

Pursuant to a notice duly filed with the Town Clerk, a meeting of the Concord Retirement Board was held on Thursday, January 23, 2020 at 8:30 a.m. at 55 Church Street, West Concord, MA.

Present: Peter J. Fulton, Chair, Elected
 Brian J. Whitney, Elected
 Arnold D. Roth, 5th Member, Appointed

Also Present: Natalie Lefebvre, Retirement Assistant
 Anthony Tranghese, Investment Consultant, FIA
 John Hickling, Finance Committee

Absent: Mary M. Barrett, Ex Officio
 Kerry A. Lafleur, Appointed
 Linda A. Boucher, Retirement Administrator

Chair Peter Fulton opened the meeting at 8:30 a.m.

MINUTES:

The November 26, 2019 and the December 20, 2019 minutes were not available for approval at the time of the meeting.

The Board unanimously approved the January 31, 2020 retiree payroll as follows:

Pension: \$640,521.68
 Annuity: \$159,694.29
Total Payroll: \$800,485.97

The Board unanimously approved the following expenses:

Pension Technology Group	1/1/2020 – 12/31/2020 Hosting Fee/Ess Web Portal	\$30,600.00
ADP, Inc.	Invoice #548921060	\$ 2,512.53
MACRS	MACRS Retirement Board Dues 2020	\$ 600.00
Rhumblin Advisors	Invoice g7mconco2019Q4	
	S & P 500 Index: \$2,025.00	
	S & P 600 Index: <u>\$ 625.00</u>	
	\$2,650.00	\$ 2,650.00
Linda A. Boucher	Reim. for bond policy payment: 0053908544-001-000	\$ 75.00
Staples Business Credit	Invoice #1627188879	<u>\$ 406.45</u>
Subtotal:		\$36,843.98

The Board unanimously approved the following 3(8)(c) reimbursements:

Waltham Retirement System	Joani Defino	\$ 2,800.69
Marlborough Retirement Board	Alfred Lima	\$ 6,150.86
Reading Retirement Board	Kenneth Evans	\$ 6,291.25
Taunton Retirement Board	Richard Sproul	\$ 17,183.62
Somerville Retirement Board	Roy Roberts	\$ 2,920.67
Maynard Retirement Board	Robert Murphy; Charles Walsh	\$ 16,948.20
Newton Retirement System	Russell Halloran, Mary Jo MacNeil	\$ 1,598.64
Dukes County Retirement System	Beth Toomey	\$ 1,162.10
Plymouth County Retirement	Paul Ridley	\$ 5,249.29
Middlesex County Retirement	Various retirees	<u>\$111,964.06</u>
Subtotal:		\$172,269.38

Grand total: **\$209,113.36**

The Board unanimously approved the following new members:

<u>Name</u>	<u>Unit</u>	<u>Department</u>	<u>Position</u>	<u>Hire Date</u>	<u>Group</u>
Kyle Nasif	Town	CPW	Park/Tree Spec.	12/30/2019	1
Philip Lupsiewicz	Town	TMO	Station Mgr.	01/16/2020	1
Michelle Papagno	School	Transportation	Asst. Manager	11/18/2019	1
Michelle Malone	School	CCRS	SPED Tutor	01/08/2020	1
Paulina Gonzalez	School	CPS	ABA Assist.	01/13/2020	1
Theodore Noke	School	CPS	Build. Svc Super.	01/06/2020	1

(Rehired)

The Board acknowledged there were no new retirements.

<u>Name</u>	<u>Unit/Group</u>	<u>Department</u>	<u>Position</u>	<u>Retirement Date</u>	<u>Service</u>
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None

The Board acknowledged there were no refunds/rollovers.

<u>Name</u>	<u>Unit/Group</u>	<u>Department</u>	<u>Position</u>	<u>Amount</u>	<u>Service</u>
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None

The Board unanimously approved the following transfers to another system:

<u>Name</u>	<u>Unit/Group</u>	<u>Department</u>	<u>Position</u>	<u>Amount</u>	<u>Service</u>
Brian Schlegel	School/1	CPS	Facilities Mgr.	\$172,193.48	24.5833

Transferring to Barnstable County

Steven Barter	Town/1	CPW	Park/Tree Spec.	13,582.16	3.0000
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Transferring to Middlesex County

The Board respectfully acknowledged the passing of the following retirees:

Carolyn Landry – born on March 27, 1935. Carolyn became a member of the Concord Retirement System on September 9, 1988 as a Secretary to the Board of Selectmen. She retired after more than 12 years of public sector service on October 24, 1996. Carolyn passed away on December 31, 2019 at the age of 84.

Phyllis Keimach – born February 11, 1929. Phyllis became a member of the Concord Retirement System on March 12, 1979 as Secretary to the Director of Athletics and Health Education. Phyllis worked in this position for over 14 years before retiring on July 22, 1993. Phyllis passed away on January 2, 2020 at the age of 90.

APPOINTMENT OF ELECTION OFFICER:

The current term of Brian Whitney expires on May 29, 2020. Nomination papers will be available in the retirement office. Qualified nomination papers must be returned to the retirement office no later than April 3, 2020 at 3:00 p.m. If more than one person returns nomination papers, an election will take place on May 22, 2020 at the retirement office.

MOTION:

Arnold Roth motioned to appoint Linda Boucher as Election Officer for the upcoming election to select a fourth member to the retirement board. Brian Whitney seconded the motion. **Voted unanimously.**

INVESTMENT CONSULTANT REVIEW:

Tony Tranghese provided an update on Fiduciary Investment Advisors. FIA will be combining with another firm, DiMeo Schneider Associates based in Chicago. The two firms are very closely aligned in terms of size, core values, commitment to client service, and lines of business. The combination of the two firms will result in greater resources to serve clients like the Concord Retirement Board. Importantly, there will be no changes to the service model or service team that works with Concord.

Tony also provided the Board with a monthly performance update. He noted the year finished on a strong note, with the S & P 500 Index up 9.1% in the quarter and 31.5% for the calendar year. That magnitude of returns persisted across various

segments of the US markets, while non-US markets were in the 20% range (21.5% for the MSCI ACWI ex-US Index). Interest dropped and spreads tightened over the course of the year, which aided fixed income returns. The Bloomberg Barclays Aggregate Bond Index was up 8.7% for the year.

Based on preliminary data the Concord Retirement System portfolio finished the year with a market value of \$184,447,074. A review of the year-end asset allocation showed the portfolio was in-line with stated targets. In the quarter, the portfolio gained 4.5% and, for the year, was up 16.5%, on a net-of-fee basis. We will review a detailed fourth-quarter report at the February 25, 2020 Board meeting.

JOHN HICKLING – FINANCE COMMITTEE

Mr. Hickling spoke briefly to the Board regarding the potential endorsement to Town Meeting from the Finance Committee regarding the Board’s proposal to increase the annual cost-of-living base from \$12,000.00 to \$14,000.00. Mr. Hickling notified the Board that they can present their proposal to the Finance Committee at the committee’s March 9th meeting. At that time, the Board should be prepared to provide a history of how they arrived at granting a 3.0% cost-of-living adjustment in the past. Mr. Hickling inquired as to the average cost-of-living base for other Massachusetts pension systems. He also noted that Kerry Lafleur has put a “place holder” in the Fiscal Year 2021 budget in the event that Town Meeting accepts the proposed COLA base increase.

A proposed manager presentation calendar for 2020 was reviewed and approved the Board. FIA will work with the managers to schedule them to present to the Board as approved.

PERAC MEMOS:

The Board was notified of the following PERAC Memos: PERAC Memo 1/2020 – Tobacco Company List; PERAC Memo 2/2020 -2018 Comparative Analysis Fee Report; PERAC Memo 3/2020 – Mandatory Retirement Board Member Training – 1st quarter; PERAC Memo 4/2020 – Investment Consultant RFP’s; PERAC Memo 5/2020 – 2020 Limits under Chapter 46 of the Acts of 2002; PERAC Memo 6/2020 – Limits under Section 23 of Chapter 131 of the Acts of 2010; and PERAC Memo 7/2020 – COLA Notice.

There being no further business before the Board it was upon motion made and duly seconded that the meeting adjourned at 10:05.

Peter J. Fulton, Chair, Elected

Brian J. Whitney, Elected

Arnold D. Roth, 5th Member, Appointed