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August 3, 2017

Thomas J. Perona
Chair, Fort Pierce Retirement Board
City of Fort Pierce
100 North U.S. Highway One
Fort Pierce, FL 34950

RE: **AMENDMENT OF BOARD RULE 17**

Dear Tom:

It will be recalled that retirement benefit payments were being made to a retirant recently without knowledge that such retirant had passed away. Apparently a relation was cashing the benefit checks without telling the city. He was found out and is now repaying the amount taken, roughly \$10k, all told. I advised the Board of this state of affairs and was requested to draft a rules amendment that might serve as a basis for discussion. In so doing I consulted with a lawyer friend of mine over lunch, who is himself an Assistant State Attorney, and having done so, offer this draft proposal for consideration, involving our Rule 17 (Benefit Administration):

Rule 17. Benefit Administration

Administration of benefits awarded by the Board shall be subject to the following provisions:

- (1) Bi-annually, once every two years, the Secretary shall verify a beneficiary's continuing entitlement to receipt of pension payments. ~~In place of sending payments by mail, the Secretary shall send the beneficiary notice to physically appear for the purpose of receiving payments and thereupon produce such documentation as may be necessary to establish continuing entitlement to receipt of such payment.~~ The Secretary shall send the beneficiary notice to return a provided mandatory information request form by a date certain, for the purpose of receiving payments and to establish continuing entitlement to receipt of such payment. Failure to complete and return the form by the date certain will result in a suspension of the monthly benefit.

- (2) Each mailing of a benefit payment shall be accompanied by this written notice in large, bold, capped print: **WARNING: THIS CHECK MAY BE NEGOTIATED ONLY BY THE NAMED PAYEE, EXCEPT AS OTHERWISE AUTHORIZED BY THE NAMED PAYEE OR THE CITY FINANCE DIRECTOR. PERSONS OTHER THAN THE NAMED PAYEE WHO CASH THIS CHECK, CONVERT THE PROCEEDS OR OTHERWISE APPROPRIATE SUCH MONIES WITHOUT AUTHORIZATION OF THE FINANCE DIRECTOR MAY BE SUBJECTED TO CRIMINAL PENALTY FOR VIOLATION OF LAW AND THE CITY OF FORT PIERCE RESERVES ALL RIGHTS TO PROSECUTE SUCH PERSONS AND TO FURTHER PURSUE ANY AND ALL OTHER REMEDIES FOR RECOVERY, WITH INTEREST, OF ALL MONIES TAKEN, CONVERTED OR APPROPRIATED WITHOUT AUTHORIZATION.**
- (3) In the event the Secretary finds that there has been an unauthorized taking, conversion or appropriation of retirement benefits by any person other than the intended retirant or beneficiary, the Secretary shall immediately investigate and then report the matter to the Board. The Board shall consider the fiduciary interests of the Retirement System, shall take appropriate steps to secure recovery of all such monies, and shall further determine whether such unauthorized person be referred for criminal prosecution.

Thanking the Board for its usual attention, I am and shall ever continue to remain, as always

Most cordially yours,

James T. Walker

JAMES T. WALKER, ESQUIRE
JTW/la