



OUTLOOK

September
2018



Focusing on Retirement Issues for Massport Employees Past and Present

Employment *After* Retirement

Whether you are looking to make extra money or just want to stay active, be sure to evaluate how post-retirement employment could impact your Massport pension. The following outlines what you need to know:

Can I get another job after I retire from Massport?

Yes. If you are retired from Massport you are free to seek other employment; however, if you wish to work for a Massachusetts governmental entity (including any state, municipal, or independent entity) you will be subject to some restrictions.

There are far fewer restrictions for working in the private sector or for the federal government *unless you are collecting a Massport disability retirement allowance.* The hours and earnings limitations relative to public sector employment

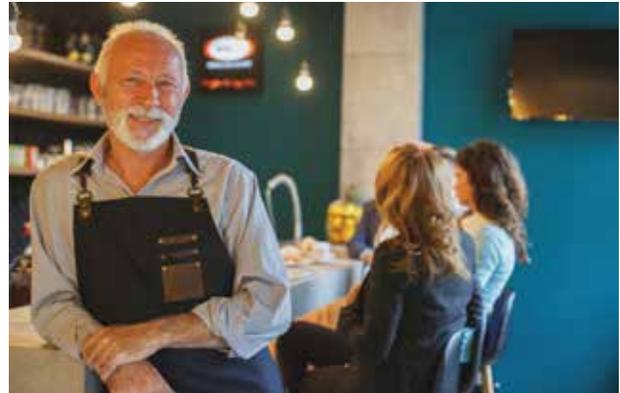
generally do not apply unless your private sector employment is deemed to be employment associated with a Massachusetts public entity. Such scenarios are rare and dealt with on a case by case basis.

What are the restrictions on public employment?

If you are retired from Massport and you go to work for any governmental entity in Massachusetts you face the following restrictions:

1. The salary you receive combined with your Massport retirement allowance in your first calendar year of your retirement cannot exceed the current salary being paid for the position from which you retired.

You may earn an additional \$15,000 over this limit annually beginning your second full calendar year of retirement.*



2. You may only work 960 hours per calendar year. (Legislation that would have increased the maximum hours to 1200 per calendar year was vetoed by the Governor at the end of the last legislative session.)

3. If you are a Massport retiree you are prohibited from working for Massport for one year following the date of your retirement.

Here's an example: John Smith is a Massport retiree receiving an annual retirement allowance of \$50,000. The position he retired from is currently paying \$80,000. During his first calendar year

of retirement John may not earn more than \$30,000 and/or work more than 960 hours for any governmental entity in Massachusetts, and is prohibited from working at Massport that year.

Once John has been retired for more than one calendar year, he is able to earn up to \$45,000 (\$15,000 plus \$30,000) working for any public sector employer, including Massport. This calculation assumes that John's annual retirement allowance and

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**Retirement staff can assist you in determining when you are first eligible to earn the additional \$15,000.*

More inside . . .

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Find us online! Simply go to <http://retirement.massport.com>.

Leaving Massport: What to Do With Your Retirement Account

If you are planning to leave Massport before retirement (or perhaps you already have) you should be aware of your options with regard to your Massport retirement account.

Taking Your Money Out

If you are an inactive member, you have the option of withdrawing your contributions plus interest. The amount of interest you receive depends on your length of service and the nature of your separation from employment.

- **Resignation:**

If you have less than 10 years of creditable service and voluntarily resign, you will receive three percent interest on your contributions.

If you have 10 or more years of creditable service and voluntarily resign, you will receive 100% of the accrued "regular interest" for each year. The regular interest rate is currently set at 0.1%. It is important to note that if you have more than 10 years of creditable service, you are vested and potentially eligible for a future retirement allowance. You should carefully consider any decision to withdraw your funds because unless, at some point in the future, you make arrangements

to repay the amounts withdrawn plus interest, you will not be permitted to count your prior service in any future retirement application.

- **Involuntary termination:**

If you are involuntarily terminated, in most cases you will receive 100% of the accrued regular interest for each year regardless of your length of service. If you have over 10 years of creditable service you could be eligible to receive a future retirement allowance.

Retirement on Hold

If you have more than ten years of service this means that you are vested and can therefore retire and collect a pension from Massport at age 55 or older*. If you have more than twenty years of service and your membership date is prior to April 2, 2012 you can retire at any age.

If you are vested, you may want to leave your money in the Massport Retirement System until you are ready to start collecting a pension. This is also known as *deferred retirement*. If you choose this option, you may want to consider contacting the Group Insurance Commission (GIC) to apply for deferred retiree status. This helps to maintain your insurability with the



GIC while you are off the Massport health insurance plan, potentially avoiding the need for medical testing when it comes time for you to retire. For more information about deferred retirement, please contact the GIC's Christopher Hall at (617) 727-2310 x7064 or christopher.hall@gic.state.ma.us.

Dealing with Taxes

If you decide to withdraw your retirement money, you may choose between having a lump sum paid to you or rolling the money over to a qualified retirement plan such as an IRA or 401(k) plan (as long as the company is willing to accept the rollover). If you choose the lump sum payment we are required to take 20% off the top as

a payment to the IRS. You could also be subject to an additional 10% IRS early withdrawal penalty when you file your taxes the following year. If you want to defer taxes, you must choose a direct rollover to another qualified retirement plan.

The Application for Withdrawal and Special Tax Notice can be downloaded here: <http://www.massport.com/massport/about-massport/employment/retirement-information/retirement-publications-forms/>.

Feel free to call and discuss your options with retirement staff at (617) 568-3951.

**Age 60 or older if your membership date is April 2, 2012 or later and you are a member in Group 1.*

Retirement & SMART Plan Staff are dropping in!

Retirement staff will be holding retirement drop-in sessions at different Massport locations in September. We realize it's not always easy for you to come to us so we will be coming to you! This is a great opportunity to stop by to pick up forms and have your retirement questions answered without leaving your work site. Rich Carty, Retirement Plan Advisor for the SMART Plan, will also be on hand to answer any questions you have related to deferred compensation. See schedule below for drop-in dates, locations, and times. We look forward to seeing you!



Wednesday, September 5th	WORCESTER AIRPORT Conference Room	11 am – 2 pm
Thursday, September 6th	FIRE CONTROL HEADQUARTERS Training Auditorium	7:30 am – 10:30 am
	HANSCOM Conference Room	1 pm – 4 pm
Monday, September 10th	FIRE CONTROL HEADQUARTERS Training Auditorium	7:30 am – 10:30 am
Tuesday, September 11th	LOGAN OFFICE CENTER David W. Davis Board Room Suite 102S	1 pm – 4 pm
Wednesday, September 12th	FACILITIES 3 Union Lunch Room	1 pm – 4 pm
Tuesday, September 18th	MARITIME Admin Conference Room	9 am – 12 pm
Thursday, September 20th	LOGAN OFFICE CENTER David W. Davis Board Room Suite 102S	9 am – 12 pm
Tuesday, September 25th	CONLEY Admin Large Conference Room 2nd Floor	9 am – 12 pm
	PARKING West Garage Conference Room	1 pm – 4 pm

LOC SMART Plan Office Hours

Rich Carty, Retirement Plan Advisor for the Massachusetts SMART Plan, will hold his regular office hours at the Logan Office Center in September as follows:

Tuesday, September 11th	LOGAN OFFICE CENTER Retirement Office 1st Floor, Suite 102S	9:30 am – 12:30 pm
Thursday, September 20th	LOGAN OFFICE CENTER Retirement Office 1st Floor, Suite 102S	9:30 am – 12:30 pm

Annual Affidavits

Attention retirees and survivors! As you know, each year you are required to file an annual affidavit with the Massport Retirement Board. **Affidavits will be mailed by the end of September and are due back by October 31st.**

For your convenience, our resident Notary, Laura Barbosa, will be available to notarize your affidavit free of charge during certain time periods as shown in the schedule below. No appointment is necessary. We look forward to seeing you!

Monday, October 1st	1 pm – 4 pm
Wednesday, October 3rd	9 am – 12 pm
Wednesday, October 10th	1 pm – 4 pm
Friday, October 12th	9 am – 12 pm
Tuesday, October 16th	1 pm – 4 pm
Thursday, October 18th	9 am – 12 pm
Wednesday, October 24th	1 pm – 4 pm
Friday, October 26th	9 am – 12 pm
Monday, October 29th	9 am – 12 pm
Wednesday, October 31st	1 pm – 4 pm

Retirees Receive Annual Increase

We are happy to report that the Massport Retirement Board recently voted to award a 3% pension increase adjustment (cost-of-living adjustment or COLA) to retirees and survivors effective July 1, 2018. This benefit increase was computed on a base of \$14,000 and represents an increase of up to \$35 per month payable to individuals who retired prior to July 1, 2017. We understand how important this pension increase adjustment is for our retired members and survivors, many of whom are living on a fixed income. The Board is pleased to grant this benefit increase to its retirees and survivors.



TRANSITIONS

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

- ☞ Joseph DiDio
- ☞ Richard Foley
- ☞ Walter Hannon
- ☞ Philip Havran
- ☞ Richard Limone
- ☞ Dick Meyer
- ☞ David Weiner

CONGRATULATIONS

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

- ★ Scott Albis
- ★ Rick Bessom
- ★ Lisa Buchanan
- ★ Rich Cardinale
- ★ Ted Costa
- ★ Jim Doolin
- ★ Ron Gaudet
- ★ Brian Gibbons
- ★ Bruce Gusler
- ★ Bob Harris
- ★ Marguerite Imperato
- ★ Mohamed Jalloul
- ★ Stephanie Jenis
- ★ Ron Johnson
- ★ Thomas MacDonald
- ★ Christina Mines
- ★ William O'Donnell
- ★ Arthur Pelton
- ★ Janice Pistorino
- ★ Talibah Salih
- ★ Stephen Todd
- ★ Jerry Toomey

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the pay for his previous position remain the same.

How do I find out what the current salary is for the position from which I retired?

Retirement system staff can assist you in determining your earnings limit.

If I am hired as a “consultant” do these restrictions still apply?

Yes. Being classified as a consultant does not exempt you from the hours and earnings or Massport employment restrictions.

How are my earnings and hours monitored?

It is your responsibility to track your earnings and the number of hours worked and comply with the reporting requirements of M.G.L. Chapter 32, Sections 91 and 91A. It’s important to notify your employer and the retirement office if you are close to or have already exceeded the limits.

What happens if I exceed the hour and earning limits?

You are required to reimburse your employer for any earnings that exceed the limit or forfeit a portion of your retirement allowance.

If you think you might exceed the hour and/or earning limits you can do one of two things:

1. You can waive all or a portion of your retirement allowance for the time period in which you are employed; or,
2. You can scale back the hours of your outside public employment.

Contact your employer and the Massport Retirement System to discuss your options.

What about reinstatement?

Reinstatement is part of a law that took effect in 2004 and it is somewhat complicated. We refer to reinstatement as un-retirement because you are basically undoing your retirement so you can become re-employed in the public sector full time.

In order to become a reinstated member of a public retirement system under M.G.L. Chapter 32, Section 105 you have to pay back any pension monies you’ve received to-date plus interest, currently, at a rate of 7.25%. You also have to make contributions to the retirement system in your new position and will be entitled to additional creditable service *only* if you work a minimum of five years full time after reinstatement. These cases must be handled on an individual basis. You should carefully consider these requirements before returning to public sector employment in Massachusetts. For more information about reinstatement, please contact the Massport retirement office.

What if I am receiving a disability pension?

If you are collecting a disability retirement allowance, you are

subject to additional restrictions.

The salary you earn combined with your Massport disability retirement allowance cannot exceed the current salary being paid for the position from which you retired, *plus \$5,000*. In the case of disability retirees, these restrictions apply to both public *and* private employment.

You may be subject to return to work requirements and loss of disability retirement if you are employed in a position that reflects an ability to perform the essential functions of the job from which you retired.

Anyone retired under a work-related disability is required to file an Annual Statement of Earnings with the Public Employee Retirement Administration Commission (PERAC). It is very important to complete and submit this statement by the deadline specified. If you do not, you will forfeit your pension until you comply. Once in compliance, your monthly pension payments will resume; however, any missed payments during the period of non-compliance will be forfeited.

If you have any questions about post-retirement employment, please contact the retirement office at (617) 568-3951.

Annual Report Mailed to Members

We mailed our 2017 Comprehensive Annual Financial Report (CAFR) to all members – active, inactive, and retired – in June. This report contains our financial statements, plan investment and statistical information as well as a report from our actuary and a frequently asked questions section.

We have submitted this report to the Government Finance Officers Association’s (GFOA) Certificate of Achievement for Excellence in Financial Reporting program, a recognition we have earned for the past 18 years!



WEB WATCH

In this section we highlight web sites and SmartPhone apps that we have found helpful, informative, interesting or just plain fun.

Retirement Account Information at your Fingertips

The retirement member self-service portal has been available to employees and retirees for nearly two years now. This secure website allows you to review your retirement account information, download forms such as beneficiary and address change forms, and run pension estimates based on your estimated service and salary history for any date of your choosing. The pension estimator is by far the most popular feature amongst our active membership!



Active Member Screen



Retiree Screen

Since roll out in 2016, approximately 600 members have registered for online accounts. That's roughly 26% of our total membership! If you haven't signed up, we encourage you to do so. Online registration is quick and easy! To access the portal, go to <http://retirement.massport.com>, select "Massport's Pension Plan" from the menu bar on the left side and then click on the "Member Self-Service" link. To register for access, click on the "Self Registration" button then enter the information requested. Be sure to bookmark this website for quicker access.

Demonstrations and assistance with registration will be available during any of the retirement drop-ins and affidavit office hours. See schedules on pages 3 and 4 for dates, times, and locations. Unable to attend

and need help? No worries, you can always contact Laura Barbosa for assistance via email at lbarbosa@massport.com or phone at (617) 568-3903.

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

CALENDAR

September

3
Labor Day:
Massport offices closed

9
Rosh Hashana begins at sunset

11
Patriot Day:
Massport offices **open**

18
Yom Kippur begins at sunset

27
Retirement Board Meeting
Logan Office Center
David W. Davis Board Room
9:00 am

October

8
Columbus Day:
Massport offices closed

12
Quarterly employer match
to 457 plan

25
Retirement Board Meeting
Logan Office Center
David W. Davis Board Room
9:00 am

31
Retiree affidavits due

Happy Halloween!

November

4
Daylight Savings Time Ends:
Set clocks back one hour!

11
Veterans Day

12
Veterans Day observed:
Massport offices closed

22
Thanksgiving Day:
Massport offices closed

29
Retirement Board Meeting
Logan Office Center
David W. Davis Board Room
9:00 am

December

2
Hanukkah begins at sundown

18
Retirement Board Meeting
Logan Office Center
David W. Davis Board Room
9:00 am

21
Winter begins

25
Christmas Day
Massport offices closed

26
Kwanzaa begins

28
Quarterly employer match
to 457 plan