

**FALMOUTH RETIREMENT BOARD**  
**Open Session Meeting Minutes**  
**Thursday, June 15, 2023**

Board members in attendance: Ellen K. Philbin, Chair; Craig B. O'Malley, Vice Chair; Victoria A. Rose; Paul J. Slivinski (by Zoom) 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 2:00 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 waiver of the Open Meeting Law, it has been determined that remote participation is permissible for those that choose.

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 April. Through the end of April, the Treasurer noted that the account with Rockland Trust has receipts in the amount of \$1,872,003.72 and a statement balance in the amount of \$648,690.54. She noted that the month-end fund balance is \$506,223.09 with outstanding checks for the month in the amount of \$142,467.45. In addition, it was noted that the check sequence for the month of April began with check #11177 and ended with check #11217. 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. O'Malley moved to accept the monthly reconciliation submitted by the Town Treasurer. 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 |

The board members then reviewed the meeting minutes of both the open session meeting and the executive session meeting that was held on May 18, 2023. After some discussion, the board members entertained a motion to approve the meeting minutes of both the open session meeting and the executive session meeting that was held on May 18, 2023.

Mr. O'Malley moved to approve the meeting minutes of both the open session meeting and the executive session meeting that was held on May 18, 2023. Mr. Slivinski 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 #17/2023 | \$ 8,741.40 | Warrant #18/2023 | \$1,233,172.45 |
| Warrant #19/2023 | \$ 8,366.40 | Warrant #20/2023 | \$ 82,839.54   |

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #17/2023 through #20/2023.

Mr. Slivinski moved to approve the payment, as noted, of warrants #17/2023 through #20/2023. 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 |

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

- M&T Bank (People's United Bank), April 2023 custodial fee \$ 4,890.19

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

Mr. Starbard 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 6/1/2023 in the amount of \$4,785.66

- PRIT Private Equity Fund VY2020, a capital call payable on 6/1/2023 in the amount of \$58,712.19
- PRIT Private Equity Fund VY2022, a capital call payable on 6/1/2023 in the amount of \$61,280.96

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

Mr. Starbard moved to approve the payment, as noted, of the above-mentioned capital calls. Mr. Slivinski 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 distributions from investment managers:

- TA Realty Fund XII, a distribution received on 5/24/2023 in the amount of \$20,971.00
- Lexington Capital Fund VII, a distribution received on 5/30/2023 in the amount of \$9,180.00

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:

- Barbara K. Rymsha; amount of refund is \$14.21; deductions taken in error by the Town of Falmouth, Office of the Town Clerk
- Jeffrey M. Tavares Sr.; amount of refund is \$606.87; deductions taken in error by the Town of Falmouth, Communications Center
- Ashley A. Holman; amount of refund is \$5,064.42; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this refund, the Falmouth Retirement System will accept 2 years of 3(8)(c) liability on a 12-month basis)*
- Lisa M. Krause; amount of transfer is \$28,940.36; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this transfer, the Falmouth Retirement System will accept 5 years and 1 month of 3(8)(c) liability on a 12-month basis)*
- Cody R. Murray; amount of transfer is \$40,705.00; resignation from service with the Town of Falmouth, Police Department *(with this transfer, the Falmouth Retirement System will accept 5 years and 9 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. Slivinski 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. 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 noted the following member retiring from service with the Town of Falmouth and/or Falmouth Housing Authority:

- Edward A. Dunne; date of retirement is 6/1/2023 from the Town of Falmouth, Police Department; Group Four

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

- Elizabeth J. Kirk; Teacher Assistant, Town of Falmouth, Falmouth Public Schools, Group One; DOM 4/24/2023, 9% + 2%
- William J. Baugh Jr.; M.E.O.-I, Town of Falmouth, D.P.W. Highway Division, Group One; DOM 5/22/2023, 9% + 2%
- Andrew D. Roy; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 5/22/2023, 9% + 2%
- Kevin P. Sartori; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 6/4/2023, 9% + 2%
- Andrew B. Kellett; Laborer, Town of Falmouth, D.P.W. Parks and Forestry Division, Group One; DOM 6/12/2023, 9% + 2%

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

- David M. Massi; Police Officer, Town of Falmouth, Police Department, Group Four; while placing a subject into custody, employee was injured.  
Date of Injury 3/28/2023
- John F. Rose; Mechanic, Town of Falmouth, Fire Rescue Department, Group One; while working on a vehicle at station 5, employee was injured.  
Date of Injury 4/18/2023
- Kevin J. Cahill; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while responding to an incident, employee was injured.  
Date of Injury 5/8/2023

The board members then reviewed the following correspondence from PERAC:

- PERAC memo #13/2023 2022 Salary Verification Request

Also, the board members reviewed other relative correspondence.

Next, Jeffrey Fabrizio of Wainwright Investment Counsel joined the meeting. To begin, he directed the board members to the performance summary report for the month of April, and he reviewed the plan results. Through the end of April, the plan's estimated gross market value was approximately \$183.5 million. Year-to-date, the plan is up 3.58% versus the policy benchmark which is up 3.72%. Compared to its policy benchmark (up 5.67%), the domestic equity sector (up 5.10%) is slightly behind its benchmark with growth performing significantly better than value. The international equity sector (up 10.48%) is a bit behind its benchmark (up 10.62%). Similar to the domestic equity funds, all of the international equity funds in this portfolio are positive but with some very solid returns. The domestic fixed income strategy (up 3.88%) is slightly ahead of its benchmark (up 3.71%). The performance of these fixed income funds is positive and expected as all, apart from the Lord Abbett High Yield Core, are indexed. Year-to-date, the performance of the real estate sector is down 0.74% versus a benchmark that is down 1.81%. It is likely that this sector is beginning to show the effects of the rising interest rates. 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 up 1.03% versus a benchmark that is presently 0.00%. 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 up 2.00% versus a benchmark that is up 1.04%. Lastly, the cash balance is approximately \$2.8 million. Wainwright Investment Counsel noted that "the economy continues to be very volatile. However, the portfolio seems to be protecting well during these challenging times and the equities have provided some good returns with growth outperforming value. Inflation remains stubbornly high causing monetary pressure. With interest rates rising, real estate will likely underperform."

Mr. Fabrizio then discussed with the board members the notice of proposed sale of interest for Lexington Capital Fund V. If the board members wish to exercise their right to purchase the transferred interest, they must elect, in writing, to do so by July 6, 2023. Based on the already lengthy commitment to this investment and the remaining balance, Wainwright Investment Counsel recommends against participation. Thus, after some discussion and based on the recommendation of Wainwright Investment Counsel, the board members entertained a motion to decline their *Election of Participation* for Lexington Capital Fund V.

Mr. O'Malley moved to decline their *Election of Participation* for Lexington Capital Fund V. Mr. Slivinski 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

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

Then, the Chair asked for a motion to leave the open session meeting and to move into executive session for the purpose to consider the purchase, exchange, lease or value of real property.

Mr. O'Malley moved to leave the open session meeting and to move into executive session for the purpose to consider 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, Chair       | YES |
| Paul J. Slivinski             | YES |
| Scott T. Starbard             | YES |
| Victoria A. Rose              | YES |
| Craig B. O'Malley, Vice Chair | YES |

At approximately 2:30 p.m., the board members left the open session meeting and moved into executive session for the purpose to consider the purchase, exchange, lease or value of real property. At the conclusion of the executive session meeting, as noted by the Chair, the board members would reconvene their open session meeting.

At approximately 3:05 p.m., the board members reconvened their open session meeting, and the Chair noted the following action taken during the executive session meeting.

**REAL PROPERTY – 80 DAVIS STRAITS, FALMOUTH MA**

The board members reviewed the current lease agreement and the proposed lease payments under a new 10-year lease option. The board members raised their concern with the early termination language in the lease agreement. A revised renewal agreement removes the above-mentioned condition from the original lease agreement. Mr. Slivinski moved to accept the revised renewal lease agreement for 80 Davis Straits. 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 |

**REAL PROPERTY – 31 EDGERTON DRIVE, NORTH FALMOUTH MA**

The board members reviewed the real property appraisal for 31 Edgerton Drive. It was noted that the subject property was conveyed to its current owner in June 2007. Additionally, the current assessment and real estate taxes were noted. The identified sales comparisons were reviewed. Mr. Starbard moved to open negotiations to purchase

the real property located at 31 Edgerton Drive. Mr. Slivinski 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, Attorney Poser noted the following activity in the pending legal matter:

- *Kevin Murphy v. Falmouth Retirement Board*, CR-20-0453; given its age and that the parties agree generally about the underlying facts, the parties have asked D.A.L.A. to issue a scheduling order for the purpose of filing memoranda of law. D.A.L.A. has notified the parties that any additional papers shall be filed no later than June 13, 2023. The parties have timely filed their written submissions.

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


Mr. Starbard moved to adjourn the open session meeting. 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 3:15 p.m., the board members concluded the open session meeting. The next scheduled board meeting will begin at 2:00 p.m. on Thursday, July 20, 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

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

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

  
\_\_\_\_\_  
Victoria A. Rose  
Ex-Officio Member

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

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