

City of Marco Island Florida

JOINT POLICE AND FIRE PENSION BOARD

WORKSHOP MINUTES

May 12, 2021

Electronic Meeting

1. CALL TO ORDER

The workshop was called to order at 9:08 AM.

2. ROLL CALL

Fire Trustees Present

Jim Pope, Chairman
Laura Litzan, Secretary
Tom Kirstein

Trustees Not Present

William Edwards
Nick Varro, Vice Chair

Police Trustees Present

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

Others Present

Pedro Herrera, Sugarman & Susskind, P.A.
Amber McNeill, The Resource Centers, LLC
Scott Owens, Graystone Consulting
Andy McIlvaine, Graystone Consulting
Jeff Amrose, GRS
Sara Carlson, Foster & Foster

A brief summary of the meeting is as follows:

3. EXIGENT CIRCUMSTANCES

Mr. Herrera informed the Board that electronic meetings are no longer allowed; this meeting will be a workshop.

4. APPROVAL OF MEETING MINUTES

The Boards recommended by consensus that the minutes be approved at the special meeting.

5. REPORTS

a. Actuarial Valuations

i. **Fire Valuation** – Jeff Amrose, GRS

The required City and State contribution is \$1,352,414 which is 41.42% of payroll. The Plan funding ratio is up from 113.7% to 115.3%. An assumed rate of return of 7% is within the range of reasonableness. The Plan currently does not include smoothing. Mr. Amrose recommends smoothing assets over 5 years. The Board recommended by consensus that Fire should adopt a 5 year smoothing for valuation purposes and approve the Valuation at the special meeting.

ii. **Police Valuation** – Sara Carlson, Foster & Foster

There is currently \$111,000 in the Share Plan. The Plan is 98.3% funded and uses a 4 year smoothing method. Mr. Haueter is working with Mr. Herrera on drafting an administrative policy for the Share Plan. They are currently waiting on feedback from the union. The Board recommended by consensus that Police should approve the Valuation at the special meeting.

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

Mr. McIlvaine provided a brief update on the market and the continued impact of COVID.

Fire Summary of Relevant Facts

As of 03-31-21, the total portfolio was \$28.6 million with an 11.83% fiscal year net rate of return. Mr. Owens reviewed the asset allocation, individual manager performance, and the compliance checklist.

Police Summary of Relevant Facts

As of 03-31-21, the total portfolio was \$21.23 million with a fiscal year rate of return of 12.97%. Graystone will rebalance in accordance with the IPS.

b. **Attorney Report** – Pedro Herrera, Sugarman and Susskind, PA

Mr. Herrera updated the Board on the Governor's executive order. Mr. Sims' Independent Medical Exam is in the process of being scheduled. The Board recommended by consensus allowing the City Council to use the Plan's actuaries to complete the requested studies.

c. Administrator Report – Amber McNeill, The Resource Centers

Ms. McNeill informed the Boards that the FPPTA is holding their annual conference in June and that Trustees should email her if they wish to attend.

6. **NEW BUSINESS**

The Fire Board discussed the cost of adding a DROP program.

7. **OLD BUSINESS**

Smoothing for Fire will be approved at the special meeting.

8. **BOARD MEMBER COMMENTS** – NONE

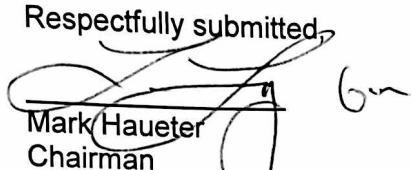
9. **PUBLIC COMMENT** – NONE

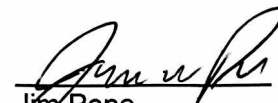
10. **NEXT MEETING** – The Next Regular Meeting is scheduled for August 11th, 2021 at 9 AM.

11. **ADJOURNMENT**

The meeting was adjourned at 11:07 AM.

Respectfully submitted,


Mark Haueter
Chairman
Police Pension Board


Jim Pope
Chairman
Fire Pension Board