

## **RETIREMENT COMMISSION MINUTES**

The Retirement Commission met on Wednesday, February 26, 2025. The following members were present: Juandiego Wade, Ben Cullop, Jason Vandever, Joseph Gilkerson, Lindsay Ideson, Josh Bontrager, Phil Garber, Casey Parker, Chris Cullinan, Tony Newberry. Others present: Sara Butler, Lisa Burch, Jamie Valencia, Frank Kosich, Rowley Molina, Barry Schmitt, Will Chitwood, James Freas and Julian Mosley (UVA student). This meeting was held at CitySpace.

### **Call to Order**

Juandiego Wade called the meeting to order at 8:30 AM. Attendees introduced themselves.

On a motion by Ben Cullop, seconded by Casey Parker, the Commission unanimously adopted the meeting agenda.

### **Approval of Minutes**

The minutes from the February 4, 2026 meeting were approved unanimously.

### **Cybersecurity Presentation**

Rowley Molina reviewed MissionSquare's cybersecurity protection protocols and anti-fraud measures. He confirmed that MissionSquare is in alignment with the Department of Labor's cyber security guidance and that there were no cybersecurity incidents in the past year. He also shared MissionSquare's promise to reimburse participants for any loss to their accounts due to unauthorized activity through no fault of their own.

### **MissionSquare**

Frank Kosich provided the Commission with an overview of the plan balances, asset allocation by ages, website usage, loan activity and other demographics.

### **CapTrust Presentation**

Will Chitwood and Barry Schmitt updated the Commission on the state of the economy and how it relates to retirement investments. They then reviewed the investment options for the Defined Contribution plans. Based on the CapTrust matrix, the American Funds EUPAC fund is underperforming. If it doesn't turn around by the end of the next quarter, they may recommend it for termination. Barry also reported that MissionSquare voluntarily reduced expenses on three of our investment options.

### **Retiree COLA Discussion**

The Commission members discussed the possibility of making a recommendation to City Council regarding the retiree cost of living adjustment for the next fiscal year. Lisa Burch reminded the members that any COLA above 1% would need to be pre-funded to the retirement fund. Phil Garber made a motion to recommend a 2.7% COLA to Sam Sanders for inclusion in the upcoming budget. There was not a second. Chris Cullinan suggested the Commission could acknowledge that the recent COLAs are not keeping up with inflation and to ask City Council to consider funding more for retirees if there is a surplus. There was a consensus for this suggestion. It was also decided that next year, the subject of Retiree COLA will be discussed earlier in the budget cycle.

**New Business**

No new business was discussed.

**Adjournment**

The meeting adjourned at 9:58 AM.

**CHARLOTTEVILLE RETIREMENT SYSTEM  
PRELIMINARY PERFORMANCE SUMMARY AS OF JANUARY 2026**

Portfolio	Previous Month Market Value	MTD	QTD	FYTD	Current Month Market Value	%	Target
<b>Total Portfolio</b>	<b>\$264,890,945</b>	<b>1.8</b>	<b>1.8</b>	<b>7.2</b>	<b>\$269,396,251</b>	<b>100%</b>	<b>100%</b>
<i>Charlotteville Policy Index</i>		<i>2.1</i>	<i>2.1</i>	<i>10.0</i>			
SSIM Fossil Fuel Free	\$35,545,979	1.1	1.1	12.3	\$35,939,470	13.34%	12.50%
S&P 500	\$26,955,155	1.5	1.5	12.6			
Brown	\$26,955,155	-4.4	-4.4	-5.9	\$25,759,965	9.56%	10.00%
Russell 1000 Growth		-1.5	-1.5	10.1			
Cornerstone	\$23,502,532	3.8	3.8	17.5	\$24,399,662	9.06%	7.50%
Russell 1000 Value		4.6	4.6	14.3			
Davenport	\$18,791,651	0.3	0.3	-3.6	\$18,840,915	6.99%	7.50%
Russell Mid Cap		3.1	3.1	8.7			
SSIM 400	\$14,751,246	4.0	4.0	11.6	\$15,347,053	5.70%	5.00%
S&P 400		4.1	4.1	11.6			
SSIM R2000G Index	\$7,590,290	4.0	4.0	18.0	\$7,892,036	2.93%	2.50%
Russell 2000 Growth		4.0	4.0	18.1			
ACM	\$12,655,636	2.0	2.0	-4.7	\$12,909,583	4.79%	5.00%
Russell 2000 Value		6.9	6.9	24.2			
SSIM EAFE Index	\$8,057,542	5.2	5.2	15.6	\$8,477,372	3.15%	3.00%
MSCI EAFE Net		5.2	5.2	15.6			
Artisan	\$10,343,566	9.3	9.3	17.2	\$11,293,274	4.19%	3.50%
MSCI EAFE Growth Net		4.7	4.7	9.0			
SSIM Int'l	\$9,839,282	6.1	6.1	24.9	\$10,438,665	3.87%	3.50%
MSCI EAFE Value Net		5.7	5.7	22.4			
Axiom	\$6,218,091	11.4	11.4	25.5	\$6,922,781	2.57%	2.50%
SSIM EMGM	\$5,746,355	8.9	8.9	26.4	\$6,259,059	2.32%	2.50%
MSCI Emerging Markets Net		8.9	8.9	26.1			
PRISA*	\$9,875,167	---	---	2.4	\$9,875,167	3.67%	5.00%
PRISA II*	\$9,712,608	---	---	2.3	\$9,712,608	3.61%	5.00%
NCREIF NFI-ODCE <sup>1</sup>		---	---	1.6			
Ceres Farms, LLC*	\$8,137,384	---	---	6.2	\$8,137,384	3.02%	2.50%
UBS*	\$6,195,928	---	---	1.5	\$6,195,928	2.30%	2.50%
NCREIF Farmland <sup>1</sup>		---	---	-0.2			
Earnst Partners	\$50,784,638	0.3	0.3	3.4	\$50,923,749	18.90%	20.00%
Bloomberg Aggregate Index		0.1	0.1	3.3			
Cash	\$187,895	---	---	---	\$71,580	0.03%	0.00%

\*The market value seen was carried forward from the previous quarter. A return of 0.0% was assumed.

<sup>1</sup>The NCREIF ODCE and NCREIF Farmland index is reported quarterly. A 0.0% return was assumed.

**MissionSquare Fees**

Current per person fee      \$56/year                      paid \$14 per quarter

Proposed future fee

If we renew for one year, fee will reduce to \$54/year (\$13.50 per quarter)

If we renew for 3 years, fee will reduce to \$48/year (\$12 per quarter)

If we renew for 5 years, fee will reduce to \$44/year (\$11 per quarter)

Staff recommends renewing for 3 years.



# City of Charlottesville

## The Retirement Plan for the City of Charlottesville

### Financial Impact of Enhanced Unused Sick Leave Provisions

August 2025

SAGE  
VIEW





## Plan Study Objectives

- Show the financial impact of increasing the creditable service conversion of unused sick leave
- Currently the Plan converts 50% of unused sick leave into creditable service at retirement, up to a maximum of 2,000 hours (11 months)
- Scenario #1 of study: Convert 100% of unused sick leave for the first six months of creditable service and 50% of unused sick leave for the second six months of creditable service, up to a maximum of 1 year of creditable service
- Scenario #2 of study: Convert 100% of unused sick leave into creditable service at retirement, up to a maximum of 2,080 hours (1 year)
- See the City Code definition of Creditable Service and proposed changes on slides 8 and 9



## Results – Uniformed Employees Only

Uniformed Employees	Current Plan ("50%")	Scenario #1 ("100%/50%")	Scenario #2 ("100%")
Normal Cost (NC)	\$725	\$750	\$750
Increase (\$)	N/A	\$25	\$25
Active Liability (AL)	\$43,751	\$44,521	\$44,588
Increase (\$)	N/A	\$770	\$837
Amortization Factor	N/A	11.6581	11.6581
Amortization Amount	N/A	\$66	\$72
Contribution Rate (CR) Increase			
Due to NC Increase	N/A	0.15%	0.16%
Due to AL Increase	N/A	0.41%	0.45%
Total	N/A	0.56%	0.60%

*All amounts shown above are in \$1,000's, estimates, and rounded to the nearest \$1,000.*



## Results – General Employees Only

General Employees	Current Plan ("50%")	Scenario #1 ("100%/50%")	Scenario #2 ("100%")
Normal Cost (NC)	\$1,041	\$1,095	\$1,095
Increase (\$)	N/A	\$54	\$54
Active Liability (AL)	\$52,968	\$53,886	\$53,943
Increase (\$)	N/A	\$918	\$975
Amortization Factor	N/A	11.6581	11.6581
Amortization Amount	N/A	\$79	\$84
Contribution Rate (CR) Increase			
Due to NC Increase	N/A	0.16%	0.16%
Due to AL Increase	N/A	0.23%	0.25%
Total	N/A	0.39%	0.41%

*All amounts shown above are in \$1,000's, estimates, and rounded to the nearest \$1,000.*



## Results – All Employees

All Employees	Current Plan ("50%")	Scenario #1 ("100%/50%")	Scenario #2 ("100%")
Normal Cost (NC)	\$1,766	\$1,845	\$1,846
Increase (\$)	N/A	\$78	\$80
Active Liability (AL)	\$96,719	\$98,407	\$98,530
Increase (\$)	N/A	\$1,688	\$1,812
Amortization Factor	N/A	11.6581	11.6581
Amortization Amount	N/A	\$145	\$155
Contribution Rate (CR) Increase			
Due to NC Increase	N/A	0.16%	0.16%
Due to AL Increase	N/A	0.29%	0.31%
Total	N/A	0.45%	0.47%

*All amounts shown above are in \$1,000's, estimates, and rounded to the nearest \$1,000.*



## Study Conclusions

- No significant difference in impact between Scenarios #1 and #2. Scenario #2 adds only a small amount of additional unused sick leave to the calculations across a small group of active participants.
- For Uninformed employees only, contribution rate is expected to increase 0.56% under Scenario #1 and 0.60% under Scenario #2.
- For General employees only, contribution rate is expected to increase 0.39% under Scenario #1 and 0.41% under Scenario #2.
- For all employees, contribution rate is expected to increase by 0.45% under Scenario #1 and 0.47% under Scenario #2.
- You could fund the change in actuarial liability in a single lump sum payment (\$1.8M for all employees, Scenario #2) and the contribution rate is expected to increase by 0.16%



## Study Assumptions

- Actuarial inputs
  - Changes to creditable service effective as of July 1, 2025
  - Data used is Active census as of July 1, 2025
  - Projected pay for upcoming year:
    - Uniformed employees = \$16.1 million
    - General employees = \$33.7 million
  - Actuarial Assumptions as published in most recent actuarial valuation report (for July 1, 2024) updated for changes adopted after 2025 experience study
  - Actuarial methods and plan provisions as published in most recent actuarial valuation report (for July 1, 2024)