



WAKEFIELD RETIREMENT BOARD

Thursday, February 15, 2018

8:00 A.M.

WILLIAM J. LEE MEMORIAL TOWN HALL

1 Lafayette Street, Wakefield, MA 01880

Second Floor Conference Room

PRESENT:

Kevin Gill, Chair
Richard E. Smith
Philip Rogers, Sr.
Richard J. DeFelice
Daniel Sherman
Cathy Cheek, Board Administrator
Sherri A. Dalton, Administrative
Assistant

ALSO

PRESENT:

----- TOPICS OF DISCUSSION -----

Call to Order

Chair Kevin Gill called the meeting to order at 8:00 a.m.

**Executive
Session –
Board
Administrator
Contract**

At 8:00 a.m. Daniel Sherman motioned to go in to Executive Session to discuss the Contract for the Board Administrator because an Open Meeting may have detrimental effect on the position of the Retirement Board with the intent of returning to Open Meeting. Philip Rogers, Sr. seconded. Motion passed on a roll call vote with all five members voting in the affirmative.

The Board returned to Open Meeting at 8:47 a.m.

Daniel Sherman motioned to offer Cathy Cheek a three (3) year contract that will stipulate a title change to Executive Director; benefits will follow those of the Town of Wakefield Supervisors Contract; change in hours to 40 hour work week; and a 6.0% salary adjustment increase for year 2018, 6.0% salary adjustment increase for year 2019 and 6.0% salary adjustment increase for year 2020. Philip Rogers, Sr. seconded. Motion passed 5-0-0.

Daniel Sherman motioned for a 4.5% salary increase for Sherri Dalton for year 2018, 4.5% salary increase for year 2019 and 4.5% salary increase for year 2020. Richard J. DeFelice seconded. Motion did not pass 2-3-0 with Daniel Sherman and Richard J. DeFelice voting in favor of the motion and Philip Rogers, Sr., Richard E. Smith and Kevin Gill voting against the motion.

Richard E. Smith motioned for a 6.0% salary increase for Sherri Dalton for year 2018, 6.0% salary increase for year 2019 and 6.0% salary increase for year 2020. Philip Rogers, Sr. seconded. Motion passed 3-2-0 with Richard E. Smith, Philip Rogers, Sr. and Kevin Gill voting in favor of the motion and Daniel Sherman and Richard J. DeFelice voting against the motion.

Public Participation

No one was present for Public Participation.

Approval of Regular Minutes – January 18, 2018

Daniel Sherman motioned to approve the January 18, 2018 Minutes as presented. Philip Rogers, Sr. seconded. Motion passed 5-0-0.

Approval of Executive Minutes – January 18, 2018

Philip Rogers, Sr. motioned to approve the January 18, 2018 Executive Minutes as presented. Richard E. Smith seconded. Motion passed 5-0-0.

Cash Books

The Board Members were in receipt of the Cash Reconciliation including bank statements, trial balance, Cash Receipts, Cash Disbursements, Adjusting Journal Entries and Cash Flow Forecast for the month of December 2017. Daniel Sherman motioned to accept as presented, the cash books and cash flow forecast for the month of December 2017. Philip Rogers, Sr. seconded. Motion passed 5-0-0.

Membership Census

The Board Members were in receipt of the current membership census dated 01/01/2017 – 02/09/2018. Richard J. DeFelice questioned the census, specifically the MGLD hiring of Michael McCarthy. Daniel Sherman asked what Mr. McCarthy's position with the MGLD is. Cathy Cheek answered General Counsel. Ms. Cheek further went out to explain that Mr. McCarthy will be making \$11.53 per hour for forty (40) hours. Chairman Gill stated that the amount was supposed to change to \$50.00 per hour for thirty (30) hours. Daniel Sherman questioned the amount and said for \$11.53 per hour for General Counsel he does not believe it and for \$50.00 per hour for thirty (30) hours is more like it for that position. Richard E. Smith questioned the \$50.00 per hour for General Counsel and Richard J. DeFelice said for General Counsel you need to get paid more than \$50.00 per hour. Philip Rogers, Sr. said it's crazy and that lawyers make a lot more than that. Richard E. Smith went on to say that Mr. McCarthy will be paid \$70,000.00 per year as a full time employee. Mr. Smith asked if Town Counsel was full time. Cathy Cheek answered no that Mr. Mullen is a part time employee and is a member in the Wakefield Retirement System due to an old regulation that allowed part time employees in the system. That regulation has since changed. Richard E. Smith asked if Mr. McCarthy is going to bill the WMGLD. Chairman Gill answered no that he is going to be an employee. Mr. Smith again questioned if Mr. McCarthy is going to work for the WMGLD for \$50.00 per hour for thirty (30) hours and that his pension would be based on that. Cathy Cheek replied that Mr. McCarthy had been a Light Commissioner for thirty (30) years and he will buy back that time and when he does, he will be fully vested. She explained that for \$12.24 Mr. McCarthy will be able to buy a full year of creditable service and Mr. McCarthy has thirty (30) years. Daniel Sherman asked if the WMGLD has any idea how much this is going to cost when Mr. McCarthy pulls a pension check. Richard E. Smith feels the Board can do something about this and feels that this should be tabled until they have more information. Mr. Smith asked again if Mr. McCarthy is going to bill the WMGLD after his current rate of pay of \$11.53 per hour for (40) hours or if his pay changes to the \$50.00 per

hour for thirty (30) hours. He also asked if Mr. McCarthy does bill after his rate of pay, will he be paid through payroll or will he be paid as a vendor and he also wants to know what group he will be put in. Philip Rogers, Sr. stated that he does not like it and feels that Mr. McCarthy is game playing. Richard E. Smith agrees with Mr. Rogers. Chairman Gill said the last time that he spoke with Peter Dion, Mr. McCarthy will be paid \$50.00 per hour for thirty (30) hours \$78,000.00 per year with health care. Mr. Smith said the whole thing comes down to health care. Mr. Rogers said the Board shouldn't accept Mr. McCarthy as a member. He went on to say that this is a rip off and that he is gaming the system. Richard E. Smith agreed with Mr. Rogers and added that it is all for health care. Mr. Sherman asked if the Board has anything in writing from the WMGLD regarding Mr. McCarthy. Cathy Cheek stated she has a letter which states Mr. McCarthy will be working eighty (80) hours at \$11.53 per hour biweekly and that Mr. McCarthy has been working in this position since January 22, 2018. Richard E. Smith asked where Mr. McCarthy works out of. The question could not be answered. Daniel Sherman commented that this stinks. Richard E. Smith proposed that the discussion be tabled until there can be clarification and that the Board should not just push this through quickly and invite Peter Dion of the WMGLD to the next meeting. Philip Rogers, Sr. agreed with Richard E. Smith that the Board needs more information. Daniel Sherman also agrees with Richard E. Smith and he also said that he would like to know more about the position and what the duties are going to be as it currently smells. Mr. Sherman asked what is included in the bill that the Wakefield Retirement Board sends to the WMGLD. Cathy Cheek answered that the bill is based on the current salary as of September 30th. Daniel Sherman motioned to accept the following Membership Census with the exception of Michael McCarthy. Philip Rogers, Sr. seconded. Motion passed 3-2-0 with Daniel Sherman, Richard E. Smith and Philip Rogers, Sr. voting in favor of the motion and Richard J. DeFelice and Kevin Gill voting against the motion. Richard E. Smith reiterated that Peter Dion be invited to the next Wakefield Retirement Board meeting. Daniel Sherman agreed and said that this stinks. Philip Rogers, Sr. agreed and said that some of the things that go on in this town get to him. Richard E. Smith said it will give the Board an opportunity for question and answers and feels that right now it is being pushed on the Board. The Board was in agreement with inviting Peter Dion to the March 15, 2018 meeting.

Approved new member Robin A. Albano-Gaeta – School – 01/22/2018
Approved new member Pinghe Zou – Town – 01/22/2018

**Monthly
Budget –
December
2017**

Board Members were in receipt of the December 2017 Monthly Budget.

**Monthly
Budget –
January 2018**

Board Members were in receipt of the January 2018 Monthly Budget.

COLA Hearing

Philip Rogers, Sr. motioned to set the COLA Hearing for April 19, 2018. Richard E. Smith seconded. Motion passed 5-0-0.

Correspondence	<p>PERAC Memo 5/2018 – Mandatory Retirement Board Member Training – 1st Quarter 2018</p> <p>PERAC Memo 6/2018 - Buyback and Make-up Repayment Worksheets</p> <p>PERAC Memo 7/2018 – NCPERS 2018 State and Federal Legislation Webcast – Three Credits</p> <p>PERAC Memo 8/2018 – 840 CMR 10:10(3) & 10:15(4) – Annual Review of Medical Testing Fee</p> <p>PERAC Memo 9/2018 – Actuarial Data</p> <p>PERAC Memo 10/2018 – 2018 Interest Rate set at 0.1%</p> <p>PERAC Memo 11/2018 – Investment Related Issues and Concerns</p> <p>PERAC – Actuarial Valuation – January 1, 2018</p> <p>Daniel Sherman motioned to place all correspondence on file as presented. Richard E. Smith seconded. Motion passed 5-0-0.</p>
Matters Not Anticipated By The Chair Within 48 Hours of Meeting	<p>Daniel Sherman – asked if Cathy Cheek has closed the books in which Cathy responded she is working on it but they are not closed yet and is in hopes they will be closed by the end of the week</p> <p>Richard E. Smith – inquired where the Statement of Financial Interest goes. Cathy Cheek replied that it goes directly to PERAC</p> <p>Cathy Cheek – informed the Board that the 1099R's were balanced, printed and mailed out at the end of January; she completed the Town Report and sent it to Sherri Dalton on time; May 1, 2018 is the deadline for each Board member to submit their Statement of Financial Interest to PERAC</p>
Warrant Review and Signing	<p>The Board members reviewed and signed the following Warrants: Warrant 18-1-2 in the amount of \$6,809.65; Warrant 18-1-3 in the amount of \$5,170.12; Warrant 18-1-4 in the amount of \$869,677.92; Warrant 18-2-1 in the amount of \$708.60</p>
Next Board Meeting	<p>The next regular Retirement Board Meeting has been scheduled for Thursday, March 15, 2018 at 8:00 a.m.</p>
Adjournment	<p>Daniel Sherman motioned to adjourn at 9:26 a.m. Richard E. Smith seconded. Motion passed 5-0-0.</p>

Respectfully submitted,



Sherri A. Dalton
Administrative Assistant