

SENATE NO. 1540

AN ACT RELATIVE TO THE ESSEX REGIONAL RETIREMENT SYSTEM

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

1 SECTION 1. Notwithstanding the provisions of paragraph (a) of section 103 of chapter 32 of the
2 General Laws, the Essex Regional Retirement Board may, by accepting the provisions of this section
3 as hereinafter provided, elect to establish a cost of living adjustment calculation pursuant to this
4 section; provided, however, that to effectuate the funding for the change in the base, the Board shall
5 prepare a supplemental funding schedule which shall be designed to reduce the actuarial unfunded
6 liability, attributable to the increased base, to 0 on or before June 30, 2038. Such election shall be
7 made by majority vote of the board of such system, subject to the approval of the legislative body. For
8 the purposes of this section, legislative body shall mean the regional retirement board advisory
9 council. The base amount upon which such cost of living adjustment shall be calculated shall be
10 established by the board and approved by the advisory council. The board may increase the base
11 amount by \$2,000 over the amount provided in section 103 of chapter 32 in the first instance and by
12 increments of \$1,000 thereafter; provided that the advisory council shall approve every such increase
13 to the base amount. Acceptance of this section shall be deemed to have occurred upon the filing of

14 certification of such votes with the public employees retirement administration commission. A
15 decision to accept the provisions of the section may not be revoked. Notwithstanding the provisions of
16 paragraph (g) of Section 19 of Chapter 34B of the General Laws, in the case of the Essex Regional
17 Retirement System there shall be a regional retirement board advisory council consisting of all the
18 full-time treasurers, elected or appointed, of each town, unit, or district in the retirement system or
19 established by this section. In the case of a town, unit or district that does not employ a full-time
20 treasurer, the highest ranking full-time executive employee shall be a member of the regional
21 retirement board advisory council. The members of said advisory council shall elect a chairman from
22 among the members. Said council shall meet at the call of the chairman, but in no event less than twice
23 in each year. Said council shall supervise and certify the procedures involved in the election of the
24 elected members of the retirement board, as provided in paragraphs (b) and (h) of section 19 of chapter
25 34B of the General Laws. Upon certification by the retirement board and the council, the actuary shall
26 be furnished with an estimate of the expenses and costs of administration of the system for the ensuing
27 year. The actuary shall, on or before December in each year, specify by written notice to the council
28 and the board the amounts so required to be paid from the pension fund, the annuity reserve fund, the
29 military service fund, and the administration fund, as provided in subdivision (7) of section 22 of
30 chapter 32. The regional retirement board advisory council, at a meeting called specifically for that
31 purpose, shall elect one of its members, who shall be a member in service in the retirement system, as
32 a member of the regional retirement board at the expiration of the current member's term, as provided
33 in paragraph (e) of section 19 of chapter 34B of the General Laws.