Mendocino County Employees Retirement Association

TRUSTEE SUCCESSION PLAN POLICY

I. PURPOSE AND BACKGROUND

Turnover among Trustees can have significant impact on the governance of MCERA. As trustees, Board members are considered fiduciaries. The law holds fiduciaries to the highest standard of responsibility. To satisfy this high standard, Trustees must satisfy the duty of care and duty of loyalty to ensure MCERA is appropriately governed. Board members must act to serve the best interests of member and beneficiaries and protect the assets of the association. The Board recognizes that it can mitigate the risks and impacts associated with the loss of Trustees through effective succession planning. This Trustee Succession Plan Policy provides the framework for the Board's succession planning efforts.

II. GUIDELINES

1) Trustees will actively seek out citizens for appointment and employees for elected seats.

   a. Desired skills and knowledge include backgrounds in accounting, audit, finance, investments, Board governance, law, medicine or disability, risk management, public relations and information technology.

2) The Executive Director will provide support to Trustee efforts by:

   a. Accompanying Trustee(s) to community or civil events to promote the Board.

   b. Discussing Board duties and responsibilities with those interested in serving on the Board.

3) The following information will be available to those seeking election or appointment to the Retirement Board and to newly appointed Trustees. These include:

   a. New Trustee Handbook

   b. Board Charter

   c. Board Regulations

   d. Board Code of Conduct

e. Conflict of Interest Policy

f. Trustee Education Policy

g. Trustee Roles and Responsibilities

h. An estimate of the expected time commitment on the part of Trustees.

4) Those seeking election or appointment and newly elected/appointed Trustees to the Board of Retirement are encouraged to attend at least one public meeting of the Board prior to assuming office to familiarize themselves with the workings of the Board. Recordings of MCERA's Retirement Board meetings are available for viewing, live or on-demand, on the County's YouTube channel. The annual actuarial valuation is presented at the November meeting and is highly recommended.

5) New Trustees will attend the Board's New Trustee Orientation within 45 days of their election or appointment with the intent on attending orientation before their first meeting.

6) New Trustees will complete the Trustee Knowledge and Skills Self-Assessment to assist with identifying educational opportunities that would benefit the Trustee.

7) Trustees exiting the Board will complete the Trustee Exit Survey to provide feedback on Board service and assist with the development of resources for incoming Trustees.

III. POLICY REVIEW

This policy is subject to change in exercise of the Board's judgment. The Board will review this policy at least every five years to ensure that it remains relevant and appropriate.

IV. POLICY HISTORY

This policy was adopted by the Board of Retirement on August 20, 2025.