

FALMOUTH RETIREMENT BOARD
Open Session Meeting Minutes
Thursday, October 19, 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 (remote)

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

At approximately 9:30 a.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 August. Through the end of August, the Treasurer noted that the account with Rockland Trust has receipts in the amount of \$1,469,910.00 and a statement balance in the amount of \$389,107.57. She noted that the month-end fund balance is \$148,074.01 with outstanding checks for the month in the amount of \$238,619.12. In addition, it was noted that the check sequence for the month of August began with check #11356 and ended with check #11386. 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. 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 September 20, 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 September 20, 2023.

Mr. Starbard moved to approve the meeting minutes of both the open session meeting and the executive session meeting that was held on September 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

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

Warrant #32/2023	\$ 9,308.60	Warrant #33/2023	\$1,319,368.29
Warrant #34/2023	\$ 8,933.60	Warrant #35/2023	\$ 266,474.10

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #32/2023 through #35/2023.

Mr. Slivinski moved to approve the payment, as noted, of warrants #32/2023 through #35/2023. 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

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

- Wainwright Investment Counsel, Q3 2023 consultant fee \$ 30,000.00
- M&T Bank, August 2023 custodial fee \$ 5,279.16
- EARNEST Partners, Q3 2023 management fee \$ 36,672.50
- RhumbLine Advisers (Growth), Q3 2023 management fee \$ 1,000.00
- RhumbLine Advisers (S&P 400), Q3 2023 management fee \$ 696.00
- RhumbLine Advisers (Value), Q3 2023 management fee \$ 1,219.00
- RhumbLine Advisers (S&P 600), Q3 2023 management fee \$ 692.00
- RhumbLine Advisers (MSCI EAFE), Q3 2023 management fee \$ 730.00

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

Mr. Starbard moved to approve the payment, as noted, of the above-mentioned investment fees. 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 VY 2020, a capital call payable on 10/2/2023 in the amount of \$33,084.81
- PRIT Private Equity Fund VY 2022, a capital call payable on 10/2/2023 in the amount of \$49,476.31

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 distributions from investment managers:

- Hamilton Lane Secondary IV, a distribution received on 9/27/2023 in the amount of \$144,927.00
- Mesriow Financial Fund IV, a distribution received on 9/27/2023 in the amount of \$13,500.00
- Lexington Capital Fund VII, a distribution received on 9/28/2023 in the amount of \$9,182.00
- PRIT Private Equity Fund VY 2018, a distribution received on 10/2/2023 in the amount of \$8,261.23

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:

- John F. Rose; amount of refund is \$771.43; deductions taken in error by the Town of Falmouth, Fire Rescue Department
- Linda E. Collins; amount of refund is \$105.71; deductions taken in error by the Town of Falmouth, Falmouth Public Library
- Theodore C. Black; amount of refund is \$4,489.03; resignation from service with the Town of Falmouth, Falmouth Public Schools (*with this refund, the Falmouth Retirement System will accept 1 year and 8 months of 3(8)(c) liability on a 12-month basis*)

- Georgina Duffy-Hazel; amount of transfer is \$399.96; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this transfer, the Falmouth Retirement System will accept 2 months of 3(8)(c) liability on a 12-month basis)*
- Anthony W. DePrizio; amount of transfer is \$10,939.17; resignation from service with the Town of Falmouth, Fire Rescue Department *(with this transfer, the Falmouth Retirement System will accept 1 year and 8 months of 3(8)(c) liability on a 12-month basis)*
- Marie E. Andrews; amount of transfer is \$1,594.43; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this transfer, the Falmouth Retirement System will accept 7 months of 3(8)(c) liability on a 12-month basis)*
- Thomas M. Bott; amount of transfer is \$189,592.53; resignation from service with the Town of Falmouth, Planning Department *(with this transfer, the Falmouth Retirement System will accept 3 years and 7 months of 3(8)(c) liability on a 12-month basis)*
- Michael J. Andrews; amount of transfer is \$49,794.95; resignation from service with the Town of Falmouth, D.P.W. Parks Division *(with this transfer, the Falmouth Retirement System will accept 12 years and 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 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. 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 noted the following members retiring from service with the Town of Falmouth and/or Falmouth Housing Authority:

- Kevin E. Murphy; date of retirement is 8/18/2023 from the Town of Falmouth, Inspectional Services Department; Group One
- Elizabeth A. Farland; date of retirement is 9/6/2023 from the Town of Falmouth, Falmouth Public Library; Group One
- Linda E. Collins; date of retirement is 9/7/2023 from the Town of Falmouth, Falmouth Public Library; Group One

- John F. Rose; date of retirement is 9/16/2023 from the Town of Falmouth, Fire Rescue Department; Group One
- Colleen B. Stone; date of retirement is 9/22/2023 from the Town of Falmouth, Falmouth Public Schools; Group One

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

- Gina E. DiCecco; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/1/2023, 9% + 2%
- Moriah R. Leonard; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/12/2023, 9% + 2%
- Sean R. Fitzpatrick; Teacher Assistant, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/18/2023, 9% + 2%
- Rachel S. Tetreault; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/18/2023, 9% + 2%
- Bouchra Dib; Secretary, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/18/2023, 9% + 2%
- Clinton C. Johnson; Reference Librarian, Town of Falmouth, Falmouth Public Library, Group One; DOM 9/20/2023, 9% + 2%
- Stephanie M. Madsen; Sustainability Coordinator, Town of Falmouth, Office of the Town Manager, Group One; DOM 9/25/2023, 9% + 2%
- Tracey A. Lagrassa; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/26/2023, 9% + 2%
- Shari I. Perez; Teacher Assistant, Town of Falmouth, Falmouth Public Schools, Group One; DOM 10/2/2023, 9% + 2%

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

- Scott Liimatainen; M.E.O. II, Town of Falmouth, D.P.W. Highway Division, Group One; while line painting a parking lot, employee was injured.
Date of Injury 8/4/2023
- Dominic W. Gauthier; Laborer, Town of Falmouth, D.P.W. Parks Division, Group One; while mowing at Trotting Park fields, employee was injured.
Date of Injury 8/23/2023

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

- PERAC memo #20/2023 Mandatory Retirement Board Member Training – 4th Quarter 2023
- PERAC memo #21/2023 Upcoming Public Hearings on PERAC Regulations

Also, the board members reviewed other relative correspondence.

Then, 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. O'Malley 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. 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 9:40 a.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 9:45 a.m., the board members reconvened their open session meeting, and the Chair noted the following action taken during the executive session meeting.

TERRENCE A. ROGERS – ACCIDENTAL DISABILITY RETIREMENT

The board members reviewed the Regional Medical Panel certificates with narratives and found all to be in order. Mr. Slivinski moved to approve the voluntary accidental disability retirement application that has been submitted by Terrence A. Rogers and to transmit to P.E.R.A.C. their findings of facts. 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 Director then updated the board members about office space, and additionally, he noted that the P.E.R.A.C. audit is still ongoing.

Next, 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 August, and Mr. Fabrizio reviewed the plan results. Through the end of August, the plan's estimated gross market value was approximately \$195.8 million. Year-to-date, the plan, which is up 6.20%, trails the policy benchmark which is up 6.57%. Compared to its policy benchmark (up 11.76%), the domestic equity sector (up 10.05%) is behind. The international

equity sector (up 8.23%) is behind its benchmark (up 10.00%). In the current environment of rising interest rates, value should outperform growth. Still, all the equity managers continue to experience positive returns. The domestic fixed income strategy (up 2.53%) is slightly ahead of its benchmark (up 2.05%). As interest rates rise, fixed income should decline. Yet, the performance of the fixed income funds, in relation to its benchmark, 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 down 2.56% versus a benchmark that is down 3.76%. At present, the real estate funds, except for Metropolitan Real Estate which is in the process of winding down their fund and TA Realty, are ahead of the 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. Yet, this sector is estimated to be up 6.14% versus a benchmark that is presently up 2.69%. 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 5.39% versus a benchmark that is up 3.28%. Lastly, the cash balance is approximately \$4.3 million. Wainwright Investment Counsel noted that "the economy continues to be tumultuous. However, at today's board meeting, they will be extremely interested to hear from the different investment managers and their perspective on the economy."

Mr. Dwyer then noted for the board members that the remainder of today's meeting is for the various investment professionals to give a brief presentation on their particular fund(s) as part of P.E.R.A.C.'s annual investment manager review. Ms. Philbin exited the meeting due to illness.

The first investment manager to join the meeting was Denise D'Entremont from RhumbLine Advisers to present their Russell 1000 Value Pooled Index Fund, their Russell 1000 Growth Pooled Index Fund, their S&P 400 Pooled Index Fund, their S&P 600 Pooled Index Fund and their MSCI EAFE Pooled Index Fund. Ms. D'Entremont began by providing the board members with a current profile of the firm. As of September 30, 2023, their firm has about \$96.9 billion in total assets under management with approximately \$63.0 billion in assets being managed for public funds. She noted some organizational changes and provided some business updates. In terms of the funds, the Russell 1000 Value Pooled Index Fund (large cap) is up approximately 1.79% year-to-date. As of September 30, 2023, the market value for the retirement system's account was approximately \$12.0 million. Overall, this pooled index fund has approximately \$762.8 MM in assets spread between 845 holdings. The Falmouth Retirement System owns about 1.58% of this fund, and the system is one of twenty-two investors in the Russell 1000 Value Pooled Index Fund. She then discussed their Russell 1000 Growth Pooled Index Fund (large cap). This fund is up approximately 24.98% year-to-date. As of September 30, 2023, the market value for the retirement system's account was approximately \$9.6 million. Overall, this pooled index fund has approximately \$937.5 MM in assets spread between 447 holdings. The Falmouth Retirement System owns about 1.02% of this fund, and the system is one of twenty-six investors in the Russell 1000 Growth Pooled Index Fund. Next, she discussed their S&P 600 Pooled Index Fund (small cap). Year-to-date, this fund is up approximately 0.83%. As of September 30, 2023, the market value for the retirement system's account was approximately \$6.8 million. Overall, this pooled index fund has approximately \$313.5 MM in assets spread between 602 holdings. The Falmouth Retirement System owns about 2.19% of this fund, and the system is one of twenty-seven

investors in the S&P 600 Pooled Index Fund. Then, she discussed their S&P 400 Pooled Index Fund (mid cap). Year-to-date, this fund is up approximately 4.27%. As of September 30, 2023, the market value for the retirement system's account was approximately \$6.8 million. Overall, this pooled index fund has approximately \$1,189.5 MM in assets spread between 402 holdings. The Falmouth Retirement System owns about 0.58% of this fund, and the system is one of thirty-seven investors in the S&P 400 Pooled Index Fund. She then discussed their MSCI EAFE Pooled Index Fund. Year-to-date, this fund is up approximately 7.35%. As of September 30, 2023, the market value for the retirement system's account was approximately \$5.6 million. Overall, this pooled index fund has approximately \$403.3 MM in assets spread between 796 holdings. The Falmouth Retirement System owns about 1.40% of this fund, and the system is one of seventeen investors in the MSCI EAFE Pooled Index Fund. Lastly, Ms. D'Entremont explained their trade strategy and their commission structure. After some additional discussion with the board members, Ms. D'Entremont thanked the board members for the relationship and exited the board meeting.

Next, Matthew Kosara of HGK Asset Management joined the meeting to discuss their international equity fund. He began by providing a brief organizational overview noting their recent name change to Hudson Edge Investment Partners. The new name connects the firm's identity to its 40-year evolution, yet it signals no changes to organizational structure, employee ownership, or investment approach. He then provided a performance update of their portfolio. As of September 30, 2023, the net asset value of the retirement system's account was approximately \$11.2 million. Year-to-date, the portfolio was up approximately 5.76% gross of fees. He reviewed their international commingled fund twelve-month trades and provided some rationale for the transactions. He discussed some of the key performance data through Q3 2023. In addition, he discussed their relationship with Trinity Street Asset Management. He noted the Trinity Street portfolio management team, their organizational chart, their philosophy and process, and their risk controls. After some additional discussion with the board members, Mr. Kosara noted it was nice to be able to visit Falmouth in-person as he exited the board meeting.

Then, Trey Greer and Lauren Puglisi of Earnest Partners joined the meeting to discuss their Small Cap Core Equity Portfolio. Mr. Greer began by reviewing the current guidelines and investment policy with the board members to affirm that their firm remains in compliance, and to confirm that there have been no changes to our policy. He noted for the board members that there have been no material changes within their organization. It was noted that the portfolio was, for the most part, fully invested, and that the ending portfolio value for the Falmouth Retirement System, as of September 30, 2023, was approximately \$19.5 million. Ms. Puglisi reviewed the performance measurements, the asset growth, the sector weightings, and the equity portfolio characteristics. She provided a review of their investment process as well as a brief overview of the equity markets. The broad rally in global equity markets stalled after a strong first half of the year as investors began to focus on long-term economic growth prospects and the posture of the Fed in its fight against inflation. Rate-sensitive industries encountered headwinds in the wake of the Fed's persistent commitment to maintaining higher interest rates for an extended period. Despite concerns about future economic growth and the affordability of major expenses, the overall labor market continued to show strength. After some additional discussion with the board

members, Mr. Greer and Ms. Puglisi thanked the board members for the relationship, and they exited the board meeting.

Next, Michael Mammes, Tom Walbrun and Michael Finnegan of Dimensional Fund Advisors joined the meeting to give a brief presentation on their International Core Equity Fund. To start, Mr. Mammes provided a brief firm update. They are a global investment firm with a long history of managing time-tested investment strategies for clients. With \$634.0 billion in global assets under management, they have a global investment team with strong ties to leading academics and a high degree of practitioner's knowledge and experience across market cycles. Mr. Walbrun discussed their investment philosophy, the portfolio characteristics, the sector allocations, and the country allocations. In terms of the fund, the international core equity portfolio, year-to-date, is up 6.50%. As of September 30, 2023, the account value for the Falmouth Retirement System was approximately \$11.3 million. Also, he discussed their fees. In closing, Mr. Finnegan noted that Dimensional Fund Advisors appreciates the relationship and will continue to work tirelessly to maintain the confidence with which the board members have entrusted them. After some additional discussion with the board members, Mr. Mammes, Mr. Walbrun and Mr. Finnegan exited the board meeting.

Next, Shawn Mahoney and Matthew Coolidge of State Street Global Advisors joined the board meeting. To begin, Mr. Mahoney provided the board members with a current overview of their firm. S.S.g.A. is the investment management arm of State Street Corporation, which is a global leader in financial services with a heritage dating back over two centuries. S.S.g.A. is entrusted with over \$3.8 trillion in assets worldwide. Their investment team seeks to offer broad-based market exposure in highly specialized active and passive strategies across the risk-return spectrum. He discussed the current economic environment before transitioning the discussion to Mr. Coolidge so he could discuss our two fixed income strategies. As of September 30, 2023, the High Yield Bond Index Fund had a market value of approximately \$3.3 million and the Passive Bond Market Index Fund had a market value of approximately \$26.0 million. Year-to-date, the High Yield Bond Index Fund was up roughly 5.10% gross of fees, and the Passive Bond Market Index Fund was down 0.99% gross of fees. Also, he provided the board members with an overview of the global fixed income arena including their investment philosophy, their investment process, and their risk management. After some additional discussion with the board members, Mr. Mahoney and Mr. Coolidge exited the board meeting.

Then, Gregory Balewicz and Riz Hussain from Lord Abbett joined the meeting to discuss their High Yield Core Fixed Income strategy. Mr. Balewicz began by providing a brief organizational overview....highlighting their collaborative team with their deep domain knowledge. He then provided a performance update of the portfolio. The retirement system made an initial commitment of \$3.0 million, and as of September 30, 2023, the market value was approximately \$3.7 million. Mr. Hussain then discussed in some detail their investment process, their overall portfolio risk allocation, their portfolio construction, and their portfolio characteristics including sector allocation. After some additional discussion with the board members, Mr. Balewicz thanked the board members for the relationship, and he and Mr. Hussain exited the board meeting.

Next, Devin Sullivan and Kendrick Leckband of TA Realty joined the meeting to discuss their TA Realty Fund XII. Mr. Sullivan began with a brief organizational overview of the firm. TA Realty considers itself to be one of the largest buyers and sellers of industrial real estate with approximately \$40.0 billion in assets under management. He highlighted their dedicated strategies and proven track record. He noted their established, experienced, and stable team across the various real estate disciplines. As of June 30, 2023, the fund had a total investment of approximately \$2,406.9 MM. All of the fund's committed capital has now been called, and the fund is now in the value-add phase. They continue to execute a disciplined investment strategy with a focus on diversification, income growth and property fundamentals. Ms. Leckband provided details on some of their more recent transactions. In addition, she provided the board members with some U.S. real estate economic and market overview. Some of the key take-aways with respect to the fund include:

- majority of portfolio in industrial and multi-family with little in office and retail
- increase sales to lock in gains and maximize IRR
- continue to utilize conservative leverage as an enhancer to the portfolio's return

After some additional discussion with the board members, Mr. Sullivan thanked the board members for the relationship and he and Ms. Leckband exited the board meeting.

Then, Stephen Hagenbuckle and Joseph Connolly of TerraCap Management joined the meeting to discuss their TerraCap Partners Fund IV. Mr. Connolly began by providing the board members with a brief overview of their firm. He noted that they are a 100% employee-owned real estate investment management firm. TerraCap Partners is a tactical thematic and event-oriented investment manager that invests defensively in high-demand secondary growth markets only. Mr. Hagenbuckle then noted that their current portfolio is resilient through recent times of crisis. He highlighted their investment team and discussed their investment focus, their demand markets, the population growth and migration, and their portfolio summary as well as factors for current market conditions. He provided some brief details on various properties held in Fund IV. He noted that the retirement system had committed \$5.0 million of which 100% has been called, and now, is receiving a return of the capital. Currently, TerraCap Partners Fund IV has a net IRR of approximately 9.9%. As of June 30, 2023, the remaining fair market value of the retirement system's investment is approximately \$4.3 million. After some additional discussion with the board members, Mr. Hagenbuckle and Mr. Connolly exited the board meeting.

Next, the Vice Chair asked for a motion to suspend the open session meeting so that the board members could recess for lunch. The Vice Chair noted that, at 1:30 p.m., the board members would reconvene their open session meeting.

Mr. Starbard moved to suspend the open session meeting so that the board members could recess for lunch. Mr. Slivinski seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair

ABSENT

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

At approximately 12:00 p.m., the board members suspended the open session meeting so that they could recess for lunch.

At approximately 1:30 p.m., the board members concluded their lunch recess and the Vice Chair asked for a motion to reconvene the open session meeting.

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

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

With a quorum being physically present at the office of the Falmouth Retirement System, the Vice Chair called the open session meeting back to order, and again, 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. Michael Dwyer of Wainwright Investment Counsel then reminded the board members that the primary focus for the remainder of today's meeting is for the various investment professionals to give a brief presentation on their particular fund(s) as part of P.E.R.A.C.'s annual investment manager review. Mr. Slivinski exited the meeting.

Next, Laura Strickland of the P.R.I.M. Board then joined the meeting to give a brief presentation on their hedge fund portfolio, their core real estate portfolio and their private equity portfolios as part of P.E.R.A.C.'s annual investment manager review. She began with an overview of the P.R.I.M. Board and the P.R.I.T. Fund(s). She noted that P.R.I.M. is an independent, self-funded agency that has a professional, experienced, and focused investment staff which is governed by a nine-member board of trustees. Their mission is to relieve the pension funding burden placed on the taxpayers of Massachusetts. As of June 30, 2023, the fund had approximately \$96.6 billion in assets under management. She highlighted some of their top accomplishments and their recent recognitions. She noted their board membership, their committee membership, their investment team(s) as well as their finance and operations team. She then discussed various economic data and the effects on the markets. She discussed in some detail their hedge fund portfolio, their core real estate portfolio and their private equity portfolios. As of June 30, 2023, the Falmouth Retirement System had a total investment in the various P.R.I.T. funds of approximately \$36.7 million. After some additional discussion with the board members, Ms. Strickland thanked the board members for the relationship and exited the board meeting.

Then, Tim D'Arcy and Chelsea Riter from Hamilton Lane joined the meeting. Mr. D'Arcy began by providing the board members with a brief update on their firm. He reviewed their secondary platform and secondary team. With regards to their Secondary Fund IV, Ms. Riter noted that the fund is in the post-investment phase with \$2.1 billion committed to fifty-one investments. In 2017, the Falmouth Retirement System made a \$5.0 million commitment to this fund with Fund IV's final investment made in 2020. As of June 30, 2023, the retirement system has received about \$4.5 million in distributions with a fund remaining net asset value of approximately \$2.7 million. The net IRR is approximately 18.8%. She then reviewed their portfolio construction as well as their secondary deal flow, performance drivers and investment activity. After some additional discussion with the board members, Mr. D'Arcy and Ms. Riter exited the board meeting.

Next, Mark Andrew of Lexington Capital Partners joined the meeting to give a brief presentation on their Lexington Capital Fund V and their Lexington Capital Fund VII. Mr. Andrew began with a brief update of their firm, Lexington Capital Partners. He highlighted their leadership position within the secondary markets, their global platform, their deep and experienced investment team, and their substantial capital base. He noted that Fund V has been one of their better performing funds. This fund has been 100% committed. At this time, Fund V is essentially fully distributed and has generated a net multiple of 1.7x. After some additional discussion with the board members regarding this fund, Mr. Andrew then turned his discussion to their Lexington Capital Fund VII. Since 2014, this fund has been fully committed with a total capital of \$7.05 MM. It has completed fifty-six secondary transactions with a total committed capital of \$7.0 MM. As of September 2023, \$10,244 MM or 162% of contributed capital has been distributed to the limited partners. This fund has generated a net multiple of 1.7x. He discussed Fund VII's current portfolio construction including the transactions, the sector and geographic diversification, and the sponsor exposures. After some additional discussion with the board members, Mr. Andrew exited the meeting.

For the final presentation of the day, Martha Payne of Mesirow Financial then joined the meeting. Ms. Payne began by providing the board members with a brief overview of Mesirow Financial. She noted some changes to their team. Still, they have a deep, integrated investment team which creates a synergy of expertise across strategies. They have a transparent, client-centric allocation policy with a focus to optimize capital under management to maximize opportunity. Ms. Payne then noted that that Falmouth Retirement System had committed \$1.5 million of which approximately \$1.45 million has been called and \$2.5 million has been distributed back to the retirement system. The Partnership Fund IV is 100% committed with about thirty-nine underlying managers. She briefly summarized some of the select portfolio drivers in which the fund has invested. She discussed their investment strategy and their portfolio construction. It is a moderately sized portfolio designed to provide diversification by manager, by vintage year and by sub-asset class strategy. The investment team tends to emphasize a highly selective and rigorous manager selection process. In closing, it was noted that this fund is currently winding down, but it is likely that they will exercise their options to extend. After some additional discussion with the board members, Ms. Payne thanked the board members for the relationship and exited the board meeting.

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

Finally, having no additional business to discuss, the Vice 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:

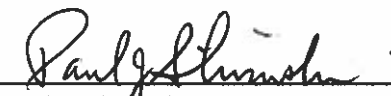
Ellen K. Philbin, Chair	ABSENT
Paul J. Slivinski	ABSENT
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES


At approximately 2:35 p.m., the board members concluded the open session meeting. The next scheduled board meeting will begin at 2:00 p.m. on Thursday, November 16, 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