

## Overview of Retirement System

There are 106 contributory retirement systems within the Commonwealth of Massachusetts. These systems have accepted the provisions of Sections 1-28 (contributory sections), Chapter 32 of the Massachusetts General Laws. As a result, all systems although operating independently are bound by one uniform retirement law.

Local Retirement systems are managed by a retirement board which shall have the general powers and duties set forth in subdivision (5) of Chapter 32 M.G.L.A. Such board shall consist of five members and shall be chosen in the following manner. The city auditor or town accountant who shall be a member ex officio, a second member appointed by the mayor, a third and fourth member who shall be elected by the members in or retired from service of such system and from among their number for a term not exceeding three years, and a fifth member who shall not be an employee, a retiree or official of the governmental unit and shall be chosen by the other four for a term of three years. The Methuen Contributory Retirement System board members are:

Ex-Officio Member	Thomas J. Kelly
Mayoral Appointee	Robert DeLuca
Elected Member	Albert J. Trott, III
Elected Member	Michael Hennessy
Board Appointee	Sharon Cutter

The Retirement Office is located at 41 Pleasant Street, Suite 303. The office hours are Monday – Thursday 8:00 to 4:30 Friday 8:00 to 12:00.

We can be reached by: Telephone # 978-983-8620

E-Mail [Tmurphy@ci.methuen.ma.us](mailto:Tmurphy@ci.methuen.ma.us)

There are two employees of the retirement board:

Terrylee Murphy  
Maria Waldron

Retirement Board Analyst  
Asst. Ret. Bd. Analyst

## General Powers and Duties of Boards

The board shall meet at least once in each month for the transaction of such business as may properly come before it. It shall keep a record of all its proceedings. The Methuen Retirement Board has scheduled regular meetings for the last Thursday of each month. The meetings are held in the second floor conference room in the Searles Building at 9:30 a.m.

The board may adopt by-laws and make rules and regulations consistent with law, which shall be subject to approval by the Public Employee Retirement Administration Commission.

The retirement board shall maintain records of all the active and inactive members of the system. These records include the members personal information, current address, dates of employment, membership status, group status, creditable service, retirement withholdings, beneficiary information, marital status, date of birth, spouse date of birth, dependent information, veterans status, department/position, dates of termination or transfer between cities and towns, any leave of absences, workers compensation information.

The retirement board also maintains records of all retirees including the date, type, status and amount of all retirement allowances. The cost of living increases granted to each retiree, beneficiary and dependent information, financial data, payroll data, reimbursement information for service in other cities both payable and receivable, current address, and annual verification forms completed by each retiree.

It shall provide for payment of retirement allowances and other benefits and for all other necessary expenditures under the applicable provisions of sections one to twenty-eight inclusive, or under any earlier laws or of any special law, and shall have such other powers and shall perform such other duties and functions as are necessary to comply with such provisions. The board shall have the power to take

evidence, subpoena witnesses, administer oaths and examine such parts of the books and records of the parties to a proceeding as relate to questions in dispute.

The board shall keep such data as is required for the purpose of valuing the assets, determining the liabilities of the system, making actuarial investigation of the experience of the system and for promulgating rules and regulations governing the administrative procedures for maximizing the assets of such systems.

Each board shall prepare annually a report that shows the financial condition of the system as of December 31 of the previous year. The report shall contain information showing the financial transactions of the previous year, statistical information with reference to the membership of the system, a summary of the findings of any timely audit reports, a summary of the board's investment policy, a summary of the systems investment portfolio and information with regard to the system's most recent actuarial valuation including the unfunded actuarial liability as of the valuation date.

Each board shall annually, on or before July first, furnish to each member of the system an annual statement for the previous calendar year relative to the status of the member's account. Such statement shall show either the total contribution since the member entered the retirement system, the total amount of interest which has accrued, and the combined total in the account as of the end of the previous calendar year, or the regular deductions for the previous calendar year, additional deductions if any, for the previous calendar year, regular interest credited for the previous calendar year, and accumulated total deductions as of the close of the previous calendar year.

Upon the written request of any member, the retirement board shall provide a written notice of the benefits to which such member is or may be entitled under the provisions of chapter 32 including the dates on which such member will become eligible to receive such benefits, and the effect of such benefits, if any, on any benefits such member may be eligible to receive pursuant to the federal social security act.

Each board shall file a report with the IV-D agency that shall include the name, address, date of birth, status and social security number of all members of the system as of December 31 of the previous year. This information shall be used solely for the purposes outlined in chapter 119A and the use of such information shall be subject to the limitations set forth in said chapter 119A.

All assets of each system shall be credited according to the purposes for which they are received, acquired or held in one of the seven funds in the system.

The retirement board shall on or before October 15<sup>th</sup> in each year furnish the actuary with such information as he may require to enable him to determine the amount to be paid for the pension fund thereof for the fiscal year commencing on the next following July first.

The retirement board shall invest and reinvest the refunds of such system, to the extent not required for current disbursements, in accordance with Chapter 32 Section 23 (2). The members are fiduciaries as defined in section one and subject to the following fiduciary standards: they shall discharge their duties for the exclusive purpose of providing benefits to members and their beneficiaries with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims and by diversifying the investments of the system so as to minimize the risk of large losses unless under the circumstances it is clearly prudent not to do so.

#### [Public Employee Retirement Administration Commission:](#)

The Public Employee Retirement Administration Commission (PERAC) was created by Chapter 306 of the Acts of 1996. It is governed by seven commissioners which include the governor and his two designated appointees, the state auditor and his two designated appointments, and the chairman chosen by the other commissioners. The Commission has the general responsibility for the efficient administration of the public employee retirement systems under Chapter 32. The Commission

promulgates rules and regulations governing the administration of retirement boards; performs field audits of retirement systems; provides training, legal and technical assistance to retirement boards; appoints regional medical panels for the purpose of conducting medical examinations of disability applicants and developing a program and procedures for the re-employment of injured or disabled workers.

Division of Public Employee Retirement Administration Commission [www.state.mass.gov/perac](http://www.state.mass.gov/perac)

[The Voice of the Retired Public Employee](#): Organization for public retirees from the 106 retirement systems. Retired State County and Municipal Employees Association of Massachusetts.  
[www.massretirees.com](http://www.massretirees.com)

State House: [www.state.ma.us](http://www.state.ma.us)