

CHELSEA RETIREMENT BOARD

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Minutes from the Meeting held on Tuesday, April 23, 2020 at 9:00 AM

In accordance with Governor Baker's order, signed on March 12, 2020, suspending certain provisions of the Open Meeting Law G.L. c. 30A, §20, this meeting was held via conference call using Zoom; Meeting ID: 482 817 8767 and Password: Password: 7Srsf2

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

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

Chairman Siewko called the meeting to order at 9:08 AM

Board members, Board Staff and Board Counsel introduced themselves to both Shamus Murphy and his counsel Attorney Grace Napolitano, who were present for the matter relating to Shamus Murphy's request for Accidental Disability Retirement. This matter was tabled for additional information from both the member and the member's employer at the March 31, 2020 Retirement Board meeting.

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Board Counsel brought up security concerns relating to discussing protected information and having to hold the meeting remotely such as the current forum, Zoom, which the Board is currently using. Board Counsel provided the member and member's counsel the option of requesting to table the matter until such time as the Board is able to once again physically meet in a secure environment. After discussion and after the member's council receiving confirmation from her client, Attorney Napolitano decided to move forward with the matter, provided they were able to do so without mentioning personal information.

The Board confirmed that the letter provided by the member's attorney in response to the Board's request for additional information answers all previous questions that the Board had. The Executive Director confirmed that the additional information requested from the employer has not been received and that she received an update from the employer on April 21, 2020 stating that it is her understanding that all information has been provided to the Board but the school's attorney will look into the matter and provide confirmation. There was discussion relating to PERAC's announcement of the alternative methods of holding medical panel appointments, i.e., via telecommunication and records review with approval from the members, the employers and the boards.

At 9:34 AM Ms. Russo made a motion seconded by Ms. Watson Fisher to accept Shamus Murphy's Application for an Accidental Disability pending the receipt of the additional information requested from the employer or confirmation from the employer that there are no additional records, to allow the Executive Director to secure medical records from the providers and to continue to secure the requested additional information from the employer. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 9:35 AM Member, Shamus Murphy, and member's counsel, Attorney Napolitano left the meeting.

At 9:38 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to approve the Regular Session minutes from the March 31, 2020 Special 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 9:40 AM Mr. Dunn made a motion seconded by Mr. Carroccino to approve, as amended, the Regular Session minutes from the March 31, 2020 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 9:42 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to approve the Investigative Findings pursuant to M.G.L. c. 32, § (6) (ii). The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 9:45 AM Ms. Watson Fisher made a motion seconded by Ms. Russo to approve the Board Counsel's Extension Agreement with changes in the title and body to include reference to this being "Amendment 1" to the existing Agreement which was due to expire November 1, 2020. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 9:47 AM Ms. Russo made a motion seconded by Ms. Watson Fisher to approve the 2019 Annual Statement which was tabled from the March 31, 2020 Retirement Board meeting. Chairman Siewko stated that following the meeting last month the Executive Director answered the questions that he had. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

The Executive Director explained to the Board how she arrived at the calendar year 2020 budgeted amounts for each line item.

At 10:05 AM Ms. Watson Fisher made a motion seconded by Mr. Dunn to approve the 2020 Chelsea Retirement System Budget as drafted by the Executive Director for the total amount of \$1,405,495.00. Ms. Russo explained that the variance between last year's total actual expenses in the amount of \$1,241,374.52 and the total budgeted amount for 2020 is mainly due to asset growth because of the PRIT management fees. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Review draft of the PERAC Audit for the period January 1, 2013-December 31, 2016 and prepare Board response

The Executive Director reminded the Board that neither the Assistant Director or herself (with the exception of the last few months in 2016) were here during the audit period and stated that it is her hope that there would not be as many corrections needed following the next audit. Board member Dunn stated that the Board should state in their response that the Board takes these matters seriously and despite the fact that it goes back seven years and that the current Executive Director and Assistant Director were not responsible for the errors, the errors will be corrected. Board member Dunn stated that there are five findings and that PERAC provided recommendations for each finding. Board member Dunn suggested that the Board should respond to each of the five findings and state their position on each finding. There was discussion that for each finding the Board should state, for example, that they concur and what the Board is instructing the Executive Director to do and point out whatever actions that have already taken place.

At 10:07 AM Ms. Russo made a motion seconded by Mr. Carroccino to authorize the Executive Director and the Chairman to draft a response to the PERAC Audit for the period January 1, 2013-December 31, 2016 for the Board's review at the May 2020 Board meeting. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Information Technology Department (IT) On - Call stipend and payments – Review for determination regarding Regular Compensation pursuant to M.G.L.c.32,§1 and 840 CMR15.03

The Board reviewed and discussed Article XXIV Section 4: Alternate Work Hours of the Agreement Between the City of Chelsea and United Steelworkers Local Unit 9427.

At 10:13 AM Mr. Carroccino made a motion seconded by Ms. Russo to make the determination that the IT On-Call Stipend is regular compensation and that the payments made as overtime are not regular compensation. The votes were as follows: Chairman Siewko:Yea Mr. Dunn: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: 01029

Name/Title	DOR	Age	Years of Service	Estimated 3 Yr. Average
Lyle Abell/Patrolman	4-17-2020	64	41.9167	\$84,178.46
Alice Principe/HR Manager	6-30-2020	69	30.5	\$70,587.82

At 10:15 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to approve the above retirements. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: 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
Elizabeth Calazzi/ Assistant Solicitor	State	\$37,560.45	5.8333/2.75	12
Danielson Goncalves/ Police Officer	State	\$13,302.52	2.1667	12

At 10:16 AM Mr. Dunn made a motion seconded by Ms. Watson Fisher to approve the above transfers. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Attorney's Report:

- Board Counsel stated due to the COVID-19 matter he is not certain when to expect updates from DALA regarding the pending McLaughlin matters or from PERAC with respect to what action they are going to take on the c. 32, s. 15(7) hearing following the Board's notice to PERAC submitted at the end of February 2020. Board Counsel assured the Board that he will advise them as soon as he receives any updates from DALA and/or PERAC. Board Counsel stated that there is no action the Board can take regarding the McLaughlin matter since the c. 32, s. 15(7) matter has to be resolved prior to moving on to the c. 32, s. 15(4) matter.

Executive Director's Report:

- Reminder: Board Member's Statement of Financial Interest due to PERAC by May 1, 2020
- Supplementary Regulations – Pro-rating creditable service

The Executive Director stated that the Board is in need of formal supplementary regulations relating to the pro-ration of creditable service and asked if the Board could discuss and vote on the manner in which they want to pro-rate the service. The Executive Director gave two examples of how some Boards pro-rate creditable service. The first example was basing it on a thirty five hour work week for all buybacks and the second example was basing it on a percentage of the full-time hours for the particular position. Another example, received by the Executive Director from a PERAC auditor, was to base it on the minimum number of hours required by the Board to be eligible to become a member of the Retirement System. There was discussion relating to the fact that there are various positions with various weekly hours that are required for full-time status which leads to some employees being penalized if the pro-ration is based on a set number of weekly hours. In response to the Executive Director's question as to the best way to handle a position in which the number of hours an employee is hired to work weekly varies, it was suggested the creditable service would be based on the maximum weekly hours for that position.

At 10:32 AM Ms. Russo made a motion seconded by Ms. Watson Fisher to create a Supplemental Regulation which states that creditable service will be pro-rated based on the percentage of full time hours for the particular position. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

The Executive Director stated that she will present a draft of the Supplementary Regulation to the Board for their review and approval at the next Board meeting.

- Monthly Bank Statements, Monthly Bank Reconciliations, Monthly Accounting Reports: Trial Balance, Cash Receipts, Cash Disbursements, Adjusting Journal Entries and General Ledger will be distributed once CY2019 is approved and closed as well as quarterly Budget to Actual Spending report.

The following Staff Payroll and Vendor warrants were emailed to the Board members on April 17, 2020 for their review:

Date	Staff Payroll Warrant	Vendor Warrant
April 01, 2020	\$3,098.03	\$ 958.81
April 08, 2020	\$3,098.03	\$ 958.81
April 15, 2020	\$4,473.03	\$1,199.81
April 22, 2020	\$3,098.03	\$ 958.81

The following Accounts Payable warrant, totaling \$113,409.25, was emailed to the Board members on April 22, 2020 for their review:

Boston Retirement Board	\$ 16,877.70
Essex Regional Retirement Board	\$ 5,824.95
Brian P. Monahan, Esq.	\$ 4,500.00
Pension Technology Group	\$ 34,100.00
ReadyRefresh	\$ 8.38
Ricoh USA, Inc.,	\$ 135.25
MA State Retirement System - Elizabeth C. Caiazza	\$ 37,560.45
MA State Retirement System – Danielson P. Goncalves	\$ 13,302.52
Postmaster Boston – 2,000 stamps	\$ 1,100.00

At 10:43 AM Mr. Dunn made a motion seconded by Ms. Watson Fisher to approve the above Staff Payroll, Vendor and Accounts Payable warrants for which signatures will be provided at a later date. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Distribution of:

- PRIT Balance Sheet
- PERAC Memo #19,2020 Tobacco Company List
- PERAC Memo #20, 2020 Coronavirus Update
- PERAC Memo #21, 2020 Post Retirement Restrictions During the State of Emergency
- Mass Retirees' April 13, 2020 Email re: Public Retirees and Unemployment
- Mass Retirees' April 15, 2020 Email re: Retirees are Eligible for Stimulus Payments
- Mass Retirees' The Voice – May 2020 Edition
- PERAC's April 14, 2020 Email re: Correction to the Funding Schedule Adopted by the Board

The Board did not enter Executive Session.

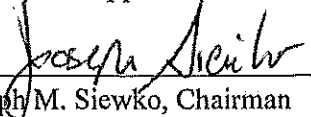
Respectfully submitted,

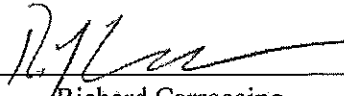


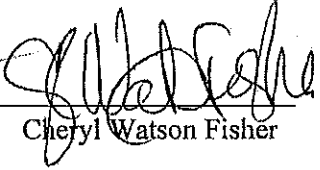
Barbara O'Brien
Executive Director

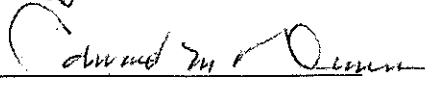
Members' Approval:

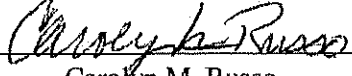
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Joseph M. Siewko, Chairman


Richard Carroccino


Cheryl Watson Fisher


Edward M. Dunn, Ex Officio


Carolyn M. Russo

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