

**SAUGUS RETIREMENT BOARD MEETING**  
**August 29, 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 1:00 p.m. by Chairman Cross, with Board Members Decareau, Gannon (arriving at 1:05pm), and Matarazzo present. Board Member DiBari was present through zoom.

In addition, present at this meeting were Board Staff Ann Quinlan, Theresa Richards, and Wainwright Representatives: Michael Dwyer and Jeff Fabrizio.

Attorney Michael Sacco arrived at 1:20pm and remained until the Board meeting ended. Attorney Dan Fogarty, member Lorenzo Internicola and Chief Michael Ricciardelli arrived at 1:30pm for the Executive Hearing.

**Minutes**

- Board Member Decareau made a motion, seconded by Board Member Matarazzo to approve the July 27, 2023 Regular Meeting Minutes, and sign them into the records. The Board voted 4-0 in favor.

**Payments:**

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

- Retirement Board Expense Voucher #92-100 for the month of August 2023, for \$7,670.66.
- Payroll Warrant #8/2023 for \$832,750.67.
- Staff Payroll Warrant #8/2023 for \$15,710.65.
- PRIT General Allocation to Private Equity Exchange on 7/3/2023 for \$106,577.11.

**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 Decareau and seconded by Board Member Gannon and voting 5-0 in favor to grant the following benefits:

- Jennifer Giordano, terminated on 6/14/23 and was refunded effective on 7/27/23. Her service was 2/27/23-6/14/23, 3% Interest.

**New Members:**

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

- Roberto Bruzzese, Paraprofessional, School Department. Date of Hire & Membership is 8/28/23  
Contribution rate is 9%
- Trevor Freeman, Paraprofessional, School Department. Date of Hire & Membership is 8/28/23  
Contribution rate is 9%
- Isabella Serino, ABA Instructor, School Department. Date of Hire & Membership is 8/28/23  
Contribution rate is 9%

**Transfer Out:**

Board Member Gannon made a motion, seconded by Board Member Matarazzo, 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:

134. To the Massachusetts Teacher's Retirement Board- Deanna DiPersio (Oxley), School Department, Inactive Member, Saugus Retirement Board accepted liability for 1 year and 7 months of service from 11/16/13-6/30/15.

**Investments:**

Mike Dwyer gave an overview of the June 2023 statement. It is estimated that it will be a lot longer before the Federal Reserve will lower the rates.

Jeff Fabrizio reviewed the MT&T Bank's report which shows the total fund at \$146,062,696.00 as of June 30, 2023. The total fund YTD was up 6.51% which is only 6 months in the new year however, the 3 year is at 9.64%. The Total general allocation was 6.56% YTD. The total equity fund was 9.75% YTD with Russell 1000 at 16.69% YTD, LMCG at 6.43% YTD and Aristotle at 2.01% YTD. International Equity – MFS at 14.11% YTD. Rhumblin Core and Lord Abbett were 2.04% and 4.50% respectively. The PRIM core real estate was - 2.15%. Total venture capital was 3.16% YTD and PRIM Hedge fund was 3.55% YTD.

The transfers for the portfolio reallocation have taken place on August 1st and August 2<sup>nd</sup> for the Investment Managers outside of PRIT. The PRIT Core Real Estate and the PRIT Hedge Fund transfers will take place on September 1<sup>st</sup> and October 2<sup>nd</sup>. The rebalancing to third party managers is as follows:

\$2,000,000.00 Rhumblin Russell 1000  
\$2,000,000.00 LMCG Midcap Core Collective Fund  
\$5,000,000.00 Lord Abbett Small Cap Growth Equity Trust II  
\$4,000,000.00 MFS Inst. Intl Equity Fund Net  
\$8,000,000.00 Rhumblin Core Bond Pooled Index Fund  
\$4,000,000.00 Lord Abbett High Yield Core Trust II  
\$1,000,000.00 PRIT Core Real Estate Fund  
\$4,000,000.00 PRIT Hedge Fund

**Items for Discussion;**

The Board reviewed PERAC Memo#18/2023, approval of dependent allowance increases for accidental disability retirees & survivors. After some discussion, Board Member Decareau made a motion, seconded by Board Member Matarazzo, and passed 5-0 to approve the Dependent Child Allowance per the PERAC memo as of 7/1/2023.

Many Retirees and Survivors have called the retirement board office regarding the Medicare Part B reimbursement check. Board Member Matarazzo stated the lists are being reviewed and the checks will be processed and mailed the last week of September.

A few retirees have called regarding health insurance issues with inadvertently being enrolled in other medicare plans that have caused interruptions in their Town health insurance. Although the retirement board does not have direct contact with the insurance, from time to time it must assist the retiree. A spreadsheet was created and sent to Stacy Billingsley with all retirees, spouses, dependents currently have insurance with the Town and their dates of birth so to keep track of when they need to enroll in medicare plans.

Five retired police officers received their final partial payment of Quinn incentive from the Town in July. All five retirees needed to have their retirement allowances recalculated with this new increase in salary.

In a recent actuarial data review, it was found that an active member was contributing at an incorrect contribution rate. The member was notified, and his contribution rate was changed, and a repayment amount was given to be paid by December 31, 2023. Attorney Sacco was contacted for assistance regarding the prior service in other systems. He sent an opinion letter to the Board on how to proceed with the matter. The members will be contacted with further instructions on how to resolve the matter.

PERAC sent the board the valuation report as of January 1, 2023, with 2 alternatives for the Board to choose from or request another alternative if necessary. The valuation report included the new COLA base of \$18,000 and the 5% COLA given in FY23. After a brief discussion, Board Member Matarazzo made a motion, seconded by Board Member Gannon 5-0 to approve alternative #2, with a 7% Investment return and a total cost increasing 4% per year until FY28. PERAC will be notified of the Board's decision.

Attorney Sacco's legal contract will expire in December and the Board can choose to renew it for another 2 years or go out for an RFP. After some discussion, Board member Gannon made a motion, seconded by Board Member Decareau, and passed 5-0 to grant an extension of 2 years to the existing contract to Attorney Sacco for legal services.

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

- PERAC Memos: #17/2023: Reinstatement to Service under G.L. c.32 S105
- PERAC Memo: #18/2023: Cost of Living Increase for Supplemental Dependent Allowance Paid to Accidental Disability Retirees & Accidental Death Survivors
- Rhumbline Russell 1000 & Core Bond Investment Statements- July 2023
- Lord Abbett Statement-July 2023
- MFS Statement – July 2023
- Aristotle Statement- July 2023
- LMCG Statement- July 2023
- PRIT Performance – July 2023
- PRIT – Exchange PEVY 81/2023 - \$153,228.42
- MT&T Bank 6/2023 - \$3,328.04
- PRIT -Auto Redemption -08/27/2023– \$625,000.00
- Wainwright Meeting Review –June 2023 Review
- Trial Balance, Cash Receipts, Cash Disbursement, Adjustments, Eastern Bank (3) Account Statements, Peoples' Bank Account Statement, Treasurer's' Reconciliation- June 2023
- Attorney Sacco- Client Only Memo - Disability

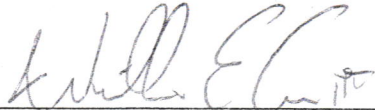
**Adjournment of Open Meeting**

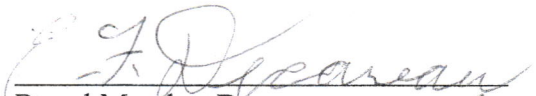
*At 1:30 pm, Board Member Gannon made a motion, seconded by Board Member Dibari and a roll call was taken, Cross-Y, Decareau -Y, DiBari -Y, Gannon -Y and Matarazzo -Y to enter Executive pursuant to M.G.L. c. 30A s. 21 (a) (1). To conduct an evidentiary hearing involving disability application to discuss the physical or mental health of a retirement system member.*

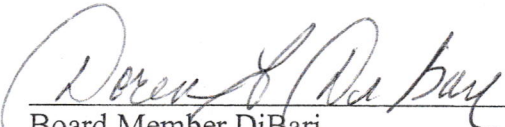
*At 2:15 pm, roll call was taken, Cross-Y, Decareau -Y, DiBari -Y, Gannon -Y and Matarazzo-Y to adjourn the meeting.*

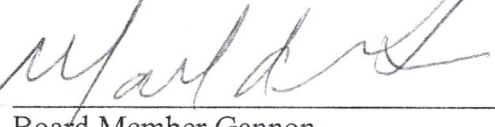
The next Board Meeting is scheduled for Tuesday, September 26, 2023, at 12:00pm.

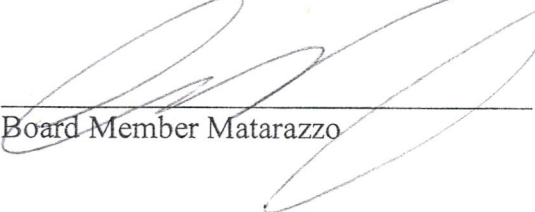
APPROVED BOARD OF RETIREMENT:

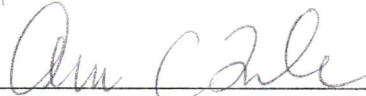
  
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Board Chairman Cross

  
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Board Member Decareau

  
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Board Member DiBari

  
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Board Member Gannon

  
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Board Member Matarazzo

  
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Board Administrator Quinlan