



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

MEETING DATE: 10/14/2019

ITEM NO: 1

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**DRAFT  
Minutes of the Council Finance Committee Meeting  
August 12, 2019**

The Council Finance Committee of the Town of Los Gatos conducted a meeting on Monday, August 12, 2019, at 6:00 p.m.

**MEETING CALLED TO ORDER AT 6:00 P.M.**

**ROLL CALL**

Present: Mayor Steve Leonardis, Council Member Barbara Spector, and Committee Members Ron Dickel, Terry Duryea, and Rick Tinsley.

Absent: None

Staff Present: Town Manager Laurel Prevetti, Assistant Town Manager Arn Andrews, Finance Director Stephen Conway, and Finance and Budget Manager Gitta Ungvari

**COMMUNICATIONS**

None

**CONSENT ITEMS**

1. Approve Council Finance Committee Meeting Draft Minutes of June 17, 2019.

**MOTION:** Motion by Council Member Barbara Spector to approve the Consent Item,  
**Seconded** by Mayor Steve Leonardis.

**VOTE:** Motion passed unanimously.

**VERBAL COMMUNICATIONS**

None.

**OTHER BUSINESS**

2. Review and Discuss CalPERS 2017 Actuarial Valuations for the Miscellaneous and Safety Pension Plans and Make a Recommendation on an Additional Discretionary Payment (ADP) Strategy Based on the August 2019 Bartel and Associates Analysis.

Assistant Town Manager Arn Andrews presented the summary of the actuarial analysis and introduced Joseph D'Onofrio Assistant Vice president of Bartel Associates. Mr. D'Onofrio

presented the analysis and addressed the Committee members' questions in coordination with staff. The Committee members discussed the different options and their implications.

Opened Public Comment.

None

Closed Public Comment.

The Finance Committee discussed the matter further. The Committee members recommended that staff prepare a comparison of the pros and cons of the different options for Town Council consideration:

- Pay \$8.4 million directly to CalPERS and dissolve the PARS IRS 115 Trust Fund
- Provide \$8.4 million to the IRS 115 Pension Trust with a policy update to ensure that Trust money will be used as a long term investment (at least 10-years)
- Pay \$4 million to CalPERS and retain \$4.4 million in the IRS 115 Trust Fund with a policy update to ensure that Trust money will be used as a long term investment (at least 10-years)
- Put \$8.4 million in the OPEB Trust

3. Discuss and Recommend to the Town Council Proposed Revisions to the Town Investment Policy to Include Socially Responsible Investment Guidelines.

Town Manager Laurel Prevetti presented the item.

Opened Public Comment.

None

Closed Public Comment.

The Committee discussed the proposed language.

**MOTION:**      **Motion by Mayor Steve Leonardis** to recommend to the Town Council Proposed Revisions to the Town Investment Policy to Include Socially Responsible Investment Guidelines. **Seconded by Council Member Barbara Spector.**

**VOTE:**          **Motion passed unanimously.**

**ADJOURNMENT:**

The meeting adjourned at 7:53 p.m.

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SUBJECT: Draft Minutes of the Council Finance Committee Meeting of August 12, 2019

DATE: August 13, 2019

This is to certify that the foregoing is a true and correct copy of the minutes of the August 12, 2019 meeting as approved by the Council Finance Committee.

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Gitta Ungvari, Finance and Budget Manager