

BYLAWS AND STANDING RULES

**EMPLOYEES' RETIREMENT SYSTEM BOARD OF TRUSTEES
OF THE NEW CASTLE COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

Adopted: January 15, 2014

BYLAWS AND STANDING RULES
FOR THE
EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES OF NEW CASTLE COUNTY

BYLAWS

ARTICLE I. Name of Organization

Section 1. The name of this organization shall be: The Employees' Retirement System Board of Trustees of the New Castle County Employees Retirement System, hereinafter referred to as the "Board."

ARTICLE II. Authorization

Section 1. The Board is authorized under Chapter 85, Volume 55, Laws of Delaware. The system shall be construed to be a trust separate and distinct from all other entities. The details of the management of the Board are described in Section 2.05.505 of the New Castle County Code.

Section 2. Where this document is silent on a matter, Robert's Rules of Order, Newly Revised will control.

Section 3. IRS determination letter. Established protocols around the IRC

ARTICLE III. Members

Section 1. The Board shall consist of twelve (12) members.

- a. The Chief Human Resources Officer, ex officio.
- b. The Chief Finance Officer, ex officio.
- c. Six (6) County Executive appointments
 - (1) American Federation of State, County and Municipal Employees, AFL-CIO Locals 459, 1607, 3109 and 3911 shall each have one (1) representative.
 - (2) The Fraternal Order of Police shall have one (1) representative.
 - (3) The non-unionized, Merit employees shall have one (1) representative.
- d. Four (4) County Council appointments.
 - (1) No Council appointees shall be an official or employee of the County.

- (2) Two (2) Council appointees shall be from the banking, finance, or investment security industries.
- (3) One (1) Council appointee shall be a New Castle County Government retired member of the program.
- (4) One of the appointees shall be the chairperson (hereinafter, "chair"). If council does not designate the Chair, the Chair shall be chosen by the council appointees.

Section 2. Term of office.

- a. Each member shall serve for a term of three (3) years until either a successor is qualified and appointed, or the incumbent is reappointed to serve another term.
- b. The selection process and qualifications are described in Section 2.05.505 of the County Code.

Section 3. Any member, except ex officio members, of the Board who fails to attend three (3) consecutive, regularly scheduled meetings, except where such absence is excused by the Chair, may forfeit membership on the Board. Once a vacancy exists, the Chair, shall forward to the County Executive and the Council President, as appropriate, a letter certifying that a vacancy exists on the Board, and the name of the member who held the forfeited position.

ARTICLE IV. Officers, Advisors and their Duties.

Section 1. Officers.

- a. Chair and Vice Chair
"The Chair shall preside at all meetings and hearings of the Board and shall perform such duties as required under Delaware Code, New Castle County Code, these Bylaws, and parliamentary procedure. The Vice Chair, elected in accordance with the New Castle County Code, shall act for the chair in his or her absence. In the absence of the Chair and Vice Chair, the Board members shall select one Board member to serve as Chair, unless a member has already volunteered to serve in the event of the Chair's and Vice Chair's absence.

- b. The Administrative Manager
The Administrative Manager of the system shall be the Chief Human Resources Officer. The Administrative Manager may designate another person to act on his/her behalf. The Administrative Manager shall provide for and oversee the daily operations of the Pension Program. This shall include providing professional and clerical staffing, office space, and any other support deemed necessary by the Board.
- c. Treasurer.
The Chief Finance Officer shall be the treasurer of the system and shall be responsible for its monies and securities, and have responsibilities consistent with Section 2.05.506 (C).
- d. Legal Counsel.
The County Attorney or his designated Assistant County Attorney shall be general legal counsel to the Board. However, the County Attorney, in matters judged by the County Attorney to be outside her/his areas expertise, may recommend, with the approval of the Board, outside counsel.
- e. Actuarial Services.
An actuary shall be appointed by the Board to serve as technical advisor in the administration of the system.
- f. Consultant/Financial Advisory Services.
One or more consultants may be appointed by the Board. Consultants shall serve as fiduciaries to the Board. The Board may engage a financial advisory service to provide evaluations of the performance of

investment advisors, and for other financial advisory activities.

Section 2. Administration

The Board shall assure that the provisions of Section 2.05.506 of the County Code shall be carried out in a timely matter. If the Board, by majority vote, deems the above referenced functions are not being carried out in a timely manner by the Administrative Manager, the Board may undertake, at its expense, to provide for the services.

ARTICLE V. Meetings

Section 1. Regular business meetings of the Board will be held on the third Wednesday of each month, the time and place of which will be established by the Board.

Section 2. Meetings may be changed to alternative dates and times agreeable to the Board.

Section 3. For purposes of conducting a business meeting, at least seven voting members of the Board shall be present. A motion is carried by the affirmative vote of seven members.

Section 4. Handouts, presentations, and other materials needed for the meeting shall be provided to the Administrative Manager, at least one week prior to said meeting, unless otherwise determined by the Chair.

Section 5. The Chair shall be a voting member.

Section 6. Special meetings may be called by the Chair provided that all members are notified at least three days in advance of such meeting. It shall be the duty of the Chair to call a special meeting when requested to do so by a majority of the members of the Board.

- Section 7. All meetings at which official action is taken shall be open to the general public.
- Section 8. State Statute governing the conduct of meetings by public entities shall prevail. 29 Del.C. §100, *et seq.*
- Section 9. Notice of the time and place of all meetings, and the subject under discussion, shall be given in accordance with applicable law or regulations.

ARTICLE VI. Committees

- Section 1. Standing committees of the Board shall consist of an Investment Advisory Committee and the Bylaws Committee.
- Section 2. Ad hoc committees and subcommittees may be established from among the members of the Board at the discretion of the Chair or the Board.
- Section 3. The Investment Advisory Committee may have referred to it, for special review, any matters which pertain to investments, investment managers or investment policy. Where appropriate, they shall issue a report to the Board.
- Section 4. The Bylaws Committee, at the discretion of the Chair, shall be responsible for annual review of the Bylaws. Said review shall occur at least annually. Sec. 2.04.002
- Section 5. Each of the committees shall consist of at least two members of the Board as approved by the Chair. The Chair shall be an ex-officio member of each committee, and may also appoint her/himself to a committee.

ARTICLE VII. Order of Business

- Section 1. The order of business at regular business meetings may include the following as determined by the Chair:
- a. Call to Order

- b. Roll Call (by sign in)
- c. Minutes
- d. Chair's Report
- e. Coordinator's Report
- f. Payment of Invoices
- g. Applications for Benefits
- h. Committee Report(s)
- i. Old business
- j. New business
- k. Adjournment

ARTICLE VIII. Rules of Order

Section 1. The Chair shall make rulings on all questions of parliamentary practice which are not governed by the Bylaws. *Robert's Rules of Order, Newly Revised (latest edition)* may be used as a guide. An appeal from the Chair's decision may be made by any member if nproperly seconded. The appeal shall be upheld only upon the affirmative vote of a majority of the members present and voting.

ARTICLE IX. Amendments

Section 1. Notice of a proposed amendment to the Bylaws shall be given to each Board member at least two weeks prior to the Board meeting at which the proposed amendment is to be presented. The proposed amendment shall be read and discussed at said Board meeting, and may be adopted by a nine (9) member affirmative vote of the Board at the subsequent meeting, provided that at least two weeks have elapsed between first and second meeting.

Section 2. Standing Rules can be amended by a seven (7) member

affirmative vote of the Board, with the same notice requirements as stated in Section 1.

STANDING RULES

RULE 1. The Board shall adopt and maintain an investment policy document. The Board will conduct a formal Asset Liability Study at least every three (3) years after its date of adoption. Sec 26.004.118
(c)

RULE 2. The minutes of a regular or special meeting shall be distributed to the members of the Board within ten (10) working days of the adjournment of the meeting.

RULE 3. The Board shall provide the opportunity for its members to maintain and improve their skills by attending educational conferences, seminars and other events or activities deemed appropriate by the Board. Approval shall be given prior to the event by a vote of the Board. All reasonable expenses shall be borne by the Board. New Castle County Employees Expense Reimbursement Policy shall be used as a guide. The Administrative Manager shall request administrative leave with pay on behalf of a County employee.

RULE 4. The Chair shall meet at least annually with County Council or its Finance committee to report on the activities of the Board and the Pension Trust.

RULE 5. Semiannually, a one-page summary statement shall be prepared and forwarded to the County Council describing performance activities of the assets of the Pension Trust along with any outstanding major investment issues.

RULE 6. The Administrative Manager shall provide the actuary by December 31st, all the documentation necessary to prepare the

necessary actuarial valuation.

RULE 7. Prior to the end of April, the Board shall provide to each member of the Pension System a summary plan description.

RULE 8. Unless required by a vote of the Board, all minutes shall be kept in written format only. The style of the transcription of minutes shall be in summary format. The proceedings of all Board meetings recorded in electronic format shall not constitute official minutes.

RULE 9. To provide continuity, all items of business which have been tabled or not acted upon for any reason, shall be carried forward and placed on the agenda under old business.

RULE 10. By April 1, the Board shall recommend, to Council an annual contribution rate for the upcoming fiscal year.

Daniel R. McJadden
Chairperson, Board of Trustees

3/25/19
Date

Reviewed On: 03/21/2019
04/18/2018
03/20/2019