



**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF RETIREMENT**

**2026 STRATEGIC PLANNING WORKSHOP
Tuesday, September 15, 2026
8:30 A.M.**

**Westin South Coast Plaza
686 Anton Blvd.
Costa Mesa, CA 92626**

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

OCERS Zoom Video/Teleconference information	
Join Zoom Meeting https://ocers.zoom.us/j/87588004751 Meeting ID: 875 8800 4751 Passcode: 549345 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 (Tacoma) +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York) +1 301 715 8592 US (Washington DC) Meeting ID: 875 8800 4751 Passcode: 549345
A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page	

**AGENDA (DAY 1)**

BREAKFAST	7:30 - 8:30
1 WELCOME & INTRODUCTORY COMMENTS Board Chair Richard Oates and Steve Delaney, CEO, OCERS	8:30 - 8:45
2 STATE of OCERS – AN OVERVIEW Steve Delaney, CEO, OCERS	8:45 - 10:15
BREAK	10:15 - 10:30
3 OCERS HEADQUARTER STATUS – THE HEADQUARTERS OF OUR FUTURE Brenda Shott, Deputy CEO, OCERS and Rob Abergas, Wayne Iverson and John Potoczny, Snyder Langston	10:30 - 11:00
4 SaaS IN THE AGE OF AI Seth Boro, Managing Partner, Thoma Bravo	11:00 - 12:00
LUNCH	12:00 - 1:00
5 GEOPOLITICS IN A SHIFTING WORLD OF TECHNOLOGY, TRADE, AND ENERGY Tom Cooney, International Policy Advisor, Capital Group	1:00 - 2:00
BREAK	2:00 - 2:15
6 FROM POLICY TO PRACTICE: MANAGING INVESTMENT RISK OCERS Investment Department	2:15 - 4:15
7 ACTION ITEM: TRUSTEE TRAVEL REQUEST Recommendation: Approve the following travel: - Ms. Lopez Tagaloa attendance at the NAA Global Capital Symposium to be held October 13-15 at the Fontainebleau Miami, Miami, Florida. Anticipated cost is approximately \$2000 [Registration: Free; Flight: \$700; Meals: \$200; Hotel: \$1000; Misc: \$100]	4:15 - 4:20
8 WRAP UP Steve Delaney, CEO, OCERS	4:20 - 4:30
ADJOURNMENT NO- HOST NETWORKING HAPPY HOUR @ LOBBY BAR	



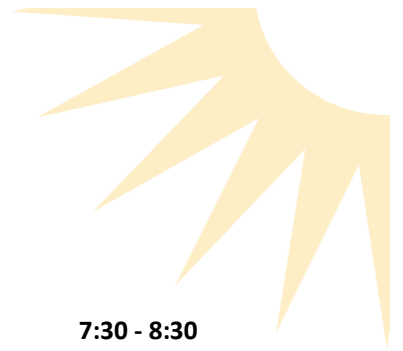
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Join Zoom Meeting https://ocers.zoom.us/j/88380669045 Meeting ID: 883 8066 9045 Passcode: 902611 Go to https://www.zoom.us/download to download Zoom app before meeting Go to https://zoom.us to connect online using any browser.	Join by Telephone (Audio Only) Dial by your location +1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US (Tacoma) +1 929 436 2866 US (New York) +1 301 715 8592 US (Washington DC) +1 312 626 6799 US (Chicago) Meeting ID: 883 8066 9045 Passcode: 902611
A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page	

**AGENDA (DAY 2)**

BREAKFAST	7:30 - 8:30
1 WELCOME & INTRODUCTORY COMMENTS Board Chair Richard Oates and Steve Delaney, CEO, OCERS	8:30 - 8:45
2 HEARING FROM OUR STAKEHOLDERS For more than a decade, we have had the honor of hearing from our stakeholders. County of Orange OC Sanitation OCEA	8:45 - 9:45
3 SEGAL TOPICS: LIFE EXPECTANCY AND AI IN THE WORK FORCE Matt Strom, Senior Vice President and Actuary, Segal	9:45 - 10:15
4 SEGAL TOPICS: MANDATORY SOCIAL SECURITY Matt Strom, Senior Vice President and Actuary, Segal	10:15 - 10:45
BREAK	10:45 - 11:00
5 BUILDING A CYBER RESILIENT OCERS Elliot Parks, Public Sector Services Delivery Lead, Google Cloud	11:00 - 11:30
6 INTRODUCTION TO DATA TEAMS David Yamasaki, CEO, OC Courts	11:30 - 12:00
LUNCH	12:00 - 1:00
7 OCERS INTO THE FUTURE: LOOKING AT SUCCESSION Steve Delaney, CEO, OCERS	1:00 - 2:30
BREAK	2:30 - 2:45
8 V3LOCITY- OUR NEW PENSION ADMINISTRATION SYSTEM- A MAJESCO DEMONSTRATION Will Tsao, Assistant CEO, External Operations, OCERS and Hope Nawada and Viraj Singh, V3LOCITY	2:45 - 3:15
9 PROPOSED 2027-2029 STRATEGIC & BUSINESS PLAN Steve Delaney, CEO, and Will Tsao, Assistant CEO, External Operations, OCERS	3:15 - 4:00
10 WRAP UP Steve Delaney, CEO, OCERS	4:00 - 4:15

ADJOURNMENT



State of OCERS- An Overview

Strategic Planning Workshop

Steve Delaney, CEO

September 15, 2026



We're equal to a small state



251st in Pensions Worldwide

125th in the Nation

53rd in DB Public Pensions

Assets as of Sep. 2025



Per 2025 P&I Retirement Pension Listing

Orange County Employees Retirement System

Who We Serve



- 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)



The Current State of OCERS

Total Membership
55,173 (as of Dec. 2025)

2025	55,173	1.0%
2024	54,485	3.5%
2023	52,644	3.9%
2022	50,633	3.1%
2021	49,075	2.6%
2020	47,796	1.3%
2019	47,196	3.4%
2018	45,629	2.6%
2017	44,471	2.6%
2016	43,485	2.3%
2015	42,427	2.4%



Some Local Comparisons

	OCERS	Arizona	LACERS	SBCERA	SDCERA
Trustees	9 + 1(alt)	9	6	9 + 3(alt)	9 + 2(alt)
Membership	55,000	60,000	62,180	52,000	52,065
Employers	13	302	1	17	2
MOUs	60		47	49	2
Assets	\$25.7B	\$24.2B	\$21.2B	\$16.4B	\$19.7B
Staff	150	45	178	90	68* (HR & IT Outsourced)



As of Dec. 2025

Orange County Employees Retirement System

The Current State of OCERS

Total Retirees (Payees)
[as of Dec. 2025]

22,244



1.06 active members
to payees (regular and
disability retirees and
survivors)

2025	22,244
2024	21,740
2023	21,283
2022	20,678
2021	19,826
2020	19,419
2019	18,420
2018	17,674
2017	16,947
2016	16,369
2015	15,810



Improving Mortality and Its Impact on Liabilities

As of September 2026:

- 100+ years young – 27
- Oldest payee – 105 years young (Tina Ferrari- turning 106 in December)
- Number of people who received 100th birthday cards from OCERS in 2026: 4

Age Range	Payee Count 2022	Payee Count 2023	Payee Count 2024	Payee Count 2025
90-99	689	640	735	767
100+	22	23	28	27



The Current State of OCERS

The Promise (as of Dec. 2025)
\$29,639,365,000

2025	\$29,639,365,000
2024	\$28,258,622,000
2023	\$26,788,041,000
2022	\$25,386,669,000
2021	\$24,016,073,000
2020	\$22,904,975,000
2019	\$21,916,730,000
2018	\$20,703,349,000
2017	\$19,635,427,000
2016	\$17,933,000,000
2015	\$17,050,000,000



The Current State of OCERS

Unfunded Actuarially Accrued Liability (UAAL)

(as of Dec. 2025)

\$3,986,366,000

2025	\$3,986,366,000
2024	\$4,569,636,000
2023	\$4,652,756,000
2022	\$4,695,010,000
2021	\$4,527,312,000
2020	\$5,379,858,000
2019	\$5,879,861,000
2018	\$5,708,929,000
2017	\$5,438,302,000
2016	\$4,830,483,000
2015	\$4,822,000,000



The Current State of OCERS

PEPRA (Public Employees Pension Reform Act) - January 2013

Legacy and PEPRA Membership as of December 2025

	2020	2021	2022	2023	2024	2025
Legacy Active and Deferred Members	18,442	17,828	16,819	16,060	15,467	14,746
PEPRA Active and Deferred Members	9,935	11,421	13,136	15,301	17,278	18,183
Total	28,377	29,249	29,955	31,361	32,745	32,929
Percentage of PEPRA to Legacy Members	35%	39%	44%	49%	53%	55%

- Between 4% and 5% of Legacy member payroll has been replaced by PEPRA member payroll nearly every year.
- Assuming the trend continues, employer normal costs will decrease by about 0.2% annually until there are no more active Legacy members.



The Current State of OCERS

2025	\$1,339,000,000
2024	\$1,300,000,000
2023	\$1,200,000,000
2022	\$1,116,000,000
2021	\$1,030,000,000
2020	\$973,325,000
2019	\$900,902,000
2018	\$828,278,000
2017	\$764,344,000
2016	\$717,976,000
2015	\$675,963,000

Benefit Payroll for Calendar Year 2025

\$1,339,000,000



The Current State of OCERS

Total Contributions (as of Dec. 2025)

Member Contributions: \$313,190,000

Employer Contributions: \$886,888,000

\$1,200,078,000



The Current State of OCERS

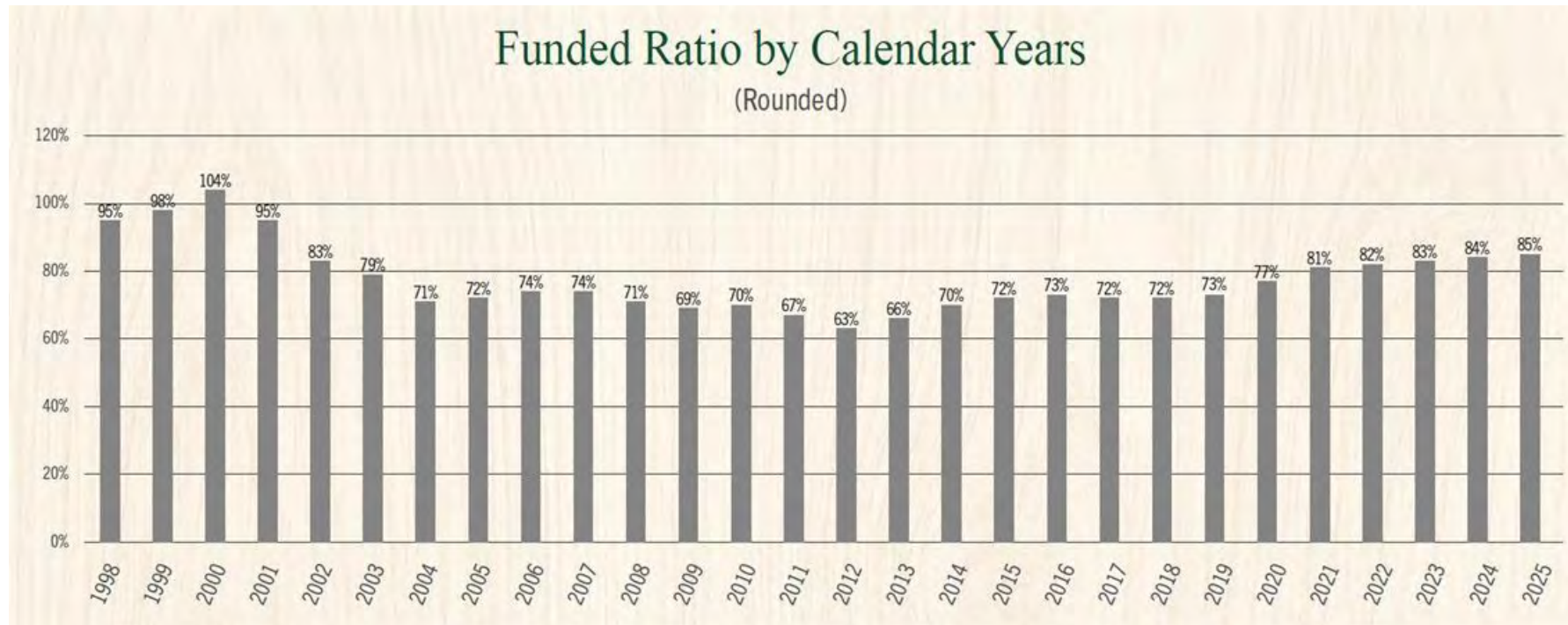
Fund Assets (as of Dec. 2025)
\$25,652,999,000



2025	\$25,652,999,000
2024	\$23,688,986,000
2023	\$22,135,285,000
2022	\$20,691,659,000
2021	\$19,488,761,000
2020	\$17,525,117,000
2019	\$16,036,869,000
2018	\$14,997,420,000
2017	\$14,197,125,000
2016	\$13,102,978,000
2015	\$12,228,009,000



The Current State of OCERS

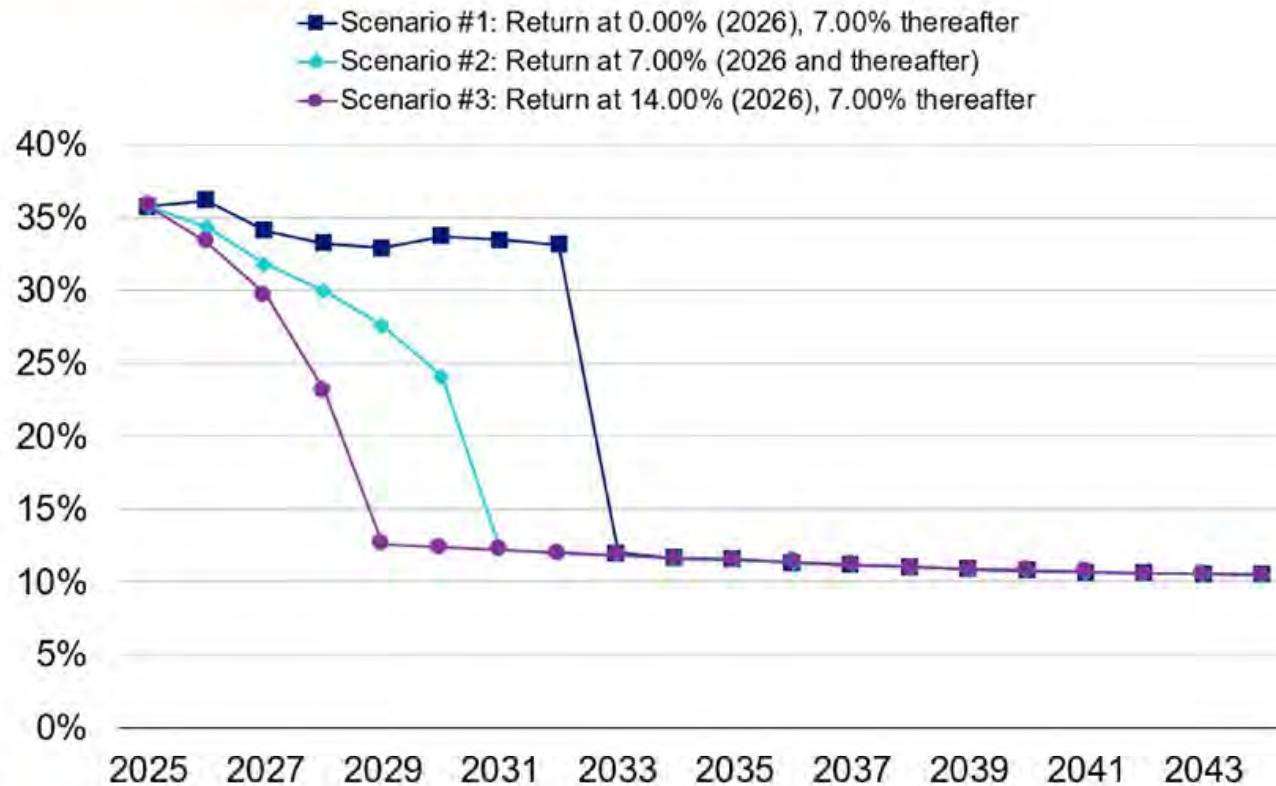


(Valuation value) **86.55%**



Projected Employer Contribution Rates

% of payroll



- System as a whole reaches full funding in 2034, 2030 and 2028 for Scenarios #1, #2 and #3, respectively
- Rate approaches 10.5% of payroll





Succession Planning

SUCCESSION PLANNING

**Board policy asks us to review succession planning.
This is that review.**



The Board of Retirement will from time to time as determined to be in the best interests of OCERS: Ensure that appropriate succession plans are in place to provide continuity in the OCERS management.

Section 15(b), OCERS Board of Retirement Charter

Every year

A standing item on the Board's own calendar.



August 16, 2022

The team, four years ago.

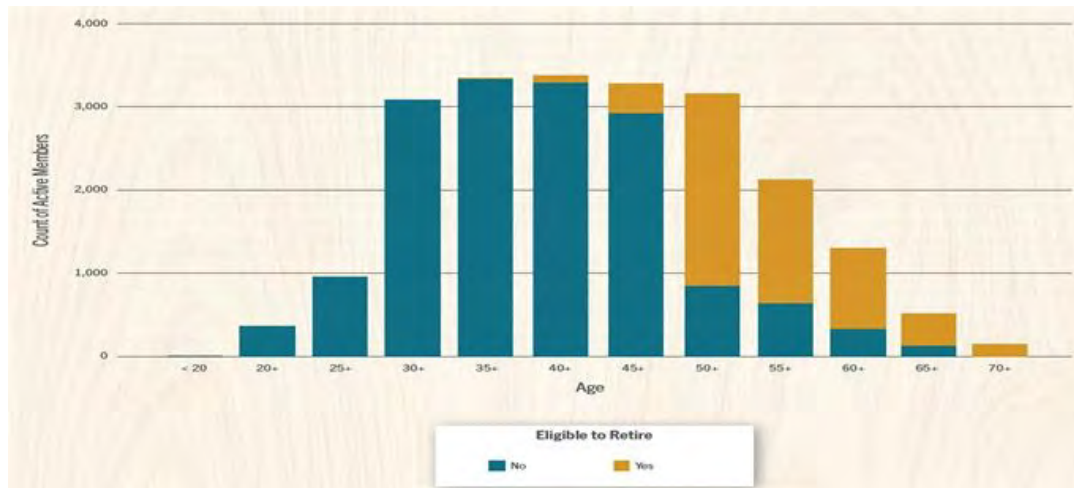


Today

Same photograph. The people who have left are gone from it.

WHO CAN RETIRE

We can see the retirement wave coming, which means we can plan for it.



Succession planning continues

Every retirement is a real person and a real gap. Suzanne's was planned for.

Roughly 30 OCERS team members are retirement-eligible today – and targeted plans are already running in our highest-concentration areas.

WHY THIS MATTERS

Retirement is predictable and visible. Being prepared for it is a choice.

It's About Growing People

Succession planning is the long-term development of staff and skill sets that will serve the agency.



LAYING THE FOUNDATION



Laying the foundation takes four steps, and we run all four every year.

1

Determine critical positions

The roles OCERS cannot operate without.

2

Identify expected vacancies

Who is eligible to leave, and roughly when.

3

Identify competencies and skills needed

What each of those positions actually demands.

4

Assess where current staff stands

Then close the gap against those long-term needs.

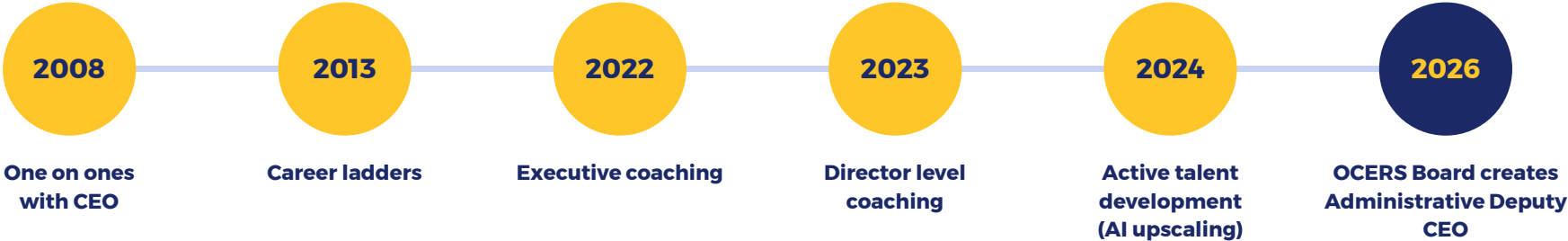
WHY THIS MATTERS

This is how we know who to develop, in what, and how quickly.

TRACK RECORD



“WE WILL TRAIN YOU TO BE THE ONE TO BEAT”



WHY THIS MATTERS

Deepening staff abilities has been my goal since I arrived.

FRONTLINE UPSKILLING



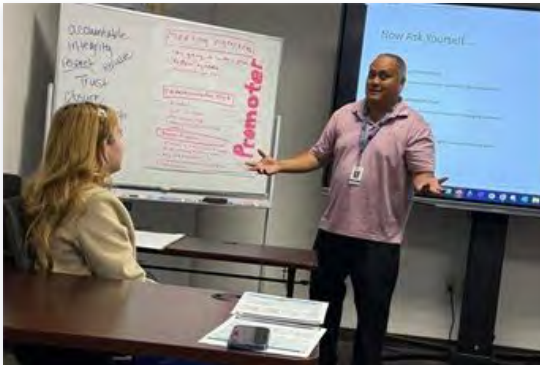
In-house classes, open to every team member – at no cost



Santiago Canyon College visits OCERS



ELEVATE pilot participants



Class in session



Small-group discussion

2026 Sessions

How To Give Your Best Interview

Better Together; YOU + AI

Your Professional Brand

Adapting to Change

AI In Your Everyday Workflow

Customer Service at OCERS

Goal Setting and Time Management

What's Next

College credit! We are in the process of partnering with Santiago Canyon College so team members earn transferable college credits at no cost.



Orange County Employees Retirement System



MID-LEVEL UPSKILLING



Cohort-based leadership training, in partnership with UC Irvine



Cohort session in the Board Room



Situational Leadership in Action

25

IN THE 2026 COHORT

129

SEATS FILLED THIS YEAR

3 hrs

EACH SESSION

22

CONVOCATED IN 2025



Elevator pitch workshop



Group discussion

2026 Classes

APR 29	How to Build a Business Case
MAY 28	Presentation Skills
JUN 23	Change Management
JUL 22	Leading Through Storytelling
AUG 25	Systems Thinking
SEP 23	Finance for Non-Financial Managers
OCT 15	Generative AI at Work
OCT 27	Coaching and Mentoring
NOV 19	Mastering Interview Skills
DEC 15	Identifying High Potentials



Orange County Employees Retirement System



EXECUTIVE UPSKILLING

Coaching, offsites and national conferences for our senior leaders



Summer Leadership Offsite 2026



Gartner session with 2-Star General John Baker



OCERS Leaders with Diane Spiegel, author of Gen Y



Directors Offsite 2025

Executive Coaching

- One-on-one, through Leverage HR



OCERS Offsites

- Winter, Summer, Fall Offsites for leaders
- Hosted most recently at UC Irvine



National Conferences

- SACRS · CalPERS · CSDA



CALAPRS Management Academy

- 6 leaders enrolled
- 3 modules, April to July



Strategic Planning

20 leaders joined a strategic planning workshop with Gartner.



Orange County Employees Retirement System



AI UPSKILLING

Badges to reward and incentivize AI Upskilling

2025 Foundational Training Program – Live, online, or at your own pace

1

COMPLETE

OCERS Intro To AI

Asynchronous, 11-module AI course in eureka.

2

COMPLETE

Gen AI Prompt Engineering

In person, taught by UCI Professor Neil Sahota.

3

ON SHAREPOINT

Copilot Academy & eureka

Free, on-demand training, available any time.



Strategic & Business Plan, Initiative 2

Launch a foundational training program covering AI concepts, Microsoft Copilot tools, process automation use cases, ethical considerations, and OCERS-specific applications.

WHY THIS MATTERS

Badges make progress visible on the floor, and the reward is what pulls people into the next class.



The bench is already producing

20%

of our workforce promoted from within in the last year*

23 total internal promotions

16 into permanent roles

7 stepping up into limited-term

**Of 120 team members as of June 2025 (not including interns or extra help)*

100%

OCERS team members have earned an AI badge. Making individual progress visible across the floor

18.3

average training hours per person, organization-wide (12 hours mandated)

\$57,404

invested in staff tuition reimbursement this fiscal year
CFA, CISSP, SHRM, MBAs & more

100%

OCERS workforce has engaged in an AI and extra curricular learning opportunity

We cannot guarantee anyone a promotion – but we can train them to be the one to beat.



There is a depth of talent waiting to move up the career ladder.

Thank you, OCERS Board, for backing the people who keep OCERS ready.



Future Challenges and Opportunities

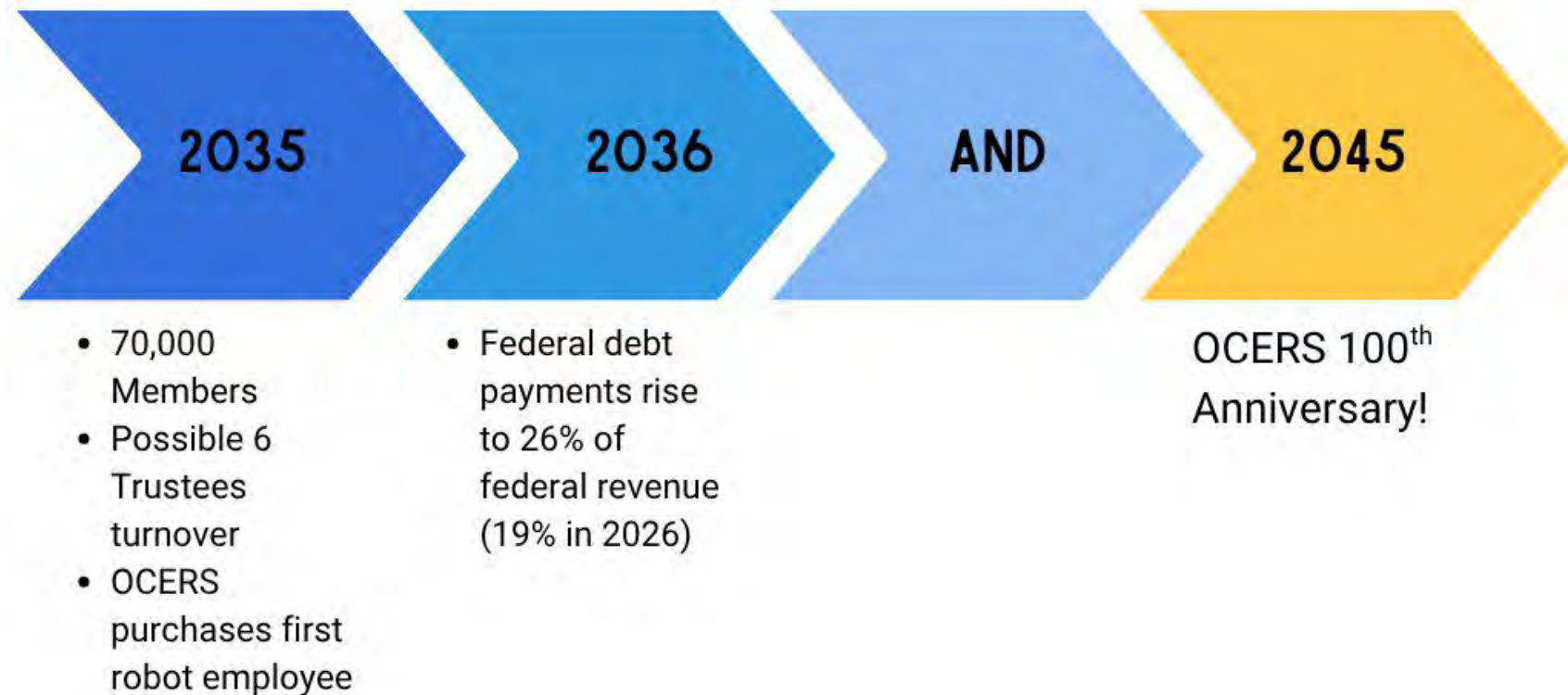
Future Challenges and Opportunities



Future Challenges and Opportunities



Future Challenges and Opportunities



What Other What Ifs?

- What if CIO leaves?
- What if Market Crashes?
- What if there is a Cybersecurity attack?



In Conclusion

The State of OCERS
is good.



Tomorrow...

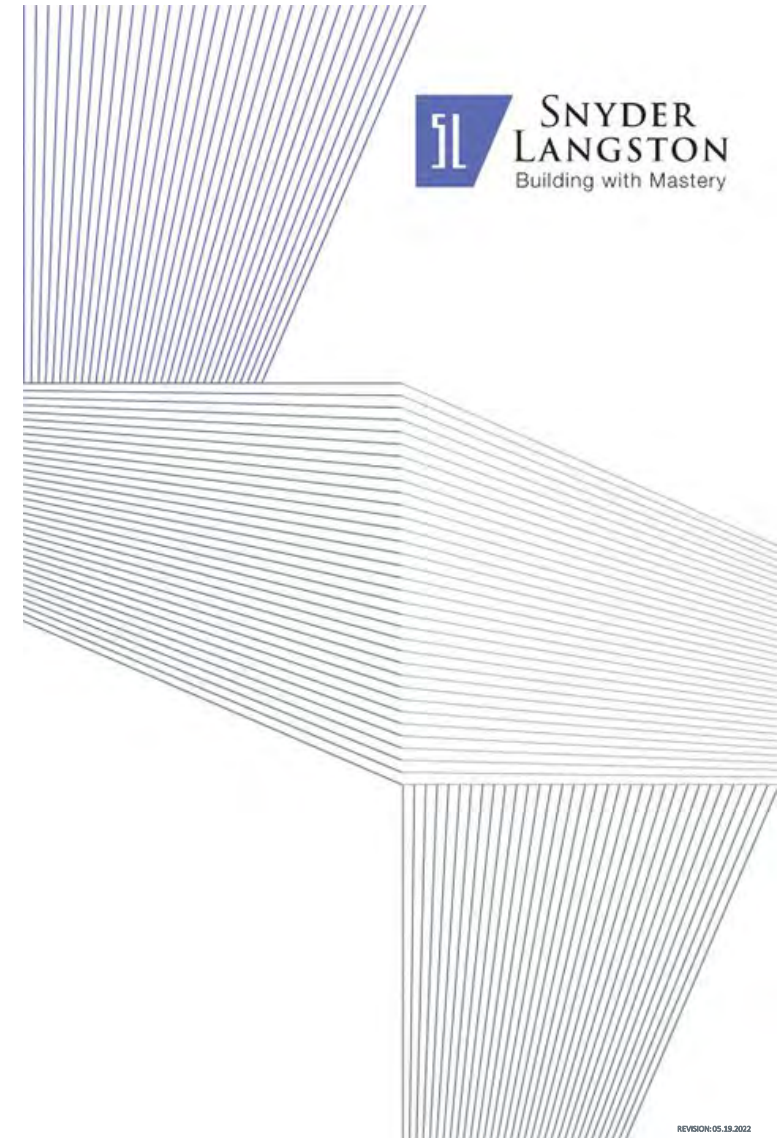
OCERS into the Future: Looking at Succession





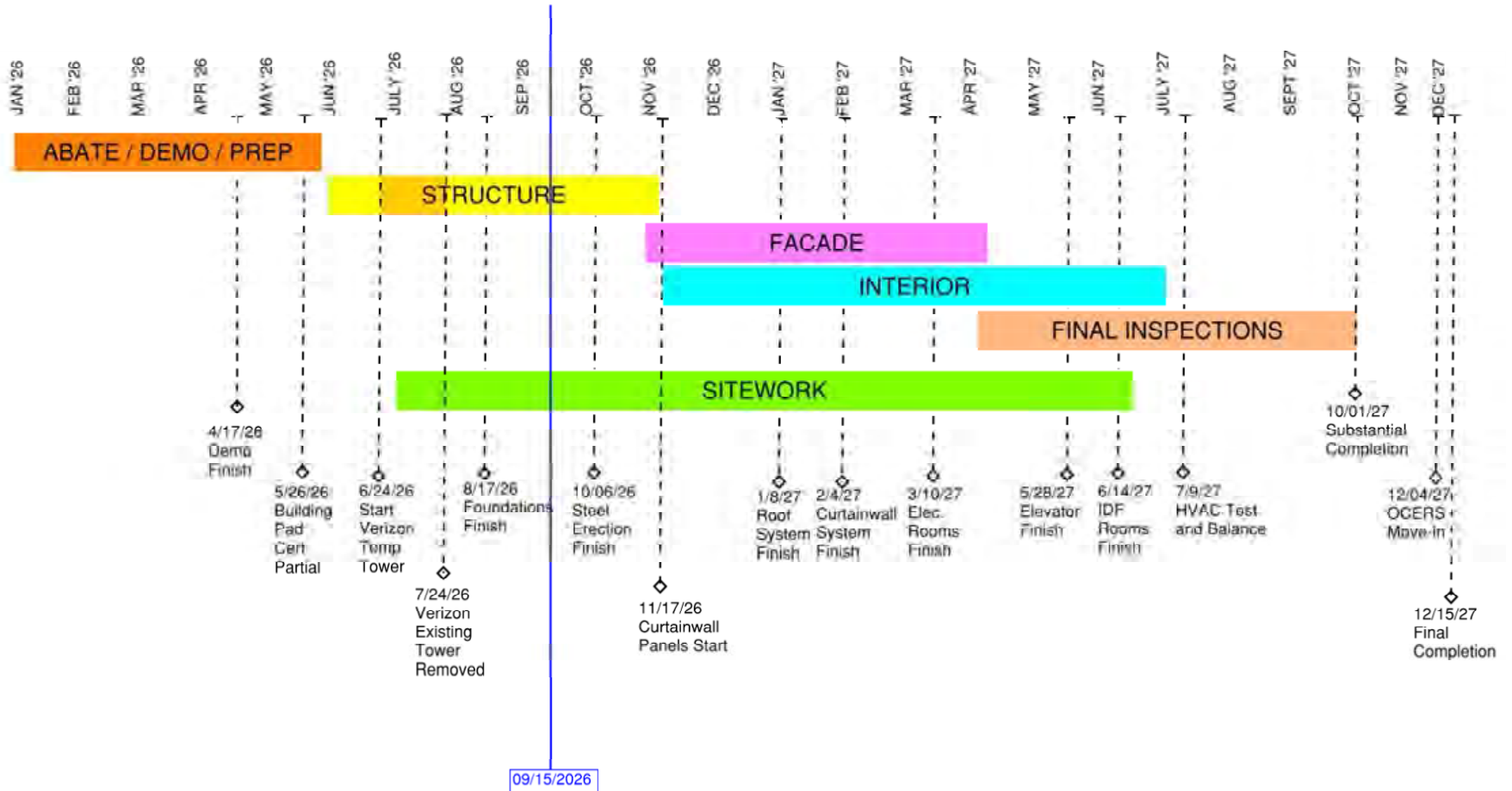
PROJECT UPDATE

OCERS Replacement HQ





OCERS HEADQUARTERS PROJECT - DEVELOPMENT PHASE
CONSTRUCTION
09/15/2026



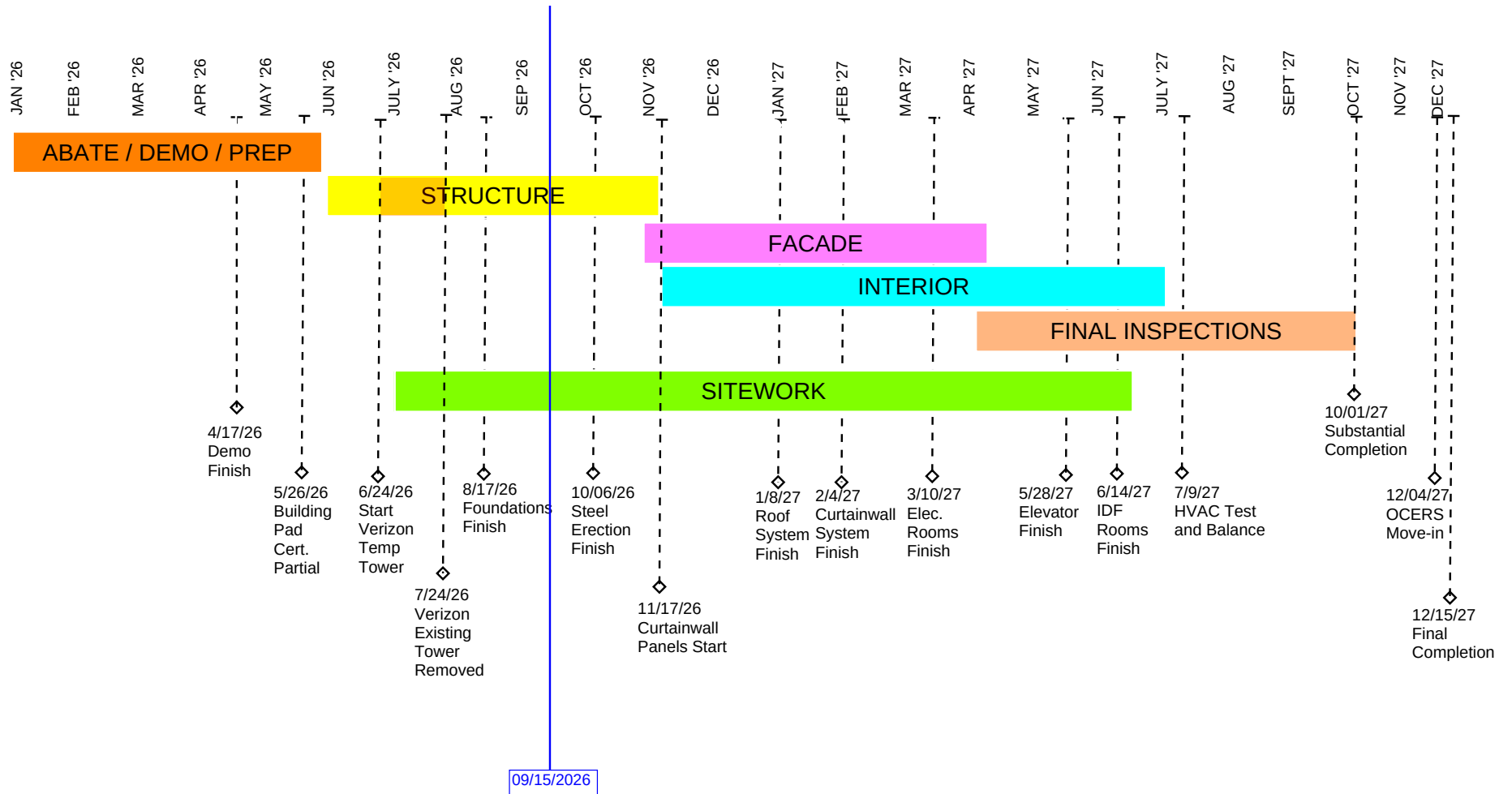








OCERS HEADQUARTERS PROJECT - DEVELOPMENT PHASE
CONSTRUCTION
09/15/2026





Memorandum

DATE: September 15-16, 2026
TO: Members of the Board of Retirement
FROM: Molly Murphy, Chief Investment Officer
SUBJECT: SaaS IN THE AGE OF AI

Background

Moderated by Investment Officer, Stina Walander- Sarkin, please see below for the biography of our speaker: Seth Boro, Managing Partner, Thoma Bravo.

SETH BORO (Managing Partner; Thoma Bravo)

Seth Boro is a managing partner at Thoma Bravo. Since joining in 2005, he has been instrumental in managing the firm and supporting its growth and success across the software and technology space. Based in San Francisco, Seth leads Thoma Bravo's infrastructure software and cybersecurity strategy. He currently sits on the boards of ConnectWise, Darktrace, Exabeam, Flexera, Hyland, Ping Identity, Proofpoint, Qlik, SailPoint, Sophos and Verint. During his time at Thoma Bravo, Seth has held more than 30 board seats, led over 15 exits and helped Thoma Bravo establish one of the largest cybersecurity portfolios in private equity, representing approximately \$62 billion in total enterprise value (includes control and non-control investments, as well as add-on acquisitions, as of June 30, 2026).



In addition to his contributions to the private equity sector, Seth, alongside his wife, Jen Hamilton, founded the Room to Breathe Project, which is committed to supporting and improving young people's mental health and well-being, with a specific focus on under-resourced communities. Seth is also a board observer at Bay FC and the Northern Super League and serves on the boards of the NHL's Ottawa Senators, the Ottawa Rapid FC and the Canada Soccer Foundation.

Originally from Canada, Seth received his bachelor of commerce degree from Queen's University School of Business and later earned his MBA from the Stanford University Graduate School of Business. Seth began his career as an analyst at First Marathon Securities (now National Bank Financial) before joining the investment bank Credit Suisse in Toronto. Prior to Thoma Bravo, Seth was part of the investment team at Summit Partners, where he focused on private equity investments in the technology and business services sectors.

Given Seth's deep expertise in the fields of technology and cybersecurity, he regularly provides insights on sector trends, opportunities and risks through media interviews and at global industry events, including the Milken Institute Global Conference.

Submitted by:



MAM - approved

Molly A. Murphy, CFA

Chief Investment Officer



Memorandum

DATE: September 15-16, 2026
TO: Members of the Board of Retirement
FROM: Molly Murphy, Chief Investment Officer
SUBJECT: **GEOPOLITICS IN A SHIFTING WORLD OF TECHNOLOGY, TRADE, AND ENERGY**

Background

Moderated by Managing Director, David Beeson, please see below for the biography of our speaker:
Tom Cooney, International Policy Advisor, Capital Group.

Tom Cooney is the international policy advisor at Capital Group. He has 32 years of foreign affairs experience and has been with Capital Group for three years. Prior to joining Capital, Tom worked as vice president of global public policy at General Motors. Before that, he was a minister counselor with the Senior Foreign Service of the U.S. State Department. Tom served as a U.S. diplomat for 25 years with multiple embassy assignments in China and South America, including serving as the interim U.S. Ambassador to Argentina (Chargé d'Affaires). He holds a master's degree in international business studies from the University of South Carolina and a bachelor's degree in communications from Cornell University. Tom is based in Los Angeles.

Submitted by:



MAM - approved

Molly A. Murphy, CFA
Chief Investment Officer



From Policy to Practice: Managing Investment Risk

Molly Murphy, Shanta Chary,
Josephine Junyun He, Duc Nguyen, Emma Ji

September 2026



A New Focus for Institutional Investors



Portfolio and Risk Analysis in Transition



People

Cross-trained SMEs
approach with a
tech-enabled
portfolio mindset



Agentic AI

AI enabled insight
and productivity



Governance

Total portfolio
strategy and
decision making



Data

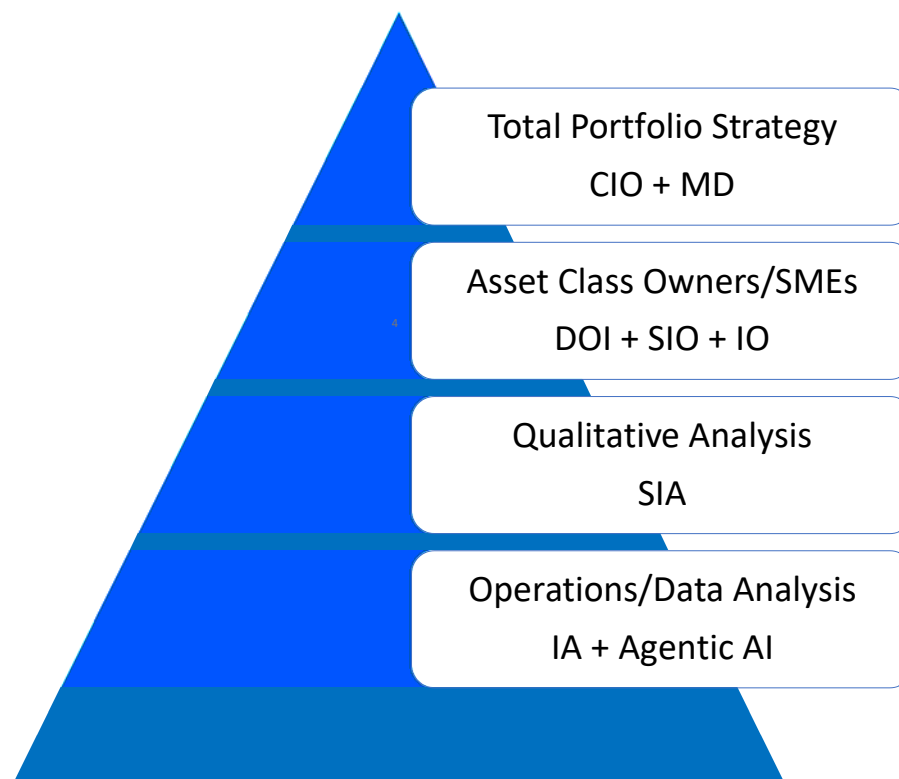
Acquisition,
management and
maintenance



Technology

Hub and spoke, core
systems and
connected apps

Team Design for the AI-enabled Future



Next Gen Investment Skill Sets



Risk Management

Integrating real-time data
into portfolio analysis



Strategy

Curating complex
investments in rapidly
changing, interconnected
global markets



Deal Focus

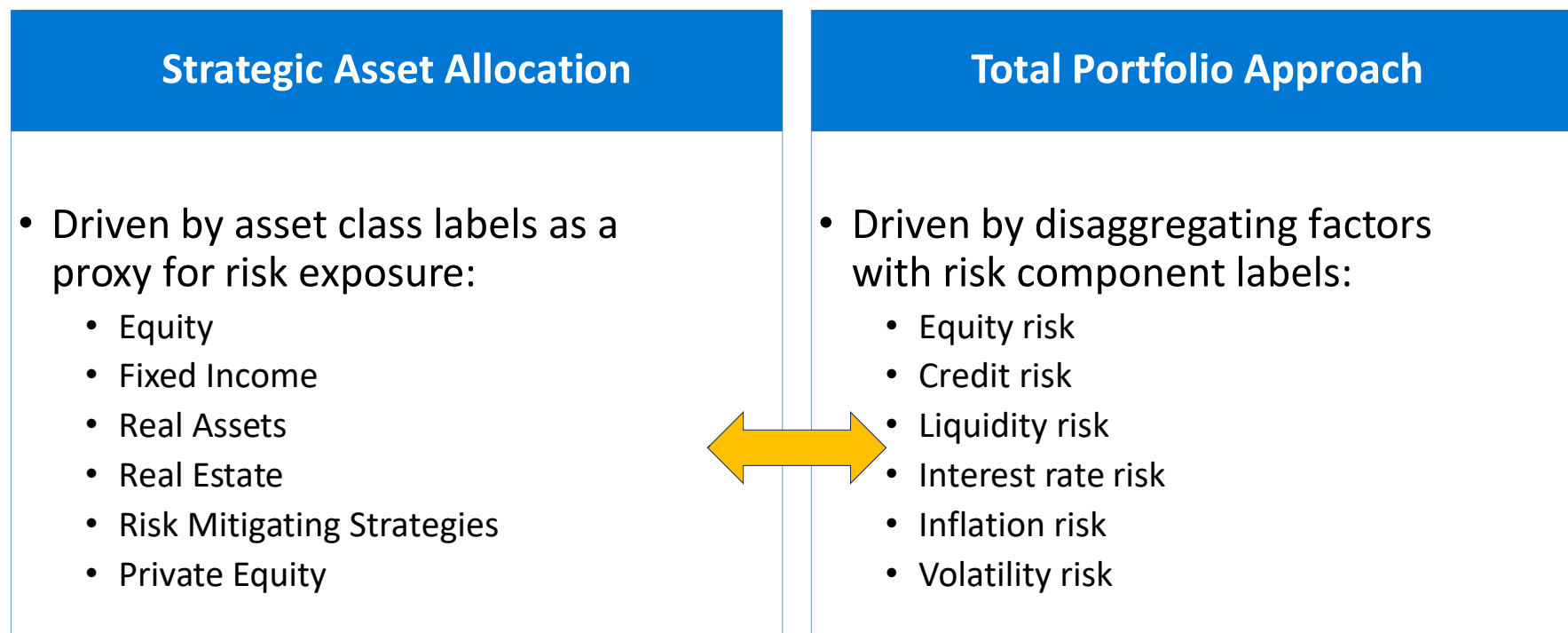
Building collaborative
platforms and co-
investments



Data Science

Analyzing portfolios using
AI-enabled investment
processes

Risk Management Language Skills



Whole Team Risk Mindset

Cost effective

- Core risk infrastructure is now affordable
- Data is now plentiful and affordable
- In-house risk management reduces fees paid to third parties

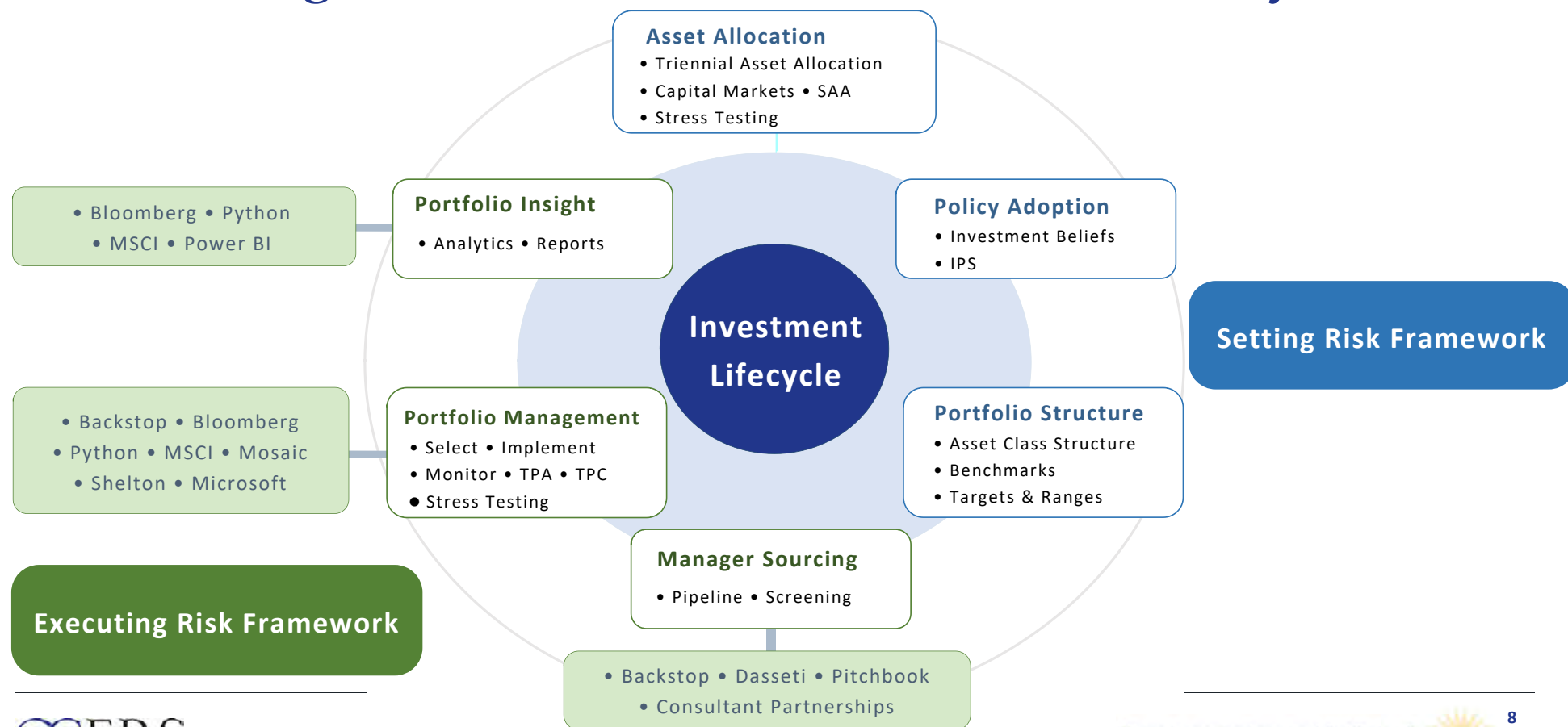
Foundational

- Data management is table stakes in the age of AI
- Difficult to outsource data management as pension data is distributed to several vendors
- Understanding your data on an intimate level leads to greater efficiency, productivity and response time

Cultural

- Every team member has a role in risk management
- “Best use of a dollar” investment philosophy requires knowledge of the total portfolio, correlations, sensitivity analysis and worse case scenario modeling

Risk Management Across the Investment Lifecycle



Setting the Risk Framework: Oversight

Triennial

Asset Class Review

Annual

Year-in-Review

Asset Class Reviews

Asset Class Investment Plans

Vendor Reviews

Custodian • Proxy Voting • Securities Lending •
Cash Overlay

Charters & Policies Review

Fees & Expenses Review

Quarterly

Performance Review

Watch List

Compliance Report

Securities Litigation Update

Risk Management Across the Investment Lifecycle

Manager Sourcing



QUALITATIVE RECORD

Data on the firm, team, investment process, and organizational structure



PRIVATE MARKETS DATA

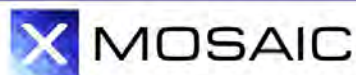
Screen for private markets managers and compare performance to peers



MANAGER QUESTIONNAIRES

Standardized manager responses and supporting due diligence materials

Portfolio Management



PRIVATE MARKETS MODELING

Model potential co-investment opportunities, including scenario and stress testing



PUBLIC MARKETS STRATEGY DEEP DIVE

Monitor macro environment, analyze holdings, factors, and exposures



PUBLIC MARKETS QUANTITATIVE ANALYSIS

Transform data into actionable portfolio insights through automation and analytics

Portfolio Insight



RISK ANALYTICS

Monitor risk metrics and exposures



LIVING RECORD

Preserve investment knowledge, research, and decision history



PORTFOLIO OVERSIGHT

Validate fees and flag anomalies



MARKET PULSE

Use real-time data to inform rebalancing decisions

Standardizing Manager Information Collection

Dasseti facilitates structured manager intake through a questionnaire on OCERS' website



Identifying and Validating Investment Opportunities

PitchBook provides independent market intelligence, benchmarking, and research capabilities



Manager Research

Screen managers and research firms, funds, fundraising activity, portfolio companies, and deal activity



Benchmarking

Evaluate fund performance and compare managers or strategies within the broader markets landscape



Independent Validation

Supplement other sourcing channels with independent market data

PitchBook

Companies & Deals Screener 6,985,709 Results

Key Fields

- Industry
- Location
- Deal Criteria
- Deal Types
- Company Status
- VC Exit Predictor
- Exit / Liquidity
- Investors
- SPs & People
- Financial Data
- Public Comps
- Debt Characteristics
- Patents
- Clinical Trials
- Company Signals
- Other Criteria
- Lists
- Request a Field

Industries, Verticals & Keywords

Type industries, verticals, keywords or emerging spaces

Company Info

Location

Select location(s)

- Search HQ Only
- Search Non-HQ Only
- Any Office Location

Company Names

Upload a List

Add by name, stock symbol, pbID, or URL

Deal Info

☐ Only search the most recent transaction

Deal Status

- ☐ Completed
- ☐ Announced/In Progress
- ☐ In Bidding Process
- ☐ Upcoming
- ☐ Rumor/Speculation
- ☐ Postponed
- ☐ Failed/Cancelled

Deal Date

☒ Custom Dates ☐ Trailing Ranges

From MM-DD-YYYY

To MM-DD-YYYY

Image Source: PitchBook, a Morningstar company.

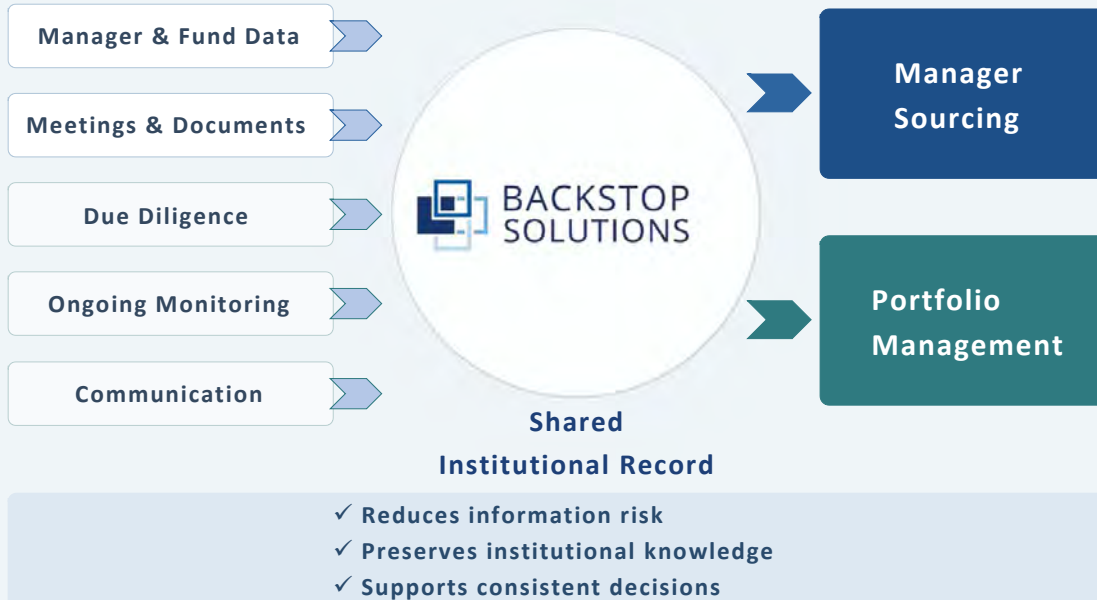
Organizing Information to Support Better Decisions

Backstop serves as the central repository for manager, fund, diligence, and portfolio information

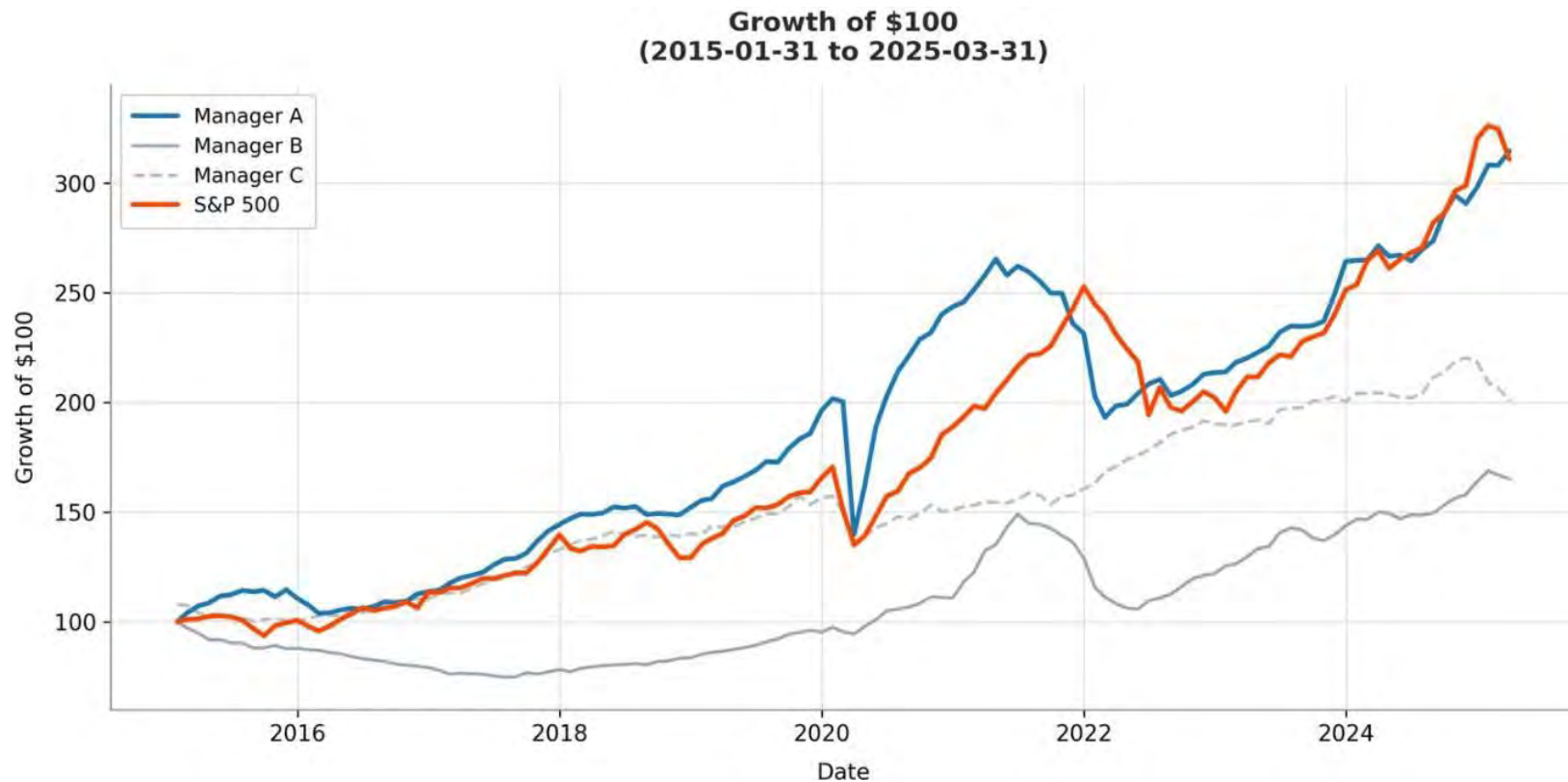
HOW THE PLATFORM EVOLVED



BACKSTOP AS THE CONNECTING FOUNDATION



What Correlation Doesn't Show



Building Conviction Through Independent Validation

PitchBook supports independent evaluation of managers through market intelligence, track-record analysis, benchmarking, and peer comparisons

Funds	Vintage Year	Fund Size	Fund Strategy	Net IRR	Fund IRR Quartile	Benchmark				
						Top IRR Decile	Top IRR Quartile	Median IRR	Bottom IRR Quartile	Bottom IRR Decile
	2003	3.00	US Venture			14.75%	6.30%	1.29%	-10.22%	-17.06%
	2007	92.00	US Venture	8.70%	3rd	32.30%	18.90%	11.40%	2.40%	-5.79%
	2013	245.00	US Venture	12.00%	3rd	38.92%	29.70%	18.00%	10.00%	4.77%
	2015	350.00	US Venture	12.20%	3rd	30.67%	22.09%	15.00%	9.67%	2.68%
	2017	408.00	US Venture	21.10%	1st	27.98%	19.52%	14.35%	7.46%	0.86%
	2019	515.00	US Venture	20.40%	1st	20.12%	13.90%	7.69%	1.97%	-3.05%
	2021	712.00	US Venture	36.70%	1st	26.10%	14.80%	8.05%	2.19%	-3.09%
	2023	1,169.00	US Venture	83.80%	1st	62.00%	35.99%	17.40%	-1.30%	-5.00%

Net DPI	Fund DPI Quartile	Benchmark				
		Top DPI Decile	Top DPI Quartile	Median DPI	Bottom DPI Quartile	Bottom DPI Decile
		1.53x	1.37x	0.86x	0.42x	0.16x
1.80x	2nd	4.50x	2.53x	1.70x	0.91x	0.52x
2.00x	2nd	2.95x	2.50x	1.51x	0.78x	0.54x
1.30x	1st	2.56x	1.16x	0.51x	0.26x	0.14x
0.40x	3rd	1.33x	1.05x	0.47x	0.17x	0.09x
0.00x	4th	1.18x	0.63x	0.06x	0.01x	0.00x
0.00x	3rd	0.28x	0.06x	0.00x	0.00x	0.00x
0.00x	2nd	0.19x	0.04x	0.00x	0.00x	0.00x

Data for representation purpose only.
Source: PitchBook, a Morningstar company.

Stress Testing the Investment Thesis

Pre-mortem analysis helps identify downside risks and challenge underwriting assumptions

AI PROMPT

“Five years forward, this company is in bankruptcy or has ceased to operate. What are the main causes for bankruptcy or the end of operations? What mitigants would have helped the company survive?”



**Identify
Downside Risks**



**Challenge
Assumptions**

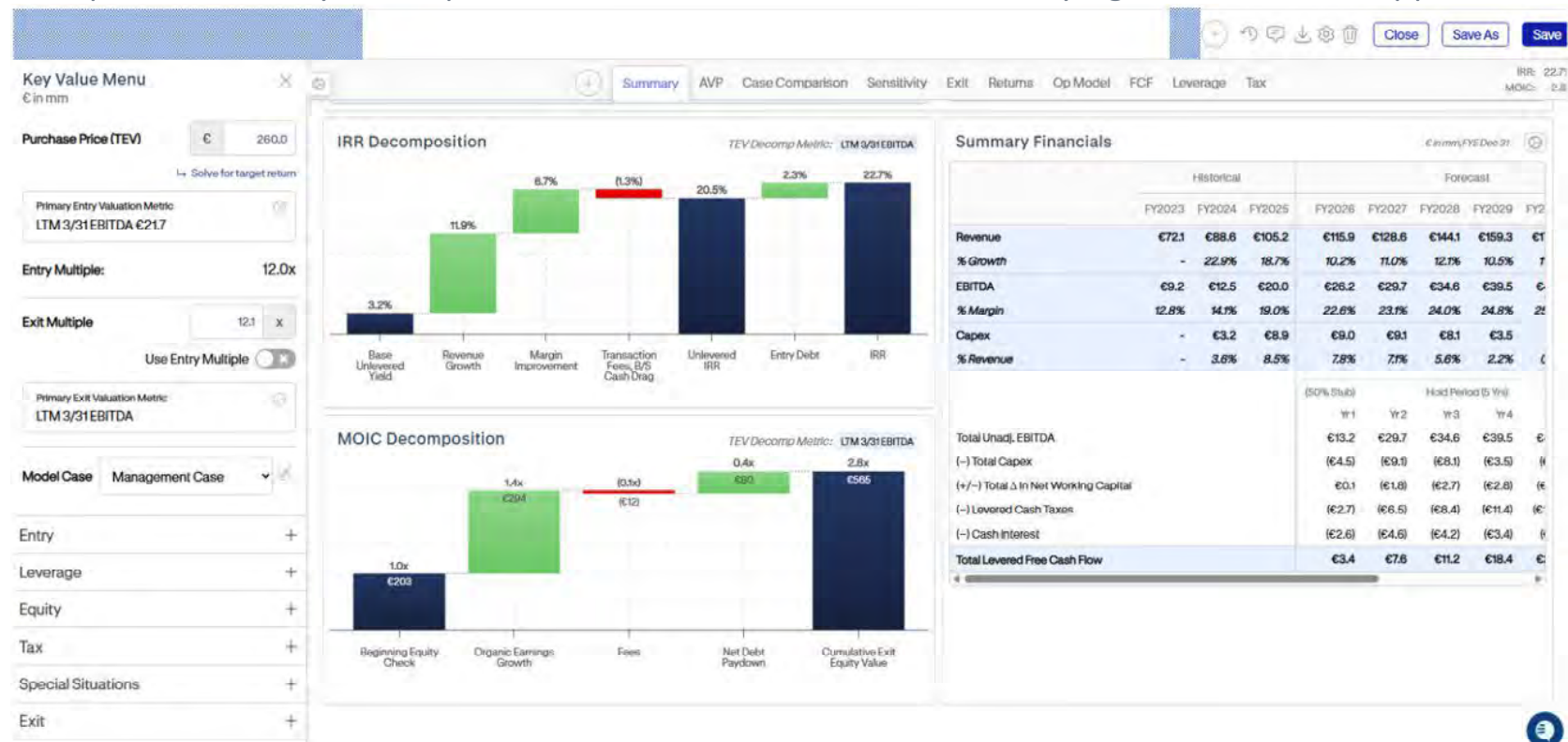


**Evaluate
Mitigants**



Improving Co-Investment Underwriting Decisions

Mosaic helps evaluate key assumptions, risks, and return drivers underlying co-investment opportunities



MOSAIC VIDEO LINK



Maintaining Governance Discipline

Backstop captures key business terms, due diligence checklist, and approval requirements in a structured record

Contract Due Diligence Checklist

Investment Management Firm		Side Letter Executed?	Yes
Name of Investment		Wire Instructions Included	N/A
Allocation Amount	\$50,000,000.00	Date Instructions Sent to State Street	Add
Structure	Commingled Fund	List of Trustees and Staff Included?	Yes
Asset Type	Private Equity > Direct > Buyout	Placement Agent Disclosure Included?	Yes
OCERS Staff Contract Lead		Signatory Authority Document Included?	Yes
Consultant	Alsia	Trust Document Included?	Yes
Alignment with Asset Allocation Ranges & Targets	Yes	Canoe Email Included?	Yes
Alignment with Asset Allocation Ranges & Targets Notes	The size of the commitment is within the \$20-100 million approved dollar range for individual investments and the \$750 million annual private equity commitment pacing		
Fee Schedule	1.5% management fee on committed capital during the investment period; thereafter 1.5% management fee on invested capital. Carried interest is 20% with no preferred return.		
Issues Resolved During Negotiations	pushed back on inclusion of the Outbound Investment Rules provision. OCERS negotiated with to include binding contractual assurance language.		
Key Side Letter Terms (if Applicable)	agrees to provide the OCERS' fee template.		
Legal Checklist			
Legal Review By	Nossaman	Legal Review Completion Date	6/28/2026
Signatures			
Signature		Molly A. Murphy, CFA Signature Date	7/9/2026
Add		Second Signatory Date	7/14/2026
Second Signatory			
Add			

Key Business Terms

Economic Terms

- Distribution Waterfall
- Preferred Return
- Carried Interest
- GP Catch-up
- Management Fees & Offsets

Governance Rights

- Clawback Provisions
- GP Removal
- No-fault Rights
- Key-person Provisions

Risk Limitations

- Leverage Maximums
- Credit Facilities
- NAV Loan Restrictions
- Recycling Capital
- Investment Concentration Limits

Above
Market

Market

Below
Market



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

Multi-Asset-Class Risk Management

MSCI

OVERVIEW

A multi-asset portfolio analytics platform that consolidates public and private market investment data into a single view

Enables quicker decision making, enhancing risk tracking, performance monitoring, and portfolio project processes

KEY CAPABILITIES

Factor Risk	Look-through	Correlation
Scenario Analysis	Performance Attribution	Liquidity Analysis
Capital Planning	Stress Testing	

ROLE IN THE INVESTMENT LIFECYCLE



Assessing Manager Performance

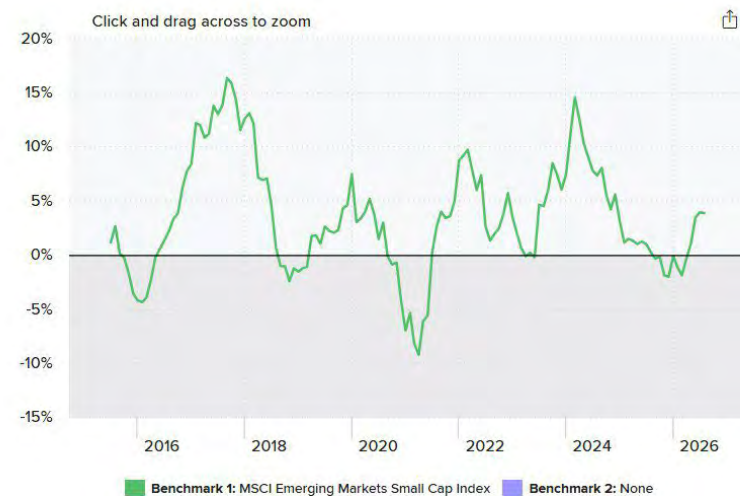
Quant Analytics

	1 Year		3 Year	
	Fund	Benchmark 1	Fund	Benchmark 1
Annualized Return	15.90%	12.05%	14.99%	11.27%
Annualized Volatility	22.09%	21.97%	15.52%	16.00%
Annualized Relative Return		3.85%		3.73%
Annualized Tracking Error		2.59%		3.06%
% of Positive Months	66.67%	66.67%	58.33%	58.33%
Best Return	13.79%	13.41%	13.79%	13.41%
Best Return Date	04/30/2026	04/30/2026	04/30/2026	04/30/2026
Worst Return	-10.68%	-11.13%	-10.68%	-11.13%
Worst Return Date	03/31/2026	03/31/2026	03/31/2026	03/31/2026
VaR (99%)	14.84%	14.75%	10.42%	10.74%

Factor Analysis

	YTD	1Y	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	Since Inception
Factors	Beta		Standard Error		t-Statistic							
MSCI ACWI Small Cap Mi...	1.0501		0.2172		4.8336							
MSCI ACWI Value Minus ...	-0.3923		0.1662		-2.3602							
MSCI ACWI Momentum M...	0.0148		0.1711		0.0865							

Rolling Relative Return (12M)



Alpha Statistics

Alpha	0.86273%
Annualized Alpha	10.85843%
Standard Error of Alpha	0.0041
t-Statistic of Alpha	2.1094



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

Assessing Manager Holdings Overlap

Entity	Small Cap	Small Cap
Index ...	5	5
US Small Cap	100	4
Small Cap	4	100
Average	5	4

Categories	+ Expand / Collapse	Active Share	Overlap		
			Count	Wgt In Vertical	Wgt In Horizontal
+ 1 CENTURY ALUMINUM ORD SHS		0.02	1	0.24	0.28
+ 2 SILICON MOTION TECHNOLOGY ADR REPTG 4 ORD SHS		0.21	1	2.41	1.98
+ 3 ONTO INNOVATION ORD SHS		0.15	1	0.75	1.06
+ 4 TOWER SEMICONDUCTOR ORD SHS		0.55	1	1.62	0.53
+ 5 MATADOR RESOURCES ORD SHS		0.09	1	0.16	0.34
+ 6 HELMERICH & PAYNE ORD SHS		0.19			

Monitoring OCERS' Institutional Knowledge



50,000+

Meetings + Documents
Since Implementation

*Every interaction contributes to
informed investment decisions*

5,308 meetings + 45,028 documents
= 50,336 recorded touchpoints



817

**Managers &
Firms**

Breadth of relationships
tracked



1,110

**Funds &
Vehicles**

333 active
58 liquidated
719 prospective



836

**Meetings &
Calls**

Recorded during the
last 12 months



9,012

Documents

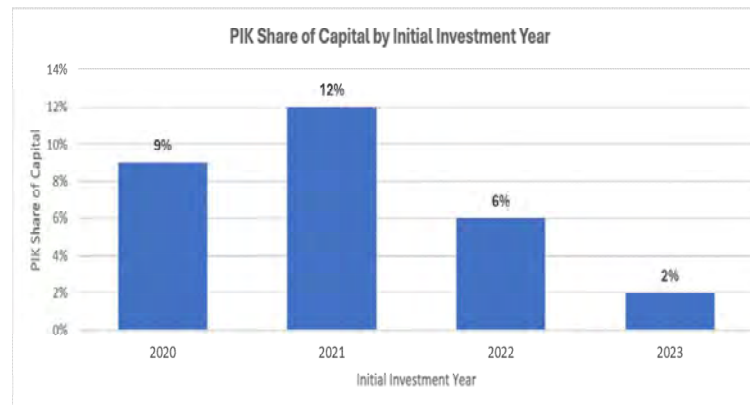
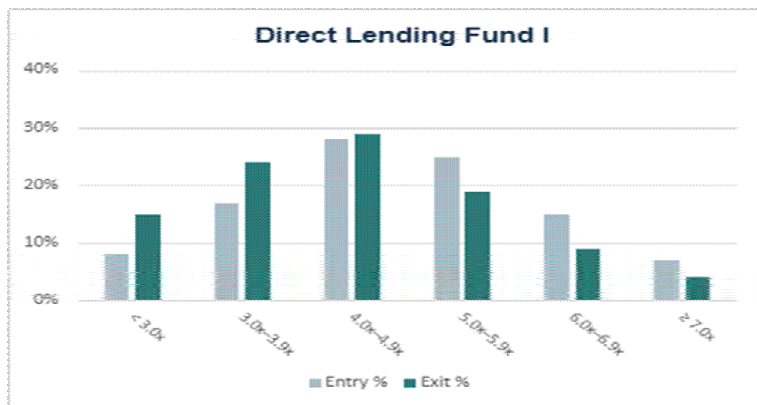
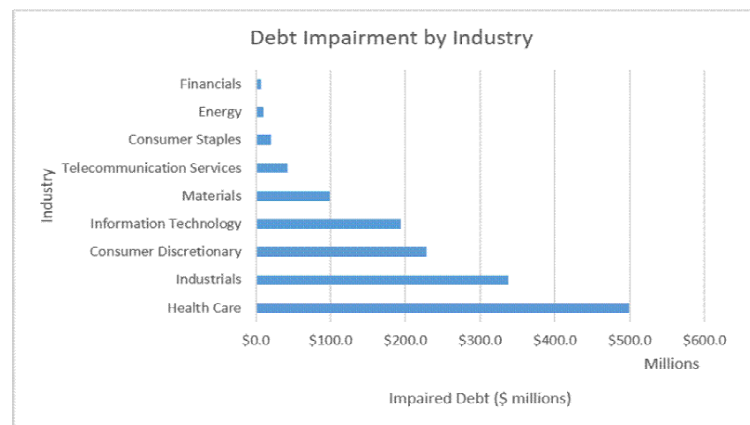
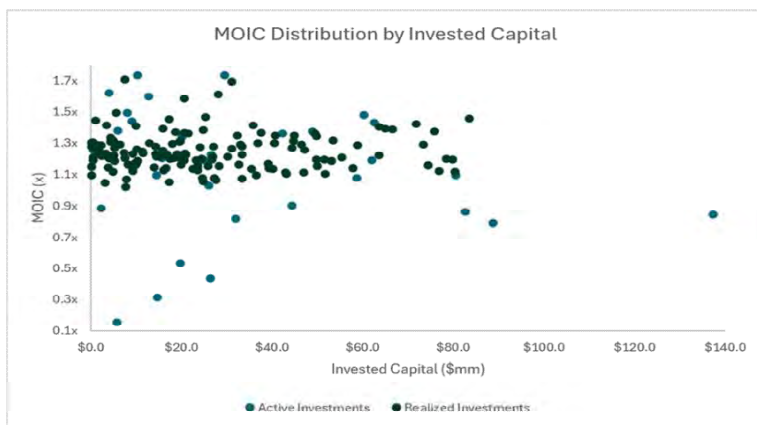
Received during the
last 12 months

As of September 8, 2026



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

Unlocking Position-Level Intelligence



Real-time Portfolio Transparency

See-through: what is driving return, and how the Street sees what we own

PORT | Attribution and exposure

Where return came from by country, sector and security, with risk contribution



ANR | Analyst consensus

Sell-side ratings, price targets and how the view has shifted across covering firms



Attribution shows where risk is building in real time; from there we drill into each holding to test our view against market consensus

Monitoring Total Portfolio Exposures

Total Fund

TFN2Composite Group

Report

Date

06/30/2026

Compare

None Selected

Cash

Included

FX

Included

View Table/Chart

% of Total

Show

Unit

%USDUSD + %

Asset Type

Security Type

DM / EM

DM / EM / FM

Region

Country

Currency

Sector (Expanded)

Sector

Industry Group

Industry

Other Dimensions

	Long		Short		Net		Gross		
Categories	USD	%	USD	%	USD	%	USD	%	
1 Information Technology	6,182,503,949	20.37	98,813,778	0.33	6,083,690,171	20.05	6,281,317,727	20.70	
2 Industrials	4,138,579,000	13.64	133,505,607	0.44	4,005,073,393	13.20	4,272,084,607	14.08	
3 Financials	3,086,808,044	10.17	122,120,154	0.40	2,964,687,890	9.77	3,208,928,198	10.57	
4 Real Estate	2,500,658,704	8.24	65,456,593	0.22	2,435,202,111	8.02	2,566,115,296	8.46	
5 Health Care	2,084,242,312	6.87	80,194,249	0.26	2,004,048,063	6.60	2,164,436,562	7.13	
6 Other	6,694,932,037	22.06	4,877,497,342	16.07	1,817,434,694	5.99	11,572,429,379	38.13	
7 Consumer Discretionary	1,784,478,199	5.88	107,659,113	0.35	1,676,819,086	5.53	1,892,137,312	6.23	
8 Sovereign	2,559,541,723	8.43	892,280,744	2.94	1,667,260,979	5.49	3,451,822,467	11.37	
9 Energy	1,396,635,254	4.60	31,681,835	0.10	1,364,953,419	4.50	1,428,317,089	4.71	
10 Communication Services	1,383,648,721	4.56	30,421,176	0.10	1,353,227,544	4.46	1,414,069,897	4.66	
11 Market	1,599,534,603	5.27	316,850,666	1.04	1,282,683,937	4.23	1,916,385,270	6.31	
12 Consumer Staples	950,130,590	3.13	53,050,687	0.17	897,079,903	2.96	1,003,181,277	3.31	
13 Materials	748,481,504	2.47	54,317,214	0.18	694,164,290	2.29	802,798,718	2.65	
14 Utilities	649,773,104	2.14	40,090,957	0.13	609,682,147	2.01	689,864,062	2.27	
15 Commodities	422,271,644	1.39	291,913,723	0.96	130,357,921	0.43	714,185,367	2.35	



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Monitoring Total Portfolio Exposures – Sector Drilldown

Portfolios / Transparency Summary

Total Fund

Date: 06/30/2026 Cash: Included FX: Included Sector: Information Technology

Mode: Profile Custom Dimensions: Industry Group X Industry X Refresh

% of Total: ☐ Show Unit: % USD USD + %

Categories	+ Expand / Collapse	Long		Short		Net	
		USD	%	USD	%	USD	%
+ 1 Semiconductors & Semiconductor Equipment		2,043,389,152	6.73	12,178,871	0.04	2,031,210,281	6.69
+ 2 Information Technology (Sector)		1,919,308,681	6.32	38,695,016	0.13	1,880,613,665	6.20
+ 3 Technology Hardware & Equipment		1,204,217,878	3.97	16,193,688	0.05	1,188,024,189	3.91
- 4 Software & Services		1,015,588,239	3.35	31,746,202	0.10	983,842,037	3.24
+ 1 Software		768,910,838	2.53	23,447,708	0.08	745,463,130	2.46
- 2 IT Services		181,729,772	0.60	8,298,494	0.03	173,431,278	0.57
1 INTERNATIONAL BUSINESS MACHINES ORD SHS		29,701,665	0.10	1,394,375	0.00	28,307,290	0.09
2 SNOWFLAKE ORD SHS		11,280,002	0.04	0	0.00	11,280,002	0.04
3 ACCENTURE ORD SHS CLASS A		9,948,146	0.03	0	0.00	9,948,146	0.03
4 HCL TECHNOLOGIES ORD SHS		9,759,653	0.03	0	0.00	9,759,653	0.03
5 CLOUDFLARE ORD SHS CLASS A		8,736,116	0.03	133,028	0.00	8,603,088	0.03
6 INFOSYS ORD SHS		8,274,958	0.03	0	0.00	8,274,958	0.03
7 ATEA ORD SHS		7,209,080	0.02	0	0.00	7,209,080	0.02

Case Study: Evaluating AI Exposure Across Total Portfolio

AI concentration requires a cross-asset monitoring framework

Measure direct exposure and downside vulnerability, then aggregate shared issuers, borrowers, tenants and hyperscalers.

ASSET CLASS	MONITORING METHOD	RESEARCH ANCHOR & RISK SIGNAL
Public equity	Match holdings to the AI thematic universe	Over 20% of ACWI IMI has AI revenue exposure
Public bonds	Flag hyperscalers and AI-infrastructure issuers	5.2% of AI-related issuers within global-aggregate corporates
Private credit	Screen borrowers for AI disruption—especially software	BDCs in software and AI fields
Private equity	Tier GP portfolio companies – separately AI applications and revenue exposure.	Multi-layer AI investments
Real estate	Isolate data centers - assess tenant credit, power access and design obsolescence.	Durability depends on long-term leases with creditworthy tenants.
Infrastructure	Track data-center and power buildout; flag neocloud offtake and merchant-power exposure.	Private AI-infrastructure capital could approach \$3T by 2030.

Case Study: Modeling AI Concentration Risk - Equity

AI exposure spans three layers of the value chain

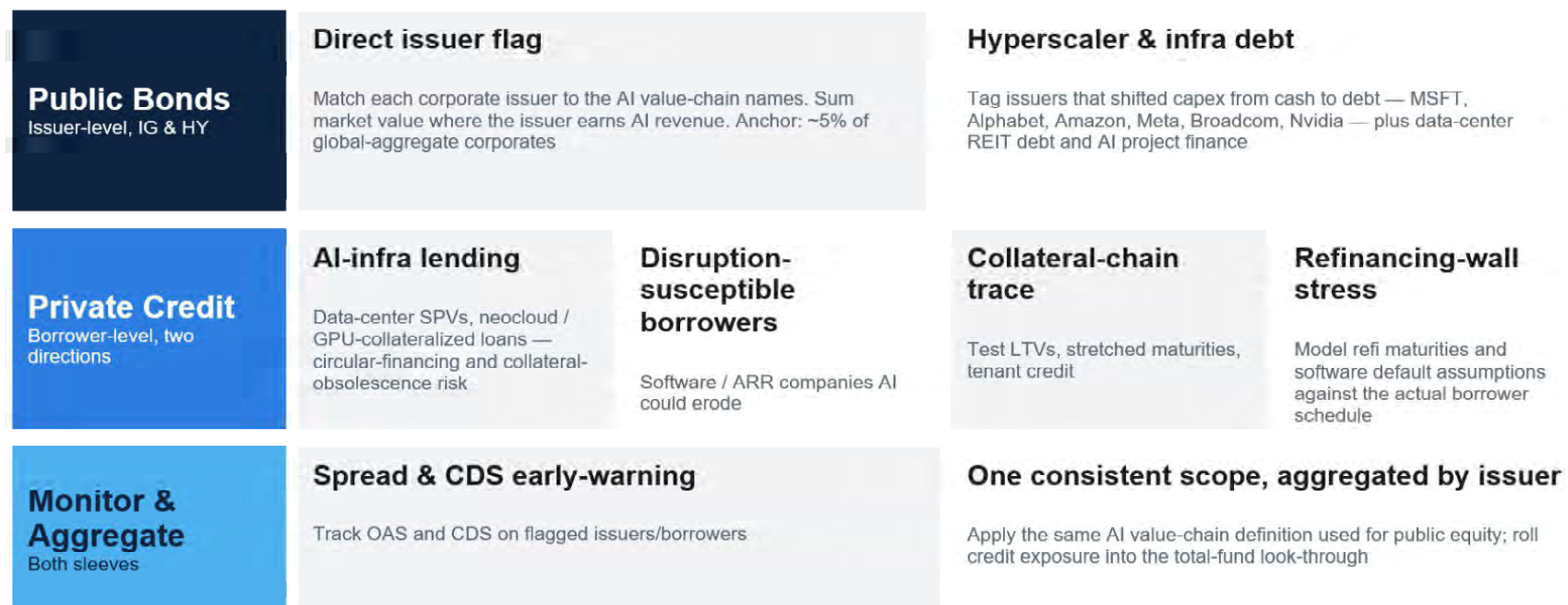
Classify each company by its primary economic role; tag AI adoption separately

Physical AI Infrastructure	AI Hardware Chips, servers, networking and cooling		Data-Center Infrastructure Facilities, colocation and fiber networks		AI Energy & Power Generation, grid and power management	
Digital AI Infrastructure	AI Cloud Compute Training and inference capacity	AI Data Infrastructure Data pipelines, labeling and vector databases	AI Model Development Foundation models and AI architectures	AI Model Training Distributed training and orchestration	AI Deployment & Ops Inference, monitoring and governance	
AI Applications	AI Software Applications AI-native software, copilots and intelligent automation			AI Physical Applications Robotics, autonomy, diagnostics and industrial AI		

Case Study: Modeling AI Concentration Risk - Credit

AI exposure analysis for public bonds and private credit

Trace exposure to the issuer or borrower; in credit, tag AI disruption as well as AI revenue



Case Study: Modeling AI Concentration Risk – Real Assets

Bottom-up analysis of physical structures, power requirements, and tenant profiles

Infrastructure: “Picks and Shovels” layer of AI revolution

- Grid capacity & power bottlenecks
- Equipment delays
- Hyperscaler balance sheet extensions
- AI capex slowdown



Real Estate: “look-through” layer

- Property sectors
 - ❑ High risk (office, retail)
 - ❑ Low risk (residential, healthcare)
 - ❑ High reward (data center, cell tower, fiber network)
- Asset class valuation divergence
- Stability of underlying cash flows



Classify Asset By AI-Linkage

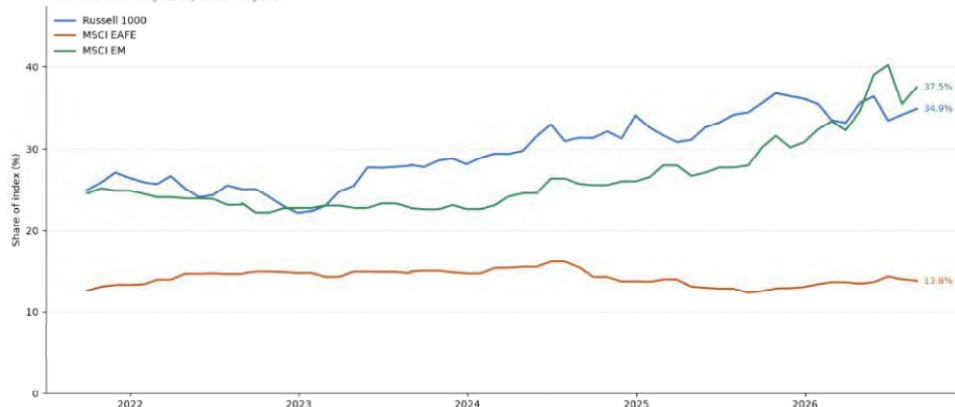
Bucket	AI Exposure Type	Examples
Direct AI infrastructure	Direct beneficiary	Data centers, fiber, towers, cloud infrastructure
Power & grid infrastructure	Second-order beneficiary	Utilities, generation, transmission, substations, gas/nuclear/renewables
Cooling / water / equipment-linked assets	Enabler	Thermal systems, water access, electrical systems

Locating Concentration Across Equity Markets

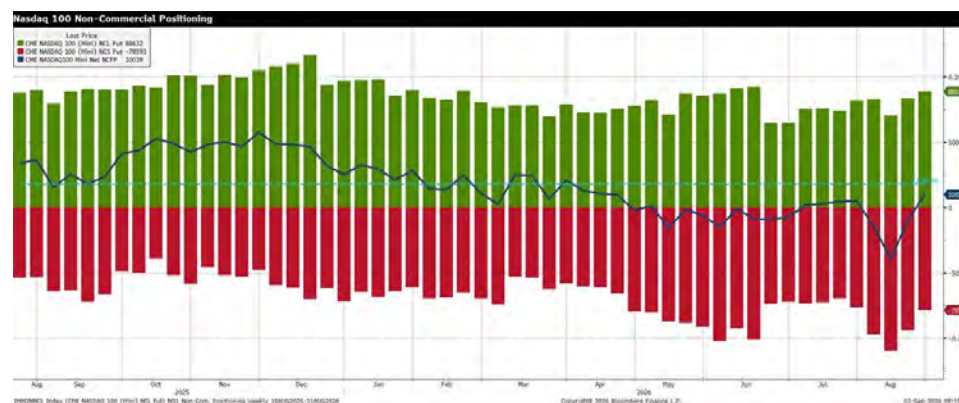
Index Concentration

Equity Index Concentration — Weight of Top 10 Constituents

Month-end index weights, Sep 2021 - Aug 2026



Nasdaq 100 Contracts Positioning



Where the risks sit, and which way sentiment is leaning

Ensuring Fee Accuracy and Transparency

Verifees

Overview Blended Fees Management Fees Validation Analytics LPA Terms

Select GPs Sectors Fund Types Countries Vintages

Management Fees

Details	Fund Name	Reported ITD Management Fees	Shelton ITD Management Fees	Cumulative Excess over Shelton Calculated	Management Fee Stat
		\$1,820,831.00	\$1,820,831.00	\$0.00	✓
		\$2,276,044.00	\$2,276,044.00	\$0.00	✓
		\$1,284,375.00	\$1,284,375.00	\$0.00	✓
		\$425,000.00	\$425,000.00	\$0.00	✓
		\$2,140,625.00	\$2,143,751.00	\$0.00	✓
		\$6,543,423.00	\$6,543,985.00	\$0.00	✓
		-	-	\$0.00	✓
		\$3,971,767.00	\$3,970,152.44	\$1,614.56	✗
		\$4,991,499.00	\$4,995,841.50	\$0.00	✓
		\$612,920.00	\$443,202.81	\$169,717.19	✗
		-	-	\$0.00	✓

Using this table

☐ User currency ☒ Fund currency

Incorporating Macro Economic Data

Global GDP



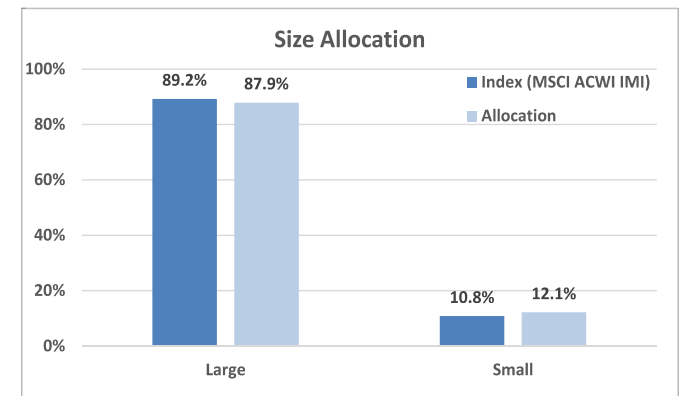
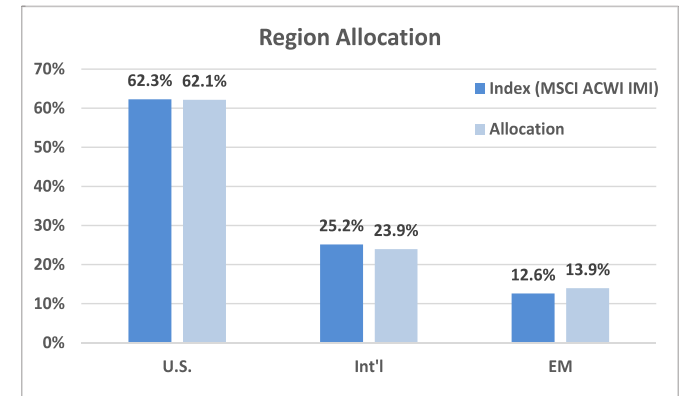
US Inflation



Rebalancing Based on Conviction Level

	Fund	Market Value (\$M)	Allocation	Excess Return (1Y)	Excess Return (3Y)	Conviction
US Equity		\$7,831.4	54.7%	-	-	High
		\$424.8	3.0%	15.8%	N/A	High
		\$398.6	2.8%	-1.1%	0.1%	High
		\$242.0	1.7%	-	-	High
	Total US	\$8,896.7	62.1%			
International Equity		\$1,242.3	8.7%	-1.0%	N/A	Average
		\$512.0	3.6%	3.1%	7.3%	Average
		\$473.0	3.3%	-0.3%	-0.6%	High
		\$420.9	2.9%	-19.3%	-4.0%	Watchlist
		\$374.6	2.6%	-2.2%	-2.4%	Watchlist
		\$220.6	1.5%	2.5%	1.6%	Average
		\$182.8	1.3%	-22.6%	-6.7%	Watchlist
	Total International	\$3,426.1	23.9%			
Emerging Markets Equity		\$699.5	4.9%	6.4%	0.8%	Average
		\$520.0	3.6%	3.7%	4.4%	Average
		\$374.6	2.6%	3.4%	4.4%	High
		\$262.0	1.8%	14.7%	5.5%	Average
		\$69.0	0.5%	N/A	N/A	High
		\$68.0	0.5%	N/A	N/A	Average
	Total EM	\$1,993.1	13.9%			

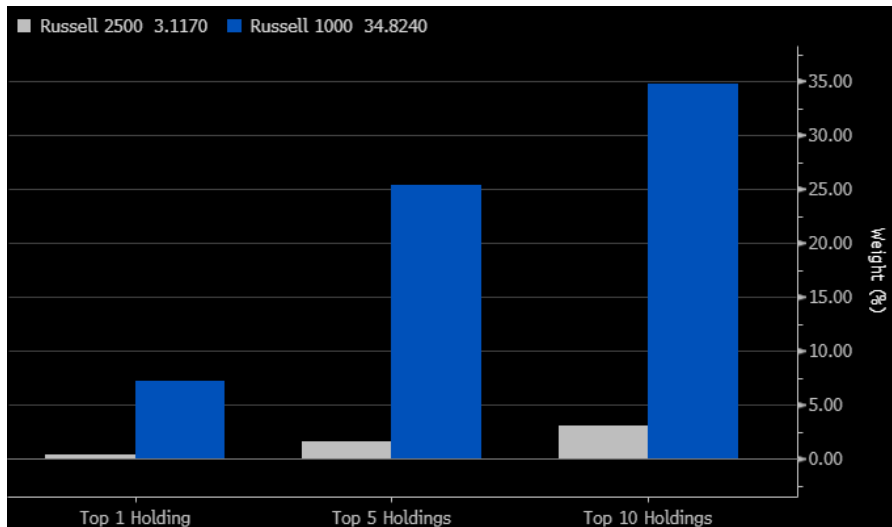
Note: Allocations represent percentage of Global Public Equity.



Russell 2500: Diversifies Large-Caps Concentration

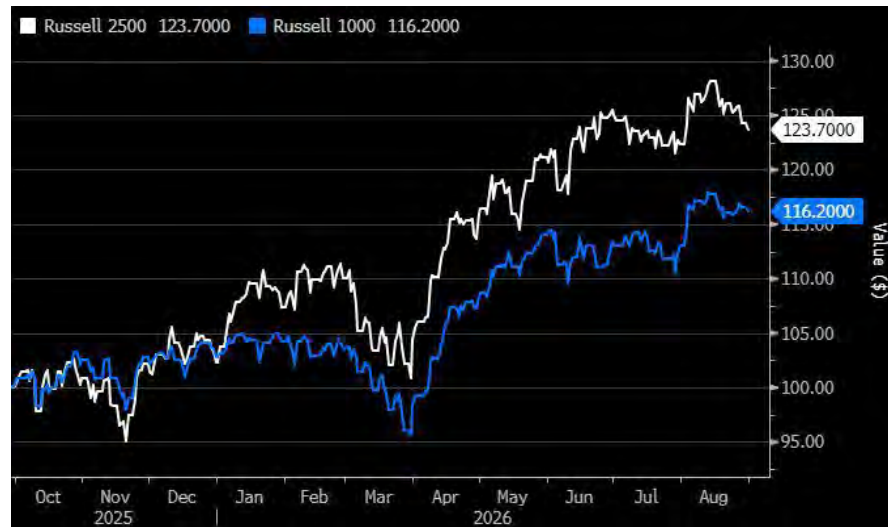
Concentration Relief from Large-Caps

Broader constituent base and smaller individual position sizes



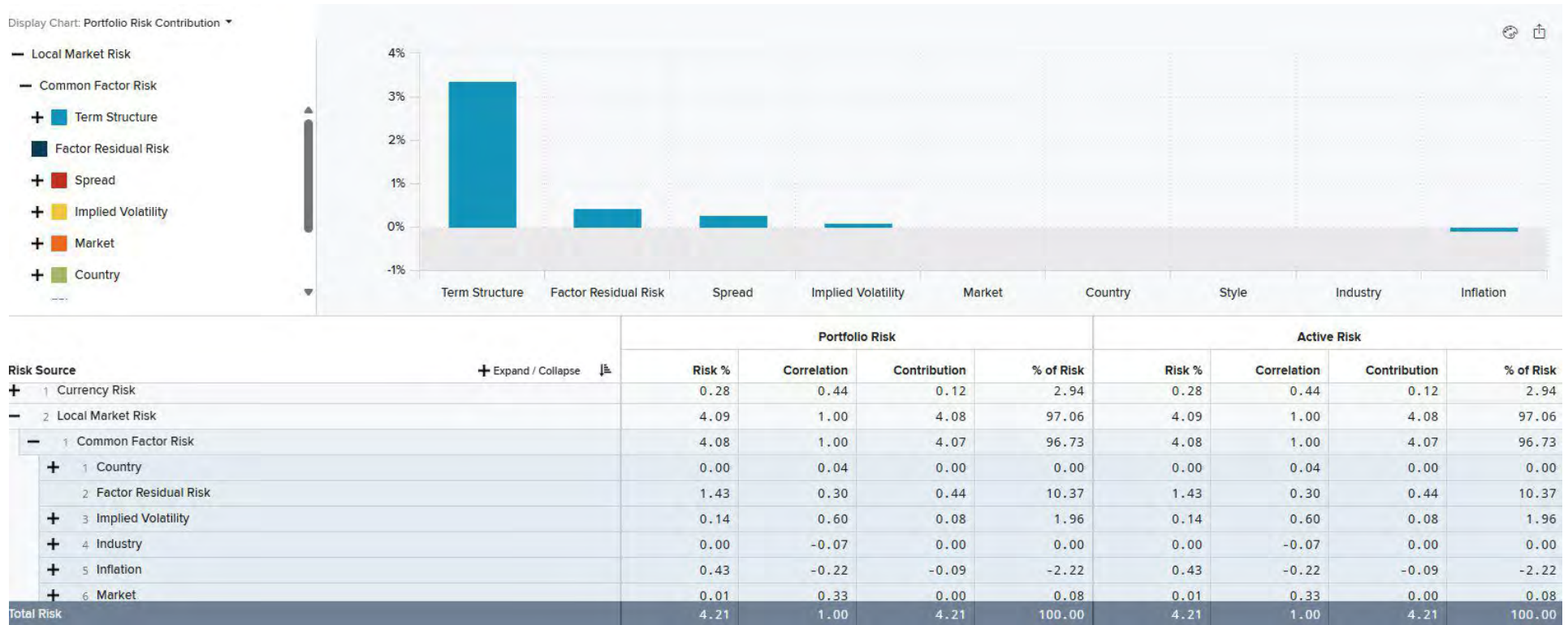
Diversification Without Sacrificing Return

+750 bps ahead of Large-Caps since inception



As of 8/31/2026

Decomposing Risk into Common Market Factors



Decomposing Volatility

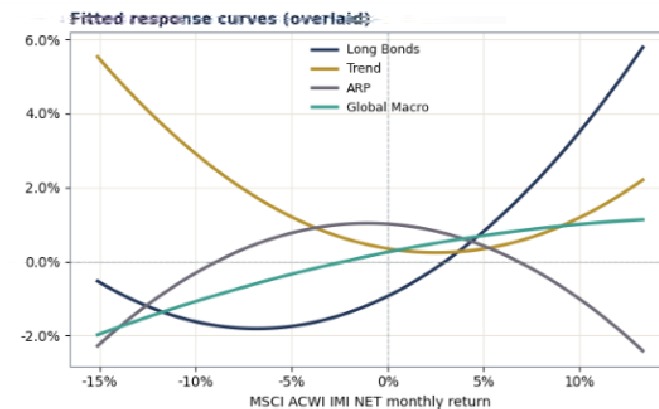
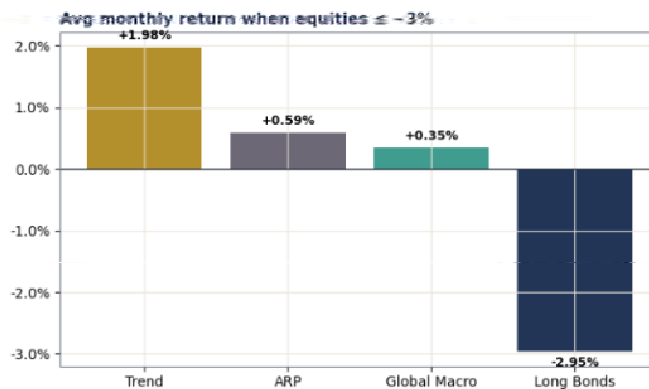
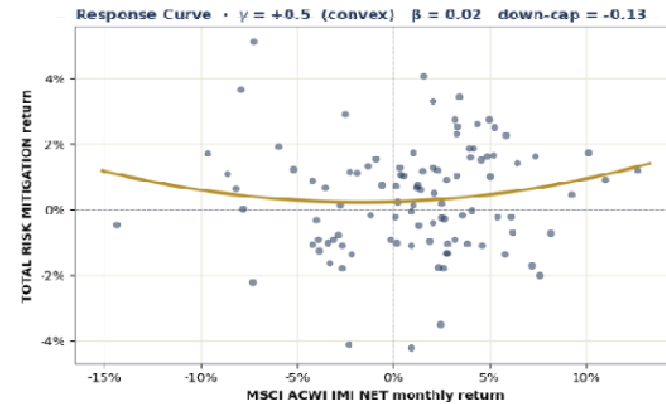
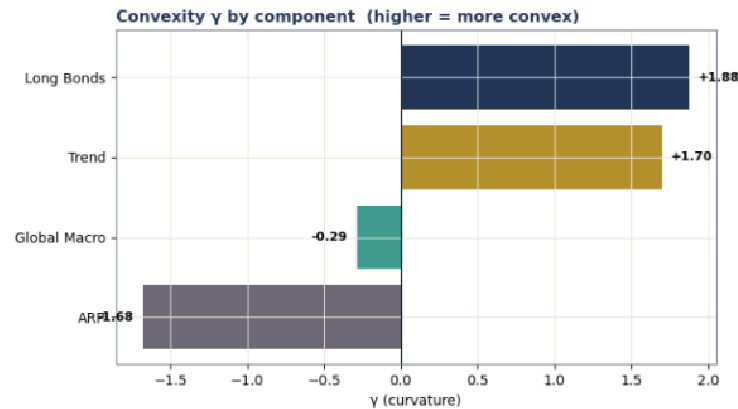


Case Study: U.S. Small Cap Upside/Downside Capture



Visualizing Convexity

OCERS - RMS Convexity Decomposition by Component (2019-08-31 → 2026-05-31)



Total Portfolio Council – Internal Risk Oversight

- Apply a total portfolio lens
- Test relative convictions
- Optimize capital allocation
- Turn insights into action

Risk – Correlations

1 Year

	Global Public Equity	Income Strategies	Total Private Equity	Real Assets	Risk Mitigation	Unique Strategies
Global Public Equity	1.00					
Income Strategies	0.44	1.00				
Total Private Equity	-0.76	-0.48	1.00			
Real Assets	-0.20	0.09	0.43	1.00		
Risk Mitigation	0.42	0.55	-0.50	-0.36	1.00	
Unique Strategies	-0.26	0.41	0.35	0.70	-0.01	1.00
Average Correlation	-0.07	0.20	-0.19	0.13	0.02	0.24

3 Year

	Global Public Equity	Income Strategies	Total Private Equity	Real Assets	Risk Mitigation	Unique Strategies
Global Public Equity	1.00					
Income Strategies	0.63	1.00				
Total Private Equity	-0.37	-0.04	1.00			
Real Assets	-0.01	0.24	0.30	1.00		
Risk Mitigation	0.47	0.40	-0.14	-0.32	1.00	
Unique Strategies	0.04	0.31	0.32	0.25	0.13	1.00

AI Resiliency Evaluation Model

Evaluation Metrics

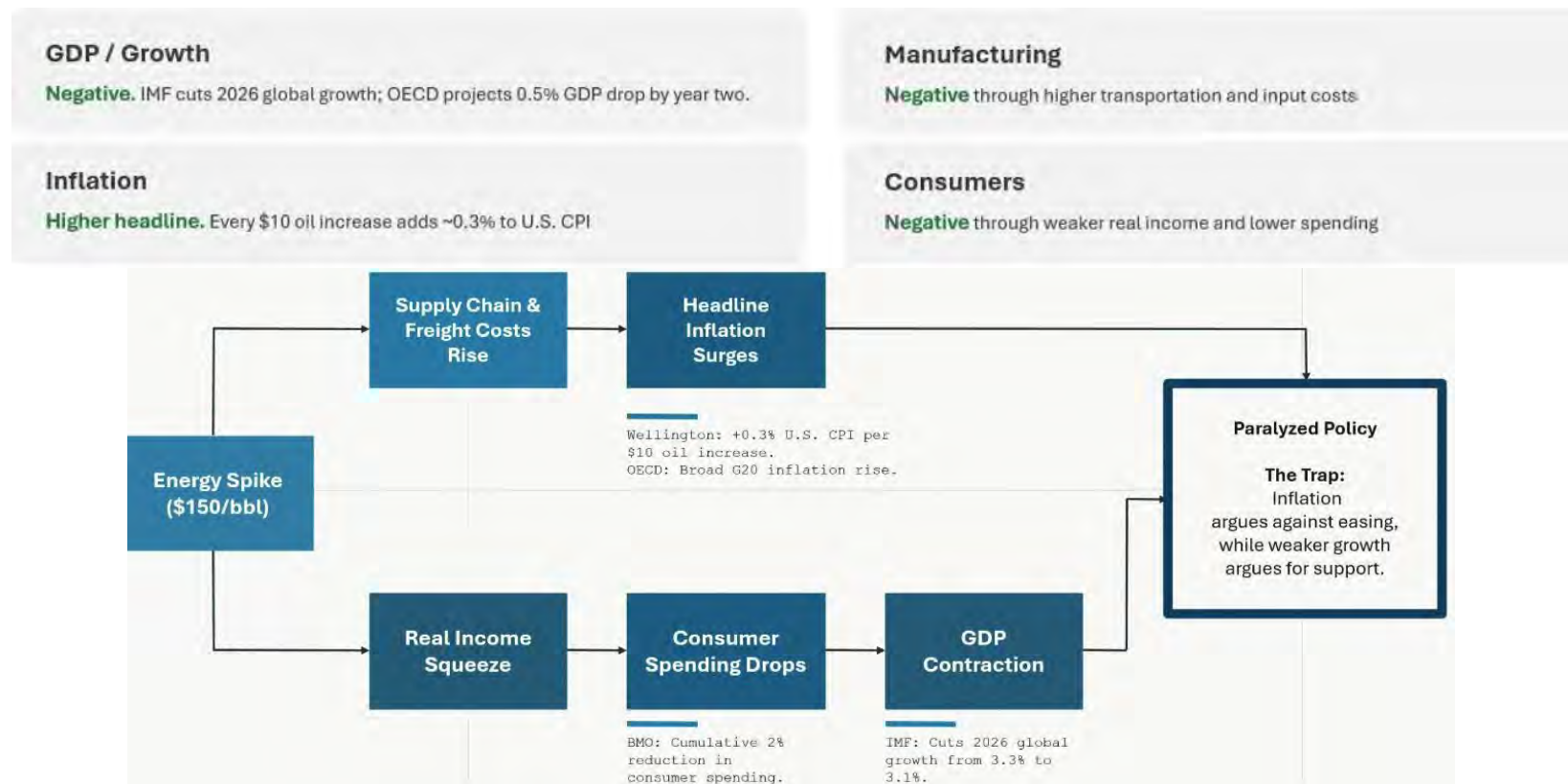
- 1) Retention & pricing power (most important)
- 2) AI monetization quality (separates "story" from "earnings")
- 3) Margin durability under AI
- 4) Moat reinforcement indicators (finance proxies)

- Data source: BCA Research, Bloomberg, Federal Reserves, JP Morgan, Goldman Saches, Morgan Stanley, Morningstar, Pitchbook, State Street.
- Content might be generated by AI.

AI-Resiliency Scorecard

- Retention durability (NRR/GRR trend)
 - **NRR / NDR** (Net Dollar / Net Revenue Retention) trend (YoY & QoQ)
 - **GRR** (Gross Revenue Retention) if disclosed
- Pricing power / attach economics
 - **cRPO / RPO** growth (YoY)
 - cRPO = portion expected to be recognized in next 12 months (common in SaaS)
 - **Billings** (if disclosed) or **deferred revenue growth** (proxy)
- AI monetization quality
 - **AI attach rate** (% customers buying AI add-on / tier)
 - **ARPA / ACV uplift** for AI tier vs baseline
 - **Usage/outcome pricing traction** (e.g., per resolution, per transaction) + growth
- Margin resilience under AI
 - **Gross margin** (and **subscription gross margin** if provided)
 - **Operating margin** trend (GAAP & non-GAAP)
 - **FCF margin** (or FCF / revenue)
- Moat reinforcement
 - **Moat proxy 1:** stable-to-rising **NRR** despite AI rollout
 - **Moat proxy 2:** rising **cRPO duration** (longer commitments)
 - **Moat proxy 3:** pricing actions stick without discounting (commentary + ARPA)

Case Study: Stress Testing Stagflation Risk



Case Study: Stress Testing Stagflation Risk

What's driving the renewed risk

- Energy/supply disruptions can lift inflation while growth slows
- Policy can be constrained when inflation is sticky
- Credit tightening can amplify the macro shock

Why this matters for diversified portfolios

- Higher risk that stocks and bonds fall together
- Nominal duration may not hedge inflation-led shocks
- Liquidity and optionality become more valuable

Objective

Mitigate regime risk without making a single macro bet

- (1) strengthen inflation resilience
- (2) reduce reliance on negative stock-bond correlation
- (3) preserve liquidity to rebalance into dislocations
- (4) upgrade the quality of remaining risk

Mitigation Playbook

Total Portfolio Approach

- (1) reduce unintended growth concentration
- (2) add explicit inflation-sensitive exposures
- (3) protect liquidity and funding flexibility
- (4) avoid relying on nominal long-duration bonds as the main hedge
- (5) use overlays / leverage carefully to rebalance total-fund risk, not to boost returns

Case Study: Stagflation Stress Testing

Portfolios / Multi-Factor Stress Test Detail

Search (Ctrl+S)

Add

3 45

Total Fund

TFN2 Composite Group

Stress Event: 2026 Scenario - Middle East

Risk Factors: US Corp Bond (-5%); Gold (+10%); Interest Rate (Nominal Chg) (0%); Intl DM Equity (-8%); EM Equity (-12%); US Equity (-5%); Commodities (+10%); Oil (+35%)

Date: 05/31/2026

Beta Type: 5-Day Returns, 1 Year

Mode: Summary Underlying Data

Cash: ☐ Exclude

FX: ☐ Exclude

P&L (%) -3.25%

P&L (Amount) -988,365,959

Risk Data Source: ☒ Security ☐ Exposure ☐ No Data

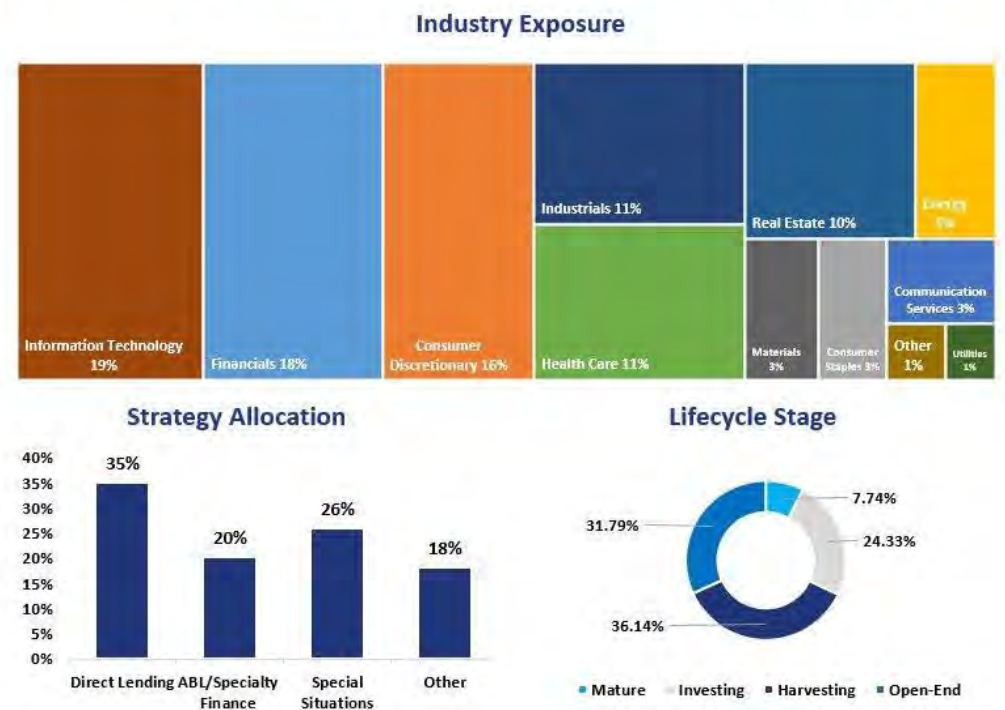
Asset Type Security Type Region Country Currency Sector Fund Other Dimensions

Category	Net		Gross		US Corp Bond		Gold		Interest R	P&L Contribution	
	Exposure	Not Modeled	Exposure	Not Modeled	Shock: -5.00%		Shock: +10.00%		Shock:	%	USD
					Beta	P&L%	Beta	P&L%			
Equity	49.65	0.00	57.99	0.00	-0.05	0.27	0.01	0.14	-0.05	-1.81	-551,320,533
Privates	26.03	0.00	26.03	0.00	0.04	-0.22	0.00	-0.01	0.21	-1.31	-397,690,248
Fixed Income	11.96	0.00	32.33	0.00	0.03	-0.15	0.00	0.00	-0.61	-0.16	-48,650,972
Foreign Exchange	0.64	-0.10	18.11	0.53	0.01	-0.05	0.00	-0.01	0.04	-0.11	-32,981,478
Cash	0.98	0.00	1.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-72,630
Undefined Asset	0.56	0.56	2.37	2.37	0.00	0.00	0.00	0.00	0.00	0.00	0
Commodities	0.68	0.00	2.50	0.00	0.00	-0.02	0.00	0.02	0.01	0.06	19,179,738
Real Estate	5.41	0.00	5.41	0.00	-0.01	0.05	0.00	0.03	-0.43	0.08	23,170,164
Total	95.89	0.46	146.60	2.90	0.02	-0.11	0.02	0.16	-0.83	-3.25	-988,365,959

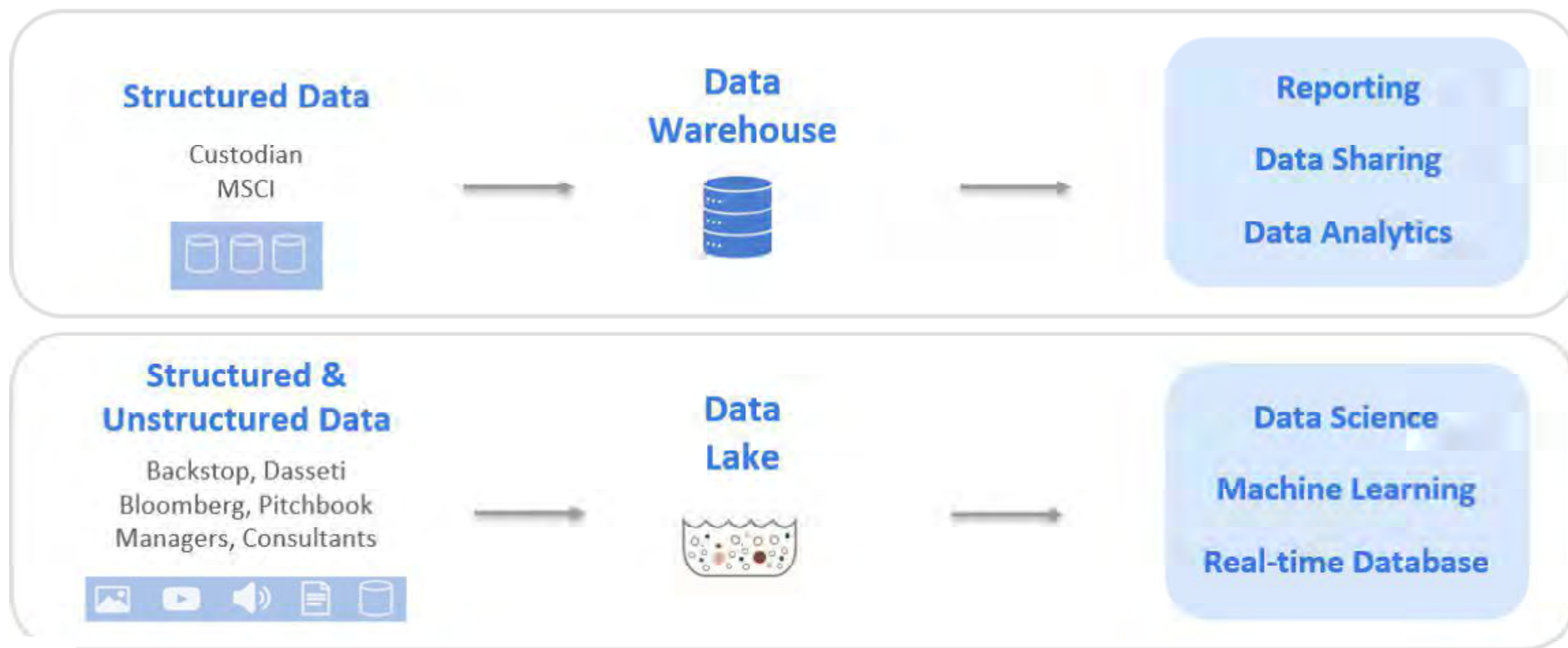
Alpha Forums: A Culture of Challenge

- 1 Review roles, objectives, and outcomes
- 2 Learn from successes and setbacks
- 3 Strengthen portfolio construction and execution
- 4 Ensure sizing reflects conviction
- 5 Foster rigorous, open debate

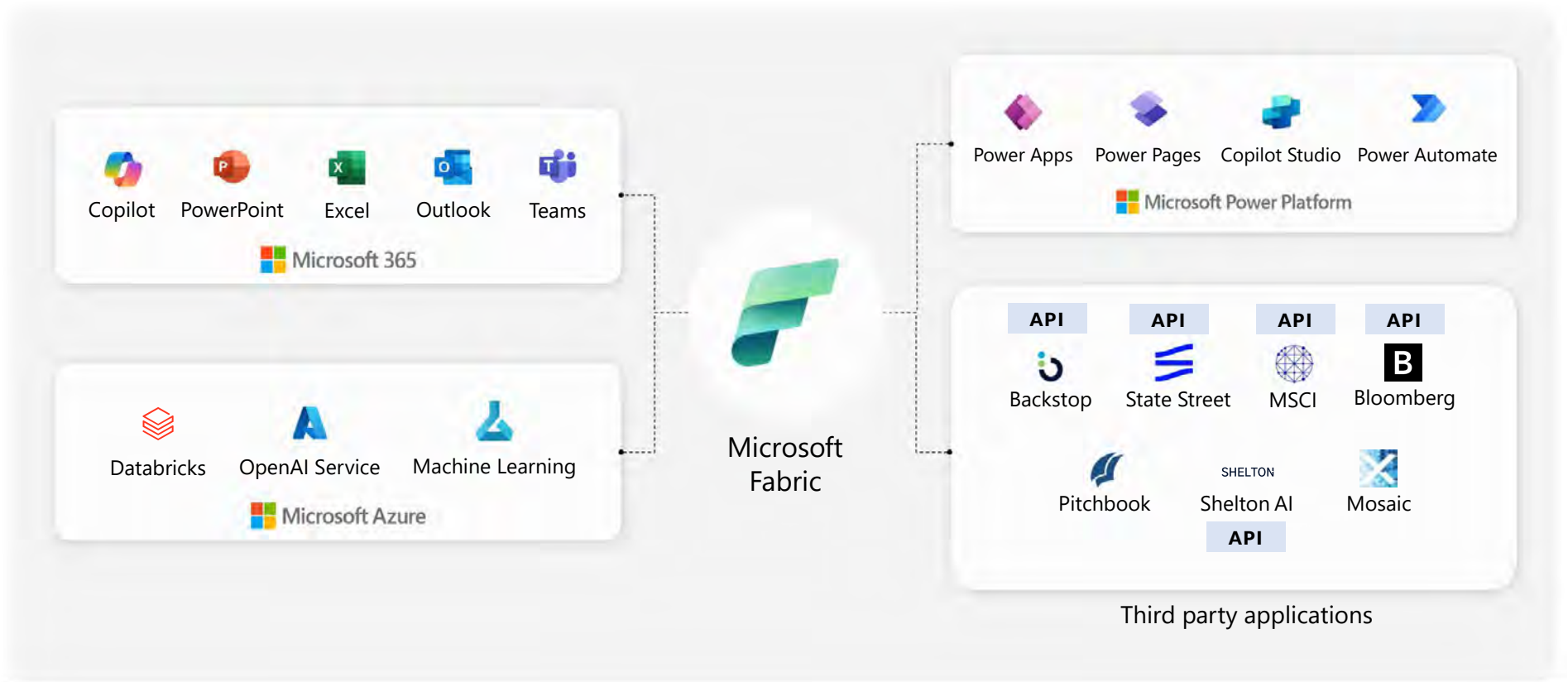
Private Income Strategies – Portfolio Exposure



Data Sources and Data Management



Microsoft Fabric: a Unified Data Analytics Platform



Increasing Efficiency with Agents

01

Built on OCERS Data

Understands OCERS' portfolio structure, manager roster, and investment objectives

02

Analyst-level Support

Supports analytical tasks and ongoing monitoring with the working knowledge of an analyst

Compare trend speed of OCERS' Trend Following managers vs. the SG Trend index

 RMS Agent

Reasoning completed in 5 steps >

Bottom line

OCERS' trend-following sleeve appears **slightly faster and more diversified by speed** than the **SG Trend Index**, primarily because AlphaSimplex Adaptive Trend explicitly combines short-, medium-, and long-term models. DG Partners Systematic Trading is predominantly medium-speed, while the available materials do not disclose enough information to assign a reliable speed to Systematica Alternative Markets.  +2

Strategy	Supported speed characterization	Relative to SG Trend
AlphaSimplex Adaptive Trend	Blend of short-, medium-, and long-term trend models	Likely somewhat faster and broader by horizon
DG Partners Systematic Trading	Primarily medium-term trend	Likely similar to the benchmark core
Systematica Alternative Markets	Speed not specified; differentiation is wider and more niche OTC markets	Indeterminate
OCERS Second Responders composite	Multi-speed because of AlphaSimplex, but probably still medium-term dominated	Modestly faster than SG Trend , not a fast-trend portfolio

InvestLab - Where Investment Innovation Happens

An internal working group to explore, test, and apply AI across the investment process

WHY

INVESTLAB

AI is changing both the markets we invest in and the tools we use to invest

InvestLab gives the team a practical forum to learn together, test ideas, and turn useful experiments into repeatable investment workflows

**Incremental Experiments.
Shared learning. Better decisions.**

Explore AI Tools & Models

Compare models, prompts, tools, and practical lessons

Discuss Investment Use Cases

Connect AI capabilities to real investment questions

What It Builds

- AI fluency across the team
- Shared standards and practical know-how
- A pipeline of tested investment use cases
- Stronger institutional learning

Test Workflows & Agents

Prototype repeatable workflows before broader adoption

Brainstorm New Ideas

Identify new ways AI can improve research and decisions

InvestLab

Explore • Test • Apply



Memorandum

DATE: September 15, 2026
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **TRUSTEES TRAVEL APPROVAL**

Recommendation

Approve the following travel:

1. Ms. Lopez Tagaloa attendance at the NAA Global Capital Symposium to be held October 13-15 at the Fontainebleau Miami, Miami, Florida. Anticipated cost is approximately \$2000 [Registration: Free; Flight: \$700; Meals: \$200; Hotel: \$1000; Misc: \$100]

Background/Discussion

Ms. Lopez Tagaloa seek the Board's approval for her attendance of the NAA Global Capital Symposium. The conference agenda is attached as item Day 1-7c.

Because this is not a pre-approved conference, the OCERS Board's Travel policy states that "approval by the Board" is required:

LIMITATION ON ATTENDANCE AT CONFERENCES AND SEMINARS

18. Board members who want to attend events (i.e., conferences, seminars, meetings, or courses) that require overnight lodging and are not automatically authorized under paragraphs 11, 12, 13, or 15 require advance approval by the Board.

In addition, the Travel policy also requires that OCERS Trustees and staff submit a written report regarding his/her attendance, a helpful tool in determining if future conferences by this provider should be added to the existing list of pre-approved conference providers:

REPORT ON CONFERENCE OR SEMINAR

23. Board members who travel to conferences or seminars that are not automatically authorized in paragraphs 11, 12, 13, or 15 shall file with the CEO a report that briefly summarizes the information and knowledge gained that may be relevant to other Board members or employees, provides an evaluation of the conference or seminar, and provides a recommendation concerning future participation. Reports by a Board member will be made using the Report of Attendance at Conference or Seminar form shown in the appendix. A copy of the report will be included in the materials for the next Board meeting.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

Attachment:

Day 1-7b NAA Global Capital Symposium Agenda

Day 1-7c OCERS Board Member Travel Policy

GLOBAL SYMPOSIUM

Widening the Investment Aperture

October 13-15, 2026 • Miami, Florida



AGENDA

TUESDAY, OCTOBER 13, 2026	
12:30 PM – 5:30 PM	Family Office Forum: Where Capital and Purpose Converge <i>(By Invitation Only)</i>
6:00 PM – 9:00 PM	Welcome Reception
WEDNESDAY, OCTOBER 14, 2026	
7:30 AM – 9:00 AM	Institutional LPs and Trustee Breakfast <i>(By Invitation Only)</i>
8:00 AM – 9:15 AM	General Symposium Check-In & Networking Breakfast
9:15 AM – 9:30 AM	Welcome and Opening Remarks
9:30 AM – 10:00 AM	Keynote Fireside: Where Capital Meets Conviction
10:00 AM – 10:40 AM	The Consultant Spotlight: What Actually Gets a Manager Funded?
10:40 AM – 10:50 AM	Networking Break
10:50 AM – 11:30 AM	From Seed Capital to Scale: How GP Staking Partners Are Helping Build Emerging Managers
11:30 AM – 12:10 PM	Allocators in Focus: Institutional Perspectives on Portfolio Construction
12:10 PM – 12:30 PM	Heritage Award Ceremony
12:30 PM – 12:45 PM	Latinos in Asset Management Report
12:45 PM – 2:00 PM	Networking Lunch
2:00 PM – 2:30 PM	LATAM Next Wave: How Institutional Capital Is Being Deployed Across the Region
2:30 PM – 3:00 PM	Scaling While Investing: Building an Emerging Manager Platform in Real Time
3:00 PM – 3:45 PM	Inside the Investment Process: The Evolving OCIO Playbook
3:45 PM – 4:00 PM	Networking Break + Transition
4:00 PM – 5:00 PM	Concurrent Deep Dive Breakouts:
	Track A - Private Equity Through the Institutional Investor Lens: Getting Emerging Managers Through the Funnel
	Track B - Real Estate and Real Assets: Dislocation, Distress, and the Great Repricing
	Track C - Private Credit: Underwriting Hybrid Capital in a More Complex Market
5:00 PM – 6:30 PM	Networking Reception
THURSDAY, OCTOBER 15, 2026	
7:00 AM – 9:00 AM	Women Shaping Capital Breakfast Series
8:00 AM – 9:15 AM	General Symposium Check-In & Breakfast
9:15 AM – 9:30 AM	Welcome and Opening Remarks
9:30 AM – 10:00 AM	Fireside Chat
10:00 AM – 10:45 AM	LATAM Family Office Perspective: Alternative Investments in Mexico and South America
10:45 AM – 11:15 AM	Keynote Address
11:15 AM – 11:45 AM	Fireside Chat with Orlando Bravo
11:45 AM – 12:30 PM	The Evolving Private Capital Playbook: How Family Offices Are Becoming Institutional
12:30 PM – 12:40 PM	Organizational Insight
12:40 PM – 1:25 PM	Women's Sports: The Next Great Asset Class
1:25 PM – 2:35 PM	Networking Lunch
2:35 PM – 3:15 PM	Independent Sponsors at Scale: A New Blueprint for the Emerging Manager Model
3:15 PM – 3:30 PM	Networking Break & Transition
3:30 PM – 4:30 PM	Concurrent Deep Dive Breakouts
	Track A - Entrepreneur Spotlight: The Pitch
	Track B - Independent Sponsor Spotlight: Behind the Deal
	Track C - Venture Capital from the LP Seat: Discipline, Differentiation, and the Path Back to Liquidity
4:30 PM – 4:45 PM	Transition to General Session
4:45 PM – 5:45 PM	Table Talks: LPs and GPs in Roundtable Conversations
5:45 PM – 6:00 PM	Closing Remarks & 2027 Announcement
6:00 PM – 8:00 PM	Closing Reception
FRIDAY, OCTOBER 16, 2026	
7:30 AM	L2Point Running Club
9:00 AM – 11:00 AM	Networking Breakfast
10:00 AM – 12:00 PM	Select GP/LP scheduled Meetings <i>(By Invitation Only)</i>

AGENDA SUBJECT TO CHANGE

naaonline.org



OCERS Board Policy Board Member Travel Policy

Purpose

1. The effective oversight of a public sector pension plan requires that Board members attend business meetings and educational events from time to time, both in and outside the state of California. Travel and related costs are a legitimate and necessary part of OCERS' operations and represent an investment in OCERS' ability to fulfill its obligations to participating employers and members.
2. The purpose of the Board Member Travel Policy is to promote Board member travel for relevant educational and business purposes and to:
 - a. assist Board members in fulfilling their fiduciary duties to administer the pension plan;
 - b. ensure that travel and related expenditures incurred are prudent and cost-effective;
 - c. mitigate the risk of any actual or perceived impropriety related to Board member travel or business-related expenditures.
3. Exceptions to any provision of this policy for a Board member may only be granted with prior approval of the Board Chair or Vice Chair.

Content Requirements

4. Generally, no approval will be granted for attendance, and no travel expenses will be reimbursed unless a conference or seminar agenda contains substantive educational content per day. Educational forums, conferences, and seminars that routinely and consistently satisfy this requirement will automatically qualify for Board approval for attendance. The Chief Executive Officer (CEO) will screen and provide a list of suitable conferences or seminars to the Board members at each regular meeting of the Board. This requirement does not apply to meetings of a public retirement system or the conferences listed in paragraphs 11 and 15.
5. Authorization to attend and receive travel expense reimbursement for a client conference organized or sponsored by a single company or firm shall be restricted to those conferences sponsored by firms with a contractual relationship with OCERS. Board members with independent relationships with a conference sponsor are not automatically entitled to attend such conferences at OCERS' expense. The Board of Retirement shall consider each request individually, regardless of any Board affiliation.

Board Member

6. As used in this policy, the term "Board member" includes a designee of the Treasurer, provided such person is designated in writing to act as the designee, has taken the oath of office, and has filed the written designation with the County Clerk, County Auditor, and OCERS.

Travel Authorization

7. Except as otherwise provided herein, reimbursement of travel expenses for a Board member to attend an educational conference, seminar, or similar meetings or events requires prior approval by the Board of Retirement.



OCERS Board Policy Board Member Travel Policy

8. Board approval is not required for travel within the Southern California region for OCERS' business if no overnight accommodations are required. For purposes of this policy, the Southern California region includes the counties of Orange, Los Angeles, San Bernardino, Riverside, San Diego, Imperial, Ventura, Santa Barbara, and Kern.

Limitation on Meeting for Business Purpose

9. No more than four members of the Board are authorized to meet together for business purposes within the State of California unless there is appropriate public notice of the meeting. Attendance by more than four Board members at educational conferences, seminars, or social activities is not a violation of this provision.

Cost of Administration

10. Approved education and travel expenses for Board members shall be direct costs of OCERS' administration, paid by OCERS. These expenses shall not be paid through third-party contracts or other means without the express written authorization of the Board of Retirement. All approved travel and education expenses shall be included in OCERS' annual budget, as approved by the Board of Retirement.

Pre-Approved Conferences and Meetings

11. Board members are automatically authorized and encouraged to attend the following:
 - a. Regular meetings of the State Association of County Retirement Systems (SACRS);
 - b. Conferences of the National Conference on Public Employee Retirement Systems (NCPERS);
 - c. CALAPRS annual General Assembly and Round Table meetings;
 - d. Conferences of the National Association of State Retirement Administrators (NASRA);
 - e. Conferences of the National Institute on Retirement Security (NIRS);
 - f. Conferences sponsored by the Board of Retirement's retained consultants and/or investment managers;
 - g. Conferences sponsored by the California Retired County Employees Association (CRCEA);
 - h. Conferences sponsored by the National Association of Police Organizations (NAPO); and
 - i. Conferences sponsored by a firm that has a contractual relationship with OCERS.



OCERS Board Policy Board Member Travel Policy

12. Board members appointed or elected to serve on committees or boards of the organizations named in paragraph 11 are automatically authorized to attend the related committee or board meetings to which they have been appointed or elected.
13. Board members are automatically authorized to attend each of the following full curriculum pension management programs and courses:
 - a. Basic and advanced educational programs sponsored by CALAPRS – once during each Board member’s term;
 - b. Basic and advanced educational programs sponsored by SACRS – once during each Board member’s term;
 - c. Basic and advanced investment programs sponsored by the Wharton School — one time only; provided, however, if the Wharton School does not offer an advanced investment program, the basic program may be taken a second time after three years of initially completing the program; and
 - d. Global Financial Markets Institute, Inc. – various programs are available; Board members may attend each program only once.
14. New Board members, other than those with prior experience administering a public retirement system or pension fund, are encouraged to attend one of the courses listed in paragraph 13 within the first year after their election or appointment.
15. The CEO has identified the following conferences and seminars that Board members are automatically authorized to attend, subject to the limits set forth in paragraph 17, at OCERS’ expense:
 - a. Conferences and Programs sponsored by the International Foundation of Employee Benefit Plans (IFEBCP);
 - b. Conferences sponsored by the Pension Real Estate Association (PREA);
 - c. Conferences sponsored by Pension and Investments;
 - d. Conferences sponsored by the Pacific Pension Institute (PPI);
 - e. Forums sponsored by Institutional Investor;
 - f. Conferences sponsored by the Council of Institutional Investors (CII);
 - g. Conferences sponsored by Institutional Real Estate, Inc. (IREI);
 - h. Conferences sponsored by the Opal Financial Group;
 - i. Conferences sponsored by With Intelligence (Pension Bridge) and all its subsidiaries;
 - j. Conferences sponsored by the Investment and Wealth Institute;
 - k. Conferences sponsored by SuperReturn;
 - l. Conferences sponsored by Global ARC;
 - m. Conferences sponsored by Institutional Shareholder Services (ISS) Media Solutions and all its subsidiaries;



OCERS Board Policy Board Member Travel Policy

- n. Conferences sponsored by the Institutional Limited Partners Association (ILPA); and
 - o. Conferences sponsored by the Markets Group.
16. The CEO shall provide newly elected or appointed Board members with a list of approved conferences scheduled within the current calendar year.

Limitation on Attendance at Conferences and Seminars

- 17. A Board member is authorized to attend up to three events (e.g., conferences, seminars, meetings, or courses) that require overnight lodging at OCERS' expense each calendar year. Attendance at the pre-approved events listed in paragraphs 11, 12, and 13 is not subject to the three-event limit imposed by this paragraph, even if they require overnight travel.
- 18. Board members who want to attend events (i.e., conferences, seminars, meetings, or courses) that require overnight lodging and are not automatically authorized under paragraphs 11, 12, 13, or 15 require advance approval by the Board.
- 19. OCERS will not reimburse overnight lodging for travel within Orange County, regardless of whether the event is pre-approved under any of the provisions of this policy. The Board Chair or Vice Chair may grant an exception to this provision upon the request of, and showing of good cause by, a Board member or the CEO.
- 20. In cases where attendance at a particular conference, seminar, or other event is limited, the CEO will identify those Board members who will be authorized to attend as follows:
 - a. first, by giving priority to those Board members who have not previously attended the specific conference, seminar, or other event and, if needed, make selections by lottery of the interested Board members in this group;
 - b. second, if additional opportunities to attend remain available, make selections by lottery of other interested Board members, and
 - c. third, designate the remaining interested Board members as alternate attendees, who may attend in the event the Board members originally selected are unable to attend.

International Travel and Travel Outside the Continental United States

- 21. Travel by Board members to a destination outside the continental United States requires pre-approval by the Board, regardless of whether the event is pre-approved under any of the provisions of this policy. Travel to attend a conference, seminar, or meeting held outside the continental United States shall not be reimbursed by OCERS unless it can be demonstrated to the satisfaction of the Board that there is significant value to OCERS in attending, and comparable value cannot be obtained within the continental United States within a reasonable period.

Travel Reports

- 22. The CEO shall submit a quarterly report on conference, seminar, and educational course attendance by Board members and staff and OCERS' costs related to such events. Such reports



OCERS Board Policy Board Member Travel Policy

shall identify the individual, location, purpose, and cost of travel. The Board of Retirement will review these reports quarterly. The report will also include scheduled travel costs incurred for the ensuing quarters.

Report on Conference or Seminar

23. Board members who travel to conferences or seminars that are not automatically authorized in paragraphs 11, 12, 13, or 15 shall file with the CEO a report that briefly summarizes the information and knowledge gained that may be relevant to other Board members or employees, provides an evaluation of the conference or seminar, and provides a recommendation concerning future participation. Reports by a Board member will be made using the Report of Attendance at Conference or Seminar form shown in the appendix. A copy of the report will be included in the materials for the next Board meeting.

Claims for Reimbursement

24. The CEO's Executive Assistant shall submit reimbursement for travel by a Board member through OCERS' expense management application, and it must be accompanied by all supporting receipts or documentation of the incurred expense. Board members must provide an itemized receipt that shows proof of payment. If a non-meal itemized receipt is lost or unavailable, a Missing Receipt Form must be completed and submitted with the reimbursement claim (meal-related receipts are addressed in paragraph 33). This form includes a certification that only allowable items are being claimed. Excessive use of the Missing Receipt Form may result in denial of reimbursement at OCERS' discretion. All reimbursement claims will be reviewed and approved (or disapproved) in accordance with the provisions of this policy. The Board Chair shall approve expense claims for Board members. The Vice Chair will approve expense claims for the Chair. All approvals are subject to final review and concurrence by the Board of Retirement as part of the quarterly report process required in paragraph 22.

Agency-Issued Corporate Credit Card

25. Board members may request a Corporate Credit Card to be used in accordance with the Corporate Credit Card Policy. The Corporate Credit Card may be used for expenses incurred in conjunction with official OCERS' business, including travel costs such as parking, air travel, hotel accommodations, ground transportation, vehicle rental, or meals. The quarterly travel report will note those Board members who have been issued credit cards.

Cash Advances

26. Cash advances will be provided upon request only for those conferences, seminars, meetings, and courses identified in paragraphs 11, 12, 13, or 15 of this policy as pre-approved by the Board and CEO. All cash advances for travel and training shall be requested through the CEO. Cash advances are subject to approval by the Chair of the Board of Retirement and the CEO. Notice of all cash advances exceeding \$500 for travel and training shall be placed on the agenda for the next Regular Meeting of the Board of Retirement as a report.



OCERS Board Policy Board Member Travel Policy

Time Limit for Expense Claims

27. Claims for reimbursement pursuant to this policy must be submitted within 30 days following return to Orange County. In no event will a claim for reimbursement be approved if submitted 90 days after the end of the calendar year in which the expense was incurred.

Expenses for Traveling Companions

28. Expenses of family members and/or traveling companions are not reimbursable by OCERS.

Limitation on Expense Allowance

29. Board members will be reimbursed for daily travel expenses, such as meals as outlined in paragraph 31, and gratuities as outlined in paragraph 44, for each day of travel occurring outside Orange County. Reimbursement for expenses shall not exceed what is reasonable and necessary, based on comparable travel to the same destination, whether by private vehicle or common carrier. Expense reimbursements are limited to those items and amounts considered non-taxable income to the recipient by the Internal Revenue Service (IRS). Whenever feasible, Board members are encouraged to travel on the same day of a one-day event and on the first and last days of a multiple-day event, rather than the day before or after, in order to minimize lodging and meal costs to OCERS.

Travel and Lodging Cancellations

30. Board members are responsible for promptly canceling any registration fees, travel arrangements, or lodging reservations made on their behalf that will not be used. Cancellations should be made in a timely manner to avoid unnecessary costs to OCERS. If a cancellation occurs after OCERS has provided an advance reimbursement and a refund is issued directly to the Board member, the refunded amount must be reimbursed back to OCERS promptly.

Meals

31. **Meals While Attending Events that Require Overnight Travel.** Board members will be reimbursed for the actual and reasonable cost of meals, including non-alcoholic beverages, tax, and tips, while attending events (i.e., conferences, seminars, meetings, or courses) that require overnight travel. Reimbursement will not be provided for meals:

- a. already included and paid for by OCERS (e.g., meals included in the event registration fee), or
- b. paid for by a third party and subject to reporting requirements under the Political Reform Act.

If an itemized receipt is not submitted, OCERS will reimburse the Board member up to the United States General Services Administration (GSA) per diem rate for each purchased meal.

32. **Reimbursement for Meals Consumed and Purchased During a Business-Purpose Meeting Where Travel is Not Involved.** When overnight travel is not involved, Board members will be reimbursed



OCERS Board Policy Board Member Travel Policy

for the actual and reasonable cost of meals, including non-alcoholic beverages, tax, and a reasonable tip, if the meal occurs during a meeting where OCERS' business is conducted. (See paragraph 31 for meal reimbursement during trips with overnight travel.) The names of all attendees and a brief description of the business discussed or conducted shall be submitted with the reimbursement request. If an itemized receipt is not submitted, OCERS will reimburse the Board member up to the applicable GSA per diem rate for each purchased meal.

Hotels

- 33. Actual expenses for economical and practical lodging will be reimbursed, as will actual lodging expenses from the hotel where the conference is held. Reimbursement will be limited to a room considered to be in a standard class. Whenever possible, a request for a government or conference rate will be made.
- 34. If, at the conclusion of a business-related trip, it would be impractical for a Board member to return home the same day, the Board member will be entitled to be reimbursed for one additional night of lodging.

Airline Travel

- 35. OCERS' Board members will use good judgment to obtain airline tickets at competitive prices. OCERS will not reimburse a Board member to fly business class (or the equivalent) except in the case of international travel that exceeds six (6) hours or first class, except in extraordinary circumstances, and then only with the approval of the Board Chair, or the Vice Chair where the traveler is the Board Chair. Also, additional legroom seats or premium economy fees will be reimbursed for total travel that exceeds four (4) hours in length or to accommodate special travel needs. At their own expense, an individual may pay to upgrade travel to business or first class.
- 36. If a significant savings on the airline fare can be realized by having a Board member extend their stay to include an additional night, the Board member may, at their discretion, extend their stay to realize such savings. OCERS will reimburse the additional lodging and meal costs incurred as a result of the extended stay, not to exceed the amount of savings in airline fare.

Vehicle Mileage

- 37. A Board member who uses their personal vehicle for transportation on OCERS' business will keep records of the actual mileage driven on business and will report such mileage to the CEO's executive assistant, who will submit the claim through OCERS' expense management application and will use the mileage calculator in the application or attach documentation of the miles driven (e.g., copy of map and route). Reimbursement will be made at the per-mile rate allowed by the IRS.
- 38. Board members who use their personal vehicles for transportation to OCERS (or to OCERS' offsite meeting locations) to attend meetings of the Board or committees of the Board or to conduct other OCERS' business will be reimbursed for actual mileage driven at the per-mile rate allowed by the IRS. The Board member will report such mileage to the CEO's Executive Assistant, who will submit the claim through the OCERS' expense management application and use the mileage calculator in the application or attach documentation of the miles driven (e.g., copy of map and route).



OCERS Board Policy Board Member Travel Policy

39. A Board member who elects to use their personal vehicle for travel will be reimbursed for mileage and parking fees up to an amount that does not exceed the cost of traveling by air, which will be calculated to include the most economical (least expensive) round-trip ticket between Orange County and the destination city, airline baggage fees, transportation to/from and parking fees at the local airport, and transportation between the destination airport and hotel/conference site.

Parking and Tolls

40. Parking and tolls will be reimbursed when related to official OCERS' business.

Transportation

41. Use of taxis, hired cars, shared ride services (e.g., Uber, Lyft, Sidecar), and public transportation for OCERS' business (including attendance at Board or committee meetings) will be reimbursed. The most economical mode of transportation should be used whenever practicable; however, use of a transportation provider with multiple stops (e.g., shuttles) is not required.

Car Rental

42. The use of a rental car by a Board member will be reimbursed when it is economically reasonable to rent a vehicle rather than use taxis, hired cars, shared ride services, or public transportation. Board members are required to obtain and purchase (and OCERS will reimburse) Loss Damage Waiver and Supplemental Liability Insurance when renting vehicles on OCERS' business. Rental car discounts must be used whenever possible and appropriate. If available, an "intermediate," "standard," or equivalent rental automobile or truck will be requested unless several Board members and staff will use the vehicle together. Whenever possible, a request for a government rate or lowest reasonable rate will be made.

Incidental Business Expenses

43. Incidental business expenses reasonably incurred in connection with OCERS' business, such as telephone, fax, Internet access, and similar business expenses, will be reimbursed.

Porterage/Housekeeping/Other

44. OCERS will reimburse a maximum of \$20 per day of travel for porterage, housekeeping, and non-meal-related gratuities. Receipts are not required for these expenses.

Excluded Expenses

45. The following expenses will not be reimbursed: Alcoholic beverages, tobacco products, in-room movies, barber or beauty shop or spa services, gifts, magazines, personal telephone calls, and mini-bar charges. For trips longer than five business days or in emergency situations, laundry and dry-cleaning expenses will be reimbursed.
46. OCERS will not reimburse or pay for charges associated with attendance at or participation in networking, social, or entertainment activities (e.g., golf outings, cocktail parties, excursions, or similar events) that are in addition to or not included in the general conference registration fee. An



OCERS Board Policy Board Member Travel Policy

exception is made for NASRA-sponsored networking events that occur during and are included in the official agenda of NASRA-sponsored conferences.

Policy Review

47. This policy shall be reviewed every three years by the Governance Committee and may be amended by the Board of Retirement at any time.

Policy History

48. The Retirement Board adopted this policy on December 16, 2002, and it was revised on May 19, 2025.

Secretary's Certificate

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

A handwritten signature in blue ink that reads "Steve Delaney". The signature is written in a cursive style.

5/19/2025

Steve Delaney
Secretary of the Board

Date



Report of Attendance at Conference or Seminar

Name of Member Attending: _____

Name of Conference/Seminar: _____

Location of Conference/Seminar: _____

Conference/Seminar Sponsor: _____

Dates of Attendance: _____

Total Cost of Attendance: _____

Brief Summary of Information and Knowledge Gained:

Evaluation of the Conference or Seminar:

Recommendation Concerning Future Attendance:

Signature

Return to: Executive Assistant

Copies to: Board Members
Chief Executive Officer
Assistant Chief Executive Officers



Hearing From Our Stakeholders

Strategic Planning Workshop

September 16, 2026



County of Orange



Kimberly Engelby
Chief Financial Officer

Orange County
Employees
Association



Leti Guerrero
Board President

CB
General Manager

OC Sanitation District



Lorenzo Tyner
Asst General Manager



Orange County Employees Retirement System

County Employees Retirement System

Actuarial Discussion – Mortality and Covered Salary Risks

Strategic Planning Workshop

2026 / Matt Strom

Segal Group, Inc.



| Agenda

Risk Identification and Modeling

- Impact of Unexpected Increase in Longevity
- AI Causing Reduction in Covered Payroll

Summary

Appendix



Risk Identification and Modeling



Improved Longevity



Historical and Projected Life Expectancy

The average life expectancy at birth in the United States around 1946 was approximately **66 years** (male/female composite).

Eight decades later, the average life expectancy at birth is approximately **79 years**

81.4 for females

76.5 for males

21st-century projections vary by source:

Demographic	Current Baseline (CDC ¹)	2050 Projected (IHME ²)	2050 Projected (CBO ³)
Composite	79.0 years	80.4 years (+1.4)	81.7 years (+2.7)
Females	81.4 years	82.6 years (+1.2)	83.8 years (+2.4)
Males	76.5 years	78.2 years (+1.7)	79.6 years (+3.1)

Actual life expectancy in the general US population has improved by about 13 years from the mid-20th century to now.

Projected additional life expectancy improvement ranges from about 1.2 to 3.1 years by 2050.

ERS Retiree Projected Longevity

tired pensioner populations tend to have increased longevity relative to the neral United States population; geography also plays a role.

erage expected age at death for a service retirement retiree¹ currently age (

Demographic	General Retiree	Safety Retiree
emales	88.0 (28.0 years)	87.6 (27.6 years)
ales	85.9 (25.9 years)	86.8 (26.8 years)

Average life expectancy for a 60-year-old female and male in the general United States population today is 24.9 years and 21.7 years, respectively.

icies shown above reflect the newly adopted mortality assumptions. Under the prior assumptions used in the December 31, 2025, actuarial ected ages at death were: General—88.1 for females (0.1 years higher than under the new assumptions) and 86.3 for males (0.4 years Safety—88.2 for females (0.6 years higher) and 86.6 for males (0.2 years lower).



Long-Term Mortality Improvement

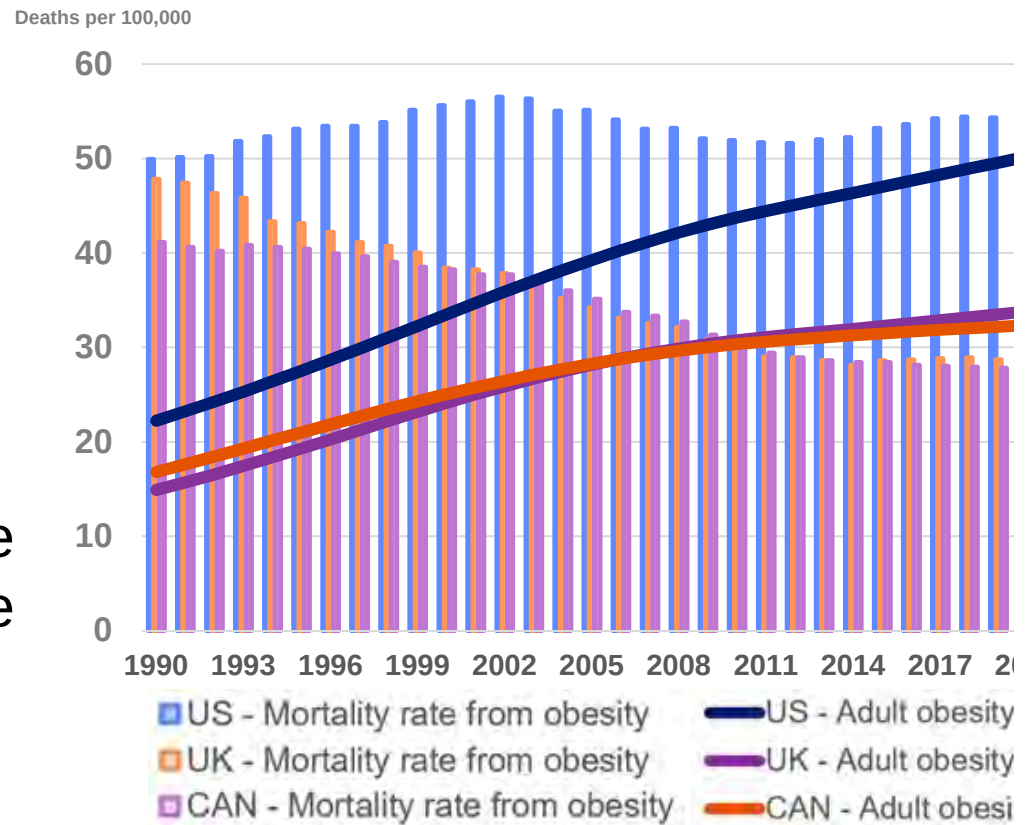
Obesity is a significant contributing factor to mortality in US population

Over 40% of the age 18+ US population has a BMI over 30

US mortality rate from obesity is nearly 15% higher now than it was in 1990

Widespread adoption of weight loss medication (e.g., GLP-1) could reverse trends and improve longevity over time

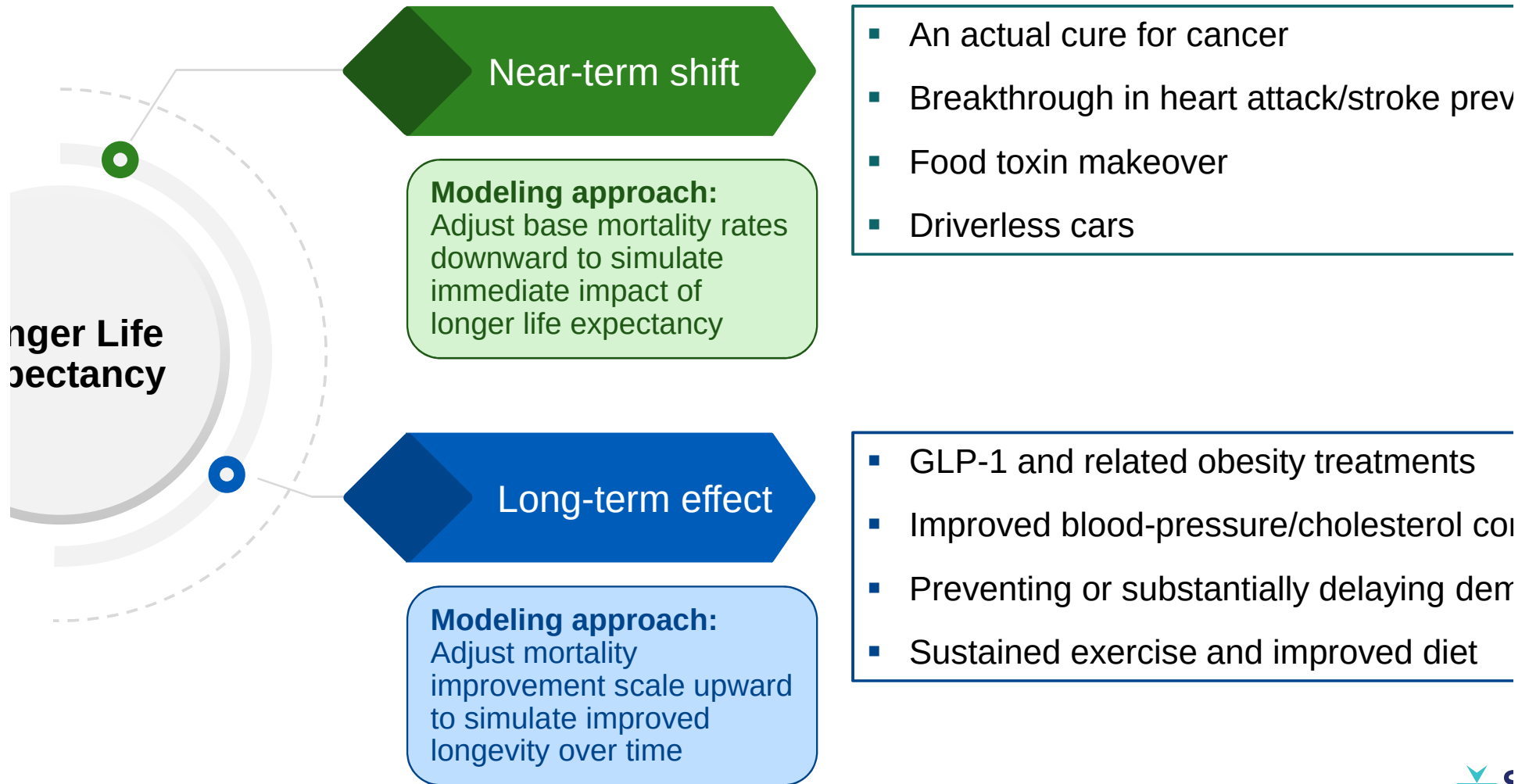
Recent publications and studies from longevity experts and reinsurers indicate potential 0.2%-0.7% per year improvement in mortality¹



our World In Data" (World Health Organization), ourworldindata.org
 "Risk of Living Longer" (Club Vita Webinar Series), www.clubvita.net/us/events/event-recordings



5 Paths for Improved Longevity

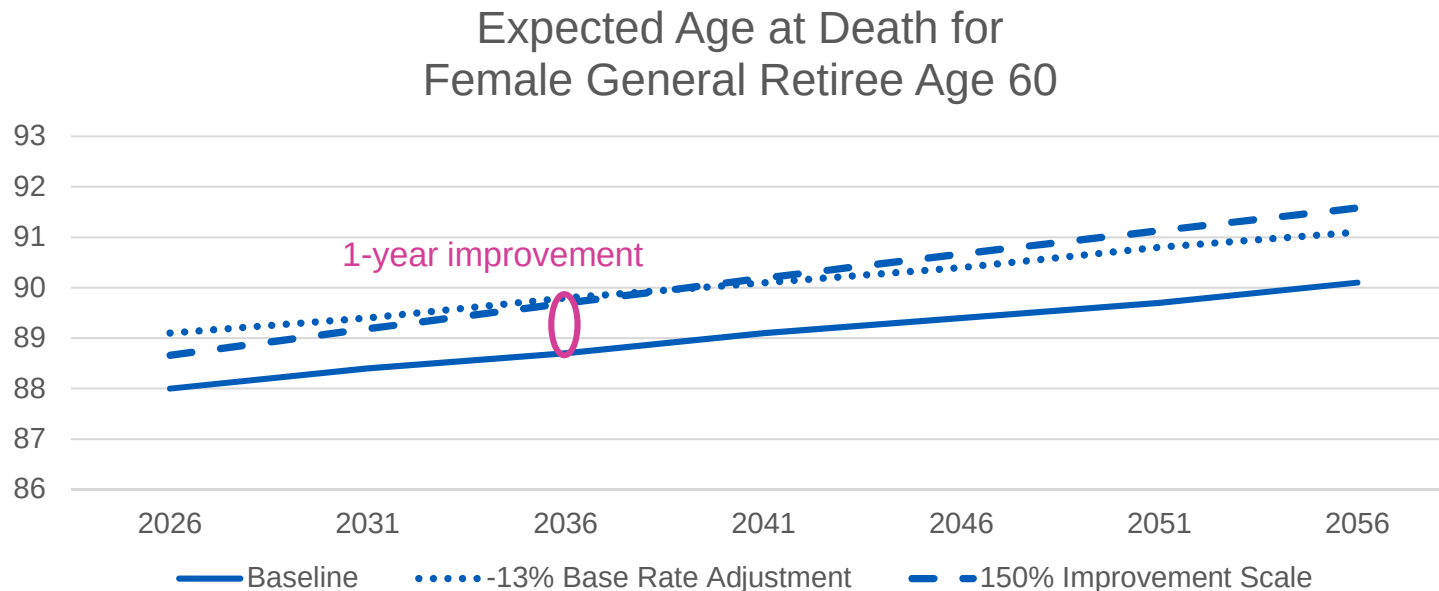


Additional One Year of Life Expectancy

approaches to improve projected life expectancy of a 60-year-old service member retiree in ten years by approximately **one year**:

13% General/10% Safety static adjustment to base table mortality rates¹.

Increase mortality improvement scale rates by 50% (i.e., apply 150% of rate starting in 2026).



Assumption modified from 105% of PubG-2016 Above Median to 92% of PubG-2016 Above Median and assumption modified from 100% of PubS-2016 Above Median to 90% of PubS-2016 Above Median



Estimated Actuarial Impact

Additional 1-year life expectancy in 2036

Component	Based on Adopted Assumptions	Impact of 1-year increase	Near-term Shift (Decreased Mort. Rates)	Impact of 1-year increase	Long-term Effect (Increase in Improvement)
Year normal cost rate	13.67%	+0.20%	13.87%	+0.20%	13.87
Year UAAL rate	<u>22.33%</u>	<u>+1.97%</u>	<u>24.30%</u>	<u>+1.03%</u>	<u>23.36</u>
Employer rate	36.00%	+2.17%	38.17%	+1.23%	37.23
Member rate	11.79%	+0.18%	11.97%	+0.20%	11.99
	\$3,995 M	+\$656 M	\$4,651 M	+\$337 M	\$4,332
Funded ratio	86.5%	-1.8%	84.7%	-0.9%	85.6%



Estimated Actuarial Impact

Additional 3-years life expectancy in 2036

Component	Based on Adopted Assumptions	Impact of 3-year Increase	Near-term Shift (Decreased Mort. Rates ¹)
Employer normal cost rate	13.67%	+0.56%	14.23%
Employer UAAL rate	<u>22.33%</u>	<u>+5.79%</u>	<u>28.12%</u>
Total Employer rate	36.00%	+6.35%	42.35%
Total Member rate	11.79%	+0.53%	12.32%
UAAL	\$3,995 M	+\$1,907 M	\$5,882 M
AVA funded ratio	86.5%	-5.1%	81.4%

ction in base mortality rates



Estimated Actuarial Impact

Additional 13-years life expectancy in 2036

Component	Based on Adopted Assumptions	Impact of 13-year Increase	Near-term Shift With Long-term Effect ¹
Employer normal cost rate	13.67%	+2.18%	15.85%
Employer UAAL rate	<u>22.33%</u>	<u>+23.11%</u>	<u>45.44%</u>
Total Employer rate	36.00%	+25.29%	61.29%
Total Member rate	11.79%	+1.97%	13.76%
UAAL	\$3,995 M	+\$7,453 M	\$11,428 M
AVA funded ratio	86.5%	-17.3%	69.2%

ction in base mortality rates AND applying 200% of mortality improvement scale rates



ditional Considerations

Improved longevity over the last several decades correlated with later retirement

Would improved health and well-being delay retirement (and thereby extend expected working careers) further?

Should benefit provisions need to change?

Modify final average period?

Adjust maximum benefit cap?

Should there be comparable/partial improvements in disability pensioner mortality?
Workforce management issues

Greater need for phased retirement, part-time work, accommodations, etc.



Impact on Workforce/Payroll



Potential AI Impact in Public Sector

Potential ways AI could reduce public sector active headcount/payroll

AI targets a large share of public-sector employment such as document review, licensing, permitting, procurement, scheduling, call-center work, and constituent correspondence.

Generative AI can materially improve productivity in knowledge and administrative roles such as preparing first drafts of memos and analyses, reviewing forms, generating correspondence, and data reconciliation.

AI can enable consolidation of duplicated functions (e.g., finance, HR, procurement, IT, legal, and administrative support teams)

Digital self-service tools like AI chatbots, automated case intake, and virtual assistants can reduce on-site staffing needs.

Robotics like drones, autonomous inspection tools, automated warehousing, remote sensors, autonomous vehicles, smart infrastructure monitoring, and robotic maintenance equipment can impact public works, transportation, utilities, facilities, parks, and inspection functions.



W OCERS Might Be Affected

likely path may be reduced replacement hiring, not mass layoffs

Public sector employers can allow headcount to decline through attrition.

Agencies redesign workflows around AI, fewer entry-level analyst, clerical, administrative, and processing roles may exist.

Implications for ongoing OCERS funding

OCERS contribution rate effect could be adverse even if total County costs decline

Lower active payroll reduces the contribution base supporting unfunded liabilities.

Relatively fewer actives would be under PEPRA plan provisions.

Fewer covered active employees contributing into the System.

However, if all assumptions are met, most UAL is expected to be paid off in five years.

In the absence of adverse experience future contributions would be normal cost rate only.



deled Impact (Aggregate Plan)

ated contribution rates under three payroll growth scenarios; all other assumptions :

3% Assumption	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
ost	13.42%	13.20%	12.99%	12.78%	12.57%	12.36%	12.17%	11.98%	11.80%	11.64%
e	<u>21.14%</u>	<u>18.75%</u>	<u>17.19%</u>	<u>14.98%</u>	<u>11.68%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
loyer Rate	34.56%	31.95%	30.18%	27.76%	24.25%	12.36%	12.17%	11.98%	11.80%	11.64%
Rate	11.69%	11.60%	11.51%	11.43%	11.34%	11.26%	11.18%	11.10%	11.03%	10.96%
ayroll Growth	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
ost	13.47%	13.28%	13.10%	12.91%	12.72%	12.53%	12.35%	12.16%	11.98%	11.81%
e	<u>21.48%</u>	<u>19.38%</u>	<u>18.08%</u>	<u>16.01%</u>	<u>12.69%</u>	<u>12.89%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
loyer Rate	34.95%	32.66%	31.18%	28.92%	25.41%	25.42%	12.35%	12.16%	11.98%	11.81%
Rate	11.71%	11.63%	11.56%	11.48%	11.41%	11.33%	11.25%	11.17%	11.10%	11.03%
ayroll Growth	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
ost	13.51%	13.36%	13.22%	13.06%	12.89%	12.72%	12.55%	12.37%	12.20%	12.02%
e	<u>21.84%</u>	<u>20.04%</u>	<u>19.01%</u>	<u>17.12%</u>	<u>13.80%</u>	<u>14.25%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
loyer Rate	35.35%	33.40%	32.23%	30.18%	26.69%	26.97%	12.55%	12.37%	12.20%	12.02%
Rate	11.72%	11.67%	11.61%	11.55%	11.48%	11.41%	11.33%	11.26%	11.19%	11.11%

Fewer new hi
in stalled grov
payroll and –
short term –
contribution lo
funded over ti

A “new norma
likely necessari
change in pay
growth assum
future experie

However, UA
only continue
additional yea
employer rate
(albeit higher)
Cost rate.



oretical Impact With Adverse Experience

When declining headcount hits differently when combined with a sizeable loss

Consider a \$3B investment loss fully reflected by 2030 and 2026 covered payroll of \$2.6B

3% Assumption	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	...	2050
	\$2,600	\$2,678	\$2,758	\$2,841	\$2,926	\$3,014	\$3,105	\$3,198	\$3,294	\$3,392	...	\$5,285
Investment						\$218	\$224	\$231	\$238	\$245	...	\$381
Expense						7.22%	7.22%	7.22%	7.22%	7.22%	...	7.22%

What happens if covered payroll remains flat?

Payroll Growth	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	...	2050
	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	...	\$2,600
Investment						\$274	\$274	\$274	\$274	\$274	...	\$274
Expense						10.53%	10.53%	10.53%	10.53%	10.53%	...	10.53%

What happens if covered payroll declines by 3% over 10 years?

Payroll Growth	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	...	2050
	\$2,600	\$2,522	\$2,446	\$2,373	\$2,302	\$2,233	\$2,166	\$2,101	\$2,038	\$1,977	...	\$1,917
Investment						\$274	\$274	\$274	\$274	\$274	...	\$274
Expense						12.26%	12.64%	13.03%	13.43%	13.85%	...	14.28%

and UAAL payments values above are in \$ millions.

Any increase in UAAL will need to be funded over a 20-year amortization period. Doing a declining base will require a rate as percent of this payment.



**Combined Improved Longevity
and AI Impact on
Workforce/Payroll**



Combined Modeled Impact (Aggregate Plan

Projected contribution rates under “moderate” and “severe” combined scenarios

3% Assumption	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Cost	13.42%	13.20%	12.99%	12.78%	12.57%	12.36%	12.17%	11.98%	11.80%	11.64%
Severe	21.14%	18.75%	17.19%	14.98%	11.68%	0.00%	0.00%	0.00%	0.00%	0.00%
Employer Rate	34.56%	31.95%	30.18%	27.76%	24.25%	12.36%	12.17%	11.98%	11.80%	11.64%
Rate	11.69%	11.60%	11.51%	11.43%	11.34%	11.26%	11.18%	11.10%	11.03%	10.96%
+1yr Life Exp.	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Cost	13.66%	13.47%	13.29%	13.10%	12.91%	12.72%	12.53%	12.34%	12.17%	11.99%
Severe	24.16%	21.19%	20.39%	18.45%	17.69%	13.92%	13.57%	0.00%	0.00%	0.00%
Employer Rate	37.82%	34.66%	33.68%	31.55%	30.60%	26.64%	26.10%	12.34%	12.17%	11.99%
Rate	11.89%	11.81%	11.73%	11.66%	11.58%	11.50%	11.43%	11.35%	11.27%	11.20%
+3yrs Life Exp.	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Cost	14.06%	13.91%	13.76%	13.60%	13.43%	13.25%	13.07%	12.88%	12.70%	12.53%
Severe	28.46%	26.72%	26.84%	25.04%	25.02%	24.99%	18.57%	1.22%	0.00%	0.00%
Employer Rate	42.52%	40.63%	40.60%	38.64%	38.45%	38.24%	31.64%	14.10%	12.70%	12.53%
Rate	12.24%	12.18%	12.12%	12.05%	11.98%	11.91%	11.83%	11.76%	11.68%	11.61%

In a moderate scenario of both life expectancies by 1 year and payroll growth employer rate run 2.5% to 1% until all UAL is funded.

In a more severe adverse scenario of +3 year life expectancy and flat payroll growth employer rate run 8% to 26% until all UAL is funded.

“moderate” and “severe” combined scenarios reflect a decrease in payroll growth assumption from 3% to 1.5% or 0%, respectively, in 2028.



Summary



Summary

Longevity is the larger direct liability risk; shrinking payroll magnifies its long-term impact

Even modest longevity increases are material. One additional year could add \$1.6B to UAAL, raise the employer rate 2.17%, and reduce funded status 1.8%.

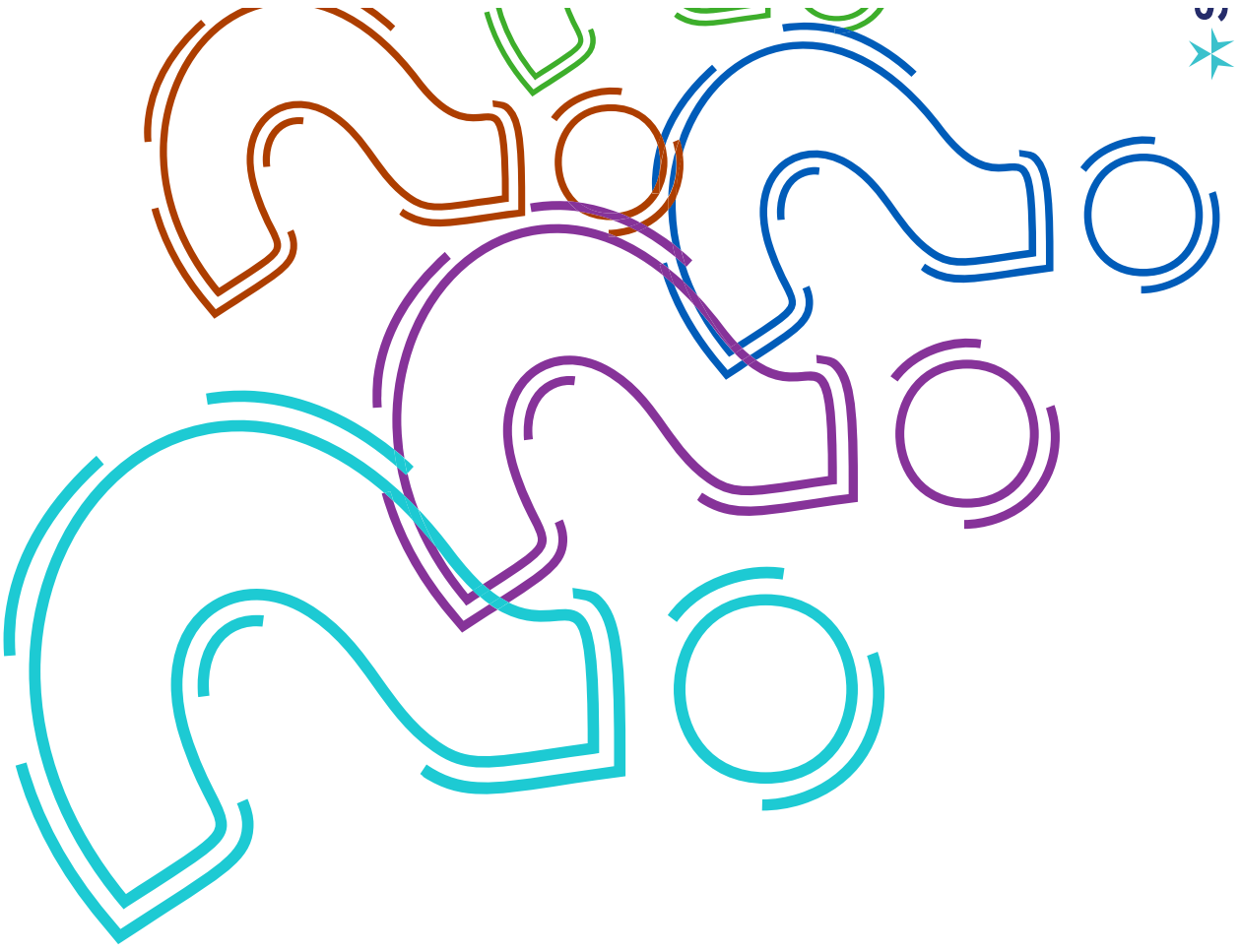
Larger longevity increases compound quickly. A three-year increase in life expectancy could add \$1.9B to UAAL and raise the employer rate by 6.35%.

Shrinking payroll alone causes small changes – but reduces resilience. Slowing growth may only extend current UAL payments modestly, but a flat or declining contribution base makes future adverse experience much more expensive.

These risks are most consequential together. Longer retirements combined with stagnant payroll could keep employer rates elevated for years, requiring ongoing monitoring of mortality, payroll growth, plan provisions and workforce strategies.



nk You



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The Hazards of Mandating Social Security Coverage on the Public Sector

CPRS (Coalition to Preserve Retirement Security)
& Segal 2026 Update

September 16, 2026

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Patching Social Security

[Show All](#)

1. Reduce benefits by 5% for all future retirees

Pro: All retirees should share responsibility for fixing SS

Con: Lower-income retirees will suffer more

#5
[35%]

2. Tax all earnings (don't stop at the wage base)

Pro: Impacts only higher-income people who "can afford it"

Con: Becomes a huge tax burden for the wealthy

#1
[73%]

3. Require all State/Local government workers to pay into SS

Pro: All Americans should pay for SS

Con: Would jeopardize many well-run public pension plans

#8
[11%]

4. Raise Social Security Payroll Tax by ½ of 1%

Pro: Modest price to pay for long-range SS stability

Con: Extra tax burden would discourage savings and investment

#3
[53%]

5. Reduce COLA by 3/10 of 1%

Pro: Economists believe current formula overstates inflation for seniors

Con: Punitive reductions for longer you live

#6
[25%]

6. Reduce benefits to people making \$100,000

Pro: Ensures SS is paid only to people who need it most

Con: Would turn SS into a welfare program

#4
[50%]

7. Tax all SS benefits (only a portion is taxed now)

Pro: All other pensions are taxed

Con: Would hit middle-income taxpayers the most

#7
[16%]

8. Raise the retirement age to 70 by 2063

Pro: People are living longer, healthier lives

Con: Is working till 70 desired? Employers will face more health care costs

#2
[68%]

Blue – benefit cut solution

Pink – revenue increase solution



-
-
-
-

freezes

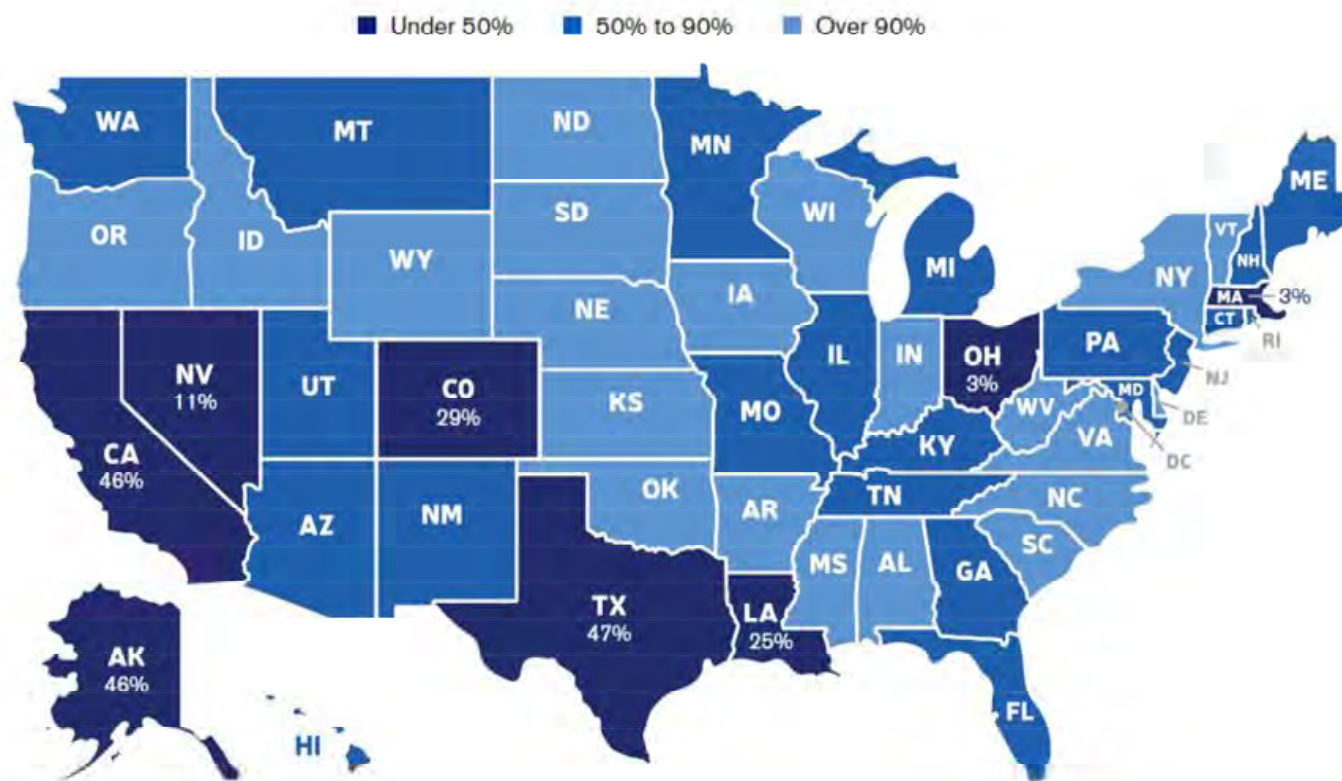
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 Segal 3

Brief History on Public Pension Plans and Social Security

- Many public sector pension plans have existed far longer than Social Security
 - 1857: First public sector pension plan for New York City police and expanded to cover firefighters ten years later.
 - 1894: New York City established the first teacher plan.
 - 1911: Massachusetts created the first plan for general state employees.
- In 1950 Social Security (enacted in 1935) started allowing state and local governments to participate.
- Each state that chooses Social Security participation by irrevocable Section 218 Agreements. States have their own administrators, and Social Security coverage is extended according to a referendum for eligible members of particular groups. They provide benefit coverage through at least one different plan.

Social Security Participation by State



Participation of public sector members nationwide is approximately 75% but varies greatly by state.

Eight states participate at less than a 50% rate with the rest split roughly between 50-90% participation and over 90%.

Source: Segal for the Coalition to Preserve Retirement Security (based on the number of uncovered workers in each state reported by the Social Security Administration), March 2026

Mandatory Social Security Participation Costs

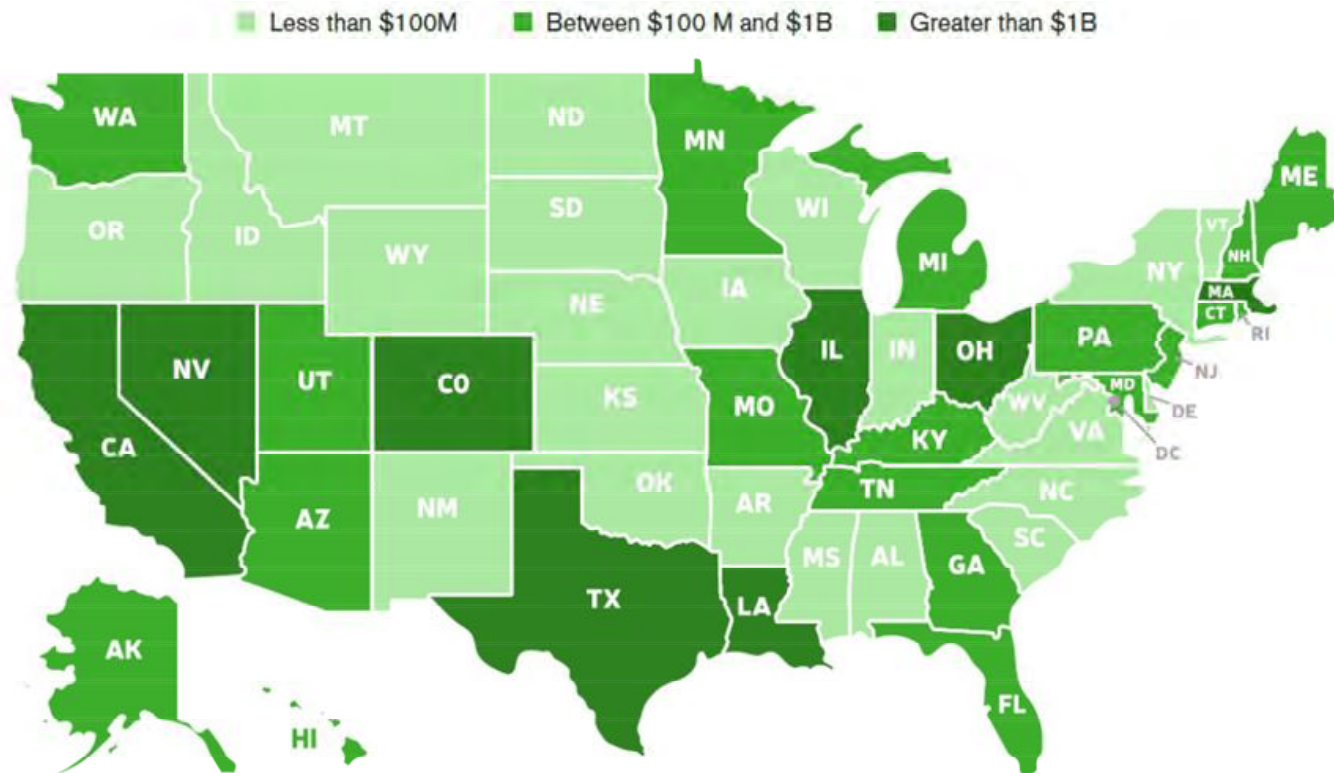
The total cost for mandatory Social Security participation is projected to be nearly \$45 billion over the next five years.

Eight states have projected five-year cumulative costs exceeding \$1B because of mandatory Social Security participation.

State	Employees Not Covered by Social Security	Five-Year Cumulative (Millions)	State	Employees Not Covered by Social Security	Five-Year Cumulative (Millions)
Alabama	5,070	\$43,898,230	Nebraska	3,640	\$32,215,913
Alaska	33,473	\$373,254,273	Nevada	106,530	\$1,140,267,997
Arizona	13,046	\$128,028,842	New Hampshire	13,911	\$118,979,030
Arkansas	4,144	\$32,282,637	New Jersey	20,359	\$237,155,161
California	949,111	\$12,712,759,408	New Mexico	7,435	\$69,690,308
Colorado	249,913	\$2,583,817,624	New York	4,533	\$58,199,874
Connecticut	53,005	\$612,615,013	North Carolina	4,670	\$43,348,232
Delaware	2,032	\$19,748,102	North Dakota	1,822	\$13,951,138
Florida	57,018	\$543,693,499	Ohio	558,282	\$5,217,103,011
Georgia	106,939	\$952,134,006	Oklahoma	7,910	\$84,439,126
Hawaii	13,418	\$135,418,802	Oregon	3,516	\$38,147,905
Idaho	2,644	\$20,668,266	Pennsylvania	21,204	\$217,250,032
Illinois	320,063	\$3,273,593,548	Rhode Island	12,827	\$142,821,795
Indiana	11,566	\$96,725,816	South Carolina	1,165	\$10,058,810
Iowa	3,319	\$27,777,329	South Dakota	411	\$2,930,801
Kansas	5,179	\$40,289,460	Tennessee	18,551	\$159,555,021
Kentucky	58,160	\$478,782,546	Texas	859,907	\$8,151,586,374
Louisiana	188,881	\$1,465,251,145	Utah	14,335	\$124,867,144
Maine	36,927	\$291,905,632	Vermont	541	\$5,281,564
Maryland	17,006	\$195,786,867	Virginia	7,242	\$70,219,490
Massachusetts	315,796	\$3,658,237,643	Washington	21,600	\$278,011,126
Michigan	16,085	\$150,747,014	West Virginia	3,566	\$26,550,999
Minnesota	11,757	\$115,530,731	Wisconsin	8,076	\$69,401,423
Mississippi	3,946	\$29,873,630	Wyoming	3,281	\$28,812,789
Missouri	65,996	\$533,979,862	Total	4,250,862	\$44,855,255,058
Montana	1,058	\$8,610,070			

Source: Segal for the Coalition to Preserve Retirement Security (based on the number of uncovered workers in each state reported by the Social Security Administration), March 2026

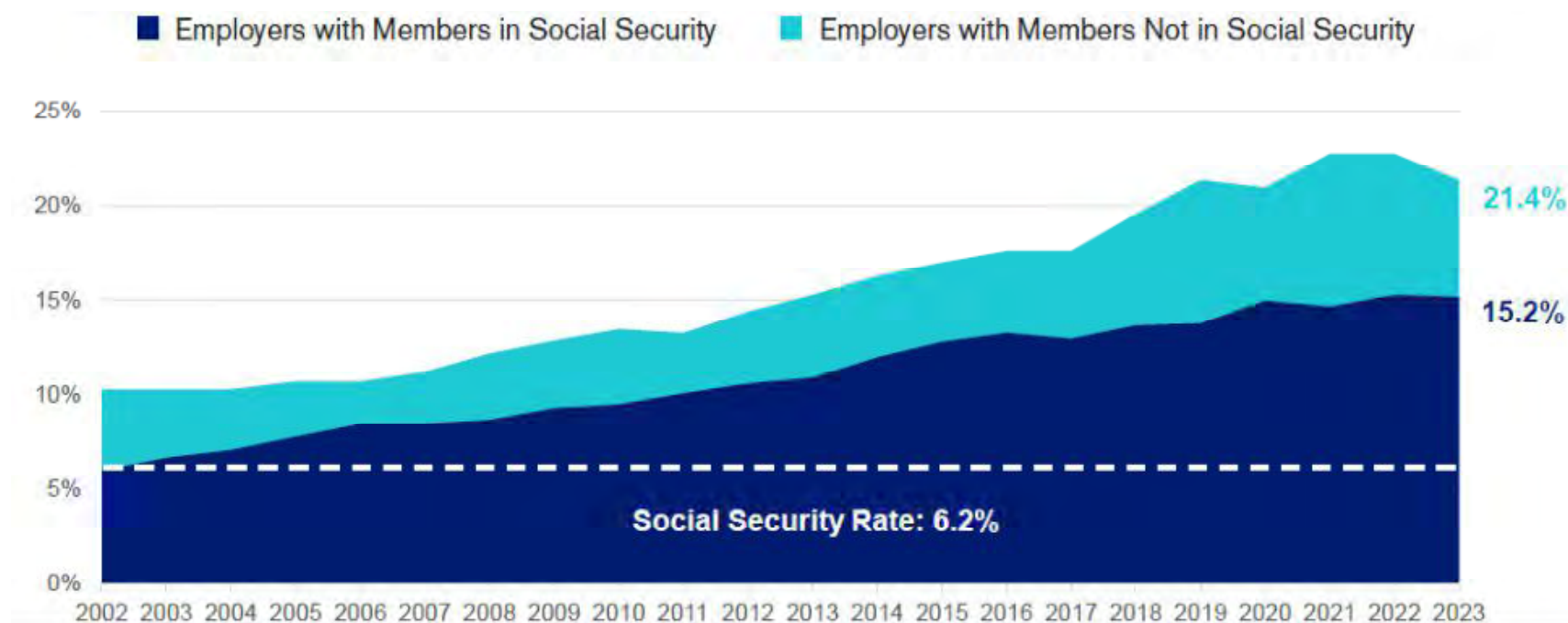
Mandatory Social Security Participation Costs



The largest projected cost increases from mandatory participation largely correlate with states participating at less than 50%, with some exceptions.

Source: Segal for the Coalition to Preserve Retirement Security (based on the number of uncovered workers in each state reported by the Social Security Administration), March 2026

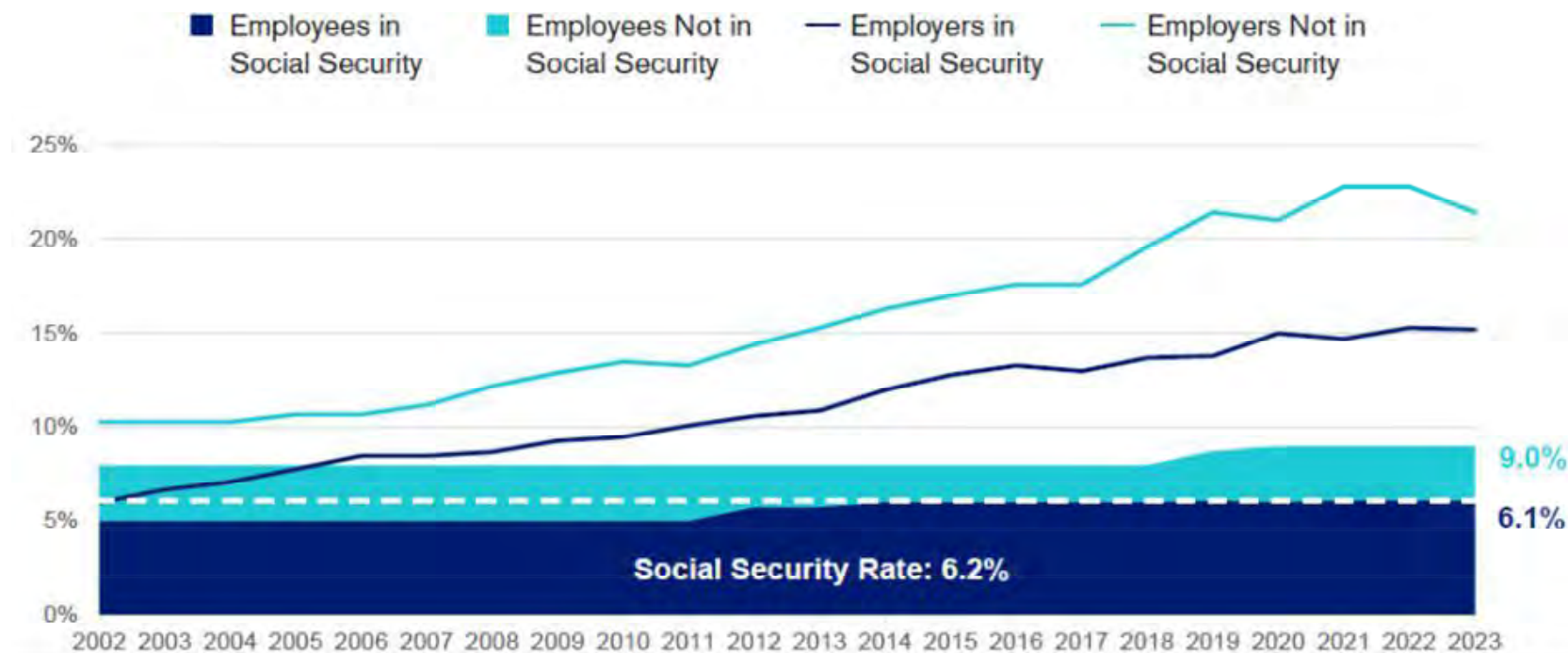
Historical Average Public Sector Employer Contributions



Source: The National Association of State Retirement Administrators, "[NASRA Public Fund Survey of Findings for FY 2023](#)," November 2024

Employers have increased aggregate funding commitments and adjusted benefits to react to difficult market periods and assumption changes to accommodate lower interest rates and improved mortality.

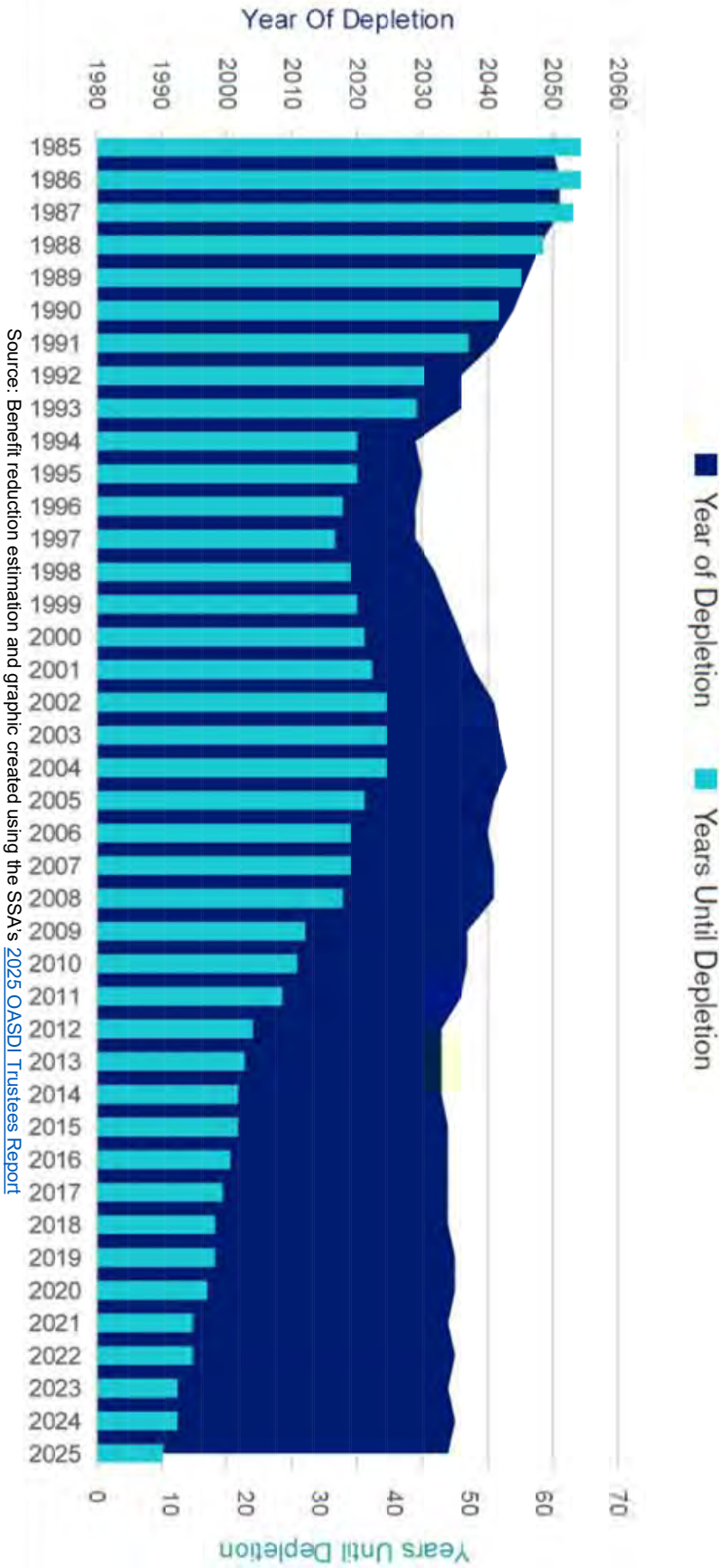
Historical Average Public Sector Employee Contributions



Source: The National Association of State Retirement Administrators, "[NASRA Public Fund Survey of Findings for FY 2023](#)," November 2024

Employee contribution rates are much more stable than employer rates as the employers tend to bear more of the funding increase responsibilities.

Social Security Trust Fund Insolvency



Source: Benefit reduction estimation and graphic created using the SSA's [2025 OASDI Trustees Report](#)

Social Security has been facing a relatively unchanged Trust Fund run-out date.

Benefits will need an approximate 23% reduction at that point if no changes are made.

Social Security Fairness Act (WEP and GPO)

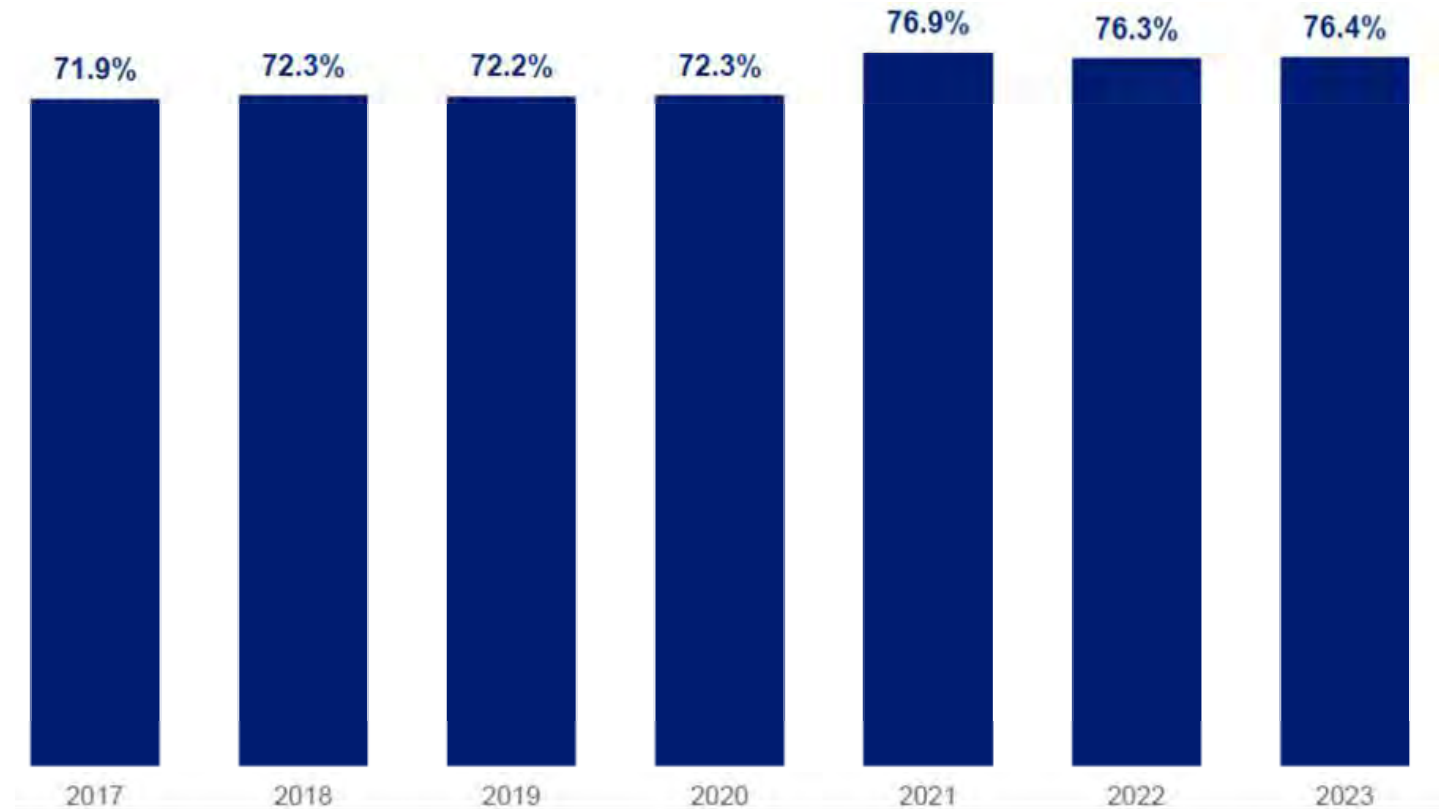
- The Social Security Fairness Act repealed the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO) which worked toward clawing back benefits, so repeal increases future Social Security outlays.
 - Without corresponding changes to inflows or taxes, this hastens the projected Trust Fund Reserve insolvency date.
- Analysis done by the Congressional Budget Office estimates that the **Social Security Fairness Act would accelerate the projected insolvency of the Trust Fund Reserves by approximately six months.**¹

¹ Congressional Research Service, [Social Security Fairness Act of 2023](#), January 31, 2025

Public Pension Fund Funded Percentages

Public Pension plans, on average, have shown their overall funded percentages to be improving.

After reaching a low of near 70% funded percentages are improving.



Source: Graphic created using The National Association of State Retirement Administrators' [Public Fund Survey of Findings for FY 2023](#) November 2024

Mandatory Participation not an Effective Solution

- In his book ***Social Security: Simple and Smart***, Tom Margenau, who worked for the Social Security Administration for 32 years, analyzed hypothetical adjustments to reduce the projected Social Security Trust Fund deficit. His modeling included (to name a few):
 - Raising the retirement age,
 - Reducing benefits,
 - Increasing payroll taxes and, among other adjustments,
 - Requiring all state and local workers to participate in Social Security.
- **Moving public sector workers into Social Security had the least effect on the projected insolvency.**

Workforce Management Concerns

- A typical jurisdiction's workforce includes:
 - Public safety (i.e., police officers, firefighters, corrections officers)
 - Teachers
 - Judges
 - Legislators
- Certain groups have requirements that fit their unique career patterns. Public safety members have physically-demanding, high-risk jobs.
- The design and funding timeline of retirement systems take these unique job characteristics into account and provide for these workers' highly specialized needs.

Workforce Management Concerns

Social Security's retirement requirements align better with less physical jobs since Full Retirement Age is now 67 for anyone born in 1960 or later.

Social Security is also based on an earnings spectrum maximized with 35 years of income, whereas public safety plans often have lower age and service requirements, in alignment with the nature of the job.

Year of Birth	Full Retirement Age (FRA)
1937 and prior	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 9 months
1942	65 and 10 months
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67



Summary

- Compulsory Social Security coverage could lead to contribution costs of between \$45 to \$60 billion¹ over the next five years.
- Longstanding public sector defined benefit plans may have to close to new participants.
- Workforce management affected due to the changing of anticipated benefit levels and retirement eligibilities that don't align with work.
- Lower contributions to public plans (due to shift to Social Security) would result in lower future asset levels and investment earnings. Per-participant costs as a percentage of payroll would increase as payroll in closed plans diminishes, as pool of members benefiting from and contributing to public sector pension plans reduces.
- States maintaining current plans layering new costs on for Social Security-mandated participation would see elevated budget concerns, potentially taking money away from other public needs.

¹ Congressional Research Service, [Social Security Fairness Act of 2023](#), January 31, 2025



OCERS Into the Future: Looking at Succession

Strategic Planning Workshop

Steve Delaney, CEO

September 16, 2026





**Preparing today
for what
tomorrow may
bring**

CURRENT PRACTICES I WOULD SUGGEST WE PROTECT

- Annual review of participating employer finances (UCI snuck up on us)
 - City of Irvine can depart OCFA 2030 & 2040
 - Mandatory Social Security impact (OCERS should stay partnered with Coalition to Protect Retirement Security (CPRS))
- The rotation of the OCERS Board Chair. That is not a standard everywhere.
- Annual actuarial test of life expectancy considering possible AI/Quantum Physics impact
- Forwarding a copy of the Board's monthly Activities and Update report to prior trustees
- Annual on-site visits of other systems by senior staff
- Monthly calls by senior executive(s) to investment consultants
- Support the Multi-Employer AI Zoom Conference call - we benefit
- Maintain a hybrid work schedule for the team. We are currently a 3 days in/2 days from home shop.





Ideas to Consider Implementing

GOVERNANCE (Part 1)

- The Board's last engagement of a Governance Consultant was in 2014. Does the Board want to consider another general consultant overview of current practices? (That 2014 report is attached as an appendix.)
 - If yes, it may be time to revisit the Mission Statement, and/or the Vision Statement.
 - If not, the Board may want to consider a specialized consultant to revamp the oft-changing CEO review process.
 - Should the CEO continue to approve Disability grants on behalf of the Board
 - It may be time to start up a more active "sub rosa" follow up process
- Does the Board want to develop a more robust Fiduciary Training program, with certifications?
- Build delegated authority into onboarding materials to ensure new Trustees understand the importance of this practice.
- This is just one example of topics that should be considered in a possible revamp of New Trustee Orientation materials. (Share the recent example of Texas Municipal Retirement System which is locked into a repeat of their 2025 budget due to 4 of 6 trustees turning over at the start of the year.)



GOVERNANCE (Part 2)

- Craft a policy regarding the Triennial Review process, with focus on greater standardization.
- To get greater participation, Is it time to move to electronic voting? Which would likely mean leaving the Registrar of Voters and going with a third-party vendor?
- Do we consider pursuing BALDRIDGE Good Government certification? (Examples of Illinois Municipal and Texas Municipal)
- Do we continue with CEM, and/or develop our own comparative measures? (See STATE OF OCERS comparison to SBCERA, SDCERS, LACERS, AZ PUBLIC SAFETY)



LEGISLATIVE

As OCERS grows in both members and assets, and with legislative interactive experience limited presently to Trustee Hilton and CEO, should the Board consider hiring a lobbyist? What of forming a PAC?

- Should OCERS pursue legislation that would reorder the terms of our appointed and elected members in to a less traumatic “6 possible turnovers in a year” challenge?
- Should OCERS continue to pursue unification of OCERS Direct and County team members?



STAFFING

- Culturally do we accept that some entry level positions should be occupied by humans, even if AI is more cost-effective (what if more accurate?) to serve as the source of future leadership?
- The creation of a DATA CENTER/DEPARTMENT should be studied as a vital component of future AI implementation
- Consider career ladders for the entire agency?
- Prepare in 2028 for OCERS CEO (me!) departure, per policy
- What would half the agency being composed of IT and Cybersecurity team members mean for OCERS culture? That is the reality of the Screen Actors Guild fund, which has pursued AI earlier than OCERS.
 - What additional outreach would we want to see support our members as we do less calculation work?



INVESTMENTS

- What are the most important steps you the Trustees would want to see taken in preparation for a departure of the Chief Investment Officer, whenever that might come?
 - Create a Deputy Director of Investments, as we have done with the administrative side?
- Regarding investment consultants – should all be OCERS Board consultants, or should specialist work internally with the team while the General and Risk consultants continue working for the OCERS Board?
- Consider internal trading
 - Inside trading regulations would need to be established
 - The Compliance office would need to expand by restoring the Chief Compliance Officer position
- AI trading – actually doing investment opportunity picks to keep up with the speed of competitors - when, with what guardrails?
- What's to happen with the old HQ building?





**What must OCERS become over
the next decade to remain one
of the most trusted and
effective public pension systems
in America?"**



2027-2029 STRATEGIC & BUSINESS PLAN

Orange County Employees Retirement System

2223 E. Wellington Avenue
Santa Ana, CA 92701

WHO WE ARE

Mission Statement

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

Vision Statement

To be a trusted partner providing premier pension administration, distinguished by consistent, quality member experiences and prudent financial stewardship.

Values

- Open and Transparent
- Commitment to Superior Service
- Engage and Dedicated Workforce
- Reliable and Accurate
- Secure and Sustainable

OCERS Promise

We are your retirement experts.

- We emphasize the importance of long-term financial security and stability in retirement. Our approach is centered around helping members prepare for and transition into retirement, providing ongoing support to adapt to their needs as their lives change.
- We are dedicated to continuously enhancing our knowledge and expertise in retirement planning, investment strategies, and financial management. Our team consists of knowledgeable professionals who stay abreast of industry trends and regulations to provide the best possible advice and solutions to our members.

We are a member-first organization.

- Our members' needs and goals are at the forefront of everything we do. We strive to deeply understand their unique circumstances and empower our members by providing them with the knowledge, tools, and resources they need to make informed financial decisions. We believe in fostering financial literacy and independence, enabling individuals to take control of their retirement journey.

We are your trusted partner.

- We recognize that trust is the foundation of any successful retirement services relationship. We are committed to building and maintaining trust by delivering on our promises and acting in our members' best interests at all times.
- We uphold the highest standards of honesty, transparency, and ethical conduct in all our interactions with members, employers, and partners.

We are invested in your future.

- We are prudent investors. We focus on creating return, managing risk and securing your income. We believe that long-term investment horizons and patient risk-taking is a profitable and safe formula for a successful retirement portfolio. We act in a fiduciary capacity, protecting assets, to ensure that members receive their earned benefits in retirement.

We are focused on excellence.

- We pursue excellence in all aspects of our business, from the quality of our services to the efficiency of our operations. We are committed to delivering exceptional value and results to our members, consistently exceeding their expectations.
- We embrace a culture of continuous learning and improvement. We actively seek feedback, monitor industry developments, and adapt our practices to stay at the forefront of retirement services, ensuring our members benefit from the latest advancements.

We are an inclusive workplace.

- We foster a collaborative and inclusive environment that encourages teamwork, open communication, and the sharing of ideas. We believe that collective intelligence and diverse perspectives lead to innovative solutions and superior outcomes for our members.

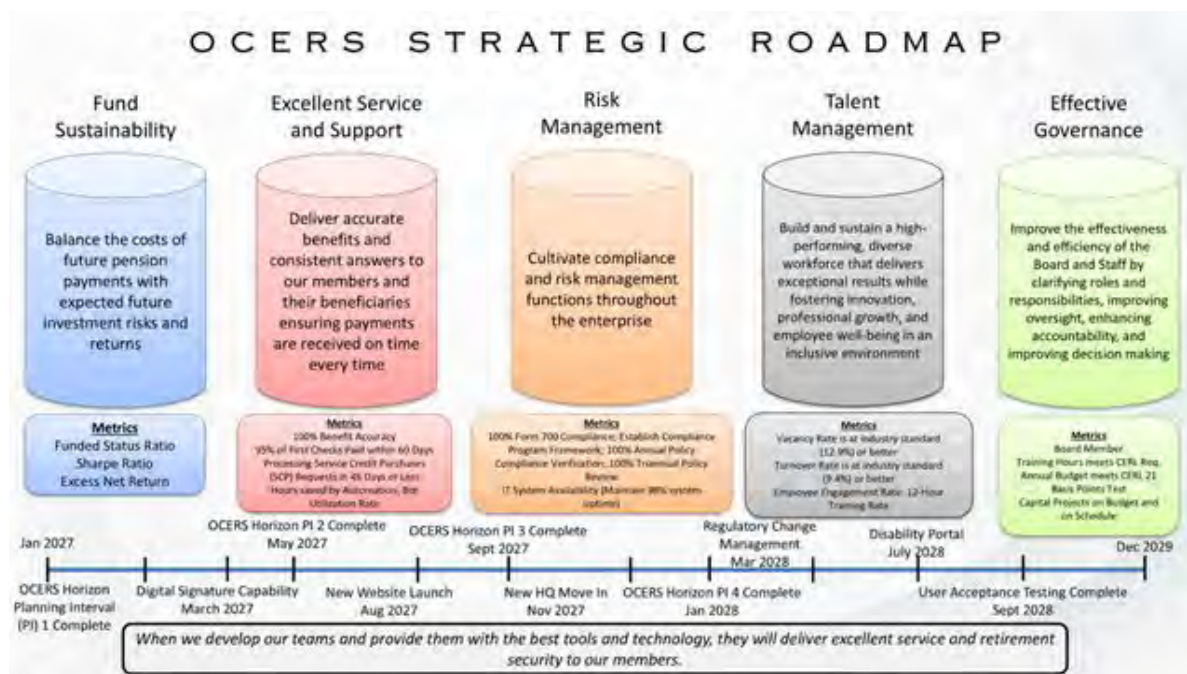
We are dedicated to serving the Orange County community.

- We are committed to making a positive impact on society and the communities we serve. We support initiatives that promote financial literacy, retirement education, and social welfare, contributing to the overall well-being of individuals and society.

2027-2029 STRATEGIC GOALS

1. Fund Sustainability
2. Excellent Service and Support
3. Risk Management
4. Talent Management
5. Effective Governance

STRATEGIC ROADMAP



FUND SUSTAINABILITY

BALANCE THE COST OF FUTURE PENSION PAYMENTS WITH EXPECTED FUTURE INVESTMENT RISKS AND RETURNS

Performance Metric: Funded Status Ratio greater than 100%

Performance Metric: Sharpe Ratio above the peer median

Performance Metric: Excess net return over Actuarial Expected Return

Executive Lead - Molly Murphy

OBJECTIVE 1: ACHIEVE FULLY FUNDED STATUS (DAVE BEESON)

Initiative 1A: Create contingency plans based upon different hypothetical scenarios that show impacts, potential risks, and other data that would enable us to proactively make/provide sound, financial decisions/recommendations to governance and stakeholders (ongoing: Investments)

Initiative 1B: Foster collaborative communication designed to keep stakeholders better informed as they make their governance and operating decisions

- Provide regular fund performance reports to stakeholders (ongoing: Investments)

OBJECTIVE 2: ACHIEVE A RISK-ADJUSTED RETURN ABOVE THE PEER MEDIAN OVER A TRAILING 10-YEAR PERIOD (PROJECTED 2027 COST: \$200,000) (DAVE BEESON)

Initiative 2: Utilize consultants, custodians, technology solutions, and risk management tools with a special emphasis on AI capabilities to monitor and simulate portfolio risks to aid in the design and execution of risk-aware investment strategies (ongoing: Investments)

- Explore opportunities for agentic AI uses to enhance investment operations and investment decisions (2027 and beyond: Investments/Information Technology)

OBJECTIVE 3: ACHIEVE THE OCERS' ACTUARIAL EXPECTED RATE OF RETURN OVER A TRAILING 10-YEAR PERIOD (DAVE BEESON)

Initiative 3: Create and execute asset allocation models designed to achieve the actuarial expected return with a greater than 50% probability based on a 20-year investment horizon (ongoing: Investments)

EXCELLENT SERVICE AND SUPPORT

DELIVER ACCURATE BENEFITS AND CONSISTENT ANSWERS TO OUR MEMBERS AND THEIR BENEFICIARIES ENSURING PAYMENTS ARE RECEIVED ON TIME EVERY TIME

Performance Metric: 100% Benefit Accuracy Rate

Performance Metric: 95% of First Checks Paid within 60 Days

Performance Metric: Processing Service Credit Purchase (SCP) Requests in 45 Days or Less

Performance Metric: Hours Saved by Automation (increase by 1% over the next year); Bot Utilization (increase by 1% over the next year)

Executive Lead - Will Tsao

OBJECTIVE 1: PROVIDE WORLD-CLASS SUPPORT DEFINED BY ACCURATE, TIMELY, AND EASY-TO-ACCESS CONSISTENT SERVICE TO HELP EMPLOYERS, MEMBERS, AND PAYEES RETIRE WITH CONFIDENCE AND MINIMAL AVOIDABLE EFFORT (PROJECTED 2027 COST: \$266,000) (JEFF LAMBERSON/MARY-JOY COBURN)

Initiative 1A: Deliver targeted education, outreach, and engagement throughout the member lifecycle by segmenting the member population based on career stage, service profile, communication preferences, and retirement readiness to tailor messaging, tools, and support to meet members where they are. (\$16,000 estimated)

- Develop member lifecycle segments to better understand needs, behaviors, readiness levels, and preferred communication channels across active, deferred, retired, and payee populations (2027: Communications/Member Services)
- Leverage formal focus groups, surveys, and feedback loops to test and refine campaigns prior to launch, ensuring outreach is relevant, accessible, and responsive to member needs (2027: Communications)
- Increase member and stakeholder outreach through targeted education campaigns, revamped retirement seminars, proactive communications, and lifecycle-based engagement strategies (2027: Communications/External Operations)

- o Provide “bite-size” engagement opportunities that address specific retirement-related topics, including pop-ups at employer locations, webinars, and short videos, aligned to key member decision points

Initiative 1B: Transform the digital experience by modernizing tools, increasing accessibility, and streamlining communication

- Launch a new website to modernize online presence, enhance ADA compliance and support integration of “Benny” bot and remove outdated content (\$100,000 estimated) (2027: Communications/All)
 - o Enhance website experience to be more user-friendly, organized, and easier to navigate popular areas such as service credit purchases, medical leave, and member portal changes
- Implement digital signature capabilities for member, employer, and stakeholder forms to reduce incomplete submissions and make self-service easier (\$150,000 estimated) (2027: Member Services/Employer Services & Quality Assurance)
- Create an online Disability application capability (2028: Disability)
- Explore the value of a mobile app for members to access and use their member portal (2029: Communications/Member Services)

Initiative 1C: Build and sustain an integrated OCERS knowledge-driven ecosystem to improve service consistency

- Connect the Legal Memo Tracker, External Operations Decision Log, Business Rules, and Master Repository into a single source of truth that enables staff to locate the applicable procedure, operational rule, prior decision, and legal authority from a common search experience (2027 and beyond: External Operations/Information Technology/Legal)
- Establish a “One OCERS Answer” standard to ensure members, employers, and other stakeholders receive the same accurate information regardless of representative, communication channel, or point of contact (2028: External Operations/All)
 - o Explore the potential of an AI call center
- Create a Quality Assurance Consistency Program to measure and report information consistency, repeat contacts, clarification

requests, and knowledge gaps ensuring OCERS is uniform in our communication with external stakeholders (2028: External Operations)

OBJECTIVE 2: MODERNIZE PROCESSES AND TOOLS TO IMPROVE EFFICIENCY, ACCURACY, AND SERVICE DELIVERY (PROJECTED 2027 COST: \$4,568,000) (JEFF LAMBERSON/MARK ADVIENTO/NICOLE MCINTOSH)

Initiative 2A: Continue working collaboratively with all employers to ensure the defined payroll data requirements are being captured accurately and completely within the system to enable automated benefit calculations in the future (ongoing: Employer Services & Quality Assurance)

- Continue to proactively leverage employer transmittal data exception reports to identify and address root causes of reporting errors, strengthen employer partnerships, and improve data quality (2027 and beyond: Employer Services & Quality Assurance)

Initiative 2B: Continue implementation work for the next generation Pension Administration System (PAS)

- Finalize system design requirements to ensure the new PAS supports OCERS' business rules, benefit calculations, and service needs (\$4,513,000 estimated) (2027: Member Services/All)
- Complete system configuration and user acceptance testing to validate that V3locity performs accurately before Go-live (2028: Member Services/All)
- Go-live with the new PAS and transition business processes to V3locity (Q4 2028: Member Services)

Initiative 2C: Continue the investigation and implementation of Intelligent Automation opportunities to improve external operations

- Continue testing, refining, and operationalizing AI tools to improve efficiency, support disability investigations, and assess whether AI can confidently review disability applications and supporting evidence and generate legally sound recommendations (\$55,000 estimated) (2027 and beyond: Information Technology/Disability)

- Apply the concepts developed through the 2026 Member Services Memorandum of Understanding (MOU) AI project to all MOUs used in calculating benefits for OCERS-covered employers. This initiative will improve the accuracy and consistency of MOU rule interpretations and enable AI to perform Final Average Salary (FAS) calculations for human review, streamlining the preparation of benefit estimates and retirement calculations. (2027: Member Services)

Initiative 2D: Reinforce Continuous Improvement Culture

- Continue to implement Lean Six Sigma methodology (Simplification) across all departments (2027 and beyond: Enterprise Project Management Office)
- Build on our commitment to delivering a white-glove member experience and further strengthen staff capabilities and upskilling to provide accurate information, consistent guidance, and exceptional, empathetic service through targeted training, coaching, knowledge resources, and continuous learning opportunities. (2027 and beyond: External Operations/Human Resources)

RISK MANAGEMENT

CULTIVATE COMPLIANCE AND RISK MANAGEMENT FUNCTIONS THROUGHOUT THE ENTERPRISE

Performance Metric: 100% Form 700 Compliance

Performance Metric: 100% Annual Policy Compliance Verification

Performance Metric: 100% Triennial Policy Review

Performance Metric: IT System Availability (Maintain 98% system uptime)

Performance Metric: 100% of scheduled quarterly risk review meetings completed annually

Performance Metric: 100% completion of the annual Business Continuity / Disaster Recovery (BC/DR) tabletop exercise

Executive Lead - Manuel Serpa/Darren Dang

OBJECTIVE 1: REDUCE RISK BY IDENTIFYING GAPS THROUGH COMPLIANCE MONITORING (MANUEL SERPA)

Initiative 1A: Continue building an agency-wide Compliance Program that reflects industry frameworks and best practices

- Expand Compliance program mandate into Investments with the start of in-house trading (2028: Compliance)

Initiative 1B: Develop Risk Management Performance Metrics

- Maintain compliance training programs for all staff (ongoing)
- Establish a regulatory change management process (2028: Compliance)

OBJECTIVE 2: PROVIDE WELL-GOVERNED TECHNOLOGY SERVICES AND CAPABILITIES THAT SUPPORT THE AGENCY'S ADMINISTRATIVE AND OPERATIONAL NEEDS (PROJECTED 2027 COST: \$1,166,000) (JENNY SADOSKI)

Initiative 2A: Modernize and optimize technology capabilities to improve operational efficiency, scalability, and service delivery (\$500,000 estimated)

- Identify, prioritize, and implement appropriate AI, intelligent automation, and RPA opportunities across OCERS that improve

operational efficiency, accuracy, and service delivery (2027: Information Technology)

- Implement AI-enabled knowledge and productivity capabilities across OCES that improves staff access to authoritative information, training resources, procedures, and job-specific guidance (2027: Information Technology/All)

Initiative 2B: Establish organizational capabilities to manage AI and agentic technologies throughout their operational lifecycle.

- Establish enterprise capabilities for the deployment, inventory, administration, monitoring, and lifecycle management of AI agents and other agentic technologies (\$250,000 estimated) (2027: Information Technology)
- Establish capabilities to forecast, monitor, allocate, and control consumption-based costs associated with AI and other usage-based technology services (\$145,000) (2027: Information Technology)
- Procurement of a contracts management system (\$50,000 estimated) (2027: Operation Support Services/IT)

Initiative 2C: Establish enterprise data management capabilities to improve the governance, quality, accessibility, and effective use of OCERS data. (\$221,000 estimated)

- Develop the technology, processes, and organizational capabilities necessary to ensure OCERS data accurate, trusted, appropriately governed, and available to support operational decision-making, modernization initiatives, and AI-enabled services (2028: Information Technology)

OBJECTIVE 3: STRENGTHEN CYBERSECURITY RISK MANAGEMENT TO PROTECT OCERS' INFORMATION, TECHNOLOGY, AND SERVICES (PROJECTED 2027 COST: \$235,000) (MATT EAKIN)

Initiative 3A: Mature Third-Party Technology Risk Management (\$50,000 estimated)

- Establish and mature a technology-focused Third-Party Risk Management program to identify, assess, monitor, and manage risks

associated with third-party technology products and services (2027: Information Security)

Initiative 3B: Strengthen Governance of Emerging Technologies (\$185,000 estimated)

- Establish security governance and control requirements for AI agents and other autonomous technologies, including identity access, data permissions, approved capabilities, monitoring, and lifecycle oversight (2027: Information Security)

Initiative 3C: Strengthen Digital Fraud Prevention

- Evaluate enhanced fraud detection and prevention capabilities as part of the new PAS implementation and implement supplemental controls as warranted based on identity risks and system capabilities (2029: Information Security)

OBJECTIVE 4: PROVIDE A SAFE AND SECURE WORKSPACE AND PUBLIC SERVICE FACILITY (PROJECTED 2027 COST: \$55,000,000) (BRENDA SHOTT)

Initiative 4: Design and build a replacement OCERS headquarters facility (November 2027 Move-in Date).

TALENT MANAGEMENT

BUILD AND SUSTAIN A HIGH-PERFORMING, DIVERSE WORKFORCE THAT DELIVERS EXCEPTIONAL RESULTS WHILE FOSTERING INNOVATION, PROFESSIONAL GROWTH, AND EMPLOYEE WELL-BEING IN AN INCLUSIVE ENVIRONMENT

Performance Metric: Vacancy Rate is at industry standard (12.9%) or lower

Performance Metric: Turnover Rate is at industry standard (9.4%) or lower

Performance Metric: Employee Engagement Rate: 12-Hours of Training Annually

Executive Lead - Steve Delaney

OBJECTIVE 1: RECRUIT AND RETAIN A DIVERSE HIGH-PERFORMING WORKFORCE TO MEET ORGANIZATIONAL PRIORITIES THAT ADVANCE WORKFORCE READINESS AND STRATEGIC ALIGNMENT (PROJECTED 2027 COST: \$30,000)
(CYNTHIA HOCKLESS)

Initiative 1A: Align Job Descriptions with OCERS specific duties

- Continue with the OCERS Direct Compensation study (\$30,000 estimated) (2027 and beyond: Human Resources)

Initiative 1B: Create and implement talent development programs to assist in succession planning (2027: Executive/All)

- Continue to support cross-functional teams for coverage of Pension Administration System work (2027 and beyond: Human Resources)
- Expand the OCERS mentorship program pairing senior and junior staff (2027: Human Resources)

OBJECTIVE 2: SUPPORT CONTINUOUS GROWTH AND SKILL DEVELOPMENT FOR ALL TEAM MEMBERS (PROJECTED 2027 COST: \$30,000) (DENA GUNSOLLEY)

Initiative 2: Develop a workforce prepared for technological advancement by equipping individuals with the knowledge, tools, and adaptability needed to succeed in a technology-driven future

- Launch a foundational training program covering AI concepts, Microsoft Copilot tools, process automation use cases, ethical

considerations, and OCERS-specific applications (\$30,000 estimated) (2027 and beyond: Human Resources/Information Technology)

- Provide scenario-based exercises showing how AI and Copilot can streamline work, enhance member service, and improve decision-making (2027 and beyond: Human Resources/Information Technology)

EFFECTIVE GOVERNANCE

IMPROVE THE EFFECTIVENESS AND EFFICIENCY OF THE BOARD AND STAFF BY CLARIFYING ROLES AND RESPONSIBILITIES, IMPROVING OVERSIGHT, ENHANCING ACCOUNTABILITY, AND IMPROVING DECISION MAKING

Performance Metric: Board Member Training Hours Meets CERL Requirements (24 hours every 2 years)

Performance Metric: Annual Budget meets CERL 21 Basis Point Test

Performance Metric: Capital Projects on Budget and on Schedule

Executive Lead - Manuel Serpa

OBJECTIVE 1: EMPLOY A GOVERNANCE STRUCTURE THAT SUPPORTS A DYNAMIC SYSTEM (MANUEL SERPA)

OBJECTIVE 2: STAY WITHIN THE STATUTORY LIMIT OF THE CERL 21 BASIS POINTS TEST (STEVE DELANEY)

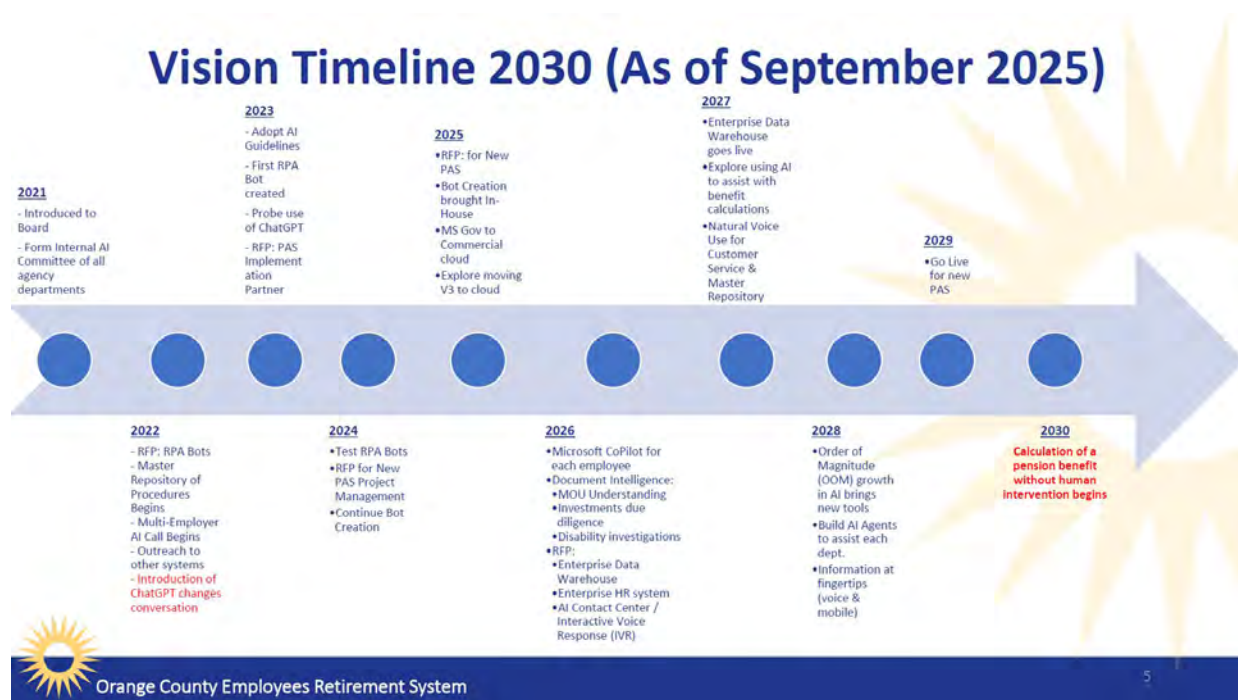
Initiative 2: Continue to monitor and report the basis point test through the budget process (ongoing: Finance/Executive)

OBJECTIVE 3: DELIVER STRATEGIC PROJECTS ON TIME, WITHIN BUDGET, AND WITH MEASURABLE BUSINESS VALUE THROUGH MATURE PROJECT MANAGEMENT CAPABILITIES (DIANE THAI)

Initiative 3: Create a systematic resource capacity framework that prevents critical resource overcommitment and demonstrates ROI or value while transforming OCERS project management practices through a structured EPMO Playbook approach (2027 and beyond: Enterprise Project Management Office)

- Develop and institutionalize an enterprise EPMO operating model that integrates resource capacity planning, project intake and prioritization, standardized delivery methodologies, modern project management tools, portfolio visibility, benefits realization, change management, and a Project Management Center of Excellence to improve execution, prevent resource overcommitment, and demonstrate measurable business value (2027 and beyond: Enterprise Project Management Office)

VISION 2030



Vision 2030 is a forward-looking plan guiding OCERS over the remaining years of this decade, ensuring we continue delivering exceptional retirement services while adapting to the evolving needs of our members and environment. The initiative focuses on three strategic pillars:

1. **Enhanced Member Services:** Prioritizing members through improved accessibility, personalized support, and seamless service delivery.
2. **Technology Modernization:** Investing in advanced technologies to streamline operations, boost efficiency, and equip our staff with the tools for 100% accurate decision-making and reducing administrative cost.
3. **Organizational Excellence:** Cultivating a culture of continuous improvement, professional development, and strong governance to uphold the highest standards of integrity and accountability.

Vision 2030 reflects our commitment to building a resilient, future ready OCERS.

