

**MINUTES OF MEETING OF BOARD OF TRUSTEES OF THE
CITY OF NEWPORT NEWS EMPLOYEES' RETIREMENT FUND**

July 26, 2018

City Council's Conference Room/Tenth Floor

9:00 a.m.

Roll Call: JoAnn Armstrong (via telephone), Jayne Di Vincenzo (E), Pax Goodson (X),
Art Gudikunst (X), Eddie Harrah (X), Philip Hatchett (X),
Frank James (X), Gregg Kubilins (E), Zoe Lumpkin (X)

Patrick Murphrey (X), Marty Eubank (E), Bill Keeler (X),
Cathy Matthews (X), Susan Goodwin (X), Virginia Lovell (X),
Brian Sypolt (X), Jen Etcher (X).

Others Present: Retirees (5)
Finance Intern Sae Kim
Disability Applicant #036517

1. Call to Order:

Mr. James called the Retirement Board meeting to order at 9:03 a.m. on July 26, 2018 in the City Council's Conference Room, 10th Floor. Mr. James noted that Ms. Armstrong was participating via telephone from her office for personal reasons, specifically a business scheduling conflict.

2. Minutes of the Meeting of June 28, 2018:

Upon motion duly made and seconded, the minutes of June 28, 2018 were unanimously approved.

3. Committee on Investments:

a. Assets as of June 30, 2018:

Mr. Gudikunst provided a review of the Funds for June.

Pension	\$954,759,089
Post Retirement	<u>33,322,363</u>
Total	<u>\$988,081,452</u>

b. Committee Updates:

Ms. Goodwin advised that there was not a quorum for the July meeting; however, she mentioned that the Committee had discussed a tentative schedule of events for FY19. As the current contract

with Dahab Associates expires June 30, 2019, staff will issue an RFP for Investment Advisor Services in November, with interviews tentatively scheduled for February. The Committee also plans to bring a revised Investment Policy to the Board in October, and Cheiron will be present at the Committee's November meeting to present the actuarial valuation. Ms. Goodwin also noted that the August Committee meeting has been cancelled due to a quorum not being available.

4. Committee on Administration:

a. Cheiron Contract:

Mr. Hatchett mentioned that the Committee met immediately prior to the Retirement Board meeting to discuss the contract for actuarial services provided by Cheiron. The Committee unanimously agreed to recommend that the Retirement Board approve extending the contract with Cheiron for an additional year at the rate of \$74,974.

Approved *Upon motion duly made, the Retirement Board unanimously agreed to approve extending the contract with Cheiron for an additional year at the rate of \$74,974.*

b. Retiree Record Review Update:

Mr. Hatchett described the progress Finance Staff has made in reviewing term vested employees to ensure all who are eligible to receive benefits have received communication regarding the benefits due to them. He advised that Cheiron has been provided the results of the review.

5. Benefits and Welfare Committee:

a. Next Meeting:

The Committee did not meet and there was no business for discussion; however, Mr. Harrah noted that the Committee will be meeting on August 29 at 9:00 a.m. in the EDA Board Room. USI will be in attendance to finalize the plan structure for Pre-65 Health Insurance.

6. Disability Review Committee:

a. ERISA Disability Regulation Updates:

Ms. Armstrong mentioned that the Committee recently met and discussed several updates that have recently been made to ERISA disability regulations. The changes relate to application processing deadlines, appeal procedures and required communications with applicants in the event disability retirement is denied. While NNERF is not subject to ERISA because it is a Public Pension Plan, as a best practice, Staff and the Committee reviewed the regulation updates and are working to incorporate the changes into the NNERF Disability Policy where practical. The Committee will bring an updated policy to the Board for approval at a later meeting.

b. Case #036517:

Mr. James moved that pursuant to Section 2.2-3711A, of the Code of Virginia, 1950, as amended, Subsections (4), and (15), that the Retirement Board hold a Closed Meeting for the purpose of evaluation of an applicant(s) for partial or total disability retirement, or re-evaluation of a recipient for same. The closed meeting is authorized under:

Subsection (4) for the protection of the privacy of individuals in personal matters not related to public business.

Subsection (15) discussion or consideration of medical and mental health records excluded from disclosure pursuant to Section 2.2-3705.1(1).

Approved

Upon motion duly made and seconded, the Retirement Board unanimously agreed that pursuant to Section 2.2-3711A, of the Code of Virginia, 1950, as amended, Subsections (4) and (15), that the Retirement Board hold a Closed Meeting for the purpose of evaluation of an applicant(s) for partial or total disability retirement, or re-evaluation of a recipient for same. The closed meeting is authorized under:

Subsection (4) for the protection of the privacy of individuals in personal matters not related to public business.

Subsection (15) discussion or consideration of medical and mental health records excluded from disclosure pursuant to Section 2.2-3705.1(1).

Mr. James moved that the members of the Retirement Board certify that, to the best of each member's knowledge, (1) only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act were discussed during the closed meeting held immediately prior to reconvening in this open meeting, and (2) only such public business matters as were identified in the motion by which the closed meeting was conveyed were heard, discussed or considered in the aforementioned closed meeting of the Retirement Board.

Approved

Upon motion duly made and seconded, the Retirement Board certified that, to the best of each member's knowledge, (1) only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act were discussed during the closed meeting held immediately prior to reconvening in this open meeting, and (2) only such public business matters as were identified in the motion by which the closed meeting was conveyed were heard, discussed or considered in the aforementioned closed meeting of the Retirement Board.

Ms. Armstrong advised that the Committee reviewed Case #036517. It was the opinion of Dr. Lee that the applicant is "permanently unable to participate in any gainful employment". Based on the medical examination and other information provided, the Committee recommended that the Retirement Board approve 100% non-occupational disability retirement.

Approved *Upon motion duly made, the Retirement Board unanimously agreed to approve 100% non-occupational disability retirement.*

7. Old Business:

- a. There was no old business to discuss.

8. New Business:

- a. Next Meeting:

August Meeting will be Thursday, August 30, 2018, at 9:00 a.m.

- b. Adjournment:

There being no further business to come before the Board, the meeting adjourned at 9:30 a.m.

A true copy, attest:



Susan Goodwin, Secretary
Board of Trustees