

**WATERTOWN
CONTRIBUTORY
RETIREMENT
SYSTEM**

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Watertown, MA 02472

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Fax: 617-923-3531

We're on the Web!
www.watertownretirement.com

2017 Payment Schedule

- Jan—01/31/17**
- Feb—02/28/17**
- Mar—03/31/17**
- Apr—04/28/17**
- May—05/31/17**
- Jun—06/30/17**
- Jul—07/31/17**
- Aug—08/31/17**
- Sep—09/29/17**
- Oct—10/31/17**
- Nov—11/30/17**
- Dec—12/29/17**

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

Sign Up for Direct Deposit!!!

As of December 31, 2001 it is a requirement for all retirees to sign up to have their monthly retirement benefit directly deposited in their designated bank account. If a member has retired prior to that date and elected to receive their benefit in check form, they were allowed to continue.

With the inclement weather approaching fast, we strongly urge that those who still elect to have a live check sent out, or picked up here at the Town Hall to sign up to have their benefit directly deposited into their designated bank accounts. This ensures that you will have immediate access to your money on the last day of every month, without the need to leave your home.

Please stop by the Retirement Office or visit our website at:

www.watertownretirement.com

Print out a "Direct Deposit of Retirement Check" form located in the "Download Forms & Guides" tab. You can simply mail in the form, or bring it into the Retirement office at any time. Once the form has been completed, it will just take one pay period to verify the account numbers.

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BOARD MEMBERS:

THOMAS V. THIBAUT, JR.
Chairman & Elected Member

THOMAS J. TRACY
Ex-Officio & Vice Chairman

DOMENIC "DUKE" ARONE
Elected Member

JOHN T. LOUGHRAN
Appointed Member

KATHLEEN KIELY-BECCHETTI
Fifth Member

STAFF:

BARBARA A. SHEEHAN
Director
bsheehan@watertownretirement.com

KAYLA J. SHEEHAN
Administrative Assistant
ksheehan@watertownretirement.com

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Watertown Retirement System News

Winter 2016

Regular Compensation Update

In 2009, as part of its initial pension reform efforts, the Legislature restricted the definition of regular (i.e., pensionable) compensation as part of its initial pension reform efforts to "compensation received exclusively as wages by an employee for services performed in the course of employment for the employers." The term "wages" was defined as "base salary or other base compensation." In 2010, the Public Employee Retirement Administration Commission (PERAC) promulgated amended regulations which required regular compensation payments to be "pre-determined, non-discretionary and guaranteed."

What is and what is not pensionable earnings continues to undergo legal review.

It is generally accepted that the following common payments conform with the definition of regular compensation: *annual rate of compensation in a salary schedule; educational incentives,*

longevity, shift differential, hazmat pay, and holiday premium.

Likewise, it is generally accepted that the following common payments are excluded from the definition of regular compensation: *overtime, bonuses, severance, early retirement incentives, payments made as a result of giving notice of retirement, and clothing allowances.*

PERAC has determined that annual payments for selling back unused sick time and personal days are excluded from regular compensation, and a recent decision, under appeal, has determined that annual payments for selling back unused vacation time are excluded. This area is constantly evolving as the nature of employment compensation evolves, and as employers and employees agree on different ways to compensate for services provided to the employer.

Sign Up for Benefits!

By law, as a permanent employee of the Town of Watertown, working a minimum of 20 hours per week, you are required to become a member of the Watertown Contributory Retirement System. There are still several members who have not yet returned their paperwork making their file incomplete.

Unfortunately, over the past few years several active members of the Watertown Retirement System have unexpectedly passed away. It is our job here at the Watertown Retirement Board to ensure that all of the necessary information regarding beneficiaries is properly

filed away in a timely manner. In the event of an unexpected death, we try to make the tough process as seamless as possible. It is very difficult to accomplish that if we have no contact information or beneficiary on file.

Another big concern with having an incomplete file, is prior service. There are many members who have prior service in other cities or towns but, because they have not returned the membership paperwork required, that time and money will not be reflected on your account here in Watertown.

Those years will become very important when you start to think about Retirement, which for some seems like a long time away but, that day will come.

If you have yet to complete your Membership Enrollment paperwork, please stop by the retirement office at your earliest convenience, or visit our website at:

www.watertownretirement.com

MACRS Conference Update

Twice a year, in the Spring and in the Fall, the Massachusetts Association of Contributory Retirement System (MACRS) holds an education conference for the staff and board members of retirement systems across Massachusetts.

The Massachusetts retirement law, MGL Chapter 32, is constantly changing. It is essential that boards and staff remain informed and up to date with all of the changes in order to administer the retirement systems properly.

The most recent conference was held in Springfield, MA from October 2-7. The topics covered

included financial planning; global governance and financial fiduciary duties; and an extensive panel of public pension attorneys outlining cases which are of concern to all Boards. The Public Employee Retirement Administration Commission (PERAC) which is the oversight agency to all Massachusetts Retirement Board provides their update at each conference. There are also opportunities to network with staff from other Boards and have one on one contact with vendors such as our software provider, custodian bank, investment consultants and investment managers.

The Conference Planner for the past several conferences has been Ms. Kathleen Kiely-Becchetti. Ms. Kiely-Becchetti serves as the Fifth Member of our Watertown Retirement Board. She also serves as the President of MACRS. The staff and Board are very proud of her accomplishments in the MACRS community.

Although we apologize for the inconvenience of closing the retirement office during conference time, we are very fortunate to have the opportunity to receive this education on an ongoing basis.

IN MEMORY...The following are members of the Watertown Retirement System who have most recently passed

<i>John Carey</i>	<i>07/22/16</i>	<i>Angelina Siciliano</i>	<i>06/10/16</i>
<i>Robert Galante</i>	<i>04/16/16</i>	<i>Belle Skuse</i>	<i>04/21/16</i>
<i>Joann McCormack</i>	<i>07/04/16</i>	<i>Lisa Wall</i>	<i>09/23/16</i>
<i>Nicholas Serio</i>	<i>09/08/16</i>		

If it's Important, Please Call Ahead!

We welcome all members and beneficiaries to visit the retirement office. If you have a question or problem that needs special information or serious consideration, we want to be fully prepared to give you the help and time you need. That's why it's important whenever possible that we know in advance that you are coming.

Also, there are times when both staff members may be attending the same meeting and the office may be closed. Calling ahead may save a wasted trip.

Although it is not always necessary to make an appointment, the more advance notice we have that you are coming, especially for benefit counseling, the more information we will have prepared in advance. This saves time and ensures you receive accurate information in your area of concern.

Please call (617) 972-6456 or email:
bsheehan@watertownretirement.com
ksheehan@watertownretirement.com

NO ELECTION REQUIRED

The term of elected board member Domenic "Duke" Arone was scheduled to expire on October 15, 2016. 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. Arone 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 Retirement Board at their meeting held on September 21, 2016.

Mr. Arone's new term will expire on October 15, 2019.

Congratulations To Our New Retirees.....

The Following are the most recent Retirees from the Town of Watertown

<i>Gaylene Fantasia</i>	<i>07/13/16</i>
<i>James Francione</i>	<i>04/11/16</i>
<i>Eloise Lyman</i>	<i>08/08/16</i>
<i>Dennis Miele</i>	<i>04/08/16</i>
<i>Stephen O'Reilly</i>	<i>09/21/16</i>
<i>Patricia Power</i>	<i>05/24/16</i>
<i>Karen Robbins</i>	<i>07/30/16</i>
<i>Steven Sampson</i>	<i>07/30/16</i>

Best Wishes!