



Tulare County Employees' Retirement Association

Pension Progress

Phone: (559) 713-2900

www.tcera.org

Keeping Members Informed

December 2023

A Word from your Retirement Administrator...

TCERA Fiscal Year End Results

It's the time of year when staff is hard at work wrapping up year-end activity in order to finalize the results of TCERA's fiscal year operations. This information will be provided in detail in TCERA's Annual Comprehensive Financial Statement (ACFR) and Popular Annual Financial Statement (PAFR) for the fiscal year ending June 30, 2023. The ACFR and PAFR are in the final stages of completion. As required by law, they will be made available on TCERA's website by December 31, 2023.

Investment Results – Verus, TCERA's investment consultant, has compiled the investment results for the fiscal year. TCERA investments returned 6.5% for the fiscal year, just shy of the 7% assumption rate in place for the plan. TCERA focuses on long-term results and is invested in a highly diversified portfolio that is designed to take advantage of positive market environments while protecting on the downside when more challenging factors are in play. Highlights of the investment program and fiscal year results are included in the ACFR. The full report is available on TCERA's website.



Financial Results – TCERA spends a significant amount of time ensuring that TCERA's financial reports are current and accurate. The accounting team is tasked with finalizing all of the information that is provided to TCERA's independent auditor, Brown Armstrong, for detailed review. As of this writing, the financials are with Brown Armstrong for completion of the audit process. The final audit report will be presented to the Board of Retirement at the December 13, 2023 Board meeting. TCERA has a long history of very clean audit results and it appears that this year will be no different. The audited financial statements will be included in the 2023 ACFR.

Actuarial Results – Cheiron, TCERA's actuary, is under contract to consult with the Board regarding actuarial matters. The annual actuarial valuation includes projections that provide valuable information regarding the health of the plan. It also guides the Board in making important decisions regarding methods and assumptions that are used to develop employer and employee contribution rates. A three-year experience study was also conducted this year, which takes a deep dive into the actual experience of the plan. The report indicated that TCERA's demographic projections have closely mirrored the actual experience of the plan. The resulting actions taken by the Board mean that employer rates are increasing as expected and employee rates will show very little change for next year. The ACFR will include a great deal of this actuarial information. The complete Cheiron reports are available on TCERA's website.

Keep your eyes open for the ACFR and PAFR, coming soon!

Leanne Malison, Retirement Administrator

TCERA Special Trustee Election Update



The Results are in! The Special Election for Seat 3, General Member, of the TCERA Retirement Board concluded on October 27, 2023. There were four candidates on the ballot, which might be a record. I'm pleased to announce that Thomas Morgan has been confirmed as the winner of the election. The details of the vote have been posted on TCERA's website. Mr. Morgan was sworn in at the November 15th Board of Retirement meeting and will fill the remaining term for Seat 3 that expires December 31, 2025. Mr. Morgan is employed by Tulare County in the position of Library Assistant II. He has completed his New Trustee Orientation with TCERA and is ready to represent the active general members of the plan.

Thank you to all the candidates for showing interest in this important position. The role of trustee is a vital one to the governance of the pension plan. It requires hard work and dedication. It is also very interesting and rewarding. The next time you see a TCERA trustee, be sure to thank them for the valuable work they do.

MyTCERA – Member Web Access – Dual Authentication



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. Programming changes are in the works that will require “dual authentication” for MyTCERA access.

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 this feature on many of your devices, websites and applications so, hopefully, the concept and process will be familiar to you. **Once implemented, all existing enrollees in MyTCERA will need to reset their passwords in accordance with the new dual authentication process.** The roll-out date for this feature has yet to be determined. If testing goes well, this feature could be added soon!

MyTCERA gives members access to their retirement information and some processes. Active members can view information such as their retirement account balance and beneficiaries. Active members can also 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 members have access to a Retirement Modeler and Savings Calculator that offer “what if” scenarios for retirement planning through MyTCERA.

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.

An important notice to our pension payees:

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

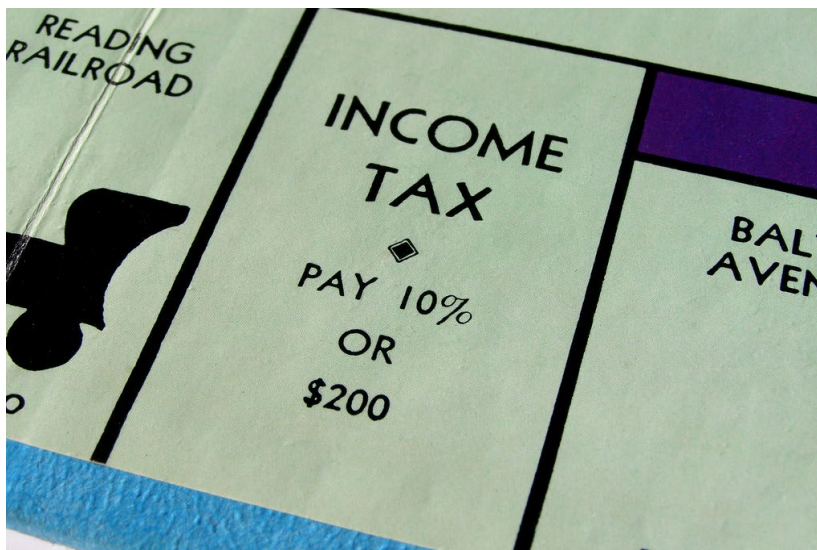
TCERA is required to notify you annually of your right not to have withholding apply to your periodic payment. Your current withholding instructions will stay in effect until you change or revoke them. You have the right to change your election at any time by providing notice to us.

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 the 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). 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. **Please note that the IRS has released a completely revised form W-4P. Plan ahead for your changes so that you have time to properly review and complete the form.**

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). 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.



Divorce and Your TCERA Account

One of the most common reasons for a delay in the TCERA retirement process or a distribution of benefits is the lack of communication and documentation regarding a divorce or legal separation. 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 Office and Board Meeting Access

With the lifting of the declared emergency by Governor Newsom at the end of February, TCERA is returning to more “normal” operations. TCERA’s lobby is open to the public. Many of you will still feel more comfortable wearing a mask indoors. If so, you are welcome to do so 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 comply. 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 safer alternative for service and avoid making a trip to the retirement office. **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 YouTube link on the 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