



COUNCIL AGENDA: 08-09-11
ITEM: 2.11

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Dennis Hawkins, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: 08-03-11

**SUBJECT: DEFERRED COMPENSATION ADVISORY COMMITTEE
APPOINTMENT**

RECOMMENDATION

As recommended by the Rules and Open Government Committee on August 3, 2011 and outlined in the attached memos previously submitted to the Rules and Open Government Committee, appoint Sean Kaldor to the Deferred Compensation Advisory Committee as the representative nominated by the San José Firefighters, Local 230 (IAFF), for the remainder of the four-year term ending March 1, 2013.



Memorandum

TO: RULES COMMITTEE

FROM: Alex Gurza

SUBJECT: DEFERRED COMPENSATION
ADVISORY COMMITTEE
APPOINTMENT

DATE: July 14, 2011

Approved

Date

7/15/11

COUNCIL DISTRICT: N/A
SNI AREA: N/A

RECOMMENDATION

It is recommended that the City Council approve the appointment of Sean Kaldor to the Deferred Compensation Advisory Committee (Committee) as the representative nominated by the San Jose Firefighters, Local 230 (IAFF), for the remainder of the four-year term ending March 1, 2013 that will be made vacant by the current representative.

OUTCOME

The employee currently serving in this role for the seven-member Committee has informed us of his resignation from the Committee effective June 30, 2011 due to his new role as the President of the San Jose Firefighters, Local 230 (IAFF). Approval of this recommendation will fill the vacant seat and allow the Committee to continue to do business, and to meet as a full committee at the August 25, 2011 meeting.

BACKGROUND

The Committee oversees all aspects of the City's voluntary Deferred Compensation Program. The program currently consists of approximately 9,583 plan participants, consisting of active employees, former employees and retirees, and approximately \$622 million in assets.

Resolution No. 70176, dated February 27, 2001, requires that the Committee 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 San Jose Firefighters, Local 230; one recommended by the employee organizations affiliated

RULES COMMITTEE

July 14, 2011

Subject: Deferred Compensation Committee Appointment

Page 2

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

ANALYSIS

Robert Sapien, Committee Chair currently in this position, has accepted a new role as the President of the San Jose Firefighters, Local 230 effective April 21, 2011 and has informed the City of his resignation from the Deferred Compensation Committee effective June 30, 2011. Upon notice of the resignation, Deferred Compensation staff asked the San Jose Firefighters, Local 230 to recommend a replacement Committee Chair for the City Council's approval and appointment.

In June 2011, San Jose Firefighters, Local 230 (IAFF) recommended Sean Kaldor to serve the remainder of Mr. Sapien's four-year term through March 1, 2013. No other recommendations were received by staff.

EVALUATION AND FOLLOW-UP

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

PUBLIC OUTREACH/INTEREST

The key stakeholders, the San Jose Firefighters, Local 230 (IAFF) were invited to nominate a candidate for appointment to the Deferred Compensation Committee. The name of the new Committee member will be posted on the City's website as part of the agenda of the Deferred Committee, and a revised roster 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.

CEQA

Not a project.

RULES COMMITTEE

July 27, 2011

Subject: Deferred Compensation Committee Appointment

Page 3

A handwritten signature in black ink, appearing to read 'Alex Gurza', with a long horizontal flourish extending to the right.

ALEX GURZA
Deputy City Manager

For questions please contact Jeanne Groen, Benefits Manager at (408) 975-1428.