

OUTLOOK

Vol. 8, No. 3
Winter 2007/08

Focusing on Retirement Issues for Massport Employees Past and Present

Working After Retirement

“ Be sure to evaluate how a new position could impact your pension. ”

Many people choose to work after retirement for a variety of reasons. If you retired from Massport and want to work in the public sector in Massachusetts you will be subject to some restrictions.

Know Your Limits

If you want to take a job at another agency, city, town, or county whose retirement system is governed by M.G.L. Chapter 32 (almost everywhere except the MBTA), the following restrictions apply:

- You can only work 960 hours per calendar year.
- Your new annual salary plus your Massport pension cannot exceed the current annual salary being paid for the position that you retired from.

These limits apply regardless of whether

you are classified as a consultant, temporary or regular employee. They also apply if you want to return to work at Massport (regardless of the position). The retirement office can help you determine the earnings limit; however, it is your responsibility to track your earnings and the number of hours that you work. If you exceed the limits, you will be required to forfeit a portion of your pension.

Private Sector is Different

There are no restrictions on working in the private sector unless you are collecting a disability retirement allowance. In the case of disability retirees, the salary you earn plus your Massport disability retirement allowance cannot exceed the current salary being

paid for the position from which you retired **plus \$5,000**. For disability retirees, this applies to both public and private employment.

Un-retirement

If you wish to return to full-time work in the public sector, there is a provision of the law that allows you to effectively reverse

— continued on page 5

INSIDE

- For Your Benefit 2
- Retirees' Corner 3
- 2007 Tax Info 3
- Financing College 4
- Fuel Assistance 4
- Web Watch 5
- Transitions 5
- Book Corner 6
- Calendar 6



It is now easier to find us online! Simply go to <http://retirement.massport.com> and you will be taken directly to the retirement section of Massport's web site.

For Your Benefit

Employee Financial Fair— January 16th at the LOC!

The Massport Employees' Retirement System is once again hosting an Employee Financial Fair for our active members to gain access to a variety of financial themed resources needed to maintain and improve their financial well being.

If you are a current Massport employee, stop by the Financial Fair on Wednesday, January 16, 2008 from 11:00 a.m. – 2:00 p.m. Tables will be set up in the Logan Office Center 2nd floor lobby area and 3rd floor board room.

A variety of organizations will be represented including

Social Security, the deferred compensation (457) plan, credit unions, the Department of Labor, credit counseling organizations, the Massachusetts Educational Financing Authority (MEFA), the Massport retirement, human resources, and payroll offices, and more! New to the fair this year are the Massachusetts Affordable Housing Alliance and the New England Teamsters Credit Union.

Mini-classes will be offered on the following topics:

- **Saving for College**
- **Social Security and the Offset Provisions**

• **Understanding Your Credit Report**

Bring your credit report and meet with a credit counselor to find out how you can fix errors on your report and/or improve your credit score.

To access your free credit report, go to www.annualcreditreport.com. Note: You can receive one free credit report per year from each of the three credit reporting agencies. This web site allows you to access all three in one place and was set up to comply with the federal law known as the Fair and Accurate Credit Transactions Act (FACT Act). See you at the fair!

Estimate Your Retirement Benefit Online!

We now have a link to the Commonwealth of Massachusetts Superannuation Retirement Pension Calculator posted on our web site. Any time that you want an

approximate estimate of your pension, simply go to <http://retirement.massport.com> and look for "Estimate Your Retirement Benefit!" (click on "GO").

Please note that this calculator is maintained by the State Retirement Board, but you should still contact the Massport retirement office at (617) 568-3951 if you have any questions about your retirement benefit.



Tax Tidbits

We're Deductible!

Did you know that contributions you have made to the Massport Employees' Retirement System are deductible on Massachusetts state tax returns? Line 11 on the state's Form 1 allows you to deduct up to \$2,000 for contributions to Social Security, Medicare or a Massachusetts retirement system. You can find your total contribution on your last pay stub of 2007. Don't miss out!

High Price to Pay for a Tax Refund

The retirement system would like to once again caution members about tax preparation services that advertise "Instant Money" refund loans during the tax season. In previous years, the Consumer Federation of America and the National Consumer Law Center have issued warnings about these high cost, high interest loans, which cost borrowers from \$29 to \$89 to get their refunds about 10 days earlier than they normally would. This results in consumers paying

extraordinarily high interest rates of 67% to 774% for these low-risk loans. If you file your taxes online and request direct deposit, you will oftentimes receive your refund within the same time period, but with significantly less expense.

No State Tax for Retirees

As a reminder, there is no state tax liability for public pensions in Massachusetts. If you are receiving pension payments from Massport this money is *not* subject to state taxes. Please note that if you decide to relocate outside Massachusetts you



should consider the tax implications, as certain other states do tax this money.

If you have internet access, check out this helpful map published by our colleagues at the Essex Regional Retirement System: www.essexregional.com/usmap.shtml.

Retirees' Corner

Retirees Funding the Campaign Trail

Forget special interests—it turns out the big source for campaign financing is actually retirees.

According to a report published in *The Boston Globe* on November 2, 2007, donations from retirees represented the biggest chunk of presidential campaign contributions from July 1 to September 30, 2007. Donations totaled \$9.2 million which was more than the amount given by lawyers and

the investment industry during that time period.

The giving appears to be bi-partisan with both parties benefiting, but there is no doubt that retired individuals are making their voices heard. "Retirees are not only a powerful voting bloc, they're also very generous campaign contributors election after election," said Sheila Krumholz, executive director, of the Center for Responsive Politics. Now be sure to follow their lead and vote in the presidential primary on February 5th.

Attention Snowbirds!

If you are moving South for the winter, be sure to notify the retirement office of any change in your mailing address. Retirement checks do not get forwarded!

Call the retirement office at (617) 568-3951 to let us know about a move. Please note that for your own protection, we also require that you provide us notice of your new address in writing. Please send a note to Massport Employees' Retirement System, 1 Harborside

Drive, Suite 200S, East Boston, MA 02128. Address changes can also be sent via e-mail to lbarbosa@massport.com. Enjoy the winter!

HINT: If you sign up for direct deposit, your money will be in your bank account on the last business day of the month, whether you are by the pool in Florida, hiking in Arizona, or shoveling snow with the rest of us in Massachusetts! Save yourself a trip to the bank – call today to request a direct deposit form.

Deferred Compensation Plan Update

Changes Ahead

State Treasurer Timothy Cahill recently announced that the deferred compensation SMART Plan will be changing administrators from ING to Great-West Retirement Services. This transition is scheduled to happen around the beginning of March.

All participants should receive a mailing from the SMART Plan with details about the new administrator including contact information. Great-West will also hold employee information sessions at various

Massport facilities to explain how the transition will work (note: plan's investment options are not expected to change).

Please be sure to read any material you receive in the coming weeks in order to stay informed about what is happening with your 457 Smart Plan account.

Max Stays the Same

If you contribute the maximum to the deferred compensation plan, please note that the contribution limits have not increased for 2008. These limits are set by the IRS and will

remain the same as last year – \$15,500 or \$20,500 if you are age 50 or older.

Be Mindful of the Match

Don't forget about the 457 match program! Eligible employees can have their 2008 contributions matched up to \$1,500 by Massport. If contributing the maximum, be sure to change your weekly contribution to account for the match.

Through the end of February, changes to your weekly contribution can be made by contacting ING representative Nicole Payne at (781) 768-4841.

Keeping Warm

It's that time of year...for those of us living in New England, it seems that the temperature is dropping while the price of oil is rising!

If you have difficulty keeping up with energy costs, you may want to check your eligibility for various fuel assistance programs.

Here are some local contacts:

- The Department of Housing & Community Development toll-free HEATLINE
1-800-632-8175
- Salvation Army's Good Neighbor Energy Fund
1-800-334-3047
www.magoodneighbor.org
- Citizens Energy
1-877-JOE-4OIL
www.citizensenergy.com

College Bound

For anyone who has a college bound senior, this time of year is key for financial aid applications. Here are some helpful resources:

The Massachusetts Educational Financing Authority (MEFA) has some great information on its web site www.mefacounselor.org. You can even sign up for an e-mail service that reminds you of important steps in the financial aid process.

FinAid.org provides "one-stop shopping" for all things financial aid. Learn about loans, scholarships, and the best way to maximize your financial aid eligibility.



Did you know...

Massport employees can have a portion of their weekly pay direct deposited into a Massachusetts 529 plan (if you have one)? Contact the Massport payroll manager for more information.



HOT tip!

You can save approximately 10% on your heating bill by turning your thermostat down by 10 degrees for 8 hours per day.

Web Watch

For those of you who have access to the Internet, there is a wealth of information to be found there. In this section we highlight web sites that we have found helpful, informative, interesting or just plain fun.

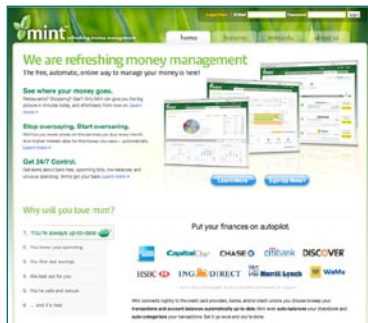
Money Management 101

The federal government has a web site dedicated to teaching all Americans the basics of financial education. Who knew? For some financial enlightenment go to **www.mymoney.gov** where you can explore various topics like Budgeting & Taxes, Saving & Investing, Starting a Small Business, and Responding to Life Events. There are a number of handy calculators and links to other resources including a "Credit Union Find" tool and an Emergency Financial First Aid Kit.



Freshen Up Your Finances

For those who are ready to take their online banking to the next level, check out **www.mint.com**. Marketed as "refreshing money management," Mint allows you



to look at all of your banking, credit card, and budget information side by side – all in one place. It will balance your checkbook and automatically alerts you to savings opportunities (for example, how much you could save by switching to a credit card with lower interest). Mint.com claims to have bank level security and identity protection, and represents a new kind of financial management tool for the 21st century.

** Legal note: The Retirement System is not responsible for the content of these web sites or for the accuracy and completeness of the information contained in them.*

WORKING— continued from page 1
your retirement. Known as "un-retirement," this is a complex and often expensive process that would require you to pay back any retirement income received plus significant interest (currently 7.75%). If un-retiring is a serious option for you, please contact the

retirement office for more information.

Run the Numbers

Whether you are looking to make extra money or just want to stay active, be sure to evaluate how a new position could impact your pension.

If you are thinking about retiring from

Massport in the near future, you should consider the restrictions on employment after retirement if there is a possibility that you will return to work in the public sector. If you have any questions about this topic please contact the retirement office at (617) 568-3951.

Lookout

Election Update

The Massport Employees' Retirement Board incumbents, Dave Davis and Phil Mallett, were the only members to submit nomination papers for the 2008 retirement board election.

Since there are two elected member seats and only two candidates, the incumbents are automatically re-elected without having to go through the formal ballot process. Their new term runs from January 2008 – January 2011.

We congratulate Phil and Dave and thank them for their continued service on behalf of our members!

Transitions

Condolences

We regret to inform you that the following retirees have passed away:

- ☛ Don Pierce
- ☛ Frank Foster
- ☛ Jerry Freda

Congratulations

The following people retired recently and we wish them all the best for a successful future:

- ★ Karin Beutel
- ★ Bether Cole
- ★ John Curley
- ★ Rod Diaz
- ★ William Donovan
- ★ John Kreckie
- ★ Daniel Redd
- ★ Joseph Thompson

Book Corner

New Books Coming Soon

The retirement library is being restocked! We will be updating some old favorites and adding new titles. Employees should keep an eye out for new library catalog to be posted on the Massport public folders (e-mail) system. If you are planning to revamp your finances in 2008, borrow a book from the retirement library to help you get started.

Here are a few titles appropriate for this time of year:

- **Making the Most of Your Money** by Jane Bryant Quinn
- **Your Money or Your Life** by Joe Dominguez and Vicki Robin
- **1001 Ways to Cut Your Expenses** by Jonathan Pond
- **Death & Taxes: The Complete Guide to Family Inheritance Planning** by Randell & Rebecca Doane.



Retirement Board & Staff

Outlook is published quarterly by the Massachusetts Port Authority Employees' Retirement System (MPAERS) One Harborside Drive, Suite 200S, Boston, MA 02128, (617) 568-3951.

Managing Editor
Lisa Allen Brown
lbrown@massport.com

Design
Colvin/Williams Design

Retirement Board
James P. Costello
Chairman

David W. Davis
Elected Member
(nikidave@aol.com)

Michael A. Grieco
Appointed Member

Philip H. Mallett
Elected Member
(pmallett@comcast.net)

John P. Prankevicius
Treasurer-Custodian
(ex officio)

Retirement Office Staff
Irene E. Moran
Director of Retirement
(imoran@massport.com)

Laura S. Barbosa
Retirement Coordinator
(lbarbosa@massport.com)

Nancy Bournival
Financial Analyst
(nbournival@massport.com)

Lisa Allen Brown
Retirement Communication Specialist
(lbrown@massport.com)

Calendar

January

16
Employee Financial Fair,
Logan Office Center,
11 am – 2 pm

21
Martin Luther King, Jr. Day:
Massport offices closed

28
Retirement checks mailed

30
Retirement Board Meeting:
Logan Office Center,
Board Room, 9:00 a.m.

February

5
Primary Day in
Massachusetts – Be sure to
cast your vote!

6
Ash Wednesday

7
Chinese New Year

14
Happy Valentine's Day

18
Presidents Day: Massport
offices closed

26
Retirement checks mailed

27
Retirement Board Meeting:
Logan Office Center,
Board Room, 9:00 a.m.

29
It's a Leap Year!

March

9
Daylight Saving Time begins
– Set clocks ahead 1 hour

17
Happy St. Patrick's Day
Evacuation Day in Boston:
Massport offices **open**

21
Good Friday

Purim

23
Easter Sunday

26
Retirement Board Meeting:
Logan Office Center,
Board Room, 9:00 a.m.

27
Retirement checks mailed

View past issues of *Outlook* at
<http://retirement.massport.com>