



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Jennifer Schembri

SUBJECT: DEFERRED COMPENSATION
ADVISORY COMMITTEE
APPOINTMENTS

DATE: May 30, 2018

Approved D. D. S. L. Date 6/1/18

RECOMMENDATION

Approve the appointment of Jaime Fonseca, as the representative nominated by American Federation of State, County, and Municipal Employees (AFSCME) MEF and CEO bargaining units to the Deferred Compensation Advisory Committee under City Council Resolution No. 70176 for a four-year term ending on March 1, 2022.

OUTCOME

Approval of this recommendation will allow the appointee to begin his term and allow the Deferred Compensation Advisory Committee (DCAC) to continue to do business, and to meet as a full committee at its next meeting on June 18, 2018.

BACKGROUND

The DCAC oversees all aspects of the City's voluntary Deferred Compensation Program. The program currently consists of approximately 7,445 plan participants, and includes active employees, former employees, retirees, and approximately \$1,000,000,000 in assets. The DCAC is responsible for administering the Deferred Compensation Plan, the trust account and is responsible for the operation of the Plan in accordance with the terms of the Plan. The DCAC is required to determine all questions arising out of the administration, interpretation and application of the Plan and the Trust including evaluating and selecting investment options.

- 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 SJPOA; one recommended by the San José Firefighters, Local 230; one recommended by the employee organizations affiliated

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with the American Federation of State, County, and Municipal Employees, and one recommended by the trades employee organizations. Each member normally serves a four-year term; however, the members appointed by the City Manager shall serve at the pleasure of the City Manager. As a Council-appointed committee, appointments to the DCAC must first be approved by the Rules Committee before being recommended to the City Council.

When 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. The seat that is held by an employee representing the employee organizations affiliated with AFSCME became vacant on March 1, 2018.

Representatives of AFSCME were asked for nominations for the City Council's approval and appointment to serve on the DCAC. On May 25, 2018, Jaime Fonseca's nomination was received. Pursuant to City Council Resolution No. 70176, Jaime Fonseca is a participant of the Deferred Compensation Plan.

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

/s/

Jennifer Schembri
Acting Director of Human Resources

For questions please contact Emily Hendon, Benefits Division Manager (408) 975-1448.