

**CHELSEA RETIREMENT BOARD MEETING**  
**500 Broadway, Chelsea MA, Conference Room of the Chelsea City Council**  
**Minutes from the Meeting held on Thursday, August 18, 2022 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: Mr. Michael Nicolazzo, Executive Director, Mr. Brian P. Monahan, Esq., Board Counsel, Ms. Laura Strickland, Senior Client Services Officer, Massachusetts Pension Reserves Investment Management Board (PRIM), Ms. Renate Cowhig, Mr. John Cowhig, Mr. Michael Akasian Esq.**

At 9:10 AM Chairman Siewko opened the meeting.

**PRIM Meeting**

The first item on the agenda is the PRIM update. Ms. Laura Strickland provided the Retirement Board with an update about the performance of the PRIT fund over the past fiscal year. Ms. Strickland noted that the PRIT fund has experienced increased volatility recently due to geopolitical considerations and the current inflationary environment. Ms. Russo inquired as to whether Ms. Strickland could provide the PRIT Fund's year-to-date performance figures in addition to the year-over-year rolling statistics that Ms. Strickland had provided in her presentation. Ms. Russo noted that PRIT's method of reporting could convey the appearance of sugarcoating underperformance. Ms. Strickland noted that the figures that were provided in the presentation were correlated to the fiscal year and that during periods of out-performance PRIT would report performance in the same manner. Ms. Strickland continued, however, that year-to-date the fund is down 10.27%. Ms. Strickland provided detailed information about performance of individual asset classes and touted the benefits of investing in the PRIT fund. Ms. Strickland continued that, despite recent underperformance and volatility, the PRIT fund has outperformed comparable funds. Ms. Russo opined that recent losses have the potential to impact the Retirement System's actuarial valuation and funding schedule. Ms. Russo continued that she understands that the recent negative returns are a universal reality, but noted that the impact of negative returns, and the potential impact on the funding schedule, could negatively impact the City's finances and subsequently the City's ability to fund services.

9:38 AM: Ms. Strickland left the meeting.

**Renate Cowhig's Application for Disability Retirement and Employer's Statement**

9:39 AM: Ms. Renate Cowhig, Mr. John Cowhig, and Atty. Michael Akasian entered the meeting.

9:39 AM: Ms. Russo made a motion, seconded by Mr. Carroccino, to enter into Executive Session under Purposes 1 and 7 of the Open Meeting Law to discuss protected medical information relating to Renate Cowhig's Application for Disability Retirement. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

9:50 AM: the Board returned to Regular Session.

9:50 AM: Ms. Cowhig, Mr. Cowhig, and Atty. Akasian left the meeting.

### **Review of Draft Employment Policies**

Discussion ensued regarding the Retirement System's Draft Employment Policies. Mr. Dunn noted that the Retirement Board is waiting for the City to adopt its Employment Policies. Mr. Dunn noted that when the City adopts its policies the Retirement Board will have the opportunity to review those policies to contrast with the Retirement System's to determine if any alterations should be made.

### **Maureen Denning Request for Interest Waiver and Payment Plan for Overpayment of Retirement Benefits**

Chairman Siewko opened the discussion by noting that Ms. Denning's overpayment persisted for a period in excess of one year. Chairman Siewko noted that as the error was not the result of erroneous information provided by the payee and that the payee had no knowledge of the error. As such, Chairman Siewko opined that it is permissible for the Retirement Board to waive Ms. Denning's interest.

10:00 AM: Ms. Russo made a motion, seconded by Ms. Fisher, to waive the interest due on the overpayment of Ms. Denning's of retirement benefits. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

Mr. Dunn noted that he does not believe that it is permissible to approve for a five-year payment plan, to pay back the overpayment, unless the payee establishes that the repayment would constitute a financial hardship. Atty. Monahan confirmed that a hardship must be established in order for the Retirement System to allow for a five-year payment plan to be approved.

10:02 AM: Ms. Fisher made a motion, seconded by Mr. Carroccino, to table Ms. Denning's payment plan request until Ms. Denning submits documentation to establish a hardship necessitating a five-year payment plan. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

### **David Belanger Liability Request from MWRA**

Note: Ms. Russo has recused herself from this matter

Discussion ensued regarding periods of probationary service and whether the Retirement System should accept liability for service if the service was classified as probationary. Executive Director Nicolazzo noted that the City has stated that they have submitted all available documentation of Mr. Belanger's service. Mr. Dunn indicated, however, that he believes that additional documentation of Mr. Belanger's status should be available and that this item should be tabled until such documentation was procured.

10:08 AM: Mr. Dunn made a motion, seconded by Mr. Carroccino, to table this item to provide Mr. Dunn the opportunity to locate additional documentation of Mr. Belanger's service. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Fisher:No Mr. Carroccino:Yea Ms. Russo abstained.

### **Bernadette Rich Request to Purchase Service**

Discussion ensued about the history of the City's payroll systems, data backup, and why records for certain periods are difficult to procure. Mr. Dunn noted that there is a requirement that payroll records be maintained permanently. Mr. Dunn continued, however, that locating payroll records can be challenging due to an issue the City had with the company responsible for maintaining the City's payroll records during the period in question. Mr. Dunn informed the Board that the company responsible for maintaining these records, Datamatics, informed the City that the payroll records- which Datamatics had

been maintaining- had been corrupted and could no longer be accessed. Mr. Dunn continued that, as the City did not have a direct contract with Datamatics, the City determined that there was no recourse to recover damages incurred. Mr. Dunn indicated that payroll records and W-2 forms prior to Datamatics are only available in hard-copy, but that these records should be available. Mr. Dunn noted, however, that these records can be difficult to locate as they are not well sorted in the City's archives. Executive Director Nicolazzo noted that Ms. Rich is working with the City Treasurer and Police Department staff to locate records. The Executive Director noted that he informed Ms. Rich that the onus to produce requisite records ultimately falls on the member.

10:22 AM: Ms. Fisher made a motion, seconded by Ms. Russo, to table this item to continue to procure records related to Ms. Rich's service. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

**Approval of the Regular Session Minutes of the July 21, 2022 Retirement Board Meeting**

Regular session minutes for the July 21, 2022 were determined to be incomplete. Mr. Dunn suggested multiple minor corrections.

10:26 AM: Ms. Russo made a motion, seconded by Mr. Carroccino, to table this item to provide staff the opportunity to make requested adjustments. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

**Approval of the Executive Session Minutes of the July 21, 2022 Retirement Board Meeting**

10:28 AM: Mr. Carroccino made a motion, seconded by Ms. Russo, to approve the Execution Session Minutes of July 21, 2022. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

**New Retirements**

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

Name/Title/Group	DOR	Age	Years of Service	Estimated 3/5 Yr. Average
Benjamin Betancourt/Security/1	08/11/2022	65	20.0000	\$ 34,147.56 (3)

10:31 AM: Ms. Fisher made a motion, seconded by Mr. Dunn to approve the above superannuation retirement. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

**Refund/Transfer Warrant**

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

Name/Title/Group	Board Requesting Transfer	Accumulated Deductions	Total Service Credit / 3(8)c Liability	10/12 Month Basis
Diane Carey/Director/1	Middlesex	\$ 102,381.11	8.9167	12
Manwai Leung/Web Application Support/1	State	\$ 9,340.25	1.3333	12
Emily Salinas/Security/1	Swampscott	\$ 6,464.37	2.5833	12
John Stavro/911 Dispatcher/1	Greenfield	\$ 16,894.18	3.5833	12

10:33 AM: Ms. Fisher 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. Fisher:Yea Mr. Carroccino:Yea.

The following members have requested a refund of their accumulated deductions:

Name/Title/Group	Accumulated Deductions	Age	Service Credit	Taxes Withheld
Wigberto Correa/Jr. Operator/1	\$ 10,247.10	46	2.0833	Yes
Francisco Dubon/Security/1	\$ 1,827.48	25	0.6667	Yes
Corporina Garcia/Cook/1	\$ 64.89	65	0.0000	No*
Jennifer Stebbins/Aide/1	\$ 1,892.68	41	0.7500	No

\*Refund below the threshold for withholding.

10:36 AM: Ms. Fisher made a motion, seconded by Mr. Carroccino, to approve the above refunds. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

The following members will be refunded erroneous contributions as follows:

Name/Title/Group	Gross Refund Due	Reason	Taxes Withheld
Deborah Connors/ Administrative Assistant/1	422.37	City miscalculated makeup deductions for the period from 07/01/2021-05/29/2022	Yes
Carlos Figueroa/Licensed Public Works Specialist/1	425.52	Retirement contributions withheld from wages received concurrently with WC benefits	Yes

10:38 AM: Ms. Fisher made a motion, seconded by Mr. Carroccino, to approve the above partial refunds. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

**Attorney's Report:**

Board Counsel requested that the Board Members return their comments regarding the draft opinion on the McLaughlin matter back to Atty. Monahan promptly to ensure that any substantive concerns could be addressed timely.

**Executive Director's Report:**

The Executive Director informed the Board that affidavits would be mailed on September 1, 2022.

The Executive Director inquired as to whether it would be appropriate for the Retirement System to process refunds of overpayment of insurances. The Executive Director noted that processing these refunds through retirement payroll does not impact the Retirement System's finances as the refunded amounts are netted out of payments remitted to the City for said benefits. Ms. Russo noted, however, that once insurance payments are withheld from retiree payroll and remitted to the City, the City should be responsible for corrections and adjustments. Board Counsel concurred that this administrative process should be the purview of the City, not the Retirement System. Mr. Dunn also concurred that these refunds should not be the administrative task of the Retirement System. Ms. Fisher also agreed that refunds of overpayments of insurances should be processed by the City. Board Counsel requested that the City's Human Resources department be notified that, in the future refunds for overpayment of insurances should be administrated by the City.

**August 2022 Cash Disbursements Warrant approved**

**Retiree payroll and Staff payroll approved**

**Distribution of:**

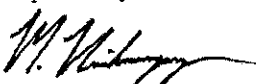
- PERAC Memo #19/2022
- PERAC Memo #20/2022
- PERAC Memo #21/2022
- PERAC Memo #22/2022
- PERAC Memo #4a/2022
- SJC Ruling: O'Leary v. CRAB, et al. SJC-13229

**Motion to Adjourn:**

10:55 AM: Mr. Carroccino made a motion, seconded by Ms. Fisher, to adjourn. The votes were as follows: Chairman Siewko:Yea Mr. Dunn:Yea Ms. Russo:Yea Ms. Fisher:Yea Mr. Carroccino:Yea.

The meeting Adjourned at 11:00 AM.

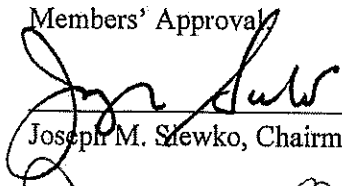
Respectfully submitted,

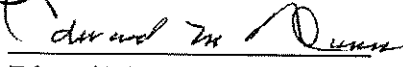


Michael Nicolazzo  
Executive Director

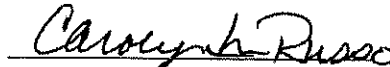
August 18, 2022

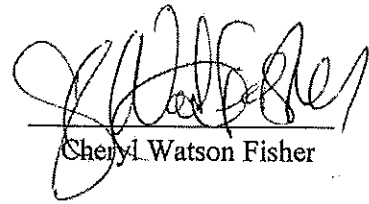
Members' Approval

  
Joseph M. Stewko, Chairman

  
Edward M. Dunn, Ex Officio

\_\_\_\_\_  
Richard Carroccino

  
Carolyn M. Russo

  
Cheryl Watson Fisher

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