

**SAUGUS RETIREMENT BOARD MEETING**  
**January 28, 2020**

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 12:00p.m. by Chairman Cross, with Board Members Decareau, Gannon and Matarazzo present. Board Member DiBari was sick and participated remotely by speakerphone.

Also present was Michael Dwyer and Jeff Fabrizio from Wainwright Consultants and Board staff Theresa Richards and Ann Quinlan.

---

**Minutes**

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

**Payments**

A motion was made by Board Member DiBari and seconded by Board Member Decareau and passed 5-0 to issue payment for:

- Retirement Board Expense Voucher #1-17 for the month of January 2020 for \$97,957.56
- Payroll Warrant #1/2020 for \$717,280.96
- Staff Payroll Warrant #1/2020 for \$14,360.69

A motion was made by Board Member DiBari and seconded by Board Member Decareau and passed 5-0 for wire/exchange transfers for:

- PRIT Investment Funds to Saugus Retirement System Bank Account on 1/20/20 for \$550,000.00.

**New Member**

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

- Brenda Cummings, Occupational Therapist Asst., School Dept., Date of Hire & Membership is 1/6/2020 – Contribution rate is 9% + 2%
- Jake Aldred, Patrolman, Police Dept., Date of Hire & Membership is 1/6/2020- Contribution rate is 9% +2%
- Paul Bridges, Patrolman, Police Dept., Date of Hire & Membership is 1/6/2020- Contribution rate is 9% +2%
- Nolan DiPanfilo, Patrolman, Police Dept., Date of Hire & Membership is 1/6/2020- Contribution rate is 9% +2%
- Jacob Roy, Patrolman, Police Dept., Date of Hire & Membership is 1/6/2020- Contribution rate is 9% +2%
- Paige Sannella, Paraprofessional, School Dept., Date of Hire & Membership is 1/16/2020 – Contribution rate is 9%

**Transfers Out** – None

**Refund to Member** – None

**Deceased**

- Ralph Materese, Active member, Building Maintenance Supervisor, passed away on January 7, 2020. His wife Donna is entitled to an Option D benefit and completed all the necessary paperwork.

Board Member Gannon made a motion, seconded by Board Member Decareau and passed 5-0 to grant an Option D benefit to Donna Materese upon PERAC approval.

- Nicholas Forlizzi, Retired Town Cemetery, Ordinary Disability, Option A passed away on January 12, 2020. One final retirement allowance payment will be paid to his surviving spouse.

Retirements/Disabilities/Survivor Benefits - None

Items for Discussion

The Retirees/Survivors of the Post 65 Insurance program have been contacted to apply for Option Medicare Part A and B. When they receive the copies of their card's they must forward this to Human Resources. They will complete the application process for Medex 2 in April when another meeting will be scheduled.

The hearing for Mr. Internicola's accidental disability application will be held on March 24<sup>th</sup> at 12:15pm. All parties involved have been contacted for confirmation.

The Town of Saugus has used the "Master File" form for years to notify of a new hire, members employment status, etc. Instead, the Town will no longer use the paper form but will utilize the Personal Action module in the MUNIS program. Unfortunately, the Retirement Board staff do not have access to MUNIS. Board Member Matarazzo stated she would try to set up an email that would notify the Board Staff of any changes. The exact information may not be the same from what was received on the Master File Form so individual departments may need to be contacted for a full document.

Administrative authorization was requested for Theresa Richards on the PROSPER site. She only has access as a Board member and should have full access in order to complete administrative tasks. The Board members agreed on the authorization and no vote was needed, only Board Chairman's signature.

Board Administrator Ann Quinlan attended an Unemployment hearing for Steven Merullo as there was a change in his retirement date and unemployment needed verification upon his appeal. Although the Board has no financial interaction with Unemployment, they were the only ones to answer the specific retirement date and retirement allowance being paid. A decision to the hearing will be made and the Town of Saugus will be notified. No further action is needed from the Retirement Board.

1099R's have been sent out to the Retirees/Survivors on Monday, January 27<sup>th</sup>. The PPA (Pension Protection Act of 2006) notices have been also sent to Group 4 members who are enrolled in the Town's health insurance program.

Miscellaneous

The Board received an updated list of members of the Police Department that are out on injury or 111F leave. An injury report from the Fire Department for Michael James was also submitted to the Board.

A new list of Board Training dates has been provided to the Board from PERAC on Memo#3/2020. Board members must enroll online on the PROSPER website.

PERAC Memo#7/2020 COLA notice was issued to the Board to set a date for the Special COLA meeting. A 30-day notice must be given to the Board of Selectman, so the next available date would be March 24<sup>th</sup> at 12:00pm prior to the regular scheduled Board meeting. All parties involved will be notified of this meeting.

Retired member Donald Shea signed his repayment agreement for \$600.00 per month for 28 months and the balance of 51.84 due on month 29.

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

- PERAC Memo's:
- #1/2020 RE: Tobacco Company List
- #2/2020 RE: 2018 Comparative Analysis Fee Report
- #3/2020: RE: Mandatory Retirement Board Training – 1<sup>st</sup> Quarter 2020
- #4/2020:RE: Investment Consultants RFP'S
- #5/2020 RE: 2020 Limits under Chapter 46 of the Acts of 2002
- #6/2020 RE: 2020 Limits under Section 23 of Chapter 32 of the Acts of 2010
- # 7/2020 RE: COLA Notice
- #8/2020 RE: Actuarial Data
- #9/2020 RE: Buyback & Make Up Repayment Worksheet
- PERAC Correspondences:
- Statement of Financial Interest for Calendar Year 2019
- Investment Consultant Questionnaire
- Attorney Sacco – Bisignani Appeal
- PRIT Investment Reports –December 2019
- SEI Investment Report – Aristotle & LMCG- December 2019
- Rhumblin Investment Report –December 2019
- People's Bank Statement – December 2019
- PRIM Board account activity for January 2020
- Reconciliation, Cashbooks for October 2019
- Rhumblin Invoice 4<sup>th</sup> Quarter
- People's Bank Invoice 11/2019
- Mass Retirees: January 2020 Retirement Boards of the Commonwealth

**Investments**

Mike Dwyer and Jeff Fabrizio from Wainwright Consultants attended the Board meeting. Mike Dwyer gave a brief overview of the portfolio for the month ending November 2019. The December 2019 reports had not been available at the time of the performance report printing.

Jeff Fabrizio went into further detail of the report. The PRIT core fund is staying steady, Russell 1000, LMCG and Aristotle Small Cap are doing well averaging 3.93% for the month and 7.80% for the quarter. Rhumblin Core Bond and the Vintage Year Private Equity were negative for the month and quarter but was expected to be flat starting out.

The Board forwarded all documentation from Lord Abbett and MFS Investment to Attorney Sacco's office for legal review. Attorney Christopher Collins examined the paperwork and sent an opinion letter, which is limited to compliance issues with respect to the documents received not the procurement process. Lord Abbett and MFS Investment have been notified and accounts will be established with a transfer of funds set for 4/1/2020.

A Portfolio Reallocation Analysis was reviewed with the Board. An estimated \$25 million was to be transferred on 4/1/2020. After some discussion and review by the Board and Managers, the Board determined the transfer should be \$30 million. An updated allocation report will be sent to the Board.

Board Member Matarazzo made a motion, seconded by Board Member Gannon and passed 5-0 to transfer \$30 million on 4/1/2020 and allocated in the proposed portfolio as follows:

MFS - \$5 million and Lord Abbett \$4.5 million. The remaining balance of \$20.5 million would be split between Rhumbline Large Cap - \$2.5 million, LMC Mid Cap - \$3.5 million, Aristole Small Cap - \$4 million, Rhumbline Core Bond - \$3.5 million, Real Estate \$3.5 million and Hedge Fund of Funds \$3.5 million. The last two funds are not allocated to a specific manager yet and may require additional RFP's.

All parties involved will be informed of the Board's decisions.

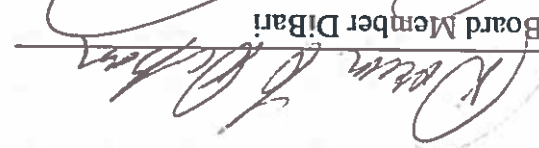
The next regular meeting is scheduled for February 25th at 1:30 p.m. at the Town Hall Annex. An executive session may be necessary if the Board reviews the Budget.

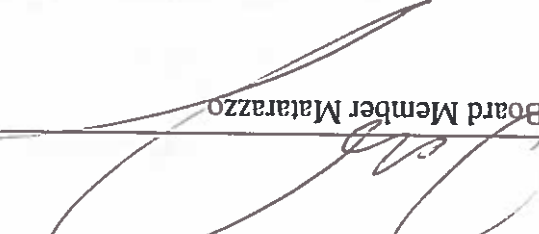
Adjournment of Open Meeting

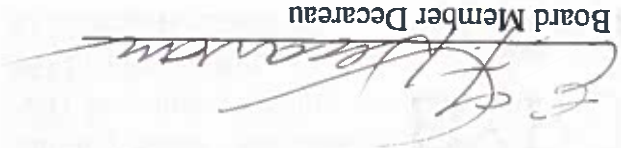
There being no further business to come before the Board, at 12:45 p.m., a motion was made by Board Member Gannon and seconded by Board Member Matarazzo and voted 5-0 in favor of adjourning the Open Meeting.

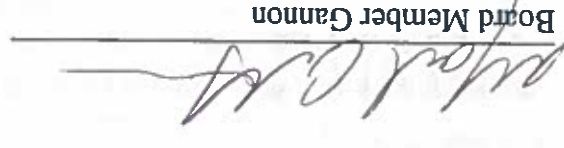
APPROVED BOARD OF RETIREMENT:

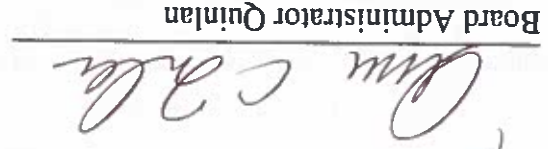
  
Board Chairman Cross

  
Board Member DiBari

  
Board Member Matarazzo

  
Board Member Decreau

  
Board Member Gannon

  
Board Administrator Quinlan