

FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING MINUTES
November 24, 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 8:04 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, Assistant Director Susan Bobe and Member Services Accountant Deb Frentzos. April Dupuis and Patricia Squillante, Melanson Heath auditors joined the meeting at 8:45 a.m. Steve Roth, the Board's investment consultant, joined the meeting at 9:33 a.m.

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 D. Gendron and second by P. Light, the Board voted unanimously to approve the minutes of the regular meeting held on October 29, 2014.

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>\$672,444.32</i>
<i>Refunds</i>		<i>6,084.13</i>
<i>Transfers</i>		<i>93,326.20</i>
<i>Invoices</i>		<i><u>53,658.94</u></i>
<i>Operating</i>	<i>39,649.67</i>	
<i>Investments</i>	<i>14,009.27</i>	
<i>For a total of:</i>		<i>\$825,513.59</i>

Cash Transfer between Investments and bank

On a motion made by D. Gendron and a second by P. Mokrzecki, the Board, voted unanimously to transfer \$370,000 from PRIT Core Fund to Unibank to cover December warrants.

Membership

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

New Members

Benigno, Rebecca	09/15/2014	60%	DER	Math Instructional Assistant
Black, Vivian	08/25/2014	100%	MOH	Paraprofessional
Brunetti, Gino	11/04/2014	100%	FRN	Custodian - Nights
Derose, Shari	09/08/2014	100%	MOH	Paraprofessional
DiGiovanni, Tara	08/26/2014	100%	HLT	Paraprofessional
Gaudet, Tracy	10/23/2014	100%	OGE	Elder Outreach Coordinator
Graham, Ondine	09/24/2014	90%	STB	Paraprofessional
Jurgensen, Eva	08/25/2014	100%	MOH	Paraprofessional
Laseter, Yvonne	08/25/2014	100%	MOH	SPED Aide
Lemoine, Raelene	08/26/2014	80%	MOH	After School Director
Leonard, Wayne	11/10/2014	100%	OGE	Highway Working Foreman
Niles, Ashley	08/25/2014	100%	MOH	Paraprofessional
Noble, Brian	10/22/2014	100%	NTD	Town Administrator
Pruhenski, Mark	11/10/2014	100%	WTY	Town Administrator
Scott, Steven	08/25/2014	100%	MOH	Teacher's Aide
Scuderi, Melanie	08/28/2014	100%	SND	Instructional Aide

Existing Members

Gorman, Mary	11/03/2014	100%	MHR	MS ILC Paraprofessional
Burt, Melanie	06/23/2014	100%	DER	Site Coordinator
Matthews, Timothy	10/16/2014	100%	OGE	Firefighter/Paramedic
Nichols, Elizabeth	09/01/2014	20%	HAW	Treasurer/Collector

Accept Liability for Buybacks and Makeups Through Other Systems:

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

Ziamba, Maryellen – MTRB on behalf of former member requests FRRS to accept liability for service upon redeposit of a refund taken on 8/19/1991 for \$1,053.38. She was employed by New Salem Wendell School District starting 9/1/1989 through 6/30/1991. Allowable service in this period was for actual hours worked with the stipulation that full time (7.5 hour days) seasonal work of at least 7 months was granted one full year of service. The signed employment agreements with Ms. Ziamba and payroll records indicate 23 hours per week for 37 weeks. Total allowable service on a 12 month basis is 1 year, 2 months, 28 days.

Pelis, Susan – In September 2014 the Board approved a request from MTRB to accept liability on the buyback of a refund taken by this member in August 1995. The Board accepted 6 months, 16 days of service liability. Upon review it was noted that the service, when converted for a school year position, should be 9 months, 12 days. The member worked 77.3% of a full time contract.

Buybacks and Makeups:

Moore, Dana – current member with the Town of Erving has requested a make-up of service for work performed as a police officer in the Town of Orange between September 1981 and April 1985. Payroll records have been obtained and an hourly rate equal to Massachusetts minimum wage x 2 has been applied to the earnings for a total of 574.09 hours, equal to 3 months, 16 days of creditable service at a cost of \$915.02 if paid by 12/31/2014.

Lyons, Brendan – current member with the Town of Sunderland has requested a make-up of service for work performed as a fireman in the South Deerfield Fire Department between 1989 and June 1, 1993. Payroll records have been obtained which detail the hours worked and wages paid. Allowable service is calculated using hour for hour, for a total of 326 hours equal to 2 months of creditable service at a cost of \$761.66 if paid by 12/31/2014.

Deaths:

Meyers, William J Sr. – Option B retiree since 6/19/1986, Mr. Meyers was the Moderator and Auditor for Buckland, a Selectman, a School Committee member, and Treasurer-Collector for the Shelburne Falls Fire District, accruing 27 years of creditable service. DOD was 11/6/14 at the age of 93. No annuity balance remains.

General Business:

Appoint a 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).

On a motion made by D. Gendron and a second by M. Stokarski, the Board voted unanimously to reappoint Sandra Hanks as chair of the Franklin Regional Retirement Board for a term of six years beginning January 1, 2015. Vice Chair David Gendron asked "all those in favor" – unanimous aye. Sandra Hanks abstained.

Staff evaluations redesign

At the October meeting there was an expressed desire to simplify the evaluation process. Dale Kowacki, Executive Director prepared a proposal that would do away with the merit increase and replace it with a simple "base increase" each year. The proposal would also do away with the annual evaluation and presentation at a Board meeting, and be replaced with quarterly evaluations done by Dale, with reports generated by Dale and accessible to Board members at any time. If there were persistent performance issues, they would be reported to the Chair, and to the full Board if the Chair believes it necessary. After some discussion the Board requested a re-work on the wording of the proposal. There was confusion about reason for the change to a "base increase", and there was a leaning towards keeping the merit increase. It was proposed that the Chair and Vice Chair would review the quarterly evaluations and recommend merit increases at year end. However there was some debate on how to include the

full Board in a way that made it less awkward for the Board to award individual merit increases without causing discord between staff. In the past the Board has consistently given blanket merit increases to staff as a group regardless of individual performance scores.

On a motion made by M. Stokarski and a second by D. Gendron, the Board voted unanimously for the wording of the proposal to be re-worked and presented to the board at a later date.

Discuss format of Advisory Council meetings

The Board discussed the merits of continuing the tradition of having a meal meeting given that attendance on the part of the Advisory Council is lacking. Chapter 34B §19(g) states: "There shall be a regional retirement board advisory council consisting of all the treasurers, elected or appointed, of each town, unit, or district belonging to the prior county retirement system and remaining in the retirement system established by this section." The Board made suggestions on how to better inform the Treasurers and Selectmen of the importance of the meeting(s). One idea is to cc Town Administrators and Selectboards with the agendas, and the minutes, as a way to support treasurers' attendance at the meetings. Paul Mokrzecki asked staff to survey the Advisory Council again to find out what they want, i.e. place, agenda, and time.

Board Meeting Schedule for 2015

The members of the Board were in agreement to continue the regular monthly meeting schedule of the last Wednesday of each month, at 8:00 am, beginning January 28, 2015, with the exception of Monday, November 23, 2015 and Wednesday, December 16, 2015 (the third Wednesday).

Allow retirees to name beneficiary for last payment in month of death

The PERAC guidebook suggests a solution to an occasional problem we have when loved ones don't cash, or have access to, the last payment of a deceased retiree. Deb has kindly created the attached form (Attachment A) to accomplish the goal of getting permission from the retiree to make the final payment to their chosen beneficiary.

On a motion made by P. Light and a second by P. Mokrzecki, the Board voted unanimously to use the created form to permit a member to choose a beneficiary to receive this residual payment.

Audit exit conference

April Dupuis, Audit Supervisor and Patrice Squillante, CPA, Managing Partner of Melanson Heath joined the meeting at 8:45 a.m. to review with the Board the results of the independent audit of calendar year 2013. April talked about what an audit is, went over the Financial statement and the Management letter. No issues reported other than suggesting some improvements to our internal controls. Patrice informed the Board about GASB 67 & 68 and the requirement in 2014 for an audit opinion on GASB 67 & 68.

Quarterly meeting with Investment Advisor, Steve Roth, Dahab Associates

Steve Roth with Dahab Associates joined the meeting at 9:33 a.m. to review the 3rd quarter investment results, and present the research done by Dahab in regards to the Mid Cap Manager Search.

Mid Cap Manager Search

After discussing the analysis done by Dahab Associates regarding ranking the respondents to the search, and seeing that Seizert Capital Partners ranked high enough to be included in the “advantageous” category, the Board took the following action:

On a motion made by D. Gendron and a second by P. Mokrzecki, the Board, in accordance with research performed by Dahab and by recommendation of Dahab voted unanimously to resign Seizert Capital Partners to a 5-year contract beginning January 1, 2015 and ending December 31, 2019.

60 day waiting period after retirement before appointed people return to work

Dale Kowacki, Executive Director asked the Board members what their thoughts were in having a regulation that said there was a 60 day waiting period after retirement before appointed people can return to work.

The Board discussed and no action was taken.

Availability of candidate statements during Board elections

The staff received a few inquiries asking if information would be made available about the candidates running for the Board. Dale Kowacki presented the following ideas to put the information out to the retirement population:

- Put website/Facebook link on ballot that links to candidates chosen platform
- Have similar links on a short webpage on the FRRSMA.com site
 - Have the candidates fill out a standard questionnaire that covers the basics
- Hold a meet-the-candidates evening
- Invite The Recorder to run an article

After some discussion the Board asked staff to review legally what the possibilities are for making candidate statements available, and to finalize policy development with the Board and the Advisory Council by the end of calendar year 2015

Update on building security

There have been no further issues with messes or overnight guests since last month. Sandy met with the landlord to reiterate the Board’s concerns for the safety of employees. The landlord explained his process for selecting a security camera system and reported that he has scheduled the installation of four cameras starting the week of December 8, 2014.

The Board discussed and no action was taken.

Review and perhaps approve 4(2)(b) refunds – (none this year)

Dale Kowacki, Executive Director reported that some police officers, and firefighters that had their service corrected to grant expanded service credit for when they were on their “respective list” resulted in a potential refund of monies previously paid, however, given the high potential for court challenge and possible change in the rules, the Board decided to hold refunds until it was reasonably clear that the potential for change was much reduced (maybe a few years). The staff believes it is still early to feel that the dust has settled long enough. The topic will be revisited yearly at this time with the staff to assemble a list of potential refunds.

The Board discussed and no action was taken.

Ajournment

On a motion made by D. Gendron and a second by P. Light, the Board voted to adjourn the meeting at 10:50 a.m.

Respectfully submitted,

THESE MINUTES WERE APPROVED ON DECEMBER 17, 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

Attachment A

FRANKLIN REGIONAL RETIREMENT SYSTEM

278 MAIN STREET, SUITE 311 GREENFIELD, MA 01301-3230
TELEPHONE: 413-774-4837 FAX: 413-774-5677
Email: admin@frsma.com

Authorization to Release Information

Member's Name: Date of Birth:

Member's Last Four Social Security Number:

I hereby authorize the Franklin Regional Retirement System to obtain from

Name:

Address:

payroll documentation for service (to include hours worked, days/months worked, salary information).

Dates of Service: From: To:

The records are required for the specific purpose of calculating previous retirement service credit.

I understand that my authorization will remain effective from the date of my signature until , and that the information will be handled confidentially in compliance with all applicable federal laws.

I understand that I may see the information that is to be sent, and that I may revoke the authorization at any time by written, dated communication.

I have read and understand the nature of this release.

Member Signature

Date

Witness Signature

Date

N:\USERS\FORMS\Buyback-MakeUp forms\Records release form

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