



The Peralta Retiree

January—March 2007

Vol. 3 No. 1

<http://www.peraltaretirees.org>

From the President...

by Jerry Herman, PRO President

Meet and Eat

Over ninety PRO faithful showed up for the second annual PRO membership meeting and luncheon on November 8 at the Peralta District Office Board Room. Tom Smith, Peralta's CFO, updated us on the status of the Peralta bonds dedicated to financing retirees' lifetime medical benefits, and Jennifer Seibert, district Benefits Coordinator, reported to the group on the state of current benefits.

Nominations for the two seats up for election to PRO Board were opened. The Board nominated Ned Pearlstein and Linda Japzon, the two current members whose terms will expire. There were no other nominations from the floor, so Ned and Linda will continue on the Board for two-year terms.

The excellent luncheon was catered by Aroma Restaurant of Alameda. We ate well and inexpensively. PRO also had its mixer in April at Aroma. Again, the food was good, the atmosphere pleasant. We plan to use Aroma for future events.

Lorca in the Spring

PRO is planning a theater party at Berkeley's excellent Shotgun Players on March ---. The play is Federico Garcia Lorca's powerful *Blood Wedding*. The intimate Shotgun Players Theater will provide a fine setting for the play's intensity and passion. For details, see the story on page ___.

CoreSource SPD

Those of you who are members of the CoreSource medical plan should have received the Summary Plan Description (SPD) several weeks ago. It is a booklet that describes your benefits in some detail. We have been waiting for it to be published since

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Plan to Attend . . .

The PRO Theater Party

Shotgun Players

Presents

Federico Garcia Lorca's

BLOOD WEDDING

Thursday
April 5

See Details on Page 3

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Volume 3 Number 2

PRO Member Directory Now Password Protected

The PRO Member Directory is now password protected. The Member Directory provides contact information for PRO members who have authorized PRO to make their information available on the PRO website.

The password was emailed to those PRO members who have provided an email address. If you have not received the password and would like to have it, you can email Bruce Jacobs or send a request through the US mail to PRO.

If you are not listed but would like to have your information included, you should also contact Bruce Jacobs. Be sure to specify the information you want included (address, telephone number, and/or email address).

If you are already listed, please check the accuracy of your listing on the web. If any information is not current or is posted with an error, please let PRO know.

Contact Info:

Email: (webmaster@peraltaretirees.org)
US Mail: PRO, PO Box 1951, El Cerrito, CA 94530
Member Directory on the Web:
<http://www.peraltaretirees.org/Docs/direc.htm>

CoreSource Update

CoreSource ID Card Snafu

The most recently issued CoreSource ID card corrects a significant typographical error, which had caused CoreSource to reject some cardholders' claims. The error occurred in the ID # below your name.

On the old card the first three letters of that number are PCZ. The order of those letters should be PZC.

According the Jennifer Seibert, Peralta's Benefits Coordinator, the cause of the error was inadequate proofreading by the issuers of the card.

New cards were sent to all CoreSource members at the end of December. When you receive the new card, discard the old one. If you have not received a new card or were denied services with your old card, call 510 587-7838, the district benefits number, and enter #3. That will connect you with the broker, PSW, who will be able to resolve any issue

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IN MEMORIAM

The following Peralta retiree has passed away during the last months. PRO extends our deepest condolences to her family and loved ones.

Jeanne Flynn

*If you have any information about the passing or the serious illness of a Peralta retiree, please contact Bruce Jacobs at:
webmaster@peraltaretirees.org
or by writing to PRO, PO Box 1951, El Cerrito, CA 94530.*

Reserve Your Tickets Now for PRO's Evening With Berkeley's Shotgun Players Theater

Federico Garcia Lorca's

Blood Wedding

Lorca's tragicomic tale of a blood feud that erupts when a bride runs off with her former lover on her wedding day. Blood Wedding involves two families in a semi-mythical rural Spain who are intricately bound in an unbreakable cycle of murder and revenge. The death-bound love triangle at the center of the play fuels these passions to a fever pitch and propels the story to its unstoppable tragic conclusion. An arranged country marriage between the children of rich landowners is about to take place. A



past lover, himself in a loveless marriage, cannot allow the wedding to take place and spirits the Bride away, who goes with him willingly on her wedding night. An entire town goes after the lovers in the middle of the night where pursuers and pursued plunge into a realm of deep darkness where the moonlight is not friendly and the forest not shelter enough. Lorca's image-laden poetry unfolds the story with the fire and power characteristic of his work and the fateful resonance that marked his own tragically short life.

**THURSDAY
APRIL 5 — 8 PM**

**1901 ASHBY AVENUE
BERKELEY**

TICKETS \$13



To reserve your seats, complete the form below and mail it together with a check for \$13 for each ticket to:
PRO, PO Box 1951, El Cerrito, CA 94530.

Name _____

Address _____

Phone No. _____

eMail _____

Number of Tickets: _____ X \$13 = \$ _____

PRO Service Committee Update

by Sondra Neiman, PRO Service Committee Chair

We had a productive year of PRO Service Committee activities, culminating in a successful book drive at the PRO luncheon and membership meeting, on November 8th. We collected a total of eight boxes of books and magazines which were delivered to Laney and Merritt college libraries. A big "Thank You" to all who donated and helped make this, our second annual book drive, a huge success. Start saving your books to donate next year! In addition to this event, the Service Committee worked with the PRO board in awarding scholarship money in three designated areas. A total amount of \$2000.00 will be awarded to graduating or transfer students, with each Vice-President of Students Services determining the basis for the award following specific criteria recommended by

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(CoreSource *Continued from page 2)*

that is connected to the typo on the card.

Clarification of Routine Preventive Care and Wellness Benefits

Under Peralta's CoreSource policy, routine preventive care is covered to an annual maximum of \$250. In processing claims in the past CoreSource considered mammograms, pap smears and PSA tests part of the routine preventive care. Once you had received \$250 of benefits in a calendar year, CoreSource did not cover these essential preventive tests.

The CoreSource Summary Plan Description was recently modified (retroactive to the beginning of the District's contract) to cover these tests separately from the routine preventive care. If you were denied coverage for any of these tests because you had already used the maximum benefit, you can contact CoreSource customer service to have them re-process your claim. They will now pay the provider who should then reimburse you. You can reach CoreSource Customer Service at 1-866-280-4120.

(From the President... Continued from page 1)

Blue Cross was replaced as a Peralta benefits administrator over two years ago. Now that it is here, PRO's Benefits Committee is in the process of examining and analyzing it to make sure that our benefits under CoreSource are at least equivalent to those under Blue Cross. If PRO finds any discrepancies that lessen our benefits in any way, you can be sure we will point them out to the district and demand that the benefits be brought up to the level that existed when Blue Cross was our insurance administrator. In looking over the SPD, if any of you find discrepancies that appear to reduce benefits, please let the Benefits Committee know. Email Alex Pappas at alexpappas@flash.net.

George Herring leaves PRO Board — Odell Johnson joins it.

As many of you know, PRO Board Member George Herring has been called out of retirement and is now serving as Merritt College's interim president. He has found his presidential duties so time consuming that he has resigned from the PRO Board. Odell Johnson, former Laney president, has agreed to serve out George's term on the board.

I would like to thank George for his service on the PRO Board. He served as chair of the Membership Committee and always brought his positive attitude and easy going charm to board meetings and to the tasks he undertook. Because George is George, he often had access to information that none of the rest of us could get. In addition to his other attributes, that made him a very valuable member of the board. We'll miss the inside information, but we'll miss George even more.

Odell Johnson probably was president of a Peralta college longer than anyone else in the history of the district. We've all lost count of the years, but twenty as president of Laney wouldn't be far off, an amazing accomplishment in a district that usually burns out or fires presidents in three or four years. He, too, was called back from retirement for a stint as interim president of Laney. That lasted a mere three years. He's assured me that he's finally truly retired. Welcome aboard, Odell.

Take Control Of Your Retirement Savings! Individual Retirement Accounts... Not For Someone Else Anymore...

by Beverly Tanner

Beverly Tanner is past president of the North Bay chapter of the Financial Planning Association. She has served on the financial advisory boards of Golden Gate University and the University of California, Berkeley. Beverly co-authored the books Shelter What You Make, Minimize the Take, and Your Book of Financial Planning. She can be reached at bev@tannerfinancial.com or 415-461-4800.

There have been countless articles written about Individual Retirement Accounts, (IRA's), and pretty much nothing about 403(b) (tax sheltered annuity) qualified plans--this is partially due to the fact that only a select segment of the population qualifies for these plans and largely because so few advisors have any real knowledge of how they work.

As relatively few of us can participate in a tax sheltered annuity 403(b) plan, apparently Congress doesn't see fit to overhaul the rules. Due to recently passed tax legislation, however, individuals with an employer sponsored retirement plan, such as a 401(k) or 403(b), can roll the proceeds from their current retirement plan into an IRA for greater flexibility. This is possible whether or not you are currently taking distribution.

The Rollover IRA dramatically increases the range of choices available to retirees for investing your retirement savings by offering investment choices previously unavailable in employer-sponsored plans. A Rollover IRA provides you the means to have direct control of and more actively grow your nest egg.

What Can I Invest In?

Most 403(b) tax sheltered annuities are administered by insurance companies, and they usually choose your investments. With a self directed IRA, you can choose stocks, bonds, fixed income products, mutual funds, real estate and more. You are not tied to the insurance company's choices.

Are the Rules Different Concerning Withdrawal?

Basically not... with few exceptions any retirement plan requires you leave the funds in a plan until you are at least 59 and a half years old to avoid early withdrawal penalties.

Is There a Time That I Must Take Distributions?

Oh yes, the tax benefits derived from your contributions were a loan, not a gift. Whether you want or need the money or not, the governing rules for retirement plans say you must take at least minimum withdrawals by age 70 and a half.

The premise is that during your earning years you make tax-deductible contributions when your tax bracket is theoretically higher. (Of course, if you invested well that may not be the case.)

After retirement when, presumably, you are in a lower tax bracket you can begin to take withdrawals.

How Is the Required Minimum Distribution Calculated?

In the majority of instances, Required Minimum Distributions (RMD) are figured using one uniform table, the **current minimum distribution incidental benefit (MDIB) table** (see below) to determine distributions. (An exception to the above applies when a spouse is the sole beneficiary and is more than ten years younger. In this case, the joint life expectancy

MDIB Table					
Age	Applicable Divisor	Age	Applicable Divisor	Age	Applicable Divisor
70	27.4	86	14.1	102	5.5
71	26.5	87	13.4	103	5.2
72	25.6	88	12.7	104	4.9
73	24.7	89	12	105	4.5
74	23.8	90	11.4	106	4.2
75	22.9	91	10.8	107	3.9
76	22	92	10.2	108	3.7
77	21.2	93	9.6	109	3.4
78	20.3	94	9.1	110	3.1
79	19.5	95	8.6	111	2.9
80	18.7	96	8.1	112	2.6
81	17.9	97	7.6	113	2.4
82	17.1	98	7.1	114	2.1
83	16.3	99	6.7	115+	1.9
84	15.5	100	6.3		
85	14.8	101	5.9		

(Investment Continued from page 5)
table is used.)

Required Minimum Distributions (RMD) are calculated based on the Fair Market Value of your IRA as of December 31 of the previous year and divided by the MDIB factor. The MDIB factor is based on the age you will attain on December 31st of the current calendar year.

For example, a 76-year-old individual has a fair market value of his or her retirement plan of \$100,000 on December 31, 2006. The RMD for 2007 is calculated as follows: $\$100,000 / 22 = \$4,545.45$. Keep in mind you can always take more, but there is a high 50% penalty should you take less.

It is odd that the government allows you to keep some funds in a tax-sheltered account until age 115+.

If you are married and your spouse is ten or more years younger than you, it is more advantageous to use the joint life expectancy table to calculate the distribution. If this situation pertains to you, speak with an advisor to insure you are making the right choice.

What About My Heirs?

You may have heard the term “stretch IRA” or “multi-generational IRA” and wondered what all the excitement was about. The term “stretch” here refers to a method for extending the duration of traditional and Roth IRA beneficiary distributions to certain successor beneficiaries, beyond the death of an original designated beneficiary—a method especially valuable to a non-spouse beneficiary.

A stretch IRA is not a special type of IRA created by Congress. There are no special IRA agreements that establish stretch IRAs, so it is important to choose a financial organization that has added language to its current IRA agreements to enable stretching.

After an IRA owner's death, spouse beneficiaries can treat an IRA as their own if they are the sole beneficiary. If there are multiple beneficiaries, a spouse beneficiary can always take a distribution of his or her share in an IRA by rolling it over to a personal IRA.

After an IRA owner's death, a non-spouse IRA beneficiary, under the final required minimum distribution (RMD) rules, generally takes RMDs based on his or her single life expectancy. An original beneficiary's death generally requires distribution of any remaining

IRA assets in a single sum to his or her estate.

With stretching, the duration of death distributions can continue to a series of successor beneficiaries, i. e. children or even grandchildren, beyond the death of an IRA's original beneficiary but, unfortunately not forever.

Are You Charitably Inclined?

If there are no heirs, or you just don't need the distributions, it has always made sense to give IRA or other retirement fund proceeds to charity. Considering a 35% tax bracket between federal and state governments, each retirement plan dollar is only worth 65 cents.

The law has recently changed. Prior to the new rules, if you wanted to give a lifetime gift of your IRA funds, you needed to include the distribution from your IRA on your tax return and then show a charitable deduction. For many reasons, this was not always beneficial.

Now, however, under the new Pension Protection Act of 2006, you can distribute up to \$100,000 of IRA monies directly to a public charity without needing to include it on your tax return, provided you are past age 70 and a half, and it is an outright gift to a public charity. (This rule does not apply to transfers to foundations, donor advised accounts or charitable remainder trusts) You would not show the IRA distribution or the charitable deduction.

Most exciting of all is that these transfers to charity count toward the taxpayer's required minimum distribution. *Note: This rule is effectively immediately, but it is set to expire at the end of 2007.*

Specific information is available on the Internet, through investment sources offering Individual Retirement Accounts, through tax accountants and through financial planners. What you do to prepare will make a tremendous difference to you and your heirs in terms of appreciation and continued tax benefits.

This article is not a substitute for sound financial advice. It is merely to point out there are investment and distribution options for your retirement plan. What you can, and should do, is start arranging the qualified portion of your investment portfolio to give you the best financial advantage.

LETTERS TO THE EDITOR

To The Editor:

Jeanne McInnis Flynn RN, BSN, MSN died on December 3 after a protracted illness, courageous and optimistic to the end. Her career in the Peralta Community College District began in 1963 when she began teaching in the Vocational Nursing Department at Laney College that had become part of President Johnson’s “Great Society’s” ManPower Development Training Act: MDTA. (After several years the MDTA classes were moved from Laney.)

The Vocational Nursing Department continued at Laney until it was moved to the Merritt Campus in 1988. In 1990 Jeanne taught in the ADN (Associate Degree Nursing) program until her retirement in 1993. Her 30 years of teaching nursing students at Laney and Merritt Colleges brought her the respect and affection of students and colleagues. She expected excellence from her students in lecture and clinical classes and always encouraged them to do their best.

She is remembered for her strength of character, her thoughtfulness and care for others, her high expectations for herself, her loyalty, her bravery and courage throughout her life and especially during her last painfully challenging months. Her many friends mourn their great loss.

Dorcas Kowalski

Dear PRO members:

We would like to thank you for your generosity in donating books and magazines totaling over 100 items for our collection. Many titles were added to the circulating collection and Leisure Reading collections. We look forward to all the wonderful books that come our way from your organization. Thank you again for your generosity.

The Merritt College Library Staff



Ballot

PRO Members please use this ballot to vote in the PRO Board election. Clip your completed ballot and mail it to PRO, PO Box 1951, El Cerrito, CA 94530.

For the Board:

Ned Pearlstein Yes No

Linda Japzon Yes No

Confirm For President:

Jerry Herman Yes No

Confirm For Vice-President

Bruce Jacobs Yes No

Confirm For Secretary

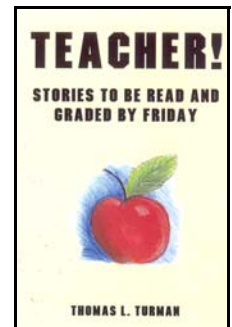
Juanita Peterson Yes No

Confirm For Treasurer

Shirley Timm Yes No

Book News

Peralta Retiree **Tom Turman** has recently authored a book of short stories entitled “Teacher — Stories To Be Read and Graded by Friday.” Many of the stories are about Tom’s time at Laney College where he taught in the Architecture Department. To obtain a copy, contact Tom at 1718 9th St., Berkeley 94710—510-527-7063 (email: tturman@pacbell.net).



Cold Tree Press is proud to announce the early spring publication of “Musa Degh,” **Ed Minasian’s** historical account of the Armenian Genocide that began in 1915 and subsequent suppression of a movie based on Franz Werfel’s 1934 bestseller, “The Forty Days of Musa Degh.”

Ed spent 24 years poring over archives, official government documents and Hollywood records to put this book

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Check Out The PRO Web Site

On the PRO web site you can find:

- The current issue of the PRO newsletter as well as an archive of past issues.
- The PRO Member Directory with contact information for PRO members.
- A list of web links to resources for Peralta retirees including information about retiree health benefits.

<http://www.peraltaretirees.org>



(Service Committee Continued from page 4)

PRO. These scholarships will be awarded at the 2007 graduation. A sum of \$1000.00 will be distributed to the four Peralta libraries, \$250.00 per campus, for the purchase of library books. In addition, a sum of \$1000.00 was awarded to Laney's CALWORK's program for assistance to qualified students in their transportation needs to educational training, job search, and interviewing. This is to be considered a pilot project, and hopefully we will be able to include other worthy campus programs in the future. My thanks to the other members of the Service Committee for their dedication, enthusiasm, and hard work. I look forward to working with the committee in 2007.

(Books Continued from page 7)

together. His meticulous research as well as an excellent article in the *Contra Costa Times* piqued the interest of Peter Honsberger, CEO of Cold Tree Press, when Ed approached him.

The projected publication date is March, 2007. Contact Cold Tree Press by email: inquiry@coldtreepress.com.

Peralta Retirees Organization
P. O. Box 1951
El Cerrito, CA 94530