



San Bernardino County Employees'  
Retirement Association

## Chief Executive Officer's Report

**Date:** April 24, 2025

**From:** Debby Cherney  
Chief Executive Officer

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**To:** SBCERA Trustees

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**Subject: CEO Report – May 1, 2025 Board Meeting**

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### **Administration (Debby Cherney)**

SBCERA received statewide honor for our commitment to effective communications, taking home the CAPIO Award of Distinction for our [We Are SBCERA](#) video series.

The CAPIO EPIC Awards program recognizes the most creative and effective efforts in the areas of communication. We're proud to serve those who serve San Bernardino communities, and we understand the responsibility we have to effectively communicate with our over 50,000 members and 17 employers. This honor reflects that commitment and support our efforts in delivering consistent, clear, and helpful messaging.

SBCERA also received the NCPERS Certificate of Excellence for Public Pension Reporting and Transparency.

### **Human Resources & Risk Management (Stacey Barnier)**

April is National Stress Awareness Month, and to kick it off, the Human Resources team invited staff to participate in National Walking Day on Wednesday, April 2, 2025. We had 13 staff members from across the organization join us for a brisk lunchtime walk along the Santa Ana River trail. To help our staff unwind and recharge, we invited Anita Lerma of Barefoot Grounded to provide our staff with the opportunity attend one of two sessions featuring soothing sounds, mindful meditation, and gentle yoga movements designed to relieve stress and promote deep relaxation. We had a total of 17 participants this year between the two sessions.

This month we also kicked off a new healthy lunch time option available to staff. EveryTable is now available for staff to order fresh scratch cooked meals to be delivered to the office. Each employee logs in to our unique portal with their SBCERA email to order lunch. It's been quite a hit, and we are loving the buzz around the office.

We also hosted our annual Administrative Professionals Day Breakfast this month. Our administrative team was provided with an Oatmeal Bar and fresh fruit and had the opportunity to mingle with each other and our department Chiefs. We all enjoyed sharing time to reflect on the great work they do all year long.

The Retirement Benefits Manager recruitment is in full swing. We have received a total of 33 applications for the position to date with 14 people invited to participate in the phone interview stage.

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We have finalized our candidate list for in-person interviews, and we look forward to meeting those candidates on April 29 and April 30.

Stacey attended the Inland Empire SHRM session titled Psychological Safety: Strategies for a Stress-Free Workplace hosted at IEHP's Headquarters in Ontario, CA. Managing workplace stress and fostering psychological safety are crucial responsibilities for HR professionals. This impactful session led by Darlene Hawley, an Executive Leadership & Business Coach, Keynote Speaker, and expert in messaging and high-stakes communication. This interactive training offered valuable insights into the concept of psychological safety, its benefits, and how to implement practical, sustainable strategies to create healthier, more supportive workplaces. She learned new concepts that the Human Resources team will be implementing.

Thank you to the trustees and senior leadership team for completing the online evaluation survey for the CEO and Chief Counsel reviews.

### National Walking Day



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### Sound Bath and Mindfulness Exploration



### Administrative Professionals Day Breakfast



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### **Investments (Don Pierce)**

SBCERA's March 2025 performance was -0.92% which compares favorably to our policy benchmark of -1.69. With the March performance in, this puts our Fiscal Year to Date results at 4.65% through March 2025 and modestly ahead of our policy index at 4.25%.

According to the NEPC investment performance report, this performance puts our fiscal year results in the top third of Public Pension plans over \$1 billion. I believe this is a strong showing given the first six-months of the fiscal year had a strong equity rally and our overall rebalancing posture – underweight to equities – was a relative drag on performance until recently.

### **Member Services (Christina Cintron)**

This month, the Member Services team continued to build momentum as we settled into the second quarter of the year. Jose Beltran, our new Member Experience Manager, has made a strong start—spending time getting to know the team, learning the nuances of SBCERA's operations, and already identifying opportunities to enhance how we deliver service. His thoughtful and collaborative approach is supporting our broader efforts to strengthen internal processes and provide an exceptional experience to our members.

Call volume began to ease slightly in April following a notably busy first quarter. The team assisted approximately 2,400 callers—a decrease from the previous month, yet still 19% higher than April 2023 and 14% higher than April 2024. These elevated volumes reflect sustained member engagement and underscore the importance of our team's role in delivering timely and accurate information.

The team also supported two San Bernardino County New Employee Orientations and hosted an in-person Mid-Career Seminar at the SBCERA office. These events continue to play an important role in educating members about their benefits and supporting them at key stages in their career journey.

As is typical for the first quarter of the year, the Retirement Specialist team saw high demand related to Service Retirements. They processed approximately 300 retirement applications, consistent with the 2024 season. This was accomplished despite temporary staffing shortages, and I want to extend sincere appreciation to Monica Vargas, Nichole Valenzuela, Laura Kanchy and Irene Mejia for their efforts during this critical period. Their commitment to service and willingness to step up reflect the very best of SBCERA's values in action.

In collaboration with Joe Michael, we have also begun exploring enhancements to the member appointment experience, including online scheduling functionality and tools to support appointment tracking and follow-up communication. These changes aim to improve accessibility, convenience, and data-driven service improvements. Additional updates will follow as this work progresses.

Additionally, in partnership with Olivia Applegate and the Communications team, we made important progress on revamping our outreach to new members. Together, we developed a refreshed welcome folder—a thoughtfully assembled collection of resources designed to introduce new members to SBCERA and the valuable benefits they've begun earning. While the materials will be delivered in print format, they incorporate QR codes and web links that guide members to a range of online content, including quick-tip videos and additional information to support them on their journey toward retirement. As part of this effort, members will also begin receiving their SBCERA ID number as part of their initial onboarding communication. We're excited to finalize this initiative in the coming months and look forward to creating a clear, welcoming, and informative first impression for every new member.



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The Member Services team remains focused, resilient, and dedicated to delivering a superior experience to our members. Their efforts this month have not only upheld our standards but also advanced our mission to provide clear, compassionate, and efficient service at every opportunity.

### **Communications & Stakeholder Relations (Olivia Applegate)**

Communications staff attended the annual CAPIO conference, at which SBCERA was recognized with an Award of Distinction. You can read more about this award in the Administration section above.

### **Fiscal Services (Amy McInerny)**

Retirees and their beneficiaries received the Cost-of-Living adjustment (COLA) with their April benefit. The COLA was either 1% or 2% depending on when the retirement date became effective. The COLA is based upon the Consumer Price Index for the region as of December 31<sup>st</sup> each year. The CPI is rounded to the nearest ½ percent. For the April 1, 2025 COLA, the award amount was 1%. For those members who retired between April 2, 2024 and April 1, 2025, an award in the amount of 1% was added to their respective benefits. For those members who retired by April 1, 2024 and received a COLA last year, they had an amount in their COLA bank sufficient to increase the benefit to 2%. For more information on historical COLA amounts, the calculation, or member banks see our Cost-of-Living Adjustment webpage at [www.sbcera.org/cost-living-adjustments-0](http://www.sbcera.org/cost-living-adjustments-0).

### **Information Services (Joe Michael)**

The Information Services (IS) Department has recently issued a Request for Proposal (RFP) for professional Cybersecurity Audit Services. This initiative reflects SBCERA's ongoing commitment to maintaining the highest standards in information security and ensuring our systems are thoroughly evaluated for vulnerabilities and compliance with best practices.

The RFP outlines our need for a comprehensive audit that includes, but is not limited to:

- Network and infrastructure security assessment
- Application security review
- Internal and external vulnerability scanning
- Compliance evaluation with relevant cybersecurity standards

The IS Department is reviewing the initial responses and questions from multiple candidates. Once a finalist is selected, a formal recommendation will be brought before the Board for review and approval. Additionally, in alignment with ongoing modernization efforts, SBCERA has made the strategic decision to reinvest in its on-premises data center infrastructure. While the organization continues to advance its cloud-first initiatives, recent performance and scalability outcomes from the Palo Alto SASE (Secure Access Service Edge) implementation have far exceeded expectations. These results have prompted a renewed evaluation of the data center as a sustainable and scalable environment capable of supporting SBCERA's operational and growth objectives.

Finally, we have also notified our property management team of SBCERA's intent to bring all building management responsibilities in-house, effective at the beginning of the new fiscal year. This strategic move aims to enhance operational efficiency, streamline oversight, and align building services more closely with SBCERA's internal standards and expectations. The property management team responded positively to this notification and expressed their full support. They have offered to assist in any way possible to ensure a smooth and seamless transition. Coordination efforts are underway to facilitate knowledge transfer and operational handover in preparation for the new fiscal year.

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### Legal, Disabilities & Survivor Benefits (Barbara Hannah)

Legal Services		
	<u>02/18/25 – 03/17/25</u>	<u>03/18/25 – 04/17/25</u>
Comment Sheets	45	38
DROs	6	8
Joinders	3	3
PRA Requests	1	0
Disability Retirement Unit		
Disability Retirement Applications Received	22	12
Via Paper –	11	6
Via MySBCERA -	11	6
Amendments to DRA Received	1	0
Disability Retirement Applications Accepted for Processing	12	10
Amendments to DRA Accepted for Processing	1	0
Disability Retirement Applications Rejected as Untimely or Incomplete	7	2
Amendments to DRA Rejected	0	0
Disability Retirement Applications Pending Review	1	0
Disability Retirement Applications No Further Action Required	2	0

The March 18, 2025 to April 17, 2025 period saw a drop in comment sheets processed from the February 18, 2025 to March 17, 2025 period. The drop is likely attributable to tapering of the February – March retirement rush. Domestic Relations Order (DRO) and Joinder processing was consistent across the two periods.

SBCERA has seen an increase in DROs being filed without SBCERA being joined in the case. Since January, Legal staff received four DROs that in cases where SBCERA was not joined. One of the cases resolved quickly. Staff filed motions to set aside the DROs in the other three cases. The court granted SBCERA's request to set aside DROs in two of the cases. The fourth case is pending hearing. SBCERA requires joinder in family law cases, so the court has jurisdiction to issue an order as to the SBCERA benefits. Also, the DROs filed in three of the cases were non-conforming. SBCERA could not administer

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the DROs that were filed with the courts. Therefore, SBCERA requested the courts set aside the DROs that were filed and order the parties to prepare new orders.

Disability applications remained constant across the two reporting periods. Staff does not have statistics from the Disability Retirement Unit this month due to staff time off.

### **Important Upcoming Dates – Training Opportunities**

<b>Date</b>	<b>Description</b>	<b>Location</b>	<b>Comments</b>
May 8, 2025	SBCERA Investment Committee	SBCERA	N/A
May 12-15, 2025	IFEBP Portfolio Concepts and Management	Philadelphia, PA	Requires advanced Board approval
May 14, 2025	Public Pension Plan Allocators – Private Credit Chicago	Chicago, IL	Requires advanced Board approval
May 13-16, 2025	SACRS Spring Conference	Rancho Mirage, CA	Pre-Authorized
May 14, 2025	II Private Credit Forum	Chicago, IL	Additional training opportunity (up to 2)
May 17 – 18, 2025	NCPERS Trustee Education Seminar (TEDS)	Denver, CO	Pre-Authorized
May 17 – 18, 2025	NCPERS Accredited Fiduciary Program (NAF)	Denver, CO	Pre-Authorized
May 18 – 21, 2025	NCPERS Annual Conference & Exhibition (ACE)	Denver, CO	Pre-Authorized
May 19 – 21 2025	PGIM Real Estate 2025 Global Client Conference	Miami, FL	Requires advanced Board approval
May 22, 2025	SBCERA Administrative Committee	SBCERA	N/A
May 30, 2025	CALAPRS Trustees' Roundtable	Virtual	Pre-Authorized
Jun 1, 2025	Portfolio Summits California LP Summit	Los Angeles, CA	Requires advanced Board approval
Jun 2 – 4, 2025	II Endowments & Foundation Roundtable East	Boston, MA	Additional training opportunity (up to 2)
Jun 5, 2025	SBCERA Board Meeting	SBCERA	N/A
Jun 12, 2025	SBCERA Investment Committee	SBCERA	N/A
Jun 12, 2025	SBCERA Administrative Committee	SBCERA	N/A
Jun 12, 2025	SBCERA Audit Committee	SBCERA	N/A
Jun 21 – 22, 2025	IFEBP Trustee Institute: Level II – Concepts in Practice	Nashville, TN	Requires advanced Board approval
Jun 26, 2025	Beach Point Due Diligence	Santa Monica, CA	Pre-Authorized up to 4 Trustees

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Date	Description	Location	Comments
Jun 23 – 25, 2025	IFEBP Advanced Trustee & Administrators Institute	Nashville, TN	Requires advanced Board approval
Jun 23 – 25, 2025	IFEBP New Trustee Institute: Level I – Core Concepts	Nashville, TN	Requires advanced Board approval
Jun 29 – July 2, 2025	GFOA Annual Conference	Washington, DC	Requires advanced Board approval
Jul 1, 2025	Portfolio Summits Midwest LP Summit	Chicago, IL	Requires advanced Board approval
Jul 3, 2025	SBCERA Board Meeting	SBCERA	N/A
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
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 21, 2025	SBCERA Administrative Committee	SBCERA	N/A
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 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 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



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Date	Description	Location	Comments
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.***