

SAUGUS RETIREMENT BOARD MEETING
May 21, 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 12:01 p.m. by Chairman Cross, with Board Members Decareau, DiBari, Gannon and Matarazzo.

Also present were Ann C. Quinlan, Board Administrator and Theresa F. Richards, Administrative Assistant.

Minutes

- A motion was made by Board Member Gannon and seconded by Board Member Decareau to approve the April 23, 2019 Regular Minutes and sign them into the records. The Board voted 5-0 in favor.

Executive Session

At 12:10pm Chairman Cross asked for a motion to enter Executive Session for the purpose of discussing a Medical Panel Certificate and take any appropriate action thereto with intent to return to regular session. That motion was made by Board Member DiBari and was seconded by Board Member Matarazzo and voted unanimously in favor of entering Executive Session for the purpose of discussing a Medical Panel Certificate and returning to regular session thereafter.

Roll Call VOTE: Cross - Y, Decareau - Y, DiBari - Y, Gannon - Y, Matarazzo - Y

While in executive session, the Board voted as follows:

Board Member Gannon made a motion, seconded by Board Member Matarazzo and unanimously approved Donald Shea's Accidental Disability Retirement. The Board will send in the proper paperwork to PERAC for final approval of Donald Shea's Accidental Disability Retirement.

Payments

A motion was made by Board Member DiBari and seconded by Board Member Gannon to issue payment for:

- Retirement Board Expense Voucher #85-94 for the month of May 2019 for \$88,806.76
- Payroll Warrant #5/2019 for \$677,039.62.

A motion was made by Board Member DiBari and seconded by Board Member Gannon for wire/exchange transfers for:

- PRIT Investment Funds to Saugus Retirement System Bank Account on 5/20/19 for \$550,000.00.
- Town of Saugus to PRIM Cash Fund on 5/10/19 for \$1,681,186.00 for partial Appropriation payment.
- PRIT Investment Funds to LMCG on 4/1/19 for \$7,230,636.09
- PRIT Investment Funds to Aristotle on 4/1/19 for \$7,747,110.10
- PRIT Investment Funds to Rhumblin 1000 Pooled Index on 4/1/19 for \$6,714,162.08
- PRIT Investment Funds to Rhumblin Core Bond on 4/1/19 for \$9,288,798.64

The Board voted 5-0 in favor.

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 5-0 in favor.

- Todd Baldwin- Town Engineer. Date of Hire & Membership is 4/16/2019, Contribution rate is 9% + 2%.
- Ronald Baldassari, Dispatcher, Date of Hire & Membership is 4/24/2019, Contribution rate is 9% + 2%.
- James Brown, Patrolman, Date of hire & Membership is 5/28/19, Contribution rate is 9% + 2%.

- Allison Jenkins, Paraprofessional, Date of hire & Membership is 6/6/19. Contribution rate is 9% + 2%.
- Danny Khun, Patrolman, Date of Hire & Membership is May 28, 2019. 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 J. Ferreira, Firefighter, transfer to Massport Retirement System. Saugus Retirement Board will accept 5 years liability for his service with the Town of Saugus from Mach 17, 2014 – April 15, 2019. Mr. Ferreira also had a transfer in from the State Retirement Board for his service from November 29, 2009 thru March 14, 2014. The State Retirement Board has accepted 4 years and 3 months of liability for his prior service with them.

Refund to Member - None

Deceased: None

Retirements/Disabilities/Survivor Benefits: None

Items for Discussion

Attorney Sacco sent notice that no crime conviction with Docket No. 1836-CR-002391, therefore no impact on eligibility for membership, taking a refund or retiring. PERAC will be updated with this new information.

Board Members received a proposal from Axis for iPad and Surface Go Tablet for SCRS Board and Staff. After some discussion Board Member DiBari made a motion, seconded by Board Member Gannon and passed 5-0 to purchase 7 iPad from Axis Computer Networks. The proposal will be signed as presented and the iPad will be purchased.

A review of the Employment contracts found that the School Department has supplied the Retirement Board with a copy of all Union contracts along with individual contracts. The Board received a copy of Saugus Public Library and Saugus Dispatchers contract. All other Town Union contracts were unavailable per the Human Resource Department. The Board contact each of the Town Union President/Representative's for the remaining missing contracts for their assistance in obtaining copies of the contracts to comply.

In reviewing the Saugus Dispatcher's contract, it was found that the Clothing Allowance stipend has been rolled into their weekly base pay. Currently retirement contributions are being withheld from the Town. Under advisement of the Board Attorney, this is not a pensionable stipend and should have retirement contributions stopped and returned to member. Board Member Matarazzo states the clothing allowance is now part of the base not a separate stipend but the contract reads differently. If the Union wants to revise their contract this could be resolved. After some discussion, Board Member Matarazzo made a motion, seconded by Board Member Gannon and passed 5-0 to table this issue until the Dispatcher Union is contacted for clarification.

The Article the Board requested to be placed on the Annual Town Meeting for acceptance of Ch 32, S 20A for the Board Indemnification was tabled by the Finance Committee. The Board contacted the Finance Committee Clerk for a date and time for the article to be discussed. As of May 16th, Town Counsel was reviewing the Article. The Board was notified later that day it would be discussed on May 22nd. The Board provided through email to the Finance Committee Clerk copies of prior accepted articles that were similar to the Boards article and an explanation that the Retirement Board members were not specifically included in the past articles and therefore this article would resolve the error and all Committee Board Members would be uniform. Chairman Cross attended the Finance Committee meeting where many questions were asked about liability and cost this

coverage would be to the Town, which would be nothing but after some discussion, the Finance Committee voted to table the Article. Attorney Sacco will be contacted for his assistance when the Board resubmits the Article.

The Board Members reviewed last years budget which only included a partial payment for Investment Consultant Services. Other adjustments would be needed for Legal costs for anticipated RFP's. The Board Members were given various Salary surveys for other Retirement Boards and for the Town of Saugus for Administrator/Administrative Assistant positions. After some discussion, Board Member Gannon made a motion seconded by Board Member Decareau and passed 5-0 to approve a 5% salary increase for the Board Staff and accept the Board Budget of \$310,315.26 as submitted.

The Board asked Attorney Sacco to review the proposed Investment Policy Statement from Wainwright and he found it is in compliance with 840 CMR 18:02(3). Attorney Sacco through email further stated the he had not verified the validity or accuracy of the statements or representations set forth therein, and the Board should further review and confirm the IPS' representations for their accuracy, and/or to confirm that the representations are consistent with the Board's understanding of its discussion with Wainwright. After some discussion, Board Member Gannon made a motion, seconded by Board Member Matarazzo and passed 5-0 to accept the Investment Policy Statement as presented. All parties involved will be notified.

Miscellaneous

- MACRS Conference is June 1-5, 2019. Chairman Cross and Board Member Gannon will attend. They will be given copies of the Board Travel Regulations for reference.
- The Board is still awaiting an approved DRO from the court for Kevin McDermott. He will be contacted for an update.
- A reminder to the Board Members of how many mandatory training hours are needed for this year's term.
- Annual Statement completed for 2018
- All Board members have completed the required SFI statement from PERAC.
- An injury report/or status update was received for Officer Wells, Police Dept., Gregory Cinelli, Fire Dept., William Mercurio, Fire Dept., William Cross, Fire Dept. & Christopher Vinard, Fire Dept.

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

- PERAC Memo #15/2019 Application for a Waiver of Education Restrictions
- PERAC Memo#16/2019 Cash Book Submissions
- The Voice of the Retired Public Employees- May 2019 newsletter
- PRIM: PRIT Fund Deposit Form
- SEI Investment Report- Aristotle & LMCG - April 2019
- Rhumblin Investment Report – April 2019
- Monthly Accounting for March 2019
- Salem News Article about Ex-Essex Tech Superintendent – Conflict of Interest Fine

The next regular meeting is scheduled for June 18, 2019 at 12:00 p.m. at the Town Hall Annex.

Adjournment of Open Meeting

There being no further business to come before the Board, at 12:54 p.m., a motion was made by Board Member Decareau and seconded by Board Member Gannon and voted 5-0 in favor of adjourning the Open Meeting.

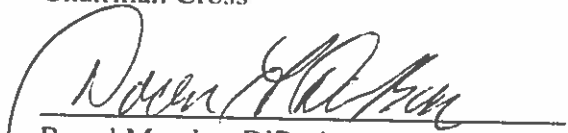
APPROVED BOARD OF RETIREMENT:



Chairman Cross



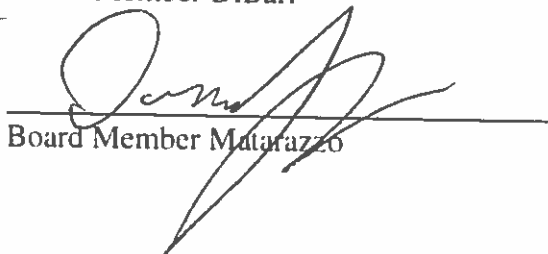
Board Member Decareau



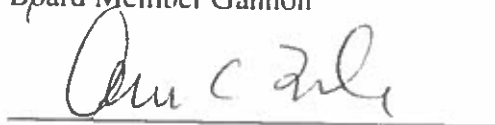
Board Member DiBari



Board Member Gannon



Board Member Matarazzo



Board Administrator

