

SAUGUS RETIREMENT BOARD MEETING

November 26, 2018

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 DiBari, Gannon and Matarazzo present. Board Member Decareau was unable to attend and was on a planned vacation.

In addition, present at this meeting was Wainwright Representatives Michael Dwyer, Senior Vice President and Jeffrey Fabrizio, Director of Research. Also, present was Theresa F. Richards, Administrative Assistant and Ann Quinlan SRB Administrator.

Minutes

- A motion was made by Board Member Gannon and seconded by Board Member DiBari to approve the October Regular Meeting Minutes and sign them into the records. The Board voted 4-0 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 #140-151 for the month of November 2018 for \$54,798.81. The Board voted 4-0 in favor.
- A 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 November 2018 for \$670,579.41. The Board voted 4-0 in favor.
- The Board noted that \$550,000.00 was wire transferred from PRIT Investment Funds to Saugus Retirement System's bank account on 11/20/2018 to cover retirement allowances and expenses for November 2018.

New Member

A motion was made by Board Member Matarazzo and seconded by Board Member Gannon to include for membership in the Saugus Retirement System the following new employees. The Board voted 4-0 in favor.

- Dawn Herbert – Paraprofessional, School Department – Date of Hire & Membership is 10/22/18 – Contribution rate is 9%.
- Joel McKenna – In House Monitor, School Department – Date of Hire & Membership is 10/23/18 – Contribution rate is 9%.
- Jake Ruotolo – Paraprofessional., School Department – Date of Hire & Membership is 11/13/18 – Contribution rate is 9%.
- Francesca Tropeano – Paraprofessional., School Department – Date of Hire & Membership is 11/13/18 – Contribution rate is 9%.

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:

- Michael Nicolo, Inactive Policeman, transfer to Middlesex County Retirement Board. Saugus Retirement Board will accept 9 months liability for his service with the Town from 1/13/2014-11/9/2014.
- Farrah Keegan, Inactive BOA Clerk, transfer balance of retirement deductions from manual payroll checks to Medford Retirement Board. No additional liability given.

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 DiBari and seconded by Board Member Gannon and passed 4-0 to grant Superannuation retirements to the following:
- **School Department:** Roberta McTague, Senior Clerk, DOR: 12/31/18, Years of Service: 10.7500

Deceased

Jackie Howard, retired Board of Appeals and Treasury Department Clerk passed away on October 31, 2018. She had chosen an Option B at retirement leaving no monthly survivor benefit. Her annuity saving account a balance of \$25,668.61 which will be split equally between her beneficiaries listed on file. The beneficiaries returned the required paperwork to the office prior to the Board meeting and will be paid out the Option B refund in December 2018. Her beneficiaries were also notified to contact HR regarding her life insurance policy. Board Member Gannon made a motion seconded by Board Member DiBari and passed 4-0 to grant the Option B refund to Mrs. Howard's beneficiaries on file in December 2018. All parties involved will be notified of the Board's vote.

Refund to Member

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

- Ryan Poussard, Firefighter, resigned 10/3/2018 and refund effective 11/30/18. He has 4 years and 6 months of creditable service and will receive 3% interest.
- Jane Merlina, paraprofessional, terminated on 6/30/2011 and received refund effective 11/30/18. She has 6 years and 4 months of creditable service and will receive regular interest.

Items for Discussion

Chairman Cross asked Mr. Dwyer and Mr. Fabrizio to give an update on the hiring of the Investment Manager, custody Service RFP and the PRIT sleeve process. Mr. Dwyer stated that after he discussed with Wainwright Legal department, they will be unable to assist in the Custody Service RFP. Therefore, the Custody Service RFP that was sent to them from Mrs. Quinlan will need to be revised without any Wainwright references within the posting or document. When asked about the interview process, he stated they could be present because of the Open Meeting but would not participate in the selection. Attorney Sacco will be contacted for a date and time he will be available for his assistance with the interviews. Board Member DiBari again stated that she would recuse herself from the process. There was discussion of the next Board meeting if the RFP could be posted immediately, would the Board have time to review the RFP's, evaluate and be able to discuss before year end. The RFP must be posted for 2 full weeks to comply with the law. If the interviews and Custodian Bank cannot be completed and chosen before December 31, 2018 it can be done early in January to keep with the anticipated schedule.

The other part of this process is notifying Paul Todisco at PRIM Board that the Board wants to keep established in Private Equity in the Vintage Year. A letter needs to be sent by December 31, 2018 on Board letterhead. Board Member DiBari made a motion, seconded by Board Member Gannon and passed 4-0 to send a letter to Paul Todisco at the PRIM Board and commit \$5 Million to a Vintage Year in Private Equity.

Mr. Dwyer asked if Attorney Sacco had reviewed the legal documents from the Managers. Only 2 of the Managers had sent this information and it had not been sent to Attorney Sacco yet. Mr. Dwyer would contact the other Manager to forward this information so that Attorney Sacco could review and give recommendation to the Managers and Board.

Mr. Dwyer and Mr. Fabrizio revisited the risk the Board wanted to take. At the outset the Board had discussed take 25% out each year for 4 years. The Board can stay that course or as discussed before taking 33% out over 3 years. After some discussion the Board still wants to take the 25% the first year and depending on things go may opt for more in year two. Although there was some discussion in prior meetings, there was no formal vote to change to 33% and it was Board Member Decareau who had mentioned the amount. Since he wasn't present, all agreed to remain at 25% and discuss again when he is in attendance.

Mr. Dwyer and Mr. Fabrizio left the Board meeting at 1:20pm prior to the Executive Session.

Miscellaneous

- An injury report and/or status update was received for Anthony Gaiieski, Police Department and Christopher Vinard, Fire Department.

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

- PERAC Memo #32/2018: Procurement
- Correspondence from Aristotle Capital Boston
- PRIM: Monthly Statement

Executive Session

At 1:25pm Chairman Cross asked for a motion to enter Executive Session for the purpose to discuss strategy with respect to litigation, and that an open meeting may have a detrimental effect on the litigating position of the body and reconvene in Open Session. That motion was made by Board Member Matarazzo and was seconded by Board Member DiBari and voted unanimously in favor of entering Executive Session pursuant to M.G.L. c 32, §§ 21(a)(1) and returning to regular session thereafter.


Roll Call VOTE:	<i>DiBari</i>	<i>Yes</i>	<i>Matarazzo</i>	<i>Yes</i>
	<i>Gannon</i>	<i>Yes</i>	<i>Cross</i>	<i>Yes</i>

The next regular meeting is scheduled for December 17, 2018 at 12:30 p.m. at the Town Hall Annex.

Adjournment of Open Meeting

There being no further business to come before the Board, at 1:35 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 DiBari



Board Member Gannon



Board Member Matarazzo



Board Administrator