



MIDDLESEX COUNTY RETIREMENT SYSTEM NEWS

Celebrating Over 100 Years of Public Service

Spring 2019

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Post-Traumatic Stress Disorder and First Responders



*By Joseph Kearns,
Elected Member*

It's no secret that our first responders are witnesses to the most gruesome and unimaginable scenes of carnage and trauma, events which can have a devastating impact on their ability to continue to provide services to their communities.

As a Captain in the Tewksbury Fire Department, and now an elected member of the Middlesex County Retirement Board, I have learned that no matter how prepared first responders are, or how much training or experience we may have, it is impossible to predict the impact these exposures will have on us, and when we may no longer be able to cope with the stress.

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Board Votes to Increase COLA Base

Good news for our benefit recipients! After carefully reviewing the System's liabilities, the Middlesex County Retirement Board and the Board's Advisory Council unanimously voted to increase the current \$14,000 base amount upon which annual Cost of Living Adjustments (COLAs) are calculated. Effective July 1, 2019, the COLA will be calculated at 3% of the first \$16,000 of a retiree or beneficiary's annual allowance, for a maximum of \$480.00 per year.

The Board respects the importance of the COLA to our retirees and beneficiaries, especially as the costs of health care and health insurance continue to rise. The Board is also aware of the need to pay down the unfunded liability of the pension system. To that end, the Board made sure that increasing the COLA base did not extend the funding schedule. The Middlesex County Retirement System is still expected to be fully funded by 2035.

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Middlesex County Retirement System

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PTSD and First Responders continued from page 1

Fortunately, in recent years, post-traumatic stress disorder (PTSD) has received increased attention from health professionals and the general public. The support and care of family, friends and peers are key, and have helped many first responders recover from the physical and mental effects of repeated or one-time exposure to traumatic events.

Disability retirement is usually the last option for many of those who suffer from the incapacitating symptoms of PTSD. If and when that time comes, however, our members should know that the Middlesex County Retirement Board fairly and thoroughly reviews every application for disability retirement with an informed understanding of PTSD, its treatment, and especially its causes. In future editions of our newsletter we will provide more information regarding this condition and where our first responders can go for help.

MCRS Pension Education Series:

Your Public Pension and Social Security — What You and Your Family Need to Know

The Board held the first of six regional training programs on April 24th at The Burlington Barn at Grand View Farm. Approximately 70 members employed by the Towns of Bedford, Burlington, Carlisle, Lincoln and Weston were in attendance. Board Chairman Tom Gibson, Chief Administrative Officer Lisa Maloney, and Social Security Specialist Francine Kollias made a two hour presentation to the members. Service credit purchases, the retirement application process, retirement benefit calculations and payment options, what to expect post-retirement, and how our members’ benefits interact with Social Security, were among the topics addressed.

One hundred members attended the second program held on May 14th in Tewksbury’s Town Hall for members employed by Billerica, North Reading, Tewksbury, and Wilmington. These free meetings are open to all of our members and should be an important part of your financial planning.

The schedule for upcoming meetings is as follows:

Locations	Dates
Wayland Town Hall	Tuesday, June 18, 2019
Council on Aging, Pepperell	Thursday, September 19, 2019
Acton Town Hall	Thursday, October 10, 2019
Council on Aging, Westford	Wednesday, November 6, 2019



Attendees at the Burlington regional meeting included Treasurer Brian Curtin (center, front row)

Social Security Update

By Francine Kollias, MCRS Social Security Specialist

Social Security Reminders For Those Retiring in 2019



Are you retiring from the Middlesex County Retirement System in 2019? If yes, please make note of the following with respect to Social Security and Medicare.

For those retiring this year and who have been receiving Social Security benefits:

- One month prior to your retirement from the Middlesex County Retirement System you must contact your local Social Security office (“SSA”) or call 1-800-772-1213 to report your new retirement allowance.
- SSA will provide you with a form to complete, sign and return to your local SSA office via certified mail, return receipt requested. Be sure to keep a copy for your records!
- When you start receiving your MCRS retirement allowance, you may see a decrease in your Social Security benefits due to the Windfall Elimination Provision or Government Pension Offset. You will continue to receive your full Social Security benefit amount until SSA recalculates your benefit. This may take 3-4 months. You will receive a letter from SSA stating the new amount and the effective date of the change. You will be responsible for any adjustments to the payments made to you by Social Security.

For those retiring this year and who will be filing for Social Security benefits for the first time:

- Three months before you plan to collect your Social Security benefits, go to www.ssa.gov and file an application for benefits online. You can also call 1-800-772-1213 to make an appointment for a telephone interview or an in-office interview with SSA.
- SSA will require proof of your gross monthly retirement allowance from Middlesex County Retirement System before any deductions for health insurance or reductions due to your election of Option B or Option C.
- Remember that SSA payments are made the month after they are due.

For those retiring who are over age 65 and have been covered under the active member health insurance plan with their employer:

You must be enrolled in Medicare Parts A and B beginning the first month you are no longer covered under the “active” group health plan. Medicare Parts A and B will be your primary coverage. Your employer may offer a supplemental plan that will cover what Medicare does not. In general, Medicare Parts A and B cover 80% of your medical claims and a supplemental plan covers 20%. *Be sure to check with your employer to see what options are available to you.*

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Legislative Update

The Board has filed a bill with the Legislature that would exempt the real estate owned by the retirement system from local real estate taxes. As our members are aware, MCRS owns the building which houses the retirement office, as well as educational programs run by Valley Collaborative and the Billerica Public Schools. Other bills submitted this year by other organizations would increase the number of annual hours a retiree could work for a governmental unit in Massachusetts from 960 to 1200, and would increase the annual minimum survivor benefit for a member who dies in active service to \$7,500.

Further, the Board supports the legislative initiatives that would ease the requirements for veterans to purchase service for their time spent on active duty. Currently, a veteran must decide whether to purchase military service time within 180 days of receiving notice from the retirement board that the service is eligible to purchase. One bill would allow veterans the right to purchase their military service credit for retirement at any time during their working career. The Board agrees that the current time constraints are too restrictive. We hope that the Legislature will ease this burden for those who have served our country and who are now serving in our communities.

The Board will continue to monitor and to report the progress of all legislation that impacts the members and beneficiaries of MCRS.

Service Credit Purchases

Creditable service is one of the factors used to calculate your retirement allowance. Active members may be eligible to purchase service rendered prior to establishing membership with the Middlesex County Retirement System. If so, the time purchased will be added to the service rendered in the System. The additional service will enhance your benefit or, perhaps, allow you to retire sooner than you previously planned.

There are different service credit purchases available to you.

Refund Buybacks/Redeposits

If you previously rendered public service as a member of a Massachusetts retirement system, then left your employment and received a refund of your retirement contributions, your prior service credit may be bought back by redepositing the amount of the refund, plus statutory interest to the date of final repayment. The amount of interest you pay will depend upon when the redeposit is made. Your interest rate will be less if repayment is made within one year of your re-entry into service.

Military Veterans

Veterans can purchase up to 4 years of retirement credit for their active military service. National Guard and Reserve military service is pro-rated on a 5 to 1 basis. For every 5 years of Guard and Reserve service, you will receive 1 year of credit.

The cost of this service is 10% of your first year salary upon entering the retirement system for each year purchased. No interest is charged.

Call Firefighters and Permanent Intermittent/ Reserve Police Officers

As a call firefighter or permanent-intermittent/ reserve police officer, you can receive retirement credit of up to 5 years for the period of time you were on the municipality's respective list and eligible to be appointed as a permanent firefighter or permanent police officer. For call firefighters, the service is eligible for purchase only if you were later appointed as a permanent member of the fire department in the same municipality, or if the municipality has adopted a local option to allow such credit.

Other Prior Non-Contributing Service

Service you render in the Middlesex County Retirement System or another retirement system in a temporary, provisional or substitute position is eligible for purchase. Further, service rendered in a part-time, seasonal or intermittent position in the MCRS is eligible for purchase.

Purchases of prior non-contributing public service rendered outside of our retirement system will be charged a higher interest rate than purchases

of non-contributing service rendered to a governmental unit within the Middlesex County Retirement System.

Regardless of the type of service you are purchasing, you may roll over funds from deferred compensation accounts or other tax-deferred plans without penalty in order to purchase this time. In addition, installment payment plans are available upon request.

Estimating Your Retirement Benefits

There are many helpful resources available to you as you prepare for retirement. Our Pension Education Series, *Understanding Your Public Pension and Social Security*, highlighted in this edition of the newsletter, provides an overview of your benefits as does the System's website, www.middlesexretirement.org.

To estimate your retirement benefits, we encourage you to take advantage of the resources listed below.

Group Percentage Charts

An estimate of the benefit percentage at which you will retire based on your age, years of service, and group classification can be found in the Group Percentage Charts posted on our website at <https://middlesexretirement.org/resources/group-classifications>

Online Calculator

In addition, you have access to the online pension calculator offered on the State Treasurer's website, which offers active members of the retirement system an approximation of their future retirement benefits. Simply go to <https://www.mass.gov/pension-estimate-calculator-msrb> and provide the requested information.

You will be asked to enter basic demographic information, your service start date and projected date of retirement, your estimated amount of

creditable service and salary information, your group classification and whether or not you are a military veteran.

The website will generate retirement estimates for each of the allowance options that you request.

This tool gives you the flexibility of making multiple projections simply by changing your retirement date, service amounts, and salary averages.

Written Estimates

You can request a written estimate from our office. Estimate Request Forms are posted on our website at <https://middlesexretirement.org/resources/forms-and-retirement-guides>. One of our retirement counselors will review your records and then prepare and send to you a written estimate.

Retirement Counseling

Retirement counseling is available, but not required, for you to submit an application for retirement. Appointments are scheduled based on your estimated date of retirement with priority being given to those members retiring within the next few months.

Please contact us by phone or email before coming to the office. We want to make sure we have staff available to meet with you to give you the time and attention you deserve.

Board Votes to Increase COLA Base continued from page 1

Middlesex County Retirement System COLA Base History: 1999 – Present

Effective Date	COLA Base	% of Base	Annual COLA
July 1, 1999	\$12,000	3%	\$360.00
July 1, 2011	\$13,000	3%	\$390.00
July 1, 2012	\$14,000	3%	\$420.00
July 1, 2019	\$16,000	3%	\$480.00

If you retired in 2009 with a pension of more than \$12,000, your pension has increased by the following amounts:

Effective Date	% Increase	Maximum Benefit	Cumulative Maximum Benefit
2009	3.0	\$360.00	\$360.00
2010	3.0	\$360.00	\$720.00
2011	3.0	\$390.00	\$1,110.00
2012	3.0	\$420.00	\$1,530.00
2013	3.0	\$420.00	\$1,950.00
2014	3.0	\$420.00	\$2,370.00
2015	3.0	\$420.00	\$2,790.00
2016	3.0	\$420.00	\$3,210.00
2017	3.0	\$420.00	\$3,630.00
2018	3.0	\$420.00	\$4,050.00
2019	3.0	\$480.00	\$4,530.00

The Favorable Economic Impact of Your Pension

According to a 2018 study by the National Institute on Retirement Security, the retirement benefits paid by Massachusetts public pension plans to public workers and their families continue to generate a significant amount of economic activity in the Commonwealth of Massachusetts.

The pension benefits received by our retirees are largely spent in their local communities. This in turn generates a ripple effect throughout the Massachusetts economy by providing income and wages to others, by favorably impacting tax revenues, by helping to reduce unemployment, and by delivering other beneficial enhancements.

More than 224,000 residents of Massachusetts received a total of \$7.1 billion in pension benefits from state and local pension plans in 2016. For each dollar retirees earned in pension benefits, \$1.51 in total economic activity in Massachusetts was supported. Each \$1 of taxpayer contributions invested in the Massachusetts' state and local pension plans supported \$4.60 in total economic output in the state.

The Middlesex County Retirement System contributes extensively to Massachusetts' economic production. In 2018, our retired public employees and their families received over \$148 million in retirement benefits. Each and every month, the System provides in excess of \$12 million in retirement benefits to our members, providing a steady economic contribution to Massachusetts communities and to the state economy.

MCRS Benefits Summary as of 12/31/18

Type of Benefit	# of Recipients	Annual Payment	Median Allowance
Section 5 – Superannuation	4,909	\$122,426,213.54	\$18,863.76
Section 6 – Ordinary disability	72	\$1,340,858.17	\$19,110.42
Section 7 – Accidental disability	386	\$14,645,830.24	\$34,866.66
Section 9 – Accidental death	86	\$2,529,635.40	\$27,257.34
Section 10 – Termination Allowance	22	\$543,343.44	\$22,411.44
Section 12 Option C – Retiree survivor	272	\$4,178,247.02	\$14,028.72
Section 12(2)(d) – Active member survivor	181	\$1,905,584.60	\$7,271.70
Section 12B – Dependent child	1	\$6,618.00	\$6,618.00
Section 100 – Killed in the line of duty	3	\$253,184.58	\$89,340.78
Section 101 – Survivor of pre-1997 disability retiree precluded from selecting Option C	66	\$819,736.55	\$12,921.78
Total	5,998	\$148,649,251.54	\$18,987.09

Benefit Recipients as of 12/31/18

	Middlesex County Retirement System
Less than \$9,999	1,520
\$10,000 to \$19,999	1,597
\$20,000 to \$29,999	1,053
\$30,000 to \$39,999	634
\$40,000 to \$49,999	484
\$50,000 to \$59,999	341
\$60,000 to \$69,999	161
\$70,000 to \$79,999	95
\$80,000 to \$89,999	44
\$90,000 to \$99,999	37
Greater than \$100,000	32
Total	5,998

For further information on the favorable economic impact of public pensions in Massachusetts, and across the United States, go to www.nirsonline.org.

- If you are over age 65 and not yet enrolled in Medicare Part A, you must apply for both Medicare Parts A and B approximately 3 or 4 months before your retirement date. You will need to file an application online for “Medicare Only” at www.ssa.gov/medicareonly. You may also call to make an appointment at 1-800-772-1213.
- If you already are enrolled in Medicare Part A, you will need two forms to enroll in Medicare Part B. The first is your enrollment request (HCFA 40B) and the second is an Employer Information Form (Form L-564). Both forms are available online at www.ssa.gov/benefits/medicare. Complete, sign and return both forms to your local SSA office 3 - 4 months before your retirement date, via certified mail, return receipt requested. Be sure to keep a copy for your records!
- The Medicare Part B base premium is \$135.50 per month for each person. Part B is usually deducted from monthly Social Security payments. If you are not receiving monthly payments, Medicare will bill you quarterly for the premiums.
- If your spouse is over age 65 and covered by your “active” health plan, your spouse must also enroll in Medicare Parts A and B upon your retirement.

Best wishes for a healthy and happy retirement - you have earned it!

MIDDLESEX COUNTY RETIREMENT BOARD

Thomas F. Gibson, Chairman
Brian P. Curtin, Vice Chair
John Brown, Elected Member

Joseph W. Kearns, Elected Member
Robert W. Healy, Appointed Member
Lisa M. Maloney, Chief Administrative Officer

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