



National Conference on **Public Employee Retirement Systems**

The Voice for Public Pensions



Dear Colleagues:

While all of us are concerned for the way our economy is performing—both personally and professionally—NCPERS remains a strong organization that stands ready to lead. Since our founding in 1941, we have always remained undeterred and unbowed in the face of challenges. And I want to acknowledge that as we face the challenges laid before us, I further want to honor the commitment you have as trustees, administrators and staff to our nation's retirement security. We recognize that these are tough times, and NCPERS is working to develop tools and resources to help you through them.

NCEPERS has been substantially involved in legislative and regulatory matters in 2008. We worked to bring about the introduction of HELPS II last summer and we worked to get legislation introduced that would roll back the 10 percent early distribution penalty for public safety retirees who between the ages of 50 and 55 rolled their distributions into a 457 plan and subsequently took distributions from the plan. While those bills did not pass, both have already been reintroduced in this Congress. We also sought to remove governmental plans from a provision in the Pension Protection Act of 2006 that limits the annual interest credited to participants' accounts to a market rate of return. This provision was included in the economic stimulus package passed late last year.

We were instrumental in getting the IRS to postpone implementation of its Normal Retirement Age regulation, and as a result of our efforts to repeal another IRS regulation, requiring federal, state and local governments to withhold 3 percent of payments for goods and services, Congress earlier this year voted to postpone the effective date by one year, to January 1, 2012.

In recent years, NCPERS has increased its attention toward research matters. In the past year we partnered with JP Morgan Asset Management to produce *Meeting the OPEB Challenge: Mapping a Comprehensive Strategy for Public Employers*, and we also partnered with other organizations to produce a study of national local governments on health and OPEB funding strategies. We revised and published a second edition of *The Evolution of Public Pension Plans: Past, Present and Future*. And we underwrote part of a national election-night survey of voters to understand their views of public servants and retirement security.

I would like to note that we established a charitable foundation that, going forward, will work to provide money and resources each year to non-profits in the cities where we convene our Annual Conferences. Last year, we raised nearly \$100,000 from corporate and individual donors to help repair and restore classrooms that were damaged or destroyed by Hurricane Katrina. This year, we are helping to support the Foundation for the Los Angeles Community College District in providing funds to needy students. I hope that you will consider these efforts worthy and contribute whatever you feel may be appropriate.

Lastly, I want to again thank you for your commitment to America's public service retirees. Your job is an important one, and by joining us here for educational sessions, you have shown that you take it seriously.

Pat McElligott
NCPERS President