

**MINUTES OF MAY 1, 2024 CITY OF ALEXANDRIA
SUPPLEMENTAL RETIREMENT BOARD
INTERIM MEETING**

PRESENT:

| <u>Members</u> | <u>Others</u> |
|--|--|
| Jina Edwards (General Schedule) | Kadira Coley, Staff |
| Robert Gilmore (Deputy Sheriffs) | Denise Cummings, Staff |
| Julian Gonsalves (Management) | Diana Fuentes, Staff |
| Jean Kelleher ¹ (Management) | Catisha Jackson, Staff |
| Katherine Key (Management) | Nicole LaPoint, Staff |
| Jesse Maines (Management – Alternate) | Arthur Lynch, Staff |
| Jim Moore (General Schedule) | Leighann Maloney, Cheiron |
| Kendel Taylor (Management) | Stephen McElhaney, Cheiron (Virtually) |
| Dana Wedeles, (General Schedule – Alternate) | Patrick Nelson, Cheiron |
| | Kathy Weaver, Cheiron |

¹Technical Corrections and Plan Document Review Committee

²Vendor & Service Provider

Absent:

Kelsea Bonkoski (Medic/Fire Marshal - Alternate)

Cassandra Branch (Deputy Sheriffs - Alternate)

James Mikell (Medic/Fire Marshal)

Sharath Rereddy (Management - Alternate)

CALL TO ORDER

The meeting was called to order at 8:53 AM Wednesday, May 1, 2024.

Mr. Moore arrived at 8:54 AM, Ms. Taylor arrived at 8:56 AM, Mr. Maines arrived at 9:05 AM.

MEETING RECORD

Mr. Gonsalves made a motion to:

Approve the April 3, 2024, minutes.

Ms. Key seconded the motion. The motion was approved (6–0).

ACTUARIAL VALUATION PRESENTATION

- Cheiron presented the 2023 valuation results and introduced Patrick Nelson who has been with Cheiron for 15 years but is new to working on the City’s account.
- Cheiron presented a quick update of the demographic and economic assumptions changes accepted at the April meeting.

- Explained how the ASOP 4 revisions affected the valuations, using the LDROM- (low default risk obligation risk) calculation would create a \$250 million liability compared to the \$203 million using the 6.75% plans assumed return. This liability calculation is for disclosure only and does not affect the calculations of the GASB.
- Funded ratio decreased from 98.9% to 95.2% using the actuarial value of assets.
- The actuarially determined contribution rate dropped from 5.17% to 4.39%.
 - The contribution split by uniformed and non-uniformed is as follows:
 - Deputy Sheriff – 5.17%
 - Other Uniformed - 6.55%
 - Non-Uniformed – 4.28%
- The market value return on assets is 5.09% and the actuarial value return on assets is 5.22%. The result is a loss of the assets.
- The liability loss of \$5.4 million was driven by active retirements and salary increases and \$3.1 million due to assumption changes because of the experience study changes.
- Mr. Gilmore asked if there was a goal or target for the funded ratio because the funded ratio has decreased but the contribution rate is also decreasing.
 - The goal is for the plan to be 100% or more funded to account for when there are investment losses. The lower contribution rate will still equal higher over all contributions because the salary payroll is higher. The plan is still healthy overall with the funded ratio of 95%.
- Cheiron also presented the Plan’s risk measures as required by ASOP 51. Cheiron presented graphs related to key risks (investment risk, interest rate risk, longevity risk and assumption change risk).
- Cheiron presented the projection software (P-Scan) which shows projections of future funded ratios contribution rates as they annual investment returns are updated.
- Cheiron reviewed the accounting calculations as required by GASB.

ADMINISTRATORS REPORTS

Regular Investment and Cash Flow Reports

None.

Other Items

The updated education listing was shared with the trustees.

COMMITTEE REPORTS

Technical Corrections and Plan Document Review Committee

No report was given.

Vendor & Service Provider Review Committee

No report was given.

OLD BUSINESS:

None.

NEW BUSINESS:

None.

NEXT MEETINGS

- a. Thur. June 13th at 8:45 AM – Joint Due Diligence Meeting
- b. Thur. July 11th at 8:45 AM – Annual Educational Retreat
- c. Wed. August 7th at 8:45 AM – Interim Meeting

ADJOURNMENT

The meeting adjourned at 10:03 AM.

HANDOUTS

Distributed to Board members in the Board Packet:

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| Agenda |
| Minutes of Prior Meeting |
| Education Listing |

Distributed to Board members at the meeting:

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| Cheiron 2023 Valuation Presentation |
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