



City of Margate

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Meeting Minutes Employee Benefits Trust Fund

Jacqueline Chin-Kidd, Chair
Michael A. Jones, Vice Chair
Frank DiNatale, Secretary
Paul Frankenhauser, Trustee
Lori Marrero, Trustee
Todd Sherman, Trustee
Joanne Simone, Trustee

Tuesday, December 6, 2022

14:30

Commission Chambers

CALL TO ORDER

ROLL CALL

- Present:** 5 - Trustee Joanne Simone, Trustee Todd Sherman, Vice Chair Michael Jones, Chair Jacqueline Chin-Kidd and Trustee Paul Frankenhauser
- Absent:** 1 - Trustee Lori Marrero

1) PUBLIC DISCUSSION

2) PRESENTATION

There was no Public Discussion.

A. [ID 2022-407](#) INVESTMENT MANAGEMENT PERFORMANCE UPDATE FROM GRAYSTONE CONSULTING

GRAYSTONE CONSULTING (GC), SENIOR VICE PRESIDENT, DAVID A. WHEELER, thanked the Employee Benefit Trust Fund (EBTF) board for changing the date of the meeting. He provided an update and went through the Quarterly Performance Summary and expressed that it had been a very difficult year. He explained that EBTF's investments showed some slightly negative activity but outperformed their benchmark. He advised that there were a number of factors that occurred this year and summarized that inflation really accelerated from the very end of the year and all through the first nine months of the year which was caused by excess monetary policy, excess fiscal stimulus that derived from the pandemic, regulatory policy in the area of energy, the war in Ukraine and also working through pandemic issues with regard to the supply chain. He also highlighted that the United States (US) dollar was getting stronger which had an impact on international returns and also on US corporations that had multi-national operations. He continued to outline the financial status of EBTF from the Quarterly Performance Summary. He asked the EBTF board how much they would need for January 2023.

EBTF CHAIR JACQUELINE CHIN-KIDD advised that to date:

- The applications they received that were ready for the renewals was approximately \$260,000;
- New retirees were approximately \$30,000;
- The Retirees which were missing could total approximately \$35,000 and;

- The grand total was approximately \$324,000.

GC SENIOR VICE PRESIDENT, WHEELER advised that as time went on, that figure could accelerate which could play into the asset allocation and that EBTF may have to revise their Investment Policy Statement (IPS) to account for the fact that EBTF's withdrawals could be a bigger percentage of their asset allocation. He said that \$325,000 was approximately 5% of EBTF's asset allocation. He continued to discuss the Quarterly Performance Summary. He recommended:

- Withdraw \$125,000 from Clearbridge Large Divident Growth;
- Withdraw \$100,000 from Bahl & Gaynor;
- Add \$50,000 to Jennison – Large Cap;
- Add a little bit to Delaware - SMID Growth;
- Add \$50,000 to Weston – Core Bond and;
- The remainder to go into EBTF's disbursement account which would give the fund \$300,000+.

GC SENIOR VICE PRESIDENT WHEELER indicated that they removed their investments from things that had declined very little and add them to things that have declined more such as the fixed income and Jennison – Large Cap and also added enough to cover their distribution for the coming year.

A motion was made by Trustee Jones, seconded by Trustee Simone, to reallocate the funds as discussed by Mr. Wheeler:

- **Withdraw \$125,000 from Clearbridge Large Divident Growth;**
- **Withdraw \$100,000 from Bahl & Gaynor;**
- **Add \$50,000 to Jennison – Large Cap;**
- **Add a little bit to Delaware - SMID Growth';**
- **Add \$50,000 to Weston – Core Bond and;**
- **Remainder going into EBTF's disbursement account which will give the account approximately \$300,000+.**

This carried by the following vote:

Yes: 6 - Trustee Simone, Trustee Sherman, Vice Chair Jones, DiNatale, Chair Chin-Kidd and Trustee Frankenhauser

Absent: 1 - Trustee Marrero

GC SENIOR VICE PRESIDENT WHEELER thanked the EBTF board for their business and wished them a Merry Christmas and holiday season.

EBTF CHAIR JACQUELINE CHIN-KIDD thanked Mr. Wheeler for attending. She asked if a date could be set for the next EBTF board meeting next January.

9) SCHEDULE NEXT MEETING

Item 9) was heard before 3).

MIERZWA & FLOYD, P.A. AND EBTF ATTORNEY, MARK W. FLOYD, confirmed that the next meeting will be scheduled for Thursday, January 26, 2023.

3) DISCUSSION AND POSSIBLE ACTION

A. [ID 2022-410](#) DISCUSSION AND POSSIBLE ACTION - APPROVAL OF RENEWALS

Item 3A.) was heard after Item 9).

EBTF CHAIR CHIN-KIDD advised that they had a listing of all the applications that were received from Anchor Benefit Consulting (ABC) and that:

- Renewals for applicants were highlighted in green;
- New applicants were highlighted in blue and;
- Missing application renewals were highlighted in yellow.

EBTF CHAIR CHIN-KIDD informed that the total for the renewals so far totaled \$260,407.20.

VICE CHAIR, MICHAEL A. JONES, questioned if ABC had to go through this process again once the Retirees had completed the paperwork.

EBTF CHAIR CHIN-KIDD questioned if the EBTF board wanted to include the missing renewals in the motion and approve applications highlighted in yellow if ABC received them by the end of December with required documentation.

A motion was made by Trustee Sherman, seconded by Vice Chair Jones, to approve the renewals that were received and any additional renewals received by the end of December, if all paperwork was received, then ABC would have approval to send those benefit payments. This carried as follows:

Yes: 6 - Trustee Simone, Trustee Sherman, Vice Chair Jones, DiNatale, Chair Chin-Kidd and Trustee Frankenhauser

Absent: 1 - Trustee Marrero

B. [ID 2022-448](#) MOTION - APPROVING DEATH BENEFIT(S)

EBTF CHAIR CHIN-KIDD asked if the EBTF board could approve the Death Benefits for Luis Diaz and for Kenneth Gilbert once calculated.

A motion was made by Vice Chair Jones, seconded by Trustee Sherman, that this item, should be approved for the Death Benefits for Luis Diaz and Kenneth Gilbert, once calculated. This carried as follows:

Yes: 6 - Trustee Simone, Trustee Sherman, Vice Chair Jones, DiNatale, Chair Chin-Kidd and Trustee Frankenhauser

Absent: 1 - Trustee Marrero

5) APPROVAL OF BENEFITS

This Item was heard after 3B).

A. [ID 2022-409](#) DISCUSSION AND POSSIBLE ACTION - APPROVAL OF NEW APPLICANTS

EBTF CHAIR CHIN-KIDD read the list of the 11 new applicants who she advised met all the requirements. She highlighted that applicant, Luis R. Olivera, formerly of the Fire Department, was short of a few days for the 25 years of service but informed that the EBTF board approved these in the past since Florida Retirement System (FRS) gave credit for the entire month and they had qualified him for the said period. She also pointed out the three retirees on the investment plan which were Scott Dedi, John F. Fitschen and Maria Moresco, appeared to average up to four months after separation and questioned if the EBTF board wanted to approve that, since there is a required waiting period before they could withdraw the funds.

MIERZWA & FLOYD , P.A. AND EBTF ATTORNEY FLOYD had no issue doing it this way as it was going to be a standard for participants in the investment plan. He advised that it was going to be 90 – 120 days after they separate from the City before they could actually collect from their investment account, but he had no issue doing it either way and using the separation date for eligibility of benefit.

Discussion ensued.

A motion was made by Trustee Sherman, seconded by Secretary DiNatale, to approve all new applicants. This carried by the following vote:

Yes: 6 - Trustee Simone, Trustee Sherman, Vice Chair Jones, DiNatale, Chair Chin-Kidd and Trustee Frankenhauser

Absent: 1 - Trustee Marrero

4) INVOICES

This Item was heard after Item 5).

A. [ID 2022-408](#) INVOICES PROCESSED SINCE THE LAST EBTF MEETING

EBTF CHAIR CHIN-KIDD advised that they made payments to Kabat, Schertzer, De La Torre, Taraboulos PA (KSDT), Mierzwa & Floyd, P.A. and ABC.

A motion was made by Vice Chair Jones and seconded by Trustee Sherman, that the invoices for Kabat, Schertzer, De La Torre, Taraboulos CPA (KSDT) (for \$215 and \$4,600) Mierzwa & Floyd, P.A. (for \$145, \$1,326.66 and \$82) and Anchor Benefit Consulting (ABC) (for \$2,908.40 and \$2,902.50) should be paid. This carried as follows:

Yes: 6 - Trustee Simone, Trustee Sherman, Vice Chair Jones, DiNatale, Chair Chin-Kidd and Trustee Frankenhauser

Absent: 1 - Trustee Marrero

6) REPORT FROM ATTORNEY

MIERZWA & FLOYD , P.A. AND EBTF ATTORNEY FLOYD, discussed the Amendment No. 1 to the Plan Document and the Amendment to the Agreement Declaration of Trust that the EBTF board discussed at their last meeting. He said that the Amendment No. 1 to the Plan Document that he distributed was modified as instructed at the last EBTF meeting. He explained the definition of an eligible employee was previously modified to include dispatchers and had now been subsequently changed to include dispatchers as well as the firefighters who were transferred from the City of Margate to the City of Coconut Creek. He explained that as long as the dispatchers or firefighters continuously remained employed by Broward County or Coconut Creek after the transfer as well as satisfy other eligibility requirements, they would be an eligible employee. He advised that the other modification was to the Death Benefit which had been changed to allow notification to the board up until January 31 of the following year in which the death occurred instead of 90 days.

EBTF TRUSTEE TODD SHERMAN queried if a returning employee from the Fire Department of Coconut Creek would still be able to continue. He informed that the former City employee would not be classed as a new hire as he had an agreement with the City to move back.

MIERZWA & FLOYD, P.A. AND EBTF ATTORNEY FLOYD advised that as long as there was no break in employment or service from Margate to Coconut Creek then back to Margate, the City would honor that original date of hire and he would maintain his eligibility with a subtraction for the time with the other agency. He indicated that this was a unique situation where the transfer was reversed.

EBTF TRUSTEE JOANNE SIMONE questioned if they had a total for the number of employees that transferred to Coconut Creek.

Discussion ensued.

A motion was made by Trustee Sherman, seconded by Vice Chair Jones, to adopt the Amendment No. 1 to the Plan Document as written by Attorney Floyd. This carried by the following vote:

Yes: 6 - Trustee Simone, Trustee Sherman, Vice Chair Jones, DiNatale, Chair Chin-Kidd and Trustee Frankenhauser

Absent: 1 - Trustee Marrero

MIERZWA & FLOYD, P.A. AND EBTF ATTORNEY FLOYD explained at the last EBTF meeting, the board discussed amending the Agreement and Declaration of Trust to allow a retiree to be eligible to sit on the EBTF board as long as they were elected or appointed in the same manner as the Trustee positions that they had now. He said that after speaking to Chair Chin-Kidd, he explained why he needed some additional direction since there was some concern that there would be a time where the voters would not be eligible for the benefit and wanted to know whether or not the voters were still going to be the active employees in the bargaining unit since that was what the Declaration of Trust stated.

VICE CHAIR JONES agreed that we should keep the active employees as the voters for each bargaining unit.

Discussion ensued.

EBTF SECRETARY FRANK DINATALE advised that this would be his last meeting as he would be retiring and that Ronald N. Gangoo would be taking over from his position. He appreciated working with the EBTF board.

EBTF CHAIR CHIN-KIDD thanked EBTF Secretary Dinatale for serving on the board.

MIERZWA & FLOYD, P.A. AND EBTF ATTORNEY FLOYD, questioned that if the EBTF board members were content with the change, then that would be how they would proceed and to keep voters limited to active employees.

7) REPORT FROM TRUSTEES

EBTF SECRETARY FRANK DINATALE spoke briefly of his 35 years of service with the City.

EBTF CHAIR CHIN-KIDD welcomed new EBTF Trustee, Frankenhauser, to his first meeting.

EBTF TRUSTEE PAUL FRANKENHAUSER informed that he was a former EBTF Trustee many years ago.

EBTF TRUSTEE SIMONE thanked EBTF Secretary DiNatale for his 35 years of service with the City and for serving on the EBTF board and wished him the best of luck. She wished everybody a Merry Christmas, a Happy Holidays and to stay well and safe.

8) OTHER BUSINESS

There was no other business.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:36pm.

Respectfully submitted,

Transcribed by Salene E. Edwards

Frank DiNatale, Secretary

Date: _____

If a person decides to appeal any decision made by the Board with respect to any matter considered at this meeting, the person will need a record of the proceedings, and for such purpose may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Anyone desiring a verbatim transcript shall have the responsibility, at his/her own expense, to arrange for the transcript.

Any person with a disability requiring auxiliary aids and services for this meeting may call the City Clerk's office at 954-972-6454 with their request at least two business days prior to the meeting date.

One or more members of the City Commission or City of Margate Boards may be in attendance and may participate at the meeting.

