

MCERA PENSION NOTES

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Merced County Employees' Retirement Association

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The next MCERA Brown Bag Lunch is February 18, 2016
 12:00 noon at the MCERA Office
 3199 M Street, Merced
Be sure to RSVP.

IT'S TAX TIME

Tax filing time is upon us again. Requirements for filing a federal income tax return depend on how much you earned (gross income) -- and the source of that income -- as well as your age and filing status. Your gross income includes all the income you receive that is not exempt from tax. Check with a tax professional should you have questions about filing.

Even if you're not required to file a federal tax return this year, don't assume that you're also excused from filing state income taxes. The rules for your state might be very different. Be sure to check with your state tax agency before concluding that you're entirely in the clear.

If you are retired and find that you need help to file a federal tax return this year, there may be a number of resources available to you depending on your age. You may be able to get help through the [Tax Counseling for the Elderly](#) program that is sponsored by the IRS, or [AARP](#). Also, you may call the Merced Senior Community Center at 209-385-8803 for more information regarding local tax filing assistance.

Most importantly, whether you are still working or are retired, beware of tax scams that are out there. Please keep in mind that the IRS does not use unsolicited email, text messaging, or any social media to discuss your person tax issues.

ANNUAL MEMBER STATEMENTS

Member statements are sent out to all active and deferred members each year in January. The member statement reflects important information regarding years of service, plan membership, beneficiaries, and the current contribution account balances. The current balance includes both contributions and interest credited on them.

Please check your statement carefully when it's received and report any errors to MCERA staff by emailing us at mcera@co.merced.ca.us or calling our office at 209-726-2724.

INVESTMENTS

Investment results in the third quarter of 2015 had three and five-year returns of 7.5% and 7.8% for longer term investments and ranked above or at the median among its peer public plans (7.1% and 7.8%, respectively). MCERA continues to diversify the Plan's capital into asset classes that should provide less correlation to the broad equity markets and, in so doing, reduce overall volatility to the Fund.



MCERA EMPLOYEE HANDBOOK

Please take some time to review the updated MCERA Employee Member Handbook on [MCERA's website](#). The handbook provides members with a general idea of the benefits available through MCERA and answers many questions that members have about their associated benefits.

Benefits eligibility depends on a number of factors outlined in the handbook. Benefits are determined according to the applicable provisions of the County Employees' Retirement Law of 1937 (Government Code Sections 31450 et. Seq.) the California Constitution, MCERA by-Laws, and MCERA policies and procedures.

BENEFIT FORMULAS

MCERA benefit formulas are based on:

1. Age at retirement,
2. Amount of retirement service credit,
3. Tier, and
4. Final average salary.

Miscellaneous Member Benefits		
Tier	Formula (maximums)	Minimum Age
I	3% at age 60	50 with 10 years 70 with any Years Any age with 30 Years 65 if hired before 12/31/78
II	3% at age 60	55 with 10 years 70 with any years Any age with 30 years
III	2.43% at age 65	55 with 10 years 70 with any years Any age with 30 years
IV	2.5% at age 67	52 with 5 years

1099-R FORMS

The 1099-R form is used to report retirement benefits distributions such as pensions, annuities, and other retirement plans. MCERA will be mailing the 1099-R forms for the 2015 tax year by January 31st, 2016.

RECENT CHANGE OF ADDRESS?

Please notify MCERA of any recent changes to your address. This is important for both employees and retirees. Employees should also advise their payroll department as well. With Annual Member Statements and 1099-R forms scheduled to be sent soon, it's vital to ensure that MCERA has current addresses. MCERA change of address forms are available at [MCERA's website](#).

There are two plans or categories for membership in MCERA. One plan is for Safety members, which include law enforcement and probation officers. The other plan is for Miscellaneous members who are all members not considered Safety members.

Safety Member Benefits		
Tier	Formula (maximums)	Minimum Age
I	3% at age 50	50 with 10 years 70 with any Years Any age with 20 Years 65 if hired before 12/31/78
II	3% at age 50	50 with 10 years 70 with any years Any age with 20 years
III	2.62% at age 55	50 with 10 years 70 with any years Any age with 20 years
IV	2.7% at age 57	50 with 5 years

Retirement Board

Darlene Ingersoll,
Chair

Michael Rhodes,
Vice Chair

Alfonse Peterson,
Secretary

Karen Adams

Deidre Kelsey

Ronald Kinchloe

David Ness

Jim Pacheco

Ryan Paskin

Scott Johnston

MCERA Board Meetings

January 14
January 28
February 11
February 25
March 10
March 24

Tentatively, meetings are held on the second and fourth Thursday of every month.

Meetings begin at 8:15 am