

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 Cheryl Clark were present. Frank Abbondanzio 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.

Minutes: Minutes of the January 30, 2018 Retirement Board Meeting were presented for review and approval.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted, with no discussion, to approve the January 30, 2018 minutes.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio ABSTAINED.

Vote: 4 In Favor 0 Opposed 1 Abstained

Warrant: Contributory Retirement Warrant #2, dated February 28, 2018 in the amount of \$291,533.31.

Payroll	\$ 234,442.31
Expenses	\$ 6,143.74
3(8)c Payments	\$ 19,263.92
AS Refunds	<u>\$ 31,683.34</u>
Total Warrant	\$ 291,533.31

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously, with no discussion, to approve the February 28, 2018 Warrant #2 in the amount of \$291,533.31.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio YES.

Vote: 5 In Favor 0 Opposed 0 Abstained

November & December 2017 Financial Reports: Board members present reviewed November & December 2017 Financial Reports, including:

Cash Receipts Report	Bank Reconciliation
Cash Disbursements Report	Bank Statements
Adjustments Report	PRIT Reconciliation
Trial Balance	PRIT Statements

Buyback of Reserve Time: Peter Lapachinski was on the Reserve List and worked from 3/28/08 – 1/3/10 and would like to buyback 1 year, 9 months, 6 days of creditable service.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously with no discussion to approve purchase of 1 year, 9 months, 6 days of creditable service.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio YES.

Vote: 5 In Favor 0 Opposed 0 Abstained

Buyback of Part-Time Service: Peter Lapachinski worked part time for the DPW summers in 2001-2003. Mr. Lapachinski would like to buyback 4 months, 3 days of creditable service for this time.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously, with no discussion, to approve purchase of 4 months, 3 days of creditable service for Peter Lapachinski for part-time service 2001-2003.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio YES.

Vote: 5 In Favor 0 Opposed 0 Abstained

Board discussion re: Marianne Fiske working in the office while she is also the 5th board member:

Chairperson Marianne Fiske read an email from Attorney Tom Gibson stating:

Under Chapter 32, s. 20(4)(b), the Fifth Member “shall not be an employee, a retiree or official of the governmental unit.” So that statute we could probably get around because Marianne would serving as an independent contractor.

Chapter 32, s. 20(47/8E) provides that, “No employee, contractor, vendor or person receiving remuneration, financial benefit or consideration of any kind, other than a retirement benefit or the statutory stipend for serving on the retirement board, from a retirement board or from a person doing business with a retirement board shall be eligible to serve on a retirement board; provided, however, that an employee of a retirement board may serve on a retirement board other than the retirement board by which the person is employed; and provided further, this subdivision shall apply only to individuals who first become members of a retirement board on or after April 2, 2012.”

So, where Marianne was “first a member of a retirement board” prior to April 2, 2012, this prohibition would not apply to her. For that reason, we see no prohibition to her providing those limited services to the System and remaining on the Board. We would recommend that Marianne play no role in the vote to enter into the agreement, or the compensation involved. And we would recommend that a written agreement be utilized. If we can help draft it, please let us know.

Administrator Deb Underhill has asked Attorney Gibson to draw up an agreement to be reviewed at the March 2018 board meeting. Ms. Fiske will not work in the office until the agreement is approved by the board.

Board to appoint a person to be Custodian of Records:

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously, with no discussion, to appoint Administrator Deb Underhill to be Custodian of Records.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio YES.

Vote: 5 In Favor 0 Opposed 0 Abstained

Rollover of Annuity Savings: Daniel Barile, GMRSD, 12/3/2012-6/25/2014.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously, with no discussion, to approve rollover of annuity savings for Daniel Barile.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio YES.

Vote: 5 In Favor 0 Opposed 0 Abstained

Refund of Overpayment of Deductions: Rebecca Zuklie, GMRSD, erroneously had an 11% deduction taken from her regular compensation, instead of 9%, since she enrolled on 8/26/15 until the error was found on 12/12/17.

Discussion: Board Member Cheryl Clark asked if we billed GMRSD for Administrator Deb Underhill's time in correcting this error. Marianne Fiske replied that we can't, it is the administrator's job to correct deduction errors.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously to approve refund of overpayment of deductions for Rebecca Zuklie.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio YES.

Vote: 5 In Favor 0 Opposed 0 Abstained

Refund of Overpayment of Deductions: Nancy Stafford, GMRSD, erroneously had an 11% deduction taken from her regular compensation, instead of 9%, since she enrolled on 2/18/14 until the error was found on 12/12/17.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously, with no discussion, to approve refund of overpayment of deductions for Nancy Stafford.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio YES.

Vote: 5 In Favor 0 Opposed 0 Abstained

3(8)c Liability & Transfer: Lynda Rothenheber, GMRSD, 1/31/2011 – 8/8/2014, transfer to Mass Teachers Retirement Board, 3 years, 6 months, 8 days creditable service.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously, with no discussion, to approve 3(8)c liability and transfer to MTRS for Lynda Rothenheber, GMRSD, 1/31/2011-8/8/2014, 3 years, 6 months, 8 days creditable service.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio YES.

Vote: 5 In Favor 0 Opposed 0 Abstained

Board to review and approve: policy regarding workers' compensation payments and offset related to accidental and ordinary disabilities so to be in compliance with Chapter 32. Attorney Tom Gibson has suggested the following policy:

Policy on Workers' Compensation Offset of Lump Sum Settlements

1. Weekly workers' compensation disability payments to a member are offset from the pension portion of the member's accidental or ordinary disability retirement allowance, pursuant to G.L c. 32, s. 14(2).

2. Where a disabled retiree should enter into an Agreement to Redeem Liability under Chapter 152 with the employer/insurer, it shall be the policy of the Montague Retirement Board to seek and to accept no less than 20% of the gross proceeds of the settlement agreement amount as representing weekly workers' compensation payment subject to offset.

3. The Board's attorney shall be authorized to represent the interests of the Board in such matters, and to execute documents necessary and incidental to the proper application of this policy.

Discussion: Board Member David Dion asked for clarification regarding the policy described on pages 1-3 of the document (sent to the board from Attorney Tom Gibson) and the signature page. It was determined that the signature page is a condensed version of the policy described in pages 1-3.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the board voted unanimously to adopt the above stated *Policy on Workers' Compensation Offset of Lump Sum Settlements*.

Roll Call Vote: Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES, Frank Abbondanzio ABSTAINED.

Vote: 4 In Favor 0 Opposed 1 Abstained

Notice: The business manager at Gill-Montague Regional School District has requested that Administrator Deb Underhill give a seminar at the school to any interested employee-members. Administrator Underhill will be doing this one day in early May 2018 at the end of a school day.

Board reviewed PERAC memo #12/2018 regarding sick leave and vacation time taken in conjunction with workers' compensation payments no longer being considered regular compensation.

Notice: The 2018 IRS Mileage Rate is 54.5 cents per mile for business travel.

Next meeting: **Tuesday March 27, 2018 @ 1 pm.**

Adjourned 1:15 PM

APPROVED BY THE MONTAGUE BOARD OF RETIREMENT

Respectfully submitted,
Marianne Fiske, Chairperson

Carolyn Olsen

Debra Underhill
Administrator

David Dion
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