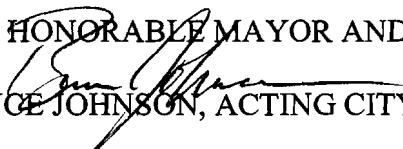


City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 17, 2011

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:  BRUCE JOHNSON, ACTING CITY MANAGER

SUBJECT: APPOINTMENT OF CITY REPRESENTATIVE TO THE CITY OF ALEXANDRIA POST-EMPLOYMENT BENEFITS TRUST BOARD

ISSUE: Appointment of City representative to the City of Alexandria Post-Employment Benefits Trust Board.

RECOMMENDATION: That City Council appoint City Retirement Administrator Steven Bland to the City of Alexandria Post-Employment Benefits Trust Board.

DISCUSSION: The City's Post-Employment Benefits Trust Board oversees the funds budgeted by the City and placed in trust to meet the requirements of Statement No. 45 of the Governmental Accounting Standards Board (GASB), (Accounting and Financial Reporting by Employers for Post-Employment Benefits other than Pensions) to cover the City obligations for retiree health and life insurance benefits. The City established a single Employer OPEB trust in 2008, and plans to fund on a phased-in basis its obligations through that trust. A two person OPEB Board was established to oversee the trust.

We ask that Council expand the two-person Board by one member to include City Retirement Administrator Steven Bland in addition to Acting City Manager Bruce Johnson and Acting Chief Financial Officer Laura Triggs. The Board serve as trustees of the trust and its fiduciaries. 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.

City Council appoints Board members, who are nominated by the City Manager. Steven Bland, the nominee, has been the City's Retirement Administrator since 2006. Before joining the City, he worked as an actuary for 28 years. Steven has a Masters degree in Mathematics, is a Chartered Financial Analyst, and recently completed one of the Chartered Alternative Investment Analyst programs.

FISCAL IMPACT: None. The trust has a balance of approximately \$11.0 million as of June 30, 2010. City Council included \$3.0 million as its contribution to the trust for the next fiscal year (\$1.8 million from the FY 2012 operating budget and \$1.2 million from committed fund balances).

STAFF:
Laura B. Triggs, Acting Chief Financial Officer