

**SAUGUS RETIREMENT BOARD MEETING**  
**May 23, 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 12:03 p.m. by Chairman Cross, with Board Members Decareau, Gannon, and Matarazzo present. Board Member DiBari was absent.

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

**Minutes**

- Board Member Gannon made a motion, seconded by Board Member Matarazzo to approve the April 26, 2023 Regular and Executive 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 Matarazzo, voting 4-0 in favor to issue payment for:

- Retirement Board Expense Voucher #61A-68 for the month of May 2023, for \$10,022.41.
- Payroll Warrant #5/2023 for \$815,541.01.
- Staff Payroll Warrant #5/2023 for \$14,533.10.
- PRIT General Allocation to Private Equity Exchange on 5/1/2023 for \$119,459.13.

**New Member**

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

- Nicole Diano, Clerk, Cemetery Department. Date of Hire & Membership is 4/24/23 Contribution rate is 9%
- Carol O'Leary, Occupational Therapist Assistant, School Department. Date of Hire & Membership is 5/10/2023 Contribution rate is 9% + 2%

**Transfer Out:**

Board Member Gannon made a motion, seconded by Board Member Decareau, voting 4-0 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 Marblehead Retirement Board- Kristen Villani, School Department, Inactive Paraprofessional, Saugus Retirement Board accepted liability for 1 year of service from 10/17/16-10/20/17.

**Retirements/Disabilities/Survivor Benefits**

Retirement Board Staff have verified that the necessary paperwork is in order and has determined applicants to be eligible for such benefits:

A motion made by Board Member Decareau and seconded by Board Member Gannon and voting 4-0 in favor to grant the following Benefits:

- Saugus Housing Authority: Peter Genzali, Maintenance Foreman, DOR: 5/6/23, YOS: 21.5833
- Police Department: Christopher Taylor, Patrolman, DOR: 5/20/23, YOS: 6.2500
- Police Department: Thomas Jones, Patrolman, DOR:3/4/23, YOS: 27.8333

**Refund to Member:**

The Board noted that the following member took a refund, as approved on this month's expense voucher. A motion made by Board Member Gannon and seconded by Board Member Matarazzo and voting 4-0 in favor to grant the following benefits:

- Pamela Woods, Inactive Paraprofessional, resigned on 6/15/2007 and was refunded effective on 5/23/23. Her service was 11/11/01-6/15/07 – 3% Interest.

**Investments:**

Mike Dwyer gave an overview of the March 2023 statement. The Federal Reserve needs to take a pause in June. The Bond market states its fine and doesn't want it to increase rates. The debt ceiling crisis needs to be addressed otherwise it could be catastrophic. We will need to wait to see how the Federal Reserve handles their next meeting.

Jeff Fabrizio reviewed the MT&T Bank's report which shows the total fund at \$142,004,216.00 as of March 31, 2023. The total fund YTD was up 3.58% which is only 3 months in the new year however, the 3 year is at 11.91%. The Total general allocation was 3.69% YTD. The total equity fund was 4.84% YTD with Russell 1000 at 7.46% YTD, LMCG at 4.06% YTD and Aristotle at .94% YTD. International Equity – MFS at 9.95% YTD. Rhumblin Core and Lord Abbett were 2.77% and 3.06% respectively. The PRIM core real estate was -1.54%. Total venture capital was .86% YTD and PRIM Hedge fund was 1.67% YTD.

Mike Dwyer and Jeff Fabrizio prepared a portfolio reallocation analysis for the Board to review. The report presented was for a \$20,000,000.00 transfer within the existing funds the Board already has monies in except for Emerging Markets, which would require an RFP. There was some discussion about keeping the amount of transfer \$20,000,000.00 or increasing to \$25,000,000.00. Also, the Board would like to wait to make a transfer into Emerging Markets until the debt ceiling is settled and what the Federal Reserve does in June. Mike Dwyer and Jeff Fabrizio will make a few changes to the reallocation and present them at the June meeting. August 1, 2023 is the date the Board would like the transfers to take place. Further discussion and a vote will be taken in the June meeting.

**Items for Discussion:**

In reviewing the actuarial data report from PERAC it was found active member Ronald Murray III was incorrectly enrolled in the retirement system as an 8% contributor instead of 9%. Mr. Murray had prior service with the State and Boston Retirement Board's in which he took a refund of his monies on account. He later returned and when he was enrolled, they inadvertently enrolled him as an 8% contributor. Both the State and Boston Retirement Boards have been contacted for payroll records and confirmation of the 8% vs. 9%. While the Board waits for this documentation, the Board has contacted Mr. Murray to explain he will now be contributing 9% and he will be given a buyback estimate for the 1% difference in contributions he should have contributed while employed with the Town of Saugus. This issue was discussed with both PERAC and Attorney Sacco and both confirmed this was the correct action to take at this time. The payroll department was also contacted to start the 9% contributions. When Mr. Murray's account was transferred to the Saugus Retirement Board they confirmed the 8% rate, which in turn was incorrect. Also, Mr. Murray states he was a Group 4 member of the prior systems, which is not documented in the transfer in paperwork.

MACRS will take place this year from June 4, 2023 to June 7, 2023. Board member Mark Gannon will be attending on behalf of the Board. He will be reimbursed for the fees and expenses that occurred during the trip according to the Board regulations.

Board Member Gannon's term is set to end on December 2, 2023. An election for this position will be set with a term of 12/2/23-12/2/26. Board Member Decareau made a motion, seconded by Board member Matarazzo, to appoint Ann Quinlan as the Election Officer. All parties involved will be notified.

Powers and Sullivan are the Town's auditing firm. They have contacted the Board with a checklist of items they need for the Town's audit pertaining to retirement. All documents requested have been provided to Powers and Sullivan through their portal.

The Board was notified after the Agenda was posted of the passing of retiree Charles Reed. Mr. Reed was the former Town Electrician. He chose option C, and his wife will continue to receive a survivor's benefit. All parties involved have been notified of his passing.

Shawn Flynn was given the estimate for a purchase of his prior service with the Sheriffs Department but stated he will be waiting before purchasing the time.

Stacy Billingsley is now handling the benefits for employees and retirees with the Town of Saugus. This includes the health and life insurance, medicare part b reimbursement for the town retirees. She will also remain working as the accounts payable clerk.

The board received no injury or incident reports from any Town Departments.

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

- Rhumblin Russell 1000 & Core Bond Investment Statements- April 2023
- Lord Abbett Statement- April 2023
- MFS Statement – April 2023
- Aristotle Statement- April 2023
- LMCG Statement- April 2023
- PRIT Performance – April 2023
- PRIT – Exchange PEVY 5/1/2023 - \$119,459.13
- MT&T Bank 3/2023
- PRIT -Auto Redemption -05/25/2023– \$650,000.00
- Wainwright Meeting Review –March 2023 Review
- Trial Balance, Cash Receipts, Cash Disbursement, Adjustments, Eastern Bank (3) Account Statements, Peoples' Bank Account Statement, Treasurer's' Reconciliation- March 2023
- Attorney Sacco- Various Legal matters.

Prior to the Board going into Executive Session, Wainwright Representatives left the meeting.

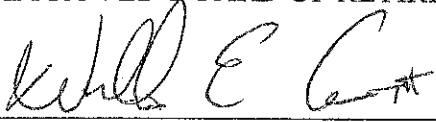
**Adjournment of Open Meeting**

*At 12:40 pm, Board Member Decareau made a motion, seconded by Board Member Gannon and a roll call was taken, Cross-Y, Decareau -Y, Gannon -Y and Matarazzo -Y to enter Executive pursuant to M.G.L. c. 30A s. 21 (1). To discuss the Medical Panel review results of a disability application of a retirement system member and not return to open session.*

*At 1:03 pm, roll call was taken, Cross-Y, Decareau -Y, Gannon -Y and Matarazzo-Y to adjourn the meeting.*

The next Board Meeting is scheduled for Tuesday, June 20, 2023, at 12:00pm.

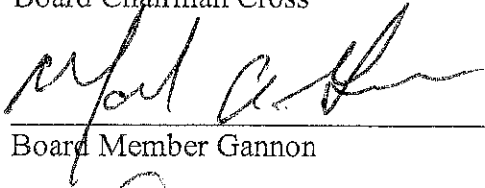
APPROVED BOARD OF RETIREMENT:



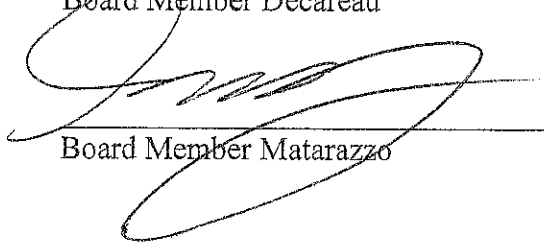
Board Chairman Cross



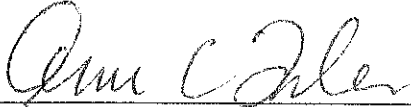
Board Member Decareau



Board Member Gannon



Board Member Matarazzo



Board Administrator Quinnlan