



Left to right — Christopher Gonzales, Albertino Mays, Gary M. Vincent, Todd E. Clark, V.E. Rogers, Kevin Brolan, Harold W. McDonald, Jonathan Needle and Ted Downing.

HFRRF Trustees and Staff Visit Congress

Just 12 days after the historic inauguration of President Barack Obama, HFRRF trustees visited Washington, D.C., for the National Conference on Public Employee Retirement Systems. During the three-day trip, trustees met directly with 14 different congressional offices and heard from senior officials of the Treasury Department, as well as the tax-writing House Ways and Means Committee. The trustees raised a range of issues during their congressional meetings, including the tax treatment of pension distributions, retiree health care, pending IRS regulations on normal retirement age, and the rules surrounding eligibility for Medicare and Social Security benefits.

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FUND NEWS

ANNIVERSARIES

Ryan Splawn, Investment Analyst II
5-Year Anniversary on March 29 — Congratulations

NEW TEAM MEMBER

Sally McDaniel, Part-time Investment Reporting Analyst
February 16, 2009 — Welcome to the Fund

RETIREE BBQ – JULY 17, 2009

The annual retiree barbeque will be held on July 17 at the Greer & Lowerdermilk Conference Center. Watch for more information about the event to be mailed in June.

BOARD ELECTS OFFICERS FOR 2009

Board Officers were elected at the Board's regular January 2009 meeting from among all trustees for a one-year term (January through December, 2009). Kevin Brolan was re-elected to serve as Chairman, V.E. Rogers was re-elected to serve as Vice Chairman and Ted Downing was re-elected to serve as Secretary.



Kevin Brolan
Chairman



V.E. Rogers
Vice Chairman



Ted Downing
Secretary



Albertino Mays
Citizen Member

TRUSTEES SWORN IN TO SERVE NEW TERM

Kevin Brolan, Ted Downing and Albertino Mays were sworn into office on January 15, 2009. The firefighter trustees, Kevin Brolan (Position IV) and Ted Downing (Position III) will serve another three-year term, which began January 1, 2009, and will continue through December 31, 2011. Citizen Member Albertino Mays was sworn in to complete another two-year term through December 2010.

APPLICATIONS FOR DENNIS W. HOLDER SCHOLARSHIP FUND ARE DUE JULY 6

The Dennis W. Holder Scholarship Fund is currently accepting applications for the 2009 Fall semester. Scholarships are available to the biological and legally adopted children and grandchildren of full-time, active HFD firefighters and retired members currently receiving pension benefits from the Fund.

All applications, along with requirements, must be submitted in person or via certified mail with return receipt requested to the Dennis W. Holder Scholarship Fund, and received at 4225 Interwood N. Parkway, Houston, Texas 77032-3866 by 4:00 p.m. on July 6, 2009. Eligible applicants will be notified in writing of their awards no later than August 14, 2009. To download application forms, or for additional information regarding the scholarship fund, including application deadlines and requirements, please visit the DWHSF Web page at www.hfrf.org/DHSF.asp. You may also call Eva Garcia with the Dennis W. Holder Scholarship Fund at 281-385-8525.

KEY DATES CALENDAR

APRIL 2009

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY 2009

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE 2009

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Office Closures

April 10, 2009 Good Friday
(office closed at noon)

May 22, 2009 Office closed at noon

May 25, 2009 Memorial Day Holiday

July 3, 2009 Independence Day Holiday

May 6, 2009

Long-Term Care Seminar

Objective: To educate and provide information to help members prepare for the future trends in aging.

9 a.m. – 1 p.m.

Greer & Lowerdermilk Conference Center

Retirees and Survivor Spouses

July 17, 2009

Retiree BBQ

11 a.m. – 1:30 p.m.

Web Calculator Update

The Web access Pension Calculator at www.hfrrf.org provides access to your member pension information and allows you to perform different types of pension estimates. Additionally, there are tools such as the Financial Calculators that allow members to estimate additional retirement income, as well as avoid possible penalty taxes. To register for use, and to use the member information feature of the Fund's Web site, you must review and agree to the Security Agreement. Any information provided through the use of the member information feature of the Fund's Web site is only an estimate and does not validate eligibility for a benefit. Your actual monthly pension amount will not be determined until you make a formal application for retirement through the HFRRF Member Services Department (or you enter the DROP). Additionally, all applicable payroll information must be received by the Fund.

The Pension Calculator is updated with member information within five business days of each HFD pay date (usually seven days after the pay period end date). The monthly earnings that are added to the DROP account are updated after HFRRF receives the payroll data for the first pay period of the following month (which could be as late as the 20th). Contact the Member Services department if you have any questions pertaining to the Web Calculators. ■



Required Minimum Distributions

by Tony L. Pierce

Required Minimum Distributions (RMDs) are generally minimum amounts that a retirement plan account owner must withdraw annually, starting with the year that he or she reaches 70 ½ years of age or, if later, the year in which he or she retires.

On December 23, 2008, former President George W. Bush signed the Worker, Retiree and Employer Recovery Act of 2008 ("WRERA" or the "Act") in an effort to ease the sting to retirement savings inflicted by the stock market decline. The RMD relief enacted by WRERA has been a disappointment for many, as it does not apply to Defined Benefit Plans such as ours (HFRRF).

So what does this mean to HFRRF members? If you have a DROP or a PROP account, and you have taken RMDs in the past from either or both accounts, then you will still be required to take an RMD for 2009. If you attained age 70½ in 2008, or will in 2009, and you have a DROP or PROP account, you will be required to take an RMD by December 31, 2009, or in some cases by April 1, 2010.

Please contact Member Services if you need further information concerning Required Minimum Distributions for DROP or PROP accounts. ■



Left to right — Harold W. McDonald, Ted Downing, Ms. Kathleen Black — Tax Policy Advisor to Congressman Sam Johnson (R-TX), and Philip W. Rivers of Locke, Lord, Bissell and Liddell, LLP.

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The trustees were also able to thank the congressional offices for their help in passing important pension legislation at the end of 2008. The Pension Protection Technical Amendments Act exempts governmental plans from a requirement that would have prevented them from paying any more than a market rate of interest on cash balance plans, such as DROP accounts. This was an important victory for our members, and one which required considerable help from the Texas Congressional Delegation. The Trustees will continue to work closely with key congressional offices in the future to advance the interests of our active members and retirees. ■

LETTER FROM THE CHAIRMAN



Dear Members,

Greetings to all, on behalf of the Board of Trustees. By now, you should have received the Economic Commentary and Investment Performance Portfolio Update from Christopher Gonzales, our Executive Director/Chief Investment Officer. It outlines the current state of the global financial markets over the past eight months and the impact of the start of 2009 on the retirement Fund. If you're reading the news, most businesses see more pain ahead, expecting no improvement in economic conditions until late this year at the earliest. However, be aware that your retirement is secure, and that you should continue to enjoy the results of several initiatives undertaken by the Board's Investment Committee to ensure the security of this Fund. Guided by a set of precepts from which all investment decisions are made, as well as the importance of asset allocation and the benefits of diversification, the Fund recognizes the long-term (perpetual) nature of its investment horizon. Our investment program has long-term assets and strategies, generally assumed to target a ten-year planning period. Our membership can access our letter update via the Fund's Web site at www.hfrf.org (Members Only section), for a more detailed explanation of our implemented investment strategy and how we are enduring during these trying economic times.

Our Trustees and staff representatives just recently concluded visits to Washington, D.C., on behalf of the City's firefighters, both active and retired. We went to Washington with a specific purpose: to discuss with members of Congress the tax treatment of pension distributions, retiree health care, pending IRS regulations on normal retirement age, the rules under which our firefighters become eligible for Medicare, and the implications of the Windfall Elimination Provision and Government Pension Offset. We remain encouraged by the meetings we had with our Representatives in support of our initiatives in the 111th Congress, ultimately representing more retirement dollars in the pocketbooks of the public safety personnel who protect this nation. See the article in this issue for more details.

In the months ahead we will continue to keep you informed. The developments of political proposals are at an unprecedented pace. World markets are in uncharted territory. Be assured that I and the Board are focused on our members' future and the stability of our Fund.

God Bless,

Kevin Brolan
Chairman
kevin@hfrf.org

Fund Accepting Nominations for Positions I and X

The Fund is accepting nominations for Positions I and X on the Board as two of our trustees complete the end of their terms (December 31, 2009). Both positions will be filled by election, and each newly elected board member for Position I and X will begin serving a three-year term on January 1, 2010.

Trustee Todd E. Clark, who currently holds Position I on the Board, has served the Board of Trustees since January 2006. Nominees for Position I must be selected from the ranks of Engineer/Operator or Firefighter.

V.E. Rogers, who currently holds Position X on the Board, has served the Board of Trustees since January 2004. Nominees for Board Position X, the retired firefighter position, must be selected from those retired members with at least 20 years of participation in the Fund.

Nomination forms will be available online at www.hfrf.org in June 2009. Potential candidates will be notified by both regular and certified mail, and are requested to fill out the Accept/Decline Nomination Form and the Financial Disclosure Form. Both forms must be returned within seven business days following this notification to the nominee. If the forms are not returned, the firefighter's name will not be placed on the ballot. Those who personally submit their nomination for a position on the Board of Trustees will automatically be placed on the ballot unless the Financial Disclosure Form is not submitted in a timely manner. Completed nomination forms may be hand-delivered by the nominee, or other interested party, or mailed to the Fund office.

The Fund will be accepting nominations for these positions between July 1, 2009, and August 17, 2009. Forms must be received at the Fund offices during normal business hours between July 1 and August 17, 2009. ■

IN MEMORY

Our condolences and heartfelt sympathies are extended to the families of the following members who recently passed away:

BENEFICIARIES

Sherryl B. Hayes	Nov. 4, 2008
Winona C. Robison	Nov. 7, 2008
Nellie S. Green	Nov. 15, 2008
Emma J. Franks	Dec. 25, 2008
Mildred Angel	Dec. 31, 2008
Barbara A. Eaves	Feb. 5, 2009
Lillian T. Moreno	Feb. 6, 2009
Vickie C. Foster	Feb. 19, 2009

ACTIVE

Rodney D. Waters	Jan. 31, 2009
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RETIRED

Charles R. Carter	Nov. 5, 2008
Thomas H. Vaughn	Nov. 18, 2008
Jimmie F. Martin	Nov. 20, 2008
Raymond J. Koenig	Nov. 29, 2008
A. S. Hernandez	Dec. 7, 2008
Clifford McClaugherty	Dec. 14, 2008
James W. Wiley	Dec. 27, 2008
Tracy Birkelbach	Jan. 1, 2009
George H. Conway	Jan. 13, 2009
Theodore G. Hill	Jan. 21, 2009
Phillip L. Hudgens	Feb. 1, 2009
Bobby D. Carraway	Feb. 18, 2009
Phillip Steve Schultz	Mar. 5, 2009
Ronald W. Gunnels	Mar. 11, 2009
William J. Clemans	Mar. 26, 2009

SERVED HFD

1985 – 2009

SERVED HFD

1963 – 1987
1960 – 1990
1965 – 1987
1950 – 1977
1965 – 1988
1953 – 1979
1951 – 1972
1961 – 1991
1952 – 1977
1970 – 1990
1977 – 2005
1968 – 2004
1967 – 2002
1964 – 2001
1963 – 1987

Honoring the Fallen

MEMORIAL CEREMONY HONORS FALLEN FIREFIGHTERS

The Fund joined the Houston Fire Department and the Houston Fire Museum in honoring fallen firefighters during the Annual Houston Firefighters' Memorial Ceremony, held on March 21, 2009. The names of several Houston firefighters, as well as one volunteer firefighter, were read aloud by Casey Curry, meteorologist for Channel 13 and Mistress of Ceremonies for the event.

Mayor William "Bill" White, Fire Chief Phil Boriskie, and Local 341 President Jeff Caynon all marked the beginning of the ceremony with the placement of the "Wreath of Remembrance" at the base of the Memorial. KSEV Radio Host Edd Hendee honored the heroism and commitment of Houston firefighters in his words of encouragement to friends and family gathered for this occasion. Guest speakers included Mayor White, Congressman Kevin Brady and Edd Hendee. Also in attendance were City of Houston Council Members Ronald Green, Peter Brown, Melissa Noriega and Mike Sullivan. Governor Rick Perry and Council Member Jarvis Johnson were not able to attend, but sent proclamations in memory of firefighters who have died in the line of duty. The Fund extends special thanks to the HFD Public Affairs Office, the Honor Guard, Pipes and Drums, and the many others who generously supported this event through their time, donations and organizational assistance.



1. Mayor William "Bill" White, Fire Chief Phil Boriskie and Jeff Caynon — President, Local 341
2. Congressman Kevin P. Brady (R-TX)
3. Captain Grady Burke Family
4. Jahnke family and Retired Sr. Captain Ed Hauk

Did you know that approximately 95% of Our Benefit Recipients Enjoy Direct Deposit?

The Fund strongly recommends direct deposit to ensure that your money is in your account by the first of the month. When checks are placed in the mail, we cannot determine the date that you will actually receive the payment. Members usually receive pension checks by the first of the month, but weekends and holidays may cause delays.

If you utilize direct deposit, your pension payments will be deposited directly to your account by the last business day of the month. However, if you require a check, it will be mailed from our bank in Pittsburgh, Pennsylvania, on the third business day before the end of the month. This process takes place according to the following schedule established by our custodial bank:

Month	Mail Date
April 2009	04/28/2009
May 2009	05/27/2009
June 2009	06/26/2009
July 2009	07/29/2009

If you are currently receiving pension checks through the mail, we urge you to sign up for direct deposit now to be assured of having your money available when you need it. Just call the Fund at 281-372-5100 or 800-666-9737 and ask for a Member Services Representative.

Remember, direct-deposit forms must be received by the 10th of the month in order for pension payments to be deposited in your bank account at the end of that month.

BOARD OF TRUSTEES

Kevin Brolan, Chairman
V.E. Rogers, Vice Chairman
Ted Dowling, Secretary
Todd E. Clark, Member
Harold W. McDonald, Member
Gary M. Vincent, Member
Craig T. Mason, City Treasurer Designee
Robert B. Stobaugh,
Mayor's Representative
Honorable Helen Huey, Citizen Member
Albertino Mays, Citizen Member

Christopher Gonzales, Executive
Director/Chief Investment Officer

Did you know?

If you have children under the age of 18 (biological or adopted), they are entitled to pension benefits in the event of your death. If you also have a spouse, the benefits payable to the children would stop at the age of 18, unless you extend survivor benefits (up to the age of 23 for unmarried, full-time students). If you do not have a spouse, your children would be eligible for pension benefits up to their 23rd birthdays, provided they are unmarried and full-time students. Forms are available at the Fund office to extend survivor benefits to your eligible child or children up to the age of 23.

Also, pension benefits for minor children are payable to the guardian of the child, for the benefit of the child. If you would prefer to assign a testamentary trustee to receive pension benefits for your minor child or children, you can complete a Testamentary Trustee form at the Fund office.

If you maintain a DROP or PROP balance at the Fund, distributions from these accounts are considered taxable income from the IRS for the calendar years in which the distribution is issued. For individuals receiving these distributions under the age of 70½, the mandatory federal income tax that the Fund must withhold is 20 percent. You can elect to take additional federal withholding taxes from these distributions (more than 20 percent) on the distribution form.

DROP and PROP participants over the age of 70½ who are taking required minimum distributions (RMDs) from these accounts each year can elect zero to 99 percent federal income tax to be withheld on the distribution form. The distributions are considered to be taxable income for the calendar year in which the distribution is issued. If an individual is taking an RMD from the DROP or PROP and they do not elect a federal income tax percentage to be withheld, the Fund will take 10 percent federal income tax from the gross amount of the distribution. ■



RED LINE

**The Houston Firefighters'
Relief and Retirement Fund**

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Houston, Texas 77032-3866

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