

City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 5, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER *J*

SUBJECT: APPOINTMENT OF PARTICIPANT REPRESENTATIVES AND ALTERNATES TO THE CITY OF ALEXANDRIA FIREFIGHTERS AND POLICE OFFICERS PENSION PLAN RETIREMENT BOARD

ISSUE: Appointment of Participant Representatives and Alternates to the Retirement Board ("Board") of the City of Alexandria Firefighters and Police Officers Pension Plan ("the Plan").

RECOMMENDATION: That City Council appoint the following individuals to the City of Alexandria Firefighters and Police Officers Pension Board effective January 1, 2011.

Participant Representatives and Alternates nominated and elected by Firefighters:

	<u>Term</u>
Michael Cross	1/1/2011 – 12/31/2012
Michael Wimer	1/1/2011 – 12/31/2014
Patrick Evans (Alternate)	1/1/2011 – 12/31/2014

Participant Representatives and Alternates nominated and elected by Police Officers:

Edward Milner	1/1/2011 – 12/31/2014
Albert Tierney	1/1/2011 – 12/31/2012
Shirl Mammarella (Alternate)	1/1/2011 – 12/31/2014

DISCUSSION: The Plan was adopted by City Council on February 21, 2004, when the City of Alexandria Retirement Income Plan, a defined contribution plan for Fire and Police, was converted to a defined benefit plan. A defined contribution plan links benefits to employer contributions and investment return, while a defined benefit plan links benefits to the employee's salary and years of service. The Firefighters and Police Officers Disability Income Plan, an existing defined benefit plan, became part of the Plan at the same time.

Board members, consisting of eight members and three alternates, serve as the trustees of the trust and fiduciaries of the Plan and its assets. The Board acts for the City on matters concerning the assets of the Plan, including selecting and monitoring investment funds and appointing the investment managers, custodians and investment advisors. The Board is also charged with consulting City management to recommend modifications to the Plan.

City Council has the authority to appoint Board members, who are either nominated by the City Manager or by the Voting Participants. Voting Participants include active employees who are sworn Firefighters or Police Officers as well as the retired and deferred vested Participants who were sworn Firefighters or Police Officers. The City Manager nominates four City Representatives and one Alternate to represent City management. Firefighters nominate, and elect through secret ballot, two Participant Representatives and one Alternate. Police Officers also nominate, and elect through secret ballot, two Participant Representatives and one Alternate. If City Council does not appoint a City Manager representative or a Participant Representative, nomination and election must be repeated to fill all the Board member positions.

Participant Representatives elected in 2010 will serve terms of two or four years depending on who received the highest number of votes. City Representatives serve until they resign or are removed from the Board. The four City Representatives are Chief Financial Officer Bruce Johnson, Deputy City Manager Michele Evans, Finance Director Laura Triggs, and Human Resources Director Cheryl Orr. The Alternate is Office of Management and Budget Assistant Director Morgan Routt. The City Manager, at his discretion, may request at any time the removal of a City Representative with or without cause. The Plan requires Board meetings be held each quarter of the calendar year, but meetings are held more often. The chairman and the secretary are elected by the Board members.

During August, participants in the Plan elected the Firefighter and Police Officer Participant Representatives and Alternates in accordance with Plan procedures. Ballots were sent to 216 active, retired, and vested Firefighters and 417 active, retired, and vested Police Officers, and completed ballots were received from 63 Firefighters and 121 Police Officers. The employees in the Plan in each department nominated and elected two Participant Representative nominees and one Alternate Participant Representative nominee. The election was ratified by the Plan's Board at its September meeting.

FISCAL IMPACT: None.

STAFF:

Bruce Johnson, Chief Financial Officer
Michele Evans, Deputy City Manager
Laura B. Triggs, Finance Director
Steven Bland, Chief Investment Officer