



# THE INTERCOM

Newsletter of the California Retired  
County Employees Association (CRCEA)

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

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## PRESIDENT'S MESSAGE

This message finds me behind the curve, again. I thought I was headed for the east coast for a short task of dealing with being the Executor of a relative's estate. What was anticipated to be about a four week stay, turned out to be an almost nine week trip with little time for personal pleasure. As a result, the months of July, August, and the start of September are just a void of nearly everything CRCEA. Not the best thing for the leadership of any organization.

Let me take a moment of personal privilege and make a few comments with my personal task in mind. If you have never been involved in being an Executor for any estate, it is (or at least can

be) a very cumbersome and time involved project. It can be made so much easier if the parties have "all their ducks in line". In my case I was dealing with a Will that was well over 10 years old, and may not have been in line with some of the wishes expressed orally by the decedent. But, as any lawyer will tell you, you have to go with what is in the written document. There are heirs specified and those not specified. There is property specified and property not specified. What was owned 10 years ago may not be the property owned at the time of death and vice versa. Did I say "lawyer"? Yes, there are lawyers involved; there is the Probate Court and all of its regulations involved that direct your actions or non-actions; there very well could be accountants and tax professionals involved; along with the banks, creditors, etc. In this case, an estate probably won't be closed for a year. Let's face it, you are probably going to make mistakes somewhere in the process. You will find that out when the lawyer contacts you, or the Probate Court

advises you of something. All you can do is fix it.

A personal observation - I strongly suggest that you look into having a Living Trust. This still has the directions of the decedent in place, but if constructed correctly, the estate can be dealt with, and disposed of, without all the issues of the courts, etc. It's a much cleaner and swifter process. Yes, I do have mine in place.

The Executive Committee met in mid-September to catch up on anything that may have been pending. Luckily they each continue to monitor what has been going on across the state and across the nation. As matters come up, we share emails or phone calls, sometimes getting to some solution, or preparing for the next meeting to have an in-depth discussion.

I continue to watch what is happening in the retirement area, with particular attention to the impact on retirees. The negative press still abounds about how our pensions and pension systems

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are tearing down the economics of local and state entities. And then (buried in the middle or end of the article) there is some cryptic comment about how the government entity failed to plan ahead, or mismanaged its own funds, threatening the solvency and strength of the pension system.

I just left a meeting of a very informally formed group here in San Diego County that brings together many different players who represent retirees. There are local associations, regional groups, local and regional "chapters", statewide organizations, and those representing a specific segment of the work force. It's time to exchange thoughts and ideas and review what is going on that impacts retirees, regardless of the group they retired from. George Shoemaker has spoken about this concept to attendees at a couple of conferences. There was a panel on that issue at the San Diego Conference. The point is that we are not in this attack on retirees alone. Coalitions, formal or informal, can only help get our side of the issue out there. With common underlying thoughts and ideas, we can be a force to push back on those who would want to cancel our pension systems.

As a reminder, there will be a proposal for a bylaws change that would stagger the terms of the officers on the Executive Committee. The proposal would elect the President and Treasurer in even numbered years and the Vice-President and the Secretary would be elected in odd numbered years. The term of office would stay the same at two years. This proposal and the rationale have been sent to all associations for review and possible action. It will be voted on at the October conference. It will go into effect immediately, and the staggered terms will begin with a vote for the Vice-President and Secretary positions at that time.

The California Legislature has completed the first part of this two-year session. There will be a bill submitted by SACRS, but so far all discussion has been centered on "technical cleanup" – and the draft does clean up many open issues in the law.

As I close, I want to thank each and every one who makes the time to serve their local association and/or the CRCEA organization to work on behalf of your retirees. We all know it takes time away from maybe other more pleasant

tasks we would like to be involved with. Clearly this organization could not be what it is without your help, and I know your local association appreciates you. Sometimes they say it directly, but they do.

See you all at the Conference in Sonoma.

Until next time.....



SKIP MURPHY, President

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**You May Never Have  
Heard of These Useful,  
Interesting, Fun Websites**

algorithmia.com (colorize black and white photos)

pdfdrive.com (search for old, new books and magazines in PDF format)

grammarly.com (help with fixing grammar mistakes)

futureme.org (write a letter or email to the future you or others)

instructables.com (people who like to make things share how to)

coolsymbol.com (find special characters, emojis)

timeanddate.com/worldclock (find time anywhere in the world)

## **Wills vs Trusts: An Overview**

"You can't take it with you when you go. "While this familiar statement is true, you can and should do your best to control your assets from beyond the grave. If you are unable to do so, there may be obstacles in the management of your estate. Those obstacles may significantly reduce the benefits your heirs would otherwise enjoy.

Possessions and money passing from one spouse to the other are generally not an issue. The unlimited marital deduction provision within the United States Estate and Gift Tax Law allows the passing of wealth to a surviving spouse without incurring gift or estate tax liabilities. The transfer process becomes much more involved, however, when wealth is passed to a subsequent generation. If assets that are held individually are properly titled, this process should be seamless. Planners have, however, seen some significant mistakes on the titling of assets held individually, as well as beneficiary designations that would be sure to upset even the happiest of homes.

For the purposes of this article, we will examine the transfer of assets to a subsequent generation, i.e., children, grandchildren, etc. Of the various situations dealt with in estate transfer conversations, some outstanding ones include the following: a case in which a person's ex-spouse was listed as a beneficiary on an account with significant assets held therein; the case of a multimillionaire who had no estate transfer plan in place; and the case of a multimillionaire with 23 accounts held at more than seven brokerages with eight different advisors with a trust that was funded only with property. What is certain is that a vast fortune could easily be imperiled if the holder of such wealth does not consider the dynamics of an estate transfer.

### **Wills**

A will is a legally enforceable document stating how you want your affairs handled and assets distributed after you die. It is an important component of estate planning.

If you have minor-aged children at home, consider a will that appoints guardianship of your children. If a guardian is not appointed at the time of death, your surviving family will have to seek help in a probate court to have a guardian appointed for your children. The person appointed may not be who you would have wanted to be entrusted with your kids.

Something else to consider is how you will pass a portion of your estate to a minor child through a will. A will places your decisions in the hands of the judge presiding over your estate transfer. Your testamentary will carries out your wishes from beyond the grave. A will also allows you to give insight and direction over the handling of assets your beneficiaries will receive.

Within reason, you can address how you would like them to use what you have left them. While children, natural or adopted, have a statutory right to inherit, a will allows you to disinherit a child if necessary (check your state laws for the specific details about this). A person can disinherit a spouse as well, under certain circumstances. However,

you will need to be aware of the laws governing your state, whether it be a common law state, community property state, or an equitable distribution state; a person may only disinherit a spouse in a community property state. Each has a different set of stipulations on what and how much can be disinherited. It must also be noted that a person can only disinherit a spouse or a child through a will.

Seek legal counsel in the creation of a will. A will can be effective in estate transfer and other legal proceedings after death, but there are drawbacks you should be aware of. For instance, your estate will become part of public record, and anything left by a will **MUST** go through probate court. Also, probate attorneys can be expensive and cannot be avoided, with the exception of California and Wisconsin.

### **Trusts**

A trust is a fiduciary relationship in which you give another party authority to handle your assets for the benefit of a third party, your beneficiaries.

A trust is another method of estate transfer. A trust is created for a variety of functions, and there are many types of trusts; overall, however, there are two categories: living and testamentary. A will can be used to create a testamentary trust. You can also create a trust for the primary purpose of avoiding probate court, called a living revocable trust.

Now, let us focus on a living revocable trust for the purpose of estate transfer. Like a will, a trust will require you to transfer property after death to loved ones. It is called a living trust because it is created while the property owner, or trustor, is alive. It is revocable, as it may be changed during the life of the trustor. The trustor maintains ownership of the property held by the trust while the trustor is alive. The trust becomes operational at the trustor's death. Unlike a will, a living trust passes property outside of probate court. There are no court or attorney fees after the trust is established. Your property can be passed immediately and directly to your named beneficiaries.

Trusts are fairly inexpensive to create. A person called a trustee will be named in the document to control the distribution of assets according to the wishes of the trustor in accordance with the trust document and its mandates. This is also an effective way to control the passing of your estate beyond the grave.

To be valid, a trust must identify the following: the trustor, the trustee, the successor trustee, and the trust beneficiaries.

A declaration of trust will also provide the basic terms of the trust. Your estate stays private and passes directly to your heirs, you do not pay a probate attorney or court costs, and your loved ones will not potentially be tied up in probate court for what may be a year or more. From this planner's perspective, a trust can be a fantastic choice for estate transfer.

### **Special Considerations**

One stop you should avoid on the estate-transfer train is the probate court. This is

where your heirs could be spending months sorting out your estate if your plans for transfer are not efficiently laid out. You could easily lose an additional 2 to 4 percent of your estate due to attorney fees and court costs.

Probate court is the section of the judicial system responsible for settling wills, trusts, conservatorships, and guardianships. Part of that process might involve examination of a testamentary will, which is a legal document used to transfer your estate, appoint guardians for minor children, select executors of wills, and set up trusts for your survivors.

Your executor would still be responsible for sorting out the estate, which could take next 6 to 18 months depending on the intricacies. Imagine your eldest child spending the next year and a half traveling back and forth to court hearings when he or she should be mourning your passing. It doesn't sound fun, but it's a possibility if you're not prepared for this moment.

**Key Takeaways**

- Whether you choose a will or a trust, you should seek the advice of your trusted professional advisors (tax, investment, and legal).
- Trusts offer more control of assets, but they are more expensive, can be tedious to set up, and must be actively managed.
- If you do not have an estate transfer plan, the state in which you live and the federal government will have one for you. So making this a priority now can save money and precious time later.

*Matthew Jarrell  
Investopedia  
April 2019*



**Don't Forget - Daylight  
Saving Time Ends  
November 3, 2019**

This year's CRCEA Fall Conference is being held in Sonoma County, and October is the perfect time of year to enjoy our gorgeous landscapes. We hope that you will take time to see the breathtaking redwoods and the many regional and state parks, to experience the Fall colors of wine country, to taste at Sonoma County wineries and breweries, and enjoy the agricultural bounty of the North Coast. While Sonoma County is famous for its wineries, it has become one of the major producers of artisan brews in the U.S.

We have taken time to find speakers on a wide variety of topics of interest no matter where you live in the state and have included two of our members who have had direct experience with a couple of topics being covered.

Please go to <http://sonomacountyretirees.com/crcea%20program.pdf> to see what we are offering.

If you are flying, there is Airport Express that will take you directly to the hotel from either San Francisco or Oakland airports. If you are driving, Highway 101 will also take you to the Doubletree in Rohnert Park.

For conference information, please visit our website <http://sonomacountyretirees.com/crcea.shtml>.

We hope to see you on October 28!

Alix Shor  
President  
Sonoma County Association of Retired Employees



## **Future CRCEA Conferences**

Fall 2019  
Sonoma  
(SCARE)

Spring 2020  
Tulare (TCREA)

Fall 2020  
Stanislaus/Merced  
(RESCO/REMCO)

Spring 2021  
Los Angeles (RELAC)

Fall 2021  
Fresno (REFCO)

Spring 2022  
Orange (REAOC)

Fall 2022  
Sacramento (SCREA)

Spring 2023  
San Bernardino (RESBC)

Fall 2023  
San Joaquin (RPESJC)

**WE HOPE YOU WILL BE  
ABLE TO JOIN US FOR  
GREAT INFORMATION,  
NETWORKING, AND, OF  
COURSE, FUN!**



## **10 WAYS TO PREPARE YOUR HOME FOR AGING IN PLACE**

Just 1% of homes are conducive to aging in place. So thinking long-term about universal design and the ways it can help us remain at home across all life stages is beneficial.

For instance, a zero-step entry offers the same benefits to parents with children in strollers as it does to grandparents using walkers. Other design features — from minor, quick fixes to full-scale renovations — can be implemented in millions of homes. The key is to be aware of best practices, take a long-term view and start to plan for the future now, regardless of your age.

Location also matters. AARP's Livability Index scores neighborhoods and communities across the United States for the services and amenities that affect your life the most. To make your home span across the decades you must factor in your connection to neighbors, access to transportation (bus routes, Metro stations, walking paths), and proximity to stores, libraries and other resources.

Costs will vary depending on location and project, but designing for all ages fits a range of renovation budgets. Door handles and lighting fixtures are priced in the hundreds of dollars, sliding walls and kitchen countertops can run several thousand dollars, and the average cost to build a deck is \$7,000 to \$10,000. Homeowners will inevitably deal with other maintenance issues along the way, so renovating one room at a time may be preferable. A whole-house renovation can cost more than \$150,000.

Here are 10 recommendations on age-proofing your home and maximizing its usefulness throughout your life:

- **Entrances:** Make them easy to get in and out of your house with groceries, a baby or a walker. Aim for one or more entrances without steps to offer convenience and unlimited access for family, guests and elderly adults.
- **Bathrooms:** Design the bathroom for convenience and to help prevent falls. Consider what you, your family or a visitor using a wheelchair might need to get around. Make sure the walls can accommodate handle bars, and that the sink, shower and toilet are accessible to people of all ages, heights and mobility. A door opening of at least 32 inches allows better access, and a curbless walk-in shower area is ideal.
- **Kitchen:** The kitchen is where people tend to invest most renovation dollars. Strive for an open design and varied counter heights (between 32 inches and 42 inches) to make it usable for various ages and abilities. Make storage accessible with pullout shelves and open shelving. Have a good blend of natural and artificial light for aesthetics as well as safety and convenience.
- **Open design:** The layout is popular for many reasons. It allows better flow of family and guests, presents fewer hallways and doors to navigate, offers greater free-

dom of movement and more flexibility in furniture layout, and makes an interior space feel larger. Sliding walls offer tremendous flexibility in allowing multiple uses for a single room.

- **Bedrooms:** If you don't have a bedroom on your first floor, consider adding one. This option works for multiple life stages: new baby, college student, empty-nesters and aging parents.
- **Windows:** As we age, we need more light for reading and other tasks. Adding or enlarging windows is a terrific option. Windows connect us to nature and our community and allow people to easily watch their children and pets in the yard. Blinds or draperies offer a way to manage privacy and level of sunlight.
- **Outdoors:** Features such as covered entrances, wraparound decks and planters or container gardens help connect a home to the neighborhood and become natural extensions of the home. A wraparound deck, level with the first floor, allows access to each entrance and fosters a sense of community. Covered entrances prevent water and snow buildup on porches and provide protection for all family members entering and exiting the home in all weather. Gardens are aesthetically pleasing, can be therapeutic and can help provide food for a meal.
- **Smaller homes:** "Tiny House" isn't just a TV show but also a growing trend. California has removed several barriers and fees to encourage homeowners to add "accessory dwelling units" to their properties. Look for this phenomenon to gain momentum, offering flexibility for adult children and retirees.
- **Outlets, switches and doorknobs:** Place outlets and switches at optimal heights and locations. Consider putting them where they can be reached while seated and by people of varying heights. Light switches that don't require pinching or grasping will be easier to use. Doors that have lever hardware instead of knobs are easier to manipulate with a palm, closed fist or elbow when hands are full, injured or arthritic.
- **Be inventive:** Think about your lifestyle and priorities and make innovative adjustments accordingly. What space aren't you using to its full potential that can be turned into something that makes your house even more of a home? Turn an outdated carport into additional living space or transform an unused bedroom or formal dining room into entertainment/living space that better suits your lifestyle.

*by Rodney Harrell  
Director of Livability thought leadership at AARP*





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