

FEBRUARY 5, 2016

REPORT FROM THE ANNUITY COMMITTEE

On Wednesday January 13, 2016 Tom Tippet and Ed Smith along with representatives of the Retired Police Association had a meeting with the Staff of the Oversight and Government Reform Committee. The meeting was an effort to discuss strategy in developing legislation regarding annuity issues. One of the hurdles will be the Congressional Budget Office (CBO). The CBO is a professional group of accountants, researchers and auditors who have a reputation for providing factual opinions without regard for political impact. They must "score" all legislation to determine what cost, if any, is associated with proposed legislation. We are arguing that the Congress took responsibility for our retirement system, "as is", when they passed legislation in 1997. Therefore, any errors in the system that were not the result of fraud, were "scored" in the cost of the original bill. The bill will be drafted and submitted to the CBO for analysis and a decision. The Committee staff promises to move this with a sense of urgency.

Additionally, Congressman Hoyer's office promises to push for "quick" action. Telephone calls to his office (Hoyer) and all other Congressmen and Senators in D.C., Maryland, Virginia, Pennsylvania area and others asking them to contact Congressman Jason Chaffetz's office would be helpful. Congressman Chaffetz is the Chairman of the Committee on Oversight and Government Reform. This is the Committee which is responsible to review our Bill and report it out to the House of Representatives. Mr. Chaffetz has been supportive of our efforts. It would be helpful for him to hear from your representatives.

As indicated in the Annuity Committee's last report many of our members involved with this issue continue to receive letters from the Department of the Treasury. Some members have received two letters.

"This letter is to notify you that ODCP is working diligently to process your request for appeal. However. The research required to make a determination has taken longer than expected, so additional time is needed.

Our goal is to provide you with our determination no more than 60 days from the date of this letter..."

To our knowledge the most recent letter was dated January 20, 2016. It is our belief, as well as yours, that the Government should have completed their research prior to sending out letters indicating that they were going to reduce annuities effective March 1, 2015.

Additionally, some members have been receiving the Government tax form 1099 C. We are not aware of any members who have been making payments as part of the Governments recoupment program as it pertains to the reduction in annuity nor do we believe that a member would owe taxes on monies that the Government is saying they are forgiving. You already paid taxes on that money.

If you are in doubt about your tax situation seek help from a CPA or attorney.

Contact a member of the committee if you receive any correspondence from the U.S. Treasury or if you have any questions

William Embrey

David Kauffman

Joseph O'Neil

William Mould

Thomas Scherer

Edward Smith

Harry Subacz

Thomas Tippet