

Jul 10 2023 4:28 pm

May 23, 2023 10:00 a.m.

A public meeting of the Fitchburg Retirement Board was held in the North Meeting Room located on the 3<sup>rd</sup> floor of Fitchburg City Hall at 718 Main Street, Fitchburg, MA 01420.

Fitchburg Retirement Board members present: Calvin D. Brooks (Chair), John Brown, Mary Cringan, Thomas Dateo Jr., and Anna Farrell

Staff present: Tina Schneider, Retirement Administrator and Steffani Santiago, Administrator Assistant

Attendees: Jacquelyn Cronin, Deputy Auditor and Dean Romano, Retiree and former Police Officer

**Review and Approval of Warrant and Meeting Minutes:**

The Board reviewed the May 2023 Warrant, the March 28, 2023 meeting minutes and the April 25, 2023 meeting minutes. On a motion made by Mary Cringan and seconded by Anna Farrell, to approve the May 2023 Warrant, the March 28, 2023 meeting minutes and the April 25, 2023 meeting minutes. Voted unanimous (5-0).

**Review and Approval of Bank Statement and Accounting:**

Due to the Administrator Assistant having been on out family medical leave, the approval of the June bank statements and accounting were deferred to the June 2023 meeting.

**Review and Approval of Retirement Applications and Calculations:**

**Timothy M. Xenakis**, Fitchburg Public School, School Building Maintenance, Superannuation Retirement Allowance, Option A, effective May 2, 2023. On a motion made by Mary Cringan and seconded by Thomas Dateo Jr., to approve Timothy M. Xenakis' Option A. Superannuation Retirement effective May 2, 2023. Voted unanimous (5-0).

**Notification of Member(s) Passing:**

- o Michael K. Conry, Firefighter, Option B., Retirement Date: 09/12/2003, DOD: 03/28/23
- o Elizabeth Sardelis, Survivor of Christos Sardelis, Police Department, DOD: 04/29/23
- o Patricia A. Leary, Active Member, School Department, Paraprofessional, DOD: 05/05/23

**Review and Approval of New Members:**

**APRIL 2023 NEW MEMBERS**

<u>NAME</u>	<u>DEPT.</u>	<u>POSITION</u>	<u>START DATE</u>
Jessica DeJesus	School	Paraprofessional	3/27/2023
Gladys DaRosa	School	Clerical	3/9/2023
Gabriel Martin	WWT	Equipment Repairer	3/28/2023
Steven Dyke	Airport	Lineperson	3/1/2023
Justin Bailey	DPW/WWT	Assistant Mechanic	4/10/2023

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Jordynn Roberts	School	Paraprofessional	02/27/2023
Brandon Bento	Police	Student Officer	4/24/2023
Shawn Burns	Police	Student Officer	4/24/2023
Connor Monaghan	Police	Student Officer	4/24/2023
Matthew Pawson	Police	Student Officer	4/24/2023
Zachary Saldana	Police	Student Officer	4/24/2023
Ramon Viches Jr.	Police	Student Officer	4/24/2023
Gary Geneau	FHA	Maintenance	4/19/2023
Mohrel Castro	DPW/Water	LMEO	4/24/2023
Alec Dymont	Fire	Firefighter	4/23/2023
Jordan Enloe	DPW/Water	LMEO	4/24/2023
Jason Brousseau	DPW/Water	General Foreman	04/18/2023

#### MAY 2023 NEW MEMBERS

<u>NAME</u>	<u>DEPT.</u>	<u>POSITION</u>	<u>START DATE</u>
Kristyna Belliveau	Police	Civilian Dispatcher	5/8/2023
Monique Cormier	School	Paraprofessional	5/9/2023
Ronald Spinelli	School	SBM	3/5/2023
Ashley Diaz Garcia	School	SBM	4/18/2023
Pablo Araujo	Police	Civilian Dispatcher	5/22/2023
Arlene Tostes	Police	Civilian Dispatcher	5/22/2023
Craig Saladini	DPW/Water	LMEO w/CDL	5/22/2023

On a motion made by Anna Farrell and seconded by Mary Cringan to admit to membership the new members listed for April 2023 and May 2023. Voted unanimous (5-0).

**Continuation of discussions regarding implementation of Sec.147 of the Acts of 2022 (c.32, §106) ~ Vacation Buybacks:**

Anna Farrell advised the Board that Brian Rouleau, Police Officer and Technical Services Division Manager contacted her via email regarding payment arrangements for contributions due from vacation buybacks. Mr. Rouleau stated that he had been told by another individual at the Fitchburg Police Department that the City's Payroll Office would not allow for periodic additional contributions to be taken from a member's bi-weekly payroll to make-up the contributions due and owing and that he was concerned about tax consequences that would be imposed if he paid the Board directly or initiated a direct rollover from an approved deferred compensation plan. Ms. Farrell advised that she forwarded the email correspondence to Administrator Tina Schneider to make her aware of the matter and requested the matter be put on the Board's May Agenda for further discussion.

Ms. Schneider stated that the concerns raised appeared to be a result of guidance the member received from a co-workers and stated she wished members would contact the Retirement Office directly for guidance to avoid confusion. Ms. Schneider explained, should members pay the Board directly via check, their contributions would be noted as a post-tax contribution so the

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monies would not be taxed again when distributed. She went on to explain, should members elect to initiate a direct rollover, there would be no tax consequence imposed as a direct rollover is not classified as a distribution and would come directly to the retirement system from the deferred compensation plan. Ms. Schneider advised the Board that the City's Payroll Office has already stated they were not able to allow for additional bi-weekly contributions. As such, the Retirement Office has advised members who would like to make periodic payments, to establish a Voya Account with the City and arrange for distributions to be made via the City's bi-weekly payroll until such time that the funds are available to initiate a direct rollover.

Anna asked if the Retirement Office could draft a statement notifying members of the taxable status of the options available for payment of the vacation buyback contributions so the same could be provided to members who might pose similar concerns. Calvin Brooks stated he believed once the notice went out reassuring members of how taxes would be imposed on buyback payments, we should hopefully see more members coordinating payment arrangements. Thomas Dateo Jr., stated he had also received inquiries from members regarding payment options and that he has referred those members back to the Retirement Office. Mr. Dateo Jr., went on to state he believed utilizing the payment options Ms. Schneider referred to will make tracking payments much easier. John Brown agreed and stated payment arrangements should be at the discretion of the Board, not the City.

On a motion made by Thomas Dateo Jr., and seconded by Mary Cringan to refer all questions and concerns received by the Board from members relative to payment arrangements for vacation buybacks, to the Retirement Office for staff to handle directly. Voted unanimous (5-0).

**Discussion regarding Lydon & Murphy Insurance ~ Cyber Security:**

Ms. Schneider reminded the Board of the presentation from Lydon & Murphy Insurance at the MACRS Spring 2022 Conference and advised that she had recently received an email from the company that she forward to the Board members directly for their review. Mr. Brooks stated that the Retirement Office was covered by the City's IT Department. The Board discussed how medical information was received and disseminated to PERAC. Mr. Brooks suggested the Board reach out to IT Manager Trevor Bonilla to see if there is an encryption option available for email. Mr. Brown informed the Board that Lydon & Murphy Insurance was on the agenda to host another presentation at the MACRS Spring 2023 Conference and suggested the Board attend said presentation so they could discuss cyber security concerns further at their June or July public meeting.

**Mark Bowers, Retiree (Firefighter) – Request for waiver due to overpayment pursuant to M.G.L. c.32, §20(5)(c)(3):**

Anna Farrell informed the Board that she wished to disclose that Mark Bowers was her brother-in-law twenty (20) years ago. Board agreed the matter was not a conflict of interest and proceeded with their discussion.

Ms. Schneider informed the Board that a calculation error had occurred in Mr. Bowers' pension calculation resulting in an overpayment of his monthly retirement benefit. Ms. Schneider explained that she had to add a few months into Mr. Bowers' initial retirement calculation to obtain the three-year-average, but had inadvertently not backed out the additional months moving

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forward which resulted in his benefit being overstated. The error was discovered when recalculating Mr. Bowers benefit to include vacation buybacks. As such, the Retirement Office drafted a notice to Mr. Bowers informing him of the calculation error and subsequent overpayment. Pursuant to M.G.L. c.32, §20(5)(c)(3), Mr. Bowers is requesting a waiver from the Board to not have to repay the System the monies overpaid. Board discussed the matter and agreed Mr. Bowers met the criteria set out in M.G.L. c.32, §20(5)(c)(3), thus, a waiver could be considered.

On a motion made by John Brown and seconded by Thomas Dateo Jr., to grant Mark Bowers request for waiver of payment for excess benefit received pursuant to M.G.L. c.32, §20(5)(c)(3). Voted unanimous (5-0).

**Jose Figueroa's Request for Consideration to Buyback Military Service:**

Tina Schneider advised the Board at the time of Mr. Figueroa's admission into membership, he did not qualify for the military buyback program pursuant to M.G.L. However, due to subsequent legislative changes, Mr. Figueroa became eligible to participate in the program and according to records in his file, was mailed correspondence notifying him of the same. The letter was not sent certified mail and thus, the Board could not guarantee Mr. Figueroa ever received the notice from the Retirement Office.

On a motion made by Thomas Dateo Jr., and seconded by Mary Cringan to approve Mr. Figueroa's request to purchase creditable service for his eligible military service. Voted unanimous (5-0).

The Board briefly discussed the military service buyback program and how members have been notified of eligibility. Mr. Brooks explained one of the reasons the Board notifies members of their eligibility to purchase military service at the beginning of their career was to allow the Retirement System the opportunity to invest the contributions received. Ms. Schneider briefly explained the evolution of the military buyback law and explained the Veterans' Buyback Form was posted on the Retirement System's webpage and that new hires are briefed on all eligibility rights to transfer creditable service, purchase prior refunded service and if applicable, purchase eligible military service however, official documentation has not been sent to new members as the office has been waiting on the Board to institute a policy as to when official documentation should be sent to eligible members notify them of their right to purchase military service and essentially start the one hundred and eight day (180) notification clock. The Board stated that there was a bill presently at the State House for amendments to the law and contemplated awaiting the outcome of the bill.

**Dean Romano, Retiree and former Police Officer:**

Mr. Brooks noted that retiree, Dean Romano was present. Mr. Romano stated he wished to address the Board and explained when he met with the Retirement Office to complete his retirement application, he was informed he did not have an Option D Beneficiary designated. Mr. Romano stated he remembered completing the form at a union meeting many years ago and was told by a union representative, that the forms would be provided to the Retirement Office. As such, he felt comforted during his career knowing should anything happen to him,

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his wife was designated as his Option D beneficiary. When Ms. Schneider advised him during their meeting that the office had no record of any form being filed however, under M.G.L. should anything have happen to Mr. Romano, his spouse would have been able to apply for his Option D benefit. Mr. Romano was very concerned so Ms. Schneider had him complete the Option D form during their meeting. Mr. Dateo Jr., advised that he recalled when the police and fire unions were encouraging members to complete the Option D election forms and believed responsible parties may have misplaced the forms resulting in the information never getting to the Retirement Office. Mr. Romano went on to state that he believed members should be reminded annually of who their beneficiaries are and whether or not they have an Option D beneficiary on record. Ms. Schneider informed Mr. Romano that the Retirement Office sends out annual statements in which beneficiaries are listed as well as an Option D beneficiary, if applicable. Mr. Romano admitted he did not realize that and that many members may overlook the same and stated that he believed the Retirement Office should send information out to members reminding them of their ability to select an Option D beneficiary to educate the membership. Mr. Romano advised the Board that he wanted to thank the retirement office staff for all of their guidance during the retirement process and thanked the Board for their time.

**Discussions regarding Board Chair Succession Planning:**

Mr. Brooks reminded the Board that this would be his last Retirement Board meeting as he would be retiring on June 16, 2023. As such, a new Chairperson would need to be elected by the Board. There was a brief discussion regarding whether a Vice Chair should be elected by the Board, but the Board agreed they would table that discussion for another meeting.

Anna Farrell nominated Thomas Dateo Jr., as Chairman and stated as the longest standing member of the Board, she felt his historic knowledge would serve the Board and the membership well. Mary Cringan seconded the nomination. No other nominations were made. On a motion made by Anna Farrell and seconded by Mary Cringan to close nominations for Chairperson. Voted unanimous (5-0).

On a motion made by Anna Farrell and seconded by Mary Cringan to elect Thomas Dateo Jr., as Chairman of the Fitchburg Retirement Board effective June 17, 2023. Voted roll call, YES Mary Cringan YES, Anna Farrell YES, Thomas Dateo Jr., John Brown YES and Calvin Brooks YES. Unanimous (5-0).

Thomas Dateo Jr., thanked the Board for the opportunity to serve as Chairman and stated he looked forward to continuing to serve the Fitchburg Retirement System and was very proud of all the Board has accomplished over the years. Mr. Dateo Jr., went on to recognize Mr. Brooks efforts and guidance over the years and thanked him for his service to the City and the Retirement System. All of the Board members congratulated Mr. Brooks and thanked him for his service with the Board. Mr. Brooks thanked his fellow Board members for their well wishes and for the opportunity to work with them over the years.

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**New Business:**

Ms. Schneider reminded the Board that Ms. Farrell's seat was up for reelection and that nomination forms would be going out in July.

Ms. Schneider advised that she was still receiving payments for vacation buybacks and that the Retirement Office would be sending out a second round of notices for members who have not reached out or made payment. Administrator Assistant Steffani Santiago inquired as to whether an acknowledgement of receipt notice should be sent to eligible members notifying them of their eligibility, providing a copy of the guidelines and requesting members sign and return the acknowledgement form attesting they have received, read and understand the vacation buyback guidelines. Board agreed and requested the Retirement Office draft the acknowledgement form for their review and approval prior to disseminating.

**Executive Session under Purpose 2 of the Open Meeting Law – To discuss personnel matters as it relates to the annual salary increases for retirement office staff:**

On a motion made by Mary Cringan and seconded by Anna Farrell to go into executive session under Purpose 2 of the Open Meeting Law – to discuss the salary increase for the Board Administrator and Administrator Assistant. Chair Brooks requested Deputy Auditor Jacquelyn Cronin stay for the executive session as she had accepted the Auditor position with the City and thus, would be the ex-officio member of the Retirement Board upon his retirement. Voted roll call, YES Mary Cringan YES, Anna Farrell YES, Thomas Dateo Jr., John Brown YES and Calvin Brooks YES. Unanimous (5-0). The Board went into executive session at 11:12 a.m.

On a motion made by John Brown and seconded by Mary Cringan to come out of executive sessions. Voted roll call, YES Mary Cringan YES, Anna Farrell YES, Thomas Dateo Jr., John Brown YES and Calvin Brooks YES. Unanimous (5-0). The Board came out of executive session at 12:26 p.m.

Mr. Brooks advised the Board had reviewed and discussed the performance evaluation Ms. Schneider prepared for herself as well as the Board's performance evaluation of Ms. Schneider. Mr. Brooks stated given the cost-of-living-adjustments granted to city personnel and the salaries of Administrators in other retirement systems across the Commonwealth, the Board believed it was appropriate to increase Ms. Schneider's salary from the contractual agreement that was in place.

Mr. Dateo Jr., stated the Board recognized all of the work and effort Ms. Schneider had put in over the years, especially over the last year specifically, training the new administrator assistant, addressing the vacation buyback legislation, recalculating affected retirees pensions, recalculating retirees pensions as a result of the COLA increase to five percent and the day-to-day responsibilities of the department.

On a motion made by Thomas Dateo Jr., and seconded by Mary Cringan to set Board Administrator Tina Schneider's annual salary to one hundred and five thousand dollars (\$105,000.00) effective July 1, 2023. Voted unanimously (5-0).

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Mr. Brooks stated that the Board had reviewed the performance evaluation Ms. Santiago had prepared for herself and spoke with Ms. Schneider and reviewed the performance evaluation she prepared for Ms. Santiago. As a result, the Board felt given the recent salary increases for City personnel as well as the additional duties and responsibilities Ms. Santiago had taken on, that a salary increase was appropriate.

Mr. Dateo Jr., stated the Board recognized and appreciated Ms. Santiago's work ethic and her efforts in supporting the Administrator and the membership over the last year.

On a motion made by Thomas Dateo Jr., and seconded by John Brown to set Ms. Santiago's annual salary to seventy-three thousand dollars (\$73,000.00) effective July 1, 2023. Voted unanimously (5-0).

On a motion made by John Brown and seconded by Mary Cringan to adjourn the May 23, 2023 meeting of the Fitchburg Contributory Retirement Board. Voted unanimous (5-0).

The next public meeting of the Fitchburg Contributory Retirement Board is scheduled for June 27, 2023 at 10:00 a.m.

Meeting Adjourned 12:31 p.m.

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The following payment was approved for the May 2023 warrant:	\$2,050,155.56
Applications for withdrawal of accumulated deductions were:	\$17,297.02
Transfers to other systems were:	\$49,555.42
Management fees for May 2023 were: PRIT Core Fund	\$93,304.21

Respectfully submitted,



Tina M. Schneider  
Board Administrator

The Retirement Board attest to the accuracy of the minutes.

