

Minutes of the Regular Monthly Meeting

Board of Trustees
Employees' Retirement System

October 7, 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 12:10 p.m. on Wednesday, October 7, 2015, with Trustee Christopher Neirkirk presiding on behalf of Chairperson Stephanie Calliott. The following was the result of the roll call:

Attending the Meeting

C.R. Neirkirk
S. Joy-Hogg
N.E. Nelson
E.G. Tucker
C. Garczynski

Absent

S.A. Calliott
Y.T. Allmond
L.A. Bernert
K.W. Crowder
B. Eason

Galen Gresalfi, Acting Executive Director, Mary L.G. Nexsen, Deputy City Attorney, Capri Stanley-Smith, Human Resources Director and Adele Daniels, Administrative Assistant II also attended the meeting.

The minutes for the meeting held on September 2, 2015, were approved.

New Business

A. Applications for Vested Service Retirement:

Joycelyn Jones, Active No. 33644, September 1, 2015, with no refund due.
[Norfolk Community Services Board]

Alphonso J. Durso, Jr., Active No. 23701, December 1, 2015, with no refund due.
[Police]

B. Applications for Early Service Retirement:

Lenoddris Broughton, Active No. 26966, November 1, 2015, with no refund due.
[Public Works]

Bertrand T. McDermott, Active No. 27098, December 1, 2015, with no refund due.
[Police]

C. Applications for Normal Service Retirement:

Ronald R. Byrd, Active No. 29409, November 1, 2015, with no refund due.
[Public Works]

Angelo L. Taylor, Sr., Active No. 18253, November 1, 2015, with no refund due.
[Parking]

Miles L. Warren, Active No. 26578, November 1, 2015, with no refund due.
[Police]

Faye Reed, Active No. 33722, December 1, 2015, with no refund due.
[Norfolk Community Services Board]

D. Applications for Deferred Retirement Option Program (DROP):

Timothy S. Evans, Active No. 25971, November 1, 2015, with no refund due.
[Police]

John F. Poch, Active No. 25988, November 1, 2015, with no refund due.
[Police]

Donnie G. Small, Active No. 26436, November 1, 2015, with no refund due.
[Police]

*The Board approved **Item A** – Applications for Vested Service Retirement; **Item B** – Applications for Early Service Retirement; **Item C** – Applications for Normal Service Retirement; and **Item D** – Applications for Deferred Retirement Option Program (DROP).*

E. Medical Board review of applications for disability retirement:

Curtis L. Allison, Active No. 31291. This member requested accidental disability retirement.
[Police]

Donald L. Blount, Active No. 21720. This member requested ordinary disability retirement.
[Cemeteries]

Nanette Hilliard, Active No. 33817. This member requested accidental disability retirement.
[Norfolk Community Services Board]

John H. Jones, Active No. 28276. This member requested ordinary disability retirement.
[Utilities]

*The Board approved **Item E** – the application for accidental disability retirement for Curtis L. Allison with reexamination in one year; the application for ordinary disability retirement for Donald L. Blount, with reevaluation pending doctor reexamination in one year; the application for accidental disability retirement for Nanette Hilliard, with reexamination in one year; and the application for ordinary disability retirement for John H. Jones, with no further review.*

F. Ordinary Death of an Employee:

Ada Lowther, Active No. 31576, death occurred July 31, 2015. Beneficiary elected lump sum payment of \$9,279.84.

G. Death of Retired Members:

Jack E. Hunter, Ret. No. 5925, death occurred September 4, 2015. No benefit payable due to no surviving spouse or dependent children.

Patricia D. Swain, Ret. No. 6487, death occurred September 5, 2015. No benefit payable due to no surviving spouse or dependent children.

Tommy F. Elliott, Ret. No. 4423, death occurred September 9, 2015. Spouse elected a monthly benefit of \$418.22.

Ricardo V. Moore, Ret. No. 5783, death occurred September 12, 2015. No benefit payable due to no surviving spouse or dependent children.

H. Death of Spouses:

Doris Worstine, Spouse No. 0192, death occurred April 25, 2015. No benefit payable due to no surviving dependent children.

Vessie H. Freeman, Spouse No. 0756, death occurred August 31, 2015. No benefit payable due to no surviving dependent children.

*The Board approved **Item F** – Ordinary Death of an Employee; **Item G** – Death of Retired Members; and **Item H** – Death of Spouses.*

I. The Board approved withdrawal of the following contributing members with \$48,353.88 of contributions due:

<u>Name of Members</u>	<u>Active Number</u>
Donald P. Gates, Jr.	33449
Stephanie D. McPherson	33683
Umaporn Pongphuntharak	33878
Quwamoa L. Jefferson	33917
Tyrone E. Fontanilla	33970
Emanuel K. Boomer	34382
Terry Earwood	34558
Rosalyn A. Vazquez	34578
Timmy L. Lloyd	34617
Ronald L. Fritch	34657
Brendan M. McAvoy	34696
Kaishanta C. Hernandez	34759
Matthew K. Curtis	34800
Corey R. Critzer	34904
Marissa N. Buescher	34950
Keshawn S. Jordan	35065
Alyson Kaye	35076
Jacqueline S. Warren	35165
Cynthia White	35167

Total Members - 19

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

Gourmet Gang (1)	\$ 126.61
Association of Municipal Retirement Systems-VA (2)	325.00
NowCare Physicians, PC (3)	1,050.00
Cheiron (4)	4,512.08
Retirement Payroll (Payroll est. for October 2015)	<u>6,800,000.00</u>
Total	<u><u>\$ 6,806,013.69</u></u>

- (1) Lunch served for Board Meeting - September 2, 2015
- (2) Biennial Trustee and Administrators' Conference Registration - G. Gresalfi
- (3) Medical Board Examinations
- (4) Retainer Services - August 2015

K. Disability Reexamination status:

1	Brown, Sherrod M. Sr.	Ordinary	<i>Suspended; did not submit required information</i>
2	Pratt, Dawn M.	Accidental-REX	<i>Forwarded to Medical Board</i>
3	St. Amant, David J.	Accidental	<i>Forwarded to Medical Board</i>
4	Doke, Annie	Ordinary	<i>Processing Paperwork</i>
5	Sitzler, Samuel F.	Accidental-REX	<i>Processing Paperwork</i>
6	McAlpin, David M.	Ordinary-REX	<i>Forwarded to Medical Board</i>
7	Tew, Gerald R.	Ordinary	<i>Due - Effective 9/1/15</i>
8	Drake, Richard L.	Ordinary	<i>Not Due</i>
9	Robertson, Denise L.	Accidental	<i>Not Due</i>
10	Cratt, David	Ordinary	<i>Not Due</i>
11	Sydow, Nathan V.	Ordinary	<i>Not Due</i>
12	Lambson, Leland	Ordinary	<i>Not Due</i>
13	Wynn, Nathaniel	Accidental	<i>Not Due</i>
14	Wethington, Mark A.	Accidental-REX	<i>Not Due</i>
15	Marsh, Carnell	Accidental	<i>Not Due</i>
16	Russell, Clifton D.	Ordinary	<i>Not Due</i>
17	Cole, Keith J.	Accidental-REX	<i>Not Due</i>
18	Fancher, Courtney D.	Accidental-REX	<i>Not Due</i>

There are a total of 18 disability retirees up for reexamination. One is suspended due to not submitting the required information; 5 have pending paperwork; one is due effective 9/1/15. Eleven are not due at this time.

L. Committee Reports

Investment Management:

Mr. Neikirk reported that there was an Investment Management Committee meeting at 11:00 a.m.

Summit presented an equity allocation review and follow up discussion on the asset liability study. Generally, Summit's material pointed out that the MSCI ACWI ex-US allocation is somewhat deficient in developed small cap equities which other international investors tend to hold while the index does not. Summit will send a pie chart of a global index that includes developed small cap so we can see what the total global portfolio looks like. They had a section on passive vs. active management. Summit does not believe there is a lot of opportunity for excess return in domestic large cap equity. They do feel there are opportunities for active excess return in small cap U.S. equities and international equities, especially when you decouple the emerging markets.

Summit discussed PIMCO's fee. Summit estimated that the special one-year fee was a benefit to the Plan, saving anywhere from \$24,000 and \$75,000 over the course of the year. They expect that the PIMCO performance was up 20 basis points year-to-date.

A review of the Plan indicates assets dropped to \$966 million as of August 31, 2015. Based on the July 2014 liability valuation results in about an 81 percent funded level. The asset allocations were within their stated ranges.

Administration and Planning:

There was not an Administration and Planning Committee meeting. Ms. Garczynski stated she anticipates have a meeting later during the month. Ms. Nexsen requested to be included in the meeting.

- M.** The Board approved Acting Executive Director Galen Gresalfi to attend the Association of Municipal Retirement Systems of Virginia (AMRS-VA) Biennial Trustee and Administrators' Conference.

The next meeting is scheduled for November 4, 2015, at 12:00 p.m.

There will be an Investment Committee meeting on November 4, 2015, at 11:00 a.m.

There being no further business, the meeting adjourned at 12:33 p.m.

Chairperson

Acting Executive Director