

**FALMOUTH RETIREMENT BOARD
Open Session Meeting Minutes
Thursday, February 24, 2022**

Board members in attendance: Russell R. Ferreira, Chairman (by Zoom); Ellen K. Philbin, Vice Chairman (by Zoom); Jennifer P. Mullen (by Zoom); 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 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 Town Treasurer, Patricia O'Connell, joined the meeting by Zoom, and she reviewed for the board members the monthly reconciliation of the cash account for the month of December. Through the end of December, the Treasurer noted that the account with Rockland Trust has receipts in the amount of \$1,317,112.09 and a statement balance in the amount of \$74,371.78. She noted that the month-end fund balance is \$59,577.91 with outstanding checks for the month in the amount of \$14,641.38. In addition, it was noted that the check sequence for the month of December began with check #10552 and ended with check #10592. 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.

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, 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 January 20, 2022. After some discussion, the board members entertained a motion to approve the meeting minutes of the open session meeting that was held on January 20, 2022.

Ms. Philbin moved to approve the meeting minutes of the open session meeting that was held on January 20, 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 #03/2022 | \$1,148,740.54 | Warrant #04/2022 | \$ 16,143.34 |
| Warrant #05/2022 | \$ 7,962.40 | Warrant #06/2022 | \$159,912.76 |

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #03/2022 through #06/2022.

Ms. Philbin moved to approve the payment, as noted, of warrants #03/2022 through #06/2022. 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:

- People's United Bank, December 2021 custodial fee \$ 6,064.65
- S.S.g.A. (CM3Y), Q4 2021 management fee \$ 1,386.59
- S.S.g.A. (CME7), Q4 2021 management fee \$ 2,011.27
- Earnest Partners, Q4 2021 management fee \$ 9,250.47
- LMCG Investments (Mid Cap Core), Q4 2021 management fee \$ 28,827.00
- DFA International Equity, Q4 2021 management fee \$ 7,617.34
- Lord Abbett High Yield Core; Q4 2021 management fee \$ 4,238.60
- Lexington Capital Fund VII, Q4 2021 management fee \$ 1,039.00

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

Mr. Slivinski 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 1/28/2022 in the amount of \$687.00

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

Ms. Philbin moved to approve the payment, as noted, of the above-mentioned capital call. 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 following cash distributions from investment managers:

- Lexington Capital Fund VII, a distribution received on 1/28/2022 in the amount of \$33,539.00
- PRIT Private Equity Fund VY 2018, a distribution received on 2/1/2022 in the amount of \$120,736.66
- PRIT Private Equity Fund VY 2020, a distribution received on 2/1/2022 in the amount of \$12,932.65
- Hamilton Lane Secondary Fund IV, a distribution received on 2/8/2022 in the amount of \$174,737.00
- TA Realty Fund XII, a distribution received on 2/24/2022 in the amount of \$14,398.00

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

- Chad A. Leighton; amount of refund is \$62.92; deductions taken in error by the Town of Falmouth, Police Department

After some discussion, the board members entertained a motion to approve, as noted, the request of the above-mentioned former or current member 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 member of the Falmouth Retirement System for a return or transfer of his/her accumulated deductions. 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 board members then noted the following members retiring from service with the Town of Falmouth and/or Falmouth Housing Authority:

- Vickie L. Taylor; date of retirement is 1/4/2022 from the Town of Falmouth, Falmouth Public Schools; Group One
- Cheryl L. Steele; date of retirement is 1/12/2022 from the Town of Falmouth, Falmouth Public Schools; Group One

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

- Heather L. Alden; Federal Housing Programs Specialist, Town of Falmouth, Falmouth Housing Authority, Group One; DOM 12/1/2021, 9% + 2%
- Trevor W. Reid; Teacher Assistant, Town of Falmouth, Falmouth Public Schools, Group One; DOM 1/3/2022, 9% + 2%
- Michaela L. Powers; Special Education Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 1/18/2022, 9% + 2%
- Felicia B. Gillespie; Special Education Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 1/18/2022, 9% + 2%
- Emma J. Hupp; School Monitor, Town of Falmouth, Falmouth Public Schools, Group One; DOM 1/24/2022, 9% + 2%
- Phoebe E. Acheson; Head of Reference and Adult Services, Town of Falmouth, Falmouth Public Library; DOM 1/24/2022, 9% + 2%
- Kerri L. Cardoza; Special Education Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 1/27/2022, 9% + 2%
- John W. Pottle; Custodian, Town of Falmouth, Falmouth Public Schools, Group One; DOM 1/31/2022, 9% + 2%
- Seth D. Viles; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/21/2022, 9% + 2%
- Alexander M. Franklin; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/21/2022, 9% + 2%
- Nicholas S. Fotiu; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/21/2022, 9% + 2%

- Sean C. Flaherty; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/21/2022, 9% + 2%
- Christopher E. Pennie; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/21/2022, 9% + 2%
- Aristide Mikelson; Mini-Bus Driver, Town of Falmouth, Senior Services Department, Group One; DOM 2/22/2022, 9% + 2%
- Patrick J. Laffan; Utility Maintenance Worker, Town of Falmouth, D.P.W. Water and Wastewater Division, Group One; DOM 2/28/2022, 9% + 2%

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

- Joyce M. Doherty; Receptionist, Town of Falmouth, Senior Services Department; request to purchase less than part-time service, prior to membership with the Falmouth Retirement System; principle amount due is \$16,050.30 (*upon completion of this service purchase, the Falmouth Retirement System will accept 4 years 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 member to purchase his/her service prior to membership with the Falmouth Retirement System.

Mr. Slivinski moved to approve, as noted, the request of the above-mentioned member to purchase his/her service prior to membership with the Falmouth Retirement System. 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 board members then reviewed the following first reports of injury:

- Thomas F. Maguire; Police Officer, Town of Falmouth, Police Department, Group Four; while assisting with an overdose victim at Falmouth Hospital, employee was injured.
Date of Injury 1/6/2022
- Dean K. Eisen; Police Officer, Town of Falmouth, Police Department, Group Four; while assisting with an overdose victim at Falmouth Hospital, employee was injured.
Date of Injury 1/6/2022
- Robert A. Martino Jr.; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while transferring a patient to the hospital bed, employee was injured.
Date of Injury 1/6/2022

- Jeffrey M. Tavares Sr.; Communications Officer, Town of Falmouth, Communications Department, Group One; after being bumped by a mop handle, a light fixture fell and employee was injured.
Date of Injury 1/24/2022
- Felicia B. Gillespie; Special Education Aide, Town of Falmouth, Falmouth Public Schools, Group One; while attending to a student, employee was injured.
Date of Injury 1/28/2022
- Marijune DeLouis; Teacher Assistant, Town of Falmouth, Falmouth Public Schools, Group One; while closing her car door, employee fell and was injured.
Date of Injury 2/1/2022

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

- PERAC memo #07/2022 Buyback and Make-up Repayment Worksheets
- PERAC memo #08/2022 Actuarial Data

Also, the board members reviewed other relative correspondence.

Next, Michael Dwyer and Jeffrey Fabrizio of Wainwright Investment Counsel both joined the meeting via Zoom. To begin, Mr. Dwyer directed the board members to the performance summary report for the month of December, and Mr. Fabrizio reviewed the plan results. Through the end of December, the plan's estimated market value was approximately \$200.3 million. Year-to-date, the plan is up 17.29% versus the policy benchmark which is up 14.20%. Compared to its policy benchmark (up 21.62%), the domestic equity sector (up 21.05%) is a bit behind. The international equity sector (up 13.24%) is ahead of its benchmark (up 11.04%). The equity managers, particularly the domestic equity managers, continue to drive the portfolio's returns with some very strong performance. The domestic fixed income strategy (even at 0.00%) is slightly ahead of its benchmark (down 0.74%). As interest rates rise, the fixed income performance will decline. Still, 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 24.58% versus a benchmark that is up 17.70%. At present, the real estate funds, except for Metropolitan Real Estate and TerraCap Partners, 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 52.37% versus a benchmark that is presently at 32.76%. Currently, Hamilton Lane Secondary Fund IV and P.R.I.T. Private Equity VY2018 are the two largest private equity investments within this portfolio. Both Siguler Guff Distressed Opportunities Fund III and Lexington Capital Partners Fund V are the two funds within the private equity sector that are not providing double digit positive returns for the year. Year-to-date, the P.R.I.T. Absolute Return Fund is up 9.45% versus a benchmark that is up 6.12%. Lastly, the cash balance is approximately \$5.7 million as of the end of December. Wainwright Investment Counsel noted that they are "very comfortable with the positioning of the portfolio and extremely pleased with its robust performance for the year".

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

Next, the Director noted for the board members PERAC memo #04/2022 regarding the FY 2023 C.O.L.A. increase. This memo indicates that the C.O.L.A. that any system may grant for FY 2023 will be up to 3.0%. After some discussion, the board members entertained a motion to approve for FY 2023 a 3.0% cost-of-living adjustment on a retirement allowance. The C.O.L.A. will be calculated using a \$14,000.00 base.

Ms. Philbin moved to approve for FY 2023 a 3.0% cost-of-living adjustment on a retirement allowance. The C.O.L.A. will be calculated using a \$14,000.00 base.

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 |

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, the Chairman asked for a motion to adjourn the open session meeting.

Mr. O'Malley moved to adjourn the open session meeting. 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 |

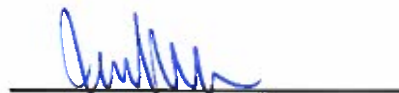
At approximately 2:40 p.m., the board members concluded the open session meeting.

The next scheduled board meeting will begin at 2:00 p.m. on Thursday, March 24, 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



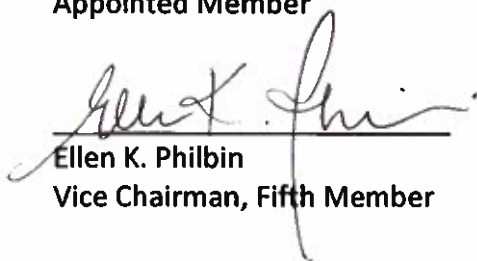
Jennifer P. Mullen
Ex-Officio Member



Paul J. Slivinski
Appointed Member



Craig B. O'Malley
Elected Member



Ellen K. Philbin
Vice Chairman, Fifth Member



Francis X. St. Germaine III
Director