

FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING MINUTES
September 27, 2017

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 8:03 a.m. by Board Chair, Sandra Hanks with Board Members Paula Light, Mary Stokarski, and Gabriele Voelker present. Also present were Executive Director Dale Kowacki, Assistant Director Susan Bobe, and Auditor 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 as presented to the Board, with the exception of those items that are restricted from public viewing, is on file in the retirement office.

Review and Acceptance of Meeting Minutes

Paul Mokrzecki arrived at 8:05 a.m.

On a motion made by P. Light and second by G. Voelker, the Board voted unanimously to approve the minutes of the regular meeting held on August 30, 2017.

Payroll, Refunds, Transfers and Bills Warrants

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

<i>Retirees Payroll</i>	<i>\$832,721.69</i>
<i>Refunds</i>	<i>51,743.19</i>
<i>Transfers</i>	<i>11,217.39</i>
<i>Invoices 09-17W</i>	<i><u>39,827.65</u></i>
<i>For a total of:</i>	<i>\$935,509.92</i>

Cash Transfer between Investments and Bank - September

On a motion made by P. Mokrzecki and a second by M. Stokarski, the Board, voted unanimously to transfer \$125,000 from PRIT International Fund to Unibank to cover next month's warrants.

Membership

On a motion made by P. Mokrzecki and second by G. Voelker, the Board voted unanimously to approve the new members and additional positions as follows:

Membership

Amet, Norie	08/28/2017	100%	MOH	Para Professional
Antes, Elizabeth C	08/29/2017	100%	SND	Instructional Assistant
Ball, Fallon M	8/22/2017	100%	OGE	Occupational Therapy Asst.
Bonaiuto, Kirsten E	08/29/2017	100%	DER	Instructional Aide
Breault, Brandon R	09/19/2017	100%	ERV	Fire Fighter II/EMT-B
Cardona, Elizabeth A	08/22/2017	100%	OGE	Para Professional
Carey, Jill S	08/14/2017	100%	FCH	Admin. Assistant
Christenson, Nina E	09/05/2017	100%	HLT	Para Professional
Crowningshield, Brian C	09/18/2017	100%	ROW	Heavy Equipment Operator
Eno, Ki J	08/10/2017	100%	DER	Admin. Assistant
Fisher, Michelle L	08/21/2017	80%	ERV	Office Asst./Cafeteria
Gumlaw, Brooke A	08/29/2017	100%	DER	Instructional Assistant
Hanas, Ashley M	08/29/2017	100%	CON	Instructional Assistant
Hopkins, Susan L	08/28/2017	100%	MOH	Para Professional
Judge, Sara M	08/29/2017	100%	DER	Instructional Assistant
Kruger, Michelle R	09/01/2017	80%	MHR	Cafeteria - Dishwasher
Manley, Thomas H	08/28/2017	100%	MOH	Para Professional
Mimitz, Wendy L	08/25/2017	100%	MOH	After School Coord/Café Helper
Rabasco, Mark T	08/28/2017	100%	MOH	Para Professional
Santella, Katelyn	08/29/2017	90%	WTY	Pre-School Coordinator
Scott, Kyle J	07/31/2017	100%	DER	Assistant Building Commissioner
Shippee, Karen M	08/28/2017	100%	MOH	Para Professional
Steer, Corey D	08/24/2017	100%	MOH	IT Assistant
Talbot, Andrea E	08/21/2017	60%	FRT	Call Center Representative
Vouros, Gregory A	08/14/2017	80%	MOH	Athletic Director
Wagner, Ann M	08/29/2017	100%	DER	Instructional Assistant
Ward, Catherine A	08/22/2017	100%	OGE	Occupational Therapist
Wichman, Ashley N	08/28/2017	100%	HLT	Para Professional
York, Brittany A	08/28/2017	100%	MOH	Para Professional
Zaykoski, Jessalyn L	08/28/2017	60%	NSW	Assistant Secretary
<u>New Positions</u>				
Gilbert, Karen L	08/28/2017	100%	MOH	Para Professional
Gray-ortega, Anthony R	08/21/2017	100%	FCH	Maintenance/Mechanic/Laborer
Sawicki, Sean A	06/05/2017	100%	LEV	Police Officer
Waldron Hanson, Janice	08/28/2017	100%	HLT	Para Professional/Teacher
<u>Additional Positions</u>				
Paige III, Clifford F	08/08/2017	100%	ROW	Temporary Custodian
Sellers, Joan	09/06/2017	100%	MOH	Speech Tutor

New Retirees:

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

Jernstrom, Erik - the retirement package has been submitted to PERAC to retire Erik Jernstrom for a Superannuation, Option C retirement allowance. His last day of work was July 7, 2017 and his retirement benefit will begin on August 2, 2017. Mr. Jernstrom was a group 1 member working in maintenance for the Franklin County Regional Housing & Redevelopment Authority, accruing 15 years, 2 months of creditable service.

Shedd, Roxene - the retirement package has been submitted to PERAC to retire Roxene Shedd for a Superannuation, Option B retirement allowance. Her last day of work was June 30, 2017 and her retirement benefit will begin on July 13, 2017. Ms. Shedd was a group 1 member working as an assistant cafeteria manager for the Pioneer Valley Regional School District and as an on-call firefighter for the Town of Bernardston, accruing 30 years of creditable service.

Ahearn, Robert - the retirement package has been submitted to PERAC to retire Robert Ahearn for a Superannuation, Option C retirement allowance. His last day of work was June 30, 2017 and his retirement benefit will begin on July 3, 2017. Mr. Ahearn was a group 4 member working as the Town of Sunderland Fire Chief, accruing 18 years 8 months of creditable service.

Buybacks and Makeups:

On a motion made by P. Light and a second by P. Mokrzecki, the Board voted unanimously to approve the following buybacks of creditable service:

Jacobson-Carroll, Elizabeth – current member in the Town of Buckland has requested a buyback of a refund taken from the Middlesex County Retirement System for time worked 09/08/1994 to 05/26/1995. Middlesex County Retirement System will accept service liability of 8 months, 18 days. Total cost is \$5,619.39 if paid by October 31, 2017; otherwise interest will accrue as allowed by law.

Curtis, Priscilla – current member, Supervisor of the Sanitation Dept. for the Town of Orange has requested a make-up of service prior to her becoming a member for time worked 7/10/1985 to 7/31/1991 in the Town of Orange as Highway Dept. secretary. Creditable service allowed is actual hours worked for a total of 5 months, 24 days. Total cost is \$1,567.32 and must be paid prior to her 9/30/2017 retirement date.

General Business:

2018 Draft Proposed Budget

The second draft of the 2018 budget for the system was presented to the Board. The Board was asked if it wanted to increase the annual stipend of its Board Chair.

On a motion made by G. Voelker and second by M. Stokarski, the Board unanimously voted to increase the annual stipend of the Board Chair by 3.42%.

In addition, the Board discussed the current office space lease which expires on 7/31/2018. Dale Kowacki, Executive Director explained to the Board that the lease was written with three renewal options of three years each limiting the increase to a maximum of 3% for each renewal. If the current lease is honored by the new owner, then the options will expire at the end of the next three year renewal, 7/31/2021.

After some discussion, the Board asked Dale to get in touch with the landlord to see if the current lease will be honored for the purpose of completing the 2018 budget.

Staff payscale ranges and modify the longevity policy

In June, the Board voted to abandon the pay grade levels for the staff and replace it with set salary ranges for each position. Dale Kowacki, Executive Director presented to the Board the idea of eliminating the top end of the salary ranges and only have a starting salary for each position.

In addition, Dale informed the Board of a possible inequity in the longevity bonus policy, in that if someone never reaches the top of their pay grade they would never be rewarded for their longevity. Therefore, Dale asked if the Board would consider removing the stipulation that an employee reach the maximum of their paygrade before receiving the longevity bonus from the policy.

After a brief discussion, the Board voted the following:

On a motion made by P. Mokrzecki and second by M. Stokarski, the Board unanimously voted to remove the top end of the salary ranges and abandon the longevity bonus policy effective January 1, 2018.

Follow-up report on late assessment payments

In August the Board voted to charge actuarial interest effective July 1 for any assessment payments not received by August 1. Units can pay their assessment in full by July 1 or pay the 1st half by July 1 and the 2nd half by January 1. For units that pay by July 1 they receive an actuarial discount for paying in full.

Units that paid in full after July 1 were charged interest of 7.75% and also had the actuarial discount reversed to reflect when payment was received. Staff noticed that the interest charged by the Board differed from the actuarial discount given for paying in full.

Dale Kowacki, Executive Director explained why the monthly reversal of the actuarial discount differs from the monthly interest charged for payments received after August 1. Interest charged for late payments is based on our actuarial rate of 7.75% as is the actuarial discount with some other factors added by our actuary to come to the actuarial discount to be given to units paying in full.

Pay second third of the past due 3(8)(c) bill to the State Retirement? (Pending a progress report from the State Board.)

No action taken.

Adjournment

On a motion made by P. Mokrzecki and a second by P. Light, the Board voted to adjourn the meeting at 9:50 a.m.

Respectfully submitted,
THESE MINUTES WERE APPROVED ON OCTOBER 31, 2017

Dale C. Kowacki, Executive Director

Sandra A. Hanks, Chair and Treasurer

Paula J. Light, Council Member

Gabriele H. Voelker, Board Member

Mary A. Stokarski, Board Member

Paul J. Mokrzecki, Board Member

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