



Tulare County Employees' Retirement Association

# Pension Progress

Phone: (559) 713-2900

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

Keeping Members Informed

September 2024

## *A Word from your Retirement Administrator...*

### Retire and Enjoy



At TCERA, one of our primary goals is to help our members retire and enjoy! For those of you already retired, hopefully this reflects your experience. For those of you still in the workforce, this represents a bright spot in your future. October is right around the corner and, in addition to Halloween, it is also National Retirement Security Month. This is a great time to reflect on the retirement benefits offered through your employment with a TCERA employer (County of Tulare, Tulare County Superior Court, and the Strathmore Public Utilities District). The benefits you enjoy as part of your employment are rarely offered in the private sector. These benefits are part of the package that honors your public service. National Retirement Security Month is a great reminder that it is likely you will spend a number of years in retirement. Wise planning is critical in ensuring that you will be able to retire and enjoy.

The benefits offered through your employer should be one part of an overall retirement plan that could include some or all of the following options available as you set financial goals for your retirement.

**TCERA Benefit** – The defined benefit program you enjoy is a key piece in your retirement planning. If you are an active member, get to know more about these benefits by attending TCERA seminars, requesting retirement estimates, and reviewing the resources available on our website. As a retiree, make sure you understand your annual cost of living adjustment and TCERA plan death benefits. You can always contact the retirement office with your questions.

**Deferred Compensation (457 Plan)** – Tulare County offers a deferred compensation plan (457 Plan) through Empower that allows an employee to set aside funds for retirement through payroll deduction. An employee can contribute throughout a career with the ability to invest the funds in a way that will help meet future retirement goals. This opportunity is especially important for Tier 4 active members who are enjoying lower contribution rates than employees in other tiers, but fall under a lower benefit formula than other tiers. For those of you already in retirement, remember to check in on the status of your funds with Empower if you participated in this program as an active employee.

## Retire and Enjoy (continued)

**Other Retirement Account Options (IRA, 401(k), 403(b)** – There may be other options for you for supplementing your future retirement. An employee may be eligible for other retirement account options such as an Individual Retirement Account (IRA), a 401(k) or 403(b) plan through a previous or future employer. Speak with a tax professional regarding eligibility for these programs.

**Savings** – In addition to the retirement benefits offered by TCERA, it is wise to put money aside in a savings account as well. A savings account has current and future uses. It is an important security net, providing funds for unexpected expenses and emergencies. In retirement, a savings account offers an additional source of funds for whatever needs you encounter.

**Social Security** – A final consideration is the retirement benefit available from Social Security. As an employee approaches retirement it is extremely important to understand this benefit and determine the best age at which to begin receiving a benefit. The benefit amount changes significantly based on the retirement age so be in contact with the Social Security Administration as part of your retirement planning process.

Retirement should be a time to travel, spend time with family, take up new hobbies, or just rest from your labors. Careful planning will help to ensure that you can retire and enjoy!

Leanne Malison  
Retirement Administrator



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## IRS Warns Against Scams – Be Alert!

The Internal Revenue Service continues to issue warnings about the ongoing and rising threat of impersonation scams. These scams target primarily older adults but no one is immune. **Be on the lookout...**



**Impersonation of Known Entities** – Fraudsters pose as representatives from government agencies, including the IRS, Social Security Administration, Medicare, accounting firms, familiar businesses and charities. By duplicating caller ID's and email addresses, scammers can deceive victims into believing they are receiving legitimate communications.

**Claims of Problems or Prizes** – Scammers frequently fabricate urgent scenarios, such as outstanding debts to the IRS, verification of information to prevent the freezing of accounts, or promises of significant prize winnings to obtain personal information or extract money. Pressure for immediate action may include threats of arrest, license suspension or computer viruses to coerce quick compliance.

**Specified Payment Methods** – Scammers may insist on unconventional payment methods including cryptocurrencies, wire transfers, or gift cards.

Take precautions to protect your assets. Be aware and be alert!

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# Knowing Your Retirement Payment Options

For those of you already in retired status, you know that your decision regarding your retirement payment option is an important one. Active TCERA members are sometimes surprised to learn that there are a number of benefit options to choose from at retirement. Each of the different payment options impacts the basic retirement allowance, so the various options should be considered carefully.



**Unmodified Option** - This option provides the maximum monthly lifetime allowance payable to the member, and will also pay a 60% continuance to a qualified surviving spouse as defined by retirement law (or minor child if there is no eligible spouse) following the member's death. If there is no eligible spouse or minor child, the named beneficiary will receive a lump sum payment of accumulated contributions less the sum of the actual monthly retirement allowance payments that have been paid since retirement.

**Option 1** - This benefit payment modification provides for a slightly reduced monthly retirement allowance with the provision that the accumulated contributions, less the sum of the annuity portion only of the payments that have been disbursed since retirement, will be paid upon death to the named beneficiary. Under this option, the retired member may change the designated beneficiary.

**Option 2** - This option provides for a reduced monthly retirement allowance with 100% of the allowance continued after death to the beneficiary named at retirement for their lifetime. If the named beneficiary dies before the member, a new beneficiary may NOT be designated for continuance purposes and the allowance under this option will cease upon the member's death. A named beneficiary will receive a lump sum payment of accumulated contributions less the sum of the actual monthly retirement allowance payments that have been paid since retirement.

**Option 3** - This option provides for a reduced monthly retirement allowance with 50% of the allowance continued after the death of the member to the beneficiary named at retirement for their lifetime. If the named beneficiary dies before the member, a new beneficiary may NOT be designated for continuance purposes and the allowance under this option will cease upon the member's death. A named beneficiary will receive a lump sum payment of accumulated contributions less the sum of the actual monthly retirement allowance payments that have been paid since retirement.

**Option 4** - This option allows a member to name MULTIPLE beneficiaries at the time of retirement who will each receive a lifetime continuance following the death of the member. Electing this option requires an actuarial study to determine how much of an allowance reduction the member must take AND that the Retirement Board approves the election of Option 4 in advance of the retirement date. The cost of one actuarial calculation for an Option 4 election is paid for by TCERA. Additional calculations are at the expense of the member. If one or more of the beneficiaries dies before the member, a replacement beneficiary for continuance purposes may NOT be designated. The remaining beneficiaries will receive only the percentage of benefit identified for them in the original calculation. If all beneficiaries pass away before the member, a named beneficiary will receive a lump sum payment of accumulated contributions less the sum of the actual monthly retirement allowance payments that have been paid since retirement. Because of the complexity and potential expense of this option, please contact the retirement office well in advance of your retirement date to ensure that you can be properly informed and the necessary calculations and approvals completed. Failure to plan ahead could result in a delay of the payment of your benefits.



Please note that the benefit payment option selected at retirement may also have significant tax implications. You are encouraged to speak with a qualified tax advisor prior to finalizing your decision. In addition, if you have questions regarding the benefit options available to you (or the option you already selected if you are retired) please contact the Retirement Office at (559) 713-2900.

## TCERA Trustee Elections – General and Safety

**Upcoming Election** – No, I’m not talking about that election... Elections have been called for the General Member Seat 2, the Safety Member Seat 7, and the Safety Alternate Member Seat 7 for the Board of Retirement. Please note that the Safety positions are determined in a single election. The Safety member will be the candidate receiving the largest number of votes. The Alternate Member will be the candidate receiving the largest number of votes from the safety division (Sheriff or Fire) whose member does not win the election. The nomination period for the election closed September 6<sup>th</sup> and the qualified candidates have been identified as follows:

### General Member Seat 2:

- ❖ Brian “Ty” Inman, Self Sufficiency Counselor Lead - HHS
- ❖ Victor Arellano, Principal Investment Officer – Treasurer/Tax Collector

### Safety Member and Alternate Member Seat 7:

- ❖ Javier Martinez, Sheriff’s Lieutenant, Corrections
- ❖ Jeff McLaughlin, Deputy Fire Chief, Tulare County Fire

Ballots will go out in the mail on November 4<sup>th</sup> with the election closing on December 3<sup>rd</sup>. Please take a few minutes to cast your ballot. The work that these trustees do on your behalf is very important, so remember to vote!



## 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. Please be aware 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](mailto: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](mailto:info@tularecounty.ca.gov)  
[www.tcera.org](http://www.tcera.org)