

SACRS MEMORANDUM

April 1, 2015

Attn: SACRS Administrators
From: Raymond McCray, SACRS Nominating Committee Chair
SACRS Nominating Committee
Re: SACRS Board of Directors Elections 2015-2016 – Final Ballot

Per SACRS Bylaws, Article VI ~ Section 2 – Election, Qualification and Term of Office

“The officers of SACRS shall be regular members of SACRS. The officers shall be elected by majority vote of the quorum of delegates and alternate delegates present at the first meeting in each calendar year and shall hold office for one (1) year and until a successor is elected.”

Per SACRS Bylaws, Article VI ~ Section 4 - Officer Elections

“...The Board of any regular member County Retirement System may submit write-in candidates to be included in the Nominating Committee’s final ballot provided the Nominating Committee receives those write-in candidates prior to March 25th. The Nominating Committee will report a final ballot to each regular member County Retirement System prior to April 1.

The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee’s recommended ballot and final ballot to each trustee and placing the election of SACRS Officers on his or her Board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee...”

Below are two options for the ballot; the SACRS Nomination committee recommendation and the slate submitted by both the San Joaquin CERA and Sacramento CERS. As in the past, a voting delegate may entertain a motion to vote by individual officer positions or by complete ballot/slate. Please be sure to authorize your voting delegate to vote either way.

The elections will be held at the upcoming SACRS Spring Conference May 12-15, 2015 at the Anaheim Marriott in Anaheim, CA. Elections will be held during the Annual Business meeting on Friday, May 15, 2015.

Please distribute the ballot/slate to all standing/eligible board members for approval and authorization for your voting delegate. As stated above, Administrators are required to send acknowledgement of completion to our office at sulema@sacrs.org.

Continued

SACRS Nominating committee recommended 2015-2016 slate:

| | |
|----------------|-----------------------------------|
| President | Yves Chery, Los Angeles CERA |
| Vice President | Gabe Rodrigues, Contra Costa CERA |
| Treasurer | Dan McAllister, San Diego CERA |
| Secretary | Art Goulet, Ventura CERA |

San Joaquin CERA and Sacramento CERS proposed 2015-2016 slate:

| | |
|----------------|-----------------------------------|
| President | John Kelly, Sacramento CERS |
| Vice President | Gabe Rodrigues, Contra Costa CERA |
| Treasurer | Dan McAllister, San Diego CERA |
| Secretary | Art Goulet, Ventura CERA |

If you have any questions or require assistance, please contact me directly at 209-468-2163 or raym1@sbcglobal.net. Thank you for your prompt attention to this timely matter.

Sincerely,

Raymond McCray

Raymond McCray, San Joaquin County
SACRS Nominating Committee Chair

CC: SACRS Board of Directors
SACRS Nominating Committee Members
Sulema H. Peterson, SACRS Administrator

RMC:shp

February 9, 2015

To: SACRS Nomination Committee
 From: Ray McCray, SACRS Nomination Committee Chair
 Re: SACRS 2015-2016 BOD Elections – Names nominated

SACRS received the following names electronically/via email as nominations for the upcoming SACRS Board of Directors Elections 2015-2016.

Nominations for SACRS President:

- Yves Chery, Los Angeles CERA
- John Kelly, Sacramento CERA

Nominations for SACRS Vice President;

- Gabe Rodrigues, Contra Costa CERA

Nominations for SACRS Secretary:

- Zandra Cholmondeley, Santa Barbara CERS
- Art Goulet, Ventura CERA

Nominations for SACRS Treasurer:

- Dan McAllister, San Diego CERA

Resumes for each nominee are included.

Sulema will confirm a conference call for our meeting to discuss the recommended Nomination Committee Slate that is required to be distributed to the systems by

| DEADLINE | DESCRIPTION |
|------------------|---|
| February 2, 2015 | Nominating Committee receives nominations from SACRS membership |
| March 2, 2015 | Nominating Committee submits its recommended ballot to each 1937 Act Board |
| March 25, 2015 | Nominating Committee receives nominations from any 1937 Act Board |
| April 1, 2015 | Nominating Committee submits final ballot to each 1937 Act Board – ballot consists of recommended ballot plus anybody else who is nominated but not recommended by the NC |

| | |
|--------------|---|
| May 15, 2015 | Conduct elections during the SACRS Business Meeting (at end of the May 2015 conference) |
| May 15, 2015 | Board of Directors take office for 1 year |

I'd like to schedule a conference call as soon as possible. Please let me know what time and date works best for you the week of February 9- 13, 2015. Sulema will send out a conference call number as soon as we determine a date and time.

Thank you,

Ray McCray

Ray McCray,
 SACRS Nomination Committee Chair

Attach: resumes and messages

Continued

RESUMES AND MESSAGES

Nominations for SACRS President:

- **Yves Chery, Los Angeles CERA**

Yves Chery is a Deputy Probation Officer II with Los Angeles County Probation Department. His experience includes helping at-risk youths, along with nearly a quarter century of advocacy for working families as a labor leader. Mr. Chery currently chair's the Los Angeles County Employee Retirement Association Board (LACERA) and the Operations and Oversight Committee. Mr. Chery is a strong supporter of LACERA's Outreach Programs and Yves was instrumental in equipping Outreach Specialists at County worksite counseling seminars with LACERA's retirement calculators. Mr. Chery received a Bachelor of Arts Degree from California State University, Northridge (CSUN) and a Jurist Doctorate from Southern California Institute of Law.

Message from Yves:

I hope all is well. I wanted to inform the SACRS Nomination Committee of my interest to serve as SACRS President for the 2015-2016 year. It's been a tremendous honor and privilege serving as President for the past 8 months. I hope the Nomination Committee affords me the opportunity to continue serving as President of SACRS for another year. If you have any questions, I can be reached at (818) 989-4435.

- **John Kelly, Sacramento CERA**

I have served your neighbors for years as President of The First Tee of Sacramento, Greater Trustee and National Representative for the Leukemia and Lymphoma Society, Rotarian and as a volunteer Fund Development Officer for Sacramento State University. In 1996 the Sacramento Board of Supervisors appointed me as trustee for the Sacramento County Employees Retirement System.

Message from John:

Please consider this my notification of interest in running for President of SACRS for the 2015-16 term. Please advise your committee and thank them for consideration to the slate of officers.

I am an appointed trustee from Sacramento County, SCERS since 1995. I work as a Registered Investment Adviser and CFP managing assets for clients across the state and nationwide. I served in fiscal policy roles for the State of California, transitioning to private practice after 12 years, in 1981.

Additionally I am a credentialed college level designate since 1982. I began my private practice as a professional speaker focusing on financial education and retirement planning. I have shared my passion for 'edu-tainment' serving two decades with First Tee; six years as a National Delegate, fund ambassador to the Leukemia-Lymphoma Society and Fund Development Volunteer for CSU, Sacramento...to cite a few.

My résumé reflects a passion for education. I come to Board with no other agenda. I seek to assist the Association in staying on track with its Mission Statement as it pertains to providing a forum for networking, information sharing and education to its stakeholders.

I respectfully ask for your support as President in the 2015-16 term. I am available for review or questions by phone at 916-296-9019 or email at Investorscaddie@gmail.com.

Nominations for SACRS Vice President;

- **Gabe Rodrigues, Contra Costa CERA**

Gabe Rodrigues is a Deputy Sheriff with the Contra Costa County Office of the Sheriff. Gabe spent over two decades in the Food and Drug Industry prior to entering Law Enforcement. His titles included Financial Analyst, Database Analyst, Marketing Manager, and Account Executive. He spent the majority of this part of his career with two Fortune 500 companies before moving to a start-up company, ending his career as the Director of Sales for an international food manufacturing company. At the age of 48, Gabe followed his lifelong dream of becoming a Peace Officer. His work in Law Enforcement provides him with the satisfaction of helping the community that he is sworn to protect.

Gabe is the son of immigrant parents from Portugal who taught him to appreciate all America has to offer, but to never take our freedoms and rights for granted. Gabe chose to become a Retirement Board Trustee, allowing him the opportunity to use his business experience to protect and grow the assets of the pension plan that his fellow Contra Costa County employees depend on for their retirement. Gabe is available to all Sheriff Office employees, as well as all other County employees, to assist them with any questions or concerns they have about their pension plan.

Gabe earned his Bachelor of Arts in Management from Saint Mary's College in Moraga, California and his MBA in Marketing Management from California State University, Hayward. Gabe enjoys spending his time with his two children, their spouses, his grandson, and the rest of his family.

Message from Gabe:

I am Gabe Rodrigues, a Safety Trustee on the CCCERA Retirement Board. I would like to be considered for SACRS Vice President for the 2015 through 2016 term.

I have been a Trustee since 2012 and I have dedicated myself to learning about public pensions, especially our 1937 Act plans. I have attended numerous training programs, conferences and seminars based on pension laws, policies and investing. I believe in public pensions and I admire the work that SACRS does on behalf of the thousands of current and former public employees who depend or will be depending on their pensions to sustain them financially in their retirement.

Prior to becoming a Deputy Sheriff in 2006, I spent over two decades in the grocery industry at the corporate level working for two Fortune 500 companies along with a startup sales company. I ended my career as a Director of Sales for an International food manufacturing company overseeing sales in excess of \$100 million.

I would be honored to be the Vice President of such a well-respected organization and I believe my knowledge, experience and passion would be beneficial to SACRS.

Please feel free to contact me if you have any questions. My phone number is 925-997-5292.

Nominations for SACRS Secretary:

- **Zandra Cholmondeley, Santa Barbara CERS**
In November 2008, Zandra Cholmondeley was elected to represent County retirees as a trustee on the governing board of the Santa Barbara County Retirement System (SBCERS). She joined the Retirement Board in January 2009 and starting in January 2010, served two terms as Chair of the SBCERS Board. She has also served three terms as the President of the Retired Employees of Santa Barbara County (RESBC).

Zandra retired in July 2008 from her position as Principal Analyst for Santa Barbara County. As Principal Analyst, she was responsible for overseeing the development of the County's annual budget and performed numerous special projects for the County Executive Officer (CEO). Her budget responsibilities included working with County departments to ensure the accuracy of projections and overall preparation of the budget document. In this capacity, she was recognized by the CEO in 2006 for her insightful analytic ability and her commitment to the production of quality work by herself and others.

Zandra's special projects experience included implementing fiscal policy for the County Executive and oversight of internal service funds including the fleet and self-insurance funds. She represented the County Executive at meetings of the Santa Barbara County Board of Retirement and was tasked with analyzing how retirement issues affected the County's financial and human resource functions. Prior to joining the CEO's office, Zandra served as Clerk of the Board of Supervisors of Santa Barbara County.

Zandra is actively involved in her community and neighborhood; her personal interests include gardening, culinary arts and traveling.

Message from Zandra:

Please place my request to continue to serve as Secretary for the SACRS Board for the 2015-2016 term before the Nomination Committee.

During the past eight months, I have been honored to serve as Secretary of the SACRS organization. I believe that I have discharged my duties as a SACRS Board member and as SACRS Secretary with diligence and integrity. As a retiree I also bring the perspective of a retired member of the 1937 Act systems to the table, and I am hopeful that this perspective is helpful to the SACRS Board in serving our constituents.

I am asking that the Nomination Committee favorably consider my request to be placed in nomination to serve as Secretary for the coming year.

Thank you for your favorable consideration of my request.

- **Art Goulet, Ventura CERA**

Mr. Goulet is a Retired Member of the Ventura County Employees Retirement Association and the Immediate Past President of the Retired Employees Association of Ventura County (REAVC). Additionally, Mr. Goulet serves as the Legislative Chair for the California Retired County Employees Association (CRCEA) and is a member of the SACRS Legislative Committee.

Art has a Bachelor of Civil Engineering and Master of Public Administration Degrees, and varied public service and private consulting experience, including more than 22 years as a County Director of Public Works. He is married and lives in Camarillo with his wife Judy.

Message from Art:

I am the Retired Member Trustee of the Ventura County Employees Retirement Association, beginning my fourth term. Every time I have run for the position, I have run unopposed. I became the Immediate Past President of the Retired Employees Association of Ventura County (REAVC) on January 1, after having served 10 years as President. I was asked to serve as President again, but declined because I thought it was time for new leadership, and to give me the opportunity to undertake other responsibilities. I also serve as the Legislative Chair for the California Retired County Employees Association (CRCEA) and have been a member of the SACRS Legislative and Audit Committees for 10 and 3 years, respectively.

I have Bachelor of Civil Engineering and Master of Public Administration Degrees, and varied public service and private consulting experience, including more than 22 years as County Director of Public Works. While Director of Public Works, I progressed through the offices of the County Engineers Association of California (CEAC), culminating as President. I was also named County Engineer of the year during my career, and received the Circle of Service Award twice from the California State Association of Counties.

I have a reputation for hard work, doing my homework, and being prepared to make meaningful contributions. I would like to put that reputation to work as Secretary of SACRS.

Please submit my name to the Nominating Committee for consideration to be chosen as the nominee for the position of Secretary of SACRS.

Nominations for SACRS Treasurer:

- **Dan McAllister, San Diego CERA**
Dan McAllister was elected to the Office of the Treasurer-Tax Collector by the general public in November 2002 and took office in December 2002. He occupies the first seat on the Retirement Board and will hold this position on the Board of Retirement as long as he remains in office. Prior to his election, McAllister was a financial consultant and investment broker with a major national brokerage firm.

Message from Dan:

Thank you for your reminder regarding filing an official letter of interest to serve on the SACRS' 2015-2016 Board of Directors.

Please consider this my official expression of interest in continuing to serve as Treasurer for the SACRS Board for the 2015-2016 term. SACRS provides a valuable benefit and resource to the Trustees and stakeholders who serve the '37



Act pension systems throughout California and I am proud and honored to serve as a SACRS Board Member.

I am hopeful the Nomination Committee will again place my name in Nomination to serve as SACRS Treasurer for the coming year.

Thank you for your positive consideration of my request.

Message from John Kelly, SACRS current Vice President

At best, it takes a village to achieve our worthwhile dreams. Over the years SACRS has grown to be an inspiration for our trustees, affiliates, staff and retirees. Our growth has been phenomenal.

Yet, my experience in organizational development reminds me that we are at a pivotal point in our growth. Predictably organizations will either thrive or implode if vivid focus is not applied to our efforts and delivery.

Staff, affiliates, trustees and board members have tirelessly created inspiring programs which have helped us become more educated and fluent on many important issues.

Our progress has been excellent. We have a broad base of stakeholders to serve. We are, however, at a turning point in perfecting our vision. Our Mission Statement speaks to education, networking and communication. This must serve each of our constituents.

I come to you as an appointed volunteer seeking to create that vividly inspiring direction with the help of each of you. That is my sole purpose in requesting your support for president of SACRS. Our outcomes and impact are too vital to allow us to implode at this juncture.

You should be aware that I have served 23 years with The First Tee of Greater Sacramento; president 2005-2011. Four years as Trustee and National Representative for the Leukemia and Lymphoma Society. Volunteer Fund Development Officer, California State University, Sacramento and Rotarian for 20 years.

My career includes 12 years in fiscal policy roles under the Reagan and Brown administrations. For 33 years I have worked as an independent Registered Investment Adviser and CFP managing assets for individuals, corporations and nonprofit organizations across the state and nationwide. I am a credentialed college level instructor since 1982.

I began my private practice as a professional speaker (created the National Speakers Association, Sacramento Chapter in 1981) focusing on financial education and retirement planning. My resume reflects a passion for education and service.

I seek to help SACRS stay on track with its Mission Statement as it pertains to providing a forum for education, networking and communications. (as cited in SACRS Articles of Incorporation, Article II, Sections A and B and SACRS By-Laws, Article I, Sections 3 and 4).

I have a practical concern that we continue the pursuit of 'edu-tainment' as a means of continuing the quality of our conferences.

That you for your attention. I am available for questions or clarification at any time.

John B. Kelly, MPA, CFP
SACRS Vice President

Dear colleagues,

I failed to mention one more item. I deeply appreciate the work staff and Sir Robert Palmer have contributed over the years to get SACRS to this level of excellence.

Roberts departure was the tripping point that convinced me to put my name in contention.

Should I be blessed by your endorsement, one of first endeavors would be to convince him to return in his role as Executive Director. Hopefully he will have an interest in continuing our quest.

Thank you again for your indulgence.

My best, John

Sent from my iPad John B. Kelly, CFP

Dear SACRS System Trustees,

It has come to my attention that there have been statements made that the SACRS President needed to make appointments to the Affiliate Committee at the January 2015 SACRS Board Meeting as the Chair and the Affiliate Committee were not fulfilling their duties. I would like to set the record straight.

The Affiliate Committee proposed an Agenda Item to fill Affiliate Committee vacancies at the June 17, 2014 and again at the September 16, 2014 Board meetings. Both times the SACRS President removed the agenda item without explanation. The Affiliate Committee attempted to again address open vacancies, appointments and conducting a survey of all the affiliates at the January 20, 2015 Board Meeting. Their Agenda item was placed as No. 10. The SACRS President, under Agenda Item No. 3, presented a list of six affiliates to replace six of the nine affiliate committee members. This resulted in the removal of two members before their terms had expired. It also totally ignored the recommendations of the Affiliates Chair, as stated in the bylaws. It should be noted that the SACRS President went forward with his Affiliate Committee appointments without the current Affiliate Committee Support. See the SACRS Bylaws below:

Per Article X, Section 7: Affiliate Membership Committee. The Affiliate Membership Committee shall be comprised of nine (9) affiliate member delegates, selected from names submitted by the Affiliate Committee Chair, with Board approval, to serve three (3)-year terms on a staggered basis. If a committee member becomes ineligible to serve or resigns, a successor may be appointed by the Board for the remaining term of the outgoing member. The Committee shall provide counsel and advice to the Board regarding educational (not legislative) activities, and shall represent the Affiliate membership

The result of this action has caused anger and resentment among some of the most dedicated affiliate members of SACRS. These are the folks that the organization has relied upon over the years for assisting SACRS with conference program speakers and for the Berkeley trustee training course.

Regards, Susan
415.298.1994

Susan Marshall
SVP, Client Relations Director - Baring Asset Management (San Francisco)

Dear SACRS System Administrators and Trustees:

I would like to introduce myself. My name is Michael Bowman and I have been appointed to the Affiliate Membership Committee and elected as the Chair of the Affiliate Committee. I have been an affiliate member of SACRS for 15 years. I am proud of my continued association with SACRS. I believe together we can make a difference in the lives of SACRS' county retirement systems participants.

With the support and leadership of SACRS President Yves Chery and the SACRS Board of Directors, the Affiliate Membership Committee has begun the process of establishing a clear, equitable and transparent path for future affiliates to participate. The Affiliate Membership Committee hopes to be able to communicate the newly designed selection process in the coming months.

I like to thank SACRS President Yves Chery for recognizing the tremendous contribution of all its affiliate members. I hope our ongoing efforts and commitment to SACRS' continued success demonstrates the passion the Affiliate Membership Committee brings on a daily basis to SACRS.

Please feel free to contact me directly. I would welcome the opportunity to introduce myself in person.

All the best and continued success,

Michael Bowman.

Affiliate Membership Committee Chair

Date: June 19, 2014

To: SACRS Chief Executive Officers, Retirement Administrators & SACRS Systems Board Chairs

From: Yves Chery, SACRS President

Subject: Status of SACRS' Approach to Sustaining Public DP Plans

Background:

In April, SACRS Executive Director, Robert Palmer, sent a memorandum to all SACRS Affiliates and SACRS Systems regarding the establishment of an educational program on the positive benefits of providing defined benefit retirement plans.

So far, Mr. Palmer has received very little formal feedback from the systems on the proposal to seek out and fund a professional public relations firm to educate the public on the positive aspects of DB plans, such as our CERL systems. He has told me that you folks at the local system level have a better feel for this matter. But at the SACRS staff level, there are a variety of comments surfacing. Some have said that trustees are fiduciaries, not proponents of DB. Some believe that this matter is a plan sponsor and labor organization issue. Others have said that to do anything in the way of a public relations firm creating public support could become very divisive at the local level. Others want to have more discussion before proceeding. In fact, some have suggested either a special session on this topic or put it on the agenda for the November SACRS Conference. Others, pointedly, just want to wait and see what happens with the Ventura County initiative.

New Approach:

As the new SACRS President, I have established an ad hoc committee to look into this educational concept for SACRS and to make recommendations back to the organization. Those selected (and volunteering) are:

Gregg Rademacher, Los Angeles CERA
Richard Stensrud, Sacramento CERS
Jeff Wickman, Marin CERA
Skip Murphy, San Diego CERA
Tracy Towner, Ventura CERA

Continued

We are in the process of setting the first working session for this group. They will start with a pretty open slate. Does SACRS have a role in education of public DB plans? Should it be the “Honest Broker” on these pension topics, as it has done in Sacramento with the Legislature and the Governor’s Office? Should SACRS consider retaining a communications firm to assist with the educational program? Does SACRS have an obligation to become involved with initiatives, such as Ventura? If so, to what level?

As the ad hoc committee develops concepts, they will be seeking feedback from the SACRS systems on what is being proposed.

The Ventura Initiative:

Since April memorandum, the focus has moved to what is happening in Ventura County. We all know by now that the proposed initiative received the necessary number of voter signatures to qualify for the November elections. There are three moving parts at this time; I have included summary documents providing their points of view.

- 1) The Reason Foundation’s article on pension reform in Ventura County
- 2) Ventura County Counsel’s legal analysis of the initiative
- 3) Overview of the lawsuit filed by the opponents of the initiative, Citizens for Retirement Security (CRS).

Your Input:

As we move forward on this educational approach, we welcome comments; suggestions and feedback from all the SACRS systems. Clearly, this is a new role for the SACRS organization...uncharted waters as they say. We have set a session on this topic for the November Conference.

If you have any questions or comments please send to either Bob Palmer at sirbpalmer@aol.com or to Yves Chery at ychery2013@gmail.com.

Thank you,

Yves Chery

Yves Chery, SACRS President

Attachments (3)

James M. Andersen
Interim Retirement Administrator



Telephone: (707) 463-4328
(707) 467-6473
Fax: (707) 467-6472

MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

Date: September 17, 2014

To: State Association of County Retirement Systems (SACRS) President Yves Cherry and SACRS Executive Director Robert Palmer

From: Mendocino County Employee's Retirement Association (MCERA) Board of Retirement

Re: Should SACRS Fund an "Educational Program" on the Benefits of Defined Benefit Plans?

The MCERA Board of Retirement (BOR) has carefully considered the proposal that SACRS fund a professional public relations firm to educate the public on the positive aspects of Defined Benefit (DB) plans, such as our existing CERL plans. The subject was originally broached in a memo to all SACRS Systems in April. The issue was revisited in a memo dated June 19 which announced the appointment of an ad hoc committee and posed a number of questions to be considered. An additional update was provided in a memo dated July 28. We understand this issue will be a topic of consideration at the November conference.

MCERA is the smallest of all SACRS systems measured by assets. We are fortunate to be able to call on the collective knowledge base of SACRS and other SACRS Systems. We greatly appreciate that SACRS has maintained a focus on supporting our role as trustees and fiduciaries. Government Code Section 31595(a) defines the fiduciary responsibility of the Boards of Trustees of the individual SACRS Systems to be narrowly focused on providing benefits to plan participants and their beneficiaries; minimizing employer contributions; and defraying reasonable expenses of administering the system. We do not believe it is wise for SACRS to exceed the legislative mandate of its constituent members. To do so threatens to create divisiveness within SACRS while undermining the credibility of SACRS in the legislative and public arenas.

SACRS is not new to education - the mission of SACRS (as stated in Article I. Section 2. of the bylaws) is "to serve the 1937 Act Retirement Systems by exchanging information, providing education and analyzing legislation." Therefore, the question is not: "To Educate Or Not To Educate" as posed in the July 28 memo. Instead, SACRS is now being asked to embark on a thinly veiled lobbying campaign by funding a "professional public relations firm to educate the public on the benefits of DB plans," as stated in the June 19 memo. To answer the questions posed by that memo: we do not believe SACRS has a role

in "educating" the public on DB plans; SACRS would jeopardize its position as an "Honest Broker" if it does so; SACRS should not retain a communications firm for this purpose; SACRS has no obligation to become involved with initiative campaigns and would be wise not to.

The July 28 memo references a more modest goal of internal education to the SACRS Systems regarding the positive aspects of defined benefits but still contemplates the assistance of a professional communications firm. A truly educational program, in contrast to a lobbying campaign, would not be limited to describing the positive aspects of defined benefit programs, but would objectively present the pros and cons of both defined benefit and defined contribution plans.

In summary, we do not believe the proposed "educational program" is prudent for the following reasons: 1) it conflicts with SACRS mission statement and the mandates of GC Section 31595(a); 2) it is not an appropriate use of members assets; 3) it may please some plan members or sponsors and offend others; 4) it will undermine SACRS credibility with the legislature; 5) it threatens to create divisiveness within SACRS.

Now that the perceived "threat" of the Ventura initiative has passed, we believe consideration of the proposal for SACRS to fund a public lobbying campaign should shift from "go slow" to "no go." There is no shortage of information on the benefits of defined benefit plans and no shortage of interest groups dedicated to "educating" the public on the issue. We strongly believe SACRS will continue to best serve all SACRS Systems by focusing on its historic mission and avoiding the partisan political arena.

Sincerely,



Shari Schapmire, Chair
Mendocino County Board of Retirement

Cc: Retirement Administrators of all 1937 Act Retirement Systems

JM/TS/JZ/BOR

Date: December 15, 2014
From: Yves Chery, SACRS President
To: '37 Act Retirement System Board Chairs
Subject: SACRS Education and Communications Project:
Seeking Your Feed Back and Opinion

To date, I have received a number of comments from individual trustees and CEO's about undertaking a communications and education program on Defined Benefits for our members and possibility our stakeholders' use. But typical of any SACRS venture, there is a wide, but limited, variation of opinion on this subject.

At the Fall SACRS Conference in Monterey, we focused on various aspects of communications and messaging with regard to the current and future Defined Benefit programs.

On Wednesday, we had invited Diane Oakley, Executive Director, for the National Institute on Retirement Security to speak on her NIRS program. They had completed a national study measuring the economic impact of DB pension expenditures. This study was quite similar to the one SACRS undertook several years ago with Cal PERS and Cal STRS and was California-based.

On Friday morning, we invited three speakers to review the court's decision on the Ventura County Initiative. Presenters were each actively involved in the outcome of the process, Deborah Caplan, Attorney with Olson, Hagel & Fishburn; Paul Angelo, Senior Actuary with Segal Consulting and Leroy Smith, County Counsel with Ventura County. Each spoke about their position on the matter and the final decision of the judge.

During the Business Meeting on that Friday morning, the audience had an opportunity to get an update on the activities of the ad hoc committee working on education and communications. Their charge was to investigate how SACRS can better fulfill its mission statement by strengthening its communications and education capacity.

Their recommendation was to start a dialogue now. Communications and educational programs take time to build. Such an undertaking for SACRS would take many months to create deliverable products to interested systems. However, no decisions have been made yet to venture into this area.

The committee had envisioned the next step to be a detailed survey to the SACRS members to determine if there is interest in developing communications materials for individual systems to use as they see fit.

With the survey results, a symposium would be called for all the '37 Act systems to focus on the results and then make appropriate recommendations to the organization as a whole.

The ability to communicate effectively on matters of this nature does require having experts in communications. To date, SACRS and the ad hoc committee have been working with a communications strategist. We have this firm on a limited time consulting basis. A question was raised at the business meeting about the funding of this activity. The board has authorized the agreement and we have been using funds from within the SACRS budget and reserves. If we do decide to proceed, the Board of Directors would need to incorporate the expenses into the overall budget.

At this point, I will be bringing this matter back to the Board of Directors for the SACRS meeting on January 27, 2015. I would appreciate your comments as the chair of a '37 Act system on whether this approach and activity make sense.

I would appreciate hearing back from you by January 16, 2015. That will give me time to consolidate all the comments in advance of the board meeting. If you need to contact me directly, I can be reached at ychery2013@gmail.com or (323) 908-6200. Thank you for your consideration.

Sincerely,

Yves Chery

Yves Chery, SACRS President

CC: SACRS BOD

James Wilbanks
Retirement Administrator



Telephone: (707) 463-4328
(707) 467-6473
Fax: (707) 467-6472

MENDOCINO COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
625-B KINGS COURT
UKIAH, CALIFORNIA 95482-5027

January 7, 2015

Yves Chery, SACRS President
1415 L Street, Suite 1000
Sacramento, CA 95814

Re: Opinion on SACRS Education and Communications Project

Dear President Chery,

Per your request, my comments as chair of the Mendocino County Employees' Retirement Association (MCERA) Board of Retirement are set forth in this correspondence. Unfortunately, due to other commitments, I was unable to attend the 2014 Fall SACRS Conference where the issues surrounding the activities of the ad hoc committee were discussed.

As you are aware, MCERA submitted correspondence to SACRS on September 17, 2014, detailing the Board's view on the issue of educating the public on Defined Benefit (DB) plans. To be clear, after a thorough discussion on this topic, this submittal was approved unanimously by the Board and these views have not changed.

I realize SACRS is attempting to be proactive on this extremely controversial issue and that is commendable; however, at this time, my recommendation would be for the ad hoc committee to do nothing.

Sincerely,

Shari L. Schapmire

Shari L. Schapmire, Chair
Mendocino County Board of Retirement

SS

CC: Bob Palmer
Sulema Peterson
James Wilbanks

September 9, 2014

**ARTICLE II-
OFFICES**

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Section 1. Offices. The principal office for the transaction of the business, activities and affairs of SACRS is located in Sacramento, California. The Board of Directors of SACRS (the "Board") may change the principal office from one location to another.

Section 2. Branch Offices. Branch or subordinate offices may be established at any time by the Board at any place or places.

**ARTICLE III -
MEMBERSHIP**

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Section 1. Membership. SACRS shall be composed of regular, ~~associate~~ nonprofit, ~~and~~ affiliate, ~~and past president~~ members as hereinafter defined.

~~1. (a) Regular Membership.~~ Regular membership shall be extended to all county employee retirement systems organized and duly elected or appointed members of Boards of Retirement and Investments operating under the County Employees Retirement Law of 1937, California Government Code 31450 et seq. Regular membership shall also be extended to the Administrator of a system operating under the County Employees Retirement Law of 1937 when said Administrator is employed by and reports directly to the Retirement Board of the Member county.

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~~2. Associate Membership.~~ Associate membership shall be extended to (i) the staff of County Retirement and/or Investment Boards; (ii) those staff of the County Treasurer whose specific duties are retirement related; and (iii) legal counsel advising County Retirement and Investment Boards.

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~~3. (b) Nonprofit Membership.~~ Nonprofit organizations having an active interest in the purpose of SACRS may be extended nonprofit membership upon (i) the appropriate letter of application approved by the majority vote of the Board, and (ii) payment of the annual Nonprofit membership dues as set forth under Article III, Sections 5 and 6 herein. Nonprofit members will be comprised of two distinct tiers as follows: (i) Nonprofit Retirement Systems - defined as public retirement systems not eligible for regular membership; and (ii) Nonprofit Organizations - defined as nonprofit organization other than public retirement systems.

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September 9, 2014

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~~4. (c)~~ Affiliate Membership. Affiliate membership may be extended to a retirement-related business or institutional investment-related company or firm on a first come, first served basis as follows: (i) submission of an appropriate letter of application approved by a majority vote of the Board; and (ii) payment of the annual Affiliate membership dues as set forth under Article III, Sections 5 and 6 herein.

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~~5. (d)~~ Past Presidents. Past Presidents who are no longer members of Regular Member Retirement System~~eligible for regular membership~~ under Article III, Section 1(a), and who are not eligible for ~~associate or~~ affiliate membership under Article III, Section 1~~(b) and (d)~~(c), are not entitled to vote; but, shall be afforded lifetime membership and the privileges of membership held in the name of SACRS; and shall have their annual regular membership dues as defined in Article III, Section 5(a) and conference registration fees waived by SACRS.

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Section 2. Rights of Regular Membership. Regular ~~m~~Member County Retirement Systems shall have the right to vote, as set forth in these Bylaws, on the election of the officers/~~D~~irectors, on the disposition of all or substantially all of the corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the corporation. In addition, ~~the r~~Regular ~~m~~Member County Retirement Systems shall have all rights afforded members under the California Nonprofit Public Benefit Corporation Law.

Regular Member County Retirement Systems may designate its board members and staff to attend SACRS conferences and meetings.

Section 3. Rights of ~~Associate and~~ Affiliate Membership. ~~Associate and affiliate~~ Affiliate members are not entitled to vote, but shall be ~~aeccorded~~ afforded all the rights and privileges to which any ~~r~~Regular ~~m~~Member ~~Retirement System~~ is entitled except as specifically restricted in the Articles of Incorporation and these Bylaws. ~~Associate and affiliate members are not entitled to vote.~~

All associate and affiliate memberships shall be held in the name of the County Retirement System, organization or firm. Membership shall not be personal to an individual.

Affiliate member organizations must designate two (2) representatives by name, on their Letter of Application. Only the Affiliate's two (2) designated representatives shall be afforded registration at SACRS meetings unless specific exceptions are made by a majority vote of the Board.

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Section 4. Rights of Nonprofit Membership. -Nonprofit Retirement Systems may have up to ten (10) delegates attend the regular meetings, and Nonprofit Organizations may have up to two (2) delegates attend the regular meetings. Nonprofit members are not entitled to vote.

Section 5. Membership Dues and Fees.

~~1.~~ **(a) Regular Members.** -Regular ~~m~~M Member County Retirement Systems shall pay annual dues as approved by the organization’s delegates at any noticed meeting. ~~This fee shall, in addition to a regular membership, entitle the member systems to an annual associate membership under Article III, Section 1(b) herein.~~

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~~2.~~ **(b) Nonprofit Members.** Nonprofit members shall pay annual dues in ~~any an~~ amount determined by the Board.

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~~3.~~ **(c) Affiliates Members.** Affiliate members shall pay annual dues in ~~any an~~ amount determined by the Board.

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~~4.~~ **(d) Registration Fees.** Registration fees for ~~conferences~~meetings may be charged to all members in addition to annual dues.

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Section 6. Payment of Annual Dues. Annual dues are due and payable July 1 and are delinquent July 31 of each year. Registration fees are due at the discretion of the Board.

**ARTICLE IV-
DELEGATES**

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Section 1. Delegates. Regular ~~m~~M Member County Retirement Systems shall be entitled ~~to~~ to one (1) voting delegate. The delegate shall be designated in writing ~~by the County Retirement Board~~ and shall be a ~~r~~R regular ~~member from the member~~ County Retirement System ~~board member or administrator of the County Retirement System as defined consistent with in~~ Article III, Section 1(a) ~~herein~~.

Comment [L1]:

Section 2. Alternate Delegates. Alternate delegates may be designated in writing by the ~~Regular~~ ~~m~~M Member County Retirement Board. ~~All a~~A Alternates shall ~~meet the same requirements as defined in Article IV Section 1~~ be regular members consistent with ~~Article III, Section 1(a) herein~~.

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2 **Section 3.** ~~Credentials~~Designation of Voting Delegates and Alternates. Each Regular
3 Member County Retirement System shall, prior to any meeting of SACRS where voting will
4 take place, file written notice with the Secretary of SACRS specifying the names of the
5 voting delegate and/or alternate delegate authorized to cast votes on behalf of the Regular
6 Member Retirement System. Credentials for the delegates who are voting participants shall
7 be filed with the Credentials Committee in writing prior to any meeting of SACRS at which
8 voting will take place. Credentials shall include the names of the member County
9 Retirement System, the delegate and alternate delegates, if any, consistent with Section IV,
10 Sections 1 and 2 of these Bylaws.

11
12
13 **ARTICLE V--**
14 **MEMBER MEETINGS**

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15
16 **Section 1.** Regular Meetings. The membership shall meet to conduct SACRS business
17 once in the Spring and once in the Fall of each calendar year. These meetings shall be
18 referred to as regular meetings.

19
20 **Section 2.** Special Meetings. Special meetings of the membership may be called by (i) a
21 resolution of the membership at a meeting; or (ii) a majority vote of the Board.

22
23 **Section 3.** Site Selection for Meetings. The meeting sites shall be designated by the
24 Board.

25
26 **Section 4.** Agenda for Business Meetings. The Board shall be responsible for the final
27 agenda of all SACRS meetings. The business meeting agendas shall be mailed by first-class
28 postage or provided by Electronic Transmission (as defined in Section 2 of Article XVII) to
29 all members no later than ten (10) days prior to any meeting.

30
31 **Section 5.** Quorum. The presence of eleven (11) ~~credentialed~~ delegates shall constitute
32 a quorum for the transaction of business at all SACRS meetings. If, however, the attendance
33 at any SACRS meeting, whether in person or by proxy, is less than one-third (1/3) of the
34 voting power, the members may vote only on those matters specified in the meeting
35 agenda described in Article V, Section 4 ~~herein~~. Meetings may be restricted to ~~R~~Regular
36 ~~m~~Members Retirement Systems only by a majority vote of the quorum present.

37
38 **Section 6.** Voting. Voting at meetings of SACRS shall be the exclusive privilege of the
39 delegates or alternate delegates. Voting delegates or alternate delegates must have proper

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1 | ~~credentials notice~~ on file ~~with the Secretary consistent with pursuant to~~ Article IV, Section
2 | ~~3 herein~~ prior to voting. Each delegate or alternate delegate may cast one (1) vote on each
3 | matter submitted to vote of the members. Voting shall be by open roll-call. A simple
4 | majority vote of the quorum present shall pass all issues considered by the regular
5 | membership unless otherwise specified in the Articles of Incorporation or these Bylaws. A
6 | roll-call vote of delegates and alternate delegates shall decide any voice vote in doubt by
7 | the ~~Regular~~ ~~Member~~ ~~County Retirement Systems~~ ~~members~~ present.

8 |
9 | **Section 7. ~~Proxy.~~** A delegate may issue his or her proxy to an alternate delegate from
10 | the same ~~Regular~~ ~~Member~~ ~~County Retirement System~~. All proxies must be in writing,
11 | signed and filed with the ~~Credentials Committee~~ ~~Secretary~~ prior to voting.

12 |
13 | **Section 8. ~~Procedures. Robert's Rules of Order.~~** All meetings of SACRS shall be governed by
14 | Robert's Rules of Order unless other rules are specifically provided herein. The rules shall
15 | be interpreted at meetings, as necessary, by a parliamentarian appointed by the President
16 | prior to the first order of business.

17 |
18 | **Section 9. ~~Resolutions.~~** Any ~~regular, associate and non-profit member~~ ~~Regular~~
19 | ~~Member~~ ~~County Retirement System~~ may submit resolutions for consideration by the
20 | regular membership at any ~~regular or special~~ meetings. ~~Any Nonprofit Member may submit~~
21 | ~~a resolution with the endorsement of at least one Regular Member County Retirement~~
22 | ~~System.~~ Submission of resolutions shall be made in writing and sent ~~by certified mail~~ to the
23 | President, ~~who will confirm receipt to the sender,~~ at least ~~thirty-sixty (3060)~~ days prior to
24 | any meeting of SACRS at which the proposed resolution is to be considered for a vote. The
25 | President shall ~~provide a sufficient number of legible copies of the proposed resolutions to~~
26 | ~~allow delegates and alternate delegates to receive one (1) copy each before voting~~ ~~send a~~
27 | ~~copy of the proposed resolution to each Regular Member County Retirement System at~~
28 | ~~least forty-five (45) days prior to the date a vote on the resolution will be taken.~~ Additional
29 | copies shall be made available to the membership at meetings.

30 |
31 | Any resolution not so submitted shall first, in order to be considered by the membership,
32 | obtain a consent vote for introduction of two-thirds (2/3) of the voting delegates or
33 | alternate delegates present at the session at which such resolution is to be offered from the
34 | floor. The member requesting such consent shall have a sufficient number of legible copies
35 | of such proposed resolution available, so that the delegates and alternate delegates present
36 | may receive one (1) copy each thereof before any vote is taken. The foregoing shall not bar
37 | the introduction of resolutions formulated by and originating with the President, or the
38 | Board, or at the request of a majority of the members of the Board, or by any standing
39 | committee.

Comment [L2]: **THIS ISSUE TO BE DECIDED BY COMMITTEE**
Need to change method of notification mail vs. electronic transmission and number of days prior to a meeting

Comment [L3]:

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Section 10. Travel Expenses. The travel expenses incurred by officers and committee members may be reimbursed according to the current SACRS travel policy.

ARTICLE VI - OFFICERS

Section 1. Officers. The officers of SACRS, upon being elected, shall comprise the Board. The officers of SACRS shall be the President, the Vice-President, the Secretary, the Treasurer, and the immediate Past President.

Section 2. Election, Qualification and Term of Office. ~~The Each~~ officers of SACRS shall be a member of the retirement or investment board of a County Retirement System, or the Administrator of a retirement system if employed by and reporting directly to the retirement system board or boards ~~regular members of SACRS~~. The officers shall be elected by a majority vote of the quorum of delegates and alternate delegates present at the first meeting in each calendar year and shall hold office for one (1) year and until a successor is elected.

Section 3. Resignation of Officers. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary of SACRS. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The provisions of this Section 3 shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board relating to the employment of any officer of SACRS.

Section 4. Officer Elections. Any ~~regular~~ member of the retirement or investment board of a County Retirement System, or the Administor of a retirement system if employed by and reporting directly to the retirement system board or boards may submit nominations for the election of officers to the Nominating Committee, provided the Nominating Committee receives those nominations prior to February 1 of each calendar year. Nominations shall not be accepted from the floor on the day of the election. Prior to March 1 and subsequent to verification of interest, the Nominating Committee shall report its recommended ballot to each ~~regular~~ Regular member ~~Member~~ County Retirement System.

The board of any ~~regular~~ Regular member ~~Member~~ County Retirement System may submit write-in candidates to be included in the Nominating Committee's final ballot, provided the Nominating Committee receives those write-in candidates prior to March 25.

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The Nominating Committee will report a final ballot to each ~~regular~~ Regular member Member County Retirement System prior to April 1

The administrator of each ~~regular~~ Regular member Member County Retirement System shall be responsible for communicating the Nominating Committee's recommended ballot and final ballot to each trustee and placing the election of SACRS officers on his or her board agenda. The administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.

Officer elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform with Article V, Section 6 and 7 of these Bylaws.

Newly elected officers shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.

Section 5. President. The President shall be the Chief Executive Officer of SACRS and shall preside over all membership meetings and Board meetings. The President shall appoint committee members and serve as an ex-officio member of all committees with the exception of the Nominating Committee. The President shall be responsible for the general administration of SACRS in the absence of the membership.

Section 6. Vice-President. The Vice-President shall, in the absence or inability of the President, perform the duties of the President.

Section 7. Secretary The Secretary shall keep, prepare and publish prior to the next immediate regular meeting an accurate record of the proceedings of all SACRS meetings defined under Article V herein. In addition, the Secretary shall prepare and maintain a current list of members in good standing.

Section 8. Treasurer. The Treasurer shall be the Chief Financial Officer of SACRS. The Treasurer shall act as custodian of all funds and financial records of SACRS; collect, deposit and disperse funds consistent with SACRS direction; prepare and present a written detailed financial report at each meeting of SACRS.

Section 9. Immediate Past President. The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate

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1 Past President is unable to serve on the Board, the most recent Past President who qualifies
2 shall serve as a member of the Board.

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5 **ARTICLE VII - BOARD ADVISORS**

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7 **Section 1. Chair of Affiliate Committee.** The Chair of the Affiliate Membership Committee
8 shall serve as a non-voting advisor and/or consultant to the Board for educational (not
9 legislative) purposes.

10
11 **Section 2. Vice Chair of Affiliate Committee.** The Vice Chair of the Affiliate Membership
12 Committee shall, in the absence or inability of the Chair of the Affiliate Committee, perform
13 the duties of the Chair.

14
15 **Section 3. Members of the Board.** Neither the Chair nor the Vice Chair of the Affiliate
16 Membership Committee is a member of the Board.

17
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19 **ARTICLE VIII - BOARD OF DIRECTORS**

20
21 **Section 1. General Powers.** Subject to limitations of the Articles of Incorporation and these
22 Bylaws, the activities and affairs of SACRS shall be conducted and all corporate powers
23 shall be exercised by or under the direction of the Board. The Board may delegate the
24 management of the activities of SACRS to any person, persons, management company, or
25 committees however composed, provided that the activities and affairs of SACRS shall be
26 managed and all corporate powers shall be exercised under the ultimate direction of the
27 Board.

28
29 **Section 2. Special Powers.** Without prejudice to such general powers, but subject to the
30 same limitations, it is hereby expressly declared that the Board shall have the following
31 powers in addition to the other powers enumerated in these Bylaws:

- 32
33 1. To select and remove all the agents and employees of SACRS, prescribe powers and
34 duties for them as may not be inconsistent with law, the Articles of Incorporation or
35 these Bylaws, fix their compensation, and require from them security for faithful
36 service.
37
38 2. To conduct, manage, and control the affairs and activities of SACRS and to make such
39 rules and regulations that are not inconsistent with the law, the Articles of

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1 Incorporation, or these Bylaws, as they may deem best, including, but not limited to,
2 executing all motions, resolutions, association positions and/or direction passed on
3 by the membership at any meeting.

4
5 3. To borrow money and incur indebtedness for the purposes of SACRS, and to cause to
6 be executed and delivered, in SACRS' name, promissory notes, bond, debentures,
7 deeds of trust, mortgages, pledges, hypothecations, or other evidence of debt and
8 securities.

9
10 4. To change the principal office or the principal business office of SACRS in Sacramento
11 County, California, from one location to another.

12
13 5. To adopt, make, and use a corporate seal and to alter the form of the seal from time to
14 time, as determined by the Board.

15
16 6. To accept on behalf of SACRS any contribution, gift, bequest, or devise for the social
17 welfare purposes of SACRS.

18
19 7. To report to the regular membership, in writing, as soon as possible, all actions taken
20 by the Board under this Article VIII.

21
22 **Section 3. Term.** The Directors, as the officers of SACRS, shall hold office for one (1) year
23 and until a successor Director has been designated and qualified.

24
25 **Section 4. Vacancies.** Vacancies on the Board shall exist in the event of:

26
27 1. the death, resignation or removal of any Director;

28
29 2. the declaration by resolution of the Board of a vacancy in the office of a Director who
30 has been (i) declared of unsound mind by a final order of a court; (ii) convicted of a
31 felony; (iii) found by a final order of judgment of any court to have breached any duty
32 arising under Article 3 of the California Nonprofit Public Benefit Corporations Law; or
33 (iv) the Director has been absent without good cause, as determined by the
34 remaining Directors, from regular Board meetings for either two (2) consecutive
35 meetings or four (4) meetings in any one twelve (12) month period; and

36
37 3. the vote of a majority of the delegates or alternate delegates to remove the
38 Director(s).

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1 Except for a vacancy created by the removal of a Director by the delegates and alternate
2 delegates, when vacancies occur on the Board such vacancies may be filled by approval of
3 the Board or, if the number of Directors then in office is less than a quorum, by the
4 affirmative vote of a majority of the Directors then in office at a meeting held pursuant to
5 these Bylaws, or a sole remaining Director. The delegates and alternate delegates may fill
6 any vacancy not filled by the Directors.

7
8 A person elected to fill a vacancy as provided by this Section shall hold office for the
9 remaining term of the vacating Director, or until his or her death, resignation or removal
10 from office.

11
12 **Section 5. Resignation of Directors.** Except as provided below, any Director may resign
13 effective upon giving written notice to the Board, unless the notice specifies a later time for
14 the effectiveness of such resignation. If the resignation is effective at a future time, a
15 successor may be appointed by the Board before such time, to take office when the
16 resignation becomes effective and for the remaining term of the vacating Director. Except
17 on notice to the California Attorney General, no Director may resign if the corporation
18 would be left without a duly elected Director.

19
20 **Section 6. Conflicts of Interest.**

- 21
22 1. All Directors of the Board shall comply with the disclosure requirements of California
23 Corporation Code Section 5234 concerning transactions between SACRS and any
24 other entity in which a Director is an officer or director; and
25
26 2. SACRS will make no loan of money or other property, or guarantee the obligation, of
27 any Director or officer, except as authorized by California Corporation Code Section
28 5236.

29
30 **Section 7. Compensation/Travel Policy.** Directors shall serve without compensation except
31 that they shall be allowed reasonable advancement or reimbursement for food and
32 beverage, transportation, and lodging expenses incurred in the performance of their
33 regular duties as specified in these Bylaws.

34 **Section 8. Non-Liability of Directors.** The Directors shall not be personally liable for the
35 debts, liabilities, or other obligations of SACRS.

36
37 **Section 9. Insurance for Corporate Agents.** The Board may adopt a resolution authorizing
38 the purchase and maintenance of insurance on behalf of any agent of SACRS (including a
39 Director, officer, employee or other agent) against any liability other than for violating

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1 provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public
2 Benefit Corporation Law) asserted against or incurred by the agent in such capacity or
3 arising out of the agent's status as such, whether or not SACRS would have the power to
4 indemnify the agent against such liability under the provisions of Section 5238 of the
5 California Nonprofit Public Benefit Corporation Law.

6
7
8 **ARTICLE IX - MEETINGS OF THE BOARD OF DIRECTORS**

9
10 **Section 1. Place of Meeting.** All meetings of the Board shall be held at SACRS' office or at
11 such other place as may be designated for that purpose in the notice of the meeting or, if
12 not stated in the notice or there is no notice, at such place as may be designated in the
13 Bylaws or by resolution of the Board.

14
15 **Section 2. Annual Meeting.** Immediately following the election of the officers at the first
16 meeting of the calendar year, the Board shall hold a general meeting for the purposes of
17 conducting any business or transactions as shall come before the meeting. Other general
18 meetings of the Board may be held without notice at such time and place as the Board may
19 fix from time to time.

20
21 **Section 3. Special Meetings.** Special meetings of the Board for any purpose or purposes
22 may be called by the President, the Secretary, or any two (2) or more Directors.

23
24 **Section 4. Notice of Meetings.** Written notice of the time and place of any special meeting
25 shall be delivered personally to each Director or sent to each Director by mail or other form
26 of written communication, charges prepaid, addressed to the Director either at his or her
27 address as it is shown on the records or, if not readily ascertainable, to the place in which
28 the Director meets as a regular member of a County Retirement System. Such notice, if
29 mailed, shall be sent at least four (4) days prior to the time of holding the meeting. Said
30 notice shall specify the purpose of the special meeting of the Board. In addition, telephone
31 (including a voice messaging system or other system or technology designed to record and
32 communicate messages, either directly to the Director or to a person at the Director's office
33 who would reasonably be expected to communicate that notice promptly to the Director),
34 Electronic Transmission, or other similar means of communication may be used to provide
35 such notice. If given personally, or by telephone, Electronic Transmission, or other similar
36 means of communication, such notice shall be provided at least forty-eight (48) hours prior
37 to the meeting.

38 Notice of the time and place of holding an adjourned meeting need not be given to
39 absent Directors if the time and place of the next meeting are fixed at the meeting

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1 adjourned and if such adjourned meeting is held no more than twenty-four (24) hours from
2 the time of the original meeting. Notice shall be given of any adjourned regular or special
3 meeting to Directors absent from the original meeting if the adjourned meeting is held
4 more than twenty-four (24) hours from the time of the original meeting.

5
6 **Section 5. Meeting by Telephone or Other Telecommunications Equipment.** Any Board
7 meeting may be held by conference telephone, video screen communication, or other
8 communications equipment. Participation in a meeting under this Section 5 shall constitute
9 presence in person at the meeting if both the following apply:

- 10 1. Each member participating in the meeting can communicate concurrently with all
11 other members; and
- 12 2. Each member is provided the means of participating in all matters before the Board,
13 including the capacity to propose, or to interpose an objection to, a specific action to
14 be taken by the Board.

15
16 **Section 6. Validation of Meeting.** The transactions of the Board at any meeting, however
17 called or noticed, or wherever held, shall be as valid as though the meeting had been duly
18 held after proper call and notice if a quorum is present and if, either before or after the
19 meeting, each voting Director not present signs a written waiver of notice or consent to the
20 holding of such meeting, or an approval of the minutes thereof. All such waivers, consents
21 or approvals shall be filed with the corporate records and made a part of the minutes of the
22 meeting.

23
24 **Section 7. Waiver of Notice.** Notice of a meeting need not be given to any Director who
25 signs a waiver of notice or a written consent to holding the meeting or an approval of the
26 minutes thereof, whether before or after the meeting, or who attends the meeting without
27 protesting, prior thereto or at its commencement, the lack of notice. All such waivers,
28 consents and approvals shall be filed with the corporate records or made a part of the
29 minutes of the meeting.

30
31 **Section 8. Quorum.** At all meetings of the Board, a majority of the Directors present in
32 person or pursuant to Section 5 of this Article IX shall be necessary and sufficient to
33 constitute a quorum, except to adjourn as provided in Section 11 of this Article IX. A
34 meeting, at which a quorum is initially present, may continue to transact business
35 notwithstanding the withdrawal of Directors as long as the action is approved by at least a
36 majority of the required quorum for the meeting.

37
38 **Section 9. Majority Action as Board Action.** Every act or decision done or made by a
39 majority of the Directors present at a meeting duly held at which a quorum is present is the

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1 act of the Board, unless the Articles of Incorporation or Bylaws of SACRS, or provisions of
2 the California Nonprofit Public Benefit Corporation Law, particularly those provisions
3 relating to appointment of committees (Section 5212), approval of contracts or
4 transactions in which a Director has a material financial interest (Section 5233) and
5 indemnification of Directors (Section 5238(e)), require a greater percentage or different
6 voting rules for approval of a matter by the Board.

7
8 **Section 10. Prohibition Against Voting by Proxy.** Directors may not vote by proxy.

9
10 **Section 11. Adjournment** A majority of the Directors present, whether or not a quorum is
11 present, may adjourn any meeting to another time and place. Notice of the time and place
12 of holding an adjourned meeting need not be given to absent Directors if the time and place
13 is fixed at the meeting adjourned, except that if the meeting is adjourned for more than
14 twenty-four (24) hours, notice of the adjournment to another time and place shall be given
15 prior to the time of the adjourned meeting to the Directors who were not present at the
16 time of the adjournment.

17
18 **ARTICLE X - POWERS OF COMMITTEES**

19
20
21 **Section 1. Powers of Committees.** The committees described in these Bylaws shall have the
22 authority described herein, and any additional authority of the Board to the extent
23 provided in a Board resolution. Notwithstanding the preceding sentence, no committee
24 may do the following:

- 25
26 1. Take any final action on any matter that, under the California Nonprofit Corporation
27 Law, also requires approval of the members or approval of a majority of all members;
28
29 2. Fill vacancies on the Board or any committee of the Board;
30
31 3. Fix compensation of the Directors for serving on the Board or on any committee of
32 the Board;
33
34 4. Amend or repeal Bylaws or adopt new Bylaws;
35
36 5. Amend or repeal any resolution of the Board that by its express terms cannot be
37 amended or repealed by a committee;
38

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- 1 6. Create any other committees of the Board or appoint the members of committees of
2 the Board; and
3
4 7. Expend corporate funds to support a nominee for Director if more people have been
5 nominated for Director than can be elected
6

7 **Section 2. Ratification of Committee Activities.** All activities and actions of the committees
8 shall be reported to and ratified by the full Board at a duly scheduled Board meeting.
9

10
11 **ARTICLE XI - STANDING COMMITTEES**
12

13 **Section 1. Legislative Committee.** The Legislative Committee shall be comprised of not less
14 than three (3) members but not more than thirteen (13) members. The Legislative
15 Committee Chair shall be appointed by the President, with Board approval. The Legislative
16 Committee membership shall be appointed annually by the President, with Board approval,
17 from names submitted from the Legislative Committee Chair, and shall be seated by
18 September 1st. The President may remove Legislative Committee members who miss
19 twenty-five percent (25%) or more of the Legislative Committee meetings in any given
20 year. The Legislative Committee shall be responsible for the legislative activities of SACRS.
21

22 **Section 2. Nominating Committee.** The Nominating Committee shall consist of the
23 following five (5) members: (i) the immediate Past President of SACRS; (ii) one (1) member
24 of the Program Committee appointed by the Program Committee Chair; (iii) one (1)
25 member of the Legislative Committee appointed by the Legislative Committee Chair; (iv)
26 one (1) member of the Bylaws Committee appointed by the Bylaws Committee Chair; and
27 (v) one (1) member of the Education Committee appointed by the Education Committee
28 Chair.
29

30 The Program Committee, Legislative Committee, Bylaws Committee and Education
31 Committee Chairs shall appoint members to the Nominating Committee, as previously
32 specified, no later than ninety (90) days prior to the second business meeting of SACRS
33 each calendar year. The immediate Past President shall serve as the Nominating Committee
34 Chair. The Nominating Committee shall be responsible for ascertaining the availability and
35 interest of regular members to serve as Directors and officers of SACRS.
36

37 **Section 3. Bylaws Committee.** The Bylaws Committee shall be comprised of not less than
38 three (3) members, with at least one (1) ~~regular trustee~~ member of the retirement or
39 investment board of a County Retirement System, and at least one (1) ~~regular~~

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1 ~~administrative member~~administrator of a County Retirement System if employed by and
2 reporting directly to the retirement system board or boards, and one (1) of whom may be
3 an associate member. The president shall appoint the Bylaws Committee Chair, with Board
4 approval. The Bylaws Committee shall be comprised of appointees selected from names
5 submitted by the Bylaws Committee Chair, with Board approval, within forty-five (45) days
6 after the President takes office. The Bylaws Committee shall be responsible for the
7 maintenance of the Articles of Incorporation and the Bylaws.

8
9 **Section 4. Program Committee** The Program Committee shall be comprised of not less than
10 four (4) members but not more than eighteen (18) members from names submitted by the
11 Program Committee Chair, with Board approval, and shall include the Education
12 Committee Chair and Vice Chair and the Affiliate Committee Chair and Vice Chair. The
13 President shall fill mid-term vacancies and shall appoint the Program Committee Chair,
14 with the approval of the Board, within forty-five (45) days of taking office. The Program
15 Committee Chair shall serve a one (1) year term that expires on the last day of the Spring
16 regular meeting. The President may remove Program Committee members missing twenty-
17 five percent (25%) or more of the Program Committee meetings in any given year. The
18 Program Committee shall be responsible for the program of the two (2) annual SACRS
19 conferences.

20
21 **Section 5. Audit Committee.** The Audit Committee shall be comprised of not less than two
22 (2) regular members selected from names submitted by the Audit Committee Chair, with
23 Board approval, within forty-five (45) days of the President taking office. The President
24 shall appoint the Audit Committee Chair, with Board approval. Audit Committee members
25 shall ~~have-be familiar with~~ auditing ~~experience~~procedures; shall not receive, directly or
26 indirectly, any consulting, advisory, or other compensatory fees from SACRS; and shall not
27 be from the same County as SACRS' Treasurer. The Audit Committee shall be responsible
28 for SACRS' audits, and its duties shall include, but shall not be limited to, the following:

- 29
- 30 1. Assisting the Board in choosing an independent auditor and recommending
- 31 termination of the auditor, if necessary;
- 32
- 33 2. Negotiating the auditor's compensation;
- 34
- 35 3. Conferring with the auditor regarding SACRS' financial affairs; and
- 36
- 37 4. Reviewing and accepting or rejecting the audit.
- 38

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1 If SACRS establishes a finance committee, the Chair of the Audit Committee may not serve
2 on such committee, nor may a majority of the members of the Audit Committee ~~may not~~
3 ~~concurrently~~ serve as members of ~~the finance committee, and the Chair of the Audit~~
4 ~~Committee may not serve on the finance~~ such committee.

5
6 **Section 6. Credentials Committee.** The Credentials Committee shall be comprised of SACRS'
7 Secretary as the Chair and SACRS' Treasurer who shall verify designated voting delegates
8 at all meetings where a delegate vote is conducted.

9
10 **Section 7. Affiliate Membership Committee.** The Affiliate Membership Committee shall be
11 comprised of nine (9) affiliate member delegates, selected from names submitted by the
12 Affiliate Committee Chair, with Board approval, to serve three (3)-year terms on a
13 staggered basis. If a committee member becomes ineligible to serve or resigns, a successor
14 may be appointed by the Board for the remaining term of the outgoing member. The
15 Committee shall provide counsel and advice to the Board regarding educational (not
16 legislative) activities, and shall represent the Affiliate membership.

17
18 **Section 8. Education Committee** The Education Committee shall be comprised of at least
19 three (3) but not more than nine (9) members appointed by the Education Committee
20 Chair, with Board approval. Such appointments shall be made within forty-five (45) days of
21 the President taking office. The President shall appoint the Education Committee Chair,
22 with Board approval. The President may remove Education Committee members who miss
23 twenty-five percent (25%) or more of the Education Committee meetings in any given year.
24 The Education Committee shall be responsible for the educational activities of SACRS.

25
26 **Section 9. Resolutions Committee.** The President may appoint a Resolutions Committee,
27 comprised of regular members, to analyze proposed resolutions and make
28 recommendations for adoption, rejection or amendment prior to consideration by the
29 delegates and alternate delegates.

30 **Section 10. Meetings and Action of Committees.** Meetings and action of committees shall
31 be governed by, noticed, held and taken in accordance with the provisions of these Bylaws
32 concerning meetings of the Board, with such changes in the context of such Bylaw
33 provisions as are necessary to substitute the committee and its members for the Board and
34 its members, except that the time for regular meetings and special meetings of committees
35 may be fixed by the Board or the committee. Minutes of each meeting shall be kept and
36 shall be filed with the corporate records. The Board may also adopt rules and regulations
37 pertaining to the conduct of meetings of committees to the extent that such rules and
38 regulations are not inconsistent with the provisions of these Bylaws. Any expenditure of
39 SACRS funds by a committee shall require prior approval of the Board.

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ARTICLE XII - CORPORATE RECORDS AND SEAL

Section 1. Maintenance of Corporate Records. SACRS shall keep at its principal office in the State of California:

1. Minutes of all meetings of the Board and the committees, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
2. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses; and
3. A copy of SACRS' Articles of Incorporation and Bylaws, as amended to date, which shall be open to inspection at all reasonable times during office hours.

Section 2. Corporate Seal. The Board may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of SACRS. Failure to affix the seal to SACRS instruments, however, shall not affect the validity of any such instrument.

Section 3. Inspection Rights. Every Director and member shall have the right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of SACRS.

Section 4. Right to Copy and Make Extracts. Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

ARTICLE XIII - FISCAL YEAR AND ANNUAL AUDIT

Section 1. Fiscal Year. The fiscal year of SACRS shall be July 1 thorough June 30.

Section 2. Annual Audit. There shall be an annual audit of SACRS.

ARTICLE XIV - INDEMNIFICATION

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2 **Section 1. Indemnification.** SACRS may, to the maximum extent permitted under the
3 Nonprofit Public Benefit Corporations Law and general California Corporation Law, as now
4 or hereafter in effect, indemnify each person who is or was a Director or officer of SACRS
5 against expenses, judgments, fines, settlements, and other amounts actually and reasonably
6 incurred in connection with any proceeding arising against any one or more of them, based
7 on their conduct as Directors or officers, or by reason of the fact that any one or more of
8 them is or was a Director or officer of SACRS. "Proceeding" means any threatened, pending,
9 or completed action or proceeding whether civil, criminal, administrative or investigative;
10 and "expenses" includes without limitation attorney's fees and any expenses of establishing
11 a right to receive indemnification from SACRS.
12

13
14 **ARTICLE XV - WINDING UP AND DISSOLUTION**

15
16 **Section 1. Irrevocable Dedication** The property of SACRS is irrevocably dedicated to social
17 welfare purposes. Upon the winding up and dissolution of SACRS, its assets remaining after
18 payment or adequate provision for payments of all debts and obligations of SACRS shall be
19 distributed in accordance with the plan of liquidation to an organization which is organized
20 and operated exclusively for social welfare purposes and exempt from federal income tax
21 under Section 501(c)(4) of the Code, as the Board may select. In any event, no assets shall
22 be distributed to any organization if any part of the net earnings of such organization
23 inures to the benefit of any private person or individual, or if the organization carries on
24 any other activities not permitted to be carried on by a corporation exempt from federal
25 income tax under Section 501(c)(4) of the Code or the corresponding provisions of any
26 future United States Internal Revenue Law.
27

28
29 **ARTICLE XVI - AMENDMENTS**

30
31 **Section 1. Amendment of Articles of Incorporation and Bylaws.** Amendments to the
32 Articles of Incorporation and Bylaws may be proposed by the Board or any ~~regular~~ Regular
33 ~~member~~ Member of SACRS County Retirement System or by any standing committee.
34 Proposed amendments shall be submitted in writing ~~by certified mail~~ to the President, who
35 will confirm receipt to the sender, at least sixty (60) days before any meeting of SACRS. The
36 President shall submit the proposed amendments to ~~the membership~~ Regular Member
37 County Retirement System at least ~~thirty-fourty-five (3045)~~ days before any meeting of
38 SACRS. A two-thirds (2/3) vote of a quorum present at any meeting of SACRS is required to
39 adopt an amendment.

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1
2 **Section 2. Certain Amendments.** Notwithstanding Section 1 of this Article XVI, SACRS shall
3 not amend its Articles of Incorporation to alter any statement which appears in the original
4 Articles of Incorporation relating to the name and address of its initial agent, except to
5 correct an error in such statement or to delete such statement after SACRS has filed a
6 "Statement of Information" pursuant to Section 6210 of the California Nonprofit
7 Corporation Law.

8
9

10 **ARTICLE XVII - CONSTRUCTION AND DEFINITIONS**

11

12 **Section 1. Construction and Definitions.** Except as provided in these Bylaws and/or unless
13 the context requires otherwise, the general provisions, rules of construction, and
14 definitions of the California Nonprofit Corporation Law shall govern the construction of
15 these Bylaws. Without limiting the generality of the above, the singular number includes
16 the plural, the plural number includes the singular, and the term "person" includes both
17 SACRS and the natural person.

18

19 **Section 2. Electronic Transmission.** Notice given by SACRS by Electronic Transmission
20 shall be valid only if:

21

- 22 1. delivered by (i) facsimile telecommunication or electronic mail when directed to the
23 facsimile number or electronic mail address, respectively, for that recipient on record
24 with SACRS; (ii) posting on an electronic message board or network that SACRS has
25 designated for those communications, together with a separate notice to the recipient
26 of the posting, which transmission shall be validly delivered on the later of the
27 posting or delivery of the separate notice of it; or (iii) other means of electronic
28 communications;
- 29
- 30 2. to a recipient who has provided an unrevoked consent to the use of those means of
31 transmission for communications; and
- 32
- 33 3. that creates a record that is capable of retention, retrieval, and review, and that may
34 thereafter be rendered into clearly legible tangible form.

35

36 Notwithstanding the foregoing, an Electronic Transmission by SACRS to a recipient is not
37 authorized unless, in addition to satisfying the requirements of this Section 2, the
38 transmission satisfies the requirements applicable to consumer consent to electronic
39 record as set forth in the Electronic Signatures in Global and National Commerce Act (15

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1 United States Code Section 7001(c)(1)). Notice shall not be given by Electronic
2 Transmission by SACRS after either of the following: (i) SACRS is unable to deliver two (2)
3 consecutive notices to the recipient by that means, or (ii) the inability so to deliver the
4 notices to the recipient becomes known to the Secretary or any other person responsible
5 for the giving of the notice.

6
7
