



CITY OF *Los Angeles* DEFERRED COMPENSATION PLAN

Board Report 21-27

Date: May 18, 2021

To: Board of Deferred Compensation Administration

From: Staff

Subject: 2021 Board of Deferred Compensation Administration
Special Election for WPERP Representative Board Seat

Board of Deferred Compensation Administration
Thomas Moutes <i>Chairperson</i>
Raymond Ciranna <i>Vice-Chairperson</i>
Robert Schoonover <i>First Provisional Chair</i>
Neil Guglielmo <i>Second Provisional Chair</i>
Joshua Geller <i>Third Provisional Chair</i>
Linda P. Le
Wendy G. Macy
Baldemar J. Sandoval WPERP Representative
<i>Vacant</i>

Recommendation:

That the Board of Deferred Compensation Administration (Board): (a) approve the proposed timeline for conducting a special election for the Active Water and Power Employees’ Retirement Plan (WPERP) Representative Board seat and (b) suspend the signatures-gathering requirement for the upcoming special election for the Active WPERP Representative Board seat.

Discussion:

A. Background

Per City of Los Angeles Administrative Code Section 4.1407, Board members include directly elected employee participant representatives from the Los Angeles City Employees’ Retirement System (LACERS), Los Angeles Fire and Police Pensions (LAFPP), and the Water and Power Employees’ Retirement Plan (WPERP), and a retiree participant representative. The table below details the incumbent representatives and their Board terms:

Board Position	Incumbent	Term
LACERS Representative	Joshua Geller	July 1, 2020 – June 30, 2023
LAFPP Representative	Baldemar J. Sandoval	July 1, 2020 – June 30, 2023
WPERP Representative	Vacant effective 3/1/2021; Prior incumbent – Hovhannes Gendjian	July 1, 2018 – June 30, 2021
Retiree Representative	Thomas Moutes	July 1, 2018 – June 30, 2021

B. 2021 Election Update for Active WPERP Representative Board Seat

At its meeting on April 20, 2021, staff provided the Board with the following update regarding the 2021 election for the Active WPERP Representative Board seat:

- The deadline to submit candidate materials to run for the Active WPERP Representative Board seat was April 1, 2021.
- The Board approved that the qualifying signatures for the election could be submitted electronically (physical signatures were not required).
- Three participants requested candidate materials be provided to them but none of these participants submitted the materials or the required number of qualifying signatures (minimum of 50 and a maximum of 100 signatures were required).
- The City Clerk advised that as there were zero candidates who met the requirements to be placed on the official ballot, the election will be canceled and the Board should call for a special election to be conducted at a later date.
- Potential reasons for candidates not submitting the required materials based on initial feedback staff received from candidates include:
 - 1) Difficulty obtaining qualifying signatures due to social distancing guidelines and staggered office hours to maintain those guidelines.
 - 2) Working in a field office with less than 50 people.
- Staff advised the Board that it would work with the City Clerk regarding a proposed timeline for conducting the special election and further review the signatures-gathering requirement and provide options for the Board to consider in the upcoming special election.

C. Proposed 2021 Special Election Timeline and Signatures-Gathering Requirement for Active WPERP Representative Board Seat

Proposed 2021 Special Election Timeline

Staff consulted with the City Clerk and has developed the below proposed timeline for conducting the special election for the Active WPERP Representative Board seat:

Description	Proposed Date
DCP notification to City Clerk of special election	Friday, June 18, 2021
Candidate materials made available	Thursday, July 29, 2021
Deadline for filing candidate materials to run for seat	Thursday, August 12, 2021
Mailing of ballots by City Clerk	Early September 2021
Election Day	Thursday, September 16, 2021
Certification of election results by City Clerk	Thursday, September 30, 2021

Based on the proposed timeline, it is anticipated that the election results will be certified by September 30, 2021 and the new Active WPERP Board member's first Board meeting will be October 19, 2021. Should any substantive changes to the timeline be required, staff will promptly

report back to the Board. Staff therefore recommends that the Board adopt the proposed timeline for conducting a special election for the Active WPERP Representative Board seat.

Signatures-Gathering Requirement for Active WPERP Representative Board Seat

Staff further reviewed the signatures-gathering requirement. In the 2020 election for the Active LACERS and LAFPP Representative Board seats, the Board suspended the signatures-gathering requirement due to the impact of the COVID-19 pandemic on executing the election process. As a result of the suspension of the signatures-gathering requirement, a total of nine candidates ran for the LACERS Board seat (compared to three in 2017) and one candidate ran for the LAFPP Board seat (compared to one in 2017). While the suspension of the signatures-gathering requirement resulted in greater participation, the voter participation rate remained relatively the same as the 2017 election for both positions.

The 2020 Active LACERS and LAFPP elections were conducted at the onset of the pandemic where many City employees had only begun to work remotely and the duration of the pandemic was unknown. The Board moved expeditiously to adopt changes to the Board’s Election Policies and Procedures to provide flexibility in administering the election process due to emergencies such as the pandemic. Accordingly, the following section was added to the Board Election Policies and Procedures providing the Board with emergency powers relative to the conduct of Board elections in the event of a local emergency:

Section P. Emergency Board Actions

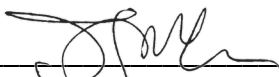
“The Board may take certain actions relative to the election process in the event of a local emergency declared by the City of Los Angeles, the County of Los Angeles, the State of California, or the Federal government that significantly impacts the conduct of an election. In such an event, the Board shall be able to enact temporary emergency election procedures to provide for the timely conduct of elections in accordance with the Board’s Election Policies and Procedures.”

More than one year later, the pandemic continues to impact City operations and how and where City employees work. While much of the City workforce has adapted to a telecommuting work schedule and working remotely, based on initial feedback from candidates, obtaining nominating signatures in this current environment is a difficult task due to staggered employee work schedules to maintain social distancing guidelines. It is important to note that nominating signatures could be submitted electronically; no physical signatures were required. However, it appears that despite that qualification, candidates may still have experienced difficulty obtaining the signatures. Given that the COVID-19 pandemic has not ended and continues to significantly impact the conduct of an election, staff recommends that the Board suspend the signatures-gathering requirement for the upcoming special election for the Active WPERP Representative Board seat. Doing so may encourage greater participation and remove any potential barriers to collecting nominating signatures due to the varying work schedules of WPERP employees.

Staff conducted a comprehensive review of the Board Election Policies and Procedures in the fall of 2020 following the elections for the Active LACERS and LAFPP Representative Board seats and made various revisions, particularly related to unusual contingencies given the COVID-19

pandemic and its impact on the conduct of elections. During the Board’s review of staff’s proposed revisions, the Board discussed the signatures-gathering requirement and also considered the merits of eliminating the signatures-gathering requirement entirely. Ultimately, the Board decided to eliminate the signatures-gathering requirement for the Retiree Representative Board seat but retain it for the LACERS, LAFPP, and WPERP Representative Board seats; however, the requirement was reduced from a minimum of 100 and a maximum of 200 to a minimum of 50 and a maximum of 100 signatures.

The next election for the Active LACERS and LAFPP Representative Board seats is scheduled for the spring of 2023. It is difficult to predict how the work environment may look in two years – whether telecommuting becomes institutionalized or employees are working back at their desks or a combination of both. As the Board approaches those elections, it may wish to review the signatures-gathering requirement based on workplace circumstances in effect at that time.

Submitted by: 

Jenny M. Yau, Senior Management Analyst II

Approved by: 

Steven Montagna, Chief Personnel Analyst