Audit and Provide Input on June 30, 2024 Annual Comprehensive Financial Report with the Town's Independent Auditor

Gitta Ungvari, Finance Director, introduced Sheldon Chavan, the Town's external auditor, to present on the item.

The Commission asked questions and discussed the item.

Staff and the consultant addressed the Commissioners' questions.

There was no public comment.

There was no action taken on this item.

10. Discuss and Confirm the Finance Commission Meeting Date for the Month of November 2024

Gitta Ungvari, Finance Director, provided alternative dates and times for the November meeting.

The commission discussed the dates and agreed to hold a special meeting on November 6, 2024, from 5:00 to 7:00 p.m.

11. Review of Select High Dollar Value Capital Projects in the FY 25 CIP Budget as to Current Status versus the Originally Approved Capital Plan and to Better Understand the Capital Project Tracking and Reporting Process

This item was moved to a future meeting.

PULLED CONSENT ITEMS

5. Receive the Monthly Financial and Investment Reports for April, May, June, and July 2024.

Chair Keon asked a clarifying question regarding the fiscal year-end balance.

Staff addressed the Chair's question.

MOTION: Motion by **Commissioner Howard** to accept receipt of the Monthly Financial and Investment Reports for April, May, June, and July. **Seconded** by **Vice Chair Reiners**.

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SUBJECT: Draft Minutes of the Finance Commission Regular Meeting of September 9, 2024

DATE: October 4, 2024

VOTE: Motion passed 4-0

ADJOURNMENT:

The meeting adjourned at 7:16 p.m.

This is to certify that the foregoing is a true and correct copy of the minutes of the September 9, 2024, meeting as approved by the Finance Commission.

Eric Lemon, Finance and Accounting Manager