

MINUTES
HULL CONTRIBUTORY RETIREMENT BOARD MEETING
September 27, 2011

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, Members, Leonard Colten, Marcia Bohinc, Maurice Murphy, Rocky Tenaglia and Retirement Administrator Lauren Durham. Gerald Ball was absent.

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, seconded by Maurice Murphy to accept the minutes from August 30, 2011 Board meeting with no corrections.

Leonard Colten, Maurice Murphy, Rocky Tenaglia: Yes
Marcia Bohinc Abstained due to being absent at the meeting
Approved.

Payments:

Rocky Tenaglia made a motion, seconded by Leonard Colten to approve and sign The Bill Warrant for September 2011 and the Payroll warrant for September 2011.

Unanimously Voted.

New Employees:

Kerri Angellis, and Suzette Shilts were recognized as new members of the Retirement System. Welcome Packets and certificates of membership were signed and sent to them.

Notice of Injury:

Roy Alquist, III, Fire Group 4, Injury 8/22/11, Received 9/13/2011.

Refunds:

Leonard Colten made a motion seconded by Maurice Murphy, to grant Bridgette Kelly, former employee of the Hull School Department a refund of accumulated deductions. Refund in the amount of \$2,180.97 amount of accumulated deductions. Refund payable as follows: \$1,744.78 to Bridgette Kelly and \$436.19, to IRS for Federal Tax withholding as requested by Ms. Kelly. Service Liability is .9167 or 11 months.

Unanimously Voted.

91A Earned Income:

Donald Gillis 2010 over earner owes the Hull Retirement Board \$13,818.59. Mr. Gillis contacted Lauren Durham prior to the Board meeting and scheduled re-payment of the over earning amount. Mr. Gillis will have monthly payroll deductions of \$1,151.55 withheld from his pension check until the amount is repaid in full. Lauren Durham has notified PERAC of the resolution.

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Travel:

Leonard Colten made a motion, seconded by Maurice Murphy to grant permission to anyone who wants to attend the MACRS Fall 2011 Conference, Sheraton Springfield Sunday, October 16, 2011- Wednesday October 19, 2011.

Unanimously Voted.

Updates:

Michael Sacco has notified the Board of the DALA decision for the case involving David Leary, where a decision had been made, by the Selectmen, for the Retirement Board that a retirement date can be changed. DALA has ruled that David Leary's retirement date should be changed, even though the Board and PERAC had already approved the retirement date of April 15, 2003.

The question on the table is what does the board want to do from here. This is a Board decision as to where to go from this point. Leonard Colten asks what is Michael Sacco's opinion on what the next step should be.

Marcia Bohinc responds that Michael Sacco has said he would like to appeal the decision, and Marcia agrees. Marcia believes that Michael Sacco is saying in his letter is that the deciding magistrate did not answer the question of *can you change your retirement date?*

Marcia Bohinc's opinion is that there is a Process in place that wasn't followed and agrees with Michael that the process should've been followed, and she believes it should be appealed just to maintain the integrity of the system. She also believes that this would come with great cost to the retirement board as a change in the retirement date would yield a step increase, additional Quinn Bill and more creditable service. So the basis from which the retirement is now calculated, using the later date, would make his retirement higher, compounded over these years would be significant. If it is due to him than that is fair but Marcia agrees with Michael and believes we should appeal the DALA decision. Michael wants to appeal it, and believes he can win.

Leonard Colten asks "What will we (the retirement Board) gain from appealing this case?"

Marcia Bohinc responds that in terms of money, we don't have the exact figures at this point. It is maintaining the integrity of the system for future retirees. Maurice Murphy agrees.

Leonard Colten agrees that the principle of maintaining the integrity of the system is very important, but expresses his concern for the monetary cost of this case and appeal.

Marcia Bohinc responds that, this case may cost the Board a large amount of money, but how much will it cost us if this happened again? If we allow the Selectmen to go unchallenged in this, they are setting a precedent and there will be nothing stopping them from doing something like this again. That is the greater cost. This decision affects all members of the retirement system. PERAC, although being named on the case, has not notified the retirement board yet as to what action, if any they will be taking.

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Leonard Colten made a motion, seconded by Maurice Murphy to appeal the DALA decision regarding David Leary V. Hull Retirement Board and PERAC, dated, September 16, 2011.

Unanimously Voted.

The Board requests that Lauren follow up with Michael Sacco and PERAC regarding PERAC's opinion and/ or action regarding the decision as PERAC was party to the suit.

Follow Up to the question from the August meeting regarding State COLA payments and why does the Board receive COLA payments twice per year from the State. To clarify, Proposition 2 ½ (1980) prohibited the state from mandating certain local benefits, including COLAs. As a result the state decided to pay all COLA's for state and local employees. (1981-1988) Unfunded Pension Liability was so high that this had to be stopped and COLAs were only granted 3 times between 1989 and 1997. Beginning in 1998, COLAs were put back in the hand of the local governments. The reason we are currently paid a COLA benefit from the State is for those retirees who retired between 1981 and 1988, as that population decreases, the State Funded COLA amount will also.

Notice from PERAC that the Retiree Evaluation of Larry Adams has been completed and there is no further Board action required at this time.

PRIM Board Update for July 2011

Year to Date Trial Balance for July 2011

Insurance reform was highlighted in the Voice of the Retired Public Employee newsletter. Mayflower is working on a plan to be competitive with GIC. This is in the preliminary phase at this point, and at this point there is nothing definitive to report.

Election Update

The election Officer has received nomination papers for Leonard Colten and John Coggins for the December 5, 2011 election.

Informational Mail:

The Board reviewed the following informational mail:

- PERAC Memo #24/2011- Mandatory Ethics Training and Open Meeting Law Distribution Reminders
- NCPERS New Clips- August 30, 2011, September 6, 2011, September 13, 2011, September 20, 2011
- The Voice of the Retired Public Employee- September 2011

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

Meeting adjourned: 9:38 a.m.

Marcia Bohinc, Chairperson

Gerald Ball

Rocky Tenaglia

Leonard Colten

Maurice Murphy