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DEFERRED COMPENSATION PLAN BOARD REPORT 07-05



Date: March 6, 2007

To: Board of Deferred Compensation Administration

From: Staff

Subject: Election Procedures/Plan Governance

Recommendation:

That the Board of Deferred Compensation Administration adopt the proposed Election Policies and Procedures for the Board of Deferred Compensation Administration; and authorize reimbursement to the Office of the City Clerk for all expenses incurred by that Office in administering future Board elections.

Discussion:

As a result of the City Council's adoption of changes to the governance for the Board of Deferred Compensation Administration, staff has developed proposed election policies and procedures to provide direction to staff, the City Clerk and potential candidates for the elected positions on the Board. The City Attorney's Office has indicated that these policies and procedures may be codified by the Board in the form of adoption of the attached document.

Staff developed these policies using essentially the same policy language used by the Los Angeles City Employees' Retirement System (LACERS) for administration of their elections, with certain modifications reflecting the unique features of the elected positions on the Board. Staff has also been engaged in an ongoing dialogue with staff of the City Clerk's Office as well as City Attorney's Office in development of this document. Staff believes that the proposed policy will provide for effective and fair administration of the process and recommends its adoption.

In addition, staff recommends that the Board formally authorize reimbursement to the City Clerk for all costs associated with its administration of Board elections. Staff projects that these costs will average approximately \$30,000 annually.

Plan Governance: Pensions Representative – At the Board's February 20th meeting the Board discussed the issue of the Pensions representative on the Board. Staff was requested to contact members of the Task Force and inquire about some or all of them possibly attending the March 17th meeting. None of them could make a commitment to attending this meeting. However, the Task Force members did confirm staff's recollection of the discussions, which was that the issue may have been discussed but not in any detail.

The Board may wish to consider two options. Staff can certainly attempt to have some of the Task Force members attend the April 17th meeting. Alternatively, the Board could direct staff to reconvene the Task Force to study the issue and report back to the Board formally. The latter approach may be preferable, as it would (a) allow staff to work with the Task Force members' schedules to find a date that works for them; (b) ensure that the Board would receive feedback from all the Task Force members, not just those who may be able to attend one of the Board meetings; and (c) not further delay consideration of this issue.

Submitted by: _____
Steven Montagna

Approved by: _____
Maryanne Keehn