

## SEPTEMBER 9, 2020 – CITY COUNCIL STUDY SESSION MEETING

### **CALL TO ORDER**

Mayor Pacheco called the meeting to order at 6:00 p.m.

### **ROLL CALL**

PRESENT: COUNCILMEMBERS: M/Pacheco, MPT/Ching, C/Rodriguez, C/Tragarz, C/Wu  
ABSENT: COUNCILMEMBERS: None

Also present: City Manager Wishner; Assistant City Manager Weiner; Assistant City Manager Rooney; Administrative Services Director Ogawa; City Attorney Leibold; Finance Officer Cortez; Deputy Community Services Director Jensen; Community Services Superintendent Barcelo; City Planner Carlson; Senior Planner Vasquez; Senior Management Analyst Layman; Senior Management Analyst Guerra; Finance Analyst Meza; Administrative Assistant Markel and City Clerk De Dios.

### **DISCUSSION ITEM:**

- **Pension Rate Stabilization Program – Pension Trust**

CM/Wishner introduced the item and noted that due to unfunded pension liability associated with retirement plans, staff has looked into funding alternatives.

ASD/Ogawa shared information regarding the finances behind the city's unfunded pension liabilities.

Rachel Sanders, Senior Manager at Public Agency Retirement Services (PARS), presented information on the 115 Trust program and the Pension Rate Stabilization program, which allows cities to prefund pension liabilities using investment options to achieve a higher rate of return.

Hoddy Fritz of HighMark Capital Management presented information on investment options within the 115 Trust program.

Discussion took place regarding the following: fees associated with the program, investment options, investment risk, average annual return rate on investments, and unfunded liability amounts for the city.

CM/Wishner stated that staff is available to schedule a study session to discuss whether Council is interested in the program and how the city would fund the trust.

M/Pacheco stated that he would like the city to consider the program.

**ORAL COMMUNICATIONS**

Vijay Vakil expressed concerns regarding the risk of investing and inquired into the benefits of the program.

There being no further input, it was unanimously moved by Council to close oral communications. Motion carried.

**ADJOURNMENT:** There being no further business, the meeting adjourned at 6:55 p.m.

**PASSED AND APPROVED on the 23rd day of September 2020.**

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Bob Pacheco, Mayor

ATTEST:

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Teresa De Dios, City Clerk

PREPARED BY:

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Ray Markel, Administrative Assistant