

**FALMOUTH RETIREMENT BOARD**  
**Open Session Meeting Minutes**  
**Thursday, December 22, 2022**

Board members in attendance: Ellen K. Philbin, Chair; Craig B. O'Malley, Vice Chair (by Zoom); Victoria A. Rose; Paul J. Slivinski and Scott T. Starbard

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 12:00 p.m., with a quorum being physically present at the office of the Falmouth Retirement System, Chair Philbin called the meeting to order, and she noted for all that, in accordance with Chapter 107 of the Acts of 2022 relating to the COVID – 19 pandemic and the Open Meeting Law waiver, it has been determined that remote participation is permissible for those that choose to teleconference.

Then, the Town Treasurer, Patricia O'Connell, joined the meeting, and she reviewed for the board members the monthly reconciliation of the cash account for the month of October. Through the end of October, the Treasurer noted that the account with Rockland Trust has receipts in the amount of \$1,241,561.89 and a statement balance in the amount of \$367,486.25. She noted that the month-end fund balance is \$93,019.80 with outstanding checks for the month in the amount of \$274,466.45. In addition, it was noted that the check sequence for the month of October began with check #10938 and ended with check #10970. All the checks in this sequence have 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.

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

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

The board members then reviewed the meeting minutes of the open session meeting that was held on November 17, 2022. After some discussion, the board members entertained a motion to approve the meeting minutes of the open session meeting that was held on November 17, 2022.

Mr. Slivinski moved to approve the meeting minutes of the open session meeting that was held on November 17, 2022. Mr. O'Malley seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

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

Warrant #42/2022	\$ 8,616.40	Warrant #43/2022	\$1,197,184.96
Warrant #44/2022	\$ 9,174.78	Warrant #45/2022	\$ 141,958.51
Warrant #45/2022DD	\$ 9,712.38		

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #42/2022 through #45DD/2022.

Mr. Starbard moved to approve the payment, as noted, of warrants #42/2022 through #45DD/2022. Mr. O'Malley seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

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

- M&T Bank (People's United Bank), October 2022 custodial fee \$ 4,647.04

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

Mr. Slivinski moved to approve the payment, as noted, of the above-mentioned investment fee. Mr. O'Malley seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

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

- PRIT Private Equity Fund VY2018, a capital call payable on 12/1/2022 in the amount of \$10,553.99

- PRIT Private Equity Fund VY2020, a capital call payable on 12/1/2022 in the amount of \$2,559.41
- PRIT Private Equity Fund VY2022, a capital call payable on 12/1/2022 in the amount of \$19,774.63

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

Mr. Slivinski moved to approve the payment, as noted, of the above-mentioned capital calls. Mr. Starbard seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

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

- Mesirow Financial Fund IV, a distribution received on 11/30/2022 in the amount of \$22,500.00

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

- William J. Baldic; amount of refund is \$120.70; deductions taken in error by the Town of Falmouth, D.P.W. Waste Management Division
- Katherine M. Blair; amount of refund is \$699.94; deductions taken in error by the Town of Falmouth, Falmouth Public Schools
- Jennifer A. Batol; amount of refund is \$7,933.31; resignation from service with the Town of Falmouth, Falmouth Public Schools (*with this refund, the Falmouth Retirement System will accept 2 years and 1 month of 3(8)(c) liability on a 12-month basis*)
- Manuel Pacheco; amount of transfer is \$4,042.96; resignation from service with the Town of Falmouth, Emergency Communications Center (*with this transfer, the Falmouth Retirement System will accept 7 months of 3(8)(c) liability on a 12-month basis*)
- Mary E. Sylvia; amount of transfer is \$12,603.45; resignation from service with the Town of Falmouth, Emergency Communications Center (*with this transfer, the Falmouth Retirement System will accept 2 years and 5 months of 3(8)(c) liability on a 12-month basis*)
- Jennifer A. Woodward; amount of transfer is \$89,240.69; resignation from service with the Town of Falmouth, Falmouth Public Library (*with this transfer, the Falmouth Retirement System will accept 4 years and 9 months of 3(8)(c) liability on a 12-month basis*)

- Stephen W. Lawlor; amount of transfer is \$19,402.13; resignation from service with the Town of Falmouth, Fire Rescue Department (*with this transfer, the Falmouth Retirement System will accept 2 years and 10 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 requests of the above-mentioned former or current members of the Falmouth Retirement System for a return or transfer of his/her accumulated deductions.

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

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

The board members then noted the following members retiring from service with the Town of Falmouth and/or Falmouth Housing Authority:

- William J. Baldic; date of retirement is 11/1/2022 from the Town of Falmouth, D.P.W. Waste Management Division; Group One
- Katherine M. Blair; date of retirement is 11/29/2022 from the Town of Falmouth, Falmouth Public Schools; Group One
- Sean F. Walker; date of retirement is 12/1/2022 from the Town of Falmouth, Police Department; Group Four

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

- Rohan R. Kirlew; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 10/17/2022, 9% + 2%
- Stephanie L. Melanson; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 11/20/2022, 9% + 2%
- Jake A. Henry; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 11/20/2022, 9% + 2%
- Casey P. Reed; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 11/20/2022, 9% + 2%
- Joshua D. Meehan; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 11/20/2022, 9% + 2%
- Debra A. Martin; Food Service Worker, Town of Falmouth, Falmouth Public Schools, Group One; DOM 11/21/2022, 9% + 2%

- Matthew D. Doyle; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 11/22/2022, 9% + 2%
- Michael A. Coffey; Maintenance Superintendent, Falmouth Housing Authority, Group One; DOM 11/28/2022, 9% + 2%
- Sean T. Morin; Water Plant Operator, Town of Falmouth, D.P.W. Water and Wastewater Division, Group One; DOM 12/5/2022, 9% + 2%
- Brian J. Guiliano; Utility Crew Leader, Town of Falmouth, D.P.W. Water and Wastewater Division, Group One; DOM 12/5/2022, 9% + 2%
- Jodie L. Zinna; Administrative Clerk, Town of Falmouth, Inspectional Services Department, Group One; DOM 12/19/2022, 9% + 2%

Then, the board members considered the following requests to purchase prior service:

- John T. Dacey; Police Officer, Town of Falmouth, Police Department; request to purchase military service, prior to membership with the Falmouth Retirement System; principle amount due is \$15,306.81 (*upon completion of this service purchase, the Falmouth Retirement System will accept 3 years and 11 months of 3(8)(c) liability on a 12-month basis*)
- Jo-Ann F. Brown; Secretary, Town of Falmouth, Falmouth Public Schools; request to purchase less than part-time service with the Falmouth Retirement System, prior to membership with the Falmouth Retirement System; principle amount due is \$14,207.04 (*upon completion of this service purchase, the Falmouth Retirement System will accept 2 years and 6 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 requests of the above-mentioned members to purchase his/her service prior to membership with the Falmouth Retirement System.

Mr. Slivinski moved to approve, as noted, the requests of the above-mentioned members to purchase his/her service prior to membership with the Falmouth Retirement System. Mr. Starbard seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

The board members then reviewed the following first reports of injury:

- Tracie L. Smith; Teacher Assistant, Town of Falmouth, Falmouth Public Schools, Group One; while walking to class with a student, employee fell and was injured. Date of Injury 11/4/2022

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



- PERAC memo #29/2022 5% Local COLA option
- PERAC memo #30/2022 Proposed Regulations Regarding Compliance with the IRS Code
- PERAC memo #31/2022 840 CMR 10:10(3) & 10:15(1)(c) – Annual Review of Medical Testing Fee
- PERAC memo #32/2022 Tobacco Company List
- PERAC memo #33/2022 Mandatory Retirement Board Member Training – 1<sup>st</sup> Quarter, 2023
- PERAC memo #34/2022 2022 Disability Data

Also, the board members reviewed other relative correspondence.

Then, Michael Dwyer and Jeffrey Fabrizio of Wainwright Investment Counsel joined the meeting. To begin, Mr. Dwyer directed the board members to the performance summary report for the month of October, and Mr. Fabrizio reviewed the plan results. Through the end of October, the plan’s estimated gross market value was approximately \$181.0 million. Year-to-date, the plan is down 10.10% versus the policy benchmark which is down 13.36%. Compared to its policy benchmark (down 15.75%), the domestic equity sector (down 13.44%) is ahead with LMCG Investments and EARNEST Partners protecting very well during the decline. The international equity sector (down 21.21%) is ahead of its benchmark (down 24.41%). In the current environment of rising interest rates, equities are down with growth stocks affected more than value stocks. Still, all the equity managers continue to experience negative returns which continues to be a primary driver for this portfolio’s decline in value. The domestic fixed income strategy (down 15.14%) is slightly ahead of its benchmark (down 15.31%). The performance of the fixed income funds is not unexpected 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 14.47% versus a benchmark that is up 5.93%. At present, the real estate asset class is working quite well with TA Realty providing some very strong returns. 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. Yet, this sector is estimated to be down 1.46% versus a benchmark that is presently down 5.29%. Currently, Hamilton Lane Secondary Fund IV, P.R.I.T. Private Equity VY2018 and P.R.I.T. Private Equity VY2020 are the three largest private equity investments within this portfolio. For the year, the P.R.I.T. Absolute Return Fund is down 3.30% versus a benchmark that is down 6.53%. Lastly, the cash balance is approximately \$1.5 million. Wainwright Investment Counsel noted that “the economy continues to be turbulent. Both the equity and bond markets continue to be down in tandem which is very unusual. Typically, when one is down the other is up. However, the portfolio does seem to be protecting well during a period of underperforming markets.”

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

Next, the Chair asked for a motion to leave the open session meeting and to move into executive session for the purpose of discussing the reputation, the character, the physical condition, or the mental health of an individual.

Mr. Slivinski moved to leave the open session meeting and to move into executive session for the purpose of discussing the reputation, the character, the physical condition, or the mental health of an individual. Ms. Rose seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

At approximately 12:35 p.m., the board members left the open session meeting and moved into executive session for the purpose of discussing the reputation, the character, the physical condition, or the mental health of an individual. At the conclusion of the executive session meeting, as noted by the Chair, the board members would reconvene their open session meeting.

At approximately 12:45 p.m., the board members reconvened their open session meeting, and the Chair noted the following action taken during the executive session meeting.

#### STEPHEN MURPHY – ACCIDENTAL DISABILITY RETIREMENT

The board members reviewed the *Member's Application for Disability Retirement*, *Employer's Statement Pertaining to Member's Application for Disability Retirement*, *Treating Physician's Statement Pertaining to Member's Application for Disability Retirement* and other supporting documentation. Mr. Starbard moved to accept the voluntary accidental disability retirement application submitted by Stephen Murphy and to request that P.E.R.A.C. convene an examination by a regional medical panel. Mr. O'Malley seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

The board members then reviewed a proposed schedule of board meeting dates for CY 2023. After some discussion, the board members entertained a motion to approve the schedule of proposed board meeting dates for CY 2023.

Mr. Slivinski moved to approve the schedule of proposed board meeting dates for CY 2023. Ms. Rose seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES

Craig B. O'Malley, Vice Chair YES

Next, the Director outlined for the board members a proposed CY 2023 budget in the amount of \$1,739,500.00. The board members reviewed the proposed budget, and after some discussion, a motion was entertained to approve a CY 2023 budget in the amount of \$1,739,500.00.

Mr. Slivinski moved to approve the CY 2023 budget in the amount of \$1,739,500.00.

Mr. O'Malley seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

Attorney Poser then noted the following activity in the pending legal matter:

- *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.

Finally, having no additional business to discuss, the Chair asked for a motion to adjourn the open session meeting.

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

Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

At approximately 1:10 p.m., the board members concluded the open session meeting. The next scheduled board meeting will begin at 2:00 p.m. on Thursday, January 19, 2023 at the office of the Falmouth Retirement System which is located at 80 Davis Straits, Suite 102 in Falmouth, MA.

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ATTEST:

  
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Ellen K. Philbin  
Chair, Fifth Member

  
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Victoria A. Rose  
Ex-Officio Member

  
\_\_\_\_\_  
Paul J. Slivinski  
Appointed Member

  
\_\_\_\_\_  
Craig B. O'Malley  
Vice Chair, Elected Member

  
\_\_\_\_\_  
Scott T. Starbard  
Elected Member

  
\_\_\_\_\_  
Francis X. St. Germaine III  
Director