

NARFE

National Active and Retired Federal Employees Association
Olympic Peninsula Chapter 1006 • February 2011



NARFE District IV Website

www.narfewadist4.org

Chapter Officers

President: Bud Shaw
Vice President: Robert Ackerman
Secretary: Kay Kozminski
Treasurer: Robert Jewell
Board Member: Ralph Angulo
Board Member: William Holman
Board Member: Lois Shaw
Past President: Al Burge
District IV Vice President: Bill Powers

Chapter Chairpersons

Alzheimer's: Mary Balian
Legislative: Bill Holman
Membership: Lois Shaw
Newsletter: Sara Boore
Programs: Vacant
Public Relations: Vacant
Service Officer: Ralph Angulo
Sunshine: Kathryn Spilker
Telephone: Vacant

Legislators

Senator Maria Cantwell

website: <http://www.cantwell.senate.gov>

Senator Cantwell's Director for the Olympic Peninsula

Mike English - (253) 572-2281

The Commerce Building

950 Pacific Avenue, Suite 615, Tacoma, Washington

Senator Patty Murray

website: <http://www.murray.senate.gov>

Senator Murray's Director for the Olympic Peninsula

Christina Reeves - (253) 572-3636

The Commerce Building

950 Pacific Avenue, Suite 650, Tacoma, Washington

Representative Norm Dicks

website: <http://www.house.gov/dicks>

345 6th Street, Suite 500, Bremerton, WA 98337 and 332 East Fifth Street, Port Angeles, WA 98362 (Staffed by Judith Morris)
Tuesday 9:30 A.M.-Noon, Thursday 2:00-5:00 P.M., and by appointment 452-3370)

February Chapter Program

Tuesday, February 22, 2011, 11:30 A.M.
Paradise Restaurant
703 North Sequim Avenue
(just north of Sequim High School)
Sequim, WA

Our speaker will be Mr. Pat Nash from the Sequim Gazette. He will be speaking mainly on the Sequim City activities and the current administration.

Lunch is at 11:30 A.M. and the speaker will be at 12:00. You do not have to have lunch to attend the meeting.

President's Corner

Life isn't fair, but it's still good. Is it fair when we go to the hospital for whatever reason and we have our FEHB and in most cases supplemental insurance that results in most if not all of our costs totally covered. While I was waiting for my turn at the check in window, three welfare cases show up for treatment. One of the persons obviously required medical attention, he was handed a thermos container and departed immediately. Being the suspicious I am person, I suspected he was in a drug recovery treatment program but maybe not. I also believe our medical cost is very high to help cover the cost of non-insured Medicaid patients. Is that fair?

The three persons may have been homeless persons, if so will they sometime in the future be fined by the federal government for not having insurance, if homeless how can they ever be expected to pay a fine, is that fair?

Is it fair that our Federal Officials in the House of Representatives want to reduce the cost of operation on the back of federal employees and retirees? The methods they are proposing was identified in our November Newsletter Presidents Corner Item. Federal employees and retirees face the specter of pay freezes and cuts in benefits. The house is now in session and we need to remain on alert to try and keep their actions fair to us. We can do that by monitoring our NARFE GEM Messages, Calling NARFE 877.217.8234 hot line to receive the alerts and get on the ROBO call list when it becomes available in our area. When asked to respond to your congressional officials use the listing as noted on the front page of this newsletter.

When in doubt, just take the next small step.

NARFE District IV Workshop

The workshop will be Thursday March 17, starting at 9AM at the Son's of Norway Lodge #44, 18891 Front Street Northwest in Poulsbo, WA. There will be \$12 per person

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President's Corner, continued

charge to cover the cost of the lunch, if it is like it has been in the past no one will leave there hungry.

Federal Tax Withholding Change for 2011

Did you note the tax deduction increase in the most recent statement you received from the OPM

Here is the reason, while all of the attention recently was on Congress extending the Bush era tax cuts - and when it happened - a lesser known federal tax credit "Making Work Pay" for employees and retirees that was part of the 2009 Stimulus law was allowed to expire.

The "Making Work Pay" credit expired December 31, 2010, which resulted in higher federal tax withholding amounts in monthly annuities/pensions for public and private sector retirees, including federal annuitants. The Internal Revenue Service (IRS) issued a notice in December saying withholding tables for 2011 would no longer be adjusted for the Making Work Pay tax credit and there is no longer an optional for additional withholding adjustment for pensions.

The Making Work Pay credit was created with the passage of the American Recovery and Reinvestment Act, Public Law 111-5, signed into law February 17, 2009 (also known as the Stimulus law). The credit equaled 6.2% of a taxpayer's earned income up to a total credit of \$400 for individuals and \$800 for joint filers. Last year the IRS asked employers to use the new withholding tables to adjust workers' take-home pay to account for the new credit as soon as possible emphasizing that employees did not have to fill out a new W-4 withholding form, and that the adjustments would automatically be made based on the 2010 withholding tables. Those withholding tables also affected federal retirement payments. With the expiration of the temporary credit, IRS tax withholding tables have changed for 2011, and many retirees may see an increase in the amount of federal tax being withheld from their monthly annuity payments as a result.

It is important to keep in mind that, like all employers, OPM uses tax withholding tables that are provided by the IRS, and questions about changes to those tables must be referred to the IRS, not OPM.

As a reminder, federal annuitants receiving payments from OPM can change their tax withholding amounts for both federal and state taxes by contacting OPM. Retirees can call OPM at 1-888-767-6738, or make changes using Service Online at www.opm.gov/retire. We would also suggest retirees use the OPM on-line tax withholding calculator at the same site before making a change to their monthly tax withholding to make sure they do not under withhold which could result in paying out of pocket additional federal tax that may be due at the end of the year.

NARFE members who are unhappy about the expiration of the Make-Work Pay tax credit should direct their complaints to their own representative and senators. NARFE is consulting with our coalition partners in the Leadership Council of Aging Organizations regarding congressional action on this issue.

Pension Envy

The generosity of many public pensions is an incendiary topic, with taxpayers potentially on the hook for billions in unfunded promises. Pension reform will mostly impact new hires. A majority of state and local government workers are covered by "defined benefit" plans such as the CSRS plan. The Federal Thrift Savings Plan may serve as a model for changing retirement plans.

This is a part of press releases from the MEDIA that is promoted by lobbyist to the congressional representatives and now appearing in the news. This is the same Media group that is saying that Federal Employees and retirees are paid too much and have too good of a benefit program.

—BUD SHAW, CHAPTER PRESIDENT

Membership News for February

My report from National is late this month; so no member news.

We had 26 attendees at our January meeting and I missed you! Make plans for some of the future meetings; we always need your support by just showing up. Make our day!

We gave \$280.00 to the Salvation Army for our Christmas donation. We fell short several hundred dollars due to the November meeting being canceled.

I have sent out two packets for prospective members this past week. If you have know of a friend or relative that is Active or Retired Federal Employee that needs NARFE at this crucial time; let me know and I will send out information. I will have the current application forms at the next meeting.

I'm looking forward to February 23rd and hopefully this leg cast will become history.

See you at the February meeting, surprise me, will you?

—LOIS SHAW, MEMBERSHIP CHAIR

Meet our new Chapter Vice President

I was born on Columbus day in 1932 in Ontario, Oregon. Lived there until I joined the Army in 1952; was trained as a cryptographer and sent to Japan from 1953-1955. Went to University of Oregon on my return and stayed a semester. Became a mail carrier for one year then joined the Air Force. Spent four years in such places as Arizona, Goose Bay Labrador, Lackland Texas and Incilik Air Base in Turkey. Gary Powers flew our of Incilik on the day he was shot down over Russia.

Left the Air Force and returned to the Univ of Oregon where I got my degree in 1966; joined the ranks at the CIA for 2 years then moved to the Immigration Service where I spent 29 years. My 15 minutes of fame came when I was interviewed by Geraldo Rivera for 20/20 during the '80s in Korea. I served in Chicago, Montana border, San Francisco airport, Philadelphia, St. Louis, American Embassy in Korea and finally San Jose, California.

I married my wife Patricia while going to college and we have three sons, Douglas, Brian, and Russell. I retired in 1996 and moved to Maple Valley, then Auburn and finally Sequim.

—ROBERT L "BOB" ACKERMAN, CHAPTER VICE PRESIDENT