



# City of Marco Island Florida

## **JOINT POLICE AND FIRE PENSION BOARD**

### **MEETING MINUTES**

**February 2, 2017**

#### **Fire Department Training Room**

**1. CALL TO ORDER**

The meeting was called to order at 1:01 PM.

**2. ROLL CALL**

Firefighters' Board of Trustees members present: Raymond Ladurini, Laura Litzan, Tom Kirstein, Jim Pope, and Mary Husted

Police Pension Board of Trustees members present: Al Schettino, Laura Litzan, Steven Arena, and Mark Haueter

Trustee absent: Glenn Zirgibel

Others present: Attorney Bob Sugarman, Sugarman and Susskind; Charlie Mulfinger and Scott Owens, Graystone Consulting; Amber McNeill and Richard Manzo, Resource Centers.

A brief summary of the meeting is as follows:

**3. PUBLIC COMMENT**

There was no public comment.

**4. MOTION TO APPROVE MINUTES**

**MOTION TO APPROVE THE FIREFIGHTERS BOARD MINUTES FROM THE NOVEMBER 3, 2016 MEETING BY MS. HUSTED AND SECONDED BY MS. LITZAN. MOTION PASSED UNANIMOUSLY.**

**MOTION TO APPROVE THE POLICE BOARD MINUTES FROM THE DECEMBER 2, 2016 MEETING BY MR. SCHETTINO AND SECONDED BY MS. LITZAN. MOTION PASSED UNANIMOUSLY.**

**5. REPORTS**

**a. Investment Consultant Report – Charles Mulfinger and Scott Owens, Graystone**

Mr. Mulfinger informed the Board that there will be a delay on the Real Estate investments due to both Plans' position in the queue. Mr. Owens reviewed the economy and the last fiscal year in detail. Mr. Owens reported that interest had gone up and that bonds had went down.

#### **Fire Summary of Relevant Facts**

Mr. Mulfinger reported the total portfolio as of December 31, 2016 was valued at \$15,688,660.20 with a gain for the quarter of \$351,275.12 net of fees.

Mr. Mulfinger informed the Board that the cyclical had continued going up with the growing market and that financials had won the quarter. Mr. Mulfinger reported that there was a 2.47% total return on investment and that the Plan had a positive alpha due to their current risk and return percentages. Mr. Mulfinger reviewed the Plans' investment managers in detail. Mr. Mulfinger made note that the plan was up a total of 3.3% net of fees.

#### **Police Summary of Relevant Facts**

Mr. Mulfinger reported the total portfolio as of December 31, 2016 was valued at \$11,804,144.97 with a gain for the quarter of \$339,321.17 net-of-fees.

Mr. Mulfinger reviewed the performance of the investment manager Apex with the Police Board, as they exclusively invest with them. Mr. Mulfinger reported that the Plan had a 5.75% return.

#### **b. Attorney Report – Bob Sugarman, Sugarman and Susskind, PA**

Mr. Sugarman reported that the Military Buyback and Past Law Enforcement Service form had been sent to the administrator. Mr. Sugarman noted that the new Ordinance had been sent to the City Manager for finalization by Pedro Herrera, but this has yet to be completed.

Mr. Sugarman reported that a member receiving a Disability Pension had contacted him regarding the type of employment that he could seek. Mr. Sugarman explained that he informed the member that if the occupation he sought had physical requirements similar to that of a Firefighter then he would be in violation of the qualifying factors of the Disability Pension.

Mr. Ladurini requested how to incorporate a DROP Program into the Plan. Mr. Sugarman explained that a new Ordinance must be drafted to permit it. Mr. Ladurini stated that the Board wanted the DROP Program to match the Florida Retirement System. Ms. Litzen stated that she would follow up with the City to finalize the previous Ordinance submitted by Mr. Herrera so the Board can move forward with the presentation of a potential Ordinance containing the DROP Program. Mr. Sugarman advised that the same procedure must be followed to add the buyback information into the Plan.

Ms. Husted left the meeting at 1:44 PM.

Mr. Ladurini will contact the Union and the City to begin the process of incorporating the new buyback information. Mr. Sugarman advised that his firm can produce the Ordinances for the Buyback and DROP additions.

**c. Administrator Report** – Amber McNeill, The Resource Centers

Ms. McNeill presented the Benefit Approvals the Police Board's review.

**MOTION TO RATIFY THE BENEFIT APPROVALS, AS SUBMITTED, BY MR. SCHETTINO AND SECONDED BY MS. LITZAN. MOTION PASSED UNANIMOUSLY.**

Ms. McNeill presented the GASB No. 67 and No.68 for the Police Board's review.

**MOTION TO ACCEPT THE POLICE GASB NO. 67 AND NO. 68, AS PRESENTED, BY MS. LITZAN AND SECONDED BY MR. SCHETTINO. MOTION PASSED UNANIMOUSLY.**

Ms. McNeill informed the Board that she will schedule to have the Actuarial Valuations presented at the May meeting. Ms. McNeill updated the Board on the same disability retiree that had contacted Mr. Sugarman. Ms. McNeill presented a schedule of all Trustee education opportunities for 2017.

**6. Plan Financials** – Amber McNeill, Resource Centers

Ms. McNeill presented the Interim Financial Statements for the Boards' review. The Board accepted the Financial Statements as presented.

Ms. McNeill presented the Warrants for the Boards' review. Ms. Litzan questioned charges from GRS and if the Plan was responsible for them. Mr. Sugarman noted that whichever party engaged the Actuary must pay the invoices. Ms. McNeill stated that the invoice had already been paid, and that the Warrant was presented for approval. Mr. Sugarman informed the Board that non-recurring invoices can not be paid without the approval of the Board.

**MOTION TO AUTHORIZE THE RESOURCE CENTERS TO PAY REGULARLY RECURRING FEES, SUBJECT TO RATIFICATION BY THE TRUSTEES, AND THAT ALL NON-RECURRING FEES BE BROUGHT BEFORE THE BOARD FOR APPROVAL BY MR. SCHETTINO AND SECONDED BY MS. LITZAN. MOTION PASSED UNANIMOUSLY.**

**MOTION TO AUTHORIZE THE RESOURCE CENTERS TO PAY REGULARLY RECURRING FEES, SUBJECT TO RATIFICATION BY THE TRUSTEES, AND THAT ALL NON-RECURRING FEES BE BROUGHT BEFORE THE BOARD FOR APPROVAL BY MR. LADURINI AND SECONDED BY MR. POPE. MOTION PASSED UNANIMOUSLY.**

**MOTION TO APPROVE THE FIRE WARRANTS, AS PRESENTED, PENDING FURTHER INVESTIGATION INTO THE GRS INVOICES BY MS. LITZAN AND SECONDED BY MR. POPE. MOTION PASSED UNANIMOUSLY.**

**MOTION TO APPROVE THE POLICE WARRANTS AS PRESENTED BY MR. SCHETTINO AND SECONDED BY MR. ARENA. MOTION PASSED UNANIMOUSLY.**

Ms. McNeill presented the GASB No. 67 and No. 68 for the Fire Board's review. The Board discussed the GASB reports at length.

**MOTION TO ACCEPT THE FIRE GASB NO. 67 AND NO. 68 REPORTS AS PRESENTED, PENDING APPROVAL FROM THE FINANCE DIRECTOR, BY MR. LADURINI AND SECONDED BY MR. POPE. MOTION PASSED UNANIMOUSLY.**

**10. Next Regular Meeting is scheduled for May 4, 2017 at 1:00 PM**

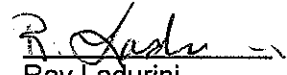
**11. Adjournment**

**MOTION TO ADJOURN THE MEETING BY MS. LITZAN AND SECONDED BY MR. KIRSTEIN. MOTION PASSED UNANIMOUSLY.**

Respectfully submitted,



Al Schettino  
Chairman  
Police Pension Board



Ray Ladurini  
Chairman  
Fire Pension Board