DISCUSSION SHEET

Employees' Retirement Fund
Board of Trustees Meeting

December 13, 2016

Issue: Proposed changes for the Election Policy based on the approval of Proposition 1.

Attachment: Proposed Policy effective January 1, 2017

Discussion: Chapter 40A modifications were approved through the Proposition 1 ballot item that passed as of November 8, 2016.

1. In accordance with Section 40A-2(c)(2), if only one eligible employee is nominated for an elected Board position described in Subsection (c)(1)(B) of this section, that employee will be declared elected to that position by the Board without requiring an election by the members of the Fund.

   Note: This change will save the Fund approximately $10,000 each occurrence.

2. In accordance with Section 40A-3(a)(1), on and after January 1, 2017, the three elected positions on the Board will be designated Place 1, Place 2, and Place 3, respectively, as determined by the Board.

   The elected members, including incumbents, of the Board shall serve without remuneration and for terms as follows: (i) a member elected to Place 1 will serve a three-year term, with the initial term running from January 1, 2017 through December 31, 2019; (ii) a member elected to Place 2 will serve a three-year term, with the initial term running from January 1, 2019 through December 31, 2021; and (iii) a member elected to Place 3 will serve a three-year term, except that the initial term will be for two years and run from January 1, 2019 through December 31, 2020.

Recommendation: The Board approve the proposed changes to the Election Policy including the following order of election seats: Place 1 - Carla D. Brewer; Place 2 - John D. Jenkins; and Place 3 - Tina Richardson with a January 1, 2017 implementation date.