



San Bernardino County Employees'
Retirement Association

Chief Executive Officer's Report

Date: July 3, 2025

From: Debby Cherney
Chief Executive Officer

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To: SBCERA Trustees

Subject: CEO Report – July 3, 2025 Board Meeting

Administration (Debby Cherney)

I'm pleased to report that the SACRS Board of Directors has appointed me to the SACRS Legislative Committee. With David Lantzer's retirement from SBCERA, I'm gratified that SBCERA will still have a seat on this important committee.

Human Resources & Risk Management (Stacey Barnier)

The Human Resources team has been reviewing and fine-tuning scripts for our upcoming collaboration with the Communications team for SBCERA's new employee onboarding video project. We are excited to begin filming in the coming months.

This month, we hosted a workshop in honor of Pride Month which was led by Cassandra Williams, HR Technician. Pride Month offers us another opportunity to recognize the value of creating a workplace where everyone feels welcome, supported, and respected. The session was titled "**Inclusion and Allyship in the Workplace,**" and focused on how we can all play a role in fostering a more inclusive, respectful, and connected work environment. Attendees explored what inclusion and allyship look like at work, learned some of the common challenges LGBTQIA+ employees may face, and offered practical ways we can support our colleagues and help strengthen the sense of belonging here at SBCERA.

The job description update project is in full swing as we finalize our newest position descriptions and revitalize our existing job descriptions. Our intent with this project is to standardize and modernize our job descriptions while ensuring they are all consistent with SBCERA's core values.

Investments (Don Pierce)

SBCERA's investment performance for May 2025 was up 1.38%. This result trailed our policy which was up 2.70%. From a fiscal year to date basis, performance improved to 6.77%; however, this again trails our policy index at 7.97%. The largest contributor to underperformance was our underweight to equity and overweight to fixed income. While disappointing on a relative basis, we are gratified that we are closing in on achieving our actuarial rate for the fiscal year.

Member Services (Christina Cintron)

In June, Christina attended two professional conferences that provided valuable insights to inform operational improvements within Member Services. The NCPERS Chief Officers Summit in New York City brought together executive management and CIOs from public pension systems for open, solution-focused discussions on leadership, strategic planning, and workforce development. The event included

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a Women in Leadership Luncheon, which offered a meaningful opportunity to engage with women leaders across the industry and foster deeper peer connections.

Later in the month, Christina also attended the 36th Annual ACFE Global Fraud Conference in Nashville, Tennessee. The conference focused on emerging fraud trends and prevention strategies relevant to pension administration, including government fraud, artificial intelligence in fraud detection, and cybersecurity. The sessions offered actionable strategies that will be incorporated into SBCERA's Member Services operations to enhance fraud awareness, prevention, and response efforts.

Operationally, Member Services continued to provide strong support to members through multiple service channels—phone, email, message center, and in-person. In June, the team handled approximately 1,900 inbound phone calls, responded to about 375 Message Center threads, and conducted 75 consultation appointments. Service delivery remains timely, accurate, and professional.

Recruitment is ongoing for the Retirement Benefits Manager position, with a continued focus on identifying candidates well-suited to lead and support the team. In addition, a recruitment for an Office Specialist position was opened in June to help meet growing service demands; that posting is scheduled to close in early July.

Process improvement efforts remain a priority. The team is actively utilizing PensionGold workflows to manage incoming work and improve task routing. A two-day turnaround goal has been implemented for most member requests requiring account updates, and the team has responded positively to the new service standard.

Communications & Stakeholder Relations (Olivia Applegate)

Fraud Prevention Workshop for Retirees

On June 4, we hosted a Fraud Prevention Workshop for retirees in partnership with the San Bernardino County Sheriff's Department at SBCERA in the MPR. Deputy Mike Jones led the presentation with the support of Corporal Ken Bubier and Deputy Jennifer Valencia as they shared valuable tips on recognizing and avoiding common scams, fraud schemes, and cybersecurity threats. We've received positive feedback from attendees in our follow-up survey and here is one of their responses:

"This was my first workshop that I have attended. I thought it was spectacular. The members were all very professional and friendly. Offering food is always a great touch. It started on time. I don't think it could have been better."

We look forward to hosting this workshop again in the future, along with other topics as part of our retiree support initiatives that were approved by the Board.

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NCPERS Chief Officers Summit

On June 18, Olivia participated in a panel focused on tools, strategies, and resources to reach younger plan participants at the NCPERS Chief Officer Summit in New York. She shared SBCERA's approach to engaging the next generation of members, including a spotlight on our [We Are SBCERA](#) campaign - an initiative that highlights the people who provide the important public services our communities depend on, and how the retirement security SBCERA provides gives them confidence in their futures. These stories bring to life the purpose, service, and impact behind a public career through the voices of those living it. She also highlighted our [Financial Education program](#) designed to empower our members in managing their personal finances through free courses conducted by financial planner professionals



Revamped Post-Retirement Employment Forms

We recently updated our [Post-Retirement Employment](#) page of our website. Additionally, we've successfully added a separate stand-alone form within the Service Retirement and Disability Retirement applications that members are required to submit before they can submit their application. This was a suggestion was made by Trustee Dawn Rowe as an additional measure to help ensure members clearly understand the restrictions in place for returning retirees.

Latest Employer News

In June, we sent our latest [Employer News email](#) to our participating employers. Topics in this edition include ACH Payments, Contribution Rate Changes, Fiscal Year-End and Employer Confirmations, and the Employer Reporting Initiative. Employer News is a periodic newsletter designed to keep SBCERA's participating employers informed about the latest news, deadlines, and other SBCERA-related matters that affect them.

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Fiscal Services (Amy McInerney)

Employer Reporting Initiative – Preparing for July Go-Live

June marked the final month of preparation for SBCERA's Employer Reporting Initiative, a major project years in the making. Following significant investments in system technology and improvements to employer communication, we are ready to launch in July. The initiative is designed to strengthen data integrity—a critical foundation for accurate benefit payments, valuation measurements, and financial reporting.

Key elements of the launch include:

- Employer meetings
- Instructional videos
- One-on-one training sessions
- Group training sessions
- On-site employer visits

This initiative supports *Prudent Fiscal Management* and *Operational Excellence & Efficiency* by helping ensure that SBCERA receives timely, accurate data from our employer partners. It also advances *Superior Service Experience* by laying the groundwork for accurate member benefits.

Actuarial Census Data Submission

The team successfully compiled and delivered the actuarial census data to SBCERA's actuary for the June 30, 2025 valuation. This data is essential for setting employer contribution rates for the coming fiscal year and measuring the funding status of the Plan. This year's submission notably includes a new cost group, the California State Association of Counties (CSAC).

This work exemplifies *Prudent Fiscal Management* and *Effective Communications*, ensuring that our actuary has the timely, accurate information needed for reliable valuation results.

Interim Audit Fieldwork

The Fiscal Services team supported the interim fieldwork for SBCERA's financial statement audit performed by Brown Armstrong. Most interim testing was successfully completed in June, with the team providing comprehensive and timely documentation to our external auditors. This effort reflects our focus on *Prudent Fiscal Management* and *Operational Excellence & Efficiency*, and positions us for a smooth completion of the audit later this year.

Retirement Benefit Setup Process – One-Year Anniversary

June marked one year since the implementation of our improved Retirement Benefit Setup process. As a result of collaborative efforts between the Fiscal Services and Member Services teams, first benefit payments are now issued within an average of 10 days after a termination date is reported—3.3 times faster than under the previous process. This accomplishment reflects enhanced workflows, investments in technology, and improved procedures.

Looking ahead, the full implementation of the Employer Reporting Initiative is expected to enable even faster processing by facilitating earlier and more accurate termination date reporting from our employers. This activity reflects *Operational Excellence & Efficiency*, *Superior Service Experience*, and *Quality Employer and Workplace*.

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Information Services (Joe Michael)

Facilities Management Transition and Operational Review

SBCERA has formally transitioned to an internal management structure to oversee our building operations. This strategic shift marks a significant step in enhancing our control over facilities-related activities and ensuring alignment with our organizational priorities.

SBCERA will comprehensively review all existing building operations and contracted services during this new fiscal year. The primary objectives of this review are to identify opportunities to improve operational efficiency and to implement cost-saving measures that reduce or eliminate unnecessary expenditures. This systematic and data-informed assessment will focus on the performance of current practices and financial sustainability.

In parallel, several facilities projects are either underway or planned for execution. Notably, we are managing an HVAC renovation project to improve system performance and energy efficiency. Additional initiatives include tenant improvements previously negotiated through contractual agreements with the building's existing tenant and upgrades to security systems and access control infrastructure.

SBCERA expects these projects to be substantially completed by the beginning of the upcoming calendar year. These enhancements are anticipated to contribute meaningfully to our building operations' overall safety, functionality, and cost-effectiveness moving forward.

IT Operations Enhancements

As part of SBCERA's continued investment in robust, secure, and high-performance technology infrastructure, significant enhancements are planned within IT during the upcoming summer months.

A significant focus will be on increasing our already robust Zero Trust Network Access (ZTNA) and Secure Access Service Edge (SASE) capabilities. These upgrades will strengthen our cybersecurity posture, enabling more secure and efficient access to internal systems for all users, regardless of their physical location.

Additionally, SBCERA is preparing to implement substantial updates to its data center infrastructure. These enhancements will introduce next-generation storage and processing technologies designed to significantly improve the performance of the Pension Administration System and other mission-critical on-premises systems.

These changes are expected to yield a marked increase in system responsiveness and overall performance over the coming months. Staff working both onsite and remotely should begin to experience faster access speeds, improved reliability, and a more seamless interaction with the systems that support daily operations.

Legal, Disabilities & Survivor Benefits (Barbara Hannah)

Legal Services		
	<u>04/18/25 – 05/19/25</u>	<u>05/20/25 – 06/20/25</u>
Comment Sheets	63	90
DROs	4	16
Joinders	6	8

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PRA Requests	2	3
Disability Retirement Unit		
Disability Retirement Applications Received	11	5
Via Paper –	6	2
Via MySBCERA -	5	3
Amendments to DRA Received	1	3
Disability Retirement Applications Accepted for Processing	4	2
Amendments to DRA Accepted for Processing	1	3
Disability Retirement Applications Rejected as Untimely or Incomplete	7	3

This month, there was an increase in comment sheets, DROs and Joinders. We have experienced a decrease in Disability Retirement Applications.

Important Upcoming Dates – Training Opportunities

Date	Description	Location	Comments
July 9-10, 2025	The Investment Diversity Exchange (TIDE) SPARK 2025	Dana Point, CA	Requires advanced Board approval
Jul 10, 2025	SBCERA Investment Committee	SBCERA	N/A
Jul 13–16, 2025	SACRS UC Berkeley Program	Berkely, CA	Pre-Authorized
Jul 15–17, 2025	Pension Bridge Private Equity Exclusive	Chicago, IL	Additional training opportunity (up to 2)
Jul 17, 2025	SBCERA Administrative Committee	SBCERA	N/A
Jul 17, 2025	BlackRock Due Diligence	Virtual	Pre-Authorized up to 4 Trustees
Aug 7, 2025	SBCERA Board Meeting	SBCERA	N/A
Aug 14, 2025	SBCERA Investment Committee	SBCERA	N/A
Aug 17–19, 2025	NCPERS Public Pension Funding Forum	Chicago, IL	Pre-Authorized
Aug 18-19, 2025	CalPERS Pathways for Women	Anaheim, CA	Requires advanced Board approval
Aug 21, 2025	SBCERA Administrative Committee	SBCERA	N/A
Aug 21-22, 2025	Nossaman Fiduciary Forum	Sacramento, CA	Requires advanced Board approval

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Date	Description	Location	Comments
Aug 26, 2025	Russell Due Diligence	Seattle, WA	Pre-Authorized up to 4 Trustees
Sep 4, 2025	SBCERA Board Meeting	SBCERA	N/A
Sep 8 – 10, 2025	CII 2025 Fall Conference	San Francisco, Ca	Additional training opportunity (up to 2)
Sep 10 – 12, 2025	SBCERA Investment Forum	Lake Arrowhead, CA	N/A
Sep 16, 2025	Russell Due Diligence	Seattle, WA	Pre-Authorized up to 4 Trustees
Sep 18, 2025	SBCERA Administrative Committee	SBCERA	N/A
Sep 23, 2025	Adams Street & William Blair Due Diligence	Chicago, IL	Pre-Authorized up to 4 Trustees
Sep 23 – 25, 2025	IDAC 2025 Global Summit	San Antonio, TX	Requires advanced Board approval
Oct 2, 2025	SBCERA Board Meeting	SBCERA	N/A
Oct 3, 2025	CALAPRS Trustees Round Table	Virtual	Pre-Authorized
Oct 7, 2025	Wasatch Due Diligence	Salt Lake City, UT	Pre-Authorized up to 4 Trustees
Oct 9, 2025	SBCERA Investment Committee	SBCERA	N/A
Oct 16, 2025	SBCERA Administrative Committee	SBCERA	N/A
TBD exact date - Oct 20 – 23, 2025	Wasatch Due Diligence	Virtual	Pre-Authorized up to 4 Trustees
Oct 25 – 26, 2025	NCPERS Accredited Fiduciary Program (NAF)	Tampa, FL	Pre-Authorized
Oct 25 – 26, 2025	NCPERS Program for Advanced Trustee Training (PATs)	Tampa, FL	Pre-Authorized
Oct 26 – 29, 2025	NCPERS Financial, Actuarial, Legislative & Legal Fall Conference	Tampa, FL	Pre-Authorized
Nov 6, 2025	SBCERA Board Meeting	SBCERA	N/A
Nov 11-14, 2025	SACRS Fall Conference	Huntington Beach, CA	Pre-Authorized
Nov 20, 2025	SBCERA Administrative Committee	SBCERA	N/A
Nov 20, 2025	SBCERA Audit Committee	SBCERA	N/A
Nov 20, 2025	SBCERA Investment Committee	SBCERA	N/A
Dec 4, 2025	SBCERA Board Meeting	SBCERA	N/A
Dec 11, 2025	SBCERA Investment Committee	SBCERA	N/A
Dec 18, 2025	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.