

FALMOUTH RETIREMENT BOARD
Open Session Meeting Minutes
Thursday, April 21, 2022

Board members in attendance: Russell R. Ferreira, Chairman (by Zoom); Ellen K. Philbin, Vice Chairman (by Zoom); Jennifer P. Mullen; Paul J. Slivinski (by Zoom); and Craig B. O'Malley

Staff members in attendance: Francis St. Germaine who recorded the minutes of the meeting

Others in attendance: Nicholas Poser, Legal Counsel for the Falmouth Retirement Board (by Zoom)

At approximately 2:00 p.m., with a quorum being present, Chairman Ferreira called the meeting to order, and he asked Mr. O'Malley to conduct the board meeting. Mr. O'Malley noted for all that, in accordance with Chapter 20 of the Acts of 2021, relating to the COVID – 19 pandemic, it has been determined that remote participation is permissible for those that choose to teleconference.

Then, the Director reviewed for the board members the monthly reconciliation of the cash account, submitted by the Town Treasurer, for the month of February. Through the end of February, the Director noted that the account with Rockland Trust has receipts in the amount of \$1,326,243.40 and a statement balance in the amount of \$413,091.91. He noted that the month-end fund balance is \$20,064.05 with outstanding checks for the month in the amount of \$393,027.86. In addition, it was noted that the check sequence for the month of February began with check #10616 and ended with check #10650. There are no checks in this sequence that have not been accounted for through the end of the month. After some discussion, the board members entertained a motion to accept the monthly reconciliation submitted by the Town Treasurer.

Ms. Philbin moved to accept the monthly reconciliation submitted by the Town Treasurer. Mr. Slivinski seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES
Paul J. Slivinski	YES
Russell R. Ferreira, Chairman	YES

The board members then reviewed the meeting minutes of the open session meeting that was held on March 24, 2022. After some discussion, the board members entertained a motion to approve the meeting minutes of the open session meeting that was held on March 24, 2022.

Ms. Mullen moved to approve the meeting minutes of the open session meeting that was held on March 24, 2022. Mr. Slivinski seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES
Paul J. Slivinski	YES
Russell R. Ferreira, Chairman	YES

Next, the board members reviewed the payment of the following warrants:

Warrant #11/2022	\$ 8,212.40	Warrant #12/2022	\$1,147,646.29
Warrant #13/2022	\$ 7,962.40	Warrant #14/2022	\$ 171,805.85

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #11/2022 through #14/2022.

Ms. Mullen moved to approve the payment, as noted, of warrants #11/2022 through #14/2022. Mr. Slivinski seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES
Paul J. Slivinski	YES
Russell R. Ferreira, Chairman	YES

Then, the board members reviewed the payment of the following investment fees:

- Wainwright Investment Counsel, Q1 2022 consultant fee \$ 30,000.00
- People's United Bank, February 2022 custodial fee \$ 4,865.07
- EARNEST Partners, Q1 2022 management fee \$ 37,818.42
- RhumbLine Advisers (Growth), Q1 2022 management fee \$ 816.00
- RhumbLine Advisers (S&P 400), Q1 2022 management fee \$ 721.00
- RhumbLine Advisers (Value), Q1 2022 management fee \$ 1,210.00
- RhumbLine Advisers (S&P 600), Q1 2022 management fee \$ 740.00
- RhumbLine Advisers (MSCI EAFE), Q1 2022 management fee \$ 721.00

After some discussion, the board members entertained a motion to approve the payment, as noted, of the above-mentioned investment fees.

Ms. Mullen moved to approve the payment, as noted, of the above-mentioned investment fees. Ms. Philbin seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES
Paul J. Slivinski	YES

Russell R. Ferreira, Chairman YES

The board members then reviewed the following payment of capital calls to investment managers:

- Lexington Capital Fund VII, a capital call payable on 3/30/2022 in the amount of \$454.00

After some discussion, the board members entertained a motion to approve the payment, as noted, of the above-mentioned capital call.

Ms. Mullen moved to approve the payment, as noted, of the above-mentioned capital call. Ms. Philbin seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES
Paul J. Slivinski	YES
Russell R. Ferreira, Chairman	YES

Next, the board members reviewed the following cash distributions from investment managers:

- Hamilton Lane Secondary Fund IV, a distribution received on 3/25/2022 in the amount of \$260,893.00
- Mesirow Financial Fund IV, a distribution received on 3/29/2022 in the amount of \$24,000.00
- Lexington Capital Fund VII, a distribution received on 3/30/2022 in the amount of \$12,259.00

Then, the board members considered the request of the following former or current members of the Falmouth Retirement System for a return or transfer of his/her accumulated deductions:

- Karen M. O'Loughlin; amount of refund is \$11,229.30; resignation from service with the Town of Falmouth, Senior Services Department (*with this refund, the Falmouth Retirement System will accept 1 year and 7 months of 3(8)(c) liability on a 12-month basis*)
- Kimberly M. Conn; amount of refund is \$207.92; deductions taken in error by the Falmouth Housing Authority
- Kimberly M. Conn; amount of transfer is \$80,202.64; resignation from service with the Falmouth Housing Authority (*with this transfer, the Falmouth Retirement System will accept 12 years and 5 months of 3(8)(c) liability on a 12-month basis*)
- Sean M. Philbin; amount of transfer is \$9,386.09; resignation from service with the Town of Falmouth, Fire Rescue Department (*with this transfer, the Falmouth*

Retirement System will accept 1 year and 6 months of 3(8)(c) liability on a 12-month basis)

- Noah M. Martinez; amount of transfer is \$903.47; resignation from service with the Town of Falmouth, Falmouth Public Schools (*with this transfer, the Falmouth Retirement System will accept 4 months of 3(8)(c) liability on a 12-month basis*)

After some discussion, the board members entertained a motion to approve, as noted, the request of the above-mentioned former or current members of the Falmouth Retirement System for a return or transfer of his/her accumulated deductions.

Mr. Slivinski moved to approve, as noted, the request of the above-mentioned former or current members of the Falmouth Retirement System for a return or transfer of his/her accumulated deductions. Ms. Philbin seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES
Paul J. Slivinski	YES
Russell R. Ferreira, Chairman	YES

The board members then considered the following request for 3(8)(c) liability:

- Daniela C. Pinto; accept 3(8)(c) liability request from the Barnstable County Retirement System (*upon repayment of this refunded service, the Falmouth Retirement System will accept 3 months of 3(8)(c) liability on a 12-month basis*)

After some discussion, the board members entertained a motion to approve, as noted, the above-mentioned request for 3(8)(c) liability.

Ms. Mullen moved to approve, as noted, the above-mentioned request for 3(8)(c) liability. Ms. Philbin seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES
Paul J. Slivinski	YES
Russell R. Ferreira, Chairman	YES

Next, the board members noted the following new members of the Falmouth Retirement System:

- Scott A. Liimatainen; M.E.O. I, Town of Falmouth, D.P.W. Highway Division, Group One; DOM 2/22/2022, 9% + 2%

- Alissa M. Bergeron; Conservation Agent, Town of Falmouth, Conservation Department, Group One; DOM 2/28/2022, 9% + 2%
- Dawn E. Lewis; I.T. Director, Town of Falmouth, Information Technology Department, Group One; DOM 3/28/2022, 9% + 2%
- Grace E. Orfao; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 4/4/2022, 9% + 2%
- Amanda C. Oliver; Communications Officer, Town of Falmouth, Communications Department, Group One; DOM 4/11/2022, 9% + 2%

Then, the board members reviewed the following first reports of injury:

- Nicole F. Licciardi; Special Education Aide, Town of Falmouth, Falmouth Public Schools, Group One; while trying to take away scissors from a student, employee was injured.
Date of Injury 2/11/2022
- John T. Dacey; Police Officer, Town of Falmouth, Police Department, Group Four; while assisting with a call to a residence, employee was injured.
Date of Injury 2/15/2022
- Marie E. Andrews; Teacher Assistant, Town of Falmouth, Falmouth Public Schools, Group One; while attending to a student, employee was injured.
Date of Injury 2/17/2022
- James M. McDonald; Laborer, Town of Falmouth, D.P.W. Water and Wastewater Division, Group One; while releasing the truck tailgate, employee was injured.
Date of Injury 3/3/2022
- James F. Porter II; Police Officer, Town of Falmouth, Police Department, Group Four; while removing contraband from a detainee, employee was injured.
Date of Injury 3/10/2022
- Keith G. Batchelder; Police Officer, Town of Falmouth, Police Department, Group Four; while removing contraband from a detainee, employee was injured.
Date of Injury 3/10/2022
- Samantha Soares; Police Officer, Town of Falmouth, Police Department, Group Four; while removing contraband from a detainee, employee was injured.
Date of Injury 3/10/2022
- Jonathan Lewis; Assistant Mechanic, Town of Falmouth, D.P.W. Fleet Services Division, Group One; while lifting a 55-gallon drum, employee was injured.
Date of Injury 3/25/2022

Then, the board members reviewed the following correspondence from PERAC:

- PERAC memo #10/2022 Tobacco Company List
- PERAC memo #11/2022 Mandatory Retirement Board Member Training – 2nd Quarter 2022

Also, the board members reviewed other relative correspondence.

Next, Michael Dwyer and Jeffrey Fabrizio of Wainwright Investment Counsel both joined the meeting. To begin, Mr. Dwyer directed the board members to the performance summary report for the month of February, and Mr. Fabrizio reviewed the plan results. Through the end of February, the plan's estimated market value was approximately \$192.7 million. Year-to-date, the plan is down 2.82% versus the policy benchmark which is down 4.85%. Compared to its policy benchmark (down 7.47%), the domestic equity sector (down 5.27%) is a bit ahead. The international equity sector (down 5.16%) is ahead of its benchmark (down 6.91%). The domestic fixed income strategy (down 3.40%) is slightly behind its benchmark (down 3.30%). The performance of these fixed income funds is expected as most of these investments, apart from Lord Abbett High Yield, are indexed. Year-to-date, the performance of the real estate sector is up 5.50% versus a benchmark that is 0.00%. At present, the real estate funds, except for the P.R.I.T. Core Real Estate Fund and the Metropolitan Real Estate Fund, are ahead of their benchmark. Due to the nature of the investments held within the private equity sector, their performance returns are stated with as much as a two-quarter lag. At present, this sector is estimated to be up 1.37% versus a benchmark that is presently at 0.00%. Currently, Hamilton Lane Secondary Fund IV and P.R.I.T. Private Equity VY2018 are the two largest private equity investments within this portfolio. Year-to-date, the P.R.I.T. Absolute Return Fund is down 0.93% versus a benchmark that is down 3.26%. Lastly, the cash balance is approximately \$4.0 million at the end of February. Wainwright Investment Counsel noted that they "continue to be comfortable with the positioning of the portfolio and it seems to be protecting well while the markets decline".

Mr. Dwyer next provided the board members with a proposed draft of the investment policy statement for their review and consideration at the next board meeting. Mr. Fabrizio noted some minor edits to the document.

After some additional discussion with the board members, Mr. Dwyer and Mr. Fabrizio both exited the board meeting.

Next, the Director reminded the board members that their completed Statement of Financial Interests were due to P.E.R.A.C. by May 1st.

Then, the Director noted for the board members the upcoming spring M.A.C.R.S. conference to be held in Hyannis, MA from June 13, 2022 through June 15, 2022. It was noted that, at this time, a draft agenda was not available, but that certain sessions are expected to be approved by P.E.R.A.C. for board member C.E.U. training credits. After some discussion, the board members entertained a motion to approve the associated conference fees with travel for the board members as well as the two staff members to attend the spring M.A.C.R.S. conference.

Ms. Philbin moved to approve the associated conference fees with travel for the board members as well as the two staff members to attend the spring M.A.C.R.S. conference. Ms. Mullen seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES

Paul J. Slivinski	YES
Russell R. Ferreira, Chairman	YES

The Director then noted that the Falmouth Retirement System will have a table at the annual Town of Falmouth Health & Benefits Fair which is to be held on May 4th at the recreation center.

Next topic for discussion was about office space. Upon the recommendation of Attorney Poser, Mr. O'Malley asked for a motion to leave the open session meeting and to move into executive session for the purpose of discussing matters relating to the purchase, exchange, lease or value of real property.

Ms. Philbin moved to leave the open session meeting and to move into executive session for the purpose of discussing legal matters relating to the purchase, exchange, lease or value of real property. Mr. Slivinski seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	YES
Craig B. O'Malley	YES
Paul J. Slivinski	YES
Russell R. Ferreira, Chairman	YES

At approximately 2:35 p.m., the board members left the open session meeting and moved into executive session for the purpose of discussing legal matters relating to the purchase, exchange, lease or value of real property. At the conclusion of the executive session meeting, as noted by Mr. O'Malley, the board members would reconvene their open session meeting.

At approximately 2:55 p.m., the board members reconvened their open session meeting, and Mr. O'Malley noted the following action had been taken during the executive session meeting.

LEASE OR PURCHASE OF REAL PROPERTY

It was noted that there is extremely limited suitable office space available for either lease or purchase within the Town of Falmouth, and that "time is of the essence." Attorney Poser noted for the board members that Chapter 325 of the Acts of 2012, if the board members should choose to do so, gives the Falmouth Retirement Board the ability to lease or purchase an appropriate real property within the Town of Falmouth to use for the administrative office of the retirement system. In addition, he noted that P.E.R.A.C. has provided the retirement system with additional guidelines for the lease or purchase of real property. Mr. Ferreira moved to openly solicit proposals to either lease or purchase real property within the Town of Falmouth. Ms. Philbin seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman	YES
Jennifer P. Mullen	NO
Craig B. O'Malley	YES

Paul J. Slivinski YES
Russell R. Ferreira, Chairman YES

Then, Attorney Poser noted the following activity in the pending legal matters:

- *Kevin Murphy v. Falmouth Retirement Board*, CR-20-0453; a joint pre-hearing memorandum has been filed with D.A.L.A. with no hearing date scheduled yet.
- *Daniel Donahue v. Falmouth Retirement Board*, CR-21-0048; a joint pre-hearing memorandum has been filed with D.A.L.A. and Attorney Poser has filed a Motion for Summary Decision with no response yet.

Finally, having no additional business to discuss, Mr. O'Malley asked for a motion to adjourn the open session meeting.


Mr. Slivinski moved to adjourn the open session meeting. Ms. Mullen seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Vice Chairman YES
Jennifer P. Mullen YES
Craig B. O'Malley YES
Paul J. Slivinski YES
Russell R. Ferreira, Chairman YES

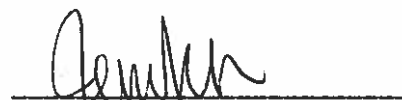
At approximately 3:05 p.m., the board members concluded the open session meeting.

The next scheduled board meeting will begin at 2:00 p.m. on Thursday, May 19, 2022 at the office of the Falmouth Retirement System which is located at 80 Davis Straits, Suite 102 in Falmouth, MA.

ATTEST:



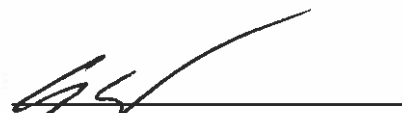
Russell R. Ferreira
Chairman, Elected Member



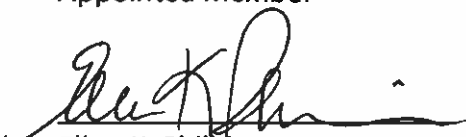
Jennifer P. Mullen
Ex-Officio Member



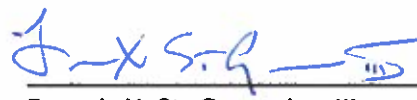
Paul J. Slivinski
Appointed Member



Craig B. O'Malley
Elected Member



Ellen K. Philbin
Vice Chairman, Fifth Member



Francis X. St. Germaine III
Director