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 fifth floor conference room in the City of Norfolk, Virginia. The meeting began at 12:00 p.m. on February 1, 2017, with Vice Chair Christopher R. Neikirk presiding. The following was the result of the roll call:

Attending the Meeting
Christopher R. Neikirk
Yvonne T. Allmond
Arthur M. Eason, III
Michael Goldsmith
Nicholas E. Nelson
Eric G. Tucker

Absent
Stephanie A. Calliott
Lawrence A. Bernert, III
Rev. Kenneth W. Crowder
Christine Garczynski

Galen Gresalfi, Executive Director, Mary L.G. Nexsen, Deputy City Attorney, Penny DeLosh, Programs Manager, Ann Sullivan, legal representation for Mr. Timothy Carey, Mr. Timothy Carey, NERS member, Louis DeCuir, Norfolk Citizen and Adisa Muse, Executive Assistant to the Mayor attended the meeting.

The minutes for the meeting held on January 4, 2017 were approved.

**New Business**

**A. Applications for Vested Service Retirement:**

Samuel E. Garrick, Active No. 29832, January 1, 2017, with no refund due.
[Executive]

Gregory D. Hudson, Active No. 26814, February 1, 2017, with no refund due.
[Fire Rescue Services]

Marsha R. Jones, Active No. 24281, March 1, 2017, with no refund due.
[Utilities]

Robin O. Minter, Active No. 32989, March 1, 2017, with no refund due.
[Recreation, Parks and Open Spaces]

Shannon A. Moore, Active No. 18109, June 1, 2015, with no refund due.
[Outside Agencies]

**B. Applications for Early Service Retirement:**

John J. Baker, Active No. 28041, April 1, 2017, with no refund due.
[Information Technology]
C. Applications for Normal Service Retirement:

Denise S. Bell, Active No. 32547, March 1, 2017, with no refund due.  
[Public Works]

Delilah H. Collins, Active No. 30640, March 1, 2017, with no refund due.  
[Human Services]

Adele Daniels, Active No. 29569, March 1, 2017, with no refund due.  
[Finance]

Jeffrey D. Fox, Active No. 24928, March 1, 2017, with no refund due.  
[Commissioner of the Revenue]

Alisha A. Pembleton, Active No. 31016, March 1, 2017, with no refund due.  
[Finance]

Ronald L. Robinson, Active No. 20497, April 1, 2017, with no refund due.  
[Recreation, Parks and Open Spaces]

Valerie F. Trotter, Active No. 24889, March 1, 2017, with no refund due.  
[Human Services]

Ethel M. Wilson, Active No. 25296, March 1, 2017, with no refund due.  
[Finance]

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

Robert D. Glaubke, Active No. 25279, March 1, 2017, with no refund due.  
[Fire Rescue Services]

Lawrence R. Jeter, Active No. 21426, March 1, 2017, with no refund due.  
[Fire Rescue Services]

George R. Mann Jr., Active No. 23620, March 1, 2017, with no refund due.  
[Fire Rescue Services]

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. Exit from Deferred Retirement Option Program (DROP):

N/A

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

Mary Ann Vandivort, Active No. 28540. This member approved for Ordinary Disability Retirement effective January 1, 2017, at December Board meeting. Disability reevaluation language revised for annual reexamination requirements recommended by Medical Board.
The Board, after receiving clarification on Ms. Vandivort’s reexamination status from the Medical Board, elected to require annual medical re-examinations for Ms. Vandivort at this time.

G. Ordinary Death of Employee:

N/A

H. Death of Retired Members:

Herbert H. Barbour, Ret. No. 07090R, death occurred December 18, 2016. No benefit payable due to no surviving spouse or dependent children on record.

Fredrick Broccolo, Ret. No 04851R, death occurred on December 21, 2016. Spouse elected monthly benefit in the amount of $879.10.

Frank Davis, Ret. No. 06470R, death occurred on January 2, 2017. No benefit payable due to no surviving spouse or dependent children.

Parker L. McDaniel, Jr., Ret. No. 03928R, death occurred on January 24, 2017. No benefit payable due to no surviving spouse or dependent children on record.


Maryanne Sobers, Ret No. 05073R, death occurred on January 16, 2017. No benefit payable due to no surviving spouse or dependent children.

Earle V. White, Ret. No. 02800R, death occurred on November 21, 2016. Spouse elected monthly benefit in the amount of $641.60.

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

N/A

J. Death of Member eligible for Vested Retirement Benefit

N/A

K. Death of Spouses:

Annie M. Aydlett, Spouse No. 00339N, death occurred January 5, 2017. No benefit payable.

Alice Brickhouse, Spouse No. 00513N, death occurred February 21, 2016. No benefit payable.

Winifred Dennis, Spouse No. 00898N, death occurred January 11, 2017. No benefit payable.

Betty Stone, Spouse No. 01102N, death occurred December 11, 2016. No benefit payable.

The Board approved Item H – Death of Retired Members; and Item K – Death of Spouses.
L. Retirement Rescissions

Janice M. Hurley, Active No. 28249, normal service retirement effective February 1, 2017 approved at the January 4, 2017, was rescinded by the member effective January 26, 2017.

*The Board approved Item L – Retirement Rescissions*

M. Previous Docket Amendments and Corrections

N/A

N. The Board approved withdrawal of the following contributing members with $80,188.13 of contributions due:

<table>
<thead>
<tr>
<th>Member Name</th>
<th>Active Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leila D. Blais</td>
<td>35530</td>
</tr>
<tr>
<td>Emmett V. Brown II</td>
<td>34967</td>
</tr>
<tr>
<td>Kamron F. Blue</td>
<td>34779</td>
</tr>
<tr>
<td>Danielle Catherin</td>
<td>35117</td>
</tr>
<tr>
<td>Bonny M. Denney</td>
<td>33426</td>
</tr>
<tr>
<td>Jonthan D. Glaser</td>
<td>35796</td>
</tr>
<tr>
<td>Jonathan Jarbo</td>
<td>34205</td>
</tr>
<tr>
<td>Victoria O. Kearney</td>
<td>35088</td>
</tr>
<tr>
<td>John K. D. Kearns</td>
<td>35854</td>
</tr>
<tr>
<td>Matthew J. Kline</td>
<td>33407</td>
</tr>
<tr>
<td>Kyle D. Long</td>
<td>33342</td>
</tr>
<tr>
<td>Lacey L. Lopez</td>
<td>35777</td>
</tr>
<tr>
<td>Stephen L. Miller</td>
<td>34069</td>
</tr>
<tr>
<td>Errol D. Pierre</td>
<td>33831</td>
</tr>
<tr>
<td>Robert N. Vaughan II</td>
<td>34833</td>
</tr>
<tr>
<td>Julia A. Thompson</td>
<td>35289</td>
</tr>
<tr>
<td>Crystal D. Walker</td>
<td>34360</td>
</tr>
<tr>
<td>Scott B. Willey</td>
<td>35880</td>
</tr>
</tbody>
</table>

Total – 18

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Street Corporation (1)</td>
<td>$8,809.73</td>
</tr>
<tr>
<td>Cheiron (2)</td>
<td>4,332.00</td>
</tr>
<tr>
<td>Gourmet</td>
<td></td>
</tr>
<tr>
<td>Gang (3)</td>
<td>133.81</td>
</tr>
<tr>
<td>Retirement Payroll (Payroll for January 2017)</td>
<td>6,999,407.03</td>
</tr>
</tbody>
</table>
Total $ 7,012,682.57

(1) Custodial Services for November
(2) Retainer fee - November
       Lunch served for Board Meeting - January 4, 2017

P. Disability Reexaminations Status.
1. Robertson, Denise L.       Accidental   Processing Paperwork
2. Cratt, David              Ordinary     Processing Paperwork
3. Sydow, Nathan V.          Ordinary     Processing Paperwork
4. Lambson, Leland           Ordinary     Processing Paperwork
5. Wethington, Mark A.       Accidental-REX Processing Paperwork
6. Russell, Clifton D.       Ordinary     Not Due
7. Cole, Keith J.            Accidental-REX Not Due
8. Fancher, Courtney D.      Accidental     Not Due
9. Allison, Curtis L.        Accidental     Not Due
10. Pratt, Dawn M.           Accidental-REX Not Due
11. Robertson, Neal A.       Accidental     Not Due
12. Brown, Sherrod M. Sr.    Ordinary-REX Not Due
13. Doke, Annie              Ordinary-REX Not Due
14. Gannaway, Stephen M.     Accidental     Not Due
15. Tew, Gerald R.           Ordinary     Not Due
16. Wynn, Nathaniel          Accidental-REX Not Due

There are 16 disability retirees up for reexamination; 5 have paperwork in process; 11 are not due at this time.

Q. Committee Reports: Administration and Planning & Investment Management.
   a. Administration and Planning – No report
   b. Investment Management - 11:30 a.m. – 12:00 p.m.
      i. 2016 Performance Review
      ii. Capital Markets Outlook
      iii. MLP to Real Estate Reallocation – transfer expected early 2nd quarter.
           Approximately $11.5 million will be transferred from MLPs to the UBS Trumbull Property Fund, which currently has less NERS funds invested than the JP Morgan Real Estate account; after the transfer both accounts will be approximately equal.
      iv. December 31, 2016: Actual Assets - $993 million; Liability - $1.254 billion: 79% funded ratio; allocations were within the targeted range.
      v. Anticipated Investment Committee Meeting March 1, 2017, at 11:30 a.m.

Other Topics:

The Board heard a presentation from Ann Sullivan, legal counsel for Mr. Timothy Carey, regarding his portability request to transfer his years of service with VRS into NERS. Mr. Carey submitted his request
for transfer in August 2015, the transfer was subsequently reversed when it was discovered that the request was made after the 18 month eligibility window. Ms. Sullivan presented materials in support of the claim that a since-rescinded Amendment to the Portability Agreement in effect at the time of Mr. Carey’s request did not call for an 18 month eligibility window. She therefore requested that Mr. Carey’s service be transferred from VRS to NERS. Ms. Sullivan noted that the Amendment was rescinded in March 2016 and that she thought that it was rescinded because of Mr. Carey’s portability application. Ms. Sullivan also raised the following concerns regarding the handling of Mr. Carey’s transfer request: member not properly notified of amendment; City communication duties of transfer of rights, the City website at the time of the transfer request did not contain Portability information, and the rescission of the transfer has prohibited Mr. Carey’s ability to apply for a Normal Service Retirement. Ms. Sullivan requested, in light of presented materials, that the Board approve Mr. Carey’s transfer request.

With a quorum established, a motion was made, seconded and approved that the Board assemble in an executive session pursuant to Virginia Code Section 2.2-3711A(7) for the discussion of personnel/legal matter, specifically:

For consultation with legal counsel and briefing by staff members pertaining to probable litigation and consultation with legal counsel employed or retained by the public body regarding specific legal matters requiring the provision of legal advice by such counsel.

At the conclusion of the closed session, the Board adopted the following Resolution:

A RESOLUTION CERTIFYING A CLOSED MEETING OF THE BOARD OF TRUSTEES OF THE NORFOLK EMPLOYEES’ RETIREMENT SYSTEM IN ACCORDANCE WITH THE PROVISIONS OF THE VIRGINIA FREEDOM OF INFORMATION ACT.

WHEREAS, the Board of trustees of the Norfolk Employees’ Retirement System convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act for the consideration, advice and discussion of a legal matter pursuant to Virginia code Section 2.2-3711A(7); and

WHEREAS, Virginia Code Section 2.2-3712 requires a certification of this Board of Trustees that such closed meeting was conducted in conformity with Virginia law; now, therefore,

BE IT RESOLVED by the Board of Trustees of the Norfolk Employees’ Retirement System:

Section 1:- That the Board of Trustees hereby certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Board of Trustees.

Section 2:- That this Resolution shall be in effect from and after its adoption.

After the Board reconvened in open session, Mr. Neikirk put to a motion which was seconded by Ms. Yvonne T. Allmond and the Board approved, the following response to the presentation made by Ms. Ann Sullivan on behalf of Mr. Timothy Carey:

In order that there is a formula to calculate the assets to transfer from VRS to NERS, Mr. Carey would have had to make his request to transfer his VRS assets either on or before July 19, 2000, which was within 18 months, as a vested VRS member, after becoming a NERS member on January 19, 1999 under
the May 7, 2015 amendment or on or before July 19, 2005, which was within 18 months as a vested NERS member as of January 19, 2004, under the June 19, 2000 agreement. Mr. Carey did not make his portability asset transfer request until August 18, 2015, which was past the required request deadlines for asset transfer under either the 2000 agreement or the 2015 amendment. Regardless of which agreement or amendment is applied, Mr. Carey did not meet the asset transfer request timeframes deadlines applicable to the order of portability.

R. Adjournment

There being no further business, the meeting adjourned at 1:30 p.m.

Next Meeting: March 1, 2017
Anticipated Quorum: Yes
Scheduled Guest Speaker(s):