



Retirees NEWS

Retiree Hotlines

Who to call? Following is a list of contacts for the City and for the DWP:

City Employees Retirement System: (213) 473-7200

City Retirement Counselors:

- | | |
|-----------------------------------|---|
| • Edward Harding (805) 584-9417 | • Jack Mathews (310) 762-1942 |
| • Phil Skarin (818) 784-0130 | • Helen Salgado (323) 728-4930 (membership) |
| • Robert Wilkinson (818) 886-1000 | • Americo Garza (562) 928-2051 |
| • Jerry Bardwell (818) 782-5568 | • Neil Ricci (310) 394-1971 |
| • Harold Danowitz (310) 472-0224 | |

DWP Retirement Plan Office: (213) 367-1722

For Retirees

By Phil Skarin, RLACEI Publicity Chair

Membership NEWS

Retired Los Angeles City Employees, Inc.

General Membership Meeting

Thursday, April 15th, 1 – 3 p.m.

Van Nuys/Sherman Oaks Senior Center
5056 Van Nuys Blvd., Sherman Oaks
Come at noon for a free lunch! (Reservation required)
Informative Speakers, Refreshments and Door Prizes!

If you have any news about a retiree that you'd like to share, send it to Phil Skarin at 5301 Norwich Ave., Van Nuys, CA 91411, or call (818) 784-0130.



THOUGHT FOR THE DAY:

We often adopt people, who have many of the qualities we admire, to be our role models. But, by focusing our praise and admiration on others, we may be trying to divert attention from our own presumed inadequacies. We each have many God-given qualities and potentials. So, if we focus more on developing and improving them, then maybe someone will adopt you as a role model!



Ed Harding, RLACEI President

LACERS Releases RFP to Manage Healthcare Program

by Phil Skarin, RLACEI Publicity Chair

Ed Harding, RLACEI President, invites all retirees and their spouses to our membership meeting at the Van Nuys/Sherman Oaks Senior Center at 1 p.m. Thursday, April 15. There will be informative speakers plus 20 valuable door prizes. You can come for a free chicken lunch at noon, but only if you have made a reservation at least a week prior to the meeting by calling one of the officers on the Retirees' help lines.

Harding urges all retirees to have their retirement checks received in the Direct Deposit System. It is theft-proof. If you are not in that system, contact the L.A. City Employees Retirement System at 360 E. Second St., Los Angeles, CA 90012. Phone (213) 173-7200 or (800) 779-8328. Also contact them if you want to change your tax withholding or beneficiary, or have questions about your health plans.

Legislative Update: Ken Spiker, our elected representative to the LACERS Board of Directors and chairman of LACERS Benefits and Administration Committee, reports that, last month, LACERS initiated a Request for Proposal (RFP) process for the Healthcare Program. LACERS last bid its programs during 2000 for the 2001 calendar year. Healthcare premiums have steadily climbed since 1997. It is anticipated that LACERS program premiums will increase in the range of 8 to 12 percent in 2005.

Some of the key goals of the RFP include: 1) Identifying the most cost-effective, highest-quality vendors for LACERS; 2) Expanding plan options and availability for retirees, particularly those residing outside of California; and 3) Increasing enrollment in plans.

The deadline for the response to the RFP was March 24, 2004. The LACERS board will select/interview finalists in May and award contracts to healthcare providers in July with effective dates of January 1, 2005.

Ken also reports that the LACERS fund, as of March 10, reached \$7.95 billion. The fund increased nearly 26 percent in 2003, making up more than 95 percent of the losses in the past four down economy years. The City, however was billed \$225 million for next year to cover its share of retirement and healthcare costs.

New benefit: A new benefit for LACERS members is a program called "A Solution for Caregivers." This program is designed for those who provide for – or are concerned about the future care of – a spouse, aging parents, or other family members. As a member of LACERS, you are already enrolled. You and

your family can call the toll-free number today to address issues you may be facing now or anticipate facing in the future. Call (866) 896-1895 24 hours a day, 7 days a week.

Membership news:

Harry O'Rear passed away Feb. 15 due to complications from emphysema.

Harry was a veteran of the European theatre battles in World War II and was badly injured by a land mine. But he was still a

good golfer, good enough to beat me in a recent Retirees Golf Classic. He is survived by his wife June, at Lake Isabella ... Phil Skarin's son, Ronald, principal building inspector and two-time Olympic cyclist, took a bad spill three days before Christmas, as was off work for two months, but he is now back on the job in the West LA office of Building and Safety.

Golf tournament: The 26th annual Retirees Invitational Golf Tournament is set for Tuesday, June 15, at the Alhambra Golf Course. Sponsors include the L.A. Federal Credit Union, the City Employees Club, John Powell and Phil Skarin. More sponsors for prizes are invited. Call Phil at (818) 784-0130 if you would like to be a sponsor, or if you could volunteer to help.



Coming events:

- April 15** – Membership Meeting
- June 15** – Golf Tournament
- Aug. 12** – Picnic
- Oct. 14** – Annual Corporation Meeting & Elections
- Dec. 9** – Christmas Party.

In a World of Uncertainty, We Can Offer You a Guarantee...

... The Guarantee for People who like to win, but hate to lose.

Variable annuities are an important tool to consider for retirement planning. The benefits of investing in variable annuities include tax-deferral on any growth until you begin receiving income, guaranteed income for life and a guaranteed death benefit if you should pass away before you annuitize. While investing in a variable annuity may provide an opportunity for growth of your investment, variable annuities assess certain charges such as mortality and expense risk and administration charges, annual maintenance fees and asset management fees and are subject to risks including the potential loss of value. As a result, variable annuities, like other investments, cause some people to worry about the possibility of losing their original investment. Now there is The Guaranteed Return Option (GRO)SM, an optional benefit available with most variable annuities issued by American Skandia Life Assurance Corporation ("American Skandia") for an annual charge of 0.25% of the Account Value allocated to the Variable Sub-Accounts. GRO guarantees you won't lose your original investment if you remain invested for a seven-year period, and every seventh contract anniversary thereafter, provided GRO is still in force. With GRO, the initial investment is directed into variable sub-accounts and a portion of the account is shifted into fixed buckets only to the extent necessary to maintain the principal guarantee. Assets automatically shift back to variable accounts when conditions allow.¹

With GROSM you have:

- **Protection** – GRO guarantees initial Account Value (less any withdrawals) after seven years
- **Opportunity** – Ability to increase your guaranteed amount by locking in your contract anniversary value if your annuity increases in value. This will start a new seven-year Guarantee Period.
- **Flexibility** – Use GRO to participate in the equity market, tax-deferred. Select an appropriate, individually-tailored portfolio using American Skandia's broad investment platform.

¹The fixed investment options may be subject to a Market Value Adjustment upon early withdrawal that may increase or decrease values and benefits so that when surrendered or transferred prior to the end of the guarantee period, it may be worth more or less than the original investment.

Variable annuities are sold by prospectus. For a prospectus containing more complete information on any American Skandia variable annuity, including information on charges, expenses, risk factors and tax consequences, call 1-800-SKANDIA. The prospectus is the controlling document with regard to this product. It should be read carefully before you invest or send money.

Certain of the most volatile portfolios are not available in the GRO program. GRO is not available in all states or in products where fixed allocations are not approved. An investor may terminate the GROSM program at any time. American Skandia does not provide any guarantees upon termination prior to the end of the seven-year program. Significant or prolonged declines in the value of the variable investment options you choose may result in all or a substantial portion of your Account Value being allocated to Fixed Allocations. While this will protect the principal amount during such market declines, it may substantially reduce your ability to allocate Account Value to variable investment options, particularly during periods of market increase. Guarantees associated with the program and the fixed rate accounts are subject to the claims paying ability of American Skandia Life Assurance Corporation.

Variable annuities are long-term investment products designed for retirement purposes. Partial or complete surrenders of taxable amounts may be subject to ordinary income tax and if prior to age 59½ may result in an additional 10% IRS penalty. Early withdrawals have the effect of reducing the death benefit and cash surrender value. Annuity contracts contain exclusions, limitations, reductions of benefits and terms for keeping them in force. Your licensed investment professional can provide you with costs and complete details.

Variable annuities are issued by American Skandia Life Assurance Corporation and distributed by American Skandia Marketing, Incorporated. Both companies are located at One Corporate Drive, Shelton, Connecticut 06484. American Skandia Life Assurance Corporation and American Skandia Marketing, Incorporated are both Prudential Financial companies. American Skandia Life Assurance Corporation is solely responsible for its financial condition and contractual obligations.

James Ocon,
Financial Advisor
Kevin Wright,
Financial Advisor

Wachovia Securities
16501 Ventura Blvd.,
Suite 500
Encino, CA 91436

(800) 245-9867
(818) 907-4209 or
(818) 907-4202



VARIABLE ANNUITIES, MUTUAL FUNDS AND OTHER INVESTMENTS:

7606-3 (11/03) ARE NOT FDIC INSURED ARE NOT BANK OR CREDIT UNION GUARANTEED MAY LOSE VALUE