



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 14

MEETING DATE: May 20, 2026

SUBJECT: Compensation Consultant

SUBMITTED FOR: X Action Information

RECOMMENDATION

Authorize the Chief Executive Officer to execute a contract with CBIZ Compensation Consulting through December 31, 2026, in an amount not to exceed \$40,000, as recommended by the Ad Hoc Compensation Committee.

PURPOSE/STRATEGIC PRIORITY

This action supports the Strategic Management Plan goal to invest in talent.

DISCUSSION

SCERS established an Ad Hoc Compensation Committee (Committee) in September 2025 to review the Board's Compensation Policy, oversee the next compensation study for SCERS' positions, and monitor the *LACERA* case before the California Supreme Court as it may influence the authority retirement boards have over setting compensation.

As part of that effort, the Committee directed Staff to issue a Request for Proposal (RFP) to select a qualified compensation consulting firm to provide independent, objective compensation consulting services to support the Board and executive leadership. The RFP was issued in February 2026, and 17 consulting firms submitted proposals in response to the RFP.

Proposals were reviewed by SCERS staff to assess each firm's qualifications, its understanding of the work sought, quality of the scope of work proposed, experience working with public agencies, especially pension systems in California, and the engagement team's expertise and experience working with retirement systems. SCERS' prior compensation consultant, Ralph Anderson & Associates, did not submit a proposal. Staff reviewed the evaluation results with the Committee and conducted additional interviews and reference checks of the finalists.

Based on the overall evaluation and further due diligence, CBIZ Compensation Consulting demonstrated the strongest combination of organizational capacity, compensation analysis, California pension experience, and overall expertise to support SCERS' compensation consultant requirements. CBIZ Compensation Consulting, a subsidiary of the international

financial and professional services firm CBIZ Inc., conducts the annual survey of public pension systems for the National Conference of Public Employee Retirement Systems (NCPERS). SCERS participates in the survey, which includes base pay analysis and data on incentive programs across a range of positions in 169 funds. In 2025, the firm worked with over 300 clients focusing on compensation studies; its client list includes 28 pension systems around the country. Its recent California clients include the Los Angeles County Employees' Retirement Association and the Fresno County Employees' Retirement Association. CBIZ Compensation Consulting is based in St. Louis.

CBIZ Compensation Consulting outlined a comprehensive approach to constructing a market-based salary plan that simplifies compensation administration, as well as thoroughly analyzing current incentive practices and comparing them to similar organizations. Because of the annual study of public pension system it conducts with NCPERS, CBIZ will be able to draw from its extensive database when comparing compensation and incentive plans across similar organizations. Its proposal also includes providing SCERS with an annual letter detailing salary trends for up to five years.

The firm proposed a fee of \$27,950, not including travel. Staff is requesting expenditure authority up to \$40,000, which will provide support for travel and other incidentals. While the contract amount is within the CEO's delegated authority, Board approval of this key consulting relationship ensures appropriate internal controls, particularly given that the work may inform matters affecting CEO and staff compensation. Funding for this initiative is included in the proposed 2026-27 budget.

ATTACHMENTS

- Board Order

Prepared by:

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement
May 20, 2026

AGENDA ITEM:

Compensation Consultant

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to authorize the Chief Executive Officer to execute a contract with CBIZ Compensation Consulting through December 31, 2026, in an amount not to exceed \$40,000, as recommended by the Ad Hoc Compensation Committee.

I HEREBY CERTIFY that the above order was passed and adopted on May 20, 2026 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

Chris Giboney
Board President

Eric Stern
Chief Executive Officer and
Board Secretary