

# FY2027 Annual Work Plan | Strategic Plan Year One

Office of Retirement

## Strategic Foundation

|                    |                                                                                                                                                                                            |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mission</b>     | Our mission is to deliver accurate and timely retirement benefits and services while prudently managing the assets entrusted to us with integrity, accountability, and a long-term vision. |
| <b>Vision</b>      | To be a leading public retirement system, recognized for fiduciary excellence, innovation, and trusted member service.                                                                     |
| <b>Core Values</b> | Accountability   Transparency   Integrity   Service   Stewardship                                                                                                                          |

## Strategic Context by Theme

The following summaries describe what FY2027 active work accomplishes within each strategic theme.

### Theme 1 | Financial Stability and Stewardship

The work in this theme formalizes and strengthens sound practices already in place, ensuring both boards have clear, documented assurance of the financial management disciplines ORS operates under.

### Theme 2 | Member-Centered Service and Excellence

Two foundational efforts will launch this year to shape member service and communications work for the full five-year plan. Both boards will receive findings before any downstream program is designed.

### Theme 3 | Transparent, Proactive Communication, and Engagement

Communications work this year establishes the program structure on which expanded member communications will be built. Member-facing expansion follows capacity established in Theme 5.

### Theme 4 | Technology Enablement, Innovation, and Cybersecurity

Each technology initiative this year begins with an assessment to inform future implementation commitments. Tools are applied where they solve a defined problem.

### Theme 5 | Organizational Capacity, Talent, and Succession

This is the most active theme in FY2027. The staffing, succession, and communications capacity work this year directly enables expanded member service and communications programs in FY2028 and beyond.

### Theme 6 | Strong Governance and Effective Board Dynamics

All six new governance initiatives launch in FY2027, strengthening the structures, education, and accountability mechanisms that allow both boards to govern effectively across both plans.

## Part One | Active Initiatives

These 20 initiatives are launching or completing in FY2027. Each has a defined target and a specific deliverable the boards will receive as evidence of completion.

### Theme 1 | Financial Stability and Stewardship

| No.    | Initiative                                                                                                       | Target | Deliverable to Both Boards                                                                                       |
|--------|------------------------------------------------------------------------------------------------------------------|--------|------------------------------------------------------------------------------------------------------------------|
| 1.1.2  | Adopt a formal funding policy covering amortization and actuarial assumption governance                          | FY27   | Formal funding policy document adopted by both boards.                                                           |
| *1.2.2 | Conduct an asset-liability study to inform long-term asset allocation                                            | FY27   | Completed study with asset allocation implications delivered to both boards.                                     |
| 1.3.1  | Maintain investment risk reporting and expand annual compliance reporting to include investment operations       | FY28   | Expanded annual IPS compliance report covering investment operations presented to each Investment Committee.     |
| 1.3.2  | Develop a strategic risk register covering the most significant risks to plan sustainability and board authority | FY28   | Risk register delivered to both boards with likelihood, impact, and mitigation posture for each identified risk. |

### Theme 2 | Member-Centered Service and Excellence

|        |                                                                                                      |      |                                                                                                                                            |
|--------|------------------------------------------------------------------------------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1.1  | Enroll in CEM Benchmarking and establish baseline service delivery metrics                           | FY28 | First CEM benchmarking cycle completed. Peer benchmarking report with findings and recommended service standards delivered to both boards. |
| *2.4.1 | Conduct a membership voice survey for both Fed and PF across all member career and retirement stages | FY27 | Written survey findings delivered to both boards with member priorities by career stage and specific recommendations.                      |

### Theme 3 | Transparent, Proactive Communication, and Engagement

|       |                                                                                        |      |                                                                                                                                                           |
|-------|----------------------------------------------------------------------------------------|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1.1 | Define the goals, metrics, and management structure for the ORS communications program | FY27 | Written communications program plan delivered to both boards with goals, current activity inventory, accountability structure, and baseline measurements. |
|-------|----------------------------------------------------------------------------------------|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|

### Theme 4 | Technology Enablement, Innovation, and Cybersecurity

|       |                                                                                                |       |                                                                                                     |
|-------|------------------------------------------------------------------------------------------------|-------|-----------------------------------------------------------------------------------------------------|
| 4.1.1 | Assess member portal capabilities and develop a prioritized modernization roadmap              | FY27  | Presentation to the boards with details regarding current initiatives and projected roadmap.        |
| 4.2.1 | Map manually intensive internal processes and identify candidates for redesign and automation  | FY29+ | Written process inventory started.                                                                  |
| 4.3.1 | Establish a formal cybersecurity service agreement with City ITD                               | FY28  | Discussions started with City ITD, proposed MOU and framework, and a defined work plan established. |
| 4.3.2 | Enhance business continuity and disaster recovery capabilities with annual board participation | FY28  | Current COOP presented to Joint Committee with a work plan for completion of work in FY28.          |

## Theme 5 | Organizational Capacity, Talent, and Succession

| No.    | Initiative                                                                                              | Target   | Deliverable to Both Boards                                                                                                                               |
|--------|---------------------------------------------------------------------------------------------------------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5.1.1  | Identify critical positions and establish a formal succession planning framework with board reporting   | FY27     | Succession planning framework delivered to both boards. Biannual review cycle established.                                                               |
| 5.1.3  | Complete the investment professional compensation study and establish ongoing compensation benchmarking | FY27     | Completed compensation study submitted to the City. Ongoing benchmarking methodology using CALAPRS, NCPERS, and peer data documented.                    |
| 5.1.4  | Track workforce retention and deliver an annual comparison against City and peer system benchmarks      | FY28     | Annual retention comparison delivered to both boards with findings used to inform compensation and classification decisions.                             |
| 5.2.1  | Recruit and integrate the Benefits Program Manager and Deputy CIO positions approved in the FY27 budget | FY27     | Both positions filled and onboarded.                                                                                                                     |
| *5.2.2 | Establish a dedicated communications function for ORS                                                   | Dec 2027 | Written analysis delivered to both boards in time to inform FY2028 budget decisions, including cost comparison and staffing implications of each option. |
| *5.2.3 | Assess legal services capacity and evaluate outsourced versus insourced operating models                | Dec 2027 | Written analysis delivered to both boards in time to inform FY2028 budget decisions, including cost comparison and staffing implications of each option. |

## Theme 6 | Strong Governance and Effective Board Dynamics

|        |                                                                                                                                                            |       |                                                                                                                                                                                                                                                                       |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6.2.2  | Establish a strategic plan, governance, reporting, and accountability mechanism linking quarterly board reporting to annual CEO/CIO performance evaluation | FY27+ | Quarterly written strategic plan progress reports begin. The fourth quarter report for each fiscal year includes annual progress documentation and a work plan for the coming fiscal year. Year-end performance evaluation references progress against the work plan. |
| 6.3.1  | Review and strengthen the joint committee structure supporting governance across both Fed and PF                                                           | FY28  | Written review with structural options presented to both boards. Updated charters reflecting adopted changes on file.                                                                                                                                                 |
| *6.3.2 | Establish a joint ad hoc committee to review budget cost allocation between funds and update the budget policy                                             | FY27  | Cost allocation methodology reviewed and updated where approved. Budget policy updated. Benchmarking analysis with recommendations completed.                                                                                                                         |

\* Priority Initiatives

## Part Two | Ongoing Commitments

These 7 commitments are standing organizational obligations already being performed. They represent core fiduciary, operational, and governance responsibilities that ORS continuously carries out. They are included here for completeness and will be reported on alongside active initiatives in each quarterly progress report.

| No.   | Theme                                           | What ORS Delivers Consistently                                                                                                                                                                                      |
|-------|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.1.1 | Financial Stability and Stewardship             | Actuarial valuations and experience studies completed on schedule. Contribution rates communicated to the City on the budget calendar. Funded status updates with trend analysis delivered to both boards annually. |
| 1.2.1 | Financial Stability and Stewardship             | Investment performance reported to each Investment Committee and both boards quarterly, with benchmarking against policy targets.                                                                                   |
| 3.3.1 | Communication and Engagement                    | Quarterly meetings with board chairs and Council liaisons maintained. Monthly CEO touchpoints with each liaison sustained. Incoming Council liaisons receive onboarding.                                            |
| 5.4.1 | Organizational Capacity, Talent, and Succession | Regular CEO-led staff engagement maintained. Actions taken in response to staff input documented and communicated back to staff. Core values integrated into staff discussions.                                     |
| 6.1.2 | Strong Governance and Effective Board Dynamics  | Quarterly educational session delivered at each board meeting. Topics set by each board. MOU-required training completed annually.                                                                                  |
| 6.2.1 | Strong Governance and Effective Board Dynamics  | Review and update the charters governing board and staff roles, delegations of authority, and decision rights                                                                                                       |
| 6.4.1 | Strong Governance and Effective Board Dynamics  | Biennial legislative and regulatory updates delivered to both boards. Time-sensitive developments flagged within two weeks of identification.                                                                       |

## Accountability and Reporting

Both boards will receive written progress reports at each quarterly board meeting identifying which initiatives are on track, which have shifted in scope or timing, and any items requiring engagement or formal action. Ongoing commitments will be confirmed as maintained in each report.

The fourth-quarter report for FY2027 will serve as the annual accounting of progress and the occasion for both boards to adopt the FY2028 Annual Work Plan.

Budget requests, staffing proposals, and policy changes arising from these initiatives will be brought to committees and both boards as formal action items separate from the progress reports.