

SAUGUS RETIREMENT BOARD MEETING

May 20, 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 12:00 p.m. by Chairman Cross, with Board Members Decareau, DiBari, Matarazzo and Gannon present.

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

Minutes

- Board Member Decareau made a motion, seconded by Board Member Matarazzo, to approve the April 24, 2024.

Payments:

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

- Retirement Board Expense Voucher #44-65 for the month of May 2024, for \$163,444.24.
- Payroll Warrant #5/2024 for \$851,279.23.
- Staff Payroll Warrant #5/2024 for \$16,617.60.
- PRIT General Allocation to Private Equity Exchange on 5/1/2024 for \$119,868.45.

Investments:

Mike Dwyer gave an overview of March 31, 2024. March was a positive month for our portfolio and returns have been increasing these last few months.

Jeff Fabrizio reviewed the MT&T Bank's report which shows the total fund at \$158,699,884.00 as of March 31, 2024. The total fund YTD for 3 months is 4.09%. The Total general allocation was up 3.59% YTD. The total equity fund was 7.36% YTD with Russell 1000 at 10.30% YTD, LMCG at 7.33% YTD, Aristotle at 3.89% YTD and Lord Abbett at .758%. International Equity – MFS was -4.74% YTD. Rhumblin Core and Lord Abbett were -.86% and 2.01%, respectively. The PRIM core real estate was -2.50%. Total venture capital was 3.73 YTD and PRIM Hedge fund was 3.28% YTD.

Jeff Fabrizio explained there was only one submission for small cap indexes and that was Rhumblin Advisors. After some discussion, Board Member Matarazzo made a motion, seconded by Board member Gannon, and passed 5-0 to hire Rhumblin Advisors as the small cap index manager.

The Board had two submissions for mid cap indexes, which were State Street Global Advisors and Rhumblin Advisors. Presenting first was Brian Berg, Vice President, State Street Global Advisors. Mr. Berg stated State Street is the third largest investment managers global. They have over 46,000 employees who have been with the company for a very long time. State Street also manages other retirement systems portfolios as well. They take little risk with their stock investments for better returns for their clients. The stocks are traded internally at State Street. They have a strong focus on implementation and reducing transaction costs.

The second presentation was done by Denise D'Entremont, CFO, Rhumblin Advisors. She stated they have 31 MA public fund clients. Rhumblin is an employee-owned ownership which the company pays all employees' salaries. They have no stockholders to answer for with their investment strategies. Portfolios are monitored daily as they have dedicated assets managers for their accounts. They have over 500 million in assets they manage for their clients.

The Board members thanked each advisor for their presentations. Each Board member individually completed an evaluation sheet ranking each presentation. After all evaluation sheets were completed, Chairman Cross and Administrative Assistant Richards tallied the sheets. After careful consideration for both presentations and the total of the tally, a motion was made by Board Member DiBari and seconded by Board Member Gannon to hire State Street Global Advisors for the mid cap index fund.

Each of the two presenters would be contacted to notify them of the board's vote and to hire Rhumblin Advisors for the small cap index fund and State Street Global Advisors for mid cap index fund.

LMCG investment returns have not been up to par, and they were put on notice about their low stock return earlier this year. A motion made by Board Member Matarazzo and seconded by Board Member Dorren to terminate LMCG immediately, due to failing returns on our investments. The motion passed 5-0.

New Member

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

- Neftali Torres, Paraprofessional, School Department, Date of Hire & Membership is 5/8/2024 - 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:

- Valerie Kappa, inactive member of the School Department to be transferred to the MA Teacher's Retirement System. Saugus Retirement Board accepted liability for 9 months of service from 8/29/22-6/14/23.
- Deborah Kosnar, ABA, inactive member of the School Department to be transferred to the MA Teacher's Retirement System. Saugus Retirement Board accepted 1 year and 3 months of liability for service from 4/26/21- 8/18/22.
- Jessica Lehmann, inactive member of the School Department to be transferred to the MA Teacher's Retirement System. Saugus Retirement Board accepted liability for 2 years and 11 months. Service was from 9/1/20- 8/17/23.

Refund Out:

- Brandan Wladkowski, School Department, Paraprofessional, inactive member, resigned on 5/27/2022 and refund was effective May 23, 2024. Service was from 11/11/16- 5/27/2022.- 3% interest.
- Danielle Internicola, School Department, Cafeteria employee, inactive member, resigned on 6/30/2014. and refund was effective May 23, 2024. Service was from 11/26/2012- 6/20/2014. – 3% interest

Items for Discussion:

The Board received an update on injured personnel in the Police Department. Both the Fire Department and the School Department have submitted copies of injury reports for various personnel.

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

- Rhumblin Russell 1000 & Core Bond Investment Statements- April 2024
- Lord Abbett Statement- April 2024
- Aristotle Statement- April 2024

- LMCG Statement- April 2024
- MFS Statement – April 2024
- PRIT Performance – April 2024
- PRIT – Exchange PEVY 5/1/2024 - \$119,868.45
- Peoples United Invoice 3/2024 - \$3,548.33
- PRIT -Auto Redemption -05/20/2024– \$625,000
- Wainwright Meeting Review – March 2024 Review
- Trial Balance, Cash Receipts, Cash Disbursement, Adjustments, Eastern Bank (3) Account Statements, Peoples’ Bank Account Statement, Treasurer’s’ Reconciliation- March 2024

Adjournment of Open Meeting:

At 1:05 pm, Board Member Decareau made a motion, seconded by Board Member Gannon, and passed 5-0 to adjourn the meeting.

The next Board Meeting is scheduled for June 17, 2024, at 12:00pm.

APPROVED BOARD OF RETIREMENT:



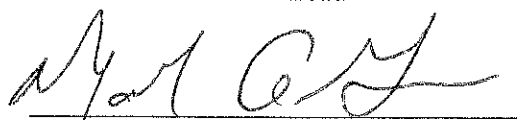
Board Chairman Cross



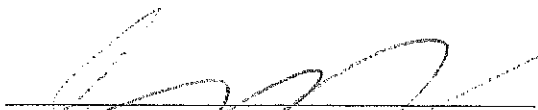
Board Member Decareau



Board Member DiBari



Board Member Gannon



Board Member Matarazzo



Board Administrative Assistant Richards