

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM  
MINUTES OF MEETING HELD  
MAY 21, 2015**

Summarized Minutes of the regular meeting of the City of Fort Pierce Retirement and Benefit System, May 15, 2014 at 2:00 p.m. in the 2<sup>nd</sup> Floor Conference Room at City Hall.

Present:

Commissioner Tom Perona, Chair  
Gloria J. Johnson  
Commissioner Reginald Sessions  
Nina Hurtubise  
Rodney Nieves

City Commission Member  
Secretary/Treasurer Member  
City Commission  
U.A. Board Appointee  
Police Officer Member

Attorney Jim Walker  
Christina Luna

Assistant City Attorney, Advisory  
Retirement Clerk

Absent:

Stanley Fidge  
Keith Stephens

General Member  
U.A. General Member

Guests:

Weston Lewis  
Cody Chapman  
Sean McDermott  
Alan Pursar  
Paul Lundmark  
Robert Dova

Callan Associates  
Callan Associates  
Morgan Stanley  
Heitman Real Estate  
Richmond Capital  
William Blair

Recording:

Johnna Morris

Chief Accountant

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**ITEM NO. 1 & 2 ~ ROLL CALL**

**Chairperson, Commissioner Tom Perona** called the meeting to order at 2:01p.m., the first item on the agenda being the “*Roll Call*”. Absent were Stan Fidge and Keith Stephens.

**ITEM NO. 3 ~ COMMENTS FROM THE PUBLIC**

**Comm. Perona** stated that the next item on the agenda was comments from the public. He asked if there were any comments from the public. There were no comments from the public.

**ITEM NO. 4 ~ APPROVAL OF SUMMARIZED MINUTES OF APRIL 16, 2015.**

**Comm. Perona** stated that the next item was the approval of the summarized minutes of April 16, 2015. Comm. Perona asked for a motion to approve the minutes.

**A motion was made by Commissioner Reginald Sessions and seconded by Sergeant Rodney Nieves to approve the summarized minutes of April 16, 2015.**

**All those in favor of the motion signified by saying aye. There was no opposition and the motion carried unanimously.**

**ITEM NO. 5 ~ ATTORNEY’S REPORT**

**Attorney Jim Walker** said he had included the memo he had received from Jim Linn on the State Legislative rule on QDROs, regarding proceedings and payment of spousal and child support. He had spoken with Mr. Linn and recommendation for revision to Rule 16 was made. He is proposing deleting Sub Section C and revising it to explain that ODROs relate to child support or alimony specifically.

**Comm. Perona** said this revision is cleaning up what is already in place.

**A motion was made by Ms. Nina Hurtubise and seconded by Comm. Sessions to accept the amendment of Rule 16**

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**All those in favor of the motion signified by saying aye. There was no opposition and the motion carried unanimously.**

**Atty. Walker** said the only other thing he had was to inform the board that he would be attending the upcoming NAPPA Conference.

**Comm. Perona** asked if there were any questions Attorney Walker. There were none.

**ITEM NO. 6 ~ PUBLIC HEARING ON BENEFITS APPLICATIONS**

**Comm. Perona** stated that the next item on the agenda was Public Hearings on Benefit Applications.

**Comm. Perona** opened up the public hearings for anyone to comment on the request for retirement from Tommy L. Brown with 6 years and two months of service with the City of Fort Pierce entering into the DROP. He asked if there was any one here who would like to publicly comment on this request. Seeing none, Comm. Perona closed the public hearing. Comm. Perona opened up the matter for the Board. **A motion was made by Comm. Sessions and seconded by Mrs. Gloria Johnson to approve the request for retirement from Tommy L. Brown.** Comm. Perona asked for any questions or comments on this request before the motion was called. **All those in favor of the motion signified by saying aye. There was no opposition and the motion was carried unanimously.**

**Comm. Perona** opened up the public hearings for anyone to comment on the request to defer retirement from Robert M. Jaques with 6 years and 9 months of service with the City of Fort Pierce. He asked if there was any one here who would like to publicly comment on this request. Seeing none, Comm. Perona closed the public hearing. Comm. Perona opened up the matter for the Board. **A motion was made by Comm. Sessions and seconded by Ms. Hurtubise to approve the request to defer retirement from Robert M. Jaques.** Comm. Perona asked for any questions or comments on this request before the motion was called. **All those in favor of the motion signified by saying aye. There was no opposition and the motion was carried unanimously.**

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**ITEM NO. 7 ~ OLD BUSINESS**

**Comm. Perona** stated that the next item is Old Business.

**Atty. Walker** said he had before the board for 2<sup>nd</sup> Reading the amendment to Rule 10, which allows for Board Member comments on the agenda.

**A motion was made by Ms. Hurtubise and seconded by Mrs. Johnson to approve the amendment to Rule 10, allowing for board member comments.** Comm. Perona asked for any questions or comments on this request before the motion was called. **All those in favor of the motion signified by saying aye. There was no opposition and the motion was carried unanimously.**

**ITEM NO. 8 ~ NEW BUSINESS**

**Comm. Perona** stated that the next item is New Business. Callan, the board's consultant, as well as the money managers were present to report, and introduced Mr. Weston Lewis and Mr. Cody Chapman of Callan Associates.

**Report from Callan**

**Mr. Weston Lewis** began with the page 3 of the Executive Summary stating that the asset allocation was in line and the return vs. the index was up 3.23%. The fund had grown from \$179 million to \$184 million, a \$4.8 million gain for investment returns. He explained that the fund continues to be exceptional and in the top 10% relative to other plans.

**Mr. Cody Chapman** explained that the portfolio is doing well and all objectives are being met. He explained that William Blair was doing great; they had outperformed the benchmark by 4.2%. Richmond Capital beat the benchmark and met their objectives, they were positive and meeting their goals. Morgan Stanley was beating the benchmark and meeting their objectives. Ceredex and Emerald were meeting their objectives. The S&P 400 Index has performed well for the quarter. Overall, all objectives were met for the quarter and the portfolio continues to do well.

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**William Blair**

**Mr. Robert Dova** began by thanking the board for its business. He said they have had some new additions to the team and they have a succession plan in place to adjust for future leaving. He went on to say the fund had outperformed the benchmark for the year, and the 1<sup>st</sup> Quarter excess returns were up 7 ½%, with \$15 million in the portfolio.

**Comm. Perona** asked if any members had any more questions. Seeing none he thanked Mr. Dova

**Morgan Stanley**

**Mr. Sean McDermott** said the International equity markets remains strong with \$19.2 billion in total assets; the portfolio has \$1.12 million up by 114 basis points. The emerging markets had out-performed for the quarter, but under-performed for the year. This was due to the stock selection in China

**Comm. Perona** asked if there any questions. Seeing none he thanked Mr. McDermott.

**Heitman Real Estate**

**Mr. Alan Pursar** said there had not been any changes in the leadership or ownership structure. He explained that the lease percentage was at 94%; they were overweight in apartments and underweight in storage and offices. They have beat their income return for the last 17 quarters and they portfolio is meeting its objective.

**Comm. Perona** asked if any members had any more questions. Seeing none he thanked Mr. Pursar.

**Richmond Capital**

**Mr. Paul Lundmark** introduced himself as the Portfolio Manager and they have been managers for the system for the past 25 years, they have \$5.8 million under management and well diversified; 91% of the total return has come from interest. The portfolio outperformed the benchmark for the quarter and is well positioned.

**Comm. Perona** asked if any members had any more questions. Seeing none he thanked Mr. Lundmark.

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**ITEM NO. 9 ~ CONSENT AGENDA**

**Comm. Perona** stated that the next item is the Consent Agenda.

**A motion was made by Mrs. Johnson and seconded by Ms. Hurtubise to approve the refund of member contributions.**

**All those in favor of the motion signified by saying aye. There was no opposition and the motion carried unanimously.**

**ITEM NO. 10 ~ CONSIDERATION OF ABSENCES**

**Comm. Perona** said that the next item is Consideration of Absences.

**A motion was made by Mrs. Johnson and seconded by Ms. Hurtubise to approve the absences of Mr. Stan Fidge and Mr. Keith Stephens.**

**All those in favor of the motion signified by saying aye. There was no opposition and the motion carried unanimously.**

**ITEM NO. 11 ~ NEXT MEETING**

**Comm. Perona** said the next meeting was scheduled for June 18, 2015 at 2:00 p.m.

**ITEM NO. 12 ~ ADJOURNMENT**

Seeing there were no further questions or comments, **Comm. Perona** adjourned the meeting at 4:21 p.m. He thanked everyone for their time and attendance.

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ATTEST:

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Secretary/Treasurer

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Chairperson

Note: These minutes are not verbatim, only important issues and motions are reproduced in writing for the benefit of the Fort Pierce Retirement and Benefit System members. The recording itself is the official record for the meeting. The meeting tape/cd is available.