

The regular meeting of the Montague Retirement Board duly posted to be held at One Avenue A, Turners Falls, MA on the above date came to order at 1:00 P.M. Members Carolyn Olsen, David Dion, Cheryl Clark, Marianne Fiske and Frank Abbondanzio were present. Administrator Shari Hildreth was also present.

NEW MEMBER: Michelle Welcome, TWN, library tech, 10/1/10

BOARD VOTED on a motion made by M. Fiske and seconded by F. Abbondanzio to approve new member. **UNANIMOUS**

PERAC's Disability Unit is holding a training seminar on Thursday, Nov. 4th at the Northampton Municipal Bldg. Administrator S. Hildreth to attend.

BOARD VOTED on a motion made by M. Fiske and seconded by F. Abbondanzio to approve travel reimbursement. **UNANIMOUS**

Buy Back: Michelle Welcome, TWN, library tech, has requested information on a buy back of previous creditable service from 3/30/99-9/30/2010 when she worked for the library part time. The buy back will add 9 years 4 months 2 days of creditable service.

BOARD VOTED on a motion made by M. Fiske and seconded by F. Abbondanzio to approve buy back of creditable service. **4 "YES" votes and 1 Abstained**

Discuss 2011 Annual Budget, Administrator's evaluation and salary increase.

**MONTAGUE RETIREMENT SYSTEM
CALENDAR 2011 BUDGET**

Description	CY10 BUDGETED	1/1/10-10/31/10 EXPENDED	BALANCE	1/1/2011-12/31/2011	
				CY2011 BUDGET	% CHANGE
Salaries					
Town Accountant	3,000.00	2,500.00	500.00	3,000.00	0.00%
Treasurer	3,000.00	2,500.00	500.00	3,000.00	0.00%
* Administrator	29,809.00	25,016.64	4,792.36	30,824.10	3.41%
Extra hours to attend Seminar/Conf.	1,500.00		1,500.00	1,500.00	
Board Stipend	0.00	0.00	0.00	0.00	0.00%
Total Salaries	37,309.00	30,016.64	7,292.36	38,324.10	2.72%
Expenses					
Fiduciary Ins.	2,000.00	1,816.00	184.00	2,000.00	0.00%
Copier Service Contract	400.00	0.00	400.00	400.00	0.00%
Administrative Expenses **	5,000.00	1,499.12	3,500.88	5,000.00	0.00%
PTG Support	11,000.00	11,000.00	0.00	12,000.00	9.09%
Association Dues	400.00	400.00	0.00	400.00	0.00%
Election	500.00	0.00	500.00	500.00	0.00%
Employee Fringe Costs & W/C	14,832.00	0.00	14,832.00	15,000.00	1.13%

Furniture & Equip.	0.00	0.00	0.00	0.00	0.00%
Legal Exp.	7,000.00	5,181.25	1,818.75	7,000.00	0.00%
Travel & Education/Training	7,000.00	5,146.48	1,853.52	8,500.00	21.43%
Management Fees (PRIT)	150,000.00	76,797.02	73,202.98	150,000.00	0.00%
Total Expenses	198,132.00	101,839.87	96,292.13	200,800.00	1.35%
Total Salaries & Expenses	235,441.00	131,856.51	103,584.49	239,124.10	1.56%

*Administrator annual raise = 3%, \$.69/hr

**Admin. Expenses - postage, telephone, office supplies, binding records, forms & stationary, publications, advertising

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Changes to Administrator's contract: D. Dion feels that Administrator S. Hildreth should be presenting the proposed changes to the contract with Board and negotiations should then take place between the Board and the Administrator prior to the budget discussion. Wages, longevity, sick leave and vacation time were all discussed.

Wages

The hourly wage was discussed at length. Mr. Dion was only comfortable with 2.5% increase. Ms. Fiske felt that a 4-5% increase was necessary to both recognize the quality of work, and to bring the salary to a competitive rate of other administrators in similar systems. Mr. Abbondanzio and Ms. Clark were comfortable with the 2.5% increase as it was comparable to what other municipal employees were given. Ms. Olsen was in favor of a higher increase but recognized that there was not sufficient support to pass such a vote. A compromise of 3% was offered.

BOARD VOTED on a motion made by C. Clark and seconded by F. Abbondanzio to approve an hourly wage of \$23.62 for the Administrator for the period of January 1, 2011 through December 31, 2011. Approved 4-1.

C. Olsen is to prepare information on average wages for Retirement Boards of comparable systems, as well as look at the creation of a wage scale with specific steps. This will be reviewed prior to the discussion of the 2012 budget.

Longevity

The question of longevity was discussed. The Board will look into it for the next contract, but the general consensus was that longevity is not appropriate until at least ten years of service.

Sick Leave

C. Olsen requested that sick leave be adjusted and the accrual rate increased from 1.15 hours per week to 2.0 hours per week for a total of approximately 20 days per year which is consistent with what town hall employees receive, and that the accumulated hours allowed to be carried over per year be increased from 450 to 750 hours per year. D. Dion would like to add a buy out provision of the accumulated sick time upon retirement, which will be addressed in a subsequent contract.

BOARD VOTED on a motion made by M. Fiske and seconded by C. Clark to increase the Administrator's sick leave accrual to 2.0 hours per week and increase the maximum amount of accrual to 750 hours, effective January 1, 2011. Approved 4-1.

Vacation Time

C. Olsen requested that vacation time be adjusted and the accrual rate be increased from 1.0 hour per week to 1.5 hours per week. This will provide a total of 3 weeks of vacation on the Administrator's fifth anniversary date of employment.

BOARD VOTED on a motion made by F. Abbondanzio and seconded by C. Clark to increase the Administrator's vacation time accrual to 1.5 hours per week effective January 1, 2011. Approved 4-1.

Budget

The budget was adjusted to reflect the wage increase voted above.

BOARD VOTED on a motion made by C. Clark and seconded by M. Fiske to approve the 2011 Annual Budget. **UNANIMOUS**

COLA Base

PERAC has created 4 different funding schedules if the COLA base were raised from \$12,000 to \$15,000 or \$18,000. Board reviewed all four options provided.

BOARD VOTED on a motion made by M. Fiske and seconded by C. Clark to adopt a new funding schedule which will increase the COLA base from \$12,000 to \$18,000 by extending the schedule by 2 years. **UNANIMOUS**

WARRANT: The bills were approved and Warrant #10 was signed as follows:

Contributory Warrant #10	\$ 143,311.33
Breakdown: Payroll	140,311.21
Expenses (Admin)	2,859.22
Travel	140.90

The minutes of September 21, 2010 were signed into the record.

Financial Statements and mail were distributed and reviewed by the Board.

The next regular monthly meeting is scheduled for November 18, 2010 at 1:00 P.M.

With no further business to come before the Board, the meeting adjourned at 2:06 P.M.

APPROVED BY THE BOARD OF RETIREMENT

Carolyn Olsen

David Dion

Cheryl Clark

Marianne Fiske

Frank Abbondanzio

Respectfully submitted,

Shari Hildreth
Administrator
Montague Retirement Board

Documents Reviewed:
New Member Enrollment Forms
FY 2011 Budget
PERAC Correspondence
Warrant # 10(2010)
Minutes of 9/21/10