

RETIREMENT BOARD OF TRUSTEES MEETING MINUTES

COMMENCEMENT

1. Chairperson call meeting to order.

Meeting Date	Start Time	End Time	Meeting Type
11/05/2025	12:00 PM	12:22 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 type="checkbox"/>
Lashawnda W. Hall	<input checked="" type="checkbox"/>
Jean G. Hopkins	<input checked="" type="checkbox"/>
Daryl N. Howard	<input type="checkbox"/>
James (Jim) J. Izard II (Investment Committee Chair)	<input checked="" type="checkbox"/>
Mark R. Warden	<input checked="" type="checkbox"/>
Christine A. Garczynski (Admin and Planning Committee Chair)	<input type="checkbox"/>
DCM Douglas J. Beaver	<input type="checkbox"/>

Additional Attendees

Penny Whitson Executive Director	Jackie Cowan Retirement Benefits Administrator	Michelle Foy Chief Deputy City Attorney
Shenette Felton (alternate for C. Garczynski) Asst. Director of Finance		

3. Approval of minutes of meeting held September 10, 2025:

☒ **Approved** ☐ **Denied**

REPORTING	
Reporting Period: October 2025 – November 2025	TOTAL (Submitted/Approved)
A. Service Retirement Applications	32
1. Normal Service Retirement	9
2. Normal Service Retirement with DROP	10
a. General Employees	0
b. Public Safety Employees	10
3. Early Service Retirement – Reduced Benefit	0
4. Early Service Retirement – Deferred Benefit	2
5. Vested Service Retirement	11
B. Disability Retirement Applications	1
1. Accidental Disability Retirement	0
2. Ordinary Disability Retirement	1
C. Disability Reexamination Determinations	1
D. DROP Exit Report	3
E. Report of Deaths	20
1. Retiree	18
2. Spouse or Beneficiary	2
F. Death Benefit Claims	8
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
 - a. Investment Policy Statement Version 2.2 – **APPROVED**
 - i. Private credit asset classes incorporated and modified asset allocation target ranges
2. Investment Management Committee –
 - a. Meketa Investment Group investment and market review
 - i. Economic and Market Update

ii. Executive Summary

NERS	September 30, 2025	August 31, 2025	July 31, 2025	June 30, 2025
Total Fund Balance	\$1.52 Billion	\$1.49 Billion	\$1.46 Billion	\$1.42 Billion
Funded Status	97%	95%	94%	91%
NERS Assumed Rate of Return	6.75%	6.75%	6.75%	6.75%
FYTD Rate of Return	5.9%	3.0%	0.6%	11.3%
12 Months Trailing Rate of Return	11.1%	10.3%	9.7%	11.3%
Monthly Rate of Return	2.8%	2.4%	0.6%	3.0%
Monthly Gains/Losses	\$41.6 million	\$35.3 million	\$8.4 million	\$43.2 million
Monthly Net Cash Flow	-\$8.5 million	-\$8.2 million	\$35.2 million	-\$8.6 million

iii. Performance Summary as of September 30, 2025

Performance Update | As of September 30, 2025

Asset Class Performance Summary											
	Market Value (\$)	% of Portfolio	QTD	YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Total System	1,521,730,613	100.0	5.9	14.6	11.1	13.9	8.9	8.0	8.0	Oct-90	
Total System Policy Benchmark			6.7	15.1	13.6	15.4	10.1	8.5	8.2		
Total Fund Actual Allocation Benchmark			6.4	15.3	13.2	--	--	--	--		
Total Fund Public Benchmark			6.2	15.1	13.1	17.3	9.0	8.5	8.3		
Growth Assets	830,161,126	54.6	7.2	18.0	14.6	--	--	--	16.9	Dec-22	
Growth Assets Custom Benchmark			8.1	17.7	17.1	--	--	--	18.6		
Global Equity	820,515,941	53.9	7.3	18.1	14.7	21.2	12.8	11.6	9.5	Oct-90	
Global Equity Policy Benchmark			7.7	18.3	16.8	22.5	13.3	11.6	9.8		
Private Equity	9,645,184	0.6									
MSCI ACWI + 3% 1Q Lag			12.3	11.4	19.6	--	--	--	22.6		
Credit	74,030,472	4.9	2.7	8.1	8.4	--	--	--	9.8	May-23	
Credit Custom Benchmark			2.1	6.0	7.3	--	--	--	9.7		
High Yield & Bank Loans	74,030,472	4.9	2.7	8.1	8.4	--	--	--	9.8	May-23	
High Yield & Bank Loans Custom Benchmark			2.1	6.0	7.3	--	--	--	9.7		
Inflation Hedges	328,684,724	21.6	6.6	16.4	12.4	--	--	--	4.3	Dec-22	
Inflation Hedges Custom Benchmark			7.4	18.1	14.1	--	--	--	4.9		
Real Estate	106,886,564	7.0	1.0	2.7	1.1	-3.9	1.2	2.6	5.4	Apr-11	
NCREIF ODCE (Net)			0.5	2.2	3.2	-6.1	2.6	4.1	6.6		
Natural Resources & Infrastructure	82,505,036	5.4	9.2	21.9	12.6	--	--	--	7.7	Apr-23	
S&P Global LargeMidcap Resources & Commodities NR USD			12.1	27.6	13.8	--	--	--	7.7		
Gold	52,905,426	3.5	26.4	72.0	62.2	--	--	--	32.9	Apr-23	
60% Gold (Spot)/ 40% FTSE Gold Mines			29.6	78.4	65.6	--	--	--	36.5		
Short-Term TIPS	86,387,697	5.7	1.5	5.6	5.5	--	--	--	5.3	Mar-23	
Blmbg. U.S. TIPS 0-5 Year			1.6	5.7	5.5	--	--	--	5.7		

Performance Update | As of September 30, 2025

	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk Mitigation	288,854,291	19.0	2.2	5.0	0.8	--	--	--	3.2	Dec-22
Risk Mitigation Custom Benchmark			2.7	5.4	3.0	--	--	--	3.9	
Investment Grade Fixed Income	234,160,442	15.4	2.2	5.9	1.3	4.4	-0.7	1.9	5.1	Oct-90
Blmbg. U.S. Aggregate Index			2.0	6.1	2.9	4.9	-0.4	1.8	5.1	
Intermediate-Term Bonds	183,841,848	12.1	2.1	6.1	2.8	5.5	-0.1	2.2	5.2	Oct-90
Blmbg. U.S. Aggregate Index			2.0	6.1	2.9	4.9	-0.4	1.8	5.1	
Long-Term Bonds	50,318,594	3.3	2.5	5.6	-3.5	--	--	--	0.2	Mar-23
Blmbg. U.S. Treasury: Long			2.5	5.6	-3.5	--	--	--	0.2	
Hedge Funds	52,424,601	3.4	2.3	0.9	-1.5	--	--	--	0.1	Apr-23
Hedge Fund Custom Benchmark			5.0	3.0	3.4	--	--	--	3.4	
Cash	2,269,248	0.1								

a. Comparison to June 30, 2025

Performance Update As of June 30, 2025										
Asset Class Performance Summary										
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total System	1,417,934,696	100.0	6.4	8.2	11.3	10.0	8.6	6.8	7.9	Oct-90
Total System Policy Benchmark			6.9	7.9	12.2	11.3	9.4	7.2	8.1	
Total Fund Actual Allocation Benchmark			7.2	8.4	12.3	--	--	--	--	
Total Fund Public Benchmark			8.9	8.4	13.4	12.7	8.8	7.3	8.2	
Growth Assets	773,751,827	54.6	10.5	10.1	14.1	--	--	--	15.5	Dec-22
Growth Assets Custom Benchmark			10.5	8.9	15.5	--	--	--	17.0	
Global Equity	765,941,902	54.0	10.6	10.1	14.2	15.8	13.0	9.8	9.3	Oct-90
Global Equity Policy Benchmark			11.6	9.8	15.9	16.8	13.4	9.7	9.7	
Private Equity	7,809,925	0.6								
MSCI ACWI + 3% 1Q Lag			-0.6	-0.8	10.3	--	--	--	17.6	
Credit	72,302,582	5.1	3.1	5.3	9.0	--	--	--	9.6	May-23
Credit Custom Benchmark			2.9	3.8	8.9	--	--	--	9.8	
High Yield & Bank Loans	72,302,582	5.1	3.1	5.3	9.0	--	--	--	9.6	May-23
High Yield & Bank Loans Custom Benchmark			2.9	3.8	8.9	--	--	--	9.8	
Inflation Hedges	288,368,278	20.3	2.8	9.1	11.9	--	--	--	2.1	Dec-22
Inflation Hedges Custom Benchmark			3.1	9.9	10.4	--	--	--	2.5	
Real Estate	105,931,443	7.5	0.5	1.6	6.2	-5.1	0.9	2.8	5.5	Apr-11
NCREIF ODCE (Net)			0.8	1.7	2.7	-6.2	2.5	4.4	6.7	
Natural Resources & Infrastructure	75,511,752	5.3	4.5	11.6	7.2	--	--	--	4.4	Apr-23
S&P Global LargeMidcap Resources & Commodities NR USD			5.2	13.9	6.2	--	--	--	3.2	
Gold	36,854,219	2.6	8.4	36.1	47.5	--	--	--	23.6	Apr-23
60% Gold (Spot)/ 40% FTSE Gold Mines			9.2	37.6	48.8	--	--	--	26.0	
Short-Term TIPS	70,070,863	4.9	1.0	4.0	6.5	--	--	--	5.2	Mar-23
Blmbg. U.S. TIPS 0-5 Year			1.0	4.0	6.5	--	--	--	5.6	
Performance Update As of June 30, 2025										
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk Mitigation	283,512,010	20.0	-0.1	2.7	3.2	--	--	--	2.7	Dec-22
Risk Mitigation Custom Benchmark			0.9	2.9	4.3	--	--	--	3.3	
Investment Grade Fixed Income	229,090,489	16.2	0.5	3.6	5.3	2.1	-0.9	1.7	5.1	Oct-90
Blmbg. U.S. Aggregate Index			1.2	4.0	6.1	2.5	-0.7	1.8	5.0	
Intermediate-Term Bonds	179,986,336	12.7	1.2	3.9	6.4	3.1	-0.3	2.0	5.1	Oct-90
Blmbg. U.S. Aggregate Index			1.2	4.0	6.1	2.5	-0.7	1.8	5.0	
Long-Term Bonds	49,104,153	3.5	-1.5	3.1	1.5	--	--	--	-0.9	Mar-23
Blmbg. U.S. Treasury: Long			-1.5	3.1	1.6	--	--	--	-0.8	
Hedge Funds	51,229,008	3.6	-2.5	-1.4	-4.3	--	--	--	-0.9	Apr-23
Hedge Fund Custom Benchmark			-0.2	-1.0	-1.9	--	--	--	2.0	
Cash	3,192,513	0.2								

- iv. As of June 30, 2025, Total Plan Actuarial Liability (AL) is \$1.568 billion and the Actuarial Value of Assets (AVA) is \$1.377 billion for an Actuarial Funded Ratio (AVA/AL) of 88%, with a Market Funded Ratio of 91%. Using the Market Value of Assets (MVA), the Market Funded Ratio (MVA/AL) was approximately 95% in August 2025 and 97% in September 2025
- v. The Plan achieved an 11.1% return over the trailing twelve-month period, exceeding the assumed rate of return of 6.75%
- vi. According to the Peer Review (page 44 of the Meketa Investment Committee Meeting Materials), our year-to-date performance placed us in the top quartile—outperforming 98% of our peers
- vii. One-year returns were 14%. Comparatively, the trailing 10-year performance, which previously ranked in the 57th percentile, has improved significantly to the 14th percentile
- viii. Investment Policy Statement Review

L. Other / Old Business

1. UBS
 - a. \$146,273.78 received on October 27, 2025, after a quarterly fee of \$42,514.56 was withheld

M. New Business/Other

1. Introduction of Michelle Foy, Chief Deputy City Attorney, City Attorney's Office representative effective immediately due to the departure of Andy Fox
2. Cheiron, the actuary for NERS, is scheduled to present the FY 2025 Actuarial Valuation Report at the January 2026 Board of Trustees meeting

N. Next Meeting: January 7, 2026

1. Anticipated Quorum: ☒ Yes ☐ No
2. Scheduled Guest Speaker(s): Cheiron

O. Adjournment

Exhibit 1
Obligations Reported for Payment: October 2025 – November 2025

	Description	Amount
1.	State Street Corporation	\$6,000.00
2.	Cheiron	\$11,304.46
3.	Retirement Payroll	\$17,229,152.94
4.	Meketa Investment Group, Inc.	\$129,699.38
5.		
6.	TOTAL	\$17,376,156.78

Additional Details

1. Custodial Services – October 2025 \$3,000.00 (estimated); November 2025 \$3,000.00 (estimated)
(Payment is auto debited from the investment cash account)
2. Actuarial Services – October 2025 \$5,652.23 (estimated); November 2025 \$5,652.23 (estimated)
3. Monthly Benefits Payroll – October 2025 \$8,629,152.94 (actual) and November 2025 \$8,600,000.00 (estimated)
4. Outsourced Chief Investment Officer Services (OCIO) – October 2025 \$64,849.69; November 2025 \$64,849.69 (estimated)