

**FALMOUTH RETIREMENT BOARD**  
**Open Session Meeting Minutes**  
**Thursday, January 16, 2025**

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

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

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 November. Through the end of November, she noted that the account with Rockland Trust has receipts in the amount of \$1,523,144.00 and a statement balance in the amount of \$77,459.85. She noted that the month-end fund balance is \$76,670.81 with outstanding checks for the month in the amount of \$789.04. In addition, it was noted that the check sequence for the month of November began with check #11775 and ended with check #11790. 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. O'Malley seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Paul J. Slivinski	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 December 19, 2024. After some discussion, the board members entertained a motion to approve the meeting minutes of the open session meeting that was held on December 19, 2024.

Mr. O'Malley moved to approve the meeting minutes of the open session meeting that was held on December 19, 2024. 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
Paul J. Slivinski	YES
Craig B. O'Malley, Vice Chair	YES

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

Warrant #43/2024	\$1,359,023.95	Warrant #01/2025	\$ 11,557.60
Warrant #02/2025	\$ 59,007.22		

After some discussion, the board members entertained a motion to approve the payment, as noted, of warrant #43/2024 and warrants #01/2025 through #02/2025.

Mr. O'Malley moved to approve the payment, as noted, of warrant #43/2024 and warrants #01/2025 through #02/2025. 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
Paul J. Slivinski	YES
Craig B. O'Malley, Vice Chair	YES

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

- Wainwright Investment Counsel, Q4 2024 consultant fee \$ 32,500.00
- M&T Bank, November 2024 custodial fee \$ 5,563.29
- EARNEST Partners, Q4 2024 management fee \$ 29,297.76
- RhumbLine Advisers (Growth), Q4 2024 management fee \$ 1,169.00
- RhumbLine Advisers (S&P 400), Q4 2024 management fee \$ 2,739.00
- RhumbLine Advisers (Value), Q4 2024 management fee \$ 1,275.00
- RhumbLine Advisers (S&P 600), Q4 2024 management fee \$ 1,513.00
- RhumbLine Advisers (MSCI EAFE), Q4 2024 management fee \$ 791.00

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
-------------------------	-----

Scott T. Starbard	YES
Victoria A. Rose	YES
Paul J. Slivinski	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 1/2/2025 in the amount of \$48,692.81
- PRIT Private Equity Fund VY 2022, a capital call payable on 1/2/2025 in the amount of \$104,538.22
- PRIT Private Equity Fund VY 2024, a capital call payable on 1/2/2025 in the amount of \$10,782.01

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. O'Malley seconded the motion. On roll call, the vote was as follows:

Ellen K. Philbin, Chair	YES
Scott T. Starbard	YES
Victoria A. Rose	YES
Paul J. Slivinski	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 12/20/2024 in the amount of \$3,279.00
- Mesirow Financial Fund IV, a distribution received on 12/26/2024 in the amount of \$15,000.00
- TA Realty Fund XII, a distribution received on 12/30/2024 in the amount of \$691,611.00
- PRIT Private Equity Fund VY 2018, a distribution received on 1/2/2025 in the amount of \$217,192.18

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

- Pamela M. Lemmon; Food Service Worker, Town of Falmouth, Falmouth Public Schools, Group One; DOM 12/2/2024, 9% + 2%
- Debora L. Hendrickson; Bus Aide, Town of Falmouth, Falmouth Public Schools, Group One; DOM 12/16/2024, 9% + 2%
- Melissa E. Wood; Financial Analyst – Accounts Payable, Town of Falmouth, Falmouth Public Schools, Group One; DOM 12/30/2024, 9% + 2%
- Sarah E. Wheeler; Recreation Program Administrator, Town of Falmouth, Recreation Department, Group One; DOM 12/30/2024, 9% + 2%
- Kimberlee M. Cantin; Secretary to Assistant Principals, Town of Falmouth, Falmouth Public Schools, Group One; DOM 1/2/2025, 9% + 2%
- Kevin D. Jardine; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 1/13/2025, 9% + 2%
- Magdalena Kowalska; Police Officer, Town of Falmouth, Police Department, Group Four; DOM 1/13/2025, 9% + 2%

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

- Christopher P. McEntee; Firefighter, Town of Falmouth, Fire Rescue Department, Group Four; while stocking the ambulance, employee was injured. Date of Injury 12/11/2024
- Jake L. Meunier; Police Officer, Town of Falmouth, Police Department, Group Four; while frisking a subject prior to transporting, employee was injured. Date of Injury 12/12/2024

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

- PERAC memo #32/2024 Tobacco Company List
- PERAC memo #33/2024 Mandatory Retirement Board Member Training – 1<sup>st</sup> Quarter 2025
- PERAC memo #34/2024 840 CMR 10:13(3) & 10:15(1)(c) – Annual Review of Medical Testing Fee
- PERAC memo #01/2025 2025 Interest Rate set at 0.1%
- PERAC memo #02/2025 Repeal of the Social Security Windfall Elimination Provision and Government Pension Offset
- PERAC memo #03/2025 Required Minimum Distribution: Still Age 73 for This Year's Notification

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 November, and Mr. Fabrizio reviewed the plan results. Through the end of November, the plan's estimated gross market value was approximately \$219.3 million.

Year-to-date, the plan is up 9.05% versus the policy benchmark which is up 11.43%. Compared to its policy benchmark (up 23.69%), the domestic equity sector (up 19.29%) 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 4.58%) is a bit behind its benchmark (up 5.85%) 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 4.37%) is just ahead of its benchmark (up 3.61%). The performance of the fixed income funds, apart from the Lord Abbett High Yield Core, is expected as they are indexed. Year-to-date, the performance of the real estate sector is down 18.07% versus a benchmark that is currently down 0.40%. This has been a particularly challenging sector. This asset class has felt 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 7.00% 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 13.60% versus a benchmark that is up 9.28%. Lastly, the cash balance is approximately \$2.8 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 federal reserve will continue to try to control the market temperament. This portfolio seems to continue to demonstrate a strong overall absolute performance and seems to be absorbing downward pressures due to the lack of performance from EARNEST Partners, HGK Trinity Street and TerraCap Partners. Still, the lack of performance from these three funds continues to be a source of concern. We will continue to monitor them, and in the coming months, take the appropriate action as may be necessary."

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

Then, the Director outlined for the board members a proposed CY 2025 budget in the amount of \$1,816,275.00. The board members reviewed the proposed budget and discussed the expanded staff and associated salaries. Effective July 1<sup>st</sup> of each year, the staff have received an automatic increase using the TAM salary schedule for that fiscal year as a guideline, and each year, the Chair has signed letters to authorize this annual increase. It was noted that the retirement system staff are not part of the Town's classification plan, but historically, the TAM salary schedule has been used as a guideline to set their salaries. The board members asked that, going forward, the TAM salary schedule for the coming year be presented to them prior to the July 1<sup>st</sup> salary increases. After some discussion, the board members entertained a motion to approve a CY 2025 budget in the amount of \$1,816,275.00 and that, going forward, the TAM salary schedule for the coming year be presented to them prior to the July 1<sup>st</sup> salary increases.

Mr. O'Malley moved to approve a CY 2025 budget in the amount of \$1,816,275.00 and that, going forward, the TAM salary schedule for the coming year be presented to them

prior to the July 1<sup>st</sup> salary increases. 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
Paul J. Slivinski	YES
Craig B. O'Malley, Vice Chair	YES

Attorney Poser then noted that presently there are no pending legal updates.

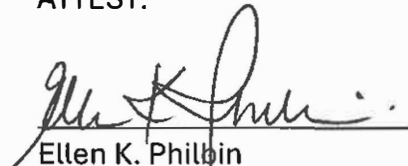
Finally, having no additional business to discuss, the Chair asked for a motion to adjourn the open session meeting.

Mr. Slivinski moved to adjourn the open session meeting. 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
Paul J. Slivinski	YES
Craig B. O'Malley, Vice Chair	YES


At approximately 2:50 p.m., the board members concluded the open session meeting. The next scheduled board meeting will begin at 2:00 p.m. on Thursday, February 20, 2025 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