Pursuant to a notice duly filed with the Town Clerk’s office, a meeting of the Concord Retirement Board was held on March 27, 2020 in accordance with 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 888-475-4499 US Toll-free or 877-853-5257 US Toll-free. Meeting ID Number: 553 879 029.

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  
Chris Carmody, Administrative Manager, Town Manager’s Office

Chair Peter Fulton opened the meeting at 9:05 a.m.

The Board unanimously approved the February 25, 2020 meeting minutes.

The Board unanimously approved the February 28, 2020 retiree payroll as follows:

- Pension: $648,186.05
- Annuity: $163,475.13
- Total Payroll: $811,661.18

The Board unanimously approved the following expenses:

- Natalie Lefebvre, Reimbursement for postage: $23.40
- ADP, Inc., Invoice #553336886; 551971025: $1,786.43
- Thomas F. Gibson, Services rendered 01/01/20109 – 12/31/2019: $5,996.87
- BSE Print Solutions, Invoice No.: 226042: $173.20
- Subtotal: $7,979.90

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

- Framingham Ret. System, Juliana Melly: $1,782.99
- Barnstable County Retirement, Natalie Marsh; Theodore Nelson: $3,832.99
- Woburn Retirement System, Donald Jensen: $12,554.22
- Subtotal: $18,170.20

Grand total: $26,150.10

The Board unanimously approved the following new members:

<table>
<thead>
<tr>
<th>Name</th>
<th>Unit/Group</th>
<th>Department</th>
<th>Position</th>
<th>Hire Date</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thomas Brown</td>
<td>Town/1</td>
<td>CPW</td>
<td>Equipment Oper.</td>
<td>03/04/2020</td>
<td>1</td>
</tr>
<tr>
<td>Tamam Alamer</td>
<td>School</td>
<td>CCRSD</td>
<td>Cafeteria Cook</td>
<td>12/02/2019</td>
<td>1</td>
</tr>
<tr>
<td>Dawn Laurent</td>
<td>School</td>
<td>CPS/CCRS</td>
<td>Bus Driver</td>
<td>02/10/2020</td>
<td>1</td>
</tr>
</tbody>
</table>

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>
</table>
| The Board acknowledged there were no new retirements.

The Board unanimously approved the following refund to members:

<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>Donald MacIver</td>
<td>Town/1</td>
<td>DPLM</td>
<td>Nat’l Res. Admin.</td>
<td>$2,094.38</td>
<td>0.3333</td>
</tr>
<tr>
<td>To IRS:</td>
<td></td>
<td></td>
<td></td>
<td>$523.60</td>
<td></td>
</tr>
</tbody>
</table>
INVESTMENT CONSULTANT REPORT
Tony Tranghese updated the Board on the impact on financial markets resulting from the coronavirus. On January 30, 2020, the World Health Organization declared a global health emergency because of the corona virus. We next saw Saudi Arabia and Russia have a price war over the production of oil. Next, gas prices at the pump were down and we saw an exacerbation of the COVID – 19 situation. Aside from the loss of life, the Feds acted swiftly and cut rates by 50 basis points. Currently, rates are zero in the United States.

Corporate credit markets were impacted by the oil sell off and high-yield bond spreads widened by 92 basis points – the largest single day spread since 2008.

It feels a lot like the 2008 financial crisis. The biggest difference is the cause of the crisis. There is a great concern between Wall Street and the coronavirus with a current flight to quality.

The US market and markets around the world, work really well; however, in times of stress, we need our governments to bail us out.

The S & P 500 is down 16.07% at March 26, 2020 and the S & P 600 is down 10.83% at March 26, 2020. The Russell 2000 Value Index is down 22% at March 26, 2020, month-to-date and the Russell 2000 Growth Index is down 17% for the same period.

Energy and Financial markets are acting more like value than growth and may be part of the solution as Russell’s Fixed Income has helped offset some losses.

Jobless claims are rapidly increasing and are up over 3.2 million claims in just one week. The previous high was 695,000 and occurred in October of 1982, followed by 665,000 in March of 2009. We are still expecting to see much larger numbers as the pandemic continues. The hope is that the government will be able to make everyone whole; but we will have to see.

The CBOE VIX is an index that measures market volatility. The recent situation has driven the volatility in markets to the highest level since the 2008 financial crisis.

If we can keep our long-term focus on funds, we can handle pull back and, in the long run, still achieve our goals.

Investment grade corporate bond spreads are about 300 basis points and high-yield spreads are almost 1000 basis points – spreads we have not seen since the financial crisis.

Interest rates on 2-year treasuries are 0.30%; 10-year treasuries are 0.83%; and the 30-year treasury is 1.42%. Oil has dropped sharply after the price war between Saudi Arabia and Russia compounding the market uncertainty surrounding the coronavirus. Oil was selling around $50 a barrel; today it is selling in the low $20’s.

During other periods of market uncertainty, a market loss of 50% or greater will take on average 38.6 months to recover.

The Concord portfolio cash flow was updated at March 25, 2020. Currently, 43% of the assets are with the state’s Pension Reserve Investment Trust (PRIT). PRIT only provides monthly balances so all balances listed are as of February 29, 2020.

The recommendation at this time to take $1 million from the Wellington component and allocate funds to Rhumbline S & P 500 and S & P 600 funds.
MOTION:
Motion made by Brian Whitney to move up to $2 million from Wellington Core Fixed Income to Rhumbline S & P 500 and Rhumbline S & P 600 funds at a 750/250 split for the purpose of rebalancing the portfolio. Arnold seconded the motion. Voted unanimously.

ANNUAL STATEMENT OF THE FINANCIAL CONDITION OF THE CONCORD RETIREMENT SYSTEM:
The Annual Statement has been prepared and is ready for submission to PERAC.

There being no further business before the Board, it was upon motion made and duly seconded that the meeting adjourned at 10:35 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