

MINUTES
HULL CONTRIBUTORY RETIREMENT BOARD MEETING
June 27, 2012

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 9:04 a.m. Present were, Members, Leonard Colten, Marcia Bohinc, Brian Thompson, Gregory Galvin, Phil Lemnios and Retirement Administrator Lauren Durham.

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.

9:00 a.m. –David Gurtz, Senior Risk Officer- PRIM Investment Update.

David Gurtz sent regards of Paul Todisco who was also scheduled to attend but was unable at the last minute. Mr. Gurtz provided the Board with the PRIT Fund Portfolio Review. David began by reviewing PRIM Board's Organization Chart and the amount of vacancies at the Board as well as the turnover rate. There have been high profile positions that have turned over recently and David has assured the Board that this is something PRIM is looking into correcting.

Greg Galvin asks if the pay grade is in line with private sector jobs that are comparable. David responds that because PRIM is a "quasi-agency" a portion of funding is public. He also notes that Boston is an investment Hub and there are many private sector positions that will pay more. David follows up with a description of the management fees and how they compare to the private sector and notes that PRIM Management fees are tremendously lower than the private sector.

David reviews the PRIT Core Fund Asset Allocation Targets that were adopted in August 2011. He points out that Total Global Equity investment has been decreased by 6%, namely U.S. Large cap from 17% to 15% and International from 21% to 17%. The goal is to reinvest that 6% in other asset classes with less volatility. Total Value Added Fixed Income has been increased by 4% in High Yield/Bank Loans from 2%-3%, EMD(Local Currency) from 0% to 2% and Private debt from 3% to 4% and finally hedge funds were increased from 8% to 10% as they have very low volatility.

David presented the Board with PRIM's risk management procedures and the Highlights of the 2012 Investments annual plans.

Phil Lemnios ask David if the PRIM Board could help cities and towns develop a presentation to educate members when they ask the question. "Is my retirement safe?" This issue is constantly in the media and the public retirement system is constantly being scrutinized and a set of FAQ's or a presentation to help people understand how this works would be helpful.

Marcia Bohinc asks if David could ask the Board for a detailed bill on the breakdown of management fees on a quarterly basis so the board may review it.

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David will bring the suggestions to PRIM and update the Board with the outcome.

Phil Lemnios made a motion, seconded by Greg Galvin, to accept the minutes from May 29, 2012 Regular Board meeting with no corrections.

Unanimously Voted.

Payments:

Greg Galvin made a motion, seconded by Leonard Colten to approve and sign The Bill Warrant for June 2012.

Unanimously Voted.

Greg Galvin made a motion, seconded by Phil Lemnios to approve and sign The Payroll Warrant for June 2012.

Unanimously Voted.

Notice of Injury

The board received notice of injury for the following employees:

John King Hull Fire, Group 4, Injury 5/17/2012

Theodore E. Sapienza, Hull Fire, Group 4, Injury 5/28/12

Both are back to work.

Service Purchase:

Leonard Colten made a motion, seconded by Phil Lemnios to grant Richard McKenna of the Hull Police Department permission to purchase service credit for the period February 2, 1985 through October 23, 1985 in which he had worked for the Town of Hull Police Department. Cost to purchase eight (8) months of service credit 2,336.81. Mr. McKenna would like to enter into a payment plan through payroll deductions. Payroll deductions that are to exceed one year will be recalculated with actuarial interest on the remaining balance, each year until the amount is paid in full. Deductions will not exceed 5 years.

Unanimously Voted.

The Board requests a review of the Supplemental regulations. At the next Board meeting, they would like to review the Buyback Supplemental Regulations and are interested in what the surrounding retirement boards Buyback regulations are with the change to the Buyback rules.

Payroll Changes:

1. 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:

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9:30- Randolph Boothby
 9:40- Bruce Baldwin
 9:50- Thomas McClutchy
 10:00- Howard Moog, Jr.

Notification Letters were mailed on June 11, 2012. Notifications were received from PERAC that Randolph Boothby, Thomas McClutchy and Howard Moog, Jr. were all in compliance and Bruce Baldwin was able to show good cause for failure to file. At this time no interruption in benefits should occur.

2. Received notice of death of Kenneth Resnick, date of death June 9, 2012. Final Payment in the amount of \$1,418.05. Mr. Resnick chose a B Option at retirement, therefore no further pension payments shall be made in his name. Remaining annuity balance to be paid out to Dorothy-Ann Resnick in the amount of \$42,731.86, June 28, 2012. Greg Galvin made a motion, seconded by Brian Thompson to approve the Option B refund payment to the Beneficiary of record.

Unanimously Voted.

Updates:

Malloy, Lynch, Bienvenue Audit Update: How well is the Board looking at the Trial Balance reports? A report may need to be developed in order to tie the warrants to the reports considering the Trial Balance reports tend to run a couple of months behind.

2012 MACRS Recap- Brian Thompson, Marcia Bohinc, Greg Galvin and Lauren Durham attended the 2012 MACRS Conference. Marcia Bohinc requests the Board look into Fiduciary Insurance and asks that Lauren contact Paul Shanley to determine eligibility.

2012 Affidavits were mailed on 5/1/2012. Second notices were mailed in June 27, 2012. There are 8 outstanding.

The Board would like to wish a Belated Happy Birthday to Member Lenny Colten on June 3, 2012

Informational Mail:

- PERAC Memo #35/ 2012: Mandatory Retirement Board Member Training- Quarterly Update
- PERAC Memo #36/2012- Timothy McDaid

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- Malloy, Lynch, Bienvenue, LLP questionnaire to be completed and returned with attached envelope.
- NCPERS News Clips: May 29, 2012, June 5, 2012, June 12, 2012, June 19, 2012

The Board scheduled the next meeting for Tuesday July 24, 2012 at 9:00 a.m. In the Selectman's Meeting Room.

Meeting adjourned: 10:30 a.m.

Marcia Bohinc, Chairperson

Gregory Galvin

Phil Lemnios

Leonard Colten

Brian Thompson