

CUMBERLAND PENSION BOARD

EDWARD J. HAYDEN PUBLIC LIBRARY

The Hayden Center Meeting Room #4

1464 Diamond Hill Road

Cumberland, RI 02864

Monday, June 15, 2009

Present: Bob Walsh, John Buckley, Ray Casey, Tom Hefner, Tom Bruce, Christine Losea, Kevin St. Jean, Melissa St. Jean

1. Call to Order at 9:03 a.m.

2. Tom Hefner distributed information related to the police pension plan and disability pension for Kevin St. Jean. Bob asked if all members had reviewed all the information related to Officer St. Jean's situation. Tom Hefner expressed an opinion by Kevin that the pension board did have a right to see all of the documents as they have to make a decision on whether he is disabled as a result of being injured on duty. The administration believes that Officer St. Jean should be approved for a disability pension. If the board does not agree with the administration's decision, Tom would like to table this situation until Kevin is able to retain legal counsel. Tom Hefner would also like all documents to be returned to him to be either destroyed or sealed for reasons of confidentiality. The Board agreed

with the confidentiality agreement, but questioned why Kevin would require an attorney.

The information provided to the Board Members included three evaluations of Kevin St. Jean's medical conditions by three different doctors. Tom Hefner stated that if the board agreed with the report which said Kevin was fine and could return to work, and then there might be an issue. John said they need to consider all reports in order to make a decision. Kevin distributed a portion of the contract stating when two doctors disagree, the decision would go with the opinion of the third doctor. In this case, the third doctor would be Dr. Olin. Kevin strongly disagrees with Dr. Saris' report and has other issues with his examination. Dr. Saris is also on Beacon's legal review board and Kevin feels this is an issue. Tom Hefner felt parts of Dr. Saris' report are inconsistent with the situation. In the report Tom Hefner gave to the Board and to Kevin, he discounts Dr. Saris' report. He feels the report of Dr. Olin should be followed. Bob wondered why this report was given to Kevin. Tom said he wanted to be perfectly upfront on the situation. Tom discussed the reports from the other doctors and how they did not agree with Dr. Saris. Both of the doctor's reports support the disability and it appears the terms of the contract support a disability pension. Bob again questioned why Kevin would want an attorney in this situation. Kevin said he does not really want to get one, but was working to have this settled in order to save the Town money in the long run because after July 1st, he will get a 2.5% raise and 5 more weeks of vacation. Kevin stated

that there were some physical injuries caused by Dr. Saris during his examination as in he re-injured an old injury in his shoulder and Dr. Saris may have torn his labrum in his shoulder. He wanted the Board to exclude the report from Dr. Saris.

Bob questioned who determines on or off the job injury. Tom Hefner stated that the doctor would. Kevin was returning to work when the injury was sustained, and there is a videotape of a portion of the incident causing the injury. Bob was seeking to see if in future cases, if someone was just going into work to pick up a paycheck and fell would that be job-related. Tom Hefner said there is a going and coming rule for worker's compensation whereby you are not covered if you were going or coming to work. In this case, Kevin was already on duty. Bob proposed to approve the disability pension for Kevin St. Jean. Unanimous. Approved.

The calculations for Kevin St. Jean's disability pension are with the actuary, and should be in to the Finance Office by this Wednesday. Tom Hefner said the amount for retirement under a disability would be 66 2/3% of the current salary at the time of requirement. Bob would like a call when the paper work is in, and he will get the signatures. Kevin would like an e-mailed copy of the figures. According to Kevin, the figure should include his base salary, shift differential, holiday pay, longevity, and accreditation incentive. The plan and the contract differ on how long the light duty should have to

be performed in order for someone to be considered disabled. Kevin questioned whether the payment for June 21 to June 30 would be pro-rated. The finance department will take care of this. Kevin also asked what the health care benefit would be extended to his family or is it a personal coverage. Tom Hefner will look into this. He also asked about the co-pays. Tom Hefner stated whatever is not picked up by the plan will be picked up by the Town as it relates to treatment for the on the job injuries. Tom Bruce asked the slips be submitted to him for reimbursement. Kevin would like all the terms of the settlement in writing. Bob asked if Kevin felt he would like it in writing because of issues in the past. Kevin stated that although he feels the finance and legal departments are run well at present, he would like it in writing based on things he has been told of past practices in the Town. Bob asked if Kevin understood that each year, the disability pensioners adhere to the financial and medical requirements as presented in the pension plan and contract. Kevin said he did understand. Kevin also questioned whether the payments were tax-free. It was recommended he speak with an accountant about this. Tom Bruce said he should keep a certified copy of the Town Disability Ordinance to keep in his personal files.

Kevin and Melissa thanked the Board and left the meeting. The Board supplied all confidential material to Tom Hefner for disposal. A complete copy of all medical reports presented to the Board is to be sealed and used only for future reviews by the Pension Board.

John questioned whether the shift differential should be included in a calculation if an officer was just called in for that particular day. Tom Hefner will investigate this issue. Ray asked Tom Hefner if Mayors are allowed to decrease the disability pension from 66 2/3% as many Mayors are requesting of their retirees. Tom stated this was against RI State law.

3. Change of the Sovereign Bank Investment Management Services. Tom has received two calls from Jeff McDonald, but has not been able to connect with him. There is some reorganization being done by the Spanish bank that acquired Sovereign, but they were fairly sure their unit would remain intact. However, notification is pending. We have not yet heard from Greg Leo. Bob asked if Jeff's report was official. Tom confirmed this. Bob wondered if we should send a letter to Jeff asking for formal notice of the situation. Tom will speak with Jeff and ask for a status report. Ray mentioned lay-offs were indicated in the paper, so we could send an inquiry. Tom distributed the last monthly report from Sovereign. Tom would request a person from Sovereign be at the next Board meeting (the fourth Wednesday of July).

4. Analysis of Investment Performance of Other Municipal Pension Systems. Tom would like to select two firms to interview prior to an RFP. Bob wondered if we could do that without an RFP. Tom said we

could do this prior to an RFP but not after. The analysis of the other Towns showed Washington Trust could be a good option. Ray asked if John Hancock was an option. Tom stated we are not able to work with that Hancock plan because its municipal clients have and need to have fully funded plans. UBS is another option. The Board felt these interviews should be conducted at a separate meeting or meetings. July 8th would be a good day. Both could be conducted on the same day.

Meeting adjourned at 10:13 a.m.