

February 5, 2016

The First Quarterly meeting of the Board of Trustees of the City of Danville's Employees' Retirement System (ERS) convened at 8:00 a.m. on the above date at the Danville Regional Airport, Eastern Conference Room, 424 Airport Drive, Danville, VA.

Board Members Present:

Michael L. Adkins
Gus Dolianitis
Lenard D. Lackey, Jr
Kenneth F. Larking

Joyce D. Obstler
Robert E. Parham III
Sandra M. Stevens
E. Linwood Wright

Board Members Absent:

Sherman M. Saunders

Others Present:

Steven Roth, Dahab Associates, Inc., Bay Shore, New York
W. Clarke Whitfield, Jr., City Attorney, City of Danville
Sara Weller, Director of Human Resources, City of Danville
Patricia K. Conner, Assistant Finance Director, City of Danville
Henrietta Weaver, Secretary to the Board of Trustees
Felicia King, Human Resources Consultant, City of Danville
Susan Nye, Vice-President of Retirees Club

Meeting Called to Order

Ms. Obstler, Chairperson, called the meeting to order.

Appointment of Secretary

Mr. Adkins introduced Ms. Henrietta Weaver as the new Accountant. Mr. Adkins recommended Ms. Weaver be appointed Secretary effective immediately.

Mr. Adkins moved to appoint Ms. Weaver as Secretary effective immediately. The motion was seconded by Mr. Parham and carried by the following vote:

VOTE: 8-0-0-1
AYE: Adkins, Dolianitis, Lackey, Larking, Obstler, Parham, Stevens, Wright
(8)
NAY: None (0)
ABSTAIN: None (0)

ABSENT: Saunders (1)

Roll Call

Henrietta Weaver, Secretary, conducted the roll call.

Additions/Deletions from Agenda

None

Approval of Minutes

A motion was made by Mr. Wright, seconded by Mr. Lackey, and carried to approve the minutes of the nominating meeting of November 2, 2015, the quarterly meeting of November 6, 2015, and the special meeting minutes of January 15, 2016, all as presented.

Administrative Items

The payroll changes report for the three month period ending January 31, 2016 was presented. Gross payroll was \$969,152.05, which included additions of \$14,722.10, deletions of \$8,925.58, and no adjustments. The disbursements for the same three month period were \$147,853.16, which included checks written for \$140,383.16 and \$7,470.00 paid through Northern Trust. A motion was made by Mr. Dolianitis, seconded by Mr. Parham, and carried to approve administrative items as presented.

Investment Consultant's Report

Mr. Steve Roth of Dahab Associates, Inc. of Bay Shore, New York, presented the Investment Consultant's report for the Employees' Retirement System for the quarter ending December 31, 2015.

As of December 31, 2015, the fund was valued at \$230,153,495, an increase of \$6,395,689 from September 30, 2015. For the December quarter, the total portfolio gained 4.2%. For the past twelve-month period, the portfolio returned 0.1%.

Mr. Roth presented an update on the asset allocations as of December 31, 2015. They reviewed the methodology used and the results obtained. There were no recommendations for adjustments to the asset allocations.

Review of FY2015 ERS Audited CAFR

Ms. Conner reviewed the fiscal year 2015 audited Comprehensive Annual Financial Report (CAFR). Ms. Conner discussed the reports of the independent auditors, the statements of plan net position and changes in plan net position, the status of the

System's investments, and certain benefit statistics as of fiscal year ended June 30, 2015. Ms. Conner also discussed the comments on internal controls.

Review of FY2015 OPEB Audited Financial Report

Ms. Conner reviewed the fiscal year 2015 audited Financial Report. Ms. Conner discussed the reports of the independent auditors, the statements of plan net position and changes in plan net position, and the disclosures for fiscal year ended June 30, 2015. Ms. Conner noted that the OPEB trust was terminated as of April 21, 2015.

Board and Staff Communications

A motion was made by Mr. Wright, seconded by Mr. Larking, and carried to adjourn the meeting.

There being no further business, the meeting was adjourned at 8:58 a.m.

Next quarterly meeting will be May 6, 2016.

Chairperson

Secretary to the Board of Trustees