

BREA NEWS

www.bnl.gov/bera/activities/brea/

Volume 11 Issue 3

August 2011

BREA Meetings

BREA meetings are held on the second Tuesday of every month (except for August), at 1 p.m. in one of the conference rooms in Bldg. 400 (except where noted).

All BREA members are invited to attend and participate.

Meeting Schedule

September 13, 2011

October 11, 2011

November 8, 2011

BREA Officers

President

Eena-Mai Franz
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Vice President

Dave Cox
expatdave@aol.com

Treasurer

Ken Mohring
kenwadingriver@gmail.com

Secretary

Louise Hanson
hanson.louise@gmail.com

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Newsletter Editor

Mona S. Rowe
mrowe@bnl.gov



From the President

by Eena-Mai Franz

We had a beautiful day for our luncheon on June 15. Many thanks to the committee: chair Martine O'Connor, David Cox, Ronnie Evans, Caroline Kramer and Ken Mohring.

I would also like to acknowledge the following for their support of BREA: Joanne Rula for maintaining our web site; Chris Carter of BERA; Liz Seubert, Gloria Bennett and Roger Stoutenburgh with The Bulletin; and Melissa Bittrolff and Bob Lincoln of Human Resources. Recently, Arnie Peskin, Dave Cox and I met with Bob Lincoln, Interim Chief Human Resources Officer, to introduce him to BREA.

The Lab Director could not join us for the luncheon as our guest speaker, but I was pleased to meet a newcomer to BNL, namely Suzanne Davidson, who is the new Assistant Lab Director for Finance as well as the Chief Financial Officer for BSA. She spoke about new projects the Lab is undertaking.

Joe Rubino was busy taking pictures. Joanne posted the full set on the BREA web site. (continued on page 4)



BREA Luncheon

June 15, 2011, Bellport Country Club





Prospects for Social Security COLA

Under legislation enacted in the 1970s, Social Security (SS) payments are adjusted annually based on the Consumer Price Index (CPI) in the 3rd calendar quarter, effective January 1 of the coming year. These are announced in October, shortly after 3rd quarter data become available.

In 2008, the July-September quarter encompassed an oil-price bubble when the CPI (including food and energy) reached an all-time high; the actual peak month was July. As a result, the Social Security adjustment for January 2009 was set at 5.8%. This reflected the increase of the July-September CPI value over the similar period in 2007.

The July-September quarters in both 2009 and 2010 were below the 2008 value, so cost-of-living adjustments (COLAs) did not occur in January 2010 or 2011. Had the strict mathematical calculations been followed, we would have seen *decreases* in both 2010 and 2011. But the automatic-increase legislation mandated that there not be any decreases, and SS payments went into a holding pattern.

The high point of July 2008 was breached in January 2011 and remained higher throughout the first half of 2011. Unless there is a significant decrease in July-September of this year, there will be an increase (under current legislation) in January 2012 of about 3 percent. It can be higher if July's high oil prices
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BREA Membership Renewal Form

If the date on your address label is 2010, this is your last chance to renew your membership for 2011. Fill out the form below (please print) and mail it with a check made out to BREA. Consider five-year or lifetime memberships, which are discounted.

Membership type:
 annual (\$10) 5 years (\$40) life (\$95)

Last name: _____

First name: _____ MI: _____

Street: _____

City: _____ State: _____ Zip(+4):- _____ - _____

Phone: _____ E-mail: _____

Enclosed is a check made out to BREA for \$_____.

Mail to:
 BREA
 Brookhaven National Laboratory
 Bldg. 421
 Upton, NY 11973

President's note (cont'd from page 1)

If you have any comments or suggestions on how to improve the luncheon, we would like to hear them.

We would also like to get ideas for future programs. At last year's luncheon, one retiree suggested having a tour of some of the new facilities at the Lab. So, in May, we arranged that. All who came thought it was really worthwhile, and we are planning another tour in the fall or next spring.

New elections for BERA officers are coming up at the end of the year, and a nominating committee will assemble a slate of candidates. You or someone you know may be interested in getting more active in BREA. We need people with ideas and energy! Send your suggestions via email to one of the present officers or write to BREA at the address on the last page.

We are also seeking a new membership chair. This post is for someone who can update the membership list, which is currently in Access. Living near BNL would also be useful, as this person goes in to pick up mail and send checks. Any volunteers? Please come forward!

– Eena-Mai Franz, sroosild@aol.com

Social Security (cont'd from page 3)

continue. The actual increase will be determined by calculating the ratio of the resulting July-September numbers for this year to the comparable 2008 values.

If you wish to access the CPI data, go to the Bureau of Labor Statistics website www.bls.gov, click on "Databases," scroll down the list, and select "CPI Data 1984=100."

OPINION

Because many seniors did not understand that the 5.8% increase was anomalously high and that the zero increases in 2010 and 2011 were merely "catch-up," complaints were voiced about the unfairness of zero increases. As a result, opponents of Social Security were able to demonize recipients as "greedy geezers."

There have been discussions of using other measures of inflation for making SS CoL adjustments. Watch the political scene for any moves in this direction.

Some changes may be fair: for example using a market basket that more realistically reflects what seniors spend on; the difference there could go either way. But many proposals are merely attempts to destroy SS for longer-lived people. For example, one proposal floated from quarters that never liked having Social Security at all is that increases be limited to half the CPI increase.

The effects of compounding would be disastrous for those living 20 or more years beyond retirement-calculation age (62 -- the point at which CPI adjustments kick in independent of when one retires) and catastrophic for those living 30 years or more beyond that.

– Elliot Auerbach, ehauerbach@earthlink.net

Brookhaven Retired Employees Association

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