



THE SUNRISE CITY
FORT PIERCE
CITY MANAGER'S OFFICE *Florida*

TO : Johnna S. Morris, Director of Finance
FROM : Nicholas C. Mimms, P.E., City Manager
RE : Changing Vesting Terms
DATE : January 19, 2018

Thank you for the opportunity to provide comments to your January 11, 2018, memorandum regarding changing the vesting terms from ten years to five years for the City of Fort Pierce Retirement System. The shorter vesting period will aid in the retention of existing employees and be more attractive for prospective employees who wish to work for this organization. The City of Fort Pierce has a significant challenge attracting and retaining professional, skilled and unskilled employees due to competitive neighboring businesses and organizations. Unfortunately, some employees have chosen to leave this organization in pursuit of greater compensation and more flexible benefits, which has caused reduced productivity. If determined to be financially feasible, this change to the vesting period will undoubtedly improve the recruiting/retention strategy for the City of Fort Pierce.

If you have any questions or need additional information, please contact me.

NCM:jdr

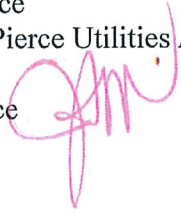
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THE SUNRISE CITY
FORT PIERCE
RETIREMENT AND
BENEFIT SYSTEM

Florida

TO: Nicholas Mimms, City Manager
Diane Hobley-Burney, Chief of Police
John K. Tompeck, Director of Fort Pierce Utilities Authority

FROM: Johnna S. Morris, Director of Finance 

RE: Changing the Vesting Terms

DATE: January 11, 2018

In 2012, the City Commission tasked the Retirement Board with looking at ways to reform the City's Retirement System, and decrease the employer's required contribution for all employees. There were several suggestions considered and one that was discussed and changed was the number of years required before vesting. Prior to 2012, employees had to work 5 years and then be entitled to a pension; any employees hired on or after October 1, 2012 are now required to work 10 years and then vest. At the Board's October meeting, there was discussion to approach Commission on changing the vesting years from 10 years back to 5 years. The Board decided to get input from you before this is considered. There will need to be an actuarial assumption done to determine the cost of the change; however, your input is requested before we contact the actuary. Please send a response before February 9th, for discussion at the February 15th meeting.

Should you have any questions, please feel free to contact me at (772) 467-3073.

RECEIVED
TIME _____

JAN 16 2018

CITY OF FT. PIERCE
CITY MANAGER'S OFFICE