

**PLYMOUTH RETIREMENT BOARD**

**Friday, May 25, 2018**

**8:04 a.m.**

**10 Cordage Park Circle, Suite 240**

**Plymouth MA 02360**

Chairman Kelley called the meeting to order at 8:04 a.m. in the conference room of the Plymouth Retirement Office. Present Board members were Lynne Barrett, Gerald Coughlin, and Dale Webber. Also present were Anthony Tranghese from FIA, Attorney Michael Sacco, Wendy Cherry and Karry Barros. Stanley Eldridge, James Brown, Monty Gray, Neil Foley and Dan Braley all from Plymouth Fire were present. Shawn Duhamel joined the meeting at 8:22 a.m.

**Section I: Membership:**

**HAZMAT Stipend:**

Attorney Sacco asked the members of the Plymouth Fire Department to introduce themselves and they did.

Attorney Sacco stated that the reason the members of the Plymouth Fire Department were asked to attend this meeting is to explain what the HAZMAT Team does and the payments they receive for being members of the team. He added that the Board will then take all of the information that is given and send a letter to PERAC asking that they give an opinion and state their position on the matter of the stipend being considered regular compensation or not.

Deputy Chief Stanley Eldridge told the Board he, Monty Gray, and Dan Braley are all members of the HAZMAT Team. He explained to the Board that the HAZMAT Team was established back in 1990, originally named the South Eastern Massachusetts HAZMAT Team. During that time, if the Town got paid for an incident then the members of the team were paid as well. Once the State took over, the funding was much better, and stipends and trainings were provided. There is an 80 hour training qualification to be met per year and any member not meeting that qualification will be removed from the team. The \$3,000.00 yearly stipend is a "Stand-By" Stipend, members are expected to be available unless they log into the D4H System and log out that they are unavailable for a particular time period. Deputy Chief Eldridge told the Board that all the members of the team thought that they were having retirement deductions taken from their "Stand-By" Stipend and that retired members of the HAZMAT Team have had their stipends included in their retirement calculations.

Attorney Sacco asked if the "Stand-By" Stipend is paid to team members because if a call should come in, the members of the team are expected to respond.

Deputy Chief Eldridge answered that the members of the team that are closest to the incident would be chosen to respond and if unavailable need to log out in advance to say they are not available.

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Attorney Sacco asked if the Town of Plymouth pays their \$3,000.00 "Stand-By" Stipend and then gets reimbursed by the State.

Ms. Barrett answered that the Town does not pay the "Stand-By" Stipend until the State sends the reimbursement.

Deputy Chief Eldridge told the Board that the "stand-by" stipend is paid twice a year in increments of \$1,500.00, if the team member meets the qualifications. The State keeps track of each members training hours and incidents. He added that there is special training for criminal incidents and if you miss drills you have to make up the time missed. He told the Board that in order to become a team member you need to get approval from the local Fire Chief, Town Manager, the Local Union and the MA Fire Chiefs.

Ms. Barrett told the Board that there is a contract with the Town that the Town Manager signs.

Attorney Sacco asked what the qualifications to be a team member are.

Deputy Chief Eldridge answered that you must be a certified technician.

Ms. Barrett told the Board that training certifications are part of their contract and are pensionable earnings. She asked Deputy Chief Eldridge if the Town of Plymouth compensates for any HAZMAT pay that the State does not reimburse for.

Deputy Chief Eldridge answered, "No."

Mr. Foley asked, if there was a training scheduled on a day you are also scheduled to work, how does this get handled.

Deputy Chief Eldridge explained that either a vacation day is taken or a day off is requested. He added that at no point does it cost the Town anything.

Attorney Sacco referred to the Kelleher Decision noting that the Magistrate discussed that the funding was coming from the State. The services being provided are not necessarily to the Town of Plymouth and are paid by the Commonwealth. Attorney Sacco explained that the Board's main concern is that if the Board determines the stipend is regular compensation, PERAC does not overturn that decision. He gave the example of the Clothing Allowance that was considered pensionable and then changed to non-pensionable.

Mr. Gray told the Board that the training they receive is used every day on the job.

Mr. Brown agreed with Mr. Gray and told the Board that there is no on/off switch, they use the skills they learn in training every day.

Chairman Kelley explained that the Board wants to be sure that any decision they make is not later overturned. The Board would like to put together a packet with all the information given today and submit it to their regulatory authority. If the Board receives approval from PERAC in

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writing it will protect the team members from having to be refunded the contributions as well as having their retirement allowance recalculated if PERAC overturns their decision at some point in the future.

Mr. Brown stated that he is not understanding what the issue is, all the retired team members he is aware of have had deductions taken from the stipend and it was it was included in their retirement calculation.

Mr. Braley referenced a letter written to him from the Retirement Board back in 1995, stating that retirement deductions had not been taken from his HAZMAT Stipend and he needed to pay those contributions back to the System. He told the Board he wrote a check for the underpaid deductions and this is why he thought deductions were being taken from the stipend since then.

Attorney Sacco explained that at the time this letter was written, the definition of regular compensation was different than it is today. The law changed in 2009, and the definition of regular compensation changed. He stated that if PERAC is on board and the Board agrees to consider it regular compensation then the decision will basically be bulletproof. He added that the Board is not looking to create a problem but to avoid a problem.

Mr. Duhamel stated that he personally feels it should be considered regular compensation but wants to be sure that it does not get taken away in the future.

Chairman Kelley told the Board he would like something in writing from PERAC stating that it should be considered regular compensation.

Mr. Webber stated that he appreciates the diligence in caution however, based on the PERAC Audit Reports for the Framingham Retirement System, Greenfield Retirement System, and Somerville Retirement System in which it is written that the HAZMAT Training Stipend and HAZMAT Duty monies shall be considered regular compensation, he does not feel the need to move forward with PERAC.

Motion to consider HAZMAT Stipend regular compensation made by Mr. Webber. Seconded by Mr. Duhamel.

Discussion:

Attorney Sacco told the Board that if they want to vote to include the HAZMAT Stipend as regular compensation they can do this but he wants to bring attention to the fact that the audits mentioned by Mr. Webber took place before the statute changed in 2009. He added that the only case regarding this issue is the Kelleher Case and the decision addresses HAZMAT Training and not the "Stand-By" Stipend.

Mr. Duhamel stated that the services provided are regular and reoccurring, he feels it should be considered regular compensation.

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Ms. Barrett told the Board that there is a contract with the Town, signed by the Town Manager and Fire Chief. If a member of the Team is injured during an incident they are covered under 111F benefits. The HAZMAT Team gets paid "Stand By" while they are an employee. She added that they should be encouraged to get any training and certifications possible and they should be paid to do so. Ms. Barrett recommended that Director Wendy Cherry write a letter stating the HAZMAT "Stand-By" Stipend be considered regular compensation and instructing a correction be made to all effected so that a change can be made in the payroll system.

Chairman Kelley stated that the Board has established a record of testimony and the discussion that led to the Board's decision will be on record in the meeting minutes.

Motion on the table to consider the HAZMAT "Stand-By" Stipend regular compensation stands. Unanimously voted.

Motion for Director, Wendy Cherry, to write a letter instructing deductions begin to be taken from the HAZMAT "Stand-by" Stipend made by Ms. Barrett; Seconded by Mr. Webber.

Ms. Barrett told Ms. Cherry that she would look through the payroll records for Jeffrey Aylward, retired on July 10, 2014. Mr. Aylward was a HAZMAT Team member and may need to have his retirement allowance recalculated.

The members of the Plymouth Fire Department left the meeting at 8:58 a.m.

**Section II: Regular Business:**

**Minutes:**

Minutes of April 27, 2018	Executive Session
Minutes of April 27, 2018	Regular Meeting

Motion to approve Minutes made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

**Warrants:**

Warrant #3 Dated March 31, 2018	\$ 4,545,021.60 Final
Warrant #4 Dated April 30, 2018	\$ 1,750,841.41 Partial
Warrant #5 Dated May 31, 2018	\$ 182,870.56 Partial
Warrant #6 Dated June 30, 2018	\$ 3,997.34 Partial

Trial Balance as of March 31, 2018	\$ 173,888,989.85
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Motion to approve Warrants made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

**Public Comment:**

The Board briefly discussed the Pension Reserve Investment Management Board's press release and the accompanying Boston Globe's article regarding PRIT's investment performance.

Motion to send the Town of Plymouth's Board of Selectmen a copy of PRIT's performance and Boston Globe article made by Ms. Barrett; Seconded by Mr. Duhamel. Unanimously voted.

**New/Old Business:**

**Regular Compensation /Worker's Comp Issue:**

Attorney Sacco informed the Board that Judith Corrigan plans to discuss this issue on Wednesday morning June 6<sup>th</sup> at the MACRS Conference. He added that there will be Board members challenging PERAC's position and it is possible with enough push back, they may change their position. Attorney Sacco recommended not making any changes at this time.

Attorney Sacco told the Board that there is nothing new to report regarding ongoing litigation. He added that he argued the Gomes Case and thought the judge was supportive of our position. He explained that the judge wants CRAB to brief it and once there are any updates, the Board will be notified.

**Portfolio Monitoring Services:**

Scott & Scott 1<sup>st</sup> Qtr. 2018, Review

**Investments:**

Mr. Tranghese reviewed the Floating Rate/Bank Loan RFP. He told the Board that Barings, the incumbent, is now under MA Mutual. There were seventeen (17) responses and all respondents met the minimum qualifications as outlined. Five of the respondents were rated as "Not Advantageous" at the composite level. Four respondents, Barings, Credit Suisse, Lord Abbett and Pacific were rated "Highly Advantageous". Mr. Tranghese told the Board that Barings LLC has performed well and the Board may choose to accept them for another seven years. He added that all four (4) with the "Highly Advantageous" rating are qualified.

Motion to accept Barings LLC as Floating Rate/Bank Loan Manager made by Mr. Duhamel; Seconded by Mr. Coughlin. Unanimously voted.

Mr. Tranghese told the Board that the total Fund was at \$173,180,318, as of April 30, 2018. He added that the Fixed Income allocation is slightly underweight. Performance was .4% for the month of April and for the 1<sup>st</sup> Qtr. The One-year performance was 10.5%. Mr. Tranghese told the Board that most Managers did well. WTC-CIF Core Bond was down, they performed only slightly better than the benchmark however, they have done a good job protecting in that environment. He informed the Board that Barings has had a very good year. Mr. Tranghese

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explained that Templeton is on the watch list due to Cindy Sweeting's retirement in December 2017, but their performance has improved.

Mr. Tranghese reviewed the OPEB Trust performance. He told the Board that the total Fund was at \$3,792,131 as of April 30, 2018. The month of April performance was at .4% and was the same for the 1<sup>st</sup> Qtr. Year-to-Date performance was -.8%. He added that diversification will help over time.

Mr. Tranghese reviewed with the Board two separate Appropriation Scenario's. The main difference being that Scenario #1 includes some allocation to International Equities and Scenario does not.

Chairman Kelley stated that he is looking for more stability in International Equities.

Mr. Duhamel suggested that the Board consider taking a cautious approach.

Motion to accept FY/2019 Appropriation Scenario #2 made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

**Section III: Membership:**

**Voluntary Waiving of Retirement Allowance:**

Retiree Cynthia Snow has requested waiving her retirement allowance until further notice while she works full-time for the Town of Plymouth Council on Aging. Ms. Snow retired from the Town of Plymouth on September 9, 2013.

Motion to approve Cynthia Snow voluntarily waiving her retirement allowance made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

**New Hires:**

**Town:**

- 9% Campbell, James, Group 1, Local Inspector B  
Perm. Full-time: \$1,007.96 weekly  
Start Date: April 30, 2018
- 9% Croak, Ryan, Group 4, Police Officer  
Perm. Full-time: \$996.32 weekly  
Start Date: May 29, 2018
- 9% Heath, Michael, Group 1, Meter Reader/Repairman – DPW-Water  
Perm. Full-time: \$787.35 weekly  
Start Date: May 14, 2018

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**School:**

9% Vendetti, Angelica, Group 1, MSN Paraeducator  
Perm. Full-time: \$583.20 bi-weekly  
Start Date: May 7, 2018

Motion to approve Town and School New Hires made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

**Buybacks:**

**School:**

Welling, Lisa, Group 1, Clerical Paraeducator has requested to purchase prior part-time service from 9/3/13 – 12/31/17 with the Town of Plymouth School Department.  
Total Buyback Amount: \$2,691.06

Motion to approve School Buyback made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

**Rollovers:**

**School:**

Kessler, Maureen, Former Group 1, Secretary  
Two (2) Years Creditable Service (6/20/11-7/18/13)  
Total Rollover amount: \$6,106.40

Motion to approve School Rollover made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

**Transfers:**

**School:**

Amonte, Lisa, Group 1, Paraprofessional  
Nine (9) Years, Nine (9) Months Creditable Service (10/29/2007 – 8/28/2017)  
Total Transfer to MA Teachers' Retirement System: \$9,669.79

South, David, Group 1, Instructional Aide  
One (1) Year, Eight (8) Months Creditable Service (11/30/2015-8/28/2017)  
Total Transfer to MA Teachers' Retirement System: \$2,695.3

Motion to accept School Transfers made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

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**Retirements:**

**Town:**

Coville, Paula, Group 1, Accounting Officer  
Twenty Years and Three Months Creditable Service  
Superannuation retirement, opt c  
Retirement Date: June 29, 2018

Thompson, Jeannine, Group 1, Library Associate  
Thirteen Years, Two Months Creditable Service  
Superannuation retirement, opt b  
Retirement Date : July 5, 2018

Hunter, Daniel, Group 1, Maintenance Worker Parks Dept  
Fourteen Years, Three Months Creditable Service  
Superaanuation retirement, opt c  
Retirement Date : June 29, 2018

**School:**

Soares, Diane, Group 1, Kitchen Manager  
Thirty-Two Years Creditable Service  
Superannuation retirement opt c  
Retirement Date: June 29, 2018

Motion to accept Town and School Retirements made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

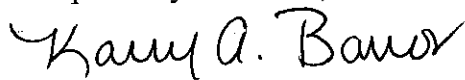
**Next Meetings:**

June 22, 2018

**Adjourn:**

Motion to adjourn Regular Meeting at 9:30 a.m. made by Ms. Barrett; Seconded by Mr. Coughlin. Unanimously voted.

Respectfully submitted,

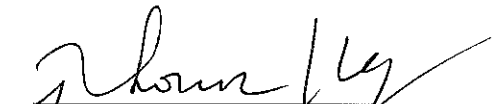



Karry A. Barros  
Assistant Director

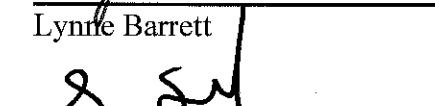


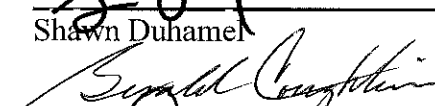
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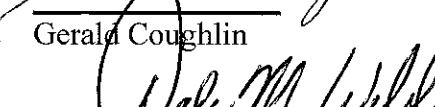
**Plymouth Retirement Board:**

  
Mr. Thomas Kelley, Chairman

  
Lynne Barrett

  
Shawn Duhamel

  
Gerald Coughlin

  
Dale Webber

June 22, 2018

Dated