



RETIREMENT BOARD OF TRUSTEES

MEETING MINUTES



Phone: (757) 664-4738 Email: retirement@norfolk.gov Website: www.norfolk.gov/retirement Form No: 7503

I. COMMENCEMENT

1. Chairperson call meeting to order.

Meeting Date 05/05/2021	Start Time 12:00 PM	End Time 12:33 PM	Meeting Type Regular
Meeting Location			
WebEx Remote Meeting pursuant to City of Norfolk to assure the continuity of government during the disaster resulting from the COVID-19 Pandemic.			
This electronic meeting will be open to the public. The public may listen and or participate in this public meeting via a WebEx remote meeting telephone call. Persons participating in the public meeting must identify themselves to the NERS Board of Trustees Secretary (Executive Director of NERS, Penny DeLosh).			

2. Roll call.

	Present
Lawrence A. Bernert, III (Chair)	<input checked="" type="checkbox"/>
Yvonne T. Allmond (Vice-Chair)	<input checked="" type="checkbox"/>
Rev. Kenneth W. Crowder	<input type="checkbox"/>
Elizabeth (Liz) A. Delude	<input checked="" type="checkbox"/>
Arthur M. Eason, III	<input checked="" type="checkbox"/>
Daryl Howard	<input type="checkbox"/>
James Izard (Investment Committee Chair)	<input checked="" type="checkbox"/>
Christina (Tina) Tally	<input checked="" type="checkbox"/>
Christine Garczynski (Admin and Planning Committee Chair)	<input checked="" type="checkbox"/>
Catheryn Whitesell	<input checked="" type="checkbox"/>

Additional Attendees

Penny DeLosh Executive Director	Jackie Cowan Retirement Benefits Administrator	Andy Fox Deputy City Attorney I
Dan Johnson AndCo	Jack Limroth Wilbanks Smith & Thomas Asset Management Analyst	Lauren Albanese Financial Investment News

3. Approval of minutes of meeting held

March 3, 2021:

March 31, 2021:

 Approved Denied Approved Denied**II. REPORTING**

Reporting Period: April – May 2021		TOTAL (Submitted/Approved)
A. Service Retirement Applications		27
1. Normal Service Retirement		11
2. Normal Service Retirement with DROP		5
3. Early Service Retirement - Reduced		3
4. Early Service Retirement - Deferred		0
5. Vested Service Retirement		8
B. Disability Retirement Applications		1
6. Accidental Disability Retirement		0
7. Ordinary Disability Retirement		1
C. Disability Reexamination Determinations		0
D. DROP Exit Report		3
E. Report of Deaths		24
1. Retiree		18
2. Spouse or Beneficiary		6
F. Death Benefit Claims		7
G. Retirement Rescissions		0
H. Previous Docket Amendments and Corrections		0
I. Nonvested Member Separation		44
Total		\$124,592.99
J. Obligations Reported for Payment		
Refer to EXHIBIT 1		

K. Committee Reports: Administration and Planning & Investment Management

1. Administration and Planning Committee – no meeting
 - a. City Code Chapter 37 Revisions Proposed
 - (1) Sec. 37-2. – Definitions – Ordinance draft/awaiting VRS feasibility decision
 - i. Definitions were previously approved by Board of Trustees
 - ii. Ordinance to be included upon City Council approval of NERS transitioning to VRS
 - b. Know 2 Ask – Good Governance draft
 - (1) Know 2 Ask is an educational series to provide materials to members and retirees regarding their NERS benefits and associated information
 - (2) Upon completion of draft, the Know 2 Ask brochure will be sent to the Administration and Planning Committee for review

2. Investment Management Committee –
 - a. Committee Membership
 - (1) James Izard (Chair)
 - (2) Larry Bernert
 - (3) Elizabeth (Liz) Delude
 - (4) Catheryn Whitesell
 - b. Summary of Returns
 - (1) Trailing 1-year returns were impressive at 33.45%
 - (2) Global equities out-performed, up 58.77 vs 57.58 benchmark
 - (3) Fixed income modest 1.6% vs 0.71%
 - (4) Real estate under performed by 292 basis points
 - (5) MLPs – \$29 million was reallocated during the first quarter. Had great trading returns at 67%, but the MLP index was up 103%, so there was a 35.58% of lesser return
 - c. As of July 1, 2019, Total Plan Actuarial Liability (AL) is \$1.398 billion and the Actuarial Value of assets (AVA) is \$1.097 billion for an Actuarial funded ration (AVA/AL) of 79%. Using the Market Value of Assets (MVA), the Market Funded Ratio (MVA/AL) was approximately 83% in February 2021 and 84% in March 2021.

L. Other / Old Business

1. Virginia Retirement System (VRS) Feasibility Study in progress
 - a. May 11, 2021, City Council to vote on new hires being enrolled in VRS to be effective January 1, 2022
 - b. Current NERS membership will have opportunity to elect to transition to VRS if the VRS migration is approved by City Council
2. Investment Consultant Request for Proposal (RFP) (March 2018) and Request for Information (RFI)
 - a. Per Investment Committee Chair, Plan of Action to include possible consultant to assist in RFP process.
 - b. Three (3) consulting firms have responded to the Outsourced Chief Investment Officer (OCIO) consultant search

- c. Board Chair requested to move this item under Investment Committee on future dockets
- 3. Investment Policy Review – Pending award of Investment Consultant RFP
 - a. Board Chair requested we remove item from future dockets
- 4. UBS Redemption
 - a. Redemption payment of \$928,120.23 made on April 6, 2021

M. New Business/Other

- 1. AndCo – Introduction of Dan Johnson, replacement to Trevor Jackson
- 2. Tortoise Fee Schedule
 - a. Previously approved by the Board of Trustees. Final signatures have been received.
 - b. Fee Schedule is only for calendar year 2021
- 3. WebEx with Norfolk Retired Employees' Association – association of retirees, which NERS has built a relationship with, in order to provide information to current retirees on an as needed basis
 - a. VRS Retirement Options – information session regarding the possibility of new hires moving to VRS
 - b. Pension Obligation Bonds (POBs) – information session regarding POB's even though this does not impact retirees
- 4. Bi-monthly Schedule Feedback & WebEx Meetings
 - a. Board of Trustees agreed that the bi-monthly meeting schedule should continue
 - b. Moving forward Board of Trustees meetings will have a scheduled Public Session and a Closed Session, in the event one is anticipated.

N. Adjournment

Next Meeting:	July 7, 2021
Anticipated Quorum:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Scheduled Guest Speaker(s):	

Exhibit 1
Obligations Reported for Payment March - April 2021

	Description	Amount
1.	State Street Corporation	\$18,875.60
2.	Cheiron	\$16,975.88
3.	Harvest Fund Advisors, LLC	\$52,000.00
4.	Tortoise Capital Advisors, LLC	\$50,000.00
5.	PIMCO	\$86,000.00
6.	AndCo	\$52,429.20
7.	Penny DeLosh	\$134.68
8.	Retirement Payroll April 2021 & May 2021	\$15,895,890.38
9.		
10.		
11.		
12.	TOTAL	\$16,172,305.74

Additional Details

1. Custodial Services - April 2021 – May 2021 est. (\$10,295.60 Dec 2020 & \$8,580.00 Jan 2021 invoice paid March 2021)
2. Custodial Services - April 2021 – May 2021 est. (\$5,021.96 Feb 2021, \$6,931.96 Mar 2021, invoices paid March 2021
\$5,021.96 April 2021 estimated)
3. Harvest Fund Advisors (2021 Q1 invoice, estimated)
4. Tortoise Capital Advisors, LLC (2021 Q1 invoice, estimated)
5. PIMCO (2021 Q1 invoice, estimated)
6. AndCo (2021 Q1 invoice, paid March 2021)
7. Penny DeLosh – reimbursement for printer ink
8. Payroll for April 2021 \$7,895,890.38 (actual) and May 2021 \$8,000,000 (Estimated)