



COUNCIL AGENDA: 8/29/2023

ITEM: 2.17

FILE NO: 23-1161

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Toni J. Taber, CMC  
City Clerk

**SUBJECT:** SEE BELOW

**DATE:** August 29, 2023

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**SUBJECT: Deferred Compensation Advisory Committee Appointment**

**Recommendation**

As recommended by the Rules and Open Government Committee on August 23, 2023, approve the appointment of Sean Davis, nominated by the “trades organizations” consisting of the Association of Building, Mechanical & Electrical Inspectors (ABMEI), International Union of Operating Engineers, Local 3 (OE#3) and International Brotherhood of Electrical Workers (IBEW), as the active employee member to the Deferred Compensation Advisory Committee (DCAC) to fill a vacant seat for the remainder of the term, ending on March 1, 2025.

CEQA: Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment. (City Manager)

[Rules Committee referral 8/23/2023 - Item B.3]



# Memorandum

**TO:** RULES AND OPEN  
GOVERNMENT COMMITTEE

**FROM:** Jennifer Schembri

**SUBJECT: DEFERRED COMPENSATION  
ADVISORY COMMITTEE  
APPOINTMENT**

**DATE:** August 11, 2023

Approved

Date

8/14/23

**RECOMMENDATION**

- (a) Approve the appointment of Sean Davis, nominated by the “trades organizations” consisting of the Association of Building, Mechanical & Electrical Inspectors (ABMEI), International Union of Operating Engineers, Local 3 (OE#3) and International Brotherhood of Electrical Workers (IBEW), as the active employee member to the Deferred Compensation Advisory Committee (DCAC) to fill a vacant seat for the remainder of the term, ending on March 1, 2025.
- (b) Place the item on the August 29, 2023, City Council Agenda for action.

**SUMMARY AND OUTCOME**

Approval of this recommendation will allow the DCAC to continue to do business and have a quorum at its next meeting on September 18, 2023.

**BACKGROUND**

The DCAC oversees the investments of the City’s voluntary Deferred Compensation Program. The Program currently consists of approximately 8,658 plan participants and includes active employees, former employees, retirees, and holds approximately \$1.3 billion in assets.

Resolution No. 70176, dated February 27, 2001, requires that the DCAC be composed of seven members: two appointed by the City Manager; one recommended by the management employees; one recommended by the San Jose Police Officers Association; one recommended by the International Association of Firefighters, Local 230; one recommended by the employee organizations affiliated with the American Federation of State, County, and Municipal Employees, and one recommended by the “trades organizations.” Each member normally serves a four-year term. As a Council-appointed committee, appointments to the DCAC must first be approved by the Rules and Open Government Committee before being recommended to the City Council.

### **ANALYSIS**

Laurence “Larry” Brown was the most recent employee member on the DCAC that was recommended by the “trades organizations” and his four-year term commenced on March 1, 2023. Mr. Brown’s four-year term was set to expire on March 1, 2025, but he resigned from the DCAC effective April 20, 2023. Thus, there is a vacant seat on the DCAC for the member recommended by the “trades organizations.”

The “trades organizations” consisting of Association of Building, Mechanical & Electrical Inspectors (ABMEI), International Union of Operating Engineers, Local 3 (OE#3) and International Brotherhood of Electrical Workers (IBEW) nominated Sean Davis to fill the vacant seat and serve the remainder of the four-year term, starting on September 1, 2023. Mr. Davis is an active employee and Deferred Compensation Program participant.

### **EVALUATION AND FOLLOW-UP**

The DCAC has the authority to make decisions on behalf of the City as to the investment policy, the choice and nature of investments to be available under the Program, and enter into agreements on behalf of the City for investment advice under the Program where the fees to be paid under such an agreement are to be paid by participants of the Program or where there is no amount to be paid by the City under the agreement. The DCAC shall have the authority to review and advise the City Manager on annual budgets and proposed changes to the Program.

Whenever terms of the members are due to expire or a seat becomes vacant, a recommendation will be presented to the City Council to appoint nominees to fill those seats on the DCAC.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney’s Office and the City Clerk’s Office.

### **PUBLIC OUTREACH**

The key stakeholders were invited to nominate a candidate for appointment to the DCAC.

### **COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

August 11, 2023

**Subject: Deferred Compensation Committee Appointment**


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**CEQA**

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment.

**PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

  
JENNIFER SCHEMBRI  
Director of Employee Relations and  
Director of Human Resources

For questions, please contact Amy Morton, Senior Analyst in Human Resources at (408) 975-1425.