



RETIREMENT BOARD OF TRUSTEES MEETING MINUTES



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Form No:
7503

I. COMMENCEMENT

1. Chairperson call meeting to order.

Meeting Date	Start Time	End Time	Meeting Type
3/9/2022	12:00 PM	12:26 PM	Regular
<p>Meeting Information</p> <p>This meeting of the Norfolk Employees' Retirement System Board of Trustees is being held by electronic communication means pursuant to Virginia Code § 2.2-3708.2(A)(3).</p> <p>The City of Norfolk has declared a Local State of Emergency pursuant to Virginia Code § 44-146.21 due to the public health danger of the novel coronavirus COVID-19 pandemic, which constitutes a disaster and emergency.</p> <p>The catastrophic nature of the COVID-19 pandemic makes it impracticable or unsafe for this public body to assemble a quorum in a single location.</p> <p>The purpose of this meeting is to provide for the continuity of operations of this public body or the discharge of its lawful purposes, duties, and responsibilities.</p> <p>This meeting will be conducted by the following electronic communication means: through WebEx phone and videoconferencing.</p> <p>Public notice for this meeting was given contemporaneously with the notice provided to these members. Public notice was given on March 1, 2022, on the City of Norfolk's website, at prominent locations in City Hall, at the Clerk's Office.</p> <p>The public may access the meeting through the following electronic means: by WebEx phone or videoconferencing through the address provided in the public notice for this meeting</p> <p>Dial In: 1-415-655-0002 Access Number: 2308 867 2349 Link: https://convoice.webex.com/convoice/j.php?MTID=mfce2430a4fb99b86a8e7cb75a2c56af2</p>			

2. Roll call.

	Present
Lawrence A. Bernert, III (Chair)	<input 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 type="checkbox"/>
Daryl Howard	<input checked="" type="checkbox"/>
James Izard (Investment Committee Chair)	<input checked="" type="checkbox"/>
Christina (Tina) Talley	<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
Lauren Albanese Financial Investment News		

3. Approval of minutes of meeting held January 5, 2022:

Approved **Denied**

II. REPORTING

Reporting Period: February 2022 – March 2022	TOTAL (Submitted/Approved)
A. Service Retirement Applications	23
1. Normal Service Retirement	14
2. Normal Service Retirement with DROP	3
3. Early Service Retirement - Reduced	1
4. Early Service Retirement - Deferred	0
5. Vested Service Retirement	5
B. Disability Retirement Applications	2
6. Accidental Disability Retirement	1
7. Ordinary Disability Retirement	1
C. Disability Reexamination Determinations	0
D. DROP Exit Report	2
E. Report of Deaths	39
1. Retiree	35
2. Spouse or Beneficiary	4
F. Death Benefit Claims	15
G. Retirement Rescissions	0
H. Previous Docket Amendments and Corrections	0
I. Nonvested Member Separation	44*
Total	\$147,793.90

J. Obligations Reported for Payment

Refer to EXHIBIT 1

*NERS is currently working with payroll and accounting departments to define the process necessary to identify non-vested NERS members that have let City employment and members that have elected to transition to VRS and due a refund of their mandatory employee contributions and interest.

K. Committee Reports: Administration and Planning & Investment Management

1. Administration and Planning Committee – no meeting
2. Investment Management Committee –
 - a. Anticipated meeting with North Pier to review Outsourced Chief Investment Officer (OCIO) RFP results on April 4, 2022
 - i. AON
 - ii. Blackrock
 - iii. Fidelity
 - iv. Meketa Investment Group
 - v. NEPC
 - vi. PFM Asset Management
 - vii. Russell Investments
 - viii. Wilshire
 - b. As of the Plan's June 30, 2021, actuarial valuation report, the plan had a fiscal year end Actuarial Liability (AL) of \$1,431,515,000. As of January 31, 2022, the Plan's current market value of assets (MVA) was \$1,392,054,521. Resulting in a market value funded ratio of 97.2% (MVA/AL) ending January 31, 2022
 - c. Through January, the fund decreased by 2.91%
 - d. Trailing one-year returns increased by 10.54%
 - i. Global Equities decreased by 5%
 - ii. Fixed Income decreased by 2%
 - iii. Real Estate decreased by 1%
 - iv. MLP's increased by 10.1%
 - e. Trailing 12-month basis
 - i. Global Equities return 12.94%
 - ii. Fixed Income return decreased by 2.8%
 - iii. Real Estate return 15.64%
 - iv. MLP's return 46.75%
 - f. All asset allocations were within the targeted threshold range as identified in the Investment Policy Statement

L. Other / Old Business

1. Virginia Retirement System (VRS)

- a. Effective January 1, 2022, all City employees newly hired and rehired will be participating member of the VRS
- b. All current, active Norfolk Employees' Retirement System members will have a window of opportunity (January 1, 2022, through December 31, 2022) to elect to terminate their NERS membership and become participating members in VRS or to remain a NERS participant. This is an irrevocable retirement plan election.
 - i. Communication is being sent to all NERS members weekly to inform members of deadline to make Retirement Plan Election
- c. Retirement Plan Election & Acknowledgement status update as of 02.28.2022

RETIREMENT BENEFIT ELECTION	As of February 28, 2022
Total NERS Membership	3,500
Election Completed	900
Remain a participating NERS member	608
Terminate my NERS membership	292
<ul style="list-style-type: none"> • Choose to allow NERS to remain in NERS 	17
<ul style="list-style-type: none"> • I elect to port my NERS into VRS 	52
<ul style="list-style-type: none"> • I do not have 5 years in NERS (non-vested NERS member) 	223

2. UBS

- a. \$218,275.03 redemption installment received on January 21, 2022
 - i. Anticipated completed liquidation of fund to be received within two (2) years

M. New Business/Other

1. Cheiron to present the 2021 Actuarial Valuation Report to City Council on March 22, 2022, via Webex5

N. Adjournment

Next Meeting: May 4, 2022

Anticipated Quorum: **Yes** **No**

Scheduled Guest Speaker(s): _____

Exhibit 1**Obligations Reported for Payment January - February 2022**

	Description	Amount
1.	State Street Corporation	\$49,015.11
2.	Cheiron	\$23,617.08
3.	Harvest Fund Advisors, LLC	\$105,448.16
4.	Tortoise Capital Advisors, LLC	\$73,367.54
5.	PIMCO	\$96,090.33
6.	AndCo	\$25,000.00
7.	Retirement Payroll February 2022 & March 2022	\$16,611,642.38
8.	North Pier Fiduciary Management, LLC	\$35,000.00
9.	National Association of Public Pension Attorneys	\$350.00
10.		
11.		
12.	TOTAL	\$17,019,530.60

Additional Details

1. Custodial Services - Jan 2022 – Feb 2022 (\$13,318.54 Sept 2021, \$12,012.95 Oct 2021, \$11,221.59 Nov 2021, \$12,462.03 Dec 2021, paid Jan & Feb 2022)
2. Actuarial Services - Jan 2022 – Feb 2022 (\$6,969.46 Dec 2021, \$16,647.62 Jan 2022, paid Jan & Feb 2022)
3. Harvest Fund Advisors (\$105,448.16 2021 Q4 invoice, paid Feb 2022)
4. Tortoise Capital Advisors, LLC (\$73,367.54 2021 Q4 invoice, paid Feb 2022)
5. PIMCO (\$96,090.33 2021 Q4 invoice, paid Feb 2022)
6. AndCo (2021 Q4 invoice, paid Jan 2022)
7. Payroll for February 2022 \$8,311,642.38 (actual) and March 2022 \$8,300,000.00 (Estimated)
8. North Pier Fiduciary Management, LLC (\$35,000.00, first installment paid Jan 2022)
9. National Association of Public Pension Attorneys (\$350.00, paid Feb 2022)