

**FALMOUTH RETIREMENT BOARD  
Open Session Meeting Minutes  
Wednesday, September 20, 2023**

**Board members in attendance: Ellen K. Philbin, Chair; Craig B. O'Malley, Vice Chair (remote); 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**

**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 July. Through the end of July, the Treasurer noted that the account with Rockland Trust has receipts in the amount of \$1,286,858.70 and a statement balance in the amount of \$283,420.30. She noted that the month-end fund balance is \$41,770.14 with outstanding checks for the month in the amount of \$241,650.16. In addition, it was noted that the check sequence for the month of July began with check #11320 and ended with check #11355. 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. Starbard 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 August 17, 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 August 17, 2023.

Mr. Starbard moved to approve the meeting minutes of both the open session meeting and the executive session meeting that was held on August 17, 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 #28/2023	\$ 11,723.04	Warrant #29/2023	\$1,309,156.08
Warrant #30/2023	\$ 8,933.60	Warrant #31/2023	\$ 96,287.71

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #28/2023 through #31/2023.

Ms. Rose moved to approve the payment, as noted, of warrants #28/2023 through #31/2023. 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 fee:

- M&T Bank, July 2023 custodial fee \$ 4,973.37

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. 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 following payment of capital calls to investment managers:

- PRIT Private Equity Fund VY 2020, a capital call payable on 9/1/2023 in the amount of \$22,041.59

- PRIT Private Equity Fund VY 2022, a capital call payable on 9/1/2023 in the amount of \$26,164.43

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 8/24/2023 in the amount of \$20,819.00
- Lexington Capital Fund VII, a distribution received on 8/30/2023 in the amount of \$9,835.00
- PRIT Private Equity Fund VY 2018, a distribution received on 9/1/2023 in the amount of \$56,913.75

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:

- Jorge M. Mendes; amount of refund is \$14.44; deductions taken in error by the Town of Falmouth, D.P.W. Highway Division
- Brenda B. Swain; amount of refund is \$20,050.78; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this refund, the Falmouth Retirement System will accept 4 years and 2 months of 3(8)(c) liability on a 12-month basis)*
- Francesca T. Weiss; amount of refund is \$2,515.87; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this refund, the Falmouth Retirement System will accept 8 months of 3(8)(c) liability on a 12-month basis)*
- Erica M. James; amount of refund is \$2,601.23; resignation from service with the Falmouth Housing Authority *(with this refund, the Falmouth Retirement System will accept 6 months of 3(8)(c) liability on a 12-month basis)*
- Jacqueline L. Sorensen; amount of refund is \$7,199.96; resignation from service with the Falmouth Housing Authority *(with this refund, the Falmouth Retirement System will accept 1 year and 10 months of 3(8)(c) liability on a 12-month basis)*
- Anthony J. DePrizio; amount of rollover is \$49,385.75; resignation from service with the Town of Falmouth, Information Technology Department *(with this*

*rollover, the Falmouth Retirement System will accept 6 years and 3 months of 3(8)(c) liability on a 12-month basis)*

- Kathleen English; amount of rollover is \$6,965.96; resignation from service with the Town of Falmouth, Falmouth Public Schools (*with this rollover, the Falmouth Retirement System will accept 2 years and 3 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:

- Stephen Murphy; date of retirement is 6/16/2023 from the Town of Falmouth, Fire Rescue Department; Group Four
- Melissa M. Martin; date of retirement is 7/1/2023 from the Town of Falmouth, Police Department; Group Four
- Bryan C. Hazelton; date of retirement is 7/30/2023 from the Town of Falmouth, Police Department; Group Four
- Robert E. Leavenworth; date of retirement is 7/31/2023 from the Town of Falmouth, Falmouth Public Schools; Group One

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

- Curtis E. Cottrell; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 8/21/2023, 9% + 2%
- Rachael E. Curtis; Teacher Assistant, Falmouth Public Schools, Group One; DOM 8/29/2023, 9% + 2%
- Sarah J. Brandt; Teacher Assistant, Falmouth Public Schools, Group One; DOM 8/29/2023, 9% + 2%
- Dominique N. Kirk; Special Education 1:1 Aide, Falmouth Public Schools, Group One; DOM 8/29/2023, 9% + 2%

- Holly H. McDonald; Special Education 1:1 Aide, Falmouth Public Schools, Group One; DOM 8/29/2023, 9% + 2%
- Amanda A. O'Connell; Special Education 1:1 Aide, Falmouth Public Schools, Group One; DOM 8/29/2023, 9% + 2%
- Christine M. Carey; Special Education 1:1 Aide, Falmouth Public Schools, Group One; DOM 8/29/2023, 9% + 2%
- Donna J. Agnew; Special Education 1:1 Aide, Falmouth Public Schools, Group One; DOM 8/29/2023, 9% + 2%
- Tammy E. Mathews; Food Service Worker, Falmouth Public Schools, Group One; DOM 8/31/2023, 9% + 2%

The board members then considered the following request to purchase prior service:

- Tammy E. Mathews; Food Service Worker, Falmouth Public Schools; request to purchase refunded service, prior to membership with the Falmouth Retirement System; principle amount due is \$18,515.74 (*upon completion of this service purchase, the Barnstable County Retirement System will accept 6 years and 1 month 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.

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 first reports of injury:

- Julia E. Massi; Police Officer, Town of Falmouth, Police Department, Group Four; while restraining an uncooperative subject, employee was injured.  
Date of Injury 7/3/2023
- John F. Doyle Jr.; Police Officer, Town of Falmouth, Police Department, Group Four; while searching for a subject, employee was injured.  
Date of Injury 7/6/2023
- Brett P. Fitzgerald; Laborer, Town of Falmouth, D.P.W. Water Division, Group One; while lifting cement blocks, employee was injured.  
Date of Injury 7/12/2023

- David M. Massi; Police Officer, Town of Falmouth, Police Department, Group Four; while restraining an uncooperative subject, employee was injured.  
Date of Injury 7/17/2023
- Todd G. Dias; Utility Maintenance Worker, Town of Falmouth, D.P.W. Water Division, Group One; while pulling back a screen cover, employee was injured.  
Date of Injury 7/25/2023
- Brian D. Pecci; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while transporting a patient, employee was injured.  
Date of Injury 8/8/2023
- Joshua W. Clark; M.E.O. II, Town of Falmouth, D.P.W. Highway Division, Group One; while rebuilding a basin, employee was injured.  
Date of Injury 8/28/2023

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

- PERAC memo #19/2023 Tobacco Company List

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 strategy with respect to litigation.

Mr. Slivinski moved to leave the open session meeting and to move into executive session for the purpose of discussing strategy with respect to litigation. 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 2:10 p.m., the board members left the open session meeting and moved into executive session for the purpose of discussing strategy with respect to litigation. At the conclusion of the executive session meeting, as noted by the Chair, the board members would reconvene their open session meeting.

At approximately 2:15 p.m., the board members reconvened their open session meeting, and the Chair noted the following action taken during the executive session meeting.

**KEVIN MURPHY v. FALMOUTH RETIREMENT BOARD, CR-20-0453**

The board members reviewed the D.A.L.A. decision dated August 18, 2023 in the above legal matter. Mr. Slivinski moved to accept the D.A.L.A. decision and release the

protective appeal. 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, 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 July, and Mr. Fabrizio reviewed the plan results. Through the end of July, the plan's estimated gross market value was approximately \$200.5 million. Year-to-date, the plan is up 8.27% versus the policy benchmark which is up 8.73%. Compared to its policy benchmark (up 15.67%), the domestic equity sector (up 13.75%) is behind with all of the domestic equity funds positive for the month. The international equity sector (up 14.18%) is slightly behind its benchmark (up 14.26%). Just like the domestic equity funds, all of the international equity funds in this portfolio are positive but with some more balanced returns. The domestic fixed income strategy (up 3.01%) is slightly ahead of its benchmark (up 2.59%). 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 1.84% versus a benchmark that is down 3.76%. 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 3.53% versus a benchmark that is presently 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 4.99% versus a benchmark that is up 3.34%. Lastly, the cash balance is approximately \$11.98 million. Wainwright Investment Counsel noted that "the economy continues to be volatile. However, this portfolio tends to protect well during these challenging times while the equities, although behind, continue to provide some solid returns."

Thomas Capobianco and Christopher Sabo from LMCG Investments then joined the meeting to give a brief presentation on their Mid-Cap Core Equity strategy. Mr. Capobianco began by providing the board members with an overview of their firm. Founded in 2000, LMCG Investments, formerly known as Lee Munder Capital Group, is headquartered in Boston, MA and the firm has forty employees. It is an independent, employee-owned investment management firm focused on alternative investments and wealth management. He noted that they are proud to have a diverse client base with approximately \$4.3 billion in assets under management. Then, Mr. Sabo reminded the board members that their Mid-Cap Core Equity strategy is a combination investment strategy. This combination strategy provides two very separate, distinct teams and portfolios...the mid-cap value strategy and the small/mid-cap growth strategy. These two distinct philosophies are combined to form their mid-cap core fund which provides for lower volatility than a concentrated single strategy. He reviewed the portfolio construction and strategy, the portfolio characteristics, and the style. As of June 30, 2023, the retirement system's share of this

portfolio, which year-to-date is up 6.3%, has a market value of approximately \$17.7 million. After some additional discussion with the board members, Mr. Capobianco and Mr. Sabo thanked the board members for the relationship, and they exited the board meeting.

To circle back, Mr. Dwyer indicated some items of note. Primarily, the LMCG Investments Mid Cap Core fund has been struggling and their lack of performance has become a concern. In light of this performance, it is the recommendation of Wainwright Investment Counsel that the Falmouth Retirement Board place LMCG Investments on the “watch list”. After some discussion, the board members entertained a motion to send to LMCG Investments a letter as notification that they have been placed on the “watch list”.

Mr. Slivinski moved to send to LMCG Investments a letter as notification that they have been placed on the “watch list”. 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

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

The Director then reminded the board members of the upcoming M.A.C.R.S. Fall Conference to be held in Springfield, MA from October 1<sup>st</sup> through October 4<sup>th</sup>. It was noted that, at this time, a draft agenda was available, and that certain sessions have been approved by P.E.R.A.C. for board member continuing education training credits. After some discussion, the board members entertained a motion to approve the associated conference fee and travel for the board members as well as the two staff members to attend the M.A.C.R.S. Fall Conference.

Mr. O’Malley moved to approve the associated conference fee and travel for the board members as well as the two staff members to attend the M.A.C.R.S. Fall Conference. 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 Director updated the board members about office space, and additionally, he noted that the P.E.R.A.C. audit is still ongoing.



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. 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

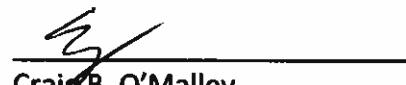
At approximately 3:00 p.m., the board members concluded the open session meeting. The next scheduled board meeting will begin at 9:30 a.m. on Thursday, October 19, 2023 at the office of the Falmouth Retirement System which is located at 80 Davis Straits, Suite 102 in Falmouth, MA.

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