

## HULL CONTRIBUTORY RETIREMENT BOARD MEETING

June 29, 2010

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 Members Leonard Colten, Marcia Bohinc, Gerald Ball, Rocky Tenaglia, Maurice Murphy and Retirement Administrator Jennifer Miller.

### To Be Voted:

#### Read and attest to the minutes from the May 25, 2010 regular Board Meeting

Motion made by Gerald Ball seconded by Maurice Murphy to attest to the minutes of the meeting held on May 25, 2010.

#### **Unanimously voted:**

#### Read and attest to the executive session minutes from the May 25, 2010 regular Board Meeting.

Motion made by Gerald Ball seconded by Maurice Murphy to attest to the executive minutes of the meeting held on May 25, 2010 with corrections.

#### **Unanimously voted:**

9:00 – 9:30 a.m – Termination of Retirement Allowance under Section 91A Hearings – The following retirees are not in compliance with Chapter 32, § 91A, therefore are scheduled for hearing as required by PERAC:

- 9:00 - Edward Haley – Now in compliance
- 9:10 – Randolph Boothby – Now in compliance
- 9:20 – John Sharp – Did not appear
- 9:30 – Peter Traynor – Now in compliance

Motion made by Maurice Murphy seconded by Gerald Ball to terminate the retirement allowance of John Sharp until such time that the Board has been informed by PERAC that Mr. Sharp is compliance.

#### **Unanimously voted:**

9:05 - Jim Lampke & Philip Lemnios – Discussion on Chapter 32B, §9 – Town Health Insurance Premiums for retirees. – Present were a combination of 17 employees and retirees for this discussion. The Chairman, Lenny Colten explain that the discussion would begin with Jim Lampke explaining Chapter 32B, §9A – F, followed by Board Members questions and then with the individual questions. Any individuals with a question were to identify themselves prior to asking of question.

Jim Lampke began by explaining that chapter 32B is applied different for each individual types of insurance plans. Town meeting acceptance is required only to allow the Town or Board of Selectmen to decide to pay more. The Town never did vote to pay more. Courts are in favor of the Towns making decisions.

Sec. 7 - Is the basic 50% payment by the employer and employee.

Sec. 7A – Authorized the town to pay more.

9A – Provided the town pay 50% and the retirees pay 50%

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Sec 9E – Authorized the town to pay more of the retiree’s premiums but does not mandate that they must.

Sec. 16 – Types of plans authorize the town to pay a minimum of 50% and the employees minimum of at least 10%, the decision is left to the town administrator to determine.

Philip Lemnios answered at this point to as how the town determined what the retirees should pay.

As the town began it budget process in January it decided to change the budget. Naturally, health insurance cost is the biggest part of the budget. They need to look for opportunity to produce growth, and any abnormalities. The first abnormality was retiree’s insurance premiums.

- Why were some at 50% and others at 75% - no answer
- Was it a Board of Selectmen or some other vote that allowed for this – no

This lead the Town Administrator to contact Town Counsel to review Chapter 32B as well as to research town meeting and board of selectmen minutes to determine whether or not the town was in compliance.

Law states that all classes be treated the same, retirees are a class of people, regardless of what type of retirement they were on, they are all the same class. The law allows for a 50 – 50 split for retiree’s health insurance premiums.

There was no selectmen vote ever taken to allow the town to pay more than 50%, therefore the town was not in compliance with the law.

The town, must upon notice of error, take all necessary steps to become in compliance with the law, which resulted in all retirees being treated as the same class, therefore all retirees pay 50% of insurance premiums.

Philip explained that the retiree had the right to petition the Board of Selectmen to go beyond the 50%, unless or until the Board of Selectmen vote to go beyond; the retirees must pay 50%.

The Chairman open the floor up for Board members questions at this time.

Maurice Murphy - What happened to the law that required the town to pay equal dollars towards each health plan?

Jim Lampke – The law was change by legislature in the 1990 and eventually was faded out.

Maurice Murphy – How can Board of Selectmen make change, they have no authority, when town meeting voted to allow?

Jim Lampke – That is incorrect, Town Meeting voted to allow the Town to should they vote to, therefore Board of Selectmen must vote to. They did not.

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Gerald Ball – Why didn't the Town send out notice sooner so those retirees that were affected had more time to make a adequate decision to change or find some other coverage?

Philip Lemnios – I, as well as all town officials, take an oath to properly abide by law, therefore had to research and wait for insurance premiums to be set.

**Notice of Injury:**

- Robert P. Bowes – Fire Department – Injury 06/03/2010 – Received 06/16/2010
- William Hatfield – Fire Department – Injury 06/11/2010 – Received 06/16/2010
- Anthony Simmons – Fire Department – Injury 06/11/2010 – Received 06/16/2010

**Payments:**

- Sign all bill warrants for June 2010
- Sign the contributory payroll for June 2010

Motion made by Gerald Ball seconded by Maurice Murphy to pay the bill warrants and the contributory payroll warrant for the month of June 2010.

**Unanimously voted:**

**Retirement:**

- Received application for Superannuation retirement from Geraldine Connolly, School Department effective June 30, 2010. Estimated annual retirement allowance \$4,568.00.

**Update:**

- Received notice of re-examination on David Leary
- Received notice from Michael Sacco that Implementation of Open Meeting Law as been postponed until November 1, 2010.
- Received Notice of Receipt of Appeal on John Coggins. The Board was advised that Michael Sacco was sent all of the necessary paper work for representation on its behalf.

**Review/Discussion:**

Received approval from PERAC on Furloughs on Creditable Service and Regular Compensation Supplemental Regulations. The Board was advised that the regulations were accepted with out change.

Review Audit Exit Conference of the Hull Retirement board for the Audit Period 01/01/2007 to 12/31/2009. Auditor suggestion – Board vote to require 3 signatures on all warrants.

Marcia Bohinc pointed out to the Board that the audit was a three-year in depth audit of all of the work that is done in the office by Jennifer Miller and that the Board should be extremely pleased

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with the fact that over the last three years that only finding was with the Board's lack of one Board meeting in 2008.

Jennifer Miller will send the Board's written response to PERAC's finding for submission in the final audit report. Response is as follows:

As required by M.G.L. c. 32, § 20 (5) (a), The Hull Retirement Board, in the event of a cancellation due to lack of quorum, will make every effort to reschedule its meeting at a time that will accommodate a quorum, within the same month.

Further, at the auditor's suggestion for payments of vouchers and retiree payroll warrants, the Board so voted:

Motion made by Gerald Ball seconded by Maurice Murphy to require a majority of three signatures for payment of all monthly bill warrants and payroll warrants.

**Unanimously voted:** To be filed with Treasure.

Received Draft copy of the Policy and Procedures Manual from Michael Sacco.

Year to date trial balance and cash account reconciliation for the months of April and May.  
The Board was advised that the funds were down approximately 2 million at the end of May.

Received letter of resignation from Jennifer Miller, Retirement Administrator.  
The Board thanked Jennifer for her time and dedication and wish her luck in her new position.

The Board discussed what it would like to do in the in term while in the process of hiring a replacement. Due to a two week notification, concern for office coverage during the hiring process, the Board asked if Jennifer Miller would continue to work on her own time schedule to keep the office current.

The Board stated that Jennifer will know what needs to be done and left the ime, duties and duration to her discretion.

Motion made by Maurice Murphy seconded by Gerald Ball to pay Jennifer Miller, as a consultant to the Board, at a rate of \$50.00 per hour for the number of hours per week to do the necessary work.

**Unanimously voted:**

The Board discussed what it is looking for in a replacement.

- Old business
- New Business

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**Informational Mail**

- PERAC Memo #24/2010 840 CMR 15.03 Amendments to Regulation Regarding Regular Compensation
- PERAC Investment Report 2009
- Retired State, County & Municipal Employees Association Newsletter
- NCPERS New Clips 05/25/2010 to 06/22/2010
- Segal Bulletin – April 2010

**Meeting adjourned:** 11:40 a.m.

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Leonard Colten, Chairman

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Gerald Ball

Absent

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Rocky Tenaglia

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Marcia Bohinc

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Maurice Murphy