

**MINUTES OF APRIL 17, 2006, RETIREMENT BOARD
CITY OF ALEXANDRIA FIREFIGHTERS AND POLICE OFFICERS PENSION PLAN
INTERIM MEETING
DRAFT**

PRESENT

Board Members

Dana Lawhorne (Chair)
Michael Cross
Pat Evans (Alternate)
Henry Howard
Mark Jinks
Bruce Johnson (Alternate)
Chris Lockwood
Shirl Mammarella (Alternate)
Dan Neckel
Joe Seskey

Others

Caterina Tarver, Pension Administrator
Herb Robinson, Pension Communications
Specialist

CALL TO ORDER

Meeting called to order at 8:45a.m., April 17, 2006

MINUTES

A motion was made by Mr. Neckel, seconded by Mr. Cross to approve the minutes for February 10, 2006 meeting. The motion passes unanimously.

AGENDA ISSUES

Buy-Back Subcommittee Report

Mike Cross presented the subcommittee's findings regarding service buy-back cost for employees to purchase service earned with the City. The subcommittee recommended that the Pension Plan be amended to provide for buy-back of prior service as a sworn firefighter or police officer prior to a break in service. The cost of the buy-back would be borne by the employee. The prior service could be purchased in annual increments and would be applicable to both the calculation of benefit amount and benefit eligibility. There will be a one-time open window during which eligible employees can opt for the service buy-back. Ms Mammarella made a motion to request that Ken Hoffman draft language to amend the Pension Plan to offer the service buy-back option as recommended by the subcommittee. Motion was seconded by Mr. Jinks. The vote approving the motion was 7 to 1.

Sick Leave Conversion for Creditable Service

A City police officer proposed that the Board consider allowing plan participants to convert accumulated sick leave into creditable pension service. Concern was voiced by several Board members as to whether or not this was an appropriate issue for consideration by the Board since any such changes would have to apply to all City Employees. Mr. Seskey made a motion to

establish a subcommittee to study this proposal. The motion was seconded by Mr. Lockwood. Comment by Mark Jinks that the Board does not have the authority to set city wide policy. The motion was defeated by a vote of 5-3.

Self-Directed Investment Option for Disability Retirees

A retiree made a proposal to the Board asking that disability retirees have the option of managing their assets via self-directed brokerage accounts. The Board discussed the pros and cons of this proposal. Motion was made by Mr. Seskey to allow disability retirees to self direct up to 70% of their account balances. Second motion made by Mr. Seskey to allow self direction of 50%. Mr. Lawhorne seconded these motions. Both motions were defeated by votes of 5-3 and 6-2, respectively.

Defined Contribution Investment Options

There was discussion by the Board on expanding the Defined Contribution investment options. This will be discussed further at the May 2006 quarterly meeting.

Prudential Issues

The Board discussed a number of instances where they were dissatisfied with the client service/record keeping being offered by Prudential. Replacing Prudential with another organization was discussed. However, a motion was made by Mr. Cross to notify Prudential, in writing, of the Boards' displeasure. A letter will be sent to Lisa Powell (Prudential contact for City of Alexandria Plans) addressing the Boards' concerns and requesting that corrective action be taken. The Board will request that Ms. Powell respond in writing with her plan for corrective action. The motion was seconded by Mr. Neckel and passed unanimously by the Board.

OTHER ISSUES

The Board was introduced to Herb Robinson, the Pension Division's newly hired Pension Communications Specialist. Mr. Robinson briefly outlined the plan being worked on for communicating pension information to City employees. The Board was also informed that the new Pension Division website is now available for use.

Future Board meetings were discussed and rescheduled. Proposed dates are May 23, June 12, August 17, October 13 and November 9. All meetings will start at 8:30 a.m.,.

Ms. Tarver informed the Board that she planned to alter the retirement distribution form. She will be working with Ken Hoffman to develop wording. Going forward, the spouse will sign the form at the same time as the Participant thus acknowledging that they are aware the Participant's election. If the form is not signed in front of Pension Division representatives, we will require that it be signed and witnessed by a Notary Public.

ADJOURNMENT

Meeting adjourned at 11:45 a.m., April 17, 2006.

