

CHELSEA RETIREMENT BOARD

001063

Minutes from the meeting held Monday, November 16, 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 Webex. As indicated on the agenda, instructions on how to join the meeting were available by emailing the Executive Director @ bobrien@chelseama.gov before or during the meeting.

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 and Mr. Brian P. Monahan, Esq., Board Counsel

At 9:03 AM Chairman Siewko called the meeting to order and all present stated their name and title including Attorney Boumil representing Mr. Michael McLaughlin and Attorney Sacco representing the Chelsea Retirement Board's Executive Director in the Michael McLaughlin matter.

Chairman Siewko stated that he was the only person to file nomination papers for the elected member's position for the term December 18, 2020-December 17, 2023 and stated a vote of the Board for an Election by Declaration pursuant to 840 CMR 7.05 is now required..

At 9:05 AM Mr. Carroccino made a motion seconded by Ms. Russo acknowledging that Joseph Siewko was the only one to file nomination papers in accordance with the Notice of Election and declaring Joseph Siewko to be elected as a member of the Chelsea Retirement Board in accordance with PERAC regulation 840 CMR 7.05 Standard Rules for Election for the term December 18, 2020 – December 17, 2023. The motion passed 4-0 and the votes were as follows: Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea, Chairman Siewko abstained.

Michael McLaughlin— M.G. L. c. 32, s. 15(4) –Pre-Hearing Conference

Chairman Siewko stated the Board members received a copy of the three separate Factual Allegations dated October 12, 2020 submitted by Attorney Sacco to Attorney Boumil and a copy of Attorney Boumil's responses dated November 5, 2020. Chairman Siewko stated that the three allegations referred to in these documents, which the Board decided previously that they will handle separately are: 1.) Falsifying documents 2.) Public employees taking political donations and taking political donations in a public building and 3.) Conspiracy to defraud the United States. Chairman Siewko stated they will handle the Falsifying documents allegations first and proceeded to ask Attorney Boumil and Attorney Sacco if there were any outstanding issues with discovery or in the exchange of documents. Attorney Sacco stated that he and Attorney Boumil have had conversations relating to this matter. In response to Attorney Sacco's inquiry, Attorney Boumil confirmed that in the past he received the three white binders containing the documents relating to the three allegations with respect to M.G.L. c. 32, s. 15(4). Attorney Sacco stated that as far as he is concerned the documents in the three white binders and the records submitted for the purposes of the M.G.L. c.32, s. 15(7) hearing are the record. Attorney Sacco stated that additionally, Attorney Boumil indicated to him that he wanted to include the transcript from the s. 15(7) hearing from the witness testimony. Attorney Boumil agreed with Attorney Sacco in regards to the documents to be used for the 15(4) hearing. Chairman Siewko received confirmation from both Attorney Boumil and Attorney Sacco that there are no additional documents to be submitted. Chairman Siewko then deferred to Board Counsel to explain the process. Board Counsel explained that the Board is requesting a joint pre-hearing memorandum to be filed by January 14, 2021 by both Attorney Boumil and Attorney Sacco to include the following: 1.) a list of witnesses, if applicable, as well as the estimated amount of time that will be needed for cross examination; if there will be no witnesses called, that information should be provided in the memorandum. 2.) any stipulations to facts and/or documents. Board Counsel asked all parties to plan on January, 21, 2021 for a status conference. Board Counsel referenced the scheduling concerns, as Attorney Boumil mentioned early on in this process, relating to the COVID-19 pandemic. Board Counsel stated that it is the Board's intention to hold the hearing, when determined safe to do so, in the City's Council Chambers. In regards to

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Attorney Sacco's Notice of Action and Attorney Boumil's responses relating to the so-called Inspection Rigging and the Campaign Finance Violations, Board Counsel requested that Attorney Boumil and Attorney Sacco continue as they have in the past and exchange discovery and prepare to provide an update relating to the status of these two matters as well on January 21, 2021. In the event of any disputes relating to the exchange of documents that the Presiding Officer or Board would need to resolve, Board Counsel requested that a motion be filed by January 14, 2021 and requested that the attorneys be prepared to address the issues at the January 21, 2021 Board meeting. In response to Board Counsel's inquiry as to whether either Attorney Boumil or Attorney Sacco had any questions, both attorneys responded that they did not have any questions and that they will work together to fulfill Board Counsel's requests. Chairman Siewko received confirmation that none of the Board members had any questions.

At 9:15 AM both Attorney Boumil and Attorney Sacco left the meeting.

Chairman Siewko stated next on the agenda was William N. Krasco, Jr. – Request for Accidental Disability Retirement - Medical Panel Certificates and Narratives received. Chairman Siewko confirmed that William N. Krasco, Jr. would be joining the Webex meeting momentarily.

At 9:17 AM William N. Krasco, Jr. joined the Webex meeting.

Chairman Siewko received confirmation that none of the Board members had any questions or had any matters to discuss.

At 9:20 AM Mr. Carroccino made a motion seconded by Mr. Dunn to grant William N. Krasco's request for an Accidental Disability Retirement. 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 the remaining process to William N. Krasco, Jr. and he stated he understands the process.

At 9:21 AM William N. Krasco, Jr. left the meeting.

Chairman Siewko stated that next on the agenda was the matter relating to Shamus Murphy – Waivers of Applicant Attendance at Medical Panel Examination During COVID-19 Pandemic. Chairman Siewko stated that the Executive Director forwarded the Board members the three waivers, one having to be signed by the member, one having to be signed by the employer and one having to be signed by the Retirement Board.

At 9:27 AM Ms. Watson Fisher made a motion seconded by Mr. Dunn to accept PERAC's new procedure relating to Medical Panels. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 9:28 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to authorize the Executive Director to sign the above referenced waiver on behalf of the Chelsea Retirement Board. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 9:32 AM Mr. Dunn made a motion seconded by Mr. Carroccino to approve Thomas Riley Jr.'s request to purchase four years of Military Service pursuant to M.G.L. c.32, §4(1)(h) at a cost of \$13,793.32 to be paid by a lump sum payment. 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 Mr. Dunn made a motion seconded by Ms. Watson Fisher to accept the Regular Session minutes from the October 15, 2020 Retirement Board meeting as revised. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Next to on the agenda was Longevity I payments pursuant to Superior Officers' Memorandum of Agreement effective July 1, 2016 and PERAC's Opinion Letter dated June 24, 2020 – Process regarding collection of Retirement Deductions owed from retirees and active employees

There was discussion that the Executive Director should send a letter to the retired Superior Officers explaining the need to collect the retirement deductions for any longevity 1 payments they received while active in July 2016, July 2017 and July 2018 and explaining that their retirement allowance will be recalculated accordingly. There was further discussion that a separate letter be sent concurrently to the Police Superiors Union and the affected active Superior Officers explaining the need to collect these retirement deductions and explaining the retirement deductions will be withheld from their pay over a period of two weeks at a date to be determined.

At 9:46 AM Mr. Dunn made a motion seconded by Ms. Watson Fisher to instruct the Executive Director to send a letter to the Police Superiors Union and to all affected active Superior Officers explaining 1.) the need to collect retirement deductions for longevity 1 payments made in July 2016, July 2017 and July 2018 and 2.) that the retirement deductions will be collected through payroll deductions over two pay periods at a date to be determined. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Reserve Service – Calculation and Creditable service pursuant to M.G.L. c. 32, s.4(2)(b)

There was conversation relating to the need for payroll records in order to properly calculate the amount due on reserve buybacks and to recalculate the amount due on prior reserve buybacks. Mr. Dunn confirmed that the Executive Director has provided the Auditing Department with the list of names and reserve dates but due to payroll records for the period from June 1, 1996- March 31, 1998 being on a different payroll system which is no longer accessible, the Auditing Department needs to research the paper records in an off-site location. Mr. Dunn stated these records are not complete and also confirmed that Covid-19 employment restrictions makes this research more difficult. There was discussion that the payroll records separate the reserve hours/pay vs. the detail hours/pay which is needed to accurately calculate the buyback since detail pay is not used in the calculation. The Executive Director stated that when payroll records are not available she also requests W2's and attendance records both of which are not always available or complete. A suggestion was made to request that the member log on to SSA.gov and request the work history for the time period in question. Board Counsel stated that the Board can make a reasonable decision based upon the information that is provided to them.

Revised Proposed Supplemental Regulation relating to pro-rating creditable service –tabled from the October 15, 2020 Board meeting

At 10:10 AM Mr. Dunn made a motion seconded by Ms. Russo to accept the Proposed Supplemental Regulation relating to pro-rating creditable service as revised and forward to PERAC for approval. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

M.G.L. c.32, s. 91A Termination process

The Executive Director stated that she has been communicating and working with PERAC and the handful of members who have not completed their 2019 Annual Statement of Earned Income in order to assure they provide all required documents to PERAC. Ms. Russo explained that if the members do not provide the requested documents to PERAC we do not simply suspend their benefits we are required to terminate them and they will be prohibited from collecting the amounts that they would have received during that termination period. There was discussion relating to the need to also attempt to recover the retirement allowances paid retroactive to July 15, 2020 for those member who are terminated. There was discussion that the Executive Director should write a letter to any member who does not provide the required documents to PERAC and explain this information and advise of their right to a hearing prior to benefits being terminated.

At 10:18 AM Mr. Carroccino made a motion seconded by Ms. Russo to pay the December 2020 Retirement Allowance on December 18, 2020. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 10:19 AM Mr. Dunn made a motion seconded by Mr. Carroccino to move the agenda item relating to Chelsea Retirement Board's 5th Board member position – Discuss remaining process, schedule interviews – to the end of the

meeting. The motion passed 4-0 and the votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea; Ms. Russo abstained.

There was discussion relating to the need for the Retirement Office to provide requested documents to the city's independent auditor, Roselli Clark. There was further discussion that the city's Information Technologies Department confirmed that there are security measures in place for the usage of Dropbox.

At 10:24 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to allow the Retirement Office to use Dropbox to provide Roselli Clark with the requested documents. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

The following Retirement System has requested the transfer of funds for the following member:

| Name/Title | Board Requesting Transfer | Accumulated Deductions | Total Service Credit / 3(8)c Liability | 10/12 Month Basis |
|----------------------------------|---------------------------------|------------------------|--|-------------------|
| Mary Louise Ireland/ Assessor | Essex Regional Retirement Board | \$103,154.81 | 15.3333/5.000 | 12 |

At 10:25 AM Ms. Watson Fisher made a motion seconded by Mr. Dunn to approve the above transfer. 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:

| Name/Title | DOR | Age | Years of Service | Estimated 3 Yr. Average |
|--|------------|-----|------------------|-------------------------|
| Robert C. Belanger, Jr./Sergeant | 01/05/2021 | 57 | 32.3333 | \$94,187.31 |
| Denise Ferdinand/ Grounds Keeper/Custodian | 12/18/2020 | 62 | 20.6667 | \$56,275.33 |
| Richard Russell/ Director of Maintenance & Modernization | 12/18/2020 | 62 | 37.6667 | \$110,545.76 |
| Jose Torres, Sr./Firefighter | 01/07/2021 | 57 | 35.5833 | \$91,695.96 |

At 10:27 AM Mr. Dunn made a motion seconded by Ms. Russo to accept the above superannuation retirements. The votes were as follows: Chairman Siewko:Yea Mr. Dunn: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 |
|-------------------------------|------------------------|-----|----------------|----------------|
| Chima Ugoji/ Paraprofessional | \$2,518.56 | 38 | 1.0833 | Yes |

At 10:28 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to approve the above refund. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

Attorney's Report:

- Susan Sullivan/Katelyn Sullivan – DALA 1st Pre Hearing Order dated October 26, 2020
- Board Counsel referenced the Pre-Hearing Memorandums due in December 2020 and January 2021 and asked that the Retirement Office provide Board Counsel's name and contact information to Katelyn Sullivan and to copy him on that correspondence.

Executive Director's Report:

- The Executive Director stated that she participated in PERAC's Webinar: Accidental Disability - Remands and Medical Panels on October 22, 2020 and that both she and the Assistant Director participated in PERAC's webinar on November 10, 2020 relating to Prosper Benefit Calculation.

The following vouchers were approved for payment for the November 2020 Accounts Payable Warrant totaling \$112,322.99. This warrant was emailed to the Board for their review on November 13, 2020:

| | |
|---|--------------|
| Coen Business Forms/Kingsbury Press | \$ 339.16 |
| Independent Newspaper Group | \$ 80.00 |
| Brian P. Monahan Esq. | \$ 4,500.00 |
| Ricoh USA, Inc. | \$ 135.25 |
| The Law Offices of Michael Sacco, P.C. | \$ 1,575.00 |
| Essex Regional Retirement Board | \$103,154.81 |
| MWRA | \$ 20.21 |
| Chima Ugoji-Withdrawal | \$ 2,014.85 |
| City of Chelsea-Federal Taxes-Chima Ugoji | \$ 503.71 |

The following payroll and vendor warrants were emailed to the Board for their review on November 12, 2020:

| Date | Retiree Payroll Warrant | Vendor Warrant |
|------------------|-------------------------|----------------|
| October 30, 2020 | \$1,062,210.54 | \$142,995.15 |

| Date | Staff Payroll Warrant | Vendor Warrant |
|-------------------|--------------------------------------|----------------|
| October 21, 2020 | \$3,190.98 | \$977.94 |
| October 28, 2020 | \$3,190.98 | \$977.94 |
| November 4, 2020 | \$3,190.98 | \$974.99 |
| November 11, 2020 | \$5,190.98 (includes Board Stipends) | \$1,320.74 |

At 10:34 AM Ms. Watson Fisher made a motion seconded by Mr. Carroccino to approve the above warrants as verbally reported by the Executive Director. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

At 10:37 AM Ms. Russo left the meeting.

After confirming that Ms. Russo was logged off from the Webex meeting Chairman Siewko stated they will now address the agenda item relating to the Chelsea Retirement Board's 5th Board Member's position – Discuss remaining process and schedule interviews.

The Executive Director confirmed that the cover letters and resumes from two applicants were received by the Retirement Office by the posted deadline of Friday, November 6, 2020 at 12:00 PM. The Executive Director stated that a third cover letter and resume was received by the Retirement Office on Monday, November 9, 2020. The Executive Director explained that this mail was postmarked on November 4, 2020. Attorney Monahan recommended accepting this and granting this individual an interview.

At 10:42 AM Ms. Watson Fisher made a motion seconded by Mr. Dunn to accept the resume that was postmarked on November 4, 2020 and deem it as being received timely. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Watson Fisher:Yea Mr. Carroccino: Yea

The following process was agreed upon: the Executive Director will email the cover letters, resumes and the initial evaluation sheets to the all Board members, not including the current 5th Board member; the Board members will then individually review the cover letters and resumes, complete and return the rating sheets to the Executive Director; the interviews will be scheduled for 20 minutes each beginning at 9:00 AM on December 8, 2020; following the interviews the Executive Director will email the post-interview rating sheets to all the Board members, not including the current 5th board member to be completed and returned to the Executive Director by December 11, 2020; the Executive Director will

provide the summary of the post-interview evaluations to the four Board members at the start of the December 15, 2020 Board meeting at which the Board, not including the current 5th member, will deliberate and make their selection. Board Counsel stressed that the law requires that all four Board members participate in the vote of the 5th member.

Distribution of:

- Michael McLaughlin -3 separate Factual Allegations dated October 12, 2020 (submitted by Attorney Sacco on behalf of the Executive Director) were emailed to the Board members on October 23, 2020
- Michael McLaughlin- October 29, 2020 Response to 1 of the 3 Factual Allegations (submitted by Attorney Boumil on behalf of Michael McLaughlin) was emailed to the Board members on November 4, 2020
- Michael McLaughlin- November 5, 2020 Responses to the 3 Factual Allegations (submitted by Attorney Boumil on behalf of Michael McLaughlin) were emailed to the Board members on November 6, 2020
- August 2020 PRIT Balance Sheet, Cash Pages, Bank Statement, Bank Reconciliation
- PERAC Legal Opinion dated October 13, 2020 re: M.G.L. c.32, s. 91A
- PERAC's Approval of Supplemental Regulation re: Purchase of Prior Membership Creditable Service
- PERAC Memo #32 Allowable Earnings Determination, Pursuant to M.G.L. c.32, s. 91A
- PERAC Memo #33 Prosper Benefit Calculation Submission is Almost Here

At 10:51 AM Ms. Watson Fisher made a motion to adjourn seconded by Mr. Dunn. The votes were as follows: Chairman Siewko:Yea Mr. Dunn: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