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THE INTERCOM

Newsletter of the California Retired County Employees Association (CRCEA)

January 2026

Issue #1-2026



PRESIDENT'S MESSAGE

As I write this, we are edging closer to the Christmas holiday, which means that I am late in getting this off to our Intercom editor. Every time I think about it something seems to pop up and it gets set aside.

By the time you receive this, we will have survived the Christmas and New Year holidays and now we are thrust into 2026. Another year gone so soon.

Let me thank every delegate and member who attended the late September conference for participating in CRCEA and the Alameda County host. We had a great turnout, and we were able to enjoy the company of each other again. The host committee worked hard in preparation for that confer-

ence and the smoothness of the entire operation showed how prepared they were.

REAC did a fantastic job with the conference, with an excellent mix of education and needed information that is of practical use by us retirees. The work they "showed off" also provides a clear example of what REAC provides to its members month after month. Well done to each and every one of you.

As is the normal course for the CRCEA Executive Committee, we went "dark" during the month of December to allow us to refocus on our family and friends going into the holiday season. We have quietly been working behind the scenes on various issues and projects that will ensure the ongoing function and smooth operation of CRCEA.

One project that has been continuing is the "new" format of presenting our conferences going forward. Santa Barbara county is well on their way in planning their conference for the Spring of 2026. Even while they work on those conferences, the process has started for the revised conference sched-

ules and process that will start as we move into 2026. A continuing "good job" is sent to Connie Land for taking on the task of the overall coordinator for the CRCEA Conferences. Connie is a participant in her own division, but serves CRCEA overall as its coordinator for both the divisions. Thanks Connie!

During this transition the road might be bumpy and in need of some work, but with the dedication of all those involved, the grading will get done, the topping will be laid out and the roller will come along to smooth out that ride.

As I end this short message, I hope that each of you had a pleasant and safe holiday season. Stepping into 2026, we bring a new and enthusiastic vigor to what we all do for our members and each other.

Until next time.....

SKIP MURPHY
President

TAX LAW CHANGES YOU NEED TO KNOW ABOUT
Recent legislation affects returns for 2025 and later

The One Big Beautiful Bill Act, signed by President Donald Trump on July 4, makes multiple changes to the tax code. Some are temporary, some are permanent. Some could reduce your tax bill for 2025, while others go into effect for the 2026 tax year. These are some of the provisions most likely to affect older adults.

Bigger deductions

Prior to the OBBB's passage, the 2025 standard deduction for people who don't itemize deductions on their returns—about 90 percent of taxpayers—was set at \$15,000 for individual taxpayers and \$30,000 for married couples filing jointly. The new law increased those deductible amounts.

- ♦ For 2025, the standard deduction is now \$15,750 for individual filers and \$31,500 for joint filers. (The previously announced additional standard deduction for people 65 and older remains \$2,000 for singles and \$1,600 per qualifying spouse for couples filing jointly.)
- ♦ From 2025 through 2028, you may get an extra break if you're 65 or older: You can claim a bonus deduction on your taxes of up to \$6,000 per eligible individual even if you don't itemize. The new deduction "delivers tax relief at a time when many older Americans are living on fixed incomes while facing rising costs," Nancy LeaMond, AARP's chief advocacy and engagement officer, wrote in a June 29 letter to Senate leaders.

Individuals with a modified adjusted gross income (MAGI) of up to \$75,000 and joint filers with income of up to \$150,000 can deduct the full \$6,000. The deduction phases out at higher incomes and goes away if your MAGI exceeds \$175,000 (\$250,000 for a couple). For purposes of this and other tax changes, your MAGI is your adjusted gross income, found on line 11 of Form 1040, plus certain added-back deductions, such as IRA contributions.

Deduction on car loan interest

The new law allows borrowers of all ages to deduct up to \$10,000 annually in car loan interest payments through the 2028 tax year.

There are some caveats, however. The loan must have originated on Jan. 1 of this year or later, and the vehicle must be a new car, minivan, van, SUV, pickup truck or motorcycle that underwent final assembly at a U.S. factory. If your MAGI is greater than \$100,000 (individual) or \$200,000 (couple filing jointly), the deduction tapers off by \$200 for every \$1,000 of additional income.

Many SUVs and trucks meet the assembly requirement, says Ronald Montoya, manager of consumer advice at the car shopping guide Edmunds.com. This includes models like the Honda Pilot, Toyota Highlander and Ford F-150. If you have a car's vehicle identification number (VIN), you can visit the government website nhtsa.gov/vin-

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[decoder](#) to check. “The safest bet is to look up the VIN number,” says Montoya, but the assembly information is also on a car’s window sticker at the dealership.

Expanded breaks for state and local taxes

Starting with tax year 2018, people who itemized could deduct no more than \$10,000 in state and local tax (SALT) payments on their federal return. The new law temporarily increases the limit to \$40,000 for taxpayers with a MAGI below \$500,000.

The provision could provide significant savings for homeowners who live in states and communities with high property taxes and property values. Older Americans are more likely to be in this group: While 65 percent of all U.S. adults own their homes, the rates rise to about 76 percent of people ages 55 to 64 and nearly 79 percent of those 65 and older, according to recent Census Bureau data.

The SALT deduction cap and income threshold will increase by 1 percent a year until 2030, when, under the new law, it reverts to \$10,000.

Certain earnings free from income tax

- ♦ Effective this year through 2028, employees and self-employed people can deduct up to \$25,000 of tip income received in occupations the IRS deems to be “customarily and regularly” receiving tips. Among the people expected to qualify: restaurant workers, dog walkers, tutors, companions for older people, and taxi and rideshare drivers.
- ♦ Workers with qualified overtime pay in 2025 through 2028 will be able to deduct the portion of that pay that exceeds their regular pay rate—for example, the “half” portion of their “time-and-a-half” hourly wage. The deduction maxes out at \$12,500 (\$25,000 if married and filing jointly).

Even if you have deductible tip or overtime income, the money is still subject to FICA taxes for Medicare and Social Security. The tip and overtime deductions start phasing out for individuals whose MAGI is \$150,000 (\$300,000 if married and filing jointly; married taxpayers who file separately do not qualify). Karin Anderson, vice president of tax compliance solutions at Wolters Kluwer, recommends keeping a record of the time and amount of tips received. “Documentation is key,” she says.

Changes for charitable contributions

- ♦ Starting with tax year 2026, people who don’t itemize can deduct up to \$1,000 (\$2,000 if married filing jointly) for qualified charitable cash contributions—a more expansive version of the \$300 COVID-era deduction that non-itemizers could take for tax years 2020 and 2021. The provision does not extend to the donation of physical goods, like clothing and housewares.
- ♦ For taxpayers who do itemize deductions, the bill allows a deduction for charitable contributions only if they exceed 0.5 percent of their adjusted gross income. For example, if your AGI is \$100,000, the first \$500 of charitable contributions is not deductible.

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Credits and contributions for care

- ♦ If, in order for you to work or look for work, you have to pay a caregiver to look after a child under 13, a spouse or a disabled dependent who lives with you, you may be eligible for what the IRS calls the child and dependent care credit. This credit applies to up to \$3,000 in expenses for one qualifying individual and \$6,000 for two or more of them. Starting in 2026, that credit rises to a maximum of 50 percent of qualified expenses if your AGI is \$15,000 or less, up from 35 percent. The rate of the credit diminishes at higher incomes.
- ♦ If your employer offers a flexible spending account, letting you designate pretax income for dependent care, you'll be able to contribute up to \$7,500 in 2026 for qualifying childcare and eldercare expenses, up from \$5,000.

by Maya Dollarhide and Claire Leibowitz
(www.aarp.org)

BUCKET LIST



HAVE YOU EVER THOUGHT ABOUT CREATING A BUCKET LIST?
See below for fun, simple ideas to use as a starting point!

Travel & Adventure

- Visit a dream destination
- Take a scenic train trip
- Explore national parks
- Try RV or camper van travel
- Go on a cruise

Creativity & Projects

- Start a journal or memoir
- Learn a new art or craft
- Build something by hand
- Create a family photo album

Learning & Growth

- Take a class in a new subject
- Learn a new language
- Try a musical instrument
- Explore your genealogy

Health & Wellness

- Try yoga or tai chi
- Walk daily for a month
- Join a hiking or walking group

Food & Experiences

- Take a cooking class
- Try wine or craft beer tasting
- Explore new restaurants

Social & Community

- Volunteer for a cause
- Join a club or group
- Reconnect with old friends

**What is it you would like to do?
Choices are endless. Use your imagination!**

THE LANTERN GARDEN

Every evening at dusk, two old friends—Evelyn Hart and Thomas Reed—walked the winding path to the Lantern Garden, a hidden corner of their small town that most people forgot existed. It wasn't on any map. It never had an address. It simply appeared to those who needed it, and Evelyn and Thomas had been finding their way there for nearly fifty years.

The garden was a strange place. Lanterns hung from branches that didn't belong to any known tree, glowing in colors that didn't exist in daylight. Some shimmered like bottled moonlight. Others pulsed softly, as if breathing. The air always smelled faintly of warm tea and old stories.

Evelyn and Thomas had discovered it in their twenties, on a night when both felt lost in the way only young adults can be. They'd wandered into the garden by accident, arguing about something neither could remember now, and found themselves surrounded by floating lights that hummed like distant lullabies. They stopped arguing immediately. Some places simply don't allow pettiness.

Over the decades, the garden became their sanctuary.

Upcoming CRCEA Conference

Spring 2026
Santa Barbara (RESBC)
April 19 — 22, 2026
(see pages 7-8 for conference flyer)

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



PLEASE SEE PAGE 11 FOR THE NEW CRCEA CONFERENCE SCHEDULE

Evelyn Hart walked slowly now, her cane tapping softly against the cobblestones of the Lantern Garden. The lanterns sensed her arrival—she could feel it. Their glow warmed, shifting into hues of rose and gold, like a sunrise held in trembling hands.

Thomas Reed was already there, sitting on their bench beneath the willow that shimmered with silver leaves. He looked smaller than he used to. Thinner. But when he saw her, his whole face lit up, as if the lanterns themselves had climbed inside him. "You're late," he teased gently. "You're early," she replied, lowering herself beside him with a soft sigh. "Show-off." They laughed, but the sound carried a fragile edge. They both heard it.

The garden had been theirs for fifty years—longer than some marriages, longer than some lives. It had held their secrets, their grief, their joy. It had watched them grow old. And now, it watched them hold on.

Thomas reached into his coat and pulled out a small lantern—one the garden had given him the night before. It was no bigger than a teacup, glowing with a soft, wavering blue. "It's fading," he said quietly. Evelyn's breath caught. She knew what that meant. The lanterns never lied. They reflected the soul that held them.

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She took his hand, her fingers trembling. "Tom..." He squeezed back, still warm, still here. "I'm not afraid. Not really. I just didn't want to go without saying goodbye to this place. To you."

Evelyn blinked hard, but tears still slipped free. "You're not going anywhere. Not from me." He smiled, and it was the same smile he'd had at twenty—mischievous, kind, stubborn. "You can't bargain with time, Evie." "Then I'll bargain with magic." The lanterns above them flickered, as if listening.

She stood, leaning heavily on her cane, and touched the nearest lantern—a deep violet one that hummed like a heartbeat. "Please," she whispered. "Not yet. Not him." The lantern warmed under her palm. Then another glowed brighter. And another. Soon the entire garden brightened, as if the stars themselves had descended to gather around them.

Thomas looked up, eyes wide. "Evie... what are you doing?" "I'm asking," she said, voice breaking. "For one more season. One more walk. One more laugh. One more day."

The lanterns pulsed, their light weaving together like threads of dawn. The tiny blue lantern in Thomas's hand brightened—just a little, but enough to make him gasp. Evelyn sank back onto the bench, exhausted but hopeful. "See? Even magic listens when love is loud enough." Thomas leaned his head against hers. "Then we'll make the most of whatever time we get."

They sat there, wrapped in the glow of a garden that had grown with them, cried with them, and now—just maybe—was fighting for them. And as the lanterns shimmered overhead, Evelyn realized

something: lifelong friendship wasn't just about the years they had shared. It was about the way they held each other through every ending, and every beginning, and every fragile moment in between.



Five Basics to Know About RMDs

You must start RMDs at age 73

The IRS requires you to begin taking RMDs from traditional IRAs and most employer retirement plans once you reach **age 73**.

Your first RMD has a special deadline

Your first RMD must be taken by **April 1 of the year after** you turn 73. After that, all RMDs are due by **December 31 each year**.

RMDs are taxable income

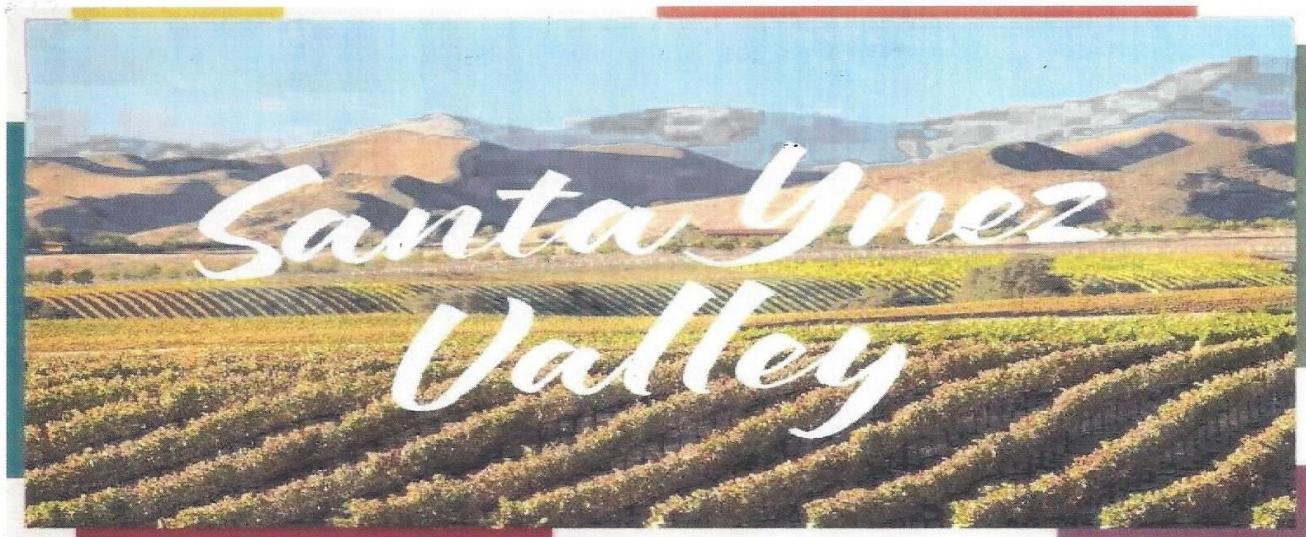
RMD withdrawals are generally included in your **taxable income**, except for amounts that were already taxed or qualify as tax-free (such as Roth qualified distributions).

Roth IRAs don't require RMDs during your lifetime

Traditional IRAs and 401(k)s require RMDs, but **Roth IRAs do not** while the original owner is alive.

There are penalties if you don't take your RMD

If you miss an RMD, the IRS can impose a **25% penalty** on the amount you should have withdrawn (potentially reduced to 10% if corrected promptly).



CRCEA Spring Conference 2026

April 19-22, 2026

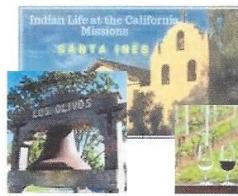
Save
THE
Date



Hosted by Retired
Employees of Santa
Barbara County



Sunday-Social Welcome Gathering
Monday-Reception
Tuesday-Banquet Dinner



Santa Ynez Valley Marriott

555 McMurray Road, Buellton CA 93427

Hotel phone: 805-688-1000

Special Group rate \$189 per night

Reservation deadline is Thursday March 19, 2026

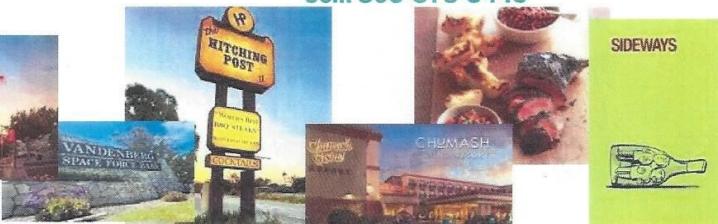
Book the Hotel now with QR code Below:

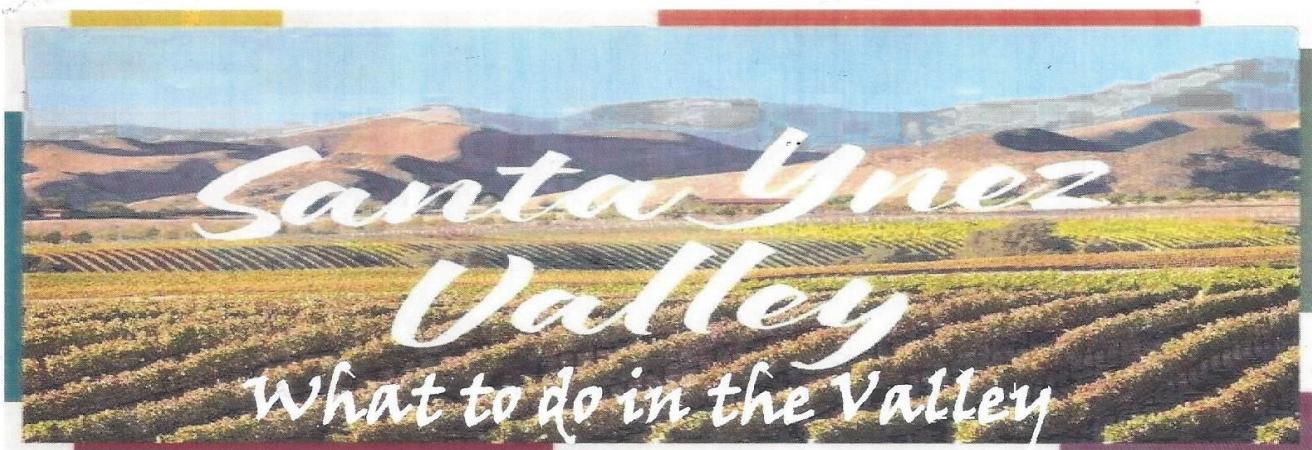


Register for Spring Conference use QR Code Below:



Conference Chair:
Tony Manuel, tonymanuel@verizon.net
Cell: 805-878-3443





Local Attractions

30 minutes or less drive time

- Chumash Casino
- Chumash Museum
- Hans Christian Anderson Museum
- Santa Ynez Mission
- Solvang, quaint Danish Town
- Lavendar Farm Buellton
- Los Olivos- 2 blocks of wineries/food

Wineries-quick drive in any direction

- Brick barn Wine Estates Buellton
- Hitching Post Wines Buellton
- Kalyra Winery Buellton
- Vega Vineyards & Farm Buellton
- McClain Cellars Solvang
- Gainey Winery Santa Ynez
- Roblar Winery Santa Ynez

Local Eats

Buellton

- Firestone Walker Brewery
- Figueroa Mountain Brewery
- Eddie's Grill
- Rudy's Mexican
- The Habit
- Industrial Eats
- AJ Spurs (featured in Sideways)
- Hitching Post 2 (featured in Sideways)
- Tavern at Zaca Creek

Solvang

- Solvang Brewing Company
- Osteria Grappolo

Santa Ynez

- Peasants FEAST
- Dos Carlitos Restaurant & Tequila Bar
- Maverick Saloon Santa Ynez
- Trattoria Grappolo
- Brothers Restaurant & Red Barn



About the Marriott Hotel:

- Offers car charging stations, pool, workout room & restaurant/bar, easy on and off freeway access

Prepare Yourself for Solo Aging
Take these steps to ensure your safety, happiness, and autonomy
by Sara Zeff Geber

I have been writing and speaking about solo aging for more than 10 years, prompted by witnessing friends and colleagues support their aging parents — taking them to medical appointments, managing their finances, stocking their refrigerators, calling them for check-ins and doing much more. As a woman without children, I asked myself, “Who will do that for me?” For solo agers, the answer lies in robust planning in three essential areas: financial, legal and social.

FINANCIAL

- **Live within your means.** Create a budget in which your expenditures do not exceed your income. Working with a nonprofit credit counselor, a financial planner who works on an hourly basis or another financial adviser can provide insight and guidance.
- **Continue working as long as you can.** In doing so, you will delay tapping into your savings, and your Social Security payment will continue to increase until it reaches its maximum at age 70. In addition, you can bank more money for future expenditures.
- **Plan for long-term care.** If you do not have long-term care insurance or sufficient savings to cover future care, ask your financial adviser what you need to do now to qualify for government-funded long-term care in your state later on.

LEGAL

- **Appoint a health care proxy.** Authorize someone to make medical decisions for you if you are ever unable. Consider family members, a younger friend, the child of a close friend, a professional fiduciary or a private guardian. Once you've chosen a proxy, have a detailed discussion about that person's role and your expectations.
- **Give someone you trust a financial power of attorney.** This lets that person — a relative, friend or professional — manage your finances if you can't. Ensure that they have access to the passwords for your accounts. If it's not the same person as your health care proxy, make sure the two will be able to work together. And remember: These are the key documents solo agers need to avoid court-appointed guardianship or conservatorship.
- **Don't forget your pets.** Name a proxy to care for them when you are no longer able. You won't want them to end up in the county animal shelter.

SOCIAL

- **Decide where you will live.** Explore options such as home-sharing with a friend and senior living communities. Think about proximity to transportation, health care and shopping.

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- **Stay connected and engaged.** Get together often with friends and neighbors. Continue working or volunteer your time and talent to a cause you believe in.
- **Practice good habits for your health.** Choose doctors and dentists who respect your autonomy. Participate actively in decisions about medications, vaccines and screening tests. Have your ears and eyes tested regularly. Consider joining a gym for both fitness and social interaction.

Sara Zeff Geber is the author of “Essential Retirement Planning for Solo Agers”

FOOD FOR THOUGHT

4 FOODS THAT HELP PROTECT YOUR BRAIN

Healthy eating habits show promise in preserving cognition. Here are four foods rich in nutrients that support brain health.



1 leafy greens

Chard, kale, spinach or collards. Take your pick and add them to your smoothie, stir-fry or salad at least once daily. Try implementing broccoli in your meals, and you're getting smart nutrients like vitamin C and other antioxidants, which protect brain cells.



2 whole grains

Oats, whole wheat and brown rice have high levels of vitamins B and E. These and other nutrients in whole grains decrease inflammation and fight cell damage that causes dementia.

Try to get three servings daily. Check labels closely and choose those with whole wheat or another whole grain as the first or second ingredient.



3 nuts and seeds

Whether you prefer walnuts, chia seeds or almond butter, make nuts and seeds a part of your diet at least five times weekly. Their fatty acids and minerals protect brain tissue.

One large British study included more than 50,000 people. Those who ate a serving of nuts per day were about 12% less likely to develop dementia over seven years than those who didn't.



4 berries

Vibrant red and blue berries do more than look pretty on top of your cereal or yogurt. Compounds called anthocyanins give strawberries, raspberries and blueberries their color. And they protect blood vessel health.

This keeps oxygen-rich blood flowing through your brain. Aim for two to five servings of fresh or frozen berries each week.

NEW CRCEA CONFERENCE SCHEDULE

Spring 2026 - Santa Barbara (last of the old schedule)	Fall 2026 - Board of Directors Business Session Set by CRCEA Secretary
Spring 2027 - Division 1 Full Conference	Fall 2027 - Board of Directors Business Session Set by CRCEA Secretary
Spring 2028 - Division 2 Full Conference	Fall 2028 - Board of Directors Business Session Set by CRCEA Secretary
Spring 2029 - Division 1 Full Conference	Fall 2029 - Board of Directors Business Session Set by CRCEA Secretary
Spring 2030 - Division 2 Full Conference	Fall 2030 - Board of Directors Business Session Set by CRCEA Secretary
Spring 2031 - Division 1 Full Conference	Fall 2031 - Board of Directors Business Session Set by CRCEA Secretary
Spring 2032 - Division 2 Full Conference	Fall 2032 - Board of Directors Business Session Set by CRCEA Secretary
Spring 2033 - Division 1 Full Conference	Fall 2033 - Board of Directors Business Session Set by CRCEA Secretary
Spring 2034 - Division 2 Full Conference	Fall 2034 - Board of Directors Business Session Set by CRCEA Secretary

**CRCEA
Executive Committee**

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Connie Land
Vice President

Carlos Gonzalez
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Virginia Adams
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Legislative
vacant

Legislative Advisory
E.F. "Skip" Murphy

Membership/Benefits
Nancy Gust

**CRCEA
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(continued)**

Nominating
Will Hoag

Retirement Security
John McTighe

Technology Steering
Gene Pennington

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Sonoma County
Kathy Young

Stanislaus County
Maria De Anda and
Myrna Lebert

Tulare County
Maggie Mello

Ventura County
Reddy Pakala

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