



M.O.S.E.S. MONITOR

August 2013

VOTE FOR MARTY WALSH FOR MAYOR OF BOSTON!

MOSES has endorsed State Representative Marty Walsh for Mayor of Boston. For 16 years, Marty Walsh has represented Dorchester and fought for the interests of working families on Beacon Hill. Always a friend of MOSES, from protecting your health insurance benefits or safeguarding your retirement rights, Marty has never wavered in his beliefs that the workers are what make the Commonwealth a great place to live and work. Rep. Walsh believes that public employees deserve to be compensated for their endeavors with guaranteed health benefits, good wages and pensions.

Rep. Walsh has a proven track record of working to create jobs, fighting for working families, and bringing government, business, and labor to the negotiating table. Marty takes on the difficult, controversial issues and brings people together to create solutions. Boston will be undergoing a historically significant change in the upcoming mayoral election. The city will need a strong leader, prepared to move forward, willing to protect the workers while serving its citizens.

- **When Transportation Reform reared its ugly head it was Marty working alongside MOSES leadership fighting to protect MOSES members collective bargaining rights at MassDOT.**
- **When Pension Reform loomed heavy, it was Marty working with MOSES leadership to protect your retirement benefits.**
- **When Health Insurance Benefits were being attacked by the private sector think tanks, it was Marty fighting for your keeping your health benefits.**
- **Representative Walsh is the lead sponsor of MOSES legislation to extend OSHA protection to state employees. Public employees are as important to their families as private sector employees. No employee or their family should have to worry about being hurt or killed on the job.**
- **MOSES proudly named Marty Walsh “Legislator of the Year,” because of his unwavering support and allegiance to MOSES members.**

Cast your vote for Marty Walsh for Mayor of Boston on September 24th. Talk to your friends and family members and ask them to support Marty as he has supported you throughout the years. If you live outside of Boston, you can still help Marty! There are many opportunities to volunteer for the campaign, from making phone calls, to canvassing neighborhoods in Boston and holding signs at standouts, you can show your support for Marty.

Please visit www.martywalsh.org to read more about Marty. Contact Bridget K. Quinn, MOSES Legislative Agent at 617-909-2099 to sign up to volunteer on Election Day!

President's message:

Dear MOSES member,

Congratulations to all the Performance Recognition Award winners of 2013. Several groups as well as 18 individuals were acknowledged for their work from the many agencies represented by MOSES. We have been sharing some of these achievements via Constant Contact and on MOSES Facebook page. Special congratulations to those honored by the Governor last month at the State House. One member is Dr. Catherine Brown DVM, the state's veterinarian, from Public Health, who received the Workforce Mentoring Award and David Goodwin from DCR, an Assistant State Lands Manager, who received one of the Manuel Carballo awards. MOSES knows that state workers take PRIDE in their work and is proud of these members.

Meanwhile the gridlock in Washington, D.C. continues to threaten federal dollars that are allotted for many of our state agencies. Hopefully when the legislators return in September they will take actions that will resolve some of the problems. Meanwhile there are many state agencies being held in limbo because of this uncertainty. I expect that health and human services, the environmental agencies and transportation will be the hardest hit. This could have a serious impact to our employees. Each of you should be monitoring the budget for your agency and let us know if you hear of a decrease in federal funding.

The MassDOT reclassification study finally took place over the last couple of weeks. Paul Hoey, chairman of the Unit E collective bargaining team, MOSES Attorney Jim McDonagh and I attended most of the sessions. It is clear to many of us within MOSES that this was a monumental undertaking by MassDOT because of the Master Labor Integration Agreement and the number of employees involved from all the bargaining units at MassDOT. I hope that the time and effort of those who participated will bring some long needed updated job descriptions, resolve inequities within job titles and put staff in their appropriate positions. Thank you to all of our members who understood the need to contribute, they did themselves proud and certainly represented all of the Unit E members from MassDOT in a respectful and professional manner.

The general membership meeting in September will be a busy meeting as is the first meeting after the summer hiatus. The 33rd Annual Scholarship Drawing will be conducted by the Goodwill Committee led by John Bardzik, chairman. The application can be found in the Monitor or on line @ www.moses-ma.org on the member's page. All applications must be returned by mail before the September meeting which is, September 10, 2013. There is also a proposed dues increase on the agenda. This dues increase is being recommended by the Budget Committee, Mike Galvin and Gerry McCullough, co-chairmen. Please attend this important meeting and catch up on what has happened over the summer.

Enjoy the rest of the summer!

Joe

Letters to MOSES

If you have opinions you wish to express or questions you want to ask about your job or MOSES that you wish to have considered for publication in the MOSES Monitor, we would like to hear from you. A little guidance: 1) You must sign all correspondence. 2) No personal attacks.

Contact: David Shakespeare
617-505-0683
info@shakespeareneedsakidney.com

DEP's Shakespeare and Jean share an uncommon connection

David Shakespeare and Hilary Jean both work for the Department of Environmental Protection. They're both members of MOSES. And they also share the painful challenges and hopes associated with fighting kidney disease. The two men have both watched beloved family members battle an incurable genetic ailment called Polycystic Kidney Disease (PKD). People suffering from PKD are afflicted with an overgrowth of cysts in their kidneys, which eventually shut down.

PKD has already taken the life of Shakespeare's mother and older brother, and now it threatens David's. As Shakespeare approaches end-stage kidney disease, he is searching for a living donor. It's his best hope for long-term survival.

Jean knows all about it. In 2006, he donated one of his kidneys to his brother, Fred. Seven years later, both brothers are doing fine. "Being a living kidney donor for my brother was a choice that has given me a tremendous sense of fulfillment," said Jean, an environmental engineer. "Fred has a perfectly normal life and projected life span. All I had to do was choose to show up for him."

Shakespeare, however, has yet to find a suitable donor. With his kidneys operating at 18 percent, time is running out. His wife, Leslie, and brother, John, have offered but were disqualified due to medical reasons. So he has embarked on a regional and nationwide media campaign to develop a social network focused on finding a living kidney donor.

Shakespeare, an environmental analyst at the DEP, has launched a Facebook page and is seeking exposure for his campaign through radio, TV, newspapers and his website, www.ShakespeareNeedsAKidney.com. "I'm an optimist," he said. "I believe that in times of crisis, people step up with incredible acts of compassion, generosity and caring. All I need is one special person."

If Shakespeare's kidney function drops to 15 percent, he will need to undergo regular dialysis treatment, which is not a cure, but a life support with a high mortality rate. So the search for a living donor continues. Kidneys from living donors last twice as long as those from deceased donors, and the wait time in New England for a kidney from a deceased donor can be up to five years

In addition to finding a solution to his own health issues, Shakespeare has also chosen to advocate for others in similar predicaments. He and Jean have spent many hours educating Massachusetts cities and towns about living organ donations, encouraging them to adopt a state law that provides 30 days extended paid sick leave to public employees who donate organs. As a state employee, Jean used this law to recover from his own kidney donation in 2006.

While the law provides this benefit to state employees, it does not apply to municipal workers unless the city or town adopts it as a local-option statute. Shakespeare convinced the City of Melrose (his hometown) to approve the legislation in 2011 but only three other Massachusetts municipalities have the law on their books. Undaunted, Jean and Shakespeare plan to continue to advocate for this important statute, one that will encourage living organ donations.

Jean and Shakespeare have experienced the pain that PKD can bring to families and share the hope of that living kidney donation can provide. Now David needs help in finding a living donor. Can you help with his campaign? For further information or to contact Shakespeare, visit www.ShakespeareNeedsAKidney.com

September General Membership Meeting to Vote on Proposed Dues Increase

The members assembled at the May 14, 2013 general membership meeting in Middleton, by a vote of 51 in favor and 4 against, voted to amend the MOSES Constitution by proposing a MOSES dues increase and change to the reserves. This initial membership vote came after the MOSES budget committee recommended and MOSES Board of Directors voted to support a change to the dues and reserve.

In accordance with Article XII of the MOSES Constitution: "Adoption of proposed amendments shall require a favorable vote of at least two-thirds of the members present at the membership meeting following the one at which the proposed amendment was read and acted on..."

Accordingly we are notifying all members that the following proposed Constitutional amendment will be acted on at the September 10, 2013 General Membership meeting being held at the Hilltop Restaurant in Saugus, Massachusetts. (see the last page for directions)

The proposal being voted on September 10, 2013 would amend Article III, Section 7 of the MOSES constitution by increasing the current dues of \$8.50 per week to:

"\$10.00 per week on 1/1/2014; \$10.25 per week on 1/1/2015; \$10.50 per week on 1/1/16; \$10.75 per week on 1/1/17. "Effective 1/1/2014 the retirees dues shall be increased by 20%. Effective 1/1/2015, 1/1/2016, 1/1/2017, retiree dues shall be increased by 2.5%."

Amend Article IX, Section 2, Subsection C(1) Reserve Account by increasing the amount of member's dues placed in reserve from 5% to 10% as follows:

"Reserve account shall be established from receipt of 10% of each member's dues. This amount is to provide funds for purposes not anticipated under normal operational circumstances."

Discussion

MOSES dues were initially set temporarily at the current \$8.50/week on July 1, 2003 but restored to \$6.50/week on July 1, 2005. In September, 2007, the members voted to set the dues at \$8.50 per week effective 1/1/2008 and they have remained at that level for the past five and one-half years.

The Reserve Account was initially set at 10% when it was established but the Constitution was amended over 15 years ago in March, 1998 to reduce the 10% reserve to 5%. Appropriations from the Reserve accounts are more difficult than from regular dues and require a two-thirds positive vote after notification to the members that a vote will be taken.

The net effect of this proposed constitution change if two-thirds of those assembled and voting at the September meeting vote in favor of the proposal would be: Effective January 1, 2014 MOSES dues structure would change from a total of \$8.50/week distributed as \$8.08/week available for regular appropriations and \$0.42/week available for reserve appropriations to \$10.00/week distributed as \$9.00/week available for regular appropriations and \$1.00/week available for reserve appropriations. On the same date, retiree dues would be increased by 20%. On January 1st of each of the following three years, active member's dues would be increased by \$0.25 and retiree member's dues would be increased by 2.5%.

Social Security's Windfall Elimination Provision

Paul K. Donohue, Esq.

About 25% of all public employees from various states including Massachusetts are not covered by Social Security because those states opted not to join when given the choice.

A little background: Social Security was established in the thirties for private employees who mostly had no pension. Many public employees had pensions at that time and there was conflict between state governments and the federal government as to whether social security would be applied to state public employees. Basically the federal government recognized it could not force states to adopt social security for its own employees.

At a later time, social security for public employees was offered to the various states - most accepted coverage while Massachusetts and some other states did not. Some like Massachusetts did not accept social security for any public employees while others accepted social security for some groups and rejected it for others, notably police, fire and teachers.

Why was social security not accepted by these states? Well this is speculation on my part but I believe Massachusetts and the others were not interested because it would have cost them money and forced them to change their existing pension system. Various public sector unions also were opposed this change because they believed adopting social security would lead to decreased pensions for their members; decreased pensions could happen despite increased costs because as discussed further in this article, social security offers diminishing returns as ones salary increases and public pensions are generally proportional to salary.

How would it have cost Massachusetts money and forced it to change the pension system? The Massachusetts pension system is heavily weighted against short-term employees. If you leave with less than 10 years' service you get little more than your money back with no interest or small interest. In fact the state in the past has made in excess of 9% on state employees' contributions and keeps almost all the money they earned when they return the former employees contributions; this interest that is kept diminishes the Commonwealth's funding obligation for pensions for those who will later collect them. In addition, many employees who work over 10 years for the Commonwealth and are entitled to a pension when they are 55, leave and take a return of their deductions and let the Commonwealth off the hook, primarily because they don't want to wait many years and are attracted to the seemingly large sum they have contributed to their pension.

Before Massachusetts changed its Pension law in 2012, the cost to Massachusetts for public pensions was around 3% per year; now with the changes they enacted, it will cost the Commonwealth even less. If they adopted social security like most other states did, they would automatically have to make matching social security contributions for all employees from day one of their employment and those who left without retiring would take that money with them just as millions of other private sector employees do when they change jobs. This means for every employee they hired, it would immediately cost the Commonwealth 6.2% of salary for social security. (Medicare contributions of 1.45% are already being made)

In addition to that 6.2% of salary cost, which exceeds their present entire contribution towards funding public pensions, the Commonwealth would have to make additional contributions to fund their share of the pension cost where it exceeded what would be received under Social Security. And even if that Commonwealth additional contribution above 6.2% were proportional to salary, the fact that social security is weighted towards lower salaried employees would lead many employees to find they were retiring with less money.

Social Security is weighted towards lower salaried employees by providing 90% of a low average salary, 32% of the next higher average and only 15% of the remainder. A Windfall Elimination Provision has been established for public employees like those in Massachusetts who are not covered by social security that substitutes 40% for the 90% in this formula.

There have been attempts made for many years mostly by congressmen and senators of the States with public employees exempt from social security to eliminate the Windfall Elimination Provision. Although bills filed

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generally just call for elimination of this provision, congressmen and senators from states where public employees are covered by social security will not allow public employees from states like Massachusetts to receive an increased social security benefit without paying more into social security.

In my opinion, if the Windfall Elimination Provision is ever to be eliminated, it will be accompanied by a requirement that uncovered states like Massachusetts cover public employees under social security which will lead to a change in the Massachusetts pension system and the pension systems of other states that opt for the change. This will probably be accomplished similar to how the federal government made the change for federal employees during the eighties; new employees hired after the change were covered by social security and an alternate federal pension while old employees were given the choice to remain covered by the pre-existing federal pension plan or make the switch. This change would make it virtually impossible to maintain the proportionality concept inherent in Massachusetts pensions.

As far as the original adoption of the Windfall Elimination Provision, it was based on an understanding of the design of Social Security and the perception of Congress that public employees would receive more than they otherwise would if they had worked many years under Social Security.

As mentioned above, the Social Security system was designed to favor those with low average lifetime earnings through the formula they apply in calculating the payment. The system calculates average adjusted earnings over an assumed 35 year period (zeros are input if you didn't work 35 years) and from those adjusted earnings, social security arrives at an average indexed monthly earnings (AIME) by dividing by 420 (number of months in 35 years). From that AIME they apply a formula that calculates 90% of a first amount, 32% of a next higher amount and only 15% of the excess. They call the adjusted monthly levels where they apply these factors "bend points" and if you were 62 in 2013, the bend points would be 90% of the first \$791 average indexed monthly earnings, 32% of the next amount up to \$4,768 and 15% of the average above \$4,768.

If you look at the application of the above formula and calculate the Social Security benefit at age 66 for two employees, one averaging \$791 over 35 years and another averaging twice as much, you would arrive at a monthly Social Security benefit of \$711.90 for the first ($\791×0.9) and only \$965.02 for the second who had twice the average earnings over 35 years. ($\$791 \times 0.9 + \791×0.32)

Imagine a public employee who only worked 10 years under social security but averaged \$2,768.50 in adjusted monthly earnings for those 10 years. When social security did the calculation without the windfall elimination provision, they would arrive at a monthly benefit of \$711.90, thus making the employee appear to be identical to the low-income worker that the federal government had already decided to favor. ($\$2,768.50 \times 10/35 = \791 and $\$791 \times 0.9 = \711.90). In contrast, if that employee had spent 35 years under social security averaging the same \$2,768.50 per month, the employee would receive a monthly benefit only \$633 more than that amount. ($(\$791 \times 0.9) + (2,768.50 - 791) \times 0.32 = \$1,344.70$)

The windfall elimination provision replaces the 90% factor with 40% applied to the first \$791 in the above example and leaves the other two factors at 32% and 15%. With this formula applied, a public employee who averaged \$2,768.50 in adjusted monthly earnings over 10 years would receive \$316.40 instead of the \$711.90 that would be received if he or she had received that amount spread over 35 years. This represents a social security deduction of almost \$400 per month. That is the maximum deduction; if employees' adjusted monthly income exceeds the \$791 amount, the 32% factor is used.

It is highly unlikely that anyone is going to retroactively solve this problem and the only reasonable way to escape the windfall elimination provision is to have more years' credit under social security. The windfall elimination provision starts to be phased out with 21 years of substantial earnings and is completely eliminated with 30 years of substantial earnings. Substantial earnings vary by year in which they are earned from as little as \$5,100 in 1980 to \$9,535 in 1990 to \$19,800 in 2010. In 2013, you have to earn at least \$21,075 under social security to have that year count as a substantial earning year.

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**SEPTEMBER 9TH IS DEADLINE FOR APPLICATIONS FOR
THE 2013 MOSES MEMORIAL SCHOLARSHIP AWARDS**

One \$1,000 scholarship in the name of our former **President, Charles Wilson** is awarded. In addition, twenty \$500 scholarships in memory of the following late members of the MOSES Board of Directors are awarded:

Eligibility Requirements: Scholarships are limited to MOSES members (including Active Retirees), their spouses or children, as well as the spouses and dependent children of late MOSES members under the following condition: **That the member or immediate family member plans to attend and has been accepted at an accredited higher education facility for the fall 2013 semester.**

Restrictions: In the event that a winner's educational expenses are less than the award, and/or the winner has received reimbursement from another source, the scholarship will be decreased to the amount appropriate. Awards are not transferable.

The MOSES Goodwill Committee, (David Baker, Joseph Bellino, David Gotchall, Patrick Russell) headed by Chairman, John Bardzik, administers the scholarship program and will conduct the drawing at the September 10, 2013 Membership meeting.

- Howard Bacon Memorial Scholarship**
- Elizabeth Brown Memorial Scholarship**
- Ernest Burns Memorial Scholarship**
- James Caldeira Memorial Scholarship**
- Paul Cantwell Memorial Scholarship**
- Edward Clancy Jr. Memorial Scholarship**
- Daniel Dalton Memorial Scholarship**
- William Dalton Memorial Scholarship**
- Milton Dubinski Memorial Scholarship**
- Robert Harper Memorial Scholarship**
- Reginald Jacobs Memorial Scholarship**
- Al Laing Memorial Scholarship**
- Jerry Langone Memorial Scholarship**
- Patricia MacAskill Memorial Scholarship**
- Paul McCorry Memorial Scholarship**
- Theodore Palizzola Jr. Memorial Scholarship**
- Paul Prentiss Memorial Scholarship**
- Maurice Randall Memorial Scholarship**
- William Shipps Memorial Scholarship**
- Robert Smith Memorial Scholarship**

MOSES MEMBER _____ **Dept/Agency** _____

Name of Applicant (if different from member) _____

Relationship to member: _____ **Phone** _____

Address: _____

SEND TO: M.O.S.E.S., 90 N. WASHINGTON ST, SUITE 3, BOSTON, MA 02114

Note: Only one entry per applicant will be accepted. Two or more applicants per family must submit separate application forms but may mail them in the same envelope.

MOSES MONITOR
90 North Washington Street
Boston, MA 02114

September membership meeting to vote on proposed dues increase (details inside)
Scholarship application for September drawing is inside

General Membership Meetings

MOSES holds nine General Membership meetings a year at various locations around the state. All MOSES members in good standing are invited. Dinner is provided. Come to learn what's going on with your Union, to meet old friends, or to make new ones. Dinner starts at 6:00 p.m.; the meeting begins at 7:00 p.m.

September 10, 2013 Meeting - Hilltop Restaurant, Saugus, MA (978) 750-4900.

Directions: From the South: Expressway North to Rte. 1 North (over the Tobin Bridge). Proceed for approx. 11 miles on Rte. 1 North to Walnut St. exit. Get back on Rte. 1 South heading towards Boston. Hilltop is three miles down on right. From the North: Rte. 95 to Rte. 1 South. Proceed for 12 miles on Rte. 1 South. Hilltop is on right. From the West: Mass Pike (I-90) to Rte. 95 North (also is Rte. 128) Waltham area. Follow Rte. 95 North/128 North approximately 23 miles to Rte. 1 South. Proceed for 12 miles on Rte. 1 South. Hilltop is on the right.

October 14, 2013 Meeting – Yankee Pedlar Inn, 1866 Northampton Street, Holyoke, MA (413) 532-9494.

Directions: From East or West: Take Mass Pike (Rte. 90) to Exit 4 (Rte. 91). Go North on Rte. 91 two exits to Exit 16 (Rte. 202). Take a right on Rte. 202. The Inn is down the hill at the second light. (Inter. of Rte. 202 and Rte. 5)

