

Minutes of the Regular Monthly Meeting

Board of Trustees
Employees' Retirement System

April 5, 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 fifth floor conference room in the City of Norfolk, Virginia. The meeting began at 12:00 p.m. on April 5, 2017, with Chairperson Stephanie A. Calliott presiding. The following was the result of the roll call:

Attending the Meeting

Stephanie A. Calliott
Nicholas E. Nelson
Yvonne T. Allmond
Arthur M. Eason, III
Michael Goldsmith
Christine Garczynski
Eric G. Tucker
Rev. Kenneth W. Crowder
Christopher R. Neikirk

Absent

Lawrence A. Bernert, III

Galen Gresalfi, Executive Director, Mary L.G. Nexsen, Deputy City Attorney, and Penny DeLosh, Programs Manager attended the meeting.

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

New Business

A. Applications for Vested Service Retirement:

Sharon K. Gaddy, Active No. 21299, March 1, 2017, with no refund due.
[Parking]

Cezar Lualhati, Active No. 24797, November 1, 2016, with no refund due.
[Lake Taylor City Hospital]

B. Applications for Early Service Retirement:

Johnathan C. Davis, Active No. 27786, May, 1, 2017, with no refund due.
[Fire-Rescue Services]

C. Applications for Normal Service Retirement:

Jackie E. Davis, Active No. 30682, May 1, 2017, with no refund due.
[Executive]

John B. Tokarz, Active No. 25562, May 1, 2017, with no refund due.
[General Services]

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

David L. Hughes, Active No. 26595, May 1, 2017, with no refund due.
[Fire-Rescue Services]

Lorenzo A. Pittman, Active No. 26685, May 1, 2017, with no refund due.
[Police]

William E. Sigafoos Jr., Active No. 22102, May 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:

N/A

G. Ordinary Death of Employee:

N/A

H. Death of Retired Members:

Diane Foreman, Ret No. 05701R, death occurred February 13, 2017. Spouse elected monthly benefit in the amount of \$764.93.

Lena Holley, Ret No. 03499R, death occurred December 23, 2016. No benefit payable due to no surviving spouse or dependent children on record.

Floyd Thompson, Ret No. 04749R, death occurred February 21, 2017. Spouse election of benefit pending.

*The Board approved **Item H** – Death of Retired Members.*

I. Death of Retired Member (Previously Reported) Beneficiary Benefit Election

N/A

J. Death of Member eligible for Vested Retirement Benefit

N/A

K. Death of Spouses:

Mavis Powers, Spouse No. 01106N, death occurred December 15, 2016. No benefit payable.

Dorothy White, Spouse No. 01215N, death occurred February 14, 2017. No benefit payable.

The Board approved 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 \$68,132.95 of contributions due:

<u>Member Name</u>	<u>Active Number</u>
Denzuel A. Bellamy	35790
Cindy L. Borum	35837
Sandra Choi	35884
Jada L. Griffin	35922
Malcolm Kelley	35820
Shanna M. Lingo	35297
Chana N. Ruiz-felton	33879
Beatrice F. Ebner	34766
Brian J. Baker	34249
Oscar Celis	34321
Brenda L. Hurd	34934
Lora Turpin	34882
Carl K. Wright	35860
Bonnie A. Baker	35404
Eric L. Beasley	35875
Jennifer C. Cava	35100
Ruben L. Griffin	33496
Michael M. Miller	35778
Alisha M. Ransom	34327
Reyna Rios	34248
Toni R. Shannon	35208
Jason E. Steen	34788
Cody A. Taylor	35339

O. Obligations Reported for Payment.

Norfolk Employees' Retirement System

OBLIGATIONS REPORTED FOR PAYMENT

April 5, 2017



State Street Corporation (1)	\$ 19,892.53
Cheiron (2)	5,617.40
Summit Strategies, Inc (3)	48,772.00
Gourmet Gang (4)	101.88
GFOA (5)	435.00
Retirement Payroll (Payroll for March 2017)	<u>6,988,269.47</u>
 Total	 <u>\$ 7,063,088.28</u>

- (1) Custodial Services for December & January
- (2) Retainer fee for January
- (3) consulting Services for January 1 to March 31, 2017 (3rd Qrt-2017)
- (4) Lunch served for Board Meeting - March
- (5) Certificate of Achievement Program - 2016

P. Disability Reexaminations Status

1	Robertson, Denise L.	Accidental	<i>Processing Paperwork</i>
2	Cratt, David	Ordinary	<i>Processing Paperwork</i>
3	Sydow, Nathan V.	Ordinary	<i>Processing Paperwork</i>
4	Lambson, Leland	Ordinary	<i>Processing Paperwork</i>
5	Wethington, Mark A.	Accidental-REX	<i>Not Due</i>
6	Russell, Clifton D.	Ordinary	<i>Not Due</i>
7	Cole, Keith J.	Accidental-REX	<i>Not Due</i>
8	Fancher, Courtney D.	Accidental	<i>Not Due</i>
9	Allison, Curtis L.	Accidental	<i>Not Due</i>

10	Pratt, Dawn M.	Accidental-REX	<i>Not Due</i>
11	Robertson, Neal A.	Accidental	<i>Not Due</i>
12	Brown, Sherrod M. Sr.	Ordinary-REX	<i>Not Due</i>
13	Doke, Annie	Ordinary-REX	<i>Not Due</i>
14	Gannaway, Stephen M.	Accidental	<i>Not Due</i>
15	Tew, Gerald R.	Ordinary	<i>Not Due</i>
16	Wynn, Nathaniel	Accidental-REX	<i>Not Due</i>

***There are 16 disability retirees up for reexamination;
4 have paperwork in process; 12 are not due at this time.***

Q. Previous Docket Amendments

N/A

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

- a. Administration and Planning – No official meeting
 - i. City Code Chapter 37 revision continuing – major long-term project
 - ii. Draft request for proposal for banking – anticipated summer submission
- b. Investment Management - 11:30 a.m. – 12:00 p.m.
 - i. Monthly Flash/Capital Markets
 - 1. As of February 28, 2017, assets are at \$1.025 billion
 - 2. Approximate funded status based on the July 1, 2016, actuarial liability of 84%; funded liability of 82%
 - ii. MLP to Real Estate Reallocation Update
 - 1. \$11.5 million transfer completed
 - 2. RFP process for pension consultant to be discussed during May 2017 investment committee meeting
 - 3. Summit consulting agreement to be reviewed
 - 4. Real estate and MLP active managers and PIMCO to possibly present to the Board in the fall – to be discussed during May 2017 investment committee meeting

S. Other / Old Business

- a. Clarification of costs associated with Cheiron presentation to City Council
 - i. Approximate cost of \$6,500 included consulting actuarial hours and actuarial assisting hours, 25 hours for presentation, preparation and travel costs
 - ii. Optional death benefit calculations and portability calculation costs - \$5,600.00
 - iii. Monthly retainer - \$4,300
- b. Workers' Compensation reexamination process
 - i. First notice – certified and regular mailing of 60 day initial notification letter to submit medical documentation
 - ii. Second notice – certified and regular mailing of 30 day reminder notification to submit medical documentation or possible suspension of disability retirement benefit with consideration of extenuating circumstances

- iii. Possible temporary suspension of disability retirement benefit, upon Board approval, if continued reexamination non-compliance
- iv. Possible permanent termination of disability retirement benefits after one year of no medical reexamination upon Board approval
- v. Prior to attaining normal service retirement age the Board of Trustees may request reexamination once a year for the first 5 years and if the doctor continues to recommend additional reexamination once every 3 years for the remaining years until attaining normal service retirement age

- c. National Association of Public Pension Attorneys \$895.00 attendance registration for M. Nexsen.

The Board approved the payment of National Association of Public Pension Attorneys registration.

- d. Cheiron experience study anticipated timeline to be early May 2017
- e. Tim Carey – VRS portability update
 - i. Attorney inquiry regarding pay and recalculation by actuary and possible purchase of military service

T. Adjournment

Next Meeting: May 3, 2017

Anticipated Quorum: Yes

Scheduled Guest Speaker(s):