

Pursuant to a notice duly filed with the Town clerk, a meeting of the Concord Retirement Board was held on Wednesday, January 27, 2016 at the Town House.

Present: **Peter J. Fulton, Chairman, Elected**
Mary M. Barrett, Ex Officio
Anthony T. Logalbo, Appointed
Brian J. Whitney, Elected
Arnold D. Roth, 5th Member, Appointed

Also present: **Linda A. Boucher, Retirement Administrator**
Richard Jameson, Finance Committee Observer
Thomas F. Gibson, Esquire

Chariman Peter Fulton opened the meeting at 8:40 a.m.

The Board unanimously approved the December 29, 2015 meeting minutes.

The Board unanimously approved the January 29, 2016 retiree payroll as follows:

Pension \$471,530.23
 Annuity \$104,722.95
Total Payroll: \$576,253.18

The Board unanimously approved the following operating expenses:

McWalter-Volunteer Ins.	Renew Bond #BON1605155 – Peter Fulton	\$ 75.00
W.B. Mason	Invoice #I31223701	\$ 118.83
Town of Concord	Reimb. Q3FY16 Tel. main./	\$ 36.27
	Dec. 2015 tel./	\$ 21.57
	Retirement share of ADP Invoice #465902553 -	<u>\$2,037.46</u>
	Total:	\$2,095.30
Bank of America	Analysis invoice #15120091956	\$ 427.45
Fred Pryor Seminars	Mistake-Free Grammar & Proofreading (L. Boucher)	\$ 149.00
Town of Concord	Reimb. temp staff w/e 12/18/2015 – 01/08/2016	\$ 3,208.52
Russell Investments	Invoice #52144:	

	Fund Name:	Avg. Mkt Value	Rate%	Fee Amount	
69 basis points	Equity I Fund	18,212,620	0.17250	\$31,417.00	
86 basis points	Int'l Fund	7,185,659	0.21500	<u>\$15,449.00</u>	
				\$46,866.00	\$46,866.00

Comerica Bank	Invoice #418763	Columbia Equity Fund	
	Gross Mkt Value		
	50,000,000.00 @ 0.0004 each annually x ¼ = 5,000.00		
	<u>7,693,409.66</u> @ 0.0002 each annually x ¼ = 384.67		
	57,693,409.66	5,384.67	

38.5523130624% of 5,384.67 (based on 22,242,143.92) \$2,075.92 \$ 2,075.92

Comerica Bank	Invoice #418762	Columbia Fixed Income	
	Gross Mkt Value		
	50,000,000.00 @ 0.0004 each annually x ¼ = 5,000.00		
	<u>7,693,409.66</u> @ 0.0002 each annually x ¼ = 384.67		
	57,693,409.66	5,384.67	

50.1721216003% of 5,384.67 (based on 28,946,007.65) \$2,701.60 \$ 2701.60

Comerica Bank
Subtotal: \$54,837.62

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

Somerville Retirement Board	Roy Roberts	\$ 2,920.67
Taunton Retirement System	Richard Sproul	\$20,770.40
Worcester Retirement System	Edward Hostrander	\$ 5,170.09
Norfolk County Retirement System	Shawn Garvey; Robert Winterhalter	\$ 5,574.33
Newton Retirement System	Russell Halloran; Mary Jo MacNeil	\$ 1,598.57
Winchester Retirement System	Anthony Celli	\$ 4,328.30
Marlborough Retirement Board	Alfred Lima	<u>\$ 6,150.86</u>

Subtotal: **\$46,513.22**

Grand Total: **\$101,350.84**

The Board was provided with the following list of investment transactions:

Trade Date	Tran Type	Orig. Face	Ticker/Coupon/Maturity	Sec Desc	CUSIP (Aladdin ID)	Trade Price	Net Money	Yield	Mood y Rating	S&P Rating
12/31/2015	BUY	50,000.00	T 2.250 11/15/2025	TREASURY NOTE	912828M56	99-26 3/8	-50,066.64	2.27	Govt	AA+
12/31/2015	BUY	310,000.00	T 1.625 11/30/2020	TREASURY NOTE	912828M98	99-14 3/8	-308,774.31	1.74	Govt	AA+
1/4/2016	SELL	-21,000.00	KMI 5.050 02/15/2046	KINDER MORGAN INC	49456BAJ0	74.565	16,076.96	7.11	Baa3	BBB-
1/4/2016	SELL	-800,000.00	T 1.250 11/15/2018	TREASURY NOTE	912828M64	99-30 3/8	801,022.32	1.27	Govt	AA+
1/4/2016	BUY	800,000.00	T 1.250 12/15/2018	TREASURY NOTE	912828N22	99-29 3/8	-799,944.84	1.28	Govt	AA+
1/4/2016	SELL	-325,000.00	T 0.750 10/31/2017	TREASURY NOTE	912828TW0	99-16+	323,874.44	1.02	Govt	AA+
1/4/2016	BUY	325,000.00	T 1.000 12/31/2017	TREASURY NOTE	912828N55	99-30 3/8	-324,888.53	1.03	Govt	AA+
1/5/2016	BUY	85,000.00	GE 4.200 12/31/2049	GENERAL ELECTRIC CO	369604BP7	100	-85,228.08	4.20	A3	AA-
1/5/2016	SELL	-90,000.00	T 1.750 12/31/2020	TREASURY NOTE	912828N48	100-02 3/8	90,101.42	1.73	Govt	AA+
1/5/2016	SELL	-85,000.00	T 2.000 11/30/2022	TREASURY NOTE	912828M80	99-22	84,910.88	2.05	Govt	AA+
1/5/2016	BUY	85,000.00	T 2.125 12/31/2022	TREASURY NOTE	912828N30	100-13 7/8	-85,403.29	2.06	Govt	AA+
1/5/2016	SELL	-	T 1.625 11/30/2020	TREASURY NOTE	912828M98	99.207353	2,614,584.37	1.79	Govt	AA+
1/5/2016	BUY	2,631,000.00	T 1.750 12/31/2020	TREASURY NOTE	912828N48	99-24	2,625,307.93	1.80	Govt	AA+
1/6/2016	BUY	10,000.00	KMI 2.650 02/01/2019	KINDER MORGAN ENERGY PARTNERS LP	494550BR6	93.577	-9,475.48	4.94	Baa3	BBB-
1/8/2016	SELL	-45,000.00	AIG 4.125 02/15/2024	AMERICAN INTERNATIONAL GROUP INC	026874CY1	103.065	47,142.38	3.68	Baa1	A-
1/8/2016	BUY	33,900.00	T 2.250 11/15/2025	TREASURY NOTE	912828M56	101-01	-34,373.22	2.13	Govt	AA+
1/8/2016	BUY	50,000.00	BXP 3.650 02/01/2026	BOSTON PROPERTIES LP	10112RAX2	99.708	-49,854.00	3.68	Baa2	A-
1/8/2016	SELL	-50,000.00	T 2.250 11/15/2025	TREASURY NOTE	912828M56	101-01 3/8	50,703.83	2.13	Govt	AA+
1/8/2016	BUY	10,000.00	KMI 2.650 02/01/2019	KINDER MORGAN ENERGY PARTNERS LP	494550BR6	93.747	-9,493.95	4.88	Baa3	BBB-
1/11/2016	SELL	-7,000.00	KMI 5.050 02/15/2046	KINDER MORGAN INC	49456BAJ0	73.87	5,317.21	7.18	Baa3	BBB-
1/12/2016	BUY	7,000.00	KMI 2.650 02/01/2019	KINDER MORGAN ENERGY PARTNERS LP	494550BR6	93.375	-6,620.76	5.02	Baa3	BBB-
1/12/2016	SELL	-16,000.00	KMI 5.050 02/15/2046	KINDER MORGAN INC	49456BAJ0	73.191	12,047.23	7.25	Baa3	BBB-
1/13/2016	BUY	37,000.00	ABIBB 4.900 02/01/2046	ANHEUSER-BUSCH INBEV FINANCE INC	035242AN6	99.765	-36,913.05	4.91	A3	A-
1/13/2016	SELL	-35,000.00	T 2.875 08/15/2045	TREASURY BOND	912810RN0	100-06 1/8	35,496.29	2.87	Govt	AA+
1/13/2016	BUY	95,000.00	ABIBB 3.650 02/01/2026	ANHEUSER-BUSCH INBEV FINANCE INC	035242AP1	99.833	-94,841.35	3.67	A3	A-
1/13/2016	SELL	-95,000.00	T 2.250 11/15/2025	TREASURY NOTE	912828M56	101-17 1/8	96,840.10	2.08	Govt	AA+
1/14/2016	BUY	150,000.00	ABIBB 3.300 02/01/2023	ANHEUSER-BUSCH INBEV FINANCE INC	035242AL0	99.572	-149,358.00	3.37	A3	A-

1/14/2016	SELL	-95,000.00	ABIBB 3.650 02/01/2026	ANHEUSER-BUSCH INBEV FINANCE INC	035242AP1	99.344	94,376.80	3.73	A3	A-
1/14/2016	SELL	-55,000.00	T 2.125 12/31/2022	TREASURY NOTE	912828N30	101-17	55,906.41	1.89	Govt	AA+
1/14/2016	BUY	4,000.00	KMI 2.650 02/01/2019	KINDER MORGAN ENERGY PARTNERS LP	494550BR6	93.125	-3,774.76	5.13	Baa3	BBB -
1/20/2016	BUY	67,000.00	FORDO_16-A-A3 2.010 07/15/2020	FORDO_16-A	34531PAD3	99.99788	-66,998.58	1.40	NR	AA A
1/20/2016	SELL	-66,000.00	T 1.000 12/31/2017	TREASURY NOTE	912828N55	100-11 1/4	66,277.36	0.82	Govt	AA+
1/21/2016	SELL	-33,000.00	ABIBB 3.300 02/01/2023	ANHEUSER-BUSCH INBEV FINANCE INC	035242AL0	100.233	33,079.92	3.26	A3	A-
1/21/2016	SELL	-32,000.00	ABIBB 3.300 02/01/2023	ANHEUSER-BUSCH INBEV FINANCE INC	035242AL0	100.313	32,103.09	3.25	A3	A-
1/21/2016	BUY	23,000.00	ABIBB 3.650 02/01/2026	ANHEUSER-BUSCH INBEV FINANCE INC	035242AP1	99.468	-22,879.97	3.71	A3	A-
1/21/2016	BUY	22,000.00	ABIBB 3.650 02/01/2026	ANHEUSER-BUSCH INBEV FINANCE INC	035242AP1	99.692	-21,934.47	3.69	A3	A-
1/22/2016	SELL	-31,000.00	CNQCN 3.900 02/01/2025	CANADIAN NATURAL RESOURCES LIMITED	136385AV3	79.107	25,114.24	7.08	Baa1	BBB +
1/22/2016	BUY	39,000.00	NBL 3.900 11/15/2024	NOBLE ENERGY INC	655044AH8	86.081	-33,875.79	5.95	Baa2	BBB
1/22/2016	SELL	-35,000.00	UNP 2.750 04/15/2023	UNION PACIFIC CORPORATION	907818DN5	99.233	35,004.26	2.87	A3	A
1/22/2016	BUY	35,000.00	T 2.125 12/31/2022	TREASURY NOTE	912828N30	102-02 1/4	-35,779.78	1.81	Govt	AA+

The Board unanimously approved the following new members:

Name	Unit	Department	Position	Hire Date	Group
Stacey Charbonneau	Town	Library	Library Assistant	01/04/2016	1
Jana Dengler	Town	Town Manager	Facilities Manager	01/04/2016	1
Patti Doherty	Town	Recreation	Asst. Mgr Child Care	01/04/2016	1
Valeria Young	School	CPS	Adm. Assist. Guidance	12/21/2015	1
Mitali Kumar	School	CCRS	SPED Tutor	01/04/2016	1
Tyler Berry	Town	Beede Center	Personal Trainer	01/19/2016	1
(Mr. Berry is a rehired former Concord Retirement System member. His membership date was 01/01/2013)					
Rebecca Parker	School	CPS	SPED Assistant	01/04/2016	1
Jodi Geary	Town	Police	Sr. Dept. Clerk	01/25/2016	1

The Board unanimously approved the following new retirement:

Name	Unit	Department	Position	Retirement Date	Service
Richard Hodgson	Town	Police	Inspector	02/29/2016	43.0833

The Board acknowledged there were no refunds/rollovers.

Name	Unit	Department	Position	Amount	Service
None					

The Board unanimously approved the following transfers to another system:

Name	Unit	Department	Position	Amount	Service
Julie Mercier	Town	DPLM	Senior Planner	\$28,437.52	4.4167

Transferring to Reading Retirement Board

Ann Breckenridge	School	CPS	SPED Tutor	\$12,130.00	3.5000
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Transferring to MTRS

Timothy Magierowski	School	CPS	SPED Assistant	\$ 7,721.64	3.0833
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Transferring to State Board of Retirement

Deaths:

None

PERAC MEMOS:

The Board was notified of the following PERAC Memos:

PERAC Memo #1/2016 – Schedule 7 Fee Report; PERAC Memo #2/2016 – 2016 Limits under Chapter 46 of the Acts of 2002; PERAC Memo #3/2016 – 2016 Limits under Section 23 of Chapter 131 of the Acts of 2010; PERAC Memo #4/2016 – COLA Notice; PERAC Memo #5/2016 – Mandatory Retirement Board Member Training – 1st Quarter 2016; PERAC Memo #6/2016 – Mandatory Ethics Training; PERAC Memo #7/2016 – 2016 Annuity Savings Interest Rate – 0.1%; PERAC Memo #8/2016 – Actuarial Data; and PERAC Memo #9/2016 – Buyback and Make-up Repayment Worksheets.

COLA:

Chapter 127 of the Acts of 1999 requires retirement boards to notify the appropriate legislative body of the government units whose employees are served by the board at least 30-days prior to adopting a cost-of-living adjustment in excess of the CPI (Consumer Price Index) which is used annually to adjust benefits paid to Social Security retirees and beneficiaries. For 2016, the CPI is 0.0%. Thus, the COLA which any such system may grant pursuant to Chapter 32, Section 103(c) and effective July 1, 2016 is 0.0%.

Motion:

Motion was made by Tony Logalbo and seconded by Brian Whitney to notify the member units of the Concord Retirement System of the Board's intent to grant to all eligible retirees a 3.0% cost-of-living adjustment on the first \$12,000 of annual retirement benefits effective July 1, 2016. **Voted unanimously.**

MACRS:

The Board was notified of the MACRS Trustees Educational Seminar scheduled for June 4-5, 2016 as well as the Kevin J. Regan Annual Conference scheduled for June 5-8, 2016 to be held at the Cape Cod Resort and Conference Center, Hyannis Massachusetts. Board members and staff are welcome to participate.

Legal Review:

Tom Gibson, counsel to the retirement board, discussed the request of the Concord Municipal Light Department's Supervisor to reclassify some positions as retirement Group 4. He explained that Group 4 status is specific to certain job titles and that the duties and responsibilities of Group 4 positions have an element of danger in the job.

Mr. Gibson explained the case of Ronald Tabroff vs. Contributory Retirement Appeal Board & another, in which Mr. Tabroff formally requested that the retirement board change his classification from Group 1 to Group 4 pursuant to G.L. c. 32 § 3(2)(g), for purposes of retirement benefits. In this context, Group 4 includes, "employees of a municipal gas or electric generating or distribution plant who are employed as linemen, electrical switchboard operators and supervisors of said employees who shall include managers and assistant managers." (G.L. c. 32 § 3(2)(g), as amended, St. 1993 c. 139). After reviewing organization charts and job descriptions of Mr. Tabroff, both the Division of Administrative Law Appeals and the Contributory Retirement Appeal Board found that Mr. Tabroff was correctly classified in Group 1 and Mr. Tabroff appealed to the Superior Court.

A Superior Court judge reversed the lower court's findings and affirmed that Mr. Tabroff should be placed in Group 4 for purposes of retirement benefits.

Mr. Gibson's initial analysis of Concord's Municipal Light Plant Organization Chart and specific job descriptions was that three out of the four positions in question qualified for Group 4 status. As the Board discussed the matter in more detail, it was determined in fact that all four of the positions in question should be granted Group 4 status. Mr. Gibson requested an opportunity to revise his Memorandum to include all four employees. The Board agreed to table their vote pending the receipt of Mr. Gibson's revised Memorandum.

Executive Session:

Motion was made by Brian Whitney to move into Executive Session for the purposes of discussing the Accidental Disability Retirement application of an individual. The Board conducted a roll call vote on motion made to proceed to Executive Session.

The following members voted in the affirmative:

Peter J. Fulton – Yes

Mary M. Barrett – Yes

Brian J. Whitney – Yes

Anthony T. Logalbo – Yes

Arnold D. Roth – Yes

The board reconvened in open meeting session for the purpose of adjournment only.

There being no further business before the Board it was upon motion made and duly seconded the meeting adjourned at 10:40 a.m.

Peter J. Fulton, Chairman, Elected

Mary M. Barrett, Ex Officio

Anthony T. Logalbo, Appointed

Brian J. Whitney, Elected

Arnold D. Roth, 5th Member, Appointed