

**OSARC MONTHLY MEETING**  
**4/17/2024 12:30pm**  
**MINUTES**

**OSARC Board:** Joan Borovoy, Chair; Mark Lewis, Acting Vice Chair; Susan O'Brien, Secretary; Colleen Cox, Consultant; Judith Lovell, Volunteer; Jay Warshofsky, COMRO Representative  
**OSA Staff** providing support: Rob Spencer, Media Director; Megan Wofsy, Asst. to the Chairperson

**Presentation:** Estate Planning by attorney Kimberly McAdoo, whose firm, McAdoo Estate Planning, focuses on facilitating the transfer of intergenerational wealth for families, especially families of color, in New York City and surrounding areas. Her firm specializes in estate planning, probate and elder law. Ms. McAdoo is a graduate of St. John's University School of Law.

Ms. McAdoo's father Eugene died penniless after breaking the color barrier as a conductor for Southern Railway in the 1960's. Throughout his life, he had a good salary, owned a home and had savings. So, Ms. McAdoo decided to try to understand why he lost his life savings (which all went to a nursing home) and discovered a passion for helping families transfer wealth without the involvement of the courts or government. She is the mother of a non-verbal adult son with autism which also helped her realize that other parents need legal counsel to help protect their children with special needs.

**What is an estate?** After you pass away, you are said to have an "estate". An estate encompasses all your wealth, including property such as your house(s), land, cars, bank accounts, retirement accounts and personal property such as jewelry, art and animals. It is important to have something in writing about how you want your estate distributed after you are gone and, also, who will handle your estate if you are temporarily incapacitated. If nothing is in writing, emotional issues among family members are likely to arise.

**Court:** If you have a will, once you pass away your executor will need to notify the court. It is a simple process if the estate is small and has no property, but if there is property involved, the probate process will be initiated. A lawyer is usually needed.

There are many other situations which will require involvement by probate court. This means the state is examining the estate to determine how it will be dispersed. This is likely to happen in certain circumstances.

- A person dies without a will.
- A person dies with a will, but the will is contested. In NY State, the court sends notice to those named in the will and those not named in the will who have a right to contest.
- A person dies with a will but does not properly provide for their spouse and/or minor children as required by state law.
- With or without a will, if you own property in multiple states, you will have to go through separate probate court in each state in which you own property.

At this time in NYC, probate is taking longer than six months and can cost at least \$10,000 if there is no will.

**Beneficiaries:** One way to avoid the probate process in NY State is through the use of beneficiary forms. Many of your assets, such as retirement accounts, bank accounts, and some pensions allow you to name beneficiaries. This means that once you die, the beneficiary gets the asset and it never goes through the probate court.

**Putting child's name on deed:** Be aware that this means that your child owns your home and will be part of the home decision-making process. Also, if your child should sell the home after you pass away, they will pay capital gains based on whatever price you paid for the house. Some states have Life Estate deeds that can remove property from probate, but this can have several issues.

**Living Trust:** Trust can continue on after you pass away which is important for a disabled child or other relative. This also might be good for those who can't handle money well, for example, you can leave instructions in the trust about when the money will be distributed to the beneficiaries.

A living trust can bypass the probate court, but only if the property is actually in the trust. Living trusts can also put all assets, even from other states, in the trust. Co-ops may not allow your apartment to be put into a trust. Your Co-op Board and your proprietary lease will have the answers. However, you can put the Co-op in your will.

**Types of Living Trust:** Revocable Trust is a flexible, changeable trust. This means that anything in the trust, including property, will not go through probate. An Irrevocable Trust is one that is not flexible and you lose control over anything you put into trust, but nothing goes through probate as well. After your death, a revocable trust can automatically become an irrevocable trust.

Any property put into either type of trust means an heir who wishes to sell the house will likely have very reduced capital gains taxes, as those taxes will be based on the difference between the price of the house at your death, compared to the price when the heir chooses to sell. A house with a mortgage or line of credit can also be put into a trust.

Anything put into an irrevocable trust cannot be considered when applying for Medicaid.

**How to get started:** Go to a lawyer to have a consultation. Ms. McAdoo's firm has a "Legacy Planning Session" for about an hour to learn from you about your family and your desires and decide on a roadmap for the future.

**Council of Municipal Retiree Organizations (COMRO) Report:** by Jay Warshofsky

Two representatives from the NYC Central Labor Council, Vinnie Alvarez and Lucy Gomez, spoke about advocating for legislation that is good for seniors in areas such as pensions, social security, environmental justice etc. Currently, there are bills in both the NYS Assembly and the Senate to guarantee the right for municipal retirees to receive traditional Medicare and a free supplemental plan upon retirement and reaching age 65 or becoming disabled.

There are also bills in the legislature pressing for reform of the Tier 6 pension plan. Fifty percent of NY City and NY State employees are now in Tier 6. Tier 4 members currently can receive a pension reflecting 40% of their final three years average salary after working for 20 years. Tier 4 members also stop paying the 3% charge for credited service into the pension after 10 years. Anyone in Tier 6 will only receive a 35% pension after 20 years and workers must pay for all credited service into the pension until the day they retire. Labor would like to equalize these plans.

Part B reimbursement of \$1978 will be received in the next few days, i.e. the middle of April. It will be direct deposited into your bank account. IRMAA reimbursement forms will be available on the OLR website within the next month. You must complete and submit the form to OLR in order to receive your reimbursement.

Lastly, OSARC members are encouraged to pay dues (\$18/year) because decisions in COMRO are weighted by the size of the union. COMRO only counts dues paying members so the more of our members who pay dues, the larger our voice will be at COMRO.

#### **Healthcare update:**

Three appeals of prior decisions won by the NYC Organization of Public Service Retirees are being filed by the City of NY:

1) On March 21 in the Appellate Division, oral arguments were heard in the Aetna case. City is appealing the judge's permanent injunction against the elimination by the City of all health care choices by Medicare eligible retirees. Can be heard on the OSA website under the Retirees/Medicare Advantage section. Decision could take weeks or months.

2) GHI co-pay appeal - no hearing date. Appealing judge's ruling preventing the city from charging co-pays through GHI senior care.

3) Appeal of decision on the original plan by NYC to have a consortium of health care companies, including Emblem Health, to create a free Medicare Advantage plan but charge a premium to any retiree who wished to stay on traditional Medicare and the supplemental plan. The judge barred the City from charging the premium.

**Next Meeting: Wednesday, May 8 at 12:30pm.** Our speaker a member of the Senior Caucus of the DNC to speak about the upcoming election and issues impacting seniors. In June, we will have a financial advisor as guest speaker.

Minutes are sent out to those people for whom we have no email addresses. We will also be sending or emailing out a survey asking your ideas for meeting topics for next year. Please respond with any ideas you would like to suggest.