



City of Cambridge

Consent Agenda #5

IN CITY COUNCIL

December 18, 1995

ORDERED: That this City Council go on record accepting the provisions of Massachusetts General Laws Chapter 32, Section 20, Subsection (6) regarding Retirement Board Compensation.

In City Council December 18, 1995
Adopted by a yea and nay vote:-
Yeas 5; Nays 2; Absent 0; Present 2.
Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

D. Margaret Drury
City Clerk

RECONSIDERATION FILED BY COUNCILLOR TRIANTAFILLOU
RECONSIDERATION FAILED 2-6-0-1. ACTION TAKEN ON DECEMBER 18, 1995
ADOPTING THE ORDER - STANDS



OFFICE OF THE CITY CLERK

CITY OF CAMBRIDGE

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139

(617) 349-4260

FAX (617) 349-4307

D. MARGARET DRURY
CITY CLERK

JOHN E. FLYNN
DEPUTY CITY CLERK

September 20, 1995

Robert W. Healy, City Manager
Cambridge City Hall
795 Massachusetts Avenue
Cambridge, MA 02139

Dear Mr. Healy:

At its September 18, 1995 meeting, the City Council requested that you arrange for the provision of additional information regarding the Retirement Board before the City Council votes on acceptance of Ch. 32 §20 which provides for compensation for the Retirement Board.

The information requested is as follows:

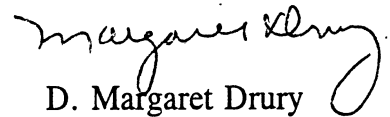
- 1) Are members of any other City boards paid for their services?
- 2) What is the justification for paying this board?
- 3) When are the meetings held? Are board members being paid by their employers, either the City of Cambridge or private employers, for the times during which they are attending the meetings?
- 4) Names and addresses of board members, term length and expiration, number of terms each have served.
- 5) What does the board do? What expertise is required for their functions?
- 6) How profitable is the Retirement Board?

Robert W. Healy
September 20, 1995
Page Two

- 7) What is the relationship between the Retirement Board and the City Council?
- 8) What other cities and towns in the Commonwealth have accepted this statute or otherwise pay their retirement boards?

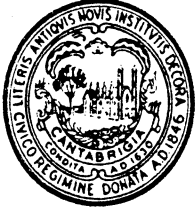
Thank you for your attention to this matter.

Sincerely,


D. Margaret Drury
City Clerk

DJD:gwj

cc: Ann Leduc



CAMBRIDGE RETIREMENT BOARD

795 MASSACHUSETTS AVENUE, CAMBRIDGE, MASSACHUSETTS 02139

(617) 349-4114

Joseph E. Connarton
Chairman

James A. Lindstrom
Ex-Officio

Sheila M. Tobin
Elected Member

Anne C. Leduc
Executive Director

M E M O R A N D U M

TO: ROBERT W. HEALY, CITY MANAGER

FROM: JOSEPH E. CONNARTON, CHAIRMAN ^{JEC}

DATE: SEPTEMBER 6, 1995

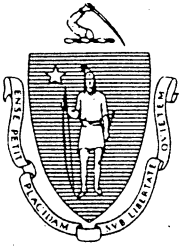
SUBJECT: BOARD MEMBER COMPENSATION

Attached for your review is a copy of the Public Employee Retirement Administration (PERA) memo #15/1995, stating that Governor Weld signed into law several outside sections of the State Budget pertaining to retirement.

The specific section the Board has requested I bring to your attention is section 53, subdivision (6) of G.L. 32, s.20. This provides for compensation of Board members for a stipend not to exceed three thousand dollars (\$3,000.00) per annum.

This section further establishes the process for acceptance of the compensation provision, requiring a majority of the City Council to vote in the affirmative. It should be noted that the City Auditor has requested that the additional compensation of fifteen hundred dollars, (\$1,500.00) which would allow him the maximum of three thousand dollars (\$3,000.00), not be moved until such time as the freeze on municipal employees salaries is lifted.

Thank you for your cooperation in this regard. As always, should you have any questions, please feel free to contact myself or Anne C. Leduc.



THE COMMONWEALTH OF MASSACHUSETTS


DIVISION OF PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION
JOHN W. MCCORMACK BUILDING • ROOM 1101
ONE ASHBURTON PLACE • BOSTON, MA 02108
727-9380

JOHN J. MCGLYNN
COMMISSIONER

JOSEPH I. MARTIN
FIRST DEPUTY COMMISSIONER
BARBARA J. PHILLIPS
COUNSEL

MEMORANDUM

TO: All Retirement Boards

FROM: Commissioner John J. McGlynn 

RE: Board Employee Early Retirement and Board Member Compensation

DATE: July 13, 1995

As you know the Fiscal 1996 State Budget recently signed into law by Governor Weld contained several outside sections pertaining to retirement. Two of these, section 53 authorizing compensation for retirement board members and section 246 establishing an early retirement program for board employees, are the subject of this memorandum.

COMPENSATION OF BOARD MEMBERS

Section 53 adds a subdivision 6 to G.L. c. 32, s. 20. That subdivision reads as follows:

“(6) Retirement Board Members Compensation. - (a)The elected and appointed members of any city, town, county, district, or authority retirement board upon the acceptance of the appropriate legislative body shall receive a stipend of three thousand dollars per annum; provided, however, that said stipend shall be paid from such funds under the control of said board as shall be determined by the public employee retirement administration; and, provided further, that the ex-officio member of any city, town, county, district or authority retirement board upon the acceptance of the appropriate legislative body shall receive a stipend of not more than three thousand dollars per annum in the aggregate for services rendered in the active administration of the retirement system.”

MEMORANDUM - Page Two

TO: All Retirement Boards
FROM: Commissioner John J. McGlynn
RE: Board Employee Early Retirement and Board Member Compensation
DATE: July 13, 1995

ACCEPTANCE

Acceptance of subdivision (6) of G.L. c. 32, s. 20 takes place by majority vote of the "appropriate legislative body". Legislative body is defined in G.L. c. 4, s. 7. In a city the legislative body is the city council or board of alderman. In a town the legislative body is the town meeting or the town council. G.L. c. 4, s. 7 does not define the legislative body of a county, district or authority. G.L. c. 4, s. 4 does set forth a mode of acceptance of statutes for a district. Consistent with that provision for purposes of acceptance of subdivision (6) in a district that subdivision can be accepted by a vote of the district at a district meeting. G.L. c. 4 provides no direction as to acceptance of statutes by authorities. Consequently, a review of G.L. c. 32 itself is necessary. G.L. c. 32 is accepted in an authority by a majority vote of members of the authority. Similarly, subdivision (6) of G.L. c. 32, s. 20 may be accepted in an authority by a majority vote of the members of the authority. In a county the legislative body is the Board of Commissioners and acceptance shall take place by a majority vote of that Board.

PAYMENT

It is clear from the method of acceptance that the legislative intent is to insure that once acceptance takes place the payments to board members will not be subject to further action by non retirement board entities. Thus this Division determines that payments will be made from the investment income account of the system. Only those payments made pursuant to acceptance of this statute may be made from this account. Payments for services pursuant to other provisions of G.L. c. 32 must be made from the Expense Fund.

For accounting purposes ledger account #1511 must be established. This ledger account will be closed to investment income at the end of the year and will be shown on the Annual Statement on the investment income page.

OTHER ISSUES

One other major issue raised by subdivision (6) of G.L. c. 32, s. 20 is the status of a retirement board member who is not a member of the retirement system upon receipt of payments pursuant to that subdivision. Although the statute uses the term "stipend", such

MEMORANDUM - Page Three

TO: All Retirement Boards
FROM: Commissioner John J. McGlynn
RE: Board Employee Early Retirement and Board Member Compensation
DATE: July 13, 1995

is not controlling for establishing persons' rights under G.L. c. 32. These are regular payments in the nature of compensation for services rendered. The legislative intent for these payments is to reward individuals for their service in what heretofore has been a nonpaying time consuming job. Thus it is the opinion of this Division that retirement board members receiving such compensation are eligible for membership in the retirement system to the same extent as other employees who are similarly compensated. However, a board member appointed pursuant to G.L. c. 32, s. 20(4)(c) is precluded from membership in the retirement system. This prohibition is not affected by acceptance of subdivision (6).

Under the statute payments to a maximum of \$3,000 per year may be made to the ex-officio board member. However a separate vote of the legislative body is necessary to approve such payments and \$3,000 is the maximum which the ex-officio member may receive inclusive of other payments made for services provided to the system. For example, if the ex-officio member is presently receiving \$1,500.00 for services rendered, he may only receive \$1,500.00 pursuant to this section thus achieving in the aggregate \$3,000.00.

The statute refers to payments of "three thousand dollars per annum". As a result, members are eligible for these payments only for the period served on the board during a year. In light of the fact that boards meet on a monthly basis, in instances where an individual serves less than a year, payments should be pro-rated. Consequently an individual who serves six months in a twelve month period will receive a total of \$1,500 in six monthly payments of \$250.

Finally, payments under this statute can only be made for services as a Board member after the acceptance of this statute. Thus in 1995 the maximum payment allowed is \$1,500.00 provided acceptance has taken place prior to the July Board meeting.

EARLY RETIREMENT FOR BOARD EMPLOYEES

Section 246 of the Fiscal Year 1996 State Budget reads as follows:

Notwithstanding the provisions of chapter thirty-two of the General Laws or of any other general or special law to the contrary, any city, town or county

MEMORANDUM - Page Four

TO: All Retirement Boards
FROM: Commissioner John J. McGlynn
RE: Board Employee Early Retirement and Board Member Compensation
DATE: July 13, 1995

whose legislative and executive authorities have accepted the provisions of section forty-eight of chapter one hundred and thirty-three of the acts of nineteen hundred and ninety two, and whose retirement system has as its members the employees of the retirement board of such retirement system, shall upon the vote of said legislative and executive authorities, provide to the employees of such retirement board the same rights and privileges of election of the early retirement program as defined in said section forty-eight, under the same terms and conditions of said retirement program, just as if such members had chosen the early retirement program under the terms and time limitations of said section forty-eight; provided, that such election by the member and such acceptance by the legislative and executive authorities occur within ninety days after the effective date of this act; and provided further, that the retirement date elected under the provisions of this section shall not be later than forty-five days after the acceptance of this section by the legislative and executive authorities.

PERA Memo #19A of 1992 issued on August 6, 1992 described the elements of section 48 of chapter 133 of the acts of 1992. *Acceptance of section 246 may only take place in cities, towns and counties which accepted the provisions of section 48.* Attached is a list of retirement boards whose city, town or county accepted the provisions of s. 48 of c. 133 of the acts of 1992 and whose employees may elect to participate in an early retirement incentive program subject to the additional acceptances contained in s. 246 of c. 38 of the acts of 1995. The method of acceptance of section 246 must also be consistent with the method used in accepting section 48. Section 246 may be accepted in a city by vote of the City Council or Board of Alderman as the legislative authority and acceptance by the mayor as the executive authority. Section 246 may be accepted in a town by vote of town meeting as the legislative authority and acceptance by vote of the Board of Selectman as the executive authority. Section 246 may be accepted in a county by vote of the county advisory board as the legislative body and acceptance by vote of the county commissioners as the executive authority. It should be noted that acceptance may only take place in those counties which accepted section 48 for county employees. *In instances where member towns in a county accepted section 48, but the county itself did not, section 246 may not be accepted for county retirement board employees. Similarly, if a unit in a city or town accepted section 48, but the city or town itself did not, then section 246 may not be accepted.*

MEMORANDUM - Page Five

TO: All Retirement Boards
FROM: Commissioner John J. McGlynn
RE: Board Employee Early Retirement and Board Member Compensation
DATE: July 13, 1995

In accordance with the provisions of section 246 the early retirement incentive offered to eligible retirement board employees must be the same as that offered to municipal employees pursuant to s. 48 of c. 133 of the acts of 1992. Thus although that statute created an incentive of an increase of age or service by five years or an increase in age and service up to a maximum of five years in combination, the Mayor or Board of Selectman were authorized to limit the number of years to a level below five years. It is suggested that you review your records to determine if such a limit was applicable in your city, town or county. If such a limit below five years was in place, then the same limit is applicable under section 246.

In addition in order to be eligible an employee must:

- (1) be a member of the retirement system on the date of acceptance of section 246; and
- (2) be an employee of the retirement board on the effective date of the statute (July 1, 1995); and
- (3) be eligible to receive a superannuation retirement allowance under G.L. c. 32, s. 5 (age 55 and at least 10 years of creditable service) on the retirement date set forth in the application, or be eligible to retire under G.L. c. 32, s. 10(1) (under age 55 and at least 20 years of creditable service) on the retirement date set forth in the application.

Section 246 must be accepted by the legislative and executive authorities and the retirement applications filed within 90 days of July 1, 1995. Any such retirement application must set forth a retirement date within 45 days of acceptance of section 246 by the legislative and executive authorities.

JJM/cjc

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Attachment

The following is a list of retirement boards whose city, town or county accepted the provisions of s. 48 of c. 133 of the acts of 1992 and whose employees may elect to participate in an early retirement incentive program subject to the additional acceptance contained in s. 246 of c. 38 of the acts of 1995.

Franklin County	Maynard
Hampden County	Medford
Middlesex County	Melrose
Andover	Natick
Arlington	North Adams
Attleborough	Norwood
Beverly	Salem
Cambridge	Springfield
Chelsea	Stoneham
Clinton	Waltham
Framingham	Watertown
Greenfield	Wellesley
Lawrence	Winthrop
Lowell	Woburn
Marlborough	



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139

TEL 349-4300

FAX 349-4307

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

September 11, 1995

To The Honorable, The City Council:

Enclosed please find a copy of a communication from the Retirement Board requesting that the City Council accept Section 53(6) of Massachusetts General Laws Chapter 32, Section 20, which provides for compensation for Board Members.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
attachment

41.

Acceptance of Section 53(6) of Mass. General
Laws Chapter 32 Section 20 which provides
for compensation for Board Members.

In City Council,

Sept. 11, 1995

*Charter Right
exercised by
Councillor
Triantafyllou*

*9/18/95 - Tabled by
Mayor Rhee*

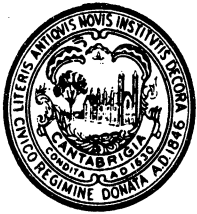


City of Cambridge

Agenda Item #41

IN CITY COUNCIL
September 11, 1995

ORDERED: That this City Council goes on record accepting the provisions of Massachusetts General Laws Chapter 32, Section 20, subsection (6) regarding Retirement Board Compensation.



CAMBRIDGE RETIREMENT BOARD

795 MASSACHUSETTS AVENUE, CAMBRIDGE, MASSACHUSETTS 02139

(617) 349-4114

Joseph E. Connarton
Chairman

James A. Lindstrom
Ex-Officio

Sheila M. Tobin
Elected Member

Anne C. Leduc
Executive Director

M E M O R A N D U M

TO: ROBERT W. HEALY, CITY MANAGER

FROM: JOSEPH E. CONNARTON, CHAIRMAN JEC

DATE: SEPTEMBER 6, 1995

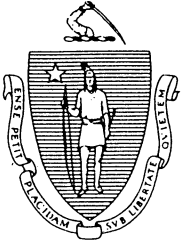
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Thank you for your cooperation in this regard. As always, should you have any questions, please feel free to contact myself or Anne C. Leduc.



THE COMMONWEALTH OF MASSACHUSETTS


DIVISION OF PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION
JOHN W. MCCORMACK BUILDING • ROOM 1101
ONE ASHBURTON PLACE • BOSTON, MA 02108
727-9380

JOHN J. MCGLYNN
COMMISSIONER

JOSEPH I. MARTIN
FIRST DEPUTY COMMISSIONER
BARBARA J. PHILLIPS
COUNSEL

MEMORANDUM

TO: All Retirement Boards

FROM: Commissioner John J. McGlynn 

RE: Board Employee Early Retirement and Board Member Compensation

DATE: July 13, 1995

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MEMORANDUM - Page Two

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PAYMENT

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OTHER ISSUES

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Under the statute payments to a maximum of \$3,000 per year may be made to the ex-officio board member. However a separate vote of the legislative body is necessary to approve such payments and \$3,000 is the maximum which the ex-officio member may receive inclusive of other payments made for services provided to the system. For example, if the ex-officio member is presently receiving \$1,500.00 for services rendered, he may only receive \$1,500.00 pursuant to this section thus achieving in the aggregate \$3,000.00.

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FROM: Commissioner John J. McGlynn
RE: Board Employee Early Retirement and Board Member Compensation
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whose legislative and executive authorities have accepted the provisions of section forty-eight of chapter one hundred and thirty-three of the acts of nineteen hundred and ninety two, and whose retirement system has as its members the employees of the retirement board of such retirement system, shall upon the vote of said legislative and executive authorities, provide to the employees of such retirement board the same rights and privileges of election of the early retirement program as defined in said section forty-eight, under the same terms and conditions of said retirement program, just as if such members had chosen the early retirement program under the terms and time limitations of said section forty-eight; provided, that such election by the member and such acceptance by the legislative and executive authorities occur within ninety days after the effective date of this act; and provided further, that the retirement date elected under the provisions of this section shall not be later than forty-five days after the acceptance of this section by the legislative and executive authorities.

PERA Memo #19A of 1992 issued on August 6, 1992 described the elements of section 48 of chapter 133 of the acts of 1992. *Acceptance of section 246 may only take place in cities, towns and counties which accepted the provisions of section 48.* Attached is a list of retirement boards whose city, town or county accepted the provisions of s. 48 of c. 133 of the acts of 1992 and whose employees may elect to participate in an early retirement incentive program subject to the additional acceptances contained in s. 246 of c. 38 of the acts of 1995. The method of acceptance of section 246 must also be consistent with the method used in accepting section 48. Section 246 may be accepted in a city by vote of the City Council or Board of Alderman as the legislative authority and acceptance by the mayor as the executive authority. Section 246 may be accepted in a town by vote of town meeting as the legislative authority and acceptance by vote of the Board of Selectman as the executive authority. Section 246 may be accepted in a county by vote of the county advisory board as the legislative body and acceptance by vote of the county commissioners as the executive authority. It should be noted that acceptance may only take place in those counties which accepted section 48 for county employees. *In instances where member towns in a county accepted section 48, but the county itself did not, section 246 may not be accepted for county retirement board employees. Similarly, if a unit in a city or town accepted section 48, but the city or town itself did not, then section 246 may not be accepted.*

MEMORANDUM - Page Five

TO: All Retirement Boards
FROM: Commissioner John J. McGlynn
RE: Board Employee Early Retirement and Board Member Compensation
DATE: July 13, 1995

In accordance with the provisions of section 246 the early retirement incentive offered to eligible retirement board employees must be the same as that offered to municipal employees pursuant to s. 48 of c. 133 of the acts of 1992. Thus although that statute created an incentive of an increase of age or service by five years or an increase in age and service up to a maximum of five years in combination, the Mayor or Board of Selectman were authorized to limit the number of years to a level below five years. It is suggested that you review your records to determine if such a limit was applicable in your city, town or county. If such a limit below five years was in place, then the same limit is applicable under section 246.

In addition in order to be eligible an employee must:

- (1) be a member of the retirement system on the date of acceptance of section 246; and
- (2) be an employee of the retirement board on the effective date of the statute (July 1, 1995); and
- (3) be eligible to receive a superannuation retirement allowance under G.L. c. 32, s. 5 (age 55 and at least 10 years of creditable service) on the retirement date set forth in the application, or be eligible to retire under G.L. c. 32, s. 10(1) (under age 55 and at least 20 years of creditable service) on the retirement date set forth in the application.

Section 246 must be accepted by the legislative and executive authorities and the retirement applications filed within 90 days of July 1, 1995. Any such retirement application must set forth a retirement date within 45 days of acceptance of section 246 by the legislative and executive authorities.

JJM/cjc

P:admin/gen/fy95mmo.doc

Attachment

The following is a list of retirement boards whose city, town or county accepted the provisions of s. 48 of c. 133 of the acts of 1992 and whose employees may elect to participate in an early retirement incentive program subject to the additional acceptance contained in s. 246 of c. 38 of the acts of 1995.

Franklin County	Maynard
Hampden County	Medford
Middlesex County	Melrose
Andover	Natick
Arlington	North Adams
Attleborough	Norwood
Beverly	Salem
Cambridge	Springfield
Chelsea	Stoneham
Clinton	Waltham
Framingham	Watertown
Greenfield	Wellesley
Lawrence	Winthrop
Lowell	Woburn
Marlborough	



41.

CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139

TEL. 349-4300
FAX. 349-4307

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

September 11, 1995

To The Honorable, The City Council:

Enclosed please find a copy of a communication from the Retirement Board requesting that the City Council accept Section 53(6) of Massachusetts General Laws Chapter 32, Section 20, which provides for compensation for Board Members.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
attachment

Consent Agenda Item Number 41

Acceptance of Section 53(6) of Mass. General
Laws Chapter 32 Section 20 which provides
for compensation for Board Members.

In City Council,

Sept. 11, 1995

*Charter Right
exercised by
Charter Rev*

*9/18/95 - Yailed by
Mayor Keas*



City of Cambridge

Consent Agenda #5

IN CITY COUNCIL

December 18, 1995

ORDERED: That this City Council go on record accepting the provisions of Massachusetts General Laws Chapter 32, Section 20, Subsection (6) regarding Retirement Board Compensation.

In City Council December 18, 1995

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

A handwritten signature in cursive script that reads "D. Margaret Drury".

ATTEST:-

D. Margaret Drury
City Clerk



CAMBRIDGE RETIREMENT BOARD

795 MASSACHUSETTS AVENUE, CAMBRIDGE, MASSACHUSETTS 02139

(617) 349-4114

Joseph E. Connarton
Chairman

James A. Lindstrom
Ex-Officio

Sheila M. Tobin
Elected Member

Anne C. Leduc
Executive Director

M E M O R A N D U M

To: City Manager, Robert W. Healy

From: Executive Director, Anne C. Leduc

Date: December 7, 1995

Subject: Acceptance of Ch. 32, s. 20
"Board Compensation"

OFFICE OF THE CITY MANAGER

95 DEC 12 PM 2:58

RECEIVED

Relative to the request of the Cambridge City Council seeking additional information regarding Board compensation.

1. Are members of any other City Boards paid for their services?

This information is unknown to the Retirement Board.

2. What is the justification for paying this Board?

The justification or legislative intent for compensating the 106 Massachusetts Retirement Board Members is twofold: to establish parity for the Elected and Appointed Members with those who serve Ex-officio and as custodian of the funds. Furthermore, it is an acknowledgment of the individuals who volunteer their time and expertise to these positions.

A similar philosophy was demonstrated by the Legislature last year in the adoption of Chapter 197 of the Acts of 1994 which provides former Members of the School Committee to achieve creditable service without having been compensated for their service.

3. When are the meetings held?

The regular monthly meetings are held and posted well in advance of the mandatory 48 hour notice requirement and are held on the last Tuesday of every month. Above and beyond the regular meetings, there are additional special meetings to discuss such substantive issues as portfolio management, financial and strategic investment planning, legal issues relative to pending cases, termination hearings, disabilities and administration.

Although the Retirement Board is not held to a statutory or regulatory time to hold it's meetings, it is sensitive to it's responsibility as a public entity to conduct it's meetings at a time and place for convenient, optimum citizen participation.

Are Board Members being paid by their Employer, either the City of Cambridge or Private Employers, for the times during which they are attending the meetings?

In the case of the City Auditor/Ex-Officio Member, who holds this position by law, he receives a salary from the City for being the City Auditor and pursuant to existing state law, receives a stipend of \$1,500.00 per year for serving as the Ex-Officio Member of the Board. Should the City Council vote to accept M.G.L. C.32 s 20, James Lindstrom would receive an additional \$1,500.00 per year.

The Elected Member of the Board, Sheila Tobin an Administrative Assistant in the Health Department, receives the annual salary designated for that position, by the City.

The Appointed Member of the Board, Chairman Joseph Connarton, is employed in the private sector and consequently his salary arrangements are not subject to public disclosure.

The Treasurer of the Retirement System, James Maloney is the Finance Director/Assistant City Manager and pursuant to M.G.L. C. 32, s 20, receives a stipend from the Retirement System of \$1,500.00 per year. This figure will not change should the City Council vote to accept the section.

4. Names and addresses of Board Members, term length and expiration, number terms each have served.

James Lindstrom, 94 Antrim Street, Cambridge, MA 02139
term length/upon termination of City Auditor position

Joseph Connarton, 90 Ellery street, Cambridge, MA 02139
term length/3 years appointments/held position for 8
terms/expires/January 1, 1999

Sheila Tobin, 8 Holden Street, Cambridge, MA 02139
term length/3 year terms/held position for 6 terms
expires/October 1, 1998

5. What does the Board do?

The responsibilities of the 106 Massachusetts Contributory Retirement Systems for public employees, including Cambridge, are but are not limited to:

Administering Massachusetts General Laws,
Chapter 32

Administering the Public Employee Retirement
Administrations Rules & Regulations, 840 CMR 1.00-25.00

Fiduciary responsibility of the System's
approximate two hundred million dollar portfolio

whereby the Board has authority and control of the investment and custodial management of the portfolio. this fiduciary responsibility includes:

The selection and or termination of all investment managers, consultants and bank custodian using the open bid competitive process, the development and implementation of a prudent, diverse and objective investment policy. Monthly, quarterly and annual measurement of performance.

Responsibility for protecting the benefits of the 3,200 active Employees/Members and 1,600 Retirees, Survivors, Beneficiaries and dependent Children of the System, which is made up of the Employees and Retirees of the City of Cambridge, Cambridge Housing Authority and Cambridge Redevelopment Authority. Certain benefits are but are not limited to:

Membership, creditable service, return of accumulated deductions, survivor and dependent children

Retirement, whether Superannuation, Accidental or Ordinary Disability, which includes numerous hearings to arrive at the appropriate determination.

For the education of Members

During the period of employment, the Board assumes the responsibility of informing it's Members through Pre-Retirement Seminars.

What expertise is required for their functions?

Just as most Appointed and Elected Governmental have membership with varied interests and concerns, so too does the Cambridge Retirement Board.

6. How profitable is the Retirement Board?

Since the inception of the Cambridge Contributory Retirement System on January 1, 1939, the fund has continually grown. Upon the adoption by the Legislature of Pension Reform, beginning in 1983, investment restrictions were lifted allowing Retirement Boards to broaden their area of investments. This fact, in conjunction with the Boards total portfolio diversification resulted in asset growth of approximately \$200 million.

7. What is the relationship between the Retirement Board and the City Council?

The Massachusetts Legislature, through M.G.L. Chapter 32, most often sees the governing body of a City as the "appropriate Legislative Body" for purposes of accepting amendments to the law. Once those amendments have been accepted by the City Council then it is the Retirement Board that shall have the general powers and duties to comply with the law. The Boards relationship with the City Council is to always be responsive, responsible, protect, educate and adhere to every facet that encompasses the fund and it's membership because the law specifically chose to see all retirement boards in any city or town of Massachusetts as a separate governmental unit, it also chose to include all city or town governing bodies as protectors of the public's tax dollars that can be used for appropriations.

8. What other cities and towns in the Commonwealth have accepted this statute or otherwise pay their Retirement Boards?

Since the signing of the Fiscal 1996 State Budget in July by Governor Weld, most towns missed their Annual Town Meeting leaving those Retirement Board requests until next fiscal year. At this time, there has not been a complete survey of the 106 Retirement Systems, although a number of cities, counties and towns have already approved the section for board compensation, which are: Boston, Lawrence, Middlesex County, Lowell, Holyoke, Watertown, Norfolk County, Plymouth County, Greenfield, Worcester, Essex County, Hampden County, Chelsea and Somerville.



City of Cambridge

Consent Agenda #5

IN CITY COUNCIL

December 18, 1995

ORDERED: That this City Council go on record accepting the provisions of Massachusetts General Laws Chapter 32, Section 20, Subsection (6) regarding Retirement Board Compensation.

In City Council December 18, 1995
Adopted by a ye and nay vote:-
Yeas 5; Nays 2; Absent 0; Present 2.
Attest:- D. Margaret Drury, City Clerk.

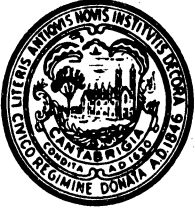
A true copy;

A handwritten signature in cursive script that reads "D. Margaret Drury".

ATTEST:-

D. Margaret Drury
City Clerk

RECONSIDERATION FILED BY COUNCILLOR TRIANTAFILLOU



CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139

TEL. 349-4300
FAX. 349-4307

5.

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

December 18, 1995

To The Honorable, The City Council:

In response to the City Council's questions regarding additional information relative to the acceptance of Chapter 32, Section 20 (Unfinished Business #10), enclosed please find responses from the Retirement Board with the exception of question 1.

The answer to the question "Are members of any other City Boards paid for their services" is as follows:

- a.) Election Commission (4 members): Average salary \$20,000 each plus health and pension benefits.
- b.) Cambridge Housing Authority (5 members): Average stipend \$4,000 each no benefits. Amount is dependent on revenue/expense status from operations at close of Fiscal Year;
- c.) Cambridge Redevelopment Authority (5 members): No salary - reimbursement for extraordinary out of pocket expenses.
- d.) All others no salary - option of annual dinner. Reimbursement for out of pocket expense if claimed.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
attachment

Consent Agenda #5

Relative to the City Council's
request for additional
information regarding the
acceptance of Chapter 32,
Section 20 (Unfinished Business
#10).

In City Council December 18, 1995

Order Adopted

5-2-0-2

*Reconsideration filed by
Councilor Truogler*

Rec'd
DMD



To: Margaret Drury
From: Katherine Triantafillou
Date: 12/20/95
Subject: Reconsideration

Please be advised that I move to reconsider the vote taken on the acceptance of the M.G.I.-----
which would enable the Retirement Board to pay salaries to its officers.

Katherine Triantafillou

5-43
Reconsideration #1

Reconsideration filed by Councillor
Triantafillou on vote taken on December
18, 1995 relative to the City Council's
request for additional information
regarding the acceptance of Chapter 32,
Section 20.

In City Council January 8, 1996

Reconsideration Failed 2-6-0-1. Action
taken on Dec. 18, 1995 Adopting the order-
stands.