

SARASOTA FIREFIGHTERS' INSURANCE TRUST FUND
BOARD OF TRUSTEES MEETING AGENDA
740 Commerce Drive, Venice, FL
July 22, 2020

An electronic quarterly meeting of the Board of Trustees was called to order by Chairman Vets.

Trustees Present:

Chairman Phil Vets, Robert Flynn, Johnny Rigney, Matt Seiler, Matt Scarbrough, Merv Kennell (Consultant)

Trustees Absent:

Marty Ferris (Consultant)

Also Present:

Pedro Herrera, Attorney; Walt Menzel, CPA; Amber McNeill, Administrator; Scott Owens and Andy McIlvaine, Investment Consultants

1. Call to Order

The meeting was called to order at 12:02 PM.

3. Approval of the Minutes

MOTION – Trustee Flynn made a motion to approve the April 28, 2020 minutes. The motion received a second from Trustee Seiler and the motion passed unanimously.

4a. Investment Consultant Report – Scott Owens and Andy McIlvaine, Graystone Consulting

Mr. McIlvaine provided an update on the economy for the quarter ending 06-30-20. As instructed at the previous meeting, 10% was taken out of large cap core and invested in the S&P 500. Mr. Owens and Mr. McIlvaine have also brought a search for international growth. UBS is on formal watch. The Board should expect a lot of volatility in the short term but a good long term. The 06-30-20 rate of return for Trust #1 was 12.87% vs Bench at 13.86%; Trust #2 was 13.12%. Mr. Owens reviewed the asset allocation and individual managers.

Mr. Scarbrough entered the meeting at 12:15 PM.

The Board discussed Connors underperformance at length. As of 07/15/20, the total portfolio for Trust #1 was \$36,440,570 with a 2.7% rate of return; Trust #2 was \$5,478,892 with a 2.7% rate of return. The Board discussed UBS and the effects from COVID. Mr. Owens recommends tightening up equities and adding to Madison, reducing real estate to 5%, and reviewing Renaissance.

MOTION – Trustee Vets made a motion to reduce real estate to 5%, reduce equities down to 64%, and move the proceeds to Madison. Trustee Flynn seconded the motion and the Board moved to discussion. Trustee Vets made a motion to amend the motion and change the IPS to reduce equities down to 62.5%, reduce the real estate allocation to 5%, and allocate the proceeds to Madison.

The meeting was paused from 1:23 PM until 1:30PM.

The Board discussed the motion further. Mr. Owen recommended taking from the over weighted managers, the remainder from Connors, and allocating the proceeds to Madison; rebalancing to the target. The Board discussed replacing Connors at length. An additional amendment was made to the motion to have Mr. Owens reduce over weights to target and allocate the proceeds to Madison. The motion passed unanimously.

Mr. Owens will begin the process today; Renaissance is tabled until next meeting.

4b. Attorney Report – Pedro Herrera, Sugarman & Susskind

Mr. Herrera spoke about the IRS letter that was received; Cherry Bekaert missed the extension file date. A letter was sent to the IRS by Cherry Bekaert regarding the mistake; the IRS has not responded at this time. Ms. McNeill received the engagement letters for the 2020 990s and Audit. Mr. Menzel said that it is usually easy to get IRS penalty waived; may not though because it has happened before. Mr. Herrera recommended holding off on the Audit engagement until the IRS issue is resolved or until after the next meeting.

MOTION – Trustee Scarbrough made a motion to authorize the Chairman to sign the Engagement Letter after review by Mr. Herrera and confirmation that the IRS issue will be handled by Cherry Bekaert. The motion received a second from Trustee Flynn and the motion passed unanimously.

The Board discussed the quarterly reports requested by the county. Mr. Vets wants to provide information regarding the overall savings the County experiences due to the Health Trust. Mr. Herrera will discuss the requested report with Mr. Armstrong.

MOTION – Trustee Seiler made a motion to engage GRS to provide a study of the costs and savings to the County from inception to present due to the Health Trust and for the cost of the study not to exceed \$10,000. The motion received a second from Trustee Vets and the motion passed unanimously.

A special meeting will be called if the study cost will exceed \$10,000.

4c. Accountant Report – Walt Menzel, Menzel & Associates

MOTION – Trustee Rigney made a motion to authorize a limited power of attorney for Walt Menzel in regards to the IRS for the Plan. The motion received a second from Trustee Flynn and the motion passed unanimously.

Mr. Menzel informed the Board that there is an upcoming pay rate change in September or October. Mr. Menzel will contact the county 3 weeks in advance with a reminder of the rate change; Mr. Vets and Ms. McNeill will be copied on the notification.

4d. Administrator Report – Amber McNeill, The Resource Centers

Ms. McNeill reminded the Board that due to public records rules, the administrator should be copied on all correspondence.

5. Plan Financials

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

MOTION- Trustee Flynn made the motion to approve the Warrant dated 05-04-20. The motion received a second from Trustee Seiler and the motion passed unanimously.

MOTION- Trustee Flynn made the motion to approve the Warrant dated 06-05-20. The motion received a second from Trustee Rigney and the motion passed unanimously.

MOTION- Trustee Flynn made the motion to approve the Warrant dated 07-07-20. The motion received a second from Trustee Rigney 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. The Board reviewed the Benefit Approvals.

MOTION- Trustee Vets made the motion to approve the Benefit Approvals dated 07-22-20. The motion received a second from Trustee Flynn and the motion passed unanimously.

6. NEW BUSINESS –

The Board discussed the process for self-contributing members. Going forward, Ms. McNeill is to reach out at end of quarter for outstanding invoices and then notify Mr. Vets.

7. OTHER BUSINESS – Trustee Flynn asked if the meeting schedule should be earlier or later. Historically the meeting dates are coordinated with Sarasota 175 Plan. Mr. Herrera said there is a convenience issue. The Board is fine with the current schedule.

8. BOARD MEMBER COMMENTS- None

9. PUBLIC COMMENT – None

10. NEXT MEETING – Wednesday, October 28, 2020 at 12 PM

11. ADJOURNMENT

MOTION- Trustee Seiler made a motion to adjourn the meeting at 2:26 PM. The motion received a second from Trustee Flynn and the motion passed unanimously.

Trustee Signature