

**CITY OF ALEXANDRIA
AD HOC RETIREMENT BENEFIT ADVISORY GROUP**

MINUTES OF MARCH 24, 2011

Members	Representing	Alternates	Representing
Shane Cochran	General Schedule	Russell Bailey	Public
Michael Cross	Firefighters		
Brenda D'Sylva	General Schedule		
Robert Gilmore	Deputy Sheriffs		
Bruce Johnson, CFO	City Manager		
Ed Milner	Police Officers		
Lonnie Phillips	Medics & Fire Marshals		
James Ray	Public		
Len Rubenstein	Public		
David Speck	Public		

Nominated to be Alternates (not yet designated by Mayor Euille):

Nancy McFadden, Medics & Fire Marshals

Jarrold Overstreet, Deputy Sheriffs

Others:

Steven Bland, Retirement Administrator

William Euille, Mayor

Michele Evans, Deputy City Manager

Theresa Nugent, Retirement Specialist

Kathleen Ognibene, Deputy Director Human Resources

Laura B. Triggs, Deputy CFO

The meeting began at 7:00 PM.

Mr. Johnson introduced himself and was followed by each Group member.

Mayor Euille welcomed and thanked those on the committee and staff for serving the City. Mr. Johnson will prepare a memo for Mayor Euille's signature that will appoint alternates.

Mr. Cross made a personal statement about one firefighter's commitment and service to the City of Alexandria. He also mentioned the increasing sophistication of the Firefighters and Police Officers Pension Plan as opposed to the financial savvy of the average plan participant.

Mr. Johnson referenced the agenda and suggested that the committee follow the agenda for tonight. Once the general background had been reviewed and a chair selected future agendas would be developed by that chair. The Committee provided unanimous approval.

Mr. Johnson provided an overview of Virginia's Freedom of Information Act (FOIA), also referred to as "Sunshine Laws". FOIA states that three or more committee members meeting to discuss committee business constitutes a meeting of the committee. Any meeting must be publicly announced three days in advance. Members must be physically present to vote. Voting via the phone is not acceptable. Mr. Phillips asked several questions which will be referred to the City Attorney's Office to be researched. Mr. Johnson asked if the meeting could be audio taped for those who were taking minutes and if future meetings might be filmed.

Mr. Cochran reported that employees have contacted him to suggest he should have an alternate. Ms. D'Sylva indicated that she should also have an alternate.

Mr. Phillips requested a history of plan changes.

Mr. Johnson suggested that the committee review background in spring, receive input from plan participants and the community in the summer, and in early fall determine a direction to recommend to City Council.

Mr. Phillips asked if there was funding for actuarial studies. Mr. Johnson discussed the support available from the actuary (Cheiron), the investment consultant (Barry Bryant of Dahab Associates), and the attorney (Ken Hoffman at Venable).

Mr. Speck asked who the City Attorney primarily responsible for supporting pensions was. It is Chris Spera.

Mr. Johnson reviewed the work plan and compared it to the council resolution. It was suggested to add item 5(d)(ii)(7), Historical Perspective. That item would be "Historical Perspective."

Len Rubinstein made a motion to adopt the work plan which Mr. Gilmore seconded. The motion passed unanimously (11-0).

Staff provided a high level overview of the plans' benefits in handouts #5 -8. Mr. Johnson added that the review did not cover Alexandria City Public Schools. Ms. Evans said that the legislature was to reconvene in April and changes to VRS were possible. A request was made for examples to go with the benefit summary. The examples should include benefits for pre-1988 service for general employees.

Mr. Phillips recalled the creation of the Retirement Income Plan in 1991 which he asked to have researched. Mr. Milner . He said the City Council adopted a pay philosophy and request we search for and distribute that memo. Ms. Evans thought it was distributed during the budget process.

Staff reviewed Handouts #9-11. Item #9 is a letter from the Virginia Senate directing JLARC (Joint Legislative Audit and Review Commission) to review VRS provisions. The timing is unfortunate in that their results might impact the committee's work yet the due date for the JLARC effort follows that of the committee's. In item #10, Budget Memo #16, staff focused on the first graph on page three which displayed the contribution rate history for the plans from 1988 to date. Handout #11 is excerpts from the CAFR (Comprehensive Annual Financial Report). This is the audited financial report of the pension plans. Staff recommended looking at financial reports in sequence rather than one report in isolation. Page 90 displays the diversification of plan assets. Page 91 shows the statement of cash flows. The plans have varying degrees of maturity so the cash flows will not be proportionate. Page 92 includes discussions required by GASB (Governmental Accounting Standards Board). Page 93 includes demographics and Page 94 key assumptions.

Mr. Speck asked about emails between members and if they were subject to FOIA. Staff will follow up with Chris Spera. Ms. Evans will seek a more current version of the FOIA rules that were distributed for the meeting.

Staff provided a review of the website. Mr. Johnson added that meeting minutes and pension articles will be posted there. Staff said the website could include names of, or links to, websites with pension related news.

Staff distributed a 2009 update handout on FOIA.

Mr. Milner made a motion that the committee instructs the I.T. department to prepare on the City's website a forum for employees and citizens to post comments. However, going live with the forum is deferred until the committee has specific topics on which to solicit feedback.

Mr. Phillips or Mr. Ray seconded the motion.

Discussion: Mr. Cochran said the earlier the forum is established the better.

The notion passed unanimously (11-0).

The next meeting will be April 4th at 6:30 PM in room (To be determined).

Mr. Speck recommended the Chair be elected from the public representatives. He then removed himself from consideration of the Chair. There might be three co-chairs, one from each of the three employee groups.

Mr. Milner made a motion that the committee creates a structure of a chair and three co-chairs, one from each employee group.

Mr. Philips seconded the motion.

The motion passed unanimously (11 – 0).

The committee deferred the election of a chair until the next meeting.

In the absence of a chair at this time, Mr. Johnson offered to prepare an agenda for the next meeting. Mr. Ray made a motion to ask Mr. Johnson to prepare an agenda for the April 4th meeting. The motion was seconded by Mr. Milner. The motion passed (11-0).

Mr. Milner made a motion to adjourn. Mr. Ray seconded the motion. The motion passed unanimously (11 – 0). The meeting adjourned at 9:00 PM.

Follow Up Items:

Tasks on the follow up list will be addressed at the next meeting or will remain on the list until addressed.

March 24, 2011:

Mr. Phillips and Mr. Speck asked several questions about FOIA which are to be referred to the City Attorney's Office.

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Staff will obtain a complete copy of the 2009 FOIA updated handout to provide the Group.