



San Bernardino County Employees'
Retirement Association

Chief Executive Officer's Report

Date: July 30, 2026

From: Debby Cherney
Chief Executive Officer

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To: SBCERA Trustees

Subject: CEO Report – August 6, 2026 Board Meeting

Administration (Debby Cherney)

This last month, I had the pleasure of moderating a panel at TIDE Spark 2026 (The Investment and Diversity Exchange) on Women in Leadership, featuring California State Controller Malia Cohen, CalPERS CEO Marcie Frost, and California Endowment CIO Kelli Washington. In addition, Senior Investment Officer Amit Thanki spoke on AI Private Markets Disruption, focusing on how AI is changing the businesses institutional investors are investing, how managers are evaluated, and what implications we can now see for private assets and portfolio construction. Amit represented SBCERA very well and did a wonderful job on the panel.

I also had the pleasure of serving as the CALAPRS Board Liaison to the CALAPRS Management Academy. In this role, I sat in on the classes, and facilitated daily discussions to reinforce the concepts the class was learning. Graduation took place on July 15– and we had one SBCERA graduate – Nadiah Toledo from our Fiscal team. Congratulations to Nadiah!

One of our new traditions at SBCERA, “Bring Your Kid to Work Day”, was held on July 22. Read more below.

Lastly, I really enjoyed and appreciated the training we hosted for all staff on July 29 that followed up on our DISC styles and how to flex our styles under pressure to facilitate excellent communications. Read more on that below.

Human Resources & Risk Management (Stacey Barnier)

We hosted additional staff training with the Centre for Organizational Effectiveness this month. Seth Yelorda delivered an excellent workshop that focused on Flexing Under Pressure. This interactive training was designed to help staff better understand how to stretch and adapt their communication style to work more effectively with others. Each 3.5 hour session included a cross section of the entire organization and included staff role-play and discussion as it related to their specific DISC styles. Staff seemed to really enjoy the training based on the laughter we heard and the vulnerability in sharing real world examples of how one might feel in a particular scenario like the ones that were discussed. Flexing your communication style in a challenging situation can be difficult, but our staff are more prepared to do so after having participated in this session. We are looking forward to hosting our next session in September.

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This month we had a wonderful time hosting Bring Your Kids to Work Day. Many thanks to Trustee Newcomer for arranging to have a fire engine on site for the kids to tour. We also had a visit from San Bernardino Superior Court's Justice in Motion RV where the kids were able to learn about careers within the court system. They spent time with our Communications Team and go to spend time with the department of their choice learning about a career at SBCERA. While every activity was a success, my personal favorite was the Youth Board Meeting we hosted. Watching our young participants experience democracy in action—asking thoughtful questions, casting votes, and participating in a "real" board meeting—was something truly special. The photo booth was a hit (as always!) with career apparel from our participating employers, and our limited-edition SBCERA coloring book was one of the most exciting take-home of the day along with the squishy gavels from the court and sunglasses from the County Parks & Recreation team.



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We received a total of 79 applications for the Associate Investment Officer. Zoom interviews have been conducted with 9 candidates and 6 more scheduled for the end of the month. At least two have been invited to an in-person interview in August. We are hopeful that we will be able to fill both existing vacancies through this round of interviews. We are also exploring fellowship programs with our Deputy CIO to see if there may be an opportunity for us to tap into a new talent pipeline. Interviews for the promotional Retirement Benefits Technician were held this week and we are finalizing an offer. The Senior Retirement Benefits Technician has received 26 applications to date and we are scheduling interviews for those most closely meeting the needs of SBCERA. The continuous recruitment for the Executive Secretary positions has received 50 applications to date with our first official review scheduled for August 3, 2026. From there, we will schedule testing and those who score highest will be invited to participate in interviews.

Congratulations to Anna Lisa Quesada on her promotion from Office Specialist to Retirement Benefits Technician following an internal recruitment. She has been a wonderful addition to Team SBCERA and we look forward to the contributions that she will make in her new role. The Senior RBT has received 26 applications, and we are in the process of scheduling interviews. Congratulations to Nichole Valenzuela on her promotion to Senior Retirement Specialist. Nichole has served SBCERA as a Retirement Specialist and Accounting Technician. That knowledge and experience will help us to better serve our members. Melanie Ramirez was promoted to a Benefit Payment Specialist after serving SBCERA as an Office Specialist and Accounting Technician. We are excited for her to help our benefits payment processing team ensure that our members receive timely payments.

The team is working with Keenan and Associates to finalize our annual health fair and open enrollment plans. We have completed the PACE Dependent Verification Audit. We are pleased to report that only one long-time dependent was removed from our plan as a result of the audit.

Investments (Don Pierce)

As reported, SBCERA's investment performance for June was strongly positive as markets rallied, bringing our fiscal year to-date results to 9.2% which was a solid absolute outcome. However, our portfolio lagged the policy benchmark due to our Informed Rebalancing underweight to equity. As the fiscal year end closes, the portfolio is positioned to participate in upward trending markets as we have seen, but has significant defense to withstand any market volatility that might erupt.

Member Services (Christina Cintron)

July was an exciting month for the Member Services team as we celebrated several well-earned internal promotions. Following competitive recruitments among a strong group of internal candidates, Nichole Valenzuela was promoted to Senior Retirement Specialist, Jessica Morgan was selected as our new Senior Retirement Benefits Technician, and Anna Lisa Quesada was promoted from Office Specialist to Retirement Benefits Technician.

Each of these employees has demonstrated a strong commitment to our members, their professional development and the continued success of the department. We are incredibly proud to see them advance within SBCERA and are excited to welcome Nichole, Jessica and Anna Lisa to their new roles. They have all hit the ground running and are already making meaningful improvements to quality control and quality assurance within their respective areas.

At the beginning of July, Member Services also held its quarterly department meeting and team potluck. Although our individual work units meet regularly for training, planning and operational discussions, these quarterly gatherings provide an important opportunity for the entire department to come together.

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The meeting included team-building activities, departmentwide updates and opportunities to strengthen collaboration across the different areas of Member Services. The potluck was a fun addition and gave employees time to connect with colleagues they may not work with closely during their daily responsibilities. These gatherings continue to build stronger relationships, encourage open communication and reinforce the shared commitment our employees have to supporting one another and serving our members.

Our Mail and Print Center continues to expand its in-house capabilities as the number of print job submissions steadily increases. During July, a new folding machine was added, allowing the team to process additional mailings and projects internally while improving efficiency and reducing outsourcing costs.

We also continued moving forward with the Executive Secretary recruitment and are eager for the application period to close at the beginning of August so we can begin reviewing candidates and identifying the right fit for the department.

In July, Christina attended the Association of Certified Fraud Examiners conference in Boston. The conference highlighted practical strategies for strengthening fraud prevention, managing organizational risk and protecting members. Member Services looks forward to collaborating with other departments to identify opportunities to apply these practices throughout SBCERA.

The Member Services team remains committed to developing our employees, strengthening our operations and providing excellent customer service to our members each day.

Communications & Stakeholder Relations (Olivia Applegate)

Our Communications Team continues to strengthen both our strategic communications efforts and the tools that support them. This month, the team launched SBCERA's new Communications Request Portal to streamline project intake, improve visibility into communications requests, and strengthen project management across the organization. As Communications continues to support an increasing number of strategic initiatives, the portal provides employees with a centralized, user-friendly way to submit requests while helping ensure work is prioritized based on organizational needs. Developed in partnership with Information Services, the new process will improve consistency, accountability, and transparency from project intake through completion. Staff feedback will continue to inform future enhancements as the portal is fully implemented.

The team also continued expanding member and employer engagement through several retirement planning seminars and educational programming. As part of SBCERA's Retiree Support Initiative, we will be hosting an educational workshop on Understanding Alzheimer's Disease and Dementia in partnership with the Alzheimer's Foundation of Southern California on Tuesday, August 11. Launched by the Board of Retirement in 2024, the Retiree Support Initiative expands the educational resources available to retired members and those preparing for retirement by addressing topics that support well-being beyond financial security. Interest in the workshop has been exceptionally strong, with approximately 40 retirees registered to attend in person and more than 200 registered to participate virtually. The workshop is also being offered to SBCERA team members and Trustees as part of the organization's commitment to education and community engagement. You can register at:

<https://www.sbcera.org/event/understanding-alzheimers-disease-and-dementia-workshop>

Fiscal Services (Amy McInerney)

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During the month of July, Fiscal Services continued to make meaningful progress on initiatives that support SBCERA's strategic priorities of Operational Excellence & Efficiency, Superior Service Experience, Effective Communications, and Prudent Fiscal Management.

Preparation for the annual financial statement audit remained a primary focus throughout the month. Staff worked closely with the independent auditors to complete interim audit requests and continued coordinating year-end activities to ensure the audit remains on schedule. In addition, the annual GASB 68 employer schedules were completed, reviewed by the auditors, and distributed to participating employers. These schedules provide each employer with the information necessary to meet their own financial reporting requirements related to their proportionate share of SBCERA's Net Pension Liability and related pension amounts.

Employer confirmation requests were also prepared and issued ahead of schedule, demonstrating Fiscal Services' commitment to Prudent Fiscal Management and Operational Excellence & Efficiency while helping facilitate an efficient audit process for both SBCERA and its participating employers.

The Employer Reporting Initiative continued to gain momentum during July. Recognizing the importance of providing flexible training opportunities, Fiscal Services hosted a "mini-Employer Forum" for one participating employer that was unable to attend the hands-on training session offered during the June Employer Forum. Staff continued working individually with employers to answer questions, provide implementation guidance, and support their transition to the new reporting standards. SBCERA also reached an important milestone as Superior Court became the first participating employer to fully implement the new reporting standards introduced with the Employer Reporting Initiative launched in February. The remaining participating employers continue to make significant progress toward implementation and remain actively engaged through training sessions, meetings, and ongoing communication. These efforts reflect SBCERA's commitment to Effective Communications, Superior Service Experience, and the long-term operational efficiencies that standardized employer reporting will provide.

Fiscal Services also remained focused on strengthening organizational stewardship and internal controls. The Chief Financial Officer participated virtually in the Association of Certified Fraud Examiners (ACFE) Global Fraud Conference, where emerging fraud risks, prevention strategies, and internal control best practices were explored. Knowledge gained through the conference will help strengthen SBCERA's control environment and support continuous improvement efforts consistent with the strategic priorities of Prudent Fiscal Management and Operational Excellence & Efficiency.

The accomplishments during July reflect Fiscal Services' continued commitment to maintaining strong financial stewardship, supporting participating employers through meaningful collaboration and communication, and advancing initiatives that improve operational efficiency and service to SBCERA's members and stakeholders.

Information Services (Joe Michael)

During the month of July, Information Services and Facilities continued advancing several strategic initiatives focused on strengthening SBCERA's technology infrastructure, enhancing operational capabilities, and improving the organization's facilities. Efforts throughout the month balanced the completion of several major projects with planning activities that will support future technology and operational improvements.

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On the technology front, the Department successfully deployed the latest release of the Pension Administration System. The update introduced a variety of enhancements and quality-of-life improvements benefiting member, employer, and staff functions while continuing SBCERA's commitment to modernizing business processes and improving the overall user experience. The Department also completed significant upgrades to its on-premises Microsoft infrastructure, providing enhanced security, improved system resiliency, and expanded administrative capabilities that will support the organization's upcoming technology initiatives. In addition, planning activities began for the implementation of a next-generation cybersecurity platform that will further strengthen SBCERA's security posture and improve operational visibility across the technology environment.

Facilities activities also reached several important milestones during the month. The major phase of the HVAC and Fire/Life-Safety modernization project was completed, with the remaining work awaiting specialized equipment currently affected by industry-wide manufacturing and supply chain lead times. Significant progress was also made on the organization's building security modernization project following the arrival of the remaining equipment, with project completion anticipated during August.

Overall, July reflected continued progress in modernizing SBCERA's technology and facilities infrastructure while laying the foundation for future enhancements that will improve operational efficiency, strengthen security, and support the organization's long-term strategic objectives.

Legal, Disabilities & Survivor Benefits (Barbara Hannah)

On July 2, 2026, SBCERA issued a timely response to a California Public Records Act ("CPRA") request received from RetireReady.com on June 22, 2026. The request sought records concerning the actuarial formulas, factors, and supporting tables used to calculate early-retirement reductions and survivor-benefit options. In its July 2 response, SBCERA produced its member guide, triennial actuarial experience and assumption study, annual actuarial valuation report, and annual comprehensive financial report. These records constitute the most recently published documents responsive to the request. SBCERA also advised that it was evaluating potentially responsive information concerning the option conversion factors and formulas programmed into its pension administration software system, as well as the feasibility of extracting that information into the requested electronic format. SBCERA further advised that it expected to provide a supplemental response on or before August 1, 2026.

On July 8 and 22, 2026, the requester submitted follow-up questions seeking clarification regarding SBCERA's initial responses. SBCERA will address these questions in its supplemental response, which remains on track for issuance on or before August 1, 2026.

Important Upcoming Dates – Training Opportunities

Date	Description	Location	Comments
Aug 20, 2026	SBCERA Administrative Committee	SBCERA	N/A
Aug 24-27, 2026	CALAPRS Principles of Pension Governance for Trustees	Santa Barbara, CA	Pre-Authorized
Aug 16-18, 2026	NCPERS Public Pension Funding Forum	Chicago, IL	Pre-Authorized
Sep 3, 2026	SBCERA Board Meeting	SBCERA	N/A
Sep 16-18, 2026	SBCERA Investment Forum	Lake Arrowhead, CA	N/A
Sep 22-25, 2026	IDAC Global Summit	Newport Beach, CA	Requires advance Board approval
Sep 23-25, 2026	NCPERS Public Pension HR Summit	TBD	Pre-Authorized

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Date	Description	Location	Comments
Sep 29-Oct 2, 2026	CII Fall Conference	Boston, MA	Requires advance Board approval (up to 2 per year)
Oct 1, 2026	SBCERA Board Meeting	SBCERA	N/A
Oct 8, 2026	SBCERA Investment Committee	SBCERA	N/A
Oct 15, 2026	SBCERA Administrative Committee	SBCERA	N/A
Oct 24-25, 2026	NCPERS Accredited Fiduciary (NAF) Program	Nashville, TN	Pre-Authorized
Oct 24-25, 2026	NCPERS Program for Advanced Trustee Studies (PATS)	Nashville, TN	Pre-Authorized
Oct 25-28, 2026	NCPERS Public Safety Conference	Nashville, TN	Pre-Authorized
Nov 5, 2026	SBCERA Board Meeting	SBCERA	N/A
Nov 10-13, 2026	SACRS Fall Conference	Rancho Mirage, CA	Pre-Authorized
Nov 17, 2026	SBCERA Audit Committee	SBCERA	N/A
Nov 19, 2026	SBCERA Administrative Committee	SBCERA	N/A
Nov 19, 2026	SBCERA Investment Committee	SBCERA	N/A
Dec 3, 2026	SBCERA Board Meeting	SBCERA	N/A
Dec 10, 2026	SBCERA Investment Committee	SBCERA	N/A
Dec 17, 2026	SBCERA Administrative Committee	SBCERA	N/A

Trustees wishing to attend any of the upcoming trainings should contact Christa James for travel and registration, or to make arrangements for meetings that need approval to be included with the upcoming Board agenda.