

RETIRED EMPLOYEES OF SAN BERNARDINO COUNTY

Established 1964

The only officially recognized organization representing SB County Retirees



PRIME TIME

Volume 44, Number 7 April 2026 RESBCinfo@gmail.com



Dena Smith President's Message

Greetings and good wishes to all my fellow RESBC members.

It's April and, despite recent weeks of weather that feels like the middle of Summer, we are actually just a couple of weeks into Spring. This month, many of us will celebrate Easter – and very few of us will celebrate Tax Day. Friday, April 24 is Arbor Day, an annual celebration established way back in 1872 to promote environmental stewardship by planting, nurturing, and

celebrating trees. And, on April 30, our SBCERA pay warrant will reflect a 2% cost of living adjustment (COLA).

As a reminder, our COLA is based on the Consumer Price Index (CPI) which, for the year ending November 2025, was well above the 2% statutory maximum COLA that we can receive. The difference will be "banked" for use in years when the opposite is true to bring the COLA up to 2%. Our elected retiree representative to the SBCERA Board of Trustees, Dawn Stafford, prepared an excellent article explaining more about the about the COLA and "bank" process so, if you're a new retiree and/or you're fuzzy on the details on how this works, I recommend you check out Dawn's article, which appeared in last month's *PRIME TIME*.

We are approaching the end of the RESBC program year and only two events remain before we go dark in July and August. This month, we will host the Senior Driving and Mobility presentation by the California Highway Patrol. That program will take place on Monday, April 27, 2026 from 9:30 AM – Noon at the Elks Lodge in San Bernardino.

Registration for the event is open now and will close on

April 20, so be sure to confirm your attendance via online registration or email. You can find additional details about this program elsewhere in this issue of *PRIME TIME*.

Finally, in June, we will host the RESBC Annual Meeting. Your Program Committee is hard at work putting together final details for this, our last event of the 2025-2026 year. Watch your email and next month's *PRIME TIME* for program details and registration information.

As always, I invite you to consider taking a more active role in RESBC by joining our Board and/or one of our working committees. It's a great way to put your skills and talents to use and build some new friendships within our community.

It's easy to get started — just drop us an email at: resbcinfo@gmail.com or call us at (909) 725-5140.

That's all for now and I'll see you next month.

RESBC Board Members

- ◆ Dena Smith, President
- ◆ Virginia Adams
- ◆ Diana Alexander
- ◆ Deborah Barmack
- ◆ Jack Burke
- ◆ BJ Cruz
- ◆ Yvonne Johnson
- ◆ Kim Kelly
- ◆ John Michaelson
- ◆ Cheryl Napier
- ◆ Ruth Stringer
- ◆ Janet Ward
- ◆ Vere Williams
- ◆ Bob Windle
- ◆ AB Brand, Treasurer Emeritus



**CALAPRS General Assembly Meeting
by Dawn Stafford
Retirement Board of Trustees, Elected by Retirees**

In March, I attended the CALAPRS General Assembly in Carlsbad. One of the most interesting presentations was “Shift Happens” by Rick Funston, CEO of Funston Advisory Services LLC and a national expert in governance issues and risk oversight.

The session addressed one of the greatest challenges for institutional investment funds: staying disciplined as a patient capital investor despite the constant pressures of “short-termism”.

A lot of factors can cause “shift” to happen, including geopolitics, policy uncertainties (such as tariffs, etc.), financial stability risk (such as high debt and high fiscal deficits), inflation, protectionism, fragmentation of the global supply chain, cybersecurity, climate change, and worsening affordability issues.

Policy and geopolitics now drive markets. Volatility is structural, not temporary. Globalization is fragmenting. Traditional diversification is less reliable. Investors are shifting from prediction to adaptation. Your world demands answers by Friday.

In drawdowns, short-term pressures increase quickly: liquidity strain and forced selling; rising contribution pressures on sponsors; deterioration of funded ratios; liquidity and rebalancing challenges from illiquid assets.

Markets determine short-term returns, but governance determines long-term outcomes. Patience is hard because of long-term promises, short-term stakeholder concerns, and demands for immediate action.

Compare and contrast how two different types of investors react to volatile times. First, the Impatient Investor responds with policy revisions, rebalancing in a downturn, selling risk at the bottom, and missing an early recovery.

In contrast, the Patient Investor is characterized by clear beliefs, stable policy and asset allocation, explicit rebalancing ranges, clear delegation, shared understanding/commitments, patient behavior under stress, holding illiquids, and communicating the long-term strategy in advance.

Are you being rewarded for the risk you agree to take? Volatility is what markets do. The tracking error (active risk) measures what we choose to do differently from the market. The Information Ratio (the active return above benchmark divided by the tracking error) measures whether those choices were worth the risk taken.

Governance can be measured by the Information Ratio. It impacts governance in several ways, including risk budget discipline, time horizon stability, delegation clarity, decision speed and consistency, and incentive alignment.

When the Information Ratio is positive, the portfolio is outperforming its benchmark and the outperformance is consistent. Value is being created per unit of active risk, and the alpha is not just good luck.

A negative Information Ratio means the portfolio is underperforming its benchmark and the underperformance is consistent. Value is being destroyed per unit of active risk, and the underperformance is not just bad luck.

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When shift inevitably happens, can you remain patient? Remember patience is a choice and typified by governance that is "Prudent by Design". Patient capital is not about waiting. It is about knowing what not to change when the pressure is the highest.

Many thanks to Rick Funston for a most interesting and informative presentation.



**NEW MEMBERS
(through March 2026)**

Joel M. Acevedo
Pamela D. Adams
Felix A. Arreola
Joellen M. Atkinson
Debra Black
Regina Booker
Nyisha Breese
Anthony Carbo
Margie Castaneda
Teri D. Cayton
Mirna C. Centeno
Patricia K. Cornish
Allison L. Cunningham
Debora Dickerson-Sims
Cynthia L. Godbey
Manuel A. Gonzalez Alcala
Melissa M. Graham
Linda M. Griffey
Stuart Griffey
Patricia A. Gunderson
Monica L. Guzman
Teresa Gwinn
Larry Herkelrath
Loni L. Hunley
Stephen E. Kessler
Virginia T. Konitzer
Beatriz Lopez-Bocanegra
Kenneth D. Lutz
Andrea L. Meacham
Yvette L. Newson
Martha Nunez
Esperanza Orosco
Michael D. Sandoval
Arturo Santos, Jr.
Kimberly M. Shapiro
Melissa A. Thompson
Sherry Thompson
Kyle Torres
Sylvia A. Trujillo

Michael W. Turpin
Cynthia Venegas
Steven M. Villa
Trent R. Wiebe
David M. Williams
Elizabeth Yates



**BEYOND RETIREMENT
(through March 2026)**

Beverly Anderson
Ivett Andrews
Linda Armstrong
Robin Armstrong
Cecil Arzu
Robert Avery
Martha Ball
Ronald Barnicle
Patricia Bird
Charles Blankson
Kathryn Brookins
Nida Burington
Ronald Cisneros
Robert Clinton
Michael Crane
Robert W. Downs
Sandra Escalante
Helen Gaderson
Louisa Garcia
Jerry Givens
John Heary
Carole Henn
Becky Hernandez
Julius Krauss

Dorothy Ladoceour
Richard Lake
Mary Ann Langley
Dennis Lichti
Holly E. Logan
Victoria Macias
Darlene McFadden
Richard Means
Lowell Moody
Leola Rea
Johnnie Riley
John Sharpe
Bonnie Ter Keurst
Peggy Vander Leest
Ronald Vanluven
Eunice Watts
Joanne Watts
Sandy K. Webb
Carol Whitehead
Jerry L. Williams
Daniel Zimmerle



REQUIRED MINIMUM DISTRIBUTIONS

Good to Know

Managing Required Minimum Distributions (RMDs) is a critical part of retirement planning, especially as regulations have shifted significantly in recent years.

Here are ten key things to understand about how they work:

1. The Starting Age Has Changed

Under the SECURE 2.0 Act, the age at which you must begin taking RMDs has increased. If you were born between **1951 and 1959**, your starting age is **73**. For those born in **1960 or later**, the age jumps to **75**.

2. Which Accounts Are Affected?

RMD rules apply to most employer-sponsored retirement plans and traditional IRAs. This includes:

- Traditional IRAs and SEP/SIMPLE IRAs.
- 401(k), 403(b), and 457(b) plans.

New for 2024: Roth 401(k)s and Roth 403(b)s no longer require RMDs during the owner's lifetime, bringing them in line with Roth IRAs.

3. The Deadline for the First Year

While most RMDs must be taken by **December 31** each year, you have a one-time "grace period" for your very first distribution. You can delay your first RMD until **April 1** of the year following the year you turn the required age.

Note: If you delay the first one to April, you will have to take *two* distributions in that same tax year, which could push you into a higher tax bracket.

4. How the Amount is Calculated

The amount is not a flat percentage. It is calculated by taking your account balance as of **December 31 of the previous year** and dividing it by a "distribution period" found in the IRS Life Expectancy Tables (usually the Uniform Lifetime Table).

5. Penalties for Missing a Deadline

The penalty for failing to take the full RMD was historically 50% of the amount not withdrawn. It has since been reduced to **25%**, and can be further reduced to **10%** if the error is corrected promptly within a specific two-year window.

6. Aggregating Distributions

If you have multiple **Traditional IRAs**, you can calculate the total RMD for all of them and take the entire sum from just one account. However, **401(k) plans** are different; you must calculate and take a separate RMD from each individual 401(k) account you hold.

7. Tax Implications

RMDs are generally taxed as **ordinary income** at your current federal income tax rate. They are not eligible for capital gains treatment, even if the growth within the account came from stocks.

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8. The "Still Working" Exception

If you are still employed past the RMD age and you do not own more than 5% of the company, you may be able to delay RMDs from your **current** employer's 401(k) until you actually retire. This does not apply to IRAs or 401(k)s from previous employers.

9. Qualified Charitable Distributions (QCDs)

If you are 70½ or older, you can transfer up to **\$105,000** (indexed for inflation) directly from your IRA to a qualified charity. This amount counts toward your RMD but is **excluded from your taxable income**, which can be a highly efficient way to give.

10. Impact on Medicare Premiums

Because RMDs increase your Adjusted Gross Income (AGI), they can trigger higher **Medicare Part B and Part D premiums** (known as IRMAA surcharges). Planning the timing and size of your withdrawals is often necessary to stay below certain income thresholds.

Article content generated using AI as a research tool.

7 RULES OF LIFE

1. LET IT GO

NEVER RUIN A GOOD DAY BY THINKING ABOUT A BAD YESTERDAY.

2. IGNORE THEM

DON'T LISTEN TO OTHER PEOPLE. LIVE A LIFE THAT'S EMPOWERING TO YOU.

3. GIVE IT TIME

TIME HEALS EVERYTHING.

4. DON'T COMPARE

THE ONLY PERSON YOU SHOULD TRY TO BEAT IS THE PERSON YOU WERE YESTERDAY.

5. STAY CALM

IT'S OKAY NOT TO HAVE EVERYTHING FIGURED OUT. KNOW THAT IN TIME, YOU'LL GET THERE.

6. IT'S ON YOU

ONLY YOU ARE IN CHARGE OF YOUR HAPPINESS.

7. SMILE

LIFE IS SHORT. ENJOY IT WHILE YOU HAVE IT.



We are always looking for other RESBC members who can join us in making this a great organization.

If you are interested in lending your time and skills to protect the interest of our retirees, just let us know!

QUESTIONS REGARDING MEMBERSHIP OR ADDRESS CHANGES? PLEASE CONTACT: BJ Cruz, Membership bj.miche@gmail.com

HICAP is a non profit organization. They offer assistance to seniors in deciding which supplemental insurance is best for them to add to Medicare benefits. Their phone number is: 800-434-0222.

If you want to receive the PRIME TIME newsletter electronically, or have any problems with delivery, please contact:

BJ Cruz
Membership Chair
bj.miche@gmail.com

TREASURER'S REPORT
February 2026

February 1, 2026 **269,252.00**

| | |
|-----------------------|-----------------|
| REVENUES | |
| Dues | 8,532.00 |
| Interest | 39.39 |
| TOTAL REVENUES | 8,571.39 |

| | |
|---------------------------|------------------|
| EXPENDITURES | |
| Administration | |
| Communications/Website | 556.00 |
| Newsletter | |
| Printing | 7,012.21 |
| Postage | 2,225.97 |
| Meetings and Events | |
| Meals | 289.69 |
| TOTAL EXPENDITURES | 10,083.87 |

February 28, 2026 Balance **267,739.52**

| | |
|------------------|-------------------|
| Checking Account | 12,639.61 |
| Savings Account | 168,224.63 |
| CDs | 86,485.74 |
| Petty Cash Fund | 389.54 |
| Total | <u>267,739.52</u> |

PERB Reserve* 166,122.30

Membership 8,532 (increase of 29)



Kim Kelly
Treasurer

*Preservation and Enhancement of Retirement Benefits (PERB): Reserve funding and/or expenditures to support educational and advocacy activities to protect and enhance pension benefits for RESBC members.



SYMPATHY CARDS are sent to families of our members whenever we are notified of a death. **GET WELL CARDS** are also sent to our members who are experiencing health problems.

Please call Janet Ward at 909-793-6113, or contact her via email at: tenja33@msn.com if you know of someone who would be cheered by receiving a card from RESBC.



ON THE ROAD.....STILL

RESBC

Happy to provide a free presentation by

California Highway Patrol

“Senior Driving and Mobility”

Monday, April 27, 2026

Elks Lodge - 2055 Elks Drive, San Bernardino CA

9:30 - 10:00 am Complimentary Continental Breakfast

Program - 10:00 am to Noon

* Training – Seniors Best Practices / Specific Driving Situations *

* New Driving Laws for Seniors *

* Questions & Answers *

* Provide you with a Certificate *

(Insurance companies may offer a discount if your agent is provided with the certificate)

Please RSVP at RESBCwildapricot.org or by email to RESBCinfo@gmail.com

Registration is open until April 20, 2026

RETIRED EMPLOYEES OF SAN BERNARDINO COUNTY

P.O. BOX 2323
SAN BERNARDINO CA 92406-2323

DATED MATERIAL

RESBC MISSION STATEMENT

As a voluntary non-profit association, the singular goal of the Retired Employees of San Bernardino County (RESBC) is to support and cherish the obvious need to maintain and improve our quality of life during retirement. The focal points of RESBC are to: keep its members informed and knowledgeable about retiree issues and concerns; provide programs and information on topics that will give members insight into the challenges affecting seniors; and focus on benefits retirees have earned, and, in the process, foster friendship and positive relationships among all retirees.

NOTICE: The information presented in *PRIME TIME* is believed to be from reliable sources. However, no responsibility is assumed by RESBC, the Editor, or the writers, for inaccuracies in articles published.

Privacy Statement:

RESBC is very aware of the need for the privacy of its members and is committed to protecting your personal information. The only information RESBC has about you is your name, mailing address, and payment of membership dues. RESBC does not sell or share our member list. RESBC does not disclose any of this information about our members to third parties. The companies with which RESBC does business, such as Berg Print & Mail (for printing and mailing *PRIME TIME*), and Pacific Group Agencies (supplemental insurance), are obligated to keep your information confidential.

Spouses of deceased RESBC Members are eligible to become Associate Members of RESBC.

If you would like more information, please contact our Membership Chair, BJ Cruz, by writing to P.O. Box 136, Highland, CA 92346, or via email:
resbcinfo@gmail.com
909-725-5140

PRIME TIME is published monthly from September through June (with a combined December/January issue) by Retired Employees of San Bernardino County, P.O. Box 2323, San Bernardino, CA 92406-2323. Email: RESBCinfo@gmail.com

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