



City of Marco Island Florida

JOINT POLICE AND FIRE PENSION BOARD

MEETING MINUTES

February 1, 2018

Fire Department Training Room

1. CALL TO ORDER

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

2. ROLL CALL

Fire Trustees Present

Raymond Ladurini, Chairman
Laura Litzan, Secretary
Tim Kirstein
Jim Pope
William Edwards

Others Present

Pedro Herrera, Sugarman & Susskind, P.A.
Charles Mulfinger, Graystone Consulting
Scott Owens, Graystone Consulting
Amber McNeill, The Resource Centers, LLC
Guillermo Polanco, City of Marco Island

Police Trustees Present

Al Schettino, Chairman
Laura Litzan, Secretary
Glenn Zirgibel
Mark Haueter
Gerard Shannon

A brief summary of the meeting is as follows:

3. NEW TRUSTEES

Mr. Edwards, the new Fire Trustee, and Mr. Shannon, the new Police Trustee, introduced themselves to the Board.

4. PUBLIC COMMENT

There were no members of the public present.

5. APPROVAL OF MEETING MINUTES

MOTION TO APPROVE THE JOINT FIREFIGHTERS' AND POLICE OFFICERS' BOARD MEETING MINUTES FROM NOVEMBER 2, 2017 BY MR. HAUETER AND SECONDED BY MR. ZIRGIBEL. MOTION PASSED UNANIMOUSLY.

6. REPORTS

a. Investment Consultant Report – Charles Mulfinger & Scott Owens, Graystone Consulting

Mr. Mulfinger explained Graystone's duties to the Board and the Plan's current asset allocation. Ms. Litzan reminded the Board that both Plans are currently funded over 100%.

Mr. Herrera entered the meeting at 1:14 PM.

Mr. Owens reviewed the economy for the quarter, which had been driven by earnings. Growth has outperformed value and consumer confidence is the highest since 2001-2002.

Mr. Polanco entered the meeting at 1:18 PM.

Fire Summary of Relevant Facts

Mr. Owens informed the Board that the current portfolio totaled \$18,972,137.79 with a net rate of return of 3.49%. Mr. Owens reviewed the Plan's managers in detail.

Mr. Schettino entered the meeting at 1:36 PM.

Mr. Owens went over the compliance checklist with the Board. The total portfolio as of 1-30-18 was \$19,588,381 with a net rate of return of 6.6% FYTD. Mr. Mulfinger recommended a tactical asset shift to the Board.

MOTION TO REDUCE BLACKROCK LARGE CAP AND RENAISSANCE TO 16.5%, REDUCE WELLS CAPITAL TO 5% AND INCREASE TEMPLETON AND HARDING LOEVNER TO 6% WAS MADE BY MS. LITZAN AND SECONDED BY MR. POPE. MOTION PASSED UNANIMOUSLY.

MOTION TO FUND THE REAL ESTATE, WHEN CALLED, BY TAKING THE NECESSARY FUNDS OUT OF FIXED INCOME WAS MADE BY MS. LITZAN AND SECONDED BY MR. POPE. MOTION PASSED UNANIMOUSLY.

Police Summary of Relevant Facts

Mr. Owens informed the Board that the current Portfolio totaled \$15,270,052.05 with a net rate of return of 3.44%. Mr. Owens reviewed the Plan's managers briefly. Mr. Owens went over the compliance checklist with the Board. The total portfolio as of 1-30-18 was \$15,761,327 with a net rate of return of 6.4% FYTD.

MOTION TO REDUCE BLACKROCK AND RENAISSANCE DOWN TO 16.5% AND INCREASE TEMPLETON AND HARDING LOEVNER TO 6.5% WAS MADE BY MR. HAUETER AND SECONDED BY MR. ZIRGIBEL. MOTION PASSED UNANIMOUSLY.

MOTION TO FUND THE REAL ESTATE, WHEN CALLED, BY TAKING \$300,000 OUT OF BLACKROCK FIXED INCOMEWAS MADE BY MR. ZIRGIBEL AND SECONDED BY MR. SCHETTINO. MOTION PASSED UNANIMOUSLY.

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

Mr. Herrera reminded the new Trustees that they will need to complete a financial disclosure form. Mr. Herrera reviewed the Sunshine Law and reminded Trustees that they cannot communicate regarding the Plan outside of public meetings.

Mr. Mulfinger and Mr. Owens left the meeting at 2:40 PM.

The Board discussed the outstanding ordinance that the City has.

MOTION TO AUTHORIZE FOSTER & FOSTER, SHOULD IT BE NECESSARY, TO COMPLETE ANOTHER IMPACT STATEMENT, WAS MADE BY MR. SCHETTINO AND SECONDED BY MR. ZIRGIBEL. MOTION PASSED UNANIMOUSLY.

MOTION TO AUTHORIZE GRS, SHOULD IT BE NECESSARY, TO COMPLETE ANOTHER IMPACT STATEMENT, WAS MADE BY MR. POPE AND SECONDED BY MR. KIRSTEIN. MOTION PASSED UNANIMOUSLY.

The Police Board discussed the funding of the Share Plan. Mr. Herrera informed the Board of possible legislation that may effect presumptions for disability and amend disclosure requirements.

c. Administrator Report – Amber McNeill, The Resource Centers

The Board discussed the total compensation issue at length. The Board directed that the Valuations and GASB's be presented at the February meeting going forward. Ms. McNeill provided the 2018 conference list to the Board.

7. PLAN FINANCIALS – Amber McNeill, Resource Centers

Ms. McNeill presented the Warrants for the Boards' review.

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

MOTION TO APPROVE THE FIRE WARRANTS, AS PRESENTED, BY MR. LADURINI AND SECONDED BY MR. POPE. MOTION PASSED UNANIMOUSLY.

8. NEW BUSINESS

Mr. Pope has passed the CPPT program.

9. OLD BUSINESS- NONE

10. BOARD MEMBER COMMENTS

The Police Board discussed the possibility of adding a DROP program. Mr. Herrera informed the Board that there is not currently one in the Plan, and that this would be a collective bargaining issue.

The Fire Board discussed establishing a DROP, and whether or not individuals would continue to receive Share allocations while in the DROP.

11. The Next Regular Meeting is scheduled for May 3, 2018 at 1:00 PM

12. ADJOURNMENT

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

Respectfully submitted,

Al Schettino
Chairman
Police Pension Board

Raymond Ladurini
Chairman
Fire Pension Board