

Summer 2012

Ventura County Community College District Retirees' Association

# The Monitor

## Annual meeting highlighted by estate planning presentation

Those who attended the VCCCD Retirees Association annual meeting on April 25 at the Ventura County Office of Education Conference Center were treated to a keynote presentation on estate planning by Paul Morison and Christopher Botti of Botti and Morison, Estate Planning Attorneys.

Their presentation was entitled "A Taste of Estate Planning."

The two explained the benefits of having a comprehensive, integrated estate plan in place to deal with problems that can be avoided when a family member becomes incapacitated due to a serious health condition or has passed away.

They said that the two main problems to avoid are (1) probate, which incurs considerable legal expenses, court costs, and time, and (2) conservatorship, which also incurs legal expenses and court action to appoint a guardian for a family member who is physically or mentally incapacitated.

The speakers advocated the revocable living trust as the best way for most individuals and married cou-

ples to protect their assets while they are living and to plan their estates.

They briefly described the elements of the revocable living trust and the types of assets that are transferred to it.

They also distributed a folder containing information on estate planning – a coursebook and a workbook – plus a flier announcing upcoming detailed workshops to each attendee.

In addition to the keynote presentation, members present approved the minutes from last year's annual meeting as prepared by Marie Soo Hoo.

They also heard the treasurer's report from Pat Gage, the Benefits Committee report by Harry Culotta, the Membership Committee report by Don Medley, and the Political Committee report by Gary Morgan.

In other actions, attendees voted to approve two changes to the Association Bylaws. The first change now directs the Executive Committee to recommend life-

time dues, as well as annual dues.

The second change makes developing an annual budget a responsibility of the treasurer.

In addition, the body voted to suspend the rules and elect Harry Culotta as president for one more year, subject to an election next year.

Louise Christener was elected vice president for a two-year term. She later declined the position, however.

Marie Soo Hoo and Patricia Gage were re-elected to new two-year terms as secretary and treasurer, respectively.

Culotta announced that Kay Faulconer-Boger and her husband Don will host this year's annual barbeque in October at their home in Camarillo.

Culotta also asked for volunteers to serve on the Social Committee to plan and conduct the event. He concluded the meeting by thanking all officers, committee chairs and members, volunteers, and everyone who attended the annual meeting.

# Health insurance changes detailed

*Many are terminology changes, some are mandatory*

Retirees should have received a letter recently from Ron Owen, Benefits Analyst for the Ventura County Community College District, announcing changes to the health insurance plans and open enrollment.

For those enrolled in Anthem Blue Cross (the “primary plan”), there are no benefit changes affecting retired employees utilizing *in-network* services other than certain changes mandated by the federal Affordable Care Act and enabling California legislation.

Although the letter does not list the mandatory changes, examples in the medical services category include:

— Autism coverage will now include behavioral health treatment for persons with ASD

(Autism Spectrum Disorder) and PDD (Pervasive Development Disorder).

— Some terminology will change. As examples, “customary and reasonable charge” will now be known as “reasonable and customary value” and the term “maximum allowed amount” will replace the terms “covered expense” and “negotiated rate.”

Retirees using some *out-of-network* services could experience lower reimbursement rates, as Anthem will now pay based on its own “maximum allowed amount” rather than on the previous “customary and reasonable charge.”

Mandatory changes in the prescription drug category include:

— Recasting the “Mail Service

Program” as the “Home Delivery Program.”

— Allowing for some specialty drugs if obtained through a retail pharmacy (both in- and out-of-network) and the Home Delivery Program.

There are no significant changes to either Health Net or Kaiser, the District’s HMO plans.

Although both carriers have raised rates, nearly all retirees who subscribe to these plans will be below the overall premium cap.

Those who wished to switch carriers or change dependents during open enrollment were to have submitted the necessary enrollment forms to Ann Nelson, Benefits Assistant, by May 31 of this year.

Otherwise, no action was required.

## Moore named Chancellor



**Dr. Jamillah Moore**

Dr. Jamillah Moore has been named Chancellor of the Ventura County Community College District.

Moore, who succeeds Dr. James Meznek, is currently president of Los Angeles City College. Meznek who retired from the VCCCD the end of June.

Moore has worked in the state chancellor’s office, and she reportedly has experience dealing with accreditation and budgets. She will join the District in August.

## *In Memoriam*

**It is with sadness that we report the passing of our friends and colleagues:**

**Orlene Bowers  
Jerry Curtis  
Hugo Ekback  
Dallas Flanigan  
Lucie Marsh  
Norlene Neal**

**Membership Report by Don Medley**

**IF YOUR NAME IS ON THE LIST BELOW, IT MEANS IT WAS ADDRESSED BY THE DISTRICT, WHICH CANNOT GIVE US YOUR ADDRESS. IF YOU DO NOT SEND US YOUR ADDRESS, WE WILL REMOVE YOU FROM OUR LABEL FILE SO YOU WILL RECEIVE NO COMMUNICATIONS IN THE FUTURE.**

**THERE ARE MANY NEW RETIREES!!!!!!**

**WE NEED ADDRESSES, PHONE NUMBERS, AND/OR EMAIL ADDRESSES FOR THE FOLLOWING PEOPLE. If you can help, call Don Medley at 805-482-8761 or email don.medley@verizon.net. Thank you for your help.**

Janet Archibald	Judy Arnold	Tina Sasaki Bollinger	Christy Corbett	Cynthia Crispin
David Doreo	John Hanft	Elizabeth (Betty) Hough	Edna Ingram	Wilmer Ingram
Steven J. Mayer	Bonnie Mastiere	Helen Neilsen	Garland Orr	John Palafox
Jerry Purcell	Sharon Stout	Dickie Talmage	Misty Wambold	

**Please correct your roster with the following changes:**

Karen Adkison	Judy Alexander	Diane Armstrong	Vincent Campo
Gwen Chater	John Davie	Gillian Dale	Ray & Jean Di Guilio
Liwayway Torres	Patricia E. Dozen	Bob Escobedo	John Emrick
Larry Falxa	Lynn M. Fauth	Sara Essa Gallaway	Luke D. Hall
Judy Heard	Charles J. Hewson	Frances E. Hughes	Deborah Jacobson
David A. Kay	Judith L. Kleiner	Rae Ann Lappo	

**Membership Report (from page 3)**

Nancy Latham	Paul Lerma III	Knox Long	Diana Lopez
Stella Matsuda	Dorothy L. Orr	William H. McEnroe	Candace A. Mead
Kitty Merrill	Maricarmen Ohara	Don Paillette	Maria & Larry Parker
Linda Porter	Dr. Ofelia Romero-Motlagh	Linda Rubenstein	Fred Schaak
Tomas D. Sanchez	Pam Sangster	Michael Strumpf 805-641-9461	E. Burns Taft
Elaine G. Tennen	Gary S. Van Meter	Charlotte M Villasenor	Simon P Waltzer
Lois Winter	Glen Wolfe	Louise Zitnik	David Oliver

**Zip code correction:** Clyde Wright

**Telephone number Adds/Changes:** Shirley Tucker

**Email Address changes:**

Robert Arce	Armando Castillo
Roland L Glover	Marjorie Hawkins
Cathy Kriss	

**Email Address changes needed:** Please help us find email addresses for the following retirees. All these emails were returned as undeliverable.

Dave & Jean Abraham	Rita Beahan	Alberto Beron	Betty R. Coffey	Tom Everton
Nancy Feltman	Marjorie Hawkins	Hitoshi Kajihara	Marilyn Kauffman	Clara Kimbrough
Virginia Lawler	Clara Lawson	Norman Mallory	Michael Meeks	Sheldon Mehr
Johnna L. Morton	Mary Taylor-Parr	Beverly Pearson	Richard Phelps	Steve Pollock
Sharon Starr	William Thieman	Eliza Thomas	Suzanne van Marion	

**. . . and anyone else who does not get emails from us.**

# New taxes loom for some retirees

**BY HARRY CULOTTA**

Now that the U.S. Supreme Court has ruled that the Affordable Care Act (“Obamacare”) is a constitutional exercise of the power of Congress to levy taxes, it is important for people to learn about the increased taxes and/or reduced deductions that accompany the law.

Although some tax changes apply to organizations, this brief report will discuss only those provisions that apply to individuals, including VCCCD retirees.

*[EDITOR’S NOTE: Any or all of the following is subject to change by Congress — especially with an election in November.]*

One little-known example is that if you have patronized an indoor tanning salon, since July 1, 2010, you have paid a 10 percent excise tax on top of the charge for services.

Also, if you itemize medical expenses on Schedule A of Form 1040, starting on Jan. 1, 2013, the threshold for deductibility of eligible expenses will increase from 7.5 percent to 10 percent.

However, if you are 65 or older in 2013, you may still apply the 7.5

percent threshold until Jan. 1, 2017.

If you are still earning a salary and contributing to a tax-deductible Section 125 Cafeteria Plan to pay for unreimbursed medical expenses, starting on Jan. 1, 2013, you will be limited to a maximum deduction of \$2,500 per year.

Also beginning Jan. 1, 2013, if you are an individual earning a salary over \$200,000 or a couple earning over \$250,000, you will pay an additional 0.9 percent Medicare tax on the excess income.

If your income exceeds either of these levels, you will pay an additional 3.8 percent Medicare tax on net investment income from interest, dividends, annuities, royalties, rents, and capital gains from the sale of property.

This will not apply to most VCCCD retirees, whose pension income is not subject to Medicare taxes or whose amounts are below those levels. However, it could affect some retirees who sell their homes.

Beginning Jan. 1, 2014, if you

do not have (or purchase) adequate medical insurance, you will pay an additional tax that is the greater of \$95 or 1 percent of household taxable income. One year later, the additional tax rises to the greater of \$325 or 2 percent of household taxable income. And a year after that — in 2016 — the additional tax rises to the greater of \$695 or 2.5 percent of household taxable income.

The maximum additional tax will not exceed \$2,250 per year. This is the so-called “individual mandate.” This tax will not apply to most VCCCD retirees who have District-paid medical insurance.

Starting Jan. 1, 2018, those who receive employer-paid medical benefits exceeding \$10,500 for individuals or \$27,500 for families will pay an additional 40 percent non-deductible excise tax on the excess benefit amount.

The tax will not apply to dental and vision plans.

This could affect most VCCCD retirees who have lifetime medical benefits, because the federal government considers our program be a “Cadillac plan.”

**Membership Report (from page 4)**

**New VCCCD  
Chancellor  
Named**

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**Look for us on the Web at**

**<http://www.vcccdra.org>**

**2011-2012 Executive Board**

**Harry Culotta, President**

**René G. Rodriguez, Past President**

**Gary B. Morgan, Vice President**

**Marie Soo Hoo, Secretary**

**Pat Gage, Treasurer**

**Gary Johnson, Benefits Committee Chair**

**Don Medley, Membership Committee Chair**

**Larry Manson, Political Committee Chair**

**VCCCD Retirees' Association**

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