

BOARD OF INVESTMENTS BOARD OFFICER ROTATION POLICY

PURPOSE

The Board of Investments (BOI) has three officers who provide leadership and facilitate the operations of the board as provided by the BOI Charter: Chair, Vice Chair, and Secretary. The BOI Bylaws provide that each January the BOI shall elect a trustee to serve as an officer in each of these positions for a term of one year. This policy replaces the process of electing board officers by prescribing a seniority-based system to select board officers each January.

AUTHORITY

Pursuant to Article XVI, Section 17 of the California Constitution and the County Employees Retirement Law of 1937, the BOI has plenary authority and exclusive fiduciary responsibility for the investment of moneys. As such, the BOI may make administrative policies related to the governance of its board operations.

DEFINITIONS

“Appointed” means appointed by the Board of Supervisors.

“Board Officer” means Chair, Vice Chair, or Secretary.

“Elected” means elected by the general, safety, or retired members of LACERA.

“Ex officio” means the Treasurer and Tax Collector.

“Opt out” means a trustee’s choice to not commence service as a board officer when eligible based on seniority.

“Seniority” means a trustee’s total accumulated service.

“Seniority list” means a list of appointed, elected, and ex officio trustees ordered by seniority from highest to lowest in each trustee’s years of service. In case of a tie for years of service between trustees, the trustee who has served fewer times in the board officer position for which the seniority list is promulgated shall be higher in position on the list.

“Service” means the trustee’s service while in office as a member of the BOI and includes all combinations of service in his or her capacity as an appointed, elected, or ex officio trustee, including interim ex officio service. Service for an appointed trustee includes the one year between consecutive appointments during which the trustee is not in service to the BOI. Service for an appointed trustee does not include the time he or she remains on the BOI after the expiration of his or her term because his or her successor has not been

appointed in time to take office in January. Service for an elected trustee does not include any breaks in elected service on the BOI.

STATEMENT OF POLICY

Seniority List

For each board officer position of Chair, Vice Chair, and Secretary, a separate seniority list shall be maintained.

The seniority list shall not include the alternate ex officio trustee.

For purposes of the seniority list to determine board officers for the one-year term beginning January 1, 2022, the trustees who served as board officers during 2021 shall have one (1) year of service credited.

Board Officer Selection

With reasonable and sufficient time before the first regular meeting in January, the Executive Board Assistant shall verify the seniority of each trustee on the list for each board officer position who would be in office during the calendar year commencing in January and ascertain in order of seniority which trustee opts to serve as a board officer for the upcoming year. There is no minimum service requirement for eligibility to serve as a board officer. A trustee may serve in only one board officer position for this board during any year.

At the first regular meeting in January, the BOI shall hold a vote to ratify the slate of board officers determined by the Executive Board Assistant under this policy.

An appointed trustee whose term of service has ended but remains on the BOI because his or her successor has not been appointed in time to take office in January is not eligible to serve as a board officer.

A trustee who opts to serve as a board officer shall have his or her seniority reset to zero in January and begin accruing seniority anew.

Opting Out

A trustee who is eligible to commence service as a board officer based on seniority may opt out of serving without loss of seniority. There is no limit to the number of times a trustee may opt out. A trustee who has seniority in more than one officer position and opts to serve in one position shall not be considered as having opted out of serving in the other position.

Vacancy

In the event of a vacancy in the office of Chair, Vice Chair, or Secretary, the seniority list for that board officer position will be used to determine which trustee is eligible to serve out the remaining term of office as a successor. The BOI shall vote to ratify the filling of

such vacancy at the next meeting following the vacancy. A trustee who opts to serve out the remaining term of office resulting from a vacancy shall not have his or her seniority reset to zero and, if eligible, may serve as an officer in this position the following year.

Adopted: November 17, 2021