



San Bernardino County Employees'
Retirement Association

Chief Executive Officer's Report

Date: February 5, 2026

From: Debby Cherney
Chief Executive Officer

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To: SBCERA Trustees

Subject: CEO Report – February 5, 2026 Board Meeting

Administration (Debby Cherney)

We are actively planning our key events for 2026, including meeting with the CEOs/Executives of our plan sponsor employers, March Board offsite, 25th anniversary Investment Forum, Employer Forum, and the newly revamped retirement seminars. This year is shaping up to be a big year, and we are, as usual, very ambitious in all we want to accomplish as a team.

Press and other calls about Don Pierce's retirement are in full swing, although the announcement only reached "the outside world" within the last two days! I'm so glad that we'll have time to properly honor his 25 years of service to SBCERA and our members, as he won't be retiring until later this year.

Human Resources & Risk Management (Stacey Barnier)

We have received 237 applications for the Member Services Office Specialist recruitment. Candidates meeting the minimum qualifications will be invited to participate web-based employment testing. Top scorers will be invited to participate in the in-person interview process. We have made an offer to our top candidate for the Document Management Supervisor position. We are currently in the negotiations phase and will provide more updates when they are available. We received word that Theresa Fisher has accepted a new position so we are opening a new Executive Secretary recruitment for the Member Services team. We wish Theresa all the best as she takes this next step in her career. This month we successfully onboarded our new Associate Investment Officer, Shreemoyee Mukhopadhyay. The AIO recruitment was reopened late last year, and we have received 63 applications since then. We will begin phone interviews in the near future.

This month staff were provided with their W2 and ACA tax forms. Additionally, we processed the board approved increases for staff which were posted on their January 21, 2026 paychecks (for the pay period including January 1st). The HR team is working with the Chiefs to determine any upcoming staffing needs and continue modernizing our job descriptions to align with our core values and the workplace of the future. We are starting to receive insurance renewal applications for our risk management insurances and will be submitting them as they are completed for our various coverages. The team is working with our benefits broker as they transition our JPA's existing enrollment/billing management system to a new version. This should help streamline our reconciliation of our benefits bills each month. Also in benefits news, Stacey and Iliana attended the PACE Wellness Committee meeting and learned that SBCERA has the highest active participation of all the JPA with 18 participants earning rewards. We will be working with the Wellness Consultant to share what we are doing to encourage participation. Additionally, Stacey attended the PACE Executive Committee Strategic Meeting in Torrance

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at the end of the month where she was nominated to serve as the JPA's elected Secretary. Her nomination will be voted on by the JPA member agencies at the next full meeting. During this meeting, the Board met with representatives from Anthem, Kaiser, Keenan, EmpiRx, Payer Matrix, wellness, and received plan utilization updates as well as information on an upcoming dependent verification audit that will be conducted by the JPA to ensure that all member agencies are following proper enrollment protocols.

Investments (Don Pierce)

December investment performance clocked in another positive month with 0.32%. While trailing the policy benchmark of 0.5%, it does bring the fiscal year to date result to 4.53% net of all fees. The overall posture of the portfolio remains underweight to equity and overweight to fixed income and credit. While this has resulted in what we feel is a short-term shortfall, if markets continue to hold firm we would expect strong participation in our private equity allocation.

Member Services (Christina Cintron)

During the month of January, the Member Services team continued to deliver consistent, high-quality service while managing the seasonal increase in member inquiries and appointment requests that typically occurs during the first quarter of the year. The team maintained full coverage across all service channels and remained focused on providing timely, accurate, and courteous support to members.

Progress continued on ongoing initiatives designed to enhance the member experience and improve service delivery. Work is underway to support the implementation of online appointment scheduling, an effort intended to offer members greater flexibility in how and when appointments are scheduled, while also supporting individual counseling sessions as well as future seminars and group consultations. The team also continued documenting key departmental processes, with reciprocity processing serving as a primary focus during the month. This work will continue into February as part of ongoing efforts to promote consistency, clarity, and operational efficiency.

In January, Executive Secretary Theresa Fisher announced her departure from SBCERA after six years of service. We thank Theresa for her contributions and dedication during her time with the organization and wish her well in her future endeavors.

Recruitment activities also continued during the month. The recruitment for the Office Specialist position closed in January, and plans are underway to begin in-person interviews in mid-February. Additionally, interviews were conducted for the Document Management Supervisor recruitment. More information regarding this recruitment will be shared in the coming weeks.

Overall, the Member Services team remained focused on balancing daily service demands with ongoing improvement efforts. These activities reflect SBCERA's continued commitment to Superior Service Experience, Operational Excellence and Efficiency, and Effective Communications.

Communications & Stakeholder Relations (Olivia Applegate)

2026 Member Engagement Survey

We just launched our latest member engagement survey, a follow-up to our 2024 survey that plays an important role in shaping our customer service efforts. We've partnered with the same independent research firm, Probolsky Research, a company with extensive experience in opinion research. Our team has been able to implement actionable feedback that was collected in the last study and we're eager to discover more ways we can best serve our members. It's our opportunity to hear directly from our

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diverse membership, from those actively serving San Bernardino communities to retirees living across the nation and around the world. We look forward to sharing the results with you.

Building our We Are SBCERA Campaign

At the end of January, we continued filming for our [We Are SBCERA](#) campaign and had the opportunity to interview the following:

- Trustee Marc Bracco,
- Teamsters President and Systems Support Analyst at the Innovation and Technology Department, Kathleen Brennan
- Children's Network Officer, Ashley Brooksher
- Retiree Diana Alexander
- Retiree John Michaelson



We are confident these stories will continue educating and inspiring our members, stakeholders, and anyone who has a chance to watch. It's always a meaningful reminder of why we're here and who we are together.

Fiscal Services (Amy McInerney)

During the month of January, Fiscal Services advanced SBCERA's strategic priorities of Operational Excellence & Efficiency, Prudent Fiscal Management, Superior Service Experience, and Effective Communications. Lingyu Zhao joined SBCERA as an Accountant, strengthening the team responsible for reviewing member accounts and employer transactions, and will replace Shella Greer, who retires this spring following 30 years of dedicated service. Brown Armstrong continued Agreed-Upon Procedures in support of the Internal Audit workplan, including the Investment Program and Benefit Payments, while Fiscal Services completed 1099-R and final payroll tax reporting, printing and mailing approximately 19,000 1099-R information returns to members and beneficiaries. In 2025, the team processed 208,608

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benefit payments, including 2,784 new benefits, and benefit setup and payment processes are currently under review as part of the Internal Audit workplan to further strengthen internal controls and service delivery. Additionally, the Employer Reporting initiative has launched; our kick-off webinar will take place at the beginning of February.

Information Services (Joe Michael)

2025 Year-End Overview

The Information Services Department made substantial progress in 2025, marked by the successful advancement of strategic initiatives and foundational improvements that position SBCERA well for the future. A significant milestone was the transition from traditional Virtual Private Network (VPN) technology to a Secure Access Service Edge (SASE) and Zero Trust Network Access (ZTNA) architecture. This modern approach significantly strengthened security while improving flexibility and accessibility, allowing SBCERA to effectively leverage both cloud-based services and on-premises infrastructure seamlessly for staff and members.

In parallel, the Department completed the migration of SBCERA's Microsoft environment to a more collaborative and adaptable platform, while maintaining the high standards of security and data protection expected by the organization and its stakeholders. Enhancements to key data center components further ensured that underlying systems continue to operate at performance and security levels that support growing self-service capabilities and evolving business needs.

Within Pension Administration Support, six significant system updates were delivered during the year. These enhancements included workflow improvements, quality refinements related to sensitive member interactions, and one of the most substantial strategic improvements to employer reporting undertaken to date. This work, led by Fiscal Services, is currently undergoing staff validation and represents a meaningful step forward in system usability and reporting capability.

Facilities operations also experienced a notable transition in 2025, with SBCERA assuming direct ownership of the building and bringing property management responsibilities in-house. This multi-department effort has resulted in improved responsiveness, cost efficiencies, and enhanced service quality. A significant achievement during this period was the advancement of the HVAC modernization project. After multiple years of limited progress under external management, SBCERA's Facilities team successfully moved the project forward within six months, completing rooftop unit installation and addressing an unforeseen structural reinforcement requirement along the way.

Information Services Ticket Activity

2025 Compared to 2024

The table below summarizes service ticket activity for 2025 compared to 2024. Overall volume declined significantly year over year, reflecting process improvements, organizational realignment, and increased first-touch resolution.

For clarity, Information Services classifies tickets into distinct categories based on the nature of the request. *Incidents or Trouble Tickets* are created when a user reports an issue such as a system problem, outage, or other condition that is impacting their ability to perform work. *Service Requests*, by contrast, represent requests for additions or changes—such as onboarding a new employee, modifying system access, or requesting new software—where no system problem exists, but a change is needed to support business operations.

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Total Ticket Volume by Category

Ticket Category	2025 Total	2024 Total	Year-over-Year Change
Facilities	111	85	+30.6%
Incidents / Trouble Tickets	750	820	-8.5%
Pension System (Pension Gold)	405	432	-6.3%
Service Requests	292	286	+2.1%
Tier 2 Escalation / Sub-Tickets	229	1,258	-81.8%
Total Tickets	1,787	2,881	-38.0%

Ticket Distribution – 2025

Ticket Category	Share of Total
Incidents / Trouble Tickets	~42%
Pension System (Pension Gold)	~22.7%
Service Requests	~16.3%
Tier 2 Escalation / Sub-Tickets	~12.8%
Facilities	~6.2%

Ticket Distribution – 2024

Ticket Category	Share of Total
Tier 2 Escalation / Sub-Tickets	~43.7%
Incidents / Trouble Tickets	~28.5%
Pension System (Pension Gold)	~15.0%
Service Requests	~9.9%
Facilities	~3.0%

Several key trends emerge from the year-over-year comparison:

- The **81.8% reduction in Tier 2 Escalation / Sub-Tickets** reflects meaningful operational improvements. This decline is primarily attributed to the realignment of the Information Services Department into four functional areas—Facilities, Pension Administration Support, Operations and Business Systems, and Cybersecurity and Infrastructure—allowing work to be routed more accurately based on skill sets and expertise, increasing first-touch resolution.
- The transition to a **Centralized Service Desk operating as a Single Point of Contact (SPOC) with SLA-based Service Management** has further improved efficiency. Requests are now reviewed centrally and assigned sooner and with greater precision, significantly reducing the need for escalation and enabling senior staff to focus on higher-priority and strategic initiatives.
- The **increase in Facilities tickets** was expected following SBCERA's assumption of direct property management responsibilities and the expansion of tracking for building-related service requests.
- The slight **increase in Service Requests** aligns with the Microsoft environment migration conducted during the year. Absent this one-time initiative, this category would have reflected a year-over-year decline.

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Several other significant details are within these numbers.

- Despite significant changes to access and security models, the **SASE and ZTNA implementation resulted in a 53% reduction in tickets related to access, connectivity, and security**, underscoring the stability and effectiveness of the new architecture as staff adoption increased.
- Tier 2 escalation requests related to mySBCERA from the Member Services call centers declined from 109 in 2024 to 85 in 2025, representing an approximate **22% reduction** year over year. This improvement is primarily attributed to changes in Member Services management practices, including a renewed emphasis on one-touch resolution and reinforcement of mySBCERA troubleshooting fundamentals among call center staff. These efforts have reduced the need for escalations while improving first-contact resolution for member inquiries.
- When reviewing Pension Administration System (Pension Gold) vendor-related ticket activity across 2024 and 2025, it is essential to note that tickets may span multiple calendar years due to the scope and duration of certain work items. In 2024, a total of 238 tickets were submitted to the vendor. Of those, 199 were closed during that year, while two long-term project tickets remain open.
In 2025, an additional 137 tickets were submitted to the vendor, representing an approximate **42% decrease in new submissions** compared to the prior year. In 2025, 112 of the newly submitted tickets were closed, and an additional 39 tickets originating in 2024 were resolved. This reflects both a reduction in overall vendor ticket demand and continued progress in resolving prior-year backlog, underscoring improved efficiency, coordination, and issue resolution over time.

Legal, Disabilities & Survivor Benefits (Barbara Hannah)

On January 18, 2026, S&P Global Market Intelligence submitted a Public Records Act request seeking detailed information regarding SBCERA's investment assets and portfolio holdings. The request was submitted by Tania Pengelly, a member of S&P Global's Enterprise Data Research team, who serves as the primary contact for U.S. pension fund public information requests.

The request is broad in scope and seeks records related to both public and private market investments, including portfolio positions and private market fund reports. In response, the requester was directed to SBCERA's publicly available investment reports posted on SBCERA's website under [Investment Reports - SBCERA](#) and [Annual Financial Reports - SBCERA](#)

Requests for records relating to alternative investment agreements and related materials, including due diligence documents, quarterly and financial statements, and portfolio position information for alternative investments, were denied because the records are exempt from disclosure pursuant to Government Code section 7928.710(b).

Important Upcoming Dates – Training Opportunities

Date	Description	Location	Comments
Feb 7, 2026	Portfolio Summits – New York LP Summit	New York, NY	Requires advance Board approval
Feb 12, 2026	SBCERA Investment Committee	SBCERA	N/A
Feb 12-13, 2026	IMN Beneficial Owners' International Securities Finance	Scottsdale, AZ	Requires advance Board approval
Feb 19, 2026	SBCERA Administration Committee	SBCERA	N/A
Feb 21-22, 2026	IFEBP Trustees Institute: Level II – Concepts in Practice	Orlando, FL	Pre-Authorized (up to 2 per year)

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Date	Description	Location	Comments
Feb 23-25, 2026	IFEBP New Trustees Institute: Level I: Core Concepts	Orlando, FL	Pre-Authorized (up to 2 per year)
Feb 23-25, 2026	IFEBP Advanced Trustees & Administrators Institute	Orlando, FL	Pre-Authorized (up to 2 per year)
Mar 2-4, 2026	NCPERS Communications & Member Services Summit	San Diego, CA	Pre-Authorized (up to 2 per year)
Mar 5, 2026	SBCERA Board Meeting	SBCERA	N/A
Mar 8-11, 2026	With Intelligence (formerly Pension Bridge) Women's Private Equity summit	Phoenix, AZ	Pre-Authorized (up to 2 per year)
Mar 8-11, 2026	CALAPRS General Assembly	Carlsbad, CA	Pre-Authorized
Mar 9-11, 2026	CII Spring Conference	Washington, DC	Requires advance Board approval
Mar 13, 2026	SBCERA Board off-site	Rancho Cucamonga, CA	N/A
Mar 19, 2026	SBCERA Administrative Committee	SBCERA	N/A
Mar 19, 2026	SBCERA Investment Committee	SBCERA	N/A
Mar 23-25, 2026	Markets Group – ALTSLA 2026	Los Angeles, CA	Requires advance Board approval
Apr 2, 2026	SBCERA Board Meeting	SBCERA	N/A
Apr 20-22, 2026	With Intelligence (formerly Pension Bridge) The Annual	Los Angeles, CA	Pre-Authorized (up to 2 per year)
Apr 22-23, 2026	IFEBP Investment Institute	Austin, TX	Pre-Authorized (up to 2 per year)
Apr 27-29, 2026	II Public Funds Roundtable	Chicago, IL	Pre-Authorized (up to 2 per year)
May 1-2, 2026	IFEBP Retirement Plan Basics	Scottsdale, AZ	Pre-Authorized (up to 2 per year)
May 12-15, 2026	SACRS Spring Conference	Olympic Valley, CA	Pre-Authorized
May 13-14, 2026	II AlphaEdge North America	Fort Lauderdale, FL	Pre-Authorized (up to 2 per year)
May 16-17, 2026	NCPERS Accredited Fiduciary Program (NAF)	Las Vegas, NV	Pre-Authorized
May 16-17, 2026	NCPERS Trustee Educational Seminar (TEDS)	Las Vegas, NV	Pre-Authorized
May 17-20, 2026	NCPERS Annual Conference (ACE)	Las Vegas, NV	Pre-Authorized
May 28, 2026	Portfolio Summit – Southeast LP Summit	Atlanta, GA	Requires advance Board approval
June 1-3, 2026	II Endowments & Foundation Roundtable East	Boston, MA	Pre-Authorized (up to 2 per year)
Jun 13-14, 2026	IFEBP Trustees Institute: Level II – Concepts in Practice	San Diego, CA	Pre-Authorized (up to 2 per year)
Jun 15-17, 2026	IFEBP Advanced Trustees & Administrators Institute	San Diego, CA	Pre-Authorized (up to 2 per year)
Jun 15-17, 2026	IFEBP New Trustees Institute: Level I – Core Concepts	San Diego, CA	Pre-Authorized (up to 2 per year)

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Date	Description	Location	Comments
Jun 27-30, 2026	GFOA Annual Conference	Chicago, IL	Requires advance Board approval
Jul 13-15, 2026	With Intelligence (formally Pension Bridge) Private Equity Exclusive	Chicago, IL	Pre-Authorized (up to 2 per year)
Aug 16-18, 2026	NCPERS Public Pension Funding Forum	Chicago, IL	Pre-Authorized
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
Sep 29-Oct 2, 2026	CII Fall Conference	Boston, MA	Requires advance Board approval (up to 2 per year)
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 10-13, 2026	SACRS Fall Conference	Rancho Mirage, CA	Pre-Authorized

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.