



City of Margate

5790 Margate Boulevard
Margate, FL 33063
954-972-6454
www.margatefl.com

Meeting Minutes Employee Benefits Trust Fund

Jacqueline Chin-Kidd, Chair
Michael A. Jones, Vice Chair
Ronald N. Gangoo, Secretary
Alberto Arango, Trustee
Paul Frankenhauser, Trustee
Lori Marrero, Trustee
Joanne Simone, Trustee

Thursday, January 25, 2024

2:30 PM

Commission Chambers

CALL TO ORDER

ROLL CALL

Present: 4 - Trustee Paul Frankenhauser, Trustee Alberto Arango, Vice Chair Michael Jones and Chair Jacqueline Chin-Kidd

Absent: 3 - Trustee Joanne Simone, Trustee Lori Marrero and Trustee Ronald N. Gangoo

1) PUBLIC DISCUSSION

There was no Public Discussion.

2) DISCUSSION AND POSSIBLE ACTION

A. [ID 2023-407](#) MOTION - APPROVAL OF UPDATED FEE FROM ANCHOR BENEFIT CONSULTING (ABC)

EMPLOYMENT BENEFIT TRUST FUND (EBTF) CHAIR JACQUELINE CHIN-KIDD introduced Anchor Benefit Consulting (ABC) Inc. President, Scott C. Crawford who was attending via teleconference and explained that the organization processed all their renewal applications and responded to the audit.

ABC, INC. PRESIDENT, SCOTT C. CRAWFORD, introduced himself and apologized for not attending in person. He advised that ABC had been administering the EBTF program since January 2021 and he was open for questions. He advised that they had a very minor adjustment to the pricing this year and explained that the reason for the \$0.15 increase was due to their bank adjusting the card fees.

A motion was made by Trustee Frankenhauser, seconded by Vice Chair Jones, to approve the fee adjustment for benefit card maintenance from \$1.10 per month, per retiree to \$1.25 per month, per retiree. This carried as follows:

Yes: 4 - Trustee Frankenhauser, Trustee Arango, Vice Chair Jones and Chair Chin-Kidd

Absent: 3 - Trustee Simone, Trustee Marrero and Trustee Gangoo

- B. [ID 2023-412](#) MOTION - APPROVE TRANSFER OF FUNDS TO ANCHOR BENEFIT CONSULTING (ABC) TO COVER THE 2024 BENEFIT PAYMENTS

EBTF CHAIR JACQUELINE CHIN-KIDD confirmed that this Item was just to formally approve the wire transfer to cover the benefit applications that were distributed in January 2024.

A motion was made by Vice Chair Jones, seconded by Trustee Frankenhauser, to approve the transfer of funds to Anchor Benefits Consulting (pending schedule shows total of \$314,850.40). This carried as follows:

Yes: 4 - Trustee Frankenhauser, Trustee Arango, Vice Chair Jones and Chair Chin-Kidd

Absent: 3 - Trustee Simone, Trustee Marrero and Trustee Gangoo

3) PRESENTATION

- A. [ID 2023-414](#) FINANCIAL STATEMENTS FROM KABAT, SCHERTZER, DE LA TORRE, TARABOULOS & CO. (KSDT)

KABAT, SCHERTZER, DE LA TORRE, TARABOULOS & CO., LLC (KSDT), KHALED K. ALI, presented the Financial Statements for the fiscal year ending May 31, 2023. He referenced the Audited Financial Report (AFR) that was marked as a draft and stated that they did not anticipate any changes in the numbers.

He advised that KDST would issue a final version of the AFR report once it had been approved by the EBTF board. He confirmed that there were no red flags and everything had proper support and approval. He continued to provide a detailed analysis of the AFR.

He advised that once the EBTF board had approved the report, KSDT would issue a final version. He continued to provide a detailed analysis of the report.

- B. [ID 2023-409](#) MOTION - TO ACCEPT AUDITED FINANCIAL STATEMENTS FROM KSDT

A motion was made by Vice Chair Jones, seconded by Trustee Frankenhauser, to accept the audited financial statements as presented. This carried by the following vote:

Yes: 4 - Trustee Frankenhauser, Trustee Arango, Vice Chair Jones and Chair Chin-Kidd

Absent: 3 - Trustee Simone, Trustee Marrero and Trustee Gangoo

KSDT's Ali queried whether the management representative letter would require a separate motion by the EBTF board or whether it could be signed once they were in receipt of it. He advised that once the document was signed and received, they would

send a final version of the Financial Statement report.

EBTF CHAIR JACQUELINE CHIN-KIDD said that she received that document in an email but would send it back to KSDT. She confirmed that once the report was accepted by the EBTF board, then that would be permission for her to sign it.

C. [ID 2023-408](#) INVESTMENT MANAGEMENT PERFORMANCE UPDATE FROM GRAYSTONE CONSULTING

GRAYSTONE CONSULTING (GC), SENIOR VICE PRESIDENT, DAVID A. WHEELER, provided the Quarterly Performance Summary and went through the economics, highlighted whether they saw potential risks and then went through the numbers. He confirmed that for this quarter, the market had a good run and GC did not have any recommendations at this time as that they had built up enough cash of approximately \$380,000 and was ready to handle the estimated \$300,000 distribution. He said that the City should be making a contribution of \$46,227 as it was paid last year which would be added to what remained and that they were flowing in about \$100,000 - \$150,000 in cash. He said that by doing nothing, it would be two thirds of the way and maybe a little more towards the \$300,000 distribution. He suspected that he would have to raise cash again sometime this year but not today. He thanked the board for their business.

Discussion ensued.

4) SCHEDULE NEXT MEETING

The EBTF board agreed with the date suggested by Mierzwa & Floyd, P A and EBTF Attorney Floyd for the next meeting scheduled for Thursday April 25, 2023 at 2:30pm.

5) INVOICES

A. [ID 2024-024](#) INVOICES PROCESSED SINCE THE LAST EBTF MEETING

EBTF Chair Chin-Kidd read out the five invoices to be paid:

- \$3,600.00 Professional Tax & Accounting Solutions Inc for their annual fee.
- 1,000.00 KSDT;
- 3,000.00 KSDT;
- 2,961.00 ABC (last quarter of 2023) and;
- 1,035.01 Mierzwa & Floyd, P. A. (M & F).

A motion was made by Vice Chair Jones, seconded by Trustee Frankehauser, to approve the five invoices as listed by Chair Chin-Kidd.

Yes: 4 - Trustee Frankenhauser, Trustee Arango, Vice Chair Jones and Chair Chin-Kidd

Absent: 3 - Trustee Simone, Trustee Marrero and Trustee Gangoo

6) APPROVAL OF BENEFITS

A. [ID 2023-413](#) MOTION - APPROVAL OF NEW APPLICANTS

EBTF TRUSTEE CHIN-KIDD recapped that they did the approval early in November 2023 before the deadline at the last EBTF meeting. She said that a new application was

received from Deborah Winograd who met all the requirements and that she had worked at the City for 34 years and retired in June 2023. She advised that the applicant's amount would be the \$1,620 and she would receive six months retro of \$810.

A motion was made by Vice Chair Jones, seconded by Trustee Frankenhauser, to approve Deborah Winograd's application.

Yes: 4 - Trustee Frankenhauser, Trustee Arango, Vice Chair Jones and Chair Chin-Kidd

Absent: 3 - Trustee Simone, Trustee Marrero and Trustee Gangoo

EBTF TRUSTEE CHIN-KIDD referenced another applicant and informed that she had asked ABC to pull any applications they possessed where the EBTF board previously denied them because they retired on disability. She advised that the EBTF board voted at the last meeting that they would allow employees that retired on disability to be eligible once they met the age requirement as well as all the other requirements. She explained that in 2021, applicant, Alan Lidestri, applied but was denied and they asked M & F Attorney Floyd to review. She informed that he would have 14 years of service and qualified at 59 since he used to work in the Fire Department. He explained that the only thing that would have been different would be a time period for them to be assessed in order to qualify for the disability causing a gap between when he was terminated from the City and when he actually received the disability Florida Retirement System (FRS) benefit. She believed that M & F Attorney Floyd may have said that this was a common occurrence and if they were going to allow them to receive a benefit, then they would have to then allow that time period for them to be evaluated.

A motion was made by Trustee Arango, to approve this payment with a retro for one year and for the EBTF board to use his original application and approve his payment for this year with the retro or the EBTF board could have ABC reach out to him for a new application or provide an updated backup.. This failed for the lack of second.

VICE CHAIR, MICHAEL A. JONES questioned the date of Mr. Lidestri's original application and also asked what was the benefit in completing a new one.

EBTF TRUSTEE CHIN-KIDD explained that if they accept his application as is, the information for his insurance would not be current. She also indicated that most people who joined Medicare stayed on it and it would not change from year to year. She said it would be the difference between him receiving a check or a card.

M & F P.A. AND EBTF ATTORNEY, FLOYD advised that the application received indicated that the applicant separated from service in April 2017. He explained that the application was filed in November 2020 and he did, in fact, begin receiving an FRS benefit and would have, at that time, satisfied the 55 year threshold. He advised that in a couple of months, the applicant would be 60 years old. He informed that the EBTF board could enact this and that the EBTF board had approved the drafted amendment to allow retirees

with disability retirement to be included once the age or years of service requirement was met but they were unsure how many applicants would be in this category. He explained that if there was only one that was retro, the EBTF board had the ability to approve this to when the applicant would have been eligible. He recommended that the applicant provide his updated information as they would need to verify that he did, in fact, continue to maintain health insurance and that would be the only updated information required. He advised that if there were any other applicants that were retro, they would have to treat them exactly the same.

Discussion ensued.

A motion was made by Trustee Arango, seconded by Trustee Frankenhauser, to treat this applicant as a new application with only one year retro as provided for in the EBTF documents effective this year and moving forward. This carried as follows:

Yes: 4 - Trustee Frankenhauser, Trustee Arango, Vice Chair Jones and Chair Chin-Kidd

Absent: 3 - Trustee Simone, Trustee Marrero and Trustee Gangoo

B. [ID 2023-415](#) MOTION - APPROVING DEATH BENEFIT(S)

EBTF TRUSTEE CHIN-KIDD confirmed that there were no death benefits.

2) DISCUSSION AND POSSIBLE ACTION (CONTINUED)

C. [ID 2023-416](#) REVIEW QUOTES FOR ACTUARIAL STUDY

EBTF TRUSTEE CHIN-KIDD followed up from the last EBTF meeting where the CONSENSUS was given by the EBTF board to review the additional quotes for the actuarial study and she confirmed that she was now in receipt of three quotes which she listed as follows:

- Freiman Little Actuaries (FLA) increased their fee from \$20,000 for the prior report to \$22,000;
- Foster & Foster Actuaries and Consultants were the lowest at \$14,500 and provided a very detailed proposal and;
- Gabriel, Roeder, Smith & Company (GRS) for \$15,500, who she said was quick to respond and was also used by the City.

EBTF TRUSTEE, PAUL FRANKENHAUSER, questioned whether Foster & Foster were covering the same period.

EBTF TRUSTEE CHIN-KIDD advised that moving forward, they were going to cover two years. She said that based on the feedback from the previous meetings, FLA was too expensive.

Discussion ensued.

A motion was made by Trustee Frankenhauser, seconded by Vice Chair Jones, to

go with Foster & Foster Actuaries and Consultants. This carried as follows:

Yes: 4 - Trustee Frankenhauser, Trustee Arango, Vice Chair Jones and Chair Chin-Kidd

Absent: 3 - Trustee Simone, Trustee Marrero and Trustee Gangoo

D. [ID 2024-022](#) MOTION - APPROVAL OF RENEWAL FOR BOOKING & ACCOUNTING SERVICES FROM PROFESSIONAL TAX & ACCOUNTING SOLUTIONS

EBTF TRUSTEE CHIN-KIDD explained that this was the same company that was doing the bookkeeping for the auditors' review because they could not hire the same company to do both. She explained that as it took Mr. Davidson a considerable amount of time to go over all the investment activities for the entire year and wanted him to start a little earlier in order to not delay the audit and stated that his fees were pretty much the same and reasonable.

A motion was made by Vice Chair Jones, seconded by Trustee Frankenhauser, to approve the renewal of Professional Tax & Accounting Solutions. This carried by the following vote:

Yes: 4 - Trustee Frankenhauser, Trustee Arango, Vice Chair Jones and Chair Chin-Kidd

Absent: 3 - Trustee Simone, Trustee Marrero and Trustee Gangoo

7) REPORT FROM ATTORNEY

A. [ID 2023-410](#) AMENDMENT TO PLAN DOCUMENTS

M & F EBTF ATTORNEY, FLOYD explained that he would update the draft and the only issue they had was to add the amendment with this information they had today pertaining to the retro activity. He noted that they did not draft an individual amendment the last time the EBTF plan was updated in 2018 but instead, they restated the plan document so that there was one document instead of one with an amendment number one. He further questioned if the EBTF board had a preference.

EBTF TRUSTEE CHIN-KIDD did not specifically have a preference but suggested that it was better to show separately that there were amendments to the previous version in order to avoid any confusion as to what updates were added.

M & F EBTF ATTORNEY, FLOYD confirmed that he would follow that process.

Discussion ensued.

EBTF TRUSTEE, FRANKENHAUSER, suggested that the amendments could be applied as an appendix at the back explaining the plan changes.

8) REPORT FROM TRUSTEES

There were no reports from the EBTF board.

9) OTHER BUSINESS

EBTF TRUSTEE CHIN-KIDD referenced the updated schedules from ABC but found that

sometimes when retirees upload the documents to ABC's shared drive, applicants were missed which affected the totals. She said that they had been pretty liberal if any renewals were missed since the board had given approval for ABC to process all forms that met the requirements.

M & F EBTF ATTORNEY, FLOYD, indicated that they could always ratify them at the next EBTF meeting.

EBTF TRUSTEE CHIN-KIDD could update the total since the EBTF board gave ABC authority to process renewals that met all the criteria.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:35pm.

Respectfully submitted,

Transcribed by Salene E. Edwards

Ronald N. Gangoo, 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.