

**FALMOUTH RETIREMENT BOARD
Open Session Meeting Minutes
Thursday, November 16, 2023**

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

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 (remote)

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 September. Through the end of September, the Treasurer noted that the account with Rockland Trust has receipts in the amount of \$1,463,301.14 and a statement balance in the amount of \$180,374.21. She noted that the month-end fund balance is \$177,476.95 with outstanding checks for the month in the amount of \$2,897.26. In addition, it was noted that the check sequence for the month of September began with check #11387 and ended with check #11436. All the checks in this sequence have been accounted for through the end of the month. Also, the board members were provided with the annual budget through Q3 2023 including the cash receipts, the cash disbursements, the adjusting entries, the general ledger, and the trial balance. 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. 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 meeting minutes of both the open session meeting and the executive session meeting that was held on October 19, 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 October 19, 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 October 19, 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 board members reviewed the payment of the following warrants:

Warrant #36/2023	\$ 9,308.60	Warrant #37/2023	\$1,295,987.69
Warrant #38/2023	\$ 3,988.87	Warrant #39/2023	\$ 8,933.60
Warrant #40/2023	\$ 133,273.41		

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #36/2023 through #40/2023.

Mr. Slivinski moved to approve the payment, as noted, of warrants #36/2023 through #40/2023. 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 fees:

- M&T Bank, September 2023 custodial fee \$ 5,111.67
- S.S.g.A. (CM3Y), Q3 2023 management fee \$ 1,351.28
- S.S.g.A. (CME7), Q3 2023 management fee \$ 1,632.03
- LMCG Investments (Mid Cap Core), Q3 2023 management fee \$ 26,691.00
- DFA International Core Equity, Q3 2023 management fee \$ 7,074.65
- Lord Abbett High Yield Core; Q3 2023 management fee \$ 4,188.16

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

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

Ellen K. Philbin, Chair	YES
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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 VY 2018, a capital call payable on 11/1/2023 in the amount of \$10,151.50
- PRIT Private Equity Fund VY 2020, a capital call payable on 11/1/2023 in the amount of \$95,930.62
- PRIT Private Equity Fund VY 2022, a capital call payable on 11/1/2023 in the amount of \$68,826.71

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

Mr. O'Malley moved to approve the payment, as noted, of the above-mentioned capital calls. 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 board members reviewed the following cash distribution from investment managers:

- Lexington Capital Fund VII, a distribution received on 10/30/2023 in the amount of \$10,492.00

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:

- Igol F. Campbell; amount of refund is \$3,361.10; deductions taken in error by the Town of Falmouth, D.P.W. Highway Division
- Kelsey M. O'Connor; amount of refund is \$11.68; deductions taken in error by the Town of Falmouth, D.P.W. Highway Division
- Stephen F. DeMatos; amount of refund is \$1,107.79; deductions taken in error by the Town of Falmouth, Fire Rescue Department
- Jessica H. Gow; amount of refund is \$40,191.36; resignation from service with the Town of Falmouth, Marine & Environmental Services Department (*with this refund,*

the Falmouth Retirement System will accept 7 years of 3(8)(c) liability on a 12-month basis)

- John W. Pottle; amount of refund is \$6,838.43; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this refund, the Falmouth Retirement System will accept 1 year and 6 months of 3(8)(c) liability on a 12-month basis)*
- Tamra L. Cunniff; amount of rollover is \$8,802.80; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this rollover, the Falmouth Retirement System will accept 3 years and 3 months of 3(8)(c) liability on a 12-month basis)*
- Marijune DeLouis; amount of rollover is \$21,301.05; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this rollover, the Falmouth Retirement System will accept 3 years and 11 months of 3(8)(c) liability on a 12-month basis)*
- Carla L. Feroni; amount of rollover is \$37,691.55; resignation from service with the Town of Falmouth, Office of the Town Manager *(with this rollover, the Falmouth Retirement System will accept 4 years of 3(8)(c) liability on a 12-month basis)*
- Kelsey M. O'Connor; amount of transfer is \$5,659.99; resignation from service with the Town of Falmouth, D.P.W. Highway Division *(with this transfer, the Falmouth Retirement System will accept 1 year 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 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

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

- Ruben Ferrer; date of retirement is 9/16/2023 from the Town of Falmouth, Police Department; Group Four
- Christine A. Plescia; 12(2)(d) beneficiary of Richard J. Plescia; Town of Falmouth, D.P.W. Parks & Forestry Division; Group One

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

- Kenneth R. Friend; Bus Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/5/2023, 9% + 2%
- Isabella C. Reed; Special Education Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 10/2/2023, 9% + 2%
- Ariadna Prado; 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 10/10/2023, 9% + 2%
- Carol Ingram; Communications Officer, Town of Falmouth, Communications Department, Group One; DOM 10/11/2023, 9% + 2%
- Anthony J. Fusaro; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 10/16/2023, 9% + 2%
- Christopher J. Massi; Assistant Mechanic, Town of Falmouth, Fire Rescue Department, Group One; DOM 10/23/2023, 9% + 2%
- Alexa M. Scribner; 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 10/23/2023, 9% + 2%
- April L. Tierney; 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 11/6/2023, 9% + 2%
- Emily Cormier; Administrative Assistant, Town of Falmouth, Falmouth Public Library, Group One; DOM 11/6/2023, 9% + 2%
- Davis P. McGraw; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 11/13/2023, 9% + 2%

The board members then reviewed the following correspondence from PERAC:

- PERAC memo #22/2023 Appropriation Data Due October 31, 2023
- PERAC memo #23/2023 Paid Family and Medical Leave ("PFML") & Supplemental Payments
- PERAC memo #24/2023 Outsourced Chief Investment Officer (OCIO) Policy
- PERAC memo #24a/2023 Outsourced Chief Investment Officer (OCIO) Policy
- PERAC memo #25/2023 Cybersecurity Training

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 September, and Mr. Fabrizio reviewed the plan results. Through the end of September, the plan's estimated gross market value was approximately \$189.5 million. Year-to-date, the plan is up 3.22% versus the policy benchmark which is up 3.32%. Compared to its policy benchmark (up 5.85%), the domestic equity sector (up 4.39%) is behind with all of the domestic equity funds negative for the month. The international equity sector (up 6.09%) is slightly ahead of its benchmark (up 6.02%). Just like the domestic equity funds, all of the international equity funds in this portfolio are negative for the month. The domestic fixed income strategy (up 0.21%) is slightly ahead of its benchmark (down 0.38%). The performance of these fixed income funds is

positive and all, apart from the Lord Abbett High Yield Core, are indexed. Currently, the performance of the real estate sector is down 3.44% versus a benchmark that is down 5.07%. It is likely that this sector is showing 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 6.31% versus a benchmark that is presently up 5.52%. 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 5.08% versus a benchmark that is up 2.82%. Lastly, the cash balance is approximately \$3.7 million. Wainwright Investment Counsel noted that “the economy continues to be volatile. However, this portfolio tends to protect well during these challenging times while growth seems to be driving the returns.”

Mr. Dwyer and Mr. Fabrizio then noted that the private equity sector of the retirement system’s portfolio is currently funded a bit below its stated target policy weight. Thus, it is the recommendation of Wainwright Investment Counsel to commit \$3.0 million to the P.R.I.M. Board Private Equity Vintage Year 2024 portfolio. It was noted that an R.F.P. is not required to invest in P.R.I.M. and that the deadline for a retirement system to notify P.R.I.M. of their intention to participate in this program is December 13, 2023. After some discussion, the board members entertained a motion to accept the recommendation of Wainwright Investment Counsel to commit \$3.0 million to the P.R.I.M. Board Private Equity Vintage Year 2024 portfolio.

Mr. Slivinski moved to commit \$3.0 million to the P.R.I.M. Board Private Equity Vintage Year 2024 portfolio. 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

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

The Director and Attorney Poser then discussed with the board members the real property at 31 Edgerton Drive, North Falmouth. It was noted that the subject property may now be available sooner than the anticipated date of June 2024. Additionally, the current assessment, the real estate taxes and appraisal were noted. The identified sales comparisons were reviewed. After some discussion, the board members entertained a motion to have the Director, with guidance from Attorney Poser, open negotiations to purchase the real property located at 31 Edgerton Drive, North Falmouth. The appraisal, which the board members believe to be low, could be the opening of discussions for an all-cash offer up to the current asking price.

Mr. Starbard moved to have the Director, with guidance from Attorney Poser, open negotiations to purchase the real property located at 31 Edgerton Drive, North Falmouth.

The appraisal, which the board members believe to be low, could be the opening of discussions for an all-cash offer up to the current asking price. 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, Attorney Poser noted that presently there are no pending legal updates.


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

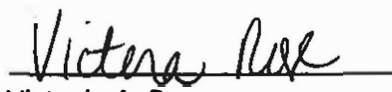
Mr. O'Malley moved to adjourn the open session meeting. Mr. Starbard seconded the motion. On roll call, the vote was as follows:

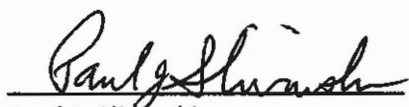
Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

At approximately 3:20 p.m., the board members concluded the open session meeting. The next scheduled board meeting will begin at 2:00 p.m. on Thursday, December 21, 2023 at the office of the Falmouth Retirement System which is located at 80 Davis Straits, Suite 102 in Falmouth, MA.

ATTEST:


Ellen K. Philbin
Chair, Fifth Member


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