

**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, February 20, 2020 at 9:00AM**

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**Present Were: Board Chairman, Mr. Joseph M. Siewko, 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**

**Not Present but Participating Remotely due to Illness: Mr. Edward Dunn**

Chairman Siewko called the meeting to order at 9:05 AM and announced that he granted Mr. Edward Dunn permission to participate remotely for the Michael McLaughlin matter due to the fact that Mr. Dunn was sick.

Draft report to PERAC – Michael McLaughlin – Chairman Siewko agreed to take this item out of order and address it first.

At 9:06 AM Chairman Siewko announced that the Board would take a recess to read Attorney Monahan's draft report to PERAC relating to the Michael McLaughlin matter and Executive Director O'Brien left the meeting. Assistant Director Donarumo was instructed to take the minutes in Executive Director O'Brien's absence.

At 9:32 AM the Board returned from recess.

At 9:32 AM Ms. Carolyn Russo made a motion seconded by Mr. Richard Carroccino to enter Executive Session for the discussion of the Michael McLaughlin matter pursuant to the member having invoked his statutory right to Executive Session. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 10:23 AM the Board returned to Regular Session.

At 10:23 AM Ms. Watson Fisher made a motion seconded by Ms. Russo to adopt the recommendations as amended in deliberations today and further moved that the Board keep the deliberations open to furnish PERAC with the Board's report of recommendations for a determination of any M.G.L. c.32, §15(7) issues or any outstanding matters that PERAC may find to complete the matter. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Mr. Edward Dunn ended his remote participation at the completion of the Michael McLaughlin matter and Ms. Cheryl Watson Fisher left the meeting at the completion of the Michael McLaughlin matter due to a death in the family.

At 10:24 AM the Board took a recess while waiting for the return of Executive Director O'Brien who had left the meeting for the Michael McLaughlin matter

At 10:28 AM the Board returned from recess upon the arrival of Executive Director O'Brien to the meeting.

The Board reviewed the Regular Session and Executive Session minutes from the January 16, 2020 Retirement Board meeting and suggested revisions to both. Due to the fact that a quorum of the Board members present at the January 16, 2020 meeting were not currently present, the Board suggested that the Executive Director make the revisions and table the vote on these minutes until the March 19, 2020 Board meeting.

The Board reviewed the Regular Session minutes and Executive Session minutes from the Special Retirement Board meeting held on January 23, 2020 and suggested revisions to both. The Board suggested the Assistant Director make the revisions and table the vote until the March 19, 2020 Board meeting.

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The Board reviewed the Regular Session minutes from the Special Retirement Board meeting held on February 11, 2020 and did not have any revisions. The Board decided to table the vote until the March 19, 2020 Board meeting.

William N. Krasco, Jr. – Application for Ordinary Disability Retirement, Application for Accidental Disability Retirement – tabled from January 16, 2020 Retirement Board meeting. Chairman Siewko confirmed that William Krasco, who originally planned on attending the meeting for this discussion, advised him that he will not be present. There was discussion relating to the email received from Lieutenant Dunn dated January 27, 2020 in which Lieutenant Dunn provided clarification to a statement he made in his previous correspondence dated January 15, 2020 reviewed by the Board at the January 16, 2020 Board meeting and advised the Board that there isn't any further information that can be provided in addition to the information previously provided by Mr. Krasco and the Chelsea Police Department.

At 10:48 AM Ms. Russo made a motion seconded by Mr. Carroccino to request that PERAC convene a medical panel pertaining to William N. Krasco Jr's request for both an Ordinary Disability Retirement and Accidental Disability Retirement. The votes were as follows: Chairman Siewko: Yea Ms. Russo:Yea Mr. Carroccino: Yea

At 10:49 AM Ms. Russo made a motion seconded by Mr. Carroccino to approve the refunds of retirement deductions withheld on Vacation Buyback payments to Richard Wilcox in the amount of \$1,537.44 and to Ruben Villanueva in the amount of \$118.11 The votes were as follows: Chairman Siewko: Yea Ms. Russo:Yea Mr. Carroccino: Yea

The Board was asked to review and determine if Station Detail Payments are Regular Compensation pursuant to M.G.L. c.32, §1 and 840 CMR 15.03.

At 10:50 AM Ms. Russo made a motion seconded by Mr. Carroccino to exclude as Regular Compensation, the Station Detail Payments paid for station reassignment (currently a \$20 payment) pursuant to M.G.L. c.32, §1 and 840 CMR 15.03. There was discussion that these payments are not regular, ordinary, guaranteed or recurring. There was also discussion that this does not pertain to the out of grade payments. The votes were as follows: Chairman Siewko: Yea Ms. Russo:Yea Mr. Carroccino: Yea

At 10:54 AM Ms. Russo made a motion seconded by Mr. Carroccino to instruct the Executive Director to make an initial determination as to the active and retired members who are affected by the Retirement Board determination made that Station Detail Payments are to be excluded from Regular Compensation. The votes were as follows: Chairman Siewko: Yea Ms. Russo:Yea Mr. Carroccino: Yea

At 10:56 AM Ms. Russo made a motion seconded by Mr. Carroccino to table the vote regarding the refund of retirement deductions withheld on the Station Detail payments made to Richard Wilcox and Ruben Villanueva. The votes were as follows: Chairman Siewko: Yea Ms. Russo:Yea Mr. Carroccino: Yea

There was discussion relating to Pension Technology Group's (PTG) error in calculating the amount due on Elizabeth Caiazz's buyback of her State Refund made pursuant to M.G.L. c. 32, §3(8)(b). The Executive Director stated that she brought this to the attention of Brian Bowler, Principal at PTG, and is awaiting a response. In order to narrow down the calculations that need to be reviewed, the Executive Director stated she asked PTG to advise when this calculation issue started and when the issue was resolved.

At 11:02 AM Ms. Russo made a motion seconded by Mr. Carroccino to grant the refund to Elizabeth Caiazz of the excess interest charged on her State refund re-payment and permit her to do a rollover to her designated plan. The votes were as follows: Chairman Siewko: Yea Ms. Russo:Yea Mr. Carroccino: Yea

The Executive Director stated that during their recent audit, the PERAC auditor brought to her attention that interest due on re-deposits made pursuant to M.G.L. §3(6) (c) (a unique situation when a member leaves and subsequently returns to the employment of the same governmental unit within 2 years) is only through the date of re-employment, as opposed to through the date of re-payment. The Executive Director is beginning to identify calculations that included interest through the date of re-payment.

The Board reviewed the proposed Supplemental Regulation regarding the Purchase of Prior Membership Creditable Service provided by Board Counsel.

At 11:09 AM Ms. Russo made a motion seconded by Mr. Carroccino to table the matter regarding the proposed Supplemental Regulation until such time that a full complement of the Board is present. The votes were as follows: Chairman Siewko: Yea Ms. Russo: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
Santina Dost/ Paraprofessional	Lawrence Retirement Board	\$27,861.87	12.8333/12.000	12
Tam Nguyen/ Electrical Inspector	Boston Retirement System	\$4,878.61	1.3333	12

At 11:10 AM Ms. Russo made a motion seconded by Mr. Carroccino to approve the above transfers. The votes were as follows: Chairman Siewko: Yea Ms. Russo:Yea Mr. Carroccino: Yea

Attorney's Report:

- Board Counsel stated the only two outstanding items with regards to the McLaughlin matter are the revisions to the Board's report to PERAC and a status report that is due to DALA two weeks from a decision or by March 31, 2020. Board Counsel stated he is reading that as being due two weeks from PERAC's decision, not Chelsea Retirement Board's decision.
- Board Counsel advised that he sent a follow up correspondence to Judith Corrigan, PERAC Attorney, and Attorney Parsons, PERAC Executive Director, requesting an advisory opinion for the outstanding issue relating to the retroactive application of longevity, formerly clothing allowance, payments as described in the Collective Bargaining Agreement.

Executive Director's Report:

- Request for clarification from PERAC relating to the PERAC Opinion Letter to Board Counsel dated December 17, 2019 – the Executive Director stated this discussion was held during the Attorney's Report.
- Request to PTG for timeline of issue relating to buyback calculations- the Executive Director stated this discussion
- Update on PERAC Audit – Exit Conference scheduled for February 26, 2020
- Reminder: Board Member's Statement of Financial Interest due to PERAC by May 1, 2020
- Retiree and Survivor W-2's mailed on January 22, 2020
- Notice was provided to City Council on February 6, 2020 re: COLA vote to be taken on March 19, 2020, effective July 1, 2020

Review of Board Counsel's Retainer Agreement - Tabled

The following vouchers were approved for payment for the February 2020 Accounts Payable Warrant:

Cambridge Retirement Board	\$ 10,169.32
Everett Retirement Board	\$ 6,199.01
Lowell Retirement System	\$ 10,143.33
Malden Retirement System	\$ 1,882.48
MWRA	\$ 1,700.24

Melrose Retirement Board	\$	3,082.50
Northampton Retirement Board	\$	5,573.87
Peabody Retirement Board	\$	33,177.04
Stoneham Retirement System	\$	588.66
Waltham Contributory Retirement System	\$	874.76
Winchester Retirement Board	\$	3,449.12
Amity Insurance	\$	100.00
City of Chelsea – Reimb. for Postage Meter	\$	481.70
Brian P. Monahan, Esq.	\$	3,000.00
Barbara O'Brien – Reimb. for mailing board packets	\$	82.20
Ricoh USA, Inc.	\$	270.50
Ruben Villanueva – Refund of Vacation Buyback Ret. Deds	\$	94.49
City of Chelsea – Federal Taxes – Ruben Villanueva	\$	23.62
Richard Wilcox – Refund of Vacation Buyback Ret. Deds	\$	1,229.95
City of Chelsea – Federal Taxes – Richard Wilcox	\$	307.49
W.B. Mason	\$	177.00
Boston Retirement Board – Transfer for Tam S. Nguyen	\$	4,878.61
Lawrence Retirement Board – Transfer for Santina Dost	\$	27,861.87

Retiree and Staff payroll were approved.

Distribution of:

- PRIT Balance Sheet and Trial Balance
- Report on Schedules of Employer Allocations and Schedules of Pension Amounts by Employer for Year Ended December 31, 2018 prepared by the City's Independent Auditor, Roselli, Clark & Associates
- Email from PERAC Actuary, John Boorack, dated Feb. 7, 2020 correcting an error in the 2019 Actuarial Valuation Report – the report incorrectly stated that the Mortality Table used for disabled members was the "RP-2014 Healthy Annuitant Table" rather than the "RP-2014 Blue Collar Healthy Annuitant Table"
- PERAC's Pension News, #54, February 2020
- PTG's emails dated Feb. 10, 2020 & Feb. 11, 2020 re: security enhancements to the Employee Self Service Portal
- PERAC Memo #8/2020 – Actuarial Data
- PERAC Memo #9/2020 – Buyback and Make-up Re-payment Worksheets
- PERAC Memo #10/2020- 2020 Interest Rate set at .1%
- PERAC Memo #11/2020 – Payment Required for Service Credited under G.L. c.32, §4(2)(b)

At 11:18 AM Ms. Russo made a motion seconded by Mr. Carroccino to adjourn. The votes were as follows: Chairman Siewko: Yea Ms. Russo: Yea Mr. Carroccino: Yea

Respectfully submitted,  
*Barbara O'Brien*  
Barbara O'Brien  
Executive Director

Members' Approval:

*Joseph M. Siewko*  
Joseph M. Siewko, Chairman

*Richard Carroccino*  
Richard Carroccino

*Cheryl Watson Fisher*  
Cheryl Watson Fisher

*Edward M. Dunn*  
Edward M. Dunn, Ex Officio

*Carolyn M. Russo*  
Carolyn M. Russo