



TREND

(Thinking Retired Employees Need Direction)
Retired Employees of Kern County



Volume MMIII-I

January-February 2004

www.reokc.org

Norman Briggs, President (661) 834-5721

Vicki Stronach, Editor (Vstronach@bak.rr.com)



David Merritt, former President

The nominating committee presented, and you elected, an outstanding slate of officers and directors for 2004. As I finish my last month as president, I have to say thank you to the officers, directors, and members for making the last two years a success.

My goal was to provide some measure of education on subjects that are important to retirees in addition to maintaining a watchful eye on attempts to adversely alter retiree benefits. Recently the health care issue has moved right up there to the top of the list. I hope our efforts to look seriously at a retiree medical program will be fruitful.

I came to realize that there are two distinct subgroups within REOKC. Those over age 65, and those under age 65. Traditionally the people active in the organization fell into the over 65 group. Recent changes in the retirement system have created a significant increase in members under age 65. We don't hear, or see them for a variety of reasons. I hope that they get more active in their organization. We need some young minds and talents and it would be prudent for them to become active and pay close attention. It is a daily occurrence that, somewhere, someone is authoring legislation that could adversely impact all retirees. If our younger members don't pay attention now one small change could significantly impact the benefits we all cherish and they will definitely need long after we are gone.

It has been a fun two years and I look forward to helping where I can in the future. You are fortunate to have Norm as your new president. He certainly has the spark to carry on and make REOKC better.

We just returned from the CRCEA Fall Conference in Santa Rosa. Over 75% of the conference dealt with health insurance problems and changes.

By the time you get this TREND you should be aware that Kern County has terminated Blue Cross for the active employees and those retirees under 65 who utilize the active medical plan. Another management firm will be taking over and the County is making a large effort to make the transition a smooth one. Things happen so fast anymore that keeping up is hard to do if you only read the newsletter every two months. Remember that we have a web site (www.reokc.org) and we try to get important information posted as quickly as we can.

Two years ago I spoke to CRCEA about developing a medical plan that was: affordable, portable, and had some element of choice. We saw the first presentation of it in Santa Rosa. Is it perfect – probably not; will everyone like it – probably not; is it affordable – we don't quite know yet; will it have Rx coverage – yes; is it portable – yes; will Kern County offer it as an alternative – we don't know yet. How about those apples! We met with the CAO's office after returning from the conference and discussed the preliminary presentation of the medical plan sponsored by CRCEA for all the 1937 Act counties. Additional work is being done on plan development and we look for a more formal plan document at the March 2004 conference in Visalia.

You should have all received your health benefit information packages in the mail. The Health Fair is being scheduled so watch for the dates. This is important particularly if you are thinking about changing providers. Read it carefully. The historical changes in the cost for our wide variety of medical coverage is going to be on the web site shortly. Interesting reading!

I'm sorry if some of you are confused by the payroll withholding for luncheon tickets. The only way we could legally do it was to show the \$4.00 per month luncheon deduction as "additional dues" and it shows up on your check stub as REOKC2. Membership dues are still just \$1.00 per month and they show up as REOKC on the check stub.

All I can say is get involved. We need help at the meetings, on the board, committees, etc. It is your association and these are your benefits but it takes a lot of work to keep it all going.

Thank you, David Merritt

Your Retirement Board

Since my last report to you in November, there have been a number of very important events that affect you as retirees and your retirement Association (KCERA).

The most important of these events, is the resignation of the KCERA Executive Director Mr. David Deutsch. The Board of Retirement, at their meeting of December 10, 2003, accepted Mr. Deutsch's resignation. The last day of service for KCERA for Mr. Deutsch was December 12, 2003. Mr. Deutsch has accepted a new position in San Diego and wished to assume his new position as soon as he can. David has been at the head of KCERA for many years, he moved the Association from hand calculations of retirement benefits and hand keying retiree payrolls to a computerized retirement benefit system and an outside vender for the retiree payroll. David was also very involved in the required changes to the KCERA system for the Ventura and Ventura II court decisions as well as those needed for the three percent (3%) at fifty (50) for safety member's enhanced benefit.

The Board of Retirement, at the same meeting, appointed Ms. Anne Holdren as KCERA Acting/Interim Executive Director. Anne assumed the duties December 13, 2003, on the departure of Mr. Deutsch, and will continue those duties until the Board makes a decision on the future of the KCERA management.

The Board has referred to the Human Resources Committee the question of when and how KCERA will address the question of a permanent replacement for Mr. Deutsch with recommendations for future action by the full Board. The Board also formed an ad-hoc committee on Investments to assist Anne with the volume of work that will be coming her way.

On a different subject, the CPA firm of Brown Armstrong has completed the audit for the year ending June 30, 2003. This firm has issued an unqualified clean opinion on the financial statements for KCERA for this time period. The most important part of the 6-30-2003 financial statements is that after two years of negative earnings for the KCERA fund, the fund earned 6.58% in this fiscal year. The fund still carries a negative market stabilization account, but it is less negative than last year and is currently headed toward zero.

The Board also extended the contract of Brown Armstrong for audit services for three more years through the 2006 financial statements at no increase in cost. This no increase for a three year contract is a major cost savings for KCERA and represents a savings for all its members.

The Board also continued the search process for a new core-plus fixed income manager; Wilshire Associates, Ms. Holdren, and members of the investment committee will conduct the search, with a recommendation to the full Board.

The Board will not meet the remaining of the 2003-year; the Board will start its regular scheduled meetings again in January 2004.

As a reminder to all retirees, the new medical premium rates for 2004 will start being deducted on your December 2003 retirement check. So before you call the retirement administration about a short check, make sure the correct amount for medicinal insurance was deducted correctly. Also, your January 2004 check will be different as a result of IRS withholding table changes.

If you have any questions or need help with a retirement problem, you can contact me via the Internet at jjdmario@aol.com.

I hope to see you at one of the Retirement Board meetings; they are held the second and fourth Wednesdays of the month starting at 8:00 am on the 3rd floor of the County Admin. Building at 1115 Truxtun Ave. in Bakersfield, Ca.

By John J. De Mario

COMING EVENTS

Jan. 13	REOKC Board Meeting Wilson Road Vets Hall	10:00 a.m.
Jan. 13	REOKC General Meeting Wilson Road Vets Hall	12:00 a.m.
Jan. 14	KCERA County Admin. Bldg.	8:00 a.m.
Jan. 28	KCERA County Admin. Bldg.	8:00 a.m.

Feb. 10	REOKC Board Meeting Wilson Road Vets Hall	10:00 a.m.
Feb. 10	REOKC Board Meeting Wilson Road Vets Hall	12:00 a.m.
Feb. 11	KCERA County Admin. Bldg.	8:00 a.m.
Feb. 25	KCERA County Admin. Bldg.	8:00 a.m.

Do You Have Internet Access? If Not Do You Want It?

REOKC has acquired from KCERA surplus, four (4) computer systems. These systems have been tested and, where needed, updated with new equipment. All four-computer systems come with 128 Meg memories 6 Gig hard drive, 56k fax modem and a speaker built-in monitor.

REOKC have expended \$75.00 on each system and that is the amount that the systems will be offered for. REOKC is very interested in providing this service to its members so that they can be more computer literate and better informed.

If you are interested in one of these systems, please be at the January meeting, if more than four (4) people are interested in these machines, a drawing will be held to select those members that will get the machines.

Point of Interest on the W.W.W. www.mycountyofkernmedicalplan.com

This site provides a look-up screen to see if your primary care physician is enrolled with them. They are adding new providers now and if you don't find your doctors listed you can send Shaller Anderson their name and they will contact them.

The change over to Schaller Anderson, LLC for medical management of the PPO plan for employees and retirees under 65 due to take place on January 1, 2004.

Host/Hostess Program

During the month of October, 34 volunteers worked 104 hours assisting 1,505 visitors. During the month of November, 30 volunteers worked 92 hours assisting 1,135 visitors to the County Administrative Building.

To those retirees who volunteer their time,
THANK YOU

Host/Hostess volunteers are needed for 3 to 6 hours a month at the County Administrative Building information booth. If you would like to volunteer contact Allan Choy at 832-2245.

Feeling Generous? Part II

When your children were young, you probably thought about college costs and intended to save enough, but the realities of raising a family got in the way. Now you may be in a position to really make a dent in tuition expenses but your kids are grown with children, your grandchildren, of their own.

We've heard a lot about the various new tax laws designed to help save for college: 529 Saving Plans, Education IRAs and even US Savings Bonds. These methods are useful when you have 5 to 20 years to go before college starts. However, when a grandchild is about to enter college or already in college without one of these savings vehicles, what can you do NOW to help out? First you need to know some basics surrounding gift tax laws:

- You may give up to \$11,000 in cash or property to any one person in a tax year without incurring a gift tax liability or gift tax return filing requirement (Form 709). This is called the *Annual Exclusion*.
- You may give to as many people as you desire. Your aggregate gifts are not the deciding factor. The total gifts in one tax year to any one person determines whether you need to file a gift tax return or not. If you exceed \$11,000 to any one person (except a spouse), you must file a gift tax return.
- The receiver of your gift does not have to report income or pay income taxes on the gift, regardless of the amount, even if more than \$11,000 (generally).
- Married couples can give up to \$22,000 to any one person in a tax year without owing gift taxes, however, in certain cases you may need to file a gift tax return to claim the gift-splitting election.
- Medical expenses paid directly to the care provider (doctor or hospital) on behalf of the patient are exempt from gift taxes and filing requirements, regardless of the amount. Also, this gift does not impact the \$11,000 *Annual Exclusion!*
- Tuition costs (not books, meals or room and board) paid directly to a qualified college or university on behalf of a student are exempt from gift taxes and filing requirements, regardless of the amount. Also, this gift does not impact the \$11,000 *Annual Exclusion!*

You can mix and match tuition and/or medical expenses and still give up to \$11,000 (\$22,000 if you are married) cash to your grandchild for other expenses.

As you can see, you have options on how to help out a grandchild (or other family member or friend) with college costs, without creating red tape for yourself. As with any significant financial transaction, get advice from a professional **before** you make the transaction.

Thomas P. McCarthy, Jr., CPA, MST

2004 Board of Directors and Officers

Norman Briggs—President
 Jeanne Berkshire—1st Vice President
 Elinor Wells—2nd Vice President
 Ginger Mello—Secretary
 John De Mario—Treasurer

Directors

Allan Choy
 Opal Hargis
 Delores Christian
 Lois Maujer
 Walter Stewart
 David Merritt (Past President)

The Board of Directors meet at 10:00 a.m. prior to each regular meeting. All members are invited to attend.

REOKC Meetings

When: 2nd Tuesday of the month
 Where: Southwest Veterans Building
 Wilson Rd. Veterans Hall
 1905 Wilson Road
 Time: 11:30 a.m. Social Hour
 Noon luncheon
 Luncheons: Catered lunch each month
 Cost: \$5 for members or spouse, \$7 for guests

**Application for Membership in REOKC
 and Authorization for Deduction of Dues**

I receive a retirement and/or survivor's allowance from Kern County. I hereby authorize the Kern County Employees Retirement Association to deduct from my monthly retirement benefits, dues of one-dollar (\$1.00) per month for my membership in REOKC, and to pay such deductions monthly to that organization.

Name (print) _____
 Address _____
 City _____
 State _____ Zip _____
 Telephone () _____
 SSN _____
 Signature _____ Date _____



"WELCOME!"

**NEW MEMBERS OF THE
 RETIRED EMPLOYEES OF
 KERN COUNTY**

Roy Bartolucci	Sheriff-Safety
Gary Brooke	Probation-Safety
Patricia Campbell	Superior Court
Ernest Flippin	Fire-Safety
Particia Holt	General Service
Barbara Long	Kern Medical
Dolpus McMinn	Sheriff-Safety
Louann Nickerson	Library
Carol Rush	Planning
Gilberto Salazar	Health
Steven Sourez	Deferred
Edward Wright	Fire-Safety
Laura Funk (spouse)	Beneficiaries-RiskMgt.
Charolotte Torrey (spouse)	Beneficiaries-Prob.
Shirley Wilson (spouse)	Beneficiaries-HumSrv.
Marissa Morris (spouse)	Beneficiaries-Deferred



WE WILL ALWAYS REMEMBER

Deceased KCERA Members

Dorothy Anglen	10-19-03	Sheriff-Gen.
Lloyd Funk	09-26-03	Risk Mgt.
Lorraine Gridley	10-16-03	Build Inspt.
Bruce Griffin	10-10-03	Human Srv.
Leal Cruz	10-07-03	Parks & Rec.
Morris Landon	10-03-03	Deferred
Noreen Nielson	09-23-03	Tax Collector
Dana Temple	10-10-03	EK Mini-Court
George Vernon	09-24-03	Roads

How On Earth Did We Survive?

My Mom used to cut chicken, chop eggs and spread mayo on the same cutting board with the same knife and no bleach, but we didn't seem to get food poisoning.

My Mom used to defrost hamburger on the counter and I used to eat it raw sometimes, but I can't remember ever getting E-Coli.

Riding in the back of a pickup truck on a warm day was always a special treat.

Our baby cribs, toys and room were painted with bright lead-based paint. And we often chewed on the crib, ingesting the lead paint.

We had no childproof lids on the medicine bottles, doors, or cabinets and when we rode our bikes we had no helmets. How did we survive?

We drank water from the garden hose and not from a bottle. We'd leave home in the morning and play all day, as long as we were back when the streetlights came on.

We played dodge ball and sometimes the ball would really hurt. We played with toy guns, cowboys and indians, army, cops and robbers. And used out fingers to simulate guns when the toy ones weren't around.

We ate cupcakes, bread and butter and drank sugar soda, but we were never overweight.

Little league had tryouts and not everyone made the team. Those who didn't had to learn to deal with disappointment. Some students weren't as smart as others or didn't work hard so they failed. How did we survive?

We had freedom, failure, success and responsibility. Our generation produced some of the greatest risk-takers and problem solvers.

Almost all of us would have rather gone swimming in the lake instead of a sparkling pool (talk about boring).

We all took gym, not PE and risked permanent injury with a pair of high-top Keds (only worn in gym) instead of having cross-training athletic shoes with air cushion soles and built in light reflectors.

I can't recall any injuries but they must have happened because they tell us how much safer we are now.

Speaking of school, we all said prayers and the Pledge of Allegiance and staying in detention after school caught all sorts of negative attention for the next two weeks.

We must have had horribly damaged psyches. I can't understand it. I thought that I was supposed to accomplish something before I was allowed to be proud of myself. How did we survive?

I just can't recall how bored we were without computers, Play Station, Nintendo, X-Box or 270 digital cable stations. And I'm sure that I nearly exhausted my imagination a couple of times when we went on a two week vacation.

I must be repressing that memory, as I try to rationalize through the denial of the dangers that could have befallen us, as we trekked off each day about a mile down the road to some guy's vacant lot, built forts out of branches and pieces of plywood, made trails, and fought over who got to be the Lone Ranger.

Oh yeah... and where was the Benadryl and sterilization kit when I got that Bee sting? I could have been killed.

We played king of the hill on piles of gravel left on vacant construction sites and when we got hurt, Mom pulled out the 49-cent bottle of Mercurochrome and then we got spanked. How did we survive?

Now it's a trip to the emergency room, followed by a 10-day dose of a \$49 bottle of antibiotics and then Mom calls the attorney to sue the contractor for leaving the horribly vicious pile of gravel where it was such a threat.

We didn't act up at the neighbor's house either because if we did, we got spanked (physical abuse) there... and then we got spanked again when we got home.

To top it off, not a single person I knew had ever been told that they we were from a dysfunctional family. How could we possible have known that we needed to get into group therapy and anger management classes? It was a neighborhood run amuck.

We were obviously so duped by so many societal ills that we didn't even notice that the entire country wasn't taking Prozac. HOW ON EARTH DID WE SURVIVE??

Borrowed from the Newsletter of the (FCREA)
Fresno County Retired Employees Association.

January Luncheon Reservation

January 13, 2003 at Noon, Southwest Veterans Hall, 1095 Wilson Road. If you wish, you may use this form to order tickets for this luncheon. Please send your check, made payable to REOKC, together with a stamped, self-addressed envelope to Doris Smith, 2500 Drake, Bakersfield, CA 93301. Deadline for reservations is the Wednesday prior to the luncheon. Phone reservations are not accepted. You may cancel your reservations by calling Doris at 321-9344 prior to the deadline. Cancellations after the deadline cannot be refunded.

Member's name (\$5.00)_____ Spouse (\$5.00)_____

Guest (\$7.00)_____ Total tickets_____ Amount enclosed \$_____

February Luncheon Reservation

February 10, 2003 at Noon, Southwest Veterans Hall, 1095 Wilson Road. If you wish, you may use this form to order tickets for this luncheon. Please send your check, made payable to REOKC, together with a stamped, self-addressed envelope to Doris Smith, 2500 Drake, Bakersfield, CA 93301. Deadline for reservations is the Wednesday prior to the luncheon. Phone reservations are not accepted. You may cancel your reservations by calling Doris at 321-9344 prior to the deadline. Cancellations after the deadline cannot be refunded.

Member's name (\$5.00)_____ Spouse (\$5.00)_____

Guest (\$7.00)_____ Total tickets_____ Amount enclosed \$_____

**Retired Employees of Kern County
P.O. Box 3022
Bakersfield, CA 93385**

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