



# Board of Retirement Regular Meeting

## Sacramento County Employees' Retirement System

---

### Agenda Item 21

**MEETING DATE:** August 17, 2022

**SUBJECT:** Strategic Management Plan Quarterly Performance Report

**SUBMITTED FOR:**  Consent  Deliberation and Action  Receive and File

---

### **RECOMMENDATION**

Staff recommends the Board receive and file the Strategic Management Plan Quarterly Performance Report.

### **PURPOSE**

This item informs the Board on progress with implementation of the Strategic Management Plan.

### **DISCUSSION**

SCERS established the Strategic Management Program to measure and guide progress in achieving continuous improvement. The program is organized around six areas (goals):

- Customer Service and Experience
- Stakeholder Communication and Outreach
- Funding Integrity and Sustainability
- Investment Planning and Growth
- Organizational Development and Culture
- Enterprise Capability and Technology

On a quarterly basis, the Board is provided a performance update on activities and progress toward meeting objectives and targets within those goals. This quarterly report reflects a 3-month review of 2022 performance.

**ATTACHMENTS**

- Board Order
- Strategic Management Plan Quarterly Performance Report

Prepared by:

/S/

---

Joan Kudin  
Senior Public Information Officer

Reviewed by:

/S/

---

Eric Stern  
Chief Executive Officer



# Retirement Board Order

## Sacramento County Employees' Retirement System

---

Before the Board of Retirement  
August 17, 2022

AGENDA ITEM:

### Strategic Management Plan Quarterly Performance Report

THE BOARD OF RETIREMENT hereby accepts the recommendation of staff to receive and file the Strategic Management Plan Quarterly Performance Report.

I HEREBY CERTIFY that the above order was passed and adopted on August 17, 2022 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

---

Board President

---

Eric Stern  
Chief Executive Officer and  
Board Secretary



# Strategic Management Plan

Second Quarter - 2022

August 2022

# Strategic Framework





# Goal 1

## Customer Service and Experience

Customers satisfied with timely, friendly, convenient, and accurate pension administration services.

### Completed

- Maintained consistent service level performance through busy season

### Looking Ahead

- Roll out employer portal
- Roll out self-scheduling tool on website
- Reaffirm Electronic Signature Policy

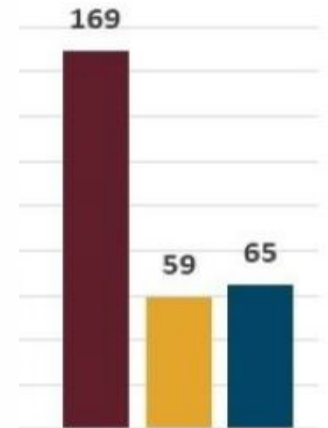
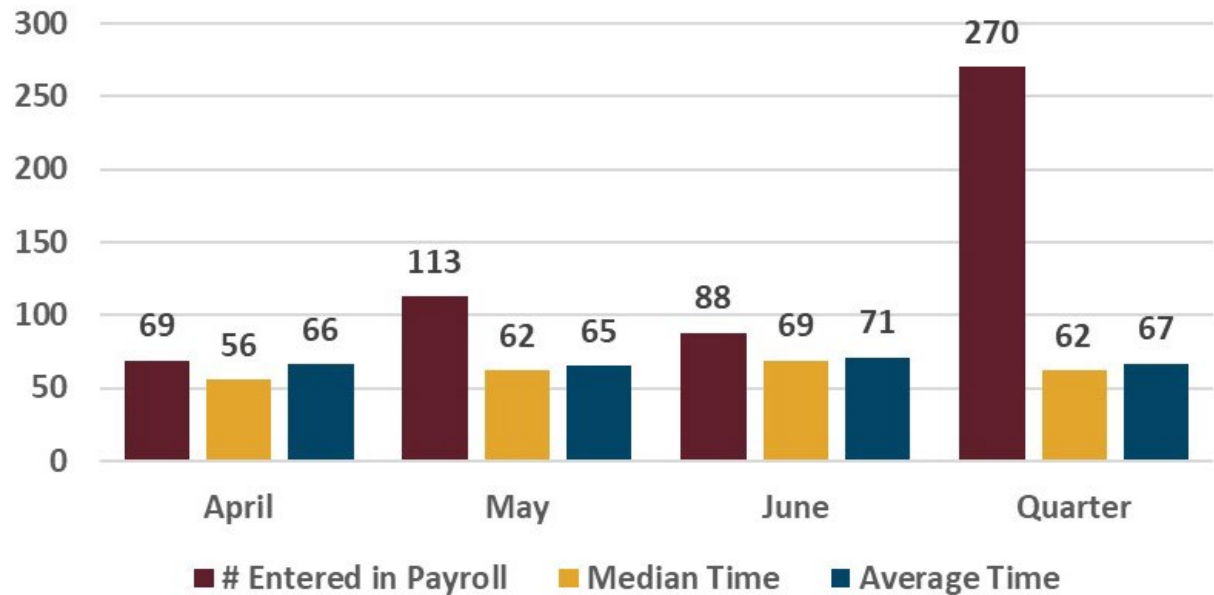
Key risks: IT project implementation and *Alameda* corrections continue to impact day-to-day workload.



# Goal 1

## Customer Service Dashboard

### Retirements



Quarter 1 Comparison

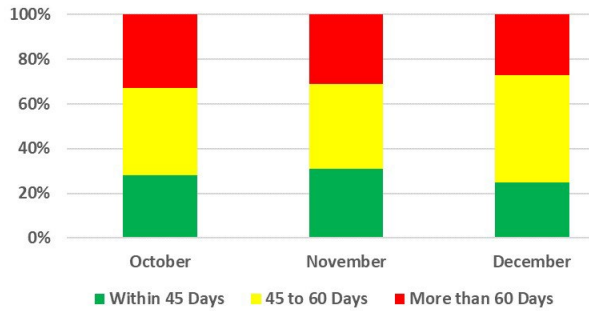


# Goal 1

## Customer Service Dashboard (2)

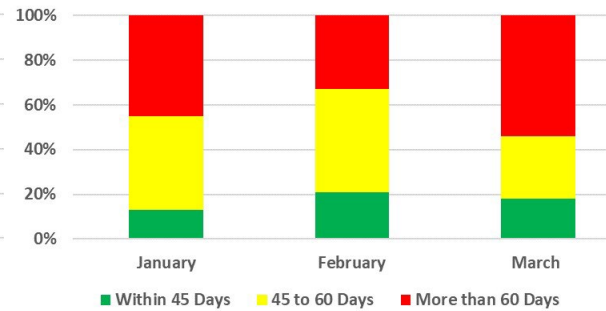
### Quarter 4

Processing Time Summary



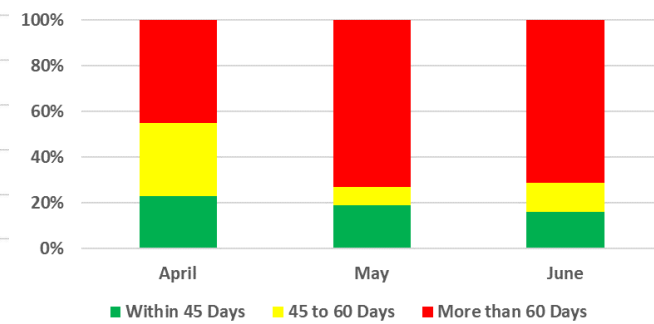
### Quarter 1

Processing Time Summary



### Quarter 2

Processing Time Summary

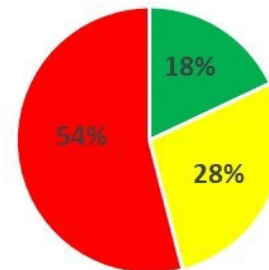


### Targets:

#### New retirees paid –

- >75% within 45 days
- >90% within 60 days

### Calendar Year to Date







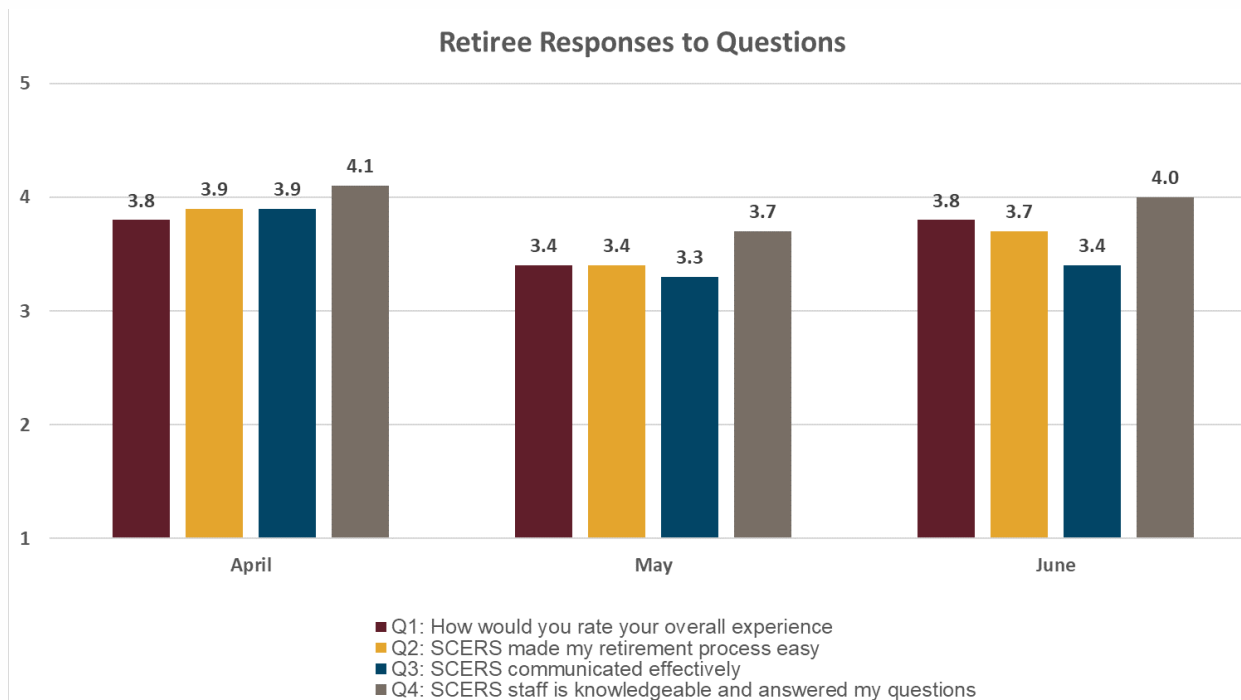
# Goal 1

## Customer Service Dashboard (3)

### Retiree Survey Response Rates

	Apr.	May	Jun.
Number of Surveys	69	113	88
Number of Responses	32	43	34
Response Rate	46%	38%	39%

### Retiree Responses to Questions





## Goal 2

# Stakeholder Communication and Outreach

Transparent communication among stakeholders to support clear understanding of roles and responsibilities, and the value of defined-benefit pensions.

### Completed

- Hired new design vendor for annual financial and investment reports
- Produced tutorial video on Annual Statement

### Looking Ahead

- Produce evergreen pension planning webinar
- Redesign member forms

Key risks: Ambitious goals to ramp up member/employer engagement programs remain challenging with limited staff resources, priorities.



## Goal 2

# Stakeholder Communication and Outreach

### Pension Planning Webinars

April 2022



**100%**

“Good,” “Very Good”  
or “Excellent”  
on Presentation  
Effectiveness

**4.2/5**

Average Score



## Goal 3

# Funding Integrity and Sustainability

Prudent and effective funding policies and practices that assist in producing low contribution rate volatility and plan sustainability.

### Completed

- Adopted operating budget for 2022-23
- Felony Forfeiture actions
- Finalized data set for *Alameda* benefit corrections

### Looking Ahead

- Complete court-mandated *Alameda* benefit corrections and contribution refunds
- Monitor Sanitation District separation from County
- DSA litigation

Key risks: *Alameda* compliance presents significant workload and technical challenges that may prolong correction process.



## Goal 4

# Investment Planning and Growth

An investment program that meets SCERS' assumed rate of return over time and carefully manages investment risks.

### Completed

- Completed Global Equity manager search
- Updated Investment Policy Statements
- Extended Verus and Townsend consultant contracts

### Looking Ahead

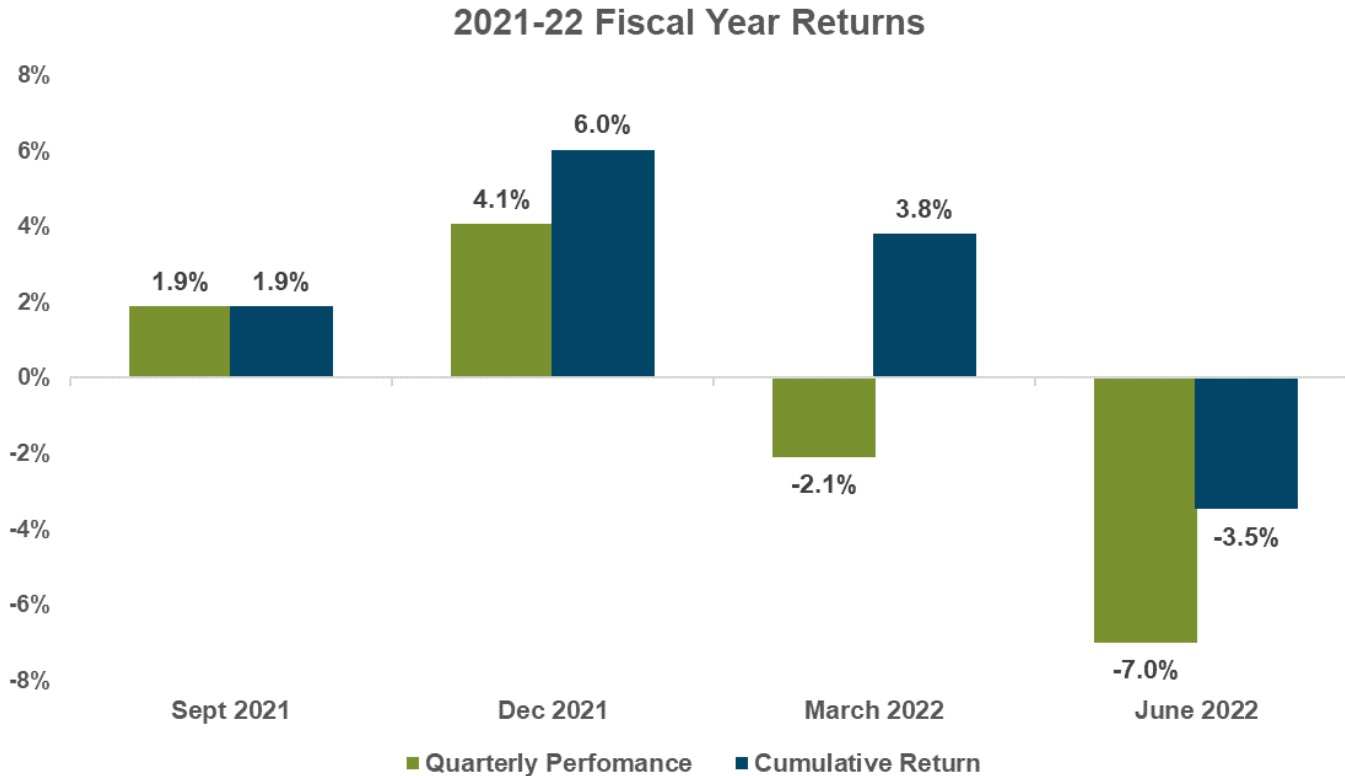
- Integrate new portfolio analytics software
- Conclude Emerging Market manager search
- Finalize plan to conduct fiduciary health check

Key risks: Geopolitical environment, inflation, rising interest rates, and slowing growth are potential risks to financial markets.



# Goal 4

## Investment Planning and Growth



Quarterly performance numbers may differ slightly from prior versions of this report as a result of the reporting time frame of the underlying fund managers. The quarterly performance will not total the cumulative performance due to compounding.



## Goal 5

# Organizational Development and Culture

A high-performance organizational structure and workforce that is not dependent on any one person.

### Completed

- Initiated development planning for each classification
- Completed Tenant Improvement project
- Held first Annual Staff Picnic

### Looking Ahead

- Fill vacancies, backfill with temps
- Develop plan for Telework 2.0
- Hold regular all-staff training sessions, team building

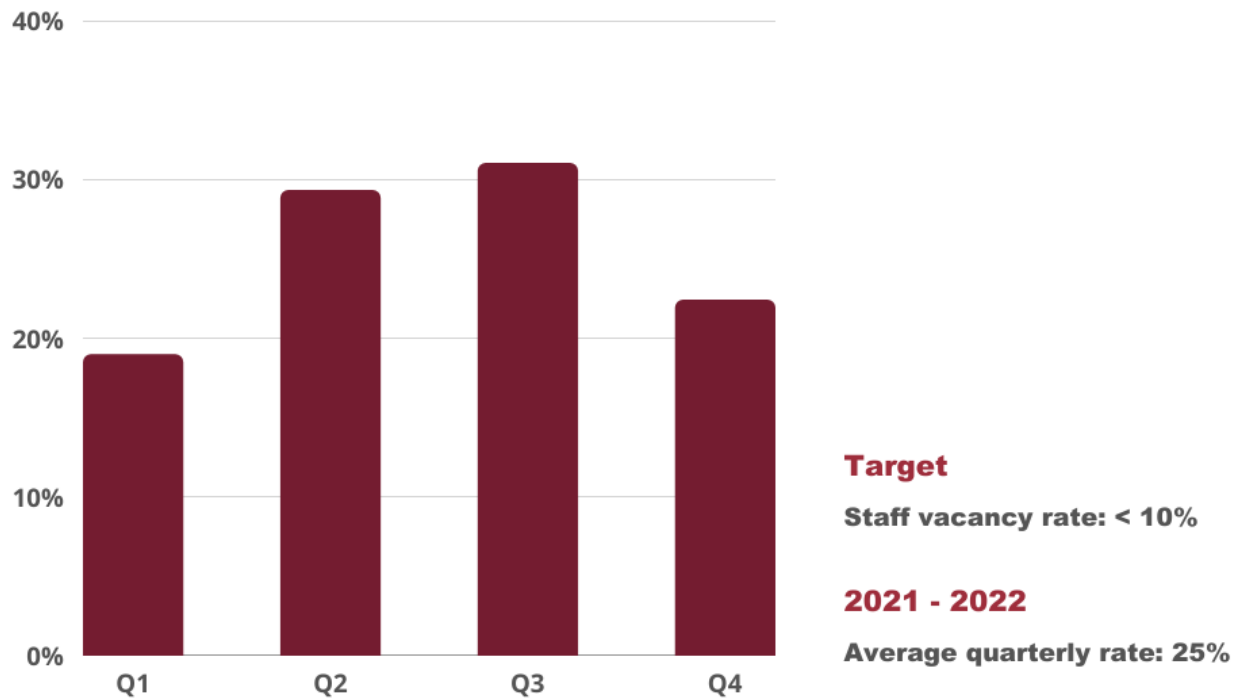
Key risks: Maintaining attention to the support of teamwork and morale across organization.



# Goal 5

## Organizational Development and Culture

### Staff Vacancy Rates







## Goal 6

# Enterprise Capability and Technology

Enterprise cross-functional capabilities and technology platforms, continuously enhanced to improve performance, productivity, and efficiency.

### Completed

- Revised plan to close out PAS project by 2023
- Resumed on-site vendor support and training

### Looking Ahead

- Implement new internal deduction process for County health benefits
- Roll out internal IT service ticket process

Key Risk: Operational readiness of staff is critical to successful IT project launch.