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**SPECIAL NOTICE/HEARING:
VOTE REQUIRED:**

None
Majority

TO: Honorable Board of Supervisors
FROM: Scott Hood, Chief Executive Officer, SamCERA
SUBJECT: Amendments to the Board of Retirement Regulations

RECOMMENDATION:

Approve a resolution approving amendments to the Board of Retirement's Regulations 4.2, 4.5, 4.6, 4.9, 4.10, 4.13, 4.17, 4.21, and 4.22 in Article IV Election of Trustees; amending Regulations 5.3 and 5.5(D) in Article V Membership Duties and Rights; and adding Regulation 6.10 in Article VI Disability Retirements.

BACKGROUND:

Section 17 of Article XVI of the California Constitution provides that the retirement board of a public pension or retirement system shall have the plenary authority and sole and exclusive responsibility to administer such system. In administering the retirement system, Government Code Section 31525 authorizes the Board of Retirement ("BOR") to adopt regulations which become effective upon approval by the Board of Supervisors.

Following discussions between the County's Elections Division and SamCERA staff regarding SamCERA's special elections process, the BOR adopted revisions to certain deadlines in that process. Additionally, in the interests of efficiency, SamCERA's staff took the opportunity to review the regulations as a whole and suggest other revisions that would assist SamCERA in more efficiently processing benefit payments and disability retirement applications. All of the recommended revisions are in accordance with the BOR's plenary authority in administering the retirement system. Per Section 31525, the BOR is now submitting the regulation changes to the Board of Supervisors for its approval.

DISCUSSION:

The following is a summary of the changes to the Board of Retirement's regulations.

Elections-Related Revisions (Article IV)

Proposed revisions to Regulations 4.2, 4.5, 4.6, 4.9, 4.10, and 4.17 were suggested by the County's Elections Division in order to provide elections staff with an additional week to conduct SamCERA's regular elections by moving the date on which candidates may obtain Nominating Petitions or Declarations of Candidacy one week earlier to the second Monday in April (as opposed to the third Monday). Subsequent deadlines such as the

dates by which candidates shall file such papers have correspondingly been shifted one week earlier which ultimately provides elections staff with an additional week to prepare and mail ballots.

The BOR adopted an amendment to Regulation 4.22 to extend the period for Special Elections to between 60-150 days as opposed to the current 60-120 days. This amendment stems from the fact that if an elected BOR Trustee whose term is within one year of expiration resigns or retires in August, then pursuant to the current timeframes, SamCERA would need to conduct one Special Election prior to the end of the calendar year to fill the remaining term and a second election the following June for the upcoming term. Extending the time period to hold the Special Election to 150 days will allow SamCERA and the Elections Division to conduct one consolidated election (for both the remaining term and the upcoming term) in January.

Revisions to Regulation 4.2 clarify that deferred members are ineligible to be placed on either the List of Eligible Candidates and Nominators or on the List of Eligible Voters. Revisions to Regulation 4.21 clarify that newly elected or appointed BOR Trustees shall be sworn in at the first BOR meeting at which they are present following election or appointment. The BOR also has revised Regulation 4.13 to correct a typographical error.

Membership Duties and Rights Revisions (Article V)

The BOR adopted amendments to Regulation 5.5(D) to allow the BOR to delegate its authority to the Chief Executive Officer to provide for payment to members by check. Presently, such authority may only be exercised by the BOR itself which necessitates the placement of such items on the BOR agenda, and which may cause delay in processing such payment method changes. The BOR also adopted revisions to Regulation 5.3 to clarify the intended meaning of that regulation which is to allow the Chief Executive Officer to prescribe the manner and form of documents that are required to be submitted by new members.

Disability Retirements (Article VI)

California Government Code Section 31535 authorizes the BOR to issue subpoenas and subpoenas duces tecum in connection with the evaluation and processing of disability retirement applications. Such subpoenas may be necessary in situations where an employer has filed for disability retirement on behalf of a member and the member fails to promptly execute the necessary releases for SamCERA to be able to obtain relevant medical and other records. Section 31535 further provides that the BOR, through its regulations, may delegate this authority to the retirement system's Chief Executive Officer or to a hearing officer. The BOR adopted Regulation 6.10 which would allow for the delegation of its authority which would allow for the more efficient exercise of this subpoena power.

The County Attorney has reviewed and approved the resolution as to form.

FISCAL IMPACT:

None

