



THE COMMONWEALTH OF MASSACHUSETTS State Board of Retirement

ONE WINTER STREET, BOSTON, MA 02108

NEWSLETTER

TREASURER'S MESSAGE



Greetings on behalf of the State Board of Retirement.

At the Retirement Board, the staff constantly strives to offer you the best services possible while always looking for ways to improve operations. In keeping with this approach, please reference the We Want to Hear From You! article on the last page of this issue and participate in the associated online survey. We believe that regular feedback from our members is a key element to offering the best level of service to our customers.

Please note in this issue that the Retirement Board is gearing up for an election. The voting deadline for one of the two elected positions to the five-member Retirement Board is scheduled for November 22nd, with nomination papers due by September 27th. Official ballots will be issued in mid-October, and the elected member will serve for a three-year uncompensated term beginning in January 2014.

To better serve the needs of our members, the Board has also extended its summer hours. On Thursdays through September 26, the Boston office will be open until 7:00 p.m. I encourage any interested party to take advantage of the extended hours by stopping by or calling to learn more about your benefits. The better informed you are about your benefits now, the more likely you are to make decisions that will positively affect your retirement in the future.

As always, if you have any questions about your retirement account, please contact the Board. It is our goal to work with you to ensure that your retirement years are active, enjoyable, and financially secure.

Sincerely,

Steven Grossman
Treasurer and Receiver General

STATE BOARD OF RETIREMENT

MEMBERS OF THE BOARD

Chairman

Treasurer Steven Grossman

Elected Members

Ralph White
Theresa McGoldrick, Esq.

Appointed Member

Patricia Deal

Chosen Member

Chris S. Condon

Executive Director

Deputy Treasurer Nicola Favorito, Esq.

Deputy Director

Marianne Gebert

MAIN OFFICE

Address:

One Winter Street, 8th Floor
Boston, MA 02108

Office Hours:

8:00 a.m. – 5:00 p.m. M–W & F

8:00 a.m. – 7:00 p.m. TH

Phone: (617) 367-7770

Fax: (617) 723-1438

REGIONAL OFFICE

Address:

436 Dwight Street, Room 109A
Springfield, MA 01103

Office Hours:

8:00 a.m. – 5:00 p.m. M–F

Phone: (413) 730-6135

Fax: (413) 730-6139

PHONE TOLL-FREE

1-800-392-6014 (Mass. only)

DIRECT DIALING / BYPASS CALL CENTER

If you know your party's three-digit extension:

617-367-9333 Plus extension

EMAIL

SRB@tre.state.ma.us

WEBSITE

mass.gov/retirement

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2013 Retirement Board Election

We want to hear from you

Buybacks Roll On High volume of requests push processing time back.



The State Retirement Board's Reinstatement Department, also known as the Buyback Unit, is one of many units within the Board affected by legislative changes. As of April 2, 2013, the interest rate on certain creditable service buyback purchases changed to 8.25%. News of the change prompted many members who were interested in buying back time to do so before the deadline. The Board received more than 3,000 service purchase requests prior to the deadline.

We at the Retirement Board know many of you are anxious to hear from us about your Buyback. Our analysts are working diligently on your behalf to review and finalize all service purchase requests. Usually the process to complete an individual request takes about 4-6 weeks. However, due to the high volume of recently received requests, the process may now take 8-12 weeks.

NOTICE OF 2013 RETIREMENT BOARD ELECTION

Pursuant to Massachusetts General Laws c.10, §18 and c.32, the State Board of Retirement ("Board") will conduct a regularly scheduled election for one of the two elected positions to its five-member Board. The elected member will serve for a three-year term without compensation beginning January 2014.

Nomination papers will be available beginning August 26, 2013 at the Board's offices, One Winter Street, 8th floor, Boston; 436 Dwight Street, Room 109A, Springfield; or through its web site at mass.gov/retirement. **Completed nomination papers must be received at the Board's Boston office by 5:00 p.m. Friday, September 27, 2013.**

There are a number of steps involved in processing a creditable service purchase application. Once the application is received, it is reviewed to determine eligibility and what information is necessary to complete the calculation. In some cases, other retirement boards or state agencies must be contacted for the necessary information. This can add to the turnaround time that is needed to complete the initial request. Once all of the information is received, a calculation is completed and a bill is sent out. The payment options are included in this package. Once the bill is paid in full, you will receive a letter indicating that the buyback is complete.

In the event that it is determined that the service is not eligible, you will be informed of the reasons and what your options are going forward.

Our reinstatement analysts appreciate your interest in buying back your creditable service and would like you to help us better serve you by taking the following steps should you look to purchase creditable service. First, please visit our website and check out the Creditable Service section for Active Members. Information on service purchases and downloadable forms are available.

Always remember that we are here for you. Reinstatement Analysts Sharon Lantieri and Paul Egan are available to answer any questions you may have concerning your Buyback request. You can contact them by emailing buyback@tre.state.ma.us or calling (617) 367-7770, option 2.

Nominees who qualify as candidates for election will be notified of the same by October 4, 2013.

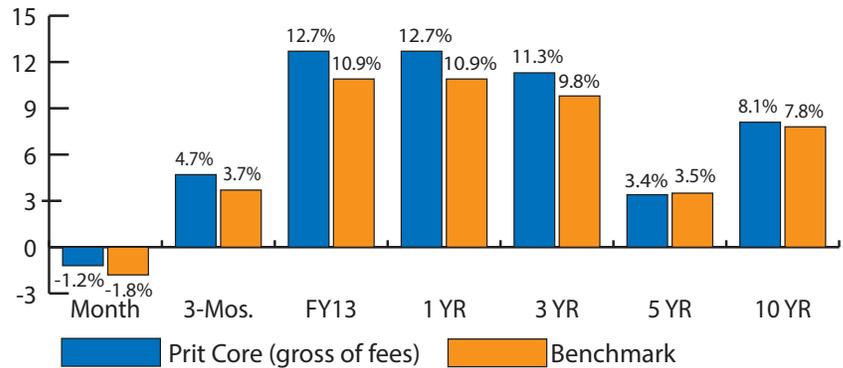
After qualification of candidates, official ballots will be issued on or about October 11, 2013 and must be returned by Friday, November 22, 2013 to the Board or its designated agent.

You may obtain a complete set of the Board's Election Rules from the Board's offices or through its website. If you have any questions, please contact Nicola Favorito, Esq., Executive Director, or Marianne Gebert, Deputy Director at (617) 367-7770.

PRIM Board Update:

The Pension Reserves Investment Trust (PRIT) Fund is a pooled investment fund established to invest the assets of the Massachusetts State Teachers' and Employees' Retirement Systems, as well as the assets of county, authority, district, and municipal retirement systems that choose to participate. The PRIT Fund was created by the Legislature in December 1983. The Treasurer and Receiver General of the Commonwealth is a member ex officio and serves as the chair of the nine-member Pension Reserves Investment Management (PRIM) Board, which is responsible for overseeing the Fund. The State Employees' Retirement System has two representatives on the Board: one is elected by the members of the Retirement System and one is an elected member of the State Retirement Board.

Market Recap – as of June 31, 2013



Domestic Equity Markets:

Index	Month	CYTD	1-Year
S&P 500	-1.34%	13.82%	20.60%
DOW Jones Ind.	-1.25%	15.20%	18.87%
NASDAQ (Price Chg)	-1.52%	12.71%	15.95%
Russell 2500	-1.09%	15.42%	25.61%

Pension Reserves Investment Trust (PRIT) FUND ASSETS: \$53,229,625,000

State Employees' Retirement System (SERS) ASSETS: \$20,840,408,682.11

Full quarterly updates are available on the PRIM Board website at www.mapension.com.

Reminders

Please notify your Human Resources coordinator of any change of address.

Important Dates to Remember:

September

Monday, September 2 | Labor Day, Offices Closed
 Monday, September 23 | Retirement Board Meeting*

October

Monday, October 14 | Columbus Day, Offices Closed
 Thursday, October 31 | Retirement Board Meeting*



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Follow us on Twitter @massstateret

EXTENDED HOURS

The MA State Retirement Board is pleased to announce that it has extended its Boston hours on Thursdays throughout the summer. The extended Boston summer hours are currently in effect now through Thursday, September 26, 2013 as follows: Walk-In Counseling: 10:00 a.m. – 6:30 p.m. Telephone Hours: 8:00 a.m. - 7:00 p.m.

Please visit our website mass.gov/retirement to view a full list of our business hours. We sincerely hope you will take advantage of our extended summer hours by visiting or calling us.

* Board meetings are held at our Boston office, One Winter Street, 8th Floor, Boston, MA.

Member Statistics*

Interesting Facts From the State Employee's Retirement System Actuarial Valuation's January 1, 2013 Report.

ACTIVE MEMBERS

	Actives	Vested Terminations
Number of Members	87,175	4,067
Average Age	47.6	53.2
Average Service	13.5	15.8
Average Salary	\$59,457	\$52,883
Average Annuity Savings Fund Balance	\$58,282	\$57,823

Salary by Age Distribution of Active Members

Present Age	Number of Members	Total Salary	Average Salary
0 - 24	1,894	\$61,470,848	\$32,456
25 - 29	6,462	\$273,386,738	\$42,307
30 - 34	7,809	\$392,385,548	\$50,248
35 - 39	7,865	\$437,234,943	\$55,592
40 - 44	10,753	\$645,561,786	\$60,036
45 - 49	12,153	\$742,096,607	\$61,063
50 - 54	13,583	\$854,255,763	\$62,892
55 - 59	13,130	\$856,861,876	\$65,260
60 - 64	9,111	\$615,475,676	\$67,553
65+	4,415	\$304,465,223	\$68,962
Total	87,175	\$5,183,195,009	\$59,457

As of January 1, 2013, 46% of active members had less than 10 years of creditable service.

Over 77,000 of active members contribute 8% or 9%.

We Want to Hear From You! Help Us Serve You Better

There is a lot happening in public retirement systems across the country. Benefit structures and new forms of benefit plans are requiring that public retirement systems, employers, and other stakeholders interact with members through multiple communication channels. As such, retirement systems are exploring new ways to interact with its members while continuing to deliver high quality services. The demand for online, real-time, member information is requiring retirement boards to consolidate functions and define new business models to efficiently and accurately deliver member services.

To that end, the Board is now conducting a **Member's Self-Service Survey**. We strive to offer the best services to you by continuously looking for ways to improve our operations. One potential way to do that is to enable members to view their retirement accounts online. We would like to hear what you think about this idea!

Please take a few minutes to go online and complete the survey. Simply go to our website, mass.gov/retirement, and look for the **Member's Self-Service Survey** link located under the pictures in the middle of the page.

Allow your voice to be heard. We look forward to reading your responses, and we thank you in advance for your input.

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