

FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING MINUTES
June 29, 2011

A meeting of the Franklin Regional Retirement Board, duly posted to be held in the Board office, 278 Main Street, Suite 311, Greenfield, MA., on the above date was called to order at 8:05 AM by Board Chair, Sandra Hanks with Board Members Herbert Sanderson, Mary Stokarski, Paul Mokrzecki and David Gendron present. Also present were Executive Director Dale Kowacki, Assistant Director Susan Bobe, and Administrative Assistant Christine Rodriguez.

Prior to and during the meeting, the following items were available for the Board's review: monthly financial statements, current investment statements, invoices, and member and retiree files related to items on the agenda.

Review and Acceptance of Meeting Minutes

On a motion made by D. Gendron and second by P. Mokrzecki, the Board voted unanimously to approve the minutes of the regular meeting held on May 25, 2011.

Payroll, Refunds, Transfers and Bills Warrants

On a motion made by H. Sanderson and second by M. Stokarski, the Board voted unanimously to approve the warrants as follows:

<i>Retirees Payroll</i>	<i>\$513,460.63</i>
<i>Refunds</i>	<i>\$60,949.34</i>
<i>Transfers</i>	<i>\$29,059.37</i>
<i>Bills</i>	<i><u>\$33,266.00</u></i>
<i>For a total of:</i>	<i>\$636,735.34</i>

New Members

On a motion made by H. Sanderson and second by D. Gendron, the Board voted unanimously to approve the new and existing members as follows:

<u>New Members:</u>	<u>UNIT</u>	<u>DATE</u>
Black, Kris, K.	NTD	06/06/2011
Harvey, Edward V.	FRG	05/30/2011
Laflamme, James A.	ERV	05/24/2011
Leistyna, Kara M.	HTH	05/09/2011
Mitchell, Keith E.	FRN	05/16/2011
Minckler, Scott D.	NTD	05/10/2011
Purinton, Jeffrey A.	MOH	05/12/2011
Sieber, Gina M.	CON	06/01/2011
Sessions, Todd D.	MOH	06/06/2011

New Retirees

On a motion by D. Gendron and a second by P. Mokrzecki the Board voted unanimously to approve the following retirement benefits:

Bresciano, Judith - PERAC approval has been received for a Superannuation Option B retirement benefit effective April 30, 2011. Ms. Bresciano was employed by the FRCOG in the Inspection Department and had a total of 32 years, 1 month of service.

Thomas, Francis - PERAC approval has been received for a Superannuation Option C retirement benefit effective April 30, 2011. Mr. Thomas was employed by the Town of Sunderland in the Highway department. Mr. Thomas has a total of 16 years, 10 months of service. Middlesex County holds 1 month of his service total.

Yager, Barbara – PERAC approval has been received for an Option D survivor benefit effective 4/10/2011. Mrs. Yager's spouse, William, was employed by the Mohawk Trail Regional School District in the custodial department. He died as an active member of this system with 13 years, 6 months of creditable service.

Stachelek, Patricia - PERAC approval has been received for a Superannuation Option B retirement benefit effective April 30, 2011. Ms. Stachelek was employed by the Frontier Regional School District in the Superintendent's Office and had a total of 30 years, 4 months of service.

Buybacks and Makeups:

A motion was made by P. Mokrzecki and seconded by M. Stokarski, that the Board accept all of the following buybacks and makeups:

A motion was made by H. Sanderson and seconded by D. Gendron, to amend the main motion to exclude Phyllis Lawrence until after the Board can discuss its policy on giving 12 months service credit to school-year employees. This motion passed unanimously.

The amended main motion, to accept all of the following buybacks and makeups, with the exclusion of Phyllis Lawrence, was approved unanimously.

Accept Liability through other Systems:

Gougeon, Melinda J. – State Board of Retirement on behalf of former member requests FRRS to accept liability for creditable service of 3 months, 2 days on a 12-month basis, upon payment to the State Board for refund of contributions given November 25, 1981 for \$74.14 for service with the Mohawk Trail Regional School District from 04/01/1981 to 06/17/1981.

Guimond, Paul D. – State Board of Retirement on behalf of former member requests FRRS to accept liability for creditable service of 8 months, 12 days upon payment to the State Board for refund of contributions given September 30, 1986 for \$224.64 for service with Mahar Regional School District from 11/30/1984 to 06/30/1988.

Buybacks and Makeups:

Ryan, Christopher – current member in the Town of Warwick, Mr. Ryan received a refund from the State Retirement System on 04/03/1969. Upon proper repayment to FRRS, The State will accept 4 months, 8 days creditable service liability for the period between 06/05/1968 and 10/12/1968. Cost of the purchase, if paid by July 31, 2011 will be \$375.25. Interest will accrue as allowed by law.

Gorman, Sharon – inactive member formerly working in Conway, Ms. Gorman received a refund from the State Retirement System on 05/25/1990. Upon proper repayment to FRRS, The State will accept 15 years, 4 months, 14 days creditable service liability for the periods between 08/06/1972 to 09/30/1973 and 06/02/1974 to 08/20/1988. Cost of the purchase, if paid by July 31, 2011 will be \$47,689.43. Interest will accrue as allowed by law.

Priestley, Donald W. – current member in the Town of Orange has requested a make-up of service for elected time worked between July 1, 1975 and his enrollment beginning January 1, 1994. Creditable service is for 14 years, 6 months* for \$644.17 if paid by July 31, 2011 otherwise interest will accrue as allowed by law. *(note: in 1979, 1980, 1991 and 1992 there was no pay received for his elected position due to hard times in the Town of Orange, consequently there is no service)

Wozniakewicz, Michael – current member in the Town of Deerfield has requested a make-up of service for time worked in the Frontier Regional School District during the summer of 1976. The Business Manager provided wages and hours worked. Service has been determined by actual hours worked equal to 2 months, 10 days. Cost if paid by July 31, 2011 is \$214.40.

Buybacks and Makeups – Extra Discussion Needed:

On a motion by H. Sanderson and a second by D. Gendron the Board voted to deny creditable service for the following request from Michael Wozniakewicz until such time more documentation is produced. P. Mokrzecki voted against the motion.:

Michael Wozniakewicz - has noted that he also worked the summer of 1975 at Frontier however all 1975 records have been lost. The member has provided a signed affidavit from his 1975-1976 supervisor and the Business Manager has also noted that the member was employed at Frontier in 1975. The affidavit affirms that the member was employed for the months of June, July, and August,

1975 and that the work was 40 hours per week. Using the 1975 Massachusetts minimum wage and 13 weeks of work beginning June 1, ending August 31, an earnings amount of \$910.00 was reached with 520 hours worked. If allowed by the Board, service would be 3 months, 6 days at a cost of \$242.25. Board policy requires payroll records but also allows for the Board to review other materials.

“Documentation in the form of actual payroll records that include: position, wages paid, hours and/or payrate, and start and end dates, are to be provided by the unit treasurer. Where no payroll records exist, the board will review provided materials.”

Other Creditable Service:

On a motion by H. Sanderson and a second by D. Gendron the Board voted to only allow creditable service to August 10, 2001 with the Town of Templeton for the following request from Chris Ryan:

Chris Ryan – current member; took vacation time between jobs with Templeton and Whately, but the final pay checks from Templeton were pre-dated, which causes it to appear to be a “lump-sum payout” of benefits. In a letter to the Board, Chris explains that he believes it was the Town Accountant’s preference to date the checks the same – however, Chris received the checks over a period of weeks. Chris asks if the Board will consider his situation and allow the payments be counted as eligible compensation and - creditable service - in the calculation of his retirement benefit.

Deaths:

Trumbull, Madeline – Option B retiree since 7/30/1986, from Pioneer Valley Regional School District, passed away on 5/29/2011. There are no remaining funds for distribution to a beneficiary.

Rosenthal, James F. – Option C retiree since 4/30/1973, from the Town of Deerfield, passed away on 6/16/2011. Mr. Rosenthal served as the Police Chief in Deerfield, the Town Constable and also worked in the County Sheriff’s office. He is survived by his wife who will receive a reduced benefit.

General Business:

Annual Review of Personnel Policy

The Board decided to postpone the review of the personnel policy until the July meeting.

TDBank “Positive Pay” service

The Board was asked their thoughts on signing a service agreement with TDBank for a service called “Positive Pay”. Positive Pay would protect our accounts from check fraud. Each time a check of ours is cashed, TDBank would match it to a list that has been transmitted to them from us. We would provide the

bank with a list each time we issue checks. If there is a problem with a check that is being cashed the bank would notify us on-line through “WebExpress”. Staff would be responsible for checking the WebExpress daily between 10am and 2pm. Originally, the quote given for the total annual cost for this service would be \$1,104.00 plus a one-time set up fee of \$100.00, however, Sandy was told by Pat Carlino that she would waive all the fees.

On a motion by H. Sanderson and a second by P. Mokrzecki, the Board unanimously voted to sign the Positive Pay service agreement with TDBank.

“Interim” Employee admitted as member

A situation occurred where a person came back into membership with FRRS when they hired-on as an “interim” Town Administrator with Leverett. However, board regulations stipulate positions be “permanent”.

“Any individual, who is permanently employed twenty (20) or more hours per week with any member unit or units of the Franklin Regional Retirement System, shall become a member of the Retirement System.”

Board regulations don’t specifically address “interim” positions, therefore the word “permanently” is taken to mean that “temporary”, or “interim” positions are excluded. The correction for the above error is to refund their money and remove them from membership. However, they have concerns about this, and would like to speak with the board. So, before their money is refunded, might the Board want to discuss and decide whether there are “interim” scenarios that the Board would deem acceptable for membership.

On a motion by D. Gendron and a second by P. Mokrzecki, the Board unanimously voted to reiterate that “permanently employed” does not include interim and/or temporary positions - and to refund the deductions that were taken in error.

The Board considered the request that it delay discussion of the situation, but concluded it was a simple matter of policy, where the facts were clear, and the board members had no need for further explanation. The Board acknowledges the member’s right to attend its meetings, however, there are no plans to include this particular topic at a future meeting.

Annual review of Investment consultant’s performance

Currently the Board is satisfied with the performance of our investment consultant but would like to revisit this in the spring.

“Standard Rules for Disclosure of Information”

Dale distributed copies of the “Standard Rules for Disclosure of Information” to the Board in preparation for the July meeting.

Adjournment

On a motion made by H. Sanderson, and a second by D. Gendron the Board unanimously voted to adjourn the meeting at 9:59 a.m.

Respectfully submitted,

Dale C. Kowacki, Executive Director

THESE MINUTES APPROVED ON JULY 27, 2011

Sandra A. Hanks, Chair

Herbert L. Sanderson Jr., Vice-Chair

David R. Gendron, Board Member

Mary A. Stokarski, Board Member

Paul J. Mokrzecki, Board Member