

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

**PERSONNEL COMMITTEE MEETING
Monday, August 31, 2026
9:30 A.M.**

MINUTES

OPEN SESSION

Chair Hilton called the meeting to order at 9:40 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Roger Hilton, Chair; Iriss Barriga, Board Member; Charles Packard, Board Member

Also Present: Brenda Shott, Deputy CEO; William Tsao, Asst. CEO, External Ops; Manuel Serpa, General Counsel; Molly Murphy, Chief Investment Officer; Darren Dang, Chief Technology Officer; Cynthia Hockless, Director of Human Resources; Mark Adviento, Director of Employer Services and Quality Assurance; Jeff Lamberson, Director of Member Services; David Beeson, Managing Director Investments; Mary-Joy Coburn, Director of Communications; Diane Thai, Director of EPMO; Aileen Daag, Employee Services Supervisor; Melissa Wozniuk, HR Analyst; John Nguyen, HR Analyst; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary; Clarissa Buendia, Communications Assistant Temp; Nicole Cove (Zoom), County of Orange

CONSENT AGENDA

C-1 PERSONNEL COMMITTEE MEETING MINUTES

Personnel Committee Meeting Minutes

May 6, 2026

Recommendation: Approve minutes.

A **motion** was made by Mr. Packard, **seconded** by Ms. Barriga, to approve staff's recommendation to approve the minutes.

The motion passed **unanimously**.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 PROPOSED 2027 STAFFING PLAN

Presentation by Brenda Shott, Deputy CEO, and Cynthia Hockless, Director of Human Resources, OCERS

Recommendation: Approve and recommend that the Board of Retirement approve the following items related to the 2027 staffing plan to be presented at the October 19, 2026, Board meeting:

1. CREATE TWO (2) NEW REGULAR POSITIONS

- One (1) Investment Officer – Investments Department
- One (1) AI Automation Developer – Information Technology Department

2A. FUND FIVE (5) PREVIOUSLY APPROVED LIMITED-TERM POSITIONS

- Two (2) Retirement Program Specialists – Member Services Department
- One (1) Senior Retirement Program Specialist – Member Services Department
- Two (2) Retirement Program Specialists – Employer Services & QA Department

2B. CREATE ONE (1) NEW LIMITED-TERM POSITION

- One (1) Staff Assistant – Communications Department

3. CREATE ONE (1) NEW CAREER LADDER

- One (1) Senior Investment Officer – Investments Department (no impact to budgeted headcount)

In total, this request adds eight (8) positions and one (1) career ladder, increasing budgeted headcount from 150 to 158 positions. The total estimated annual personnel cost for this request is **\$1.231 million**.

Ms. Shott presented the proposed 2027 staffing plan as the first step in the development of the 2027 OCERS budget. She explained that because personnel costs represent the largest component of the budget, staffing plan requests are reviewed first to allow sufficient time for Committee consideration before Board approval in October and budget adoption in November. Ms. Hockless and each department head provided an overview of the staffing requests for their area. This request would increase the budgeted headcount from 150 to 158 positions at an annual cost of approximately \$1.231.

Ms. Hockless noted that the cost of the Member Services Limited-Term positions may increase as a result of the County's current Maintenance Study, which is currently reviewing those classifications and scheduled to gain approval from the Board of Supervisors on September 29, 2026. The cost estimate she provided reflects the recent OCEA 3% wage increase.

Following discussion, a **motion** was made by Ms. Barriga, **seconded** by Mr. Packard, to approve and recommend that the Board of Retirement approve staff's recommendation as presented.

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The motion passed **unanimously**.

The Committee recessed for break at 10:24 A.M.

The Committee reconvened from break at 10:40 A.M.

Recording Secretary administered the Roll Call attendance.

A-3 REVIEW OF THE INCENTIVE COMPENSATION PLAN CHANGES

Presentation by Molly Murphy, Chief Investments Officer, and Manuel D. Serpa, General Counsel, OCERS

Recommendation: Approve and recommend that the Board adopt the proposed clarifying amendments to the Incentive Compensation Plan, as reflected in the attached redline.

Ms. Murphy presented proposed technical amendments to the Investment Incentive Compensation Policy. The revisions clarify performance ranges used in calculating incentive compensation by eliminating unintended gaps between performance thresholds and adding explanatory language regarding performance presentation and calculation methodology.

After discussion, a **motion** was made by Mr. Packard, **seconded** by Ms. Barriga, to approve and recommend that the Board adopt the proposed clarifying amendments to the Incentive Compensation Plan, as reflected in the attached redline.

The motion passed **unanimously**.

INFORMATION ITEMS

I-1 UPDATE ON THE COUNTY'S CLASSIFICATION MAINTENANCE STUDY

Presentation by Cynthia Hockless, Director of Human Resources, OCERS, and Nicole Cove, Classification and Compensation Manager, County of Orange

Ms. Cove, County Classification and Compensation Manager, provided an update on the County's classification maintenance study highlighting the market analysis, salary adjustment recommendations, and overall cost. The recommendations are scheduled for consideration by the Board of Supervisors on September 29, with implementation anticipated in early October if approved.

I-2 UPDATE ON THE OCERS DIRECT COMPENSATION STUDY

Presentation by Cynthia Hockless, Director of Human Resources, OCERS

Ms. Hockless provided an update regarding procurement of the OCERS Direct Compensation Study with the study expected to begin in early September.

WRITTEN REPORTS

R-1 EMPLOYER DATA PARTNERSHIP PROJECT UPDATE

Written Report

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Mr. Packard pulled the written report for discussion to clarify the timeline for the implementation of penalty fees. Committee directed staff to provide a status report in 2027 and 2028 regarding exception rates and employer compliance progress.

CHIEF EXECUTIVE OFFICER/COMMITTEE/STAFF/COUNSEL COMMENTS

None.

ADJOURNMENT

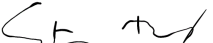
Chair Hilton **ADJOURNED** the meeting at 11:09 A.M.

Submitted by:

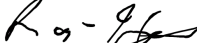
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Cynthia Hockless
Liaison

Submitted by:

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Steve Delaney
Secretary to the Board

Approved by:

Signed by:

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Roger Hilton
Chair