

SAUGUS RETIREMENT BOARD MEETING
January 10, 2019

The regular meeting of the Saugus Retirement Board duly posted to be held in the 25R Main St, Town Hall Annex, Saugus, MA on the above date was called to order at 12:30 p.m. by Chairman Cross, with Board Members Decareau, Gannon and Matarazzo present. Board Member DiBari was not present as she recused herself from the RFP process.

Also present was Theresa F. Richards, Administrative Assistant and Ann Quinlan SRB Administrator.

Custodian Bank RFP

Chairman Cross stated the Custodian Bank RFP close date was 12/24/18 at 12:00pm. The Board had received 5 inquiries, 1 withdrew and I only received 1 (People's Bank) on 12/20/18 at 2:30pm. The Retirement Board office hours are posted on the outside door, website and on our telephone message of (M 715-6, T-R 715-430, closed Fridays). However, they were not written into the RFP, only the deadline time and date. Although the office is closed on Fridays, Ms. Richards and Mrs. Quinlan were in the office until 1pm on 12/21/18 because of a payroll and computer issue. On Monday, 12/24/18 the office opened at 7:15 and there was no notice on the door of an attempt to deliver from FEDEX. Mr. McKinnon, conservation Agent was called into the office at 11:45 to witness the opening of the bids at 12:00pm. Only one bid was submitted, and the office closed at 12:30pm. The office was closed due to vacations for the remainder of the Christmas week. The sign outside the door stated we were closed and to bring the mail/packages to Town Hall accounting office.

While on vacation Mrs. Quinlan received an email on 12/27 from Comerica Bank stating that they had attempted to deliver it on Friday by 3pm on 12/21/18 but no one was there to get it. There was no notice on the door stating a missed delivery until 12/26/18. The tracking information which stated the delivery route was given to Mrs. Quinlan as proof of attempted deliver. Derek Moitoso, PERAC Compliance Counsel was contacted for his opinion on whether the proposal could be accepted. Mr. Moitoso stated the Comerica Bank proposal should be accepted and that the Board should do three things, keep all records from the FedEx delivery attempt, alert the other bidders to what had occurred and have the Board vote and record in the minutes that the submission was allowed.

Board Member Gannon made a motion, seconded by Board Member Decareau and passed 4-0 to accept the Comerica Bank submission based upon the recommendation from Mr. Moitoso, PERAC Compliance Counsel.

Chairman Cross if all Board Members had received the Custodian Bank RFP's from People's Bank and Comerica Bank. He also asked if the Board Members had completed their evaluations and submitted to the Board Administrator to tally, which they had. The Fee Proposals were opened and reviewed. Chairman Cross asked what the wish of the Board would be. Board Member Gannon made a motion, seconded by Board Member Matarazzo and passed 4-0 to interview People's Bank and Comerica Bank at the next Board meeting.

Copies of the following were included for review and/or discussion:

- Derek Moitoso, PERAC Compliance Counsel Email
- Daniel Berd, VP Comerica Bank Email
- FedEx tracking notice

The next regular meeting is scheduled for January 22, 2018 at 12:30 p.m. at the Town Hall Annex.

Adjournment of Open Meeting

- Neal Dike, inactive Paraprofessional, transfer to Stoneham Retirement System. Saugus Retirement Board will accept 2 years and 11 months liability for his service of 9/17/15-9/7/18

Refund to Member

The Board noted that the following member took a refund, as approved on this month's expense voucher:

- Kimberly Tobey, School Custodian, resigned 12/14/2018 and refund effective 1/31/19. She has 5 years and 10 months of creditable service and will receive 3% interest.
- Nicole MacTaggart, School Clerk, resigned 12/21/2018 and refund effective 1/31/19. She has no creditable service and will receive 3% interest.
- Camila Pereira, Dispatcher, resigned 11/15/2018 and refund effective 1/31/19. She has 1 month of creditable service and will receive 3% interest.

Buyback/Make-up/Veteran

A motion was made by Board Member Gannon and seconded by Board Member Decareau and passed 3-0 to allow the purchase of creditable service upon completion buyback to the following employees:

- Derek Lanzillo, Fire Department, Veteran's Service from 4/30/12-4/29/17. Maximum allowable creditable service is 4 years.

Deceased

William Derome, DPW Retiree passed away on December 29, 2018. He had chosen an Option B at retirement with the ability of leaving a lump sum benefit if he had a balance in his annuity savings fund, which he did not. His family was notified of this and to contact HR for any health or life insurance information

Items for Discussion – Custodian Bank Interviews

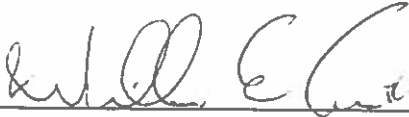
12:30pm-1:00pm -Attending the interview for Peoples Bank was Representatives for People's Bank included Kevin Smith, First VP, Manager of Institutional Trust & Custody Services, Anthony Teberio, VP Global Custody Services and Jaclyn Callison, Senior Client Service Manager. Mr. Smith spoke to People's Bank being founded in 1842 to when the Asset Management division was established. \$9 Million in discretionary assets under management. An overview of the company from Organizational chart was discussed. Mr. Smith having 25 years, Ms. Callison with 15 years and Mr. Teberio with over 30 years' experience. They currently service 23 MA pension clients. The monthly statements are online through BNY Mellon. Having been personally involved in the startup of this division Mr. Teberio is experienced in the onboard process and will assist the Board with its transition. No fee on transfer out of funds and they do the PERAC reporting for the Board. They are located within 20 minutes of the Retirement Board office but are always available via telephone or email to assist the Board.

1:00pm-1:30pm - Attending the interview for Representatives for Comerica Bank was Daniel Berd, VP Relationship Manager. Mr. Berd spoke to Comerica Bank being founded in 1849 to when the Asset Management division was established. The Bank main headquarters moved to Dallas Texas, but the Wealth Management division remained in Detroit Michigan. \$121.9 Million in trust assets. An overview of the company from Organizational chart was discussed. Mr. Bern has 24 years' experience, but the Relationship Managers average over 18 years in the industry. They currently service 6 MA pension clients. The monthly statements are online through Comerica Bank. There is a reoccurring fee of \$13.00 on transfer out of funds and they do the PERAC reporting for the Board. They are located Detroit Michigan but are always available via telephone or email to assist the Board.

Attorney Chris Collins from Attorney Sacco's office has been reviewing the Investment Manager documents. The process is continuing in PROSPER and Board Members are reminded to view the website for any updates.

There being no further business to come before the Board, at 12:45 p.m., a motion was made by Board Member Gannon and seconded by Board Member Matarazzo and voted 4-0 in favor of adjourning the Open Meeting.


APPROVED BOARD OF RETIREMENT:



Chairman Cross



Board Member Decareau



Board Member Gannon



Board Member Matarazzo



Board Administrator