



# Memorandum

**TO: RULES COMMITTEE**

**FROM: Jennifer Schembri**

**SUBJECT: DEFERRED COMPENSATION  
ADVISORY COMMITTEE  
APPOINTMENTS**

**DATE: January 30, 2019**

Approved

*D. DSYL*

Date

*1/31/19*

## RECOMMENDATION

- (a) Approve the appointment of Jason Santos as the nominee by 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) to the Deferred Compensation Advisory Committee (DCAC) to replace member, Jon Reger, for the remainder of the four-year term ending on March 1, 2021.
- (b) Place the item on the February 26, 2019 City Council Agenda for action.

## OUTCOME

Approval of this recommendation will allow the new appointee to take over the vacant seat and allow the DCAC to continue to do business, and to meet as a full committee at its next meeting on March 18, 2019.

## BACKGROUND

The DCAC oversees all aspects of the City’s voluntary Deferred Compensation Program. The program currently consists of approximately 7,801 plan participants, and includes active employees, former employees, retirees, and approximately \$953 million 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 SJPOA; one recommended by the San José 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 employee organizations. Each member normally serves a four-year term. As a Council-

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appointed committee, appointments to the DCAC must first be approved by the Rules Committee before being recommended to the City Council.

**ANALYSIS**

The current member, Jon Reger, a member of the trades organizations, retired effective January 10, 2019. The group designated as the trades organizations were each asked for nominations from their respective organizations for the City Council's approval and appointment to replace and take over Jon Reger's four-year term on the DCAC. On January 22, 2019, Jason Santos's nomination was received from ABMEI. No other nominations were received.

**EVALUATION AND FOLLOW-UP**

This recommendation addresses the performance measures of the DCAC. This 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.

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.

**PUBLIC OUTREACH**

The key stakeholders were invited to nominate a candidate for appointment to the DCAC. The name of the new Committee member will be added to a revised roster that will be posted on the City Clerk's website.

**COORDINATION**

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

**COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

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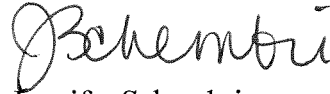
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**CEQA**

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

A handwritten signature in cursive script, appearing to read "J Schembri".

Jennifer Schembri

Director of Employee Relations and

Director of Human Resources

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