

## HULL CONTRIBUTORY RETIREMENT BOARD MEETING

October 31, 2006

9:00 a.m. (Selectmen's Meeting Room)

The regular meeting of the Hull Contributory Retirement Board, duly posted to be held in the Selectmen's Meeting Room, Town Hall, Hull, MA on the above date was called to order at 9:00 a.m. Present were Leonard Colten, Chairperson, Members Maurice Murphy, Marcia Bohinc, Gerald Ball, and Ronald Davy by telephone conference, and Retirement Administrator, Jennifer Miller. Also present was Charlie Ryder, Finance Committee Advisor and Joan Meschino, Board of Selectmen.

9:00 a.m. - Michael Reardon – PRIM – 3<sup>rd</sup> Quarter Review - The Board reviewed the Pension Reserves Investment Trust Fund report as of September 30, 2006. 3<sup>rd</sup> quarter returns (prior to fees) were 9.15%. The Board further reviewed the current PRIT Fund asset allocation as of September 30, 2006, which is \$43.5 Billion. The Core fund's numbers through September 30, 2006 (gross of fees) stand as follows; five years 11.64%, three years 15.61%, and one year 13.16%. PRIM's current target rate of return is 8.3%.

Ronald Davy and Joan Meschino on behalf of the Board of Selectmen were pleased with the Retirement Board for choosing to place the retirement funds in PRIT and with the progress they had made with the funding schedule. Mr. Davy and Ms. Meschino offered an opportunity to the Retirement Board to come before the full Board of Selectmen and make a presentation on their progress.

The Board thanked Mr. Davy and Ms. Meschino for their compliments informed them that the Retirement Board would appear before the Board of Selectmen should it receive an invitation.

Accept Funding Schedule from Actuarial Valuation of 01/01/2006. The Board discussed its options for selecting its schedule and felt that although they were concerned for the Town that their main obligation was to the retirement system. They further discussed Larry Stone's, Stone Consulting, Inc., recommendation and felt that the 7.75% interest, 19-year funding schedule, and a 2.75% amortization rate would be a good compromise between funding retirement system and not breaking the Town.

Joan Meschino thanked the Board for their consideration of the Town, but advised them that the Board of Selectmen would meet the Town's obligation for appropriation, and that she agreed that they must look out for the retirement system and the fact that we pay for the actuary, that we should by all means be assured by its recommendations.

Charlie Ryder, Finance Committee, also agreed with Ms. Meschino, and advised the Board that they do plan for increases in this number and the town will be capable of paying its due.

Motion made by Marcia Bohinc seconded by Maurice Murphy to accept its actuaries, Stone Consulting Inc, recommendation of a 7.75% interest, 19 year funding schedule, and 2.75% amortization rate.

**Unanimously voted:**

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Ronald Davy, Board of Selectmen Appointee, advised the Board that he would not be able to continue as a Retirement Board appointee, due to inability to attend the monthly board meetings in person. Mr. Davy will be resigning and requesting the Board of Selectmen to make another appointment. Mr. Davy thanked the Board for its understanding and hoped that they would consider allowing him to continue to attend the meeting by telephone as a Selectmen.

To Be Voted:

Read and attest to the minutes from the September 27, 2006 regular Board Meeting

Motion made by Maurice Murphy seconded by Marcia Bohinc to approve the minutes of the meeting held on September 27, 2006 with corrections.

**Unanimously voted:**

**New Employees** (sign certificates)

- Bridgette T. Kelly – School Paraprofessional, Group 1 – Certificate #265
- Lois S. Barbour – School Paraprofessional, Group 1 – Certificate #266
- John B. Murdock – Light Department Office Manager, Group 4 – Certificate #267
- Thomas J. Connolly – Treasurer/Collector, Group 1 – Certificate #268

Motion made by Gerald Ball seconded by Maurice Murphy to accept the new employees as named above.

**Unanimously voted:**

**Retirements**

- Katherine Nickerson

Retirement Date: 09/30/2006	
Annuity	210.62
Pension	314.99
<i>Total Monthly Allowance</i>	<i>\$525.61</i>
Annual Annuity	2,527.44
Annual Pension	<u>3,779.88</u>
<i>Total Annual Allowance</i>	<i>\$6,307.32</i>
Option	A
Service	10.25
Age Factor	2.5
Percentage of Max	80.00%
Percentage of Pay	26.00%

- First Check – October 31, 2005

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Motion made by Gerald Ball seconded by Marcia Bohinc to accept the retirement allowance calculation on Katherine Nickerson.

**Unanimously voted:**

**Payments**

- Sign all bill warrants for October 2006
- Sign the contributory payroll for October 2006

The Board signed the bill warrants and the contributory payroll for the month of October 2006.

**Refund of Members Funds:**

- James McDonald, - Former Maintenance Man for the Police Department – Refund in the amount of \$13,233.83, total deductions, payable to Capital Bank & Trust, FBO: James McDonald for direct rollover. Mr. McDonald receives no interest due to date of hire.

Motion made by Marcia Bohinc seconded by Leonard Colten so refund James McDonald as stated above.

**Unanimously voted:**

Kenneth Reed – Notice of Refund Owed to the Hull Retirement Board in the amount of \$11,037.73 – Attorney could not make hearing need to reschedule. To be scheduled for the next monthly meeting November 21, 2006 at 9:00 a.m.

Susan Belmarsh – School Paraprofessional – Reduction in pension rate from 9% to 8%.

- Review of payroll records determined that Ms. Belmarsh was first eligible for membership as of her date of hire 09/19/1995.
- Ms. Belmarsh was inadvertently excluded, along with many other paraprofessionals from the Retirement System.
- October 2004 Ms. Bohinc reviewed payroll records and determined that Ms. Belmarsh must be in the retirement system.
- Ms. Belmarsh membership date is 11/01/2004 per letter of 11/01/2004.
- Ms. Belmarsh requested to purchase past service with an OBRA transfer
- Transfer was received 05/09/2006.

The Board discussed all of the above documents and determined that yes; Ms. Belmarsh was eligible for membership in the retirement system on September 19, 1995. Ms. Belmarsh, along with approximately 20 other school paraprofessionals, had been excluded from membership when first eligible. Ms. Belmarsh's exclusion was through no fault of her own.

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A review of payroll records in 2004, by the retirement administrator, had initiated and required Ms. Belmarsh's enrollment on November 1, 2004. Ms. Belmarsh requested and purchased past service credit. Ms. Belmarsh's membership date should now be September 9, 1995 with an 8% deduction.

Motion made by Marcia Bohinc seconded by Gerald Ball to reduce Susan Belmarsh's pension deduction rate from 9% to 8% and to refund Ms. Belmarsh the difference in the annuity savings fund to reflect such change.

**Unanimously voted:**

### **Travel Approval**

- PERAC Open House November 30, 2006 10:00 am to 1:00 pm or December 1, 2006 10:00 am to 1:00 pm, 5 Middlesex Avenue, Somerville, MA. Marcia Bohinc, Leonard Colten and Jennifer Miller expressed interest in attending.
- PERAC Memo #41/2006 - Ethics Commission Seminars (See attached schedule) Marcia Bohinc encouraged the Board as well as Joan Meschino and the rest of the Board of Selectmen to consider attending on of the seminars. Marcia had previously attended on of these seminars as the Town Accountant. The Board will reconsider at a later date.
- Public Funds Summit – Opal Financial Group, January 10 – 12, 2007, Phoenixian, Scottsdale, AZ. No one will attend the Public Funds Summit.

Motion made by Gerald Ball seconded by Maurice Murphy to allow any one who wishes to attend the PERAC Open House.

**Unanimously voted:**

### **Follow Up**

- Sent Letter to Dr. Delany, Superintendent, regarding FY07 Federal Grant requested signature of receipt. As of this date have had no response.

The Board was upset with the lack of response from the school department in this matter and felt that should no response be received, a letter will be sent directly to the school committee members and carbon copied to the board of selectmen. The letter would consist of a request for a copy of the FY06 and FY07 grants.

- Pension Technology Demonstration Cost \$12,000.00 – Alternative to Tyler Technology Cost of \$20,000.00. The Board was advised that PTG would be conducting further demonstrations at the MACRS conference in October as well as on-line demonstrations in November. At this time PTG had limited programs ready for testing.

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### **Review**

Email Correspondence from Michael Sacco on Kelsey Decision and Motor Vehicle.

Received copy of Assented to Motion to Vacate the Judgment in the matter of Hull Retirement Board v. Hull Housing Authority from Michael Sacco dated 09/22/06.

The Housing Authority payments cover through November 30, 2006. The Board was pleased with that the Housing Authority has continued with its payments as agreed.

Jennifer Miller – 12 month merit review effective September 6, 2006. Salary request \$30.00 hourly or \$46,800.00 annually based on 30 hours per week. Current salary \$28.85 hourly.  
 The Board discussed Jennifer's self-evaluation and has been satisfied with her performance at this time. However it was felt that a board member and not the employee itself should complete a merit review and or annual review. Marcia Bohinc will prepare an employee evaluation package, which the board can approve for all future reviews.

**Tabled until completion of employee evaluation package.**

Year-to-date trial balance and cash accounts reconciliation.

### **Discussions**

- Old business
- New Business

### **Informational Mail**

- Notice of Continue in the matter of Donald Brooker v. Hull Retirement Board
- Notice of Completion of Retiree Evaluation on Mari-Anne Sullivan – Ms. Sullivan is unable to perform the essential duties. The Board does not need to take any action.
- PERAC Memo #38/2006 Appropriation Data Due October 31, 2006
- PERAC Memo #39/2006 Investment Manager List
- PERAC Memo #40/2006 Tobacco Company List
- PERAC Memo #42/2006 – Review of Disclosure Statements
- PERAC Financial Bulletin
- Retired Sate – Bulger raps critics of pension bid – Boston Globe dated 10/06/06

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- Retired State County and Municipal Employees Association Newsletter

**Meeting adjourned:** 11:00 a.m.

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Leonard Colten, Chairman

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Marcia D. Bohinc

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Gerald Ball

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Maurice Murphy

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Ronald Davy