



City of Marco Island Florida

JOINT POLICE AND FIRE PENSION BOARD

MEETING MINUTES

February 12, 2020

Fire Department Training Room

1. CALL TO ORDER

The meeting was called to order at 9:04 AM.

2. ROLL CALL

Fire Trustees Present

Jim Pope, Chairman
Nick Varro, Vice Chair
William Edwards
Tom Kirstein
Laura Litzan, Secretary

Others Present

David Robinson, Sugarman & Susskind, P.A.
Amber McNeill, The Resource Centers, LLC
Scott Owens, Graystone Consulting
Andy McIlvaine, Graystone Consulting
Steve Steffanidos, Member of the Public
Plan Members

Police Trustees Present

Mark Haueter, Chairman
Ryan Montgomery, Vice Chair
Glenn Zirgibel
Laura Litzan, Secretary
Gerard Shannon

A brief summary of the meeting is as follows:

3. PUBLIC COMMENT

Mr. Steffanidos inquired on the funding of both Plans. Ms. McNeill informed him that the state average is in the low 80% range. Both Plans are currently in the high 90% range, or even 100%. The Actuarial Valuations with updated funding ratios will be presented at the May meeting.

4. APPROVAL OF MEETING MINUTES

POLICE & FIRE: MOTION TO APPROVE THE JOINT FIREFIGHTERS' AND POLICE OFFICERS' BOARD MEETING MINUTES FROM NOVEMBER 7, 2019 WAS MADE BY MR. POPE AND SECONDED BY MR. MONTGOMERY. MOTION PASSED UNANIMOUSLY.

5. REPORTS

a. Investment Consultant Report – Scott Owens & Andy McIlvaine, Graystone Consulting

Mr. McIlvaine reviewed the economy for the quarter at length. The market was up about 20% in December.

Phase 1 of a trade deal was made with China on January 15th; which has had a positive impact. As it's an election year, more volatility is expected. The coronavirus is also expected to have an impact. A recession is not expected at this time. Mr. Owens informed the Board that they are monitoring the market and will act accordingly; they are not 'fighting' the market.

Fire Summary of Relevant Facts

Mr. Owens reviewed the 12-31-19 quarterly report. The total portfolio was \$23,626,325 with a net rate of return of 5.28%. Owens reviewed the Plan's managers and the compliance checklist. The total portfolio as of 01-31-20 was \$23,602,066 with a net rate of return of 4.5% FYTD. Mr. Owens reviewed the tactical asset allocation, fees, and Morgan Stanley's outlook going forward.

Police Summary of Relevant Facts

Mr. Owens reviewed the 12-31-19 quarterly report. The total portfolio was \$18,131,730 with a net rate of return of 5.79%. The total portfolio as of 01-30-20 was \$17,970,507 with a net rate return of 4.6%. Mr. Owens reviewed the Plan's managers and compliance checklist.

POLICE: MOTION TO REBALANCE THE PORTFOLIO TO COMPLIANCE WAS MADE BY MR. ZIRGIBEL AND SECONDED BY MS. LITZAN. MOTION PASSED UNANIMOUSLY.

Mr. Edwards left the meeting at 10:10 AM.

3. PUBLIC COMMENT

Chief Frazzano informed the Board that Lt. Clayton Smith had passed away the previous week at just 54 days short of vesting. According to HR, Lt. Smith had enough accrued sick and vacation time to cover the 54 days. Mr. Robinson informed the Board that credited service is not defined by hours worked; it is only defined as service where contributions are made to the Plan.

Mr. Montgomery entered the meeting at 10:14 AM.

Mr. Robinson reminded the Board that Mr. Smith would need to stay on the books until he vested. The Board discussed the situation at length.

POLICE: MOTION TO AUTHORIZE SUGARMAN & SUSSKIND TO DRAFT A LEGAL OPINION REGARDING LT. CLAYTON SMITH'S VESTING WAS MADE BY MS. LITZAN AND SECONDED BY MR. ZIRGIBEL. MOTION PASSED UNANIMOUSLY.

5. REPORTS

b. Attorney Report – David Robinson, Sugarman and Susskind, PA

Mr. Robinson is working with Morgan Stanley to make the necessary changes to the investment report compliance sections.

POLICE: MOTION TO APPROVE THE PROPOSED ORDINANCE ADOPTING THE 2015-2018 CBA CHANGES AFTER UNION REVIEW WAS MADE BY MR. ZIRGIBEL AND SECONDED BY MR. MONTGOMERY. MOTION PASSED UNANIMOUSLY.

FIRE: MOTION TO APPROVE THE PROPOSED ORDINANCE ADOPTING THE 2015-2018 CBA

CHANGES AFTER UNION REVIEW WAS MADE BY MR. POPE AND SECONDED BY MR. KIRSTEIN. MOTION PASSED UNANIMOUSLY.

Mr. Robinson reviewed the Secure Act and the possibility of required minimum distributions having an impact if the language in the ordinance is changed.

c. Administrator Report – Amber McNeill, The Resource Centers

Ms. McNeill provided the list of upcoming Trustee educational opportunities to the Boards.

6. PLAN FINANCIALS

FIRE: MOTION TO APPROVE THE FIRE 02-12-20 WARRANT BY MR. POPE AND SECONDED BY MR. VARRO. MOTION PASSED UNANIMOUSLY.

POLICE: MOTION TO APPROVE THE POLICE 02-12-20 WARRANT BY MR. ZIRGIBEL AND SECONDED BY MR. MONTGOMERY. MOTION PASSED UNANIMOUSLY.

7. NEW BUSINESS – NONE

8. OLD BUSINESS – NONE

9. BOARD MEMBER COMMENTS

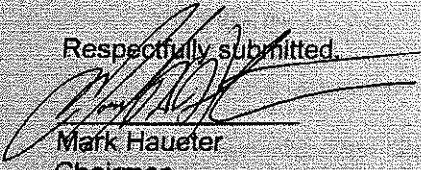
Ms. Litzan expressed her condolences to the department and Mr. Smith's family.

10. NEXT MEETING – The Next Regular Meeting is scheduled for May 13th, 2020 at 9 AM.

11. ADJOURNMENT

MOTION TO ADJOURN THE MEETING WAS MADE BY MR. KIRSTEIN AND SECONDED BY MR. HAUETER. MOTION PASSED UNANIMOUSLY.

Respectfully submitted,


Mark Haueter
Chairman
Police Pension Board


Jim Pope
Chairman
Fire Pension Board