

MINUTES OF MEETING HELD TUESDAY, SEPTEMBER 24, 2019

Chairman Thibaut was unable to attend the meeting. In his absence, Vice Chairman Thomas J. Tracy called the meeting of the Watertown Contributory Retirement Board to order at 8:30 AM, Administration Building, Town Council Chamber. In addition to Mr. Tracy, Board Members present were; Mr. Domenic Duke Arone; and Mr. John T. Loughran. Mr. Tracy announced that, Ms. Kiely-Becchetti would be participating remotely. As such, all votes will be taken via roll-call. Also in attendance were Attorneys Thomas F. Gibson and Gerard McDonough. Mr. Dan Sherman of Sherman Actuarial Services was in attendance to discuss the January 1, 2019 actuarial valuation and proposed funding schedules. For the portion of the meeting discussing the funding schedule, Town Manager, Michael Driscoll and Watertown Housing Authority, Executive Director, Michael Lara were present. Mr. Chris Rowlands of FIA provided the Investment Review which included the annual presentation from representatives of Lee Munder Midcap Core Fund.

Confirm Next Monthly Meeting:

The next monthly meeting was scheduled for Tuesday, October 15, 2019.

Mr. Tracy agreed to go out of the regular order of business to conduct the Legal Update:

Legal Update:

Executive Session:

Executive Session under Purpose 3 of the Open Meeting Law: To discuss strategy with respect to collective bargaining or litigation if an open meeting may have a detrimental effect on the bargaining or litigating position.....

Joseph Deignan – Motion to Remand to District Court

A MOTION WAS MADE AND SECONDED TO GO INTO EXECUTIVE SESSION. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

It was noted that the Board would return to open session at the conclusion.

A MOTION WAS MADE AND SECONDED TO RETURN TO OPEN SESSION. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

It was agreed that the aforesaid votes would be noted in the minutes of open session.

Examination of Minutes:

From meeting held on Tuesday August 20, 2019:

A MOTION WAS MADE AND SECONDED TO APPROVE THE MINUTES AS AMENDED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES

Mr. Loughran	YES
Mr. Tracy	YES

Examination of Executive Session Minutes:

For Executive Session held on August 20, 2019:

A MOTION WAS MADE AND SECONDED TO APPROVE THE EXECUTIVE SESSION MINUTES AS AMENDED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

Note Deaths of Members/Beneficiaries:

Richard Crowley – Died 09/03/19

Retired 06/30/82 – DPW, Engineer

SuperAnnuation Retirement, Option B

Annuity Savings Balance = \$0.00

Final Benefits Due - \$118.41

The Board noted the death of and final benefits due for Richard Crowley.

Nerses Barsoomian – Died 08/19/19

Retired 12/27/92 – DPW, Laborer

SuperAnnuation Retirement, Option C

Beneficiary on File

The Board noted the death of Nerses Barsoomian.

Theresa D'Amico – Died 08/17/19

Sec. 101 Survivor of Arthur D'Amico, DPW

Final Benefits Due - \$617.06

The Board noted the death of and final benefits due for Theresa D'Amico.

Review PERAC Correspondence:

John W. Parsons, Esq.:

08/26/19 PERAC has approved the Accidental Disability Retirement calculation for Armen Papazian. Calculation approved as submitted.

08/30/19 The Watertown Retirement Board shall reimburse the MA Teachers' Retirement Board \$3,844.08 per year toward the retirement allowance of Lucy Oliveri-O'Hearn who retired 12/21/18. This represents 10.95618% of total service.

(Submitted to PERAC for recalculation using modified method.)

09/13/19 PERAC has approved the Board's decision to grant ADR benefits to Anthony Leone. Calculation submitted to PERAC for approval.

Review Applications For Benefits:

Applications For Membership:

Amanda Smith	School Dept.	Library Aide	30 Hrs.	Gr. 1	08/26/19
Jake Louro	Fire Dept.	Firefighter	42 Hrs.	Gr. 4	09/08/19
Shannon McCauley	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	08/27/19
Karina Merida	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	08/27/19
Laura Meduna	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	09/01/19
Brenna Huether	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	08/27/19

Kerry Hines	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	08/28/19
Caroline Clinton	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	08/27/19
Richard Casey	Treasurer/Collector	Parking Enforcement	20 Hrs.	Gr. 1	08/28/19
Jonathan Palmer	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	08/27/19
Gina Cedrone	School Dept.	Cafeteria	30 Hrs.	Gr. 1	08/29/19
Jami Curley	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	08/28/19
Rita Rufo	Treasurer/Collector	Principal Acct. Clerk	20 Hrs.	Gr. 1	08/26/19
Casey Hoffman	School Dept.	Custodian	35 Hrs.	Gr. 1	08/15/19
Evan Goodman	School Dept.	Instructional Asst.	30 Hrs.	Gr. 1	09/01/15

A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATIONS FOR MEMBERSHIP INCLUDING GROUP CLASSIFICATIONS AS PRESENTED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

Refunds of Accumulated Deductions:

Reis Colgan – School Dept., Extended Day Site Coordinator

Membership Service:	10/16/13 – 07/03/19
Refund of Deductions:	\$21,920.62
Refund of Interest:	\$1,416.79
20% Federal Tax Withheld:	*(\$0.00)
NET REFUND TO MEMBER:	\$23,337.41

*Rollover

Elvira Watson – Recreation Dept., Head Clerk

Membership Service:	11/13/17 – 07/10/19
Refund of Deductions:	\$7,738.24
Refund of Interest:	\$118.21
20% Federal Tax Withheld:	(\$1,571.29)
NET REFUND TO MEMBER:	\$6,285.16

Evan Goodman – School Dept., Instructional Asst.

Membership Service:	09/01/15 – 05/13/16
Refund of Deductions:	\$1,916.03
Refund of Interest:	\$102.22
20% Federal Tax Withheld:	(\$403.65)
NET REFUND TO MEMBER:	\$1,614.60

Elaina Themistos – School Dept., Instructional Asst.

Membership Service:	08/28/18 – 08/12/19
Refund of Deductions:	\$2,293.47
Refund of Interest:	\$17.53
20% Federal Tax Withheld:	(\$462.20)
NET REFUND TO MEMBER:	\$1,848.80

Deanna Gaumond – School Dept., Instructional Asst.

Membership Service:	09/01/14 – 12/21/18
Refund of Deductions:	\$12,971.00
Refund of Interest:	\$949.27
20% Federal Tax Withheld:	(\$2,784.05)
NET REFUND TO MEMBER:	\$11,136.22

A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATIONS FOR REFUNDS AS PRESENTED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

Superannuation Retirements:

Cleo Poravas – Board of Assessors, Principal Acct. Clerk
Retirement Date: 01/02/20
Service: 29 Years & 7 Months
Veteran Status: N

Debra Brown – School Dept., Administrative Asst.
Retirement Date: 10/25/19
Service: 23 Years & 1 Month
Veteran Status: N

Lynda Pagliarulo – School Dept., C.O.T.A
Retirement Date: 01/03/20
Service: 20 Years
Veteran Status: N

William Pirozzi – DPW, MEO
Retirement Date: 01/02/20
Service: 13 Years & 1 Month
Veteran Status: N

Diane Ryan – Auditor's Office, Principal Acct. Clerk
Retirement Date: 01/10/20
Service: 30 Years & 7 Months
Veteran Status: N

A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATIONS FOR SUPERANNUATION RETIREMENT AS PRESENTED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

Creditable Service Purchase:

Military Buyback

Shuang Huang – Library, Technology Operations Assistant
Eligible to purchase 4 Years of creditable service for his active duty in US Army.
Total cost of service based upon his employment as a Technology Operations Assistant at the Library = \$15,918.56

A MOTION WAS MADE AND SECONDED TO APPROVE APPLICATIONS FOR MILITARY BUYBACK AS PRESENTED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES

Mr. Loughran	YES
Mr. Tracy	YES

Review/Note Injury Reports:

NAME	DEPT	Injury Date	Report #
Vincent DiPace	DPW	09/06/19	#01
Christopher Gaudet	Police Dept.	03/05/19	#01
Justin Pelletier	DPW	09/05/19	#08

Review Warrants:

1218-19	Refunds & Transfers	53,336.87
1219-19	Monthly Vendor Expenses	1,888.92
1220-19	Fund Transfer – Eastern Vendor to Eastern Payroll	500,000.00
1221-19	Fund Transfer – People's United to Eastern Payroll	707,043.73
1222-19	Pension Payroll – 2019/09	1,207,043.73
1223-19	Salaries & Stipends – 2019/09	13,511.44

A MOTION WAS MADE AND SECONDED TO APPROVE THE WARRANTS AS PRESENTED. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

Director's Report:

The Board reviewed and approved the following reports for period ending May 31, 2019 & June 30, 2019 which were prepared by Director Sheehan and submitted to PERAC.

- Adjustments Journal
- Cash Receipts Journal
- Cash Disbursements Journal
- General Ledger
- Trial Balance
- Cash Reconciliations for accounts #1040, #1041, & #1043

PERAC Audit Report – 2013-2016

The filing of the PERAC Audit Report was discussed. It was reported that the office has not received an original signed copy of the report. However, it has been posted to the PERAC Website under Watertown's Board Profile. Ms. Kiely-Becchetti reported that she was in attendance at the PERAC Commission Meeting when the Watertown report was presented to the Commission. She reported that all comments were positive and that there were no audit findings for the 2013-2016 period. It was agreed to have Director Sheehan contact PERAC's Audit Unit to inquire as to the status of the original report.

A request has been received by the family of Maralyce Dally to have her final benefit check in the amount of \$360.31 made payable to her son Robert A. Dally III as there has been no Estate established.

A MOTION WAS MADE TO APPROVE THE REQUEST AND HAVE THE FINAL BENEFIT CHECK MADE PAYABLE TO ROBERT A. DALLY III. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES

Mr. Loughran	YES
Mr. Tracy	YES

Committee Reports:

Newsletter/Website Discussion:

Ideas for the next newsletter and potential updates to the website were discussed.

Old/Unfinished Business:

2019 Primary Results – Actuarial Valuation:

There was a lengthy discussion surrounding the results of the January 1, 2019 actuarial valuation and the various scenarios prepared by Mr. Sherman. The utilization of various factors including investment rates of return and mortality tables were discussed at length. After hearing input from Mr. Sherman, Board Members, Mr. Driscoll and Mr. Lara:

A MOTION WAS MADE AND SECONDED TO HAVE MR. SHERMAN PREPARE AN ANALYSIS UTILIZING THE NEW MORTALITY TABLES AND A 7.8% RETURN ON INVESTMENT ASSUMPTION. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

At the conclusion of the discussion, Mr. Driscoll, Mr. Lara and Mr. Sherman left the meeting.

Election Update:

Election Officer Kayla Sheehan reported that as of the Tuesday, July 16, 2019 deadline for submitting Nomination Papers to fill the Elected Member's position on the Retirement Board for the 3-year term to expire October 15, 2022, the only Papers filed were those filed by Domenic Duke Arone.

A MOTION WAS MADE AND SECONDED TO DECLARE MR. ARONE AN ELECTED MEMBER OF THE WATERTOWN BOARD FOR A TERM TO BEGIN ON OCTOBER 16, 2019 AND EXPIRE ON OCTOBER 15, 2022. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES

New Business:

Board Organization – Election of Officers:

The Election of Officers was tabled due to the absence of Chairman Thibaut.

Travel/Education:

Mr. Tracy reported on PERAC's Emerging Issues Forum that he and Mr. Arone recently attended at the College of the Holy Cross in Worcester, MA.

Investment Review:

Mr. Chris Rowlands of Fiduciary Investment Advisors conducted the investment review. He reviewed for the Board in detail the investment performance of the portfolio for the period ending August 31, 2019. The market value of assets at August 31, 2019 total \$208,457,524.

Annual Manager Review:

Pursuant to 840 CMR 16.07, Lee Munder Mid Cap Core Collective Fund underwent an annual invest manager review. Their representatives presented performance and investment reports detailing Lee Munder's activities which the Board reviewed.

At the conclusion of their report, the representatives from Lee Munder left the meeting.

Adjournment:

A MOTION WAS MADE AND SECONDED TO ADJOURN THE MEETING AT 11:35 AM. A ROLL CALL VOTE WAS TAKEN AND RECORDED AS FOLLOWS:

Ms. Kiely-Becchetti	YES
Mr. Arone	YES
Mr. Loughran	YES
Mr. Tracy	YES