



WRR NEWS

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Retirement Board Continues Transition

The transition to new leadership at Worcester Regional Retirement Board continued during these past months as the Board bid "farewell" to two veteran members. Former County Commissioner Joann Sharp of Northborough retired in November. First appointed to the board

system became a "regional retirement system" under the new statutes. Joann, always brought her sparkling personality, warm compassion, and just plain common sense to every Board meeting. The Board presented Joann with a resolution at her last meeting commending her and thanking her for her years of service. Best wishes in your retirement, Joann!

sition, and he will be missed. The Board also conducted an election for one of the two seats allocated for members or retirees of the system. Beverly Kenniston of West Brookfield and the chief assessor in Holden was elected last year to fill out an unexpired term, and was seeking re-election to a full three-year term. Former board member Michael Donoghue challenged her. In a very close race, Michael Donoghue was elected with a 23-vote margin, and will now serve a three year term. The Board expressed its gratitude to Beverly for the professionalism and dedication she brought to the system in her brief tenure. She will be missed.

Also leaving the board was long time member Roger Dubois of Dudley who resigned in October. Roger was first elected to the Board in 1996 and was subsequently re-elected 3 more times. In 2007, Roger, a retired building inspector, stepped in to become chairman of the Board after Michael Donoghue retired. His steady hand helped steer the Board during this period of tran-



by the County Commissioners in 1997, Joann served with distinction these past eleven years.

Mrs. Sharp played an important role as county government was abolished and our retirement

Retirement Board Saves Member Communities

The Worcester Regional Retirement Board has worked hard not only at protecting your benefits, but also to save our member communities valuable tax dollars in these tough economic times.

Working with PERAC, we were able to revise our pension billing system to save taxpayer money. Although employees' pension deductions are taken from every paycheck and deposited monthly in our retirement fund, all 95 member units in our system are billed semi-annually. The new program allows communities, who choose, to make one single payment in July. Those communities are given a discount on their pension assessment. During this fiscal year, 30 of our member units took advantage of the discount saving a total of \$335,164.00. We will offer this plan once again for the next Fiscal Year that begins in July saving the taxpayers even more.

Blanchette Named Chairman/CEO

The board unanimously chose our CEO Kevin P. Blanchette as the new Chairman of the Board. Blanchette served the remainder of the unexpired term, and was chosen to serve a full 6-year term. Blanchette has served as our CEO since September of 2007, and helped steer the system through the tumultuous

months of change. Kevin credits his fellow Board members and his "top-notch" staff with bringing about many of the innovations at the retirement system

The Board also chose Mr. Eugene J. Durgin, Jr., a retired investment professional, to serve in the seat vacated by Joann Sharp. Mr. Durgin is

President of the Massachusetts Public Pension Forum, and is well respected as an expert in the public retirement community.

The five current Board members collectively bring over 125 years of experience in public employee retirement. Now that's something you can be proud of!

Retiree News:

Coming Soon: Deductions for Health Insurance



The Worcester Regional Retirement System will soon offer an exciting new option for our retired members. Towns and districts within the regional system have been invited to participate in a project with the retirement system to offer payroll deductions for retirees' health insurance premiums. Look for the announcement from the unit from which you retired. Please read the mate-

rial carefully and sign the authorization to begin the deductions from your pension check. It's as simple as that! You won't have to worry about paying your health insurance premiums again. Please note that the opportunity to sign up will be offered only once each year, so be mindful of any deadlines set by your town or district.

Working in the Public Sector After Retirement

"Retirees should be aware that state law places strict limits on post-retirement earnings from government service within the Commonwealth"

Retirees should be aware that state law places strict limits on post-retirement earnings from government service within the Commonwealth. The limits apply to all persons retired from the public sector in Massachusetts who are receiving a retirement allowance whether a superannuation or disability. If a retiree is re-employed in the service of the Commonwealth or any of its counties, cities, towns districts or political subdivisions his/her earn-

ings for the calendar year when added to the retirement allowance he/she is receiving cannot exceed the salary currently being paid for the position from which he/she retired. In addition, the public sector re-employment is limited to 960 hours in the aggregate in any calendar year.

Worcester Regional retirees who are re-employed in any public sector position should notify their employer and the treasurer of the governmental

unit of their status. If the number of hours worked is over 960, the retiree must stop employment. If the earnings exceed the limits set by law, the retiree shall return the amount in excess to the treasurer or person responsible for payment of compensation. If the employer does not seek or receive reimbursement from the retiree, the retirement board may recover the excess payments.

2009-2010

ANNUAL ENROLLMENT

APRIL 13—MAY 15

Attend a health fair and see your GIC Benefit Decision Guide to find out about your options. Plan representatives and Group Insurance Commission Representatives will be there to answer any questions you may have.

For more information log on to:

www.mass.gov/gic/

Retirees' Pension Checks Are Issued on a Monthly Basis Effective on the Following Dates:

1/30/09	2/27/09	3/31/09	4/30/09
5/29/09	6/30/09	7/31/09	8/31/09
9/30/09	10/30/09	11/30/09	12/31/09

Deductions for Active Members:

Annual statements for active members will be mailed during the month of April. Members are asked to carefully review the information contained on the statement to ensure its accuracy. Be sure to notify the retirement board of any changes in your status.

The annual statement provides you with an accounting of the contributions you have made into the retirement fund. As you know, deductions are taken from your regular compensation each

pay period and deposited with the Worcester Regional Retirement System. Here we maintain an annuity savings account for each member. The annuity savings account consists of two parts: (1) your contributions and (2) interest which is credited to your balance from the prior year at a rate determined by the Public Employee Retirement Administration Commission, which is the average of a passbook savings return. Your contributions are pooled with all other members of the system and invested.

The interest credited to your balance is not the actual investment return, but rather an artificial rate established by PERAC. By law, this rate is determined by an average interest rate paid on individual savings accounts from a sample of Massachusetts banks. After your annuity savings account is credited with the interest, any excess interest is held in the Worcester Regional Retirement System reserve fund to ensure the future stability of our retirement system and honor the promise made to you for a secure retirement.



Layoffs & Retirement Benefits

If you are an active member of our system facing the prospect of a layoff, you may have questions regarding how this may impact your retirement options. Please contact our office for counseling about your retirement benefits and options including refunds, rollovers, and termination.

Your Money-Your Pension and the Economy

The Value of a Defined Benefit Plan

The Worcester Regional Retirement System is considered a defined benefit plan. This means that your retirement benefit is not calculated based on your contributions into the system, but according to a set formula that is calculated when you retire from service. This formula is set in Massachusetts General Law Chapter 32, and is based on your years of service, your salary average

and your age at the time of retirement. These benefits are guaranteed for life.

The contributions you and your employer make into the Worcester Regional Retirement System are now invested in the Pension Reserve Investment Trust and managed by the Pension Reserve Investment Management Board whose sole mission is to invest the roughly \$45 billion dollars in public pension assets. Because of the

nature of our retirement plan, your benefits are not linked to the performance of the financial markets. The vast fluctuations in the economy have no effect on your benefit.

At a time when everyone is deeply concerned about our economy, rest assured that a retirement system that has been providing benefits to the public employees of the Worcester County since 1911 can be one less thing to worry about.



Getting Divorced Can Affect Your Pension

Retirement benefits and rights related to them can be marital assets that are divided when people divorce. Massachusetts public pension laws do not recognize assigning a portion of the member's account to the other spouse. Instead, what evolved from this fact is the Domestic Relations Order ("DRO"). If parties to a divorce agree to divide retirement benefits they

must draft a DRO, which is a court order that directs a retirement plan administrator such as Worcester Regional as to how to divide a member's retirement benefit. It is the parties' responsibility to draft a DRO consistent with their divorce settlement. However, for members of a public employee retirement system in Massachusetts, the DRO must comply with

the provisions of Chapter 32 of the Massachusetts General Laws, which governs public retirement.

We encourage parties in a DRO to submit a draft to the Board before filing it with the court for approval. We can review it only to ensure that it complies with the provisions of the retirement law as it is presently written. The information provided here is

informational only and not intended as legal advice. For questions concerning your specific circumstances you should see advice from an attorney or financial planner.

Divorce can be an ugly situation, and you should be aware of how it may well affect your benefits.

We're on the web:
Worcesterregionalretirement.org
For your convenience we've
established a link to the
Superannuation Retirement
Pension Calculator on our web
site

Board Meetings
Last Tuesday of the Month
8:00 am

Kevin P. Blanchette, Chairman
Carol A. Baron
Pauline Lajoie
Michael J. Donoghue
Eugene J. Durgin, Jr.

Worcester Regional
Retirement System



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Did You Know?

- There are 95 towns, authorities, and districts in the Worcester Regional Retirement System
- There are 6,441 active members of the system who contribute each pay period
- The average salary of our active members is \$37,176
- There are 2,426 inactive members of the system who have accounts with us
- There are 2,889 retirees in our system who receive benefits
- The Average benefit paid is \$13,000
- The average age of our retirees is 74

**WORCESTER REGIONAL
RETIREMENT SYSTEM
23 MIDSTATE DRIVE
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**Presorted
Standard
U.S. Postage Paid
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