Pursuant to the March 12, 2020 Executive Order of the Governor Suspending Certain Provisions of the Open Meeting Law, members of the public can access the meeting only through telephone. Public access will be available by calling 312-626-6799; Meeting ID No.: 546 896 9127 – passcode 3068.

Pursuant to a notice duly filed with the Town Clerk, a meeting of the Concord Retirement Board was held on Thursday, April 22, 2021 remotely via Zoom Meeting ID no.: 546 896 9127 at 8:30 a.m.

Present: Peter J. Fulton, Chair, Elected
Mary M. Barrett, Ex Officio
Kerry A. Lafleur, Appointed
Brian J. Whitney, Elected
Arnold D. Roth, 5th Member, Appointed

Also Present: Linda A. Boucher, Retirement Administrator
Anthony Tranghese, Investment Consultant, Fiducient Advisors
Steve Flynn, Senior Client Executive, Russell Investments
Brian Meath, Chief Investment Officer, Russell Multi-Asset Strategy
Andrew Horenbein, Senior Client Investment Analyst Russell Investments
Kathy Cuocolo, Finance Committee Observer

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

The Board unanimously approved the March 23, 2021 meeting minutes.

The Board unanimously approved the April 30, 2021 retiree payroll as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension</td>
<td>$708,814.85</td>
</tr>
<tr>
<td>Annuity</td>
<td>$185,977.07</td>
</tr>
<tr>
<td>Total Payroll</td>
<td>$894,791.92</td>
</tr>
</tbody>
</table>

The Board unanimously approved the following expenses:

<table>
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<tr>
<td>Total:</td>
<td>$48,451.52</td>
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<td>Subtotal:</td>
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</tr>
<tr>
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</tr>
</tbody>
</table>
The Board unanimously approved the following 3(8)(c) reimbursements:

<table>
<thead>
<tr>
<th>System</th>
<th>Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Essex Regional Retirement System</td>
<td>Craig Lemke</td>
<td>$ 3,649.81</td>
</tr>
<tr>
<td>Wakefield Retirement System</td>
<td>Mary Sweeney</td>
<td>$ 3,768.04</td>
</tr>
<tr>
<td>Boston Retirement System</td>
<td>Barron; Jackson; Keyes; Mcculley; Nee</td>
<td>$ 2,486.77</td>
</tr>
</tbody>
</table>

**Subtotal:** $ 9,904.62

**Grand total:** $79,549.87

The Board unanimously approved the following new members:

<table>
<thead>
<tr>
<th>Name</th>
<th>Unit</th>
<th>Department</th>
<th>Position</th>
<th>Hire Date</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nelson Mui</td>
<td>Town</td>
<td>CPW/water/sewer</td>
<td>Management Analyst</td>
<td>03/15/2021</td>
<td>1</td>
</tr>
<tr>
<td>Luke Guertler</td>
<td>School</td>
<td>CPS/CCRSD</td>
<td>Student Supervisor</td>
<td>04/07/2021</td>
<td>1</td>
</tr>
</tbody>
</table>

The Board unanimously approved the following new retirements:

<table>
<thead>
<tr>
<th>Name</th>
<th>Unit/Group</th>
<th>Department</th>
<th>Position</th>
<th>Retirement Date</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marianne Nelson</td>
<td>CHA/1</td>
<td>Housing Authority</td>
<td>Exec. Director</td>
<td>05/01/2021</td>
<td>25.9167</td>
</tr>
<tr>
<td>Peter Hughes</td>
<td>Town/4</td>
<td>CMLP</td>
<td>Lead Line worker</td>
<td>05/07/2021</td>
<td>25.0000</td>
</tr>
</tbody>
</table>

The Board unanimously approved the following refund/rollover:

<table>
<thead>
<tr>
<th>Name</th>
<th>Unit/Group</th>
<th>Department</th>
<th>Position</th>
<th>Amount</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joseph O’Connor</td>
<td>Town/4</td>
<td>Police</td>
<td>Chief</td>
<td>$2,052.07</td>
<td>N/A</td>
</tr>
</tbody>
</table>

(To refund excess contributions pursuant to Chapter 46 of the Acts of 2002)

The Board unanimously approved the following transfer to another system:

<table>
<thead>
<tr>
<th>Name</th>
<th>Unit/Group</th>
<th>Department</th>
<th>Position</th>
<th>Amount</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Johanna Fagans</td>
<td>School/1</td>
<td>CPS</td>
<td>SPED Tutor</td>
<td>$24,813.76</td>
<td>7.5833</td>
</tr>
</tbody>
</table>

**Transferring to MTRS**

<table>
<thead>
<tr>
<th>Name</th>
<th>Unit</th>
<th>Department</th>
<th>Position</th>
<th>Amount</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Zaccardi</td>
<td>Town</td>
<td>CPW</td>
<td>Operations Manager</td>
<td>$52,849.73</td>
<td>8.2500</td>
</tr>
</tbody>
</table>

**Transferring to Lexington Retirement System**

The Board respectfully acknowledged the following death:

**John (Jack) Skinner** – born on February 14, 1950. Jack became a member of the Concord Retirement System on July 1, 1972 as a Patrolman with the Concord Police Department. He worked his way up to the position of Inspector/Composite Sketch Artist over the course of his career with the Concord Police Department. Jack was also a member of the Massachusetts Army National Guard, the Concord Police Relief Association, Massachusetts Coalition of Police, the Irish-American Police Officers Association and the Concord Art and Cape Cod Art Associations. Jack retired on February 14, 2015 after serving the Town of Concord for over 43 years. Jack passed away on March 24, 2021 at the age of 71. He will be sorely missed.

**RUSSELL MULTI-ASSET FUND INVESTMENT REVIEW:**

Steve Flynn began the investment review. He thanked the Board for the invite and noted that the last time we met was back in October of 2020. Steve commented that much has happened since then and most of what has happened has been positive for our plan. Steve started out by giving an overview of the context of the environment before handing over the presentation to Brian Meath. Brian is the Managing Director, Head of Portfolio Management and Chief Investment Officer of Russell’s Multi-Asset Solutions and Co-Portfolio Manager of the fund in which Concord is invested. We like to have Brian on the call each time to give you a deeper, more granular discussion of what is taking place, what our views are, what the rationale is for our positioning and what our outlook is going forward.

Steve noted that what we are talking about today is the Multi-Asset sleeve that we are managing for you within the overall Concord plan. The Multi-Asset Core Fund or MAC Fund is a multi-asset, multi-strategy fund that has the latitude to tactically take overweight or underweight positions across three asset classes: Global Equity, Marketable Real Assets, and US Fixed Income.
Within the MAC Fund, Concord has 75.0% of the assets in Global Equity, 15.0% in Real Assets (inflation interest rate sensitive areas such as real estate, commodities and infrastructure), and 10.0% in risk-mitigating fixed income. Brian has the ability to take tactical positions across those targets, moving 5.0% either way, and then taking our active positioning within those buckets as well.

What we do almost intuitively is to overweight sectors or areas where we see opportunity or that may be poised for rebound or conversely underweight areas that may have run their course, are over-valued or may be poised for a sell-off. To remind you, we have been overweighting and favoring some of the traditional value sectors such as financials, banks, energy and materials that have been stymied by this shut down. It is no coincidence that our performance has had a nice turn around as the overall economy has begun to reopen and we emerge from this overall shutdown.

Recapping to the end of last year – the Q4 leadership, (leadership identifies which areas of the equity market were the winners and which areas outperformed other areas), turned almost 180 degrees toward value - which we are favoring as well as smaller stocks versus larger stocks.

Looking at Q1 – Q3 of 2020 in the aggregate, and then just the Q-4 returns, you can see that US Large Cap, US Small Cap, and International Developed and Emerging Markets were all under water. These areas had been underperforming based on market conditions versus what has been taking place on the growth side. Then, in Q-4, we saw a tremendous leadership rotation, or reversal of fortune, now favoring value over growth stocks. This is exactly what we positioned for and this is exactly what is taking place. The numbers for both Q-4 of 2020 and Q-1 of 2021 look drastically different from the numbers that have been frustrating you and have been frustrating us for some time. With that as context, we can recap calendar 2020 and then move on to the current periods.

Calendar 2020 is split into the four quarters of the year. You can see that we outperformed two of the four quarters in the calendar year. The first quarter underperformance was due to the “blood bath” that took place at the onset of the pandemic. In the second quarter, we were up 18.0% and positive to the benchmark. This was a positive quarter because the first stimulus package came out, we had positive vaccine news and the first green shoots that we may be on the cusp of reopening appeared. We were not - but that is what the market felt like at the time. In Q-4, similar in broad terms to when the stimulus hit the system, infection rates started to decline, vaccination rates started to move up and the idea of the economy reopening and emerging from the depths of the COVID shutdown started once again to emerge. The general optimism was that maybe the worst was behind us, may be, in large part, what drew Q-4 into positivity and for our positioning as well. Positive to benchmark in the fourth quarter, the fund was up 1.2% on a net-of-fee basis.  

Looking at 4 quarters beginning with Q-2 of 2020 through Q-1 of 2021, we see a very different picture emerging. Our tactical positioning had been taking a beating. That positioning, which has not changed, has outperformed 3 out of 4 quarters and we have outperformed now in the most recent one-year period from Q-1 2020 through Q-1 2021 - up 50.0% - which is about 5.0% over benchmark on a net-of-fee basis.

Adding to your year-to-date Q-1 numbers, you are up 6.5% against the benchmark of 4.7%. If we add April month-to-date, you are up another 3.6% against the benchmark of 3.3%. Another 30 basis points above benchmark for just the first couple of weeks in April alone. As of this morning, calendar year-to-date, you are up 10.4% against the benchmark of 8.2% - over 2.0% above benchmark, net of fees, is where we are right now after this amazing turn-around we have been waiting for. This is not luck; this is what we have been positioned for. It has been a frustrating process for all of us. The COVID shut down exacerbated the ultimate re-emergence or, that coil spring of the numbers, and the positioning we put on. Steve concluded his portion of the presentation and turned the floor over to Brian.

Prior to Brian beginning his presentation, Tony Tranghese pointed out that value has lagged growth in April so, the fact that Russell has added value this month, speaks to the broader diversification in the portfolio. Tony also noted that although the magnitude of outperformance is great over the last 12-months it does not compensate for the shortfalls prior to that period. Tony asked for Brian’s take on what he thinks the opportunity set is going forward. Is it a lost cause or will we have the opportunity to recapture even more of the underperformance prior to one year ago?

Brian commented that he thinks the cycle we are in right now really has legs. We just finished a cycle that was the longest cycle in history of growth beating value as well as the largest magnitude in history of growth beating value - even surpassing the period leading up to the crash of the tech bubble in 1999- 2000.
We already saw from the fourth-quarter returns a shift toward vaccine hope along with a lot of stimulus. Then, in the first quarter, we started getting shots in the arm and an expectation that the economy was going to reopen again with a lot of stimulus behind it. We saw this return to the types of names that we like. Things that had been oversold for a long, long time. Part of the reason why we think this has legs, is because it is only now, into the second quarter, where we are actually starting to see the impact on the real economy.

Prior to now, it was a lot of stimulus and some hope. There was not a lot of pick up in economic activity yet because we were still in lock down. People were not going into the office, they were not going into the factories, they were not able to use the restaurants and they were not able to travel. What happened in this very unusual event of COVID pandemic is a removal of supply and demand at the same time. That generally does not happen.

Recessions happen when things get overheated. Inflation goes up. Then, there is a draw back of demand when things get too expensive or a bull market runs out of gas. In this case, we had a complete withdrawal of demand in the market because people could not be out consuming. We also had a withdrawal of supply because all the factories shut down and no one was producing. Now, we are in a mode where the supply chain has to get re-filled. The supply chain has been sitting there without new inventory coming in. We need that supply chain filled with intermediary goods for the economy to start to pick up and so people can in fact consume hard goods down the road.

We do expect, because of the magnitude of the stimulus, the magnitude of how much the supply chain needs to be re-filled and the pent-up demand, this is going to have legs.

Last year a few stocks dominated everything. In 2020, five companies accounted for 51% of the returns of the entire index. We are now back into a period that is a little more normal - where it is more broad-based. In the first quarter of 2021, the top five stocks only accounted for 6.0% of the total returns. The FANG Index (Facebook, Amazon, Netflix and Google), which is capturing these high growth stocks, significantly underperformed the broader market.

Value stocks are the traditional industries such as basic materials, manufacturing, consumer oriented and banks versus tech stocks and value outperformed growth. There has been a dramatic shift on that dimension. There has also been a dramatic shift in the large versus small cap. The Russell 2000 and the Russell 1000 combined represent the 3000 largest companies by market cap in the US. The Russell 1000 being the first 1000 and the Russell 2000 being stocks 1001 – 3000 in size. The Russell 2000 really came out storming in the first quarter - which is natural with the reopening of trade.

We expect GDP in this country to be in excess of 7.0%. We have not had a year like that since the early 1980’s. It is somewhat of a fantastical number. However, with all of the numbers we look at today, in terms of comparisons, we have to keep in mind just how bad it was one year ago.

When we have all of these things aligned, we want to lean into equities. As of today, we are overweight equities. Within equities, we are still overweight those portions of the market that we think have more value to them. The US market has a much higher percentage of these high-growth technology-oriented companies than Europe. As we are leaning toward more manufacturers, the portfolio is positioned more in Europe than the US relative to our long-term strategic policy.

There are three tilts going on that are benefitting simultaneously: (1) we are tilting toward the value-orientated stocks; (2) we are tilting toward markets that we think are undervalued; and (3) we are actually overweighting equities in aggregate as well.

One way to think about growth-orientated companies is to think of companies that are selling on the probability of having earnings growth well into the future - such as high tech companies with innovation. These kind of companies are generally priced on a forward basis where you extrapolate things far into the future. If you think of where interest rates are, if interest rates are low or are coming down, those forward earnings look more and more valuable. As interest rates come down, those growth stocks are often priced at higher and higher rates because the future earnings of those growth stocks are discounted back at a lower interest rate and, therefore, they look more valuable.

What we are seeing now is a significant move in the 10-year treasury – up about 75 to 80 basis points so far this year. What we are saying is that we want to be underweight those growth orientated stocks that the price you are willing to pay for those stocks come down when interest rates go up.
Going forward, as this is playing out I would expect to take down some of that equity overweight. All of our models are still very supportive for the value orientation in the portfolio.

The primary contributor to returns was the stock selection from our managers. I do want to stress that when we build these portfolios, we do some tactical decisions of overweighting equities or overweighting values but we really do expect the primary value add to come from doing good strategic asset allocation up front and then hiring world-class subadvisors that will then pick the individual stocks. This quarter was a period when those individual stock pickers really drove the majority of the excess returns.

Our fixed income positioning cost us value. We have some fixed income in the portfolio to offset the risk of being overweight equities. We got more return from the equities than the drag from the bonds.

It is true that the portfolio that was winning for us in the fourth quarter is very similar to the portfolio that is winning for us in the first quarter; we have not been scaling back on those bets.

The P/E of the fund is 18 versus the benchmark of 24. You can see it is a value orientated portfolio and the P/E relative to forward earnings expectations is also significantly lower. You can also see that we have a smaller cap – meaning the average is invested in smaller companies than the index. All of the things I mentioned regarding the reopening trade, value stocks beating growth stocks, and small stocks beating large stocks is how the portfolio is positioned and that is why it is winning as much as it is.

Brian and Steve concluded their presentation and the Board thanked them for their time.

**FINAL COLA VOTE:**
Under the statute, PERAC reports to the General Court, the computation of the increase in the United States Consumer Price Index in the previous year by the Commissioner of Social Security. Any such increase is based on the Consumer Priced Index for Urban Wage Earners and Clerical Workers (CPI-W). This index is used to adjust benefits paid to Social Security retirees and beneficiaries. The Social Security Administration has announced that the latest Cost-of-Living Adjustment (COLA) is 1.3%.

The COLA, which any such system may grant pursuant to Chapter 32, Section 103(c) and effective July 1, 2021 will thus be 1.3%. Pursuant to Section 103(i), a Retirement Board, with proper notice to the legislative body, may elect to increase this percentage up to 3.0% at a duly called meeting.

At the February 24, 2021 meeting, the Board voted to propose a 3.0% increase on the first $14,000.00 of annual retirement benefits to all eligible retirees effective July 1, 2021. Notice was sent to the legislative body at least 30-days prior to the April 22, 2021 Board meeting.

**MOTION:**
Brian Whitney motioned to approve a 3.0% cost-of-living adjustment on the first $14,000.00 of annual retirement benefits to all eligible retirees effective July 1, 2021. Arnold Roth seconded the motion. Voted unanimously.

**PERAC MEMOS:**
PERAC Memo #12/2021 – Tobacco Company List; PERAC Memo #13/2021 – 2020 Annual Statement of Earned Income Filing (91A); PERAC Memo #14/2021 – Mandatory Retirement Board Member Training – 2nd Quarter 2021; and PERAC Memo #15/2021 – Implementation of Paid Family Medical Leave (“PFML”)

**CASH BOOKS:**
The Board was notified that the cashbooks for December 2020, January 2021 and February 2021 are available for their review.

**ANNUAL STATEMENT:**
The Board reviewed the Annual Statement of the Financial Condition of the Concord Retirement System at December 31, 2020.
INVESTMENT CONSULTANT REVIEW:
Tony Tranghese provided the Board with a market review. Tony commented on Russell’s performance over the last 13 or 14 months as strong - they are 5.0% or 6.0% ahead of the benchmark. They have not recaptured all of the underperformance prior to this period, particularly in the first quarter of 2020. The positioning of the portfolio is as Steve Flynn described it. If we see a continuation of the recent trend, we would expect them to continue to outperform. When we are evaluating managers, it is an important aspect for us to understand when the portfolio should do well. If it does not do well in those environments, that may suggest going in a different direction. While no one is happy about the underperformance that occurred on the front end of this mandate with Concord, the last 12 months or so has been favorable. Tony said he would hope and expect this to continue.

Tony reviewed the Flash report with the Board. He showed the Board a snap shot of returns through March. You can see some of the robust numbers that Russell focused on during their presentation. Equities in the United States and abroad performed incredibly well over the last 12-months. That 12-month period coincides very closely with the market bottom of last year. As you recall, markets sold off in February and March and bottomed out late March. The 12-month period ending March 2021 reflects all of the market rebound - the magnitude of which is rather dramatic. The S & P 500 was up 56.3% over that same period. Small Cap value was up 97.0% over that timeframe and small growth was up 90.0% - just a little bit behind.

We saw the markets rally to a meaningful extent over the course of the last 12-months. Most of these indexes are at or near their all-time highs. Not only did they recapture what was lost in the sell-off of February or March last year, they have moved beyond those levels in most cases in equity markets.

Fixed Income aggregate index was up 0.7% over the last 12-months. It was down 3.4% in the first quarter of this year which ate away at a fair amount of their outperformance. Last year rates dropped during the equity market sell-off and then stayed low in the spring. The 10-year treasury started at about 1.9% then dropped to around 0.4%. The 10-year treasury has rallied since then with a couple of pauses.

The portfolio ended March with a valuation of over $208 million and is well diversified across the various segments of the portfolio. A modest underweight to the dedicated fixed income within Wellington continues to be at about 2.8%. You do have some cash and there is some fixed income in the Russell mandate as well as in the PRIT mandate. Your broader fixed income exposure is larger than the 17.0% reflected in Wellington’s mandate.

We looked at Russell today. They are about $53 million, or about ¼ of the portfolio, which is consistent with the figures they showed you in their report. From a return perspective, in the month of March, the portfolio was up 2.7% and finished the quarter with a positive 4.3% return - about 2.0% better than the benchmark. A staggering one-year figure of 32.0% corresponding with the numbers that we talked about previously. A nice rebound from where we were a year ago.

For the one-month return, Wellington was down 0.8% compared to the benchmark which was down 1.2%. Wellington was 14th percentile better than 86 percent of their peers. In the year, Wellington was up 4.0% and the aggregate index was up 0.7%. We talked about Wellington doing a nice job of protecting in the challenging environment and then participating when fixed income did well during the latter part of last year - adding a considerable amount of outperformance.

Since Wellington has been in the portfolio, they are up 6.3% (February of 2019). Their benchmark is 5.3% and they rank better than about 60.0% of their peers.

Real estate is one of the more challenged investment spaces not only in your portfolio but really in general. Mostly because of the environment resulting from COVID or perhaps a more meaningful shift. A shift that we have talked about at previous meetings as to whether or not people will be going back to work or staying at home. The need for office real estate changes depending on the outcome. There is a lot of uncertainty. In a period where equities were up 50.0% - 97.0%, the real estate index was up 7.9%. PRIT has done a good job navigating over this period and has posted a 9.3% return.

Regarding the two multi-asset mandates, PRIT and Russell, for the 12-month period ended March 31, 2021 PRIT was up 30.0% and Russell was up 50.0% for that same 12-month period - as we have talked about already, recapturing some of that underperformance. However, if you go back to Russell’s inception date, which is just over two years, they are still 4.0% or so behind the benchmark.
Hedge Funds had a good quarter even though the one-year number is behind the benchmark. We have talked a bit about Hedge Fund performance when PRIT was in last year. A lot of the underperformance is the first and second quarter of last year when their performance was so far below expectations.

Our proposal is to issue an RFP in the fixed income space for a mandate that would be considered “unconstrained fixed income” or “flexible fixed income” using the Barclay’s US Aggregate Bond Index, which is considered a broad proxy for bonds in the United States. It goes back about 20 years. It shows the yield to maturity of the index and the duration of the index. The yield is basically how much you will get paid if you buy a bond at a particular time the duration is a sensitivity to interest rate risk. Longer maturity bonds have a higher duration meaning their pricing is going to be more sensitive to interest rate moves than shorter maturity bonds. A shorter maturity bond is going to mature faster so there is less time for interest rate movements to affect it.

What we are trying to show, is that over the last 20 years, the duration of the aggregate bond index has grown. It was under 5 years back at the turn of the century while today it is about 6 and one-half years. At the same time, the yield has gone from around 6.0% to around 1.6% today. It has gotten longer and more sensitive to interest rate moves, but you are not getting compensated in terms of yield. The largest reason is that US Treasury obligations have grown dramatically as a representative in this index because we, as a country, have issued so much debt and this index is all encompassing.

As the government has issued more debt and more long debt, we have seen the duration extend and the yield drop. The yield per year of duration gradually comes down.

We think there are some challenges in fixed income and the compensation offered within the investment-grade bond space is not particularly appealing. It creates a bit of a headwind when we think about a return objective within the portfolio today.

We do think that bonds play an important role in the portfolio. One year ago, Wellington’s mandate and other bond allocations were the best place to be and we actually benefitted and profited a little bit from it. We rebalanced a little bit of exposure away from fixed income and ended up buying equities low. It served as a buoy in a challenging time.

Looking forward, the headwind that this presents in trying to achieve your return objective continues to grow. As a result, we would like to issue an RFP to examine some alternate types of fixed income mandates for consideration in your portfolio. We are not advocating to terminate Wellington. We think Wellington has done a very good job doing what they were hired to do and we think they have a role within the portfolio.

The way these mandates can work, and they are all a little bit different, but they have the ability to shorten their duration often times to zero or below zero. They can often allocate to other segments beyond investment grade bonds so they can hold below investment grade or high-yield bonds in their portfolio. Often times they can do non-dollar or go outside the United States for a portion of their portfolio and have some other levers that they can pull.

Issuing an RFP is not a commitment by the Board to make an allocation but it is a good way for us to gather some information to contemplate how this might fit within the portfolio.

Brian asked how do you short a duration to less than zero and would going below investment grade be an issue with PERAC? Tony noted that there are no issues with PERAC. This would likely be in the form of a diversified fund - which is viewed as a whole fund versus the individual pieces.

Tony explained that the way you would go below zero is by using derivatives. Derivatives can have negative connotations and can create undue risk and leverage in a portfolio. Part of the analysis of the mandates would be to understand what they are allowed to do and how they implement it as well as whether or not there is a comfort level from us and from the board in that approach.

Tony suggested a 5.0% - 10.0% weight or $10 - $20 million dollars. That would give us the latitude to think through what the mandate is and how it fits with what you have. We do think there is a lot of appeal to these types of mandates but there are a lot of different flavors to it. I would not want to commit to 10.0% of the portfolio, find a mandate that we like, but decide a 5.0% weight would be better. I suggest we give ourselves the latitude within this search by saying 5.0% to 10.0%. We would suggest narrowing down the field and then interviewing 2 – 4 candidates.
MOTION:
Brian Whitney motioned to direct Fiducient Advisors to issue an RFP for a “Flexible/Unconstrained” Fixed Income Manager. Mary Barrett seconded the motion. Voted unanimously.

55 CHURCH STREET – LEASE DISCUSSION:
Peter talked to the Board about some developments that have happened since meeting with Town Manager Stephen Crane back in March. Peter noted that Assistant Town Manager Hodges has indicated that the plan is to expand the recreational programs currently being held in the third-floor gym at 55 Church Street. Peter noted that the current schedule has expanded the use of the gym during regular business hours which are disruptive to the offices below. Peter also mentioned that he is aware that the town invested large sums of money into the renovation of the building and that the recreation programs are revenue generating.

Peter mentioned that he is aware that there is a need for office spaces town wide and, although the town is renovating the Town House, the net result will be fewer spaces for offices. He noted that Knox Trail was presented as an option, but the building is not ADA accessible and would not be suited for the Board’s needs.

Peter noted that it is his intention to stay in Concord with a preference toward West Concord. He noted that other systems such as Lexington, Belmont and Gloucester have already moved out of town owned buildings. He also noted that we have not started to explore the cost of a lease but he feels that we should be able to find something within the cost that we are currently paying. Kerry mentioned that there may be space available at 30 Monument Square and Peter also noted space might be available at Junction Square, 53 Bradford Street, or newly renovated buildings on Baker Avenue.

Brian agreed with Peter’s suggestions but did not want to restrict our search to another town owned building. He suggested we should open the search to all commercial properties in Concord.

Peter asked if the Board wanted to look for a realtor. Kerry mentioned a concern that the Board might have difficulty searching for a realtor and that procurement rules may apply. The Board asked their administrator, Linda Boucher, to contact Tom Gibson to see what type of rules may apply to the search. Peter also noted that the Board will have some initial setup expenses such as information technology, telephone equipment and moving of the heavy firewall cabinets.

There being no further business before the Board, it was upon motion made and duly seconded that the meeting adjourned at 10:30 a.m.

Peter J. Fulton, Chair, Elected

Mary M. Barrett, Ex Officio

Kerry A. Lafleur, Appointed

Brian J. Whitney, Elected

Arnold D. Roth, 5th Member, Appointed