

REGULATIONS OF THE BOARD OF RETIREMENT

I. AUTHORITY

- 1.1. The Mendocino County Employees Retirement Association (MCERA) was established under, and is governed by, the provisions of the County Employees' Retirement Law of 1937, Government Code section 31450, et seq (1937 Act). MCERA is also governed by the provisions of the California Public Employees' Pension Reform Act of 2013 (PEPRA), Government Code section 7522 et seq., as well as relevant State and Federal laws.
- 1.2. MCERA was established by the Mendocino County Board of Supervisors by Ordinance No. 310, dated October 15, 1947, operative January 1, 1948.
- 1.3. Pursuant to Government Code section 31525, these regulations shall be the official regulations of the Board and shall be in full force and effect from the date of ratification by the Mendocino County Board of Supervisors and shall supersede any and all conflicting rules or resolutions.
- 1.4. The Board of Retirement (Board) may amend these regulations at any time. Such amendments shall be effective on the date they are ratified by the Mendocino County Board of Supervisors.
- 1.5. Plenary authority and fiduciary responsibility for the investment of moneys and administration of the system is vested in the Board by Section 17, Article XVI of the Constitution of the State of California.
- 1.6. The management of the retirement system is vested with the Board pursuant to Government Code Section 31520.1. Routine day-to-day administration is delegated to the Executive Director.

II. BOARD

- 2.1. The Board shall discharge its duties solely in the interest of, and for the exclusive purpose of providing benefits to participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. A Retirement Board's duty to its participants and their beneficiaries shall take precedence over any other duty.

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2.2. Composition

- 2.2.1. The Board consists of nine (9) members (Trustees) and two (2) alternate members, pursuant to Government Code Sections 31520.1 and 31520.5, as follows:
- 2.2.2. Ex Officio: The County Tax Collector-Treasurer serves as the first Trustee.
- 2.2.3. Elected: The second and third Trustees shall be elected by MCERA's general members, the seventh and alternate seventh Trustees shall be elected by MCERA's safety members, and the eighth and alternate eighth Trustees shall be elected by MCERA's retired members.
- 2.2.4. Appointed: The fourth, fifth, sixth and ninth Trustees shall be qualified electors of the County who are not connected with the County government in any capacity, except one may be a Supervisor, and shall be appointed by the Board of Supervisors.

2.3. Terms and Vacancies

- 2.3.1. Terms of appointed and elected trustees are for three years.
- 2.3.2. Vacancies shall be filled in accordance with the provisions of Government Code section 31523. A Trustee elected by MCERA's general or safety members vacates office upon separation from the service of the county pursuant to Government Code section 31524.

2.4. Board Officers

- 2.4.1. At the Regular Meeting in December, the Board of Retirement shall elect Board Officers comprised of a Chair, Vice-Chair, and Secretary, each to hold office for a term of one year or until a successor is duly elected and qualified. Should any officer, for any reason, fail to complete this term the Board of Retirement shall elect a successor for the balance of the unexpired term at its next Regular Meeting.
- 2.4.2. The Chair shall preside at all meetings of the Board and shall appoint the Chairs and members of committees to perform all duties incidental to that office.
- 2.4.3. In the Chair's absence or inability to act, the Vice-Chair shall perform the duties of that office.
- 2.4.4. The Secretary and/or Board Chair shall attest to Resolutions and other such documents for the Board.
- 2.4.5. The Board shall adopt, adhere to, and may amend from time to time, policies and procedures which shall, at a minimum, provide for the manner of appointment of the Chairs and members of committees.

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2.5. Executive Director

- 2.5.1. The Board may appoint an Executive Director. If the Board appoints an Executive Director, it shall be pursuant to Government Code section 31522.2. The Executive Director shall be directed by, serve at the pleasure of, and may be dismissed at the will of the Board.
- 2.5.2. The Board shall adopt, and may amend from time to time, a formal Delegation of Authority which sets forth the specific powers and duties assigned to the Executive Director by the Board. The Executive Director shall adhere to the terms and conditions of the Delegation of Authority in all matters.

2.6. Meetings

- 2.6.1. Regular Meetings: Regular meetings of the Board shall be held on the third (3rd) Wednesday in each month at the hour of 8:30 a.m., at the MCERA Office located at 625-B Kings Court, Ukiah, California, or such other place and time as the Board may from time to time designate.
- 2.6.2. Other Meetings: Other meetings of the Board of Retirement may be called at any time by the Chair or a majority of all the Retirement Board members (any five (5) members) in accordance with applicable laws and Board policy.
- 2.6.3. Quorum: The Board is composed of nine (9) members and two (2) alternate members, if seated. A majority of all the members (five (5) members) of the Board constitutes a quorum. Any motion passed or business transacted at a Board meeting must be made by a majority of the members present and voting, except as otherwise provided by law or these regulations. A member who abstains is not considered present and voting, but remains present for purposes of a quorum.
- Pursuant to section 31520.6, the alternate eighth member shall be counted towards a quorum and may vote only in the event the following members are absent: (1) the eighth member; (2) both the second and third members; (3) both the second and seventh members; or (4) both the third and seventh members.
 - Pursuant to section 31520.1, the alternate seventh member, if any, shall vote as a member of the board only if the second, third, seventh, or eighth member is absent from a board meeting, or if there is a vacancy with respect to the second, third, seventh, or eighth member, the alternate seventh member shall fill the vacancy until a successor qualifies. The alternate seventh member shall sit on the board in place of the seventh member if a member of the same service is before the board for a determination of his or her retirement.

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- 2.6.4. Robert's Rules of Order shall guide the Board of Retirement in its proceedings, except as otherwise provided herein.

III. **BOARD ELECTIONS:** The following rules and regulations are adopted for the purpose of the nomination and election by the members of the Retirement Association of the Second, Third, Seventh, Eighth, and Alternate Eighth Members of the Board of Retirement.

3.1. **General**

- 3.1.1. The election shall be held in the month designated in the Boards Elections Policy.
- 3.1.2. The Board shall adopt, adhere to, and may amend from time to time, a Board Elections Policy which shall, at a minimum, provide guidelines establishing eligibility to vote and the way elections will be conducted.
- 3.1.3. On or prior to September 1, of each year, the Executive Director shall notify the Board of Supervisors of the County of Mendocino and the County Clerk of said County of the name or names of Retirement Board Members for whom successors must be appointed or elected.

IV. **POLICIES AND ADMINISTRATIVE PROCEDURES OF THE BOARD**

- 4.1. **Conflict of Interest:** The Board shall adopt, adhere to, and may amend from time to time, a Conflict of Interest Policy which shall, at a minimum, provide guidelines for MCERA Trustees in carrying out their fiduciary duties and mitigating the risk of creating an actual or perceived conflict of interest.

4.2. **Investments**

- 4.2.1. The Board shall have exclusive control of the investments of the Fund, pursuant to the provisions of Section 17, Article XVI of the Constitution of the State of California and Government Code sections 31594, 31595 and 31596.1 et seq.
- 4.2.2. The Board shall discharge its duties with respect to the system with the care, skill, prudence, and diligence under the circumstances, then prevailing, that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.
- 4.2.3. The Board shall adopt, adhere to, and may amend from time to time, an Investment Policy Statement which shall, at a minimum, establish the Board's Investment Goals, Objectives, Policies, Asset Allocation, Guidelines, and Controls.

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4.3. Membership

- 4.3.1. Every employee who becomes a member of the Retirement Association shall execute and file with the Board a sworn statement showing date of birth, nature of employment with the County or other participating employer, compensation received, and such other information as is required by the Board, these regulations, or Board policy and procedure, as provided for under section 31526.
- 4.3.2. Each person entering County or Special District employment who becomes a member of the Retirement Association becomes a member on the first day of the pay period following entrance into service with the County or Special District.
- 4.3.3. Each person whose service for the County or Special District requires the performance of duties less than 80% of the full-time standard hours required in County or Special District service, shall be excluded from active membership in the Retirement Association.
- 4.3.4. Newly hired employees who have attained age 60 may request, in writing, a waiver of membership in the Retirement Association. In all cases where there is such a waiver, said employee upon attaining age 70 shall thereafter be employed from year to year at the discretion of the County (section 31552).
- 4.3.5. Full time employees shall not receive more than one (1) year of credited service in any one fiscal year for continuous service, as defined in the Mendocino County Code section 3.04.100 "Hours of Work". Credit for service of less than one (1) year, as defined in the section above, shall be allowed on a prorated basis.
- 4.3.6. When an employee fails to remain in continuous service performing duties of at least 80% of the full-time standard hours, he/she shall become ineligible for active membership in the Mendocino County Employees Retirement Association
- 4.3.7. The Board shall adopt, adhere to, and may amend from time to time, policies and procedures governing membership which are not inconsistent with the provisions of the 1937 Act, these regulations, and any other applicable law and which shall, at a minimum, establish eligibility for membership, and define service, benefits available, compensation earnable, and pensionable compensation.
- 4.4. **Retirement:** The Board shall adopt, adhere to, and may amend from time to time, policies and procedures governing retirement of members and which shall, at a minimum, identify the process for determining eligibility for service or disability retirement and hearing procedures.
- 4.5. **Other Policies:** The Board may adopt such other policies and procedures relating to the conduct of Board business as it deems necessary.

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V. CERTIFICATES

- 5.1. Prior to the approval by the Board of an application for service retirement, the member shall be furnished with an estimate indicating the amount of his retirement allowance calculated in accordance with the unmodified and various optional modes of settlement. The Benefit Payment Option Election Form shall provide a place for the signature of the member indicating the choice as to the type of retirement allowance selected. The completed statement shall constitute the annuity certificate provided for in Government Code section 31526(c).

VI. AMENDMENTS: These regulations may be amended at any regular meeting of the Board by an affirmative vote of at least six (6) members of the Board and shall be submitted to the Mendocino County Board of Supervisors for ratification. The foregoing Regulations revise and amend those Bylaws which were previously adopted by the Board of Retirement on 9th day of February, 1973.

First Amendment adopted the 11th day of October 11, 1974;

Second Amendment adopted the 10th day of June, 1977;

Third Amendment adopted the 14th day of September 1979;

Fourth Amendment adopted the 11th day of May, 1983;

Fifth Amendment adopted the 13th day of March, 1985;

Sixth Amendment adopted the 12th day of March, 1986;

Seventh Amendment adopted the 9th day of April, 1986;

Eight Amendment adopted the 10th day of June, 1987;

Ninth Amendment adopted the 9th day of March, 1988;

Tenth Amendment adopted the 17th day of November, 1999;

Eleventh Amendment adopted the 11th day of April, 2003;

Twelfth Amendment adopted the 17th day of July, 2013;

Thirteenth Amendment adopted the 21st day of August, 2013;

Fourteenth Amendment adopted the 17th day of August, 2022

All of which have been become a part of the Mendocino County Employees Retirement Association past Bylaws and are now the Regulations of the Board of Retirement, and have been approved by the Board of Supervisors.