

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

**Present Were: Board Chairman, Mr. Joseph M. Siewko, Mr. Edward Dunn, Ms. Carolyn Russo and Ms. Alice Principe**

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

**Not Present: Ms. Cheryl Watson Fisher due to previously scheduled commitment**

Chairman Siewko called the meeting to order at 9:02 AM

The first item on the agenda was regarding Antonio Salvucci's Request for an Accidental Disability Retirement – Medical Panel Certificates and Narratives were received. Antonio Salvucci and his spouse, Carrie Salvucci were in attendance.

At 9:03 AM Ms. Russo made a motion seconded by Mr. Dunn to enter Executive Session under Purpose 1 of the Open Meeting Law to discuss privileged information relating to Antonio Salvucci's Request for an Accidental Disability Retirement. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

At 9:04 AM the Board returned to Regular Session.

At 9:05 AM Ms. Russo made a motion seconded by Ms. Principe to approve Antonio Salvucci's Request for an Accidental Disability Retirement based on the affirmative Medical Panel Reports. The motion passed 3-0 and the votes were as follows: Chairman Siewko:Yea Ms. Russo:Yea Ms. Principe:Yea; Mr. Dunn abstained as he was not in attendance during the initial review of Mr. Salvucci's Request for an Accidental Disability Retirement.

At 9:05 AM Antonio and Carrie Salvucci left the meeting.

Jennifer Birmingham's request for an Accidental Death Benefit pursuant to M.G.L. c.32, s.9 due to death of Accidental Disability Retiree, James Birmingham

At 9:06 AM Ms. Russo made a motion seconded by Ms. Principe to enter Executive Session under Purpose 1 of the Open Meeting Law to discuss privileged information relating to Jennifer Birmingham's request for an Accidental Death Benefit pursuant to M.G.L. c.32, s.9 due to the death of Accidental Disability Retiree, James Birmingham. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

At 9:13 AM the Board returned to Regular Session.

At 9:13 AM Ms. Russo made a motion seconded by Ms. Principe to accept Jennifer Birmingham's request for an Accidental Death Benefit pursuant to M.G.L. c.32, s.9 due to the death of her husband, Accidental Disability Retiree James Birmingham, and upon the Retirement Board's receipt of Ms. Birmingham's corrections as discussed in Executive Session, to submit the request to PERAC. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

Next on the agenda was the matter relating to the approval of the Regular Session minutes, Executive Session minutes submitted by the Assistant Director (1<sup>st</sup> of 2 Executive Session Minutes) and Executive Session minutes submitted by the Executive Director (2<sup>nd</sup> of 2 Executive Session Minutes) from the August 13, 2019 meeting

At 9:16 AM Ms. Russo made a motion seconded by Ms. Principe to accept the Regular Session minutes, as edited, from the Retirement Board meeting held on August 13, 2019. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

At 9:17 AM Ms. Russo made a motion seconded by Ms. Principe to enter Executive Session to review the August 13, 2019 Executive Session minutes submitted by the Executive Director (2<sup>nd</sup> of 2 Executive Session Minutes) and August 13, 2019 Executive Session minutes submitted by the Assistant Director (1<sup>st</sup> of 2 Executive Session minutes). The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

At 9:39 AM the Board returned to Regular Session.

At 9:39AM Ms. Russo made a motion seconded by Mr. Dunn to approve the August 13, 2019 Executive Session minutes submitted by the Executive Director (2<sup>nd</sup> of 2 Executive Session minutes) and August 13, 2019 Executive Session minutes submitted by the Assistant Director (1<sup>st</sup> of 2 Executive Session minutes) subject to the revisions discussed in Executive Session. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

At 9:40 AM Executive Director, Barbara O'Brien returned to the meeting after having left the Executive Session at 9:24 AM for the discussion of the August 13, 2019 Executive Session minutes submitted by the Assistant Director (1<sup>st</sup> of 2 Executive Session Minutes)

#### Local Option – Supplemental Dependent Allowance of Accidental Death Survivors

Ms. Russo explained that in December 2006 the Chelsea Retirement Board voted to approve increasing the dependent allowance of Accidental Death recipients to be equal to the benefit that was already being paid to Accidental Disability recipients. Ms. Russo explained that when the statutory change was made it was made only to the Accidental Disability recipients and not the Accidental Death recipients. Ms. Russo stated that both she and Chairman Siewko attended the Council meeting (March 5, 2007) at which time the Board was requesting to rectify this issue with a minimal cost and another unrelated matter which was at a much higher cost. Ms. Russo stated that the cost at the time relating to increasing the dependent allowance for Accidental Death recipients was approximately \$23 per month per Accidental Death recipient and at the time there were approximately 2 recipients. Ms. Russo stated it was both her and Chairman Siewko's understanding at that time that this benefit was approved by the City Council. The Executive Director noted that the City Council minutes from that meeting (March 5, 2007) mentioned the other matter being sent to Committee but made no mention of the matter relating to the increase in the dependent allowance of Accidental Death recipients. Ms. Russo explained that Executive Director Barbara O'Brien noticed that on the PERAC Website Chelsea Retirement was not listed as having approved that Local Option and that after much effort to locate the Council vote, it could not be found. There was discussion that this matter should be brought to City Council again. It was discussed that it should be explained to the Council that the Board brought two matters to the Council back in 2007, one matter which was an approximate cost of \$1,000 (increasing the dependent allowance of Accidental Death recipients) and the other matter which was an approximate cost of \$300,000, that the Board had the understanding that the matter relating to the increase of the dependent allowance for Accidental Death recipients was approved and that they believe it may have been an oversight by the Council because it is not reflected in the City Council records. Attorney Monahan stated the Board has been operating under the assumption that the City Council approved this and that the statute, M.G.L. c.32, §20(c) (5), requires the Boards to correct the records as far as practicable which means that the Board does have some discretion. Attorney Monahan referenced nunc pro tunc and stated the Board should ask the City Council to ratify the vote now as if it was approved when originally submitted back in 2006 since the Board has record of the request being submitted to the Council.

At 9:52 AM Ms. Russo made a motion seconded by Mr. Dunn to move forward with sending communication to the City Council requesting that the City Council ratify the vote, nunc pro tunc, to approve an increase in the dependent allowance of Accidental Death recipients to be equal to the benefit that was already being paid to Accidental Disability recipients. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

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Next on the agenda was regarding the Refund of Retirement Deductions erroneously withheld on overtime for Charles Galatis and Anthony Covino, two School Department employees. In response to Mr. Dunn's inquiry, the Executive Director confirmed that payroll records were received from the School Department confirming the overtime paid to both Mr. Galatis and Mr. Covino and the retirement deductions erroneously withheld. The Executive Director also confirmed the receipt of documentation from the School Department showing that the snow overtime pay codes from which retirement deductions were erroneously withheld were created in December of 2015. Mr. Dunn recommended requesting the Munis Report showing when the correction to these pay codes were made.

At 10:02 AM Mr. Dunn made a motion seconded by Ms. Russo to approve the refund of Retirement Deductions that were erroneously withheld on snow overtime in the amount of \$3,526.90 to Charles Galatis based on \$35,269.02 salary and the refund in the amount of \$5,223.00 to Anthony Covino based on \$52,230.02 salary. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

Allan Alpert – Refund - determination regarding interest payable pursuant to PERAC Memo #14, 2018 Interest Payment in Certain Situations

Board Counsel has advised, pursuant to M.G.L.c. 32, §5 (2)(f), calculating interest at the assumed actuarial rate on the refund of monies representing the return of withholdings excluded from being used to calculate the annual rate of Mr. Alpert's regular compensation due to excess earnings under Section 18. Regarding the contributions which were determined not to be regular compensation as a result of the Agreement between Mr. Alpert and the City Manager, Attorney Monahan advised that no interest is due or payable for the return of those monies and that this matter is analogous to the Hollstein case decided by the Massachusetts Appeals Court.

Ms. Russo stated that the Board acknowledges that the interest determination on the Section 18 refund is being made in accordance with M.G.L.c. 32, §5 (2)(f) and the interest determination on the refund of contributions which were determined not to be regular compensation as a result of the Agreement between Mr. Alpert and the City Manager is being made in accordance with the Hollstein case.

Next on the agenda was to review the Agreement between the Chelsea Teachers' Union (Paraprofessionals Unit) Local 1340 AFT MA, AFL-CIO and the Chelsea School Committee for purposes of determining whether the following are Regular Compensation pursuant to M.G.L. c.32, §1 and 840 CMR 15.03:

- Article 4 Compensation, Section D Working Before and/or After the Regular School Year (page 4)
- Article 6 Working Conditions, Section I Substitutes (page 10)
- Article 6 Working Conditions, Section M (7) Professional Development (page 12)
- Not referenced in the contract, but the hours before and/or after the regular school day during which paraprofessionals work and receive payment

At 10:27 AM Ms. Russo, after the Board's review and discussion, made a motion seconded by Ms. Principe to include as regular compensation Article 4, Section D Working Before and/or After the Regular School Year ( page 4), Article 6, Section I Substitutes (pg. 10) and Article 6, Section M (7) Professional Development (page 12) and regarding the hours worked before and/or after the regular school day, to request from the School Department the written policy that these work hours are based on and to also reiterate to the School Department that if a stipend is to be paid in any respect, including Article 6, Section M, the Board needs to be notified as to the nature of the stipend so that the Board can make a determination as to whether or not it is regular compensation. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

The following member has 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 AVG
Edward Nofle/Patrolman	09/07/2019	53	31.0000	\$83,085.28

At 10:24 AM Ms. Russo made a motion seconded by Mr. Dunn to approve the above retirement. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

The following Retirement Systems have requested the transfer of funds for the following members:

Name/Title	Board Requesting Transfer	Accumulated Deductions	Total Service Credit/3(8)c Liability	10/12 Month Basis
Aaron Smith/ Paraprofessional	Winthrop Retirement Bd	\$8,773.88	2.9167	12
Robert Verdone/ Asst. Director, Emergency Mngmnt	Bristol County Retirement Board	\$12,541.69	1.8333	12

At 10:30 AM Mr. Dunn made a motion seconded by Ms. Russo to approve the above transfers. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

Next on the agenda was the matter relating to the Assistant Director's submission of price quotes for Court Reporting services relative to the Michael McLaughlin matter. The Board reviewed and discussed the three price quotes for Court Reporting that the Assistant Director provided. The Board had additional questions which were not addressed on the quotes and asked the Assistant Director to step out and call the three Court Reporting Services. The Assistant Director stepped out at 10:53 AM to make these calls.

While the Assistant Director was making the phone calls to the Court Reporting Services, the Board continued on with the agenda.

#### Attorney's Report:

- Attorney Monahan discussed the DALA Status Report on the McLaughlin appeals that he issued to Judge Rooney on September 17, 2019. The Board was provided with copies of this report at the Board meeting.

#### Executive Director's Report:

- The Executive Director stated that the Retirement Office has received approximately 71% of the 2019 Annual Affidavits for Retirees and Survivors which were mailed August 1, 2019 and are due October 1, 2019. There was discussion that second notices will be issued on October 2, 2019 and it will be advised on the second notice that their retirement allowance will be interrupted if the notarized affidavit is not received.
- Ballots for the October 1, 2019 Retirement Board Election were mailed on September 10, 2019

At 10:59 AM the Assistant Director returned from making phone calls to the Court Reporting Services. After discussing the additional information provided by the Assistant Director and in order to make a determination as to which service to use for the McLaughlin hearing(s), the Board members each ranked the three Court Reporting Services with the facts that they had in front of them. Doris Wong was ranked as number one unanimously amongst the Board members.

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

Amity Insurance	\$ 11,885.00
COPRICO Printing	\$ 691.66
Anthony Covino – Refund	\$ 4,178.40
City of Chelsea – Federal Taxes – Covino	\$ 1,044.60
Charles Galatis – Refund	\$ 2,821.52
City of Chelsea – Federal Taxes – Galatis	\$ 705.38
Brian P. Monahan, Esq.	\$ 3,000.00

Pension Technology Group	\$ 32,800.00
ReadyRefresh	\$ 13.77
Ricoh USA, Inc.	\$ 133.17
The Hartford	\$ 920.00
The Law Offices of Michael Sacco, P.C.	\$ 765.00
W.B. Mason	\$ 111.44
City of Chelsea – Postage	\$ 208.90
Bristol County Retirement Board	\$ 12,541.69
Winthrop Retirement System	\$ 8,773.88

Retiree and Staff payroll were approved.

Distribution of:

- PRIT Balance Sheet and Trial Balance
- The Voice – September 2019

At 11:07 AM Ms. Principe made a motion seconded by Ms. Russo to adjourn. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Principe:Yea

Respectfully submitted,

Barbara O'Brien  
Executive Director

Members' Approval:

  
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Joseph M. Siewko, Chairman  
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Alice Principe  
  
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Carolyn M. Russo  
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Cheryl Watson Fisher  
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Edward M. Dunn, Ex Officio

