

“Dedicated to providing the highest level of retirement services and managing System resources in an effective and prudent manner.”



Position Specification
Sacramento County Employees' Retirement System
Chief Executive Officer

SCERS, with approximately \$8 billion in net assets, located in Sacramento, California is searching for a CEO to lead this highly regarded public retirement system.

SCERS Overview

SCERS is a cost sharing, multiple employer public employee retirement system serving over 26,500 members and retirees. Retirement, disability and death benefits are provided for qualified employees of Sacramento County and eleven Special Districts.

SCERS is governed by California law and a nine member Board of Retirement. The County Board of Supervisors appoints four members, the SCERS members elect four members, and the Director of Finance serves as an Ex-Officio member. The Board retains the services of professional consultants and advisors to assist in making decisions affecting investment performance and administration and maintenance of benefit programs.

With a history of long tenure in the CEO position and being financially strong, SCERS is widely recognized as one of the top retirement systems in California and nationally.

- 87.3% funded ratio.
- 30-year investment net returns of 8.0% exceed the actuarial investment target of 7.5%.
- Operationally efficient; annual administrative expenses of 0.06% is well below the maximum allowed by California law of 0.21%.

SCERS' investment portfolio is diversified by asset class, investment approach, and investments within each asset class to reduce overall portfolio risk and volatility. While near term returns are below benchmark, the thirty year annualized net return of 8.0% continues to exceed the actuarial investment target of 7.5%. The Board recently approved lowering the actuarial assumed rate of return to 7.0% effective with the June 30, 2017 actuarial valuation.

The FY2016 Total Fund net return was (0.09%) compared to the policy benchmark of 1.5%, three-year, 5.6% (net) and five-year, 5.9% (net), both below the policy benchmark of 6.6%. For additional information and a copy of the most recent Comprehensive Annual Financial Report (CAFR), visit www.retirement.saccounty.net.



Governance

A strong governance model and alignment between the Retirement Board and staff on vision, mission and values have a significant influence on SCERS success. The Board, with a history of low trustee turnover, is collaborative and high functioning, and focused on the fiscal health and safety of the plan. Authority is delegated to the CEO and staff with a high level of confidence, trust and support.

CEO Responsibilities

The position is open because Richard Stensrud, serving as CEO for the past 13 years, accepted another position. The CEO, reporting to the Board, is the central point of responsibility and accountability for the \$9+ million administrative budget across all operations, actuarial, investment management, accounting and finance, benefits administration, etc. With overall responsibility for a team of 45+, the CEO has four direct reports – Chief Investment Officer, General Counsel, Chief Benefits Officer, and Chief Operations Officer.

The key responsibilities and duties are to:

- Ensure operation of SCERS in accordance with mission and values.
- Oversee planning, organization, and administration of all program areas for which the SCERS is statutorily responsible.
- Monitor the performance of the investment portfolio, ensure contributions and income are invested in accordance with established policies, and that proper controls are in place to safeguard assets.
- Advise and confer with the Board on financial, economic and political trends and developments.
- Maintain open and effective relations with County appointed and elected officials and with members of the State Legislature.
- Serve to represent SCERS' interests as a subject matter expert on retirement system programs and activities, testify before legislative bodies on proposed legislation, and act in a liaison capacity with other retirement organizations to advise legislative committees on matters under consideration.
- Engage in external communication on important pension issues with the media, editorial boards, chambers of commerce, and other groups.
- Establish and maintain open and effective relationships with active and retired members, labor organizations, and advocacy groups.

Key Objectives

The Board has identified the following Key Objectives to measure, in part, the CEO's performance. The CEO is expected to focus on the fiscal stability of the plan and to build upon the positive financial and operational results and trends. Other key objectives include:

- Establish trust and credibility with the County Executive and County Board of Supervisors, unions, advocacy groups and other stakeholders and constituents to advance SCERS' mission.



- Lead the ongoing communication and education strategy to continue building support for the legislation that would provide SCERS independent operating authority (if not acted on by the State Legislature and Governor’s Office by the time the CEO is hired).
- Lead, and build upon, culture shaping initiatives to strengthen member service delivery processes and procedures (measurement and reporting) to improve customer satisfaction levels.
- Complete the actuarial audit with a final report expected to be delivered in July.
- Implement a new pension administration system targeted for completion in 2020.
- Support the CIO to:
 - Update the Investment Policy Statement and the ongoing implementation of the new asset allocation approved January 2017.
 - Build internal investment department capacity; staff planned to increase from two investment professionals to four or possibly six.
- Develop retention and succession plans for key executive positions.
- Update the Strategic Plan scheduled for review in 2018.

Qualifications and Experience

The Board is seeking a strategic and visionary leader, who is mission driven with a dedication to public service and defined benefit plans – a leader committed to lead and manage in alignment with SCERS’ mission, vision and values. Generalist knowledge and experience in pension operations and administration, legal and investments are desired; preference given to candidates with a broad knowledge of investments. Other requirements and preferences include:

- Bachelor’s degree required in business or public administration, public finance or a related field. An advanced degree or Juris Doctor degree is preferred.
- Public pension plan experience is highly preferred.
- Working knowledge of federal and state pension laws is preferred.

Leadership Competencies and Characteristics

The CEO must be a confident, optimistic, and inspiring leader, who will embrace SCERS’ culture, leading with a participative and collaborative style while setting high expectations supported by accountabilities. As SCERS’ chief executive, the individual must be a leader, who values strong governance and has the confidence and interpersonal skills to effectively advise and guide the Board. Important skills and attributes to achieve success include having the:

- Confidence to put forward ideas and recommendations while being open to adjusting strategies and plans based on input from Trustees and others.
- Social and interpersonal skills to navigate a complex political environment and advocate effectively for SCERS and its mission.
- Poise and presence to testify and speak to large groups to represent SCERS expertly.

Compensation

The CEO is an exempt position and an “at will” employee. Compensation is designed to attract the best qualified executive and includes a base salary, retirement benefits (member of SCERS) and attractive benefits package. Relocation assistance is also provided.



Quality of Life and Living in Sacramento

The city of Sacramento is the capital of California and the sixth largest city in California, and the 35th largest city in the United States. It is a culturally diverse community and the metropolitan area includes seven counties with an estimated population of more than 2.5 million.

The region's economy is tied closely to government and real estate related industries, but the health care, agriculture, clean technology, and education industries are thriving as well. Sacramento is a transportation hub served by an air cargo airport, an international airport, a deep-water shipping port, freight and passenger rail lines, and an extensive regional commuter bus and light-rail system.

The Sacramento region is home to high quality education from K-12 to universities. World-renowned colleges and universities include University of California, Davis and California State University, Sacramento, along with five community colleges, several private institutions, and many vocational and training programs. The UC Davis Medical Center, a highly respected research hospital, is located in Sacramento.

The district of Old Sacramento harkens back to the city's Gold Rush era, with wooden sidewalks and wagon rides. Old Sacramento is located along the beautiful Sacramento River and is a unique National Historic Landmark District and State Historic Park. The area is alive with shopping, dining, entertainment and historical attractions.

Known as America's "Farm to Fork" capital, area chefs tap into the 1.5 million acres of surrounding farmland to create some of the nation's most delicious cuisine. With 230 days of sunshine per year and a year-round growing season, there is always something local that's cooking. Sacramento is nestled in the center of more than 200 wineries; the diverse soil and terrain gives vintners a fertile ground to grow a wide array of wines.

Whatever your interest, wine tasting, skiing, hiking, or shopping, you'll find it nearby or it's a quick trip to San Francisco, Napa Valley and Lake Tahoe, just 60 to 90 miles away. Sacramento is also known as the "River City" with the American and Sacramento Rivers that provide boating, water sports, and recreation. The American River Bike Trail runs for 32 miles between Discovery Park in Old Sacramento and Folsom Lake.

Professional sports include the Sacramento Kings (NBA), Republic FC (United Soccer League) and River Cats (AAA affiliate of the San Francisco Giants). The city is quickly becoming a hot spot for urban nightlife and has a vibrant arts scene. Other popular attractions include the Sacramento Philharmonic & Opera and numerous performing arts venues.

Visit <http://www.visitsacramento.com/> or <http://www.sacramento365.com/> or <http://sacramento.downtowngrid.com/> for more information.

For additional information or to submit an application, please contact Hudepohl & Associates, info@hudepohl.com or (614) 854-7300.

