

MINUTES
HULL CONTRIBUTORY RETIREMENT BOARD MEETING
December 21, 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 9:00 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 Town Treasurer, Mike Buckley.

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 November 23, 2010 meeting with no changes. Marcia Bohinc requested that the reason for her abstaining from voting on the November minutes was added.

Unanimously Voted.

Payments:

The December Retiree Payroll warrant and December Bill warrant were both signed.

Notice of Injury

David M. Buckley of the Hull Fire Department was Injured on 10/8/2010, Reported to the board on 12/06/2010.

Roy Ahlquist III of the Hull Fire Department was Injured on 12/03/2010, Reported to the board on 12/13/2010.

New Members:

Elizabeth Lauzon and Nicole Thomas were recognized as new members of the Retirement System. Welcome packets and certificates of membership were sent to them.

Payroll Changes:

The Board Received notice of the death of Fern Coyle, date of death November 20, 2010. Ms. Coyle chose option A at the time of retirement. Final payment for the period of November 1, 2010 through November 20, 2010 in the amount of \$1,663.80 was issued November 23, 2010.

Retirements:

Maurice Murphy made a motion, seconded by Leonard Colten, to accept the application for Superannuation Option C retirement from Robert Bowes effective 11/15/2010. Estimated annual retirement allowance is \$40,480.20 First Payment scheduled for December 21, 2010. *This calculation does not include longevity payments. Once clarification has been made on Article V, Section 10 of the Fire Department contract this pension may be adjusted.*

Unanimously Voted

Name		Robert P. Bowes	
Retirement Date		11/15/2010	
Member's Date of Birth		10/8/1951	
Member's Age		59 years, 1 month	
Job Group		4	
Membership Date		1/13/1980	
Veteran		Y	
Total Creditable Service		32	
Age Factor		2.5	
Salary			
	Year 1	\$56,128.74	
	Year 2	\$55,643.05	
	Year 3	\$55,293.34	
	Total	\$167,065.13	
	3 Year Average	\$55,688.38	<i>Max: 46,070.70</i>
Beneficiary's Date of Birth		12/7/1956	
Beneficiary's Age		53 years 11 months	
Option C factor		0.8987	
		Member	Survivor
Monthly Annuity		\$700.32	\$466.88
Annual Annuity		\$8,403.84	\$5,602.56
Monthly Pension		\$2,673.03	\$1,782.02
Annual Pension		\$32,076.36	\$21,384.24
Monthly Allowance		\$3,373.35	\$2,325.06
Annual Allowance		\$40,480.20	\$26,986.80

Maurice Murphy made a motion to accept the application for Superannuation Option C retirement from Peter Nixon effective 11/21/2010. Estimated annual retirement allowance \$47,228.80 First Payment scheduled for December 21, 2010.

Unanimously Voted

Name	Peter M. Nixon	
Retirement Date	11/21/2010	
Member's Date of Birth	11/21/1951	
Member's Age	59 years	
Job Group	1	
Membership Date	7/1/1979	
Veteran	N	
Total Creditable Service	31.333	
Age Factor	1.9	
Salary		
	TWN	HHA
Year 1	\$41,280.93	\$46,307.65
Year 2	\$47,663.88	\$43,926.03
Year 3	\$43,282.52	\$41,423.67
Total	\$132,227.33	\$131,657.35
	\$44,075.78	\$43,885.78
3 Year Average	\$87,961.56	Max: 71,313.90
Beneficiary's Date of Birth	8/7/1956	
Beneficiary's Age	54 Years 3 months	
Option C Factor	0.9019	
	Member	Survivor
Monthly Annuity	\$361.86	\$241.24
Annual Annuity	\$4,342.32	\$2,894.88
Monthly Pension	\$3,573.90	\$2,382.60
Annual Pension	\$42,886.80	\$28,591.20
Monthly Allowance	\$3,935.73	\$2,623.84
Annual Allowance	\$47,228.80	\$31,486.08

Review/Discussion:

The Board Reviewed the Breakdown of J. Miller contract time since August 2010.

- Total Contract hours: 87
- Total Paid: \$4,350.00

The meeting is opened up to discussion regarding an increase in the COLA base. Included in the Board Packets is an actuarial report from Larry Stone breaking down the cost of increasing the base from \$12,000.00 to \$13,000.00, \$14,000.00 and \$15,000.00.

Maurice Murphy made a motion to accept a \$1,000.00 increase to the COLA base, from \$12,000.00 to \$13,000.00 annually. He thinks we owe it to the retirees to increase the COLA base because of the increase in Health Insurance premiums this past summer.

Marcia Bohinc explained that the increase in the Health Insurance premiums was to become compliant with Mass General Laws as well as balance the budget. The money did not go in reserve, it went to balance FY 11 budget.

Gerald Ball feels that if retirees had to increase their budgets due to the Health Insurance premium increase, it is not unfair to ask the town to increase the budget by \$31,000.00.

Marcia Bohinc recommends waiting until FY 13 to increase the base and says that then we may be able to increase the base by \$2,000.00 to \$14,000.00. She would like to see how State Aid is going to be effected in FY 12 and she thinks that getting approval from Town Meeting on the \$31,000.00 will be difficult.

Leonard Colten raises the question of presenting this at Town Meeting for Approval, not making it effective in FY12, but to have the funding in place if the Board decides to raise the base.

Marcia Bohinc believes that the only way this can go to Town Meeting is if the Retirement Board accepts the increase first. She does not believe this conversation will go well with the Town under their budget constraints. She also reminds that this is not a \$4,000.00 per year increase, it is a \$31,000.00 annual increase over 18 years, per Larry Stone report.

Leonard Colten expresses his concern that the appearance of not giving retirees \$30.00 annually is an insult to them. \$31,000.00 seems insignifigant for the Town Budget.

Marcia Bohinc reiterates that if we wait another year we will have another year of investment returns.

Town Manager reminds the Board that at Town Meeting they will be responsible to explain why the COLA increase is a "wise decision". If you are going before Town meeting asking for \$31,000.00 the Retirement Board should already have decided when the increase will happen.

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Marcia Bohinc asks the Board if they would consider raising the COLA for FY 13, not FY 12.

Leonard Colten makes a motion to (A) Request authority to increase the COLA base to \$13,000.00 annually from \$12,000.00 annually. (B) If authority is granted, the COLA base will be adjusted to \$13,000.00 no earlier than 2013.

Unanimously Voted.

Updates:

The Boards Reviewed the Year to Date Trial Balance report and cash account reconciliation report for the month of October 2010.

- Old Business
- New Business

The Board Reviewed the following Informational Mail:

- PERAC- Memo #39/2010- Age 70 ½ Distribution
- PERAC- 11/22/2010 Approval of Funding Schedule
- PERAC- 12/3/2010 Appropriation for Fiscal Year 2012
- NCPERS New Clips- November 30, 2010, December 7, 2010
- The Voice of the Retired Public Employees- January 2011

The Board scheduled the next meeting for Tuesday, January 25, 2011 at 9:00a.m.in the Selectman's Meeting Room.

Meeting adjourned: 10:02 a.m.

Leonard Colten, Chairman

Gerald Ball

Rocky Tenaglia

Marcia Bohinc

Maurice Murphy