

**FRANKLIN REGIONAL RETIREMENT SYSTEM
BOARD MEETING MINUTES
August 30, 2023**

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 8:32 a.m. by Board Chair Sandra Hanks, with Board Members, Paul Mokrzecki, Mary Stokarski, 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, Assistant Director Kristine Mathis, Assistant Director Deborah Frentzos, Member Services Accountant Ashley Manley and Member Services Accountant Nicole Gaspar. Visitors via Zoom during the meeting were Greg McNeillie and Kevin Condy of DAHAB, Mark Giovanniello and Chuck Barrett of Copeland Capital, and Christopher Colarik and Matt Murdoch of Aberdeen Asset Management.

Review and Acceptance of Meeting Minutes

On a motion made by M. Stokarski, and a second by A. Bragdon, the Board voted unanimously to approve the following minutes:

Minutes of the Regular Board Meeting held July 26, 2023.

Gabriele Voelker joined the meeting at 8:33 am

Payroll, Refunds, Transfers and Bills Warrants

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

Retirees	\$1,217,701.18
Voucher approval prior to Board Approval	2,499.75
Refunds	\$153,753.09
Transfers	\$92,432.96
Invoices	<u>\$116,779.61</u>
For a total	\$1,583,166.59

Cash Transfer between Investments and Bank

On a motion made by G. Voelker, and a second by A. Bragdon, the Board, voted unanimously to transfer \$1,450,000.00 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 A. Bragdon, 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>
DePretto, Donna	7/1/2023	50%	-	BER	Senior Center Outreach
Gelb, Benjamin	7/10/2023	100%	-	ROW	Treasurer/Collector
Grover, Michael	6/20/2023	50%	-	FRN	Custodian
Habel, Andrew	7/1/2023	100%	-	DER	Police Officer
Lynch, Amanda	7/10/2023	100%	-	NTD	Town Clerk
Mathis, Kristine	7/31/2023	100%	-	FCR	Assistant Director
Niles, Christie	8/21/2023	100%	-	MOH	Secretary
O'Brien, Jason	8/10/2023	100%	-	OGE	Board of Health Agent
Perkins, Lukas	8/28/2023	100%	-	MOH	Paraprofessional
Ray, Hannah	7/5/2023	100%	-	PRN	Guidance Admin Assist
Sanschagrinn, David	7/1/2023	50%	-	FRN	Athletic Director
Sicard, Stephen	6/12/2023	100%	-	SND	Custodian
Sleeper, Matthew	7/26/2023	100%	-	OGE	Fire Fighter
Spurling, Glenda	8/28/2023	100%	-	MOH	Paraprofessional
Stroud, Sarah	4/30/2023	15%	-	LEV	Library Substitute
Thompson, Joshua	7/24/2023	100%	-	OGE	Fire Fighter
Walker, Laura	8/28/2023	100%	-	MOH	Paraprofessional
<u>New Positions</u>					
Adams, Megan	8/31/2023	90%	0%	PNR	Substitute
Ahearn, Meaghan	7/24/2023	0%	100%	OGE	Probationary Firefighter
Belanger, Jeffrey	8/5/2023	100%		SHB	Police Officer
Hunter, Robert	8/7/2023	100%		BER	Highway laborer
Pettengill, Christopher	7/16/2023	50%	100%	SHB	Police Officer
Purinton, Jeremy	8/15/2023	0%	100%	LEV	Laborer
Worden, Colleen	8/25/2023	0%	100%	MOH	Cafeteria
<u>Additional Positions</u>					
Donahue, Cynthia	7/24/2023	100%		HLT	Summer Program Support
Garcia, Shana	8/28/2023	100%		MOH	MCAS Coordinator
Keevaenthal, Emrys	7/10/2023	100%		HLT	Summer Program Support
Miller, Margaret	7/31/2023	100%		HLT	Summer Program Lead

Niles, Christie	8/21/2023	100%		MOH	Substitute Coordinator
Talbot, Julie	7/10/2023	70%		HLT	Summer Program Support

4(2)b Service Purchase:

On a motion made by A. Bragdon, and a second by G. Voelker, the Board voted unanimously to approve the 4(2)b Service Purchase as follows:

Paicos, Adam – current member in the Town of Erving has requested a purchase of service prior to his enrollment in the Franklin Regional Retirement System. Mr. Paicos worked as a reserve police officer in the Town of Northfield prior to his membership on 06/14/2016. Eligible 4(2)b service begins with the Town of Northfield as a reserve police officer on 01/01/2015 up to 12/31/2015. Total service is 1 year at a cost of \$2,770.38 if paid by 09/30/2023, otherwise interest will accrue as allowed by law.

New Retirees:

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

Billiel Jr., Edward – The retirement packet has been submitted to PERAC to retire Edward Billiel, Jr. for a Superannuation, Option C retirement allowance. His last day of work was June 30, 2023 and his retirement benefit will begin on July 1, 2023. Mr. Billiel was a group 1 member working as the Chief Operator/Superintendent for the Wastewater Treatment Facility in the Town of Orange, accruing 40 years, 1 month of creditable service.

Boutwell, Lynne – The retirement packet has been submitted to PERAC to retire Lynne Boutwell for a Superannuation, Option B retirement allowance. Her last day of work was July 13, 2023 and her retirement benefit will begin on July 31, 2023. Ms. Boutwell was a group 1 member working as a clerk for the Town of Orange, accruing 24 years, 4 months of creditable service.

Campbell, Daniel – The retirement packet has been submitted to PERAC to retire Daniel Campbell for a Superannuation, Option C retirement allowance. His last day of work was July 7, 2023 and his retirement benefit will begin on July 8, 2023. Mr. Campbell was a group 1 member working as the Town Clerk for the Town of Northfield, accruing 19 years, 3 months of creditable service. The Massachusetts Teachers' Retirement Board holds liability for 10 years, 3 months, 4 days of the total service.

Lesenski, Mary – The retirement packet has been submitted to PERAC to retire Mary Lesenski for a Superannuation, Option B retirement allowance. Her last day of work was June 30, 2023 and her retirement benefit will begin on July 1, 2023. Ms. Lesenski was a group 1 member working as an administrative assistant for

the Whately Elementary School, accruing 12 years, 6 months of creditable service.

Lovett, Karen – The retirement packet has been submitted to PERAC to retire Karen Lovett for a Superannuation, Option C retirement allowance. Her last day of work was June 30th, 2023 and her retirement benefit will begin July 1st, 2023. Karen was a group 1 member working as a Cafeteria Manager for the Mohawk Regional School District, accruing 20 years of creditable service.

O'Brien, Joan – The retirement packet has been submitted to PERAC to retire Joan O'Brien for a Superannuation, Option A retirement allowance. Her last day of work was 06/30/2023 and her retirement benefit will begin on 07/01/2023. Joan was a group 1 member working as an Instructional Assistant for the Sunderland school, accruing 12 years and 8 months of creditable service.

Ouimette, Kenneth – The retirement packet has been submitted to PERAC to retire Kenneth Ouimette for a Superannuation, Option C retirement allowance. His last day of work was June 30th, 2023 and his retirement benefit will begin on July 1st, 2023. Mr. Ouimette was a group 4 member working as police chief for the Town of Conway, accruing 31 years, 9 months of creditable service.

Power, John – The retirement packet has been submitted to PERAC to retire John Power for a Superannuation, Option A retirement allowance. His last day of work was June 30, 2023 and his retirement benefit will begin on July 1, 2023. Mr. Power was a group 1 member working as a custodian for the Frontier Regional School District, accruing 19 years, 6 months of creditable service. The State Retirement Board holds liability for 9 years, 8 months, 10 days and the Hampshire County Retirement Board holds liability for 2 years, 6 months of the total service.

Zamojski, David – The retirement packet has been submitted to PERAC to retire David Zamojski for a Superannuation, Option A retirement allowance. His last day of work was July 7, 2023, and his retirement benefit will begin on July 8, 2023. Mr. Zamojski was a group 4 member working as an EMT for the Town of Deerfield, accruing 22 years, 7 months of creditable service.

Deaths:

Clark, Jacqueline – Option B retiree since 10/31/2017, Ms. Clark was a secretary for the Ashfield Elementary School, accruing 30 years, 11 months of creditable service. DOD was 08/12/2023 at the age of 75. Her husband, Aaron, will be receiving the balance in her annuity account.

General Business:

Second discussion of budget for 2024

The second draft of the 2024 budget for the system was presented to the Board.

The Board discussed the proposed new budget line items for Board members, Dale's additional stipend, plans on replacing Patty and then Pat as well as the need for a cell phone for the office to be used for second authentication and for use during loss of internet as our phone system is internet based. Also noted were the reductions to the following budget line items: travel, education and Advisory Council expenses.

No actions, or votes, taken at this time

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 9:02 a.m. and reviewed the second quarter returns of the investment portfolio.

They also discussed with the Board that the rebid process for small cap will need to be done next year for Aberdeen. Copeland is up for rebid in 2026. Conversation with the Board will occur at the November 2023 meeting to get the small cap managers on the same schedule and start the rebid process for both.

In addition, Chartwell's underperformance was discussed – DAHAB is closely watching Chartwell's performance.

Small Cap Core Manager – Copeland Capital

Mark Giovanniello, Chief Investment Officer, Portfolio Manager and Chuck Barret, Director of Sales and Marketing joined the meeting at 9:37 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 investment team, Ryan Buckley. Chuck also mentioned that this past July was the 3-year anniversary of managing funds for FRRS. In addition, Copeland has added two more public funds to their client list, the State of Florida, and Missouri LAGERS.

Small Cap Core Manager – Aberdeen Asset

Christopher Colarik, Head of US Smaller Companies and Matt Murdoch, Senior Director, U.S. Institutional joined the meeting at 10:00 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. Chris Colarik introduced himself as he is new to the call and joined Aberdeen about 5 months ago. Chris reported that there has been restructuring within the firm to focused teams.

One person has been added to the team as a research analyst, Joe Rabba. Joe has been with the firm for about 5 years.

New Business:

Discussion about Bank

Dale Kowacki, Executive Director informed the Board that he had met with our bank representative and as of September 2024 they will no longer carry Depositors Insurance Fund (DIF) which covers deposits of more than \$250K. The bank representative said that only the deposits in our accounts as of September 29, 2023 would continue to be covered by DIF for one year until September 2024. Dale asked the board if we should try to make arrangements to have enough money in the bank at the end of September 2023 to be insured through September 2024. Paul Mokrzecki stated that the DIF is unique to Massachusetts and that we should ask the bank what their intentions are for their customers. Do they plan to offer insurance to cover our deposits, collateralization or a letter of credit. Paul also stated that we could ask the Federal Home Loan Banks (FHLBs) for a letter of credit or switch to a bank that has DIF coverage.

Greg McNeillie, DAHAB Associates stated that he remembers a conversation regarding FDIC coverage of \$250K per participant in a retirement system. The Board suggested that Dale check with other systems and the Board's legal counsel, Michael Sacco about FDIC coverage.

After some more discussion, the Board decided to leave things as is and discuss more at the September meeting after we receive more information from the bank, other systems and Michael Sacco.

No actions, or votes, taken at this time.

Paul Mokrzecki left the meeting at 11:00 a.m.

Discussion topics

Elected officials' legislation status – no movement since June, nothing to report.

Adjournment

On a motion made by G. Voelker and seconded by A. Bragdon, the Board voted unanimously to adjourn the meeting at 11:10 a.m.

Respectfully submitted,

THESE MINUTES WERE APPROVED ON SEPTEMBER 27, 2023

Deborah A. Frentzos, Assistant Director

Sandra A. Hanks, Chair and Treasurer

Angelina J. Bragdon, Council Member

Gabriele H. Voelker, Board Member

Mary A. Stokarski, Board Member

Paul J. Mokrzecki, Vice Chair