

**FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING MINUTES
August 31, 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 8:03 a.m. by Board Chair Sandra Hanks, with Board Members, Paul Mokrzecki, Gabriele Voelker, and Angel Bragdon present. Also present in the Board office located at 101 Munson Street, Suite 108, Greenfield MA was Executive Director Dale Kowacki and Assistant Director Deborah Frenzoz. Board Member Mary Stokarski was not present. Visitors via Zoom during the meeting were Greg McNeillie and Kevin Condy of DAHAB, Mark Giovanniello and Chuck Barrett of Copeland Capital and Tim Skiendzielewski and Matt Murdoch of Aberdeen Asset Management.

Review and Acceptance of Meeting Minutes

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

Minutes of the Regular Board Meeting held July 27, 2022.

Payroll, Refunds, Transfers and Bills Warrants

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

Retirees	\$1,125,886.67
Refunds	\$58,826.85
Transfers	\$0.00
Invoices	<u>\$156,108.65</u>
For a total	\$1,340,822.17

Cash Transfer between Investments and Bank

On a motion made by G. Voelker, and a second by P. Mokrzecki, the Board, voted unanimously to transfer \$240,000.00 from PRIT Core Fund to cover next month's warrants.

Membership (new members, new positions, additional positions)

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

<u>New Memberships</u>	<u>HIRE DATE</u>	<u>C.S. %</u>	<u>New %</u>	<u>UNIT</u>	<u>POSITION</u>
Botch, Laura K	7/20/2022	100%		FCR	Member Services Accountant

Boudreau, Christina	8/1/2022	100%		OGE	Tax Collector
Chabot, Thomas	7/6/2022	100%		BER	Police Officer
Hahn, Amy	8/1/2022	100%		DER	Administrative Assistant
Lilly, Gregory A	7/20/2022	100%		MOH	District Athletic Director
Manheim, Joshua	8/10/2022	100%		OGE	Firefighter/EMT
Melo, Jade	7/25/2022	90%		OGE	Admin. Asst. to Building Inspector & Board of Health
Phillips, Elizabeth A	8/8/2022	100%		FCH	Front Desk Coordinator
Richards, Brigitte	8/8/2022	100%		OGE	Secretary
Riel, Nicole	7/25/2022	100%		FCH	Housing Counselor
Shulda, Brook	8/10/2022	60%		ROW	Administration Assistant
Shumway, Jennifer	8/1/2022	100%		FRN	Executive Assistant to the Superintendent
Wells, David G	8/1/2022	100%		NTD	Truck Driver/Laborer
Wagner, Katherine	7/28/2022	100%		MOH	Business Administrator
Walsh, Stephen	8/15/2022	100%		MHR	Maintenance Worker
<u>New Positions</u>					
Miller, Margaret	8/25/2022	100%		HLT	BRYT Academic Coordinator
<u>Additional Positions</u>					
Chapdelaine, Sarah	7/5/2022	100%		DER	Summer learning teacher
Chlosta, Raquel	6/27/2022	100%		DER	RVDC counselor
Hahn Clark, Candice	7/5/2022	100%		DER	Summer learning teacher
Horton, Stephen	6/27/2022	80%		DER	RVDC counselor
Scudder, Grace	6/27/2022	100%		DER	RVDC Counselor
Svoboda, Alexis	8/25/2022	50%	100%	MOH	Paraprofessional
Waldron, Mitchell	10/30/2020	45%		BER	Part Time Police Officer
Whitney-Lussier, Faye	6/23/2022	0%		ASH	Board of Assessors

Buybacks and Makeups:

On a motion made by P. Mokrzecki, and a second by G. Voelker, the Board voted unanimously to approve Buybacks and Makeups as follows:

Dancer, Mary – current member with the Town of Deerfield has erroneously excluded service eligible for purchase while working as an instructional assistant for the Deerfield Elementary School. Service eligible for purchase is between 09/01/2010 – 06/30/2011 for a total of 1 year. This service purchase will make her

record whole. Cost was calculated using payroll records provided by the Town of Deerfield. Cost of the purchase is \$2,607.96 if paid by 09/30/2022; otherwise, interest will accrue as allowed by law.

Poissant, Thomas – current member with the Town of Ashfield has service eligible for purchase while working during a 6-month trial period as an equipment operator in the Town of Ashfield. Service eligible for purchase is between 06/01/1987 – 12/13/1987 for a total of 6 months, 12 days. FRRS deductions started on 12/14/1987. Cost was calculated using payroll records provided by the Town of Ashfield. This service purchase will make his record whole. Cost of the purchase is \$2,089.97 if paid by 09/30/2022; otherwise, interest will accrue as allowed by law.

New Retirees:

On a motion made by G. Voelker and a second by P. Mokrzecki, the Board voted unanimously to approve the New Retirees as follows:

Hathaway, Donna – The retirement packet has been submitted to PERAC to retire Donna Hathaway for a Superannuation, Option C retirement allowance. Her last day of work was August 11, 2022 and her retirement benefit will begin on August 12, 2022. Ms. Hathaway was a group 1 member working as the Executive Assistant to the Superintendent for the Frontier Regional School District, accruing 14 years, 11 months of creditable service.

Morin, Christine – The retirement packet has been submitted to PERAC to retire Christine Morin for a Superannuation, Option A retirement allowance. Her last day of work was June 30, 2022 and her retirement benefit will begin on July 1, 2022. Ms. Morin was a group 1 member working as the Technology Coordinator for the New Salem Wendell Union School District, accruing 21 years of creditable service.

Sherman, Dohn – The retirement packet has been submitted to PERAC to retire Dohn Sherman for a Superannuation, Option B retirement allowance. His last day of work was July 29, 2022 and his retirement benefit will begin on July 30, 2022. Mr. Sherman was a group 1 member working as the Head Mechanic for the Town of Heath, accruing 40 years, 1 month of creditable service.

Deaths:

Andrews, Patricia – Option B retiree since 10/31/1988, Ms. Andrews was an aide for the Orange Elementary Schools, accruing 18 years, 2 months of creditable service. DOD was 08/02/2022 at the age of 89. No annuity balance remains.

Dacyszyn, Eileen – Accidental Death benefit recipient since 10/02/1976. Ms. Dacyszyn was the spouse of Walter Dacyszyn who was a police officer for the Town of Deerfield. DOD was 07/21/2022 at the age of 85.

General Business:

Second discussion of budget for 2023

The second draft of the 2023 budget for the system was presented to the Board.

No actions, or votes, taken at this time

WRRB request re Mark Vitale

When the Board set policy in 2013 to limit 3(8)c liability it noted that requests could be reviewed (when circumstances were unusual, or “rules” had changed).

The Board received a request from Worcester Regional Retirement that the FRRB refine its policy to accept 4(2)b purchases (because the law specifically requires that the “Board” allow the purchase).

Current policy reads:

“The Franklin Regional Retirement System will not accept service liability for individuals who are not current members of the system and who request to purchase creditable service for time employed by a member unit regardless of membership eligibility in Franklin Regional Retirement System for that service.”

How would the Board like to proceed? Deny the request? Allow this one? Create policy or add to existing?

After some discussion, the Board voted the following motion:

On a motion made by G. Voelker, and a second by P, Mokrzecki the Board voted unanimously to amend the current policy to include the statement, “This policy does not apply to 4(2)b purchases.

Amended policy:

“The Franklin Regional Retirement System will not accept service liability for individuals who are not current members of the system and who request to purchase creditable service for time employed by a member unit regardless of membership eligibility in Franklin Regional Retirement System for that service. This policy does not apply to 4(2)b purchases.”

Angel Bragdon joined the meeting at 8:19 a.m.

Discuss to pay additional fee on actuary’s invoice

Dale Kowacki, Executive Director, presented to the board the additional fee on the actuary’s invoice for calculating the cost of increasing the COLA base (from \$17,000 to \$18,000). Dale stated that the original agreement and proposal led us to believe that calculating the cost of increasing the COLA base was included. There was no

mention of an additional fee for calculating the cost of the COLA base. Dale also informed the Board that we have not been charged an additional fee in the past. As a result of Dale's discussion with KMS, KMS has removed the additional fee from the invoice.

After some discussion, the Board's position is that the cost for calculating the increase in the COLA base was included in the original agreement and proposal.

Quarterly Investment Managers

Investment Consultant – DAHAB Associates

Greg McNeillie, Vice-Chairman and Principal, and Kevin Condy, Director of Research with DAHAB Associates joined the meeting at 8:26 a.m. and reviewed the second quarter returns of the investment portfolio.

They also discussed with the Board the reallocation of the July deposit of excess cash to the PRIT Core Fund. Greg and Kevin stated that putting the money in the PRIT Core Fund hits every asset class versus one particular asset class with another manager. They feel that it is not yet time to make tactical shifts into equity within the economic environment that we are in currently.

In addition, Polen's underperformance relative to the benchmark was discussed – DAHAB is closely watching Polen's performance.

Small Cap Core Manager – Copeland Capital

Mark Giovannello, Chief Investment Officer, Portfolio Manager and Chuck Barret, Director of Sales and Marketing joined the meeting at 9:15 a.m. and presented to the Board a comprehensive written quarterly report of investment performance, a review of the system's investments and a report on the investment manager's current investment outlook or forecast as well as strategy for the future. Chuck Barret reported that one person has been added to the team, Brandon Stone, Trading and Operations. Copeland is 100% employee owned. Two employees have become equity partners, Tarma Lawruk and Jonathan Honda. This brings the total equity partners to 19 out of a total of 28 employees.

Small Cap Core Manager – Aberdeen Asset

Tim Skiendzielewski, Senior Investment Director and Matt Murdoch, Senior Director, U.S. Institutional joined the meeting at 9:41 a.m. and presented to the Board a comprehensive written quarterly report of investment performance, a review of the system's investments and a report on the investment manager's current investment outlook and forecast as well as strategy for the future. Tim Skiendzielewski reported that Jason Kotick, Senior Investment Director has left the firm.

Gabriele Voelker left the meeting at 9:58 a.m.

Adjournment

On a motion made by P. Mokrzecki and seconded by A. Bragdon, the Board voted unanimously to adjourn the meeting at 10:20 a.m.

Respectfully submitted,

THESE MINUTES WERE APPROVED ON SEPTEMBER 28, 2022

Deborah A. Frentzos, Assistant Director

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