



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*

Member NEWS

Neil Ricci, an RLACEI Director, reports that even though the national election is over, another one is coming up for officers of the L.A. Federal Credit Union. Neil is also a LAFUCU officer and will be running for re-election, along with **Stan Horwitz** and **Cliff Cannon**. They have a combined 40 years of experience as volunteers with the Credit Union and all have held leadership positions with it. Be sure to vote! ...

The **LAFUCU** is again participating with the U.S. Marine Corps Reserve Toys for Tots program. The toys are given to less fortunate children. Bring a new unwrapped toy to one of the Credit Union offices by Dec. 13 ...

Jess and **Marie Baley** have just returned from a 12,000-mile trip in their motor home. They traversed much of the United States and Canada, including Detroit, Marie's home town ...

Americo Garza celebrated his 80th birthday with a gala Mexican Fiesta at his daughter's home in Thousand Oaks with many friends and relatives, including Ed Harding and Phil Skarin ...

Merna J. Oakley, Tucson, is trying to locate a longtime friend who retired from Public Works. If you know of the whereabouts of Jeanne (Grissom) White, give Merna a jingle at (520) 825-1420 ...

Mel Rosenberg, retired librarian, has proposed that the New York Public Library take over the L.A. Public Library. He would offer to come out of retirement to help them ...

Carol Volpe writes "Your column 'A Thanksgiving for Giving' was one that has given me food for thought. I am currently visiting with a shut-in every Monday. The comfort I bring to her has blessed me so much. Thank you for sharing your words of wisdom." ...



THOUGHT FOR THE DAY:

*At this time of year we go to parties
And put up Christmas trees
With lots of decorations.
We give each other presents
Wrapped in colorful paper and ribbons.
Like the presents, we cover ourselves
With fancy wrappings and facades
So that people cannot see
What we are really like.
When the glow of Christmas has passed,
May the virtues of Faith, Hope and Love
Be with you for at least another year.*

Phil Skarin



Retirement Fund Almost Back to Record Levels



Ed Harding,
RLACEI President

Retiree's Corner by Phil Skarin, RLACEI Publicity Chair

Ed Harding reports: At our annual meeting on Oct. 14, we elected officers for the next two years. I wish to thank all of the members who voted to re-elect me and the other officers. Times goes so fast that it is hard to believe that I will soon begin my tenth year as your president.

It is very gratifying to receive your phone calls and letters thanking me and all the officers of the Executive Board for the good work we have been doing. I assure you that we will continue to keep working to try to obtain improved retiree' benefits.

The presidents of the three City retiree organizations (RLACEI, Fire & Police and DWP) met on Oct. 27, as we have been doing quarterly for the past year. We have mutual concerns, especially in the area of health plans. We put our heads together to try to come up with ways to better our benefits, while controlling costs. We also discussed current problems with the Deferred Compensation Board.

The upcoming Mayoral election is also on our radar screen. We want to make sure that the successful candidate is in tune to the needs of retirees.

Our Annual Holiday Party will be on Dec. 9 at the Grace Simons Lodge in Elysian Park from 11 a.m. to 2:30 p.m. Chris & Pitts is preparing a great lunch, which will include sandwiches, salads and drinks. We will also have entertainment and more than 40 door prizes. But you must make a reservation by calling one of the officers on the Retirees Help-lines a week in advance. Councilman Tom LaBonge has agreed to install the newly elected officers. There will be free shuttle service from the parking areas, courtesy of the Checker Cab Company.

See you then.

If you have news about yourself or other retirees that you'd like to share, send it to
Phil Skarin
5301 Norwich Ave.,
Van Nuys, CA 91411-3910, or
phone (818) 784-0130 or
fax (818) 906-3722.

Legislative update:

Ken Spiker, our elected Commissioner to the LACERS Board of Directors, reports he is very happy to notify us that the LACERS fund has reached \$8.14 billion. \$8.2 billion was the highest amount the fund ever reached, so we are almost there again after five years of a bad economy.

Ken also reports that he would be asking the Board of Directors at their Nov. 16 meeting to increase the Medicare Part B subsidy from the current \$66.60 per month to \$78.20. This should help to alleviate Medicare premium increases.

Regarding the \$43 million the City owes the fund, Ken reports that this issue is still under discussion at LACERS and City Hall. Because of poor assumptions used by the former actuarial consultant, a third actuarial report has been ordered to determine the final amount owed to the fund.

Lastly, with respect to the "conflict of interest" controversy, the investment advisory firm has been given 120 days to dispose of the LACERS fund assets estimated at \$318 million at the end of the contract period. In recent years, this particular adviser has produced the best financial return of all LACERS investments but unfortu-

nately they can no longer manage our fund. The final outcome of disposing of this LACERS investment will not be known for 120 days. This fund consists of many individual stocks, thus it is very difficult to know the amount of any transactions costs or losses that may occur as the investments are sold. The Board hopes that because the holdings are very good investments that any costs or losses will be minimized if occur at all.

Dave Wilkins, Bylaws Chair, has proposed an amendment that would provide that the directors on the Executive Board elect the president, first vice president and second vice president, and the membership would only elect directors. More later.

Coming events:

Tuesday, June 14, 2005:
Retirees Golf Classic
More info to come

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!

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.

*The 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.

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

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