

HULL CONTRIBUTORY RETIREMENT BOARD MEETING

January 23, 2007

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, Rocky Tenaglia, and Retirement Administrator, Jennifer Miller.

The Board acknowledged and welcomed Selectmen's Appointee, Rocky Tenaglia to the Board.

To Be Voted:

Read and attest to the minutes from the December 19, 2006 regular Board Meeting.

Motion Made by Marcia Bohinc seconded by Maurice Murphy to accept the minutes of the meeting held on December 19, 2006 with corrections.

Unanimously voted:

Re-organization of Retirement Board

Leonard Colten made a motion to nominate Marcia Bohinc as Chairman of the Hull Contributory Retirement Board. Seconded by Gerald Ball. The secretary cast one vote Marcia Bohinc as Chair.

Unanimously voted:

Marcia Bohinc made a motion to nominate Leonard Colten as Vice Chair. Seconded by Maurice Murphy. The secretary cast one vote for Leonard Colten as Vice Chair.

Unanimously voted:

Marcia Bohinc made a motion to nominate Gerald Ball as Secretary. Seconded by Leonard Colten. The secretary cast one vote for Gerald Ball as Secretary.

Unanimously voted:

Chapter 157 of the Acts of 2005 Section 2 – The Board considered its options on payments and the amount of time it had to make the retro-active payment(s). According to law, the Board has 1 year from the date of the veteran's application to make the payment(s). Applications must be completed no later than 120 days after local acceptance, January 4, 2007. Application deadline is May 4, 2007. The Board feels confident that there will be 15 qualified applicants, and 2 questionable applicants. At the Annual Town Meeting in May 2006, there was no action taken on Section 2. The qualified veterans have therefore been waiting since May to receive payments. The Board further discussed its current funding, and how long it would need to fund the \$78,688.65 payment. The Board felt that it should make payment in full in one lump sum payment. The Board felt that it would need a couple payroll periods to liquidate assets to cover the one time cost.

The Board further opined that it was only fair to pay out the benefits earlier than later and that these persons should be notified as to when they can expect payment.

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The Board agreed on the following payment option:

1. All payments will be made in one lump sum payment
2. Payments will be made no later than May 31, 2007 (first payroll after the May 4, 2007 application deadline)
3. If all expected applications are filed prior to April 25th, payments will be made with the April 30, 2007 payroll.

9:00 a.m. – Paula Delaney, Superintendent – Maria Hortaridis, Business Manager – Discussion on FY 06 and FY 07 Federal Grants

Maria Hortaridis appeared on behalf of Superintendent Delaney. Ms. Hortaridis explained that they have re-written the FY07 grant to include for the 9% retirement benefits and that all grants from this point forward will account for retirement benefits. Ms. Hortaridis also informed the Board that the FY06 grants have been depleted and that they are unable to go back to those grants and re-write them. The school department is facing financial hardship and there is no way that they can come up with the FY06 money that is due to the retirement system. Now that they are aware of this Law, they will be including for retirement benefits in all future grants.

Marcia Bohinc explained to Maria that she needs to relay a strong message to the Superintendent and the School Committee, that the Retirement Board is not just willing to forgive the school department for its oversight in the matter of the FY06 Grant and that the Board is still looking for payment for the FY06 Grant in the amount of \$12,271.38. The Board is responsible for seeing that it receives its money.

Ms. Hortaridis also informed the Board that the Quality Full Day Care Grant is a State Grant and that it is unable to be re-written. Maria will have a definitive answer from the Superintendent on this matter for the February meeting.

Payments

- Sign all bill warrants for January 2007
- Sign the contributory payroll for January 2007

The Board signed all the bill warrants and the contributory payroll for the month of January.

Transfer of members funds:

- Peter Geagan former HMEO for the highway department in the amount of \$29.12 to the Weymouth Retirement System. No service credit liability to be accepted for the period of 09/25/2006 to 09/09/27/2006.

Motion Made by Leonard Colten seconded by Marcia Bohinc to transfer Peter Geagan's funds to the Weymouth Retirement System.

Unanimously voted:

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Discussions

Kenneth Reed Notice Refund Owed to Retirement Board in the amount of \$6,478.96 for re-calculated excess earnings for calendar year 2005. Mr. Reed is appealing.

Payback Options Pending Appeal

- Offer Mr. Reed to make payback as voted at 12/19/2006 meeting – 11 months for payback, 1st payment to be made in February.
- Should Mr. Reed payback the refund due and win his appeal – the Retirement Board will return the refund with interest at ½ the actuary rate (3.75%).
- If Mr. Reed does not make the payback and the Board prevails, Mr. Reed will payback the Retirement Board with the same interest (3.75%).

The Board discussed the options above and will forward a letter to Mr. Reed and his Attorney with choice of option. The Board was naturally surprised with Mr. Reed's Attorney pursuing an appeal based on the fact that the Board compromised on a modified calculation. The Board felt that it had made a an agreement at its January meeting and that Mr. Reed's Attorney had accepted this agreement on Mr. Reed's behalf. A letter will be sent to follow up on this matter.

Received Hull Retirement Board V. Hull Housing Agreement for Judgment in the amount of \$20,785.89. The Board was pleased with the Housing Authority Judgment for payment. The Authority has continued to make its \$1,500.00 monthly payments at the beginning of each month and have remained one month in advance. The Judgment for payment was inclusive of interest through December 31, 2005.

Received Post Hearing Memorandum of Petitioner Donald Brooker from Michael Sacco.

Review

Received Approval from PERAC for Supplemental Regulations on Eligibility & Creditable Service. Provisions for Make Up Payments were not approved. The Board discussed the issues for which PERAC denied their proposed regulations for the purchase of Non Member service Make Ups and will create new regulations for PERAC approval. The Board felt that acceptance of non member service time would greatly impact its current funding schedule, but will act in accordance with M.G.L. Chapter 32.

Retirement Checklist Review – The Checklist will be updated to require a notarized spousal signature on the Option Selection Form.

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PERAC Memo #2/2007 – COLA Notice

Motion made by Maurice Murphy seconded by Gerald Ball to grant a 3% Cost of Living Adjustment effective July 1, 2007 to both the Contributory and Non Contributory retirees.

Unanimously voted:

Year-to-date trial balance and cash accounts reconciliation General Ledger Administrative Expenses.

- Old business

Jennifer Miller one-year merit review effective September 6, 2006. Motion made by Leonard Colten seconded by Maurice Murphy to grant Jennifer Miller a one-year pay increase effective September 6, 2006.

After a review of the October 2006 meeting the Board determined that they had decided that there should be an official review process. Marcia Bohinc volunteered to complete an evaluation package for the whole Board to review prior to granting any salary increases. It was decided that Marcia Bohinc and Rocky Tenaglia would have the evaluation package and present it to the Board at the February 27, 2007 meeting. Leonard Colten withdrew his motion until next month's meeting.

- New Business

The Board discussed the PRIM return for 2006 at 16.72% and the effect it will have on our next actuarial evaluation, which will be effective 01/01/08.

Informational Mail

- PERAC Memo #1/2007 Disability Retirement Guides
- PERAC Memo #3/2007 Investment Manager List
- PERAC Memo #4/2007 Tobacco Company List
- PERAC Memo #5/2007 840 CMR 1.03
- PERAM Memo #6/2007 Various Investment Issues
- PERAC Memo #7/2007 Interest Rate set at 0.6%
- PERAC Financial Bulletin
- PRIM Annual Report Fiscal Year Ended 06/30/2006

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- Pension Management Conference
- Corporate Governance Bulletin

Meeting adjourned:

Marcia Bohinc, Chairman

Leonard Colten

Gerald Ball

Maurice Murphy

Rocky Tenaglia