



LOS ANGELES COUNTY TRANSPORTATION COMMISSION 403 West 8th St., Suite 500, Los Angeles, CA 90014 (213) 626-0370

The LACTC Staff Newsletter "All the news that's unfit to print"

DEFERRED COMP—WHAT THE HELL IS IT, ANYWAY?

by Ann Reeves

Ah, summer.....hot smoggy weather, fruit to pick, fires in the foothills, more watering to do, and....that memo again about open enrollment for the deferred compensation plan. I can almost hear a collective groan echoing throughout the commission every six months when the memo hits our in-boxes. I can almost hear LACTCers thinking:

What the hell IS deferred compensation, anyhow? I suppose I really should learn about it one of these days. Hmmmm, let's see what it says here. Tax shelter? Isn't that something for old rich people who live in Beverly Hills? How could I afford a tax shelter when I can barely afford day-care? And so on. Am I right?

Well, at last you can stop deferring learning about deferred comp. Your fearless I.M. reporter has plunged into the murky waters of finances and—with help from Jose and Arif—come up with another painless piece on another little-understood benefit. Well, as painless as any article on benefits can be.

Right to the Bottom

Shall we cut instantly to the bottom line? Let's. You're wondering, is it a good deal? The answer is—YES, it is! Even if the words "financial responsibility" make your eyes glaze over, even if you've never had a longer-term investment than frozen food, even if you feel you can't afford it, you should consider taking advantage of this golden opportunity.



Why? It's simple. Really basic. Goes like this:

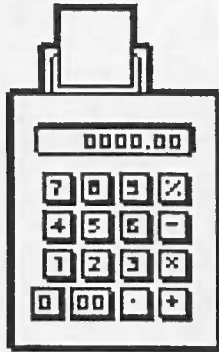
Who would you rather have spend your money—yourself or Uncle Sam? Want to be able to afford to help your kid buy a house one day so she/he doesn't have to move to another state? Want to be able to go back for that second degree, take a cruise around the world after you leave LACTC, or have a special "stormy day" fund if you or one of your children experiences an "unforeseeable emergency or genuine hardship"? Or do you want to contribute a lot of that same money to the next \$50,000 federal report that will show the government spends too much on reports?

Follow this: Let's say you're earning \$30,000 a year and you're in the 28-percent federal tax bracket. And, to make things simple, let's say your state taxes are two percent, for a total of 30 percent state and federal taxes. So on your \$30,000 LACTC gross salary, you'd pay \$9,000 in combined state and federal taxes.

Okay. Now let's say you start putting 10 percent of each paycheck away into deferred comp. I know, I know—you can't afford it! But hear me out. At the end of the year, you get your W-2—those little flimsy slips of paper that you staple to your tax return—and the government sees that your gross salary was only \$27,000 instead of \$30,000. That's right—your deferred comp comes right off the top of your gross earnings, so to the government it looks as if you didn't earn that money at all. *continued on next page*

DEFERRED COMP (CONTINUED FROM PAGE 1)

So now you're going to pay only \$8,100 in state and federal taxes at the end of the year. That's an immediate savings of \$900. Subtract \$900 from \$3,000 and you get \$2,200—the out-of-pocket cost for you to save that \$3,000. Divide \$2,200 by the 26 pay periods/paychecks per year and you get \$84.62.



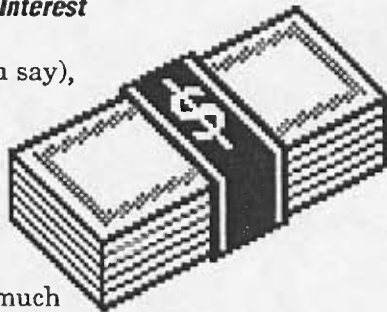
Stay with me now. So, when you sock that 10 percent per paycheck—\$115 every two weeks—into deferred comp, you aren't really giving up the whole \$115; you only giving up \$85, since the other \$30 would be taken out in additional federal and state withholding. So just \$42.50 per week out of your take-home pay starts building a really solid nest-egg for yourself, and your family, if you have one.

See what I mean? If you DON'T put that money away, the government's going to get about 25 percent more from you in taxes. If you DO put that money away, you're going to be saving and earning interest on money you otherwise would not have had.

The Impact of Interest

But wait (you say), even if I could afford to sock away \$42 a week, my money won't be worth as much when I finally go to use it. It'll be all eroded by inflation. Right?

Wrong. Because the next thing to know about deferred comp is that IT EARNS INTEREST.



All the funds are invested for us by a "retirement corporation" called ICMA. They have six different "funds" you can park your money in, depending on whether you want to have your money in stocks or bonds or some combo of both.

But let's not complicate things. Let's assume you have plenty to worry about just watching your weight go up and down, let alone stocks and bonds. Then you're a perfect candidate for ICMA's "guaranteed fund." That's the one where, no matter what happens to the economy, you get a certain fixed minimum rate of interest on your deferred comp savings. The rate changes about once a quarter, and you're notified in writing every time it does. There's also a current-rate hotline. You may earn more than the guaranteed rate in this fund, but you'll never earn less.

Over the last five years, ICMA's guaranteed fund has earned not more than 11.75 percent interest and not less than 6.8 percent, averaging somewhere around eight or nine. Right now it's at eight. That's a pretty good rate of interest—well ahead of inflation—for something that's guaranteed.

You're not paying a penny of tax on those interest earnings, either. In fact, you're also earning interest on that 25 percent more you would have forked over for taxes.

The interest you earn keeps being added back into to your nest-egg, which then earns even more interest (called "compounding your interest"). So if you only defer one thousand dollars per year but keep it up for 15 years, at a long-term average interest of 10 percent per year, you'll make \$19,825 just in interest—almost \$5,000 more than the \$15,000 you defer! Your total nest-egg will be \$34,825!

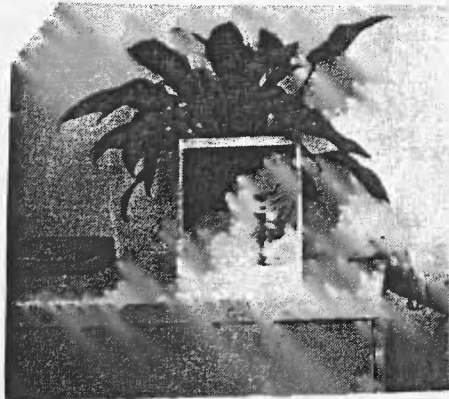
Perhaps that's why Manager of Personnel Jose Mesa reports that his accountant said, "If you can't put your money into real estate, put it into deferred comp."

continued on page 9

On Board

We all know that Neil Peterson was hired as the new executive director in February, and that prior to then he was president of a Seattle-based firm that provided interim management services. But what else do you know about Neil? Now Inside Moves steps away from resume jargon to give you a little more on our exec. Would you ever guess that he's a 50's/60's rock 'n roller? Or that his favorite movie is "Roger Rabbit?" He's a big sports enthusiast. He can get into fishing, boating, tennis, golf, biking, soccer, hiking, jogging, and ice hockey. Neil grew up mostly in New Cannan, Connecticut. He studied at Williams College in Massachusetts and earned his Masters at the Woodrow Wilson School of Public and International Affairs at Princeton University. He and his wife Tracy and their four children recently purchased a home in the Naples neighborhood in Long Beach. Winston Churchill delivered his favorite quote: "Success is all about going from failure to failure without losing your enthusiasm." ▲

A.R.T. stands for Art for Rail Transit and that's what Jessica Cusick has been hired to develop and implement for the Metro Blue and Green Lines and future rail projects. She packed her bags and fled the Big Apple in February to move here to the land where "drivers ignore their turn signals." Prior to to being an independent curator and administrator of a public art program in New York City, she worked as a translator for American Industrialists in Paris, France. She studied art history with an emphasis in Egyptology at the Sorbonne in Paris and later earned her Masters in French literature from New York University. Her favorites include science fiction stories, pasta, the blues, jazz and reggae, "Gone With the Wind", and wine tasting. She and Rebus, a domineering black cat, live in West L.A. ▲



Jessica will have a hand in the art program.

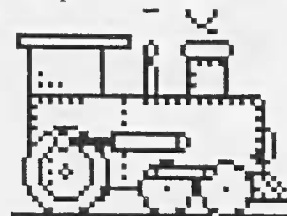
continued on next page



We'll soon be hearing a lot more about a new proposed half-cent sales tax, this time to be used to fight gridlock on our streets and highways. Nannette Rameriz or 'Nan', along with other LACTC staff members, has been making the rounds to local cities to conduct workshops on the sales tax proposal. Nan became a permanent employee in the Highways Department in April. Her duties as an analyst include working on the tax proposal, and funds from the Transportation Development Act and the Transportation Improvement Program. Before signing on as a consultant here earlier in the year, she was an RTD consultant on the Metro Rail project. Nan lives in Long Beach and grew up in nearby San Pedro. She received her B.A. in communications arts and sciences from U.S.C (the "University of Spoiled Children"). Nan loves animals as long as they don't have two or eight hands and at one time had 20 pets. Her secret ambition is to be tall when she grows up and her pet peeve is having to wear more than a bathing suit. ▲

I dialed 494 to speak to the new rail development planner Nelia S. Custodio and a man's voice said "Hello?" Now Nelia sounded like a feminine name to me and I said "Nelia?" And the voice said "No, this is Pete." Nelia is Pete De Haan's office mate on the fourth floor in the Rail Development Division and Pete was just answering her phone. Nelia came on board in February to fill the rail development planner position. She is working with the cities and agencies along the coastal corridors that will branch off the Metro Green Line

The highways department has seen a few contract employees become permanent fixtures and one is Vic Kamhi, a transportation analyst who came on board in February. He came to us from the City of Walnut Creek in northern California where he was a transportation administrator. Here at the LACTC, he works on the highway callbox improvement project, the flood control corridor study, the carpool lane plan, and the truck control plans. Vic is a chatty guy who's great at telling you what those projects are all about. Vic has an MPA in environmental planning from USC and a BS in political science from UC Santa Barbara. I'm not sure if he's kidding when he says acid rock is his favorite music, along with northern Chinese food, author L. Frank Baum, and Woody Allen's "Sleeper". If he had his choice of a dream vacation, he would take his wife Virginia and 12-year-old son Philip to the Smithsonian for a week. ▼



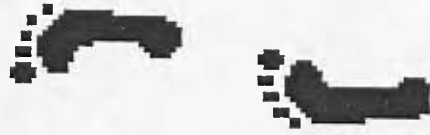
and stretch north to Marina del Rey and/or south to Torrance. She grew up in Quexon City in the Philippines and earned her degrees in urban and regional planning at the university there. She and her husband, Michael Sieckert, live in a local canyon "where on a warm weekend afternoon, one might get an unexpected visit from a displaced squirrel, rabbit, and sometimes even a rattlesnake. We love it there, though," she says. ▲

Do you know anyone selling a house with a nice yard, out of the smog but not too far from work, and cheap? If so, Annette Colfax wants to know about it. The new manager of Finance is looking to move from her West L.A. apartment and purchase a home. Annette joined the Finance and Administration department in January.



On
B
o
a
r
d

She is responsible for accounting, working on the budget, financial reporting and debt issuance. Her last and most interesting job was as finance director for Gravity Guidance, Inc., maker of "gravity boots"—the shoes you wear for hanging upside down and exercising in an inverted position—really. Annette is a West L.A. native, but went to Boston to earn a Bachelors degree in philosophy and then came home to UCLA to earn an MBA in public/non-profit management. She enjoys cross country skiing, hiking, ballroom dancing, photography, canoeing, mystery novels and travel, especially to Africa. She says Willie Nelson said it all when he sang "it ain't how you look, it's what you've got under your hood." ▼



continued on next page



Anyone who doesn't work on the 5th floor misses out on a great morning greeting and beaming smile from our receptionist Geri Brodie. With a hand on a lit switchboard and an ear to a nonstop ring, it's truly a miracle that she keeps that peppy disposition and contagious laugh. Geri is no stranger to LACTC. She was employed here several years ago and just couldn't stay away. In between her LACTC stints, she worked for Salomon Brothers investment banking firm. She hails from Raleigh, North Carolina, and transplanted herself to Ladera Heights where she resides with her brother Charles and a black cat named Lady. In her spare time, she enjoys jigsaw puzzles, romance novels, tennis, and entertaining family and friends. It's her secret ambition to become governor of North Carolina. It would be worth the move just to cast a vote in her favor. ▲



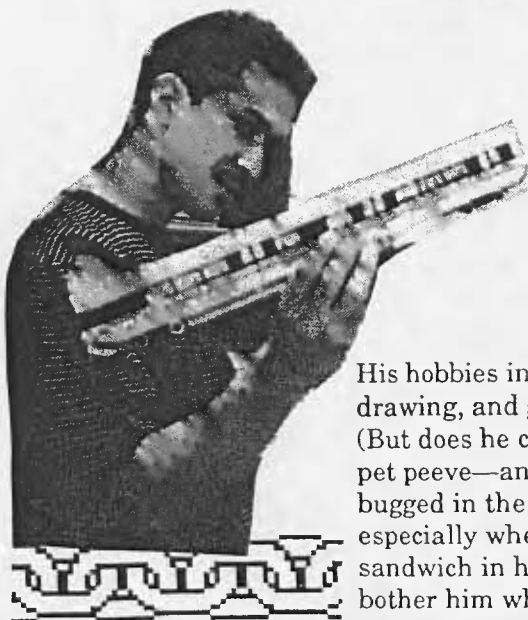
We've nabbed many employees from the RTD and now we're swiping from the MTA in New York. The east coast steal is Carlos Hernandez, a native of Los Angeles, whose east coast stint included earning a masters in public policy from Harvard. Now that

he's back on the west coast, he's settled back into his old eastside neighborhood, is single and has "no known children". Carlos became an LACTC transportation analyst in Fiscal Analysis in April 1989. When he's not analyzing traffic, he's basking in the sun, listening to R&B, or watching a Woody Allen movie. His secret ambition is to work in every major transportation agency in the country—two down and 22 to go. ▼

Also on the 6th Floor is Anne Adelman. Anne came on board in February as a senior transportation analyst in Fiscal Analysis. She must have a good grip of the transportation scenario here in L.A. after having been raised here, schooled here (UCLA), and indoctrinated into transit as a senior planner for the RTD. A real aficionado of on-the-road travel, Anne enjoys long distance drives in the countryside, along with playing the piano, and computers. Her favorites include Jane Austin's "Pride and Prejudice" and James Bond's "A View to Kill," since it was filmed in Loire Valley, France—one of her most cherished spots on earth. ▲

"I keep a curling iron in my desk drawer."—
Anne Adelman


Rene Robles has been giving us speedy service in the mail/supply room on the second floor since May 1988 as a temporary employee. Now he's official, permanent and we're still getting his efficient service. Rene is responsible for stocking that ample supply room, metering our stacks of mail, keeping the conference rooms neat, and making sure the coffee areas have plenty of that gross white powder we use as creamer, among many other detail-oriented tasks. Rene is one and a half years into L.A. City College. His rent is good at home with his parents, younger brother, an overweight Chihuahua and two chickens.




His hobbies include working on his car, drawing, and getting girls' phone numbers. (But does he call any of them?) His biggest pet peeve—and this is a warning—is being bugged in the middle of his lunch hour, especially when he has a bite of ham sandwich in his mouth. So maybe just bother him when he's packing liverwurst. ●




Good Ideas!




Share your professional achievements by dropping a note to the Communications Department, 5th floor/east wing. Blow your own horn on such accomplishments as publishing a paper or article, presenting at a conference, receiving an award, earning a degree, etc.




Don Steiner, our engineering cost administrator, has been appointed to a three-year term on the certification board of the American Association of Cost Engineers.




Pam Simmons received a Certificate of Recognition from the American Public Transit Association (APTA) for her participation on the Minority Affairs Committee. She chaired a subcommittee that worked to increase minority participation in the transit industry's financial affairs.



Naomi Nightingale received a Management Innovation Award for TOP, the Transportation Occupations Program for high school students. The award was presented to her at the recent APTA conference. Naomi coordinates the program that gives teens a hands-on learning experience in transportation-related fields.



At Gomez, public affairs officer, spoke and presented a paper at the June APTA conference on our community relations efforts during construction of the Metro Blue Line.



Bob Flynn attended a reunion of experts who developed the computer system at Walt Disney World in Orlando, Florida. Bob not only worked as a systems analyst for Disney in the 1960's, he also did a stint as "Winnie the Pooh" in Disneyland during his college days.



Personal Best

"The Reach of Rail" film, produced by Communications Manager Erica Goebel, has been recognized by the International Association of Business Communicators, the Society of Technical Communications, the Council of International Nontheatrical Events, and the Houston International Film Festival.

LACTC Toastmasters regularly recognizes its members with a "Something to Crow About" award. The glazed ceramic rooster trophy has decorated the offices of prolific speakers Pete DeHaan, Steve Lantz, Rita Vega, Paula Willins and Brynn Kernaghan.

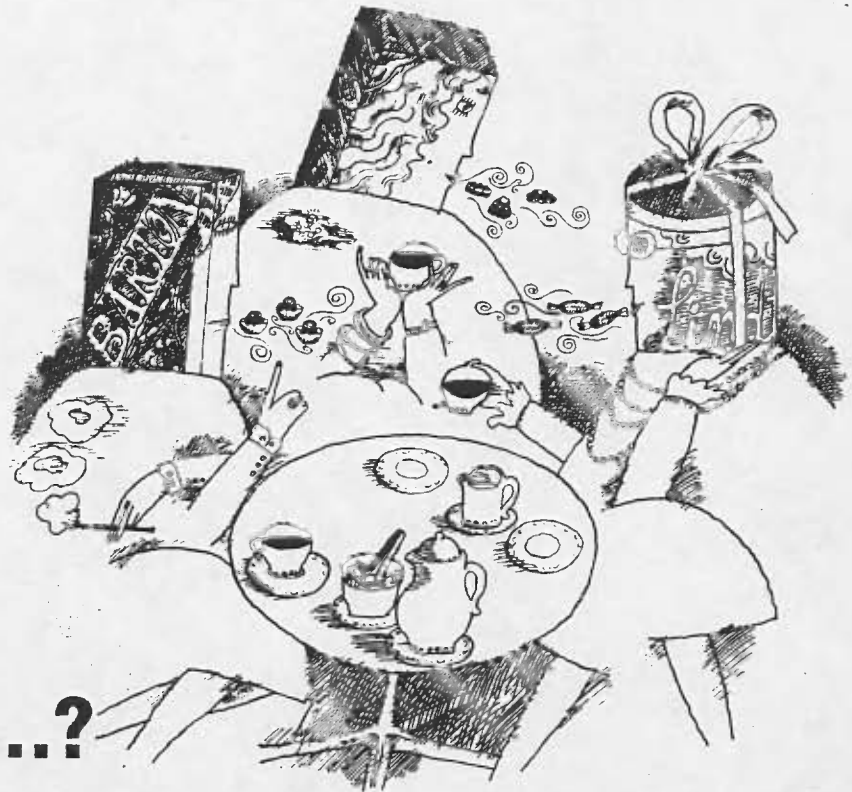
Climbing the management ladder recently are Susan Rosales who was appointed manager of rail planning and Pam Simmons who is now the manager of contract compliance.

Al Scala ran a 5k race in less than 20 minutes for the American Heart Association earlier this summer.

Ann Reeves now has a monthly column on time management and increasing productivity in the free magazine "Working World," which is given out at the Breadwinner and other strategic downtown locations. She hopes you'll watch for it and let her know how you like it. ●

Yes, there is something that moves slower in this building than the elevators, and that's the production of the LACTC employee newsletter *Inside Moves*. This biannual quarterly is a multipurpose communication tool — it introduces you to new employees who aren't so new anymore, briefs you on one of our many employee benefits, and keeps the rumor mill grinding. If we don't hear any good gossip we just make it up and it's up to you to read between the lines and find the hidden lies in this edition of

Did Yoouuu Knooowww...?



...that 9,000 lady bugs were found in the 5th floor refrigerator? What were they doing there? Someone's "wing and a prayer" diet? No, just Jessica Cusick's mail-order boxed bugs for her vegetable garden. Apparently the ruby creatures are good for keeping other insects from making Swiss cheese out of one's tomato plants.

...those 9,000 bugs won't do any good for the 7,000 trees that Rail Development Planner Steve Brye helped plant in the Sequoia National Forest. Steve is an active member of the Tree People. The group is also helping to plant trees along the Blue Line route in the City of Long Beach.

...that Ed McSpedon started off with the skid-row look to get to where he got to today? Right about seven years ago Ed and (Dave Sievers) were sifting through the Salvation Army thrift store on 7th and Main looking for a conference table for their

Wilshire Blvd. office. Not only did they find a regal size table, each picked up a living room end table. Then they tried to pay for it with an American Express Card.

...that Ginger Gherardi's gingerbread house made her a Good Housekeeping prize winner? The home-sweet home she built was featured in the national magazine. Ginger, our previous manager of highways, was recently appointed executive director of the Ventura County Transportation Commission.

...speaking of prize-winners, Linda McCafrey placed 1st in a recent "dressage" competition. Dressage is a form of horseback-riding whereby the rider controls the horse with very subtle, minute movements—sort of "Zen and the Art of Horseback-Riding."

...and now let's applaud the losers...all those incredibly shrinking LACTC'ers who are living proof that the four-letter word works (diet, that is). Many congratulations to all those skinny people that are catching second glances—you know who you are.

...Al Scala had to zoom home early one day because the neighbors called to complain that the college students he hired to paint his house had graffitied obscenities prior to applying the first coat. "Damn those #%&*!@ kids," Al said as he slammed down the phone.

...Steve Lantz says he would never buy one of those yuppie "fanny packs" that everyone seems to be sporting these days. "It would have to be a knee brace or chest protector on me," he said.

...APTA asked Ed McSpedon, a scheduled speaker for its conference, for a photo to be printed in the program. Jokester McSpedon sent in a photocopy of Charles Manson.

...Fred Silverman broke his leg in a motorcycle riding class. Who was teaching, Evil Knievel?

continued on page 12

Deferred Comp

continued from page 2

Time to Pass Up the Passbook?

But (you may think) couldn't I do just as well putting my money into a regular savings account?

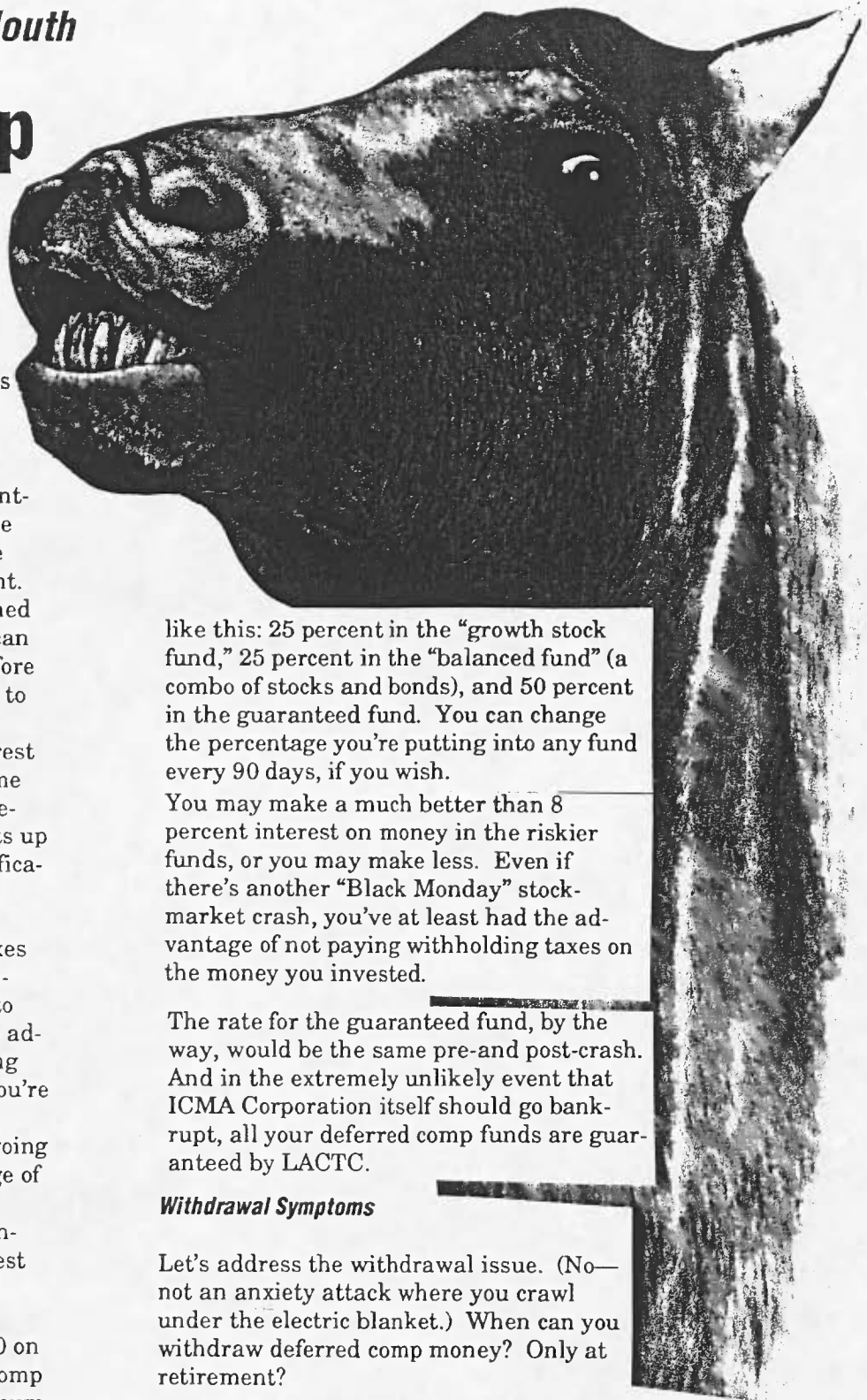
No-no-no. Let's go back to the 10-percent-per-paycheck savings plan, but this time let's suppose you're socking it into some garden-variety passbook savings account. (Most people can't be nearly as disciplined about putting it in themselves as they can be when it's automatically deducted before they even see it, but let's put that issue to one side.) In a passbook account, your money will earn less than half the interest of deferred comp money; interest at Home Savings, for instance, has fluctuating between two and four percent, and it floats up and down all the time without any notification.

Not only that, but you'd have to pay taxes on the whole \$30,000 gross earnings, including the \$3,000 you were putting into savings. Right—you'd pay that \$900 in additional taxes even though you're saving (not spending) the same \$3,000. And you're going to be taxed, every year, on any interest you earn as well (not that it's going to be much). You do have the advantage of being able to withdraw money from a regular passbook savings account whenever you want—which is why the interest rates are so low.

However, there is a maximum of \$7,500 on the amount you can put into deferred comp each year, but there would be no maximum on the amount of money you could put into a passbook savings account.

Riskier Business

If you like to dabble in Wall Street or get bound up in bonds, you can still do this while taking advantage of deferred comp. Our plan offers you different funds with different amounts of risk involved. For instance, you might spread your money out



like this: 25 percent in the "growth stock fund," 25 percent in the "balanced fund" (a combo of stocks and bonds), and 50 percent in the guaranteed fund. You can change the percentage you're putting into any fund every 90 days, if you wish.

You may make a much better than 8 percent interest on money in the riskier funds, or you may make less. Even if there's another "Black Monday" stock-market crash, you've at least had the advantage of not paying withholding taxes on the money you invested.

The rate for the guaranteed fund, by the way, would be the same pre-and post-crash. And in the extremely unlikely event that ICMA Corporation itself should go bankrupt, all your deferred comp funds are guaranteed by LACTC.

Withdrawal Symptoms

Let's address the withdrawal issue. (No—not an anxiety attack where you crawl under the electric blanket.) When can you withdraw deferred comp money? Only at retirement?

Of course, many people do leave their nest-egg in the plan until retirement—safe, sound, earning interest and growing fatter all the time. Let's look at some other circumstances in which you could get deferred comp money:

1) When you leave LACTC for any reason, you have the option of withdrawing your deferred comp at that time or starting in some future year you specify.

continued on next page

For instance, suppose you want to go back to school and get a Master's degree. While doing that, you'll only work part-time, meeting the rest of your expenses with deferred comp money you've saved.

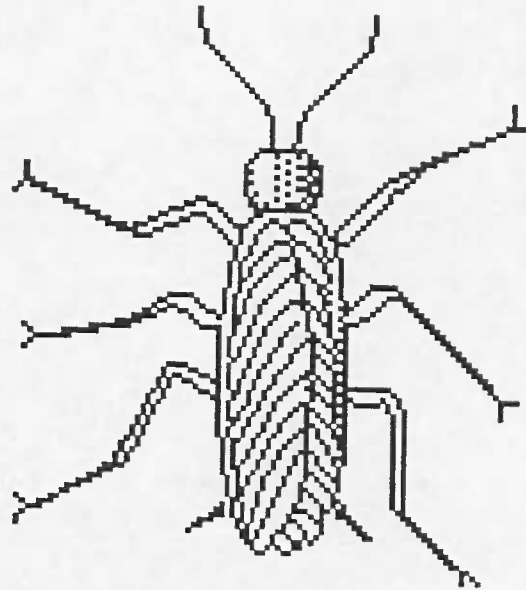
For tax reasons, you'd probably want to draw out your ICMA funds in a year when

you don't have a lot of earnings from salary from LACTC. So say you leave work in January, or at least not too far into the new tax year, and you instruct ICMA to pay out your deferred comp at a rate of \$500 per month. That way, provided your part-time earnings aren't too high, you can probably pay the minimum tax on the funds from your ICMA account.

You have 60 days after your termination date with LACTC to let ICMA know whether you want your money now or later; if later, you must give them the year in which you'll start to draw your money out—any year between now and your 70th birthday. You do not have to give them the schedule—how much you'll draw out per month or year; you may make that decision any time up to November 30 of the year you've designated for your payments to begin. Once you've designated a starting year, though, you may not change it. But later, if you find that the starting year you've selected later turns out to be one in which your income is going to be high, you can elect a payment schedule that will have minimal tax consequences (a very low amount per month, for example).

Whether drawing your money out when you leave LACTC or starting in some later year, it's a good idea to discuss the payment schedule with an accountant or tax advisor.

2) If you become disabled while still employed by LACTC, you may choose to receive payments from your deferred-comp account or to postpone your benefits to a future date that you specify. (Our folks in the Finance and Administration must certify that you're disabled before you qualify.) Here again, you save tax money over what you would have paid because you're earning less (or zero, depending on how disabled you are, I guess) and are in a lower bracket.



3) If you have an "unforeseeable emergency/genuine hardship" while still employed by LACTC, and the funds in your deferred

comp account are your last resort, you may withdraw enough funds to cover the cost of the emergency. The administrator of our plan, who works for Cal-Surance, determines genuine hardship cases. In this case, your withdrawal funds will be added into your gross earnings for the year, and you will pay the usual tax rate on the total.

4) Finally—and I do mean FINAL-ly—in the event of your death, your beneficiary gets the full amount in your account. She or he gets to choose whether to take it in a cash lump or in periodic payments.

continued on next page



Deferred Comp

continued from previous page

Take-Out Menu

When you withdraw deferred comp, you may set up any schedule of payments that is convenient, including:

- a lump-sum payment;
- periodic payments (monthly, quarterly, etc.) over a certain number of years that you specify;
- periodic payments over the rest of your life expectancy, as determined by the Cal-Surance insurance-company tables.
- periodic payments until you use up all the money in the account; or,
- purchase of a lifetime annuity.

You always get all the money in your account—what you put in plus interest—minus a one percent per year administrative fee and a \$1 per month account-maintenance fee for people contributing \$800 or more per year. These are the lowest fees charged by any nationally available deferred compensation plan, by the way. Unlike IRA accounts, there's no penalty for any withdrawal allowed by law.

And, as long as you have any amount of money in your ICMA account, you're a customer of theirs entitled to all of their services—benefit projections, statements, and so on.

Note: be aware that money in your ICMA deferred comp account cannot be rolled over into an IRA or most regular retirement programs. Only if you go to another employer participating in a "section 457 plan" (usually a governmental or non-profit employer) would you be able to roll over the funds.

Better Than Now

Okay, okay, you say; but I'll have to pay taxes on my deferred comp eventually, no? So what's the point?

True—but chances are you won't pay nearly as much in taxes. Because in the year you've designated to start withdrawing your money—to retire, to go back to school, or to take that cruise around the world—you plan to be earning a lot less per year. That means you'll pay a much lower rate of tax than if you'd paid your taxes while working. Perhaps you're even down in the 15 percent minimum tax bracket—a savings of 13 percent over what you would have paid when you earned that money.

If, as mentioned before, things don't work out as you planned and your income is still high, you can instruct ICMA to pay out your funds on a schedule that will have minimal impact on your taxes.

Easier Than You Think?

Maybe you're still thinking, Yeah, yeah, I see the advantages. But I still can't afford to give up that \$42 in immediate spendable cash.

Stop and consider. Before you signed your last contract for a new car, you probably felt you couldn't afford that extra \$175 a

continued on next page

Deferred Comp continued from previous page

month either. Before you moved to the bigger apartment or started making house payments, it felt as if you couldn't afford those extra chunks of money, didn't it? It's never going to FEEL as if you can afford it. The idea of doing without anything we now enjoy is just too scary. But here's what happened to me.

I kept thinking I couldn't afford to defer any of my compensation, because I was going to buy a Honda. And maybe Richard and I would be taking that major European vacation. If not, we were still going to need a lot of cash to put on a new insulated roof. And...and...and. There was always a good reason NOT to start saving. There always is for everyone. There always will be.

But after reading several articles that emphasized how foolish it is not to take advantage of deferred comp if offered by your company, one day I took the plunge. I'd been at LACTC at least two years already. I started to defer 10 percent of my income.

Know what? I NEVER MISSED IT. Somehow I intuitively adjusted my spending and

stayed within my (now slightly less) paycheck. We went ahead and did the roof, I went ahead and bought the car. I didn't feel deprived of anything. The next year I took a deep breath and started to defer 20 percent of every paycheck. And I still didn't miss it! It seemed like magic. Meanwhile, I've now got a tidy sum socked away, earning good interest. There's some kind of self-deception that steps in, some kind of emotional hoodwinking, that convinces us we can't do this. That's why most Americans—even those who earn good salaries all their adult lives—retire at age 65 with less than \$5,000 savings. They just kept telling themselves they couldn't afford it; they kept putting off the day that they'd start to save.

Since you can decrease your deduction amount at any time, why not see if you'd miss the money? Maybe you only believe you would—and maybe you're as wrong as I was.

Our folks in accounting tell me that only 41 of our 121 employees participate in this terrific program. Here at Inside Moves, we thought that figure might go up if people understood deferred comp better.

We've done our part. Now the choice is up to you. ■

Did Youuu Knoooww...?

continued from page 12

...Its taken Kay Cooley six years to go back to college to do her student internship. Yet she did it, even though she already had a job in the real world here in our highways department. Kay is on leave of absence and working at Cedars Sinai Hospital in the heart rehabilitation unit, where she's applying her knowledge of bikepaths to bypasses.

...Do you ever wonder what the hell is breaking loose down on the street at 2:30 p.m. every Tuesday and Thursday? (Besides the drug deals?) Twice a week a glass shattering crash echoes up 8th Street. Don't dive under your desks, it's not an earthquake—its a glass recycling truck doing a pick up of all those beer bottles at the famous lunch spot next door, the Golden Gopher.

...Two words you should know if you're ever planning to go to France are beaudet (pronounced bo-day) and bidet (pronounced bi-day). But don't confuse the two, says Kate Beaudet in Fiscal Analysis. The first means beautiful, and the latter can be found in the wash room.

...Rita Vega, editor of that hot newsletter Transit Tips, mails five copies of each issue to her mother, who proudly displays them on her coffee table.

...Rich DeRock in Local Assistance is living up to his name. He has started the D'Rock Roadway Rap group whose first single to be cut is "Fuel Me Up With Methanol, Baby." ■



A · R · T

ART FOR RAIL TRANSIT

LACTC'S ART FOR RAIL TRANSIT PROGRAM

by Jessica Cusick

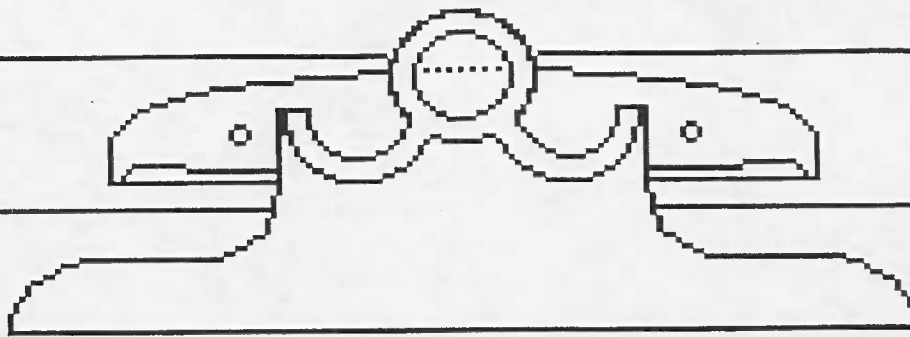
The Commission's Art for Rail Transit Program (otherwise known as the ART program) has officially been in existence since June 28, but it will be some time before we see actual works of art in any of our stations. And when they do start appearing, you might still be asking: "Where's the art?" No, the issue is not one of art criticism (as in "You call that art?"), but rather a recent trend in public art which has artists designing all kinds of functional items, such as light fixtures or benches, or even working with such unlikely materials as living plants, as well as making traditional works of art such as murals or sculptures.

The ART program has something particularly unique and exciting in mind for our tunnel under Flower.

Some more pragmatic details about the program include the following facts:

- We will be commissioning at least one original work of art for each station.
- One of the first things we will be doing is sponsoring a series of public meetings where people can find out about the program.
- Artists will generally be selected by means of a limited competition, which means that a few artists are invited to submit proposals detailing what they would like to do at a specific site.
- The people doing the inviting will be the Art Panel, of which there will be several, or more specifically 12 for the Blue Line alone.
- Artists interested in being considered for a commission will send in their slides to be included in our slide registry. ▲





WHAT'S IN A NAME?

WILLOW STREET STATION

by: Bill Volkner, Transcal

Those of you who are over 85 years old should have little trouble remembering July 4, 1902. That was the day the first Red Car of the Pacific Electric made a trip from Los Angeles to Long Beach.

Think about it. In 1902 the trolley was not merely an alternative to the freeway as a means of getting to Long Beach. People didn't have automobiles; they didn't even have Nikes or Reeboks. They either rode the trolley to Long Beach or they didn't go. So to say people appreciated the opening of the first Long Beach rail line must be an understatement.

In 1902, the location of our Willow Street Station was an area known locally as "The Willows." Using this name didn't work out because express packages addressed to "Willows" wound up in Northern California. So, ten years later, on July 10, 1912, they changed the name to "Willowville" so people could receive packages from The Broadway and The May Company without waiting for the Pacific Electric to send out a tracer. Ten years later, on February 2, 1922, they again changed the name to "North Long Beach". When the Long Beach city limits were moved northward on January 11, 1934, some twelve years later, they decided to change the station name back to Willow Street. The last trolley stopped at Willow Street Station in April 1961.

When the first LRT train stops at Willow Street Station on July 4, 1990, all you 88 year olds should feel like you are in familiar surroundings. ▲

CHRISTMAS ALREADY? PLAN FOR THE PARTY NOW!

UUUUgggggg...how can we think about holiday plans before some of us have even taken a vacation? Leave it to the jolly team of Jose Mesa and Geri Brodie to get the planning wheels of our holiday dinner and dance going. Jose tells us that we are booked at the newly remodeled Hyatt Regency in the Broadway Plaza for Friday, December 15. The team is working on the menu and music. Watch your in-baskets for details, but in the meantime mark your calendars to be there. It's always a warm gathering and a lot of fun on the dance floor. ▲



Lizard on the Loose—Jim Sowell is congratulated by a reptilian occupant of the Garfield Building for his prize-winning street name. Sowell won the employee contest to name the access road into the Blue Line's main yard with "TROLLEY LANE." Since there were several "Trolley Lane" entrees, a drawing was held to select the winner of the black and white TV. ▲



Golf Tournament

TEE'D OFF BY TRANSCAL

by *Mary Lou Echternach*



LOMPOC, CA., MARCH 18, 1989 — The “Annual LACTC/TRANSCAL Rick Richmond-Paul Taylor International Memorial Popcorn Golf Tournament” was held at the La Purisima Municipal Golf Course and Torture Center in Lompoc on March 18. Three dedicated LACTC staffers tried with all their hearts to defend the LACTC’s previous title wins against the 26 member team fielded by Transcal (Transcal is an acronym for PBQDDMJM-KECNPCM&SUBS). Our players were Mary Lou Echternach, Sharon Neely and Bob Minahan.

When Saturday morning dawned, we duffers donned our cleats and sun screen and gathered at the La Purisima Golf Course. There is no shortage of water in this state. The water is at La Purisima. It’s in lakes, inland seas, rivers, creeks, gullies, ponds, and culverts, to the left, right, and middle of the fairways.

As in past tournaments, the prizes were varied. Two of the four LACTC’ers were able to take awards. Bob Minahan, who video taped everyone’s drive from the first tee, was fortunate in that Jim Shook, the stand in cameraman, was able to record Bob’s award winning drive. Bob won the prize for the “shortest drive”, recording a new record of zero-feet, zero-inches, which represents a dead sold perfect whiff of a Mulligan.

Sharon Neely, Manager of Transportation Programs, managed to win a real trophy. Tournament organizers spared no expense

or imagination in putting the “High Gross” prize together. This prize is awarded to the person who not only took the most swings at a ball but who was honest enough to count ALL strokes. Sharon was delighted to receive the “Bahrain Lincoln Award for Honesty in Scoring” which presented to the competitor that turns in the best bowling score in a golf tournament. Sharon said she would be proud to display her golf score of 187 on a bowling trophy.

The big ticket items, like who really won the tournament and fewest putts and closest to the pin on two of the par threes went to Transcal. Since Inside Moves is an LACTC publication, it seems only right to bury Transcal’s accomplishments in the story. Transcal’s George Swede won the tournament with a low net of 72. For non-golfers, there are no real nets per se, although there should be some fishing nets at the water hazards. The net score is the golfer’s score after their handicap has been deducted.

The Paul Taylor Commemorative Award, FKA the Annual International Rich Rickmund Memorial Championship Golf Troffie, which was donated last year by the R. J. Minahan Garage Sale Foundation, is more commonly known as the “Pop Corn Cup”. This award is probably the most honest award that is given out and is passed down from one lucky winner to the next. The previous winner makes the award based on his/her own criteria. Art Truman, last year’s winner, at first attempted to award the trophy to himself, lamenting the loss of his office food bowl (he never used it for pop corn). When audience response to this idea was underwhelming, he appeased the outraged gathering by presenting the coveted cup to the golfer who had “demonstrated the most concern for the future well-being” of the award, Willie Gardner. Casual observers reasoned that Art just wanted to keep his former food bowl on the 9th floor. ▲



MOVIES

MINI-REVIEWS

by Claudette Moody

Since many of you have probably already seen the "big summer blockbuster" movies, this column will concentrate on more recent releases and some of the "small" pictures around. For those of you who don't get out much, here are my grades for the big flicks.

Dead Poets Society - A/ Field of Dreams - A/
Batman - B/ Indiana Jones - B/ Star Trek - B/
Ghostbusters II - C+

Do the Right Thing - A+

This is one small step for Hollywood and one giant leap for Spike Lee as a filmmaker. This thought-provoking film shows how small, seemingly insignificant incidences committed by otherwise decent individuals can escalate into a destructive situation. Is it inciteful? No, but it is insightful. Racial tensions did not end in this country because of the passage of civil rights legislation. Like a good marriage or positive child-rearing, civil liberties and interracial communication need constant and loving attention. Without this vigilance, the U.S. will continue to experience more Howard Beach and Central Park incidents. This film should have won Cannes' Palm d'Or and would have if Salley Field (a judge) could have convinced Wim Wender's (German Director and chair of the judging committee) to overcome his prejudices. It was not to be, but maybe the Academy will not be so shortsighted. That's a long shot, but I always like the underdog.

When Harry Met Sally - B

I enjoyed this movie. Like Parenthood, it is primarily a series of vignette and deals with relationships and expectations. The Nora Ephron script is intelligent and points out some true, if slightly exaggerated differences between men and women. I saw it with a male friend of mine who didn't identify with it as much, but I still think couples can enjoy this together.

sex, lies and videotape - B-

sex, lies and videotape (no caps, please) was the winner of the Palm d'Or at Cannes. This is an interesting film, but really does not pack the wallop of Do the Right Thing. Let me explain the plot this way. As a heterosexual living in pre-Aids, post-gay revolution San Francisco, I learned an important lesson. That lesson is that it is both limiting as a human being and emotionally and physically dangerous to only identify oneself through sexual behavior. We are all so much more. The characters in this film learn this lesson the hard way, but there is a lot of witty dialog and interesting film shots for the audience to enjoy.

Getting it Right - A

I loved this little British film, which appears to have been a play. This movie is less about sexual awakening, then it is about learning to give love, which is after all, the biggest risk in life. The writing is snappy and the performances are right on the mark. The story centers around a young hairdresser leading a boring existence who suddenly finds three very interesting women in his life.

Parenthood - B+

This movie generates a lot of warm feelings. It is both about being a parent and have parents. Steve Martin just keeps getting better with each flick and the ensemble cast is quite good. There are some slow spots, but for the most part Parenthood speaks to real life and is a celebration of family. Nevertheless, this film is not for children under 10 years old. ▲

**"The Men of LACTC" 1990 calendar
goes on sale next month**



Each month you can be greeted by a smile from Ed McSpedon, Norm Jester, Albert Scala, Rick Landell, George Trnka, and Phil Stead. Newcomer Scott Vranesh (below) promises to demonstrate the many uses of a Pandrol Clip. Coming attractions will include Mr. March, April, May: Larry Gallagher, Larry Kelsey, and "Don't call me Larry" Laurence Weldon.

ON BOARD *continued from page 6*

I.M. welcomes the following recent employees that were hired during I.M. production. Look for their life stories in the next issue: Rex Gephart, Transit Dept.; Jon Moynés, Art Program; Roberto Rodrigues and Robert Lewis, Finance and Administration; George Trnka and John Stacy, Rail Systems; Scott Vranesh, Contracts; Nancy Michali and Linda Bohlinger, Rail Development; Genetha Eddins, Community Relations; and David Yale, Highways.

I.M. welcomes these staff members whose forms got lost in the black hole: Steve Brye and Carlos Monroe. ▲



PHOTO SCRAPBOOK



The Community Relations staff is All Aboard. Pictured here are Robin McCarthy, John Higgins, Naomi Nightingale, Art Gomez, Deana Burton-LaCroix, Francene Joe, Torri Hill-Williams, and

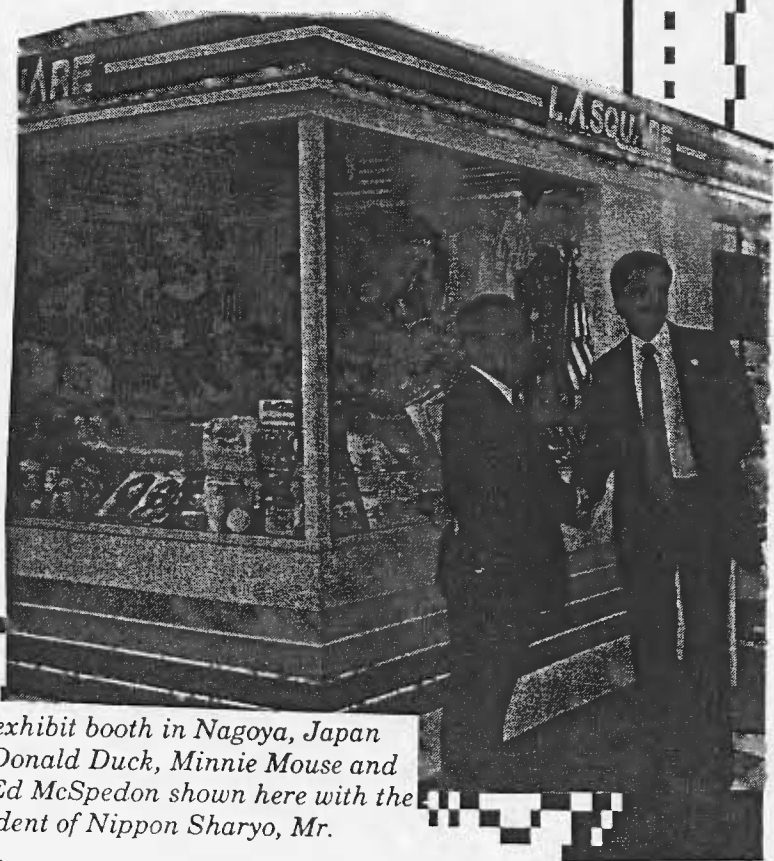
B. L. L.



EDMUND RICHARDSON
839 54 St.
College Prep.
Intramural Bowling,
Gym Leader, Service
Sq., Cafeteria Sq. Sec-
tion Leader, French
Help, Mechanical Draw-
ing Help, Science Bul-
letin, Blueprint
College



Pete DeHaan proves he's a Toastmaster extraordinary in his farewell words to Ginger Gherardi, past manager of the Highways Department.



The L.A. exhibit booth in Nagoya, Japan featured Donald Duck, Minnie Mouse and our own Ed McSpedon shown here with the vice-president of Nippon Sharyo, Mr. Okumura.



Those who came out for the annual softball game against Transcal were (backrow) Bob Minahan, Mario Guzman, Al Patashnick, a Red Skins' fan, Al Scala, Annette Colfax, Annette's friend John, Barbara Norris, (front row) Nickey Astilla, Rita Vega-Acevedo, Jack Roquemore, Tomiko Hirano-Monkawa, Alan Monkawa, Richard Stanger, and Ilda Licon.



Denise Keaton-Smith in the Contracts Department was featured in the last I.M. issue. Our photographer finally caught up with her.

ADIOS AMIGOS

Since our last issue of Inside Moves, we've said good-bye to Ginger Gherardi, Judy Norman, Sharon Robinson, Jim Andrew and Ann Reeves. We wish them all the best of luck in their new endeavors and hope they'll keep in touch. ▲



Frank and Mark Flores warm the bench.

***Inside Moves* Loses A Co-Editor Parting Words From Ann**

CAN YOU BELIEVE

...that this is my final piece for "Inside Moves"? Yes, five years have whizzed by since I signed on with LACTC and contributed my first article to what was then called "The 3:5 Express" (we occupied floors three and five of the Banco Popular building on Spring Street). Little did I suspect that a great group of people and a steep learning curve (the only kind I like) would keep me happy here for five years. Time flies when you're alive.

When I came on board, we had 42 staff-members and had just outgrown our quarters. The Commission was the biggest organization I'd ever worked in, but I could see that it was still relatively small and intimate. I liked that immediately.

FOR THE FIRST TWO AND A HALF YEARS

...or so, the best part of my job duties was all the writing I did—and the great variety of it. Speeches, feature stories for trade magazines, press releases, "Inside Moves," Pro-Motion newsletter, Railway Construction News, brochures, editorial responses for TV and radio, pieces in Spanish, resolutions—you name it, I wrote it. I got a chance to write many things I'd never been called on to produce before. Try writing a good speech in three minutes! Or rebutting a TV editorial in 90 seconds! My supervisor, Erica Goebel, encouraged me to be innovative in these assignments; I had virtually carte blanche to expand and redesign this newsletter, to develop and implement a Spanish-language media plan, to try out new angles and approaches in our other publications, and to write up stories that interested me (and promoted LACTC) for magazines. It was great.

MEDIA WORK WAS MINIMAL;

...none of our rail lines were actually under construction, we weren't feuding (overtly) with the RTD, and the idea of doing a story on transportation made most city editors' eyes glaze over. Many media people hadn't even heard of us, or had us hopelessly confused with the RTD.

Times change. By summer of '86, major amounts of dirt started flying (no pun intended) along our Long Beach to Los Angeles rail project, a.k.a. the Blue Line. By fall of that year, the feds finally coughed up their share of dough for Metro Rail, a.k.a. the Red Line, and that project broke ground. Media people, and the public, blinked in disbelief and were forced to reconsider the prevailing attitude that "rail transit will never happen in L.A."

ALL THIS RAISED OUR VISIBILITY

...from ground level to skyscraper height, but for me it seems that the point-of-no-return was summer '87. That year, the smoggy summer was too often punctuated by the sound of shootings on our freeways—remember? Suddenly gridlock and the stress of city commuting were very hot topics. And suddenly media work began taking up more than half my job-time, with the percentage destined to keep growing. [For those of you who may not know, media relations people spend their time setting up interviews and press conferences, sending out background information and photos, acting as spokespeople, being misquoted, and researching facts reporters want so they can write their news stories.] Naturally, media relations grabbed top priority in our department. Naturally, what the L.A. Times or Channel 2 says about us to thousands or millions of readers/viewers is more important than an article for Passenger Transport or "Inside Moves." Naturally, it seemed a great challenge and an excellent career opportunity; loads of responsibility and visibility—for us in communications as well as for the Commission.

ONE OF THE BEST THINGS ABOUT WORKING

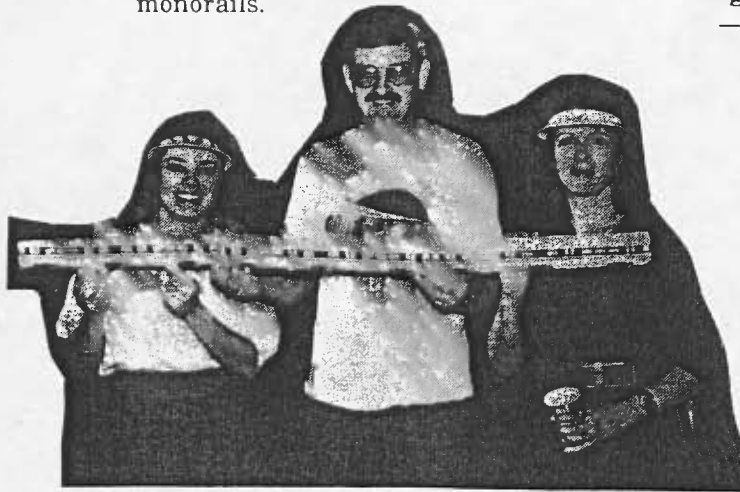
...is how much we learn about ourselves. And what I've learned in the last two years is that I want my career to move back toward the writing and publications side of my field—not toward the media relations side. I didn't know this until media relations became almost all I did; then I missed the writing terribly. Some people thrive on media work; I've learned I'm not among them. It's a very valuable lesson.

continued on next page

THIS HAS BEEN THE BEST JOB OF MY CAREER

...so far, and there are dozens of things I'll miss. Here's a quick list of just some of them:

The great people!
The comraderie of working together on Something Really Important.
Flex days.
PERS.
Cost-of-living increases.
Breadwinner salads.
Gil's Indian cuisine buffet.
Being close to the jewelry district.
The freedom to write outrageous stuff for "Inside Moves."
G&PA birthday lunches at Clifton's on Broadway.
Good cultural diversity.
Wearing pants on Fridays.
Using Spanish as part of my job.
The three pleasant reporters.
Then again, there are some things I won't miss:
Cocaine deals on our doorstep.
SAMNA.
Surprise RTD press conferences.
Slow elevators.
Parking half a block away when it rains.
The garage stairs doubling as a toilet.
Partitions.
Wearing a beeper.
Dropping off/picking up orders at Producers Photo Lab.
People who ask why we can't have monorails.



The I.M. staff: Roberta Tinajero, editor, graphics, and photography; Larry Gallagher, bad jokes; and Anne Roubideaux, graphics.



I.M. thanks these contributing writers: Jessica Cusick, Mary Lou Echternach, Claudette Moody, Ann Reeves, and Bill Volkmer.

Short or non-existent career paths.
Five-hour committee and board meetings.
Those same meetings made longer by dithyrambs on parking.
All the other reporters.

IN CASE YOU'RE WONDERING

...or haven't heard, I've accepted a position with First Interstate Bank, as part of a relatively new, eight-person department located in a red brick building at Wilshire and Bixel. (It's not far, and I promise not to lose touch.) My title is simply "writer"—so I'll be back doing what I enjoy most and feel I'm best at. My first task will be to learn desktop publishing and work on various publications internal and external, including a weekly newsletter. Long-term potential for growth looks good, too.

I wish I'd had time in the last two weeks to visit with each of you. Thanks for a terrific send-off; the fiesta was fab and I adore the leather satchel.

Looking back, it seems that the Commission is growing up and assuming its rightful place—and monumental responsibilities—in the world of adult agencies. I know you all will be handling those responsibilities with the same dedication and high professionalism you've always shown.

I will forever feel privileged to have worked here with all of you during LACTC's "golden youth." ▲
—Ann Reeves



**Good Luck Jim
Sims! We'll
Miss You.**

