

**SAUGUS RETIREMENT BOARD MEETING****February 24, 2021**

The Regular meeting of the Saugus Retirement Board duly posted to be held via Conference Call using Zoom, Meeting ID: 442 280 6039, Password: 699067 on the above date was called to order at 12:00 p.m. by Chairman Cross, with Board Members, Decareau, DiBari, Gannon and Matarazzo remotely present via zoom.

Also, remotely present via zoom was Michael Dwyer from Wainwright Consultants. Board Staff Theresa Richards and Ann Quinlan remotely present via zoom. Emily Raby of Fundmap was also present during the full open session. Keri Hepburn, Dave Adams, and Brandon Lopez from Aristotle were present from 12:15pm-12:35pm.

Attorney Michael Akashian, representing Donna Materese was present from 12:48pm to 1:05pm for the Executive Session.

Chairman Cross asked for a Roll Call vote as he opened the Regular meeting. Mrs. Quinlan read the names for Roll Call: Cross -Y, Decareau -Y, DiBari - Y, Gannon - Y and Matarazzo- Y the Board voted 5-0 in favor.

Chairman Cross opened the meeting noting the participants joining through zoom were Board Members Decareau, DiBari, Gannon, and Matarazzo. Also joining were Michael Dwyer from Wainwright and Board Staff Theresa Richards and Ann Quinlan. Emily Raby from Fundmap.

Chairman Cross reminded the Board Members that all votes would require a Roll Call vote and at any time if the meeting were not audible to a Board Member to make the Chairman aware of the situation.

The Fifth Board Member position has been filled by Doreen L. DiBari. Mrs. DiBari has reapplied for the position and voted in on January 22, 2021 for a 3-year term.

**Investments**

Mike Dwyer from Wainwright Consultants attended the Board meeting via Zoom. Mr. Dwyer gave the board an overview of the market activity for December 2020. The proposed stimulus package still is affecting the market. Some analysts are expecting the economy to grow 4 ½-5% this year. The December Summary and People's Bank report which showed the whole funds up 4.31%. The total fund as of 12/30/2021 is at \$129,324,746.00.

In reviewing the course set for the Board's investment plan, Mr. Dwyer and Mr. Fabrizio realized the funds have grown over the past year and the initial plan should be reviewed to put into consideration the growth of the market. Mr. Dwyer suggested the board move forward and 10 million from the PRIT fund and fund the MFS and Lord Abbott accounts. Next month when both Mr. Dwyer and Mr. Fabrizio can attend the meeting, they will have an updated plan for the board to review. Board Member Matarazzo made a motion, seconded by Board Member Gannon, and after a Roll Call: Cross-Y, Decareau -Y, DiBari -Y, Gannon-Y and Matarazzo-Y, the board voted 5-0, to withdraw \$10 million from the PRIT Fund and split equally between the MFS and Lord Abbott accounts. Treasurer and Custodian Wendy Hatch will be contacted to send a letter to PRIT and Tony Teberio at Peoples Bank to move the money to the appropriate accounts.

**Aristotle discussion**

Keri Hepburn, Dave Adams, and Brandon Lopez from Aristotle were present from 12:15pm-12:35pm. Ms. Hepburn stated there was no changes to the team since the Board last met. They remain a strong organization. Mr. Adams spoke about the unique historical time the economy is going through. The team decided to keep with the strategy they initiated when the Board first met and feel although they were disappointed with some of the market results, they would not have changed the style of strategy for this Board. Keri stated they will

bounce back from this challenging market and at this point, investors should not panic, as they believe profitable is vital for a long-term success. Mr. Lopez explained they went through each portfolio where stressors need attention and strategy style changes were needed. In the end they remain confident to stay focused on the original plan for Saugus. The Board thanked the attendees and will have them give another update in a few months.

### Minutes

A motion was made by Board Member Gannon and seconded by Board Member Decareau to approve the January 20 & 22, 2020 Regular Meeting Minutes and sign them into the records. Roll Call: Cross -Y, Decareau -Y, DiBari -Y, Gannon- Y and Matarazzo -Y, the Board voted 5-0 in favor.

### Payments

A motion was made by Board Member Gannon and seconded by Board Member Decareau and after a Roll Call: Cross -Y, Decareau- Y, DiBari -Y, Gannon – Y and Matarazzo -Y, the Board voted 5-0 in favor to issue payment for:

- Retirement Board Expense Voucher #17-32 for the month of February 2021 for \$160,868.31.
- Payroll Warrant #2/2021 for \$731,262.32.
- Staff Payroll Warrant #2/2021 for \$11,339.65.
- PRIT Investment Funds to Saugus Retirement System Bank Account on 2/20/21 for \$675,000.00.
- PRIT General Allocation to Private Equity Exchange on 2/1/2020 for \$85,617.13.
- People's United Invoice December 2020 -\$3038.75

### New Member

A motion was made by Board Member Gannon and seconded by Board Member Matarazzo and after a Roll Call: Cross -Y, Decareau -Y, DiBari -Y, Gannon – Y and Matarazzo -Y, the Board voted 5-0 to include for membership in the Saugus Retirement System the following new employees.

- Tyler Calla, Paraprofessional, School Dept., Date of Hire & Membership is 2/2/2021- Contribution rate is 9%
- Brett DiPanfilo, Police Officer, Police Dept., Date of Hire & Membership is 2/8/2021- Contribution rate is 9% + 2%

### Retirements/Disabilities/Survivor Benefits

A motion was made by Board Member DiBari and seconded by Board Member Gannon and after a Roll Call: Cross -Y, Decareau -Y, DiBari -Y, Gannon – Y and Matarazzo -Y, the Board voted 5-0 in favor to grant a Survivor Benefit Allowance under M.G.L. Chapter 32, Section 12, 2 (d) to the following:

### Town Department:

- Scott Reed, Beneficiary of Wendy Reed, Selectman Board Clerk, DOD:2/5/21, Years of Service: 24.5833

### Items for Discussion:

All members of the Saugus Police Department who had cashed in their Holiday's during 2017- March 2020 were notified that no retirement deductions were taken from this pay code. Letters were sent via email to all active members and letters via USPS were sent to Retired members.

The Board was given a FY 22 proposed Budget but will discuss at the March 31<sup>st</sup> meeting.

The Board received 111F/injury update for Daniela Salinas.

Board Member Matarazzo asked the Board Members to consider maintaining the FY21 Appropriation payment of \$7,202,130 for the FY22 Appropriation instead of scheduled \$7,656,719. Board Member Matarazzo explained that in reviewing the upcoming Town Budget the Town's revenues are down because of COVID-19 and there is only so many places to reduce expenses on the Town side as salaries are contractual. Board Member DiBari questioned where the Town had looked besides the Retirement Board for relief as she was not comfortable reducing the Appropriation. She felt the Board had a fiduciary responsibility to the Retirees. She did not want to extend the funding schedule as the Board has worked extremely hard to get to this stability point. Board Member Matarazzo made a motion, seconded by Board Member Gannon to keep the FY22 Appropriation payment to \$7,202,130 for FY22. Chairman Cross spoke on the motion that he is not looking at extending the funding schedule. The Board has a Valuation this year and will be voting on a new funding schedule anyways. Board Member Decareau made an amendment to the motion, seconded by Board Member DiBari to split the difference between the two years as a compromise. Roll Call was taken, Cross-N, Decareau-Y, DiBari-Y, Gannon-N and Matarazzo-N. The amendment failed 3-2. Roll Call was taken on the motion, Cross-Y, Decareau-Y, DiBari-N, Gannon-Y and Matarazzo-Y. The motion to keep the FY22 Appropriation payment to \$7,202,130 passed 4-1. All parties involved will be notified.

At the December Board meeting, the Board accepted an Accidental Death application on behalf of Ralph Materese by his widow Donna Materese. The Board will schedule an Executive Hearing for February to vote on this matter.

Marjorie Hitchings, surviving spouse of Firefighter Leslie Hitchings is turning 105 on February 25, 2021. With the permission of her family all fellow Retirees and Active members of the Saugus Retirement System were contacted and asked to send a birthday card. The Saugus Fire Department sent a card signed by members of the Fire Department along with a shirt and patch. The Saugus Retirement Board sent a red blanket with a Saugus Fire Department patch.

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

- PERAC Memo - #5/2021- PROSPER SFI online Submission is almost here!
- PERAC Memo- #6/2021- 2021 Interest Rate set at 0.1%
- PERAC Memo- #7/2021- Buyback and Make-up Repayment Worksheets
- PERAC Memo- #8/2021- Required Minimum Distribution: New age 72 for this year's notifications.
- PERAC Memo-#9/2021- Actuarial Data
- PERAC Memo #10/2021- Forfeiture of Retirement Allowance for Dereliction of duty by members
- PERAC Pension Newsflash- January 28, 2021
- PRIM: Auto Redemption 2/20/2021
- Trial Balance, Cash Receipts, Cash Disbursement, Adjustments, Eastern Bank (3) Account Statements, Peoples' Bank Account Statement, Treasurer's Reconciliation – December 2020
- SEI Investment Report – Aristotle & LMCG- January 2021
- Rhumblin Investment Report – January 2021
- PRIT Performance – December 2020
- PRIT – Exchange PEVY – 2/4/2021
- Wainwright Meeting Review – December 2020 Review
- PRIM account activities- 2/3/2021

- PRIM: wire transfer 1/20/2021
- Rhumblin Fee Invoice 12/2020
- Mass PRIM: Remote meetings February 2021
- Correspondence from Attorney Sacco – RE: Phillip Carengelo v. Malden Retirement System
- Mass Retirees- The Voice

**Executive Session:**

*At 12:48pm, Chairman Cross asked the Board to enter Executive Session for the discussion of an Accidental Death Benefit filed by Mrs. Materese on behalf of her late husband, Ralph Materese. Roll call vote was taken, Cross-Y, Decareau-Y, DiBari-Y, Gannon-Y and Matarazzo-Y*

*At 1:05pm, a roll call was taken, Cross-Y, Decareau-Y, DiBari-Y, Gannon-Y and Matarazzo Y to reconvene to regular session.*

**Adjournment of Open Meeting**

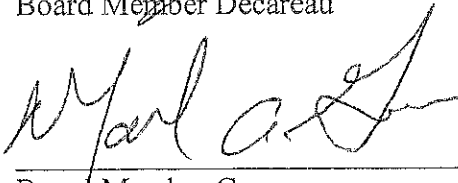
There being no further business to come before the Board, at 1:10 p.m., a motion was made by Board Member Gannon and seconded by Board Member Matarazzo and after a Roll Call vote, Cross- Y, Decareau -Y, DiBari-Y, Gannon-Y and Matarazzo -Y, the Board voted 5-0 in favor of adjourning the Open Meeting. The next Board Meeting is scheduled for Wednesday, March 31, 2021 at 12:00pm.

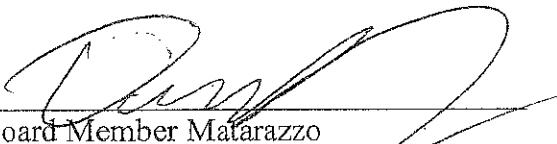
**APPROVED BOARD OF RETIREMENT:**


  
Board Chairman Cross

  
Board Member Decareau

  
Board Member DiBari

  
Board Member Gannon

  
Board Member Matarazzo

  
Board Administrator Quinlan