

SAUGUS RETIREMENT BOARD MEETING
July 31, 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 12:07 p.m. by Chairman Cross, with Board Members Decareau, DiBari, Gannon and Matarazzo present.

In addition, present at this meeting was Theresa F. Richards, Administrative Assistant and Ann Quinlan SRB Administrator.

Minutes

- A motion was made by Board Member DiBari and seconded by Board Member Gannon to approve the June 26, 2018 Open Meeting Minutes and sign them into the records. The Board voted 5-0 in favor.

Payments

- A motion was made by Board Member Gannon and seconded by Board Member Matarazzo to issue payment for Retirement Board Expense Voucher #88-98 for the month of July 2018 for \$85,039.32. The Board voted 5-0 in favor.
- A motion was made by Board Member Gannon and seconded by Board Member Matarazzo to issue payment for Retirement Allowance Payment and Vendor Payment Warrant for the month of July 2018 for \$655,020.08. The Board voted 5-0 in favor.
- The Board noted that \$550,000.00 was wire transferred from PRIT Investment Funds to Saugus Retirement System's bank account on 7/20/2018 to cover retirement allowances and expenses for July 2018.

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 employees. The Board voted 5-0 in favor.

- Robert Johnson – Firefighter, Fire Department – Date of Hire & Membership is 7/16/18 – Contribution rate is 9% +2%.
- Derek Lanzillo – Firefighter, Fire Department – Date of Hire & Membership is 7/16/18 – Contribution rate is 9% +2%.
- Mario Long – Firefighter, Fire Department – Date of Hire & Membership is 7/16/18 – Contribution rate is 9% +2%.
- Dario Picozzi – Firefighter, Fire Department – Date of Hire & Membership is 7/16/18 – Contribution rate is 9% +2%.
- Robert Roberto – Firefighter, Fire Department – Date of Hire & Membership is 7/16/18 – Contribution rate is 9% +2%.

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 Cross, Firefighter, transfer to Chelsea Retirement Board. Saugus Retirement Board will accept 4 years and 2 months liability for his service with the Town from 3/17/14-6/16/18.

Deceased

Ronald Hodge retired Custodian from the School Department passed away on June 30, 2018. He had chosen an Option B at retirement leaving no monthly survivor benefit. His annuity saving account had been depleted so no Option B refund is available. His spouse, Mary was notified to contact HR to pay direct for her Health Insurance benefits and check on Life insurance claim process.

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 Matarazzo and passed 5-0 to grant Superannuation retirements to the following:

- **School Department:** Kathleen Stewart, 8/18/18, 10.0833

Items for Discussion

The Board received 2 proposals for the Legal RFP by the deadline of July 9, 2018. The RFP envelopes were opened at the deadline close and distributed to the Board Members with an evaluation sheet to complete for each proposal. The evaluation sheets were returned to Mrs. Quinlan for her to tally prior to the July 31st Board meeting.

After the proposals were given to the Board Members, Mrs. Quinlan reviewed each proposal for compliance. It was found that Murphy, Hesse, Toomey and LeHane, LLC had omitted a key section of the response in the RFP. The items listed on page 6 "A. Legal and Other Requirements" were not included and according to page 5 of the RFP, "Compliance with all criteria listed below is mandatory in order for a bid to be accepted for further review. Lack of compliance will automatically disqualify the bidder." Each proposal was checked to see if any of this information was included but none could be found. Mrs. Quinlan contact Attorney Derek Moitoso at PERAC and explained the situation. Attorney Moitoso said the Board had 2 choices, one would be to acknowledge the disqualification of the bidder and grant the contract to the Law Offices of Michael Sacco or if the Board wanted the ability to compare additional Legal firms, the Board could go start over with a new RFP.

The situation was explained to the Board. There was discussion among the Board Members as to lack of information provided besides the mandatory information that was omitted. There was no discussion of cases worked upon or specific client names from Murphy, Hesse, Toomey and LeHane, LLC. The fee proposal was opened and reviewed. Board Member Matarazzo made a motion, seconded by Board Member Decareau and passed 5-0 to enter into a contract with The Law Offices of Michael Sacco for a period of 5 years with the option of extending to 7 and accepting the fee schedule as submitted. All parties involved will be notified of the Boards decision.

There has been no response back from the Board of Selectman regarding the Board's request of copies of all signed employment contracts or the implications of not complying with the Retirement Law.

The Board received another request for additional information from Attorney Caruso, III of Gallant & Ervin, who is representing Jean Atkinson, authorized representative of the Estate of Ronald Atkinson. The Board has answered the questions presented and responded through Attorney Sacco's office.

A Freedom of Information request was sent via email from Gabriela Lagattolla, Human Resource Manager regarding a copy of Ronald Atkinson's file. The Board has 10 days to respond. The file is set to send but waiting for verification from Attorney Sacco on a few Client privileged documents that will be redacted.

Attorney Sacco attended the hearing on July 13, 2018 in Lynn District Court pertaining to the Bisignani matter. Attorney Rehrey did not contest the Board's decision to pension forfeiture but focused almost exclusively on the 8th amendment excessive fine issue. Attorney Sacco deferred to the Court's judgement with respect to the 8th amendment claim as the Board's role is only to address the Section 15(4) issue. Attorney Sacco will forward a copy of Judge LaMothe's decision upon its receipt.

There has been no further correspondence written or oral from the Town regarding the 100B matter. There was discussion to have Attorney Sacco send a letter to the Town Manager through his Attorney and Town Counsel requesting a meeting to set up the 100B committee. Also, the name and contact information is requested for the Town Physician as the third member of the committee. Attorney Sacco will be contacted for this request.

There has been no new information about the Board's request to have access to the MUNIS payroll system. The Town Manager's Office will be contacted again for a status update.

Several Retirees and Surviving Spouses have called regarding the Medicare Part B Reimbursement payment. We have told them we supplied the HR Department with a list from our payroll records with updated addresses. Last we spoke with HR, they were waiting on a list from Blue Cross to review and then they would send the list to the Accounts Payable Department for final processing.

Miscellaneous

- Wainwright has posted notice for 4 RFPS, Small Cap, Mid Cap, Large Cap and Core Bond. A copy of the posting and the RFP have been distributed to the Board Members. The closing dates are August 21, 2018.
- Board Members Cross and Matarazzo must fulfill mandatory training before December 2018. A list of available trainings will be sent to both members.
- The RFP has been posted on websites of PERAC, Town of Saugus, Saugus Retirement Board, Secretary of State Office and Massbids.com from 6/12/18 with a deadline of 7/9/18. The RFP itself was sent to PERAC for review in which Attorney Derek Moitoso requested a minor change of adding "Preferred" to bidder experience. The change was made, resent and accepted by PERAC.
- The Board received payment of 11 months for Mr. Bisignani's 3(8) C Reimbursement Bill.
- An injury report and/or status update was received for Mark Gannon, Fire Department, Daniel Schena, DPW, Timothy Wendell, DPW, Christopher Howard, DPW and Thomas Nolan Fire Department.
- An error was found in the printing of the Bound minute book that required the February 2018 minutes to be reprinted and signed into record.

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

- PERAC Memo#20/2018, PROSPER & Compliance with the 91A Process
- PERAC Memo #21/2018, Mandatory Retirement Board training – 3rd Quarter 2018
- PERAC Memo #22/2108, Public Records Law Side Letter Provisions
- PERAC Memo #23/2018, Reinstatement to Service under G.L. c 32 S. 105
- PERAC Memo #24/2018, COLA for Supplemental Dependent Allowance Paid to Accidental Disability Retirees and Accidental Death Survivors
- PRIM: Monthly Statement

The next regular meeting is scheduled for August 28, 2018 at 12:00 p.m. at the Town Hall Annex.


Executive Session

None

Adjournment of Open Meeting

There being no further business to come before the Board, at 12:42 p.m., a motion was made by Board Member Decareau and seconded by Board Member Matarazzo and voted 5-0 in favor of adjourning the Open Meeting.

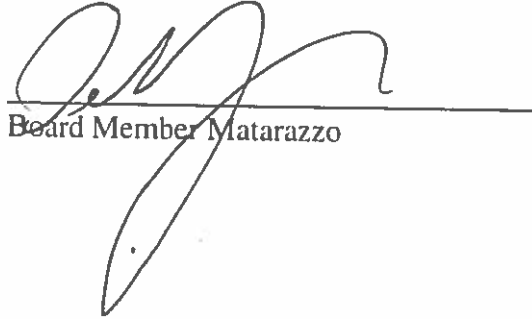
APPROVED BOARD OF RETIREMENT:


Chairman Cross


Board Member Decareau


Board Member DiBari


Board Member Gannon


Board Member Matarazzo


Board Administrator