



NARFE NEWSLETTER

GREATER BOWIE-CROFTON AREA CHAPTER 1747

National Active and Retired Federal Employees Association

Volume 33 No. 1

www.NARFE1747.org

September 2012

www.facebook.com/narfe1747

GENERAL MEMBERSHIP MEETINGS are held at the Bowie Senior Center, 14900 Health Center Drive, Bowie, 20716 in Rooms #2–4. Meeting dates are the third Thursday of the month at 10:00 AM except in July and August. There is never a charge to attend and all meetings are open to the public. Please check your current newsletter for any changes.

EXECUTIVE BOARD MEETINGS are held the first Thursday of the month at 10:00 AM in Conference Room 125, Bowie Senior Center. All chapter members are welcome.

NOTE: Chapter meetings are cancelled when Prince George's County schools are closed due to inclement weather. Otherwise, meetings are held as scheduled.

COMING ATTRACTIONS

❖ **General Meeting:** Thursday, September 20. *Is Financial Planning Necessary?* Jane Huang, Ameriprise Financial Services.

❖ **General Meeting:** Thursday, October 18. Social Security and Medicare Part B. Speaker to be announced.

PRESIDENT'S MESSAGE

DOROTHY CAMPBELL

Welcome Back!

Now that our exceptionally arid summer and the “derecho” that left many of us powerless and phone-less for anywhere from a few hours to five or six days are mostly behind us—I hope you are ready for cooler weather and great NARFE meetings and events.

Though our July executive board meeting was delayed a week, your officers nevertheless worked then and in August to plan and arrange the programs for the NARFE year: September 2012—June 2013. In the insert for this newsletter, you'll see what's coming up, and we hope you'll use that page to mark your NARFE calendar with the meetings and luncheons you won't want to miss. As always, there will be guest speakers who are “regulars” because you've requested them. But you'll also see some new topics and new faces, beginning with our September meeting when our speaker will address financial planning—a good idea at any point in our lives.

Please note too that we shall go on holding our membership meetings at the Bowie Senior Center, Rooms 2 & 4. Many of you may be unaware that the City of Bowie furnishes our group with free meeting space, and they have requested that we meet at the Senior Center. Since the price is right, we will continue to work with them; however, we have asked

to use the large, multi-purpose room in old City Hall (now Kenhill Center) for our Health Plan Open Season meeting on November 15; that's where we have always held it. They have assured me that they can accommodate us there on that day, which we appreciate.

NARFE: Our Best Bet for the Future

As I write this, I'm preparing to attend the NARFE National Convention in Reno/Sparks NV, where the highlights will be national officer elections (including Region II vice president), national by-laws revisions and other resolutions, noteworthy speakers, and a new feature: “Lunch and Learn” sessions. For daily convention reports, go to narfe.org; later, visit our website and click on my “National Convention Report.” I'll also report on the convention at our September meeting.

In Politics, Money Talks

Since our chapter's state and national legislative chairmen regularly provide reports to you in our newsletter and/or on our website, here I will only refer you to their articles. However, I want to give both credit and thanks to the members who have contributed to our two political action funds: NARFEPAC, the national “voluntary” contributions fund which supports U.S. senators and representatives (and candidates) who support our legislative agenda; and MD-PAC, the fund

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IMPORTANT NOTICE for all members: All changes of address, whether temporary or permanent, as well as any other messages for the newsletter editor, should be sent to: NARFE Chapter 1747, P.O. Box 504, Bowie, MD 20718.

for our state legislators/candidates who support our Maryland legislative agenda that deals with senior issues. **FYI: Donations to political action funds (PACs) must be from individual donors; money in the chapter's treasury cannot be given to PACs.**

We can be proud of our chapter's support for NARFEPAC; in the past 18 months, 71 of our members donated \$2, 675 to it. Only three larger Maryland chapters contributed more than we did. However, we should be able to do better for a chapter our size (our membership hovers around 875). Remember, you should give what you can afford—but you can't afford not to give. Supporting those who support us and our concerns is both necessary and fruitful, especially today.

As for MD-PAC, Ed Bice will be reporting in another issue on how generous we've been to our state legislators. He and his Federation committee members have been doing a great job keeping the spotlight on issues that affect all of Maryland's seniors, and increased PAC funds and participation will help to increase our influence.

Action Talks Too...

Besides contributing money to our PACs, there are other ways to help achieve our political goals. First, be sure to attend our meetings at which legislators appear to speak and answer our questions. We need to let them know we're interested in what they're saying and doing. You can also go to Annapolis to back up Maryland NARFE members when they testify on NARFE-backed legislation aimed at seniors. You can work with Ed Bice, our Chapter's State Legislative chair and chair of the MD-Federation's Legislative Committee. You also can work with and assist Joe Young, our Chapter's Federal Legislative chair. **Remember: Protecting federal/postal employees' earned retirement benefits is our bottom line!**

Other ways to help include staying on top of legislative issues by reading NARFE magazine and our newsletter, and signing up for GEMS, NARFE's on-line legislative hotline. To sign up, visit our website NARFE1747.org where you can get GEMS with just a "click." When called upon, write e-mails, send letters and call legislators to urge their support of our agenda items. Urge your family members, friends and neighbors to do the same. You should VOTE in November for those who support NARFE's and your concerns. Finally, note that none of these suggestions take much time and all will help us achieve our goals.

It Pays to Belong ... and to Buy Raffles

Despite the intense heat, those who attended our June picnic had a great BBQ lunch and a good time (the pavilion kept us pretty comfortable). It was an especially good day for Donna Minner, who won two season tickets (four shows) at Bowie's Community Theater. The theater group had donated the tickets, and the money from the raffle went into our treasury.

A Farewell: While we mourn the loss of every chapter member who dies, our sorrow is most deeply felt when we lose a long-time activist—and this is especially true with the death of Judith Schmidt in June. Judi was an active member for about 18 years, serving the chapter not only with her husband—former President Wilhelm Schmidt—but following his death. Highly visible working at one of the tables at meetings, she also attended and helped out at our other events. She will be missed.

FEDERAL LEGISLATION

JOSEPH YOUNG

Bills Impacting Current and Future Feds and Retirees

On Wednesday August 1, 2012, the House of Representatives passed three pieces of legislation that would have a direct impact on federal employees and retirees if signed into law. The first, H.R. 828, would give agencies the authority to fire federal employees who are delinquent in paying their taxes. It would also prevent the hiring of individuals who did not pay their taxes on time. Only 3 percent of federal employees are delinquent, compared to almost 20 percent of the general population. The Senate is not expected to take up the legislation.

The House also passed H.R. 4365, which clarifies an existing law allowing the Internal Revenue Service to levy funds in Thrift Savings Plan accounts. This is common practice among private-sector pension plans. The legislation, sponsored by Rep. Ann Marie Buerkle, R-N.Y., clarifies that TSP accounts are subject to a law that allows the IRS to collect unpaid federal taxes by levy (the process of ordering a third party to turn over property that belongs to taxpayers who have an unpaid tax liability).

The last piece of legislation the House passed was S.300, the Government Charge Card Abuse Prevention Act of 2011, which the Senate passed in April. The legislation would require agencies to keep track of all their card holders and the accompanying spending limits. Agencies also would have the authority to remove employees who violate card rules or commit fraud.

Continuing Resolution Agreement

Congressional leaders and the White House agreed to a six-month extension of current spending priorities, it was agreed to by House Speaker John Boehner, R-OH; Senate Majority Leader Harry Reid, D-NV, and the Obama administration. This agreement, which will come in the form of a continuing resolution (CR), to be voted on in September, avoids a showdown over a potential government shutdown at the end of the federal government's fiscal year, September 30. For a variety of reasons, this negotiated deal, once executed, defers a portion of the growing fiscal uncertainty until April 2013.

Cost of Living Adjustment (COLA)

The rise or fall in the rate of inflation for the months of July, August and September will determine how much the cost-of-living adjustment will be in January 2013 for federal-military and Social Security retirees. For many years, retirees like me, grew accustomed to regular COLAs to help keep pace with inflation as measured by the Consumer Price Index. But low inflation—including months when living costs actually dropped (defla-

tion)—left retirees without any COLAs in both 2009 and 2010. Retirees finally got a COLA of 3.6 percent this year. Retirees are in line for a raise next year (2013) that would be in the 1.51 percent range. The final amount of the 2013 COLA will be determined by the increase in the CPI-W (consumer price index) from the third quarter of this year (July, August, September) over the CPI-W level for the third quarter of 2011. However, none of this is guaranteed.

OUR ACTIVE CONNECTION

LEE TUVESON

High-3 Average Salary

Currently all federal employees under the Civil Service Retirement System (CSRS), the Federal Employees Retirement System (FERS) or a combination of the two will receive an annuity that is computed based on their length of federal service and their high-three average salaries.

The high-three average salary is the largest annual rate resulting from averaging an employee's basic pay in effect over any period of three consecutive years of creditable civilian service, normally the three years immediately preceding retirement, with each rate weighted by the length of time it was in effect. An employee's basic pay is shown on the employee's SF 50 (Notice of Personnel Action). The three-year period in which the average pay is computed starts and ends on the dates that produce the highest average pay.

The following types of salary are included in the computation of an employee's high-3 average salary:

1. regular pay;
2. locality pay (Note: Under Public Law 111-84, the National Defense Authorization Act of 2009 passed into law on October 28, 2009, non-foreign area COLAs will be replaced by the locality pay formula used in the contiguous 48 states. Begin-

ning in calendar year 2010, those employees now covered by non-foreign area COLAs would receive one-third of the locality rate paid in the rest of the U.S. In 2011, two-thirds would be paid. And from 2013 on, the full comparability adjustment would be made. To protect take-home pay, these employees will continue to receive non-foreign area COLAs, but they will shrink each year until the employees' post-tax pay is equal to or higher than what their take-home pay would have been if the transition hadn't taken place);

3. environmental differential pay;
4. premium pay for standby time;
5. law enforcement availability pay;
6. night differential pay for wage grade employees only; and
7. special pay rate for recruiting and retention purposes.

The following types of pay are NOT included in the computation of the high-three average pay:

1. a lump sum payment for accrued and accumulated annual leave;
2. bonuses and overtime, holidays, Sunday premium and military pay;
3. general schedule night differential pay and foreign or non-foreign post differential pay;
4. travel allowances;
5. recruiting or retention bonuses,

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Beginning Date	Ending Date	Total Time Years/Months/Days	Time Factor* 4	Annual Rate/Salary 5	Total Basic Pay (4x5)
1/31/2005	6/24/2005	0/04/25	.403	\$53,400	\$21,520
6/25/2005	1/11/2006	0/06/17	.547	\$53,944 †	\$29,507
1/12/2006	1/10/2007	0/11/28	.994	\$55,475 ‡	\$55,142
1/11/2007	6/25/2007	0/05/14	.456	\$57,832 ‡	\$26,371
6/26/2007	1/9/2008	0/06/14	.539	\$58,368 †	\$31,460
1/10/2008	1/31/2008**	0/00/22	.061	\$60,900 ‡	\$ 3,715
Sum of Total Basic Pay over Three Years = \$167,715					
High-Three Average Salary (\$167,715÷3 = \$55,905					

* Time factor is determined by the 360-day factor chart available from OPM's CSRS and FERS retirement handbook at www.opm.gov/retire/pubs/handbook/C050.pdf (Chapter 50, page 50)

† Step increase

‡ Pay increase

** Retirement date

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2012–2013 PROGRAM SCHEDULE

2012

September 20 10:00 AM—12:00 PM Bowie Senior Center, Rooms 2 and 4
Is Financial Planning Necessary?, Speaker: Jane Huang, Ameriprise Financial Services

October 18 10:00 AM—12:00 PM Bowie Senior Center, Rooms 2 and 4
Social Security/Medicare Part B Decision, Speaker TBA

November 15 10:00 AM—12:00 PM Kenhill Center, Multi-Purpose Room
Open Season Health Fair, for current and retired Federal employees

December 20 11:30 AM—2:00 PM Holiday Luncheon Location: Blue Dolphin

2013

January 17 10:00 AM—12:00 PM Bowie Senior Center, Rooms 2 and 4
Total Tax Service, Speaker: Diane Polangin

February 21 10:00 AM—12:00 PM Bowie Senior Center, Rooms 2 and 4
Gardening Tips, Speaker: Gene Sumi, Homestead Gardens

March 21 10:00 AM—12:00 PM, Bowie Senior Center, Rooms 2 and 4
Emergency Communication Center Operation, Speaker: William McGown, Mgr.

April 18 10:00 AM—12:00 PM, Bowie Senior Center, Rooms 2 and 4
Home Owners Insurance and Disasters, Speaker: Gloria Gaddy, City of Bowie, Community Services

May 16 10:00 AM—12:00 PM, Bowie Senior Center, Rooms 2 and 4
2013 MD General Assembly Report, Speaker: Local Delegates and Senators

June 20 11:30 AM—2:00 PM Chapter 1747 Officer Installation Luncheon
Location TBA

Please note these Maryland Federation of Chapters and national NARFE activities. Anyone interested in attending them should contact President Dorothy Campbell.

October 2: Federation Executive Board Meeting, Comfort Inn

October 26: Federation Training Seminar for Officers/Prospective Officers on Membership and on Communications (Newsletters, Social Media, Publicity, Meetings, etc), Comfort Inn, Bowie

January 29: United Seniors of Maryland Legislative Forum, Annapolis

February 5: Federation Executive Board Meeting, Comfort Inn

March 9–12: National Legislative Conference, Arlington, VA

April 29–May 1: Maryland Federation Convention, Ocean City

Additional information and any program changes will be provided in future newsletters.

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- 6. geographic post differential—these were cost of living allowances for employees working in Alaska and Hawaii paid prior to October 28, 2009;
- 7. payment for credit hours; and
- 8. retroactive pay granted to a retired or deceased employee pursuant to a wage survey.

The table on page 3 is used to calculate the high three average salary, together with an example.

Space does not permit a comprehensive and detailed discussion of the subject. As a Chapter Service Officer you can contact me at the e-mail address listed on the back of the newsletter if you have additional questions.

STATE LEGISLATION

Ed Bice

The State Legislative Committee (SLC) met during the summer in preparation for the 2013 General Assembly session.

Discussions centered on what issues are going to be supported and what our efforts should be in terms of a revised legislative program and pamphlet, increased use of the social media, and how we expand our horizons and efforts beyond the committee. Some decisions were made. SLC will again support the introduction and support of the equalization of the special exemption for age 65 and over; and an annual tax credit for the purchase and retention of long-term care insurance policies. Additionally, the 2013 legislative pamphlet will be expanded in length to include a listing of successfully supported legislation as well as supported legislation that was not passed. SLC will explore the establishment of a legislative caucus that supports statewide senior issues.

In an attempt to broaden the search for supportable issues, SLC will communicate with state legislators asking them what senior issues/bills they plan to introduce in 2013. At the same time, Maryland chapter members will be surveyed and asked for their suggestions regarding legislative ideas. This is your chance to speak out and help. Please do so.

CHAPTER 1747 BUDGET REPORT

Balance on: July 1, 2012	\$4002.87
Receipts:	303.94
Disbursements:	196.46
Balance on: July 31, 2012	\$4110.35

DAYS TO REMEMBER

September 3	Labor Day
September 11	Patriot Day
September 16	Rosh Hashanah (begins at sundown)
September 25	Yom Kippur (begins at sundown)

WELCOME NEW MEMBERS

This new-member list covers several months; it includes two transfers from other chapters and both retirees and active workers. While the overwhelming majority were recruited by national NARFE, it was gratifying to see that a few were recruited by chapter members – an effort we need to improve. Let's all keep in mind that we all need to be recruiters – and always be prepared to sign up our former coworkers and friends, neighbors, spouses and other eligible family members.

Be an Active Recruiter

National NARFE is losing more members through death/life changes than we're gaining. Though we can't stop that loss, we can reverse the trend with an active recruitment program.

At every meeting, you can pick up membership applications, newsletters and other recruitment materials to keep in your purse or car. You can also tell prospective members they can easily join NARFE online at our website: NARFE1747.org. And for you tech-savvy people, check us out on Facebook. And our recruitment mantra should be a simple one: Today, more than ever, federal and postal retirees and active workers need NARFE – and NARFE needs you!

Cynthia A. Allen
Mary T. Anderson
Lorraine R. Costello
Paula M. Farmer
Vincent A. Girardi
Enrique A. Gittens
Lloyd R. Henderson
Mitchell Karpman
Deborah M. Knott

Walter E. Miller
Derek Monroe
Raymond Moran
Patrick K. Murphy
Irvin A. Queja
Ronald Samek
Charles Schlagel
Jack H. Walsh
Roxie M. Wickline

CONDOLENCES

The following chapter members passed away recently. Our prayers and sympathy go out to their families and friends.

Vung T. Chen
Lawrence S. Davis

Herschel C. Kyle
Judith "Judi" Schmidt

Greater Bowie-Crofton Area NARFE News

NARFE News is published ten times a year (monthly from September through June) by Greater Bowie-Crofton Area Chapter 1747, National Active and Retired Federal Employees Association, P.O. Box 504, Bowie, MD 20718-0504.

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Dues payments, gifts, and contributions to NARFE are not deductible as Charitable Contributions for income tax purposes.

CHAPTER BOARD

Officers

President	Dorothy Campbell	301-464-6372	Dcbowie@aol.com
1st Vice President	Lee Tuveson	301-262-3164	ltuveson@verizon.net
2nd Vice President	Lillie Watson	301-262-5926	lwatson16@hotmail.com
Secretary	Chiquitta Thomas	301-805-4108	c_thomas106@verizon.net
Assistant Secretary	Jacqueline Wilson		miss.JackieV@aol.com
Treasurer	Bob Cullen	301-262-4783	ba3537@aol.com
Assistant Treasurer	Louise Cole	410-672-6528	col9135@aol.com

Committee Chairs

Federal Legislation	Joseph Young	301-218-5187	JosephYoung48@yahoo.com
Membership	Lillie Watson	301-262-5926	lwatson16@hotmail.com
Newsletter	Jessica Forman	843-347-9287	jessicafforman@gmail.com
Programs	Lee Tuveson	301-262-3164	ltuveson@verizon.net
Public Relations	Dorothy Campbell	301-464-6372	Dcbowie@aol.com
Service Officers	Bob Cullen	301-262-4783	ba3537@aol.com
	Paul Schuette	301-262-0975	paulschuette@verizon.net
	Lee Tuveson	301-262-3164	ltuveson@verizon.net
Sergeant-at-Arms	Peter Hill	301-249-9143	pmkthill1@msn.com
State Legislation	Ed Bice	301-464-3748	DE3637@verizon.net
Ways & Means	Dorothy Bice	301-464-3748	DE3637@verizon.net

Activity Coordinators

Alzheimer's Fund	Maria Francer	240-245-4328	
Community Events	Ed Bice (Bowie)	301-464-3748	DE3637@verizon.net
	Louise Cole (Odenton)	410-672-6528	col9135@aol.com
	Donna Minner (Crofton)	410-721-9799	
Meeting Sign-In/Greeter	F. Miner and D. Evans		
NARFE-Net Coordinator	Howard (Flash) Gordon	301-464-2745	flash@acm.org
NARFE-PAC	Ed Bice	301-464-3748	DE3637@verizon.net
Photographer	Frank Lee	410-672-5065	fllee0716@verizon.net
Refreshments	Jack Calloway	301-262-3457	
	Dave Galliard	301-262-7261	
	Tom Page	301-262-3418	
Sunshine	Marjorie Laios	301-262-1566	

Thursday, September 20.

Strategies for Planning/Managing Your Money—

Is Financial Planning Necessary?