

SAUGUS RETIREMENT BOARD MEETING**November 26, 2024**

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 11:02 p.m. by Chairman Cross, with Board Members Decareau, Gannon and Matarazzo present. Board Member DiBari was unable to attend.

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

Minutes

- Board Member Decareau made a motion, seconded by Board Member Matarazzo to approve the October 22, 2024, Open Meeting Minutes and sign them into the records. The Board voted 4-0 in favor.

Payments:

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

- Retirement Board Expense Voucher #122-135 & check #3549-3562 for the month of November 2024, for \$98,489.31.
- Payroll Warrant #11/2024 for \$852,931.06.
- Staff Payroll Warrant #11/2024 for \$13,430.07.
- PRIT General Allocation to Private Equity Exchange on 11/1/2024 for \$98,386.31.

Investment Manager Annual Reviews:

The annual investment manager reviews were completed via zoom. Each manager was given a 15-minute time slot at which time, their team entered zoom. After their time was completed, they were removed from the zoom meeting.

11:15am-11:30am – Speaking for Lord Abbett were Jennifer Gallagher, Client Service Specialist, Melanie Coffin, CFA, Investment Strategist, Equities and Riz Hussain, Investment Strategist, Leveraged Credit. The small cap growth fund initiated in December 2022 with a \$1 million funding. Additionally, \$5 million was added in July 2023 and the fund has grown by \$1,117,353.00. The team's philosophy and strategy was discussed along with some areas of interest for growth. The High Yield fund was established in April 2021 with \$5 million and additional \$4 million in July 2023. The fund has grown by \$1,088,451.96 to date. Short- and long-term goals were discussed along with market trends and updates.

11:30am-11:45am – Speaking for Aristotle were Dave Adams, CFA, CEO, Portfolio Manager and Maria Katsileros, CIMC, CSRIC, Client Portfolio Manager. An overview of the small cap equity fund was given going over the investment process and philosophy. No change in investment team since 2010.

11:45am-12:00pm – Speaking for Mass PRIM was Francesco Daniele, Director of Client Services. No loss in investment team and have added 3 new employees. All employees work 5 days in office. The third quarter review shows a strong financial outlook. He spoke to the sustainability of the fund and market trends.

12:00pm-12:15pm – Speaking for MFS were Terence Welch, Managing Director, Senior Institutional Relationship Manager and Ann Marie Costello, Managing Director, Investment Product Specialist. They spoke to the investment approach of the team regarding philosophy and risks, goals. The international equity fund has 4 members that are all located in Boston office. Significant transactions and performance drivers were also discussed.

Investments:

Mike Dwyer gave an overview of the September 30, 2024, report. The federal reserve cut the interest rate by ½ percent.

The MT&T Bank's report was reviewed by Jeff Fabrizio, which shows the total fund at \$166,570,829.00 as of September 30, 2024. The total fund YTD is nine months reporting was 9.37%. The Total general allocation was up 9.78% YTD. The total equity fund was 13.73% YTD with Russell 1000 at 21.18% YTD, Aristotle at 9.79% YTD and Lord Abbett at 20.94%. International Equity - MFS was 13.27% YTD. Rhumblin Core and Lord Abbett were 5.67% and 8.53%, respectively. The PRIM core real estate was -2.37%. Total venture capital was 6.32% YTD and PRIM Hedge fund was 9.38% YTD.

New Member

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

- Kathryn Walton, Children's Librarian, Library Dept. Date of Hire & Membership is 10/21/2024 - Contribution rate is 9% +2%.
- Zaira Rodriguez Sifuentes, Dispatcher, Police Dept. Date of Hire & Membership is 11/12/2024 - Contribution rate is 9% + 2%.
- Kurt Rodriguez, Paraprofessional, School Dept. Date of Hire & Membership is 10/25/2024 - Contribution rate is 9%.
- Sam LoRusso, Laborer, DPW, Date of Hire & Membership is 11/12/2024 Contribution rate is 9% + 2%.

Deaths

- Claire Tilley, surviving spouse of the Ronald, (Fire Department,) has passed away on October 27, 2024. Balance due was paid to her Estate.
- Patricia Dowd, School Department, has passed away on October 17, 2024. She had chosen the Option A benefit upon retirement. Balance due has been paid to her Estate.
- Neil Sullivan, Police Department, has passed away on November 9, 2024. He had chosen Accidental Disability Option A, at retirement. He leaves a survivor benefit for Judith of \$12,000.00 annually, upon completion of paperwork.
- Janet Mulready, School Department, has passed away on November 12, 2024. She had chosen Option A benefit, at the time of her retirement. All monies will be paid to her Estate on November 21, 2024.

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 Gannon and seconded by Board Member Matarazzo and voting 4-0 in favor to grant the following Benefits:

- Fire Department: Robert Diflumeri, Firefighter, DOR: 11/28/24, YOS: 30.1667

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 Matarazzo and voting 4-0 in favor to grant the following benefits:

- Maudeline Ciguene, Utility Billing Manager, Treasurer's Department, resigned on 11/8/24 and was refunded effective on 11/21/24. Her service was 10/31/22-11/8/24, 3% Interest.
- Vincent Johnston, Police Officer, Police Department, refund of partial military service purchase. Full account transferred to Hampden Retirement System.
- Brenda Cummings, Occupational Therapist Asst., School Department, refund due to anti-spiking calculation.

Items for Discussion:

The Police & Fire Department submitted copies of injury reports for various personnel.

PERAC had issued a memo earlier in the year for all retirement boards to review their travel regulations as some were outdated and stated information about credit card use. Attorney Sacco was sent the current travel regulation for review and the Board was presented with a suggested new Travel Regulation along with a Credit Card Regulation. After some review Board Member Matarazzo made a motion, seconded by Board member Gannon and passed 4-0 to accept the Travel Regulations and Credit Card Regulations as presented. The travel regulation had changes that rescind the portion of the Travel regulation that addresses credit card use and for the reimbursement of personal phone calls. A public hearing will be held within next months' regular board meeting to finalize the acceptance of the two regulations. Once voted on, the regulations will be sent to PERAC for their final approval.

The RFP for Investment Consultants has been posted on PERAC, Saugus Retirement Board and the MA Goods & Services websites. The deadline for the RFP is December 16, 2024 @ 4:00pm. The Board will need to set a meeting to review the submissions at the next board meeting.

The Superior, Patrolman and Dispatcher's unions submitted copies of their contracts to the Saugus Retirement Board for review of the clothing allowance language. The contracts were sent to PERAC for their opinion, and it was determined that the Superior and Patrolman language, which are written the same way, are considered to be regular compensation and retirement eligible. The Dispatcher's language is written differently and not considered regular compensation and not retirement eligible. Board Member Matarazzo stated the Dispatchers are in negotiations and in the process of changing the language to what the Superior and Patrolman currently have in their contracts. Board Member Gannon made a motion, seconded by Board Member Matarazzo and passed 4-0 to accept PERAC's opinion and send all parties involved a copy of the PERAC memo and explanation to the Dispatcher's Union and Town Manager that currently the clothing allowance is not retirement eligible and should not have retirement contributions deducted. Once a new contract with the updated language is sign, to send a copy to the Retirement Board for our records.

Members of the system have steadily contacted the Retirement board office regarding their military service purchase and the HERO act. Per the PERAC guidelines, a continual list of all veterans is being kept on file in the retirement board office. It is the individual members responsibility to know the deadline for the purchase of their military service.

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

- PERAC Memo #27/2024 – Changes to Return to Service under G.L. c. 32, Section 8
- PERAC Memo #28/2024- Violent Assault Disability: Chapter 149 of the acts of 2024
- PERAC Memo #29/2024- FY26 Appropriation Questionnaire in PROSPER

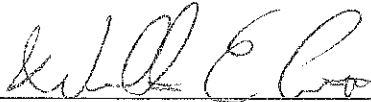
- Rhumblin Russell 1000 & Core Bond Investment Statements- October 2024
- Lord Abbett Statement- October 2024
- Aristotle Statement- October 2024
- MFS Statement – October 2024
- PRIT Performance –September 30, 2024
- PRIT – Exchange PEVY 11/1/2024 - \$98,386.31
- M&T Invoice 9/2024 - \$3,660.01
- PRIT -Auto Redemption -11/21/2024– \$625,000
- CME reviews- Moynihan, Taylor & Wells
- Trial Balance, Cash Receipts, Cash Disbursement, Adjustments, Eastern Bank (3) Account Statements, Peoples’ Bank Account Statement, Treasurer’s’ Reconciliation- September 2024

Adjournment of Open Meeting:

At 12:50pm, Board Member Gannon made a motion, seconded by Board Member Matarazzo, and passed 4-0 to adjourn the meeting.

The next Board Meeting is scheduled for Tuesday, December 17, 2024, at 11:30 am.

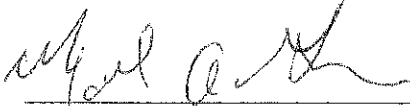
APPROVED BOARD OF RETIREMENT:



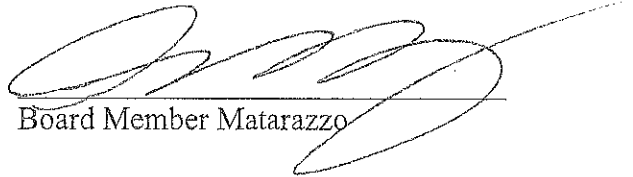
Board Chairman Cross



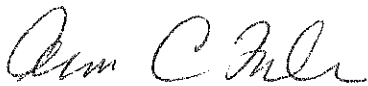
Board Member Decareau



Board Member Gannon



Board Member Matarazzo



Board Administrator Quinlan