

**MINUTES  
HULL CONTRIBUTORY RETIREMENT BOARD MEETING  
October 26, 2010**

The regular meeting of the Hull Contributory Retirement Board, duly posted to be held in the selectman's meeting room, Town Hall, Hull, MA on the above date was called to order at 9:05 a.m. Present were Leonard Colten, Chairperson, Members, Gerald Ball, Marcia Bohinc, Rocky Tenaglia, and Maurice Murphy, and Retirement Administrator Lauren Durham. Also present was Charlie Ryder, Finance Committee Advisor.

In accordance with the open meeting law, the chair was notified and it was announced that Lauren Durham was making an audio recording of the meeting.

Leonard Colten made a motion to accept the minutes from the July 27, 2010 meeting, with no changes, Rocky Tenaglia seconded.

**Voted: Leonard Colten, Maurice Murphy, Gerald Ball, Rocky Tenaglia, YES  
M. Bohinc abstained from the vote.**

**Motion Passed**

Rocky Tenaglia made a motion to accept the minutes from Executive Session on August 3, 2010, with no changes, Gerald Ball seconded.

**Voted: Leonard Colten, Maurice Murphy, Gerald Ball, Rocky Tenaglia, YES  
M. Bohinc abstained from the vote.**

**Motion Passed**

Leonard Colten made a motion to accept the minutes from Executive Session August 10, 2010, with no changes.

**Voted: Leonard Colten, Maurice Murphy, Gerald Ball, Rocky Tenaglia, YES  
M. Bohinc abstained from the vote.**

**Motion Passed**

Leonard Colten motion to accept the minutes from Executive Session August 19, 2010, with no changes.

**Voted: Leonard Colten, Maurice Murphy, Gerald Ball, Rocky Tenaglia, YES  
M. Bohinc abstained from the vote.**

**Motion Passed**

The minutes from the August 24, 2010 meeting have not been completed yet. These minutes as well as the revised minutes from the September 21, 2010 meeting will be completed for the November 23, 2010 Meeting.

Payments:

The October 2010 Bill warrant and Payroll Warrant were both signed. Gerald Ball made a request to include a detailed breakdown of what the staff salary includes each month.

Notice of Injury Noted:

- James Marcella, Fire Gr. 4, Injury 9/18/2010, Report 10/06/2010
- Anthony M. Simmons, Fire Gr. 4, Injury 9/24/2010, Report 10/06/2010
- Mark Collins, Fire Gr. 4, Injury 10/17/2010, Report 10/18/2010
- Roy Ahlquist III, Fire Gr. 4, Injury 09/20/2010, Report 10/18/2010

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New Members:

Four new members of the retirement system were recognized, Dimitrios Hortaridis, Donna Breen, Noreen Anderson, and Janet McKenna. Welcome packets and certificates of membership were sent to each individual.

Review/Discussion:

Leonard Colten raised the question of the Hull Retirement Board accepting what 'Regular Compensation' is defined as. Marcia Bohinc pointed out that this board has not discussed this. Michael Sacco, Board Attorney, has created a Policy and Procedures manual that breaks down what regular compensation entails. He also notes that each Board should adopt its own policy. PERAC gives one definition. We should break down each type of compensation we have; (i.e.) base pay, overtime, stipends, educational allowances, clothing allowances, cleaning allowances, etc. and determine line by line what will be regular compensation and what will not be regular compensation. It is imperative that we encompass each type of payment in the payroll system or our policy will be incomplete. Once we make a determination, we will send our policy into PERAC for review and posting.

Marcia Bohinc offers clarification on the way the new Pension system displays the fund balance on the Trial Balance report for July 2010. Marcia Bohinc also received the PRIM board update and distributed copies to the board. According to the Handout, July to September we are up \$1.8 million, 7.13% earned year to date.

Maurice Murphy made a motion to approve early payment for retirees for the months of November and December 2010. Payment dates will be 11/23/2010 and 12/21/2010. Marcia Bohinc requested that a memo is attached to these checks reminding retirees that this is not an extra payment, but their regular retirement payment early as a courtesy due to the holiday season.

**Unanimously voted.**

Appropriation data will be submitted by the 10/31/2010 deadline.

Actuarial Presentation by Larry Stone- January 1, 2010: Larry distributed to the board copies of the valuation for his presentation. The current funding scheduled is based on the 01/01/ 2008 valuation. The new schedule will be based on the 01/01/2010 valuation results for Fiscal year 2012. The preliminary results showed the Board has an overall liability gain, an asset loss and an assumption loss. There was an actuarial asset loss, \$8.3 million over the 2-year period of time. There was an annualized rate of return of almost -10%, versus 7.75% assumption. Saying that there was an actuarial asset loss, does not mean that we have lost \$8.3 million, it means that when you compare what we expected to earn to what was actually earned, there was a loss. The Board is now funded at 42%

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opposed to 51% in the 01/01/2008 valuation. The Board has seen a decrease in total assets of 15.3% from \$26 million in 2008 to \$22 million in 2010. The assumptions used were 7.75% interest rate, 4.75% salary assumption. The PRIT portfolio with about 80% equities and 20% fixed income. The Board agreed to maintain the interest assumption at 7.75% and the Salary Assumption of 4.75%.

Marcia Bohinc made the motion to keep all the assumptions the same and adopt the funding schedule with 18 years, 3.66%. Amortization. Maurice Murphy seconded the motion.

Marcia Bohinc, Maurice Murphy, Rocky Tenaglia, Leonard Colten in favor  
Gerald Ball opposed.

**Motion passed 4:1**

The Board scheduled the next meeting for Tuesday, November 23, 2010, at 9:00a.m. in the Selectman's Meeting Room.

**Meeting adjourned:**

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10:55

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Leonard Colten, Chairman

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Gerald Ball

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Rocky Tenaglia

\_\_\_\_\_  
Marcia Bohinc

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Maurice Murphy