

The regular meeting of the Montague Retirement Board, duly posted, was held at One Avenue A, Turners Falls, MA on the above date, and came to order at 1:00 PM.

Retirement Board Members Present: Marianne Fiske, Carolyn Olsen, and Frank Abbondanzio were present. Cheryl Clark participated remotely by telephone due to illness, David Dion participated remotely by telephone due to geographical location.

Retirement Board Staff Present: Administrator Deb Underhill was present.

September & October 2017 Financial Reports: Board members reviewed and accepted September & October 2017 Financial Reports.

Minutes: Minutes of the October 24, 2017 Retirement Board Meeting were presented for review and approval.

On a motion made by Carolyn Olsen, seconded by Frank Abbondanzio, the board voted, with no discussion, to approve the October 24, 2017 minutes. David Dion abstained as he was not present at the meeting.

Vote: 4 In Favor 0 Opposed 1 Abstained

Minutes: Minutes of the November 6, 2017 Special Meeting were presented for review and approval.

On a motion made by Marianne Fiske, seconded by Frank Abbondanzio, the board voted, with no discussion, to approve the November 6, 2017 minutes. David Dion abstained as he was not present at the meeting.

Vote: 4 In Favor 0 Opposed 1 Abstained

Warrant: Contributory Retirement Warrant #11, dated November 30, 2017 in the amount of \$255,414.13.

Payroll	\$ 228,738.21
Expenses	\$ 5,256.82
AS Transfers	<u>\$ 21,419.10</u>
Total Warrant	\$ 255,414.13

PRIT Management Fees – September \$ 4,712.48

On a motion made by Marianne Fiske, seconded by Frank Abbondanzio, the board voted unanimously, with no discussion, to approve the November 30, 2017 Warrant #11 in the amount of \$255,414.13, plus PRIT management fees of \$4,712.48 for October 2017.

Vote: 5 In Favor 0 Opposed 0 Abstained

New Members: Harry Kennedy, TFFD – Water Dept, effective 10-30-2017

On a motion by Carolyn Olsen, seconded by Frank Abbondanzio, the board voted to accept the new member listed above.

Vote: 5 In Favor 0 Opposed 0 Abstained

3(8)c Liability & Transfer: Patricia M. Dunn, GMR, 12/7/2009-9/12/2014, transfer to Greenfield Retirement System, 4 years, 9 months, 5 days creditable service.

On a motion made by Carolyn Olsen, seconded by Frank Abbondanzio, the board voted unanimously, with no discussion, to approve the transfer to Greenfield Retirement System, and accept creditable service liability for Patricia M. Dunn, GMR, 12/7/2009-9/12/2014, 4 years, 9 months, 5 days creditable service.

Vote: 5 In Favor 0 Opposed 0 Abstained

3(8)c Liability: Tom Harnett, GMRSD, was a member 9/7/2004 -12/5/2013, he terminated his employment and took a refund of his Annuity Savings on 1/31/2014. Mr. Harnett is currently a member of the Greenfield Retirement System. Will the board accept 3(8)c liability for 9 years, 2 months, 29 days creditable service upon a redeposit paid in full?

On a motion made by Carolyn Olsen, seconded by Frank Abbondanzio, the board voted unanimously, with no discussion, to accept creditable service liability for Tom Harnett, GMRSD, 9 years, 2 months, 29 days

Vote: 5 In Favor 0 Opposed 0 Abstained

2018 Wages: Board to set 2018 wages for Administrator, Treasurer and Board Members.

Carolyn Olsen moved that the Administrator wage be set at \$27.58 per hour for CY2018. Frank Abbondanzio seconded the motion.

Discussion: David Dion said he did not agree with the increase to the Administrator wage. Mr. Dion said he had looked up membership enrollment numbers. He said that for 2012 Active Membership was 193 and Retirees was 104, for 2015 Active Membership was 19 and Retirees was 121 and 2016 Active Membership was 198 and Retirees was 119. Mr. Dion said that he believes that membership and retirement numbers had not changed, and the job has not changed, since prior years. Ms. Underhill replied that membership numbers may not change, but that retirees pass away and new members retire and that she had 14 retirements in 2016, with almost as many in 2017. Ms. Underhill stated that the previous Administrator, Shari Hildreth, never had that many retirees in a year. Mr. Dion said the increase was not appropriate after (what he believed to be) one year of employment. Administrator Deb Underhill stated that the purpose of this increase is to re-structure the current pay scale to be closer to what other Administrators in the state earn. Ms. Underhill stated that the newly hired administrator in Easthampton was started at a salary of \$60K per year, \$10 per hour more than Ms. Underhill is currently paid, and she has an Assistant Administrator who earns as much as Ms. Underhill currently earns. Marianne Fiske confirmed this information. Ms. Underhill asked Mr. Dion if he received the current administrator salary survey that she had emailed to him. Mr. Dion responded that he had received it, but he believes that Administrator salary surveys are not relevant. Ms. Olsen said she thinks that the board should re-structure the pay scale; otherwise they will not be able to keep administrators in the position for very long. Mr. Dion disagreed; he said that if people want to move on to another position, they will, regardless of the pay scale. Ms. Olsen said that may be true. Ms. Underhill said that with this increase, she will still be the lowest paid Administrator in the state, just not by such a wide margin. Mr. Dion re-stated his position against the increase.

Ms. Cheryl Clark also stated that she did not agree with the increase to the Administrator salary. Ms. Clark said that this increase was not appropriate for the administrator at this time, and she agreed with Mr. Dion.

A vote was taken on the motion to set the Administrator wage at \$27.58 per hour. Carolyn Olsen, Frank Abbondanzio and Marianne Fiske voted in favor of the motion. David Dion and Cheryl Clark voted no to the motion.

Vote: 3 In Favor 2 Opposed 0 Abstained

Administrator Hours: Board vote to increase Administrator hours from 25 hours to 28 hours per week.

Carolyn Olsen moved that the Administrator hours be increased to 28 hours per week beginning CY2018. Frank Abbondanzio seconded the motion.

Discussion: Mr. David Dion said that he did not agree with this increase in hours. Cheryl Clark stated that she also disagreed. Mr. Dion said that when Administrator Tina Schneider left the Administrator position, he fought to have the hours reduced to 25 hours per week. Mr. Dion said the job hasn't changed since then so an increase in administrator hours is not warranted. Ms. Clark agreed with Mr. Dion. Marianne Fiske said that she believes the increase in hours is warranted, as it will allow Administrator Deb Underhill to complete work, like filing, that she currently doesn't have time for. Carolyn Olsen said the increased hours would allow the Retirement Office to be open consistent times every day which would be more convenient and less confusing for the members.

A vote was taken on the motion to increase the Administrator hours to 28 hours per week. Carolyn Olsen, Frank Abbondanzio and Marianne Fiske voted in favor of the motion. David Dion and Cheryl Clark voted no to the motion.

Vote: 3 In Favor 2 Opposed 0 Abstained

Board Stipend: Board to set the board member stipend for CY2018.

On a motion made by Carolyn Olsen, seconded by David Dion, the board voted unanimously, with no discussion, to set the annual board member stipend at \$4020 for CY2018.

Vote: 5 In Favor 0 Opposed 0 Abstained

Treasurer Stipend: Board to set the Treasurer stipend for CY2018.

On a motion made by Carolyn Olsen, seconded by David Dion, the board voted unanimously, with no discussion, to set the annual Treasurer stipend at \$3000 for CY2018.

Annual Budget: Board Vote to approve CY2018 budget, in the amount of \$332,456.

FY2018 Budget:

**MONTAGUE RETIREMENT SYSTEM
CALENDAR 2018 BUDGET**

Description	CY17 BUDGETED	2017 Actual	Difference	CY2018 Proposed BUDGET	% CHANGE
Salaries					
Town Accountant	4,020	4,020	0	4,020	0.00%
Treasurer	2,000	2,000	0	3,000	50.00%
* Administrator/28 hrs (see notes below)	30,797	30,797	0	40,156	30.39%
**Administrator Extra Hours	500	400	100	500	0.00%
Board Stipend	16,080	16,080	0	16,080	0.00%
Total Salaries	53,397	53,297	100	63,756	19.40%
Expenses					
Fiduciary Ins.	2,300	2,188	112	2,400	4.35%
Copier Service Contract	400			0	-100.00%
Administrative Expenses ***	5,000	3,000	2,000	5,000	0.00%
PTG Support	15,400	15,400	0	20,200	31.17%
Association Dues	400	400	0	400	0.00%
Election	500		500	500	0.00%
Employee Fringe Costs****	7,200	7,530	-330	8,200	13.89%
Furniture & Equip.	0	4,691	-4,691	1,000	0.00%
Legal Exp.	7,000	675	6,325	8,000	14.29%
Travel & Education/Training	8,500	7,229	1,271	8,500	0.00%
Town Audit - GASB	4,500	4,500	0	4,500	0.00%
Management Fees (PRIT)	201,000	205,000	-4,000	210,000	4.48%
Total Expenses	252,200	250,613	1,187	268,700	6.54%
Total Salaries & Expenses	305,597	303,910	1,287	332,456	8.79%

***Administrator salary adjustment =**

Per discussion at October 24, 2017 board meeting, administrator salary adjustment to \$27.58 per hour to be more in line with other Administrator's in the state.

Plus, an increase in hours to 28 hours per week.

****Extra Hours** -Administrator anticipates extra hours will be required due to increase in retirements and work load.

*****Admin. Expenses** - postage, telephone, office supplies, binding records, forms & stationary, etc.

******Empl. Fringe Costs** = \$7000 BC/BS PPO Individual, \$275 WC, \$925 MC (includes MC for board stipends).

November 28, 2017

A motion was made by Carolyn Olsen to set the CY2018 budget at \$332,466. Frank Abbondanzio seconded the motion. A vote was taken, Carolyn Olsen, Frank Abbondanzio and Marianne Fiske voted in favor of the motion. David Dion said that he was voting no as he disagrees with the increase to the administrator wage and hours. Cheryl Clark said that she was voting no as she disagrees with the increase to the administrator wage and hours.

Vote: 3 In Favor 2 Opposed 0 Abstained

Other Business: David Dion asked why there was a notice in the Greenfield Recorder for the 5th board member position. Mr. Dion referenced a PERAC notice from 6-8-2016 that does not state that advertising for the 5th board member position is required. Carolyn Olsen stated that she believes there is a more recent PERAC memo which states that the board does need to publish a notice when the 5th board member term is up. Marianne Fiske agreed with Ms. Olsen. Mr. Dion wanted to know how much the notice cost and how many times it was being published. Ms. Underhill stated that per an email conversation with the PERAC legal department, the notice would run once a week for three weeks, and the cost was approximately a few hundred dollars. Administrator Deb Underhill said that this new information was presented at the October 2017 MACRS conference, and that she would email the most recent memo to all board members after the meeting. The board discussed reviewing applications and resumes at the December board meeting, and asked Administrator Deb Underhill to put it on the agenda for December.

Next meeting: **Tuesday December 19, 2017 @ 1 pm.**

Adjourned 1:20 PM

APPROVED BY THE MONTAGUE BOARD OF RETIREMENT

Marianne Fiske, Chairperson

Respectfully submitted,

Carolyn Olsen

Debra Underhill

David Dion

Administrator
Montague Retirement Board

Cheryl Clark

Frank Abbondanzio

Annual items:
Jan/Feb - Post COLA hearing
Sept – Vote chairman
Oct – Administrator evaluation & compensation, stipends, budget for next year
Nov – Budget approval