

**CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM  
MINUTES OF MEETING HELD**

**July 16, 2020**

Summarized Minutes of the regular meeting of the City of Fort Pierce Retirement and Benefit System July 16, 2020 2:00 p.m., in the Commission Chambers at City Hall.

Present:

Keith Stephens, Chairperson  
Caleta Scott, Vice-Chairperson  
Johnna Morris  
Comm. Tom Perona  
Mayor Linda Hudson  
Javier Cisneros

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

Attorney Jim Walker  
Christina Paz

Attorney for the Retirement Board, Advisory  
Retirement Clerk

Absent:

Brian Avilla

Police Officer Member

Recording:

Queen Thompkins

Executive Assistant to the Director of Finance

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

**Mr. Keith Stephens** called the meeting to order at 2:00 p.m., the first item on the agenda being the “*Roll Call*”.

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

**Mr. Stephens**, 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 JUNE 18, 2020**

**Mr. Stephens** said the next item was the approval of the summarized minutes of June 18, 2020, and the Board asked if there was a motion to approve the minutes. **A motion was made by Ms. Johnna Morris and seconded by Comm. Tom Perona to approve the summarized minutes of June 18, 2020. All those in favor of the motion signified by saying aye. A poll was done of each Board member. There was no opposition and the motion carried unanimously.**

**ITEM NO. 5 ~ ATTORNEY'S REPORT**

**Mr. Walker** said what I proposed to do is summarize the status of 4 collection matters involving overpayments made to retirees who, after payments continued, discovered to have been deceased during the period of those payments. I've rendered to you a detailed report. The first of these involve the claim against Richard Brown. Judgement was entered against him in the sum of \$11,306. It was certified and recorded of record. The last payment that we received from him was \$200 back this past November. That does remain pending. It is a lien against any property that he currently holds and he is understood to own several properties. The second account involved a retiree by the name of Calvin Collins. A claim was made against the survivor, George Collins. The amount in question was \$894.72. That has been paid except the \$0.72. The third account involves Alice Butler and the sum of \$460. We received several telephonic assurances that the check would be in the mail. That check has not been received. There have been several follow up demands on this to her without a response otherwise. That \$460 does remain pending. There is a fourth account involving Dorothy Hill who passed away. Her niece, Regina Smith, who is understood to hold the Power of Attorney for her and access to that account. There was difficulty locating Dorothy Hill. We received returns from the Post Office but, it has been learned the latest address we've used for the lady is apparently a good one. She called our office and is offering to repay the sum due, \$5,290. She offered to pay at a monthly rate of between \$100 and \$150. I proposed to get a promissory note executed by her whereby in return for continued and faithful payment. According to that plan we will forebear from any effort to claim interest, cost, or attorney's fees. That's the current status on each of the four claims.

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**Mr. Stephens** said you are putting time and effort into this. The \$0.72; do we reach a point where instead of using your time and effort; I know we're steward of it but, it's \$0.72. How does the members feel about that?

**Ms. Morris** said I was going to ask if I can write it off.

**Mr. Stephens** said it is money and we are stewards. We probably need a formal vote, but I just wanted to say, would that be a normal procedure.

**Mr. Walker** said yes and I would recommend that it be submitted in formal vote, perhaps at the next upcoming meeting.

**Comm. Perona** said you as chairman, this is the first time we set precedent and forgave money. I just want you to know that. I like the idea; we're trying to work it out; trying to get people to pay this money back. Some of these things happened somewhat innocently; some of it wasn't. When you think about our fiduciary responsibility, we have a 7.75% assumed rate of return. We have all of these things out there that we're expecting to make a certain amount. Last year went smoothly: it was 8.08% and we don't charge interest. It's kind of counterproductive in my mind. I know there is a way to work things out; try to cut cost to be able to get that collection. A \$100 to get \$0.52, you're talking about 4½ years of collection maybe, to be able to get this accomplished. If it's \$100 a month for 52 months, I would rather us talk about that too. Is that something we really want to do or do we have a responsibility to charge interest on something like this. If that amount were not taken from us, we would be earning interest on that, even in our cash account. We have a responsibility to be able to identify those assets as something that increases with a certain amount of interest.

**Mr. Walker** said I threw that detailed information out in hopes of receiving informal reaction from the Board and if there are any further comments from the Board, I would be happy to be guided accordingly. We haven't drafted the Promissory Note yet but, we will take that into account.

**Mr. Stephens** said I don't know what these people were making; what their payment would have been. It's one thing if it's one or two months. It's another thing if it's six months. One or two months but, you shouldn't spend that money by the second month. Most of us know if it was directly into an account, you know what goes into your account. I agree with him if we consider interest but, if you do not pay by a certain date once we've notified them, give them some kind of forgiveness of the interest, but after this you are going to be accruing interest. I'm bringing this up for discussion to see how the Board feels about it. Is that what you are proposing as stewards what we should be doing?

**Mayor Hudson** said it may be helpful to us to review what our current policy is now. Maybe at the next meeting decide on some things like if it's \$0.72, we're not going to chase it and if it's

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after a certain time, we're going to charge interest or whatever else we come up with. I'm not familiar with exactly what we do now, so it might be helpful to me.

**Mr. Stephens** said maybe Mr. Walker or Ms. Morris can tell us that; how you normally handle that. I think we know you send letters for the amount and we try to set up terms and try to contact them. Based on what you've told us, you've actually told us how you contact them once you find out they've been over paid or the account has been over paid because the person hasn't been. Maybe you can come up with some proposals Mr. Walker and whatever the standard is. We don't have to be like everybody else.

**Comm. Perona** said this isn't one and done. These aren't four people that it just happened and it's never going to happen again. It's going to happen again. It tells me we should have a policy in place and follow that policy so we're not constantly coming back to here and reinventing the wheel again. You may say to me, every case is different. Think of what the federal government does on those. Every case doesn't matter if it's different or not. We're not talking about a fundraising committee. This is a Retirement System of the City of Fort Pierce and I think it needs to have a narrow sense about itself and the policies need to be in place. I would rather work on a policy and formulate these four incidents into that policy and be done with it. That would be my recommendation.

**Mr. Cisneros** said I have a statement. As mentioned here, there's got to be some type of policy but, there's also got to be some type of threshold, Meaning, \$0.72, yes, you probably don't want to pursue that. At what point, what's the number we don't want to pursue. Is it \$50, \$100, because it's going to cost us more to collect that money. Administratively, we're going to spend time on it and you're going to spend time on it. If that's not in the policy, we can add it to the policy as well or consider it so we don't waste time. I like the idea of interest; that's a good idea.

**Mayor Hudson** said I also think it's very important for the integrity of the System; that we have a policy and our policies are thoroughly spelled out so people will know that we're stewards of their money and this is how we're watching it.

**Mr. Stephens** said when you notify them by letter, it would be nice if that policy was in the letter and say this is the policy of our System.

**Mr. Walker** said I would be happy to submit several options; setting out some thinking on the subject that will serve as a spark for discussion and decision at next month's meeting.

**Mr. Stephens** said that would be great and wanted to know if the Board members agree. They said yes.

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**ITEM NO. 6 ~ PUBLIC HEARINGS ON BENEFIT APPLICATIONS**

**Mr. Stephens** opened the public hearing for comments on the request for Disability Retirement from Isaac Ancrum with 18 years and 4 months of service with the City Fort Pierce. He asked if there was anyone here who would like to publicly comment on this request. Seeing none, Mr. Stephens closed the public hearing. He opened the matter for the Board. **A motion was made by Mayor Linda Hudson and seconded by Ms. Caleta Scott to approve the request for disability retirement from Isaac Ancrum.** Mr. Stephens 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. A poll was done of each Board member. There was no opposition and the motion carried unanimously.**

**Mr. Stephens** opened the public hearing for comments on the request for Retirement (DROP Program) from Dennis Sauveur with 13 years and 11 months of service with the City Fort Pierce. He asked if there was anyone here who would like to publicly comment on this request. Seeing none, Mr. Stephens closed the public hearing. He opened the matter for the Board. **A motion was made by Ms. Johnna Morris and seconded by Mr. Javier Cisneros to approve the request for retirement (DROP Program) from Dennis Sauveur.** Mr. Stephens 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. A poll was done of each Board member. There was no opposition and the motion carried unanimously.**

**Mr. Stephens** opened the public hearing for comments on the request for Retirement (DROP Program) from Estela Q. Holman with 25 years of service with the Fort Pierce Utilities Authority. He asked if there was anyone here who would like to publicly comment on this request. Seeing none, Mr. Stephens closed the public hearing. He opened the matter for the Board. **A motion was made by Mr. Javier Cisneros and seconded by Comm. Tom Perona to approve the request for retirement (DROP Program) from Estela Q. Holman.** Mr. Stephens 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. A poll was done of each Board member. There was no opposition and the motion carried unanimously.**

**Mr. Stephens** opened the public hearing for comments on the request Deferred Retirement from Michael F. Gordon with 23 years and 7 months of service with the Fort Pierce Utilities Authority. He asked if there was anyone here who would like to publicly comment on this request. Seeing none, Mr. Stephens closed the public hearing. He opened the matter for the Board. **A motion was made by Mayor Linda Hudson and seconded by Mr. Javier Cisneros to approve the request for Deferred Retirement from Michael F. Gordon.** Mr. Stephens 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. A poll was done of each Board member. There was no opposition and the motion carried unanimously.**

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**Mr. Stephens** opened the public hearing for comments on the request for Deferred Retirement from Tim Battle with 7 years and 7 months of service with the Fort Pierce Utilities Authority. He asked if there was anyone here who would like to publicly comment on this request. Seeing none, Mr. Stephens closed the public hearing. He opened the matter for the Board. **A motion was made by Mr. Javier Cisneros and seconded by Ms. Johnna Morris to approve the request for deferred retirement from Tim Battle.** Mr. Stephens 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. A poll was done of each Board member. There was no opposition and the motion carried unanimously.**

**Mr. Stephens** opened the public hearing for comments on the request for Deferred Retirement from Scott Pryor with 7 years and 7 months of service with the Fort Pierce Utilities Authority. He asked if there was anyone here who would like to publicly comment on this request. Seeing none, Mr. Stephens closed the public hearing. He opened the matter for the Board. **A motion was made by Mr. Javier Cisneros and seconded by Mayor Linda Hudson to approve the request for Deferred Retirement from Scott Pryor.** Mr. Stephens 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. A poll was done of each Board member. There was no opposition and the motion carried unanimously.**

**Mr. Stephens** opened the public hearing for comments on the request for Deferred Retirement from Ira Singh with 11 years of service with the Fort Pierce Utilities Authority. He asked if there was anyone here who would like to publicly comment on this request. Seeing none, Mr. Stephens closed the public hearing. He opened the matter for the Board. **A motion was made by Comm. Tom Perona and seconded by Ms. Caleta Scott to approve the request for Deferred Retirement from Ira Singh.** Mr. Stephens 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. A poll was done of each Board member. There was no opposition and the motion carried unanimously.**

**ITEM NO. 7 ~ OLD BUSINESS**

None.

**ITEM NO. 8 ~ NEW BUSINESS**

None.

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**ITEM NO. 9 ~ CONSENT AGENDA**

**Mr. Stephens** said the next item is the Consent Agenda. **A motion was made by Ms. Johnna Morris and seconded by Comm. Tom Perona 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**

**Mr. Stephens** acknowledged the excused absent of Brian Avilla. **A motion was made by Comm. Tom Perona and seconded by Mayor Linda Hudson to approve the excused absent of Brian Avilla. 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**

**Comm. Perona** said, went through the Fire Board budget just as a matter of interest since we were connected in 2005. They've reduced their assumed rate of return to 7.6% and the cost of retirement to their budget this year is going to be at \$17 million. The new budget for the Fire District is \$109,800,000 and that's the \$3 million.

**Mayor Hudson** asked how many people do they cover.

**Comm. Perona** said they've got general and the firefighters. I don't know the numbers but I think it's 400 but, it's a lot of money. Out of \$109 million, you got \$17 million off the top going to retirement.

**Mayor Hudson** asked if it was defined benefits.

**Comm. Perona** said it's the same characteristic as ours.

**Mr. Stephens** said their multiplier is higher, correct?

**Comm. Perona** said I believe their multiplier is the same.

**Ms. Morris** said it was 3.0% unless they recently changed it.

**Comm. Perona** said they have done some other things with COLA's and things like that over the years.

**Mayor Hudson** asked if Legislature had the cancer benefit passed.

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**Comm. Perona** said yes. When I first got on the Fire Board three and a half years ago, they were a 4% contribution from employees and I think they moved it up to 6%, and they're trying to move it up from there. It's an enormous amount of money that comes, to be able to do that. I think they're on their 5<sup>th</sup> actuary in the last four years.

**Mr. Cisneros** asked Comm. Perona if he knew what their contribution is.

**Comm. Perona** said it changes every year.

**Mr. Cisneros** asked if they pay 4%.

**Comm. Perona** said they are up to 6%. Part of it is the 175 money. I can't state actual terms because it's been in negotiation, and part of the negotiation is the 175. They're funding that source and everything else like that. The last I look was that they are at 71% under. What are we, 90%.

**Ms. Morris** said yes.

**Mayor Hudson** asked if our 175 was separate.

**Ms. Morris** said yes.

**Comm. Perona** said they have used their 175; some of their cash to be able to help with the contributions over the years too. Three years ago, they opened it up. There used to be restrictions, and now it's able to even help with some of their funding sources. They tell me it's on its way out but, It's good for us to be able to look at that because that use to be us; the tree divided, and we're this side and they are that side and it's important for us to hold our own and to make sure we keep doing what we've been doing in the past because those commitments, especially now, are getting harder and harder to do. I don't know if you've been looking at the nation right now but, everybody is looking at their discount rate and their assume rate of return, and how they match up. It's going to be a scary three or four years coming up.

**Ms. Morris** said she wanted to let the Board know it's getting time to begin the election process. We have our two UA representatives and our City general representative's position that are up for re-election. That election will be starting soon. We are getting ready to send ballots out.

**Mayor Hudson** asked how many years.

**Ms. Morris** said 3 years.

**Comm. Perona** said I was looking on the website to identify the committee; I would like to see those that have certification added to the listing when you say they are a part of that committee because what it does is, it translate the commitment they have made and the commitment from the

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Retirement System that have paid. We have a lot of time and money invested in this. Not that people shouldn't be able to elect anyone they want but, it sends the message that this person has gone through and is certified as a public pension trustee. Since we're almost all there, it should have that listing on there when we do that, and maybe an asterisk next to it to show that we are all certified. People look at that and say why would we change that when we already have somebody that's certified that's representing our community.

**Mr. Stephens** asked if anyone heard anything.

**Ms. Morris** said we have not had any correspondence as to the conference. I know they have webinars that they are now doing. In light of everything going on, I'm pretty sure the conference will be either web based or canceled. We don't have any update as of yet.

**ITEM NO. 12 ~ ADJOURNMENT**

The next item was next month's meeting. The next meeting is scheduled for August 20, 2020 at 2:00 p.m.

**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 2:30 p.m.

ATTEST:

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Secretary/Treasurer

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Chairperson

Note: These minutes are not verbatim, only important issues and 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.