

FALMOUTH RETIREMENT BOARD
Open Session Meeting Minutes
Thursday, November 21, 2024

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

Board members in absence: Paul J. Slivinski

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 asked Vice Chair O'Malley to conduct the board meeting. Mr. O'Malley noted for all that in accordance with Chapter 107 of the Acts of 2022 relating to the COVID – 19 pandemic and the waiver of the Open Meeting Law, it has been determined that remote participation is permissible for those that choose.

Then, the Town Treasurer, Patricia O'Connell, joined the meeting, and she reviewed for the board members the monthly reconciliation of the cash account for the month of September. Through the end of September, she noted that the account with Rockland Trust has receipts in the amount of \$1,292,220.00 and a statement balance in the amount of \$106,967.57. She noted that the month-end fund balance is \$103,912.23 with outstanding checks for the month in the amount of \$3,055.34. In addition, it was noted that the check sequence for the month of September began with check #11750 and ended with check #11762. All the checks in this sequence have been accounted for through the end of the month. Also, the board members were provided with the annual budget through Q3 2024 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.

Ms. Philbin 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
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 October 17, 2024. After some discussion, the board members entertained a motion to approve the meeting minutes of the open session meeting that was held on October 17, 2024.

Mr. Starbard moved to approve the meeting minutes of the open session meeting that was held on October 17, 2024. Ms. Rose seconded the motion. On roll call, the vote was as follows:

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

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

Warrant #36/2024	\$ 11,932.60	Warrant #37/2024	\$1,365,847.91
Warrant #38/2024	\$ 11,557.60	Warrant #39/2024	\$ 37,800.16

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrants #36/2024 through #39/2024.

Mr. Starbard moved to approve the payment, as noted, of warrants #36/2024 through #39/2024. Ms. Rose seconded the motion. On roll call, the vote was as follows:

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

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

- M&T Bank, September 2024 custodial fee \$ 5,775.63
- S.S.g.A. High Yield Bond (CM3Y1), Q3 2024 management fee \$ 2,128.20
- S.S.g.A. Passive Bond (CME7), Q3 2024 management fee \$ 2,532.13
- DFA International Core Equity, Q3 2024 management fee \$ 8,108.44
- Lord Abbett High Yield Core; Q3 2024 management fee \$ 4,907.34

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

Ellen K. Philbin, Chair	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 11/1/2024 in the amount of \$41,552.76
- PRIT Private Equity Fund VY 2022, a capital call payable on 11/1/2024 in the amount of \$83,490.12
- PRIT Private Equity Fund VY 2024, a capital call payable on 11/1/2024 in the amount of \$10,773.14

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

Ms. Philbin 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
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 10/30/2024 in the amount of \$116,329.00
- TA Realty Fund XII, a distribution received on 10/31/2024 in the amount of \$318,319.00
- PRIT Private Equity Fund VY 2018, a distribution received on 11/1/2024 in the amount of \$104,487.29
- Hamilton Lane Secondary Fund IV, a distribution received on 11/12/2024 in the amount of \$50,912.00
- TA Realty Fund XII, a distribution received on 11/21/2024 in the amount of \$42,285.00

Then, the board members considered the requests of the following former or current members of the Falmouth Retirement System for a return or transfer of his/her accumulated deductions:

- Michael Duarte; amount of refund is \$253.44; deductions taken in error by the Town of Falmouth, D.P.W. Parks and Forestry Division
- Jo-Ann F. Brown; amount of refund is \$20.89; deductions taken in error by the Town of Falmouth, Falmouth Public Schools
- William J. Baugh Jr.; amount of refund is \$6,583.06; resignation from service with the Town of Falmouth, D.P.W. Highway Division (*with this refund, the Falmouth Retirement System will accept 1 year 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 the return or transfer of his/her accumulated deductions.

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

Ellen K. Philbin, Chair	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:

- Alex A. Mireku; deny 3(8)(c) liability request from the Middlesex County Retirement System; non-membership service with the Town of Falmouth

After some discussion, the board members entertained a motion to approve, as noted, the above-mentioned request for 3(8)(c) liability.

Mr. Starbard moved to approve, as noted, the above-mentioned request for 3(8)(c) liability. Ms. Philbin seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	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:

- Michael Duarte; date of retirement is 9/28/2024 from the Town of Falmouth, D.P.W. Parks and Forestry Division; Group One
- Jo-Ann F. Brown; date of retirement is 11/1/2024 from the Town of Falmouth, Falmouth Public Schools; Group One
- Gretchen B. Lennox; date of retirement is 11/2/2024 from the Town of Falmouth, Falmouth Public Schools; Group One

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

- Riley M. Woods; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/3/2024, 9% + 2%
- Kelly A. Al-Hayek; Food Service Worker, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/3/2024, 9% + 2%
- Olivia A. Cosgrove; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 9/3/2024, 9% + 2%
- Ryan Meghan M. Kennedy; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 10/7/2024, 9% + 2%
- Joseph R. Augusta; Teacher Assistant, Town of Falmouth, Falmouth Public Schools, Group One; DOM 10/21/2024, 9% + 2%
- Jeremy S. Cobbett; Custodian, Town of Falmouth, Falmouth Public Schools, Group One; DOM 10/21/2024, 9% + 2%
- Mary E. Faidell; Administrative Assistant, Town of Falmouth, Falmouth Public Library, Group One; DOM 10/21/2024, 9% + 2%
- Michaela J. Mann; Communications Officer, Town of Falmouth, Emergency Communications Department, Group One; DOM 10/28/2024, 9% + 2%
- Maili A. Spellman; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 11/4/2024, 9% + 2%
- Riley P. Bird; Special Education 1:1 Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 11/4/2024, 9% + 2%
- Michael J. Gilboy; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 11/11/2024, 9% + 2%
- Tara L. Charlton; Bus Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 11/18/2024, 9% + 2%

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

- Tina M. Roderick, Teacher Assistant, Town of Falmouth, Falmouth Public Schools; request to purchase less than part-time service, prior to membership with the Falmouth Retirement System; principle amount due is \$6,476.84 (*upon completion of this service purchase, the Falmouth Retirement System will accept 6 months of 3(8)(c) liability on a 12-month basis*)
- David M. Massi; Police Officer, Town of Falmouth, Police Department; request to purchase military service, prior to membership with the Falmouth Retirement System; principle amount due is \$16,597.91 (*upon completion of this service purchase, the Falmouth Retirement System will accept 3 years and 7 months of 3(8)(c) liability on a 12-month basis*)
- Robert R. Beary, Firefighter, Town of Falmouth, Fire Rescue Department; request to purchase refunded service, prior to membership with the Falmouth Retirement System; principle amount due is \$7,504.14 (*upon completion of this service purchase, the Plymouth County Retirement System will accept 1 year and 2 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.

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

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

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

- Michael J. Rezendes; Tree Maintenance Worker, Town of Falmouth, D.P.W. Parks and Forestry Division, Group One; while trimming vegetation along roadway, employee was injured.
Date of Injury 7/29/2024
- Andre C. Bovan; Highway Laborer, Town of Falmouth, D.P.W. Highway Division, Group One; while picking up trash, employee stepped in a hole and was injured.
Date of Injury 10/22/2024
- Andrew M. Mathieson; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while lifting the stretcher with a patient, employee was injured.
Date of Injury 10/22/2024
- Brian M. Guthrie; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while getting the stair chair to move a patient, employee was injured.
Date of Injury 10/22/2024
- Jeffrey A. Meau Jr.; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while making a water rescue, employee was injured.
Date of Injury 10/26/2024
- Barry J. Lima Jr.; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while attempting to rescue two boaters in distress, employee was injured.
Date of Injury 10/26/2024

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

- PERAC memo #27/2024 Changes to Return to Service under G.L. c. 32, §8
- PERAC memo #28/2024 Violent Assault Disability: Chapter 149 of the Acts of 2024
- PERAC memo #29/2024 FY26 Appropriation Questionnaire in PROSPER

Also, the board members reviewed other relative correspondence.

Michael Dwyer and Jeffrey Fabrizio 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 September, and Mr. Fabrizio reviewed the plan results. Through the end of September, the plan's estimated gross market value was approximately \$216.3 million. Year-to-date, the plan is up 6.59% versus the policy benchmark which is up 9.19%. Compared to its policy benchmark (up 14.70%), the domestic equity sector (up 11.53%) is behind with all of the domestic equity funds at or near their benchmark for the year with the exception of the EARNEST Partners U.S. Small Cap Core Equity Fund. The international equity sector (up 9.86%) is a bit behind its benchmark (up 12.63%) with the deficit in this asset class tied primarily to the lack of performance from the HGK Trinity Street Fund. The domestic fixed income strategy (up 5.31%) is just ahead of its benchmark (up 4.48%). The performance of the fixed income funds, apart from the Lord Abnett High Yield Core, is expected as they are indexed. Year-to-date, the performance of the real estate sector is down 16.98% versus a benchmark that is currently down 1.18%. This has been a particularly challenging sector. This asset class is feeling the effects of the rising interest rates and the lower occupancy rates in the commercial office space. This is especially true for the TerraCap Partners Fund IV. 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 4.96% versus a benchmark that is presently up 3.38%. At this time, P.R.I.T. Private Equity VY2018 and P.R.I.T. Private Equity VY2020 are the two largest private equity investments within this portfolio. For the year, the P.R.I.T. Absolute Return Fund is up 9.38% versus a benchmark that is up 6.83%. Lastly, the cash balance is approximately \$4.2 million. Wainwright Investment Counsel noted that "although the economy appears to be strong, it continues to be very volatile due to concerns with the geopolitical environment; however, the fed is controlling the market temperament. With very strong returns from the large cap space, growth returns are doing very well in comparison to value...the same is true for the small cap space. But, in the mid cap space, value is outperforming growth. The portfolio continues to demonstrate a strong overall absolute performance and seems to be absorbing the downward pressures due to the lack of performance from EARNEST Partners, HGK Trinity Street and TerraCap Partners."

Next, Mr. Dwyer and Mr. Fabrizio noted that the private equity sector of the retirement system's portfolio is currently funded a bit below its stated target policy weight. Thus, it is the recommendation of Wainwright Investment Counsel to commit \$3.0 million to the P.R.I.M. Board Private Equity Vintage Year 2025 portfolio. It was noted that an R.F.P. is not required to invest in P.R.I.M. and that the deadline for a retirement system to notify P.R.I.M. of their intention to participate in this program is December 4, 2024. After some discussion, the board members entertained a motion to accept the recommendation of Wainwright Investment Counsel to commit \$3.0 million to the P.R.I.M. Board Private Equity Vintage Year 2025 portfolio.

Mr. Starbard moved to commit \$3.0 million to the P.R.I.M. Board Private Equity Vintage Year 2025 portfolio. Ms. Philbin seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair

YES

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

Mr. Dwyer then reviewed with the board members a draft of the updated Investment Policy Statement. Mr. Fabrizio noted some minor edits or additions to the document. After some discussion, the board members entertained a motion to accept the draft of the updated Investment Policy Statement with noted corrections.

Ms. Philbin moved to accept the draft of the updated Investment Policy Statement. Mr. Starbard seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	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 Director reminded the board members of the upcoming M.A.C.R.S. Fall Conference to be held in Springfield, MA from December 8th through December 11th. 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 three staff members to attend the M.A.C.R.S. Fall Conference.

Mr. Starbard moved to approve the associated conference fee and travel for the board members as well as the three staff members to attend the M.A.C.R.S. Fall Conference. Ms. Philbin seconded the motion. On roll call, the vote was as follows:

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

The Director then noted that Attorney Poser presently had no pending legal updates.

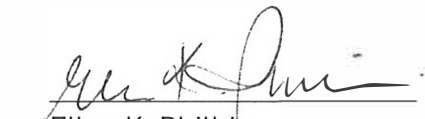
Finally, having no additional business to discuss, the Vice Chair asked for a motion to adjourn the open session meeting.

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

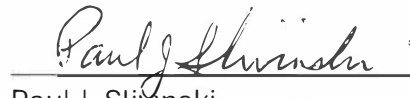
Ellen K. Philbin, Chair	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Craig B. O'Malley, Vice Chair	YES

At approximately 2:45 p.m., the board members concluded the open session meeting. The next scheduled board meeting will begin at noon on Thursday, December 19, 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