

RETIREMENT COMMISSION MINUTES

The Retirement Commission met on Wednesday, April 28, 2021. The following members were present: Chip Boyles, Ben Cullop, Chris Cullinan, Jason Vandever, Scott Hendrix, Joe Hatter, Al Elias, Markell Henderson, Heather Hill, David Hughes. Absent: none. Others present: Sara Butler, Lisa Burch, Brian Wheeler, Krisy Hammill.

Call to Order

Jason Vandever called the meeting to order at 8:16 AM.

Closed Session

Pursuant to section 2.2-3712 of the Virginia Code, Joe Hatter made a motion that the Charlottesville Retirement Commission should close the meeting and convene in a closed session to discuss a Disability Retirement claim.

On a motion by Heather Hill, the Retirement Commission certified by a unanimous recorded vote that to the best of each Commissioner's knowledge only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the Motion convening the closed session were heard, discussed or considered in the closed session.

Approval of Minutes

The minutes from the March 2021 meeting were approved unanimously.

Disability Retirement Claim

The Retirement Commission voted unanimously to approve the Disability Retirement claim that was discussed in closed session.

Disability Retirement Appeal Process

A motion was made by Al Elias to accept the procedure for appealing a denial of Public Safety Disability Benefits by the Retirement Commission. Heather Hill seconded the motion and the Commission voted unanimously to accept it.

Financial Update

Jason Vandever gave the Commission a financial update on the Retirement Fund investments. He will provide a report from Davenport, the mid-cap manager, at the next meeting.

New Business

David Hughes raised the question of making the Commission member terms longer. Heather Hill and Chip Boyles will investigate how a Commission recommendation can be adopted by the City Council.

Adjournment

The meeting adjourned at 9:39 AM.

Interest Rate Background

From City Code:

All members' contributions and interest allowances shall be credited to the member's contribution account. Accumulated contributions required to be returned to the member or required to be paid on account of the member's death shall be paid from the member's contribution account. As of each June 30, the member contribution account of each active member shall be credited with interest at a rate to be determined annually by the retirement commission. Initially, the rate shall be 3% annually. Interest shall accrue on any contribution beginning on the first day of the fiscal year following the year in which the contribution was made. No interest shall be credited to the member contribution account after the effective date of the member's retirement.

Sample Motion:

"I move that the member contribution accounts of each active member shall be credited on June 30, 2021 with interest at a rate of 3% in accordance with City Code section 19-92(g)."

Retirement Commission

First Name	Last Name	Title	Term Length	# of Terms Served	Council Appointment Date
Chip	Boyles	City Manager	Standing Member		a 2/1/2021
Chris	Cullinan	Finance Director	Standing Member		
Ben	Cullop	Community member	3/16/2021-11/30/2021	0	u 3/15/2021
Al	Elias	Retiree	5/1/2019-6/30/2022	1	a 4/18/16; r 5/20/19
Joseph	Hatter	Public Safety At-Large Employee	1/22/2019-1/31/2022	0	a 1/22/19
Franklin	Henderson	At-large Employee	12/1/2019-11/30/2022	0	a 11/18/19
Scott	Hendrix	At-large Employee	9/1/2019-8/31/2022	0	a 8/19/2019
Heather	Hill	Council Rep			a 01/02/18
David	Hughes	Community member	11/19/2018-6/30/2021	0	a 11/19/18
Jason	Vandever	Treasurer	Standing Member		
Vacant		HR Director	Standing Member		

General Information

Meetings: Date/Time: 4th Wednesdays, 8:30 am
Place: Basement Conference Room, City Hall

Membership: 11 members: City Councilor, City Manager, Finance Director, Personnel Director, Treasurer, 3 employees at large, 1 retiree, 2 community members
NOTE: Employees require petition signatures, See Sarah Butler for details...

Terms: 3-year term for employees and retirees
2-year term for members of the public
2 term limits
(1 community member must be City resident or City business owner;
1 community member shall have professional experience in money management, investment services, banking, or retirement plan administration.)

Purpose: Administers supplemental retirement/pension plan of City.

Contact: Flora Kelly-Bertsche, Kelly@charlottesville.gov

Subcommittees & members

The only current subcommittee is the investment sub-committee (Chris Cullinan, Jason Vandever, David Hughes, Krisy Hammill (Hammill leaving subcommittee; may remain as ad-hoc)

Burch, Lisa

From: Davies, Allyson
Sent: Wednesday, April 28, 2021 4:13 PM
To: Hill, Heather; Boyles, Chip; Thomas, Kyna N
Cc: Butler, Sara; Burch, Lisa; Vandever, Jason; Robertson, Lisa
Subject: RE: Retirement Commission - Process for Changing Composition and/or Term Length/Limits

Good Afternoon:

The Retirement Commission asked about the procedure to change the terms limits for employee commissioners. See below.

1. Term Limitations in the City are generally governed by City Code Sec. 2-8. This section states in relevant part:

Sec. 2-8. - Limitation on terms of members of boards and commissions.
(a)Unless otherwise provided, no person shall be appointed by the city council to any board or commission for more than two (2) complete terms. For boards and commissions with two-year terms, no person shall be appointed by the city council for more than four (4) complete terms, unless otherwise provided.

2. The current City Code section on Retirement Commissioner's terms states that employee representatives shall be appointed for 2 terms of three years. The Community members are appointed for 4 terms of 2 years each. It would be possible to amend City Ordinance Sec. 19-59 to align the employee appointments to the community appointments. In so doing, the City employee positions would also be 4 terms of 2 years and would reach the desired eight years of service suggested below. In order to maintain consistency with City Code Sec. 2-8, it would be preferable to do 4 two year terms instead of 2 four year terms. Please see an initial revision for discussion below.
3. City Code Section Sec. 19-59 would need to be amended and go before City Council for approval. I would recommend that the issue be placed on the next Retirement Commission Agenda so that the Commission could vote to approve staff bringing a revised ordinance before City Council. The revision could be discussed and approved at the Retirement Commission meeting. Staff in HR could subsequently prepare an agenda memorandum and the City Attorney's Office could write and submit a revised ordinance for Council to adopt.
4. There will need to be some thought given to how to stagger the terms if we are changing the length of term and number of terms for employee commissioners. It appears they are currently staggered for reappointment at different times within the same year, January, August and November of 2022. The Commission can likely change the current ordinance before January of 2022 and maintain the same staggered appointment schedule. Therefore, in January of 2022 an employee will be appointed for a 2 year term instead of a three year term, the same would be true for the August and November appointments.

5. The City Code could be amended in relevant part as follows:

Sec. 19-59. - Appointment and terms; filling of vacancies.

(a) The three (3) employee at-large members of the commission shall be appointed by the city council from a list of eligible candidates certified to the council by the city manager. They shall be appointed for terms of two (2) years ~~three (3) years~~, and shall be eligible to serve up to four (4) consecutive terms; ~~for two (2) terms~~; provided, that each of the employee at large members shall serve no more than four full terms. ~~of The three (3) members initially so appointed, one (1) shall be appointed for a one-year term, and one (1) shall be appointed for a two-year term; and provided, that those employees initially appointed for terms of less than ~~three (3)~~ two (2) years and those appointed to fill unexpired terms shall be eligible for reappointment to four (4) full two year terms. ~~two (2) full three-year terms.~~~~

(b) Whenever a vacancy exists in any of the three (3) employee at-large positions on the commission, the city manager shall certify such fact to the city council along with a list of candidates, which shall include the name of any otherwise eligible employee whose name has been placed in nomination by petition signed by at least fifteen (15) other employees. In the event that an insufficient number of petitions are thus presented, the city manager shall nominate an additional employee or employees, to the end that such list shall include at least two (2) nominees for every vacancy to be filled by the city council; provided, that at least thirty (30) days prior to certifying such list to city council, the city manager shall cause to be posted, in city hall and at other principal locations where employees work, a notice reciting the fact that such vacancy exists or will exist on the commission, the procedure hereinabove set forth for nominations and the date on which such list of nominees will be forwarded to the city council.

(c) No two (2) of the three (3) at-large employee members of the commission shall be employed in the same department of city government.(remainder omitted).

I am including the Clerk of Council in this email for any guidance she might have about staggered appointments.

Please let me know how I can be of assistance.

Allyson Manson Davies
Deputy City Attorney
Office of the City Attorney
City of Charlottesville
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Charlottesville, VA 22902