



# POLICE AND FIRE PENSION FUND

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*"We Serve...and We Protect"*

## INTER - OFFICE MEMORANDUM

**TO:** All Police and Fire Pension Fund Members

**FROM:** John Keane, Executive Director – Administrator

**DATE:** September 26, 2008

We have received many calls and e-mail messages from concerned Members relating to the newspaper story that was published in the Las Vegas newspaper last Sunday, and re-circulated via e-mail. Many times reporters write news articles that are "held" due to a number of issues such as space limitations. When this happens, the editors should re-review the story to insure the facts are still correct. As you will see from the information below, the FACTS in the story are wrong. This "story" apparently was in the hopper, awaiting publication, and it became stale.

Here is a report of what happened in Washington, DC last Friday morning, September 19, 2008.

On September 19<sup>th</sup>, the House Ways and Means Committee brought together officials from State and Local government, the IRS, and the Treasury Department, to have a roundtable discussion on establishing a federal tax compliance structure for State and Local government employee pension plans. Representative Earl Pomeroy (D-ND), a long time supporter of public plans and member of the Ways and Means Committee, chaired the roundtable. Chairman Charles Rangel (D-NY) joined via conference call to commend Rep. Pomeroy for bringing together such an impressive group of experts on the very important issue of public employee pensions for what he hoped would be a constructive dialogue. Staffs from numerous Ways and Means member offices were also in attendance.

The Jacksonville Police and Fire Pension Fund was represented at this important meeting by our General Counsel Robert Klausner, a Member of the Roundtable discussion group. In addition to the Ways and Means members and staff, the following individuals were Members of the Roundtable: The Honorable Nancy K. Kopp, Treasurer, State of Maryland, W. Daniel Ebersole, Director, Georgia Office of Treasury and Fiscal Services, Melvyn Aaronson, Treasurer, United Federation of Teachers, Dana K. Bilyeu, Executive Officer, Public Employees' Retirement System of Nevada, Gary W. Findlay, Executive Director, Missouri State Employees' Retirement System, Thomas K. Lee, Executive Director, New York State Teachers' Retirement System, Peter H. Mixon, General Counsel, California Public Employees' Retirement System, Steven T. Miller, Commissioner, Tax Exempt and Government Entities, Internal Revenue Service, Michael Julianelle, Director, Employee Plans (TE/GE), Internal Revenue Service, Rhonda Migdail, Tax Law Specialist (TE/GE), Internal Revenue Service, Pam Kinard, Assistant Branch Chief, Qualified Plans Branch 2, Internal Revenue Service, Barbara Bovbjerg, Director, Education, Workforce, and Income Security, Government Accountability Office, Tom Reeder, Benefits Tax Counsel, Department of Treasury, Bill Bortz, Assistant Benefits Tax Counsel, Department of Treasury and Robert A. Blum, Partner, Hanson Bridget.

As you can see, this was a very important meeting, well attended by major Public Plans and other governmental units. Nearly two dozen other Public Pension officials attended the meeting.

*Good News on Looming Regulatory Deadlines — While federal officials did not give any definitive answers to suggestions that they replace their current approach with a more collaborative and inclusive process, they did provide very good news on two regulatory issues with pending effective dates. Treasury gave assurances that the normal retirement age regulations would in very short order be postponed for further review. IRS also stated it made some sense to consider delaying the determination letter deadline for governmental plans or move them to a different cycle all together.*

*The bottom line: The proposed regulations described in the news story will undergo extensive review.*

The Pension Fund Staff and our Professional Staff frequently work with our national partners - FOP, IAFF, NCPERS, and other groups on these important tax and benefit issues. We are very thankful for the outstanding support from FOP President Nelson Cuba, and Local 122 President Randy Wyse in these efforts.

We must always remember, *"In unity there is strength, and in strength there is Victory"*.

*John Keane*