

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

**REGULAR MEETING  
Monday, May 20, 2024  
9:30 A.M.**

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

**NOTICE OF APPEARANCE VIA TELECONFERENCE**

Pursuant to Gov. Code, § 54953, Board Chair, Ms. Adele Tagaloa, will be participating in the Regular Board Meeting of May 20, 2024 via teleconference from the following location, which is open to the public:

Business Center within The Westin Seattle  
1900 5th Avenue, Seattle, WA 98101

Members of the public will have the opportunity to address the Board at this teleconference location.

<b>OCERS Zoom Video/Teleconference information</b>	
<p><b>Join Using Zoom App (Video &amp; Audio)</b></p> <p><b>Join Zoom Meeting</b> <a href="https://ocers.zoom.us/j/89999268756">https://ocers.zoom.us/j/89999268756</a></p> <p><b>Meeting ID: 899 9926 8756</b> <b>Passcode: 067455</b></p> <p>Go to <a href="https://www.zoom.us/download">https://www.zoom.us/download</a> to download Zoom app before meeting Go to <a href="https://zoom.us">https://zoom.us</a> to connect online using any browser.</p>	<p><b>Join by Telephone (Audio Only)</b></p> <p>Dial by your location</p> <p>+1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US +1 301 715 8592 US +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York)</p> <p><b>Meeting ID: 899 9926 8756</b> <b>Passcode: 067455</b></p>
<p>A <a href="#">Zoom Meeting Participant Guide</a> is available on OCERS website <a href="#">Board &amp; Committee meetings page</a></p>	

**AGENDA (AMENDED)**

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

1. CALL MEETING TO ORDER AND ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. BOARD MEMBER STATEMENT REGARDING PARTICIPATION VIA ZOOM (IF NECESSARY)

**(Government Code section 54953(f))**

**4. PUBLIC COMMENTS**

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

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

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

**CONSENT AGENDA**

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

**BENEFITS**

**C-1 OPTION 4 RETIREMENT ELECTION**

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

- Hartney, Michelle
- Martin, Siobhan
- Valentine, Bradley
- Rodriguez, Gene
- Vu, John

**ADMINISTRATION**

**C-2 BOARD MEETING MINUTES**

Regular Board Meeting Minutes

April 15, 2024

**Recommendation:** Approve minutes.

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**DISABILITY/MEMBER BENEFITS AGENDA**

**9:30 AM**

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

**OPEN SESSION**

**CONSENT ITEMS**

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

**A. Disability Committee Recommendations:**

None

**B. CEO Recommendations:**

**DC-1: [ROCKY CASTELLANO](#)**

Sergeant, Orange County Sheriff’s Department (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 24, 2023.

**DC-2: [AARON CLARK](#)**

Fire Battalion Chief, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 9, 2023.

**DC-3: [JAYME FERGUSON](#)**

Sheriff’s Special Officer, Orange County Sheriff’s Department (General)

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

- Grant service-connected disability retirement.
- Set the effective date as June 30, 2023.

**DC-4: [WILLIAM GROVER](#)**

Deputy Sheriff, Orange County Sheriff’s Department (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as November 30, 2022.

**DC-5: CARMEN WHITMORE**

Group Counselor I, Orange County Social Services Agency (General)

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

- Grant service-connected disability retirement.
- Set the effective date as April 7, 2023.

**DC-6: ROBERT WILSON**

Fire Captain, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 24, 2023.

**CLOSED SESSION**

**Government Code section 54957**

Adjourn to Closed Session under Government Code section 54957 to consider member disability applications and to discuss member medical records submitted in connection therewith. The applicant may waive confidentiality and request his or her disability application to be considered in Open Session. As per the OCERS Bylaws, for disability matters before the Board, the applicant or their attorney is allowed to present for a maximum of ten (10) minutes. The opposing counsel is allowed a time limit of seven (7) minutes for argument, followed by a three (3) minute rebuttal from the applicant or their attorney.

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

**DA-2 TODD HART**

Administrative Manager II, Orange County District Attorney's Office

**Recommendation:** Staff recommends the Board grant Applicant Todd Hart's application for service-connected disability retirement based on the Medical Evaluation Report by OCERS Independent Medical Examiner (IME).

**OPEN SESSION**

**REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

**ACTION ITEMS**

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

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

**A-2 ALAMEDA IMPLICATIONS FOR EMPLOYEES OF OCDA AND OCSD COVERED BY THE COUNTY BOARD OF SUPERVISORS RESOLUTION**

*Presentation by Suzanne Jenike, Assistant CEO, External Operations, OCERS*

**Recommendation:**

1. Make a system-wide exception pursuant to Section 4 of the Overpaid and Underpaid Plan Contributions Policy, by collecting the interest associated with an ongoing payment plan from the Employer through the actuarial UAAL process and not from the member directly, and;
2. Make a system-wide exception pursuant to Section 4 of the Overpaid and Underpaid Plan Benefits Policy, to provide that the active members’ installment payments be repaid over the life expectancy of the member as determined by the actuary, and;
3. Direct the CEO to extend the time-period for a retired or deferred member’s installment payment to a period not exceeding the expected life expectancy of the member as determined by the actuary pursuant to Section 9 (b) of the Overpaid and Underpaid Plan Benefits Policy.

**INFORMATION ITEMS**

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

**I-1 PRELIMINARY DECEMBER 31, 2023 ACTUARIAL VALUATION**

*Presentation by Todd Tauser and Andy Yeung, Segal*

**I-2 REVIEW OF OCERS MULTIPLE PLANS**

*Presentation by Suzanne Jenike, Assistant CEO, External Operations, OCERS*

**I-3 UPDATE ON THE WORK ASSOCIATED TO THE ALAMEDA IMPLEMENTATION**

*Presentation by Suzanne Jenike, Assistant CEO, External Operations, OCERS*

**WRITTEN REPORTS**

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

**R-1 MEMBER MATERIALS DISTRIBUTED**

Application Notices	May 20, 2024
Death Notices	May 20, 2024

**R-2 COMMITTEE MEETING MINUTES**

- February 2024- Personnel Committee Minutes
- April 4, 2024- Building Committee Minutes

**R-3 CEO FUTURE AGENDAS AND 2024 OCERS BOARD WORK PLAN**

Written Report

**R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Written Report

**R-5 BOARD COMMUNICATIONS**

Written Report

**R-6 LEGISLATIVE UPDATE**

Written Report

**R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST**

Written Report

**R-8 FIRST QUARTER 2024 BUDGET TO ACTUALS REPORT**

Written Report

**R-9 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024**

Written Report

**R-10 UPDATE BOARD ELECTIONS: SAFETY MEMBER, ALTERNATE SAFETY MEMBER AND GENERAL MEMBER**

Written Report

**R-11 OUTCOMES FROM THE PERSONNEL COMMITTEE MEETING ON APRIL 23, 2024**

Written Report

**R-12 REPORT OF ATTENDANCE AT CONFERENCE- SARAH ABRAHAMSON- WORKHUMAN LIVE**

Written Report

**CLOSED SESSION ITEMS**

**E-1 CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION (Government Code Section 54956.9(d)(2))**

One potential case

**Recommendation:** Take appropriate action.

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

**COUNSEL COMMENTS**

**BOARD MEMBER COMMENTS**

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

**NOTICE OF NEXT MEETINGS**

**GOVERNANCE COMMITTEE MEETING**

**May 23, 2024**

**9:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CA 92701**

**INVESTMENT COMMITTEE MEETING**

**May 29, 2024**

**9:00 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CA 92701**

**AUDIT COMMITTEE MEETING**

**June 6, 2024**

**9:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CA 92701**

**DISABILITY COMMITTEE MEETING**

**June 17, 2024**

**8:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CA 92701**

**REGULAR BOARD MEETING**

**June 17, 2024**

**9:30 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CA 92701**

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

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





## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Irene Warkentine, Member Services Benefits Analyst  
**SUBJECT:** **OPTION 4 RETIREMENT ELECTION – MICHELLE HARTNEY**

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### Recommendation

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

### Background/Discussion

This member elected Option 4 as the benefit payment option for her service retirement allowance as required by her Domestic Relations Order (DRO), effective March 22, 2024. The Orange County Employees Retirement System (OCERS) was joined in the member's dissolution of marriage and under the terms of the DRO, the member's ex-spouse was awarded a lifetime continuance as a percentage of the member's allowance.

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

### Submitted by:



I.W. – APPROVED

Irene Warkentine  
Member Services Benefits Analyst



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

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

**Personal and Confidential**

April 23, 2024

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

**Re: Orange County Employees Retirement System (OCERS)  
Option 4 Calculation for Michelle J. Hartney**

Dear Jonathea:

Pursuant to your request, we have determined the Option 4 benefits payable to Michelle J. Hartney and her ex-spouse based on the unmodified benefit and other information provided in the System's request received on April 19, 2024.

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

Data Element	Data Provided by OCERS
Member's date of birth	[REDACTED]
Date of retirement	March 22, 2024
Plan of membership	General Plan J
Monthly unmodified benefit	\$4,358.40
Ex-Spouse's date of birth	[REDACTED]
Ex-Spouse's share of unmodified benefit	10.38%

Jonathea Tallase  
 April 23, 2024  
 Page 2

## Calculations

We calculated the adjustment to the member's unmodified benefit to provide a 10.38% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Annuity:	\$1,630.69	
• Pension:	2,275.31	
<b>– Total payable to member</b>	<b>\$3,906.00</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$402.07</b>	<b>\$402.07</b>

## Actuarial assumptions

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

### Interest

Effective interest rate of 4.136253% per year, which is calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.

### Mortality Table

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

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

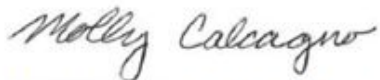
Jonathea Tallase  
April 23, 2024  
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## Other considerations

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

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

Sincerely,



Molly Calcagno, ASA, MAAA, EA  
Senior Actuary

JY/bbf

cc: Irene Warkentine



April 24, 2024

Michelle J. Hartney



Re: Retirement Election Confirmation – Option 4

Dear Ms. HARTNEY:

You have elected Option 4 as your retirement option. This option will provide a 10.38% of your monthly benefit, for the life of the benefit, to:

Eric A Melendez

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

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

( ) I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a 10.38% continuance to Eric A Melendez.

*Michelle J. Hartney* 4/29/24  
 \_\_\_\_\_  
 Member Signature/Date

Sincerely,

David Viramontes  
Retirement Program Specialist



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Irene Warkentine, Member Services Benefits Analyst  
**SUBJECT:** **OPTION 4 RETIREMENT ELECTION – BRADLEY VALENTINE**

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### Recommendation

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

### Background/Discussion

This member elected Option 4 as the benefit payment option for his service retirement allowance as required by his Domestic Relations Order (DRO), effective March 8, 2024. The Orange County Employees Retirement System (OCERS) was joined in the member's dissolution of marriage and under the terms of the DRO, the member's ex-spouse was awarded a lifetime continuance as a percentage of the member's allowance.

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

### Submitted by:



I.W. – APPROVED

Irene Warkentine  
Member Services Benefits Analyst



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 Senior Actuary  
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 San Francisco, CA 94105-6147  
 segalco.com

### Personal and Confidential

April 3, 2024

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

#### Re: Orange County Employees Retirement System (OCERS) Option 4 Calculation for Bradley Valentine - Revised

Dear Jonathea:

Pursuant to your request, we have revised the Option 4 benefits payable to Bradley Valentine, his ex-spouse, and his current spouse provided in our letter dated March 4, 2024. With this revision, we have been directed by OCERS to re-calculate the Option 4 benefit based on a revised unmodified benefit, service-connected retirement date, and ex-spouse share provided by the System on March 29, 2024. The other data and information was provided in the System's request dated February 29, 2024. In addition, the member requested benefit amounts separately for both a service retirement and a service-connected disability retirement.

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

Data Element	Data Provided by OCERS
Member's date of birth	██████████
Date of retirement <sup>1</sup>	March 8, 2024
Plan of membership	General Plan B and Safety Plan F
Monthly unmodified benefit — Total <sup>2</sup>	\$18,104.79
• Monthly unmodified benefit — Plan B	\$307.68
• Monthly unmodified benefit — Plan F	\$17,797.11
Ex-spouse's date of birth	██████████
Ex-spouse's share of unmodified benefit	30.74%
Current spouse's date of birth	██████████
Continuance payable to current spouse	40%/50%/60%

<sup>1</sup> This date of retirement is applicable for both the service retirement and the service-connected disability retirement calculations.

<sup>2</sup> The monthly unmodified benefit is the same for both the service retirement and the service-connected disability retirement calculations.

Jonathea Tallase  
 April 3, 2024  
 Page 2

## Calculations

As requested, the Option 4 benefits contained herein have been prepared under two Scenarios:

- Scenario 1 – Service Retirement
- Scenario 2 – Service-Connected Disability

For each Scenario, we have determined the Option 4 benefits using a two-part process:

1. We first calculate the adjustment to the member's unmodified benefit to provide a 30.74% continuance to the ex-spouse.

As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

2. Then, we further adjust the member's benefit from part one so that a continuance benefit of 40%, 50%, or 60% can be paid to the member's current spouse.

In addition, the cost to provide this continuance benefit would be paid for entirely by the member.

## Scenario 1 — Service Retirement

### Part One: Before Adjustment for Continuance to Current Spouse

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$37.08	
• Plan B Pension:	176.02	
• Plan F Annuity:	1,957.94	
• Plan F Pension:	10,368.34	
<b>– Total payable to member</b>	<b>\$12,539.38</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$5,060.31</b>	<b>\$5,060.31</b>

\* This is equal to 30.74% of the member's unmodified benefit (i.e., 30.74% \* \$18,104.79 or \$5,565.41) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.



Jonathea Tallase  
 April 3, 2024  
 Page 3

**Part Two: After Adjustment for Continuance to Current Spouse**  
*Alternative A: 40% Continuance to Current Spouse*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$35.71	
• Plan B Pension:	169.51	
• Plan F Annuity:	1,885.58	
• Plan F Pension:	9,985.15	
<b>– Total payable to member</b>	<b>\$12,075.95</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$5,060.31</b>	<b>\$5,060.31</b>
<b>Payable to current spouse</b>	<b>\$0.00</b>	<b>\$4,830.38</b>

*Alternative B: 50% Continuance to Current Spouse*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$35.38	
• Plan B Pension:	167.96	
• Plan F Annuity:	1,868.32	
• Plan F Pension:	9,893.73	
<b>– Total payable to member</b>	<b>\$11,965.39</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$5,060.31</b>	<b>\$5,060.31</b>
<b>Payable to current spouse</b>	<b>\$0.00</b>	<b>\$5,982.70</b>

*Alternative C: 60% Continuance to Current Spouse*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$35.06	
• Plan B Pension:	166.44	
• Plan F Annuity:	1,851.37	
• Plan F Pension:	9,803.98	
<b>– Total payable to member</b>	<b>\$11,856.85</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$5,060.31</b>	<b>\$5,060.31</b>
<b>Payable to current spouse</b>	<b>\$0.00</b>	<b>\$7,114.11</b>

\* This is equal to 30.74% of the member's unmodified benefit (i.e., 30.74% \* \$18,104.79 or \$5,565.41) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

Jonathea Tallase  
 April 3, 2024  
 Page 4

## Scenario 2: Service-Connected Disability Retirement

### Part One: Before Adjustment for Continuance to Current Spouse

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$38.90	
• Plan B Pension:	174.20	
• Plan F Annuity:	2,054.24	
• Plan F Pension:	10,272.04	
<b>– Total payable to member</b>	<b>\$12,539.38</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$4,884.46</b>	<b>\$4,884.46</b>

### Part Two: After Adjustment for Continuance to Current Spouse

#### *Alternative A: 40% Continuance to Current Spouse*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$36.91	
• Plan B Pension:	165.29	
• Plan F Annuity:	1,949.20	
• Plan F Pension:	9,746.77	
<b>– Total payable to member</b>	<b>\$11,898.17</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$4,884.46</b>	<b>\$4,884.46</b>
<b>Payable to current spouse</b>	<b>\$0.00</b>	<b>\$4,759.27</b>

\* This is equal to 30.74% of the member's unmodified benefit (i.e., 30.74% \* \$18,104.79 or \$5,565.41) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

Jonathea Tallase  
 April 3, 2024  
 Page 5

*Alternative B: 50% Continuance to Current Spouse*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$36.45	
• Plan B Pension:	163.20	
• Plan F Annuity:	1,924.59	
• Plan F Pension:	9,623.75	
<b>– Total payable to member</b>	<b>\$11,747.99</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$4,884.46</b>	<b>\$4,884.46</b>
<b>Payable to current spouse</b>	<b>\$0.00</b>	<b>\$5,874.00</b>

*Alternative C: 60% Continuance to Current Spouse*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$35.99	
• Plan B Pension:	161.17	
• Plan F Annuity:	1,900.60	
• Plan F Pension:	9,503.79	
<b>– Total payable to member</b>	<b>\$11,601.55</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$4,884.46</b>	<b>\$4,884.46</b>
<b>Payable to current spouse</b>	<b>\$0.00</b>	<b>\$6,960.93</b>

The benefits determined in this letter as payable to the ex-spouse in Scenario 2 are less than those calculated in Scenario 1 even though the member's unmodified benefit amount is the same in both scenarios. This is because the present value of the Option 4 benefits calculated in Scenario 1 is set equal to the larger present value of the unmodified benefit assuming a longer life expectancy for the member as anticipated using the service retirement mortality assumptions. In Scenario 2, the present value of the Option 4 benefits is set equal to the smaller present value of the unmodified benefit assuming a shorter life expectancy for the member as anticipated using the disability mortality assumptions.

\* This is equal to 30.74% of the member's unmodified benefit (i.e., 30.74% \* \$18,104.79 or \$5,565.41) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

Jonathea Tallase  
 April 3, 2024  
 Page 6

## Actuarial assumptions

### Scenario 1 — Service Retirement

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

#### Interest

Effective interest rate of 4.136253% per year, calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.

#### Mortality Table

Pub-2010 Safety\* Healthy Retiree Amount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 80% male and 20% female for members.

Pub-2010 General Contingent Survivor Amount-Weighted Above-Median Mortality Table with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 20% male and 80% female for beneficiaries.

### Scenario 2 — Service-Connected Disability Retirement

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

#### Interest

Effective interest rate of 4.136253% per year, calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.

#### Mortality Table

Pub-2010 Safety\* Disabled Retiree Amount-Weighted Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 80% male and 20% female for members.

Pub-2010 General Contingent Survivor Amount-Weighted Above-Median Mortality Table with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 20% male and 80% female for beneficiaries.

\* Since the member last worked as a Safety member, we used Safety assumptions in determining optional benefits even for benefits paid from the General Plan.

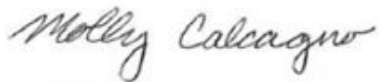
Jonathea Tallase  
April 3, 2024  
Page 7

## Other considerations

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

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

Sincerely,



Molly Calcagno, ASA, MAAA, EA  
Senior Actuary

JY/bbf

cc: Irene Warkentine



April 4, 2024

Bradley J. Valentine



Re: Retirement Election Confirmation – Option 4

Dear Mr. Valentine:

You have elected Option 4 as your retirement option. This option will provide 30.74% of your monthly benefit, for the life of the benefit, to: KRISTIN L REX. This option will also provide a 60% continuance to KRISTEN E VALENTINE upon your death.

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

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

I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a 30.74% payment to KRISTIN L REX.

I understand that my retirement option is irrevocable; by choosing Option 4, I will take a monthly reduction in order to provide a 60% continuance to KRISTEN E VALENTINE.

Bradley J. Valentine 4/5/24

Member Signature/Date

Sincerely,

David Viramontes  
Retirement Program Specialist



## Memorandum

---

**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Irene Warkentine, Member Services Benefits Analyst  
**SUBJECT:** **OPTION 4 RETIREMENT ELECTION – SIOBHAN MARTIN**

---

### Recommendation

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

### Background/Discussion

This member elected Option 4 as the benefit payment option for her service retirement allowance as required by her Domestic Relations Order (DRO), effective March 22, 2024. The Orange County Employees Retirement System (OCERS) was joined in the member's dissolution of marriage and under the terms of the DRO, the member's ex-spouse was awarded a lifetime continuance as a percentage of the member's allowance.

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

### Submitted by:



I.W. – APPROVED

Irene Warkentine  
Member Services Benefits Analyst



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

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**Personal and Confidential**

May 3, 2024

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

**Re: Orange County Employees Retirement System (OCERS)  
 Option 4 Calculation for Siobhan K. Martin**

Dear Jonathea:

Pursuant to your request, we have determined the Option 4 benefits payable to Siobhan K. Martin, her ex-spouse, and her three child beneficiaries based on the unmodified benefit and other information provided in the System's request received on May 1, 2024.

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

Data Element	Data Provided by OCERS
Member's date of birth	[REDACTED]
Date of retirement	March 22, 2024
Plan of membership	General Plan J
Monthly unmodified benefit	\$6,940.36
Ex-spouse's date of birth	[REDACTED]
Ex-spouse's share of unmodified benefit	17.62%
First child's date of birth	[REDACTED]
Continuance payable to the first child	34%
Second child's date of birth	[REDACTED]
Continuance payable to the second child	33%
Third child's date of birth	[REDACTED]
Continuance payable to the third child	33%



Jonathea Tallase  
 May 3, 2024  
 Page 2

## Calculations

As requested, the Option 4 benefits contained herein have been prepared under two Scenarios:

- Scenario 1 – Option 4 with ex-spouse only
- Scenario 2 – Option 4 with ex-spouse and provide 34% to first adult child and 33% to each of the second and third adult children.

For Scenario 1, we first calculate the adjustment to the member's unmodified benefit to provide a 17.62% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

For Scenario 2, we adjust the member's benefit from Scenario 1 so that a continuance benefit of 34% to first adult child and 33% to each of the second and third adult children. The cost to provide this continuance benefit would be paid for entirely by the member.

It is our understanding that pursuant to Regulation §1.401(a)(9)-6, the maximum percentage continuance benefit that can be provided to a non-spouse beneficiary may be limited if the difference in the member's age and the non-spouse beneficiary's age is greater than ten years. The actual calculation is as follows:

- Step 1:** Calculate the difference in age between the member and the beneficiary based on their ages on their birthdays during the calendar year of retirement  
 $(58-26)=32$ .
- Step 2:** If the member is retiring before age 70, the age difference determined in Step 1 is reduced by the number of years that the member is retiring before age 70  
 $(32-12)=20$ .
- Step 3:** The maximum percentage continuance benefit can be found in the table provided in §1.401(a)(9)-6 which for an adjusted age difference of 20 years is 73%.

Therefore, for the purposes of this calculation, we have determined the total maximum continuance to be 73% for Scenario 2, and have calculated the following continuances to the children beneficiaries: 25% to first adult child and 24% to each of the second and third adult children.

Jonathea Tallase  
 May 3, 2024  
 Page 3

## Scenario 1

### No Continuance to the Three Child Beneficiaries

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Annuity:	\$1,759.54	
• Pension:	3,957.93	
– Total payable to member	\$5,717.47	\$0.00
<b>Payable to ex-spouse*</b>	<b>\$1,113.38</b>	<b>\$1,113.38</b>

## Scenario 2

### 73% Combined Continuance to the Three Child Beneficiaries

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Annuity:	\$1,431.49	
• Pension:	3,220.02	
– Total payable to member	\$4,651.51	\$0.00
<b>Payable to ex-spouse*</b>	<b>\$1,113.38</b>	<b>\$1,113.38</b>
<b>Payable to the first child</b>	<b>\$0.00</b>	<b>\$1,162.88</b>
<b>Payable to the second child</b>	<b>\$0.00</b>	<b>\$1,116.36</b>
<b>Payable to the third child</b>	<b>\$0.00</b>	<b>\$1,116.36</b>

\* This is equal to 17.62% of the member's unmodified benefit (i.e., 17.62% \* \$6,940.36 or \$1,222.89) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

Jonathea Tallase  
May 3, 2024  
Page 4

## Actuarial assumptions

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

### Interest

Effective interest rate of 4.136253% per year, calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.

### Mortality Table

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

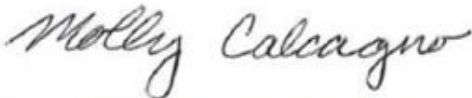
Pub-2010 General Contingent Survivor Amount-Weighted Above-Median Mortality Table with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 60% male and 40% female for beneficiaries.

## Other considerations

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

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

Sincerely,



Molly Calcagno, ASA, MAAA, EA  
Senior Actuary

JY/elf

cc: Irene Warkentine



May 3, 2024

Siobhan K. Martin



Re: Retirement Election Confirmation – Option 4

Dear Ms. MARTIN:


You have elected Option 4 as your retirement option. This option will provide a 17.62% of your monthly benefit, for the life of the benefit, to:

STEPHEN M MARTIN

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

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

I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a 17.62% continuance to STEPHEN M MARTIN.

 \_\_\_\_\_ *May 7<sup>th</sup>, 2024*  
Member Signature/Date

Sincerely,

Steven Ismael  
Retirement Program Specialist



## Memorandum

---

**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Irene Warkentine, Member Services Benefits Analyst  
**SUBJECT:** **OPTION 4 RETIREMENT ELECTION – GENE RODRIGUEZ**

---

### Recommendation

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

### Background/Discussion

This member elected Option 4 as the benefit payment option for his service retirement allowance as required by his Domestic Relations Order (DRO), effective March 08, 2024. The Orange County Employees Retirement System (OCERS) was joined in the member's dissolution of marriage and under the terms of the DRO, the member's ex-spouse was awarded a lifetime continuance as a percentage of the member's allowance.

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

### Submitted by:



I.W. – APPROVED

Irene Warkentine  
Member Services Benefits Analyst



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

**Personal and Confidential**

April 23, 2024

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

**Re: Orange County Employees Retirement System (OCERS)  
 Option 4 Calculation for Gene A. Rodriguez**

Dear Jonathea:

Pursuant to your request, we have determined the Option 4 benefits payable to Gene A. Rodriguez, his ex-spouse, his current spouse, and his daughter based on the unmodified benefit and other information provided in the System's request received on April 19, 2024.

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

Data Element	Data Provided by OCERS
Member's date of birth	[REDACTED]
Date of retirement	March 8, 2024
Plan of membership	General Plan B and Safety Plan F
Monthly unmodified benefit — Total	\$10,912.14
• Monthly unmodified benefit — Plan B	\$299.06
• Monthly unmodified benefit — Plan F	\$10,613.08
Ex-spouse's date of birth	[REDACTED]
Ex-spouse's share of unmodified benefit	32.53%
Current spouse's date of birth	[REDACTED]
Continuance payable to current spouse	100%/50%
Daughter's date of birth	[REDACTED]
Continuance payable to daughter	100%/50%

Jonathea Tallase  
 April 23, 2024  
 Page 2

## Calculations

As requested, the Option 4 benefits contained herein have been prepared under five Scenarios:

- Scenario 1 – Option 4 with ex-spouse only
- Scenario 2 – Option 4 with ex-spouse and provide 100% continuance to current spouse
- Scenario 3 – Option 4 with ex-spouse and provide 50% continuance to current spouse
- Scenario 4 – Option 4 with ex-spouse and provide 100% continuance to daughter
- Scenario 5 – Option 4 with ex-spouse and provide 50% continuance to daughter

For Scenario 1, we first calculate the adjustment to the member's unmodified benefit to provide a 32.53% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

For Scenarios 2 through 5, we adjust the member's benefit from Scenario 1 so that a continuance benefit of 100% or 50% can be paid to the member's current spouse or daughter. The cost to provide this continuance benefit would be paid for entirely by the member.

It is our understanding that pursuant to Regulation §1.401(a)(9)-6, the maximum percentage continuance benefit that can be provided to a non-spouse beneficiary may be limited if the difference in the member's age and the non-spouse beneficiary's age is greater than ten years. The actual calculation is as follows:

- Step 1:** Calculate the difference in age between the member and the beneficiary based on their ages on their birthdays during the calendar year of retirement  
 $(53-15)=38$ .
- Step 2:** If the member is retiring before age 70, the age difference determined in Step 1 is reduced by the number of years that the member is retiring before age 70  
 $(38-17)=21$ .
- Step 3:** The maximum percentage continuance benefit can be found in the table provided in §1.401(a)(9)-6 which for an adjusted age difference of 21 years is 72%.

Therefore, for the purposes of this calculation, we have determined the total maximum continuance to be 72% for Scenario 4.

Jonathea Tallase  
 April 23, 2024  
 Page 3

## Scenario 1

### *No Continuance to Current Spouse or Daughter*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$54.93	
• Plan B Pension:	146.85	
• Plan F Annuity:	1,358.09	
• Plan F Pension:	5,802.55	
<b>– Total payable to member</b>	<b>\$7,362.42</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$3,280.36</b>	<b>\$3,280.36</b>

## Scenario 2

### *100% Continuance to Current Spouse*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$49.15	
• Plan B Pension:	131.40	
• Plan F Annuity:	1,215.22	
• Plan F Pension:	5,192.15	
<b>– Total payable to member</b>	<b>\$6,587.92</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$3,280.36</b>	<b>\$3,280.36</b>
<b>Payable to current spouse</b>	<b>\$0.00</b>	<b>\$6,587.92</b>

\* This is equal to 32.53% of the member's unmodified benefit (i.e., 32.53% \* \$10,912.14 or \$3,549.72) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.



Jonathea Tallase  
 April 23, 2024  
 Page 4

## Scenario 3

### *50% Continuance to Current Spouse*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$51.88	
• Plan B Pension:	138.70	
• Plan F Annuity:	1,282.69	
• Plan F Pension:	5,480.41	
<b>– Total payable to member</b>	<b>\$6,953.68</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$3,280.36</b>	<b>\$3,280.36</b>
<b>Payable to current spouse</b>	<b>\$0.00</b>	<b>\$3,476.84</b>

## Scenario 4

### *72% Continuance to Daughter*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$45.59	
• Plan B Pension:	121.89	
• Plan F Annuity:	1,127.24	
• Plan F Pension:	4,816.21	
<b>– Total payable to member</b>	<b>\$6,110.93</b>	<b>\$0.00</b>
<b>Payable to ex-spouse*</b>	<b>\$3,280.36</b>	<b>\$3,280.36</b>
<b>Payable to daughter</b>	<b>\$0.00</b>	<b>\$4,399.87</b>

\* This is equal to 32.53% of the member's unmodified benefit (i.e., 32.53% \* \$10,912.14 or \$3,549.72) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

Jonathea Tallase  
 April 23, 2024  
 Page 5

## Scenario 5

### *50% Continuance to Daughter*

Monthly Benefit Type	Payable while the Member is Alive	Payable after the Member's Death
<b>Payable to member</b>		
• Plan B Annuity:	\$48.09	
• Plan B Pension:	128.57	
• Plan F Annuity:	1,188.99	
• Plan F Pension:	5,080.07	
<b>– Total payable to member</b>	<b>\$6,445.72</b>	<b>\$0.00</b>
<b>Payable to ex-spouse<sup>1</sup></b>	<b>\$3,280.36</b>	<b>\$3,280.36</b>
<b>Payable to daughter</b>	<b>\$0.00</b>	<b>\$3,222.86</b>

## Actuarial assumptions

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

### Interest

Effective interest rate of 4.136253% per year, calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.

### Mortality Table

Pub-2010 Safety<sup>2</sup> Healthy Retiree Amount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 80% male and 20% female for members.

Pub-2010 General Contingent Survivor Amount-Weighted Above-Median Mortality Table with rates increased by 5%, projected generationally with the two-dimensional mortality improvement scale MP-2019 associated with a retirement year of 2024, weighted 20% male and 80% female for beneficiaries.

<sup>1</sup> This is equal to 32.53% of the member's unmodified benefit (i.e., 32.53% \* \$10,912.14 or \$3,549.72) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

<sup>2</sup> Since the member last worked as a Safety member, we used Safety assumptions in determining optional benefits even for benefits paid from the General Plan.

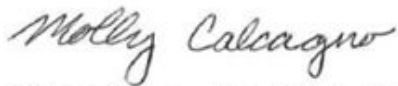
Jonathea Tallase  
April 23, 2024  
Page 6

## Other considerations

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

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

Sincerely,



Molly Calcagno, ASA, MAAA, EA  
Senior Actuary

JY/bbf

cc: Irene Warkentine



May 7, 2024

Gene A. Rodriguez : [REDACTED]  
[REDACTED]

Re: Retirement Election Confirmation – Option 4

Dear Mr. Rodriguez:

You have elected Option 4 as your retirement option.

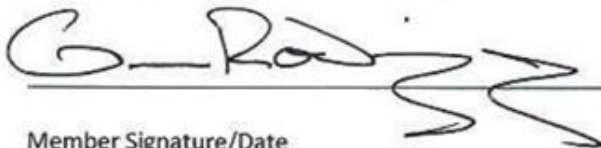
This option will provide a 32.53% of your monthly benefit, for the life of the benefit, to: Kellie M Steele

This option will provide a 100% continuance of your monthly benefit, upon your passing, to: Elizabeth Rodriguez

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

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

- I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a 32.53% lifetime payment to Kellie M Steele.
- I understand that my retirement option is irrevocable; by choosing Option 4 I will take a monthly reduction in order to provide a 100% survivorship continuance to Elizabeth Rodriguez.



5-7-24

Member Signature/Date

Sincerely,

David Viramontes  
Retirement Program Specialist



## Memorandum

---

**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Irene Warkentine , Member Services Benefits Analyst  
**SUBJECT:** **OPTION 4 RETIREMENT ELECTION – JOHN VU**

---

### Recommendation

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

### Background/Discussion

This member elected Option 4 as the benefit payment option for his service retirement allowance as required by his Domestic Relations Order (DRO), effective October 19, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member's dissolution of marriage and under the terms of the DRO, the member's ex-spouse was awarded a lifetime continuance as a percentage of the member's allowance.

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

### Submitted by:



I.W. – APPROVED

Irene Warkentine  
Member Services Benefits Analyst



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

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 San Francisco, CA 94105-6147  
 segalco.com

**Personal and Confidential**

April 1, 2024

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

**Re: Orange County Employees Retirement System (OCERS)  
 Option 4 Calculation for John N. Vu**

Dear Jonathea:

Pursuant to your request, we have determined the Option 4 benefits payable to John N. Vu, his ex-spouse, and his partner based on the unmodified benefit and other information provided in the System's request received on March 26, 2024.

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

Category	Data
Member's Date of Birth	[REDACTED]
Ex-Spouse's Date of Birth	[REDACTED]
Date of Retirement	October 19, 2020
Plan of Membership	General Plan B
Monthly Unmodified Benefit	\$5,028.69
Partner's Date of Birth*	[REDACTED]
Continuance Payable to Partner	10%

\* In providing this calculation, we have made the assumption that the beneficiary, the member's partner, has satisfied the definition of having an "insurable interest" in the life of the member as required by Section 31764.

Jonathea Tallase  
 April 1, 2024  
 Page 2

We have determined the Option 4 benefits using a two-part process. In Part One, we first calculated the adjustment to the member's unmodified benefit to provide a 19.41% continuance to the ex-spouse. As instructed by OCERS, the cost to provide the continuance benefit to the ex-spouse is paid for entirely by the ex-spouse.

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

	Payable while the Member is Alive	Payable after the Member's Death
<b>Monthly benefit payable to member</b>		
• Annuity:	\$1,478.03	
• Pension:	<u>2,574.59</u>	
<b>Total:</b>	<b>\$4,052.62</b>	<b>\$0.00</b>
Monthly benefit payable to ex-spouse*	<b>\$836.41</b>	<b>\$836.41</b>

In Part Two, we further adjusted the member's benefit in Part One so that a continuance benefit of 10% can be paid to the member's partner. In addition, the cost to provide this continuance benefit would be paid for entirely by the member.

### Part Two: After Adjustment for Continuance Benefit Payable to Partner 10% Continuance

	Payable while the Member is Alive	Payable after the Member's Death
<b>Monthly benefit payable to member</b>		
• Annuity:	1,441.04	
• Pension:	<u>2,510.17</u>	
<b>Total:</b>	<b>\$3,951.21</b>	<b>\$0.00</b>
Monthly benefit payable to partner	<b>\$0.00</b>	<b>\$395.12</b>
Monthly benefit payable to ex-spouse*	<b>\$836.41</b>	<b>\$836.41</b>

\* This is equal to 19.41% of the member's unmodified benefit (i.e., 19.41% \* \$5,028.69 or \$976.07) adjusted further to provide a benefit payable over the ex-spouse's lifetime or to the estate of the ex-spouse if the ex-spouse pre-deceases the member.

Jonathea Tallase  
April 1, 2024  
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## Actuarial assumptions

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

### Interest

Effective interest rate of 4.136253% per year, which is calculated using an investment return assumption of 7.00% per year together with a cost-of-living adjustment assumption of 2.75% per year.

### Mortality Table

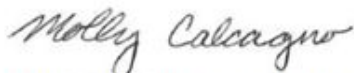
Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional mortality improvement scale MP-2016, weighted 40% male and 60% female for members.

Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional mortality improvement scale MP-2016, weighted 60% male and 40% female for beneficiaries.

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

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

Sincerely,



Molly Calcagno, ASA, MAAA, EA  
Senior Actuary

JY/bbf

cc: Irene Warkentine



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

**REGULAR MEETING  
Monday, April 15, 2024  
9:30 A.M.**

**MINUTES**

Chair Tagaloa called the meeting to order at 9:31 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Adele Tagaloa, Chair, Charles Packard, Vice Chair; Chris Prevatt, Richard Oates, Arthur Hidalgo, Jeremy Vallone, Wayne Lindholm, Shari Freidenrich

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

Also Present: Steve Delaney, Chief Executive Officer; Suzanne Jenike, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Manuel Serpa, General Counsel; Cynthia Hockless, Director of Human Resources; Jenny Sadoski, Director of IT; David Kim, Director of Internal Audit; Will Tsao, Director of EPMO; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Maytak Chin, ReedSmith

Absent: Roger Hilton, Shawn Dewane

**CONSENT AGENDA**

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

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

- NONE

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

Regular Board Meeting Minutes

March 18, 2024

**Recommendation:** Approve minutes.

**C-3 OUTCOMES FROM THE GOVERNANCE COMMITTEE MEETING ON MARCH 21, 2024**

**Recommendation:** The Governance Committee recommends the Board adopt the following:

1. General Counsel Charter with revisions approved by the Committee;
2. Assistant CEO, Finance and Internal Operations Charter with no substantive revisions;
3. Actuarial Funding Policy with revisions approved by the Committee;
4. Travel Policy with revisions approved by the Committee;
5. Write Off Policy with no substantive revisions.

**C-4 OUTCOMES FROM THE AUDIT COMMITTEE MEETING ON MARCH 28, 2024**

**Recommendation:** The Audit Committee recommends the Board adopt the following:

1. The Chief Compliance Officer Charter as approved by the Committee
2. The Compliance Program Charter as approved by the Committee
3. The Audit Committee Charter with revisions approved by the Committee
4. The Internal Audit Charter with revisions approved by the Committee
5. The Ethics, Compliance, and Fraud Hotline Policy with revisions approved by the Committee

**MOTION** by Mr. Packard, **seconded** by Mr. Vallone, to approve the Consent Agenda.

The motion passed **unanimously**.

\*\*\*\*\*

**DISABILITY/MEMBER BENEFITS AGENDA**

**9:30 AM**

**OPEN SESSION**

**CONSENT ITEMS**

**A. Disability Committee Recommendations:**

**NONE**

**B. CEO Recommendations:**

**DC-1: JAMAL BARBOUR**

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

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

- Grant service-connected disability retirement.
- Set the effective date as May 31, 2023.

**DC-2: PETER CONDY**

Fire Captain, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 23, 2023.

**DC-3: MATTHEW GIBBS**

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

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

- Grant service-connected disability retirement.
- Set the effective date as December 8, 2023.

**DC-4: ISANDER GONZALEZ**

Journeyman Mechanic, Orange County Transportation Authority (General)

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

- Grant service-connected disability retirement.
- Set the effective date as March 28, 2023.

**DC-5: ANTHONY PAPSIS**

Sergeant, Orange County Sheriff's Department (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as August 14, 2020.

**DC-6: MARIA RANGEL**

Eligibility Supervisor, Orange County Social Services (General)

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

- Grant service-connected disability retirement.
- Set the effective date as the day after the last day of regular compensation.

**MOTION** by Mr. Packard, **seconded** by Mr. Oates, to approve staff recommendations.

The motion passed **unanimously**.

**CLOSED SESSION**

*The Board adjourned to closed session at 9:34 a.m.*

**DA-2: ROBERT SZEWCZYK**

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

**Recommendation:** Staff recommends the Board approve and adopt the Hearing Officer's recommendation to deny Applicant Robert Szewczyk's application for service-connected disability

retirement based on finding that Applicant is not permanently incapacitated for duty.

**DA-3: MARTIN NEAL**

Coach Operator, Orange County Transportation Authority

**Recommendation:** Staff recommends the Board grant Martin Neal (“Applicant”)’s application for service-connected disability retirement based on the Supplemental Report and opinion by OCERS’ Independent Medical Examiner (IME), Dr. Brian Solberg, dated March 16, 2024.

**DA-4: NOEL DELA LLANA**

Lieutenant, Orange County Sheriff’s Department

**Recommendation:** Staff recommends the Board grant Applicant Noel Dela Llana’s application for service-connected disability retirement based on the February 16, 2024, Supplement Report by OCERS’ Independent Medical Examiner (IME), Dr. Lawrence Feiwell, and application of the statutory presumption under Government Code section 31720.96.

**OPEN SESSION**

*The Board returned from Closed Session at 10:23 a.m.*

*Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Ms. Freidenrich, Mr. Hidalgo, Mr. Oates, Ms. Tagaloo, Mr. Packard, Mr. Prevatt, Mr. Lindholm, and Mr. Vallone.*

**REPORT OF ACTIONS TAKEN IN CLOSED SESSION-** Mr. Serpa reported out that that the Board approved the staff recommendation for DA-2, DA-3 and DA-4 by unanimous vote.

**ACTION ITEMS**

**A-2 SACRS BOARD OF DIRECTORS ELECTION 2024-2025 – DIRECTION TO OCERS’ VOTING DELEGATE**  
*Presentation by Manuel Serpa, General Counsel*

**Recommendation:** Consider the SACRS Nominating Committee’s recommended slate of candidates and the list of additional candidates interested in running for the election of SACRS Directors; and give direction to OCERS’ Voting Delegate and Alternate Delegates for the SACRS Board of Directors election to be held during the SACRS Spring Conference on May 10, 2024.

**MOTION** by Mr. Lindholm, **seconded** by Ms. Freidenrich, to approve staff recommendations.

The motion passed **unanimously**.

**A-3 SECOND QUARTER REVIEW OF OCERS BOARD 2024-2026 STRATEGIC PLAN**  
*Presentation by Steve Delaney, CEO, and William Tsao, Director of EPMO, OCERS*

**Recommendation:**  
Approve the staff proposed metric dashboard to the OCERS 2024-2026 Strategic Plan

Or

Provide direction for alternative modifications

**MOTION** by Mr. Packard, **seconded** by Ms. Freidenrich, to approve staff recommendations with minor formatting modifications to the metric dashboard.

The motion passed **unanimously**.

*The Board recessed for break at 10:45 a.m.*

*The Board reconvened from break at 10:57 a.m.*

*Recording Secretary administered the Roll Call attendance.*

**A-4 OCERS PENSION ADMINISTRATION SYSTEM (V-3): LOOKING TO A NEW PENSION ADMINISTRATION SYSTEM**

*Presentation by Steve Delaney, CEO, William Tsao, Director of EPMO, OCERS*

**Recommendation:** Approve the initiation of Phase 1 of the Next Generation PAS Project by hiring an Implementation Partner as selected by Staff utilizing the approved budget for 2024 of \$250K.

**MOTION** by Mr. Packard, **seconded** by Mr. Lindholm, to approve staff recommendations.

The motion passed **unanimously**.

**INFORMATION ITEMS**

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

**I-2 CLOUD STRATEGY DISCUSSION**

*Presentation by Brenda Shott, Assistant CEO, Internal Operations, and Jenny Sadoski, Director of IT, OCERS*

Ms. Sadoski shared the background and current opportunities associated with cloud strategies.

**I-3 UPDATE ON THE WORK ASSOCIATED TO THE ALAMEDA IMPLEMENTATION**

*Presentation by Steve Delaney, CEO, and Suzanne Jenike, Assistant CEO, External Operations, OCERS*

Ms. Jenike shared about the status of the work associated with the Alameda 2 implementation especially to those impacted by county Supervisors resolution decision. As she noted, this is a status informational update, and while no action is needed now, staff anticipate bringing action items in the May Board meeting.

**WRITTEN REPORTS**

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

**R-1 MEMBER MATERIALS DISTRIBUTED**

Application Notices

April 15, 2024

Death Notices

April 15, 2024

**R-2 COMMITTEE MEETING MINUTES**

- November 2023- Governance Committee Minutes
- January 2024 – Audit Committee Minutes

**R-3 CEO FUTURE AGENDAS AND 2024 OCERS BOARD WORK PLAN**

Written Report

**R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Written Report

**R-5 BOARD COMMUNICATIONS**

Written Report

**R-6 LEGISLATIVE UPDATE**

Written Report

**R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST**

Written Report

**R-8 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT**

Written Report

**R-9 UPDATE BOARD ELECTIONS: SAFETY MEMBER, ALTERNATE SAFETY MEMBER AND GENERAL MEMBER**

Written Report

**R-10 REEDSMITH PERFORMANCE SURVEY REPORT**

Written Report

Mr. Packard had some questions about the credit card authorization and requests for trustees as indicated in the Governance Committee.

**INFORMATION ITEMS**

**I-1 BROWN ACT TRAINING**

*Presentation by Manuel Serpa, General Counsel, OCERS*

Mr. Serpa reminded the trustees on the rules associated with the Brown Act.

**CIO COMMENTS-** Ms. Murphy shared that OCERS has had a strong start to the year. As of March 31<sup>st</sup>, OCERS' portfolio has had an approximately 4% increase. Since then, there has been a slight pull back in several key technology stocks, and the portfolio returned to a 3.5% increase year to date for mid-April. Current events and aggressions associated with Israel and Iran, as well as Ukraine and Russia, are additional factors affecting the market that the Investment Team are monitoring. These factors have caused the markets to lower estimates for Fed easing.

Orange County Employees Retirement System  
April 15, 2024  
Regular Board Meeting – Minutes

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**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS-** CEO Delaney shared two thank you cards from members who turned 100 in the last several months.

**COUNSEL COMMENTS-** None

**BOARD MEMBER COMMENTS-** None

Meeting **ADJOURNED** at 1:14 p.m. in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:

Approved by:

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Steve Delaney  
Secretary to the Board

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Adele Tagaloa  
Chairperson



## Memorandum

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DATE: May 20, 2024  
TO: Members of the Board of Retirement  
FROM: Suzanne Jenike, Assistant CEO, External Operations, OCERS  
SUBJECT: **ALAMEDA IMPLICATIONS FOR EMPLOYEES OF OCDA AND OCSD COVERED BY THE COUNTY BOARD OF SUPERVISORS RESOLUTION**

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### RECOMMENDATION

1. Make a system-wide exception pursuant to Section 4 of the Overpaid and Underpaid Plan Contributions Policy, by collecting the interest associated with an ongoing payment plan from the Employer through the actuarial UAAL process and not from the member directly, and;
2. Make a system-wide exception pursuant to Section 4 of the Overpaid and Underpaid Plan Benefits Policy, to provide that the active members' installment payments be repaid over the life expectancy of the member as determined by the actuary, and;
3. Direct the CEO to extend the time-period for a retired or deferred member's installment payment to a period not exceeding the expected life expectancy of the member as determined by the actuary pursuant to Section 9 (b) of the Overpaid and Underpaid Plan Benefits Policy.

### Background

On April 15, 2024, I gave the Board a brief update on the work being performed on the *Alameda* implementation specific to employees of the Office of the District Attorney (OCDA) and Orange County Sheriff's Department (OCSD) covered by the County Board of Supervisors Resolution (Resolution). This item is a more in-depth continuation of that discussion as well as to get Board direction on items where a decision can be made.

The Resolution applies to on-call and canine pay for certain AOCDS members in the Peace Officers and Supervising Peace Officers units with the OCDA and the OCSD. The classifications established by the Resolution are:

- Homicide Detail
- Hazardous Devices Squad – Explosive Detection Squad
- Statewide Transportation
- Special Victims Detail
- Special Weapons and Tactics (SWAT)
- Tactical Support Team - Crisis Negotiator
- Major Accident Reconstruction Team
- DA Special Assignment Unit
- DA Homicide Unit
- Canine Handler

**OCERS team has completed our analysis and we have determined that the on-call and canine pay received by individuals in the assignments listed above should be considered pensionable.**



We are prepared to reconcile member accounts to make on-call and canine pay pensionable; however, several details need to be addressed and communicated to impacted members. Note, also, that OCERS received and considered a letter from the Retired Employees Association of Orange County (REAOC), dated May 3, 2024 (attached as A-2c) that included the following requests:

- The Board of Retirement waive the accrued interest as of October 1<sup>st</sup>, 2020, of any retired member required to make repayment of disallowed compensation under the *Alameda* decision.
- The repayment period for members that have large sums to pay back be extended up to the lifetime of the member as determined by the actuary.
- OCERS initiate the waiving of accrued interest and the extension of repayment automatically without the request coming independently from the member.
- REAOC would like this matter heard by the Board at the May meeting if possible.

In working with OCERS General Counsel as well as tax counsel we have determined that the following actions are consistent with past corrections as well as the Board Overpayment/Underpayment of Plan Contributions and Overpayment/Underpayment of Plan Benefits Policies.

1. Collect from the Member the member contributions collected on on-call pay between January 1, 2013 and September 10, 2020, that were refunded;
2. Collect from the Member interest on the member contributions collected on on-call pay between January 1, 2013 and September 10, 2020, that was also refunded;
3. Collect from the Member the missed member contributions from September 11, 2020, to the date on-call and canine pay are reported as pensionable by the County (gap period);
4. Collect from the Member the interest on the missed member contributions from September 11, 2020, to the date on-call and canine pay are reported as pensionable by the County (gap period).

#### **Interest Associated With an Ongoing Payment Plan**

With respect to interest associated with an ongoing payment plan to collect the amounts set forth in items 1-4 above, the Overpaid and Underpaid Plan Contributions Policy requires that these amounts be repaid with interest. However, Section 4 of the Policy also allows the Board to make an exception to the Policy by implementing a system-wide correction process that it determines is appropriate under the circumstances in the event of a system-wide error that affects contributions made on behalf of multiple members. Further, Section 10 of the Policy indicates that the Board has discretion to compromise claims. As such, the Board could choose to compromise the interest associated with an ongoing payment plan or make a system-wide exception to the Policy, in each case by collecting the interest associated with an ongoing payment plan from the Employer through the actuarial UAAL process and not from the member directly. Therefore, staff recommends the Board:

- Make a system-wide exception pursuant to Section 4 of the Overpaid and Underpaid Plan Contributions Policy, by collecting the interest associated with an ongoing payment plan from the Employer through the actuarial UAAL process and not from the member directly.

#### **Extension of Time Period For an Ongoing Payment Plan**

Section 9 (b) of the Overpaid and Underpaid Plan Benefits Policy indicates that the CEO has the authority to extend the time-period for a retired or deferred member's installment payment to a period not exceeding the expected life expectancy of the member as determined by the actuary. While the Overpaid and Underpaid Plan Benefits Policy does not have a similar provision for active members, Section 4 of the Policy allows the Board to make an exception to the Policy for system-wide corrections, as discussed above. Therefore, the Board could make a system-wide exception to the Policy, for the active members at issue here, to provide that the active

members' installment payments be repaid over the life expectancy of the member as determined by the actuary. Assuming the Board makes such an exception for the active members at issue here, then the amounts would be collected through pre-tax installment payments in accordance with the Overpaid and Underpaid Plan Benefits Policy. If an active member wished to repay the amounts more quickly, the member could do so by making a lump sum payment for the full amount using after-tax dollars, again in accordance with the Overpaid and Underpaid Plan Benefits Policy. Members could not make any elections to alter the amount or timing of pre-tax installment payments. Therefore, staff recommends the Board:

- Make a system-wide exception pursuant to Section 4 of the Overpaid and Underpaid Plan Benefits Policy, for active members to provide that the active members' installment payments be repaid over the life expectancy of the member as determined by the actuary.
- Direct the CEO to extend the time-period for a retired or deferred member's installment payment to a period not exceeding the expected life expectancy of the member as determined by the actuary pursuant to Section 9 (b) of the Overpaid and Underpaid Plan Benefits Policy.

### **Retired Members**

Staff will begin recalculating retirement allowances to include on-call and canine pay as pensionable. Consistent with past practice, we will offset the contributions owed by the member with any retroactive benefit payments due for the underpaid benefits. When the member owes OCERS an additional amount we will set up a payment plan in accordance with the Overpayment/Underpayment of Plan Benefits policy, with the offer of an extension of the repayment period up to a life expectancy timeframe. We will also recoup interest that will accrue over the duration of the repayment period from the Employer through the actuarial UAAL process, if desired by the Board.

### **Active/Deferred Members**

Staff will direct the County to report these pay items as pensionable for active members covered by the Resolution and begin taking biweekly payroll deductions of member contributions. The County started reporting pensionable on-call pay for the OCDA on September 22, 2023.

Staff will begin reviewing active member accounts. We need to determine which members are in the Resolution assignments and then reconcile contributions as outlined above. We will apply the Overpayment/Underpayment of Plan Contributions policy regarding biweekly payroll deductions to recover contributions and interest that are due OCERS. In the event a member retires prior to fully repaying the contributions owed we will establish a payment plan via monthly deductions from the retired members monthly benefit payment.

### **Submitted by:**



SJ-Approved

Suzanne Jenike  
Assistant CEO, External Operations



## OCERS Board Policy

# Overpaid and Underpaid Plan Benefits Policy

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### Purpose and Background

1. The purpose of the Orange County Employees Retirement System (“OCERS,” “System,” or “Plan”) *Overpaid and Underpaid Plan Benefits Policy* (“policy”) is to provide a framework that the System can use as a basis for resolving erroneous payments of Plan benefits to members and their beneficiaries. In the event that an overpayment is the result of a felony conviction OCERS Administrative Procedure (OAP) *Felony Forfeitures* shall be used as a basis for resolution. The OCERS Board of Retirement (“Board”) is charged with the responsibility of administering the System in a manner that assures appropriate and prompt delivery of benefits and related services to members and their beneficiaries and of managing the assets in a prudent manner. The Internal Revenue Service (“IRS”) requires that operational failures be corrected in a prompt, reasonable, and consistent manner that attempts to place the retirement system in the position it would have been in had the erroneous payment not occurred.

### Policy Objectives

2. Members and their beneficiaries (herein referred to as “members”) have a right to accurate retirement benefit payments. No member has the right to receive or retain retirement benefit payments that exceed the amounts to which a member is entitled, and no member may be deprived of any benefit payments that he or she is entitled to receive. Subject to all applicable laws and consistent with this policy and the procedures established by the Board, it shall be OCERS’ policy to make every reasonable effort to recover from a member the amount of any overpaid Plan benefits, and remit to a member the amount of any underpaid Plan benefits.

### Policy Guidelines

3. After discovery of overpaid or underpaid benefits, and within a reasonable period of time after written notification to the affected member, OCERS will correct the benefit payment amount prospectively to prevent additional overpayments or underpayments, and will pay to the member in a lump sum, or collect from the member through lump sum or installment payments, the amounts to which the member or the Plan is entitled in accordance with this policy and applicable law.
4. These policies and procedures are designed for use when calculation and other errors affect an individual member’s retirement benefits. In the event of a system-wide error that affects multiple members’ benefits, the Board may implement a system-wide correction process that it determines is appropriate under the circumstances.
5. In the event of any inconsistency between applicable law (including IRS rules and guidance) and these policies and procedures, the law shall govern.



## OCERS Board Policy

# Overpaid and Underpaid Plan Benefits Policy

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### Policy Procedures for Overpaid Benefits

6. When an overpayment of Plan benefits is discovered more than ninety (90) days after the member/payee's initial benefit payment, OCERS will first adjust the benefit payment prospectively to reflect the correct benefit amount and to prevent additional overpayments. OCERS will also take all reasonable steps to recover the full amount of all overpayments, going back to the inception of the error, and recouping "appropriate interest," as defined in section 7 below, during the period in which the benefit overpayments were made and also during any repayment period (*i.e.*, applied to the outstanding amount due until fully repaid).
7. *Appropriate Interest*
  - a. "Appropriate interest" means an interest amount determined using the System's actuarially assumed rate of return as of the date OCERS sets for commencing repayment.
  - b. In cases where there is evidence that the benefit overpayment resulted from fraud or dishonest conduct by the member/payee or because the member/payee provided, or caused to be provided, inaccurate information to OCERS or the member's employer, then "appropriate interest" shall be recouped from the member/payee.
  - c. In cases other than those described above in Section 7.b, "appropriate interest" shall be recouped from the member's employer.
8. The Board believes that considerations of cost effectiveness make it prudent and reasonable to pursue recovery of overpaid benefits only where the cumulative total amount of overpaid benefits is \$250 or more. Accordingly, OCERS is authorized to not seek recovery of any such overpaid benefits where the total amount overpaid to the member is less than \$250.
9. *Time Period for Installment Payments.* When recovering benefit overpayments, the following apply:
  - a. *Director of Member Services:* When the total amount of such overpaid benefits, not including interest, is \$10,000 or less, the Director of Member Services shall have authority to agree to extend the time period for the member's installment payments to a period not exceeding the expected lifetime of the member as determined by the actuary.
  - b. *CEO:* Regardless of the amount of the Plan's claim against the member, the CEO shall have the authority to agree to extend the time period for the member's installment payments to a period not exceeding the expected lifetime of the member as determined by the actuary.
10. *Compromising claims:* The amount of the Plan's claim for overpaid benefits is the difference between the amounts actually paid to the member during the overpayment period and the amounts that should have been paid, together with "appropriate interest" from the dates of the actual overpayments to the date(s) the correction is effective. The likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the member will be considered by the CEO and/or the Board when determining whether to compromise a claim. Compromising a claim may include a different method of repayment than is otherwise provided



## OCERS Board Policy

# Overpaid and Underpaid Plan Benefits Policy

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by this Policy and/or forgiveness or partial forgiveness of principal and/or interest, subject to applicable IRS rules and guidance.

- a. When the total amount of the Plan's claim against the member, not including interest, is \$1,000 or less, the CEO, on the advice of legal counsel, shall have the authority to compromise the claim.
- b. Only the Board may compromise claims in which the total amount of such overpaid benefits, not including interest, is greater than \$1,000.

11. The Board adopts the following procedures for accomplishing the recovery of overpaid Plan benefits:

- a. Upon discovery of the benefit overpayment, OCERS will send a letter by certified mail, return receipt requested, or by express delivery service, to the member/payee. Subject to the provisions of this Policy, the letter will provide the following information to the member/payee regarding the overpaid benefits:
  - i. Provide notice of the prospective adjustment to the benefit payment (to reflect the correct amount);
  - ii. Request payment to OCERS of the amount of overpaid benefits with appropriate interest as defined in section 7, above; and
  - iii. Unless otherwise determined by the Board, the CEO, or the Director of Member Services (see sections 9.a. and 9.b., above) or, if a repayment plan for a longer period is needed due to the limitation described in section 6, above, the letter will set a repayment plan with two options:
    - *Option 1* – equal installments deducted from the member/payee's monthly benefit over the same length of time that the overpaid benefits occurred, with "appropriate interest" (as that phrase is defined in section 7, above) applied during the repayment period; and
    - *Option 2* – lump sum payment to the Plan for the full amount overpaid, with "appropriate interest" (as that phrase is defined in section 7, above) applied during the overpayment period.
- b. Notwithstanding the above, any reduction in the member/payee's ongoing monthly benefit to recover overpayments will be limited to a maximum of 15% of the corrected gross monthly benefit unless the member/payee requests a higher reduction. The balance due will be paid over time, subject to this limitation.
- c. OCERS may pursue all legal remedies to collect such overpaid Plan benefits, including making a claim on an estate or trust. In addition, if the member dies before the full amount of principal and interest is paid, OCERS may recover the remaining principal and interest from any lump sum amount OCERS is obligated to pay to the member's estate or named beneficiaries of the member; provided, however, OCERS shall not seek to recover any such remaining amounts from any continuation payments made to a surviving spouse or an optional beneficiary of the member, unless an erroneous payment is made to the surviving spouse or optional beneficiary.



## OCERS Board Policy

# Overpaid and Underpaid Plan Benefits Policy

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- d. OCERS will maintain a permanent record of all amounts of such overpaid Plan benefits and the repayment to OCERS of those overpaid benefits. Every year, for cases involving benefit overpayments, the Director of Member Services shall provide a report to the Board.
- e. To the extent OCERS is unable to recoup overpaid Plan benefits from the member/payee, any shortfall will be recouped from the employer as part of the annual actuarial valuation process.

### Policy Procedures for Underpaid Benefits

12. When the Plan has underpaid benefits to the member, and the underpayment is discovered more than 90 days after the member/payee's initial benefit payment, the member shall be entitled to a prospective adjustment to his or her retirement benefits to reflect the correct benefit amount. In addition, except as provided in Section 14, below, the member will be entitled to a lump sum payment for all past amounts owed as a result of the error, with interest compounded annually at the rate of 3%. The payment shall be made as soon as administratively feasible.

13. If a member who was underpaid benefits has died prior to payment of the lump sum amount due, the payment, including interest, will be made according to OCERS' standard procedures for paying residual amounts following the death of the member (*e.g.*, to the designated beneficiary, estate, personal representative, trustee of the member trust, etc.).

- a. If, after following its standard procedures and applicable IRS guidance, Plan staff has not been able to locate a person entitled to payment, the Plan shall hold the funds on behalf of that person for five years. If the funds are not claimed within five years, the funds may be transferred into the System's pension reserve fund. If someone later appears to claim the funds, the Board or the CEO will consider such claims on a case-by-case basis.
- b. The Plan will maintain a permanent record of all amounts of outstanding refunds of underpaid benefits and any amounts that have been transferred into the pension reserve fund.

14. If the total amount that the Plan owes to the member, is \$75 or less, the Plan is not required to make the corrective distribution if, in the judgment of the CEO in consultation with legal counsel, the reasonable direct costs of processing and delivering the distribution to the member would exceed the amount of the distribution.

### Administrative Review

15. A member/payee may request administrative review of any decision regarding corrective actions that the Plan takes with respect to recovering and/or returning over and underpayments of plan benefits.

The review process will generally follow the same pattern as the review process for benefit determinations pursuant to the Board's Administrative Review and Hearings Policy.

- a. Overpayment collection efforts will be stayed, but benefits will be prospectively adjusted to prevent additional overpayments, during the pendency of the administrative review process; provided, however, that the Board shall have the discretion to suspend implementing its



## OCERS Board Policy Overpaid and Underpaid Plan Benefits Policy

recovery from the member in whole or in part during any ensuing court action. Interest will continue to accrue on all amounts owed to OCERS during the administrative review process and litigation.

### Policy Review

- 16. The Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

### Policy History

- 17. This policy was adopted by the Board of Retirement on May 16, 2016 and amended on October 21, 2019 and \_\_\_\_\_, 2021.

### Secretary's Certificate

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

*Steve Delaney*

Steve Delaney  
Secretary of the Board

11-15-2021

Date



## OCERS Board Policy

# Overpaid and Underpaid Plan Contributions Policy

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### Purpose and Background

1. The purpose of the Orange County Employees Retirement System (“OCERS,” “System,” or “Plan”) *Overpaid and Underpaid Plan Contributions Policy* (“policy”) is to provide a framework for resolving erroneous collection of plan contributions from OCERS members and employers. The OCERS Board of Retirement (“Board”) is charged with the responsibility of administering the System in a manner that assures appropriate and prompt delivery of benefits and related services to members and their beneficiaries and of managing the assets of the System in a prudent manner.

### Policy Objectives

2. The Board determines, in consultation with its actuary and in accordance with the law, the amount of required member and employer contributions to the Plan. Subject to all applicable laws and consistent with this policy and the procedures established by the Board, it is OCERS’ policy to make every reasonable effort to recover from a member or employer the amount of any underpaid contributions to the Plan, and remit or credit to a member or employer the amount of any overpaid contributions to the Plan, to the extent applicable in accordance with applicable Internal Revenue Service guidance.

### Policy Guidelines

3. As soon as practicable after discovery of overpaid or underpaid contributions and after written notification to the affected member and employer, OCERS will (i) correct the contribution amount for active members and employers prospectively; and (ii) pay or credit to, or collect from, the member and credit to or collect from the employer, the amounts to which the member, employer or the Plan is entitled in accordance with this policy and applicable law.
4. This policy is designed for use when calculation and other errors affect contributions made on behalf of an individual member. In the event of a system-wide error that affects contributions made on behalf of multiple members, the Board may implement a system-wide correction process that it determines is appropriate under the circumstances.
5. In the event of any inconsistency between applicable law (including IRS rules and guidelines) and these policies and procedures, the law shall govern.

### Procedures for Underpaid Contributions

#### ***Employers***

6. When an employer has underpaid plan contributions, the employer will be required to:
  - a. Pay to the Plan the underpaid contributions associated with member compensation earned in prior fiscal years as soon as reasonably practicable, and





## OCERS Board Policy

# Overpaid and Underpaid Plan Contributions Policy

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- b. Pay to the Plan the underpaid contributions associated with member compensation earned in the current fiscal year no later than the end of the current fiscal year.

Interest on the underpaid contributions shall be charged to and paid by the employer at the System's actuarially assumed rate of return. For purposes of this policy, underpaid employer contributions shall include any portion of underpaid member contributions, to the extent the employer elected to pay such portion on behalf of a member pursuant to Government Code section 31581.1. Such amounts shall be recovered from the employer under this Section 6, and not from the member under Section 7.

### **Members**

7. **Active Members.** When an active member has underpaid contributions to the Plan, OCERS will (i) make a prospective correction to (increase in) the member's contribution rate to the Plan to reflect the correct amount of member contributions to the Plan in order to prevent additional underpaid contributions; and (ii) take all reasonable steps to recover the full amount of all underpaid contributions, going back to the inception of the error, and charge interest to the member using the rate of interest credited by OCERS to member contributions, compounded annually during the period in which the contributions were underpaid and during any repayment period (*i.e.*, applied to the outstanding amount due until fully repaid).

The amount of the member's underpaid contributions for active members will be collected in accordance with section 9 below.

If the active member retires or becomes a deferred member of the Plan prior to repayment in full of the underpaid contributions, the remaining amount owing to the Plan will be collected in accordance with section 8 below.

8. **Retired and Deferred Members.** When a retired or deferred member has underpaid contributions to the Plan, OCERS will collect the full amount of all underpaid contributions, going back to the inception of the error, and charge interest to the member using the rate of interest credited by OCERS to member contributions, compounded annually during the period in which the contributions were underpaid.

The amount of the member's underpaid contributions for retired and deferred members will be collected in accordance with section 9 below.

9. The Board adopts the following procedures to recover underpaid contributions by members to the Plan:
- a. **For Active Members.** Upon discovery of the underpaid contributions, OCERS will notify the member of the prospective adjustment to increase the member's contribution rate to the Plan (to reflect the correct amount of member contributions to the Plan) and provide the member with the following two options:
- *Option 1* – Equal pre-tax installment payments deducted from the member's biweekly salary over the same length of time that the underpaid contributions occurred, with



## OCERS Board Policy

# Overpaid and Underpaid Plan Contributions Policy

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interest as set forth in section 7 above applied during the underpayment period and during the repayment period; or

- *Option 2* – Lump sum payment to the Plan for the full amount underpaid, with interest as set forth in section 7 above applied during the underpayment period.

b. **For Retired and Deferred Members.** Inform the member of the underpayment and provide the member with the following two options:

- *Option 1* – Equal installments deducted from the member’s monthly pension amount over a period established in the discretion of the Director of Member Services not to exceed five years; or
- *Option 2* – Lump sum payment to the Plan for the full amount underpaid, with interest as set forth in section 8 above applied during the underpayment period.

c. In cases of extreme hardship, the member may request, and the CEO may grant, a longer period of repayment of the underpaid contributions

d. OCERS may pursue all legal remedies to collect such underpaid member contributions to the Plan, including making a claim against the member’s estate or trust. In addition, if the member dies before the full amount of principal and interest is paid, OCERS may recover the remaining principal and interest from any lump sum amount OCERS is obligated to pay to the member’s estate or named beneficiaries of the member; provided, however, OCERS shall not seek to recover any such remaining amounts from any continuation payments made to a surviving spouse or an optional beneficiary of the member, unless an erroneous payment is made to the surviving spouse or optional beneficiary.

#### 10. Compromising Claims.

- a. When the total amount of the Plan’s claim against the member, not including interest, is \$1,000 or less, the CEO, on the advice of legal counsel, shall have the authority to compromise the claim.
- b. Only the Board may compromise claims in which the total amount of such underpaid contributions, not including interest, is greater than \$1,000.
- c. The amount of the Plan’s claim for underpaid contributions is the difference between the amounts actually paid by the member during the overcontribution and the amounts that should have been paid, together with “appropriate interest” from the dates of the actual contributions to the date(s) the correction is effective. The likelihood of collection, the cost of collection, the amount of possible recovery and extreme hardship to the member will be considered by the CEO and/or the Board when determining whether to compromise a claim. Compromising a claim may include a different method of repayment than is otherwise provided by this policy and/or forgiveness or partial forgiveness of principal and/or interest, subject to applicable IRS rules and guidance.



## OCERS Board Policy Overpaid and Underpaid Plan Contributions Policy

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- d. To the extent OCERS is unable to recoup all underpaid contributions and interest from the member, any shortfall will be recouped from the employer as part of the annual actuarial valuation process.

### Procedures for Overpaid Contributions

#### **Employers**

11. When an employer has overpaid contributions to the Plan, including overpaid member contributions that were paid by the employer on behalf of the member pursuant to Government Code section 31581.1, the employer shall be entitled to a credit to its actuarial accrued liability in the amount necessary to correct the error, plus interest at System's actuarial assumed rate of return.

#### **Members**

12. When a member has overpaid contributions to the Plan, (i) an active member shall be entitled to a prospective adjustment to his or her contribution rate to reflect the correct amount, and OCERS will inform the employer of the amount of the overpayment and the employer will offset the amount against the member's future contributions via the employer's payroll system; and (ii) except as provided in Section 14 below, retired and deferred members will be entitled to a lump sum payment as soon as practical of discovery of the overpayment and receipt of all information needed to make the correction for all past overpaid amounts, with interest compounded annually using the rate of interest credited by OCERS to member contributions.
13. If a member who overpaid contributions to the Plan dies prior to payment of the lump sum amount due, the payment, including interest, will be made according to OCERS' standard procedures for paying residual amounts following the death of the member (*e.g.*, to the designated beneficiary, estate, personal representative, trustee of the member trust, etc.).
  - a. If, after following its standard procedures and applicable IRS guidance, Plan staff is not able to locate a person entitled to payment, the Plan shall hold the funds on behalf of that person for five years. If the funds are not claimed within five years, the funds may be transferred into the System's pension reserve fund. If someone later appears to claim the funds, the Board or the CEO will consider such claims on a case-by-case basis.
  - b. The Plan will maintain a permanent record of all amounts of outstanding refunds of overpaid contributions and any amounts that have been transferred into the pension reserve fund.
14. If the total amount that the Plan owes a retired or deferred member under Section 12(ii) above is \$75 or less, the Plan is not required to make the lump sum payment to the member if, in the judgment of the CEO in consultation with legal counsel, the reasonable direct costs of processing and delivering the distribution to the member would exceed the amount of the distribution.



# OCERS Board Policy Overpaid and Underpaid Plan Contributions Policy

## Administrative Review

- 15. A member request administrative review of any decision regarding corrective actions that the Plan takes with respect to recovering and/or returning over and underpayments of Plan contributions.
- 16. The review process will generally follow the same pattern as the review process for benefit determinations pursuant to the Board’s Administrative Review and Hearing Policy. Efforts to collect underpaid contributions will be stayed, but contribution rates will be prospectively adjusted to prevent additional underpaid contributions, during the pendency of the review process; provided, however, that the Board shall have the discretion to suspend implementing its recovery from the member in whole or in part during any ensuing court action. Interest will continue to accrue on all amounts owed to OCERS during the appeals process and litigation.

## Policy Review

- 18. The Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

## Policy History

- 18. This policy was adopted by the Board of Retirement on January 16, 2019 and revised on \_\_\_\_\_, 2021.

## Secretary’s Certificate

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

Steve Delaney  
Secretary of the Board

11/15/2021

Date



**RETIRED EMPLOYEES ASSOCIATION OF ORANGE COUNTY**  
**P.O. Box 11787**  
**Santa Ana, CA 92711-1187**  
**[reaoc@reaoc.org](mailto:reaoc@reaoc.org)**

May 3, 2024

Steve Delaney  
Orange County Employees Retirement System  
P.O. Box 1229  
Santa Ana, Ca 92702

Good afternoon Mr. Delaney,

On behalf of the Retired Employees Association of Orange County (REAO), we would request the OCERS Board of Retirement waive the accrued interest as of October 1<sup>st</sup> 2020, of any retired member required to make repayment of disallowed compensation under the Alameda Decision. Further, we would request extending the repayment period for members that have large sums to pay back. The period of extension requested would be up to the expected lifetime of the member determined by the actuary. Although, these requests are put forth in the "Overpaid and Underpaid Plan Policy", REAO would ask OCERS to initiate waiving of accrued interest and the extension of repayment automatically without the request coming independently from the member. Lastly, we would like this heard by the Board at May meeting if possible.

Thank you,

REAO President  
*Roger Hilton*  
Roger Hilton



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** PRELIMINARY DECEMBER 31, 2023 ACTUARIAL VALUATION

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### Presentation

#### Background/Discussion

On May 20, representatives of Segal Consulting, will be reviewing the attached PowerPoint presentation which is the introduction to the December 31, 2023 Actuarial Valuation.

OCERS is nearly unique among Segal clients in that the Board receives this initial PowerPoint summary of valuation highlights a month prior to the full formal Actuarial Valuation. This informal approach allows OCERS' stakeholders time to review the data being used in the Actuarial Valuation and provide input prior to the OCERS Board giving final approval to the valuation.

This month's presentation does not require formal approval from the Board but instead, is an informational presentation. On June 17, the Segal representatives, will return to present the formal valuation that includes contribution rates to be effective July 1, 2025 and at that time, OCERS' staff will request the OCERS Board approve and finalize the valuation for distribution to all stakeholders.

#### Submitted by:



**SD - Approved**

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Steve Delaney  
Chief Executive Officer

Orange County Employees  
Retirement System

# December 31, 2023 Actuarial Valuation

May 20, 2024 / Prepared by Paul Angelo, Molly Calcagno, Todd Tauzer and Andy Yeung / 5856857v3

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# Agenda

**Highlights/Changes Since Last Valuation**

**Plans of Benefit Offered at OCERS**

**Summary and Reconciliation of Employer Contribution Rates**

**Calculation of Net Market, Actuarial and Valuation  
Value of Assets**

**Unfunded Actuarial Accrued Liability and Funded Ratio**

**Summary of Active and Retired Membership**

**Contribution Rates for Employers and Members**



# Highlights/Changes Since Last Valuation

# December 31, 2022 Triennial Experience Study

Non-Economic assumptions adopted for December 31, 2023 valuation

- **Retirement rates:**

Overall, slight increases to retirement rates

- **Termination rates:**

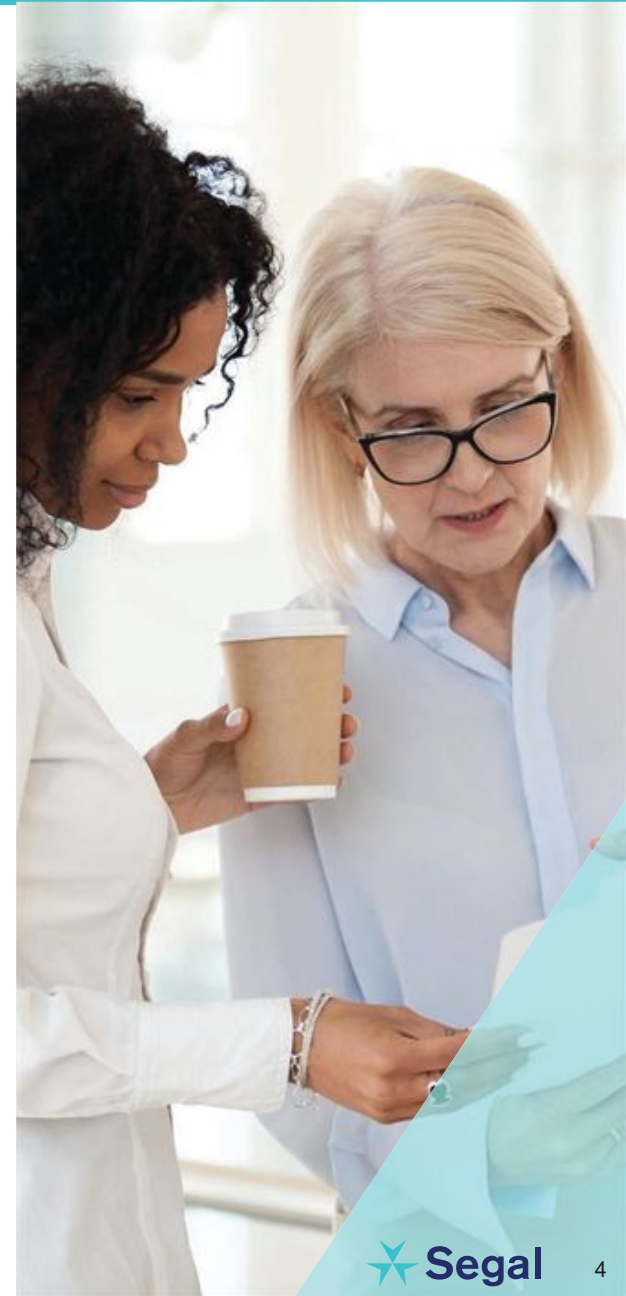
Slight increases for General non-OCTA members and Safety Law and Fire members and slight decreases for General OCTA members and Safety Probation members

- **Disability incidence:**

Slight decreases for General members and slight increases for Safety members

- **Mortality rates:**

- Maintain Pub-2010 Benefit-Weighted mortality tables as a starting point (“base table”), projected generationally using mortality improvement scale MP-2021, with adjustments
- For beneficiaries not currently in pay status, update to use the same table as General Healthy Retirees
- Administrative tables still use static projection for member contribution rates



# December 31, 2022 Triennial Experience Study

Economic assumptions adopted for December 31, 2023 valuation

- **Price inflation (CPI):**
  - Maintain inflation assumption of 2.50%
  - Maintain COLA assumption of 2.75%
- **Investment return:**
  - Maintain nominal return assumption of 7.00%
- **Salary increases:**
  - Maintain “Across the Board” real wage growth component of 0.50%
  - Promotion and Merit: Slight decreases for General and about the same for Safety

Technical changes

- **Improvement in reflecting the timing of decrements in calculating the total normal cost rate for each plan**
- **Use the individual (instead of the aggregate) version of the Entry Age cost allocation method to determine the normal cost of the COLA benefits, resulting in an increase in the employer rate and a decrease in member rate, primarily for Safety rate groups.**
- **Change in allocation of normal cost associated with providing COLA benefits for legacy Safety members with 30 or more years of service deferred until it is fully vetted by OCERS.**  
Relative to the impact estimated in the experience study, the impact of this change would have been smaller if it were implemented in this valuation. However, the final impact is dependent on the demographic profile of legacy Safety members (i.e., proportion of members with 30 or more years of service) at implementation.

**OCFA contributed an additional \$13.8 million to pay off part of their UAAL in Rate Group #8**

**O.C. Sanitation District (Rate Group #3), Transportation Corridor Agency (Rate Group #9), and O.C. Law Library (Rate Group #12) remain overfunded as of December 31, 2023, but less than 120% funded**

Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio is over 120% and other conditions in CalPEPRA are met. Therefore, their contribution rates are set equal to their normal cost rates.

**The O.C. Sanitation District UAAL Deferred Account has increased from \$14.4 million to \$16.0 million to reflect market experience.**

No transfer from this account to the Valuation Assets was necessary as of December 31, 2023.





**On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association (ACERA) and Board of Retirement of ACERA**

- As of December 31, 2023, OCERS has refunded contributions previously paid by certain members in conjunction with such pay items and changed benefit amounts previously determined using those pay items. However, we understand some of these adjustments are still ongoing and therefore the final impact of the decision has not been fully reflected in this valuation.



# Plans of Benefit Offered at OCERS

## General plans

- Plan A (§31676.12) — 2% @ 57
- Plan B (§31676.1) — 1.67% @ 57.5
- Plans G and H (§31676.18) — 2.5% @ 55
- Plans I and J (§31676.19) — 2.7% @ 55
- Plans M and N (§31676.16) — 2% @ 55
- Plans O and P (§31676.01) — 1.62% @ 65
- Plan S (§31676.12) — 2% @ 57
- Plan T (§31676.01) — 1.62% @ 65 CalPEPRA
- Plan U (§7522.20(a)) — 2.5% @ 67 CalPEPRA
- Plan W (§31676.01) — 1.62% @ 65 CalPEPRA

## Safety plans

- Plans E and F (§31664.1) — 3% @ 50
- Plans Q and R (§31664.2) — 3% @ 55
- Plan V (§7522.25(d)) — 2.7% @ 57 CalPEPRA

# Employer Contributions

## The sum of:

- Normal cost
- Level percentage of payroll amortization of:
  - Balance of December 31, 2012 UAAL re-amortized over 20 years as of December 31, 2013 (with 10 years remaining as of December 31, 2023)
  - New UAAL established after December 31, 2012 amortized over separate 20-year periods
- Adjustment to reflect 18-month delay between date of valuation and date of rate implementation

Expressed as percent of pay

## Employer Contribution Rates – Fiscal Years Beginning July 1, 2024 and July 1, 2025 (% of payroll)

Category	FY 25-26	FY 24-25*	Difference
<b>Rate Group #1</b>			
General Plans A, B and U (County and IHSS)	13.22%	13.70%	-0.48%
<b>Rate Group #2</b>			
General Plans I, J, O, P, S, T, U and W (County et al.)	38.09%	38.09%	0.00%
<b>Rate Group #3</b>			
General Plans B, G, H and U (OCSD)	11.65%	11.39%	0.26%
<b>Rate Group #5</b>			
General Plans A, B and U (OCTA)	30.65%	30.26%	0.39%
<b>Rate Group #9</b>			
General Plans M, N and U (TCA)	13.08%	11.93%	1.15%
<b>Rate Group #10</b>			
General Plans I, J, M, N and U (OCFA)	23.14%	22.82%	0.32%
<b>Rate Group #11</b>			
General Plans M and N, future service, and U (Cemetery)	14.23%	14.86%	-0.63%
<b>Rate Group #12</b>			
General Plans G, H and U (Law Library)	13.58%	12.75%	0.83%
<b>Rate Group #6</b>			
Safety Plans E, F and V (Probation)	60.31%	58.07%	2.24%
<b>Rate Group #7</b>			
Safety Plans E, F, Q, R and V (Law Enforcement)	58.18%	59.90%	-1.72%
<b>Rate Group #8</b>			
Safety Plans E, F, Q, R and V (OCFA)	34.28%	34.90%	-0.62%
<b>Average Total</b>	<b>38.09%</b>	<b>38.30%</b>	<b>-0.21%</b>

\* The FY 24-25 composite rates have changed due to payroll shifting among plans within the Rate Groups.



# Reconciliation of Average Employer Contributions (\$000)

Category	Contribution Rate	Estimated Amount <sup>1</sup>
<b>1. Average Recommended Contribution Rate as of Dec. 31, 2022</b>	<b>38.30%</b>	<b>\$872,447</b>
2. Actuarial (gain)/loss items:		
a. Effect of investment gain (after smoothing)	-0.50%	-\$11,390
b. Effect of additional UAAL contributions from OCFA	-0.05%	-1,139
c. Effect of difference in actual versus expected contributions	0.12%	2,734
d. Effect of higher than expected COLA increases in 2024 <sup>2</sup>	0.05%	1,139
e. Effect of difference in actual versus expected salary increases	0.27%	6,151
f. Effect of growth in total payroll more than expected	-0.97%	-22,096
g. Effect of other experience losses <sup>3,4</sup>	0.06%	1,479
h. Effect of changes in actuarial assumptions	<u>0.81%</u>	<u>18,451</u>
i. Subtotal	-0.21%	-\$4,671
<b>3. Average Recommended Contribution Rate as of Dec. 31, 2023</b>	<b>38.09%</b>	<b>\$867,776</b>

<sup>1</sup> Based on December 31, 2023 projected compensation of \$2,277,976,000.

<sup>2</sup> Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1<sup>st</sup> 2024, 2025 and 2026, for members without COLA Banks as of April 1, 2024).

<sup>3</sup> Net of an adjustment to reflect 18-month delay between date of valuation and date of rate implementation for all actuarial experience of -0.07%.

<sup>4</sup> Net of an effect of adjusting the rate to normal cost for Rates Groups that are fully funded as of December 31, 2023.

# Reconciliation of Employer Contributions for General Members

Category	RG #1	RG #2	RG #3	RG #5	RG #9	RG #10	RG #11	RG #12
<b>1. Average Recommended Contribution Rate as of December 31, 2022</b>	<b>13.70%</b>	<b>38.09%</b>	<b>11.39%</b>	<b>30.26%</b>	<b>11.93%</b>	<b>22.82%</b>	<b>14.86%</b>	<b>12.75%</b>
2. Actuarial (gain)/loss items:								
a. Effect of investment gain (after smoothing)	-0.19%	-0.44%	-0.60%	-0.43%	-0.46%	-0.46%	-0.39%	-0.63%
b. Effect of additional UAAL contributions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
c. Effect of difference in actual versus expected contributions	0.03%	0.14%	0.08%	0.19%	-0.16%	-0.02%	0.14%	0.02%
d. Effect of higher-than-expected COLA increases in 2024 <sup>1</sup>	0.01%	0.04%	0.05%	0.03%	0.04%	0.04%	0.01%	0.01%
e. Effect of difference in actual versus expected salary increases <sup>2</sup>	-0.13%	0.41%	0.35%	0.69%	0.26%	-0.05%	-1.49%	-0.43%
f. Effect of growth in total payroll (greater)/less than expected <sup>3</sup>	-0.31%	-1.28%	0.00%	-0.56%	0.00%	-0.13%	0.09%	0.00%
g. Effect of other experience (gain)/loss <sup>4,5,6</sup>	-0.09%	-0.05%	-0.51%	-0.25%	0.91%	0.18%	0.08%	1.14%
h. Effect of changes in actuarial assumptions <sup>7,8</sup>	<u>0.20%</u>	<u>1.18%</u>	<u>0.89%</u>	<u>0.72%</u>	<u>0.56%</u>	<u>0.76%</u>	<u>0.93%</u>	<u>0.72%</u>
i. Subtotal	-0.48%	0.00%	0.26%	0.39%	1.15%	0.32%	-0.63%	0.83%
<b>3. Average Recommended Contribution Rate as of December 31, 2023</b>	<b>13.22%</b>	<b>38.09%</b>	<b>11.65%</b>	<b>30.65%</b>	<b>13.08%</b>	<b>23.14%</b>	<b>14.23%</b>	<b>13.58%</b>

<sup>1</sup> Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1<sup>st</sup> 2024, 2025 and 2026, for members without COLA Banks as of April 1, 2024).

<sup>2</sup> The average individual salary increase for continuing actives in RG #11 was 2.6%.

<sup>3</sup> The increase in total payroll for RG #2 was 7.9%.

<sup>4</sup> Includes an adjustment to reflect 18-month delay between date of valuation and date of rate implementation.

<sup>5</sup> Effect of other experience (gains)/losses for RG #3 includes a 0.96% increase due to earlier than expected active retirements.

<sup>6</sup> Includes the effect of adjusting the rate to equal the normal cost for Rates Groups #3, #9, and #12 that are fully funded as of December 31, 2023.

<sup>7</sup> The changes in assumed retirement rates had the largest impact for RG #2 due to their higher liability volatility ratio.

<sup>8</sup> For Rates Groups that are fully funded as of December 31, 2023, the increase in the UAAL rate due to changes in actuarial assumptions of 0.64%, 0.33%, and 0.14% for RG #3, RG #9 and RG #12, respectively, are offset by the adjustment discussed in footnote 6. The resulting net impact of the changes in actuarial assumptions for RG #3, RG #9 and RG #12, respectively, are 0.25%, 0.23% and 0.58%.

# Reconciliation of Employer Contributions for Safety Members

Category	RG #6	RG #7	RG #8
<b>1. Average Recommended Contribution Rate as of Dec. 31, 2022</b>	<b>58.07%</b>	<b>59.90%</b>	<b>34.90%</b>
2. Actuarial (gain)/loss items:			
a. Effect of investment gain (after smoothing)	-0.89%	-0.74%	-0.65%
b. Effect of additional UAAL contributions	0.00%	0.00%	-0.58%
c. Effect of difference in actual versus expected contributions	0.62%	0.17%	-0.11%
d. Effect of higher-than-expected COLA increases in 2024 <sup>1</sup>	0.09%	0.10%	0.06%
e. Effect of difference in actual versus expected salary increases	-0.23%	-0.19%	0.10%
f. Effect of growth in total payroll (greater)/less than expected <sup>2</sup>	1.14%	-1.14%	-0.38%
g. Effect of other experience (gain)/loss <sup>3,4</sup>	0.34%	0.11%	1.07%
h. Effect of changes in actuarial assumptions <sup>5</sup>	1.17%	-0.03%	-0.13%
i. Subtotal	2.24%	-1.72%	-0.62%
<b>3. Average Recommended Contribution Rate as of Dec. 31, 2023</b>	<b>60.31%</b>	<b>58.18%</b>	<b>34.28%</b>

<sup>1</sup> Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1<sup>st</sup> 2024, 2025 and 2026, for members without COLA Banks as of April 1, 2024).

<sup>2</sup> Similar to the observation at the 12/31/2022 valuation, RG #6 experienced a decrease in active headcount (2.8%) and a decrease in total payroll (-0.2%) while RG #7 and RG #8 experienced increases in active headcounts (4.6% and 1.9%, respectively) and total payrolls (6.2% and 6.1%, respectively.)

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

<sup>4</sup> Effect of other experience losses for RG #8 includes an increase of 0.82% due to more active disabilities than expected and the approvals of disability retirements from service retirement.

<sup>5</sup> The increase for RG #6 is primarily due to the use of individual (instead of the aggregate) version of the entry age cost allocation method to determine the normal cost of the COLA benefits, as adopted by the Board for the experience study.

# Reconciliation of Average Member Contributions (\$000)

Category	Contribution Rate	Estimated Amount*
<b>Average Recommended Contribution Rate as of December 31, 2022</b>	<b>11.84%</b>	<b>\$269,712</b>
Effect of changes in demographics	0.02%	523
Effect of changes in actuarial assumptions	<u>-0.12%</u>	<u>-2,734</u>
Subtotal	-0.10%	-\$2,211
<b>Average Recommended Contribution Rate as of December 31, 2023</b>	<b>11.74%</b>	<b>\$267,501</b>

\* Based on December 31, 2023 projected compensation of \$2,277,976,000.

# Calculation of Net Market, Actuarial and Valuation Value of Assets

- **Net market value of Pension Fund is total market value reduced by:**
  - Obligations under securities lending program including securities purchased
  - Prepaid employer contributions, retiree payroll payable and other liabilities
  - County Investment Account of \$146.1 million
  - O.C. Sanitation District UAAL Deferred Account of \$16.0 million
- **Actuarial value is a “smoothed” value to dampen effect of short-term market volatility**
  - Based on spreading difference between actual market return and expected market return (7.00% starting in 2019) over 5 years
  - Return for 2023 on market value was 11.61%\* (i.e., 4.61% more than assumed)
  - Return for 2023 on smoothed valuation value was 7.77% (i.e., 0.77% more than assumed)
  - As of December 31, 2023, there were \$500 million in net deferred investment **losses** or about 2% of the net market value
    - Prior year: \$1.157 billion in net deferred investment **losses** or about 6% of the net market value
- **Valuation value is actuarial value reduced by non-valuation reserves:**
  - None as of December 31, 2023

\* Return on the market value was calculated using a modified dollar-weighted approach based on pension plan assets net of accounting liabilities. Actual investment return on net pension plan assets was \$2,258,475,000 during 2023 after including both the administrative expenses and discount for prepaid contributions while excluding the losses credited to County Investment Account and O.C. Sanitation District UAAL Deferred Account. Without these adjustments, the actual investment return was \$2,325,481,000.

# Calculation of Net Market, Actuarial and Valuation Value of Assets

It is important to note that this actuarial valuation is based on plan assets as of December 31, 2023. The Plan's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the plan year. Moreover, this actuarial valuation does not include any possible short-term or long-term impacts on mortality of the covered population that may emerge after December 31, 2023. Segal is available to prepare projections of potential outcomes of market conditions and other demographic experience upon request.

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# Market, Actuarial and Valuation Value of Assets (\$000)

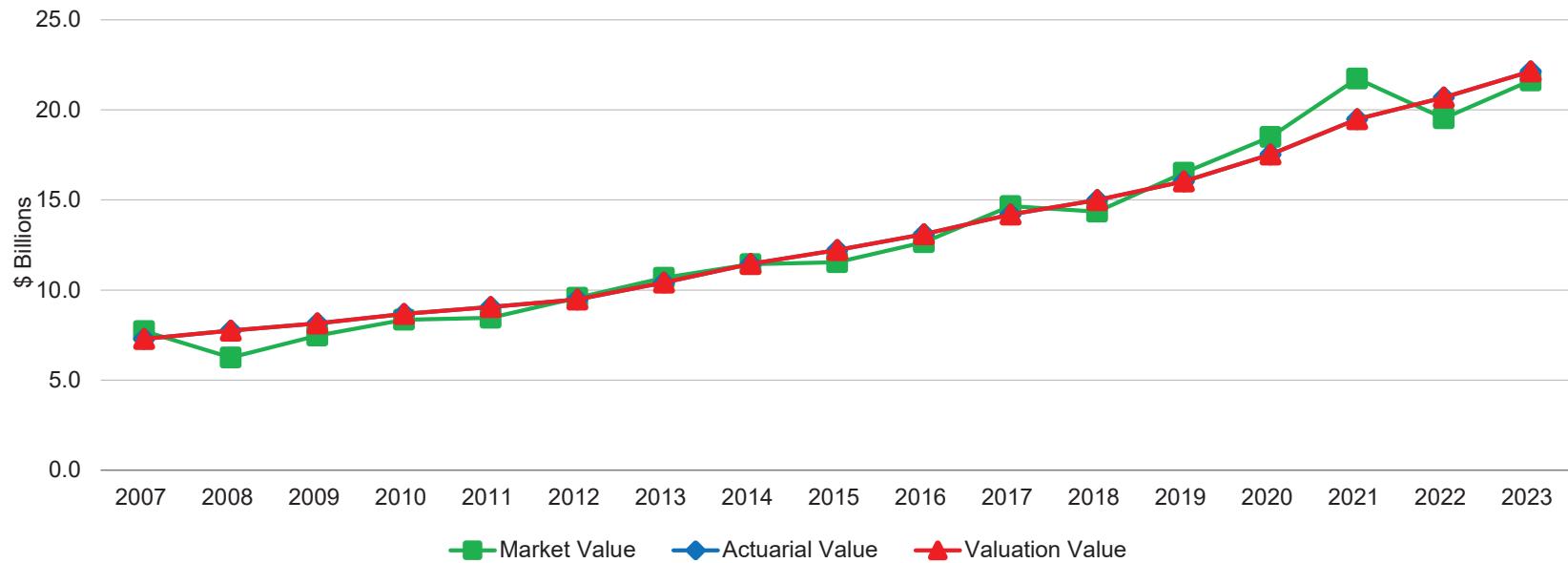
Valuation Date	Net Market Value of Assets <sup>1,2</sup>	Actuarial Value of Assets <sup>2</sup>	Valuation Value of Assets
December 31, 2007	\$7,719,690	\$7,292,205	\$7,288,900
December 31, 2008	\$6,248,558	\$7,750,751	\$7,748,380
December 31, 2009	\$7,464,761	\$8,155,654	\$8,154,687
December 31, 2010	\$8,357,835	\$8,673,473	\$8,672,592
December 31, 2011	\$8,465,593	\$9,064,580	\$9,064,355
December 31, 2012	\$9,566,874	\$9,469,423	\$9,469,208
December 31, 2013	\$10,679,507	\$10,417,340	\$10,417,125
December 31, 2014	\$11,428,223	\$11,450,001	\$11,449,911
December 31, 2015	\$11,548,529	\$12,228,098	\$12,228,009
December 31, 2016	\$12,657,418	\$13,103,066	\$13,102,978
December 31, 2017	\$14,652,607	\$14,197,211	\$14,197,125
December 31, 2018	\$14,349,790	\$14,994,505	\$14,994,420
December 31, 2019	\$16,516,108	\$16,036,953	\$16,036,869
December 31, 2020	\$18,494,462	\$17,525,201	\$17,525,117
December 31, 2021	\$21,738,794	\$19,488,761	\$19,488,761
December 31, 2022	\$19,534,631	\$20,691,659	\$20,691,659
December 31, 2023	\$21,635,294	\$22,135,285	\$22,135,285

<sup>1</sup> Net of amounts in County Investment Account, Prepaid Employer Contributions and O.C. Sanitation District UAAL Deferred Account (after transfer), if any.

<sup>2</sup> Includes amounts in unclaimed member reserve and Medicare Medical Insurance Reserve. The balance in both the unclaimed member reserve and Medicare Medical Insurance Reserve are \$0 as of December 31, 2023.

# Market Value of Assets, Actuarial Value of Assets and Valuation Value of Assets

*December 31, 2007 — 2023*



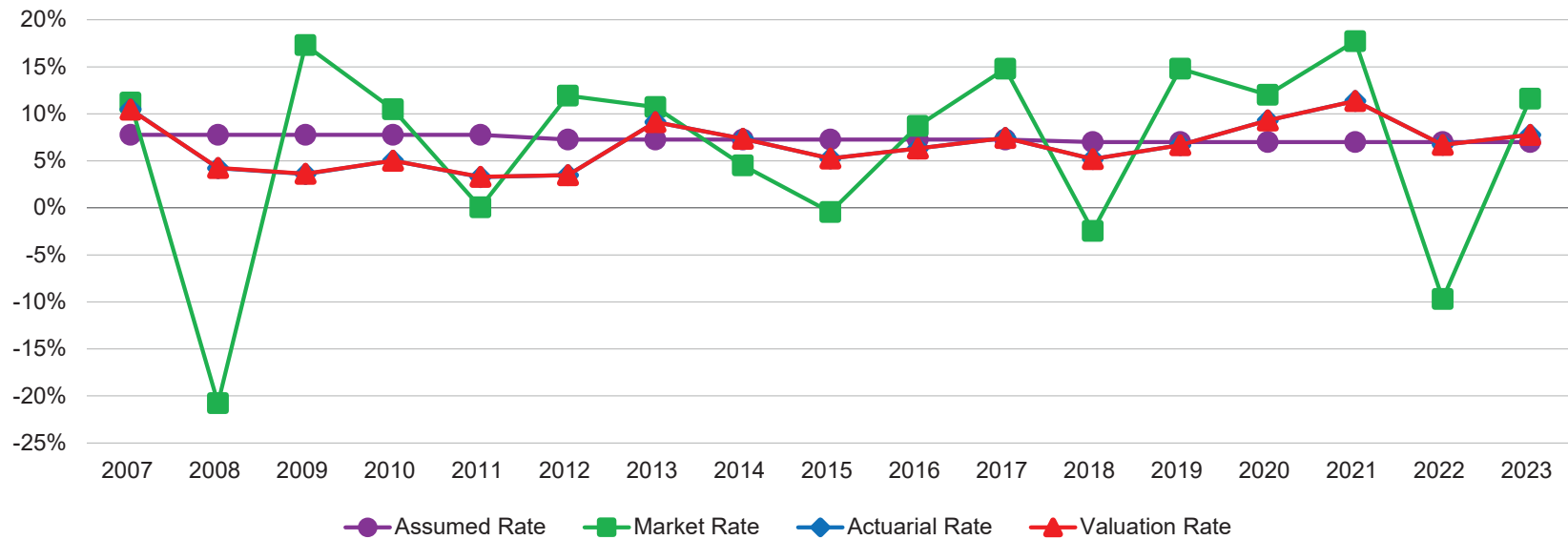


# History of Return on Assets

Category	Market Value Return	Valuation Value Return	Expected Return
December 31, 2014	4.52%	7.34%	7.25%
December 31, 2015	-0.45%	5.26%	7.25%
December 31, 2016	8.72%	6.33%	7.25%
December 31, 2017	14.79%	7.44%	7.25%
December 31, 2018	-2.46%	5.20%	7.00%
December 31, 2019	14.79%	6.66%	7.00%
December 31, 2020	12.01%	9.31%	7.00%
December 31, 2021	17.71%	11.38%	7.00%
December 31, 2022	-9.71%	6.69%	7.00%
December 31, 2023	11.61%	7.77%	7.00%
<b>Annualized 5-Year Average</b>	<b>8.81%</b>	<b>8.35%</b>	
<b>Annualized 10-Year Average</b>	<b>6.81%</b>	<b>7.32%</b>	

# Market Value and Valuation Value Rates of Return

## *December 31, 2007 – 2023*



# Unfunded Actuarial Accrued Liability (\$000) and Funded Ratio

Category	December 31, 2023	December 31, 2022
Actuarial Accrued Liability	\$26,788,041	\$25,386,669
Valuation Value of Assets*	22,135,285	20,691,659
Unfunded Actuarial Accrued Liability	4,652,756	4,695,010
Percent Funded on Valuation Value	82.63%	81.51%
Market Value of Assets*	\$21,635,294	\$19,534,631
Percent Funded on Market Value	80.76%	76.95%

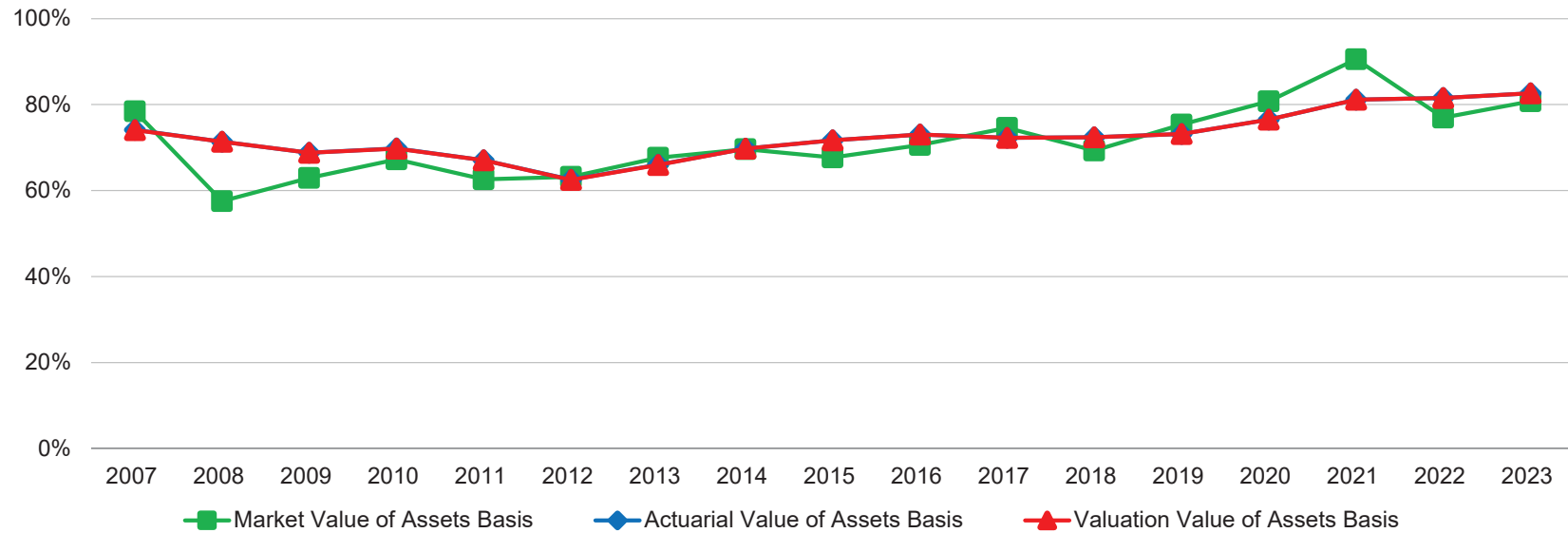
\* Excludes County Investment Account, Prepaid Employer Contributions, Medicare Medical Insurance Reserve and O.C. Sanitation District UAAL Deferred Account (after transfer), if any. The balance in the Medicare Medical Insurance Reserve is \$0 as of December 31, 2023.

## Unfunded Actuarial Accrued Liability (\$000) and Funded Ratio

Valuation Date	UAAL	Valuation Value Funded Ratio	Market Value Funded Ratio
December 31, 2007	\$2,549,786	74.1%	78.4%
December 31, 2008	\$3,112,335	71.3%	57.5%
December 31, 2009	\$3,703,891	68.8%	62.9%
December 31, 2010	\$3,753,281	69.8%	67.3%
December 31, 2011	\$4,458,623	67.0%	62.6%
December 31, 2012	\$5,675,680	62.5%	63.2%
December 31, 2013	\$5,367,917	66.0%	67.7%
December 31, 2014	\$4,963,213	69.8%	69.6%
December 31, 2015	\$4,822,348	71.7%	67.7%
December 31, 2016	\$4,830,483	73.1%	70.6%
December 31, 2017	\$5,438,302	72.3%	74.6%
December 31, 2018	\$5,708,929	72.4%	69.3%
December 31, 2019	\$5,879,861	73.2%	75.4%
December 31, 2020	\$5,379,858	76.5%	80.7%
December 31, 2021	\$4,527,312	81.2%	90.5%
December 31, 2022	\$4,695,010	81.5%	77.0%
December 31, 2023	\$4,652,756	82.6%	80.8%

# Market Value and Valuation Value Funded Ratios

## *December 31, 2007 – 2023*



# Changes in UAAL since December 31, 2022 Valuation (\$ millions)

December 31, 2022 valuation	Value
<b>Total UAAL</b>	<b>\$4,695</b>
Changes during calendar year 2023	
• Interest minus expected payments to UAAL	-\$211
• Difference in actual versus expected contributions	39
• Additional UAAL contributions from OCFA, and anticipated payments from DOE and U.C.I.	-18
• Investment gains (after smoothing)	-159
• Difference in actual versus expected salary increases	84
• Effect of higher than expected COLA increases in 2024*	15
• Other losses	63
• Changes in actuarial assumptions	<u>145</u>
• Subtotal	-\$42
December 31, 2023 valuation	
<b>Total UAAL</b>	<b>\$4,653</b>

\* Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1<sup>st</sup> 2024, 2025 and 2026, for members without COLA Banks as of April 1, 2024).

# Unfunded Actuarial Accrued Liability (\$000) and Funded Ratio by Rate Group

Category	UAAL	Funded Ratio
<b>Rate Group #1</b> General Plans A, B and U (County and IHSS)*	\$40,743	92.84%
<b>Rate Group #2</b> General Plans I, J, O, P, S, T, U and W (County et al.)	\$3,208,511	78.45%
<b>Rate Group #3</b> General Plans B, G, H and U (OCSD)	-\$8,411	100.89%
<b>Rate Group #5</b> General Plans A, B and U (OCTA)	\$192,453	84.19%
<b>Rate Group #9</b> General Plans M, N and U (TCA)	-\$2,220	103.39%
<b>Rate Group #10</b> General Plans I, J, M, N and U (OCFA)	\$20,920	93.77%
<b>Rate Group #11</b> General Plans M and N, future service, and U (Cemetery)	\$347	97.77%
<b>Rate Group #12</b> General Plans G, H and U (Law Library)	-\$2,417	119.94%
<b>Rate Group #6</b> Safety Plans E, F and V (Probation)	\$167,443	85.19%
<b>Rate Group #7</b> Safety Plans E, F, Q, R and V (Law Enforcement)	\$913,315	82.58%
<b>Rate Group #8</b> Safety Plans E, F, Q, R and V (OCFA)	\$122,072	94.84%
<b>Average Total</b>	<b>\$4,652,756</b>	<b>82.63%</b>

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

# Changes in UAAL for General Members (\$000)

Category	RG #1	RG #2	RG #3	RG #5	RG #9	RG #10	RG #11	RG #12
<b>December 31, 2022 valuation</b>								
<b>Total UAAL</b>	<b>\$53,112</b>	<b>\$3,178,711</b>	<b>-\$25,368</b>	<b>\$189,122</b>	<b>-\$3,069</b>	<b>\$22,526</b>	<b>\$572</b>	<b>-\$1,128</b>
Interest minus expected payments to UAAL	\$6	-\$132,380	-\$1,776	-\$8,730	-\$215	-\$2,124	-\$9	-\$79
Difference in actual versus expected contributions	413	25,540	973	3,206	-174	-123	40	4
Additional UAAL contributions from OCFA, and anticipated payments from DOE and U.C.I.	-3,414	0	0	0	0	0	0	0
Investment gains (after smoothing)	-3,790	-83,687	-6,946	-7,357	-488	-2,256	-109	-104
Difference in actual versus expected salary increases	-2,006	78,184	3,995	11,957	279	-235	-412	-71
Effect of higher than expected COLA increases in 2024 <sup>1</sup>	166	6,920	563	522	45	174	2	2
Other (gains)/losses	-5,704	11,771	12,756 <sup>2</sup>	-3,936	1,055	823	113	-1,064
Changes in actuarial assumptions	<u>1,960</u>	<u>123,452</u>	<u>7,392</u>	<u>7,669</u>	<u>347</u>	<u>2,135</u>	<u>150</u>	<u>23</u>
Subtotal	-\$12,369	\$29,800	\$16,957	\$3,331	\$849	-\$1,606	-\$225	-\$1,289
<b>December 31, 2023 valuation</b>								
<b>Total UAAL</b>	<b>\$40,743</b>	<b>\$3,208,511</b>	<b>-\$8,411</b>	<b>\$192,453</b>	<b>-\$2,220</b>	<b>\$20,920</b>	<b>\$347</b>	<b>-\$2,417</b>

<sup>1</sup> Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1<sup>st</sup> 2024, 2025 and 2026, for members without COLA Banks as of April 1, 2024).

<sup>2</sup> \$11,038,000 of other losses for RG #3 is due to active retirement experience.



# Changes in UAAL for Safety Members (\$000)

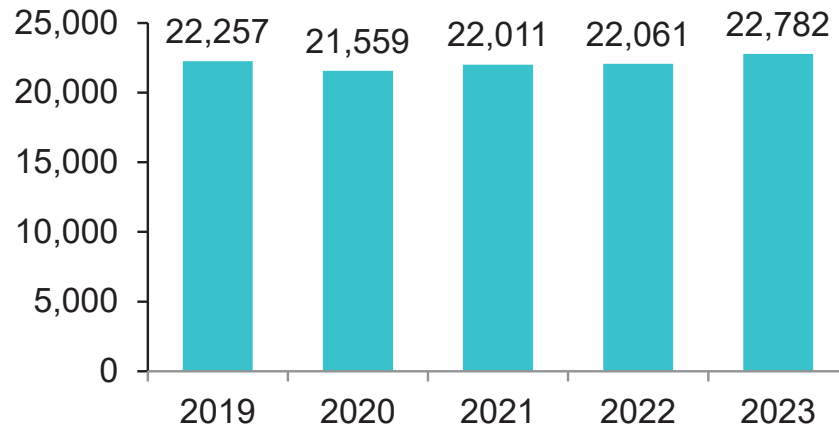
Category	RG #6	RG #7	RG #8
<b>December 31, 2022 valuation</b>			
<b>Total UAAL</b>	<b>\$175,151</b>	<b>\$969,473</b>	<b>\$135,908</b>
Interest minus expected payments to UAAL	-\$8,787	-\$44,243	-\$13,242
Difference in actual versus expected contributions	4,832	7,029	-2,799
Additional UAAL contributions from OCFA, and anticipated payments from DOE and U.C.I.	0	0	-14,229
Investment losses (after smoothing)	-6,885	-30,944	-15,990
Difference in actual versus expected salary increases	-1,802	-7,892	2,358
Effect of higher than expected COLA increases in 2024 <sup>1</sup>	669	4,071	1,526
Other (gains)/losses	3,080	15,056	28,651 <sup>2</sup>
Changes in actuarial assumptions	<u>1,185</u>	<u>765</u>	<u>-111</u>
Subtotal	-\$7,708	-\$56,158	-\$13,836
<b>December 31, 2023 valuation</b>			
<b>Total UAAL</b>	<b>\$167,443</b>	<b>\$913,315</b>	<b>\$122,072</b>

<sup>1</sup> Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.50%, 3.00% COLA expected to be paid April 1<sup>st</sup> 2024, 2025 and 2026, for members without COLA Banks as of April 1, 2024).

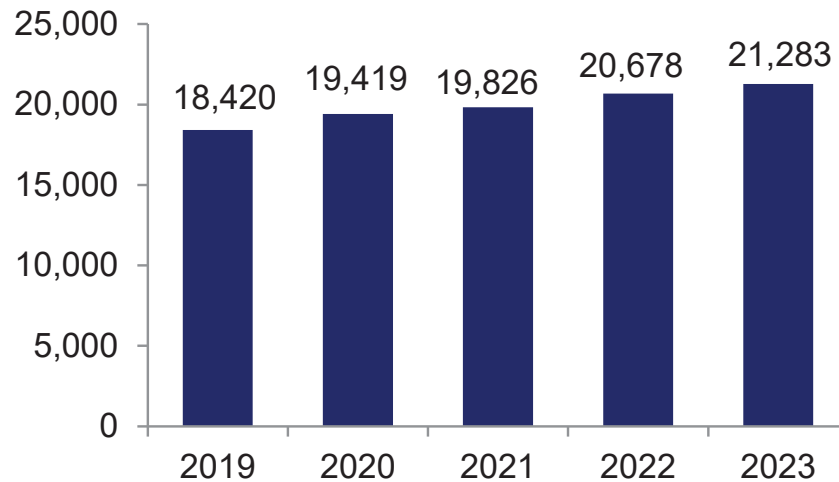
<sup>2</sup> \$20,182,000 of other losses for RG #8 is due to active disability experience and the approvals of disability retirement from service retirement.

# Entire OCERS Membership Demographics

*(as of December 31)*



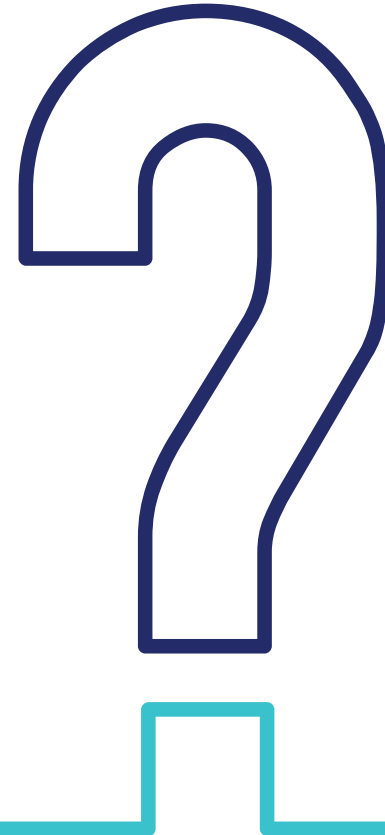
Category	2023	2022
<b>Active Members</b>	<b>22,782</b>	<b>22,061</b>
Average Age	44.2	44.5
Average Service	11.5	12.0
Average Compensation	\$99,990	\$96,309



Category	2023	2022
<b>Retired Members and Beneficiaries</b>	<b>21,283</b>	<b>20,678</b>
Average Age	70.6	70.4
Average Annual Benefit	\$56,842	\$54,751
<b>Terminated Vested Members</b>	<b>8,579</b>	<b>7,894</b>

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# Questions and Discussion



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# Summary of Active Membership

<b>Rate Group #1 General — County and IHSS</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	1,787	1,619	10.4%
Average age	42.7	42.8	-0.1
Average service	7.7	8.6	-0.9
Projected total compensation	\$110,953,731	\$99,025,407	12.0%
Projected average compensation	\$62,089	\$61,165	1.5%

<b>Rate Group #2 General Plans I, J, O, P, S, T, U and W</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	14,724	14,271	3.2%
Average age	44.7	45.0	-0.3
Average service	11.7	12.1	-0.4
Projected total compensation	\$1,370,454,760	\$1,269,983,733	7.9%
Projected average compensation	\$93,076	\$88,991	4.6%

# Summary of Active Membership

<b>Rate Group #3 General — OCSD</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	608	605	0.5%
Average age	45.9	46.4	-0.5
Average service	10.8	11.4	-0.6
Projected total compensation	\$83,658,659	\$80,358,365	4.1%
Projected average compensation	\$137,596	\$132,824	3.6%

<b>Rate Group #5 General — OCTA</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	1,264	1,279	-1.2%
Average age	49.5	49.7	-0.2
Average service	12.4	12.7	-0.3
Projected total compensation	\$125,249,916	\$117,981,140	6.2%
Projected average compensation	\$99,090	\$92,245	7.4%

# Summary of Active Membership

<b>Rate Group #9 General — TCA</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	59	55	7.3%
Average age	48.5	47.7	0.8
Average service	8.2	8.6	-0.4
Projected total compensation	\$7,674,578	\$6,883,620	11.5%
Projected average compensation	\$130,078	\$125,157	3.9%

<b>Rate Group #10 General — OCFA</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	325	316	2.8%
Average age	44.1	44.2	-0.1
Average service	9.9	10.2	-0.3
Projected total compensation	\$35,758,725	\$34,319,033	4.2%
Projected average compensation	\$110,027	\$108,605	1.3%

# Summary of Active Membership

<b>Rate Group #11 General — Cemetery District</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	24	25	-4.0%
Average age	52.4	50.5	1.9
Average service	17.2	15.6	1.6
Projected total compensation	\$2,015,550	\$2,028,678	-0.6%
Projected average compensation	\$83,981	\$81,147	3.5%

<b>Rate Group #12 General — Law Library</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	14	14	0.0%
Average age	59.1	58.1	1.0
Average service	20.0	19.0	1.0
Projected total compensation	\$1,207,717	\$1,174,795	2.8%
Projected average compensation	\$86,265	\$83,914	2.8%

# Summary of Active Membership

<b>Rate Group #6 Safety — Probation Officers</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	599	616	-2.8%
Average age	44.8	44.8	0.0
Average service	17.9	17.9	0.0
Projected total compensation	\$56,441,606	\$56,547,543	-0.2%
Projected average compensation	\$94,226	\$91,798	2.6%

<b>Rate Group #7 Safety — Law Enforcement</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	2,143	2,049	4.6%
Average age	40.0	40.3	-0.3
Average service	11.4	11.9	-0.5
Projected total compensation	\$305,580,877	\$287,654,395	6.2%
Projected average compensation	\$142,595	\$140,388	1.6%



# Summary of Active Membership

<b>Rate Group #8 Safety — OCFA</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
Number	1,235	1,212	1.9%
Average age	40.8	41.1	-0.3
Average service	12.4	12.4	0.0
Projected total compensation	\$178,980,032	\$168,722,671	6.1%
Projected average compensation	\$144,923	\$139,210	4.1%

# Summary of Retired Members and Beneficiaries

Rate Group #1 General — County and IHSS <sup>1</sup>	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	720	710	1.4%
Average monthly benefit <sup>2</sup>	\$2,990	\$2,969	0.7%
<b>Disabled members</b>			
Number in pay status	35	37	-5.4%
Average monthly benefit <sup>2</sup>	\$2,884	\$2,720	6.0%
<b>Beneficiaries</b>			
Number in pay status	100	99	1.0%
Average monthly benefit <sup>2</sup>	\$1,664	\$1,562	6.5%

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

<sup>2</sup> Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

Rate Group #2 General Plans I, J, O, P, S, T, U and W	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	11,214	10,956	2.4%
Average monthly benefit*	\$4,555	\$4,394	3.7%
<b>Disabled members</b>			
Number in pay status	542	553	-2.0%
Average monthly benefit*	\$3,045	\$2,932	3.9%
<b>Beneficiaries</b>			
Number in pay status	1,758	1,689	4.1%
Average monthly benefit*	\$2,339	\$2,237	4.6%

\* Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

Rate Group #3 General — OCSD	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	522	491	6.3%
Average monthly benefit*	\$6,868	\$6,512	5.5%
<b>Disabled members</b>			
Number in pay status	19	20	-5.0%
Average monthly benefit*	\$4,199	\$4,114	2.1%
<b>Beneficiaries</b>			
Number in pay status	93	92	1.1%
Average monthly benefit*	\$2,870	\$2,721	5.5%

\* Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

Rate Group #5 General — OCTA	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	1,123	1,085	3.5%
Average monthly benefit*	\$3,166	\$3,058	3.5%
<b>Disabled members</b>			
Number in pay status	262	266	-1.5%
Average monthly benefit*	\$2,786	\$2,692	3.5%
<b>Beneficiaries</b>			
Number in pay status	231	217	6.5%
Average monthly benefit*	\$1,700	\$1,571	8.2%

\* Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

Rate Group #9 General — TCA	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	66	63	4.8%
Average monthly benefit*	\$3,770	\$3,472	8.6%
<b>Disabled members</b>			
Number in pay status	0	0	N/A
Average monthly benefit*	\$0	\$0	N/A
<b>Beneficiaries</b>			
Number in pay status	7	7	0.0%
Average monthly benefit*	\$915	\$889	2.9%

\* Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

Rate Group #10 General — OCFA	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	220	209	5.3%
Average monthly benefit*	\$5,177	\$5,071	2.1%
<b>Disabled members</b>			
Number in pay status	13	12	8.3%
Average monthly benefit*	\$3,805	\$3,648	4.3%
<b>Beneficiaries</b>			
Number in pay status	16	14	14.3%
Average monthly benefit*	\$1,962	\$1,923	2.0%

\* Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

Rate Group #11 General — Cemetery District	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	7	7	0.0%
Average monthly benefit*	\$3,579	\$3,450	3.7%
<b>Disabled members</b>			
Number in pay status	0	0	N/A
Average monthly benefit*	\$0	\$0	N/A
<b>Beneficiaries</b>			
Number in pay status	7	6	16.7%
Average monthly benefit*	\$1,488	\$1,609	-7.5%

\* Excludes monthly benefits payable from the STAR COLA.



# Summary of Retired Members and Beneficiaries

Rate Group #12 General — Law Library	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	11	13	-15.4%
Average monthly benefit*	\$3,234	\$3,431	-5.7%
<b>Disabled members</b>			
Number in pay status	0	0	N/A
Average monthly benefit*	\$0	\$0	N/A
<b>Beneficiaries</b>			
Number in pay status	0	0	N/A
Average monthly benefit*	\$0	\$0	N/A

\* Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

<b>Rate Group #6 Safety — Probation Officers</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
<b>Retired members</b>			
Number in pay status	533	499	6.8%
Average monthly benefit*	\$6,104	\$5,995	1.8%
<b>Disabled members</b>			
Number in pay status	40	39	2.6%
Average monthly benefit*	\$3,272	\$3,169	3.3%
<b>Beneficiaries</b>			
Number in pay status	57	50	14.0%
Average monthly benefit*	\$2,906	\$2,790	4.2%

\* Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

<b>Rate Group #7 Safety — Law Enforcement</b>	<b>Year Ended December 31 2023</b>	<b>Year Ended December 31 2022</b>	<b>Change from Prior Year</b>
<b>Retired members</b>			
Number in pay status	1,792	1,742	2.9%
Average monthly benefit*	\$8,311	\$8,048	3.3%
<b>Disabled members</b>			
Number in pay status	429	405	5.9%
Average monthly benefit*	\$6,720	\$6,324	6.3%
<b>Beneficiaries</b>			
Number in pay status	472	457	3.3%
Average monthly benefit*	\$3,869	\$3,680	5.1%

\* Excludes monthly benefits payable from the STAR COLA.

# Summary of Retired Members and Beneficiaries

Rate Group #8 Safety — OCFA	Year Ended December 31 2023	Year Ended December 31 2022	Change from Prior Year
<b>Retired members</b>			
Number in pay status	545	535	1.9%
Average monthly benefit*	\$9,429	\$9,265	1.8%
<b>Disabled members</b>			
Number in pay status	288	256	12.5%
Average monthly benefit*	\$8,654	\$8,101	6.8%
<b>Beneficiaries</b>			
Number in pay status	160	148	8.1%
Average monthly benefit*	\$3,823	\$3,757	1.8%

\* Excludes monthly benefits payable from the STAR COLA.

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #1	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans A and B</b>		
Normal Cost	10.39%	10.26%
UAAL*	2.93%	3.61%
<b>Total</b>	<b>13.32%</b>	<b>13.87%</b>
<b>Plan U</b>		
Normal Cost	10.25%	10.03%
UAAL*	2.93%	3.61%
<b>Total</b>	<b>13.18%</b>	<b>13.64%</b>
<b>Rate Group 1 combined</b>		
Normal Cost	10.29%	10.09%
UAAL*	2.93%	3.61%
<b>Total</b>	<b>13.22%</b>	<b>13.70%</b>

\* These are “net” UAAL contribution rate for County and IHSS Public Authority without reflecting the UAAL contributions required for Vector Control, Cypress Recreation and Parks, U.C.I. and DOE.

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #1 continued	Sample Member Rates FY 25 — 26	Sample Member Rates FY 24 — 25
<b>Plans A and B</b>		
<b>Tier 2</b>		
Entry Age: 30	8.90%	8.95%
Entry Age: 35	9.76%	9.77%
Entry Age: 40	10.72%	10.69%
<b>Plan U</b>		
Entry Age: 30	9.14%	9.10%
Entry Age: 35	10.02%	9.93%
Entry Age: 40	10.99%	10.84%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #2	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans I and J (Children &amp; Families)</b>		
Normal Cost	15.29%	14.57%
UAAL <sup>1</sup>	5.46%	4.79%
<b>Total</b>	<b>20.75%</b>	<b>19.36%</b>
<b>Plans I and J (non-Children &amp; Families)</b>		
Normal Cost	15.29%	14.57%
UAAL <sup>2</sup>	26.78%	27.14%
<b>Total</b>	<b>42.07%</b>	<b>41.71%</b>
<b>Plans O and P</b>		
Normal Cost	6.54%	6.17%
UAAL	26.78%	27.14%
<b>Total</b>	<b>33.32%</b>	<b>33.31%</b>

<sup>1</sup> Unlike the other non-Children & Families employers, the decrease in the employer UAAL rate due to total payroll growth greater than expected for the amortization layers established prior to December 31, 2023 for Children & Families was not large enough to offset the rate increases due to changes in actuarial assumptions and other experience losses established in the December 31, 2023 valuation.

<sup>2</sup> Before adjustments for future service benefit improvements.

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #2 continued	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plan S</b>		
Normal Cost <sup>1</sup>	16.79%	15.97%
UAAL	26.78%	27.14%
<b>Total</b>	<b>43.57%</b>	<b>43.11%</b>
<b>Plan T</b>		
Normal Cost	7.34%	7.29%
UAAL	26.78%	27.14%
<b>Total</b>	<b>34.12%</b>	<b>34.43%</b>
<b>Plan U (Children &amp; Families)</b>		
Normal Cost	9.15%	9.24%
UAAL <sup>2</sup>	5.46%	4.79%
<b>Total</b>	<b>14.61%</b>	<b>14.03%</b>

<sup>1</sup> The increase in the employer normal cost rate from last year to this year is primarily due to the change in the average entry age from 41.4 to 44.0.

<sup>2</sup> Unlike the other non-Children & Families employers, the decrease in the employer UAAL rate due to total payroll growth greater than expected for the amortization layers established prior to December 31, 2023 for Children & Families was not large enough to offset the rate increases due to changes in actuarial assumptions and other experience losses established in the December 31, 2023 valuation.



# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #2 continued	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plan U (non-Children &amp; Families)</b>		
Normal Cost	9.15%	9.24%
UAAL*	26.78%	27.14%
<b>Total</b>	<b>35.93%</b>	<b>36.38%</b>
<b>Plan W</b>		
Normal Cost	7.88%	7.82%
UAAL	26.78%	27.14%
<b>Total</b>	<b>34.66%</b>	<b>34.96%</b>
<b>Rate Group 2 combined</b>		
Normal Cost	11.34%	10.98%
UAAL	26.75%	27.11%
<b>Total</b>	<b>38.09%</b>	<b>38.09%</b>

\* Before adjustments for future service benefit improvements.

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #2 continued	Sample Member Rate FY 25 — 26	Sample Member Rate FY 24 — 25
<b>Plans I and J</b>		
<b>Tier 1</b>		
Entry Age: 30	13.24%	13.26%
Entry Age: 35	14.58%	14.53%
Entry Age: 40	15.96%	15.95%
<b>Tier 2</b>		
Entry Age: 30	12.75%	12.72%
Entry Age: 35	14.00%	13.93%
Entry Age: 40	15.28%	15.20%
<b>Plan P</b>		
<b>Tier 2</b>		
Entry Age: 30	8.22%	8.23%
Entry Age: 35	9.02%	8.99%
Entry Age: 40	9.90%	9.84%
<b>Plan S</b>		
<b>Tier 2</b>		
Entry Age: 30	11.45%	11.33%
Entry Age: 35	12.56%	12.37%
Entry Age: 40	13.79%	13.54%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

<b>Rate Group #2 continued</b>	<b>Sample Member Rate FY 25 — 26</b>	<b>Sample Member Rate FY 24 — 25</b>
<b>Plan T</b>		
Entry Age: 30	6.64%	6.58%
Entry Age: 35	7.28%	7.19%
Entry Age: 40	8.01%	7.88%
<b>Plan U</b>		
Entry Age: 30	8.41%	8.43%
Entry Age: 35	9.22%	9.20%
Entry Age: 40	10.11%	10.05%
<b>Plan W</b>		
Entry Age: 30	6.48%	6.18%
Entry Age: 35	7.11%	6.75%
Entry Age: 40	7.81%	7.39%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #3	Employer Rate FY 25 — 26	Employer Rate FY 25 — 26
<b>Plans G and H</b>		
Normal Cost	14.05%	13.36%
UAAL*	0.00%	0.00%
<b>Total</b>	<b>14.05%</b>	<b>13.36%</b>
<b>Plan B</b>		
Normal Cost	13.09%	12.81%
UAAL*	0.00%	0.00%
<b>Total</b>	<b>13.09%</b>	<b>12.81%</b>
<b>Plan U</b>		
Normal Cost	9.95%	9.97%
UAAL*	0.00%	0.00%
<b>Total</b>	<b>9.95%</b>	<b>9.97%</b>
<b>Rate Group 3 combined</b>		
Normal Cost	11.65%	11.39%
UAAL*	0.00%	0.00%
<b>Total</b>	<b>11.65%</b>	<b>11.39%</b>

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

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #3 continued	Sample Member Rate FY 25 — 26	Sample Member Rate FY 24 — 25
<b>Plans G and H</b>		
<b>Tier 2</b>		
Entry Age: 30	12.46%	12.43%
Entry Age: 35	13.68%	13.60%
Entry Age: 40	14.93%	14.85%
<b>Plan B</b>		
<b>Tier 2</b>		
Entry Age: 30	9.33%	9.33%
Entry Age: 35	10.23%	10.18%
Entry Age: 40	11.23%	11.15%
<b>Plan U</b>		
Entry Age: 30	8.67%	8.66%
Entry Age: 35	9.50%	9.45%
Entry Age: 40	10.42%	10.32%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #5	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans A and B</b>		
Normal Cost	12.60%	12.32%
UAAL	18.31%	18.11%
<b>Total</b>	<b>30.91%</b>	<b>30.43%</b>
<b>Plan U</b>		
Normal Cost	11.95%	11.89%
UAAL	18.31%	18.11%
<b>Total</b>	<b>30.26%</b>	<b>30.00%</b>
<b>Rate Group 5 combined</b>		
Normal Cost	12.34%	12.15%
UAAL	18.31%	18.11%
<b>Total</b>	<b>30.65%</b>	<b>30.26%</b>

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #5 continued	Sample Member Rates FY 25 — 26	Sample Member Rates FY 24 — 25
<b>Plans A and B</b>		
<b>Tier 1</b>		
Entry Age: 30	6.81%	6.85%
Entry Age: 35	7.47%	7.48%
Entry Age: 40	8.22%	8.19%
<b>Tier 2</b>		
Entry Age: 30	9.16%	9.17%
Entry Age: 35	10.04%	10.01%
Entry Age: 40	11.03%	10.95%
<b>Plan U</b>		
Entry Age: 30	9.94%	9.92%
Entry Age: 35	10.89%	10.83%
Entry Age: 40	11.94%	11.82%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #9	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans M and N</b>		
Normal Cost <sup>1</sup>	16.17%	13.95%
UAAL <sup>2</sup>	0.00%	0.00%
<b>Total</b>	<b>16.17%</b>	<b>13.95%</b>
<b>Plan U</b>		
Normal Cost	11.32%	10.79%
UAAL <sup>2</sup>	0.00%	0.00%
<b>Total</b>	<b>11.32%</b>	<b>10.79%</b>
<b>Rate Group 9 combined</b>		
Normal Cost	13.08%	11.93%
UAAL <sup>2</sup>	0.00%	0.00%
<b>Total</b>	<b>13.08%</b>	<b>11.93%</b>

<sup>1</sup> The increase in the employer normal cost rate from last year to this year is primarily due to the change in the average entry age from 35.9 to 37.2.

<sup>2</sup> Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio is over 120% and other conditions in CalPEPRA are met.



# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #9 continued	Sample Member Rates FY 25 — 26	Sample Member Rates FY 24 — 25
<b>Plans M and N</b>		
<b>Tier 2</b>		
Entry Age: 30	9.75%	9.51%
Entry Age: 35	10.69%	10.38%
Entry Age: 40	11.74%	11.36%
<b>Plan U</b>		
Entry Age: 30	8.76%	8.65%
Entry Age: 35	9.60%	9.44%
Entry Age: 40	10.53%	10.31%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #10	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans I and J</b>		
Normal Cost	15.56%	14.99%
UAAL	10.51%	10.50%
<b>Total</b>	<b>26.07%</b>	<b>25.49%</b>
<b>Plans M and N</b>		
Normal Cost	17.88%	17.22%
UAAL	10.51%	10.50%
<b>Total</b>	<b>28.39%</b>	<b>27.72%</b>
<b>Plan U</b>		
Normal Cost	10.10%	9.98%
UAAL	10.51%	10.50%
<b>Total</b>	<b>20.61%</b>	<b>20.48%</b>
<b>Rate Group 10 combined</b>		
Normal Cost	12.63%	12.32%
UAAL	10.51%	10.50%
<b>Total</b>	<b>23.14%</b>	<b>22.82%</b>

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #10 continued	Sample Member Rate FY 25 — 26	Sample Member Rate FY 24 — 25
<b>Plan J</b>		
<b>Tier 2</b>		
Entry Age: 30	12.67%	12.67%
Entry Age: 35	13.91%	13.87%
Entry Age: 40	15.18%	15.14%
<b>Plan N</b>		
<b>Tier 2</b>		
Entry Age: 30	10.22%	10.19%
Entry Age: 35	11.20%	11.13%
Entry Age: 40	12.30%	12.18%
<b>Plan U</b>		
Entry Age: 30	9.02%	8.97%
Entry Age: 35	9.88%	9.79%
Entry Age: 40	10.84%	10.69%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #11	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans M and N</b>		
Normal Cost	12.88%	12.67%
UAAL	1.57%	2.45%
<b>Total</b>	<b>14.45%</b>	<b>15.12%</b>
<b>Plan U</b>		
Normal Cost	12.26%	12.04%
UAAL	1.57%	2.45%
<b>Total</b>	<b>13.83%</b>	<b>14.49%</b>
<b>Rate Group 11 combined</b>		
Normal Cost	12.66%	12.41%
UAAL	1.57%	2.45%
<b>Total</b>	<b>14.23%</b>	<b>14.86%</b>

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #11 continued	Sample Member Rates FY 25 — 26	Sample Member Rates FY 24 — 25
<b>Plans M and N</b>		
<b>Tier 2</b>		
Entry Age: 30	9.75%	9.51%
Entry Age: 35	10.69%	10.38%
Entry Age: 40	11.74%	11.36%
<b>Plan U</b>		
Entry Age: 30	9.63%	9.62%
Entry Age: 35	10.55%	10.50%
Entry Age: 40	11.57%	11.47%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #12	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans G and H</b>		
Normal Cost <sup>1</sup>	14.54%	13.49%
UAAL <sup>2</sup>	0.00%	0.00%
<b>Total</b>	<b>14.54%</b>	<b>13.49%</b>
<b>Plan U</b>		
Normal Cost	10.67%	10.48%
UAAL <sup>2</sup>	0.00%	0.00%
<b>Total</b>	<b>10.67%</b>	<b>10.48%</b>
<b>Rate Group 12 combined</b>		
Normal Cost	13.58%	12.75%
UAAL <sup>2</sup>	0.00%	0.00%
<b>Total</b>	<b>13.58%</b>	<b>12.75%</b>

<sup>1</sup> The increase in the employer normal cost rate from last year to this year is primarily due to changes in actuarial assumptions.

<sup>2</sup> Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio is over 120% and other conditions in CalPEPRA are met.

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #12 continued	Sample Member Rates FY 25 — 26	FSample Member Rates Y 24 — 25
<b>Plan H</b>		
<b>Tier 2</b>		
Entry Age: 30	12.38%	12.35%
Entry Age: 35	13.59%	13.52%
Entry Age: 40	14.83%	14.75%
<b>Plan U</b>		
Entry Age: 30	8.79%	8.58%
Entry Age: 35	9.64%	9.37%
Entry Age: 40	10.57%	10.23%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #6	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans E and F</b>		
Normal Cost	23.81%	22.65%
UAAL	37.76%	36.48%
<b>Total</b>	<b>61.57%</b>	<b>59.13%</b>
<b>Plan V</b>		
Normal Cost	16.05%	16.11%
UAAL	37.76%	36.48%
<b>Total</b>	<b>53.81%</b>	<b>52.59%</b>
<b>Rate Group 6 combined</b>		
Normal Cost	22.55%	21.59%
UAAL	37.76%	36.48%
<b>Total</b>	<b>60.31%</b>	<b>58.07%</b>



# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #6 continued	Sample Member Rates FY 25 — 26	Sample Member Rates FY 24 — 25
<b>Plan F</b>		
<b>Tier 2</b>		
Entry Age: 30	17.25%	18.26%
Entry Age: 35	18.74%	19.81%
Entry Age: 40	20.25%	21.44%
<b>Plan V</b>		
Entry Age: 30	16.44%	16.27%
Entry Age: 35	17.81%	17.55%
Entry Age: 40	19.36%	19.05%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #7	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans E and F</b>		
Normal Cost	26.65%	26.26%
UAAL	36.26%	37.86%
<b>Total</b>	<b>62.91%</b>	<b>64.12%</b>
<b>Plans Q and R</b>		
Normal Cost	23.84%	24.38%
UAAL	36.26%	37.86%
<b>Total</b>	<b>60.10%</b>	<b>62.24%</b>
<b>Plan V</b>		
Normal Cost	17.74%	18.07%
UAAL	36.26%	37.86%
<b>Total</b>	<b>54.00%</b>	<b>55.93%</b>
<b>Rate Group 7 combined</b>		
Normal Cost	21.92%	22.04%
UAAL	36.26%	37.86%
<b>Total</b>	<b>58.18%</b>	<b>59.90%</b>

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #7 continued	Sample Member Rate FY 25 — 26	Sample Member Rate FY 24 — 25
<b>Plan F</b>		
<b>Tier 2</b>		
Entry Age: 30	18.35%	19.07%
Entry Age: 35	19.90%	20.65%
Entry Age: 40	21.42%	22.26%
<b>Plan R</b>		
<b>Tier 2</b>		
Entry Age: 30	17.62%	17.99%
Entry Age: 35	19.10%	19.49%
Entry Age: 40	20.56%	21.00%
<b>Plan V</b>		
Entry Age: 30	17.61%	17.69%
Entry Age: 35	19.08%	19.08%
Entry Age: 40	20.75%	20.72%

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #8	Employer Rates FY 25 — 26	Employer Rates FY 24 — 25
<b>Plans E and F</b>		
Normal Cost	25.38%	25.93%
UAAL	12.62%	12.96%
<b>Total</b>	<b>38.00%</b>	<b>38.89%</b>
<b>Plans Q and R</b>		
Normal Cost	26.38%	26.48%
UAAL	12.62%	12.96%
<b>Total</b>	<b>39.00%</b>	<b>39.44%</b>
<b>Plan V</b>		
Normal Cost	15.85%	15.89%
UAAL	12.62%	12.96%
<b>Total</b>	<b>28.47%</b>	<b>28.85%</b>
<b>Rate Group 8 combined</b>		
Normal Cost	21.66%	21.94%
UAAL	12.62%	12.96%
<b>Total</b>	<b>34.28%</b>	<b>34.90%</b>

# Contribution Rates

*Fiscal Years Beginning July 1, 2025 and July 1, 2024*

Rate Group #8 continued	Sample Member Rate FY 25 — 26	Sample Member Rate FY 24 — 25
<b>Plan F</b>		
<b>Tier 2</b>		
Entry Age: 30	17.21%	17.71%
Entry Age: 35	18.72%	19.24%
Entry Age: 40	20.28%	20.87%
<b>Plan R</b>		
<b>Tier 2</b>		
Entry Age: 30	17.58%	17.60%
Entry Age: 35	19.11%	19.13%
Entry Age: 40	20.71%	20.75%
<b>Plan V</b>		
Entry Age: 30	16.07%	16.08%
Entry Age: 35	17.41%	17.34%
Entry Age: 40	18.93%	18.83%



## Memorandum

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DATE: May 20, 2024  
TO: Members of the Board of Retirement  
FROM: Suzanne Jenike, Assistant CEO, External Operations  
SUBJECT: **REVIEW OF OCERS MULTIPLE PLANS**

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### Presentation

Suzanne Jenike will review the OCERS multiple plan formulas.

### Submitted by:



**SJ-Approved**

Suzanne Jenike  
Assistant CEO, External Operations



# OCERS PLAN FORMULAS

May 20, 2024

Suzanne Jenike

Assistant CEO, External Operations



# “PLAN SOUP”





# BACKGROUND

- **Employers – 13 active (20 total)**
  - Approximately 70 MOU iterations
- **Rate Groups - 11**
- **Formulas - A-W**
  - Several have 0 active members (C, D, K, L)
  - SJC PEPRA Plan W – effective for new hires 1/1/2016
  - Superior Court PEPRA Plan U for current (prospective service) and new hires— effective 6/30/2023
- **29,955 active & deferred members (12/31/2022)**
- **20,678 payees (12/31/2022)**



## THE STATE AGREES

*“OCERS has so many various rate groups and tiers making it one of our most complex plans in review.”*

Sam Au, California State Controller’s Office, Local Government Reporting – Retirement



# DETAILS

## General Plans

- Plan A (§31676.12) – 2% @ 57
- Plan B (§31676.1) – 1.67% @ 57.5
- Plans G and H (§31676.18) – 2.5% @ 55
- Plans I and J (§31676.19) – 2.7% @ 55
- Plans M and N (§31676.16) – 2% @ 55
- Plans O and P (§31676.01) – 1.62% @ 65
- Plan S (§31676.12) – 2% @ 57
- Plan T (§31676.01) – 1.62% @ 65 CalPEPRA
- Plan U (§7522.20(a)) – 2.5% @ 67 CalPEPRA
- Plan W (§31676.01) – 1.62% @ 65 CalPEPRA

## Safety Plans

- Plans E and F (§31664.1) – 3% @ 50
- Plans Q and R (§31664.2) – 3% @ 55
- Plan V (§7522.25(d)) – 2.7% @ 57 CalPEPRA



# ACTIVE MEMBERS BY PLAN

Employers	A & B	G & H 2.5% @ 55	I & J 2.7% @ 55	M & N 2% @ 55	O & P 1.62% @ 65	S 2% @ 57	T PEPRA 1.62% @ 67	W PEPRA 1.62% @ 65	U PEPRA 2.5% @ 67	E & F Probation Safety 3% @ 50	E & F Safety 3% @ 50	Q & R Safety 3% @ 55	V PEPRA Probation Safety 2.7% @ 57	V PEPRA Safety 2.7% @ 57	TOTAL
City of SIC			14			12		2	27						55
Local Agency Formation Comm.			2				2								4
Cemetery District				13					12						25
Children & Families			4						13						17
OCFA			80	43					193		529	160		523	1,528
IHSS Public Authority	5								19						24
Public Law Library		11							3						14
OCERS			38				38		27						103
Superior Court			747		15		675								1,437
OCTA	755								524						1,279
Orange County	492		6,252		145		5,945		1,416	511	705	390	105	954	16,915
Sanitation District	52	229							324						605
Transportation Corridor Agencies				19					36						55
<b>TOTAL:</b>	<b>1,304</b>	<b>240</b>	<b>7,137</b>	<b>75</b>	<b>160</b>	<b>12</b>	<b>6,660</b>	<b>2</b>	<b>2,594</b>	<b>511</b>	<b>1,234</b>	<b>550</b>	<b>105</b>	<b>1,477</b>	<b>22,061</b>



# CONTRIBUTIONS BY RATE GROUP

<b>Rate Group #1</b> General Plans, A, B, and U (County and IHSS)
<b>Rate Group #3</b> General Plans B, G, H, and U (OCSD)
<b>Rate Group #5</b> General Plans A, B, and U (OCTA)
<b>Rate Group #9</b> General Plans M, N, and U (TCA)
<b>Rate Group #10</b> General Plans I, J, M, N, and U (OCFA)
<b>Rate Group #11</b> General Plans M and N, future service, and U (Cemetery)
<b>Rate Group #12</b> General Plans G, H, and U (Law Library)
<b>Rate Group #6</b> Safety Plans E, F, and V (Probation)
<b>Rate Group #7</b> Safety Plans E, F, Q, R, and V (Law Enforcement)
<b>Rate Group #8</b> Safety Plans E, F, Q, R, and V (OCFA)

<b>Rate Group #2</b> General Plans I, J, O, P, S, T, U, and W (County et al.)
General Members 2.7 @ 55 Non-OCFA
Superior Court
SJC
OCERS Management
Children and Families Comm. (future service)
LAFCO (future service)



# RETIREMENT ELIGIBILITY

- **Eligible to retire for Plans A-S (Legacy plans for employees hired before January 1, 2013, including reciprocity) if:**
  - 50 years old and has 10 or more years of eligible service
  - Safety member has 20 years or more of eligible service at any age
  - General member has 30 years or more of eligible service at any age
  - 70 years old
- **Eligible to retire for PEPRA compliant/alternative Plans T and W if:**
  - 50 years old and has 10 or more years of eligible service
  - 70 years old
- **Eligible to retire for PEPRA Plan U if:**
  - 52 years old and has 5 or more years of eligible service
  - 70 years old
- **Eligible to retire for PEPRA Safety Plan V if:**
  - 50 years old and has 5 or more years of eligible service
  - 70 years old

**Eligible Service = current service + incoming reciprocal service**



# MEASURING PERIODS

## Tier 1

12 month measuring period,  
entry date prior to 9/21/79

Plan	%	Age
General - A	2	57
General - G	2.5	55
General - I	2.7	55
General - M	2	55
General - O	1.62	65
Safety - Q	3	55

## Tier 2

36 month measuring period

Plan	%	Age
General - B	1.667	57.5
General - H	2.5	55
General - J	2.7	55
General - N	2	55
General - P	1.62	65
General S	2	57
Safety - F	3	50
Safety - R	3	55

## PEPRA

**New Public Employees hired after 1/1/13**

General - T&W	1.62	65
General - U	2.5	67
Safety - V	2.7	57



# COMP/BENEFIT LIMITS

## Compensation Limits for 2024

- 401(a)(17) \$345,000 – All Plans except U, V and W
- SSI PEPRA \$181,734 – Plans U, V and W

## Benefit Limit for 2024

- 415(m) \$275,000 – Legacy status only – former employer pays the difference (replacement plan)
- PEPRA Plans T, U, V, and W do not have a replacement benefit plan





# BENEFIT CALC EXAMPLES

## Plan J = 2.7% @ 55 Legacy General

- A 55-year-old employee retires with 25 years of service and a final average salary of \$6,000.00 = approximately \$4,050.00/month

## Plan F = 3% @ 50 Legacy Safety

- A 50-year-old employee retires with 25 years of service and a final average salary of \$6,000.00 = approximately \$4,500.00/month

## Plan V = 2.7% @ 57 PEPRSA Safety

- A 57-year-old employee retires with 25 years of service and a final average salary of \$6,000.00 = approximately \$4,050.00/month

## Split Service Example

- A 55-year-old employee retires with 25 years of service in 2 plans with a final average salary of \$6,000.00 = approximately \$3,325.42 total/month
  - 15 years in County Plan J = 2.7% @ 55 = \$2430.00/month
  - 10 years in OCTA Plan B = 1.667@ 57.5 = \$895.42/month



# QUESTIONS?



# Thank you!

**Suzanne Jenike**

**Assistant CEO, External Operations  
& *Soon to be Retiree Extraordinaire***





## Memorandum

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DATE: May 20, 2024  
TO: Members of the Board of Retirement  
FROM: Suzanne Jenike, Assistant CEO, External Operations, OCERS  
SUBJECT: **UPDATE ON THE WORK ASSOCIATED TO THE ALAMEDA IMPLEMENTATION**

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### Background/Summary

On July 30, 2020, the California Supreme Court issued a decision in *Alameda County Deputy Sheriff's Assoc. et al., v. Alameda County Employees' Retirement Assn., et al, (Alameda)*. The decision clarified exclusions from "compensation earnable" including on-call and stand-by pay received for additional services rendered outside of normal working hours, based on the same number of hours of work in a year for all employees in the same grade or class.

Following the decision, the Board held numerous public meetings and took several actions to comply with the ruling including adopting a definition of normal working hours, designating certain pay items as not pensionable, and revising the Compensation Earnable and Pensionable Compensation Policies to exclude those pay items as "compensation earnable" or "pensionable compensation" after January 1, 2013. The Board also directed staff to make benefit corrections retroactively and prospectively for members impacted by the *Alameda* decision.

### Active & Deferred Members

- Refund contributions, plus interest, paid by the member on pay items deemed non-pensionable as a result of *Alameda*, as of January 1, 2013, directly to the member.

### Retired Members (and Alternate Payees)

- Recalculate retirement allowances prospectively excluding not pensionable pay items from compensation for any payee with a benefit effective date of January 1, 2013, through October 1, 2020;
- Recover overpayments made to such payees between January 1, 2013, and October 1, 2020, by offsetting the overpayments against any over-collected employee contributions during that period. Any remaining overpayments made between January 1, 2013, and October 1, 2020, will be recovered via the actuarial valuation process;
- Credit/refund overpaid employee contributions that are remaining after being offset against the overpayments, to the member, if applicable; and
- Collect overpayments made between October 1, 2020, and the date of the benefit recalculation from the payee in accordance with OCERS' Overpayment/Underpayment of Plan Benefits Policy. However, for payees with a monthly benefit impact of \$100 per month or less, the overpayments will be recovered from the employer through the UAAL valuation process.

OCERS' staff has been working on implementing the Board's directives and is nearly done completing all Alameda corrections. The following is a summary of the activities completed.

- Completed an analysis to identify pay items impacted by the *Alameda* decision.

- Stopped accepting contributions on Alameda pay items effective September 10, 2020.
- Reviewed individual member pay history and approximately 222,666 records to identify 80,248 Alameda pay transactions subject to contribution refunds and 10,106 pay transactions included in retiree measuring periods.
- Removed excluded pay items from members' Participant Accounts in OCERS' pension administration system so that they are not included when calculating or re-calculating a member's retirement allowance.
- Implemented process to exclude affected pay items from all new benefit set ups beginning on October 1, 2020.
- Calculated and quality reviewed individual contributions and interest owed for 3,000+ members.
- Refunded overpaid member contributions, plus interest to 2,798 active and deferred members in November and December 2022. Of the 2,798 refunds, OCERS processed 1,917 refunds including rollovers to tax-qualified retirement plans, such as a 457 or 401(k) and employers processed 881 refunds for amounts of \$75 or less.
- Refunded overpaid member contributions, plus interest to 231 retired members (retired on or after October 1, 2020) in December 2022. Those members did not require benefit recalculations as Alameda-pay items had already been excluded.
- Recalculated retirement allowances prospectively excluding Alameda pay items for any payee with a benefit effective date of January 1, 2013 to October 1, 2020. Through April 30, 2024, staff has completed and processed 438 recalculations. The last group of 10 recalculations will be completed and processed by June 30, 2024.
- After further review of records, identified 137 retired members and alternate payees that did not require an adjustment.
- Started collection of overpayments through payroll deductions.
- Provided approximately 28 member letters and regular notifications and updates to members and employer groups.

**Alameda Group 2 – Orange County District Attorney and Orange County Sheriffs Department employees subject to the Orange County Board of Supervisors Resolution**

On April 15, 2024, I gave the Board a brief update on the work being performed on the *Alameda* implementation specific to employees of the Office of the District Attorney (OCDA) and Orange County Sheriff's Department (OCSD) covered by the County Board of Supervisors Resolution (Resolution).

OCERS team has completed our analysis and we have determined that the on-call and canine pay received by individuals in the assignments listed in the County Board Resolution should be considered pensionable. We are in the process of reconciling member accounts, however there is an action being presented to the Board as Item A-2 on the May 20, 2024 agenda. The outcome of that discussion will impact how we proceed.

**Alameda Group 3 - Orange County Fire Authority (OCFA)**

At the December 11, 2023, meeting, I reported that further analysis of certain classifications of the OCFA indicated that on-call for those classifications was not pensionable and therefore would require benefit recalculations, likely reducing benefits. I recently received official documentation from OCFA regarding their past practice related to mandatory on-call pay applicable to two of their classifications of employees. After

reviewing all of the details of this pay, we determined that it met the Alameda test and would be considered pensionable. This decision positively impacts three members; we are in the process of reconciling their accounts.

**Conclusion**

Implementation of the Alameda decision has been a major undertaking over several years. It is a complex project which has involved detailed planning and analysis, system and process enhancements, complex manual calculations, thorough quality assurance review of calculations, coordination, and teamwork.

**Submitted by:**



SJ-Approved

Suzanne Jenike  
Assistant CEO, External Operations



## Retirement Board Meeting

May 20, 2024

### Application Notices

MEMBER NAME	AGENCY/EMPLOYER	RETIREMENT DATE
ADRIANO-CERES, CLARISSA	Auditor Controller	3/8/2024
AGOLIA, JASON	Sheriff's Dept	3/22/2024
AGUILAR, IRMA	County Executive Office (CEO)	3/22/2024
AHUJA, SUNITA	Auditor Controller	3/22/2024
AMBRIZ, IRMA	Sheriff's Dept	3/22/2024
AMIN, ANANTKUMAR	Sanitation District	3/22/2024
AOUN, FRANCES	Social Services Agency	3/22/2024
AOUN, MICHAEL	Social Services Agency	3/22/2024
APODACA-FLORES, JANET	Probation	3/22/2024
AREVALO, SONYA	Social Services Agency	3/22/2024
ARSENOUS, ARBELLA	OC Public Works	3/8/2024
ASPGREN, STEPHANIE	Social Services Agency	3/22/2024
AVILA, DESIREE	Social Services Agency	3/22/2024
AYERS, ADRIAN	Superior Court	3/9/2024
AZEEZ, OLAKUNLE	OC Public Works	3/22/2024
BAILON, DELIA	Probation	3/22/2024
BAKSHI, RITA	Health Care Agency	3/22/2024
BANGURA, EMILY	Health Care Agency	3/22/2024
BEATTY, GRETCHEN	County Executive Office (CEO)	3/8/2024
BELARDES, MATIAS	OC Public Works	3/22/2024
BELL, ROBERT	Sanitation District	3/22/2024
BEREA, BRYAN	County Executive Office (CEO)	3/22/2024
BETHUNE-GRAY, TAMERA	Social Services Agency	3/8/2024
BIDINGER, KURT	Fire Authority (OCFA)	3/22/2024
BOAZ, MATTHEW	Sheriff's Dept	3/22/2024
BOLZ, DEBRA	Sheriff's Dept	3/22/2024
BOROUKHIM, SILVANA	Health Care Agency	3/22/2024
BROWN, SHERRI	Assessor	3/22/2024
BUCKINGHAM, ROBERT	OC Public Works	3/22/2024



## Retirement Board Meeting

May 20, 2024

### Application Notices

CALDERON, RITA	Social Services Agency	3/8/2024
CARBAJAL, FLORINDA	Health Care Agency	3/22/2024
CARDENAS, DOREEN	Social Services Agency	3/8/2024
CAREW, ERIN	Superior Court	3/1/2024
CARUSILLO, RHENA	Health Care Agency	3/22/2024
CHAFFIN, AMELIA	Social Services Agency	3/22/2024
CHASE, JERRY	Sheriff's Dept	3/22/2024
CHASE, PAUL	Sheriff's Dept	3/22/2024
CHAVEZ, YOLANDA	Social Services Agency	3/6/2024
CHEN, LICHAO	Auditor Controller	3/22/2024
CHEN, SYLVIA	Social Services Agency	3/22/2024
COLBERT, SEAN	Social Services Agency	3/22/2024
COLVIN, PAULINE	OC Community Resources	3/8/2024
CONIGLIO, JANICE	Health Care Agency	3/22/2024
CONKLIN, SUSANNE	Social Services Agency	3/16/2024
CORDOVA, EVANGELINE	Superior Court	3/22/2024
CORONA, ADRIAN	Probation	3/8/2024
CORREIA, ROBERT	Sheriff's Dept	3/23/2024
CRAWFORD, CAROL	OC Community Resources	3/22/2024
CULP, ROBIN	Fire Authority (OCFA)	3/1/2024
DAVIS DURAN, KATHRYN	John Wayne Airport	3/22/2024
DAVIS, FRANK	Public Defender	3/22/2024
DE LA ISLA, ALBERTO	Superior Court	3/22/2024
DELA MERCED, KAREN	District Attorney	3/22/2024
DEMATTEO, MICHAEL	OC Community Resources	3/22/2024
DEVINE, TRISTINE	District Attorney	3/8/2024
DIAZ, MARTHA	Superior Court	3/8/2024
DIAZ, SYLVIA	Child Support Services	3/8/2024
DO, THANH	Probation	3/22/2024
DUDOIT, CHRISTINA	Social Services Agency	3/22/2024
DURAN, CARLA	Social Services Agency	3/22/2024





## Retirement Board Meeting

May 20, 2024

## Application Notices

ESCAMILLO, DAVID	Social Services Agency	3/22/2024
ESPINOZA, MARIA	Superior Court	3/8/2024
ESPINOZA, RAMIRO	Child Support Services	3/22/2024
FARQUHARSON, MARVA	Superior Court	3/8/2024
FIELDS, LISA	Sheriff's Dept	3/8/2024
FIERRO, ALBA	Social Services Agency	3/22/2024
FIORIELLO, ELIZABETH	Probation	12/30/2023
FRIEDLINE, DONALD	Fire Authority (OCFA)	3/8/2024
GACHETT, DERRICK	Probation	3/21/2024
GALLEGOS, TOMMY	OC Community Resources	1/3/2024
GARCIA, HILDA	Social Services Agency	3/22/2024
GARCIA, JOSE	Fire Authority (OCFA)	3/22/2024
GEEN, KATHRYN	Social Services Agency	3/3/2024
GHAZI, DARIUS	Sanitation District	3/12/2024
GIBBS, JANA	OC Public Works	3/22/2024
GILLIS, MONICA	Social Services Agency	3/22/2024
GIRON, CARMEN	OC Community Resources	3/22/2024
GOLDBERG, DAN	Health Care Agency	3/18/2024
GONZALEZ, RAMIRO	Probation	3/22/2024
GOOSELAW, ERIC	Sheriff's Dept	3/8/2024
GRAYSON, BARBARA	Health Care Agency	3/16/2024
GREEN, DAVID	Sheriff's Dept	12/31/2023
GREENE, GEOFF	Probation	3/22/2024
GREGORY, ERIC	Sheriff's Dept	3/22/2024
GRIJALVA, CLAUDIA	Sheriff's Dept	3/22/2024
HAHN, DAVID	Fire Authority (OCFA)	3/22/2024
HALE, DAWN	Fire Authority (OCFA)	3/22/2024
HENKE, CHARLES	OCTA	3/2/2024
HERBST, ROGER	Sanitation District	3/22/2024
HERNANDEZ, LISA	Superior Court	3/22/2024
HILL, JILL	Social Services Agency	3/22/2024



## Retirement Board Meeting

May 20, 2024

## Application Notices

HOLLINGSHEAD, GLENN	Sheriff's Dept	3/22/2024
JAKUBIAK, PATRICIA	Fire Authority (OCFA)	3/22/2024
JENNIE, CHRISTINA	Sheriff's Dept	3/8/2024
JONES, JASON	Fire Authority (OCFA)	3/8/2024
KESSLER, DEBORAH	Health Care Agency	12/31/2023
KINO, ADAM	Sheriff's Dept	3/22/2024
KNOBLE, GERALD	Health Care Agency	3/22/2024
KOONTZ, MARYELLEN	Superior Court	3/8/2024
KOONTZ, RICHARD	Sheriff's Dept	3/8/2024
KRANTZ, BETHANY	Superior Court	3/22/2024
LA, NICKI	Sheriff's Dept	3/8/2024
LA RUSSO, DIANA	Social Services Agency	3/22/2024
LABRADOR, WEBSTER	OC Public Works	3/22/2024
LANDES, JULIA	Child Support Services	3/22/2024
LAY, YIH	Superior Court	3/22/2024
LE, TU	Social Services Agency	3/22/2024
LESAGE, TRACY	Public Defender	3/22/2024
LETRONDO, ELISA	Health Care Agency	3/22/2024
LEUNG, YUMI	Sheriff's Dept	3/8/2024
LEW, ROSS	OCTA	3/2/2024
LEYDA, LINA	Human Resources Dept	3/22/2024
LI, LI	OC Public Works	3/22/2024
LIAO, CHUNWAN	Social Services Agency	3/22/2024
LOPEZ, SHIRLEY	Social Services Agency	3/8/2024
LOUCH, ANDREW	Fire Authority (OCFA)	3/22/2024
LOVE, MARY	Assessor	3/22/2024
LUNA, MARIA	Superior Court	3/22/2024
MARTIN, SANDRA	Health Care Agency	3/22/2024
MATHIESON, SHANNON	Probation	3/22/2024
MATTHEWS, GERALDINE	Sanitation District	3/8/2024
MAY-BREWSTER, TRACEE	Public Defender	3/22/2024



## Retirement Board Meeting

May 20, 2024

### Application Notices

MCALLISTER, MELANIE	Child Support Services	3/22/2024
MCKEAGUE, MARISELA	Sheriff's Dept	3/8/2024
MIKHAIL, LYDIA	Health Care Agency	3/22/2024
MOCH, KATHY	Social Services Agency	3/8/2024
MORA, ANTHONY	Social Services Agency	3/22/2024
MUILENBURG, TODD	Fire Authority (OCFA)	3/8/2024
MUNOZ, RAMON	Fire Authority (OCFA)	3/22/2024
NELSON, CHRISTOPHER	Sheriff's Dept	3/22/2024
NGU, BRYAN	Child Support Services	3/22/2024
NGUYEN, ELIZABETH	OC Community Resources	3/22/2024
NGUYEN, LANI	Assessor	3/22/2024
NGUYEN, THOMAS	Sanitation District	3/22/2024
NIEBLAS, MONTE	OCWR	3/1/2024
NORTON, BARBARA	OC Public Works	3/22/2024
OCHOA, SONIA	Social Services Agency	3/22/2024
OROPEZA, ADRIANA	Social Services Agency	3/8/2024
OROZCO, JOAQUIN	Superior Court	3/8/2024
ORTIZ, RANDAL	Child Support Services	3/22/2024
ORUGANTI, JAGADISH	Sanitation District	3/22/2024
PACE, STEVEN	Sheriff's Dept	3/22/2024
PAPKE, ROSE	Superior Court	3/8/2024
PENA, ROSA	Superior Court	3/22/2024
PEREZ, LILIA	Social Services Agency	3/22/2024
PEREZ, RAMON	Social Services Agency	3/8/2024
PETRAS, DANIEL	Superior Court	3/22/2024
PHAM, KIMOANH	Fire Authority (OCFA)	3/22/2024
POMA, BRUCE	OC Public Works	3/22/2024
POULOS, JULIE	Social Services Agency	3/22/2024
PUGLIA, DANIEL	Public Defender	3/22/2024
RAINEY, PAMELA	Clerk of the Board	3/22/2024
RAMIREZ, VICKY	Superior Court	3/22/2024



## Retirement Board Meeting

May 20, 2024

### Application Notices

RAMIREZ-LOPEZ, ROXANNE	Probation	3/8/2024
RAYMUNDO, THERESA	Auditor Controller	3/22/2024
REYES, RONALDO	Health Care Agency	3/22/2024
REYNOLDS, ROY	Sanitation District	3/22/2024
RIADIGOS, GRACIELA	Social Services Agency	3/22/2024
RICHARDS, MISHELE	Fire Authority (OCFA)	3/22/2024
ROBLEE, MARY	Child Support Services	3/22/2024
RODRIGUEZ, JOSE	Registrar of Voters	3/22/2024
ROGERS, LENNIE	District Attorney	3/22/2024
ROJAS, RONALD	OCTA	3/5/2024
ROYSTON, RUSSELL	Child Support Services	3/22/2024
SALDANA, CARMEN	OCWR	3/22/2024
SALDANA, FRANK	OCWR	3/22/2024
SALERNO, RANDY	Probation	3/8/2024
SANCHEZ DE TAGLE, MARCIA MAUREEN	Social Services Agency	3/22/2024
SANDOVAL, ESTEVAN	Probation	3/22/2024
SANTAMARIA, JESUS	Assessor	3/22/2024
SCHAN, DOUGLAS	Health Care Agency	3/22/2024
SHACKELFORD, ANN	Social Services Agency	3/8/2024
SHARASCHANDRA, LATHA	Sheriff's Dept	3/8/2024
SHATTUCK, KATHLEEN	Probation	3/22/2024
SIDDIQUI, NAJEEB	County Clerk/Recorder	3/22/2024
SIMS, JUWAN	Human Resources Dept	3/22/2024
SMITH, KELLI	Sheriff's Dept	3/1/2024
SPEARS, JAMES	Sanitation District	3/22/2024
SPECKMANN, CATHERINE	Health Care Agency	3/8/2024
STEIN, JACOB	Fire Authority (OCFA)	3/22/2024
STELTER, BILL	Cemetery District	3/22/2024
STEWART-PUGA, CHRISTINA	Probation	3/22/2024
STIVERSON, MATTHEW	Sheriff's Dept	3/22/2024
SU, JEANNIE	County Counsel	3/22/2024



## Retirement Board Meeting

May 20, 2024

### Application Notices

SUDIBJO, HARIANTO	Auditor Controller	3/22/2024
TAURO, TERRI	Public Defender	3/22/2024
TECH, MARIA	Social Services Agency	3/8/2024
TELEGADAS, MARLENE	Social Services Agency	3/22/2024
THAM, JACKIE	Child Support Services	3/22/2024
TIEU, JULIE	Assessor	3/22/2024
TJEN, JUNAIDI	Social Services Agency	3/22/2024
TODD, LAURA	Social Services Agency	3/8/2024
TORRES, FLAVIA	Health Care Agency	3/22/2024
TRAN, ANH	Health Care Agency	3/22/2024
TRAN, STELLA	Sheriff's Dept	3/22/2024
TRAN, YUKO	Probation	3/22/2024
TRAN, DIANE	Auditor Controller	3/22/2024
TRUONG, CECILE	Health Care Agency	3/22/2024
TURNER, GEORGE	District Attorney	3/22/2024
VALENTINE, KRISTEN	Sheriff's Dept	3/8/2024
VAN, ALEXANDER	Fire Authority (OCFA)	3/22/2024
VARGAS, LETICIA	Public Defender	3/22/2024
VARGAS, LINDA	Sheriff's Dept	3/22/2024
VAZQUEZ, ANDRES	Fire Authority (OCFA)	3/8/2024
VELA, CYNTHIA	Probation	11/18/2021
VOLLMER, JOE	Sheriff's Dept	3/22/2024
VONG, MAGGIE	Child Support Services	3/22/2024
VU, TAM	OC Public Works	3/22/2024
VUONG, PHUOC	Social Services Agency	3/22/2024
WALDSCHMIDT, DAVID	Fire Authority (OCFA)	2/29/2024
WALKER, DEMITRA	Probation	3/22/2024
WANG, SHIHYUN	OCTA	2/27/2024
WEBB, WARREN	Superior Court	3/8/2024
WEINBERG, DAVID	Superior Court	3/14/2024
WOODS, BRIAN	Fire Authority (OCFA)	3/22/2024



**Retirement Board Meeting**

**May 20, 2024**

**Application Notices**

YOUNT, JANET	Social Services Agency	3/22/2024
ZAMORA, LAURA	District Attorney	3/8/2024
ZEIGLER, DONALD	OC Community Resources	3/22/2024



## Retirement Board Meeting

May 20, 2024

### Death Notices

ACTIVE DEATHS	AGENCY/EMPLOYER
DYSTHE, JOHN	OC Public Works
GONZALEZ, ANN	Human Resources Dept
MANZELLA, BENEDETTO	Social Services Agency
NELSON, PAMELA	Superior Court
NGUYEN, PAUL	Assessor
NGUYEN, TAN	OC Public Works
PEREZ, ESTELLA	OC Public Works

RETIRED MEMBERS	AGENCY/EMPLOYER
AGUILERA, EVA	Social Services Agency
ANDERSON, GLORIA	Child Support Services
ANDERSON, JENNIFER	Health Care Agency
AVERY, BOBBY	Sheriff's Dept
BERREY, NORMAN	Probation
BRISENO, FRANCISCO	District Attorney
CHOPRA, JAGDISH	Health Care Agency
COHEA, FRANCES	Probation
DALEY, LILLIAN	Social Services Agency
DERWAY, JOAN	OC Public Works
DIETIKER, WALTER	Health Care Agency
DIETZE, ANDREA	Law Library
DOLPHIN, PAT	Sheriff's Dept
DUKE MANCILL, NANCY	OC Community Resources
ESTEP, JAMES	Sheriff's Dept
FIELDS MORGAN, PAULA	OC Community Resources
FINNERAN, JEANETTE	Sheriff's Dept
FRITZ, JUDY	Social Services Agency
GALBRAITH, RONALD	OCTA
GARRETT, STEVEN	Fire Authority (OCFA)
GOODSON, SOLON	UCI
GRANNIS, LILLY	Superior Court
GRANT, MICHAEL	Assessor
HARR, JERRY	OC Public Works
JACKSON, TERRY	OC Public Works
KAVANAUGH, LYDIA	Sheriff's Dept
LINDZY, WILLIAM	OC Public Works
LUCIO, AURORA	District Attorney
MARROQUIN, SALVADOR	OCTA
MARSHALL, BONNIE	Probation
MC KEE, ITA	County Counsel
NGUYEN, DINH	OCTA



**Retirement Board Meeting**  
**May 20, 2024**  
**Death Notices**

NGUYEN, HINH	Social Services Agency
NGUYEN, LIEN	Social Services Agency
OLSEN, NANCY	County Executive Office (CEO)
PAVEK, BARBARA	Probation
PEREZ, DIANA	District Attorney
PROVENCHER, MARY	Health Care Agency
RIEBE, CARMEN	Health Care Agency
ROCHA, JESUS	Registrar of Voters
ROCHE, IRENE	UCI
RYBERG, KENNETH	Probation
STARK, MICHAEL	OC Waste and Recycling
TARBART, ANNA	Social Services Agency
WAGNER, TERRY	City of Rancho Santa Margarita
WILLIAMS, FRANCES	Social Services Agency

<b>SURVIVING SPOUSES</b>	
AGUILAR, MARTHA	
CHANCE, SYLVIA	
CHILDERS, ELLEN	
CRAWFORD, SUSAN	
GRAHAM, PATRICIA	
KRENTZ, GISELA	
MENDOZA, PATRICIA	
MORAD, PATRICIA	
PEASE, CHARLES	
PHILLIPS, ROBERT	
REARDON, RITA	
REES, JETTE	
RUNDE, JOANNE	
SHERWOOD, DOUGLAS	
TAN, LENUONG THI	
WALLINGFORD, VIRGINIA	



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

**PERSONNEL COMMITTEE MEETING  
Thursday, February 29, 2024  
1:00 P.M.**

**MINUTES**

**OPEN SESSION**

Chair Hilton called the meeting to order at 1:06 P.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Roger Hilton, Chair; Charles Packard, Board Member; Richard Oates, Board Member

Also Present: Steve Delaney, CEO; Brenda Shott, Assistant CEO of Internal Operations; Suzanne Jenike, Assistant CEO of External Operations; Manuel Serpa, General Counsel; Cynthia Hockless, Director of Human Resources; Jeff Lamberson, Director of Member Services; Silviu Ardeleanu, Director of Member Services; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary

**PUBLIC COMMENT**

None.

**CONSENT AGENDA**

**C-1 COMMITTEE MEETING MINUTES:**

Personnel Committee Meeting Minutes

November 15, 2023

**Recommendation:** Approve minutes.

A **Motion** by Mr. Packard, **seconded** by Mr. Oates, to approve staff's recommendation to approve the minutes.

The motion passed **unanimously**.

**ACTION ITEMS**

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

No items were trailed from the Consent Agenda.

Orange County Employees Retirement System  
February 29, 2024  
Personnel Committee Meeting

**A-2 PROPOSED 2024 PERSONNEL COMMITTEE MEETING SCHEDULE**

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

**Recommendation:**

Approve the staff proposed 2024 OCERS Personnel Committee Meeting Schedule

Or

Provide direction for alternative modifications.

The Committee provided direction for alternative modifications to the Proposed 2024 Personnel Committee Meeting Schedule and to resume discussion at the next Personnel Committee meeting on April 23, 2024.

**A-3 REVIEW OF THE PERSONNEL COMMITTEE CHARTER**

*Presentation by Cynthia Hockless, Director of Human Resources, OCERS*

**Recommendation:** Approve, and recommend the Board adopt, revisions to the Personnel Committee Charter as presented.

A **Motion** by Mr. Packard, **seconded** by Mr. Oates, to approve, and recommend the Board adopt, revisions to the Personnel Committee Charter.

The motion passed **unanimously**.

**INFORMATION ITEMS**

**I-1 OCERS BENEFIT CALCULATION PROCESSES - STAFFING IMPLICATIONS - PART ONE**

*Presentation by Suzanne Jenike, Assistant CEO, External Operations, and Jeff Lamberson, Director of Member Services, OCERS*

The committee determined they did not want to approve additional staff positions, but instead directed the team to work directly with the employers to submit acceptable data. The team was further directed to report this matter to the Board.

**COMMITTEE MEMBER COMMENTS**

Mr. Packard complimented Ms. Jenike and her team for providing this information to the Committee.

**CEO/COUNSEL/STAFF COMMENTS**

None.

Chair Hilton **ADJOURNED** the meeting at 1:56 P.M.

Submitted by:

Submitted by:

Approved by:

DocuSigned by:  
*Cynthia Hockless*  
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Cynthia Hockless  
Liaison

DocuSigned by:  
*Steve Delaney*  
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Steve Delaney  
Secretary to the Board

DocuSigned by:  
*Roger Hilton*  
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Roger Hilton  
Chair

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

**BUILDING COMMITTEE MEETING  
Thursday, April 4, 2024  
9:30 A.M.**

**MINUTES**

Chair Lindholm called the meeting to order at 9:31 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Wayne Lindholm, Chair; Chris Prevatt, Vice Chair; Arthur Hidalgo, Board Member; Jeremy Vallone, Board Member

Also Present: Steve Delaney, CEO; Brenda Shott, Assistant CEO, Finance and Internal Operations; Manuel Serpa, General Counsel; Fong Tse, Sr. Manager of Facilities and Operations Support Services; Jim Doezie, Contracts Administrator; Mary-Joy Coburn, Director of Communications; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary

Guests: Roger Torriero, Deryl Robinson, and Tristen Nichols from Griffin Structures  
Sam Laham, Nick Garcia, Adaeze Cadet, Shawn Shawmlou, Ana Yanez, Rudy Delgadillo, Brad Barker, Vince Gonzalez, and Nambi Gardner from Bernards-HOK  
Jamie Macarty, Tom Myers, Jeff Marshall, Kimberly Pradillo, Eric Namishiak, Micah Deitz, Roger Matzke, and Analisa Olson from CW Driver-Ware Malcomb  
George Loynd, Nick Acevedo, Brian Coffman, Greg Hurlock, Adam Lopez, Jaimelynn Shah, JT Theeuwes, John Rochford, Peter Barsuk, Rick Cavecche, and Jo-E Lopez from Snyder Langston-Gensler  
Daniel Getting, Charlie Williams, Mike Forys, Ken Kubota, Breawn Felix, Jeremy Hart, and Jessica Isler from Swinerton-LPA

**PUBLIC COMMENT**

None.

**CONSENT AGENDA**

**C-1 COMMITTEE MEETING MINUTES:**

Building Committee Meeting Minutes

December 21, 2023

Orange County Employees Retirement System  
April 4, 2024  
Building Committee Meeting – Minutes

**Recommendation:** Approve minutes.

A **Motion** by Mr. Prevatt, **seconded** by Mr. Hidalgo, to approve the minutes.

The motion passed **unanimously**.

**ACTION ITEMS**

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

No items were trailed from the Consent Agenda.

**A-2 OCERS REPLACEMENT HEADQUARTERS PROJECT – INTERVIEW OF RESPONDENTS TO DESIGN BUILD ENTITY RFP AND SELECTION OF DESIGN BUILD ENTITY**

**Recommendation:**

1. Interview the four qualified firms that submitted proposals for design-build services.
2. Select one of the four qualified firms to serve as the Designer/Builder Entity (DBE) for the OCERS Replacement Headquarters Project and recommend that the Board award a contract for the scope of services as outlined in the Designer/Builder for OCERS Replacement Headquarters Project RFP, subject to satisfactory negotiation of terms.

Bernard-HOK presented their qualifications to serve as the Designer/Builder Entity (DBE) for the OCERS Replacement Headquarters Project.

*The Committee recessed for break at 10:49 A.M.*

*The Committee reconvened from break at 10:57 A.M.*

*Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Mr. Hidalgo, Mr. Vallone, Mr. Prevatt, and Chair Lindholm.*

CW Driver-Ware Malcom presented their qualifications to serve as the Designer/Builder Entity (DBE) for the OCERS Replacement Headquarters Project.

*The Committee recessed for lunch at 12:02 P.M.*

*The Committee reconvened from lunch at 12:46 P.M.*

*Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Mr. Hidalgo, Mr. Vallone, Mr. Prevatt, and Chair Lindholm.*

Snyder Langston-Gensler presented their qualifications to serve as the Designer/Builder Entity (DBE) for the OCERS Replacement Headquarters Project.

Orange County Employees Retirement System  
April 4, 2024  
Building Committee Meeting – Minutes

*The Committee recessed for break at 1:47 P.M.*

*The Committee reconvened from break at 1:58 P.M.*

*Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Mr. Hidalgo, Mr. Vallone, Mr. Prevatt, and Chair Lindholm.*

Swinerton-LPA presented their qualifications to serve as the Designer/Builder Entity (DBE) for the OCERS Replacement Headquarters Project.

*The Committee recessed for break at 3:00 P.M.*

*The Committee reconvened from break at 3:18 P.M.*

*Recording Secretary administered the Roll Call attendance.*

After discussion, the Committee directed the staff committee to conduct a final scoring of the four Design Build Entity firms according to the scoring criteria defined in the RFP and present the staff recommendation at the next Building Committee Meeting on April 15<sup>th</sup>, 2024, at 8:30 A.M.

**STAFF COMMENTS**

**CEO COMMENTS**

**COUNSEL COMMENTS**

**COMMITTEE MEMBER COMMENTS**


Mr. Lindholm congratulated and thanked staff for a successful and informative meeting. Mr. Hidalgo congratulated the staff in presenting the candidates and thanked Griffin Structures for their consultation.

The meeting **ADJOURNED** at 4:26 P.M.

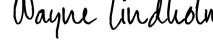
Submitted by:

Submitted by:

Approved by:

DocuSigned by:  
  
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Brenda Shott  
Staff Liaison to the Committee

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Steve Delaney  
Secretary to the Committee

DocuSigned by:  
  
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Wayne Lindholm  
Chair



## Memorandum

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DATE: May 20, 2024  
TO: Members of the Board of Retirement  
FROM: Steve Delaney, Chief Executive Officer  
SUBJECT: **CEO FUTURE AGENDAS AND 2024 OCERS BOARD WORKPLAN**

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### Written Report

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

##### JUNE

December 31, 2023 Actuarial Valuation- Final Approval  
OCERS 2024 Business Plan Mid-year Review  
GASB 68 Valuation and Audit Report  
Audited Financial Statements and Annual Comprehensive Financial Reports  
CIO Comments

##### JULY

Ethics Training Pt 1  
Approve Early Payment Rates for Fiscal Year 2024-2026  
Strategic Planning Workshop – Proposed Agenda  
SEGAL Cost Illustrations  
Quarterly 2024-2026 Strategic Plan Review  
Contract Status for Named Services Providers  
Quarterly Travel and Training Expense Report

##### AUGUST

Ethics Training Pt 2  
Employer Employee Contribution Matrix  
OCERS by the Numbers  
The Evolution of the OCERS UAAL  
Strategic Planning Workshop – Final Agenda  
Quarterly Unaudited Financial Statements  
Quarterly Budget vs Actual Report

##### Submitted by:



**SD - Approved**

Steve Delaney  
Chief Executive Officer

**OCERS RETIREMENT BOARD - 2024 Work Plan**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
<b>System Oversight</b>	Receive Quality of Member Services Report (I)	STAR COLA Posting (I)	Approve 2024 STAR COLA (A)	SACRS Board of Directors Election (A)	Preliminary December 31, 2023 Valuation (I)	Mid-Year Review of 2024 Business Plan Progress (I)	Approve Early Payment Rates for Fiscal Year 2024-26 (A)	Review 2nd Quarter Budget to Actuals Financial Report (I)	Strategic Planning Workshop (I)	Adopt 2025 Board Meeting Calendar (A)	Review 3rd Quarter Budget to Actuals Financial Report (I)	
	Receive OCERS Innovation Report (I)	Approve 2024 COLA (A)	Quarterly Budget vs Actual Report (I)	Quarterly Travel and Training Expense Report (I)	Quarterly Unaudited Financial Statements (I)	Approve December 31, 2023 Actuarial Valuation & Funded Status of OCERS (A)	Quarterly Travel and Training Expense Report (I)	Receive OCERS by the Numbers (I)	Annual OCERS Employer Review (I)	Approve 2025-2027 Strategic Plan (A)	Approve 2025 Administrative (Operating) Budget (A)	
	Annual Disability Statistics Report (I)	Annual Overpaid And Underpaid Plan Benefits Report (I)	Quarterly Unaudited Financial Statements (I)	Quarterly 2024-2026 Strategic Plan Review (A)	Quarterly Budget vs Actual Report (I)	Approve 2023 Comprehensive Annual Financial Report (A)	Quarterly 2024-2026 Strategic Plan Review (A)	Receive Evolution of the UAAL (I)	State of OCERS (I)	Approve 2025 Business Plan (A)	Annual CEO Performance Review and Compensation (A)	
	Quarterly Travel and Training Expense Report (I)	Annual Report of Contracts >\$100,000 (I)						Quarterly Unaudited Financial Statements (I)	Annual 2024-2026 Strategic Plan Review (A)	Employer & Employee Pension Cost Comparison (I)	Quarterly Unaudited Financial Statements (I)	
	Quarterly 2024-2026 Strategic Plan Review (A)							Employer Employee Contribution Matrix (I)	Propose 2025 Board Meeting Calendar (I)	SACRS Business Meeting Direction (A)		
								Receive Quality of Member Services Report (I)	Quarterly Travel and Training Expense Report (I)			
<b>Board Governance</b>												Adopt Annual Work Plan for 2025 (A)
												Vice-Chair Election (A)
												Receive 2025 Board Committee Appointments (A)
<b>Regulation / Policies</b>	Communication Policy Fact Sheet (I)											
<b>Compliance</b>	Status of Board Education Hours for 2023 (I)	Annual Policy Compliance Report (I)	Semi Annual Business Continuity Disaster Recovery Updates (I)	Form 700 Due (A)		Receive Financial Audit (I)				Semi Annual Business Continuity Disaster Recovery Updates (I)		
	Annual Information Security Summary (closed session) (I)											

(A) = Action (I) = Information



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Jim Doezie, Contracts, Risk and Performance Administrator  
**SUBJECT:** QUIET PERIOD – NON-INVESTMENT CONTRACTS

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### Written Report Background/Discussion

1. **Quiet Period Policy Guidelines**

The following guidelines established by the Quiet Period Policy, section 3.c, will govern a search process for any contract to be awarded by OCERS:

*“...Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract or the selection process;”*

2. **Quiet Period Guidelines**

In addition, the following language is included in all distributed Requests for Proposals (RFP):

*“From the date of issuance of this RFP until the selection of one or more respondents is completed and announced, respondents are not permitted to communicate with any OCERS staff member or Board Members regarding this procurement, except through the Point of Contact named herein. Respondents violating the communications prohibition may be disqualified at OCERS’ discretion. Respondents having current business with OCERS must limit their communications to the subject of such business.”*

### **Distributed RFP’s**

The RFP and RFQ’s noted below are subject to the quiet period until such time as a contract is finalized.

- An RFP was distributed in September 2023 for a Pension Administration Project Oversight Consultant. The need for this consultant is to help guide OCERS into selecting and implementing a new Pension Administration System. Four proposals were received that are currently being evaluated.
- An RFP for SharePoint Migration Services was distributed in November 2023. These services are needed to help OCERS migrate/upgrade our current SharePoint (OCERS internal Intranet) solution. Seven Proposals were received. A vendor was selected for which we are currently negotiating a contract.
- An RFP for OCERS Replacement Headquarters Project DBE Services was distributed in February 2024. This Request for Proposal was sent to four qualified candidates. A vendor was selected for which we are currently negotiating a contract.
- An RFP was distributed in February 2024 for Employment Counsel Services. The current vendor six-year agreement expires late April, so we are bidding-out these services at this time. Six proposals were received. Two vendors were selected for which we have established contracts; Burke, Williams, and Sorensen LLP, and Liebert Cassidy Whitmore.





## Memorandum

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- An RFP was distributed in March 2024 for Investment Counsel Services. The current vendor(s) six-year agreement expires at the end of June, so we are bidding-out these services at this time. Thirteen (13) proposals were received that are currently being evaluated.

Submitted by:



**JD - Approved**

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Jim Doezie  
Contracts, Risk and Performance Administrator



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** BOARD COMMUNICATIONS

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### Written Report

#### Background/Discussion

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

#### News Links

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

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

- NASRA News Clips

#### Other Items: (See Attached)

- Monthly summary of OCERS staff activities and updates, starting with an overview of key customer service metrics, for the month of March 2024.

#### Submitted by:



**SD - Approved**

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Steve Delaney  
Chief Executive Officer



# MONTHLY ACTIVITIES AND UPDATE REPORT



March 2024

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



# OCERS Activities and Update Report

## MARCH 2024

To the members of the OCERS Board of Retirement,  
 The following is my regular monthly summary of OCERS’ team activity, starting with an overview of key customer service statistics as well as activity highlights followed by updates for MARCH 2024.

### MEMBER SERVICES MONTHLY METRICS

Retirement Applications Received				Customer Service Statistics						
Month	2022	2023	2024	Month	Unplanned Recalculations	Member Satisfaction Approval Rate	Calls Received via Call Center	Calls Direct to Extension	Calls Received by Operator	Total Calls (monthly)
January	346	244	278	January	0	98%	2,528	3,143	857	6,528
February	151	152	151	February	0	98%	2,877	3,262	916	7,055
March	120	135	68	March	0	98%	2,300	3,647	611	6,558
April	47	54		April						
May	65	60		May						
June	73	45		June						
July	54	28		July						
August	58	45		August						
September	42	46		September						
October	70	54		October						
November	78	50		November						
December	86	39		December						
<b>Grand Total</b>	<b>1190</b>	<b>952</b>	<b>497</b>	<b>Grand Total</b>	<b>0</b>	<b>98%</b>	<b>7,705</b>	<b>10,052</b>	<b>2,384</b>	<b>20,141</b>

### MEMBER SURVEY RESPONSES

*“I’d like to thank the RPS, who helped me with my application. The RPS did a Great job!” “*  
 - **March 2024**

*“I just wanted to offer compliments and recognition to this team member. In a very short amount of time, this team member became familiar and well versed at his role. (much faster than I did). He very quickly began jumping in the phone queue and taking calls, and meeting with walk-ins. He has also always handled the Counselor of the Day role with composure. He is always friendly, pleasant, and helpful to our members and his colleagues. He is always reliable, sometimes starting early and finishing late, in order to address members’ needs. He’s an asset to our department, and a joy to work with. Of course our whole team is outstanding in my opinion, but I felt the need to single out this team member for accomplishing so much in such little time. “*  
 - **February 2024**



## OCERS Activities and Update Report MARCH 2024

### ACTIVITIES

#### EMPLOYER DATA

On February 13, 2024, the OCERS Member Services team held a Zoom meeting for all Employers. Having laid out what the challenges are, and asking for employers' assistance, OCERS staff then laid out a series of upcoming Zoom meetings to better guide the Employers' technical staff in understanding the member data that is needed.

Since February, the Employer Payroll team has reached out to each individual Employer to provide documentation of their unique challenges, as well as to provide examples of items that need to be corrected in the short and long.

The examples of incorrect/incomplete transmittal data were provided specific to each Employer. Additionally, some were also provided copies of Transmittal Exception Reports, showing errors that need to be reviewed and corrected by the Employers, to help them work through the exceptions and hopefully reach a 'no-exception' pay period. We reminded Employers about, and asked for transmittal data to include all active employees, and introduced the concept of reporting all time off (e.g. 1/26th of Paid Time Off, Holiday Comp hours separate from overtime hours). While well received, the employers are not yet reporting in the manner we have requested. We've let them know that the Employer Payroll team stands ready to assist in any way we can. Besides engaging Employers at the Quarterly meetings, and answering requests by them, we will continue to proactively reach out to employers to offer assistance if we continue to see incomplete/incorrect transmittal data, with of course the ultimate goal of broader reporting that will likely eliminate the need for additional RPS staff.

The next quarterly informational meeting with the employers is scheduled for May 14. The focus now is on dealing directly with employers on needed data submissions, to determine what challenges they may have, allowing us to work collaboratively with them to achieve resolution.



# OCERS Activities and Update Report MARCH 2024

## UPDATES

### COMMUNICATIONS

Ms. Coburn reports:

The Communications Team recently shared a fun video across our social media channels, highlighting our Retirement Program Specialists engaging with members over the phone. The response online has been overwhelmingly positive, even catching the attention of other retirement systems.

One employee from Los Angeles expressed their admiration, saying, "Wish you guys were in LA too. Great team in OC!" In response, Ms. Coburn, Director of Communications, suggested that LA County or LA City employees could contact LACERA and LACERS for excellent resources and pension benefits. She emphasized our collective commitment to delivering exceptional service to all members.

LACERS acknowledged the video, congratulated #TeamOCERS, and reached out to Ms. Coburn for further connection. This highlighted OCERS's shared dedication to member satisfaction, which extends beyond its own system.



Scan the QR code below to watch the video and see the comments.





# OCERS Activities and Update Report

## MARCH 2024

### DIGITAL OUTREACH

Platform	Number of Subscribers
LinkedIn	766 (+25 since March 2024)
Twitter (X)	607
Instagram	150 (+5 March 2024)
Facebook	208

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

### OCERS WEBSITE



Top Pages Visited	Views
Homepage	18,126
Benefits Calculator	2,864
Board Committee Meetings	1,763
COLA and Star COLA	1,415
Active Member Information	1,081

For the period between March 1<sup>st</sup> and March 31<sup>st</sup>, the agency website had 49,174 views.

## INVESTMENTS

Ms. Walander-Sarkin reports:

As of January 31, 2024, the portfolio year-to-date is up 0.3% net of fees, while the one-year return is up 7.9%. The fund value now stands at \$22.4 billion. The OCERS Investments Team did not close on any new investments in February. A number of OCERS' Investments Team members did an onsite visit to CalSTRS to discuss portfolio leverage, internal trading, and AI during the month of February. Additionally, the OCERS Investments Team worked on preparing the items for the March Investment Committee Meeting during the month. Finally, OCERS posted the search for two new Investment Officer positions in February.



## OCERS Activities and Update Report

### MARCH 2024

#### MEMBER SERVICES

Mr. Ardeleanu reports:

The Customer Service team participated in several events during the month of March 2024. The various events were well attended, with members engaged and asking lots of relevant questions.

- 03.06.2024 – OCFA Firefighter Retiree Workshop – Aileen Daag and Kamron Nahavandi
- 03.13.2024 – OCTA Base Visit – Aileen Daag and Christine Guerrero
- 03.13.2024 – OCERS In-Person Pre Retirement Seminar – Kamron Nahavandi
- 03.14.2024 – OCEA Presentation – David Viramontes and Christine Guerrero
- 03.27.2024 – REAOC Luncheon – Christine Guerrero and Gema Garcia
- 03.27.2024 – OCERS Online Pre-Retirement Seminar – Christine Guerrero

#### SERVICE CREDIT PURCHASE UPDATE

Mr. Lamberson Reports:

The SCP team continues to make progress on the Service Credit Purchase/Buy-Back project. As you can see in the chart below, we have reduced our 2023 items as of the end of March to 140 transactions from 218 at the beginning of January. We will continue to work on clearing all 2023 requests while keeping our 2024 requests within our 120-day turnaround timelines.

OCERS SCP PROJECT REPORT				
Status	2023	2024		
	As of 12/31/23	Jan	Feb	Mar
New	0	88	46	62
In Queue	218	218	240	226
Processed	0	-66	-60	-67
Ending	218	240	226	221

AGING	
2023 Remaining at the end of March	140
2024 Remaining at the end of March	81
<b>Total</b>	<b>221</b>





# OCERS Activities and Update Report

## MARCH 2024

### HUMAN RESOURCES

Ms. Hockless reports:

In March, the HR Department hired two new team members: a Staff Assistant for the Disability Department and a Retirement Program Specialist for the Member Services Department.

Throughout the month, the HR Department diligently screened 33 applications and proctored one exam session for 49 candidates. We also conducted 28 Spark Hire interviews, 11 Zoom interviews, and 23 onsite interviews.

#### YEAR-TO-DATE OVERVIEW:

As of March 22, 2024, OCERS had a budgeted workforce of 132 positions. At that time, there were 111 employees on payroll, leaving 21 vacancies and resulting in a **vacancy rate of 15.91%**. March experienced two new separations, bringing the year-to-date total to seven and yielding a **turnover rate of 6.31%**.

#### OCERS YEAR IN REVIEW OUTREACH

This year's outreach began on March 18 with Ms. Shott and I meeting with the executive team of the Association of County Law Enforcement Managers (ACLEM). The meeting was well received, with many positive comments. The team ended the meeting by asking that OCERS provide speakers to an upcoming summer event, to help their members better understand their OCERS benefits.



As a reminder, you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the May 20, 2024 meeting of the OCERS Board of Retirement.



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Manuel D. Serpa, General Counsel  
**SUBJECT:** LEGISLATIVE UPDATE

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### Written Report

#### *State Legislative Update*

The California Legislature reconvened on January 3, 2024, for the second year of the 2023 – 24 Legislative Session. May 24<sup>th</sup> is the last day for each house to pass bills introduced in that house. The Legislature will adjourn for summer recess on July 3<sup>rd</sup>.

**New or updated information since the last report to the Board is indicated in bold text.**

#### **SACRS Sponsored Bills**

None to report.

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

##### **AB 817 (Pacheco, Wilson)**

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

Existing law authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency (emergency provisions) and, until January 1, 2026, in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met (nonemergency provisions). Existing law imposes different requirements for notice, agenda, and public participation, as prescribed, when a legislative body is using alternate teleconferencing provisions. The nonemergency provisions impose restrictions on remote participation by a member of the legislative body and require the legislative body to specific means by which the public may remotely hear and visually observe the meeting.

This bill, until January 1, 2026, would authorize a subsidiary body, defined as a legislative body that serves exclusively in an advisory capacity and that is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements, to use similar alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. In order to use teleconferencing pursuant to this act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter.

(STATUS: Introduced; Read first time on 02/13/23. Referred to Com. on L. GOV.; from committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV.; read second time and amended on 03/16/23. Re-referred to Com. on L. GOV. on 03/20/23. In committee: Hearing postponed by committee on 04/25/23. From committee: Amend, and do pass as amended on 01/16/24. Read second time and amended. Ordered returned to second reading on 01/17/24. Read second time. Ordered to third reading 01/18/24. Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 01/25/24.)

**AB 2284 (Grayson) – Amended in Assembly on 04/18/24**

PEPRA generally requires a public retirement system, as defined, to modify its plan or plans to comply with the act. PEPRA, among other things, establishes new defined benefit formulas and caps on pensionable compensation. The CERL authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to their employees. CERL generally vests management of each retirement system in a board of retirement. CERL defines “compensation earnable” by a member, for the purpose of calculating benefits, to mean the average compensation, as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and the same rate of pay, subject to certain exceptions. This bill would authorize a retirement system, to the extent it has not defined “grade” in the above-described circumstances, to define “grade” to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related **group or class, as specified.**

(STATUS: Introduced on 02/08/24. Referred to Com. On P.E. & R. on 02/26/24. **From committee: Amend, and do pass as amended on 04/17/24. Read second time and amended. Ordered returned to second reading on 04/18/24. Read second time. Ordered to third reading on 04/22/24.**)

**AB 2301 (Assembly Members Nguyen, Hoover, McCarty, and Flora, Senators Dodd, Niello, and Ashby) – Apples only to Sacramento Area Sewer District**

**The CERL authorizes a county to establish a retirement system, as specified, in order to provide pension benefits to county, city, and district employees. Under that law, all officers and employees of a district become members of the county’s retirement association on the first day of the calendar month after adoption, by specified vote thresholds, of a resolution by the governing body of the district providing for inclusion of the district in the retirement association and, if the county board of supervisors is not the governing body of the district, the board of retirement consents by majority vote.**

This bill would enact the Sacramento Area Sewer District Pension Protection Act of 2024, which, on and after the effective date of a resolution of the Board of Retirement of the Sacramento County Employees' Retirement Association consenting to membership by employees of the Sacramento Area Sewer District as described above, would provide that all employees of the county allocated exclusively to the successor entity, would be deemed to be employees of the sewer district and that all duties and obligations in the employment relationship would be assumed by the sewer district. The bill would specify that the sewer district is a "district" for purposes of the County Employees Retirement Law of 1937. The bill would provide that the sewer district would assume the rights, obligations, and status previously occupied by the County of Sacramento with regard to the portion of the county safety plan, which is that portion of the county's defined benefit plan attributed to retirement system members and beneficiaries of the Sacramento Area Sewer District, as specified, to the replacement benefits program, and to all benefit provisions, including optional benefits, within the County Employees Retirement Law of 1937 or the Public Employees' Pension Reform Act of 2013, as those rights exist at the time of the transfer of rights, duties, and obligations to the sewer district. The bill would state that its provisions are severable. This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Sacramento. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced on 02/12/24. Referred to Com. On P.E. & R. on 02/26/24. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 03/21/24. Re-referred to Com. on P.E. & R. on 04/01/24. From committee: Do pass. To Consent Calendar on 04/03/24. Read second time. Ordered to Consent Calendar on 04/04/24. From Consent Calendar by request of Assembly Member Essayli. To Third Reading on 04/11/24. Read third time. Urgency clause adopted. Passed. Ordered to the Senate on 04/15/24. In Senate. Read first time. To Com. on RLS. for assignment on 04/15/24.)

#### **AB 2474 (Lackey)**

The CERL authorizes counties and districts to establish retirement systems in order to provide pension benefits to their employees and their beneficiaries and prescribes the rights, benefits, and duties of members in this regard. CERL defines compensation and compensation earnable for purposes of its provisions. PEPRAs prescribed various limitations on public employees, employers, and retirement systems concerning, among other things, the types of remuneration that may be included in compensation that is applied to pensions. Under CERL, the board of retirement is required to comply with and give effect to a revocable written authorization signed by a retired member or beneficiary of a retired member, as described, authorizing the treasurer or other entity authorized by the board to deliver the monthly warrant, check, or electronic fund transfer for the retirement allowance or benefit to any specified bank, savings and loan institution, or credit union to be credited to the account of the retired member or survivor of a deceased retired member. This bill would also define "account of the retired member or survivor of a deceased retired member" to include an account held in a living trust or an income-only trust, as specified.

This bill, until January 1, 2028, would additionally authorize the board of retirement for the County of Los Angeles to have the monthly warrant, check, or electronic fund transfer for the retirement allowance or benefit be delivered to a prepaid account, as defined. Under CERL, any person entitled to the receipt of benefits may authorize the payment of the benefits to be directly deposited by electronic fund transfer into the person's account at the financial institution of the person's choice, as specified.

This bill, until January 1, 2028, would authorize the board of retirement for the County of Los Angeles to permit a person entitled to receive benefit payments to have them deposited into a prepaid account, as described. This bill would also require the retirement system for the County of Los Angeles, no later than November 30, 2027, to submit a report to specified legislative committees that includes certain information regarding the implementation of these provisions.

Under CERL, any person who has retired may be employed and paid in a position requiring special skills or knowledge for a period of time not to exceed 90 working days or 720 hours, whichever is greater, in any one fiscal year or any other 12-month period designated by the board of supervisors. That law authorizes a county to extend, as specified, that period of time, not to exceed 120 working days or 960 hours, whichever is greater, in any one fiscal year or any other 12-month period, as specified. That law also authorizes other specified retired members to be reemployed and paid in a position requiring special skills or knowledge for a period of time not to exceed 120 working days or 960 hours, whichever is greater, in any one fiscal year. Those laws authorize this employment without reinstatement into the system, termination or suspension of their retirement allowance, or deductions to their salary as contributions to the system.

Under PEPRA, a retired person is prohibited from serving, or being employed by, as specified, a public employer in the same public retirement system from which the retiree receives the benefit without reinstatement from retirement, unless an exception applies. Under PEPRA, one of those exceptions authorizes a retired person to serve without reinstatement if appointed by the appointing power of a public employer during an emergency to prevent stoppage of public business or because the retired person has skills needed to perform work of limited duration. That law limits those appointments to a total for all employers in that system of 960 hours or other equivalent limit, in a calendar or fiscal year, depending on the administrator of the system.

This bill would provide that a retired person's retirement allowance shall be considered an overpayment subject to collection to the extent it is payable during any period in which the retired person is employed and paid for that employment in excess of the periods described above. The bill would not preclude the retirement system from taking additional action to reinstate the person as a member of the system or terminate or suspend their retirement allowance.

(STATUS: Introduced on 02/13/24. Referred to Com. on P.E. & R. on 02/26/24. From committee: Amend, and do pass as amended. To Consent Calendar on 04/17/24. Read second time and amended. Ordered returned to second reading on 04/18/24. Read second time. Ordered to Consent Calendar on 04/22/24. Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 04/25/24.

#### **AB 2715 (Boener) – Amended in Assembly on 04/24/24**

The Ralph M. Brown Act, generally requires that all meetings of a legislative body of a local agency be open and public and that all persons be permitted to attend and participate. Existing law authorizes a legislative body to hold a closed session on, among other things, matters posing a threat to the security of essential public services, as specified. This bill would additionally authorize a **legislative body to hold a closed session with other law**

**enforcement or security personnel and to hold a closed session on a threat to critical infrastructure controls or critical infrastructure information, as defined, relating to cybersecurity.**

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

This bill would make legislative findings to that effect.

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

(STATUS: Introduced on 02/14/24. Referred to Com. on L. GOV. on 03/04/24. **In committee: Set, first hearing. Hearing canceled at the request of author on 04/09/24. From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended on 04/24/24. Re-referred to Com. on L. GOV. on 04/25/24.**)

#### **AB 3025 (Valencia)**

**PEPRA generally requires a public retirement system, as defined, to modify its plan or plans to comply with the act. PEPRA, among other things, establishes new defined benefit formulas and caps on pensionable compensation.**

**The CERL authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to their employees. CERL generally vests management of each retirement system in a board of retirement. CERL authorizes a board of retirement to correct errors in the calculation of a retired member's monthly allowances or other benefits under CERL in certain circumstances, including if the member caused their final compensation to be improperly increased or otherwise overstated at the time of retirement, and the system applied that overstated amount as the basis for calculating the member's monthly retirement allowance or benefits under CERL, subject to certain limitations.**

**The PERL also authorizes its board of administration to adjust retirement payments due to errors or omissions, including for cases in which the retirement systems that the benefits of a member or annuitant are, or would be, based on disallowed compensation that conflicts with PEPRA and other specified laws and is thus impermissible.**

**This bill would require a retirement system established under CERL, upon determining that the compensation reported for a member is disallowed compensation, to require the employer, as defined, to discontinue reporting the disallowed compensation. The bill would require, for an active member, the retirement system to credit all contributions made on the disallowed compensation against future contributions to the benefit of the employer that reported the disallowed compensation, and return any contribution paid by, or on behalf of, that member, to the member by the employer that reported the disallowed compensation, except in certain circumstances in which a system has already initiated a process, as defined, to recalculate**

compensation. The bill would require the system, for a retired member, survivor, or beneficiary whose final compensation was predicated upon the disallowed compensation, to credit the contributions made on the disallowed compensation against future contributions, to the benefit of the employer that reported the disallowed compensation, and to permanently adjust the benefit of the affected retired member, survivor, or beneficiary to reflect the exclusion of the disallowed compensation. The bill would establish other conditions required to be satisfied with respect to a retired member, survivor, or beneficiary when final compensation was predicated upon disallowed compensation, including, among others, requiring a specified payment to be made by the employer that reported contributions on the disallowed compensation to the retired member, survivor, or beneficiary, as appropriate. The bill would authorize a retirement system that has initiated a process prior to January 1, 2024, to permanently adjust the benefit of the affected retired member, survivor, or beneficiary to reflect the exclusion of the disallowed compensation to use that system in lieu of specified provisions that the bill would enact. The bill would also require certain information regarding the relevant retired member, survivor, or beneficiary needed for purposes of these provisions to be kept confidential by the recipient.

This bill would authorize an employer to submit to a retirement system for review a compensation item proposed to be included in an agreement, as specified, on and after January 1, 2025, that is intended to form the basis of a pension benefit calculation and would require the system to provide guidance on the matter. The bill would prescribe a process in this regard. The bill would specify that it does not affect or otherwise alter a party's right to appeal any determination regarding disallowed compensation made by the system after July 30, 2020.

**(STATUS: Introduced on 02/16/24. Referred to Com. on P.E. & R. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 03/18/24. Re-referred to Com. on P.E. & R. on 03/19/24.)**

#### **SB 1189 (Limon)**

The CERL authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to their employees. CERL authorizes the board of retirement to appoint a retirement administrator, chief financial officer, chief operations officer, chief investment officer, and general counsel. This bill would also authorize the board to appoint a chief technology officer.

**(STATUS: Introduced on 02/14/24. Referred to Com. on L., P.E. & R. on 02/21/24. From committee: Do pass. Ordered to consent calendar on 04/17/24. Read second time. Ordered to consent calendar on 04/18/24. Read third time. Passed. Ordered to the Assembly on 04/25/24. In Assembly. Read first time. Held at Desk on 04/25/24.)**

### **Other Bills of Interest**

#### **AB 2421 (Low)**

The Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, provisions relating to higher education, and provisions relating to the the San Francisco Bay Area Rapid Transit District, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of existing law further prohibit denying to employee organizations the rights guaranteed to them by

existing law. This bill would also prohibit a local public agency employer, a state employer, a public school employer, a higher education employer, or the district from questioning any employee or employee representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation.

(STATUS: Introduced on 02/13/24. Referred to Com. on P.E. & R. on 02/26/24. **From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 04/03/24. In committee: Set, first hearing. Referred to suspense file on 04/24/24.**)

**AB 2770 (Members McKinnor, Boerner, Hart, Stephanie Nguyen, and Luz Rivas) – Committee Bill**

Teachers' Retirement Law, establishes CalSTRS, and sets forth the provisions for its administration and the delivery of benefits to its members. Existing law authorizes a member to request to purchase additional service credit and to redeposit accumulated retirement contributions returned to the member, as provided. *Existing law specifies the basis for the contribution amount, depending on whether the member is or is not employed to perform creditable service subject to coverage by the Defined Benefit Program on the date of the request to purchase additional service credit. Existing law requires additional regular interest to be added to the contributions, as specified, if the member is not employed to perform creditable service subject to coverage by the Defined Benefit Program on the date of the request to purchase additional service credit.*

This bill would *revise that interest calculation. The bill would* require the member to sign and return the completed statement of contributions and interest required from CalSTRS to purchase service credit at a specific cost no later than 35 calendar days from the date of the offer. The bill would also require a member to sign and return the completed election to repay accumulated retirement contributions from CalSTRS to redeposit at a specific cost no later than 35 calendar days from the date of the offer.

Existing law authorizes members to request to redeposit all or a portion of specified contributions with regular interest from the date of refund to the date of payment. This bill would instead authorize members to request to redeposit all or a portion of specified contributions with regular interest from the date of refund to the date CalSTRS receives the request to redeposit. This bill would also make various technical changes.

The CERL, prescribes the rights, benefits, and duties of members of the retirement systems established pursuant to its provisions. Existing law provides that participants in certain membership categories may be entitled to special benefits if the injury that causes their disability arises in the course of their employment. Existing law creates a presumption, for purposes of qualification for disability retirement benefits for specified members, that certain injuries, including post-traumatic stress disorder, as defined, arose out of, or in the course of, the member's employment. Existing law authorizes the presumption relating to these injuries to be rebutted by evidence to the contrary, but unless controverted, the applicable governing board of a public retirement system is required to find in accordance with the presumption. Existing law repeals the provisions related to post-traumatic stress disorder on January 1, 2025.

This bill would instead repeal the provisions related to post-traumatic stress disorder on January 1, 2029. Existing law prescribes the procedures the retirement board must follow to pay a member their accumulated contributions, if the service of a member is discontinued other than by death or retirement, including requiring the board to send to the member, a registered or certified letter, return receipt requested, as specified. Existing law also requires the board to attempt to locate a person or estate entitled to payment of a member's accumulated contributions or any other benefit that fails to claim the payment or cannot be located through means that the board in its sound discretion deems reasonable including, but not limited to, a registered or certified letter, return receipt requested, as specified. This bill would remove the return receipt requirements.



The Judges' Retirement Law prescribes retirement benefits for judges, as defined, who were first elected or appointed to judicial office before November 9, 1994. Existing law establishes the Judges' Retirement System II, which provides retirement and other benefits to its members and is administered by CalPERS. Existing law requires a judge who leaves judicial office before accruing at least 5 years of service to be paid the amount of the judge's contributions to the system.

Under the Judges' Retirement System II, a judge is eligible to retire upon attaining both 65 years of age and 20 or more years of service, or upon attaining 70 years of age with a minimum of 5 years of service. Existing law, on and after January 1, 2024, and until January 1, 2029, additionally authorizes a judge who is 60 years of age and has 15 years or more of service or 65 years of age and has 10 years or more of service who is not eligible to retire pursuant to the provisions described above to elect to retire and defer receipt of a monthly allowance, subject to specified formulations. Existing law grants a judge who elects to retire under the provisions operative January 1, 2024, benefits and options given to a judge who elects to retire upon attaining both 65 years of age and 20 or more years of service, or upon attaining 70 years of age with a minimum of 5 years of service, including, among others, requiring the retirement allowance to be increased for the cost of living. Existing law also permits a member of the Judges' Retirement System II to select from various optional settlements for the purpose of structuring their retirement benefits. This bill would make various technical changes to these provisions of the Judges' Retirement Law.

(STATUS: Introduced on 02/15/24. Referred to Com. on L., P.E. & R. on 03/04/24. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 03/11/24. Re-referred to Com. On P.E. & R. on 03/12/24. **From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. Re-referred to Com. on APPR. on 04/03/24. From committee: Do pass. To Consent Calendar on 04/17/24. Read second time. Ordered to Consent Calendar on 04/18/24. Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment on 04/25/24.)**

**SB 962 (Padilla) Applies only to San Diego Unified Port District – Code Section Amended in Senate 04/18/24**

PEPRA generally requires a public retirement system, as defined, to modify its pension plan or plans to comply with the act and, among other things, requires a public employer that offers a defined benefit pension plan to provide specified retirement formulas for new members, as defined. PEPRA permits a public employer to adopt a new defined benefit formula, on or after January 1, 2013, that is not consistent with PEPRA, if that formula is determined and certified by the chief actuary and the board of that employer's retirement system to not have a greater risk or greater cost to the sponsoring employer than the defined benefit formula required by PEPRA, and the plan is approved by the Legislature. This bill would approve a specified defined benefit formula applicable to employees of the San Diego Unified Port District. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced; read first time on 01/30/24. Referred to Com. On L., P.E. & R. on 02/14/24. **From committee: Do pass as amended on 04/18/24. Read second time and amended. Ordered to third reading on 04/18/24.)**

**SB 1240 (Alvarado-Gill) – Applies only to El Dorado County Fire Protection District and Diamond Springs Fire Protection District.**

The PERL establishes CalPERS, which provides a defined benefit to members of the system based on final compensation, credited service, and age at retirement, subject to certain variations. PERL authorizes any public agency to make its employees members of CalPERS by contract. Under existing law, when a contracting agency is succeeded by another agency, the successor agency may become a contracting agency of PERS. Existing law provides that if the successor agency contracts with PERS, the contract of the former agency shall merge with

the contract of the succeeding agency. Existing law authorizes specified successor agencies to provide employees the defined benefit plan or formula that those employees received from their respective contracting agency employer prior to the consolidation.

This bill would authorize a successor agency for the El Dorado County Fire Protection District and the Diamond Springs Fire Protection District to provide employees the defined benefit plan or formula that those employees received from their respective employer prior to the annexation.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of El Dorado. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced on 02/15/24. Referred to Com. on L., P.E. & R. on 02/29/24. From committee with author's amendments. Read second time and amended. Re-referred to Com. on L., P.E. & R. on 03/21/24. **From committee: Do pass and re-refer to Com. on APPR with recommendation: To consent calendar. Re-referred to Com. on APPR. on 04/10/24. From committee: Be ordered to second reading pursuant to Senate Rule 28.8 and ordered to consent calendar on 04/22/24. Read second time. Ordered to consent calendar on 04/23/24. Read third time. Urgency clause adopted. Passed. Ordered to the Assembly. In Assembly. Read first time. Held at Desk on 04/25/24.**)

#### **SB 1499 (Glazer)**

The Personal Income Tax Law, in modified conformity with federal income tax laws, generally allows various deductions in computing the income that is subject to taxes imposed by that law, including a deduction for qualified retirement contributions. The Consolidated Appropriations Act, 2023, among other things, expanded the deduction for qualified retirement contributions by indexing catch-up limitations for persons 50 years of age or older to inflation, increasing catch-up limits for persons 60 to 63 years of age, inclusive, and increasing contribution limits for simple plans, as defined. This bill would conform state law to the above-referenced changes to federal law. Existing law requires any bill authorizing a new tax expenditure to contain, among other things, specific goals, purposes, and objectives that the tax expenditure will achieve, detailed performance indicators, and data collection requirements. The bill would also include additional information required for any bill authorizing a new tax expenditure. This bill would take effect immediately as a tax levy.

(STATUS: Introduced on 02/16/24. Referred to Com. on REV. & TAX. on 02/29/24. **From committee with author's amendments. Read second time and amended. Re-referred to Com. on REV. & TAX. on 04/03/24. From committee: Do pass and re-refer to Com. on APPR with recommendation: To consent calendar. Re-referred to Com. on APPR. on 04/10/24. Placed on APPR suspense file on 04/22/24.**)

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

#### **AB 1997 (McKinnor)**

Teachers' Retirement Law establishes the CalSTRS and creates the Defined Benefit Program of the State Teachers' Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, creditable service, and age at retirement, subject to certain variations. CalSTRS is administered by the Teachers' Retirement Board. Existing law requires employers and employees to make contributions to the system based on the member's creditable compensation. Existing law defines terms for the purposes of CalSTRS.

Existing law defines "annualized pay rate" to mean the salary or wages, as described, a person could earn during a school term for an assignment if creditable service were performed for that assignment on a full-time basis. Existing law establishes a pay rate when creditable service is not performed on a full-time basis because a member is performing activities pursuant to specified law.

This bill would redefine “annualized pay rate” to mean the salary, as described, a person could earn during a school term in a position subject to membership if creditable service were performed for that position on a full-time basis, to be determined pursuant to a publicly available pay schedule by a prescribed method. The bill, if no annualized pay rate exists for a position subject to membership, would deem all compensation earned in that position “supplemental pay,” as prescribed.

Existing law defines “compensation earnable” for these calculations to be the sum of the average annualized pay rate, determined as the quotient obtained when salary or wages, as described, paid in a school year is divided by the service credited for that school year and remuneration that is paid in addition to salary or wages for the school year, as prescribed.

This bill would revise the definition of “compensation earnable” to be the sum of the average annualized pay rate, determined as the quotient obtained when salary earned in a school year is divided by the service credited for that salary and special pay, as prescribed.

Existing law defines “creditable compensation” to mean cash payments from an employer to all persons in the same class of employees for performing creditable service in that position of salary or wages pursuant to contract and remuneration that is paid in addition to salary or wages, as prescribed. Existing law alternatively defines “creditable compensation” for members who are subject to PEPR, as prescribed.

This bill would repeal both of those provisions and redefine “creditable compensation” to mean cash remuneration that includes base pay and supplemental pay, as prescribed.

Existing law defines “creditable service” to mean specified activities relating to education performed for employers, including specified K-12 employers, community college employers, and charter school employers. This bill would redefine “creditable service” to mean service in a position subject to membership. The bill would for this purpose define “position subject to membership” to mean prescribed positions at various educational institutions. The bill would also include in that definition certain positions in which a member performed creditable service before the operative date of the added definition of “position subject to membership,” provided that the same member remains continuously employed to perform service in that position on and after that date.

Existing law establishes alternate definitions for “credited service” for members based on whether they are subject to PEPR. This bill would instead define “credited service” to mean service for which the required contributions have been paid and service for which required contributions would have been paid in absence of prescribed limits.

Existing law defines “service” to mean work performed for compensation in a position subject to coverage under the defined benefit program, except as otherwise specifically provided in existing law, providing the contributions on compensation for that work are not credited to a defined benefit supplement program. This bill would redefine “service” to mean work performed for compensation, except as otherwise specifically provided in existing law.

Existing law establishes a cap on the amount of compensation that is taken into account in computing benefits payable for a member who first joins the program on or after July 1, 1996. This bill would additionally specify a cap for a member subject to PEPR.

Existing law provides for the computation of service to be credited for service performed before July 1, 1972, or on or after July 1, 1972. This bill would provide for the computation of service to be credited for service performed on or after a date determined by the board as described below. This bill would require the board to determine a date when CalSTRS has the capacity to implement the above-described changes and to post the date on the STRS internet website no later than July 1, 2028. The bill would make those provisions with the changes operative on the date determined by the board, would make the existing provisions inoperative on that same date, and would repeal those existing provisions on July 1, 2028. The bill would provide that the changes are consistent with prescribed principles that support the integrity of the retirement fund. The bill would require the board to adopt regulations to the extent required in order to continue to administer the bill accordingly.

Existing law creates the Teachers' Retirement Fund, which is continuously appropriated for specified purposes, into which certain moneys are deposited, including employee contributions. By making the changes to creditable compensation that affect contributions to the fund, the bill would make an appropriation. (STATUS: Introduced; read first time on 01/30/24. May be heard in committee March 1. Referred to Com. on P.E. & R. on 02/12/24. From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 03/11/24. Re-referred to Com. on P.E. & R. on 03/12/24. **From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E. & R. Read second time and amended on 04/01/24. Re-referred to Com. on P.E. & R. on 04/02/24. From committee: Do pass and re-refer to Com. on APPR. Re-referred to Com. on APPR. on 04/03/24. In committee: Set, first hearing. Referred to suspense file on 04/17/24.)**

**SB 1379 (Dodd) – Applies only to Solano County – Amended in Senate 04/24/24.**

CalPERS provides pension and other benefits to members of the system and prescribes limitations on the service that retired members may perform, without the member reinstating in the system, for employers that participate in the system. PEPRAs also prescribes limitations on the activities of retired members of these retirement systems, which supersede the provisions of CalPERS with which they conflict. Under both CalPERS and PEPRAs, a retired member is generally subject to a limit of 960 hours of employment within a calendar or fiscal year, depending on the administrator of the system, for specified employers without reinstating in the system.

This bill would create an exception **from** the above-described limit for **hours worked by a retired person for the Solano County Sheriff's Department** to perform a function or functions regularly performed by a **deputy sheriff, evidence technician, or communications operator, subject to meeting certain requirements**. The bill would repeal these provisions on January 1, **2027**. This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Solano. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced on 02/16/24. Referred to Com. On L., P.E. & R. on 02/29/24. **April 10 set for first hearing canceled at the request of author. Set for hearing April 24. From committee: Do pass as amended and re-refer to Com. on APPR. on 04/24/24. Read second time and amended. Re-referred to Com. on APPR. on 04/25/24.)**

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

**None to report.**

Attachments:

2024 Tentative Legislative Calendar

**Submitted by:**



MDS-Approved

Manuel D. Serpa  
General Counsel

**2024 TENTATIVE LEGISLATIVE CALENDAR**

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK  
Revised 11/4/22

**DEADLINES**

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

- [Jan. 1](#) Statutes take effect (Art. IV, Sec. 8(c)).
- [Jan. 3](#) **Legislature Reconvenes** (J.R. 51(a)(4)).
- [Jan. 10](#) Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- [Jan. 12](#) Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the **odd-numbered year** (J.R. 61(b)(1)).
- [Jan. 15](#) Martin Luther King, Jr. Day.
- [Jan. 19](#) Last day for any committee to hear and report to the **floor** bills introduced in that house in the odd-numbered year (J.R. 61(b)(2)).  
  
Last day to **submit bill requests** to the Office of Legislative Counsel.
- [Jan. 31](#) Last day for each house to **pass bills introduced** in that house in the odd-numbered year (J.R. 61(b)(3), (Art. IV, Sec. 10(c)).

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

- [Feb. 16](#) Last day for bills to be **introduced** (J.R. 61(b)(4), (J.R. 54(a)).
- [Feb. 19](#) Presidents' Day.

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

- [Mar. 21](#) **Spring Recess** begins upon adjournment of this day's session (J.R. 51(b)(1)).
- [Mar. 29](#) Cesar Chavez Day observed.

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

- [Apr. 1](#) Legislature Reconvenes from **Spring Recess** (J.R. 51(b)(1)).
- [Apr. 26](#) Last day for **policy committees** to hear and report to **fiscal committees** **fiscal bills** introduced in their house (J.R. 61(b)(5)).

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

- [May 3](#) Last day for **policy committees** to hear and report to the floor **non-fiscal** bills introduced in their house (J.R. 61(b)(6)).
- [May 10](#) Last day for **policy committees** to meet prior to May 28 (J.R. 61(b)(7)).
- [May 17](#) Last day for **fiscal committees** to hear and report to the floor bills introduced in their house (J.R. 61(b)(8)).  
  
Last day for **fiscal committees** to meet prior to May 28 (J.R. 61(b)(9)).
- [May 20-24](#) **Floor Session only.** No committees, other than conference or Rules committees, may meet for any purpose (J.R. 61(b)(10)).
- [May 24](#) Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).
- [May 27](#) Memorial Day.
- [May 28](#) Committee meetings may resume (J.R. 61(b)(12)).

\*Holiday schedule subject to Senate Rules committee approval

**2024 TENTATIVE LEGISLATIVE CALENDAR**

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK  
Revised 11/4/22

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

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

**June 27** Last day for a legislative measure to qualify for the Nov. 5 General Election ballot (Elections Code Sec. 9040).

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

**July 3** Last day for **policy committees** to meet and report bills (J.R. 61(b)(13)).

**Summer Recess** begins upon adjournment provided Budget Bill has been passed (J.R. 51(b)(2)).

**July 4** Independence Day.

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

**Aug. 5** Legislature Reconvenes from **Summer Recess** (J.R. 51(b)(2)).

**Aug. 16** Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(14)).

**Aug. 19-31** **Floor Session only.** No committees, other than conference and Rules committees, may meet for any purpose (J.R. 61(b)(15)).

**Aug. 23** Last day to **amend** on the floor (J.R. 61(b)(16)).

**Aug. 31** Last day for **each house to pass bills.** (Art. IV, Sec. 10(c), (J.R. 61(b)(17)).

**Final Recess** begins upon adjournment (J.R. 51(b)(3)).

\*Holiday schedule subject to Senate Rules committee approval

**IMPORTANT DATES OCCURRING DURING FINAL STUDY RECESS**

**2024**

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

**Nov. 5** General Election

**Nov. 30** Adjournment *Sine Die* at midnight (Art. IV, Sec. 3(a)).

**Dec. 2** 12 Noon convening of the 2025-26 Regular Session (Art. IV, Sec. 3(a)).

**2025**

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



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Steve Delaney, Chief Executive Officer  
**SUBJECT:** **OCERS TRAVEL POLICY APPROVED CONFERENCES LIST**

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### Written Report

#### Background/Discussion

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

Attachment:

1. Annual Calendar with Travel Policy Section 10 conferences (dates boxed in red) and scheduled Board and Committee meeting dates
2. Legend and details for Travel Policy Section 10 conferences
3. Appendix of additional pre-approved conferences and Board education opportunities.

#### Submitted by:



**SD - Approved**

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Steve Delaney  
Chief Executive Officer



# 2024 Calendar

January							February							March							April						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6					1	2	3						1	2		1	2	3	4	5	6
7	8	9	10	11	12	13	4	5	6	7	8	9	10	3	4	5	6	7	8	9	7	8	9	10	11	12	13
14	15	16	17	18	19	20	11	12	13	14	15	16	17	10	11	12	13	14	15	16	14	15	16	17	18	19	20
21	22	23	24	25	26	27	18	19	20	21	22	23	24	17	18	19	20	21	22	23	21	22	23	24	25	26	27
28	29	30	31				25	26	27	28	29			24	25	26	27	28	29	30	28	29	30				
														31													

May							June							July							August						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4							1		1	2	3	4	5	6					1	2	3
5	6	7	8	9	10	11	2	3	4	5	6	7	8	7	8	9	10	11	12	13	4	5	6	7	8	9	10
12	13	14	15	16	17	18	9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17
19	20	21	22	23	24	25	16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24
26	27	28	29	30	31		23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30	31
							30																				

September							October							November							December						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7			1	2	3	4	5						1	2	1	2	3	4	5	6	7
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
29	30						27	28	29	30	31			24	25	26	27	28	29	30	29	30	31				

## Federal Holidays 2024

Jan 1	New Year's Day	May 27	Memorial Day	Sep 2	Labor Day	Nov 28	Thanksgiving Day
Jan 15	Martin Luther King Day			Sep 27	Native American Day	Dec 25	Christmas Day
Feb 19	Presidents' Day	Jul 4	Independence Day	Nov 11	Veterans Day		

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Federal Holidays	Audit Committee Meeting
Regular Board Meeting	Building Committee Meeting
Disability Committee Meeting	Governance Committee Meeting
Strategic Planning Workshop	Personnel Committee Meeting
Investment Committee Meeting	Informational Update Meeting

05-20-2024 Regular Board Meeting - R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

<b>Date Start</b>	<b>Date Ends</b>	<b>Conference Org</b>	<b>Conference Name</b>	<b>Location</b>	<b>Notes</b>
1/21/2024	1/22/2024	NCPERS	Pension Comm Summit	Washington DC	
1/22/2024	1/24/2024	NCPERS	Legislative Conference	Washington DC	
1/28/2024	1/30/2024	NAPO	Annual Pension and Benefits Seminar	Las Vegas, NV	
2/24/2024	2/26/2024	NASRA	Winter Meeting	Washington DC	
2/26/2024	2/27/2024	NIRS	Annual Conference	Washington DC	
3/2/2024	3/5/2024	CALAPRS	General Assembly	Rancho Mirage	
5/7/2024	5/10/2024	SACRS	Spring Conference	Santa Barbara, CA	
5/19/2024	5/22/2024	NCPERS	Annual Conference & Exhibition (ACE)	Seattle WA	
6/17/2024	6/19/2024	NCPERS	Chief Officers Summit	Nashville, TN	
7/14/2024	7/17/2024	NAPO	Annual Convention	Nashville, TN	
8/3/2024	8/7/2024	NASRA	Annual Conference	Pittsburgh, PA	
8/18/2024	8/20/2024	NCPERS	Public Pension Funding Forum	Boston, MA	
9/24/2024	9/26/2024	NCPERS	Public Pension HR Summit	Denver, CO	
10/27/2024	10/30/2024	NCPERS	Public Safety Conference	Palm Springs, CA	
11/3/2024	11/6/2024	CRCEA	Contra Costa (CCREA)	Contra Costa	
11/12/2024	11/15/2024	SACRS	Fall Conference	Monterey, CA	
N/A	N/A	NCPERS	FALL Conference	N/A	None in 2024

The following are upcoming conferences and Board education opportunities, pre-approved under the Travel Policy section 12 (highlighted in yellow) and section 14. Note that conferences pre-approved under section 14 AND require overnight accommodations are subject to the limit of three events per year.

### March 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
3/3/2024	3/6/2024	WithIntelligence	Women's Private Equity Summit	Phoenix, AZ	Section 14
3/4/2024	3/6/2024	CII	2024 Spring Conference: Governance as a Guidepost	Washington DC	Section 14
3/6/2024	3/7/2024	IFEBP	Investments Institute	Rancho Mirage	Section 14
3/6/2024	3/7/2024	Pacific Pension Inst (PPI)	2024 Winter Roundtable	Napa, CA	Section 14
3/6/2024	3/6/2024	Markets Group	8TH ANNUAL REAL ESTATE WEST FORUM	San Francisco, CA	Section 14
3/10/2024	3/12/2024	P&I	2024 Defined Contribution East Conference	Orlando, FL	Section 14
3/17/2024	3/19/2024	Opal	Real Estate Investment Summit 2024	West Palm Beach, FL	Section 14
3/17/2024	3/19/2024	Opal	ESG & Impact Investing Forum 2024	West Palm Beach, FL	Section 14
3/18/2024	3/20/2024	Markets Group	ALTSLA	Los Angeles, CA	Section 14
3/19/2024	3/21/2024	IREI	2024 Editorial Advisory Board Meeting – Real Assets Adviser	New Orleans	Section 14
3/21/2024	3/22/2024	PREA	2024 Spring Conference	Nashville, TN	Section 14
3/27/2024	3/29/2024	CALAPRS	Advanced Principals of Pension Governance for Trustees at UCLA	Los Angeles, CA	Section 12

### April 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
4/7/2024	4/8/2024	Opal	Data and AI Executive Summit 2024	Atlanta, GA	Section 14
4/7/2024	4/10/2024	Investment and Wealth Inst	Investment and Wealth Experience 2024	Las Vegas, NV	Section 14
4/8/2024	4/10/2024	IREI	2024 Spring Editorial Advisory Board Meeting – Institutional Real Estate Americas	Charleston, SC	Section 14
4/9/2024	4/10/2024	P&I	2024 Private Markets Conference	Chicago	Section 14
4/9/2024	4/10/2024	SuperReturn	SuperReturn US West	Los Angeles, CA	Section 14
4/15/2024	4/19/2024	Wharton	Investment Strategies and Portfolio Management	Philadelphia	Section 12
4/15/2024	4/17/2024	WithIntelligence	Pension Bridge The Annual 2024	Half Moon Bay, CA	Section 14
4/21/2024	4/24/2024	PRISM	2024 PRISM Conference	Austin, TX	Section 14

**May 2024**

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
5/7/2024	5/7/2024	Markets Group	8TH ANNUAL PACIFIC NORTHWEST INSTITUTIONAL FORUM	Seattle WA	Section 14
5/18/2024	5/19/2024	NCPERS	Trustee Educational Seminar (TEDS)	Seattle WA	Section 12
5/18/2024	5/19/2024	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 1&2	Seattle WA	Section 12
5/18/2024	5/19/2024	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 3&4	Seattle WA	Section 12
5/29/2024	5/29/2024	Institutional Investor	2024 Asia Single Family Office Roundtable	Singapore	Section 14

**June 2024**

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
6/4/2024	6/4/2024	Markets Group	3RD ANNUAL SOUTHERN CALIFORNIA INSTITUTIONAL FORUM	Los Angeles, CA	Section 14
6/5/2024	6/7/2024	IREI	2024 Visions, Insights & Perspective (VIP) Infrastructure	Washington DC	Section 14
6/11/2024	6/12/2024	P&I	2024 Sustainable Returns Conference	Chicago	Section 14
6/11/2024	6/13/2024	WithIntelligence	Women's Private Credit Summit	Chicago	Section 14
6/18/2024	6/18/2024	P&I	2024 Retirement Income Conference	Chicago	Section 14
6/22/2024	6/23/2024	IFEBP	Trustee Institute: Level 2	Las Vegas, NV	Section 14
6/24/2024	6/26/2024	IFEBP	Advanced Trustees and Administrators Institute	Las Vegas, NV	Section 14
6/24/2024	6/26/2024	IFEBP	Trustee Institute: Level 1 (New Trustees)	Las Vegas, NV	Section 14

**July 2024**

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
7/10/2024	7/12/2024	Pacific Pension Inst (PPI)	2024 SUMMER ROUNDTABLE	Amsterdam, Netherlands	Section 14
7/14/2024	7/17/2024	SACRS	SACRS/UC Berkeley	Berkeley, CA	Section 12
7/22/2024	7/24/2024	Opal	Public Funds Summit East 2024	Newport, RI	Section 14
7/22/2024	7/24/2024	WithIntelligence	Pension Bridge Private Equity Exclusive 2024	Chicago	Section 14

**August 2024**

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
8/26/2024	8/29/2024	CALAPRS	Principles of Pension Governance for Trustees at Pepperdine University	Malibu	Section 12

**September 2024**

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
9/9/2024	9/11/2024	CII	2024 Fall Conference: Brooklyn, NY	Brooklyn, NY	Section 14
9/9/2024	9/11/2024	IREI	2024 Fall Editorial Advisory Board Meeting – Institutional Real Estate Americas	Half Moon Bay, CA	Section 14
9/12/2024	9/12/2024	P&I	2024 Influential Women in Institutional Investing	Chicago	Section 14
9/24/2024	9/27/2024	CALAPRS	Administrators Institute	Carmel-By-The-Sea	Section 12

**October 2024**

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
10/14/2024	10/18/2024	Wharton	Investment Strategies and Portfolio Management	Philadelphia	Section 12
10/15/2024	10/16/2024	Markets Group	7TH ANNUAL PRIVATE EQUITY SAN FRANCISCO FORUM	San Francisco, CA	Section 14
10/16/2024	10/17/2024	WithIntelligence	Pension Bridge Alternatives 2024	NY, NY	Section 14
10/21/2024	10/23/2024	Global ARC	21st Annual Global ARC Boston	Boston, MA	Section 14
10/23/2024	10/25/2024	PREA	34th Annual Institutional Investor Conference	Washington DC	Section 14
10/23/2024	10/25/2024	Pacific Pension Inst (PPI)	2024 ASIA PACIFIC ROUNDTABLE	Hong Kong	Section 14
10/26/2024	10/27/2024	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 1&2	Palm Springs, CA	Section 12
10/26/2024	10/27/2024	NCPERS	NCPERS Accredited Fiduciary Program (NAF) Modules 3&4	Palm Springs, CA	Section 12
10/26/2024	10/27/2024	NCPERS	Program for Advanced Trustee Studies (PATS)	Palm Springs, CA	Section 12

**November 2024**

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
11/10/2024	11/13/2024	IFEBCP	70th Annual Employee Benefits Conference	San Diego, CA	Section 14
11/12/2024	11/12/2024	Inst Limited Partners Association	ILPA Summit 2024	TBD	Section 14

11/12/2024	11/12/2024	Markets Group	8TH ANNUAL PRIVATE WEALTH SOUTHERN CALIFORNIA FORUM	Los Angeles, CA	Section 14
11/20/2024	11/22/2024	IREI	2024 iREOC Annual Membership Meeting	Austin, TX	Section 14

## December 2024

Date Start	Date Ends	Conference Org	Conference Name	Location	Notes
12/4/2024	12/6/2024	Opal	CLO Summit 2024	Dana Point, CA	Section 14
12/4/2024	12/4/2024	Markets Group	11TH ANNUAL REAL ESTATE GLOBAL FORUM	NYC	Section 14
12/10/2024	12/11/2024	Markets Group	11TH ANNUAL NORTHERN CALIFORNIA INSTITUTIONAL FORUM	Napa, CA	Section 14

## Ad Hoc/No schedule available yet

Global Financial Markets Inst	Ad Hoc	Section 12
IFEBP	Public Employee Benefits Institute- <b>Not Yet Scheduled</b>	Section 14
Inst Shareholder Services Media Solutions	No Schedule Available Yet	Section 14



## Memorandum

**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Tracy Bowman, Director of Finance  
**SUBJECT:** **FIRST QUARTER 2024 BUDGET TO ACTUALS REPORT**

### Written Report

#### Highlights

First Quarter Target: 25% Used /75% Remaining

	Actuals to Date	Amended Budget	Amended Budget Remaining (\$)	Amended Budget Remaining (%)
<b>Administrative Expenses</b>				
Personnel Costs	\$ 6,421,541	\$ 26,100,690	\$ 19,679,149	75.4 %
Services and Supplies	2,865,045	17,126,568	14,261,523	83.3 %
Capital Expenditures	239,489	5,925,000	5,685,511	96.0 %
<b>Grand Total</b>	<b>\$ 9,526,075</b>	<b>\$ 49,152,258</b>	<b>\$ 39,626,183</b>	<b>80.6 %</b>

### Background/Discussion

The Board of Retirement approved OCERS’ Administrative Budget for Fiscal Year 2024 (FY24) on November 13, 2023, for \$48,293,043 to fund administrative expenses, excluding the addition of any new staff positions. Due to the number of positions being requested, the Personnel Committee directed staff to bifurcate the approval of the additional 2024 staff positions from the proposed FY24 Administrative Budget to allow further discussion of the 2024 Staffing Plan. Subsequently, on December 11, 2023, the Board of Retirement approved OCERS’ Revised Staffing Plan and Budget Amendment which increased the total FY24 administrative budget by \$859,215 from \$48,293,043 to \$49,152,258.

OCERS’ budgeting authority, which is regulated by California Government Code Sections 31580.2 and 31596.1, includes a provision that limits the OCERS’ budget for administrative expenses to twenty-one hundredths of one percent of the accrued actuarial liability of the retirement system. This provision (commonly referred to as the 21-basis points test) excludes investment related costs and expenditures for computer software, hardware, and related technology consulting services. The approved FY24 amended administrative budget represents 11.22 basis points of the projected actuarial accrued liability.

The Chief Executive Officer, or the Assistant CEO, has the authority to transfer funds within the three broad categories of the budget: 1) Personnel Costs, 2) Services and Supplies, and 3) Capital Expenditures. Funds may not be transferred from one broad category to another without approval from the Board of Retirement.

### Administrative Summary

For the three months ended March 31, 2024, year-to-date actual administrative expenses were \$9,526,075 or 19.4% of the \$49,152,258 amended administrative budget and below the 25% target set for the end of the first quarter amended budget by approximately \$2.8 million. A summary of all administrative expenses and explanations of significant variances are below:

	Actual to Date	Amended Budget	Amended Budget Remaining (\$)	Amended Budget Used (%)	Amended Prorated Budget*	(Over)/Under Amended Prorated Budget
<b>Administrative Expenses</b>						
<b>Personnel Costs</b>	\$ 6,421,541	\$ 26,100,690	\$ 19,679,149	24.6 %	\$ 6,525,182	\$ 103,641
Services and Supplies						
Building Property Management and Maintenance	295,100	1,150,000	854,900	25.7 %	287,500	(7,600)
Due Diligence Expenses	34,223	100,000	65,777	34.2 %	25,000	(9,223)
Equipment - Rent and Leases	10,368	50,000	39,632	20.7 %	12,500	2,132
Equipment and Software	194,043	1,297,100	1,103,057	15.0 %	324,275	130,232
Infrastructure	382,722	2,758,926	2,376,204	13.9 %	689,732	307,010
Legal Services	236,744	1,135,000	898,256	20.9 %	283,750	47,006
Meetings and Related Costs	14,175	74,300	60,125	19.1 %	18,575	4,400
Memberships	48,870	124,475	75,605	39.3 %	31,119	(17,751)
Office Supplies	13,862	126,500	112,638	11.0 %	31,626	17,764
Postage and Delivery Costs	26,085	151,300	125,215	17.2 %	37,825	11,740
Printing Cost	21,507	115,000	93,493	18.7 %	28,750	7,243
Professional Services	1,339,437	8,913,945	7,574,508	15.0 %	2,228,487	889,050
Subscriptions and Periodicals	12,852	53,050	40,198	24.2 %	13,262	410
Telephone and Internet	84,399	420,300	335,901	20.1 %	105,075	20,676
Training and Related Costs	150,658	656,672	506,014	22.9 %	164,168	13,510
<b>Total Services and Supplies</b>	<b>2,865,045</b>	<b>17,126,568</b>	<b>14,261,523</b>	<b>16.7 %</b>	<b>4,281,644</b>	<b>1,416,599</b>
<b>Administrative Expense - Subtotal</b>	<b>9,286,586</b>	<b>43,227,258</b>	<b>33,940,672</b>	<b>21.5 %</b>	<b>10,806,827</b>	<b>1,520,241</b>
<b>Capital Expenditures**</b>	<b>239,489</b>	<b>5,925,000</b>	<b>5,685,511</b>	<b>4.0 %</b>	<b>1,481,250</b>	<b>1,241,761</b>
<b>Grand Total</b>	<b>\$ 9,526,075</b>	<b>\$ 49,152,258</b>	<b>\$ 39,626,183</b>	<b>19.4 %</b>	<b>\$ 12,288,077</b>	<b>\$ 2,762,002</b>

\*Prorated budget represents 25% (3 months/12 months) of annual amended budget.

\*\*Capital expenditures represent purchase of assets to be amortized in future periods.

### Personnel Costs

Personnel Costs as of March 31, 2024, were approximately \$6.4 million or 24.6% of the annual amended budget for this category, under the prorated amended budget by \$103,641. Although these costs are slightly under budget, lump sum payments made during the first quarter are included in these costs. Once-a-year lump sum payments are typically paid in January. Additionally, incentive compensation awards for eligible investment team members were paid in accordance with the Incentive Compensation Program. The awards totalled approximately \$408,000 and were paid at the end of March. The amount paid represents the second installment of the award based on 2022 performance metrics and the first installment of the award based on 2023 performance metrics. Annual leave expense and liability accounts are adjusted each quarter based on the annual leave balances of OCERS' employees. Leave balances are slightly higher at the end of the quarter than at the beginning of the year which increases the personnel costs. Personnel costs are closely monitored and are expected to be within budget for the year.

### Services and Supplies

Expenditures for services and supplies were approximately \$2.9 million or 16.7% of the annual amended budget for this category. The variance of \$1,416,599 between the prorated amended budget and year-to-date actuals in



this category is primarily due to the following (note: budget differences that are under budget and less than \$5,000 have been deemed immaterial and are excluded from the discussion below):

- Building Property Management and Maintenance costs utilized 25.7% of the annual amended budget and were slightly higher than the prorated amended budget by \$7,600. The higher overall cost is primarily due to the timing of funding requests from OCERS property manager for operating expenses, such as the first installment of property taxes that were funded within the first quarter. Operating expenses also include maintenance costs that do not occur evenly and will fluctuate throughout the year. This category is expected to remain within budget.
- Due Diligence Expenses are at 34.2% of the annual amended budget and above the prorated amended budget by \$9,223. Most of the investment team travel is included in this category. Several members of the investment team incurred travel in the first quarter to investment conferences and meetings with investment managers in New York, Florida, and San Francisco. Although this category is currently over the prorated amended budget, it is expected to remain within budget for the year.
- Equipment and Software expense utilized 15.0% of the annual amended budget, lower than the prorated amended budget by \$130,232. This budget category includes funding for computers and related hardware which are purchased on an as-needed basis. Also included in this category is funding for a test automation solution and disability case management software that are planned projects for the year.
- Infrastructure costs are at 13.9% of the annual amended budget resulting in an unused prorated amended budget of \$307,010. The lower than budgeted costs are due to the timing of maintenance agreement renewals, which renew throughout the year, as well as various costs associated with software and hardware support services that are utilized on an as-needed basis. The maintenance of the pension administration system is also included in this category, which represents over a third of the budget of this category.
- Legal Services are at 20.9% of the amended budget and are lower than the prorated amended budget by \$47,006. Legal services for investments, litigation and tax counsel are utilized on an as-needed basis. Investment legal services are lower than the prorated amended budget by approximately \$50,000 during the first quarter. General board, tax counsel and outside counsel services, and other litigation costs are slightly over the prorated amended budget by approximately \$3,000 due to litigation costs. Total legal fees are not anticipated to exceed the budget for the year and will be monitored throughout the year.
- Memberships expense is at 39.3% of the annual amended budget and above the prorated amended budget by \$17,751. Several annual memberships renew in the first quarter of the year. This difference is expected to diminish as the year continues and remain within budget for this category.
- Office Supplies are at 11.0% of the amended budget and under the prorated amended budget by \$17,764. Office supplies are purchased on an as-needed basis. The office supply budget also includes the funding for furniture and ergonomic items. This category is expected to remain within budget for the year.
- Postage and Delivery Costs are at 17.2% of the annual amended budget and below the prorated amended budget by \$11,740. Postage costs include the mailing of the quarterly newsletters, regular postage and postage related to delivery services. Postage usage fluctuates based on current needs. This category will be monitored throughout the year.

- Printing Cost is at 18.7% of the annual amended budget and under the prorated amended budget by \$7,243. This category includes printing costs for the quarterly newsletters, annual comprehensive financial report and additional mailings as needed. During the first quarter, the only cost incurred was for the printing of the quarterly newsletter. This category is expected to be within budget for the year.
- Professional Services utilized 15.0% of the annual amended budget and are lower than the prorated amended budget by \$889,050. Consulting and professional services are used on an as-needed basis which results in costs fluctuating throughout the year. Some professional services budgeted for the year include pension administration project oversight and consulting, robotic process automation development and deployment, and the master repository project. This category is expected to be within budget for the year.
- Telephone and Internet expenditures were 20.1% of the annual amended budget, under the prorated amended budget by \$20,676. Telephone and internet services continue to increase due to the increase in team members and the increase in the number of OCERS issued phones. OCERS' security provisions only allow access to OCERS email with an authorized OCERS issued device. As of the end of the quarter, internet services are slightly over the prorated amended budget, while telephone services are under the prorated amended budget.
- Training and Related Costs are at 22.9% of the annual amended budget and lower than the prorated amended budget by \$13,510. Training costs continue to trend higher with the growth of the OCERS team. Board members and team members are attending more in-person conferences and virtual training is also being utilized. Many team members have taken the opportunity to attend the CALAPRS roundtable events for their functional areas, and several team members are attending the CALAPRS Management Academy in 2024. Several LOD (Learning and Organizational Development) training programs have begun in the first quarter including executive and director coaching, the Leadership Edge Program for OCERS mid-level leaders, and the ongoing efforts of OCERS' diversity, equity, and inclusion program.

### Capital Expenditures

Capital Expenditures of \$239,489 or 4.0% of the annual amended budget have been incurred during the first quarter, under the prorated amended budget by \$1,241,761. All these expenditures relate to the initial phase of the development of the headquarters building which includes program management and related legal services. The total amount budgeted for the year for the headquarter building is \$5.1 million. Other capital expenditures budgeted include \$475,000 for other building and property improvements, \$300,000 for building space planning, and \$50,000 for the data center server virtual replacement rolled over from the prior year.

### Conclusion:

As of the end of the first quarter, the Administrative amended budget based on actuals is at 19.4% of the annual amended budget. As actual administrative expenses are under the annual amended budget, OCERS complies with the 21-basis point test.

**Submitted by:**



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Tracy Bowman, Director of Finance  
Director of Finance



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Tracy Bowman, Director of Finance  
**SUBJECT:** **FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024**

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### Written Report

#### Background/Discussion

The attached financial statements reflect the unaudited financial activity for the three months ended March 31, 2024. These statements are unaudited and are not the official financial statements of OCERS. The following statements represent a review of the progress to date for the first quarter of 2024. The official financial statements of OCERS are included in the Annual Comprehensive Financial Report (ACFR), which will be available for the year ended December 31, 2023, on our website, [www.ocers.org](http://www.ocers.org), after the completion of the 2023 year-end audit in June 2024.

#### Summary

##### Statement of Fiduciary Net Position (Unaudited)

As of March 31, 2024, the net position restricted for pension, other postemployment benefits and employer is \$23.3 billion, an increase of \$2.4 billion, or 11.7%, from March 31, 2023. The change is a result of an increase in total assets of \$2.6 billion, offset by an increase in total liabilities of \$183 million as described below:

The \$2.6 billion increase in total assets can be attributed to increases of \$258.1 million in total cash and short-term investments, \$272.6 million in total receivables and \$2.1 billion in total investments at fair value, offset by a decrease of \$1.9 million in capital assets.

The increase of \$258.1 million in total cash and short-term investments consists of a \$227.3 million increase in cash and cash equivalents due to the timing of investing employee and employer contributions received during the quarter and a \$30.8 million increase in securities lending collateral driven by an increase in demand in the securities lending program for OCERS' U.S. corporate bond and equity positions.

The increase of \$272.6 million in total receivables consists of a \$229.1 million increase in security sales due to the timing of investment activity at the end of the quarter and contributions, which increased by \$41.8 million. The increase in contributions is attributed to the County of Orange opting to not participate in the FY 2023-2024 contribution prepayment program resulting in a higher accrual for contributions earned, but not yet received.

Total investments at fair value increased \$2.1 billion, or 10.1% from March 31, 2023 to March 31, 2024. The total portfolio reported a net return of 13% for the one-year period ending March 31, 2024, compared to a net loss of

-3% for the same one-year period ending March 31, 2023. The first quarter for 2024 continued to see a rally across global public markets which started in the fourth quarter of 2023 as inflation continued its path toward the Federal Reserve target without showing any meaningful economic deceleration, supporting the soft-landing scenario, with multiple interest rate cuts anticipated in 2024. Global public equity increased by \$1.7 billion, private equity increased by \$274.9 million, real assets increased by \$40.5 million, risk mitigation increased by \$196 million and unique strategies increased by \$91.2 million. These increases were offset by a decrease in income strategies of \$204.6 million. Global public equity saw the strongest performance coming from U.S. Large Cap Stocks and reported a one-year return of 24.5%, which exceeded the benchmark of 22.5%. Private equity managers continued to assess the higher interest rate environment and reported a one-year return of 5.1%, which marks an improvement from the previous quarter's one-year return of 2.5%. Income strategies reported a one-year return of 5.3% with future interest rate cuts acting as a possible factor that may lift this asset class in the short and medium term. The U.S. private debt strategies portfolio delivered a one-year return of 10.2%. Real assets reported a loss of -1.9% for the one-year period. The real estate portfolio has continued to post losses due to the higher interest rate environment posting losses of -10.2% compared to positive returns for its peers in energy and infrastructure of 9.1% and 6.9%, respectively. Risk mitigation, designed to protect the portfolio during down periods, reported a return of 8.4% for the one-year period mainly driven by a 23.8% return from the alternative risk premia sub-asset class. Unique strategies reported a one-year return of 3.5% with a strong contribution from a general partner stake investment.

The decrease in capital assets of \$1.9 million from the prior year represents depreciation expense, which is primarily attributed to the Pension Administration System Solution (PASS).

Total liabilities increased \$183 million, or 25.3%, from March 31, 2023 to March 31 2024, primarily due to securities purchased which increased \$196.1 million related to the timing of securities purchased, as well as retiree payroll payable, which increased \$84.9 million due to the timing of when the April 1 payroll was paid out in 2024 compared to 2023. April 1<sup>st</sup> fell on a Saturday in 2023 so retiree payroll was paid out on March 30 which led to a smaller liability in the prior year. In 2024, April 1<sup>st</sup> landed on a Monday. These increases were offset by a decrease of \$134.1 million in unearned contributions due to the County of Orange opting to not participate in the FY 2023-2024 contribution prepayment program, as mentioned earlier.

### **Statement of Changes in Fiduciary Net Position (Unaudited)**

The ending net position restricted for pension, other postemployment benefits and employer as of March 31, 2024, increased by \$2.4 billion or 11.7%, when compared to the same period ending March 31, 2023.

Total additions to fiduciary net position increased 33.4% or \$309.1 million from the previous year. Net investment income for the three months ended March 31, 2024, was \$962.2 million versus \$664.6 million for the three months ended March 31, 2023, an increase of \$297.6 million or 44.8%. The increase can be attributed to the net appreciation in fair value of investments, which increased \$187.2 million from the prior year, in addition to an increase in dividends, interest, and other investment income of \$110 million. The first quarter in 2024 reported a year-to-date net return of 4.7%, compared to a year-to-date net return of 3.3% for the first quarter in 2023. This can be attributed to stronger year-to-date returns in 2024 compared to year-to-date returns in 2023 across most investment categories, including global public equity and unique strategies. Private equity and risk mitigation

reported positive year-to-date returns in 2024 compared to negative year-to-date returns in 2023. These gains were offset by a negative return in real assets, which reported a year-to-date loss for the first quarter in 2024 of -1.4% in comparison to year-to-date return of 0.1% in 2023. Total investment fees and expenses decreased by \$747,000 in March 2024 primarily due to a \$9.3 million decrease in other fund expenses, which includes indirect flow-through investment expenses in limited partner structures. This decrease was offset by an increase in investment management fees of \$8.4 million. Security lending rebate fees increased \$840,000 due to increases in the “risk free rate,” such as the Federal Funds Target Range or Overnight Bank Funding Rate (OBFR), that are used to negotiate rebates to borrowers.

Total contributions increased \$11.4 million over the prior year due to employer contributions, which increased \$7.5 million, and employee contributions, which increased \$3.8 million. These increases can be attributed to increases in contribution rates.

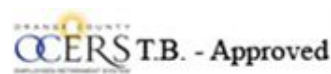
Total deductions from fiduciary net position increased 5.8%, or \$18.1 million, from the previous year. Participant benefits increased by \$16.8 million, which is expected due to the continued growth in member pension benefit payments, both in the total number of OCERS’ retired members receiving a pension benefit and an increase in the average benefit received. In March 2024, there were 21,093 payees with an average benefit payment of \$4,844 compared to 20,494 payees with an average benefit payment of \$4,673 in March 2023.

#### **Other Supporting Schedules**

In addition to the basic financial statements for the three months ended March 31, 2024, the following supporting schedules are provided for additional information pertaining to OCERS:

- Total Plan Reserves
- Schedule of Contributions
- Schedule of Investment Expenses
- Schedule of Administrative Expenses
- Administrative Expense Compared to Projected Actuarial Accrued Liability

#### **Submitted by:**




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Tracy Bowman  
Director of Finance



# Orange County Employees Retirement System

## Unaudited Financial Statements

For the Three Months Ended March 31, 2024

# Orange County Employees Retirement System

## Unaudited Financial Statements For the Three Months Ended March 31, 2024

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# Statement of Fiduciary Net Position (Unaudited)

As of March 31, 2024

(with summarized comparative amounts as of March 31, 2023)

(Dollars in Thousands)

	Pension Trust Fund	Health Care Fund- County	Health Care Fund- OCFA	Custodial Fund - OCTA	Total Funds	Comparative Totals 2023
<b>Assets</b>						
Cash and Short-Term Investments						
Cash and Cash Equivalents	\$ 432,145	\$ 9,136	\$ 1,541	\$ 474	\$ 443,296	\$ 216,029
Securities Lending Collateral	<u>261,790</u>	<u>5,535</u>	<u>934</u>	<u>-</u>	<u>268,259</u>	<u>237,418</u>
Total Cash and Short-Term Investments	693,935	14,671	2,475	474	711,555	453,447
Receivables						
Investment Income	22,166	469	79	-	22,714	21,547
Securities Sales	478,477	10,116	1,707	-	490,300	261,193
Contributions	60,045	-	-	-	60,045	18,244
Foreign Currency Forward Contracts	3	-	-	-	3	646
Other Receivables	<u>7,809</u>	<u>165</u>	<u>28</u>	<u>-</u>	<u>8,002</u>	<u>6,841</u>
Total Receivables	568,500	10,750	1,814	-	581,064	308,471
Investments at Fair Value						
Global Public Equity	10,863,723	229,679	38,751	14,477	11,146,630	9,451,250
Private Equity	3,538,072	74,801	12,620	-	3,625,493	3,350,607
Income Strategies	2,934,787	62,047	10,468	5,502	3,012,804	3,217,420
Real Assets	2,940,532	62,168	10,489	-	3,013,189	2,972,721
Risk Mitigation	1,857,914	39,280	6,627	-	1,903,821	1,707,818
Unique Strategies	<u>162,338</u>	<u>3,432</u>	<u>579</u>	<u>-</u>	<u>166,349</u>	<u>75,161</u>
Total Investments at Fair Value	22,297,366	471,407	79,534	19,979	22,868,286	20,774,977
Capital Assets, Net	<u>6,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,537</u>	<u>8,416</u>
<b>Total Assets</b>	<b><u>23,566,338</u></b>	<b><u>496,828</u></b>	<b><u>83,823</u></b>	<b><u>20,453</u></b>	<b><u>24,167,442</u></b>	<b><u>21,545,311</u></b>
<b>Liabilities</b>						
Obligations Under Securities Lending Program	261,790	5,535	934	-	268,259	237,419
Securities Purchased	392,543	8,299	1,400	-	402,242	206,161
Unearned Contributions	99,078	-	-	-	99,078	233,196
Foreign Currency Forward Contracts	730	15	3	-	748	1,503
Retiree Payroll Payable	99,866	5,142	690	-	105,698	20,800
Other	<u>28,704</u>	<u>607</u>	<u>102</u>	<u>-</u>	<u>29,413</u>	<u>23,316</u>
Total Liabilities	<u>882,711</u>	<u>19,598</u>	<u>3,129</u>	<u>-</u>	<u>905,438</u>	<u>722,395</u>
<b>Net Position Restricted for Pension, Other Postemployment Benefits and Employer</b>	<b><u>\$22,683,627</u></b>	<b><u>\$ 477,230</u></b>	<b><u>\$ 80,694</u></b>	<b><u>\$ 20,453</u></b>	<b><u>\$23,262,004</u></b>	<b><u>\$20,822,916</u></b>

# Statement of Changes in Fiduciary Net Position (Unaudited)

For the Three Months Ended March 31, 2024

(with summarized comparative amounts for the Three Months Ended March 31, 2023)

(Dollars in Thousands)

	Pension Trust Fund	Health Care Fund- County	Health Care Fund- OCFA	Custodial Fund - OCTA	Total Funds	Comparative Totals 2023
<b>Additions</b>						
Contributions						
Employer	\$ 197,303	\$ -	\$ 1,633	\$ -	\$ 198,936	\$ 191,395
Employee	72,693	-	-	-	72,693	68,872
Employer OPEB Contributions	-	-	-	259	259	180
Total Contributions	269,996	-	1,633	259	271,888	260,447
Investment Income						
Net Appreciation in Fair Value of Investments	850,970	19,518	3,241	1,143	874,872	687,682
Dividends, Interest, & Other Investment Income	126,383	2,672	451	7	129,513	19,845
Securities Lending Income						
Gross Earnings	3,348	71	12	-	3,431	2,574
Less: Borrower Rebates and Bank Charges	(3,113)	(66)	(11)	-	(3,190)	(2,355)
Net Securities Lending Income	235	5	1	-	241	219
Total Investment Income	977,588	22,195	3,693	1,150	1,004,626	707,746
Investment Fees and Expenses	(41,409)	(875)	(148)	-	(42,432)	(43,179)
Net Investment Income	936,179	21,320	3,545	1,150	962,194	664,567
<b>Total Additions</b>	<b>1,206,175</b>	<b>21,320</b>	<b>5,178</b>	<b>1,409</b>	<b>1,234,082</b>	<b>925,014</b>
<b>Deductions</b>						
Participant Benefits	306,921	8,921	1,858	-	317,700	300,858
Death Benefits	693	-	-	-	693	131
Member Withdrawals and Refunds	4,891	-	-	-	4,891	4,444
Employer OPEB Payments	-	-	-	414	414	370
Administrative Expenses	7,472	7	5	6	7,490	7,262
<b>Total Deductions</b>	<b>319,977</b>	<b>8,928</b>	<b>1,863</b>	<b>420</b>	<b>331,188</b>	<b>313,065</b>
Net Increase	886,198	12,392	3,315	989	902,894	611,949
Net Position Restricted For Pension, Other Postemployment Benefits and Employer, Beginning of Year	21,797,429	464,838	77,379	19,464	22,359,110	20,210,967
<b>Ending Net Position Restricted For Pension, Other Postemployment Benefits and Employer</b>	<b>\$ 22,683,627</b>	<b>\$ 477,230</b>	<b>\$ 80,694</b>	<b>\$ 20,453</b>	<b>\$ 23,262,004</b>	<b>\$ 20,822,916</b>

# Total Plan Reserves

For the Three Months Ended March 31, 2024

(with summarized comparative amounts for the Three Months Ended March 31, 2023)

(Dollars in Thousands)

	2024	2023
Pension Reserve	\$ 12,864,211	\$ 11,709,335
Employee Contribution Reserve	3,917,908	3,787,609
Employer Contribution Reserve	3,414,642	3,632,324
Annuity Reserve	2,909,449	2,644,789
Health Care Reserve	557,924	514,378
Custodial Fund Reserve	20,453	18,084
County Investment Account (POB Proceeds) Reserve	150,317	142,958
OCSD UAAL Deferred Reserve	16,025	14,398
Contra Account and Actuarial Deferred Return	(588,925)	(1,640,959)
<b>Total Net Position Restricted for Pension, Other Postemployment Benefits and Employer</b>	<b><u>\$ 23,262,004</u></b>	<b><u>\$ 20,822,916</u></b>

# Schedule of Contributions

For the Three Months Ended March 31, 2024

(with summarized comparative amounts for the Three Months Ended March 31, 2023)

(Dollars in Thousands)

	2024		2023	
	Employee	Employer	Employee	Employer
<b>Pension Trust Fund Contributions</b>				
County of Orange	\$ 53,950	\$ 152,744	\$ 51,418	\$ 148,787
Orange County Fire Authority	8,148	20,654 <sup>1</sup>	7,748	21,985 <sup>1</sup>
Orange County Superior Court of California	4,310	11,506	3,827	11,267
Orange County Transportation Authority	3,083	8,195	2,858	8,427
Orange County Sanitation District	2,228	2,327	2,150	2,221
Orange County Employees Retirement System	395	1,269	346	1,150
UCI - Medical Center and Campus	-	717 <sup>2</sup>	-	770 <sup>2</sup>
City of San Juan Capistrano	162	554	151	575
Transportation Corridor Agencies	218	246	188	216
Orange County Department of Education	-	54 <sup>2</sup>	-	79 <sup>2</sup>
Orange County Cemetery District	50	65	48	72
Orange County Local Agency Formation Commission	14	54	14	61
Orange County In-Home Supportive Services Public Authority	44	52	38	50
Children and Families Commission of Orange County	47	63	44	68
Orange County Public Law Library	44	32	42	32
Contributions Before Prepaid Discount	72,693	198,532	68,872	195,760
Prepaid Employer Contributions Discount	-	(1,229)	-	(9,440)
<b>Total Pension Trust Fund Contributions</b>	<b>72,693</b>	<b>197,303</b>	<b>68,872</b>	<b>186,320</b>
<b>Health Care Fund - OCFA Contributions</b>	<b>-</b>	<b>1,633</b>	<b>-</b>	<b>5,075</b>
<b>Custodial Fund - OCTA OPEB Contributions</b>	<b>-</b>	<b>259</b>	<b>-</b>	<b>180</b>
<b>Total Contributions</b>	<b>\$ 72,693</b>	<b>\$ 199,195</b>	<b>\$ 68,872</b>	<b>\$ 191,575</b>

<sup>1</sup> Unfunded actuarial accrued liability payments were made in 2024 for \$3.5 million and 2023 for \$3.5 million by the Orange County Fire Authority.

<sup>2</sup> Unfunded actuarial accrued liability payments have been made in accordance with a separate 20-year level dollar payment schedule to include liabilities for employee benefits related to past service credit.

# Schedule of Investment Expenses

For the Three Months Ended March 31, 2024

(with summarized comparative amounts for the Three Months Ended March 31, 2023)

(Dollars in Thousands)

	2024	2023
<b>Investment Management Fees*</b>		
Global Public Equity	\$ 3,260	\$ 2,936
Income Strategies	3,616	3,017
Real Assets	13,267	9,352
Private Equity	13,474	11,316
Risk Mitigation	2,585	2,082
Unique Strategies	1,139	258
Short-Term Investments	33	43
<b>Total Investment Management Fees</b>	<b>37,374</b>	<b>29,004</b>
<b>Other Fund Expenses<sup>1</sup></b>	<b>2,613</b>	<b>11,872</b>
<b>Other Investment Expenses</b>		
Consulting/Research Fees	575	547
Investment Department Expenses	1,635	1,469
Legal Services	76	137
Custodian Services	145	145
Investment Service Providers	14	5
<b>Total Other Investment Expenses</b>	<b>2,445</b>	<b>2,303</b>
<b>Security Lending Activity</b>		
Security Lending Fees	51	56
Rebate Fees	3,139	2,299
<b>Total Security Lending Activity</b>	<b>3,190</b>	<b>2,355</b>
<b>Total Investment Expenses</b>	<b>\$ 45,622</b>	<b>\$ 45,534</b>

\* Does not include undisclosed fees deducted at source.

<sup>1</sup> These costs include, but are not limited to, foreign income tax and other indirect flow-through investment expenses such as organizational expenses in limited partnership structures.

# Schedule of Administrative Expenses

For the Three Months Ended March 31, 2024

(with summarized comparative amounts for the Three Months Ended March 31, 2023)

(Dollars in Thousands)

	2024	2023
<b>Pension Trust Fund Administrative Expenses</b>		
Expenses Subject to the Statutory Limit		
Personnel Services		
Employee Salaries and Benefits	\$ 4,991	\$ 4,455
Board Members' Allowance	2	2
Total Personnel Services	<u>4,993</u>	<u>4,457</u>
Office Operating Expenses		
Depreciation/Amortization	630	672
Professional Services	623	712
General Office and Administrative Expenses	725	658
Rent/Leased Real Property	<u>306</u>	<u>268</u>
Total Office Operating Expenses	<u>2,284</u>	<u>2,310</u>
Total Expenses Subject to the Statutory Limit	<u>7,277</u>	<u>6,767</u>
Expenses Not Subject to the Statutory Limit		
Information Technology Professional Services	127	122
Information Security Professional Services	21	33
Finance Software Professional Services	1	5
Actuarial Fees <sup>1</sup>	(5)	95
Equipment/Software	<u>51</u>	<u>224</u>
Total Expenses Not Subject to the Statutory Limit	<u>195</u>	<u>479</u>
<b>Total Pension Trust Fund Administrative Expenses</b>	<b>7,472</b>	<b>7,246</b>
<b>Health Care Fund - County Administrative Expenses</b>	<b>7</b>	<b>6</b>
<b>Health Care Fund - OCFA Administrative Expenses</b>	<b>5</b>	<b>4</b>
<b>Custodial Fund - OCTA Administrative Expenses</b>	<u><b>6</b></u>	<u><b>6</b></u>
<b>Total Administrative Expenses</b>	<u><u><b>\$ 7,490</b></u></u>	<u><u><b>\$ 7,262</b></u></u>

<sup>1</sup> The \$5,000 credit in 2024 is related to actuarial fees reimbursed by an employer for an employer specific project.

# Administrative Expense Compared to Projected Actuarial Accrued Liability

For the Three Months Ended March 31, 2024

(Dollars in Thousands)

Projected Actuarial Accrued Liability (AAL) as of 12/31/23	\$ 26,477,040
Maximum Allowed for Administrative Expense (AAL * 0.21%)	55,602
Actual Administrative Expense <sup>1</sup>	<u>7,277</u>
<b>Excess of Allowed Over Actual Expense</b>	<b><u>\$ 48,314</u></b>
Actual Administrative Expense for the three months ended 3/31/24 as a Percentage of Projected Actuarial Accrued Liability as of 12/31/23	0.03%
Actual Administrative Expense for the three months ended 3/31/23 as a Percentage of Projected Actuarial Accrued Liability as of 12/31/22	0.03%
<sup>1</sup> Administrative Expense Reconciliation	
Administrative Expense per Statement of Changes in Fiduciary Net Position	\$ 7,472
Less: Administrative Expense Not Considered per CERL Section 31596.1	<u>(195)</u>
<b>Administrative Expense Allowable Under CERL Section 31580.2</b>	<b><u>\$ 7,277</u></b>



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Cynthia Hockless, Director of Human Resources  
**SUBJECT:** **UPDATE BOARD ELECTIONS: SAFETY MEMBER, ALTERNATE SAFETY MEMBER AND GENERAL MEMBER**

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### Written Report

#### Background

OCERS is currently conducting elections for the Safety Member, Alternate Safety Member and General Member positions on the Board of Retirement. To facilitate this, OCERS has requested two separate elections to be held simultaneously.

The Registrar of Voters has provided OCERS with an election schedule, and OCERS has notified eligible members about the Board of Retirement election set for June 18, 2024, via U.S. mail.

Two qualified Safety Members have submitted their nomination paperwork:

- **JEREMY VALLONE, incumbent Alternate Safety Member**
- **RICHARD OATES, incumbent Safety Member**

The mailing of ballots for the Safety Election will occur the week of May 13, 2024.

Following the close of business on Wednesday, April 17, 2024, the nomination period for the General Member election ended. **Iriss Barriga, a Senior Child Support Specialist**, submitted one completed and qualified petition for candidacy in the General Member election. According to the Election Procedures outlined by the Orange County Employees Retirement System:

***If there is only one qualified candidate for an office, no ballot will be printed, and no election will be held. The Registrar will notify the CEO and then prepare an Agenda Item Transmittal for the Orange County Board of Supervisors, and the Board of Supervisors will declare that candidate to be appointed to the Board for the term specified.***

The Registrar of Voters is scheduled to recommend that the Board of Supervisors approve the appointment of Iriss Barriga, Senior Child Support Specialist, as General Member at their July 23, 2024, Board meeting.



**Attachments:**

1. Registrar of Voters Safety Calendar

**Submitted by:**







Cynthia Hockless  
Director of Human Resources

The election schedule is as follows:

**1 SAFETY MEMBER AND 1 ALTERNATE MEMBER**

- |                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 1<br>and<br>March 15<br>(E-109 and<br>E-95) | The Orange County Retirement office shall notify the Safety Members of the Retirement System that an election will be conducted on June 18, 2024. The notice shall include the filing period, qualifications and requirements to be a candidate for Safety Member and Alternate Member of the Orange County Retirement Board of Directors and shall be provided with the payrolls on March 1, 2024, and March 15, 2024. |
| March 11<br>(E-99)                                | The Retirement Office shall provide the number of eligible Safety Members to the Registrar of Voters' Office.                                                                                                                                                                                                                                                                                                           |
| March 11<br>(E-99)                                | The Retirement Office shall provide the Registrar of Voters' Office with Willingness to Serve forms.                                                                                                                                                                                                                                                                                                                    |
| March 18<br>(E-92)                                | First day the Nomination Petition is available for pick up from the Registrar of Voters' Office. A Safety Member requires 75 nomination signatures.                                                                                                                                                                                                                                                                     |
| April 17<br>(E-62)                                | Last day to file the Nomination Petition, Willingness to Serve Form, and Biographical Statement with the Registrar of Voters' office by 5:00 p.m.                                                                                                                                                                                                                                                                       |
| April 18<br>(E-61)                                | Random draw will be held to determine the candidate placement on the ballot.                                                                                                                                                                                                                                                                                                                                            |
| April 29<br>(E-50)                                | Retirement Office shall provide the Registrar of Voters with names and addresses of eligible Safety Members in an electronic format.                                                                                                                                                                                                                                                                                    |
| May 13<br>(E-36)                                  | Mailing of ballots begins.                                                                                                                                                                                                                                                                                                                                                                                              |
| June 18<br>(E-0)                                  | Tally voted ballots at the Registrar of Voters' Office.                                                                                                                                                                                                                                                                                                                                                                 |
| June 25<br>(E+7)                                  | Deadline to receive mailed ballots. Ballots that are mailed must be postmarked on or before election day and received by the Registrar of Voters no later than seven (7) calendar days after Election Day.                                                                                                                                                                                                              |
| July 1<br>(E+13)                                  | Term begins for Safety Member and Alternate Member. Term expires on June 30, 2027.                                                                                                                                                                                                                                                                                                                                      |

Stay informed with the most recent developments! Visit [www.OCERS.org](http://www.OCERS.org)  
Connect with us on social media:     @myOCERS



## Memorandum

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**DATE:** May 20, 2024  
**TO:** Members of the Board of Retirement  
**FROM:** Cynthia Hockless, Director of Human Resources  
**SUBJECT:** **OUTCOMES FROM THE PERSONNEL COMMITTEE MEETING ON APRIL 23, 2024**

---

### Written Report

#### Background/Discussion

At the April 23, 2024, Personnel Committee Meeting the following items were discussed:

#### **PROPOSED 2024 PERSONNEL COMMITTEE MEETING SCHEDULE**

The Committee provided direction for alternative modifications to the Proposed 2024 Personnel Committee Meeting Schedule. Due to scheduling conflicts, the Committee recommended that the July 31, 2024, Personnel Committee Meeting be rescheduled for August 2, 2024.

#### **UPDATE ON OCERS CLASSIFICATION AND COMPENSATION STUDY**

Maggie Williams-Dalgart from Gallagher (formerly known as Koff & Associates) provided an update on the OCERS Classification and Compensation study. The primary objective of the study is to align OCERS Non-Direct (County) positions under a cohesive compensation system and philosophy. The Committee was tasked with reviewing and approving a list of recommended agencies to be used as the comparable group for the Compensation Phase of the study. The Committee recommended removing the San Francisco Employees Retirement System (SFERS) as a comparable group and approved the remaining comparable groups as presented.

We are now focused on pinpointing a labor market and formulating a compensation structure along with salary recommendations. Gallagher is currently conducting thorough salary surveys and gathering market data for these purposes. Gallagher expects to present their final report by June of this year. As significant milestones are achieved, we will ensure to discuss them with the Personnel Committee and subsequently with the County of Orange Human Resources Department and the Orange County Employees Association (OCEA). Upon approval from all parties involved, and subject to the approval of the county-level employees, we will initiate the legislative process required to transition all employees under OCERS.

#### **UPDATE ON OUTREACH REGARDING EMPLOYER DATA**

The Committee received an update regarding the employer data outreach efforts.

#### **UPDATE ON REMAINING POSITION - MANAGER**

The Committee received an update on the remaining manager position, which will be discussed at a future Personnel Committee Meeting.

The next Personnel Committee Meeting is scheduled for June 21, 2024.

**Attachments**

1. Memo from Maggie Williams-Dalgart, Gallagher Consultant
2. Presentation from Maggie Williams-Dalgart, Gallagher Consultant

**Submitted by:**



**CH - Approved**

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Cynthia Hockless

Director of Human Resources



To: Cynthia Hockless, Director of Human Resources  
Orange County Employees Retirement System

From: Maggie Williams-Dalgart, Project Manager

Subject: Recommended Comparator Agencies for 2024 Salary Survey

Date: April 17, 2024

---

In 2023 the Orange County Employees Retirement System (OCERS) contracted with Gallagher (formerly Koff & Associates) to conduct a classification and compensation study of OCERS' positions that are allocated the County of Orange. The classification portion of the study is near conclusion and the project is moving into the compensation study phase, which includes Gallagher conducting the market survey. Prior to initiating the survey, the comparison agencies that will be included in the market survey need to be identified. In determining an appropriate labor market, it is recommended that characteristics about other agencies be examined to assess comparability to OCERS; the following are key characteristics used in making that examination:

*Organizational Type, Structure, Size, and Staffing:* Gallagher generally recommends that agencies of a similar type, size (in terms of staffing) and structure, and which provide similar services as OCERS, be used as comparators. This is an important factor, as when comparing jobs it is ideal to compare against organizations who provide the same type of services, as they are more likely to have a similar organizational structure and comparable job classifications.

*Geographic Location/Labor Market:* Today's labor market reality is that many agencies are in competition for the same pool of qualified employees because large portions of the workforce don't live in the communities they serve, are accustomed to lengthy commutes, and are more likely to consider changing jobs in a larger geographic area than in the past. Therefore, the geographic labor market area where OCERS may be recruiting from or losing employees to, is taken into consideration when selecting comparator organizations.

In addition to examining the characteristic discussed above, when developing a labor market for conducting surveys it is also important to consider other factors, such as whether OCERS has used certain agencies for past surveys, whether there are other organizations that OCERS often recruits candidates from or loses candidates to, and other historical or operational considerations. Following discussions with OCERS management staff, it is our firm's understating that OCERS has an identified labor market it has used in the past for its management classifications (non-County of Orange positions). Though OCERS has two separate employee groups (County and non-County employees), as an organization striving to create a single umbrella, it is important to remain consistent in developing a labor market, such that there is a similar labor market organization-wide. This approach provides for equity across the organization in applying the market values.

Following analysis of the characteristics discussed above, as well in consideration of OCERS past practices with labor market surveying, the following agencies are recommended as the labor market for the upcoming salary survey. While the majority of agencies are other retirement systems, also included are several local



Insurance | Risk Management | Consulting

Orange County Employees Retirement System  
Salary Survey Comparators  
Page 2

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municipalities and the County of Orange. This mix of organizations provides a broad representation of retirement system organizations, the regional labor market (Los Angeles, San Bernardino, and San Diego counties), as well as the local labor market (Orange County).

Proposed comparator agencies for the 2024 salary survey:

1. California Public Employees Retirement System (CalPERS)
2. California State Teachers Retirement System (CalSTRS)
3. County of Orange
4. City of Orange
5. City of Santa Ana
6. Los Angeles City Employees Retirement System (LACERS)
7. Los Angeles County Employees Retirement Association (LACERA)
8. Los Angeles Fire and Police Pensions (LAFPP)
9. San Bernardino County Employees Retirement Association (SBCERA)
10. San Diego City Employee Retirement System (SDCERS)
11. San Diego County Retirement Association (SDCERA)
12. San Francisco Employees Retirement System (SFERS)

We appreciate the opportunity to conduct this review on behalf of OCERS. Please let us know if we can answer any questions.



**Classification & Compensation Study  
Project Update**

**April 23, 2024**



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## What is a Classification and Compensation Study?

- **“Class” Study:** The neutral process by which the responsibilities, duties, knowledge, skills, and abilities of individual positions are researched, analyzed, and documented to develop a classification system and structure which encompasses the organization’s jobs.
- **“Comp” Study:** The neutral process of examining the work of individual classifications relative to the labor market and to other classifications within the organization, to develop salary recommendations based on external competitiveness and internal equity principles.





## Classification & Compensation Study Objectives

- Review Job Classifications for OCERS Non-Direct (County) positions to determine appropriate classification and compensation system that is more aligned with other retirement systems
- Integrate County positions into one comprehensive compensation system and philosophy
- Enhance recruitment processes and career pathing
- Ensure equitable and competitive compensation system



## **Classification Study:**

- ✓ Meetings with Management & Project Team
- ✓ PDQ Completion & Employee Interviews
- ✓ Management Interviews
- ✓ Develop & Finalize Class Concepts/Structure
- ✓ Draft New Job Descriptions

## **Compensation Study:**

- Identify/Finalize Labor Market
- Conduct Salary Survey/Collect Market Data
- Develop Salary Recommendations/Report

# **Study Milestones**



## Classification Concepts

Blueprint for developing the classification system and which defines classifications into a systematic structure based on the inter-relationship of duties performed, nature and level of responsibilities, and required knowledge, abilities, and experience.



# Recommended Classifications/Series

Current Job Title/Job Family	Proposed Job Title
Accounting Technician	Accounting Technician
Accountant/Auditor I	Accounting Specialist
Accountant/Auditor II	Accountant
Senior Accountant/Auditor	Senior Accountant
Office Technician	Office Assistant
Office Specialist	Administrative Assistant
Executive Secretary I	Senior Administrative Assistant
Executive Secretary II	Executive Assistant
Staff Assistant	Human Resources Technician
Staff Specialist	Staff Specialist
Senior Staff Development Specialist	Training Specialist
IT Systems Technician I/II	IT Technician I/II
IT Network Engineer II	Network Engineer I/II
IT Systems Engineer II	Systems Engineer I/II
Senior Information Technologist	Information Technology Supervisor
N/A - New Concept	Software Engineer
Senior IT Applications Developer	Senior Software Engineer
IT Supervisor	Principal Software Engineer
Retirement Benefits Technician	Retirement Services Technician
Retirement Program Specialist	Retirement Services Specialist I/II
Senior Retirement Program Specialist	Senior Retirement Services Specialist
Retirement Benefits Program Supervisor	Retirement Services Supervisor
Disability Retirement Investigator	Disability Retirement Analyst I/II
Store Clerk	Support Services Assistant



## Compensation Study: Recommended Labor Market

1. California Public Employees Retirement System (CalPERS)
2. California State Teachers Retirement System (CalSTRS)
3. County of Orange
4. City of Orange
5. City of Santa Ana
6. Los Angeles City Employees Retirement System (LACERS)
7. Los Angeles County Employees Retirement Association (LACERA)
8. Los Angeles Fire and Police Pensions (LAFPP)
9. San Bernardino County Employees Retirement Association (SBCERA)
10. San Diego City Employee Retirement System (SDCERS)
11. San Diego County Retirement Association (SDCERA)
12. San Francisco Employees Retirement System (SFERS)



## Labor Market Characteristics

- Mix of retirement system agencies and local government (city/county)
- Reflects local (Orange County) and regional (LA, San Diego, San Bernardino) markets
- Retains continuity with the labor market used for the management group



## Next Steps

### Classification Study:

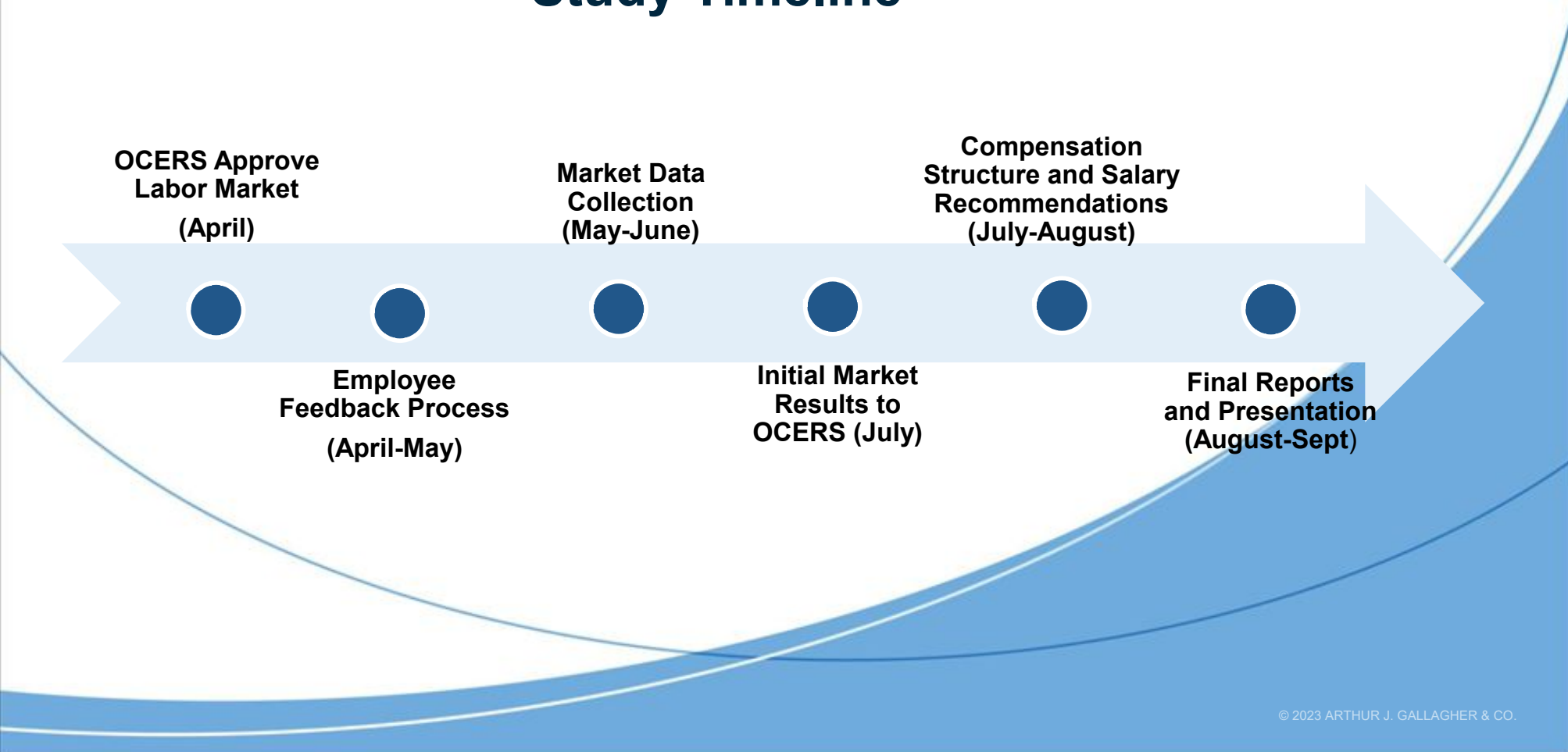
- Employee Review & Feedback Process
- Finalize Job Descriptions
- Classification Study Report

### Compensation Study:

- OCERS Approval of Proposed Labor Market
- Gallagher Conduct Market Survey
- OCERS Review of Market Data
- Develop Salary Recommendations/Report



# Study Timeline





# Questions & Comments

Thank you!

**Maggie Williams-Dalgart, Project Manager**

**Janna Dinkelspiel, Associate Consultant**





Form

# Report of Attendance at Conference or Seminar

Name of Member Attending: Sarah Abrahamson

Name of Conference/Seminar: Workhuman Live Conference

Location of Conference/Seminar: Austin, TX

Conference/Seminar Sponsor: Workhuman

Dates of Attendance: 4/15/24 - 4/18/24

Total Cost of Attendance: \$2,959.99

Brief Summary of Information and Knowledge Gained:  
Please see attached.

Evaluation of the Conference or Seminar:  
The Workhuman Live conference was well-organized and had a vibrant atmosphere, distinguished speakers, and engaging content.

Recommendation Concerning Future Attendance:  
Highly recommended for HR professionals.

\_\_\_\_\_  
Signature

Return to: Executive Assistant

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

**Brief Summary of Information and Knowledge Gained:**

My primary goal for attending the Workhuman Live conference was to engage in insightful discussions with HR professionals from diverse sectors and glean forward-thinking HR strategies from keynote speakers. The event drew attendees from both public and private HR sectors, offering ample opportunities for networking and learning. The conference featured several panels that engaged in stimulating conversations on HR topics. Notably, speakers like Issa Rae and Brené Brown delivered inspiring talks on catalyzing change and purpose-driven leadership in the modern workplace, respectively. Topics covered in breakout sessions that I found particularly informative and relevant to my role as an HR Analyst at OCERS included navigating uncertainty, transforming challenges into opportunities, enhancing psychological safety, and conducting meaningful check-in conversations.