

FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING MINUTES
March 28, 2018

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 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

On a motion made by M. Stokarski and second by P. Light, the Board voted unanimously to approve the minutes of the regular meeting held on February 28, 2018.

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>\$848,489.71</i>
<i>Refunds</i>	<i>23,972.29</i>
<i>Transfers</i>	<i>52,658.07</i>
<i>Invoices 03-18W</i>	<i><u>57,910.79</u></i>
<i>For a total of:</i>	<i>\$983,030.86</i>

Cash Transfer between Investments and Bank

On a motion made by P. Light and a second by M. Stokarski, the Board, voted unanimously to transfer \$705,000 from PRIT Core Fund to Unibank to cover next month's warrants.

Visitors

Alana Mankowsky, former member, and MTA Legal Services Ashley Walter were visitors.

Judith Wilder hearing

Sandra Hanks, Board Chair called for the Board to enter into Executive session to investigate charges of criminal misconduct. Sandra in addition, stated that the Board would reconvene at the end of the Executive session.

At 8:14 a.m., the Board voted in the affirmative, by roll call vote, to move into Executive Session. Roll call vote: Mary Stokarski – aye; Paul Mokrzecki – aye; Paula Light – aye; Sandra Hanks – aye; Gabriele Voelker – aye.

In executive session:

On a motion made by P. Light, and a second made by M. Stokarski, the Board voted by roll call to accept Board counsel's recommendation and as reflected in the proposed decision, and find that Ms. Wilder's 2001 criminal convictions for violating M.G.L. c. 266, § 51 are violations of the laws applicable to her office or position, requiring pension forfeiture pursuant to M.G.L. c. 32, § 15 (4). Roll call vote: Mary Stokarski – aye; Paul Mokrzecki – aye; Paula Light – aye; Sandra Hanks – aye; Gabriele Voelker – aye.

A motion to come out of executive session was made at 8:17 a.m. and accepted by roll call vote. Roll call vote: Mary Stokarski – aye; Paul Mokrzecki – aye; Paula Light – aye; Sandra Hanks – aye; Gabriele Voelker – aye.

Membership

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

<u>NAME</u>	<u>HIRE DATE</u>	<u>C.S. %</u>	<u>New %</u>	<u>UNIT</u>	<u>POSITION</u>
Larson, Joseph T	01/17/2018	100%		OGE	Firefighter EMT
Messer, Betty	02/12/2018	60%		BER	Van Dispatcher/Driver
Munson, Mathew J	02/14/2018	100%		LEV	Truck Driver
Poirier, Alicia M	02/05/2018	100%		OGE	1:1 Aide
Potts, Carla J	02/26/2018	100%		MOH	Communications Specialist
Reardon, Katilyn M	03/01/2018	90%		PNR	1:1 Para
Roberts, Brett T	02/20/2018	100%		COL	Truck Driver/Laborer
Talbot, Daniel M	02/05/2018	50%		WTY	Custodian
Vieland, Lauran J	03/12/2018	100%		FCH	Home Base Administrator
<u>New Positions</u>					
Piescik, Jennifer F	02/26/2018	100%		PNR	Administrative Assistant
Coutu, Stephanie L	03/12/2018	100%		MOH	Kindergarten Teacher - Long term sub
Bragdon, Owen N	02/12/2018		0%	HLT/MOH	on-call substitute

New Retirees:

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

Cornwell, Dianne - the retirement package has been submitted to PERAC to retire Dianne Cornwell for a Superannuation, Option B retirement allowance. Her last day of work was February 28, 2018 and her retirement benefit will begin on March 1, 2018. Ms. Cornwell was a group 1 member working as the Director of the Council on Aging for the Town of Bernardston, accruing 14 years, 6 months of creditable service.

Sawyer, Patricia - the retirement package has been submitted to PERAC to retire Patricia Sawyer for a Superannuation, Option C retirement allowance. Her last day of work was September 22, 2011 and her retirement benefit will begin on March 19, 2018. Ms. Sawyer was a group 1 member working as a custodian and a kitchen worker for the Mahar Regional School District, accruing 18 years, 11 months of creditable service.

Dale Kowacki joined the meeting at 8:20 am.

Accept Liability for Buybacks and Makeups Through Other Systems:

On a motion made by P. Light and a second by G. Voelker, the Board voted unanimously to accept liability for the following buybacks through other systems:

Hager, Sherry – Massachusetts Teachers' Retirement System has asked FRRS to accept creditable service liability if their current member, Sherry Hager, re-deposits a refund taken from this system. The refund taken on 06/30/1998 was for \$778.24, deductions only. Sherry was a part-time secretary in the Town of Colrain and a substitute for the Mohawk Regional School District. Creditable service was determined to be 1 year, 4 months, 15 days, actual hours worked, 12 for 10 calculation, for the periods 8/26/1983-1991 and 1993-1996.

Mathieu, Pamela – State Board of Retirement has asked FRRS for clarification of creditable service liability for their current member, Pamela Mathieu. On 1/27/2000 her account of \$13,009.66, \$11,319.82 in deductions and \$1,689.84 in interest, was transferred to State. Pamela was working as a school secretary for the Whately schools. Creditable service of 12 years 4 months for the period 8/21/1987-12/31/1999 was transferred. After a review of her file, it was determined the period of her creditable service was 8/21/1987-11/26/1999. Revised creditable service liability FRRS will accept is 12 years, 3 months, 24 days, 12 for 10 calculation.

Roche, Todd – State Board of Retirement has asked FRRS to accept creditable service liability if their current member, Todd Roche, re-deposits refunds taken from this system. Refunds were taken on two different dates totaling \$5,846.00, deductions only. Todd worked as a police dispatcher and police officer for the Town of Orange. Creditable service was determined to be 5 years, 25 days,

consisting of part time and full time work. Service with FRRS was for the periods 01/11/1988-09/07/1990 and 08/01/1991-09/27/1994.

In addition, the service for the period 01/11/1988-09/07/1990 is dual with part time service transferred to the State Board of Retirement on 06/26/2013. If this service is purchased, it would supersede the service transferred for this same time period.

Stone, Rebecca – Berkshire County Retirement System has asked FRRS to accept creditable service liability if their current member, Rebecca Stone, re-deposits refunds taken from this system. Refunds were taken on three different dates totaling \$38,253.52, \$34,289.83 in deductions and \$3,963.69 in interest. Rebecca worked in the following positions:

Selectmen's Clerk	Town of Colrain
Town Coordinator	Town of Heath
Administrative Assistant	Town of Bernardston
Administrative Assistant	Franklin Regional Transit Authority
School Committee Secretary	Mohawk & Hawlement Regional School Districts

Creditable service was determined to be 11 years, 1 month, 7 days. Service was for the periods 3/28/1999-7/13/2000, 9/5/2001-8/7/2004, 8/16/2004-11/24/2010, 1/10/2011-7/22/2011 and 9/15/2014-10/10/2014.

Buybacks and Makeups:

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

Reyes, Susan – current member with the Pioneer Valley Regional School District has requested a buyback of two refunds taken from the Massachusetts Teachers' Retirement System, for which MTRS accepts liability, as follows:

1. 09/01/1991-06/30/1995 – 3 years, 9 months, 13 days. Total cost if paid by 04/30/2018 is \$16,744.61; otherwise interest will accrue as allowed by law.
2. 02/08/1998-06/30/1988 – 5 months, 21 days. Total cost if paid by 04/30/2018 is \$2,087.29; otherwise interest will accrue as allowed by law.

For the two refunds, the total service liability the Massachusetts Teachers' Retirement System accepts is 4 years, 3 months, 4 days at a total cost of \$18,831.90 if paid by 04/30/2018; otherwise interest will accrue as allowed by law.

Change of service previously approved:

On a motion made by M. Stokarski and a second by G. Voelker, the Board voted unanimously to change service for the following service previously approved:

Santerre, Joyce – former employee in the Pioneer Valley Regional School District, Ms. Santerre is now a retiree with the MTRS. Creditable service of 4 years, 6 months for service dates 12/19/95 to 6/26/2000 was transferred to MTRS 2003. A recent review indicates that service liability is from 10/2/1995 to 6/26/2000 allowing 4 years,

8 months, 24 days of service that should have been transferred, an increase of two months 24 days.

Lannon was deferred to a later month because it was not ready for presentation.

Grant Service for Unpaid Leaves:

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

Avery, Linda – inactive member who worked as the Vocational Coordinator in the Mohawk Regional School District is inquiring about retirement. During a review of her file an unpaid leave of 4 months between 03/01/2008 and 06/30/2008 was discovered. Staff requests, as allowed by MGL 32 §4(c), 1 month of creditable service be granted for this unpaid leave.

Military Buybacks:

On a motion made by G. Voelker and a second by P. Light, the Board voted unanimously to approve the following military buyback:

Kelly, Anthony – current member of the Frontier Regional School District has requested a purchase of his military active duty time. A DD214 has been provided showing a total of 2 years, 11 months, 29 days. Per M.G.L. 32, § 4(1)(h) an eligible veteran has the right to purchase up to four years. The total cost of his buyback based on his first 12 months of earnings as a member of the Retirement System is \$11,420.96 (\$3,811.88 x 2 years, 11 months, 29 days) if paid by April 30, 2018 otherwise interest will accrue as allowed by law (1st year salary was \$38,118.77 based on actual wages with payroll provided by the Treasurer.)

General Business:

Michael Sibley disability application

Sandra Hanks, Board Chair called for the Board to enter into Executive session to discuss and decide the Board's legal options in regards to DALA decision instructing the board to request a medical panel examination for Michael Sibley. Sandra in addition, stated that the Board would reconvene at the end of the Executive session.

At 8:35 a.m., the Board voted in the affirmative, by roll call vote, to move into Executive Session. Roll call vote: Mary Stokarski – aye; Paul Mokrzecki – aye; Paula Light – aye; Sandra Hanks – aye; Gabriele Voelker – aye.

After some discussion the Board voted the following:

On a motion made by P. Mokrzecki, and a second by P. Light, the Board voted by roll call, on recommendation of Board Counsel, Michael Sacco to file objections with CRAB in regards to requesting a medical examination for Michael Sibley. Roll call vote: Mary Stokarski – aye; Paul Mokrzecki – aye; Paula Light – aye; Sandra Hanks – aye; Gabriele Voelker – aye.

A motion to come out of executive session was made at 8:38 a.m. and accepted by roll call vote. Roll call Vote: Mary Stokarski – aye; Paul Mokrzecki – aye; Paula Light – aye; Sandra Hanks – aye; Gabriele Voelker – aye.

Alana Mankowsky

At 8:50 a.m. Ashley F. Walter, MTA Legal Services and Alan Mankowsky, former member joined the meeting.

Mass Teachers has made the following request that FRRS reverse policy and accept liability for the service when Alana Mankowsky “should have been a member”. If FRRS took the liability, Mass Teachers says they would waive the interest when Alana purchased the service.

What’s at play here is the amount of interest Alana would have to pay. Prior to 2013 Board policy was that FRRS would accept liability when the person “should-have-been-a-member”, and subsequently MTRS would waive the interest. In 2013 the FRRB changed the rules and decided to deny liability regardless of membership eligibility.

The Board discussed the matter and having heard from Ashley Walter and Alana Mankowsky the Board voted the following:

On a motion made by P. Mokrzecki, and a second by G. Voelker the Board voted unanimously to follow the current service liability policy and deny acceptance of liability for Alana Mankowsky regardless of eligibility.

Benefit verifications

Dale Kowacki, Executive Director asked the Board if staff can change how we do the retirees’ benefit verifications.

- Do them every-other-year instead of annually
- Require notarized signatures instead of inspect them every year for consistency
- Send them with the July notice-of-deposits instead of the December NODs

Dale informed the Board that we are required by CMR 840, 15.01, to obtain affidavits of Retired Members and Beneficiaries, “no less frequently than once every two years,…”

After a brief discussion, the Board agreed to change to a biennial schedule, beginning July 2019 and require notarized signatures on the retirees’ benefit verifications.

On a motion made by G. Voelker, and a second by P. Mokrzecki the Board voted unanimously to change to a biennial schedule, beginning July 2019 and require notarized signatures on the retirees’ benefit verifications.

Review and approve 2017 Annual report

Dale Kowacki, Executive Director presented and reviewed the 2017 Annual report with the Board. The Board members signed and approved the annual report.

On a motion made by M. Stokarski, and a second by P. Light the Board voted unanimously to approve the 2017 Annual report.

Review and approve annual disclosures filed by managers with PERAC

The Board received, reviewed and acknowledged receipt of the Annual Vendor disclosures that our investment managers filed with PERAC.

On a motion made by P. Mokrzecki, and a second by P. Light the Board voted unanimously to approve the Annual Vendor disclosures filed by our investment managers with PERAC

Change July 31, 2018 meeting date.

The Board discussed changing the July meeting to accommodate Board members schedules.

After some discussion, the Board agreed to change the date of the July meeting to July 25, 2018, Wednesday 8:00 a.m.

Paul Mokrzecki left at 11:00 a.m.

Adjournment

On a motion made by P. Light and a second by M. Stokarski, the Board voted to adjourn the meeting at 11:10 a.m.

Respectfully submitted,

THESE MINUTES WERE APPROVED ON APRIL 24, 2018

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, Vice Chair

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