

SAUGUS RETIREMENT BOARD MEETING

August 28, 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 12:06 p.m. by Chairman Cross, with Board Members DiBari and Gannon present. Board Member Decareau was unable to attend and Board Member Matarazzo was on a planned vacation.

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 July 31, 2018 Open Meeting Minutes and sign them into the records. The Board voted 3-0 in favor.

Payments

- A motion was made by Board Member DiBari and seconded by Board Member Gannon to issue payment for Retirement Board Expense Voucher #99-108 for the month of August 2018 for \$20,927.91. The Board voted 3-0 in favor.
- A motion was made by Board Member DiBari and seconded by Board Member Gannon to issue payment for Retirement Allowance Payment and Vendor Payment Warrant for the month of August 2018 for \$666,093.13. The Board voted 3-0 in favor.
- The Board noted that \$550,000.00 was wire transferred from PRIT Investment Funds to Saugus Retirement System's bank account on 8/20/2018 to cover retirement allowances and expenses for August 2018.

New Member

A motion was made by Board Member DiBari and seconded by Board Member Gannon to include for membership in the Saugus Retirement System the following new employees. The Board voted 5-0 in favor.

- Mary Pierce – Paraprofessional, School Department – Date of Hire & Membership is 8/27/18 – Contribution rate is 9%.
- Nadia Sheikh – Paraprofessional, School Department – Date of Hire & Membership is 8/27/18 – Contribution rate is 9%.
- Carli Brent – Speech Language Asst., School Department – Date of Hire & Membership is 8/27/18 – 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:

- Angela Montano, Paraprofessional, transfer to Danvers Retirement Board. Saugus Retirement Board will accept 2 years and 8 months liability for his service with the Town from 11/30/15-8/3/18.

Service Purchase

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

- Angelo Serino, Parking Enforcer Officer, 11 months creditable service from the Town of Saugus 3/1/04-1/20/05. Balance payment of \$1,252.26 received in full by personal check.

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 3-0 to grant Superannuation retirements to the following:
- **School Department:** Kerri Bozarjian, Paraprofessional, DOR: 9/17/18, Years of Service: 19.3333
- **Police Department:** Angelo Serino, Parking Enforce Officer, DOR: 9/1/18, Years of Service: 10.9167
- **Police Department:** Domenic DiMella, Police Chief, DOR: 9/1/18, Years of Service: 28.9167

Items for Discussion

Member Kevin McDermott has filed for an accidental Disability Retirement. The Board will hold a hearing next month and notify all parties involved of the application process.

A paraprofessional who works the summer program had questions about having retirement contributions deducted from her summer pay. It was explained that since pension reform and the last PERAC audit, summer pay is considered a continuation of work for already employed members and retirement contributions should be taken from this salary. If newly hired entirely for the summer program alone, this would not qualify for enrollment into the retirement system and OBRA would be taken from the salary.

With the lack of ability to view payroll history in the Town's MUNIS payroll system, some issues arise in retirement contributions being deducted properly. These issues are sometime caught after a few weeks. One was with an additional stipend being paid monthly. This has been resolved going forward and the monies owed have been recouped from the members. Another incident was in a one-time Quinn Incentive payment paid out upon retirement. No retirement was taken, and an adjustment will be made for the retirement calculation. An incorrect calculation of longevity payments and clothing allowance to a few active members caused an overage of retirement contributions which will need to be refunded. The clothing allowance error has been calculated and will be refunded within the month. The longevity payment will be calculated and hopefully paid out before the end of the year. Attorney Sacco was consulted on these issues to ensure the Board could accept payment from a Retiree and the whether interest would be issued on the refunds.

The Board was notified by Wendy Hatch, Treasurer/Finance Director that he Medicare Part B reimbursement checks would be mailed on August 23rd. All inquiries are still being directed to Human Resources.

The shift substitution form mandated by PERAC for Group 4 retirements has still not been received by the Town Manager but is expected to be before Chief DiMella's retirement becomes effective.

The Retirement Board Office has created 2 forms to assist in the transition from active to retired member. These forms should be used by the Department, Human Resources and Accounting. All departments with a recent retiree have completed the forms without issue. One form is for notification of benefits such as health, life insurance etc. and the other is for salary, personal, vacation and sick pay. These forms are in addition to the Town's Master File Form that notifies of a change in status.

Attorney Sacco sent an email notifying the Board that CRAB filed an appeal of the Superior Court's decision with the Appeals Court. No stay has been filed with the Superior Court, so as it stands today the Gomes case is the law and no further deductions should be taken from anyone who otherwise qualifies for Section 4(2)(b) service. Until the litigation has concluded it is recommended no refund of contributions should be made.

Miscellaneous

- The closing date for Investment Manager RFP's was August 21, 2018. A list of all responses was done by the Retirement Board Office and Wainwright. A review of both lists confirmed to be the same responses. An Executive Summary review will be completed by Wainwright and presented at the next Board Meeting.
- An injury report and/or status update was received for Arthur Connors, Timothy Fawcett, Sr. and David Gecoya, Police Department.
- The Board received notification that Michael Autilio completed PERAC's Comprehensive Medical Examination process.
- The Board received copies of the Summary of the Conflict of Interest Law for Municipal Employees from all staff at the Law Offices of Michael Sacco.

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

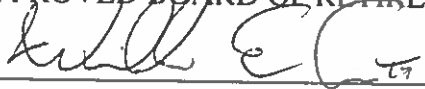
- Copies of DALA/ CRAB decisions: Ross Ackerman v. Worcester Regional Retirement Board, CR-11-405; Joseph O'Leary v. Lexington Retirement Board, CR-15-30; Raymond Mello vs. Fall River Retirement Board & James Holland v. Malden Retirement Board, CR-13-538
- PERAC Press Release: Executive Director Search Process
- PRIM: Monthly Statement

The next regular meeting is scheduled for September 25, 2018 at 11:30 p.m. at the Town Hall Annex.

Adjournment of Open Meeting

There being no further business to come before the Board, at 12:48 p.m., a motion was made by Board Member Gannon and seconded by Board Member DiBari and voted 3-0 in favor of adjourning the Open Meeting.

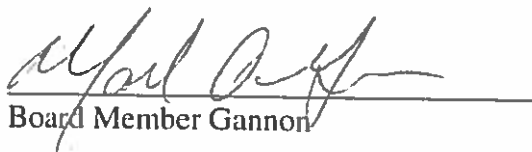
APPROVED BOARD OF RETIREMENT:



 Chairman Cross



 Board Member DiBari



 Board Member Gannon



 Board Administrator