



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 20

MEETING DATE: August 21, 2024

SUBJECT: Strategic Management Plan Report—Second Quarter 2024

SUBMITTED FOR: Consent Deliberation and Action Receive and File

RECOMMENDATION

Receive and file an update on activities and progress related to the 2024 Strategic Management Plan for the quarter ended June 30, 2024.

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 2024 performance.

ATTACHMENTS

- Board Order
- Strategic Management Plan Quarterly Performance Report

Prepared by:

Reviewed by:

/s/

Joan Kudin
Senior Public Information Officer

/s/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement
August 21, 2024

AGENDA ITEM:

Strategic Management Plan Report—Second Quarter 2024

THE BOARD OF RETIREMENT hereby accepts the recommendation of staff to receive and file an update on activities and progress related to the 2024 Strategic Management Plan for the quarter ended June 30, 2024.

I HEREBY CERTIFY that the above order was passed and adopted on August 21, 2024 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 – 2024

August 2024

Strategic Framework





Goal 1

Customer Service and Experience

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

Completed

- Deployed self-scheduling tool on website
- Expanded panel of disability medical advisors

Looking Ahead

- Roll out of member portal
- Add more online services: retirement applications, secure file upload, death notification

Key risks: Maintaining service level expectations throughout year

Mitigation: Strengthened training program, tools, and resources; building out improved, internal dashboards to track workflow



Goal 1

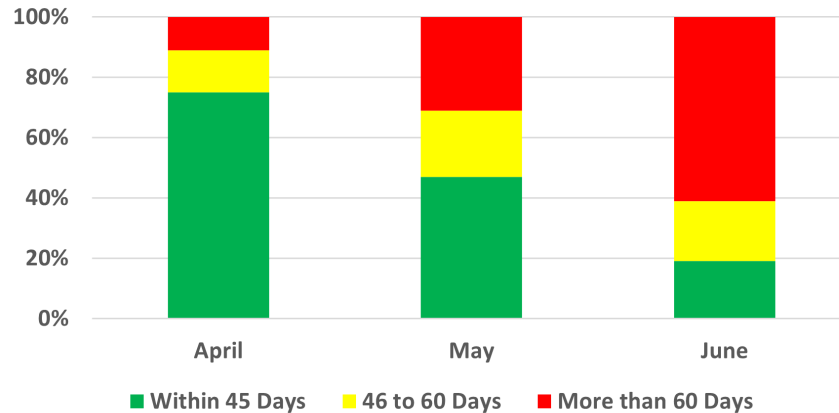
Customer Service Dashboard

Targets:

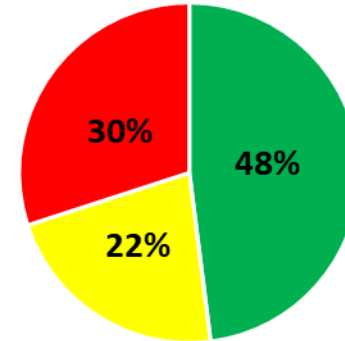
New retirees paid –

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

Processing Time Summary

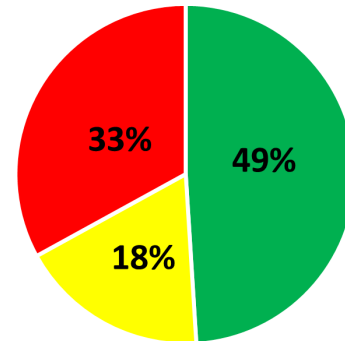


2023



Median: 47 days
Retirements
Processed: 631

Calendar Year to Date



Median: 47 days
Retirements
Processed: 336

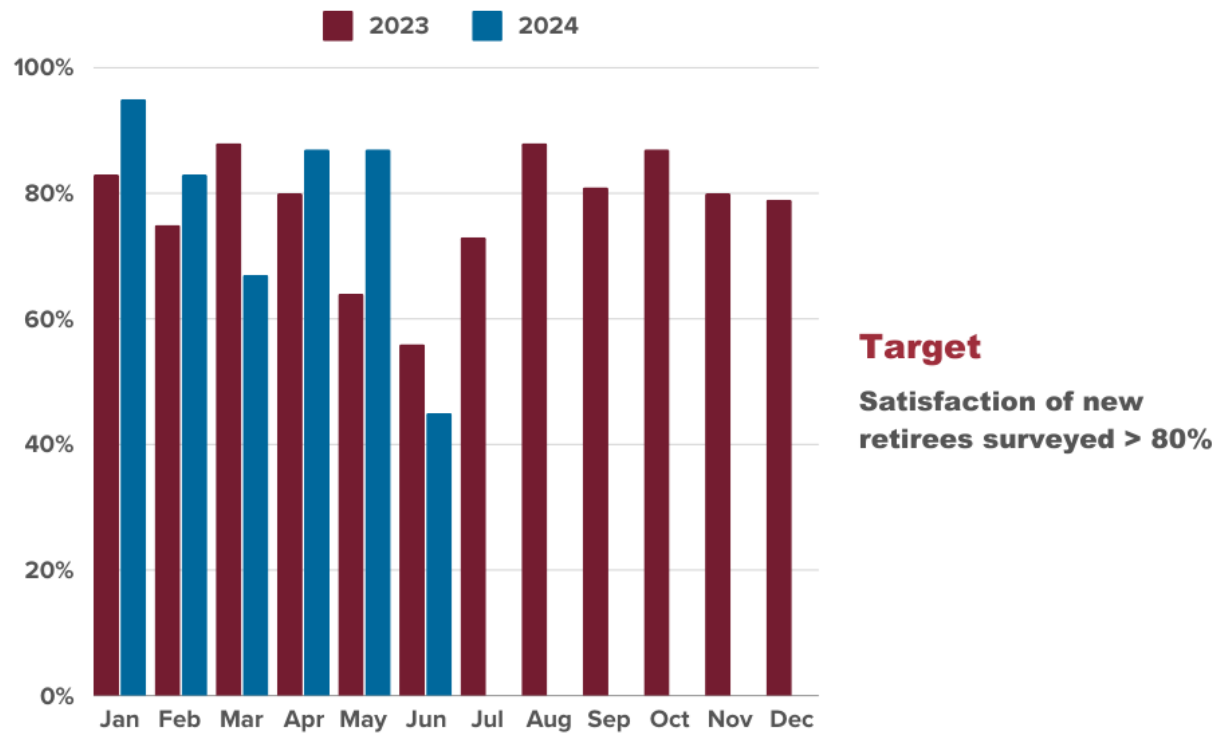
- Within 45 Days
- 46 to 60 Days
- More than 60 Days



Goal 1

Customer Service Dashboard

Member Satisfaction





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

- Hosted joint retirement planning webinar
- Produced quarterly newsletter
- Facilitated SacSewer agreements and legislation
- Expanded SCREA info in retirement materials, website

Looking Ahead

- Initiate member portal registration drive
- Adopt/amend key policies: Service Purchase, Final Compensation
- Onboard SacSewer as new employer

Key risks: Registration process for portal may strain staff resources

Mitigation: Provide thorough staff training, operational readiness checklists



Goal 2

Stakeholder Communication and Outreach

Pension Planning Webinars

March 2024



98%

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

4.0/5

Average Score

June 2024



100%

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

4.1/5

Average Score

Target: Effectiveness of
presentations to members;
Satisfaction < 80%.



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

- Completed *Alameda* pension adjustments
- Reaffirmed key actuarial policies and Error Corrections Policy
- Approved 2024-25 budget

Looking Ahead

- Conduct Risk Assessment
- Close out outstanding post-*Alameda* issues

Key risks: Legislative efforts to expand pensionable earnings create cost and litigation pressure

Mitigation: Take active role in providing input to legislative stakeholders and in SACRS community



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 asset class education
- Amended Cash Management Policy
- Extended Cliffwater contract

Looking Ahead

- Issue RFP for Custodian services
- Complete ALM study and asset allocation modeling

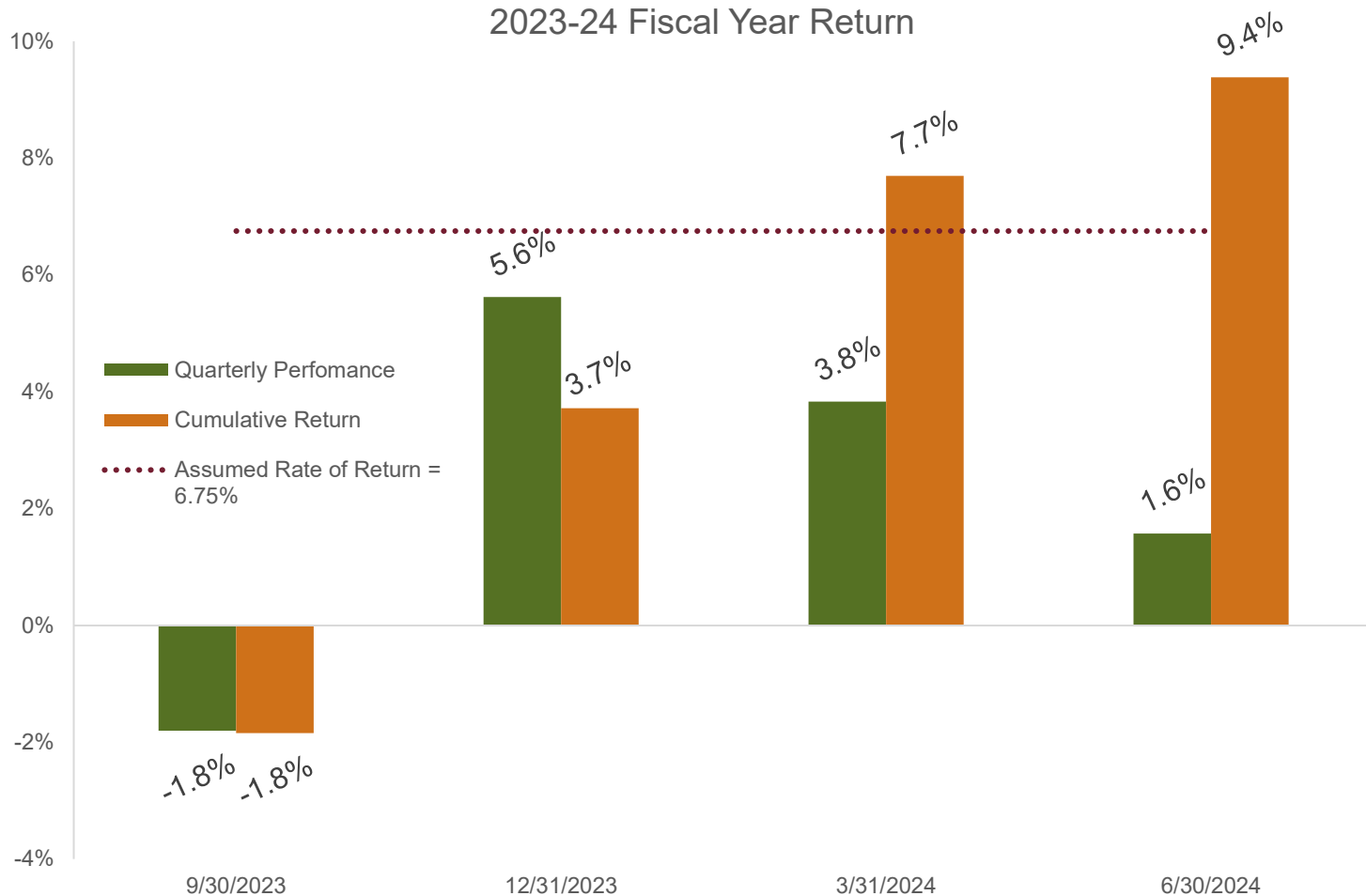
Key risks: Valuations, geopolitical environment, inflation, high interest rates, and slowing growth

Mitigation: Evaluate strategic asset allocation in light of current environment and go-forward projections



Goal 4

Investment Planning and Growth





Goal 5

Organizational Development and Culture

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

Completed

- Filled newly budgeted positions
- Continued build out of training guides, procedure manuals
- Held annual staff picnic

Looking Ahead

- Add additional work stations; convert computers to laptops and docking stations
- Issue RFP for Board strategic vision planning

Key risks: Maintaining morale during a period of major change

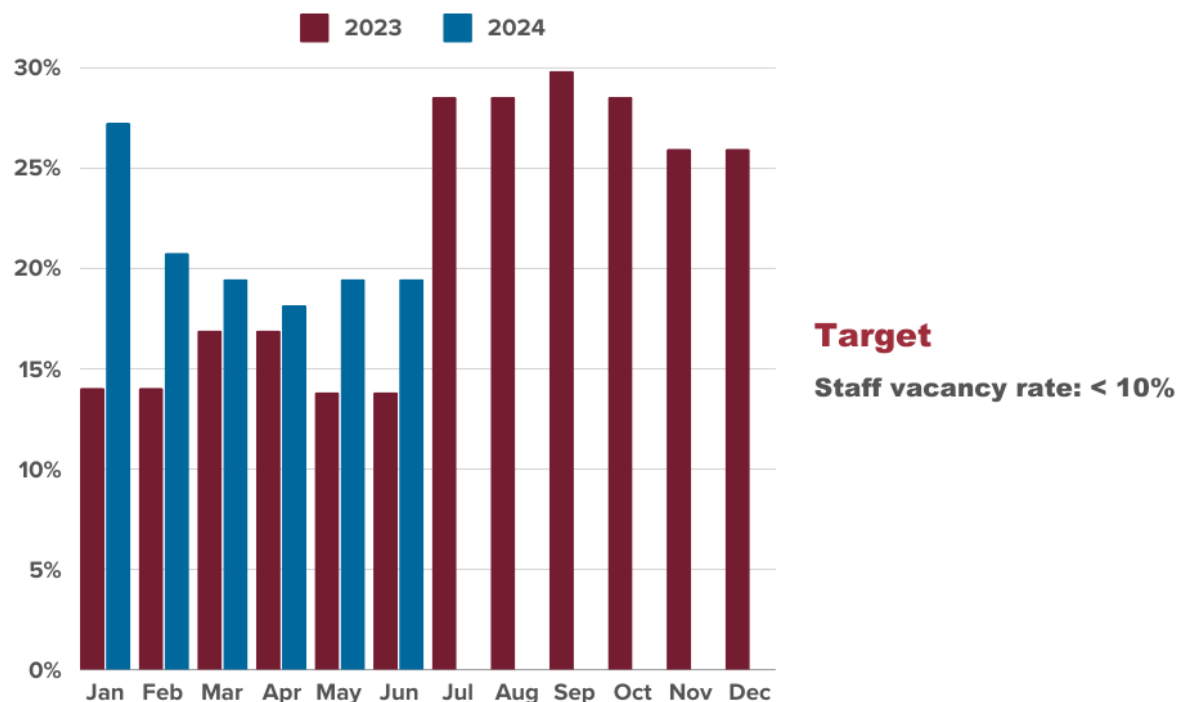
Mitigation: Focus on supporting staff with training, engagement



Goal 5

Organizational Development and Culture

Staff Vacancy Rates





Goal 6

Enterprise Capability and Technology

Enterprise capabilities and technology platforms that are continuously enhanced to improve performance, productivity, and efficiency.

Completed

- Implemented broader IT modernization plan
- Moved website to SCERS.gov
- Centralized form repository

Looking Ahead

- Launch member portal
- Expand portal services
- Evaluate pathway for long-term system update

Key risks: Multiple projects underway at same time

Mitigation: Established Enterprise Resource Planning (ERP) committee, expanded IT staff, and strengthened partnerships with DTech, other firms