



San Bernardino County Employees' Retirement Assoc.

Staff Report Details (With Text)

File #: 21-053 **Name:**

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File created: 7/22/2021 **In control:** BOARD OF RETIREMENT

On agenda: 8/5/2021 **Final action:** 8/5/2021

Title: Determine the Board discretionary portion of the Investment Incentive Award for the Chief Investment Officer for the fiscal year ended June 30, 2021, up to 5% of base salary.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A: Incentive Award Calculation for Chief Investment Officer

Date	Ver.	Action By	Action	Result
8/5/2021	1	BOARD OF RETIREMENT	Approved	Pass

FROM: Stacey Barnier, Director of HR and Risk Management

SUBJECT: Chief Investment Officer - Determine Board Discretionary Portion of Incentive Compensation

RECOMMENDATION:

Determine the Board discretionary portion of the Investment Incentive Award for the Chief Investment Officer for the fiscal year ended June 30, 2021, up to 5% of base salary.

BACKGROUND:

SBCERA's Chief Investment Officer (CIO) is eligible for an incentive award, at the conclusion of each fiscal year, pursuant to his Incentive Award Agreement dated July 6, 2015.

The incentive award shall not exceed 50% of base salary and is calculated based on metrics which were approved by the Board on May 7, 2015. Attached for the Board's review are the calculations for the incentive award, except for the Board's discretionary metric, which needs to be determined, up to 5% for the CIO.

The investment performance for FY 2020-21 was a record-breaking 33.3%, net of fees, which is reflected in the quantitative calculations for the Incentive Award (30% out of a possible 30%).

Total award:

Don Pierce \$142,515.36 (45%) plus Board discretionary:

- 1% \$3,167.01 for a total incentive of \$145,682.37
- 2% \$6,334.02 for a total incentive of \$148,849.38
- 3% \$9,501.02 for a total incentive of \$152,016.38
- 4% \$12,668.03 for a total incentive of \$155,183.39

5% \$15,835.04 for a total incentive of \$158,350.40

The Board may also use partial percentage points.

A companion closed session item to discuss the confidential personnel components of performance has been separately agendaized.

BUDGET IMPACT:

Costs for this item were included in the FY 2020-21 non-administrative, investment budget.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Quality Employer and Workplace

STAFF CONTACT:

Stacey Barnier
Amy McInerney

ATTACHMENTS:

Exhibit A: Incentive Award Calculation for Chief Investment Officer