

REPORT TO CITY COUNCIL

DATE: SEPTEMBER 28, 2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: NATHAN HAMBURGER, CITY MANAGER

BY: CHRISTY TRUELSEN, DIRECTOR OF FINANCE

SUBJECT: ADOPT CalPERS CALIFORNIA EMPLOYERS PENSION PREFUNDING TRUST (CEPPT), DESIGNATING CalPERS AS THE CITY OF AGOURA HILLS, CALIFORNIA PENSION PREFUNDING TRUSTEE AND RESOLUTION 22-2021 DELEGATING THE POSITIONS AUTHORIZED TO REQUEST DISBURSEMENTS AND DIRECT STAFF TO CONTRIBUTE TO THE TRUST

During the budget process, staff discussed presenting an item that reduced the City's unfunded liabilities for retiree costs. Reducing these costs will save interest costs, lead to an enhanced credit profile for the City, and increase investment income which will assist to ensure that vested pension benefits are paid for future generations. Establishing a Section 115 Trust (115 Trust) is a way for the City to continue to be a leader in pursuing every opportunity to manage its pension costs and liabilities. The Finance Subcommittee met and determined that a 115 Trust would benefit the City. They furthermore recommended CalPERS California Employers Pension Prefunding Trust (CEPPT).

All qualified City employees are eligible to participate in the City's Miscellaneous defined pension plan administered by the California Public Employees Retirement System (CalPERS). Benefit provisions under the plan are established by California statute and City resolution. The City's plan is funded at 85.4% as of the last valuation report dated June 30, 2021, which is better than most entities.

The City has taken steps to address the financial health of its plan. In 2013, the Public Employees' Pension Reform Act ("PEPRA"), resulted in a savings in Plan costs. Except for Fiscal Year 2019/20, the City has prepaid its unfunded accrued liability payments, which has resulted in a savings of \$47,000 over the past five years.

Over a decade ago, the City established a trust to assist in paying for retiree medical costs known as Other Post-Employment Benefits (OPEB). Each year the City has contributed approximately \$200,000 towards the costs, and now, with interest growth, the OPEB Trust is over 90% funded.

Additionally, the City has set-aside \$223,000 in a special fund designated to pay towards unfunded pension liability costs. This money is held by the City and is currently invested in the Local Agency Investment Fund (LAIF). Staff is now recommending that the City

establish a 115 Trust which is a tax-exempt, irrevocable trust that functions as a “rainy-day” savings account set aside specifically to fund pension expenses.

By moving the set-aside money from LAIF and establishing and funding a 115 Trust, the City can reserve funds that can be drawn on when needed to help absorb fluctuations in funding requirements. The 115 Trust can serve to fund Additional Discretionary Payments (ADPs) or to reimburse the General Fund for pension costs.

The advantages of using a 115 Trust are:

- City selects the investment strategy of the assets
- Assets can earn a much higher rate of return vs City’s Investment Policy
- Assets can be used to offset unexpected increases in CalPERS contributions
- Rating agencies view these accounts favorably
- Reduces “Net Pension Liability” on the city’s financial report
- City can decide to not withdraw money and let the assets grow indefinitely

The disadvantages of using a 115 Trust are:

- Assets invested in stocks and bonds which can fluctuate negatively in value
- Assets are in an “Irrevocable Trust”
- Assets must be used for pension costs ONLY
- Assets can not be used for other purposes (i.e. to balance the General Fund)

There are two leading providers of 115 Trusts. Staff reviewed the services based on qualifications, experience, staff knowledge, cost, transparency of results and reporting, and ease of administration.

Currently the City uses CalPERS to manage the OPEB Trust. In October 2019, CalPERS began offering a 115 Trust for pension plan assets known as the California Employers Pension Trust (CEPPT).

The CEPPT participation fee is currently .25% of pension assets under management. There are no other fees, including account set-up fees. CalPERS is a state agency and does not retain any profit from its trust operations.

Through the CalPERS CEPPT, the City has the ability to choose between two investment strategies. Strategy 1 is invested 47% in fixed income and 40% in Global Equity and has returned 4.5% net of costs. Strategy 2 is invested 73% in fixed income and 14% in Global Equity and has an anticipated return of 3.4% net of costs. The remaining investments in both strategies are Treasury Securities and Real estate Investment Trusts. The Finance Subcommittee recommends CEPPT 1 which has an expected return of 4.5%, and closely resembles the investment strategy the City chose for the OPEB Trust.

The other provider of 115 Trusts is Public Agency Retirement Services (PARS). PARS costs 60 basis points for balances under \$5 million, and an additional 50 basis points for a total of 110 basis points, 1.10%.

Neither provider has a minimum initial contribution nor required annual contribution amount. The City will have the ability to make deposits as funds become available.

PARS vs. CalPERS	PARS–Active Moderate Portfolio	CalPERS-CEPPT 1 Moderate Portfolio
Inception Date	10/2004	10/2019
Who controls investment selection	PARS and US Bank	CalPERS Board
115 Trust CA Agency Clients	490+	600+
115 Trust Assets Under Mgmt.	\$6+ Billion	\$92 +Million
Net Return, Calendar Yr 2021	8.7%	8.5%
Net Return, Calendar Yr 2020	12.3%	11.2%
Total All-in Fees	1.10%	.25%
% Equity Holdings (approx.)	53%	40%
Administrative Ease	Medium	High
Investment Term Horizon	Medium: 5-10 yrs	Low/Med: 2-10 yrs

Additionally, the Finance Subcommittee recommends that the positions of City Manager and City Treasurer be authorized to make deposits in to the 115 Trust.

In addition to the previously discussed set-aside of \$223,000, the City budgeted \$200,000 to pay for OPEB costs in 2022/23. This has been the amount needed each year for funding. Recently the City received an updated valuation report, which stated that only \$121,000 is needed to fund the OPEB Trust this year. This means that \$79,000 (\$200,000 - \$121,000) can be used to contribute towards the CalPERs unfunded liability.

The recommendation for the \$79,000 contribution is to pay \$25,000 towards an Additional Discretionary Payment (ADP) and to use the remaining \$54,000 (\$79,000 - \$25,000) to fund the 115 Trust. The recommendation is based upon a 10-year amortization of our liability provided in the most recent actuarial valuation. Raising the payment from the required minimum contribution of \$459,226 to \$484,220 will save the City interest in the future.

Since neither plan requires a minimum contribution, staff recommends that the City consider the amount to invest each year as a part of the budget process.

RECOMMENDATION

It is recommended that the City Council adopt the necessary plan documents, as follows:

1. Adopt the CEPPT Participation Contract, which will name CalPERS as the Trustee of our pension prefunding costs,
2. Adopt Resolution 22-2021 delegating the positions authorized to request disbursements, and
3. Direct staff to contribute \$277,000 to the 115 Trust and pay an Additional Discretionary Payment (ADP) to CalPERS of \$25,000 for Fiscal Year 2022/23.

Attachment: Resolution 22-2021; Delegating the Positions Authorized to Request Disbursements

RESOLUTION NO. 22-2021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, DELEGATING AUTHORITY TO REQUEST DISBURSEMENTS FROM THE CALIFORNIA EMPLOYERS' PENSION PREFUNDING TRUST (CEPPT)

WHEREAS, the City Council has established a Trust to prefund pension costs;
and

WHEREAS, the City Council has chosen CalPERS to provide services; and

WHEREAS, the City Council wishes to designate and authorize certain positions to request disbursements from the CEPPT and to certify as to the purpose for which the disbursed funds will be used.

NOW, THEREFORE, BE IT RESOLVED, by the City Council, as follows:

1. The following City positions holding the title(s) specified hereinbelow **or their successors in office** are each hereby authorized to request disbursements from the CEPPT and to certify as to the purpose for which the disbursed funds will be used.

City Manager, City of Agoura Hills
City Treasurer, City of Agoura Hills

Nathan Hamburger
Bin Zeng

2. This resolution shall remain in full force and effect until rescinded by the City Council by resolution.

PASSED, APPROVED, AND ADOPTED, this 28th day of September, 2022, by the following vote to wit;

AYES: ()
NOES: ()
ABSENT: ()
ABSTAIN: ()

Deborah Klein Lopez, Mayor

ATTEST:

Kimberly M. Rodrigues, City Clerk



California Public Employees' Retirement System
 California Employers' Pension Prefunding Trust (CEPPT)
 400 Q Street, Sacramento, CA 95811
 www.calpers.ca.gov

Delegation of Authority to Request Disbursements
 California Employers' Pension Prefunding Trust
 (CEPPT)

RESOLUTION
 OF THE

City Council

(GOVERNING BODY)

OF THE

City of Agoura Hills

(NAME OF EMPLOYER)

The City Council delegates to the incumbents
 (GOVERNING BODY)

in the positions of City Manager and
 (TITLE)

City Treasurer, and/or
 (TITLE)

----- authority to request on behalf of the
 (TITLE)

Employer disbursements from the Pension Prefunding Trust and to certify as to the purpose for which the disbursed funds will be used.

By _____

Title Mayor

Witness _____

Date _____

CALIFORNIA EMPLOYERS' PENSION PREFUNDING TRUST PROGRAM

**AGREEMENT AND ELECTION
OF**

City of Agoura Hills

(NAME OF EMPLOYER)

**to Prefund Employer Contributions to a Defined Benefit
Pension Plan**

WHEREAS (1) Government Code (GC) Section 21711(a) establishes in the State Treasury the California Employers' Pension Prefunding Trust Fund (CEPPT), a special trust fund for the purpose of allowing eligible employers to prefund their required pension contributions to a defined benefit pension plan (each an Employer Pension Plan) by receiving and holding in the CEPPT amounts that are intended to be contributed to an Employer Pension Plan at a later date; and

WHEREAS (2) GC Section 21711(b) provides that the California Public Employees' Retirement System (CalPERS) Board of Administration (Board) has sole and exclusive control of the administration and investment of the CEPPT, the purposes of which include, but are not limited to (i) receiving contributions from participating employers; (ii) investing contributed amounts and income thereon, if any, in order to receive yield on the funds; and (iii) disbursing contributed amounts and income thereon, if any, to pay for costs of administration of the CEPPT and to deposit employer contributions into Employer Pension Plans in accordance with their terms; and

WHEREAS (3) **City of Agoura Hills**

(NAME OF EMPLOYER)

(Employer) desires to participate in the CEPPT upon the terms and conditions set by the Board and as set forth herein; and

WHEREAS (4) Employer may participate in the CEPPT upon (i) approval by the Board and (ii) filing a duly adopted and executed Agreement and Election to Prefund Employer Contributions to a Defined Benefit Pension Plan (Agreement) as provided in the terms and conditions of the Agreement; and

WHEREAS (5) The CEPPT is a trust fund that is intended to perform an essential governmental function (that is, the investment of funds by a State, political subdivision or 115 entity) within the meaning of Internal Revenue Code (Code) Section 115 and Internal Revenue Service Revenue Ruling 77-261, and as an Investment Trust Fund, as defined in Governmental Accounting Standards Board (GASB) Statement No. 84, Paragraph 16, for accounting and financial reporting of fiduciary activities from the

external portion of investment pools and individual investment accounts that are held in a trust that meets the criteria in Paragraph 11c(1).

WHEREAS (6) The CEPPT is not a Code Section 401(a) qualified trust and the assets held in the CEPPT are not assets of any Employer Pension Plan or any plan qualified under Code Section 401(a).

NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND EMPLOYER AGREE TO THE FOLLOWING TERMS AND CONDITIONS:

A. Employer Representation and Warranty

Employer hereby represents and warrants that it is the State of California or a political subdivision thereof, or an entity whose income is excluded from gross income under Code Section 115(1).

B. Adoption and Approval of the Agreement; Effective Date; Amendment

(1) Employer's governing body shall elect to participate in the CEPPT by adopting this Agreement and filing with the Board a true and correct original or certified copy of this Agreement as follows:

Filing by mail, send to: CalPERS
CEPPT
P.O. Box 1494
Sacramento, CA 95812-1494

Filing in person, deliver to: CalPERS Mailroom
CEPPT
400 Q Street
Sacramento, CA 95811

(2) Upon receipt of the executed Agreement, and after approval by the Board, the Board shall fix an effective date and shall promptly notify Employer of the effective date of the Agreement. Employer shall provide the Board such other documents as the Board may request, including, but not limited to a certified copy of the resolution(s) of the governing body of Employer authorizing the adoption of the Agreement and documentation naming Employer's successor entity in the event that Employer ceases to exist prior to termination of this Agreement.

(3) The terms of this Agreement may be amended only in writing upon the agreement of both the Board and Employer, except as otherwise provided herein. Any such amendment or modification to this Agreement shall be adopted and executed in the same manner as required for the Agreement. Upon receipt of the executed amendment or modification, the Board shall fix the effective date of the amendment or modification.

(4) The Board shall institute such procedures and processes as it deems necessary to administer the CEPPT, to carry out the purposes of this Agreement, and to maintain the tax-exempt status of the CEPPT. Employer agrees to follow such procedures and processes.

C. Employer Reports Provided for the Board's Use in Trust Administration and Financial Reporting and Employer Contributions

(1) Employer shall provide to the Board a defined benefit pension plan cost report on the basis of the actuarial assumptions and methods prescribed by Actuarial Standards of Practice (ASOP) or prescribed by GASB. Such report shall be for the Board's use in trust administration and financial reporting and shall be prepared at least as often as the minimum frequency required by applicable GASB Standards. This defined benefit pension plan cost report may be prepared as an actuarial valuation report or as a GASB compliant financial report. Such report shall be:

- 1) prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board;
- 2) prepared in accordance with ASOP or with GASB; and
- 3) provided to the Board prior to the Board's acceptance of contributions for the reporting period or as otherwise required by the Board.

(2) In the event that the Board determines, in its sole discretion, that Employer's cost report is not suitable for the Board's purposes and use or if Employer fails to provide a required report, the Board may obtain, at Employer's expense, a report that meets the Board's trust administration and financial reporting needs. At the Board's option, the Board may recover the costs of obtaining the report either by billing and collecting such amount from Employer or through a deduction from Employer's Prefunding Account (as defined in Paragraph D(2) below).

(3) Employer shall notify the Board in writing of the amount and timing of contributions to the CEPPT, which contributions shall be made in the manner established by the Board and in accordance with the terms of this Agreement and any procedures adopted by the Board.

(4) The Board may limit Employer's contributions to the CEPPT to the amount necessary to fully fund the actuarial present value of total projected benefit payments not otherwise prefunded through the applicable Employer Pension Plan (Unfunded PVFB), as set forth in Employer's cost report for the applicable period. If Employer's contribution would cause the assets in Employer's Prefunding Account to exceed the Unfunded PVFB, the Board may refuse to accept the contribution. If Employer's cost report for the applicable period does not set forth the Unfunded PVFB, the Board may

refuse to accept a contribution from Employer if the contribution would cause the assets in Employer's Prefunding Account to exceed Employer's total pension liability, as set forth in Employer's cost report.

(5) No contributions are required. Contributions can be made at any time following the effective date of this Agreement if Employer has first complied with the requirements of this Agreement, including Paragraph C.

(6) Employer acknowledges and agrees that assets held in the CEPPT are not assets of any Employer Pension Plan or any plan qualified under Code Section 401(a), and will not become assets of such a plan unless and until such time as they are distributed from the CEPPT and deposited into an Employer Pension Plan.

D. Administration of Accounts; Investments; Allocation of Income

(1) The Board has established the CEPPT as a trust fund consisting of an aggregation of separate single-employer accounts, with pooled administrative and investment functions.

(2) All Employer contributions and assets attributable to Employer contributions shall be separately accounted for in the CEPPT (Employer's Prefunding Account). Assets in Employer's Prefunding Account will be held for the exclusive purpose of funding Employer's contributions to its Employer Pension Plan(s) and defraying the administrative expenses of the CEPPT.

(3) The assets in Employer's Prefunding Account may be aggregated with the assets of other participating employers and may be co-invested by the Board in any asset classes appropriate for a Code Section 115 trust, subject to any additional requirements set forth in applicable law, including, but not limited to, subdivision (d) of GC Section 21711. Employer shall select between available investment strategies in accordance with applicable Board procedures.

(4) The Board may deduct the costs of administration of the CEPPT from the investment income of the CEPPT or from Employer's Prefunding Account in a manner determined by the Board.

(5) Investment income earned shall be allocated among participating employers and posted to Employer's Prefunding Account daily Monday through Friday, except on holidays, when the allocation will be posted the following business day.

(6) If, at the Board's sole discretion and in compliance with accounting and legal requirements applicable to an Investment Trust Fund and to a Code Section 115 compliant trust, the Board determines to its satisfaction that all obligations to pay defined benefit pension plan benefits in accordance with the applicable Employer Pension Plan terms have been satisfied by payment or by defeasance with no remaining risk regarding the amounts to be paid or the value of assets held in the

CEPPT, then the residual Employer assets held in Employer's Prefunding Account may be returned to Employer.

E. Reports and Statements

(1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.

(2) The Board, at its discretion but at least annually, shall prepare and provide a statement of Employer's Prefunding Account reflecting the balance in Employer's Prefunding Account, contributions made during the period covered by the statement, investment income allocated during such period, and such other information as the Board may determine.

F. Disbursements

(1) Employer may receive disbursements from the CEPPT not to exceed, on an annual basis, the amount of the total annual Employer contributions to Employer's Pension Plan for such year.

(2) Employer shall notify the Board in writing in the manner specified by the Board of the persons authorized to request disbursements from the CEPPT on behalf of Employer.

(3) Employer's request for disbursement shall be in writing signed by Employer's authorized representative, in accordance with procedures established by the Board, and the Board may rely conclusively upon such writing. The Board may, but is not required to, require that Employer certify or otherwise demonstrate that amounts disbursed from Employer's Prefunding Account will be used solely for the purposes of the CEPPT. However, in no event shall the Board have any responsibility regarding the application of distributions from Employer's Prefunding Account.

(4) No disbursement shall be made from the CEPPT which exceeds the balance in Employer's Prefunding Account.

(5) Requests for disbursements that satisfy the above requirements will be processed on at least a monthly basis.

(6) The Board shall not be liable for amounts disbursed in error if it has acted upon the written instruction of an individual authorized by Employer to request disbursements, and is under no duty to make any investigation or inquiry about the correctness of such instruction. In the event of any other erroneous disbursement, the extent of the Board's liability shall be the actual dollar amount of the disbursement, plus interest at the actual earnings rate but not less than zero.

G. Costs of Administration

Employer shall pay its share of the costs of administration of the CEPPT, as determined by the Board and in accordance with Paragraph D.

H. Termination of Employer's Participation in the CEPPT

(1) The Board may terminate Employer's participation in the CEPPT if:

- (a) Employer's governing body gives written notice to the Board of its election to terminate; or
- (b) The Board determines, in its sole discretion, that Employer has failed to satisfy the terms and conditions of applicable law, this Agreement or the Board's rules, regulations or procedures.

(2) If Employer's participation in the CEPPT terminates for either of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the CEPPT, except as otherwise provided below, and shall continue to be invested and accrue income as provided in Paragraph D, and Employer shall remain subject to the terms of this Agreement with respect to such assets.

(3) After Employer's participation in the CEPPT terminates, Employer may not make further contributions to the CEPPT.

(4) After Employer's participation in the CEPPT terminates, disbursements from Employer's Prefunding Account may continue upon Employer's instruction or otherwise in accordance with the terms of this Agreement.

(5) After Employer's participation in the CEPPT terminates, the governing body of Employer may request either:

- (a) A trustee to trustee transfer of the assets in Employer's Prefunding Account to a trust dedicated to prefunding Employer's required pension contributions; provided that the Board shall have no obligation to make such transfer unless the Board determines that the transfer will satisfy applicable requirements of the Code, other law and accounting standards, and the Board's fiduciary duties. If the Board determines that the transfer will satisfy these requirements, the Board shall then have one hundred fifty (150) days from the date of such determination to effect the transfer. The amount to be transferred shall be the amount in Employer's Prefunding Account as of the date of the transfer (the "transfer date") and shall include investment earnings up to an investment earnings allocation date preceding the transfer date. In no event shall the investment earnings allocation date precede the transfer date by more than 150 days.

- (b) A disbursement of the assets in Employer's Prefunding Account; provided that the Board shall have no obligation to make such disbursement unless the Board determines that, in compliance with the Code, other law and accounting standards, and the Board's fiduciary duties, all of Employer's obligations for payment of defined benefit pension plan benefits and reasonable administrative costs of the Board have been satisfied. If the Board determines that the disbursement will satisfy these requirements, the Board shall then have one hundred fifty (150) days from the date of such determination to effect the disbursement. The amount to be disbursed shall be the amount in Employer's Prefunding Account as of the date of the disbursement (the "disbursement date") and shall include investment earnings up to an investment earnings allocation date preceding the disbursement date. In no event shall the investment earnings allocation date precede the disbursement date by more than 150 days.

(6) After Employer's participation in the CEPPT terminates and at such time that no assets remain in Employer's Prefunding Account, this Agreement shall terminate. To the extent that assets remain in Employer's Prefunding Account, this Agreement shall remain in full force and effect.

(7) If, for any reason, the Board terminates the CEPPT, the assets in Employer's Prefunding Account shall be paid to Employer to the extent permitted by law and Code Section 115 after retention of (i) an amount sufficient to pay the Unfunded PVFB as set forth in a current defined benefit pension plan(s) cost report prepared in compliance with ASOP and the requirements of Paragraph C(1), and (ii) amounts sufficient to pay reasonable administrative costs of the Board. Amounts retained by the Board to pay the Unfunded PVFB shall be transferred to (i) another Code Section 115 trust dedicated to prefunding Employer's required pension contributions, subject to the Board's determination that such transfer will satisfy applicable requirements of the Code, other law and accounting standards, and the Board's fiduciary duties or (ii) Employer's Pension Plan, subject to acceptance by Employer's Pension Plan.

(8) If Employer ceases to exist but Employer's Prefunding Account continues to exist, and if no provision has been made to the Board's satisfaction by Employer with respect to Employer's Prefunding Account, the Board shall be permitted to identify and appoint a successor to Employer under this Agreement, provided that the Board first determines, in its sole discretion, that there is a reasonable basis upon which to identify and appoint such a successor and provided further that such successor agrees in writing to be bound by the terms of this Agreement. If the Board is unable to identify or appoint a successor as provided in the preceding sentence, then the Board is authorized to appoint a third-party administrator or other successor to act on behalf of Employer under this Agreement and to otherwise carry out the intent of this Agreement with respect to Employer's Prefunding Account. Any and all costs associated with such appointment shall be paid from the assets attributable to Employer's Prefunding Account. At the Board's option, and subject to acceptance by Employer's Pension Plan,

the Board may instead transfer the assets in Employer's Prefunding Account to Employer's Pension Plan and terminate this Agreement.

(9) If the Board determines, in its sole discretion, that Employer has breached the representation and warranty set forth in Paragraph A., the Board shall take whatever action it deems necessary to preserve the tax-exempt status of the CEPPT.

I. Indemnification

Employer shall indemnify, defend, and hold harmless CalPERS, the Board, the CEPPT, and all of the officers, trustees, agents and employees of the foregoing from and against any loss, liability, claims, causes of action, suits, or expense (including reasonable attorneys' fees and defense costs, lien fees, judgments, fines, penalties, expert witness fees, appeals, and claims for damages of any nature whatsoever) not charged to the CEPPT and imposed as a result of, arising out of, related to or in connection with (1) the performance of the Board's duties or responsibilities under this Agreement, except to the extent that such loss, liability, suit or expense results or arises from the Board's own gross negligence, willful misconduct or material breach of this Agreement, or (2) without limiting the scope of Paragraph F(6) of this Agreement, any acts taken or transactions effected in accordance with written directions from Employer or any of its authorized representatives or any failure of the Board to act in the absence of such written directions to the extent the Board is authorized to act only at the direction of Employer.

J. General Provisions

(1) Books and Records

Employer shall keep accurate books and records connected with the performance of this Agreement. Such books and records shall be kept in a secure location at Employer's office(s) and shall be available for inspection and copying by the Board and its representatives.

(2) Notice

(a) Any notice or other written communication pursuant to this Agreement will be deemed effective immediately upon personal delivery, or if mailed, three (3) days after the date of mailing, or if delivered by express mail or e-mail, immediately upon the date of confirmed delivery, to the following:

For the Board:

Filing by mail, send to:
CalPERS
CEPPT
P.O. Box 1494
Sacramento, CA 95812-1494

Filing in person, deliver to:
CalPERS Mailroom
CEPPT
400 Q Street
Sacramento, CA 95811

For Employer:

City of Agoura Hills
30001 Ladyface Court
Agoura Hills, CA 91301

(b) Either party to this Agreement may, from time to time by notice in writing served upon the other, designate a different mailing address to which, or a different person to whom, all such notices thereafter are to be addressed.

(3) Survival

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of this Agreement shall survive the termination of this Agreement.

(4) Waiver

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

(5) Necessary Acts; Further Assurances

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

(6) Incorporation of Amendments to Applicable Laws and Accounting Standards

Any references to sections of federal or state statutes or regulations or accounting standards shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

(7) Days

Wherever in this Agreement a set number of days is stated or allowed for a particular event to occur, the days are understood to include all calendar days, including weekends and holidays, unless otherwise stated.

(8) No Third Party Beneficiaries

Except as expressly provided herein, this Agreement is for the sole benefit of the parties hereto and their permitted successors and assignees, and nothing herein, expressed or implied, will give or be construed to give any other person any legal or equitable rights hereunder. Notwithstanding the foregoing, CalPERS, the CEPPT, and all of the officers, trustees, agents and employees of CalPERS, the CEPPT and the Board shall be considered third party beneficiaries of this Agreement with respect to Paragraph I above.

(9) Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

A majority vote of Employer's Governing Body at a public meeting held on the 28th day of the month of September in the year 2022, authorized entering into this Agreement.

Signature of the Presiding Officer: _____

Printed Name of the Presiding Officer: Deborah Klein Lopez

Name of Governing Body: Agoura Hills City Council

Name of Employer: City of Agoura Hills

Date: _____

BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
MELODY BENAVIDES
DIVISION CHIEF, PENSION CONTRACTS AND PREFUNDING PROGRAMS
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

To be completed by CalPERS The effective date of this Agreement is: _____
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