

KASRA**July 2006**Email: news@e-kasra.com

Retiree News

Dear Fellow Retiree:

Lots of important news to report - most of it concerning the Salaried Retirees VEBA.

■ The VEBA Trust has received \$22,252,578 in gross proceeds from the sale of its rights to receive 640,233 Kaiser Aluminum (KA) shares on the effective date of the company's Plan of Reorganization. The VEBA is entitled to receive 1,940,100 KA shares on that date; the 640,233 shares will be deducted from that total. The sale furthers two principal objectives of the VEBA - providing necessary liquidity for the payment of benefits over time and the diversification of its investment portfolio. Per a confidentiality agreement with the purchaser, the VEBA is not disclosing additional details about the sale at this time. The VEBA may decide to sell additional shares from time to time. The proceeds from the above rights sale are in addition to the \$7,400,000 of cash advances the company has made to the VEBA through May of this year and will continue to make at the rate of \$300,000 per month for each full month it remains in bankruptcy proceedings. Funds received by the VEBA are currently invested in an interest-bearing money market fund and in U.S. government securities pending diversification of some of those funds into a broader investment portfolio.

■ At a meeting on June 13, the VEBA Trustees declared a Qualified Benefit for 2006 of up to \$1,500 per family unit. The amount declared can be used to reimburse medical insurance premiums paid in 2006 by retirees who have enrolled in the VEBA Plan no later than December 31, 2006 and who have filed the necessary reimbursement form prior to December 31, 2007. The Trustees act as

fiduciaries and as such are charged with operating and maintaining the VEBA Plan for the benefit of all eligible individuals, including active salaried employees who either are or may become eligible to participate in the Plan upon retirement. This means that the Trustees must address the question of expected assets available for benefits over the expected lives of all participants. Among other things, the Trustees must take into account such items as expected contributions from KA (including future profit sharing contributions, if any), the anticipated liquidation value of the KA shares, estimated administrative expenses less expected administrative expense reimbursements, forecasts of investment income, expected rates of participation in the VEBA Plan, and mortality rates. The Trustees have engaged an actuary to assist them in making their benefit decisions.

■ In addition to declaring a Qualified Benefit for 2006, the Trustees declared a "make-up" benefit for those family units who did not receive their full \$500 Qualified Benefit for 2005 because one or more individuals in that family unit received COBRA or Bankruptcy COBRA benefits from Kaiser. The additional Qualified Benefit is limited to \$500.00 per family unit, less the total amount paid by way of reimbursement of health care premiums paid by or on behalf of participants in that family unit in respect of the 2005 Plan Year.

■ The VEBA Trustees will engage in three separate benefit materials mailing programs: (1) to previously excluded COBRA individuals; (2) to all other eligible but not yet enrolled individuals; and (3) to enrolled participants. All will receive a revised Summary Plan Description and a Qualified Benefit reimbursement request form for 2006.

What's Going On

Congratulations to Ag Chem retiree **Col John B. Connor, USAF Ret** of Savannah, GA, who received the Bishop Garland Service Award for his distinguished contributions to his parish in the Diocese of Savannah. Erie, PA, Forgings retiree and resident **Dick Millhouse** lists flight simulators and gardening as hobbies. Gramercy retiree **Khosrow Herad** of Kenner, LA, is a Metlife financial & insurance advisor. Tacoma, WA, retiree and resident **Rebecca Tomal** stays active with aerobic classes, working at



the Port clinic in occupational medicine, seeing family in ND, and serving as Secretary of the Senior Center Executive Board. **Juanita**

Johnson of Spokane Valley, WA, likes water aerobics, playing bridge and traveling.

Walt Johnson has moved from Tallahassee, FL, to Decatur, GA, where he resides with his Pomeranian at Medlock Gardens, an assisted living facility that is close to daughter, Jennifer. Walt has Parkinson's disease and is being treated for bladder cancer. His new email is waltson36@comcast.net. **Larry Britton** (Hudson, OH) helps wife Janet with a pet sitting business, rides his motorcycle and has traveled to Rome, Florence, Paris, Provence and London. **Donald Donneaud** of Post Falls, ID, and his wife Sally spend the winters in Bucerias, a Mexican town north of Puerto Vallarta.

Margaret Stanfill (Coweta, OK) sews for her granddaughters, quilts and volunteers at church. She also works out three days a week at the health club.



Bald eagle siting... **Tom Singer** of Appleton, NY, spotted the majestic bird on his farm. **Tom Newhart** (Mulberry IN) goes fishing when he's not selling real estate. **H.J. Ducote** (Saratoga, CA) returned to the Marine Military Academy in Harlingen, TX, where he received military training during W.W.II to watch his step grandson graduate from 8th grade some 62 years later. Newark, OH, retiree **DeDe Cook** of Ravenswood, WV, writes that her youngest son, Rob is getting married next February in St. Augustine, FL, where he is an attorney. Other children Rod and Ronde and their families still reside in Newark.

Harshaw Filtrol retiree **A. Vincent Cerny** of Satellite Beach, FL, is a motivational speaker and known as the 'Dean' of radio and television talk shows across Central Florida. **Chuck**

Johnson (Castro Valley, CA) runs 2 chess clubs at the senior center. He is writing of his experiences in the Navy during W.W.II, when he served in the Hawaiian Islands. After living in a hotel for 7 months following Hurricane Katrina, **Edwin Willis** and his wife Beverly have put down stakes in Slidell, LA. Edwin's amateur radio call is KG5QP.



Mary Mills' home in Slidell, LA, was spared by the worst of the hurricane, suffering just wind damage, one downed tree on her roof and a broken fence. **El-sie Messina** lost her home in Chalmette and has settled at 5885 Lavey Lane, Lot 15 Baker, LA 70714. **Bolyn Wolf** moved to 18524 Red Oak Drive, Prairieville, LA 70769 after his New Orleans home was badly flooded.

Travels: **William Johnson** (Temperance, MI) visited Denver and Breckenridge, CO. **Bob Stephens** (Spokane, WA) drove through the interior of Alaska, the Kenai Peninsula and cruised around the tip of South America. **Henry Gally** and his wife Martha of Elizabethtown, PA, saw 19 variety shows in Branson, MO. **Marian Mortensen** of Oakland, CA, took cruise no. 26, this time to the Mexican Riviera. **Ralph Fleming** and his wife (Parkersburg, WV) visited London to attend a nephew's wedding. **Jim Caldwell** (San Antonio, TX) visited Ireland and traveled in the US to California, North Carolina and Pennsylvania.

Jed's Letter - continued from page 1

All individuals who are eligible but who have not yet enrolled will also receive enrollment forms. All previously excluded COBRA individuals will also receive a Qualified Benefit make-up reimbursement request form. Each of the three separate benefit packets will have a slightly different cover letter as appropriate to the contents of the separate packets. All of the above will take a bit of time to make sure there are no mix ups, so it is expected they will be mailed out toward the end of June or early in July.

■ The annual audit of the VEBA Trust has been completed and the VEBA is in the process of updating its retiree database. In addition to the benefit packets mentioned above, you will be receiving in the near future another package from the VEBA. It will include a cover letter, a Summary Annual Report for 2005, and a copy of the Audited Financial Statements for 2005. The mailing will be sent to all eligible individuals - not just those currently enrolled in the VEBA. It is hoped that the broader mailing will encourage all those who have not enrolled in the VEBA to do so as soon as they receive their enrollment materials. **There is NO reason not to enroll in the VEBA.**

■ The VEBA Trust also has filed with the Internal Revenue Service and California's Franchise Tax Board its information (tax) returns for 2005 and has completed and filed with the Department of Labor the required Annual Return/Report of Employee Benefit Plan for 2005. The VEBA has received a Letter of Determination from the IRS affirming that the VEBA is exempt from Federal Income Tax and received a similar letter from California's Franchise Tax Board.

■ **NOTE:** If you have any questions once you receive the various mailings from the VEBA, please contact the Plan Administrator, Professional Insurance Consultants, Inc., P. O. Box 4026, Concord, CA 94524. Telephone: 800/339-3479 (in California only) or 925/798-2550 (outside of California).

■ Regarding other, non-VEBA developments, you may have seen that Kaiser Aluminum on May 11 reported net income for the quarter ended March 31 of \$38.4 million, compared to net income of \$8.3 million in the year-earlier quarter. The company cited strong, broad-based demand for fabricated alu-

minum products, particularly in aerospace and high-strength products, as the principal reasons for this improvement.

In that same company press release, Kaiser said "it is possible that it will emerge (from bankruptcy) during the second quarter of 2006 or early in the third quarter."

It has been nearly 4-1/2 years since Kaiser filed for bankruptcy. Many talented retirees have spent countless volunteer hours representing your interests. They are the heroes in this "adventure." Each of us owes a debt of gratitude to the VEBA Trustees for all that they have accomplished on such a complicated process. The same goes for the Official Retirees' Committee members and for current and past board members of KASRA, who continue to give so generously of their time and expertise.

On a one-time basis, we are mailing copies of the July newsletter to all retirees and surviving spouses - not just KASRA members. However, if you want to continue to receive copies of the newsletter, you will need to pay the \$15 annual dues to become a KASRA member. Enclosed with this newsletter are: a ballot for the election of new directors, a "What's Going On" form in which we encourage you to provide updated information about yourself to be considered for publication in the newsletter, a form to use in paying your dues if they are now due for renewal or if you desire to become a member, and a reply envelope. If your current dues are already paid, a dues notice is not included.

As always, our thanks to you - the retirees and surviving spouses - for your continued support. We will continue to represent you and keep you informed.

Sincerely,



Jed Daniel

VOTE FOR DIRECTORS

MAIL IN YOUR BALLOT

What's Going On - continued from page 2

Bill Patterson (Las Cruces, NM) has been to Paris and Sedona, seen the Grand Canyon and visited Alaska. **Althea Haywood** (New Orleans, LA) and her husband visited Paris and Toulouse. **Mark Varisco** of Gonzales, LA, writes that most of his travel has been associated with training to places such as Philadelphia, PA, Golden, CO, and Orlando, FL. Mark is a real estate investor who helps homeowners avoid foreclosure. CFT retiree **Dave Goodrich** (Harbor, OR) says he's trying to see the world a little at a time.

Mead retiree **Patsy Schroeder** of Anchorage, AK, said it was good to spend time in sunny California, away from the cold.



Joe O'Connell and his wife June of Mission Viejo, CA, sang in cathedrals in Russia, Sweden and Denmark with their church choir. **Lilly Mitchell** of Deer Park, WA, lives close to her daughter, whose boys keep Lilly's baking skills in constant use. **Richard Flores**

(Livermore, CA) and his wife Collette sold their home and live in a cottage behind their daughter's home. Trips to Spain with Elderhostel and Italy are this year's plans.

Leroy Avers (The Villages, FL) is a starter at the golf club three days a week. He also enjoys building and flying radio controlled model airplanes. **Evelyn Schwab** of Slidell, LA, and her husband John, traveled to Australia and New Zealand. **Bernard 'Butch' Lowenthal** of Tybee Island, GA, is President of the St. Michael Parish Council and still plays golf. Permanente Foil retiree **Marian Clair** would love to hear from co-workers. Please write to Marian at 2902 E 2nd St. Sp 26 Newberg, OR 97132-9622.

Tom Brattebo (Liberty Lake, WA) teaches environmental education at West Valley School District in Spokane. **Billy Stubbs** (Magee, MS) is still in the cattle business, rides around the farm in a four-

wheeler. He also raises catfish. **Joanne Kaufman** of Santee, CA, enjoys golf, quilting and cross stitch as well as travel. She works at Children's Hospital in San Diego.

On the mend: **Bill Neal** (Lady Lake, FL) from brain surgeries; **Millard "Whitey" Osborn** (Newark, OH) from hip replacement surgery; **J. Philip Gunther** back at home in Newark, OH, after recovering from a fall earlier in the year; **Earl Tidd** (Otis Orchards, WA) recuperating from heart valve replacement surgery and lung fluid removal.



Paul Kim (Moraga, CA) returned to the Bay Area last year, after working for 14 years in Korea. Paul retired as CFO of Alstom Korea and has traveled for pleasure to East Africa, Zambia, Kenya, Zimbabwe, Tanzania, South Africa.

Howard Nelson, Alamo, CA, celebrates two great events. A hole in one (his 2nd) at Round Hill Country Club and his 50th anniversary of marriage to Dorothy Ann.

In Memoriam

Harry J. Bixler - Sun City Center, FL

Carl G. Cason - Jacksonville, FL

Edward C. Cecil - Lone Pine, CA

Mary Beth Grigg - Antioch, CA

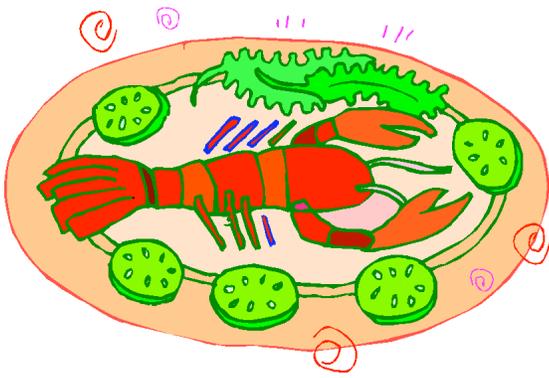
Richard F. Ingram - Spokane Valley, WA

Lawrence S. Lowenstein - New Orleans, LA

David E. Teichmiller - Fullerton, CA

Send KASRA Your News

Write us your news, travels, stories, KASRA obituaries. Send a note to Mark Murray, Editor, KASRA News, 2471 San Miguel Drive, Walnut Creek, CA 94596 or email mamwmi@aol.com. Telephone: 925-932-6050



The Lunch Bunch

July 3 Los Angeles (So. CA)
Noon at The Elephant Bar, 14303 E. Firestone Blvd., La Mirada. Norm Manger (310) 377-2135 email normmanger@cox.net. (Meetings held the 1st Monday of each month)

July 6 Baton Rouge
Lunch at noon at Mansur's 5720 Corporate Blvd. Call Bob Lister (225) 272-2886 or Bob Eisenbach (225) 926-1334 bobeisenbach@cox.net (Baton Rouge meets 1st Thursday of each month)

July 13 Mead
11:30 a.m. Lunch at Cathay Inn on North Division St. Contact Phil Marksby at pjmarksby@comcast.net. (Mead meets 2nd Thursday of each month)

July 19 Erie
Lunch at 1:00 p.m., Lake Shore Country Club. Call Tim Healy at (814) 474-3536 fax (814) 474-2700 thealy@velocity.net. (Erie meets 3rd Wednesday of each month)

July 20 Trentwood
11:00 a.m. at Valley Eagles, 16810 E. Sprague, Vero-dale. Topic: Rich Williams - IRS & Income Tax. Contact T. J. Summerson (509) 448-1228 or email tsummerson@aol.com. (Trentwood meets 3rd Thursday of each month)

Aug. 15 Newark
11 a.m. at Stacy's Hometown Buffet in Heath, Ohio. Contact Bob Abel (740) 323-2268 or email rpabel@alltel.net. (Newark meets 3rd Tuesday of every other month)

Sept. 6 Ravenswood
12 noon at Cedar Lakes. Call Dave Whitman (304) 273-5548 or email dwhitman@wirefire.com

Sept. 19 Chalmette
11:30 a.m. Doors open for Luncheon at Bealer's, Slidell, 348 Robert Blvd.(Restaurant 985-649-1805). All KASRA retirees and spouses invited.. Call Sherman Faught at (Cell 985- 290-8617). Or email Chuck Schimmel at schimcol@aol.com

Dec. 6 Tacoma
Noon, Tacoma Elks Lodge, 1965 South Union. Contact Bob Mohr at (253) 820-6569 or bobjanetmohr@comcast.net.

Dec. (TBA) Bristol
11:45 a.m., The Wharf Restaurant. Call Carol Cook (401) 253-4251 or John Carre at (401) 247-2199

Dec. (TBA) Bay Area K.A.R.L.A.
11 a.m. Elks Club, 1475 Creekside Dr., Walnut Creek. October meeting cancelled. Call Al Matthews at (925) 930-8243.

TBA Texas
Please contact Cathy Peterson Eaton at (972) 562-2352 or email Cathypeaton1@comcast.net

