

**SARASOTA FIREFIGHTERS' INSURANCE TRUST FUND
BOARD OF TRUSTEES MEETING AGENDA
740 Commerce Drive, Venice, FL
January 30, 2019**

A quarterly meeting of the Board of Trustees was called to order by Chairman Kennell at the Union Hall - 740 Commerce Drive, Venice, Florida.

Trustees Present:

Chairman Mervin Kennell, Robert Flynn, Johnny Rigney, Matt Seiler, Matt Scarbrough

Trustees Absent:

Marty Ferris, Consultant

Also Present:

Pedro Herrera, Attorney (By Phone); Walt Menzel, CPA; Amber McNeill, Administrator; Charles Mulfinger and Andy McIlvaine, Investment Consultants; Philip Vets, Plan Member

1. Call to Order

The meeting was called to order at 12:05 PM.

MOTION – Trustee Seiler made a motion to amend the agenda to move the Attorney’s report to the next item on the agenda. The motion received a second from Trustee Rigney and the motion passed unanimously.

5b. Attorney Report – Pedro Herrera, Sugarman & Susskind (By Phone)

Mr. Herrera informed the Board that the disability plan can be amended in accordance with the Trust agreement without a vote from the membership. The Board discussed the minimum required funding for the disability plan. Mr. Herrera will discuss the matter further with Mr. Armstrong.

3. Public Comment

None

4. Approval of the Minutes

MOTION – Trustee Seiler made a motion to approve the December 5, 2018 minutes, with amendments. The motion received a second from Trustee Rigney and the motion passed unanimously.

5a. Investment Consultant Report – Charles Mulfinger and Andy McIlvaine, Graystone Consulting

Mr. McIlvaine provided an update on the economy for the quarter ending 12-31-18. December was a tough month, but the Plan's defensive managers protected on the down. It was the worst December since 2009; caused by Brexit, rising rates, and the trade 'war' with China. The international market performed slightly better than the U.S. market. Seven out of the Plan's ten managers outperformed their benchmarks. As of 12-31-18, the total portfolio for Trust #1 was \$30,369,944.99, with a -8.67% net rate of return. Mr. Mulfinger reviewed the individual managers' performance. As of 1-25-19, the portfolio was \$31,829,217 with a net rate of return of -1.1%. As of 12-31-18, the total portfolio for Trust #2 was \$4,635,608.25, with a net rate of return of -8.66%. The Board discussed active and passive management at length. The only concern Morgan Stanley has with passive management is the timing and that it can bring more risk. Passive management outperforms during low/slow growth.

There was a break in the meeting at 1:40 PM; the meeting resumed at 1:54 PM. Mr. Mulfinger and Mr. McIlvaine left the meeting at 1:54 PM.

5c. Administrator Report – Amber McNeill, The Resource Centers

The 2018 Audited Financial Statements will be presented at the April 24th meeting. The Auditor would like to start presenting the Audited Financial Statements at the October meeting going forward. The retiree benefit election forms for the Ten Year Certain benefit were due by January 15, 2019.

5a. Investment Consultant Report

The Board resumed the discussion regarding passive management.

MOTION – Trustee Flynn made the motion to have Graystone give a proposal for a passive fund, comparable to the S&P 500, if the Board were to take 10% out of each of the current large Cap managers. The motion received a second from Trustee Scarbrough and the motion passed unanimously.

6. Plan Financials

a. Ms. McNeill presented the warrants and invoices to the Board for review.

MOTION- Trustee Seiler made the motion to approve the Warrants dated 12-13-18, 12-20-18, 1-15-19, and 1-30-19. The motion received a second from Trustee Flynn and the motion passed unanimously.

bi. Ms. McNeill presented the reimbursement reports for the Board's review. The Board accepted the reimbursement reports as presented.

bii. There were no new members to report.

7. NEW BUSINESS

Mr. Kennell informed the Board that the communication issues with the administrator have been resolved and there have been no new issues.

8. OTHER BUSINESS- None

9. BOARD MEMBER COMMENTS- None

10. NEXT MEETING – April 24, 2019 at 12:00 PM.

11. ADJOURNMENT

MOTION- Trustee Scarborough made the motion adjourn the meeting. The motion received a second from Trustee Flynn and the motion passed unanimously.



Trustee Signature