

Minutes of the Regular Monthly Meeting
Board of Trustees
Employees' Retirement System of the City of Norfolk
February 4, 2015

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 12:00 pm on Wednesday, February 4, 2015 with Lawrence A. Bernert, III presiding. The following was the result of the roll call:

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

Sheryl Potter-Griggs, Acting Executive Director, Mary L.G. Nexsen, Deputy City Attorney, and Capri M. Stanley, Human Resources Director also attended the meeting.

The minutes for the meetings held on January 7, 2015 were approved.

New Business

A. City Funding

Ms. Kelly reported to the Board that the City's contribution to the Plan, as determined by the actuarial valuation as of 06/30/13 and paid this fiscal year ending 06/30/15, was \$54 million and that amount is contributed in FY2015.

In January 2015, employees who began city employment prior to October 2010, had their salary increased by 5.265% and a 5% contribution (totaling \$4.5 million) was deducted for retirement contribution. When the actuaries calculated the FY2016 rate, they assumed that the \$4.5 million contribution for the last half of the FY 2015 fiscal year was sent to the retirement system as an additional contribution to the retirement plan. The actuaries were consulted regarding FY 2016 funding and they said they would recommend treating this funding like other types of actual experiences such as actual payroll or actual investment amounts and not to recalculate FY 2016 funding. Mr. Bernert asked whether the change in the funding equation would impact the unfunded liability of the Plan for the fiscal year ending 06/30/16. Mrs. Joy-Hogg stated that the impact would be small and will be reflected in the experience as part of valuation of the fiscal year ending 06/30/15, for budget year ending 06/30/17. The Board agreed that Ms. Kelly's report was clear. Mr. Bernert asked, for the benefit of the absent members, that she prepared a memo on the topic.

B. Applications for vested service retirement:

Barbara L. Purvis, Active No. 26025, January 1, 2014, with no refund due.
[Fleet Management]

David L. Johnson, Active No. 21305, January 1, 2015, with no refund due.
[Public Works]

Jeanie R. Carter, Active No. 24519, March 1, 2015, with no refund due.
[Courts]

Don Eugene Wells, Active No. 22490, April 1, 2015, with no refund due.
[Public Works]

C. Applications for early service retirement:

Phyllis H. McCray, Active No. 28794, effective March 1, 2015, with no refund due.
[Recreation, Parks and Open Space]

Wanda Smith, Active No. 25331, effective March 1, 2015, with no refund due.
[Human Services]

Donya Warren, Active No. 25725, effective March 1, 2015, with no refund due.
[Utilities]

Charlene B. Wright, Active No. 26285, effective March 1, 2015, with no refund due.
[Executive]

D. Applications for normal service retirement:

Jeffrey A. Diener, Active No. 28898, March 1, 2015, with no refund due.
[Police]

John R. Howard, Active No. 20522, March 1, 2015, with no refund due.
[Police]

William R. McCleese, Active No. 23680, March 1, 2015, with no refund due.
[Fire Rescue Services]

Gary J. Mitcheltree, Active No. 25779, March 1, 2015, with no refund due.
[Police]

Kenneth D. Peele, Active No. 25987, March 1, 2015, with no refund due.
[Police]

Selma I. Sykes, Active No. 23187, March 1, 2015, with no refund due.
[Human Resources]

Harry W. Worley, Active No. 24012, March 1, 2015, with no refund due.
[Fire Rescue Services]

Jacqueline J. Harris, Active No. 28614, April 1, 2015, with no refund due.
[Human Services]

Steven R. Jiannine, Active No. 24150, April 1, 2015, with no refund due.
[Fire Rescue Services]

Billy Lynn Underwood, Active No. 30181, April 1, 2015, with no refund due.
[Planning]

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

E. Medical Board review of applications for disability retirement:

David Cratt, Active No. 30059, March 1, 2015 with no refund due. This member requested ordinary disability retirement. [Police]

Leland Lambson, Active No. 30083, March 1, 2015 with no refund due. This member requested ordinary disability retirement. [Recreation, Parks and Open Space]

Alphando Calbourne, Active No. 27222, March 1, 2015 with no refund due. This member requested accidental disability retirement. [Police]

The Board approved, with review after one year, the application for disability retirement of Richard L. Drake; deferred, until the March 2015 meeting, the application for disability of Leland Lambson; and approved, with no further review, the application for disability retirement of Alphando Calbourne in Item E – Applications for disability retirement.

F. Death of retired members:

Robert Curren, Ret. No. 3316, death occurred July 10, 2014. No benefit payable due to no surviving spouse or dependent children.

Donald Orr, Ret. No. 3389, death occurred December 17, 2014. Spouse elected monthly benefit of \$907.07.

David L. Williams, Ret. No. 4048, death occurred January 1, 2015. No benefit payable due to no surviving spouse or dependent children.

James B. Clark, Ret. No. 3587, death occurred January 2, 2015. Spouse elected monthly benefit of \$224.04.

Max Leech, Ret. No. 2015, death occurred January 8, 2015. No benefit payable due to no surviving spouse or dependent children.

Eugene Curling, Ret. No. 3427, death occurred January 14, 2015. Spouse elected monthly benefit of \$495.43.

Irvin Sorey, Ret. No. 6050, death occurred January 14, 2015. Spouse elected monthly benefit of \$517.62.

Earl R. Minson, Jr., Ret. No. 3881, death occurred January 15, 2015. No benefit payable due to no surviving spouse or dependent children.

G. Death of spouses:

George B. Goff, Spouse No. 778, death occurred December 8, 2014. No benefit payable.

Clementine C. Smith, Spouse No. 2195, death occurred December 19, 2014. No benefit payable.

Rosalma Bohannan, Spouse No. 1086, death occurred December 20, 2014. No benefit payable.

Ottalie I. Kolt, Spouse No. 698, death occurred December 20, 2014. No benefit payable.

Betty Colston, Spouse No. 913, death occurred December 20, 2014. No benefit payable.

Dorothy M. King, Spouse No. 1071, death occurred December 21, 2014. No benefit payable.

Lucille L. Misczak, Spouse No. 320, death occurred December 30, 2014. No benefit payable.

Irma J. Chapman, Spouse No. 1019, death occurred January 7, 2015. No benefit payable.

Ruth E. Pearce, Spouse No. 751, death occurred January 14, 2015. No benefit payable.

Alice M. Brown, Spouse No. 430, death occurred January 22, 2015. No benefit payable.

Cecilia A. Clark, spouse No. 594, death occurred January 22, 2015. No benefit payable.

The Board approved benefit payments to the beneficiaries for Item F – Death of retirement members and removal from the payroll for Item G – Death of spouses.

The Board approved withdrawal of the following contributing members:

<u>Name of Members</u>	<u>Active Number</u>
Justin R. Crum	33222
Josh Hazard	33453
Suzanne C. Swims	33951
Marsha D. Berry	34531
Shelia Mary Johnson	34840
Taja S. Jones	34899

Total Members – 6

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

Federal Express (1)	\$ 62.22
Gourmet Gang (2)	147.26
NowCare Physicians, PC (3)	300.00
Cheiron (4)	5,292.21
State Street Corporation (5)	9,737.80
Retirement Payroll (Payroll est. for February, 2015)	<u>6,600,000.00</u>
 Total	 <u>\$ 6,615,539.49</u>

- (1) Information sent to GFOA and custodian
- (2) Lunch served for Board Meeting - January 7, 2015
- (3) Medical Board Examinations
- (4) Retainer Services - December 2014; Audit/CAFR
- (5) Custodial Services - November 2014

H. Disability reexamination status:

1 Brown, Sherrod M. Sr.	Ordinary	<i>Suspended; did not submit required information</i>
2 Wynn, Nathaniel	Accidental	<i>Suspended; did not submit required information</i>
3 Cole, Keith J.	Accidental	<i>Not Due</i>
4 Pratt, Dawn M.	Accidental-REX	<i>Not Due</i>
5 St. Amant, David J.	Accidental	<i>Not Due</i>
6 Doke, Annie	Ordinary	<i>Not Due</i>
7 Sitzler, Samuel F.	Accidental-REX	<i>Not Due</i>
8 McAlpin, David M.	Ordinary-REX	<i>Not Due</i>
9 Tew, Gerald R.	Ordinary	<i>Not Due</i>
10 Drake, Richard L.	Ordinary	<i>Not Due</i>
11 Firkel, Ronald L.	Accidental	<i>Not Due</i>
12 Robertson, Denise L.	Accidental	<i>Not Due</i>

Committee Reports

Administration and Planning:

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

Investment Management:

Mr. Bernert reported that there was not an Investment Committee meeting. Mr. Bernert stated that his review of the Summit Strategies report provided, with regard to allocation and performance as of December 31, 2014, indicates that the System is within the right ranges and in-lined with expectations.

Other Topics

Ms. Nexsen reported that Mr. Mark A. Wethington, former disability retiree who's benefit payments were discontinued as a result of the Medical Board report stating he was no longer disabled, has taken issue with the discontinuance. Mr. Wethington's attorney has requested that the Board allow Mr. Wethington to present additional information, with regard to his medical status, to the Board for consideration. Ms. Nexsen recommended that the Board invite Mr. Wethington to its March 4, 2015 meeting. The Board directed Mrs. Potter-Griggs to invite Mr. Wethington to the March meeting via his attorney with a copy to Mr. Wethington.

The next Retirement Board meeting is scheduled for March 4, 2015 at 12:00 noon. There will be an Investment Committee meeting.

There being no further business, the meeting adjourned at 12:38 p.m.

Chairperson

Executive Director