

MINUTES
HULL CONTRIBUTORY RETIREMENT BOARD MEETING
September 27, 2016

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, Gregory Galvin, Mike Buckley and Retirement Administrator Lauren Durham, Brian Thompson was present via remote participation. John Reilly and John King were 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.

Minutes:

Greg Galvin made a motion to approve the minutes from the August 23, 2016 Regular Board meeting. Seconded by Brian Thompson with corrections.

Unanimously Voted.

The executive session minutes from August 23, 2016 will be available at the next meeting.

Payments:

Greg Galvin made a motion to approve and sign the Bill Warrant for September 2016, seconded by Brian Thompson.

Unanimously Voted.

Greg Galvin made a motion to approve and sign the Payroll warrant for September 2016, seconded by Brian Thompson.

Unanimously Voted.

New Members:

Greg Galvin made a motion, seconded by Brian Thompson to accept the following employees as members of the Retirement System:

- Rachel Guglielmi, School Department, Group 1, start date 8/29/2016
- Joan Taverna, Town of Hull, Group 1, Start date 7/5/2016
- Kristen Smith, School Department, Group 1, Start date 8/29/2016
- Gary Brown, Highway, Group 1, Start Date 8/15/2016
- Lucas MacKenzie, School Department, Group 1, Start date 8/29/2016
- Taylor Vieira, School Department, Group 1, Start date 8/29/2016
- Ralph Carpenter, School Department, Group 1, Start date 8/29/2016

Unanimously Voted.

Transfer requests:

Greg Galvin made a motion, seconded by Brian Thompson to transfer the account of Anne Herbst to the State Board of Retirement. Ms. Herbst was an employee of the Town of Hull from September 19, 2005 until July 7, 2016. Transfer \$65,882.37 in accumulated deductions and interest. Hull Contributory retirement Board to accept 10 years, 9 months of service credit.

Unanimously Voted.

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Retirement:

Greg Galvin made a motion, seconded by Brian Thompson to approve the application for Superannuation retirement under Option B from Donald Love, of the Hull Police Department. Mr. Love has 31 years and 7 months of service and will be retired as of September 14, 2016. Final Calculation as follows:

Retirement Date 9/14/2016	
Annuity	\$1,021.94
Pension	\$3,970.48
<i>Total Monthly Allowance</i>	\$4,992.42
Annual Annuity	\$12,263.28
Annual Pension	\$47,645.76
<i>Total Annual Allowance</i>	\$59,909.04
Option	B
Service	31.5833
Age Factor	2.5

Unanimously Voted.

Brian Thompson made a motion, seconded by Greg Galvin to approve the application for Superannuation Retirement under Option C from John King, of the Hull Fire Department. Mr. King has 32 years and 8 months of service and will be retired as of September 18, 2016. Final Calculation as follows:

Retirement Date 9/18/2016	
Annuity	\$836.13
Pension	\$3,349.56
<i>Total Monthly Allowance</i>	\$4,185.69
Annual Annuity	\$10,033.56
Annual Pension	\$40,194.72
<i>Total Annual Allowance</i>	\$50,228.28
Option	C
Service	32.8333
Age Factor	2.5

Unanimously Voted.

Updates:

The 2016 Fall MACRS Conference will be held October 2-5, 2016 in Springfield, MA. If any Board member would like to attend registration is open through the first day of the conference.

The Board reviewed the July 2016 Trial Balance and the August 2016 PRIM Board update.

The Board reviewed the draft of the 1/1/2016 valuation report from Odyssey Advisors.

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The Board will be prepared to vote on this draft at the October meeting. In the meantime, there are a few points to take a closer look into; Is 7.75% investment rate of return appropriate at this time?, is another COLA base increase appropriate in the near future, 14,000 or 15,000?, should we extend the plan maturity date?, what will the consequence be of using the updated mortality tables?

Greg Galvin made a motion, seconded by Brian Thompson to authorize early pay dates, as the Board has historically approved for the months of November and December. November payment date will be on 11/22/2016 and December will be 12/22/2016.

Unanimously Voted.

Mike Buckley authorized \$200,000.00 to be liquidated from PRIT in order to cover the September 2016 Payroll in addition to the town appropriation of \$233,865.33

Informational Mail:

The Board reviewed the following mail:

- 9/1/2016- Mass Treasury exploring paperless option
- PERAC memo #22/2016 Forfeiture of Retirement Allowance for Dereliction of Duty by Members
- PERAC memo #23/2016- Tobacco Company List

9:20- Paul Shanley from Amity Insurance was present to discuss the Board's fiduciary Insurance policy.

Paul thanked the Board for inviting him to the meeting and had prepared an overview of the fiduciary insurance policy for the newer Board member. Due to their absence he handed out some information and offered to be available should any questions arise from the newer members?

Paul explained that he foresees the Board, within the next 1-2 years becoming eligible to join the MACRS policy which is a \$50 million policy and will reduce the premium to \$10,000 and reduce the deductible from \$25,000 to \$10,000. Currently, 89 systems in the commonwealth is part of the MACRS policy and it will be a good move for the system, once the target rate of funding (60%) is achieved. As of the 1/1/16 valuation draft the Board is approx. 59% funded, up from 54% in the 1/1/14 valuation. Paul also explains that the current fiduciary policy protects each board member and the administrator personally and cost of defense.

Greg asks Paul why the Board sees such a sharp premium increase where the increases over the past 3 years have been minimal. Paul explains that this is really the first increase since signing on in 2012, and it corresponds with the funding level we are currently at.

Greg Galvin made a motion, seconded by Brian Thompson to accept the fiduciary policy as presented by Paul Shanley of Amity Insurance.

Unanimously Voted.

The Board thanked Paul for his time.

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9:38 Greg Galvin made a motion to adjourn. Brian Thompson, seconded.

The Board's next scheduled meeting is for Tuesday, October 25, 2016 at 9:00 a.m. In the Selectman's Meeting Room. Meeting adjourned:_____

Brian Thompson

Gregory Galvin

Michael Buckley

John King

John Reilly