



# 2025-2027 STRATEGIC & BUSINESS PLAN

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**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.

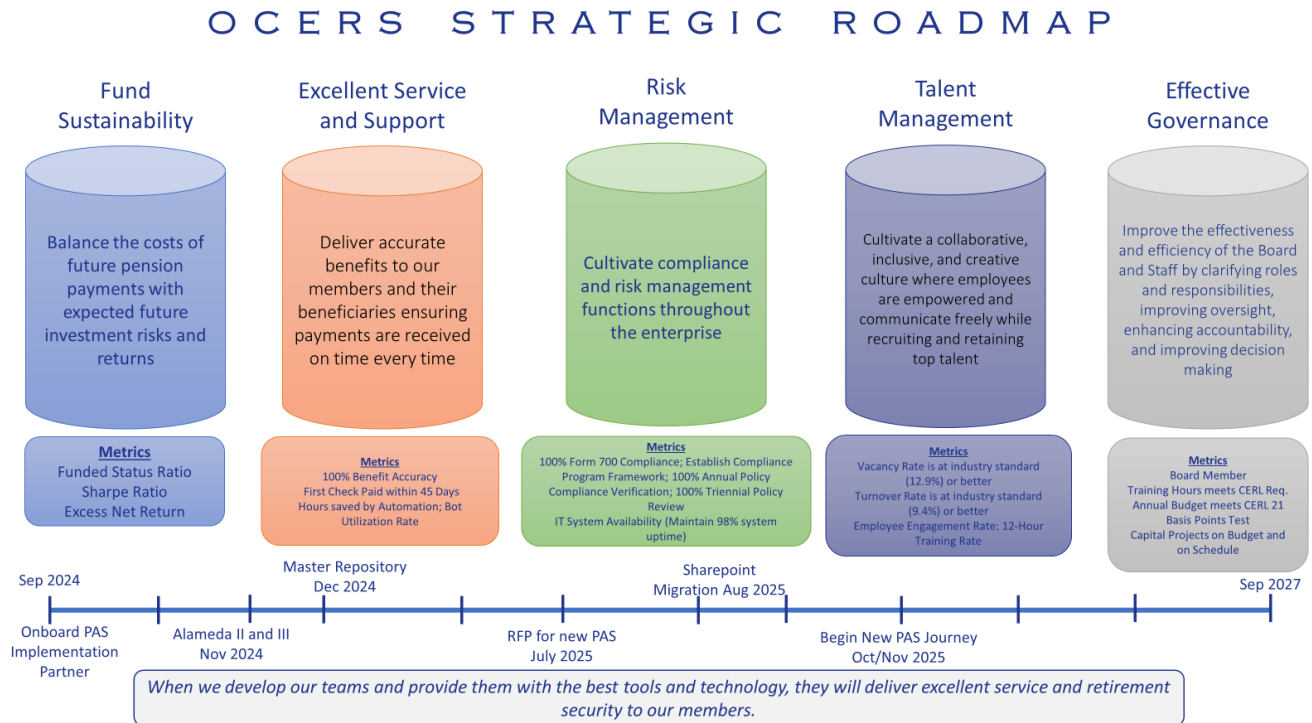
## Values

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

# 2025-2027 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 decisions (ongoing: Investments).

### OBJECTIVE 2: ACHIEVE A RISK-ADJUSTED RETURN ABOVE THE PEER MEDIAN OVER A TRAILING 10-YEAR PERIOD (DAVE BEESON)

**Initiative 2A:** Utilize consultants, custodians, technology solutions, and risk management tools to monitor and simulate portfolio risks to aid in the design and execution of risk-aware investment strategies (ongoing: Investments).

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

**Initiative 3A:** 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 TO OUR MEMBERS AND THEIR BENEFICIARIES ENSURING PAYMENTS ARE RECEIVED ON TIME EVERY TIME**

Performance Metric: 100% Benefit Accuracy Rate

Performance Metric: First Check Paid within 45 Days

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

*Executive Lead - David Kim*

**OBJECTIVE 1: PROVIDE WORLD-CLASS SERVICE AND SUPPORT TO OUR EMPLOYERS, MEMBERS, AND PAYEES (PROJECTED COST: \$28,800) (MARY-JOY COBURN)**

**Initiative 1A:** Provide retirement and benefits education and resources.

- Create educational videos for our members for viewing on our website (2025: Communications)
- Targeted Postcards (2025: Communications/Operations Support Services)
- Update and redesign Summary Plan Descriptions (SPD) (2025: Communications/Legal)
- Plan and execute the OCERS 80<sup>th</sup> Anniversary Celebration Event (2025: Communications/All)

**Initiative 1B:** Enhance user experience.

- Continue updating forms including fillable PDF functionality (2025: Communications/Member Services)
- Investigate options for secure messaging from members and employers to submit proof documents and member affidavits (2027: Member Services/Information Technology)
- Increase customer surveys and survey satisfaction analytics (2025: Communications/Member Services)

**OBJECTIVE 2: CONTINUOUSLY IMPROVE BUSINESS PROCESSES AND PROCEDURES TO BE EFFICIENT AND EFFECTIVE (PROJECTED COST: \$762,125) (JEFF LAMBERSON/SILVIU ARDELEANU)**

**Initiative 2A:** Work with all employers regarding the data requirements needed to automate the reporting of data through their payroll system  
(2026: Member Services).

**Initiative 2B:** Continue preparation work for the next generation Pension Administration System.

- Execute Phase 2 of master repository for procedures and business process documents (2026: Enterprise Project Management Office)
- Procure a new Pension Administration System (2025: Executive/All)
- Implement V3 data validation and clean-up procedures (2025: Member Services)

**Initiative 2C:** Continue the investigation and implementation of Intelligent Automation initiatives.

- Implement an Electronic Content and Document Management System (Enterprise Project Management Office: Deferred to PAS)
- SharePoint Migration (2025: Information Technology/All)
- Continue implementing Robotic Process Automation use cases: Phase 2 (2025 and beyond: Information Technology/Member Services)
- Leverage Azure Power Platform (2025: Information Technology/All)
- Implement Microsoft Copilot for users across the enterprise (2025: Information Technology/All)

# RISK MANAGEMENT

## CULTIVATE COMPLIANCE AND RISK MANAGEMENT FUNCTIONS THROUGHOUT THE ENTERPRISE

Performance Metric: 100% Form 700 Compliance

Performance Metric: Establish Compliance Program Framework (achieve 100% in next 2 years)

Performance Metric: 100% Annual Policy Compliance Verification

Performance Metric: 100% Triennial Policy Review

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

*Executive Lead - Manuel Serpa/Brenda Shott*

## OBJECTIVE 1: REDUCE RISK BY IDENTIFYING GAPS THROUGH COMPLIANCE MONITORING (KWAME ADDO)

**Initiative 1A:** Continue building an agency-wide Compliance Program that reflects industry frameworks and best practices (2025 and beyond: Compliance)

**Initiative 1B:** Develop Risk Management Performance Metrics (2027: Compliance/All).

## OBJECTIVE 2: PROVIDE INFORMATION SYSTEMS THAT SUPPORT THE AGENCY'S ADMINISTRATIVE AND OPERATIONAL NEEDS (PROJECTED COST: \$150,000) (LUIS BARRIERE)

**Initiative 2A:** Investigate and upgrade systems to reduce risk and eliminate single points of failure.

- Plan and implement Azure Cloud Migration (2025: Information Technology)
- Explore use of Artificial Intelligence (AI) and Machine Learning (ML) to detect fraudulent transactions in the Member Self Service Portal (2025: Information Security/Information Technology/Member Services)

**OBJECTIVE 3: PROVIDE A SAFE AND SECURE WORKSPACE AND PUBLIC SERVICE FACILITY (BRENDA SHOTT)**

**Initiative 3A:** Design and build a replacement OCERS headquarters facility (2027 and beyond).



# TALENT MANAGEMENT

**CULTIVATE A COLLABORATIVE, INCLUSIVE, AND CREATIVE CULTURE WHERE EMPLOYEES ARE EMPWOERED AND COMMUNICATE FREELY WHILE RECRUITING AND RETAINING TOP TALENT**

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

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

Performance Metric: Employee Engagement Rate 12-Hour Training Rate

*Executive Lead - Steve Delaney*

**OBJECTIVE 1: RECRUIT AND RETAIN A DIVERSE HIGH-PERFORMING WORKFORCE TO MEET ORGANIZATIONAL PRIORITIES (CYNTHIA HOCKLESS)**

**Initiative 1A:** Pursue moving the workforce to be 100% employed by OCERS as a single agency.

- Continue to develop a proposed plan for transitioning County positions assigned to OCERS to be employees of OCERS
- Pursue legislation to allow 100% OCERS direct workforce (2025 and beyond: Legal/Executive)

**Initiative 1B:** Develop a long-range Agency-wide staffing plan.

- Prepare Department organization charts indicating additional positions to be recommended and address backfilling positions to dedicate Subject Matter Experts to the next-generation Pension Administration System project (2025: Human Resources/All)
- Revamp the Careers webpage on the OCERS website (2025: Human Resources/All)

**Initiative 1C:** Create and implement talent development program to assist in succession planning (2025: Executive/All)

**OBJECTIVE 2: DEVELOP AND EMPOWER EVERY MEMBER OF THE TEAM (CYNTHIA HOCKLESS)**

**Initiative 2A:** Launch in-depth training programs to enhance employee skills in key areas. (2025: Human Resources/All)

- Advance the creation of tailored training initiatives for individual career development, cross-departmental collaboration, and mid-level leadership development (2025: Human Resources/All)
- Develop and implement an Artificial Intelligence training program to enhance employees' proficiency in using AI technologies (2025: Human Resources/Information Security/Information Technology)

**OBJECTIVE 3: CULTIVATE A COLLABORATIVE, INCLUSIVE AND CREATIVE CULTURE (PROJECTED COST: \$30,000)  
(CYNTHIA HOCKLESS)**

**Initiative 3A:** Continue to implement talent maximization strategies that promote diverse, equitable, and inclusive workplace (2025: Human Resources/All).

**Initiative 3B:** Enhance mental health awareness.

- Expand onsite mental health awareness resources (2025 and beyond: Human Resources/Executive)

# 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 (MATT EAKIN)**

**Initiative 1A:** Create a governance structure for Artificial Intelligence.

- Create an effective AI oversight committee (2025: Executive)

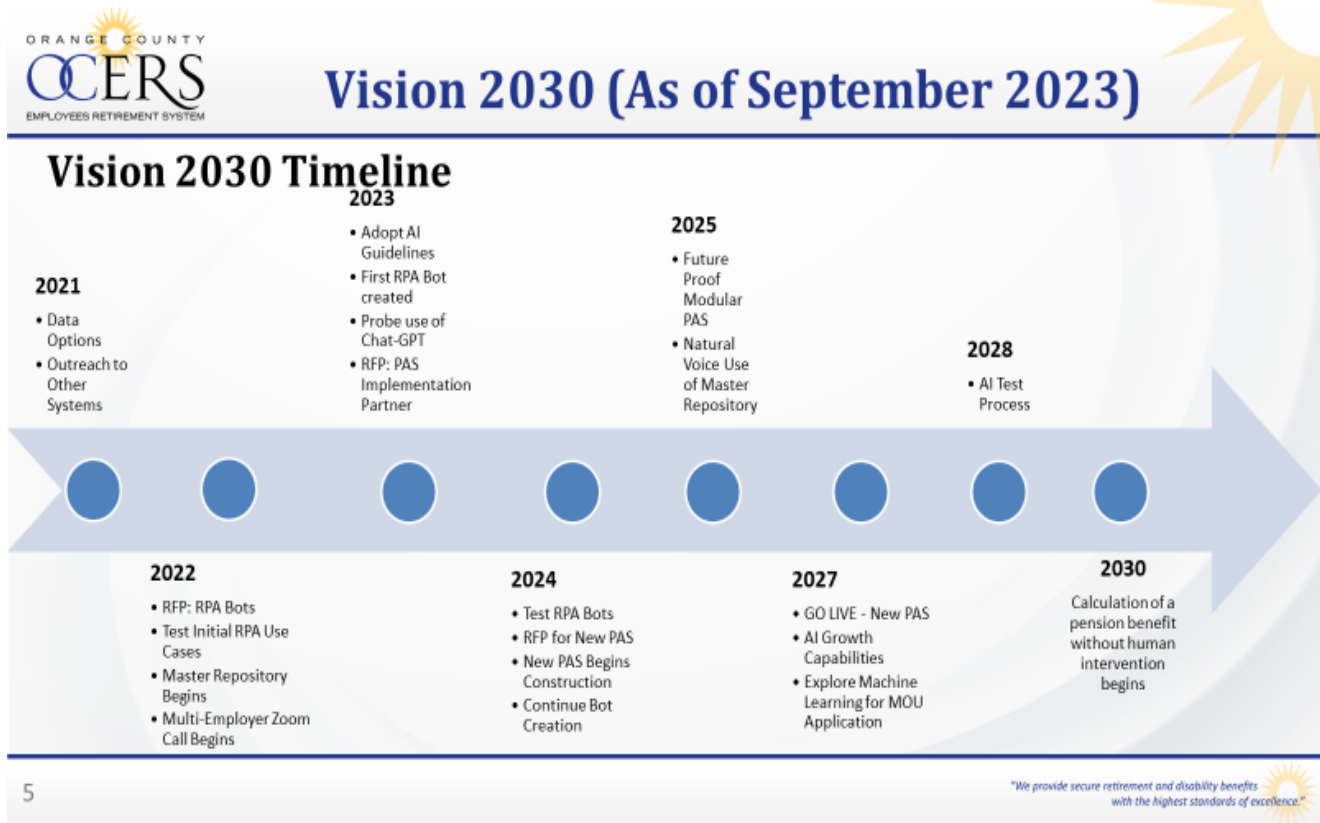
**OBJECTIVE 2: STAY WITHIN THE STATUTORY LIMIT OF THE CERL 21 BASIS POINTS TEST (TRACY BOWMAN)**

**Initiative 2A:** Continue to monitor and report the basis point test through the budget process (2027 and beyond: Finance/Executive).

**OBJECTIVE 3: CONTINUE THE BUILD OUT OF THE ENTERPRISE PROJECT MANAGEMENT OFFICE (WILL TSAO)**

**Initiative 3A:** Continue to ensure Enterprise-wide projects are allocated as Work-In-Progress (WIP) properly and prioritized as appropriate (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:

- Enhanced Member Services:** Prioritizing members through improved accessibility, personalized support, and seamless service delivery.
- Technology Modernization:** Investing in advanced technologies to streamline operations, boost efficiency, and equip our staff with the tools for accurate decision-making.
- 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.

