



**TOWN OF SURFSIDE  
PENSION BOARD MEETING**  
Thursday, February 4, 2021 – 2:00 p.m.  
9293 Harding Avenue - Virtual

**MINUTES**

**Pension Board Members**

N. Abraham Issa  
Yamileth “Yami” Slate-McCloud  
Julio Torres  
Gary Golding  
Andrew Hyatt

**Town of Surfside Consultants**

Frank Wan, Burgess Chambers & Associates  
Todd Wishnia, Highland Capital Management  
Adam Levinson, Klausner & Kaufman  
Jason D. Greene, Assistant Town Manager/Chief Financial Officer  
Mayte Gamiotea, Third Party Administrator  
Frantza Duval, Recording Clerk

**1. Call to Order and Roll Call**

The meeting was called to order by Abraham Issa at 2:09 p.m.  
All of the above noted Pension Board members and Consultants were present.

Also in attendance were Michael Lucci and Jason Jarjosa of Bloomfield Capital and Pat Melton and Steve Hagenbuckle from TerraCap.

**2. Pension Board Election (Chair, Vice-Chair, Secretary)**

**MOTION:**

The Town of Surfside Pension Board nominated N. Abraham Issa as the Chair. Gary Golding moved; Andrew Hyatt seconded. The motion passed unanimously.

**MOTION:**

The Town of Surfside Pension Board nominated Andrew Hyatt as the Vice-Chair. Gary Golding moved; Yamileth Slate-McCloud seconded. The motion passed unanimously.

**3. Approval of Minutes**

- a. Regular Pension Board Meeting – *November 23, 2020*

**MOTION:**

The Town of Surfside Pension Board recommended approval of the *November 23, 2020* Pension board meeting minutes as amended. Yamileth Slate-McCloud moved; Gary Golding seconded. The motion passed unanimously.

**4. Agenda Additions and Deletions**

Sgt. Julio Torres added to the agenda for discussion crypto currency.

**5. Public Participation**

None.

**6. Reports and Updates**

**a. Burgess Chambers & Associates**

Frank Wan provided an overview of the quarter ending December 31, 2020.

For the quarter, the Plan earned \$3.2 million or +11.7% (+11.6% net), ahead of the Strategic Model (+10.3%) and in the top 30<sup>th</sup> percentile. The top three performing asset categories were: small cap (+31.3%), convertibles (+24.0%), and international (+20.1%). For the one-year period, the Plan earned \$3.3 million or +12.1% (+11.7% net). The top three performing asset categories were: convertibles (+61.3%), international (+25.9%) and small cap core (+20.0%). For the trailing five-year period, the Plan earned +9.8%.

**i. TerraCap**

Steve Hagenbuckle provided an overview of the company. Terracap management is a privately held real estate investment manager. Terracap seeks the best built and best located remaining vacancy in high demand markets, such as Atlanta, Dallas, Denver, Charlotte, Orlando, Tampa, and Phoenix. Terracap creates value during ownership by improving properties physically, operationally, and financially. Terracap invests defensively in high-demand secondary growth markets only, resulting in the ability to increase lease rates and rentals for value creation. There is an 8% rate of return, net of all fees and expenses, which is compounded annually. The target equity is \$10M-\$35M.

**ii. Bloomfield Capital**

Jason Jarjosa provided an overview of the company. Mr. Jarjosa stated that the company generated returns by investing in high-yield credit strategies such as short-term debt positions in real estate, business credit, private credit and specialty finance opportunities. The average duration of the investment is 20 months. Bloomfield markets on a monthly basis to over 20,000 mortgage brokers, loan sale advisors, and investment bankers, to name a few. There are at least 250 funding opportunities evaluated monthly. The fund is built in a way where one can retrieve the capital or have the fund continuously roll-on to fund V. The net return is 7.5% net of all fees and expense.

After the presentations of both Bloomfield and Terracap Sgt. Julio Torres suggested looking into crypto currency. He stated that it will produce a higher rate of return.

Abraham Issa suggested bringing back crypto currency for additional discussion at the next meeting.

A discussion was held regarding removing public REITs due to its volatility in order to fund movement into either one of the presented companies for investment.

The board was more comfortable moving forward with Terracap.

Frank Wan advised that he would speak to both companies regarding lowering their minimums.

Gary Golding advised he'd be okay with investing \$1M with Terracap and revisiting Bloomfield at a later time and selling REITs and equity to cover the investment.

**MOTION:**

The Town of Surfside Pension Board recommended approval to sell public REITs and invest \$1M in Terracap and get conditional approval from Bloomfield to invest \$500,000, which will come from equity. Gary Golding moved; Andrew Hyatt seconded. The motion passed unanimously.

Adam Levinson inquired with Frank Wan if there are any changes, he wants to make in the investment policy with the latest reallocations. Frank Wan advised that changes will need to be made to the policy. He will work on the changes and will request a special meeting for approval.

b. Highland Capital

Todd Wishnia provided an overview of the investment Review for Quarter Ending December 31, 2020. The market turned in another excellent performance in the fourth quarter, with the S&P 500 gaining 12.1%, and completing a strong second half of the year that resulted in a full year return of 18.39%. Crude prices rose 25%, energy sector gained 28.6%, and financial rose to 21.4%.

c. Klausner & Kaufman

a. Special Tax Notice

Adam Levinson briefly discussed the special tax notice.

b. E-Verify

Adam Levinson advised that effective January 1, 2021, the law now requires public entities to register with E-verify. It's applicable for use for all employees and contractors. Yamileth Slate-McCloud advised that the Town has been utilizing E-verify since 2009 and that under E-verify you're required to have a tax id number. Yamileth doesn't believe that the Pension Board has one, but Mayte Gamiotea will confirm. Yamileth Slate-McCloud suggested that on the letter Adam Levinson drafted that read:

*“Effective January 1, 2021, Florida Statute §448.095 became effective. This new law requires all contractors dealing with public entities such as the Board of Trustees to register with and use the Department of Homeland Security’s E-Verify system to assure that newly hired*

*employees of your company are U.S. citizens or otherwise legally permitted to perform services in the State of Florida”*  
a slight change to read “otherwise legally permitted to work in the United States.”

c. **Service Agreement**

Adam Levinson provided a background on the service agreement between the Pension Board and his firm. Adam Levinson advised that the current rate is \$335 and a signed copy of the current contract is needed.

**MOTION:**

The Town of Surfside Pension Board recommended approval of Klausner & Kaufman service agreement contract at the current rate. Gary Golding moved; Andrew Hyatt seconded. The motion passed unanimously.

d. **Retirement Forms**

Adam Levinson presented changes to the retirement forms. Yamileth Slate-McCloud stated that on the form that there should be a line that reads employees have a right to request calculations for future benefit options. She stated that it's better to have employees have an option rather than it deferring to life annuity. Yamileth Slate-McCloud advised that the cost for six calculations are included in GRS's base fees. Adam Levinson suggested that upon leaving the Town the employees' information should automatically be sent to GRS for the benefit option calculation. Adam Levinson will consult again with Yamileth Slate-McCloud on the form, but all pension boards members were in agreement with having the calculations done automatically.

e. **Ronald Browning Case**

No additional update provided.

**7. Administrator**

**8. Approval of Invoices**

Mayte Gamiotea presented the invoices as follows:

Burgess Chambers \$6,250.00  
Frantza Duval \$472.50  
Gabriel Roeder Smith \$3,935.00  
Highland Capital Management \$11,774.79  
Klausner & Kaufman \$29,438.30  
Marcum \$755.00  
Mayte Gamiotea \$4,590.00  
SunTrust Bank \$8,515.27  
Town of Surfside \$52.20

**MOTION:**

The Town of Surfside Pension Board recommended approval of the invoices as presented. Gary Golding moved; Yamileth Slate-McCloud seconded. The motion passed unanimously

**9. New/Old Business**

a. **Summary Plan Description – Yamileth Slate-McCloud**

Yamileth Slate-McCloud advised she is seeking the board’s approval to move forward with the summary plan description. The last version she has dates back to 2017 and the new one needs to be distributed via hard copies and email.

**MOTION:**

The Town of Surfside Pension Board recommended approval moving forward with the Summary Plan Description Gary Golding moved; Julio Torres seconded. The motion passed unanimously.

**10. Trustees’ Comments/Concerns**

None.

**11. Public Comment**

None.

**12. Next Regular Scheduled Meeting Date**

- **May 6, 2021**

**13. Adjournment**

There being no further business to come before the Board, the meeting unanimously adjourned at 5:07 pm with the motion made by Yamileth Slate-McCloud; receiving a second from Andrew Hyatt.

Accepted this 6<sup>th</sup> day of May, 2021

W. Abraham  
Member (Print)

W. Abraham  
Signature

Attest:

Frantza Duval  
Frantza Duval  
Recording Clerk