



Agenda Item 6a

February 20, 2013

ITEM NAME: 2013 CalPERS Board of Administration Member-At-Large Election – Notice of Election and Schedule of Events.

PROGRAM: Operations Support Services Division

ITEM TYPE: Action

RECOMMENDATION

Staff recommends the CalPERS Board of Administration approve the Notice of Election and Schedule of Events for the 2013 CalPERS Board of Administration Member-At-Large Election.

EXECUTIVE SUMMARY

Staff is preparing to conduct an election for two Member-At-Large seats on the Board of Administration established by the Public Employees' Retirement Law (PERL), Government Code section 20090 (g)(1). The current terms expire on January 15, 2014. Eligible active and retired members can vote and participate as candidates in this election. The incumbents are Joseph (JJ) Jelincic and Michael Bilbrey. Mr. Jelincic and Mr. Bilbrey have both declared their intention to be a candidate for reelection.

STRATEGIC PLAN

This item is not a product of the Strategic Plan, but is part of the regular and ongoing workload of the Operations Support Services Division.

BACKGROUND

The CalPERS Board of Administration consists of 13 members; six of the members are elected by their represented membership. The Board composition is mandated by law and cannot be changed unless approved by a majority of the registered voters in the State. Staff will begin the election process in March 2013 after the Notice of Election and Schedule of Events have been approved by the CalPERS Board of Administration.

ANALYSIS

In accordance with the PERL the position currently held by Joseph (JJ) Jelincic is designated as Position A, and the position currently held by Michael Bilbrey is designated as Position B. Each Member-At-Large candidate must be elected by a majority vote, which is 50 percent of votes cast plus one vote. If there is not a majority vote winner in the first election for either position, then a runoff election must be held between the two candidates who receive the highest number of votes in the election.

A potential candidate must submit a Nomination Petition for either Position A or Position B, but not both, to become a candidate for this election. Eligible members will vote separately for a candidate in the Position A and Position B election.

Staff will also work with the Office of Public Affairs to videotape the candidate statements for posting on the CalPERS website. In addition, all candidates will be invited to participate in a Candidate Forum in September 2013. The forum will be streamed live and posted on the CalPERS website for those unable to watch or attend.

The preliminary estimated costs to conduct this Member-At-Large Election and possible runoff election are approximately \$3,883,898 for Fiscal Year 2012-2013 and 2013-2014. Funds are included in the current year budget to begin the election and additional funds will be requested through the Fiscal Year 2013-2014 budget process.

The proposed Notice of Election (Attachment 1) and Schedule of Events (Attachment 2) are attached for your approval. In addition, the Board Approved Election Process Changes Summary (Attachment 3) is provided for your information.

BENEFITS/RISKS

The benefits include:

- Approval will ensure CalPERS is in compliance with the PERL for Member Board Elections.

The risks include:

- If the Notice of Election and Schedule of Events are not approved by the Board of Administration, CalPERS will not be in compliance with the PERL for Member Board Elections.

ATTACHMENTS

Attachment 1 – Notice of Election – 2013 CalPERS Board of Administration Member At-Large Election

Attachment 2 – Schedule of Events – 2013 CalPERS Board of Administration Member-At-Large Election

Attachment 3 – Board Approved Election Process Changes Summary

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