



**TOWN OF LOS GATOS
FINANCE COMMISSION
AGENDA REPORT**

MEETING DATE: 10/10/2022

ITEM NO: 1

**DRAFT
Minutes of the Finance Commission Regular Meeting
September 12, 2022**

The Finance Commission of the Town of Los Gatos conducted a regular meeting utilizing teleconference and electronic means consistent with Government Code Section 54953, as Amended by Assembly Bill 361, in response to the state of emergency relating to COVID-19 and enabling teleconferencing accommodations by suspending or waiving specified provisions in the Ralph M. Brown Act (Government Code § 54950 et seq.) and Town of Los Gatos Resolution 2021-044 on Monday, August 8, 2022, at 5:00 p.m.

MEETING CALLED TO ORDER AT 5:14 P.M.

ROLL CALL

Present: Chair Ron Dickel, Vice Chair Kyle Park, Commissioner Stacey Dell, Commissioner Rick Tinsley, and Mayor Rob Rennie, Council Member Matthew Hudes (all participating remotely).

Staff Present: Town Manager Laurel Prevetti, Town Attorney Gabrielle Wheelan, Assistant Town Manager Arn Andrews, and Interim Finance Director Gitta Ungvari.

CONSENT ITEM (TO BE ACTED UPON BY A SINGLE MOTION)

1. Approve Minutes of the June 13, 2022 Finance Commission Meeting
2. Receive California Employer's Pension Prefunding Trust (CEPPT) Strategy Market Value Summary Report for the Period Ending June 30, 2022
3. Receive California Employer's Retiree Benefit Trust (CERBT) Strategy 1 Market Value Summary Report for the Period Ending June 30, 2022
4. Receive CalPERS Public Employees' Retirement Fund (PERF) Preliminary Performance Report as June 30, 2022

MOTION: Motion by Commissioner Dell to approve the consent items. **Seconded by Commissioner Tinsley**

VOTE: Motion passed 4-0.

VERBAL COMMUNICATIONS

None.

SUBJECT: Draft Minutes of the Finance Commission Regular Meeting of September 12, 2022

DATE: October 3, 2022

OTHER BUSINESS

5. Receive CalPERS Actuarial Valuation Reports as of June 30, 2021

Arn Andrews, Assistant Town Manager, presented the staff report. Staff addressed Commissioners' questions.

Opened Public Comment.

None

Closed Public Comment

6. Discuss Communication from the Vice Chair

Arn Andrews, Assistant Town Manager, introduced Vice Chair who gave an overview of his ideas. The Commission discussed the ideas.

Opened Public Comment.

None

Closed Public Comment

MOTION: **Motion** by **Vice Chair Park** that Finance Commission should review any significant changes to the proposed budget that happens between the Council review of the Proposed Budget and prior to the Council final consideration to adopt the budget.
Seconded by **Commissioner Tinsley**

VOTE: **Motion passed 4-0.**

The Commission also requested that staff return in two months with benchmarking information regarding best practices for communicating the labor negotiation process, schedule, and other pertinent information during negotiations. Vice Chair Park requested that staff work more collaboratively with the Finance Commission and that the Finance Commission participate in the Finance Director hiring process.

7. Review of the Town's Structural Deficit per Town Council Directive.

PAGE 3 OF 3

SUBJECT: Draft Minutes of the Finance Commission Regular Meeting of September 12, 2022

DATE: October 3, 2022

Arn Andrews, Assistant Town Manager, summarized the Town Council's prior cost cutting strategies. Gitta Ungvari, Interim Finance Director, presented the analysis on the historical budget to actual salary and benefits cost. Staff addressed Commissioners' questions.

Commissioners recommended to:

- Factor in salary savings (based on staff historical analysis) to the updated forecast and
- Update the Town IRS Section 115 Pension Trust and OPEB Trust Investment Policy to address when and how the Town could withdraw money from the OPEB Trust.

Opened Public Comment.

Catherine Somers (Chamber of Commerce Executive Director) commented there is potential to increase Transient Occupancy Tax collection by introducing week-long events to attract people to stay longer in Town hotels and short term rentals.

Closed Public Comment

ADJOURNMENT:

The meeting adjourned at 6:58 p.m.

This is to certify that the foregoing is a true and correct copy of the minutes of the September 12, 2022 meeting as approved by the Finance Commission.

Gitta Ungvari, Interim Finance Director