

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
BOARD OF RETIREMENT  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CALIFORNIA**

**REGULAR MEETING  
Wednesday, February 18, 2026  
9:30 A.M.**

Members of the public who wish to observe and/or participate in the meeting may do so (1) from the OCERS Boardroom or (2) via the Zoom app or telephone (information below) from any location.

OCERS Zoom Video/Teleconference information	
<b>Join Using Zoom App (Video &amp; Audio)</b> Join Zoom Meeting <a href="https://ocers.zoom.us/j/81890113847">https://ocers.zoom.us/j/81890113847</a>  <b>Meeting ID: 818 9011 3847</b> <b>Passcode: 547106</b>  Go to <a href="https://www.zoom.us/download">https://www.zoom.us/download</a> to download Zoom app before meeting Go to <a href="https://zoom.us">https://zoom.us</a> to connect online using any browser.	<b>Join by Telephone (Audio Only)</b> Dial by your location +1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US +1 301 715 8592 US +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York)  <b>Meeting ID: 818 9011 3847</b> <b>Passcode: 547106</b>
A <a href="#">Zoom Meeting Participant Guide</a> is available on OCERS website <a href="#">Board &amp; Committee meetings page</a>	

**AGENDA**

The Orange County Board of Retirement welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Board of Retirement may take action on any item included in the following agenda; however, except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. The Board of Retirement may consider matters included on the agenda in any order, and not necessarily in the order listed.

1. CALL MEETING TO ORDER AND ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. BOARD MEMBER STATEMENT REGARDING PARTICIPATION VIA ZOOM (IF NECESSARY)  
(Government Code section 54953(f))
4. PUBLIC COMMENTS

Members of the public who wish to provide comment during the meeting may do so by “raising your hand” in the Zoom app, or if joining by telephone, by pressing \* 9 on your telephone keypad. Members of the public who participate in the meeting from the OCERS Boardroom and who wish to provide comment during the meeting may do so from the podium located in the OCERS Boardroom. When addressing the Committee, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

At this time, members of the public may comment on (1) matters not included on the agenda, provided that the matter is within the subject matter jurisdiction of the Committee; and (2) any matter appearing on the Consent Agenda.

In addition, public comment on matters listed on this agenda will be taken at the time the item is addressed.

**CONSENT AGENDA**

All matters on the Consent Agenda are to be approved by one action unless a Board Member requests separate action on a specific item.

<b>BENEFITS</b>
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**C-1    OPTION 4 RETIREMENT ELECTION**

**Recommendation:** Grant election of retirement benefit payment, Option 4, based on Segal Consulting's actuarial report.

- Geraldine Delafosse
- Joseph Menton

<b>ADMINISTRATION</b>
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**C-2    BOARD MEETING MINUTES**

Board Meeting Minutes

January 21, 2026

**Recommendation:** Approve minutes.

**C-3    OUTCOMES FROM THE BUILDING COMMITTEE MEETING ON FEBRUARY 3, 2026**

**Recommendation:** The Building Committee recommends that the Board approve the Building Committee Charter without revisions.

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**DISABILITY/MEMBER BENEFITS AGENDA**

**9:30 AM**

**NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS OR MEMBER APPEALS OF DISABILITY RETIREMENT DETERMINATIONS, THE BOARD MAY ADJOURN TO CLOSED SESSION TO DISCUSS MATTERS RELATING TO THE MEMBER'S APPLICATION OR APPEAL PURSUANT TO GOVERNMENT CODE SECTIONS 54957 OR 54956.9. IF THE MATTER IS A DISABILITY APPLICATION UNDER SECTION 54957, THE MEMBER MAY REQUEST THAT THE DISCUSSION BE IN PUBLIC.**

**OPEN SESSION**

**CONSENT ITEMS**

All matters on the Consent Agenda are to be approved by one action unless a Board member requires separate action on a specific item. If separate action is requested, the item will be discussed in closed session during agenda item DA-1.

**A. Disability Committee Recommendations:**

**DC-1: KEVIN GARRETT**

Deputy Sheriff, Orange County Sheriff-Coroner (Safety)

**Recommendation:** The Disability Committee recommends that the Board:

- Grant non-service-connected disability retirement.
- Set the effective date as October 31, 2025.

**B. CEO Recommendations:**

**DC-2: BRIAN ABNEY**

Fire Captain, Orange County Fire Authority (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as April 4, 2025.

**DC-3: ROBERT ASAY**

Fire Captain, Orange County Fire Authority (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as July 11, 2025.

**DC-4: GARY CLOTHIER**

Accounting & Business Intelligence Analyst, Transportation Corridor Agencies (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant non-service-connected disability retirement.
- Set the effective date as September 24, 2022.

**DC-5: JEFFREY COLE**

Sergeant, Orange County Sheriff's Department (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 21, 2025.

**DC-6: CHERISH ESQUIVEL**

Business Service Administrator, Orange County Public Works (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Deny service-connected disability retirement without prejudice due to the member's decision not to join in the application.

**DC-7: MALENA MERCADO**

Eligibility Technician, Orange County Social Services (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Deny service-connected disability retirement without prejudice due to the member's decision not to join in the application.

**DC-8: PETER NGUYEN**

Eligibility Technician, Orange County Social Services (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant non-service-connected disability retirement.
- Set the effective date as October 17, 2025.

**DC-9: VINCENT SMITH**

Sergeant, Orange County Sheriff's Department (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as December 26, 2025.

**CLOSED SESSION**

**Government Code section 54957**

Adjourn to Closed Session under Government Code section 54957 to consider member disability applications and to discuss member medical records submitted in connection therewith. The applicant may waive confidentiality and request his or her disability application to be considered in Open Session.

**DA-1: INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE DISABILITY/MEMBER BENEFITS  
CONSENT AGENDA**

**OPEN SESSION**

**REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

**ACTION ITEMS**

**NOTE:** Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board's discussion of the item. **Members of the public who wish to provide comment in connection with any matter listed in this agenda may do so by "raising your hand" in the Zoom app, or if joining by telephone, by pressing \* 9, at the time the item is called. Persons attending the meeting in person and wishing to provide comment on a matter listed on the agenda should fill out a speaker card located at the back of the Boardroom and deposit it in the Recording Secretary's box located near the back counter.**

**A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA**

**A-2 2026 COST OF LIVING ADJUSTMENT**

*Presentation by David Kim, Assistant CEO of External Operations, OCERS; Todd Tauzer, Segal*

**Recommendation:** Adjust all applicable benefit allowances by 3.0% effective April 1, 2026, in accordance with Government Code section 31870.1, resulting from the 3.16% change to CPI in calendar year 2025.

**A-3 SACRS BOARD OF DIRECTORS ELECTIONS 2026-2027**

*Presentation by Manuel Serpa, Deputy General Counsel, OCERS*

**Recommendation:** Identify one or more nominees for the SACRS Board of Directors election to be conducted on May 15, 2026; and direct staff to submit the nomination(s) to the SACRS Nominating Committee on or before March 1, 2026.

**INFORMATION ITEMS**

Each of the following informational items will be presented to the Board for discussion.

**I-1 2025 EMPLOYEE, MANAGER AND INNOVATOR OF THE YEAR**

*Presentation by Steve Delaney, Chief Executive Officer, OCERS*

**I-2 STATUS UPDATE – AMERICA250 CAMPAIGN COORDINATION**

*Presentation by Mary-Joy Coburn, Director of Communications, OCERS*

**I-3 TRUSTEE MEETING COMPENSATION LEGISLATION- UPDATE**

*Presentation by Steve Delaney, CEO, and Manuel Serpa, General Counsel, OCERS*

**I-4 AI TOOLS FOR OCERS BOARD OF RETIREMENT**

*Presentation by Darren Dang, Chief Technology Officer, OCERS*

**WRITTEN REPORTS**

The following are written reports that will not be discussed unless a member of the Board requests discussion.

**R-1 MEMBER MATERIALS DISTRIBUTED**

Application Notices  
Death Notices

February 18, 2026  
February 18, 2026

**R-2 COMMITTEE MEETING MINUTES**

- November 2025- Building Committee Meeting

**R-3 NEW HEADQUARTERS ACTIVITY REPORT**

Written Report

**R-4 CEO FUTURE AGENDAS AND 2026 OCERS BOARD WORK PLAN**

Written Report

**R-5      QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Written Report

**R-6      BOARD COMMUNICATIONS**

Written Report

**R-7      LEGISLATIVE UPDATE**

Written Report

**R-8      OCERS TRAVEL POLICY APPROVED CONFERENCES LIST**

Written Report

**R-9      PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT**

Written Report

**R-10     2026 STAR COLA COST POSTING**

Written Report

**R-11     OVERPAID AND UNDERPAID PLAN BENEFITS – 2025 REPORT**

Written Report

**R-12     ANNUAL REPORT OF CONTRACTS GREATER THAN \$100,000**

Written Report

**R-13     2025 ANNUAL BOARD POLICY COMPLIANCE REPORT**

Written Report

**CLOSED SESSION ITEMS**

**E-1      THREAT TO PUBLIC SERVICES OR FACILITIES (Government Code Section § 54957)**

Consultation with OCERS Director of Cyber Security

**Recommendation:** Take appropriate action.

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

**COUNSEL COMMENTS**

**BOARD MEMBER COMMENTS**

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**ADJOURNMENT: (IN MEMORY OF THE ACTIVE MEMBERS, RETIRED MEMBERS, AND SURVIVING SPOUSES WHO PASSED AWAY THIS PAST MONTH)**

**NOTICE OF NEXT MEETINGS**

**INVESTMENT COMMITTEE MEETING**

**February 25, 2026**

**9:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

**AUDIT COMMITTEE MEETING**

**February 26, 2026**

**9:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

**DISABILITY COMMITTEE MEETING**

**March 16, 2026**

**8:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

**REGULAR BOARD MEETING**

**March 16, 2026**

**9:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

*AVAILABILITY OF AGENDA MATERIALS - Documents and other materials that are non-exempt public records distributed to all or a majority of the members of the OCERS Board or Committee of the Board in connection with a matter subject to discussion or consideration at an open meeting of the Board or Committee of the Board are available at the OCERS website: <https://www.ocers.org/board-committee-meetings>. If such materials are distributed to members of the Board or Committee of the Board less than 72 hours prior to the meeting, they will be made available on the OCERS website at the same time as they are distributed to the Board or Committee members. Non-exempt materials distributed during an open meeting of the Board or Committee of the Board will be made available on the OCERS' website as soon as practicable and will be available promptly upon request.*

It is OCERS' intention to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or participant at this meeting, you will need any special assistance beyond that normally provided, OCERS will attempt to accommodate your needs in a reasonable manner. Please contact OCERS via email at [adminsupport@ocers.org](mailto:adminsupport@ocers.org) or call 714-558-6200 as soon as possible prior to the meeting to tell us about your needs and to determine if accommodation is feasible. We would appreciate at least 48 hours' notice, if possible. Please also advise us if you plan to attend meetings on a regular basis.



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Irene Warkentine, Member Services Manager  
**SUBJECT:** **OPTION 4 RETIREMENT ELECTION – GERALDINE DELAFOSSE**

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### Recommendation

Grant election of retirement benefit payment, Option 4, based on Segal Consulting's actuarial report.

### Background/Discussion

This member elected Option 4 as the benefit payment option for her service retirement allowance as required by her Domestic Relations Order (DRO), effective November 12, 2025. The Orange County Employees Retirement System (OCERS) was joined in the member's dissolution of marriage and under the terms of the DRO, the member's ex-spouse was awarded a lifetime continuance as a percentage of the member's allowance.

The approval of Option 4 will not increase OCERS liability because the cost of this Option 4 benefit is proportional to the cost of the other benefit plans. Segal Consulting has calculated the member's monthly allowance as indicated in the attached letter, as well as the allowance payable to the member's ex-spouse.

### Submitted by:



I.W. – APPROVED

Irene Warkentine  
Member Services Manager





Molly Calcagno, ASA, MAAA, EA  
Senior Actuary  
T 415.263.8254  
mcalcagno@segalco.com

180 Howard Street  
Suite 1100  
San Francisco, CA 94105-6147  
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### Personal and Confidential

January 28, 2026

Irene Warkentine  
Member Services Manager  
Orange County Employees Retirement System  
2223 Wellington Avenue  
Santa Ana, CA 92701-3101

#### Re: Orange County Employees Retirement System (OCERS) Option 4 Calculation for Geraldine A. Delafosse

Dear Irene:

Pursuant to your request, we have determined the Option 4 benefits payable to Geraldine A. Delafosse and her ex-spouse based on the unmodified benefit and other information provided in the System's request received on January 22, 2026.

## Background

The monthly benefits payable to the member and her ex-spouse and the data we used for our calculations are as follows:

Category	Data
<b>Member information</b>	
• Member's date of birth	██████████
• Annuity starting date	November 12, 2025
• Type of pension	Service Retirement
• Last plan of membership	General Plan J
<b>Ex-spouse information</b>	
• Ex-spouse's date of birth	██████████
• Share of unmodified benefit amount	40.29%
<b>Member's unmodified benefit (prior to DRO)</b>	
• Annuity – Plan B	\$66.74
• Pension – Plan B	174.79
• Annuity – Plan J	262.04
• Pension – Plan J	92.69
<b>Total</b>	<b>\$596.26</b>

Irene Warkentine  
January 28, 2026  
Page 2

## Calculations

We calculated the adjustment to the member's unmodified benefit to provide a 40.29% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

### Option 4 Benefit

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Annuity – Plan B	\$39.85	
• Pension – Plan B	104.37	
• Annuity – Plan J	156.46	
• Pension – Plan J	55.35	
<b>Total payable to member</b>	<b>\$356.03</b>	<b>\$0.00</b>
<b>Payable to ex-spouse<sup>1</sup></b>	<b>\$226.00</b>	<b>\$226.00</b>

## Actuarial assumptions

The calculations contained herein were based on the actuarial assumptions employed by the Plan for this purpose, as detailed below.

- **Interest rate**
  - Effective interest rate of 4.136253% per year, which is calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.
- **Member mortality**
  - Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021 associated with a retirement year of 2027, weighted 40% male and 60% female.
- **Beneficiary mortality**
  - Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021 associated with a retirement year of 2027, weighted 60% male and 40% female.

<sup>1</sup> This is equal to 40.29% of the member's unmodified benefit (i.e.,  $40.29\% \times \$596.26$  or  $\$240.23$ ) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

Irene Warkentine  
January 28, 2026  
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## Other considerations

The actuarial calculations contained in this letter were prepared under my supervision. I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any comments or questions. As in all matters pertaining to the interpretation and application of the law, Plan, or individual Option 4 Calculation provisions, you should be guided by the advice of the Plan's Legal Counsel.

Sincerely,

A handwritten signature in cursive script that reads "Molly Calcagno".

Molly Calcagno, ASA, MAAA, EA  
Senior Actuary

JT/bbf



January 29, 2026

Geraldine A. Delafosse

Re: Retirement Election Confirmation – Option 4

Dear Ms. DELAFOSSE:

You have elected Option 4 as your retirement option. This option will provide a 40.29% of your monthly benefit, for the life of the benefit, to:

BRYANT DELAFOSSE

This designation is irrevocable; you will not be allowed to change your retirement option or designated beneficiary.

Please complete this form and return to OCERS as soon as possible.

☒ I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a %% continuance to BRYANT DELAFOSSE.

 1/29/26  
Member Signature/Date

Sincerely,

Diana Rujchanarong  
Retirement Program Specialist



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Irene Warkentine, Member Services Manager  
**SUBJECT:** **OPTION 4 RETIREMENT ELECTION – JOSEPH MENTON**

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### Recommendation

Grant election of retirement benefit payment, Option 4, based on Segal Consulting's actuarial report.

### Background/Discussion

This member elected Option 4 as the benefit payment option for his service retirement allowance as required by his Domestic Relations Order (DRO), effective November 28, 2025. The Orange County Employees Retirement System (OCERS) was joined in the member's dissolution of marriage and under the terms of the DRO, the member's ex-spouse was awarded a lifetime continuance as a percentage of the member's allowance.

The approval of Option 4 will not increase OCERS liability because the cost of this Option 4 benefit is proportional to the cost of the other benefit plans. Segal Consulting has calculated the member's monthly allowance as indicated in the attached letter, as well as the allowance payable to the member's ex-spouse and the optional beneficiary continuance (upon the member's death).

### Submitted by:



I.W. – APPROVED

Irene Warkentine  
Member Services Manager



Molly Calcagno, ASA, MAAA, EA  
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San Francisco, CA 94105-6147  
segalco.com

January 26, 2026

Irene Warkentine  
Member Services Manager  
Orange County Employees Retirement System  
2223 Wellington Avenue  
Santa Ana, CA 92701-3101

**Re: Orange County Employees Retirement System (OCERS)  
Option 4 Calculation for Joseph M. Menton**

Dear Irene:

Pursuant to your request, we have determined the Option 4 benefits payable to Joseph M. Menton, his ex-spouse, and his fiancée<sup>1</sup> based on the unmodified benefit and other information provided in the System's request received on January 16, 2026.

## Background

The monthly benefits payable to the member, his ex-spouse, and his fiancée, and the data we used for our calculations are as follows:

Category	Data
<b>Member information</b>	
• Member's date of birth	██████████
• Annuity starting date	November 28, 2025
• Type of pension	Service Retirement
• Last plan of membership	Safety Plan F
<b>Ex-spouse information</b>	
• Ex-spouse's date of birth	██████████
• Share of unmodified benefit amount	24.20%
<b>Fiancée information</b>	
• Fiancée date of birth	██████████

<sup>1</sup> In providing this calculation, we have made the assumption that the beneficiary, the member's fiancée, has satisfied the definition of having an "insurable interest" in the life of the member as required by Section 31764.

Irene Warkentine  
January 26, 2026  
Page 2

Category	Data
<b>Member's unmodified benefit (prior to DRO)</b>	
• Annuity	\$4,090.46
• Pension	10,271.68
<b>Total</b>	<b>\$14,362.14</b>

We have been requested to calculate an Option 4 benefit that provides a 50% or 75% continuance to the fiancée after the death of the member.

## Calculations

We have determined the Option 4 benefits using a two-part process. In Part One, we first calculated the adjustment to the member's unmodified benefit to provide a 24.20% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

### Part One: Before Adjustment for Continuance to Fiancée

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Annuity	\$3,100.57	
• Pension	7,785.93	
<b>Total payable to member</b>	<b>\$10,886.50</b>	<b>\$0.00</b>
<b>Payable to ex-spouse<sup>2</sup></b>	<b>\$3,070.12</b>	<b>\$3,070.12</b>

In Part Two, we further adjusted the member's benefit in Part One so that a continuance benefit of 50% or 75% can be paid to the member's fiancée. In addition, the cost to provide this continuance benefit would be paid for entirely by the member.

<sup>2</sup> This is equal to 24.20% of the member's unmodified benefit (i.e.,  $24.20\% \times \$14,362.14$  or  $\$3,475.64$ ) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.



Irene Warkentine  
January 26, 2026  
Page 3

## Part Two: After Adjustment for Continuance to Fiancée

### Alternative A: 50% Continuance

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Annuity	\$2,853.70	
• Pension	7,166.00	
<b>Total payable to member</b>	<b>\$10,019.70</b>	<b>\$0.00</b>
<b>Payable to fiancée</b>	<b>\$0.00</b>	<b>\$5,009.85</b>
<b>Payable to ex-spouse<sup>3</sup></b>	<b>\$3,070.12</b>	<b>\$3,070.12</b>

### Alternative B: 75% Continuance

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Annuity	\$2,744.44	
• Pension	6,891.64	
<b>Total payable to member</b>	<b>\$9,636.08</b>	<b>\$0.00</b>
<b>Payable to fiancée</b>	<b>\$0.00</b>	<b>\$7,227.06</b>
<b>Payable to ex-spouse<sup>3</sup></b>	<b>\$3,070.12</b>	<b>\$3,070.12</b>

## Actuarial assumptions

The calculations contained herein were based on the actuarial assumptions employed by the Plan for this purpose, as detailed below.

- **Interest rate**
  - Effective interest rate of 4.136253% per year, which is calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.
- **Member mortality**
  - Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021 associated with a retirement year of 2027, weighted 85% male and 15% female for members.

<sup>3</sup> This is equal to 24.20% of the member's unmodified benefit (i.e., 24.20% × \$14,362.14 or \$3,475.64) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.



Irene Warkentine  
January 26, 2026  
Page 4

- **Beneficiary mortality**

- Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021 associated with a retirement year of 2027, weighted 15% male and 85% female for beneficiaries.

## Other considerations

The actuarial calculations contained in this letter were prepared under my supervision. I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any comments or questions. As in all matters pertaining to the interpretation and application of the law, Plan, or individual Option 4 Calculation provisions, you should be guided by the advice of the Plan's Legal Counsel.

Sincerely,



Molly Calcagno, ASA, MAAA, EA  
Senior Actuary

JT/bbf



January 28, 2026

Joseph Michael. Menton

Re: Retirement Election Confirmation – Option 4

Dear Mr. MENTON:

You have elected Option 4 as your retirement option. This option will provide:

- 24.20% of your monthly benefit, for the life of the benefit, to ex-Spouse, Rebecca Kessler-Menton
- 75% survival continuance to Susan J. P. Lutzky upon your passing.

This designation is irrevocable; you will not be allowed to change your retirement option or designated beneficiary.

Please complete this form and return to OCERS as soon as possible.

☒ I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction to provide a 24.20% benefit to ex-Spouse, Rebecca Kessler-Menton and 75% survival continuance to Susan Lutzky.

Jose M. Menton January 30, 2026  
Member Signature/Date

Sincerely,

Steven Ismael  
Retirement Program Specialist



**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
BOARD OF RETIREMENT  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CALIFORNIA**

**REGULAR MEETING  
Wednesday, January 21, 2026  
9:30 A.M.**

**MINUTES**

Chair Oates called the meeting to order at 9:33 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Richard Oates, Chair; Shawn Dewane, Vice Chair; Arthur Hidalgo; Iriss Barriga; Jeremy Vallone; Roger Hilton; Adele Lopez Tagaloe; Shari Freidenrich; Wayne Lindholm; Charles Packard

Present via Zoom (under  
Government Code  
Section 54953(f)):

Also Present: Steve Delaney, CEO; David Kim, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Manuel Serpa, General Counsel; Molly Murphy, Chief Investment Officer; Will Tsao, Director of EPMO; Mark Adviento, Director of Member Services; Jeff Lamberson, Director of Member Services; Mary-Joy Coburn, Director of Communications; Cynthia Hockless, Director of HR; Darren Chilton, Sr Facilities Manager; Nicole McIntosh; Director of Disability; Jennifer Reyes, Director of Finance; Jon Gossard, Sr. Info Sec Manager; Jenny Sadoski, Director of Information Technology; Philip Lam, Director of Internal Audit; Josephine He, Investment Officer; Esther Hong, Compliance Officer; Dena Gunsolley, Manager of Learning and Organizational Development; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Andy Yeung, Todd Tauzer, Molly Calcagno, Segal

Absent:

**OATH OF OFFICE- SHAWN DEWANE, ARTHUR HIDALGO, ROGER HILTON, ADELE LOPEZ TAGALOE, AND CHARLES PACKARD**

Administered by Clerk-Recorder Hugh Nguyen

*Ms. Freidenrich arrived at 9:40 a.m.*

**Public Comment:** None

### CONSENT AGENDA

<b>BENEFITS</b>
-----------------

#### **C-1 OPTION 4 RETIREMENT ELECTION**

**Recommendation:** Grant election of retirement benefit payment, Option 4, based on Segal Consulting's actuarial report.

- Gihan Ukuwela

<b>ADMINISTRATION</b>
-----------------------

#### **C-2 BOARD MEETING MINUTES**

Board Meeting Minutes

December 15, 2025

**Recommendation:** Approve minutes.

A **MOTION** was made by Mr. Lindholm, **seconded** by Mr. Dewane, to approve the Consent Agenda.

The motion passed **unanimously**.

\*\*\*\*\*

### DISABILITY/MEMBER BENEFITS AGENDA

#### CONSENT ITEMS

#### **A. Disability Committee Recommendations:**

##### **DC-1: GREGORY PALMER**

Public Assistance Investigator, Orange County District Attorney (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Deny service-connected and non-service-connected disability retirement due to the member's inability to participate in the application process.

#### **B. CEO Recommendations:**

##### **DC-2: JACQUELYN ALLEN**

Coach Operator, Orange County Transportation Authority (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as June 18, 2023.

##### **DC-3: RHONDA BANKS**

Coach Operator, Orange County Transportation Authority (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 26, 2023.

**DC-4: CARLOS BARRIENTOS**

Deputy Sheriff II, Orange County Sheriff's Department (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as May 16, 2025.

**DC-5: RAUL BELFORTI**

Coach Operator, Orange County Transportation Authority (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as December 1, 2024.

**DC-6: MARK FERNBERG**

Firefighter, Orange County Fire Authority (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as August 12, 2025.

**DC-7: PETER LAI DINH**

Staff Specialist, Orange County Human Resources (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Deny service-connected disability retirement without prejudice due to the member's decision not to join in the application.

**DC-8: MICHAEL LUSSIER**

Firefighter, Orange County Fire Authority (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 22, 2024.

**DC-9: NATHANIEL PADAYAO**

Deputy Juvenile Correctional Officer II, Orange County Probation (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 22, 2024.

**DC-10: JOSE RAMIREZ**

Coach Operator, Orange County Transportation Authority (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Deny service-connected disability retirement without prejudice due to the member's decision not to join in the application.

**DC-11: JAMES YAWN**

Fire Apparatus Engineer, Orange County Fire Authority (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as February 23, 2024.

A **MOTION** was made by Mr. Hilton, **seconded** by Ms. Lopez Tagaloa, to approve DC 1-11.

The motion passed **unanimously**.

**ACTION ITEMS**

**A-2 30 YEAR SAFETY OFFICERS AND COLA COST**

*Presentation by Todd Tauzer and Andy Yeung, Segal, and David Kim, Assistant CEO, OCERS*

**Recommendation:** Staff recommends the Board of Retirement consider and adopt one of the following three alternatives:

- **Option 1:** Approve the change in methodology for allocating COLA normal cost for Safety legacy members with 30 or more years of service from the member to the Employer, effective immediately with the December 31, 2025 actuarial valuation.

**OR**

- **Option 2:** Approve the change in methodology for allocating COLA normal cost for Safety legacy members with 30 or more years of service from the member to the Employer, utilizing a two-year phase-in period to mitigate the immediate fiscal impact on Employers, effective with the December 31, 2025 actuarial valuation.

**OR**

- **Option 3: Three-Year Phase-In** – Approve the methodology change utilizing a three-year phase-in period: 50% allocation to the Employer in Year 1, 75% in Year 2, and 100% in Year 3, effective with the December 31, 2025 actuarial valuation.

**PUBLIC COMMENT:** Ms. Kimberly Englby, CFO of the County of Orange, spoke in advocacy of Option 2 or 3 – the options that allowed for the phasing in of these costs due to the current state of the county finances.

A **MOTION** was made by Mr. Dewane, **seconded** by Ms. Lopez Tagaloa, to adopt Option 2 of staff recommendations.

Ms. Freidenrich asked for clarification about the date where members receive relief from funding the employer obligation.

Mr. Oates commented that based on the history of this issue, employees have been funding these employer obligations for some time since OCERS has known about the issue in 2023. As such he is in support of Option 1.

A **SUBSTITUTE MOTION** was made by Mr. Oates, **seconded** by Ms. Barriga, to adopt Option 1 of staff recommendations.

The substitute motion passed subject to the following vote:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTAIN</u></b>	<b><u>ABSENT</u></b>
Ms. Barriga	Mr. Lindholm		
Mr. Dewane			
Ms. Freidenrich			
Mr. Hidalgo			
Mr. Hilton			
Ms. Lopez Tagaloa			
Mr. Oates			
Mr. Packard			

### **INFORMATION ITEMS**

Each of the following informational items will be presented to the Board for discussion.

#### **I-1 GLIDE PATH**

*Presentation by Todd Tauzer and Andy Yeung, Segal*

*The Board recessed for break at 10:58 a.m.*

*The Board reconvened from break at 11:15 a.m.*

*Recording Secretary administered the Roll Call attendance.*

#### **I-2 2025 OCERS INNOVATIONS AND PROCESS IMPROVEMENTS**

*Presentation by Steve Delaney, Chief Executive Officer, and OCERS Management Team*

#### **I-3 TRUSTEE MEETING COMPENSATION LEGISLATION- UPDATE**

*Presentation by Steve Delaney, CEO, and Manuel Serpa, General Counsel, OCERS*

#### **I-4 PROCEDURES FOR DISRUPTION RESPONSE - EDUCATION SESSION**

*Presentation by Manuel Serpa, General Counsel, OCERS*

Mr. Serpa presented the recommendation for addressing disruption during a Board/Committee meeting, including the Responding to Disruptive Members of the Public reference sheet that was shared in the Board materials. The recommendation demonstrates guidance on upholding free speech in open meetings with our obligation to comply with the Ralph M. Brown Act and maintain order and safety in efficiently addressing OCERS business.

Staff asked Trustees if they would like additional training on this topic. Trustees had varying opinions. Staff agreed to return for future discussion.

### **WRITTEN REPORTS**

The following are written reports that will not be discussed unless a member of the Board requests discussion.



Orange County Employees Retirement System  
January 21, 2026  
Regular Board Meeting – Minutes

Page 6

- |             |  |                                      |
|-------------|--|--------------------------------------|
| <b>R-1</b>  | <b>MEMBER MATERIALS DISTRIBUTED</b><br>Application Notices<br>Death Notices                          | January 21, 2026<br>January 21, 2026 |
| <b>R-2</b>  | <b>COMMITTEE MEETING MINUTES</b><br>- October 2025- Audit Committee Meeting                          |                                      |
| <b>R-3</b>  | <b>NEW HEADQUARTERS ACTIVITY REPORT</b><br>Written Report  |                                      |
| <b>R-4</b>  | <b>CEO FUTURE AGENDAS AND 2026 OCERS BOARD WORK PLAN</b><br>Written Report                           |                                      |
| <b>R-5</b>  | <b>QUIET PERIOD – NON-INVESTMENT CONTRACTS</b><br>Written Report                                     |                                      |
| <b>R-6</b>  | <b>BOARD COMMUNICATIONS</b><br>Written Report  |                                      |
| <b>R-7</b>  | <b>OCERS TRAVEL POLICY APPROVED CONFERENCES LIST</b><br>Written Report                               |                                      |
| <b>R-8</b>  | <b>PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT</b><br>Written Report          |                                      |
| <b>R-9</b>  | <b>FIRST QUARTER REVIEW OF OCERS BOARD 2026-2028 STRATEGIC &amp; BUSINESS PLAN</b><br>Written Report |                                      |
| <b>R-10</b> | <b>COMMUNICATION POLICY FACT SHEET</b><br>Written Report   |                                      |
| <b>R-11</b> | <b>FORM 700 FILING REQUIREMENTS</b><br>Written Report  |                                      |
| <b>R-12</b> | <b>2025 OCERS TRUSTEE EDUCATION SUMMARY REPORT</b><br>Written Report                                 |                                      |
| <b>R-13</b> | <b>2025 ANNUAL DISABILITY STATISTICS REPORT</b><br>Written Report                                    |                                      |
| <b>R-14</b> | <b>PREVIEW OF THE “2025 YEAR IN REVIEW”: COMMUNICATION PLAN</b><br>Written Report                    |                                      |
| <b>R-15</b> | <b>CONTRACT STATUS FOR NAMED SERVICES PROVIDERS</b><br>Written Report                                |                                      |
| <b>R-16</b> | <b>STATE OF MEMBER SERVICES QUALITY REPORT – JANUARY 1 TO DECEMBER 31, 2025</b><br>Written Report    |                                      |

**CIO COMMENTS-** Ms. Murphy started with some housekeeping news, noting that the Investment Committee Meetings will be moving from 9:00 back to 9:30 per the Committee Chairs request to keep with uniformity with the rest of the Committees and Board Meeting times. Further, she also notes that moving forward, most of the educational opportunities will be consolidated into the Strategic Planning Workshop instead of adding them into the Investment Committee Meetings. Lastly, she notes that there will be an additional Investment Committee Meeting added on April 22, 2026, to prepare for the asset allocation study.

Moving onto markets and returns, Ms. Murphy reported that the Investment Team will continue to closely monitor the markets as they are likely to be affected by geopolitics. Closing the night prior to the Board Meeting, OCERS portfolio returned an unaudited 14.93% as of end of December. This return places the portfolio just shy of the \$27.8B mark. This success further reiterates the importance of having a Glide Path plan for funding the plan post 2033.

**COUNSEL COMMENTS-** Mr. Serpa notifies the Board Members that there is a new law for Trustee Education. This new law dictates that Trustees are required to take at least two hours of fiscal/financial education every two years. He notes that this requirement is likely to be completed with the normal Trustee education offered through OCERS education at the Board Meetings, Investment Committee, and Strategic Planning Workshop.

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS-** None

**BOARD MEMBER COMMENTS-** Mr. Dewane asks that we consider celebrating the 250<sup>th</sup> birthday of the US by adopting the official anniversary themed logo. Mr. Delaney committed to bringing more information and mockups back to the February Board Meeting.

Meeting **ADJOURNED** at 12:44 p.m. in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:

Approved by:

---

Steve Delaney  
 Secretary to the Board

---

Richard Oates  
 Chairperson



## Memorandum

---

**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Brenda Shott, Assistant CEO, Finance and Internal Operations  
**SUBJECT:** **OUTCOMES FROM THE BUILDING COMMITTEE MEETING ON FEBRUARY 3, 2026**

---

### Recommendation

The Building Committee recommends that the Board approve the Building Committee Charter without revisions.

### Background/Discussion

The Building Committee Charter was adopted in March 2022 and is due for its triennial review. The Charter provides general responsibilities delegated to the Committee related to OCERS headquarters building.

The OCERS Headquarters project is now underway, and specific governance included in the charter clearly defines the Committee's authority over actions and decisions for the replacement building project. No changes were made.

### Submitted by:



**BMS - Approved**

---

Brenda Shott  
Assistant CEO, Finance and Internal Operations



## OCERS Board Charter Building Committee Charter

---

### Introduction

1. The OCERS Board of Retirement (Board) has established a Building Committee to assist the Board by reviewing reports and making recommendations with respect to the OCERS Headquarters project. The Building Committee is an advisory committee to the Board and its recommendations are subject to final approval by the Board.
2. The Board Chair will appoint members to the Building Committee as provided in OCERS' By-Laws and will designate one member of the committee to serve as committee chair and one member of the committee to serve as committee vice chair.
3. The Building Committee will be comprised of four (4) members of the Board. As provided in OCERS' By-Laws, two members of the Building Committee constitute a quorum.

### Duties and Responsibilities

4. The Building Committee will:
  - a) Evaluate options for the future OCERS Headquarters
  - b) Make a recommendation to the Board for the future OCERS Headquarters
  - c) Provide guidance to staff as to the scope, schedule and budget for the OCERS Headquarters project
  - d) Report regularly to the Board on the Committee's activities; and
  - e) Provide guidance and make recommendations to the Board on other projects related to the current and future OCERS Headquarters as may be necessary or desirable to guide or assist the Board and OCERS staff in carrying out their respective duties and responsibilities.
5. The OCERS' Replacement Headquarters Project governance will be as follows:
  - a) **Board of Retirement**
    - i) Approve the DBE Predevelopment contract, DBE Development Agreement, and any other project related contract in compliance with the *OCERS Procurement and Contracting Policy*
    - ii) Approve the City-Review-Ready Site Plan for the project (including building size, shape (# of stories, board room as standalone vs integrated room), amenities, location/placement on lot, parking and property ingress egress plan)
    - iii) Approve targeted building certification level for both energy and environmental design (LEED) and human health and well-being design (WELL)
    - iv) Authorize Staff to procure and purchase owner's property liability insurance (construction risk insurance to be included with design build entity (DBE))
    - v) Approve project Guaranteed Maximum Price (proposed by the DBE), project contingency and project financing.
    - vi) Approve final construction documents.
  - b) **Building Committee Authority**
    - i) Review quarterly project status updates throughout the duration of the project -- provide direction to staff regarding scope, schedule, milestone completion and budget issues that arise
    - ii) Review results of needs assessment and programming and provide direction for high level inputs into site plan and conceptual design (including amenities to be included), budget and

preliminary schedule.

- iii) Recommend to the Board targeted building certification level for both energy and environmental design (LEED) and human health and well-being design (WELL)
- iv) Review and make recommendation to the Board for the City-Review-Ready Site Plan
- v) Interview and recommend finalist for Design Build Entity
- vi) Review and provide direction on schematic design, budget level estimates and schedule update.
- vii) Review and recommend to Board approval of GMP.
- viii) Review and recommend Board approval of final construction documents.

c) **Assistant CEO Authority**

- i) Approve contracts and change orders in compliance with OCERS Procurement and Contracting Policy or specific authority granted by the Board.
- ii) Provide direction to Owner's Rep/Project Manager and make decisions as to, design development and detail design elements to incorporate into schematic and final construction documents
- iii) Day-to-day contract administration, invoice approval and authorized communication responsibilities

## Charter Review

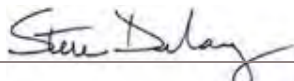
6. The Building Committee will review this Charter at least once every three (3) years and recommend any amendments to the Board for approval as necessary to ensure that the Charter remains relevant and appropriate.

## Charter History

7. This Charter was adopted by the Board of Retirement on March 21, 2022, and amended on .

## Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.



Steve Delaney, Secretary of the Board

03/21/2022

Date



## OCERS Board Charter Building Committee Charter

---

### Introduction

1. The OCERS Board of Retirement (Board) has established a Building Committee to assist the Board by reviewing reports and making recommendations with respect to the OCERS Headquarters project. The Building Committee is an advisory committee to the Board and its recommendations are subject to final approval by the Board.
2. The Board Chair will appoint members to the Building Committee as provided in OCERS' By-Laws and will designate one member of the committee to serve as committee chair and one member of the committee to serve as committee vice chair.
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  - d) Report regularly to the Board on the Committee's activities; and
  - e) Provide guidance and make recommendations to the Board on other projects related to the current and future OCERS Headquarters as may be necessary or desirable to guide or assist the Board and OCERS staff in carrying out their respective duties and responsibilities.
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    - v) Approve project Guaranteed Maximum Price (proposed by the DBE), project contingency and project financing.
    - vi) Approve final construction documents.
  - b) **Building Committee Authority**
    - i) Review quarterly project status updates throughout the duration of the project -- provide direction to staff regarding scope, schedule, milestone completion and budget issues that arise
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preliminary schedule.

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  - v) Interview and recommend finalist for Design Build Entity
  - vi) Review and provide direction on schematic design, budget level estimates and schedule update.
  - vii) Review and recommend to Board approval of GMP.
  - viii) Review and recommend Board approval of final construction documents.
- c) **Assistant CEO Authority**
- i) Approve contracts and change orders in compliance with OCERS Procurement and Contracting Policy or specific authority granted by the Board.
  - ii) Provide direction to Owner's Rep/Project Manager and make decisions as to, design development and detail design elements to incorporate into schematic and final construction documents
  - iii) Day-to-day contract administration, invoice approval and authorized communication responsibilities

## Charter Review

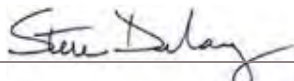
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## Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.



Steve Delaney, Secretary of the Board

\_\_\_\_\_

Date



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** David Kim, Assistant CEO, External Operations  
**SUBJECT:** 2026 COST OF LIVING ADJUSTMENT

---

### Recommendation

Adjust all applicable benefit allowances by 3.0% effective April 1, 2026, in accordance with Government Code section 31870.1, resulting from the 3.16% change to CPI in calendar year 2025.

### Background/Discussion

Per Government Code section 31870.1, the OCERS Board of Retirement is required to annually adjust the benefit allowances relative to the increase or decrease in the Consumer Price Index (CPI). This adjustment, known as a Cost of Living Adjustment (COLA), takes effect on April 1<sup>st</sup> of each year. This year, the CPI for year-end 2025 increased by 3.16%. To determine the change in CPI, Segal compares the Bureau of Labor Statistics' annual average CPI for All Urban Consumers for the Los Angeles-Long Beach-Anaheim area for each of the past two years and derives the percentage change between the two. This is done in accordance with Government Code section 31870.1, which is the COLA section operative in Orange County. That section also states that any increase or decrease in the CPI is to be rounded to the nearest one-half of one percent (3.16% rounded to 3.0%) and provides that a maximum COLA of 3.0% shall be granted on every retirement allowance, optional death allowance, or annual death allowance payable to or on account of any member of the system. For years in which the COLA exceeds 3.0%, the amount over 3.0% is banked for future years when the COLA is less than 3.0%.

For all benefit recipients who began or will begin receiving benefits on or before April 1, 2026, this adjustment will increase their allowances by 3.0%.

### Submitted by:



D.K. – APPROVED

---

David Kim  
 Assistant CEO, External Operations



**§31870.1. Determination; maximum annual change of three percent in allowances; limitation on reduction**

The board shall before April 1 of each year determine whether there has been an increase or decrease in the cost of living as provided in this section. Notwithstanding Section 31481 or any other provision of this chapter (commencing with Section 31450), every retirement allowance, optional death allowance, or annual death allowance payable to or on account of any member, of this system or superseded system who retires or dies or who has retired or died shall, as of April 1st of each year, be increased or decreased by a percentage of the total allowance then being received found by the board to approximate to the nearest one-half of 1 percent, the percentage of annual increase or decrease in the cost of living as of January 1st of each year as shown by the then current Bureau of Labor Statistics Consumer Price Index for All Urban Consumers for the area in which the county seat is situated, but such change shall not exceed 3 percent per year; however, the amount of any cost-of-living increase or decrease in any year which is not met by the maximum annual change of 3 percent in allowances shall be accumulated to be met by increases or decreases in allowance in future years; except that no decrease shall reduce the allowance below the amount being received by the member or his beneficiary on the effective date of the allowance or the application of this article, whichever is later.

(Amended by Stats. 1978, Ch. 900, Sec. 11)

## History of OCERS' Cost of Living Adjustments

OCERS annually adjusts the benefit allowances relative to the increase or decrease in the Consumer Price Index (CPI). This adjustment, known as a Cost of Living Adjustment (COLA), is effective April 1st of each year. To determine the change in CPI, OCERS' actuary compares the Bureau of Labor Statistics' annual average CPI for all urban consumers for the Los Angeles - Long Beach - Anaheim area for each of the past two years and derives the percentage change between the two. The increase or decrease in the CPI is rounded to the nearest one-half of one percent. The maximum COLA of 3% shall be granted on every retirement allowance, optional death allowance, or annual death allowance payable to or on account of any member of the system.

For years in which the CPI exceeds 3%, the excess amount is banked and drawn from for future years when the CPI is less than 3%.

Date Granted	Actual CPI Rate	CPI Rounded	Max COLA Rate	COLA Granted
4/2/2025	3.30	3.5	3	3
4/1/2024	3.48	3.5	3	3
4/1/2023	7.45	7.5	3	3
4/1/2022	3.83	4	3	3
4/1/2021	1.62	1.5	3	1.5
4/1/2020	3.07	3	3	3
4/1/2019	3.81	4	3	3
4/1/2018	2.79	3	3	3
4/1/2017	1.89	2	3	2
4/1/2016	0.91	1	3	1
4/1/2015	1.35	1.5	3	1.5
4/1/2014	1.08	1	3	1
4/1/2013	2.04	2	3	2
4/1/2012	2.67	2.5	3	2.5
4/1/2011	1.2	1	3	1
4/1/2010	-0.80	-1	3	-1
4/1/2009	3.53	3.5	3	3
4/1/2008	3.30	3.5	3	3
4/1/2007	4.26	4.5	3	3
4/1/2006	4.45	4.5	3	3
4/1/2005	3.31	3.5	3	3
4/1/2004	2.63	2.5	3	2.5
4/1/2003	2.76	3	3	3
4/1/2002	3.32	3.5	3	3
4/1/2001	3.31	3.5	3	3
4/1/2000	2.34	2.5	3	2.5
4/1/1999	1.44	1.5	3	1.5
4/1/1998	1.58	1.5	3	1.5

## **History of OCERS' Cost of Living Adjustments**



Molly Calcagno, ASA, MAAA, EA  
Senior Actuary  
T 415.263.8254  
M 415.265.6078  
mcalcagno@segalco.com

180 Howard Street  
Suite 1100  
San Francisco, CA 94105-6147  
segalco.com

January 15, 2026

Mr. Steve Delaney  
Chief Executive Officer  
Orange County Employees Retirement System  
2223 Wellington Avenue  
Santa Ana, CA 92701-3101

**Re: Orange County Employees Retirement System (OCERS)  
Cost-of-Living Adjustments (COLA) as of April 1, 2026**

Dear Steve:

We have determined the cost-of-living adjustments for the System in accordance with Section 31870.1, as provided in the enclosed exhibit.

Pursuant to Section 31870.1, the cost-of-living factor to be used by the System on April 1, 2026 is determined by comparing the annual average CPI<sup>1</sup> for All Urban Consumers for the Los Angeles-Long Beach-Anaheim Area (with 1982-84 as the base period), as published by the Bureau of Labor Statistics, in each of the past two years. The ratio of the past two annual indices, 342.676 in 2025 and 332.194 in 2024, is 1.0316. The County Law section cited above indicates that the resulting percentage change of 3.16% should be rounded to the nearest one-half percent, which is 3.0%.

Please note the above cost-of-living adjustment calculated using established procedures for OCERS may result in adjustments different from those calculated using alternative procedures by other systems.

The actual cost-of-living adjustment is independent of the date of retirement. The CPI adjustment to be applied on April 1, 2026 is provided in Column (4) of the enclosed exhibit. The COLA bank on April 1, 2026 is provided in Column (5).

Please give us a call if you have any questions.

Sincerely,

A handwritten signature in dark ink that reads "Molly Calcagno". The signature is fluid and cursive, with the first name "Molly" and last name "Calcagno" clearly distinguishable.

Molly Calcagno, ASA, MAAA, EA  
Senior Actuary

JT/bbf

Attachment

cc: David Kim  
Brenda M. Shott, CPA

<sup>1</sup> In the past, the annual average CPI has been calculated by the Bureau of Labor Statistics (BLS) by taking the sum of the CPI for each of the past 12 months and dividing that total by 12. While the October CPI would have been used in the calculation of the annual average CPI, the BLS has determined the annual average CPI for 2025 without the October 2025 CPI.

Exhibit

## Orange County Employees Retirement System Cost-of-Living Adjustment (COLA) as of April 1, 2026

All Members

(Section 31870.1 — Maximum Annual COLA of 3.0%)

Retirement Date	April 1, 2025 Accumulated Carry-Over (1)	2026 CPI Change <sup>1</sup> (2)	2026 CPI Rounded <sup>2</sup> (3)	2026 CPI Used <sup>3</sup> (4)	April 1, 2026 Accumulated Carry-Over <sup>4</sup> (5)
On or Before 04/01/1972	53.0%	3.16%	3.0%	3.0%	53.0%
04/02/1972 to 04/01/1974	52.5%	3.16%	3.0%	3.0%	52.5%
04/02/1974 to 04/01/1975	52.0%	3.16%	3.0%	3.0%	52.0%
04/02/1975 to 04/01/1976	46.5%	3.16%	3.0%	3.0%	46.5%
04/02/1976 to 04/01/1977	41.0%	3.16%	3.0%	3.0%	41.0%
04/02/1977 to 04/01/1978	37.5%	3.16%	3.0%	3.0%	37.5%
04/02/1978 to 04/01/1979	33.5%	3.16%	3.0%	3.0%	33.5%
04/02/1979 to 04/01/1980	28.5%	3.16%	3.0%	3.0%	28.5%
04/02/1980 to 04/01/1981	21.0%	3.16%	3.0%	3.0%	21.0%
04/02/1981 to 04/01/1982	10.5%	3.16%	3.0%	3.0%	10.5%
04/02/1982 to 04/01/2022	6.5%	3.16%	3.0%	3.0%	6.5%
04/02/2022 to 04/01/2023	5.5%	3.16%	3.0%	3.0%	5.5%
04/02/2023 to 04/01/2024	1.0%	3.16%	3.0%	3.0%	1.0%
04/02/2024 to 04/01/2025	0.5%	3.16%	3.0%	3.0%	0.5%
04/02/2025 to 04/01/2026		3.16%	3.0%	3.0%	0.0%

<sup>1</sup> Based on ratio of 2025 annual average CPI to 2024 annual average CPI for the Los Angeles - Long Beach - Anaheim Area.

<sup>2</sup> Based on CPI change rounded to nearest one-half percent.

<sup>3</sup> These are the cost-of-living adjustment factors to be applied on April 1, 2026.

<sup>4</sup> These are the carry-over of the cost-of-living adjustments that have not been used on April 1, 2026.



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Manuel D. Serpa, General Counsel  
**SUBJECT:** SACRS BOARD OF DIRECTORS ELECTIONS 2026-2027

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### Recommendation

Identify one or more nominees for the SACRS Board of Directors election to be conducted on May 15, 2026; and direct staff to submit the nomination(s) to the SACRS Nominating Committee on or before March 1, 2026.

### Background/Discussion

At the May 15, 2026, SACRS business meeting, SACRS will conduct the election for the SACRS Board of Directors for 2026-2027. The Board of Directors is comprised of the following positions:

- President
- Vice President
- Treasurer
- Secretary
- Two (2) Regular Members
- Immediate Past President

Attached is the timeline for the upcoming election.

As a regular member of SACRS, OCERS may submit nominations for the election of the SACRS Directors. Such nominations are to be submitted to the SACRS Nominating Committee and must be received by the Nominating Committee prior to the first business day after March 1 of each calendar year.

The purpose of this agenda item is for the Board to discuss and identify one or more nominees for the SACRS Board of Directors election to be conducted on May 15, 2026, and to direct staff to submit the nomination(s) to the SACRS Nominating Committee on or before March 1.

***In addition,*** individuals interested in serving on the SACRS Board of Directors may indicate their interest by completing and submitting the attached SACRS Nomination Submission Form, with a letter of intent. The form and the letter of intent must be submitted to the Nominating Committee no later than March 1, 2026.

Prior to March 25, the Nominating Committee will report a final ballot to each regular member County Retirement System. Staff will present the final ballot to the OCERS Board at its April 20, 2026, meeting so that the Board can give direction to the OCERS Voting Delegate on how to vote OCERS' proxy in the SACRS election.

### Attachments

- (1) SACRS Board of Directors Election 2026-2027 Information and Timeline
- (2) SACRS Nomination Submission Form

**Submitted by:**



MDS-Approved

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Manuel D. Serpa  
General Counsel



October 7, 2025

To: SACRS Trustees & SACRS Administrators/CEO's  
 From: David MacDonald, SACRS Immediate Past President, Nominating Committee Chair  
 SACRS Nominating Committee  
 Re: SACRS Board of Director Elections 2026-2027 - Elections Notice

SACRS BOD 2026-2027 election process will begin January 1, 2026. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2026	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2026	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 15, 2026	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 15, 2026	Board of Directors takes office for 1 year

**Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:**

**Section 1. Board of Directors.** *The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members*

**A. Immediate Past President.** *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

**B. Two (2) Regular Members.** *Two (2) regular members shall also be members of the Board with full voting rights.*

**Section 2. Elections of Directors.** *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

*The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25. The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of*





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*SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.*

*Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.*

*Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.*

The elections will be held at the SACRS Spring Conference May 12-15, 2026. Elections will be held during the Annual Business meeting on Friday, May 15, at the Everline Resort & Spa Lake Tahoe, Olympic Valley, CA.

If you have any questions, please contact David MacDonald at [dmacdcccera@gmail.com](mailto:dmacdcccera@gmail.com) or Sulema Peterson, SACRS Executive Director, at [sulema@sacrs.org](mailto:sulema@sacrs.org).

Thank you for your prompt attention to this timely matter.

Sincerely,

*David MacDonald*

David MacDonald, Trustee, Contra Costa CERA and SACRS Nominating Committee Chair

CC: SACRS Board of Directors  
SACRS Nominating Committee Members  
Sulema H. Peterson, SACRS Executive Director



Providing insight. Fostering oversight.

**SACRS Nomination Submission Form**  
**SACRS Board of Directors Elections 2026-2027**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2026.** Please submit to the Nominating Committee Chair at [dmacdcccera@gmail.com](mailto:dmacdcccera@gmail.com) AND to SACRS at [sulema@sacrs.org](mailto:sulema@sacrs.org). If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

<b>Name of Candidate</b>	Name:
<b>Candidate Contact Information</b> (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address:  Email Address:  Phone:
<b>Name of Retirement System Candidate Currently Serves On</b>	System Name:
<b>List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)</b>	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> <b>General Elected</b> <input type="radio"/> Retiree <input type="radio"/> Other _____
<b>Applying for SACRS Board of Directors Position (select only one)</b>	<input type="radio"/> President <input type="radio"/> <b>Vice President</b> <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
<b>Brief Bio in Paragraph Format</b> (CV format and screenshot photos will not be accepted)	



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** 2025 EMPLOYEE, MANAGER AND INNOVATOR OF THE YEAR

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### Presentation

#### Background/Discussion

At the close of each year the OCERS Senior Executives seek nominations from the entire OCERS team to help choose our Employee of the Year, our Manager of the Year, and so important to an agency striving for continuous improvement, our Innovator of the Year.

On February 18 I will share our 2025 winners, as chosen by the OCERS Senior Executive team from among our many nominees.

For **EMPLOYEE OF THE YEAR**, Mr. Peter Felix.

Some highlights from the various nominating memos submitted regarding on Mr. Felix:

“Peter is recognized for his outstanding support and dedication during the retirement busy season.

He consistently goes above and beyond by assisting outside of regular work hours, demonstrating patience, professionalism, and a strong willingness to troubleshoot any issue to ensure tasks are completed successfully. His support during critical moments allowed us to continue working and meet all deadlines during a particularly hectic period.

Peter’s actions reflect OCERS’ values in every way. He is Reliable and Accurate, demonstrates a Commitment to Superior Service, and fosters Open and Transparent communication through his helpfulness and collaboration. His kindness, expertise, and dedication make him a true example of OCERS values in action.

Thank you, Peter, for your dedication and for being such a supportive team member.”

For **MANAGER OF THE YEAR**, Ms. Irene Warkentine.

Some highlights from the various nominating memos submitted regarding on Ms. Warkentine:

“I am proud to nominate Irene because she consistently exemplifies the OCERS mission and values through her dedication to service excellence, integrity, teamwork, and a steadfast commitment to putting members first.”

"Irene is a dedicated, empathetic, and highly effective manager who always considers what is in the best interest of both our members and her team. She leads with fairness, kindness, and patience, creating an environment where staff feel supported, respected, and empowered to succeed."

"Since stepping into this role, Irene has truly hit the ground running. She seamlessly assumed oversight of complex and high-profile processes, maintaining accuracy and sound judgment while keeping day-to-day operations running smoothly."

"Under her leadership, our teams have become more cohesive, united, and collaborative. She listens to all perspectives, leads with transparency, and fosters a culture of teamwork, professionalism, and commitment to superior service."

"I really enjoy working for her, knowing I can go in and talk to her at any time. Her professionalism, approachability, and focus on unity make her an exceptional leader and a true example of OCERS values in action."

For **INNOVATOR OF THE YEAR**, Mr. Marcus Linture.

Some highlights from the various nominating memos submitted regarding on Mr. Linture:

"Marcus joined us full time this year as an intern and has hit the ground running from the start. He has contributed to the success of many projects and has brought forth many fresh ideas to improve what we do here at OCERS. He has also been instrumental in the efforts to integrate AI into our current systems. His studies in UCI focused on AI and that has allowed him to be up to date with the technology and apply that knowledge to setting up the AI infrastructure. In his short time here, Marcus has already brought forth many innovations to the IT Programming team and his work will begin to show to the rest of OCERS as roll out more AI and new technologies. I fully believe he deserves the Innovator of the Year award."

I will have the privilege of introducing each of our winners to the Board in person on February 18.

[Submitted by:](#)



**SD - Approved**

Steve Delaney  
Chief Executive Officer



## Memorandum

**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Mary-Joy Coburn, Director of Communications  
**SUBJECT:** STATUS UPDATE – AMERICA250 CAMPAIGN COORDINATION

### Background

Per the Board's direction, and at the request of Trustee Dewane, the Communications team reviewed the America250 campaign and assessed potential opportunities for OCERS to participate in and support this national initiative. The intent of this review is to identify appropriate, nonpartisan ways OCERS can align with America250 messaging and activities that remain consistent with OCERS' public mission and its member communications role.

### Discussion

Staff has initiated outreach to the America250 Public Relations Team to request guidance, messaging frameworks, and any available communications toolkits intended for government agencies. Currently, America250 does not have a publicly available toolkit or guidance specific to local government participation. A formal request has been submitted to their Public Relations Team for any resources, templates, or best practices that may support OCERS' participation.

Staff will continue to monitor the America250 website and official communications channels for updated guidance and messaging resources as they become available. Any relevant updates, recommended approaches, and potential opportunities for OCERS engagement will be shared with the Board at the next meeting.

In addition, staff has begun informal coordination with Mesa Water District to explore alignment opportunities and potential shared messaging related to America250, pending the availability of official guidance for public agencies.

### Submitted by:



MJC-Approved

Mary-Joy Coburn  
 Director of Communications

Source: America250.org

America250 Logo





## Memorandum

**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, CEO, and Manuel D. Serpa, General Counsel  
**SUBJECT:** TRUSTEE MEETING COMPENSATION LEGISLATION - UPDATE

### Background/Discussion

At the December 2025 regular meeting of the Board of Retirement, the Board approved the introduction of legislation to support new legislation to amend Government Code Section 31521 to permit a CERL system Board of Retirement to increase the compensation rate for meeting attendance by its fourth, fifth, sixth, eighth, and ninth members to a rate of not more than \$320.

We are happy to report that, at its January 21, 2026, Board meeting, the Contra Costa County Employees' Retirement Association (CCCERA) Board of Trustees voted to support the bill.

As a reminder, the existing code section states:

#### **§ 31521. Compensation of members; expenses**

The board of supervisors may provide that the fourth and fifth members, and in counties having a board consisting of nine members or nine members and an alternate retired member, the *fourth, fifth, sixth, eighth, ninth*, and alternate retired members, and in counties having a board of investments under Section 31520.2, the fifth, sixth, seventh, eighth, and ninth members of the board of investments, *shall receive compensation at a rate of not more than one hundred dollars (\$100) for a meeting, or for a meeting of a committee authorized by the board, for not more than five meetings per month, together with actual and necessary expenses for all members of the board.*

Gov. Code, § 31521 (emphasis added)

We have been informed that the legislation has been introduced as **Assembly Bill 1619 (attached)**. The bill was introduced by State Assemblyman Valencia and coauthored by State Assemblyman Chen. The exact language to be used is subject to change.

Assemblyman Valencia's office composed the following version, which does not include a mechanism for future increases but allows a Board of Retirement to increase the compensation rate to \$320:

#### **§ 31521. Compensation of members; expenses**

(a) The board of supervisors may provide that the fourth and fifth members, and in counties having a board consisting of nine members or nine members and an alternate retired member, the fourth, fifth, sixth, eighth, ninth, and alternate retired members, and in counties having a board of investments under Section 31520.2, the fifth, sixth, seventh, eighth, and ninth members of the board of investments, shall receive compensation at a rate of not more than one hundred dollars (\$100) for a meeting, or for a meeting of a committee authorized by the

board, for not more than five meetings per month, together with actual and necessary expenses for all members of the board..

(b) The compensation rate established by the board of supervisors pursuant to subdivision (a) may be increased by the board of retirement to a rate of not more than three hundred twenty dollars (\$320). This subdivision shall not be operative in any county until it is adopted by a majority vote of the board of supervisors.

Gov. Code, § 31521

We will keep the Board advised of the bill's progress.

**Submitted by:**



SD-Approved

---

Steve Delaney  
CEO

**Submitted by:**



MDS-Approved

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Manuel D. Serpa  
General Counsel



CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1619**

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**Introduced by Assembly Member Valencia  
(Coauthor: Assembly Member Chen)**

January 21, 2026

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An act to amend Section 31521 of the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1619, as introduced, Valencia. County employees' retirement: administration.

Existing law, the County Employees Retirement Law of 1937, authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees and their beneficiaries. Existing law sets forth the membership composition for boards of retirement and boards of investment, as specified. Existing law authorizes the board of supervisors for counties for which these provisions apply to provide that certain members of these boards shall receive compensation at a rate of not more than \$100 for a meeting or for a meeting of a committee authorized by the entire board.

This bill would authorize the above-described compensation rate to be increased by the board of retirement to not more than \$320 per meeting, and would provide that this provision would not be operative in any county until it is adopted by a majority vote of the board of supervisors.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

AB 1619

— 2 —

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 31521 of the Government Code is  
2 amended to read:  
3 31521. (a) The board of supervisors may provide that the  
4 fourth and fifth members, and in counties having a board consisting  
5 of nine members or nine members and an alternate retired member,  
6 the fourth, fifth, sixth, eighth, ninth, and alternate retired members,  
7 and in counties having a board of investments under Section  
8 31520.2, the fifth, sixth, seventh, eighth, and ninth members of  
9 the board of investments, shall receive compensation at a rate of  
10 not more than one hundred dollars (\$100) for a meeting, or for a  
11 meeting of a committee authorized by the board, for not more than  
12 five meetings per month, together with actual and necessary  
13 expenses for all members of the board.  
14 (b) *The compensation rate established by the board of*  
15 *supervisors pursuant to subdivision (a) may be increased by the*  
16 *board of retirement to a rate of not more than three hundred twenty*  
17 *dollars (\$320). This subdivision shall not be operative in any*  
18 *county until it is adopted by a majority vote of the board of*  
19 *supervisors.*

O



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Darren Dang, OCERS Chief Technology Officer  
**SUBJECT:** AI TOOLS FOR OCERS BOARD

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### Recommendation:

Receive and file

### Background/Discussion

“AI Tools for OCERS Board” is intended to provide a practical, governance-focused overview of how modern artificial intelligence (AI) tools—such as Microsoft 365 Copilot and similar technologies—can be used safely and effectively by OCERS Board members in the course of their duties.

The purpose of this presentation is not to advocate for automated decision-making, but rather to demonstrate how AI tools can assist Board members with **understanding complex materials, identifying risks and options, organizing information, and formulating informed questions**, while preserving the Board’s essential role in judgment, oversight, and accountability.

Key themes covered include:

- A plain-language explanation of AI concepts and limitations relevant to fiduciary oversight
- Practical, board-relevant use cases (e.g., summarizing reports, researching policy questions, analyzing data trends, and drafting communications)
- Prompting best practices designed to reduce errors and increase transparency
- Safety, privacy, and governance considerations, including appropriate boundaries for use of AI tools with OCERS information

The overarching message is that **humans remain accountable for decisions**, while AI—when used thoughtfully—can help accelerate preparation, comprehension, and oversight activities.

The goal for this session is for Board members to leave with a small set of practical prompts and a clear framework for using AI tools responsibly, should they choose to do so.

Respectfully submitted,

Darren Dang  
Chief Technology Officer  
Orange County Employees Retirement System  
[ddang@ocers.org](mailto:ddang@ocers.org)

2011



# AI Tools for the OCERS Board

Practical ways to use Copilot-style tools — safely and effectively

February 18, 2025

Darren Dang | CTO



## Agenda

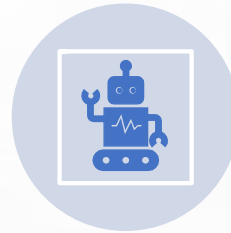
- Paradigm Shift
- Terminology
- Examples
- Prompting Best Practices
- Projects in the pipeline



## Shift in Mindset



AI is **probabilistic**, not deterministic — treat outputs as “best guesses,” then verify.



AI = augmented intelligence (a **copilot**), not a replacement for judgment.



**Conversational:** LLMs changed the interface: we can talk to software in plain language.



AI will **reshape** how people work \*with\* AI — the question is “how,” not “if.”

**Goal for today: leave with 5 board-relevant prompts + a safe way to use them.**



## Terminology



AI: software that performs tasks that normally require human judgment.



Generative AI: creates new text, summaries, drafts, code, images.



LLM (Large Language Model): predicts the most likely next word based on patterns.



Copilot: AI embedded in work tools (Word, Excel, Outlook, Teams) with permissions.



Grounding: using approved data (documents/email/meetings) to answer.



Hallucination: confident-sounding output that can be wrong.



Prompt: your instruction to the AI.



Agent: a specialized helper that follows rules/workflows and can take actions.





## The “Very Smart Intern” Model

Great at drafts, summaries, first-pass analysis, and generating options.

Needs clear direction, context, and examples of what “good” looks like.

Will sometimes be wrong — our job is to review and verify.

Gets better through conversation: “make it shorter,” “add sources,” “compare options.”

### DO

- Provide context and constraints
- Ask for citations / sources
- Verify against the record

### DON'T

- Treat output as authoritative
- Settle if the initial response isn’t exactly what you want
- Use unapproved tools for OCERS data





## Board Relevant Use Cases:



Briefing prep: "Summarize this memo and list relevant questions I should consider asking."



Board packet digestion: "Create a 1-page brief with key decisions, risks, and dependencies."



Policy comparisons: "Compare Policy A vs Policy B — what changed and why it matters."



Meeting catch-up: "Summarize decisions and action items from the meeting."



Scenario thinking: "List plausible scenarios and what indicators to watch for."

**Pattern: use AI for \*understanding, options, and questions\* — not final decisions.**



## Safety, Privacy, and Trust



Assume AI can be wrong → ask for sources, cross-check against the packet/record.



Keep sensitive data protected: avoid pasting SSNs, medical info, or confidential member data.



Use approved work tools (Copilot) for OCERS content so permissions and auditing apply.



For public statements: treat AI as a drafting tool; final language must be human-reviewed.



If unsure: ask “What assumptions did you make?” and “What would change your answer?”

**Good governance: humans stay accountable; AI accelerates the work.**



## Example 1: Summarize a Report

**Prompt:**

You are my board briefing assistant. Summarize this report into:

1) 5 key takeaways, 2) 3 risks/responsibilities, 3) 5 questions for the presenter.

Keep it to one page and cite sections/pages when possible.

Use when you have a long memo/report and limited time.

Follow-up: "Now rewrite as a 60-second verbal briefing."

Follow-up: "Highlight any assumptions or missing data."



## Example 1: Summarize MIT AI Report

### 1. AI adoption is high, but value creation is rare

Despite ~\$30–40B in enterprise GenAI investment, **95% of organizations see zero measurable P&L impact**; only ~5% of pilots reach production and generate material value. This sharp split is termed the “**GenAI Divide**.” (Exec Summary, pp. 3–4; §3.2, pp. 6–7)

### 2. The divide is driven by *learning*, not models, regulation, or infrastructure

Most GenAI tools fail because they **do not retain memory, adapt to workflows, or improve over time**. Organizations that cross the divide deploy learning-capable, workflow-embedded systems. (Exec Summary, p. 3; §4, pp. 10–14)

### 3. Generic tools succeed with individuals, but fail at enterprise scale

Tools like ChatGPT and Copilot are widely used (90%+ employee usage), yet primarily boost **individual productivity**, not operational or P&L outcomes. Custom enterprise tools stall due to brittleness and poor workflow fit. (Exec Summary, p. 3; §3.2–3.3, pp. 6–8)

### 4. Investment is misallocated toward visible functions, not highest Return on Investment (ROI)

~50–70% of GenAI budgets flow to sales and marketing because outcomes are easy to measure, while **back-office automation (finance, procurement, ops)** often delivers faster payback and larger cost savings. ( §3.4, pp. 9–10; §6.3, pp. 20–21)

### 5. Buying and partnering beats building

Externally partnered deployments are **~2× more likely to reach production** than internal builds, and see higher usage and faster time-to-value. Successful buyers act like BPO clients, not SaaS customers. (§3 Exec Summary, p. 3; §6.1–6.2, pp. 19–20)



## Example 2: Educational / Chronology

### Prompt:

Create a concise timeline (10–12 bullets) of Board decisions on topic XYZ over the last five years. For each bullet: year, date of meeting, and key decision. Provide citations/links.

Use for quick background on unfamiliar topics before a discussion.

Board habit: ask for 2–3 credible sources, then spot-check one item.

If citations are missing: “Redo with sources and mark uncertainty.”



## Example 3: Research a Question

Prompt (work data only):

Search our policies/procedures and summarize where SSNs are used today, why they're used, and alternatives (e.g., tokenization or member IDs). Return: a table with 'process', 'system', 'reason', 'risk', 'potential alternative'. Do NOT include any real SSNs.

This is a “board oversight” pattern: map where sensitive data appears  
Ask for evidence: “Cite the policy or system documentation for each row.”



## Example 4: Analyze Data

Prompt (Excel/table):

Analyze this contributions vs. benefits dataset by quarter for the last 5 years. Identify 3 trends, 2 anomalies, and 2 questions we should consider asking. Create one simple chart and a 5-bullet executive summary.

Best for: trends, anomalies, comparisons, and turning tables into a narrative.

Control: specify the time window, definitions, and the chart you want.



## Example 5: Taxonomy (organize info)

Taxonomy = a logical organization of information so people can find what they need.

AI can propose a first taxonomy from a set of documents, then humans refine it.

Prompt:

Review these governance and board documents and propose a taxonomy with 6–10 top-level categories. For each category: definition, example documents, and tags/keywords. Also suggest where this taxonomy would show up in a board portal search experience.





## Example 6: Draft Communication

### Prompt:

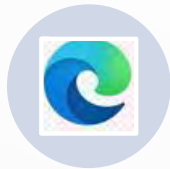
Draft a member-facing letter announcing a process change. Tone: clear, respectful, non-technical. Create 3 variants: (1) short email, (2) formal letter, (3) FAQ. Highlight any statements that require legal/compliance review.

AI helps with tone, readability, and variants; humans own accuracy and approvals.





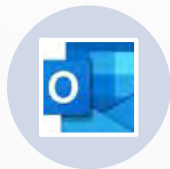
## Ways to Access CoPilot



**Microsoft 365 Copilot Chat (browser)** — ask questions, summarize, research.



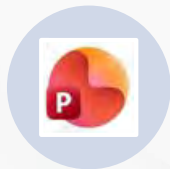
**Teams** — recap meetings, summarize threads, ask questions in context.



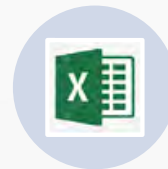
**Outlook** — draft, summarize, and improve emails.



**Word** — draft, rewrite, summarize documents.



**PowerPoint** — turn an outline into slides (and refine).

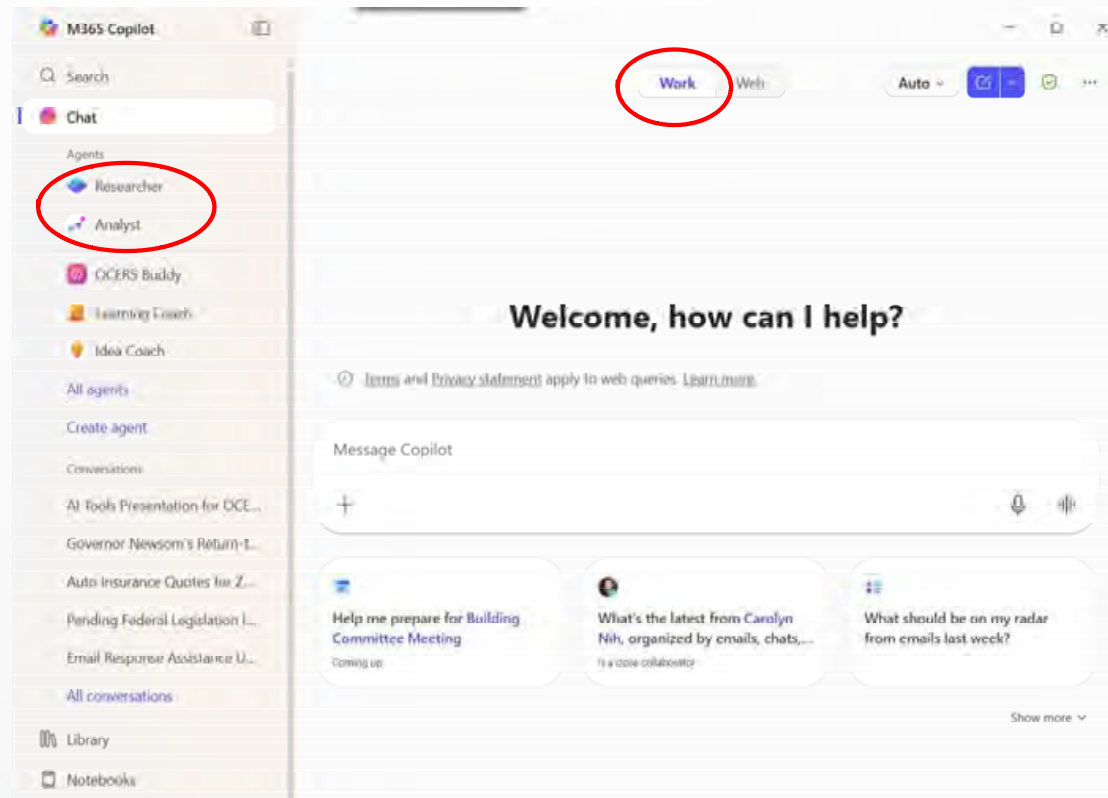


**Excel** — analyze tables, trends, and create charts.





## Microsoft m365 CoPilot





## Researcher vs. Analyst

**Researcher = Librarian**

**Analyst = Engineer / Scientist**

Dimension	Research	Analyze
Primary goal	Find information	Reason about information
External sources	Heavy use	Minimal / none
Citations	Common	Rare
Math & Logic	Light	Heavy
Speculation	Avoided	Allowed
Best for	"What is known?"	"What does it mean?"



## Anatomy of a Good Prompt



### Clarity

Be direct about what you want.

Avoid vague terms like “tell me about” unless you want a broad overview.

Example: Instead of “Explain AI”, use “Explain how AI is used in XYZ for court systems.”



### Context

Provide background so the answer is tailored to your needs.

Mention audience, purpose, or constraints.

Example: “Summarize this in plain English for a member of the public unfamiliar with technical terms.”



### Constraints

Add boundaries on format, length, or style.

Example: “List 5 key risks in bullet points, each under 15 words.”

This prevents overly long or unfocused replies.



### Creativity

If you want alternatives or multiple perspectives, ask for them.

Example: “Give me three different approaches: conservative, balanced, and aggressive.”





## Black Belt Prompting

### Role Prompting

#### Role prompting:

- "Act as a CTO preparing a presentation to the OCERS Board."

### Step Prompting

#### Step prompting:

- "Break this into three steps: identify risks, propose mitigations, give success measures."

### Format Prompting

#### Format prompting:

- "Answer in a 2x2 matrix comparing cost vs. benefit."



## Other Example Use Cases

### Typical Business Use Cases

- **Legislative Analysis** - ERISA impact analysis
- **chatGPT on chatGPT:** How can each department use chatGPT today
- **How to minimize hallucinations:** what to include in prompt instructions to minimize hallucination
- **HR / Organization Development:** Prompt Engineering Training
- **AI interest and engagement:** AI Bytes engagement ideas
- **Advocacy** - letter to DC legislative delegation
- **Board Buddy** - on large repositories of information such as policies and procedures
- **Information Security:** compare our existing Rapid7 vs Splunk, Security Information and Event Management
- **Finance:** Martus budgeting software vs other alternatives

### Other Fun Use Cases

- **Building Design** idea generation- indoor / outdoor space
- **Simple Benefits Calculation:** retirement calculation, final average salary
- **CTO Pension Networking:** which forward thinking peers to connect with
- **Taxonomy / Summarization:** synthesize 1 page product summary from 38 page AI wish list
- **Visioning Best Practices** - extracting best practices from CTO candidate vision presentations
- **IT positions justification to Personnel Committee**
- **Communications / PR:** generate ideas for 80th anniversary, OCERS by the numbers report
- **Website redesign:** analyze agenda for mtg on organizational web site refresh and suggest next steps



## In The Works



Board Buddy / Board  
Concierge



AI Data Agent



AI Business Rules &  
Calculation Workflow Engine



## Summary

### How Copilot can Help You Day-to-Day

- **Spend less time** drafting routine emails and documents
- **Summarize** long threads or meetings into clear takeaways
- **Analyze** data without complex formulas
- **Create** polished content from rough ideas
- **Reduce** time spent on rework, formatting and manual tasks



thank you

ddang@ocers.c

**Retirement Board Meeting****February 18, 2026****Application Notices**

MEMBER NAME	AGENCY/EMPLOYER	RETIREMENT DATE
ACOSTA, LARRY	OC Community Resources	11/29/2025
ANDERSON, BRENT	Fire Authority (OCFA)	12/12/2025
ARELLANO, ELIZABETH	Social Services Agency	11/29/2025
BLAKESLEY, GRANT	Fire Authority (OCFA)	12/12/2025
BOWLING, JUDY	Public Defender	11/28/2025
BOWMAN, TRACY	OCERS	1/9/2026
BRODEUR, SUSAN	OC Community Resources	11/30/2025
BUTUROAGA, DANIELA	Superior Court	12/12/2025
COLOMAN, JEFFREY	Registrar of Voters	12/12/2025
CONDE, PATRICIA	Superior Court	12/12/2025
CORDOVA, PAUL	Child Support Services	12/12/2025
DANIELS, SHANNON	Sheriff's Dept	12/12/2025
DAVIDSON, LORRAINE	Probation	12/19/2025
DIZON, CRISTINA	Child Support Services	12/12/2025
DO, KATRINA	Health Care Agency	11/12/2025
DOEZIE, JAMES	OCERS	12/12/2025
FREEMAN, JACQUELINE	Public Defender	12/5/2025
GONDO, BARBARA	County Executive Office (CEO)	12/12/2025
GREEN, KRISTOFER	OC Public Works	11/30/2025
GUEVARA, CONNIE	Social Services Agency	12/12/2025
HAIRSTON, JEFFREY	Probation	12/2/2025



**Retirement Board Meeting**  
**February 18, 2026**  
**Application Notices**

HARPSTER, JENNIFER	Superior Court	12/12/2025
HOLLAND, KIMBERLY	Social Services Agency	12/12/2025
JONES, CHRISTOPHER	Probation	12/12/2025
MALIJEN, ANNETTE	Health Care Agency	12/2/2025
MARTINEZ, ELENA	Auditor Controller	12/12/2025
MASHBURN, LISA	Social Services Agency	11/28/2025
MCWHIRTER, WANDA	Superior Court	11/25/2025
MIRANDA, JAMES	Probation	11/29/2025
MOORE, MARIA	Health Care Agency	12/12/2025
NASSER, JEFFREY	Sheriff's Dept	12/12/2025
NEW, CAROL	Health Care Agency	12/12/2025
RAMEY, KEVIN	OC Sanitation	12/12/2025
ROSALES, JULIE	Social Services Agency	12/5/2025
ROSSMEISI, PATRICIA	Child Support Services	10/23/2025
SALDANA, DIANA	County Clerk Recorder	12/15/2025
SANCHEZ, GABRIELA	OCTA	12/14/2025
SCHELLER, LATREIA	Sheriff's Dept	12/5/2025
SILVA, SELMA	Health Care Agency	8/8/2025
SOTOELO, MIGUEL	Sheriff's Dept	12/12/2025
STELL, ERIC	Sheriff's Dept	12/12/2025
STEPHENS, JAMES	Sheriff's Dept	12/5/2025
SUSANA, FNU	Social Services Agency	12/12/2025

**Retirement Board Meeting****February 18, 2026****Application Notices**

TILLMAN, VALERIE	Treasurer Tax Collector	12/5/2025
TING, PETER	John Wayne Airport	12/18/2025
TOULOUSE, TINA	Social Services Agency	12/12/2025
VASQUEZ, ROBERT	OC Public Works	10/1/2025
WARD, ROBERT	Health Care Agency	11/29/2025
WU, SUZY CHUN-CHEN	Auditor Controller	11/29/2025



## Retirement Board Meeting

February 18, 2026

### Death Notices

ACTIVE DEATHS	AGENCY/EMPLOYER
GARDUNO, MARTHA	Social Services Agency
GROBLER, JOHAN	County Executive Office (CEO)

RETIRED MEMBERS	AGENCY/EMPLOYER
ABRIL, ELFIERCHIE	Health Care Agency
ALBARRISHI, BASHAR	OCTA
ALDRIDGE, WILLIAM	Sanitation District
BATES, MARGERY	OC Community Resources
BLEVANS, CAROL	Social Services Agency
BOEKER, GARY	OCTA
BUI, HUNG	Superior Court
BUSHMAN, JOHN	County Executive Office (CEO)
CARDONA, DANIEL	Sanitation District
CARPENTER, JOAN	Social Services Agency
CARTER, JOHNNIE	Superior Court
CHAN, WINSTON	Sheriff's Dept
CHUNG, JONG	Assessor
COLLINS, PATRICIA	Social Services Agency
DUFRESNE, JOHN	Health Care Agency
FULLER, PAUL	Health Care Agency
GUARDIOLA, ALFREDO	OC Public Works
HOUSE, REATA	Department of Education
KEHLER, HAROLD	Health Care Agency
KEOGH, LAURIE	OC Community Resources
KONGCHAN, RUNGSIT	OCTA
LE, JOHN	Auditor Controller
LEWIS, MARILYN	OCTA
LISTER, PATRICIA	Sheriff's Dept
MAES, MARGARITA	Social Services Agency
MARTIN, PHILIP	OCTA
MAZUREK, DARRYL	Social Services Agency
MCCLELLAN, PEGGY	Social Services Agency
MOBLEY, RANDALL	Sheriff's Dept
NEFF, PAULA	OC Community Resources
NGUYEN, LAN	Auditor Controller
NGUYEN-VOSS, PHI-PHONG	Health Care Agency
NORLEEN, HELEN	Superior Court
OHARA, CLARENCE	OC Public Works
PAPP, CHRISTINE	Assessor
PLACE, PATRICIA	Health Care Agency



## Retirement Board Meeting

February 18, 2026

### Death Notices

PRINGLE, STANLEY	Social Services Agency
RAZO, REBECCA	Health Care Agency
RUIZ, ELIZABETH	Health Care Agency
RUIZ, GREGG	Sheriff's Dept
SANTANA, LILIA	Health Care Agency
SOLLIS, LINDA	Assessor
SPIKER, DAYTON	Sheriff's Dept
TERRY, ARLENE	OCTA
WELDON, LINDA	Clerk Recorder
YOUNG, DAVID	OCTA

SURVIVING SPOUSES	
ADCOCK AQUECHE, GLORIA	
BAIR, RUSSELL	
BUI, TRANG	
JACOBS, BONNIE	
SCHLESINGER, JANET	
SCHLOTHAUER JAMES, PAT	
SOLORIO, JOSEPHINE	

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CALIFORNIA**

**BUILDING COMMITTEE MEETING  
Tuesday, December 2, 2025  
9:30 A.M.**

**MINUTES**

Chair Lindholm called the meeting to order at 9:32 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Wayne Lindholm, Chair; Jeremy Vallone, Vice Chair; Adele Lopez Tagaloa, Board Member; Arthur Hidalgo, Board Member

Also Present: Brenda Shott, Assistant CEO, Finance and Internal Operations; Manuel Serpa, General Counsel; Darren Dang, Chief Technology Officer; General Counsel; Fong Tse, Sr. Manager of Facilities and Operations Support Services; Iriss Barriga, Board Member; Deryl Robinson, Griffin Structures; Tristen Nichols, Griffin Structures; John Rochford, Snyder Langston; Adam Schneider, Snyder Langston; Zenith DeRosier, Snyder Langston; Peter Barsuk, Gensler; Nick Acevedo, Gensler; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary

**PUBLIC COMMENT**

None.

**CONSENT AGENDA**

**C-1 COMMITTEE MEETING MINUTES:**

Building Committee Meeting Minutes

July 30, 2025

**Recommendation:** Approve minutes.

A **motion** was made by Ms. Lopez Tagaloa, **seconded** by Mr. Hidalgo, to approve the minutes.

The motion passed **unanimously**.

**ACTION ITEMS**

**A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA**

No items were trailed from the Consent Agenda.



**A-2 REPLACEMENT HEADQUARTERS PROJECT – PROJECT FEATURES SELECTION**

*Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations, OCERS*

**Recommendation:**

1. Approve the total allowance to be included in the Guaranteed Maximum Price (GMP) for the public plaza.
2. Provide direction on the perforated metal screen graphics.
3. Provide direction on the height of the outdoor flagpole.
4. Verify the value engineering decision made related to terrace doors

After discussion, a **motion** was made by Mr. Vallone, **seconded** by Ms. Lopez Tagaloa, to approve the expected outcomes below as discussed.

1. The Committee approved the total allowance of \$1.13 million to be included in the Guaranteed Maximum Price (GMP) for the public plaza.
2. The Committee provided direction to leave the allowance for graphics on the perforated metal screen in the GMP and to discuss the options for the graphics at a future Building Committee meeting.
3. The Committee provided direction to leave the height of the outdoor flagpole at 35 feet, making no changes to the GMP.
4. The Committee verified the value engineering decision made related to the terrace doors.

The motion passed **unanimously**.

*The Committee adjourned to Closed Session at 9:53 A.M.*

**CLOSED SESSION**

**E-1 THREAT TO THE SECURITY OF A PUBLIC BUILDING (Government Code Section § 54957)**

*Consultation with General Counsel, VP, Sr. Program & Construction Manager from Griffin Structures and Advisor from Snyder Langston*

**Recommendation:** Take appropriate action.

**E-2 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code Section § 54956.8)**

Property: 1200 N. Tustin Ave., Santa Ana, CA 92705

Agency negotiator: Brenda Shott

Negotiating parties: All existing tenants under lease at the above-noted property.

Under negotiation: Price and payment terms of lease, lease renewal, or lease renegotiation.

**Recommendation:** Take appropriate action.

*The Committee returned from Closed Session at 10:08 A.M.*

*Recording Secretary administered the Roll Call attendance.*

Orange County Employees Retirement System  
December 2, 2025  
Building Committee Meeting – Minutes

Page 3

**REPORT OF ACTIONS TAKEN IN CLOSED SESSION** - Mr. Serpa noted there was no reportable action for item E-1 and that item E-2 was not discussed.

**ACTION ITEMS**

**A-3 REPLACEMENT HEADQUARTERS PROJECT – GUARANTEED MAXIMUM PRICE**

*Presentation by Brenda Shott, Assistant CEO, Finance and Internal Operations, OCERS*

**Recommendation:**

1. Approve and recommend the Board of Retirement approve the Guaranteed Maximum Price (GMP) of \$63,741,516 as proposed by the Headquarters Project (Project) Design Build Entity (DBE), Synder Langston.
2. Approve and recommend the Board authorize staff to negotiate an amendment to the DBE contract for the Development Phase of the Headquarters project reflecting the approved GMP.

After discussion, a **motion** was made by Ms. Lopez Tagaloa, **seconded** by Mr. Vallone, to approve and recommend that the Board of Retirement approve the Guaranteed Maximum Price (GMP) of \$63,741,516 as proposed and authorize staff to negotiate an amendment to the DBE contract for the Development Phase of the Headquarters project reflecting the approved GMP.

The motion passed **unanimously**.

**COMMITTEE MEMBER/CHIEF EXECUTIVE OFFICER/COUNSEL/STAFF COMMENTS**

None.

**ADJOURNMENT**

Chair Lindholm **ADJOURNED** the meeting at 10:22 A.M.

Submitted by:

Submitted by:

Approved by:

\_\_\_\_\_  
Brenda Shott  
Staff Liaison to the Committee

\_\_\_\_\_  
Steve Delaney  
Secretary to the Committee

\_\_\_\_\_  
Jeremy Vallone  
Chair



## Memorandum

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**DATE:** February 3, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Brenda Shott, Assistant CEO, Finance and Internal Operations  
**SUBJECT:** NEW HEADQUARTERS ACTIVITY REPORT

---

### Written Report

#### Background/Discussion

This memo provides the monthly status update on the OCERS Replacement Headquarters Project for January 2026, highlighting key developments, recent decisions, and upcoming milestones.

#### Design Development Updates

- **Cellular Tower Relocation**

Coordination with Verizon and its agents continues to move forward. Temporary and permanent tower relocation plans were submitted to the City of Santa Ana Planning Department on October 23, 2025. The City approved the land use certificate for the temporary site on December 22, 2025. Verizon has revised plans and has made an appointment to submit them to the Building Division for technical plan check.

Relocation of the cellular tower remains a critical-path activity and presents schedule risk if permits for the temporary tower are not secured within the next month. The team is prioritizing this effort to maintain progress.

- **Construction Documents**

Building permits are anticipated to be received in February. Approvals from OCFA have been received. Upon issuance of permits, the construction documents will be finalized as the 100% Final Construction Set.

Per the Building Committee Charter, staff will return to the Committee for a recommendation to seek Board approval of the Final Construction Set.

Griffin Structures continues to coordinate dry utility design and permitting.

- **Development Phase Amendment**

The final GMP was approved by the Board on December 15, 2025. The contract amendment has been executed, and the Notice to Proceed has been issued. Snyder Langston has begun to award the subcontracts to the various trades.

- **Public Plaza Design and Metal Screen Graphics**

As the project advances, the team is preparing to refine the plaza design and metal panel screen elements to ensure alignment with both project vision and budget targets. Once the relevant subcontractors have been formally brought onto the project, staff and the design team will convene

meetings with these subcontractors to explore value-driven modifications to bridge the gap between the current base design included in the construction documents and the design that included all the desired features but was above the allotted budget. The purpose of these discussions will be to identify cost-efficient design adjustments that maintain aesthetic goals while bringing the plaza scope into the targeted budget range. Revised plaza design concepts resulting from these meetings will be presented to the Building Committee for review and feedback.

In parallel, staff will be conducting site visits to locations featuring architectural metal panel graphics to evaluate a range of design approaches. Working collaboratively with Gensler, the project team will use these observations to develop refined metal panel screen concepts. These ideas will also be presented to the Committee for discussion at a future meeting.

#### **Furniture, Fixtures, and Equipment (FF&E)**

The team has narrowed the furniture vendor selection down to two finalists. Each firm submitted proposals offering a range of solutions for workstations, offices, and conference rooms. In addition, OCERS employees were invited to sample each firm's "best-selling" chairs and to complete a survey related to sample boards provided to share their opinion on color palettes, upholstery quality, wood/laminate look and feel, and overall material quality. Staff is in the final steps of finalizing the review and analysis of the proposals, survey results, and reaching out to references. Both firms have existing cooperative agreements that were competitively procured by the County of Orange that OCERS intends to leverage for the purchase of all the furniture for the new building.

#### ***Insurance***

To mitigate risks associated with loss or damage to the project from perils such as fire, vandalism, theft, and earthquake, the Project Team has been evaluating the approach for procuring and binding a Builder's Risk insurance policy. As part of this process, the team also reviewed the insurance coverages carried by the Design-Build Entity (DBE) and its subcontractors.

Under the contract requirements, the DBE and its subcontractors are responsible for maintaining all standard contractor-provided insurance necessary to perform the work. This includes, but is not limited to:

- Commercial General Liability (CGL)
- Performance Bond
- Sub Contractor Default
- Automobile Liability
- Workers' Compensation and Employer's Liability
- Professional Liability for design-related disciplines

These contractor-provided policies ensure coverage for their operations, personnel, and equipment; however, they do not ensure the project improvements themselves during construction. For that reason, the Project Team evaluated whether the Builder's Risk policy should be carried by the DBE or the Owner and also analyzed whether all coverage could be consolidated under an Owner Controlled Insurance Program (OCIP).

Alliant, OCERS’ insurance broker, delivered a comprehensive presentation on the structure, costs, and benefits of an OCIP to staff and members of the Project Team. After careful evaluation and discussion, it was determined that an OCIP would **not** be cost-effective given the size and nature of the headquarters project. Accordingly, the Project Team recommends procuring a stand-alone Owner-purchased Builder’s Risk policy to ensure appropriate protection of the project’s physical assets during construction.

In accordance with the Building Committee Charter, Board approval is required for the procurement of the Builder’s Risk coverage. Staff is actively working with Alliant to finalize a proposal and anticipates bringing the requested action to the Board for consideration in the coming months.

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**Upcoming Activities and Key Dates**

- **February 2026** OCFA training exercises at the Medical Office Building before abatement
- **February 2026** – Target start of abatement of the Medical Office Building
- **February 2026** – Target installation of temporary cellular site and begin demolition of existing cellular tower
- **February 2026** -Target issuance of required permits
- **April 2026** – Target completion of demolition and official start of construction

**Attachments:**

1. OCERS HQ Monthly Project Status Report for January 2026 from Griffin Structures
2. Summary project schedule

**Submitted by:**



**BMS - Approved**

Brenda Shott  
Assistant CEO, Finance and Internal Operations



## OCERS Headquarters Building

### Monthly Project Status Report

January 31, 2026



### Schedule

#### OCERS Headquarters Schedule

Jan-26

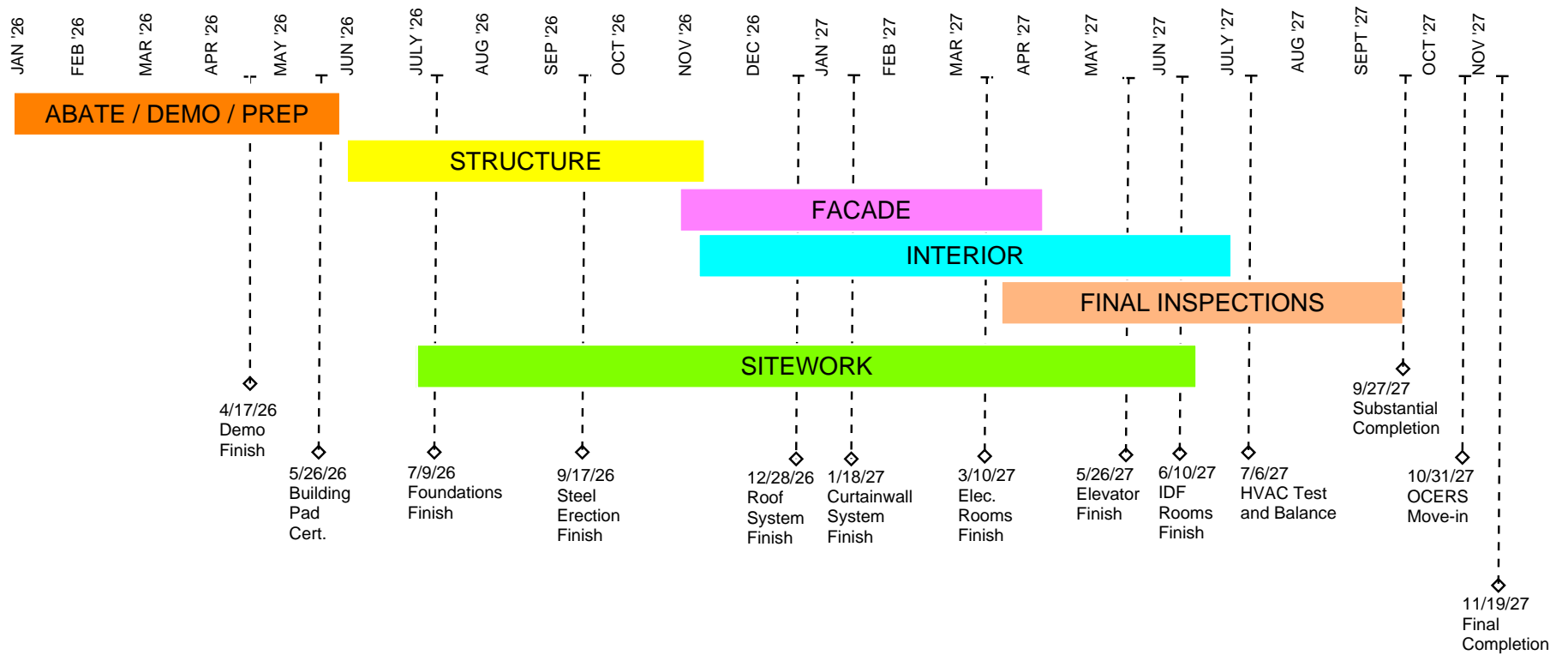
Task	Feb	Mar	Apr	May	Jun
Plan check and permit					
MOB demolition					
Commence construction					
Construction					

### Monthly Summary of Activity

During the Month of January 2026, the project team completed the following on the OCERS new headquarters Project:

- Continued to meet with Verizon and continued support to get city approval on the Verizon temp and permanent sites.
- Continued to advance utility applications and coordination.
- Continued to advance plans through agency plan check.
- Finalized Snyder Langston GMP.
- Reviewed and approved several subcontractor authorization letters from Snyder Langston.

## OCERS HEADCUARTERS PROJECT - DEVELOPMENT PHASE CONSTRUCTION





## Memorandum

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DATE: February 18, 2026  
TO: Members of the Board of Retirement  
FROM: Steve Delaney, Chief Executive Officer  
SUBJECT: **CEO FUTURE AGENDAS AND 2026 OCERS BOARD WORK PLAN**

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### Written Report

#### AGENDA TOPICS FOR THE OCERS BOARD OF RETIREMENT

##### MARCH 2026

- STAR COLA Final Approval
- GFOA Awards
- Semi Annual Business Continuity Disaster Recovery Updates
- Quarterly Unaudited Financial Statements
- Quarterly Budget vs Actual Report
- Quarterly Travel and Training Expense Report
- CIO Comments

##### APRIL 2026

- Ethics Training
- SACRS Board of Directors Election
- Quarterly 2026-2028 Strategic Plan Review
- CIO Comments

##### MAY 2026

- Preliminary December 31, 2025 Valuation
- Review of OCERS Multiple Plans
- Quarterly Unaudited Financial Statements
- Quarterly Budget vs Actual Report
- Quarterly Travel and Training Expense Report

##### Submitted by:



**SD - Approved**

Steve Delaney  
Chief Executive Officer



## OCERS RETIREMENT BOARD - 2026 Work Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
<b>System Oversight</b>	Receive Quality of Member Services Report (I)	Approve 2026 COLA (A)	Approve 2026 STAR COLA (A)	SACRS Board of Directors Election and Business Meeting Direction (A)	Preliminary December 31, 2025 Valuation (I)	Approve December 31, 2025 Actuarial Valuation & Funded Status of OCERS (A)	Approve Early Payment Rates for Fiscal Year 2026-28 (A)	Receive OCERS by the Numbers (I)	Strategic Planning Workshop (I)	Approve 2027-2029 Strategic and Business Plan (A)	Approve 2026 Administrative (Operating) Budget (A)	
	Receive OCERS Innovation Report (I)	Initial STAR COLA Posting (I)	Quarterly Unaudited Financial Statements (I)	Quarterly 2026-2028 Strategic and Business Plan Review (I)	Quarterly Unaudited Financial Statements (I)	Approve 2025 Annual Comprehensive Financial Report (A)	Quarterly 2026-2028 Strategic and Business Plan Review (I)	Receive Evolution of the UAAL (I)	State of OCERS (I)	SACRS Business Meeting Direction (A)	Annual CEO Performance Review and Compensation (A)	
	Annual Disability Statistics (I)	Annual Overpaid And Underpaid Plan Benefits Report (I)	Quarterly Budget vs Actual Report (I)		Quarterly Budget vs Actual Report (I)			Employer Employee Contribution Matrix (I)		Annual CEO Performance Review (Closed Session) (A)	Quarterly Unaudited Financial Statements (I)	
	Quarterly 2026-2028 Strategic and Business Plan Review (I)	Annual Report of Contracts >\$100,000 (I)	Quarterly Travel and Training Expense Report (I)		Quarterly Travel and Training Expense Report (I)			Quarterly Unaudited Financial Statements (I)		Name a Labor Negotiator for CEO Compensation process (A)	Quarterly Budget vs Actual Report (I)	
								Quarterly Budget vs Actual Report (I)		Quarterly 2026-2028 Strategic and Business Plan Review (I)	Quarterly Travel and Training Expense Report (I)	
<b>Board Governance</b>								Quarterly Travel and Training Expense Report (I)		Propose 2026 Board Meeting Calendar (I)	Annual OCERS Employer Review (I)	
											Vice-Chair Election (A)	Adopt Annual Work Plan for 2027 (A) Receive 2027 Board Committee Appointments (I)
<b>Regulation / Policies</b>	Communication Policy Fact Sheet (I)											
<b>Compliance</b>	Status of Board Education Hours for 2025 (I)	Annual Policy Compliance Report (I)	Semi Annual Business Continuity Disaster Recovery Updates (I)	Form 700 Due (A)		Receive Financial Audit (I)				Semi Annual Business Continuity Disaster Recovery Updates (I)		
	Annual Information Security Summary (closed session) (I)											

(A) = Action

(I) = Information



## Memorandum

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**DATE:** February 4, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Darren Chilton, Senior Manager of Contracts and Operations Support Services  
**SUBJECT:** QUIET PERIOD – NON-INVESTMENT CONTRACTS

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### Written Report

#### Background/Discussion

The Quiet Period Policy, among other guidelines and requirements require:

1. *"...Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract or the selection process;" and*
2. *"From the date of issuance of this RFP until the selection of one or more respondents is completed and announced, respondents are not permitted to communicate with any OCERS staff member or Board Members regarding this procurement, except through the Point of Contact named herein. Respondents violating the communications prohibition may be disqualified at OCERS' discretion. Respondents having current business with OCERS must limit their communications to the subject of such business."*

#### ***Distributed RFP's-Status Update***

- An RFP was distributed in May 2025 for Project Horizon, a new Pension Administration Solution to replace the current system. Five Proposals were received by the July 14, 2025 deadline. Of the three finalists, two vendors were invited to submit their Best and Final Offer (BAFO) during September and October 2025. The Quiet Period Policy will remain in effect on this RFP effort until further notice.



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** BOARD COMMUNICATIONS

---

### Written Report

#### Background/Discussion

To ensure that the public has free and open access to those items that could have bearing on the decisions of the Trustees of the Board of Retirement, the OCERS Board has directed that all written communications to the entire Board during the interim between regular Board meetings be included in a monthly communications summary.

#### News Links

The following news and informational item was provided by the CEO for distribution to the entire Board:

#### From Mary-Joy Coburn, Director of Communications:

- NASRA News Clips

#### From Steve Delaney, CEO:

- Get £1600 a month to do 'nothing' – welcome to an AI future where nobody works:  
<https://www.independent.co.uk/tech/universal-basic-income-benefits-ai-b2886415.html>

#### From Trustee Freidenrich:

- WA Treasurer Mike Pellicciotti warns state to pull back on private equity investments:  
<https://www.columbian.com/news/2026/jan/29/wa-treasurer-mike-pellicciotti-warns-state-to-pull-back-on-private-equity-investments/>

#### Other Items: (See Attached)

- Monthly summary of OCERS staff activities and updates, starting with an overview of key customer service metrics, for the month of DECEMBER 2025.

#### Submitted by:



**SD - Approved**

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Steve Delaney  
 Chief Executive Officer

# MONTHLY ACTIVITIES AND UPDATE REPORT



December 2025

[ocers.org](https://ocers.org)



## OCERS Activities and Update Report

### December 2025

To the members of the OCERS Board of Retirement,

The following is my regular monthly summary of OCERS' team activity, starting with an overview of key customer service statistics as well as activity highlights followed by updates for December 2025.

#### MEMBER SERVICES MONTHLY METRICS

Month	Retirement Apps Received			Service Credit Purchases					Customer Service Statistics					
	2023	2024	2025	Requests Received	Carried Over	Remaining in Queue	Requests Completed	Cost Notifications Provided within 45 Days	Unplanned Recalculations	Member Satisfaction Approval Rate	Calls Received via Call Center	Calls Direct to Extension	Calls Received by Operator	Total Calls (monthly)
January	244	278	206	65	0	1	64	100%	4	95%	2,351	3,719	968	7,038
February	152	151	121	52	1	9	44	100%	1	93%	2,501	3,695	1,103	7,299
March	135	68	96	73	9	3	79	100%	0	94%	2,608	3,836	960	7,404
April	54	82	39	78	3	13	68	100%	0	94%	2,037	3,063	815	5,915
May	60	63	66	60	13	7	66	100%	0	95%	1,733	2,389	721	4,843
June	45	43	47	42	7	35	14	100%	0	97%	1,432	2,266	516	4,214
July	28	52	60	64	35	56	43	100%	1	97%	1,506	2,408	665	4,579
August	45	45	55	48	56	58	46	98%	1	96%	1,572	2,257	809	4,638
September	46	49	30	64	58	46	76	100%	0	95%	1,444	1,842	775	3,361
October	54	53	63	67	0	35	32	100%	0	95%	1,648	2,440	615	4,503
November	50	75	69	70	3	60	13	99%	0	95%	1,248	1,881	351	3,480
December	39	69	71	62	0	51	11	99%	0	95%	1,509	2,363	427	4,299
Grand Total	952	1028	923	745			556		7		21,589	32,159	8,725	61,573

*"The RPS was very helpful, friendly, and informative."*

*"The team member has been very helpful walking me through the process."*

*"The RPS was very helpful and professional. She addressed all my questions and concerns."*



## OCERS Activities and Update Report

### December 2025

## ACTIVITIES

### CALAPRS Advance Course- Darren Dang Presentation- December 4

At the CALAPRS Advanced Course in Retirement Plan Administration on December 4, 2025, Darren Dang, OCERS Chief Technology Officer, presented on my behalf on “The Future: The Evolution of Public Pensions Over the Next Few Years.”

Darren shared a forward-looking perspective on how artificial intelligence is transforming public pension administration, highlighting several AI and automation projects currently in production at OCERS, including applications in disability assessment and process automation. He also provided an overview of emerging trends, such as agentic transformation and the integration of generative AI, and discussed best practices in prompt engineering to maximize the value and reliability of AI tools.

Darren’s presentations underscored OCERS’ commitment to leveraging technology for greater accuracy, efficiency, and member service.

### Annual Staff and Trustee Luncheon— December 15

On December 15, after the last Board Meeting of the year, the staff had the opportunity to have lunch with the Trustees. We had over 75 staff join to participate in our festive Winter Wonderland lunch with all 10 Trustees.



### People Engagement Committee- Holiday Activities – December 17

Throughout December, the People Engagement Committee hosted several events to spread holiday cheer. In addition to a month-long Secret Santa, the committee held its annual cookie and baked goods exchange on December 17. Staff also enjoyed hot chocolate with all the fixings and had the chance to sing along to holiday karaoke favorites.







## OCERS Activities and Update Report

### December 2025

## UPDATES- DEPARTMENTS

### INVESTMENTS

Ms. Walander-Sarkin reports:

As of November 30, 2025, the portfolio year-to-date is up 14.1% net of fees, while the one-year return is up 12.2%. The fund value now stands at \$27.5 billion. OCERS' Investments Team closed on four re-up private equity funds, one re-up real estate fund, one re-up real assets fund, and one unique strategies co-investment during December.

### HUMAN RESOURCES

Ms. Hockless reports:

In December, the HR Department welcomed **five new hires**, including a Senior Manager, Contracts and OSS, an Office Technician, a Retirement Program Specialist (Limited-Term), a Retirement Benefits Technician (Limited-Term), and a Retirement Program Specialist (Extra-Help). Additionally, **one employee was promoted** to Project Specialist.

#### YEAR-TO-DATE OVERVIEW:

As of December 12, 2025, OCERS had a budgeted workforce of 135 positions. At that time, 132 employees were on payroll, leaving 4 vacancies and resulting in a **vacancy rate of 2.96%**. There was one new employee separation in December due to retirement, bringing the year-to-date total to 12 and resulting in a **turnover rate of 9.09%**.

### COMMUNICATIONS

Ms. Coburn reports:

In December 2025, the Communications Department closed out OCERS' 80th year with a strong focus on organizational consistency, member engagement, and readiness for the upcoming retirement season. The team successfully rolled out the return to OCERS' legacy logo across all platforms, implementing the updated branding on the website, social media pages, email signature blocks, newsletters, letterhead, and all logo-branded materials. Communications also clearly communicated the transition to staff to ensure consistent and proper use agency-wide, formally marking the conclusion of OCERS' 80th year and reinforcing a unified visual identity moving into 2026.

The department also produced and filmed a "Happy New Year" video featuring OCERS' diverse staff, extending well wishes to members and highlighting the people who serve them. In preparation for the high-volume retirement period typically experienced in the first quarter of the year, Communications reordered key educational materials and finalized planning for upcoming outreach and messaging. These efforts



## OCERS Activities and Update Report

### December 2025

ensured inventory readiness, messaging alignment, and operational support as members begin planning their retirements, positioning OCERS for a strong start to the new year.

#### DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	1,605 (+10 since November 2025)
Twitter (X)	605
Instagram	227 (+2 since November 2025)
Facebook	248

For the latest updates, visit our official OCERS accounts on LinkedIn, Twitter, Instagram, and Facebook @myOCERS.

#### OCERS WEBSITE



Top Pages Visited	Views
Homepage	14,407
Benefits Calculator	1,894
Payment Schedule	1,518
Board Meeting	1,515
Members	880

For the period between December 1<sup>st</sup> to December 31<sup>st</sup>, the agency website had 42,446 views.

## MEMBER SERVICES

### MEMBER SERVICES OUTREACH & SEMINARS – DECEMBER 2025

In December 2025, the Customer Service team remained focused on member engagement and retirement readiness during a busy year-end period. Outreach efforts included participation in retiree-focused events, continued facilitation of structured Group Retirement Appointments, and individualized counseling sessions for members preparing to retire. Additionally, the department invested in staff development by onboarding new team members through the MXIP training program to ensure continued service excellence.

#### Outreach & Engagement Activities:

Date	Event	Format	Staff Attendees
12/17	REAOC Luncheon	In-Person	Christine Guerrero & Clarissa Gonzalez





## OCERS Activities and Update Report

### December 2025

#### Service Highlights:

- **Group Retirement Appointments:**  
Continued facilitation on the **first and third Wednesdays of each month**, supporting members preparing for retirement during peak season.
- **Individual Retirement Counseling:**  
Conducted numerous one-on-one appointments (phone and virtual) with members ready to retire, ensuring personalized benefit guidance.
- **Staff Development:**  
Newly hired team members completed the **MXIP training program**, strengthening technical knowledge and reinforcing OCERS' member-first service standards.

#### EMPLOYER DATA

##### Mr. Adviento Reports:

The Employer Payroll Team completed its scheduled 2025 meetings with all employers. These meetings resulted in the development of the Employer Handbook, the organization's first comprehensive document outlining payroll transmittal procedures, payroll exception handling protocols, and new payroll data requirements in preparation for the Horizon Project.

The Employer Handbook was distributed to all employers in late December and is scheduled to be finalized by the end of January 2026, pending the receipt and review of any additional employer feedback.

- The next Quarterly All-Employer Meeting is scheduled for March 3.



## OCERS Activities and Update Report

### December 2025

## UPDATES- PROJECTS

### VISION 2030

December Board Report – Vision 2030

#### Post-Migration Stabilization

In December, OCERS focused on completing post-migration clean-up activities and resolving issues identified during the SharePoint Online transition. Teams worked on improving content synchronization, refining permissions, and stabilizing workflows to ensure consistent performance across the new environment.

#### Reporting Modernization

A new SQL Server Reporting Services (SSRS) environment was deployed to support the migration of on-premises reports into Power BI paginated reports. This effort modernizes OCERS's reporting capabilities and moves the organization closer to a fully cloud-based analytics platform.

#### Data Integration and AI Readiness

A key milestone this month was the creation of a OneLake data source in Microsoft Fabric, connecting to a subset of V3 Oracle data. This integration allows access to select datasets within Fabric, enabling advanced analytics and forming the foundation for future AI initiatives, such as conversational chatbots and intelligent agents that can provide insights from member data.

Collectively, these initiatives strengthened OCERS's modern data environment and advanced progress toward the Vision 2030 objective of data-driven innovation and operational efficiency.

### ALAMEDA PROJECT

Mr. Jeff Lamberson and Mr. Will Tsao presented the final conclusion of the Alameda project to the Board in December. They presented the Board with the key milestones that were accomplished, explained the process established for recalculating benefits and recovering contributions and interest refunds, and gave an overview of the total amount of effort a project of this magnitude required.

This project was a multi-year effort requiring extensive collaboration, recalculations, and adjustments to ensure compliance with legal rulings and resolutions. The project was successfully completed, demonstrating OCERS' commitment to maintaining the integrity of its pension system and supporting its members. The team has implemented and taken specific action to notate relevant information within each impacted members' participant account, which will ensure consistency and accuracy in the years to come as impacted members retire.



## OCERS Activities and Update Report

### December 2025

#### MASTER REPOSITORY PROJECT (MRP)

Mr. Tsao reports:

In December, we continued to work on our Phase 2 plan of the MRP. The target completion date for Phase 2 of MRP is the end of the first quarter of 2026. As of December 31<sup>st</sup>, the project is 71% complete.

During this month, the writing team finalized 6 documents and advanced work on an additional 10 procedural documents. The Enterprise Project Management Office (EPMO) also began taking the lead in assisting the Member Services department with their outstanding procedures to gain better coordination and execution of the schedule.



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the February 18, 2026 meeting of the OCERS Board of Retirement.

2017



# **VISION 2030 – Envisioning an AI future for Public Pensions as seen through the OCERS Prism**

CALAPRS Advanced Course  
Thursday, December 4, 2025

by  
Darren Dang | CTO | OCERS



## Agenda

- The Business Challenge
- AI & Automation Primer
- OCERS Journey: RPA & AI projects
- GenAI & LLMs: the MP3 Analogy
- Looking Ahead
- Q/A





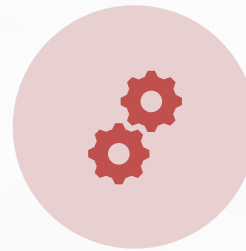
## Vision 2030- Business Challenge



COMPLEX BENEFIT  
CALCULATIONS



NEED FOR 100%  
ACCURACY



LEGACY SYSTEMS &  
MANUAL PROCESS



OCERS VISION: FLAWLESS,  
EFFICIENT SERVICE FOR  
EVERY MEMBER





## Vision 2030 – The Ultimate Goal

**An Artificially Intelligent Pension Administration System that by 2030 will calculate all OCERS pension benefits accurately without any human intervention required.**





## Vision 2030 – AI Technology to the Rescue

### What is Artificial Intelligence?

- Broad field of making machines 'smart' – able to perform tasks that typically require human intelligence.

### What is Machine Learning?

- A subset of AI where systems learn from data and improve over time without being explicitly programmed.

### What is Robotic Process Automation?

- Software 'robots' that automate repetitive, rule-based tasks by mimicking human actions.

### Artificial General Intelligence (AGI) ?

- Type of AI that can understand, learn, and apply knowledge across a wide range of tasks – matching or exceeding human cognitive capabilities. AGI would be able to reason, solve problems, and adapt to new situations much like a human being.







## OCERS RPA Projects in Production

1. MSS Retirement Application Assignment and Benefit Setup Bot (Member Services)
2. Benefit Setup & Audit Bot (Member Services)
3. Direct Deposit Change Request Account Verification Bot (Member Services)
4. Retirement Payroll Reconciliation Bot (Member Services)
5. SCP Assignment Bot (Member Services)
6. Termination Notice Processing Bot (Member Services)
7. Direct Bill Reporting (Finance)
8. IT/InfoSec Weekly Sync-Up Report (Information Security)
9. Disability Notes Sync Bot (Disabilities)
10. Ad-hoc PAS Notes creator Bot (Member Services)
11. FAS Base review Audit Bot (Internal Audit)
12. Annual Accounts by Department Audit Bot (Information Technology)





## OCERS AI Application: Disability Retirement

### Challenge:

- Bulk records received
- Out of order  
Full of duplicates  
Mixed with non-medical docs
- Manual indexing took days/weeks/months

Solution: Foundation AI (3<sup>rd</sup> party) to help index medical records



## Disability Processing: Chaos to Order

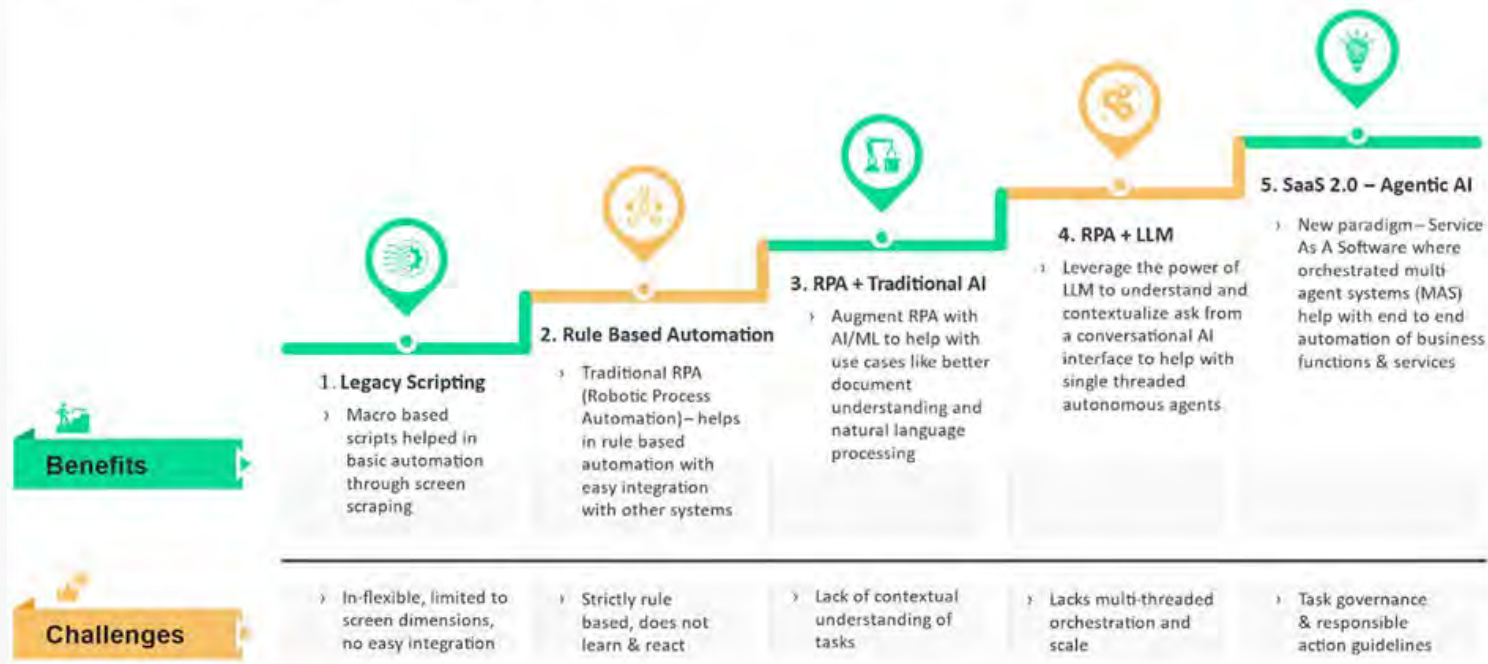
- Documents from copy service automatically uploaded to CMS
- OCERS staff moves docs to upstream folder
- OCERS staff notifies Foundation AI (FAI) with a touch of a button
- FAI retrieves documents from CMS
- FAI performs indexing
- Documents automatically placed in downstream folder in CMS
- Medical records separated in chronological order (by date, doctor, type of report) and is searchable



# RPA to APA

## Robotic Process Automation (RPA) to Agentic Process Automation (APA)

A journey from Automation to Autonomy





## GenAI & LLMs: The MP3 Analogy



MP3 compresses music by encoding patterns



LLMs compress language by encoding meaning



GenAI creates new content by learning patterns



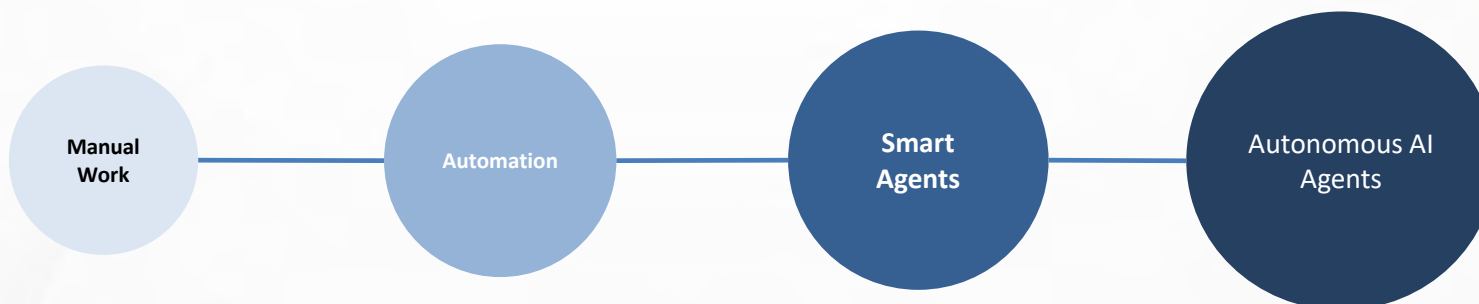
LLMs encode language and generate text



MP3 revolutionized music sharing; LLMs revolutionize information access



# AI Agents Revolution



## Traditional Manual Work

### Characteristics:

- Labor-intensive data entry
- Prone to human error
- Time-consuming processes

### Limitations:

- High operational costs
- Scalability challenges
- Slow response times

## Automation

### Capabilities:

- Automates repetitive tasks
- Data extraction from documents
- Classification of information

### Benefits:

- Reduces manual workload
- Improves accuracy
- Accelerates processing time

## Smart Agents

### Evolution:

- Beyond traditional copilots
- MS Fabric integration
- Fabric copilot capabilities

### Use Cases:

- Document summarization
- Entity extraction
- Migration task streamlining

## Autonomous AI

### Future Capabilities:

- Full task automation
- Contextual decision-making
- Predictive workflow optimization

### Use Cases:

- Minimal human intervention
- Drastically accelerated timelines
- Continuous improvement cycles

# Agentic Transformation

## Levels of Agentic Transformation







# New Pension Administration System



## Individual Members

**Automated Enrollment:** AI-driven sign-up and onboarding for new members with minimal manual paperwork.

**Real-time Updates:** Instant notifications and updates on account status, contributions, or benefit changes.

**Chatbot Support:** Virtual assistant available 24/7 to answer questions and guide members through processes.

Personalized alerts (upcoming eligibility, document reminders) to engage members before they need to act.

**Fraud Detection:** AI monitoring of transactions and account activity to flag suspicious behavior and protect member data.

**Financial Wellness Tools:** Personalized calculators and analytics (retirement income projections, savings recommendations) to improve financial literacy.

**Retirement Planning:** AI-guided planning support, helping members model retirement scenarios and optimize their pension benefits.



## Member Employers

**AI-Powered Onboarding:** Streamlined setup for new employer units with guided workflows and automated document processing.

**Automated Payroll Reporting:** Employers can submit contribution and payroll data with AI validation (catching errors or missing info automatically).

**Compliance Monitoring:** Continuous checking of employer reports and contributions against pension regulations and policies, ensuring early detection of compliance issues.

**Fraud Prevention:** AI algorithms scan employer and contribution data to detect irregular patterns or potential fraud in reporting or claims.

**Employer Support Dashboard:** Interactive dashboards for employers with AI-driven analytics on contribution history, employee benefit status, and alerts for any required actions.



## OCERS Business Units & Partners

**Process Automation:** Use AI and RPA (Robotic Process Automation) to automate routine workflows (data entry, forms processing, eligibility checks) for faster processing and fewer errors.

**Predictive Analytics:** Analyze historical and real-time data to forecast member retirement trends, contribution flows, and actuarial factors, aiding strategic planning and informed decision-making.

**Security Monitoring:** Continuous AI surveillance on internal systems and databases to detect breaches, unusual access patterns, or data anomalies, enhancing cybersecurity.

**IT System Enhancements:** AI-assisted IT operations, such as intelligent system monitoring, automated issue resolution, and chatbot-based helpdesk support for internal use, improving system reliability and response times.





# Technology Support for Investments



CoPilot +  
MS Teams



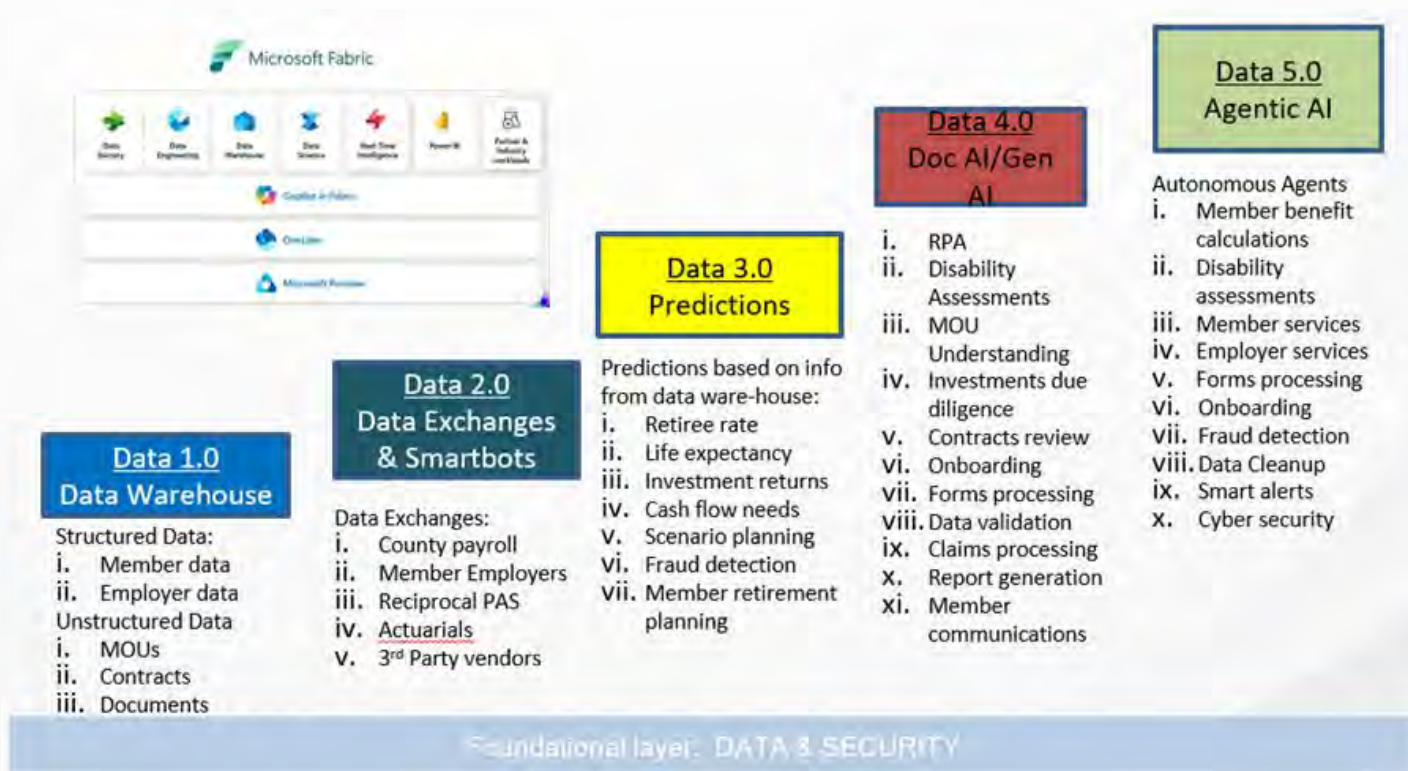
Data Activator



Investments Live  
Dashboard



# Data Foundation & Strategy





# OCERS Vision 2030 Timeline



**2025**

RFP: for New PAS  
Bot Creation brought In-House  
Move from Microsoft Gov to **Commercial** cloud  
Explore moving **V3 to cloud**



**2026**

Microsoft **CoPilot** for each employee  
**Doc Intelligence:**  
MOU understanding  
Investment due diligence  
Disability investigations  
RFP: Enterprise **Data Warehouse**  
RFP: enterprise HR system  
RFP: **AI Contact Center / IVR**



**2027**

Enterprise Data Warehouse goes live  
Explore using AI to assist with benefit calculations  
Natural Voice Use for customer service & Master Repository



**2028**

Order of Magnitude (OOM) growth in AI brings new tools  
Build **AI Agents** to assist each department  
Information at your fingertips (voice & mobile)



**2029**

Go Live for new PAS



**2030**

**Calculation of Pension Benefit without human intervention begins**





## Near Term Vision



**Secure AI Implementation:**  
Ethical AI governance



### **Pension Administration**

**Upgrades:** AI-driven benefit calculations, RPA for workflows (in-house)



**Data integration** with member employers (Data Analytics & Visualization, MS Fabric)



### **Member Services**

**Modernization:** AI chatbots for 24/7 support, IVR, predictive analytics (self-service)



**Cybersecurity Enhancements:**  
AI-enabled anomaly detection, multi-factor authentication



### **IT Infrastructure Overhaul:**

Cloud-first strategy, scalable & secure IT ecosystem





## Helping Your Staff See the Future

AI will change our pension world. Are we ready? The human equation...

“No computer can do the complicated work performed by the brains of my team” – An OCERS manager in our early days

Since 2022, CEO Steve Delaney has one on one meetings with every OCERS team member

We have 2-hour training sessions explaining AI for the entire staff.

Its all about accuracy and efficiency, not eliminating staff, allowing team members to focus on what they love – Customer Service





## Key Lessons Learned

Focus Area	Lesson Learned
<b>Ethical &amp; Legal</b>	<b>Governance First:</b> Get your <b>Legal Counsel involved now</b> . Develop an <b>AI Use Policy</b> that addresses bias, data security, transparency, and accountability <i>before</i> widespread adoption. Bias in historical data can lead to discriminatory outcomes.
<b>Start Augmenting</b>	<b>Human-in-the-Loop is Essential:</b> Start by using AI to <i>augment</i> human staff, not replace them entirely. For example, AI can summarize a complex document, but a staff member must review and approve the final communication for accuracy.
<b>Data Quality</b>	<b>AI is Only as Good as Your Data:</b> AI and Machine Learning models require <b>high-quality, clean, and well-structured data</b> . Invest in data management and cleaning efforts; otherwise, the AI will produce "slop" or inaccurate outputs (often called 'hallucinations' in Generative AI).
<b>Cybersecurity</b>	<b>Protect Sensitive Data:</b> Be extremely cautious with feeding <b>Personally Identifiable Information (PII)</b> or confidential investment data into public-facing generative AI tools (like free chatbots). Opt for enterprise-grade, secure, and private AI environments.



## Project Ranking Matrix

Criteria	Description	Scoring (1-5)
Risk Level	How risky is the project in terms of public impact, legal/ethical concerns, and data privacy?	5 = Very low risk (e.g., internal, non-sensitive data)
		1 = Very high risk (e.g., public-facing, sensitive decisions)
Effort and Time Savings	Does the process involve repetitive, time-consuming tasks that AI can automate?	5 = High effort/time savings (e.g., manual task taking hours daily)
		1 = Low savings (e.g., minimal manual effort)
Scope and Feasibility	Is the project manageable in terms of scale, integration needs, and timeline?	5 = Very feasible (e.g., small scale, standalone, 6-12 months)
		1 = Not feasible (e.g., complex integration, >12 months)
Measurable Impact	Can the project deliver quantifiable outcomes (e.g., time saved, error reduction)?	5 = High impact (e.g., clear metrics, high ROI)
		1 = Low impact (e.g., unclear or minimal benefits)
Stakeholder Buy-In	Will the project address pain points and gain support from staff, judges, and administrators?	5 = Strong buy-in (e.g., solves major pain point, low resistance)
		1 = Low buy-in (e.g., high resistance)
Scalability and Reusability	Can the project be scaled or adapted for future use cases?	5 = Highly scalable/reusable (e.g., adaptable AI tools)
		1 = Not scalable (e.g., one-off solution)

# Digital Transformation

## Digital Transformation People Process Technologies







thank you

[ddang@ocers.org](mailto:ddang@ocers.org)



## What Are Agents ?

What are agents ?

Agents are apps that use AI to reason, plan, connect to systems and execute business processes, working alongside or on behalf of a person, team or organization





# Prompt Engineering

Darren Dang  
CTO | OCERS

## Anatomy of a good prompt



### Clarity

Be direct about what you want.

Avoid vague terms like “tell me about” unless you want a broad overview.

Example: Instead of “Explain AI”, use “Explain how AI is used in XYZ for court systems.”



### Context

Provide background so the answer is tailored to your needs.

Mention audience, purpose, or constraints.

Example: “Summarize this in plain English for a member of the public unfamiliar with technical terms.”



### Constraints

Add boundaries on format, length, or style.

Example: “List 5 key risks in bullet points, each under 15 words.”

This prevents overly long or unfocused replies.



### Creativity

If you want alternatives or multiple perspectives, ask for them.

Example: “Give me three different approaches: conservative, balanced, and aggressive.”

## Black Belt Prompting

### Role Prompting

Role prompting:

- "Act as a CTO preparing a strategic roadmap."

### Step Prompting

Step prompting:

- "Break this into three steps: identify risks, propose mitigations, give success measures."

### Format Prompting

Format prompting:

- "Answer in a 2x2 matrix comparing cost vs. benefit."

# ChatGPT Use Cases

## Typical Business Use Cases

- **Legislative Analysis** - ERISA impact analysis
- **chatGPT on chatGPT**: How can each department use chatGPT today
- **How to minimize hallucinations**: what to include in prompt instructions to minimize hallucination
- **HR / Organization Development**: Prompt Engineering Training
- **AI interest and engagement**: AI Bytes engagement ideas
- **Advocacy** - letter to DC legislative delegation
- **Board Buddy** - on large repositories of information such as policies and procedures
- **Information Security**: compare our existing Rapid7 vs Splunk, Security Information and Event Management
- **Finance**: Martus budgeting software vs other alternatives

## Other Fun Use Cases

- **Building Design** idea generation- indoor / outdoor space
- **Simple Benefits Calculation**: retirement calculation, final average salary
- **CTO Pension Networking**: which forward thinking peers to connect with
- **Taxonomy / Summarization**: synthesize 1 page product summary from 38 page AI wish list
- **Visioning Best Practices** - extracting best practices from CTO candidate vision presentations
- **IT positions justification to Personnel Committee**
- **Communications / PR**: generate ideas for 80th anniversary, OCERs by the numbers report
- **Website redesign**: analyze agenda for mtg on organizational web site refresh and suggest next steps



**From:** [Steve Delaney](#)  
**To:** [Carolyn Nih](#)  
**Subject:** Fw: New Headquarters Project Update  
**Date:** Thursday, February 5, 2026 2:55:56 PM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[image005.png](#)

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Please place in Board Communications.

Thanks

Steve Delaney  
OCERS  
(714) 697-8291

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**From:** Brenda Shott <bshott@ocers.org>  
**Sent:** Thursday, February 5, 2026 2:47 PM  
**To:** Brenda Shott <bshott@ocers.org>  
**Cc:** Senior Executives <SeniorExecutives@ocers.org>; Mary-Joy Coburn <mjcoburn@ocers.org>  
**Subject:** New Headquarters Project Update

Good afternoon Board Members,

We are pleased to share that the Replacement Headquarters Project is officially entering the Development phase. Beginning today, Snyder Langston will commence site preparation work on the Tustin Parcel in advance of abatement and demolition of the adjacent medical office building.

As part of this work, 8-foot-tall perimeter construction fencing is being installed around the medical office building and parking lot. As a result, there will be no access to the OCERS parking lot from Tustin Avenue or the driveway at the corner of Wellington and Tustin. Access to the OCERS parking lot will remain available from the two remaining driveways on Wellington Avenue. A changeable message sign will be placed on the northeast corner of the property at the Tustin Ave driveway entrance stating: "Driveway Closed / Entrance on Wellington / Driveway for Construction Traffic Only." In addition, notifications will be posted on the OCERS website, social media platforms, member newsletters, and shared directly with key stakeholders.

Abatement activities, including the careful removal of hazardous materials such as asbestos and lead, are scheduled to begin the week of Monday, February 9, and are expected to last approximately 4–6 weeks, followed by demolition, currently anticipated for mid-March.

Before abatement, OCERS had coordinated with the Orange County Fire Authority to allow limited

training exercises at the building. This partnership provides valuable training opportunities for first responders. Any fire department activity observed onsite during this period is planned and approved.

To maintain a clean and safe environment at our existing headquarters, appropriate pest mitigation and dust control measures will be implemented, and Facilities will continue precautionary HVAC filter replacements throughout demolition.

Thank you for your continued support as we move forward with this important milestone.

Respectfully,



**Brenda Shott, CPA**

Assistant CEO, Finance and Internal Operations

**Orange County Employees Retirement System (OCERS)**

(714) 558-6201 | [bshott@ocers.org](mailto:bshott@ocers.org)

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Mailing Address: PO Box 1229 | Santa Ana, CA 92702

[www.ocers.org](http://www.ocers.org)



*"We provide secure retirement and disability benefits with the highest standards of excellence."*





## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Manuel D. Serpa, General Counsel  
**SUBJECT:** R-7: LEGISLATIVE UPDATE

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### Written Report

#### *State Legislative Update*

The California Legislature reconvened on January 5th. The last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house in the odd-numbered year was January 16. January 23rd was the last day for any committee to hear and report to the Floor, any bills introduced in that house in the odd-numbered year. January 31st was the last day for each house to pass bills introduced in that house in the odd-numbered year. February 20th is the last day for bills to be introduced.

**New or updated information since the last report to the Board is indicated in bold text. Previously tracked bills that have not moved forward are indicated in italic text.**

#### **SACRS Sponsored Bills**

None to report.

#### **Bills That Would Amend the CERL or Other Laws (PEPRA, the Brown Act, etc.) That Apply to OCERS**

##### **AB 259 (Rubio)**

*Previously tracked bill regarding teleconferencing procedures, had its hearing postponed by Coms. on L. GOV. and JUD. on 06/27/25.*

##### **AB 340 (Ahrens)**

Existing law that governs the labor relations of public employees and employers, including, among others, the Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, and provisions relating to higher education, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of existing law further prohibit denying to employee organizations the rights guaranteed to them by existing law.

This bill would prohibit a public employer from questioning a public employee, a representative of a recognized employee organization, or an exclusive representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation. The bill would also prohibit a public

employer from compelling a public employee, a representative of a recognized employee organization, or an exclusive representative to disclose those confidential communications to a third party. The bill would not apply to a criminal investigation or when a public safety officer is under investigation and certain circumstances exist. (STATUS: Introduced on 01/28/25. Referred to Com. on P. E. & R. on 02/18/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 03/05/25. Re-referred to Com. on P. E. & R. on 03/06/25. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 03/19/2025. In committee: Set, first hearing. Referred to suspense file on 04/23/25. From committee: Do pass on 05/23/25. Read second time. Ordered to third reading on 05/27/25. Read third time. Passed. Ordered to the Senate on 06/03/25. In Senate. Read first time. To Coms. On L., P.E. & R. and JUD. on 06/18/25. From committee: Do pass and re-refer to Com. on JUD. Re-referred to Com. on JUD. on 06/25/25. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 07/16/25. In committee: Referred to suspense file on 08/18/25. In committee: Held under submission on 08/29/25.)

#### **AB 409 (Arambula)**

*Previously tracked bill regarding teleconferencing provisions for California community college student body associations and student-run associations, had its hearing postponed by Coms. on L. GOV. on 06/27/25.*

#### **AB 467 (Fong)**

*Previously tracked bill regarding teleconferencing provisions for specified neighborhood city councils, had its hearing postponed by Coms. on L. GOV. on 06/27/25.*

#### **AB 1323 (Chen)**

AB 1323, as amended, Chen. County employees' retirement: administration: **retirement board member compensation for meetings.** Existing law, the County Employees Retirement Law of 1937, authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees and their beneficiaries. Existing law sets forth the membership composition for boards of retirement and boards of investment, as specified. Existing law authorizes the board of supervisors for counties for which these provisions apply to provide that certain members of these boards shall receive compensation at a rate of not more than \$100 for a meeting or for a meeting of a committee authorized by the entire board. This bill would authorize **the board of supervisors to adopt a provision that would authorize the board of retirement to increase the above-described compensation limit by an amount not to exceed 5% of the rate for each calendar year following the operative date of the last adjustment.**

(STATUS: Introduced on 02/21/25. Read first time on 02/24/25. Referred to Com. on P. E. & R. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 03/24/25. In committee: Set, first hearing. Hearing canceled at the request of author on 04/22/25. **From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 01/05/26. Re-referred to Com. on P. E. & R. on 01/06/26. Died pursuant to Art. IV, Sec. 10(c) of the Constitution on 01/31/26. From committee: Filed with the Chief Clerk pursuant to Joint Rule 56 on 02/02/26.)**

#### **AB 1383 (McKinnor)**

The PERL establishes PERS to provide a defined benefit to members of the system based on final compensation, credited service, and age at retirement, subject to certain variations. Existing law creates the Public Employees'

Retirement Fund, which is continuously appropriated for purposes of PERS, including depositing employer and employee contributions. Under the California Constitution, assets of a public pension or retirement system are trust funds.

PEPRA establishes a variety of requirements and restrictions on public employers offering defined benefit pension plans. In this regard, PEPRA restricts the amount of compensation that may be applied for purposes of calculating a defined pension benefit for a new member, as defined, by restricting it to specified percentages of the contribution and benefit base under a specified federal law with respect to old age, survivors, and disability insurance benefits. **Existing law, the Teachers' Retirement Law, establishes the State Teachers' Retirement System (STRS) and creates the Defined Benefit Program of the State Teachers' Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, creditable service, and age at retirement, subject to certain variations.**

This bill, on and after January 1, **2027**, would require a retirement system **subject to PEPRA** to adjust pensionable compensation limits to be consistent with **specified percentages of the contribution and benefit base under the specified federal law with respect to old age, survivors, and disability insurance benefits. The bill would require a new member of STRS to be subject to specified limits of the Teachers' Retirement Law.**

PEPRA requires each retirement system that offers a defined benefit plan for safety members of the system to use one of 3 formulas for safety members, 2% at age 57, 2.5% at age 57, or 2.7% at age 57. This bill would establish new retirement formulas, for employees first hired on or after January 1, **2027**, as 2.5% at age 55, 2.7% at age 55, or 3% at age 55. For new members hired on or after January 1, 2013, who are safety members, the bill would require employers to adjust the formulas for service performed on or after January 1, **2027**, to offer one of the 3 formulas for safety members that is closest to the formula the employer provided pursuant to existing law. The bill would authorize a public employer and a recognized employee organization to negotiate a prospective increase to the retirement benefit formulas for **safety** members and new **safety** members, consistent with the formulas permitted under **PEPRA, including the new formulas described above.** This bill would authorize an employer and its employees to agree in a memorandum of understanding to be subject to a higher safety plan or a lower safety plan, subject to certain requirements, including that the memorandum of understanding is collectively bargained in accordance with applicable laws. By increasing the contribution to continuously appropriated funds, **and by increasing expenditures from those funds,** this bill would make an appropriation.

(STATUS: Introduced on 02/21/25. Read first time on 02/24/25. Referred to Com. on P. E. & R. on 03/10/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 03/10/25. Re-referred to Com. on P. E. & R. on 03/11/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 04/11/25. Re-referred to Com. on P. E. & R. on 04/21/25. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 04/23/25. In committee: Set, first hearing. Referred to APPR. suspense file on 05/14/25. Coauthors revised. In committee: Hearing postponed by committee on 05/23/25. **Assembly Rule 63 suspended. Read second time and amended. Ordered returned to second reading on 01/22/26. Read second time. Ordered to third reading on 01/26/26. Measure version as amended on January 22 corrected on 01/27/26.**

**Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 01/29/26.)**

**AB 1619 (Valencia, Chen)**

Existing law, the County Employees Retirement Law of 1937, authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees and their beneficiaries. Existing law sets forth the membership composition for boards of retirement and boards of investment, as specified. Existing law authorizes the board of supervisors for counties for which these provisions apply to provide that certain members of these boards shall receive compensation at a rate of not more than \$100 for a meeting or for a meeting of a committee authorized by the entire board. This bill would authorize the above-described compensation rate to be increased by the board of retirement to not more than \$320 per meeting, and would provide that this provision would not be operative in any county until it is adopted by a majority vote of the board of supervisors.

**(STATUS: Read first time on 01/21/26. Referred to Com. on P. E. & R. on 02/02/26.)**

**SB 239 (Arreguin)**

The Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified.

Existing law, until January 1, 2026, authorizes specified neighborhood city councils to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the city council has adopted an authorizing resolution and  $\frac{2}{3}$  of the neighborhood city council votes to use alternate teleconference provisions, as specified.

This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require the subsidiary body to post the agenda at each physical meeting location designated by the subsidiary body, as specified. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. The bill would also require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting.

The bill would require the legislative body that established the subsidiary body electing to use teleconferencing pursuant to these provisions to establish the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first

time and every 12 months thereafter. The bill would require the subsidiary body to approve the use of teleconference by  $\frac{2}{3}$  vote before using teleconference pursuant to these provisions.

The bill would exempt from these alternative teleconferencing provisions a subsidiary body that has subject matter jurisdiction over police oversight, elections, or budgets. The bill would require any member of a subsidiary body who is an elected official to comply with specified agenda and quorum requirements to participate in a meeting through teleconferencing pursuant to this section, and would require any final recommendations adopted by a subsidiary body to be presented at a regular meeting of the legislative body that established the subsidiary body. The bill would repeal these provisions on January 1, 2030, and thereby remove the authorization for subsidiary bodies to use the alternative teleconferencing provisions as described above.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make legislative findings to that effect.

(STATUS: Introduced on 01/30/25. Referred to Coms. on L. GOV. and JUD. on 02/14/25. From committee: Do pass as amended and r-refer to Com. on JUD. on 04/03/25. Read second time and amended. Re-referred to Com. on JUD. on 04/07/25. Set hearing for May 6 on 04/08/25. From committee: Do pass on 05/07/25. Read second time. Ordered to third reading on 05/08/25. Ordered to inactive file on request of Senator Arreguin on 06/03/25. **From inactive file on motion of Senator Arreguin. Ordered to second reading on 01/22/26. Read second time. Ordered to third reading on 01/26/26. Read third time. Passed. Ordered to the Assembly. In Assembly. Read first time. Held at Desk on 01/27/26.)**

### Other Bills of Interest

#### **AB 814 (Schiavo)**

The Personal Income Tax Law, in conformity with federal income tax law, generally defines “gross income” as income from whatever source derived, except as specifically excluded, and provides various exclusions from gross income. This bill, for taxable years beginning on or after January 1, 2025, and before January 1, 2030, would exclude from gross income qualified payments received by a taxpayer during the taxable year. The bill would define qualified payments to mean either amounts received from a pension plan the taxpayer is the beneficiary of based on services performed as a peace officer, as defined, or amounts received as the beneficiary of an annuity plan set up for the surviving spouse or dependent of a person that lost their life in services as a peace officer, as specified. Existing law requires any bill authorizing a new tax expenditure to contain, among

other things, specific goals that the tax expenditure will achieve, detailed performance indicators, and data collection requirements. This bill also would include additional information required for any bill authorizing a new tax expenditure. The bill would require the Franchise Tax Board to provide any data requested by the Legislative Analyst's Office to write the report, as provided, and would make taxpayer information received by the Legislative Analyst's Office subject to specified law limiting the collection and use of that information, the violation of which is a crime. By expanding the scope of a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would take effect immediately as a tax levy.

(STATUS: Read first time on 02/19/25. Referred to Com. on REV. & TAX. on 03/10/25. In committee: Set, first hearing. Referred to suspense file on 03/24/25. In committee: Set, second hearing. Held under submission on 05/05/25. **Died pursuant to Art. IV, Sec. 10(c) of the Constitution on 01/31/26. From committee: Filed with the Chief Clerk pursuant to Joint Rule 56 on 02/02/26.**)

#### **ACA 2 (Jackson)**

*Previously tracked bill regarding establishing a retirement system for Members elected to or serving in the Legislature on or after November 1, 2010, has been printed but has not been heard in committee since 12/03/24.*

#### **Bills that Apply to CalPERS and/or CalSTRS Only**

None to report.

#### **Divestment Proposals (CalPERS and CalSTRS Only)**

#### **AB 1439 (Garcia)**

The California Constitution grants the retirement board of a public employee retirement system plenary authority and fiduciary responsibility for investment of moneys and administration of the retirement fund and system. These provisions qualify this grant of powers by reserving to the Legislature the authority to prohibit investments if it is in the public interest and the prohibition satisfies standards of fiduciary care and loyalty required of a retirement board.

Existing law prohibits the boards of the PERS and the STRS from making certain new investments or renewing existing investments of public employee retirement funds, including in a thermal coal company, as defined. Existing law provides that a board is not required to take any action regarding those investments unless the board determines in good faith that the action is consistent with the board's fiduciary responsibilities established in the California Constitution.

This bill would state that its purpose is to require the boards of PERS and STRS to contract with the University of California Labor Centers to conduct an independent study to determine the impacts on public employee retirement funds of prohibiting the board of a public pension or retirement system, as defined, from investing in development projects in California that do not provide labor standards protections for workers. The bill would require the study and a report of its findings to be completed and provided to the Legislature and the Department of Finance by January 1, 2028, as specified. The bill would provide that a board is not required to take action pursuant to this provision unless it determines in good faith that the action is consistent with the board's fiduciary responsibilities established in the California Constitution.

(STATUS: Introduced on 02/21/25. Read first time on 02/24/25. Referred to Com. on P. E. & R. on 03/24/25.

From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended. Re-referred to Com. on P. E. & R. on 03/25/25. In committee: Set, first hearing. Hearing canceled at the request of author on 04/21/25. **From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 01/14/26. Assembly Rule 63 suspended. In committee: Set, first hearing. Referred to suspense file. From committee: Amend, and do pass as amended. Read second time and amended. Ordered returned to second reading on 01/22/26. Read second time. Ordered to third reading on 01/26/26. Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 01/29/26.)**

Attachments:

2026 Tentative Legislative Calendar

**Submitted by:**



Manuel D. Serpa  
General Counsel

**2026 TENTATIVE LEGISLATIVE CALENDAR**

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK  
Revised September 29, 2025

**DEADLINES**

JANUARY						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

**Jan. 1** Statutes take effect (Art. IV, Sec. 8(c)).

**Jan. 5** **Legislature reconvenes** (J.R. 51(a)(4)).

**Jan. 10** Budget must be submitted by Governor (Art. IV, Sec. 12 (a)).

**Jan. 16** Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house in the odd-numbered year (J.R. 61(b)(1)).

**Jan. 19** Martin Luther King, Jr. Day.

**Jan. 23** Last day for any committee to hear and report to the **Floor** bills introduced in that house in the odd-numbered year (J.R. 61(b)(2)). Last day to **submit bill requests** to the Office of Legislative Counsel.

**Jan. 31** Last day for each house to **pass bills introduced** in that house in the odd-numbered year (Art. IV, Sec. 10(c)), (J.R. 61(b)(3)).

FEBRUARY						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

**Feb. 16** Presidents' Day.

**Feb. 20** Last day for bills to be **introduced** (J.R. 61(b)(4)), (J.R. 54(a)).

MARCH						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

**Mar. 26** **Spring Recess** begins upon adjournment (J.R. 51(b)(1)).

**Mar. 30** Cesar Chavez Day observed.

APRIL						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

**Apr. 6** Legislature reconvenes from **Spring Recess** (J.R. 51(b)(1)).

**Apr. 24** Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house (J.R. 61(b)(5)).

MAY						
S	M	T	W	TH	F	S
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

**May 1** Last day for **policy committees** to hear and report to the Floor **non-fiscal bills** introduced in their house (J.R. 61(b)(6)).

**May 8** Last day for **policy committees** to meet prior to June 1 (J.R. 61(b)(7)).

**May 15** Last day for **fiscal committees** to hear and report to the Floor bills introduced in their house (J.R. 61 (b)(8)). Last day for **fiscal committees** to meet prior to June 1 (J.R. 61 (b)(9)).

**May 25** Memorial Day.

**May 26 – 29 Floor Session only.** No committees, other than conference or Rules committees, may meet for any purpose (J.R. 61(b)(10)).

**May 29** Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).

\*Holiday schedule subject to Senate Rules committee approval.



**2026 TENTATIVE LEGISLATIVE CALENDAR**

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK  
Revised September 29, 2025

JUNE						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

**June 1** Committee meetings may resume (J.R. 61(b)(12)).

**June 15** Budget Bill must be passed by **midnight** (Art. IV, Sec. 12(c)(3)).

**June 25** Last day for a legislative measure to qualify for the  
Nov. 3 General Election ballot (Elections Code Sec. 9040).

JULY						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

**July 2** Last day for **policy committees** to meet and report bills (J.R. 61(b)(13)).  
**Summer Recess** begins upon adjournment of session, provided Budget Bill has passed (J.R. 51(b)(2)).

**July 3** Independence Day observed.

AUGUST						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

**Aug. 3** Legislature reconvenes from **Summer Recess** (J.R. 51(b)(2)).

**Aug. 14** Last day for **fiscal committees** to meet and report bills to the Floor  
(J.R. 61(b)(14)).

**Aug. 17 – 31 Floor Session only.** No committee, other than conference  
and Rules committees, may meet for any purpose (J.R. 61(b)(15)).

**Aug. 21** Last day to **amend** on the Floor (J.R. 61(b)(16)).

**Aug. 31** Last day for **each house to pass bills** (Art. IV, Sec. 10(c)),  
(J.R. 61(b)(17)). **Final recess** begins upon adjournment. (J.R. 51(b)(3)).

\*Holiday schedule subject to Senate Rules committee approval.

**IMPORTANT DATES OCCURRING DURING FINAL RECESS****2026**

Sept. 30 Last day for Governor to sign or veto bills passed by the Legislature before  
Sept. 1 and in the Governor's possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).

Nov. 3 General Election.

Nov. 30 Adjournment *sine die* at midnight (Art. IV, Sec. 3(a)).

Dec. 7 12 Noon convening of the 2027-28 Regular Session (Art. IV, Sec. 3(a)).

**2027**

Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** **OCERS TRAVEL POLICY APPROVED CONFERENCES LIST**

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### Written Report

#### Background/Discussion

At the Board's request, OCERS' executive staff produced a calendar and running list of upcoming OCERS Travel Policy approved conferences and Board education opportunities.

Attachment:

1. Annual Calendar with some conferences (dates boxed in red) and scheduled Board and Committee meeting dates
2. Legend for List of Pre-Approved Conferences that do not count towards the three per year rule.
3. Appendix of additional pre-approved conferences and education opportunities (Section 14) - counts towards the three per year rule.

#### Submitted by:



**SD - Approved**

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Steve Delaney  
Chief Executive Officer

# 2026 Calendar

January						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February						
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March						
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29	30	31				

April						
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26	27	28	29	30		

May						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June						
S	M	T	W	T	F	S
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
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19	20	21	22	23	24	25
26	27	28	29	30	31	

August						
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23	24	25	26	27	28	29
30	31					

September						
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27	28	29	30			

October						
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25	26	27	28	29	30	31

November						
S	M	T	W	T	F	S
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December						
S	M	T	W	T	F	S
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**Jan 01** New Year's Day  
**Jan 19** Martin Luther King Day  
**Feb 12** Lincoln's Birthday  
**Feb 16** Washington's Birthday

**May 25** Memorial Day  
**Jul 04** Independence Day  
**Sep 07** Labor Day  
**Sep 25** County Holiday

**Nov 11** Veteran's Day  
**Nov 26** Thanksgiving Day  
**Nov 27** County Holiday  
**Dec 25** Christmas

### General Conferences for Trustees (Boxed in Red on the Calendar)

Date Start	Date Ends	Conference Org	Conference Name	Location
1/26/2026	1/28/2026	NCPERS	Legislative Conference	Washington, DC
2/28/2026	3/2/2026	NASRA	Winter Meeting	Washington, DC
3/2/2026	3/3/2026	NIRS	Annual Conference	Washington, DC
3/8/2026	3/11/2026	CALAPRS	General Assembly	Carlsbad, CA
5/12/26	5/15/2026	SACRS	Spring Conference	Olympic Valley, CA
5/17/26	5/20/2026	NCPERS	Annual Conference & Exhibition (ACE)	Las Vegas, NV
8/8/26	8/12/26	NASRA	Annual Conference	Boston, MA
8/16/26	8/18/26	NCPERS	Public Pension Funding Forum	Chicago, IL
11/10/2026	11/13/2026	SACRS	Fall Conference	Rancho Mirage, CA
October 2027		NCPERS	FALL Conference	

### Topic Specific Conferences

1/25/2026	1/27/2026	NAPO	Annual Pension and Benefits Seminar	Las Vegas, NV
7/19/26	7/22/26	NAPO	ANNUAL CONVENTION	Detroit, MI
4/19/2026	4/22/2026	CRCEA	Spring Conference	Buellton, CA
6/15/26	6/17/2026	NCPERS	Chief Officers Summit	Newport Beach, CA
9/23/26	9/25/26	NCPERS	Public Pension HR Summit	Scottsdale, AZ
10/25/2026	10/28/2026	NCPERS	Public Safety Conference	Nashville, TN
Sep/Oct 2026		CRCEA	Fall Conference	TBD

### Trustee Education Conferences

4/20/2026	4/24/2026	Wharton	Investment Strategies and Portfolio Management	Philadelphia, PA
5/16/2026	5/17/2026	NCPERS	Accredited Fiduciary (NAF) Program- Module 1&2 (Governance &	Las Vegas, NV
5/16/2026	5/17/2026	NCPERS	Accredited Fiduciary (NAF) Program- Module 3&4 (Risk Managem	Las Vegas, NV
5/16/2026	5/17/2026	NCPERS	Trustee Educational Seminar (TEDS)	Las Vegas, NV
July 2026		SACRS	SACRS/UC Berkeley Program	Berkeley, CA
8/24/2026	8/27/2026	CALAPRS	Principles of Pension Governance for Trustees	TBD
10/19/2026	10/23/2026	Wharton	Investment Strategies and Portfolio Management	Philadelphia, PA
10/24/2026	10/25/2026	NCPERS	Program for Advanced Trustee Studies (PATs)	Nashville, TN
10/24/2026	10/25/2026	NCPERS	Accredited Fiduciary (NAF) Program- Module 1&2 (Governance &	Nashville, TN
10/24/2026	10/25/2026	NCPERS	Accredited Fiduciary (NAF) Program- Module 3&4 (Risk Managem	Nashville, TN

All conferences above do NOT count towards the three conferences / year maximum

The following are upcoming conferences and Board education opportunities, pre-approved under the Travel Policy. However, while these conferences pre-approved under section 14 of the Travel Policy, if they require overnight accommodations, they are subject to the limit of three events per year.

### January 2026

Date Start	Date Ends	Conference Org	Conference Name	Location
1/6	1/7	Opal	Public Funds Summit	Scottsdale, AZ
1/20	1/22	IFEBP	Health Benefits Conference & Expo	Ponte Vedra Beach, FL

### February 2026

Date Start	Date Ends	Conference Org	Conference Name	Location
2/21	2/22	IFEBP	Trustee Institute: Level 2	Orlando, FL
2/23	2/25	IFEBP	Advanced Trustees and Administrators Institute	Orlando, FL
2/23	2/25	IFEBP	Trustee Institute: Level 1 (New Trustees)	Orlando, FL

### March 2026

Date Start	Date Ends	Conference Org	Conference Name	Location
3/9	3/11	Counsel of Institutional Investors	Spring 2026 Conference	Washington DC

### April 2026

Date Start	Date Ends	Conference Org	Conference Name	Location
4/20	4/22	WithIntelligence	Pension Bridge The Annual 2026	Century City, CA
4/20	4/21	Investment and Wealth Institute	Experience 2026	Ft Lauderdale, FL
4/22	4/23	IFEBP	Investments Institute	Austin, TX

### May 2026

Date Start	Date Ends	Conference Org	Conference Name	Location
5/18	5/19	IFEBP	Washington Legislative Update	Washington DC

### June 2026

Date Start	Date Ends	Conference Org	Conference Name	Location
6/11	6/11	Markets Group	5th Annual Southern California Institutional Forum	Los Angeles, CA
6/13	6/14	IFEBP	Trustee Institute: Level 2	San Diego, CA
6/15	6/17	IFEBP	Trustee Institute: Level 1	San Diego, CA
6/15	6/17	IFEBP	Advanced Trustees and Administrators Institute	San Diego, CA
6/15	6/16	IFEBP	Public Plan Trustee Inst- Level 1	San Diego, CA

6/15	6/16	IFEBP	Public Plan Trustee Inst- Level 2	San Diego, CA
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**July 2026**

Date Start	Date Ends	Conference Org	Conference Name	Location
7/27	7/29	Opal Group	Public Funds Summit East	Newport, RI

**August 2026**

Date Start	Date Ends	Conference Org	Conference Name	Location
8/23	8/26	IFEBP	ISCEBS Employee Benefits Symposium	Phoenix, AZ

**September 2026**

Date Start	Date Ends	Conference Org	Conference Name	Location
9/14	9/15	SuperReturn	The West Coast's LP/GP Networking Hub	Los Angeles, CA
9/30	10/2	Counsel of Institutional Investors	Fall 2026 Conference	Boston, MA

**October 2026**

Date Start	Date Ends	Conference Org	Conference Name	Location
10/7	10/9	PREA	36th Annual Institutional Investor Conference	Washington DC
10/25	10/28	IFEBP	72 <sup>nd</sup> Annual Employee Benefits Conference	New Orleans, LA
10/26	10/28	Global ARC	23rd Annual Global ARC	Boston, MA

**November 2026**

Date Start	Date Ends	Conference Org	Conference Name	Location
11/3	11/5	Institutional Limited Partners Association	ILPA Summit 2026	New York, NY

**December 2026**

Date Start	Date Ends	Conference Org	Conference Name	Location
1-Dec		Institutional Shareholder Services Media Solutions	Influential Investors Forum	



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** William Tsao, Director of Enterprise Project Management Office  
**SUBJECT:** **PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT**

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### Written Report

#### Background/Discussion

The attached report covering the period 1/12/2026 to 1/26/2025 summarizes the most recent key updates, decisions, risks, and upcoming activities outlined in the status report for the OCERS Horizon project.

The **Overall Engagement Status** shows that Phase 1 (Visioning & Needs Assessment) is complete, and Phase 2 (Initial Procurement Activities) is in progress. The contract negotiation phase we are currently in has taken longer than expected, and as a result, the project is at risk of missing the initial contract negotiation due date OCERS internally set for the organization. OCERS does not want to “rush” this phase of the project simply to meet a due date because contracting was identified as an area of opportunity from the previous PAS engagement. Therefore, the team is committed towards ensuring the contract is accurate, comprehensive, and in the best interests of OCERS and our stakeholders.

Within this report, Provaliant has also included the status of various “workstreams” which are also projects for the OCERS staff. These workstreams will ultimately feed into the pension administration system solution.

#### Phase 2 progress summary:

- Negotiations are currently underway with Vitech. The project team has set a tentative deadline of **2/13/2026**. However, we will not rush this process as the contract is a foundational and critical piece of ensuring this project and implementation is successful. The Vitech team is digesting the edits staff has made to their submitted statement of work (SOW).
- OCERS has extended the Provaliant Phase 2 contract for no additional cost through the end of February 2026 to ensure the negotiation deliverable is accomplished.

#### Key Risks/Issues identified include:

- **Delays in Negotiation:** There may be a chance the implementation schedule could slip to the right. We have enlisted the help of Mr. Tom Walsh with Ice Miller to collaboratively work with our Legal team and assist in ensuring the contract negotiations occur smoothly.

#### Milestones/Metrics/Action Items:

##### Current Milestones:

- The Statement of Work (SOW) edits were submitted to Vitech on 1/14/26.

**Upcoming Milestones** include:

- Finalize contract negotiations: TBD at this moment as we have yet to receive feedback on the SOW edits.

**Key Takeaways:**

- Phase 2 of the Horizon Program is currently in the contract negotiation phase, which is foundational to this project's success. The team is preparing for discussions with Vitech while continuing onward in other supporting projects to OCERS Horizon while we wait to hear back from Vitech.

**Attachments:**

1. R-9A OCERS HORIZON ACTIVITY REPORT 1.26.2026

**Submitted by:**



William Tsao, Director of EPMO





## Status Report as of 1/26/26

1/26/2026

Version 1.0



## Document Control

Document Information	
Document Owner:	Shelly Pardis
Effective Date:	1/23/2026
Covering Period:	1/12/2026-1/26/2026

## Revision History

Version	Date	Description of Changes
0.1	1/23/2026	Initial Draft
1.0	1/26/2026	Review by PM team
1.1		
1.2		



Dashboard Update Period Ending: 1/23/2026    Prepared on: 1/23/2026    Published on: 1/27/2026

### OCERS Horizon Program Status



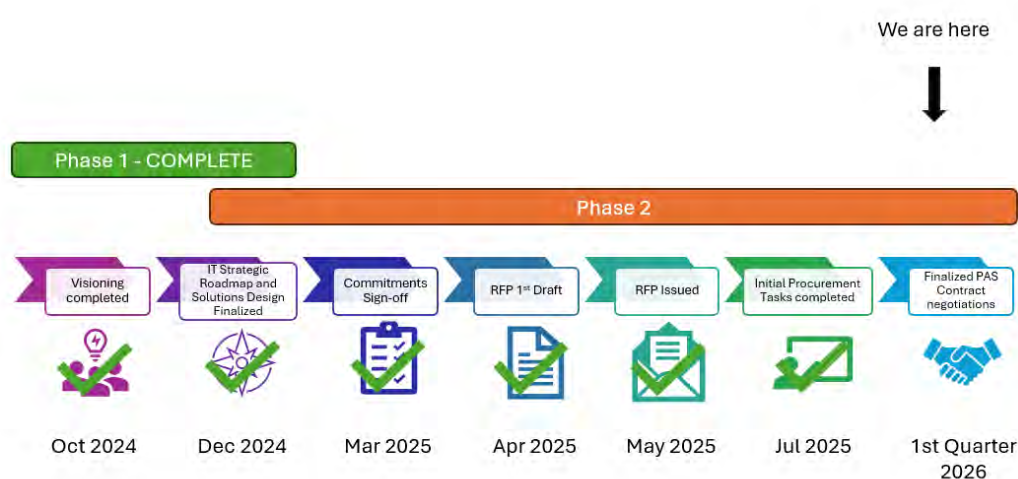
#### Overall Engagement Status



**Phase 1 – Visioning & Needs Assessment - COMPLETE**



**Phase 2 – RFP Development & Procurement – IN PROGRESS – At risk of schedule delay. See details below under contract negotiations.**



#### OCERS Horizon Accomplishments

- Sent OCERS first revision to Vitech on 1/14.
- Initiated meetings with Vitech related to the SOW

#### OCERS Decisions – Phase 2 Engagement / Contract Negotiations

1. Determine location of “shared repository” – OCERS SharePoint or Vitech SharePoint?
2. Vitech is expecting OCERS to provide certain “Current State Documentation”. Is OCERS prepared to provide this to Vitech by day one of the project? Or would OCERS like to require Vitech to pull some information from V3?



### Upcoming Milestones

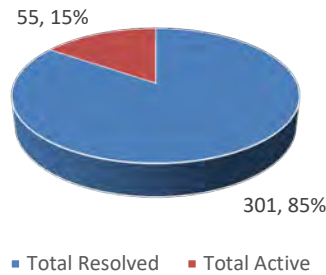
#### 1. Finalize contract negotiations (Delayed – New target TBD)

#### Current / Upcoming Activity Updates:

- **Contract Negotiations**
  - **SOW Revision/Review Progress**
    - SOW alignment did not meet the initial target of 1/27/2026. OCERS delivered the first revision to Vitech and they (Vitech) have indicated numerous issues. OCERS has replied that they should provide the list of issues and reasons and we can start working through them. Vitech indicated they will not likely be ready to start discussions until early February. Once we have a list of issues that we will need to work through, we will be able to estimate how long it might take to work through those issues.
    - The following activities will need to be rescheduled once we have the list of issues from Vitech:
      - Meet with Vitech to resolve misalignments (1/13 to 1/26/2026) - **DELAYED**
      - PAS EC and Final Legal Review Period (1/20 to 1/26/2026) - **DELAYED**
      - Finalize SOW (1/27/2026) – **DELAYED**
      - Finalize PAS Contract Negotiations (1/30/2026) – **DELAYED**
      - Buffer for extended contract negotiations (2/2 to 2/13/2026) – **AT RISK**
    - It is unlikely that the planned buffer of two weeks will be sufficient, however, we will not know how much additional time will be required until we have the list of issues from Vitech. Provaliant recommends we work towards the buffer end date in the meantime to resolve any outstanding known questions or action items and make an adjustment to the project plan once we have the response from Vitech.
    - Comment resolution is on hold pending response from Vitech. We will take a look at comments next week to determine if there are any actions that can be done without making changes to the revision.



### SOW Comment Resolution as of 1/23/2026



#### Planning for the next phase:

In preparation for the next phase of the project we are tracking progress on the IT Roadmap and any other new projects related to the OCERS modernization program.

The project management team has started reviewing the workstreams to break them out into distinct projects or ongoing operational activities, refine descriptions and Definitions of Done (DoD), assign project managers and OCERS owners, and how progress will be measured. This will serve as a foundation for measuring progress and quality of the overall modernization program within Hive as part of Phase 3.

Number	Workstream Description	Status	Notes
1	RFP and Vendor Selection	In Progress	<ul style="list-style-type: none"> <li>First revision sent to Vitech</li> <li>As expected, Vitech pushed back on the changes and is working on a list of issues.</li> <li>Discussion of issues and topics regarding the SOW to continue – targeting resuming meetings on 2/4/2026.</li> <li>Action items and issues/topics are being reviewed weekly by the internal team until such time as we hear back from Vitech.</li> <li>Provaliant is consolidating a list of review periods from the SOW for review by the PAS EC.</li> </ul>



Number	Workstream Description	Status	Notes
2	Program Management, Oversight and Consultation	Not Started	<ul style="list-style-type: none"> <li>Provaliant provided response to additional OCERS questions on 1/16/2026.</li> <li>Provaliant provided the final example to OCERS EPMO.</li> </ul>
3	Business Rules and Policies	In Progress	<ul style="list-style-type: none"> <li>No major developments</li> <li>EPMO is waiting on Vitech to respond back to request related to the business rules template.</li> <li>The Members Services Team has made progress and is planning to stay in sync with Vitech's schedule, focusing on topics related to PI 1.</li> <li>The PM team discussed that IT will provide feedback on data inputs but is not really in a position to sign off on the business rules. Provaliant indicated that their role could be more consulted vs responsible (in reference to a RACI chart). This would not require them to sign off but provide an opportunity to get their input.</li> <li>Based on what is currently captured in Hive this work is 38% complete. Provaliant recommends that OCERS do the best they can to identify the full scope of the business rules as they know them so they can have a better view of whether or not they are on track to complete on schedule.</li> </ul>
4	Organizational Change Management (OCM)	Not Started	<ul style="list-style-type: none"> <li>Plan on staffing as an internal position. Repurposing an already approved position</li> <li>No update at this point. Staffing still in progress.</li> </ul>



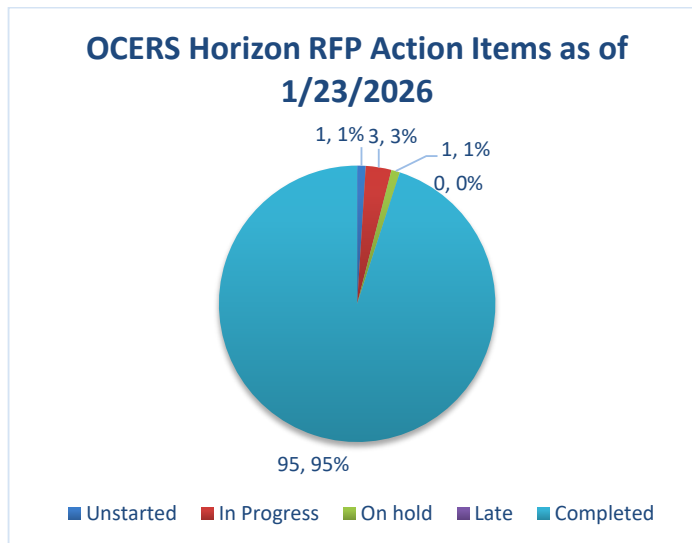
Number	Workstream Description	Status	Notes
5	Business, and IT Support and Backfill	In Progress	<ul style="list-style-type: none"> <li>Resource plan roles for business backfill have been filled</li> <li>IT positions have not all been filled or identified – still working on filling. In HR process</li> <li>Need to make sure when we discuss resources that we are considering both business and IT</li> <li>This workstream is not a project but an activity or HR function that is needed as part of resource acquisition and management for all projects.</li> <li>The PM team discussed putting names to positions that were identified in the RFP to see where we are and to ensure we are aligned with meeting the needs of all projects.</li> </ul>
6	OCERS Horizon Employer Outreach/ Data Project  *This workstream includes two separate projects	Not started / In Progress	<ul style="list-style-type: none"> <li>New employer handbook has been generated and sent out to employers. Employers have the opportunity to provide questions and feedback by January 31<sup>st</sup>.</li> <li>The employer feedback will influence the data policy which is being targeted for presenting to the board committee in March 2026.</li> <li>Change management may absorb employer outreach. We will want to ensure this is tracked as it can have a big impact on project success.</li> <li>Provaliant indicated that this workstream can often break out into multiple activities or projects. Stakeholder management,</li> </ul>



Number	Workstream Description	Status	Notes
			communications, reporting certification are some examples.
7-12	PAS Implementation	Not started	<ul style="list-style-type: none"> <li>A vendor has been recommended and contract negotiations are in progress.</li> </ul>
13	Data Services *Multiple projects – Data Cleansing, Data Migration, Data Reconciliation...	In progress	<ul style="list-style-type: none"> <li>The PM group initiated detailed discussions on this workstream to clearly define projects vs operational work. We are waiting to see what Vitech responds with in the SOW. This activity is in progress.</li> </ul>
14	AI Capabilities	Not Started	<ul style="list-style-type: none"> <li>No update</li> </ul>
15	Testing and Quality Assurance	Not Started	<ul style="list-style-type: none"> <li>No update</li> </ul>
16	Bridging the gap		<ul style="list-style-type: none"> <li>No update</li> </ul>

#### Action Items:

- All Action items are being closely monitored for impact to the timeline. There are no late actions at this time. However, Vendor selection – Contract Negotiations is at risk of not meeting the target due to misalignment of sections of the SOW. The teams are working through this with Vitech to ensure a quality SOW that is mutually beneficial.



- Late Actions:





- 
- None
  - Key action items/target dates:
    - 1/30/2026 – Contract negotiations completed – At risk

**OCERS Horizon Risk Management (Next meeting is scheduled 1/27):** Risk Management is an ongoing process and will continue through the length of the project.

The January meeting will be focused on reviewing descriptions, identifying owners and ranking two new risk, taking a look at one potential new risk to determine if it is covered under existing risks, reviewing recommendation related to data cleansing risks, and as time allows reviewing other risks that need updating or progress reported.

Summary of risks for the January meeting has been saved to Teams: [OCERS Risk Meeting - January 2026.docx](#)

#### Other Items

##### Issues

- None

##### Links

- Link to the RAID (Risk, Action, Issue, Decision) Log
  - **Risk/Issue Inventory:** Are tracked in Hive.
  - **Decision Log:** Are tracked in Hive
  - **Action Items:** Are tracked in Hive.
- Link to individual SharePoint sites: [General](#)
- Link to the most recent Project Schedule snapshot:
  - [https://ocersgov.sharepoint.com/:b:/r/sites/OCERSPAS/Shared Documents/General/Project Management Documents/Project schedule/OCERS New PAS - RFP Development Project - Phase 2 - 20260109.pdf?csf=1&web=1&e=3S4oB3OCERS New PAS - RFP Development Project - Phase 2 - 20260123.pdf](https://ocersgov.sharepoint.com/:b:/r/sites/OCERSPAS/Shared%20Documents/General/Project%20Management%20Documents/Project%20schedule/OCERS%20New%20PAS%20-%20RFP%20Development%20Project%20-%20Phase%20-%2020260109.pdf?csf=1&web=1&e=3S4oB3OCERS%20New%20PAS%20-%20RFP%20Development%20Project%20-%20Phase%20-%2020260123.pdf)



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** 2026 STAR COLA COST POSTING

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## PLACE HOLDER

Submitted by:



**SD - Approved**

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Steve Delaney  
Chief Executive Officer



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Jeff Lamberson G.B.A., Director of Member Services, Retirement Operations  
**SUBJECT:** **OVERPAID AND UNDERPAID PLAN BENEFITS – 2025 REPORT**

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### Written Report

#### Background / Discussion

In accordance with the Board of Retirement Overpaid and Underpaid Plan Benefits Policy (Policy), adopted by the Board on May 16, 2016, this memorandum serves as the annual report covering calendar year 2025.

#### Benefit Overpayments / Underpayments

Benefit overpayments and repayments are tracked in the V3 pension administration system. The Benefit Recoupment Report in V3 displays all overpayments created in the system, including the original overpayment amount, current outstanding balance, and the most recent recoupment payment date and amount. This report enables OCERS to monitor the status of overpayments and identify accounts requiring follow-up or additional action.

Underpayments occur less frequently. When identified, underpayments are issued to members or beneficiaries as one-time benefit adjustments upon discovery.

#### 2025 Overpayment Activity

During calendar year 2025, a total of **182 benefit overpayments** were established. Of these:

- **37 overpayments (approximately 20%)** were attributable to the completion of the Alameda project recalculations.
- The remaining **145 overpayments** were non-Alameda related, and repayment arrangements are being pursued for all applicable accounts.

Of the **145 non-Alameda overpayments**:

- **110 cases (approximately 76%)** resulted from the late reporting of a member's or payee's death.
- **35 cases** were due to required benefit recalculations for various reasons, including divorce settlements, felony forfeitures, disability recalculations, disability adjustments, and similar events.
  - **Three (3) of the 35 accounts** with overpayments from benefit recalculations of less than \$75 were written off in accordance with administrative efficiency standards.

For 2025, as stated above, Alameda-related overpayments accounted for approximately **20%** of total overpayments. This is a significant decrease from **56% in 2024**, reflecting the final closure of Alameda-related recalculations.

As noted above, the most significant source of overpayments continues to be the late reporting of payee deaths, representing approximately **76% of non-Alameda overpayments** and approximately **60% of total 2025 overpayments**. The integration of ABL Tech in late 2025 significantly enhanced our detection capabilities; of the 110 late-reported death cases involving overpayments, 64 cases were identified in August and September using this new vendor. We continue to focus on ways to improve our processes to ensure earlier detection.

### Process Improvements

Member Services continues to partner with Information Technology to reduce the risk of late-reported deaths. Key initiatives include implementing Robotic Process Automation to improve death matching by issuing verification of life letters to members over the age of 90, and expanding death match services. Additionally, a dedicated management team has been established to oversee these processes. These actions strengthen internal controls and are expected to reduce future overpayments.

### Submitted by:



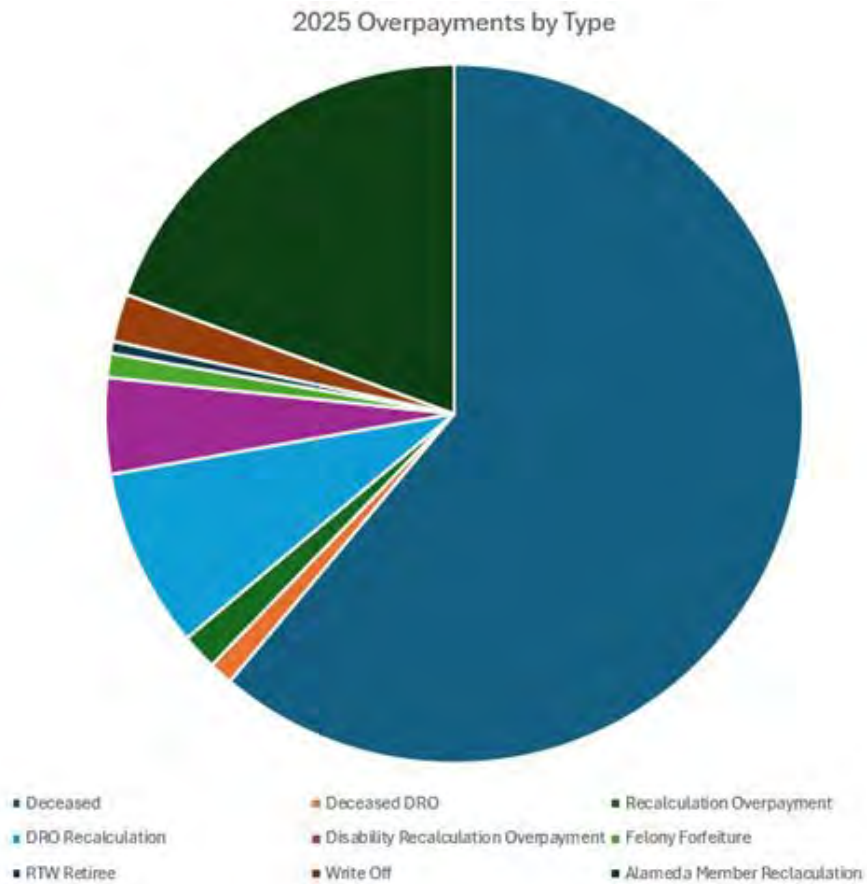
JL Approved

Jeff Lamberson, G.B.A.

Director of Member Services, Retirement Operations

Description	Payee Count	Original Overpayment	Payments Made by Payee	Third Party Payment Adjustments	Non-Third Party Payment Adjustments	Remaining Balance
Deceased	110	\$3,869,277.73	(\$113,650.35)	(\$344,573.14)	(\$649,151.62)	\$2,761,902.62
Deceased DRO	2	\$10,152.98	\$0.00	\$0.00	\$0.00	\$10,152.98
Recalculation Overpayment	4	\$25,914.32	(\$1,653.52)	\$0.00	(\$425.15)	\$22,468.85
DRO Recalculation	15	\$313,280.22	(\$5,003.85)	(\$124.08)	(\$12,183.32)	\$295,968.97
Disability Recalculation Overpayment	8	\$350,182.20	(\$346,472.34)	\$0.00	(\$3,007.80)	\$702.06
Felony Forfeiture	2	\$168,504.43	\$0.00	\$0.00	\$0.00	\$168,504.43
RTW Retiree	1	\$115.66	(\$1,464.56)	\$0.00	\$0.00	\$0.00
Write Off	3	\$20.38	\$0.00	\$0.00	(\$20.38)	\$0.00
Alameda Member Reclaculation	37	\$339,313.80	(\$40,383.88)	\$0.00	\$9,446.61	\$308,376.01
<b>Totals</b>	<b>182</b>	<b>\$5,076,761.72</b>	<b>(\$508,628.50)</b>	<b>(\$344,697.22)</b>	<b>(\$655,341.66)</b>	<b>\$3,568,075.92</b>

**Third Party Payments** represent funds successfully reclaimed from a third party vendor such as, a union for dues, a health insurance company for premiums, which were deducted from a payee's benefit check.  
**Non-Third Party Payments** represent funds successfully reclaimed from the payee's bank account.





## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** ANNUAL REPORT OF CONTRACTS GREATER THAN \$100,000

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## PLACE HOLDER

Submitted by:



**SD - Approved**

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Steve Delaney  
Chief Executive Officer



## Memorandum

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**DATE:** February 18, 2026  
**TO:** Members of the Board of Retirement  
**FROM:** Esther Hong, Compliance Officer  
**SUBJECT:** 2025 ANNUAL BOARD POLICY COMPLIANCE REPORT

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### Written Report

#### Background/Discussion

Beginning in 2019, at the Board's request, OCERS' executive staff produces an annual report relating to Board policy compliance. Different from the triennial review process whereby every policy is considered for current applicability and possible update or modification, this report addresses whether OCERS staff has been compliant with each of the OCERS Board policies.

Attached is a list of each policy and the executive manager assigned to determine compliance in Calendar Year 2025.

I hereby attest to agency compliance with all policies.

#### Submitted by:




**EH - Approved**

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Esther Hong  
Compliance Officer

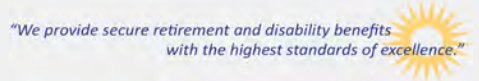
# 02-18-2026 REGULAR BOARD MEETING - R-13 2025 ANNUAL BOARD POLICY COMPLIANCE REPORT



## Annual Board Policy Compliance Review Status Report

This report details the Status and Compliance of Board Policies (only).

No. of Records: **51**



“We provide secure retirement and disability benefits  
with the highest standards of excellence.”

DOCUMENT TITLE	DOCUMENT CATEGORY	COMMITTEE	ASSIGNED TO	REVIEWER ROLE	LAST BOARD REVIEW DATE	NEXT BOARD REVIEW DATE	LAST COMPLIANCE REVIEW DATE	IN COMPLIANCE?
<a href="#">Actuarial Funding Policy</a>	BP - Board Policy	Governance	Brenda Shott	Assistant CEO, Internal	4/15/2024	4/15/2027	12/6/2025	Yes
<a href="#">Actuarial Valuation Policy</a>	BP - Board Policy	Governance	Brenda Shott	Assistant CEO, Internal	12/11/2023	12/10/2026	12/6/2025	Yes
<a href="#">Board Member Travel Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	5/19/2025	5/18/2028	11/24/2025	Yes
<a href="#">Budget Approval Policy</a>	BP - Board Policy	Governance	Brenda Shott	Assistant CEO, Internal	10/20/2025	10/19/2028	12/6/2025	Yes
<a href="#">CEO Performance Evaluation Policy</a>	BP - Board Policy	Personnel	Cynthia Hockless	Director of Human Resources	10/20/2025	10/19/2028	12/9/2025	Yes
<a href="#">Code of Ethics and Standards of Professional Conduct Policy</a>	BP - Board Policy	Investments	Molly Murphy	CIO	11/19/2025	11/18/2028	11/25/2025	Yes
<a href="#">Communications Policy</a>	BP - Board Policy	Governance	Mary-Joy Coburn	Director of Communications	6/19/2023	6/18/2026	12/6/2025	Yes
<a href="#">Compensation Earnable Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	12/15/2025	12/14/2028	11/24/2025	Yes
<a href="#">Compensation Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	7/21/2025	7/20/2028	11/24/2025	Yes
<a href="#">Conflict of Interest Code</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	7/21/2025	7/20/2028	11/24/2025	Yes
<a href="#">Cost Impacting Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	6/17/2024	6/17/2027	11/24/2025	Yes
<a href="#">Declining Employer Payroll Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	12/15/2025	12/14/2028	11/24/2025	Yes
<a href="#">Digital Signature Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	4/21/2025	4/20/2028	11/24/2025	Yes
<a href="#">Disability Retirement Reemployment Policy</a>	BP - Board Policy	Disability	Nicole McIntosh	Director of Disability	6/17/2024	6/17/2027	12/19/2025	Yes
<a href="#">Disposition of Surplus Property Policy</a>	BP - Board Policy	Governance	Brenda Shott	Assistant CEO, Internal	12/9/2024	12/9/2027	12/5/2025	Yes
<a href="#">Election Procedures Policy</a>	BP - Board Policy	Governance	Cynthia Hockless	Director of Human Resources	10/16/2023	10/15/2026	12/9/2025	Yes
<a href="#">Employee Travel Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	5/19/2025	5/18/2028	11/24/2025	Yes
<a href="#">Ethics Compliance and Fraud Hotline</a>	BP - Board Policy	Audit	Manuel Serpa	General Counsel	4/15/2024	4/15/2027	11/24/2025	Yes
<a href="#">Extraordinary Expense Recovery Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	6/17/2024	6/17/2027	11/24/2025	Yes
<a href="#">Hearing Officer Selection and Retention Policy</a>	BP - Board Policy	Disability	Nicole McIntosh	Director of Disability	6/17/2024	6/17/2027	12/19/2025	Yes
<a href="#">Indemnity and Defense Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	4/21/2025	4/20/2028	11/24/2025	Yes
<a href="#">Investment Policy Statement</a>	BP - Board Policy	Investments	Molly Murphy	CIO	11/19/2025	11/18/2028	11/25/2025	Yes
<a href="#">Legislative Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	10/21/2024	10/21/2027	11/24/2025	Yes
<a href="#">Member Services Customer Service Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	10/21/2024	10/21/2027	12/3/2025	Yes
<a href="#">Membership Eligibility Requirements</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	10/20/2025	10/19/2028	11/26/2025	Yes
<a href="#">Monitoring and Reporting Policy</a>	BP - Board Policy	Governance	Steve Delaney	CEO	10/20/2025	10/19/2028	12/24/2025	Yes
<a href="#">OCERS Administrative Review and Hearing Policy</a>	BP - Board Policy	Disability	Nicole McIntosh	Director of Disability	10/21/2024	10/21/2027	12/19/2025	Yes
<a href="#">Operational Risk Policy</a>	BP - Board Policy	Audit	Brenda Shott	Assistant CEO, Internal	4/17/2023	4/16/2026	12/6/2025	Yes
<a href="#">Overpaid and Underpaid Plan Benefits Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	4/21/2025	4/20/2028	11/24/2025	Yes
<a href="#">Overpaid and Underpaid Plan Contributions Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	4/21/2025	4/20/2028	11/24/2025	Yes
<a href="#">Pay Item Review Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	4/21/2025	4/20/2028	11/24/2025	Yes
<a href="#">Pensionable Compensation Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	12/15/2025	12/14/2028	11/24/2025	Yes
<a href="#">Placement Agent Disclosure Policy</a>	BP - Board Policy	Investments	Molly Murphy	CIO	11/19/2025	11/18/2028	11/25/2025	Yes
<a href="#">Planning Policy</a>	BP - Board Policy	Governance	Steve Delaney	CEO	10/20/2025	10/19/2028	12/6/2025	Yes
<a href="#">Procurement and Contracting Policy</a>	BP - Board Policy	Governance	Fong Tse	Sr. Manager of Facilities and Operations Support Services	10/20/2025	10/19/2028	11/24/2025	Yes
<a href="#">Protocol for Handling Workplace Complaints Against Board Members and Executives</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	6/20/2022	6/19/2025	11/24/2025	Yes
<a href="#">Proxy Voting</a>	BP - Board Policy	Investments	Molly Murphy	CIO	11/19/2025	11/18/2028	11/25/2025	Yes
<a href="#">Public Records and Data Request Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	4/17/2023	4/16/2026	11/24/2025	Yes
<a href="#">Quiet Period Policy</a>	BP - Board Policy	Governance	Brenda Shott	Assistant CEO, Internal	6/19/2023	6/18/2026	12/6/2025	Yes
<a href="#">Records Management Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	10/20/2025	10/19/2028	12/31/2025	Yes
<a href="#">Reserves and Interest-Crediting Policy</a>	BP - Board Policy	Governance	Brenda Shott	Assistant CEO, Internal	10/20/2025	10/19/2028	12/6/2025	Yes
<a href="#">Retirement Enhancement Review Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	5/19/2025	5/18/2028	11/24/2025	Yes
<a href="#">Rules of Parliamentary Procedure</a>	BP - Board Policy	Governance	Steve Delaney	CEO	4/17/2023	4/16/2026	12/24/2025	Yes
<a href="#">SACRS Voting Authority Policy</a>	BP - Board Policy	Governance	Steve Delaney	CEO	4/17/2023	4/16/2026	12/23/2025	Yes
<a href="#">Securities Litigation Policy</a>	BP - Board Policy	Governance	Manuel Serpa	General Counsel	5/28/2025	5/27/2028	11/24/2025	Yes

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\*\* Dates represent Internal Audit reports or Management Action Plan follow-ups in which portions of the policies/charters were reviewed. Does not confirm that the policy in



<div><div><div><div>Annual Board Policy Compliance Review Status Report</div><div>This report details the Status and Compliance of Board Policies (only).</div><div>No. of Records: 51</div></div><div><div><i>"We provide secure retirement and disability benefits with the highest standards of excellence."</i></div></div></div></div>								
<a href="#">Succession Policy</a>	BP - Board Policy	Governance	Mary-Joy Coburn	Director of Communications	10/20/2025	10/19/2028	12/6/2025	Yes
<a href="#">Trustee Education Policy</a>	BP - Board Policy	Governance	Cynthia Hockless	Director of Human Resources	10/20/2025	10/19/2028	12/9/2025	Yes
<a href="#">Whistleblower Policy</a>	BP - Board Policy	Governance	Cynthia Hockless	Director of Human Resources	5/19/2025	5/18/2028	12/9/2025	Yes
<a href="#">Withdrawing Employer Continuing Obligation Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	12/15/2025	12/14/2028	11/24/2025	Yes
<a href="#">Withdrawing Employer Fully Satisfied Obligation Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	12/15/2025	12/14/2028	11/24/2025	Yes
<a href="#">Write Off Policy</a>	BP - Board Policy	Governance	David Kim	Assistant CEO, External	4/15/2024	4/15/2027	11/24/2025	Yes

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