

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

Summarized Minutes of the regular meeting of the City of Fort Pierce Retirement and Benefit System, February 18, 2016 at 2:05 p.m., in the 2nd Floor Conference Room at City Hall.

Present:

Commissioner Tom Perona, Chair
Johnna Morris
Rodney Nieves
Keith Stephens
Nina Penick

City Commission Member
Director of Finance
Police Officer Member
U.A. General Member
U.A. Board Appointee

Attorney Jim Walker
Christina Paz

Assistant City Attorney, Advisory
Retirement Clerk

Absent:

Commissioner Reginald Sessions

City Commission Member

Recording:

Queen Thompkins

Executive Assistant to the Director of Finance

ITEM NO. 1 & 2 ~ ROLL CALL

Comm. Tom Perona called the meeting to order at 2:05 p.m., the first item on the agenda being the “*Roll Call*”.

ITEM NO. 3 ~ COMMENTS FROM THE PUBLIC

Comm. Perona, the next item on the agenda was comments from the public. There were no comments from the public.

ITEM NO. 4 ~ APPROVAL OF SUMMARIZED MINUTES OF JANUARY 21, 2016.

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

Comm. Perona, the next item was the approval of the summarized minutes of January 21, 2016 and asked if there was a motion to approve the minutes.

Ms. Nina Penick had two corrections to the minutes before the Minutes were approved. On Page 3, in Item No. 7, Paragraph 7, Line 4, the name reads **Rodney Stephens** and should read **Rodney Nieves**. On Page 7, Item No. 8 reads **CONSENT OF AGENDA** and should read **CONSENT AGENDA**.

A motion was made by Ms. Johnna Morris and seconded by Ms. Nina Penick to approve the summarized minutes of January 21, 2016.

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 got an updated report on what's going on in the Legislature. There isn't anything specific going on at this time. He said he would be happy to entertain any questions.

Ms. Johnna Morris said she wanted to make the Board aware of some Legislature changes in effect now, when it comes to our actuarial evaluation we have to use the FRS mortality rate now. The Law has been passed so we now have to use the same mortality rate that the FRS system is using. This may cause our rate to increase because the mortality rate is a bit different. She said Brad started a couple of years ago he was building in a reserve for us in the fund.

Comm. Perona said he remembers Brad saying this would probably happen. He asked Ms. Morris if this was not a crucial affect.

Ms. Morris said it will change some but it won't be too crucial. She said Brad should be at the next Retirement Board Meeting to give the actuarial report.

Mr. Rodney Nieves asked when did the Law take effect.

Ms. Morris said it took effect this year.

Mr. Nieves asked if the numbers are currently being used now.

Ms. Morris said no, our actuary is not using the same mortality rates.

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

Mr. Stephens asked if Ms. Morris said that our contributions were going to go up.

Ms. Morris said the employer's contribution could, not the employees.

Mr. Stephens said that contribution has always been based off of how we did for that year. He asked if our numbers are based on fiscal instead of year.

Ms. Morris said yes, they are.

Mr. Stephens asked if the last quarter could be made up in the next two quarters.

Ms. Morris said yes.

Comm. Perona asked Ms. Morris if she knew what our reserve is right now.

Ms. Morris said she believe last year it was \$1,000,000.

Mr. Nieves asked how many years do you smooth; is it five years?

Ms. Morris said yes.

Mr. Stephens said he was wondering why we didn't decide to go ahead and start smoothing that.

Ms. Morris said Brad builds all of that in his smoothing method. It's a requirement now. Before he would use the rate they had been using for years. With the new Legislative update, they have to use the same one the FRS uses.

ITEM NO. 6 ~ PUBLIC HEARING ON BENEFITS APPLICATIONS

Comm. Perona opened up the public hearing for comments on the request for retirement from **Ciro E. Sotelo** with 10 years and 4 months of service with the Fort Pierce Utilities Authority in the DROP Program. 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 Ms. Nina Penick and seconded by Mr. Keith Stephens to approve the request for retirement in the DROP Program from Ciro E. Sotelo.** **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 hearing for comments on the request for retirement from **Linda Whalen** with 9 years 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

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

the public hearing. Comm. Perona opened up the matter for the Board. **A motion was made Ms. Johnna Morris and seconded by Mr. Keith Stephens to approve the request for retirement from Linda Whalen.** Comm. Perona asked for any questions or comments on this request before the motion was called.

Mr. Nieves said he had a question. He said the average does not have any calculation regarding years prior to her total. He asked for what years and if it was just for the salary for every year.

Ms. Christina Paz said it for 5 years; 2011 through 2016.

Mr. Nieves said he usually see that every year has an amount. This is the first time he has seen one lump sum given.

Ms. Paz said it is done this way because the way the report is printed out, it gives one lump sum.

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

ITEM NO. 7 A. ~DISCUSSION ON MILITARY SERVICE BUY BACK

Ms. Morris said at the last meeting, it was requested that an example be brought back as to our military buy back time. She said that she spoke to Gloria Johnson, who was here when everything was implemented and knows the history behind the military buy back. She said as the Ordinance states, prior to when the Ordinance was put in place, we gave the three years and then we would then go in and do an average based on what the actuary rate was and the salary at the time. This is what was allowed. The employees wanted the additional benefit and because they want the additional benefit, Commission approved that the employees would be given this as a benefit. Because it is an additional benefit, the City wanted to know what the full actuarial cost was for that fourth year. It has to go through the actuary as the Ordinance states and it has to be actuarially calculated. If you look at the calculation that the actuary does, he's taking the interest rate, the inflation, and the mortality table and giving a true actuarial value.

Mr. Stephens said it cost more for that fourth year than it did for the third year. He asked should the third year be calculated differently.

Ms. Morris said technically it can but it's more advantageous to the employee for us to do it.

Mr. Stephens said he understands that but it's not about the employee. It's not for self-serving reasons being that there's a good chance he could buy back military time at any time. Is the fund taking a big enough hit because we don't take into account other things that the actuary does on the fourth year?

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

Ms. Morris said when you are actually looking at the calculation for those years, we actually are taking somewhat of a hit, but it has been decided that we were going to do it for the three years. Because you wanted additional benefit, and they knew it would cost more; we will give it to you but you will have to pay for that.

Comm. Perona said he is sure the Commission at the time wanted to create something from the City that was a benefit. Regardless if we have to pay more, it's part of the package that they wanted to offer. If you wanted the fourth year, it was going to come with those stipulations.

Mr. Stephens said the way he sees it, you are very advantageous to buy the three; the fourth year is going to cost you.

Comm. Perona asked if there are a lot of requests for buy back.

Ms. Morris said not often.

Comm. Perona thanked Ms. Morris for the information on military buy back.

**ITEM NO. 8A ~ DISCUSSION ON CODE SECTION 13-26(c) REINSTATEMENT
OF MEMBERS FORFEITED CREDIT SERVICE**

Ms. Morris said Comm. Sessions asked if this discussion could be tabled until the next meeting because he wanted to be present for the discussion. He had a hearing and was unable to make the meeting today. Ms. Morris asked what is the procedure for the request?

Comm. Perona said he would like to discuss it today. The Board doesn't have to take any action until Comm. Sessions is present. He said he asked Mr. Walker to speak to the actuary. Comm. Perona said he would like for everyone to be able to understand that what we have is a condition to the retirement plan that is not conducive to our normal strategies and the way that we manage our investments. He said he is looking for guidance and possibly a policy decision from this Board that will fix the issue as he sees it. Comm. Perona asked Mr. Walker to describe what's going and the question he asked Mr. Armstrong.

Mr. Walker said he would like to pass out information on the subject.

Comm. Perona said in general there are certain employees of the City that can elect, after the fact to become a member of the retirement system; Commissioners are one; I think City Managers.

Ms. Morris said yes City Managers can elect to be.

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

Comm. Perona said you can be a Commissioner for 30 years and elect to become part of the system. This Board has to pass it first, then it goes to the City Commission; the City Commission accepts it; it goes to the actuary; the actuary determines what the cost is to catch that employee up, if the employment part of the retirement does cost the retirement system and the City of Fort Pierce money to do so. The problem was the employee payment as calculated; not all of them were paid. Comm. Perona said his thoughts were there needs to be a policy issued because he checked with staff and staff said if someone did not pay, they would not be allowed to become part of the system in retrospect. He asked Ms. Morris if this was correct.

Ms. Morris said that was right. She said all we do is make a payable for the employer's portion. We hold it as a payable and we don't book a payable past 30 days when we are setting it up. Ms. Gloria Johnson made concessions and it was not to go past the fiscal year. If it were not paid by 9/30 we would have to reverse the payable; the City's portion. The request is void and if they want to again say that they want it, it has to be actuarially calculated again. It has to come before the Retirement Board then go to the Commission, for approval that the City is going to pay the employer's portion. She said we don't make the adjustment; either way we don't pay anything until both sides have been paid.

Comm. Perona said we haven't been able to really nail it down specifically because no one has questioned it. If you take a look at it from the perspective of our investments, our objective is an 8% return on our investments. Let's say that number is \$10,000 and it didn't get paid in fiscal year 2015, at the end of 2015 you can't expect the system to be whole if three years down the road, you end up paying that amount and you get the retro effect to that benefit plan. We will bring this up when Comm. Sessions is here. Once this is posted by the Retirement Board and the City Commission you have 30 days to pay that amount. If you don't pay that amount, you are responsible for any future actuarial charges. He said the first time the Retirement Board or the City absorbs that fee, it's not fair to the system or the City to have to keep doing this if you are not going to make the payment. Comm. Perona asked Mr. Walker if he talked to Mr. Armstrong and he made recommendation for guidance.

Mr. Walker said Mr. Armstrong did point out five rules to govern the subject. There will be provision that no credit be granted until full payment is received. The interest is charged for installment payments on service purchased after a preliminary period for administrative process; usually two months. Installment payments could be made through payroll deduction; with no early payment penalties, with entire scheduled amount to be made at the time from sum calculations provided. He suggested as a possible rule a payment period no greater than the amount of service credit being purchased. Mr. Armstrong also pointed out that wherefore payment is not made that upon retirement, there be a refund of the service purchase contribution, which does not affect any other vesting which the retiree is entitled.

Comm. Perona said if we can, can we make this part of next month's meeting; add this as an exhibit. He said he expects to have a knowledgeable discussion about this with a format to task staff to create a policy that we can adopt that will help solve this problem. He told the Board

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

members they need to be able to construct something responsibly that this Board can put as a policy that will help in future issues. If any others who have not paid decide they want to do it again, they will have to petition this Board again, from the Board to the City Commission and the City then absorbs the cost.

Mr. Stephens asked who is eligible for this. He said UA is mandatory. He wants to know if the City is mandatory.

Ms. Morris said everyone is mandatory except the City Commission, our City Manager, our Chief of Police, our Building Official, and our Code Enforcement Official. All of these have an option when they are hired. If you leave your employment with UA and you want to come back and you say you want to buy the time that you were away as per credited service, the Ordinance will allow you to buy it, however, you have to pay both the employer and the employee 's portion of that.

Mr. Stephens asked Ms. Morris if she was saying that he could leave for 7 years and come back as an employee if I deferred, he could pay those 7 years if he could come up with that amount of money.

Ms. Morris said yes, that's true.

Mr. Nieves said the people that Ms. Morris just mentioned, do they fall under the guidelines of vested?

Ms. Morris said they still have to be vested for 10 years.

Comm. Perona said we really need to be more knowledgeable concerning this. He said we need to identify all of the options that are available. Comm. Perona said if we want to tackle this later, let's make a recommendation to the Commission that the Commissioner has to elect at the time elected to be a part of the system or not, so that this issue can be avoided.

Mr. Stephens said he felt it was important, if possible, for UA also to have the same opportunity but he doesn't know how they would go about doing this.

Ms. Nina Penick said they didn't always treat the Board as employees. They were considered Contract. When they were contractors, the benefits were taxable to the Board. When they became employees, they were no longer taxable; or anything that was contributed was tax deferred.

ITEM NO. 8B ~ CALLAN ASSOCIATES QUARTERLY REPORT AND EXECUTIVE SUMMARY

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

Comm. Perona welcomed Mr. Weston Lewis and Mr. Cody Chapman to the meeting.

Mr. Weston Lewis said he will start with the one page summary. There are three key policies that the Board pays attention to. He said he only sees one of them. There's a benefit policy and funding policy. Mr. Lewis said they really look at the investment policy. He said every year they create a Table of Investment Returns. Mr. Lewis said it is interesting to see that S&P 500 growth they saw in the late 90's returning back. 2015 will probably be remembered for a couple of things; it was the year when the market didn't go anywhere. It wasn't about the depth of the losses but how wide spread they were. You can see S&P 500 growth value being 8.5%. On the dark green box of the Table of Investment Returns, S&P 500 return was 1.4% for the year. Something you wouldn't notice is that 1.38% was really the dividend return. This was the reinvestment of the income coming in that actually was positive. In the olive green box the Barclays Aggregate interest rate had a little change. There was some widening of credit spread throughout the year. There was a return of .55%. Looking at MSCI EAFE, which stands for Europe Australia Far East; if you were a local investor in those markets, you would have realized a return of a positive 5.3%. Because the dollar is so strong and you as a dollar based investor when you translated those currencies back into dollars, you actually saw a negative return. The dollar remains strong. Skipping down to Barclays Corporate High Yield; this is an indicator as to the market's tolerance for risk; the Barclays Corporate High Yield was down 4.5%. In the orange box at the bottom of the table, you all were early investors in emerging markets. You put money towards it in the mid 90's. I recommend you all for having the guts to do it because it was a terrible looking asset for us at the time. Last year our emerging market was down 14.6%. A lot of this had to do with the dollar strength. You think of your four key emerging markets, Goldman Sachs return as the bricks; Brazil, Russia, India, China. It was Brazil that was down about 40%. A lot of it had to do with the Brazilian Real; their currency losing grown versus the dollar. On page 2 of the Executive Summary will talk about some of the things occurring in the Quarter. The Fed finally moved off of the zero interest rate policy. It happened in December. The important question for investors is what is that path to higher interest rate going to look like? Judging from how the markets reacted, the volatility we are seeing, and what markets think going forward, it's likely to be that rate for longer. At first the market was pricing at four interest rates moves for 2016, not it's down to one. It's not looking like the Fed can do much. A lot of our clients have asked if we are headed towards a recession. On page 3 of the Summary, there is this concept of the earnings recession. Consumers are in decent shape and we still see a growing economy; although in a slower pace. Corporate earnings have really come down a bit over the last year. Corporate profits before taxes fell 1.6%, 5.1% for the year. Every year there is a new acronym and this year it was the FANG. FANG which stands for Facebook, Amazon, Netflix, and Google; you take those four stocks out of the S&P 500; Index I mentioned at 1.4% return; take those four stock out and you had a negative return. Between Amazon and Netflix alone those each were up over a 120%. If you look at their price to earnings, just a simple valuation metric usually higher gross stocks rate at 25, maybe 30 times higher, depending on which day you were looking at toward the end of the year. Each of them were trading about 300 to 400 times earnings; this is not sustainable. I bring this up for two reasons; you mentioned looking last year it didn't move around a lot. Within the marketplace there's this concept of momentum and

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

it's somewhat of a market phenomenon. This means if your stock has performed well over the last six months, it tends to be a good reliable predictor of how your stock is going to perform in the future. Let's say it has performed well over the last 12 months, it's a good predictor of how it's going to perform in the future. That was one of the biggest drivers of performance for these stocks over the last year. If your stock had performed well over the last 12 months, chances are it performed well over the course of 2015. The thing about momentum is it doesn't care what the underlined company does or if it makes money or if it viable or if it has a lot of debt. Sometimes it reward good quality companies and sometimes it rewards a bunch of junk. On page 4 concerning fixed income in the Yield Curves Chart, the red line shows what yields were at the end of last quarter, the green line shows what yields were at the end of the year. With the yield curve moving up, bond prices fell. This was a head win for bonds. Another head win was the effective yield over treasuries. This is the amount that investors require for taking on additional risk in fixed income. The line moving up showing that the income return you received for taking on more risk widened out, so another head win for bonds.

Mr. Cody Chapman said he would like to start on page 5. The top two charts relative to the target you all set for your asset allocation were fairly close to your strategic weights. Real Estate is one that may stand out a little as being underweight. That has likely been rectified in January as Heitman called an additional \$500, which will bring that real estate allocation up just a little above 10%. In the bottom chart for the last year you all return 1.82% versus your passive target at 85 bases points. What this means is under the Manager Effect column your investment managers added 1.48% of extra Alfa or extra return. Across the board it's not always going to be this good but for 2015 every one of your investment managers outperformed their underline passive index. On page 6 it gives you a little more detail as to where you stood as of December 31. The fund ended at \$177.3 million as of December 31 which was an increase of about \$5.3 million. As noted, Heitman called \$5 million in capital. On page 7 we look at how you are doing relative to peers which is up in the top chart. Relative to peers you continue to be a very strong performer; in the last 1, 2, and 3 years you are in the 8th percentile. Looking at the last 10 years, you rank in the 3rd percentile. The 3rd percentile means that out of the 600 funds that we are looking at over the last 10 years you all rank in the top 18. For the quarter you were about 30 bases point behind, passive target; we will talk about a few managers that drove that under performance. Looking at the last 7 years, 11.3% versus your total fund benchmark at 10.66%. You all mentioned the 8% actuarial target, we've actually been working with you all 25¼ years and we can go back and look at what your returns have done over that time and we have you all at 8.8% of the last 25¼ years, that's 101¼ we've been coming down here to visit you and over that time you've return 8.8%. That's a testament to you having a plan and sticking to it.

Comm. Perona said it also shows the relationship we have with the accountants. It is us understanding more and more your reports accordingly and what we feel is the right way to move.

Mr. Chapman said if there aren't any questions he would like to talk about your managers starting with Emerald which is your small cap growth manager. It was a little bit of a challenging

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

quarter for them. They underperformed the benchmark, roughly 2,000 growth index; about 5.7%. If you look at over the last year and 3, 5, 10 years, very strong results relative to both peers and their passive index. What drove the underperformance for the quarter in October, the Fed met and actually did not raise rates; they elected to wait. Emerald has been underweight to biotechnology. Next is Ceredex which is your small cap value manager. This manager also had a challenging quarter. They underperformed at about 3.3%. Looking over the last year they outperformed at about 3% and relative to peers and the benchmark, very strong. Page 11 and 12 details the performance of your mid cap and large cap index funds. This fund continues to track the benchmark that we have laid out for them. On page 14 we will talk about the first of two Morgan Stanley strategies you have. The first is the developed international equity strategy which focuses on countries within that EAFE benchmark that Weston discussed earlier. Morgan Stanley also underperformed relative to their benchmark by 1.5%. What you see with Morgan Stanley is they are very defensively positioned. They have concerns about global growth, deflation in some of the developed economies in Europe. This hurt them in the fourth quarter as international stocks rallied. As you may remember this is a strategy that has multiple portfolio managers which is always the way this strategy has been run. They added another portfolio manager to the strategy, Max Walburton, who was previously with Sanford Bernstein. On page 15 is the second Morgan Stanley strategy. This one focuses on emerging markets; a little bit of underperformance for the quarter; underperformed by 1.2%. Looking at over the last year they've outperformed by 4.6%; 19th percentile of the peer group. If you look at longer term time periods, a compelling performance relative to peers and the benchmark. On page 16, looking at William Blair international growth, they outperformed by 1.5% for the quarter and by 5.8% over the last year. William Blair has a very strong growth. On page 19 Richmond Capital is your core fixed income manager. Richmond outperformed for the quarter and outperformed over the year by 0.62%. Long-term performance remains strong. The fund has outperformed by 0.73% over the last 10 years. On page 21 you have one real estate manager which is Heitman. If you recall, you funded them about a year and a half ago and the timing so far has been very helpful. For the last year Heitman return 14.7%. Real estate was one of the best performers for 2015.

Comm. Perona asked if Heitman buy and hold or did they start flipping every once in a while, just to take advantage of the income and the sales market.

Mr. Lewis said no, but they will sell a property if they believe they are better off putting things out there. This is not the type of fund that looks at how can we turn a buck by buying this and then selling it later.

Comm. Perona said they will look at the asset accordingly and determine what their perceived rent is going to be over the next few years and match it against what market relationship is.

Mr. Lewis said on page 24 they talked about what changed from last year and what stayed the same and our expectations going forward. Our ten year expected return, we expect interest rates to rise, especially if the economy continues to expand and the Fed executes on its stated monetary policy. We expect cash yields to move toward 2.5% and 10-year Treasury yields to

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

reach 3.3% over the ten-year projection; a reversion to mean, but lower than the long run averages.

ITEM NO. 9 ~ CONSENT AGENDA

Comm. Perona, the next item is the Consent Agenda.

A motion was made by Ms. Johnna Morris and seconded by Mr. Keith Stephens 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

Ms. Morris said Comm. Reginald Sessions did call to say he would not be able to make the meeting.

Comm. Perona asked for a motion to excuse Comm. Sessions absence.

A motion was made by Mr. Rodney Nieves and seconded by Mr. Keith Stephens to excuse Comm. Sessions absence.

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

ITEM NO. 11 ~ BOARD MEMBER COMMENTS

Mr. Stephens said he finally got certified and everything worked out good. He said he appreciates everyone's help.

Ms. Morris said she wanted to bring everyone up to date with the union. It hasn't been approved by the Commission, but they have come to an agreement with one of the other Boards; we will soon have two signed and still one more to go. More than likely, once this group signs, the other will follow. They are signing for the 8 year averaging.

Comm. Perona said his comment is on the education aspect and he talked to Mr. Walker as to why we don't make it a necessary requirement for the Board to get certified, regardless of who

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

you are, if you are on this Board. Comm. Perona asked Mr. Walker if there was a resolution or an ordinance one time that everybody was to be certified and then it got changed.

Mr. Walker said there was never any training requirement. Some years back Rule 6 on training was put in place. He said he believes that was in 2009. Comm. Coke was on the Board at that time. Mr. Walker said he remembers Comm. Coke was supportive of education generally but she didn't want any mandatory requirement. When we wrote that, the only mandatory provision was this annual meeting with Callan and the rest of it was encourage but not required.

Comm. Perona said he went to the workshop but wasn't there for certification but he got to pick and choose whatever seminars he wanted to go to. He said he got a real good feel of what's going on. Comm. Perona said we need to make it mandatory if you are on this Board to be certified. He said he thinks it's important if we are going to represent the retirement system.

Mr. Stephens said his only concern is that people really don't know what this consist of. He said he did his research and he called Ms. Penick and asked her to tell him what it was about.

Comm. Perona said he knows we didn't agenda this but he does want to bring this forward. Even though Commissioners are here today and gone tomorrow, it doesn't take away from the importance of that vote, that understanding and the way we move this pension plan down the road. Bringing someone good to the Board is a good investment.

ITEM NO. 12 ~ NEXT MEETING

The next item was next month's meeting. The next meeting was scheduled for March 17, 2016 at 2:00 p.m.

ITEM NO. 13 ~ ADJOURNMENT

Seeing that there were no further questions or comments, Comm. Perona gave permission to adjourn the meeting. **The motion to adjourn the meeting was made by Ms. Penick.**

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

The meeting was adjourned at 3:48 p.m.

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM
MINUTES OF MEETING HELD
FEBRUARY 18, 2016**

ATTEST:

Secretary/Treasurer

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.