

HULL CONTRIBUTORY RETIREMENT BOARD MEETING

July 29, 2008

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 9:20 a.m. Present were Marcia Bohinc, Chairperson, Members Leonard Colten, Maurice Murphy, Gerald Ball, and Retirement Administrator, Jennifer Miller. Rocky Tenaglia was absent. Charles Ryder, Town Financial Advisor and Joan Meschino, Selectman, were present.

To Be Voted:

Read and attest to the minutes from the June 24, 2008 regular Board Meeting

Motion made by Leonard Colten seconded by Gerald Ball to attest to the minutes of the meeting held on June 24, 2008.

Unanimously voted:

9:00 a.m. – Thomas Connolly – Treasurer/Collector – FY2009 Appropriation – Did not appear.

9:00 a.m. – Michael Travaglini – PRIM – 1st & 2nd quarter review – Michael provided the Board with the Pension Reserves Investment Trust Fund Performance Review through June 30, 2008 and went through it with them. Presently the fund return is negative 4.85% and it is looking as though it will be at negative 5% at the end of July calendar year to date. Michael pointed out the new target allocation, which now includes natural resources due to the sale of sum of its timber stock at approximately six times the amount which it was purchased for by PRIM.

Marcia Bohinc asked Michael how often the PRIM Board reviews its asset allocation and makes changes its target allocation.

Michael advised Marcia that the PRIM Board does a full and thorough review every three years for any major changes that may need to be done, but is constantly monitoring its allocation and on an annual basis may make some minor adjustments.

Michael advised the Board that the legislator set the reduced actuarial rate of 8.25% from last year's rate of 8.35%.

The Board acknowledges that even achieving their target rate of return of 7.75%, much more conservative than the State's, will be a challenge this calendar year.

Actuarial valuation discussion (Please bring report from last meeting) (Current to be passed out at meeting) – The Board reviewed the updated information as provided by Larry Stone and after having the investment review and a brief discussion decided that with the current market it would not be in the best interest for the retirement system or the Town if the Board decided to increase its target rate of return to 8%. The Board decided that it would continue with its current course for full funding by 2025. Both Joan Meschino and Charles Ryder were in agreement with the Board and thanked them for their consideration on the town's behalf and commended them for keeping their fiduciary responsibilities with the future of the retirement system.

Motion made by Gerald Ball seconded by Leonard Colten adopt a funding schedule consisting of a 7.75% investment rate of return, 4.75% salary increase, 2.99% amortization, and a sixteen-year payment schedule.

Unanimously voted:

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9:30 a.m. – Thomas McClutchy – Termination Hearing – Cancelled in compliance with PERAC

9:45 a.m. – Edward Haley – Termination Hearing – Cancelled in compliance with PERAC

Notice of Injury

- Steven M. Johnson – Fire Department Group 4 – Injury 06/26/08 – Report 07/22/08

Payments

- Sign all bill warrants for July 2008
- Sign the contributory payroll for July 2008

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

Payroll Changes:

- Received notice of death on Joseph Duggan, date of death 07/21/2008. Mr. Duggan chose a B option at the time of retirement, therefore no further pension payments shall be made in his name. Due to the length of time retired no option B refund is due.

Service Credit Request

- Susan D. Murphy – request to purchase service credit for the period of February 28, 2000 through November 17, 2004. Ms. Murphy was inadvertently excluded from the retirement system. Cost for the purchase of 4 years 9 months \$5,707.58 effective through July 31, 2008.

Motion made by Leonard Colten seconded by Gerald Ball upon payment of \$5,707.58 to grant Ms. Murphy 57 months (4 years 9 months) of creditable service for the period of February 28, 2000 through November 17, 2004.

Unanimously voted:

Travel Approval

- 2008 Prim Client Conference to be held September 19, 2008 Boston Harbor Hotel, Boston, MA 9:00 a.m. – 3:00 – RSVP requested

Motion made by Gerald Ball seconded by Leonard Colten to allow any one who wishes to attend the PRIM Client Conference to attend.

Unanimously voted:

- Tyler Technologies – Education and Networking Conference - October 22 – 25, 2008 – Gaylord Texan Resort, Grapevine, TX – No one will attend
- New England Public Employee Retirement Systems Forum – October 2 – 3, 2008, - The Colonnade Hotel, Boston, MA – No one will attend

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Update

Retirement Board Governance Legislation Update

Ralph White - Local COLA Base – The Board was disappointed with the failing of the Local COLA Base not passing.

Ralph White – Senate 2635 – Essex Regional Retirement Board – COLA Bill – The Board will monitor to see how this legislation progresses for future reference.

- Old business
- New Business

Review

Randolph Boothby v. Hull Retirement Board, Contributory Retirement Appeal Board, CR-06-460 – June 26, 2008

Kenneth Reed v. Hull Retirement Board v. Hull Retirement Board, Division of Administrative Law Appeals, CR-07-17 July 9, 2008

Donald Brooker v. Contributory Retirement Appeal Board and Hull Retirement Board, Plymouth Superior Court, Civil Action No. 2008-558-B – July 9, 2008 & July 15, 2008. The Board was please to see that its decision remained upheld and hoped that it will remain standing after Mr. Brooker exhaust all his appeals.

Letter from Attorney Terrance Coles dated July 18, 2008 re: David Leary, Recalculation of Retirement Benefits based on settlement with the Town of Hull. – Mr. Leary in writing and by telephone requested an estimated recalculation of benefits based on his settlement with the Town from the retirement administrator. Jennifer Miller, Retirement Administrator, sent two letters declining to provide Mr. Leary with such a calculation until such time Mr. Leary's claim against the Retirement Board has been resolved and the Retirement Board decision not to change in his retirement date is overturned. Michael Socco will submit a response to Mr. Leary's attorney. The Board stands by Jennifer's decision not to provide Mr. Leary with the recalculated benefit estimate as well as to have all further issues addressed by the Board's attorney, Michael Sacco.

Damiano v. Contributory Appeal Board – The Board discussed the technicality of accidental disability retirement and the fact that the employee, while injured on the job, must be in the performance of their duties. Although an employee may be on worker's compensation or 111F benefits, they may not qualify for accidental disability.

Year-to-date trial balance and cash accounts reconciliation May 21, 2008 & June 30, 2008.
 The Board reviewed the trial balance and cash accounts reconciliation with minimal discussion.

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Informational Mail

- Michael Sacco email – Client Update
- PERAC Memo #22/2008 – Regular Compensation & Motor Vehicle Usage
- PERAC Memo #23/2008 – Reinstatement to Service Under G.L. c. 32 §105
- PERAC Memo #24/2008 – Restriction on Post- Retirement Public Sector Employment in MA
- PERAC Memo #25/2008 – Investment Manager List
- PERAC Memo #26/3008 – Tobacco Company List
- PERAC Memo #27/2008 – Cost of Living for Supplemental Dependent Allowance Paid to Accidental Disability Retirees and Accidental Death Survivors
- PERAC Education Workshop Update
- PERAC Financial Bulletin
- PERAC Annual Report

Meeting adjourned: 10:14 a.m.

Marcia Bohinc, Chairman

Leonard Colten

Maurice Murphy

Gerald Ball

Absent

Rocky Tenaglia