

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM'S (CalPERS) CALIFORNIA EMPLOYERS' PENSION PREFUNDING TRUST (CEPPT) PROGRAM TO ESTABLISH A SECTION 115 TRUST AND DELEGATING AUTHORITY TO THE CITY MANAGER AND THE DIRECTOR OF FINANCE TO REQUEST DISBURSEMENTS FROM THE SECTION 115 TRUST

WHEREAS, it is determined to be in the best interest of the City to set aside funds for the pre-funding of its CalPERS pension obligation to be held in trust for the exclusive purpose of making future contributions of the City's required pension contributions and any employer contributions in excess of such required contributions at the discretion of the City; and

WHEREAS, a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code (as amended) and the Regulations issued thereunder, and is a tax-exempt trust under the relevant statutory provisions of the State of California; and

WHEREAS, the City's establishment of the Section 115 trust does not require a minimum initial or annual contribution; and

WHEREAS, Staff evaluated all firms with significant experience establishing and maintaining Section 115 Trusts; and

WHEREAS, the CEPPT program offered by CalPERS was determined to offer the best combination of member agencies, assets under management, fee schedule, and annualized returns.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to execute an agreement with CalPERS to establish a Section 115 Trust Fund, to include trust administrative, trustee/custodian, and investment advisory services.

BE IT FURTHER RESOLVED that the City Manager and Director of Finance are hereby authorized and/or their successors in office are authorized to order the deposit or withdrawal of money in the City of Hayward's Section 115 Trust Fund for the pre-funding or pre-payment of CalPERS defined benefit contributions.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2020

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward