

Item 4.a.

February 10, 2026 Regular Meeting Minutes

**MINUTES of the
FEBRUARY 10, 2026 REGULAR BOARD MEETING of the
CITY OF DELRAY BEACH FIREFIGHTERS' RETIREMENT SYSTEM**

1. CALL TO ORDER, ROLL CALL

Chair Mahoney called the meeting to order at 9:01 a.m.

Board Members present: Craig Mahoney, Jay Gunsten, Jack Warner, and Joan Dorow.
Members absent: Henry Dickson

Also present: Brendon Vavrica (Mariner Institutional), Pedro Herrera (Sugarman, Susskind, Braswell, & Herrera as designated by City Attorney), Lisa Castronovo and Elizabeth Brown (City of Delray Beach)

Public attendees: none

2. AGENDA ADOPTION

MOTION made by Mr. Gunsten, seconded by Mr. Glanfield, to adopt the February 10, 2026, Regular Board Meeting Agenda. In a voice vote by the members present, **Motion** passed 4-0.

3. COMMENTS

- a. Public
None
- b. Board of Trustees of Firefighters' Retirement System
New trustee Joan Dorow introduced herself. Mr. Herrera summarized the state's Sunshine Law regarding transparency and communications with the other trustees.
- c. Active and Retired Members of the Plan
None

4. CONSENT AGENDA

- a. December 4, 2025 Regular Meeting Minutes
- b. January 20, 2026 Workshop Minutes
- c. January 21, 2026 Workshop Minutes
- d. Warrant Ratification (#295)
- e. Ratify/Approve – Refunds/Benefit Enhancements/New Retirement/DROP/Vested/Death Annuities

MOTION made by Mr. Gunsten, seconded by Mr. Glanfield, to approve the Consent Agenda. In a voice vote by the members present, **Motion** passed 4-0.

5. REPORTS

a. Investment Reports – Mariner Institutional

i. Portfolio Performance Review – Quarter End December 31, 2025

Report made part of these Minutes.

Mr. Vavrica reviewed the December 31, 2025 performance report noting the Plan's total net return for the quarter was 2.52% vs. the benchmark of 2.38%. The Plan's assets increased from \$199.4M on September 30, 2025 to \$211.9M on December 31, 2025.

Per Ms. Castronovo's request, Mr. Vavrica agreed to find out if the Dune Real Estate investment could be liquidated by September 30, 2026, so that this last shared asset with the Police Officers' Retirement System could be closed.

Mr. Glanfield asked Mr. Vavrica to bring to the next meeting alternatives to American Core Realty.

ii. Flash Report – January 2026

Since January 2026 bank statements were not available in time for Mr. Vavrica to prepare the January 2026 flash report, he provided a summary of the System's assets showing the Plan had over \$215M in assets on February 6, 2026.

Mr. Vavrica said \$3M was needed in cash to cover benefits and expenses for the upcoming three months. He suggested transferring the needed funds from the Newton Large Cap Value fund since it was significantly overweight compared to its target. Chair Mahoney suggested transferring \$2M from Newton Large Cap Value and \$1M from DFA International Core Equity since it was also overweight.

Mr. Glanfield asked Mr. Vavrica why he recommended taking funds from the two investment funds with the current best returns (and most potential for high future returns) instead of taking the funds from the fixed income investments that were not performing as well and did not have potential to perform significantly well in the future. Mr. Vavrica responded that it was recommended to keep the System's portfolio near its target allocations. Mr. Glanfield said he thought the funds should be taken from investments with the lower performance and earn as much as possible from the equity classes that generated the most income.

MOTION made by Mr. Gunsten, seconded by Mr. Glanfield, to 1) transfer \$1.75M from both the Baird Aggregate Bond Fund and the Dodge & Cox Income Fund to the receipts and disbursements account, and 2) transfer \$3M from Newton Large Cap Growth Fund to RhumbLine's Russell 1000 Growth Fund. In a voice vote by the members present, **Motion** passed 4-0.

iii. Core Infrastructure Search

Report made part of these Minutes.

Mr. Vavrica presented information on three core infrastructure money managers: Brookfield Asset Management, IFM Investors, and JP Morgan Asset Management. Mr. Vavrica noted that all three managers were very large, well-established managers with most of their investments in the United States, Europe, and Australia. Mr. Vavrica noted Brookfield was more conservative than IFM and JP Morgan, but all three managers being core or core-plus. The three managers invest in four main sectors: transportation, energy, utilities, and communication. Mr. Vavrica said investing in infrastructure is done primarily for diversification purposes, not high return purposes.

Mr. Glanfield said he was interested in data center/AI and energy infrastructure investments, not the standard infrastructure investments. He added he did not want to make another investment in something that grew slowly which was what the current infrastructure investments currently offered. Mr. Vavrica agreed that if Mr. Glanfield would not like the slow growth of infrastructure since such investments were more of an alternative to fixed income than they were to equity. Mr. Vavrica said he would work with Mariner's real assets team to research targeted infrastructure investments.

b. Legal Report - Sugarman, Susskind, Braswell & Herrera

Mr. Herrera provided an update on a few items the Florida state legislature is considering that would impact the Florida Retirement System but have no effect on local law plans: 1) reinstate cost-of-living for employees hired after July 1, 2012, and 2) allow elected officials to draw their pension while in office.

c. Pension Administrator's Report

Ms. Castronovo shared her quarterly report (made part of these Minutes). She noted two retirees had not returned their respective benefit verification letters and if they did not do so by March 15, 2026, she would suspend their monthly retirement benefit until they did so.

6. Administrative Items

a. Investment Consultant Presentation Follow-up

For Ms. Dorow's benefit, Mr. Herrera summarized the RFP process, the ties between the City and the Firefighters' collective bargaining agreement, and how the contract affects the Board of Trustees.

Mr. Glanfield said he was not impressed with any of the four presenters (RVK, Marquette Associates, Segal Marco Advisors, Mariner Institutional), but based on the presentations, he would stay with Mariner. He added the caveat that his choice to stay with Mariner was based on telling them they needed to be more proactive in the future and offer alternative managers and ideas to the trustees on a regular basis rather than waiting several quarters of bad performance by a manager before recommending a change. He wanted Mariner to elevate their service. The trustees agreed with Mr. Glanfield's assessment and to retain Mariner Institutional.

Chair Mahoney told Mr. Vavrica the Board would retain Mariner Institutional as its investment consultant. Mr. Glanfield asked Mr. Vavrica to be more proactive in the future and bring to the trustees his "best ideas" regarding various investments and managers and to not wait several quarters of underperformance to recommend replacing a manager. Chair Mahoney asked Mr. Vavrica to have Mariner's actuaries perform an asset risk analysis.

ADJOURNMENT

The meeting adjourned 11:03 a.m.

I, Craig Mahoney, the undersigned, am the Chair of the City of Delray Beach Firefighters' Retirement System Board of Trustees ("Board"). The information provided herein is the Minutes of the February 10, 2026, regular meeting of said body. These Minutes were formally approved and adopted by the Board on _____.

Board of Trustees, City of Delray Beach
Firefighters' Retirement System

NOTE TO THE READER: If the Minutes you have received are not complete as indicated above, this means these are not the official minutes of the Board of Trustees of the City of Delray Beach Firefighter's Retirement System. Minutes will become official only after they have been reviewed and approved, which may involve some amendments, additions or deletions to the Minutes as set forth above.

NOTE: upon official approval by the Board of Trustees, the Minutes will be posted on the City of Delray Beach website at: www.delraybeachfl.gov.