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CHELSEA RETIREMENT BOARD MEETING
500 Broadway, Chelsea MA, 3rd Floor Conference Room of the Chelsea City Council
Minutes from the Meeting held on Thursday, November 19, 2019 at 9:00AM

Present Were: Board Chairman, Mr. Joseph M. Siewko, Mr. Edward Dunn*, Ms. Carolyn Russo, Ms. Cheryl Watson Fisher and Mr. Richard Carroccino

Also Present: Mrs. Barbara A. O'Brien, Executive Director, Mrs. Cindy Donarumo, Assistant Director and Mr. Brian P. Monahan, Esq., Board Counsel

Chairman Siewko called the meeting to order at 9:05 AM.

John Boorack, PERAC Actuary and Timothy Larkin, PERAC Senior Actuarial Analyst were present and reviewed the principal results of the January 1, 2019 actuarial valuation of the Chelsea Retirement System including the two schedules prepared by PERAC: Alternative 1 which is based on a 7.25% investment return assumption and increases 5.7% each year until FY28 with a final amortization payment in FY29 and Alternative 2 which is based on a 7.25% investment return assumption and increases 7.2% each year until FY27 with a final amortization payment in FY28.

At 9:23AM after discussion relating to the actuarial valuation results, John Boorack and Timothy Larkin left the meeting.

At 9:23 AM Ms. Russo made a motion seconded by Mr. Dunn to adopt Alternative 1 which is based on a 7.25% investment return assumption and increases 5.7% each year until FY28 with a final amortization payment in FY29. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Next on the agenda was William N. Krasco, Jr.'s request to buyback his reserve time, the matter related to William's intent to apply for Superannuation Retirement subsequent to buying back reserve time and William's submission of an Application for Ordinary Disability Retirement and an Application for an Accidental Disability Retirement. Mr. Krasco was present at the meeting.

The Board took a recess from 9:26 AM – 9:31 AM to read the additional documentation as provided to them by the Executive Director at the beginning of the meeting relating to the Krasco matters.

There was discussion that William served from June 1, 1996-April 22, 2001 (4 years and 10 months) as a reserve officer but that he has decided to buyback just the period from April 1, 1998-April 22, 2001 since the Auditing Department requires additional time to locate the payroll records needed to calculate the buyback amount for the period from June 1, 1996 –March 31, 1998 since this period of time predates the City's electronic payroll recordkeeping and are kept in a records storage area. The City Auditor stated that he could not be certain that all records would be located until such time that the records research is completed. William confirmed that he understands that he would not be able to buyback the remaining reserve time once he was retired. William was advised that the cost, including buyback interest from June 21, 2013-November 30, 2019, to buyback the 3 years of creditable service for the period from April 1, 1998-April 22, 2001 is \$3,045.94, that the Board's policy is such that the amount is due in one lump sum and that this would have to be paid prior to being retired.

At 9:45 AM Mr. Carroccino made a motion seconded by Ms. Watson Fisher to approve William N. Krasco, Jr.'s request to buyback his reserve time for the period from April 1, 1998-April 22, 2001 (3 years of creditable service). The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 9:46 AM Ms. Russo made a motion seconded by Ms. Watson Fisher to enter Executive Session under Purpose 1 of the Open Meeting Law to discuss privileged information relating to William N. Krasco, Jr.'s Applications for Ordinary Disability Retirement and Accidental Disability Retirement. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 9:57 AM the Board returned to Regular Session.

At 9:58 AM Ms. Russo made a motion seconded by Ms. Watson Fisher to table the matters relating to William N. Krasco, Jr.'s Applications for Ordinary Disability Retirement and Accidental Disability Retirement pending the receipt of Chief Kyes' memorandum as referred to in the City Manager's letter to William N. Krasco, Jr. dated November 15, 2019. The

votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 10:01 AM Mr. Carroccino made a motion seconded by Mr. Dunn to approve the Executive Director's revision of an edit suggested by a board member at the October 17, 2019 board meeting to the September 19, 2019 Regular Session minutes. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 10:02 AM Mr. Carroccino made a motion seconded by Mr. Dunn to approve the 2nd of 2 Executive Session minutes from the September 19, 2019 Retirement Board meeting. The motion passed 4-0 and the votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Mr. Carroccino: Yea, Ms. Watson Fisher abstained

At 10:03 AM Ms. Watson Fisher made a motion seconded by Ms. Russo to approve the Regular Session minutes from the October 17, 2019 Retirement Board meeting. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 10:04 AM Ms. Watson Fisher made a motion seconded by Mr. Dunn to approve the Executive Session minutes from the October 17, 2019 Retirement Board meeting. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

The Board reviewed the pricing agreement provided by PTG for the period from May 1, 2020 - April 30, 2021. There was discussion relating to the pros and cons of agreeing to a seven year contract vs. a contract with fewer years. Mr. Dunn brought up the fact that the current draft of the Chelsea Pricing Amendment was incorrectly referred to as the "Second" Amendment to PTG's Support and Hosting Agreement and that it should be corrected to reflect the "Fourth" Amendment.

At 10:12 AM Ms. Watson Fisher made a motion seconded by Ms. Russo to approve the PTG pricing agreement for the seven year period from May 1, 2020 – April 30, 2027. The motion passed 4-1 and the votes were as follows: Chairman Siewko:Yea Mr. Dunn:No Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 10:15 AM Ms. Russo made a motion seconded by Ms. Watson Fisher to approve Robert Brown's request to purchase 2 years, 7 months of creditable service for his Military Service from December 18, 2002-August 5, 2005 pursuant to M.G.L. c.32, §4(1)(h). The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

There was discussion relating to MTRS's request for the Chelsea Retirement Board to advise regarding the amount of 3(8)(c) liability which will be accepted for Audrey Depatto-Brown's employment with the Chelsea Public School Department for the period from August 28, 1997-February 15, 1999. The Executive Director stated payroll records were received by the School Department verifying full-time employment and verifying that OBRA deductions as opposed to Retirement deductions were withheld.

At 10:18 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to accept 1 year and 5 months of 3(8)(c) liability upon proper repayment to MTRS for Audrey Depatto-Brown's employment with the Chelsea Public School Department for the period from August 28, 1997-February 15, 1999. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Next on the agenda was relating to issuing payments to individuals living out of the country and without a Social Security Number. The Executive Director explained that upon a new employee designating a beneficiary who lives outside of the country who does not have a social security number, she reached out to Judith Corrigan, PERAC Attorney, to see if this was permissible. Judith Corrigan stated that it is outside of both PERAC and Ice Miller's (PERAC's Independent Tax Counsel) expertise and suggested consulting an immigration attorney. The Executive Director stated she reached out to Board Counsel who stated that this is an area of the law and tax/accounting practices that is outside of his wheelhouse and he recommended that the Board seek advice from an expert before implementing any remedy. There was discussion relating to the fact that the tax implications involved in making payments to an individual residing out of the country are beyond the expertise of Retirement Board staff.

At 10:39 AM Ms. Watson Fisher made a motion seconded by Ms. Russo to draft an RFP for legal/accounting services to provide expert advice relating to making payments to a beneficiary residing outside of the country and to petition other Boards to inquire how they handle similar situations. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

* At 10:39 AM due to a prior commitment, Mr. Dunn left the meeting and did not return.

Carmen Valentin — DOR October 31, 2019, Creditable Service: 19 years and 1 month with the additional month of creditable service approved by the Board last month pursuant to M.G.L. c.32, §4(1)(c) – correcting the record

At 10:42 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to approve Wilfrido Velez' refund of Retirement Deductions erroneously withheld on overtime in the amount of \$154.06 subject to Federal Tax withholding. The votes were as follows: Chairman Siewko:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

The following members have submitted an application for voluntary superannuation retirement benefits pursuant to M.G.L. c. 32 §5:

Name/Title	DOR	Age	Years of Service	Estimated 3 Yr. Average
Richard Wilcox/ Lieutenant	01/06/2020	64	32 years, 5 months	\$100,722.80
Marie Washington School Health Manager	12/31/2019	66	20 years, 6 months	\$88,157.68
Phyllis Deleidi/ Supervisor	01/03/2020	65	22 years, 9 months	\$65,798.05

At 10:43 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to approve the above retirements. The votes were as follows: Chairman Siewko:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

The following member has requested a refund of their accumulated deductions:

Name/Title	Accumulated Deductions	Age	Service Credit	Taxes Withheld
Evelt Ruiz/ Paraprofessional	\$1,205.72	25	5 months	Yes

At 10:44 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to approve the above refund. The votes were as follows: Chairman Siewko:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

It was stated that the Executive Director is authorized by the Board to execute the Ricoh lease.

Attorney's Report:

Attorney Monahan stated that upon receipt, the Assistant Director will distribute the McLaughlin M.G.L. c.32. §15(7) hearing transcripts and the briefs which Attorney Boumil and Attorney Sacco are expected to submit to the Board by December 27, 2019. Board Counsel advised the Assistant Director to check the Board's availability between January 20, 2020 and February 14, 2020 to attend a special meeting to deliberate regarding this matter.

Executive Director's Report:

- The Executive Director stated that the Board is now in receipt of all 2019 Annual Affidavits for Retirees and Survivors
- The Executive Director stated that both she and Chairman Siewko attended the November 18, 2019 City Council meeting at which the matter relating to the Accidental Death Survivors' Supplemental Dependent Allowance was discussed and approved.

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The following vouchers were approved for payment for the November 2019 Accounts Payable Warrant:

COPRICO Printing	\$ 98.22
Brian P. Monahan, Esq.	\$ 3,000.00
Barbara O'Brien – Reimb. of Board Packets	\$ 71.18
ReadyRefresh	\$ 5.39
The Law Offices of Michael Sacco, P.C.	\$ 1,175.00
Wilfrido Velez – Refund of retirement deductions	\$ 123.25
Evett S. Ruiz – Refund of retirement deductions	\$ 964.58
City of Chelsea-Federal Taxes – Evett S. Ruiz	\$ 241.14
City of Chelsea-Federal Taxes – Wilfrido Velez	\$ 30.81

Retiree and Staff payroll were approved.

Distribution of:

- PRIT Balance Sheet and Trial Balance
- Roselli, Clark & Associates Update on PERAC's Audit Reliance on External Audit Firms
- PERAC Pension News, Issue Number 53

At 10:54 AM Mr. Carroccino made a motion seconded by Ms. Russo to adjourn. The votes were as follows: Chairman Siewko:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea.

Respectfully submitted,

Barbara O'Brien
Executive Director

Members' Approval.

Joseph M. Siewko, Chairman

Richard Carroccino

Cheryl Watson Fisher

Edward M. Dunn, Ex Officio

Carolyn M. Russo