



Tulare County Employees' Retirement Association

Pension Progress

Phone: (559) 713-2900

www.tcera.org

Keeping Members Informed

March 2025

A Word from your Retirement Administrator...

Spring is Here...and Other Important News



It's hard to believe that year end is almost three months behind us and, after welcome refreshing rain, we begin to see the beauty of our valley explode with blossoms of spring and the majesty of snow-capped mountains. Of course, it's also time for those spring cleaning chores that face us every year. It always feels good to get those out of the way! Spring is not just a time of renewal for nature and our dwellings, however. It is also the time when several important actions are taken by the Board of Retirement. In addition to the regular review of the investment portfolio and administrative matters, recent important items of interest to TCERA members include the following:

Interest Posting – Interest is posted to active member accounts and other reserves every six months (June 30th and December 31st). The rate is determined by the Board of Retirement based on TCERA's investment returns, net of administrative expenses, smoothed over a ten-year period. This ensures that rates remain very stable in both up and down markets. Market conditions were very good for the six months ended December 31, 2024. The ten-year smoothing process allowed the Board to partially offset some previous investment losses while still authorizing interest to be applied to member accounts and other reserves. The Board approved December 31, 2024, rates of interest for member accounts of 3.4697% for Tiers 1, 2 and 3 and 3.3720% for Tier 4.

Supplemental Retiree Benefit Reserve (SRBR) – Tiers 1, 2, and 3 are covered by a special provision of the government code applicable to TCERA that dictates how funds are distributed to reserves whenever the Plan achieves net income after smoothing that is over and above the Plan's investment assumption rate, sometimes referred to as "excess earnings". For the first time in a long time, there were excess earnings to distribute to the SRBR and other reserves. The excess earnings of \$964,637 were allocated, as required by retirement law governing TCERA, 50% to the SRBR and the remainder divided evenly between member reserves, retiree reserves, and employer advance reserves. This is welcome news as the SRBR has been significantly impacted due to the recent inflationary environment. The Board of Retirement continues to monitor the status of the SRBR to ensure that it is positioned to pay benefits to retirees well into the future.



NOTE: Tier 4 members are not eligible for SRBR benefits.

Other Important News (Continued)

April 1, 2025 Cost of Living Adjustment (COLA) – Pension payees receive COLA as determined by the change in the Consumer Price Index (CPI) rounded to the nearest half of a percent, not to exceed 3% for Tier 1 and 2% for Tiers 2, 3, and 4. COLA may be positive, negative, or zero for any given year.

The percentage increase to the Riverside-San Bernardino-Ontario CPI, applicable to TCERA, was 1.13% a significant decrease over recent years. The Board of Retirement approved the rounded COLA of 1.0% to be used as the basis for determining COLA amounts to be applied to payments effective April 1, 2025 and the resulting update to COLA “banks”. COLA banks are maintained by TCERA to account for the difference between CPI and the actual COLA applied. This means that in years when CPI is below the maximum COLA (like this year), those pensioners with a bank will be able to draw on it to bring the COLA up to the maximum allowed by the Plan. Pension payees will see this year’s COLA beginning with the April 30, 2025 payment. Members must have retired on or before April 1, 2025 to be eligible for the 2025 COLA. The actual COLA to be applied is as follows:

Tier 1

Initial retirement date:

- On or before 4/1/2023 = 3.0%
- 4/2/2023 to 4/1/2024 = 2.50%
- On or after 4/2/2024 = 1.0%

Tiers 2-4

Initial retirement date:

- On or before 4/1/2024 = 2.0%
- On or after 4/2/2024 = 1.0%



Annual Comprehensive Financial Statement – TCERA’s Annual Comprehensive Financial Statement (ACFR) was approved by the Board of Retirement in December. This report gives detailed information regarding the financial status of the plan including audited financial statements, financial disclosures and analysis, investment performance details, plan achievements, and actuarial analysis. **In it you will find the good news of an investment return for the one year ended June 30, 2024 of 9.0%, well above the plan’s assumption rate of 7.0%.** In addition, it provides an overview of Plan activity during the year and includes a plan summary. The June 30, 2024 ACFR is now available on TCERA’s website www.tcera.org.

All of the information provided here is intended to give you a broad overview of these topics. If you have questions regarding the areas discussed in this article (interest posting, SRBR Benefits, COLA, ACFR), or any TCERA retirement plan issues, please refer to the Plan Summary available on our website or contact the Retirement Office for additional details.

The Board of Retirement continues to work in your best interests on a wide range of important issues so shout out a thank you the next time you see a trustee.

Leanne Malison
Retirement Administrator

Slam the Scam

Did you know that March 6th was “National Slam the Scam Day” as declared by the Social Security Administration (SSA)? Even if you are not receiving Social Security payments, the reminders published by the SSA are important for all of us to keep in mind. Help protect yourself, your loved ones, and your community by:

Learning about the latest scams – Information is an important weapon in the fight against scams and can help you quickly recognize bad actors. Some signs that someone is trying to take advantage of you include:

- Reference to an unexpected problem
- An offer of a prize or a benefit increase
- Pressure to act immediately
- A request for an unusual payment method like cryptocurrency, gift cards, gold bars, or wire transfers (sometimes with the promise of keeping your money “safe”)



Reporting scams as soon as possible – Don’t be embarrassed if you have shared personal information or suffered a financial loss. We are all vulnerable and reporting your experience will help protect others. Social Security-related scams should be reported to the Social Security Administration Office of the Inspector General (OIG).

Sharing this information with others – Help educate your family and friends so that they can avoid becoming victims of a scam.

Board of Retirement Leadership

As a result of trustee elections held in December of 2024, there are some new faces on the Board of Retirement. Victor Arellano, Principal Investment Officer in the Treasurer’s Office, Javier Martinez, Sheriff’s Lieutenant, and Jeffrey McLaughlin, Deputy Fire Chief, were sworn in at the January 8, 2025 Board of Retirement meeting. The Board re-elected Pete Vander Poel to serve as Board Chair and Jim Young to serve as Vice Chair. Both Mr. Vander Poel and Mr. Young are long-time Board members that bring years of experience to the positions. Congratulations to the new Board trustees and thank you to all of the trustees who serve on behalf of TCERA!

Board of Retirement Trustees:

Pete Vander Poel, Chair (appointed trustee)
Jim Young, Vice Chair (appointed trustee)
Roland Hill, elected general member trustee
Thomas Morgan, elected general member trustee
Victor Arellano, elected general member trustee
Javier Martinez, elected safety member trustee
Rolan Hill, retiree elected trustee
Gary Reed, appointed trustee
Craig Vejvoda, appointed trustee
Cass Cook, Treasurer-Tax Collector, ex-officio trustee
George Garcia-Perez, ex-officio alternate trustee
George Finney, retiree alternate trustee
Jeffrey McLaughlin, safety member alternate trustee



Divorce and Your TCERA Account

It may seem like this topic is addressed in the newsletter more often than any of us would like. Unfortunately, missing or incomplete divorce documentation continues to be one of the most common reasons for a delay in the TCERA retirement process or a distribution of benefits. California is a community property state and your TCERA account is considered a community property asset. That means it is essential that you provide TCERA with information regarding a divorce in process. The best way to do that is by filing a “joinder” with the court. This legal document puts TCERA on notice and will ensure that community property assets are protected and acceptable documentation provided. If your divorce is already complete, you will need to provide a Domestic Relations Order (DRO) filed with the Court or a copy of the Final Judgment that includes instructions to TCERA on the division (if any) of the TCERA account. If the documents do not address the treatment of the TCERA community property asset, you may be required to go back to court. That will mean added time and expense to you. **Remember, TCERA will not be able to distribute any benefits to you until appropriate documentation is provided.**

It is important that you don't wait until retirement to discuss community property issues with TCERA. It will be much more difficult to obtain the required documents if you allow too much time to go by. If you have questions regarding divorce proceedings, please contact the retirement office. We're happy to help!



TCERA Disability Benefits

One of the benefits of your TCERA plan is one we hope you never need to use. If you should become permanently disabled while a member of the Tulare County Employees' Retirement Association (TCERA), you may be eligible to receive a Disability Retirement allowance.

In applying for disability retirement, you will be required to provide evidence of your incapacity from the physicians seen by you for your medical condition as well as other medical providers. You will have the burden of proof in presenting your case to TCERA. You also may be required to participate in an independent medical examination and possibly attend a hearing to prove your disability and/or its cause. The final determination of disability is made by the Retirement Board after consideration of all information and evidence pertaining to your application.

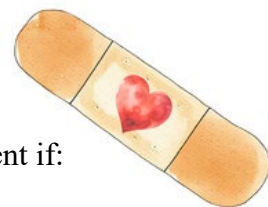
There are two types of disability benefits payable from TCERA:

Non-Service Connected Disability: You may qualify for this type of retirement if:

- You have 5 or more years of retirement service credit and,
- The TCERA Board determines that you are permanently disabled from your job due to physical or mental injuries or illness.

Service Connected Disability: You may qualify for this type of retirement if:

- The TCERA Board determines that you are permanently disabled from your job due to physical or mental injuries or illness and,
- Your disability is due to a job-related illness or injury.



There are time limitations for filing and specific requirements for determining eligibility for this benefit. If you should become permanently disabled or have questions regarding disability retirement and the application process, please contact the retirement office for complete information.

“MyTCERA” Member Web Access

If you haven't already done so, now would be a great time to enroll in TCERA's member web access tool called "MyTCERA". It's not too late to make another New Year's resolution. Why not resolve to learn more about your TCERA retirement benefit and do some research on what retirement might look like for you, whether that's next year or a few decades away? Through MyTCERA you can calculate benefit estimates, access forms, sign up for seminars, and review your beneficiary information. You will also have access to a comprehensive retirement income projection feature that will help you plan for your retirement, taking all of your future income sources into account, including your own best forecast for the effects of cost of living increases. Have your Social Security estimate, 457 Plan information, TCERA estimates, and savings balances handy, along with your personal goals for retirement, and you'll be ready to create some "what-if" scenarios for your retirement years. It's easy to enroll. Just give us a call at 559-713-2900 and we'll get you an enrollment form. Make 2025 the year you work on retirement planning. Regardless of your age, it's a good idea!



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