

SAUGUS RETIREMENT BOARD MEETING
October 29, 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 12:10 p.m. by Chairman Cross, with Board Members Decareau, Gannon and Matarazzo present. Board Member DiBari was sick and unable to attend in person. She did participate remotely for the RFP process.

Also present was Wainwright Representatives Michael Dwyer and Jeff Fabrizio and Board staff Theresa F. Richards, Administrative Assistant and Ann Quinlan, Administrator.

Minutes

A motion was made by Board Member Gannon and seconded by Board Member Decareau to approve the September 24, 2019 Regular Meeting Minutes and sign them into the records. The Board voted 4-0 in favor.

Payments

A motion was made by Board Member Gannon and seconded by Board Member Decareau and passed 4-0 to issue payment for:

- Retirement Board Expense Voucher #163-178 for the month of October 2019 for \$41,258.73
- Payroll Warrant #10/2019 for \$723,620.49
- Staff Payroll Warrant #10/2019 for \$13,337.97

A motion was made by Board Member Gannon and seconded by Board Member Decareau and passed 4-0 for wire/exchange transfers for:

- PRIT Investment Funds to Saugus Retirement System Bank Account on 10/20/19 for \$550,000.00.

Investments

At 12:32 p.m. Board Member DiBari was called on her cell phone to remotely join the Board meeting to discuss the Investments and review the RFP's presented to the Board. It should be noted that all Board members had their Ipad's with the monthly packet uploaded for review. Board Member DiBari was put on speaker phone for the rest of the meeting. She was able to hear and be heard during the rest of the meeting.

Michael Dwyer and Jeff Fabrizio from Wainwright attended the Board meeting. Mr. Dwyer gave the Board an overview of how the Board's current investments were doing this month/quarter.

Jeff Fabrizio broke down further the Boards investment performance for the month (8/31/19) in each class. Total fund was down .61% in August but up 3.87% including PRIT for the 3 months. Total equity is contributing to the increase with Rhumblin being the best contributor. Although the performance was slightly down in August the YTD in September was up 10.39%.

Mr. Fabrizio reviewed with the Board the High Yield Bond Managers having 15 respondents. Each respondent was rated as stated in the RFP. To review more easily each rating was given a color of Green- Highly Advantageous, Yellow- Advantageous, Red- Not Advantageous, Black – Unacceptable. Two respondents were deemed unacceptable as Harbour Capital submitted their RFP after the deadline to both the Board and Wainwright and Octagon didn't meet the criteria not having a track record of 5 or more years. Three criteria were given higher review for liquidity of product, fees and distinguishing features. Rating items # 3, 4, 7, 8, 9, 12, 14 and 15 were discussed more fully. After some discussion, Board Member DiBari made a motion, seconded by Board Member Matarazzo and unanimously passed 5-0 to invite Lord Abbett & Co and Eaton Vance Management for interviews with the Board on November 20, 2019.

Mr. Fabrizio reviewed with the Board the International Equity Managers having 26 respondents. Each respondent was rated as stated in the RFP. The same process of color coding was done as in the High Yield Bond. One respondent was deemed unacceptable as CQG Partners, LLC didn't meet the criteria not having a track record of 5 or more years. Three criteria were given higher review for performance, core value/growth and percentage with respect to product style. Rating items # 2, 8, 10 and 17 were discussed more fully. After some discussion, Board Member Dibari made a motion, seconded by Board Member Matarazzo and unanimously passed 5-0 to invite Baring International Investment Limited and MFS Investment Management for interviews with the Board on November 20, 2019.

Jeff Fabrizio and Michael Dwyer will contact the respondents and set the schedule for interviews for the November 20, 2019 Board Meeting. The Board meeting will start at 11:30 a.m. for regular monthly items, 12:00 p.m. for performance review and 12:15 p.m. to start interviews.

Board Member Dibari ended her remote participation at 1:15p.m.

New Member

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

- Alan Nahigian, Paraprofessional, Date of Hire & Membership is 10/7/19 – Contribution rate is 9%
- Raquel Alvarez-Segee, Paraprofessional, Date of Hire & Membership is 9/17/19 – Contribution rate is 9%
- Loyd Velasquez, Paraprofessional, Date of Hire & Membership is 10/10/19 – Contribution rate is 9%
- Joseph Ferraro, Rehired-Operations & Maintenance Assistant, Date of Hire & Membership is 10/7/19 – Contribution rate is 9%+2%

Transfers Out

A motion was made by Board Member Gannon and seconded by Board Member Matarazzo and passed 4-0 to approve the transfer of service and annuity savings account to other MA Retirement Systems, as approved on this month's expense voucher for the following members:

- Ryan D. Kennedy, Paraprofessional, transfer to Waltham Retirement Board. Saugus Retirement Board will accept 25 days of creditable service of 9/3/19-9/27/19.

Refund to Member

A motion was made by Board Member Decareau and seconded by Board Member Matarazzo and passed 4-0 to grant the following members a refund, as approved on this month's expense voucher:

- Susan Daly, Cafeteria Worker, School Department position abolished on 6/30/17 and refund effective 10/31/19. She had 4 years and 7 months of creditable service (11/26/12-6/30/17) and will receive regular interest.
- Kim Tobey, Custodian, School Department position abolished on 6/30/19 and refund effective 10/31/19. No interest due on account balance after settlement.
- Alaina Ron, Paraprofessional, School Department resigned on 2/12/16 and refund effective 10/31/19. She had 5 months of creditable service - Saugus (9/8/15-2/12/16) and 2 years of creditable service - MTRS (8/1/12-7/31/14) and will receive 3% interest.

Deceased

Annie Bernice Howard Smith, Retired School Clerk/Typist, Superannuation, Option A passed away on October 25, 2019 after turning 101 years old. One final payment will be paid to her account.

Frank Piwowarski, Spouse of Retiree Doris Piwowarski, passed away on October 1, 2019. There is no change in benefit for Doris.

Retirements/Disabilities/Survivor Benefits

A motion was made by Board Member Gannon and seconded by Board Member Matarazzo and passed 4-0 to grant Superannuation Retirements under M.G.L. Chapter 32, Section 5 (1) to the following:

Town Department:

- Harry Young, Animal Control Officer, DOR: 10/12/19, Years of Service: 25.8333

Items for Discussion

There has been no update on the clothing allowance clarification on the Dispatcher Contract. The Union has been notified the clothing allowance stipend is not pensionable and it will be discussed at their next meeting.

The Post 65 Insurance meeting, which is the program with MIIA and Blue Cross to transition Non-Medicare eligible retirees to a new program allowing them to enroll in Medicare and the Town Supplement will be held tomorrow. Administrator Ann Quinlan contacted the 5 individuals that are on Town Retirement requesting their attendance. Two cannot attend but will be contacted after with the next step in the process.

A Board Election was to be held for the third elected position, however only one person, William E. Cross, III requested and returned a nomination packet. Therefore, Mr. Cross having run unopposed will remain in the position. Board Member Gannon made a motion and seconded by Board Member Matarazzo and passed 3-0 to confirm Mr. Cross for another 3-year term starting on 12/5/2019-12/5/2022 and reappoint him as Chairman. Chairman Cross abstained from the vote. All parties involved will be notified of the Board's decision. Chairman Cross will be notified of the required paperwork needed to be completed for his new term per PERAC guidelines.

Prior to the Board meeting, retiree Richard Cardillo requested information about his retirement calculation and provided the Board with an unsigned employment contract from 1996. He had questions if expense stipend had been included in his calculation. He was told a review of his file would be completed and he would receive notification of the Board's findings. The Board was informed of this conversation. Board Member Decareau made a motion, seconded by Board Member Matarazzo and passed 4-0 to send the employment contract to Attorney Sacco for review. All parties involved will be notified of the findings.

Miscellaneous

- Board Members Cross, Decareau, DiBari and Gannon are all current on their education requirements. Board Member Matarazzo has a new start date of 10/16/19 and will have to complete at least 3 credits prior to 10/19/20, which she has already signed up for classes to do so. Chairman Cross's new term will require he too complete at least 3 credits prior to 12/5/20.

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

- PERAC Memo#23/2019: Mandatory Retirement Board Member Training- 4th Quarter 2019
- PERAC Memo#24/2019: Appropriation Date due October 31, 2019
- Attorney Sacco- O'Leary Decision – Vacation Buyback, PERAC Memo#39/2012
- PRIT Investment Reports –September 2019
- SEI Investment Report – Aristotle & LMCG- September 2019
- Rhumblin Investment Report –September 2019
- People's Bank Statement – September 2019

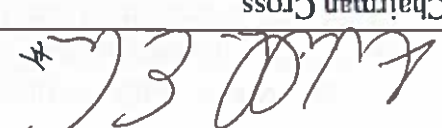
- Mass Retirees: Neal Files WBP Reform Bill for Social Security Benefits
- Mass Retirees: The Voice - November 2019
- PRIM Board account activity for October 1, 2019 & October 18, 2019
- Reconciliation, Cashbooks for May, June, July and August 2019

The next regular meeting is scheduled for November 20, 2019 at 11:30 a.m. at the Town Hall Annex.

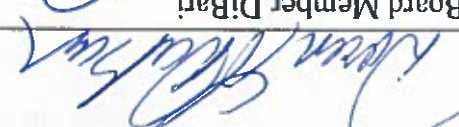
Adjournment of Open Meeting

There being no further business to come before the Board, at 1:20 p.m., a motion was made by Board Member Gannon and seconded by Board Member Decareau and voted 4-0 in favor of adjourning the Open Meeting.

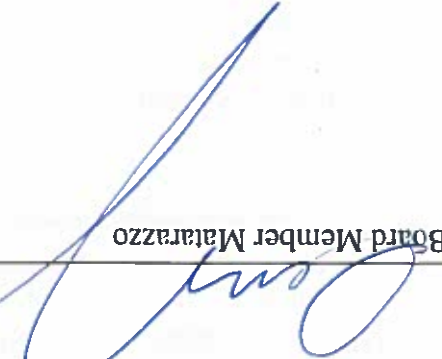
APPROVED BOARD OF RETIREMENT:



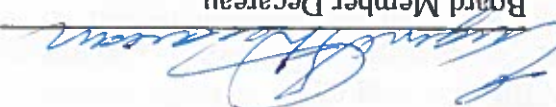
 Chairman Cross



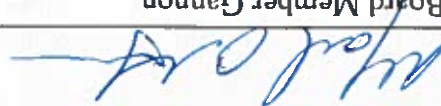
 Board Member DiBari



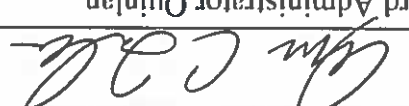
 Board Member Matarazzo



 Board Member Decareau



 Board Member Gannon



 Board Administrator Quinlan