

HAMPSHIRE COUNTY RETIREMENT ADVISORY COUNCIL

Minutes of Business Meeting - January 9, 2013

The Hampshire County Retirement Advisory Council held a business meeting on January 9, 2013 at the Hatfield Town Hall, Hatfield, MA. Chairman Lisa Banner called the meeting to order at 9:50 a.m.

The following Council members were present: Chairman Lisa Banner (Belchertown), Vice Chair Karen Karowski (Foothills Health District and Town of Williamsburg), Mary Wallace (Amherst-Pelham Regional School District), Claire McGinnis (Town of Amherst), Susan Warriner (Town of Cummington), Constance Mieczkowski (Town of Hadley), Donna Whiteley (Town of Southampton), Linda Alvord (Town of Plainfield) and Margaret Parsons (Town of Westhampton). Count: 9 voting members representing 10 of 36 units. Other individuals representing units Clara Rowan (Amherst Housing Authority), Christopher Martin (Town of Granby), Edwina Palmisano and Greg Winters (Town of Hatfield). Others present were Council Secretary and Retirement Administrator Mary Baronas, Retirement Board Chairman Patrick Brock, and Retirement Board Staff Susan Lessard.

The purpose of the meeting was to take a vote relative to increasing the maximum COLA base from \$12,000 to \$13,000.

Upon Margaret Parson's motion and Connie Mieczkowski's second, it was moved that "the Hampshire County Retirement Advisory Council approve the Hampshire County Retirement Board's acceptance of Massachusetts General Laws as Amended, Chapter 32, Section 103(j) to increase the COLA Base from \$12,000 to \$13,000 to be effective on July 1, 2013".

Claire McGinnis (Town of Amherst) commented on the financial impact of the vote and the potential impact on the Town's bond ratings. Ms. McGinnis stated that the Town of Amherst had concerns with the timing of the vote in relation to fund performance, but supported the measure to create parity for Town employees and retirees with other municipality, Teachers' and State retirees.

Retirement Board Chairman Patrick Brock assured the Council that the Retirement Board is cognizant of the employers' concerns, but also recognizes that granting parity with other municipal, state and teacher retirees is the right and just thing to do. Mr. Brock pointed out the other municipalities have already increased the COLA base effective July 2011, ranging from \$13,000 up to \$18,000 and the State and Teacher's have receive an increase to the COLA base to \$13,000 effective in July 2012.

Mr. Brock also noted that based on preliminary numbers the Retirement Board expects to achieve an estimated 13% return on investments for 2012. Mr. Brock also noted that the funding schedule was affected by other factors, such as lowering the return assumption to 7.875% from 8% and recognizing the remaining 20% of 2008 losses (5-year smoothing). Mr. Brock assured the Council that the Retirement Board is very concerned with any increases to the funding schedule, but are definitely moving in the right direction to fund the system in a responsible manner while providing equitable benefits for HCRS members and beneficiaries.

The vote was called and the motion to approve the Retirement Board vote increasing the maximum COLA base to \$13,000 passed unanimously.

Mary Baronas advised council members of Retirement Board staff changes (i.e. Louise Tylunas is retiring on February 1, 2013, Betsy Sugrue has been promoted to the Retirement Counselor) and introduced Susan Lessard as the new Retirement Board Receptionist.

Upon Margaret Parson's motion and Karen Karowski's second the Advisory Council meeting adjourned at 9:57 a.m.

Respectfully submitted,


Mary G. Baronas
Advisory Council Secretary

Certified as accurate record of proceedings:


Chairman Lisa Banner