

# Watertown Retirement System News

## BOARD MEMBERS:

**THOMAS V. THIBAUT**  
Chairman & Elected Member

**THOMAS J. TRACY**  
Ex-Officio

**DOMENIC "DUKE" ARONE**  
Elected Member

**JOHN T. LOUGHRAN**  
Appointed Member

**KATHLEEN KIELY-BECCHETTI**  
Fifth Member

## STAFF:

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Winter 2015

## How Does Social Security Affect My Retirement?

Massachusetts is a "non-Social Security" state. That means that your Massachusetts public employment is not covered by Social Security. Neither you nor your employer pays into Social Security. Instead, as a member of the Watertown Contributory Retirement System you and your employer pay into our system, which is a Government Pension Plan under IRS code 401(a).

Since you and your employer do not pay into Social Security, you do not earn Social Security "credits" or "quarters" for your Massachusetts public employment. However, you may still qualify for Social Security benefits through other employment or through your spouse's employment. If you are eligible for Social Security benefits you may also be subject to provisions that "offset" or reduce your Social Security benefits due to your receipt of a government pension.

There are two provisions that may affect your receipt of Social Security benefits:

- 1) the Windfall Elimination Provision (WEP) and
- 2) the Government Pension Offset (GPO)

If you are eligible for Social Security benefits (you have 40 credits or quarters) from other employment of your own, the Social Security, under the WEP, may use a "modified formula" to calculate your benefit. Under this provision, your Social Security benefit will be reduced, but you will still be eligible to receive a benefit.

If you are eligible for spousal or widow's benefits under Social Security, these benefits may be reduced under the GPO provision. The reduction in spousal or widow's benefits is 2/3 of the amount of your Massachusetts pension. Under this provision, your benefit may be reduced or may be totally offset (reduced to zero).

There are exemptions to these provisions. You are exempt from the WEP provisions if:

- You have at least 30 years of "substantial earnings" under the Social Security system; or
- You were eligible to retire before January 1, 1986 (20 years of service or age 55 with 10 years of service)

You are exempt from the GPO provisions if:

- You were eligible to retire before December 1, 1982; or
- You were eligible to retire before July 1, 1983 and you received half support from your spouse.

If you believe that you are exempt due to your date of retirement eligibility, Social Security will require you to submit a letter from us stating the date you were first eligible to retire.

Medicare coverage is not affected by WEP or GPO offsets. Although you do not have to report Social Security benefits to us, if you receive Social Security benefits you must report your Massachusetts pension and any subsequent COLA's to Social Security.

## Understanding Your Benefits: *Planning for Your Retirement*

**M**any people wonder how far in advance they should file their retirement papers with the Retirement Board. You may file your retirement application with the Board no earlier than 4 months before your intended date of retirement. Ideally, a minimum 30 day

notice to the Board is recommended, but not required.

**It is important to note that notice to the Retirement Board does not replace notice to your employer.**

If your retirement date

falls prior to the 15th of the month, in most cases you can expect to receive your first check at the end of that same month. Otherwise, your first check will be issued at the end of the following month and your benefits will be retroactive to your retirement date.

*We welcome all members and beneficiaries to visit the retirement office. However, to insure that we are available and fully prepared to address your area of concern, it is important to call ahead.*

## Choosing the Best Retirement Option for You

**C**hoosing a retirement option is as individual a process as the individual filing for retirement. Factors you should consider carefully include:

- Your health and age at retirement.
- Income from other sources, financial obligations, and the need to provide for others that may survive you.
- Once you retire, you cannot change the option you chose.
- After retirement, you can change the beneficiaries listed **only** under option A or B.
- The option C beneficiary can never be changed once you retire. If your option C beneficiary dies before you, your pension

is automatically adjusted to option A. ("Pop-Up").

**Your option selection should not be made on the basis of what options are most popular, or the one chosen by a friend or acquaintance. It should be based on your own personal need.**

## Post-Retirement Public Sector Employment in Massachusetts

**M**assachusetts public pension law stipulates the following limitations on post-retirement **public** sector employment for **non-disability** retirees.

- If you are returning to a position in the public sector in Massachusetts, you are restricted in the hours of employment to 960 hours per calendar year.
- Your earnings at that position, when added to your annual retirement allowance, cannot exceed the salary currently being paid for the position you retired from.

After 12 months of retirement, you are allowed to add an additional \$15,000 to your public employment.

If you return to employment in the private sector, there are no limitations on salary or hours.

All earnings received beyond the above limitations are refundable in full to the Municipality where your employment is based.

*Disability retirees are subject to separate earnings limitations.*

## *Board News... ..*

### **NO ELECTION REQUIRED**

**T**he term of elected Board member and chairman, Thomas V. Thibaut, Jr. was scheduled to expire on October 15, 2014. As with all potential elections, notices were mailed to all retired members of the retirement system and posted in all Town departments. The notices outlined the nomination process for those who may be interested in seeking election to the vacant seat.

Mr. Thibaut was the only member who submitted nomination papers (which he is required to do at the expiration of each term) and subsequently was declared the winner of the election by the Board at their meeting held on September 17, 2014.

The new term will begin on October 16, 2014 and expire on October 15, 2017.

### **Fifth Member Re-Appointed**

**A**t their meeting held on October 16, 2014, the Board re-appointed Ms. Kathleen Kiely-Becchetti, Esquire to a new three-year term on the Watertown Retirement Board. Ms. Kiely-Becchetti's new term will begin February 1, 2015 and run through January 31, 2018. Ms. Keily-Becchetti was originally appointed by the Retirement Board to serve as their Fifth Member to a term starting February 1, 2012.

Her career in public retirement began in 1997 while working as a retirement staff member. Since that time, she has served as legal counsel and then as executive director for the City of Boston Retirement Board and currently serves as the Executive Director of the Norfolk County Retirement System. She also serves as an executive board member on the Mass. Association of Contributory Retirement Systems (MACRS).

### **Congratulations To Our 2014 Retirees.....**

*The following members retired from the Town of Watertown during 2014*

<i>Arlene Rautenberg</i>	School Department	01/10/2014
<i>Q. Paul Paglierani</i>	Fire Department	01/11/2014
<i>Donald White</i>	Fire Department	01/25/2014
<i>Carol Hagopian</i>	School Department	02/03/2014
<i>A. Michael Mathes</i>	Watertown Housing Authority	03/28/2014
<i>Maureen Kelly</i>	Police Department	04/01/2014
<i>Elinor Joyce Munger</i>	Watertown Housing Authority	05/31/2014
<i>Maralyce Dally</i>	School Department	06/30/2014
<i>Gerald Diluzio</i>	School Department	06/30/2014
<i>Azadouhiy Frounjian</i>	School Department	06/30/2014
<i>Edward LaVache</i>	Fire Department	07/12/2014
<i>Laura Gold</i>	Council on Aging	07/18/2014
<i>Paul Coppi</i>	School Department	08/29/2014
<i>B. Dorothy Danis</i>	Community Development & Planning	09/19/2014
<i>John Shutt</i>	DPW	09/25/2014
<i>John Eurglunes</i>	School Department	09/29/2014
<i>Kathleen Wolf</i>	Council on Aging	09/30/2014
<i>Leocardio Cotto</i>	School Department	10/31/2014
<i>Silvia Coughlin</i>	School Department	11/03/2014

***Best Wishes for a Long, Happy, & Healthy Retirement!!!***

**WATERTOWN  
CONTRIBUTORY  
RETIREMENT  
SYSTEM**

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**We're on the Web!**  
[www.watertownretirement.com](http://www.watertownretirement.com)

**2015 Payment Schedule**

Jan - 01/30/2015  
Feb - 02/27/2015  
Mar - 03/31/2015  
Apr - 04/30/2015  
May - 05/29/2015  
June - 06/30/2015  
July - 07/31/2015  
Aug - 08/31/2015  
Sep - 09/30/2015  
Oct - 10/30/2015  
Nov - 11/25/2015  
Dec - 12/31/2015

**[www.watertownretirement.com](http://www.watertownretirement.com)**

The Watertown Retirement System has recently updated the System's website. For Active and Retired Member Information, links to related websites, access to downloadable forms, copies of up to date Meeting Agenda's and helpful publications, including Group Percentage Charts, please visit us at

**[www.watertownretirement.com](http://www.watertownretirement.com)**

**IN MEMORY...***The following members of the Watertown Retirement System passed away in 2014. Our deepest sympathies to their families, friends, and loved ones.*

<b>Patrice Boyce</b>	03/21/2014
<b>Joseph DelRaso</b>	12/25/2014
<b>William Foley</b>	08/22/2014
<b>Denise Ford</b>	09/15/2014
<b>John Hughes</b>	04/12/2014
<b>James Kelly</b>	04/16/2014
<b>Charles Lenaghan</b>	06/03/2014
<b>Richard O'Neil</b>	05/05/2014
<b>Fokion Rallis</b>	10/08/2014
<b>John Reardon</b>	06/07/2014
<b>Salvatore Scordamaglia</b>	03/24/2014
<b>Edward Stadtman</b>	04/16/2014
<b>Thomas Steel</b>	02/13/2014