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2025

Popular Annual Financial Report

San Bernardino County Employees' Retirement Association

A Multiple-Employer Pension Trust Fund | San Bernardino, CA

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)

SBcera 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

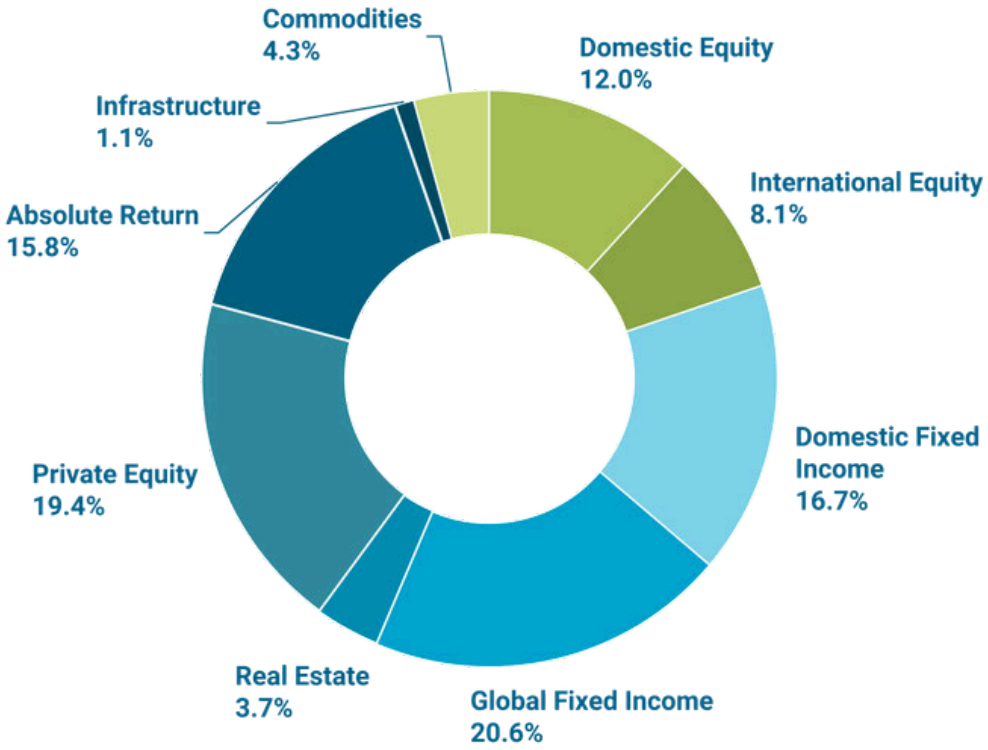
The Board of Retirement maintains sole and exclusive control of all investments of the Plan and is responsible for the establishment of investment objectives, strategies, and policies. The Board is authorized to invest in any form or type of investment deemed prudent in the informed opinion of the Board.

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.

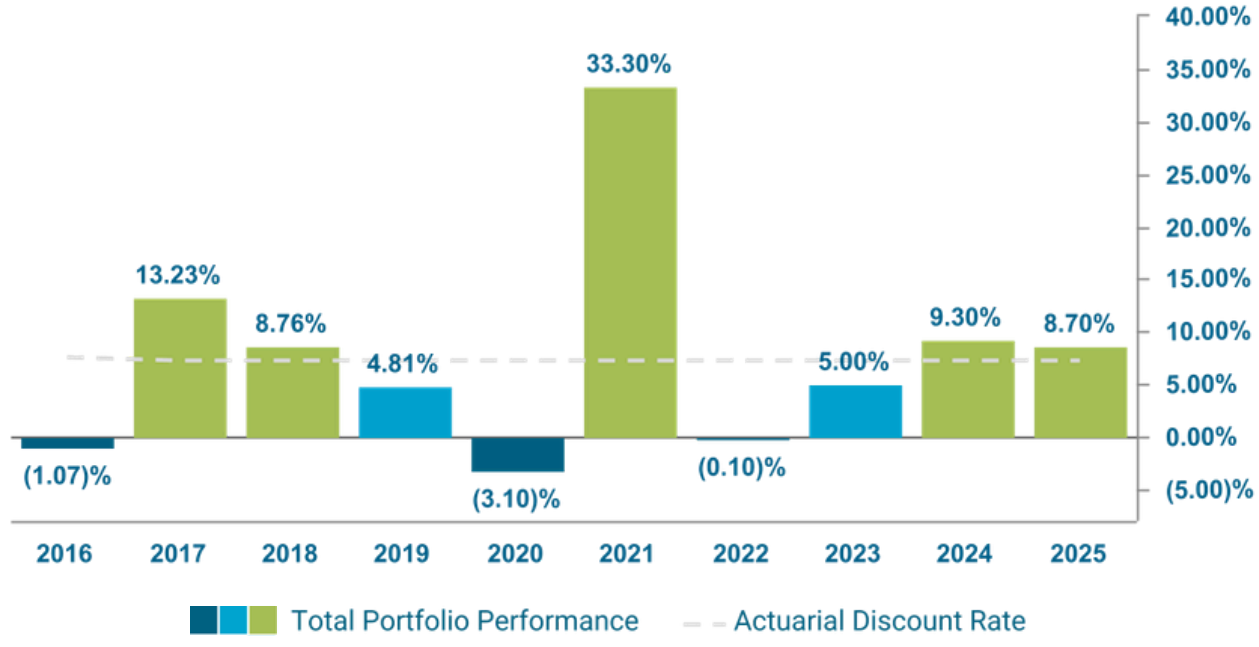
Asset Allocation

As of June 30, 2025



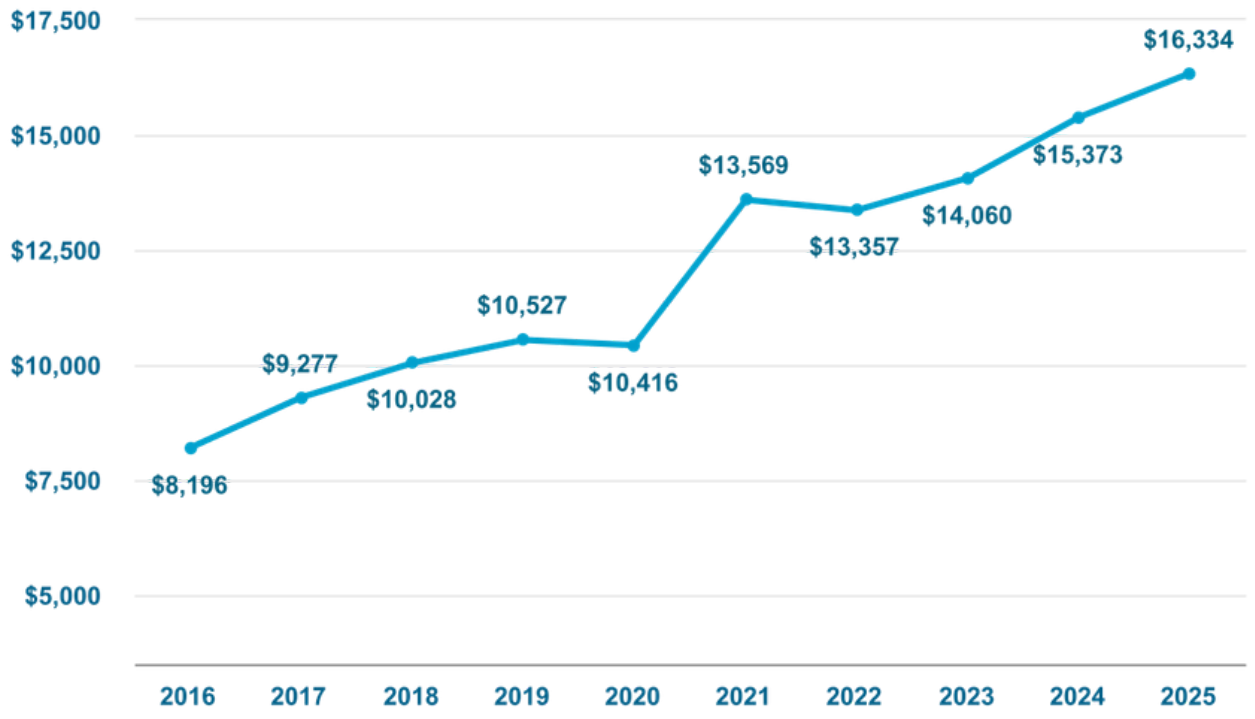
History of Investment Performance

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



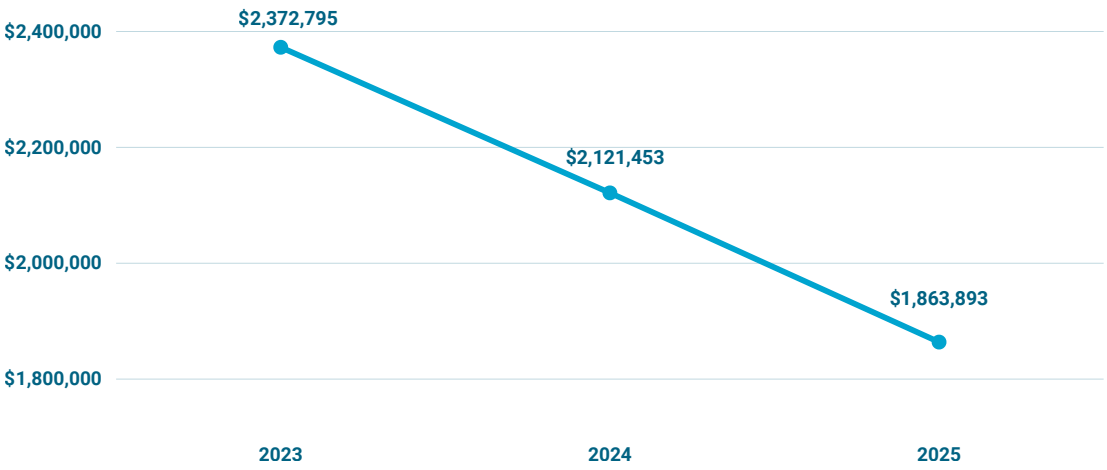
Fair Value Growth of Plan Assets Held For Investments

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



Net Pension Liability of Participating Employers

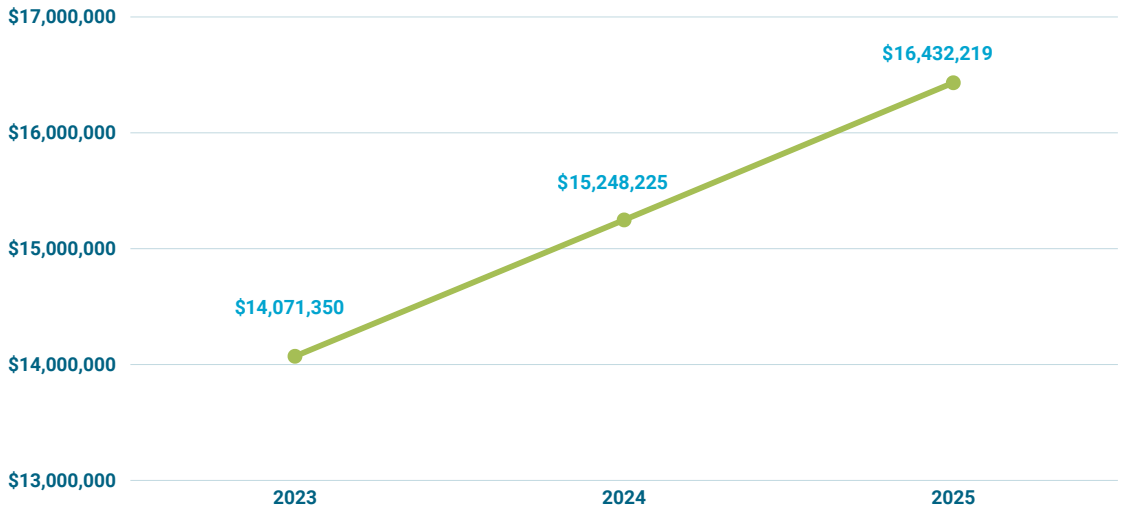
For 3 Years Ended June 30, 2025 (Amounts in Thousands)



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

Active Members
24,121

Deferred Members
11,625

Retired Members
14,126

Total Members
52,150

Beneficiaries
2,278

Service Retirements
12,357

Disability Retirements
1,769

Benefits

For the Year Ended June 30, 2025

Benefits Paid*
$843,319

Average Monthly Benefit
$4,389

Refunds Paid*
$17,458

*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

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