

FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING MINUTES
JUNE 26, 2013

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 8:13 AM by Board Chair, Sandra Hanks with Board Members Herbert Sanderson, Mary Stokarski and Paul Mokrzecki present. Also present were Executive Director Dale Kowacki, and Member Services Accountant Deb Frentzos.

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 P. Mokrzecki and second by H. Sanderson, the Board voted unanimously to approve the minutes of the regular meeting held on May 29, 2013.

Payroll, Refunds, Transfers and Bills Warrants

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

<i>Retirees Payroll</i>	<i>\$613,077.63</i>
<i>Refunds</i>	<i>27,420.02</i>
<i>Transfers</i>	<i>205,235.13</i>
<i>Invoices</i>	<i><u>28,107.74</u></i>
<i>For a total of:</i>	<i>\$873,840.52</i>

Membership

On a motion made by M. Stokarski and second by P. Mokrzecki, the Board voted unanimously to approve the new members as follows:

New Member

John G. Malloy, Jr.	LED	03/18/2013	Highway Laborer	100%
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New Retirees:

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

Kemerer, Terry – PERAC approval has been received to retire Terry Kemerer for a Superannuation, Option C retirement allowance. His last day of work was March 20, 2013 and his retirement benefit will begin on March 21, 2013. Mr. Kemerer was a group 1 member serving the Town of Warwick as a Collector/Treasurer, accruing 14 years, 8 months of creditable service.

Dubay, Jeffrey – PERAC approval has been received to retire Jeffrey Dubay for a Superannuation, Option C retirement allowance. He resigned his elected position on 11/27/2012 however his creditable service stopped accruing as of 7/1/2010 due to the \$5000 rule. Mr. Dubay’s retirement benefit begins as of 12/10/2012. He was a group 1 member serving the Town of Erving as a selectboard member and a planning board member accruing 12 years of creditable service.

Accept Liability for Buybacks and Makeups through other Systems:

On a motion made by M. Stokarski and second by P. Mokrzecki, the Board voted unanimously to accept liability for the following buybacks through another system:

Roche, Todd – former member, now with the State Board of Retirement System, has asked FRRS to accept liability for service upon redeposit of two refunds as follows:

Refund Date	Unit	Service Dates	Creditable Service	Refund Amt
10/29/1990	Orange	01/11/88 – 9/17/90	2 yrs, 8 mths, 7 dys	\$2,636.58
11/30/1994	Orange	08/01/91 – 9/27/94	2 yrs, 4 mths, 18 dys	\$3,209.42

Lamdin, Peter – MTRS has asked FRRS to accept liability for this person’s work as an aide in the New Salem Wendell school district between 3/5/1979 and 6/30/1980. Mr. Lamdin worked 7 hours a day for 68 days in the first school year and 7 hours a day for 180 days in the second school year. He was not a member of FRRS, but per the regulations at that time should have been. Total allowable service, converting 10 months to 12 months, is 1 year 4 months 18 days.

Buybacks and Makeups:

On a motion made by M. Stokarski and second by P. Mokrzecki, the Board voted unanimously to approve the following buybacks:

Burnham, Elizabeth W. – current member with the Franklin Regional Retirement System has requested a buyback of a refund taken February 28, 1983 in the amount of \$1,863.25 for 3 years of service on a 12-month basis with Mohawk School District from August 27, 1979 to June 30, 1982. Amount of repayment is \$18,710.62 if paid by July 31, 2013; otherwise the interest will accrue as allowed by law. Interest added to the above service purchase has been calculated at the full actuarial rate which is currently 7.875%.

Majewski-Winn, Amanda – active member with the Franklin Regional Retirement System, Town of Conway, withdrew her funds from Greenfield Retirement System on 11/30/2011 in the amount of \$6,776.34 with 1 year, 10 months, 19 days of creditable service. Using ½ the actuarial rate, the amount of repayment is \$7,228.56 if paid by 7/31/2013 otherwise interest will accrue as allowed. If a

payment agreement is not in place by 4/8/2014 the interest will be recalculated at the full actuarial rate.

Rice, Margaret E. – current member with the Franklin Regional Retirement System has requested a makeup of service for time worked prior to membership with the Town of Rowe as an elected School Committee member from 7/1/1984 to 6/30/1991. Total service allowed is 7 years at a cost of \$961.87 if paid by July 31, 2013; otherwise interest will accrue as allowed by law.

Rice, Steven R – current member in the Town of Buckland has non-membership service eligible for purchase between 6/3/2012 through 4/15/2013 for a total of 4 months, 28 days, actual hours worked. Cost of the purchase is \$1,029.30 if paid by 7/31/2013 otherwise interest will accrue as allowed by law.

Stanford, Jacqueline – current member in the Town of Shelburne has non-membership service eligible for purchase between 3/31/1999 through 4/25/1999 for a total of 12 days, actual hours worked. Cost of the purchase is \$94.69 if paid by 7/31/2013; otherwise interest will accrue as allowed by law.

In addition, information provided indicates that she was eligible for membership as early as 4/26/1999, but was not enrolled due to administrative error until 6/7/1999. Total service allowed is 1 month, 11 days. Cost of the purchase is \$150.21 if paid by 7/31/2013; otherwise interest will accrue as allowed by law.

Von Hugg, Lynette – current member with the Franklin Regional Retirement System, Pioneer Valley Regional School District, withdrew her funds from Greenfield Retirement System on 1/29/1999 in the amount of \$20,748.54 with 11years, 8 months, 17 days of creditable service. Using the full actuarial rate, the amount of repayment is \$62,335.73 if paid by July 31, 2013; otherwise the interest will accrue as allowed by law.

Deaths:

M. Jane L Monohon – option B retiree since 3/1/1985, Mrs. Monohon held various clerical and administrative positions in the Mohawk Regional School District, accruing 7 years, 8 months of creditable service. DOD was 6/16/2013.

James B Patrick – option B retiree since 10/4/1991, Mr. Patrick was the chief of police in Orange, accruing 16 years, 7 months of creditable service. DOD was 6/20/2013.

General Business:

Spaulding Disability Application

The PERAC medical panel had met with Mr. Spaulding and reviewed his file. The medical panel reports had been received and sent to Michael Sacco for review.

Attorney Sacco's report suggested further clarification from the panel majority as to causation, in light of the minority's analysis on causation.

On a motion made by P. Mokrzecki and a second by H. Sanderson, the Board unanimously voted to have Board Attorney Michael Sacco seek clarification from the Medical Panel majority regarding causation.

Departure of Herbert Sanderson from the Board

The Board along with staff presented Herb with a couple of parting gifts and thanked him for his years of service as the Treasurer/Collector in the Town of Sunderland, Chairman of the Advisory Council and appointed Board Member.

Dale Kowacki, Executive Director informed the Board that the process for filling Herb's positions has been started. A meeting of the Advisory Council will be held to select a new chairman, appoint a new Board member, and organize for the elections for the other two board members (David and Mary).

Elections

a. Appoint Election Officer

On a motion by M. Stokarski and a second by H. Sanderson, the Board unanimously voted to appoint Dale Kowacki, Executive Director, as the Election Officer for the 2013 election of the "third and fourth member" Board positions.

b. Approve procedures for simultaneous elections

Dale Kowacki, Executive Director presented the Board with the following wording for a Board regulation to run simultaneous elections:

On a motion by P. Mokrzecki and a second by H. Sanderson, the Board unanimously voted to approve the procedures for simultaneous elections.

In the case when it is prudent to run simultaneous elections for the elected members of the Board, The following procedures will be followed:

- A single notice will be made, but it will clearly state at the top in underlined, bold wording: **"PLEASE NOTE: WE ARE RUNNING TWO ELECTIONS SIMULTANEOUSLY, PLEASE READ CAREFULLY BELOW"**
- The notice will also clearly describe the term of office of each position.
- In compliance with the last sentence of MGL 54 §41, candidates will not be allowed to run for both positions.
- Nomination papers will clearly indicate which position is being sought.
- Separate ballots for each position will be mailed in one envelope, with one return envelope, and one blank ballot envelope, to all eligible members of the retirement system, with clear instructions that both ballots are to be filled out and returned together in the blank ballot envelope.

Personnel Policy

Dale Kowacki, Executive Director, presented the following list of items regarding the personnel policy that the Board had mentioned in the past as possible areas that warrant discussion and possible modification. As noted below, some action was taken, some were dismissed, and interest in further discussion was indicated for the remainder.

1. Add language about fraud to personnel policy – The Board is interested in discussing this at a future meeting.
2. Policy on body art and appropriate business attire -

On a motion by M. Stokarski and a second by P. Mokrzecki, the Board voted unanimously to adopt the “Dress Code and Personal Appearance” policy of the Hampshire Regional Retirement System with one revision, change “Leggings” to “Yoga Pants/Leggings without a skirt to cover”.

Dress Code and Personal Appearance

You are expected to dress and groom yourself in accordance with accepted social and business standards, particularly as your job involves dealing with members or visitors in person.

A neat, tasteful appearance contributes to the positive impression you make on our members and others. You are expected to be suitably attired and groomed during working hours or when representing the Franklin Regional Retirement System. A good, clean appearance bolsters your own poise and self-confidence and greatly enhances your own as well as the Retirement System's image.

Personal appearance should be a matter of concern for each employee. If the Executive Director feels your attire and/or grooming is out of place, you may be asked to leave your workplace until you are properly attired and/or groomed. Employees who violate dress code expectations may be subject to appropriate disciplinary action.

At times during the year, the Executive Director may declare certain days as "dress-down" days. On such days dress code may be relaxed or be more casual than normal, however grooming and appearance standards are expected to be maintained.

Examples of, but not limited to, inappropriate attire are:

1. Clothing articles which are worn, faded, soiled, torn or not properly fitted
2. Jogging Suits
3. Sweatsuits
4. Yoga pants or Leggings without a skirt to cover
5. Shorts or cutoffs
6. Tank Tops
7. Printed T-shirts

3. Can spouses and dependents come back at a later date and receive insurance -

On a motion made by H. Sanderson and a second by M. Stokarski, the Board voted unanimously to accept the suggested changes to the Insurance section of the personal policy.

Retired employees of the retirement system that have worked ten or more consecutive years for the retirement system immediately prior to their retirement and are receiving, or are approved for, a retirement allowance from the retirement system, are eligible for health insurance and basic life insurance coverage, at any time during retirement, provided they were eligible for insurance with the retirement system at the time of their retirement. Spouses and/or eligible dependents cannot participate in the retirement system's insurance without the retiree participating as well. The board will pay 75% of the cost of insurance for policies offered by the retirement system, including coverage for spouse and eligible dependents, while the retiree is receiving, or approved for, a retirement benefit from the system. Upon the death of the retiree, the Board will

continue to pay 75% of the insurance premium for the covered spouse and eligible dependents until he/she remarries or dies, regardless of retirement option chosen. The implementation of this policy is subject to any rules, laws, and regulations of any entity that has jurisdiction over matters pertaining to health and life insurances.”

In addition, the Board discussed what to do if a retiree remarries, would their new spouse be eligible to have insurance through FRRS. Also, if the spouse of the retiree was receiving the retirement benefit, and remarried would their new spouse be eligible for insurance. The Board asked the staff to investigate this further and bring it to the Board at a later date.

4. Revisit who is responsible for the 75% share of health insurance when an employee is out on FMLA. –
The FMLA appears to imply that the employer continues to be responsible, however, staff will perform ten minutes of internet research to find any contradictory indications or determinations. – The staff did not find any contradictory indications or determinations; the employer continues to be responsible. No vote necessary.

5. Examine need for both probation and suspension in the disciplinary process in personnel policy -

On a motion by P. Mokrzecki and a second by M. Stokarski, the Board voted unanimously to remove “Probation” as a step in the disciplinary process in the personnel policy, and to use the following section to replace the existing section of the personnel policy in regards to the disciplinary process:

Depending on circumstances, the Executive Director will apply discipline progressively as follows:

- *Verbal Reprimand*
- *Written Reprimand*
- *Suspension*
- *Recommend Termination*

Disciplinary procedures are cumulative and can advance with any additional misconduct.

Employees are on probation starting with the application of any step in the disciplinary process.

Probation will be lifted at the conclusion of one year’s time after the application of the most recent disciplinary step.

6. Health insurance for Board members – No, the Board does not want to provide health insurance for Board members at this time.
7. Health insurance after departure – This is all set, no further action necessary.
8. Policy on paying holiday pay during FMLA or other unpaid leave. Also consider prorated holiday pay for part-time work. Also look at the “Leave without pay” section. -

On a motion by H. Sanderson and a second by P. Mokrzecki, the Board voted unanimously to approve the following 2 additions to the personnel policy.

These 2 paragraphs, added at the end of the holiday section of the personnel policy:

Part-time employees (20 hours or more) will receive holiday paid time off at the percentage of their regular weekly schedule, as it relates to full-time equivalent of 37.5 hours per week, if regular, or, of the weekly average of the four weeks prior to the holiday week if their regular schedule is variable. Holiday time will be taken during the week of the holiday, with the remaining hours of their weekly schedule to be fulfilled during the remainder of the week.

Holiday paid time off will only be granted during periods of paid wages for worked or benefited hours, and not during unpaid periods, and not appended to the start or end of unpaid periods.

And this addition added after the sentence “The employee is not entitled to . . .” in the FMLA section:

- *Holiday paid time-off during FMLA leave will be consistent with Board policy for holiday paid time-off during non-FMLA leave.*

Ajournment

On a motion made by H. Sanderson and a second by M. Stokarski, the Board unanimously voted to adjourn the meeting at 11:01 a.m.

Respectfully submitted,

THESE MINUTES WERE APPROVED ON AUGUST 28, 2013

Dale C. Kowacki, Executive Director

Sandra A. Hanks, Chair

Herbert L. Sanderson Jr., Vice-Chair

absent

David R. Gendron, Board Member

Mary A. Stokarski, Board Member

Paul J. Mokrzecki, Board Member

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