



# NARFE

National Active and Retired Federal Employees Association

## Serving Current and Retired Federal Employees

### October 2011 *South Carolina Federation of Chapters*

Bill Nicol - Federation President

Volume 50 - Issue 10

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#### OCTOBER MESSAGE

#### FROM THE FEDERATION PRESIDENT

#### (Bill Nicol-Federation President) Presidents Message



Bill Nicol Federation President

The summer hiatus is over and all of our chapters are now back to regular meetings. As the October NARFE Magazine points out, the “super committee” created by the Debt-Limit Compromise potentially gives federal employees a whole new set of concerns. Congressmen Jim Clyburn from SC is one of the committee members. Our Legislative Activists at NARFE Headquarters are following the deliberations of this committee closely. However the battle again has just begun and we must continue to maintain contact with our Senators and Representatives to make sure we are treated fairly. Our Legislative Officer, John Geiger, will provide updates on the supper committee’s deliberations and tell us what we need to do. For those of you who get GEMS, when you get a call to take action please respond quickly. We can’t sit around and wring our hands and complain to our friends—we must take concrete actions to let our elected representatives know our position. With over 74,000 active and retired federal employees (voters) in SC, we can have some impact. Please take action when asked.

Of the over 74,000 number, more than 48, 000 are retired federal employees. We have a little less than 3800 who are members of NARFE. The chapters are our best recruiters and they must work harder. The chapters must also be concerned about retention. The NARFE dues increase has caused many members to drop their membership. The chapters are the only ones who can explain to these members the importance of maintaining their membership. NARFE is the only organization working to protect their hard earned benefits. Our Membership Officer, Sally DePrecker is available to help you with any questions on recruiting or retention.

In the October 2011 issue of NARFE, President Joe Beaudoin reviewed the impact of the natural disasters this year and the demand created on FEEA. Please read his article and do what you can.

Support the Protect America’s Heartbeat campaign.

Bill Nicol

# OCTOBER MESSAGE FROM THE FEDERATION 1ST VICE PRESIDENT

(Sally DePreker-1st Vice-President)



Sally DePreker

## **Retention: What Does Headquarters Do?**

We all know that whenever a NARFE member, for whatever reason, decides not to renew his/her membership, in order for NARFE to grow, we must recruit two new members. But have you ever wondered what NARFE Headquarters does to retain our members? The most recent issue of *Recruiting & Retention Journal* gives a good summary:

Headquarters contacts each individual three times prior to membership expiration date.

Headquarters begins its renewal process two months prior to expiration date.

Headquarters ends its renewal efforts 5 months after membership expiration date.

Headquarters offers several dues payment options, i.e., dues withholding, 1-year membership, 2-years membership, 3-years membership.

Headquarters uses invoice-direct mailings and email to get renewals.

Headquarters surveys for nonrenewal reasons: unreported deaths; chapter requirements; lack of value.

Individuals continue to receive NARFE magazine for three months after expiration date.

One-year after membership expiration, individuals receive a one-year reinstatement mailing and random contacts thereafter.

So that's a summary of Headquarters efforts to retain membership. **What does YOUR chapter do to retain members?** We have several individuals attending our district's leadership conference in Albany, Georgia. Hopefully, they'll come back with some new ideas to inspire us all.

Sally DePreker, 1st VP, SC NARFE

## **New Members**

We had very few new members in August. Remember, anyone with \* before his/her name is a "prospective" member, someone who has expressed an interest in NARFE. Please try to contact that individual using the contact information given on the M-112.

### **Chapter 87, Columbia**

\*Dorothy Jefferson, Columbia, SC

### **Chapter 121, Greenville**

Mary Viele, Easley, SC, Transferred from Chapter 1185, Walterboro

### **Chapter 1013, Charleston**

Stacy Hull, Charleston SC, Transferred from Chapter 72, North Charleston

### **Chapter 1786, Sumter**

Vernetia F. Duncan, Sumter, SC

\*Barbara Parteen, Wedgefield, SC

### **Chapter 2319, Camden**

\*Margaret Floyd, Lugoff, SC

## **August Renewals/Reinstatements**

Please contact those individuals listed on the M-112 whose membership dues are "due" or anyone whose membership has lapsed. Remember, any previous NARFE member can be brought back without having to pay the full \$45.00 for new membership. Until recently, membership lapses could not be more than one year; now, there is no time limit. Thanks to the following individuals who realize the importance of NARFE membership!

### **Chapter 72, North Charleston**

Albert J. Mazurek, Charleston, SC

### **Chapter 87, Columbia**

Edward Hampton, Columbia, SC

William McKeown, Columbia, SC

Doris Ward, Columbia, SC

### **Chapter 772, Newberry**

Mary C. Ruff, Pomaria, SC

### **Chapter 920, Greenwood**

Mike Blouin, Columbus, MS

### **Chapter 934, Aiken**

Gary Ceccucci, Aiken, SC

Stanley F. Massingill, Graniteville, SC

### **Chapter 1015, Myrtle Beach**

Margaret B. Pond, North Myrtle Beach, SC

### **Chapter 1021, Beaufort**

William E. Raber, Burton, SC

Daniel Lesesne, Seabrook, SC

### **Chapter 1079, Clemson**

Paul K. Gable, Seneca, SC

Norma H. Woods, Ware Shoals, SC

### **Chapter 1082, Summerville, SC**

Bernard Lastinger, Cordesville, SC

### **Chapter 1180, Rockhill, SC**

Keith E. McFarland, Great Falls, SC

### **Chapter 2258, Hilton Head**

Stephen A. Butler, Hilton Head, SC

Barbara A. Loke, Bluffton, SC

## **Recruiters**

We had no recruiter credit for July. At least we have one for August. Congratulations, **William R. Duncan, from Chapter 1786, Sumter.**

**Dues Withholding**

The following individuals have joined the ranks of dues "withholders" and now pay less for dues, to say nothing about the money saved by National related to contacting individuals whose memberships are due and encouraging them to remain NARFE members. Please encourage everyone in your chapter to sign up for Dues Withholding.

**Chapter 72, North Charleston**

Margaret T. Towles, Charleston, SC

Naomi Way, Charleston, SC

**Chapter 1013, Charleston**

Stacy L. Hull

**Chapter 1786, Sumter**

William R. Duncan, Sumter, SC

**Chapter 1958, Pawleys Island**

Hope M. Chamblin, Surfside Beach, SC

**With Deepest Sympathy**

As always, it is with great sadness that we announce those members who are no longer with us. May they rest in peace and their friends and families be comforted.

**Chapter 87, Columbia**

Betty Ballington, Cola, SC

Gordon R. Wingard, Columbia, SC

**Chapter 920, Greenwood**

Emily B. Jewell, Bradley, SC

**Chapter 1015, Myrtle Beach**

William Bouchard, Myrtle Beach, SC

**Chapter 1958, Pawleys Island**

William H. Aspden, Murrells Inlet, SC

## **Six Estate Planning Flaws to Avoid**

Some people are their own worst enemies. Or, more accurately, they are their families' worst enemies.

And some people are just too smart for their own good. Consider the late United States Chief Justice Warren Burger, who died in 1995. He had written and typed his own will, a total of 175 words. His estate wound up paying federal estate tax of 25% of his \$2 million in assets. Much or all of that could have been avoided with proper planning. Many people commit estate-planning errors. Here are a few:

### **Naming your estate as beneficiary.**

When it comes to life insurance, qualified retirement plans and annuities, you can name one or more persons to be the recipients of the death benefit. That way you can bypass the will, estate administration and probate court. But many people name their estate as beneficiary, perhaps thinking that they will sort it all out later and then change it. If they do not change it, these assets will incur probate costs, will be available for everyone to know about, will be part of the funds that can be subject to the claims of creditors, and the payout will be delayed for 6 months and often much longer. If anyone successfully challenges the will, these assets could go to unintended heirs. All this is avoided by naming persons as beneficiaries. Far better to do so immediately and change those designations from time to time, if appropriate.

### **Being careless with policy loans.**

Some people borrow against their life insurance. Instead of paying the loans back soon, they frequently wind up borrowing more. Eventually this can destroy the policy by increasing the carrying cost of interest while decreasing the amount of insurance totaling the amount of the loan. Often, the policies are eventually dropped, sometimes resulting in taxable income.

### **Getting bad advice.**

The professional guidance given to your best friend or brother-in-law may not fit your situation. So, do not mimic their documents through a do-it-yourself form taken from a book or web site. Get a lawyer's advice on legal matters, a certified public accountant's advice on tax matters, and a financial professional's advice on financial matters. Put these advisors all on a team, and be sure that they do not compete with each other but work together.

### **Not trusting your lawyer.**

Do not hold back unpleasant or embarrassing details about your background or current situation. The lawyer has heard it all before and needs all the facts to do a thorough job in drafting your documents and making sure that your intentions are fulfilled.

### **Skipping a will.**

The will directs your personal representative (executor) to pass your assets on to certain people. It also names the person whom you want to care for minor children who are orphaned by your death. Without a will, state law dictates who among your relatives will get your assets. What seem to be appropriate choices to you may not appear so to the probate judge.

**Not understanding what you set up.**

Be sure that you understand thoroughly your life insurance policies, annuities, business agreements, will and trusts. Ask that they be explained. Learn the meaning of technical terms. Be sure that they will lead you toward your goals.

Life is complicated. Few of us are eager to take the time to set up an estate plan. But for the sake of our families or other heirs, it is well worth the time.

Larry T. Shaff, Federation Service Officer

Keeping track of legislative matters and NARFE involvement continues to be intense and this past month has been no exception. The late breaking news was that the House unanimously (of the 3 members present) passed a 4-day stopgap spending measure until the full House can vote on the Senate passed measure that extends to November 18. Since the House was on recess, only a few members were available to vote on the measure. The Senate had already approved the Continuing Resolution to fund the operation of the Government through November 18, 2011, but approved this 4-day measure as a backup plan. This is good news for our Active Federal Employees who can go to work on Monday as the House returns to consider the Continuing Resolution through November 18. The breakthrough was the Senate approval of the measure shortly after agreement was reached on disaster funding for the Federal Emergency Management Agency (FEMA). The President is expected to sign the Bill and we can get on with operating the government--for 4 days at least.

To recap South Carolina Grass-Roots Advocacy Month, four activities were conducted during the summer recess period with two in the Columbia area, Chapter #087 (Congressman Wilson, 2<sup>d</sup> District, and Congressman Clyburn, 6<sup>th</sup> District), one in McCormick, with members of the Aiken Chapter #0934 (Congressman Duncan, 3<sup>rd</sup> District) and one in the Orangeburg area, Chapter #1170 (Congressman Clyburn). The two meetings with Congressman Clyburn were particularly noteworthy since they fulfilled a request by NARFE National President Joe Beaudoin to emphasize meetings with members of the Debt Ceiling Super Committee (Joint Select Committee on Deficit Reduction [JSCDR]). Congressmen where we need to increase our efforts are those representing the 1<sup>st</sup>, 4<sup>th</sup>, and 5<sup>th</sup> Congressional Districts. In fact, Congressman Trey Gowdy, 4<sup>th</sup> District is a member of the House Government Oversight and Government Reform Committee and Congressman Mick Mulvaney is a member of the House Budget Committee. Although both Senators were not available to us (other than Senator DeMint's 2 fundraisers), we plan to meet with Senator Lindsey Graham in the next few weeks. Our Federation Grass-roots Advocacy report rendered to NARFE Headquarters was much appreciated by Chris Farrell, NARFE Legislative Staff.

In mid-September, NARFE National President Beaudoin issued a Legislative Alert to request that we contact Senator Lindsey Graham to use his influence with Super Committee members. Senator Graham is a member of the Senate Appropriations Committee and the Senate Armed Services Committee and can "weigh-in on recommendations of the Super Committee," according to his Washington Staff. This is just another good example of prompt follow-up to National Headquarters Legislative Alerts.

Progress on the Budget and Control Act of 2011, which created the Joint Select Committee on Deficit Reduction or Super Committee, has been closely held. The stated goal of the Committee from its website is "achieving at least \$1.5 trillion in budgetary savings over 10 years, from spending cuts or tax revenue." The committee must report a bill with its recommendations by **November 23, 2011**. The recommendations would then have to be voted on by the full House and Senate under special rules. If the joint committee or Congress fail to act by **December 23, 2011**, the bill calls for automatic across-the-board cuts, split 50-50 between defense and non-defense spending, including Medicare (providers). Social Security and Medicaid would be excluded from those automatic cuts. The plan also requires the House and Senate to vote on a balanced budget amendment to the Constitution, which would require a 2/3 majority in both houses. That vote must take place by **December 31, 2011**. You can follow along on what the Committee is doing at: <http://deficitreduction.senate.gov/public/>. NARFE legislative activists nationwide are approaching their Congressional Super Committee members to let them know where we stand on reducing the deficit on the backs of the Federal Family. Congressman Jim Clyburn, 6<sup>th</sup> District, was one of those approached by members of the Columbia #87 and Orangeburg #1170 Chapters and Cong. Clyburn is aware and supportive of our position. According to those following the Congressional Super Committee, its members are considering a variety of cuts in federal employee/retirement benefit programs. The November 23 deadline (day before Thanksgiving) forecast by lobbyists for federal groups is that the Committee is looking at a plan that would raise employee retirement plan contributions 5 or 6 percent—a definite dent in the paychecks for Active Federal Employees.

With the focus on Congress and the Super Committee deliberations, the President released his September 19 proposal to the Super Committee for economic growth and deficit reduction "Living Within Our Means and Investing in the Future" which has several components that are likely to be of interest to federal employees, including measures to reform the civilian worker retirement system. A general theme of this proposal is to align Federal "retirement programs with the private sector." According to Mike Causey, in his 9/21 Washington Post article, in "the President's plan, the majority of feds who are covered by the FERS retirement program, would see their payroll retirement contributions increase .4 percent each year (starting in 2013) until they were putting 1.2 percent of salary into the retirement program." Further, Workers under CSRS program would also see their contributions rise from 7 percent to 8.2 percent of salary, while the annuity received by CSRS and FERS retirees would not increase. In addition, the Administration is proposing to eliminate the FERS Annuity Supplement for new employees (a stipend currently provided for those FERS workers who retire before age 62 and are not yet receiving Social Security. The full report is available at: <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/jointcommitteereport.pdf> (Refer page 19 for the President's suggested pension reforms.)

Earlier that week, the Federal Postal Coalition (of which NARFE is one of nearly 30 member organizations), representing 4.6 million active and retired Federal and Postal workers, had sent a letter to the President asking that the President not target Federal Employees in deficit reduction plans. According to the Coalition letter, According to the coalition, Federal Employees already have had their salaries frozen this year and next, which will save the government more than \$60 billion during the next decade. In addition, the recently enacted debt ceiling legislation mandates \$1.2 trillion in cuts to federal programs and services during the next 10 years, which will put additional strain on the remaining federal employees, who increasingly are being asked to do more with less, the coalition notes. A copy of the letter is available at:

<http://afgeunionblog.files.wordpress.com/2011/09/federal-postal-coalition-letter-091511.pdf>

October 3-5 is the Region 3 Training at Albany, GA. Larry Harper, Georgia Legislative Director and I are going to provide some legislative information tailored to the grass-roots level. The challenge for us will be to provide a forum for attendees from throughout Region 3 and give them some ideas to take back with them to their Chapters and Federations. We will post the slides on our Federation website, so be on the lookout

for the slides after October 5.

For your information related to Points of Contact for Congressional Districts, we have three of our 6 Congressional Districts with Points of Contact: William Toney (Columbia #87), 2<sup>nd</sup> and 6<sup>th</sup> District; John Geiger (Aiken #934), 3<sup>rd</sup> District. If being a Congressional District Point of Contact sounds interesting to you, by all means let me know. We really need Points of Contact in the 1<sup>st</sup>, 4<sup>th</sup> and 5<sup>th</sup> Congressional Districts to achieve better Congressional awareness of our issues as well as our NARFE presence.

What can you as a NARFE member do at the Federal Level? Continue to take advantage of Congressional availability and “Listening Sessions” in their Districts. Have the facts available to discuss with the Congressmen on our top ‘Protect the Heartbeat of America’ issues (Health Insurance Premiums, Annuity Contributions, COLAs, High-3 vs. High-5).

With regard to the Health Insurance Premiums, with the release of the new premiums, you might have your own numbers ready when you talk to your Congressman. Consider the new out-of-pocket costs when your Congressman signs onto raising the percentage of health benefit premiums that Active Federal Employees, Retirees and Survivor Annuitants have to pay in a tight economy with no cost of living since 2009.

Please provide timely feedback to NARFE Headquarters Legislative Staff (the NARFE Legislative Action Center Advocacy Activity Form [ <http://www.capwiz.com/narfe/lrm/feedback.tt> ] ) and let us (adjacent Chapters, the SC Federation and Region 3 VP) know the results—both good and bad. Be ready to respond to Legislative Alerts and Call-ins. If Congressional 1-800 numbers are busy, then use the Congressman’s contact email or consider calling the local office to have your views forwarded to the Washington Offices. In your legislative activist role, you need to be persistent. Remember we are political—not partisan!

On the COLA front, per the Bureau of Labor Statistics website (<http://www.bls.gov/news.release/cpi.nr0.htm> ), the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased **4.3%** over the last 12 months to an index level of 223.326 (1982-84=100). For the month, the index increased 0.3 percent prior to seasonal adjustment. For comparison, the Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 3.6 % over the last 12 months. For the month, the index increased 0.3 percent on a not seasonally adjusted basis. The Consumer Price Index for September 2011 is scheduled to be released on Wednesday, October 19, 2011, at 8:30 a.m. (EDT). Again, if that trend continues to hold, retirees will be in line for a fairly substantial 2012 COLA-- unless Congress or the Administration decides otherwise. Please continue to respond promptly to the NARFE Legislative Alerts—we continue to gain in numbers on this with each new alert. Establish a rapport with you Congressman’s local office, so they know who to talk to for NARFE answers. Take advantage of additional time through scheduled meetings and Town Hall opportunities in the Congressional Districts and work to educate your Senators and Representatives on NARFE concerns. We are working together to make our voice heard, and we need everyone to be a “legislative activist.”

Thank you for your service and your continued support of NARFE as we work to protect our benefits in these challenging times.

Best regards.

John Geiger

SC Federation Legislative Officer

[jjgeiger@aol.com](mailto:jjgeiger@aol.com)

AC 803-649-3154

**YOUR FEDERATION OFFICERS FOR 2011-2012**

Your 2011-12 Federation Officers are as follows:

- President.....Bill Nicol, Hilton Head, Chapter 2258
- 1st Vice President.....Sally Depreker, Florence, Chapter 960
- 2nd Vice President.....Kathy Hensley, Columbia, Chapter 87
- Secretary.....Esther Crandall, North Charleston, Chapter 72
- Treasurer.....Joe McCarty, Greenville, Chapter 121
- Historian.....Paul Donahue, Columbia, Chapter 87
- Chaplain.....Nellie Bodenhamer, Columbia, Chapter 87
- Sergeant-at-Arms..... Charles Giavelli, Summerville, Chapter 1082
- Immediate Past-President .....Jeanette Keepers, Spartanburg, Chapter 560

**DISTRICT FIELD OFFICERS With Chapters in Their Districts shown:**

- District # 1...Margaret Baptiste, Charleston Chapter 1013: N. Charleston 72, Charleston 1013, Summerville 1082
- District # 2...Ernest Williams, Columbia, Chapter 87: Columbia 87, Aiken 934, Orangeburg 1170
- District # 3...Robbie-Ann White, Clemson Chapter 1079: Anderson 825, Greenwood 920, Clemson 1170
- District # 4...Jeannette Keepers, Spartanburg, Chapter 560: Greenville 121, Spartanburg 560
- District # 5...Virginia Pratt, Rock Hill, Chapter 1180: Newberry 772, Rock Hill 1180, Sumter 1786, Camden 2319
- District # 6...TBA: Florence 960, Myrtle Beach 1015, Pawley's Island 1958
- District # 7...Mamie Clarke, Beaufort , Chapter 1021: Beaufort 1021, Walterboro 1185, Hilton Head 2258

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Regular Mail articles or pictures to 151 Wexford Drive Unit 100 Anderson, SC 29621

**NEWSLETTER DEADLINES: Last day of the month preceding publication.**

**“Information Shared is Information Learned!”**

Check out the SC Federation Website for additional Information

[www.scnarfe.org](http://www.scnarfe.org)

Any of the Blue Underlined items in this newsletter are hyperlinks! By clicking your mouse on them, you'll be taken to the appropriate web page, form or e-mail service.

**NOTE:** You can download the 47<sup>th</sup> Convention Minutes and the Revised Compendium on the SC Federation Website. Go to the Federation Website, click on Related Links and near the bottom you will see a BOX for the 47<sup>th</sup> Convention Minutes and one for the Convention Attachment. Simply click on them and the documents will pop up. You can also use these hyperlinks: Minutes of the 47<sup>th</sup> Convention can be found at this hyperlink:

<http://scnarfe.org/MINUTES%20OF%20THE%2047TH%20ANNUAL%20STATE%20CONVENTION.pdf>

The Attachment, the Revised Compendium, can be found at this hyperlink:

<http://scnarfe.org/ATTACHMENT%20TO%20MINUTES.pdf>

## **NARFE FUTURE EVENTS CALENDAR**

**NARFE SC Federation Convention** - TBA, Myrtle Beach, SC., TBA-2012

**NATIONAL NARFE Convention** - Nugget Hotel, Reno, NV in 2012

**NATIONAL NARFE Convention** - Rosen Centre Hotel, Orlando FL, August 24-28, 2014