

FRANKLIN REGIONAL RETIREMENT SYSTEM  
BOARD MEETING MINUTES  
October 30, 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 8:10 a.m. by Board Chair, Sandra Hanks with Board Members Paul Mokrzecki, Paula Light, Mary Stokarski present. Board Member Gabriele Voelker was absent. Also present were Executive Director Dale Kowacki, and Assistant Director Susan Bobe.

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 September 26, 2018.*

**Payroll, Refunds, Transfers and Bills Warrants**

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

Retirees Payroll	\$899,960.34
Refunds	19,841.97
Transfers	81,673.24
Invoices 10-18W	<u>120,906.99</u>
For a total of:	\$1,122,382.54

**Cash Transfer between Investments and Bank**

*On a motion made by M. Stokarski and a second by P. Light, the Board, voted unanimously to transfer \$640,000 from PRIT Core Fund to Unibank to cover next month's warrants.*

**Membership**

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

<u>NAME</u>	<u>HIRE DATE</u>	<u>C.S. %</u>	<u>New %</u>	<u>UNIT</u>	<u>POSITION</u>
Allis, Marie E	09/24/2018	50%		CON	Custodian
Ament, Megan M	08/29/2018	100%		SND	Instructional Assistant

Aseltine, Angelica M	08/29/2018	100%		SND	Instructional Assistant
Bean, Brenna M	08/29/2018	100%		CON	Instructional Assistant
Boswell, Abigail L	08/27/2018	100%		MOH	Paraprofessional
Carey, Amanda M	09/24/2018	100%		OGE	Administrative Assistant
Chapdelaine, Sarah N	08/29/2018	100%		WTY	Temporary Instructional Assistant
Clarke, Karal J	08/29/2018	100%		CON	Instructional Assistant
Connolly, Michelle E	08/27/2018	100%		NSW	Kindergarten Teacher - LTS
Costigan, Georgia L	08/29/2018	100%		SND	Instructional Assistant
Cummings, Heath	09/24/2018	100%		NTD	Police Officer/Resource Officer
Downer, Danielle B	08/29/2018	90%		PNR	Individual Aide
Dunn, Andrew M	10/09/2018	100%		SDW	Water Superintendent
Evernow, Iris	08/29/2018	100%		SND	Instructional Assistant
Glabach, Nicole M	08/29/2018	90%		PNR	Instructional Assistant
Greenfield, Sarah R	10/03/2018	50%		MOH	Related Arts Teacher/Afterschool Teacher
Hicks, Shelly M	08/27/2018	80%		LEV	Director of Afterschool
Holloway, Rebecca L	08/29/2018	90%		PNR	1:1 para
Hunkler, James	10/15/2018	100%		COL	Police Officer
Hunting, Jacinta C	08/28/2018	90%		PNR	Nurse
Jackson, Ainsley S	08/29/2018	100%		SND	Instructional Assistant
Kasuba, Joshua M	10/01/2018	100%		FCH	Housing Rehab Specialist
Kellogg, Jared N	06/18/2018	100%		FRN	Summer Custodian
Mailloux, Ryan W	09/17/2018	50%		STB	Treasurer
Marciano, Stephenie M	08/29/2018	100%		DER	Instructional Assistant
Martineau, Elisja A	08/29/2018	90%		PNR	1:1 Nurse
Maunder, Sarah A	08/29/2018	100%		SND	Instructional Assistant
Mousseau, Stacey L	09/24/2018	100%		PNR	Administrative Assistant to Superintendent
Murphy, Erin T	08/29/2018	100%		FRN	Instructional Assistant
Nelson, Elizabeth D	08/29/2018	100%		SND	Instructional Assistant
Parker, Erika L	08/29/2018	100%		DER	Instructional Assistant
Phillips, Shelly A	08/29/2018	90%		PNR	Instructional Assistant
Richards, Christina L	08/29/2018	100%		CON	Paraprofessional
Rogers, Diane A	08/29/2018	80%		PNR	Cafeteria Helper
Rollins-Cohen, Leila C	10/09/2018	100%		SND	Administrative Assistant
Semanie, Joanne E	09/16/2018	60%		ROW	Treasurer/BOH Clerk
Simmons, Margaret E	09/04/2018	50%		LEV	Occupational Therapist
Simmons, Margaret E	09/04/2018	50%		STB	Occupational Therapist

Stokes, Stephanie J	08/29/2018	100%		CON	Instructional Assistant
Stoodley, Daniel C	10/16/2018	100%		OGE	WWTF skilled labor
Tufano, Lisa M	08/29/2018	100%		SND	Instructional Assistant
Wilson, Cody M	10/22/2018	100%		MOH	Cafeteria Cook
<b><u>New Positions</u></b>					
Cummings, Heath	10/13/2018	0%		NTD	Part-time Police Officer
El borgy, Omnia	09/12/2018	0%		FRN	Substitute - on call
Power, John C	09/17/2018	100%		FRN	Custodian (nights)
Winter, Eva Linnea	09/10/2018	0%		FRN	Substitute nurse
<b><u>Additional Position</u></b>					
Clemons, Alicia	09/06/2018	100%		SND	Out of School Program
Craven, Debra J	07/01/2018	100%		ASH	Call firefighter
Crossman, Maura Ann	08/23/2018	100%		MOH	JV volleyball coach
Gamelli, Katelyn G	08/23/2018	100%		MOH	V volleyball coach
Henry, Tiffany	08/27/2018	100%		MOH	Middle School Student Council Co-Advisor
Howard, Elizabeth	08/31/2018	80%		CON	Out of School Program
Howard, Elizabeth	09/17/2018	80%		WTY	Out of School Program
Massa, Thomas E	08/23/2018	100%		MOH	JV soccer coach
Quinlan, Cara	09/04/2018	100%		CON	Out of School Program
Rau, Karen M	10/09/2018	100%		MOH	Bus Monitor
<b><u>Reinstated</u></b>					
Carmody, Robert	07/01/2009	0%		BUC	Police Officer
Herzig, Holland	07/01/2009	0%		COL	Call firefighter
Herzig, Melinda	04/01/2012	0%		COL	Constable
Mattson, Christopher	03/11/2010	0%		COL	Call firefighter
Warner, Richard	07/01/2010	0%		BUC	Elected BOH
Williams, Roger	08/01/2009	0%		BUC	Police Officer
Worden, Sr., Kevin	07/01/2009	0%		COL	Call firefighter

**New Retirees:**

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

**New Retirees:**

Cranston, Maryellen – the retirement package has been submitted to retire Maryellen Cranston for a Superannuation, Option C retirement allowance. Her last day of work was July 31, 2018 and her retirement benefit will begin on August 1, 2018. Ms. Cranston was a group 1 member working as a town clerk, collector,

treasurer and administrator for the Towns of Ashfield, Whately, and Shelburne Falls accruing 13 years, 2 months of creditable service.

Hickler, Nancy – the retirement package has been submitted to retire Nancy Hickler for a Superannuation, Option B retirement allowance. Her last day of work was September 8, 2018 and her retirement benefit will begin on September 9, 2018. Ms. Hickler was a group 1 member working as the Library Director for the Town of Warwick, accruing 29 years, 11 months of creditable service.

Johnson, Wendy – the retirement package has been submitted to retire Wendy Johnson for a Superannuation, Option B retirement allowance. Her last day of work was August 17, 2018 and her retirement benefit will begin on August 18, 2018. Ms. Johnson was a group 1 member working as an executive assistant for the Town of Orange, accruing 20 years of creditable service.

Regnier, Walter - the retirement package has been submitted to retire Walter Regnier for a Superannuation, Option C retirement allowance. His last day of work was August 31, 2018 and his retirement benefit will begin on September 1, 2018. Mr. Regnier was a group 1 member working as a custodian for the New Salem/Wendell Union School District, accruing 10 years of creditable service.

**Buybacks and Makeups:**

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

Rollins, Linda – current member in the Hawlemont Regional School District has part-time non-membership service as a paraprofessional and substitute in the Mohawk and Hawlemont Regional School Districts eligible for purchase. Service eligible for purchase is between 03/04/2018-05/01/2018 for a total of 1 month, 6 days. Using payroll records provided by the Mohawk and Hawlemont Regional School Districts, service is based on actual hours worked (133.5) on a 12 for 10 basis. Cost of the purchase is \$157.19 if paid by 11/30/2018; otherwise interest will accrue as allowed by law.

In addition, information provided indicates that she was erroneously excluded from membership for the period 05/02/2018-06/30/2018 while working as a paraprofessional for the Hawlemont Regional School District. Total service allowed is 1 month, 19 days calculated at 70% on a 12 for 10 basis. Cost of the purchase is \$230.70 if paid by 11/30/2018; otherwise interest will accrue as allowed by law.

Herzog, Rebecca – current member in the Town of Ashfield has part-time non-membership service as the Treasurer for the Town of Ashfield eligible for purchase. Service eligible for purchase is between 12/12/2016-6/30/2018 for a total of 7 months, 26 days. Payroll detail was provided by the Town of Ashfield and service is based on actual hours worked (1,280). Cost of the purchase is \$2,912.27 if paid by 11/30/2018; otherwise interest will accrue as allowed by law.

Johnson, Betty – current member in the Town of Colrain has part-time non-membership service as the Library Director eligible for purchase. Service eligible for purchase is between 01/01/1993-6/30/2001 for a total of 3 years, 7 months, 7 days. Using W2's provided by The Griswold Memorial Library and hourly rates provided by the MA Board of Library Commissioners, service is based on actual hours worked (7,026.30). Cost of the purchase is \$11,028.02 if paid by 11/30/2018; otherwise interest will accrue as allowed by law.

**Buybacks and Makeups needing more discussion:**

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

Adams, Joya (dck) – current member in the Frontier Regional School District has part-time non-membership service as a sped aide and substitute in the Frontier Regional School District possibly eligible for purchase. Payroll records indicate a regular, near daily, work pattern more indicative of “long-term” substitute as opposed to sporadic occasional substituting. Pay rates started per diem and changed to hourly after 5 months. Service eligible for possible purchase is between 10/08/1997-05/17/1998 for a total of 6 months, 3 days. Using payroll records provided by the Frontier Regional School District, service is based on actual hours worked (685.75) on a 12 for 10 basis. Cost of the purchase is \$1,001.44 if paid by 11/30/2018; otherwise interest will accrue as allowed by law.

**Grant Service for Unpaid Leaves:**

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

Belanger, Steven – current member in the Orange Housing Authority working as the Superintendent, retirement date to be determined. During the review process an unpaid leave of 1 month, 4 days between 11/30/2015 and 01/03/2016 was discovered. Staff requests, as allowed by MGL 32 §4(c), 1 month of creditable service be granted for this unpaid leave.

Boothroyd, James Jr. – current member in the Town of Warwick working as a truck driver/laborer, retirement date to be determined. During the review process an unpaid leave of 1 month, 23 days between 08/01/2012 and 09/23/2012 was discovered. Staff requests, as allowed by MGL 32 §4(c), 1 month of creditable service be granted for this unpaid leave.

**Deaths:**

Boyer, Randy – current member in the Town of Orange with 35 years, 7 months, 17 days of accrued service. DOD was 8/17/2018.

Caron, Cynthia – Option C beneficiary of Malcolm Caron died 10/5/2018. Mr. Caron will pop-up to an Option A monthly benefit.

**General Business:**

12(2)d benefit for the surviving spouse of member Randy Boyer

Randy Boyer, an active member working in the Town of Orange Wastewater Treatment Plant, passed away on August 17, 2018. His wife Susan submitted the appropriate paperwork for a 12(2)(d) survivor benefit and has been deemed eligible for such benefit by staff.

*On a motion made by P. Mokrzecki and a second by M. Stokarski, the Board voted unanimously to approve a 12(2)(d) survivor benefit to Susan Boyer.*

Final draft budget for next year

The final version of the budget for 2019, reflecting a decrease in the budget for management fees, and increase to staff insurance for Medex increases, and an increase to supplies to match an increase in the cost of 1099r forms was presented to the Board. Copy attached to these minutes.

*On a motion made by P. Mokrzecki and a second by P. Light, the Board voted unanimously to approve a total budget of \$1,500,965 for calendar year 2019.*

No PERAC Audit exit conference – board response?

The Board's expectation is that audit exit conferences will be in a meeting with the full Board. However, PERAC directors have indicated a preference for either a closed executive session, or a non-public meeting between the PERAC auditor, the Board Chair, and the Executive Director. The Board is in favor of neither and would like to petition PERAC directors to reconsider their thoughts on the matter. Otherwise the Board would consider skipping having a draft exit conference.

*On a motion made by P. Mokrzecki and a second by M. Stokarski, the Board voted unanimously to request Dale draft a letter for Sandy and Paul to sign and send to PERAC requesting an open meeting with the PERAC auditor as the audit exit conference.*

Primer: What is 5(3)(b)?

The provisions of MGL 32 §5(3)(b) require us to fill in the salary gap when someone was on an unpaid leave of absence ("LOA") for less than a year during the salary years in their 3-year average.

Two aspects discussed were:

- What will the Board consider to be a LOA in regards to implementing 5(3)(b).

*On a motion made by M. Stokarski and a second by P. Mokrzecki, the Board voted unanimously to request Dale draft policy wording, to be presented to the Board at its November 2018 meeting, that requires that any LOA used when §5(3)(b) is applicable must be approved, and documented as approved by the appropriate authority with the member's employer.*

- Would we still grandfather Pre-2009 members with full creditable service when

they are on reduced hours as LOA.

Discussion of this topic is postponed to the regular January 2019 Board meeting.

Approve and sign contracts

Waiting for Comerica contract – so postponed to December meeting

Preliminary discussion: Change to Polen agreement

Noted that it was basically a quarter of a basis point reduction in the annual fees rate. Board will hear the full explanation next month when its investment consultant attends the Board meeting.

Preliminary input on next year's meeting schedule

Paul Mokrzecki reported that he no longer needs the Tuesday shift each quarter. Other board members indicated that Wednesdays are still their preference.

Board policy change re: purchase of substitute hours?

Discussion of this topic is postponed to the regular January 2019 Board meeting.

**Adjournment**

*On a motion made by P. Mokrzecki and a second by M. Stokarski, the Board voted to adjourn the meeting at 10:52 a.m.*

Respectfully submitted,

**THESE MINUTES WERE APPROVED ON NOVEMBER 28, 2018**

\_\_\_\_\_  
Dale Kowacki, Executive Director

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Sandra A. Hanks, Chair and Treasurer

\_\_\_\_\_  
Paula J. Light, Council Member

\_\_\_\_\_ absent \_\_\_\_\_  
Gabriele H. Voelker, Board Member

\_\_\_\_\_  
Mary A. Stokarski, Board Member

\_\_\_\_\_  
Paul J. Mokrzecki, Vice Chair

# Franklin Regional Retirement System

		2017 Expended	2018 Budget	2018 Annualized Expenditures	2019 Proposed Budget
<b>Salaries &amp; Payroll Expenses</b>					
Board Stipends	5115-000	26,500.00	27,560.00	27,560.00	28,692.00
Salaries and Wages	5119-000	303,618.64	320,881.00	317,100.00	335,271.00
Benefits - Employer Share	5120-000	39,077.80	47,904.00	41,907.00	48,624.00
Total Salaries & Payroll Expenses		369,196.44	396,345.00	386,567.00	412,587.00
<b>Administration</b>					
Legal	5305-000	19,872.77	25,000.00	25,000.00	27,000.00
Insurance	5310-000	11,527.00	12,250.00	11,723.00	12,407.00
Service Contracts-Admin	5311-001	2,080.00	2,210.00	2,080.00	2,210.00
Rent Expense	5312-000	18,485.16	18,717.00	18,714.00	19,040.00
Actuarial Study Expense	5316-000	3,500.00	16,650.00	16,650.00	3,500.00
Accounting, Audit Expense	5317-000	18,000.00	18,000.00	18,000.00	18,500.00
Education and Training	5320-000	2,109.00	5,000.00	2,982.00	5,000.00
Administrative Exp. - Various	5589-001	1,658.36	3,605.00	2,255.00	3,510.00
Dues	5589-003	410.00	500.00	400.00	500.00
Office Supplies	5589-004	1,998.40	3,750.00	2,850.00	3,800.00
Postage	5589-005	3,190.11	5,250.00	5,250.00	5,250.00
Utilities	5589-007	5,071.75	6,550.00	5,276.00	7,615.00
Board Election	5589-012	410.69			2,800.00
Travel	5719-000	3,101.10	6,300.00	4,000.00	6,300.00
Total Administration		91,414.34	123,782.00	115,180.00	117,432.00
<b>Equipment</b>					
Service Contracts-Admin & Equipment	5311-000	30,291.14	32,025.00	31,809.00	33,230.00
Equipment & Software Maint. Services	5589-002	1,253.85	3,250.00	4,969.50	4,080.00
Furniture & Equipment purchases	5589-001	1,039.83	1,500.00	7,806.00	1,500.00
Computers	5589-111	739.80	1,700.00	200.00	2,500.00
Online Resources	5589-706	1,463.40	2,626.00	2,608.00	2,770.00
Total Equipment		34,788.02	41,101.00	47,392.50	44,080.00
<b>Total Operations</b>		<b>495,398.80</b>	<b>561,228.00</b>	<b>549,139.50</b>	<b>574,099.00</b>
<b>Investments</b>					
Management Fees	5304-000	710,726.61	823,677.00	742,000.00	862,866.00
Custodial Fees	5305-000	17,838.13	25,000.00	23,100.00	25,000.00
Investment Consultant	5307-000	34,625.40	35,000.00	35,000.00	39,000.00
Total Investments		763,190.14	883,677.00	800,100.00	926,866.00
<b>Total Investment Expenses</b>		<b>763,190.14</b>	<b>883,677.00</b>	<b>800,100.00</b>	<b>926,866.00</b>
<b>Grand Total</b>		<b>1,258,588.94</b>	<b>1,444,905.00</b>	<b>1,349,239.50</b>	<b>1,500,965.00</b>