



City of Margate

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Meeting Minutes

Employee Benefits Trust Fund

Chair, James Wilbur
Vice Chair, Joanne Simone
Secretary, Jackie Chin-Kidd
Trustee, Adam Sitman
Trustee, Laura Sudman
Trustee, Efrain Suarez
Trustee, Mark E. Weinrub

Thursday, December 3, 2015

2:30 PM

Commission Chambers

CALL TO ORDER

Laura Sudman arrived at 2:37 PM.

Present: 6 - Chair James Wilbur, Vice Chair Joanne Simone, Secretary Jackie Chin-Kidd, Trustee Adam Sitman, Trustee Laura Sudman and Trustee Mark Weinrub

Absent: 1 - Trustee Efrain Suarez

1) PUBLIC DISCUSSION

There was no Public Discussion.

2) MINUTES

A. [ID 14-1562](#) MOTION APPROVING MINUTES DATED OCTOBER 22, 2015

A motion was made by Trustee Weinrub, seconded by Vice Chair Simone, that the Minutes be approved. The motion passed by unanimous vote of 5-0.

3) INVOICES

A. [ID 14-1563](#) MOTION APPROVING PAYMENT OF INVOICE(S) FOR ATTORNEY MARK A. FLOYD, MIERZWA & ASSOCIATES

Chair Wilbur reported that the invoice due for the Attorney was in the amount of \$708.60.

Ms. Sudman arrived at 2:37 PM.

A motion was made by Secretary Chin-Kidd, seconded by Trustee Sitman, that this Motion be approved. The motion passed by unanimous vote of 6-0.

4) REPORT FROM ATTORNEY

The Attorney was not present.

ITEM 6 WAS HEARD PRIOR TO ITEM 5.

6) OTHER BUSINESS

A. [ID 14-1564](#) DISCUSSION AND POSSIBLE ACTION - APPROVAL OF NEW APPLICATIONS

Chair Wilbur provided backup and began review of applicants as follows:

- *Kyle Breuning has 24 years with City, but was of age, drawing his FRS and had the City's insurance; therefore, he qualified for the benefit.*

A motion was made by Trustee Weinrub, seconded by Secretary Chin-Kidd, that Kyle Bruening's application be approved. The motion passed by unanimous vote of 6-0.

- *Gerard Calianno retired with 21 years and was short on years and age; therefore, he would not be eligible until next year. He stated that the application would be accepted for future payment and a renewal would be sent in the mail.*

A motion was made by Trustee Sudman, seconded by Trustee Sitman, to approve the application for future payment. The motion passed by unanimous vote of 6-0.

- *Imre Cseh was shorty on years with 20 years, as well as being short on age; therefore, he would not be eligible until 2020.*

A motion was made by Trustee Weinrub, seconded by Secretary Chin-Kidd, to accept the application for future payment. The motion passed by unanimous vote of 6-0.

- *Diane DePaola retired with 19 years and was eligible by age; however, she needed to provide proof of insurance.*

A motion was made by Secretary Chin-Kidd, seconded by Trustee Weinrub, to accept the application for payment upon receipt of proof of insurance. The motion passed by unanimous vote of 6-0.

- *Sonja Fuller retired after 24 years, was eligible by age and had all paperwork in order*

A motion was made by Secretary Chin-Kidd, seconded by Trustee Sudman, to approve the application. The motion passed by unanimous vote of 6-0.

- *Samuel Giafaglione retired after 31 years and needed to submit all paperwork.*

A motion was made by Trustee Weinrub, seconded by Secretary Chin-Kidd, to approve contingent upon receipt of the paperwork. The motion passed by unanimous vote of 6-0.

- *Jeffrey Havens retired after 25 years, his paperwork was in order and he had City insurance.*

A motion was made by Trustee Sudman, seconded by Secretary Chin-Kidd, to approve the application. The motion passed by unanimous vote of 6-0.

- *Lawrence Horak had met minimum years, had City insurance and all paperwork was in order.*

A motion was made by Vice Chair Simone, seconded by Trustee Weinrub, to approve the application. The motion passed by unanimous vote of 6-0.

- *Frances Kolenda had 25 years, had City insurance and had all paperwork in order.*

A motion was made by Trustee Weinrub, seconded by Trustee Sudman, to approve. The motion passed by unanimous vote of 6-0.

- *Michael Mahoney retired after 26 years, had his paperwork and had City insurance.*

A motion was made by Trustee Sudman, seconded by Vice Chair Simone, to approve. The motion passed by unanimous vote of 6-0.

- *Michael McPadden retired after 25 years, had his paperwork in order and provided insurance paperwork.*

A motion was made by Trustee Weinrub, seconded by Trustee Sudman, to approve. The motion passed by unanimous vote of 6-0.

- *Eulasee Parrish worked for 13 years; however, he met the age requirement.*

A motion was made by Trustee Weinrub, seconded by Trustee Sudman, to approve. The motion passed by unanimous vote of 6-0.

- *Tim VanWinkle worked for 30 years, provided FRS information, but had not provided proof of insurance.*

A motion was made by Secretary Chin-Kidd, seconded by Trustee Sudman, to

approve pending correct paperwork. The motion passed by unanimous vote of 6-0.

- *James Walkden worked 29 years, had City insurance and met the age requirement; however, verification of paperwork through Human Resources was needed due to the multiple hire dates shown on the paperwork.*

A motion was made by Secretary Chin-Kidd, seconded by Trustee Sudman, to approve pending verification of paperwork and information with Human Resources. The motion passed by unanimous vote of 6-0.

- *Londa Donahue submitted application, provided proof of FRS and City insurance late on December 2, 2015.*

A motion was made by Trustee Weinrub, seconded by Trustee Sitman, to approve. The motion carried by the following vote:

Yes: 6 - Chair Wilbur, Vice Chair Simone, Secretary Chin-Kidd, Trustee Sitman, Trustee Sudman and Trustee Weinrub

Absent: 1 - Trustee Suarez

B. [ID 14-1565](#) DISCUSSION AND POSSIBLE ACTION - APPROVAL OF RENEWAL APPLICATIONS

Chair Wilbur noted exceptions as follows:

- *Dominick Cavallo needed to provide proof of Medicare.*
- *George Costa began paying City insurance and came off RIO this year; therefore, he was entitled to his retroactive funds.*
- *Robert Dorband did not provide proof of insurance.*
- *Kenneth Gilbert did not provide proof of insurance.*
- *Fred Gary did not provide application.*
- *Charles Clay did not provide application.*
- *Sam Huston did not provide proof of insurance.*
- *Robert and Holly Lillie were no longer on City insurance; therefore, proof of insurance was required.*
- *John Oates did not provide proof of insurance.*
- *Frank Paolercio did not provide proof of insurance.*
- *Manuel Sarmiento did not submit an application.*
- *James Tilson did not submit an application.*
- *Bruce Watson did not submit an application.*
- *Joseph Varsallone submitted his proof of insurance.*
- *Philip Yacko did not submit an application.*
- *Catherine Youron did not submit an application.*

Ms. Kidd stated that Marie Ischia called near the deadline and requested another packet. She stated that Ms. Ischia was to provide her information; however, nothing had been received.

A motion was made by Vice Chair Simone, seconded by Trustee Sudman, to discuss the list.

Ms. Kidd stated that Marie Ischia called near the deadline and requested another packet. She stated that Ms. Ischia was to provide her information; however, nothing had been received and nothing was resent to her.

Chair Wilbur explained that Marie Ischia was previously in the RIO and her status might have changed. He stated that he believed she was in the RIO because he had no information regarding her. He noted that it was not the responsibility of the Human Resource Department to provide the information. He said that she could receive the maximum benefit because she was employed for 30 years and went in the DROP Program.

An amendment was made by Chair Wilbur, seconded by Secretary Chin-Kidd, to allow Marie Ischia to get all of her paperwork submitted and in order prior to the issuance of the checks in order for her to receive her benefit if qualified.

Mr. Weinrub felt that a precedent might be set by approving the application.

The amendment carried by the following vote:

Yes: 6 - Chair Wilbur, Vice Chair Simone, Secretary Chin-Kidd, Trustee Sitman, Trustee Sudman and Trustee Weinrub

Absent: 1 - Trustee Suarez

The motion as amended was carried by the following vote:

Yes: 6 - Chair Wilbur, Vice Chair Simone, Secretary Chin-Kidd, Trustee Sitman, Trustee Sudman and Trustee Weinrub

Absent: 1 - Trustee Suarez

Ms. Kidd added that Fred Guerin had also not submitted an application; however, he was having some health issues.

C. [ID 14-1566](#) DISCUSSION AND POSSIBLE ACTION - REPORT FROM MIKE NICKLER, MORGAN STANLEY WEALTH MANAGEMENT

MIKE NICKLER, Morgan Stanley, handed out and discussed a performance review. He spoke about the Stock Market currently being down, but the Trust Fund was up year-to-date through December 2, 2015, almost 2 percent. He stated that large and small values were down, International was terrible, and the merging market was decimated. He noted that only 35 percent of the Trust Fund's portfolio was making money. He said that over the past 3 years, diversification had not helped portfolios; however, it did work long term. He noted that over the past 14 years, the Trust Fund annualized 5.1 versus the SNP at 5.8 percent. He reviewed the portfolio as follows:

TCW – Page 16, TCW was large cap growth underperformed long term; however, this year it was up 14 percent.

INVESCO – Page 20, Invesco did a good job long term, but this year it was -2.7 percent, but the index was -2 percent.

SYSTEMATIC – Page 18, Systematic did a phenomenal job and was up 7 percent compared to its index that was -3 percent.

DELAWARE – Page 22, Delaware was up 8 percent versus the index of 3 percent.

INTERNATIONAL – Page 24, International was outperforming with less risk and was up 1.4 percent versus the index of -3.4 percent.

MFS – Page 26, MFS did a good job outperforming the index and was up 2.4 percent.

JENNISON – Page 28, Jennison was up 14.7 percent versus the index of 7 percent.

LAZARD – Page 30, Lazard was down 15.5 percent; however, it outperformed the index long term.

CAMBIA – Page 32, Cambia was down 5.6 percent versus the -3 percent index; therefore, slightly underperforming long term.

ALTERNATIVES – Page 34, Alternatives was -6 percent year-to-date because of the metals being down.

MR. NICKLER provided the current portfolio breakdown as follows:

*24 percent large cap growth
22 percent large cap value
11 small mid growth
11 small mid value
21 percent International
11 Alternatives*

MR. NICKLER stated that based on distribution of \$196,000, he suggested taking \$130,000 from large cap growth by taking \$30,000 from TCW and \$100,000 from Genesis. He said that \$40,000 should be taken from MFS and \$26,000 from Delaware.

MR. NICKLER clarified that the suggested percentages would change as follows:

*23 percent large cap growth
22 percent large cap value
11 small mid growth
11 small mid value
22 percent International
11 Alternatives*

A motion was made by Secretary Chin-Kidd, seconded by Trustee Weinrub, for Mr. Nickler to withdraw \$196,000 from the funds as indicated.

CHAIR WILBUR noted that the money would be needed by January 15, 2016.

MR. NICKLER said agreed to provide the check by that date. He noted that if there were capital gains earned in the Alternatives account prior to January 15, 2016, he would use that money instead of withdrawing from the funds discussed.

The motion carried by the following vote:

Yes: 6 - Chair Wilbur, Vice Chair Simone, Secretary Chin-Kidd, Trustee Sitman, Trustee Sudman and Trustee Weinrub

Absent: 1 - Trustee Suarez

ITEM 7 WAS HEARD PRIOR TO ITEM 5.

7) SCHEDULE NEXT MEETING

CHAIR WILBUR stated that the next meeting would be scheduled for the Thursday, January 21, 2016, at 2:30 PM.

5) REPORT FROM TRUSTEES

A motion was made by Secretary Chin-Kidd, seconded by Trustee Sudman, to readress the renewal list.

MS. CHIN-KIDD stated that some of the amounts requested were over the maximum allowed and should be as follows:

- James Baldwin – \$1,538.40
- Lascelles Bryan - \$1,048.80
- Charles Costello - \$1,579.20
- Luis Diaz - \$1,048.80
- Anthony Genovese - \$1,048.80
- Myra Grant - \$1,008.00
- Kathy Hoelderlin - \$1,171.20
- Richard Holubek - \$1,048.80

CHAIR WILBUR noted that the new adjusted amount for past retirees for 2016 was \$166,653.90. He stated that the new grand total with new retirees was \$197,049.60.

The motion carried by the following vote:

Yes: 6 - Chair Wilbur, Vice Chair Simone, Secretary Chin-Kidd, Trustee Sitman, Trustee Sudman and Trustee Weinrub

Absent: 1 - Trustee Suarez

CHAIR WILBUR stated that he made two e-mail requests to the Attorney, as well as an e-mail requesting the Letter of Engagement for the Actuary by the end of today; however, he had not received anything yet. He noted that the Finance Director was also in need of the Actuary information.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:45 PM.

Respectfully submitted,

Transcribed by Carol DiLorenzo

Jackie Chin-Kidd, Secretary

Date: _____