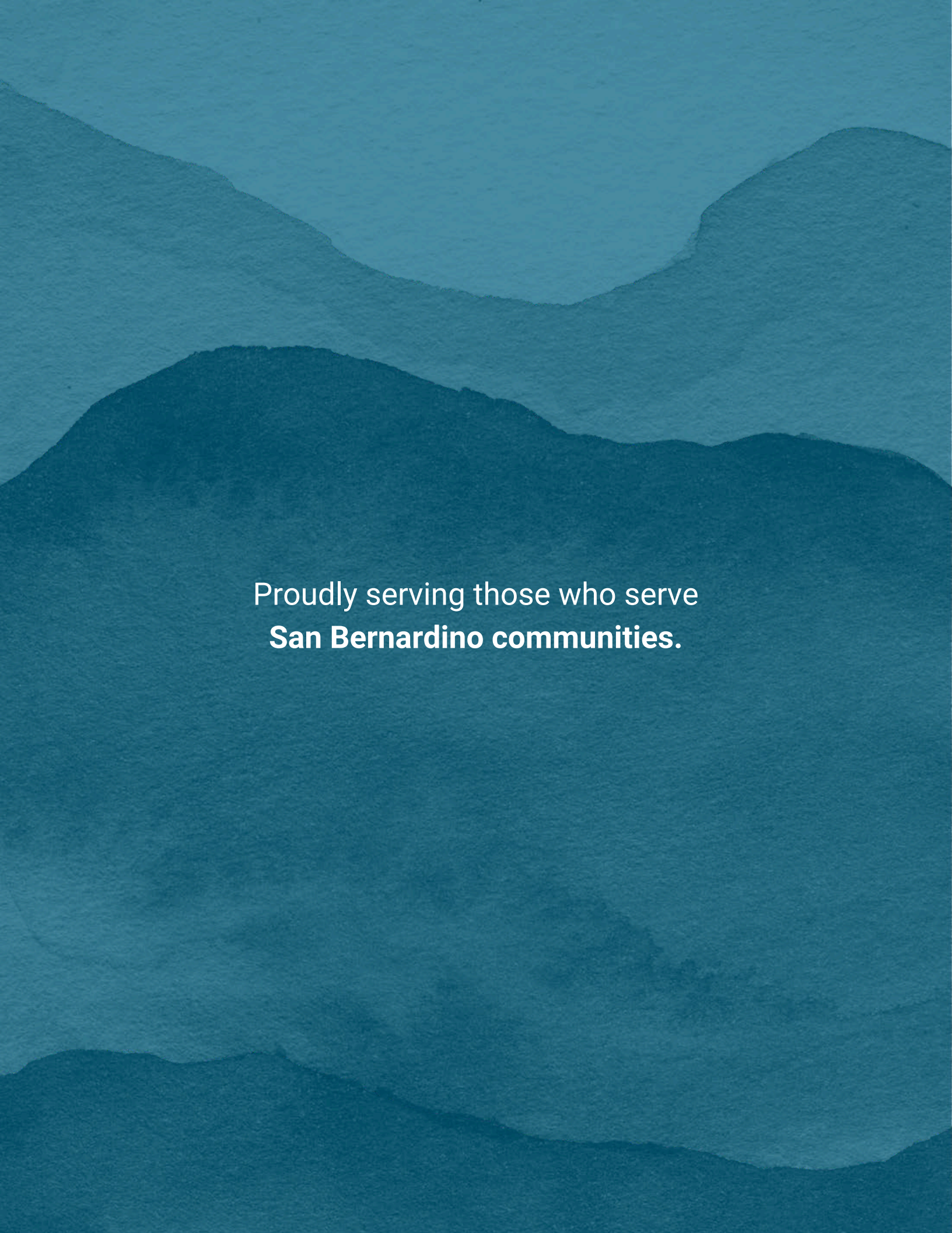




2025

Popular Annual Financial Report

San Bernardino County Employees' Retirement Association
A Multiple-Employer Pension Trust Fund | San Bernardino, CA

The background of the entire image is a monochromatic teal color. It features several layers of mountain ranges, with the foreground mountains being a darker shade of teal and the background mountains being a lighter shade, creating a sense of depth. The mountains have soft, rounded peaks and are rendered in a minimalist, silhouette-like style.

Proudly serving those who serve
San Bernardino communities.

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About This Report

Located in **San Bernardino, California**, the San Bernardino County Employees' Retirement Association (SBCERA) administers the **SBCERA pension plan** - a cost-sharing multiple-employer defined benefit pension plan (the Plan). As management of SBCERA, we offer readers of SBCERA's financial statements this Popular Annual Financial Report (PAFR). This PAFR is derived from information contained in SBCERA's Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2025, but does not contain detailed financial information, nor is it presented in a manner to conform to Generally Accepted Accounting Principles. The PAFR does not replace the ACFR, so readers are encouraged to consider the information presented in this report **in conjunction with the entire ACFR**, which is available at **www.SBCERA.org**.

 **2025 Annual Comprehensive Financial Report (ACFR)**

SB|cera 2024-25 IN NUMBERS



52,000
MEMBERS
STRONG



17
PARTICIPATING
EMPLOYERS



\$4,389
AVERAGE
MONTHLY BENEFIT



88.8%
FUNDED (Actuarial
Value of Assets)



8.7%
FISCAL YEAR
NET RATE OF RETURN



10.7%
5-YEAR NET RATE
OF RETURN



\$16.4 BILLION
TOTAL NET POSITION

Investment Overview

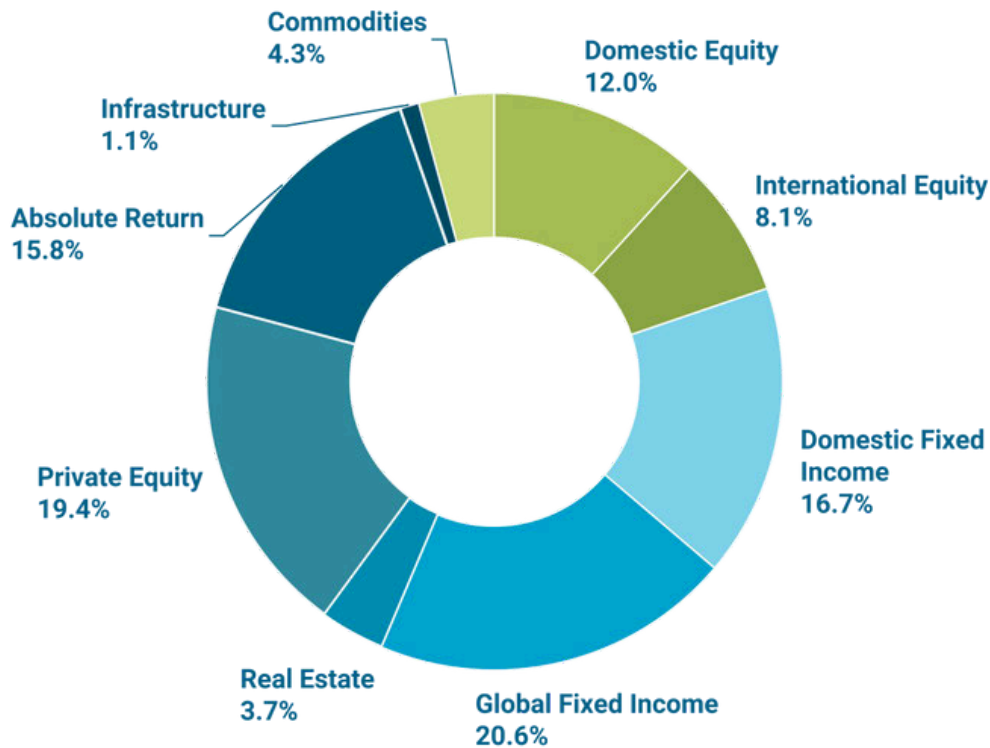
The Board of Retirement maintains sole and exclusive control of all investments of the Plan and is responsible for the establishment of investment objectives, strategies, and policies. The Board is authorized to invest in any form or type of investment deemed prudent in the informed opinion of the Board.

External professional investment management firms manage SBCERA's assets. The investment staff closely monitor the activity of these managers and assist the Board with the implementation of investment policies and **long-term investment strategies**. The Investment Plan, Policy, and Guidelines establish the investment program goals, asset allocation policies, performance objectives, investment management policies, and risk controls.

For the year ended June 30, 2025, investments provided a **rate of return** (net of fees) of **8.7%**. The Plan's annualized rate of return (net of fees) over the **five-year period** ended June 30, 2025 was **10.7%**. The investment return **outpaced** the Plan's actuarial assumed rate of return and stands in contrast from recent fiscal years, where the market conditions were influenced by a variety of economic and geopolitical challenges. Our investment strategy was **well-prepared** to find opportunities during an improving economic climate this past year.

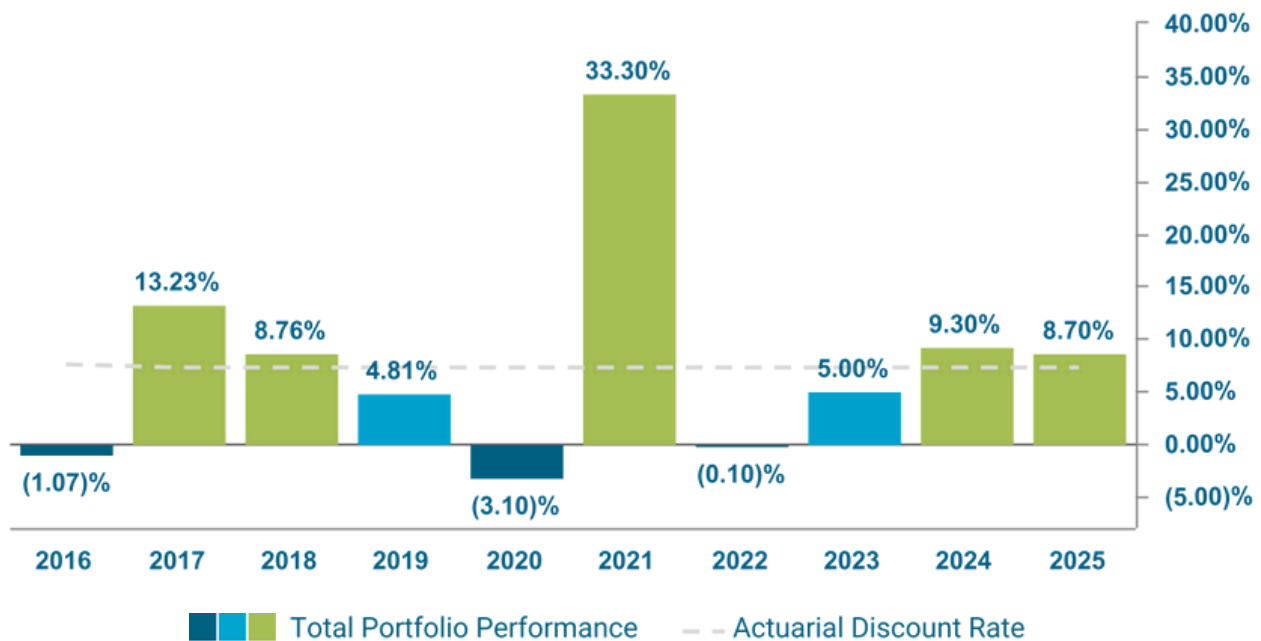
Asset Allocation

As of June 30, 2025



History of Investment Performance

For the Years Ended June 30, 2016 through 2025 (Based on Fair Value)



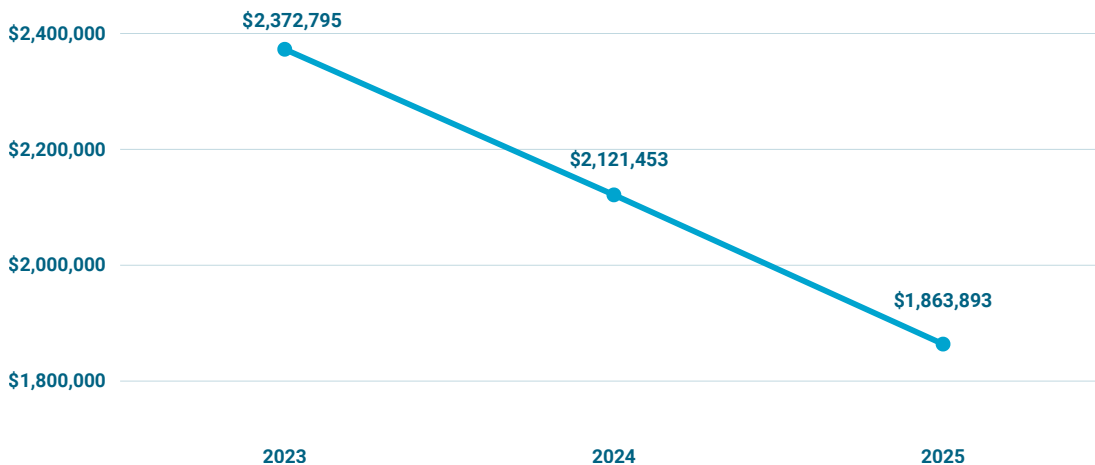
Fair Value Growth of Plan Assets Held For Investments

For the Years Ended June 30, 2016 through 2025 (Amounts in Millions)



Net Pension Liability of Participating Employers

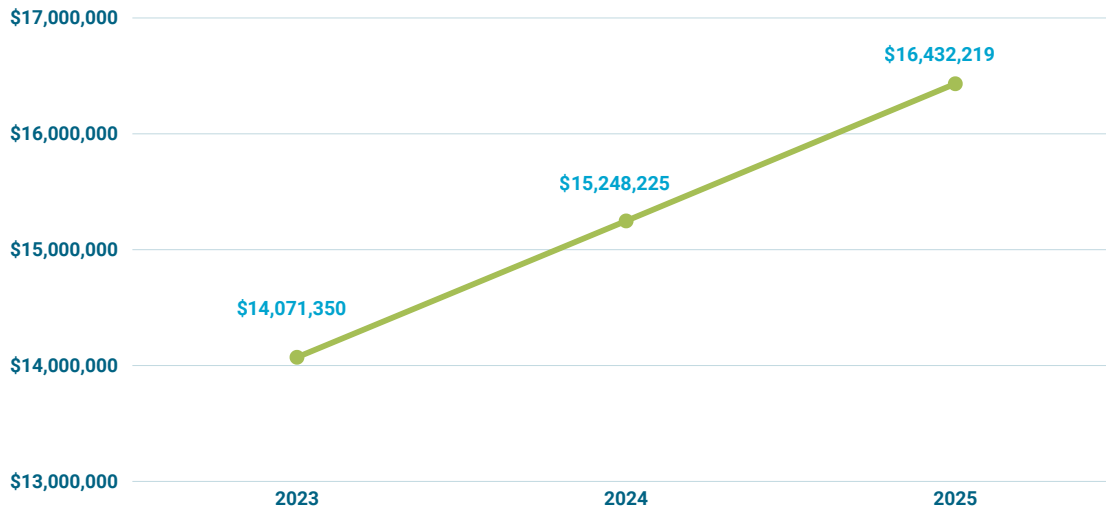
For 3 Years Ended June 30, 2025 (Amounts in Thousands)



Net Pension Liability of Participating Employers represents the **excess of the total pension liability** beyond the Plan's fiduciary net position, which equals assets, plus deferred outflows of resources, minus liabilities, minus deferred inflows of resources. It is a measurement of pension liabilities using market assets that provides a consistent and standardized methodology. This measurement **increases transparency** of the pension liability across all governmental entities.

Fiduciary Net Position

For 3 Years Ended June 30, 2025 (Amounts in Thousands)



This chart displays SBCERA's fiduciary net position (fund balance) over the past several years. For the year ended June 30, 2025, the Plan's **net position increased** by \$1.18 billion, or 7.8%, from the prior year, primarily due to **investment gains**. Overall, the trend demonstrates **steady growth** in the Plan's financial resources. SBCERA's diversified investment program, risk management, and long-term planning help the Plan stay strong despite market fluctuations.

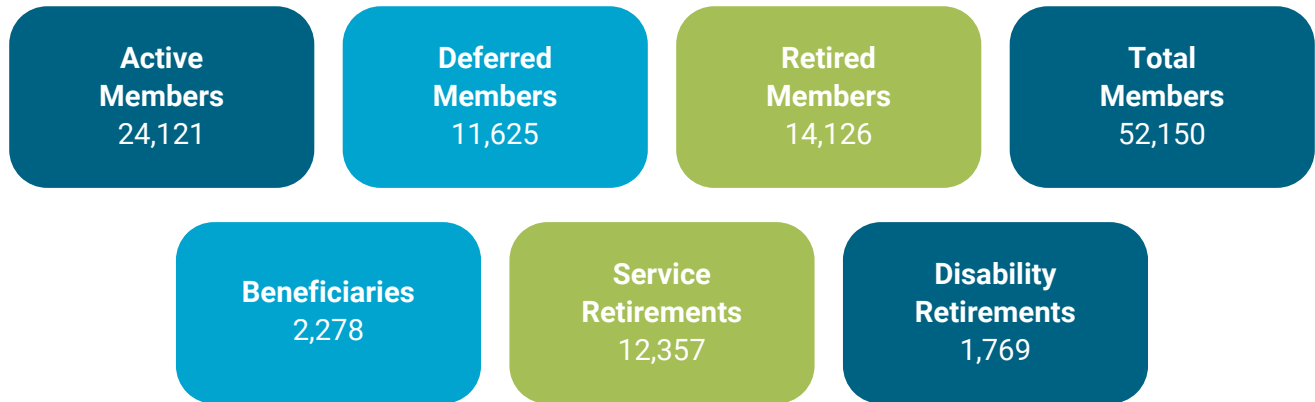
Funded Ratio

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
6/30/2023	\$14,157,370,073	\$16,446,671,652	\$2,289,301,579	86.08%
6/30/2024	\$15,159,419,930	\$17,372,251,774	\$2,212,831,844	87.26%
6/30/2025	\$16,241,197,095	\$18,298,768,447	\$2,057,571,352	88.76%

The funded ratio shows how well current assets are positioned to cover future benefit payments. It compares what SBCERA has set aside to what it expects to owe long term. A **higher funded ratio** means the Plan is in a stronger position to meet future obligations. SBCERA's governance structure, investment strategy, and focus on diversification help position the retirement fund for **long-term growth** and stability. **SBCERA's Board of Retirement** provides the clear direction SBCERA's investment team and fund managers need to steer its over \$16 billion investment portfolio, and empowers its investment team to seize opportunities when they arise.

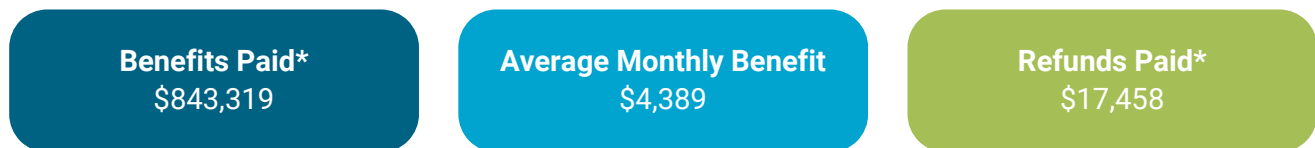
Membership

As of June 30, 2025



Benefits

For the Year Ended June 30, 2025



*Amount in Thousands

Retiree Benefit Payments

For the Retirement Effective Dates of July 1, 2024 through June 30, 2025

Years of Credited Service	Average Monthly Benefit	Average Final Monthly Compensation
0-5	\$2,379	\$12,679
5-10	\$1,677	\$8,276
10-15	\$2,599	\$7,097
15-20	\$4,400	\$8,608
20-25	\$5,123	\$7,855
25-30	\$7,119	\$8,980
30+	\$8,551	\$8,946

Note: The average monthly benefit includes post-retirement **Cost-of-Living Adjustments** granted according to SBCERA policy and Board approval.

Plan Overview



SBCERA was established in 1945 in **San Bernardino, California**, and operates under the provisions of the California County Employees Retirement Law of 1937 (CERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA) and the regulations, procedures, and policies adopted by SBCERA's Board of Retirement (Board).

SBCERA provides **retirement, disability, death, and survivor benefits** to its members, who are employed by **17 active plan sponsors** (participating employers), and five withdrawn employers. These include: San Bernardino County, Barstow Fire Protection District, Big Bear Fire Authority, California State Association of Counties, City of Big Bear Lake, City of Chino Hills, Consolidated Fire Agencies, Crestline Sanitation District, Department of Water and Power of the City of Big Bear Lake, Hesperia Recreation and Park District, Law Library for San Bernardino County, Local Agency Formation Commission, Mojave Desert Air Quality Management District, SBCERA, San Bernardino County Transportation Authority, South Coast Air Quality Management, and Superior Court of California County of San Bernardino.

SBCERA Board of Retirement

Fiduciary oversight of SBCERA is vested with the SBCERA Board of Retirement, which consists of nine voting members and three alternate members. Four members are appointed by the San Bernardino County Board of Supervisors, six members (which include two alternates) are elected by the members of SBCERA (General members elect two members, Safety members elect one member and one alternate, and retired members elect one member and one alternate) and the San Bernardino County Treasurer (County Treasurer) is an ex officio member who has designated one alternate. Board members serve **three-year terms**, with the exception of the County Treasurer, who serves during their tenure in office. The Board meets **monthly**. Appointed and retired members of the Board receive compensation for meeting attendance, and all members are reimbursed for necessary business expenses pursuant to California Government Code section 31521. SBCERA's Chief Executive Officer is **appointed by the Board**, and implements the policies and direction set by the Board.

Award for Outstanding Achievement

The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing **conformance with the highest standards** for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. We were honored with receiving the Award for Outstanding Achievement in Popular Annual Financial Reporting for our Popular Annual Financial Report for the year ended June 30, 2024, and we believe our current report continues to conform to the Popular Annual Financial Reporting requirements, which we are submitting to GFOA to determine its eligibility for another award.

SBCERA was also awarded a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2024. **This is the 28th consecutive year that SBCERA has achieved this prestigious award.**

Members of the Board of Retirement

As of June 30, 2025



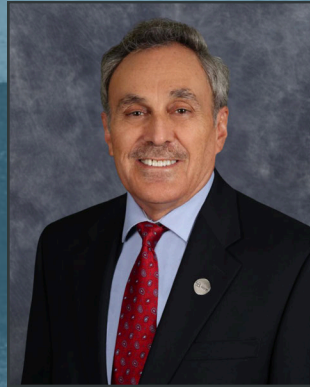
Marc Bracco

Elected by Safety Members
Board Chair | Executive Committee |
Audit Committee | Investment
Committee (Alternate)



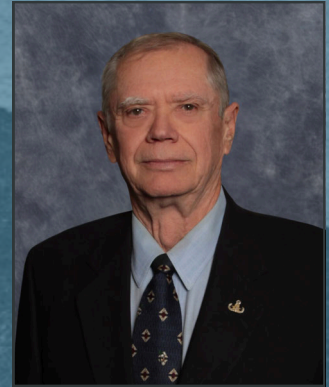
Jean-Rene Basle

Appointed by Board of Supervisors
Board Vice Chair | Investment
Committee | Executive Committee |
Audit Committee



Louis Fiorino

Elected by General Members
Investment Committee



Harry Hatch

Appointed by Board of Supervisors



Ensen Mason

*Auditor-Controller/Treasurer/Tax
Collector - Ex Officio Member*
Audit Committee



Matthew Erickson

Elected by General Members
Administrative Committee | Audit
Committee



Dawn Rowe

Appointed by Board of Supervisors
Administrative Committee



Dawn Stafford

Elected by Retired Members
Investment Committee |
Administrative Committee
(Alternate)



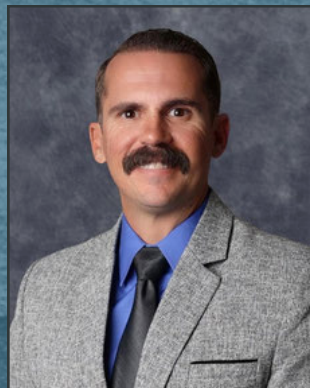
Neal Waner

Appointed by Board of Supervisors
Administrative Committee (Chair) |
Executive Committee



John Johnson

Alternate Ex Officio Member



Jared Newcomer


*Alternate Elected by Safety
Members*
Investment Committee (Chair)



Vacant

*Alternate Elected by Retired
Members*



 909.885.7980  909.885.7446  www.SBCERA.org

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