

# City of Alexandria, Virginia

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## MEMORANDUM

DATE: AUGUST 1, 2016

TO: PARTICIPANTS IN THE CITY OF ALEXANDRIA FIREFIGHTERS AND POLICE OFFICERS PENSION PLAN

FROM: KADIRA COLEY, RETIREMENT ADMINISTRATOR & ELECTION ADMINISTRATOR

SUBJECT: ELECTION OF PARTICIPANT REPRESENTATIVE FOR FIREFIGHTERS

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Enclosed is your ballot to vote for your Representative to the City of Alexandria Firefighters and Police Officers Pension Plan Board. Vote to determine who will serve as the Firefighter Representative for the term. Your vote will be counted if the Pension Administration Division receives your ballot in the enclosed pre-addressed return envelope by 3:00 p.m. on Wednesday, August 24, 2016.

Your representatives and alternates serve on the Board with City management to oversee the investments of the three retirement plans listed below.

1. The City of Alexandria Firefighters & Police Officers Pension Plan (a defined benefit plan);
2. The City of Alexandria Retirement Income Plan for Firefighters and Police Officers (a defined contribution plan); and
3. The Firefighters and Police Officers Disability Income Plan (a defined benefit plan).

All active employees, retirees, and disabled retirees who have earned service under the Plan are eligible to vote. Beneficiaries and alternate payees are not eligible to vote.

This package includes:

- the Personal Statement for each of the nominees
- a ballot for the Firefighter Representative and
- a pre-addressed return envelope.

Please contact the Pension Division at [Retirement@alexandriava.gov](mailto:Retirement@alexandriava.gov) if your package is not correct or complete. The correct ballot will be mailed to you immediately.

Read the Personal Statements from each of the Nominees and then vote on the enclosed ballot. The nominee for Firefighter Representative receiving the greatest number of votes will serve a four year term. The four year term will begin on January 1, 2017.

Please do the following to participate in the voting process:

1. Vote for one (1) Participant Representative by placing a check mark (✓) in front of the names of the nominees you wish to vote for in this election.
2. Mail your completed ballot in the enclosed pre-addressed return envelope and mail it to the address on the envelope. The envelope for active employees is meant to be mailed through the City internal mail system.

You may also place your completed ballot in the ballot box located in City Hall Room 1400. Please use the return envelope even if you hand deliver your ballot.

3. Ballots will be counted if it is received by the Retirement Administrator by 3:00 p.m. on Wednesday, August 24, 2016.
4. The Election Administrator will keep all ballots secured and unopened until the time designated to count ballots. Ballots will be counted beginning at 2:00 p.m. on Tuesday, September 6, 2016. Nominees, or their representatives, may be present during the counting process and may challenge ballots. A challenged ballot will be set aside until the end of the vote count. The Election Administrator will then make the determination whether to use a challenged ballot if the challenged ballot can affect the outcome of the election.

Thank you for participating in this voting process. Email [Retirement@alexandriava.gov](mailto:Retirement@alexandriava.gov) if you have any questions.

# Personal Statements

## **Michael Cross** (Nominee for Participant Representative)

I am a member of the Alexandria Fire Department with more than 30 years of service, currently serving as the Battalion Chief of Logistics, and an active member of Alexandria Firefighters, Local 2141. My passion for the Pension Board is stimulated from experiencing financial losses caused by the City's poor management of our 401(a) defined contribution pension plan during the first 18 years of my career. I have dedicated more than a decade to ensuring the money allocated for our retirement is invested in a professional manner, and that the decisions of the Pension Board are in the interest of all active, disabled, deferred, and retired participants, and their beneficiaries.

I am a charter member of the Pension Board that was established in 2005. I have served as the Chairman of the Board for eight years. The highlight of my Pension Board service was representing the Firefighters on an Ad Hoc Retirement Benefits Committee appointed by City Council to make recommendations of future retirement benefits. My testimony helped convince the committee that our defined benefit pension plan is well managed, not at risk for default, and should not be changed back to a defined contribution plan. My other personal significant contributions include reducing administrative and management fees. Some of these are:

- Initiated the research and action to move our investments from a platform of mutual funds to hiring individual active manager. (Estimated to save more than \$1M per year)
- Initiated the action to combine the investments allocation of the pension and disability plans to improve overall investment performance and reducing fees.
- Initiated the research and action to competitively bid the 401(a) and 457 plans and change the investment lineup of funds. (Estimated to save more than \$250,000 per year)

The primary responsibility of the Pension Board is for the financial investment and solvency of the pension assets. I am trained and certified in the specialized areas of responsibility for pension trustee oversight, including financial investment performance review, fiduciary responsibilities, actuary principals, legal aspects of public pension plans, investment policies and asset allocation. Some of the prestigious training includes:

- Graduate of the Trustees Masters Program from the International Foundation of Employee Benefit Plans (IFEBP)
- Certificate of Achievement for Public Plan Policy from the IFEBP
- Attended the Ivy League business school, Wharton School of the University of Pennsylvania, for their *Portfolio Concepts and Management* and *International and Emerging Market Investing* programs.

I look forward to continuing my service on your behalf.

## **Daryoush Hematti** (Nominee for Participant Representative)

I am proud to be a member of the Alexandria Fire Department since 2010. I earned a bachelor degree in economics from George Mason University. A major drive of mine is in finance including a history of running my own business and overseeing all financial aspects. I will bring an educated and innovative perspective to the board.