

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

July 25, 2019

City Council's Conference Room / Tenth Floor

9:00 a.m.

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

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

Others Present: Retirees (3)

1. Call to Order:

Mr. James called the Retirement Board meeting to order at 9:01 a.m. on July 25, 2019 in the City Council's Conference Room, 10th Floor.

2. Minutes of the Meeting of June 27, 2019:

Upon motion duly made and seconded, the minutes of the June 27, 2019 were unanimously approved upon recommended changes made.

3. Committee on Investments:

a. Assets as of June 30, 2019:

Ms. Di Vincenzo provided a review of the Funds for June.

Pension	\$954,558,990
Post Retirement	<u>34,659,003</u>
Total	<u>\$989,217,993</u>

Ms. Di Vincenzo noted the Fund earned an estimated 4.6% net of fees in June 2019 and an estimated 3.2% net of fees for the fiscal year. Ms. Di Vincenzo also noted that these numbers are an estimate as the Fund has yet to receive returns for the Private Equity and Timber managers.

b. August Investment Committee Meeting:

Ms. Di Vincenzo encouraged Board members to attend the August 21st Investment Committee meeting as the new investment consultant, Meketa, will present their initial fund review.

4. Committee on Administration:

- a. The Committee did not meet and there was no business to discuss.

5. Benefits and Welfare Committee:

- a. The Committee did not meet; however, Mr. Harrah updated the Board on several informational seminars held for active NNERF employees in May and June. Mr. Harrah noted approximately 168 employees attended the six seminars held which covered topics such as retirement eligibility, the retirement calculation, and the retirement process. Mr. Harrah noted that staff has also been invited to present at the annual Newport News Public Schools (NNPS) Pre-Retirement Seminars on August 1st providing retirement information to NNPS employees.

6. Disability Review Committee:

- a. Case #020002:

Ms. Armstrong stated that, with Case #020002, the Committee unanimously agreed to recommend that the Retirement Board approve the applicant for 80% non-occupational partial disability based on Section 31.58 occupational and non-occupational partial disability benefits.

Approved Upon motion duly made and seconded, the Board unanimously agreed to approve 80% non-occupational partial disability based on Section 31-58 occupational and non-occupational partial disability benefits.

- b. Case #023628:

Ms. Armstrong stated that, with Case #023628, the Committee unanimously agreed to recommend that the Retirement Board approve the applicant for 100% non-occupational disability based on Section 31.57 non-occupational disability retirement for a total and permanent disability.

Approved Upon motion duly made and seconded, the Board unanimously agreed to approve 100% non-occupational disability based on Section 31-57 non-occupational disability retirement for a total and permanent disability.

7. Old Business:

- a. Tax Qualification Update:

Ms. Lovell reminded the Board that outside legal counsel reviews the Fund annually for compliance with the Internal Revenue Code's tax-qualification requirements applicable to the pension plan. Ms. Lovell noted that legal counsel had completed their review and advised staff that the amendments made to the plan after the most recent favorable determination letter from the IRS do not adversely impact the qualification of the plan and no amendments are needed at this time.

b. Securities Litigation Update:

A motion was made by Mr. James of the Newport News Employees' Retirement Board, which was duly seconded and unanimously approved, that pursuant to Section 2.2-3711A. of the Code of Virginia, 1950, as amended, Subsection 7, that the Retirement Board hold a Closed Meeting on the subject of litigation, for the purpose of discussing securities litigation. The closed meeting is authorized under:

Subsection (7) consultation with legal counsel pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. For the purposes of this subdivision, "probable litigation" means litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

Mr. James made the motion in an Open Meeting, pursuant to Section 2.2-3712D of the Code of Virginia, 1950, as amended, certifying a Closed Meeting at the conclusion of same, 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 open meeting requirements under the Virginia Freedom of Information Act, and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting by the Retirement Board.

8. New Business:

a. Excused Absences:

Mr. Goodson, Mr. Hatchett, and Ms. Lumpkin requested to be excused from today's meeting.

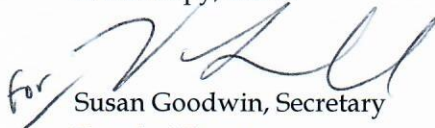
9. Next Meeting:

August Meeting will be Thursday, August 29, 2019 at 9:00 a.m.

10. Adjournment:

There being no further business to come before the Board, the meeting adjourned at 10:06 a.m.

A true copy, attest:


for Susan Goodwin, Secretary
Board of Trustees