

KASRA

Jan. 2004

Email: news@e-kasra.com



Retiree News

Dear Fellow Retiree:

Because of the lead time involved in preparing a news-letter like KASRA Retiree News, there's always the chance that some of what I have to say in this space will be "old news" by the time you read it. If it is, be guided by updated information we send you by e-mail or by first class mail. That said, I'll try to bring you current on several matters as they stand just prior to Christmas.

Before getting into the issue of medical benefits, I want to make sure you are aware of the December 16 announcement by the Pension Benefit Guaranty Corporation, an agency of the Federal Government, that it is assuming responsibility for the pensions of the salaried employees and retirees of Kaiser Aluminum. While this action will be a source of reassurance for some retirees, it will be hurtful to others. Our understanding is that if your monthly pension is \$3,664 or less and if you retired at age 65, you will experience no change in the amount you have been receiving. However, if you are receiving a pension in excess of the PBGC's monthly limit of \$3,664 and/or if you retired early, you may experience a reduction in the monthly pension amount. Unfortunately, as was the case with the medical benefit cost increases which went into effect May 1, 2002, and those increases which the company has announced to take effect January 1, 2004, salaried retirees are being adversely singled out. The PBGC announcement said that seven other defined benefit plans sponsored by Kaiser Aluminum "remain ongoing and are not affected by PBGC's action." Those seven plans all apply to hourly employees and retirees.

The PBGC determined that the Kaiser Aluminum Salaried Retirement Plan (KRP) must terminate on December 17. On December 19, Kaiser Aluminum issued a press release stating that "after appropriate consultation with its advisors, the Unsecured Creditors' Committee, the Asbestos Claimants' Committee, and certain other constituents, the company has reluctantly agreed to the termination of the plan."

With respect to medical benefits, each of you should have received either by e-mail or first class mail my brief message of December 18, 2003, urging those of you who may eventually want to change your company-provided medical plan to do so during the open enrollment period ending December 31, 2003. Believing as I do that it is likely salaried retiree medical benefits will be terminated sometime during 2004, I did not want anyone to assume that there will be another open enrollment period after this one.

As you know, the Official Retirees Committee appointed by the Bankruptcy Court requested the company, in a letter dated November 28, to reconsider and modify downward the dramatic rate increases for medical benefits the company said it intends to impose on salaried retirees and surviving spouses January 1. The committee also asked the company to delay any increases until April at the earliest. And, it asked the company to extend the open enrollment period, which the company had first set to expire December 1 and then extended to December 19. The company agreed to extend the open enrollment to December 31, 2003, after it became clear that many retirees had not received any or all of the information from the company that was needed in order to make an informed decision.

-continued on page 2

However, the company has said it will not reduce the size of the medical benefit cost increases, delay the effective date of the increases, or further extend the open enrollment period.

I know I speak for the Official Committee and for the board of KASRA in expressing shock at the size of the increases and disappointment that the company has refused to modify them and delay their effective date. The Official Committee plans to continue to meet with the company and to represent the interests of retirees and surviving spouses.

KASRA continues to explore the feasibility of developing some alternative benefits package if the company seeks and obtains bankruptcy court permission to terminate our medical coverage. However, it appears doubtful we will be able to get equivalent coverage at a price that is competitive with the best, commercially available plans.

In the meantime, each of us – retirees and surviving spouses – needs to do our own homework so that we understand what coverage is available in the marketplace. To help in that process, you should by now have the “Medical Plan Review,” a 28-page booklet we sent you more than a month ago. Also, any salaried retiree/surviving spouse who is 60 years or older, should also have received his or her own personalized copy of the “Weiss Ratings’ Shopper’s Guide to Medicare Supplement Insurance.” I encourage you to make use of both of these and to do your own research because the subject is complex and because individual needs and priorities are just that: “individual.” (Not every retiree received the Weiss guide. We did not send it to retirees younger than age 60 because it pertains only to Medicare-eligible retirees and would be out of date by the time a younger retiree had need of it. However, if you are under 60 and wish to have a copy of the Weiss guide, contact KASRA and we will arrange to have a copy sent to you.)

As disturbing as all of the bankruptcy-related decisions are, this message would be incomplete if I didn’t wish each of you a happy and healthy new year and thank you for your continued support.

We’ll keep you informed through this newsletter

and, as more urgently needed, through e-mail and first class mail.



Jed Daniel

PBGC TO ASSUME RESPONSIBILITY FOR PENSION PLAN

The following notice was published by the Federal Government’s Pension Benefit Guaranty Corporation on December 17:

“Attention All Participants, Retirees And Beneficiaries Of The Kaiser Aluminum Salaried Employees Retirement Plan

“The Pension Benefit Guaranty Corporation (PBGC), a United States government agency, has determined under provisions of the Employee Retirement Income Security Act of 1974 (ERISA) that the Kaiser Aluminum Salaried Employees Retirement Plan must terminate and that PBGC should become statutory trustee of the pension plan.

“PBGC has determined that the plan must terminate December 17, 2003. As of that date, participants cannot earn any additional benefits under the plan. PBGC will seek to take over the plan’s assets and assume responsibility for paying benefits. Until PBGC is appointed plan trustee, Kaiser Aluminum and Chemical Corp. remains responsible for payment of plan benefits.

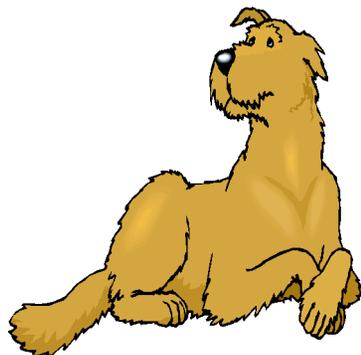
“PBGC will guarantee benefits, according to plan provisions, up to the maximum amounts allowed by ERISA. Current retirees will experience no interruption in benefit payments. As participants become eligible for retirement under the plans and complete the required forms, PBGC will begin to pay their pension benefits. PBGC currently pays benefits to more than 300,000 individuals in over 3,000 pension plans it has previously taken over. The maximum guarantee for workers in plans that terminate in 2003 is \$3,664.77 a month (or \$43,977.24 a year) for persons retiring at age 65. Maximum guarantees are adjusted for retirees at other ages and for those with survivor benefits.”

What's Going On

As the weather turns cold, we look back at the warm memories KASRA members enjoyed during earlier months. The editor is still wading through your news of summer and beyond, so here goes. Aloha means hello, old friends. More than 100 Kaiser Hawaii Kai retirees and their spouses got together for a reunion at the Oahu Country Club in Honolulu to reminisce and enjoy each other's company. **K. Tim Yee** (Honolulu, HI) said it was great to see all the many quality people who worked at Hawaii Kai. They "talked story" and relived fond memories. **Bob Dumper** (Oakland, CA) was one of a few mainlanders who made the trip to Hawaii for the reunion. All in the family.... **Evo Alexandre** of Moraga, CA, celebrated his mother's 90th birthday in Bristol, RI. Evo's father, the late Evo Alexandre, Sr., was a KACC retiree. So is Evo's brother, Charles. **Bud Caro** and his wife of Portland, OR, traveled to Vermont to visit their daughter and family that includes a new granddaughter.

William Zappie (Baltimore, MD) enjoys fishing and playing golf. **Ed Eichhorn** (Tracy, CA) and his wife Ruth went on an Eastern Caribbean cruise last spring and took a fall driving trip to the Midwest. Speaking of the Midwest, **Charles Miller** of Wilmington, NC, and his wife visited her home town of Chicago to see old friends. **William A. Hood** (Los Angeles, CA) took a European trip last year and visited old friends. Thanks to cataract surgery last summer, **Genevieve O. Wolff** (Buchanan Dam, TX) still drives (gratefully) with almost 20/20 vision.

Orval E. Morris of Mexico, MO, likes to collect unusual antiques and fish for channel catfish. The former lay Pastor for the Methodist Church is a member of the Golden "K" Kiwanis which helps needy children. **Bill Moore** (Grayling, MI) gets his exercise walking Jake, a 107-lb yellow labrador. Hm, wonder if Jake needs to step up the pace a bit. **Gene Wilberg** of Ballwin, MO, spent the summer in the woods of Northern Wisconsin and took some tours with Elderhostel.



Fred Mertens (Mexico, MO) does crossword puzzles, reads and is computer-savvy. We wish him the best as he battles with Alzheimer's.

Anthony Gerace (Chalmette, LA) does a bit of vegetable gardening and fishing, and takes a trip once in awhile to visit relatives in Mississippi and Louisiana. Ravenswood retiree **Ralph Fleming** (Parkersburg, WV) is Safety Director at Advanced Specialty Contractors. Roll those dice. Wendover, UT retiree **Opal Wright** (Carlsbad, NM) visited Las Vegas, NV, and Laughlin, MO. Another Wendover retiree is **Joe Kellogg** of Beaver City, NE, who attended a summer family reunion in Idaho.

Kaiser Refractories retiree **Bob Israel** of Aptos, CA, had a nice harvest this year....of honey. The bee keeper says that spring rains helped to produce a bounty of that sweet stuff. Trentwood retiree **Jack Hopper** (Veradale, WA) spends the summer at a condo in Idaho.



Sylvester Batiste of Laplace, LA, is involved with LA foster care and volunteers as a pastor. If you're ever shopping at Sam's Club in Erie, PA, you might run into a familiar face - Kaiser Center Oakland retiree **Rosemary Ciotti** who works there as a "demo gal".

Mead retiree **Clare Deahl** (Spokane, WA) retired from the psychiatric unit of Sacred Heart Hospital as a mental health counselor. She's been a volunteer for the Spokane Crisis Line for 29 years. Ravenswood retiree **Richard Nowell** (Veradale, WA) visited Maryland and West VA last summer. Chalmette retiree **Ray Lightell** (Chalmette, LA) and his wife were beaming with pride at last summer's graduation of their grandson Tim, who received a masters degree in film from Chapman Univ, Orange, CA. Speaking of grandkids, **Thomas Evans** of Slidell, LA, says he is a slave to his. He also spends time with his sons, helping one in his business.

No trouble in River City, where it's a capital T and that rhymes with P and that stands for....pool, which **Bob Osborn** (Watsonville, CA) likes to play. He stays out of trouble by tending to the business of the

American Legion Post #121. Kaiser Ag Chem Savannah retiree **Rosa Lea Daughtry** (Tybee Island, GA) keeps busy managing her apartment house, flower gardening, fishing and crabbing with the grandchildren. Square dancer **Carl Holland** of Bay Minette, AL, likes to travel and attend Blue Grass Festivals, that is, when he's not swinging that partner in a do-si-do.

When he's not watching the waves crash the shore near his home on Diamond Lake, **H. Vern (Vandy) Van De Vanter** (Newport, WA) is a one-man band at Kustom Automotive Enterprise, which ties nicely into his collector cars and street rods hobbies. Exporter **Al Van Deusen** (Discovery Bay, CA) started Van Deusen Enterprises that specializes in the sale of industrial supplies to Africa. Fitting for Al, who spent two years as procurement manager for the Aluminum Smelter Co in Nigeria. Norristown, PA retiree **Robert Tran** of Gretna, LA, plays golf and travels to Pennsylvania. Another golfer is **Theron T. Nichols** of El-labell, GA, who enjoyed a reunion with old Navy friends. And war veteran **Harry Dwelle** (Millen, GA) traveled to New York to visit a WWII buddy at the VA Hospital there.

On the Move: **C.J. Bosch** moved to Burbank, CA, to live with his daughter and son-in-law after his wife passed away. **George Comfort**, who worked in Nashville, TN, moved to Santa Rosa Beach, FL. **Bob Ross** is living in Quezon City, Manila, Philippines, where he is conducting an import/export business and continuing commodity/currency trading.

Surrounded by nuts, of the almond and walnut variety, is **Anne Ferguson** who lives in the Central Valley town of Hughson, CA. The Kaiser Center retiree gets over to Oakland whenever she can to dote on her beautiful great granddaughter. Keeping busy as Asst. Gov. of Rotary Dist. 5790 and as a Resource Advisory Committee member of Plumas Cty. is **Fred Muller** of Chester, CA. Last winter, **Colin Ward** of Green Cove Springs, FL, was sailing in the Bahamas. These days, he likes to play and restore guitars. The wife of **Leidy (Bill) Beatty** writes that Bill is doing well at Sunny-mead Nursing Home in Australia and working on his memoirs of his days at Mead, Ravenswood, Valco & Chalmette. Email the Beattys at witzend@witzend.com.au.

Stirring the artist within, **A. Keith Sprouse** (Waynesville, NC) takes painting and drawing classes from the local community college. Last summer, Ravenswood retiree **John D. Leary** of Hohenwald, TN, went to San Diego's UCSD Medical Center for pulmonary thrombo endarterectomy surgery. Hope you're in good health, John. **Bruce Oliver** of Oakland, CA, sends his best regards and thanks to all the great people who helped him do his job during his 25 years at KACC.

In Memoriam

Alfred Banks, Algiers, LA
Sal J. Campagna, Moraga, CA
Donald Fallquist, Spokane, WA
Stephen Fritz, Spokane, WA
Raymond C. Hogan, Aurora, IL
Herbert Horil, Gretna, LA
Albert Kandler, Spokane, WA
Joseph Kellogg, Beaver City NE
Carroll League, Carolina Beach, NC
Roy Martin, Chalmette, LA
Glen Norton, Spokane, WA
Faye Owens, Tampa, FL
Allen Pepper, Millwood, WV
John Scrivener, Oceanside, CA
Gordon Shaner, Houston, TX
Virginia Skomski, Arlington Hts, IL
Derry Stockbridge, Savannah, GA
Noreen A. Strouse, Dalton Gardens, ID
Otis Waller, Guntersville, AL
Newc Warburton, Walnut Creek, CA
William Wychulis, Perry Hall, MD

Correction: **Howard L. Roper**, University Place, WA is alive and well. EBDS had listed him on an earlier report, instead of his wife Sharon, who passed away.

The **KASRA Board of Directors** extends its deepest sympathy to the families at the loss of their loved ones.

Send KASRA Your News

Our sources are depleted! Write us your news, travels, stories... humorous tales welcome. Send a note to Editor, KASRA News, 2471 San Miguel Drive, Walnut Creek, CA 94596 or email wmipr@aol.com. Okay to send jpeg photos, but please be sure to write KASRA News in subject line or they will not be opened.

Whats Going On - continued

Got his own team. **Robert Barton** of Middleport, OH, spends a lot of time watching 4 grandsons play football for the Wahama WV team, which is on a regular season winning streak. Here today, gone to Maui. One of Mr. Kaiser's pioneer employees, **Dudley Aldous** of Santa Cruz, CA, spent a glorious month on a cruise to Tahiti, Pacific Island and Hawaii before disembarking in San Francisco. Vacationing in San Francisco were **Paul Smith** and his wife of Palmetto, FL. Surviving spouse **Helene Hancock** of Kansas City, MO, keeps busy with arts and crafts and calling on elderly shut-ins. Widow **Sherry Hellyer** (Ravenswood, WV) likes to attend KASRA functions to say hello to old friends. Sherry is a hair stylist in town. Best to **O'Neal W. Rogers** (Diamondhead, MS) who has an aneurism and his wife who is battling cancer. Condolences to **Gerard (Gerry) Emmons** of Edina, MN, whose wife, Marjorie Johnson Emmons, passed away last August. Gerry passes along the address of Dorothy and **Lee Seeber** who would love to hear from old friends. Write the Seebers at Beverly Healthcare, 15409 Wayzata Blvd, Wayzata, MN, 55391.

Congratulations to **Ruthann Critchfield** of Saratoga, CA, who achieved the rank of Bronze Life Master, playing tournament bridge in Long Beach. **Dean Gressley** (Huntington, IN) works on old tractors. He vacationed in Niagara Falls, NY, and visited Vermont & New Hampshire, too. **Kathryn Amico** of Houma, LA, is writing a book for children based on the words of the Bible. Speaking of writers, **John Kendall** (Camano Isle, WA) is proud that his wife Marilyn's novel will soon be turned into a movie. The novel is "Code Name: White Mustang", by M.L. Verne, Marilyn's pen name.

Happy Anniversaries: Betty & **Bill Vogt** of Spokane, WA, celebrated their 64th last June; Esther & **Ed Brown, Jr.** of Savannah, GA had their 62nd in July; also in July, Mr. & Mrs. **Coleman (Kopie) Kopsak** of Dewey, AZ, celebrated their 66th; Ralph & **Shirlee Polson** of Spokane, WA, celebrated their 50th with a dinner for 80 at the Red Lion hosted by their children; Mr. & Mrs. **Jack Coleman** (Ho-Ho-Kus, NJ) celebrated their 60th by taking the entire family on a cruise to Bermuda; Mr. & Mrs. **John Principe, Jr.** of Pantego, TX, celebrated their 56th; Mr. & Mrs. **Clodus Burdell Buck** of Leon, WV, celebrated their 51st; Rowena and **Bill Fleming** (Ravenswood, WV)

had their 54th in September; Mr. & Mrs. **William Holtcamp** of Mexico, MO, were married 57 years in October; Eva & **Robert Torrice** (Paradise, CA) are blessed with 61 years of marriage, 3 children, 6 grandchildren and 6 great grandchildren. Lillian & **Burgess (Bus) Johnson** of Napa, CA, celebrated not only 67 years of wedded bliss but also Bus' 90th birthday. Mr. & Mrs. **Richard Desso** (Colbert, GA) have been married for 58 years and also celebrated a 63rd high school reunion in Vermont; Betty & **Jesse Vincent** (Spokane, WA) celebrated their 62nd anniversary; Carroll & **Eleanor (Ellie) Comfort** of Rathdrum, ID, had their golden anniversary (50th);

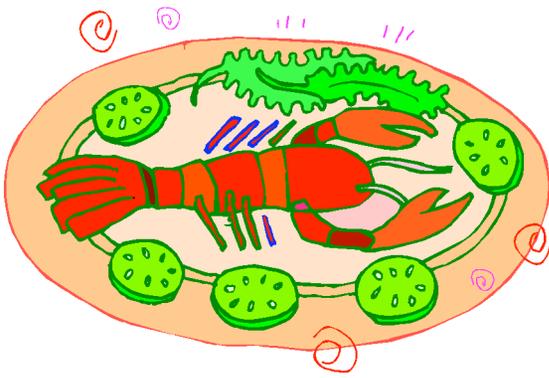
Oops: The correct spelling is **Sharon Fraetis**, and her adult children are not married. Apologies to **Neal Person** for previously misidentifying his late spouse, Audrey.

Maier Awarded Honorary Degree

Former Kaiser Aluminum Chairman and CEO Cornell C. Maier was awarded an honorary degree of Doctor of Humane Letters from Holy Names College, Oakland. Maier, a Holy Names Regent, was honored for outstanding leadership and service to the college since 1989, and for his work to benefit the Oakland community including involvement in promoting downtown development, jobs program expansion and public education reform.

Chalmette Memorabilia Needed

Guy Robicheaux (Chalmette, LA) is passing along a request from a local community college instructor who is working on a lecture on the history of Chalmette Works in St. Bernard Parish. Do you have photographs, documents or anecdotal materials about Chalmette Works? If so, please send them to Mr. Ron Chapman, Nunez Community College, 3710 Paris Rd., Chalmette, LA, 70043. Or, send email to <<rchapman@nunez.edu>> Materials sent by U.S. mail will be returned after they are scanned. Please be sure to enclose your address. Speaking of Chalmette, awhile back I mentioned a white paper authored by **George Binczewski** (Moraga, CA) on the aluminum industry and energy crisis. That paper drew quite a bit of interest from Chalmette retirees. It's now available on the internet through the Journal of Metals at <<www.tms.org/pubs/journals/JOM/0202/binczewski.0202.html>>. George, by the way, has a new email address at binski@infionline.net.



The Lunch Bunch

January 5

Los Angeles (So. CA)

Noon at The Elephant Bar, 14303 E. Firestone Blvd., La Mirada. Norm Manger (310) 377-2135, email normanger@cox.net

January 8

Baton Rouge

Lunch at noon at the Louisiana Culinary Institute, Essen Lane. Call Bob Lister (225) 272-2886 or Bob Eisenbach (225) 926-1334 bobeisenbach@cox.net

January 8

Mead

Cathay Inn on North Division St, 11:30 a.m. Call Joe Fife (509) 466-9155 ajjfife@aol.com or Phil Marksbury at pjmarksb@comcast.net

January 15

Trentwood

Luncheon at Spokane Valley Eagles. Speaker John Roskelly, on the conquest of Mt. Everest with his son. Call Bob Shogren (509) 226-0837 or email robertmshogren@hotmail.com

January 16

Bay Area/Northern California

Special Meeting 10:00 a.m. - noon (no lunch will be served) at Elks Club, 1475 Creekside Dr., Walnut Creek. Bonnie Burns, Training and Policy Specialist for California Health Advocates (CHA) will speak on the rights that people eligible for Medicare have to purchase "Medigap" policies when employee-sponsored coverage is lost and how their rights interact when COBRA coverage is offered following a bankruptcy. Spouses or another close family member are welcome. E-mail David Geary at dsgeary@comcast.net or leave vm at KASRA (925) 284-7009.

January 21

Erie

Luncheon meeting at 1:00 p.m., Lake Shore Country Club. Contact Tim Healy (814) 474-3536 or email thealy@leol.net

January 27

Newark

11:00 a.m. Stacey's Hometown Buffet, Heath. Call Bob Abel at (740) 323-2268 or email rlabel@alltel.net

February 2

Los Angeles (So. CA)

Noon at The Elephant Bar, 14303 E. Firestone Blvd., La Mirada. Norm Manger (310) 377-2135, normanger@cox.net

February 5

Baton Rouge

Lunch at noon at the Louisiana Culinary Institute, Essen Lane. Call Bob Lister (225) 272-2886 or Bob Eisenbach (225) 926-1334 bobeisenbach@cox.net

February 19

Trentwood

Luncheon at Spokane Valley Eagles. Speaker Bill Fautch, Trentwood Works progress (tentative). Call Bob Shogren (509) 226-0837 or email robertmshogren@hotmail.com

It's time to add **Chalmette** to the Lunch Bunch.

Spearheading the effort to round up the "partying Chalmette gang" is **Sherman Faught** (Slidell, LA). Call him at (985) 641-6121 to get it going.

