



**TOWN OF SURFSIDE
SPECIAL PENSION BOARD MEETING**

Thursday, June 3, 2021 – 10:00 a.m.

9293 Harding Avenue - Town Hall – Commission Chambers

MINUTES

Pension Board Members

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

Town of Surfside Consultants

Adam Levinson, Klausner & Kaufman
Javier Collazo, Finance Manager
Mayte Gamiotea, Third Party Administrator
Frantza Duval, Recording Clerk

1. Call to Order and Roll Call

Due to the absence of the Chair and Vice-Chair, and the deficiency of a pension board secretary, the board agreed to have senior board member, Sgt. Julio Torres, lead the special pension board meeting of June 3, 2021.

The meeting was called to order by Sgt. Julio Torres at 10:07 a.m.

All of the above noted Pension Board members and Consultants were present, with the exception of Abraham Issa and Andrew Hyatt who were absent and Adam Levinson who joined the meeting via teleconference.

Also in attendance were Branden Lopez of Marcum, LLP and Nicholas Lahaye of GRS.

2. Financial Statement – Marcum LLP

Branden Lopez presented the draft of the financial statements for fiscal year ending September 30, 2020.

He advised that there were no new GASB updates.

Branden Lopez stated that the board received an unmodified clean opinion, which is the only opinion to be associated with during an audit.

He stated that there was an increase in the net position restricted for benefits compared to last year.

Branden Lopez noted the additional contribution made by the Plan.

He stated that during the audit he identified a deficiency, in which he is required to disclose, which was the delay in Town's contribution to the plan. He advised that due to Covid-19 there was a delay, but the Town has since then implemented a plan to avoid such delays.

Javier Collazo advised that the contribution from the Town was made in a timely manner, but the employee contribution was what was delayed. He also advised that the contribution made by the Town is paid early to save on interest.

Yamileth Slate-McCloud inquired as to the significant decrease in benefit payments. Mayte Gamiotea advised that there were several employees who received one-time payments for the DROP benefits.

Branden Lopez advised that Yamileth Slate-McCloud mentioned that on page 12 the language listed for the board composition was incorrect. Branden Lopez advised that the statement should be a summary, but Yamileth Slate-McCloud advised that the language makes a significant difference.

Yamileth Slate-McCloud advised that the Town ordinance is specific and doesn't leave an ambiguity (i.e., one police officer elected by the majority of police officers vs. an elected representative of the police department with at least one year of creditable service.) She stated that it makes a difference. Adam Levinson advised that the language within the audit regarding board composition is just a summary, but he agreed with Yamileth Slate-McCloud in having the language be consistent with what's in the current Town ordinance. Adam Levinson inquired with Branden Lopez on whether or not he received full cooperation from board members and consultants. Branden Lopez stated that given Covid-19 he was able to receive assistance from everyone. He advised that since most of the documentation was electronic it made the audit easier and everything was provided in a timely manner. Branden Lopez advised that the firm does a sample and test everything to make sure that board is in compliance.

Adam Levinson inquired about off-site vaulting and information stored in the cloud being separately backed-up and if Branden Lopez had any insight about it with regards to internal control. Branden Lopez advised that only walk-throughs of the controls are looked at. Branden Lopez advised that an IT policy for best practices should be available. Braden Lopez advised that during the audit the transfer of personal information was sent using Marcum's secure file transfer site.

Yamileth Slate-McCloud advised that she remembers the board speaking about cyber security about a year ago. Adam Levinson advised it should be added to the next agenda for additional discussion.

MOTION:

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

3. Actuarial Valuation – GRS Consulting

Nicholas Lahaye presented the October 1, 2020 Actuarial Valuation. The minimum payment for the Plan year ending September 30, 2022 is \$1,835,676 (28.9%). The figure in parentheses is the Plan cost expressed as a percentage of covered annual payroll (\$6,361,141) as of October 1, 2020. The total cost is to be met by member, state, and Town contributions. The anticipated member contribution will be \$508,891 (8%) and allowable State contributions will be \$21,074 (0.3%). The resulting minimum required Town contribution to be paid in fiscal year ending September 30, 2022 is \$1,305,711 (20.5%). The Plan is holding a funding standard account credit balance in the amount of \$50,000 available to reduce the Town contribution requirement.

Gary Golding inquired about the changes in employee status from one year to the next. Yamileth Slate-McCloud stated that it was due to staff joining the DROP.

MOTION:

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

4. Trustees' Comments/Concerns

None.

5. Next Regular Scheduled Meeting Date

August 5, 2021

6. Adjournment

There being no further business to come before the Board, the meeting unanimously adjourned at 11:31 a.m. with the motion made by Yamileth Slate-McCloud; receiving a second from Gary Golding.

Accepted this 5th day of August, 2021

N. Abraham Issa
Member (Print)

[Handwritten Signature]
Signature

Attest:
[Handwritten Signature]
Frantza Duval
Recording Clerk