

CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSYTEM MINUTES OF
MEETING HELD SEPTEMBER 17, 2025

Summarized Minutes of the regular meeting of the City of Fort Pierce Retirement and Benefit System September 17, 2025, 2:00 p.m., in the Commission Chambers at City Hall

Present:

Kyle MacCarthy	Police Officer Member, Chair
Wendy Rydzewski	City of Fort Pierce General Member, Vice-Chair
Comm. Michael Broderick	City Commission Member
Comm. Arnold Gaines	City Commission Member
Johnna Morris	Secretary/Treasurer
Keith Stephens	U.A. General Member
Michele Harris	U.A. Board Appointed Member

Guests:

Attorney Bonni Jensen	Attorney for the Retirement Board, Advisory
J. Weston Lewis	Callan, LLC

Recording:

Megan LeGrand	Executive Assistant to Director of Finance
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ITEM NO. 1 & 2 - ROLL CALL

Mr. Kyle MacCarthy called the meeting to order at 2:00 pm on Wednesday, September 17, 2025, the first item on the agenda being the “Roll Call”.

ITEM NO. 3 ~ COMMENTS FROM THE PUBLIC

Mr. MacCarthy opened for comments from the public. Seeing as there was no public, Mr. MacCarthy closed the comments.

ITEM NO. 4 ~ CONSIDERATION OF MINUTES

A motion was made by Ms. Johnna Morris and seconded by Ms. Wendy Rydzewski to approve the minutes. All those in favor of the motion signified by saying aye. There was no opposition, and the motion was carried unanimously.

ITEM NO. 5 ~ REPORT FROM THE BOARD ATTORNEY

Attorney Bonni Jensen presented a memo on the 2026 meeting dates. No action required, and there was no opposition to the dates.

The firm has been working on a case of overpayment of around \$90,000 from a retiree who passed just after the 2022 proof of life forms were received. She is advising that the Board retain a probate lawyer to deal with the estate, which is a complicated situation

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in which she is not qualified to assist with. She does have a suggestion of someone in Broward County, but she is not aware of anyone in St. Lucie County.

Mr. Keith Stephens asked if 2 years was too long for verification of retirees. He remarked that this has been an issue in the past, and the 2-year verification was a solution that was implemented.

Ms. Morris reminded the Board that the verification requires certification, and that the pension is stopped until a certified verification is sent in after the due date.

Atty. Jensen noted that there are other services that are available that make it more efficient than the IRS master list of deaths. Some custodians handle the service, but she is not sure if the new custodian, Principle, will have this service available. There is a company that does the service on a monthly basis for approximately \$750 for the year. She will provide the information at a later date.

Comm. Broderick asked Comm. Gaines if he had any recommendations for a probate lawyer in the area.

Comm. Gaines said it may be best if the lawyer for this case came from outside of the city.

Atty. Jensen confirmed that she will reach out to another attorney.

Mr. MacCarthy asked if a motion needed to be made on this matter.

Atty. Jensen stated a motion would be needed for her to retain the probate lawyer at her discretion, and if the Board would want to enter into a contract with the service that does death checks, it would be made at the time of determination.

Ms. Michele Harris asked if there needed to be an RFP to retain a probate lawyer.

Ms. Morris confirmed that attorney services do not require RFPs.

Comm. Broderick asked if the City Attorney needed to approve the selection by Atty. Jensen.

Ms. Morris disagreed, saying that the Retirement Board worked differently than most other Boards, but she agreed that Atty. Jensen could consult with the City Attorney as needed.

Mr. Stephens remarked that having a service to do the checks regularly would help prevent future overpayments, and he would be interested to know more about the services provided.

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A motion was made by Comm. Gaines and seconded by Mr. Stephens to allow Atty. Jensen to seek out and retain a probate lawyer to assist with the collection of the overpayment. All those in favor of the motion signified by saying aye. There was no opposition, and the motion was carried unanimously.

ITEM NO. 6 ~ PUBLIC HEARINGS ON BENEFIT APPLICATIONS

Mr. MacCarthy opened the public hearing for the request for retirement from William Taylor with 12 years and 4 months of service with the Fort Pierce Utilities Authority. Seeing no public, the hearing was closed and the request was opened for Board discussion. **A motion was made by Comm. Gaines and seconded by Mr. Stephens to approve the request. All those in favor of the motion signified by saying aye. There was no opposition, and the motion was carried unanimously.**

ITEM NO. 7 ~ OLD BUSINESS

None

ITEM NO. 8 ~ NEW BUSINESS

Mr. MacCarthy welcomed Mr. Weston Lewis to give the quarterly report from Callan, LLC.

Mr. Weston Lewis brought the quarterly review of the market and the money managers. The quarter was favorable despite the highest tariffs seen in modern history. Small cap stocks are still lagging the large cap stocks but are showing strong yields. In both the emerging markets and the developed markets outside of the US, the markets are showing strong returns and high percentages of returns. Real estate is continuing to show a positive trend. Some sectors that have seen growth are seeing a slowdown while other sectors are seeing an uptick to counterbalance. When looking at the S&P 500, it is at its highest return in its existence. He does warn that it is not likely these returns will stay high for long, and having the diversity in the portfolio will protect the Fund from any negative effects from its downswing.

Regarding the performance of the money managers, he does remind the Board to be patient with Brandes as this is their first full quarter in the mix. They did lag the index, but they are performing withing expectations. The Fund is lagging its peers in the Domestic Fixed Income, but that is attributed to the selection of securities. Most other public plans focus on lower quality, higher yield return stocks, but this portfolio is focused on the long-term, higher quality stock. The theory is that this portfolio will be able to withstand equity pullbacks and be able to pay benefit payments. Real estate showed a good performance for the quarter.

Emerald has had a strong performance not only in this quarter, but across all timeframes. They focused on stocks that were heavy in technology, driving their performance. Ceredex lagged some but is still within its expectations. They are focusing on

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stocks that are of a higher quality that pay a dividend. William Blair has had a difficult time over the last 5 years. It is a current market trend for international markets and within expectations of this manager's portfolio style. Richmond Capital has announced an upcoming retirement. It's not an actionable event, but they will be monitoring the change. Callan anticipates the incoming team replacing Mr. Paul Lundmark will be both talented and beneficial to the portfolio.

Mr. Stephens remarked that some of the people that were with Mr. Lundmark at the last FPPTA conference seemed younger and wondered if they would be part of the team going forward.

Mr. Lewis agreed that Richmond Capital seems to have been getting ready for this retirement and building the team to take over smoothly behind him leaving. Richmond Capital is also a team-oriented company, driving the idea that one person doesn't make all the decisions.

Ms. Morris confirmed that Mr. Lundmark did reach out and let her know about his retirement and that he had full confidence in the team that was taking over. The upcoming conference in October would be his last before retirement, so he wanted to ensure he had a chance to see anyone who would be in attendance.

Mr. Lewis continued with the performance review of Heitman. While they have had a challenging 5 years, they are doing well relative to the benchmark and their peers. Relative to other funds, they have been slower in paying back funds to investors who have pulled out. Returns are being seen as dividends and appreciation of the properties have been beneficial.

There has been an overpayment of manager fees that has been found as of this latest negotiation of fee scheduling with the managers. He is in contact with StateStreet and Ms. Morris to credit back the overpayment.

Mr. Stephens asked how a 2.5 FED reduction affects the Fund.

Mr. Lewis explains that this reduction is something that the market has been expecting to happen and should prove a positive trend going forward. In the long term, where the FED funds rate ends up is what dictates how the market performs.

As an educational tool, Mr. Lewis explained why small cap weight is underperforming versus the large cap market. A lot of smaller companies are waiting longer to go into a public trading environment, and a lot of larger companies are taking over the smaller companies, incorporating them into their umbrella, and dissolving those small- and mid-cap stocks.

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ITEM NO. 9 ~ CONSENT AGENDA

A motion was made by Ms. Morris and seconded by Ms. Rydzewski to approve the consent agenda. All those in favor of the motion signified by saying aye. There was no opposition, and the motion was carried unanimously.

ITEM NO. 10 ~ CONSIDERATION OF ABSENCES

Mr. MacCarthy asked to make note that Comm. Gaines was late for the meeting.

ITEM NO. 11 ~ BOARD MEMBER COMMENTS

None

ITEM NO. 12 ~ NEXT MEETING

Next meeting will be held Thursday, October 16, 2025, at 2pm in the Commission Chambers at City Hall.

ITEM NO. 13 ~ ADJOURMENT

Seeing that there were no further questions or comments. Mr. MacCarthy adjourned the meeting at 2:50 pm.

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.