



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 10

MEETING DATE: December 18, 2019

SUBJECT: CEO Goals for SCERS in 2020

SUBMITTED FOR: ___ Consent X Deliberation and Action ___ Receive and File

RECOMMENDATION

Staff recommends the Board approve the CEO Goals for SCERS in 2020.

PURPOSE

This item supports the CEO Performance Evaluation Policy by providing an opportunity for the Board and Chief Executive Officer to establish organization-wide goals and performance targets for the next year.

DISCUSSION

In July 2018, SCERS launched a Strategic Management Plan and program that structures daily activities around a framework of six key goals for the fiscal year, reviewed on a quarterly basis by the Board. On a separate track, the Board conducts an annual performance evaluation of the CEO, with goals that align with the Strategic Management Plan, but follow the calendar year.

The Board has requested the CEO present his 2020 goals and performance targets for SCERS at the December Board meeting.

The attached “dashboard” represents the evolution of the strategic management program, maturing from a qualitative assessment of performance based on tasks and activities to an outcome-based approach that uses data-driven metrics to track SCERS’ progress.

The dashboard features performance targets based on available and anticipated data sources. Several of the goals reflect aspirational targets—these are goalposts that are unlikely attainable in the next year, but represent a target for Staff to work toward. In this regard, directional progress and positive movement toward the goal is the marker of successful, continuous improvement.

For illustrative purposes, the dashboard also features a green-yellow-red indicator for each goal that captures a high-level view of performance. Though somewhat subjective, the performance indicator will be based on underlying data. The performance indicators on the attached dashboard depict SCERS' baseline performance toward those goals as of today; several indicators are in the yellow zone, which reflects a lack of current data to make a quantitative assessment currently.

Going forward, Staff will continue providing quarterly updates to the Board on the activities in the Strategic Management Plan, which is the tool that Staff uses to accomplish the longer-term goals.

Finally, the Strategic Management Plan will be adjusted to follow the calendar year, which provides more consistency and coordination with the Board's annual evaluation of the CEO, annual budget planning, and the Investment Annual Plan.

ATTACHMENT

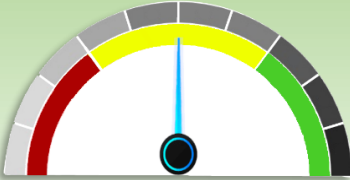
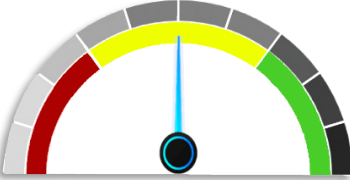

- 2020 Strategic Goals and Targets

Prepared By:

/S/

Eric Stern
Chief Executive Officer

2020 SCERS DASHBOARD

GOALS		PERFORMANCE	TARGETS
<p>CUSTOMER SERVICE AND EXPERIENCE</p>	<p>Customers satisfied with timely, friendly, convenient, and accurate pension administration services.</p>		<ul style="list-style-type: none"> > 75% of new retirees paid within 45 days of retirement; > 90% of new retirees paid within 60 days of retirement. > 80% of initial disability retirement determinations completed within 6 months of application. Satisfaction of new retirees surveyed > 80%. Total Service Score on CEM Benchmarking survey > peer average.
<p>STAKEHOLDER COMMUNICATIONS AND OUTREACH</p>	<p>Transparent communication among stakeholders and clear understanding of roles and responsibilities.</p>		<ul style="list-style-type: none"> Overall satisfaction of employers surveyed > 80%. Effectiveness of presentations to members and employers; Satisfaction > 80%.
<p>FUNDING INTEGRITY AND SUSTAINABILITY</p>	<p>Prudent and effective funding policies and practices that facilitate low contribution rate volatility and plan sustainability.</p>		<ul style="list-style-type: none"> 100% funded by 2040. Maintain operational budget at or below inflationary growth (excluding IT project).

2020 SCERS DASHBOARD

GOALS		PERFORMANCE	TARGETS
INVESTMENT PLANNING AND GROWTH	An investment program that meets SCERS' assumed rate of return over time and carefully manages investment risks.		<ul style="list-style-type: none"> Meet or exceed actuarial assumed rate of return and benchmarks, over 3-, 5-, 10-year periods. Maintain responsible pacing of new investment commitments in line with Investment Annual Plan. Conduct at least one Board educational presentation a quarter to improve effective oversight and management of investment program.
ORGANIZATIONAL DEVELOPMENT AND CULTURE	A high-performance organizational structure and workforce that is not dependent on any one person.		<ul style="list-style-type: none"> Staff vacancy rate <10%. 100% of performance evaluations completed on time (before work anniversary). Overall satisfaction of employees surveyed > 80%.
ENTERPRISE CAPABILITY AND TECHNOLOGY	Enterprise cross-functional capabilities and technology platforms continuously enhanced to improve performance, productivity, and efficiency.		<ul style="list-style-type: none"> Legacy systems replaced by end of 2021 without spending contingency budget. Member web self-service portal functionality, as measured on CEM Benchmarking Survey, = or > peer average. Document and annually test Continuity of Operations Plan.