

## SAUGUS RETIREMENT BOARD MEETING

January 24, 2023

The regular meeting of the Saugus Retirement Board duly posted and held in the Town Hall Annex, 25R Main St, Saugus, MA on the above date was called to order at 12:00 p.m. by Chairman Cross, with Board Members Decareau, DiBari, and Gannon present. Board Member Matarazzo was absent.

In addition, present at this meeting were Board Staff Ann Quinlan and Theresa Richards. Wainwright Representative: Michael Dwyer joined the meeting in person as well.

Minutes

- Board Member DiBari made a motion, seconded by Board Member Gannon to approve the December 20, 2022, Open Meeting Minutes and sign them into the records. The Board voted 4-0 in favor.

Payments:

A motion made by Board Member Gannon and seconded by Board Member DiBari, voting 4-0 in favor to issue payment for:

- Retirement Board Expense Voucher #1-17 for the month of January 2023, for \$145,258.62.
- Payroll Warrant #1/2023 for \$793,604.78.
- Staff Payroll Warrant #1/2023 for \$12,336.37.
- PRIT General Allocation to Private Equity Exchange on 1/3/2023 for \$137,873.39

New Member

A motion made by Board Member Decareau and seconded by Board Member DiBari, voting 4-0 in favor to include for membership in the Saugus Retirement System the following new employees:

- Karen Hoffman, Paraprofessional, School Department. Date of Hire & Membership is 12/7/2022– Contribution rate is 9%
- Lori Janvrin, Dispatcher, Police Department. Date of Hire & Membership is 12/31/2022– Contribution rate is 9% + 2%
- John McGeoghegan, Paraprofessional, School Department. Date of Hire & Membership is 12/19/2022– Contribution rate is 9%
- Joseph Petrosino, Paraprofessional, School Department. Date of Hire & Membership is 1/3/2023– Contribution rate is 9%
- Kristopher Victor, Engagement Officer, School Department. Date of Hire & Membership is 1/13/2023– Contribution rate is 9%

Investments:

Mike Dwyer gave an overview of the November 2022 statement and mentioned December 2022 numbers got worse. The upside is that January 2023 is looking better. The market has been unstable due to the Russian/Ukraine conflict etc. The federal reserve is expected to make an announcement on 2/1/23. The recommendation is to stay the course. The Board can discuss making additional transfer at the February meeting when more information is provided.

Mike Dwyer reviewed the MT&T Bank's report which shows the total fund at \$141,162,120.00 as of November 30, 2022. The total fund YTD was down 8.79% however, the 3 year is at 7.44%. The Total general allocation was -9.90% YTD. The total equity fund was -9.78% YTD with Russell 1000 at -14.07% YTD, LMCG at -6.57% YTD and Aristotle at -5.72% YTD. International Equity – MFS had this fund less than a year, but the 11 months was -12.74% YTD. Rhumbline Core and Lord Abbett were -12.54% and -12.14% respectively. The PRIM core real estate was 9.46%. Total venture capital was 1.48% YTD and PRIM Hedge fund was -2.42% YTD. Although the market is in the negative, the system is outperforming most of the indexes.

Mike Dwyer provided the Board with a Capital and Distribution Best Practice document. The Board will have Attorney Sacco review before implementing. Mike Dwyer will send a letter to all Investment Managers and Custodians along with this new Policy in which they all will need to acknowledge and sign they will abide by the policy.

**Items for Discussion:**

Many Retirees and Survivors called or emailed the Retirement Board office and Board members thanking them for their continued support and passing of the 3 recent articles before Town Meeting. The Board also heard from many Town Officials that they were also contacted by Retirees with their expressions of gratitude.

The Board of Selectman are set to review PERAC Memo #29/2022 on January 31, 2023. Should the Board of Selectman approve the new 5% COLA, PERAC will be contacted. Retroactive payments should occur in the February payroll.

The yearend process has started with 1099R's being sent to all benefit recipients. Pension Protection Act letters regarding added health insurance deduction have been sent to all Group 4 retirees.

The Lord Abbett trade commitment for \$1,000,000.00 occurred on 12/30/22 and the money was wired on 1/3/2023. All parties involved have been notified of the transaction.

After receiving PERAC Memo#4/2023 – COLA notice, the Board set Tuesday, March 21, 2023 for a Special COLA Meeting at 12:00pm. Although a 30 day notice is not necessary unless the Board is voting for a percentage amount above the CPI, as a courtesy the Board will notify the Board of Selectman of the upcoming meeting.

Jim Lamenzo, PERAC Actuary informed the Board that he noticed in the past few years the Town's appropriation payments have not been received by the Board within 30 days of the due date. He suggested the Board contact the Town to explain the situation and if the Town is unable to meet these dates, then when PERAC does the next valuation a different calculation will be needed. All parties involved will be notified of Mr. Lamenzo's instructions.

Richard Wells signed his retirement paperwork today. His retirement calculation will be sent to PERAC through PROSPER.

The Board received an email from Chris Wallace, managing partner of hrMecca, Inc. He formerly worked for Pension Technologies Group and notified the Board until recently his company provided all the maintenance support for PTG. He has gone out on his own and as of January 17<sup>th</sup> his company is no longer supporting PTG.

Brian Bowler, Vice President of PTG emailed the Board with documentation that PTG functionality was developed on a "work for hire" basis and PTG's ownership of this functionality is protected under the Federal Copyright law. He assured the Boards that the maintenance software is supported and there will be no changes to the product except for new functionality.

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

- PERAC – FY2024 Annual Appropriation

- 112.
- PERAC Memo #33/2022- Mandatory Retirement Board Member Training- 1<sup>st</sup>. Quarter, 2023
  - PERAC Memo #34/2022 – Disability Data
  - PERAC Memo #1/2023- Reintroduction of Earning & Hour Limitations for All Retirees in the Public Sector
  - PERAC Memo #2/2023- 2023 Limits under Chapter 46 of the Acts of 2022
  - PERAC Memo #3/2023- 2023 Limits under Section 23 of Chapter 131 of the Act of 2010
  - PERAC Memo #4 - Cola Notice
  - Rhumblin Russell 1000 & Core Bond Investment Statements- December 2022
  - Lord Abbett Statement- December 2022
  - MFS Statement – December 2022
  - PRIT Performance – December 2022
  - PRIT – Exchange PEVY 1/3/2023 - \$137,873.39
  - Peoples United Invoice 11/2022- Rhumblin 4<sup>th</sup> Quarter
  - PRIT -Auto Redemption -01/26/2023– \$650,000.00
  - Wainwright Meeting Review – November 2022 Review
  - Trial Balance, Cash Receipts, Cash Disbursement, Adjustments, Eastern Bank (3) Account Statements, Peoples’ Bank Account Statement, Treasurer’s’ Reconciliation- November 2022
  - Attorney Sacco- Various Legal matters
  - PTG Informational notice of updates

Prior to the Board going into Executive Session, Wainwright Representative: Michael Dwyer left the meeting. Attorney Michael Sacco, Chief Michael Ricciardelli and Richard Wells attended the meeting only during the Executive Session.

**Adjournment of Open Meeting**


*At 12:30 pm, Board Member Gannon made a motion, seconded by Board Member DiBari and a roll call was taken, Cross-Y, Decareau -Y, DiBari -Y, and Gannon -Y to enter Executive pursuant to M.G.L. c. 30A s. 21 (a) (1). To conduct an evidentiary hearing involving disability application to discuss the physical or mental health of a retirement system member and not return to open session.*

*At 1:10 pm, roll call was taken, Cross-Y, Decareau -Y, DiBari -Y, Gannon -Y and Matarazzo-Y to adjourn the meeting.*

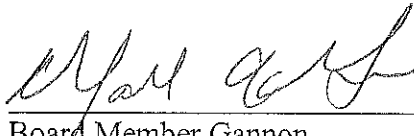
The next Board Meeting scheduled for Tuesday, February 21, 2023, at 12:00pm.

APPROVED BOARD OF RETIREMENT:

  
Board Chairman Cross

  
Board Member Decareau

  
Board Member DiBari

  
Board Member Gannon

  
Board Administrator Quinlan