

FALMOUTH RETIREMENT BOARD
Open Session Meeting Minutes
Thursday, May 16, 2024

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 March. Through the end of March, the Treasurer noted that the account with Rockland Trust has receipts in the amount of \$1,457,037.69 and a statement balance in the amount of \$326,759.36. She noted that the month-end fund balance is \$205,773.12 with outstanding checks for the month in the amount of \$120,986.24. In addition, it was noted that the check sequence for the month of March began with check #11628 and ended with check #11647. 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. 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 April 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 April 18, 2024.

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

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

Warrant #14/2024	\$ 9,308.60	Warrant #15/2024	\$1,332,962.32
Warrant #16/2024	\$ 8,933.60	Warrant #17/2024	\$ 150,279.97

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #14/2024 through #17/2024.

Mr. Starbard moved to approve the payment, as noted, of warrants #14/2024 through #17/2024. Ms. Rose seconded the motion. On roll call, the vote was as follows:

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

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

- M&T Bank, March 2024 custodial fee \$ 4,984.94
- S.S.g.A. (CM3Y), Q1 2024 management fee \$ 1,433.02
- S.S.g.A. (CME7), Q1 2024 management fee \$ 1,860.25
- LMCG Investments (Mid Cap Core), Q1 2024 management fee \$ 7,547.00
- DFA International Core Equity, Q1 2024 management fee \$ 7,129.93
- Lord Abbett High Yield Core; Q1 2024 management fee \$ 4,639.43

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

Mr. Slivinski moved to approve the payment, as noted, of the above-mentioned investment fees. 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 5/1/2024 in the amount of \$51,495.95
- PRIT Private Equity Fund VY 2022, a capital call payable on 5/1/2024 in the amount of \$53,492.65
- PRIT Private Equity Fund VY 2024, a capital call payable on 5/1/2024 in the amount of \$21.51

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

Ms. Rose moved to approve the payment, as noted, of the above-mentioned capital calls. 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 cash distributions from investment managers:

- Lexington Capital Fund VII, a distribution received on 4/30/2024 in the amount of \$6,113.00
- PRIT Private Equity Fund VY 2018, a distribution received on 5/1/2024 in the amount of \$18,232.96

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:

- Gregory P. Powers; amount of refund is \$1,029.58; deductions taken in error by the Town of Falmouth, D.P.W. Water and Wastewater Division
- Collin J. Buckner; amount of transfer is \$11,749.29; resignation from service with the Town of Falmouth, Marine & Environmental Services 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*)
- Paul G. Aslanian; amount of transfer is \$680.78; resignation from service with the Town of Falmouth, Falmouth Public Library (*with this transfer, the Falmouth Retirement System will accept 2 months of 3(8)(c) liability on a 12-month basis*)
- Kevin J. Huelsman; amount of transfer is \$3,112.81; resignation from service with the Town of Falmouth, Falmouth Public Schools (*with this transfer, the Falmouth Retirement System will accept 10 months of 3(8)(c) liability on a 12-month basis*)

- Blake P. Wilson; amount of transfer is \$58,704.97; resignation from service with the Town of Falmouth, Fire Rescue Department (*with this transfer, the Falmouth Retirement System will accept 3 years 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 the 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 the return or transfer of his/her accumulated deductions. Mr. O’Malley seconded the motion. On roll call, the vote was as follows:

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

Next, the board members considered the following request for 3(8)(c) liability:

- Karen E. Dawson; accept updated 3(8)(c) liability request from the MA Teachers’ Retirement System; Town of Falmouth, Falmouth Public Schools (*with this request, the Falmouth Retirement System will accept 2 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 above-mentioned request for 3(8)(c) liability.

Ms. Rose moved to approve, as noted, the above-mentioned request for updated 3(8)(c) liability. 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 noted the following members retiring from service with the Town of Falmouth and/or Falmouth Housing Authority:

- Gregory P. Powers; date of retirement is 3/16/2024 from the Town of Falmouth, D.P.W. Water and Wastewater Division; Group One

- Benjamin C. Guthrie; date of retirement is 3/23/2024 from the Town of Falmouth, Police Department; Group Four

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

- Claudia E. Nimar; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 4/8/2024, 9% + 2%
- Lydia E. St. Laurent; Communications Officer, Town of Falmouth, Emergency Communications Department, Group One; DOM 4/23/2024, 9% + 2%
- Kristin K. Nelsen; Head of Adult Services, Town of Falmouth, Falmouth Public Library, Group One; DOM 5/1/2024, 9% + 2%
- Peter Endicott; Custodian, Town of Falmouth, Senior Services Department, Group One; DOM 5/1/2024, 9% + 2%
- Noah E. Adams; Support Specialist, Town of Falmouth, Information Technology Department, Group One; DOM 5/6/2024, 9% + 2%
- Thomas G. Lanman; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 5/12/2024, 9% + 2%
- Eric P. Abrantes; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 5/12/2024, 9% + 2%
- Douglas J. Capozzoli; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; DOM 5/12/2024, 9% + 2%
- Jeffrey D. Creel; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 5/12/2024, 9% + 2%
- Eric M. Foley Sr.; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 5/13/2024, 9% + 2%
- Catherine Poquette; Field Supervisor – Natural Resources Officer, Town of Falmouth, Marine & Environmental Services Department, Group One; DOM 5/13/2024, 9% + 2%

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

- Christopher G. Conn; Custodian, Town of Falmouth, D.P.W. Facilities Maintenance Division, Group One; while moving a bucket of ice melt, employee was injured. Date of Injury 2/20/2024
- Shawn M. Speroni; Assistant Field Supervisor, Town of Falmouth, D.P.W. Parks and Forestry Division, Group One; while dragging brush to the chipper, employee was injured. Date of Injury 2/29/2024
- Eryn N. Lokerson; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while reaching to grab the EMS bag, employee was injured. Date of Injury 3/3/2024
- Robert A. Martino Jr.; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while carrying a patient from a house, employee was injured. Date of Injury 4/1/2024

- Stephen F. DeMatos; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while moving a patient in a stair chair, employee was injured. Date of Injury 4/2/2024
- Laura J. McBride; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while moving a patient to the bed, employee was injured. Date of Injury 4/11/2024
- Alexander M. Franklin; Police Officer, Town of Falmouth, Police Department, Group Four; while placing a subject into protective custody, employee fell and was injured. Date of Injury 4/19/2024

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

- PERAC memo #12/2024 PERAC Regulations 840 CMR 4.00 and 25.00
- PERAC memo #13/2024 PERAC Regulations 840 CMR 2.00, 8.00, 11.00, 12.00, & 15.00
- PERAC Pension News #65

Also, the board members reviewed other relative correspondence.

Michael Dwyer of Wainwright Investment Counsel then joined the meeting. To begin, Mr. Dwyer directed the board members to the performance summary report for the month of March, and he reviewed the plan results. Through the end of March, the plan's estimated gross market value was approximately \$208.8 million. Year-to-date, the plan is up 2.76% versus the policy benchmark which is up 4.13%. Compared to its policy benchmark (up 8.23%), the domestic equity sector (up 6.55%) is behind with EARNEST Partners "gross underperformance" being the cause for the domestic equity sector's lack of performance within the portfolio. The international equity sector (up 5.25%) is slightly ahead of its benchmark (up 5.10%). The domestic fixed income strategy (down 0.19%) is ahead of its benchmark (down 0.51%). The performance of these fixed income funds, apart from the Lord Abbett High Yield Core, are indexed. Year-to-date, the performance of the real estate sector is down 10.79% versus a benchmark that is down 0.92%. This sector is showing the effects of the rising interest rates. In addition, TerraCap Partners is feeling the impact of low occupancy rates in the office space area due to the COVID-19 pandemic, and this fund seems to be the primary reason for this sector's lack of performance within the portfolio. 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 2.27% versus a benchmark that is presently 0.00%. Currently, Hamilton Lane Secondary Fund IV, P.R.I.T. Private Equity VY2018 and P.R.I.T. Private Equity VY2020 are the three largest private equity investments within this portfolio. For the year, the P.R.I.T. Absolute Return Fund is up 3.28% versus a benchmark that is up 4.17%. Lastly, the cash balance is approximately \$2.0 million. Wainwright Investment Counsel noted that "the economy continues to be volatile, but the portfolio seems to be on the cusp of some solid performance. At the moment, EARNEST Partners and TerraCap Partners are the two funds weighing heavy on the portfolio performance."

After some additional discussion with the board members, Mr. Dwyer 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. Starbard 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. 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 2:35 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 2:45 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 Regional Medical Panel certificates with narratives and found all to be in order. Mr. Starbard moved to approve the voluntary accidental disability retirement application that has been submitted by Roger S. Dutra Jr. and to transmit to P.E.R.A.C. their findings of facts. 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 Director noted for the board members PERAC memo #06/2024 regarding the FY 2025 C.O.L.A. increase. This memo indicates that the C.O.L.A. that any system may grant for FY 2025 will be up to 3.0%. After some discussion, the board members entertained a motion to approve for FY 2025 a 3.0% cost-of-living adjustment on a retirement allowance. The C.O.L.A. will be calculated using a \$16,000.00 base.

Mr. Slivinski moved to approve for FY 2025 a 3.0% cost-of-living adjustment on a retirement allowance. The C.O.L.A. will be calculated using a \$16,000.00 base.

Ms. Rose seconded the motion. On roll call, the vote was as follows:

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

Then, the board members discussed the appointment of the Fifth Member to the Falmouth Retirement Board. After conducting a public application process, Ellen K. Philbin is the only nominee to submit qualifications to fulfill a three-year term as the Fifth Member to the Falmouth Retirement Board. Thus, the board members entertained a motion to re-appoint Ellen K. Philbin to the position of the Fifth Member to the Falmouth Retirement Board. Her next term will commence on July 1, 2024 and run through the date of expiration on June 30, 2027.

Mr. Slivinski moved to re-appoint Ellen K. Philbin to the position of the Fifth Member to the Falmouth Retirement Board. Her next term will commence on July 1, 2024 and run through the date of expiration on June 30, 2027. 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 discussed the position of Chair and Vice Chair of the Falmouth Retirement Board. After some discussion, the board members entertained a motion to reappoint Ms. Philbin and Mr. O'Malley as Chair and Vice Chair of the Falmouth Retirement Board.

Mr. Starbard moved to reappoint Ms. Philbin and Mr. O'Malley as Chair and Vice Chair of the Falmouth Retirement Board. Mr. Slivinski seconded the motion. On roll call, the vote was as follows:

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

Then, Attorney Poser noted 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. Rose moved to adjourn the open session meeting. Mr. O'Malley seconded the motion. On roll call, the vote was as follows:

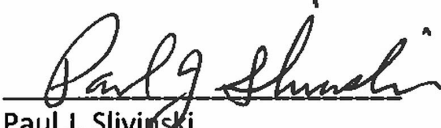
Ellen K. Philbin, Chair	YES
Paul J. Slivinski	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

At approximately 2:55 p.m., the board members concluded the open session meeting. The next scheduled board meeting will begin at 2:00 p.m. on Thursday, June 20, 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


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