

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM

CHIEF EXECUTIVE OFFICER CHARTER

I. INTRODUCTION

The Board of Retirement (the "Board") will appoint a Chief Executive Officer ("CEO") who will serve at the will of the Board, as provided by statute. The CEO is the most senior executive of SBCERS and is not subject to county civil service and merit system rules. This Charter sets out the duties and responsibilities of the CEO.

II. DUTIES AND RESPONSIBILITIES

The CEO will carry out the following duties and responsibilities, as well as other duties as the Board may require.

1. Leadership and Policy Analysis

The CEO will provide leadership and manage the day-to-day affairs of SBCERS in accordance with policies established by the Board and Board decisions and may delegate duties to senior management as necessary. In so doing, the CEO will consult with the Board and its members as appropriate, consistent with the Ralph M. Brown Act, and shall maintain a professional and effective working relationship with the Board.

The CEO will provide support to the Board and its committees in establishing all policies and decisions of the Board including identifying and analyzing issues requiring Board policy and providing options and well-supported policy recommendations for consideration by the Board or its committees.

The CEO will be responsible for ensuring that all policies and decisions of the Board and provisions of the County Employees Retirement Law of 1937 ("CERL"), with the exception of governance policies pertaining to the conduct of the Board, are properly implemented.

2. Governance

The CEO will:

- a. Recommend to the Board and its Operations Committee policies and procedures to help ensure appropriate governance practices.
- b. Assist the Board in implementing its governance policies, procedures, and Bylaws.
- c. Inform and assist with Board member education and travel.

- d. Assist the Board in coordination of meetings, agendas, schedules, and presentations for both Board and committee meetings in accordance with the Ralph M. Brown Act and other applicable law.
- e. Through staff, maintain accurate records of Board deliberation and action, including meeting agendas, minutes, resolutions, and supporting materials.

3. Investments

The CEO will:

- a. Together with the Board's investment consultants, recommend to the Board and designated committees periodic updates to investment policies, including its Investment Policy Statement.
- b. Together with the Board's investment consultants, recommend to the Board and designated committees, strategies for achieving investment objectives.
- c. Together with the Board's investment consultants, implement Board approved investment policies and strategies.
- d. Together with the Board's investment consultants, ensure execution of portfolio rebalancing and portfolio transitions pursuant to Board approved policies.
- e. Together with the Board's investment consultants, ensure that necessary research is performed into investment trends, issues and opportunities that may have implications for the investment program of the SBCERS.
- f. Together with the Board's investment consultants and the Board, ensure all necessary investment manager due diligence is performed.
- g. Together with the Board's investment consultants, implement the process of identifying and selecting investment managers.
- h. Supervise investment staff and oversee outside investment consultants participating in the investment process.

4. Benefits Administration

The CEO will:

- a. Ensure delivery of high standards of service to members including calculations, counseling, and prompt responses to member inquiries.
- b. Recommend to the Board, as necessary, policies to ensure cost-effective and efficient administration of member benefits.
- c. Ensure accurate and prompt delivery of benefits to members, and address problems or errors in accordance with established policies, procedures, and applicable law.
- d. Oversee the disability retirement investigation and hearing process and establish fair and appropriate processes for determining the merits of applications for disability benefits and for developing sound recommendations to the Board on such applications.
- e. Maintain accurate records of member accounts.
- f. Develop and maintain staff policies and procedures to ensure effective and efficient administration of member benefits.

5. Operations

The CEO will:

- a. Recommend to the Board, as appropriate, Board policies designed to help ensure effective and efficient operations.
- b. Recommend the annual Budget to the Board and manage operations consistent with the approved Budget.
- c. Execute agreements consistent with Board delegated authority, with review and approval of material agreements by legal counsel, and authorize payments related to the administration of the SBCERS consistent with the Budget and internal controls of the SBCERS.
- d. Account for and ensure appropriate and prompt collection, deposit and distribution of funds as required.
- e. Implement internal operational control policies.
- f. Ensure the appropriate design, acquisition, implementation, and maintenance of all systems required to administer the SBCERS.
- g. Maintain the records of the SBCERS in a permanent and readily accessible format, as required by law and ensure compliance with the Public Records Act in accordance with Board policies.
- h. Maintain an effective working relationship with the County and other plan sponsors of SBCERS.
- i. Maintain appropriate liability insurance coverage for the System, the Board, and staff.

6. Finance, Actuarial and Accounting

The CEO will:

- a. Recommend to the Board or its designated committee, as appropriate, financial and accounting policies.
- b. Ensure timely completion of the annual financial audit and the annual comprehensive financial report on the operations of SBCERS for Board approval and submittal to appropriate agencies.
- c. Implement appropriate internal financial controls to safeguard the assets and operations of SBCERS and ensure that sufficient cash is available to pay obligations as they come due.
- d. Coordinate the actuarial valuation, experience studies, and audits.
- e. Ensure the timely completion and submission of Statements of Financial Interest, FPPC Form 700, by the Board, Staff and all other designated filers.

7. Human Resources

The CEO will:

- a. Periodically assess the human resource needs of SBCERS and implement appropriate human resource policies and procedures consistent with County civil service rules and applicable law.
- b. Manage the hiring, supervision, and termination of staff.
- c. Develop staff training programs.

8. Legislation and Litigation

The CEO will:

- a. Present legislative proposals for Board consideration.
- b. Coordinate with legal counsel on claims, demands, disputes or legal proceedings involving SBCERS and/or its Board members and staff as appropriate.
- c. In consultation with legal counsel, provide recommendations to the Board concerning the management and disposition of claims, demands, disputes or legal proceedings involving SBCERS and its Board members and staff as appropriate.
- d. Develop and implement plans to comply with newly enacted legislation and court rulings, as applicable.

9. Communications

The CEO will:

- a. Ensure effective and timely communications with the Board on matters relating to the administration of SBCERS.
- b. Ensure effective and timely communications with members, plan sponsors and other interested parties as appropriate relating to the administration of the SBCERS in accordance with the Board's Communications Policy. Such communications may include, but are not limited to, press releases, newsletters, presentations, meetings, and electronic communications.
- c. Act as the official spokesperson for SBCERS in accordance with the Board's Communications Policy.

10. Appointment of Service Providers

- a. The CEO will cause the necessary due diligence to be performed for Board appointed service providers and will provide the Board with appropriate recommendations pursuant to the Board's Service Provider Selection Policy.
- b. The CEO may hire other service providers, consistent with the Budget and the Board's Service Provider Selection Policy.

11. Monitoring and Reporting

The CEO will provide the Board with relevant, appropriate, and timely information to enable it to properly carry out its oversight and fiduciary responsibilities. Furthermore, the CEO will apprise the Board in a timely manner of all significant issues, problems, or developments pertaining to SBCERS, and provide recommended courses of action as appropriate, including, but not limited to, the following issues:

The CEO will:

- a. Review all policies of SBCERS on a regular basis to ensure they are being followed and continue to meet SBCERS' needs.
- b. Monitor SBCERS' financial condition.
- c. Monitor SBCERS' cash flow requirements and all issues that may have a significant impact on cash flow.
- d. Monitor the investment performance of SBCERS, the component asset classes, and the investment managers retained to manage the assets of SBCERS.
- e. Review and respond to the findings of the annual financial audit, and of any internal audits that may be performed.
- f. Monitor SBCERS' service providers to ensure compliance with SBCERS' policies and the quality of their services.
- g. Monitor and evaluate the activities and performance of staff.
- h. Monitor the Board's investment consultants and report to the Board on their performance as appropriate.
- i. Monitor the accuracy and timeliness of all payments due to and payable by the SBCERS.
- j. Monitor SBCERS' compliance with applicable laws and regulations.
- k. In conjunction with counsel, monitor the status of claims, demands, disputes and legal proceedings involving SBCERS and its Board members and staff and report to the Board of Retirement as appropriate.

12. Management of Real Property

The CEO will:

- a. Develop strategic plans for the acquisition, development, and disposition of real property owned and leased by the System, for the Real Property Management Committee's (RPMC) approval.
- b. Be responsible for the management of the day-to-day operations of Robin Hill Road buildings ("RHR") in accordance with policies established by the Board and Board decisions.
- c. Provide monthly financial statements to the Board, including Profit and Loss and Balance Sheet.

- d. Provide quarterly updates to the RPMC regarding the operations of RHR, including but not limited to potential tenants, lease negotiations, tenant disputes, proposed building upgrades or maintenance, and other general property management issues.
- e. Recommend selection of service providers, consistent with the RHR budget and the Board's Service Provider Selection Policy, for services including but not limited to property management and real estate brokers. Recommend lease proposals and terminations and negotiate with current and prospective tenants as directed by the Board.
- f. Maintain appropriate liability insurance coverage for RHR.
- g. Apprise the Board in a timely manner of all significant developments pertaining to RHR and provide recommended courses of action as appropriate.

III. PERFORMANCE REVIEW AND EVALUATION

- 1. Evaluation Criteria.** In determining the performance criteria to be applied, the following guidelines shall be observed:

- a. The criteria shall include a general assessment of performance as well as a specific assessment of the CEO's fulfillment of their specific job duties and competencies as described above.
- b. Evaluation criteria shall also address the achievement of performance goals established at the prior review, as well as management of unanticipated events and challenges that arose in the prior year.
- c. The evaluation period shall be consistent with the fiscal year of the System, which is July 1 through June 30.

2. Evaluation Timetable

- a. Prior to the end of the fiscal year the Board shall meet in closed session to have an interactive discussion with the CEO regarding their performance for the prior fiscal year and goals and objectives for the next fiscal year. The CEO will provide a report that highlights significant accomplishments and challenges from the prior year and sets forth recommended goals for the next fiscal year. The CEO shall also provide the Board with information on the current compensation plan for management employees of County of Santa Barbara and any other information pertinent to the Board's consideration of CEO compensation for the next fiscal year.
- b. At the conclusion of the meeting, the Chair of the Operations Committee shall prepare a confidential written summary of the evaluation and direction provided to the CEO by the Board in closed session. The Evaluation Summary will be presented for further discussion with the CEO in closed session at the next regular meeting of the Operations Committee.

- 3. Compensation.** Following completion of the CEO's review in closed session, the Board shall meet in open session to discuss the compensation of the CEO for the coming fiscal year. During the Board's meeting in June, it shall consider and adopt a resolution setting CEO compensation for the following fiscal year. The CEO's compensation shall comply with any limitations on such compensation established in salary ranges provided for in the County of Santa Barbara salary schedule, but the Board shall have the authority to set compensation within such established salary ranges.
- 4. Recordkeeping.** At the conclusion of the review process, the CEO's written report to the Board and the final Evaluation Summary shall be placed in the CEO's SBCERS personnel file. All other documentation pertaining to the process shall be deleted and/or destroyed.

IV. POLICY REVIEW

This Charter shall be reviewed by the Retirement Board at least every five (5) years to ensure that it remains relevant and appropriate.

V. HISTORY

This Charter was adopted by the Board of Retirement on July 27, 2011; revised on April 23, 2014, and September 27, 2017; reviewed on June 24, 2020; and revised on April 26, 2023, and April 23, 2025.