



Seattle City Employees'
Retirement System

SCERS Strategic Plan (2019-2024)





CONTRIBUTORS:

Special thanks to the Seattle City Employees' Retirement System Board of Administration and SCERS staff who gave so much of their time, talent, and energy to the creation of this strategic plan. Thank you!

SCERS Board of Administration

Sally Bagshaw, Board Chair

Glen Lee, Treasurer

Susan McNab, Secretary

Jean Becker

Sherri Crawford

Robert Harvey, Jr.

Lou Walter

SCERS Executive Team

Jeff Davis, Executive Director

Paige Alderete, Chief Finance/Operations Officer

Jason Malinowski, Chief Investment Officer



Thanks, also, to the support of the consultants at The Athena Group.

BACKGROUND ON THE PLANNING PROCESS

In 2018, SCERS underwent a process to develop a new 5-year strategic plan. Members of the Board of Administration and several members of the staff were engaged in the process. The process consisted of a series of “strategic” conversations where critical topics were considered in light of past successes, recent events, and emerging issues and needs.



OUR COMMITMENT TO THE RESIDENTS OF THE CITY OF SEATTLE

At the onset of the planning process, the Board and participating staff considered the question, why are we here in the first place? Why is this work important to us? Some highlights of this discussion include:

- We want to honor the commitment City of Seattle employees make to the community through their public service.
- The plan the City of Seattle offers is important, and we want to make sure it is secure.
- We want to provide the best possible retirement system that we can.
- We want to provide more than simply a job, but instead, a true career opportunity for people.

VISION, MISSION, & VALUES

Our Vision

SCERS is a trusted, financially strong institution whose members receive their retirement benefits through exceptional customer service.

Our Mission

To fulfill the promise made to our members by delivering the retirement benefits they have earned.

Our Values

- *Excellence.* We strive to produce the best outcomes for our members while fostering the human resources and the quality of the processes we need to reach these outcomes.
- *Stewardship.* We safeguard the information and resources entrusted to us by our members and also care for and cultivate our team to best meet our commitments.
- *Integrity.* We bring the highest level of transparency, respect, fairness and equity to all our interactions with our members, stakeholders and ourselves.
- *Accountability.* We own our commitments, and we take responsibility for the personal growth necessary to continue to meet these commitments.
- *Service.* We dedicate ourselves to meeting the needs of and creating the best experience for our members in their interactions with the Retirement System. We are considerate and understanding of our members and of each other.
- *Cooperation.* We prioritize the sharing of information and resources to create a stronger team and become a more effective service provider.
- *Trust.* We cultivate trust at every level of the organization in order to uphold our integrity, to create a safe environment for risk and innovation, and to bring out the best in each other.

STRATEGIC GOALS

- 1. The fund is managed to achieve and maintain a strong and sustainable financial position.**
- 2. Members receive best in class service.**
- 3. SCERS attracts, and supports the development of, high-performing employees to be part of a positive working environment.**
- 4. The SCERS Board is high-performing and well-informed in carrying out its oversight function and fiduciary duties.**
- 5. Stakeholders have a clear understanding of SCERS benefits and services.**

Strategic Goal #1 — The fund is managed to achieve and maintain a strong and sustainable financial position.

One of the most important responsibilities of SCERS is to safeguard the contributions the members and City have made into the system. In order to ensure the system has the funds necessary to meet our commitments to members, our portfolio of investments must be managed prudently.

Objective: Maintain a diversified portfolio with a prudent level of risk.

Metric We Are Watching: Quarterly comparison of asset class weights relative to the target allocation. Annual review of investment risk.

Objective: Ensure that the portfolio's expected long-term return is consistent with the actuarial rate of return.

Metric We Are Watching: Annual review of capital market assumptions.

Objective: Achieve a net investment return over the 5-year period that exceeds the fund policy index.

Metric We Are Watching: Quarterly monitoring of investment performance, including comparisons to the policy index over multiple time horizons. Annual review of each asset class.

Strategic Goal #2 — Members receive best in class service.

SCERS has made great strides in improving our member service. The next step in this evolution is implementing a pension administration system that improves both our data security and service delivery.

Objective: Implement a pension administration system that ensures consistency in business processes, rules, and calculations.

Metric We Are Watching: Completion rate of script testing and bug fixes.

Objective: Members have resources available to answer their inquiries, regardless of the method of inquiry.

Metric We Are Watching: Member portal usage, website hits, and call volumes.

Objective: Members report high levels of satisfaction with SCERS via survey results.

Metric We Are Watching: Survey results, track trends over time.

Objective: Complete 90% of member service requests within two weeks after receiving required documentation.

Metric We Are Watching: Service volumes and completion time by request type.

Strategic Goal #3 — SCERS attracts, and supports the development of, high-performing employees to be part of a positive working environment.

With all the changes SCERS has made in the past few years, we want to continue to support the public servants who are making it possible.

Objective: All staff attend required City trainings, including orientation for new employees and RSJI training.

Metric We Are Watching: Training utilization via the City's Cornerstone system.

Objective: Staff feel supported, valued, and have clear means of communicating with SCERS management.

Metric We Are Watching: Staff morale/cultural climate surveys.

Objective: Provide a compensation package that is competitive for the pension industry and the Seattle market.

Metric We Are Watching: Periodic salary surveys.

Strategic Goal #4 — The SCERS Board is high-performing and well-informed in carrying out its oversight function and fiduciary duties.

One of the most vital components of SCERS is our independent Board of Administration. We want to ensure they have all the training and support they need to conduct their fiduciary responsibilities for the system.

Objective: SCERS Board has an established trustee education plan that includes new trustee orientation, continuing education expectations, and an assessment of certification programs.

Metric We Are Watching: Individual education/training plans for each Board member.

Objective: SCERS Board stays current on best practices in pension fund management.

Metric We Are Watching: ESG trends in public pensions; economic/demographic trends

Objective: SCERS Board has an established practice of regularly conducting Executive Director performance reviews, Board self-evaluations, and organizational policies reviews.

Metric We Are Watching: Completion of regular reviews on Board/Committee calendar.

Strategic Goal #5 — Stakeholders have a clear understanding of SCERS’ benefits and services.

A point of emphasis for SCERS over the next five years will be to enhance our communications to members and other stakeholders. These communication efforts will be greatly improved with the pension administration system implementation and our collaboration with other City departments.

Objective: Proactively engage members throughout their career.

Metric We Are Watching: Seminar attendance, possibly looking at demographic breakdown to inform future seminar changes.

Objective: Provide members a comprehensive view of their financial picture and medical options for retirement.

Metric We Are Watching: Member satisfaction via survey results, track trends over time.

Objective: Inform City employees, elected officials, and the general public of the benefits of the pension system to individual members and the community as a whole.

Metric We Are Watching: General awareness as measured by planned surveys.