

Minutes of the Regular Monthly Meeting

Board of Trustees
Employees' Retirement System

December 6, 2017

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 p.m. on December 6, 2017, with Stephanie A. Calliott presiding. The following was the result of the roll call:

Attending the Meeting

Stephanie A. Calliott
Christopher R. Neikirk
Yvonne T. Allmond
Arthur M. Eason, III
Eric G. Tucker
Nicholas E. Nelson
Catheryn Whitesell
Christine Garczynski

Absent

Lawrence A. Bernert, III
Rev. Kenneth W. Crowder

Marva Smith, Director of Human Resources, Galen Gresalfi, Executive Director, Mary L.G. Nexsen, Deputy City Attorney, Heather Mullen, Deputy City Attorney, Penny DeLosh, Programs Manager and Juan Fagan, accidental disability retirement applicant attended the meeting.

The minutes for the meeting held on November 1, 2017, were approved.

New Business

A. Applications for Vested Service Retirement:

N/A

B. Applications for Early Service Retirement:

Yakima Fritz, Active No. 26956, January 1, 2018, with no refund. (Reduced Early Service)
[Utilities]

C. Applications for Normal Service Retirement:

Elvira R. Anderson, Active No. 33537, January 1, 2018, with no refund due.
[NCSB]

Glendolia W. Banks, Active No. 20380, January 1, 2018, with no refund due.
[Police]

Robert F. Casey, Active No. 33883, January 1, 2018, with no refund due.
[Police]

Janice S. Dudley, Active No. 13861, February 1, 2018, with refund due as a rollover.
[Civic Facilities]

Michael F. Helmke, Active No. 31547, January 1, 2018, with no refund due.
[City Auditor]

Cheryl D. Spencer, Active No. 29048, February 1, 2018, with no refund due.
[Commissioner of the Revenue]

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

Lonnie E. Artis, Active No. 27756, January 1, 2018, with no refund due. Anticipated DROP exit January 1, 2022.
[Fire-Rescue Services]

*The Board approved **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. Exit from Deferred Retirement Option Program (DROP):

Gregory G. Dayton, Ret No. 07077R, January 1, 2018, with DROP account balance due.
[Police]

Mark L. Johnson, Ret No. 07155R, December 1, 2017, with DROP account balance due.
[Fire-Rescue Services]

F. Medical Board Review of Application for Disability Retirement Benefits:

Juan Fagan, Active No. 30289, January 1, 2018, accidental disability retirement with no annual reexamination and no refund due.
[Public Works]

*The Board approved **Item F** – Medical Board Review of Application for Disability Retirement Benefits with no annual reexamination.*

G. Ordinary Death of Employee:

N/A

H. Death of Retired Members:

Frances P. Daniels, Ret. No. 01958R, death occurred on August 31, 2017. No surviving spouse death benefit payable.

Margaret B. Halford, Ret. No. 02893R, death occurred on March 09, 2017. Surviving spouse death benefit election pending.

Ennis M. Owens, Ret. No. 04840R, death occurred on November 6, 2017. No surviving spouse death benefit payable.

William H. Stevens, Ret. No. 03485R, death occurred on October 24, 2017. Surviving spouse elected monthly benefit in the amount of \$761.43.

Charles W. Waller, Sr., Ret. No. 04281R, death occurred on October 14, 2017. Surviving spouse elected monthly benefit in the amount of \$1,949.33.

Inez H. Wiggins, Ret. No. 05542R, death occurred October 29, 2017. No surviving spouse death benefit payable.

I. Death of Retired Member (Previously Approved) Beneficiary Benefit Elected:

Forman E. Simmons, Ret. No. 06955R, death occurred on October 5, 2017, reported on November 1, 2017 docket. Spouse elected monthly benefit in the amount of \$434.06.

J. Death of Member eligible for Vested Retirement Benefit:

N/A

K. Death of Spouses:

Georgia B. Robinson, Spouse No. 01077N, death occurred October 23, 2017. No death benefit payable.

Sallie M. Stancel, Spouse No. 00386N, death occurred October 28, 2017. No death benefit payable.

*The Board approved **Item H** – Death of Retired Members; **Item I** – Death of Retired Member (Previously Approved) Beneficiary Benefit Elected and **Item K** – Death of Spouses.*

L. Retirement Rescissions:

N/A

M. Previous Docket Amendments and Corrections:

N/A

N. The Board approved withdrawal of the following contributing members with \$54,225.31 of contributions due:

Member Name	Active Number
KING, SAMANTHA R.	34975
LEGRAND, SHAMEIKA D.	35704
LEVOIT, JONATHAN K.	35452
MASER, ASHLEY E.	34975
MONDS, AVERY M.	34623
RARICK, TONYA	35981
SCOTT, MARQUITA M.	35417
SKINNER, JOANNE M.	34857
SUTTON, SHELBY M.	35640
WATTS, JERRY L.	35381
ZATEZALO, AMBER B.	35812
BURTON, DANIELLE	34449
CANNON, TEMEKA N.	35876
CARTER, DOMINIK L.	35734
EVERETTE, JAMES W.	34286
HOLLOWELL, ALEXANDER L.	33282
MORRIS, VANESSA	35461
MCMAHON, IAN M.	36128
TIERNEY, ANDREW T.	35711

Total - 19

O. Obligations Reported for Payment:

Norfolk Employees' Retirement System

OBLIGATIONS REPORTED FOR PAYMENT

December 6, 2017

State Street Corporation (1)	\$ 45,282.75
Cheiron (2)	22,422.76
Gourmet Gang (3)	250.12
Summit Strategies, Inc. (4)	48,772.00
Nowcare Physicians (5)	400.00
Pension Benefit Information (6)	650.00
Retirement Payroll (Payroll for Nov 2017)	<u>7,200,534.35</u>
Total	<u>\$ 7,318,311.98</u>

- (1) Custodial Services for Aug, Sept, & Oct (Chk. 1224, 1225 & 1229) --\$28,172.99
November & December (Estimated: \$8,554.88 * 2) -- \$17,109.76
- (2) Retainer & Non-retainer fees for October (Chk. 1227) -- \$13,498.84
November & December - (Estimated: \$4,461.96 * 2) -- \$8,923.92
- (3) Lunch served for Board Meeting -July & November (Chk. 1222 & 1223)
- (4) Summit Strategies Inc. - Consulting services -Oct. to Dec.4th Qtr. 2017-Inv. 9369
- (5) Nowcare Physicians - Medical evaluation & record review (Chk. 1226)
- (6) Pension Benefit Information (PBI) - (Chk. 1228)

P. Disability Reexaminations Status:

	NAME	TYPE	STATUS
1	Allison, Curtis L.	Accidental	<i>Final Incompleteness Notice</i>
2	Brown, Sherrod M. Sr.	Ordinary	<i>Final Incompleteness Notice</i>
3	Cole, Keith J.	Accidental	<i>Medical Board</i>
4	Cratt, David	Ordinary	<i>Final Incompleteness Notice</i>
5	Doke, Annie	Ordinary	<i>Final Incompleteness Notice</i>
6	Fancher, Courtney D.	Accidental	<i>Final Incompleteness Notice</i>
7	Gannaway, Stephen M.	Accidental	<i>Final Incompleteness Notice</i>
8	Lambson, Leland	Ordinary	<i>Final Incompleteness Notice</i>
9	Pratt, Dawn M.	Accidental	<i>First Notification</i>
10	Robertson, Denise L.	Accidental	<i>Medical Board</i>
11	Robertson, Neal A.	Accidental	<i>Final Incompleteness Notice</i>
12	Russell, Clifton D.	Ordinary	<i>Medical Board</i>
13	Sydow, Nathan V.	Ordinary	<i>Final Incompleteness Notice</i>
14	Tew, Gerald R.	Ordinary	<i>Final Incompleteness Notice</i>
15	Wethington, Mark A.	Accidental	<i>Awaiting additional documentation</i>
16	Wynn, Nathaniel	Accidental	<i>Medical Board</i>

Q. Committee Reports: Administration and Planning & Investment Management:

- a. Administration and Planning – No meeting held.
 - i. Banking RFP final negotiations being conducted.
- b. Investment Management – No meeting held.
 - i. Monthly Flash/Capital Markets
 - a. As of October 31, 2017, asset market values of the Fund were \$1.08 billion in comparison to July 1, 2016 \$1.28 billion actuarial liability; as of October 31, 2017 the market funded ratio was 84%
 - ii. Assets Rebalancing Completed in November 2017
 - a. Equities – \$47.5 million transferred to various custodial accounts for assets reallocation
 - b. Fixed Income – \$36.35 million increase to attain policy threshold
 - c. MLPs – \$7.65 million increase to attain policy threshold
 - d. Benefits payments – \$3.5 million cash for payments
 - iii. Next Anticipated Investment Committee – February 2018

R. Other / Old Business:

- a. Proposed Retirement Board of Trustees Monthly Meeting Schedule for Calendar Year 2018 presented to the Board.

The Board approved the Retirement Board of Trustees Monthly Meeting Schedule for Calendar Year 2018.

- b. Request for payment of National Association of Public Pension Attorneys (NAPPA) invoice for 2018 membership dues for M. Nexsen, City Attorney presented to Board.

The Board approved payment of the (NAPPA) invoice in the amount of \$300.00 for 2018 membership dues.

- c. NERS authorization of reassignment of investment advisory contract with Tortoise Capital Advisors, Lovell Minnick Partners, LLC. presented to Board.

The Board approved authorization of reassignment of investment advisory contract with Tortoise Capital Advisors and Lovell Minnick Partners, LLC.

- d. Mr. Eason inquired about the status of the examination of Workers' Compensation benefits – Analysis of the administration of Workers' Compensation payments does not indicate any systemic issues related to overpayments.

S. Adjournment:

Next Meeting: January 10, 2017

Anticipated Quorum: Yes

Scheduled Guest Speaker(s): KPMG (dependent upon the status of the FY 2017 audit)