

SAUGUS RETIREMENT BOARD MEETING
October 30, 2017

The regular meeting of the Saugus Retirement Board duly posted to be held in the 25R Main St, Town Hall Annex, 2nd Floor Conference Room, Saugus, MA on the above date was called to order at 8:02 a.m. by Chairman Cross, with Board Members Decareau, DiBari, Gannon present. Board Member Matarazzo entered shortly after the minutes were accepted.

In addition, present at this meeting were Attorney Michael Sacco, Board Legal Counsel and Ann Quinlan SRB Administrator.

Minutes

- A motion was made by Board Member DiBari and seconded by Board Member Gannon to approved the September 26, 2017 Open & Executive Meeting Minutes and sign them into the records. The Board voted unanimously in favor.

Payments

- A motion was made by Board Member DiBari and seconded by Board Member Matarazzo to issue payment for Retirement Board Expense Voucher #115-127 for the month of October 2017 for \$95,196.63. The Board voted unanimously in favor.
- Another motion was made by Board Member DiBari and seconded by Board Member Matarazzo to issue payment for Retirement Allowance Payment and Vendor Payment Warrant for the month of October 2017 for \$660,671.22. The Board voted unanimously in favor.
- The Board noted that \$500,000.00 was wire transferred from PRIT Investment Funds to Saugus Retirement System's bank account on 10/20/17, \$100,000.00 on 10/26/17 to cover retirement allowances and expenses for October 2017.

New Member

A motion was made by Board Member Gannon and seconded by Board Member Matarazzo to include for membership in the Saugus Retirement System the following new employee. The Board voted unanimously in favor.

- Renato DeFreitas, Police Officer - Date of Hire & Membership is 9/5/17 - Contribution rate is 9% & additional 2% over \$30,000.
- Thomas Frontiero, Dispatcher - Date of Hire & Membership is 10/2/17- Contribution rate is 9% & additional 2% over \$30,000.
- Kaitlyn Mulcahy, Dispatcher - Date of Hire & Membership is 10/2/17- Contribution rate is 9% & additional 2% over \$30,000.
- Danielle Ferreira, School Clerk - Date of Hire & Membership is 9/2/17- Contribution rate is 9% & additional 2% over \$30,000.
- Elena Riccioli, Paraprofessional - Date of Hire & Membership is 10/16/17- Contribution rate is 9%.
- Leah Thompson, Speech Pathologist - Date of Hire & Membership is 10/11/17- Contribution rate is 9% & additional 2% over \$30,000.
- Lisa White, Paraprofessional - Date of Hire & Membership is 9/18/17- Contribution rate is 9%.
- Stephen Casey, Sanitation Engineer Date of Hire & Membership is 10/2/17- Contribution rate is 9% & additional 2% over \$30,000.
- John Doherty, Van Driver - Date of Hire & Membership is 10/2/17- Contribution rate is 9%.
- Alan Thibeault, Library Director - Date of Hire & Membership is 9/25/17- Contribution rate is 9% & additional 2% over \$30,000.

Refund to Member

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

- Beverly Stone, Building Maintenance Dept., resigned effective 9/22/17. She has 4 years and 6 months creditable service and will receive 100% interest at 3%.
- Brooke Rosenthal, Paraprofessional, resigned effective 6/30/17. She has 10 months creditable service and will receive 100% interest at 3%.
- Kelsey Prudden, Speech Pathologist, resigned effective 6/21/16. She has 8 months creditable service and will receive 100% interest at 3%.
- Kathryn Fatherley, SHA Bookkeeper, was terminated effective 8/15/16. She has 3 years and 11 months creditable service and will receive 100% regular interest.

Transfers Out

The Board noted that the following members had their accounts transferred to other MA Retirement Systems, as approved on this month's expense voucher:

- Thomas Wilson, transfer to State Retirement Board. Saugus Retirement Board will accept 8 years and 9 months liability for his service with the Police Dept. from 10/20/08-8/14/17. He had 1 year and 3 months prior service with the State Retirement Board from 6/17/07-10/11/2008, which he had transferred to Saugus when first hired.

Retirements/Disabilities/Survivor Benefits

Retirement Board Staff have verified that the necessary paperwork is in order and has determined applicants to be eligible for such benefits:

- A motion was made by Board Member Gannon and seconded by Board Member DiBari and passed 5-0 to grant Superannuation retirements to the following:

Police Department: Judy Theokas (11/6/17, 18.5833). She had 13 years and 7 months creditable service with the Essex Regional Retirement System and 5 years of creditable service with the Town of Saugus. She was a Ch. 32, S105 retirement prior to her employment with the Town of Saugus. The Board received confirmation from the Essex Regional Retirement System that she had repaid any retirement allowance received. Upon her 5-year reemployment, the Essex Regional Retirement System transferred her annuity savings account and service in order for her to retire on Superannuation from the Saugus Retirement System.

Items for Discussion

- All Board members read Attorney Sacco's letter to PERAC regarding the RFP process and selection along with the PERAC Memo regarding the denial of the RFP for Investment Consulting. Although there was no wrongdoing by the Board members or staff it appeared that, there was a procedural issue. Unfortunately, the Board must start the process all over again. Board members were concerned that no one may submit RFP's and that would become an issue. Attorney Sacco suggested that the posting be altered to encourage people to resubmit again. He will work with the Administrator to make sure it is worded correctly. Attorney Sacco will be part of the full process this time so there is no question as to how the procedures were followed. Mrs. Quinlan will send the posting and RFP for Investment Consulting documents to Attorney Sacco in word form for him to make any necessary adjustments. The Board will set up new dates for the RFP process with Attorney Sacco's assistance.

Attorney Sacco also mentioned that the Board would be receiving a letter from his office regarding the legal contract, as it will expire on 12/31/2018.

- The Board Members thanked Attorney Sacco for his assistance in resolving this issue and his anticipation in the new RFP process. The Retirement Board Office contacted four IT Service companies requesting quotes for IT service and evaluation of the current Office equipment. Once all four proposals have been obtained, the Board will receive them to review and choose a company.
- The Board received a revised Board Travel Regulation for review. The Travel regulation previously sent to PERAC was sent back to the Board for some changes. After review, Board Member Gannon made a motion, seconded by Board Member DiBari and passed 5-0 to adopt the revised Board Travel Regulation as presented. This new version will be sent to PERAC for their final approval.
- The Board discussed its previous policy on Remote Participation for Board meetings, as it may be necessary to allow Remote Participation if the Board should chose to use an Investment Consultant. In addition, Board Member Decareau has an upcoming surgery that may prevent him from attending the meetings. All Board members felt it was important during the RFP process to have all Board members available. Board Member Gannon made a motion seconded by Board Member DiBari and passed 5-0 to allow Remote Participation by Board Members. This regulation will be sent to PERAC for their final approval.
- BenefitMall Payroll service was contacted for a proposal of payroll service for the Retirement Board staff payroll. They were contacted, as they were the service the Town of Saugus used when assisting the Cable Commission into processing their own payroll. After some discussion, the Board suggested that more than one company be contacted in order to compare costs and services. The Board will contact SAGE payroll as another local retirement system uses them and has spoken highly of their customer service and product. The Board members will be kept up to date and should receive proposals for the next Board meeting.

Miscellaneous

- Injury and status reports were submitted to the Board for review for Daniel Soares, member of the Saugus DPW.
- The Board received PERAC's approval of the funding schedule. The actuarial assumption will be adjusted for buyback of purchases to reflect the 7.4% rate change.
- All Board members must review the Memo regarding training. It is believed that all Board members have completed their hours for their current terms.
- The Saugus Housing Authority and the Town Accountant's office has been contacted regarding the information needed to complete the annual Appropriation Data request from PERAC. This information has been compiled and sent to PERAC for their review.
- Diane Hooley of the Attorney General's Office has contacted the Board for their assistance in an error made to a deceased retiree's retirement allowance. The monthly statement showed a life insurance premium deducted but after being contacted prior to Mr. Atkinson's death, it was revealed no insurance policy existed and a human error caused the inaccurate premium deductions. After various conversations, Ms. Hooley wanted the Retirement System to pay out the life insurance premium to the family as a resolution. Attorney Sacco reviewed with the Board that although the error was initiated by the Retirement Board Administrator, those deductions taken each month are deposited to the Town of Saugus into their account for them to make payment to the Insurance Company. The Town has the responsibility to reconcile those accounts and to give notice to the Retirement Board Office of any changes or errors that need to be corrected. Attorney Sacco recommended sending a letter to Ms. Hooley regarding this issue and to cc the Town Manager so he would be kept informed of the situation and Board's actions on the matter.

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

- Regulation for Remote Participation, 940 CMR 29.10
- BenefitMall Payroll Services
- Approval of Funding Schedule


- Update Open Meeting Law Guide, 10/6/2017
- Board Member Training
- Public Records Request – Preqin Hedge Fund Inquiry
- Attorney Sacco correspondence – Investment Consultant RFP Process and Selection
- PERAC correspondence – Investment Consultant RFP Process and Selection
- Board Travel Regulations
- Appropriation Data Submitted
- Board 2018 Tentative Schedule
- 2018 payment Schedule
- Board Expense Report 1/1/17-9/30/17
- Board Salary Survey

The next meeting is scheduled for November 28, 2017 at 12:00p.m.

Adjournment of Open Meeting

There being no further business to come before the Board, at 9:48 a.m., a motion was made by Board Member Decareau and seconded by Board Member Gannon, and voted unanimously in favor of adjourning the Open Meeting.

APPROVED BOARD OF RETIREMENT



 Chairman Cross



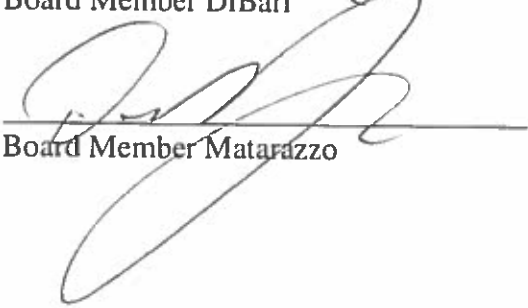
 Board Member Decareau



 Board Member DiBari



 Board Member Gannon



 Board Member Matarazzo



 Board Administrator