

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

**REGULAR MEETING
Monday, June 16, 2025
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	
Join Using Zoom App (Video & Audio) Join Zoom Meeting https://ocers.zoom.us/j/88651956600 Meeting ID: 886 5195 6600 Passcode: 501604 Go to https://www.zoom.us/download to download Zoom app before meeting Go to https://zoom.us to connect online using any browser.	Join by Telephone (Audio Only) 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) Meeting ID: 886 5195 6600 Passcode: 501604
A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page	

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.

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

- Yu, Cyril

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

May 19, 2025

Recommendation: Approve minutes.

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:

None

B. CEO Recommendations:

DC-1: EDWARD BAKER

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 March 11, 2022.

DC-2: PATRICIA GARCIA

Fire Communications Dispatcher, Orange County Fire Authority (General)

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

- Grant service-connected disability retirement.
- Set the effective date as May 31, 2024.

DC-3: SARAH NAWAZ

Animal Control Public Education Officer, Orange County Community Resources Animal Control (General)

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

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

DC-4: MARC ODOM

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 October 20, 2023.

DC-5: KENNETH OLSZEWSKI

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 January 10, 2025.

DC-6: KEVIN SKINNER

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 January 6, 2025.

DC-7: LAWRENCE UNDERWOOD

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 March 31, 2024.

DC-8: JOE VOLLMER

Lieutenant, 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 22, 2024.

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**

DA-2: RICHARD CHAPPELL

Construction Inspection Supervisor, Orange County Sanitation District

Recommendation: Staff recommends the Board grant Applicant Richard Chappell ("Applicant")'s application for service-connected disability retirement based on the May 19, 2025, Report by OCERS' Independent Medical Examiner (IME), Dr. Alexander Latteri, M.D.

OR

Alternatively, the Board may order that the hearing process be resumed.

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 DECEMBER 31, 2024 ACTUARIAL VALUATION- FINAL APPROVAL

Presentation by Segal

Recommendation: Approve the Actuarial Valuation and Review as of December 31, 2024 and adopt contribution rates for Fiscal Year 2026 – 2027 as recommended by Segal.

A-3 2024 AUDITED FINANCIAL STATEMENTS AND ANNUAL COMPREHENSIVE FINANCIAL REPORTS

Presentation by Brenda Shott, Assistant Chief Executive Officer, Internal Operations, and Tracy Bowman, Director of Finance, OCERS

Recommendation: Approve the following recommendations presented to the Audit Committee during a meeting held on June 9, 2025:

1. Approve OCERS' audited financial statements for the year ended December 31, 2024;
2. Direct staff to finalize OCERS' 2024 Annual Comprehensive Financial Report (Annual Report);
3. Approve the Governmental Accounting Standards Board (GASB) Statement 67 Actuarial Valuation as of December 31, 2024; and
4. Receive and file Moss Adams LLP's (Moss Adams) "OCERS' Report to the Audit Committee for the Year Ended December 31, 2024" and their "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*."

A-4 GASB 68 VALUATION AND AUDIT REPORT

Presentation by Brenda Shott, Assistant Chief Executive Officer, Internal Operations, and Tracy Bowman, Director of Finance, OCERS

Recommendation: Approve the following recommendations from the Audit Committee during a meeting held on June 9, 2025:

1. Approve OCERS' audited Schedule of Allocated Pension Amounts by Employer as of and for the Year Ended December 31, 2024; and
2. Approve the Governmental Accounting Standards Board (GASB) Statement 68 Actuarial Valuation as of December 31, 2024 for distribution to Employers.

INFORMATION ITEMS

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

I-1 ACTUARIAL TOPICS: 30-YEAR COLA COST ISSUE

Presentation by Segal

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

May 19, 2025
May 19, 2025

R-2 COMMITTEE MEETING MINUTES

- March 2025- Governance Committee Minutes
- March 2025- Audit Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2025 OCERS BOARD WORK PLAN

Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 LEGISLATIVE UPDATE

Written Report

R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

R-8 UPDATE BOARD ELECTIONS: GENERAL MEMBER AND RETIRED MEMBER

Written Report

R-9 NEW HEADQUARTERS ACTIVITY REPORT

Written Report

R-10 PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT

Written Report

R-11 STRATEGIC PLANNING WORKSHOP – PROPOSED FORMAT AND AGENDA TOPICS

Written Report

R-12 REPORT OF ATTENDANCE AT CONFERENCE- RICHARD OATES- MOTLEY RICE- PIC US

Written Report

R-13 REPORT OF ATTENDANCE AT CONFERENCE- ADELE TAGALOA- MOTLEY RICE- PIC US

Written Report

R-14 REPORT OF ATTENDANCE AT CONFERENCE- ADELE TAGALOA- 2025 NASP- SOUTHERN CALIFORNIA

Written Report

CLOSED SESSION

- E-1 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 termination, or lease renegotiation.

Recommendation: Take appropriate action.

CIO COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

BOARD MEMBER COMMENTS

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

NOTICE OF NEXT MEETINGS

PERSONNEL COMMITTEE MEETING

June 25, 2025

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

DISABILITY COMMITTEE MEETING

July 21, 2025

8:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

July 21, 2025

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 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

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Irene Warkentine, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – CYRIL YU**

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 their service retirement allowance as required by their Domestic Relations Order (DRO), effective April 10, 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
Tel 415.263.8254
mcalcagno@segalco.com

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

Personal and Confidential

May 22, 2025

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 Cyril Yu**

Dear Irene:

Pursuant to your request, we have determined the Option 4 benefits payable to Cyril Yu and his ex-spouse based on the unmodified benefit and other information provided in the System's request received on May 21, 2025.

Background

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

Data Element	Data Provided by OCERS
Member's Date of Birth:	[REDACTED]
Date of Retirement:	April 10, 2025
Last Plan of Membership:	General Plan J
Monthly Unmodified Benefit:	\$8,809.00
Ex-Spouse's Date of Birth:	[REDACTED]
Ex-Spouse's Share of Unmodified Benefit:	42.64%
Retirement Type:	Service Retirement

Irene Warkentine
May 22, 2025
Page 2

Calculations

We calculated the adjustment to the member's unmodified benefit to provide a 42.64% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is shared equally between the member and the ex-spouse.

Option 4 Benefit

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
Payable to member		
• Annuity:	\$1,608.92	
• Pension:	3,283.44	
Total payable to member¹	\$4,892.36	\$0.00
Payable to ex-spouse²	\$3,595.68	\$3,595.68

Actuarial assumptions

We have calculated the Option 4 benefits based on the following actuarial assumptions:

Interest

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.

Mortality Table

Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 40% male and 60% female for members.

Pub-2010 General Contingent Survivor Amount-Weighted Above-Median Mortality Table with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 60% male and 40% female for beneficiaries.

¹ This is equal to 57.36% (i.e., 100% - 42.64%) of the member's unmodified benefit (i.e., 57.36% × \$8,809.00 or \$5,052.84) adjusted by \$160.48 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.

² This is equal to 42.64% of the member's unmodified benefit (i.e., 42.64% × \$8,809.00 or \$3,756.16) adjusted by \$160.48 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.

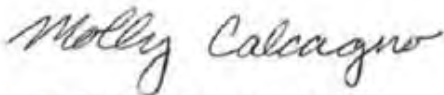
Irene Warkentine
May 22, 2025
Page 3

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



May 27, 2025

Cyril H. Yu

Re: Retirement Election Confirmation – Option 4

Dear Mr. YU:

You have elected Option 4 as your retirement option. This option will provide a 42.64% of your monthly benefit, for the life of the benefit, to:

CHRISTINA LI

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 42.64% continuance to CHRISTINA LI.


Member Signature/Date

Sincerely,

David Viramontes
Sr. Retirement Program Specialist

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

**REGULAR MEETING
Monday, May 19, 2025
9:30 A.M.**

MINUTES

Chair Packard called the meeting to order at 9:30 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Richard Oates, Vice Chair, Charles Packard, Chair; Arthur Hidalgo, Iriss Barriga; Shari Freidenrich, Jeremy Vallone; Wayne Lindholm

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

Also Present: Steve Delaney, CEO; David Kim, Assistant CEO, External Operations (ZOOM); Brenda Shott, Assistant CEO, Internal Operations; Manuel Serpa, General Counsel; Darren Dang, Chief Technology Officer; Fong Tse, Senior Facilities Manager; Cynthia Hockless, Director of HR; Nicole McIntosh; Director of Disability; Tracy Bowman, Director of Finance; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Maytak Chin, ReedSmith

Absent: Roger Hilton, Shawn Dewane

CEO Delaney introduced our new Chief Technology Officer (CTO), Darren Dang.

CONSENT AGENDA

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

- Σ Taft, Robert
- Σ Winger, Erin
- Σ Villanueva, Alan

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

April 21, 2025

Recommendation: Approve minutes.**C-3 BUDGET AMENDMENT – TRANSFER FROM SERVICES AND SUPPLIES TO CAPITAL EXPENDITURES**

Recommendation: Authorize the Assistant CEO, Finance and Internal Operations to transfer \$94,467 from the Services and Supplies budget category to the Capital Projects budget category for the purchase of Wi-Fi hardware and equipment, as well as related installation and configuration services that meet the criteria to be capitalized for accounting purposes.

MOTION by Mr. Oates, **seconded** by Mr. Hidalgo, to approve the C-1 to C-3.The motion passed **unanimously**.**C-4 OUTCOMES FROM GOVERNANCE COMMITTEE MEETING ON MAY 8, 2025***Ms. Freidenrich pulled for discussion as A-1***ACTION ITEMS****A-1 C-4 OUTCOMES FROM GOVERNANCE COMMITTEE MEETING ON MAY 8, 2025****Recommendation:** The Governance Committee recommends that the Board adopt the following:

- (1) **Retirement Enhancement Review Policy** with revisions approved by the Committee;
- (2) **Whistleblower Policy** with revisions approved by the Committee;
- (3) **Monitoring and Reporting Policy** with revisions approved by the Committee;
- (4) **Trustee Education Policy** with revisions approved by the Committee; and
- (5) **Board Member Travel Policy and Employee Travel Policy** with revisions approved by the Committee.

*Mr. Vallone arrived the meeting at 9:51 a.m. during A-1 discussion.***AMENDED MOTION** by Ms. Freidenrich to approve all, except for the Travel Policy, which she requests for the Governance Committee to revise.

After discussion, amended motion fails without a second.

MOTION by Ms. Lopez Tagaloa, **seconded** by Mr. Oates, to approve the C-4 as recommended by staff.

The motion passes in accordance to the following roll call vote:

AYES

Mr. Dewane

NAYS

Ms. Freidenrich

ABSTAIN**ABSENT**

Mr. Hilton

Mr. Lindholm
Mr. Packard
Ms. Barriga
Mr. Vallone
Ms. Lopez Tagaloa
Mr. Oates
Mr. Hidalgo

DISABILITY/MEMBER BENEFITS AGENDA

CONSENT ITEMS

A. Disability Committee Recommendations:

None

B. CEO Recommendations:

DC-1: BRAD HUNTER

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

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

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

DC-2: ALVARO LOPEZ

Coach Operator, Orange County Transportation Authority (General)

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

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

DC-3: RYAN THWING

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

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

- Σ Grant service-connected disability retirement.
- Σ Set the effective date as March 7, 2025.

DC-4: DAVID WALDSCHMIDT

Fire Captain, Orange County Fire Authority (Safety)

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

- Σ Grant service-connected disability retirement.
- Σ Set the effective date as February 29, 2024.

DC-5: KEVIN SKINNER

Fire Apparatus Engineer, Orange County Fire Authority (Safety)

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

- Σ Grant service-connected disability retirement.
- Σ Set the effective date as January 6, 2025.

MOTION by Ms. Barriga, **seconded** by Ms. Freidenrich, to approve DC 1-4, except for DC-4 Kevin Skinner. Mr. Skinner's application is still under development.

The motion passed **unanimously**.

ACTION ITEMS

A-2 BOARD INTERVIEWS AND AWARD OF FIDUCIARY COUNSEL SERVICES

Presentation by Manuel Serpa, General Counsel, OCERS

Recommendation: Staff recommends (1) the Board interview the finalists; and (2) after conducting such interviews, that the Board award a Contract for Fiduciary Counsel Services, subject to satisfactory negotiation of terms.

Jenni Krengel, Philip J. Wolman, and Zachary E. Wertheimer represented Buchalter.

The Board recessed for break at 10:47 a.m.

The Board reconvened from break at 10:55 a.m.

Ashley Dunning, Alex Westerfield, and Michelle McCarthy represented Nossaman.

The Board recessed for break at 11:48 a.m.

The Board reconvened from break at 12:00 p.m.

Maytak Chin, Mariah Fairley, Kathryn Bayes, and Chris Maldonado represented ReedSmith.

MOTION by Ms. Freidenrich, **seconded** by Mr. Lindholm, to award a Contract for Fiduciary Counsel Services to ReedSmith, subject to satisfactory negotiation of terms.

The motion passed **unanimously**.

The Board adjourned to closed session at 1:05 p.m.

CLOSED SESSION

E-1 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 termination, or lease renegotiation.

Recommendation: Take appropriate action.

The Board returned from Closed Session at 1:35 p.m.

Recording Secretary did not administer the Roll Call attendance but witnessed Ms. Freidenrich, Mr. Hidalgo, Ms. Lopez Tagaloe, Chair Packard, Vice Chair Oates, Ms. Barriga, Mr. Lindholm, and Mr. Vallone present.

Report out from closed session: Mr. Serpa notes no reportable actions were taken.

The Board recessed for Lunch at 1:36 p.m.

Mr. Hidalgo left during the lunch break.

The Board reconvened from Lunch at 2:21 p.m.

Recording Secretary administered the Roll Call attendance.

Ms. Lopez Tagaloe returned from lunch at 2:24 p.m.

A-3 BOARD CALENDAR UPDATE- AUGUST MEETING

Presentation by Steve Delaney, Chief Executive Officer, OCERS

Recommendation: Staff recommends canceling the Board Meeting on August 18, 2025.

MOTION by Ms. Barriga, **seconded** by Mr. Lindholm, to approve staff recommendation to cancel the August 2025 Board Meeting.

The motion passes in accordance to the following roll call vote:

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

INFORMATION ITEMS

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

I-1 PRELIMINARY DECEMBER 31, 2024 ACTUARIAL VALUATION

Presentation by Andy Yeung and Molly Calcagno, Segal

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

May 19, 2025

Death Notices

May 19, 2025

R-2 COMMITTEE MEETING MINUTES

- March 2025- Governance Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2025 OCERS BOARD WORK PLAN

Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 LEGISLATIVE UPDATE

Written Report

R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

R-8 UPDATE BOARD ELECTIONS: GENERAL MEMBER AND RETIRED MEMBER

Written Report

R-9 NEW HEADQUARTERS ACTIVITY REPORT

Written Report

R-10 PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT

Written Report

R-11 FIRST QUARTER 2025 BUDGET VS. ACTUALS REPORT

Written Report

R-12 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025

Written Report

R-13 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

Written Report

R-14 OCERS 80TH ANNIVERSARY CELEBRATION – AUGUST 6, 2025

Written Report

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS- Mr. Delaney noted that the request for proposals (RFP) has been distributed for the Pension Administration System (PAS) project and that updates can be seen in R-10. Additionally, Mr. Delaney invites the Trustees to the 80th Anniversary Celebration on August 6, 2025.

BOARD MEMBER COMMENTS- None

COUNSEL COMMENTS- None

Orange County Employees Retirement System
May 19, 2025
Regular Board Meeting – Minutes

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Meeting **ADJOURNED** at 3:41 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

Charles Packard
Chairperson



Memorandum

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations
SUBJECT: DECEMBER 31, 2024 ACTUARIAL VALUATION- FINAL APPROVAL

Recommendation

Approve the Actuarial Valuation and Review as of December 31, 2024 and adopt contribution rates for Fiscal Year 2026 – 2027 as recommended by Segal.

Background/Discussion

In May, the OCERS Board of Retirement considered the preliminary results of the December 31, 2024 Actuarial Valuation in PowerPoint format with Mr. Andy Yeung and Ms. Molly Calcagno from Segal.

On June 16, Segal will present the complete Actuarial Valuation and Review as of December 31, 2024 and the Board will be requested to formally adopt that report and the contribution rates that will go into effect in Fiscal Year 2026-2027.

The Board considers the Actuarial Valuation report in this two-step process as a courtesy to our many stakeholders, allowing them an opportunity to consider the initial data and provide comment prior to a formal adoption. To-date we have received no comments or concerns regarding the Actuarial Valuation as of December 31, 2024.

Submitted by:



BS - Approved

Brenda Shott
Assistant CEO of Internal Operations

Orange County Employees Retirement System

**Actuarial Valuation and Review
as of December 31, 2024**



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Segal



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June 6, 2025

Board of Retirement
Orange County Employees Retirement System
2223 Wellington Avenue
Santa Ana, CA 92701

Dear Board Members:

We are pleased to submit this Actuarial Valuation and Review as of December 31, 2024 for the Orange County Employees Retirement System ("OCERS" or "the Plan" or "the System"). It summarizes the actuarial data used in the valuation, analyzes the preceding year's experience, and establishes the funding requirements for fiscal year 2026-2027.

This report has been prepared in accordance with generally accepted actuarial principles and practices for the exclusive use and benefit of the Board of Retirement (the Board), based upon information provided by the staff of OCERS and the Plan's other service providers.

Segal does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Segal does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report and we have no reason to believe there are facts or circumstances that would affect the validity of these results.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law.

The actuarial calculations were directed under the supervision of Andy Yeung, ASA, MAAA, FCA and Enrolled Actuary. We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in this actuarial valuation is complete and accurate. The assumptions used in this actuarial valuation were selected by the Board of Retirement based upon our analysis and

Board of Retirement
June 6, 2025

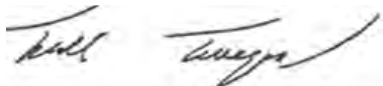
recommendations. In our opinion, the assumptions are reasonable and take into account the experience of OCERS and reasonable expectations. In addition, in our opinion, the combined effect of these assumptions is expected to have no significant bias.

Segal makes no representation or warranty as to the future status of the Plan and does not guarantee any particular result. This document does not constitute legal, tax, accounting or investment advice or create or imply a fiduciary relationship. The Board is encouraged to discuss any issues raised in this report with the Plan's legal, tax and other advisors before taking, or refraining from taking, any action.

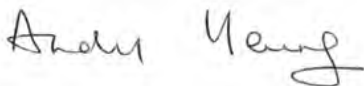
We look forward to reviewing this report at your next meeting and to answering any questions.

Sincerely,

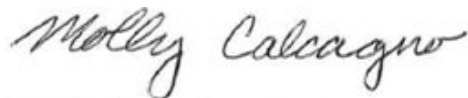
Segal



Todd Tauzer, FSA, MAAA, FCA, CERA
Senior Vice President and Actuary



Andy Yeung, ASA, MAAA, FCA, EA
Vice President and Actuary



Molly Calcagno, ASA, MAAA, EA
Senior Actuary

JY/jl

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Section 1: Actuarial Valuation Summary

Purpose and basis

This report has been prepared by Segal to present a valuation of the Orange County Employees Retirement System (“OCERS” or “the Plan” or “the System”) as of December 31, 2024. The valuation was performed to determine whether the assets and contribution rates are sufficient to provide the prescribed benefits.

The contribution requirements presented in this report are based on:

- The benefit provisions of the Plan, as administered by the Board;
- The characteristics of covered active members, inactive members and retired members and beneficiaries as of December 31, 2024, provided by the staff of OCERS;
- The assets of the Plan as of December 31, 2024, provided by the staff of OCERS;
- Economic assumptions regarding future salary increases and investment earnings adopted by the Board of Retirement for the December 31, 2024 valuation;
- Other actuarial assumptions regarding employee terminations, retirement, death, etc. adopted by the Board of Retirement for the December 31, 2024 valuation; and
- The funding policy adopted by the Board of Retirement.

Certain disclosure information required by Governmental Accounting Standards Board (GASB) Statements No. 67 and 68 as of December 31, 2024 for the Plan and the employers, respectively, are provided in separate reports.

One of the general goals of an actuarial valuation is to establish contributions which fully fund the System’s liabilities, and which, as a percentage of payroll, remain as level as possible for each generation of active members. Annual actuarial valuations measure the progress toward this goal, as well as test the adequacy of the contribution rates.

The contribution requirements are determined as a percentage of payroll. The System’s employer rates provide for both normal cost and a contribution to amortize any unfunded or overfunded (upon meeting certain conditions) actuarial accrued liabilities. In this valuation, we have applied the funding policy adopted by the Board in 2014 (reaffirmed in 2018 and revised with some non-substantive changes in 2022 and modified in 2024 to indicate that the Board may exercise discretion in determining whether to delay

Section 1: Actuarial Valuation Summary

or change contribution rates immediately when there is a plan amendment). Details of the funding policy are provided in *Section 4, Exhibit 1* starting on page 106.

As we pointed out during our review of the preliminary results of the December 31, 2024 valuation, we have updated those results to include the adjusted market value of assets (to reflect an increase of \$9.6 million).

The rates calculated in this report may be adopted by the Board of Retirement for the fiscal year that extends from July 1, 2026 through June 30, 2027.

Valuation highlights

Funding measures

1. The funded ratio (the ratio of valuation value of assets to the actuarial accrued liability) increased from 82.63% to 83.83%. This ratio is one measure of funding status, and its history is a measure of funding progress. Using the market value of assets, the funded ratio increased from 80.76% to 84.18%. These measurements are not necessarily appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the Plan's benefit obligation or the need for, or the amount of, future contributions. A history of the System's funded ratios is provided in *Section 2, Subsection G* on pages 51 and 52.
2. The unfunded actuarial accrued liability (the difference between the actuarial accrued liability and the valuation value of assets) decreased from \$4,652.8 million to \$4,569.6 million. The decrease in unfunded actuarial accrued liability (UAAL) is primarily due to contributions made to amortize the UAAL and the investment return on the valuation value (i.e., after asset smoothing) greater than the 7.00% return assumption used in the December 31, 2023 valuation, offset somewhat by individual salary increases greater than expected¹ and other experience losses. A reconciliation of the System's UAAL from the prior year is provided in *Section 2, Subsection E* on page 30.

A schedule of the current UAAL amortization balances and payments may be found in *Section 3, Exhibit H* starting on page 89. A graphical projection of the UAAL amortization balances and payments is provided in *Section 3, Exhibit I* starting on page 104.

¹ Active employees in County Safety Rate Groups #6 and #7 received larger than expected salary increases this year while they received lower than expected salary increases last year.

Section 1: Actuarial Valuation Summary

Actuarial experience

3. The net actuarial loss of \$159.4 million, or 0.56% of the actuarial accrued liability, is due to a net loss from sources other than investments of \$294.3 million, or 1.04% of the actuarial accrued liability, partially offset by an investment gain of \$134.9 million, or 0.48% of the actuarial accrued liability. The loss from sources other than investments was primarily due to individual salary increases greater than expected and other actuarial losses.
4. The rate of return on the market value of assets was 10.57% for the year ending December 31, 2024. The return on the valuation value of assets was 7.61% for the same period after recognizing a portion of this year's investment gain and a portion of prior years' investment gains and losses. This resulted in an actuarial gain when measured against the assumed rate of return of 7.00% used in the December 31, 2023 valuation. This actuarial investment gain (after asset smoothing) decreased the average employer contribution rate by 0.41% of payroll. A history of the System's investment returns is provided in *Section 2, Subsection B* on page 25.
5. On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association (ACERA) and Board of Retirement at ACERA. That decision has important implications for OCERS and its members. In particular, the decision requires pension systems like OCERS to exclude certain pay items from a legacy member's compensation earnable. It should be noted that as of December 31, 2024, OCERS has refunded contributions previously paid by certain members in conjunction with such pay items and changed benefit amounts previously determined using those pay items. We have continued to adjust the liabilities in the valuation to reflect modifications in the benefit amounts reported by OCERS.

Contributions

6. The average employer rate calculated in this valuation has decreased from 38.08% to 36.88% of payroll. This decrease is primarily due to amortization payment amounts associated with prior years' UAAL over a larger than expected total payroll and the investment return on the valuation value (i.e., after asset smoothing) greater than the assumed rate of 7.00% used in the December 31, 2023 valuation, partially offset by individual salary increases greater than expected. A complete reconciliation of the System's aggregate employer rate is provided in *Section 2, Subsection F* on page 33.

We note that the impact on contribution rates of the items noted in item 2 (i.e., the investment return on the valuation value (i.e., after asset smoothing) greater than the assumed rate of 7.00% used in the December 31, 2023 valuation and individual salary increases different than expected) is not uniform across the rate groups. That non-uniform impact is dependent on the particular demographics of the members within each rate group (e.g., actual negotiated salary increases for active members covered), as well as the ratio of the payroll to the assets and liabilities within each rate group. That non-uniform impact is exacerbated by the fact that some rate groups had higher than expected total payroll growth while other rate groups have lower than expected total

Section 1: Actuarial Valuation Summary

payroll growth between the December 31, 2023 and the December 31, 2024 valuations. A detailed reconciliation of the employer contribution rate for each rate group is provided in *Section 4, Exhibit 5* starting on page 165. That exhibit is followed by a detailed reconciliation of the UAAL for each rate group provided in *Section 4, Exhibit 6* starting on page 168.

7. The average member rate calculated in this valuation has decreased from 11.63% to 11.61% of payroll due to changes in active member demographics. A complete reconciliation of the System's aggregate member rate is provided in *Section 2, Subsection F* on page 34.

The detailed member rates by cost group are provided in *Section 4, Exhibit 3* starting on page 140.

8. This report reflects the \$15.6 million in additional contributions made by O.C. Fire Authority (OCFA) towards their UAAL.¹ The \$15.6 million of additional contributions made by OCFA has been amortized as a level percent of pay over a period of twenty years effective on December 31, 2024 and used to reduce their UAAL rates for fiscal year 2026-2027.
9. Segal strongly recommends an actuarial funding method that targets 100% funding of the actuarial accrued liability. Generally, this implies payments that are ultimately at least enough to cover normal cost, interest on the UAAL and the principal balance. The funding policy adopted by the Board of Retirement is detailed in *Section 4, Exhibit 1* and meets this standard.

Future expectations

10. The total unrecognized net investment **gain** as of December 31, 2024 is \$100 million as compared to an unrecognized net investment **loss** of \$500 million in the previous valuation. This net deferred gain of \$100 million will be recognized in the determination of the actuarial value of assets for funding purposes in the next few years as shown in *Section 2, Subsection B* on page 23.

The net deferred gain of \$100 million represents about 0.4% of the market value of assets. Unless offset by future investment losses or other unfavorable experience, the recognition of the \$100 million net market gain is expected to have an impact on the System's future funded ratio and contribution rate requirements. This potential impact may be illustrated as follows:

- a. If the net deferred gain was recognized immediately in the valuation value of assets, the funded percentage would increase from 83.83% to 84.18%.

For comparison purposes, if the net deferred loss in the December 31, 2023 valuation had been recognized immediately in the December 31, 2023 valuation, the funded percentage would have decreased from 82.63% to 80.76%.

- b. If the net deferred gain was recognized immediately in the valuation value of assets, the average employer contribution rate would decrease from 36.88% to 36.58% of payroll.

¹ OCFA has been making additional UAAL contributions since 2013. Those additional contributions have allowed OCFA to achieve a higher funded ratio (97.80%) when compared to other Safety rate groups.

Section 1: Actuarial Valuation Summary

For comparison purposes, if the net deferred loss in the December 31, 2023 valuation had been recognized immediately in the December 31, 2023 valuation, the average employer contribution rate would have increased from 38.09% to 39.77% of payroll.

Risk

11. It is important to note that this actuarial valuation is based on plan assets as of December 31, 2024. The Plan's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the plan year. Segal is available to prepare projections of potential outcomes of market conditions and other demographic experience upon request.
12. Because the actuarial valuation results are dependent on a given set of assumptions, there is a risk that emerging results may differ significantly as actual experience proves to be different from the assumptions. We have been engaged to perform a detailed analysis of the potential range of the impact of risk relative to the Plan's future financial condition and that report will be provided at a later date. We have also included a brief discussion of some risks that may affect the Plan in *Section 2, Subsection I*, beginning on page 54. This discussion of risks is included to satisfy the disclosure required by Actuarial Standard of Practice No. 51 (ASOP 51).
13. The risk assessment in *Section 2, Subsection I* includes the disclosure of a "Low-Default-Risk Obligation Measure" (LDROM). This disclosure, along with commentary on the significance of the LDROM, is a requirement under Actuarial Standard of Practice No. 4 (ASOP 4) for all pension funding actuarial valuation reports and can be found on pages 56-57.

GASB

14. This report constitutes an actuarial valuation for the purpose of determining the actuarially determined contribution (ADC) under the Plan's funding policy and measuring the progress of that funding policy. The Net Pension Liability and Pension Expense under GASB Statements No. 67 and No. 68, for inclusion in the Plan's and employer's financial statements as of December 31, 2024, will be provided separately. The accounting disclosures will utilize different methodologies from those employed in the funding valuation, as required by the GASB. However, the ADC in this valuation is expected to be used as the ADC for GASB financial reporting.

Section 1: Actuarial Valuation Summary

Other

15. The balance in the O.C. Sanitation District UAAL Deferred Account has increased from \$16.0 million as of December 31, 2023 to \$17.6 million as of December 31, 2024 to reflect market experience. As of December 31, 2024, there was no transfer required from this account to pay off their UAAL.
16. O.C. Sanitation District (Rate Group #3), Transportation Corridor Agency (Rate Group #9), and O.C. Law Library (Rate Group #12) remain overfunded as of December 31, 2024, and O.C. Law Library (Rate Group #12) is 121.60% funded. Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio is over 120% for the total plan and other conditions in CalPEPRA are met. Therefore, their contribution rates are set equal to their normal cost rates.
17. There was one refinement included in our January 1, 2020 through December 31, 2022 Actuarial Experience Study report dated August 11, 2023 that has been deferred to allow for further discussion with OCERS, involving a change in allocation of the normal cost associated with providing COLA benefits for legacy Safety members with 30 or more years of service.

Section 1: Actuarial Valuation Summary

Summary of key valuation results

Average Employer Contribution Calculated as of December 31

Rate Group	2024 Contribution Rate	2024 Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate ²	2023 Annual Amount ¹ (\$ in '000s)
General				
• Rate Group #1 – Plans A, B and U (County and IHSS)	13.46%	\$16,103	13.21%	\$15,807
• Rate Group #2 – Plans I, J, O, P, S, T, U and W (County et al.)	36.95%	547,185	37.76%	559,186
• Rate Group #3 – Plans B, G, H and U (OCSD)	11.47%	10,277	11.51%	10,315
• Rate Group #5 – Plans A, B and U (OCTA)	29.01%	39,934	30.60%	42,115
• Rate Group #9 – Plans M, N and U (TCA)	13.06%	1,113	12.98%	1,106
• Rate Group #10 – Plans I, J, M, N and U (OCFA)	22.28%	8,513	22.81%	8,717
• Rate Group #11 – Plans M and N, future service, and U (Cemetery)	14.19%	302	14.18%	301
• Rate Group #12 – Plans G, H, future service, and U (Law Library)	13.25%	166	13.41%	168
Safety				
• Rate Group #6 – Plans E, F and V (Probation)	60.51%	\$37,570	60.02%	\$37,264
• Rate Group #7 – Plans E, F, Q, R and V (Law Enforcement)	54.55%	195,300	57.88%	207,190
• Rate Group #8 – Plans E, F, Q, R and V (OCFA)	31.92%	57,557	34.04%	61,384
All Categories Combined	36.88%	\$914,020	38.08%	\$943,553

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² For those rate groups with plan specific contribution rates, the total rates shown above have been recalculated by applying the plan specific contribution rates determined in the December 31, 2023 valuation to the corresponding projected payrolls reported as of December 31, 2024.

Section 1: Actuarial Valuation Summary

Average Member Contribution Calculated as of December 31

Rate Group	2024 Contribution Rate	2024 Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate ²	2023 Annual Amount ¹ (\$ in '000s)
General				
• Rate Group #1 – Plans A, B and U (County and IHSS)	10.12%	\$12,106	10.08%	\$12,058
• Rate Group #2 – Plans I, J, O, P, S, T, U and W (County et al.)	9.90%	146,595	9.88%	146,299
• Rate Group #3 – Plans B, G, H and U (OCSD)	10.82%	9,694	10.83%	9,703
• Rate Group #5 – Plans A, B and U (OCTA)	10.88%	14,975	10.84%	14,920
• Rate Group #9 – Plans M, N and U (TCA)	11.07%	943	11.09%	945
• Rate Group #10 – Plans I, J, M, N and U (OCFA)	10.67%	4,077	10.70%	4,089
• Rate Group #11 – Plans M and N, future service, and U (Cemetery)	10.42%	221	10.45%	222
• Rate Group #12 – Plans G, H, future service, and U (Law Library)	12.47%	156	12.53%	157
Safety				
• Rate Group #6 – Plans E, F and V (Probation)	15.57%	\$9,667	15.49%	\$9,618
• Rate Group #7 – Plans E, F, Q, R and V (Law Enforcement)	16.86%	60,358	17.17%	61,467
• Rate Group #8 – Plans E, F, Q, R and V (OCFA)	16.01%	28,871	15.94%	28,745
All Categories Combined	11.61%	\$287,663	11.63%	\$288,223

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² Average December 31, 2023 member contribution rates have been recalculated by applying the individual entry age-based rates determined in the December 31, 2023 valuation to the System membership as of December 31, 2024.

Section 1: Actuarial Valuation Summary

Valuation Results as of December 31

(\$ in '000s)

Line Description	2024	2023
Actuarial accrued liability		
• Total actuarial accrued liability	\$28,258,622	\$26,788,041
– Retired members and beneficiaries	17,668,968	16,903,604
– Inactive members ¹	694,435	624,749
– Active members	9,895,219	9,259,688
• Normal cost for plan year beginning December 31	625,145	583,960
Assets		
• Market value of assets (MVA) ²	\$23,789,296	\$21,635,294
• Actuarial value of assets (AVA) ²	23,688,986	22,135,285
• Actuarial value of assets as a percentage of market value of assets	99.58%	102.31%
• Valuation value of assets (VVA)	\$23,688,986	\$22,135,285
Funded status		
• UAAL on market value of assets ³	\$4,469,326	\$5,152,747
• Funded percentage on MVA basis	84.18%	80.76%
• UAAL on valuation value of assets	\$4,569,636	\$4,652,756
• Funded percentage on VVA basis	83.83%	82.63%
Key assumptions		
• Net investment return	7.00%	7.00%
• Inflation rate	2.50%	2.50%
• Payroll growth	3.00%	3.00%
• Cost-of-living adjustments	2.75%	2.75%

¹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

² Excludes County Investment Account (funded by pension obligation bond proceeds held by OCERS), prepaid employer contributions account, O.C. Sanitation District UAAL Deferred Account (after transfer) and non-valuation reserves (if any).

³ Both the UAAL and the funded percentage on MVA basis have been calculated by using the MVA reduced by non-valuation reserves in the amount of \$0 as of both December 31, 2024 and December 31, 2023.

Section 1: Actuarial Valuation Summary

Demographic Data as of December 31

Demographic Data by Status	2024	2023	Change
Active members			
• Number of members	23,368	22,782	2.6%
• Average age	44.1	44.2	(0.1)
• Average service	11.3	11.5	(0.2)
• Total projected compensation	\$2,478,139,312	\$2,277,976,151	8.8%
• Average projected compensation	\$106,048	\$99,990	6.1%
Retired members and beneficiaries			
• Number of members	21,740	21,283	2.1%
– Service retired	17,103	16,754	2.1%
– Disability retired	1,645	1,628	1.0%
– Beneficiaries	2,992	2,901	3.1%
• Average age	70.9	70.6	0.3
• Average monthly benefit ¹	\$4,892	\$4,737	3.3%
Inactive members			
• Number of members ²	9,377	8,579	9.3%
• Average age	45.0	45.0	0.0
Total members	54,485	52,644	3.5%

¹ Excludes monthly benefits payable from the Supplemental Targeted Adjustment for Retirees Cost of Living Adjustment (STAR COLA).

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 1: Actuarial Valuation Summary

Important information about actuarial valuations

An actuarial valuation is a budgeting tool with respect to the financing of future projected obligations of a pension plan. It is an estimated forecast – the actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.

In order to prepare a valuation, Segal relies on a number of input items. These include:

Input Item	Description
Plan provisions	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. It is important to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.
Member information	An actuarial valuation for a plan is based on data provided to the actuary by the System. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
Financial information	Part of the cost of a plan will be paid from existing assets — the balance will need to come from future contributions and investment income. The valuation is based on the asset values as of the valuation date, typically reported by the System. A snapshot as of a single date may not be an appropriate value for determining a single year's contribution requirement, especially in volatile markets. Plan sponsors often use an "actuarial value of assets" that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.
Actuarial assumptions	In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan members for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of members in each year, as well as forecasts of the plan's benefits for each of those events. In addition, the benefits forecasted for each of those events in each future year reflect actuarial assumptions as to salary increases and cost-of-living adjustments (if applicable). The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan's assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions are selected within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model may use approximations and estimates that will have an immaterial impact on our results. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

Section 1: Actuarial Valuation Summary

The user of Segal's actuarial valuation (or other actuarial calculations) should keep the following in mind:

- The actuarial valuation is prepared at the request of the System. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- An actuarial valuation is a measurement at a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted.
- If OCERS is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.
- Segal does not provide investment, legal, accounting or tax advice and is not acting as a fiduciary to the Plan. This valuation is based on Segal's understanding of applicable guidance in these areas and of the Plan's provisions, but they may be subject to alternative interpretations. The System should look to their other advisors for expertise in these areas.
- While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.
- Segal's report shall be deemed to be final and accepted by OCERS upon delivery and review. OCERS should notify Segal immediately of any questions or concerns about the final content.

Section 2: Actuarial Valuation Results

A. Member information

The Actuarial Valuation and Review considers the number and demographic characteristics of covered members, including active members, inactive vested members, retired members and beneficiaries.

This section presents a summary of significant statistical data on these member groups. More detailed information for this valuation year and the preceding valuation can be found in *Section 3, Exhibits A, B, and C*.

Member Population

As of December 31	Active Members	Inactive Members ¹	Retired Members and Beneficiaries	Total Non-Actives	Ratio of Non-Actives to Actives	Ratio of Retired Members and Beneficiaries to Actives
2015	21,525	5,091	15,810	20,901	0.97	0.73
2016	21,746	5,370	16,369	21,739	1.00	0.75
2017	21,721	5,803	16,947	22,750	1.05	0.78
2018	21,929	6,026	17,674	23,700	1.08	0.81
2019	22,257	6,520	18,420	24,940	1.12	0.83
2020	21,559	6,818	19,419	26,237	1.22	0.90
2021	22,011	7,238	19,826	27,064	1.23	0.90
2022	22,061	7,894	20,678	28,572	1.30	0.94
2023	22,782	8,579	21,283	29,862	1.31	0.93
2024	23,368	9,377	21,740	31,117	1.33	0.93

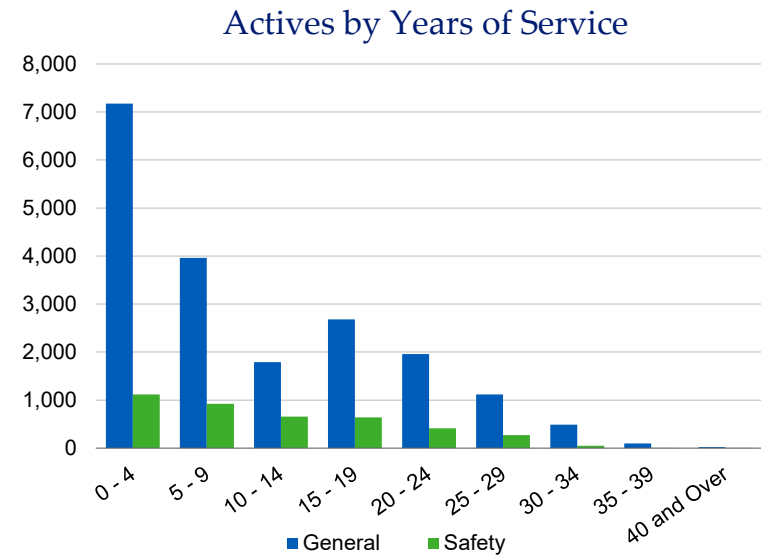
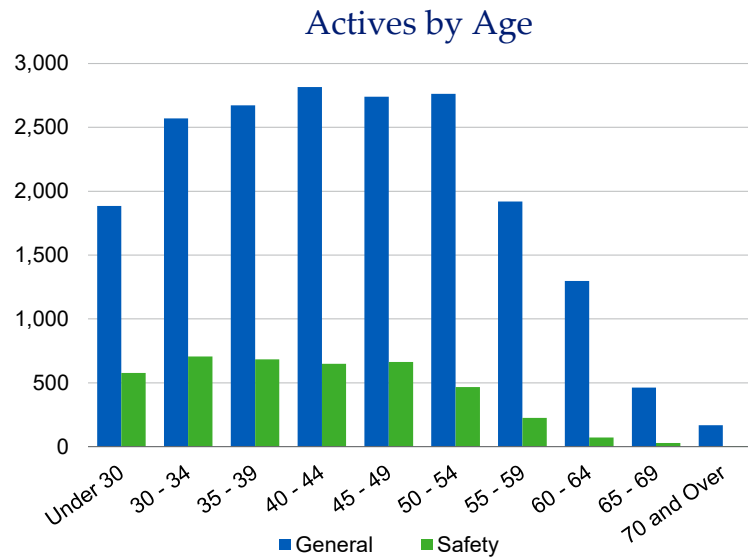
¹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 2: Actuarial Valuation Results

Active members

Demographic Data	As of December 31, 2024	As of December 31, 2023	Change
Active members	23,368	22,782	2.6%
Average age ¹	44.1	44.2	(0.1)
Average years of service	11.3	11.5	(0.2)
Average compensation	\$106,048	\$99,990	6.1%

Distribution of Active Members as of December 31, 2024



Inactive members

Demographic Data	As of December 31, 2024	As of December 31, 2023	Change
Inactive members ²	9,377	8,579	9.3%

¹ Among the active members, there were none with unknown age information.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

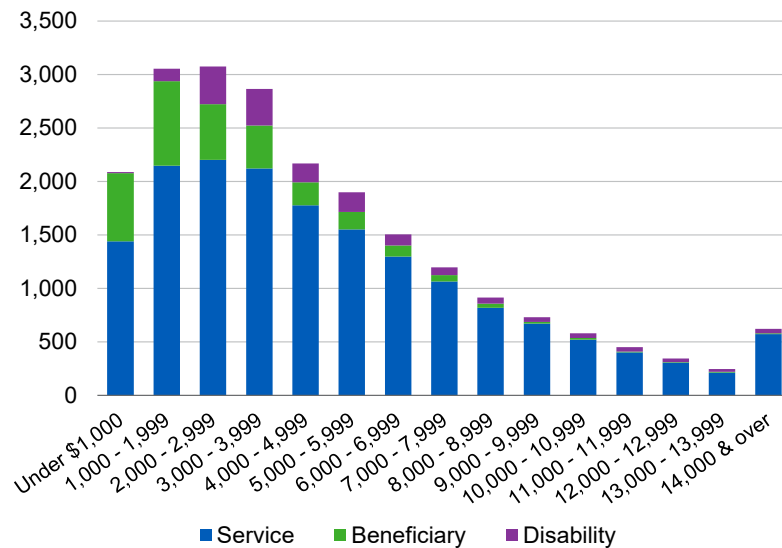
Section 2: Actuarial Valuation Results

Retired members and beneficiaries

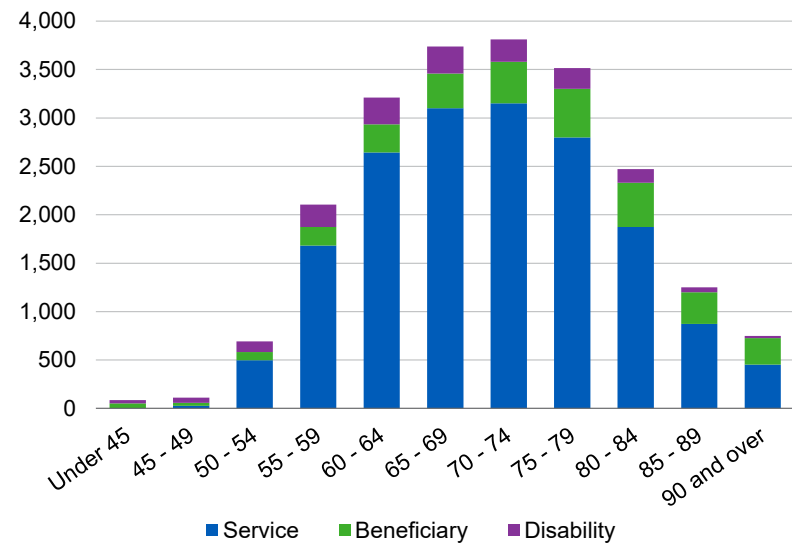
Demographic Data	As of December 31, 2024	As of December 31, 2023	Change
Retired members	18,748	18,382	2.0%
Beneficiaries	2,992	2,901	3.1%
Average age	70.9	70.6	0.3
Average monthly amount ¹	\$4,892	\$4,737	3.3%
Total monthly amount	\$106,360,824	\$100,814,875	5.5%

Distribution of Retired Members and Beneficiaries as of December 31, 2024

By Type and Monthly Amount



By Type and Age



¹ Excludes monthly benefits payable from the STAR COLA.

Section 2: Actuarial Valuation Results

Historical plan population

The chart below demonstrates the progression of the active population over the last ten years. The chart also shows the growth among the retired population over the same time period.

Historical Member Data

Active Members versus Retired Members and Beneficiaries (Pay Status)

As of December 31	Active Count	Active Average Age	Active Average Service	Pay Status Count	Pay Status Average Age	Pay Status Monthly Amount ¹
2015	21,525	45.5	13.1	15,810	69.5	\$3,560
2016	21,746	45.4	12.9	16,369	69.7	3,637
2017	21,721	45.3	12.9	16,947	69.8	3,745
2018	21,929	45.1	12.8	17,674	70.0	3,913
2019	22,257	44.9	12.5	18,420	70.1	4,077
2020	21,559	44.8	12.5	19,419	70.2	4,251
2021	22,011	44.9	12.4	19,826	70.4	4,379
2022	22,061	44.5	12.0	20,678	70.4	4,563
2023	22,782	44.2	11.5	21,283	70.6	4,737
2024	23,368	44.1	11.3	21,740	70.9	4,892

¹ Excludes monthly benefits payable from the STAR COLA.

Section 2: Actuarial Valuation Results

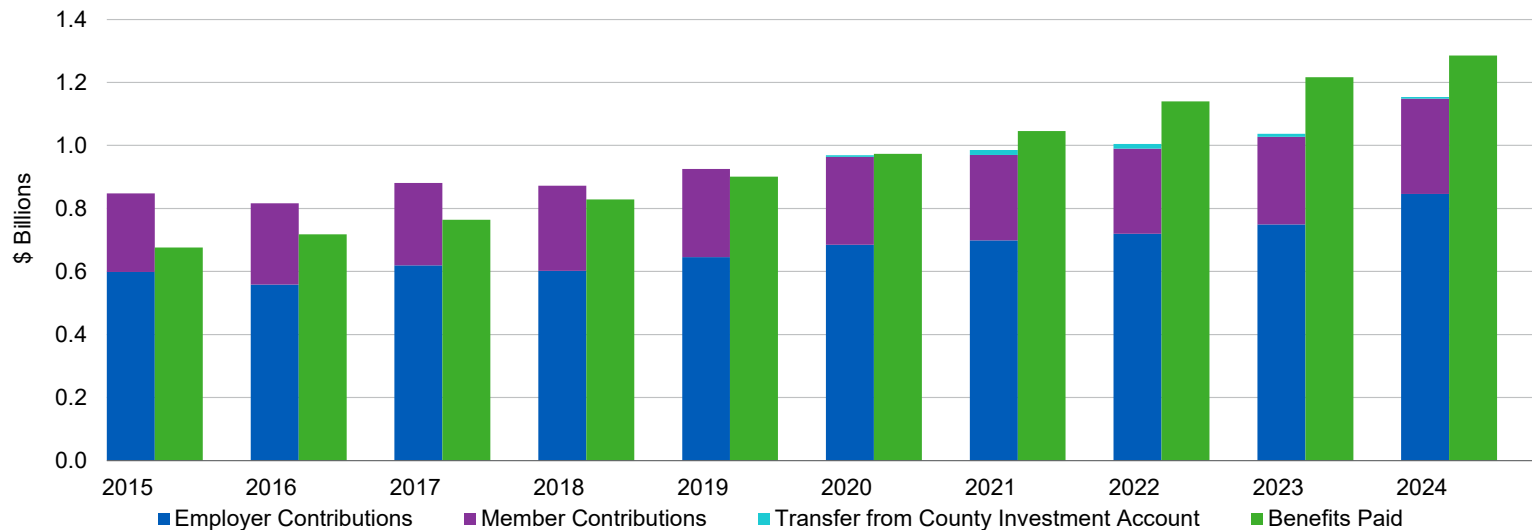
B. Financial information

Retirement plan funding anticipates that, over the long term, both contributions and investment earnings (less investment fees and administrative expenses) will be needed to cover benefit payments. Retirement plan assets change as a result of the net impact of these income and expense components.

Additional financial information, including a summary of transactions for the valuation year, is presented in *Section 3, Exhibits D, E, F and G*.

It is desirable to have level and predictable plan costs from one year to the next. For this reason, the Board has approved an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the valuation asset value and the plan costs are more stable. The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized and unrealized gains and losses are treated equally and, therefore, the sale of assets has no immediate effect on the actuarial value.

Comparison of Contributions Made with Benefits for Years Ended December 31



Section 2: Actuarial Valuation Results

Determination of Actuarial Value and Valuation Value of Assets for Year Ended December 31, 2024

Step	Actual Return	Expected Return	Investment Gain/(Loss)	Percent Deferred	Deferred Amount	Amount
1. Market value of assets ¹						\$23,789,296,000
2. Calculation of unrecognized return						
a. Year ended December 31, 2020	\$1,982,757,000	\$1,155,523,000	\$827,234,000	0%	\$0	
b. Year ended December 31, 2021	3,273,348,000	1,293,495,000	1,979,853,000	20%	395,971,000	
c. Year ended December 31, 2022	(2,106,139,000)	1,518,273,000	(3,624,412,000)	40%	(1,449,765,000)	
d. Year ended December 31, 2023	2,258,475,000	1,361,890,000	896,585,000	60%	537,951,000	
e. Year ended December 31, 2024	2,280,223,000	1,510,032,000	770,191,000	80%	616,153,000	
f. Total deferred return²						\$100,310,000
3. Actuarial value of assets: 1 – 2f						\$23,688,986,000
4. Ratio of actuarial to market value: 3 ÷ 1						99.58%
5. Non-valuation reserves						
a. Unclaimed member deposit						\$0
b. Medicare medical insurance reserve						0
c. Total non-valuation reserves						\$0
6. Valuation value of assets: 3 – 5c						\$23,688,986,000

Note: Results may be slightly off due to rounding.

Consistent with OCERS Actuarial Funding Policy, Segal has reviewed the pattern of recognition of net deferred investment gains or losses provided in footnote (2) and determined, based on our professional judgement that until potentially after the December 31, 2025 valuation, the net deferred investment gains or losses are not relatively small and the pattern of such recognition is not so markedly non-level as to warrant additional study or action by the Board.

¹ Excludes \$155,101,000 in County Investment Account (funded by pension obligation bond proceeds held by OCERS), \$40,624,000 in Prepaid Employer Contributions and \$17,594,000 in O.C. Sanitation District UAAL Deferred Account.

² Total deferred return is equal to the **sum of 2a through 2e**. The total deferred return as of December 31, 2024 is recognized in each of the next four years as follows:

a. Amount recognized on December 31, 2025	\$4,443,000
b. Amount recognized on December 31, 2026	(391,527,000)
c. Amount recognized on December 31, 2027	333,355,000
d. Amount recognized on December 31, 2028	154,039,000

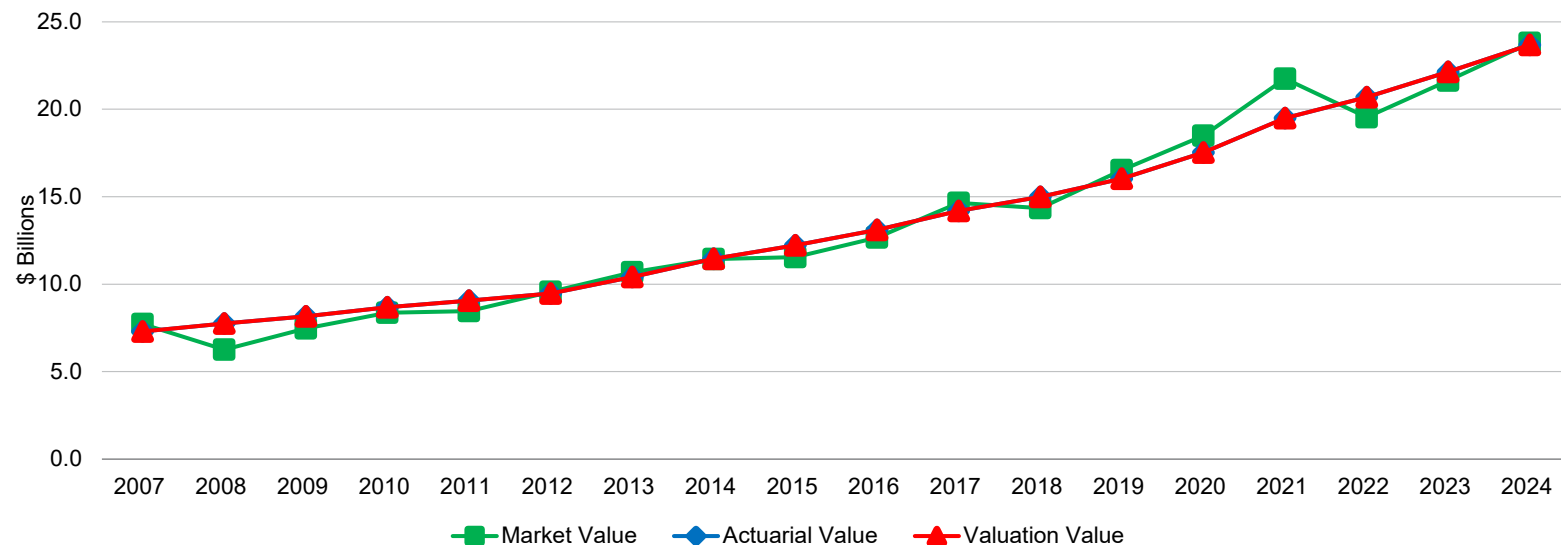
Section 2: Actuarial Valuation Results

Asset history

The market value, actuarial value and valuation value of assets are representations of the Plan's financial status. As investment gains and losses are gradually taken into account, the actuarial value of assets tracks the market value of assets. The valuation value of assets is generally the actuarial value, excluding any non-valuation reserves.

The valuation value of assets is significant because the Plan's liabilities are compared to these assets to determine what portion, if any, remains unfunded. Amortization of the UAAL is an important element in determining the contribution requirement.

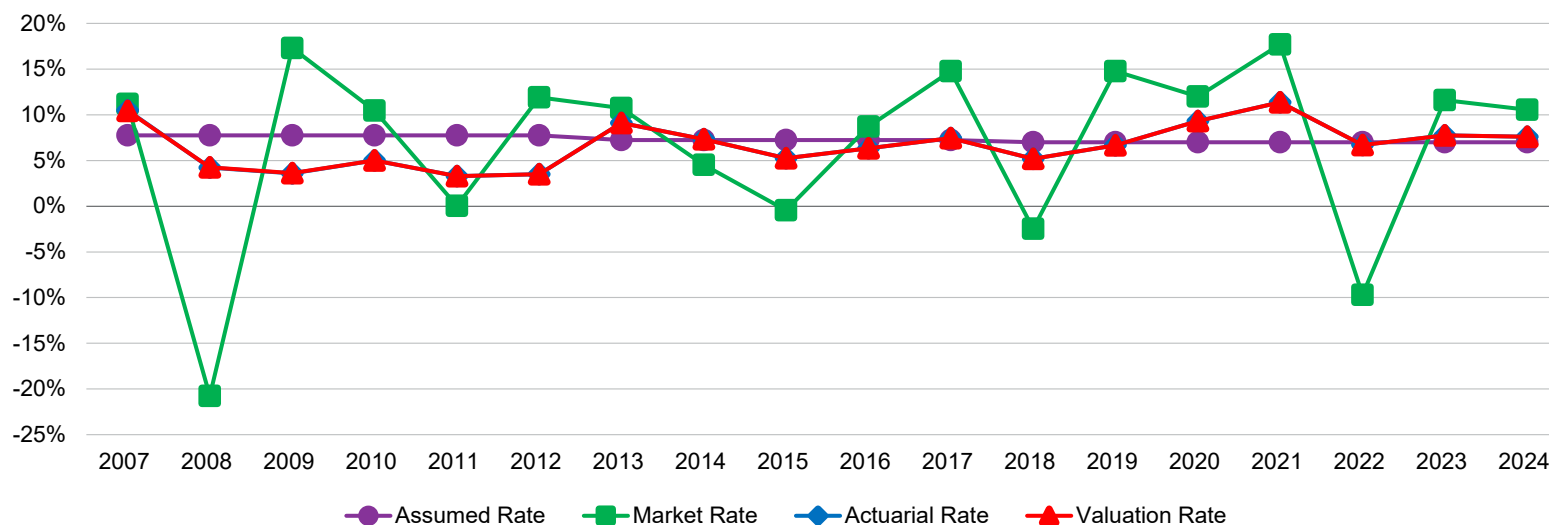
Market Value, Actuarial Value, and Valuation Value of Assets as of December 31



Section 2: Actuarial Valuation Results

Historical investment returns

Market, Actuarial and Valuation Rates of Return for Years Ended December 31



Legend	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Market rate	11.18%	(20.76%)	17.32%	10.47%	0.04%	11.92%	10.73%	4.52%	(0.45%)	8.72%	14.79%	(2.46%)	14.79%	12.01%	17.71%	(9.71%)	11.61%	10.57%
Actuarial rate	10.49%	4.23%	3.60%	5.02%	3.28%	3.49%	9.11%	7.34%	5.26%	6.33%	7.44%	5.20%	6.66%	9.31%	11.38%	6.69%	7.77%	7.61%
Valuation rate	10.45%	4.25%	3.62%	5.02%	3.29%	3.49%	9.11%	7.34%	5.26%	6.33%	7.44%	5.20%	6.66%	9.31%	11.38%	6.69%	7.77%	7.61%
Assumed rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.25%	7.25%	7.25%	7.25%	7.25%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%

Average Rates of Return	Market Value	Actuarial Value	Valuation Value
Most recent five-year geometric average return:	8.00%	8.54%	8.54%
Most recent 10-year geometric average return:	7.41%	7.35%	7.35%
Most recent 15-year geometric average return:	7.42%	6.77%	6.77%

Section 2: Actuarial Valuation Results

C. Actuarial experience

To calculate any actuarially determined contribution, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year actual experience is measured against the assumptions. If overall experience is more favorable than anticipated (an actuarial gain), the actuarially determined contribution will decrease from the previous year. On the other hand, the actuarially determined contribution will increase if overall actuarial experience is less favorable than expected (an actuarial loss).

Taking account of experience gains or losses in one year without making a change in assumptions reflects the belief that the single year's experience was a short-term development and that, over the long term, experience will return to the original assumptions. For contribution requirements to remain stable, assumptions should approximate experience.

If assumptions are changed, the contribution requirement is adjusted to take into account a change in experience anticipated for all future years. There are no changes in actuarial assumptions reflected in this valuation.

The actuarial experience for the year can be found below and a discussion of the major components can be found on the following pages.

Actuarial Experience for Year Ended December 31, 2024

Source	Amount
1. Net gain from investments ¹	\$(134,890,000)
2. Net gain from contributions	(5,187,000)
3. Net gain from additional UAAL contributions ²	(19,544,000)
4. Net loss from other experience ³	319,062,000
5. Net experience loss	\$159,441,000

¹ Details on next page.

² Includes additional UAAL contributions from OCFA and scheduled payments from DOE and U.C.I.

³ See *Subsection E* for further details. Does not include the effect of plan, method or assumption changes, if any.

Section 2: Actuarial Valuation Results

Investment experience

A major component of projected asset growth is the assumed rate of return. The assumed return should represent the expected long-term rate of return, based on the Plan's investment policy.

For valuation purposes, the assumed rate of return on the valuation value of assets is 7.00% based on the December 31, 2023 valuation. The actual rate of return on a valuation basis for the 2024 plan year was 7.61% after recognizing a portion of this year's investment gain and a portion of prior years' investment gains and losses. Since the actual return for the year was greater than the assumed return, the Plan experienced an actuarial gain during the year ended December 31, 2024 with regard to its investments.

Investment Experience for Year Ended December 31, 2024

Line Description	Market Value	Actuarial Value	Valuation Value
1. Net investment income	\$2,280,223,000	\$1,679,922,000	\$1,679,922,000
2. Average value of assets	\$21,571,890,000	\$22,071,881,000	\$22,071,881,000
3. Rate of return: $1 \div 2$	10.57% ¹	7.61%	7.61%
4. Assumed rate of return	7.00%	7.00%	7.00%
5. Expected investment income: 2×4	\$1,510,032,000	\$1,545,032,000	\$1,545,032,000
6. Investment gain/(loss): $1 - 5$	\$770,191,000	\$134,890,000	\$134,890,000

¹ Return on market value was calculated using a modified dollar-weighted approach based on pension plan assets net of accounting liabilities. Actual investment income on net pension plan assets was \$2,280,223,000 during 2024 after including both the administrative expenses and discount for prepaid contributions while excluding the amount credited to County Investment Account and O.C. Sanitation District UAAL Deferred Account. Without these adjustments, the actual investment income was \$2,332,245,000.

Section 2: Actuarial Valuation Results

Contributions

Contributions for the year ended December 31, 2024 totaled \$1,159.2 million, compared to the projected amount of \$1,135.3 million. This resulted in a gain of \$24.7 million¹ for the year, when adjusted for timing.

Other experience

There are other differences between the expected and the actual experience that appear when the new valuation is compared with the projections from the previous valuation. These include:

- Mortality experience (more or fewer than expected deaths)
- The extent of turnover among members
- Retirement experience (earlier or later than projected)
- The number of disability retirements (more or fewer than projected)
- Salary increases (greater or smaller than projected)
- Cost-of-living adjustments (COLAs) higher or lower than anticipated

The net loss from this other experience for the year ended December 31, 2024 amounted to \$319.1 million, which is 1.1% of the actuarial accrued liability. See *Section 2, Subsection E* for a detailed development of the UAAL.

¹ Includes additional UAAL contributions from OCFA and scheduled payments from DOE and U.C.I. Without those amounts, the gain would have been about \$5 million.

Section 2: Actuarial Valuation Results

D. Other changes impacting the actuarial accrued liability

Actuarial assumptions and methods

Nonbinary member assumptions were introduced with this valuation, which uses blended mortality tables and spousal assumptions for those members who self-report as nonbinary. The impact of this change on the valuation results is de minimis and is therefore not identified separately in this report.

Details on actuarial assumptions and methods are in *Section 4, Exhibit 1*.

Plan provisions

There were no changes in plan provisions since the prior valuation.

A summary of plan provisions is in *Section 4, Exhibit 2*.

Section 2: Actuarial Valuation Results

E. Unfunded actuarial accrued liability

Development of Unfunded Actuarial Accrued Liability for Year Ended December 31, 2024

Line Description	Amount
1. Unfunded actuarial accrued liability at beginning of year	\$4,652,756,000
2. Normal cost at middle of year	583,960,000
3. Expected employer and member contributions	(1,135,277,000)
4. Interest to end of year	308,756,000
5. Expected unfunded actuarial accrued liability at end of year	\$4,410,195,000
6. Changes due to:	
a. Investment return greater than expected, after asset smoothing	\$(134,890,000)
b. Actual contributions more than expected under funding policy	(5,187,000)
c. Additional UAAL contributions from OCFA, and scheduled payments ¹ from DOE and U.C.I.	(19,544,000)
d. Individual salary increases greater than expected	298,367,000
e. COLA increases greater than expected in 2025 ²	15,757,000
f. Other net experience loss ³	4,938,000
g. Total changes	\$159,441,000
7. Unfunded actuarial accrued liability at end of year: 5 + 6g	\$4,569,636,000

Note: The sum of items 6d, 6e and 6f equals the “Net (gain)/loss from other experience” shown in *Section 2, Subsection C*.

¹ Segal provided separate letters for DOE and U.C.I. with regard to their required UAAL contributions based on the Board’s Declining Employer Payroll policy. These contributions have not been reflected in the contribution rates developed in this valuation. Segal also provided separate letters for O.C. Vector Control and Cypress Recreation and Parks (CRPD) with regard to their updated withdrawal liabilities based on the Board’s Withdrawing Employer Policy, although no contributions were required to be made by O.C. Vector Control and CRPD during the past calendar year. CRPD and O.C. Vector Control both had no withdrawal liability as of December 31, 2023.

² Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1st 2025, 2026 and 2027, for members without COLA Banks as of April 1, 2025).

³ Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability and termination experience.

Section 2: Actuarial Valuation Results

F. Recommended contribution

The recommended contribution is equal to the employer normal cost payment and a payment on the UAAL. As of December 31, 2024, the average recommended employer contribution is 36.88% of payroll.

The Board sets the funding policy used to calculate the recommended contribution based on layered 20-year¹ amortization periods as a level percentage of payroll. See *Section 4, Exhibit 1* for further details on the funding policy. Based on this policy, there is no negative amortization and each amortization layer is fully funded in 20 years. A more detailed projection of the UAAL, funded status and employer contribution rates will be provided in a separate report.

The current funding policy is intended to fully fund the cost of the benefits and to allocate the cost of benefits reasonably and equitably over time while minimizing the volatility of employer contributions. The recommended contribution is expected to remain level as a percent of payroll, except when any current amortization layer is fully amortized and assuming there are no future actuarial gains or losses. Furthermore, the funded ratio is expected to increase as the UAAL is methodically funded by employer contributions.

The recommended contribution under the funding policy is a “Reasonable Actuarially Determined Contribution” as required under Actuarial Standard of Practice No. 4 Measuring Pension Obligations and Determining Pension Plan Costs or Contributions.

¹ Changes in UAAL due to actuarial gains or losses, changes in actuarial assumptions or methods, and plan amendments for each valuation are amortized over separate 20-year periods.

Section 2: Actuarial Valuation Results

Average Recommended Employer Contribution Calculated as of December 31

Line Description	2024 Amount (\$ in '000s)	2024 % of Projected Compensation	2023 Amount (\$ in '000s)	2023 % of Projected Compensation
1. Total normal cost	\$625,145	25.23%	\$583,960	25.63%
2. Expected member normal cost contributions	287,663	11.61%	267,501	11.74%
3. Employer normal cost: 1 – 2	\$337,482	13.62%	\$316,459	13.89%
4. Actuarial accrued liability	\$28,258,622		\$26,788,041	
5. Valuation value of assets	23,688,986		22,135,285	
6. UAAL: 4 – 5	\$4,569,636		\$4,652,756	
7. Payment on UAAL	576,538	23.26%	551,317	24.20%
8. Average recommended employer contribution: 3 + 7	\$914,020	36.88%	\$867,776	38.09%
9. Projected payroll	\$2,478,139		\$2,277,976	

Note: Contributions are assumed to be paid at the middle of the year.

Section 2: Actuarial Valuation Results

Reconciliation of average recommended employer contribution rate

Reconciliation from December 31, 2023 to December 31, 2024

Item	Contribution Rate	Estimated Annual Dollar Amount (\$ in '000s) ¹
1. Average recommended employer contribution as of December 31, 2023	38.08%	\$943,553
2. Changes due to:		
a. Investment return greater than expected after asset smoothing	(0.41%)	\$(10,160)
b. Actual contributions greater than expected ²	(0.02%)	(496)
c. Additional UAAL contributions for OCFA	(0.05%)	(1,239)
d. Individual salary increases greater than expected	0.88%	21,808
e. Amortizing prior year's UAAL over a (larger) than expected total payroll	(1.50%)	(37,172)
f. COLA increases greater than expected in 2025 ³	0.05%	1,239
g. Other net experience gain ⁴	(0.15%)	(3,513)
h. Total change	(1.20%)	\$(29,533)
3. Average recommended employer contribution as of December 31, 2024: 1 + 2h	36.88%	\$914,020

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² Includes impact of difference between actual and expected normal cost and UAAL contributions due to actual payroll different than expected during 2024.

³ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1st 2025, 2026 and 2027, for members without COLA Banks as of April 1, 2025).

⁴ Includes an adjustment to reflect 18-month delay between date of valuation and date of rate implementation (-0.14%) and the effect of changes in member demographics on normal cost (-0.05%), partially offset by a net experience UAAL loss (+0.03%) and the effect of adjusting the rate to normal cost for Rate Groups that are fully funded as of December 31, 2024 (+0.01%).

Section 2: Actuarial Valuation Results

Reconciliation of average recommended member contribution rate

Reconciliation from December 31, 2023 to December 31, 2024

Item	Contribution Rate	Estimated Annual Dollar Amount (\$ in '000s) ¹
1. Average recommended member contribution as of December 31, 2023 ²	11.63%	\$288,223
2. Changes due to:		
a. Change in member demographics on normal cost	(0.02%)	\$(560)
3. Average recommended member contribution as of December 31, 2024: 1 + 2a	11.61%	\$287,663

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² Rates have been recalculated by applying the individual entry age-based rates determined in the December 31, 2023 valuation to the System membership as of December 31, 2024.

Section 2: Actuarial Valuation Results

Recommended employer contribution rate

Rate Group #1 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans A and B (2.0% @ 57 and 1.64% @ 57 – County and IHSS)				
Normal cost	10.39%	\$2,975	10.39%	\$2,975
UAAL ²	3.01%	862	2.93%	839
Total contribution	13.40%	\$3,837	13.32%	\$3,814
Plan U (2.5% @ 67 PEPRA)³				
Normal cost	10.47%	\$9,527	10.25%	\$9,327
UAAL ²	3.01%	2,739	2.93%	2,666
Total contribution	13.48%	\$12,266	13.18%	\$11,993
Plans A, B and U Combined				
Normal cost	10.45%	\$12,502	10.28%	\$12,302
UAAL ²	3.01%	3,601	2.93%	3,505
Total contribution	13.46%	\$16,103	13.21%	\$15,807

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #2 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans I and J (2.7% @ 55 – non-Children and Families Commission)²				
Normal cost	15.29%	\$99,399	15.29%	\$99,399
UAAL ³	25.96%	168,763	26.78%	174,094
Total contribution	41.25%	\$268,162	42.07%	\$273,493
Plans I and J (2.7% @ 55 – Children and Families Commission)				
Normal cost	15.29%	\$77	15.29%	\$77
UAAL ^{3,4,5}	5.63%	28	5.46%	28
Total contribution	20.92%	\$105	20.75%	\$105
Plans O and P (1.62% @ 65)				
Normal cost	6.68%	\$1,018	6.54%	\$997
UAAL ³	25.96%	3,957	26.78%	4,082
Total contribution	32.64%	\$4,975	33.32%	\$5,079
Plan S (2.0% @ 57)				
Normal cost	16.00%	\$220	16.79%	\$231
UAAL ³	25.96%	358	26.78%	369
Total contribution	41.96%	\$578	43.57%	\$600
Plan T (1.62% @ 65 PEPRA)⁶				
Normal cost	7.37%	\$49,104	7.34%	\$48,905
UAAL ³	25.96%	172,965	26.78%	178,428
Total contribution	33.33%	\$222,069	34.12%	\$227,333

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² For Orange County Employees Retirement System (the employer) with future service only benefit improvements under 2.7% @ 55, refer to the employer rates on page 48.

³ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁴ UAAL rate has been adjusted to reflect future service only benefit improvement under 2.7% @ 55.

⁵ Unlike the non-Children & Families employers, the decrease in the employer UAAL rate due to total payroll growth greater than expected for the amortization layers established prior to December 31, 2024 for Children & Families was not large enough to offset the rate increases due to changes in the experience losses established in the December 31, 2024 valuation.

⁶ Applicable for members hired on or after January 1, 2013 except for County Attorneys, SJC members, OCERS management members, Superior Court members, and Children and Families members.

Section 2: Actuarial Valuation Results

Rate Group #2 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plan U (2.5% @ 67 PEPRA – non-Children and Families Commission)^{2,3}				
Normal cost	9.09%	\$13,226	9.15%	\$13,314
UAAL ⁴	25.96%	37,773	26.78%	38,967
Total contribution	35.05%	\$50,999	35.93%	\$52,281
Plan U (2.5% @ 67 PEPRA – Children and Families Commission)⁵				
Normal cost	9.09%	\$143	9.15%	\$144
UAAL ^{4,6,7}	5.63%	89	5.46%	86
Total contribution	14.72%	\$232	14.61%	\$230
Plan W (1.62% @ 65 PEPRA)⁸				
Normal cost ⁹	9.27%	\$17	7.88%	\$15
UAAL ⁴	25.96%	48	26.78%	50
Total contribution	35.23%	\$65	34.66%	\$65
Plans I, J, O, P, S, T, U and W Combined				
Normal cost	11.02%	\$163,204	11.01%	\$163,082
UAAL ⁴	25.93%	383,981	26.75%	396,104
Total contribution	36.95%	\$547,185	37.76%	\$559,186

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² Applicable for County Attorneys, SJC members, OCERS management members, and Superior Court members hired on or after January 1, 2013.

³ For Orange County Employees Retirement System (the employer) with future service only benefit improvements under 2.7% @ 55, refer to the employer rates on page 48.

⁴ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁵ Applicable for Children and Family members hired on or after January 1, 2013.

⁶ UAAL rate has been adjusted to reflect future service only benefit improvement under 2.7% @ 55.

⁷ Unlike the non-Children & Families employers, the decrease in the employer UAAL rate due to total payroll growth greater than expected for the amortization layers established prior to December 31, 2024 for Children & Families was not large enough to offset the rate increases due to the experience losses established in the December 31, 2024 valuation.

⁸ Applicable for SJC members hired on or after January 1, 2016 and not electing Plan U.

⁹ The increase in the employer normal cost rate from last year to this year is primarily due to the change in the average entry age from 43.2 for two employees to 58.0 for one employee.

Section 2: Actuarial Valuation Results

Rate Group #3 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans G and H (2.5% @ 55 – OCSD)				
Normal cost	14.03%	\$4,025	14.05%	\$4,031
UAAL ^{2,3}	0.00%	0	0.00%	0
Total contribution	14.03%	\$4,025	14.05%	\$4,031
Plan B (1.64% @ 57 – OCSD)				
Normal cost	13.25%	\$942	13.09%	\$931
UAAL ^{2,3}	0.00%	0	0.00%	0
Total contribution	13.25%	\$942	13.09%	\$931
Plan U (2.5% @ 67 PEPR A)⁴				
Normal cost	9.87%	\$5,310	9.95%	\$5,353
UAAL ^{2,3}	0.00%	0	0.00%	0
Total contribution	9.87%	\$5,310	9.95%	\$5,353
Plans B, G, H and U Combined				
Normal cost	11.47%	\$10,277	11.51%	\$10,315
UAAL ^{2,3}	0.00%	0	0.00%	0
Total contribution	11.47%	\$10,277	11.51%	\$10,315

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio of the total plan is over 120% and other conditions in CalPEPRA are met.

⁴ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #5 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans A and B (2.0% @ 57 and 1.64% @ 57 – OCTA)				
Normal cost	12.53%	\$8,982	12.60%	\$9,033
UAAL ²	16.71%	11,979	18.31%	13,126
Total contribution	29.24%	\$20,961	30.91%	\$22,159
Plan U (2.5% @ 67 PEPRA)³				
Normal cost	12.06%	\$7,953	11.95%	\$7,881
UAAL ²	16.71%	11,020	18.31%	12,075
Total contribution	28.77%	\$18,973	30.26%	\$19,956
Plans A, B and U Combined				
Normal cost	12.30%	\$16,935	12.29%	\$16,914
UAAL ²	16.71%	22,999	18.31%	25,201
Total contribution	29.01%	\$39,934	30.60%	\$42,115

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Applicable for members hired on or after January 1, 2015.

Section 2: Actuarial Valuation Results

Rate Group #9 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans M and N (2.0% @ 55 – TCA)				
Normal cost	16.08%	\$471	16.17%	\$473
UAAL ^{2,3}	0.00%	0	0.00%	0
Total contribution	16.08%	\$471	16.17%	\$473
Plan U (2.5% @ 67 PEPRAs)⁴				
Normal cost	11.48%	\$642	11.32%	\$633
UAAL ^{2,3}	0.00%	0	0.00%	0
Total contribution	11.48%	\$642	11.32%	\$633
Plans M, N and U Combined				
Normal cost	13.06%	\$1,113	12.98%	\$1,106
UAAL ^{2,3}	0.00%	0	0.00%	0
Total contribution	13.06%	\$1,113	12.98%	\$1,106

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio of the total plan is over 120% and other conditions in CalPEPRA are met.

⁴ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #10 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans I and J (2.7% @ 55 – OCFA)				
Normal cost	15.54%	\$1,279	15.56%	\$1,281
UAAL ²	10.08%	830	10.51%	865
Total contribution	25.62%	\$2,109	26.07%	\$2,146
Plans M and N (2.0% @ 55 – OCFA)				
Normal cost	17.84%	\$902	17.88%	\$904
UAAL ²	10.08%	510	10.51%	531
Total contribution	27.92%	\$1,412	28.39%	\$1,435
Plan U (2.5% @ 67 PEPRA)³				
Normal cost	9.95%	\$2,480	10.10%	\$2,517
UAAL ²	10.08%	2,512	10.51%	2,619
Total contribution	20.03%	\$4,992	20.61%	\$5,136
Plans I, J, M, N and U Combined				
Normal cost	12.20%	\$4,661	12.30%	\$4,702
UAAL ²	10.08%	3,852	10.51%	4,015
Total contribution	22.28%	\$8,513	22.81%	\$8,717

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #11 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans M and N, future service (2.0% @ 55 – Cemetery)				
Normal cost	12.96%	\$149	12.88%	\$148
UAAL ²	1.72%	20	1.57%	18
Total contribution	14.68%	\$169	14.45%	\$166
Plan U (2.5% @ 67 PEPR)³				
Normal cost	11.91%	\$116	12.26%	\$120
UAAL ²	1.72%	17	1.57%	15
Total contribution	13.63%	\$133	13.83%	\$135
Plans M, N and U Combined				
Normal cost	12.47%	\$265	12.61%	\$268
UAAL ²	1.72%	37	1.57%	33
Total contribution	14.19%	\$302	14.18%	\$301

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #12 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans G and H, future service (2.5% @ 55 – Law Library)				
Normal cost	14.39%	\$128	14.54%	\$129
UAAL ^{2,3,4}	0.00%	0	0.00%	0
Total contribution	14.39%	\$128	14.54%	\$129
Plan U (2.5% @ 67 PEPRAs)⁵				
Normal cost	10.52%	\$38	10.67%	\$39
UAAL ^{2,3,4}	0.00%	0	0.00%	0
Total contribution	10.52%	\$38	10.67%	\$39
Plans G, H, future service, and U Combined				
Normal cost	13.25%	\$166	13.41%	\$168
UAAL ^{2,3,4}	0.00%	0	0.00%	0
Total contribution	13.25%	\$166	13.41%	\$168

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ UAAL rate has been adjusted to reflect future service only benefit improvement under 2.5% @ 55.

⁴ Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio of the total plan is over 120% and other conditions in CalPEPRA are met.

⁵ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #6 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans E and F (3% @ 50 – Probation)				
Normal cost	23.97%	\$11,904	23.81%	\$11,825
UAAL ²	38.12%	18,932	37.76%	18,753
Total contribution	62.09%	\$30,836	61.57%	\$30,578
Plan V (2.7% @ 57 PEPR)³				
Normal cost	16.07%	\$1,997	16.05%	\$1,994
UAAL ²	38.12%	4,737	37.76%	4,692
Total contribution	54.19%	\$6,734	53.81%	\$6,686
Plans E, F and V Combined				
Normal cost	22.39%	\$13,901	22.26%	\$13,819
UAAL ²	38.12%	23,669	37.76%	23,445
Total contribution	60.51%	\$37,570	60.02%	\$37,264

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #7 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans E and F (3% @ 50 – Law Enforcement)				
Normal cost	26.64%	\$30,046	26.65%	\$30,058
UAAL ²	33.32%	37,581	36.26%	40,897
Total contribution	59.96%	\$67,627	62.91%	\$70,955
Plans Q and R (3% @ 55 – Law Enforcement)				
Normal cost	23.69%	\$14,849	23.84%	\$14,943
UAAL ²	33.32%	20,885	36.26%	22,728
Total contribution	57.01%	\$35,734	60.10%	\$37,671
Plan V (2.7% @ 57 PEPRA)³				
Normal cost ⁴	17.05%	\$31,121	17.74%	\$32,380
UAAL ²	33.32%	60,818	36.26%	66,184
Total contribution	50.37%	\$91,939	54.00%	\$98,564
Plans E, F, Q, R and V Combined				
Normal cost	21.23%	\$76,016	21.62%	\$77,381
UAAL ²	33.32%	119,284	36.26%	129,809
Total contribution	54.55%	\$195,300	57.88%	\$207,190

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Applicable for members hired on or after January 1, 2013.

⁴ A significant number of members in this tier received significant salary increases in excess of 20% in this valuation. Many of these members are now projected to reach the PEPRA salary limit prior to retirement, which limits the increase in their projected accrued benefits and in turn decreases the normal cost as a percentage of pay.

Section 2: Actuarial Valuation Results

Rate Group #8 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Plans E and F (3% @ 50 – OCFA)				
Normal cost	25.09%	\$19,434	25.38%	\$19,659
UAAL ²	10.60%	8,211	12.62%	9,775
Total contribution	35.69%	\$27,645	38.00%	\$29,434
Plans Q and R (3% @ 55 – OCFA)				
Normal cost	26.20%	\$6,625	26.38%	\$6,670
UAAL ²	10.60%	2,680	12.62%	3,191
Total contribution	36.80%	\$9,305	39.00%	\$9,861
Plan V (2.7% @ 57 PEPRA)³				
Normal cost	15.96%	\$12,383	15.85%	\$12,298
UAAL ²	10.60%	8,224	12.62%	9,791
Total contribution	26.56%	\$20,607	28.47%	\$22,089
Plans E, F, Q, R and V Combined				
Normal cost	21.32%	\$38,442	21.42%	\$38,627
UAAL ²	10.60%	19,115	12.62%	22,757
Total contribution	31.92%	\$57,557	34.04%	\$61,384

¹ Based on December 31, 2024 projected annual compensation as shown on page 47.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Total Plan – Recommended Employer Contribution Calculated as of December 31

Component	2024 Contribution Rate	2024 Estimated Annual Amount ¹ (\$ in '000s)	2023 Contribution Rate	2023 Estimated Annual Amount ¹ (\$ in '000s)
Rate Groups #1 – #12 Combined				
Normal cost	13.62%	\$337,482	13.67%	\$338,684
UAAL ²	23.26%	576,538	24.41%	604,869
Total contribution	36.88%	\$914,020	38.08%	\$943,553

Rate Group and Plan	Projected Annual Compensation (\$ in '000s)	Rate Group and Plan	Projected Annual Compensation (\$ in '000s)	Rate Group and Plan	Projected Annual Compensation (\$ in '000s)
General Employers			Safety Employers		
Rate Group #1 – Plans A and B	\$28,630	Rate Group #3 – Plan U	\$53,797	Rate Group #6 – Plans E and F	\$49,663
Rate Group #1 – Plan U	90,994	Rate Group #5 – Plans A and B	71,687	Rate Group #6 – Plan V	12,426
Rate Group #2 – Plans I and J non-Children and Families Commission	650,090	Rate Group #5 – Plan U	65,948	Rate Group #7 – Plans E and F	112,787
Rate Group #2 – Plans I and J Children and Families Commission	505	Rate Group #9 – Plans M and N	2,926	Rate Group #7 – Plans Q and R	62,680
Rate Group #2 – Plans O and P	15,242	Rate Group #9 – Plan U	5,594	Rate Group #7 – Plan V	182,526
Rate Group #2 – Plan S	1,378	Rate Group #10 – Plans I and J	8,233	Rate Group #8 – Plans E and F	77,459
Rate Group #2 – Plan T	666,275	Rate Group #10 – Plans M and N	5,057	Rate Group #8 – Plans Q and R	25,285
Rate Group #2 – Plan U non-Children and Families Commission	145,506	Rate Group #10 – Plan U	24,923	Rate Group #8 – Plan V	77,587
Rate Group #2 – Plan U Children and Families Commission	1,577	Rate Group #11 – Plans M and N	1,148		
Rate Group #2 – Plan W	186	Rate Group #11 – Plan U	977		
Rate Group #3 – Plans G and H	28,687	Rate Group #12 – Plans G and H	890		
Rate Group #3 – Plan B	7,113	Rate Group #12 – Plan U	363		
				Total Combined	\$2,478,139

¹ Based on December 31, 2024 projected annual compensation as shown above.

² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

Section 2: Actuarial Valuation Results

Rate Group #2 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2024 Contribution Rate ¹	2024 Contribution Rate ²	2023 Contribution Rate ¹	2023 Contribution Rate ²
Plans I and J (2.7% @ 55 – OCERS)				
Normal cost	15.29%	15.29%	15.29%	15.29%
UAAL ³	24.87%	25.96%	25.79%	26.78%
Total contribution	40.16%	41.25%	41.08%	42.07%
Plan U (2.5% @ 67 PEPRA – OCERS)⁴				
Normal cost	9.09%	9.09%	9.15%	9.15%
UAAL ³	24.87%	25.96%	25.79%	26.78%
Total contribution	33.96%	35.05%	34.94%	35.93%

¹ These rates are **after** reflecting future service only benefit improvements under 2.7% @ 55.

² These rates are **before** reflecting future service only benefit improvements under 2.7% @ 55.

³ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁴ Applicable for Orange County Employees Retirement System members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

“Pick-up” discount percentages for non-PEPRA tier members

For every dollar of member contribution “picked up” by the employer for non-PEPRA tier members and not deposited in the member’s contribution account, the employer can contribute less than a dollar. This is because the “pick-up” amount is not deposited in the member’s contribution account and so is not payable to a member who withdraws his or her contributions following termination of employment, and is not payable as an additional death benefit. The contribution discount percentages are as follows:

Rate Group and Plan	2024 Tier 1 Pick-up Percentage	2024 Tier 2 Pick-up Percentage	2023 Tier 1 Pick-up Percentage	2023 Tier 2 Pick-up Percentage
General				
• Rate Group #1 Plan A/B (County and IHSS)	Plan A: N/A	Plan B: 99.43%	Plan A: N/A	Plan B: 99.40%
• Rate Group #2 (2.7% @ 55 – non-OCFA)	Plan I: 100.00%	Plan J: 99.50%	Plan I: 100.00%	Plan J: 99.46%
• Rate Group #2 (1.62% @ 65)	Plan O: N/A	Plan P: 99.18%	Plan O: N/A	Plan P: 99.09%
• Rate Group #2 (2.0% @ 57)		Plan S: 99.28%		Plan S: 99.30%
• Rate Group #3 (2.5% @ 55 – OCSD)	Plan G: N/A	Plan H: 99.53%	Plan G: N/A	Plan H: 99.50%
• Rate Group #3 (1.64% @ 57 – OCSD)		Plan B: 99.18%		Plan B: 99.12%
• Rate Group #5 Plan A/B (OCTA)	Plan A: N/A	Plan B: 99.11%	Plan A: 100.00%	Plan B: 99.04%
• Rate Group #9 (2.0% @ 55 – TCA)	Plan M: N/A	Plan N: 99.28%	Plan M: N/A	Plan N: 99.33%
• Rate Group #10 (2.7% @ 55 – OCFA)	Plan I: N/A	Plan J: 99.54%	Plan I: N/A	Plan J: 99.52%
• Rate Group #10 (2.0% @ 55 – OCFA)	Plan M: N/A	Plan N: 99.43%	Plan M: N/A	Plan N: 99.35%
• Rate Group #11 (2.0% @ 55 – Cemetery)	Plan M: N/A	Plan N: 99.72%	Plan M: N/A	Plan N: 99.48%
• Rate Group #12 (2.5% @ 55 – Law Library)	Plan G: N/A	Plan H: 99.65%	Plan G: N/A	Plan H: 99.69%
Safety				
• Rate Group #6 (3.0% @ 50 – Probation)	Plan E: N/A	Plan F: 99.81%	Plan E: N/A	Plan F: 99.80%
• Rate Group #7 (3.0% @ 50 – Law Enforcement)	Plan E: N/A	Plan F: 99.90%	Plan E: N/A	Plan F: 99.90%
• Rate Group #7 (3.0% @ 55 – Law Enforcement)	Plan Q: N/A	Plan R: 99.80%	Plan Q: N/A	Plan R: 99.77%
• Rate Group #8 (3.0% @ 50 – OCFA)	Plan E: N/A	Plan F: 99.88%	Plan E: N/A	Plan F: 99.87%
• Rate Group #8 (3.0% @ 55 – OCFA)	Plan Q: N/A	Plan R: 99.83%	Plan Q: N/A	Plan R: 99.81%

Section 2: Actuarial Valuation Results

“Pick-up” average entry age

The following table provides the average entry age by employer used in determining the “pick-up” contributions under Section 31581.1.

Employer	Code	Average Entry Age for All non-PEPRA Members
General		
• Orange County	101	30
• Cemetery District	102	27
• Law Library	103	39
• Retirement System	105	29
• OCFA	106	32
• Transportation Corridor Agency	109	33
• City of San Juan Capistrano	110	33
• Sanitation District	111	32
• OCTA	112	34
• Children & Families Commission	118	28
• Local Agency Formation Commission	119	38
• Superior Court	121	31
• IHSS Public Authority	122	44
Safety		
• Probation	101	26
• Law Enforcement	101	26
• OCFA	106	28

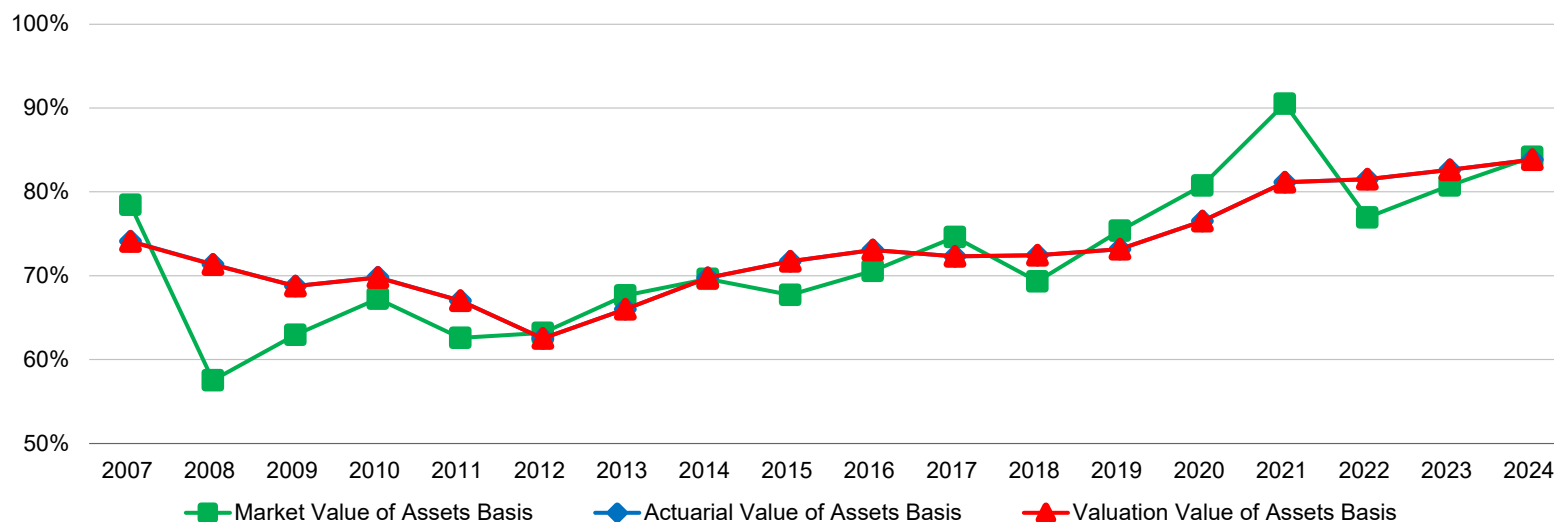
Section 2: Actuarial Valuation Results

G. Funded status

A commonly reported piece of information regarding the Plan's financial status is the funded ratio. These ratios compare the market, actuarial and valuation value of assets to the actuarial accrued liability of the Plan. Higher ratios indicate a relatively well-funded plan while lower ratios may indicate recent changes to actuarial assumptions, funding of the plan below actuarial requirements, poor asset performance, or a variety of other causes.

The funded status measures shown in this valuation are appropriate for assessing the need for or amount of future contributions. However, they are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations. As the chart below shows, the measures are different depending on whether the market, actuarial, or valuation value of assets is used.

Funded Ratio as of December 31



Section 2: Actuarial Valuation Results

Schedule of Funding Progress

Actuarial Valuation as of December 31	Valuation Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) – (a)	Funded Ratio (a) / (b)	Projected Compensation (c)	UAAL as a % of Projected Compensation [(b) – (a)] / (c)
2015	\$12,228,009,000	\$17,050,357,000	\$4,822,348,000	71.72%	\$1,633,112,000	295.29%
2016	13,102,978,000	17,933,461,000	4,830,483,000	73.06%	1,759,831,000	274.49%
2017	14,197,125,000	19,635,427,000	5,438,302,000	72.30%	1,811,877,000	300.15%
2018	14,994,420,000	20,703,349,000	5,708,929,000	72.43%	1,875,370,000	304.42%
2019	16,036,869,000	21,916,730,000	5,879,861,000	73.17%	1,952,534,000	301.14%
2020	17,525,117,000	22,904,975,000	5,379,858,000	76.51%	1,962,869,000	274.08%
2021	19,488,761,000	24,016,073,000	4,527,312,000	81.15%	2,052,706,000	220.55%
2022	20,691,659,000	25,386,669,000	4,695,010,000	81.51%	2,124,678,000	220.98%
2023	22,135,285,000	26,788,041,000	4,652,756,000	82.63%	2,277,976,000	204.25%
2024	23,688,986,000	28,258,622,000	4,569,636,000	83.83%	2,478,139,000	184.40%

For informational purposes only, we have also developed the funded ratio determined using the historical **market** value of assets after adjustment for amounts in the County Investment Account (funded by pension obligation bond proceeds held by OCERS), prepaid employer contributions, O.C. Sanitation District UAAL Deferred Account (after transfer), unclaimed member reserve and Medicare Medical Insurance Reserve.

Actuarial Valuation as of December 31	Funded Ratio Based on Net Market Value of Assets	Actuarial Valuation as of December 31	Funded Ratio Based on Net Market Value of Assets
2015	67.73%	2020	80.74%
2016	70.58%	2021	90.52%
2017	74.62%	2022	76.95%
2018	69.31%	2023	80.76%
2019	75.36%	2024	84.18%

Section 2: Actuarial Valuation Results

H. Actuarial balance sheet

An overview of the Plan's funding is given by an actuarial balance sheet. In this approach, first the amount and timing of all future payments that will be made by the Plan for current members is determined. Then these payments are discounted at the valuation interest rate to the date of the valuation, thereby determining the present value, referred to as the "liability" of the Plan.

Second, this liability is compared to the assets. The "assets" for this purpose include the net amount of assets already accumulated by the Plan, the present value of future member contributions, the present value of future employer normal cost contributions, and the present value of future employer amortization payments for the UAAL.

Actuarial Balance Sheet as of December 31 (\$ in '000s)

Line Description	2024	2023
Liabilities		
Present value of benefits for retired members and beneficiaries	\$17,668,968	\$16,903,604
Present value of benefits for inactive members ¹	694,435	624,749
Present value of benefits for active members	15,191,848	14,245,599
Total liabilities	\$33,555,251	\$31,773,952
Current and Future Assets		
Total valuation value of assets	\$23,688,986	\$22,135,285
Present value of future contributions by members	2,519,538	2,353,776
Present value of future employer contributions for:		
• Entry age normal cost	2,777,091	2,632,135
• UAAL	4,569,636	4,652,756
Total of current and future assets	\$33,555,251	\$31,773,952

¹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 2: Actuarial Valuation Results

I. Risk

Because the actuarial valuation results are dependent on a fixed set of assumptions and data as of a specific date, there is risk that emerging results may differ, perhaps significantly, as actual experience is fluid and will not exactly track current assumptions. This potential divergence may have a significant impact on the future financial condition of the plan.

This report does not contain a detailed analysis of the potential range of future measurements, but does include a concise discussion of some of the primary risks that may affect the Plan's future financial condition. We recommend a more detailed assessment of the risks to provide the Board with a better understanding of the risks inherent in the Plan that can inform both financial preparation and future decision making. This assessment would enable us to work with the Board to highlight and illustrate particular risks or potential future outcomes they may be interested in discussing and could include scenario testing, sensitivity testing, stress testing and stochastic modeling. As noted in the valuation highlights section of this report the results of our more detailed risk assessment will be provided in a separate stand-alone report.

This section provides descriptions and basic assessments of the primary risks that are likely to have an ongoing influence on the Plan's financial health, as well as a discussion of historical trends and maturity measures:

Risk assessments

- **Asset/Liability Mismatch Risk** (the potential that future plan experience does not affect asset and liability values in the same way, causing them to diverge)

The most significant asset/liability mismatch risk to the Plan is investment risk, as discussed below. In fact, investment risk has the potential to impact asset/liability mismatch in two ways. The first is evident in annual valuations; when asset values deviate from assumptions they are typically independent from liability changes. The second can be caused when systemic asset deviations from assumptions may signal the need for an assumption change, which causes liability values and contribution rates to move in the opposite direction from any change in the expected experience of asset growth rates.

Asset/liability mismatch can also be caused by demographic assumption risk such as longevity, which affects liabilities but has no impact on asset levels. This risk is also discussed below.

- **Investment Risk** (the risk that investment returns will be different than expected)

The investment return assumption is a long-term, static assumption for valuation purposes even though in reality market experience can be quite volatile in any given year. That volatility can cause significant changes in the financial condition of the Plan, affecting both funded status and contribution rates. The inherent year-to-year volatility is reduced by smoothing through the valuation value of assets, however investment experience can still have a sizable impact. As discussed in *Section 2, Subsection J*,

Section 2: Actuarial Valuation Results

Volatility Ratios, on page 58, a 1% asset gain or loss (relative to the assumed investment return) translates to about 9.6% of one-year's payroll. Since actuarial gains and losses are amortized over 20 years, there would be a 0.7% of payroll decrease/(increase) in the required contribution for each 1% asset gain/(loss).

The year-by-year market value rate of return over the last 10 years has ranged from a low of -9.71% to a high of 17.71%.

- **Longevity Risk** (the risk that mortality experience will be different than expected)

The actuarial valuation includes current life expectancy assumptions and an expectation of future improvement in life expectancy, which are significant assumptions given the relatively long duration of liabilities for pension plans. Emerging plan experience that does not match these expectations will result in increases or decreases in the actuarially determined contribution over time. This risk can be reduced by using tables appropriate for the Plan (public experience tables) that are weighted by benefit levels, and by using generational mortality projections. The Board has adopted mortality tables based on this methodology.

- **Other Risks**

In addition to longevity, the valuation includes a variety of other assumptions that are unlikely to match future experience exactly. One example is projected salary scales over time. As salary is central to the determination of benefits paid in retirement, deviations from the projected salary scales could have a material impact on the benefits anticipated for each member. Examples of other demographic assumptions include retirement, termination and disability assumptions, and will likely vary in significance for different groups (for example, disability assumptions are typically more significant for Safety groups).

Some plans also carry significant contribution risk, defined as the potential for actual future contributions deviating from expected future contributions. However, the employers have a proven track-record of making the actuarially determined contributions based on the Board's Actuarial Funding Policy, so contribution risk is minimal.

Evaluation of historical trends

Past experience can help demonstrate the sensitivity of key results to the Plan's actual experience. Over the past ten years:

- The funded percentage on the valuation value of assets basis has increased from 71.7% to 83.8%. This is primarily due to contributions made to amortize the UAAL (i.e., amortizing each layer of UAAL over 20 years as a level percentage of pay) and average recent years' investment return on a smoothed basis greater than the assumption. For a more detailed history see *Section 2, Subsection G, Funded status* starting on page 51.
- The average geometric investment return on the valuation value of assets over the last 10 years was 7.35%. This includes a low of 5.20% and a high of 11.38%. The average over the last five years is 8.54%. For more details see the *Section 2, Subsection B, Historical investment returns* on page 25.

Section 2: Actuarial Valuation Results

- Beyond investment experience which has generally been favorable, the primary source of new UAAL was the strengthening of assumptions through multiple assumption changes. While the assumption changes in 2014 decreased the unfunded liability by \$103 million, the assumption changes in 2017 that changed the discount rate from 7.25% to 7.00% (as well as various other changes) added \$822 million in unfunded liability, the assumption changes in 2020 added \$24.3 million in unfunded liability, and the assumption changes in 2023 added \$145.0 million in unfunded liability. For more details on unfunded liability changes see *Section 3, Exhibit H, Table of Amortization Bases* starting on page 89. A graphical representation of historical changes in UAAL by source will be included in the stand-alone risk assessment report.
- The plan's funding policy effectively deals with these unfunded liabilities over time. This can be seen most clearly in *Section 3, Exhibit J, Projection of UAAL balances and payments* starting on page 104.

Maturity measures

In the last 10 years the ratio of members in pay status to active participants has increased from 0.73 to 0.93. An increased ratio indicates that the plan has grown in maturity over time. This is to be expected, but is also informative for understanding plan sensitivity to particular risks. For more details see *Section 2, Subsection A, Member information* on page 18.

As pension plans mature, the cash needed to fulfill benefit obligations will increase over time. Therefore, cash flow projections and analysis should be performed to assure that the Plan's asset allocation is aligned to meet emerging pension liabilities. Over the past year, benefits paid were \$126 million more than contributions received. Plans with high levels of negative cash flows may have a need for a larger allocation to income generating assets, which can create a drag on investment return. However, the Plan currently has a relatively low level of negative cash flow when compared to the total assets and is relatively well funded (at an 83.8% funded ratio). For more details on historical cash flows see *Section 2, Subsection B, Financial information* on page 22.

A further discussion of plan maturity measures and how they relate to changes in assets and liabilities is included in *Section 2, Subsection J, Volatility ratios* on page 58.

Low-Default-Risk Obligation Measure (LDROM)

Actuarial Standard of Practice No. 4 (ASOP 4) *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions* requires the disclosure of a Low-Default-Risk Obligation Measure (LDROM) when performing a funding valuation. The LDROM presented in this report is calculated using the same methodology and assumptions used to determine the AAL used for funding, except for the discount rate. The LDROM is required to be calculated using "a discount rate...derived from low-default-risk fixed income securities whose cash flows are reasonably consistent with the pattern of benefits expected to be paid in the future."

Section 2: Actuarial Valuation Results

The LDROM is a calculation assuming a plan's assets are invested in an all-bond portfolio, generally lowering expected long-term investment returns. The discount rate selected and used for this purpose is the Bond Buyer General Obligation 20-year Municipal Bond Index Rate, published at the end of each week. The last published rate in December of the measurement period, by The Bond Buyer, is 4.08% for use effective December 31, 2024. This is the rate used to determine the discount rate for valuing reported public pension plan liabilities in accordance with Governmental Accounting Standards when plan assets are projected to be insufficient to make projected benefit payments, and the 20-year period reasonably approximates the duration of plan liabilities. The LDROM is not used to determine a plan's funded status or actuarially determined contribution rates. The plan's expected return on assets, currently 7.00%, is used for these calculations.

As of December 31, 2024, the LDROM for the Plan is \$42.3 billion.¹ The difference between the Plan's actuarial accrued liability of \$28.3 billion and the LDROM can be thought of as the increase in the actuarial accrued liability if the entire portfolio were invested in low-default-risk securities. Alternatively, this difference could also be viewed as representing the expected savings from investing in the Plan's diversified portfolio compared to investing only in low-default-risk securities.

ASOP 4 requires commentary to help the intended user understand the significance of the LDROM with respect to the funded status of the plan, plan contributions, and the security of member benefits. In general, if plan assets were invested exclusively in low-default-risk securities, the funded status would be lower and the actuarially determined contribution would be higher. While investing in a portfolio with low-default-risk securities may be more likely to reduce investment volatility and the volatility of employer contributions, it also may be more likely to result in higher employer contributions or lower benefits.

¹ For comparison purposes, as of December 31, 2023, the LDROM was \$45.7 billion based on a discount rate of 3.26%, while the Plan's actuarial accrued liability was \$26.8 billion.

Section 2: Actuarial Valuation Results

J. Volatility ratios

Retirement plans are subject to volatility in the level of required contributions. This volatility tends to increase as retirement plans become more mature.

The Asset Volatility Ratio (AVR), which is equal to the market value of assets divided by total projected compensation, provides an indication of the potential contribution volatility for any given level of investment volatility. A higher AVR indicates that the plan is subject to a greater level of contribution volatility. This is a current measurement since it is based on the current level of assets.

The current AVR is about 9.6. This means that a 1% asset gain or loss (relative to the assumed investment return) translates to about 9.6% of one-year's payroll. Since actuarial gains and losses are amortized over 20 years, there would be a 0.7% of payroll decrease/(increase) in the required contribution for each 1% asset gain/(loss).

The Liability Volatility Ratio (LVR), which is equal to the actuarial accrued liability divided by total projected compensation, provides an indication of the longer-term potential for contribution volatility for any given level of investment volatility. This is because, over an extended period of time, the plan's assets should track the plan's liabilities. For example, if a plan is 50% funded on a market value basis, the liability volatility ratio would be double the asset volatility ratio and the plan sponsor should expect contribution volatility to increase over time as the plan becomes better funded.

The LVR also indicates how volatile contributions will be in response to changes in the actuarial accrued liability due to actual experience or to changes in actuarial assumptions. The current total Plan LVR is about 11.4 but is 10.1 for General compared to 15.5 for Safety. This means, for example, that assumption changes will have a greater impact on employer contribution rates for Safety than for General. The total Plan LVR is about 19% higher than the AVR. Therefore, we would expect that contribution volatility will increase over the long term.

Section 2: Actuarial Valuation Results

Volatility Ratios

Asset Volatility Ratio (AVR) versus Liability Volatility Ratio (LVR)

As of December 31	AVR General	AVR Safety	AVR Total	LVR General	LVR Safety	LVR Total
2015	6.3	9.6	7.1	9.3	14.3	10.4
2016	6.4	9.9	7.2	9.0	14.2	10.2
2017	7.2	11.0	8.1	9.6	14.8	10.8
2018	6.8	10.5	7.7	9.8	15.2	11.0
2019	7.5	11.5	8.5	9.9	15.3	11.2
2020	8.4	12.7	9.4	10.5	15.2	11.7
2021	9.3	14.5	10.6	10.5	15.4	11.7
2022	8.0	12.9	9.2	10.6	16.1	11.9
2023	8.2	13.6	9.5	10.4	16.1	11.8
2024	8.3	13.6	9.6	10.1	15.5	11.4

Section 3: Supplemental Information

Exhibit A: Table of plan demographics

Total Plan

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	23,368	22,782	2.6%
• Average age	44.1	44.2	(0.1)
• Average years of service	11.3	11.5	(0.2)
• Total projected compensation ¹	\$2,478,139,312	\$2,277,976,151	8.8%
• Average projected compensation	\$106,048	\$99,990	6.1%
• Account balances	\$3,648,906,617	\$3,479,433,053	4.9%
• Total active vested members	15,627	15,375	1.6%
Inactive members²			
• Number	9,377	8,579	9.3%
• Average age	45.0	45.0	0.0
Retired members			
• Number	17,103	16,754	2.1%
• Average age	70.7	70.5	0.2
• Average monthly benefit ³	\$5,235	\$5,080	3.1%
Disabled members			
• Number	1,645	1,628	1.0%
• Average age	66.8	66.5	0.3
• Average monthly benefit ³	\$5,220	\$4,986	4.7%
Beneficiaries			
• Number	2,992	2,901	3.1%
• Average age	74.0	73.6	0.4
• Average monthly benefit ³	\$2,753	\$2,616	5.2%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #1 for Plans A, B and U (County and IHSS)¹

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	1,837	1,787	2.8%
• Average age	43.4	42.7	0.7
• Average years of service	7.7	7.7	0.0
• Total projected compensation ²	\$119,624,448	\$110,953,731	7.8%
• Average projected compensation	\$65,119	\$62,089	4.9%
• Account balances	\$80,370,165	\$74,228,639	8.3%
• Total active vested members	826	790	4.6%
Inactive members³			
• Number	974	869	12.1%
• Average age	43.6	43.1	0.5
Retired members			
• Number	721	720	0.1%
• Average age	74.9	74.9	0.0
• Average monthly benefit ⁴	\$3,043	\$2,990	1.8%
Disabled members			
• Number	34	35	(2.9%)
• Average age	68.6	68.1	0.5
• Average monthly benefit ⁴	\$2,985	\$2,884	3.5%
Beneficiaries			
• Number	104	100	4.0%
• Average age	78.3	77.4	0.9
• Average monthly benefit ⁴	\$1,764	\$1,664	6.0%

¹ Includes payees from Vector Control, Cypress Recreation and Parks, U.C.I. and DOE.

² Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

³ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

⁴ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #2 for Plans I, J, O, P, S, T, U and W

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	15,022	14,724	2.0%
• Average age	44.5	44.7	(0.2)
• Average years of service	11.5	11.7	(0.2)
• Total projected compensation ¹	\$1,480,759,173	\$1,370,454,760	8.0%
• Average projected compensation	\$98,573	\$93,076	5.9%
• Account balances	\$2,339,587,406	\$2,279,297,007	2.6%
• Total active vested members	10,084	10,016	0.7%
Inactive members²			
• Number	6,446	5,846	10.3%
• Average age	44.8	44.8	0.0
Retired members			
• Number	11,454	11,214	2.1%
• Average age	71.6	71.5	0.1
• Average monthly benefit ³	\$4,723	\$4,555	3.7%
Disabled members			
• Number	541	542	(0.2%)
• Average age	68.5	68.2	0.3
• Average monthly benefit ³	\$3,159	\$3,045	3.7%
Beneficiaries			
• Number	1,795	1,758	2.1%
• Average age	75.9	75.6	0.3
• Average monthly benefit ³	\$2,450	\$2,339	4.7%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #3 for Plans B, G, H and U (OCSD)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	625	608	2.8%
• Average age	46.0	45.9	0.1
• Average years of service	10.9	10.8	0.1
• Total projected compensation ¹	\$89,596,589	\$83,658,659	7.1%
• Average projected compensation	\$143,355	\$137,596	4.2%
• Account balances	\$97,996,347	\$90,813,375	7.9%
• Total active vested members	453	440	3.0%
Inactive members²			
• Number	171	161	6.2%
• Average age	48.1	48.4	(0.3)
Retired members			
• Number	532	522	1.9%
• Average age	69.7	69.1	0.6
• Average monthly benefit ³	\$6,990	\$6,868	1.8%
Disabled members			
• Number	18	19	(5.3%)
• Average age	69.4	69.1	0.3
• Average monthly benefit ³	\$4,221	\$4,199	0.5%
Beneficiaries			
• Number	100	93	7.5%
• Average age	70.0	70.8	(0.8)
• Average monthly benefit ³	\$3,050	\$2,870	6.3%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #5 for Plans A, B and U (OCTA)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	1,373	1,264	8.6%
• Average age	48.8	49.5	(0.7)
• Average years of service	11.4	12.4	(1.0)
• Total projected compensation ¹	\$137,635,819	\$125,249,916	9.9%
• Average projected compensation	\$100,245	\$99,090	1.2%
• Account balances	\$150,111,327	\$143,997,284	4.2%
• Total active vested members	857	834	2.8%
Inactive members²			
• Number	802	759	5.7%
• Average age	50.2	50.3	(0.1)
Retired members			
• Number	1,156	1,123	2.9%
• Average age	72.3	72.0	0.3
• Average monthly benefit ³	\$3,273	\$3,166	3.4%
Disabled members			
• Number	255	262	(2.7%)
• Average age	69.6	69.0	0.6
• Average monthly benefit ³	\$2,870	\$2,786	3.0%
Beneficiaries			
• Number	245	231	6.1%
• Average age	73.9	73.2	0.7
• Average monthly benefit ³	\$1,813	\$1,700	6.6%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #9 for Plans M, N and U (TCA)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	62	59	5.1%
• Average age	48.9	48.5	0.4
• Average years of service	8.0	8.2	(0.2)
• Total projected compensation ¹	\$8,519,881	\$7,674,578	11.0%
• Average projected compensation	\$137,417	\$130,078	5.6%
• Account balances	\$6,342,339	\$5,734,104	10.6%
• Total active vested members	35	34	2.9%
Inactive members²			
• Number	82	78	5.1%
• Average age	47.9	47.8	0.1
Retired members			
• Number	67	66	1.5%
• Average age	71.0	70.3	0.7
• Average monthly benefit ³	\$3,739	\$3,770	(0.8%)
Disabled members			
• Number	1	0	N/A
• Average age	56.8	N/A	N/A
• Average monthly benefit ³	\$1,735	N/A	N/A
Beneficiaries			
• Number	6	7	(14.3%)
• Average age	73.0	72.9	0.1
• Average monthly benefit ³	\$706	\$915	(22.8%)

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #10 for Plans I, J, M, N and U (OCFA)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	333	325	2.5%
• Average age	43.1	44.1	(1.0)
• Average years of service	9.3	9.9	(0.6)
• Total projected compensation ¹	\$38,213,051	\$35,758,725	6.9%
• Average projected compensation	\$114,754	\$110,027	4.3%
• Account balances	\$33,439,614	\$34,270,981	(2.4%)
• Total active vested members	210	197	6.6%
Inactive members²			
• Number	323	293	10.2%
• Average age	42.7	42.7	0.0
Retired members			
• Number	237	220	7.7%
• Average age	67.7	67.8	(0.1)
• Average monthly benefit ³	\$5,208	\$5,177	0.6%
Disabled members			
• Number	13	13	0.0%
• Average age	66.5	65.5	1.0
• Average monthly benefit ³	\$3,919	\$3,805	3.0%
Beneficiaries			
• Number	18	16	12.5%
• Average age	67.3	66.6	0.7
• Average monthly benefit ³	\$2,215	\$1,962	12.9%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #11 for Plans M and N, Future Service, and U (Cemetery)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	25	24	4.2%
• Average age	50.2	52.4	(2.2)
• Average years of service	15.7	17.2	(1.5)
• Total projected compensation ¹	\$2,124,825	\$2,015,550	5.4%
• Average projected compensation	\$84,993	\$83,981	1.2%
• Account balances	\$3,047,044	\$3,173,685	(4.0%)
• Total active vested members	19	20	(5.0%)
Inactive members²			
• Number	4	5	(20.0%)
• Average age	37.6	35.1	2.5
Retired members			
• Number	9	7	28.6%
• Average age	73.3	72.9	0.4
• Average monthly benefit ³	\$3,923	\$3,579	9.6%
Disabled members			
• Number	0	0	N/A
• Average age	N/A	N/A	N/A
• Average monthly benefit ³	N/A	N/A	N/A
Beneficiaries			
• Number	7	7	0.0%
• Average age	78.1	77.1	1.0
• Average monthly benefit ³	\$1,533	\$1,488	3.0%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #12 for Plans G, H, Future Service, and U (Law Library)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	14	14	0.0%
• Average age	58.1	59.1	(1.0)
• Average years of service	20.2	20.0	0.2
• Total projected compensation ¹	\$1,252,569	\$1,207,717	3.7%
• Average projected compensation	\$89,469	\$86,265	3.7%
• Account balances	\$3,830,942	\$3,642,468	5.2%
• Total active vested members	12	13	(7.7%)
Inactive members²			
• Number	2	3	(33.3%)
• Average age	43.7	49.4	(5.7)
Retired members			
• Number	13	11	18.2%
• Average age	72.9	73.2	(0.3)
• Average monthly benefit ³	\$2,992	\$3,234	(7.5%)
Disabled members			
• Number	0	0	N/A
• Average age	N/A	N/A	N/A
• Average monthly benefit ³	N/A	N/A	N/A
Beneficiaries			
• Number	0	0	N/A
• Average age	N/A	N/A	N/A
• Average monthly benefit ³	N/A	N/A	N/A

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #6 for Plans E, F and V (Probation)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	594	599	(0.8%)
• Average age	45.0	44.8	0.2
• Average years of service	18.0	17.9	0.1
• Total projected compensation ¹	\$62,088,279	\$56,441,606	10.0%
• Average projected compensation	\$104,526	\$94,226	10.9%
• Account balances	\$160,544,210	\$154,110,083	4.2%
• Total active vested members	518	525	(1.3%)
Inactive members²			
• Number	220	224	(1.8%)
• Average age	45.5	44.7	0.8
Retired members			
• Number	556	533	4.3%
• Average age	65.2	65.0	0.2
• Average monthly benefit ³	\$6,249	\$6,104	2.4%
Disabled members			
• Number	40	40	0.0%
• Average age	55.3	54.5	0.8
• Average monthly benefit ³	\$3,391	\$3,272	3.6%
Beneficiaries			
• Number	61	57	7.0%
• Average age	67.8	68.0	(0.2)
• Average monthly benefit ³	\$2,971	\$2,906	2.2%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #7 for Plans E, F, Q, R and V (Law Enforcement)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	2,253	2,143	5.1%
• Average age	40.0	40.0	0.0
• Average years of service	11.4	11.4	0.0
• Total projected compensation ¹	\$357,993,709	\$305,580,877	17.2%
• Average projected compensation	\$158,896	\$142,595	11.4%
• Account balances	\$500,959,228	\$443,950,893	12.8%
• Total active vested members	1,663	1,599	4.0%
Inactive members²			
• Number	212	205	3.4%
• Average age	42.3	41.4	0.9
Retired members			
• Number	1,809	1,792	0.9%
• Average age	65.5	65.0	0.5
• Average monthly benefit ³	\$8,530	\$8,311	2.6%
Disabled members			
• Number	434	429	1.2%
• Average age	64.3	64.1	0.2
• Average monthly benefit ³	\$7,019	\$6,720	4.4%
Beneficiaries			
• Number	486	472	3.0%
• Average age	70.3	69.8	0.5
• Average monthly benefit ³	\$4,085	\$3,869	5.6%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #8 for Plans E, F, Q, R and V (OCFA)

Demographic Data by Status	As of December 31, 2024	As of December 31, 2023	Change
Active members			
• Number	1,230	1,235	(0.4%)
• Average age	41.0	40.8	0.2
• Average years of service	12.8	12.4	0.4
• Total projected compensation ¹	\$180,330,969	\$178,980,032	0.8%
• Average projected compensation	\$146,611	\$144,923	1.2%
• Account balances	\$272,677,994	\$246,214,535	10.7%
• Total active vested members	950	907	4.7%
Inactive members²			
• Number	141	136	3.7%
• Average age	38.8	38.2	0.6
Retired members			
• Number	549	545	0.7%
• Average age	67.7	67.1	0.6
• Average monthly benefit ³	\$9,620	\$9,429	2.0%
Disabled members			
• Number	309	288	7.3%
• Average age	66.0	65.8	0.2
• Average monthly benefit ³	\$8,849	\$8,654	2.3%
Beneficiaries			
• Number	169	160	5.6%
• Average age	66.2	65.7	0.5
• Average monthly benefit ³	\$4,043	\$3,823	5.8%

¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Exhibit B: Distribution of actives members

Total
Active Counts and Average Projected Compensation by Age and Years of Service
as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	457	454	3	—	—	—	—	—	—	—
	\$71,603	\$71,517	\$84,638	—	—	—	—	—	—	—
25-29	2,005	1,769	234	2	—	—	—	—	—	—
	\$84,574	\$81,309	\$108,607	\$160,909	—	—	—	—	—	—
30-34	3,277	1,961	1,148	167	1	—	—	—	—	—
	\$97,553	\$88,836	\$109,164	\$119,627	\$175,005	—	—	—	—	—
35-39	3,355	1,348	1,158	615	229	5	—	—	—	—
	\$106,100	\$92,248	\$110,913	\$124,530	\$113,933	\$100,006	—	—	—	—
40-44	3,463	942	807	588	922	201	3	—	—	—
	\$111,611	\$92,870	\$111,918	\$126,092	\$120,861	\$113,296	\$119,528	—	—	—
45-49	3,404	654	520	371	864	741	250	4	—	—
	\$113,982	\$93,043	\$109,034	\$118,636	\$122,754	\$119,141	\$126,599	\$109,622	—	—
50-54	3,230	562	409	249	595	659	573	180	3	—
	\$116,187	\$101,291	\$113,433	\$120,921	\$113,663	\$119,971	\$129,451	\$113,895	\$162,676	—
55-59	2,144	340	311	195	345	406	302	209	36	—
	\$110,072	\$98,471	\$112,485	\$113,975	\$108,463	\$110,732	\$116,070	\$113,515	\$115,326	—
60-64	1,369	205	193	153	245	249	178	92	40	14
	\$107,475	\$99,015	\$113,808	\$116,688	\$107,724	\$106,119	\$108,269	\$99,417	\$109,915	\$99,022
65-69	492	42	80	83	89	74	57	47	12	8
	\$103,308	\$87,914	\$104,549	\$112,581	\$101,765	\$96,536	\$105,486	\$106,110	\$97,024	\$132,758
70 and over	172	14	22	19	30	38	25	9	8	7
	\$95,694	\$89,042	\$118,038	\$96,518	\$88,287	\$93,563	\$100,920	\$73,439	\$92,194	\$93,785
Total	23,368	8,291	4,885	2,442	3,320	2,373	1,388	541	99	29
	\$106,048	\$89,113	\$110,695	\$121,379	\$116,538	\$114,916	\$121,790	\$109,905	\$110,487	\$107,065

Section 3: Supplemental Information

Rate Group #1 for Plans A, B and U (County and IHSS) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	36	36	—	—	—	—	—	—	—	—
	\$68,049	\$68,049	—	—	—	—	—	—	—	—
25-29	177	160	17	—	—	—	—	—	—	—
	\$64,528	\$63,732	\$72,018	—	—	—	—	—	—	—
30-34	284	228	48	8	—	—	—	—	—	—
	\$63,099	\$61,223	\$70,721	\$70,842	—	—	—	—	—	—
35-39	299	191	62	31	14	1	—	—	—	—
	\$63,814	\$60,430	\$69,676	\$70,040	\$69,895	\$68,727	—	—	—	—
40-44	256	135	61	32	21	7	—	—	—	—
	\$64,864	\$59,929	\$70,351	\$69,660	\$70,682	\$72,866	—	—	—	—
45-49	250	114	39	25	34	28	10	—	—	—
	\$65,609	\$60,353	\$69,166	\$69,919	\$70,424	\$70,171	\$71,737	—	—	—
50-54	218	79	27	20	28	26	28	10	—	—
	\$65,899	\$58,828	\$67,532	\$69,515	\$71,056	\$70,364	\$70,799	\$70,359	—	—
55-59	164	55	24	14	23	22	5	19	2	—
	\$66,863	\$59,577	\$68,954	\$68,828	\$71,020	\$69,931	\$68,927	\$74,536	\$68,784	—
60-64	99	19	12	21	14	8	10	12	2	1
	\$67,194	\$58,991	\$69,065	\$67,576	\$69,442	\$70,607	\$69,195	\$70,107	\$71,975	\$69,241
65-69	45	6	8	13	4	4	2	8	—	—
	\$69,619	\$60,852	\$69,509	\$70,070	\$77,489	\$73,344	\$68,965	\$69,935	—	—
70 and over	9	—	1	3	2	2	1	—	—	—
	\$69,837	—	\$69,785	\$70,130	\$68,816	\$71,002	\$68,727	—	—	—
Total	1,837	1,023	299	167	140	98	56	49	4	1
	\$65,119	\$61,123	\$69,768	\$69,517	\$70,715	\$70,528	\$70,410	\$71,847	\$70,379	\$69,241

Section 3: Supplemental Information

Rate Group #2 for Plans I, J, O, P, S, T, U and W Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	274	272	2	—	—	—	—	—	—	—
	\$62,706	\$62,581	\$79,748	—	—	—	—	—	—	—
25-29	1,231	1,123	108	—	—	—	—	—	—	—
	\$75,230	\$74,373	\$84,145	—	—	—	—	—	—	—
30-34	2,030	1,273	674	83	—	—	—	—	—	—
	\$88,197	\$85,539	\$92,638	\$92,896	—	—	—	—	—	—
35-39	2,088	860	769	315	142	2	—	—	—	—
	\$97,769	\$92,483	\$102,467	\$103,676	\$91,324	\$91,747	—	—	—	—
40-44	2,208	612	525	338	588	143	2	—	—	—
	\$103,150	\$93,510	\$104,502	\$114,411	\$106,204	\$100,621	\$77,372	—	—	—
45-49	2,171	407	369	229	564	443	156	3	—	—
	\$104,756	\$92,920	\$105,363	\$106,788	\$110,955	\$105,661	\$106,179	\$107,460	—	—
50-54	2,199	310	286	156	445	482	383	135	2	—
	\$109,611	\$97,589	\$110,395	\$112,479	\$107,215	\$115,324	\$114,730	\$104,607	\$151,019	—
55-59	1,435	188	188	124	251	280	230	150	24	—
	\$104,368	\$93,890	\$103,740	\$102,543	\$105,621	\$106,750	\$107,070	\$107,237	\$116,073	—
60-64	934	135	134	86	186	171	134	57	23	8
	\$105,312	\$101,789	\$109,725	\$111,935	\$103,913	\$106,074	\$107,635	\$96,457	\$98,811	\$78,729
65-69	320	24	57	40	66	51	44	27	9	2
	\$97,607	\$87,310	\$100,143	\$99,272	\$96,886	\$94,231	\$101,561	\$103,816	\$87,788	\$98,908
70 and over	132	11	18	11	24	28	19	9	7	5
	\$92,500	\$81,499	\$115,420	\$91,852	\$84,093	\$90,423	\$103,726	\$73,439	\$92,101	\$79,803
Total	15,022	5,215	3,130	1,382	2,266	1,600	968	381	65	15
	\$98,573	\$86,031	\$101,530	\$107,354	\$105,894	\$107,708	\$109,658	\$103,654	\$104,542	\$81,777

Section 3: Supplemental Information

Rate Group #3 for Plans B, G, H and U (OCSD) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	3	3	—	—	—	—	—	—	—	—
	\$110,482	\$110,482	—	—	—	—	—	—	—	—
25-29	28	25	3	—	—	—	—	—	—	—
	\$112,697	\$112,771	\$112,080	—	—	—	—	—	—	—
30-34	72	44	24	4	—	—	—	—	—	—
	\$126,483	\$122,793	\$136,039	\$109,735	—	—	—	—	—	—
35-39	89	40	35	13	1	—	—	—	—	—
	\$133,265	\$119,923	\$142,387	\$149,536	\$136,188	—	—	—	—	—
40-44	131	41	46	18	19	7	—	—	—	—
	\$147,787	\$134,395	\$149,435	\$151,717	\$162,073	\$166,512	—	—	—	—
45-49	86	19	19	16	19	13	—	—	—	—
	\$152,235	\$146,582	\$150,956	\$145,035	\$172,045	\$142,274	—	—	—	—
50-54	79	16	22	13	13	8	3	4	—	—
	\$149,442	\$123,966	\$150,400	\$161,613	\$151,192	\$158,571	\$173,394	\$164,625	—	—
55-59	63	11	10	7	10	13	7	3	2	—
	\$157,585	\$131,573	\$165,171	\$173,872	\$174,749	\$159,278	\$167,912	\$88,673	\$176,108	—
60-64	52	5	11	10	13	6	4	2	1	—
	\$146,178	\$137,439	\$131,862	\$140,655	\$155,402	\$162,548	\$141,081	\$175,544	\$146,107	—
65-69	17	—	4	3	5	1	2	2	—	—
	\$150,117	—	\$156,435	\$138,602	\$126,977	\$148,536	\$180,238	\$183,276	—	—
70 and over	5	1	1	1	—	2	—	—	—	—
	\$160,589	\$117,583	\$186,096	\$154,732	—	\$172,266	—	—	—	—
Total	625	205	175	85	80	50	16	11	3	—
	\$143,355	\$126,250	\$145,998	\$149,759	\$160,657	\$156,454	\$163,773	\$149,287	\$166,108	—

Section 3: Supplemental Information

Rate Group #5 for Plans A, B and U (OCTA) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	25	25	—	—	—	—	—	—	—	—
	\$68,342	\$68,342	—	—	—	—	—	—	—	—
25-29	62	57	5	—	—	—	—	—	—	—
	\$82,256	\$80,550	\$101,701	—	—	—	—	—	—	—
30-34	129	83	43	3	—	—	—	—	—	—
	\$88,751	\$84,648	\$95,741	\$102,060	—	—	—	—	—	—
35-39	140	92	29	15	4	—	—	—	—	—
	\$93,962	\$87,451	\$103,147	\$108,035	\$124,356	—	—	—	—	—
40-44	156	75	38	13	22	8	—	—	—	—
	\$101,322	\$88,982	\$109,112	\$121,494	\$112,609	\$116,188	—	—	—	—
45-49	175	61	30	18	28	34	4	—	—	—
	\$102,541	\$89,379	\$100,395	\$118,820	\$110,771	\$109,283	\$131,177	—	—	—
50-54	206	69	32	20	38	29	12	6	—	—
	\$104,402	\$91,392	\$108,326	\$119,390	\$111,161	\$98,122	\$134,687	\$110,115	—	—
55-59	207	38	35	25	34	40	19	11	5	—
	\$108,004	\$94,310	\$97,590	\$126,871	\$108,562	\$109,924	\$109,677	\$133,960	\$108,030	—
60-64	187	31	14	15	26	50	16	18	13	4
	\$105,080	\$84,167	\$98,998	\$138,226	\$116,727	\$94,102	\$101,563	\$111,447	\$131,285	\$125,892
65-69	73	10	8	10	9	15	8	8	2	3
	\$106,136	\$95,124	\$123,274	\$107,065	\$100,272	\$99,529	\$120,844	\$99,856	\$100,788	\$125,764
70 and over	13	1	—	2	2	4	3	—	—	1
	\$93,190	\$64,031	—	\$81,693	\$102,041	\$91,010	\$105,975	—	—	\$98,010
Total	1,373	542	234	121	163	180	62	43	20	8
	\$100,245	\$86,737	\$102,688	\$119,933	\$111,246	\$102,498	\$115,073	\$114,864	\$122,421	\$122,359

Section 3: Supplemental Information

Rate Group #9 for Plans M, N and U (TCA) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	—	—	—	—	—	—	—	—	—	—
25-29	4	4	—	—	—	—	—	—	—	—
	\$72,203	\$72,203	—	—	—	—	—	—	—	—
30-34	5	4	1	—	—	—	—	—	—	—
	\$92,409	\$95,694	\$79,268	—	—	—	—	—	—	—
35-39	5	3	2	—	—	—	—	—	—	—
	\$118,788	\$129,206	\$103,161	—	—	—	—	—	—	—
40-44	8	2	3	2	1	—	—	—	—	—
	\$135,070	\$139,669	\$146,795	\$138,665	\$83,505	—	—	—	—	—
45-49	6	3	—	—	2	1	—	—	—	—
	\$166,326	\$182,760	—	—	\$182,228	\$85,219	—	—	—	—
50-54	15	7	6	2	—	—	—	—	—	—
	\$151,182	\$152,867	\$137,578	\$186,096	—	—	—	—	—	—
55-59	9	3	2	1	—	2	1	—	—	—
	\$130,749	\$112,284	\$165,229	\$158,612	—	\$112,222	\$126,374	—	—	—
60-64	7	2	1	1	1	2	—	—	—	—
	\$174,821	\$132,166	\$186,096	\$172,284	\$96,055	\$252,490	—	—	—	—
65-69	2	1	—	1	—	—	—	—	—	—
	\$129,939	\$118,570	—	\$141,308	—	—	—	—	—	—
70 and over	1	1	—	—	—	—	—	—	—	—
	\$168,484	\$168,484	—	—	—	—	—	—	—	—
Total	62	30	15	7	4	5	1	—	—	—
	\$137,417	\$128,171	\$137,866	\$160,247	\$136,004	\$162,929	\$126,374	—	—	—

Section 3: Supplemental Information

Rate Group #10 for Plans I, J, M, N and U (OCFA) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	7	7	—	—	—	—	—	—	—	—
	\$71,378	\$71,378	—	—	—	—	—	—	—	—
25-29	34	33	1	—	—	—	—	—	—	—
	\$82,792	\$81,469	\$126,443	—	—	—	—	—	—	—
30-34	50	33	16	1	—	—	—	—	—	—
	\$100,711	\$91,752	\$117,406	\$129,216	—	—	—	—	—	—
35-39	49	28	20	1	—	—	—	—	—	—
	\$105,605	\$95,290	\$117,221	\$162,112	—	—	—	—	—	—
40-44	53	17	23	6	6	1	—	—	—	—
	\$118,359	\$115,723	\$117,551	\$136,335	\$114,973	\$94,220	—	—	—	—
45-49	45	12	17	5	7	3	1	—	—	—
	\$128,270	\$146,007	\$117,886	\$102,719	\$141,033	\$120,060	\$155,014	—	—	—
50-54	41	12	11	3	6	5	2	2	—	—
	\$128,085	\$125,648	\$119,611	\$169,723	\$133,534	\$114,969	\$156,487	\$114,907	—	—
55-59	32	7	6	4	3	8	2	2	—	—
	\$138,701	\$138,729	\$114,063	\$162,646	\$134,994	\$120,365	\$249,250	\$132,986	—	—
60-64	13	2	4	3	1	2	1	—	—	—
	\$115,517	\$77,894	\$122,987	\$168,653	\$85,776	\$61,989	\$138,266	—	—	—
65-69	6	—	—	2	1	2	—	1	—	—
	\$200,196	—	—	\$243,540	\$103,241	\$130,545	—	\$349,768	—	—
70 and over	3	—	1	—	—	2	—	—	—	—
	\$83,423	—	\$77,296	—	—	\$86,487	—	—	—	—
Total	333	151	99	25	24	23	6	5	—	—
	\$114,754	\$100,915	\$117,439	\$151,029	\$128,011	\$110,879	\$184,126	\$169,110	—	—

Section 3: Supplemental Information

Rate Group #11 for Plans M AND N, Future Service, and U (Cemetery) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	—	—	—	—	—	—	—	—	—	—
25-29	2	2	—	—	—	—	—	—	—	—
	\$61,786	\$61,786	—	—	—	—	—	—	—	—
30-34	1	1	—	—	—	—	—	—	—	—
	\$65,730	\$65,730	—	—	—	—	—	—	—	—
35-39	1	—	1	—	—	—	—	—	—	—
	\$66,629	—	\$66,629	—	—	—	—	—	—	—
40-44	2	—	1	—	—	1	—	—	—	—
	\$75,548	—	\$65,083	—	—	\$86,014	—	—	—	—
45-49	5	1	—	—	2	—	2	—	—	—
	\$89,322	\$73,638	—	—	\$80,036	—	\$106,451	—	—	—
50-54	3	2	1	—	—	—	—	—	—	—
	\$86,138	\$67,490	\$123,434	—	—	—	—	—	—	—
55-59	9	—	2	1	1	1	2	—	2	—
	\$91,194	—	\$71,647	\$109,747	\$208,762	\$90,210	\$66,705	—	\$67,662	—
60-64	2	—	1	—	—	—	1	—	—	—
	\$96,013	—	\$70,920	—	—	—	\$121,106	—	—	—
65-69	—	—	—	—	—	—	—	—	—	—
70 and over	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Total	25	6	6	1	3	2	5	—	2	—
	\$84,993	\$66,320	\$78,227	\$109,747	\$122,945	\$88,112	\$93,483	—	\$67,662	—

Section 3: Supplemental Information

Rate Group #12 for Plans G, H, Future Service, and U (Law Library) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	—	—	—	—	—	—	—	—	—	—
25-29	1	1	—	—	—	—	—	—	—	—
	\$55,329	\$55,329	—	—	—	—	—	—	—	—
30-34	—	—	—	—	—	—	—	—	—	—
35-39	1	1	—	—	—	—	—	—	—	—
	\$59,399	\$59,399	—	—	—	—	—	—	—	—
40-44	1	—	1	—	—	—	—	—	—	—
	\$73,350	—	\$73,350	—	—	—	—	—	—	—
45-49	2	—	—	—	1	1	—	—	—	—
	\$104,739	—	—	—	\$125,296	\$84,182	—	—	—	—
50-54	2	—	1	—	—	—	1	—	—	—
	\$123,792	—	\$174,864	—	—	—	\$72,720	—	—	—
55-59	—	—	—	—	—	—	—	—	—	—
60-64	3	—	—	—	—	1	1	1	—	—
	\$97,806	—	—	—	—	\$125,055	\$84,182	\$84,182	—	—
65-69	—	—	—	—	—	—	—	—	—	—
70 and over	4	—	—	—	1	—	2	—	1	—
	\$78,503	—	—	—	\$55,599	—	\$82,783	—	\$92,847	—
Total	14	2	2	—	2	2	4	1	1	—
	\$89,469	\$57,364	\$124,107	—	\$90,447	\$104,618	\$80,617	\$84,182	\$92,847	—

Section 3: Supplemental Information

Rate Group #6 for Plans E, F and V (Probation) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	11	11	—	—	—	—	—	—	—	—
	\$69,350	\$69,350	—	—	—	—	—	—	—	—
25-29	41	36	5	—	—	—	—	—	—	—
	\$78,364	\$76,512	\$91,700	—	—	—	—	—	—	—
30-34	47	21	25	1	—	—	—	—	—	—
	\$92,014	\$85,108	\$96,802	\$117,316	—	—	—	—	—	—
35-39	38	7	18	8	4	1	—	—	—	—
	\$96,152	\$77,277	\$98,351	\$105,882	\$100,467	\$93,598	—	—	—	—
40-44	100	8	4	9	69	10	—	—	—	—
	\$102,000	\$100,012	\$103,451	\$95,228	\$102,474	\$105,830	—	—	—	—
45-49	190	2	2	3	45	108	29	1	—	—
	\$110,048	\$112,321	\$94,367	\$92,771	\$106,317	\$108,661	\$123,506	\$116,109	—	—
50-54	115	1	1	1	9	40	53	10	—	—
	\$115,767	\$107,238	\$93,686	\$88,002	\$101,726	\$102,195	\$124,905	\$140,105	—	—
55-59	41	—	2	—	7	14	9	9	—	—
	\$110,032	—	\$105,082	—	\$87,193	\$94,843	\$126,183	\$136,372	—	—
60-64	8	—	—	1	—	3	3	—	1	—
	\$110,701	—	—	\$88,216	—	\$102,413	\$120,986	—	\$127,192	—
65-69	3	—	1	—	1	—	—	1	—	—
	\$104,948	—	\$115,557	—	\$89,801	—	—	\$109,485	—	—
70 and over	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Total	594	86	58	23	135	176	94	21	1	—
	\$104,526	\$81,133	\$97,773	\$98,955	\$102,759	\$105,739	\$124,471	\$135,904	\$127,192	—

Section 3: Supplemental Information

Rate Group #7 for Plans E, F, Q, R and V (Law Enforcement) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	65	64	1	—	—	—	—	—	—	—
	\$109,738	\$109,977	\$94,418	—	—	—	—	—	—	—
25-29	307	221	84	2	—	—	—	—	—	—
	\$124,863	\$116,805	\$145,204	\$160,909	—	—	—	—	—	—
30-34	444	152	232	59	1	—	—	—	—	—
	\$145,034	\$124,497	\$153,896	\$162,590	\$175,005	—	—	—	—	—
35-39	419	62	120	185	51	1	—	—	—	—
	\$157,639	\$136,810	\$153,346	\$162,627	\$175,036	\$154,213	—	—	—	—
40-44	327	26	31	110	138	21	1	—	—	—
	\$168,077	\$136,892	\$163,070	\$162,626	\$175,857	\$189,793	\$203,838	—	—	—
45-49	272	27	14	25	93	73	40	—	—	—
	\$184,686	\$156,559	\$162,374	\$173,367	\$174,325	\$201,730	\$211,535	—	—	—
50-54	235	62	7	10	30	46	73	7	—	—
	\$187,904	\$165,647	\$168,185	\$171,628	\$172,812	\$191,715	\$211,014	\$226,648	—	—
55-59	128	36	38	6	9	10	18	10	1	—
	\$176,346	\$165,950	\$177,841	\$183,178	\$173,766	\$172,057	\$184,408	\$193,649	\$200,716	—
60-64	42	11	14	4	4	4	3	2	—	—
	\$177,416	\$156,287	\$183,754	\$185,833	\$213,872	\$165,323	\$177,964	\$182,878	—	—
65-69	12	1	1	7	3	—	—	—	—	—
	\$190,503	\$162,021	\$186,096	\$187,944	\$207,437	—	—	—	—	—
70 and over	2	—	1	—	1	—	—	—	—	—
	\$209,586	—	\$186,096	—	\$233,075	—	—	—	—	—
Total	2,253	662	543	408	330	155	135	19	1	—
	\$158,896	\$130,166	\$155,811	\$164,456	\$175,883	\$193,980	\$206,833	\$204,673	\$200,716	—

Section 3: Supplemental Information

Rate Group #8 for Plans E, F, Q, R and V (OCFA) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2024

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	36	36	—	—	—	—	—	—	—	—
	\$73,777	\$73,777	—	—	—	—	—	—	—	—
25-29	118	107	11	—	—	—	—	—	—	—
	\$105,576	\$102,643	\$134,103	—	—	—	—	—	—	—
30-34	215	122	85	8	—	—	—	—	—	—
	\$129,682	\$120,830	\$141,462	\$139,527	—	—	—	—	—	—
35-39	226	64	102	47	13	—	—	—	—	—
	\$142,159	\$129,572	\$142,710	\$151,003	\$167,834	—	—	—	—	—
40-44	221	26	74	60	58	3	—	—	—	—
	\$154,947	\$129,810	\$153,936	\$151,503	\$169,524	\$184,769	—	—	—	—
45-49	202	8	30	50	69	37	8	—	—	—
	\$171,088	\$136,065	\$159,161	\$164,527	\$175,108	\$187,969	\$179,091	—	—	—
50-54	117	4	15	24	26	23	18	6	1	—
	\$180,120	\$161,393	\$167,470	\$166,576	\$186,111	\$176,071	\$205,844	\$189,817	\$185,992	—
55-59	56	2	4	13	7	16	9	5	—	—
	\$168,864	\$119,483	\$157,760	\$164,566	\$149,838	\$170,935	\$178,868	\$210,675	—	—
60-64	22	—	2	12	—	2	5	—	—	1
	\$150,956	—	\$137,493	\$151,499	—	\$158,644	\$145,417	—	—	\$183,678
65-69	14	—	1	7	—	1	1	—	1	3
	\$149,897	—	\$186,096	\$147,429	—	\$142,012	\$78,870	—	\$172,624	\$162,318
70 and over	3	—	—	2	—	—	—	—	—	1
	\$151,478	—	—	\$147,483	—	—	—	—	—	\$159,468
Total	1,230	369	324	223	173	82	41	11	2	5
	\$146,611	\$113,877	\$147,611	\$156,108	\$173,320	\$179,915	\$184,236	\$199,298	\$179,308	\$166,020

Section 3: Supplemental Information

Exhibit C: Reconciliation of member data

Line Description	Active Members	Inactive Members ¹	Retired Members	Disabled Members	Beneficiaries	Total
Number as of December 31, 2023	22,782	8,579	16,754	1,628	2,901	52,644
New members	2,206	275	0	0	221	2,702
Terminations with vested rights	(937)	937	0	0	0	0
Contribution refunds	(134)	(136)	0	0	0	(270)
Retirements	(600)	(173)	773	0	0	0
New disabilities	(21)	(3)	(35)	59	0	0
Return to work	93	(92)	(1)	0	0	0
Died with or without beneficiary	(21)	(10)	(379)	(42)	(113)	(565)
Data adjustments	0	0	(9)	0	(17)	(26)
Number as of December 31, 2024	23,368	9,377	17,103	1,645	2,992	54,485

¹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 3: Supplemental Information

Exhibit D: Summary of income and expenses on a market value basis

Line Description	Year Ended December 31, 2024	Year Ended December 31, 2023
Contribution income		
• Employer contributions	\$846,363,000	\$749,776,000
• Member contributions	302,545,000	277,455,000
• Discount for prepaid contributions	5,319,000	21,205,000
• Transfer from County Investment Account ¹	4,962,000	10,000,000
– Net contribution income	\$1,159,189,000	\$1,058,436,000
Investment income		
• Interest, dividends and other income	\$2,494,694,000	\$2,460,188,000
• Less investment and administrative fees	(214,471,000)	(201,713,000)
– Net investment income	\$2,280,223,000	\$2,258,475,000
Total income available for benefits	\$3,439,412,000	\$3,316,911,000
Less benefit payments		
• Benefits paid	\$(1,267,210,000)	\$(1,201,497,000)
• Refund of contributions	(18,200,000)	(14,751,000)
– Net benefit payments	\$(1,285,410,000)	\$(1,216,248,000)
Change in market value of assets	\$2,154,002,000	\$2,100,663,000
Net assets at market value at the beginning of the year	\$21,635,294,000	\$19,534,631,000
Net assets at market value at the end of the year²	\$23,789,296,000	\$21,635,294,000

Note: Results may be slightly off due to rounding.

¹ Funded by pension obligation bond proceeds held by OCERS.

² See footnote 1 on next page for further detail.

Section 3: Supplemental Information

Exhibit E: Summary of plan assets

Line Description	Year Ended December 31, 2024	Year Ended December 31, 2023
Cash equivalents	\$1,496,523,000	\$370,116,000
Accounts receivable		
• Contributions	\$59,339,000	\$41,072,000
• Investment income	22,046,000	20,749,000
• Securities settlements	205,183,000	128,372,000
• All other	88,902,000	10,397,000
– Total accounts receivable	\$375,470,000	\$200,590,000
Investments		
• Equities	\$13,867,616,000	\$13,647,586,000
• Fixed income investments	3,730,232,000	3,151,461,000
• Alternative investments and diversified credit	5,009,015,000	4,828,005,000
• Security lending collateral	167,891,000	318,302,000
• Fixed assets net of accumulated depreciation	6,259,000	6,927,000
– Total investments at market value	\$22,781,013,000	\$21,952,281,000
Total assets	\$24,653,006,000	\$22,522,987,000
Accounts payable		
• Securities settlements	\$(305,453,000)	\$(238,504,000)
• Securities lending liability	(167,890,000)	(318,302,000)
• All other	(177,048,000)	(130,249,000)
– Total accounts payable	\$(650,391,000)	\$(687,055,000)
Net assets at market value¹	\$23,789,296,000	\$21,635,294,000
Net assets at actuarial value	\$23,688,986,000	\$22,135,285,000
Net assets at valuation value	\$23,688,986,000	\$22,135,285,000

Note: Results may be slightly off due to rounding.

¹ The market value excludes \$155,101,000 and \$146,110,000 as of December 31, 2024 and December 31, 2023, respectively, in the County Investment Account (funded by pension obligation bond proceeds held by OCERS), \$40,624,000 and \$38,502,000 as of December 31, 2024 and December 31, 2023, respectively, in the prepaid employer contributions account, \$17,594,000 and \$16,025,000 as of December 31, 2024 and December 31, 2023, respectively in the O.C. Sanitation District UAAL Deferred Account (after transfer, if any).

Section 3: Supplemental Information

Exhibit F: Summary of reserve information

Reserve Information as of December 31, 2024

Line Description	Reserves
Used in development of valuation value of assets	
• Active Members Reserve	\$4,112,391,000
• Retired Members Reserve	17,049,210,000
• Employer Advanced Reserve	3,448,492,000
• ERI Contribution Reserve	17,340,000
• STAR COLA Contribution Reserve	0
• Unrealized Appreciation/(Depreciation) Included in valuation value of assets	(938,447,000)
Valuation value of assets	\$23,688,986,000
Not used in development of valuation value of assets	
• Unclaimed Member Deposit	\$0
• Medicare Medical Insurance Reserve	0
Actuarial value of assets	\$23,688,986,000
• Unrecognized Investment Gain / (Loss)	100,310,000
Market value of assets (net of County Investment Account,¹ Prepaid Employer Contributions, and O.C. Sanitation District UAAL Deferred Account)	\$23,789,296,000
• County Investment Account ¹	155,101,000
• Prepaid Employer Contributions	40,624,000
• O.C. Sanitation District UAAL Deferred Account	17,594,000
Gross market value of assets	\$24,002,615,000

¹ Funded by pension obligation bond proceeds held by OCERS.

Section 3: Supplemental Information

Exhibit G: Development of the Plan through December 31, 2024

Year Ended December 31	Employer Contributions ¹	Member Contributions	Net Investment Return ^{2,3}	Benefit Payments	Market Value of Assets at Year-End	Valuation Value of Assets at Year-End	Valuation Value as a Percent of Market Value
2015	\$598,599,000	\$249,271,000	\$(51,601,000)	\$675,963,000	\$11,548,529,000	\$12,228,009,000	105.88%
2016	558,020,000	258,297,000	1,010,548,000	717,976,000	12,657,418,000	13,102,978,000	103.52%
2017	619,067,000	262,294,000	1,878,172,000	764,344,000	14,652,607,000	14,197,125,000	96.89%
2018	616,712,000	270,070,000	(361,321,000)	828,278,000	14,349,790,000	14,994,420,000	104.49%
2019	664,589,000	279,373,000	2,123,258,000	900,902,000	16,516,108,000	16,036,869,000	97.10%
2020	689,538,000	279,384,000	1,982,757,000	973,325,000	18,494,462,000	17,525,117,000	94.76%
2021	745,388,000	271,334,000	3,273,348,000	1,045,738,000	21,738,794,000	19,488,761,000	89.65%
2022	771,692,000	269,999,000	(2,106,139,000)	1,139,715,000	19,534,631,000	20,691,659,000	105.92%
2023	780,981,000	277,455,000	2,258,475,000	1,216,248,000	21,635,294,000	22,135,285,000	102.31%
2024	856,644,000	302,545,000	2,280,223,000	1,285,410,000	23,789,296,000	23,688,986,000	99.58%

¹ Includes discount for prepaid contributions, asset transfers from County Investment Account and asset transfer from O.C. Sanitation District UAAL Deferred Account, if any.

² On a market value basis, net of investment and administrative expenses.

³ Actual investment gains or losses on net pension plan assets includes both the administrative expenses and discount for prepaid contributions while excluding the investment gains or losses credited to County Investment Account and O.C. Sanitation District UAAL Deferred Account, if any.

Section 3: Supplemental Information

Exhibit H: Table of amortization bases

All Rate Groups Combined
(\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
2012 Restart amortization	December 31, 2013	\$5,395,674	20	\$4,150,654	9	\$554,435
Actuarial (gain) or loss	December 31, 2013	(281,532)	20	(216,568)	9	(28,928)
Actuarial (gain) or loss	December 31, 2014	(152,703)	20	(123,828)	10	(15,155)
Assumption changes	December 31, 2014	(103,213)	20	(83,559)	10	(10,227)
Actuarial (gain) or loss	December 31, 2015	(76,285)	20	(64,638)	11	(7,321)
Actuarial (gain) or loss	December 31, 2016	57,904	20	50,874	12	5,377
Actuarial (gain) or loss	December 31, 2017	(168,282)	20	(152,277)	13	(15,118)
Assumption changes	December 31, 2017	821,239	20	743,124	13	73,771
Actuarial (gain) or loss	December 31, 2018	340,064	20	315,718	14	29,615
Actuarial (gain) or loss	December 31, 2019	291,741	20	276,505	15	24,631
Entry age method change	December 31, 2020	(35,289)	20	(33,997)	16	(2,889)
Actuarial (gain) or loss	December 31, 2020	(318,622)	20	(306,940)	16	(26,077)
Assumption changes	December 31, 2020	13,117	20	12,635	16	1,073
Actuarial (gain) or loss	December 31, 2021	(663,306)	20	(647,997)	17	(52,704)
Actuarial (gain) or loss	December 31, 2022	325,688	20	321,578	18	25,125
Actuarial (gain) or loss	December 31, 2023	20,356	20	20,255	19	1,525
Assumption changes	December 31, 2023	137,105	20	136,419	19	10,268
Actuarial (gain) or loss	December 31, 2024	167,742	20	167,742	20	12,197
Subtotal				\$4,565,700		\$579,598

¹ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Base Type	Outstanding Balance
Rate Group #1 – Plans A, B and U for O.C. Vector Control	\$(1,512)
Rate Group #1 – Plans A, B and U for Department of Education	2,601
Rate Group #1 – Plans A, B and U for U.C.I.	22,054
Rate Group #1 – Plans A, B and U for Cypress Recreation and Parks	(862)
Rate Group #3 – Plans B, G, H and U (OCSD)	(11,980)
Rate Group #9 – Plans M, N and U (TCA)	(3,614)
Rate Group #12 – Plans G, H, future service, and U (Law Library)	(2,751)
Subtotal	\$3,936
	Outstanding Balance
Total	\$4,569,636

Note: The equivalent single amortization period is about 10 years.

Section 3: Supplemental Information

Rate Group #1 – Plans A, B and U (County and IHSS) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
2012 Restart amortization	December 31, 2013	\$70,164	20	\$53,960	9	\$7,208
Actuarial (gain) or loss	December 31, 2013	(5,744)	20	(4,418)	9	(590)
Actuarial (gain) or loss	December 31, 2014	(2,744)	20	(2,225)	10	(272)
Assumption changes	December 31, 2014	(6,545)	20	(5,303)	10	(649)
Actuarial (gain) or loss	December 31, 2015	(1,650)	20	(1,398)	11	(158)
Actuarial (gain) or loss	December 31, 2016	(9,719)	20	(8,535)	12	(902)
Actuarial (gain) or loss	December 31, 2017	(5,387)	20	(4,875)	13	(484)
Assumption changes	December 31, 2017	21,900	20	19,816	13	1,967
Actuarial (gain) or loss	December 31, 2018	44	20	41	14	4
Actuarial (gain) or loss	December 31, 2019	(6,588)	20	(6,244)	15	(556)
Entry age method change	December 31, 2020	(222)	20	(214)	16	(18)
Actuarial (gain) or loss	December 31, 2020	(6,313)	20	(6,081)	16	(517)
Assumption changes	December 31, 2020	76	20	73	16	6
Actuarial (gain) or loss	December 31, 2021	(15,861)	20	(15,495)	17	(1,260)
Actuarial (gain) or loss	December 31, 2022	526	20	519	18	41
Actuarial (gain) or loss	December 31, 2023	(7,512)	20	(7,474)	19	(563)
Assumption changes	December 31, 2023	1,860	20	1,851	19	139
Actuarial (gain) or loss	December 31, 2024	2,624	20	2,624	20	191
Subtotal				\$16,622		\$3,587

¹ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Base Type	Outstanding Balance
Rate Group #1 – Plans A, B and U for O.C. Vector Control ¹	\$(1,512)
Rate Group #1 – Plans A, B and U for Department of Education ¹	2,601
Rate Group #1 – Plans A, B and U for U.C.I. ¹	22,054
Rate Group #1 – Plans A, B and U for Cypress Recreation and Parks ¹	(862)
Subtotal	\$22,281
	Outstanding Balance
Rate Group #1 Total	\$38,903

¹ In determining the UAALs for the O.C. Vector Control District, Department of Education, U.C.I and Cypress Recreation and Parks, we first start by rolling forward the VVAs of these employers as of December 31, 2023 to December 31, 2024 to reflect the actual contributions, benefit payments and return on their VVAs during 2024. The AALs for these employers are obtained from internal valuation results.

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Rate Group #2 – Plans I, J, O, P, S, T, U and W (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
2012 Restart amortization	December 31, 2013	\$3,438,555	20	\$2,644,370	9	\$353,229
Actuarial (gain) or loss	December 31, 2013	(173,790)	20	(133,650)	9	(17,853)
Actuarial (gain) or loss	December 31, 2014	(78,001)	20	(63,226)	10	(7,738)
Assumption changes	December 31, 2014	(246,714)	20	(199,983)	10	(24,476)
Actuarial (gain) or loss	December 31, 2015	(65,063)	20	(55,121)	11	(6,243)
Actuarial (gain) or loss	December 31, 2016	39,445	20	34,642	12	3,661
Subtotal²				\$2,227,032		\$300,580
Actuarial (gain) or loss	December 31, 2017	\$(59,911)	20	\$(54,213)	13	\$(5,382)
Assumption changes	December 31, 2017	481,098	20	435,339	13	43,217
Actuarial (gain) or loss	December 31, 2018	207,573	20	192,712	14	18,076
Actuarial (gain) or loss	December 31, 2019	186,003	20	176,287	15	15,703
Entry age method change	December 31, 2020	(15,846)	20	(15,265)	16	(1,297)
Actuarial (gain) or loss	December 31, 2020	(118,155)	20	(113,823)	16	(9,670)
Assumption changes	December 31, 2020	183,272	20	176,553	16	14,999
Actuarial (gain) or loss	December 31, 2021	(330,889)	20	(323,252)	17	(26,292)
Actuarial (gain) or loss	December 31, 2022	195,127	20	192,665	18	15,053
Actuarial (gain) or loss	December 31, 2023	38,728	20	38,534	19	2,901
Assumption changes	December 31, 2023	123,452	20	122,834	19	9,246
Actuarial (gain) or loss	December 31, 2024	110,739	20	110,739	20	8,052
Subtotal³				\$939,110		\$84,606
Rate Group #2 Total				\$3,166,142		\$385,186

¹ Level percentage of payroll, assumes payments at the end of the month.

² This amount is spread over the payroll for all employers in Rate Group #2 excluding the payroll for Children and Families Commission.

³ This amount is spread over the payroll for all employers in Rate Group #2 including the payroll for Children and Families Commission.

Section 3: Supplemental Information

Note: We have made an adjustment to the amortization bases to reflect the \$1.7 million additional contributions made by Children and Families Commission to pay off their UAAL as of December 31, 2016. With that adjustment, we have reduced the amortization layers established on or before December 31, 2016 for Rate Group #2 by that amount on a pro-rata basis. The UAAL contribution rate for Children and Families Commission is determined based on the amortization layers established on or after December 31, 2017.

Section 3: Supplemental Information

Rate Group #3 – Plans B, G, H and U (OCSD) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
Rate Group #3 Total				\$(11,980)		\$0

¹ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Rate Group #5 – Plans A, B and U (OCTA) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
2012 Restart amortization	December 31, 2013	\$232,513	20	\$178,958	9	\$23,905
Actuarial (gain) or loss	December 31, 2013	(13,471)	20	(10,367)	9	(1,385)
Actuarial (gain) or loss	December 31, 2014	4,522	20	3,669	10	449
Assumption changes	December 31, 2014	(19,944)	20	(16,180)	10	(1,980)
Actuarial (gain) or loss	December 31, 2015	(933)	20	(791)	11	(90)
Actuarial (gain) or loss	December 31, 2016	(9,743)	20	(8,565)	12	(905)
Actuarial (gain) or loss	December 31, 2017	(9,948)	20	(9,001)	13	(894)
Assumption changes	December 31, 2017	43,481	20	39,344	13	3,906
Actuarial (gain) or loss	December 31, 2018	22,318	20	20,720	14	1,944
Actuarial (gain) or loss	December 31, 2019	12,234	20	11,596	15	1,033
Entry age method change	December 31, 2020	(2,414)	20	(2,326)	16	(198)
Actuarial (gain) or loss	December 31, 2020	(30,867)	20	(29,735)	16	(2,526)
Assumption changes	December 31, 2020	4,801	20	4,625	16	393
Actuarial (gain) or loss	December 31, 2021	(49,440)	20	(48,299)	17	(3,928)
Actuarial (gain) or loss	December 31, 2022	37,213	20	36,744	18	2,871
Actuarial (gain) or loss	December 31, 2023	4,392	20	4,370	19	329
Assumption changes	December 31, 2023	7,669	20	7,631	19	574
Actuarial (gain) or loss	December 31, 2024	(4,308)	20	(4,308)	20	(313)
Rate Group #5 Total				\$178,085		\$23,185

¹ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #9 – Plans M, N and U (TCA) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
Rate Group #9 Total				\$(3,614)		\$0

¹ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Rate Group #10 – Plans I, J, M, N and U (OCFA)

(\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
2012 Restart amortization	December 31, 2013	\$72,750	20	\$55,992	9	\$7,479
Actuarial (gain) or loss	December 31, 2013	(2,659)	20	(2,046)	9	(273)
Actuarial (gain) or loss	December 31, 2014	(3,755)	20	(3,046)	10	(373)
Assumption changes	December 31, 2014	(4,489)	20	(3,643)	10	(446)
Actuarial (gain) or loss	December 31, 2015	626	20	530	11	60
Actuarial (gain) or loss	December 31, 2016	134	20	118	12	12
Actuarial (gain) or loss	December 31, 2017	(15,281)	20	(13,828)	13	(1,373)
Assumption changes	December 31, 2017	9,159	20	8,288	13	823
Actuarial (gain) or loss	December 31, 2018	(6,934)	20	(6,438)	14	(604)
Actuarial (gain) or loss	December 31, 2019	76	20	72	15	6
Entry age method change	December 31, 2020	(2,018)	20	(1,945)	16	(165)
Actuarial (gain) or loss	December 31, 2020	(12,238)	20	(11,790)	16	(1,002)
Assumption changes	December 31, 2020	3,814	20	3,674	16	312
Actuarial (gain) or loss	December 31, 2021	(10,169)	20	(9,935)	17	(808)
Actuarial (gain) or loss	December 31, 2022	2,038	20	2,012	18	157
Actuarial (gain) or loss	December 31, 2023	(1,617)	20	(1,609)	19	(121)
Assumption changes	December 31, 2023	2,135	20	2,124	19	160
Actuarial (gain) or loss	December 31, 2024	336	20	336	20	24
Rate Group #10 Total				\$18,866		\$3,868

¹ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #11 – Plans M and N, future service, and U (Cemetery) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
Restart amortization & Assumption changes	December 31, 2017	\$(281)	20	\$253	13	\$25
Actuarial (gain) or loss	December 31, 2018	(244)	20	(226)	13	(21)
Actuarial (gain) or loss	December 31, 2019	613	20	582	14	52
Entry age method change	December 31, 2020	(43)	20	(42)	15	(4)
Actuarial (gain) or loss	December 31, 2020	(178)	20	(172)	16	(15)
Assumption changes	December 31, 2020	218	20	210	16	18
Actuarial (gain) or loss	December 31, 2021	(394)	20	(385)	16	(31)
Actuarial (gain) or loss	December 31, 2022	337	20	332	17	26
Actuarial (gain) or loss	December 31, 2023	(366)	20	(364)	18	(27)
Assumption changes	December 31, 2023	150	20	149	19	11
Actuarial (gain) or loss	December 31, 2024	41	20	41	19	3
Rate Group #11 Total				\$378		\$37

¹ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #12 – Plans G, H, future service, and U (Law Library) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
Rate Group #12 Total				\$(2,751)		\$0

¹ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Rate Group #6 – Plans E, F and V (Probation)

(\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
2012 Restart amortization	December 31, 2013	\$192,912	20	\$148,477	9	\$19,833
Actuarial (gain) or loss	December 31, 2013	(14,039)	20	(10,805)	9	(1,443)
Actuarial (gain) or loss	December 31, 2014	(2,596)	20	(2,106)	10	(258)
Assumption changes	December 31, 2014	36,260	20	29,417	10	3,600
Actuarial (gain) or loss	December 31, 2015	(10,703)	20	(9,076)	11	(1,028)
Actuarial (gain) or loss	December 31, 2016	13,799	20	12,129	12	1,282
Actuarial (gain) or loss	December 31, 2017	(6,566)	20	(5,942)	13	(590)
Assumption changes	December 31, 2017	50,030	20	45,271	13	4,494
Actuarial (gain) or loss	December 31, 2018	8,046	20	7,470	14	701
Actuarial (gain) or loss	December 31, 2019	8,063	20	7,643	15	681
Entry age method change	December 31, 2020	(44)	20	(43)	16	(4)
Actuarial (gain) or loss	December 31, 2020	(14,580)	20	(14,045)	16	(1,193)
Assumption changes	December 31, 2020	(36,195)	20	(34,868)	16	(2,962)
Actuarial (gain) or loss	December 31, 2021	(39,490)	20	(38,578)	17	(3,138)
Actuarial (gain) or loss	December 31, 2022	21,662	20	21,388	18	1,671
Actuarial (gain) or loss	December 31, 2023	(106)	20	(105)	19	(8)
Assumption changes	December 31, 2023	1,185	20	1,179	19	89
Actuarial (gain) or loss	December 31, 2024	25,662	20	25,662	20	1,866
Rate Group #6 Total				\$183,068		\$23,593

¹ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #7 – Plans E, F, Q, R and V (Law Enforcement) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
2012 Restart amortization	December 31, 2013	\$988,833	20	\$761,071	9	\$101,662
Actuarial (gain) or loss	December 31, 2013	(51,652)	20	(39,754)	9	(5,310)
Actuarial (gain) or loss	December 31, 2014	(34,729)	20	(28,175)	10	(3,448)
Assumption changes	December 31, 2014	102,262	20	82,961	10	10,154
Actuarial (gain) or loss	December 31, 2015	23,666	20	20,066	11	2,273
Actuarial (gain) or loss	December 31, 2016	39,724	20	34,915	12	3,690
Actuarial (gain) or loss	December 31, 2017	(27,922)	20	(25,265)	13	(2,508)
Assumption changes	December 31, 2017	161,417	20	146,064	13	14,500
Actuarial (gain) or loss	December 31, 2018	69,329	20	64,366	14	6,038
Actuarial (gain) or loss	December 31, 2019	75,023	20	71,104	15	6,334
Entry age method change	December 31, 2020	(4,900)	20	(4,720)	16	(401)
Actuarial (gain) or loss	December 31, 2020	(62,670)	20	(60,372)	16	(5,129)
Assumption changes	December 31, 2020	(88,103)	20	(84,874)	16	(7,211)
Actuarial (gain) or loss	December 31, 2021	(138,239)	20	(135,049)	17	(10,984)
Actuarial (gain) or loss	December 31, 2022	73,109	20	72,187	18	5,640
Actuarial (gain) or loss	December 31, 2023	(12,680)	20	(12,616)	19	(950)
Assumption changes	December 31, 2023	765	20	761	19	57
Actuarial (gain) or loss	December 31, 2024	85,504	20	85,504	20	6,217
Rate Group #7 Total				\$948,174		\$120,624

¹ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #8 – Plans E, F, Q, R and V (OCFA) (\$ in '000s)

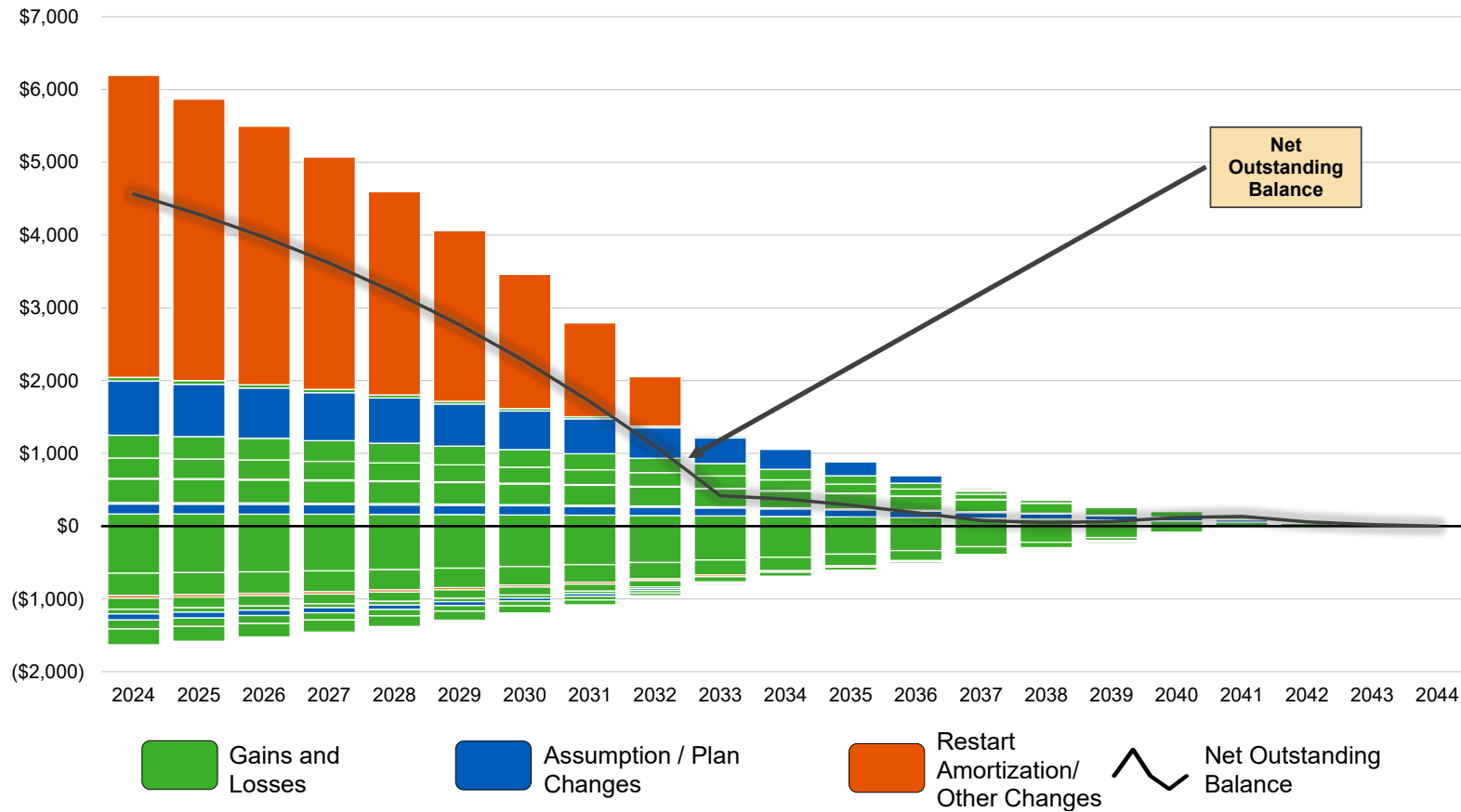
Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹
2012 Restart amortization	December 31, 2013	\$399,947	20	\$307,826	9	\$41,119
Actuarial (gain) or loss	December 31, 2013	(20,177)	20	(15,528)	9	(2,074)
Actuarial (gain) or loss	December 31, 2014	(35,400)	20	(28,719)	10	(3,515)
Assumption changes	December 31, 2014	35,957	20	29,172	10	3,570
Actuarial (gain) or loss	December 31, 2015	(22,228)	20	(18,848)	11	(2,135)
Actuarial (gain) or loss	December 31, 2016	(15,736)	20	(13,830)	12	(1,461)
Actuarial (gain) or loss	December 31, 2017	(43,031)	20	(38,939)	13	(3,866)
Assumption changes	December 31, 2017	53,637	20	48,535	13	4,818
Actuarial (gain) or loss	December 31, 2018	39,932	20	37,073	14	3,477
Actuarial (gain) or loss	December 31, 2019	16,317	20	15,465	15	1,378
Entry age method change	December 31, 2020	(9,802)	20	(9,442)	16	(802)
Actuarial (gain) or loss	December 31, 2020	(73,621)	20	(70,922)	16	(6,025)
Assumption changes	December 31, 2020	(54,766)	20	(52,758)	16	(4,482)
Actuarial (gain) or loss	December 31, 2021	(78,824)	20	(77,004)	17	(6,263)
Actuarial (gain) or loss	December 31, 2022	(4,324)	20	(4,269)	18	(334)
Actuarial (gain) or loss	December 31, 2023	(483)	20	(481)	19	(36)
Assumption changes	December 31, 2023	(111)	20	(110)	19	(8)
Actuarial (gain) or loss	December 31, 2024	(52,856)	20	(52,856)	20	(3,843)
Rate Group #8 Total				\$54,365		\$19,518

¹ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

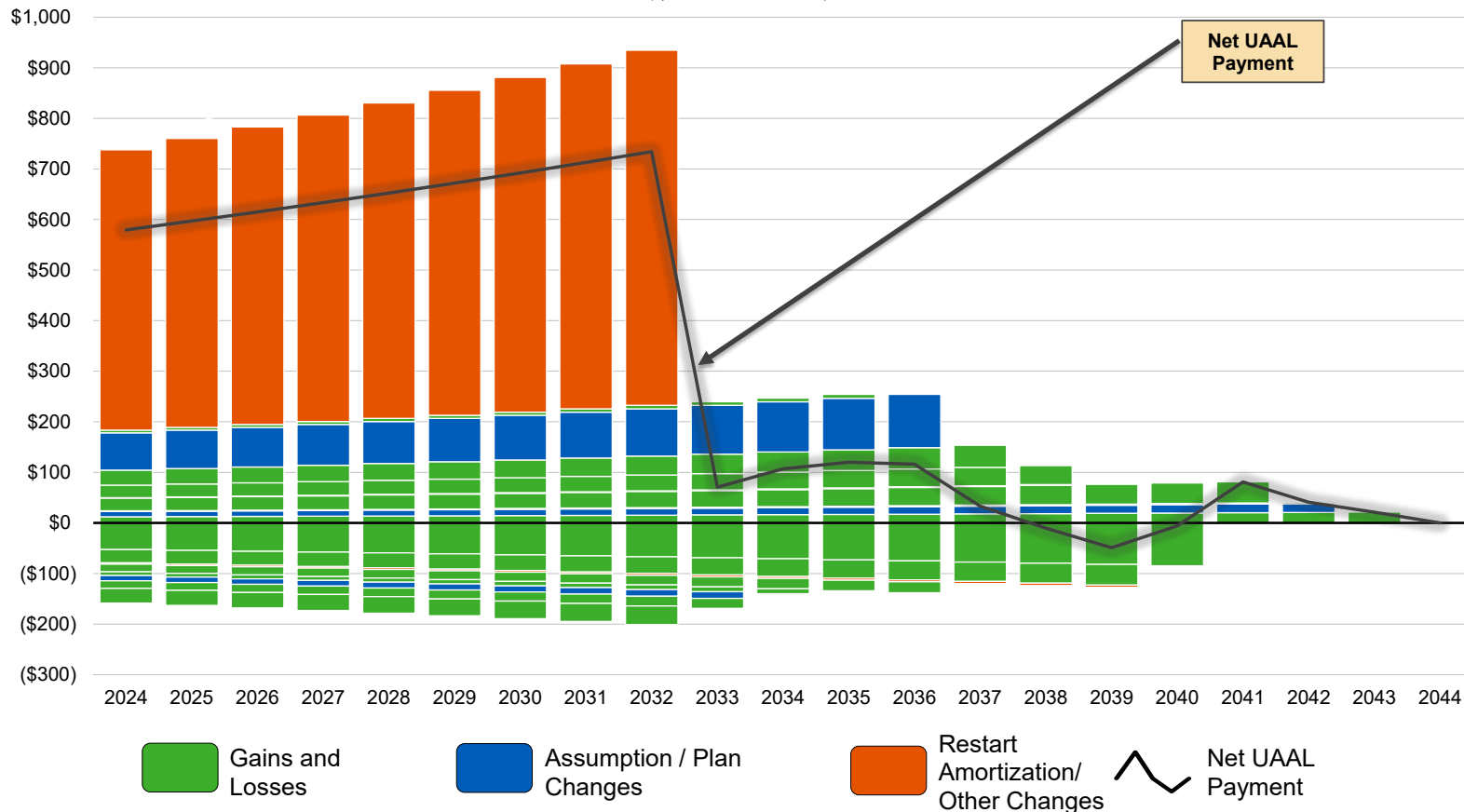
Exhibit I: Projection of UAAL balances and payments

Outstanding Balance of \$4.6 Billion in Net UAAL as of December 31, 2024
(\$ in Millions)



Section 3: Supplemental Information

Annual Payments Required to Amortize \$4.6 Billion in Net UAAL as of December 31, 2024¹
(\$ in Millions)



¹ As of December 31, 2038, the Net UAAL payment for all rate groups combined is projected to become negative even though the UAAL for some individual rate groups is still expected to be positive. Since this graph is for illustrative purposes only, we have not refined the Net UAAL payment shown in calendar years 2039 and thereafter to show only the UAAL payment for those rate groups that have a positive UAAL and are still required to make annual UAAL contributions.

Section 4: Actuarial Valuation Basis

Exhibit 1: Actuarial assumptions, methods and models

Rationale for assumptions

The information and analysis used in selecting each assumption that has a significant effect on this actuarial valuation is shown in the January 1, 2020 through December 31, 2022 Actuarial Experience Study dated August 11, 2023. Unless otherwise noted, all actuarial assumptions and methods shown below apply to all members for all tiers. These assumptions were adopted by the Board.

Net investment return

7.00%; net of administrative and investment expenses.

Based on the Actuarial Experience Study referenced above, expected administrative and investment expenses represent about 0.30% of the actuarial value of assets.

Inflation rate

Increase of 2.50% per year.

Cost-of-Living Adjustment (COLA)

Retiree COLA increases of 2.75% per year. For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter.

The actual COLA granted by OCERS on April 1, 2025 has been reflected for non-active members in the December 31, 2024 valuation.

Member contribution crediting rate

5.00%, compounded semi-annually.

Section 4: Actuarial Valuation Basis

Payroll

Inflation of 2.50% per year plus “across-the-board” salary increase of 0.50% per year, used to amortize the UAAL as a level percentage of payroll.

Increase in Internal Revenue Code Section 401(a)(17) compensation limit

Increase of 2.50% per year from the valuation date.

Increase in Section 7522.10 compensation limit

Increase of 2.50% per year from the valuation date.

Section 4: Actuarial Valuation Basis

Salary increase

The annual rate of compensation increase includes:

- Inflation at 2.50%, plus
- “Across-the-board” salary increase of 0.50% per year, plus
- Merit and promotion increase based on years of service:

Merit and Promotion Increases¹

Years of Service	General	Safety
Less than 1	5.00%	12.00%
1–2	7.25%	10.00%
2–3	6.50%	8.75%
3–4	5.50%	7.75%
4–5	4.50%	6.75%
5–6	3.75%	5.75%
6–7	3.00%	5.00%
7–8	2.75%	3.75%
8–9	2.00%	3.00%
9–10	1.80%	2.75%
10–11	1.60%	2.00%
11–12	1.50%	1.85%
12–13	1.40%	1.85%
13–14	1.30%	1.85%
14–15	1.25%	1.85%
15–16	1.25%	1.60%
16–17	1.15%	1.60%
17–18	1.10%	1.60%
18–19	1.10%	1.60%
19–20	0.90%	1.50%
20 and over	0.90%	1.50%

¹ In addition to the individual salary increase assumptions, we have applied an average of two hours of additional salary annually for leap-year salary adjustment.

Section 4: Actuarial Valuation Basis

Post-retirement mortality rates

The Pub-2010 mortality tables and adjustments as shown below reasonably reflect the mortality experience as of the measurement date. These mortality tables were adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

Healthy

- **General members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) decreased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Disabled

- **General members:** Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) decreased 5% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) decreased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Beneficiary

- **Beneficiaries not currently in pay status:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Beneficiaries in pay status:** Pub-2010 Contingent Survivor Amount-Weighted Above Median Mortality Table (separate tables for males and females) increased 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Section 4: Actuarial Valuation Basis

Pre-retirement mortality rates

- **General members:** Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.

Pre-Retirement Mortality Rates — Before Generational Projection from 2010

Age	General Male	General Female	Safety Male	Safety Female
20	0.04%	0.01%	0.04%	0.02%
25	0.02%	0.01%	0.03%	0.02%
30	0.03%	0.01%	0.04%	0.02%
35	0.04%	0.02%	0.04%	0.03%
40	0.06%	0.03%	0.05%	0.04%
45	0.09%	0.05%	0.07%	0.06%
50	0.13%	0.08%	0.10%	0.08%
55	0.19%	0.11%	0.15%	0.11%
60	0.28%	0.17%	0.23%	0.14%
65	0.41%	0.27%	0.35%	0.20%
70	0.61%	0.44%	0.66%	0.39%

All General pre-retirement deaths are assumed to be non-service connected.

For Safety, 90% of pre-retirement deaths are assumed to be non-service connected. The other 10% are assumed to be service connected.

Section 4: Actuarial Valuation Basis

Mortality rates for member contributions

- **General members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2021, weighted 40% male and 60% female.
- **Safety members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) decreased by 5% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2021, weighted 85% male and 15% female.

Section 4: Actuarial Valuation Basis

Disability incidence

Disability Incidence Rates

Age	General All Other	General OCTA	Safety Law & Fire	Safety Probation
20	0.00%	0.00%	0.00%	0.00%
25	0.00%	0.00%	0.02%	0.03%
30	0.01%	0.03%	0.08%	0.08%
35	0.03%	0.20%	0.19%	0.13%
40	0.07%	0.36%	0.34%	0.18%
45	0.13%	0.46%	0.46%	0.26%
50	0.21%	0.56%	1.22%	0.36%
55	0.28%	0.72%	3.38%	0.49%
60	0.30%	1.04%	5.40%	0.22%
65	0.30%	1.68%	7.50%	0.00%

75% of General All Other disabilities are assumed to be service-connected disabilities. The other 25% are assumed to be non-service connected.

85% of General OCTA disabilities are assumed to be service-connected disabilities. The other 15% are assumed to be non-service connected.

100% of Safety Law Enforcement and Fire disabilities are assumed to be service-connected disabilities.

85% of Safety Probation disabilities are assumed to be service-connected disabilities. The other 15% are assumed to be non-service connected.

Section 4: Actuarial Valuation Basis

Termination

Termination Rates

Years of Service	General All Other	General OCTA	Safety Law & Fire	Safety Probation
Less than 1	11.25%	16.50%	4.00%	12.50%
1–2	7.25%	11.50%	3.00%	11.50%
2–3	6.50%	9.25%	2.50%	9.50%
3–4	5.50%	8.25%	2.25%	5.00%
4–5	5.25%	7.75%	2.00%	4.00%
5–6	4.75%	6.50%	1.75%	3.25%
6–7	4.25%	4.25%	1.25%	2.75%
7–8	4.00%	4.00%	1.20%	2.75%
8–9	3.50%	3.50%	1.15%	2.50%
9–10	3.00%	2.75%	1.10%	1.75%
10–11	2.50%	2.75%	1.05%	1.50%
11–12	2.00%	2.50%	1.00%	1.50%
12–13	1.75%	2.50%	0.95%	1.25%
13–14	1.75%	2.25%	0.65%	1.00%
14–15	1.60%	2.25%	0.60%	0.75%
15–16	1.50%	2.00%	0.55%	0.75%
16–17	1.40%	2.00%	0.50%	0.75%
17–18	1.30%	1.75%	0.45%	0.75%
18–19	1.20%	1.75%	0.40%	0.50%
19–20	1.00%	1.25%	0.30%	0.25%
20 and over	0.50%	0.75%	0.15%	0.20%

Section 4: Actuarial Valuation Basis

Election for withdrawal of contributions

Election Rates

Years of Service	General All Other	General OCTA	Safety Law & Fire	Safety Probation
Less than 5	25.00%	35.00%	25.00%	20.00%
5–9	17.50%	30.00%	25.00%	20.00%
10–14	17.50%	25.00%	12.50%	20.00%
15 and over	15.00%	15.00%	12.50%	15.00%

Section 4: Actuarial Valuation Basis

Retirement rates

Retirement Rates — General

Age	Enhanced Less than 30 Years of Service	Enhanced 30 or More Years of Service	Non-Enhanced ¹ Less than 30 Years of Service	Non-Enhanced ¹ 30 or More Years of Service
49	0.00%	30.00%	0.00%	25.00%
50	2.25%	5.00%	2.75%	2.75%
51	2.25%	5.00%	2.75%	2.75%
52	2.50%	5.00%	2.75%	2.75%
53	3.00%	9.00%	2.75%	2.75%
54	7.50%	16.00%	2.75%	2.75%
55	13.00%	35.00%	3.25%	3.50%
56	10.00%	24.00%	3.25%	3.50%
57	10.00%	22.00%	5.50%	5.50%
58	10.00%	22.00%	6.50%	6.50%
59	11.00%	24.00%	6.50%	6.50%
60	12.00%	24.00%	8.00%	12.00%
61	12.00%	24.00%	8.00%	15.00%
62	14.00%	24.00%	8.00%	18.00%
63	14.00%	24.00%	10.00%	22.00%
64	17.00%	30.00%	12.00%	25.00%
65	25.00%	30.00%	22.00%	30.00%
66	25.00%	30.00%	25.00%	32.00%
67	25.00%	30.00%	27.00%	32.00%
68	25.00%	25.00%	32.00%	32.00%
69	25.00%	25.00%	30.00%	30.00%
70	25.00%	25.00%	25.00%	30.00%
71	25.00%	25.00%	20.00%	30.00%
72	22.00%	25.00%	20.00%	30.00%
73	20.00%	25.00%	20.00%	30.00%
74	20.00%	25.00%	20.00%	30.00%
75	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

¹ These assumptions are also used for the CalPEPRA 1.62% @ 65 formula (Plan T and Plan W).

Section 4: Actuarial Valuation Basis

Retirement Rates — Safety

Age	Law (31664.1) Less than 30 Years of Service	Law (31664.1) 30 or More Years of Service	Fire (31664.1) Less than 30 Years of Service	Fire (31664.1) 30 or More Years of Service	Probation (31664.1) Less than 30 Years of Service	Probation (31664.1) 30 or More Years of Service
45	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
46	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
47	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
48	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
49	12.00%	16.00%	2.00%	10.00%	3.00%	5.00%
50	18.00%	20.00%	4.50%	10.00%	9.00%	12.00%
51	18.00%	20.00%	4.50%	10.00%	7.00%	10.00%
52	18.00%	20.00%	4.50%	10.00%	5.00%	9.00%
53	20.00%	35.00%	9.00%	20.00%	7.00%	9.00%
54	24.00%	35.00%	12.00%	25.00%	7.00%	12.00%
55	24.00%	35.00%	12.00%	25.00%	12.00%	30.00%
56	24.00%	35.00%	12.00%	25.00%	18.00%	30.00%
57	24.00%	35.00%	20.00%	25.00%	25.00%	30.00%
58	24.00%	40.00%	20.00%	30.00%	25.00%	30.00%
59	24.00%	40.00%	25.00%	30.00%	18.00%	30.00%
60	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
61	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
62	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
63	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
64	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
65	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 4: Actuarial Valuation Basis

Retirement Rates

Age	General SJC (31676.12)	Safety Law (31664.2)	Safety Fire (31664.2)
50	4.00%	12.00%	8.00%
51	4.00%	12.50%	9.00%
52	4.00%	13.00%	10.00%
53	4.00%	18.00%	12.00%
54	4.00%	19.00%	14.00%
55	4.00%	35.00%	24.00%
56	5.00%	25.00%	23.00%
57	6.00%	25.00%	25.00%
58	7.00%	25.00%	25.00%
59	9.00%	30.00%	35.00%
60	10.00%	40.00%	40.00%
61	12.00%	40.00%	40.00%
62	13.00%	40.00%	40.00%
63	13.00%	40.00%	40.00%
64	19.00%	40.00%	40.00%
65	22.00%	100.00%	100.00%
66	26.00%	100.00%	100.00%
67	26.00%	100.00%	100.00%
68	26.00%	100.00%	100.00%
69	26.00%	100.00%	100.00%
70	45.00%	100.00%	100.00%
71	45.00%	100.00%	100.00%
72	45.00%	100.00%	100.00%
73	45.00%	100.00%	100.00%
74	45.00%	100.00%	100.00%
75	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 4: Actuarial Valuation Basis

Retirement Rates

Age	CalPEPRA 2.5% @ 67 General Formula	CalPEPRA 2.7% @ 57 Safety Formula Probation	CalPEPRA 2.7% @ 57 Safety Formula Law	CalPEPRA 2.7% @ 57 Safety Formula Fire
50	0.00%	3.00%	11.50%	6.00%
51	0.00%	3.00%	12.00%	6.50%
52	5.50%	3.50%	12.50%	8.00%
53	2.00%	3.50%	16.50%	10.00%
54	2.00%	6.00%	17.50%	12.00%
55	2.75%	12.00%	30.00%	20.00%
56	3.75%	12.00%	20.00%	19.00%
57	5.50%	15.00%	20.00%	21.00%
58	7.50%	25.00%	25.00%	25.00%
59	7.50%	25.00%	30.00%	30.00%
60	7.50%	40.00%	40.00%	40.00%
61	7.50%	40.00%	40.00%	40.00%
62	14.00%	40.00%	40.00%	40.00%
63	14.00%	40.00%	40.00%	40.00%
64	15.00%	40.00%	40.00%	40.00%
65	20.00%	100.00%	100.00%	100.00%
66	22.00%	100.00%	100.00%	100.00%
67	23.00%	100.00%	100.00%	100.00%
68	23.00%	100.00%	100.00%	100.00%
69	23.00%	100.00%	100.00%	100.00%
70	25.00%	100.00%	100.00%	100.00%
71	25.00%	100.00%	100.00%	100.00%
72	25.00%	100.00%	100.00%	100.00%
73	25.00%	100.00%	100.00%	100.00%
74	25.00%	100.00%	100.00%	100.00%
75	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 4: Actuarial Valuation Basis

Retirement age and benefit for deferred vested members

Current and Future Inactive Member Assumptions

Membership and Reciprocity	% of Future ¹ Deferred Vested Members	Annual Salary Increases from Separation Date	Retirement Age for Members with Less than Five Years of Service	Retirement Age for Members with Five or More Years of Service
General with reciprocity	12.5%	3.90%	60	60
General without reciprocity	87.5%	N/A	70	58
Safety with reciprocity	20.0%	4.50%	54	54
Safety without reciprocity	80.0%	N/A	70	54

Liability calculation for current deferred vested members

Liability for a current deferred vested member is calculated based on salary (adjusted with the additional cashout assumptions for non-CalPEPRA members), service, and eligibility for reciprocal benefit as provided by the Retirement System. For those members without salary information that have 3 or more years of service, we used an average salary. For those members without salary information that have less than 3 years of service or for those members without service information, we assumed a refund of account balance.

Future benefit accruals

1.0 year of service per year of employment. There is no assumption to anticipate conversion of unused sick leave at retirement.

Unknown data for members

Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male.

Inclusion of deferred vested members

All deferred vested members are included in the valuation.

¹ OCERS provides the reciprocity status for current deferred vested members in the valuation census data.

Section 4: Actuarial Valuation Basis

Definition of active members

First day of employment.

Form of payment

All active and inactive members are assumed to elect the unmodified option at retirement.

Spousal assumptions

Current Active and Inactive Member Spousal Assumptions

Member Gender	% with Spouse at Retirement or Pre-Retirement Death	Spouse Age	Spouse Gender
Male member	75%	3 years younger than member	Female
Female member	55%	2 years older than member	Male

Nonbinary member assumptions

A blended mortality table is used based on the sex-distinct mortality tables above and the proportion of males and females for General and Safety separately. A blended mortality is also used for the spouse of a nonbinary member with the opposite proportion of males and females used for the member.

The spousal assumptions for percentage with spouse at retirement or pre-retirement death and for spouse age are also blended based on the proportion of males and females for General and Safety separately.

Section 4: Actuarial Valuation Basis

Cashout assumptions

Additional compensation amounts are expected to be received during a member's final average earnings period. The percentages used in this valuation are:

Rates

Plan	Final One Year Salary	Final Three Year Salary
General Non CalPEPRA	3.00%	3.20%
Safety Probation Non CalPEPRA	N/A	3.50%
Safety Law Non CalPEPRA	N/A	6.60%
Safety Fire Non CalPEPRA	N/A	1.50%
General CalPEPRA	N/A	N/A
Safety Probation CalPEPRA	N/A	N/A
Safety Law CalPEPRA	N/A	N/A
Safety Fire CalPEPRA	N/A	N/A

The additional cashout assumptions are the same for service and disability retirements.

Actuarial cost method

Entry age actuarial cost method.

Entry age is the age on the valuation date minus the lesser of years of employment or years of benefit service. Normal cost and AAL are calculated on an individual basis and are based on costs allocated as a level percentage of compensation. The normal cost rate is calculated assuming their entry age is the date they entered service with OCERS.

Please note that for Probation members who have prior benefit service in another General OCERS plan, the normal cost rate for the current plan is calculated assuming their entry age is the date they entered service with their current plan.

Section 4: Actuarial Valuation Basis

Actuarial value of assets

Market value of assets less unrecognized returns in each of the last five annual accounting periods. Unrecognized returns are equal to the difference between the actual market return and the expected return on the market value, and are recognized annually over a five-year period.

Valuation value of assets

The actuarial value of assets reduced by the value of the non-valuation reserves.

Amortization policy

Effective December 31, 2013, the outstanding balance of the UAAL from the December 31, 2012 valuation was combined and re-amortized over a declining 20-year period (9 years remaining as of December 31, 2024).

Any new UAAL resulting from plan amendments are amortized over separate decreasing 15-year periods; early retirement incentive programs (ERIPs) are amortized over separate decreasing 5-year periods; assumption and method changes are amortized over separate decreasing 20-year periods; and experience gains/losses are also amortized over separate decreasing 20-year periods.

Employer contributions

The recommended employer contributions are provided in *Section 2, Subsection F* and consist of two components:

Normal cost

The annual contribution rate that, if paid annually from a member's first year of membership through the year of retirement, would accumulate to the amount necessary to fully fund the member's retirement-related benefits. Accumulation includes annual crediting of interest at the assumed investment earning rate.

The contribution rate is determined as a level percentage of the member's compensation.

Contribution to the UAAL

The annual contribution rate that, if paid annually over the UAAL amortization period, would accumulate to the amount necessary to fully fund the UAAL. Accumulation includes annual crediting of interest at the assumed investment earning rate.

Section 4: Actuarial Valuation Basis

The contribution (or rate credit in the case of a negative UAAL) is calculated to remain as a level percentage of future active member payroll (including payroll for new members as they enter the System) assuming a constant number of active members. In order to remain as a level percentage of payroll, amortization payments (credits) are scheduled to increase at the annual payroll growth rate assumption.

Member contributions

The member contribution rates for all members are provided in *Section 4, Exhibit 3*.

Non-CalPEPRA Members

Articles 6 and 6.8 of the CERL define the methodology to be used in the calculation of member basic contribution rates for General members and Safety members, respectively. The basic contribution rate is determined so that the accumulation of a member's basic contributions made each year until a certain age (age is 60 for General Plans A, B, M, N, O, P and S, 55 for General Plans G, H, I and J, and 50 for Safety Plans E, F, Q and R) will be sufficient to fund an annuity at that age that is equal to:

- 1/200 of Final Average Salary for General Plan A;
- 1/120 of Final Average Salary for General Plan B;
- 1/100 of Final Average Salary for General Plans G, H, I, J, and S;
- 1/120 of Final Average Salary for General Plans M, N, O, and P;
- 1/200 of Final Average Salary for Safety Plans E and Q, and;
- 1/100 of Final Average Salary for Safety Plans F and R.

It is assumed that contributions are made annually at the same rate, starting at entry age.

In addition to the basic contributions, members also pay one-half of the total normal cost necessary to fund cost-of-living benefits which is calculated separately for each rate group, with the exception of Rate Groups #9 and #11, which are developed on a combined or pooled basis as described in our Cost Sharing Structure letter dated July 30, 2010. Within each rate group, the COLA normal cost is either pooled for Tiers 1 and 2 because the same 3% COLA is provided for both Tiers, or it differs by a set formula based on past practice we carried over from the OCERS' prior actuary. Accumulation includes crediting of interest at the assumed investment earnings rate.

Effective with the December 31, 2014 valuation, for determining the cost of the total benefit (i.e., basic and COLA components), the effect of the assumed additional cashouts are recognized in the valuation as an employer and member cost.

Section 4: Actuarial Valuation Basis

CalPEPRA Members

Pursuant to Section 7522.30(a) of the Government Code, members in Plans T, U, V and W are required to contribute at least 50% of the normal cost rate. We have assumed that exactly 50% of the normal cost would be paid by the members in these Plans. Also of note is that based on our recommendation, OCERS decided to use the discretion made available by AB1380 to not round the member's contribution rate to the nearest ¼% as previously required by CalPEPRA.

For members in Plan T and Plan W, their basic rates have been calculated using a methodology similar to that used for Plan P. For members in Plan U or Plan V, their basic rates have been calculated using a methodology outlined in our letter dated December 4, 2012 that was previously approved by the Board.

Internal Revenue Code Section 415

Section 415 of the Internal Revenue Code (IRC) specifies the maximum benefits that may be paid to an individual from a defined benefit plan and the maximum amounts that may be allocated each year to an individual's account in a defined contribution plan.

A qualified pension plan may not pay benefits in excess of the Section 415 limits. The ultimate penalty for non-compliance is disqualification: active members could be taxed on their vested benefits and the IRS may seek to tax the income earned on the plan's assets.

Section 415(b) of the IRC limits the maximum annual benefit payable at the normal retirement age to a dollar limit of \$160,000 indexed for inflation. That limit is \$280,000 for 2025. Normal retirement age for these purposes is age 62. These are the limits in simplified terms. They must be adjusted based on each participant's circumstances, for such things as age at retirement, form of benefits chosen and after-tax contributions.

Non-CalPEPRA benefits in excess of the limits may be paid through a qualified governmental excess plan that meets the requirements of Section 415(m).

Legal Counsel's review and interpretation of the law and regulations should be sought on any questions in this regard.

Non-CalPEPRA contribution rates determined in this valuation have not been reduced for the Section 415 limitations. Actual limitations will result in gains as they occur.

Section 4: Actuarial Valuation Basis

Models

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.

Justification for change in actuarial assumptions, methods or models

There have been no changes in actuarial assumptions,¹ methods or models since the prior valuation.

¹ Nonbinary member assumptions were introduced with this valuation, which uses blended mortality tables and spousal assumptions for those members who self-report as nonbinary. The impact of this change on the valuation results is de minimis and is therefore not identified separately in this report.

Section 4: Actuarial Valuation Basis

Exhibit 2: Summary of plan provisions

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions. If the System should find the plan summary not in accordance with the actual provisions, the System should alert the actuary so they can both be sure the proper provisions are valued.

Plan year

January 1 through December 31.

Membership eligibility

Membership with OCERS begins with the day of employment in an eligible position by the County or a participating employer.

Non-CalPEPRA General Plans

Membership Tier	Membership Tier Eligibility
Plan G (2.5% @ 55)	General members of Orange County Sanitation District and Law Library ¹ hired before September 21, 1979.
Plan H (2.5% @ 55)	General members of Orange County Sanitation District ² and Law Library ¹ hired on or after September 21, 1979.
Plan I (2.7% @ 55)	General members of City of San Juan Capistrano, Orange County (except AFSCME bargaining unit), Orange County Superior Court, Local Agency Formation Commission, ¹ Orange County Employees Retirement System, ³ Children and Families Commission, ⁴ and Orange County Fire Authority hired before September 21, 1979.
Plan J (2.7% @ 55)	General members of City of San Juan Capistrano, Orange County (except AFSCME bargaining unit), Orange County Superior Court, Local Agency Formation Commission, ¹ Orange County Employees Retirement System, ³ Children and Families Commission, ⁴ and Orange County Fire Authority hired on or after September 21, 1979.
Plan M (2.0% @ 55)	General members of Transportation Corridor Agency and Cemetery District ⁵ hired before September 21, 1979.

¹ Improvement is prospective only for service after June 23, 2005.

² Members of Orange County Sanitation District within Supervisors and Professional bargaining unit hired on or after October 1, 2010 are in Plan B.

³ Improvement for Management members is prospective only for service after June 30, 2005.

⁴ Improvement is prospective only for service after December 22, 2005.

⁵ Improvement is prospective only for service after December 7, 2007.

Section 4: Actuarial Valuation Basis

Membership Tier	Membership Tier Eligibility
Plan N (2.0% @ 55)	General members of Transportation Corridor Agency and Cemetery District ¹ hired on or after September 21, 1979 and General members of Orange County Fire Authority hired on or after July 1, 2011.
Plan O (1.62% @ 65)	General members of Orange County (OCEA bargaining unit) and Superior Court rehired on or after May 7, 2010 and General members of Local Agency Formation Commission rehired on or after July 1, 2010 and General members of Orange County (Management) rehired on or after August 17, 2010 and not electing to rejoin Plan I.
Plan P (1.62% @ 65)	General members of Orange County (OCEA bargaining unit) and Superior Court rehired on or after May 7, 2010 and General members of Local Agency Formation Commission rehired on or after July 1, 2010 and General members of Orange County (Management) rehired on or after August 17, 2010 and not electing to rejoin Plan J.
Plan S (2.0% @ 57)	General members of San Juan Capistrano hired on or after July 1, 2012.
Plan A (2.0% @ 57)	General members of all other employers hired before September 21, 1979.
Plan B (1.64% @ 57)	General members of all other employers hired on or after September 21, 1979 and Orange County Sanitation District members (Supervisors and Professional bargaining unit) hired on or after October 1, 2010.

Section 4: Actuarial Valuation Basis

Non-CalPEPRA Safety Plans

Membership Tier	Membership Tier Eligibility
Plan E (3.0% @ 50)	Safety members of Orange County (Law Enforcement and Probation) and Orange County Fire Authority hired before September 21, 1979.
Plan F (3.0% @ 50)	Safety members of Orange County (Law Enforcement and Probation) and Orange County Fire Authority hired on or after September 21, 1979 and before April 9, 2010 for Law Enforcement, before July 1, 2011 for Orange County Fire Authority Executive Management members, and before July 1, 2012 for other Orange County Fire Authority members.
Plan Q (3.0% @ 55)	Safety members of Orange County (Law Enforcement) rehired on or after April 9, 2010, Safety members of Orange County Fire Authority Executive Management rehired on or after July 1, 2011, and other Safety members of Orange County Fire Authority rehired on or after July 1, 2012 and previously enrolled in Plan E.
Plan R (3.0% @ 55)	Safety members of Orange County (Law Enforcement) hired on or after April 9, 2010, Safety members of Orange County Fire Authority Executive Management hired on or after July 1, 2011, and other Safety members of Orange County Fire Authority hired on or after July 1, 2012.

CalPEPRA General Plans

Membership Tier	Membership Tier Eligibility
Plan T (1.62% @ 65)	General members of Orange County (except County Attorneys), Orange County Employees Retirement System (except Management), Local Agency Formation Commission, and Orange County Superior Court with membership dates on or after January 1, 2013.
Plan U (2.5% @ 67)	General members of Orange County Transportation Authority with membership dates on or after January 1, 2015 and General members of all other employers, Orange County (County Attorneys), Orange County Employees Retirement System (Management), and Orange County Superior Court, ¹ with membership dates on or after January 1, 2013.
Plan W (1.62% @ 65)	General members of City of San Juan Capistrano with membership dates on or after January 1, 2016 and not electing Plan U.

¹ Improvement is prospective only for service after July 1, 2023.

Section 4: Actuarial Valuation Basis

CalPEPRA Safety Plans

Membership Tier	Membership Tier Eligibility
Plan V (2.7% @ 57)	Safety members of Orange County (Law Enforcement and Probation) and Orange County Fire Authority with membership dates on or after January 1, 2013.

Final average compensation and service for benefit determination

Final Compensation and Service	Plan Provision
Final average compensation	
Plans A, E, G, I, M, O and Q	Highest consecutive 12 months of compensation earnable (§31462.1) (FAS1).
Plans B, F, H, J, N, P, R and S	Highest consecutive 36 months of compensation earnable (§31462) (FAS3).
Plan T	Highest 36 months of pensionable compensation (§7522.32 and §7522.34) (FAS3).
Plans U, V and W	Highest 36 months of pensionable compensation (§7522.10(c), §7522.32 and §7522.34) (FAS3).
Compensation limit	
Plan U, V and W	Pensionable compensation is limited to \$155,081 for 2025 for an employer that is enrolled in Social Security. For an employer that is not enrolled in Social Security, the maximum amount for 2025 is 120% of \$155,081, or \$186,096 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers after 2025 (§7522.10(d)).
Service	
All members	Years of service (Yrs) are generally based on a member's employment during a period of time for which deductions are made from their compensation.

Service retirement benefits

Provision by Tier	Service Retirement Plan Provision
Eligibility	
General Plans A, B, G, H, I, J, M, N, O, P, S, T and W	Age 50 with 10 years of service, or age 70 regardless of service, or after 30 years of service regardless of age (§31672). All part time members over age 55 with 10 years of employment may retire with five years of service.
General Plan U	Age 52 with 5 years of service (§7522.20(a)) or age 70 regardless of service (§31672.3).

Section 4: Actuarial Valuation Basis

Provision by Tier	Service Retirement Plan Provision
Safety Plans E, F, Q and R	Age 50 with 10 years of service, or age 70 regardless of service, or after 20 years regardless of age (§31663.25). All part time members over age 55 with 10 years of employment may retire with 5 years of service.
Safety Plan V	Age 50 with 5 years of service (§7522.25(d)) or age 70 regardless of service (§31672.3).
Benefit amount	
All members	The benefit formula for all members varies by membership tier and retirement age. See the tables below for a selection of benefit formulas at various ages for each membership tier.
Maximum benefit	
Plans A, B, E, F, G, H, I, J, M, N, O, P, Q, R, S, T and W	100% of final average compensation (§31676.01, §31676.1, §31676.12, §31676.16, §31676.18, §31676.19, §31664.1, §31664.2).
Plans U and V	There is no final compensation limit on the maximum retirement benefit.

Service retirement benefit formula (sample ages)

Tier and Retirement Age	Service Retirement Benefit Formula by Tier
General Plan G – 2.5% @ 55 (§31676.18)	
50	$2.00\% \times \text{FAS1} \times \text{Yrs}$
55	$2.50\% \times \text{FAS1} \times \text{Yrs}$
60	$2.50\% \times \text{FAS1} \times \text{Yrs}$
62 and over ¹	$2.62\% \times \text{FAS1} \times \text{Yrs}$
General Plan H – 2.5% @ 55 (§31676.18)	
50	$2.00\% \times \text{FAS3} \times \text{Yrs}$
55 and over	$2.50\% \times \text{FAS3} \times \text{Yrs}$
General Plan I – 2.7% @ 55 (§31676.19)	
50	$2.00\% \times \text{FAS1} \times \text{Yrs}$
55 and over	$2.70\% \times \text{FAS1} \times \text{Yrs}$

¹ Reflects benefit factors from Plan A as they provide a better benefit than those under 2.5% @ 55.

Section 4: Actuarial Valuation Basis

Tier and Retirement Age	Service Retirement Benefit Formula by Tier
General Plan J – 2.7% @ 55 (\$31676.19)	
50	$2.00\% \times \text{FAS3} \times \text{Yrs}$
55 and over	$2.70\% \times \text{FAS3} \times \text{Yrs}$
General Plan M – 2.0% @ 55 (\$31676.16)	
50	$1.43\% \times \text{FAS1} \times \text{Yrs}$
55	$2.00\% \times \text{FAS1} \times \text{Yrs}$
60 ¹	$2.34\% \times \text{FAS1} \times \text{Yrs}$
62 and over ¹	$2.62\% \times \text{FAS1} \times \text{Yrs}$
General Plan N – 2.0% @ 55 (\$31676.16)	
50	$1.43\% \times \text{FAS3} \times \text{Yrs}$
55	$2.00\% \times \text{FAS3} \times \text{Yrs}$
60	$2.26\% \times \text{FAS3} \times \text{Yrs}$
62	$2.37\% \times \text{FAS3} \times \text{Yrs}$
65 and over ²	$2.43\% \times \text{FAS3} \times \text{Yrs}$
General Plan O – 1.62% @ 65 (\$31676.01)	
50	$0.79\% \times \text{FAS1} \times \text{Yrs}$
55	$0.99\% \times \text{FAS1} \times \text{Yrs}$
60	$1.28\% \times \text{FAS1} \times \text{Yrs}$
62	$1.39\% \times \text{FAS1} \times \text{Yrs}$
65 and over	$1.62\% \times \text{FAS1} \times \text{Yrs}$

¹ Reflects benefit factors from Plan A as they provide a better benefit than those under 2.0% @ 55.

² Reflects benefit factors from Plan B as they provide a better benefit than those under 2.0% @ 55.

Section 4: Actuarial Valuation Basis

Tier and Retirement Age	Service Retirement Benefit Formula by Tier
General Plans P, T and W – 1.62% @ 65 (\$31676.01)	
50	0.79% x FAS3 x Yrs
55	0.99% x FAS3 x Yrs
60	1.28% x FAS3 x Yrs
62	1.39% x FAS3 x Yrs
65 and over	1.62% x FAS3 x Yrs
General Plan S – 2.0% @ 57 (\$31676.12)	
50	1.34% x FAS3 x Yrs
55	1.77% x FAS3 x Yrs
60	2.34% x FAS3 x Yrs
62 and over	2.62% x FAS3 x Yrs
General Plan A – 2.0% @ 57 (\$31676.12)	
50	1.34% x FAS1 x Yrs
55	1.77% x FAS1 x Yrs
60	2.34% x FAS1 x Yrs
62 and over	2.62% x FAS1 x Yrs
General Plan B – 1.64% @ 57 (\$31676.1)	
50	1.18% x FAS3 x Yrs
55	1.49% x FAS3 x Yrs
60	1.92% x FAS3 x Yrs
62	2.09% x FAS3 x Yrs
65 and over	2.43% x FAS3 x Yrs

Section 4: Actuarial Valuation Basis

Tier and Retirement Age	Service Retirement Benefit Formula by Tier
General Plan U – 2.5% @ 67 (\$7522.20(a))	
52	1.00% x FAS3 x Yrs
55	1.30% x FAS3 x Yrs
60	1.80% x FAS3 x Yrs
62	2.00% x FAS3 x Yrs
65	2.30% x FAS3 x Yrs
67 and over	2.50% x FAS3 x Yrs
Safety Plan E – 3.0% @ 50 (\$31664.1)	
50 and over	3.00% x FAS1 x Yrs
Safety Plan F – 3.0% @ 50 (\$31664.1)	
50 and over	3.00% x FAS3 x Yrs
Safety Plan Q – 3.0% @ 55 (\$31664.2)	
50	2.29% x FAS1 x Yrs
55 and over	3.00% x FAS1 x Yrs
Safety Plan R – 3.0% @ 55 (\$31664.2)	
50	2.29% x FAS3 x Yrs
55 and over	3.00% x FAS3 x Yrs
Safety Plan V – 2.7% @ 57 (\$7522.25(d))	
50	2.00% x FAS3 x Yrs
55	2.50% x FAS3 x Yrs
57 and over	2.70% x FAS3 x Yrs

Section 4: Actuarial Valuation Basis

Disability benefits

Non-service-connected disability

Provision by Tier	Non-Service-Connected Disability Plan Provision
Eligibility	
All members	Five years of service (§31720).
Benefit amount	
General Plans A, G, I, M and O	1.8% of final average compensation per year of service. If the benefit does not exceed one-third of final average compensation, the service is projected to 62, but the total projected benefit cannot be more than one-third of final average compensation (§31727.1). 100% of the service retirement benefit is payable, if greater.
General Plans B, H, J, N, P, S, T, U and W	1.5% of final average compensation per year of service. If the benefit does not exceed one-third of final average compensation, the service is projected to 65, but the total projected benefit cannot be more than one-third of final average compensation (§31727). 100% of the service retirement benefit is payable, if greater.
Safety Plans E, F, Q, R and V	1.8% of final average compensation per year of service. If the benefit does not exceed one-third of final average compensation, the service is projected to 55, but the total projected benefit cannot be more than one-third of final average compensation (§31727.2). 100% of the service retirement benefit is payable, if greater.

Service-connected disability

Provision by Tier	Service-Connected Disability Plan Provision
Eligibility	
All members	No age or service requirements (§31720).
Benefit amount	
All members	50% of the final average compensation or 100% of service retirement benefit, if greater (§31727.4).

Section 4: Actuarial Valuation Basis

Pre-retirement death benefits

Non-service-connected death

Provision by Tier	Pre-Retirement Death (Non-Service-Connected Death) Benefit Plan Provision
Eligibility	
All members	No age or service requirements.
Vested members	Five years of service.
Benefit amount	
All members	Refund of employee contributions with interest, plus one month's compensation for each year of service, to a maximum of six months' compensation (§37181). A lump sum benefit in the amount of \$1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary (§31790).
Vested members	60% of the greater of service retirement or non-service-connected disability benefit payable to surviving eligible spouse (§31765.1, §31781.1), in lieu of the basic lump sum benefit above (§31781).

Service-connected death

Provision by Tier	Pre-Retirement Death (Service-Connected) Benefit Plan Provision
Eligibility	
All members	No age or service requirements.
Benefit amount	
All members	50% of final average compensation or 100% of service retirement benefit, if greater, payable to spouse or minor children (§31787).

Section 4: Actuarial Valuation Basis

Post-retirement death benefits

Service retirement or non-service-connected disability retirement

Provision by Tier	Post-Retirement Death (Service Retirement or Non-Service-Connected Disability Retirement) Benefit Plan Provision
All members	<p>Unless another option was selected at retirement, 60% of member's unmodified allowance continued to eligible spouse (§31760.1).¹</p> <p>A lump sum benefit amount of \$1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary (§31790).</p>

Service-connected disability retirement

Provision by Tier	Post-Retirement Death (Service-Connected Disability Retirement) Benefit Plan Provision
All members	<p>Unless another option was selected at retirement, 100% of member's unmodified allowance continued to eligible spouse (§31786).¹</p> <p>A lump sum benefit amount of \$1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary (§31790).</p>

¹ An eligible spouse is a surviving spouse who was married to the member at least one year prior to the date of retirement.

Section 4: Actuarial Valuation Basis

Withdrawal benefits

Provision by Tier	Withdrawal Benefit Plan Provision
Eligibility	
All members	No age or service requirements.
Vested members	Five years of service.
Benefit amount	
All members	Refund of accumulated employee contributions with interest, or effective January 1, 2003, in lieu of a refund of employee contributions, a member may elect to leave contributions on deposit in the retirement fund (§31629.5). If contributions left on deposit, eligible for retirement benefits at age 70 (§31628).
Vested members	Refund of accumulated employee contributions with interest, or if contributions left on deposit, eligible for retirement benefits at any time after eligible to retire (§31700).

Post-retirement cost-of-living benefits

Annual adjustment based on Consumer Price Index to a maximum of 3% per year; excess “banked” (§31870.1).

Supplemental benefit

Non-vested supplemental COLA benefit is also paid by the System to eligible retirees and survivors. This benefit has been excluded from this valuation.

Member normal cost contributions

Please refer to *Section 4, Exhibit 3* for specific rates.

Section 4: Actuarial Valuation Basis

Provision by Tier	Member Contribution Plan Provision
General Plan A	
Basic contributions	Entry-age based rates that provide for an annuity at age 60 equal to 1/200 of FAS1 (\$31621.5).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plan B	
Basic contributions	Entry-age based rates that provide for an annuity at age 60 equal to 1/120 of FAS3 (\$31621).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plans G, H, I and J	
Basic contributions	Entry-age based rates that provide for an annuity at age 55 equal to 1/100 of FAS3 (FAS1 for Plans G and I) (\$31621.8).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plans M, N, O and P	
Basic contributions	Entry-age based rates that provide for an annuity at age 60 equal to 1/120 of FAS3 (FAS1 for Plans M and O) (\$31621).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plan S	
Basic contributions	Entry-age based rates that provide for an annuity at age 60 equal to 1/100 of FAS3 (\$31621.2).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
Safety Plans E and Q	
Basic contributions	Entry-age based rates that provide for an annuity at age 50 equal to 1/200 of FAS1 (\$31639.5).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
Safety Plans F and R	
Basic contributions	Entry-age based rates that provide for an annuity at age 50 equal to 1/100 of FAS3 (\$31639.25).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plans T, U, and W and Safety Plan V	
Contributions	Entry-age based rates that provide for one-half of the total normal cost rate.

Section 4: Actuarial Valuation Basis

Other information

Non-CalPEPRA Safety members with 30 or more years of benefit service are exempt from paying member contributions. This also applies for General members hired on or before March 7, 1973.

Changes in Plan Provisions

There have been no changes in plan provisions since the prior valuation.

Section 4: Actuarial Valuation Basis

Exhibit 3: Member contribution rates

General Tier 1 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan I (2.7% @ 55) Normal	Plan I (2.7% @ 55) Total	Plan A (OCTA) Normal	Plan A (OCTA) Total
16	7.26%	10.25%	3.14%	5.27%
17	7.39%	10.44%	3.19%	5.37%
18	7.53%	10.63%	3.25%	5.47%
19	7.67%	10.82%	3.31%	5.57%
20	7.81%	11.02%	3.38%	5.67%
21	7.95%	11.23%	3.44%	5.78%
22	8.10%	11.44%	3.50%	5.89%
23	8.25%	11.65%	3.57%	5.99%
24	8.40%	11.86%	3.63%	6.11%
25	8.56%	12.08%	3.70%	6.22%
26	8.71%	12.31%	3.77%	6.33%
27	8.88%	12.54%	3.84%	6.45%
28	9.04%	12.77%	3.91%	6.57%
29	9.21%	13.01%	3.98%	6.69%
30	9.39%	13.26%	4.05%	6.81%
31	9.57%	13.51%	4.13%	6.94%
32	9.75%	13.77%	4.21%	7.07%
33	9.94%	14.03%	4.29%	7.20%
34	10.13%	14.31%	4.37%	7.34%
35	10.33%	14.59%	4.45%	7.48%
36	10.52%	14.86%	4.53%	7.62%
37	10.72%	15.14%	4.62%	7.77%
38	10.92%	15.42%	4.71%	7.92%
39	11.11%	15.69%	4.80%	8.07%
40	11.32%	15.98%	4.90%	8.23%

Section 4: Actuarial Valuation Basis

Entry Age	Plan I (2.7% @ 55) Normal	Plan I (2.7% @ 55) Total	Plan A (OCTA) Normal	Plan A (OCTA) Total
41	11.53%	16.28%	4.99%	8.38%
42	11.74%	16.57%	5.08%	8.54%
43	11.95%	16.87%	5.17%	8.69%
44	12.17%	17.18%	5.27%	8.85%
45	12.38%	17.48%	5.36%	9.01%
46	12.60%	17.79%	5.46%	9.18%
47	12.75%	18.00%	5.56%	9.35%
48	12.89%	18.20%	5.66%	9.52%
49	12.97%	18.32%	5.77%	9.69%
50	12.99%	18.35%	5.87%	9.86%
51	12.92%	18.24%	5.97%	10.03%
52	12.74%	17.99%	6.04%	10.15%
53	12.45%	17.58%	6.11%	10.27%
54	12.21%	17.25%	6.15%	10.33%
55	12.21%	17.25%	6.16%	10.35%
56	12.21%	17.25%	6.12%	10.29%
57	12.21%	17.25%	6.04%	10.15%
58	12.21%	17.25%	5.90%	9.92%
59	12.21%	17.25%	5.79%	9.73%
60 and over	12.21%	17.25%	5.79%	9.73%
COLA loading		41.21%	68.08%	

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

General Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan J (2.7% @ 55 non-OCFA) Normal	Plan J (2.7% @ 55 non-OCFA) Total	Plan H (2.5% @ 55 OCSD) Normal	Plan H (2.5% @ 55 OCSD) Total	Plan N (2.0% @ 55) ¹ Normal	Plan N (2.0% @ 55) ¹ Total
16	6.99%	9.88%	6.99%	9.64%	5.04%	7.57%
17	7.12%	10.06%	7.12%	9.82%	5.13%	7.71%
18	7.25%	10.24%	7.25%	10.00%	5.23%	7.85%
19	7.39%	10.43%	7.39%	10.18%	5.33%	8.00%
20	7.52%	10.62%	7.52%	10.37%	5.42%	8.15%
21	7.66%	10.82%	7.66%	10.56%	5.52%	8.30%
22	7.80%	11.02%	7.80%	10.76%	5.63%	8.45%
23	7.95%	11.22%	7.95%	10.95%	5.73%	8.60%
24	8.09%	11.43%	8.09%	11.16%	5.83%	8.76%
25	8.24%	11.64%	8.24%	11.36%	5.94%	8.92%
26	8.39%	11.85%	8.39%	11.57%	6.05%	9.09%
27	8.55%	12.07%	8.55%	11.79%	6.16%	9.26%
28	8.71%	12.30%	8.71%	12.01%	6.28%	9.43%
29	8.87%	12.53%	8.87%	12.23%	6.39%	9.60%
30	9.04%	12.76%	9.04%	12.46%	6.51%	9.78%
31	9.21%	13.00%	9.21%	12.69%	6.63%	9.96%
32	9.38%	13.25%	9.38%	12.94%	6.75%	10.14%
33	9.56%	13.51%	9.56%	13.19%	6.88%	10.33%
34	9.74%	13.76%	9.74%	13.43%	7.01%	10.52%
35	9.92%	14.01%	9.92%	13.68%	7.14%	10.72%
36	10.10%	14.26%	10.10%	13.93%	7.27%	10.92%
37	10.28%	14.52%	10.28%	14.17%	7.41%	11.13%
38	10.46%	14.77%	10.46%	14.42%	7.55%	11.35%
39	10.64%	15.03%	10.64%	14.67%	7.70%	11.56%
40	10.83%	15.29%	10.83%	14.93%	7.84%	11.77%

¹ Payable by members in Rate Group #9 and Rate Group #11.

Section 4: Actuarial Valuation Basis

Entry Age	Plan J (2.7% @ 55 non-OCFA) Normal	Plan J (2.7% @ 55 non-OCFA) Total	Plan H (2.5% @ 55 OCSD) Normal	Plan H (2.5% @ 55 OCSD) Total	Plan N (2.0% @ 55) ¹ Normal	Plan N (2.0% @ 55) ¹ Total
41	11.02%	15.56%	11.02%	15.19%	7.98%	11.98%
42	11.20%	15.82%	11.20%	15.44%	8.12%	12.20%
43	11.39%	16.08%	11.39%	15.70%	8.26%	12.41%
44	11.57%	16.33%	11.57%	15.94%	8.41%	12.63%
45	11.72%	16.55%	11.72%	16.16%	8.55%	12.85%
46	11.85%	16.73%	11.85%	16.33%	8.70%	13.07%
47	11.93%	16.85%	11.93%	16.45%	8.85%	13.29%
48	11.97%	16.91%	11.97%	16.50%	8.99%	13.51%
49	11.94%	16.86%	11.94%	16.46%	9.13%	13.72%
50	11.83%	16.71%	11.83%	16.31%	9.26%	13.90%
51	11.64%	16.44%	11.64%	16.05%	9.36%	14.06%
52	11.44%	16.16%	11.44%	15.77%	9.42%	14.16%
53	11.82%	16.69%	11.82%	16.29%	9.46%	14.20%
54	12.21%	17.25%	12.21%	16.84%	9.43%	14.17%
55	12.21%	17.25%	12.21%	16.84%	9.35%	14.04%
56	12.21%	17.25%	12.21%	16.84%	9.19%	13.81%
57	12.21%	17.25%	12.21%	16.84%	9.04%	13.57%
58	12.21%	17.25%	12.21%	16.84%	9.33%	14.02%
59	12.21%	17.25%	12.21%	16.84%	9.65%	14.49%
60 and over	12.21%	17.25%	12.21%	16.84%	9.65%	14.49%
COLA loading		41.21%		37.85%		50.20%
Interest:	7.00% per annum					
COLA:	2.75%					
Mortality:	See Section 4, Exhibit 1					
Salary increase:	Inflation (2.50%) + “across-the-board” (0.50%) + merit and promotion (See Section 4, Exhibit 1)					
Additional cashouts:	See Section 4, Exhibit 1					

¹ Payable by members in Rate Group #9 and Rate Group #11.

Section 4: Actuarial Valuation Basis

General Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan B (OCTA) Normal	Plan B (OCTA) Total	Plan B (County and IHSS) Normal	Plan B (County and IHSS) Total	Plan J (2.7% @ 55 OCFA) Normal	Plan J (2.7% @ 55 OCFA) Total
16	5.04%	7.10%	5.04%	6.89%	6.99%	9.81%
17	5.13%	7.23%	5.13%	7.02%	7.12%	9.99%
18	5.23%	7.36%	5.23%	7.15%	7.25%	10.18%
19	5.33%	7.50%	5.33%	7.28%	7.39%	10.37%
20	5.42%	7.64%	5.42%	7.42%	7.52%	10.56%
21	5.52%	7.78%	5.52%	7.56%	7.66%	10.75%
22	5.63%	7.92%	5.63%	7.69%	7.80%	10.95%
23	5.73%	8.07%	5.73%	7.84%	7.95%	11.15%
24	5.83%	8.22%	5.83%	7.98%	8.09%	11.36%
25	5.94%	8.37%	5.94%	8.13%	8.24%	11.56%
26	6.05%	8.52%	6.05%	8.28%	8.39%	11.78%
27	6.16%	8.68%	6.16%	8.43%	8.55%	12.00%
28	6.28%	8.84%	6.28%	8.58%	8.71%	12.22%
29	6.39%	9.00%	6.39%	8.74%	8.87%	12.45%
30	6.51%	9.17%	6.51%	8.90%	9.04%	12.68%
31	6.63%	9.34%	6.63%	9.07%	9.21%	12.92%
32	6.75%	9.51%	6.75%	9.24%	9.38%	13.17%
33	6.88%	9.69%	6.88%	9.41%	9.56%	13.42%
34	7.01%	9.87%	7.01%	9.58%	9.74%	13.67%
35	7.14%	10.05%	7.14%	9.76%	9.92%	13.93%
36	7.27%	10.24%	7.27%	9.95%	10.10%	14.17%
37	7.41%	10.44%	7.41%	10.14%	10.28%	14.43%
38	7.55%	10.64%	7.55%	10.33%	10.46%	14.68%
39	7.70%	10.84%	7.70%	10.53%	10.64%	14.94%
40	7.84%	11.04%	7.84%	10.72%	10.83%	15.20%

Section 4: Actuarial Valuation Basis

Entry Age	Plan B (OCTA) Normal	Plan B (OCTA) Total	Plan B (County and IHSS) Normal	Plan B (County and IHSS) Total	Plan J (2.7% @ 55 OCFA) Normal	Plan J (2.7% @ 55 OCFA) Total
41	7.98%	11.24%	7.98%	10.91%	11.02%	15.46%
42	8.12%	11.44%	8.12%	11.11%	11.20%	15.72%
43	8.26%	11.64%	8.26%	11.30%	11.39%	15.98%
44	8.41%	11.84%	8.41%	11.50%	11.57%	16.23%
45	8.55%	12.05%	8.55%	11.70%	11.72%	16.45%
46	8.70%	12.25%	8.70%	11.90%	11.85%	16.63%
47	8.85%	12.46%	8.85%	12.10%	11.93%	16.74%
48	8.99%	12.67%	8.99%	12.30%	11.97%	16.80%
49	9.13%	12.87%	9.13%	12.49%	11.94%	16.76%
50	9.26%	13.04%	9.26%	12.66%	11.83%	16.60%
51	9.36%	13.18%	9.36%	12.80%	11.64%	16.33%
52	9.42%	13.27%	9.42%	12.89%	11.44%	16.06%
53	9.46%	13.32%	9.46%	12.93%	11.82%	16.58%
54	9.43%	13.29%	9.43%	12.90%	12.21%	17.14%
55	9.35%	13.16%	9.35%	12.78%	12.21%	17.14%
56	9.19%	12.95%	9.19%	12.57%	12.21%	17.14%
57	9.04%	12.73%	9.04%	12.36%	12.21%	17.14%
58	9.33%	13.15%	9.33%	12.77%	12.21%	17.14%
59	9.65%	13.59%	9.65%	13.20%	12.21%	17.14%
60 and over	9.65%	13.59%	9.65%	13.20%	12.21%	17.14%
COLA loading		40.85%				40.32%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

General Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan P (1.62% @ 65) Normal	Plan P (1.62% @ 65) Total	Plan B (OCSD) Normal	Plan B (OCSD) Total	Plan N (OCFA) Normal	Plan N (OCFA) Total
16	5.04%	6.39%	5.04%	7.26%	5.04%	7.92%
17	5.13%	6.51%	5.13%	7.39%	5.13%	8.06%
18	5.23%	6.63%	5.23%	7.53%	5.23%	8.21%
19	5.33%	6.75%	5.33%	7.67%	5.33%	8.37%
20	5.42%	6.88%	5.42%	7.81%	5.42%	8.52%
21	5.52%	7.00%	5.52%	7.96%	5.52%	8.68%
22	5.63%	7.13%	5.63%	8.10%	5.63%	8.84%
23	5.73%	7.26%	5.73%	8.25%	5.73%	9.00%
24	5.83%	7.40%	5.83%	8.40%	5.83%	9.17%
25	5.94%	7.53%	5.94%	8.56%	5.94%	9.33%
26	6.05%	7.67%	6.05%	8.72%	6.05%	9.51%
27	6.16%	7.81%	6.16%	8.88%	6.16%	9.68%
28	6.28%	7.96%	6.28%	9.04%	6.28%	9.86%
29	6.39%	8.10%	6.39%	9.21%	6.39%	10.04%
30	6.51%	8.25%	6.51%	9.38%	6.51%	10.23%
31	6.63%	8.41%	6.63%	9.55%	6.63%	10.42%
32	6.75%	8.56%	6.75%	9.73%	6.75%	10.61%
33	6.88%	8.72%	6.88%	9.91%	6.88%	10.81%
34	7.01%	8.88%	7.01%	10.09%	7.01%	11.01%
35	7.14%	9.05%	7.14%	10.28%	7.14%	11.21%
36	7.27%	9.22%	7.27%	10.48%	7.27%	11.43%
37	7.41%	9.40%	7.41%	10.68%	7.41%	11.64%
38	7.55%	9.58%	7.55%	10.88%	7.55%	11.87%
39	7.70%	9.76%	7.70%	11.09%	7.70%	12.09%
40	7.84%	9.94%	7.84%	11.29%	7.84%	12.31%

Section 4: Actuarial Valuation Basis

Entry Age	Plan P (1.62% @ 65) Normal	Plan P (1.62% @ 65) Total	Plan B (OCSD) Normal	Plan B (OCSD) Total	Plan N (OCFA) Normal	Plan N (OCFA) Total
41	7.98%	10.11%	7.98%	11.49%	7.98%	12.53%
42	8.12%	10.29%	8.12%	11.70%	8.12%	12.76%
43	8.26%	10.47%	8.26%	11.90%	8.26%	12.98%
44	8.41%	10.66%	8.41%	12.11%	8.41%	13.21%
45	8.55%	10.84%	8.55%	12.32%	8.55%	13.44%
46	8.70%	11.03%	8.70%	12.53%	8.70%	13.67%
47	8.85%	11.22%	8.85%	12.74%	8.85%	13.90%
48	8.99%	11.40%	8.99%	12.95%	8.99%	14.13%
49	9.13%	11.58%	9.13%	13.16%	9.13%	14.35%
50	9.26%	11.74%	9.26%	13.33%	9.26%	14.54%
51	9.36%	11.86%	9.36%	13.48%	9.36%	14.70%
52	9.42%	11.95%	9.42%	13.58%	9.42%	14.81%
53	9.46%	11.99%	9.46%	13.62%	9.46%	14.85%
54	9.43%	11.96%	9.43%	13.59%	9.43%	14.82%
55	9.35%	11.85%	9.35%	13.46%	9.35%	14.68%
56	9.19%	11.65%	9.19%	13.24%	9.19%	14.44%
57	9.04%	11.46%	9.04%	13.02%	9.04%	14.20%
58	9.33%	11.83%	9.33%	13.44%	9.33%	14.66%
59	9.65%	12.23%	9.65%	13.90%	9.65%	15.16%
60 and over	9.65%	12.23%	9.65%	13.90%	9.65%	15.16%
COLA loading		26.78%	44.04%		57.10%	

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

General Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan S (City of SJC) Normal	Plan S (City of SJC) Total	Plan H (2.5% @ 55 (Law Library) Normal	Plan H (2.5% @ 55 (Law Library) Total
16	6.05%	8.71%	6.99%	9.52%
17	6.16%	8.87%	7.12%	9.69%
18	6.27%	9.03%	7.25%	9.87%
19	6.39%	9.20%	7.39%	10.05%
20	6.51%	9.37%	7.52%	10.24%
21	6.63%	9.54%	7.66%	10.43%
22	6.75%	9.72%	7.80%	10.62%
23	6.87%	9.90%	7.95%	10.81%
24	7.00%	10.08%	8.09%	11.01%
25	7.13%	10.27%	8.24%	11.21%
26	7.26%	10.46%	8.39%	11.42%
27	7.39%	10.65%	8.55%	11.63%
28	7.53%	10.84%	8.71%	11.85%
29	7.67%	11.04%	8.87%	12.07%
30	7.81%	11.25%	9.04%	12.30%
31	7.96%	11.46%	9.21%	12.53%
32	8.10%	11.67%	9.38%	12.77%
33	8.25%	11.89%	9.56%	13.02%
34	8.41%	12.11%	9.74%	13.26%
35	8.57%	12.33%	9.92%	13.50%
36	8.73%	12.57%	10.10%	13.75%
37	8.89%	12.81%	10.28%	13.99%
38	9.07%	13.05%	10.46%	14.23%
39	9.24%	13.30%	10.64%	14.48%
40	9.41%	13.54%	10.83%	14.74%

Section 4: Actuarial Valuation Basis

Entry Age	Plan S (City of SJC) Normal	Plan S (City of SJC) Total	Plan H (2.5% @ 55 (Law Library) Normal	Plan H (2.5% @ 55 (Law Library) Total
41	9.57%	13.79%	11.02%	14.99%
42	9.74%	14.03%	11.20%	15.24%
43	9.91%	14.28%	11.39%	15.49%
44	10.09%	14.53%	11.57%	15.74%
45	10.26%	14.78%	11.72%	15.95%
46	10.44%	15.03%	11.85%	16.12%
47	10.62%	15.29%	11.93%	16.24%
48	10.79%	15.54%	11.97%	16.29%
49	10.96%	15.78%	11.94%	16.25%
50	11.11%	16.00%	11.83%	16.10%
51	11.23%	16.17%	11.64%	15.84%
52	11.31%	16.29%	11.44%	15.57%
53	11.35%	16.34%	11.82%	16.08%
54	11.32%	16.30%	12.21%	16.62%
55	11.22%	16.15%	12.21%	16.62%
56	11.03%	15.89%	12.21%	16.62%
57	10.85%	15.62%	12.21%	16.62%
58	11.20%	16.13%	12.21%	16.62%
59	11.58%	16.67%	12.21%	16.62%
60 and over	11.58%	16.67%	12.21%	16.62%
COLA loading		44.00%		36.07%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

General CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹

Entry Age	Rate Group #1 (Plan U) Normal	Rate Group #1 (Plan U) Total	Rate Group #2 (Plan T) Normal	Rate Group #2 (Plan T) Total	Rate Group #2 (Plan U) Normal	Rate Group #2 (Plan U) Total
16	5.99%	8.09%	3.84%	5.16%	5.43%	7.37%
17	5.73%	7.73%	3.92%	5.26%	5.19%	7.05%
18	5.45%	7.36%	3.99%	5.35%	4.95%	6.71%
19	5.55%	7.50%	4.06%	5.45%	5.04%	6.84%
20	5.66%	7.64%	4.14%	5.56%	5.13%	6.96%
21	5.76%	7.79%	4.21%	5.66%	5.23%	7.09%
22	5.87%	7.93%	4.29%	5.76%	5.33%	7.23%
23	5.98%	8.08%	4.37%	5.87%	5.43%	7.36%
24	6.09%	8.23%	4.45%	5.98%	5.53%	7.50%
25	6.21%	8.38%	4.54%	6.09%	5.63%	7.64%
26	6.32%	8.54%	4.62%	6.20%	5.73%	7.78%
27	6.44%	8.70%	4.70%	6.32%	5.84%	7.92%
28	6.56%	8.86%	4.79%	6.43%	5.95%	8.07%
29	6.68%	9.02%	4.88%	6.55%	6.06%	8.22%
30	6.80%	9.19%	4.97%	6.67%	6.17%	8.37%
31	6.93%	9.36%	5.06%	6.80%	6.29%	8.53%
32	7.06%	9.53%	5.16%	6.92%	6.40%	8.68%
33	7.19%	9.71%	5.25%	7.05%	6.52%	8.84%
34	7.32%	9.89%	5.35%	7.19%	6.64%	9.01%
35	7.45%	10.07%	5.46%	7.32%	6.76%	9.17%
36	7.59%	10.26%	5.56%	7.46%	6.89%	9.34%
37	7.73%	10.45%	5.67%	7.61%	7.02%	9.52%
38	7.88%	10.64%	5.78%	7.75%	7.15%	9.70%
39	8.02%	10.84%	5.89%	7.90%	7.28%	9.88%
40	8.18%	11.04%	6.00%	8.05%	7.42%	10.06%

¹ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.5% at 67 formula and the Plan W 1.62% at 65 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 129 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (§7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #1 (Plan U) Normal	Rate Group #1 (Plan U) Total	Rate Group #2 (Plan T) Normal	Rate Group #2 (Plan T) Total	Rate Group #2 (Plan U) Normal	Rate Group #2 (Plan U) Total
41	8.33%	11.25%	6.11%	8.20%	7.56%	10.25%
42	8.49%	11.47%	6.22%	8.34%	7.70%	10.45%
43	8.65%	11.68%	6.33%	8.49%	7.85%	10.64%
44	8.82%	11.91%	6.44%	8.65%	8.00%	10.85%
45	8.99%	12.14%	6.56%	8.80%	8.15%	11.06%
46	9.16%	12.37%	6.67%	8.96%	8.31%	11.27%
47	9.33%	12.60%	6.79%	9.11%	8.46%	11.48%
48	9.50%	12.83%	6.91%	9.27%	8.62%	11.69%
49	9.67%	13.06%	7.02%	9.42%	8.77%	11.90%
50	9.84%	13.30%	7.12%	9.56%	8.93%	12.11%
51	10.02%	13.54%	7.21%	9.68%	9.09%	12.33%
52	10.20%	13.78%	7.27%	9.76%	9.25%	12.55%
53	10.38%	14.02%	7.31%	9.81%	9.42%	12.77%
54	10.56%	14.27%	7.31%	9.81%	9.58%	13.00%
55	10.74%	14.51%	7.26%	9.75%	9.75%	13.22%
56	10.92%	14.75%	7.17%	9.63%	9.91%	13.44%
57	11.08%	14.97%	7.11%	9.54%	10.05%	13.63%
58	11.21%	15.15%	7.34%	9.85%	10.17%	13.80%
59	11.31%	15.28%	7.59%	10.18%	10.26%	13.92%
60	11.37%	15.36%	7.59%	10.18%	10.31%	13.99%
61	11.37%	15.35%	7.59%	10.18%	10.31%	13.99%
62	11.30%	15.26%	7.59%	10.18%	10.25%	13.90%
63	11.16%	15.08%	7.59%	10.18%	10.13%	13.74%
64	11.06%	14.94%	7.59%	10.18%	10.03%	13.61%
65	11.42%	15.42%	7.59%	10.18%	10.36%	14.05%
66 and over	11.80%	15.94%	7.59%	10.18%	10.71%	14.52%
COLA loading		35.10%				35.66%
Interest:		7.00% per annum				
COLA:		2.75%				
Mortality:		See Section 4, Exhibit 1				
Salary increase:		Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)				

Section 4: Actuarial Valuation Basis

General CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹

Entry Age	Rate Group #2 (Plan W) Normal	Rate Group #2 (Plan W) Total	Rate Group #3 (Plan U) Normal	Rate Group #3 (Plan U) Total	Rate Group #5 (Plan U) Normal	Rate Group #5 (Plan U) Total
16	3.97%	5.04%	5.61%	7.61%	6.46%	8.79%
17	4.04%	5.14%	5.37%	7.28%	6.18%	8.40%
18	4.11%	5.23%	5.11%	6.93%	5.88%	8.00%
19	4.19%	5.33%	5.21%	7.06%	6.00%	8.15%
20	4.27%	5.43%	5.30%	7.19%	6.11%	8.30%
21	4.35%	5.53%	5.40%	7.32%	6.22%	8.46%
22	4.43%	5.63%	5.50%	7.46%	6.34%	8.62%
23	4.51%	5.73%	5.61%	7.60%	6.46%	8.78%
24	4.59%	5.84%	5.71%	7.74%	6.58%	8.94%
25	4.68%	5.95%	5.82%	7.89%	6.70%	9.11%
26	4.76%	6.06%	5.93%	8.03%	6.82%	9.28%
27	4.85%	6.17%	6.04%	8.18%	6.95%	9.45%
28	4.94%	6.28%	6.15%	8.33%	7.08%	9.62%
29	5.03%	6.40%	6.26%	8.49%	7.21%	9.80%
30	5.13%	6.52%	6.38%	8.64%	7.34%	9.98%
31	5.22%	6.64%	6.49%	8.80%	7.48%	10.17%
32	5.32%	6.76%	6.61%	8.97%	7.62%	10.36%
33	5.42%	6.89%	6.74%	9.13%	7.76%	10.55%
34	5.52%	7.02%	6.86%	9.30%	7.90%	10.74%
35	5.63%	7.15%	6.99%	9.47%	8.05%	10.94%
36	5.73%	7.29%	7.12%	9.65%	8.20%	11.14%
37	5.84%	7.43%	7.25%	9.83%	8.35%	11.35%
38	5.96%	7.58%	7.38%	10.01%	8.50%	11.56%
39	6.07%	7.72%	7.52%	10.20%	8.66%	11.78%
40	6.18%	7.86%	7.66%	10.39%	8.83%	12.00%

¹ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.5% at 67 formula and the Plan W 1.62% at 65 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 129 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (§7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #2 (Plan W) Normal	Rate Group #2 (Plan W) Total	Rate Group #3 (Plan U) Normal	Rate Group #3 (Plan U) Total	Rate Group #5 (Plan U) Normal	Rate Group #5 (Plan U) Total
41	6.30%	8.01%	7.81%	10.58%	8.99%	12.22%
42	6.41%	8.15%	7.96%	10.79%	9.16%	12.46%
43	6.53%	8.30%	8.11%	10.99%	9.34%	12.69%
44	6.64%	8.45%	8.26%	11.20%	9.52%	12.94%
45	6.76%	8.60%	8.42%	11.42%	9.70%	13.19%
46	6.88%	8.75%	8.58%	11.64%	9.89%	13.44%
47	7.00%	8.90%	8.75%	11.86%	10.07%	13.69%
48	7.12%	9.06%	8.90%	12.07%	10.25%	13.94%
49	7.24%	9.21%	9.06%	12.29%	10.44%	14.19%
50	7.34%	9.34%	9.23%	12.51%	10.63%	14.45%
51	7.43%	9.45%	9.39%	12.73%	10.82%	14.70%
52	7.50%	9.53%	9.56%	12.96%	11.01%	14.97%
53	7.54%	9.58%	9.73%	13.19%	11.21%	15.23%
54	7.53%	9.58%	9.90%	13.42%	11.40%	15.50%
55	7.49%	9.52%	10.07%	13.65%	11.60%	15.77%
56	7.40%	9.41%	10.24%	13.88%	11.79%	16.03%
57	7.33%	9.32%	10.39%	14.08%	11.96%	16.26%
58	7.57%	9.62%	10.51%	14.25%	12.10%	16.46%
59	7.82%	9.95%	10.60%	14.37%	12.21%	16.60%
60	7.82%	9.95%	10.66%	14.45%	12.27%	16.68%
61	7.82%	9.95%	10.65%	14.44%	12.27%	16.68%
62	7.82%	9.95%	10.59%	14.36%	12.19%	16.58%
63	7.82%	9.95%	10.46%	14.18%	12.05%	16.38%
64	7.82%	9.95%	10.36%	14.05%	11.94%	16.23%
65	7.82%	9.95%	10.70%	14.51%	12.33%	16.76%
66 and over	7.82%	9.95%	11.06%	15.00%	12.74%	17.32%
COLA loading			27.16%		35.57%	
Interest: 7.00% per annum						
COLA: 2.75%						
Mortality: See Section 4, Exhibit 1						
Salary increase: Inflation (2.50%) + “across-the-board” (0.50%) + merit and promotion (See Section 4, Exhibit 1)						

Section 4: Actuarial Valuation Basis

General CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹

Entry Age	Rate Group #9 (Plan U) Normal	Rate Group #9 (Plan U) Total	Rate Group #10 (Plan U) Normal	Rate Group #10 (Plan U) Total	Rate Group #11 (Plan U) Normal	Rate Group #11 (Plan U) Total
16	5.71%	7.69%	5.82%	7.91%	6.22%	8.42%
17	5.46%	7.35%	5.57%	7.56%	5.95%	8.05%
18	5.20%	7.00%	5.30%	7.20%	5.66%	7.67%
19	5.30%	7.13%	5.40%	7.33%	5.77%	7.81%
20	5.40%	7.26%	5.50%	7.47%	5.88%	7.96%
21	5.50%	7.40%	5.61%	7.61%	5.99%	8.11%
22	5.60%	7.54%	5.71%	7.75%	6.10%	8.26%
23	5.70%	7.68%	5.82%	7.90%	6.22%	8.41%
24	5.81%	7.82%	5.93%	8.04%	6.33%	8.57%
25	5.92%	7.97%	6.04%	8.19%	6.45%	8.73%
26	6.03%	8.11%	6.15%	8.34%	6.57%	8.89%
27	6.14%	8.26%	6.26%	8.50%	6.69%	9.06%
28	6.25%	8.42%	6.38%	8.66%	6.81%	9.22%
29	6.37%	8.57%	6.50%	8.82%	6.94%	9.39%
30	6.49%	8.73%	6.62%	8.98%	7.07%	9.57%
31	6.61%	8.89%	6.74%	9.15%	7.20%	9.74%
32	6.73%	9.06%	6.86%	9.31%	7.33%	9.92%
33	6.85%	9.22%	6.99%	9.49%	7.47%	10.11%
34	6.98%	9.39%	7.12%	9.66%	7.61%	10.29%
35	7.11%	9.57%	7.25%	9.84%	7.75%	10.49%
36	7.24%	9.75%	7.38%	10.02%	7.89%	10.68%
37	7.38%	9.93%	7.52%	10.21%	8.04%	10.88%
38	7.51%	10.11%	7.66%	10.40%	8.19%	11.08%
39	7.65%	10.30%	7.80%	10.59%	8.34%	11.29%
40	7.80%	10.49%	7.95%	10.79%	8.50%	11.50%

¹ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.5% at 67 formula and the Plan W 1.62% at 65 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 129 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (§7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #9 (Plan U) Normal	Rate Group #9 (Plan U) Total	Rate Group #10 (Plan U) Normal	Rate Group #10 (Plan U) Total	Rate Group #11 (Plan U) Normal	Rate Group #11 (Plan U) Total
41	7.94%	10.69%	8.10%	11.00%	8.66%	11.72%
42	8.09%	10.89%	8.25%	11.20%	8.82%	11.94%
43	8.25%	11.10%	8.41%	11.42%	8.99%	12.17%
44	8.41%	11.31%	8.57%	11.64%	9.16%	12.40%
45	8.57%	11.53%	8.74%	11.86%	9.34%	12.64%
46	8.73%	11.75%	8.91%	12.09%	9.52%	12.88%
47	8.90%	11.97%	9.07%	12.32%	9.69%	13.12%
48	9.06%	12.19%	9.24%	12.54%	9.87%	13.36%
49	9.22%	12.41%	9.40%	12.77%	10.05%	13.60%
50	9.39%	12.63%	9.57%	12.99%	10.23%	13.85%
51	9.56%	12.86%	9.74%	13.23%	10.41%	14.09%
52	9.73%	13.09%	9.92%	13.46%	10.60%	14.35%
53	9.90%	13.32%	10.09%	13.70%	10.79%	14.60%
54	10.07%	13.56%	10.27%	13.94%	10.98%	14.86%
55	10.25%	13.79%	10.45%	14.18%	11.16%	15.11%
56	10.42%	14.02%	10.62%	14.42%	11.35%	15.36%
57	10.57%	14.22%	10.77%	14.62%	11.51%	15.58%
58	10.69%	14.39%	10.90%	14.80%	11.65%	15.77%
59	10.79%	14.52%	11.00%	14.93%	11.75%	15.91%
60	10.84%	14.59%	11.05%	15.01%	11.81%	15.99%
61	10.84%	14.59%	11.05%	15.00%	11.81%	15.99%
62	10.77%	14.50%	10.99%	14.91%	11.74%	15.89%
63	10.64%	14.33%	10.85%	14.73%	11.60%	15.70%
64	10.54%	14.19%	10.75%	14.60%	11.49%	15.55%
65	10.89%	14.65%	11.10%	15.07%	11.86%	16.06%
66 and over	11.26%	15.15%	11.48%	15.58%	12.26%	16.60%
COLA loading			34.58%		35.74%	
Interest:			7.00% per annum			
COLA:			2.75%			
Mortality:			See Section 4, Exhibit 1			
Salary increase:			Inflation (2.50%) + “across-the-board” (0.50%) + merit and promotion (See Section 4, Exhibit 1)			

Section 4: Actuarial Valuation Basis

General CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹

Entry Age	Rate Group #12 (Plan U) Normal	Rate Group #12 (Plan U) Total
16	5.72%	7.77%
17	5.47%	7.43%
18	5.21%	7.07%
19	5.31%	7.21%
20	5.40%	7.34%
21	5.51%	7.48%
22	5.61%	7.62%
23	5.71%	7.76%
24	5.82%	7.91%
25	5.93%	8.05%
26	6.04%	8.20%
27	6.15%	8.35%
28	6.26%	8.51%
29	6.38%	8.67%
30	6.50%	8.83%
31	6.62%	8.99%
32	6.74%	9.16%
33	6.86%	9.32%
34	6.99%	9.50%
35	7.12%	9.67%
36	7.25%	9.85%
37	7.39%	10.03%
38	7.52%	10.22%
39	7.67%	10.41%
40	7.81%	10.61%

¹ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.5% at 67 formula and the Plan W 1.62% at 65 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 129 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (§7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #12 (Plan U) Normal	Rate Group #12 (Plan U) Total
41	7.96%	10.81%
42	8.11%	11.01%
43	8.26%	11.22%
44	8.42%	11.44%
45	8.58%	11.66%
46	8.75%	11.88%
47	8.91%	12.11%
48	9.07%	12.33%
49	9.24%	12.55%
50	9.40%	12.77%
51	9.57%	13.00%
52	9.74%	13.23%
53	9.91%	13.47%
54	10.09%	13.71%
55	10.26%	13.94%
56	10.43%	14.17%
57	10.58%	14.38%
58	10.71%	14.55%
59	10.80%	14.68%
60	10.86%	14.75%
61	10.86%	14.75%
62	10.79%	14.66%
63	10.66%	14.48%
64	10.56%	14.35%
65	10.91%	14.82%
66 and over	11.27%	15.31%
COLA loading		35.85%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See *Section 4, Exhibit 1*

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See *Section 4, Exhibit 1*)

Section 4: Actuarial Valuation Basis

Safety Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan F (OCFA) Normal	Plan F (OCFA) Total	Plan F (Law Enforcement) Normal	Plan F (Law Enforcement) Total	Plan F (Probation) Normal	Plan F (Probation) Total
16	8.77%	13.85%	9.18%	14.83%	8.93%	13.98%
17	8.90%	14.05%	9.31%	15.05%	9.06%	14.19%
18	9.03%	14.26%	9.45%	15.27%	9.20%	14.41%
19	9.17%	14.48%	9.59%	15.50%	9.34%	14.62%
20	9.31%	14.70%	9.74%	15.73%	9.48%	14.84%
21	9.45%	14.92%	9.88%	15.97%	9.62%	15.07%
22	9.60%	15.15%	10.03%	16.21%	9.77%	15.30%
23	9.74%	15.39%	10.19%	16.46%	9.92%	15.53%
24	9.90%	15.63%	10.34%	16.71%	10.07%	15.78%
25	10.05%	15.88%	10.50%	16.97%	10.23%	16.02%
26	10.21%	16.13%	10.67%	17.24%	10.39%	16.28%
27	10.38%	16.39%	10.84%	17.51%	10.56%	16.54%
28	10.55%	16.66%	11.01%	17.80%	10.73%	16.81%
29	10.73%	16.94%	11.19%	18.08%	10.91%	17.09%
30	10.90%	17.22%	11.37%	18.37%	11.09%	17.37%
31	11.09%	17.51%	11.56%	18.67%	11.27%	17.65%
32	11.28%	17.81%	11.75%	18.98%	11.46%	17.95%
33	11.47%	18.11%	11.94%	19.29%	11.65%	18.25%
34	11.66%	18.42%	12.13%	19.60%	11.85%	18.56%
35	11.86%	18.73%	12.33%	19.92%	12.04%	18.86%
36	12.07%	19.06%	12.54%	20.25%	12.25%	19.19%
37	12.29%	19.41%	12.75%	20.61%	12.47%	19.54%
38	12.50%	19.74%	12.96%	20.93%	12.68%	19.86%
39	12.69%	20.04%	13.14%	21.22%	12.87%	20.15%
40	12.85%	20.29%	13.27%	21.45%	13.02%	20.38%

Section 4: Actuarial Valuation Basis

Entry Age	Plan F (OCFA) Normal	Plan F (OCFA) Total	Plan F (Law Enforcement) Normal	Plan F (Law Enforcement) Total	Plan F (Probation) Normal	Plan F (Probation) Total
41	12.94%	20.44%	13.35%	21.57%	13.10%	20.52%
42	12.97%	20.48%	13.35%	21.56%	13.12%	20.55%
43	12.92%	20.40%	13.26%	21.42%	13.05%	20.44%
44	12.80%	20.21%	13.08%	21.14%	12.91%	20.22%
45	12.60%	19.90%	12.82%	20.71%	12.69%	19.87%
46	12.32%	19.45%	12.45%	20.12%	12.37%	19.38%
47	11.93%	18.84%	11.93%	19.27%	11.93%	18.68%
48	12.31%	19.43%	12.31%	19.88%	12.31%	19.27%
49	12.71%	20.07%	12.71%	20.53%	12.71%	19.90%
50 and over	12.71%	20.07%	12.71%	20.53%	12.71%	19.90%
COLA loading						
		57.93%			61.56%	56.62%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

Safety Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan R (OCFA) Normal	Plan R (OCFA) Total	Plan R (Law Enforcement) Normal	Plan R (Law Enforcement) Total
16	8.77%	14.12%	9.18%	14.19%
17	8.90%	14.33%	9.31%	14.40%
18	9.03%	14.54%	9.45%	14.62%
19	9.17%	14.76%	9.59%	14.83%
20	9.31%	14.99%	9.74%	15.06%
21	9.45%	15.21%	9.88%	15.28%
22	9.60%	15.45%	10.03%	15.51%
23	9.74%	15.69%	10.19%	15.75%
24	9.90%	15.93%	10.34%	15.99%
25	10.05%	16.19%	10.50%	16.24%
26	10.21%	16.45%	10.67%	16.50%
27	10.38%	16.71%	10.84%	16.76%
28	10.55%	16.99%	11.01%	17.03%
29	10.73%	17.27%	11.19%	17.31%
30	10.90%	17.56%	11.37%	17.58%
31	11.09%	17.85%	11.56%	17.87%
32	11.28%	18.15%	11.75%	18.17%
33	11.47%	18.46%	11.94%	18.46%
34	11.66%	18.77%	12.13%	18.76%
35	11.86%	19.09%	12.33%	19.06%
36	12.07%	19.43%	12.54%	19.38%
37	12.29%	19.79%	12.75%	19.72%
38	12.50%	20.13%	12.96%	20.03%
39	12.69%	20.43%	13.14%	20.31%
40	12.85%	20.68%	13.27%	20.53%

Section 4: Actuarial Valuation Basis

Entry Age	Plan R (OCFA) Normal	Plan R (OCFA) Total	Plan R (Law Enforcement) Normal	Plan R (Law Enforcement) Total
41	12.94%	20.84%	13.35%	20.64%
42	12.97%	20.88%	13.35%	20.64%
43	12.92%	20.80%	13.26%	20.50%
44	12.80%	20.60%	13.08%	20.23%
45	12.60%	20.28%	12.82%	19.82%
46	12.32%	19.83%	12.45%	19.25%
47	11.93%	19.20%	11.93%	18.44%
48	12.31%	19.81%	12.31%	19.03%
49	12.71%	20.46%	12.71%	19.65%
50 and over	12.71%	20.46%	12.71%	19.65%
COLA loading		61.00%		54.62%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

Safety CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹

Entry Age	Rate Group #6 (Plan V) Normal	Rate Group #6 (Plan V) Total	Rate Group #7 (Plan V) Normal	Rate Group #7 (Plan V) Total	Rate Group #8 (Plan V) Normal	Rate Group #8 (Plan V) Total
16	9.47%	13.31%	9.67%	13.78%	9.22%	13.17%
17	9.61%	13.51%	9.81%	13.99%	9.36%	13.37%
18	9.75%	13.71%	9.96%	14.20%	9.49%	13.57%
19	9.89%	13.92%	10.10%	14.41%	9.64%	13.77%
20	10.04%	14.12%	10.26%	14.62%	9.78%	13.97%
21	10.19%	14.33%	10.41%	14.84%	9.92%	14.18%
22	10.34%	14.55%	10.56%	15.06%	10.07%	14.39%
23	10.50%	14.76%	10.72%	15.29%	10.22%	14.61%
24	10.65%	14.99%	10.88%	15.51%	10.38%	14.83%
25	10.81%	15.21%	11.05%	15.75%	10.53%	15.05%
26	10.98%	15.44%	11.21%	15.99%	10.69%	15.28%
27	11.15%	15.68%	11.38%	16.23%	10.86%	15.51%
28	11.32%	15.92%	11.56%	16.48%	11.02%	15.75%
29	11.49%	16.16%	11.74%	16.73%	11.19%	15.99%
30	11.67%	16.42%	11.92%	17.00%	11.37%	16.24%
31	11.85%	16.67%	12.11%	17.26%	11.55%	16.50%
32	12.04%	16.94%	12.30%	17.54%	11.73%	16.76%
33	12.24%	17.21%	12.50%	17.82%	11.92%	17.03%
34	12.44%	17.49%	12.70%	18.11%	12.11%	17.31%
35	12.64%	17.78%	12.91%	18.41%	12.31%	17.60%
36	12.85%	18.08%	13.13%	18.72%	12.52%	17.89%
37	13.07%	18.38%	13.35%	19.03%	12.73%	18.19%
38	13.29%	18.69%	13.57%	19.35%	12.94%	18.49%
39	13.52%	19.01%	13.81%	19.69%	13.17%	18.81%
40	13.75%	19.34%	14.04%	20.02%	13.39%	19.14%

¹ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.7% at 57 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 129 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (§7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #6 (Plan V) Normal	Rate Group #6 (Plan V) Total	Rate Group #7 (Plan V) Normal	Rate Group #7 (Plan V) Total	Rate Group #8 (Plan V) Normal	Rate Group #8 (Plan V) Total
41	13.98%	19.67%	14.28%	20.36%	13.62%	19.46%
42	14.22%	20.01%	14.53%	20.71%	13.85%	19.80%
43	14.48%	20.37%	14.79%	21.09%	14.10%	20.15%
44	14.75%	20.75%	15.07%	21.48%	14.37%	20.53%
45	15.01%	21.11%	15.33%	21.86%	14.62%	20.89%
46	15.25%	21.45%	15.57%	22.20%	14.85%	21.22%
47	15.44%	21.72%	15.77%	22.48%	15.04%	21.49%
48	15.56%	21.89%	15.90%	22.66%	15.16%	21.66%
49	15.61%	21.95%	15.94%	22.73%	15.20%	21.72%
50	15.56%	21.88%	15.89%	22.65%	15.15%	21.65%
51	15.43%	21.70%	15.76%	22.46%	15.03%	21.47%
52	15.21%	21.39%	15.54%	22.15%	14.81%	21.17%
53	14.90%	20.96%	15.22%	21.70%	14.52%	20.74%
54	14.48%	20.37%	14.79%	21.09%	14.10%	20.15%
55	14.94%	21.01%	15.26%	21.75%	14.55%	20.79%
56 and over	15.42%	21.70%	15.76%	22.46%	15.02%	21.47%
COLA loading		40.67%			42.57%	42.89%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Section 4: Actuarial Valuation Basis

Exhibit 4: Funded percentages by rate group

The funded percentages on a valuation value of assets basis by rate group provided for informational purposes only are as follows:

Funded Percentages as of December 31

Rate Group	2024	2023
General		
• Rate Group #1 – Plans A, B and U (County and IHSS) ¹	93.43%	92.84%
• Rate Group #2 – Plans I, J, O, P, S, T, U and W (County et al.)	79.75%	78.45%
• Rate Group #3 – Plans B, G, H and U (OCSD)	101.21%	100.89%
• Rate Group #5 – Plans A, B and U (OCTA)	85.94%	84.19%
• Rate Group #9 – Plans M, N and U (TCA)	105.34%	103.39%
• Rate Group #10 – Plans I, J, M, N and U (OCFA)	94.66%	93.77%
• Rate Group #11 – Plans M and N, future service, and U (Cemetery)	97.73%	97.77%
• Rate Group #12 – Plans G, H, future service, and U (Law Library)	121.60%	119.94%
Safety		
• Rate Group #6 – Plans E, F and V (Probation)	84.97%	85.19%
• Rate Group #7 – Plans E, F, Q, R and V (Law Enforcement)	83.16%	82.58%
• Rate Group #8 – Plans E, F, Q, R and V (OCFA)	97.80%	94.84%

¹ Includes payees from Vector Control, Cypress Recreation and Parks, U.C.I. and DOE.

Section 4: Actuarial Valuation Basis

Exhibit 5: Reconciliation of employer contribution rates by rate group

The reconciliation of the employer contribution rates for the General Rate Groups #1 to #5 are as follows:

Item	RG #1	RG #2	RG #3	RG #5
1. Average recommended employer contribution as of December 31, 2023	13.21%	37.76%	11.51%	30.60%
2. Changes due to:				
a. Investment return greater than expected after asset smoothing	(0.15%)	(0.36%)	(0.47%)	(0.32%)
b. Actual contributions (more)/less than expected ¹	(0.02%)	0.10%	0.00%	0.19%
c. Additional UAAL contributions for OCFA	0.00%	0.00%	0.00%	0.00%
d. Individual salary increases (less)/greater than expected	0.29%	0.66%	0.24%	0.10%
e. Amortizing prior year's UAAL over a (larger)/smaller than expected total payroll	(0.13%)	(1.25%)	0.00%	(1.14%)
f. COLA increases greater than expected in 2025 ²	0.01%	0.04%	0.04%	0.03%
g. Other net experience (gain)/loss ^{3,4}	0.25%	0.00%	0.15%	(0.45%)
h. Total change	0.25%	(0.81%)	(0.04%)	(1.59%)
3. Average recommended employer contribution as of December 31, 2024: 1 + 2h	13.46%	36.95%	11.47%	29.01%

¹ Includes impact of difference between actual and expected normal cost and UAAL contributions due to actual payroll different than expected during 2024.

² Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1st 2025, 2026 and 2027, for members without COLA Banks as of April 1, 2025).

³ Includes an adjustment to reflect 18-month delay between date of valuation and date of rate implementation. This adjustment is (0.22%) of payroll for RG #5.

⁴ Includes the effect of adjusting the rate to normal cost for RG#3, which was fully funded as of December 31, 2024. Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio is over 120% for the total plan and other conditions in CalPEPRA are met.

Section 4: Actuarial Valuation Basis

The reconciliation of the employer contribution rates for the General Rate Groups #9 to #12 are as follows:

Item	RG #9	RG #10	RG #11	RG #12
1. Average recommended employer contribution as of December 31, 2023	12.98%	22.81%	14.18%	13.41%
2. Changes due to:				
a. Investment return greater than expected after asset smoothing	(0.35%)	(0.37%)	(0.31%)	(0.51%)
b. Actual contributions (more)/less than expected ¹	(0.02%)	0.06%	0.08%	0.05%
c. Additional UAAL contributions for OCFA	0.00%	0.00%	0.00%	0.00%
d. Individual salary increases (less)/greater than expected	0.06%	0.45%	0.09%	(0.16%)
e. Amortizing prior year's UAAL over a (larger)/smaller than expected total payroll	0.00%	(0.38%)	(0.04%)	0.00%
f. COLA increases greater than expected in 2025 ²	0.04%	0.04%	0.03%	0.02%
g. Other net experience (gain)/loss ^{3,4}	0.35%	(0.33%)	0.16%	0.44%
h. Total change	0.08%	(0.53%)	0.01%	(0.16%)
3. Average recommended employer contribution as of December 31, 2024: 1 + 2h	13.06%	22.28%	14.19%	13.25%

¹ Includes impact of difference between actual and expected normal cost and UAAL contributions due to actual payroll different than expected during 2024.

² Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1st 2025, 2026 and 2027, for members without COLA Banks as of April 1, 2025).

³ Includes an adjustment to reflect 18-month delay between date of valuation and date of rate implementation.

⁴ Includes the effect of adjusting the rate to normal cost for RG#9 and RG#12, which were fully funded as of December 31, 2024. Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio is over 120% for the total plan and other conditions in CalPEPRA are met.

Section 4: Actuarial Valuation Basis

The reconciliation of the employer contribution rates for the Safety Rate Groups are as follows:

Item	RG #6	RG #7	RG #8
1. Average recommended employer contribution as of December 31, 2023	60.02%	57.88%	34.04%
2. Changes due to:			
a. Investment return greater than expected after asset smoothing	(0.69%)	(0.54%)	(0.56%)
b. Actual contributions (more)/less than expected ¹	0.08%	(0.56%)	(0.08%)
c. Additional UAAL contributions for OCFA	0.00%	0.00%	(0.65%)
d. Individual salary increases (less)/greater than expected ²	3.54%	2.96%	(1.00%)
e. Amortizing prior year's UAAL over a (larger)/smaller than expected total payroll ³	(2.38%)	(4.39%)	0.28%
f. COLA increases greater than expected in 2025 ⁴	0.09%	0.08%	0.06%
g. Other net experience (gain)/loss ^{5,6}	(0.15%)	(0.88%)	(0.17%)
h. Total change	0.49%	(3.33%)	(2.12%)
3. Average recommended employer contribution as of December 31, 2024: 1 + 2h	60.51%	54.55%	31.92%

¹ Includes impact of difference between actual and expected normal cost and UAAL contributions due to actual payroll different than expected during 2024.

² The average individual salary increase for continuing actives in RG #6 and RG #7 were 12.5% and 15.3%, respectively.

³ The increase in total payroll for RG #6 and RG #7 were 10.0% and 17.2%, respectively. For RG#6, the increase in total payroll was less than the 12.5% average salary increase received by the individual employees. For RG#7, the increase in total payroll was more than the 15.3% average salary increase received by the individual employees.

⁴ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1st 2025, 2026 and 2027, for members without COLA Banks as of April 1, 2025).

⁵ Includes an adjustment to reflect 18-month delay between date of valuation and date of rate implementation. This adjustment is (0.28%) of payroll for RG #7.

⁶ Effect of other experience gains for RG#7 include (0.39%) of payroll change in average normal cost rate.

Section 4: Actuarial Valuation Basis

Exhibit 6: Reconciliation of UAAL by rate group

The reconciliation of UAAL for the General Rate Groups #1 to #5 are as follows (\$ in '000s):

Line Description	RG #1	RG #2	RG #3	RG #5
1. Unfunded actuarial accrued liability at beginning of year	\$40,743	\$3,208,511	\$(8,411)	\$192,453
2. Normal cost at middle of year	22,421	294,127	18,922	28,844
3. Expected employer and member contributions	(25,672)	(660,768)	(18,922)	(51,778)
4. Interest to end of year	2,704	213,533	(589)	12,874
5. Expected unfunded actuarial accrued liability at end of year	\$40,196	\$3,055,403	\$(9,000)	\$182,393
6. Changes due to:				
a. Investment return greater than expected, after asset smoothing	\$(3,156)	\$(71,118)	\$(5,768)	\$(6,220)
b. Actual contributions (more)/less than expected under funding policy	(400)	20,435	6	3,547
c. Additional UAAL contributions from OCFA, and scheduled payments ¹ from DOE and U.C.I.	(3,386)	0	0	0
d. Individual salary increases (less)/greater than expected	4,728	135,169	2,915	1,955
e. COLA increases greater than expected in 2025 ²	183	8,233	522	651
f. Other net experience (gain)/loss	738	18,020	(655)	(4,241)
g. Total changes	\$(1,293)	\$110,739	\$(2,980)	\$(4,308)
7. Unfunded actuarial accrued liability at end of year: 5 + 6g	\$38,903	\$3,166,142	\$(11,980)	\$178,085

¹ Segal provided separate letters for DOE and U.C.I. with regard to their required UAAL contributions based on the Board's Declining Employer Payroll policy. These contributions have not been reflected in the contribution rates developed in this valuation. Segal also provided separate letters for O.C. Vector Control and Cypress Recreation and Parks with regard to their updated withdrawal liabilities based on the Board's Withdrawing Employer Policy, although no contributions were made by O.C. Vector Control and CRPD during the past calendar year. O.C. Vector Control and CRPD had no withdrawal liability as of December 31, 2023.

² Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1st 2025, 2026 and 2027, for members without COLA Banks as of April 1, 2025).

Section 4: Actuarial Valuation Basis

The reconciliation of UAAL for the General Rate Groups #9 to #12 are as follows (\$ in '000s):

Line Description	RG #9	RG #10	RG #11	RG #12
1. Unfunded actuarial accrued liability at beginning of year	\$(2,220)	\$20,920	\$347	\$(2,417)
2. Normal cost at middle of year	1,849	8,421	466	319
3. Expected employer and member contributions	(1,849)	(12,179)	(497)	(319)
4. Interest to end of year	(155)	1,368	21	(169)
5. Expected unfunded actuarial accrued liability at end of year	\$(2,375)	\$18,530	\$337	\$(2,586)
6. Changes due to:				
a. Investment return greater than expected, after asset smoothing	\$(409)	\$(1,912)	\$(93)	\$(88)
b. Actual contributions (more)/less than expected under funding policy	(24)	294	23	8
c. Additional UAAL contributions from OCFA, and scheduled payments from DOE and U.C.I.	0	0	0	0
d. Individual salary increases (less)/greater than expected	66	2,382	27	(27)
e. COLA increases greater than expected in 2025 ¹	43	232	9	3
f. Other net experience (gain)/loss	(915)	(660)	75	(61)
g. Total changes	\$(1,239)	\$336	\$41	\$(165)
7. Unfunded actuarial accrued liability at end of year: 5 + 6g	\$(3,614)	\$18,866	\$378	\$(2,751)

¹ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1st 2025, 2026 and 2027, for members without COLA Banks as of April 1, 2025).

Section 4: Actuarial Valuation Basis

The reconciliation of UAAL for the Safety Rate Groups are as follows (\$ in '000s):

Line Description	RG #6	RG #7	RG #8
1. Unfunded actuarial accrued liability at beginning of year	\$167,443	\$913,315	\$122,072
2. Normal cost at middle of year	21,596	119,502	67,493
3. Expected employer and member contributions	(42,908)	(230,305)	(90,080)
4. Interest to end of year	11,275	60,158	7,736
5. Expected unfunded actuarial accrued liability at end of year	\$157,406	\$862,670	\$107,221
6. Changes due to:			
a. Investment return greater than expected, after asset smoothing	\$(5,881)	\$(26,527)	\$(13,718)
b. Actual contributions (more)/less than expected under funding policy	654	(27,727)	(2,003)
c. Additional UAAL contributions from OCFA and CRPD, and scheduled payments from DOE and U.C.I.	0	0	(16,158)
d. Individual salary increases (less)/greater than expected	30,217	145,778	(24,843)
e. COLA increases greater than expected in 2025 ¹	755	3,704	1,422
f. Other net experience (gain)/loss	(83)	(9,724)	2,444
g. Total changes	\$25,662	\$85,504	\$(52,856)
7. Unfunded actuarial accrued liability at end of year: 5 + 6g	\$183,068	\$948,174	\$54,365

¹ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1st 2025, 2026 and 2027, for members without COLA Banks as of April 1, 2025).

Appendix A: Definition of Pension Terms

The following list defines certain technical terms for the convenience of the reader:

Term	Definition
Actuarial accrued liability for actives	The equivalent of the accumulated normal costs allocated to the years before the valuation date.
Actuarial accrued liability for retirees and beneficiaries	Actuarial present value of lifetime benefits to existing retirees and beneficiaries. This sum takes account of life expectancies appropriate to the ages of the annuitants and the interest that the sum is expected to earn before it is entirely paid out in benefits.
Actuarial cost method	A procedure allocating the actuarial present value of future benefits to various time periods; a method used to determine the normal cost and the actuarial accrued liability that are used to determine the actuarially determined contribution.
Actuarial gain or loss	A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions, during the period between two actuarial valuation dates. To the extent that actual experience differs from that assumed, actuarial accrued liabilities emerge which may be the same as forecasted or may be larger or smaller than projected. Actuarial gains are due to favorable experience, e.g., assets earn more than projected, salary increases are less than assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, actuarial losses are the result of unfavorable experience, i.e., actual results yield actuarial liabilities that are larger than projected.
Actuarially equivalent	Of equal actuarial present value, determined as of a given date and based on a given set of actuarial assumptions.
Actuarial present value	The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of actuarial assumptions. Each such amount or series of amounts is: Adjusted for the probable financial effect of certain intervening events (such as changes in compensation levels, marital status, etc.) Multiplied by the probability of the occurrence of an event (such as survival, death, disability, withdrawal, etc.) on which the payment is conditioned, and Discounted according to an assumed rate (or rates) of return to reflect the time value of money.

Appendix A: Definition of Pension Terms

Term	Definition
Actuarial present value of future benefits	The actuarial present value of benefit amounts expected to be paid at various future times under a particular set of actuarial assumptions, taking into account such items as the effect of advancement in age, anticipated future compensation, and future service credits. The actuarial present value of future benefits includes the liabilities for active members, retired members, beneficiaries receiving benefits, and inactive members entitled to either a refund of member contributions or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
Actuarial valuation	The determination, as of a valuation date, of the Normal cost, actuarial accrued liability, actuarial value of assets, and related actuarial present values for a plan, as well as actuarially determined contributions.
Actuarial value of assets	The value of the Plan's assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets, but commonly plans use a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially determined contribution.
Actuarially determined	Values that have been determined utilizing the principles of actuarial science. An actuarially determined value is derived by application of the appropriate actuarial assumptions to specified values determined by provisions of the Plan.
Actuarially determined contribution	The employer's contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under the Plan's funding policy. The actuarially determined contribution consists of the employer normal cost and the amortization payment.
Amortization method	A method for determining the amortization payment. The most common methods used are level dollar and level percentage of payroll. Under the level dollar method, the amortization payment is one of a stream of payments, all equal, whose actuarial present value is equal to the unfunded actuarial accrued liability. Under the level percentage of pay method, the amortization payment is one of a stream of increasing payments, whose actuarial present value is equal to the unfunded actuarial accrued liability. Under the level percentage of pay method, the stream of payments increases at the assumed rate at which total covered payroll of all active members will increase.
Amortization payment	The portion of the pension plan contribution, or actuarially determined contribution, that is intended to pay off the unfunded actuarial accrued liability.
Assumptions or actuarial assumptions	<p>The estimates upon which the cost of the Plan is calculated, including:</p> <p>Investment return — the rate of investment yield that the Plan will earn over the long-term future;</p> <p>Mortality rates — the rate or probability of death at a given age for employees and retirees;</p> <p>Retirement rates — the rate or probability of retirement at a given age or service;</p> <p>Disability rates — the rate or probability of disability retirement at a given age;</p> <p>Withdrawal rates — the rate or probability at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement;</p> <p>Salary increase rates — the rates of salary increase due to inflation, real wage growth and merit and promotion increases.</p>

Appendix A: Definition of Pension Terms

Term	Definition
Closed amortization period	A specific number of years that is counted down by one each year, and therefore declines to zero with the passage of time. For example, if the amortization period is initially set at 20 years, it is 19 years at the end of one year, 18 years at the end of two years, etc. See “open amortization period.”
Decrements	Those causes/events due to which a member’s status (active-inactive-retiree-beneficiary) changes, that is: death, retirement, disability, or withdrawal.
Defined benefit plan	A retirement plan in which benefits are defined by a formula based on the member’s compensation, age and/or years of service.
Defined contribution plan	A retirement plan, such as a 401(k) plan, a 403(b) plan, or a 457 plan, in which the contributions to the plan are assigned to an account for each member, the plan’s earnings are allocated to each account, and each member’s benefits are a direct function of the account balance.
Employer normal cost	The portion of the normal cost to be paid by the employer. This is equal to the normal cost less expected member contributions.
Experience study	A periodic review and analysis of the actual experience of the Plan that may lead to a revision of one or more actuarial assumptions. Actual rates of decrement and salary increases are compared to the actuarially assumed values and modified based on recommendations from the Actuary.
Funded ratio	The ratio of the valuation value of assets to the actuarial accrued liability. Plans sometimes also calculate a market funded ratio, using the market value of assets, rather than the valuation value of assets.
GASB 67 and GASB 68	Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68. These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
Investment return	The rate of earnings of the Plan from its investments, including interest, dividends and capital gain and loss adjustments, computed as a percentage of the average value of the fund. For actuarial purposes, the investment return often reflects a smoothing of the capital gains and losses to avoid significant swings in the value of assets from one year to the next.
Negative amortization	Negative amortization is a result of an increase in the unfunded actuarial accrued liability when the amortization payment is less than the interest accrued on the unfunded actuarial accrued liability.
Net pension liability	The net pension liability is equal to the total pension liability minus the plan fiduciary net position.
Normal cost	The portion of the actuarial present value of future benefits and expenses, if applicable, allocated to a valuation year by the actuarial cost method. Any payment with respect to an unfunded actuarial accrued liability is not part of the normal cost (see “amortization payment”). For pension plan benefits that are provided in part by employee contributions, normal cost refers to the total of member contributions and employer normal cost unless otherwise specifically stated.

Appendix A: Definition of Pension Terms

Term	Definition
Open amortization period	An open amortization period is one which is used to determine the amortization payment but which does not change over time. If the initial period is set as 30 years, the same 30-year period is used in each future year in determining the amortization period.
Plan fiduciary net position	Market value of assets.
Service costs	The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.
Total pension liability	The actuarial accrued liability under the entry age normal cost method and based on the blended discount rate as described in GASB 67 and 68.
Unfunded actuarial accrued liability	The excess of the actuarial accrued liability over the valuation value of assets. This value may be negative, in which case it may be expressed as a negative unfunded actuarial accrued liability, also called the funding surplus or an overfunded actuarial accrued liability.
Valuation date or actuarial valuation date	The date as of which the value of assets is determined and as of which the Actuarial Present Value of Future Benefits is determined. The expected benefits to be paid in the future are discounted to this date.
Valuation value of assets	The actuarial value of assets reduced by the value of non-valuation reserves.

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2024 Financial Statement Audit

Presented on June 16, 2025

Brenda Shott, Tracy Bowman, and Jennifer Reyes



Recommendation

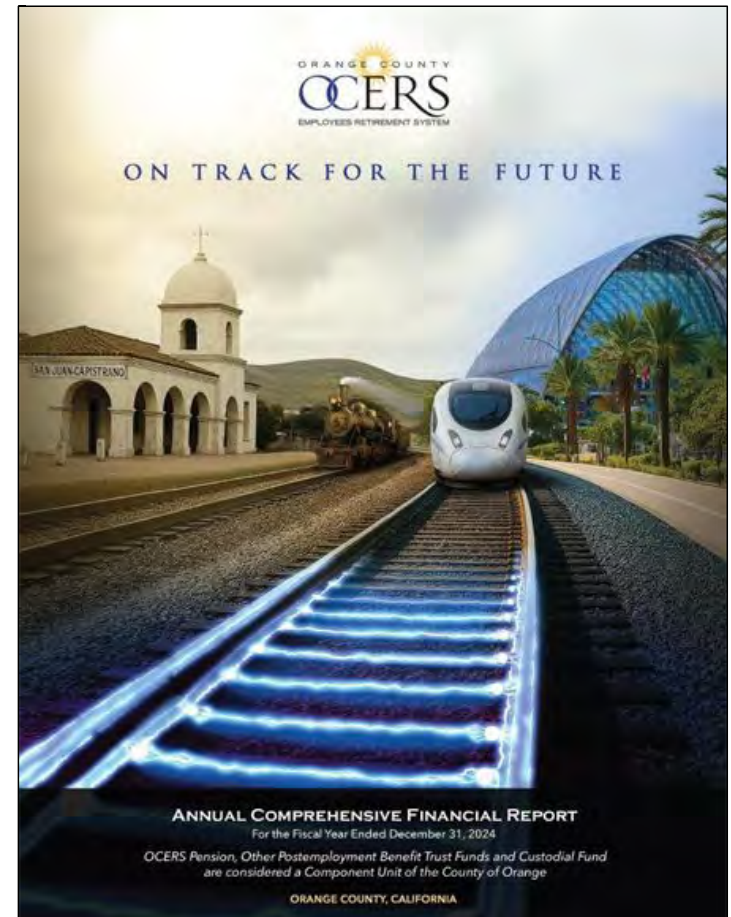
Approve the following recommendations presented to the Audit Committee during a meeting held on June 9, 2025:

1. Approve OCERS' audited financial statements for the year ended December 31, 2024
2. Direct staff to finalize OCERS' 2024 Annual Comprehensive Financial Report (Annual Report)
3. Approve the Governmental Accounting Standards Board (GASB) Statement 67 Actuarial Valuation as of December 31, 2024
4. Receive and file Moss Adams LLP's (Moss Adams) "OCERS' Report to the Audit Committee for the Year Ended December 31, 2024" and their "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards"



2024 Annual Report

- Fourth year audit was performed by Moss Adams
- Preliminary unaudited financial statements provided to the Board in March
 - No material changes reflected in final audited version included in the Annual Report
- Theme: **On Track for the Future**
- Adopted GASB 101, *Compensated Absences*



Financial Highlights – MD&A

- Net position in 2024 totaled **\$24.6 billion**, an **increase of \$2.2 billion** or 10.0% from the prior year
- Total additions increased 4.4% from \$3.4 billion in 2023 to \$3.6 billion in 2024
 - Net investment income of \$2.4 billion or 10.0% vs. \$2.4 billion or 11.4% in the prior year
 - Employee and employer contributions of approximately \$1.2 billion
- Total deductions increased 5.5% from \$1.3 billion in 2023 to \$1.4 billion in 2024
 - Member pension benefit payments increased 5.4% from \$1.2 billion in 2023 to \$1.3 billion in 2024

Table 2 : Changes in Fiduciary Net Position
For the Years Ended December 31, 2024 and 2023
(Dollars in Thousands)

	12/31/2024	12/31/2023	Increase / (Decrease)	Percentage Change
Additions				
Employer Pension Contributions	\$ 846,363	\$ 749,776	\$ 96,587	12.9%
Employer Health Care Contributions	36,992	26,245	10,747	40.9%
Employee Pension Contributions	302,545	277,455	25,090	9.0%
Employer OPEB Contributions	17,669	794	16,875	2,125.3%
Net Investment Income	2,387,881	2,384,772	3,109	0.1%
Total Additions	3,591,450	3,439,042	152,408	4.4%
Deductions				
Participant Benefits - Pension	1,265,617	1,200,307	65,310	5.4%
Participant Benefits - Health Care	43,620	43,994	(374)	-0.9%
Death Benefits	1,593	1,190	403	33.9%
Member Withdrawals and Refunds	18,200	14,751	3,449	23.4%
Employer OPEB Payments	1,754	1,531	223	14.6%
Administrative Expenses - Pension	31,181	29,056	2,125	7.3%
Administrative Expenses - Health Care and Employer	69	70	(1)	-1.4%
Total Deductions	1,362,034	1,290,899	71,135	5.5%
Increase in Net Position Restricted for Pension, Other Postemployment Benefits and Employer	2,229,416	2,148,143	81,273	3.8%
Net Position Restricted for Pension, Other Postemployment Benefits and Employer				
Beginning of the Year	22,359,110	20,210,967		
End of the Year	\$ 24,588,526	\$ 22,359,110		



Financial Highlights – MD&A (continued)

Table 3 : Membership Data As of December 31, 2024 and 2023				
	12/31/2024	12/31/2023	Increase	Percentage Change
Active Members	23,368	22,782	586	2.6%
Retired Members	21,740	21,283	457	2.1%
Deferred Members	9,377	8,579	798	9.3%
Total Membership	54,485	52,644	1,841	3.5%

- Increases in member pension benefit payments can be attributed to a net increase in the number of retirees receiving a benefit
 - Number of retirees increased by 2.1% or 457, for a total of 21,740 payees as of December 31, 2024
 - The average annual benefit paid to retired members and beneficiaries during 2024 was \$58,216 vs. \$56,397 in 2023, an increase of 3.2%

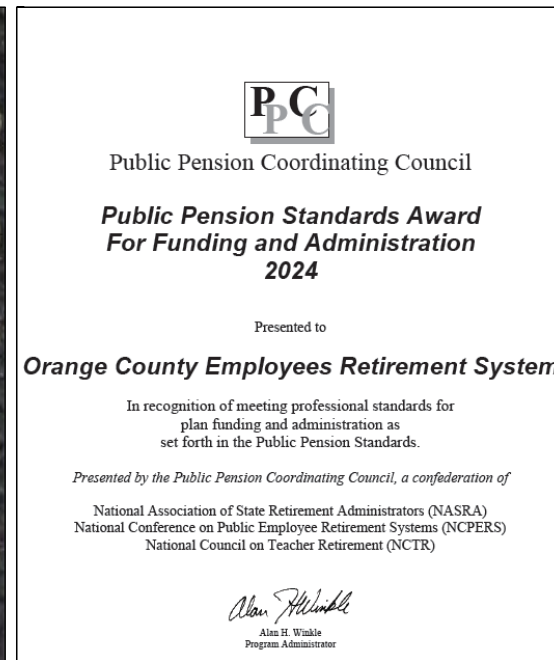
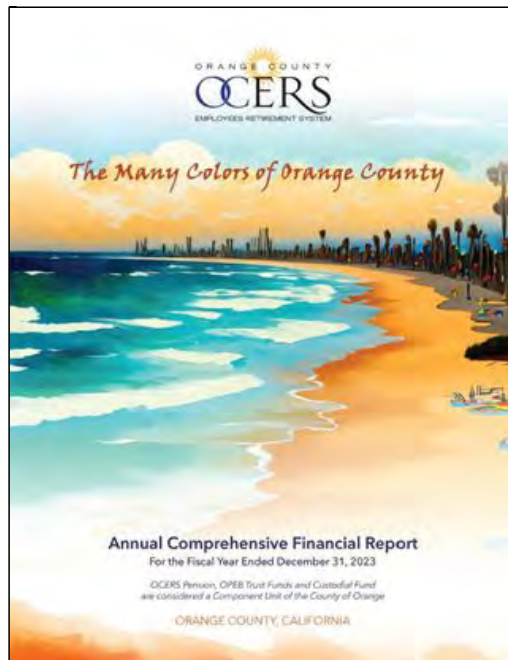


Financial Highlights – MD&A (continued)

- Annual Report includes information from the December 31, 2023 funding valuation, which is the most currently available information at the time the Annual Report is completed
 - Funding status based on actuarial value of assets (which smooths market gains and losses over five years) was 82.6% versus 80.8% if market gains and losses were recognized immediately
 - In comparison, in the December 31, 2024, funding valuation to be presented at the June Board meeting, the funding status based on actuarial value of assets was 83.8% versus 84.2% if market gains and losses were recognized immediately



2023 Annual Report Awards



GASB 67

- GASB 67 Valuation is prepared by Segal for *reporting purposes only*
 - Information is incorporated into the Notes (Note 8) and Required Supplementary Information sections of the Annual Report
 - Total Pension Liability (TPL) is based on rolling forward the TPL from the 2023 valuation to the December 31, 2024, measurement date
- 2024 Net Pension Liability (NPL) decreased from \$4.8 billion to \$4.0 billion, primarily due to higher-than-expected returns
 - 2024 NPL is amount used in GASB 68 proportionate share calculation



Conclusion

Questions?



Thank you!



Brenda Shott

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**Please refer to the Financial Reports on the
OCERS' website**

(<https://www.ocers.org/financial-reports>)

**to view the final version of the audited
financial statements included in the Annual
Comprehensive Financial Report for the
Fiscal Year Ended December 31, 2024.**

Orange County Employees Retirement System (OCERS)

**Governmental Accounting Standards Board
Statement No. 67 Actuarial Valuation as of
December 31, 2024**



This valuation report should only be copied, reproduced, or shared with other parties in its entirety as necessary for the proper administration of the Plan.

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Segal



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May 15, 2025

Board of Retirement
Orange County Employees Retirement System
2223 Wellington Avenue
Santa Ana, CA 92701

Dear Board Members:

We are pleased to submit this Governmental Accounting Standards Board Statement No. 67 (GASB 67) Actuarial Valuation as of December 31, 2024 for the Orange County Employees Retirement System ("OCERS" or "the Plan"). It contains various information that will need to be disclosed in order to comply with GASB 67. Please refer to OCERS' Actuarial Valuation and Review as of December 31, 2023 for the data and OCERS' Actuarial Valuation and Review as of December 31, 2024 for the assumptions and plan of benefits underlying these calculations.

This report has been prepared in accordance with generally accepted actuarial principles and practices for the exclusive use and benefit of the Board of Retirement (the Board), based upon information provided by the staff of the Plan and the Plan's other service providers.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and changes in plan provisions or applicable law.

The actuarial calculations were completed under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary. We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in the actuarial valuation is complete and accurate. The assumptions used in this actuarial valuation were selected by the Board of Retirement based upon our analysis and recommendations. In our opinion, the assumptions are reasonable and take into account the experience of OCERS and reasonable expectations. In addition, in our opinion, the combined effect of these assumptions is expected to have no significant bias.

Board of Retirement
May 15, 2025
Page 3

Segal makes no representation or warranty as to the future status of the Plan and does not guarantee any particular result. This document does not constitute legal, tax, accounting or investment advice or create or imply a fiduciary relationship. The Board is encouraged to discuss any issues raised in this report with the Plan's legal, tax and other advisors before taking, or refraining from taking, any action.

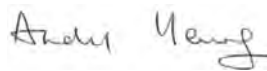
We look forward to reviewing this report with you and to answering any questions.

Sincerely,

Segal



Todd Tauzer, FSA, MAAA, FCA, CERA
Senior Vice President and Actuary



Andy Yeung, ASA, MAAA, FCA, EA
Vice President and Actuary



Molly Calcagno, ASA, MAAA, EA
Senior Actuary

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Section 1: Actuarial Valuation Summary

Purpose and basis

This report has been prepared by Segal to present certain disclosure information required by Governmental Accounting Standards Board Statement No. 67 (GASB 67) as of December 31, 2024. This report is based on:

- The benefit provisions of OCERS, as administered by the Board;
- The characteristics of covered active, inactive, and retired members and beneficiaries as of December 31, 2023, provided by the staff of OCERS;
- The assets of the Plan as of December 31, 2024, provided by the staff of OCERS;
- Economic assumptions regarding future salary increases and investment earnings adopted by the Board for the December 31, 2024 funding valuation; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc. adopted by the Board for the December 31, 2024 funding valuation.

General observations on a GASB 67 actuarial valuation

1. The Governmental Accounting Standards Board (GASB) rules only define pension liability and expense for financial reporting purposes, they do not apply to contribution amounts for pension funding purposes. Employers and plans should continue to develop and adopt funding policies under current practices.
2. When measuring pension liability, GASB uses the same actuarial cost method (Entry Age method) and the same type of discount rate (expected return on assets) as OCERS uses for funding. This means that the Total Pension Liability (TPL) measure for financial reporting shown in this report is generally determined on the same basis as OCERS' Actuarial Accrued Liability (AAL) measure for funding. We note that the same is generally true for the service cost for financial reporting shown in this report and the normal cost component of the annual plan cost for funding.
3. The Net Pension Liability (NPL) is equal to the difference between the TPL and the Plan Fiduciary Net Position (FNP). The Plan FNP is equal to the fair value of assets and therefore, the NPL measure is very similar to an Unfunded Actuarial Accrued Liability (UAAL) on a market value basis.

Section 1: Actuarial Valuation Summary

Highlights of the valuation

1. The reporting date for the Plan is December 31, 2024 and the NPL was measured as of the same date. The TPL was determined based upon rolling forward the TPL from the actuarial funding valuation as of December 31, 2023 while the Plan FNP was valued as of the measurement date.
2. The NPL decreased from \$4,846.7 million as of December 31, 2023 to \$3,974.7 million as of December 31, 2024 primarily due to a return on the market value of assets of 10.7%¹ during calendar year 2024 that was more than the assumption of 7.00% used in the December 31, 2023 valuation (a gain of about \$812 million). Changes in these values during the last two calendar years can be found in *Section 2, Exhibit 3: Schedule of changes in Net Pension Liability* on page 20.
3. The discount rate used to measure the TPL as of December 31, 2024 was 7.00%, following the same assumptions used by OCERS in the actuarial funding valuation as of December 31, 2024. The detailed calculations used in the derivation of the 7.00% discount rate can be found in *Appendix A*. Various other information that is required to be disclosed can be found throughout *Section 2*.
4. The Plan FNP of \$23,961,991,000 as of December 31, 2024 is equal to the final market value of assets in the Pension Trust Fund as of December 31, 2024. This differs from the \$23,789,296,000 market value of assets used in our December 31, 2024 funding valuation because the market value of assets in the funding valuation excludes \$155,101,000 in the County Investment Account and \$17,594,000 in O.C. Sanitation District UAAL Deferred Account.
5. On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association (ACERA) and Board of Retirement at ACERA. That decision has important implications for OCERS and its members. In particular, the decision requires pension systems like OCERS to exclude certain pay items from a legacy member's compensation earnable. It should be noted that as of December 31, 2024, OCERS has refunded contributions previously paid by certain members in conjunction with such pay items and changed benefit amounts previously determined using those pay items. We have continued to adjust the liabilities in our actuarial funding valuation to reflect the modification in the benefit amounts as provided in the membership data as of December 31, 2024. However, as the TPL in this valuation has been rolled forward using the membership data as of December 31, 2023, any modification in the benefit amounts reported in the membership data as of December 31, 2024 will not be reflected in the TPL until the next valuation.

¹ As documented in the funding valuation report, return on the market value was calculated using a modified dollar-weighted approach based on pension plan assets net of accounting liabilities. Actual investment return on net pension plan assets was \$2,280,223,000 during 2024 after including both the administrative expenses and discount for prepaid contributions while excluding the gains credited to County Investment Account and O.C. Sanitation District UAAL Deferred Account. Without these adjustments, the actual investment return was \$2,332,245,000.

Section 1: Actuarial Valuation Summary

Summary of key valuation results

Line Description	Current Year	Prior Year
Reporting and Measurement Date	December 31, 2024	December 31, 2023
Disclosure elements		
Service cost ¹	\$564,605,045	\$536,399,540
Total Pension Liability	27,936,684,748	26,644,141,574
Plan Fiduciary Net Position	23,961,991,000	21,797,429,000
Net Pension Liability	3,974,693,748	4,846,712,574
Schedule of contributions		
Actuarially determined contributions	\$830,734,000	\$736,016,000
Actual contributions ²	846,363,000	749,776,000
Contribution deficiency / (excess) ³	(15,629,000)	(13,760,000)
Demographic data⁴		
Number of retired members and beneficiaries	21,740	21,283
Number of inactive members ⁵	9,377	8,579
Number of active members	23,368	22,782
Key assumptions		
Investment rate of return	7.00%	7.00%
Inflation rate	2.50%	2.50%
"Across-the-board" salary increase	0.50%	0.50%
Projected salary increases ⁶	General: 3.90% to 10.25% Safety: 4.50% to 15.00%	General: 3.90% to 10.25% Safety: 4.50% to 15.00%
Cost-of-living adjustments	2.75% of retirement income	2.75% of retirement income

¹ The service cost is based on the previous year's valuation, meaning the service cost as of the December 31, 2024 and December 31, 2023 measurement dates are based on the valuations as of December 31, 2023 and December 31, 2022, respectively. The 2024 service cost has been calculated using the assumptions shown in the December 31, 2023 column and the 2023 service cost has been calculated using the assumptions in the December 31, 2022 valuation. Please refer to the note on the next page for the assumptions used for the 2023 service cost.

² Reduced by discount for prepaid contributions and transfer from County Investment Account, if any.

³ Includes additional contributions made by employers toward the reduction of their UAAL. Details are shown in *Section 2, Exhibit 3 - Schedule of employer contributions* on page 21.

⁴ Data shown as of the December 31, 2023 measurement date is used in the measurement of the TPL as of December 31, 2024.

⁵ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

⁶ Includes inflation at 2.50% plus "across-the-board" salary increase of 0.50% plus merit and promotion increases that vary by service.

Section 1: Actuarial Valuation Summary

Note to footnote 1 from prior page

The 2023 service cost has been calculated using the following assumptions as of December 31, 2022:

- Investment rate of return 7.00%
- Inflation rate 2.50%
- “Across-the-board” salary increase 0.50%
- Projected salary increases

General:	4.00% to 11.00%
Safety:	4.60% to 15.00%

 - Projected salary increases include inflation at 2.50% plus across-the-board salary increase of 0.50% plus merit and promotion increases that vary by service
- Cost-of-living adjustments 2.75% of retirement income

Section 1: Actuarial Valuation Summary

Important information about actuarial valuations

In order to prepare a valuation, Segal relies on a number of input items. These include:

Input Item	Description
Plan provisions	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. It is important to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report (as well as the plan summary included in our funding valuation report) to confirm that Segal has correctly interpreted the plan of benefits.
Member information	An actuarial valuation for a plan is based on data provided to the actuary by OCERS. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
Financial information	The valuation is based on the fair value of assets as of the measurement date, as provided by the staff of OCERS.
Actuarial assumptions	In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan members for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of members in each year, as well as forecasts of the plan's benefits for each of those events. In addition, the benefits forecasted for each of those events in each future year reflect actuarial assumptions as to salary increases and cost-of-living adjustments (if applicable). The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan's assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions are selected within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model may use approximations and estimates that will have an immaterial impact on our results. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.
Actuarial models	<p>Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.</p> <p>The blended discount rate used for calculating TPL is based on a model developed by our Actuarial Technology and Systems unit, comprised of both actuaries and programmers. The model allows the client team, under the supervision of the responsible actuary, control over the entry of future expected contribution income, benefit payments and administrative expenses. The projection of fiduciary net position and the discounting of benefits is part of the model.</p>

Section 1: Actuarial Valuation Summary

The user of Segal's actuarial valuation (or other actuarial calculations) should keep the following in mind:

- The actuarial valuation is prepared at the request of the Board. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- An actuarial valuation is a measurement at a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted.
- If OCERS is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.
- Segal does not provide investment, legal, accounting or tax advice and is not acting as a fiduciary to the Plan. This valuation is based on Segal's understanding of applicable guidance in these areas and of the Plan's provisions, but they may be subject to alternative interpretations. The Board should look to their other advisors for expertise in these areas.
- While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.
- Segal's report shall be deemed to be final and accepted by OCERS upon delivery and review. OCERS should notify Segal immediately of any questions or concerns about the final content.

Section 2: GASB 67 Information

General information about the pension plan

Plan administration

The Orange County Employees Retirement System (“OCERS” or “the Plan”) was established by the County of Orange in 1945. OCERS is administered by the Board of Retirement and governed by the County Employees’ Retirement Law of 1937 (California Government Code Section 31450 et. seq.).

OCERS is a cost-sharing multiple employer public employee retirement system whose main function is to provide service retirement, disability, death and survivor benefits to the Safety and General members employed by the County of Orange. OCERS also provides retirement benefits to the employee members of the Orange County Courts, the Orange County Retirement System, two cities and thirteen special districts.

The management of OCERS is vested with the Orange County Board of Retirement (the Board). The Board consists of nine members and one alternate:

- The County Treasurer is a member of the Board by law;
- Four members are appointed by the Board of Supervisors, one of whom may be a County Supervisor;
- Two members are elected by the General membership;
- One member and one alternate are elected by the Safety membership; and
- One member is elected by the retired members of the System.

All members of the Board of Retirement serve terms of three years except for the County Treasurer whose term runs concurrent with the County Treasurer term.

Section 2: GASB 67 Information

Plan membership

At December 31, 2024, pension plan membership consisted of the following:

Membership	Count
Retired members and beneficiaries	21,740
Inactive members ¹	9,377
Active members	23,368
Total	54,485

Note: Data as of December 31, 2024 is not used in the measurement of the TPL as of December 31, 2024.

Benefits provided

OCERS provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the County of Orange or contracting agencies who work a minimum of 20 hours per week become members of OCERS effective on the first day of employment in an eligible position. There are separate retirement plans for General and Safety member employees. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain probation officers. All other employees are classified as General members.

Any new member who becomes a member on or after January 1, 2013 is designated as PEPRA General or PEPRA Safety and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code 7522 et seq.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier. Final average compensation consists of the highest 12 consecutive months for a General Tier 1 or Safety Tier 1 member and the highest 36 consecutive months for a General Tier 2, General PEPRA, Safety Tier 2 or Safety PEPRA member. For members with membership dates before January 1, 2013, including all members of Plan T and Plan W hired on or after January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. There is no maximum for members with membership dates on or after January 1, 2013, excluding members of Plan T and Plan W.

The member may elect an unmodified retirement allowance or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date. Certain surviving spouses or domestic partners may also be eligible if marriage or domestic partnership was at least

¹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 2: GASB 67 Information

two years prior to the date of death and the surviving spouse or domestic partner has attained age 55. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

OCERS provides an annual cost-of-living adjustment (COLA) benefit to all retirees. The COLA, based upon the ratio of the past two annual Consumer Price Indices for All Urban Consumers for the Los Angeles-Long Beach-Anaheim Area, is capped at 3.0%.

General members

General members hired prior to January 1, 2013, including all members of Plan T and Plan W hired on or after January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of retirement service credit is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, excluding members of Plan T and Plan W, are eligible to retire once they have attained the age of 52, and have acquired 5 years of retirement service credit. All General members can also retire at the age of 70 regardless of service.

General member benefits are calculated pursuant to the provisions of Sections 31676.01, 31676.1, 31676.12, 31676.16, 31676.18 or 31676.19. For Section 31676.01, the monthly allowance is equal to one-ninetieth of final average compensation times years of accrued retirement service credit times age factor from that Section. For Section 31676.1, the monthly allowance is equal to one-sixtieth of final average compensation times years of accrued retirement service credit times age factor from that Section. For Sections 31676.12, 31676.16, 31676.18 or 31676.19, the monthly allowance is equal to one-fiftieth of final average compensation times years of accrued retirement service credit times age factor from the corresponding Section. General member benefits for those who are first hired on or after January 1, 2013, excluding members of Plan T and Plan W, are calculated pursuant to the provision of California Government Code Section 7522.20(a). The monthly allowance is equal to the final average compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

Safety members

Safety members hired prior to January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of retirement service credit is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 50, and have acquired 5 years of retirement service credit. All Safety members can also retire at the age of 70 regardless of service.

Safety member benefits are calculated pursuant to the provisions of California Government Code Sections 31664.1 and 31664.2. The monthly allowance is equal to 3% of final average compensation times years of accrued retirement service credit times age factor from the corresponding Section. Safety member benefits for those who are first hired on or after January 1, 2013, are

Section 2: GASB 67 Information

calculated pursuant to the provision of California Government Code Section 7522.25(d). The monthly allowance is equal to the final average compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.25(d).

Contributions

The County of Orange and contracting agencies contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from OCERS' actuary after the completion of the annual actuarial valuation. The average employer contribution rate for the first six months of calendar year 2024 or the second half of fiscal year 2023-2024 (based on the December 31, 2021 valuation) was 37.82%¹ of compensation. The average employer contribution rate for the last six months of calendar year 2024 or the first half of fiscal year 2024-2025 (based on the December 31, 2022 valuation) was 38.71%¹ of compensation.

All members are required to make contributions to OCERS regardless of the retirement plan or tier in which they are included. The average member contribution rate for the first six months of calendar year 2024 or the second half of fiscal year 2023-2024 (based on the December 31, 2021 valuation) was 12.08%² of compensation. The average member contribution rate for the last six months of calendar year 2024 or the first half of fiscal year 2024-2025 (based on the December 31, 2022 valuation) was 12.08%² of compensation.

¹ These employer contribution rates may be higher or lower than the composite rate for 2024 as shown on page 21 of this report because these rates have not been adjusted to reflect any pick-ups or reverse pick-ups. These employer contribution rates also do not reflect any change in proportion of payroll between the membership groups as well as the shift in payroll to the lower cost plans from the valuation date to the date of rate implementation.

² It should be noted that these member contribution rates provided above have not been adjusted to reflect any pick-ups or reverse pick-ups.

Section 2: GASB 67 Information

Exhibit 1: Net Pension Liability

Line Description	Current Year	Prior Year
Reporting and Measurement Date	December 31, 2024	December 31, 2023
Components of the Net Pension Liability		
Total Pension Liability	\$27,936,684,748	\$26,644,141,574
Plan Fiduciary Net Position	(23,961,991,000)	(21,797,429,000)
Net Pension Liability	\$3,974,693,748	\$4,846,712,574
Plan Fiduciary Net Position as a percentage of the Total Pension Liability ¹	85.77%	81.81%

The NPL for the Plan in this valuation was measured as of December 31, 2024. The Plan FNP was valued as of the measurement date and the TPL was determined based upon rolling forward the TPL from the actuarial funding valuation as of December 31, 2023.

Plan provisions

The plan provisions used in the measurement of the NPL as of December 31, 2024 are the same as those used in OCERS' actuarial funding valuation as of December 31, 2024.

Actuarial assumptions

The TPL as of December 31, 2024 uses the same actuarial assumptions as the actuarial funding valuation as of December 31, 2024. The actuarial assumptions used in that valuation were based on the results of an experience study for the period January 1, 2020 through December 31, 2022 and they are the same assumptions used starting with the December 31, 2023 funding valuation for OCERS. In particular, the following actuarial assumptions were applied to all periods included in the measurement:

¹ These funded percentages are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligation or the need for or the amount of future contributions.

Section 2: GASB 67 Information

Assumption Type	Assumption
Investment rate of return ¹	7.00%, net of pension plan investment expense, including inflation
Inflation rate	2.50%
“Across-the-board” salary increase	0.50%
Salary increases	General: 3.90% to 10.25% Safety: 4.50% to 15.00% The above salary increases vary by service and include inflation and “across-the-board” salary increase
Cost-of-living adjustments	Retiree COLA increases of 2.75% per year For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter
Other assumptions	See analysis of actuarial experience during the period January 1, 2020 through December 31, 2022

Detailed information regarding all actuarial assumptions can be found in the December 31, 2024 Actuarial Valuation and Review.

¹ Note that the investment return assumption of 7.00% was developed net of both investment and administrative expenses for funding purposes in the January 1, 2020 through December 31, 2022 Actuarial Experience Study. However, for financial reporting, the same investment return assumption has been used and is considered gross of administrative expenses. This results in an increase in the margin for adverse deviation component of the investment return assumption when used for financial reporting purposes.

Section 2: GASB 67 Information

Exhibit 2: Discount rate

Determination of discount rate and investment rate of return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected arithmetic real rates of return (expected returns, net of inflation and, beginning with the December 31, 2023 measurement date, any applicable investment management expenses) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return for the portfolio by weighting the expected arithmetic real rates of return by the target asset allocation percentage, adding expected inflation, subtracting expected investment management expenses¹ and further adjusted by a risk margin. Beginning with December 31, 2023, this portfolio return is further adjusted to an expected geometric real rate of return for the portfolio.

The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class (after deducting inflation and applicable investment management expenses), are shown in the following table. This information was used in the derivation of the long-term expected investment rate of return assumption for the actuarial funding valuation as of December 31, 2024. This information will be subject to change every three years based on the results of an actuarial experience study.

¹ Investment management expenses include investment consulting fees, custodian fees and other miscellaneous investment expenses, and excludes investment manager fees.

Section 2: GASB 67 Information

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return ¹
Global Equity	45.00%	7.05%
Investment Grade Bonds	9.00%	1.97%
High Yield Bond	0.50%	4.63%
TIPS	2.00%	1.77%
Emerging Market Debt	0.50%	4.72%
Long-Term Government Bonds	3.30%	2.82%
Real Estate	3.00%	3.86%
Private Equity	15.00%	9.84%
Private Credit	3.50%	6.47%
Value Added Real Estate	3.00%	7.38%
Opportunistic Real Estate	1.00%	9.74%
Energy	2.00%	10.89%
Infrastructure (Core Private)	1.00%	5.98%
Infrastructure (Non-Core Private)	3.00%	8.88%
Global Macro	1.70%	3.17%
CTA (Trend Following)	3.30%	3.15%
Alternative Risk Premia	1.70%	3.24%
Special Situations Lending	1.50%	8.96%
Total	100.00%	6.55%

¹ Arithmetic real rates of return are net of inflation.

Section 2: GASB 67 Information

Discount rate

The discount rate used to measure the TPL was 7.00% as of December 31, 2024.

The projection of cash flows used to determine the discount rate assumes member contributions will be made at the current contribution rates and that employer contributions will be made at rates equal to the actuarially determined contribution rates.¹ Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan FNP was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2024.

Discount rate sensitivity

The following presents the NPL of OCERS as of December 31, 2024 calculated using the current discount rate of 7.00%, as well as what OCERS' NPL would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate.

Line Description	1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Net Pension Liability (Asset)	\$7,779,139,697	\$3,974,693,748	\$863,479,574

¹ For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included.

Section 2: GASB 67 Information

Exhibit 3: Schedule of changes in Net Pension Liability

Line Description	Current Year	Prior Year
Reporting and Measurement Date	December 31, 2024	December 31, 2023
Total Pension Liability		
Service cost	\$564,605,045	\$536,399,540
Interest	1,859,622,913	1,750,651,189
Change of benefit terms	0	0
Differences between expected and actual experience	153,725,216	326,785,307
Changes of assumptions or other inputs	0	165,526,367
Benefit payments, including refunds of member contributions	(1,285,410,000)	(1,216,248,000)
Transfer of members among Rate Groups	0	0
Other	0	0
Net change in Total Pension Liability	\$1,292,543,174	\$1,563,114,403
Total Pension Liability — beginning	\$26,644,141,574	25,081,027,171
Total Pension Liability — ending	\$27,936,684,748	\$26,644,141,574
Plan Fiduciary Net Position		
Contributions — employer ¹	\$846,363,000	\$749,776,000
Contributions — member	302,545,000	277,455,000
Net investment income	2,332,245,000	2,325,481,000
Benefit payments, including refunds of member contributions	(1,285,410,000)	(1,216,248,000)
Transfer of members among Rate Groups	0	0
Administrative expense	(31,181,000)	(29,056,000)
Other	0	0
Net change in Plan Fiduciary Net Position	\$2,164,562,000	\$2,107,408,000
Plan Fiduciary Net Position — beginning	21,797,429,000	19,690,021,000
Plan Fiduciary Net Position — ending	\$23,961,991,000	\$21,797,429,000
Net Pension Liability — ending	\$3,974,693,748	\$4,846,712,574
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.77%	81.81%
Covered payroll ²	\$2,252,414,000	\$2,042,240,000
Net Pension Liability as percentage of covered payroll	176.46%	237.32%

¹ Reduced by discount for prepaid contributions and transfer from County Investment Account, if any.

² Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 67 Information

Exhibit 4: Schedule of employer contributions

Year Ended December 31	Actuarially Determined Contributions ¹	Contributions in Relation to the Actuarially Determined Contributions ¹	Contribution Deficiency / (Excess)	Covered Payroll ²	Contributions as a Percentage of Covered Payroll ¹
2015	\$502,886,000	\$571,298,000 ³	\$(68,412,000)	\$1,521,036,000	37.56%
2016	521,447,000	567,196,000 ⁴	(45,749,000)	1,602,675,000	35.40%
2017	536,726,000	572,104,000 ⁵	(35,378,000)	1,678,322,000	34.09%
2018	556,728,000	580,905,000 ⁶	(24,177,000)	1,718,798,000	33.80%
2019	583,057,000	653,793,000 ⁷	(70,736,000)	1,783,054,000	36.67%
2020	638,215,000	659,807,000 ⁸	(21,592,000)	1,909,268,000	34.56%
2021	684,142,000 ⁹	698,791,000 ^{9,10}	(14,649,000)	1,870,387,000	37.36%
2022	707,318,000	719,691,000 ¹¹	(12,373,000)	1,932,374,000	37.24%
2023	736,016,000	749,776,000 ¹²	(13,760,000)	2,042,240,000	36.71%
2024	830,734,000	846,363,000 ¹³	(15,629,000)	2,252,414,000	37.58%

See accompanying notes to this schedule on next page.

¹ Reduced by discount for prepaid contributions, transfers from County Investment Account, and transfers from O.C. Sanitation District Deferred UAAL Account. Those amounts are as shown on the next page.

² Covered payroll represents payroll on which contributions to the pension plan are based.

³ Includes additional contributions of \$18,412,000 made by O.C. Fire Authority and \$50,000,000 made by O.C. Sanitation District towards the reduction of their UAAL.

⁴ Includes additional contributions of \$5,133,000 made by O.C. Fire Authority, \$1,500,000 made by Law Library and \$5,587,000 made by O.C. Sanitation District towards the reduction of their UAAL as well as \$33,529,000 made by O.C. Sanitation District to their UAAL Deferred Account.

⁵ Includes additional contributions of \$32,096,000 made by O.C. Fire Authority, \$1,538,000 made by Law Library and \$1,744,000 made by O.C. Children and Families Commission towards the reduction of their UAAL.

⁶ Includes additional contributions of \$23,437,000 made by O.C. Fire Authority and \$740,000 made by Cypress Recreation and Parks District towards the reduction of their UAAL.

⁷ Includes additional contributions of \$19,043,000 made by O.C. Fire Authority, \$878,000 made by O.C. Vector Control, \$12,815,000 Transportation Corridor and \$8,116,000 made by O.C. Sanitation District towards the reduction of their UAAL as well as \$29,884,000 made by O.C. Sanitation District to their UAAL Deferred Account.

⁸ Includes additional contributions of \$21,592,000 made by O.C. Fire Authority towards the reduction of their UAAL.

⁹ Includes a contribution of \$6,500,000 made by City of San Juan Capistrano related to transferring its Water Department employees to a separate special district, which resulted in a triggering event under the Board's Declining Employer Payroll policy.

¹⁰ Includes additional contributions of \$14,649,000 made by O.C. Fire Authority towards the reduction of their UAAL.

¹¹ Includes additional contributions of \$11,777,000 made by O.C. Fire Authority and \$596,000 made by Cypress Recreation and Parks District towards the reduction of their UAAL.

¹² Includes additional contributions of \$13,760,000 made by O.C. Fire Authority towards the reduction of their UAAL.

¹³ Includes additional contributions of \$15,629,000 made by O.C. Fire Authority towards the reduction of their UAAL.

Section 2: GASB 67 Information

Methods and assumptions used to establish the actuarially determined contribution for the year ended December 31, 2024

Contributions and transfers excluded from Actuarially Determined Contributions and Contributions in Relation to the Actuarially Determined Contributions

The contributions are reduced by discount for prepaid contributions, transfers from County Investment Account (funded by pension obligation proceeds held by OCERS), and transfers from O.C. Sanitation District Deferred UAAL Account (amount required to offset UAAL increases for assumption changes in 2017 and actuarial losses in 2018 and 2019). Those amounts are as follows:

Year Ended December 31	Discount for Prepaid Contributions	Transfers from County Investment Account	Transfers from O.C. Sanitation District UAAL Deferred Account	Year Ended December 31	Discount for Prepaid Contributions	Transfers from County Investment Account	Transfers from O.C. Sanitation District UAAL Deferred Account
2015	\$27,301,000	\$0	\$0	2020	\$24,731,000	\$5,000,000	\$0
2016	24,353,000	0	0	2021	31,520,000	15,077,000	0
2017	22,921,000	0	24,042,000	2022	37,039,000	14,962,000	0
2018	21,218,000	0	14,589,000	2023	21,205,000	10,000,000	0
2019	22,049,000	0	18,631,000	2024	5,319,000	4,962,000	0

Valuation date

Actuarially determined contribution rates for the first six months of calendar year 2024 (i.e., the second half of fiscal year 2023–2024) are calculated based on the December 31, 2021 valuation. Actuarially determined contribution rates for the last six months of calendar year 2024 (i.e., the first half of fiscal year 2024–2025) are calculated based on the December 31, 2022 valuation.

Actuarial cost method

Entry Age Actuarial Cost Method

Amortization method

Level percent of payroll (3.00% payroll growth assumed in the December 31, 2021 valuation and 3.00% payroll growth assumed in the December 31, 2022 valuation)

Section 2: GASB 67 Information

Remaining amortization period

December 31, 2021 valuation

Effective December 31, 2013, the outstanding balance of the UAAL from the December 31, 2012 valuation was combined and re-amortized over a declining 20-year period. Any changes in UAAL due to actuarial gains or losses or due to changes in assumptions or methods will be amortized over separate 20-year periods. Any changes in UAAL due to plan amendments will be amortized over separate 15-year periods and any change in UAAL due to early retirement incentive programs will be amortized over a separate period of up to 5 years.

December 31, 2022 valuation

Effective December 31, 2013, the outstanding balance of the UAAL from the December 31, 2012 valuation was combined and re-amortized over a declining 20-year period. Any changes in UAAL due to actuarial gains or losses or due to changes in assumptions or methods will be amortized over separate 20-year periods. Any changes in UAAL due to plan amendments will be amortized over separate 15-year periods and any change in UAAL due to early retirement incentive programs will be amortized over a separate period of up to 5 years.

Asset valuation method

The actuarial value of assets is equal to the market value (or fair value) of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual and the expected market return, recognized over a five-year period. The valuation value of assets is the actuarial value of assets reduced by the value of the non-valuation reserves.

Section 2: GASB 67 Information

Actuarial assumptions

The actuarially determined contribution for the year ended December 31, 2024 is based on the results of the December 31, 2021 and December 31, 2022 actuarial valuations. The actuarial assumptions used in those valuations are as follows:

Assumption Type	Assumption Used in the December 31, 2021 Actuarial Valuation	Assumption Used in the December 31, 2022 Actuarial Valuation
Investment rate of return	7.00%, net of pension plan administrative and investment expense, including inflation	7.00%, net of pension plan administrative and investment expense, including inflation
Inflation rate	2.50%	2.50%
"Across-the-board" salary increase	0.50%	0.50%
Salary increases	General: 4.00% to 11.00% Safety: 4.60% to 15.00% The above salary increases vary by service and include inflation and "across-the-board" salary increase.	General: 4.00% to 11.00% Safety: 4.60% to 15.00% The above salary increases vary by service and include inflation and "across-the-board" salary increase.
Cost-of-living adjustments	Retiree COLA increases of 2.75% per year For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter	Retiree COLA increases of 2.75% per year For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter
Other assumptions	Same as those used in the actuarial funding valuation as of December 31, 2021.	Same as those used in the actuarial funding valuation as of December 31, 2022.

Appendix A: Projection of Plan Fiduciary Net Position

Projection of Plan Fiduciary Net Position for use in the Calculation of Discount Rate
as of December 31, 2024 (\$ in millions)

Year Beginning January 1	Beginning Plan Fiduciary Net Position (a)	Total Contributions ¹ (b)	Benefit Payments (c)	Administrative Expenses (d)	Investment Earnings (e)	Ending Plan Fiduciary Net Position (a) + (b) – (c) – (d) + (e)
2024	\$21,797	\$1,149	\$1,285	\$31	\$2,332	\$23,962
2025	23,962	1,083	1,381	34	1,666	25,296
2026	25,296	1,091	1,456	36	1,757	26,652
2027	26,652	1,125	1,532	38	1,850	28,057
2028	28,057	1,104	1,611	40	1,945	29,455
2029	29,455	1,093	1,691	42	2,040	30,855
2030	30,855	1,099	1,775	44	2,135	32,269
2031	32,269	1,104	1,860	46	2,231	33,699
2032	33,699	1,111	1,946	48	2,329	35,144
2033	35,144	1,021	2,033	50	2,423	36,504
2049	41,105	234	3,164	59	2,775	40,890
2050	40,890	222	3,202	58	2,758	40,609
2051	40,609	210	3,236	58	2,737	40,262
2052	40,262	199	3,266	58	2,711	39,848
2098	26,239	54	164	38	1,832	27,922
2099	27,922	54	129	40	1,951	29,758
2100	29,758	55	100	43	2,080	31,751
2101	31,751	57	76	45	2,220	33,906
2130	224,618	321 ²	0 ³	321	15,723	240,341 ⁴

¹ Of all the projected total contributions, only the first year's (i.e., 2024) contribution has been reduced by discount for prepaid contributions and transfers from County Investment Account, if any.

² Mainly attributable to employer contributions to fund each year's annual administrative expenses.

³ Less than \$1 million when rounded.

⁴ The Plan FNP of \$240,341 million has a value of \$185 million as of December 31, 2024 when discounted with interest at the rate of 7.00% per annum. Of this amount, about \$155 million is the balance available in the County Investment Account and \$18 million is the O.C. Sanitation District UAAL Deferred Account as of December 31, 2024, and \$15 million is the surplus for certain rate groups that were overfunded as of December 31, 2023.

Appendix A: Projection of Plan Fiduciary Net Position

Notes

1. Amounts may not total exactly due to rounding.
2. Amounts shown in the year beginning January 1, 2024 row are actual amounts, based on the final audited financial statements provided by OCERS.
3. Various years have been omitted from this table.
4. **Column (a):** Except for the “discounted value” for 2130 shown in footnote 4 on the previous page, none of the Plan FNP amounts shown have been adjusted for the time value of money.
5. **Column (b):** We have not utilized the balance in the County Investment Account to reduce the projected total contributions even though those amounts have been used to reduce the NPL for the County as of December 31, 2024.
6. **Column (b):** Projected total contributions include member and employer normal cost rates applied to closed group projected payroll (based on covered active members as of December 31, 2023), plus employer contributions to the Unfunded Actuarial Accrued Liability. Contributions are assumed to occur halfway through the year, on average.
7. **Column (c):** Projected benefit payments have been determined in accordance with paragraph 39 of GASB Statement No. 67, and are based on the closed group of active, inactive vested, retired members, and beneficiaries as of December 31, 2023. The projected benefit payments reflect the cost-of-living increase assumptions used in the December 31, 2024 valuation report. Benefit payments are assumed to occur at the beginning of each month.
8. **Column (d):** Projected administrative expenses are calculated as approximately 0.14% of the projected beginning Plan FNP amount. The 0.14% portion was based on the actual calendar year 2024 administrative expenses (unaudited) as a percentage of the actual beginning Plan FNP as of January 1, 2024. Administrative expenses are assumed to occur halfway through the year, on average.
9. **Column (e):** Projected investment earnings are based on the assumed investment rate of return of 7.00% per annum and reflect the assumed timing of cashflows, as noted above.
10. As illustrated in this appendix, the Plan FNP was projected to be available to make all projected future benefit payments for current Plan members. In other words, there is no projected “cross-over date” when projected benefits are **not** covered by projected assets. Therefore, the long-term expected rate of return on Plan investments of 7.00% per annum was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2024 shown earlier in this report, pursuant to paragraph 44 of GASB Statement No. 67.

Appendix B: Definition of Terms

Definitions of certain terms as they are used in GASB Statement No. 67. The terms may have different meanings in other contexts.

Term	Definition
Active employees	Individuals employed at the end of the reporting or measurement period, as applicable.
Actual contributions	Cash contributions recognized as additions to the Plan Fiduciary Net Position.
Actuarial present value of projected benefit payments	Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.
Actuarial valuation	The determination, as of a point in time (the actuarial valuation date), of the service cost, Total Pension Liability, and related actuarial present value of projected benefit payments for pensions performed in conformity with Actuarial Standards of Practice unless otherwise specified by the GASB.
Actuarial valuation date	The date as of which an actuarial valuation is performed.
Actuarially determined contribution	A target or recommended contribution to a defined benefit pension plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.
Ad hoc cost-of-living adjustments (Ad Hoc COLAs)	Cost-of-living adjustments that require a decision to grant by the authority responsible for making such decisions.
Ad hoc postemployment benefit changes	Postemployment benefit changes that require a decision to grant by the authority responsible for making such decisions.
Agent employer	An employer whose employees are provided with pensions through an agent multiple-employer defined benefit pension plan.
Agent multiple-employer defined benefit pension plan (agent pension plan)	A multiple-employer defined benefit pension plan in which pension plan assets are pooled for investment purposes but separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of only its employees.
Automatic cost-of-living adjustments (Automatic COLAs)	Cost-of-living adjustments that occur without a requirement for a decision to grant by a responsible authority, including those for which the amounts are determined by reference to a specified experience factor (such as the earnings experience of the pension plan) or to another variable (such as an increase in the consumer price index).
Automatic postemployment benefit changes	Postemployment benefit changes that occur without a requirement for a decision to grant by a responsible authority, including those for which the amounts are determined by reference to a specified experience factor (such as the earnings experience of the pension plan) or to another variable (such as an increase in the consumer price index).
Closed period	A specific number of years that is counted from one date and declines to zero with the passage of time. For example, if the recognition period initially is five years on a closed basis, four years remain after the first year, three years after the second year, and so forth.

Appendix B: Definition of Terms

Term	Definition
Contributions	Additions to the Plan Fiduciary Net Position for amounts from employers, non-employer contributing entities (for example, state government contributions to a local government pension plan), or employees. Contributions can result from cash receipts by the pension plan or from recognition by the pension plan of a receivable from one of these sources.
Cost-of-living adjustments	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
Cost-sharing employer	An employer whose employees are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan.
Cost-sharing multiple employer defined benefit pension plan (Cost-sharing pension plan)	A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.
Covered payroll	Payroll on which contributions to a pension plan are based.
Deferred retirement option program (DROP)	A program that permits an employee to elect a calculation of benefit payments based on service credits and salary, as applicable, as of the DROP entry date. The employee continues to provide service to the employer and is paid for that service by the employer after the DROP entry date; however, the pensions that would have been paid to the employee (if the employee had retired and not entered the DROP) are credited to an individual employee account within the defined benefit pension plan until the end of the DROP period.
Defined benefit pension plans	Pension plans that are used to provide defined benefit pensions.
Defined benefit pensions	Pensions for which the income or other benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The pensions may be stated as a specified dollar amount or as an amount that is calculated based on one or more factors such as age, years of service, and compensation. (A pension that does not meet the criteria of a defined contribution pension is classified as a defined benefit pension for purposes of GASB Statement No. 67.)
Defined contribution pension plans	Pension plans that are used to provide defined contribution pensions.
Defined contribution pensions	Pensions having terms that: <ol style="list-style-type: none"> 1. Provide an individual account for each employee; 2. Define the contributions that an employer is required to make (or the credits that it is required to provide) to an active employee's account for periods in which that employee renders service; and 3. Provide that the pensions an employee will receive will depend only on the contributions (or credits) to the employee's account, actual earnings on investments of those contributions (or credits), and the effects of forfeitures of contributions (or credits) made for other employees, as well as pension plan administrative costs, that are allocated to the employee's account.

Appendix B: Definition of Terms

Term	Definition
Discount rate	<p>The single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the following:</p> <ol style="list-style-type: none"> 1. The actuarial present value of benefit payments projected to be made in future periods in which: <ol style="list-style-type: none"> a. The amount of the Plan Fiduciary Net Position is projected (under the requirements of GASB Statement No. 67) to be greater than the benefit payments that are projected to be made in that period, and b. Pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term expected rate of return, calculated using the long-term expected rate of return on pension plan investments. 2. The actuarial present value of projected benefit payments not included in 1., calculated using the municipal bond rate.
Entry age actuarial cost method	A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the actuarial accrued liability.
Inactive employees	Terminated individuals that have accumulated benefits but are not yet receiving them, and retirees or their beneficiaries currently receiving benefits.
Measurement period	The period between the prior and the current measurement dates.
Multiple-employer defined benefit pension plan	A defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
Net Pension Liability (NPL)	The liability of employers and non-employer contributing entities to employees for benefits provided through a defined benefit pension plan.
Non-employer contributing entities	Entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities.
Other postemployment benefits	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits, regardless of the manner in which they are provided. Other postemployment benefits do not include termination benefits.
Pension plans	Arrangements through which pensions are determined, assets dedicated for pensions are accumulated and managed and benefits are paid as they come due.
Pensions	Retirement income and, if provided through a pension plan, postemployment benefits other than retirement income (such as death benefits, life insurance, and disability benefits). Pensions do not include postemployment healthcare benefits and termination benefits.

Appendix B: Definition of Terms

Term	Definition
Plan members	Individuals that are covered under the terms of a pension plan. Plan members generally include: <ol style="list-style-type: none"> 1. Employees in active service (active plan members), and 2. Terminated employees who have accumulated benefits but are not yet receiving them and retirees or their beneficiaries currently receiving benefits (inactive plan members).
Postemployment	The period after employment.
Postemployment benefit changes	Adjustments to the pension of an inactive employee.
Postemployment healthcare benefits	Medical, dental, vision, and other health-related benefits paid subsequent to the termination of employment.
Projected benefit payments	All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and their expected future service.
Public employee retirement system	A special-purpose government that administers one or more pension plans; also may administer other types of employee benefit plans, including postemployment healthcare plans and deferred compensation plans.
Real rate of return	The rate of return on an investment after adjustment to eliminate inflation.
Service costs	The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.
Single employer	An employer whose employees are provided with pensions through a single-employer defined benefit pension plan.
Single-employer defined benefit pension plan (Single-employer pension plan)	A defined benefit pension plan that is used to provide pensions to employees of only one employer.
Special funding situations	Circumstances in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either of the following conditions exists: <ol style="list-style-type: none"> 1. The amount of contributions for which the non-employer entity legally is responsible is not dependent upon one or more events or circumstances unrelated to the pensions. 2. The non-employer entity is the only entity with a legal obligation to make contributions directly to a pension plan.
Termination benefits	Inducements offered by employers to active employees to hasten the termination of services, or payments made in consequence of the early termination of services. Termination benefits include early-retirement incentives, severance benefits, and other termination-related benefits.

Appendix B: Definition of Terms

Term	Definition
Total Pension Liability (TPL)	The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB Statement No. 67.

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Memorandum

DATE: June 16, 2025

TO: Members, Board of Retirement

FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations; Tracy Bowman, Director of Finance

SUBJECT: 2024 AUDITED FINANCIAL STATEMENTS AND ANNUAL COMPREHENSIVE FINANCIAL REPORT

Recommendation

Approve the following recommendations presented to the Audit Committee during a meeting held on June 9, 2025:

1. Approve OCERS' audited financial statements for the year ended December 31, 2024
2. Direct staff to finalize OCERS' 2024 Annual Comprehensive Financial Report (Annual Report)
3. Approve the Governmental Accounting Standards Board (GASB) Statement 67 Actuarial Valuation as of December 31, 2024
4. Receive and file Moss Adams LLP's (Moss Adams) "OCERS' Report to the Audit Committee for the Year Ended December 31, 2024" and their "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*."

Background/Discussion

The attached draft of OCERS' 2024 Annual Report, including the audited financial statements and related notes for the year ended December 31, 2024, are in substantial final form and include the unmodified (clean) audit opinion from Moss Adams, OCERS' independent auditors. The audited financial statements and related notes are included in the Financial Section of OCERS' 2024 Annual Report.

The attached Governmental Accounting Standards Board (GASB) Statement 67 Actuarial Valuation as of December 31, 2024, is used for reporting purposes and is separate and distinct from the funding actuarial valuation. This valuation has been audited by Moss Adams and contains necessary information and schedules that have been incorporated into Note 8 and the Required Supplementary Information sections of OCERS' 2024 Annual Report in compliance with GASB Statement No. 67, *Financial Reporting for Pension Plans*.

As part of the normal course of an annual financial statement audit, Moss Adams has issued their "Report to the Audit Committee" that includes the required communications of the independent auditors, comments and recommendations based on their 2024 audit of OCERS. Moss Adams has also issued an "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements, Performed in Accordance with *Government Auditing Standards*."

Moss Adams presented their reports to the Audit Committee Meeting on June 9, 2025, and provided a detailed verbal report on their audit. Due to the short turn-around time between the Audit Committee meeting and the Regular Board meeting, those minutes are not yet available.



Memorandum

California’s Government Code Section 7504 requires all state and local retirement agencies, including OCERS, to submit annual financial information to the State Controller within six months of the end of the fiscal year end. The State Controller’s Office (SCO) has an automated system to allow retirement systems to provide the prescribed report containing specific financial and plan information to the SCO (this report is referred to as the State Controller’s Report). In addition to the State Controller’s Report, OCERS is also required to submit the annual audited financial statements and the most current funding actuarial valuation. Once the Board approves the financial statements for the year ended December 31, 2024, staff will file a timely submission of the State Controller’s Report and submit OCERS’ 2024 Annual Report and the Actuarial Valuation (for funding purposes) as of December 31, 2023, by the deadline of June 30, 2025.

As required by Government Code Section 31597.1, OCERS Chief Executive Officer will file in the office of the County Auditor and with the Board of Supervisors a sworn statement which will exhibit the financial condition of OCERS at the close of the preceding calendar year and its financial transactions for the year ending on December 31, 2024.

Submitted by:



TB - Approved

Tracy Bowman
Director of Finance

Approved by:



BS - Approved

Brenda Shott
Asst. CEO, Finance & Internal Operations



Orange County Employees Retirement System

2024 AUDIT RESULTS

Report to Audit Committee
June 9, 2025





Issued Reports

We will issue the following reports for the year ended December 31, 2024:

- Audit report on the annual comprehensive financial report
- Report on internal control over financial reporting in accordance with *government auditing standards*
- Audit report on the schedule of allocated pension amounts by employer

Unmodified opinions

Financial statements and schedule of allocated pension amounts are presented fairly in accordance with accounting principles generally accepted in the United States of America

No material weaknesses or significant deficiencies reported

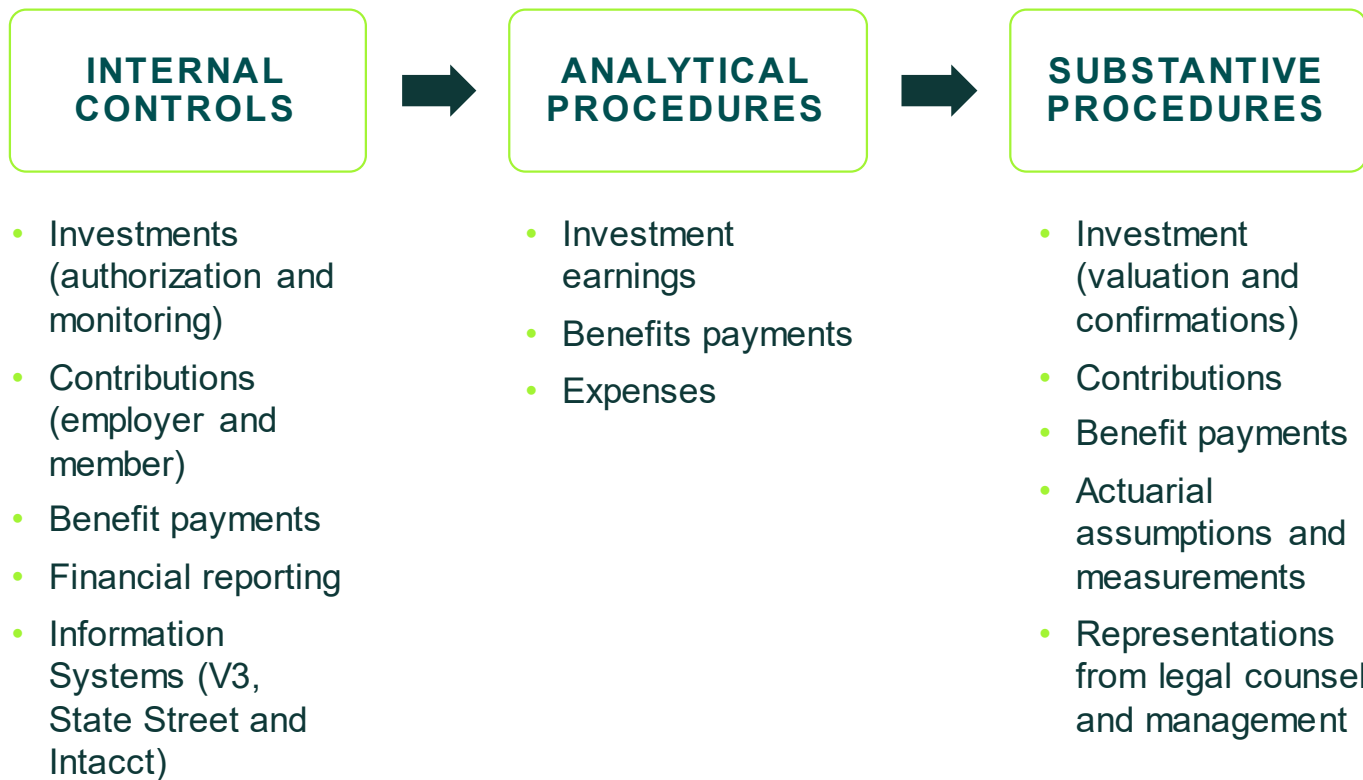


Financial Statement Highlights

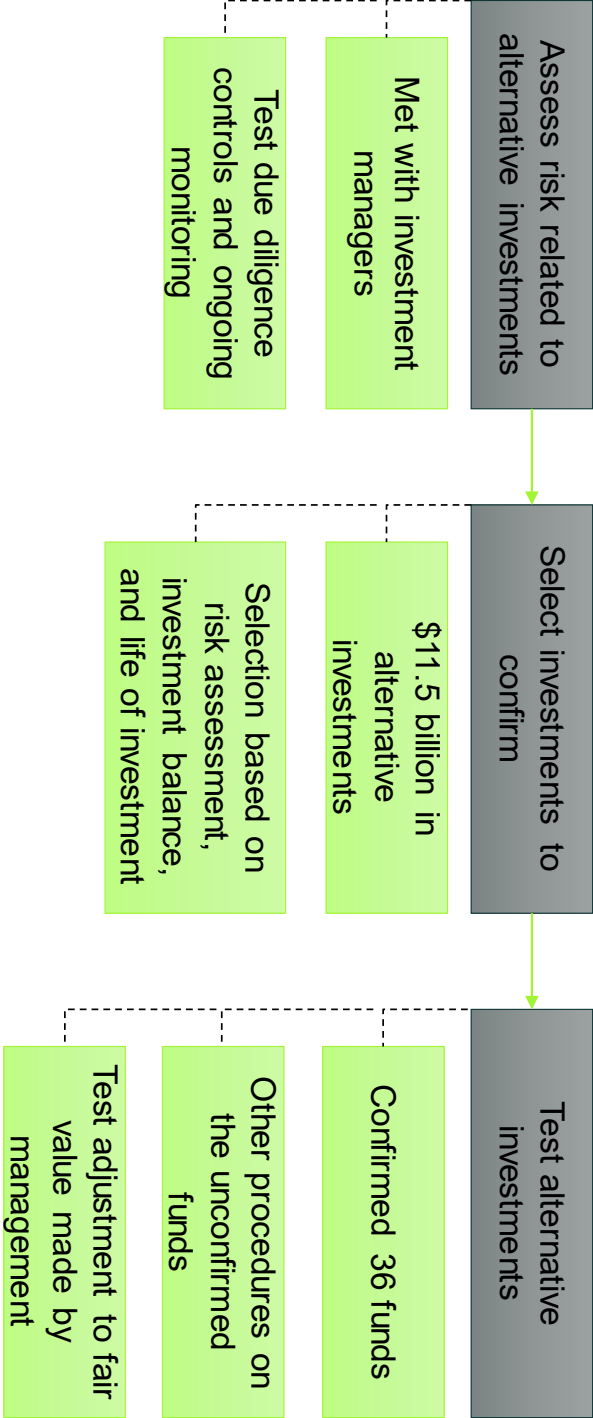
- Net position restricted for pension, other postemployment benefits and employer increased by \$2.2 billion in 2024 to \$24.6 billion
- Employer and employee contributions increased by \$149.9 million totaling \$1.2 billion in 2024
- Investment income of net \$2.4 billion, an amount similar to the prior year's results
- Benefit payments totaled \$1.4 billion in 2024 an increase of \$71.1 million from 2023
- The funded status of the pension increased from 81.8% in the prior year to 85.8% in 2024



Areas of Audit Emphasis



Alternative Investment Testing





Other Areas

GASB No. 101 *Compensated Absences*

- Reviewed management's analysis on the adoption of GASB 101
- Management concluded no change in the prior accounting for the annual leave time but added an additional accrual for sick leave time as it met the GASB 101 requirements
- Management determined that a full footnote disclosure was insignificant to the users of the financial statements

Vendor Review

- Reviewed several new vendors including the internal controls and documentation required to verify the business purpose and legitimacy of the vendor



Required Communications

- Significant accounting policies are summarized in Note 2 to financial statements
- Financial statement disclosures are consistent, clear, and understandable
- Written and oral representations received from management
- No audit adjustments (other than fair value adjustments to investments provided by management during audit)
- No uncorrected misstatements noted
- No disagreements with management



Required Communications (continued)

- Consultation with other independent auditors (none of which we are aware)
- No difficulties encountered during the audit
- Illegal acts (none noted)
- Ability to continue as a going concern (no disclosure necessary)
- Our audit report does not cover other information included in annual comprehensive financial report
- No circumstances noted that affect the form and content of the audit report
- Consideration of fraud in a financial statement audit
 - Procedures performed included journal entry testing and interviews of personnel
- Moss Adams is independent with respect to OCERS and its participating employers





Hellman & Friedman

&



Benefits to you

- Our professionals in more locations
- Enhanced international expertise
- Deeper industry insights
- Additional services and expertise that you need
- Increased technology investments to support how we work together
- Top-notch talent into the future

The same high-touch team and deep relationships you've counted on, now with even more resources to support our work together



How this affects OCERS

- Team continuity
- Fees and contracts
- Continued independence
- Communication
- System/technology changes





- Audit performed within the scope, and timeline discussed during our entrance meeting and audit planning
- Attitude from management and staff was candid, helpful and open in response to audit requests



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Report of Independent Auditors on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based
on an Audit of Financial Statements Performed in Accordance
with *Government Auditing Standards*

Orange County Employees Retirement System

December 31, 2024





Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Retirement
Orange County Employees Retirement System

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the pension trust fund, health care fund – County, health care fund – OCFA, and the custodial trust fund – OCTA in the statement of fiduciary net position of Orange County Employees Retirement System (the System) as of and for the year ended December 31, 2024, and the related pension trust fund, health care fund – County, health care fund – OCFA, and the custodial trust fund – OCTA in the statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 2, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Irvine, California
June 2, 2025





Memorandum

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations; Tracy Bowman, Director of Finance
SUBJECT: GASB 68 Valuation and Audit Report

Recommendations

Approve the following recommendations from the Audit Committee during a meeting held on June 9, 2025:

1. Approve OCERS' audited Schedule of Allocated Pension Amounts by Employer as of and for the Year Ended December 31, 2024.
2. Approve the Governmental Accounting Standards Board (GASB) Statement 68 Actuarial Valuation as of December 31, 2024 for distribution to employers.

Background/Discussion

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, requires employers to record their proportionate share of the total pension liability less the plan's fiduciary net position (i.e., net pension liability) on the face of their financial statements. A proportionate share of the total pension expense and collective deferred inflows of resources and deferred outflows of resources of the pension trust fund at OCERS will also be shown on the face of each employer's financial statements.

Net Pension Liability vs. Unfunded Actuarial Accrued Liability

The attached Governmental Accounting Standards Board Statement 68 (GASB 68) Actuarial Valuation Based on December 31, 2024 Measurement Date for Employer Reporting as of June 30, 2025 is used for financial reporting purposes and was prepared by Segal Consulting. This report is *separate and distinct from the funding actuarial valuation*. The net pension liability (NPL) shown in Section 2 of the GASB 68 valuation as of December 31, 2024 is approximately \$4.0 billion compared to the unfunded actuarial accrued liability (UAAL) of \$4.6 billion in the funding actuarial valuation as of December 31, 2024. The differences between the NPL and the UAAL are a direct result of the different liability and asset values used in measuring these amounts as detailed in the attached letter from Segal Consulting which includes a reconciliation of the Plan's December 31, 2024 NPL and UAAL. The primary differences can be attributed to NPL being calculated using the Plan's current market value of assets, including the proceeds available in the County Investment Account and the Orange County Sanitation District (OCSD) UAAL Deferred Account; the UAAL is calculated by adjusting the market value of assets for asset smoothing per OCERS Actuarial Funding Policy and excludes the County Investment Account reserves and OCSD UAAL Deferred Account. Differences are also created by timing differences of when actuarial gains and losses are recognized in the liability calculation for financial reporting purposes compared to funding valuation purposes.

Schedule of Allocated Pension Amounts by Employer

The attached Schedule of Allocated Pension Amounts by Employer as of and for the Year Ended December 31, 2024 and related notes were audited by OCERS' independent auditor, Moss Adams LLP (Moss Adams).



Memorandum

The proportionate share allocation is based on rate groups. All rate groups, with the exception of rate groups 1 and 2, have only one active employer, so all of the NPL for those rate groups is allocated to that employer. For rate groups 1 and 2, the NPL is allocated based on the actual employer contributions within the rate group and excludes employers with inactive membership. If an employer participates in several rate groups, the employer's total proportionate share of the NPL is the sum of its allocated NPL from each rate group.

The audit report and GASB 68 valuation, once approved by the Audit Committee and Board of Retirement, will be made available to participating employers with the following disclaimer:

To complete its financial statements, each participating employer will need to record its own proportionate share of collective pension amounts for all benefits provided through OCERS' cost-sharing multiple-employer defined benefit pension plan. OCERS has provided a schedule of pension amounts by employer, prepared by independent actuary Segal Consulting, in accordance with the methodology set forth in GASB 68, based on data maintained and provided by OCERS. This schedule has been audited by independent auditor, Moss Adams. Please note that OCERS is not responsible for employers' compliance with the requirements of GASB 68. Employers are solely responsible for accurately presenting their financial statements within the requirements of GASB 68.

Submitted by:



TB - Approved

Tracy Bowman
Director of Finance

Approved by:



BS - Approved

Brenda Shott
Asst. CEO, Finance & Internal Operations



GASB 68 Valuation and Audit Report

Presented on June 16, 2025

Brenda Shott, Tracy Bowman, and Jennifer Reyes



Recommendation

Approve the following recommendations from the Audit Committee during a meeting held on June 9, 2025:

1. Approve OCERS' audited Schedule of Allocated Pension Amounts by Employer as of and for the Year Ended December 31, 2024
2. Approve the Governmental Accounting Standards Board (GASB) Statement 68 Actuarial Valuation as of December 31, 2024 for distribution to employers



Overview

- This information is needed by Employers for their annual financial reporting.
- **Reports are prepared for GASB reporting purposes only - there are no actionable decisions to be made on content.**
- This item is brought before you because the Audit Committee Charter requires approval of all audit reports.



Audit Report on GASB 68 Schedules

- Using the Net Pension Liability (NPL) calculated for GASB 67, Segal prepares the Schedule of Allocated Pension Amounts by Employer (included in Appendix B of the full GASB 68 valuation - Section 3)
- Moss Adams audits this schedule which includes amounts and information required for GASB 68 reporting for each employer
- Moss Adams has issued an unmodified opinion on the 2024 schedule and related notes which will allow our Employers' auditors to rely on Moss Adam's work, avoiding multiple audits of OCERS' information.



Conclusion

Questions?



Thank you!



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Orange County Employees Retirement System (OCERS)

**Governmental Accounting Standards Board
Statement No. 68 Actuarial Valuation Measured
as of December 31, 2024 for Employer Reporting
as of June 30, 2025**



This valuation report should only be copied, reproduced, or shared with other parties in its entirety as necessary for the proper administration of the Plan.

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Segal



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May 29, 2025

Board of Retirement
Orange County Employees Retirement System
2223 Wellington Avenue
Santa Ana, CA 92701

Dear Board Members:

We are pleased to submit this Governmental Accounting Standards Board Statement No. 68 (GASB 68) Actuarial Valuation as of December 31, 2024 for the Orange County Employees Retirement System ("OCERS" or "the Plan" or "the System") for employer reporting as of June 30, 2025. It contains various information that will need to be disclosed in order for OCERS employers to comply with GASB 68. Please refer to OCERS' Actuarial Valuation and Review as of December 31, 2023 for the data and OCERS' Actuarial Valuation and Review as of December 31, 2024 for the assumptions and plan of benefits underlying these calculations.

This report has been prepared in accordance with generally accepted actuarial principles and practices for the exclusive use and benefit of the Board of Retirement (the Board), based upon information provided by the staff of the Plan and the Plan's other service providers.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and changes in plan provisions or applicable law.

The actuarial calculations were completed under the supervision of Andy Yeung, ASA, MAAA, FCA, Enrolled Actuary. We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in the actuarial valuation is complete and accurate. The assumptions used in this actuarial valuation were selected by the Board of Retirement based upon our analysis and recommendations. In our opinion, the assumptions are reasonable and take into account the experience of OCERS and reasonable expectations. In addition, in our opinion, the combined effect of these assumptions is expected to have no significant bias.

Board of Retirement
May 29, 2025
Page 3

Segal makes no representation or warranty as to the future status of the Plan and does not guarantee any particular result. This document does not constitute legal, tax, accounting or investment advice or create or imply a fiduciary relationship. The Board is encouraged to discuss any issues raised in this report with the Plan's legal, tax and other advisors before taking, or refraining from taking, any action.

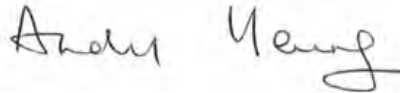
We look forward to reviewing this report with you and to answering any questions.

Sincerely,

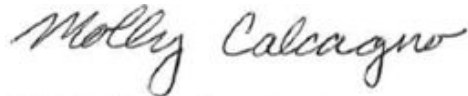
Segal



Todd Tauzer, FSA, MAAA, FCA, CERA
Senior Vice President and Actuary



Andy Yeung, ASA, MAAA, FCA, EA
Vice President and Actuary



Molly Calcagno, ASA, MAAA, EA
Senior Actuary

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Section 1: Actuarial Valuation Summary

Purpose and basis

This report has been prepared by Segal to present certain disclosure information required by Governmental Accounting Standards Board Statement No. 68 (GASB 68) as of December 31, 2024 for employer reporting as of June 30, 2025. The results used in preparing this GASB 68 report are comparable to those used in preparing the Governmental Accounting Standards Board Statement No. 67 (GASB 67) report for the plan based on a reporting date and a measurement date as of December 31, 2024. This report is based on:

- The benefit provisions of OCERS, as administered by the Board;
- The characteristics of covered active, inactive, and retired members and beneficiaries as of December 31, 2023, provided by the staff of OCERS;
- The assets of the Plan as of December 31, 2024, provided by the staff of OCERS;
- Economic assumptions regarding future salary increases and investment earnings adopted by the Board for the December 31, 2024 funding valuation; and
- Other actuarial assumptions, regarding employee terminations, retirement, death, etc. adopted by the Board for the December 31, 2024 funding valuation.

General observations on a GASB 68 actuarial valuation

1. The Governmental Accounting Standards Board (GASB) rules only define pension liability and expense for financial reporting purposes, they do not apply to contribution amounts for pension funding purposes. Employers and plans should continue to develop and adopt funding policies under current practices.
2. When measuring pension liability, GASB uses the same actuarial cost method (Entry Age method) and the same type of discount rate (expected return on assets) as OCERS uses for funding. This means that the Total Pension Liability (TPL) measure for financial reporting shown in this report is generally determined on the same basis as OCERS' Actuarial Accrued Liability (AAL) measure for funding. We note that the same is generally true for the service cost for financial reporting shown in this report and the normal cost component of the annual plan cost for funding.
3. The Net Pension Liability (NPL) is equal to the difference between the TPL and the Plan Fiduciary Net Position (FNP). The Plan FNP is equal to the fair value of assets and therefore, the NPL measure is very similar to an Unfunded Actuarial Accrued Liability (UAAL) on a market value basis.

Section 1: Actuarial Valuation Summary

Highlights of the valuation

1. The reporting date for the employer is June 30, 2025 and the NPL was measured as of December 31, 2024. The TPL was determined based upon rolling forward the TPL from the actuarial funding valuation as of December 31, 2023 while the Plan FNP was valued as of the measurement date. In addition, any changes in actuarial assumptions or plan provisions that occurred between the valuation date and the measurement date have been reflected. Consistent with the provisions of GASB 68, the assets and liabilities measured as of December 31, 2024 are not adjusted or rolled forward to June 30, 2025 reporting date.
2. The NPL decreased from \$4,846.7 million as of December 31, 2023 to \$3,974.7 million as of December 31, 2024 primarily due to a return on the market value of assets of 10.7%¹ during calendar year 2024 that was more than the assumption of 7.00% used in the December 31, 2023 valuation (a gain of about \$812 million). Changes in these values during the last two calendar years can be found in *Section 2, Exhibit 3: Schedule of changes in Net Pension Liability* on page 22.
3. The pension expense increased from \$475.0 million as of December 31, 2023 to a pension expense of \$556.9 million as of December 31, 2024. The primary cause of the increase was due to the full recognition of the remaining \$201.6 million in credit from an asset gain that was identified in the December 31, 2020 valuation in developing last year's pension expense and the increase in pension expense, offset to some extent by the favorable investment return on the market value of assets during 2024.
4. The discount rate used to measure the TPL as of December 31, 2024 was 7.00%, following the same assumptions used by OCERS in the actuarial funding valuation as of December 31, 2024. The detailed calculations used in the derivation of the 7.00% discount rate can be found in *Appendix A*. Various other information that is required to be disclosed can be found throughout *Section 2*.
5. The Plan FNP of \$23,961,991,000 as of December 31, 2024 is equal to the final market value of assets in the Pension Trust Fund as of December 31, 2024. This differs from the \$23,789,296,000 market value of assets used in our December 31, 2024 funding valuation because the market value of assets in the funding valuation excludes \$155,101,000 in the County Investment Account and \$17,594,000 in O.C. Sanitation District UAAL Deferred Account.
6. On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association (ACERA) and Board of Retirement at ACERA. That decision has important implications for OCERS and its members. In particular, the decision requires pension systems like OCERS to exclude certain pay items from a legacy member's compensation earnable. It should be noted that as of December 31, 2024, OCERS has refunded contributions previously paid by certain members in conjunction with such pay items and changed benefit amounts previously determined using those pay items. We have continued to adjust the liabilities in our actuarial funding valuation to

¹ As documented in the funding valuation report, return on the market value was calculated using a modified dollar-weighted approach based on pension plan assets net of accounting liabilities. Actual investment return on net pension plan assets was \$2,280,223,000 during 2024 after including both the administrative expenses and discount for prepaid contributions while excluding the gains credited to County Investment Account and O.C. Sanitation District UAAL Deferred Account. Without these adjustments, the actual investment return was \$2,332,245,000.

Section 1: Actuarial Valuation Summary

reflect the modification in the benefit amounts as provided in the membership data as of December 31, 2024. However, as the TPL in this valuation has been rolled forward using the membership data as of December 31, 2023, any modification in the benefit amounts reported in the membership data as of December 31, 2024 will not be reflected in the TPL until the next valuation.

7. Results shown in this report exclude any employer contributions made after the measurement date of December 31, 2024. Employers should consult with their auditors to determine the deferred outflow that should be created for these contributions.
8. All Rate Groups except Rate Groups #1 and #2 only have one active employer, so all of the NPL for those Rate Groups is allocated to that employer.

For Rate Groups #1 and #2, the NPL is allocated based on the actual employer contributions within the Rate Group. The steps we used are as follows:

- Calculate ratio (unrounded) of employer's contributions to the total contributions for the Rate Group.
- Multiply this ratio (unrounded) by the NPL for the Rate Group to determine the employer's proportionate share of the NPL for the Rate Group.

If the employer is in several Rate Groups, the employer's total allocated NPL is the sum of its allocated NPL from each Rate Group. Proportionate share of total plan NPL is then the ratio of the employer's total allocated NPL to the total NPL of all employers. Details on the allocation of the NPL by employer can be found in *Section 2, Exhibit 5: Determination of proportionate share* starting on page 27.

9. In *Appendix B*, we show the Schedule of Pension Amounts by Employer. The expanded information shown in Appendix B has been used to prepare the Schedules that show the Pension Expense as well as the Deferred Outflows of Resources and Deferred Inflows of Resources.

Section 1: Actuarial Valuation Summary

Summary of key valuation results

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68 ¹	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Disclosure elements		
Service cost ²	\$564,605,045	\$536,399,540
Total Pension Liability	27,936,684,748	26,644,141,574
Plan Fiduciary Net Position	23,961,991,000	21,797,429,000
Net Pension Liability	3,974,693,748	4,846,712,574
Pension expense	556,947,871	474,974,502
Schedule of contributions		
Actuarially determined contributions	\$830,734,000	\$736,016,000
Actual contributions ³	846,363,000	749,776,000
Contribution deficiency / (excess) ⁴	(15,629,000)	(13,760,000)
Demographic data⁵		
Number of retired members and beneficiaries	21,740	21,283
Number of inactive members ⁶	9,377	8,579
Number of active members	23,368	22,782
Key assumptions		
Investment rate of return	7.00%	7.00%
Inflation rate	2.50%	2.50%
"Across-the-board" salary increase	0.50%	0.50%
Projected salary increases ⁷	General: 3.90% to 10.25% Safety: 4.50% to 15.00%	General: 3.90% to 10.25% Safety: 4.50% to 15.00%
Cost-of-living adjustments	2.75% of retirement income	2.75% of retirement income

¹ The reporting dates and measurement dates for the plan are December 31, 2024 and December 31, 2023, respectively.

² The service cost is based on the previous year's valuation, meaning the service cost as of the December 31, 2024 and December 31, 2023 measurement dates are based on the valuations as of December 31, 2023 and December 31, 2022, respectively. The 2024 service cost has been calculated using the assumptions shown in the December 31, 2023 column and the 2023 service cost has been calculated using the assumptions in the December 31, 2022 valuation. Please refer to the note on the next page for the assumptions used for the 2023 service cost.

³ Reduced by discount for prepaid contributions and transfer from County Investment Account, if any.

⁴ Includes additional contributions made by employers toward the reduction of their UAAL. Details are shown in *Section 2, Exhibit 4: Schedule of employer contributions* on page 23.

⁵ Data shown as of the December 31, 2023 measurement date is used in the measurement of the TPL as of December 31, 2024.

⁶ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

⁷ Includes inflation at 2.50% plus "across-the-board" salary increase of 0.50% plus merit and promotion increases that vary by service.

Section 1: Actuarial Valuation Summary

Note to footnote 2 from prior page

The 2023 service cost has been calculated using the following assumptions as of December 31, 2022:

- Investment rate of return 7.00%
- Inflation rate 2.50%
- “Across-the-board” salary increase 0.50%
- Projected salary increases

General:	4.00% to 11.00%
Safety:	4.60% to 15.00%

 - Projected salary increases include inflation at 2.50% plus across-the-board salary increase of 0.50% plus merit and promotion increases that vary by service
- Cost-of-living adjustments 2.75% of retirement income

Section 1: Actuarial Valuation Summary

Important information about actuarial valuations

In order to prepare a valuation, Segal relies on a number of input items. These include:

Input Item	Description
Plan provisions	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. It is important to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report (as well as the plan summary included in our funding valuation report) to confirm that Segal has correctly interpreted the plan of benefits.
Member information	An actuarial valuation for a plan is based on data provided to the actuary by OCERS. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
Financial information	The valuation is based on the fair value of assets as of the measurement date, as provided by the staff of OCERS.
Actuarial assumptions	In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan members for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of members in each year, as well as forecasts of the plan's benefits for each of those events. In addition, the benefits forecasted for each of those events in each future year reflect actuarial assumptions as to salary increases and cost-of-living adjustments (if applicable). The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan's assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions are selected within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model may use approximations and estimates that will have an immaterial impact on our results. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.
Actuarial models	<p>Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.</p> <p>The blended discount rate used for calculating TPL is based on a model developed by our Actuarial Technology and Systems unit, comprised of both actuaries and programmers. The model allows the client team, under the supervision of the responsible actuary, control over the entry of future expected contribution income, benefit payments and administrative expenses. The projection of fiduciary net position and the discounting of benefits is part of the model.</p>

Section 1: Actuarial Valuation Summary

The user of Segal's actuarial valuation (or other actuarial calculations) should keep the following in mind:

- The actuarial valuation is prepared at the request of the Board. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- An actuarial valuation is a measurement at a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted.
- If OCERS is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.
- Segal does not provide investment, legal, accounting or tax advice and is not acting as a fiduciary to the Plan. This valuation is based on Segal's understanding of applicable guidance in these areas and of the Plan's provisions, but they may be subject to alternative interpretations. The Board should look to their other advisors for expertise in these areas.
- While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.
- Segal's report shall be deemed to be final and accepted by OCERS upon delivery and review. OCERS should notify Segal immediately of any questions or concerns about the final content.

Section 2: GASB 68 Information

General information about the pension plan

Plan administration

The Orange County Employees Retirement System (“OCERS” or “the Plan”) was established by the County of Orange in 1945. OCERS is administered by the Board of Retirement and governed by the County Employees’ Retirement Law of 1937 (California Government Code Section 31450 et. seq.).

OCERS is a cost-sharing multiple employer public employee retirement system whose main function is to provide service retirement, disability, death and survivor benefits to the Safety and General members employed by the County of Orange. OCERS also provides retirement benefits to the employee members of the Orange County Courts, the Orange County Retirement System, two cities and thirteen special districts.

The management of OCERS is vested with the Orange County Board of Retirement (the Board). The Board consists of nine members and one alternate:

- The County Treasurer is a member of the Board by law;
- Four members are appointed by the Board of Supervisors, one of whom may be a County Supervisor;
- Two members are elected by the General membership;
- One member and one alternate are elected by the Safety membership; and
- One member is elected by the retired members of the System.

All members of the Board of Retirement serve terms of three years except for the County Treasurer whose term runs concurrent with the County Treasurer term.

Section 2: GASB 68 Information

Plan membership

At December 31, 2024, pension plan membership consisted of the following:

Membership	Count
Retired members and beneficiaries	21,740
Inactive members ¹	9,377
Active members	23,368
Total	54,485

Note: Data as of December 31, 2024 is not used in the measurement of the TPL as of December 31, 2024.

Benefits provided

OCERS provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the County of Orange or contracting agencies who work a minimum of 20 hours per week become members of OCERS effective on the first day of employment in an eligible position. There are separate retirement plans for General and Safety member employees. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain probation officers. All other employees are classified as General members.

Any new member who becomes a member on or after January 1, 2013 is designated as PEPRA General or PEPRA Safety and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code 7522 et seq.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier. Final average compensation consists of the highest 12 consecutive months for a General Tier 1 or Safety Tier 1 member and the highest 36 consecutive months for a General Tier 2, General PEPRA, Safety Tier 2 or Safety PEPRA member. For members with membership dates before January 1, 2013, including all members of Plan T and Plan W hired on or after January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. There is no maximum for members with membership dates on or after January 1, 2013, excluding members of Plan T and Plan W.

The member may elect an unmodified retirement allowance or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date. Certain surviving spouses or domestic partners may also be eligible if marriage or domestic partnership was at least

¹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 2: GASB 68 Information

two years prior to the date of death and the surviving spouse or domestic partner has attained age 55. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

OCERS provides an annual cost-of-living adjustment (COLA) benefit to all retirees. The COLA, based upon the ratio of the past two annual Consumer Price Indices for All Urban Consumers for the Los Angeles-Long Beach-Anaheim Area, is capped at 3.0%.

General members

General members hired prior to January 1, 2013, including all members of Plan T and Plan W hired on or after January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of retirement service credit is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, excluding members of Plan T and Plan W, are eligible to retire once they have attained the age of 52, and have acquired 5 years of retirement service credit. All General members can also retire at the age of 70 regardless of service.

General member benefits are calculated pursuant to the provisions of Sections 31676.01, 31676.1, 31676.12, 31676.16, 31676.18 or 31676.19. For Section 31676.01, the monthly allowance is equal to one-ninetieth of final average compensation times years of accrued retirement service credit times age factor from that Section. For Section 31676.1, the monthly allowance is equal to one-sixtieth of final average compensation times years of accrued retirement service credit times age factor from that Section. For Sections 31676.12, 31676.16, 31676.18 or 31676.19, the monthly allowance is equal to one-fiftieth of final average compensation times years of accrued retirement service credit times age factor from the corresponding Section. General member benefits for those who are first hired on or after January 1, 2013, excluding members of Plan T and Plan W, are calculated pursuant to the provision of California Government Code Section 7522.20(a). The monthly allowance is equal to the final average compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

Safety members

Safety members hired prior to January 1, 2013, are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of retirement service credit is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 50, and have acquired 5 years of retirement service credit. All Safety members can also retire at the age of 70 regardless of service.

Safety member benefits are calculated pursuant to the provisions of California Government Code Sections 31664.1 and 31664.2. The monthly allowance is equal to 3% of final average compensation times years of accrued retirement service credit times age factor from the corresponding Section. Safety member benefits for those who are first hired on or after January 1, 2013, are

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calculated pursuant to the provision of California Government Code Section 7522.25(d). The monthly allowance is equal to the final average compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.25(d).

Contributions

The County of Orange and contracting agencies contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from OCERS' actuary after the completion of the annual actuarial valuation. The average employer contribution rate for the first six months of calendar year 2024 or the second half of fiscal year 2023-2024 (based on the December 31, 2021 valuation) was 37.82%¹ of compensation. The average employer contribution rate for the last six months of calendar year 2024 or the first half of fiscal year 2024-2025 (based on the December 31, 2022 valuation) was 38.71%¹ of compensation.

All members are required to make contributions to OCERS regardless of the retirement plan or tier in which they are included. The average member contribution rate for the first six months of calendar year 2024 or the second half of fiscal year 2023-2024 (based on the December 31, 2021 valuation) was 12.08%² of compensation. The average member contribution rate for the last six months of calendar year 2024 or the first half of fiscal year 2024-2025 (based on the December 31, 2022 valuation) was 12.08%² of compensation.

¹ These employer contribution rates may be higher or lower than the composite rate for 2024 as shown on page 23 of this report because these rates have not been adjusted to reflect any pick-ups or reverse pick-ups. These employer contribution rates also do not reflect any change in proportion of payroll between the membership groups as well as the shift in payroll to the lower cost plans from the valuation date to the date of rate implementation.

² It should be noted that these member contribution rates provided above have not been adjusted to reflect any pick-ups or reverse pick-ups.

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Exhibit 1: Net Pension Liability

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of the Net Pension Liability		
Total Pension Liability	\$27,936,684,748	\$26,644,141,574
Plan Fiduciary Net Position	(23,961,991,000)	(21,797,429,000)
Net Pension Liability	\$3,974,693,748	\$4,846,712,574
Plan Fiduciary Net Position as a percentage of the Total Pension Liability ¹	85.77%	81.81%

The NPL for the Plan in this valuation was measured as of December 31, 2024. The Plan FNP was valued as of the measurement date and the TPL was determined based upon rolling forward the TPL from the actuarial funding valuation as of December 31, 2023.

Plan provisions

The plan provisions used in the measurement of the NPL as of December 31, 2024 are the same as those used in OCERS' actuarial funding valuation as of December 31, 2024.

Actuarial assumptions

The TPL as of December 31, 2024 uses the same actuarial assumptions as the actuarial funding valuation as of December 31, 2024. The actuarial assumptions used in that valuation were based on the results of an experience study for the period January 1, 2020 through December 31, 2022 and they are the same assumptions used starting with the December 31, 2023 funding valuation for OCERS. In particular, the following actuarial assumptions were applied to all periods included in the measurement:

¹ These funded percentages are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligation or the need for or the amount of future contributions.

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Assumption Type	Assumption
Investment rate of return ¹	7.00%, net of pension plan investment expense, including inflation
Inflation rate	2.50%
“Across-the-board” salary increase	0.50%
Salary increases	General: 3.90% to 10.25% Safety: 4.50% to 15.00% The above salary increases vary by service and include inflation and “across-the-board” salary increase
Cost-of-living adjustments	Retiree COLA increases of 2.75% per year For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter
Other assumptions	See analysis of actuarial experience during the period January 1, 2020 through December 31, 2022

Detailed information regarding all actuarial assumptions can be found in the December 31, 2024 Actuarial Valuation and Review.

¹ Note that the investment return assumption of 7.00% was developed net of both investment and administrative expenses for funding purposes in the January 1, 2020 through December 31, 2022 Actuarial Experience Study. However, for financial reporting, the same investment return assumption has been used and is considered gross of administrative expenses. This results in an increase in the margin for adverse deviation component of the investment return assumption when used for financial reporting purposes.

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Exhibit 2: Discount rate

Determination of discount rate and investment rate of return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected arithmetic real rates of return (expected returns, net of inflation and, beginning with the December 31, 2023 measurement date, any applicable investment management expenses) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return for the portfolio by weighting the expected arithmetic real rates of return by the target asset allocation percentage, adding expected inflation, subtracting expected investment management expenses¹ and further adjusted by a risk margin. Beginning with December 31, 2023, this portfolio return is further adjusted to an expected geometric real rate of return for the portfolio.

The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class (after deducting inflation and applicable investment management expenses), are shown in the following table. This information was used in the derivation of the long-term expected investment rate of return assumption for the actuarial funding valuation as of December 31, 2024. This information will be subject to change every three years based on the results of an actuarial experience study.

¹ Investment management expenses include investment consulting fees, custodian fees and other miscellaneous investment expenses, and excludes investment manager fees.

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Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return ¹
Global Equity	45.00%	7.05%
Investment Grade Bonds	9.00%	1.97%
High Yield Bond	0.50%	4.63%
TIPS	2.00%	1.77%
Emerging Market Debt	0.50%	4.72%
Long-Term Government Bonds	3.30%	2.82%
Real Estate	3.00%	3.86%
Private Equity	15.00%	9.84%
Private Credit	3.50%	6.47%
Value Added Real Estate	3.00%	7.38%
Opportunistic Real Estate	1.00%	9.74%
Energy	2.00%	10.89%
Infrastructure (Core Private)	1.00%	5.98%
Infrastructure (Non-Core Private)	3.00%	8.88%
Global Macro	1.70%	3.17%
CTA (Trend Following)	3.30%	3.15%
Alternative Risk Premia	1.70%	3.24%
Special Situations Lending	1.50%	8.96%
Total	100.00%	6.55%

¹ Arithmetic real rates of return are net of inflation.

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Discount rate

The discount rate used to measure the TPL was 7.00% as of December 31, 2024.

The projection of cash flows used to determine the discount rate assumes member contributions will be made at the current contribution rates and that employer contributions will be made at rates equal to the actuarially determined contribution rates.¹ Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan FNP was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2024.

¹ For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included.

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Discount rate sensitivity

The following presents the NPL of OCERS as of December 31, 2024 calculated using the current discount rate of 7.00%, as well as what OCERS' NPL would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate.

Employer	1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Orange County	\$6,227,582,536	\$3,396,437,181	\$1,081,172,442
O.C. Cemetery District	2,457,245	199,913	(1,646,096)
O.C. Law Library	(1,085,700)	(2,819,920)	(4,238,137)
O.C. Vector Control District	2,484,515	(1,280,860)	(4,360,122)
O.C. Retirement System	53,918,282	31,456,875	13,088,300
O.C. Fire Authority	468,144,976	80,528,139	(236,458,621)
Cypress Recreation and Parks	158,320	(822,513)	(1,624,622)
Department of Education	3,921,512	2,489,629	1,318,658
Transportation Corridor Agency	6,214,074	(3,110,431)	(10,735,860)
City of San Juan Capistrano	25,025,498	14,600,316	6,074,771
O.C. Sanitation District	97,711,095	(36,606,252)	(146,448,800)
O.C. Transportation Authority	347,541,036	174,887,247	33,693,779
U.C.I.	33,545,349	21,422,899	11,509,356
O.C. Children and Families Comm.	1,236,826	87,349	(852,675)
Local Agency Formation Comm.	2,184,005	1,274,187	530,153
Rancho Santa Margarita	19,032	14,584	10,947
O.C. Superior Court	507,008,708	295,797,806	123,072,957
O.C. IHSS Public Authority	1,072,388	137,599	(626,856)
Total for all employers	\$7,779,139,697	\$3,974,693,748	\$863,479,574

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Exhibit 3: Schedule of changes in Net Pension Liability

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Total Pension Liability		
Service cost	\$564,605,045	\$536,399,540
Interest	1,859,622,913	1,750,651,189
Change of benefit terms	0	0
Differences between expected and actual experience	153,725,216	326,785,307
Changes of assumptions or other inputs	0	165,526,367
Benefit payments, including refunds of member contributions	(1,285,410,000)	(1,216,248,000)
Transfer of members among Rate Groups	0	0
Other	0	0
Net change in Total Pension Liability	\$1,292,543,174	\$1,563,114,403
Total Pension Liability — beginning	\$26,644,141,574	25,081,027,171
Total Pension Liability — ending	\$27,936,684,748	\$26,644,141,574
Plan Fiduciary Net Position		
Contributions — employer ¹	\$846,363,000	\$749,776,000
Contributions — member	302,545,000	277,455,000
Net investment income	2,332,245,000	2,325,481,000
Benefit payments, including refunds of member contributions	(1,285,410,000)	(1,216,248,000)
Transfer of members among Rate Groups	0	0
Administrative expense	(31,181,000)	(29,056,000)
Other	0	0
Net change in Plan Fiduciary Net Position	\$2,164,562,000	\$2,107,408,000
Plan Fiduciary Net Position — beginning	21,797,429,000	19,690,021,000
Plan Fiduciary Net Position — ending	\$23,961,991,000	\$21,797,429,000
Net Pension Liability — ending	\$3,974,693,748	\$4,846,712,574
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	85.77%	81.81%
Covered payroll ²	\$2,252,414,000	\$2,042,240,000
Net Pension Liability as percentage of covered payroll	176.46%	237.32%

¹ Reduced by discount for prepaid contributions and transfer from County Investment Account, if any.

² Covered payroll represents payroll on which contributions to the pension plan are based.

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Exhibit 4: Schedule of employer contributions

Year Ended December 31	Actuarially Determined Contributions ¹	Contributions in Relation to the Actuarially Determined Contributions ¹	Contribution Deficiency / (Excess)	Covered Payroll ²	Contributions as a Percentage of Covered Payroll ¹
2015	\$502,886,000	\$571,298,000 ³	\$(68,412,000)	\$1,521,036,000	37.56%
2016	521,447,000	567,196,000 ⁴	(45,749,000)	1,602,675,000	35.40%
2017	536,726,000	572,104,000 ⁵	(35,378,000)	1,678,322,000	34.09%
2018	556,728,000	580,905,000 ⁶	(24,177,000)	1,718,798,000	33.80%
2019	583,057,000	653,793,000 ⁷	(70,736,000)	1,783,054,000	36.67%
2020	638,215,000	659,807,000 ⁸	(21,592,000)	1,909,268,000	34.56%
2021	684,142,000 ⁹	698,791,000 ^{9,10}	(14,649,000)	1,870,387,000	37.36%
2022	707,318,000	719,691,000 ¹¹	(12,373,000)	1,932,374,000	37.24%
2023	736,016,000	749,776,000 ¹²	(13,760,000)	2,042,240,000	36.71%
2024	830,734,000	846,363,000 ¹³	(15,629,000)	2,252,414,000	37.58%

See accompanying notes to this schedule on next page.

¹ Reduced by discount for prepaid contributions, transfers from County Investment Account, and transfers from O.C. Sanitation District Deferred UAAL Account. Those amounts are as shown on the next page.

² Covered payroll represents payroll on which contributions to the pension plan are based.

³ Includes additional contributions of \$18,412,000 made by O.C. Fire Authority and \$50,000,000 made by O.C. Sanitation District towards the reduction of their UAAL.

⁴ Includes additional contributions of \$5,133,000 made by O.C. Fire Authority, \$1,500,000 made by Law Library and \$5,587,000 made by O.C. Sanitation District towards the reduction of their UAAL as well as \$33,529,000 made by O.C. Sanitation District to their UAAL Deferred Account.

⁵ Includes additional contributions of \$32,096,000 made by O.C. Fire Authority, \$1,538,000 made by Law Library and \$1,744,000 made by O.C. Children and Families Commission towards the reduction of their UAAL.

⁶ Includes additional contributions of \$23,437,000 made by O.C. Fire Authority and \$740,000 made by Cypress Recreation and Parks District towards the reduction of their UAAL.

⁷ Includes additional contributions of \$19,043,000 made by O.C. Fire Authority, \$878,000 made by O.C. Vector Control, \$12,815,000 Transportation Corridor and \$8,116,000 made by O.C. Sanitation District towards the reduction of their UAAL as well as \$29,884,000 made by O.C. Sanitation District to their UAAL Deferred Account.

⁸ Includes additional contributions of \$21,592,000 made by O.C. Fire Authority towards the reduction of their UAAL.

⁹ Includes a contribution of \$6,500,000 made by City of San Juan Capistrano related to transferring its Water Department employees to a separate special district, which resulted in a triggering event under the Board's Declining Employer Payroll policy.

¹⁰ Includes additional contributions of \$14,649,000 made by O.C. Fire Authority towards the reduction of their UAAL.

¹¹ Includes additional contributions of \$11,777,000 made by O.C. Fire Authority and \$596,000 made by Cypress Recreation and Parks District towards the reduction of their UAAL.

¹² Includes additional contributions of \$13,760,000 made by O.C. Fire Authority towards the reduction of their UAAL.

¹³ Includes additional contributions of \$15,629,000 made by O.C. Fire Authority towards the reduction of their UAAL.

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Methods and assumptions used to establish the actuarially determined contribution for the year ended December 31, 2024

Contributions and transfers excluded from Actuarially Determined Contributions and Contributions in Relation to the Actuarially Determined Contributions

The contributions are reduced by discount for prepaid contributions, transfers from County Investment Account (funded by pension obligation proceeds held by OCERS), and transfers from O.C. Sanitation District Deferred UAAL Account (amount required to offset UAAL increases for assumption changes in 2017 and actuarial losses in 2018 and 2019). Those amounts are as follows:

Year Ended December 31	Discount for Prepaid Contributions	Transfers from County Investment Account	Transfers from O.C. Sanitation District UAAL Deferred Account	Year Ended December 31	Discount for Prepaid Contributions	Transfers from County Investment Account	Transfers from O.C. Sanitation District UAAL Deferred Account
2015	\$27,301,000	\$0	\$0	2020	\$24,731,000	\$5,000,000	\$0
2016	24,353,000	0	0	2021	31,520,000	15,077,000	0
2017	22,921,000	0	24,042,000	2022	37,039,000	14,962,000	0
2018	21,218,000	0	14,589,000	2023	21,205,000	10,000,000	0
2019	22,049,000	0	18,631,000	2024	5,319,000	4,962,000	0

Valuation date

Actuarially determined contribution rates for the first six months of calendar year 2024 (i.e., the second half of fiscal year 2023–2024) are calculated based on the December 31, 2021 valuation. Actuarially determined contribution rates for the last six months of calendar year 2024 (i.e., the first half of fiscal year 2024–2025) are calculated based on the December 31, 2022 valuation.

Actuarial cost method

Entry Age Actuarial Cost Method

Amortization method

Level percent of payroll (3.00% payroll growth assumed in the December 31, 2021 valuation and 3.00% payroll growth assumed in the December 31, 2022 valuation)

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Remaining amortization period

December 31, 2021 valuation

Effective December 31, 2013, the outstanding balance of the UAAL from the December 31, 2012 valuation was combined and re-amortized over a declining 20-year period. Any changes in UAAL due to actuarial gains or losses or due to changes in assumptions or methods will be amortized over separate 20-year periods. Any changes in UAAL due to plan amendments will be amortized over separate 15-year periods and any change in UAAL due to early retirement incentive programs will be amortized over a separate period of up to 5 years.

December 31, 2022 valuation

Effective December 31, 2013, the outstanding balance of the UAAL from the December 31, 2012 valuation was combined and re-amortized over a declining 20-year period. Any changes in UAAL due to actuarial gains or losses or due to changes in assumptions or methods will be amortized over separate 20-year periods. Any changes in UAAL due to plan amendments will be amortized over separate 15-year periods and any change in UAAL due to early retirement incentive programs will be amortized over a separate period of up to 5 years.

Asset valuation method

The actuarial value of assets is equal to the market value (or fair value) of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual and the expected market return, recognized over a five-year period. The valuation value of assets is the actuarial value of assets reduced by the value of the non-valuation reserves.

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Actuarial assumptions

The actuarially determined contribution for the year ended December 31, 2024 is based on the results of the December 31, 2021 and December 31, 2022 actuarial valuations. The actuarial assumptions used in those valuations are as follows:

Assumption Type	Assumption Used in the December 31, 2021 Actuarial Valuation	Assumption Used in the December 31, 2022 Actuarial Valuation
Investment rate of return	7.00%, net of pension plan administrative and investment expense, including inflation	7.00%, net of pension plan administrative and investment expense, including inflation
Inflation rate	2.50%	2.50%
"Across-the-board" salary increase	0.50%	0.50%
Salary increases	General: 4.00% to 11.00% Safety: 4.60% to 15.00% The above salary increases vary by service and include inflation and "across-the-board" salary increase.	General: 4.00% to 11.00% Safety: 4.60% to 15.00% The above salary increases vary by service and include inflation and "across-the-board" salary increase.
Cost-of-living adjustments	Retiree COLA increases of 2.75% per year For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter	Retiree COLA increases of 2.75% per year For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter
Other assumptions	Same as those used in the actuarial funding valuation as of December 31, 2021.	Same as those used in the actuarial funding valuation as of December 31, 2022.

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Exhibit 5: Determination of proportionate share

Actual Contributions¹ by Employer and Rate Group
January 1, 2023 to December 31, 2023

Employer	Rate Group #1	Rate Group #1 Percentage	Rate Group #2	Rate Group #2 Percentage	Rate Group #3	Rate Group #3 Percentage
Orange County	\$13,260,000	98.499%	\$387,681,000	88.195%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	4,477,000	1.018%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	2,261,000	0.514%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	8,888,000	100.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	231,000	0.053%	0	0.000%
Local Agency Formation Comm.	0	0.000%	221,000	0.050%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	44,704,000	10.170%	0	0.000%
O.C. IHSS Public Authority	202,000	1.501%	0	0.000%	0	0.000%
Total for all Employers	\$13,462,000	100.000%	\$439,575,000	100.000%	\$8,888,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

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Actual Contributions¹ by Employer and Rate Group January 1, 2023 to December 31, 2023

Employer	Rate Group #4	Rate Group #4 Percentage	Rate Group #5	Rate Group #5 Percentage	Rate Group #9	Rate Group #9 Percentage
Orange County	\$0	0.000%	\$0	0.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	867,000	100.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	33,339,000	100.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	100.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$0	100.000%	\$33,339,000	100.000%	\$867,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

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Actual Contributions¹ by Employer and Rate Group January 1, 2023 to December 31, 2023

Employer	Rate Group #10		Rate Group #11		Rate Group #12	
	Rate Group #10	Percentage	Rate Group #11	Percentage	Rate Group #12	Percentage
Orange County	\$0	0.000%	\$0	0.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	274,000	100.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	130,000	100.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	8,040,000	100.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$8,040,000	100.000%	\$274,000	100.000%	\$130,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

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Actual Contributions¹ by Employer and Rate Group January 1, 2023 to December 31, 2023

Employer	Rate Group #6	Rate Group #6 Percentage	Rate Group #7	Rate Group #7 Percentage	Rate Group #8	Rate Group #8 Percentage
Orange County	\$28,844,000	100.000%	\$168,194,000	100.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	62,271,000	100.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$28,844,000	100.000%	\$168,194,000	100.000%	\$62,271,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

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Actual Contributions¹ by Employer and Rate Group *January 1, 2023 to December 31, 2023*

Employer	Total Contributions ²	Total Percentage
Orange County	\$597,979,000	78.283%
O.C. Cemetery District	274,000	0.036%
O.C. Law Library	130,000	0.017%
O.C. Vector Control District	0	0.000%
O.C. Retirement System	4,477,000	0.586%
O.C. Fire Authority	70,311,000	9.204%
Cypress Recreation and Parks	0	0.000%
Department of Education	0	0.000%
Transportation Corridor Agency	867,000	0.113%
City of San Juan Capistrano	2,261,000	0.296%
O.C. Sanitation District	8,888,000	1.164%
O.C. Transportation Authority	33,339,000	4.364%
U.C.I.	0	0.000%
O.C. Children and Families Comm.	231,000	0.030%
Local Agency Formation Comm.	221,000	0.029%
Rancho Santa Margarita	0	0.000%
O.C. Superior Court	44,704,000	5.852%
O.C. IHSS Public Authority	202,000	0.026%
Total for all Employers	\$763,884,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

² Excludes combined additional contributions of \$13,760,000 made by O.C. Fire Authority towards the reduction of their UAALs, combined contributions of \$3,297,000 made by Department of Education and U.C.I. and combined employer pick-up contributions of \$42,000 made by O.C. Children and Families Commission, Local Agency Formation Commission, and Orange County Law Enforcement.

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Allocation of December 31, 2023 Net Pension Liability

Employer	Rate Group #1	Rate Group #1 Percentage	Rate Group #2	Rate Group #2 Percentage	Rate Group #3	Rate Group #3 Percentage
Orange County	\$27,102,081	47.200%	\$2,896,260,193	87.898%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District ¹	752,245	1.310%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	34,539,527	1.048%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks ¹	(641,475)	(1.117%)	0	0.000%	0	0.000%
Department of Education ¹	3,189,922	5.555%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	17,443,348	0.529%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	(18,531,537)	100.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I. ¹	26,555,318	46.247%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	189,581	0.006%	0	0.000%
Local Agency Formation Comm.	0	0.000%	1,704,989	0.052%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	344,886,083	10.467%	0	0.000%
O.C. IHSS Public Authority	462,162	0.805%	0	0.000%	0	0.000%
Total for all Employers	\$57,420,253	100.000%	\$3,295,023,721	100.000%	\$(18,531,537)	100.000%

¹ In determining the NPLs for the O.C. Vector Control District, Cypress Recreation and Parks, Department of Education and U.C.I., we first start by rolling forward the VVAs of these employers as of December 31, 2022 to December 31, 2023 for the actual contributions, benefit payments and return on their VVAs during 2023. Those VVAs are then marked to the Plan FNP as of December 31, 2023. The TPLs for these employers are obtained from internal valuation results (by rolling forward their TPLs from December 31, 2022). The TPLs as of December 31, 2023 were remeasured by (a) revaluing the TPLs as of December 31, 2022 (before the roll forward) to reflect the actuarial assumptions adopted in the experience study for the period January 1, 2020 through December 31, 2022, and (b) using the revalued TPLs in rolling forward the results from December 31, 2022 to December 31, 2023.

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Allocation of December 31, 2023 Net Pension Liability

Employer	Rate Group #4	Rate Group #4 Percentage	Rate Group #5	Rate Group #5 Percentage	Rate Group #9	Rate Group #9 Percentage
Orange County	\$0	0.000%	\$0	0.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	(1,889,567)	100.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	207,825,439	100.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	119	100.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$119	100.000%	\$207,825,439	100.000%	\$(1,889,567)	100.000%

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Allocation of December 31, 2023 Net Pension Liability

Employer	Rate Group #10	Rate Group #10 Percentage	Rate Group #11	Rate Group #11 Percentage	Rate Group #12	Rate Group #12 Percentage
Orange County	\$0	0.000%	\$0	0.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	993,411	100.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	(1,034,826)	100.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	27,738,768	100.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$27,738,768	100.000%	\$993,411	100.000%	\$(1,034,826)	100.000%

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Allocation of December 31, 2023 Net Pension Liability

Employer	Rate Group #6	Rate Group #6 Percentage	Rate Group #7	Rate Group #7 Percentage	Rate Group #8	Rate Group #8 Percentage
Orange County	\$179,894,626	100.000%	\$958,553,257	100.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	140,718,910	100.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$179,894,626	100.000%	\$958,553,257	100.000%	\$140,718,910	100.000%

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Allocation of December 31, 2023 Net Pension Liability

Employer	Total NPL	Total Percentage
Orange County	\$4,061,810,157	83.805%
O.C. Cemetery District	993,411	0.020%
O.C. Law Library	(1,034,826)	(0.021%)
O.C. Vector Control District ¹	752,245	0.015%
O.C. Retirement System	34,539,527	0.713%
O.C. Fire Authority	168,457,678	3.476%
Cypress Recreation and Parks ¹	(641,475)	(0.013%)
Department of Education ¹	3,189,922	0.066%
Transportation Corridor Agency	(1,889,567)	(0.039%)
City of San Juan Capistrano	17,443,348	0.360%
O.C. Sanitation District	(18,531,537)	(0.382%)
O.C. Transportation Authority	207,825,439	4.288%
U.C.I. ¹	26,555,318	0.548%
O.C. Children and Families Comm.	189,581	0.004%
Local Agency Formation Comm.	1,704,989	0.035%
Rancho Santa Margarita	119	0.000%
O.C. Superior Court	344,886,083	7.116%
O.C. IHSS Public Authority	462,162	0.009%
Total for all Employers	\$4,846,712,574	100.000%

¹ In determining the NPLs for the O.C. Vector Control District, Cypress Recreation and Parks, Department of Education and U.C.I., we first start by rolling forward the VVAs of these employers as of December 31, 2022 to December 31, 2023 for the actual contributions, benefit payments and return on their VVAs during 2023. Those VVAs are then marked to the Plan FNP as of December 31, 2023. The TPLs for these employers are obtained from internal valuation results (by rolling forward their TPLs from December 31, 2022). The TPLs as of December 31, 2023 were remeasured by (a) revaluing the TPLs as of December 31, 2022 (before the roll forward) to reflect the actuarial assumptions adopted in the experience study for the period January 1, 2020 through December 31, 2022, and (b) using the revalued TPLs in rolling forward the results from December 31, 2022 to December 31, 2023.

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Notes

1. Based on the January 1, 2023 through December 31, 2023 employer contributions as provided by OCERS. These contributions have been adjusted to include transfers made from the County Investment Account and to exclude employer paid member contributions and they have not been reduced for discount due to prepaid contributions.
2. The Net Pension Liability (NPL) for each Rate Group is the Total Pension Liability (TPL) minus the Plan Fiduciary Net Position (FNP). The TPL for each Rate Group is obtained from internal valuation results. The Plan FNP for each Rate Group is estimated by adjusting the Valuation Value of Assets (VVA) for each membership class by the ratio of the total OCERS Plan FNP (excluding the balance of the County Investment Account and the O.C. Sanitation District UAAL Deferred Account) to total OCERS VVA. As previously directed by OCERS, the County Investment Account is then allocated among the four County Rate Groups using the proportions of County POB contributions applied during 2023. These amounts are provided in item 4. The O.C. Sanitation District UAAL Deferred Account is allocated entirely to Rate Group #3 and the balance of that account has increased from \$14,398,000 to \$16,025,000 at the end of the year. The balance of the O.C. Sanitation District UAAL Deferred Account was used to reduce the NPL for the O.C. Sanitation District as of the measurement date.

3. Each of General Rate Groups #3, #4, #5, #9, #10, #11 and #12 and Safety Rate Groups #6, #7 and #8 have only one active employer, so all of the NPL for that Rate Group is allocated to the corresponding employer.

For General Rate Groups #1 and #2, the NPL is allocated based on the actual employer contributions within the General Rate Group.

- a. The NPL for Rate Group #1 was adjusted by the NPLs for the O.C. Vector Control District, Cypress Recreation and Parks, Department of Education and U.C.I. prior to allocating the net NPL to the other employers in Rate Group #1 as the NPLs for these four employers were calculated separately.
- b. Calculate ratio of employer's contributions to the total contributions for the Rate Group. For this purpose, the employer contributions exclude the following amounts:

1) Rate Group #1 (Department of Education):	\$316,960
2) Rate Group #1 (U.C.I.):	\$2,980,443
- c. Multiply this ratio (unrounded) by the NPL for the Rate Group to determine the employer's proportionate share of the NPL for the Rate Group.
- d. The UAAL contributions referenced in 3b(1) and 3b(2) above are adjusted with interest to December 31, 2023 and are used to reduce the NPL for the two employers as of December 31, 2023.
4. The percentages of contributions by employer are not exactly equal to the percentages we use to allocate the NPL by employer because the NPL for the County has been reduced to reflect the portion of the County Investment Account that has been

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allocated among the four County Rate Groups. The amounts of the County Investment Account that have been allocated to those Rate Groups are as follows:

Group	Amount
Rate Group #1:	\$3,235,878
Rate Group #2:	94,652,961
Rate Group #6:	7,074,542
Rate Group #7:	41,146,619
Total:	\$146,110,000

In addition, the NPL for Rate Group #2 was allocated prior to applying the adjusted balance of the \$1,744,454 in additional UAAL contributions made by O.C. Children and Families Commission on November 15, 2017. That balance is equal to \$1,653,109 as of December 31, 2022 and is equal to \$1,592,557 as of December 31, 2023 when adjusted with interest for the entire year and UAAL contribution offset starting from January 1, 2023 to December 31, 2023. We would continue to maintain the outstanding balance of the additional UAAL contributions for use in determining the NPL for this employer.

5. If an employer is in several Rate Groups, the employer's total allocated NPL is the sum of its allocated NPL from each Rate Group. Proportionate share of total plan NPL is then the ratio of the employer's total allocated NPL to the total NPL of all employers.

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Actual Contributions¹ by Employer and Rate Group January 1, 2024 to December 31, 2024

Employer	Rate Group #1	Rate Group #1 Percentage	Rate Group #2	Rate Group #2 Percentage	Rate Group #3	Rate Group #3 Percentage
Orange County	\$14,627,000	98.492%	\$419,377,000	88.319%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	5,061,000	1.066%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	2,349,000	0.495%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	9,541,000	100.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	259,000	0.055%	0	0.000%
Local Agency Formation Comm.	0	0.000%	205,000	0.043%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	47,590,000	10.022%	0	0.000%
O.C. IHSS Public Authority	224,000	1.508%	0	0.000%	0	0.000%
Total for all Employers	\$14,851,000	100.000%	\$474,841,000	100.000%	\$9,541,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

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Actual Contributions¹ by Employer and Rate Group January 1, 2024 to December 31, 2024

Employer	Rate Group #4	Rate Group #4 Percentage	Rate Group #5	Rate Group #5 Percentage	Rate Group #9	Rate Group #9 Percentage
Orange County	\$0	0.000%	\$0	0.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	985,000	100.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	35,314,000	100.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	100.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$0	100.000%	\$35,314,000	100.000%	\$985,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

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Actual Contributions¹ by Employer and Rate Group January 1, 2024 to December 31, 2024

Employer	Rate Group #10		Rate Group #11		Rate Group #12	
	Rate Group #10	Percentage	Rate Group #11	Percentage	Rate Group #12	Percentage
Orange County	\$0	0.000%	\$0	0.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	274,000	100.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	133,000	100.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	7,985,000	100.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$7,985,000	100.000%	\$274,000	100.000%	\$133,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

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Actual Contributions¹ by Employer and Rate Group January 1, 2024 to December 31, 2024

Employer	Rate Group #6	Rate Group #6 Percentage	Rate Group #7	Rate Group #7 Percentage	Rate Group #8	Rate Group #8 Percentage
Orange County	\$32,474,000	100.000%	\$198,784,000	100.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	62,540,000	100.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$32,474,000	100.000%	\$198,784,000	100.000%	\$62,540,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

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Actual Contributions¹ by Employer and Rate Group *January 1, 2024 to December 31, 2024*

Employer	Total Contributions ²	Total Percentage
Orange County	\$665,262,000	79.413%
O.C. Cemetery District	274,000	0.033%
O.C. Law Library	133,000	0.016%
O.C. Vector Control District	0	0.000%
O.C. Retirement System	5,061,000	0.604%
O.C. Fire Authority	70,525,000	8.419%
Cypress Recreation and Parks	0	0.000%
Department of Education	0	0.000%
Transportation Corridor Agency	985,000	0.118%
City of San Juan Capistrano	2,349,000	0.280%
O.C. Sanitation District	9,541,000	1.139%
O.C. Transportation Authority	35,314,000	4.215%
U.C.I.	0	0.000%
O.C. Children and Families Comm.	259,000	0.031%
Local Agency Formation Comm.	205,000	0.024%
Rancho Santa Margarita	0	0.000%
O.C. Superior Court	47,590,000	5.681%
O.C. IHSS Public Authority	224,000	0.027%
Total for all Employers	\$837,722,000	100.000%

¹ Excluding Employer Paid Member Contributions and Employee Paid Reverse Pick-up Contributions, and not Reduced for Discount due to Prepaid Contributions.

² Excludes combined additional contributions of \$15,629,000 made by O.C. Fire Authority towards the reduction of their UAALs, combined contributions of \$3,274,000 made by Department of Education and U.C.I. and combined employer pick-up contributions of \$28,000 made by O.C. Children and Families Commission, Local Agency Formation Commission and Orange County and adjustment for reverse pick-up contributions of (\$12,000) made by O.C. Fire Authority.

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Allocation of December 31, 2024 Net Pension Liability

Employer	Rate Group #1	Rate Group #1 Percentage	Rate Group #2	Rate Group #2 Percentage	Rate Group #3	Rate Group #3 Percentage
Orange County	\$4,332,066	16.485%	\$2,508,943,156	87.966%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District ¹	(1,280,860)	(4.874%)	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	31,456,875	1.103%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks ¹	(822,513)	(3.130%)	0	0.000%	0	0.000%
Department of Education ¹	2,489,629	9.474%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	14,600,316	0.512%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	(36,606,252)	100.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I. ¹	21,422,899	81.521%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	87,349	0.003%	0	0.000%
Local Agency Formation Comm.	0	0.000%	1,274,187	0.045%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	295,797,806	10.371%	0	0.000%
O.C. IHSS Public Authority	137,599	0.524%	0	0.000%	0	0.000%
Total for all Employers	\$26,278,820	100.000%	\$2,852,159,689	100.000%	\$(36,606,252)	100.000%

¹ In determining the NPLs for the O.C. Vector Control District, Cypress Recreation and Parks, Department of Education and U.C.I., we first start by rolling forward the VVAs of these employers as of December 31, 2023 to December 31, 2024 for the actual contributions, benefit payments and return on their VVAs during 2024. Those VVAs are then marked to the Plan FNP as of December 31, 2024. The TPLs for these employers are obtained from internal valuation results (by rolling forward their TPLs from December 31, 2023).

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Allocation of December 31, 2024 Net Pension Liability

Employer	Rate Group #4	Rate Group #4 Percentage	Rate Group #5	Rate Group #5 Percentage	Rate Group #9	Rate Group #9 Percentage
Orange County	\$0	0.000%	\$0	0.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	(3,110,431)	100.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	174,887,247	100.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	14,584	100.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$14,584	100.000%	\$174,887,247	100.000%	\$(3,110,431)	100.000%

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Allocation of December 31, 2024 Net Pension Liability

Employer	Rate Group #10	Rate Group #10 Percentage	Rate Group #11	Rate Group #11 Percentage	Rate Group #12	Rate Group #12 Percentage
Orange County	\$0	0.000%	\$0	0.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	199,913	100.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	(2,819,920)	100.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	15,454,113	100.000%	0	0.000%	0	0.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$15,454,113	100.000%	\$199,913	100.000%	\$(2,819,920)	100.000%

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Allocation of December 31, 2024 Net Pension Liability

Employer	Rate Group #6	Rate Group #6 Percentage	Rate Group #7	Rate Group #7 Percentage	Rate Group #8	Rate Group #8 Percentage
Orange County	\$139,726,989	100.000%	\$743,434,970	100.000%	\$0	0.000%
O.C. Cemetery District	0	0.000%	0	0.000%	0	0.000%
O.C. Law Library	0	0.000%	0	0.000%	0	0.000%
O.C. Vector Control District	0	0.000%	0	0.000%	0	0.000%
O.C. Retirement System	0	0.000%	0	0.000%	0	0.000%
O.C. Fire Authority	0	0.000%	0	0.000%	65,074,026	100.000%
Cypress Recreation and Parks	0	0.000%	0	0.000%	0	0.000%
Department of Education	0	0.000%	0	0.000%	0	0.000%
Transportation Corridor Agency	0	0.000%	0	0.000%	0	0.000%
City of San Juan Capistrano	0	0.000%	0	0.000%	0	0.000%
O.C. Sanitation District	0	0.000%	0	0.000%	0	0.000%
O.C. Transportation Authority	0	0.000%	0	0.000%	0	0.000%
U.C.I.	0	0.000%	0	0.000%	0	0.000%
O.C. Children and Families Comm.	0	0.000%	0	0.000%	0	0.000%
Local Agency Formation Comm.	0	0.000%	0	0.000%	0	0.000%
Rancho Santa Margarita	0	0.000%	0	0.000%	0	0.000%
O.C. Superior Court	0	0.000%	0	0.000%	0	0.000%
O.C. IHSS Public Authority	0	0.000%	0	0.000%	0	0.000%
Total for all Employers	\$139,726,989	100.000%	\$743,434,970	100.000%	\$65,074,026	100.000%

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Allocation of December 31, 2024 Net Pension Liability

Employer	Total NPL	Total Percentage
Orange County	\$3,396,437,181	85.452%
O.C. Cemetery District	199,913	0.005%
O.C. Law Library	(2,819,920)	(0.071%)
O.C. Vector Control District ¹	(1,280,860)	(0.032%)
O.C. Retirement System	31,456,875	0.792%
O.C. Fire Authority	80,528,139	2.026%
Cypress Recreation and Parks ¹	(822,513)	(0.021%)
Department of Education ¹	2,489,629	0.063%
Transportation Corridor Agency	(3,110,431)	(0.078%)
City of San Juan Capistrano	14,600,316	0.367%
O.C. Sanitation District	(36,606,252)	(0.921%)
O.C. Transportation Authority	174,887,247	4.400%
U.C.I. ¹	21,422,899	0.539%
O.C. Children and Families Comm.	87,349	0.002%
Local Agency Formation Comm.	1,274,187	0.032%
Rancho Santa Margarita	14,584	0.000%
O.C. Superior Court	295,797,806	7.442%
O.C. IHSS Public Authority	137,599	0.003%
Total for all Employers	\$3,974,693,748	100.000%

¹ In determining the NPLs for the O.C. Vector Control District, Cypress Recreation and Parks, Department of Education and U.C.I., we first start by rolling forward the VVAs of these employers as of December 31, 2023 to December 31, 2024 for the actual contributions, benefit payments and return on their VVAs during 2024. Those VVAs are then marked to the Plan FNP as of December 31, 2024. The TPLs for these employers are obtained from internal valuation results (by rolling forward their TPLs from December 31, 2023).

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Notes

1. Based on the January 1, 2024 through December 31, 2024 employer contributions as provided by OCERS. These contributions have been adjusted to include transfers made from the County Investment Account and to exclude employer paid member contributions and they have not been reduced for discount due to prepaid contributions.
2. The Net Pension Liability (NPL) for each Rate Group is the Total Pension Liability (TPL) minus the Plan Fiduciary Net Position (FNP). The TPL for each Rate Group is obtained from internal valuation results. The Plan FNP for each Rate Group is estimated by adjusting the Valuation Value of Assets (VVA) for each membership class by the ratio of the total OCERS Plan FNP (excluding the balance of the County Investment Account and the O.C. Sanitation District UAAL Deferred Account) to total OCERS VVA. As previously directed by OCERS, the County Investment Account is then allocated among the four County Rate Groups using the proportions of County POB contributions applied during 2024. These amounts are provided in item 4. The O.C. Sanitation District UAAL Deferred Account is allocated entirely to Rate Group #3 and the balance of that account has increased from \$16,025,000 to \$17,594,000 at the end of the year. The balance of the O.C. Sanitation District UAAL Deferred Account was used to reduce the NPL for the O.C. Sanitation District as of the measurement date.

3. Each of General Rate Groups #3, #4, #5, #9, #10, #11 and #12 and Safety Rate Groups #6, #7 and #8 have only one active employer, so all of the NPL for that Rate Group is allocated to the corresponding employer.

For General Rate Groups #1 and #2, the NPL is allocated based on the actual employer contributions within the General Rate Group.

- a. The NPL for Rate Group #1 was adjusted by the NPLs for the O.C. Vector Control District, Cypress Recreation and Parks, Department of Education and U.C.I. prior to allocating the net NPL to the other employers in Rate Group #1 as the NPLs for these four employers were calculated separately.
- b. Calculate ratio of employer's contributions to the total contributions for the Rate Group. For this purpose, the employer contributions exclude the following amounts:

1) Rate Group #1 (Department of Education):	\$338,378
2) Rate Group #1 (U.C.I.):	\$2,935,628
- c. Multiply this ratio (unrounded) by the NPL for the Rate Group to determine the employer's proportionate share of the NPL for the Rate Group.
- d. The UAAL contributions referenced in 3b(1) and 3b(2) above are adjusted with interest to December 31, 2024 and are used to reduce the NPL for the two employers as of December 31, 2024.
4. The percentages of contributions by employer are not exactly equal to the percentages we use to allocate the NPL by employer because the NPL for the County has been reduced to reflect the portion of the County Investment Account that has been

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allocated among the four County Rate Groups. The amounts of the County Investment Account that have been allocated to those Rate Groups are as follows:

Group	Amount
Rate Group #1:	\$4,653,030
Rate Group #2:	97,713,630
Rate Group #6:	7,755,050
Rate Group #7:	44,979,290
Total:	\$155,101,000

In addition, the NPL for Rate Group #2 was allocated prior to applying the adjusted balance of the \$1,744,454 in additional UAAL contributions made by O.C. Children and Families Commission on November 15, 2017. That balance is equal to \$1,592,557 as of December 31, 2023 and is equal to \$1,522,477 as of December 31, 2024 when adjusted with interest for the entire year and UAAL contribution offset starting from January 1, 2024 to December 31, 2024. We would continue to maintain the outstanding balance of the additional UAAL contributions for use in determining the NPL for this employer.

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5. If an employer is in several Rate Groups, the employer's total allocated NPL is the sum of its allocated NPL from each Rate Group. Proportionate share of total plan NPL is then the ratio of the employer's total allocated NPL to the total NPL of all employers.

For the active employers, the following items are allocated based on the corresponding proportionate share within each Rate Group:

- a. Net Pension Liability
- b. Service cost
- c. Interest on the Total Pension Liability
- d. Current-period benefit changes
- e. Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability
- f. Expensed portion of current-period changes of assumptions or other inputs
- g. Member contributions
- h. Projected earnings on plan investments
- i. Expensed portion of current-period differences between actual and projected earnings on plan investments
- j. Administrative expense
- k. Recognition of beginning of year deferred outflows of resources as pension expense
- l. Recognition of beginning of year deferred inflows of resources as pension expense

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Exhibit 6: Pension expense

Total for All Employers

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$564,605,045	\$536,399,540
Interest on the Total Pension Liability	1,859,622,913	1,750,651,189
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	28,950,134	61,081,366
Expensed portion of current-period changes of assumptions or other inputs	0	30,939,509
Member contributions ¹	(302,561,000)	(277,497,000)
Projected earnings on plan investments	(1,519,930,578)	(1,370,658,364)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(162,462,884)	(190,964,528)
Administrative expense	31,181,000	29,056,000
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	896,957,090	807,826,542
Recognition of beginning of year deferred inflows of resources as pension expense	(839,413,849)	(901,859,752)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$556,947,871	\$474,974,502

¹ Member contributions include employer paid member contributions, if any.

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Orange County

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$407,557,880	\$386,526,125
Interest on the Total Pension Liability	1,381,634,685	1,301,503,117
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	608,490	(2,748,624)
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	16,351,894	42,699,713
Expensed portion of current-period changes of assumptions or other inputs	0	23,752,462
Member contributions ¹	(225,155,401)	(205,220,382)
Projected earnings on plan investments	(1,098,731,500)	(989,243,833)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(117,001,288)	(137,865,610)
Administrative expense	23,977,977	21,976,640
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	638,949,679	573,376,226
Recognition of beginning of year deferred inflows of resources as pension expense	(594,581,133)	(639,315,324)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	(582,304)	4,069,056
Pension expense	\$433,028,979	\$379,509,566

¹ Member contributions include employer paid member contributions, if any.

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O.C. Cemetery District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$450,499	\$444,699
Interest on the Total Pension Liability	1,123,636	1,019,489
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	(60,944)	65,715
Expensed portion of current-period changes of assumptions or other inputs	0	29,580
Member contributions ¹	(201,000)	(198,000)
Projected earnings on plan investments	(1,038,157)	(931,669)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(112,059)	(127,450)
Administrative expense	12,430	12,898
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	735,765	663,846
Recognition of beginning of year deferred inflows of resources as pension expense	(589,935)	(629,519)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$320,235	\$349,589

¹ Member contributions include employer paid member contributions, if any.

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O.C. Law Library

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$356,726	\$334,491
Interest on the Total Pension Liability	931,322	887,611
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	(238,748)	(30,934)
Expensed portion of current-period changes of assumptions or other inputs	0	4,773
Member contributions ¹	(178,000)	(172,000)
Projected earnings on plan investments	(989,106)	(896,769)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(104,302)	(122,312)
Administrative expense	8,223	8,344
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	514,159	511,347
Recognition of beginning of year deferred inflows of resources as pension expense	(664,361)	(724,022)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$(364,087)	\$(199,471)

¹ Member contributions include employer paid member contributions, if any.

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O.C. Vector Control District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$0	\$0
Interest on the Total Pension Liability	1,948,447	1,828,491
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	(207,031)	334,638
Expensed portion of current-period changes of assumptions or other inputs	0	36,235
Member contributions ¹	0	0
Projected earnings on plan investments	(1,895,790)	(1,825,133)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(197,285)	(256,650)
Administrative expense	0	0
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	1,624,602	1,255,728
Recognition of beginning of year deferred inflows of resources as pension expense	(1,330,676)	(1,656,992)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$(57,733)	\$(283,683)

¹ Member contributions include employer paid member contributions, if any.

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O.C. Retirement System

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$3,136,299	\$2,805,187
Interest on the Total Pension Liability	11,369,164	10,185,318
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	257,060	871,227
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	183,396	307,377
Expensed portion of current-period changes of assumptions or other inputs	0	273,035
Member contributions ¹	(1,832,845)	(1,643,242)
Projected earnings on plan investments	(8,845,160)	(7,587,658)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(935,557)	(1,065,033)
Administrative expense	190,835	171,604
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	5,325,190	4,488,967
Recognition of beginning of year deferred inflows of resources as pension expense	(4,561,716)	(4,682,049)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	1,491,191	1,018,297
Pension expense	\$5,777,857	\$5,143,030

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

O.C. Fire Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$73,388,834	\$71,080,267
Interest on the Total Pension Liability	187,753,505	177,235,065
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	6,504,523	2,408,223
Expensed portion of current-period changes of assumptions or other inputs	0	559,062
Member contributions ¹	(33,386,000)	(31,508,000)
Projected earnings on plan investments	(174,806,701)	(156,580,908)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(18,901,929)	(21,539,655)
Administrative expense	3,188,451	3,216,967
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	98,739,774	96,558,035
Recognition of beginning of year deferred inflows of resources as pension expense	(103,094,298)	(109,134,518)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$39,386,159	\$32,294,538

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

Cypress Recreation and Parks

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$0	\$0
Interest on the Total Pension Liability	285,672	318,034
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	6,619	(95,426)
Expensed portion of current-period changes of assumptions or other inputs	0	3,961
Member contributions ¹	0	0
Projected earnings on plan investments	(330,575)	(313,762)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(34,256)	(43,485)
Administrative expense	0	0
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	223,691	233,006
Recognition of beginning of year deferred inflows of resources as pension expense	(272,029)	(194,086)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$(120,878)	\$(91,758)

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

Department of Education

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$0	\$0
Interest on the Total Pension Liability	745,536	751,807
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	(55,324)	68,493
Expensed portion of current-period changes of assumptions or other inputs	0	(3,962)
Member contributions ¹	0	0
Projected earnings on plan investments	(532,902)	(529,310)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(57,992)	(78,639)
Administrative expense	9,183	8,965
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	548,501	517,872
Recognition of beginning of year deferred inflows of resources as pension expense	(389,026)	(443,127)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$267,976	\$292,099

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

Transportation Corridor Agency

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$1,787,496	\$1,517,776
Interest on the Total Pension Liability	4,504,098	4,187,221
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	241,251	230,931
Expensed portion of current-period changes of assumptions or other inputs	0	98,900
Member contributions ¹	(887,000)	(871,000)
Projected earnings on plan investments	(4,572,942)	(4,184,666)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(491,547)	(574,327)
Administrative expense	49,177	47,831
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	2,789,810	2,478,533
Recognition of beginning of year deferred inflows of resources as pension expense	(2,583,478)	(2,723,219)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$836,865	\$207,980

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

City of San Juan Capistrano

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$1,455,673	\$1,416,691
Interest on the Total Pension Liability	5,276,855	5,143,847
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	(129,254)	6,333
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	85,121	155,233
Expensed portion of current-period changes of assumptions or other inputs	0	137,890
Member contributions ¹	(850,692)	(829,879)
Projected earnings on plan investments	(4,105,370)	(3,831,962)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(434,227)	(537,869)
Administrative expense	88,574	86,664
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	2,471,621	2,267,044
Recognition of beginning of year deferred inflows of resources as pension expense	(2,117,264)	(2,364,555)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	(729,230)	(782,450)
Pension expense	\$1,011,807	\$866,987

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

O.C. Sanitation District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$18,292,588	\$17,756,049
Interest on the Total Pension Liability	65,000,864	60,516,087
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	3,173,102	4,423,910
Expensed portion of current-period changes of assumptions or other inputs	0	1,676,370
Member contributions ¹	(9,374,000)	(8,539,000)
Projected earnings on plan investments	(65,642,070)	(60,592,819)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(6,946,602)	(8,349,540)
Administrative expense	497,742	480,151
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	47,461,280	42,123,623
Recognition of beginning of year deferred inflows of resources as pension expense	(38,382,072)	(40,971,577)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$14,080,832	\$8,523,254

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

O.C. Transportation Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$27,884,547	\$26,035,180
Interest on the Total Pension Liability	84,447,262	77,920,180
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	1,566,387	7,169,015
Expensed portion of current-period changes of assumptions or other inputs	0	1,607,156
Member contributions ¹	(13,037,000)	(11,860,000)
Projected earnings on plan investments	(69,521,325)	(63,075,124)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(7,820,312)	(8,989,687)
Administrative expense	1,254,369	1,228,167
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	43,339,172	34,696,608
Recognition of beginning of year deferred inflows of resources as pension expense	(44,237,800)	(48,264,405)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$23,875,300	\$16,467,090

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

U.C.I.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$0	\$0
Interest on the Total Pension Liability	6,250,954	6,400,356
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	(300,383)	262,674
Expensed portion of current-period changes of assumptions or other inputs	0	16,124
Member contributions ¹	0	0
Projected earnings on plan investments	(4,490,211)	(4,452,071)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(488,435)	(660,624)
Administrative expense	79,672	84,304
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	3,490,043	3,351,956
Recognition of beginning of year deferred inflows of resources as pension expense	(2,975,539)	(3,436,470)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$1,566,101	\$1,566,249

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

O.C. Children and Families Comm.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$8,708	\$15,397
Interest on the Total Pension Liability	31,570	55,905
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	29,117	70,624
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	509	1,687
Expensed portion of current-period changes of assumptions or other inputs	0	1,499
Member contributions ¹	(5,089)	(9,019)
Projected earnings on plan investments	(24,561)	(41,647)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(2,598)	(5,846)
Administrative expense	530	942
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	14,787	24,639
Recognition of beginning of year deferred inflows of resources as pension expense	(12,667)	(25,699)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	123,219	(30,266)
Pension expense	\$163,525	\$58,216

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

Local Agency Formation Comm.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$127,040	\$138,474
Interest on the Total Pension Liability	460,517	502,782
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	(39,901)	36,039
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	7,429	15,173
Expensed portion of current-period changes of assumptions or other inputs	0	13,478
Member contributions ¹	(74,241)	(81,116)
Projected earnings on plan investments	(358,281)	(374,553)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(37,896)	(52,574)
Administrative expense	7,730	8,471
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	215,701	221,591
Recognition of beginning of year deferred inflows of resources as pension expense	(184,776)	(231,122)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	42,545	12,308
Pension expense	\$165,867	\$208,951

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

Rancho Santa Margarita

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$0	\$0
Interest on the Total Pension Liability	2,596	3,016
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	185	184
Expensed portion of current-period changes of assumptions or other inputs	0	0
Member contributions ¹	0	0
Projected earnings on plan investments	(2,587)	(2,900)
Expensed portion of current-period differences between projected and actual earnings on plan investments	2,694	(527)
Administrative expense	0	0
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	2,082	2,039
Recognition of beginning of year deferred inflows of resources as pension expense	(1,395)	(1,767)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	0	0
Pension expense	\$3,575	\$45

¹ Member contributions include employer paid member contributions, if any.

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O.C. Superior Court

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$29,491,482	\$28,010,519
Interest on the Total Pension Liability	106,907,431	101,703,026
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	(740,092)	1,760,352
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	1,724,525	3,069,235
Expensed portion of current-period changes of assumptions or other inputs	0	2,726,324
Member contributions ¹	(17,234,754)	(16,408,191)
Projected earnings on plan investments	(83,173,513)	(75,764,724)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(8,797,302)	(10,634,625)
Administrative expense	1,794,478	1,713,509
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	50,074,257	44,823,495
Recognition of beginning of year deferred inflows of resources as pension expense	(42,895,096)	(46,751,470)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	(330,779)	(4,266,729)
Pension expense	\$36,820,637	\$29,980,721

¹ Member contributions include employer paid member contributions, if any.

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O.C. IHSS Public Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Components of Pension Expense		
Service cost	\$667,273	\$318,685
Interest on the Total Pension Liability	948,799	489,837
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	14,580	4,049
Benefit changes	0	0
Expensed portion of current-period difference between expected and actual experience in the Total Pension Liability	(32,377)	(4,475)
Expensed portion of current-period changes of assumptions or other inputs	0	6,622
Member contributions ¹	(344,978)	(157,171)
Projected earnings on plan investments	(869,827)	(428,856)
Expensed portion of current-period differences between projected and actual earnings on plan investments	(101,991)	(60,075)
Administrative expense	21,629	10,543
Other	0	0
Recognition of beginning of year deferred outflows of resources as pension expense	436,976	231,987
Recognition of beginning of year deferred inflows of resources as pension expense	(540,588)	(309,831)
Net amortization of deferred amounts from changes in proportion and differences between employer's contributions and proportionate share of contributions	(14,642)	(20,216)
Pension expense	\$184,854	\$81,099

¹ Member contributions include employer paid member contributions, if any.

Section 2: GASB 68 Information

Notes

Amounts shown in this Exhibit were allocated by employer based on the Employer Allocation Percentage calculated in *Section 2, Exhibit 5: Determination of proportionate share* for each Rate Group.

In determining the pension expense:

- Any differences between projected and actual investment earnings on pension plan investments are recognized over a period of five years beginning with the year in which they occur.
- Current-period (i.e., 2024) differences between expected and actual experience and changes of assumptions or other inputs (if any) are recognized over the average of the expected remaining service lives of all employees, calculated as of the beginning of the measurement period.
- Prior-period differences between expected and actual experience and changes of assumptions or other inputs continue to be recognized based on the average expected remaining service lives of all employees calculated based on their respective measurement dates.

In addition, there have been changes in each employer's proportionate share of the collective NPL during the measurement period ending December 31, 2024. The net effect of that change on the employer's proportionate share of the collective NPL and collective deferred outflows and deferred inflows of resources, as well as any differences between actual employer contributions and the proportionate share of employer contributions, are recognized as follows:

- Current period changes in proportion and differences between employer's contributions and proportionate share of contributions are recognized over the average expected remaining service lives of all employees, calculated as of the beginning of the measurement period.
- Prior period changes in proportion and differences between employer's contributions and proportionate share of contributions are continued to be recognized based on the average expected remaining service lives of all employees calculated based on their respective measurement dates.

The average expected remaining service lives of all employees is 5.31 years for the measurement period ending December 31, 2024 (calculated as of December 31, 2023). The average of the expected remaining service lives of all employees was determined by:

- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each non-active or retired member.
- Dividing the sum of the above amounts by the total number of active, non-active and retired members.

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Exhibit 7: Deferred outflows and deferred inflows of resources

Total for All Employers

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$21,975,407	\$27,613,400
Changes of assumptions or other inputs	132,450,748	198,937,580
Net difference between projected and actual earnings on pension plan investments (if any)	1,434,833,324	2,152,233,822
Difference between actual and expected experience in the Total Pension Liability	397,617,101	377,651,069
Total deferred outflows	\$1,986,876,580	\$2,756,435,871
Deferred Inflows of Resources		
Changes in proportion ¹	\$21,975,407	\$27,613,400
Changes of assumptions or other inputs	26,159,128	58,441,920
Net difference between actual and projected earnings on pension plan investments (if any)	1,604,707,997	1,729,371,061
Difference between expected and actual experience in the Total Pension Liability	54,949,407	79,305,152
Total deferred inflows	\$1,707,791,939	\$1,894,731,533
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$57,543,241
June 30, 2026	\$116,131,849	249,644,599
June 30, 2027	484,216,050	617,728,800
June 30, 2028	(228,932,351)	(95,419,601)
June 30, 2029	(101,305,453)	32,207,299
June 30, 2030	8,974,546	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

Section 2: GASB 68 Information

Orange County

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$8,911,489	\$10,300,302
Changes of assumptions or other inputs	102,699,747	154,874,422
Net difference between projected and actual earnings on pension plan investments (if any)	1,033,126,674	1,549,490,233
Difference between actual and expected experience in the Total Pension Liability	249,393,373	244,533,088
Total deferred outflows	\$1,394,131,283	\$1,959,198,045
Deferred Inflows of Resources		
Changes in proportion ¹	\$10,850,356	\$15,444,066
Changes of assumptions or other inputs	17,280,839	38,617,023
Net difference between actual and projected earnings on pension plan investments (if any)	1,157,631,739	1,249,169,736
Difference between expected and actual experience in the Total Pension Liability	19,980,859	29,192,872
Total deferred inflows	\$1,205,743,793	\$1,332,423,697
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$43,691,695
June 30, 2026	\$87,578,174	187,524,536
June 30, 2027	345,056,897	445,011,678
June 30, 2028	(171,773,264)	(71,749,797)
June 30, 2029	(77,732,039)	22,296,236
June 30, 2030	5,257,722	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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O.C. Cemetery District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	122,595	181,187
Net difference between projected and actual earnings on pension plan investments (if any)	978,828	1,468,243
Difference between actual and expected experience in the Total Pension Liability	355,097	542,855
Total deferred outflows	\$1,456,520	\$2,192,285
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	1,087,698	1,157,741
Difference between expected and actual experience in the Total Pension Liability	262,668	71,657
Total deferred inflows	\$1,350,366	\$1,229,398
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$145,830
June 30, 2026	\$154,691	327,694
June 30, 2027	307,215	480,218
June 30, 2028	(197,211)	(24,208)
June 30, 2029	(139,649)	33,353
June 30, 2030	(18,892)	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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O.C. Law Library

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	28,100	47,821
Net difference between projected and actual earnings on pension plan investments (if any)	960,424	1,440,637
Difference between actual and expected experience in the Total Pension Liability	15,767	29,992
Total deferred outflows	\$1,004,291	\$1,518,450
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	1,032,024	1,117,024
Difference between expected and actual experience in the Total Pension Liability	1,288,651	421,803
Total deferred inflows	\$2,320,675	\$1,538,827
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$(150,202)
June 30, 2026	\$(361,597)	(18,547)
June 30, 2027	(39,737)	303,313
June 30, 2028	(488,838)	(145,788)
June 30, 2029	(352,202)	(9,153)
June 30, 2030	(74,010)	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

Section 2: GASB 68 Information

O.C. Vector Control District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	137,150	192,850
Net difference between projected and actual earnings on pension plan investments (if any)	2,109,272	3,163,908
Difference between actual and expected experience in the Total Pension Liability	1,462,183	1,976,449
Total deferred outflows	\$3,708,605	\$5,333,207
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	2,090,431	2,385,741
Difference between expected and actual experience in the Total Pension Liability	1,170,390	524,310
Total deferred inflows	\$3,260,821	\$2,910,051
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$293,926
June 30, 2026	\$225,916	630,232
June 30, 2027	800,520	1,204,836
June 30, 2028	(239,959)	164,357
June 30, 2029	(274,511)	129,805
June 30, 2030	(64,182)	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

Section 2: GASB 68 Information

O.C. Retirement System

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$4,485,001	\$4,993,789
Changes of assumptions or other inputs	1,251,854	1,802,479
Net difference between projected and actual earnings on pension plan investments (if any)	8,341,511	11,891,923
Difference between actual and expected experience in the Total Pension Liability	2,098,098	1,727,337
Total deferred outflows	\$16,176,464	\$20,415,528
Deferred Inflows of Resources		
Changes in proportion ¹	\$302,519	\$428,045
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	9,332,840	9,609,522
Difference between expected and actual experience in the Total Pension Liability	42,748	80,095
Total deferred inflows	\$9,678,107	\$10,117,662
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$2,216,813
June 30, 2026	\$2,442,781	2,846,078
June 30, 2027	4,061,929	4,373,916
June 30, 2028	(166,466)	352,984
June 30, 2029	23,570	508,075
June 30, 2030	136,543	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

Section 2: GASB 68 Information

O.C. Fire Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	2,210,062	3,185,426
Net difference between projected and actual earnings on pension plan investments (if any)	162,800,975	244,201,463
Difference between actual and expected experience in the Total Pension Liability	51,727,051	40,056,478
Total deferred outflows	\$216,738,088	\$287,443,367
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	8,690,209	19,418,863
Net difference between actual and projected earnings on pension plan investments (if any)	183,297,453	194,620,351
Difference between expected and actual experience in the Total Pension Liability	7,846,632	13,281,661
Total deferred inflows	\$199,834,294	\$227,320,875
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$(4,354,524)
June 30, 2026	\$2,379,295	14,776,701
June 30, 2027	52,847,452	65,244,858
June 30, 2028	(28,980,497)	(16,583,091)
June 30, 2029	(11,358,859)	1,038,548
June 30, 2030	2,016,403	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

Section 2: GASB 68 Information

Cypress Recreation and Parks

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	13,269	17,230
Net difference between projected and actual earnings on pension plan investments (if any)	323,553	485,329
Difference between actual and expected experience in the Total Pension Liability	72,060	101,487
Total deferred outflows	\$408,882	\$604,046
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	2,081	4,647
Net difference between actual and projected earnings on pension plan investments (if any)	346,538	376,709
Difference between expected and actual experience in the Total Pension Liability	336,165	438,432
Total deferred inflows	\$684,784	\$819,788
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$(48,338)
June 30, 2026	\$(53,007)	(25,370)
June 30, 2027	99	27,736
June 30, 2028	(165,395)	(137,758)
June 30, 2029	(59,650)	(32,012)
June 30, 2030	2,051	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

Section 2: GASB 68 Information

Department of Education

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	0	0
Net difference between projected and actual earnings on pension plan investments (if any)	633,410	950,116
Difference between actual and expected experience in the Total Pension Liability	473,061	704,856
Total deferred outflows	\$1,106,471	\$1,654,972
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	30,412	55,533
Net difference between actual and projected earnings on pension plan investments (if any)	628,890	729,838
Difference between expected and actual experience in the Total Pension Liability	283,384	75,925
Total deferred inflows	\$942,686	\$861,296
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$159,475
June 30, 2026	\$98,303	211,619
June 30, 2027	264,306	377,622
June 30, 2028	(90,943)	22,373
June 30, 2029	(90,729)	22,587
June 30, 2030	(17,152)	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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Transportation Corridor Agency

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	360,616	495,686
Net difference between projected and actual earnings on pension plan investments (if any)	4,463,204	6,694,806
Difference between actual and expected experience in the Total Pension Liability	1,891,329	1,274,675
Total deferred outflows	\$6,715,149	\$8,465,167
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	4,848,253	5,218,632
Difference between expected and actual experience in the Total Pension Liability	425,381	672,291
Total deferred inflows	\$5,273,634	\$5,890,923
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$206,332
June 30, 2026	\$438,037	688,333
June 30, 2027	1,587,110	1,837,406
June 30, 2028	(523,563)	(273,267)
June 30, 2029	(134,857)	115,440
June 30, 2030	74,788	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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City of San Juan Capistrano

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$1,335,882	\$2,248,881
Changes of assumptions or other inputs	581,032	910,298
Net difference between projected and actual earnings on pension plan investments (if any)	3,871,608	6,005,726
Difference between actual and expected experience in the Total Pension Liability	973,806	872,350
Total deferred outflows	\$6,762,328	\$10,037,255
Deferred Inflows of Resources		
Changes in proportion ¹	\$2,855,306	\$3,940,450
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	4,331,721	4,853,056
Difference between expected and actual experience in the Total Pension Liability	19,841	40,450
Total deferred inflows	\$7,206,868	\$8,833,956
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$(362,772)
June 30, 2026	\$(29,788)	477,920
June 30, 2027	959,173	1,496,071
June 30, 2028	(983,303)	(512,727)
June 30, 2029	(376,940)	104,807
June 30, 2030	(13,682)	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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O.C. Sanitation District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	7,264,284	10,975,775
Net difference between projected and actual earnings on pension plan investments (if any)	65,801,588	98,702,383
Difference between actual and expected experience in the Total Pension Liability	36,769,832	33,942,756
Total deferred outflows	\$109,835,704	\$143,620,914
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	69,783,770	76,337,381
Difference between expected and actual experience in the Total Pension Liability	5,860,974	9,903,026
Total deferred inflows	\$75,644,744	\$86,240,407
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$9,079,208
June 30, 2026	\$12,166,692	15,940,192
June 30, 2027	27,642,559	31,416,059
June 30, 2028	(4,963,548)	(1,190,048)
June 30, 2029	(1,638,405)	2,135,096
June 30, 2030	983,662	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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O.C. Transportation Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	5,861,581	8,058,375
Net difference between projected and actual earnings on pension plan investments (if any)	66,476,996	99,715,493
Difference between actual and expected experience in the Total Pension Liability	31,060,134	32,212,886
Total deferred outflows	\$103,398,711	\$139,986,754
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	75,887,872	80,654,909
Difference between expected and actual experience in the Total Pension Liability	15,513,217	23,702,731
Total deferred inflows	\$91,401,089	\$104,357,640
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$(898,628)
June 30, 2026	\$1,714,394	7,968,319
June 30, 2027	21,001,264	27,255,189
June 30, 2028	(8,021,352)	(1,767,427)
June 30, 2029	(3,182,265)	3,071,661
June 30, 2030	485,581	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

Section 2: GASB 68 Information

U.C.I.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	54,015	70,139
Net difference between projected and actual earnings on pension plan investments (if any)	5,288,950	7,933,424
Difference between actual and expected experience in the Total Pension Liability	1,496,761	2,326,206
Total deferred outflows	\$6,839,726	\$10,329,769
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	153,656	343,353
Net difference between actual and projected earnings on pension plan investments (if any)	5,280,954	6,113,058
Difference between expected and actual experience in the Total Pension Liability	1,294,650	0
Total deferred inflows	\$6,729,260	\$6,456,411
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$514,504
June 30, 2026	\$320,541	1,109,359
June 30, 2027	1,667,666	2,456,484
June 30, 2028	(1,093,385)	(304,567)
June 30, 2029	(691,238)	97,578
June 30, 2030	(93,118)	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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O.C. Children and Families Comm.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$1,026,408	\$1,267,036
Changes of assumptions or other inputs	3,476	9,893
Net difference between projected and actual earnings on pension plan investments (if any)	23,163	65,273
Difference between actual and expected experience in the Total Pension Liability	5,826	9,481
Total deferred outflows	\$1,058,873	\$1,351,683
Deferred Inflows of Resources		
Changes in proportion ¹	\$115,967	\$358,869
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	25,915	52,745
Difference between expected and actual experience in the Total Pension Liability	119	440
Total deferred inflows	\$142,001	\$412,054
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$127,202
June 30, 2026	\$312,633	290,123
June 30, 2027	337,525	319,508
June 30, 2028	205,189	176,962
June 30, 2029	52,342	25,834
June 30, 2030	9,183	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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Local Agency Formation Comm.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$181,441	\$282,490
Changes of assumptions or other inputs	50,707	88,977
Net difference between projected and actual earnings on pension plan investments (if any)	337,880	587,026
Difference between actual and expected experience in the Total Pension Liability	84,985	85,267
Total deferred outflows	\$655,013	\$1,043,760
Deferred Inflows of Resources		
Changes in proportion ¹	\$275,421	\$161,952
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	378,034	474,359
Difference between expected and actual experience in the Total Pension Liability	1,732	3,954
Total deferred inflows	\$655,187	\$640,265
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$78,364
June 30, 2026	\$28,496	110,734
June 30, 2027	99,078	193,121
June 30, 2028	(68,587)	(1,368)
June 30, 2029	(49,094)	22,644
June 30, 2030	(10,067)	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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Rancho Santa Margarita

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	0	0
Net difference between projected and actual earnings on pension plan investments (if any)	13,712	4,401
Difference between actual and expected experience in the Total Pension Liability	1,963	1,779
Total deferred outflows	\$15,675	\$6,180
Deferred Inflows of Resources		
Changes in proportion ¹	\$0	\$0
Changes of assumptions or other inputs	150	334
Net difference between actual and projected earnings on pension plan investments (if any)	2,209	3,390
Difference between expected and actual experience in the Total Pension Liability	41	71
Total deferred inflows	\$2,400	\$3,795
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$687
June 30, 2026	\$3,485	606
June 30, 2027	4,174	1,295
June 30, 2028	2,612	(267)
June 30, 2029	2,945	64
June 30, 2030	59	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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O.C. Superior Court

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$5,897,179	\$8,413,239
Changes of assumptions or other inputs	11,771,530	17,998,217
Net difference between projected and actual earnings on pension plan investments (if any)	78,437,563	118,743,916
Difference between actual and expected experience in the Total Pension Liability	19,729,001	17,247,907
Total deferred outflows	\$115,835,273	\$162,403,279
Deferred Inflows of Resources		
Changes in proportion ¹	\$7,510,971	\$7,168,015
Changes of assumptions or other inputs	0	0
Net difference between actual and projected earnings on pension plan investments (if any)	87,759,310	95,953,559
Difference between expected and actual experience in the Total Pension Liability	401,969	799,768
Total deferred inflows	\$95,672,250	\$103,921,342
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$6,914,743
June 30, 2026	\$8,804,418	16,778,235
June 30, 2027	27,413,684	35,547,584
June 30, 2028	(11,173,374)	(3,403,193)
June 30, 2029	(5,186,880)	2,644,568
June 30, 2030	305,175	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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O.C. IHSS Public Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Deferred Outflows of Resources		
Changes in proportion ¹	\$138,007	\$107,663
Changes of assumptions or other inputs	40,730	28,805
Net difference between projected and actual earnings on pension plan investments (if any)	844,013	689,522
Difference between actual and expected experience in the Total Pension Liability	6,774	5,220
Total deferred outflows	\$1,029,524	\$831,210
Deferred Inflows of Resources		
Changes in proportion ¹	\$64,867	\$112,003
Changes of assumptions or other inputs	1,781	2,167
Net difference between actual and projected earnings on pension plan investments (if any)	962,346	543,310
Difference between expected and actual experience in the Total Pension Liability	219,986	95,666
Total deferred inflows	\$1,248,980	\$753,146
Recognition of Deferred Outflows/(Inflows) by Reporting Date for Employer		
June 30, 2025	N/A	\$(71,074)
June 30, 2026	\$(91,615)	7,835
June 30, 2027	205,136	181,906
June 30, 2028	(210,467)	(42,771)
June 30, 2029	(116,992)	2,168
June 30, 2030	(5,518)	0

¹ Includes differences between employer's contributions and proportionate share of contributions, if any.

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Exhibit 8: Reconciliation of Net Pension Liability

Total for All Employers

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$4,846,712,574	\$5,391,006,171
Pension expense	556,947,871	474,974,502
Employer contributions	(846,347,000)	(749,734,000)
New net deferred outflows/(inflows)	(525,076,456)	(363,567,309)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	(57,543,241)	94,033,210
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$3,974,693,748	\$4,846,712,574

¹ Includes differences between employer contributions and proportionate share of contributions.

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Orange County

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$4,061,810,157	\$4,469,282,004
Pension expense	433,028,979	379,509,566
Employer contributions	(660,015,098)	(571,078,784)
New net deferred outflows/(inflows)	(397,528,490)	(262,395,479)
Change in allocation of prior deferred outflows/(inflows)	305,282	(3,420,675)
New net deferred flows due to change in proportion ¹	2,622,593	(11,956,517)
Recognition of prior deferred outflows/(inflows)	(44,368,546)	65,939,098
Recognition of prior deferred flows due to change in proportion ¹	582,304	(4,069,056)
Ending Net Pension Liability	\$3,396,437,181	\$4,061,810,157

¹ Includes differences between employer contributions and proportionate share of contributions.

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O.C. Cemetery District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$993,411	\$1,031,416
Pension expense	320,235	349,589
Employer contributions	(257,000)	(258,000)
New net deferred outflows/(inflows)	(710,903)	(95,267)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	(145,830)	(34,327)
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$199,913	\$993,411

¹ Includes differences between employer contributions and proportionate share of contributions.

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O.C. Law Library

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$(1,034,826)	\$(321,987)
Pension expense	(364,087)	(199,471)
Employer contributions	(125,000)	(123,000)
New net deferred outflows/(inflows)	(1,446,209)	(603,043)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	150,202	212,675
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$(2,819,920)	\$(1,034,826)

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

O.C. Vector Control District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$752,245	\$47,967
Pension expense	(57,733)	(283,683)
Employer contributions	0	0
New net deferred outflows/(inflows)	(1,681,446)	586,697
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	(293,926)	401,264
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$(1,280,860)	\$752,245

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

O.C. Retirement System

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$34,539,527	\$31,526,121
Pension expense	5,777,857	5,143,030
Employer contributions	(5,061,000)	(4,477,000)
New net deferred outflows/(inflows)	(2,951,790)	(1,735,340)
Change in allocation of prior deferred outflows/(inflows)	299,017	1,118,093
New net deferred flows due to change in proportion ¹	1,107,929	3,789,838
Recognition of prior deferred outflows/(inflows)	(763,474)	193,082
Recognition of prior deferred flows due to change in proportion ¹	(1,491,191)	(1,018,297)
Ending Net Pension Liability	\$31,456,875	\$34,539,527

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

O.C. Fire Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$168,457,678	\$279,060,590
Pension expense	39,386,159	32,294,538
Employer contributions	(84,097,000)	(82,223,000)
New net deferred outflows/(inflows)	(47,573,222)	(73,250,933)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	4,354,524	12,576,483
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$80,528,139	\$168,457,678

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

Cypress Recreation and Parks

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$(641,475)	\$61,016
Pension expense	(120,878)	(91,758)
Employer contributions	0	0
New net deferred outflows/(inflows)	(108,498)	(571,813)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	48,338	(38,920)
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$(822,513)	\$(641,475)

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

Department of Education

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$3,189,922	\$3,323,372
Pension expense	267,976	292,099
Employer contributions	(338,378)	(316,960)
New net deferred outflows/(inflows)	(470,416)	(33,844)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	(159,475)	(74,745)
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$2,489,629	\$3,189,922

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

Transportation Corridor Agency

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$(1,889,567)	\$(659,689)
Pension expense	836,865	207,980
Employer contributions	(925,000)	(820,000)
New net deferred outflows/(inflows)	(926,397)	(862,544)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	(206,332)	244,686
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$(3,110,431)	\$(1,889,567)

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

City of San Juan Capistrano

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$17,443,348	\$18,650,483
Pension expense	1,011,807	866,987
Employer contributions	(2,207,000)	(2,137,000)
New net deferred outflows/(inflows)	(1,370,036)	(876,391)
Change in allocation of prior deferred outflows/(inflows)	(95,591)	31,761
New net deferred flows due to change in proportion ¹	(557,085)	27,547
Recognition of prior deferred outflows/(inflows)	(354,357)	97,511
Recognition of prior deferred flows due to change in proportion ¹	729,230	782,450
Ending Net Pension Liability	\$14,600,316	\$17,443,348

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

O.C. Sanitation District

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$(18,531,537)	\$(10,604,801)
Pension expense	14,080,832	8,523,254
Employer contributions	(8,966,000)	(8,436,000)
New net deferred outflows/(inflows)	(14,110,339)	(6,861,944)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	(9,079,208)	(1,152,046)
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$(36,606,252)	\$(18,531,537)

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

O.C. Transportation Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$207,825,439	\$207,132,957
Pension expense	23,875,300	16,467,090
Employer contributions	(33,182,000)	(31,560,000)
New net deferred outflows/(inflows)	(24,530,120)	2,217,595
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	898,628	13,567,797
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$174,887,247	\$207,825,439

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

U.C.I.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$26,555,318	\$29,314,724
Pension expense	1,566,101	1,566,249
Employer contributions	(2,935,628)	(2,980,443)
New net deferred outflows/(inflows)	(3,248,388)	(1,429,726)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	(514,504)	84,514
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$21,422,899	\$26,555,318

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

O.C. Children and Families Comm.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$189,581	\$(21,846)
Pension expense	163,525	58,216
Employer contributions	(243,000)	(220,000)
New net deferred outflows/(inflows)	(8,196)	(9,525)
Change in allocation of prior deferred outflows/(inflows)	(14,715)	44,194
New net deferred flows due to change in proportion ¹	125,493	307,216
Recognition of prior deferred outflows/(inflows)	(2,120)	1,060
Recognition of prior deferred flows due to change in proportion ¹	(123,219)	30,266
Ending Net Pension Liability	\$87,349	\$189,581

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

Local Agency Formation Comm.

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$1,704,989	\$1,587,646
Pension expense	165,867	208,951
Employer contributions	(193,000)	(209,000)
New net deferred outflows/(inflows)	(119,565)	(85,662)
Change in allocation of prior deferred outflows/(inflows)	(38,661)	49,059
New net deferred flows due to change in proportion ¹	(171,973)	156,772
Recognition of prior deferred outflows/(inflows)	(30,925)	9,531
Recognition of prior deferred flows due to change in proportion ¹	(42,545)	(12,308)
Ending Net Pension Liability	\$1,274,187	\$1,704,989

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

Rancho Santa Margarita

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$119	\$1,652
Pension expense	3,575	45
Employer contributions	0	0
New net deferred outflows/(inflows)	11,577	(1,306)
Change in allocation of prior deferred outflows/(inflows)	0	0
New net deferred flows due to change in proportion ¹	0	0
Recognition of prior deferred outflows/(inflows)	(687)	(272)
Recognition of prior deferred flows due to change in proportion ¹	0	0
Ending Net Pension Liability	\$14,584	\$119

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

O.C. Superior Court

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$344,886,083	\$360,927,849
Pension expense	36,820,637	29,980,721
Employer contributions	(47,590,000)	(44,703,000)
New net deferred outflows/(inflows)	(27,756,508)	(17,327,822)
Change in allocation of prior deferred outflows/(inflows)	(524,229)	2,156,100
New net deferred flows due to change in proportion ¹	(3,189,795)	7,657,531
Recognition of prior deferred outflows/(inflows)	(7,179,161)	1,927,975
Recognition of prior deferred flows due to change in proportion ¹	330,779	4,266,729
Ending Net Pension Liability	\$295,797,806	\$344,886,083

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

O.C. IHSS Public Authority

Line Description	Current Year	Prior Year
Reporting and Measurement Dates		
Reporting date for employer under GASB 68	June 30, 2025	June 30, 2024
Measurement date for employer under GASB 68	December 31, 2024	December 31, 2023
Reconciliation of Net Pension Liability		
Beginning Net Pension Liability	\$462,162	\$666,697
Pension expense	184,854	81,099
Employer contributions	(211,896)	(191,813)
New net deferred outflows/(inflows)	(547,510)	(230,962)
Change in allocation of prior deferred outflows/(inflows)	68,897	21,468
New net deferred flows due to change in proportion ¹	62,838	17,613
Recognition of prior deferred outflows/(inflows)	103,612	77,844
Recognition of prior deferred flows due to change in proportion ¹	14,642	20,216
Ending Net Pension Liability	\$137,599	\$462,162

¹ Includes differences between employer contributions and proportionate share of contributions.

Section 2: GASB 68 Information

Exhibit 9: Schedule of proportionate share of Net Pension Liability

Total for All Employers

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	100.000%	\$5,716,604,741	\$1,521,035,820	375.84%	67.10%
2017	100.000%	5,191,216,603	1,602,675,426	323.91%	71.16%
2018	100.000%	4,952,099,401	1,678,322,080	295.06%	74.93%
2019	100.000%	6,197,202,089	1,718,798,287	360.55%	70.03%
2020	100.000%	5,075,682,463	1,783,054,087	284.66%	76.67%
2021	100.000%	4,213,246,650	1,909,268,347	220.67%	81.69%
2022	100.000%	2,050,237,722	1,870,386,937	109.62%	91.45%
2023	100.000%	5,391,006,171	1,932,374,427	278.98%	78.51%
2024	100.000%	4,846,712,574	2,042,240,364	237.32%	81.81%
2025	100.000%	3,974,693,748	2,252,413,618	176.46%	85.77%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

Orange County

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	76.813%	\$4,391,070,880	\$1,117,547,827	392.92%	65.66%
2017	77.898%	4,043,855,643	1,199,272,843	337.19%	69.56%
2018	80.445%	3,983,695,231	1,246,487,036	319.59%	72.85%
2019	79.367%	4,918,576,912	1,271,800,976	386.74%	68.06%
2020	81.254%	4,124,212,240	1,312,799,835	314.15%	74.47%
2021	84.200%	3,547,545,979	1,403,384,933	252.78%	79.31%
2022	99.870%	2,047,576,018	1,374,766,971	148.94%	88.59%
2023	82.903%	4,469,282,004	1,418,885,341	314.99%	76.17%
2024	83.805%	4,061,810,157	1,497,990,398	271.15%	79.53%
2025	85.452%	3,396,437,181	1,669,338,192	203.46%	83.67%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Cemetery District

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.009%	\$533,906	\$1,247,006	42.82%	93.62%
2017	0.004%	222,409	1,288,388	17.26%	97.47%
2018	(0.004%)	(173,677)	1,419,045	(12.24%)	101.78%
2019	0.016%	962,119	1,518,808	63.35%	91.02%
2020	(0.004%)	(228,119)	1,595,506	(14.30%)	102.07%
2021	(0.003%)	(145,195)	1,730,433	(8.39%)	101.16%
2022	(0.068%)	(1,394,665)	1,787,176	(78.04%)	110.35%
2023	0.019%	1,031,416	1,883,493	54.76%	92.81%
2024	0.020%	993,411	1,906,684	52.10%	93.74%
2025	0.005%	199,913	1,916,900	10.43%	98.79%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Law Library

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.061%	\$3,472,003	\$1,153,022	301.12%	62.38%
2017	0.034%	1,770,282	1,106,587	159.98%	80.96%
2018	(0.001%)	(36,317)	1,095,599	(3.31%)	100.35%
2019	0.009%	573,252	1,075,119	53.32%	94.64%
2020	(0.001%)	(74,515)	1,057,915	(7.04%)	100.66%
2021	(0.023%)	(949,226)	1,109,082	(85.59%)	108.09%
2022	(0.128%)	(2,629,777)	1,059,907	(248.11%)	122.03%
2023	(0.006%)	(321,987)	1,109,677	(29.02%)	102.56%
2024	(0.021%)	(1,034,826)	1,148,601	(90.09%)	107.86%
2025	(0.071%)	(2,819,920)	1,195,325	(235.91%)	122.14%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Vector Control District

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.034%	\$1,941,891	\$0	N/A	92.66%
2017	0.032%	1,669,793	0	N/A	93.78%
2018	0.024%	1,166,920	0	N/A	95.89%
2019	0.040%	2,492,695	0	N/A	90.92%
2020	(0.012%)	(625,500)	0	N/A	102.29%
2021	(0.040%)	(1,681,965)	0	N/A	106.03%
2022	(0.268%)	(5,501,623)	0	N/A	120.52%
2023	0.001%	47,967	0	N/A	99.82%
2024	0.016%	752,245	0	N/A	97.39%
2025	(0.032%)	(1,280,860)	0	N/A	104.63%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Retirement System

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.433%	\$24,747,342	\$6,063,327	408.15%	64.73%
2017	0.422%	21,886,393	6,190,905	353.52%	68.69%
2018	0.433%	21,427,080	6,486,488	330.33%	71.95%
2019	0.465%	28,844,760	7,501,588	384.52%	67.06%
2020	0.528%	26,824,264	8,491,615	315.89%	73.18%
2021	0.592%	24,954,057	9,414,503	265.06%	76.95%
2022	0.799%	16,375,725	9,518,018	172.05%	85.88%
2023	0.585%	31,526,121	9,950,919	316.82%	73.88%
2024	0.713%	34,539,527	12,581,491	274.53%	77.09%
2025	0.792%	31,456,875	14,660,755	214.57%	80.93%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Fire Authority

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	9.056%	\$517,669,806	\$129,452,647	399.89%	68.90%
2017	9.043%	469,430,660	124,514,004	377.01%	73.11%
2018	7.485%	370,674,668	148,890,685	248.96%	80.44%
2019	7.531%	466,731,526	155,479,486	300.19%	76.63%
2020	6.982%	354,395,457	164,583,742	215.33%	83.51%
2021	4.299%	181,121,638	190,254,989	95.20%	91.96%
2022	(5.117%)	(104,907,413)	189,061,641	(55.49%)	104.45%
2023	5.176%	279,060,590	193,780,939	144.01%	88.92%
2024	3.476%	168,457,678	202,864,559	83.04%	93.68%
2025	2.026%	80,528,139	215,103,080	37.44%	97.17%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

Cypress Recreation and Parks

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.000%	\$0	\$0	N/A	N/A
2017	0.000%	0	0	N/A	N/A
2018	0.015%	718,340	0	N/A	83.78%
2019	0.007%	408,781	0	N/A	90.81%
2020	0.005%	262,415	0	N/A	94.23%
2021	0.004%	185,117	0	N/A	96.03%
2022	(0.005%)	(103,379)	0	N/A	102.18%
2023	0.001%	61,016	0	N/A	98.70%
2024	(0.013%)	(641,475)	0	N/A	115.18%
2025	(0.021%)	(822,513)	0	N/A	119.32%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

Department of Education

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.075%	\$4,306,689	\$0	N/A	69.50%
2017	0.085%	4,415,517	0	N/A	68.18%
2018	0.051%	2,530,324	0	N/A	80.00%
2019	0.057%	3,517,372	0	N/A	71.79%
2020	0.061%	3,099,339	0	N/A	74.84%
2021	0.063%	2,661,390	0	N/A	77.81%
2022	0.074%	1,523,058	0	N/A	86.62%
2023	0.062%	3,323,372	0	N/A	70.69%
2024	0.066%	3,189,922	0	N/A	71.62%
2025	0.063%	2,489,629	0	N/A	76.32%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

Transportation Corridor Agency

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.222%	\$12,713,136	\$6,088,331	208.81%	66.45%
2017	0.239%	12,423,364	6,431,272	193.17%	69.93%
2018	0.207%	10,242,769	6,775,031	151.18%	76.84%
2019	0.214%	13,253,632	6,609,886	200.51%	71.83%
2020	(0.035%)	(1,753,164)	6,809,655	(25.75%)	103.35%
2021	(0.092%)	(3,881,366)	7,257,523	(53.48%)	107.11%
2022	(0.531%)	(10,881,786)	6,686,314	(162.75%)	119.16%
2023	(0.012%)	(659,689)	7,068,237	(9.33%)	101.11%
2024	(0.039%)	(1,889,567)	6,943,494	(27.21%)	102.94%
2025	(0.078%)	(3,110,431)	7,968,355	(39.03%)	104.54%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

City of San Juan Capistrano

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.512%	\$29,249,120	\$6,464,876	452.43%	64.73%
2017	0.483%	25,089,009	6,636,488	378.05%	68.69%
2018	0.528%	26,138,852	7,227,226	361.67%	71.95%
2019	0.519%	32,142,058	7,253,654	443.12%	67.06%
2020	0.516%	26,191,970	7,294,439	359.07%	73.18%
2021	0.477%	20,116,465	6,701,987	300.16%	76.95%
2022	0.573%	11,742,303	6,112,331	192.11%	85.88%
2023	0.346%	18,650,483	5,334,212	349.64%	73.88%
2024	0.360%	17,443,348	5,694,424	306.32%	77.09%
2025	0.367%	14,600,316	6,037,583	241.82%	80.93%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Sanitation District

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.742%	\$42,439,759	\$59,789,927	70.98%	92.74%
2017	(0.200%)	(10,384,510)	60,000,017	(17.31%)	101.70%
2018	(0.799%)	(39,571,102)	62,341,796	(63.47%)	105.96%
2019	0.468%	29,029,145	66,475,479	43.67%	95.86%
2020	(0.974%)	(49,446,617)	71,395,906	(69.26%)	106.64%
2021	(1.629%)	(68,643,380)	73,290,519	(93.66%)	108.50%
2022	(8.718%)	(178,731,247)	73,539,248	(243.04%)	121.74%
2023	(0.197%)	(10,604,801)	74,669,376	(14.20%)	101.22%
2024	(0.382%)	(18,531,537)	77,104,645	(24.03%)	101.98%
2025	(0.921%)	(36,606,252)	83,217,902	(43.99%)	103.71%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Transportation Authority

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	4.377%	\$250,192,983	\$93,109,984	268.71%	69.82%
2017	4.436%	230,260,478	94,507,309	243.64%	73.17%
2018	4.283%	212,117,162	94,528,116	224.40%	77.15%
2019	4.353%	269,788,642	97,229,545	277.48%	71.97%
2020	4.419%	224,284,548	101,980,885	219.93%	77.80%
2021	4.415%	186,024,390	102,499,571	181.49%	82.52%
2022	3.581%	73,424,051	97,538,254	75.28%	93.26%
2023	3.842%	207,132,957	105,542,209	196.26%	81.45%
2024	4.288%	207,825,439	111,089,018	187.08%	82.82%
2025	4.400%	174,887,247	119,099,330	146.84%	86.21%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

U.C.I.

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.633%	\$36,184,065	\$285,025	12695.05%	69.50%
2017	0.696%	36,113,699	43,707	82626.81%	68.96%
2018	0.558%	27,644,960	14,874	185860.97%	75.13%
2019	0.562%	34,808,679	0	N/A	67.93%
2020	0.595%	30,213,739	0	N/A	71.62%
2021	0.601%	25,337,145	0	N/A	75.38%
2022	0.836%	17,134,332	0	N/A	82.75%
2023	0.544%	29,314,724	0	N/A	69.63%
2024	0.548%	26,555,318	0	N/A	71.82%
2025	0.539%	21,422,899	0	N/A	75.93%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Children and Families Comm.

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.071%	\$4,066,523	\$1,042,786	389.97%	64.73%
2017	0.061%	3,158,290	925,031	341.43%	68.69%
2018	0.019%	962,204	849,266	113.30%	90.09%
2019	0.010%	630,610	966,061	65.28%	91.49%
2020	(0.013%)	(646,472)	1,061,044	(60.93%)	115.26%
2021	(0.015%)	(612,417)	1,167,468	(52.46%)	112.42%
2022	(0.040%)	(811,951)	1,304,766	(62.23%)	112.84%
2023	0.000%	(21,846)	1,209,958	(1.81%)	100.35%
2024	0.004%	189,581	1,659,517	11.42%	97.56%
2025	0.002%	87,349	1,867,070	4.68%	98.97%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

Local Agency Formation Comm.

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.020%	\$1,156,534	\$287,698	402.00%	64.73%
2017	0.026%	1,340,888	374,792	357.77%	68.69%
2018	0.026%	1,268,133	394,760	321.24%	71.95%
2019	0.026%	1,582,703	419,538	377.25%	67.06%
2020	0.029%	1,489,642	475,099	313.54%	73.18%
2021	0.030%	1,248,133	463,507	269.28%	76.95%
2022	0.044%	912,794	511,264	178.54%	85.88%
2023	0.029%	1,587,646	488,433	325.05%	73.88%
2024	0.035%	1,704,989	599,088	284.60%	77.09%
2025	0.032%	1,274,187	575,199	221.52%	80.93%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

Rancho Santa Margarita

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.000%	\$6,660	\$0	N/A	88.06%
2017	0.000%	9,332	0	N/A	82.95%
2018	(0.000%)	(2,320)	0	N/A	104.91%
2019	0.000%	1,284	0	N/A	97.28%
2020	(0.000%)	(2,214)	0	N/A	104.69%
2021	(0.000%)	(2,733)	0	N/A	105.92%
2022	(0.000%)	(6,231)	0	N/A	113.82%
2023	0.000%	1,652	0	N/A	96.34%
2024	0.000%	119	0	N/A	99.74%
2025	0.000%	14,584	0	N/A	55.35%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. Superior Court

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	6.926%	\$395,957,480	\$97,656,241	405.46%	64.73%
2017	6.726%	349,173,850	100,413,439	347.74%	68.69%
2018	6.716%	332,589,831	100,683,255	330.33%	71.95%
2019	6.338%	392,760,910	101,374,099	387.44%	67.06%
2020	6.635%	336,766,149	104,356,239	322.71%	73.18%
2021	7.112%	299,663,880	110,862,286	270.30%	76.95%
2022	9.109%	186,750,735	107,375,606	173.92%	85.88%
2023	6.695%	360,927,849	111,160,998	324.69%	73.88%
2024	7.116%	344,886,083	121,249,250	284.44%	77.09%
2025	7.442%	295,797,806	129,795,967	227.89%	80.93%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

O.C. IHSS Public Authority

Reporting Date for Employer under GASB 68 as of June 30	Proportion of NPL	Proportionate Share of NPL	Covered Payroll ¹	Proportionate Share of NPL as a Percentage of Covered Payroll	Plan FNP as a Percentage of TPL
2016	0.016%	\$895,964	\$847,123	105.77%	73.52%
2017	0.015%	781,506	970,644	80.51%	79.30%
2018	0.014%	706,343	1,128,903	62.57%	84.20%
2019	0.018%	1,097,009	1,094,048	100.27%	77.97%
2020	0.014%	719,301	1,152,206	62.43%	86.11%
2021	0.007%	304,738	1,131,545	26.93%	93.94%
2022	(0.011%)	(233,222)	1,125,442	(20.72%)	104.54%
2023	0.012%	666,697	1,290,634	51.66%	88.70%
2024	0.009%	462,162	1,409,194	32.80%	92.98%
2025	0.003%	137,599	1,637,961	8.40%	98.00%

¹ Covered payroll represents payroll on which contributions to the pension plan are based.

Section 2: GASB 68 Information

Exhibit 10: Schedule of recognition of changes in Net Pension Liability

The following tables present the increase/(decrease) in pension expense due to various changes in NPL.

Differences between Expected and Actual Experience on Total Pension Liability *Recognition by Reporting Date for Employer as of June 30*

Reporting Date for Employer under GASB 68 as of June 30	Total Change	Recognition Period	2024	2025	2026	2027	2028	2029	2030	Thereafter
2018 ¹	\$(66,963,603)	6.01	\$(111,429)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019 ¹	(118,124,401)	5.91	(18,188,371)	0	0	0	0	0	0	0
2020 ¹	24,382,911	5.86	4,160,905	3,578,386	0	0	0	0	0	0
2021 ¹	162,335,537	5.81	27,940,714	27,940,714	22,631,967	0	0	0	0	0
2022 ¹	(113,046,194)	5.45	(20,742,423)	(20,742,423)	(20,742,423)	(9,334,079)	0	0	0	0
2023 ¹	46,500,358	5.41	8,595,262	8,595,262	8,595,262	8,595,262	3,524,048	0	0	0
2024	326,785,307	5.35	61,081,366	61,081,366	61,081,366	61,081,366	61,081,366	21,378,477	0	0
2025	153,725,216	5.31	N/A	28,950,134	28,950,134	28,950,134	28,950,134	28,950,134	8,974,546	
Total²	N/A	N/A	\$62,736,024	\$109,403,439	\$100,516,306	\$89,292,683	\$93,555,548	\$50,328,611	\$8,974,546	\$0

As described in *Section 2, Exhibit 6: Pension expense*, for the current period, the average of the expected remaining service lives of all employees that are provided with pensions through OCERS (active and inactive employees) determined as of December 31, 2023 (the beginning of the measurement period ending December 31, 2024) is 5.31 years.

¹ The amortization amounts prior to June 30, 2024 have been omitted from this schedule. Those amounts can be found in prior years' GASB 68 reports.

² Net increase/(decrease) in pension expense.

Section 2: GASB 68 Information

Assumption Changes or Other Inputs *Recognition by Reporting Date for Employer as of June 30*

Reporting Date for Employer under GASB 68 as of June 30	Total Change	Recognition Period	2024	2025	2026	2027	2028	2029	2030	Thereafter
2018 ¹	\$827,197,075	6.01	\$1,376,371	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019 ¹	0	5.91	0	0	0	0	0	0	0	0
2020 ¹	0	5.86	0	0	0	0	0	0	0	0
2021 ¹	18,966,926	5.81	3,264,531	3,264,531	2,644,271	0	0	0	0	0
2022 ¹	0	5.45	0	0	0	0	0	0	0	0
2023 ¹	0	5.41	0	0	0	0	0	0	0	0
2024	165,526,367	5.35	30,939,509	30,939,509	30,939,509	30,939,509	30,939,509	10,828,822	0	0
2025	0	5.31	0	0	0	0	0	0	0	0
Total²	N/A	N/A	\$35,580,411	\$34,204,040	\$33,583,780	\$30,939,509	\$30,939,509	\$10,828,822	\$0	0

As described in *Section 2, Exhibit 6: Pension expense*, for the current period, the average of the expected remaining service lives of all employees that are provided with pensions through OCERS (active and inactive employees) determined as of December 31, 2023 (the beginning of the measurement period ending December 31, 2024) is 5.31 years.

¹ The amortization amounts prior to June 30, 2024 have been omitted from this schedule. Those amounts can be found in prior years' GASB 68 reports.

² Net increase/(decrease) in pension expense.

Section 2: GASB 68 Information

Differences between Projected and Actual Earnings on Pension Plan Investments *Recognition by Reporting Date for Employer as of June 30*

Reporting Date for Employer under GASB 68 as of June 30	Total Change	Recognition Period	2024	2025	2026	2027	2028	2029	2030	Thereafter
2018 ¹	\$(1,009,651,572)	5.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019 ¹	1,360,278,701	5.00	0	0	0	0	0	0	0	0
2020 ¹	(1,170,895,935)	5.00	(234,179,195)	0	0	0	0	0	0	0
2021 ¹	(1,008,043,756)	5.00	(201,608,751)	(201,608,752)	0	0	0	0	0	0
2022 ¹	(1,909,760,501)	5.00	(381,952,100)	(381,952,100)	(381,952,101)	0	0	0	0	0
2023 ¹	3,587,056,374	5.00	717,411,276	717,411,276	717,411,276	717,411,270	0	0	0	0
2024	(954,822,636)	5.00	(190,964,528)	(190,964,528)	(190,964,528)	(190,964,528)	(190,964,524)	0	0	0
2025	(812,314,422)	5.00	N/A	(162,462,884)	(162,462,884)	(162,462,884)	(162,462,884)	(162,462,886)	0	
Total²	N/A	N/A	\$(291,293,298)	\$(219,576,988)	\$(17,968,237)	\$363,983,858	\$(353,427,408)	\$(162,462,886)	\$0	\$0

The differences between projected and actual earnings on pension plan investments are recognized over a five-year period per Paragraph 33b. of GASB 68.

¹ The amortization amounts prior to June 30, 2024 have been omitted from this schedule. Those amounts can be found in prior years' GASB 68 reports.

² Net increase/(decrease) in pension expense.

Section 2: GASB 68 Information

Total Increase/(Decrease) in Pension Expense Recognition by Reporting Date for Employer as of June 30

Reporting Date for Employer under GASB 68 as of June 30	Total Change	Recognition Period	2024	2025	2026	2027	2028	2029	2030	Thereafter
2018 ¹	\$(249,418,100)	N/A	\$1,264,942	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2019 ¹	1,242,154,300	N/A	(18,188,371)	0	0	0	0	0	0	0
2020 ¹	(1,146,513,024)	N/A	(230,018,290)	3,578,386	0	0	0	0	0	0
2021 ¹	(826,741,293)	N/A	(170,403,506)	(170,403,507)	25,276,238	0	0	0	0	0
2022 ¹	(2,022,806,695)	N/A	(402,694,523)	(402,694,523)	(402,694,524)	(9,334,079)	0	0	0	0
2023 ¹	3,633,556,732	N/A	726,006,538	726,006,538	726,006,538	726,006,532	3,524,048	0	0	0
2024	(462,510,962)	N/A	(98,943,653)	(98,943,653)	(98,943,653)	(98,943,653)	(98,943,649)	32,207,299	0	0
2025	(658,589,206)	N/A	0	(133,512,750)	(133,512,750)	(133,512,750)	(133,512,750)	(133,512,752)	8,974,546	
Total²	N/A	N/A	\$(192,976,863)	\$(75,969,509)	\$116,131,849	\$484,216,050	\$(228,932,351)	\$(101,305,453)	\$8,974,546	\$0

Note: Results may not total due to rounding.

¹ The amortization amounts prior to June 30, 2024 have been omitted from this schedule. Those amounts can be found in prior years' GASB 68 reports.

² Net increase/(decrease) in pension expense.

Section 2: GASB 68 Information

Exhibit 11: Schedule of recognition of changes in proportionate share

In addition to the amounts shown in *Section 2, Exhibit 10: Schedule of recognition of changes in Net Pension Liability*, there are changes in each employer's proportionate share of the NPL during the measurement period ending on December 31, 2024.

The net effect of the change in the employer's proportionate share of the collective NPL and collective deferred outflows of resources and deferred inflows of resources along with the difference between the actual employer contributions and the proportionate share of the employer contributions is recognized over the average of the expected remaining service lives of all employees that are provided with pensions through OCERS as shown earlier.

The following tables illustrate the scheduled increase/(decrease) in pension expense due to the change in proportion and difference in employer contributions. While these amounts are different for each employer, they sum to zero over the entire OCERS.

Section 2: GASB 68 Information

Change in Proportion and Difference in Employer Contributions for the Year Ended December 31, 2024

Employer	Total Change	Recognition Period	2025	2026	2027	2028	2029	2030	Thereafter
Orange County	\$3,231,083	5.31	\$608,490	\$608,490	\$608,490	\$608,490	\$608,490	\$188,633	\$0
O.C. Cemetery District	0	5.31	0	0	0	0	0	0	0
O.C. Law Library	0	5.31	0	0	0	0	0	0	0
O.C. Vector Control District	0	5.31	0	0	0	0	0	0	0
O.C. Retirement System	1,364,989	5.31	257,060	257,060	257,060	257,060	257,060	79,689	0
O.C. Fire Authority	0	5.31	0	0	0	0	0	0	0
Cypress Recreation and Parks	0	5.31	0	0	0	0	0	0	0
Department of Education	0	5.31	0	0	0	0	0	0	0
Transportation Corridor Agency	0	5.31	0	0	0	0	0	0	0
City of San Juan Capistrano	(686,339)	5.31	(129,254)	(129,254)	(129,254)	(129,254)	(129,254)	(40,069)	0
O.C. Sanitation District	0	5.31	0	0	0	0	0	0	0
O.C. Transportation Authority	0	5.31	0	0	0	0	0	0	0
U.C.I.	0	5.31	0	0	0	0	0	0	0
O.C. Children and Families Comm.	154,610	5.31	29,117	29,117	29,117	29,117	29,117	9,025	0
Local Agency Formation Comm.	(211,874)	5.31	(39,901)	(39,901)	(39,901)	(39,901)	(39,901)	(12,369)	0
Rancho Santa Margarita	0	5.31	0	0	0	0	0	0	0
O.C. Superior Court	(3,929,887)	5.31	(740,092)	(740,092)	(740,092)	(740,092)	(740,092)	(229,427)	0
O.C. IHSS Public Authority	77,418	5.31	14,580	14,580	14,580	14,580	14,580	4,518	0
Total for All Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 68 Information

Change in Proportion and Difference in Employer Contributions for the Year Ended December 31, 2023

Employer	Total Change	Recognition Period	2024	2025	2026	2027	2028	2029	Thereafter
Orange County	\$(14,705,141)	5.35	\$(2,748,624)	\$(2,748,624)	\$(2,748,624)	\$(2,748,624)	\$(2,748,624)	\$(962,021)	\$0
O.C. Cemetery District	0	5.35	0	0	0	0	0	0	0
O.C. Law Library	0	5.35	0	0	0	0	0	0	0
O.C. Vector Control District	0	5.35	0	0	0	0	0	0	0
O.C. Retirement System	4,661,065	5.35	871,227	871,227	871,227	871,227	871,227	304,930	0
O.C. Fire Authority	0	5.35	0	0	0	0	0	0	0
Cypress Recreation and Parks	0	5.35	0	0	0	0	0	0	0
Department of Education	0	5.35	0	0	0	0	0	0	0
Transportation Corridor Agency	0	5.35	0	0	0	0	0	0	0
City of San Juan Capistrano	33,880	5.35	6,333	6,333	6,333	6,333	6,333	2,215	0
O.C. Sanitation District	0	5.35	0	0	0	0	0	0	0
O.C. Transportation Authority	0	5.35	0	0	0	0	0	0	0
U.C.I.	0	5.35	0	0	0	0	0	0	0
O.C. Children and Families Comm.	377,840	5.35	70,624	70,624	70,624	70,624	70,624	24,720	0
Local Agency Formation Comm.	192,811	5.35	36,039	36,039	36,039	36,039	36,039	12,616	0
Rancho Santa Margarita	0	5.35	0	0	0	0	0	0	0
O.C. Superior Court	9,417,883	5.35	1,760,352	1,760,352	1,760,352	1,760,352	1,760,352	616,123	0
O.C. IHSS Public Authority	21,662	5.35	4,049	4,049	4,049	4,049	4,049	1,417	0
Total for All Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 68 Information

Change in Proportion and Difference in Employer Contributions for the Year Ended December 31, 2022

Employer	Total Change	Recognition Period	2023	2024	2025	2026	2027	2028	Thereafter
Orange County	\$9,664,735	5.41	\$1,786,458	\$1,786,458	\$1,786,458	\$1,786,458	\$1,786,458	\$732,445	\$0
O.C. Cemetery District	0	5.41	0	0	0	0	0	0	0
O.C. Law Library	0	5.41	0	0	0	0	0	0	0
O.C. Vector Control District	0	5.41	0	0	0	0	0	0	0
O.C. Retirement System	(679,097)	5.41	(125,526)	(125,526)	(125,526)	(125,526)	(125,526)	(51,467)	0
O.C. Fire Authority	0	5.41	0	0	0	0	0	0	0
Cypress Recreation and Parks	0	5.41	0	0	0	0	0	0	0
Department of Education	0	5.41	0	0	0	0	0	0	0
Transportation Corridor Agency	0	5.41	0	0	0	0	0	0	0
City of San Juan Capistrano	(3,738,526)	5.41	(691,040)	(691,040)	(691,040)	(691,040)	(691,040)	(283,326)	0
O.C. Sanitation District	0	5.41	0	0	0	0	0	0	0
O.C. Transportation Authority	0	5.41	0	0	0	0	0	0	0
U.C.I.	0	5.41	0	0	0	0	0	0	0
O.C. Children and Families Comm.	1,436,935	5.41	265,607	265,607	265,607	265,607	265,607	108,900	0
Local Agency Formation Comm.	(189,545)	5.41	(35,036)	(35,036)	(35,036)	(35,036)	(35,036)	(14,365)	0
Rancho Santa Margarita	0	5.41	0	0	0	0	0	0	0
O.C. Superior Court	(6,632,793)	5.41	(1,226,025)	(1,226,025)	(1,226,025)	(1,226,025)	(1,226,025)	(502,668)	0
O.C. IHSS Public Authority	138,291	5.41	25,562	25,562	25,562	25,562	25,562	10,481	0
Total for All Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 68 Information

Change in Proportion and Difference in Employer Contributions for the Year Ended December 31, 2021

Employer	Total Change	Recognition Period	2022	2023	2024	2025	2026	2027	Thereafter
Orange County	\$(5,478,436)	5.45	\$(1,005,218)	\$(1,005,218)	\$(1,005,218)	\$(1,005,218)	\$(1,005,218)	\$(452,346)	\$0
O.C. Cemetery District	0	5.45	0	0	0	0	0	0	0
O.C. Law Library	0	5.45	0	0	0	0	0	0	0
O.C. Vector Control District	0	5.45	0	0	0	0	0	0	0
O.C. Retirement System	1,428,471	5.45	262,105	262,105	262,105	262,105	262,105	117,946	0
O.C. Fire Authority	0	5.45	0	0	0	0	0	0	0
Cypress Recreation and Parks	0	5.45	0	0	0	0	0	0	0
Department of Education	0	5.45	0	0	0	0	0	0	0
Transportation Corridor Agency	0	5.45	0	0	0	0	0	0	0
City of San Juan Capistrano	4,941,332	5.45	906,666	906,666	906,666	906,666	906,666	408,002	0
O.C. Sanitation District	0	5.45	0	0	0	0	0	0	0
O.C. Transportation Authority	0	5.45	0	0	0	0	0	0	0
U.C.I.	0	5.45	0	0	0	0	0	0	0
O.C. Children and Families Comm.	(435,875)	5.45	(79,977)	(79,977)	(79,977)	(79,977)	(79,977)	(35,990)	0
Local Agency Formation Comm.	228,184	5.45	41,869	41,869	41,869	41,869	41,869	18,839	0
Rancho Santa Margarita	0	5.45	0	0	0	0	0	0	0
O.C. Superior Court	(456,452)	5.45	(83,753)	(83,753)	(83,753)	(83,753)	(83,753)	(37,687)	0
O.C. IHSS Public Authority	(227,224)	5.45	(41,692)	(41,692)	(41,692)	(41,692)	(41,692)	(18,764)	0
Total for All Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 68 Information

Change in Proportion and Difference in Employer Contributions for the Year Ended December 31, 2020

Employer	Total Change	Recognition Period	2021	2022	2023	2024	2025	2026	Thereafter
Orange County	\$12,901,296	5.81	\$2,220,532	\$2,220,532	\$2,220,532	\$2,220,532	\$2,220,532	\$1,798,636	\$0
O.C. Cemetery District	0	5.81	0	0	0	0	0	0	0
O.C. Law Library	0	5.81	0	0	0	0	0	0	0
O.C. Vector Control District	0	5.81	0	0	0	0	0	0	0
O.C. Retirement System	562,430	5.81	96,804	96,804	96,804	96,804	96,804	78,410	0
O.C. Fire Authority	0	5.81	0	0	0	0	0	0	0
Cypress Recreation and Parks	0	5.81	0	0	0	0	0	0	0
Department of Education	0	5.81	0	0	0	0	0	0	0
Transportation Corridor Agency	0	5.81	0	0	0	0	0	0	0
City of San Juan Capistrano	(4,539,080)	5.81	(781,253)	(781,253)	(781,253)	(781,253)	(781,253)	(632,815)	0
O.C. Sanitation District	0	5.81	0	0	0	0	0	0	0
O.C. Transportation Authority	0	5.81	0	0	0	0	0	0	0
U.C.I.	0	5.81	0	0	0	0	0	0	0
O.C. Children and Families Comm.	173,659	5.81	29,890	29,890	29,890	29,890	29,890	24,209	0
Local Agency Formation Comm.	(136,351)	5.81	(23,468)	(23,468)	(23,468)	(23,468)	(23,468)	(19,011)	0
Rancho Santa Margarita	0	5.81	0	0	0	0	0	0	0
O.C. Superior Court	(8,930,323)	5.81	(1,537,061)	(1,537,061)	(1,537,061)	(1,537,061)	(1,537,061)	(1,245,018)	0
O.C. IHSS Public Authority	(31,631)	5.81	(5,444)	(5,444)	(5,444)	(5,444)	(5,444)	(4,411)	0
Total for All Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 68 Information

Change in Proportion and Difference in Employer Contributions for the Year Ended December 31, 2019

Employer	Total Change	Recognition Period	2020	2021	2022	2023	2024	2025	Thereafter
Orange County	\$(5,692,697)	5.86	\$(971,449)	\$(971,449)	\$(971,449)	\$(971,449)	\$(971,449)	\$(835,452)	\$0
O.C. Cemetery District	0	5.86	0	0	0	0	0	0	0
O.C. Law Library	0	5.86	0	0	0	0	0	0	0
O.C. Vector Control District	0	5.86	0	0	0	0	0	0	0
O.C. Retirement System	2,634,131	5.86	449,510	449,510	449,510	449,510	449,510	386,581	0
O.C. Fire Authority	0	5.86	0	0	0	0	0	0	0
Cypress Recreation and Parks	0	5.86	0	0	0	0	0	0	0
Department of Education	0	5.86	0	0	0	0	0	0	0
Transportation Corridor Agency	0	5.86	0	0	0	0	0	0	0
City of San Juan Capistrano	(1,157,951)	5.86	(197,603)	(197,603)	(197,603)	(197,603)	(197,603)	(169,936)	0
O.C. Sanitation District	0	5.86	0	0	0	0	0	0	0
O.C. Transportation Authority	0	5.86	0	0	0	0	0	0	0
U.C.I.	0	5.86	0	0	0	0	0	0	0
O.C. Children and Families Comm.	(1,110,175)	5.86	(189,450)	(189,450)	(189,450)	(189,450)	(189,450)	(162,925)	0
Local Agency Formation Comm.	157,671	5.86	26,906	26,906	26,906	26,906	26,906	23,141	0
Rancho Santa Margarita	0	5.86	0	0	0	0	0	0	0
O.C. Superior Court	5,149,368	5.86	878,732	878,732	878,732	878,732	878,732	755,708	0
O.C. IHSS Public Authority	19,653	5.86	3,354	3,354	3,354	3,354	3,354	2,883	0
Total for All Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 2: GASB 68 Information

Change in Proportion and Difference in Employer Contributions for the Year Ended December 31, 2018

Employer	Total Change	Recognition Period	2019	2020	2021	2022	2023	2024	Thereafter
Orange County	\$13,152,991	5.91	\$2,225,549	\$2,225,549	\$2,225,549	\$2,225,549	\$2,225,549	\$2,025,246	\$0
O.C. Cemetery District	0	5.91	0	0	0	0	0	0	0
O.C. Law Library	0	5.91	0	0	0	0	0	0	0
O.C. Vector Control District	0	5.91	0	0	0	0	0	0	0
O.C. Retirement System	2,177,730	5.91	368,482	368,482	368,482	368,482	368,482	335,320	0
O.C. Fire Authority	0	5.91	0	0	0	0	0	0	0
Cypress Recreation and Parks	0	5.91	0	0	0	0	0	0	0
Department of Education	0	5.91	0	0	0	0	0	0	0
Transportation Corridor Agency	0	5.91	0	0	0	0	0	0	0
City of San Juan Capistrano	(142,910)	5.91	(24,181)	(24,181)	(24,181)	(24,181)	(24,181)	(22,005)	0
O.C. Sanitation District	0	5.91	0	0	0	0	0	0	0
O.C. Transportation Authority	0	5.91	0	0	0	0	0	0	0
U.C.I.	0	5.91	0	0	0	0	0	0	0
O.C. Children and Families Comm.	(361,087)	5.91	(61,098)	(61,098)	(61,098)	(61,098)	(61,098)	(55,597)	0
Local Agency Formation Comm.	13,795	5.91	2,334	2,334	2,334	2,334	2,334	2,125	0
Rancho Santa Margarita	0	5.91	0	0	0	0	0	0	0
O.C. Superior Court	(14,826,827)	5.91	(2,508,769)	(2,508,769)	(2,508,769)	(2,508,769)	(2,508,769)	(2,282,982)	0
O.C. IHSS Public Authority	(13,692)	5.91	(2,317)	(2,317)	(2,317)	(2,317)	(2,317)	(2,107)	0
Total for All Employers	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Section 3: Actuarial Assumptions and Methods

The following presents the actuarial assumptions, methods and models used in the December 31, 2024 Measurement Date for Employer Reporting as of June 30, 2025.

Actuarial assumptions

Rationale for assumptions

The information and analysis used in selecting each assumption that has a significant effect on this actuarial valuation is shown in the January 1, 2020 through December 31, 2022 Actuarial Experience Study dated August 11, 2023. Unless otherwise noted, all actuarial assumptions and methods shown below apply to all members for all tiers. These assumptions were adopted by the Board.

Net investment return

7.00%; net of administrative and investment expenses.

Based on the Actuarial Experience Study referenced above, expected administrative and investment expenses represent about 0.30% of the actuarial value of assets.

Inflation rate

Increase of 2.50% per year.

Cost-of-Living Adjustment (COLA)

Retiree COLA increases of 2.75% per year. For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter.

Member contribution crediting rate

5.00%, compounded semi-annually.

Section 3: Actuarial Assumptions and Methods

Payroll

Inflation of 2.50% per year plus “across-the-board” salary increase of 0.50% per year, used to amortize the UAAL as a level percentage of payroll for calculating the actuarially determined contribution.

Increase in Internal Revenue Code Section 401(a)(17) compensation limit

Increase of 2.50% per year from the valuation date.

Increase in Section 7522.10 compensation limit

Increase of 2.50% per year from the valuation date.

Section 3: Actuarial Assumptions and Methods

Salary increase

The annual rate of compensation increase includes:

- Inflation at 2.50%, plus
- “Across-the-board” salary increase of 0.50% per year, plus
- Merit and promotion increase based on years of service:

Merit and Promotion Increases¹

Years of Service	General	Safety
Less than 1	5.00%	12.00%
1–2	7.25%	10.00%
2–3	6.50%	8.75%
3–4	5.50%	7.75%
4–5	4.50%	6.75%
5–6	3.75%	5.75%
6–7	3.00%	5.00%
7–8	2.75%	3.75%
8–9	2.00%	3.00%
9–10	1.80%	2.75%
10–11	1.60%	2.00%
11–12	1.50%	1.85%
12–13	1.40%	1.85%
13–14	1.30%	1.85%
14–15	1.25%	1.85%
15–16	1.25%	1.60%
16–17	1.15%	1.60%
17–18	1.10%	1.60%
18–19	1.10%	1.60%
19–20	0.90%	1.50%
20 and over	0.90%	1.50%

¹ In addition to the individual salary increase assumptions, we have applied an average of two hours of additional salary annually for leap-year salary adjustment.

Section 3: Actuarial Assumptions and Methods

Post-retirement mortality rates

The Pub-2010 mortality tables and adjustments as shown below reasonably reflect the mortality experience as of the measurement date. These mortality tables were adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

Healthy

- **General members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) decreased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Disabled

- **General members:** Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) decreased 5% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) decreased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Beneficiary

- **Beneficiaries not currently in pay status:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Beneficiaries in pay status:** Pub-2010 Contingent Survivor Amount-Weighted Above Median Mortality Table (separate tables for males and females) increased 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Section 3: Actuarial Assumptions and Methods

Pre-retirement mortality rates

- **General members:** Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.

Pre-Retirement Mortality Rates — Before Generational Projection from 2010

Age	General Male	General Female	Safety Male	Safety Female
20	0.04%	0.01%	0.04%	0.02%
25	0.02%	0.01%	0.03%	0.02%
30	0.03%	0.01%	0.04%	0.02%
35	0.04%	0.02%	0.04%	0.03%
40	0.06%	0.03%	0.05%	0.04%
45	0.09%	0.05%	0.07%	0.06%
50	0.13%	0.08%	0.10%	0.08%
55	0.19%	0.11%	0.15%	0.11%
60	0.28%	0.17%	0.23%	0.14%
65	0.41%	0.27%	0.35%	0.20%
70	0.61%	0.44%	0.66%	0.39%

All General pre-retirement deaths are assumed to be non-service connected.

For Safety, 90% of pre-retirement deaths are assumed to be non-service connected. The other 10% are assumed to be service connected.

Section 3: Actuarial Assumptions and Methods

Mortality rates for member contributions

- **General members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP 2021, weighted 40% male and 60% female.
- **Safety members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) decreased by 5% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2021, weighted 85% male and 15% female.

Section 3: Actuarial Assumptions and Methods

Disability incidence

Disability Incidence Rates

Age	General All Other	General OCTA	Safety Law & Fire	Safety Probation
20	0.00%	0.00%	0.00%	0.00%
25	0.00%	0.00%	0.02%	0.03%
30	0.01%	0.03%	0.08%	0.08%
35	0.03%	0.20%	0.19%	0.13%
40	0.07%	0.36%	0.34%	0.18%
45	0.13%	0.46%	0.46%	0.26%
50	0.21%	0.56%	1.22%	0.36%
55	0.28%	0.72%	3.38%	0.49%
60	0.30%	1.04%	5.40%	0.22%
65	0.30%	1.68%	7.50%	0.00%

75% of General All Other disabilities are assumed to be service-connected disabilities. The other 25% are assumed to be non-service connected.

85% of General OCTA disabilities are assumed to be service-connected disabilities. The other 15% are assumed to be non-service connected.

100% of Safety Law Enforcement and Fire disabilities are assumed to be service-connected disabilities.

85% of Safety Probation disabilities are assumed to be service-connected disabilities. The other 15% are assumed to be non-service connected.

Section 3: Actuarial Assumptions and Methods

Termination

Termination Rates

Years of Service	General All Other	General OCTA	Safety Law & Fire	Safety Probation
Less than 1	11.25%	16.50%	4.00%	12.50%
1–2	7.25%	11.50%	3.00%	11.50%
2–3	6.50%	9.25%	2.50%	9.50%
3–4	5.50%	8.25%	2.25%	5.00%
4–5	5.25%	7.75%	2.00%	4.00%
5–6	4.75%	6.50%	1.75%	3.25%
6–7	4.25%	4.25%	1.25%	2.75%
7–8	4.00%	4.00%	1.20%	2.75%
8–9	3.50%	3.50%	1.15%	2.50%
9–10	3.00%	2.75%	1.10%	1.75%
10–11	2.50%	2.75%	1.05%	1.50%
11–12	2.00%	2.50%	1.00%	1.50%
12–13	1.75%	2.50%	0.95%	1.25%
13–14	1.75%	2.25%	0.65%	1.00%
14–15	1.60%	2.25%	0.60%	0.75%
15–16	1.50%	2.00%	0.55%	0.75%
16–17	1.40%	2.00%	0.50%	0.75%
17–18	1.30%	1.75%	0.45%	0.75%
18–19	1.20%	1.75%	0.40%	0.50%
19–20	1.00%	1.25%	0.30%	0.25%
20 and over	0.50%	0.75%	0.15%	0.20%

Section 3: Actuarial Assumptions and Methods

Election for withdrawal of contributions

Election Rates

Years of Service	General All Other	General OCTA	Safety Law & Fire	Safety Probation
Less than 5	25.00%	35.00%	25.00%	20.00%
5–9	17.50%	30.00%	25.00%	20.00%
10–14	17.50%	25.00%	12.50%	20.00%
15 and over	15.00%	15.00%	12.50%	15.00%

Section 3: Actuarial Assumptions and Methods

Retirement rates

Retirement Rates — General

Age	Enhanced Less than 30 Years of Service	Enhanced 30 or More Years of Service	Non-Enhanced ¹ Less than 30 Years of Service	Non-Enhanced ¹ 30 or More Years of Service
49	0.00%	30.00%	0.00%	25.00%
50	2.25%	5.00%	2.75%	2.75%
51	2.25%	5.00%	2.75%	2.75%
52	2.50%	5.00%	2.75%	2.75%
53	3.00%	9.00%	2.75%	2.75%
54	7.50%	16.00%	2.75%	2.75%
55	13.00%	35.00%	3.25%	3.50%
56	10.00%	24.00%	3.25%	3.50%
57	10.00%	22.00%	5.50%	5.50%
58	10.00%	22.00%	6.50%	6.50%
59	11.00%	24.00%	6.50%	6.50%
60	12.00%	24.00%	8.00%	12.00%
61	12.00%	24.00%	8.00%	15.00%
62	14.00%	24.00%	8.00%	18.00%
63	14.00%	24.00%	10.00%	22.00%
64	17.00%	30.00%	12.00%	25.00%
65	25.00%	30.00%	22.00%	30.00%
66	25.00%	30.00%	25.00%	32.00%
67	25.00%	30.00%	27.00%	32.00%
68	25.00%	25.00%	32.00%	32.00%
69	25.00%	25.00%	30.00%	30.00%
70	25.00%	25.00%	25.00%	30.00%
71	25.00%	25.00%	20.00%	30.00%
72	22.00%	25.00%	20.00%	30.00%
73	20.00%	25.00%	20.00%	30.00%
74	20.00%	25.00%	20.00%	30.00%
75	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

¹ These assumptions are also used for the CalPEPRA 1.62% @ 65 formula (Plan T and Plan W).

Section 3: Actuarial Assumptions and Methods

Retirement Rates — Safety

Age	Law (31664.1) Less than 30 Years of Service	Law (31664.1) 30 or More Years of Service	Fire (31664.1) Less than 30 Years of Service	Fire (31664.1) 30 or More Years of Service	Probation (31664.1) Less than 30 Years of Service	Probation (31664.1) 30 or More Years of Service
45	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
46	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
47	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
48	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
49	12.00%	16.00%	2.00%	10.00%	3.00%	5.00%
50	18.00%	20.00%	4.50%	10.00%	9.00%	12.00%
51	18.00%	20.00%	4.50%	10.00%	7.00%	10.00%
52	18.00%	20.00%	4.50%	10.00%	5.00%	9.00%
53	20.00%	35.00%	9.00%	20.00%	7.00%	9.00%
54	24.00%	35.00%	12.00%	25.00%	7.00%	12.00%
55	24.00%	35.00%	12.00%	25.00%	12.00%	30.00%
56	24.00%	35.00%	12.00%	25.00%	18.00%	30.00%
57	24.00%	35.00%	20.00%	25.00%	25.00%	30.00%
58	24.00%	40.00%	20.00%	30.00%	25.00%	30.00%
59	24.00%	40.00%	25.00%	30.00%	18.00%	30.00%
60	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
61	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
62	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
63	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
64	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
65	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 3: Actuarial Assumptions and Methods

Retirement Rates

Age	General SJC (31676.12)	Safety Law (31664.2)	Safety Fire (31664.2)
50	4.00%	12.00%	8.00%
51	4.00%	12.50%	9.00%
52	4.00%	13.00%	10.00%
53	4.00%	18.00%	12.00%
54	4.00%	19.00%	14.00%
55	4.00%	35.00%	24.00%
56	5.00%	25.00%	23.00%
57	6.00%	25.00%	25.00%
58	7.00%	25.00%	25.00%
59	9.00%	30.00%	35.00%
60	10.00%	40.00%	40.00%
61	12.00%	40.00%	40.00%
62	13.00%	40.00%	40.00%
63	13.00%	40.00%	40.00%
64	19.00%	40.00%	40.00%
65	22.00%	100.00%	100.00%
66	26.00%	100.00%	100.00%
67	26.00%	100.00%	100.00%
68	26.00%	100.00%	100.00%
69	26.00%	100.00%	100.00%
70	45.00%	100.00%	100.00%
71	45.00%	100.00%	100.00%
72	45.00%	100.00%	100.00%
73	45.00%	100.00%	100.00%
74	45.00%	100.00%	100.00%
75	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 3: Actuarial Assumptions and Methods

Retirement Rates

Age	CalPEPRA 2.5% @ 67 General Formula	CalPEPRA 2.7% @ 57 Safety Formula Probation	CalPEPRA 2.7% @ 57 Safety Formula Law	CalPEPRA 2.7% @ 57 Safety Formula Fire
50	0.00%	3.00%	11.50%	6.00%
51	0.00%	3.00%	12.00%	6.50%
52	5.50%	3.50%	12.50%	8.00%
53	2.00%	3.50%	16.50%	10.00%
54	2.00%	6.00%	17.50%	12.00%
55	2.75%	12.00%	30.00%	20.00%
56	3.75%	12.00%	20.00%	19.00%
57	5.50%	15.00%	20.00%	21.00%
58	7.50%	25.00%	25.00%	25.00%
59	7.50%	25.00%	30.00%	30.00%
60	7.50%	40.00%	40.00%	40.00%
61	7.50%	40.00%	40.00%	40.00%
62	14.00%	40.00%	40.00%	40.00%
63	14.00%	40.00%	40.00%	40.00%
64	15.00%	40.00%	40.00%	40.00%
65	20.00%	100.00%	100.00%	100.00%
66	22.00%	100.00%	100.00%	100.00%
67	23.00%	100.00%	100.00%	100.00%
68	23.00%	100.00%	100.00%	100.00%
69	23.00%	100.00%	100.00%	100.00%
70	25.00%	100.00%	100.00%	100.00%
71	25.00%	100.00%	100.00%	100.00%
72	25.00%	100.00%	100.00%	100.00%
73	25.00%	100.00%	100.00%	100.00%
74	25.00%	100.00%	100.00%	100.00%
75	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 3: Actuarial Assumptions and Methods

Retirement age and benefit for deferred vested members

Current and Future Inactive Member Assumptions

Membership and Reciprocity	% of Future ¹ Deferred Vested Members	Annual Salary Increases from Separation Date	Retirement Age for Members with Less than Five Years of Service	Retirement Age for Members with Five or More Years of Service
General with reciprocity	12.5%	3.90%	60	60
General without reciprocity	87.5%	N/A	70	58
Safety with reciprocity	20.0%	4.50%	54	54
Safety without reciprocity	80.0%	N/A	70	54

Liability calculation for current deferred vested members

Liability for a current deferred vested member is calculated based on salary (adjusted with the additional cashout assumptions for non-CalPEPRA members), service, and eligibility for reciprocal benefit as provided by the Retirement System. For those members without salary information that have 3 or more years of service, we used an average salary. For those members without salary information that have less than 3 years of service or for those members without service information, we assumed a refund of account balance.

Future benefit accruals

1.0 year of service per year of employment. There is no assumption to anticipate conversion of unused sick leave at retirement.

Unknown data for members

Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male.

Inclusion of deferred vested members

All deferred vested members are included in the valuation.

¹ OCERS provides the reciprocity status for current deferred vested members in the valuation census data.

Section 3: Actuarial Assumptions and Methods

Definition of active members

First day of employment.

Form of payment

All active and inactive members are assumed to elect the unmodified option at retirement.

Spousal assumptions

Current Active and Inactive Member Spousal Assumptions

Member Gender	% with Spouse at Retirement or Pre-Retirement Death	Spouse Age	Spouse Gender
Male member	75%	3 years younger than member	Female
Female member	55%	2 years older than member	Male

Nonbinary member assumptions

A blended mortality table is used based on the sex-distinct mortality tables above and the proportion of males and females for General and Safety separately. A blended mortality is also used for the spouse of a nonbinary member with the opposite proportion of males and females used for the member.

The spousal assumptions for percentage with spouse at retirement or pre-retirement death and for spouse age are also blended based on the proportion of males and females for General and Safety separately.

Section 3: Actuarial Assumptions and Methods

Cashout assumptions

Additional compensation amounts are expected to be received during a member's final average earnings period. The percentages used in this valuation are:

Rates

Plan	Final One Year Salary	Final Three Year Salary
General Non CalPEPRA	3.00%	3.20%
Safety Probation Non CalPEPRA	N/A	3.50%
Safety Law Non CalPEPRA	N/A	6.60%
Safety Fire Non CalPEPRA	N/A	1.50%
General CalPEPRA	N/A	N/A
Safety Probation CalPEPRA	N/A	N/A
Safety Law CalPEPRA	N/A	N/A
Safety Fire CalPEPRA	N/A	N/A

The additional cashout assumptions are the same for service and disability retirements.

Actuarial methods

Actuarial cost method

Entry age actuarial cost method.

Entry age is the age on the valuation date minus the lesser of years of employment or years of benefit service. Normal cost and AAL are calculated on an individual basis and are based on costs allocated as a level percentage of compensation. The normal cost rate is calculated assuming their entry age is the date they entered service with OCERS.

Please note that for Probation members who have prior benefit service in another General OCERS plan, the normal cost rate for the current plan is calculated assuming their entry age is the date they entered service with their current plan.

Section 3: Actuarial Assumptions and Methods

Expected remaining service lives

The average of the expected service lives of all employees is determined by:

- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each non-active or retired member.
- Dividing the sum of the above amounts by the total number of active, non-active and retired members.

Actuarial Models

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.

Justification for change in actuarial assumptions, methods or models

There have been no changes in actuarial assumptions,¹ methods or models since the prior valuation.

¹ Nonbinary member assumptions were introduced with this valuation, which uses blended mortality tables and spousal assumptions for those members who self-report as nonbinary. The impact of this change on the valuation results is de minimis and is therefore not identified separately in this report.

Appendix A: Projection of Plan Fiduciary Net Position

Projection of Plan Fiduciary Net Position for use in the Calculation of Discount Rate
as of December 31, 2024 (\$ in millions)

Year Beginning January 1	Beginning Plan Fiduciary Net Position (a)	Total Contributions ¹ (b)	Benefit Payments (c)	Administrative Expenses (d)	Investment Earnings (e)	Ending Plan Fiduciary Net Position (a) + (b) – (c) – (d) + (e)
2024	\$21,797	\$1,149	\$1,285	\$31	\$2,332	\$23,962
2025	23,962	1,083	1,381	34	1,666	25,296
2026	25,296	1,091	1,456	36	1,757	26,652
2027	26,652	1,125	1,532	38	1,850	28,057
2028	28,057	1,104	1,611	40	1,945	29,455
2029	29,455	1,093	1,691	42	2,040	30,855
2030	30,855	1,099	1,775	44	2,135	32,269
2031	32,269	1,104	1,860	46	2,231	33,699
2032	33,699	1,111	1,946	48	2,329	35,144
2033	35,144	1,021	2,033	50	2,423	36,504
2049	41,105	234	3,164	59	2,775	40,890
2050	40,890	222	3,202	58	2,758	40,609
2051	40,609	210	3,236	58	2,737	40,262
2052	40,262	199	3,266	58	2,711	39,848
2098	26,239	54	164	38	1,832	27,922
2099	27,922	54	129	40	1,951	29,758
2100	29,758	55	100	43	2,080	31,751
2101	31,751	57	76	45	2,220	33,906
2130	224,618	321 ²	0 ³	321	15,723	240,341 ⁴

¹ Of all the projected total contributions, only the first year's (i.e., 2024) contribution has been reduced by discount for prepaid contributions and transfers from County Investment Account, if any.

² Mainly attributable to employer contributions to fund each year's annual administrative expenses.

³ Less than \$1 million when rounded.

⁴ The Plan FNP of \$240,341 million has a value of \$185 million as of December 31, 2024 when discounted with interest at the rate of 7.00% per annum. Of this amount, about \$155 million is the balance available in the County Investment Account and \$18 million is the O.C. Sanitation District UAAL Deferred Account as of December 31, 2024, and \$15 million is the surplus for certain rate groups that were overfunded as of December 31, 2023.

Appendix A: Projection of Plan Fiduciary Net Position

Notes

1. Amounts may not total exactly due to rounding.
2. Amounts shown in the year beginning January 1, 2024 row are actual amounts, based on the final audited financial statements provided by OCERS.
3. Various years have been omitted from this table.
4. **Column (a):** Except for the “discounted value” for 2130 shown in footnote 4 on the previous page, none of the Plan FNP amounts shown have been adjusted for the time value of money.
5. **Column (b):** We have not utilized the balance in the County Investment Account to reduce the projected total contributions even though those amounts have been used to reduce the NPL for the County as of December 31, 2024.
6. **Column (b):** Projected total contributions include member and employer normal cost rates applied to closed group projected payroll (based on covered active members as of December 31, 2023), plus employer contributions to the Unfunded Actuarial Accrued Liability. Contributions are assumed to occur halfway through the year, on average.
7. **Column (c):** Projected benefit payments have been determined in accordance with paragraph 39 of GASB Statement No. 67, and are based on the closed group of active, inactive vested, retired members, and beneficiaries as of December 31, 2023. The projected benefit payments reflect the cost-of-living increase assumptions used in the December 31, 2024 valuation report. Benefit payments are assumed to occur at the beginning of each month.
8. **Column (d):** Projected administrative expenses are calculated as approximately 0.14% of the projected beginning Plan FNP amount. The 0.14% portion was based on the actual calendar year 2024 administrative expenses (unaudited) as a percentage of the actual beginning Plan FNP as of January 1, 2024. Administrative expenses are assumed to occur halfway through the year, on average.
9. **Column (e):** Projected investment earnings are based on the assumed investment rate of return of 7.00% per annum and reflect the assumed timing of cashflows, as noted above.
10. As illustrated in this appendix, the Plan FNP was projected to be available to make all projected future benefit payments for current Plan members. In other words, there is no projected “cross-over date” when projected benefits are **not** covered by projected assets. Therefore, the long-term expected rate of return on Plan investments of 7.00% per annum was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2024 shown earlier in this report, pursuant to paragraph 44 of GASB Statement No. 67.

Appendix B: Schedule of Pension Amounts by Employer as of December 31, 2024

Line Description	Orange County	O.C. Cemetery District	O.C. Law Library	O.C. Vector Control District
Deferred Outflows of Resources				
Difference between actual and expected experience in the Total Pension Liability	\$249,393,373	\$355,097	\$15,767	\$1,462,183
Net difference between projected and actual earnings on pension plan investments	1,033,126,674	978,828	960,424	2,109,272
Changes of assumptions or other inputs	102,699,747	122,595	28,100	137,150
Changes in proportion and differences between employer's contributions and proportionate share of contributions	8,911,489	0	0	0
Total deferred outflows	\$1,394,131,283	\$1,456,520	\$1,004,291	\$3,708,605
Deferred Inflows of Resources				
Difference between actual and expected experience in the Total Pension Liability	\$19,980,859	\$262,668	\$1,288,651	\$1,170,390
Net difference between actual and projected earnings on pension plan investments	1,157,631,739	1,087,698	1,032,024	2,090,431
Changes of assumptions or other inputs	17,280,839	0	0	0
Changes in proportion and differences between employer's contributions and proportionate share of contributions	10,850,356	0	0	0
Total deferred inflows	\$1,205,743,793	\$1,350,366	\$2,320,675	\$3,260,821
Net Pension Liability				
NPL as of December 31, 2023	\$4,061,810,157	\$993,411	\$(1,034,826)	\$752,245
NPL as of December 31, 2024	\$3,396,437,181	\$199,913	\$(2,819,920)	\$(1,280,860)
Pension Expense				
Proportionate share of allocable plan pension expense	\$433,002,793	\$320,235	\$(364,087)	\$(57,733)
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	26,186	0	0	0
Total employer pension expense excluding that attributable to employer paid member contributions	\$433,028,979	\$320,235	\$(364,087)	\$(57,733)

Appendix B: Schedule of Pension Amounts by Employer as of December 31, 2024

Line Description	O.C. Retirement System	O.C. Fire Authority	Cypress Recreation and Parks	Department of Education
Deferred Outflows of Resources				
Difference between actual and expected experience in the Total Pension Liability	\$2,098,098	\$51,727,051	\$72,060	\$473,061
Net difference between projected and actual earnings on pension plan investments	8,341,511	162,800,975	323,553	633,410
Changes of assumptions or other inputs	1,251,854	2,210,062	13,269	0
Changes in proportion and differences between employer's contributions and proportionate share of contributions	4,485,001	0	0	0
Total deferred outflows	\$16,176,464	\$216,738,088	\$408,882	\$1,106,471
Deferred Inflows of Resources				
Difference between actual and expected experience in the Total Pension Liability	\$42,748	\$7,846,632	\$336,165	\$283,384
Net difference between actual and projected earnings on pension plan investments	9,332,840	183,297,453	346,538	628,890
Changes of assumptions or other inputs	0	8,690,209	2,081	30,412
Changes in proportion and differences between employer's contributions and proportionate share of contributions	302,519	0	0	0
Total deferred inflows	\$9,678,107	\$199,834,294	\$684,784	\$942,686
Net Pension Liability				
NPL as of December 31, 2023	\$34,539,527	\$168,457,678	\$(641,475)	\$3,189,922
NPL as of December 31, 2024	\$31,456,875	\$80,528,139	\$(822,513)	\$2,489,629
Pension Expense				
Proportionate share of allocable plan pension expense	\$4,029,606	\$39,386,159	\$(120,878)	\$267,976
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	1,748,251	0	0	0
Total employer pension expense excluding that attributable to employer paid member contributions	\$5,777,857	\$39,386,159	\$(120,878)	\$267,976

Appendix B: Schedule of Pension Amounts by Employer as of December 31, 2024

Line Description	Transportation Corridor Agency	City of San Juan Capistrano	O.C. Sanitation District	O.C. Transportation Authority
Deferred Outflows of Resources				
Difference between actual and expected experience in the Total Pension Liability	\$1,891,329	\$973,806	\$36,769,832	\$31,060,134
Net difference between projected and actual earnings on pension plan investments	4,463,204	3,871,608	65,801,588	66,476,996
Changes of assumptions or other inputs	360,616	581,032	7,264,284	5,861,581
Changes in proportion and differences between employer's contributions and proportionate share of contributions	0	1,335,882	0	0
Total deferred outflows	\$6,715,149	\$6,762,328	\$109,835,704	\$103,398,711
Deferred Inflows of Resources				
Difference between actual and expected experience in the Total Pension Liability	\$425,381	\$19,841	\$5,860,974	\$15,513,217
Net difference between actual and projected earnings on pension plan investments	4,848,253	4,331,721	69,783,770	75,887,872
Changes of assumptions or other inputs	0	0	0	0
Changes in proportion and differences between employer's contributions and proportionate share of contributions	0	2,855,306	0	0
Total deferred inflows	\$5,273,634	\$7,206,868	\$75,644,744	\$91,401,089
Net Pension Liability				
NPL as of December 31, 2023	\$(1,889,567)	\$17,443,348	\$(18,531,537)	\$207,825,439
NPL as of December 31, 2024	\$(3,110,431)	\$14,600,316	\$(36,606,252)	\$174,887,247
Pension Expense				
Proportionate share of allocable plan pension expense	\$836,865	\$1,870,291	\$14,080,832	\$23,875,300
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	0	(858,484)	0	0
Total employer pension expense excluding that attributable to employer paid member contributions	\$836,865	\$1,011,807	\$14,080,832	\$23,875,300

Appendix B: Schedule of Pension Amounts by Employer as of December 31, 2024

Line Description	U.C.I.	O.C. Children and Families Comm.	Local Agency Formation Comm.	Rancho Santa Margarita
Deferred Outflows of Resources				
Difference between actual and expected experience in the Total Pension Liability	\$1,496,761	\$5,826	\$84,985	\$1,963
Net difference between projected and actual earnings on pension plan investments	5,288,950	23,163	337,880	13,712
Changes of assumptions or other inputs	54,015	3,476	50,707	0
Changes in proportion and differences between employer's contributions and proportionate share of contributions	0	1,026,408	181,441	0
Total deferred outflows	\$6,839,726	\$1,058,873	\$655,013	\$15,675
Deferred Inflows of Resources				
Difference between actual and expected experience in the Total Pension Liability	\$1,294,650	\$119	\$1,732	\$41
Net difference between actual and projected earnings on pension plan investments	5,280,954	25,915	378,034	2,209
Changes of assumptions or other inputs	153,656	0	0	150
Changes in proportion and differences between employer's contributions and proportionate share of contributions	0	115,967	275,421	0
Total deferred inflows	\$6,729,260	\$142,001	\$655,187	\$2,400
Net Pension Liability				
NPL as of December 31, 2023	\$26,555,318	\$189,581	\$1,704,989	\$119
NPL as of December 31, 2024	\$21,422,899	\$87,349	\$1,274,187	\$14,584
Pension Expense				
Proportionate share of allocable plan pension expense	\$1,566,101	\$11,189	\$163,223	\$3,575
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	0	152,336	2,644	0
Total employer pension expense excluding that attributable to employer paid member contributions	\$1,566,101	\$163,525	\$165,867	\$3,575

Appendix B: Schedule of Pension Amounts by Employer as of December 31, 2024

Line Description	O.C. Superior Court	O.C. IHSS Public Authority	Total for All Employers
Deferred Outflows of Resources			
Difference between actual and expected experience in the Total Pension Liability	\$19,729,001	\$6,774	\$397,617,101
Net difference between projected and actual earnings on pension plan investments	78,437,563	844,013	1,434,833,324
Changes of assumptions or other inputs	11,771,530	40,730	132,450,748
Changes in proportion and differences between employer's contributions and proportionate share of contributions	5,897,179	138,007	21,975,407
Total deferred outflows	\$115,835,273	\$1,029,524	\$1,986,876,580
Deferred Inflows of Resources			
Difference between actual and expected experience in the Total Pension Liability	\$401,969	\$219,986	\$54,949,407
Net difference between actual and projected earnings on pension plan investments	87,759,310	962,346	1,604,707,997
Changes of assumptions or other inputs	0	1,781	26,159,128
Changes in proportion and differences between employer's contributions and proportionate share of contributions	7,510,971	64,867	21,975,407
Total deferred inflows	\$95,672,250	\$1,248,980	\$1,707,791,939
Net Pension Liability			
NPL as of December 31, 2023	\$344,886,083	\$462,162	\$4,846,712,574
NPL as of December 31, 2024	\$295,797,806	\$137,599	\$3,974,693,748
Pension Expense			
Proportionate share of allocable plan pension expense	\$37,891,508	\$184,916	\$556,947,871
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	(1,070,871)	(62)	0
Total employer pension expense excluding that attributable to employer paid member contributions	\$36,820,637	\$184,854	\$556,947,871

Appendix B: Schedule of Pension Amounts by Employer as of December 31, 2024

Notes

Amounts shown in this Appendix were allocated by employer based on the Employer Allocation Percentage calculated in *Section 2, Exhibit 5 – Determination of proportionate share* for each Rate Group.

In determining the pension expense:

- Any differences between projected and actual investment earnings on pension plan investments are recognized over a period of five years beginning with the year in which they occur.
- Current-period (i.e., 2024) differences between expected and actual experience and changes of assumptions or other inputs (if any) are recognized over the average of the expected remaining service lives of all employees, calculated as of the beginning of the measurement period.
- Prior-period differences between expected and actual experience and changes of assumptions or other inputs continue to be recognized based on the average expected remaining service lives of all employees calculated based on their respective measurement dates.

In addition, there have been changes in each employer's proportionate share of the collective NPL during the measurement period ending December 31, 2024. The net effect of that change on the employer's proportionate share of the collective NPL and collective deferred outflows and deferred inflows of resources, as well as any differences between actual employer contributions and the proportionate share of employer contributions, are recognized as follows:

- Current period changes in proportion and differences between employer's contributions and proportionate share of contributions are recognized over the average expected remaining service lives of all employees, calculated as of the beginning of the measurement period.
- Prior period changes in proportion and differences between employer's contributions and proportionate share of contributions are continued to be recognized based on the average expected remaining service lives of all employees calculated based on their respective measurement dates.

The average expected remaining service lives of all employees is 5.31 years for the measurement period ending December 31, 2024 (calculated as of December 31, 2023). The average of the expected remaining service lives of all employees was determined by:

- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each non-active or retired member.
- Dividing the sum of the above amounts by the total number of active, non-active and retired members.

Appendix B: Schedule of Pension Amounts by Employer as of December 31, 2024

There was an increase in the total employer pension expense from a pension expense of \$475.0 million calculated last year to a pension expense of \$556.9 million calculated this year. The primary cause of the increase was due to the full recognition of the remaining \$201.6 million in credit from an asset gain that was identified in the December 31, 2020 valuation in developing last year's pension expense, and the increase in pension expense offset to some extent by the favorable investment return on the market value of assets during 2024.

Appendix C: Definition of Terms

Definitions of certain terms as they are used in GASB Statement No. 68. The terms may have different meanings in other contexts.

Term	Definition
Active employees	Individuals employed at the end of the reporting or measurement period, as applicable.
Actual contributions	Cash contributions recognized as additions to the Plan Fiduciary Net Position.
Actuarial present value of projected benefit payments	Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.
Actuarial valuation	The determination, as of a point in time (the actuarial valuation date), of the service cost, Total Pension Liability, and related actuarial present value of projected benefit payments for pensions performed in conformity with Actuarial Standards of Practice unless otherwise specified by the GASB.
Actuarial valuation date	The date as of which an actuarial valuation is performed.
Actuarially determined contribution	A target or recommended contribution to a defined benefit pension plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.
Ad hoc cost-of-living adjustments (Ad Hoc COLAs)	Cost-of-living adjustments that require a decision to grant by the authority responsible for making such decisions.
Ad hoc postemployment benefit changes	Postemployment benefit changes that require a decision to grant by the authority responsible for making such decisions.
Agent employer	An employer whose employees are provided with pensions through an agent multiple-employer defined benefit pension plan.
Agent multiple-employer defined benefit pension plan (agent pension plan)	A multiple-employer defined benefit pension plan in which pension plan assets are pooled for investment purposes but separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of only its employees.
Automatic cost-of-living adjustments (Automatic COLAs)	Cost-of-living adjustments that occur without a requirement for a decision to grant by a responsible authority, including those for which the amounts are determined by reference to a specified experience factor (such as the earnings experience of the pension plan) or to another variable (such as an increase in the consumer price index).
Automatic postemployment benefit changes	Postemployment benefit changes that occur without a requirement for a decision to grant by a responsible authority, including those for which the amounts are determined by reference to a specified experience factor (such as the earnings experience of the pension plan) or to another variable (such as an increase in the consumer price index).
Closed period	A specific number of years that is counted from one date and declines to zero with the passage of time. For example, if the recognition period initially is five years on a closed basis, four years remain after the first year, three years after the second year, and so forth.

Appendix C: Definition of Terms

Term	Definition
Contributions	Additions to the Plan Fiduciary Net Position for amounts from employers, non-employer contributing entities (for example, state government contributions to a local government pension plan), or employees. Contributions can result from cash receipts by the pension plan or from recognition by the pension plan of a receivable from one of these sources.
Cost-of-living adjustments	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
Cost-sharing employer	An employer whose employees are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan.
Cost-sharing multiple employer defined benefit pension plan (Cost-sharing pension plan)	A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.
Covered payroll	Payroll on which contributions to a pension plan are based.
Deferred retirement option program (DROP)	A program that permits an employee to elect a calculation of benefit payments based on service credits and salary, as applicable, as of the DROP entry date. The employee continues to provide service to the employer and is paid for that service by the employer after the DROP entry date; however, the pensions that would have been paid to the employee (if the employee had retired and not entered the DROP) are credited to an individual employee account within the defined benefit pension plan until the end of the DROP period.
Defined benefit pension plans	Pension plans that are used to provide defined benefit pensions.
Defined benefit pensions	Pensions for which the income or other benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The pensions may be stated as a specified dollar amount or as an amount that is calculated based on one or more factors such as age, years of service, and compensation. (A pension that does not meet the criteria of a defined contribution pension is classified as a defined benefit pension for purposes of GASB Statement No. 68.)
Defined contribution pension plans	Pension plans that are used to provide defined contribution pensions.
Defined contribution pensions	<p>Pensions having terms that:</p> <ol style="list-style-type: none"> 1. Provide an individual account for each employee; 2. Define the contributions that an employer is required to make (or the credits that it is required to provide) to an active employee's account for periods in which that employee renders service; and 3. Provide that the pensions an employee will receive will depend only on the contributions (or credits) to the employee's account, actual earnings on investments of those contributions (or credits), and the effects of forfeitures of contributions (or credits) made for other employees, as well as pension plan administrative costs, that are allocated to the employee's account.

Appendix C: Definition of Terms

Term	Definition
Discount rate	<p>The single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the following:</p> <ol style="list-style-type: none"> 1. The actuarial present value of benefit payments projected to be made in future periods in which: <ol style="list-style-type: none"> a. The amount of the Plan Fiduciary Net Position is projected (under the requirements of GASB Statement No. 68) to be greater than the benefit payments that are projected to be made in that period, and b. Pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term expected rate of return, calculated using the long-term expected rate of return on pension plan investments. 2. The actuarial present value of projected benefit payments not included in 1., calculated using the municipal bond rate.
Entry age actuarial cost method	A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the actuarial accrued liability.
Inactive employees	Terminated individuals that have accumulated benefits but are not yet receiving them, and retirees or their beneficiaries currently receiving benefits.
Measurement period	The period between the prior and the current measurement dates.
Multiple-employer defined benefit pension plan	A defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
Net Pension Liability (NPL)	The liability of employers and non-employer contributing entities to employees for benefits provided through a defined benefit pension plan.
Non-employer contributing entities	Entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities.
Other postemployment benefits	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits, regardless of the manner in which they are provided. Other postemployment benefits do not include termination benefits.
Pension plans	Arrangements through which pensions are determined, assets dedicated for pensions are accumulated and managed and benefits are paid as they come due.
Pensions	Retirement income and, if provided through a pension plan, postemployment benefits other than retirement income (such as death benefits, life insurance, and disability benefits). Pensions do not include postemployment healthcare benefits and termination benefits.

Appendix C: Definition of Terms

Term	Definition
Plan members	Individuals that are covered under the terms of a pension plan. Plan members generally include: <ol style="list-style-type: none"> 1. Employees in active service (active plan members), and 2. Terminated employees who have accumulated benefits but are not yet receiving them and retirees or their beneficiaries currently receiving benefits (inactive plan members).
Postemployment	The period after employment.
Postemployment benefit changes	Adjustments to the pension of an inactive employee.
Postemployment healthcare benefits	Medical, dental, vision, and other health-related benefits paid subsequent to the termination of employment.
Projected benefit payments	All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and their expected future service.
Public employee retirement system	A special-purpose government that administers one or more pension plans; also may administer other types of employee benefit plans, including postemployment healthcare plans and deferred compensation plans.
Real rate of return	The rate of return on an investment after adjustment to eliminate inflation.
Service costs	The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.
Single employer	An employer whose employees are provided with pensions through a single-employer defined benefit pension plan.
Single-employer defined benefit pension plan (Single-employer pension plan)	A defined benefit pension plan that is used to provide pensions to employees of only one employer.
Special funding situations	Circumstances in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either of the following conditions exists: <ol style="list-style-type: none"> 1. The amount of contributions for which the non-employer entity legally is responsible is not dependent upon one or more events or circumstances unrelated to the pensions. 2. The non-employer entity is the only entity with a legal obligation to make contributions directly to a pension plan.
Termination benefits	Inducements offered by employers to active employees to hasten the termination of services, or payments made in consequence of the early termination of services. Termination benefits include early-retirement incentives, severance benefits, and other termination-related benefits.

Appendix C: Definition of Terms

Term	Definition
Total Pension Liability (TPL)	The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB Statement No. 68.

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San Francisco, CA 94105-6147
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Via Email

May 30, 2025

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)
Reconciliation of the Plan's December 31, 2024 Net Pension Liability (NPL) and
Unfunded Actuarial Accrued Liability (UAAL)**

Dear Steve:

We have been requested by OCERS to reconcile, for each Rate Group, the December 31, 2024 Net Pension Liability (NPL) and the Unfunded Actuarial Accrued Liability (UAAL) as shown in the December 31, 2024 Governmental Accounting Standards Board (GASB) Statement 67 addendum letter and funding valuation report, respectively. (The breakdown of the NPL as disclosed in the GASB 67 addendum letter also appears in our GASB 68 financial report.)

The reconciliation is provided in Attachment A of this letter. The difference between the NPL and the UAAL is a direct result of the different liability and asset values we used in those developments.

Liability

The Total Pension Liability (TPL) shown in the GASB 67 addendum letter was measured based on the December 31, 2023 demographic data by: (i) rolling forward the liability from December 31, 2023 to December 31, 2024 and (ii) assuming that the actuarial experience of the System would match with that anticipated by the demographic assumptions. On the other hand, the Actuarial Accrued Liability (AAL) shown in the funding valuation report was measured based on the December 31, 2024 demographic data.

The differences between the TPL and the AAL were primarily due to: (a) actuarial gains/losses on the liability items as documented in *Section 4, Exhibit 6* of the December 31, 2024 funding valuation report for each Rate Group and (b) differences between the rolled forward liabilities and the actual liabilities.

Assets

The Plan Fiduciary Net Position (FNP) shown in the GASB 67 report as of December 31, 2024 (that we subsequently used for our GASB 67 addendum letter) was based on the plan's Market

Mr. Steve Delaney
May 30, 2025
Page 2

Value of Assets (MVA) including the proceeds available in the County Investment Account and O.C. Sanitation District (OCSD) UAAL Deferred Account. On the other hand, the funding valuation report used the Valuation Value of Assets (VVA) after adjusting the MVA for asset smoothing and excludes the proceeds available to the County Investment Account and the OCSD UAAL Deferred Account.*

The Plan FNP and the VVA were also different due to the adjustment for the deferred investment gain.

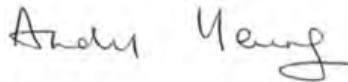
Results

The NPL and UAAL were calculated by taking the TPL and the AAL and subtracting the Plan FNP and the VVA, respectively.

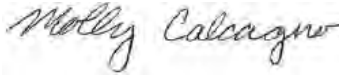
The undersigned are members of the American Academy of Actuaries and meet the Qualification Standard of the American Academy of Actuaries to render the actuarial opinion contained herein.

Please let us know if you have any questions or comments.

Sincerely,



Andy Yeung, ASA, MAAA, FCA, EA
Vice President and Actuary



Molly Calcagno, ASA, MAAA, EA
Senior Actuary

JY/bbf

cc: Tracy Bowman
Brenda Shott
Jennifer Reyes

Disclaimer

This document has been prepared for the exclusive use and benefit of OCERS, based upon information provided by OCERS and OCERS' other service providers or otherwise made available to Segal at the time this document was created. Segal makes no representation or warranty as to the accuracy of any forward-looking statements and does not guarantee any particular outcome or result. This letter should only be copied, reproduced, or shared with other parties in its entirety as necessary for the proper administration of the Plan. This document does not constitute legal, tax or investment advice or create or imply a fiduciary relationship. You are encouraged to discuss any issues raised with your legal, tax and other advisors before taking, or refraining from taking, any action.

* There were no non-valuation reserves as of December 31, 2024.

Attachment A: Reconciliation of the Plan's December 31, 2024 NPL and UAAL

Category	Rate Group #1	Rate Group #2	Rate Group #3	Rate Group #4
(A) Liability Reconciliation				
1. Total Pension Liability Included in the development of the GASB 67 Addendum Letter	\$586,535,610	\$15,475,058,042	\$986,314,812	\$32,660
2. (Gain)/Loss from (Lower)/Higher than Expected Salary Increases*	4,728,000	135,169,000	2,915,000	0
3. Loss from Higher-than-Expected COLA Increases*	183,000	8,233,000	522,000	0
4. Other Experience (Gain)/Loss*	738,000	18,020,000	(655,000)	0
5. Other (Gain)/Loss from Rolled Forward Liabilities to Actual Liabilities	(20,610)	2,032,958	11,188	(14,660)
6. Actuarial Accrued Liability Included in the Funding Valuation Report (sum of items 1 through 5)	\$592,164,000	\$15,638,513,000	\$989,108,000	\$18,000
(B) Asset Reconciliation				
1. Market Value of Assets Excluding County Investment Account and OCSD UAAL Deferred Account	\$555,603,760	\$12,525,184,723	\$1,005,327,064	\$18,076
2. County Investment Account and OCSD UAAL Deferred Account	4,653,030	97,713,630	17,594,000	0
3. Plan Fiduciary Net Position Included in the development of the GASB 67 Addendum Letter 1 + 2	560,256,790	12,622,898,353	1,022,921,064	18,076
4. Adjustment for Deferred Investment Return, Non-Valuation Reserve	(2,342,760)	(52,813,723)	(4,239,064)	(76)
5. Valuation of Assets Included in the Funding Valuation Report 1 + 4	\$553,261,000	\$12,472,371,000	\$1,001,088,000	\$18,000
Net Pension Liability Shown in the GASB 67 Addendum Letter A1 – B3	\$26,278,820	\$2,852,159,689	\$(36,606,252)	\$14,584
Unfunded Actuarial Accrued Liability Shown in the Funding Valuation Report A6 – B5	\$38,903,000	\$3,166,142,000	\$(11,980,000)	\$0

* These actuarial gain/loss items can be found in *Section 4, Exhibit 6* of our December 31, 2024, funding valuation report.

Attachment A

Category	Rate Group #5	Rate Group #9	Rate Group #10	Rate Group #11
(A) Liability Reconciliation				
1. Total Pension Liability Included in the development of the GASB 67 Addendum Letter	\$1,267,825,734	\$68,471,401	\$351,626,619	\$16,575,964
2. (Gain)/Loss from (Lower)/Higher than Expected Salary Increases*	1,955,000	66,000	2,382,000	27,000
3. Loss from Higher than Expected COLA Increases*	651,000	43,000	232,000	9,000
4. Other Experience (Gain)/Loss*	(4,241,000)	(915,000)	(660,000)	75,000
5. Other (Gain)/Loss from Rolled Forward Liabilities to Actual Liabilities	224,266	599	40,381	(1,964)
6. Actuarial Accrued Liability Included in the Funding Valuation Report (sum of items 1 through 5)	\$1,266,415,000	\$67,666,000	\$353,621,000	\$16,685,000
(B) Asset Reconciliation				
1. Market Value of Assets Excluding County Investment Account and OCSD UAAL Deferred Account	\$1,092,938,487	\$71,581,832	\$336,172,506	\$16,376,051
2. County Investment Account and OCSD UAAL Deferred Account	0	0	0	0
3. Plan Fiduciary Net Position Included in the development of the GASB 67 Addendum Letter 1 + 2	1,092,938,487	71,581,832	336,172,506	16,376,051
4. Adjustment for Deferred Investment Return, Non-Valuation Reserve	(4,608,487)	(301,832)	(1,417,506)	(69,051)
5. Valuation of Assets Included in the Funding Valuation Report 1 + 4	\$1,088,330,000	\$71,280,000	\$334,755,000	\$16,307,000
Net Pension Liability Shown in the GASB 67 Addendum Letter A1 – B3	\$174,887,247	\$(3,110,431)	\$15,454,113	\$199,913
Unfunded Actuarial Accrued Liability Shown in the Funding Valuation Report A6 – B5	\$178,085,000	\$(3,614,000)	\$18,866,000	\$378,000

* These actuarial gain/loss items can be found in *Section 4, Exhibit 6* of our December 31, 2024 funding valuation report.

Attachment A

Category	Rate Group #12	Rate Group #6	Rate Group #7	Rate Group #8	Total
(A) Liability Reconciliation					
1. Total Pension Liability Included in the development of the GASB 67 Addendum Letter	\$12,734,668	\$1,187,082,621	\$5,489,717,787	\$2,494,708,830	\$27,936,684,748
2. (Gain)/Loss from (Lower)/Higher than Expected Salary Increases*	(27,000)	30,217,000	145,778,000	(24,843,000)	298,367,000
3. Loss from Higher than Expected COLA Increases*	3,000	755,000	3,704,000	1,422,000	15,757,000
4. Other Experience (Gain)/Loss*	(61,000)	(83,000)	(9,724,000)	2,444,000	4,938,000
5. Other (Gain)/Loss from Rolled Forward Liabilities to Actual Liabilities	88,332	313,379	178,213	23,170	2,875,252
6. Actuarial Accrued Liability Included in the Funding Valuation Report (sum of items 1 through 5)	\$12,738,000	\$1,218,285,000	\$5,629,654,000	\$2,473,755,000	\$28,258,622,000
(B) Asset Reconciliation					
1. Market Value of Assets Excluding County Investment Account and OCSD UAAL Deferred Account	\$15,554,588	\$1,039,600,582	\$4,701,303,527	\$2,429,634,804	\$23,789,296,000
2. County Investment Account and OCSD UAAL Deferred Account	0	7,755,050	44,979,290	0	172,695,000
3. Plan Fiduciary Net Position Included in the development of the GASB 67 Addendum Letter 1 + 2	15,554,588	1,047,355,632	4,746,282,817	2,429,634,804	23,961,991,000
4. Adjustment for Deferred Investment Return, Non-Valuation Reserve	(65,588)	(4,383,582)	(19,823,527)	(10,244,804)	(100,310,000)
5. Valuation of Assets Included in the Funding Valuation Report 1 + 4	\$15,489,000	\$1,035,217,000	\$4,681,480,000	\$2,419,390,000	\$23,688,986,000
Net Pension Liability Shown in the GASB 67 Addendum Letter A1 - B3	\$(2,819,920)	\$139,726,989	\$743,434,970	\$65,074,026	\$3,974,693,748
Unfunded Actuarial Accrued Liability Shown in the Funding Valuation Report A6 - B5	\$(2,751,000)	\$183,068,000	\$948,174,000	\$54,365,000	\$4,569,636,000

* These actuarial gain/loss items can be found in *Section 4, Exhibit 6* of our December 31, 2024 funding valuation report.



Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Schedule of Allocated Pension Amounts by Employer

As of and For the Year Ended December 31, 2024

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Report of Independent Auditors

The Board of Retirement
Orange County Employees Retirement System

Report on the Audit of the Schedule

Opinion

We have audited the totals for all employers of the deferred outflows of resources, deferred inflows of resources, net pension liability (asset), and pension expense (income) excluding that attributable to employer-paid member contributions as of and for the year ended December 31, 2024 in the Schedule of Allocated Pension Amounts by Employer (specific column totals) of the Orange County Employees Retirement System (the System) and the related notes (the schedule).

In our opinion, the accompanying schedule referred to above presents fairly, in all material respects, the totals for all the System's employers of the deferred outflows of resources, deferred inflows of resources, net pension liability (asset), and pension expense (income) excluding that attributable to employer-paid member contributions as of and for the year ended December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Financial Statements

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the System as of and for the year ended December 31, 2024, and our report thereon dated June 2, 2025 expressed an unmodified opinion on those financial statements.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of schedule that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Restriction on Use

Our report is intended solely for the information and use of the management, members of the Board of Retirement, and the System's participating employers and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.



Irvine, California
June 2, 2025

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024

	County of Orange	O.C. Cemetery District	O.C. Public Law Library	O.C. Mosquito and Vector Control District	O.C. Employees Retirement System
Deferred Outflows of Resources					
Differences Between Expected and Actual Experience	\$ 249,393,373	\$ 355,097	\$ 15,767	\$ 1,462,183	\$ 2,098,098
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	-	-	-	18,841	-
Changes of Assumptions	102,699,747	122,595	28,100	137,150	1,251,854
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	8,911,489	-	-	-	4,485,001
Total Deferred Outflows of Resources	\$ 361,004,609	\$ 477,692	\$ 43,867	\$ 1,618,174	\$ 7,834,953
Deferred Inflows of Resources					
Differences Between Expected and Actual Experience	\$ 19,980,859	\$ 262,668	\$ 1,288,651	\$ 1,170,390	\$ 42,748
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	124,505,065	108,870	71,600	-	991,329
Changes of Assumptions	17,280,839	-	-	-	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	10,850,356	-	-	-	302,519
Total Deferred Inflows of Resources	\$ 172,617,119	\$ 371,538	\$ 1,360,251	\$ 1,170,390	\$ 1,336,596
Net Pension Liability/(Asset) as of December 31, 2024	<u>\$3,396,437,181</u>	<u>\$ 199,913</u>	<u>\$(2,819,920)</u>	<u>\$(1,280,860)</u>	<u>\$ 31,456,875</u>
Pension Expense Excluding That Attributable to Employer-Paid Member Contributions					
Proportionate Share of Allocable Plan Pension Expense/(Income)	\$ 433,002,793	\$ 320,235	\$ (364,087)	\$ (57,733)	\$ 4,029,606
Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	26,186	-	-	-	1,748,251
Total Employer Pension Expense/(Income) Excluding that Attributable to Employer-Paid Member Contributions	<u>\$ 433,028,979</u>	<u>\$ 320,235</u>	<u>\$ (364,087)</u>	<u>\$ (57,733)</u>	<u>\$ 5,777,857</u>

The accompanying notes are an integral part of these schedules.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024
(Continued)

	O.C. Fire Authority	Cypress Recreation & Parks District	O.C. Department of Education	Transportation Corridor Agencies	City of San Juan Capistrano
Deferred Outflows of Resources					
Differences Between Expected and Actual Experience	\$ 51,727,051	\$ 72,060	\$ 473,061	\$ 1,891,329	\$ 973,806
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	-	-	4,520	-	-
Changes of Assumptions	2,210,062	13,269	-	360,616	581,032
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	-	-	-	1,335,882
Total Deferred Outflows of Resources	\$ 53,937,113	\$ 85,329	\$ 477,581	\$ 2,251,945	\$ 2,890,720
Deferred Inflows of Resources					
Differences Between Expected and Actual Experience	\$ 7,846,632	\$ 336,165	\$ 283,384	\$ 425,381	\$ 19,841
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	20,496,478	22,985	-	385,049	460,113
Changes of Assumptions	8,690,209	2,081	30,412	-	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	-	-	-	2,855,306
Total Deferred Inflows of Resources	\$ 37,033,319	\$ 361,231	\$ 313,796	\$ 810,430	\$ 3,335,260
Net Pension Liability/(Asset) as of December 31, 2024	\$ 80,528,139	\$ (822,513)	\$ 2,489,629	\$ (3,110,431)	\$ 14,600,316

Pension Expense Excluding That Attributable to Employer-Paid Member Contributions					
Proportionate Share of Allocable Plan Pension Expense/(Income)	\$ 39,386,159	\$ (120,878)	\$ 267,976	\$ 836,865	\$ 1,870,291
Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	-	-	-	(858,484)
Total Employer Pension Expense/(Income) Excluding that Attributable to Employer-Paid Member Contributions	\$ 39,386,159	\$ (120,878)	\$ 267,976	\$ 836,865	\$ 1,011,807

The accompanying notes are an integral part of these schedules.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024
(Continued)

	O.C. Sanitation District	O.C. Transportation Authority	U.C.I. Medical Center and Campus	Children and Families Commission of O.C.	O.C. Local Agency Formation Commission
Deferred Outflows of Resources					
Differences Between Expected and Actual Experience	\$ 36,769,832	\$ 31,060,134	\$ 1,496,761	\$ 5,826	\$ 84,985
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	-	-	7,996	-	-
Changes of Assumptions	7,264,284	5,861,581	54,015	3,476	50,707
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	-	-	1,026,408	181,441
Total Deferred Outflows of Resources	\$ 44,034,116	\$ 36,921,715	\$ 1,558,772	\$ 1,035,710	\$ 317,133
Deferred Inflows of Resources					
Differences Between Expected and Actual Experience	\$ 5,860,974	\$ 15,513,217	\$ 1,294,650	\$ 119	\$ 1,732
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	3,982,182	9,410,876	-	2,752	40,154
Changes of Assumptions	-	-	153,656	-	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	-	-	115,967	275,421
Total Deferred Inflows of Resources	\$ 9,843,156	\$ 24,924,093	\$ 1,448,306	\$ 118,838	\$ 317,307
Net Pension Liability/(Asset) as of December 31, 2024	\$ (36,606,252)	\$ 174,887,247	\$ 21,422,899	\$ 87,349	\$ 1,274,187
Pension Expense Excluding That Attributable to Employer-Paid Member Contributions					
Proportionate Share of Allocable Plan Pension Expense/(Income)	\$ 14,080,832	\$ 23,875,300	\$ 1,566,101	\$ 11,189	\$ 163,223
Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	-	-	152,336	2,644
Total Employer Pension Expense/(Income) Excluding that Attributable to Employer-Paid Member Contributions	\$ 14,080,832	\$ 23,875,300	\$ 1,566,101	\$ 163,525	\$ 165,867

The accompanying notes are an integral part of these schedules.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024
(Continued)

	City of Rancho Santa Margarita	O.C. Superior Court of California	O.C. IHSS Public Authority	Total for All Employers
Deferred Outflows of Resources				
Differences Between Expected and Actual Experience	\$ 1,963	\$ 19,729,001	\$ 6,774	\$ 397,617,101
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	11,503	-	-	42,860
Changes of Assumptions	-	11,771,530	40,730	132,450,748
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	5,897,179	138,007	21,975,407
Total Deferred Outflows of Resources	\$ 13,466	\$ 37,397,710	\$ 185,511	\$ 552,086,116
Deferred Inflows of Resources				
Differences Between Expected and Actual Experience	\$ 41	\$ 401,969	\$ 219,986	\$ 54,949,407
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	-	9,321,747	118,333	169,917,533
Changes of Assumptions	150	-	1,781	26,159,128
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	7,510,971	64,867	21,975,407
Total Deferred Inflows of Resources	\$ 191	\$ 17,234,687	\$ 404,967	\$ 273,001,475
Net Pension Liability/(Asset) as of December 31, 2024	\$ 14,584	\$ 295,797,806	\$ 137,599	\$ 3,974,693,748

Pension Expense Excluding That Attributable to Employer-Paid Member Contributions				
Proportionate Share of Allocable Plan Pension Expense/(Income)	\$ 3,575	\$ 37,891,508	\$ 184,916	\$ 556,947,871
Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	(1,070,871)	(62)	-
Total Employer Pension Expense/(Income) Excluding that Attributable to Employer-Paid Member Contributions	\$ 3,575	\$ 36,820,637	\$ 184,854	\$ 556,947,871

The accompanying notes are an integral part of these schedules.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Notes to the Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024

NOTE 1 – PLAN DESCRIPTION

The Orange County Employees Retirement System (OCERS or System) administers a cost-sharing multiple-employer defined benefit pension plan (the Plan) for the County of Orange, Orange County Superior Court of California, City of San Juan Capistrano, and ten special districts: Orange County Cemetery District, Children and Families Commission of Orange County, Orange County Employees Retirement System, Orange County Fire Authority, Orange County In-Home Supportive Services Public Authority, Orange County Local Agency Formation Commission, Orange County Public Law Library, Orange County Sanitation District, Orange County Transportation Authority and the Transportation Corridor Agencies. The Orange County Department of Education, University of California, Irvine Medical Center and Campus, Capistrano Beach Sanitation District, Cypress Recreation & Parks District, Orange County Mosquito and Vector Control District and City of Rancho Santa Margarita are no longer active employers, but retired members and their beneficiaries, as well as deferred members, remain in the System. Capistrano Beach Sanitation District is not presented in the accompanying schedule as this employer is no longer in existence and OCERS does not have the ability to collect any unfunded liabilities from this inactive employer. OCERS is legally and fiscally independent of the County of Orange.

OCERS provides retirement, disability, and death benefits to general and safety members. Safety membership includes those members serving in active law enforcement, fire suppression and as probation officers. General membership applies to all other occupations. Plan retirement benefits are tiered based upon the date of OCERS membership. Additional information regarding the pensions plan's benefit structure is included in the Summary of Plan Description that is available on OCERS official website at: <https://www.ocers.org/summary-plan-description>.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Basis of Accounting

Employers participating in the Plan are required to report pension information in their financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*. The Schedule of Allocated Pension Amounts by Employer (the Schedule) along with OCERS' audited financial statements, the GASB Statement 67 Actuarial Valuation as of December 31, 2024 and the GASB Statement 68 Actuarial Valuation Based on the December 31, 2024 Measurement Date for Employer Reporting as of June 30, 2024, prepared by OCERS' third-party actuary, provide the required information for financial reporting related to the Plan that employers may use in their financial statements.

The accompanying Schedule prepared by OCERS' third-party actuary was derived from information provided by OCERS in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental organizations.

Legally or statutorily required employer contributions for the year ended December 31, 2024, less any amounts of those legally or statutorily required contributions that are paid by the employees (referred to as reverse pick-ups), are used as the basis for determining each employer's proportion of total contributions. For the year ended December 31, 2024, employer paid member contributions of \$16,000 under Government Code Section 31581.1 which OCERS reports as employer contributions as these payments do not become part of the accumulated employee contributions, have been excluded in determining each employer's proportion of total contributions. Contributions made by the employer on behalf of employees under Government Code Section 31581.2 are classified as employee contributions and are not included in the proportionate share calculation for the year ended December 31, 2024.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Notes to the Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation and Basis of Accounting (Continued)

Employer contributions have not been reduced for discount due to prepaid contributions. Contributions for each employer are assigned to its respective participating Rate Group. Rate Groups are a collection of members who are or were employed by employers that offer similar pension benefit formulas. Rate Groups exist for the purpose of risk-pooling and the contribution rates developed by the actuary should, in the long-term, fairly and accurately reflect the benefits offered/promised to members in each group. Rate Groups can contain one or more employers and employers may be included in one or more Rate Groups. If an employer participates in several Rate Groups, the employer's total proportionate share of the Net Pension Liability (NPL) and related allocated pension amounts is the sum of its NPL and allocated pension amounts from each Rate Group.

The following Rate Groups have only one active employer, so all of the NPL for that Rate Group is allocated to the corresponding employer:

Rate Group	Employer
3	Orange County Sanitation District
4	City of Rancho Santa Margarita
5	Orange County Transportation Authority
6	County of Orange (Probation)
7	County of Orange (Law Enforcement)
8	Orange County Fire Authority (Safety)
9	Transportation Corridor Agencies
10	Orange County Fire Authority (General)
11	Orange County Cemetery District
12	Orange County Public Law Library

The total Plan contributions are determined through OCERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. California Government Code Title 3, Division 4, Parts 3 and 3.9, Articles 6 and 6.8 define the methodology used to calculate member basic contribution rates for General members and Safety members. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Legally or statutorily required employer contributions were determined by multiplying the employers' contribution rate by the employers' payrolls for the fiscal year.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Notes to the Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation and Basis of Accounting (Continued)

The NPL is the Total Pension Liability (TPL) minus the Plan Fiduciary Net Position (plan assets). The TPL for each Rate Group is obtained from valuation results. The Fiduciary Net Position for each Rate Group is estimated by adjusting the valuation value of assets for each membership class by the ratio of the total Plan Fiduciary Net Position (excluding the balance of the County of Orange (County) Investment Account and the Orange County Sanitation District (OCSD) Unfunded Actuarial Accrued Liability (UAAL) Deferred Account) to total OCERS' valuation value of assets. The County Investment Account is then allocated among the four County Rate Groups using the proportion of the County's most recent contributions that were derived from the proceeds of the Pension Obligation Bonds for each of the four County Rate Groups. The OCSD UAAL Deferred Account balance of \$17,594,000 was allocated entirely to Rate Group 3 as of December 31, 2024 and was used to reduce the NPL for the OCSD as of the measurement date. The NPL is then allocated to the respective employers based on the legally or statutorily required employer contributions within each Rate Group.

In developing the pension expense amounts, the NPL proportionate share percentage is used to calculate the employer's pension expense components (service cost, interest, change in benefit terms, differences between expected and actual experience, changes in assumptions and benefit payments, including refunds of employee contributions), with the exception of the Orange County Mosquito and Vector Control District (Vector Control), Cypress Recreation & Parks District (CRPD), University of California, Irvine Medical Center and Campus (UCI) and the Orange County Department of Education (OCDE), which were adjusted to reflect the appropriate amount of service costs based on their current inactive membership.

The employer contributions used to determine the NPL proportionate share percentage excludes UCI and OCDE employer contributions of \$2,935,628 and \$338,378, respectively. These employer contributions were intended to reduce the NPL of the specific employer, not the respective Rate Group as a whole. The percentages of contributions by employer do not equal the percentages used to allocate the NPL by employer because the NPL for the County has been reduced to reflect the portion of the County Investment Account, as described above. The amounts of the County Investment Account that have been allocated to those Rate Groups as of December 31, 2024 are as follows:

Rate Group	Amount
1	\$ 4,653,030
2	97,713,630
6	7,755,050
7	44,979,290
Total	\$ 155,101,000

In addition, the NPL for Rate Group 1 was adjusted by the NPL for Vector Control, OCDE, UCI and CRPD prior to allocating the net NPL to the other employers in Rate Group 1. The NPL for these four employers were calculated separately as follows:

The Vector Control is no longer an active employer, but retired members and their beneficiaries, as well as deferred members, remain in the Plan. For this employer, the allocated net pension liability is based on the most recent estimate of the withdrawal liability and adjusted to reflect the Plan Fiduciary Net Position as of December 31, 2024.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Notes to the Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation and Basis of Accounting (Continued)

The participation in the Plan for the OCDE and UCI is closed to new members. The funding obligation for these employers' UAAL is no longer pro-rata based on its payroll as there are no active members. Instead, the employer's UAAL is determined based on its specific actuarial accrued liability and a share of assets allocated to the employer. The employer's contributions for its UAAL are to be paid at level, fixed-dollar amounts over a period not to exceed twenty years. The employer will also be liable, or receive a credit, for any change in its funding obligation determined annually thereafter as a result of actuarial experience or changes in actuarial assumptions.

On October 19, 2015, the Board of Retirement approved the amortization schedule for payment of the OCDE UAAL and UCI UAAL of \$3,238,000 and \$27,586,000, respectively. These balances were calculated based on the December 31, 2014 actuarial valuation assuming fixed-dollar payments over twenty years beginning on July 1, 2016. As per OCERS' Declining Payroll Policy, the UAAL balances were updated as of the December 31, 2023 actuarial valuation to reflect actuarial gains or losses and other events that will be captured in a new twenty-year closed amortization layer. The amortization schedules for the new UAAL layers for the OCDE and UCI, after being adjusted for interest to December 31, 2024, can be found on OCERS' website as discussed in Note 4 – Additional Financial and Actuarial Information.

CRPD and Capistrano Beach Sanitary District (CBSD) are no longer active employers. CRPD has twenty retired members and beneficiaries, as well as four deferred members, and CBSD has three retired members remaining in the Plan. At the time these employers left the System, OCERS did not have an express policy addressing how the UAAL would be funded for inactive employers. On October 15, 2018, OCERS entered into a withdrawing employer and continuing contribution agreement with the City of Cypress and received payment of the UAAL associated with CRPD members, including interest through October 14, 2018, for a total of \$740,000. As of December 31, 2020, and every three years thereafter, CRPD's UAAL obligation will be recalculated and in the event there is any new UAAL obligation, CRPD will have three years following the effective date of the recalculation to satisfy the obligation in full, including accrued interest. As of December 31, 2024, the allocated net pension asset is based on the most recent estimate of the withdrawal liability and adjusted to reflect the Plan Fiduciary Net Position as of December 31, 2024. CBSD is no longer in existence and OCERS does not have the ability to collect any UAAL from this inactive employer under OCERS' Declining Employer Payroll Policy; unpaid liabilities from this employer are deemed immaterial.

Use of Estimates in the Preparation of Financial Schedules

The preparation of the Schedule in conformity with GAAP requires management to make significant estimates and assumptions that affect the reported amounts during the reporting period. Actual results could differ from those estimates. The components of the NPL related to OCERS' plan at December 31, 2024, are as follows (dollars in thousands):

Total Pension Liability	\$ 27,936,685
Less: Plan Fiduciary Net Position	<u>(23,961,991)</u>
Net Pension Liability	\$ <u>3,974,694</u>

For the measurement period ended December 31, 2024 (the measurement date), total pension liability was determined by rolling forward the December 31, 2023 (the valuation date) total pension liability. The actuarial assumptions used were based on the results of an experience study for the period from January 1, 2020 through December 31, 2022.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Notes to the Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024

NOTE 3 – ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The December 31, 2024 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Experience Study	Three-Year Period Ending December 31, 2022
Actuarial Cost Method	Entry Age in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Investment Rate of Return	7.00%. net of pension plan investment expenses, including inflation
Inflation Rate	2.50%
Projected Salary Increases	General: 3.90% to 10.25% and Safety: 4.50% to 15.00%, vary by service, includes inflation and “across-the-board” salary increase of 0.50%
Consumer Price Index (CPI) and Cost of Living Adjustments (COLA)	CPI increases of 2.75% per year Retiree COLA increases of 2.75% per year. For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter

Mortality Assumptions

The mortality assumptions used in the TPL at December 31, 2024, were based on the results of the actuarial experience study for the period January 1, 2020 through December 31, 2022, using the Public Retirement Plans Mortality tables (Pub-2010) published by the Society of Actuaries. Within the Pub-2010 family of mortality tables, OCERS has adopted both the General and Safety Amount-Weighted Above-Median Mortality Tables (adjusted for OCERS experience), projected generationally using the two-dimensional mortality improvement scale MP-2021, adjusted separately for healthy and disabled for both general and safety members.

Discount Rate

The discount rate used to measure the TPL as of December 31, 2024 was 7.00%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2024.

According to Paragraph 30 of Statement 68, the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Orange County Employees Retirement System
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Notes to the Schedule of Allocated Pension Amounts by Employer
As of and For the Year Ended December 31, 2024

NOTE 3 – ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

Discount Rate (Continued)

The 7.00% investment return assumption used in the actuarial valuation for funding is net of administrative expenses. Administrative expenses are assumed to be 14 basis points. The investment return assumption remained the same for reporting purposes, where it is considered gross of administrative expenses. This results in an increase in the margin for adverse deviation when using the same investment return assumption for financial reporting; however, the impact of including administrative expenses is deemed to have an immaterial impact on the overall assumed rate of return.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return by weighting the expected arithmetic real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses (beginning with December 31, 2023, including only investment consulting fees, custodian fees and other miscellaneous investment expenses and fees but excluding investment manager fees) and a risk margin. Additional information on the target allocation and projected arithmetic real rate of return for each major asset class is available in the OCERS' GASB Statement No. 67 Actuarial Valuation as of December 31, 2024.

Amortization of Deferred Outflows and Deferred Inflows of Resources

The net difference between projected and actual investment earnings on pension plan investments in the Schedule represents the unamortized balance relating to the current measurement period and the prior measurement periods on a net basis. The net difference between projected and actual investment earnings on pension plan investments is amortized over a five-year period on a straight-line basis beginning with the year in which they occur. One-fifth was recognized in pension expense during the measurement period, and the remaining net difference between projected and actual investment earnings on pension plan investments at the measurement date is to be amortized over the remaining period.

Deferred outflows of resources and deferred inflows of resources related to the differences between expected and actual experience, changes of assumptions, and changes in proportion and differences between employer contributions and proportionate share of contributions are recognized over the average of the expected remaining service lives of all employees that are provided with pensions through the Plan determined as of December 31, 2023 (the beginning of the measurement period ending December 31, 2024) which is 5.31 years. Prior measurement period differences between expected and actual experience, changes of assumptions, and changes in proportion and differences between employer contributions and proportionate share of contributions continue to be recognized based on the expected remaining service lives of all employees calculated as of the beginning of those measurement periods.

The Schedule of Allocated Pension Amounts by Employer does not reflect contributions made to OCERS subsequent to the measurement date as defined in GASB Statement No. 68 paragraph 57. Appropriate treatment of such amounts is the responsibility of the employers.

NOTE 4 – ADDITIONAL FINANCIAL AND ACTUARIAL INFORMATION

Additional financial and actuarial information required for GASB Statement No. 68 disclosures is presented in OCERS' Annual Comprehensive Financial Report as of and for the year ended December 31, 2024, the OCERS' GASB Statement No. 67 Actuarial Valuation as of December 31, 2024, the OCERS' GASB Statement No. 68 Actuarial Valuation Based on the December 31, 2024, Measurement Date for Employer Reporting as of June 30, 2025, and the Unfunded Actuarial Liability and Associated Amortization Schedules as of the December 31, 2023 valuation for the Orange County Department Education and University of California, Irvine Medical Center and Campus, which can be found on OCERS' website at www.ocers.org.



Memorandum

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: ACTUARIAL TOPICS: 30-YEAR COLA COST ISSUE

Presentation

Background/Discussion

In 2023, Segal recommended a change in methodology that has yet to be acted on by the Board but could become more significant the longer it remains unchanged. The matter at hand is that the CERL provides that legacy safety members with over 30 years of service no longer need to pay contributions towards their retirement, but who covers the relieved employee contribution related to their COLA benefit is not explicitly defined. In the past, OCERS has spread that cost over the other legacy members with under 30 years of service. However, since the actives in that group are closed and declining (new members are PEPRAs instead of legacy), as time goes on there may be a smaller and smaller group shouldering a relatively larger cost. Ultimately, the last active classic member could have greater than 30 years of service, which would mean that no member would exist to pay their COLA cost under the current methodology. Segal recommends that instead of that cost being covered by legacy members with less than 30 years (again, a declining group), that the employers are much more stable and better suited to cover the cost.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



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Suite 1100
San Francisco, CA 94105-6147
T 415.263.8200
segalco.com

Via Email

October 13, 2023

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
One-Half Normal Cost for Funding Cost-of-Living-Adjustment (COLA) Benefits -
Safety Members with Over 30 Years of Service**

Dear Steve:

As part of our most recent triennial experience study recommending assumptions for use in the December 31, 2023 valuation, we suggest some changes in the methodology¹ previously applied to allocate to the employees as a group, one-half of the normal cost for funding COLA benefits (referred hereafter as the "COLA normal cost") for Safety members with over 30 years of service.

Consistent with our understanding of the 1937 CERL, the basic normal cost for legacy Safety members with at least 30 years of service has always been allocated to the employer. In contrast, in prior actuarial valuations the COLA normal cost for legacy Safety members with 30 or more years of service has been allocated to the legacy Safety members with less than 30 years of service. In effect this allocates one half of the total COLA normal cost to the legacy Safety members as a group, which we believe is also a reasonable reading of the 1937 CERL.

This prior practice produces stable member rates as long as there have been (1) relatively few Safety members who continue to work after 30 years of service and (2) relatively small changes in the proportions of payroll for members with less than 30 years of service compared to payroll for members with 30 or more years of service. However, the proportions of payroll could continue to shift over time with the enrollment of new Safety members in the CalPEPRA plans instead of the legacy plans. For that reason, we believe it would be practical and reasonable to treat suspended COLA member contributions the same as is current practice for suspended basic member contributions. In effect this would mean that while legacy Safety members who

¹ We also recommend two other technical changes to the application of the Entry Age cost allocation method. One is a change in reflecting the timing of decrements in calculating the total normal cost rate for each plan and the other is to use the individual (instead of the aggregate) version of the Entry Age cost allocation method to determine the normal cost of the COLA benefits. Under the individual version (that we are recommending) the Safety members' COLA contribution rates reflect the COLA normal costs only for members who currently have over 30 years of service. Under the aggregate version (that we are currently using) the Safety members' COLA contribution rates reflect the COLA normal costs both for members who currently have over 30 years of service and for members who are projected under the actuarial assumptions to continue employment and attain 30 years of service before retirement.

Mr. Steve Delaney
October 13, 2023
Page 2

are still making contributions would pay one half of their COLA normal cost, the legacy Safety members as a group would pay less than one half of the total COLA normal cost, because the suspended COLA member contributions would be paid by the employer.

During our August 21st presentation of the experience study report and following our recent discussions with your office, we have been asked to estimate the approximate COLA normal cost that would not be collected from those Safety members with over 30 years of service, and so would be paid by the employer.

In the table below, we have estimated the COLA normal costs based on the legacy Safety members reported and projected as part of the December 31, 2022 valuation. Those costs have been provided on an annual basis² for each of the next five calendar years starting January 1, 2023 as well as on an expected present value basis over the working lifetime of those members.

COLA Normal Costs (\$000s) By Rate Group for Safety Legacy Members with 30 Years of Service

Calendar Year	Rate Group #6 – Probation	Rate Group #7 – Law	Rate Group #8 – Fire	Total
2023	\$58	\$142	\$95	\$295
2024	85	187	126	398
2025	143	183	125	451
2026	188	174	134	496
2027	245	246	123	614
Present Value (Over Future Working Lifetime)	\$3,104	\$4,481	\$2,508	\$10,093

As can be observed from the amounts above, the annual COLA normal costs would be expected to increase over time as more Safety members reach 30 years of service.

If the Board approves this change, it will result in a net increase in the average employer contribution rate for Rate Groups #6, #7 and #8 of about: 0.9%, 0.3% and 0.2% of total (legacy and CalPEPRA) member payrolls, respectively, and a corresponding net decrease in the average member contribution rates of about the same amount.

We are members of the American Academy of Actuaries and we meet the qualification requirements to render the actuarial opinion contained herein.

² These amounts reflect our recommendation that, under the individual version of the Entry Age cost allocation method, the Safety members' COLA contribution rates reflect the COLA normal costs only for members who currently have over 30 years of service. See footnote 1 for more details.

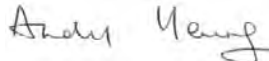
Mr. Steve Delaney
October 13, 2023
Page 3

Please let us know if you have any questions.

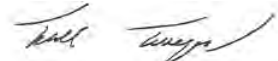
Sincerely,



Paul Angelo, FSA, MAAA, FCA, EA
Senior Vice President & Actuary



Andy Yeung, ASA, MAAA, FCA, EA
Vice President & Actuary



Todd Tauzer, FSA, MAAA, FCA, CERA
Senior Vice President & Actuary

AW/hy

**Retirement Board Meeting****June 16, 2025****Application Notices**

MEMBER NAME	AGENCY/EMPLOYER	RETIREMENT DATE
ABNEY, BRIAN	Fire Authority (OCFA)	3/28/2025
ADAMS, LISA	Child Support Services	4/16/2025
ANGEL-GARZA, ENEIDA	Treasurer - Tax Collector	4/4/2025
ANTWINE, ARTHUR	OCTA	3/23/2025
ARELLANO, DIANE	Child Support Services	4/4/2025
ARREDONDO, SUSAN	Sheriff's Dept	3/21/2025
ATLURI, JYOTHI	Social Services Agency	3/28/2025
AVILA, JESUS	OC Community Resources	3/21/2025
BALDWIN, MICHELLE	Sheriff's Dept	3/24/2025
BALLESTEROS, DILIA	Social Services Agency	4/1/2025
BARKSDALE, SHIRLEY	Social Services Agency	4/1/2025
BARTUSH, SUSAN	Superior Court	4/1/2025
BAUER, WESLEY	Sanitation District	4/1/2025
BILLINGS, DORIS	Health Care Agency	3/28/2025
BRANDES-GIBBS, ROBIN	Superior Court	4/1/2025
BOURNE, LINDA	Social Services Agency	3/21/2025
BUI, ZERDELL	Health Care Agency	3/22/2025
CHAIRES, SERGIO	Sanitation District	3/30/2025
CHANG, MARIVEL	Human Resources Dept	4/16/2025
CHAVEZ, LUPE	Social Services Agency	3/21/2025
CHEN, STEPHANIE	Auditor Controller	3/8/2025

**Retirement Board Meeting****June 16, 2025****Application Notices**

COLE, AARON	Sheriff's Dept	4/3/2025
DANG, CUONG	OCTA	4/1/2025
DE GOROSTIZA, ANDREW	OCTA	3/23/2025
DELACRUZ, DAVID	Sheriff's Dept	2/28/2025
DELZEITH, MONICA	Probation	4/1/2025
DI DONATO, JOSEPH	OCTA	4/1/2025
EMERY, CAROLYN	Local Agency Formation Comm (LAFCO)	4/1/2025
FARNES, COLETTE	County Executive Office (CEO)	3/28/2025
FORD, JANET	Social Services Agency	3/27/2025
FORSTER, MARYA	Probation	3/28/2025
GALLUP, CORY	Fire Authority (OCFA)	3/31/2025
GIBBS, TIMOTHY	Superior Court	4/1/2025
GILBERT, RHETT	Sheriff's Dept	3/28/2025
GRANIERI, CHRISTOPHER	Fire Authority (OCFA)	3/31/2025
GRANT, EMMA	Superior Court	4/1/2025
GUERRERO, DANIEL	OCTA	3/22/2025
HA, CHI	Social Services Agency	3/31/2025
HERNANDEZ, ANA	Health Care Agency	3/21/2025
HUTCHINSON CERVANTES, MARIA	Social Services Agency	4/18/2025
ILDEFONSO, LARRY	OCTA	3/29/2025
JOHNSON, DEBRA	Social Services Agency	3/28/2025
KIM, JOHN	Assessor	3/27/2025

**Retirement Board Meeting****June 16, 2025****Application Notices**

KNITTLE, DAVID	Superior Court	3/28/2025
KRUK, STANLEY	OCTA	3/25/2025
LANZNER, LEWIS	Fire Authority (OCFA)	4/1/2025
LEBORGNE, KAREN	Health Care Agency	3/22/2025
LEE, TOM	OCTA	4/1/2025
LEMARIE, NICOLE A.	Health Care Agency	3/1/2025
LEZAK, NICOLE	Social Services Agency	4/18/2025
LIM, JOYCE	Health Care Agency	4/18/2025
LLAMAS, AZUCENA	Health Care Agency	4/2/2025
LOPEZ, MELYSSA	Social Services Agency	4/1/2025
MANSFIELD, TESS	Health Care Agency	3/29/2025
MARAGAY, SHERYL	Public Defender	3/7/2025
MARTIN, DEBRA	Social Services Agency	3/21/2025
MARTINIUC, ROBERT	OCWR	3/26/2025
MATHEWS, BRIAN	Fire Authority (OCFA)	3/29/2025
MATHIESON, JUSTIN	Sheriff's Dept	3/31/2025
MAXWELL, THOMAS	Sheriff's Dept	3/28/2025
MC GRATH, MARK	Fire Authority (OCFA)	3/31/2025
MCFATRIDGE, AARON	Sheriff's Dept	3/21/2025
MCNAMARA, KELLY	District Attorney	3/1/2025
MERRILL, THOMAS	Sheriff's Dept	4/18/2025
MEYERS, DONNA	Sheriff's Dept	3/28/2025

**Retirement Board Meeting****June 16, 2025****Application Notices**

MICHINOCK, CHARLES	OC Public Works	3/21/2025
MINERICH, PAUL	Superior Court	3/31/2025
NGUYEN, HIEN	Health Care Agency	3/28/2025
NGUYEN, HUAN	Sanitation District	4/1/2025
NGUYEN, TONY	OCTA	3/31/2025
NIBLO, FREDERICK	Fire Authority (OCFA)	3/31/2025
NOBLE, MONTE	Social Services Agency	3/21/2025
OLAOSHEBIKAN, FELICIA	Health Care Agency	3/21/2025
OSBORN, ROXANNA	Health Care Agency	3/29/2025
PACHECO, CARLOS	Social Services Agency	3/28/2025
PARMENTER, WAYNE	Fire Authority (OCFA)	3/27/2025
PARRA-VELASQUEZ, MAXIMILIANO	OCTA	3/28/2025
PENAMORA, RUBEN	Auditor Controller	3/31/2025
PENFIELD, BARBARA	District Attorney	3/28/2025
PERDOMO, JUAN	Fire Authority (OCFA)	3/7/2025
PEREZ, ALEX	County Executive Office (CEO)	4/1/2025
PHAM, CUONG	Auditor Controller	3/27/2025
QUACH, SARAH	Auditor Controller	3/21/2025
QUAN, LANNIE	Social Services Agency	3/21/2025
REINOEHL, TIFFANY	Social Services Agency	4/1/2025
REZA, VICKIE	Health Care Agency	4/1/2025
RICKER, STEPHANIE	Social Services Agency	4/1/2025

**Retirement Board Meeting****June 16, 2025****Application Notices**

RIVERS, TAMERA	Fire Authority (OCFA)	3/28/2024
RODRIGUEZ, ALEX	Social Services Agency	3/10/2025
SA, DAVID	Sheriff's Dept	4/18/2025
SAKUS, MARK	OCTA	3/25/2025
SANDERS, SCOTT	Public Defender	4/1/2025
SANTIVONG, RICHARD	Registrar of Voters	1/31/2025
SCHACH, ROSIE	Superior Court	2/28/2025
SCHAFF, MARK	OCTA	3/29/2025
SERNA, RICARDO	OCTA	3/29/2025
SESMA, MARIA	Health Care Agency	3/21/2025
SHARP, DONALD	District Attorney	4/18/2025
SHEA, SEAN	Sheriff's Dept	3/31/2025
SHERWOOD, SHANE	Fire Authority (OCFA)	3/21/2025
SNYDER, ANDREW	OCTA	4/9/2025
SOYDINC, ESRA	Health Care Agency	4/23/2025
SPELLMEYER, JODY	Health Care Agency	4/1/2025
STOKKE, KARYN	District Attorney	4/1/2025
TAFT, ROBERT	Sheriff's Dept	3/21/2025
TORRES, NORMAN	Probation	4/25/2025
TRUONG, VEE	Superior Court	4/1/2025
VAR, SODETH	Social Services Agency	3/21/2025
VO, HOANTHO	OC Community Resources	3/10/2025

**Retirement Board Meeting****June 16, 2025****Application Notices**

VU, AMY	Social Services Agency	3/21/2025
WATSON, TIMOTHY	OCTA	4/1/2025
WINGER, ERIN	Health Care Agency	3/21/2025
WOLF, RONALD	OCTA	4/1/2025



Retirement Board Meeting

June 16, 2025

Death Notices

ACTIVE DEATHS	AGENCY/EMPLOYER
HARRISON, ROBERT G	Sanitation District
ULLOA, SUSANA	Social Services Agency

RETIRED MEMBERS	AGENCY/EMPLOYER
ARRASMITH, SHEILA	Social Services Agency
BRANSON, MARIAN	UCI
CHRISTENSEN, RICHARD	District Attorney
DAVID, CONRAD	City of San Juan Capistrano
ESPINDOLA, BARBARA	OC Community Resources
GALVEZ, GERARDO	Fire Authority (OCFA)
GEE, SANDRA	Health Care Agency
HERNANDEZ, BLANCA	Health Care Agency
HERNANDEZ, JOEY	OCTA
HOWARD, JOHN	Sheriff's Dept
JEFFRIES, LUCINDA	Child Support Services
LINDHOLM, LINDA	Probation
LULU, FRANCES	UCI
MACIAS, BENJAMIN	Social Services Agency
MANKER, KATHERINE	Probation
NICHOLS, BLANCE	County Clerk/Recorder
PARKER, JACQUELINE	Sheriff's Dept
PARKER, RONALD	OC Public Works
POWERS, NORMA	OC Community Resources
SAYRE, FAYE	Social Services Agency
SCOTT, CAROL	Social Services Agency
SENN, FUMI	Probation
VASIL, VINCENT	District Attorney
WALDRON, JAMES	Social Services Agency
WELLS, STEVEN	Health Care Agency
YBARRA, RICHARD	District Attorney

SURVIVING SPOUSES	
DAVENPORT, GLENDA RAMONA	
DOYLE-DERR, DONNA	
EDWARDS, JOAN	
KAWAHARA, TAKESHI	
SHEETS, RICHARD	
WILHELM, JOYCE	

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**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CALIFORNIA 92701**

**GOVERNANCE COMMITTEE MEETING
Thursday, March 20, 2025
9:30 a.m.**

MINUTES

The Chair called the meeting to order at 9:31 a.m.

Recording Secretary administered the roll call.

Attendance was as follows:

Present: Arthur Hidalgo, Chair; Roger Hilton, Vice-Chair; Richard Oates, Board Member.

Absent: Shari Freidenrich, Board Member.

Also present: Steve Delaney, CEO; Manuel Serpa, General Counsel; David Kim, Assistant CEO, External Operations; Iriss Barriga, Board Member; Anthony Beltran, Audio Visual Technician; Rebeca Gonzalez-Verdugo, Recording Secretary; Silviu Ardeleanu, Director of Member & Employer Relations Section - Member Services; Jenny Sadoski, Director of IT; Javier Lara, IT Operations Supervisor; Tracy Bowman, Director of Finance; Bill Singleton, Paralegal; Amanda Evenson, Executive Secretary; Will Tsao, Director of Enterprise Project Management Office; Joon Kim, Staff Attorney; Rosie Baek, Staff Attorney; Rafael Lopez, Member Services Manager; Philip Lam, Director of Internal Audit; Jenny Davey, Internal Auditor; Adam Cupp, OC Superior Court; Bryan Drinkward, OC Superior Court; Heather Capps, OC Superior Court; Jingle Doan, County of Orange; Alicea Caccavo, OCFA; Nicole Chung, OCFA; Rhonda Kawell, OCFA; Stephanie Hollman, OCFA; Zach Wertheimer, Buchalter.

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

November 1, 2024

MOTION by Mr. Oates, **seconded** by Mr. Hilton, 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.

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Orange County Employees Retirement System
 March 20, 2025
 Governance Committee Meeting – Minutes

Page 2

A-2 OFF-CYCLE REVIEW OF THE MEMBERSHIP ELIGIBILITY REQUIREMENTS POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Consider and provide feedback on the current draft of the Membership Eligibility Requirements Policy.

Mr. Serpa noted that the version of the policy under review includes one change from that considered in the previous Governance Committee meeting, i.e., reverting to a definition of “year” as fiscal or calendar, whichever the employer designates for uniform application to all its employees. The prior version defined “year” as a fiscal year, and this change was made to avoid disruption for those employers who use a calendar year. The policy’s provision on the enforcement of the hourly limits for extra help during the initial year was also discussed. Mr. Delaney shared that both the County as well as labor have been involved in constructive discussions regarding possible limits to be imposed on the hours worked in that first year. After discussion, the Committee directed staff to provide an updated Membership Eligibility Requirements Policy at the May Governance Committee Meeting.

A-3 ADOPTION OF THE DIGITAL SIGNATURE POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Digital Signature Policy.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff’s recommendations.

The motion passed **unanimously**.

A-4 TRIENNIAL REVIEW OF THE OVERPAID AND UNDERPAID PLAN BENEFITS POLICY

Presentation by Manuel Serpa, General Counsel, and David Kim, Assistant CEO, External Operations

Recommendation: Approve and recommend that the Board adopt the Overpaid and Underpaid Plan Benefits Policy revisions.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff’s recommendations.

The motion passed **unanimously**.

A-5 TRIENNIAL REVIEW OF THE OVERPAID AND UNDERPAID CONTRIBUTIONS POLICY

Presentation by Manuel Serpa, General Counsel, and David Kim, Assistant CEO, External Operations

Recommendation: Approve and recommend that the Board adopt the Overpaid and Underpaid Contributions Policy revisions.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff’s recommendations subject to including clarifying language regarding Section 10.a. that the \$100 amount is a total amount, rather than \$100 per pay period, for example. Staff will provide an update with the clarifying language to the Committee at the following meeting as an information item.

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Orange County Employees Retirement System
 March 20, 2025
 Governance Committee Meeting – Minutes

Page 3

The motion passed **unanimously**.

A-6 OFF-CYCLE REVIEW OF THE PAY ITEM REVIEW POLICY

Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Pay Item Review Policy revisions.

After discussion, **MOTION** by Mr. Hilton, **seconded** by Mr. Oates, to adopt all of staff's recommendations subject to including language in Section 12 to clarify that the written guidance OCERS will provide is given solely to the requesting employer or employee bargaining representative. In addition, language will be added that OCERS will timely respond to requests for guidance for upcoming negotiations. Staff will provide an update with the clarifying language to the Committee at the following meeting as an information item.

The motion passed **unanimously**.

The Committee recessed for break at 10:20 a.m.

The Committee reconvened from break at 10:37 a.m.

Recording Secretary administered the Roll Call attendance.

A-7 TRIENNIAL REVIEW OF THE INDEMNITY AND DEFENSE POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt minor revisions to the Indemnity and Defense Policy.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff's recommendations.

The motion passed **unanimously**.

INFORMATION ITEMS

I-1 GOVERNANCE COMMITTEE WORK PLAN AND MEETING SCHEDULE FOR 2025

Presentation by Manuel Serpa, General Counsel

Mr. Serpa informed the Committee of the work plan for 2025, along with the proposed meeting dates.

Mr. Serpa noted that an off-cycle review of the Securities Litigation Policy and the Travel Policy has been added to the 2025 work plan.

I-2 UPDATE ON THE EMPLOYER DATA PROJECT

Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Mr. Kim provided an update to the Committee on the current status of the Employer Data Policy. Staff focus is currently on completing the update to the Employer Handbook, which sets forth the

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Orange County Employees Retirement System
March 20, 2025
Governance Committee Meeting – Minutes

Page 4

data requirements OCERS has of employers. The Committee provided direction to staff to provide an updated Employer Data Policy at the May Governance Committee Meeting.

COMMITTEE MEMBER COMMENTS

The Committee thanked the staff for their hard work.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

Mr. Delaney shared that Javier Lara, IT Operations Supervisor, is retiring after over 30 years of service.


COUNSEL COMMENTS

None

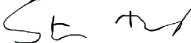
ADJOURNMENT

Chair adjourned meeting at 10:49 a.m.

Submitted by:

DocuSigned by:

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Manuel Serpa
General Counsel/Staff Liaison

DocuSigned by:

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Steve Delaney
Chief Executive Officer/Secretary

Approved by:

Signed by:

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Arthur Hidalgo
Chair

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

**AUDIT COMMITTEE MEETING
TUESDAY, MARCH 25, 2025
9:30 A.M.**

MINUTES

OPEN SESSION

Chair Lopez Tagaloa called the meeting to order at 9:31 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Adele Lopez Tagaloa, Chair; Shari Freidenrich, Vice Chair; Iriss Barriga; Board Member; Charles Packard, Board Member

Also Present: Steve Delaney, Chief Executive Officer; David Kim, Assistant CEO of External Operations; Manuel Serpa, General Counsel; Philip Lam, Director of Internal Audit; Tracy Bowman, Director of Finance; Jenny Sadoski, Director of IT; Matt Eakin, Director of Cyber Security; Mark Adviento, Senior Internal Auditor; Jennifer Reyes, Finance Manager; Jenny Davey, Internal Auditor; Esther Hong, Internal Auditor; Anthony Beltran, Audio Visual Technician; Marielle Horst, Recording Secretary.

Guests: Kory Hoggan, Moss Adams.

PUBLIC COMMENT

None.

CONSENT AGENDA

C-1 APPROVE AUDIT COMMITTEE MEETING MINUTES

Audit Committee Meeting Minutes

February 11, 2025

MOTION by Mr. Packard, **seconded** by Ms. Barriga, to approve the Consent Items.

The motion passed **unanimously**.

C-2 HOTLINE UPDATE

Orange County Employees Retirement System
March 25, 2025
Audit Committee Meeting

Recommendation: Receive and file.

Mr. Lam informed the Committee that Internal Audit received one call on the hotline. This matter was investigated, but there were no substantiated findings, and the matter is closed.

INFORMATION ITEM

I-1 2024 FINANCIAL STATEMENT AUDIT – ENTRANCE CONFERENCE

Presentation by Kory Hoggan, Moss Adams

Ms. Bowman introduced Mr. Hoggan, who then provided an overview of the 2024 Financial Statement Audit, which begins in April 2025. Key audit areas will include: testing of controls, internal controls, analytical procedures, and substantive procedures.

Mr. Packard inquired if the audit would be performed on-site or remotely, to which Mr. Hoggan confirmed it will be a blend of both.

ACTION ITEMS

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

None.

A-2 AUDIT REPORT – OCERS RETIREE PAYROLL PROCESS AUDIT

Presentation by Philip Lam, Director of Internal Audit, and Mark Adviento, Senior Internal Auditor

Recommendation: Receive and file.

Mr. Lam presented the Audit Report, noting there were 2 observations. The Committee questioned the payroll transmittal process and whether there are safeguards in place. Ms. Bowman provided insight on the process, confirming that it is secure.

Additionally, the Committee requested that audit samples contain new and existing benefits calculations.

A **MOTION** by Mr. Packard, **seconded** by Ms. Freidenrich, to approve staff's recommendation.

The motion passed **unanimously**.

A-3 AUDIT REPORT - ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (LAFCO) EMPLOYER AUDIT

Presentation by Philip Lam, Director of Internal Audit, and Mark Adviento, Senior Internal Auditor

Recommendation: Receive and file.

Mr. Adviento presented the Audit Report, noting there were 4 observations. Mr. Adviento addressed follow-up questions from the Committee.

Orange County Employees Retirement System
March 25, 2025
Audit Committee Meeting

A **MOTION** by Mr. Packard, **seconded** by Ms. Freidenrich, to approve staff's recommendation.

The motion passed **unanimously**.

The Committee adjourned to closed session at 10:57 am.

CLOSED SESSION

E-1 THREAT TO CRITICAL INFRASTRUCTURE INFORMATION RELATING TO CYBERSECURITY

(Government Code Section § 54957)

Consultation with OCERS Director of Cyber Security

Recommendation: Take appropriate action.

The Committee returned from Closed Session at 11:28 am.

Mr. Serpa reported that no reportable action was taken during closed session.

WRITTEN REPORTS

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

R-1 MANAGEMENT ACTION PLAN VERIFICATION REPORT

Written Report

Mr. Packard expressed his satisfaction with the reduced number of open items reported. Mr. Delaney informed the Committee that action items are reviewed during the monthly Executive Management Meeting, which contributed to completing these matters.

R-2 STATUS UPDATE OF 2025 AUDIT PLAN

Written Report

COMMITTEE MEMBER/CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

None.

ADJOURNMENT

Chair Lopez Tagaloa adjourned the meeting at 11:30 a.m.

Submitted by:

Submitted by:

Approved by:

Philip Lam,
Committee Liaison

Steve Delaney,
Secretary to the Board

Adele Lopez Tagaloa,
Chairperson



Memorandum

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **CEO FUTURE AGENDAS AND 2025 OCERS BOARD WORK PLAN**

Written Report

AGENDA TOPICS FOR THE OCERS BOARD OF RETIREMENT

JULY 2025

- Fiduciary Training
- Approve Early Payment Rates for Fiscal Year 2025-2027
- Strategic Planning Workshop – Proposed Agenda
- SEGAL Cost Illustrations
- Quarterly 2025-2027 Strategic Plan Review
- Contract Status for Named Services Providers
- OCERS by the Numbers
- CIO Comments

AUGUST 2025

NO MEETING

SEPTEMBER 2025

- Quarterly 2025-2027 Strategic Plan Review
- The Current State of OCERS – Annual Report

OCTOBER 2025

- Employer Employee Contribution Matrix
- The Evolution of the OCERS UAAL
- 3rd Quarterly Unaudited Financial Statements
- 3rd Quarterly Budget vs Actual Report
- 3rd Quarterly Travel and Training Expense Report
- Semi Annual Business Continuity Disaster Recovery Updates
- Approve 2026-2028 Strategic and Business Plan
- Adopt 2026 Board Meeting Calendar
- Strategic Planning Workshop outcomes
- SACRS Business Meeting Directing
- Employer & Employee Pension Cost Comparison
- CIO Comments

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

OCERS RETIREMENT BOARD - 2025 Work Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
System Oversight	Receive Quality of Member Services Report (I)	Approve 2025 COLA (A)	Approve 2025 STAR COLA (A)	SACRS Board of Directors Election and Business Meeting Direction (A)	Preliminary December 31, 2023 Valuation (I)	Approve December 31, 2024 Actuarial Valuation & Funded Status of OCERS (A)	Approve Early Payment Rates for Fiscal Year 2025-27 (A)	Receive OCERS by the Numbers (I)	Strategic Planning Workshop (I)	Approve 2026-2028 Strategic and Business Plan (A)	Approve 2026 Administrative (Operating) Budget (A)	Annual OCERS Employer Review (I)
	Receive OCERS Innovation Report (I)	Initial STAR COLA Posting (I)	Quarterly Unaudited Financial Statements (I)	Quarterly 2025-2027 Strategic and Business Plan Review (I)	Quarterly Unaudited Financial Statements (I)	Approve 2024 Comprehensive Annual Financial Report (A)	Quarterly 2025-2027 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)			Quarterly Unaudited Financial Statements (I)		Annual CEO Performance Review (Closed Session) (A)	Quarterly Unaudited Financial Statements (I)	
	Quarterly 2025-2027 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 Budget vs Actual Report (I)		Name a Labor Negotiator for CEO Compensation process (A)	Quarterly Budget vs Actual Report (I)	
								Quarterly Travel and Training Expense Report (I)		Quarterly 2025-2027 Strategic and Business Plan Review (I)	Quarterly Travel and Training Expense Report (I)	
Board Governance											Vice-Chair Election (A)	Adopt Annual Work Plan for 2026 (A)
												Receive 2026 Board Committee Appointments (I)
Regulation / Policies	Communication Policy Fact Sheet (I)											
Compliance	Status of Board Education Hours for 2024 (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

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report Background/Discussion

1. **Quiet Period Policy Guidelines**

The following guidelines established by the Quiet Period Policy, section 3.c, will govern a search process for any contract to be awarded by OCERS:

“...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;”

2. **Quiet Period Guidelines**

In addition, the following language is included in all distributed Requests for Proposals (RFP):

“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

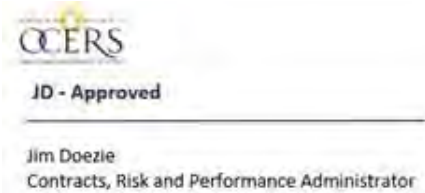
The RFP and RFQ’s noted below are subject to the quiet period until such time as a contract is finalized.

- Σ An RFP for Independent Medical Evaluation Services was distributed in 2024. This RFP is to select at least one vendor that can coordinate medical examinations for the OCERS Disability department. Four Proposals were received. Two vendors were selected for which we are currently developing the contract(s).
- Σ To help manage Investment risks, an RFP was distributed to find a firm that can provide an Investments Risk Management System. Six Proposals were received. Finalists were selected with interviews scheduled for early June.
- Σ An RFP for Fiduciary Counsel Services was distributed early March. Five Proposals were received. Three finalists were selected for which Interviews were held during the May 19 Board meeting. Reed Smith was selected to be retained as our Fiduciary Counsel Services provider. A contract was executed for the period of 7/1/2025 to 6/30/2028. This effort will now be closed.
- Σ In May, OCERS released a Request for Proposals (RFP) for Project Horizon, a new Pension Administration Solution to replace the current system. Proposals are due to OCERS by the end of the day on July 14, 2025.



Memorandum

Submitted by:





Memorandum

DATE: June 16, 2025
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:

- Σ NASRA News Clips

Other Items: (See Attached)

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

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



MONTHLY ACTIVITIES AND UPDATE REPORT



March 2025

ocers.org



OCERS Activities and Update Report

March 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 March 2025.

MEMBER SERVICES MONTHLY METRICS

Month	Retirement Apps Received			Service Credit Purchases				Customer Service Statistics					
	2023	2024	2025	Requests Received	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	1	64	100%	4	95%	2,351	3,719	968	7,038
February	152	151	121	52	9	43	100%	1	93%	2,501	3,695	1,103	7,299
March	135	68	96	73	3	70	100%	0	94%	2,608	3,836	960	7,404
April	54	82											
May	60	63											
June	45	43											
July	28	52											
August	45	45											
September	46	49											
October	54	53											
November	50	75											
December	39	69											
Grand Total	952	1028	423	190	13	177	100%	5	282%	7,460	11,250	3,031	21,741

MEMBER SURVEY RESPONSES

"The RPS explained everything in detail, and even more than I expected. He was very kind and caring. Great meeting. I have a lot of homework." – March 2025

"The RPS was wonderful to work with and very knowledgeable. He was able to answer all my questions." – March 2025

"The OCERS team member provided all information needed and additional information we did not know about. She was so helpful and nice. So pleasant and appreciative to work with. Thank you for your help and kindness you showed my husband and I in our joint retirement meeting." – March 2025



OCERS Activities and Update Report

March 2025

ACTIVITIES

Meeting with Interim County CEO- February 28

On February 28 Mr. David Kim and I met for with Interim County CEO, Michelle Aguirre, newly promoted County CFO, Kimberly Engelby, and their staff to brief them more comprehensively on the happenings at OCERS. They were very interested in knowing what trends were showing regarding requirements by County of Orange staff. We also discussed the ongoing work to better define membership eligibility as it relates to extra help staff, as well as the somewhat related issue of improving county data records being transferred to OCERS. Improved data transmission will lead to greater benefit accuracy.

Chapman University Career Fair - March 13

Sarah Abrahamson, HR Analyst, and John T. Nguyen, HR Staff Specialist, from the OCERS Human Resources team attended the Chapman University Career Fair. They connected with enthusiastic students, shared insights about OCERS, and highlighted available career opportunities. They discussed OCERS' mission, career paths, and workplace benefits. They also promoted the upcoming IT Helpdesk Technician Intern recruitment, encouraging students to apply for hands-on experience. Their participation strengthened OCERS' presence among emerging talent and reinforced our commitment to attracting top candidates.



SANS AI Cybersecurity Summit Conference and Training - March 31

Edwin Sanchez, Cybersecurity Analyst, from the OCERS Information Security team, attended the SANS AI Cybersecurity Summit in Denver, CO. Attendees participated in technical talks, interactive workshops, and live demonstrations, gaining practical approaches to incorporating (AI) and Machine Learning (ML) into their daily cybersecurity tasks.

After the conference, Edwin attended the SANS "SEC598: Security Automation for Offense, Defense, and Cloud" training course, where participants learn to develop and implement automated solutions to prevent, detect, and respond to security incidents effectively. Each SANS course ends with an opportunity to earn a coveted "SANS





OCERS Activities and Update Report

March 2025

Challenge Coin". Edwin helped lead his team to a last minute victory by creating an automated phishing playbook, catching a credential leak, and cracking an encrypted password. Nice work Edwin!

CALAPRS Compliance Roundtable - March 28

Compliance programs among the California public pension plan community are growing. Some systems have had such programs in place for years, such as Contra Costa retirement and San Diego City retirement. Others are just beginning to investigate. And it was that interest by other systems that lead to an invitation from the CALAPRS Compliance Roundtable Committee to outline how OCERS came to the decision to implement a compliance plan. On March 28, I participated in an energetic discussion at an in-person round table held in San Jose. My presentation is attached.



OCERS Activities and Update Report

March 2025

UPDATES - DEPARTMENTS

INVESTMENTS

Ms. Walander-Sarkin reports:

As of February 28, 2025, the portfolio year-to-date is up 2.3% net of fees, while the one-year return is up 9.5%. The fund value now stands at \$24.9 billion. The OCERS Investments Team closed on two private equity co-investments and one unique strategies co-investment during March. The OCERS Investments Team completed the 2024 Year In Review presentation with Meketa, Aksia, and Townsend during March. The Year In Review presentation focused on 2024 accomplishments, execution gaps and challenges, total fund net return attribution, 2025 initiatives, and a review of OCERS' Investments Team background. The Investments Team was quite busy during 2024 and conducted a total of 760 meetings and calls. The OCERS Investments Team and Townsend completed the real estate asset class review and 2025 real estate investment plan during the month. The real estate investment plan includes: commit up to \$100 million in the core portfolio and commit \$225 - \$300 million in the non-core portfolio in 2025. Additionally, members of the Investments Team attended and spoke on panels at the following conferences in March: AltsLA, Women's Private Equity Summit, and Pension Bridge The Annual 2025. Finally, OCERS' Investments Team conducted first round interviews for the open Investment Officer position in March.

OPERATIONS SUPPORT SERVICES

Mr. Tse reports:

- Repaired HQ in-wall water pipe leak.
- Replaced HQ building faulty natural gas valve and meter.
- Replaced all fire extinguishers at Tustin building.

HUMAN RESOURCES

Ms. Hockless reports:

In March, the HR Department processed 338 applications, administered exams to 68 candidates, coordinated 64 Spark Hire video interviews, and held 31 Zoom interviews and 22 on-site interviews.

YEAR-TO-DATE OVERVIEW:

As of March 31, 2025, OCERS had a budgeted workforce of 135 positions. At that time, there were 120 employees on payroll, leaving 15 vacancies and resulting in a **vacancy rate** of **11.11%**. March experienced one new separation due to retirement, bringing the year-to-date total to three and yielding a **turnover** rate of **2.50%**

UPCOMING STAFF INITIATIVES:



OCERS Activities and Update Report

March 2025

Looking ahead, the HR Department will focus on several key initiatives, including:

- Recruiting for various positions, including Investment Officer, HR Staff Assistant (LOD), Retirement Program Specialist, Finance Manager, Senior Information Technologist, and Chief Technology Officer (CTO).
- Finalizing the temporary staffing plan for the new Pension Administration System (PAS) implementation.
- Conducting training sessions on OCERS' History, Mission, Vision, and Values.
- Promoting on-site Health & Wellness initiatives to encourage employee well-being.

COMMUNICATIONS

Ms. Coburn reports:

After noticing a significant number of member inquiries related to divorce, the Communications Team partnered with the Legal Team to address these questions in the Spring 2025 edition of our quarterly newsletter. Throughout March, we focused on layout and editorial development for that issue. We are also working closely with the Registrar of Voters and the Executive Team to ensure all materials are finalized for the upcoming Summer Election for both the General Member and Retirement Member Trustee positions. Lastly, we're actively promoting our upcoming 80th Anniversary Celebration. A special committee made up of OCERS staff has been formed to support our small team in planning a fun and successful event that honors the agency's achievements and major milestones over the years.



OCERS Activities and Update Report

March 2025

DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	1,325 (+41 since March 2025)
Twitter (X)	606 (+2 since March 2025)
Instagram	199 (+2 since March 2025)
Facebook	240

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

OCERS WEBSITE



Top Pages Visited	Views
Homepage	20,286
About OCERS	2,743
Benefits Calculator	2,155
Board Meetings	1,787
Contact Us	980

For the period between March 1st through March 31st, the agency website had 52,125 views.



OCERS Activities and Update Report

March 2025

MEMBER SERVICES

MEMBER SERVICES OUTREACH/SEMINARS

Mr. Lamberson reports:

- The Customer Service team actively participated in several outreach events throughout March 2025. These events saw strong attendance, with attendees engaging in insightful discussions and asking pertinent retirement related questions.
- 03.05.2025 – OCTA Pre-Retirement Seminar - Christine Guerrero and Erika Gonzales
- 03.12.2025 – OCERS In-Person Pre-Retirement Seminar – David Viramontes
- 03.19.2025 – REAOC Luncheon – Steven Ismael and David Viramontes
- 03.26.2025 – OCERS Virtual Pre-Retirement Seminar – Erika Gonzales

EMPLOYER DATA

Mr. Ardeleanu reports:

The ongoing effort to collect data from Employers continues. Having completed the first Quarterly meeting of 2025, and having scheduled the remaining 2025 meetings, the next step is to schedule individual meetings with Employers to continue supporting the data collection process, specifically by reviewing challenges and identifying opportunities for improvement.

OCERS is continuing to focus on updating the Employer Handbook, which outlines the data requirements for Employers. The OCERS team is working to provide more specific details and address any gaps in the information requested.

Additionally, OCERS is reviewing the feedback received from the Governance Committee during the meeting on March 20, 2025, regarding the Employer Data Policy. This feedback will be incorporated and shared with all Employers.



OCERS Activities and Update Report

March 2025

UPDATES - PROJECTS

VISION 2030

March continued our momentum toward Vision 2030, with a focus on data readiness and automation. The IT Programming team deployed a new bot to close all pending participant accounts with zero balances—a key step in preparing clean, accurate data for the upcoming PAS system.

In addition, a new report was developed for Finance to identify members who meet the criteria for interest but didn't receive it. The report checks for contribution balances within the past six months, missed interest postings, eligible member statuses (active, deferred, RR, and AD), and participant accounts marked active or pending.

These efforts strengthen data accuracy and support future system integration and AI capabilities, reinforcing our commitment to digital transformation and operational efficiency.

ALAMEDA PROJECT

Alameda I

All our milestones associated with Alameda I are completed. The remaining project close out activities will begin being worked once Alameda II is complete.

Alameda II

In March, the team was able to continue setting up the repayment process to recoup the refund of contributions and interest and missing contributions for the gap period for the Orange County District Attorney (OCDA) members. The team is also awaiting responses for the Orange County Sheriff's Department (OCSD) members to begin setting up the repayment process for them as well.

Lastly, the team identified and is working on ensuring that missing interest periods are appropriately captured for impacted members.



OCERS Activities and Update Report

March 2025

MASTER REPOSITORY PROJECT (MRP)

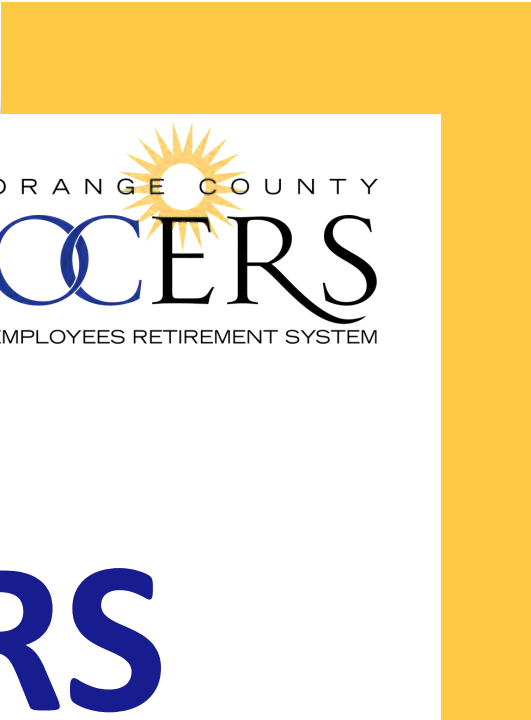
Mr. Tsao reports:

In March, we continued in our work for Phase 2 of the MRP. The OCERS team did an awesome job of collaborating with departments to identify additional procedures that need to be documented. Additionally, the EPMO team was able to test out some chatbot capabilities to see how the technology would handle completed MRP documents. The test yielded good results for the small sample size that was used. This insight is valuable and encourages the team to explore additional avenues for how to maximize the use of MRP documents. The target completion date for Phase 2 of MRP is end of 2025. There are no major concerns with meeting this deadline.

For March, the writing team finalized 11 documents and advanced work on 58 procedural documents. The EPMO team worked with departments that will be involved in Phase 2 to ensure smooth completion of target procedures.



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the June 16, 2025 meeting of the OCERS Board of Retirement.



SETTING UP A COMPLIANCE PROGRAM AT OCERS

OCERS Chief Executive Officer



- City Of San Juan Capistrano
- County Of Orange
- Orange County Cemetery District
- Orange County Children & Families Commission
- Orange County Department Of Education
(Closed To New Members)
- Orange County Employees Retirement System
- Orange County Fire Authority
- Orange County In-home Supportive Services
Public Authority
- Orange County Local Agency Formation Commission
- Orange County Public Law Library
- Orange County Sanitation District
- Orange County Transportation Authority
- Superior Court Of California, County Of Orange
- Transportation Corridor Agencies
- UCI Medical Center And Campus
(Closed To New Members)

WHO WE SERVE



FACTS ABOUT OCERS

Quick Facts as of 12/31/23

Members & Employers	31,361 active & inactive members		21,283 retirees, beneficiaries & survivors		20 Participating Employers	52,644 total membership
Pension Averages	\$4,093 monthly allowance for all General members and payees	\$7,277 monthly allowance for all Safety members and payees	23 average years of service for General members who retired in 2023	22 average years of service for Safety members who retired in 2023	61 years old average age at retirement for General members who retired in 2023	54 years old average age at retirement for Safety members who retired in 2023

Count of Active, Deferred, and Payee by Status As of December 31, 2023

	General	Safety	Total
Active	18,805	3,977	22,782
Deferred	8,014	565	8,579
Payee	16,967	4,316	21,283
Total	43,786	8,858	52,644
Active Members per Payee	1.11	0.92	1.07



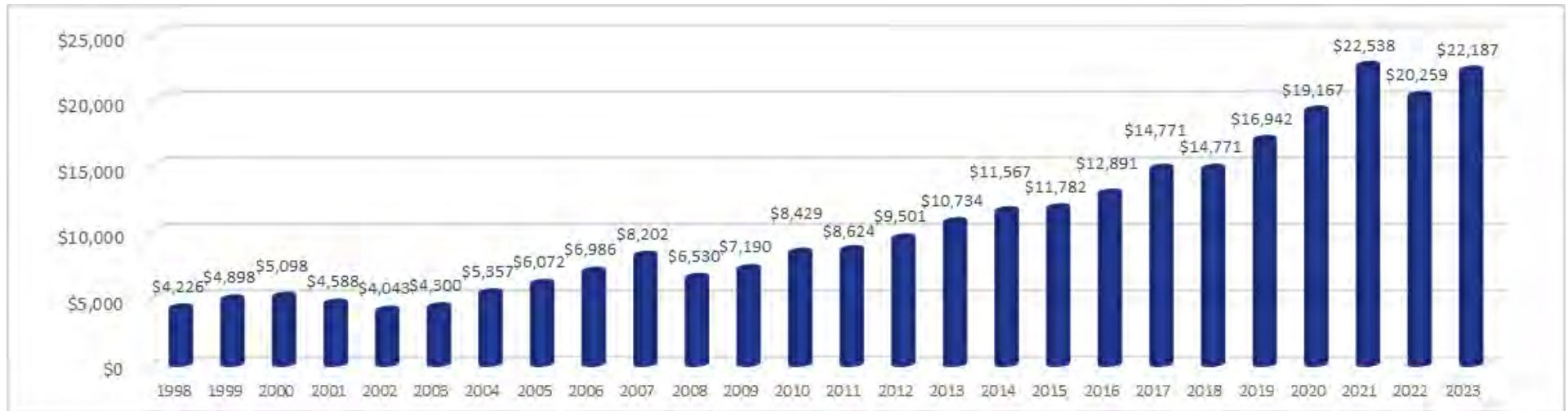
WHY A NEED FOR COMPLIANCE?

- **100% Accuracy**
- **Investments**



GROWTH OF SYSTEM NET INVESTMENTS IN FAIR VALUE

(Dollars in Millions)





The Issues of Delegated Authority

Molly Murphy, *Chief Investment Officer*





Is it time to bring investing “in-house”?

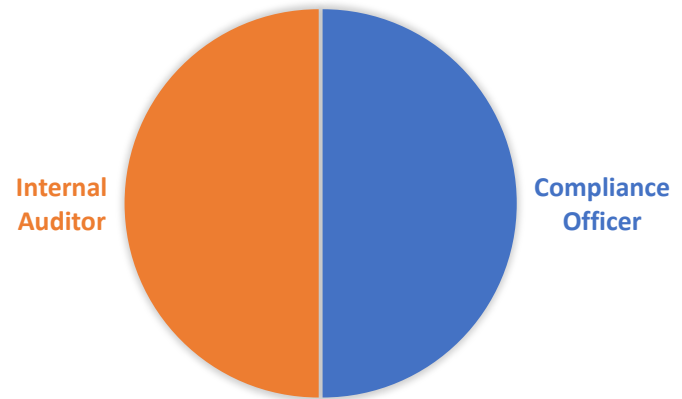


2022 THE SEARCH BEGINS

The Interview Process



COMPLIANCE OFFICER VS
INTERNAL AUDITOR



THE SEARCH WAS OVER



**OCERS Welcomed Mr. Addo,
Chief Compliance Officer
in September 2023**



THE FIRST YEAR

Helping all OCERS to understand the value and importance of Compliance

- ✓ The Board
- ✓ Management
- ✓ Staff
- ✓ Members
- ✓ The Public



THE FIRST YEAR

Who has oversight?



OCERS Board of Retirement



Steve Delaney, CEO



THE FIRST YEAR

Reports?



LOOKING TO THE FUTURE

- Training for those who are not Compliance Experts (like me 😊)
- The maintenance of our Master Repository of Processes and Procedures
- Staffing
- To Investments and beyond (developing the expertise)



Thank you!



Steve Delaney
Chief Executive Officer



714-697-8291



SDelaney@OCERS.org





MONTHLY ACTIVITIES AND UPDATE REPORT



April 2025

ocers.org



OCERS Activities and Update Report

April 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 March 2025.

MEMBER SERVICES MONTHLY METRICS

Month	Retirement Apps Received			Service Credit Purchases				Customer Service Statistics					
	2023	2024	2025	Requests Received	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	1	64	100%	4	95%	2,351	3,719	968	7,038
February	152	151	121	52	9	43	100%	1	93%	2,501	3,695	1,103	7,299
March	135	68	96	73	3	70	100%	0	94%	2,608	3,836	960	7,404
April	54	82	39	78	13	65	100%	0	94%	2,037	3,063	815	5,915
May	60	63											
June	45	43											
July	28	52											
August	45	45											
September	46	49											
October	54	53											
November	50	75											
December	39	69											
Grand Total	952	1028	462	268	26	242	100%	5	376%	9,497	14,313	3,846	27,656

MEMBER SURVEY RESPONSES

"The RPS is very patient, knowledgeable, and helpful. He takes the time to listen to my questions and concerns and addresses them based on my best interest. He gives the pros and cons in his responses to help me see things from both perspectives. He encourages me to look at other options to help me to achieve what I want." – **April 2025**

"The RPS was wonderful to work with and very knowledgeable. He was able to answer all my questions." – **March 2025**

"The OCERS team member provided all information needed and additional information we did not know about. She was so helpful and nice. So pleasant and appreciative to work with. Thank you for your help and kindness you showed my husband and I in our joint retirement meeting." – **March 2025**



OCERS Activities and Update Report

April 2025

ACTIVITIES

Intern Program- Full Circle

We are pleased to share that Marcus Linture, formerly OCERS' IT Programming Intern, has been hired as our new IT Applications Developer I. Marcus emerged as the top candidate in a highly competitive recruitment process, bringing exceptional technical skills, strong alignment with our automation goals, and valuable hands-on experience gained during his internship. His hiring highlights the success and strategic value of OCERS' internship program, which was designed to provide cost-effective, scalable support for intelligent automation initiatives while serving as a pipeline for future talent. Marcus' transition from intern to full-time staff demonstrates how internships can reduce workforce risk, enhance productivity, and foster innovation—all while developing high-potential candidates familiar with OCERS' systems and culture.

UC Irvine Career Fair – April 10

Sarah Abrahamson, HR Analyst, and John T. Nguyen, HR Staff Specialist, from the OCERS Human Resources team represented the agency at the University of California, Irvine Career Fair on April 10, 2025. They engaged with interested students, shared information about OCERS' mission, career opportunities, and workplace culture, and highlighted the benefits of working in public service. They also promoted the Communications Volunteer position, encouraging students to apply and gain hands-on experience. Their participation helped strengthen OCERS' visibility among emerging talent and reinforced our commitment to attracting top candidates.





OCERS Activities and Update Report

April 2025

AB 1323 Trustee Stipend- April 22-23

Trustee Roger Hilton and I, Steve Delaney, were in Sacramento on April 22 and 23 to assist in moving forward AB 1323 and its proposed increase in a Trustee stipend from \$100 per meeting to \$320. Ultimately, we determined it would be best to pursue this next year. This message was shared with the Board of Retirement:

“To the members of the OCERS Board of Retirement,

As I shared with the Board on Monday, AB 1323 pertaining to the OCERS Trustee Stipend was scheduled for hearing this morning.

Mr. Hilton and I have been in Sacramento talking with legislators and staff. With only a day to go before the hearing, we received the AB 1323 bill analysis early yesterday morning, and found it laid out more concerns and straight up opposition than we had initially anticipated.

Having consulted with Chair Packard, we have asked Assemblymember Chen to pull the bill in order to protect our ability to pursue consideration next year.

The positive here is we have learned a lot more about concerns that might be raised (why do this for OCERS rather than all of SACRS being the primary) and believe we have a strategy to address those concerns and others, allowing us to move this forward in the next legislative year.”

In addition, Mr. Hilton and I were able to add a half day visit to CalPERS Headquarters, as well as a visit in the second half of the day to CalSTRS Headquarters. Great work is being done by our sister systems, and we appreciated the hospitality of our hosts.

Bring Your Kid to Work Day- April 24

The Second Annual Bring Your Kid To Work Day occurred on April 24th with a great turnout. Not only did the children meet with Trustee Adele Lopez Tagaloa, children also met with current active OCERS members. OC Public Works, OC Parks, OCTA, and OCFA, who all kindly brought artifacts from their associated work- including a back hoe, a flat bed truck, a snake, a bus, and a fire engine. The kids all had a WONDERFUL time! Attached is a presentation with more photos and further feedback excerpts.





OCERS Activities and Update Report

April 2025

UPDATES- DEPARTMENTS

INVESTMENTS

Ms. Walander-Sarkin reports:

As of March 31, 2025, the portfolio year-to-date is up 0.9% net of fees, while the one-year return is up 5.9%. The fund value now stands at \$24.5 billion. The OCERS Investments Team closed on one re-up real assets fund, one private equity co-investment, one real assets co-investment, and one new private income strategies fund in April. Multiple team members attended and spoke on panels at the Institutional Investor Allocators and Public Funds Roundtable conference in the month of April. The OCERS Investments Team also evaluated the semifinalists for the Risk Management System RFP during the month. Finally, OCERS' Investments Team conducted second round interviews for the open Investment Officer position in April.

OPERATIONS SUPPORT SERVICES

Mr. Tse reports:

- HQ elevators successfully passed State inspections.
- HQ building passed quarterly water quality and chemical inspections and testing.
- Added a Type-K (kitchen grease and oil) fire extinguisher to each HQ kitchen.

HUMAN RESOURCES

Ms. Hockless reports:

In April, OCERS promoted five employees: three to Senior Retirement Program Specialist and two to Retirement Program Specialist.

During the month, the HR Department also processed 27 applications, coordinated 18 Spark Hire video interviews, and held 22 Zoom interviews and 47 on-site interviews.

Additionally, Sarah Abrahamson, HR Analyst, and John T. Nguyen, HR Staff Specialist, from the OCERS Human Resources team represented the agency at the University of California, Irvine Career Fair on April 10, 2025. They engaged with interested students, shared information about OCERS' mission, career opportunities, and workplace culture, and highlighted the benefits of working in public service. They also promoted the Communications Volunteer position, encouraging students to apply and gain hands-on experience. Their participation helped strengthen OCERS' visibility among emerging talent and reinforced our commitment to attracting top candidates.



OCERS Activities and Update Report

April 2025

YEAR-TO-DATE OVERVIEW:

As of April 30, 2025, OCERS had a budgeted workforce of 135 positions. At that time, there were 120 employees on payroll, leaving 15 vacancies and resulting in a **vacancy rate** of **11.11%**. April saw no new separations, maintaining the year-to-date total at three and yielding a **turnover** rate of **2.50%**

UPCOMING STAFF INITIATIVES:

Looking ahead, the HR Department will focus on several key initiatives:

- **Recruitment:** Hiring for multiple positions, such as Finance Manager, Director of Member Services, Office Specialist, and Accounting Technician.
- **Training:** Organizing and delivering various training sessions, including an Introduction to AI for OCERS, a Performance Review Workshop, and a Business Writing Training.
- **Health & Wellness:** Promoting on-site health and wellness programs to support employee well-being.

COMMUNICATIONS

Ms. Coburn reports:

In April, the Communications Team attended the California Association of Public Information Officials (CAPIO) Conference to connect with government communicators across the state and explore tools and best practices for serving our members and stakeholders. At the conference, Director of Communications Mary-Joy Coburn was honored with the J. Lindsey Wolf Certificate in Public Relations—a notable achievement that reflects her commitment to excellence in strategic communications, crisis and reputation management, ethics, and leadership.

The team also produced a short video honoring OCERS' Annual Employee Award Winners, highlighting their outstanding contributions to the agency. Additionally, we created a fun video featuring staff children from our annual "Bring a Kid to Work Day," which will be shared at the May Board Meeting.



OCERS Activities and Update Report

April 2025

DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	1,351 (+26 since April 2025)
Twitter (X)	605
Instagram	206 (+7 since April 2025)
Facebook	243 (+3 since April 2025)

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

OCERS WEBSITE



Top Pages Visited	Views
Homepage	18,834
About OCERS	2,785
Benefits Calculator	1,819
Board Meetings	1,566
COLA and Star	779

For the period between April 1st through April 30, the agency website had 46,278 views.



OCERS Activities and Update Report

April 2025

MEMBER SERVICES

MEMBER SERVICES OUTREACH/SEMINARS

Mr. Lamberson reports:

In April 2025, the Customer Service team continued its commitment to community engagement by participating in a series of outreach events. Each event was well attended and provided valuable opportunities for attendees to ask thoughtful, retirement related questions and gain deeper insights into their benefits.

- **April 4** – *Orange County Retiree Wellness Fair (In-Person Offsite)*
Representatives: Gema Garcia and Zaida Miramontes
- **April 7** – *County New Employee Orientation (Virtual)*
Presenter: Erika Gonzalez
- **April 9** – *OCERS Pre-Retirement Seminar (In-Person)*
Presenter: Steven Ismael
- **April 23** – *OCERS Pre-Retirement Seminar (Virtual)*
Presenter: Christine Guerrero

EMPLOYER DATA

Mr. Lopez Reports:

In April, OCERS continued reviewing and incorporating the feedback received from our Employers on the most recent version of the Employer Handbook. As part of this process, OCERS has begun holding individual meetings with Employers to review their input and address any questions or concerns. These one-on-one meetings will continue to be scheduled throughout the year.

In addition, preparations are underway for the next Quarterly All Employer Meeting, scheduled for Tuesday, May 27th. This meeting will cover several key topics, including updates to the Employer Handbook, revisions to the Data Policy, and ongoing initiatives aimed at obtaining complete and accurate data from our Employers.

A status update was provided by Rafael Lopez, Member & Employer Relations Section Manager, Member Services, at the April 23, 2025, Employer Informational Update Meeting.



OCERS Activities and Update Report

April 2025

UPDATES- PROJECTS

VISION 2030

In April, our efforts remained aligned with Vision 2030 as we advanced data integrity and automation initiatives. A new bot is being developed to streamline the upload of Non- Service Connected Pension (NSCP) calculation files to SharePoint, supporting OCERS' ongoing data verification within our Pension Administration System. This automation reduces manual workload and ensures timely, accurate data delivery. Additionally, several new reports were created to assist with data verification efforts—each designed to identify discrepancies, validate member information, and ensure alignment with system requirements. We also supported actuarial verification activities to help ensure we maintain a fully funded pension system. These efforts continue to reinforce our focus on data quality, system readiness, and long-term digital transformation.

ALAMEDA PROJECT

Alameda I

The team was able to implement a V3 enhancement that creates an Alameda Lifetime Deduction alert on an impacted member's account for staff awareness. The team also implemented some process controls that notate a member's account with the exact dollar amount that needs to be set up as a deduction at the time of retirement for any Active member that elects the Alameda Lifetime repayment option.

These features will ensure accuracy of benefits and repayments for the members as well as continuity for staff for the coming years.

Alameda II

In April, the team was able to process all Lump Sum recoupment elections made by the impacted OCSD members.

Additionally, the team calculated new net amounts owed for OCSD members who reached the compensation limit during the Gap period, which was 7 members total. There were also an additional 55 Active members who needed to receive their letter of repayment that were OCSD K9 only members. Staff was able to get this communication out and is awaiting election responses.

Lastly, the team was able to come to a draft resolution on missing interest periods for members impacted by the Alameda decision. This consensus was reached with collaboration and consultation from OCERS Legal as well as outside Tax Counsel.



OCERS Activities and Update Report

April 2025

MASTER REPOSITORY PROJECT (MRP)

Mr. Tsao reports:

In April, we continued in our work for Phase 2 of the MRP. The target completion date for Phase 2 of MRP is the end of 2025. There are no concerns with meeting this deadline currently. As of April 30th, the project is 40% complete. This figure may change as new documents are added to the Phase 2 workload, but the team does not expect it to change significantly.

For April, the writing team finalized 15 documents and advanced work on a record-breaking 83 procedural documents. The EPMO team continues to work with departments involved in Phase 2 to ensure smooth completion of target procedures.



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the May 19, 2025 meeting of the OCERS Board of Retirement.



OCERS

Bring a Kid to Work Day
2025

Parent Comments

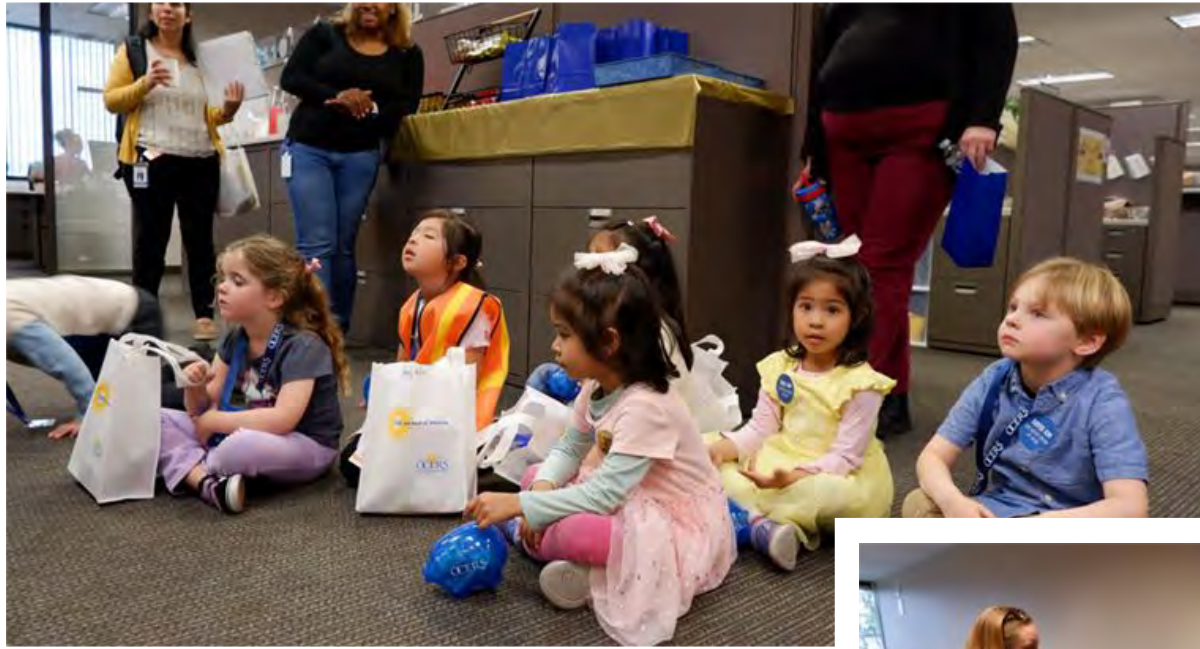
- Yes! Thank you for putting this together! **(My son) says he wants to work for OCERS one day!** That says it all!!
- WELL DONE!!!!!!!!!!!! Thank you to Mark and the team for putting this together! Fantastic job!
- Thank you all for creating such a memorable and fun day for the kids!!
- Thanks again Vision & Values committee members for making the Bring Your Kid to Work Day an amazing event!!! My son had a blast and **cannot stop talking about it** 😊
- Yes!! Great job Mark and team! 😊
- Just echoing everyone else's sentiment here but THANK YOU!
- I'd like to give you a big thank you as well. My son had so much fun 😊, and I appreciate all the hard work it took to make it happen.
- Thank you all for the great event! **My son loved it and can't wait to come back.**
- Thank you, Mark and team for organizing today's event! The kids said they had a blast.
- Yes! Thank you to everyone that helped organize the event. The kids had fun!
- 100% agree with all the comments. Thank you all for planning such a fun day for all the kiddos. 😊











Thank you!!





Memorandum

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Manuel D. Serpa, General Counsel
SUBJECT: LEGISLATIVE UPDATE

Written Report

State Legislative Update

The California Legislature held a floor session from June 2nd to the 6th. June 6th was the last day for each house to pass bills introduced in that house. Committee meetings were permitted to resume on June 9th. The budget bill was required to be passed by midnight on June 15th.

New or updated information since the last report to the Board is indicated in bold 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)

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 authorizes the legislative body of a local agency to use teleconferencing, as specified, and requires a legislative body of a local agency that elects to use teleconferencing to comply with specified requirements, including that the local agency 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, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Existing law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Existing law establishes limits on the number of meetings a member may participate in solely by teleconference from a remote location pursuant to these alternative teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the

legislative body regularly meets once per month or less. This bill would extend the alternative teleconferencing procedures until January 1, 2030.

Existing law authorizes a member to participate remotely pursuant to the alternative teleconferencing provisions described above under specified circumstances, including participating due to emergency circumstances. Under existing law, the emergency circumstances basis for remote participation is contingent on a request to, and action by, the legislative body, as prescribed. Existing law generally requires the legislative body of the local agency or its designee, at least 72 hours before a regular meeting, to post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session, as specified. Existing law, until January 1, 2026, authorizes a legislative body, notwithstanding that provision, to consider and take action on a request from a member to participate in a meeting remotely due to emergency circumstances if the request does not allow sufficient time to place the proposed action on the posted agenda for the meeting for which the request is made, as specified. This bill would extend the authorization for a legislative body of a local agency to consider and take action on a request from a member to participate in a meeting remotely due to emergency circumstances as described above until January 1, 2030.

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 01/16/25. Referred to Com. on L. GOV. on 02/10/25. From committee: Amend, and do pass as amended on 04/10/25. Read second time and amended. Ordered returned to second reading on 04/21/25. Read second time. Ordered to third reading on 04/22/25. **Read third time. Passed. Ordered to the Senate on 05/05/25. In Senate. Read first time. To Com. on RLS. for assignment on 05/06/25. Referred to Coms. On L. GOV. and JUD. on 05/14/25.)**

AB 339 (Ortega) – Amended in Assembly on 05/23/25

The Meyers-Milias-Brown Act, contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Existing law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Existing law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the

scope of representation proposed to be adopted by the governing body or the designated boards and commissions.

This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 120 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization. The bill would require the notice to include specified information, including the anticipated duration of the contract. The bill would also require the public agency, if an emergency or other exigent circumstance prevents the public agency from providing the written notice described above, to provide as much advance notice as is practicable under the circumstances. If the recognized employee organization demands to meet and confer **after** receiving the written notice, the bill would require the public agency and recognized employee organization to meet and confer in good faith **within a reasonable time**, as specified. By imposing new duties on local public agencies, the 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 shall be made pursuant to these statutory provisions for costs mandated by the state pursuant to this act, but would recognize that a local agency or school district may pursue any available remedies to seek reimbursement for these costs.

(STATUS: Introduced. Read first time on 01/28/25. Referred to Com. on P. E. & R. on 02/18/25. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR on 03/19/25. In committee: Set, first hearing. Referred to APPR. suspense file on 04/09/25. **Assembly Rule 63 suspended. From committee: Amend, and do pass as amended. Read second time and amended. Ordered returned to second reading on 05/23/25. Read second time. Ordered to third reading on 05/27/25. Read third time. Passed. Ordered to Senate on 06/02/25. In Senate. Read first time. To Com. on RLS. for assignment on 06/03/25.)**

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.)**

AB 409 (Arambula)

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 a California community college student body association and other specified student-run community college organizations to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the board of trustees of the community college district has adopted an authorizing resolution and $\frac{2}{3}$ of an eligible legislative body votes to use the alternate teleconferencing provisions, as specified. This bill would extend the authorization for California community college student body associations and student-run community college organizations to use the above-described alternate teleconferencing provisions through January 1, 2030.

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 02/04/25. Referred to Coms. on L. GOV. and Higher Ed. on 02/18/25. From committee: Do pass and re-refer to Com. on Higher Ed. Re-referred to Com. on Higher Ed. From committee chair, with author's amendments: Amend, and re-refer to Com. on Higher Ed. read second time and amended on 04/10/25. Re-referred to Com. on Higher Ed. on 04/21/25. From committee: Do pass. On 04/23/25. Read second time. Ordered to third reading on 04/24/25. **Read third time. Passed. Ordered to Senate on 05/12/25. In Senate. Read first time. To Com. on RLS. for assignment on 05/13/25. Referred to Coms. On L. GOV. and ED. on 05/21/25.)**

AB 467 (Fong)

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 extend the authorization for specified neighborhood city councils to use the alternate teleconferencing provisions described above until January 1, 2030.

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. This bill would make legislative findings and declarations as to the necessity of a special statute for the neighborhood councils of the City of Los Angeles.

(STATUS: Introduced on 02/06/25. Referred to Com. on L. GOV. on 02/18/25. From committee: Amend, and do pass as amended on 04/10/25. Read second time and amended. Ordered returned to second reading on 04/21/25. Read second time. Ordered to third reading on 04/22/25. **Read third time. Passed. Ordered to the Senate on 05/05/25. In Senate. Read first time. To Com. on RLS. for assignment on 05/06/25. Referred to Coms. on L. GOV. and JUD. on 05/14/25.)**

AB 569 (Stefani)

PEPRA on and after January 1, 2013, requires a public retirement system, as defined, to modify its plan or plans to comply with PEPRA, as specified. Among other things, PEPRA prohibits a public employer from offering a defined benefit pension plan exceeding specified retirement formulas, requires new members of public retirement systems to contribute at least a specified amount of the normal cost, as defined, for their defined benefit plans, and prohibits an enhancement of a public employee's retirement formula or benefit adopted after January 1, 2013, from applying to service performed prior to the operative date of the enhancement.

PEPRA prohibits a public employer from offering a supplemental defined benefit plan if the public employer did not do so before January 1, 2013, or, if it did, from offering that plan to an additional employee group after that date.

This bill would authorize a public employer, as defined, to bargain over contributions for supplemental retirement benefits administered by, or on behalf of, an exclusive bargaining representative of one or more of the public employer's bargaining units, subject to the limitations specified above.

(STATUS: Introduced on 02/12/25. Referred to Com. on P. E. & R. on 02/24/25. From committee: Amend, and do pass as amended on 04/23/25. Read second time and amended. Ordered returned to second reading on 04/24/25. Read second time. Ordered to third reading on 04/28/25. **Re-referred to Com. on APPR. pursuant to Assembly Rule 97 on 05/05/25. In committee: Hearing postponed by committee on 05/14/25. In committee: Set, first hearing. Referred to APPR. suspense file. Joint Rule 62(a), file notice suspended on 05/21/25. In committee: Held under submission on 05/23/25.**)

AB 1383 (McKinnor) – Revised on 05/23/25

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.

This bill, on and after January 1, 2026, would require a retirement system to adjust pensionable compensation limits to be consistent with a defined benefit limitation established and annually adjusted under federal law with respect to tax exempt qualified trusts.

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, 2026, 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, 2026, 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 members and new members, consistent with the formulas permitted under the act. 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. PEPRA requires all public employees to pay at least 50 percent of normal costs and prohibits public employers from paying any of the required employee contribution. This bill would authorize an employer

and employee, through the collective bargaining process, to agree to terms in a memorandum of understanding where the employer pays a portion of employee contribution.

By increasing the contribution to continuously appropriated 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.)

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 prohibit the board of a public pension or retirement system from making any additional or new investments of public employee pension or retirement funds in development projects in California or providing financing for those projects with public employee pension or retirement funds unless those projects include labor standards protections, as defined. 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.)

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 Arreguín on 06/03/25.)**

SB 301 (Grayson)

The CERL prescribes the rights, benefits, and duties of members of the retirement systems established pursuant to its provisions. Existing law prohibits a resolution, ordinance, contract, or contract amendment under CERL from providing retirement benefits for some, but not all, general members of a county or district.

This bill, beginning on or after January 1, 2026, would prohibit a city or district that contracts with a retirement system under CERL from amending their contract with the system in a manner that provides for the exclusion of some, but not all, employees.

(STATUS: Introduced. Read first time. to Com. on RLS. for assignment on 02/10/25. Referred to Com. on RLS. on 02/19/25. From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS. on 03/24/2025. Re-referred to Com. on L., P.E. & R. on 04/02/25. From committee: Do pass on 04/30/25. Read second time. Ordered to third reading on 05/01/25. **Read third time. Passed. Ordered to the Assembly. In Assembly. Read first time. Held at Desk on 05/28/25.)**

SB 470 (Laird)

The Bagley-Keene Act, requires, with specified exceptions, that all meetings of a state body be open and public and all persons be permitted to attend any meeting of a state body. The act authorizes meetings through teleconference subject to specified requirements, including, among others, that the state body post agendas at all teleconference locations, that each teleconference location be identified in the notice and agenda of the meeting or proceeding, that each teleconference location be accessible to the public, that the agenda provide an opportunity for members of the public to address the state body directly at each teleconference location, and that at least one member of the state body be physically present at the location specified in the notice of the meeting.

The act authorizes an additional, alternative set of provisions under which a state body may hold a meeting by teleconference subject to specified requirements, including, among others, that at least one member of the state body is physically present at each teleconference location, as defined, that a majority of the members of the state body are physically present at the same teleconference location, except as specified, and that members of the state body visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, except as specified. The act authorizes, under specified circumstances, a member of the state body to participate pursuant to these provisions from a remote location, which would not be required to be accessible to the public and which the act prohibits the notice and agenda from disclosing. The act repeals these provisions on January 1, 2026. This bill would instead repeal these provisions on January 1, 2030.

The act authorizes a multimember state advisory body to hold an open meeting by teleconference pursuant to an alternative set of provisions that are in addition to the above-described provisions generally applicable to state bodies. These alternative provisions specify requirements, including, among others, that the multimember state advisory body designates the primary physical meeting location in the notice of the meeting where members of the public may physically attend the meeting, observe and hear the meeting, and participate, that at least one staff member of the state body to be present at the primary physical meeting location during the meeting, and that the members of the state body visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, except as specified. The act repeals these provisions on January 1, 2026. This bill would instead repeal these provisions on January 1, 2030.

The act, beginning January 1, 2026, removes the above-described requirements for the alternative set of teleconferencing provisions for multimember state advisory bodies, and, instead, requires, among other things, that the multimember state advisory body designates the primary physical meeting location in the notice of the meeting where members of the public may physically attend the meeting and participate. This bill would instead make these provisions operative on January 1, 2030.

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.

(STATUS: Introduced on 02/19/25. Referred to Coms. on G.O. and JUD. on 02/26/25. From committee: Do pass and re-refer to Com. on JUD. Re-referred to Com. on 03/25/25. From committee: Do pass as amended and re-refer to Com. on APPR. on 04/09/25. Read second time and amended. Re-referred to Com. on APPR. on 04/10/25. From committee: Be ordered to second reading pursuant to Senate Rule 28.8. on 04/28/25. Read second time. Ordered to third reading on 04/29/25. **Read third time. Passed. Ordered to the Assembly on 06/02/25. In Assembly. Read first time. Held at Desk on 06/03/25.)**

SB 707 (Durazo) – Amended in Senate on 05/29/25

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. This bill would, until January 1, 2030, require **an eligible legislative body, as defined**, to comply with additional meeting requirements, including that, **except as specified**, all open and public meetings include an opportunity for members of the public to attend via a 2-way telephonic service or a 2-way audiovisual platform, as defined, and that **eligible legislative body take specified actions to** encourage residents to participate in public meetings, as specified.

Existing law defines “legislative body” for purposes **of the act** to mean, among other things, a commission, committee, board, or other body of a local agency, whether permanent or temporary, decisionmaking or advisory, created by charter, ordinance, resolution, or formal action of a legislative body. Existing law specifies that “legislative body” does not include advisory committees, composed solely of the members of the legislative body that are less than a quorum of the legislative body, except for specified standing committees of a legislative body. This bill would revise and recast the above-described definition of a legislative body and would

specify that advisory committees with a continuing subject matter jurisdiction or a fixed meeting schedule, as specified, are legislative bodies. Existing law prohibits a majority of the members of a legislative body, outside a meeting authorized by the act, from using a series of communications of any kind to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body. Until January 1, 2026, existing law excepts from the prohibition a member engaging in separate conversations or communications outside of a meeting with any other person using an internet-based social media platform for specified purposes, provided, among other things, that a majority of the members do not use the internet-based social media platform to discuss among themselves business of a specific nature that is within the subject matter jurisdiction of the legislative body. This bill would make the above-described exception related to communications on an internet-based social media platform applicable indefinitely.

Existing law requires a legislative body, prior to taking final action, to orally report a summary of a recommendation for a final action on specified forms of compensation for a local agency executive, as defined, during the open meeting in which the final action is to be taken. This bill would also require the legislative body to make that oral report, as provided above, prior to taking final action on those specified forms of compensation for an unrepresented employee of the local agency.

Existing law requires a legislative body of a local agency or its designee, at least 72 hours before a regular meeting, to post an agenda that meets specified requirements, including that the agenda contain a brief general description of each item of business to be transacted or discussed at the meeting, as specified. This bill would also require the agenda **for each meeting of an eligible legislative body, as defined, to be translated into all applicable languages. The bill would define “applicable languages” to mean** languages spoken jointly by 20% or more of the population in the **city or county** in which the **eligible legislative body** is located that, among other things, speaks English less than “very well,” as specified, and except as provided. Existing law requires every agenda for regular meetings to provide an opportunity for members of the public to directly address the legislative body on any item of interest of the public, as specified. Existing law specifies that the agenda is not required to provide an opportunity for members of the public to address the legislative body on any item that has already been considered by a committee, as specified. This bill would remove the provision related to an item that has already been considered by a committee.

Existing law authorizes a legislative body of a local agency to require a copy of the act to be given to each member of the legislative body and specified persons elected to serve as a member of the legislative body, and authorizes an elected legislative body member to require a copy to be given to each member of each legislative body all or a majority of whose members are appointed by or under the authority of the elected legislative body. This bill would instead require a local agency to provide a copy of the act to **any person** elected or appointed to serve as a member of **a legislative body of the local agency**. Existing law authorizes legislative bodies of local agencies to impose requirements upon themselves which allow greater access to their meetings than prescribed by the minimal standards set forth in the act, and authorizes an elected legislative body of a local agency to also impose those requirements on those appointed legislative bodies of the local agency of which all or a majority of the members are appointed by or under the authority of the elected legislative body. This bill would remove the above-described requirement that members of an appointed legislative body of a local agency must be

appointed by or under the authority of the elected legislative body of a local agency in order for the elected legislative body to impose the above-described requirements on the appointed legislative body.

Existing law authorizes a district attorney or any interested person to file an action to determine the applicability of the act to past actions of the legislative body pursuant to specified provisions relating to violations of the act if specified conditions are met, including that the district attorney or interested person first submits a cease and desist letter to the clerk or secretary of the legislative body being accused of the violation, as specified, within 9 months of the alleged violation. This bill would instead require that a cease and desist letter described above be submitted within 12 months of the alleged violation.

Existing law provides any person attending an open and public meeting of a legislative body of a local agency with the right to record the proceedings with an audio or visual recorder or a still or motion picture camera, as specified. This bill would remove the reference to an audio or visual recorder or a still or motion picture camera for purposes of recording the proceedings, as described above.

Existing law authorizes a legislative body of a local agency to use teleconferencing, as specified, and requires a legislative body of a local agency that elects to use teleconferencing to comply with specified general requirements, including that the local agency 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 authorizes members who are outside the jurisdiction of a health authority, as defined, that conducts a teleconferencing meeting to, notwithstanding the above-described general teleconference provisions, count towards the establishment of a quorum when participating in the teleconference if, among other things, at least 50% of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction.

Existing law authorizes, in certain circumstances, the legislative body of a local agency to use specified alternative teleconferencing which include provisions related to, among others, notice of the means by which members of the public may access the meeting and offer public comment and identifying and including an opportunity for all persons to attend via a call-in option or an internet-based service option. Those circumstances in which the legislative body of a local agency is authorized to use the alternative teleconferencing provisions include specified circumstances relating to a state of emergency, as defined, and, until January 1, 2026, subject to specified limitations, a member's need to participate remotely due to just cause, **defined to include, among other things, a physical or mental disability**, or emergency circumstances, as defined.

Existing law also authorizes certain eligible legislative bodies, including neighborhood councils and student body associations and student-run community college organizations to, until January 1, 2026, use alternate teleconferencing if, among other requirements, the city council or board of trustees, as applicable, has adopted

an authorizing resolution and $\frac{2}{3}$ of the neighborhood city council or specified student organization, as applicable, votes to use alternate teleconference provisions, as specified.

This bill would revise and recast the above-specified alternative teleconferencing provisions to uniformly apply certain noticing, accessibility, and public commenting provisions. The bill would require a legislative body of a local agency that elects to use teleconferencing pursuant to these alternative teleconferencing provisions to comply with specified requirements, including that the legislative body provides at least either 2-way audiovisual platform or 2-way telephonic service and a live webcasting of the meeting as a means by which the public may, among other things, remotely hear and visually observe the meeting, and that a member of the legislative body who participates in a teleconference meeting from a remote location **and the specific provision of law that the member relied upon to permit their participation by teleconferencing are** listed in the minutes of the meeting. The bill would require the local agency to identify and make available to legislative bodies a list of **one or more** meeting locations that **may be available for use by** the legislative bodies to conduct their meetings.

The bill would instead authorize a health authority, as defined, to conduct a teleconference meeting pursuant to the above-described alternative teleconferencing provisions. The bill would revise and recast the alternative teleconferencing provisions applicable in a state of emergency, as defined. The bill would also include a local emergency, as defined, as a circumstance in which a legislative body of a local agency is authorized to use the alternative teleconferencing provisions.

The bill would revise and recast the alternative teleconferencing provisions applicable in cases of a member's need to participate remotely due to just cause or emergency circumstances, as defined, to remove the provision applicable to emergency circumstances, to broaden the definition of just cause to include a physical or family medical emergency that prevents a member from attending in person, **and to require the agenda for a meeting to identify the specific type of just cause that each member relied upon to participate remotely, as specified.** The bill would extend the authorization to use the alternative teleconferencing provision until January 1, 2030. **The bill would make the authorization for a member to participate remotely in the case of a physical or mental disability effective indefinitely, as specified.**

The bill would revise and recast the alternative teleconferencing provisions applicable to neighborhood councils and student body associations and student-run community college organizations and would extend the authorization to use the alternative teleconferencing provision until January 1, 2030.

The bill would, until January 1, 2030, also authorize a specified subsidiary **body** of local agencies to conduct a teleconference meeting pursuant to the above-described alternative teleconferencing provisions, provided that it complies with the requirements for alternative teleconferencing described above and additional requirements, including that the subsidiary body designates **at least one** physical meeting location **within the boundaries of the legislative body that created the subsidiary body** where members of the public may physically attend, observe, hear, and participate in the meeting, as specified. The bill would, until January 1, 2030, also authorize specified multijurisdictional bodies of local agencies to conduct a teleconference meeting pursuant to the above-described alternative teleconferencing provisions, provided that it complies with the

requirements for alternative teleconferencing described above and additional requirements, including that the eligible multijurisdictional body has adopted a resolution that authorizes the multijurisdictional body to use teleconferencing at a regular meeting in open session.

Existing law authorizes a special meeting to be called any time by, among other persons, the presiding officer of the legislative body of a local agency, by delivering specified written notices and posting a notice on the local agency's internet website, if the local agency has one. Existing law requires specified legislative bodies to comply with the internet website posting requirement.

The bill would remove the requirement that only specified legislative bodies comply with the internet website posting requirement, thereby imposing that requirement on all legislative bodies.

Existing law authorizes a legislative body of a local agency to hold an emergency meeting without complying with specified notice and posting requirements in the case of specified emergency circumstances, as specified, and imposes various requirements under these provisions applicable to either legislative bodies generally or legislative bodies which are a school board. This bill would remove the school board distinction from the above-described provisions, thereby imposing the same requirements to hold an emergency meeting on all legislative bodies of local agencies. By imposing additional duties on legislative bodies of local agencies, the bill would impose a state-mandated local program.

Existing law authorizes, in addition to other related specified authorizations, the presiding member of the legislative body conducting a meeting or their designee to remove, or cause the removal of, an individual for disrupting the meeting. This bill would specify that a meeting for purposes of that provision includes any teleconferenced meeting. The bill would make other updates to references in the act.

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.

The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

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.

(STATUS: Introduced. to Com. on RLS. for assignment on 02/21/25. Read first time on 02/24/25. Referred to Coms. on L. GOV. and JUD. on 3/12/2025. From committee: Do pass as amended and re-refer to Com. on JUD. on 04/03/25. Read second time and amended. Re-referred to Com. on JUD. on 04/07/25. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 04/23/25. **Set for hearing April 22 on 04/08/25. From committee: Be ordered to second reading pursuant to Senate Rule 28.8 on 05/05/25. Read second time. Ordered to third reading on 05/06/25. Read third time and amended. Ordered to second reading on 05/29/25. Read second time. Ordered to third reading on 06/02/25. Read third time. Passed. Ordered to the Assembly on 06/03/25.)**

Other Bills of Interest

AB 288 (McKinnor) Revised on 05/23/25

Existing law declares the public policy of the state regarding labor organization, including, among other things, that it is necessary for a worker to **have** full freedom of association, self-organization, and designation of representatives of their own choosing, to negotiate the terms and conditions of their employment, and to be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

Existing law establishes the Public Employment Relations Board (PERB) in state government as a means of resolving disputes and enforcing the statutory duties and rights of specified public employers and employees under various acts regulating collective bargaining. Under existing law, PERB has the power and duty to investigate an unfair practice charge and to determine whether the charge is justified and the appropriate remedy for the unfair practice.

This bill would expand PERB's jurisdiction by authorizing a worker, as defined, to petition PERB to vindicate prescribed rights, as specified. The bill would specify who is an authorized worker, including an individual who petitions the National Labor Relations Board to vindicate their rights to full freedom of association, self-organization, or designation of representatives of their own choosing but has not received a determination or remedy within specified statutory timeframes. The bill would authorize PERB to, among other things, decide unfair labor practice cases, as specified, and order all appropriate relief for a violation, including civil penalties. The bill would establish the Public Employment Relations Board Enforcement Fund (fund) in the State Treasury, require the above-described civil penalties to be deposited into the fund, and would make moneys in the fund available upon appropriation by the Legislature for PERB to fund increased workload. The bill would make related findings and declarations and make its provisions severable.

(STATUS: Introduced on 01/22/25. Referred to Com. on P. E. & R. on 02/10/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on P. E. & R. Read second time and amended on 03/24/25. Re-referred to Com. on P.E. & R. on 03/25/25. From committee: Do pass and re-refer to Com. on L. & E. Re-referred to Com. on L. & E. on 04/02/25. From committee chair, with author's amendments: Amend, and re-refer to Com. on L. & E. Read second time and amended on 04/21/25. Re-referred to Com. on L. & E. Co-authors revised on 04/22/25. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 04/24/25. **In committee: Set, first hearing. Referred to APPR. suspense file on 05/07/25. Coauthors revised. 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 06/02/25. In Senate. Read first time. To Com. on RLS. for assignment on 06/03/25.)**

ACA 2 (Jackson) – Assembly Constitutional Amendment

The California Constitution prohibits Members of the Legislature from accruing any pension or retirement benefit other than participation in the federal Social Security program as a result of legislative service.

This measure, the Legislative Diversification Act, would repeal that prohibition and instead require the Legislature to establish a retirement system for Members elected to or serving in the Legislature on or after November 1, 2010. The measure would require a Member to serve at least 10 years in the Legislature to be eligible to receive benefits under the retirement system. The measure would authorize a Member who serves fewer than 10 years to transfer the service credit earned as a result of service in the Legislature to any other public employees' pension or retirement system in which the Member participates.
(STATUS: Introduced on 12/02/24.)

Bills that Apply to CalPERS and/or CalSTRS Only

None to report.

Divestment Proposals (CalPERS and CalSTRS Only)

None to report.

Attachments:

2025 Tentative Legislative Calendar

Submitted by:



MDS-Approved

Manuel D. Serpa
General Counsel



Memorandum

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

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 Travel Policy Section 10 conferences (dates boxed in red) and scheduled Board and Committee meeting dates
2. Legend and details for Travel Policy Section 10 conferences
3. Appendix of additional pre-approved conferences and Board education opportunities.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

2025 Calendar

January						
Su	Mo	Tu	We	Th	Fr	Sa
			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						
Su	Mo	Tu	We	Th	Fr	Sa
						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	

March						
Su	Mo	Tu	We	Th	Fr	Sa
						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					

April						
Su	Mo	Tu	We	Th	Fr	Sa
		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			

May						
Su	Mo	Tu	We	Th	Fr	Sa
				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

June						
Su	Mo	Tu	We	Th	Fr	Sa
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					

July						
Su	Mo	Tu	We	Th	Fr	Sa
		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		

August						
Su	Mo	Tu	We	Th	Fr	Sa
					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						

September						
Su	Mo	Tu	We	Th	Fr	Sa
	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				

October						
Su	Mo	Tu	We	Th	Fr	Sa
			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	

November						
Su	Mo	Tu	We	Th	Fr	Sa
						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						

December						
Su	Mo	Tu	We	Th	Fr	Sa
	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			

Federal Holidays 2025

Jan 1	New Year's Day	May 26	Memorial Day	Sep 1	Labor Day	Nov 27	Thanksgiving Day
Jan 20	Martin Luther King Day	Jul 4	Independence Day	Sep 26	Native American Day	Dec 25	Christmas Day
Feb 17	Presidents' Day			Nov 11	Veterans Day		

Federal Holidays
 Regular Board Meeting
 Disability Committee Meeting
 Strategic Planning Workshop
 Investment Committee Meeting

Audit Committee Meeting
 Building Committee Meeting
 Governance Committee Meeting
 Personnel Committee Meeting
 Informational Update Meeting

Updated: 5/1/2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1/26/2025	1/27/2025	NCPERS	Pension Comm Summit	Washington DC	
1/27/2025	1/29/2025	NCPERS	Legislative Conference	Washington DC	
2/2/2025	2/4/2025	NAPO	Annual Pension and Benefits Seminar	Las Vegas, NV	
3/1/2025	3/3/2025	NASRA	Winter Meeting	Washington DC	
3/3/2025	3/4/2025	NIRS	Annual Conference	Washington DC	*Estimated
3/2/2025	3/5/2025	CALAPRS	General Assembly	Napa, CA	
5/13/2025	5/16/2025	SACRS	Spring Conference	Rancho Mirage, CA	
5/18/2025	5/21/2025	NCPERS	Annual Conference & Exhibition (ACE)	Denver, CO	
6/16/2025	6/18/2025	NCPERS	Chief Officers Summit	New York	
7/20/2025	7/23/2025	NAPO	ANNUAL CONVENTION	Phoenix, AZ	
8/9/2025	8/13/2025	NASRA	Annual Conference	Seattle WA	
8/17/2025	8/19/2025	NCPERS	Public Pension Funding Forum	Chicago, IL	
9/24/2025	9/26/2025	NCPERS	Public Pension HR Summit		
10/26/2025	10/29/2025	NCPERS	FALL Conference		
Nov 2025		CRCEA	Contra Costa (CCREA)		
11/11/2025	11/14/2025	SACRS	Fall Conference	Huntington Beach, CA	
Oct 2026		NCPERS	Public Safety Conference		none for 2025

The following are upcoming conferences and Board education opportunities, pre-approved under the Travel Policy section 12 (highlighted in yellow) and section 14. Note that conferences pre-approved under section 14 AND require overnight accommodations are subject to the limit of three events per year.

January 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
9-Jan	10-Jan	Opal	Public Funds Summit	Scottsdale, AZ	Section 14
26-Jan	27-Jan	NCPERS	Pension Comm Summit	Washington DC	Section 10
28-Jan	29-Jan	IFEBP	Health Benefits Conference & Expo	St. Pete Beach, FL	Section 14
28-Jan	29-Jan	NCPERS	Legislative Conference	Washington DC	Section 10

February 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
2-Feb	4-Feb	NAPO	Annual Pension and Benefits Seminar	Las Vegas, NV	Section 10
8-Feb	9-Feb	IFEBP	Trustee Institute: Level 2	Orlando, FL	Section 14
10-Feb	12-Feb	IFEBP	Advanced Trustees and Administrators Institute	Orlando, FL	Section 14
10-Feb	12-Feb	IFEBP	Trustee Institute: Level 1 (New Trustees)	Orlando, FL	Section 14
24-Feb	25-Feb	Gartner	CIO Leadership Forum	Phoenix, AZ	Section 10

March 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
March 2025		CALAPRS	Advanced Principals of Pension Governance for Trustees at UCLA	UCLA	Section 12
1-Mar	3-Mar	NASRA	Winter Meeting	Washington, DC	Section 10
2-Mar	5-Mar	CALAPRS	General Assembly	Napa, CA	Section 10
3-Mar	4-Mar	NIRS	Annual Conference	Washington DC	Section 10
24-Mar	26-Mar	WithIntelligence	Pension Bridge The Annual 2025	San Francisco, CA	Section 14
30-Mar	2-Apr	Investment and Wealth Institute	Experience 2025	Austin, TX	Section 14

April 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
13-Apr	16-Apr	PRISM	PRISM 2025 Conference	Memphis, Tennessee	Section 10
14-Apr	18-Apr	Wharton	Investment Strategies and Portfolio Management	Philadelphia, PA	Section 12
30-Apr	1-May	IFEBP	Investments Institute	Fort Myers, FL	Section 14

May 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
13-May	16-May	SACRS	Spring Conference	Rancho Mirage, CA	Section 10

17-May	18-May	NCPERS	Trustee Educational Seminar (TEDS)	Denver, CO	Section 12
17-May	18-May	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 1&2	Denver, CO	Section 12
17-May	18-May	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 3&4	Denver, CO	Section 12
18-May	21-May	NCPERS	Annual Conference & Exhibition (ACE)	Denver, CO	Section 10
20-May	21-May	Gartner	CFO & Finance Executive Conference	National Harbor, MD	Section 10

June 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Jun		Global Financial Markets Association	Annual Global ABS Conference		Section 12
12-Jun	12-Jun	Markets Group	4th Annual Southern California Institutional Forum	Los Angeles, CA	Section 14
16-Jun	18-Jun	NCPERS	Chief Officers Summit	New York, NY	Section 10

July 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Jul		NAPO	Annual Convention		Section 10
13-Jul	16-Jul	SACRS	SACRS/UC Berkeley	Berkeley, CA	Section 12

August 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Aug		CALAPRS	Principles of Pension Governance for Trustees	SoCal	Section 12
9-Aug	13-Aug	NASRA	Annual Conference	Seattle, Washington	Section 10
17-Aug	19-Aug	NCPERS	Public Pension Funding Forum	Chicago, IL	Section 10

September 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
8-Sep	10-Sep	Counsel of Institutional Investors	Fall 2025 Conference	San Francisco, CA	Section 14
14-Sep	17-Sep	IFEBP	Public Employees Benefits Institute	Minneapolis, MN	Section 14
15-Sep	17-Sep	SuperReturn	The West Coast's LP/GP Networking Hub	Los Angeles, CA	Section 14
24-Sep	26-Sep	CALAPRS	Administrators Institute	Carmel, CA	Section 10
24-Sep	26-Sep	NCPERS	Public Pension HR Summit	Philadelphia, PA	Section 10

October 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Oct		Gartner	Gartner IT Symposium/Xpo		Section 10
20-Oct	22-Oct	Global ARC	22nd Annual Global ARC	Boston, MA	Section 14
20-Oct	24-Oct	Wharton	Investment Strategies and Portfolio Management	Philadelphia, PA	Section 12
22-Oct	24-Oct	PREA	35th Annual Institutional Investor Conference	Boston, MA	Section 14
25-Oct	26-Oct	NCPERS	NAF	Tampa, FL	Section 12
25-Oct	26-Oct	NCPERS	Program for Advanced Trustee Studies (PATS)	Tampa, FL	Section 12
26-Oct	29-Oct	NCPERS	FALL Conference	Tampa, FL	Section 10

November 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
Nov 2025		CRCEA	Contra Costa (CCREA)		Section 10
Nov 2025		Institutional Limited Partners Association	ILPA Summit 2025		Section 14
9-Nov	12-Nov	IFEBP	71st Annual Employee Benefits Conference	Honolulu, HI	Section 14
11-Nov	14-Nov	SACRS	Fall Conference	Huntington Beach, CA	Section 10

December 2025

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
1-Dec		Institutional Shareholder Services Media Solutions	Influential Investors Forum		Section 14

Ad Hoc/No schedule available yet

NCPERS	Public Safety Conference – October 2026	Section 10
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Memorandum

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Cynthia Hockless, Director of Human Resources
SUBJECT: **UPDATE BOARD ELECTIONS: GENERAL MEMBER AND RETIRED MEMBER**

Written Report

Background

OCERS completed its election process for the General Member and Retired Member positions on the Board of Retirement. The term for these positions will run from January 1, 2026, through December 31, 2028.

The Registrar of Voters provided OCERS with an election schedule, and eligible members were notified about the election via U.S. mail.

Before the nomination deadline on Wednesday, April 16, 2025, the following candidates submitted their completed and qualified nomination papers:

- Σ **ADELE LOPEZ-TAGALOA**, incumbent General Member, for the General Member position
- Σ **ROGER HILTON**, incumbent Retired Member, for the Retired Member position

The Registrar of Voters is scheduled to recommend that the Board of Supervisors certify the appointments of Adele Lopez-Tagaloe, General Member, and Roger Hilton, Retired Member, on June 25, 2025. These appointments will take effect for the term beginning January 01, 2026, through December 31, 2028. The swearing-in ceremony will occur at the first Board meeting in January 2026.

Attachments:

1. Response Letter from the Registrar of Voters with Calendar of Events

Submitted by:

 **CH - Approved**

Cynthia Hockless
Director of Human Resources



REGISTRAR OF VOTERS
1300 South Grand Avenue, Bldg. C
Santa Ana, California 92705
(714) 567-7600
FAX (714) 567-7556
ocvote.gov

BOB PAGE
Registrar of Voters

Mailing Address:
P.O. Box 11298
Santa Ana, California 92711

February 4, 2025

Ms. Cynthia Hockless
Director of Administrative Services
Orange County Employees Retirement System
2223 Wellington Avenue, Suite 100
Santa Ana, CA 92701

Dear Ms. Hockless:

This is in response to your January 9, 2025 letter requesting the Registrar of Voters' Office to conduct a Special Election for the positions of General Member and Retired Member for the term of office from January 1, 2026 through December 31, 2028.

The election schedule is as follows:

February 28 and March 14 (E-109 and E-95)	The Orange County Retirement office shall notify the General and Retired Members of the Retirement System that an election will be conducted on June 17, 2025. The notice shall include the filing period, qualifications and requirements to be a candidate for General Member and Retired Member of the Orange County Retirement Board of Directors and shall be provided with the payrolls on February 28, 2025 and March 14, 2025.
March 10 (E-99)	The Retirement Office shall provide the number of eligible General Members and Retired Members to the Registrar of Voters' Office.
March 10 (E-99)	The Retirement Office shall provide the Registrar of Voters' Office with Willingness to Serve forms.
March 17 (E-92)	First day the Nomination Petition is available for pick up from the Registrar of Voters' Office. A General Member requires 75 nomination signatures and a Retired Member requires 25 nomination signatures.
April 16 (E-62)	Last day to file the Nomination Petition, Willingness to Serve Form, and Biographical Statement with the Registrar of Voters' office by 5:00 p.m.

April 17 (E-61)	Random draw will be held to determine the candidate placement on the ballot.
April 28 (E-50)	Retirement Office shall provide the Registrar of Voters with names and addresses of eligible General Members and Retired Members in an electronic format.
May 12 (E-36)	Mailing of ballots begins.
June 17 (E-0)	Tally voted ballots at the Registrar of Voters' Office.
June 24 (E+7)	Deadline to receive mailed ballots. Ballots that are mailed must be postmarked on or before election day and received by the Registrar of Voters no later than seven (7) calendar days after Election Day.
TBD (E+)	Certificate of Election on Board of Supervisors' agenda.
January 1, 2026 (E+198)	Term begins for General Member and Retired Member. Term expires on December 31, 2028.

If you have any questions, I can be reached at (714) 567-7568.

Sincerely,



Marcia Nielsen
Candidate and Voter Services Manager





Memorandum

DATE: June 16, 2025
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, highlighting key developments, recent decisions, and upcoming milestones.

Design Development Updates

Design efforts advanced significantly this month, particularly with regard to the public plaza and interior spaces:

Σ **Public Plaza:**

Under the leadership of Building Committee (BC) Chair Lindholm, the team explored a large-format digital display to enhance the building entrance. While conceptually appealing, the high cost led staff to pivot toward a more cost-effective solution. A larger kiosk will now be incorporated near the front entrance to provide wayfinding, visitor guidance, and agenda display.

To further encourage innovation and staff engagement, Chair Lindholm proposed a plaza design competition. The competition received eight submissions, many featuring multiple ideas. Senior Executives, Chair Lindholm, and Senior Manager Fong Tse reviewed the submissions and consolidated them into a design concept that will be shared with the project design team for further development and incorporation into the final plans.

Σ **Interior Design & Acoustic Planning:**

Staff continued working with the design team to refine interior finishes and identify value engineering opportunities. Particular attention was given to acoustics and soundproofing for work areas, meeting rooms, public spaces, and employee amenities.

Σ **Bike Parking:**

The team also discussed long-term bike parking solutions to support alternative commuting options. After evaluating several locations both inside the building and outside, a bike rack inside near the mail room/west entrance was determined to be the most practical and accessible solution for staff.

Σ **Furniture, Fixtures, and Equipment (FF&E):**

In preparation for FF&E planning, OCERS staff—alongside Griffin Structures and Gensler—visited a local vendor to explore options and tour their showroom. Additional vendor visits are scheduled throughout June.

Σ **Upcoming Design Coordination Meetings (June):**

- Security system and door access planning
- Landscape/tree species selection
- Continued furniture vendor tours
- Site security planning with the Orange County Sheriff's Department

The deadline for design decisions was May 26, 2025. The design team is now progressing into the Construction Documents phase, with the initial plan check package scheduled for submittal to the City later this month.

Entitlement Progress

EPD Solutions remains in active coordination with the City on the Development Project Plan Review (DPR). The team has received positive feedback on the submitted technical studies. The next key entitlement milestone is Zoning Administrator approval of the DPR, including minor exceptions, currently scheduled for June 18, 2025.

Upcoming Activities and Key Dates

- Σ **June 18, 2025** – Zoning Administrator Hearing
- Σ **June 27, 2025** – Initial plan check submittal
- Σ **July 30, 2025** – Next Building Committee Meeting
- Σ **August 26, 2025** – Submission of Guaranteed Maximum Price (GMP) Proposal

Attachments:

1. OCERS HQ Monthly Project Status Report for May, 2025 from Griffin Structures

Submitted by:



BMS - Approved

Brenda Shott
Assistant CEO, Finance and Internal Operations



OCERS Headquarters Building

Monthly Project Status Report

May 31, 2025



Schedule

OCERS Headquarters Schedule
May-25

Task	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
City Site Plan Approval Process										
GMP preparation										
GMP approval										
Construction documents										
Plan check and permit										
MOB demolition										
Commence construction										

Monthly Summary of Activity

During the Month of May 2025, the project team completed the following on the OCERS new headquarters Project:

- Held and attended an in-person site walk of the MOB building with demolition teams.
- Continued coordination attempts with Verizon on their application submissions with SCE.
- Continued working with the city to process the development entitlement application. Preparing for the Zoning Administrator hearing in June.
- Advanced the Construction Documents toward a June plan check submittal.
- Continued to work on value management for the construction costs.



Status Report as of 6/3/25

6/3/2025

Version 0.1



Document Control

Document Information	
Document Owner	Shelly Pardis
Effective Date	6/3/2025
Covering Period	5/19/25 – 5/30/25

Revision History

Version	Date	Description of Changes
0.1	5/30/2025	Initial Draft
1.0	6/2/2025	Review by PM team
1.1		
1.2		



Dashboard Update Period Ending: 5/30/2025

Prepared on: 5/30/2025

Published on: 6/3/2025

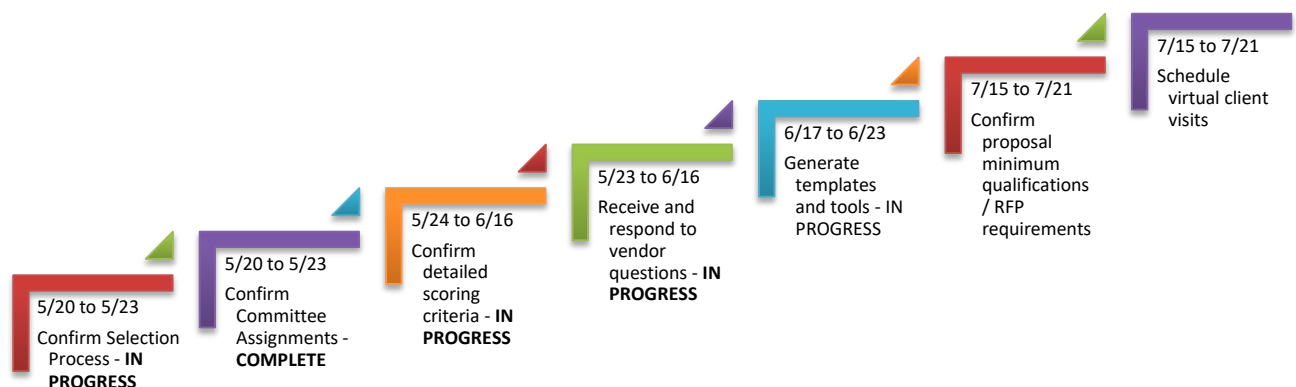
OCERS Horizon Program Status



Overall Engagement Status

Phase 1 – Visioning & Needs Assessment - **COMPLETE**Phase 2 – In Progress RFP Development & Procurement – **ON TRACK**

OCERS Horizon Initial Procurement Activities





Key Decisions that require OCERS action

Decisions related to Vendor Selection Process – Due 6/9

- Confirm activities for the Vendor Selection Process
- Confirm weighting of high level evaluation criteria as listed in the RFP
- Confirm alignment of “Commitments and Requirements” and “Cost Evaluation” scoring criteria
- Confirm Approach to Group Scoring
- Confirm length of time planned for Proof of Concept

OCERS Horizon Accomplishments

- RFP Issuance and acceptance of Deliverable P203RFP was published on Monday, May 19th as planned.
- Confirmed Vendor Selection committee and assignments. All committee members will participate in all activities. Here is the final Vendor Selection Committee: Nicole McIntosh, Tracy Bowman, Jeff Lamberson, Mark Adviento, Jenny Sadowski, Matt Eakin, David Kim, Darren Dang, Will Tsao. Other members of the Executive Committee. Legal Resources, and Procurement will be kept informed.
- The project schedule has been updated as of 5/30/2025.

Upcoming Milestones

1. Respondent Questions Due – 5/30/2025
2. Confirm Vendor Selection Process – 6/9/2025
3. Confirm Detail Scoring Criteria – 6/16/2025
4. Response to Questions posted – 6/16/2025
5. Proposals Due – 7/14/2025

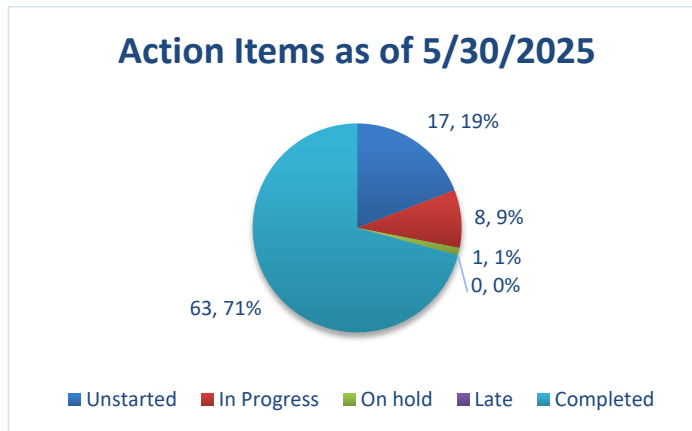
Current / Upcoming Activity Updates:

- **Initial Procurement Activities**
 - OCERS is reviewing the initial set of detailed scoring criteria which includes the overall weighting of the high level criteria included in the RFP, scoring of commitments and requirements, and cost evaluation.
 - The next set of criteria will be provided on 6/3.
 - Provaliant is working on the tools to use for group scoring of the proposals.
 - OCERS and Provaliant are reviewing and responding to questions as they are received. We will have until 6/16 to finalize all responses.



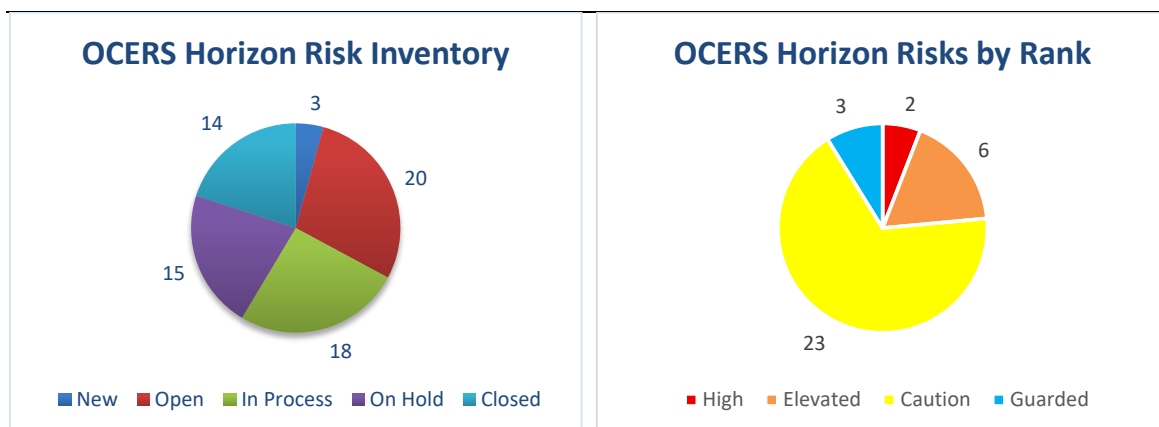
Action Items:

- All key activities are on track to complete as scheduled.
 - The RFP has been issued and we are responding to questions from vendors as they submit them. Please note that vendors have until 7/14 to submit their proposals and unless they want to submit a question, they do not have to be registered in PlanetBids.
 - Review of all identified risks that were identified in the preliminary process is near completion with the plan to have all active risks converted to Hive no later than 6/27.
- All Action items are being closely monitored for impact to the timeline.



- Late Actions:
 - None
- Key action items:
 - Due 5/19 – RFP Issuance – Completed
 - Due 5/23 – Vendor Selection Committee Assignments – Completed
 - Due 5/30 – Acceptance of P203 Deliverable – RFP Issuance.- Completed
 - Due 6/9 – Confirm Vendor Selection Process – In Progress
 - Due 6/16 – Finalize detailed evaluation criteria

OCERS Horizon Risk Management: The risk log includes 70 identified risks. Risk Management is an ongoing process and will continue through the length of the project.



The next risk meeting on 6/24 will involve finishing the initial assessment of new risks and confirm owners on all risks with a Risk Score of "Elevated" or above. Owners will be assigned the Risk Action Cards in Hive to research and determine the Management Approach and plans. The following includes the list of risks that we will address during the meeting.

Risks/Issues for next meeting

Final risks that require a preliminary assessment: We will determine an initial ranking and owner if the score is Elevated or above.

- Risks to be reviewed: 27, 28, 36, 68, 69, 70.

Risk Ranked High: For each High Risk we will confirm Status and Owner. High Risks should be reviewed each month. At subsequent meetings, owners will report on progress of management approach and plans.

- Risks to be reviewed (Impact/Probability):
 - #12 (High/High): Solution isn't sufficiently tested due to not enough time given to perform User Acceptance Testing (UAT) and/or it is not inclusive of all types of testing.
 - #25 (Catastrophic/Moderate): Requirements may need to be changed or added; technology changes may require changes to design or infrastructure; resource burnout and key resources may leave
 - Consider rewording this risk for clarity or potentially break it out into two risks.

Risk Ranked Elevated: For each Elevated Risk we will confirm Status and Owner. Elevated Risks should be reviewed each month. At subsequent meetings, owners will report on progress of management approach and plans.

- Risks to be reviewed (Impact/Probability):
 - #1 (High/High) – Increased number of bugs; delivery dates missed; increased complexity of future upgrades due to a solution that is heavily customized to meet the needs of OCERS



- #3 (Catastrophic/Moderate) - Legacy system and new LOB system will be out of sync until Legacy system is fully decommissioned due to data not able to be bridged back to Legacy system once it's reformatted/constructed/deconstructed for conversion into new LOB system
- #4 (High/High) - Data will be cleansed later than expected due to volume of data in need of cleansing exceeding the amount expected
- #24 (High/High) - Need to re-baseline the project, but can't meet the new timeline due the need for new or changed requirements from legislation
- #53 (High/High) – Need for additional funding or inability to meet original timelines due to multiple factors that cause cost overruns or project delays
- #56 (High/High) – Multiple risks associated with choosing a composable architecture

Other Items

- None

Issues

- N/A



Memorandum

DATE: June 3, 2025
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**

Written Report

Background/Discussion

The attached report covering the period 5/19/2025 to 5/30/2025 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** indicates that Phase 1 (Visioning & Needs Assessment) is complete, and Phase 2 (Initial Procurement Activities) is in progress and currently on track overall. The project continues to progress as planned, with the RFP successfully published on May 19, 2025, meeting our timeline and completing a major milestone.

Phase 2 progress summary:

- Σ **RFP Issuance and Publication** is complete. This deliverable was accepted by the Project Champion, Mr. David Kim, and represents a huge milestone for OCERS Horizon.
- Σ **Confirmed Vendor Selection committee members.** Continuing to finalize the vendor selection process and preparing scoring criteria and templates.
- Σ Proposals are expected to be due on **July 14, 2025.**

Key Risks/Issues identified include:

- Σ **Resources:** Resource constraints at OCERS impact daily operations, project quality, and cause delays. OCERS has finalized and received Board approval for a staffing plan. Provaliant has included planned OCERS staffing and schedule constraints in the RFP, requiring vendors to consider this in their proposed schedules.
- Σ **Data:** Incomplete and inaccurate data causes manual work, sync problems, and project delays. OCERS is working on an RFP for a data services vendor and data cleansing.
- Σ **Complexity:** Technology changes and complexity may impact schedule, quality, and performance. OCERS has refined Simplification Committee processes and improved tracking. Alignment with the IT strategic roadmap and Solution design is confirmed. Provaliant has included requirements for structured Change Control processes and vendor recommendations for process improvements in the RFP.
- Σ **Testing:** Insufficient time and planning for User Acceptance Testing (UAT) may cause inaccurate results. Provaliant has included commitments in the RFP to require a **minimum of 20% of the project schedule**

for UAT. This requirement is planned to be included in the Service Agreement. OCERS plans to include oversight program management to guide the UAT process.

Milestones/Metrics/Action Items:

Upcoming Milestones include:

- Σ Confirm Vendor Selection Process: June 9, 2025
- Σ Finalize detailed evaluation criteria: June 16, 2025

Key Takeaways:

- Σ Phase 2 of the Horizon Program is progressing well and on track to complete the next major milestone of finalizing the evaluation criteria on June 16, 2025.
- Σ The identified risks related to resources, data, and complexity are being actively managed, but continuous monitoring is crucial. The inclusion of UAT duration requirements and a structured Change Control process in the RFP are positive steps.

Conclusion:

In conclusion, the status report ending June 3, 2025, indicates that the OCERS Horizon project is on track with the successful release of the RFP on May 19, 2025. The team is diligently working on the next portion of Phase 2 to complete the initial procurement activities in preparation for vendor evaluation and selection. Key risks have been identified and are being addressed with specific mitigation strategies as the team continues to meet and monitor any new risks.

Attachments:

1. R-10 OCERS HORIZON ACTIVITY REPORT 06.03.2025 FINAL

Submitted by:

 **WT – Approved**

William Tsao, Director of EPMO



Memorandum

DATE: June 16, 2025
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: STRATEGIC PLANNING WORKSHOP – PROPOSED FORMAT AND AGENDA TOPICS

Written Report

Background/Discussion

It's time to begin planning for OCERS' annual Strategic Planning Workshop scheduled for Tuesday, September 9 and Wednesday, September 10, 2025.

The workshop has traditionally had multiple goals, with the overall strategic direction of both the agency and the investment fund being the binding theme:

- Σ Combine both education and discussion on topics pertinent to operations and investments over the next several years. Seek consensus on Board and agency priorities for the coming calendar year.
- Σ Focus is generally on operational issues as they relate to the agency's strategic objectives, and their funding. Investment operations and strategic goals are covered as well.
- Σ Presentations and discussions provide the opportunity for sharing of ideas among OCERS' trustees, staff and consultants, truly an opportunity for thinking outside the box as OCERS pursues "continuous improvement."

Though held off-site in the past, no matter where this meeting is held it is a public meeting, and has consistently had an audience of a size similar to regular OCERS Board meetings.

Format

1. Presently your staff is preparing to once again hold the two-day Strategic Planning Workshop in-person at The Westin South Coast Plaza. Due to scheduling and availability, we will be returning to the upstairs Terrace Pavilion, but we will work with hotel staff to ensure an intimate and productive meeting.

Pre-Arranged Agenda Topics:

The annual Strategic Planning workshop is the first occasion for the Board to consider staff's early proposals for the coming year 2026's business plan goals, as well as any updates to the multi-year strategic plan.

For general administration issues:

1. STATE OF OCERS
Due to time constraints in collecting and updating system data, beginning in 2019 I have delivered the annual presentation of the "STATE OF OCERS" at the Strategic Planning Workshop.

2. STAKEHOLDER COMMENTS

Once again we will open with comments from representatives of our participating employers and labor groups. This allows the Board of Trustees to hear directly from our stakeholders regarding the economic and life challenges being faced by employers and members in relation to the retirement benefits this Board administers.

Other Possible Agenda Topics:

Each June I lay out possible topics that could be considered at the workshop, and request that Trustees offer suggestions as well. Some topics we believe may be of interest:

- Σ Leveraging AI in Public Pensions (Vision 2030)
- Σ Detailed discussion of OCERS' New HQ Project
- Σ Actuarial Issues Update

Please let me know if there is a topic that you would like explored at this year's workshop and I will work with the Board Chair and Investment Committee Chair to give each request full consideration. I will return to the Board in July with an update for the 2025 Strategic Planning Workshop for the Board's final review and approval.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer



Report of Attendance at Conference or Seminar

Name of Member Attending: Richard Oates

Name of Conference/Seminar: Motley Rice- Pension Investor Conference 2025

Location of Conference/Seminar: Charleston, South Carolina

Conference/Seminar Sponsor: Motley Rice

Dates of Attendance: 4/27/25-4/30/25

Total Cost of Attendance: \$2431.84

Brief Summary of Information and Knowledge Gained:

I learned current legal trends and strategies regarding geopolitical issues within the US market.

Evaluation of the Conference or Seminar:

The conference was good overall and offered several takeaways that will be applicable in the governance of our System.

Recommendation Concerning Future Attendance:

Although this is a valuable conference, I recommend future attendance to be once Per term if Motley Rice is not a contractor with the system.

Richard Oates

Signature

Return to: Executive Assistant

Copies to: Board Members
Chief Executive Officer
Assistant Chief Executive Officers



Report of Attendance at Conference or Seminar

Name of Member Attending: Adele Lopez Tagaloa

Name of Conference/Seminar: Pension Investor Conference US

Location of Conference/Seminar: Charleston, SC

Conference/Seminar Sponsor: Motley Rice (Broadridge, AB Data)

Dates of Attendance: 4/27/25 – 4/29/25

Total Cost of Attendance: _____

Brief Summary of Information and Knowledge Gained:

Conference was attended by small and mid-size pension funds, including fire and police. Inspirational speak shared leadership skills that can translate to board governance. I learned more about litigation and securities and the AI panel I was moderating, produced another trustee from a mid-size pension fund to attend the OCERS AI monthly Roundtable.

Evaluation of the Conference or Seminar:

Panelists were interactive, extremely knowledgeable, and data driven. This conference gave an opportunity to hear the different experience and challenges from other pension funds across the US expanding our state.

Recommendation Concerning Future Attendance:

Recommend this conference for those who would like to know more litigation and securities.

Adele Lopez Tagaloa
Signature

Return to: Executive Assistant

Copies to: Board Members
Chief Executive Officer
Assistant Chief Executive Officers



Report of Attendance at Conference or Seminar

Name of Member Attending: Adele Lopez Tagaloa

Name of Conference/Seminar: NASP Southern California 2025 Annual Day of Education in Private Equity for Trustees and Staff Conference

Location of Conference/Seminar: Marina Del Rey, CA

Conference/Seminar Sponsor: National Association of Securities Professionals Southern California

Dates of Attendance: 3/20

Total Cost of Attendance: _____

Brief Summary of Information and Knowledge Gained:
Topics included Private Equity and trends in Private Credit. SO CAL NAPS continues to dedicate their investment in local high school students with scholarships to pursue higher education during the luncheon.

Evaluation of the Conference or Seminar:
Conference was well attended by trustees and investment staff from mid-size to large pension funds.

Recommendation Concerning Future Attendance:
This is a one evening/one-day local conference and highly recommend attending for education, networking, and potential new investment ideas.

Adele Lopez Tagaloa
Signature

Return to: Executive Assistant

Copies to: Board Members
Chief Executive Officer
Assistant Chief Executive Officers