

FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING - SPECIAL
Thursday, June 16, 2022

A meeting of the Franklin Regional Retirement Board, duly posted to be held via remote participation on the above date, was called to order at 8:04 AM by Board Chair Sandra Hanks, with Board Members, Paul Mokrzecki, Gabriele Voelker, Angel Bragdon present. Also present in the Board office located at 101 Munson Street, Suite 108, Greenfield MA was Assistant Director Deborah Frentzos. Executive Director Dale Kowacki and staff Data Maintenance Clerk Patricia Hume joined remotely.

Also present: Greg McNeillie, Vice Chairman, Principal and Kevin Condy, Director of Research with Dahab Associates. Actuary Linda Bournival with KMS.

General Business:

Meet with Actuary (Linda Bournival, KMS) to discuss and decide actuarial funding schedule.

Executive Director Dale Kowacki, with Actuary Linda Bournival, presented the Board with information on various rates for the funding schedule. The Board discussed the options presented.

A motion was made by Paul Mokrzecki and seconded by Gabriele Voelker to adopt the B2 schedule as recommended by our Actuary Linda Bournival. All ayes.

The B2 schedule (see "Attachment A") consists of a 7.25% Investment return rate and a 5.94% per year limit on Annual Increase.

New Business:

No new business.

Adjournment

On a motion made by Gabriele Voelker and seconded by Angel Bragdon, the Board voted unanimously to adjourn the meeting at 9:39 AM

Respectfully submitted,
THESE MINUTES WERE APPROVED ON JUNE 29, 2022

Patricia Hume, Data Maintenance Clerk

Sandra A. Hanks, Chair and Treasurer

Angelina J. Bragdon, Council Member

Gabriele H. Voelker, Board Member

absent
Mary A. Stokarski, Board Member

Paul J. Mokrzecki, Vice Chair

Appendix A

Franklin Regional Retirement System						Funding Schedule B-2	
30-Year Forecast of Annual Appropriations						5.94% Limit per year	
Based on Results of January 1, 2022 Valuation							
Fiscal Year Ending	Employer Normal Cost	Amortization Payment of UAL	Net 3(8)(c) Transfers	Total Employer Cost	Increase Over Prior Year	2020 Schedule	Unfunded Actuarial Accrued Liability
2023	\$3,112,910	\$4,157,176	1,000,000	\$8,270,086		\$8,270,086	\$50,930,396
2024	3,232,416	4,528,914	1,000,000	8,761,330	5.94%	8,745,616	50,391,643
2025	3,337,469	4,944,283	1,000,000	9,281,752	5.94%	9,248,489	49,435,474
2026	3,445,936	5,387,152	1,000,000	9,833,088	5.94%	9,780,277	47,987,216
2027	3,557,930	5,859,243	1,000,000	10,417,173	5.94%	10,342,643	45,983,204
2028	3,673,562	6,362,391	1,000,000	11,035,953	5.94%	10,937,345	43,353,403
2029	3,792,954	6,898,536	1,000,000	11,691,490	5.94%	11,566,242	40,020,833
2030	3,916,225	7,469,738	1,000,000	12,385,963	5.94%	12,231,301	35,900,959
2031	4,043,501	8,078,188	1,000,000	13,121,689	5.94%	12,934,601	30,901,020
2032	4,174,915	8,726,203	1,000,000	13,901,118	5.94%	13,678,341	24,919,300
2033	4,310,599	9,416,244	1,000,000	14,726,843	5.94%	14,464,846	17,844,352
2034	4,450,693	10,067,534	1,000,000	15,518,227	5.37%	15,166,974	9,554,140
2035	4,595,341	-	1,000,000	5,595,341	-63.94%	5,042,058	-
2036	4,744,690	-	1,000,000	5,744,690	2.67%	5,183,530	-
2037	4,898,893	-	1,000,000	5,898,893	2.68%	5,329,953	-
2038	5,058,107	-	1,000,000	6,058,107	2.70%	5,481,501	-
2039	5,222,496	-	1,000,000	6,222,496	2.71%	5,638,353	-
2040	5,392,227	-	1,000,000	6,392,227	2.73%	5,800,696	-
2041	5,567,474	-	1,000,000	6,567,474	2.74%	5,968,720	-
2042	5,748,417	-	1,000,000	6,748,417	2.76%	6,142,626	-
2043	5,935,240	-	1,000,000	6,935,240	2.77%	6,322,618	-
2044	6,128,135	-	1,000,000	7,128,135	2.78%	6,508,910	-
2045	6,327,300	-	1,000,000	7,327,300	2.79%	6,701,721	-
2046	6,532,936	-	1,000,000	7,532,936	2.81%	6,901,282	-
2047	6,745,256	-	1,000,000	7,745,256	2.82%	7,107,826	-
2048	6,964,476	-	1,000,000	7,964,476	2.83%	7,321,599	-
2049	7,190,822	-	1,000,000	8,190,822	2.84%	7,542,855	-
2050	7,424,523	-	1,000,000	8,424,523	2.85%	7,771,855	-
2051	7,665,820	-	1,000,000	8,665,820	2.86%	-	-
2052	7,914,959	-	1,000,000	8,914,959	2.87%	-	-
Total	155,106,222	81,895,602	30,000,000	267,001,824		238,132,864	

	Schedule B-2	Baseline	Increase
• Employer Normal Cost as of January 1, 2022:	2,954,167	2,511,934	442,233
• Administrative Expenses:	650,000	600,000	50,000
• Unfunded Actuarial Accrued Liability (UAL):	50,930,396	42,024,861	8,905,535
• Funded Status:	78.3%	81.4%	
• Investment Return Rate:	7.250%	7.750%	
• Amortization Payments Increase Annually:	4.00%	4.00%	
• Limit on Annual Increase:	5.94% per year	None	
• Fully Funded in Fiscal Year:	2034	2034	
• COLA Base:	17,000	17,000	

K M S A C T U A R I E S

5/12/2022