

FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING MINUTES
October 29, 2014

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 a.m. by Board Chair, Sandra Hanks with Board Members Paula Light, Paul Mokrzecki, Mary Stokarski and David Gendron present. Also present was Executive Director Dale Kowacki and Member Services Accountant Deb Frenzoz.

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.

A permanent copy of the agenda, with the exception of those items that are restricted from public viewing, as presented to the Board, is on file in the retirement office.

Review and Acceptance of Meeting Minutes

On a motion made by P. Mokrzecki and second by M. Stokarski, the Board voted unanimously to approve the minutes of the regular meeting held on September 24, 2014.

Payroll, Refunds, Transfers and Bills Warrants

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

<i>Retirees Payroll</i>		<i>\$674,016.62</i>
<i>Refunds</i>		<i>20,936.29</i>
<i>Transfers</i>		<i>49,436.14</i>
<i>Invoices</i>		<i><u>81,255.44</u></i>
<i>Operating</i>	<i>31,268.47</i>	
<i>Investments</i>	<i>49,986.97</i>	
<i>For a total of:</i>		<i>\$825,644.49</i>

Cash Transfer between Investments and bank

On a motion made by D. Gendron and a second by P. Light, the Board, voted unanimously to transfer \$550,000 from PRIT Core Fund to Unibank to cover November warrants.

Membership

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

New Members

Aldrich, Allen	09/22/2014	100%	SHB	Laborer/Equipment
Babich, Walker	10/14/2014	100%	MHR	Paraprofessional
Beeltje, Maureen	08/28/2014	100%	DER	Instructional Assistant
Berg, Amanda	08/27/2014	100%	SND	Instructional Assistant
Boliver, Elizabeth	08/25/2014	90%	SND	OST Site Coordinator
Brook, Samantha	09/08/2014	100%	ERV	Preschool Paraprofessional
Choiniere, Danielle	09/01/2014	100%	DER	Instructional Assistant
Clough, Jessica	10/06/2014	80%	FRN	Instructional Assistant
Coombs, Carol	08/25/2014	80%	SND	Cafeteria Assistant
Cornish III, Charles	08/18/2014	100%	DER	Cafeteria Manager
Demar, Ryan	09/10/2014	100%	MHR	Paraprofessional
Dix, Brandon	09/29/2014	100%	CHT	Highway Laborer
Emerson, Daniel	09/09/2014	100%	OGE	Firefighter/Paramedic
Foley, Jennifer	08/12/2014	50%	OGE	Occupational Therapist
Freihofer, Esmay	08/29/2014	100%	DER	Speech/Language Assistant
Gaffigan, Katelyn	08/25/2014	100%	MOH	Paraprofessional
Gelinas, Katie	08/22/2014	100%	OGE	1:1 Aide
Goodwin, Elizabeth	08/27/2014	100%	SND	Instructional Assistant
Guilmette, Martha	09/03/2014	90%	LEV	Teacher Aide
Hargraves, Adam	08/27/2014	100%	SND	Instructional Assistant
Henderson, Ryan	09/15/2014	100%	ERV	POTW Operator
Jablonski, Jill	09/08/2014	100%	MOH	Administrative Assistant
Khalsa, Parmatma	08/25/2014	90%	STB	Para-Educator
Lavallee, Jessica	08/27/2014	90%	WTY	Instructional Assistant
Marczuk, Anna	08/27/2014	100%	DER	Instructional Assistant
Melendez, Michael	09/03/2014	100%	OGE	Patrolman
Oliker, Aaron	08/27/2014	100%	DER	Instructional Assistant
Rushford, Travis	09/03/2014	100%	OGE	Police Officer
Unaitis, Andrea	08/25/2014	50%	MOH	Pre-K Paraprofessional
Wickline, Molly	08/27/2014	100%	SND	Instructional Assistant
Williams, Christopher	08/27/2014	100%	SND	Instructional Assistant
Wisniewski, Valerie	08/25/2014	90%	STB	Para-Educator

Existing Members

O'Brien, Joan	08/27/2014	100%	SND	Instructional Assistant
Shoemaker, David	09/01/2014	35%	NEW	Police Officer

Buybacks and Makeups:

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

Stuffin, Sally Alley Muffin – current member with the New Salem Wendell School District has requested a make-up of three periods of service, one for

the omission of deductions after enrollment in the system and the other two for non-membership service prior to membership eligibility.

1. Administrative error between 10/1/1997 and 6/30/1998 – the member's eligible position began 9/2/1997. Deductions began 9/2/1997 then stopped 10/1/1997 and did not start again until 7/1/1998. Deductions only for this period of full time service (8 months, 25 days to fill this gap) are \$752.30. Total cost of makeup is \$752.30.
2. Non-membership service eligible for purchase between 1/2/1997 and 6/30/1997 for a total of 2 months, 2 days, actual hours worked. Cost of purchase is \$558.07, if paid by November 30, 2014, otherwise; interest will accrue as allowed by law.

The third period of service the member is requesting to make-up requires the Board to decide whether to approve the service based on the materials submitted by the New Salem Wendell School District:

- A typed page from New Salem Wendell showing the member's initial periods of employment.
- A hand written page from New Salem Wendell detailing the member's pay for the period.

The Board typically requires payroll records to confirm employment, to accurately determine the cost of the service purchase and to determine the accrued service should the purchase be less than full time. In this case the New Salem Wendell treasurer is unable to locate the W-2 or payroll records for 1996.

3. Non-membership service eligible for purchase between 10/7/1996 and 12/20/1996 for a total of 2 months, 11 days, actual hours worked. Cost of purchase is \$658.13, if paid by November 30, 2014, otherwise; interest will accrue as allowed by law.

Zamojski, David J – current member in the Town of Deerfield, service as an EMT, Mr. Zamojski began his full time service on 8/21/2000 but his deductions started on 11/20/2000. The initial cost of the make-up is deductions only on earnings of \$7,165.60 for \$644.90 if paid by November 30, 2014. Interest will begin to accrue after this date. Allowable service is full time from 8/21/2000-11/19/2000.

Deaths:

Bukowski, Paulin - Option B retiree since 11/01/1997, Mr. Paulin was the Plumbing/Gas Inspector for the County, accruing 15 years, 4 months of creditable service. DOD was 10/14/14 at the age of 86. No annuity balance remains.

Cordery, Leo – Option B retiree since 05/31/1985, Mr. Cordery was a Selectman for the Town of Erving and also served on the Erving Fire & Police Departments,

accruing 19 years of creditable service. DOD was 10/14/2014 at the age of 90. No annuity balance remains.

O'Neil, Douglas – Option C retiree since 12/27/1996, Mr. O'Neil worked as the Administrative Assistant for the Town of Northfield, accruing 5 years 11 months of creditable service and as an Assessor for the Town of Greenfield accruing 16 years of creditable service. Total creditable service was 21 years 11 months. DOD was 10/20/14 at the age of 84. His wife, Lorraine, is his Option C beneficiary.

General Business:

2015 Budget

The budget was presented to the Board with changes to the salary lines to reflect the staff changes as well as the new position.

On a motion made by D. Gendron and a second by M. Stokarski, the Board voted unanimously to approve the budget as presented, for a total of \$1,353,071.00.

Later in the meeting, the budget was amended to remove \$3,000.00 for “Cash in lieu of Health Insurance.

On a motion made by D. Gendron and a second by P. Mokrzecki, the Board voted unanimously to remove \$3,000.00 for cash in lieu of Health insurance from the budget, for a revised total budget of \$1,350,071.00.

Discuss process to appoint Board Chair

Sandy's term ends on December 31, 2014 and it is the responsibility of the other board members to (re)appoint a chair for the next six-year term (Jan 1 2015 to Dec 31 2020).

The Board discussed the process for appointing a Board Chair and agreed to do the actual appointment in November.

Policy on distance from office for allowing overnight stays

Dale Kowacki, Executive Director presented to the Board a revised policy on overnight stays that includes stipulations about the duration of the conference, distance from the office versus home of participant, and consideration of early start or late finish of the day's events.

The original policy:

Paul Mokrzecki MOVED to adopt a travel policy that overnight stays are allowed beyond a 30 mile radius of Greenfield and that board approval is required in advance. Motion seconded by Kathy Hammock. The vote was unanimous.

The revised policy:

Overnight stays will be limited to circumstances where the location is in excess of 30 miles from the participant's home, and the start of the event is earlier than

8:00 am, or the conclusion of the event, not including parties or social gatherings, is later than 8:00 pm. Overnight stays are not limited to multiple-day events. Other conditions including weather issues can be acceptable reasons for overnight stays with Board approval. Exceptions may be granted on a case by case basis by Board approval.

On a motion made by M. Stokarski and a second by P. Mokrezecki, the Board voted unanimously to accept the revised policy for allowing overnight stays.

Final Audit report of Melanson Heath

Dale Kowacki, Executive Director, presented to the Board the draft final version of Melanson Heath's audit of the system for the year 2013. The Board discussed the audit and requested that an exit audit with Melanson Heath be set up for the November meeting. In addition, the Board requested that exit audits with the full Board be conducted for all audits.

On a motion made by P. Mokrzecki and a second by D. Gendron, the Board voted unanimously to conduct exit audits with the full Board for all audits.

Staff Evaluations to December?

Our policy states, "A written performance evaluation of each employee will be completed annually between November 1st and November 30th . . .".

However, for a number of reasons November is a busy month, and so it makes sense to move the evaluation process to December.

The Board discussed staff evaluations and agreed to move the process to December. In addition, Sandy and Dale will propose edits to the evaluation process at the November meeting.

Cash in lieu of Health Insurance

At the end of the September meeting, the subject of Cash in Lieu of Health Insurance was raised - so staff put together a proposal for the Board to review.

The Board discussed and no action was taken.

See above (2015 Budget) amending the total budget approved.

Update on building security

Dale Kowacki, Executive Director reported that there have been no additional security issues over the last month. Dale installed a trail camera in our hall a couple of weeks ago and hasn't captured any pictures of overnight activity. The landlord, Paul Viens, says that he has installed security cameras and that he has had a plumber in to fix the hot water issue. There is still no hot water. Dale informed the Board that he met with a realtor and is keeping his eyes open for other office options.

The Board discussed the building security and office options. The Board agreed that the goal is to stay where we are as long as the security and hot water issues

are resolved. In the meantime, Dale is to continue to look for other office options. The Board stated that they would prefer to be tenants over purchasing, but to leave all options open. Additionally, Sandy Hanks the Board Chair has requested to see the location of the security cameras installed by the landlord, Paul Viens.

County Agencies all in one building

Dale Kowacki, Executive Director, reported that while looking into office options, he had a string of conversations with other agencies, and as it turns out they are all thinking about their next move and like the idea of locating together in one “county services” hub.

Dale asked, “Is it okay with the Board if I push this idea along to see where it leads?”

Dale imagines a joint task force, pursuit of grant funding, maybe the Retirement System is the owners and lease to the others – maybe not. There’s been mention of the Lunt properties.

The Board members discussed the idea of county agencies all being in one building, and were clear that the System should not act as landlords. At this time the Board is not strongly interested in this option, but will allow Dale to remain active in the conversation and sit on any Committee that may form.

New Business:

Disability Medical Panel report – Robert Spaulding

In January, the Board, based on Michael Sacco’s recommendation was poised and ready to deny a disability retirement for Robert Spaulding, but during the meeting Robert made an assertion that Dr. Yablon didn’t perform an actual examination, so the Board allowed the two attorneys to appeal to PERAC under the theory that perhaps the whole thing was flawed and that was grounds for a new medical panel. PERAC’s reply on October 20, 2014 said no, and that the original medical panel’s opinion stands. Michael Sacco’s opinion in response backs away from his original recommendation, and now he believes an appeal is not likely to resolve in the Board’s favor, therefore awarding of the disability retirement to Robert is the wisest option.

On a motion made by D. Gendron and second by P. Light, the Board voted unanimously to accept the opinion of Attorney Michael Sacco and approve the Accidental Disability Retirement allowance for Robert Spaulding.

Ajournment

On a motion made by D. Gendron and a second by P. Mokrzecki, the Board voted to adjourn the meeting at 10:22 a.m.

Respectfully submitted,

THESE MINUTES WERE APPROVED ON NOVEMBER 24, 2014

Dale C. Kowacki, Executive Director

Sandra A. Hanks, Chair and Treasurer

Paula J. Light, Council Member

David R. Gendron, Vice Chair

Mary A. Stokarski, Board Member

Paul J. Mokrzecki, Board Member

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