



Tulare County Employees' Retirement Association

# Pension Progress

Phone: (559) 713-2900

[www.tcera.org](http://www.tcera.org)

Keeping Members Informed

Volume 20, No. 2 June, 2019

## A Word from Your Retirement Administrator

This is my first opportunity to formally address TCERA's active and retired membership since my appointment effective March 30, 2019. I want to thank the Board of Retirement for their confidence in me and look forward to serving you as TCERA's Retirement Administrator. As the Assistant Retirement Administrator for 13 years, I know and understand the importance of the work we do and am humbled by the opportunity to continue working on your behalf to maintain a healthy and viable pension plan.

I need to take a minute to acknowledge the work of our previous Retirement Administrator, David Kehler. His leadership and mentorship have paved the way for a smooth transition to my new role. I also want to make you aware of the amazing staff at TCERA that work hard every day to record and process the volumes of information we receive and to ensure that benefits are paid accurately and on time. They handle their workload with grace and enthusiasm while still making time to provide our members with the attention you need and deserve. I am honored to work side by side with them to achieve TCERA's goals.

On the financial front, it appears that there may be challenging times ahead. This will come as no surprise to you if you have been paying attention to the news. The recent market corrections as well as the financial and political uncertainty across the globe will put pressure on TCERA's investment portfolio, resulting in some short term pain as we have experienced diminished returns. Be assured that the Board of Retirement is watching over the plan diligently.

The good news is that TCERA is one of the best funded plans in the state, thanks to the hard work and commitment of the Board of Retirement. I would be remiss if I did not also acknowledge the infusion of \$250 million into the plan due to the decision of the Board of Supervisors to issue pension obligation bonds in 2017. Fiscal year end is here, which means we will be working with our investment consultant, independent auditor, and consulting actuary to produce timely and accurate financial information to assist the Board in making prudent decisions for the plan.

One final note – please don't take your TCERA defined benefit plan for granted. This is an amazing benefit that not all workers enjoy as you may have heard from time to time from family, friends, and maybe even a few strangers! It is or will be a key piece of your future, ensuring that you can enjoy your retirement with a measure of financial security.

With gratitude,

Leanne Malison



## Upcoming Board of Retirement Elections



The Tulare County Board of Retirement will be holding elections this fall for three trustee positions. These elections are important because Board trustees are charged with significant responsibility for the governance and oversight of your TCERA retirement plan. The makeup of the nine member Board of Retirement is determined by law as follows:

- **General Member Representation** – Two trustee seats elected by active general members of TCERA.
- **Safety Member Representation** – One trustee seat elected by safety members of TCERA.
- **Community Representation** – Three trustee seats appointed by the Board of Supervisors.
- **Board of Supervisors Representation** – One trustee seat appointed by the Board of Supervisors.
- **Retired Member Representation** – One trustee seat elected by the members of the Tulare County Retired Employees Association (TCREA).
- **Auditor/Treasurer/Tax Collector Representation** – One ex-officio trustee seat filled by the incumbent of this position with the County of Tulare.

Retirement law and other governance also allow for alternate trustees to vote in the absence of specific trustees under certain circumstances:

- **Safety Member Alternate** – The safety member alternate is determined in conjunction with the safety member election. Retirement law assigns two broad categories of safety membership for trustee election purposes – law enforcement and fire suppression. The candidate receiving the largest number of votes from all votes cast from both classifications is elected as the Safety member trustee. The candidate receiving the largest number of votes from the classification not associated with the winner of the election becomes the safety member alternate trustee for the same term.
- **Retiree Member Alternate** – The retiree member alternate election is handled as a separate election with its own candidate pool. Candidates must specifically designate that they are running for the alternate position. The retiree member and the retiree alternate elections are held at the same time and serve the same three year term.
- **Auditor/Treasurer/Tax Collector Alternate** – The Auditor/Treasurer/Tax Collector has the authority to appoint an alternate trustee. No election is required for this position.

The trustee seats on the Board of Retirement, excluding the ex-officio positions for the Auditor/Treasurer/Tax Collector trustee and alternate, are subject to staggered three year terms. **One elected general member position and both the retiree representative and the retiree representative alternate positions have terms expiring on December 31, 2019.**

Keep your eyes open for election information and materials that will be made available in August!





**An important notice to our pension payees:**

**Annual Notice of Right to Elect  
or Revoke Federal Tax Withholding**

TCERA is required to notify you annually of your right not to have withholding apply to your periodic payment. Your current withholding instructions will stay in effect until you change or revoke them. You have the right to change your election at any time by providing notice to us.

Generally, pension and annuity payments are subject to federal income tax withholding. The withholding rules apply to the taxable part of payments from an employer pension or annuity. The recipients of these payments can choose not to have withholding apply to their pension. However, if you elect not to have withholding apply to your pension or annuity payments, or if you do not have enough federal income tax withheld from your pension or annuity payments, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. **If you do not want to make a change to your federal tax withholding instructions, no action is necessary.**

If you would like to revoke or change your current withholding, please complete federal income tax withholding form W-4P. The form is available in the Forms section of TCERA's website ([www.tcera.org](http://www.tcera.org)). You may also request a form by calling TCERA at 559-713-2900 or writing to us at TCERA, 136 N. Akers Street, Visalia, CA 93291.

Withholding decisions can be complicated. The Internal Revenue Service provides a withholding calculator to assist taxpayers in estimating their withholding for federal income taxes. The calculator is available on the IRS Website ([www.irs.gov](http://www.irs.gov)). We recommend that you consult with your tax advisor if you have questions regarding whether or not to have federal income tax withheld from your pension or annuity payment.



**The Top Financial Scams of 2018**

Have any of you gotten rich lately by helping a foreign prince gain access to his money? How about getting expert help with a computer problem you didn't even know about? We are all getting hit on a regular basis with scams that are designed to help us part with our hard earned dollars. NPR Marketplace recently published their list of the top seven financial scams of 2018. Total losses to unwitting targets register in the millions of dollars.

1. **Imposter Scams:** This is the most costly and most prevalent type of scam reported by American consumers. This involves a contact from someone pretending to be a trusted friend or relative, or perhaps a representative from a government agency or technology company. The goal is to trick you into handing over money or information (e.g. password, social security number, credit card number, etc.). The contact may be via phone or email. Whatever the case, beware!
2. **Prizes, Sweepstakes and Lottery Scams:** A phone call, email, or fax from someone informing you that you have won a major prize is often a scam designed to get you to pay a "fee" in order to get "free" prizes.
3. **Business and Job Opportunities Scams:** Watch out for job scams that include fake business opportunities, work-at-home plans and invitations to take part in pyramid or multilevel marketing schemes.

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## **Financial Scams of 2018** (Continued)

4. **Foreign Money Offers and Counterfeit Check Scams:** Be careful of contacts from widows, widowers, princes, and princesses who want to share their money with you. Once they have your bank account number and personal information, you will be the one sharing your money.
5. **Telephone and Mobile Services scams:** This is the second most reported scam, after Imposter Scams. It's no wonder since many of us spend a lot of time on our phones. Don't fall for fake sales invitations, charges for unwanted apps, and charges for "toll free" calls you never made.
6. **Shop-at-Home and Catalog Sales Scams:** These scams seek to take advantage of at-home shoppers by adding undisclosed costs, failing to deliver on time, or never delivering the order at all.
7. **Internet Service Scams:** These scams may include hidden charges or recurring fees. They may also provide an opening for malware to be downloaded to your device by clicking on pop-up windows or links in unsolicited messages.

Don't let scammers get the best of you. Be aware and be informed. Read the entire Marketplace article for more information, including resources to help you deal with financial scams at [www.marketplace.org/2019/05/16/brains-losses-top-financial-scams-2018/](http://www.marketplace.org/2019/05/16/brains-losses-top-financial-scams-2018/).