



**EXECUTIVE COMMITTEE MEETING  
MINUTES**

**Thursday, August 30, 2012  
9:00 a.m.  
Burton's Grill  
145 Turnpike Street  
North Andover, MA 01845**

**Members Present:** Joseph Bevilacqua, Chair  
Anne Ormond, Cal Williams, Peter Matthews

**Members Absent:** None

**Staff Present:** Ralph Abislaiman, Barbara Zeimetz, Arthur Chilingirian, Mary Kivell

**1.) Call to Order**

A quorum of committee members being present, Board Chairman Joseph Bevilacqua called the meeting to order at 9:09 a.m.

**2.) Approval of Minutes of June 18, 2012 Meeting**

Joseph Bevilacqua then called for a motion on the minutes of the June 18, 2012 meeting.

**Motion by Peter Matthews seconded by Cal Williams to approve the minutes of the June 18, 2012 Executive Committee meeting as submitted. Motion passed.**

**3.) Draft MVWIB – CEO Agreement**

Board members were provided an electronic copy of a draft MVWIB CEO Agreement prior to the meeting and a hard copy at the meeting.

Executive Director Rafael Abislaiman explained that about one year ago the city informed us that they want us to integrate into city systems as the new budget director doesn't like the irregularities he sees in the system that we have been using for 30 or 40 years. We must find a way to either integrate or separate. The draft CEO agreement offers a plan to separate the MVWIB and Career

Center from the City over a three year period. We would first take over non-personnel fiscal agent duties and, after three years, all duties including personnel.

Chairman Bevilacqua said that the MVWIB cannot be responsible for the retirement payments of employees who worked for the city. Rafael said that another issue is the need for insurance as the board would have more liability. We have a Board error and omissions policy of \$2 million.

Rafael said that we are speculating because we don't know if the city will agree with separation. He informed the committee that he received an email copy sent to our human resource person by Frank Bonnet, the City of Lawrence Personnel Director. He informed her that that our personnel hiring interviews will henceforth occur at city hall and be conducted by them. This looks as if the City is moving toward integration and away from separation

Joe said that we are a regional board and because of the large amount of federal and state dollars we received we need to hire the most qualified person. We should be able to participate in the hiring process. He asked Ralph to follow up on this.

Joe then said that his major concern is not assuming retirement debt. It's important that we have input on employment. Ann Ormond said that she assumed after the last meeting that the City wanted us to divest and now it looks like we are moving back into the City. Ralph said that all administrations look to place people in jobs. He thinks that we will have input into the hiring process. It's also the case that the current economic environment and the few available jobs create desperation.

Barbara Zeimetz said that she sees the message from the city as one that is putting us on notice to move one way or another. They are saying that we should integrate or move away just as fast. We should seek clarification on what they are looking for. Ann Ormond stated that detailed job descriptions are a good way to deal with the situation.

Joe said that the state's ability to fund us at past levels is not coming back. We will receive less money and be asked to be more accountable by the state.

A question was raised on what the other WIBs do. Ralph said that the Lowell WIB has to go before the city council for approval on everything but they only have one city and four towns in their region and we have four cities and eleven towns. Ann Ormond wondered if we could just move the lead City role somewhere else and Chili said that Leominster does that every two years and that is disruptive. Joe said that you cannot move to another city because none of them want to take on the retirement liability in this economic environment.

There was a lengthy discussion on- retirement liability. Employees currently pay 11% of their salary and the WIB pays another 9% into the Retirement System. Document payments regularly go the Lawrence Retirement Board. Peter Matthews asked if it is a defined benefit plan and said that we should check with an expert on retirement so we don't get into a mess. Ralph said it is a defined benefit plan without enough funds to pay the benefits. After the market went down and because of how long people live, the plan does not have enough money to cover outlays. Municipalities and the State are making up the difference. Ann stated that we should consult with a lawyer familiar with these type of retirement issues because none of us are experts on the matter. She also said that we need to do the right thing for all concerned.

Rafael said that this is a very sensitive subject and that some of the employees are union members. Chili said that they have been in wage negotiations for four years and feels there could be problems with the union if there are any changes to the retirement plan. Joe said that he had met with the union and their representatives and that he feels that board members should not get involved in negotiations. But he was told that there is agreement with the Mayor and that the financial overseer appointed to the city has held up resolution of the agreement which was budgeted.

Joe said that the Executive Committee conceptually agrees with the draft MVWIB CEO agreement as written but that the Committee must be assured that we will assume no obligation for existing employee's pensions; we must also consult with a recognized lawyer/retirement expert in the field before we go to the full board for a vote; and it must be clear how current and future employees will fare. Ralph stated that everyone will not be happy with any outcome that changes the status quo and that he would consult with a retirement expert.

Joe said that once Ralph has talked with the Mayor and the city and an expert has been contacted we will hold another executive committee meeting in September.

**Motion by Cal Williams seconded by Peter Matthews that the Executive Committee agrees to pursue a new MVWIB CEO Agreement in accordance with the outlined draft in which the CEO delegates fiscal agent status to the MVWIB. Motion passed unanimously.**

#### **4.) Other Business**

Joe then mentioned that based on our work with other WIBs on clean energy we were asked to participate in a grant which is going in to the Mass. Clean Energy Center. He also informed committee member of 3<sup>rd</sup> Annual Mass Jobs and Workforce Summit scheduled for October 10<sup>th</sup> at the Publick House in Sturbridge. He said that he is unable to attend this year but encouraged others to participate. He also talked about the NAWB Forum 2013 at the Washington

Hilton in Washington, DC from March 8-12, 2013 that board members can attend.

**5. Adjournment**

**Having no further business Cal Williams made a motion to adjourn seconded by Peter Matthews. Motion passed.**

Respectfully submitted,

*Mary Kivell*

Mary Kivell

Recorder