

**MINUTES OF FEBRUARY 10, 2006, RETIREMENT BOARD  
CITY OF ALEXANDRIA FIREFIGHTERS AND POLICE OFFICERS' PENSION PLAN  
DUE DILIGENCE MEETING  
DRAFT**

**PRESENT**

Board Members

Dana Lawhorne (Chair)  
Michael Cross  
Chris Lockwood  
Michele Evans (Secretary)  
Henry Howard  
Mark Jinks

Others

Caterina Tarver, Pension Administrator  
Barry Bryant, DAHAB Associates  
Geri Carroll, Prudential Retirement  
Lisa Powell, Prudential Retirement  
Boyce Reid, Trusco  
Chuck Arrington, Trusco

Dan Neckel  
Joseph Seskey

**CALL TO ORDER**

Meeting called to order at 8: a.m., February 10, 2006.

**MINUTES**

A motion was made by Mr. Neckel, second by Mr. Jinks to approve the minutes for December 15, 2005 and January 24, 2006 meetings. The motion passes unanimously.

**FOURTH QUARTER 2005 INVESTMENT REVIEW**

Plan Overview

Barry Bryant of DAHAB Associates distributed a revised Performance Review report dated 2005 to the members of the Board. Mr. Bryant then discussed the economy and market conditions in general and lead the discussion of the portfolio review of the defined benefit and defined contribution investments.

Defined Benefit Component

Geri Carroll provided overview of the plan's investments with Prudential and the performance of the various managers and funds. The Board then held a discussion of adding additional asset classes including emerging markets, real estate and international funds. Mr. Cross made a motion that the Board add the funds as recommended by DAHAB and Prudential except for the Prudential Real Estate Investors (PRISA) Fund which the City would be placed in the queue for participation. This investment has a one year waiting period. The motion was seconded by Mr. Jinks and passed unanimously. The funds to be added are: Oppenheimer Developing Markets Fund, Small Cap Growth/Granahan Fund and International Equity/Julius Baer Fund.

A motion was made by Mr. Neckel to approve the action plan in the February 6 memorandum from him to the Board that outlines the plan to achieve the asset allocation for the Firefighter and Police Officers' Pension Plan. The motion was seconded by Mr. Lockwood. The motion carried unanimously.

#### Defined Contribution Component

Mr. Bryant led the discussion on the performance of the Defined Contribution managers and fund performance.

#### Disability Component

The fixed income overview was provided by Boyce Reid and the equity overview was provided by Chuck Arrington of Trusco. Motion made by Dan Neckel, seconded by Chris Lockwood that the Board confirm that Trusco could extend asset allocation to 70% equities and 30% fixed income. The fixed income could include core bonds with a grade no lower than A. Motion carried unanimously by a role call vote.

### **OTHER ITEMS**

Participant addressed the Board regarding the request to allow self-directed brokerage option for disabled retirees. Motion made by Michele Evans and seconded by Joseph Seskey to table discussion until next meetings. Motion carried unanimously. In the interim staff is providing pros and cons of allowing this feature. Staff updated Board on the status of response to participant's pension related questions.

Mr. Jinks and Ms. Evans had to leave the meeting but a quorum with equal representation remained. The meeting continued.

The Board requested that the City Attorney attend future meetings. A further request by several members of the Board was to appoint an independent legal representation for the Board. The issue was tabled.

Caterina Tarver announced that a Communications Specialist was hired and that one of his duties will be to arrange instructional meetings for participants. Prudential noted that participant their communications program will begin in April.

It was determined that additional meetings would be required throughout the year to discuss other Board issues. The Board scheduled future meetings for the remainder of the year to be held one month prior to Due Diligence meeting, meeting to be scheduled in April, late June and mid October.

### **ADJOURNMENT**

Motion to adjourn by Michael Cross and seconded by Dan Neckel.  
Meeting adjourned at 11:55 a.m., February 10, 2006