



Tulare County Employees' Retirement Association

Pension Progress

Phone: (559) 713-2900

www.tcera.org

Keeping Members Informed

June 2024

A Word from your Retirement Administrator...

It's Summer and Things are Heating Up!



A lot is happening in your retirement plan these days. This is my chance to make you aware of some hot topics at TCERA!

Member Contribution Rates – New rates go into effect for active members in pay period 15 (payroll ending July 13, 2024). The good news is that the change to contributions, if any, will be very small. TCERA's most recent Three-Year Experience Study resulted in minimal changes in actuarial assumptions. That's good news for employee contribution rates!

Retiree Cost of Living Increases – Cost of Living increases were successfully applied to pension payments effective April 1st. The increases were 3% for Tier 1 and 2% for Tiers 2, 3, and 4. Please contact TCERA if you have any questions regarding the changes to your payment.

MyTCERA – Member Web Access – Dual Authentication – You have seen articles in past newsletters providing advance notice of a change to your access to MyTCERA. This feature is scheduled to go into effect in the month of July. The security of your personal information is of utmost importance and TCERA is taking steps to help ensure that the information and processes available through MyTCERA are protected.



The dual authentication process will send a code to you via text or email, based on your authorized contact information on file, whenever you log into the MyTCERA site. Anyone trying to access your MyTCERA information will not be able to do so without entering this code. You likely already have seen this feature for access to other applications so, hopefully, the concept and process will be familiar to you. Also, please note that when existing enrollees next change their password, stricter password parameters will apply.

MyTCERA provides access to TCERA account information as well as some processes. Active members can view information such as their retirement account balance and beneficiaries and can run retirement estimates to get an idea of the benefits they may expect when the time to retire is near. Retired members can view payment and 1099R history, update tax withholding and payment instructions, and provide change of address information for their TCERA account. All MyTCERA enrollees can access a Retirement Modeler that offers “what if” scenarios for retirement planning. If you are not already enrolled in MyTCERA, please contact the Retirement Office for an enrollment form. Once enrolled, you will be able to access the MyTCERA portal directly from TCERA's website at www.tcera.org.

Here's hoping you stay cool!
Leanne Malison

Upcoming Board of Retirement Elections

The Board of Retirement will be holding elections later this year for three trustee positions for three-year terms beginning January 1, 2025. Formal election notices will be distributed to voting members sometime in August. These elections are important because Board trustees are charged with significant responsibility for the governance and oversight of your TCERA retirement plan. The elections will be held on December 3, 2024. The following are the trustee seats up for election this year:

- *Second Member (General Member Representative) – elected to represent the general membership.*
- *Seventh Member (Safety Member Representative) – elected to represent the safety membership.*
- *Seventh Member Alternate (Safety Alternate Member Representative) – elected to represent the safety membership in the absence of the Safety Member Representative and other elected trustees under certain circumstances.*



ACTIVE MEMBERS – Please note that ballots are mailed to your home address as recorded with your employer. **Please make sure your address is current with your payroll clerk!**

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.

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

Divorce and Your Retirement

Divorce is not usually a pleasant subject, but it is an important one as it relates to your TCERA benefits. California is a community property state which means that retirement benefits earned during a marriage are an asset that can be divided in the event of a divorce. This is true whether you are in active employment, deferred status, or have already retired. In order for TCERA to properly handle any such division, it is important to provide acceptable documentation. Here are some tips to help you navigate the TCERA process:



Joinder – One of the parties should file a joinder with the Court. This document joins TCERA as a party to the divorce proceedings. Once filed, and served upon TCERA, the Joinder prevents TCERA from paying out any retirement funds until a final determination is reached by the court and ensures that relevant documents can be reviewed by TCERA. This prevents members from incurring the inconvenience, and possible additional expense, of going back to court for documents that meet TCERA requirements.

Domestic Relations Order – The preferred document for communicating instructions regarding TCERA community property interests is a Domestic Relations Order (DRO) that can be generated when a divorce is finalized with the court. The DRO gives specific language as to how the retirement plan assets are to be divided between the two parties. Sample DRO's for both pre-retirement and post-retirement are available on TCERA's website www.tcera.org. The samples can also be obtained by contacting the retirement office. Using the sample as a template may eliminate the need to revise a DRO submitted to TCERA for approval.

Acceptable Documentation – There are two legal documents that can be provided to finalize instructions to TCERA regarding community property interests. The preferred document is a DRO filed with the court as noted above. The provisions of the DRO must be acceptable to TCERA. If a DRO has not been filed with the court and the divorce proceedings are complete, the final judgment from the court may be acceptable. The final judgment must provide acceptable specific instructions regarding the treatment of the community property portion of the TCERA account. These documents must have the signatures of all parties involved, including a signature or stamp from the judge who heard the case.

Upon receipt of acceptable documentation, TCERA will calculate the division of the retirement plan benefits, inform each party of the amount they will receive, and provide information as to how each person can receive their portion.



Missing or incomplete documentation regarding a divorce can result in a delay in receiving TCERA retirement benefits. It is in everyone's best interest to provide the documents as soon as they are available. TCERA takes no pleasure in placing a retirement or distribution on hold because of a lack of appropriate documentation. Please inform TCERA of divorce proceedings as soon as possible. If you have questions about current or previous divorce proceedings feel free to contact the retirement office.



What Determines My Pension Contribution?

As any member of TCERA is aware, retirement contributions are deducted from employees' pay every pay period. But why don't all employees contribute into the TCERA plan at the same rate? There are three factors that are used to determine which rate from the actuarially determined rate table applies to each employee:

Membership Type – Members of TCERA fall into one of two types as determined by the employer: Safety and General. Safety members have higher benefit formulas than do General members, but they also pay higher rates of retirement contributions than do their General member counterparts.

Tier – Membership in a particular benefit tier as approved by the Board of Supervisors is dependent upon when the person joined TCERA and **not** necessarily when the employee was first hired by a TCERA employer. Refunds, breaks in service, and reciprocity may affect the tier assignment. **Tier I** members (a closed tier) joined TCERA on or before December 31, 1979. **Tier II** members joined the plan from January 1, 1980 through December 31, 1989 and **Tier III** members joined from January 1, 1990 through December 31, 2012. Tier II and Tier III members have the same retirement benefit formula and, therefore, the same rate tables for determining contributions.

Effective January 1, 2013, the Public Employees Pension Reform Act (PEPRA) set new requirements for retirement benefits and eligibility for government pension plans in California. As required by this law, **Tier IV** was approved by the Board of Supervisors for all TCERA plan members who joined the plan as of January 1, 2013 or later. This means that there are separate contribution rate tables for Tier IV.

Entry Age – The contribution rate tables are entry age based, meaning that the contributions are determined on a sliding scale. Those employees who entered the plan at an early age pay a lower contribution rate than those who entered the plan at a later age. This is because the younger employee will be paying into the plan for more years, allowing those dollars to increase in value over the tenure of employment.

TCERA Office and Board Meeting Access

TCERA's lobby is open to the public during regular business hours. Masks are not required but you are welcome to wear a mask if you will feel more comfortable in our office. In addition, if you would prefer that the staff member assisting you wear a mask, please ask and we will be happy to do so. What we learned from the pandemic is that all critical functions and processes can be handled via U.S. mail and electronic communications to offer you a safe and convenient alternative for service and avoid making a trip to the retirement office. Please contact the retirement office for assistance with these options. **If you require in-person contact with staff, please make an appointment to ensure that a staff member is available to assist you.** We don't want you to make a special trip only to find that staff are assisting other members.

TCERA Board meetings are open to the public to ensure that you have access to the decision-making process related to your TCERA pension plan. Members of the public may address the Board in person or comments can be sent to BORPublicComment@tularecounty.ca.gov any time before the meeting. Meetings are live streamed through a link on TCERA's website. Board of Retirement agendas and backup materials are posted on TCERA's website prior to the meetings. Board approved meeting minutes are also posted. Please take advantage of these communications to stay informed regarding Board of Retirement activity.

Questions? – Contact TCERA at:
(559) 713-2900
info@tularecounty.ca.gov