

SAUGUS RETIREMENT BOARD MEETING
March 31, 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 and Jeff Fabrizio from Wainwright Consultants. Board Staff Theresa Richards and Ann Quinlan remotely present via zoom. Don Triveline and Kevin Balaod were also present during the full open session. Wendy Hatch, Treasurer/Collector was present during the Actuarial Valuation discussion.

Chairman Cross asked for a Roll Call vote as he opened the Special COLA & 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. Others present were Michael Dwyer, Jeff Fabrizio from Wainwright and Board Staff Theresa Richards and Ann Quinlan. Wendy Hatch, Don Triveline and Kevin Balaod.

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 Board received the COLA Notice, PERAC Memo #4/2021. After some discussion, Board Member Gannon made a motion, 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 in favor to grant a 3% COLA on \$14,000 as of 7/1/2021. All parties involved will be notified.

Investments

Mike Dwyer and Jeff Fabrizio from Wainwright Consultants attended the Board meeting via Zoom. Mr. Dwyer gave the board an overview of the market activity for January 2021. The thinking is of the economy is going to accelerate, start to see stronger earnings. The \$10 million will be moved tomorrow to MFS and Lord Abbett.

Performance has been good; January had a flat performance, but February has increased. The January 2021 Summary and People's Bank report which showed the whole fund is at \$128,585,087.00.

Mr. Fabrizio spoke of the daily report being reviewed in January 2021. In 2020 growth outperformed value, in 2021 it seems to be a reversal and value is outperforming growth. Most of the Boards assets are still in the PRIT Fund. The best performance has come from the Equity funds. The three-month performance numbers look good. Aristotle small cap has done better this month. They have a value tilt which did not help them in 2020.

Mr. Dwyer would like to propose doing another \$10 million in June and then again in November as the original matrix that was proposed is outdated. A new matrix will be sent to the Board to discuss the next draw down of funds.

Minutes

A motion was made by Board Member Gannon and seconded by Board Member DiBari to approve the February 24, 2021 Regular & Executive 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 Matarazzo 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 issue payment for:

- Retirement Board Expense Voucher #33-43 for the month of March 2021 for \$13,219.68.
- Payroll Warrant #3/2021 for \$737,945.23.
- Staff Payroll Warrant #3/2021 for \$11,361.67.
- PRIT Investment Funds to Saugus Retirement System Bank Account on 3/20/21 for \$675,000.00.
- PRIT General Allocation to Private Equity Exchange on 3/1/2020 for \$25,294.89.
- People's United Invoice January 2021 for \$3,026.42

New Member

A motion was made by Board Member Decareau 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 to include for membership in the Saugus Retirement System the following new employees.

- Joseph Benson, Paraprofessional, School Dept., Date of Hire & Membership is 2/8/2021- Contribution rate is 9%
- Ariana Licata, Paraprofessional, School Dept., Date of Hire & Membership is 2/8/2021- Contribution rate is 9%
- Diana Fondulis, Paraprofessional, School Dept., Date of Hire & Membership is 1/19/2021- Contribution rate is 9%
- Athanasios Limbanovnos, Police Officer, Police Dept., Date of Hire & Membership is 2/8/2021- Contribution rate is 9% + 2%
- Melissa Sweet-Miller, Certified OT Assistant, School Dept., Date of Hire & Membership is 3/17/2021- Contribution rate is 9% + 2%
- Sean McManus, Custodian, Building Dept., Date of Hire & Membership is 3/17/2021- Contribution rate is 9% + 2%
- Christopher Hunt, Plumbing Inspector, Inspectional Services Dept., Date of Hire & Membership is 3/15/2021- Contribution rate is 9% + 2%

Buy Back/Make-up

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 approve the make-up of refunded Saugus service upon completion of purchase.

- Joshua Mullen, Firefighter, 3 years', and 3 months of military service upon proper paperwork and completion of purchase.

Transfers In

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 in favor to approve the transfer in of service and annuity savings account from Mass Teachers Retirement Systems for:

- Nicole Molina, Behavioral Analyst, School Department. MTRS will accept 4 years and 2 months of creditable service of 8/30/2016-11/9/2020.

A motion was made by Board Member Matarazzo 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 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.

- Makenzie Calef, Inactive School Member, transfer to Mass Teachers Retirement Board. Saugus Retirement Board will accept 8 months of creditable service of 8/23/18-5/10/19.

Refund to 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 in favor to grant the following members a refund, as approved on this month's expense voucher:

- Kerry Kelly, Paraprofessional, School Department resigned on 2/2/2021 and refund effective 3/31/2021. She had 10 months of creditable service (3/9/20-2/2/21) and will receive 3% interest.

Items for Discussion:

Most of the Saugus Police Department members who were affected by the Holiday Cash In error have reached out to the Board and have discussed payment options. The four retired members have paid in full and will have their retirements recalculated.

After last month's meeting, PERAC was contacted about the vote of reducing the appropriation. In discussing this with John Boorack, PERAC Actuary it was found the vote was invalid as the total appropriation cannot be reduced to less than the prior year amount. If the Board would like to reduce their portion and keep the Saugus Housing Authority payment the same of \$205,890, the Town portion would be \$7,268,073 for a total of \$7,473,963.

Finance Director/Treasurer Wendy Hatch told the Board they were exploring all options had been an option to approach the Board for a reduction in appropriation while preparing the budget this fiscal year, but it may not be necessary. The Board will get an update for April's meeting from Mrs. Hatch as to the need for an adjustment in the appropriation. Board Member Decareau made a motion, seconded by Board Member DiBari to keep the proposed FY22 appropriation amount as stated in the PERAC memo. Discussion on the matter, Board Member Gannon made a motion, seconded by Board Member Matarazzo to table the matter until next month. A roll call vote: Cross-Y, Decareau-Y, DiBari-Y, Gannon-Y and Matarazzo-Y, the Board voted 5-0 to table the matter until the following month.

PERAC's Actuary Unit is performing an Actuarial Valuation on the system and has requested further information on members salaries. The valuation process reviews two years of membership and salaries with estimated increases. Unfortunately, most of the unions had contract settlements that spanned over 3 years and it has made it difficult to determine the salary for each specific employee each year. Board member Matarazzo is providing the salary breakdowns to send to PERAC.

Annual member account statements have been sent in the mail to all active and inactive members. The board has obtained all but 6 email addresses for members and sent a notice via email to be expecting the statements. Also included in the email were links to the Board website, forms to update their personal information and to enroll in the Employee Portal. There has been a lot of calls and positive reaction to the email.

PERAC scheduled for a review of records for Mr. Materese and the Board will be notified of their report. Most likely an April hearing will be scheduled.

The Board received notice from the Town of Christopher Hunt's appointment as Plumbing Inspector. The date for letter of hire is earlier than when he was appointed. HR was questioned as to what the permanent date was as it is misleading. After some discussion, Board Member Decareau 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 in favor to request a new letter of hire to reflect the correct date so there is no confusion for the auditors and a buyback could be calculated for Mr. Hunt.

Many employees have called the office regarding the proposed Covid relief bill, which would give an additional 3 years of service or age credit towards retirement. The Bill is vague and is in the early stages. Board members and the membership will be updated as the bill progresses.

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

- PERAC Memo - #11/2021- Benefit Calculation submissions via Prosper.
- PERAC Memo- #12/2021- Tobacco Company List
- PERAC Memo-#13/2021- 2020 Annual Statement of Earned Income Filing (91A)
- PRIM: Auto Redemption 3/20/2021
- Trial Balance, Cash Receipts, Cash Disbursement, Adjustments, Eastern Bank (3) Account Statements, Peoples' Bank Account Statement, Treasurer's Reconciliation – December 2020
- Annual Statement
- SEI Investment Report – Aristotle & LMCG- February 2021
- Rhumblin Investment Report – February 2021
- PRIT Performance – January 2021
- PRIT – Exchange PEVY – 3/1/2021
- Wainwright Meeting Review – January 2021 Review
- PRIM account activities- 3/1/2021
- People's Invoice – 1/2021
- Correspondence from Attorney Sacco – RE: Jean Atkinson v. Town of Saugus, et al

Executive Session:


At 12:30pm, Chairman Cross asked the Board to enter Executive Session to discuss contract negotiations with non-union personnel as pursuant to MGL C30A, S21(a)(2). Roll call vote was taken, Cross-Y, Decareau-Y, DiBari-Y, Gannon-Y and Matarazzo-Y

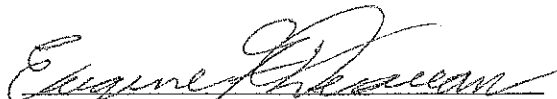
At 12:48pm, a roll call was taken, Cross-Y, Decareau-Y, DiBari-Y, Gannon-Y and Matarazzo Y to reconvene to regular session.

Adjournment of Open Meeting

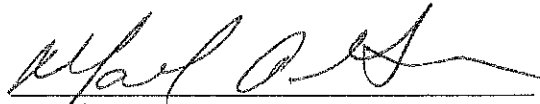
There being no further business to come before the Board, at 12:50 p.m., a motion was made by Board Member Decareau and seconded by Board Member Matarazzo and after a Roll Call vote, Cross- Y, Decareau -Y, DiBari-Y, Gannon-Y and Matarazzo -Y, the Board voted 5-0 in favor of adjourning the Open Meeting. The next Board Meeting is scheduled for Wednesday, April 28, 2021 at 12:00pm.

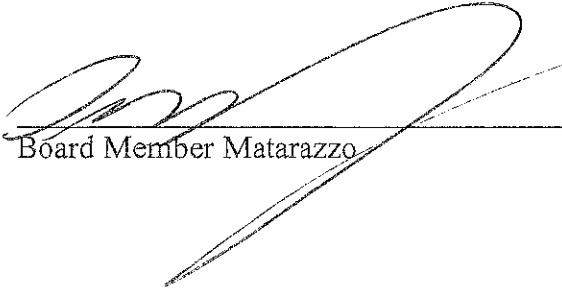
APPROVED BOARD OF RETIREMENT:

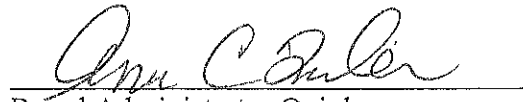

Board Chairman Cross


Board Member Decareau


Board Member DiBari


Board Member Gannon


Board Member Matarazzo


Board Administrator Quinlan