

Minutes of the Regular Monthly Meeting
Board of Trustees
Employees' Retirement System of the City of Norfolk
October 1, 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 12:13 pm on Wednesday, October 1, 2014 with Vice Chairman, Christopher R. Neikirk presiding. The following was the result of the roll call:

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

Sheryl Potter-Griggs, Acting Executive Director; Mary L.G. Nexsen, Deputy City Attorney;

The minutes for the meetings held on September 3, 2014 were approved.

New Business

A. Application for vested service retirement:

Chet A. Spurling, Active No. 26059, October 1, 2009, with no refund due.
[City Planning and Codes]

Evelyn Griffin, Active No. 18969, June 1, 2012, with no refund due.
[Libraries]

Jeffrey Acosta, Active No. 25471, October 1, 2014, with no refund due.
[Civic Facilities]

Donna Jean Bachman, Active No. 19683, October 1, 2014, with no refund due.
[Police]

John Fulton, Active No. 19717, November 1, 2014, with no refund due.
[Public Works]

B. Application for early service retirement:

Yvette C. Hitch, Active No. 29885, November 1, 2014, with no refund due.
[Public Health]

Francis J. Smyth, Active No. 30449, November 1, 2014, with no refund due.
[Public Health]

C. Applications for normal service retirement:

James P. Flengas, Active No. 25854, November 1, 2014, with no refund due.
[Police]

Jeffrey G. Garris, Active No. 25856, November 1, 2014, with no refund due.
[Police]

James Robinson, Jr., Active No. 31136, November 1, 2014, with no refund due.
[Human Services]

Charles E. Williams, Jr., Active No. 23759, November 1, 2014, with no refund due.
[Police]

Barbara N. Dalton, Active No. 23295, December 1, 2014, with no refund due.
[Recreation, Parks and Open Space]

Horace Gordon, Active No. 26930, December 1, 2014, with no refund due.
[Public Works]

Thomas P. Bowers, Active No. 25042, January 1, 2015, with no refund due.
[Cemetery Fund]

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

D. Medical Board annual review of disability retirement beneficiaries:

Mark Wethington, Active No. 24576, follow-up to initial disability evaluation
October 26, 2010. [Fleet Maintenance]

After performing the required annual review, the Board deferred, Item D – Medical Board’s annual review, the continuation of disability retirement payments, until the November 5, 2014 meeting.

E. Medical Board review of application for disability retirement:

Rod D. Humphrey, Active No. 32248. This member requested ordinary disability
retirement. [Utilities]

The Board denied Item E – Application for disability retirement for Rod D. Humphrey.

F. Death of retired members:

Sophia M. Mason, Ret. No. 2513, death occurred June 22, 2014. No benefit payable due
to no surviving spouse or dependent children.

Carl L. Harman, Ret. No. 6736, death occurred August 14, 2014. Spouse elected
monthly benefit of \$880.22.

Thomas G. Rinehart, Jr., Ret. No. 5120, death occurred August 27, 2014. Spouse elected monthly benefit of \$1,618.77.

Joseph A. Moore, Ret. No. 4283, death occurred August 29, 2014. Spouse elected monthly benefit of \$2,008.71.

Thomas Nelson, Cherry, Ret. No. 2748, death occurred September 4, 2014. No benefit payable due to no surviving spouse or dependent children.

Aubrey Silvers, Ret. No. 6567, death occurred September 11, 2014. Spouse elected monthly benefit of \$760.24.

The Board approved benefit payments to the beneficiaries for Item F – Death of retired members.

The Board approved withdrawal of the following contributing members:

| <u>Name of Members</u> | <u>Active Number</u> |
|------------------------|----------------------|
| Melvin A. Shepard | 33019 |
| Casie L. Bressette | 33058 |
| Kate E. Glass | 33157 |
| Jonathan D. Chapman | 33451 |
| Kathyryn S. Irfan | 33942 |
| Ashley A. Smith | 33972 |
| Brian Thomas Nugent | 33999 |
| Joshua D. Rhamy | 34026 |
| Zuzanna Lesniak | 34093 |
| Shaun Justin Peregoy | 34127 |
| Yashica L. Ballard | 34291 |
| Anthony B. Castillo | 34299 |
| Aida L. Hernandez | 34406 |
| Stephanie A. Bray | 34457 |
| Mary J. Smith | 34487 |
| Eric Casterlow | 34514 |
| Erica L. Blanding | 34652 |
| Demetrias M. Brinson | 34732 |
| Troy C. Wilkerson II | 34742 |

Total Members – 19

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

| <u>Name of Member</u> | <u>Active Number</u> |
|-----------------------|----------------------|
| Jacqueline Y. Baker | 33540 |
| Rashell Lee Matthews | 33663 |
| Theresa C. Murch | 33694 |

Total Members – 3

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

| | |
|---|------------------------|
| Federal Express (1) | \$ 68.66 |
| Baker's Crust (2) | 121.88 |
| State Street Corporation (3) | 11,749.97 |
| Retirement Payroll (Payroll est. for October, 2014) | <u>6,700,000.00</u> |
| Total | <u>\$ 6,711,940.51</u> |

(1) Information sent to investment consultant
(2) Lunch served for Board Meeting - September 3, 2014
(3) Custodial Services - August 2014

J. Disability reexamination status:

| | | | |
|-------------------------|----------------|-------------------|------|
| 1 Kelly, Gerry | Accidental | <i>Being Seen</i> | |
| 2 Wethington, Mark A. | Accidental | 9/9/2014 | Sack |
| 3 Brown, Sherrod M. Sr. | Ordinary | <i>Suspended</i> | |
| 4 Wynn, Nathaniel | Accidental | <i>Suspended</i> | |
| 5 Cole, Keith J. | Accidental | <i>Not Due</i> | |
| 6 Pratt, Dawn M. | Accidental-REX | <i>Not Due</i> | |
| 7 St. Amant, David J. | Accidental | <i>Not Due</i> | |
| 8 Doke, Annie | Ordinary | <i>Not Due</i> | |
| 9 Sitzler, Samuel F. | Accidental-REX | <i>Not Due</i> | |
| 10 McAlpin, David M. | Ordinary-REX | <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, along with Jessica Portis of Summit Strategies, to discuss the Plan's \$200 million investment with PIMCO given the circumstances of Bill Gross' departure on September 26, 2014. The Committee asked Mrs. Portis to provide the following for discussion at its next meeting:

- Identify fixed income manager alternatives to PIMCO
- Assess of portfolio liquidity
- Possible fee concession for remaining with PIMCO
- Review of Summit's current fixed income manager recommendations for similar mandates to new clients
- Estimate of the cost of transition from PIMCO to a new fixed income manager

Other Topics

Marcus D. Jones, City Manager briefly addressed the Board and congratulated them on their work as Trustees. He reported that during the Council Retreat, held in September, developing efficiencies throughout the organization was a topic. He asked the Board to review the current actuarial assumptions, particularly the rate of return assumption. He also reported that his office was working to get a date for the Board before City Council. The Board agreed that the review of the System's actuarial assumptions will be reviewed with the actuary in an upcoming meeting, and noted that we believe the rate should be changed only rarely and judiciously, that we lowered the rate after much discussion and study, and that we do not believe that a higher assumed rate is prudent.

Mrs. Potter-Griggs informed the Board that the Retirement Office, in conjunction with the City departments of Information Technology and Human Resources, is rolling out self-service for retirees. This service will allow retirees to access payroll information through the Retirement webpage. Mrs. Joy-Hogg asked why it was not System policy to require all retirees to have their pension payments direct deposited and recommended that a policy be drafted. Mr. Neikirk asked that a draft be available for the next meeting.

The next Retirement Board meeting is scheduled for November 5, 2014 at 12:00 noon. There will be an Investment Committee meeting.

There being no further business, the meeting adjourned at 12:42 p.m.

Chairperson

Executive Director