

# Employees' Retirement System of Rhode Island

Sent via U.S. First Class Mail and Certified Mail Return Receipt Requested

ERSRI Board:

March 31, 2015

91 7108 2133 3934 8296 6197

Seth Magaziner General Treasurer

Chair

Chief Robert Warren Coventry Fire District 571 Washington Street

William B. Finelli Vice Chair

571 Washington Stree Coventry, RI 02816

Gary R. Alger

RE: Paul Labbadia

Daniel L. Beardsley

Dear Chief Warren:

Frank R. Benell, Jr.

Roger P. Boudreau

.....

Michael R. Boyce

Mark A. Carruolo

Michael DiBiase

John P. Maguire

John J. Meehan

Thomas A. Mullaney

Claire M. Newell

Louis M. Prata

Jean Rondeau

Frank J. Karpinski
Executive Director

Enclosed please find an invoice in the amount of \$80,497.08, which reflects Coventry Fire District's (CFD) cost for the contributions plus interest to be paid for Mr. Labbadia's service credit for his employment from 2009 through 2014.

Payment must be made no later than 30 days by direct payment of the accrued past service liability as set forth in the invoice. If the CFD fails to remit the employer's contributions, the unpaid balance will be added to the CFD's unfunded liability. As a result, this could cause an increase in the Town's future contribution rates in order to satisfy this funding requirement.

Thank you for your attention to this matter.

Sincerely,

Frank J. Karpinski

Executive Director

Enclosure

Cc:

Paul Labbadia

John J. DeSimone, Esq.

Robert Catalfamo, Tax Collector, Coventry Fire District

## Employees Retirement System of Rhode Island 50 Service Avenue

Warwick, Rhode Island 02886-1021

Telephone: (401) 462-7600/ Fax: (401) 462-7691

In-State Toll Free: (800) 752-8088

TDD: (401) 521-8980 Web Site: <u>www.ersri.org</u>

Frank J. Karpinski, Executive Director

**Employer share** 

### INVOICE

Coventry Fire District 571 Washington Street Coventry, RI 02816

Statement Date:	Payment Due Date*:		
3/30/15	4/30/15		

	Social Security	Number
TRANSACTION INFORMATION		DOLLAR AMOUNT
Code / Description of Service / Dates / Amount of Time	to be Purchased	DOLLAR AMOUNT
Employer share of contributions for Paul La	bbadia from 2009-2014	
Total Time = 6 Years 0 Months 0 Days		
For ERSRI office use only	Cost to Purchase	\$ 80,497.08
	Interest Due, if any	
	TOTAL AMOUNT DUE	\$ 80,497.08

<sup>\*</sup>If you do not provide payment by the due date, interest charges must be recomputed. **ERSRI will only compute interest charges once a year,** so it is advisable that you send your check by the due date to avoid a delay.

Checks should be made payable to "Employees Retirement System."

RVICE LEGEN	<u>D</u>		
30	Prior State Service	36	Educational Leave
31	Prior Teaching Service	37	Personal Leave
32	Prior Municipal Service/Participating	38	Out-of-State Teaching Service
33	Prior Municipal Service/Non-Participating39	39	
34	Military Service	40	In-State Teaching Service Miscellaneous
35	Sick Leave	41	Withdrawals



### **Employees' Retirement System** of Rhode Island

ERSRI Board:

Sent via U.S. First Class Mail and Certified Mail Return Receipt Requested

Seth Magaziner General Treasurer Chair

March 31, 2015

91 7108 2133 3934 8296 61AD

William B. Finelli Vice Chair

John J. DeSimone, Esq. DeSimone Law Offices 735 Smith Street

Providence, RI 02908 Gary R. Alger

Daniel L. Beardsley

RE: Paul Labbadia – Call System Service Credit

Frank R. Benell, Jr.

Dear Attorney DeSimone:

Roger P. Boudreau Michael R. Boyce

Mark A. Carruolo

I am writing with respect to the above matter to inform you of the Employees' Retirement System of Rhode Island's (ERSRI) actions to be taken given a determination made by North Providence Mayor Charles Lombardi regarding the

Michael DiBiase

communication you provided on Mr. Labbadia's behalf from prior members of the

John P. Maguire

North Providence Call Fire Department.

John J. Meehan

Call System Service Credit Thomas A. Mullaney

Claire M. Newell

Louis M. Prata

Jean Rondeau

Please be advised that with all information for service credit, ERSRI relies on the information provided by employers to be complete and valid. If a subsequent conflict/question with information is presented to ERSRI on any prior correspondence or data, we will request confirmation from the originating employer.

Frank J. Karpinski Executive Director

Accordingly, we received a response from Mayor Lombardi confirming that the final factual determination of Call System service is that Mr. Labbadia served from January 22, 1982 through August 31, 1989. The basis for their decision as noted in their response letter of February 12, 2015 is that (1) the Town of North Providence rules and regulations both in print and in practice did not allow anyone to serve as a member of the Call System prior to age 16 and that Mr. Labbadia turned 16 on January 22, 1982; (2) their records clearly reflect that in July 1982 Mr. Labbadia received his first remuneration as documented within the records they provided to our office; (3) statements to the effect that Mr. Labbadia may have been in the station with family prior to age 16 are irrelevant to qualification for eligible service time.

In light of the determination made by the employer, Mr. Labbadia was not eligible to purchase call system service credit from 1980-1981 and thus it will be necessary to remove that year from his total years of service yielding him 19 years 3 days of

service credit and thereby rendering him ineligible for a service retirement from the Town of North Providence Fire Department in April 2007.

#### Pension Benefits from North Providence Fire Department

Mr. Labbadia started collecting a retirement benefit from MERS in April 2007, which has since been suspended. As noted, since he was not eligible to collect a pension benefit at that time due to the reduction in service credit no longer making him eligible, it will be necessary for Mr. Labbadia to refund the total amount he received in pension benefits through his date of termination from employment with the Coventry Fire District. The total amount paid to Mr. Labbadia that will need to be recouped is \$51,711.65.

#### Retirement Contributions

Given that Mr. Labbadia has been regularly employed by the Coventry Fire District (CFD) as Chief since February 20, 2008, it will be necessary pursuant to RIGL §45-21-8 that he be considered an active member of the Municipal Employees Retirement System (MERS) during his employment with CFD. Accordingly, members are required by RIGL §45-21-41 to contribute to the retirement system and pursuant to RIGL §45-21-42, the employer must also make contributions on the members behalf.

The enclosed bill reflects the amount of contributions Mr. Labbadia would have paid including the accrued interest had contributions been deducted from his compensation starting at his date of hire. Using Mr. Labbadia's contract at a starting salary of \$70,000 and an assumed 2.5% increase in pay per year, Mr. Labbadia would owe contributions of \$37,161.49 plus accrued interest of \$7,468.97.

The employer's cost, Coventry Fire District, for Mr. Labbadia's service credit is computed at full actuarial cost, less Mr. Labbadia's contributions plus interest. This amounts to \$80,497.08. Coventry Fire District's bill will be sent to the District under separate cover.

#### <u>Pension Revocation</u>

Please be advised that pursuant to the Rhode Island Public Employee Pension Revocation and Reduction Act should Mr. Labbadia be convicted of or plead guilty or nolo contendere to any crime related to his public employment, the retirement board shall at that time consider revocation of his pension.

I trust that this information clarifies the required actions on the part of ERSRI. Should you wish to discuss any of these actions, please feel free to contact me.

Thank you.

Sincerely,

Frank J Karpinski
Executive Director

Enclosure

cc: Mr. Paul Labbadia

91 7108 2133 3934 8296 6173

Chief Robert Warren, Coventry Fire District

Robert Catalfamo, Tax Collector, Coventry Fire District

Charles A. Lombardi, Mayor and Public Safety Officer, Town of North

Providence

Chief Leonard Albanese, North Providence Fire Department

### Employees Retirement System of Rhode Island

50 Service Avenue

Warwick, Rhode Island 02886-1021

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In-State Toll Free: (800) 752-8088

TDD: (401) 521-8980 Web Site: www.ersri.org

Frank J. Karpinski, Executive Director

#### INVOICE

Paul Labb	adi	а
Coventry,	RI	02816

Statement Date:	Payment Due Date*:
3/30/15	4/30/15

Social Security Number

Transaction Information		DOLLAR AMOUNT	
Code / Description of Service / Dates / Amount of Time t	to be Purchased		
Employee contributions for employment with from 2009 – 2014.	h the Coventry Fire District		
Total Time = 6 Years 0 Months 0 Days			
For ERSRI office use only	Cost to Purchase	\$ 37,161.49	
	Interest Due, if any	7,468.97	
	TOTAL AMOUNT DUE	\$ 44,630.46	

<sup>\*</sup>If you do not provide payment by the due date, interest charges must be recomputed. **ERSRI will only compute interest charges once a year,** so it is advisable that you send your check by the due date to avoid a delay.

Checks should be made payable to "Employees Retirement System."

VICE LEGEN	<u> </u>		
30	Prior State Service	36	Educational Leave
31	Prior Teaching Service	37	Personal Leave
32	Prior Municipal Service/Participating	38	Out-of-State Teaching Service
33	Prior Municipal Service/Non-Participating39	39	In-State Teaching Service
34	Military Service	40	Miscellaneous
35	Sick Leave	41	Withdrawals

### TOWN OF NORTH PROVIDENCE



### STATE OF RHODE ISLAND

CHARLES LOMBARDI Mayor

> OFFICE OF THE MAYOR 2000 Smith Street North Providence, RI 02911 Phone 232-0900 Fax 232-3434

Sent via Email and First Class Mail

Frank Karpinski
Executive Director
Employees Retirement System of Rhode Island

February 12, 2015

Dear Director Karpinski,

This communication is to confirm that the final factual determination of Call System Credit for Paul Labbadia is that he served from January 22, 1982 through August 31, 1989 for a total of 7 years and 7 months. Therefore, he was only eligible to purchase 2 years of service credit.

State Law 45-21.2-16 entitles members of the North Providence Fire Department Call System to purchase service credits on a 3 years served for 1 year of credit scale. The Town of North Providence rules and regulations both in print and by practice did not allow anyone to serve as a member of the Call System prior to age 16. Mr. Labbadia turned 16 on January 22, 1982 and the records clearly reflect that in July of 1982 he received his first remuneration as documented within the records.

In reference to the emails sent on Mr. Labbadia's behalf, they have no bearing on the actual time served. Statements to the effect that Mr. Labbadia may have been in the station with family prior to age 16 are irrelevant to qualification for eligible service time.

Furthermore, after a Pre Suspension Hearing of Post-Retirement Benefits was held on December 18, 2014, the Town of North Providence terminated all post retirement benefits including COLA and health insurance because it has been factually determined that he was ineligible for these benefits.

Very truly yours,

Charles A. Lombardi.

Mayor and Public Safety Director

Copies:

Vincent Ragosta, Esq. Labor counsel Leonard A. Albanese Jr., Chief, North Providence Fire Department Anthony Gallone, Esq. Town Solicitor



### Employees' Retirement System of Rhode Island

Sent Via U.S. First Class Mail and Email: mlanni@northprovidenceri.gov

ERSRI Board:

February 11, 2015

Seth Magaziner General Treasurer

Mayor Charles Lombardi, Director of Public Safety

North Providence Fire Department

William B. Finelli Vice Chair

1951 Mineral Spring Avenue

Gary R. Alger

North Providence, RI 02904

Daniel L. Beardsley

RE: Paul Labbadia

Frank R. Benell, Jr.

Roger P. Boudreau

Dear Honorable Mayor Lombardi:

Michael R. Boyce

We are writing to seek a final determination from you with respect to Mr. Paul Labbadia's time period for service with the North Providence Fire Mark A. Carruolo

Department Call System. Michael DiBiase

John P. Maguire

John J. Meehan

Thomas A. Mullaney

Claire M. Newell

Louis M. Prata

Jean Rondeau

Frank J. Karpinski Executive Director As you are aware Paul Labbadia retired from the North Providence Fire Department (NPFD) in April 2007 with 20 years of service. The 20 years of service was attained through 17 years of contributing service and 3 years of Call System time. Mr. Labbadia purchased Call System service credit pursuant to Rhode Island General Law §45-21.2-16 based on the information provided by the NPFD which stated that he had been a member of the North Providence Call System from January 1979 until August 1989. As you know, the NPFD recently provided ERSRI with documentation that indicates there were no records available for review from 1980 and 1981 from which to confirm service of Mr. Labbadia during that time and therefore he did not have the required 9 years of Call Time that enabled him to purchase the 3 years of service credit which allowed him to retire in 2007. Below is a list of the information received by the Employees' Retirement System of Rhode Island (ERSRI) from the NPFD from May 1996 through November 2014:

#### November 11, 2014

Letter and spreadsheet of official department records from Chief Albanese indicating that Mr. Labbadia served on the NPFD Call System from July 1, 1982 through August 31, 1989 and that the information in the letter from Chief Catanzaro in 2001 to ERSRI was not supported by the Department records.

- November 11, 2014
   Email and attachments including official North Providence Fire
   Department Call System Remuneration records from July 1, 1975
   through August 30, 1989 from Chief Albanese. This information included reveals Paul Labbadia's remuneration received only from January 1, 1982 through August 30, 1989.
- November 24, 2014 Letter with copies of station records from Chief Albanese clarifying discrepancies and indicating his findings upon review of their call system service records for Paul Labbadia as records reported in 1996 consistent with time served and that the compensation amounts were inaccurate. He indicated that the letter from Chief Catanzaro from 2001 contained information which was not consistent with the department records.
- February 5, 2001 Letter from NPFD Chief Steven Catanzaro indicating Paul Labbadia was a member of the Call System from January 1979 through August 31, 1989 and that the compensation was a flat \$500.
- Verification of Prior/Probationary Time form signed by the Finance Director dated May 1, 1996 indicating dates of 1/1/82 through 12/31/89 as Call Time.

Recently, Mr. Labbadia's attorney, John J. DeSimone, Esq. submitted statements to ERSRI from prior members of the North Providence Volunteer Fire Department/North Providence Fire Department Call System, each providing their recollection of their association with Mr. Labbadia beginning in 1980. They are enclosed for your review.

- Email dated January 5 from Vincent Matrumalo
- Letter dated January 12, 2015 from Donald Martone
- · Letter dated January 5, 2015 from John C. Wheeler

In all instances, where ERSRI relies on the employer to provide information such as a retirement system member's salary, compensation, dates of hire,

status of employment, etc., ERSRI accepts the information provided by the employer as true and accurate unless other conflicting information is received in which case the employer is asked to weight the conflicting information and make a final determination.

In this matter, ERSRI is in receipt of conflicting information regarding *Call System Credit* for Mr. Labbadia during 1980 and 1981 as described above.

We request that you kindly review the enclosed documentation submitted to ERSRI by Attorney DeSimone, weigh the conflicting information, and provide us with a final factual determination.

We look forward to your prompt response.

Sincerely,

Frank J. Karpinski Executive Director

**Enclosures** 

Cc:

John J. DeSimone, Esq. jjd@desimonelaw.net

Paul Labbadia

Chief Leonard A. Albanese, Jr. firechief@northprovidenceri.gov

Verizon Message Center

Monday, Jan 5 at 9:01 AM

From:

To

Subject:Chief Paul Labbadia

To Whom It May Concern,

I have followed the events surrounding Chief Paul Labbadia in the news, and I feel compelled to assist in the quest for the truth. I retired as a Deputy Chief from The Cranston Fire Department in 2009 after 27 years of service. Prior to that, I was a volunteer/call firefighter in the Town of North Providence from early 1978 through the spring of 1982. I don't think I could swear to, or prove the exact dates of my tenure, as record keeping then was not what it is now. I assume that to be the case with Chief Labbadia as well, so I will try to help with your timeline.

During my time with the NPFD, I can recall Chief Labbadia being at the station and participating in drills and other activities that all the other firefighters did. Unfortunately, it is impossible to give exact dates, but I can say with certainty that his tenure goes back some time prior to January of 1981. I know this because my father passed away on January 11,1981 white I was on duty. Chief Labbadia was one of my fellow firefighters who was there for me at that time and helped me through it. I am sure he was involved in the FD for some time prior to this event, but it is difficult to say how long.

For what it is worth, I feel that with the word of co-workers like myself who remember Chief Labbadia's earliest public service, to the Chief, Mayor, and Town Council who approved his retirement papers, that this would be enough proof for you to continue to honor his retirement benefits as spelled out in the contract under which he retired.

Thank You,

<u>Vincent A Matru</u>mato

North Providence, RI 02911

January 5, 2015

To Whom It May Concern:

I am writing this letter on behalf of Paul Labbadia formerly of the North Providence Fire department.

My name is John Wheeler. I began with the North Providence Fire Department in 1980 as a volunteer. I was introduced to Paul during my first training session in January of that year. I completed my training in 1981 and subsequently joined the North Providence Fire Department Call System.

I served with Paul during my time on the call system. We were eventually appointed to the newly developed permanent department in 1989. We developed a professional as well as personal relationship during this time. Paul proved to be a great firefighter and I had the privilege of working with him until his retirement from the North Providence Fire department.

Regards.

John C. Wheeler

Retired Director of Safety and Training North Providence Fire Department

January 12, 2015

To Whom It May Concern:

I have known Paul Labbadia since 1980 when he was a Junior Member of the Centerdale Fire Department. He was always there with his father, Chief Carmine Labbadia and his two older brothers, Michael and Larry.

When I was transferred to Station 2 in Fruit Hill to be District Chief, he came to the First Aid and CPR training classes which was given by myself and Capt. Pat Ruggiano. Paul also attended our firefighting drills.

If any further information is needed, please feel free to contact me.

Sincerely,

Donald Martone

Johnston, RI 02919

From: Kerri [mailto:kat@desimonelaw.net]
Sent: Tuesday, January 13, 2015 2:02 PM

**To:** Karpinski, Frank **Cc:** jjd@desimonelaw.net

Subject: Letters re On Call Service for Paul Labbadia

Dear Mr. Karpinski,

In response to your letter dated November 21, 2014, attached please find correspondence from John Wheeler, Retired Director of Safety & Training, North Providence Fire Department and Vincent Matrumalo supporting Mr. Labbadia's call service prior to 1981.

Very Truly Yours,

John J. DeSimone, Esquire

This email is free from viruses and malware because <u>avast! Antivirus</u> protection is active.

From: Kerri [mailto:kat@desimonelaw.net]
Sent: Friday, January 16, 2015 11:11 AM

To: Karpinski, Frank

Subject: Letters re On Call Service for Paul Labbadia

Dear Mr. Karpinski,

In follow-up to the letters from Mr. Wheeler and Mr. Matrumal that my office emailed on Tues., January 13, 2015, attached please find a letter from Donald Martone.

Thank you

From: Kerri [mailto:kat@desimonelaw.net]
Sent: Tuesday, January 13, 2015 2:02 PM
To: 'Frank Karpinski (fkarpinski@ersri.org)'

Cc: 'jjd@desimonelaw.net'

Subject: Letters re On Call Service for Paul Labbadia

Dear Mr. Karpinski,

In response to your letter dated November 21, 2014, attached please find correspondence from John Wheeler, Retired Director of Safety & Training, North Providence Fire Department and Vincent Matrumalo supporting Mr. Labbadia's call service prior to 1981.

Very Truly Yours,

John J. DeSimone, Esquire



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