

Minutes of the Regular Monthly Meeting  
Board of Trustees  
Employees' Retirement System of the City of Norfolk  
July 2, 2014

The regular monthly meeting of the Board of Trustees of the Employees' Retirement System of the City of Norfolk was held in the City Hall sixth floor conference room in the City of Norfolk, Virginia. The meeting began at 12:08 pm on Wednesday, July 2, 2014 with Chairperson, Stephanie A. Calliott presiding. The following was the result of the roll call:

<u>Attending the Meeting</u>	<u>Absent</u>
S.A. Calliott	K.W. Crowder
C.R. Neikirk	N.E. Nelson
Y.T. Allmond	E.G. Tucker
L.A. Bernert	
A.M. Kelly	
S. Joy-Hogg	

Sheryl Potter-Griggs, Acting Executive Director, also attended the meeting.

The minutes for the meetings held on May 7, 2014 and June 4, 2014 were approved.

The rescission of the following retirements approved at June 4, 2014 meeting were approved:

Susan A. Grampp – Information Technology  
LaCountess J. Jernigan – Police  
Larry L. Williams – Public Works

**New Business**

**A. Applications for vested service retirement:**

Pauline Perry Nolan, Active No. 16997, October 1, 2011, with no refund due.  
[Courts]

Stephanie A. Stevenson, Active No. 20295, March 1, 2012, with no refund due.  
[Human Services]

Ernest L. Ghee, Active No. 17552, May 1, 2013, with no refund due.  
[Public Works]

Michael G. Michael, Active No. 26716, June 1, 2013, with no refund due.  
[Public Works]

John M. Haithcock, Active No. 26416, July 1, 2014, with no refund due.  
[Police]

Nancy Johnson, Active No. 30029, August 1, 2014, with no refund due.  
[Executive]

Rodney Joyner, Active No. 19844, August 1, 2014, with no refund due.  
[Public Works]

Gloria L. Washington, Active No. 23009, September 1, 2014, with no refund due.  
[Budget and Management]

**B. Applications for early service retirement:**

Wanda Smith, Active No. 25331, August 1, 2014, with no refund due.  
[Human Services]

**C. Applications for normal service retirement:**

Douglas E. Frenier, Active No. 25422, August 1, 2014, with no refund due.  
[Police]

Robert B. Hitchings, Active No. 30126, August 1, 2014, with no refund due.  
[Library]

*The Board approved Item A – Applications for vested service retirement; Item B – Application for early service retirement and Item C – Applications for normal service retirement.*

**D. Medical Board review of application for disability retirement:**

David J. St. Amant, Active No. 32466, August 1, 2014 with no refund due. This member requested accidental disability retirement. [Fire Rescue Services]

Annie Doke, Active No. 31795, August 1, 2014 with no refund due. This member requested ordinary disability retirement. [Utilities]

*The Board approved Item D – Applications for disability retirement with a medical review in one year for David J. St. Amant and Annie Doke.*

**E. Medical Board annual review of disability retirement beneficiaries:**

Samuel F. Sitzler, Ret No. 6580, June 1, 2012 on accidental disability retirement.  
[General Services]

David M. McAlpin, Ret No. 6658, November 1, 2012 on ordinary disability retirement.  
[Utilities]

*The Board approved Item E – Medical Board’s annual review disability retirements with a medical review in one year for Samuel F. Sitzler and David M. McAlpin.*

**F. Accidental death:**

Brian Wayne Jones, Active No. 32491, death occurred May 31, 2014. Spouse elected monthly benefit of \$1,684.57.

**G. Death of retired members:**

Ernest L. Ghee, Ret. No. 4601, death occurred April 24, 2014. Spouse elected monthly benefit of \$606.87.

William D. Rodgers, Ret. No. 3384, death occurred May 21, 2014. Spouse elected lump sum payment of \$13,499.46.

Charles R. Montgomery, Ret. No. 2008, death occurred May 26, 2014. Spouse elected monthly benefit of \$484.25.

George A. Webber, Ret. No. 2842, death occurred May 31, 2014. Spouse elected monthly benefit of \$1,156.91.

*The Board approved benefit payments to the beneficiaries for Item F – Accidental Death; and Item G – Death of retirement members.*

The Board approved withdrawal of the following contributing members:

<u>Name of Members</u>	<u>Active Number</u>
Monet V. Stephenson	33134
Bradley Clay Kautz	33456
Levonne M. Brown	33477
Jennifer Lippincott	34031
Courtney R. Hoaglin	34046
Michael T. Acree	34184
Rossana A. Nerbonne	34228
Vincent E. Smith	34359
Melchoir Emerson Mason	34466
Areaya Asres Abebe	34492
Total Members – 10	

The Board approved withdrawal of the following non-contributing member:

<u>Name of Member</u>	<u>Active Number</u>
John F. Eastman-Walters	34619
Total Members – 1	

The following report of payments from the Trust Fund received and filed:

Secretary of the Commonwealth (1)	\$ 15.00
Baker's Crust (2)	119.63
Cheiron, Inc. (3)	4,539.26
State Street Corporation (4)	10,855.93
City of Norfolk (5)	275,214.55
Retirement Payroll (Payroll est. for July, 2014)	<u>6,700,000.00</u>
 Total	 <u>\$ 6,990,744.37</u>

(1) Hungarian document to be notarized and apostilled  
(2) Lunch served for Board Meeting - June 4, 2014  
(3) Retainer Services - May 2014  
(4) Custodial Services - May 2014  
(5) Reimbursement - Administrative expenses for FYE 06/30/14 (07/13-05/14)

#### **J. Disability reexamination status:**

1 Kelly, Gerry	Accidental	<i>Being Seen</i>	
2 Blow, Jason C.	Ordinary	<i>Being Seen</i>	
3 Wethington, Mark A.	Accidental	<i>Being Seen</i>	
4 Bibbons, D-uan P.	Accidental	<i>Being Seen</i>	
5 Sitzler, Samuel	Accidental	6/5/2014	Sack
6 Brown, Sherrod M. Sr.	Ordinary	<i>Missing Paperwork Pending</i>	
7 McAlprin, David M.	Ordinary	6/12/2014	Sack
8 Wynn, Nathaniel	Accidental	<i>Missing Paperwork Pending</i>	
9 Cole, Keith J.	Accidental	<i>Not Due</i>	
10 Pratt, Dawn M.	Accidental	<i>Not Due</i>	

Medical Board report forwarded to Board.

#### **Committee Reports**

##### **Administration and Planning:**

Ms. Kelly reported that there was not an Administration and Planning Committee meeting.

##### **Investment Management:**

Mr. Neikirk reported that the Investment Committee met at 11:00 a.m. this morning. Ignacio Galaz and Sudi Mariappa of PIMCO gave an update on the firm's structure, market review, performance and economic outlook.

Jessica Portis of Summit Strategies reviewed proposed changes of the Investment Policy Statement (IPS). The Committee recommended to the Board that the following changes be made to the IPS:

- Remove the Chief Investment Officer position
- Define the new position of System Staff and define the responsibilities of that position.
- Revision of the target allocation to be consistent with the mid and max ranges
- Better defined rebalancing policy

The Board approved the recommended changes to the Investment Policy Statement.

Mr. Neikirk reported that Plan assets were approximately \$1,018 million on May 31, 2014 compared to the actuarial liability at July 1, 2013 of \$1.16 billion. This represents a funded status of approximately 88%.

### **Other Topics**

Ms. Kelly recommended that the interest rate paid on mandatory contributions be lowered from the current rate of 4%. The Board approved the 12-Month Certificate of Deposit (CD) instrument rate at the beginning of the each fiscal year, July 1<sup>st</sup>, to be paid on mandatory contributions.

Ms. Calliott reported that the System, once again, received the Certificate of Achievement for Excellence in Financial Reporting.

Mrs. Joy-Hogg reported that the City Council passed an ordinance approving to increase the Retirement Board membership with a Norfolk retired member.

The next Retirement Board meeting is scheduled for August 6, 2014 at 12:00 noon. There will not be an Investment Committee meeting at 11:00 a.m.

There being no further business, the meeting adjourned at 12:40 p.m.

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Chairperson

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Executive Director