

SAUGUS RETIREMENT BOARD MEETING

October 25, 2022

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, Gannon and Matarazzo present.

In addition, present at this meeting were Board Staff Ann Quinlan and Theresa Richards. Wainwright Representatives: Michael Dwyer and Jeffrey Fabrizio joined the meeting via teleconference.

Present for the Executive Session were Board Attorney Michael Sacco, Chief Michael Ricciardelli and Thomas Jones.

Minutes

- Board Member Matarazzo made a motion, seconded by Board Member DiBari to approve the September 20, 2022, Open Meeting Minutes and sign them into the records. The Board voted 5-0 in favor.

Payments:

A motion made by Board Member Gannon and seconded by Board Member Matarazzo, voting 5-0 in favor to issue payment for:

- Retirement Board Expense Voucher #107-117 for the month of October 2022, for \$59,099.32
- Payroll Warrant #10/2022 for \$797,687.44
- Staff Payroll Warrant #10/2022 for \$12,233.12
- PRIT General Allocation to Private Equity Exchange on 10/3/2022 for \$23,371.44

New Member

A motion made by Board Member Gannon and seconded by Board Member DiBari, voting 5-0 in favor to include for membership in the Saugus Retirement System the following new employees:

- Melody Pepper, Paraprofessional, School Department. Date of Hire & Membership is 9/20/2022– Contribution rate is 9%
- Elyse Belliveau, Paraprofessional, School Department. Date of Hire & Membership is 10/12/2022– Contribution rate is 9%
- David Ricciardelli, Electrical Inspector, Inspectional Services Department. Date of Hire & Membership is 6/20/2022– Contribution rate is 9% +2%

Transfer Out:

Board Member Decareau made a motion, seconded by Board Member Gannon, voting 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:

- To the Massachusetts Teachers' Retirement System – Kyle Brosseau, School Department, Paraprofessional, Saugus Retirement Board accepted liability for 2 years and 1 month of service from 1/3/2019 -1/12/2021.
- To the Wakefield Retirement Board- Stephanie Melendez, School Department, Paraprofessional, Saugus Retirement Board accepted liability for 6 years and 7 months of service from 1/4/2016 - 8/29/2022.
- To the Wakefield Retirement Board- Lisa White, School Department, Paraprofessional, Saugus Retirement Board accepted liability for 4 years and 9 months of service from 9/18/2017- 6/30/2022.

- To the Essex Regional Retirement Board, - Gina Crawford- School Department, Paraprofessional, Saugus Retirement Board accepted liability for 3 years and 9 months, which includes a partial make up payment for service from 1/25/2016- 6/30/2019 & service from 6/30/2019 - 6/30/2022.

Deaths:

Retiree Jennie Buontempo passed away on September 19, 2022. No further benefits provided.

Investments:

Mike Dwyer reminded the Board the presentation today is August 2022 numbers. September 2022 was the worst month so far in market activity having the lowest numbers. Since September, the market has rallied. Driving the market up is the GDP is coming out our Thursday with numbers of possible 2.1% growth for the 3rd quarter. It is said some federal reserve members are nervous they went too hard to fast.

Mike Dwyer spoke about cybersecurity and how one MA system lost \$3.5 million. He asked that he and Jeff Fabrizio be included on all transfer/wire transactions so they can keep an extra eye out for any issues. Not that he is expecting anything, but as common practice now. Administrator Quinlan stated they are added onto all transactions except for the PRIT PEVY and auto redemptions but will discuss with Treasurer Hatch to add their contacts from this point on.

The Board received notice of a deadline of PEVY FY23 commitment. Mr. Dwyer and Mr. Fabrizio feel the Board is already heavy enough in this fund so the Board should hold off this year. After some discussion, Board Member Matarazzo made a motion, seconded by Board Member Gannon, and passed 5-0 to not make a commitment for FY23 to the PRIT PEVY fund.

There are three investment managers left to meet with the Board. Mike Dwyer will set them up for November 22, 2022 board meeting starting at 12:15pm. They are Aristotle, LMCG and MFS. Once confirmed Mr. Dwyer will send the list and contact information for each person.

Jeff Fabrizio reviewed the People's report which shows the total fund at \$138,643,769.00 as of August 31, 2022. The total fund YTD was down 10.41% however, the 3 year is at 8.27%. The Total general allocation was -10.37% YTD. The total equity fund was -14.92% YTD with Russell 1000 at -16.86% YTD, LMCG at -10.85% YTD and Aristotle at -12.45% YTD. International Equity – MFS had this fund less than a year, but the 8 months was -20.12% YTD. Rhumblin Core and Lord Abbett were -10.75% and -12.61% respectively. The PRIM core real estate was 8.84%. Total venture capital was 2.54% YTD and PRIM Hedge fund was -1.71% YTD.

Items for Discussion:

Board Member William E. Cross' term will expire on 12/5/2022. Only Chairman Cross filed nomination papers. After review of his submission, Election Officer Quinlan confirmed it to be valid. Board Member Gannon made a motion, seconded by Board Member Matarazzo, and passed 4-0, Chairman Cross abstaining, to declare William E. Cross, III the winner and to approve him for another 3-year term starting on 12/5/2022-12/5/2025. Board Member Gannon made a motion, seconded by Board Member Decareau, and passed 4-0, Chairman Cross abstaining to elect William E. Cross, III as Chairman for said term.

Chairman Cross attended the Town Meeting the previous night and was pleased to announce that all three of the Board's articles passed unanimously. One is for a COLA base increase to \$18,000.00. The other two are related to Section 12(2)(d) and Section 101. Since the late notice the articles would be taken up at last nights meeting,

102 The Board will place the articles again on November's meeting for a Board final vote of increase and acceptance of approved articles.

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

- PERAC Memo #24/2022- Mandatory Retirement Board Member Training
- PERAC Memo #25/2022- Tobacco Company List
- PERAC Memo #26/2022- Appropriation Data Due October 31, 2022
- SEI Investment Report-Aristotle & LMCG-September 2022
- Rhumblin Russell 1000 & Core Bond Investment Statements- September 2022
- Lord Abbett Statement- September t 2022
- MFS Statement – September 2022
- PRIT Performance – September 2022
- PRIT – Exchange PEVY 10/3/2022 - \$23,371.44
- Rhumblin- 3rd Quarter Invoice
- Peoples United Invoice 7/2022 & 8/2022
- PRIT -Auto Redemption -10/20/2022– \$650,000.00
- Wainwright Meeting Review – September 2022 Review
- Trial Balance, Cash Receipts, Cash Disbursement, Adjustments, Eastern Bank (3) Account Statements, Peoples' Bank Account Statement, Treasurer's' Reconciliation- August 2022
- Attorney Sacco- Various Legal matters

Executive Session & Adjournment of Open Meeting

At 12:30 pm, Board Member Matarazzo made a motion, seconded by Board Member Decareau and a roll call was taken, Cross-Y, Decareau -Y, DiBari -Y, Gannon -Y and Matarazzo-Y to enter Executive Session to discuss the Medical Panel Results of an Accidental Disability Application.

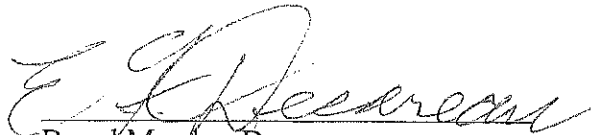
At 1:52 pm, roll call was taken, Cross-Y, Decareau -Y, DiBari -Y, Gannon -Y and Matarazzo-Y to adjourn the meeting.

The next Board Meeting scheduled for Tuesday, November 22, 2022, at 12:00pm.

APPROVED BOARD OF RETIREMENT:



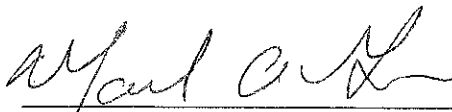
Board Chairman Cross



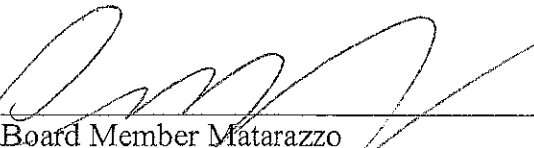
Board Member Decareau



Board Member DiBari



Board Member Gannon



Board Member Matarazzo



Board Administrator Quinlan