



**Message from the
Chief Executive Officer,
David Nelsen**

Processed **436**
members into
retirement

Counseled **620**
ready-to- retire
members



475 14th Street, Suite 1000
Oakland, CA 94612

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A Component Unit of the
County of Alameda, Oakland, CA

Dear ACERA Members,

I'm pleased to share an update on your pension fund's progress. In 2025, our investments delivered a robust 15.9% net return, increasing ACERA's net position by \$2.0 billion to \$14.1 billion as of December 31, 2025. While we are proud of this excellent result, our priority is always your lifetime security. By investing for decades, not days, we manage your fund to provide a secure, guaranteed retirement that you can count on, staying strategically focused through the short-term ups and downs of the market.

We also continue to find new ways to improve your experience. This past year, we launched a video tutorials page ([acera.org/tutorials](https://www.acera.org/tutorials)) and transitioned member messaging into the MemberDirect portal. Similar to a medical provider's portal, this ensures your digital communications with us remain secure and private.

To save you a trip to the office, we highly encourage you to use our convenient virtual resources:

- **Virtual Call Center:** Get answers to all your pension questions: [acera.org/contact](https://www.acera.org/contact)
- **Member Account:** Log in to your secure portal to view your details and message staff: [acera.org/login](https://www.acera.org/login)
- **20-Min. Retirement Planning:** Estimate your future pension and learn how to save more: [acera.org/planning](https://www.acera.org/planning)
- **Retirement School:** Attend a live or recorded Zoom webinar and learn everything: [acera.org/seminars](https://www.acera.org/seminars)
- **Retiring in the Next 3 Years?:** Fully prepare at: [acera.org/prepare](https://www.acera.org/prepare)

Thank you for your continued trust in ACERA. As we approach the 80th anniversary of the founding of this organization, we are honored to have been a part of the retirement journey of so many who have served before, and for all of you who are doing the work now.

Sincerely,

**David Nelsen,
Chief Executive Officer**

Popular Annual Financial Report

FOR THE YEAR ENDED
December 31 2025

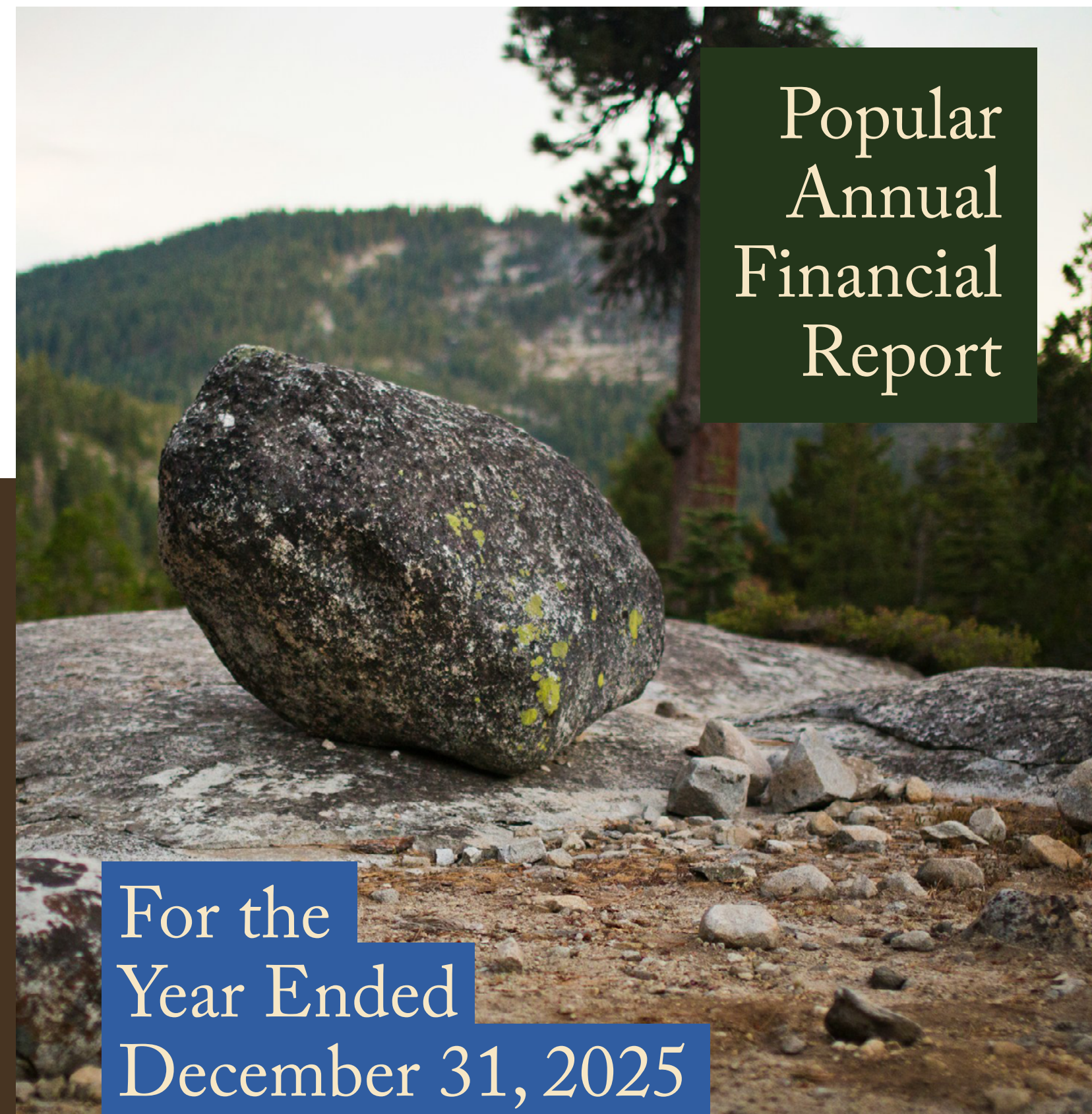
Serving You

OUR MISSION AT ACERA is to provide members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services. We've been doing this since we became operational on January 1, 1948 under the County Employees Retirement Law of 1937 (CERL). ACERA is one of the few county retirement organizations that has adopted Article 5.5 of the CERL. This means that our members also receive non-guaranteed benefits such as healthcare.

Our dedicated and diverse team at ACERA uses its expertise to provide these benefits to you, our members. On the following pages you can see some of the ways we've improved our service in 2025.

475 14th Street STE 1000 | Oakland, CA 94612 | www.acera.org

Answered 23,421 telephone calls	89% of callers spent less than 60 seconds on hold	Fulfilled 1,226 formal written requests
Scanned & indexed 49,186 member documents	Subscribed 15,935 people to email news updates at acera.org/subscribe	Members generated 18,036 retirement estimates through our online portal. Try it at: acera.org/login
Responded to 6,266 email messages		



Popular Annual Financial Report

For the
Year Ended
December 31, 2025

The Popular Annual Financial Report (PAFR) is a summary of the Annual Comprehensive Financial Report (ACFR) for the year ended December 31, 2025

The financial data in the Popular Annual Financial Report derive from the more detailed Annual Comprehensive Financial Report. Both are consistent with generally accepted accounting principles and guidelines established by the Governmental Accounting Standards Board.

You can find both reports online at [acera.org/financial](https://www.acera.org/financial).

Board of Retirement

Tarrell V. Gamble
Chair
Appointed by the Board of Supervisors

Elizabeth Rogers
1st Vice Chair
Elected by Retired Members

Ross Clippinger
2nd Vice Chair
Elected by Safety Members

Ophelia B. Basgal
Appointed by the Board of Supervisors

Keith Carson
Appointed by the Board of Supervisors

Scott Ford
Elected by General Members

Kathy Foster
Alternate Retired
Elected Alternate by Retired Members

Henry C. Levy
Treasurer-Tax Collector

Kellie Simon
Elected by General Members

Steven Wilkinson
Appointed by the Board of Supervisors

Accomplishment Highlights

2025 • STRENGTHENING ACERA

Launched Video Tutorial Library

Developed 10 short educational videos answering the most common questions members ask. These quick, easy-to-understand visual guides make navigating your retirement benefits simpler than ever: [acera.org/tutorials](https://www.acera.org/tutorials)

Enhanced Email Privacy

Transitioned member email communications into the secure MemberDirect portal. This upgrade replaces traditional email with a centralized, highly protected channel to keep your sensitive retirement account communications safe: [acera.org/email](https://www.acera.org/email)
Enroll in MemberDirect: [acera.org/join](https://www.acera.org/join)

ACERA also... Increased the Monthly Medical Allowance (MMA) by 3.75%; conducted a competitive RFP process and renewed dental and vision coverage with longtime providers Delta Dental and VSP; launched the SmileWay webpage for enhanced chronic-condition dental care [acera.org/smileway](https://www.acera.org/smileway); hosted our second hybrid retiree health fair; surveyed retirees to explore possible Kaiser plan enhancements; expanded available member forms in DocuSign; earned an unmodified audit opinion and GFOA awards for financial reporting; conducted a Board of Retirement election; and completed a fraud-prevention benefit certification audit.

Enrolled 13,115 so far in the new MemberDirect at [ACERA.ORG/LOGIN](https://www.acera.org/login)

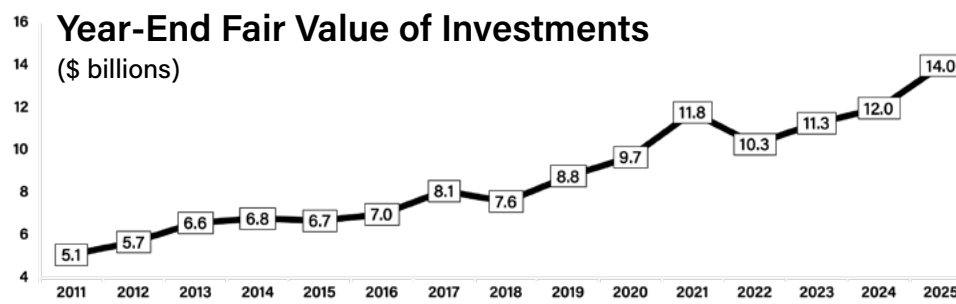
That's 47% of all members



ACERA Financial Highlights

The funding sources that finance the retirement benefits are member contributions, employer contributions, and investment income. ACERA's assets are primarily used for the payment of benefits to members and their beneficiaries, the refund of contributions to terminated employees, and the cost of administering the retirement system.

More at [acera.org/acfr](https://www.acera.org/acfr).



Financial Summary (Fiduciary Net Position Condensed)

(Dollars in millions)

	2025	2024	Increase (Decrease) Amount	Percent Change
ADDITIONS				
Net investment income + Misc. income	\$ 1,903.4	\$ 1,025.6	\$ 877.8	86%
Employee & Employer Contributions	861.9	445.6	416.3	93%
Reserve Transfers	58.6	57.9	0.7	1%
Total Additions	2,823.9	1,529.1	1,294.8	85%
DEDUCTIONS				
Retirement Benefit Payments & Refunds	672.5	644.1	28.4	4%
Postemployment Medical Benefits	52.8	50.2	2.6	5%
Administration	21.9	20.4	1.5	7%
Reserve Transfers	58.6	57.9	0.7	1%
Total Deductions	805.8	772.6	33.2	4%
CUMULATIVE EFFECT OF ACCOUNTING CHANGE	-	(0.9)	0.9	100%
NET POSITION RESTRICTED FOR BENEFITS AT END OF YEAR	\$14,052.5	\$ 12,034.4	\$ 2,018.1	17%

Actuarial Values & Funded Ratio

Actuarial Valuation as of December 31	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio
Plain English:	How Much We Have Now	How Much We Owe, Now & in the Future	How Much More We'll Need	% of How Much We Owe That We Have Now
2024	\$ 10,863.3	\$ 12,340.7	\$ 1,477.3	88.0%
2023	10,342.6	11,746.7	1,404.1	88.0%
2022	9,923.0	11,415.1	1,492.1	86.9%
2021	9,453.1	10,929.9	1,476.8	86.5%
2020	7,984.2	10,484.2	2,499.9	76.2%

Check [acera.org/actuarial](https://www.acera.org/actuarial) for more information on pension plan funding and the Net Pension Liability calculation required by GASB 67.

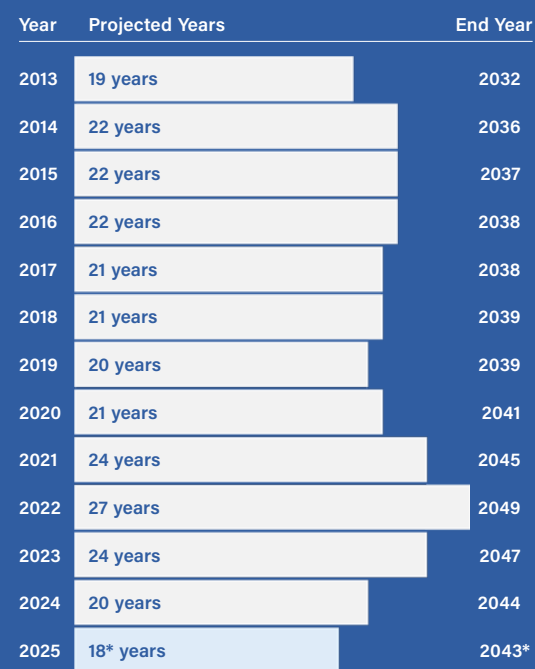
Non-Guaranteed Benefits and the Supplemental Retiree Benefits Reserve (SRBR)

Non-Guaranteed Benefits Currently Offered

- Monthly Medical Allowance (MMA)
- Dental Coverage Subsidy
- Vision Coverage Subsidy
- Medicare Part B Reimbursement Plan
- Supplemental COLA
- Implicit Subsidy (Paid to County)

ACERA's non-guaranteed (non-vested) benefits are subject to available funds in ACERA's Supplemental Retiree Benefits Reserve (SRBR). The SRBR receives regular interest earnings and half of investment earnings above the assumed rate of return. Each year, our actuary projects how many years the SRBR will last at current benefit levels. ACERA aims to keep the SRBR above a projected 15-year sustainability level. The Board of Retirement may change or end non-guaranteed benefits to meet this goal. Below is the sustainability projection made for each of the last 13 years.

More at [acera.org/srbr](https://www.acera.org/srbr).



Investment Performance

Net Results

The Board of Retirement has the fiduciary responsibility to prudently invest ACERA's funds to minimize overall risk and maximize returns.

More at [acera.org/investments](https://www.acera.org/investments).

Investment Fund Performance Highlights (Net Results)

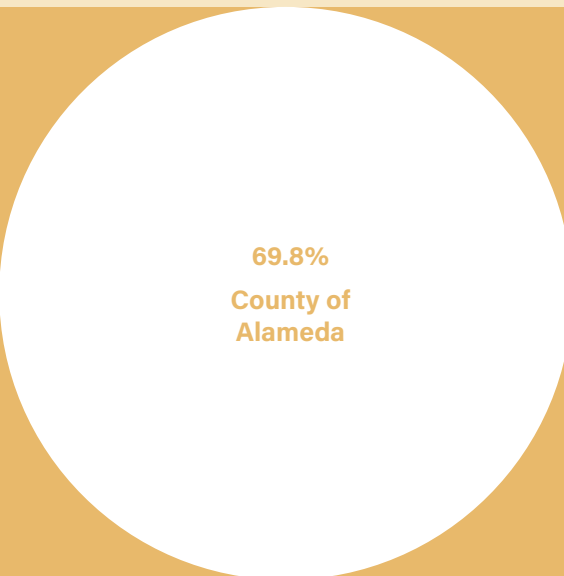
Description	2025 Return	Ranking in a universe of public funds over \$1 billion*
TOTAL FUND		
Total fund return	ACERA fund return 15.9%	12th percentile
Policy index return	Benchmark 15.6%	12th percentile
Median return	Peer group return 13.4%	50th percentile
Annualized 5 years	Average return over 5 years 7.9%	27th percentile
Annualized 10 years	Average return over 10 years 9.1%	15th percentile
Annualized 15 years	Average return over 15 years 8.5%	9th percentile
INDIVIDUAL ASSET CLASSES		
\$ VALUE IN BILLIONS		
Public equity	Public Stocks 21.9%	\$ 6.9
Fixed income	Bonds/debt 8.6%	2.2
Real estate	Real, tangible properties 3.6%	0.8
Private equity	Non-public companies 13.5%	1.0
Absolute return	Stable, positive returns 8.0%	1.0
Real assets	Inflation hedge 19.0%	0.9
Private credit	Private, non-bank lending 5.8%	0.6
Cash	Cash 4.4%	0.5
Overlay	Invested liquid cash 74.1%	0.2
YEAR-END TOTAL FUND		\$ 14.0
TOTAL CHANGE IN FUND VALUE		\$ 2.0

* ACERA's investment policy targets a ranking in the top 25th percentile.

0.3%
Livermore Area Recreation & Park District

0.6%
Housing Authority of the County of Alameda

1.0%
First 5 Alameda County



5.1%
The Superior Court of CA for the County of Alameda

23.2%
Alameda Health System

ACERA's Membership

ACERA's members are current and former employees of six participating employers who collectively share the risks of supporting a multi-employer, cost-sharing, defined benefit retirement plan. More at [acera.org/about](https://www.acera.org/about).

	2025
Total Membership	27,663
Service Retirees	8,965
Active Vested	7,755
Active Non-Vested	4,408
Deferred	4,110
Beneficiaries	1,392
Disability Retirees	1,033
	2024
Total Membership	26,984
Service Retirees	8,827
Active Vested	7,644
Active Non-Vested	4,195
Deferred	3,920
Beneficiaries	1,389
Disability Retirees	1,009

Pension Plan Funding Status

ACERA hires an independent actuary to conduct annual valuations of pension assets and expenses. The actuarial values are compared to determine the annual contribution rates that ACERA's members and employers are required to pay to meet pension obligations. You may notice that the actuarial value of assets and the net position differ; this is because gains and losses are mathematically "smoothed" over a 5-year period. This minimizes the effect of market volatility on contribution rates. Participating employers contributed 100% of the annual required contributions to the pension plan, which include additional contributions so ACERA can re-achieve 100% funding over time.

