



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 20

MEETING DATE: August 20, 2025

SUBJECT: Strategic Management Plan Report—Second Quarter 2025

SUBMITTED FOR: ☐ Action ☒ Information

RECOMMENDATION

Receive and file an update on activities and progress related to the 2025 Strategic Management Plan for the quarter ended June 30, 2025.

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 2025 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 20, 2025**

AGENDA ITEM:

Quarterly Strategic Management Plan Report—Second Quarter 2025

THE BOARD OF RETIREMENT hereby approves Staff's recommendation to receive and file an update on activities and progress related to the 2025 Strategic Management Plan for the quarter ended June 30, 2025.

I HEREBY CERTIFY that the above order was passed and adopted on August 20, 2025 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 – 2025

August 2025

Strategic Framework





Goal 1

Customer Service and Experience

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

Completed

- Launched Online Retirement Application 7/22
- Added Annual Statements to member portal
- Improved year-over-year processing times across service areas

Looking Ahead

- Complete scers.gov website refresh
- Add service purchase calculator on portal
- Develop welcome packet for new members through portal

Key risks: Lack of consistent service levels

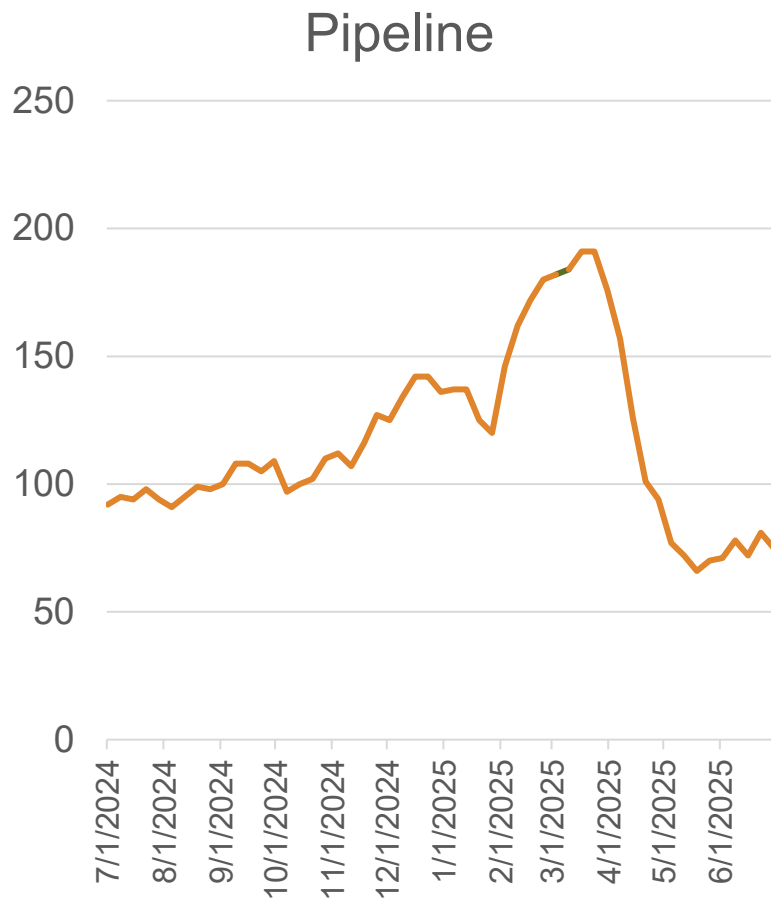
Mitigation: Strengthened training and procedures; improved internal dashboards to track workflow; triaged outstanding cases.



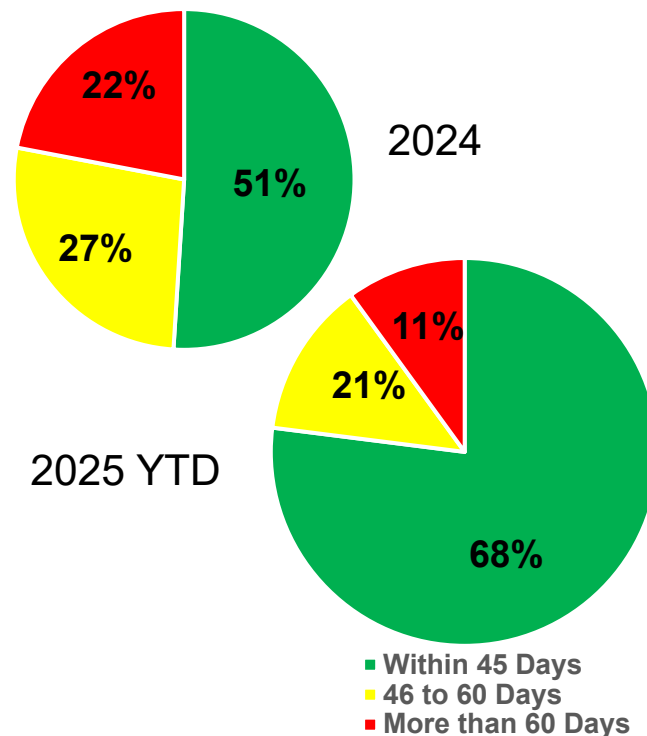
Goal 1

Customer Service Trends - Retirements

Target: 75% processed within 45 days
90% processed within 60 days



	2024	2025 YTD
Median:	47 days	38 days
Processed:	539	374

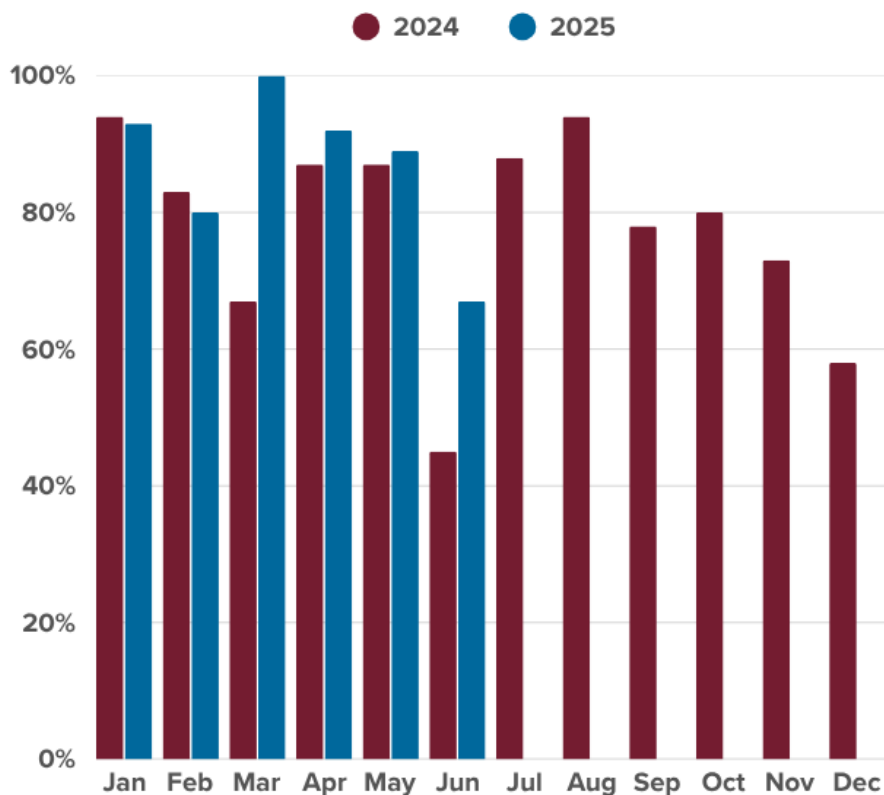




Goal 1

Customer Service Survey - Retirees

Member Satisfaction



Target

Satisfaction of new retirees surveyed > 80%

Response Rates

2024

Jan - 55%
Feb - 41%
Mar - 22%
Apr - 36%
May - 33%
Jun - 35%
Jul - 36%
Aug - 32%
Sep - 38%
Oct - 36%
Nov - 35%
Dec - 46%

2025

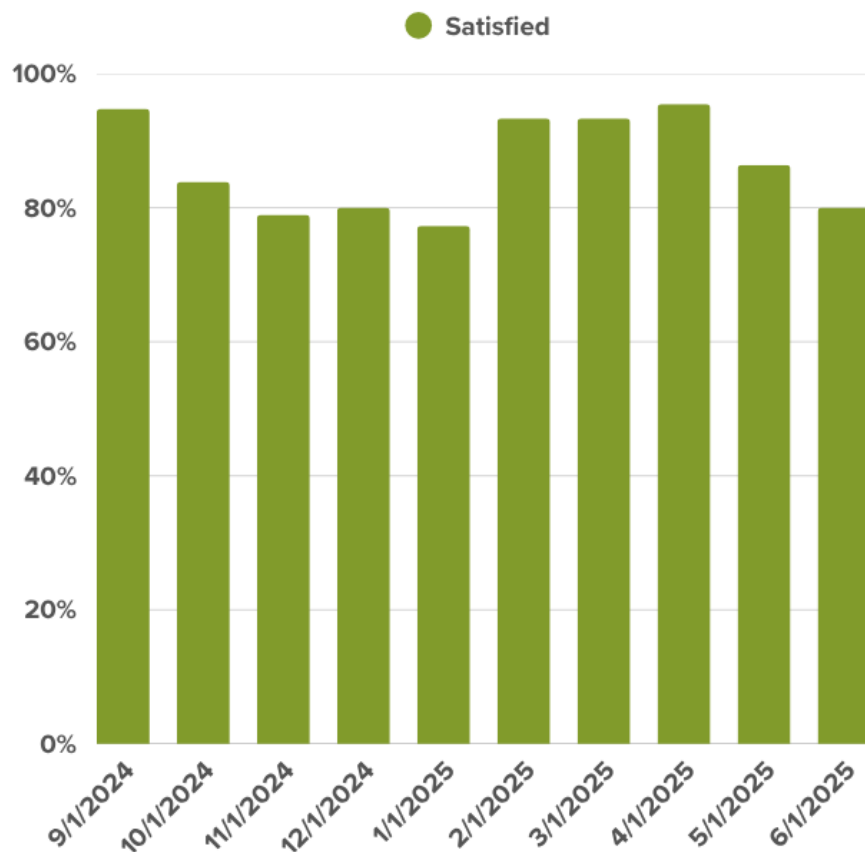
Jan - 38%
Feb - 47%
Mar - 44%
Apr - 24%
May - 30%
Jun - 13%



Goal 1

Customer Service Survey - Counseling

Benefits Counseling Satisfaction



Target

Satisfaction of recent beneficiaries surveyed
> 80%

Response Rates

2024

Sep - 24%

Oct - 36%

Nov - 28%

Dec - 25%

2025

Jan - 27%

Feb - 23%

Mar - 23%

Apr - 29%

May - 31%

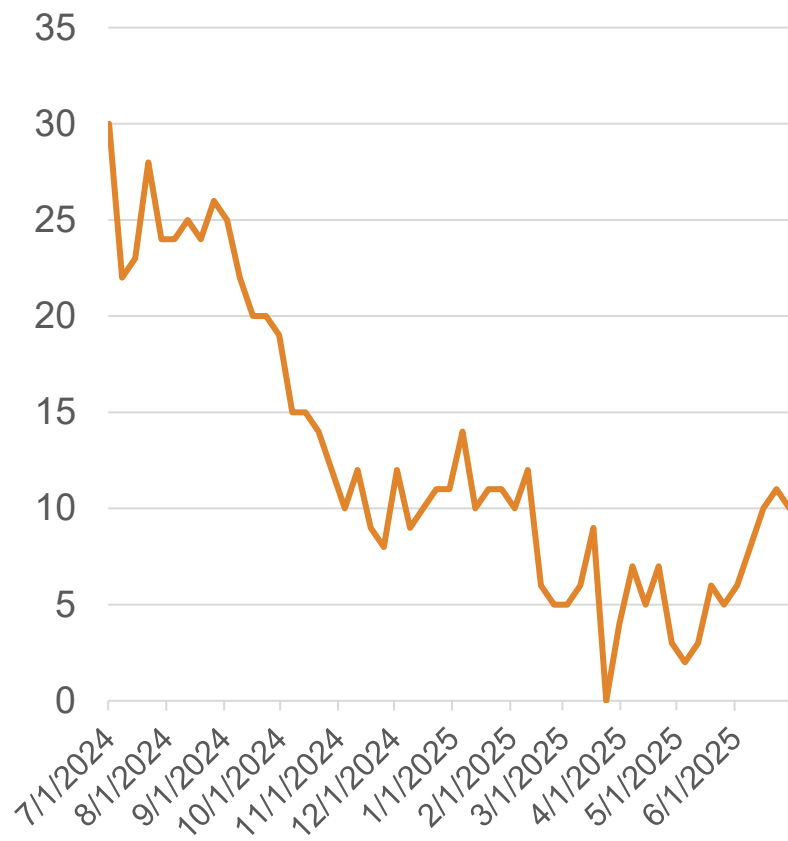
Jun - 26%



Goal 1

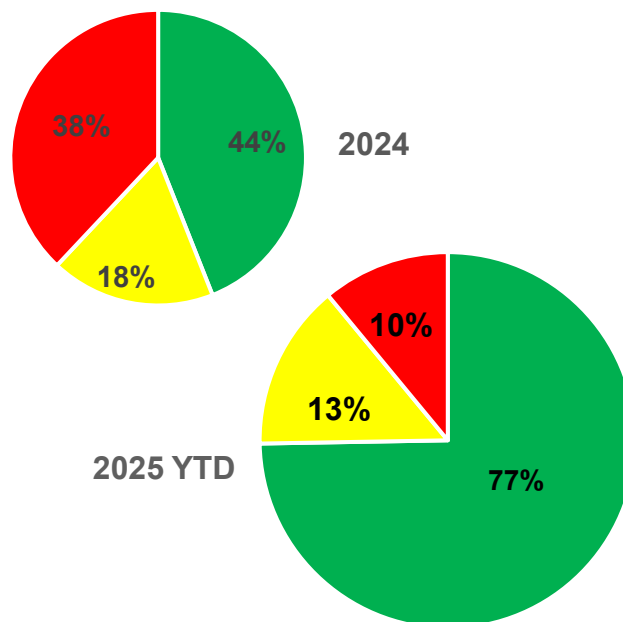
Customer Service Trends - Continuances

Pipeline



Target: 75% processed within 45 days
90% within 60 days

	2024	2025 YTD
Median:	51 days	31 days
Processed:	118	52

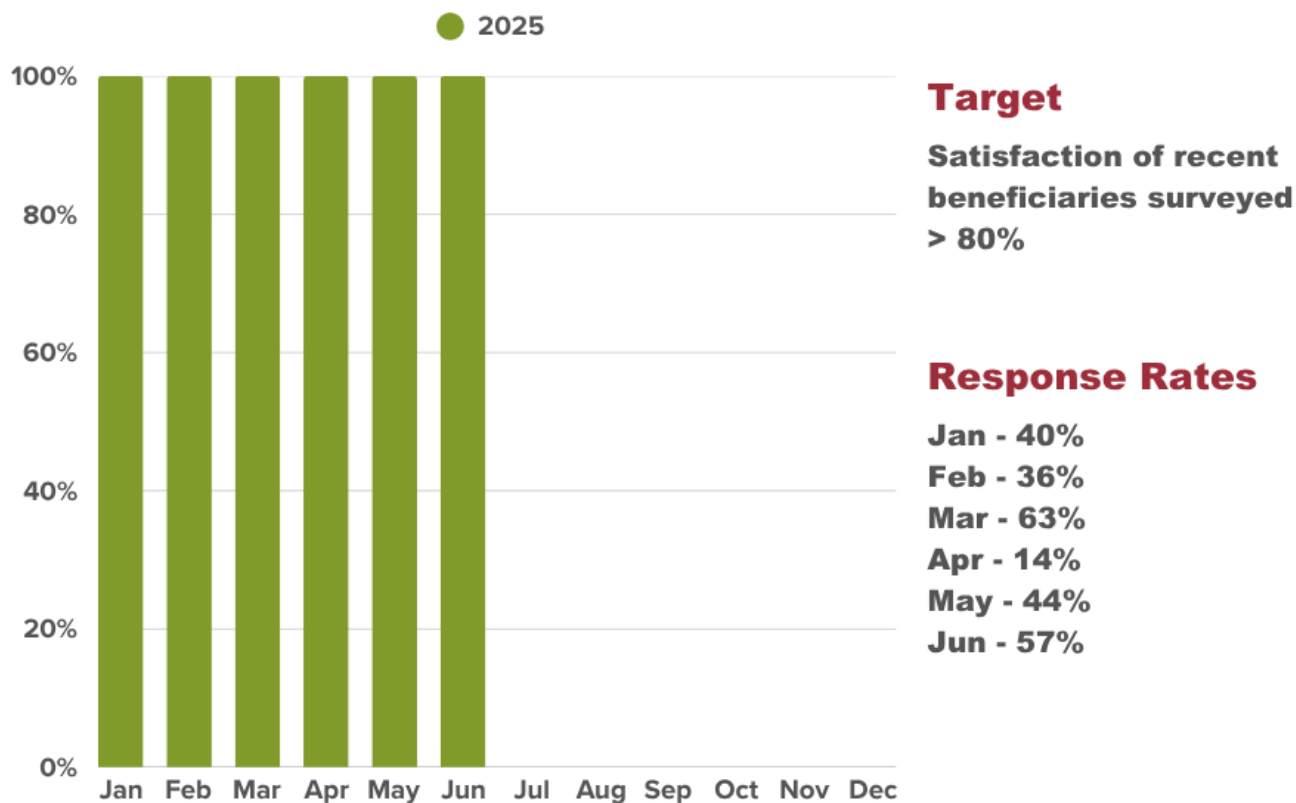




Goal 1

Customer Service Dashboard - Beneficiaries

Beneficiary Satisfaction

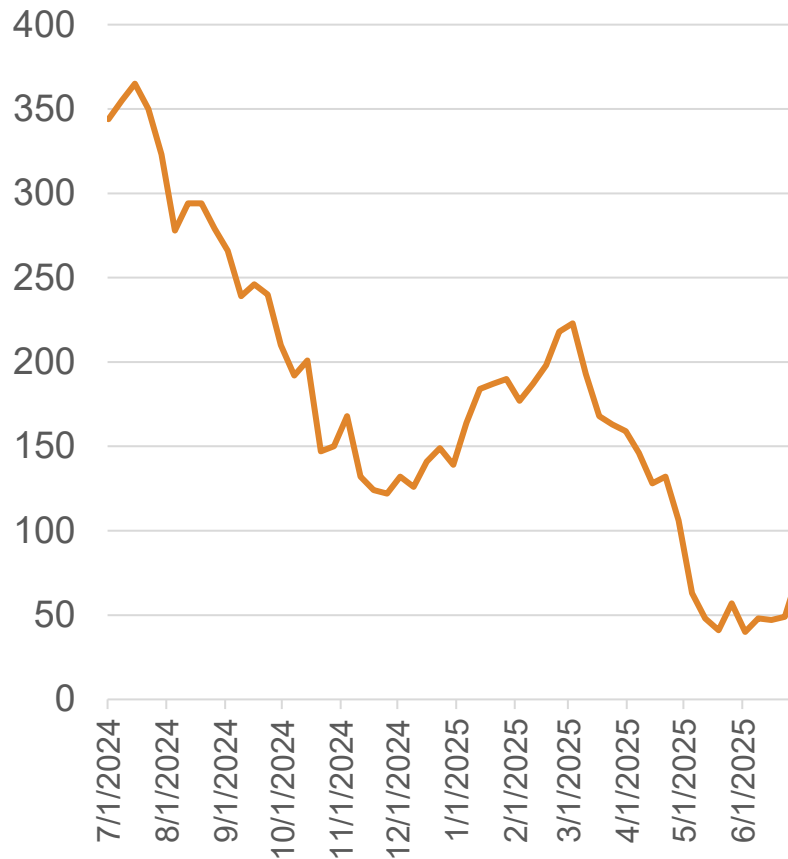




Goal 1

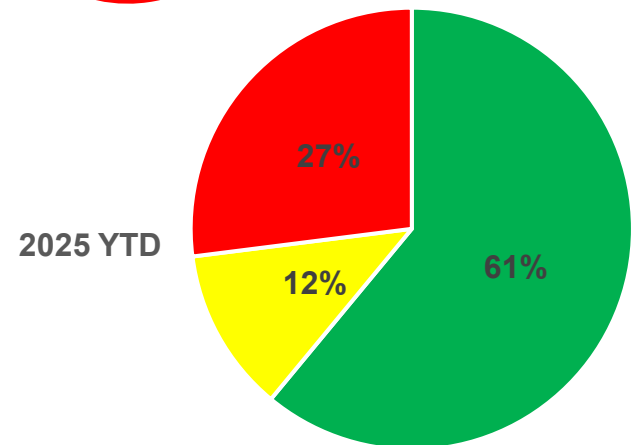
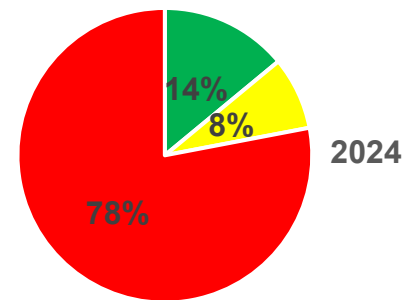
Customer Service Trends – Buyback Calcs

Pipeline



Target: 90% processed within 30 days

	<u>2024</u>	<u>2025 YTD</u>
Median:	157 days	35 days
Processed:	657	450

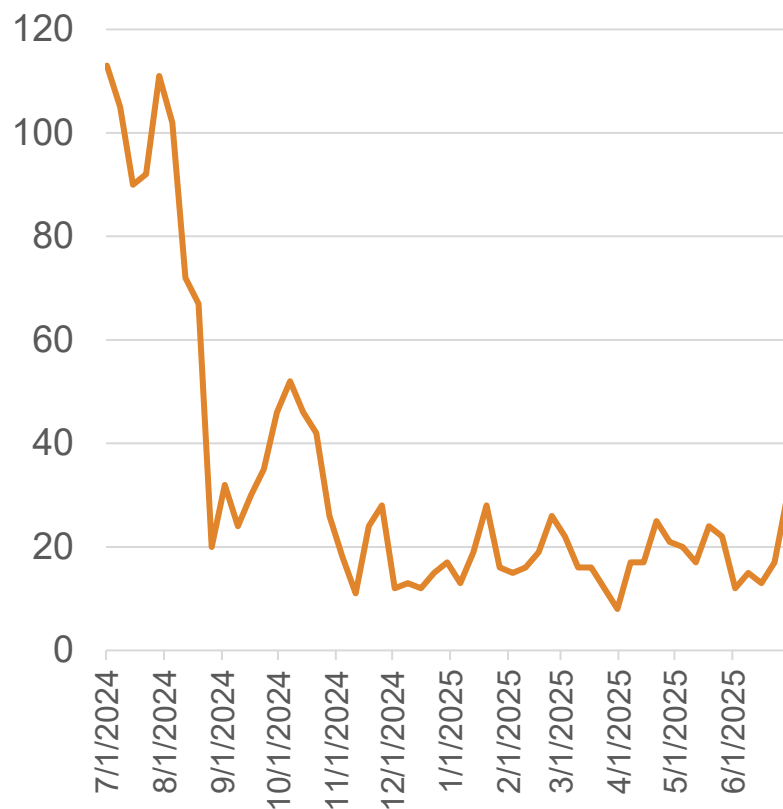




Goal 1

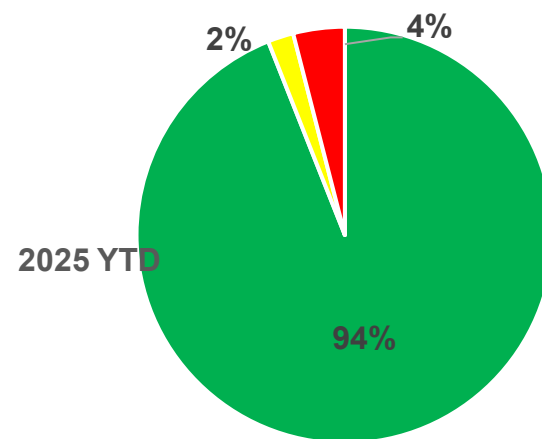
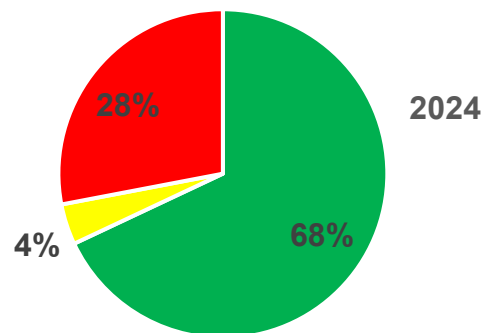
Customer Service Trends - Reciprocity

Pipeline



Target: 90% processed within 45 days

	2024	2025 YTD
Median:	20 days	5 days
Processed:	818	326





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

- Finalized MOU with DOF on collection procedures
- Hosted retirement seminars for Courts and Probation Dept.

Looking Ahead

- Finalize MOU with DPS on data sharing for County retiree healthcare program
- Develop a mid-career webinar
- Outline an employer manual

Key risks: Competing priorities for County to negotiate SCERS MOUs

Mitigation: Maintain relationships and collaboration; develop SCERS policies in the absence of MOUs



Goal 2

Stakeholder Communication and Outreach

Retirement Planning Webinars and Seminars

May 2025 (Courts)



100%

"Good," "Very Good"
or "Excellent"
on Presentation
Effectiveness

4.3/5

Average Score

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

June 2025 (Probation Department)



100%

"Good," "Very Good"
or "Excellent"
on Presentation
Effectiveness

4.7/5

Average Score

June 2025 (General Membership)



96%

"Good," "Very Good"
or "Excellent"
on Presentation
Effectiveness

4.1/5

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

- Presented Funding Risk Report
- Improved collection and recovery processes for overpaid benefits
- Updated Final Compensation Policy

Looking Ahead

- Conduct first benefit eligibility verification process
- Facilitate corrections and refunds regarding Final Compensation Policy amendments

Key risks: Legislative efforts to enhance benefits creates cost pressure

Mitigation: Maintain active role in SACRS to provide input to legislative stakeholders



Goal 4

Investment Planning and Growth

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

Completed

- Implemented asset class adjustments to revised Strategic Asset Allocation
- Extended Verus and Townsend contracts
- Completed Custodian RFP process

Looking Ahead

- Host Investment Forum in September
- Conduct annual Liquidity Study
- Adopt 2026 Annual Investment Plan

Key risks: Tariffs, geopolitical risks, inflation, and slowing growth

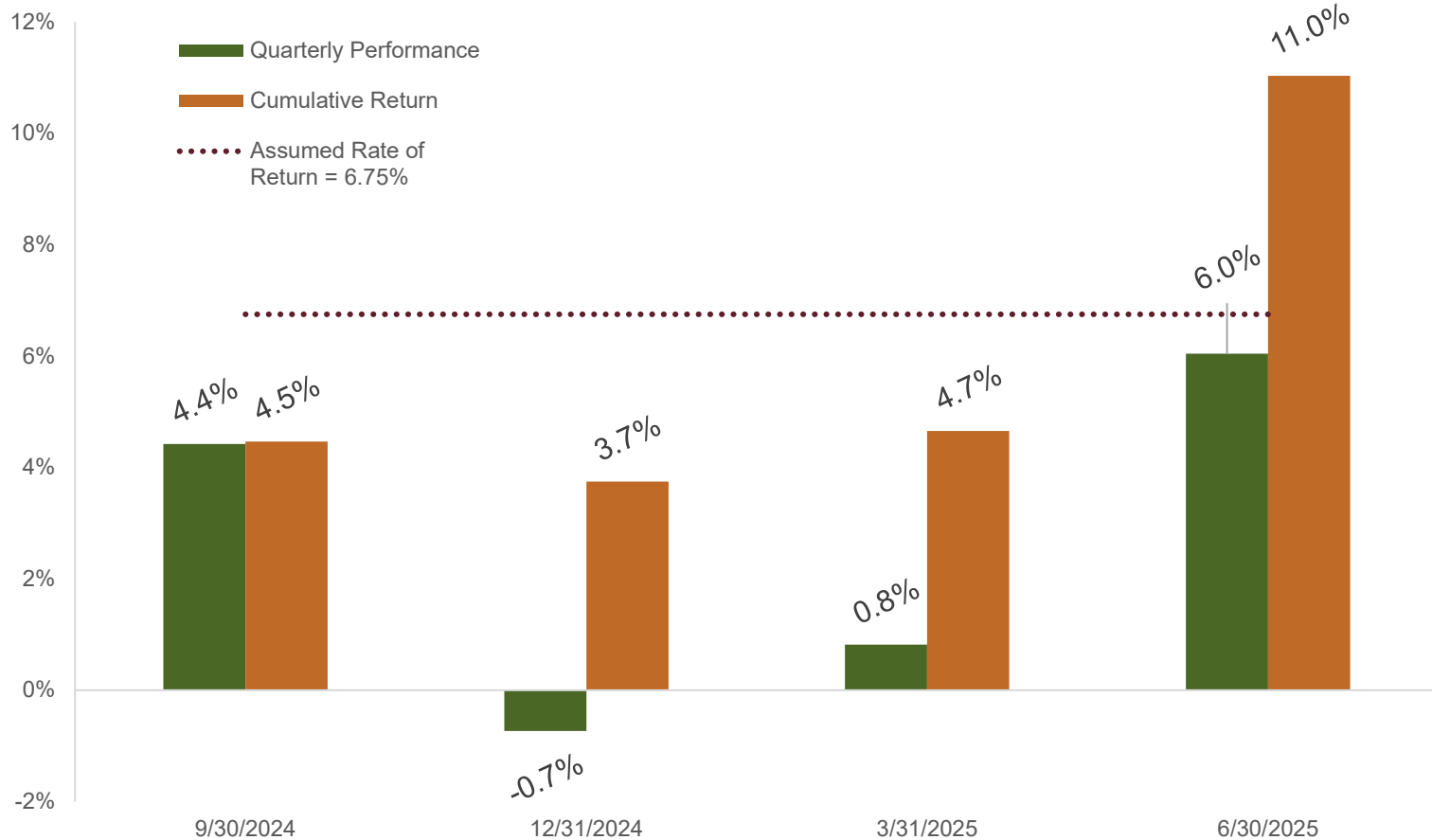
Mitigation: Maintain disciplined approach to strategic asset allocation



Goal 4

Investment Planning and Growth

2024-25 Fiscal Year Return





Goal 5

Organizational Development and Culture

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

Completed

- Maintained hiring pace; vacancy rate <15%
- Held several staff engagement and appreciation events, e.g. annual picnic

Looking Ahead

- Continue filling vacant positions
- Establish Ad Hoc Compensation Committee

Key risks: Change fatigue – maintaining morale during a period of major change

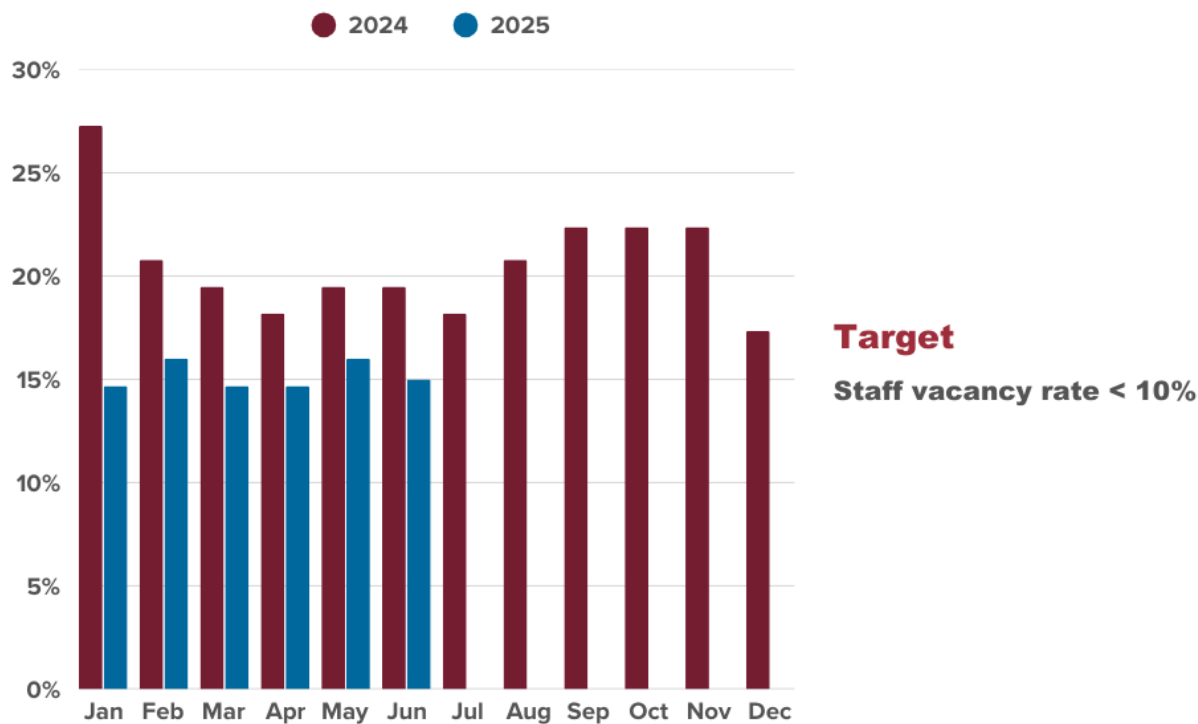
Mitigation: Focus on supporting staff with training, engagement, and recognition



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

- Conducted RFP for Internal Audit Program
- Proposed pathway for future PAS

Looking Ahead

- Finalize Strategic Vision Plan
- Initiate Commercial Banking Project

Key risks: Jurisdictional lines for application and data ownership not defined clearly with DTech

Mitigation: Develop SCERS framework for IT development and support