

**RETIREMENT BOARD OF TRUSTEES
MEETING MINUTES**

COMMENCEMENT

1. Chairperson call meeting to order.

Meeting Date	Start Time	End Time	Meeting Type
7/16/2025	12:10 PM	12:50 PM	Regular

Meeting Information

City Hall Building, Sixth Floor Conference Room
810 Union Street, Norfolk, Virginia 23510

2. Roll call.

	Present
Yvonne T. Allmond (Chair)	<input checked="" type="checkbox"/>
Elizabeth (Liz) A. Delude (Vice-Chair)	<input checked="" type="checkbox"/>
John R. E. Garris	<input checked="" type="checkbox"/>
Lashawnda W. Hall	<input type="checkbox"/>
Jean G. Hopkins	<input checked="" type="checkbox"/>
Daryl N. Howard	<input checked="" type="checkbox"/>
James (Jim) J. Izard II (Investment Committee Chair)	<input checked="" type="checkbox"/>
Mark R. Warden	<input type="checkbox"/>
Christine A. Garczynski (Admin and Planning Committee Chair)	<input checked="" type="checkbox"/>
DCM Douglas J. Beaver	<input checked="" type="checkbox"/>

Additional Attendees

Penny Whitson Executive Director	Justin Payne Retirement Benefits Specialist II	Andy Fox Deputy City Attorney I

3. Approval of minutes of meeting held May 7, 2025:

Approved **Denied**

REPORTING

Reporting Period: June 2025 – July 2025		TOTAL (Submitted/Approved)
A. Service Retirement Applications		15
1. Normal Service Retirement		5
2. Normal Service Retirement with DROP		5
a. General Employees		3
b. Public Safety Employees		2
3. Early Service Retirement – Reduced Benefit		2
4. Early Service Retirement – Deferred Benefit		0
5. Vested Service Retirement		3
B. Disability Retirement Applications		1
1. Accidental Disability Retirement		0
2. Ordinary Disability Retirement		1
C. Disability Reexamination Determinations		1
D. DROP Exit Report		8
E. Report of Deaths		36
1. Retiree		33
2. Spouse or Beneficiary		3
F. Death Benefit Claims		10
G. Retirement Rescissions		0
H. Previous Docket Amendments and Corrections		0
I. Non-Vested Member Separation from Employment		0
Total		\$0.00

J. Obligations Reported for Payment

Refer to EXHIBIT 1

K. Committee Reports

1. Administration and Planning Committee – no meeting
2. Investment Management Committee –
 - a. Meketa Investment Group investment and market review
 - i. Economic and Market Update

ii. Executive Summary

NERS	May 31, 2025	April 30, 2025	March 31, 2025	June 30, 2024
Total Fund Balance	\$1.38 Billion	\$1.35 Billion	\$1.35 Billion	\$1.32 Billion
Funded Status	89%	87%	87%	85%
NERS Assumed Rate of Return	6.75%	6.75%	6.75%	6.75%
FYTD Rate of Return	8.0%	5.0%	4.6%	10.4%
12 Months Trailing Rate of Return	9.0%	8.7%	6.0%	10.4%
Monthly Rate of Return	2.9%	0.4%	-1.2%	0.9%
Monthly Gains/Losses	+\$40.3 million	\$5.3 million	-\$16.6 million	\$12.0 million
Monthly Net Cash Flow	-\$8.0 million	-\$8.2 million	-\$8.5 million	-\$8.2 million

iii. Performance Summary as of May 31, 2025

Performance Update | As of May 31, 2025

Asset Class Performance Summary													
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Total System	1,383,248,605	100.0	2.9	3.2	5.1	8.0	9.0	6.7	8.3	6.3	7.8	Oct-90	
Total System Policy Benchmark			3.1	3.9	4.9	9.1	10.2	8.0	9.1	6.7	8.0		
Total Fund Actual Allocation Benchmark			3.3	4.0	5.1	8.9	9.9	--	--	--	--		
Total Fund Public Benchmark			4.1	4.9	4.5	9.3	11.0	9.0	8.5	6.7	8.1		
Growth Assets	740,514,948	53.5	5.3	6.0	5.6	9.4	11.1	--	--	--	14.2	Dec-22	
Growth Assets Custom Benchmark			5.2	6.5	4.9	11.3	13.5	--	--	--	15.9		
Global Equity	733,217,497	53.0	5.4	6.0	5.6	9.5	11.1	10.8	12.8	9.1	9.2	Oct-90	
Global Equity Policy Benchmark			5.8	6.8	5.1	10.9	12.9	11.7	13.1	9.0	9.6		
Private Equity	7,297,451	0.5											
MSCI ACWI + 3% 1Q Lag			-0.4	3.2	3.0	14.6	18.5	--	--	--	19.9		
Credit	71,234,279	5.1	1.8	1.6	3.7	7.4	7.9	--	--	--	9.3	May-23	
Credit Custom Benchmark			1.5	1.5	2.3	7.4	8.0	--	--	--	9.4		
High Yield & Bank Loans	71,234,279	5.1	1.8	1.6	3.7	7.4	7.9	--	--	--	9.3	May-23	
High Yield & Bank Loans Custom Benchmark			1.5	1.5	2.3	7.4	8.0	--	--	--	9.4		
Inflation Hedges	284,106,492	20.5	0.8	1.3	7.5	10.3	9.7	--	--	--	1.6	Dec-22	
Inflation Hedges Custom Benchmark			0.8	1.3	8.0	8.5	7.2	--	--	--	1.8		
Real Estate	105,365,669	7.6	0.2	0.0	1.1	5.7	6.6	-5.0	0.4	3.0	5.5	Apr-11	
NCREIF ODCE (Net)			0.0	0.0	0.9	1.8	1.2	-5.1	2.0	4.7	6.7		
Natural Resources & Infrastructure	72,632,504	5.3	2.5	0.5	7.3	3.1	0.6	--	--	--	2.8	Apr-23	
S&P Global LargeMidcap Resources & Commodities NR USD			3.3	0.6	8.9	1.6	-2.4	--	--	--	1.3		
Gold	36,409,277	2.6	1.4	7.1	34.5	45.7	42.7	--	--	--	23.9	Apr-23	
60% Gold (Spot)/ 40% FTSE Gold Mines			1.0	7.4	35.3	46.3	44.9	--	--	--	26.1		
Short-Term TIPS	69,699,042	5.0	-0.4	0.4	3.5	6.0	6.6	--	--	--	5.1	Mar-23	
Bloomberg U.S. TIPS 0-5 Year			-0.4	0.4	3.5	5.9	6.6	--	--	--	5.6		
Risk Mitigation	287,392,885	20.8	-1.3	-1.7	1.0	1.5	2.0	--	--	--	2.1	Dec-22	
Risk Mitigation Custom Benchmark			-0.7	-0.5	1.5	2.9	3.4	--	--	--	2.9		
Investment Grade Fixed Income	234,077,605	16.9	-1.2	-1.2	1.8	3.4	4.6	0.9	-1.1	1.4	5.0	Oct-90	
Bloomberg U.S. Aggregate Index			-0.7	-0.3	2.4	4.5	5.5	1.5	-0.9	1.5	5.0		
Intermediate-Term Bonds	186,169,774	13.5	-0.7	-0.4	2.3	4.7	5.7	2.0	-0.5	1.8	5.1	Oct-90	
Bloomberg U.S. Aggregate Index			-0.7	-0.3	2.4	4.5	5.5	1.5	-0.9	1.5	5.0		
Long-Term Bonds	47,907,831	3.5	-2.9	-3.9	0.6	-1.0	0.7	--	--	--	-2.0	Mar-23	
Bloomberg U.S. Treasury: Long			-2.9	-3.9	0.6	-0.9	0.7	--	--	--	-1.9		
Hedge Funds	50,484,378	3.6	-1.7	-3.9	-2.8	-5.7	-6.8	--	--	--	-1.6	Apr-23	
Hedge Fund Custom Benchmark			-0.9	-1.0	-1.8	-2.7	-3.7	--	--	--	1.6		
Cash	2,830,902	0.2											

iv. Comparison to June 30, 2024

Performance Update | As of June 30, 2024

Asset Class Performance Summary											
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Total Fund	1,321,625,157	100.0	1.3	5.8	10.4	2.5	6.4	5.8	7.8	Oct-90	
Total Fund Policy Benchmark				1.9	6.9	12.1	3.4	7.2	6.1	8.0	
Total Fund Actual Allocation Benchmark				1.6	6.3	11.6	--	--	--	--	
Total Fund Public Benchmark				1.8	7.4	14.2	2.7	7.1	6.2	8.1	
Growth Assets	738,992,459	55.9	1.9	10.1	17.4	--	--	--	16.5	Dec-22	
Growth Assets Custom Benchmark				3.0	11.3	19.3	--	--	--	18.0	
Global Equity	734,402,918	55.6	1.8	10.1	17.4	4.4	10.4	8.6	9.2	Oct-90	
Global Equity Policy Benchmark				2.4	10.3	18.4	4.7	10.4	8.4	9.5	
Private Equity	4,589,541	0.3									
Credit	64,630,411	4.9	1.0	3.5	9.8	--	--	--	10.2	May-23	
Credit Custom Benchmark				1.5	3.5	10.8	--	--	--	10.5	
High Yield & Bank Loans	64,630,411	4.9	1.0	3.5	9.8	--	--	--	10.2	May-23	
High Yield & Bank Loans Custom Benchmark				1.5	3.5	10.8	--	--	--	10.5	
Inflation Hedges	273,537,606	20.7	1.4	1.5	1.9	--	--	--	-3.6	Dec-22	
Inflation Hedges Custom Benchmark				1.0	1.2	1.2	--	--	--	-2.3	
Real Estate	102,249,915	7.7	0.2	-3.0	-8.4	-1.7	-0.3	3.4	5.4	Apr-11	
NCREIF ODCE (Net)				-0.7	-3.2	-10.0	1.0	2.3	5.5	7.0	
Natural Resources & Infrastructure	64,416,659	4.9	0.7	2.4	6.8	--	--	--	2.3	Apr-23	
S&P Global LargeMidcap Resources & Commodities NR USD				0.2	1.3	5.2	--	--	--	0.9	
Gold	46,710,259	3.5	5.2	9.1	15.3	--	--	--	7.2	Apr-23	
60% Gold (Spot)/ 40% FTSE Gold Mines				5.9	10.3	17.8	--	--	--	10.2	
Short-Term TIPS	60,160,774	4.6	1.4	2.3	5.4	--	--	--	4.2	Mar-23	
Blmbg. U.S. TIPS 0-5 Year				1.4	2.3	5.4	--	--	--	4.9	

Performance Update | As of June 30, 2024

	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk Mitigation	244,464,681	18.5	-0.6	-1.2	0.5	--	--	--	2.3	Dec-22
Risk Mitigation Custom Benchmark				-0.2	0.4	3.2	--	--	--	2.7
Investment Grade Fixed Income	178,666,464	13.5	-0.4	-1.6	0.9	-3.3	-0.3	1.4	5.0	Oct-90
Blmbg. U.S. Aggregate Index				0.1	-0.7	2.6	-3.0	-0.2	1.3	5.0
Intermediate-Term Bonds	130,310,898	9.9	0.1	-0.4	3.1	-2.6	0.1	1.6	5.1	Oct-90
Blmbg. U.S. Aggregate Index				0.1	-0.7	2.6	-3.0	-0.2	1.3	5.0
Long-Term Bonds	48,355,567	3.7	-1.7	-4.8	-5.7	--	--	--	-2.6	Mar-23
Blmbg. U.S. Treasury: Long				-1.8	-5.0	-5.6	--	--	--	-2.6
Hedge Funds	63,667,802	4.8	-1.3	-0.2	-1.2	--	--	--	1.9	Apr-23
Hedge Fund Custom Benchmark				-1.2	4.2	4.7	--	--	--	5.1
Cash	2130,414	0.2								

v. As of June 30, 2024, Total Plan Actuarial Liability (AL) is \$1.555 billion and the Actuarial Value of Assets (AVA) is \$1.324 billion for an Actuarial Funded Ratio (AVA/AL) of 85%. Using the Market Value of Assets (MVA), the Market Funded Ratio (MVA/AL) was approximately 87% in April 2025 and 89% in May 2025

vi. Asset Allocation Considerations

1. Option One - Private Credit

a. The downside of this type of investment is that lending to private companies can restrict the ability to raise additional capital from other sources

2. Option Two - Modify current asset class allocations.

- a. Changes to the asset allocation could reduce the allocation to Public Equity while increasing overall capital availability
- 3. None of the proposed options represent significant or transformational changes to the portfolio
- 4. The recommendation is to reach a final decision during the September meeting

L. Other / Old Business

- 1. UBS
 - a. No redemption in the second quarter

M. New Business/Other

- 1. \$34,487,000.00 City of Norfolk's Employer Annual Contribution disbursed to NERS State Street Bank July 2, 2025, with Meketa investment direction
- 2. \$8,716,323.00 City of Norfolk's Section 115 Trust fund contribution disbursed to NERS State Street Bank July 1, 2025, with Meketa investment direction
- 3. FY2026 NERS 2.01% Contribution Interest Refund Rate confirmed via bankrate.com – Board Approved
- 4. Board of Trustees Annual Acknowledgements requiring signature:
 - a. Board of Trustee Signature Required
 - i. Code of Ethics and Conduct Appendix A – Annual Ethics Policy Acknowledgement Statement
 - ii. Governance Manual Appendix B – Annual Financial Disclosure/Conflict of Interest Affidavit
 - b. Meketa Investment Group Signature Required
 - i. Governance Manual Appendix A – Standard of Conduct Questionnaire for Service Providers

N. Next Meeting: September 10, 2025

- 1. Anticipated Quorum: Yes No
- 2. Scheduled Guest Speaker(s)

O. Adjournment

Exhibit 1
Obligations Reported for Payment: June 2025 – July 2025

	Description	Amount
1.	State Street Corporation	\$6,000.00
2.	Cheiron	\$11,304.46
3.	Retirement Payroll	\$17,093,142.10
4.	Meketa Investment Group, Inc.	\$120,327.38
5.		
6.	TOTAL	\$17,230,773.94

Additional Details

-
1. Custodial Services – June 2025 \$3,000.00 (estimated); July 2025 \$3,000.00 (estimated)
 (Payment is auto debited from the investment cash account)
 2. Actuarial Services – June 2025 \$5,652.23 (estimated); July 2025 \$5,652.23 (estimated)
 3. Monthly Benefits Payroll – June 2025 \$8,493,142.10 (actual) and July 2025 \$8,600,000.00 (estimated)
 4. Outsourced Chief Investment Officer Services (OCIO) – June 2025 \$60,163.69; July 2025 \$60,163.69 (estimated)