

**MercedCERA RETIREMENT BOARD AGENDA
THURSDAY, OCTOBER 14, 2021 – 8:15 A.M.
MERCED COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION**

**MERCED COUNTY ADMINISTRATION BUILDING
2222 M STREET, MERCED
LOS BANOS AND LIVINGSTON CONFERENCE ROOMS, BASEMENT
ZOOM CONFERENCE**

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTlsK2JGWE83TVFvdz09>

DIAL IN NUMBER: 669-900-6833, MEETING ID: 930 3019 5748, PASSCODE: 095484

(FOR USE ONLY IF ZOOM CONNECTION MALFUNCTIONS)

TELEPHONE NUMBER: 1-310-372-7549, CONFERENCE CODE: 975839

CALL TO ORDER - 8:15 A.M.

Important Notice Regarding SARS-COV-2

In order to minimize the spread of COVID-19, the Board of Retirement is meeting at the County of Merced Administration Building conference center to provide for sufficient social distancing for the Board and members of the public. Additionally, members of the MercedCERA Board as well as members of the public may elect to participate in this meeting offsite via conference call. Members of the public may attend the meeting in person or listen to the meeting and offer public comment telephonically by calling into the telephone number provided above and entering the stated conference code. If you have any issues participating in the meeting telephonically or require reasonable accommodation for your participation, please contact MercedCERA staff at 209-726-2724. Please turn your cell phone or other electronic device to non-audible mode.

ROLL CALL

APPROVAL OF MINUTES – September 23, 2021

PUBLIC COMMENT

Members of the public may comment on any item under the Board’s jurisdiction including items on the Board’s agenda. Matters presented under this item will not be discussed or acted upon by the Board at this time. Persons addressing the Board will be limited to a maximum of five (5) minutes in total. Please state your name for the record.

CLOSED SESSION

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Board may meet in closed session with members of its staff, county employees and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Board will meet on in closed session are identified below. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1.

(1) DISCUSSION AND POSSIBLE ACTION REGARDING INVESTMENTS IN RECOMMENDED FUNDS, ROLL CALL VOTE REQUIRED.

(Govt. Code § 54956.81)

1. Discussion and possible action to adopt the recommendation regarding Funds/Managers – Cliffwater

RETURN TO OPEN SESSION

Report on any action taken in closed session.

CONSENT CALENDAR

Consent matters are expected to be routine and may be acted upon, without discussion, as one unit. If an item is taken off the Consent Calendar for discussion, it will be heard as the last item(s) of the Board Action/Discussion as appropriate.

RETIREMENTS: Pursuant to Govt. Code § 31663.25 or § 31672

All items of earnable compensation for service or disability retirements listed below are in compliance with the pay code schedule approved by the Board of Retirement. The retirement is authorized; however, administrative adjustments may be necessary to alter the amount due to: audit, late arrival of data, court order, etc.

a. Kwiatkowski, Susan	Castle Development Center	20 Yrs. Svc.	Eff: 10/02/2021
b. Ashlock, Tammy	Trial Court Operations	20 Yrs. Svc.	Eff: 09/20/2021
c. La Rocque, Margaret	H.S.A.	3 Yrs. Svc.	Eff: 10/01/2021
d. Ratley, Josephine	Child Welfare Services	22 Yrs. Svc.	Eff: 09/25/2021
e. Fulcher, Pam	Hospital	10 Yrs. Svc.	Eff: 10/12/2021
f. Velasquez, Cesar	Beh. Health	12 Yrs. Svc.	Eff: 10/02/2021
g. Simmons, Donna	Dept. of Admin Services	20 Yrs. Svc.	Eff: 10/02/2021

YTD fiscal year 2021/2022 retirees: 26

YTD fiscal year 2020/2021 retirees: 87

YTD fiscal year 2019/2020 retirees: 105

MONTHLY BUDGET REPORT: Will be submitted on October 28th agenda.

BOARD ACTION/DISCUSSION

1. Discussion and possible action to approve Resolution 2021-02 in response to AB361 which will allow MercedCERA to continue virtual meetings – Staff.
2. Discussion and possible action on selecting a floor plan for MercedCERA potential building and directing the Plan Administrator to continue the feasibility study – Staff.
3. Discussion and possible action to approve MercedCERA fill an existing extra help position (Office Assistant II classification) – Staff.
4. Discussion and possible action to approve replacement of two HVAC systems – Staff.
5. Discussion and possible action to approve the Plan Administrator hire a recruiting firm to recruit and work with the Plan Administrator and County for the Investment Officer position and ask the Chair to appoint an ad hoc subcommittee to assist the Plan Administrator with recruitment and hiring of the Investment Officer – Staff.
6. Discussion and possible action to designate Trustee Dave Ness as the SACRS voting delegate for the SACRS Fall Conference, adopt the proposed legislation packet by SACRS for approval, and approve the SACRS Business Packet – Staff.
7. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MercedCERA's Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:
 - SACRS Fall Conference, November 9-12, 2021, Hollywood, CA (in person only).

INFORMATION ONLY

- Venue for **November's** Board Meeting will be at the Child Support Training Room located at 3368 N. State Hwy 59, Suite I, Merced, CA 95348.

MercedCERA UPCOMING BOARD MEETINGS

Please note: The MercedCERA Board Meeting and/or Education Day times and dates may be changed in accordance with the Ralph M. Brown Act by the MercedCERA Board as required.

- October 28, 2021
- November 18, 2021

ADJOURNMENT

The Agenda and supporting documentation, including any material that was submitted to the Merced County Employees' Retirement Association Board after the distribution of the Agenda, are available online at www.co.merced.ca.us/retirement.

All supporting documentation for Agenda items, including any material that was submitted to the retirement board after the distribution of the Agenda, is also available for public inspection Monday through Friday from 8:00 a.m. to 5:00 p.m. at the administrative office for the Merced County Employees' Retirement Association located at 3199 M Street, Merced, California 95348.

Persons who require accommodation for a disability in order to review an agenda, or to participate in a meeting of the Merced County Employees' Retirement Association per the American Disabilities Act (ADA), may obtain assistance by requesting such accommodation in writing addressed to Merced County Employees' Association, 3199 M Street, Merced, CA 95348 or telephonically by calling (209) 726-2724. Any such request for accommodation should be made at least 48 hours prior to the scheduled meeting for which assistance is requested.

Persons who require accommodation for any audio, visual or other disability or Spanish or Hmong interpretation in order to review an agenda, or to participate in a meeting of the Merced County Employees' Retirement Association per the American Disabilities Act (ADA), may obtain assistance by requesting such accommodation. Please address your written request to Merced County Employees' Association, 3199 M Street, Merced, CA 95348 or telephonically by calling (209) 726-2724. Any such request for accommodation should be made at least 48 hours prior to the scheduled meeting for which assistance is requested.

Spanish and Hmong interpreters are available.

Interpretes de espanol y hmong estan disponibles.

Peb muaj tug paab txhais lug Mev hab Hmoob.

**MercedCERA ADMINISTRATIVE AND INVESTMENT
RETIREMENT BOARD MINUTES
THURSDAY, SEPTEMBER 23, 2021 – 8:15 A.M.
MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**MERCED COUNTY ADMINISTRATION BUILDING
2222 M STREET, MERCED
LOS BANOS AND LIVINGSTON CONFERENCE ROOMS, BASEMENT
ZOOM CONFERENCE**

<https://us06web.zoom.us/j/93030195748?pwd=NGhFeGltSVhaSTlsK2JGWE83TVFydz09>

DIAL IN NUMBER: 669-900-6833, MEETING ID: 930 3019 5748, PASSCODE: 095484

(FOR USE ONLY IF ZOOM CONNECTION MALFUNCTIONS)

TELEPHONE NUMBER: 1-310-372-7549, CONFERENCE CODE: 975839

CALL TO ORDER - 8:20 A.M.

ROLL CALL

Board members present: Ryan Paskin, Scott Johnston, Al Peterson, Janey Cabral, Karen Adams, Michael Harris and David Ness. **Absent:** Scott Silveira, Aaron Rosenberg and Wendy Alvares. **Counsel:** Jeff Grant. **Staff:** Kristen Santos, Martha Sanchez, Mark Harman, Robert Trout, Sheri Villagrana, Brenda Mojica and Alexis Curry.

APPROVAL OF MINUTES – August 26, 2021

The MercedCERA board voted unanimously via roll call vote to approve the August 26, 2021 meeting minutes.

Johnston/Peterson U/A (7-0)

PUBLIC COMMENT

No comments.

CONSENT CALENDAR

Consent matters are expected to be routine and may be acted upon, without discussion, as one unit. If an item is taken off the Consent Calendar for discussion, it will be heard as the last item(s) of the Board Action/Discussion as appropriate.

RETIREMENTS: Pursuant to Govt. Code § 31663.25 or § 31672

All items of earnable compensation for service or disability retirements listed below are in compliance with the pay code schedule approved by the Board of Retirement. The retirement is authorized; however, administrative adjustments may be necessary to alter the amount due to: audit, late arrival of data, court order, etc.

a. Kasper, Janet H.S.A. 19 Yrs. Svc. Eff: 08/14/2021

b. Taylor, Don	H.S.A.	19 Yrs. Svc.	Eff: 08/14/2021
c. Bagri, Jenny	H.S.A.	16 Yrs. Svc.	Eff: 08/14/2021
d. Yerrick, Patricia	Sheriff	20 Yrs. Svc.	Eff: 08/21/2021
e. Martinez, Patricia	Health	29 Yrs. Svc.	Eff: 08/14/2021
f. Wall, Walter	District Attorney	12 Yrs. Svc.	Eff: 08/16/2021
g. Heredia, Rosie	Superior Courts	13 Yrs. Svc.	Eff: 07/26/2021

YTD fiscal year 2021/2022 retirees: 19

YTD fiscal year 2020/2021 retirees: 87

YTD fiscal year 2019/2020 retirees: 105

MONTHLY BUDGET REPORT: Submitted

The MercedCERA board voted unanimously via roll call vote to approve the consent calendar. Cabral/Johnston U/A (7-0)

BOARD ACTION/DISCUSSION

1. Discussion regarding monthly performance reporting with possible action on any funds or managers - Meketa Group.
No action taken.
2. Discussion regarding performance reporting on alternative funds with possible action on any funds or managers – Cliffwater.
No action taken.
3. Discussion on Government Code Section 7514.7 Alternate Fee Reporting for MercedCERA – Cliffwater.
No action taken.
4. Discussion and possible action to approve the following regarding the MercedCERA Portfolio:
 - a. Asset allocation scenarios including alternatives – Meketa & Cliffwater
No action taken.
 - b. Discount rate – Cheiron
The MercedCERA board voted unanimously via roll call vote to change the discount rate from 7% to 6.75%. Cabral/Johnston U/A (7-0)
5. Discussion and possible action on Legislative Review – Staff.
No action taken.
6. Review calendar of any training sessions and authorize expenditures for Trustees and Plan Administrator. Pursuant to Govt. Code § 31522.8 and MercedCERA’s Trustees Education and Training Policy requirements. Examples of upcoming training and educational sessions:
 - CALAPRS Principles for Trustees, September 28-30, 2021 (virtual only).
 - SACRS Fall Conference, November 9-12, 2021, Hollywood, CA (in person only – no virtual option).**No action taken.**

INFORMATION ONLY

Trustee Adams- Wished all have a great day.

Trustee Peterson- Wished all have a great day.

Trustee Harris- Will not be at the next board meeting on October 14, 2021.

MercedCERA UPCOMING BOARD MEETINGS

Please note: The MercedCERA Board Meeting and/or Education Day times and dates may be changed in accordance with the Ralph M. Brown Act by the MercedCERA Board as required.

- October 14, 2021
- October 28, 2021

ADJOURNMENT

The meeting adjourned at 11:07 A.M.

Accepted By,

Trustee Name/Position	Signature	Date
Ryan Paskin/Chair		
Al Peterson/Secretary		



Merced County Employees' Retirement Association

Date: October 14, 2021

To: MercedCERA Board of Retirement

From: Kristie Santos, Plan Administrator

Subject: Adopt Resolution 2021-02 (AB 361) which allows the Merced County Employees' Retirement Association (MercedCERA) Board of Retirement to continue the virtual board meeting option due to the pandemic.

Item Number: 1

Item Type: Action

Staff Recommendation:

1. Adopt Resolution 2021-02 to insure the health and safety of Trustees, Staff and Consultants during the pandemic. If adopted, an item will appear on MercedCERA's consent agenda every 30 days.

Discussion:

The governor's executive order allowing remote meetings expired on September 30, 2021. In order for MercedCERA to meet remotely in the future, MercedCERA will need to rely on AB 361's amendments to Government Code section 54953. Essentially, teleconference meetings are allowed if:

- The governor has declared a state of emergency applicable to our jurisdiction; and at least one of the two following are true:
 - State or local officials have imposed or recommended measures to promote social distancing; or
 - The legislative body (MercedCERA Board) finds that meeting in person would present imminent risks to the health or safety of attendees.

After a Board's first teleconferencing meeting takes place under AB 361, the board must renew its findings every 30 days that there is a declared emergency and one of the two circumstances specified above are satisfied in order to continue to meet by teleconference. Staff will be including this requirement on the consent agenda each month.

Per the Board's Counsel, the required circumstances are met for MercedCERA. The Governor's emergency proclamation issued March 4, 2020, remains in place, satisfying the emergency requirement. The social distancing recommendation requirement is met by the state health officer's universal masking guidance as well as Cal/OSHA's masking and physical distancing workplace requirements. Further, the nature of COVID-19 and the substantial spread in Merced County presents imminent risks to the health or safety

of attendees.

Attached is Resolution 2021-02 for your consideration to approve. Because this action must be taken, it is the first open session item for the Board of Retirement to consider.

Staff Recommendation:

Adopt Resolution 2021-02 to insure the health and safety of Trustees, Staff and Consultants during the pandemic. If adopted, an item will appear on MercedCERA's consent agenda every 30 days.

**MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
RESOLUTION NO. 2021-02**

**AUTHORIZATION OF TELECONFERENCING FOR BOARD AND COMMITTEE
MEETINGS PURSUANT TO GOVERNMENT CODE SECTION 54953**

WHEREAS, the Board of Retirement ("Board") of the Merced County Employees' Retirement Association ("MercedCERA") is the governing board of MercedCERA with responsibility for the general management of the retirement system; and

WHEREAS, MercedCERA is committed to preserving and encouraging open and public access to and participation in meetings of the Board and its standing committees, as required by the Ralph M. Brown Act (Government Code sections 54950-54963); and

WHEREAS, Government Code section 54953, subdivision (e), provides that a legislative body may use teleconferencing to conduct its meetings without otherwise complying with the requirements for teleconference meetings described in Government Code section 54953, subdivision (b)(3), provided certain circumstances are met; and

WHEREAS, a required circumstance is that the Governor of California has declared a state of emergency under Government Code section 8625; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the circumstances stated in Government Code section 54953, subdivision (e), currently exist for the Board and its legislative bodies as Governor Newsome proclaimed a State of Emergency on March 4, 2020, pursuant to the California Emergency Services Act due to the ongoing COVID-19 pandemic; and

WHEREAS, state or local official have imposed or recommended measures to promote social distancing, specifically, on July 28, 2021, the state public health officer issued masking requirements for specified circumstances, including indoor settings for schools, and recommend universal masking in indoor public settings; and

WHEREAS, by imposing masking requirements and physical distancing requirements for those who are unvaccinated, CAL/OSHA has imposed or recommended measures to promote social distancing in its Emergency Temporary Standards (see 8 CCR § 3205); and

WHEREAS, COVID-19 is a dangerous and deadly disease, the County of Merced is experiencing substantial or high transmission levels, and meeting in person for MercedCERA board meetings would present imminent risks to the health or safety of attendees due to the risk of contracting or spreading COVID-19 as MercedCERA facilities are not large enough to accommodate all attendees while employing sufficient mitigation measures; and

WHEREAS, while conducting public meetings using teleconferencing pursuant to Government Code section 54953, subdivision (e), MercedCERA will comply with the requirements of

Government Code section 54953, subdivision (e)(2), regarding notice, access, participation and the protection of statutory and constitutional rights of the public; and

NOW, THEREFORE, BE IT RESOLVED that:

1. The recitals set forth above are true and correct and incorporated into this Resolution by reference.
2. The Board hereby acknowledges and finds that a state of emergency was proclaimed by the Governor of the State of California on March 4, 2020, due to the COVID-19 pandemic and that the Governor's declared emergency continues to exist within the geographical boundaries of the territory within which the Board hold its meetings to conduct business.
3. MercedCERA's Retirement Plan Administrator (or designee) and legislative bodies of MercedCERA are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings utilizing teleconference technologies in accordance with Government Code Section 54953, subdivision (e), and other applicable Brown Act provisions.
4. This Resolution shall take effect immediately upon its adoption and shall be effective for 30 days.
5. Under Government Code section 54953, subdivision (e)(3), no later than 30 days after the effective date of this Resolution, and every 30 days thereafter, the Board may continue to hold remote teleconference meetings provided, by majority vote, its finds that the Governor's proclaimed state of emergency remains active, and the state of emergency continues to directly impact the ability of the members to meet safely in person or state or local officials continue to impose or recommend measures to promote social distancing.

Ayes:

Noes:

Abstain:

Absent:

Ryan Paskin, Board Chair

Al Peterson, Secretary

I hereby certify that on the 14th day of October 2021, the Board of Retirement of Merced County Employees' Retirement Association made and adopted this Resolution.

Kristen Santos, MercedCERA Retirement Plan
Administrator



Merced County Employees' Retirement Association

Date: October 14, 2021

To: MercedCERA Board of Retirement

From: Kristie Santos, Plan Administrator

Subject: Merced County Employees' Retirement Association (MercedCERA)
Future Building Site and Proposed Floor Plan.

Item Number: 2

Item Type: Action

Staff Recommendation:

1. Approval for the 12,300 square foot draft building plan and authorization for the Plan Administrator to continue the feasibility study for the potential MercedCERA Headquarters Building located at 690 W 19th Street in Merced.

Project Background Information

The Merced County Employees' Retirement Association (MercedCERA) is a professional governmental entity that exists for the purposes of providing accurate, timely benefits to its members and their beneficiaries of the County of Merced, the Merced County Superior Courts and the Merced Cemetery District. The California Constitution (Article XVI, §17 of the Constitution of the State of California) vests the Board with "plenary authority and fiduciary responsibility for the investment of moneys and the administration of the system". While MercedCERA utilizes county employees, MercedCERA is a separate legal and fiduciary body from the County of Merced.

On October 25, 2019, MercedCERA purchased a vacant lot located at 690 W 19th Street in Merced. The vacant lot is located on the south east corner of the intersection.

The property consists of .41 acres of open vacant property adjacent to UC Merced and Merced College.

One of the primary reasons for purchasing this vacant lot was to facilitate a bigger administrative headquarters building, compared to the building currently occupied for 20+ years and owned by MercedCERA located at 3199 M Street in Merced.

As with all real estate purchases by MercedCERA, investing in real estate within the Merced City limits would be a beneficial long term investment to the MercedCERA trust fund, the City of Merced and most importantly, the MercedCERA members and beneficiaries.

Floor Plans & Development

MercedCERA has contracted with Golden Valley Engineering & Surveying for potentially two different floor plans, both of which require additional parking per the City of Merced. The plans attached (EXHIBIT A) show the two primary draft floor plans being considered by the MercedCERA Retirement Board.

To date, two sets of plans have been contemplated by the Board;

- a one story building of approximately 7,100 square feet,
- a two story building of approximately 12,200 square feet.

Some of the discussions around the merits of both sets of floor plans has been on the growth of MercedCERA and at what rate would the Organization grow into either floor plan. The analysis presented to the Board on March 11, 2021, included a mathematical analysis showing that in 20 years, MercedCERA is on track, with 99% confidence (r²), to double in size in terms of assets managed, members served and staffing levels. The discussion today with the Board of Retirement is centered around if the building plans being considered are for the near future of 7 to 10 years (one story floor plan) or for long term planning of 15 to 20 years (two story floor plan), when the system is due to double in size. The current MercedCERA office building is estimated at 3,400 square feet and the organization is currently out of space.

Feasibility Study

To date MercedCERA is still in the discovery or 'feasibility' phase of the potential build out of the vacant lot. Because construction and finalization of any floor plan has not started, staff is asking the Board of Retirement for a decision on narrowing the scope of floor plans to continue with the feasibility study. In consultation with the ad hoc building subcommittee, the floor plan which is being recommended today, is to approve the 12,300 square foot floor plan and direct the Plan Administrator to continue with the feasibility study for this floor plan only. Both the subcommittee and staff feel that the 12,300 square foot floor plan is the only floor plan that supports future growth for the organization 15 to 20 years into the future. The one story floor plan (7,100 sq feet) is estimated to only accommodate the organization for 7 to 10 years into the future before the organization would potentially be looking for additional or more space.

Next steps in the MercedCERA feasibility study consists of filing the appropriate application (and paying the appropriate fee), requesting that our building project be considered by the City's Planning Commission to waive required offsite parking, per the MercedCERA parking study completed by staff. MercedCERA has been working with the City and is confident the City is on track to favorably consider our building project promptly and positively. Staff will be working with Golden Valley Engineering on the refinement of the floor plan and will bring to the Board of Retirement for approval(s). At this point, there will be multiple opportunities for the Board of Retirement to approve the final set of plans, again part of the 'feasibility study'. There will be multiple opportunities for the Board to consider pricing, construction costs,

materials costs and so forth. Once the floor plan is refined, construction costs will be solicited and once again, the Board will have final approval as to the feasibility of moving forward with the MercedCERA Headquarters Building.

Where We Are Today

A request for a waiver of parking was submitted to the City of Merced on August 20, 2021 for both sets of floor plans. The City has taken our request under advisement, however there is a difference between the two sets of floor plans and the path to proceed forward. The floor plan which consists of a one story (7,100 square feet) includes filing of an Environmental Review Application (fee \$133.00) plus a Site Plan Review Application (fee \$1,335.00). The two story floor plan (12,300 square feet) includes filing of an Environmental Review Application (fee \$133.00) plus the Development Plan Review for Planning Commission Approval (fee \$1602.00). This would give MercedCERA (delegated to the Plan Administrator) the opportunity to appear in front of the Planning Commission with our approved parking study and projected parking needs.

Plan refinement would continue with Golden Valley Engineering and the feasibility would progress through the process of ultimately obtaining construction bids and costs.

Recommendation

Approval for the 12,300 square foot draft building plan and authorization for the Plan Administrator to continue the feasibility study for the MercedCERA Headquarters Building located at 690 W 19th Street in Merced.

EXHIBIT A – Parking Waiver Request with Parking Study and Floor Plans



Merced County Employees' Retirement Association

August 20, 2021

TO: Planning Department
City of Merced
678 W 18th Street, Merced, CA 95340

**RE: The Merced County Employees' Retirement Association Development
Parking Analysis**

Project Information

The Merced County Employees' Retirement Association (MercedCERA) is a professional governmental entity that exists for the purposes of providing accurate, timely benefits to its members and their beneficiaries of the County of Merced, the Merced County Superior Courts and the Merced Cemetery District. The California Constitution (Article XVI, §17 of the Constitution of the State of California) vests the Board with "plenary authority and fiduciary responsibility for the investment of moneys and the administration of the system". While MercedCERA utilizes county employees, MercedCERA is a separate fiduciary body from the County of Merced.

On October 25, 2019, MercedCERA purchased a vacant lot located at 690 W 19th Street in Merced. The vacant lot is located on the south east corner of the intersection.

The property consists of .41 acres of open vacant property adjacent to UC Merced and Merced College.

One of the primary reasons for purchasing this vacant lot was to facilitate a bigger administrative headquarters building, compared to the building currently occupied for 20+ years and owned by MercedCERA located at 3199 M Street in Merced.

As with all real estate purchases by MercedCERA, investing in real estate within the Merced City limits would be beneficial, long term, to the MercedCERA trust fund, the City of Merced and the MercedCERA members and beneficiaries.

Development

MercedCERA has contracted with Golden Valley Engineering & Surveying for potentially two different floor plans, both of which require additional parking per the City of Merced. The plans attached (EXHIBIT A) show the two primary draft floor plans being considered by the MercedCERA Retirement Board.

The floor plan which offers MercedCERA the greatest flexibility and potential room for growth consists of 12,300 sq ft, of which 6,150 sq ft is actual occupied office space. The other 6,150 sq ft (second story) is currently projected to be used as meeting space or a

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www.mercedcera.com • mcera@countyofmerced.com

Board Room and training space for the Retirement Board and staff. MercedCERA is not looking into the feasibility of renting or leasing space. All space would be used for Retirement Board business.

The other floor plan being considered by the Retirement Board is a building consisting of 7,100 square feet (one story).

While MercedCERA does serve its membership (2,136 active, 1,014 deferred and 2,466 retired members), MercedCERA averages approximately 3 member visitors per day per month. Visitors will only have access to the lobby area and will not be allowed in staff office areas.

MercedCERA is anticipating having a Board Room in both proposed floor plans where trustees will meet approximately twice per month (second and fourth Thursday of the month, with the exceptions of November and December with only one meeting per month) for an average of two hours per meeting. These regularly scheduled meetings are not expected to change the projected and actual visitors to the MercedCERA Offices in a month.

City of Merced Parking Standards.

In calculating the required amount of off-street/offsite parking, the City of Merced Zoning Ordinance allows for a reduction of floor area to account for non-public spaces such as hallways, storage areas, utility rooms and areas not designated for public use. Per EXHIBIT A the following parking calculations are as follows:

Floor Plan	Required Parking Stalls	Onsite Parking Provided	Offsite Parking Required
12,100	49.2	16	33.2
<i>Common Parking Facilities Reduction</i>			<i>15%</i>
<i>Bus Stop Reduction</i>			<i>10%</i>
Total Offsite Parking Required by City			22
Required MercedCERA Parking Based on Need			13
Average Projected Parking Surplus/(shortfall)			2.4
Floor Plan	Required Parking Stalls	Onsite Parking Provided	Offsite Parking Required
7,100	28.2	16	12.2
<i>Common Parking Facilities Reduction</i>			<i>15%</i>
<i>Bus Stop Reduction</i>			<i>10%</i>
Total Offsite Parking Required			6

Required MercedCERA Parking Based			13
Average Projected Parking Surplus/(Shortfall)			2.4

MercedCERA’s Estimated Parking Needs

In addition to the above calculated parking reductions as provided by the City of Merced, MercedCERA has been tracking actual parking needs (based on number of customer visits per month and staff onsite) since December 2019. With 2020 being a statistical anomaly due to Covid, MercedCERA has projected estimated parking needs based on pre-Covid customer visits and number of staff onsite. Based on projected MercedCERA staffing and projected customer visits, MercedCERA is projected to have 2.4 unused or surplus onsite parking spaces at any given time. Therefore, the onsite parking as proposed in EXHIBIT A, for both floor plans, are adequate for MercedCERA’s business. MercedCERA Board of Retirement approved a strategic document in March of 2021 that sets self-service goals and technology improvements over the next five to seven years.

Conclusion

MercedCERA formally requests the City of Merced, the City of Merced Planning Commission and the City of Merced Site Plan Committee to review and grant a waiver by Resolution to waive any and all annual fees for parking as required by businesses outside of the City’s parking district for additional required parking stalls and reduce the required offsite parking spaces as calculated for both floor plans as being considered by the MercedCERA Board of Retirement. MercedCERA requests these waivers for as long as MercedCERA occupies the building and uses the building for Retirement System purposes.

Sincerely,

Kristen Santos
Plan Administrator

EXHIBIT A – PROPOSED FLOOR PLANS

PREPARED BY:



GOLDEN VALLEY
ENGINEERING & SURVEYING
405 West 19th Street 95340
P.O. Box 349
Merced, CA 95341
Ph.: (209) 722-3200
Fax: (209) 722-3254

No.	Date	Description

It is the client's responsibility prior to or during construction to verify the design in writing at any location where or whenever the plans are modified or when a contractor throughly investigates with the building codes and methods of construction should be required to verify. When necessary, corrections and/or additions should be made to the drawings prior to the start of construction. The client shall be responsible for any errors in construction if these provisions are not followed.

**NEW 2 STORY OFFICE BUILDING FOR
MERCED COUNTY EMPLOYEE'S RETIREMENT ASSOCIATION**
690 W. 19th STREET
A.P.N. 031-050-024

CITY OF MERCED CALIFORNIA

ENGINEER

SHEET CONTENTS:
Single Story Flr. Plan

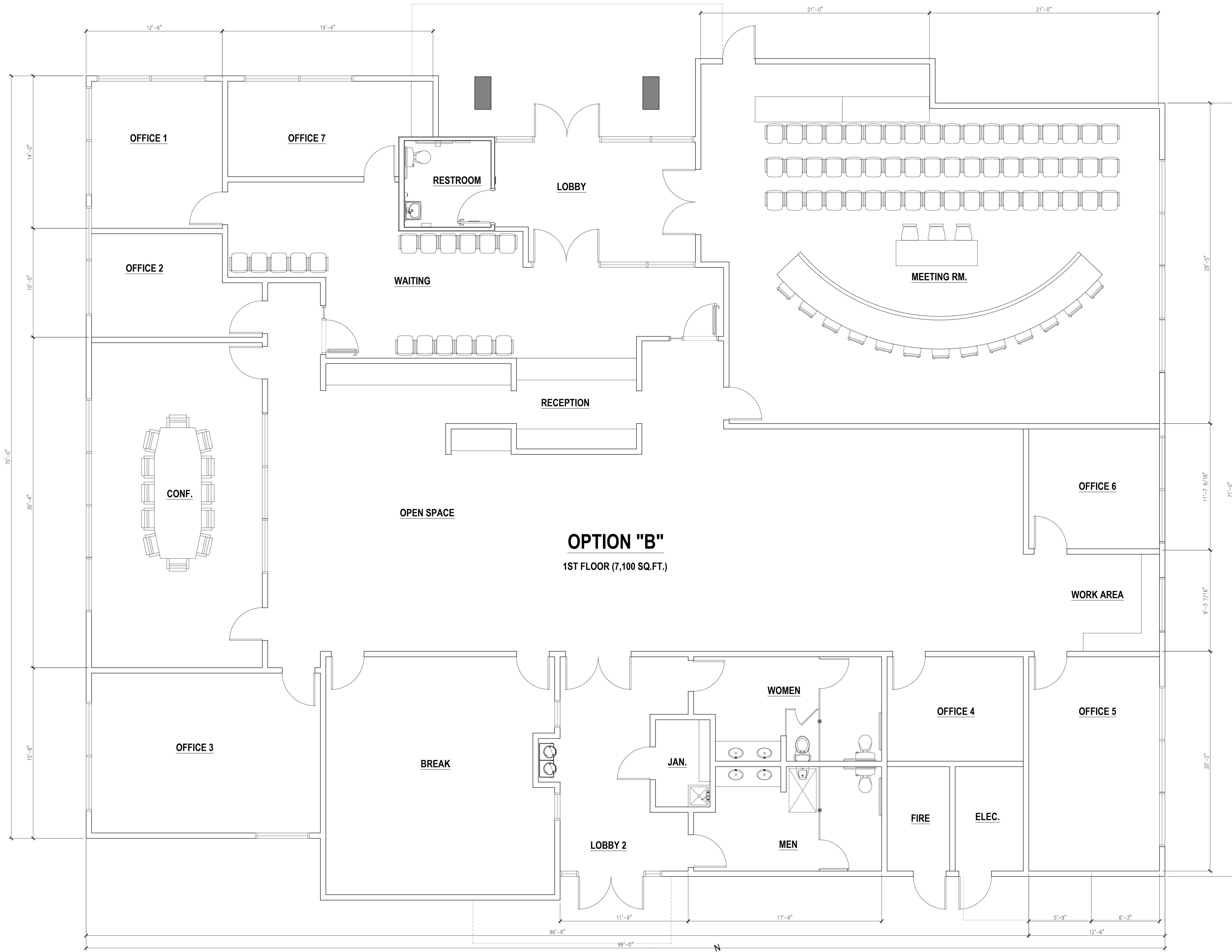
PREPARED FOR:
**MERCED COUNTY EMPLOYEE'S
RETIREMENT ASSOCIATION**
3199 M STREET
MERCED, CA 95340
PH: (209) 726-2724

PROJECT DATA:
Date: 09/23/2019
Checked By: CHRISTINE

Drawn By: JMD
Job No.: 19-148.10

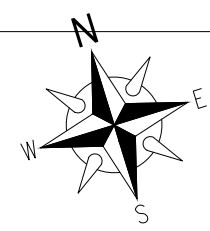
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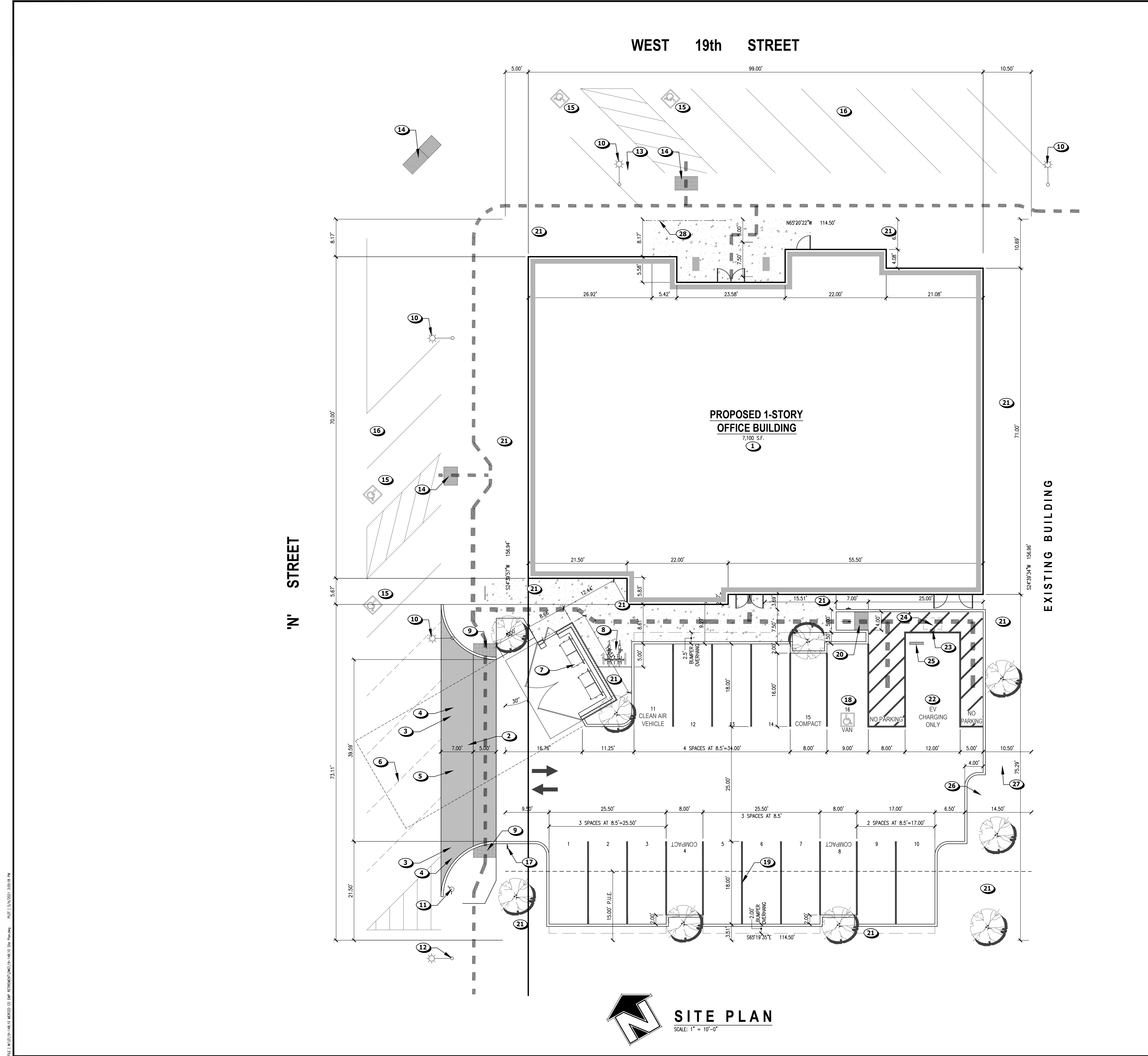
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FIRST FLOOR PLAN

SCALE: 1/4" = 1'-0"





SITE PLAN
SCALE: 1" = 10'-0"

KEYNOTE:

- 1 PROPOSED 1 STORY 7,100 SQ.FT. OFFICE BUILDING. SEE ARCHITECTURAL DRAWINGS
- 2 NEW 39.59' WIDE CONCRETE DRIVEWAY APPROACH PER CITY OF MERCED STANDARD DETAIL D-7 & D-7A.
- 3 EXISTING CITY TREE TO BE REMOVED
- 4 EXISTING ELECTRICAL OUTLET TO BE REMOVED
- 5 EXISTING CURB, GUTTER, SIDEWALK AND BRICK STRIP TO BE REMOVED IN AREA OF NEW DRIVE APPROACH.
- 6 EXISTING OFF-SITE PARKING STALLS TO BE REMOVED IN AREA OF NEW DRIVE APPROACH.
- 7 INSTALL A DOUBLE REFUSE CONTAINER ENCLOSURE FOR ANGLED SERVICE PER CITY OF MERCED STANDARDS.
- 8 INSTALL A TWO BIKE BICYCLE RACK.
- 9 TRUNCATED DOME DETECTABLE WARNINGS AT BOTH ENDS OF ACCESSIBLE PATH OF TRAVEL, LOCATED PER PLAN, MIN. OF 36" IN DIRECTION OF TRAVEL X 5' WIDE.
- 10 EXISTING STREET LIGHT TO BE RELOCATED TO CLEAR NEW DRIVE APPROACH.
- 11 EXISTING CITY FIRE HYDRANT.
- 12 EXISTING STREET LIGHT.
- 13 EXISTING STORM DRAIN D.I.
- 14 EXISTING ACCESSIBLE CURBS RAMP w/ TRUNCATED DETECTABLE WARNINGS
- 15 EXISTING ACCESSIBLE OFF-SITE PARKING STALL.
- 16 EXISTING STANDARD OFF-SITE PARKING STALL.
- 17 INSTALL A PARKING ENTRANCE SIGN & TOW-AWAY SIGN PER DETAIL 13 ON SHEET ADA-1.
- 18 VAN ACCESSIBLE PARKING STALL PER DETAIL 10 ON SHEET ADA-1 WITH VAN ACCESSIBLE STALL SIGN PER DETAIL 13 ON SHEET ADA-1.
- 19 STANDARD 8.5' x 20' PARKING STALLS PER CITY OF MERCED STANDARDS.
- 20 INSTALL ACCESSIBLE CURB RAMP w/ TRUNCATED DETECTABLE WARNINGS
- 21 PROPOSED LANDSCAPED AREAS.
- 22 VAN ACCESSIBLE ELECTRIC VEHICLE CHARGING STATION.
- 23 ELECTRIC VEHICLE CHARGER.
- 24 30"x48" CLEAR FLOOR SPACE AT CHARGING EQUIPMENT.
- 25 CONCRETE WHEEL STOP.
- 26 EXISTING ELECTRICAL TRANSFORMER w/ BOLLARDS
- 27 EXISTING ELECTRICAL PANEL w/ METER MOUNTED ON WOODEN BACK BOARD.
- 28 INSTALL 36" HIGH HANDRAIL AT EXISTING ACCESSIBLE RAMP DROP-OFF.

NOTES:

PROTECT ALL MONUMENTS DURING CONSTRUCTION. IF ANY DISTURBED, A LICENSED SURVEYOR SHALL RESTORE MONUMENTS AND FILE PROPER DOCUMENTS WITH THE COUNTY OF MERCED.

ADA LEGEND AND NOTES

--- ACCESSIBLE ROUTE

ACCESSIBILITY NOTES:

- 1. ACCESSIBLE ROUTE SHALL HAVE A MIN. WIDTH OF 48".
- 2. ACCESSIBLE ROUTE SHALL HAVE A MAX. 2% CROSS SLOPE AND MAX. 5% SLOPE IN THE DIRECTION OF TRAVEL.
- 3. ACCESSIBLE ROUTE SHALL BE FREE OF GAPS AND JOINTS 1/2" WIDE AND 1/4" DEEP.
- 4. ACCESSIBLE ROUTE SHALL HAVE ELEVATION CHANGE NO GREATER THAN 1/4" VERTICAL. ELEVATION CHANGE BETWEEN 1/4" - 1/2" SHALL HAVE A 2:1 SLOPE.

PARKING ANALYSIS:

PARKING CALC.:	7,100 / 250 = 28.4 STALLS
PARKING REDUCTION:	MUNICIPAL CODE SEC. 20.38.050B--COMMON PARKING FACILITIES 15%
TOTAL PARKING REQUIRED:	MUNICIPAL CODE SEC. 20.38.050D--BUS STOP 10% 28.4X0.85X0.9=22
	16 ON-SITE PARKING STALLS PROVIDED 6 OFF-SITE PARKING STALLS NEEDED
ACCESSIBLE PARKING STALL:	1 REQUIRED; 1 PROVIDED (1 VAN ACCESSIBLE PER 2019 CBC TABLE 11B-208.2)
CLEAN AIR VEHICLE PARKING SPACE:	1 REQUIRED; 1 PROVIDED (GREEN CODE: TABLE 5.106.5.2)
ELECTRICAL VEHICLE CHARGING STATION:	1 REQUIRED; 1 PROVIDED 1 VAN ACCESSIBLE (GREEN CODE: TABLE 5.106.5.3.3 & 2016 CBC 11B-228.3.2.1)
BICYCLE PARKING SPACE:	1 REQUIRED; 1 PROVIDED (GREEN CODE: 5.106.4.1)

These drawings are Instruments of service and are the property of Golden Valley Engineering & Surveying, Inc. All designs and other information on these drawings are for use on the specified project and shall not be used otherwise without the express written permission of Golden Valley Engineering & Surveying, Inc.
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PREPARED BY:

GOLDEN VALLEY ENGINEERING & SURVEYING
405 West 19th Street 95340
P.O. Box 349
Merced, CA 95341
Ph.: (209) 722-3200
Fax: (209) 722-3254

No.	Date	Description

NEW 2 STORY OFFICE BUILDING FOR
MERCED COUNTY EMPLOYEES RETIREMENT ASSOCIATION
 690 W. 19th STREET
 A.P.N. 031-050-024
 CALIFORNIA
 CITY OF MERCED

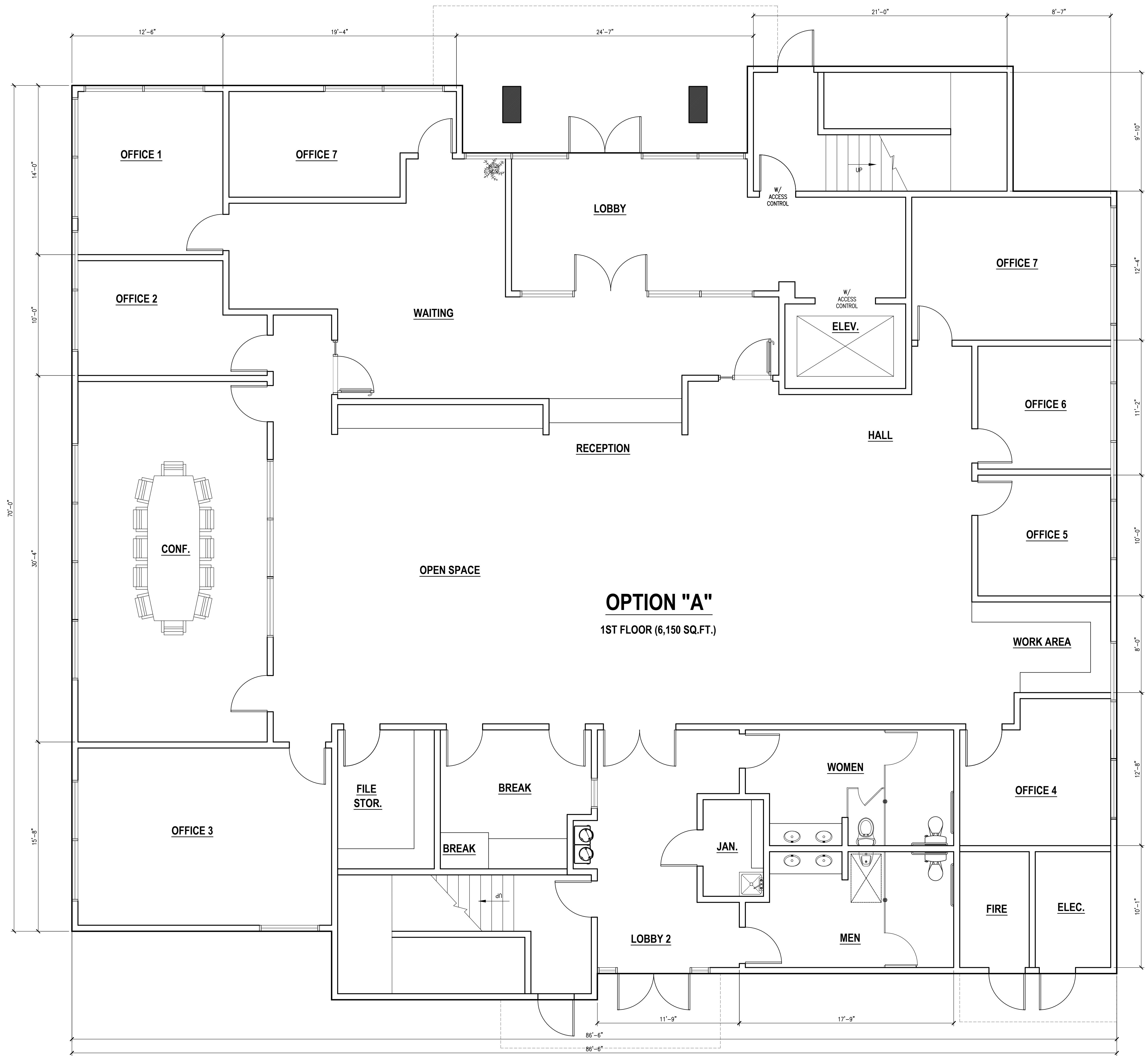
ENGINEER _____

SHEET CONTENTS:
SITE PLAN

PREPARED FOR:
MERCED COUNTY EMPLOYEE'S RETIREMENT ASSOCIATION
3199 M STREET
MERCED, CA 95340
PH: (209) 726-2724

PROJECT DATA:
Date: 09/23/2019
Checked By: CHRISTINE
Drawn By: JMD
Job No.: 19-148.10
SHEET NUMBER _____

A0.1



OPTION "A" FIRST FLOOR PLAN
SCALE: 1/8" = 1'-0"



PARKING ANALYSIS:

PARKING CALC.:	12,300 / 250 = 49.2 STALLS
PARKING REDUCTION:	MUNICIPAL CODE SEC. 20.38.050B—COMMON PARKING FACILITIES 15%
	MUNICIPAL CODE SEC. 20.38.050D—BUS STOP 10%
TOTAL PARKING REQUIRED:	49.2X0.85X0.9=38
	16 ON-SITE PARKING STALLS PROVIDED
	22 OFF-SITE PARKING STALLS NEEDED
ACCESSIBLE PARKING STALL:	1 REQUIRED; 1 PROVIDED (1 VAN ACCESSIBLE PER 2019 CBC TABLE 11B-208.2)
CLEAN AIR VEHICLE PARKING SPACE:	1 REQUIRED; 1 PROVIDED (GREEN CODE: TABLE 5.106.5.2)
ELECTRICAL VEHICLE CHARGING STATION:	1 REQUIRED; 1 PROVIDED (1 VAN ACCESSIBLE (GREEN CODE: TABLE 5.106.5.3.3 & 2016 CBC 11B-228.3.2.1))
BICYCLE PARKING SPACE:	1 REQUIRED; 1 PROVIDED (GREEN CODE: 5.106.4.1)

These drawings are Instruments of service and are the property of Golden Valley Engineering & Surveying, Inc. All designs and other information on these drawings are for use on the specified project and shall not be used otherwise without the express written permission of Golden Valley Engineering & Surveying, Inc.
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PREPARED BY:

No.	Date	Description

It is the client's responsibility to verify the design in writing at any proposed work or conditions in the plans and specifications of which is submitted through knowledge with the building codes and methods of construction shall be required to verify. After reviewing drawings and general notes or conditions shall be required from the designer prior to the client or client's representative proceeding with the work. The client will be responsible for any delays in construction if these provisions are not followed.

GOLDEN VALLEY ENGINEERING & SURVEYING
405 West 19th Street 95340
P.O. Box 349
Merced, CA 95341
Ph.: (209) 722-3200
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**NEW 2 STORY OFFICE BUILDING FOR
MERCED COUNTY EMPLOYEE'S RETIREMENT ASSOCIATION**
690 W. 19th STREET
A.P.N. 031-050-024

CALIFORNIA
CITY OF MERCED

ENGINEER

SHEET CONTENTS:
First Floor Plan

PREPARED FOR:
MERCED COUNTY EMPLOYEE'S RETIREMENT ASSOCIATION
3199 M STREET
MERCED, CA 95340
PH: (209) 726-2724

PROJECT DATA:
Date: 09/23/2019
Checked By: CHRISTINE
Drawn By: JMD
Job No.: 19-148.10
SHEET NUMBER

A1.0

FILE: \\S:\19-148.10\MERCED_CO_EMP_RETIREMENT\DWG\19-148.10_Double Story Option.Ang 5/4/2021 4:15:37 PM

No.	Date	Description

It is the client's responsibility prior to or during construction to verify the designer in writing of any proposed work or conditions in the plans and specifications of which is constructed thoroughly investigate with the building codes and methods of construction shall be required to comply. After reviewing drawings and general notes or conditions shall be received from the designer prior to the client or client subcontractor proceeding with the work. The client will be responsible for any delays in construction if these procedures are not followed.

**NEW 2 STORY OFFICE BUILDING FOR
MERCED COUNTY EMPLOYEE'S RETIREMENT ASSOCIATION**
690 W. 19th STREET
A.P.N. 031-050-024

CITY OF MERCED CALIFORNIA

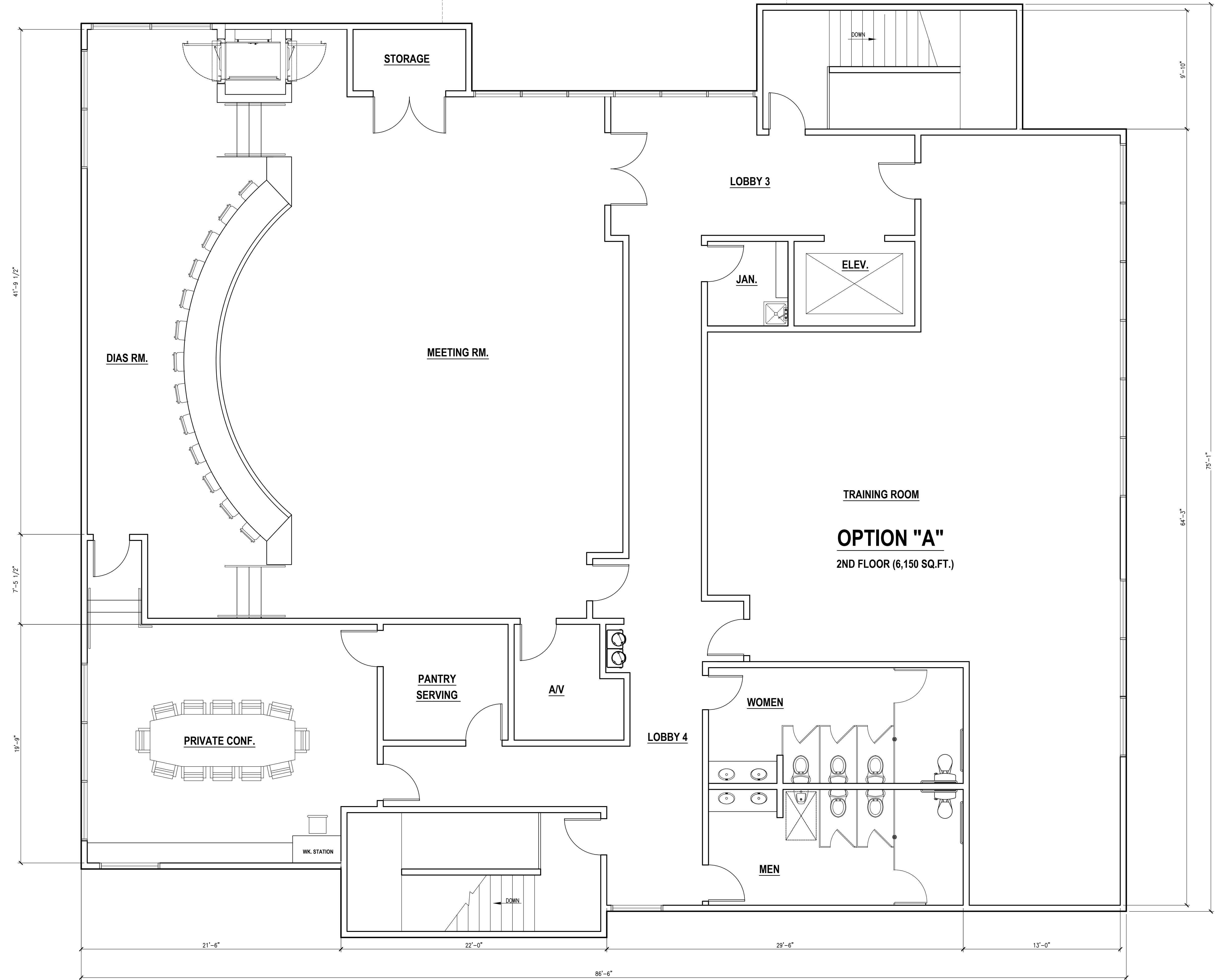
ENGINEER

SHEET CONTENTS:
Second Floor Plan

PREPARED FOR:
**MERCED COUNTY EMPLOYEE'S
RETIREMENT ASSOCIATION**
3199 M STREET
MERCED, CA 95340
PH: (209) 726-2724

PROJECT DATA:
Date: 09/23/2019
Checked By: CHRISTINE
Drawn By: JMD
Job No.: 19-148.10
SHEET NUMBER

A1.1



OPTION "A" SECOND FLOOR PLAN

SCALE: 1/4" = 1'-0"

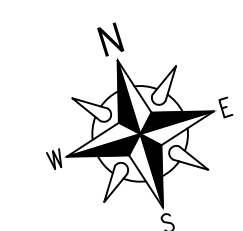


EXHIBIT B – ACTUAL AND PROJECTED PARKING NEEDS OF MercedCERA

Actual Parking Numbers for MercedCERA

Actual Tracking Began December 9, 2019

	Dec-19	Jan-20	Feb-20	Closed due to COVID			MercedCERA stopped all in person appointments						Closed 12/11/2020 - 3/1/2021 due to Covid.								
				Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21
# of Business Days	15	21	18	9	0	0	22	21	21	22	21	22	8	0	0	23	22	20	22	21	22
Total Visits	36	55	57	5	0	0	24	27	33	29	37	31	3	0	0	8	12	17	24	22	12
Average Visit Per Day	2.4	2.6	3.2	0.6	0	0	1.1	1.3	1.6	1.3	1.8	1.4	0.4	0.0	0.0	0.3	0.5	0.9	1.1	1.0	0.5
Morning Visits	33%	38%	58%	0	0	0	42%	33%	25%	35%	52%	25%	28%	0	0	2%	32%	45%	28%	46%	60%
Afternoon Visits	67%	62%	42%	0	0	0	58%	67%	75%	65%	48%	75%	72%	0%	0%	98%	68%	55%	72%	54%	40%
Appointments	6%	25%	30%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Drop-Ins	94%	75%	70%	0	0	0	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Number of staff per day	8	8	8	0	0	0	3	4	5	5	5	5	3	0	0	3	4	5	5	6	6
Onsite parking used by visitors per month	2.4	2.6	3.2	0.6	0.0	0.0	1.1	1.3	1.6	1.3	1.8	1.4	0.4	0.0	0.0	0.3	0.5	0.9	1.1	1.0	0.5
Onsite Parking used by staff per month	8	8	8	0	0	0	3	4	5	5	5	5	3	0	0	3	4	5	5	6	6
Projected number of onsite parking places in new building	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Projected excess onsite parking	5.6	5.4	4.8	15.4	16.0	16.0	11.9	10.7	9.4	9.7	9.2	9.6	12.6	16.0	16.0	12.7	11.5	10.2	9.9	9.0	9.5

*Numbers do not include Board of Retirement Meetings - currently two days per month for up to 2 hours per meeting.

Projected Parking Needs for MercedCERA

	December	January	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August
Projected # of Business Days per Month	20	21	18	23	22	20	22	21	21	22	21	22	20	21	18	23	22	20	22	21	22
Projected Total Visits per month	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55
Projected Average Visit Per Day	2.8	2.6	3.1	2.4	2.5	2.8	2.5	2.6	2.6	2.5	2.6	2.5	2.8	2.6	3.1	2.4	2.5	2.8	2.5	2.6	2.5
Projected Morning Visits	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Projected Afternoon Visits	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Projected Appointments (assuming onsite counseling returns)	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Projected Drop-ins	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Projected Number of staff per day	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Projected Onsite parking used by visitors per month	2.8	2.6	3.1	2.4	2.5	2.8	2.5	2.6	2.6	2.5	2.6	2.5	2.8	2.6	3.1	2.4	2.5	2.8	2.5	2.6	2.5
Projected Onsite Parking used by staff per month	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Projected number of onsite parking places in new building	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Projected excess onsite parking	2.3	2.4	1.9	2.6	2.5	2.3	2.5	2.4	2.4	2.5	2.4	2.5	2.3	2.4	1.9	2.6	2.5	2.3	2.5	2.4	2.5

Assumptions

*Projected numbers do not include Board of Retirement Meetings - currently two days per month for up to 2 hours per meeting

*Assume half of drops ins and appointments are split between morning and afternoon equally.

*Assume average daily traffic equal to pre-covid numbers

*Assume MercedCERA has all positions filled and staff are in the office 100%

Date: October 14, 2021

To: MercedCERA Board of Retirement

From: Kristie Santos, Plan Administrator

Subject: Merced County Employees' Retirement Association (MercedCERA)
Request to Fill Extra Help Office Assistant I/II Position.

Item Number: 3

Item Type: Action

Staff Recommendation:

1. Approve staff request to fill an additional extra help Office Assistant I/II position for a limited duration.

Discussion:

The full time Office Assistant (OA) I/II position is responsible for the Retirement Board's agendas, minutes, posting, travel arrangements, education hours tracking, paying invoices through the County's AP process using the OneSolution system, greeting and working with MercedCERA's members who visit the office, fielding all phone calls, copying, scanning, and many more administrative duties that are required for MercedCERA's day-to-day business. Because MercedCERA is a small organization, the workload attributable to the OA I/II position constitutes filling an extra help position to assist with these duties. MercedCERA staff are requesting to fill an extra help Office Assistant I/II. This would insure that all vital administrative functions are properly allocated between staff persons.

Staff allowed for a budget cushion and therefore no amendments or budget increases will be needed. MercedCERA follows the County's procedure for all recruitments and new hires.

Recommendation:

Approval of staff request to fill the extra help Office Assistant I/II position.



Merced County Employees' Retirement Association

Date: October 14, 2021

To: MercedCERA Board of Retirement

From: Kristie Santos, Plan Administrator

Subject: Replacement of two HVAC units on the roof and all duct work and associated items.

Item Number: 4

Item Type: Action

Staff Recommendation:

1. Authorize the Plan Administrator to work with ARMS to replace both remaining units and replace all duct work and other items on the HVAC quote.

Discussion:

On Thursday, August 12, 2021, staff asked the Board to authorize the Plan Administrator to investigate having one HVAC unit on the MercedCERA roof replaced due to a significant water leak (there are a total of three units on the roof). Staff called in Modern Air and ARMS HVAC servicing providers and received a quote from both.

ARMS immediately repaired the leaking unit and is recommending replacing both existing units on the roof. They are both functioning properly now, however ARMS feels that the units will continually have issues due to their age and use (as observed by the significant water leak). Because staff will not be able to work in the building without proper heat and air conditioning due to weather extremes in the area, it is recommended that both units be replaced.

Name of Company	Quoted Price	Replacement of Unit (Yes or No)	Summary of Work (from attached quotes)
Modern Air	\$16,520	YES, <u>One</u> Unit Only	<ul style="list-style-type: none"> • One unit replacement • New metal duct work
ARMS	\$39,408.78	YES, 2 Units.	<ul style="list-style-type: none"> • Two unit replacement • Replace all ductwork • Air filters • Rebalancing ducts and zones • Air purifier • Dampers • Merced City Building permit • Smoke detectors (for HVAC)



Customer

ARMS Air Conditioning & Heating
701 Enterprise Ct
Atwater, CA
95301, United States
(209) 357-8199

Prepared By:
Paul Haase
2097697528
paulh.armsac@gmail.com

Martha Sanchez
3199 M St
Merced, CA
95348

(209) 726-9979
mcera@countyofmerced.com

Project: Merced County Employment Retirement

Scope of Work

This submission of bid represents our intent to enter into agreement with Merced County Employment Retirement to remove and replace roof-top package HVAC systems (2) with full duct replacement. Recommendation of installation of Plasma IAQ system for covid-19 precautionary measures. Pricing is for install of units on roof in current locations and existing duct locations.

Roof-Top Package Systems

Part	Material Cost	Labor Cost and/or Adjustments	Total Cost
Rheem Commercial Packaged self-contained roof-top air conditioning units, 5-T, 2,000 CFM	\$ 9,811.76	\$ 807.06	\$ 10,618.82
Rheem Commercial Packaged self-contained roof-top air conditioning units, 3-T, 1,200 CFM	\$ 6,411.76	\$ 691.76	\$ 7,103.53
Crane Services	\$ 529.41	\$ 5.76	\$ 535.18

HVAC Supply/Return Duct Replacement

Part	Material Cost	Labor Cost and/or Adjustments	Total Cost
3 & 5 Ton Total Duct Replacement with Plasma IAQ	\$ 11,424.71	\$ 1,383.53	\$ 12,808.24
Air balancing, Multi-zone A/C	\$ 1,495.58	\$ 461.18	\$ 3,913.51

Plasma IAQ (Covid-19 Precautionary)

Part	Material Cost	Labor Cost and/or Adjustments	Total Cost
Plasma IAQ Purify	\$ 367.15	\$ 345.88	\$ 1,426.07

Included(+)



Included(+)

1. Equipment:

- Rheem 3T (Model# RGECZR036AJT072AAAA0) Comm Gas/Elec Package w/ Single Enthalpy Economizer
- Rheem 5T (Model# RGECZR060ACT072AAAA0) Comm Gas/Elec Package w/ Single Enthalpy Economizer
- A/P ION Duct Smoke Detector w/ Sampling tube (2)
- Zoning Duct Dampers
- Plasma 24V Indoor Air Quality (Covid-19 Precautionary)
- Merced City Building Permit

Excluded(-)

1. Anything not listed above.

Notes

Summary

Price	
Labor and Adjustments	\$ 4,873.67
Materials	\$ 34,535.11
Subtotal	\$ 39,408.78

\$ 39,408.78

Accepted By	Date
.....

2200 Cooper Avenue
P.O. Box 3017
Merced, CA 95344



Phone (209) 722-1815
Fax (209) 722-4718
www.ModernAir.biz

QUOTE

To:	Merced County Retirement Office	From:	Modern Air Mechanical
Re:	3199 M Street Merced, CA 95348	Date:	7/26/2021
Email:	mcera@countyofmerced.com marha.sanchez@countyofmerced.com	Page:	1

The building referenced above, located at 3199 M Street Merced, CA 95348 requires the existing 3 ton package unit be replaced. Below is a system we recommend, in order to meet these requirements:

Supply and install 1 of 3 ton single-phase Carrier package unit, work to include:

- Supply and install 1 of 3 ton single-phase gas/electric Carrier package unit
- Fresh air damper
- Crane for rigging of new equipment
- Hook-up to existing electrical, gas and drain line
- Supply and install a curb adaptor
- New electrical disconnect
- Supply and install a smoke detector
- System start-up
- Duct test & seal
- Permit

Quote: \$11,170.00_____

Exclusions/Notes/ Terms:

1. Roofing, painting, patching and framing will be by others.
2. Work not specifically referenced in the above quote will be by others, or at additional cost.
3. Work to be done during regular business hours (8AM-4:30PM), no premium time.
4. Quote is valid for 30 days from the proposal date.
5. Labor is quoted at local prevailing wage rate.
6. Balance of the contract due net 30 days.
7. Lead time on the equipment is 2-3 weeks from date of order.
8. Replacement Carrier Serial#3500G20490

ACCEPTED BY:

Customer Signature

Date

PO #

"We Autograph Our Work with Quality!"

2200 Cooper Avenue
P.O. Box 3017
Merced, CA 95344



Phone (209) 722-1815
Fax (209) 722-4718
www.ModernAir.biz

QUOTE

To:	Merced County Retirement Office	From:	Modern Air Mechanical
Re:	3199 M Street Merced, CA 95348	Date:	7/26/2021
Email:	mcera@countyofmerced.com marha.sanchez@countyofmerced.com	Page:	1

Quote to replace duct work to Daikin package unit Model#1509095220

Supply and install new duct work and 4 zone system board and dampers, work to include:

- Demo existing duct work, dampers and zone board
- Supply and install new duct work
- Supply and install 4 zone panel and 4 dampers
- Hook-up to existing plenums, registers, and unit
- System start-up
- Duct test & seal
- Permit

Quote/Flex Duct Work: \$3,970.00 _____
Quote/Metal Duct Work: \$5,350.00 _____

Exclusions/Notes/ Terms:

1. Roofing, painting, patching and framing will be by others.
2. Work not specifically referenced in the above quote will be by others, or at additional cost.
3. Work to be done during regular business hours (8AM-4:30PM), no premium time.
4. Quote is valid for 30 days from the proposal date.
5. Labor is quoted at local prevailing wage rate.
6. Balance of the contract due net 30 days.
7. Lead time on the equipment is 2-3 weeks from date of order.

ACCEPTED BY:

Customer Signature

Date

PO #

"We Autograph Our Work with Quality!"

Date: October 14, 2021

To: MercedCERA Board of Retirement

From: Kristie Santos, Plan Administrator

Subject: Merced County Employees' Retirement Association (MercedCERA) to contract with and pay for a recruiting firm to assist the Plan Administrator with hiring an Investment Officer and ask the Board Chair to appoint an ad hoc subcommittee to assist the Plan Administrator with hiring the Investment Officer.

Item Number: 5

Item Type: Action

Staff Recommendation:

1. Approve Plan Administrator contract with and pay for a recruiting firm to assist the County and MercedCERA with filling the Investment Officer position.
2. The Board Chair appoint an ad hoc subcommittee to assist the Plan Administrator in hiring an Investment Officer.
3. Approve the ad hoc subcommittee and Plan Administrator have delegated authority to pay for potential moving and recruitment expenses, if needed.

Discussion:

The Board of Retirement approved hiring an Investment Officer for MercedCERA which will have knowledge of both private and public markets. Because this is a County position, all County laws and recruitment regulations must be followed.

The Investment Officer position is very specialized, and thus the Plan Administrator is requesting to contract with a recruiting firm that has knowledge of the public sector recruiting laws and the investment needs of MercedCERA. The use of a recruiter is not a normal process of the County; however, the County understands the specialization and knowledge that a candidate must have. MercedCERA would pay for the recruiting contract and would be working very closely with County Human Resources to fill the position.

The Plan Administrator is also asking for the Chair to appoint an ad hoc board subcommittee to assist the Plan Administrator in hiring the Investment Officer. It is requested that the ad hoc subcommittee and the Plan Administrator be given the authority to pay potential moving expenses and any other expenses associated with the Investment Officer position recruitment, if needed.

Recommendation:

1. Approve the Plan Administrator contract with a recruiting firm to assist the Plan Administrator and County Human Resources in filling the Investment Officer

position.

2. The Board Chair appoint an ad hoc subcommittee to assist the Plan Administrator in the hiring of an Investment Officer.
3. Approve the subcommittee and the Plan Administrator have delegated authority to pay possible moving expenses and any other expenses associated with hiring the investment Officer position, if needed.

Executive Recruitment Search

INVESTMENT OFFICER

Merced County Employees' Retirement Association





INVESTMENT OFFICER

Merced County Employees' Retirement Association

October 6, 2021

VIA EMAIL

Kristen Santos
Retirement Plan Administrator
Merced County Employees' Retirement Association
3199 M Street
Merced, CA 95348

Dear Ms. Santos:

Alliance Resource Consulting is pleased to submit this proposal to assist the Merced County Employees' Retirement Association in its efforts to recruit and screen candidates for the Investment Officer position. Enclosed is our proposal which outlines how we would partner with your organization to recruit the best individuals. It describes the steps we will take to accomplish the recruitment within your desired timeframe.

Alliance Resource Consulting's corporate motto is "The Power of Partnership." We take this seriously and have built our reputation on providing services of the highest quality. Alliance Resource Consulting was formed in 2004 and has a proven track record of success with more than 550 placements to our credit. We are a minority and female-owned company and have an outstanding track record of diversity outreach.

We do not have any potential conflicts of interest from past recruitments or relationships. We will be happy to answer any additional questions you may have. We look forward with great interest to working with you on this very important assignment.

Sincerely,

A handwritten signature in black ink that reads "Cindy Krebs".

Cindy Krebs
National Director



INVESTMENT OFFICER

Merced County Employees' Retirement Association

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Merced County Employees' Retirement Association

1 – OUR UNDERSTANDING

It is our understanding that the Merced County Employees' Retirement Association (MercedCERA) wishes to engage an executive search firm to assist in its Investment Officer recruitment.

MercedCERA operates under the authority by the California State Government Code, Section 31450 et. seq., the County Employees' Retirement Law of 1937 (CERL) and Section 7522 et.seq. (PEPRA). MercedCERA is administered by the Board of Retirement to provide retirement, disability, death, and survivor benefits for its members.

Alliance Resource Consulting prides itself on its commitment to customer service to both the client and the candidates.

2 – FIRM QUALIFICATIONS

2.1 Project Team

In 2004, Alliance Resource Consulting acquired the national executive recruiting practice of MAXIMUS. We are committed to providing our clients with the highest caliber of service in the industry. Our team of dedicated professionals utilizes custom-built state-of-the-art technology in conducting a search.

We are based out of La Palma, California. We also have consultants based in Palo Alto, California; Tallahassee, Florida and Seattle, Washington.

Our current staffing is:

Sherrill Uyeda – Founding Partner
Cindy Krebs - National Director
David McDonald – Regional Director, East Coast
Sean Joyce – Regional Director, West Coast
Syldy Tom – Manager
Richard Kaplan – Research Consultant
Sheryl Stewart – Research Consultant
Linda Kann – Special Projects and Graphics Manager

Cindy Krebs and Sherrill Uyeda will work on this recruitment. Biographies can be found in Appendix A and references can be found in Appendix B.

2.2 Our Experience

We believe we are exceptionally well qualified to assist you. We have extensive nationwide experience recruiting executives for government agencies and special districts and have helped to place excellent people with diverse backgrounds and experiences in organizations large and small.

Retirement system recruitments are one of our strengths. Currently, we are recruiting the Assistant Chief Executive Officer/Chief Legal Counsel for the Sonoma County Employees' Retirement Association.



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Merced County Employees' Retirement Association

We recently recruited the following retirement system positions:

- Chief Executive Officer - Alameda County Employees' Retirement Association (CA)
- Chief Executive Officer - Contra Costa County Employees' Retirement Association (CA)
- Chief Executive Officer - Los Angeles County Employees Retirement Association (CA)
- Chief Executive Officer - San Diego County Employees Retirement Association (CA)
- Chief Executive Officer - San Joaquin County Employees' Retirement Association (CA)
- Chief Executive Officer - Santa Barbara County Employees Retirement System (CA)
- Executive Director - Kern County Employees' Retirement Association (CA)
- Executive Director - Mendocino County Employees Retirement Association (CA)
- Executive Director - Seattle City Employees' Retirement System (WA)
- Assistant Executive Director - Kern County Employees' Retirement Association (CA)
- Assistant Executive Officer - Los Angeles County Employees Retirement Association (CA)
- Deputy Chief Executive Officer - Los Angeles County Employees Retirement Association (CA)
- Retirement Plan Administrator - Merced County Employees' Retirement Association (CA)
- Retirement Administrator - City of Fresno Retirement Systems (CA)
- Retirement Administrator - Fresno County Employees' Retirement Association (CA)
- Retirement Administrator - Imperial County Employees' Retirement System (CA)
- Retirement Administrator - Marin County Employees' Retirement Association (CA)
- Retirement Administrator - Mendocino County Employees Retirement Association (CA)
- Retirement Administrator - Sonoma County Employees' Retirement Association (CA)
- Assistant Retirement Administrator - Fresno County Employees' Retirement Association (CA)
- Assistant Retirement Administrator - Marin County Employees' Retirement Association (CA)
- Assistant Director, Retirement Services and Chief Investment Officer - City of San Jose (CA)
- Chief Counsel - Alameda County Employees' Retirement Association (CA)
- Chief Financial Officer - San Bernardino County Employees' Retirement Association (CA)
- Chief Financial Officer/Chief Operating Officer - Seattle City Employees' Retirement System (WA)
- Chief Investment Officer, Office of Retirement Services - City of San Jose (CA)
- Chief Legal Counsel - Los Angeles County Employees Retirement Association (CA)
- Chief Operations Officer - Sacramento County Employees' Retirement System (CA)
- Chief Retirement Counsel - Sonoma County Employees' Retirement Association (CA)
- Chief of Member Services - San Bernardino County Employees' Retirement Association (CA)
- Director of Retirement Services - City of San Jose (CA)
- Division Manager, Member Services - Los Angeles County Employees Retirement Association (CA)
- Investment Officer - Kern County Employees' Retirement Association (CA)
- Investment Officer - San Bernardino County Employees' Retirement Association (CA)
- Senior Staff Counsel - San Bernardino County Employees' Retirement Association (CA)

Our ability to carry out the work required by your agency is enhanced by our past experience in providing similar services to others. It should be noted that all of the recruitments listed above were completed on time and within budget.

We will preserve the confidential nature of any information received from you or developed during our work on this recruitment in accordance with our established professional standards.

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Merced County Employees' Retirement Association

We assure you that we will devote our best efforts to carrying out the work required. The results obtained, our recommendations and any written material we provide will be our best judgment based on the information available to us.

2.3 Advantages of Our Firm

Relative to your present search requirements, we believe the principal advantages in using Alliance Resource Consulting which differentiate us from other firms are:

- Our track record of success in placing superior senior level executives in particularly sensitive and highly responsible/accountable positions.
- Our specialization in public sector executive search on a nationwide basis.
- Our extensive experience recruiting executives for government agencies and special districts.
- Our PROACTIVE recruitment of candidates who may not be seeking new employment and would not normally respond to routine advertising and highly qualified candidates who might be overlooked by traditional recruiting approaches.
- Our ability to develop and meet a recruitment timeline to fit your needs.
- The fact that we assign two professionals to each recruitment to ensure we are always available to quickly respond to your most pressing requirements.
- The quality of our work and the fact that most of our clients have retained our services on more than one engagement.
- Our proven ability to identify and recommend qualified female and minority candidates.
- The transparency of our recruitment process. We will prepare weekly updates for you throughout the peak of the recruiting process.
- Our reputation among clients and candidates for timely communication and documentation (e.g., acknowledgement of receipt of candidate application, client status reports, candidate interviews, client meetings and candidate feedback).
- The thoroughness of our documented reference, internet and background checks. We request very specific references from candidates and supplement our reports with information gathered from available information sources such as LexisNexis and public records. Our ability to enhance the recruitment process through stakeholder outreach, the use of online surveys, and targeted research.
- The fact that all of our graphics work is done in-house, saving our clients time and money.
- Our promise to conduct the recruitment at the cost proposed. We have never charged a client more than our proposed amount.

3 – RECRUITMENT METHODOLOGY & APPROACH

Alliance Resource Consulting believes that the best way to assist you is to act as an extension of your organization, working within your expectations and guidelines. Our objective is to find the best qualified candidates. While notices in professional journals may be helpful, many of the best candidates must be sought out and their interest encouraged. Our general familiarity with the organization, knowledge of the field and our relationships with professional organizations make us well qualified to assist you.

Our clients have found that we are able to:

- Develop the appropriate specifications for a position.
- Encourage the interest of top-level people who would be reluctant to respond to advertisements.

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- Preserve the confidentiality of inquiries, consistent with State public disclosure and open meeting laws.
- Save a considerable amount of time for client staff in developing and responding to candidates.
- Protect the confidentiality of the information discussed with or received from the client.
- Build consensus among those involved in the hiring process.
- Independently and objectively assess the qualifications and suitability of candidates for the particular position for which we are recruiting.
- Adhere to client's budget and schedule expectations.

We will do the following for the Investment Officer recruitment:

3.1 Strategy Development

We will interview members of the Search Committee and other client contacts to obtain a detailed understanding of the position, key goals and challenges, and organizational culture. We will also discuss expectations regarding desirable training, experience and personal characteristics of candidates. In addition, should you request it, we will conduct/facilitate community outreach meetings and focus group discussions.

We also have experience creating and managing community surveys, should the organization want input from its constituents. We will also gather/review relevant information about the organization, such as budgets, organization and/or department goals, organization charts, etc.

Once our findings have been summarized, we will submit a Recruitment Profile with the desired qualifications and characteristics to you for approval. The Recruitment Profile that will be sent to potential candidates will include information about the organization, the job and the criteria established by you.

3.2 Active Recruitment

Once you have approved the Recruitment Profile, we will actively seek out individuals who meet your expectations. To achieve the best response, we will take a two-prong approach to attracting candidates:

1. **Direct Contact** – We will mail invitations and recruitment profiles to targeted individuals in comparable organizations at the appropriate level. These invitations will be followed up with direct phone calls to potential candidates to gauge interest.
2. **Advertisements** – We will place job advertisements in the appropriate professional journals and on-line sites.

As a matter of corporate policy, we do not discriminate against any applicant for employment on the basis of race, religion, creed, age, color, marital status, sex, sexual preference, disabilities, medical condition, veteran status or national origin. A substantial percentage of the placements made by our firm have been minority or female candidates.

Frequent communication with our clients is a hallmark of our firm. While consultants will provide regular updates on the progress of your search, you will also be able to access up-to-date 'real time' information regarding your search from our secure website.

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3.3 Candidate Evaluation

We will review, acknowledge and evaluate all resumes received. Candidate evaluation will begin with an analysis based upon criteria contained in the Recruitment Profile, information contained in the resumes submitted to us, and our knowledge of the people and organizations for which they work.

The next phase in candidate evaluation will focus on gaining additional information from the qualified group of candidates through written supplemental information questionnaires and other resources. Telephone interviews will be conducted with the most promising candidates to gain a better understanding of their backgrounds, qualifications and interest in the position.

3.4 Progress Report Meeting

After the resume deadline, we will submit to you a progress report of the leading candidates. This report will include summary resumes, supplemental information, and the original resumes of those candidates we believe to be best qualified for the position. Supplemental information on a candidate typically includes: the size of the organization for which the person works, reporting relationships, budget responsibility, the number of people supervised, related experience and reasons for interest in the position. Any other specific information will be dictated by the criteria set forth in the Recruitment Profile.

The purpose of our progress report is two-fold. It allows you an opportunity to review the candidates and choose those who you would like to invite to be interviewed for the position. It also allows us to receive feedback on the caliber of the candidates recruited. In addition, at this point we will have conducted preliminary background checks on each of the presented candidates. Of course, we are flexible and may consider other individuals as final candidates who are subsequently identified and were not included in the progress report.

3.5 Preliminary Interviews

We will interview (either in person or via video-conference) those candidates identified by you to be the leading candidates. We will conduct a preliminary interview with questions that focus on the selection criteria. Additionally, we will verify degrees and certifications and continue to gather information about the candidate's professional backgrounds.

3.6 Client Interviews & Interview Books

We will assist you in scheduling final candidates for interview with your organization, and will send the candidates packets of information which we obtain from you should you request it (e.g., information about the organization and the geographic area, budgets, etc.).

We will prepare final interview books for the selection panel. These books will include interviewing/selection tips, suggested interview questions, and rating forms for your use. Candidates will not be ranked, for we believe it will then be a matter of chemistry between you and the candidates.

We will facilitate the interview process on-site or virtually, based on your preference. We will brief the interview panel at the start of the interviews and will facilitate the process throughout the day. After the last candidate interview, we will assist you in "debriefing" the interview panel members.

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As part of our process in evaluating candidates, we make telephone reference checks. In conducting these references, it is our practice to speak directly with individuals who are, or have been, in a position to evaluate the candidate's performance on the job. To gain a well-rounded impression of the candidates, we speak with current and prior supervisors, peers and subordinates. These references and our evaluations provide you with a frank, objective appraisal of the candidates. Once we finalize references on the top one or two candidates and conduct credit/criminal/civil litigation/motor vehicle record checks through an outside service, we will provide you with a detailed candidate evaluation report.

3.7 Special Assistance

Our efforts do not conclude with presentation of the final report. We are committed to you until a successful placement is made. Services that are routinely provided include:

- Arranging the schedule of interviews and the associated logistics for final candidates.
- Advising on starting salary, fringe benefits, relocation trends and employment packages.
- Acting as a liaison between client and candidate in discussing offers and counter offers.
- Conducting a final round of reference checking with current employers (if not previously done for reasons of confidentiality).
- Notifying those candidates who were not recommended for interview of the decision. Following up with the client and the selected candidate once he/she has joined the organization to ensure a smooth transition.

4 – OUR CLIENT'S ROLE

The client has a very important role in the recruitment process. While we may identify and recommend qualified candidates, it is the client who must make the decision about which candidate to hire.

In order to insure that the best candidates are available from which to choose, our clients should be willing to do the following:

- Clearly inform us about matters relevant to the search that you wish to keep confidential (e.g., salary, personnel issues, and other privileged information).
- Supply us with the names of people you have previously interviewed/ considered for this position.
- Forward us copies of the resumes you receive, to avoid duplication of effort.
- Provide feedback to Alliance Resource Consulting regarding the information and recommendations provided by us.
- Promptly decide upon and follow up in scheduling interviews with the most promising candidates.
- Assist in providing information to candidates that will enable them to make their career decisions.
- Uphold confidentiality (while respecting relevant state laws about open disclosure) to protect the integrity of the recruitment process, as well as the candidate's involvement.

By doing the above, we will maximize the likelihood of mutual success.

Finally, please be reminded that the United States Immigration Reform and Control Act of 1986 requires that all employers verify an employee's eligibility to work in the United States. Since Alliance Resource Consulting cannot serve as your agent in this matter, your hiring process should include this verification procedure.



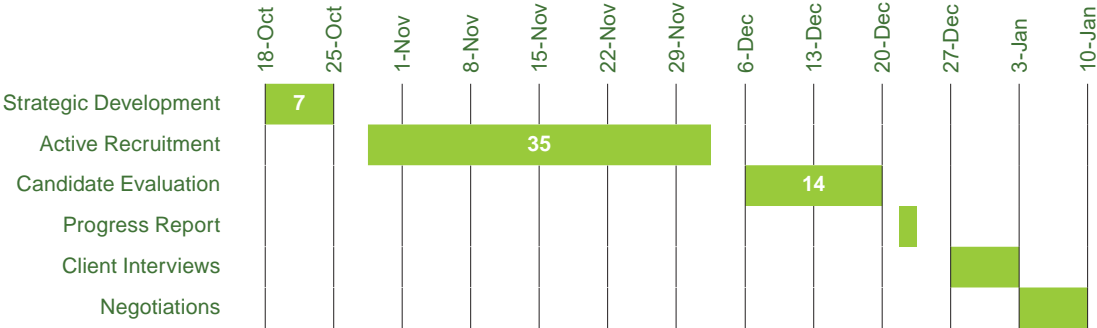
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5 – PROJECTED TIMELINE

The following is a typical schedule to conduct a thorough recruitment. However, we would be pleased to modify this to meet your needs:

1st Week	Meet with the appropriate individuals to gather background information. Develop and obtain approval for the Recruitment Profile.
2nd - 3rd Week	Develop a list of potential candidates to target. Prepare and place advertisements, if desired.
4th - 7th Week	Active recruitment—solicit, receive and acknowledge resumes.
8th - 9th Week	Evaluate resumes and gather supplemental information. Submit progress report and meet with you to review leading candidates.
10th Week	Verify degrees and certifications and interview the best qualified candidates.
11th Week	Submit final report and initiate the interview process with you.
Following Interviews	Conduct references, credit/criminal/civil litigation/motor vehicle record checks, and assist with negotiations.



6 – ALLIANCE ADVANTAGES

6.1 Technology

Alliance Resource Consulting is proud to announce the launch of our new client/candidate management system. This cutting edge system allows candidates to upload their resumes and cover letters on our website with one quick click. (For candidates who wish to email or mail us a hard copy of their resume, we will upload the information for them.) One of the benefits of our system is that it enables our consultants to contact the applicants and clients quickly with accurate and timely information.

In addition, we utilize social media to best market the recruitment. We have active accounts on LinkedIn, Twitter and Facebook. The use of social media allows us to contact our network and “followers” to alert them to our recruitment announcements, informational updates and reminders. It allows us to stay one step ahead of our competitors.

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Merced County Employees' Retirement Association

Alliance Resource Consulting is always searching for new ways technology can help us save our client's money. One way we do this is by using Skype, Facetime or Zoom to interview out of area candidates. Our innovative ways have set us apart from our more traditional competitors. We are able to interact with our candidates swiftly and effectively.

6.2 Stakeholder Outreach

Our firm has used several methods, including stakeholder meetings, community forums and surveys, for stakeholder outreach in a number of previous recruitments. For example, for the previous City of San José City Manager recruitment, our consultants facilitated 13 community outreach meetings where citizens were invited to attend and express their opinions about what they were looking for in city manager candidates. For the City of Alexandria's City Manager recruitment, we also met with special interest groups such as business leaders, Chamber of Commerce members and historic preservation groups.

During the recruitment of the City Administrator for the City of Huntington Beach (CA), the consultants met with each councilperson, each department head, conducted an open citizen forum and a forum for a group of stakeholders comprised of two citizens recommended by each councilperson. For the City Manager recruitment conducted for the City of Moreno Valley (CA), the consultants conducted a community panel as well. Our previous experience in stakeholder outreach makes our firm very qualified to conduct the meetings with the Mayor's Office and City Council Members as well as facilitate multiple stakeholder outreach forums throughout the City that your request for proposal outlined.

Lastly, our firm has significant experience in creating community surveys should you wish to provide this option to your community. We have utilized surveys for many of our recruitments and can prepared them in different languages, if required. The surveys can be accessed on-line, or at our office and our client's office.

6.3 Diversity Outreach

Striving for diversity in our recruitments is a hallmark of our firm. We use a variety of sources for outreach to various minority communities to ensure the desired diversity of our candidate pool. In addition to our personal contacts in various minority communities, we advertise our positions in publications that target minorities in government and further publicize the position through minority organizations such as Blacks in Government and the International Hispanic Network. To ensure a diverse pool, we also create a recruiting list of qualified candidates from communities that have a comparable level of diversity as our client's community.

We have created lists for comparable diversity during recruitments for the City Manager for the City of Compton (CA), the City of Tigard (OR), the Assistant City Manager/Chief Operating Officer for the City of Ventura (CA), and the Assistant City Manager for the City of Irvine, CA. The final pool for the City of Irvine included three women among the six finalists. We also collect Equal Employment Opportunity (EEO) information on our candidate pool. This information is accessible to our clients in real time on our company website.

6.4 Weekly Client Updates

Our consultants provide our client contacts written recruitment updates on a weekly basis. These updates include work done that was completed during the week and what we expect to work on the following week.

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Merced County Employees' Retirement Association

7 – RECRUITMENT COSTS

We propose a fixed fee of \$27,000 for the work outlined above, which includes up to three main meetings: one to develop the Recruitment Profile (which may occur over several days to ensure all stakeholders are included), one to present our Progress Report, and one to attend the first round of candidate interviews. If additional on-site meetings, community meetings, or stakeholder outreach forums are required, an additional fee of \$2,000 per meeting will be added. Please note that this amount does not include reimbursement of candidates who travel to be interviewed by you. Unless you notify us to the contrary, we will assume that you will handle these reimbursements directly.

Our fee will be split among four equal invoices. All invoices are due and payable upon receipt. We do NOT base our fees on a percentage of the position's salary.

Our billing schedule on a retained fee (and based not on an hourly rate) is as follows:

1st Billing	Due after Start Meeting	First Phase	\$6,750
2nd Billing	Due upon our submittal of a draft recruitment profile	Second Phase	\$6,750
3rd Billing	Due after we meet and submit our Progress Report to you	Third Phase	\$6,750
4th Billing	Due after the client conducts interviews with finalists	Fourth Phase	\$6,750

Please note that this is a standard billing schedule and can be modified as requested.

You may discontinue this assignment at any time by written notification. In the unlikely event that this occurs, you will be billed for all expenses incurred to the date of the cancellation, and for professional fees based upon the time elapsed from the commencement of the assignment to the date of cancellation. If a cancellation occurs within the first 30 days of the assignment, following either verbal or written authorization to proceed, one-third of the professional fee will be due. If a cancellation occurs thereafter, the fee beyond the first one-third will be prorated based upon the number of calendar days which have elapsed. If a cancellation occurs after 90 days, all professional fees will be due in full.

In the event that the Client hires, within one year of completion of this recruitment project, any candidates identified during the Progress Report as a result of Consultant's recruitment project for any position other than the Investment Officer, the Client agrees to pay Consultant a fee of \$10,000 for each additional candidate hired.

Guarantee

If the selected candidate (recommended by us for hire, and excluding internal candidates) should be terminated within one year from the date of hire, we will conduct a new search at a 25-50% discount from the original fee, in addition to reimbursement for direct expenses related to the new search.

APPENDIX–A BIOGRAPHIES

Cindy Krebs – National Director

Cindy would be the lead for this recruitment. Cindy has worked with Alliance Resource Consulting since 2012. In that time, she has helped to place more than 250 well-qualified individuals in leadership positions at utility districts, non-profit organizations, cities, and counties, cultivating countless professional relationships along the way.

Prior to joining Alliance Resource Consulting, Cindy served in a number of high profile positions that benefitted from her excellent project management, communication, leadership, and organizational skills. Known as a creative problem solver and consensus builder, Cindy is highly adept at working with executives, managers, support staff, Board members, and community groups.

Cindy holds Bachelor of Art degrees in Communications and Spanish. She is also a graduate of CORO's Orange County Leadership program. Cindy is a dedicated community volunteer who loves spending time with her family and friends, participating in outdoor activities, pursuing creative endeavors, and learning.

Sherrill A. Uyeda – Founding Partner

Sherrill would assist with this recruitment. Sherrill has over twenty years of public sector executive search experience. She began her career in 1998 as an executive search consultant with MAXIMUS. In 2004, she co-founded Alliance Resource Consulting LLC with Eric Middleton.

Sherrill has an impressive track record of recruiting high-profile government executives across the nation in various industries. Additional areas of expertise include facilitating community forums and outreach meetings, conducting multi-lingual citizen surveys, and handling compensation and benefit negotiations.

Sherrill graduated from the University of Southern California, with both a Bachelor of Arts degree in Communication Arts and Sciences and a Master of Public Administration degree. She is a member of the Society for Human Resources Management.



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Merced County Employees' Retirement Association

APPENDIX-B REFERENCES

San Bernardino County Employees' Retirement Association

Name: Debby Cherney
Title: Chief Executive Officer
Phone #: (909) 915-2027
Email: dcherney@sbcera.org

San Diego County Employees Retirement Association

Name: Stephen Sexauer
Title: Interim Chief Executive Officer & Chief Investment Officer
Phone #: (619) 515-6800
Email: ssexauer@sdcera.org

Los Angeles County Employees Retirement Association

Name: Steven Rice
Title: Chief Counsel
Phone #: (626) 564-2340
Email: srice@lacera.com



Item 6

September 20, 2021

RE: SACRS-Sponsored Legislation in 2022

Dear SACRS Board of Directors,

The SACRS Legislative Committee recommends that SACRS sponsor legislation in 2022 to amend various sections of the County Employees' Retirement Law of 1937 (CERL).

At its September 17, 2021 meeting, the Legislative Committee approved bill language for a CERL Omnibus Bill and recommended approval by the SACRS Board of Directors. If approved by the SACRS membership at the Fall Conference, the bill language can be introduced in January 2022 for consideration during the 2022 legislative session.

The enclosed language reflects the work of Legislative Committee members, in collaboration with system administrators, over the past year to develop non-controversial, technical, and clarifying amendments to the CERL.

A summary matrix and draft bill language are attached.

If you have questions or would like to provide additional feedback, please contact us at dnelsen@acera.org or sterne@saccounty.net.

Respectfully,

/s/

David Nelsen and Eric Stern
Co-Chairs, Legislative Committee

ATTACHMENTS

- Summary Matrix
- Draft Bill Language

2022 CERL Clean-Up Bill

Issue	Gov Code	Topic	Issue/Justification
1	31452.7	Beneficiaries - Designating Estate	This amendment would allow a member to designate a corporation, trust, or estate to receive his or her last check upon death. This does not allow an estate or trust to receive ongoing payments. Note: Members who choose Option 1 already can designate an estate to receive the balance of contributions.
2	31525	Board of Supervisor approval of Board of Retirement regulations	This amendment would delete the requirement that Board of Retirement regulations must be approved by the Board of Supervisors. This language is a holdover from when CERL systems were managed by a county department, and was adopted prior to the passage on Prop.162 in 1992. Adoption of regulations is part of the BOR's duty to administer the system.
3	31641.4	Prior Service -- Military Reserve Service	This amendment would note a potential federal pre-emption issue regarding purchasing prior military reserve service. Current statute establishes that prior service purchases from another public agency must not yield a pension from that agency. However, 10 U.S.C. § 12736 provides that a period of military service may not be excluded from credit towards a civilian employment pension just because that period also counts towards reservist retirement. Thus, the question arises which statute prevails in a conflict between 10 U.S.C. § 12736 and Section 31641.4. The Ninth Circuit Court of Appeal considered that question in Cantwell v. San Mateo County, 631 F.2d 631 (9th Cir. 1980), and determined that federal law overrides Section 31641.4.
4	31646	Service Purchase for FMLA Leave	This amendment would include all leaves that are covered under the FMLA that are not due to the illness of the member.
5	31646.XX	Furloughs	This amendment would provide boards with authority to prevent temporary mandatory furloughs from impacting member benefits under specified circumstances. Similar to CalPERS statutes (see GC 20968, 20969, 20969.1, 20969.2), but granting more discretion to boards, this proposed new code section may help avoid inequities that can arise because of the timing of temporary mandatory furloughs in relation to members' planned retirements.

6	31680.2	Post-Retirement Employment	This amendment would add clarifying language that nonsalaried positions and per diems do not count as double dipping for members appointed to boards and commissions under purview of a participating employer of a county system; similar to language of 7522.57 for state boards and commission.
7	31725.7 31760	Disability Retirement: Optional Allowances	This amendment would allow members to change optional allowance if subsequently granted disability retirement, regardless of when the member filed a Disability Retirement application. Currently, Section 31725.7 only allows a benefit option change for members who retired for service after filing a disability retirement application but does not provide the same ability for those who retired for service before filing an application, even though both members may subsequently be granted a disability retirement.
8	31726 31726.5	Nonservice-connected disability	This amendment restructures the sections to provide more clarity; no substantive changes. The sections on the nonservice-connected disability retirement benefit formula distinguish between those retiring on or after age 65 for general and on or after age 55 for safety versus those retiring under these ages in the same section: 31726 and 31726.5.
9	31730	Disability -- Reinstatement	This amendment addresses the scenario in which an employer does not offer to take the employee back who has been found to no longer be incapacitated. The proposed amendment would convert convert the disability retirement into service retirement without adjusting benefit (i.e. actuarial reduction). This conforms to existing practice of several systems. Note: Similar to GC 21193 in which CalPERS only reinstates if the local employer offers to take the employee back.
10	31761 31762 31763 31764	Beneficiary Designation	This amendment would insert the word "natural" in front of the phrase "person having an insurable interest in his or her life" to clarify that the optional retirement settlement death benefit cannot be paid to a fictitious person such as a trust or corporation.
11	31781	Lump Sum Death Benefit	This amendment would add language consistent with other CERL sections that provide direction on the calculation of compensation earnable and pensionable compensation when the member is on a leave of absence during the 12 months immediately preceding the member's death.

12	31838.5	Concurrent Retirement: Disability	<p>Section 31838.5 prevents windfalls for members who retire for disability from one or more systems. This amendment would clarify that a CERL system must reduce a member's allowance from that system as much as necessary so that the member does not receive a combined allowance that is "greater than the amount the member would have received had all the member's service been with only one entity." The statute currently refers to a pro rata reduction by each system, but some systems (like CalPERS) are not subject to section 31838.5 and do not make any reduction. This may leave the member with the windfall that section 31838.5 is designed to prevent, depending upon how a system calculates its "pro rata" reduction. This statute would make clear that the windfalls section 31838.5 is designed to prevent should always be prevented.</p>
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Issue 1: 31452.7 – Beneficiaries Designating Estate

This amendment would allow a member to designate a corporation, trust, or estate to receive his or her last check upon death. This does not allow an estate or trust to receive ongoing payments. Note: Members who choose Option 1 already can designate an estate to receive the balance of contributions.

Section 31452.7 of the Government Code is amended to read:

(a) Upon the death of any member after retirement, any retirement allowance earned but not yet paid to the member shall, notwithstanding any other provision of law, be paid to the member’s designated beneficiary.

(b) Upon the death of any person receiving a survivor’s allowance under this chapter, any allowance earned but not yet paid to the survivor shall, notwithstanding any other provision of law, be paid to the survivor’s designated beneficiary.

(c) For purposes of this section, “beneficiary” includes, but is not limited to, a corporation, a trust, or an estate.

Issue 2: 31525 – BOR Regulations

This amendment would delete the requirement that Board of Retirement regulations must be approved by the Board of Supervisors. This language is a holdover from when CERL systems were managed by a county department, and was adopted prior to the passage on Prop.162 in 1992. Adoption of regulations is part of the BOR’s duty to administer the system.

Section 31525 of the Government Code is amended to read:

The board may make regulations not inconsistent with this chapter, **the Public Employees’ Pension Reform Act of 2013, The California Pension Protection Act of 1992, and any other provisions of law applicable to county retirement systems.**

~~The regulations become effective when approved by the board of supervisors.~~

Issue 3: 31641.4 -- Prior Military Reserve Service

This amendment would note a potential federal pre-emption issue regarding purchasing prior military reserve service. Current statute establishes that prior service purchases from another public agency must not yield a pension from that agency. However, 10 U.S.C. § 12736 provides that a period of military service may not be excluded from credit towards a civilian employment pension just because that period also counts towards reservist retirement. Thus, the question arises which statute prevails in a

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*conflict between 10 U.S.C. § 12736 and Section 31641.4. The Ninth Circuit Court of Appeal considered that question in *Cantwell v. San Mateo County*, 631 F.2d 631 (9th Cir. 1980), and determined that federal law overrides Section 31641.4.*

Section 31641.4 of the Government Code is amended to read:

A member shall receive credit for employment in public service only for such service as he is not entitled to receive a pension or retirement allowance from such public agency. The service for which he elects to contribute and the fact that no pension or retirement allowance will accrue to such member by virtue of his employment in such public agency must be certified to by an officer of the public agency where he rendered such public service or must be established to the satisfaction of the board. **Nothing in this paragraph prohibits a member from receiving credit for a period of federal public service where federal law expressly permits such credit even though the member is already entitled to receive a pension or retirement allowance from that service (*Cantwell v. San Mateo County*, 631 F.2d 631 (9th Cir. 1980)).**

Issue 4: 31646 – Credit for Uncompensated Leave of Absence for Illness; Parental Leave; Conditions

This amendment would include all leaves that are covered under the FMLA that are not due to the illness of the member.

Section 31646 of the Government Code is amended to read:

(a) A member who returns to active service following an uncompensated leave of absence on account of illness may receive service credit for the period of the absence upon the payment of the contributions that the member would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(b) (1) A member who returns to active service following an uncompensated leave of absence on account of parental leave may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subdivision, parental leave is defined as any time, up to one year, during which a member is granted an approved maternity or paternity leave and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is

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claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to parental leave that commences after the adoption by the board of supervisors.

(c) (1) A member who returns to active service following an uncompensated leave of absence on account of the serious illness of a family member when the absence is eligible for coverage under the Family Medical Leave Act, 29 U.S.C. section 2601 et. seq., or the California Family Rights Act, Government Code section 12945 et. seq., may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subdivision, leave on account of illness of a family member is defined as any time, up to one year, during which a member is granted an approved leave to care for a seriously ill family member and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to leave that commences after the adoption by the board of supervisors.

Issue 5: 31646.XX – Furloughs

This amendment would provide boards with authority to prevent temporary mandatory furloughs from impacting member benefits under specified circumstances. Similar to CalPERS statutes (see GC 20968, 20969, 20969.1, 20969.2), but granting more discretion to boards, this proposed new code section may help avoid inequities that can arise because of the timing of temporary mandatory furloughs in relation to members' planned retirements.

Section 31646.XX of the Government Code is added to read:

The board may grant members who are subject to a temporary mandatory furlough the same service credit and “compensation earnable” or “pensionable compensation” to which the members would have been entitled in the absence of the temporary mandatory furlough. The board may condition such grant on the receipt of additional member and/or employer contributions that the board

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determines are necessary to fund any benefits granted under this section on an actuarially sound basis.

For the purposes of this section, a “temporary mandatory furlough” refers to time during which a member is directed to be absent from work without pay for up to one quarter of the member’s normal working hours, with such reduced working hours in place for no longer than two years.

Issue 6: 31680.20 – Postretirement Employment

This amendment would add clarifying language that nonsalaried positions and per diems do not count as double dipping for members appointed to boards and commissions under purview of a participating employer of a county system; similar to language of 7522.57 for state boards and commission.

Section 31680.20 of the Government Code is added to read:

A person who is retired under this chapter may serve without reinstatement from retirement or loss or interruption of benefits under this chapter or the Public Employees’ Pension Reform Act of 2013 provided the service is on a part-time state, county, city, district, or other political subdivision board or commission. A retired person whose employment without reinstatement is authorized by this subdivision shall acquire no benefits, service credit, or retirement rights with respect to the employment. Part-time service is limited to less than 20 hours per week, and salary or stipend of the part-time service may not exceed \$60,000 annually.

Issue 7: 31725.7, 31760 – Disability Retirement: Optional Allowances

This amendment would allow members to change optional allowance if subsequently granted disability retirement, regardless of when the member filed a Disability Retirement application. Currently, Section 31725.7 only allows a benefit option change for members who retired for service after filing a disability retirement application but does not provide the same ability for those who retired for service before filing an application, even though both members may subsequently be granted a disability retirement.

Section 31725.7 of the Government Code is amended to read:

(a) At any time after filing an application for disability retirement with the board, the member may, if eligible, apply for, and the board in its discretion may grant, a service retirement allowance pending the determination of his or her entitlement to disability retirement. If he or she is found to be eligible for disability retirement, appropriate

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adjustments shall be made in his or her retirement allowance retroactive to the effective date of his or her disability retirement as provided in Section 31724.

(b) Notwithstanding subdivision (a), this section shall also apply to a member retired for service who subsequently files an application for disability retirement with the board. If he or she is found to be eligible for disability retirement, appropriate adjustments shall be made in his or her retirement allowance retroactive to the effective date of his or her disability retirement as provided in Section 31724.

~~(b)~~**(c)** This section shall not be construed to authorize a member to receive more than one type of retirement allowance for the same period of time nor to entitle any beneficiary to receive benefits which the beneficiary would not otherwise have been entitled to receive under the type of retirement which the member is finally determined to have been entitled. In the event a member retired for service is found not to be entitled to disability retirement he or she shall not be entitled to return to his or her job as provided in Section 31725.

~~(c)~~**(d)** If the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary shall be as selected by the member at the time of retirement for service. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall also be binding as to the type of allowance the member receives if the member is awarded a disability retirement.

~~(d)~~**(e)** Notwithstanding subdivision ~~(e)~~**(d)**, if the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary may be as selected by the member at the time of retirement for service, or as if the member had selected an unmodified allowance. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall not be binding as to the type of allowance the member receives if the member is awarded a disability retirement. A change to the optional or unmodified type of allowance shall be made only at the time a member is awarded a disability retirement and the change shall be retroactive to the service retirement date and benefits previously paid shall be adjusted. If a change to the optional or unmodified type of allowance is not made, the benefit shall be adjusted to reflect the differences in retirement benefits previously received. This paragraph shall only apply to members who retire on or after January 1, 1999.

Section 31760 of the Government Code is amended to read:

(a) Except as provided in subdivisions **(b) and (c)**, until the first payment of any retirement allowance is made, a member or retired member, in lieu of the retirement allowance for the member's life alone, may elect to have the actuarial equivalent of his or her retirement allowance as of the date of retirement applied to a lesser retirement

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allowance payable throughout life in accordance with one of the optional settlements specified in this article.

(b) Notwithstanding subdivision (a), a member who applies for disability and is subsequently granted a service retirement pending a determination of entitlement to disability may change the type of optional or unmodified allowance that he or she elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.

(c) Notwithstanding subdivision (a), a member retired for service who applies for and is subsequently granted a disability retirement may change the type of optional or unmodified allowance that he or she elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.

Issue 8: Sections 31726 and 31726.5: Nonservice-connected disability

This amendment restructures the sections to provide more clarity; no substantive changes. The sections on the nonservice-connected disability retirement benefit formula distinguish between those retiring on or after age 65 for general and on or after age 55 for safety versus those retiring under these ages in the same section: 31726 and 31726.5.

Section 31726 of the Government Code is amended to read:

(a) Upon retirement for ~~non-service~~**nonservice**-connected disability a member who has attained age 65 shall receive his or her service retirement allowance.

(b) Every member under age 65 who is retired for ~~non-service~~**nonservice**-connected disability and who is not simultaneously retired as a member on deferred retirement of the ~~State~~**Public** Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of the following:

~~(a)~~**(1)** The sum to which he or she would be entitled as service retirement; **or**

~~(b)~~**(2)** A sum which shall consist of ~~any of the following~~:

~~(1)~~**(A)** An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

~~(2)~~**(B)** If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

~~(3)~~**(C)** If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. This paragraph

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shall only apply to a person who becomes a member of the system on or after January 1, 1988.

Section 31726.5 of the Government Code is amended to read:

(a) Upon retirement for nonservice-connected disability a safety member who has attained age 55 shall receive his or her service retirement allowance.

(b) Every safety member under age 55 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of:

~~(a)~~**(1)** The sum to which he or she would be entitled to as service retirement; or

~~(b)~~**(2)** A sum which shall consist of:

~~(1)~~**(A)** An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

~~(2)~~**(B)** If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

~~(3)~~**(C)** If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district.

~~Paragraph 3~~**Subparagraph (C)** shall only apply to a person who becomes a member of the association on or after January 1, 1988.

Issue 9: 31730 – Disability Reinstatement

This amendment addresses the scenario in which an employer does not offer to take the employee back who has been found to no longer be incapacitated. The proposed amendment would convert convert the disability retirement into service retirement without adjusting benefit (i.e. actuarial reduction). This conforms to existing practice of several systems. Note: Similar to GC 21193 in which CalPERS only reinstates if the local employer offers to take the employee back.

Section 31730 of the Government Code is amended to read as follows:

(a) If the board determines that the beneficiary is not incapacitated, and his or her employer offers to reinstate that beneficiary, his or her retirement allowance shall be

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anceled forthwith, and he or she shall be reinstated in the county service pursuant to the regulations of the county or district for reemployment of personnel.

(b) If the board determines that the beneficiary is not incapacitated, and his or her employer does not offer to reinstate that beneficiary, notwithstanding any requirement of this chapter regarding eligibility therefor, his or her retirement allowance shall be reclassified to a service retirement in the same amount and subject to any applicable future cost of living adjustments. The optional or unmodified type of allowance selected by the beneficiary at the time of retirement for disability shall be binding as to the service retirement.

Issue 10: 31761, 31762, 31763, and 31764 – Optional Retirement Allowances:

This amendment would insert the word “natural” in front of the phrase “person having an insurable interest in his or her life” to clarify that the optional retirement settlement death benefit cannot be paid to a fictitious person such as a trust or corporation.

Sections 31761, 31762, 31763, and 31764 of the Government Code are amended to read:

31761 – Optional settlement 1 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death and, if he or she dies before he or she receives in annuity payments the amount of his or her accumulated contributions at retirement, to have the balance at death paid to his or her estate or to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board.

31762 – Optional settlement 2 consists of the right to elect in writing to have a retirement allowance paid to him or her until his or her death, and thereafter to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement.

31763 – Optional settlement 3 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death, and thereafter to have one-half of his or her retirement allowance paid to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement.

31764 – Optional settlement 4 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death and thereafter to have other benefits as are approved by the board, upon the advice of the actuary, continued throughout the life of and paid to the natural persons, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement. The designation shall not, in the opinion of the board and the actuary, place any additional burden upon the retirement system.

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Issue 11: 31781 – Death Benefit; Elements

This amendment would add language consistent with other CERL sections that provide direction on the calculation of compensation earnable and pensionable compensation when the member is on a leave of absence during the 12 months immediately preceding the member's death.

Section 31781 of the Government Code is amended to read:

The death benefit shall consist of:

- (a) The member's accumulated contributions.
- (b) An amount, provided from contributions by the county or district, equal to one-twelfth of the annual compensation earnable or pensionable compensation as defined in [Section 7522.34](#), whichever is applicable, by the deceased during the 12 months immediately preceding his death, multiplied by the number of completed years of service under the system, but not to exceed 50 percent of such annual compensation. **The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence.**

Issue 12: 31838.5 – Concurrent Retirement; Disability

Section 31838.5 prevents windfalls for members who retire for disability from one or more systems. This amendment would clarify that a CERL system must reduce a member's allowance from that system as much as necessary so that the member does not receive a combined allowance that is "greater than the amount the member would have received had all the member's service been with only one entity." The statute currently refers to a pro rata reduction by each system, but some systems (like CalPERS) are not subject to section 31838.5 and do not make any reduction. This may leave the member with the windfall that section 31838.5 is designed to prevent, depending upon how a system calculates its "pro rata" reduction. This statute would make clear that the windfalls section 31838.5 is designed to prevent should always be prevented.

Section 31838.5 of the Government Code is amended to read:

No provision of this chapter shall be construed to authorize any member, credited with service in more than one entity and who is eligible for a disability allowance, whether service connected or nonservice connected to receive an amount from one county that, when combined with any amount from other counties or the Public Employees' Retirement System, results in a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.

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In cases of service-connected disability allowances only, the limitation on disability allowances provided for in this section shall apply to service-connected disability allowances payable to those who, after being employed with another county or an entity within the Public Employees' Retirement System, become employed by a second public entity on or after January 1, 1984.

Each entity shall calculate its respective obligations based upon the member's service with that entity and each shall adjust its payment on a pro rata basis. **If, however, another entity does not reduce the amount it pays the member, an entity subject to this section shall reduce the allowance it pays the member by as much as necessary to ensure that the member does not receive a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.**



SACRS VOTING PROXY FORM

The following are authorized by the _____ County Retirement Board to vote on behalf of the County Retirement System at the upcoming SACRS Conference

(if you have more than one alternate, please attach the list of alternates in priority order):

_____ Voting Delegate

_____ Alternate Voting Delegate

These delegates were approved by the Retirement Board on ____ / ____ / ____.

The person authorized to fill out this form and submit electronically on behalf of the Retirement Board:

Signature: _____

Print Name: _____

Position: _____

Date: _____

Please send your system's voting proxy by October 15, 2021 to Sulema H. Peterson, SACRS Executive Director at Sulema@sacrs.org.



SACRS Annual Business Meeting

Annual Fall Conference 2021

Friday, November 12

10 AM - 11:30 AM

Loews Hollywood Hotel

Hollywood, CA

Ray Dolby Ballroom



Vision, Mission, Core Values

The members and staff of the State Association of County Retirement Systems (SACRS) share a common purpose, mission and core values.

Statement of Purpose

The specific and primary purposes of SACRS are to provide forums for disseminating knowledge of and developing expertise in the operation of 20 county retirement systems existing under the County Employees Retirement Law of 1937 (CERL) sets forth in California Government Code section 31450 et. seq., and to foster and take an active role in the legislative process as it affects county retirement systems.

Mission Statement

The mission of this organization shall be to serve the 1937 Act Retirement Systems by exchanging information, providing education and analyzing legislation.

Core Values

Teamwork

Integrity

Education

Service and Support



SACRS Business Meeting Agenda
Friday, November 12, 2021
10:00 AM – 11:30 AM
Loews Hollywood Hotel, Hollywood, CA
Ray Dolby Ballroom

SACRS Parliamentarian – TBD
Sergeant at Arms – Bob Goodchild, San Diego CERA

1. SACRS System Roll Call

Thomas Garcia, Imperial CERS, SACRS Secretary

2. Secretary's Report - Receive and File

Thomas Garcia, Imperial CERS, SACRS Secretary

- A. Spring 2021 SACRS Business Meeting Minutes

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

- A. July 2021 Financials
- B. 2021-2022 Annual Budget

4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

- A. SACRS President Update

5. SACRS Legislative Committee Update – Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

- A. 2021 Legislative Report – No Action
- B. SACRS Board of Directors Legislative Proposal – Action

6. SACRS Nomination Committee – 2022-2023 SACRS Election Notice – No Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

- A. SACRS Election Notice 2022-2023

7. SACRS Audit Report – No Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. SACRS Annual Audit Update



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Fall Conference 2021 Evaluations/Feedback

9. SACRS Program Committee Report – No Action

Kathryn Cavness, Mendocino CERA, SACRS Program Committee Chair

- A. SACRS Annual Fall Conference 2021 report

10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global, SACRS Affiliate Committee Chair

- A. Affiliate Committee report

11. SACRS Bylaws Committee Report – No Action

Chair Position Open, SACRS Bylaws Committee Chair

- A. No report

12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators
- B. Counsel
- C. Disability/ Operations & Benefits Combo
- D. Internal Auditors
- E. Investment Officers
- F. Safety Trustees
- G. General Trustees

13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, May 13, 2022 at the Rancho Las Palmas Hotel in Rancho Mirage, CA.



1. SACRS System Roll Call

Thomas Garcia, Imperial CERS, SACRS Secretary



1. SACRS System Roll Call
 Thomas Garcia, SACRS Secretary

System	In Attendance	Absent	Delegate/Alternate Name
Alameda			
Contra Costa			
Fresno			
Imperial			
Kern			
Los Angeles			
Marin			
Mendocino			
Merced			
Orange			
Sacramento			
San Bernardino			
San Diego			
San Joaquin			
San Mateo			
Santa Barbara			
Sonoma			
Stanislaus			
Tulare			
Ventura			
Total			



2. Secretary's Report - Receive and File

Thomas Garcia, Imperial CERS, SACRS Secretary

- A. Spring 2021 SACRS Business Meeting Minutes



SACRS Business Meeting Minutes
Friday, May 14, 2021
10:00 AM - Upon Adjournment
Online Via SACRS Conference Platform

SACRS Parliamentarian – David Lantzer, San Bernardino CERA
Sergeant at Arms – Bob Goodchild, San Diego CERA

Meeting called to order at 10:05 am

SACRS Board of Directors in Attendance:

Vivian Gray, President; Roger Hilton, Vice President; Kathryn Cavness, Secretary; Harry Hagen, Treasurer; David MacDonald, Board member; Dan McAllister, Immediate Past President, Ben Lazarus, Past Affiliate Chair

1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary

20 SACRS Member Systems Present

Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

*Fresno arrived at 10:15 am

2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

A. November 2020 SACRS Business Meeting Minutes

Motion: Sonoma CERA made motion to approve the minutes as presented.

2nd: Marin CERA

Yes: Alameda, Contra Costa, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Absent: Fresno

Motion Passes 19-0-1

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

A. July 2020 – January 2021 Financials

Motion: Stanislaus CERA made a motion to approve the Treasurers report on the July 2020 – January 2021 financials.

2nd: San Bernardino CERA

Yes: Alameda, Contra Costa, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Absent: Fresno

Motion Passes 19-0-1



4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

A. SACRS President Update

Discussion: A verbal report was provided by Vivian Gray, SACRS President. No action was taken.

5. SACRS Legislative Committee Update – Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

A. 2021 Legislative Report – No Action

B. SACRS Board of Directors Legislative Proposal – Action

Discussion: An overview of the 2021 Legislative report was provided by the Legislative committee co-chairs and SACRS lobbying team – Trent Smith, Mike Robson and Bridget McGowan. No action was taken for item 5A.

Motion: Sonoma CERA made a motion to approve the proposed legislation presented in item 5B.

2nd: Merced CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0

6. SACRS Nomination Committee - 2021-2022 SACRS Election Notice – Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

A. SACRS Elections 2021-2022

Motion: Los Angeles CERA made a motion to approve the recommended slate for the 2021-2022 SACRS Board of Directors.

- Vivian Gray, Los Angeles CERA
- Kathryn Cavness, Mendocino CERA, Vice President
- Harry Hagen, Santa Barbara CERS, Treasurer
- Thomas Garcia, Imperial CERA, Secretary
- David MacDonald, Contra Costa CERA, General member
- Vere Williams, San Bernardino CERA, General member
- Dan McAllister, San Diego CERA, Immediate Past President (per Bylaws)

2nd: San Diego CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0



7. SACRS Audit Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS 2019-2020 Annual Audit

Discussion: Steve Delaney, Audit Committee Chair, provided a verbal overview of the annual audit performed by James Marta & Co. Steve thanked the committee and SACRS staff for their time and dedication to the project. The external auditor's opinion in the report listed that the Combining Statement of Cash Receipts and Disbursements, Graphical Presentation of Cash Receipts, and Graphical Presentation of Cash Disbursements, is fairly stated in all material respects in relation to the financial statement as a whole.

Motion: Fresno CERA submitted a motion to accept the 2019-2020 Audit as presented by the Audit committee.

2nd: Alameda CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0

8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

A. SACRS Annual Virtual Spring 2021 Conference Evaluations/Feedback

Discussion: A verbal report was provided by JJ Popowich, Committee Chair, great conference! The keynote sessions were really well balanced, the covid update on Friday was insightful. Many positive comments regarding the technology and virtual platform used for the conference. Encouragement to submit evaluations when people return home, feedback at conferences was positive. No action taken, verbal report on committee meeting. Evaluations are electronic, therefore will be presented at the Board meeting in January 2021.

9. SACRS Program Committee Report – No Action

Roger Hilton, Orange CERS, SACRS Program Committee Chair

A. SACRS Annual Virtual Spring 2021 Conference Report

Discussion: Verbal report provided by Roger Hilton, feedback on conference was very positive. No action taken, Roger thanked the Program Committee and Education Committee for their time and dedication to the conference. Suggestions for future conferences can be submitted online at the SACRS website.

10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global LLC, SACRS Affiliate Committee Chair

A. Affiliate Committee Update

Discussion: Ben Lazarus, Past Committee Chair, gave a verbal update on Affiliate matters. Affiliate leadership really appreciate the commitment and dedication of the Board and fellow committee members. No action taken, Ben gave a verbal update on the Affiliate Breakout, attendance was great and members



really enjoyed the Spotlight Series on the Systems. The committee intends to continue system interviews for viewing during the SACRS Summer Webinar Series.

11. SACRS Bylaws Committee Report – No Action

Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

A. Bylaws Committee Update

Discussion: No report

12. SACRS Spring Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

A. Administrators – Leanne Malison, Tulare CERA, reported that the meeting was very productive. Donald Kendig, Fresno CERA, will moderate the Fall 2021 Conference.

B. Counsel – Ashley Dunning, SACRS Program Committee, provided a brief report on their closed session, and that the group did not get a volunteer for the Fall 2021 conference.

C. Disability/ Operations & Benefits Combo – Carlos Barrios, Los Angeles CERA, reported that the session was well attended and great information. Louis Gittens, Los Angeles CERA, has volunteered to moderate the Fall 2021 Conference.

D. Internal Auditors – No report.

E. Investment Officers – Tim Price, Contra Costa CERA, reported that the meeting was well attended and that Daryn Miller, Kern CERA volunteered to moderate the Fall 2021 Conference.

F. Safety Trustees – Susan Lee, San Mateo CERA, reported that the meeting was well attended and Brian Williams, Sonoma CERA will continue to serve as moderator for Fall 2021 Conference.

G. General Trustees – Kathryn Cavness, Mendocino CERA, reported that the session was fantastic. Kathryn Cavness will serve as the moderator for Fall 2021 Conference.

13. Adjournment

Motion: San Diego CERA submitted a motion to adjourn at 10:54 am

2nd: Ventura CERA

Yes: Alameda, Contra Costa, Fresno, Imperial, Kern, Los Angeles, Marin, Mendocino, Merced, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Barbara, Sonoma, Stanislaus, Tulare and Ventura

No: 0

Motion Passes 20-0

Next scheduled SACRS Association Business Meeting will be held Friday, May 13, 2022 at the Rancho Las Palmas Hotel, in Rancho Mirage, CA unless Covid-19 restrictions are in place.

Respectfully Submitted by:

Thomas Garcia, Imperial CERA, SACRS Secretary

Sulema Peterson, SACRS Executive Director



3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

- A. July 2021 Financials
- B. 2021-2022 Annual Budget

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Balance Sheet

As of July 31, 2021

Jul 31, 21

ASSETS

Current Assets

Checking/Savings

1000 · First Foundation Bank-Checking 201,567.30

1001 · BofA Interest Checking 4389 16,847.68

1002 · First Foundation Bank ICS Acct 57,555.25

Total Checking/Savings 275,970.23

Other Current Assets

1100 · CalTrust - Medium Term 979,872.82

1107 · CalTrust Liquidity Fund 8,225.47

1110 · CAMP-SACRS Liquidity Fund 791,150.15

Total Other Current Assets 1,779,248.44

Total Current Assets 2,055,218.67

TOTAL ASSETS 2,055,218.67

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

2200 · First Foundation Credit Card 1,415.07

Total Credit Cards 1,415.07

Total Current Liabilities 1,415.07

Total Liabilities 1,415.07

Equity

32000 · Retained Earnings 2,034,191.90

Net Income 19,611.70

Total Equity 2,053,803.60

TOTAL LIABILITIES & EQUITY 2,055,218.67

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS

Profit & Loss

July 2021

Jul 21

Ordinary Income/Expense

Income

4100 - Membership Dues

4101 - Affiliates 63,750.00

4102 - Non Profit - Organizations 500.00

4103 - Non Profit - Systems 1,500.00

4104 - Systems - Medium 8,000.00

Total 4100 - Membership Dues 73,750.00

4270 - UC Berkeley Program

4271 - Registrations 1,650.00

4272 - Sponsorships 2,500.00

Total 4270 - UC Berkeley Program 4,150.00

4900 - Interest Earned 315.95

Total Income 78,215.95

Gross Profit 78,215.95

Expense

5000 - Administrative Fee 30,000.00

5003 - Bank Charges/Credit Card Fees 2,004.32

5041 - Consulting 6,582.00

5072 - Legislative Advocacy 10,002.00

6011 - Postage & Delivery 274.96

6020 - Spring Conference 1,107.95

6053 - Technology/AMS/Website 7,711.12

6054 - Travel 921.90

Total Expense 58,604.25

Net Ordinary Income 19,611.70

Net Income 19,611.70

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July 2021

	Jul 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4100 - Membership Dues				
4101 - Affiliates	63,750.00	268,750.00	-205,000.00	23.72%
4102 - Non Profit - Organizations	500.00	2,750.00	-2,250.00	18.18%
4103 - Non Profit - Systems	1,500.00	6,000.00	-4,500.00	25.0%
4104 - Systems - Medium	8,000.00	52,000.00	-44,000.00	15.39%
4105 - Systems - Large	0.00	42,000.00	-42,000.00	0.0%
4100 - Membership Dues - Other	0.00	0.00	0.00	0.0%
Total 4100 - Membership Dues	73,750.00	371,500.00	-297,750.00	19.85%
4200 - Webinar Symposium Registration				
4201 - Affiliates - Early	0.00	200.00	-200.00	0.0%
4202 - Affiliates - Regular	0.00	200.00	-200.00	0.0%
4203 - Affiliates - Late/Onsite	0.00	200.00	-200.00	0.0%
4204 - Non Profit	0.00	200.00	-200.00	0.0%
4205 - Systems	0.00	200.00	-200.00	0.0%
4206 - Non-Members	0.00	200.00	-200.00	0.0%
4200 - Webinar Symposium Registration - Other	0.00	0.00	0.00	0.0%
Total 4200 - Webinar Symposium Registration	0.00	1,200.00	-1,200.00	0.0%
4250 - Product Income				
4255 - Magazine Advertising	0.00	2,000.00	-2,000.00	0.0%
Total 4250 - Product Income	0.00	2,000.00	-2,000.00	0.0%
4270 - UC Berkeley Program				
4271 - Registrations	1,650.00	60,000.00	-58,350.00	2.75%
4272 - Sponsorships	2,500.00	40,000.00	-37,500.00	6.25%
4270 - UC Berkeley Program - Other	0.00	0.00	0.00	0.0%
Total 4270 - UC Berkeley Program	4,150.00	100,000.00	-95,850.00	4.15%
4300 - Fall Conference Registration				
4301 - Affiliates - Early	0.00	140,000.00	-140,000.00	0.0%
4302 - Affiliates - Regular	0.00	60,000.00	-60,000.00	0.0%
4303 - Affiliates - Late/Onsite	0.00	70,400.00	-70,400.00	0.0%
4304 - Non Profit	0.00	960.00	-960.00	0.0%
4305 - Systems	0.00	20,000.00	-20,000.00	0.0%
4306 - Non-Members	0.00	200,250.00	-200,250.00	0.0%
4307 - Fun Run	0.00	500.00	-500.00	0.0%
4308 - Yoga	0.00	100.00	-100.00	0.0%
4300 - Fall Conference Registration - Other	0.00	0.00	0.00	0.0%
Total 4300 - Fall Conference Registration	0.00	492,210.00	-492,210.00	0.0%
4350 - Spring Conference Registration				
4351 - Affiliates - Early	0.00	140,000.00	-140,000.00	0.0%
4352 - Affiliates - Regular	0.00	60,000.00	-60,000.00	0.0%
4353 - Affiliates - Late/Onsite	0.00	70,400.00	-70,400.00	0.0%
4354 - Non Profit	0.00	960.00	-960.00	0.0%
4355 - Systems	0.00	20,000.00	-20,000.00	0.0%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July 2021

	Jul 21	Budget	\$ Over Budget	% of Budget
4356 · Non-Members	0.00	200,250.00	-200,250.00	0.0%
4357 · Fun Run	0.00	500.00	-500.00	0.0%
4358 · Yoga	0.00	100.00	-100.00	0.0%
Total 4350 · Spring Conference Registration	0.00	492,210.00	-492,210.00	0.0%
4900 · Interest Earned	315.95	-953.55	1,269.50	-33.13%
Total Income	78,215.95	1,458,166.45	-1,379,950.50	5.36%
Gross Profit	78,215.95	1,458,166.45	-1,379,950.50	5.36%
Expense				
5000 · Administrative Fee	30,000.00	180,000.00	-150,000.00	16.67%
5001 · Administrative Services	0.00	500.00	-500.00	0.0%
5002 · Awards	0.00	500.00	-500.00	0.0%
5003 · Bank Charges/Credit Card Fees	2,004.32	36,000.00	-33,995.68	5.57%
5010 · Berkeley & Symposium				
5011 · Audio/Visual	0.00	2,200.00	-2,200.00	0.0%
5013 · Hotel	0.00	12,500.00	-12,500.00	0.0%
5014 · Food & Beverage	0.00	12,500.00	-12,500.00	0.0%
5015 · Materials/Printing/Design	0.00	3,000.00	-3,000.00	0.0%
5016 · Travel	0.00	2,500.00	-2,500.00	0.0%
5017 · UC Berkeley	0.00	216,000.00	-216,000.00	0.0%
Total 5010 · Berkeley & Symposium	0.00	248,700.00	-248,700.00	0.0%
5020 · Webinar Symposium				
5022 · Webinar Technology	0.00	25,000.00	-25,000.00	0.0%
Total 5020 · Webinar Symposium	0.00	25,000.00	-25,000.00	0.0%
5030 · CERL				
5031 · Materials/Printing/Design	0.00	16,500.00	-16,500.00	0.0%
5032 · Shipping	0.00	1,300.00	-1,300.00	0.0%
Total 5030 · CERL	0.00	17,800.00	-17,800.00	0.0%
5040 · Commissions & Fees	0.00	20,000.00	-20,000.00	0.0%
5041 · Consulting	6,582.00	19,992.00	-13,410.00	32.92%
5042 · Dues & Subscriptions	0.00	3,700.00	-3,700.00	0.0%
5050 · Fall Conference				
5051 · Audio/Visual	0.00	60,000.00	-60,000.00	0.0%
5052 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
5053 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
5054 · Hotel				
5054.1 · Wednesday Night Event	0.00	65,000.00	-65,000.00	0.0%
5054.2 · Conference	0.00	15,000.00	-15,000.00	0.0%
5054.3 · Food & Beverage	0.00	250,000.00	-250,000.00	0.0%
5054 · Hotel - Other	0.00	0.00	0.00	0.0%
Total 5054 · Hotel	0.00	330,000.00	-330,000.00	0.0%
5055 · Program Material	0.00	25,000.00	-25,000.00	0.0%
5056 · Speakers	0.00	50,000.00	-50,000.00	0.0%
5057 · Supplies	0.00	500.00	-500.00	0.0%
5058 · Travel	0.00	15,000.00	-15,000.00	0.0%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July 2021

	Jul 21	Budget	\$ Over Budget	% of Budget
5050 · Fall Conference - Other	0.00	0.00	0.00	0.0%
Total 5050 · Fall Conference	0.00	489,500.00	-489,500.00	0.0%
5070 · Insurance	0.00	5,000.00	-5,000.00	0.0%
5071 · Legal & Professional Fees	0.00	35,000.00	-35,000.00	0.0%
5072 · Legislative Advocacy	10,002.00	60,012.00	-50,010.00	16.67%
5080 · Magazine				
5081 · Delivery & Shipping	0.00	600.00	-600.00	0.0%
5082 · Design/Printing/Etc.	0.00	20,000.00	-20,000.00	0.0%
5083 · Magazine - Other	0.00	5,200.00	-5,200.00	0.0%
5080 · Magazine - Other	0.00	0.00	0.00	0.0%
Total 5080 · Magazine	0.00	25,800.00	-25,800.00	0.0%
6000 · Board & Committees				
6001 · Board of Directors				
6001.1 · Food & Beverage	0.00	25,000.00	-25,000.00	0.0%
6001.2 · Printing/Supplies	0.00	4,000.00	-4,000.00	0.0%
6001.3 · Travel - BOD Meetings	0.00	11,000.00	-11,000.00	0.0%
6001.4 · Travel - Miscellaneous BOD	0.00	3,500.00	-3,500.00	0.0%
6001.5 · Board Of Directors - Other	0.00	3,000.00	-3,000.00	0.0%
Total 6001 · Board of Directors	0.00	46,500.00	-46,500.00	0.0%
6002 · Legislative Committee Meetings	0.00	250.00	-250.00	0.0%
6003 · Program Committee Meetings	0.00	2,500.00	-2,500.00	0.0%
Total 6000 · Board & Committees	0.00	49,250.00	-49,250.00	0.0%
6010 · Office Expenses / Supplies	0.00	2,500.00	-2,500.00	0.0%
6011 · Postage & Delivery	274.96	3,000.00	-2,725.04	9.17%
6020 · Spring Conference				
6021 · Audio/Visual	0.00	60,000.00	-60,000.00	0.0%
6022 · Delivery & Shipping	0.00	2,500.00	-2,500.00	0.0%
6023 · Entertainment	0.00	6,500.00	-6,500.00	0.0%
6024 · Hotel				
6024.1 · Wednesday Night Event	0.00	65,000.00	-65,000.00	0.0%
6024.2 · Conference	0.00	0.00	0.00	0.0%
6024.4 · Hotel - Other	0.00	25,000.00	-25,000.00	0.0%
6024 · Hotel - Other	0.00	0.00	0.00	0.0%
Total 6024 · Hotel	0.00	90,000.00	-90,000.00	0.0%
6025 · Program Material	0.00	25,000.00	-25,000.00	0.0%
6026 · Speakers	0.00	50,000.00	-50,000.00	0.0%
6027 · Supplies	0.00	1,000.00	-1,000.00	0.0%
6028 · Travel	0.00	15,000.00	-15,000.00	0.0%
6020 · Spring Conference - Other	1,107.95			
Total 6020 · Spring Conference	1,107.95	250,000.00	-248,892.05	0.44%
6050 · Strategic Facilitator	0.00	15,000.00	-15,000.00	0.0%
6051 · Taxes & Licenses	0.00	50.00	-50.00	0.0%
6053 · Technology/AMS/Website	7,711.12	45,000.00	-37,288.88	17.14%
6054 · Travel	921.90	7,500.00	-6,578.10	12.29%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
Profit & Loss Budget vs. Actual
July 2021

Total Expense
Net Ordinary Income

Jul 21	Budget	\$ Over Budget	% of Budget
58,604.25	1,539,804.00	-1,481,199.75	3.81%
19,611.70	-81,637.55	101,249.25	-24.02%
19,611.70	-81,637.55	101,249.25	-24.02%

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
ANNUAL BUDGET
JULY 2021

	Budget
Ordinary Income/Expense	
Income	
4100 · Membership Dues	
4101 · Affiliates	268,750.00
4102 · Non Profit - Organizations	2,750.00
4103 · Non Profit - Systems	6,000.00
4104 · Systems - Medium	52,000.00
4105 · Systems - Large	42,000.00
4100 · Membership Dues - Other	0.00
Total 4100 · Membership Dues	371,500.00
4200 · Webinar Symposium Registration	
4201 · Affiliates - Early	200.00
4202 · Affiliates - Regular	200.00
4203 · Affiliates - Late/Onsite	200.00
4204 · Non Profit	200.00
4205 · Systems	200.00
4206 · Non-Members	200.00
4200 · Webinar Symposium Registration - Other	0.00
Total 4200 · Webinar Symposium Registration	1,200.00
4250 · Product Income	
4255 · Magazine Advertising	2,000.00
Total 4250 · Product Income	2,000.00
4270 · UC Berkeley Program	
4271 · Registrations	60,000.00
4272 · Sponsorships	40,000.00
4270 · UC Berkeley Program - Other	0.00
Total 4270 · UC Berkeley Program	100,000.00
4300 · Fall Conference Registration	
4301 · Affiliates - Early	140,000.00
4302 · Affiliates - Regular	60,000.00
4303 · Affiliates - Late/Onsite	70,400.00
4304 · Non Profit	960.00
4305 · Systems	20,000.00
4306 · Non-Members	200,250.00
4307 · Fun Run	500.00
4308 · Yoga	100.00
4300 · Fall Conference Registration - Other	0.00
Total 4300 · Fall Conference Registration	492,210.00
4350 · Spring Conference Registration	
4351 · Affiliates - Early	140,000.00
4352 · Affiliates - Regular	60,000.00
4353 · Affiliates - Late/Onsite	70,400.00
4354 · Non Profit	960.00
4355 · Systems	20,000.00

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
ANNUAL BUDGET
JULY 2021

	Budget
4356 · Non-Members	200,250.00
4357 · Fun Run	500.00
4358 · Yoga	100.00
Total 4350 · Spring Conference Registration	492,210.00
4900 · Interest Earned	-953.55
Total Income	1,458,166.45
Gross Profit	1,458,166.45
Expense	
5000 · Administrative Fee	180,000.00
5001 · Administrative Services	500.00
5002 · Awards	500.00
5003 · Bank Charges/Credit Card Fees	36,000.00
5010 · Berkeley & Symposium	
5011 · Audio/Visual	2,200.00
5013 · Hotel	12,500.00
5014 · Food & Beverage	12,500.00
5015 · Materials/Printing/Design	3,000.00
5016 · Travel	2,500.00
5017 · UC Berkeley	216,000.00
Total 5010 · Berkeley & Symposium	248,700.00
5020 · Webinar Symposium	
5022 · Webinar Technology	25,000.00
Total 5020 · Webinar Symposium	25,000.00
5030 · CERL	
5031 · Materials/Printing/Design	16,500.00
5032 · Shipping	1,300.00
Total 5030 · CERL	17,800.00
5040 · Commissions & Fees	20,000.00
5041 · Consulting	19,992.00
5042 · Dues & Subscriptions	3,700.00
5050 · Fall Conference	
5051 · Audio/Visual	60,000.00
5052 · Delivery & Shipping	2,500.00
5053 · Entertainment	6,500.00
5054 · Hotel	
5054.1 · Wednesday Night Event	65,000.00
5054.2 · Conference	15,000.00
5054.3 · Food & Beverage	250,000.00
5054 · Hotel - Other	0.00
Total 5054 · Hotel	330,000.00
5055 · Program Material	25,000.00
5056 · Speakers	50,000.00
5057 · Supplies	500.00
5058 · Travel	15,000.00

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
ANNUAL BUDGET
JULY 2021

	Budget
5050 · Fall Conference - Other	0.00
Total 5050 · Fall Conference	489,500.00
5070 · Insurance	5,000.00
5071 · Legal & Professional Fees	35,000.00
5072 · Legislative Advocacy	60,012.00
5080 · Magazine	
5081 · Delivery & Shipping	600.00
5082 · Design/Printing/Etc.	20,000.00
5083 · Magazine - Other	5,200.00
5080 · Magazine - Other	0.00
Total 5080 · Magazine	25,800.00
6000 · Board & Committees	
6001 · Board of Directors	
6001.1 · Food & Beverage	25,000.00
6001.2 · Printing/Supplies	4,000.00
6001.3 · Travel - BOD Meetings	11,000.00
6001.4 · Travel - Miscellaneous BOD	3,500.00
6001.5 · Board Of Directors - Other	3,000.00
Total 6001 · Board of Directors	46,500.00
6002 · Legislative Committee Meetings	250.00
6003 · Program Committee Meetings	2,500.00
Total 6000 · Board & Committees	49,250.00
6010 · Office Expenses / Supplies	2,500.00
6011 · Postage & Delivery	3,000.00
6020 · Spring Conference	
6021 · Audio/Visual	60,000.00
6022 · Delivery & Shipping	2,500.00
6023 · Entertainment	6,500.00
6024 · Hotel	
6024.1 · Wednesday Night Event	65,000.00
6024.2 · Conference	0.00
6024.4 · Hotel - Other	25,000.00
6024 · Hotel - Other	0.00
Total 6024 · Hotel	90,000.00
6025 · Program Material	25,000.00
6026 · Speakers	50,000.00
6027 · Supplies	1,000.00
6028 · Travel	15,000.00
6020 · Spring Conference - Other	0.00
Total 6020 · Spring Conference	250,000.00
6050 · Strategic Facilitator	15,000.00
6051 · Taxes & Licenses	50.00
6053 · Technology/AMS/Website	45,000.00
6054 · Travel	7,500.00

STATE ASSOCIATION OF COUNTY RETIREMENT SYSTEMS
ANNUAL BUDGET
JULY 2021

	<u>Budget</u>
Total Expense	<u>1,539,804.00</u>
Net Ordinary Income	<u>-81,637.55</u>
Net Income	<u><u>-81,637.55</u></u>



4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

A. SACRS President Update



No printed materials for this item



5. SACRS Legislative Committee Update – Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

- A. 2021 Legislative Report – No Action
- B. SACRS Board of Directors Legislative Proposal – Action



October 7, 2021

TO: State Association of County Retirement Systems
FROM: Edelstein Gilbert Robson & Smith, LLC
RE: **Legislative Update – October 2021**

General Update

The Legislature adjourned for interim recess on September 10 after passing roughly 700 bills out of the Legislature and onto the Governor's desk. The Governor has until October 10 to consider these bills. Below is an update on the outcomes of the bills SACRS has been following closely.

Legislation of Interest

SB 634 (Committee on Labor, Public Employment, and Retirement) - SACRS Sponsored Bill. This bill makes a few clarifying changes to the CERL, including clarifying that a 37 Act Retirement board may contract with a private physician to provide medical advice to the board to process disability claims and changing an obsolete code reference related to when a 37 Act system member may opt to continue as a member of the 37 Act system instead of enrolling in CalSTRS.

The Governor signed this bill into law on September 16.

AB 361 (Rivas) - Virtual Meetings for Declared Emergencies. This bill is sponsored by the CA Special Districts Association and would codify the Governor's Executive Order allowing for teleconference for declared emergencies. The bill would require local agencies to re-declare an emergency every 30 days that would then allow them to continue meeting remotely.

Recent amendments add an urgency clause so the bill will go into effect immediately after it is signed.

The Governor signed this bill into law on September 16. Because the existing Brown Act Executive Order expired on September 30, the Governor also issued an Executive Order to make the provisions of AB 361 effective October 1, so the two standards do not conflict.

AB 339 (Lee) – Large City Council and Board of Supervisor Public Meetings – This bill would require until December 31, 2023 that city councils and boards of supervisors

in jurisdictions over 250,000 residents provide both in person and teleconference options for the public to attend their meetings.

The bill is currently on the Governor's desk.

AB 826 (Irwin) - Compensation Earnable. Late into session, this bill was amended into a bill that prescribes that the definition of compensation earnable in CERL includes any form of remuneration, whether paid in cash or as in-kind benefits, if certain requirements are met.

The bill is co-sponsored by SEIU and the Ventura County Board of Supervisors. They argue that some pay items, like their Flexible Benefit Allowance was not clearly addressed in the *Alameda* decision and should not be excluded, because members receive the full cash value, it is a regular, set amount paid every pay period, and it isn't subject to pension spiking or any other manipulation.

In the final days of session, the bill was amended to clarify that the provisions of the bill only apply to Ventura County.

SACRS does not have a position on the bill.

The bill was moved to the inactive file before the Legislature adjourned, making it a two-year bill.

AB 498 (Quirk-Silva) – Compensation Earnable. At the end of session, Assemblymember Quirk-Silva amended her AB 498 to attempt to address a difference of opinion regarding compensation earnable, similar to AB 826 (Irwin) discussed above. Because the bill was just amended, it did not move at the end of session and will be considered next year when the Legislature returns in January.

AB 845 (Rodriguez) - COVID-19 Presumption. This bill creates a rebuttable presumption for members that a COVID-19 related illness contracted on the job must be eligible for an in-service disability retirement. The provisions sunset January 1, 2023. The bill is sponsored by SEIU. The co-chairs of the Legislative Committee have been closely engaged with the sponsor and committee staff working on the legislation to ensure smooth implementation in CERL Systems.

This bill was signed into law by the Governor on July 23.



September 20, 2021

RE: SACRS-Sponsored Legislation in 2022

Dear SACRS Board of Directors,

The SACRS Legislative Committee recommends that SACRS sponsor legislation in 2022 to amend various sections of the County Employees' Retirement Law of 1937 (CERL).

At its September 17, 2021 meeting, the Legislative Committee approved bill language for a CERL Omnibus Bill and recommended approval by the SACRS Board of Directors. If approved by the SACRS membership at the Fall Conference, the bill language can be introduced in January 2022 for consideration during the 2022 legislative session.

The enclosed language reflects the work of Legislative Committee members, in collaboration with system administrators, over the past year to develop non-controversial, technical, and clarifying amendments to the CERL.

A summary matrix and draft bill language are attached.

If you have questions or would like to provide additional feedback, please contact us at dnelsen@acera.org or sterne@saccounty.net.

Respectfully,

/s/

David Nelsen and Eric Stern
Co-Chairs, Legislative Committee

ATTACHMENTS

- Summary Matrix
- Draft Bill Language

2022 CERL Clean-Up Bill

Issue	Gov Code	Topic	Issue/Justification
1	31452.7	Beneficiaries - Designating Estate	This amendment would allow a member to designate a corporation, trust, or estate to receive his or her last check upon death. This does not allow an estate or trust to receive ongoing payments. Note: Members who choose Option 1 already can designate an estate to receive the balance of contributions.
2	31525	Board of Supervisor approval of Board of Retirement regulations	This amendment would delete the requirement that Board of Retirement regulations must be approved by the Board of Supervisors. This language is a holdover from when CERL systems were managed by a county department, and was adopted prior to the passage on Prop.162 in 1992. Adoption of regulations is part of the BOR's duty to administer the system.
3	31641.4	Prior Service -- Military Reserve Service	This amendment would note a potential federal pre-emption issue regarding purchasing prior military reserve service. Current statute establishes that prior service purchases from another public agency must not yield a pension from that agency. However, 10 U.S.C. § 12736 provides that a period of military service may not be excluded from credit towards a civilian employment pension just because that period also counts towards reservist retirement. Thus, the question arises which statute prevails in a conflict between 10 U.S.C. § 12736 and Section 31641.4. The Ninth Circuit Court of Appeal considered that question in Cantwell v. San Mateo County, 631 F.2d 631 (9th Cir. 1980), and determined that federal law overrides Section 31641.4.
4	31646	Service Purchase for FMLA Leave	This amendment would include all leaves that are covered under the FMLA that are not due to the illness of the member.
5	31646.XX	Furloughs	This amendment would provide boards with authority to prevent temporary mandatory furloughs from impacting member benefits under specified circumstances. Similar to CalPERS statutes (see GC 20968, 20969, 20969.1, 20969.2), but granting more discretion to boards, this proposed new code section may help avoid inequities that can arise because of the timing of temporary mandatory furloughs in relation to members' planned retirements.

6	31680.2	Post-Retirement Employment	This amendment would add clarifying language that nonsalaried positions and per diems do not count as double dipping for members appointed to boards and commissions under purview of a participating employer of a county system; similar to language of 7522.57 for state boards and commission.
7	31725.7 31760	Disability Retirement: Optional Allowances	This amendment would allow members to change optional allowance if subsequently granted disability retirement, regardless of when the member filed a Disability Retirement application. Currently, Section 31725.7 only allows a benefit option change for members who retired for service after filing a disability retirement application but does not provide the same ability for those who retired for service before filing an application, even though both members may subsequently be granted a disability retirement.
8	31726 31726.5	Nonservice-connected disability	This amendment restructures the sections to provide more clarity; no substantive changes. The sections on the nonservice-connected disability retirement benefit formula distinguish between those retiring on or after age 65 for general and on or after age 55 for safety versus those retiring under these ages in the same section: 31726 and 31726.5.
9	31730	Disability -- Reinstatement	This amendment addresses the scenario in which an employer does not offer to take the employee back who has been found to no longer be incapacitated. The proposed amendment would convert convert the disability retirement into service retirement without adjusting benefit (i.e. actuarial reduction). This conforms to existing practice of several systems. Note: Similar to GC 21193 in which CalPERS only reinstates if the local employer offers to take the employee back.
10	31761 31762 31763 31764	Beneficiary Designation	This amendment would insert the word "natural" in front of the phrase "person having an insurable interest in his or her life" to clarify that the optional retirement settlement death benefit cannot be paid to a fictitious person such as a trust or corporation.
11	31781	Lump Sum Death Benefit	This amendment would add language consistent with other CERL sections that provide direction on the calculation of compensation earnable and pensionable compensation when the member is on a leave of absence during the 12 months immediately preceding the member's death.

12	31838.5	Concurrent Retirement: Disability	<p>Section 31838.5 prevents windfalls for members who retire for disability from one or more systems. This amendment would clarify that a CERL system must reduce a member's allowance from that system as much as necessary so that the member does not receive a combined allowance that is "greater than the amount the member would have received had all the member's service been with only one entity." The statute currently refers to a pro rata reduction by each system, but some systems (like CalPERS) are not subject to section 31838.5 and do not make any reduction. This may leave the member with the windfall that section 31838.5 is designed to prevent, depending upon how a system calculates its "pro rata" reduction. This statute would make clear that the windfalls section 31838.5 is designed to prevent should always be prevented.</p>
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Issue 1: 31452.7 – Beneficiaries Designating Estate

This amendment would allow a member to designate a corporation, trust, or estate to receive his or her last check upon death. This does not allow an estate or trust to receive ongoing payments. Note: Members who choose Option 1 already can designate an estate to receive the balance of contributions.

Section 31452.7 of the Government Code is amended to read:

(a) Upon the death of any member after retirement, any retirement allowance earned but not yet paid to the member shall, notwithstanding any other provision of law, be paid to the member’s designated beneficiary.

(b) Upon the death of any person receiving a survivor’s allowance under this chapter, any allowance earned but not yet paid to the survivor shall, notwithstanding any other provision of law, be paid to the survivor’s designated beneficiary.

(c) For purposes of this section, “beneficiary” includes, but is not limited to, a corporation, a trust, or an estate.

Issue 2: 31525 – BOR Regulations

This amendment would delete the requirement that Board of Retirement regulations must be approved by the Board of Supervisors. This language is a holdover from when CERL systems were managed by a county department, and was adopted prior to the passage on Prop.162 in 1992. Adoption of regulations is part of the BOR’s duty to administer the system.

Section 31525 of the Government Code is amended to read:

The board may make regulations not inconsistent with this chapter, **the Public Employees’ Pension Reform Act of 2013, The California Pension Protection Act of 1992, and any other provisions of law applicable to county retirement systems.**

~~The regulations become effective when approved by the board of supervisors.~~

Issue 3: 31641.4 -- Prior Military Reserve Service

This amendment would note a potential federal pre-emption issue regarding purchasing prior military reserve service. Current statute establishes that prior service purchases from another public agency must not yield a pension from that agency. However, 10 U.S.C. § 12736 provides that a period of military service may not be excluded from credit towards a civilian employment pension just because that period also counts towards reservist retirement. Thus, the question arises which statute prevails in a

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*conflict between 10 U.S.C. § 12736 and Section 31641.4. The Ninth Circuit Court of Appeal considered that question in *Cantwell v. San Mateo County*, 631 F.2d 631 (9th Cir. 1980), and determined that federal law overrides Section 31641.4.*

Section 31641.4 of the Government Code is amended to read:

A member shall receive credit for employment in public service only for such service as he is not entitled to receive a pension or retirement allowance from such public agency. The service for which he elects to contribute and the fact that no pension or retirement allowance will accrue to such member by virtue of his employment in such public agency must be certified to by an officer of the public agency where he rendered such public service or must be established to the satisfaction of the board. **Nothing in this paragraph prohibits a member from receiving credit for a period of federal public service where federal law expressly permits such credit even though the member is already entitled to receive a pension or retirement allowance from that service (*Cantwell v. San Mateo County*, 631 F.2d 631 (9th Cir. 1980)).**

Issue 4: 31646 – Credit for Uncompensated Leave of Absence for Illness; Parental Leave; Conditions

This amendment would include all leaves that are covered under the FMLA that are not due to the illness of the member.

Section 31646 of the Government Code is amended to read:

(a) A member who returns to active service following an uncompensated leave of absence on account of illness may receive service credit for the period of the absence upon the payment of the contributions that the member would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(b) (1) A member who returns to active service following an uncompensated leave of absence on account of parental leave may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subdivision, parental leave is defined as any time, up to one year, during which a member is granted an approved maternity or paternity leave and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is

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claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to parental leave that commences after the adoption by the board of supervisors.

(c) (1) A member who returns to active service following an uncompensated leave of absence on account of the serious illness of a family member when the absence is eligible for coverage under the Family Medical Leave Act, 29 U.S.C. section 2601 et. seq., or the California Family Rights Act, Government Code section 12945 et. seq., may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subdivision, leave on account of illness of a family member is defined as any time, up to one year, during which a member is granted an approved leave to care for a seriously ill family member and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to leave that commences after the adoption by the board of supervisors.

Issue 5: 31646.XX – Furloughs

This amendment would provide boards with authority to prevent temporary mandatory furloughs from impacting member benefits under specified circumstances. Similar to CalPERS statutes (see GC 20968, 20969, 20969.1, 20969.2), but granting more discretion to boards, this proposed new code section may help avoid inequities that can arise because of the timing of temporary mandatory furloughs in relation to members' planned retirements.

Section 31646.XX of the Government Code is added to read:

The board may grant members who are subject to a temporary mandatory furlough the same service credit and “compensation earnable” or “pensionable compensation” to which the members would have been entitled in the absence of the temporary mandatory furlough. The board may condition such grant on the receipt of additional member and/or employer contributions that the board

determines are necessary to fund any benefits granted under this section on an actuarially sound basis.

For the purposes of this section, a “temporary mandatory furlough” refers to time during which a member is directed to be absent from work without pay for up to one quarter of the member’s normal working hours, with such reduced working hours in place for no longer than two years.

Issue 6: 31680.20 – Postretirement Employment

This amendment would add clarifying language that nonsalaried positions and per diems do not count as double dipping for members appointed to boards and commissions under purview of a participating employer of a county system; similar to language of 7522.57 for state boards and commission.

Section 31680.20 of the Government Code is added to read:

A person who is retired under this chapter may serve without reinstatement from retirement or loss or interruption of benefits under this chapter or the Public Employees’ Pension Reform Act of 2013 provided the service is on a part-time state, county, city, district, or other political subdivision board or commission. A retired person whose employment without reinstatement is authorized by this subdivision shall acquire no benefits, service credit, or retirement rights with respect to the employment. Part-time service is limited to less than 20 hours per week, and salary or stipend of the part-time service may not exceed \$60,000 annually.

Issue 7: 31725.7, 31760 – Disability Retirement: Optional Allowances

This amendment would allow members to change optional allowance if subsequently granted disability retirement, regardless of when the member filed a Disability Retirement application. Currently, Section 31725.7 only allows a benefit option change for members who retired for service after filing a disability retirement application but does not provide the same ability for those who retired for service before filing an application, even though both members may subsequently be granted a disability retirement.

Section 31725.7 of the Government Code is amended to read:

(a) At any time after filing an application for disability retirement with the board, the member may, if eligible, apply for, and the board in its discretion may grant, a service retirement allowance pending the determination of his or her entitlement to disability retirement. If he or she is found to be eligible for disability retirement, appropriate

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adjustments shall be made in his or her retirement allowance retroactive to the effective date of his or her disability retirement as provided in Section 31724.

(b) Notwithstanding subdivision (a), this section shall also apply to a member retired for service who subsequently files an application for disability retirement with the board. If he or she is found to be eligible for disability retirement, appropriate adjustments shall be made in his or her retirement allowance retroactive to the effective date of his or her disability retirement as provided in Section 31724.

~~(b)~~**(c)** This section shall not be construed to authorize a member to receive more than one type of retirement allowance for the same period of time nor to entitle any beneficiary to receive benefits which the beneficiary would not otherwise have been entitled to receive under the type of retirement which the member is finally determined to have been entitled. In the event a member retired for service is found not to be entitled to disability retirement he or she shall not be entitled to return to his or her job as provided in Section 31725.

~~(c)~~**(d)** If the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary shall be as selected by the member at the time of retirement for service. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall also be binding as to the type of allowance the member receives if the member is awarded a disability retirement.

~~(d)~~**(e)** Notwithstanding subdivision ~~(e)~~**(d)**, if the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary may be as selected by the member at the time of retirement for service, or as if the member had selected an unmodified allowance. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall not be binding as to the type of allowance the member receives if the member is awarded a disability retirement. A change to the optional or unmodified type of allowance shall be made only at the time a member is awarded a disability retirement and the change shall be retroactive to the service retirement date and benefits previously paid shall be adjusted. If a change to the optional or unmodified type of allowance is not made, the benefit shall be adjusted to reflect the differences in retirement benefits previously received. This paragraph shall only apply to members who retire on or after January 1, 1999.

Section 31760 of the Government Code is amended to read:

(a) Except as provided in subdivisions **(b) and (c)**, until the first payment of any retirement allowance is made, a member or retired member, in lieu of the retirement allowance for the member's life alone, may elect to have the actuarial equivalent of his or her retirement allowance as of the date of retirement applied to a lesser retirement

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allowance payable throughout life in accordance with one of the optional settlements specified in this article.

(b) Notwithstanding subdivision (a), a member who applies for disability and is subsequently granted a service retirement pending a determination of entitlement to disability may change the type of optional or unmodified allowance that he or she elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.

(c) Notwithstanding subdivision (a), a member retired for service who applies for and is subsequently granted a disability retirement may change the type of optional or unmodified allowance that he or she elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.

Issue 8: Sections 31726 and 31726.5: Nonservice-connected disability

This amendment restructures the sections to provide more clarity; no substantive changes. The sections on the nonservice-connected disability retirement benefit formula distinguish between those retiring on or after age 65 for general and on or after age 55 for safety versus those retiring under these ages in the same section: 31726 and 31726.5.

Section 31726 of the Government Code is amended to read:

(a) Upon retirement for ~~non-service~~**nonservice**-connected disability a member who has attained age 65 shall receive his or her service retirement allowance.

(b) Every member under age 65 who is retired for ~~non-service~~**nonservice**-connected disability and who is not simultaneously retired as a member on deferred retirement of the ~~State~~**Public** Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of the following:

~~(a)~~**(1)** The sum to which he or she would be entitled as service retirement; **or**

~~(b)~~**(2)** A sum which shall consist of ~~any of the following~~:

~~(1)~~**(A)** An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

~~(2)~~**(B)** If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

~~(3)~~**(C)** If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district. This paragraph

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shall only apply to a person who becomes a member of the system on or after January 1, 1988.

Section 31726.5 of the Government Code is amended to read:

(a) Upon retirement for nonservice-connected disability a safety member who has attained age 55 shall receive his or her service retirement allowance.

(b) Every safety member under age 55 who is retired for nonservice-connected disability and who is not simultaneously retired as a member on deferred retirement of the Public Employees' Retirement System or a retirement system established under this chapter in another county shall receive a disability retirement allowance which shall be the greater of:

~~(a)~~**(1)** The sum to which he or she would be entitled to as service retirement; or

~~(b)~~**(2)** A sum which shall consist of:

~~(1)~~**(A)** An annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement.

~~(2)~~**(B)** If, in the opinion of the board, his or her disability is not due to intemperate use of alcoholic liquor or drugs, willful misconduct, or violation of law on his or her part, a disability retirement pension purchased by contributions of the county or district.

~~(3)~~**(C)** If, in the opinion of the board, his or her disability is not due to conviction of a felony or criminal activity which caused or resulted in the member's disability, a disability retirement pension purchased by contributions of the county or district.

~~Paragraph 3~~**Subparagraph (C)** shall only apply to a person who becomes a member of the association on or after January 1, 1988.

Issue 9: 31730 – Disability Reinstatement

This amendment addresses the scenario in which an employer does not offer to take the employee back who has been found to no longer be incapacitated. The proposed amendment would convert convert the disability retirement into service retirement without adjusting benefit (i.e. actuarial reduction). This conforms to existing practice of several systems. Note: Similar to GC 21193 in which CalPERS only reinstates if the local employer offers to take the employee back.

Section 31730 of the Government Code is amended to read as follows:

(a) If the board determines that the beneficiary is not incapacitated, and his or her employer offers to reinstate that beneficiary, his or her retirement allowance shall be

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canceled forthwith, and he or she shall be reinstated in the county service pursuant to the regulations of the county or district for reemployment of personnel.

(b) If the board determines that the beneficiary is not incapacitated, and his or her employer does not offer to reinstate that beneficiary, notwithstanding any requirement of this chapter regarding eligibility therefor, his or her retirement allowance shall be reclassified to a service retirement in the same amount and subject to any applicable future cost of living adjustments. The optional or unmodified type of allowance selected by the beneficiary at the time of retirement for disability shall be binding as to the service retirement.

Issue 10: 31761, 31762, 31763, and 31764 – Optional Retirement Allowances:

This amendment would insert the word “natural” in front of the phrase “person having an insurable interest in his or her life” to clarify that the optional retirement settlement death benefit cannot be paid to a fictitious person such as a trust or corporation.

Sections 31761, 31762, 31763, and 31764 of the Government Code are amended to read:

31761 – Optional settlement 1 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death and, if he or she dies before he or she receives in annuity payments the amount of his or her accumulated contributions at retirement, to have the balance at death paid to his or her estate or to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board.

31762 – Optional settlement 2 consists of the right to elect in writing to have a retirement allowance paid to him or her until his or her death, and thereafter to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement.

31763 – Optional settlement 3 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death, and thereafter to have one-half of his or her retirement allowance paid to the natural person, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement.

31764 – Optional settlement 4 consists of the right to elect in writing to have a retirement allowance paid him or her until his or her death and thereafter to have other benefits as are approved by the board, upon the advice of the actuary, continued throughout the life of and paid to the natural persons, having an insurable interest in his or her life, as he or she nominates by written designation duly executed and filed with the board at the time of his or her retirement. The designation shall not, in the opinion of the board and the actuary, place any additional burden upon the retirement system.

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Issue 11: 31781 – Death Benefit; Elements

This amendment would add language consistent with other CERL sections that provide direction on the calculation of compensation earnable and pensionable compensation when the member is on a leave of absence during the 12 months immediately preceding the member's death.

Section 31781 of the Government Code is amended to read:

The death benefit shall consist of:

- (a) The member's accumulated contributions.
- (b) An amount, provided from contributions by the county or district, equal to one-twelfth of the annual compensation earnable or pensionable compensation as defined in [Section 7522.34](#), whichever is applicable, by the deceased during the 12 months immediately preceding his death, multiplied by the number of completed years of service under the system, but not to exceed 50 percent of such annual compensation. **The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence.**

Issue 12: 31838.5 – Concurrent Retirement; Disability

Section 31838.5 prevents windfalls for members who retire for disability from one or more systems. This amendment would clarify that a CERL system must reduce a member's allowance from that system as much as necessary so that the member does not receive a combined allowance that is "greater than the amount the member would have received had all the member's service been with only one entity." The statute currently refers to a pro rata reduction by each system, but some systems (like CalPERS) are not subject to section 31838.5 and do not make any reduction. This may leave the member with the windfall that section 31838.5 is designed to prevent, depending upon how a system calculates its "pro rata" reduction. This statute would make clear that the windfalls section 31838.5 is designed to prevent should always be prevented.

Section 31838.5 of the Government Code is amended to read:

No provision of this chapter shall be construed to authorize any member, credited with service in more than one entity and who is eligible for a disability allowance, whether service connected or nonservice connected to receive an amount from one county that, when combined with any amount from other counties or the Public Employees' Retirement System, results in a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.

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In cases of service-connected disability allowances only, the limitation on disability allowances provided for in this section shall apply to service-connected disability allowances payable to those who, after being employed with another county or an entity within the Public Employees' Retirement System, become employed by a second public entity on or after January 1, 1984.

Each entity shall calculate its respective obligations based upon the member's service with that entity and each shall adjust its payment on a pro rata basis. **If, however, another entity does not reduce the amount it pays the member, an entity subject to this section shall reduce the allowance it pays the member by as much as necessary to ensure that the member does not receive a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.**



6. SACRS Nomination Committee – 2022-2023 SACRS Election Notice – No Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

A. SACRS Election Notice 2022-2023



August 24, 2021

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2022-2023 - Elections Notice

SACRS BOD 2022-2023 election process will begin January 2022. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2022	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2022	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 13, 2022	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 13, 2022	Board of Directors take office for 1 year

Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:

Section 1. Board of Directors. The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members

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

B. Two (2) Regular Members. *Two (2) regular members shall also be members of the Board with full voting rights.*

Section 2. Elections of Directors. *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25.



The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.

Director 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 to Article V, Sections 6 and 7 of these Bylaws.

Newly elected Directors 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.

The elections will be held at the SACRS Spring Conference May 10 – 13, 2022 at the Rancho Las Palmas, Rancho Mirage, CA. Elections will be held during the Annual Business meeting on Friday, May 13, 2022.

If you have any questions, please contact Dan McAllister, Dan.McAllister@sdcounty.ca.gov

Thank you for your prompt attention to this timely matter.

Sincerely,

Dan McAllister

Dan McAllister, San Diego CERA Trustee & San Diego County Treasurer Tax Collector
SACRS Nominating Committee Chair

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



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2022-2023**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2022.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name:
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: Email Address: Phone:
Name of Retirement System Candidate Currently Serves On	System Name:
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio	



7. SACRS Audit Report – No Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

A. SACRS Annual Audit Update



No printed materials for this item



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Fall Conference 2021 Evaluations/Feedback



No printed materials for this item



9. SACRS Program Committee Report – No Action

Kathryn Cavness, Mendocino CERA, SACRS Program Committee Chair

- A. SACRS Annual Fall Conference 2021 report



No printed materials for this item



10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global, SACRS Affiliate Committee Chair

A. Affiliate Committee report



No printed materials for this item



11. SACRS Bylaws Committee Report – No Action
Chair Position Open, SACRS Bylaws Committee Chair

- A. No report



No printed materials for this item



12. SACRS Fall Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators
- B. Counsel
- C. Disability/ Operations & Benefits Combo
- D. Internal Auditors
- E. Investment Officers
- F. Safety Trustees
- G. General Trustees



No printed materials for this item



13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, May 13, 2022 at the Rancho Las Palmas Hotel in Rancho Mirage, CA.