

FALMOUTH RETIREMENT BOARD
Open Session Meeting Minutes
Thursday, February 15, 2024

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 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 December. Through the end of December, the Treasurer noted that the account with Rockland Trust has receipts in the amount of \$1,467,475.74 and a statement balance in the amount of \$206,356.87. She noted that the month-end fund balance is \$83,152.18 with outstanding checks for the month in the amount of \$123,204.69. In addition, it was noted that the check sequence for the month of December began with check #11518 and ended with check #11560. 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 Q4 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 the open session meeting that was held on January 18, 2024. After some discussion, the board members entertained a motion to approve the meeting minutes of the open session meeting that was held on January 18, 2024.

Mr. Starbard moved to approve the meeting minutes of the open session meeting that was held on January 18, 2024. 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

Also, the board members reviewed all of the executive session meeting minutes held in CY 2020, CY 2021, CY 2022 and CY 2023. After extensive discussion, the board members entertained a motion to release all of the executive session meeting minutes held in CY 2020, CY 2021, CY 2022 and CY 2023 but not to include any of the supporting documents.

Mr. Slivinski moved to release all of the executive session meeting minutes held in CY 2020, CY 2021, CY 2022 and CY 2023 but not to include any of the supporting documents. 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 reviewed the payment of the following warrants:

Warrant #03/2024	\$1,325,604.88	Warrant #04/2024	\$8,933.60
Warrant #05/2024	\$ 344,245.97		

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #03/2024 through #05/2024.

Mr. O'Malley moved to approve the payment, as noted, of warrants #03/2024 through #05/2024. 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:

- M&T Bank, December 2023 custodial fee \$ 5,222.03
- S.S.g.A. (CM3Y), Q4 2023 management fee \$ 1,371.98
- S.S.g.A. (CME7), Q4 2023 management fee \$ 1,666.34
- LMCG Investments (Mid Cap Core), Q4 2023 management fee \$ 25,877.00

- DFA International Core Equity, Q4 2023 management fee \$ 7,086.97
- Lord Abbett High Yield Core; Q4 2023 management fee \$ 4,438.89

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
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 2/1/2024 in the amount of \$17,224.67
- PRIT Private Equity Fund VY 2022, a capital call payable on 2/1/2024 in the amount of \$104,433.52

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

Mr. Slivinski 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:

- Lexington Capital Fund VII, a distribution received on 1/31/2024 in the amount of \$12,430.00
- PRIT Private Equity Fund VY 2018, a distribution received on 2/1/2024 in the amount of \$83,078.34

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 A. Netto Jr.; amount of refund is \$20.00; deductions taken in error by the Town of Falmouth, Falmouth Public Schools
- Joshua O. Tipton; amount of refund is \$1,029.23; resignation from service with the Town of Falmouth, Police Department
- Cheryl L. Ethier; amount of refund is \$1,226.27; resignation from service with the Falmouth Housing Authority *(with this refund, the Falmouth Retirement System will accept 3 months of 3(8)(c) liability on a 12-month basis)*
- Jennifer P. Mullen; amount of transfer is \$241,650.66; resignation from service with the Town of Falmouth, Finance Department *(with this transfer, the Falmouth Retirement System will accept 9 years and 10 months of 3(8)(c) liability on a 12-month basis)*
- John R. Boncek; amount of transfer is \$24,415.57; resignation from service with the Town of Falmouth, Communications Department *(with this transfer, the Falmouth Retirement System will accept 4 years and 6 months of 3(8)(c) liability on a 12-month basis)*
- Debra J. West; amount of rollover is \$939.71; resignation from service with the Town of Falmouth, Falmouth Public Schools *(with this rollover, the Falmouth Retirement System will accept 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 the return or transfer of his/her accumulated deductions.

Mr. Starbard moved to approve, as noted, the requests of the above-mentioned former or current members of the Falmouth Retirement System for the return or transfer of his/her accumulated deductions. 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

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

- Terrance A. Rogers; date of retirement is 11/22/2023 from the Town of Falmouth, Fire Rescue Department; Group Four
- John A. Netto Jr.; date of retirement is 12/29/2023 from the Town of Falmouth, Falmouth Public Schools; Group One

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

- Aleksey Morozov; Operator I, Town of Falmouth, D.P.W. Water Division, Group One; DOM 1/22/2024, 9% + 2%
- Eusebio V. Marcos; Custodian, Town of Falmouth, D.P.W. Facilities Maintenance Division, Group One; DOM 1/22/2024, 9% + 2%
- Alec J. Fish; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 1/28/2023, 9% + 2%
- Richard H. Grasso; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 1/28/2023, 9% + 2%
- Anthony R. DiPalmo; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 1/29/2024, 9% + 2%
- Amanda L. Bock; Children's Librarian, Town of Falmouth, Falmouth Public Library, Group One; DOM 1/29/2024, 9% + 2%
- Dwight O. Heath; Custodian, Town of Falmouth, Falmouth Public Schools, Group One; DOM 1/29/2024, 9% + 2%
- Fallon K. Queeney; Conservation Agent, Town of Falmouth, Conservation Department, Group One; DOM 1/31/2024, 9% + 2%
- Jake L. Meunier; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/4/2024, 9% + 2%
- Emily K. Antonik; Communications Officer, Town of Falmouth, Emergency Communications Department, Group One; DOM 2/4/2024, 9% + 2%
- Colby B. Howell; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/5/2024, 9% + 2%
- Caitlin M. Wilson-Martinez; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 2/5/2024, 9% + 2%
- Sean P. Cannistraro; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/7/2024, 9% + 2%
- Kevin M. Frye; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/8/2024, 9% + 2%
- Cody A. Garcia; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/9/2024, 9% + 2%
- Joseph L. Guertin; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/10/2024, 9% + 2%
- Dominic J. Viola; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/11/2024, 9% + 2%
- Kaleb M. Basey; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 2/12/2024, 9% + 2%
- James M. Thomas; Emergency Communications Director, Town of Falmouth, Emergency Communications Department, Group One; DOM 2/12/2024, 9% + 2%
- Benjamin A. Townley; Custodian, Town of Falmouth, Falmouth Public Schools, Group One; DOM 2/12/2024, 9% + 2%

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

- Arthur C. McCarver; Laborer, Town of Falmouth, D.P.W. Parks and Forestry Division; request to purchase less than part-time service, prior to membership with the Falmouth Retirement System; principle amount due is \$1,953.57 *(upon completion of this service purchase, the Barnstable County Retirement System will accept 5 months of 3(8)(c) liability on a 12-month basis)*
- Aleksey Morozov; Operator I, Town of Falmouth, D.P.W. Water Division; request to purchase less than part-time service, prior to membership with the Falmouth Retirement System; principle amount due is \$1,505.37 *(upon completion of this service purchase, the Barnstable County Retirement System will accept 4 months of 3(8)(c) liability on a 12-month basis)*
- Peter Manos; Custodian, Town of Falmouth, D.P.W. Facilities Maintenance Division; request to purchase less than part-time service, prior to membership with the Falmouth Retirement System; principle amount due is \$1,651.26 *(upon completion of this service purchase, the Barnstable County Retirement System will accept 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 members to purchase his/her service prior to membership with the Falmouth Retirement System.

Mr. O'Malley moved to approve, as noted, the requests of the above-mentioned members 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:

- Timothy L. Bailey; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while conducting firefighter operations at a house fire, employee was injured.
Date of Injury 12/13/2023
- Nevin T. Esperian; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while climbing into the ambulance, employee fell and was injured.
Date of Injury 1/1/2024

The board members then reviewed the following correspondence from PERAC:

- PERAC memo #07/2024 Buyback and Make-up Repayment Worksheets
- PERAC memo #08/2024 PROSPER COLA Submission is almost here!

- PERAC memo #09/2024 Actuarial Data

Also, the board members reviewed other relative correspondence.

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 December, and Mr. Fabrizio reviewed the plan results. Through the end of December, the plan's estimated gross market value was approximately \$200.5 million. Year-to-date, the plan is up 11.21% versus the policy benchmark which is up 11.48%. Compared to its policy benchmark (up 19.15%), the domestic equity sector (up 16.26%) is behind but all of the domestic equity funds are positive for the year. Yet, the performance of LMCG Investments continues to be a strain on this sector, but there is "spectacular performance for the year" from the RhumbLine Russell 1000 Growth fund. The international equity sector (up 18.20%) is ahead of its benchmark (up 17.22%). All of the international equity funds in this portfolio are double-digit positive for the year. The domestic fixed income strategy (up 7.06%) is ahead of its benchmark (up 6.35%). 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 5.95% versus a benchmark that is down 7.94%. 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 7.03% versus a benchmark that is presently up 6.14%. 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 10.44% versus a benchmark that is up 6.34%. Lastly, the cash balance is approximately \$0.4 million. Wainwright Investment Counsel noted that "the economy continues to be volatile. Still, there are a lot of positive returns for the month. The portfolio has had a strong year, and they are very happy with the performance of these investments."

Mr. Dwyer and Mr. Fabrizio then discussed with the board members a proposed rebalance of the investment portfolio which would redeem to cash \$4.0 million from the following funds:

- \$500 thousand from the RhumbLine Russell 1000 Value Pooled Index Fund
- \$500 thousand from the RhumbLine Russell 1000 Growth Pooled Index Fund
- \$1.25 million from the RhumbLine S&P 400 Pooled Index Fund
- \$500 thousand from the RhumbLine S&P 600 Pooled Index Fund
- \$500 thousand from the EARNEST Partners Small Cap Equity Fund
- \$250 thousand from the DFA International Core Equity Fund
- \$250 thousand from the HGK Trinity Street International Equity Fund
- \$250 thousand from the RhumbLine MSCI EAFE Pooled Index Fund

After some discussion, the board members entertained a motion to accept the recommendation from Wainwright Investment Counsel to rebalance the portfolio as outlined above.

Mr. Slivinski moved to accept the recommendation from Wainwright Investment Counsel to rebalance the portfolio as outlined above. 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.

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 2:40 p.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 2:50 p.m., the board members reconvened their open session meeting, and the Chair noted the following action taken during the executive session meeting.

ROGER S. DUTRA JR. – ACCIDENTAL DISABILITY RETIREMENT

The board members reviewed the *Member's Application for Disability Retirement*, *Employer's Statement Pertaining to Member's Application for Disability Retirement*, *Treating Physician's Statement Pertaining to Member's Application for Disability Retirement* and other supporting documentation. Mr. Starbard moved to accept the voluntary accidental disability retirement application submitted by Roger S. Dutra Jr. and to request that P.E.R.A.C. convene an examination by a regional medical panel. 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

The board members then discussed 840 C.M.R. 28.00 and the ability of the retirement system to allow the use of electronic signatures and on-line notarization of retirement documents. The discussion focused on the many concerns with security procedures and the exposure to potential fraud. After some discussion, no action was taken.

Next, the board members discussed the topic of stipends provided, per M.G.L. Chapter 32, to the Treasurer, the Ex Officio member and other board members. After some discussion, the board members entertained a motion to instruct the Director, with the assistance of Attorney Poser, to take the necessary steps to provide any additional stipends, per M.G.L. Chapter 32, to the Treasurer, the Ex Officio member and other board members.

Mr. Slivinski moved to instruct the Director, with the assistance of Attorney Poser, to take the necessary steps to provide any additional stipends, per M.G.L. Chapter 32, to the Treasurer, the Ex Officio member and other board members. 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 Director noted that presently there are no pending legal updates.

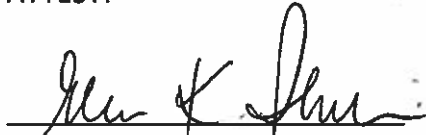
Finally, having no additional business to discuss, the Chair asked for a motion to adjourn the open session meeting.

Mr. Slivinski 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 3:05 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 21, 2024 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


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