

Minutes of the Regular Monthly Meeting
Board of Trustees
Employees' Retirement System of the City of Norfolk
March 17, 2003

The regular monthly meeting of the Board of Trustees of the Employees' Retirement System of the City of Norfolk was held in the City Hall sixth floor conference room in the City of Norfolk, Virginia. The meeting began at 2:00 p.m. on Monday, March 17, 2003, with Chairperson, Michael S. Ives presiding. The following was the result of the roll call:

Attending the Meeting

M.S. Ives
S.G. de Mik
R.J. Keogh
F.V. Martin
A.B. Nusbaum

Not Attending the Meeting

W.O. Carrow
J.D. Hopkins
R.V.K. Williams
Vacant

Mrs. Mary L.G. Nexsen, Deputy City Attorney, Mr. Kamal Khanna, Chief Investment Officer, and Mr. Willcox Bailey of PaineWebber also attended the meeting.

The minutes of the monthly meeting held February 20, 2003 were approved as printed.

Committee Reports:

Administration and Planning:

Mr. Ives reported that the Committee did not have a meeting.

Asset Allocation:

Mr. Keogh reported that the Committee did not have a meeting.

Investment Management Review Committee:

Mr. Khanna reported that the Committee did not have a meeting.

Training and Education:

Mr. de Mik reported that the Committee did not have a meeting.

Benefit Claims:

Mr. Wilder reported that the Committee did not have a meeting.

Manager Search & Selection:

Mr. Wilder reported that the Committee did not have a meeting.

Mr. Khanna distributed for the Board's information a report summarizing the Fund's performance and commentary on the economy and the markets. This report is attached as part of the official minutes.

Mr. Bailey distributed the following materials for the Board's information:

- Value vs. Growth
- Investment Outlook by William Gross
- Throw Out The Rulebook by Peter Bernstein

New Business

A. Applications for vested service retirement:

Thomas H. Pollard, Active No. 17581, May 1, 2003, with no refund due.

Russell J. Volk, Active No. 16334, June 1, 2003, with no refund due.

B. Applications for early service retirement:

Marcellus E. Barnard, Active No. 19097, April 1, 2003, with no refund due.

Brenda P. Lee, Active No. 19454, May 1, 2003, with no refund due.

Larry M. Stillwell, Active No. 21712, May 1, 2003, with no refund due.

Roman E. Workie, Active No. 25541, May 1, 2003, with no refund due.

C. Applications for normal service retirement:

Michael N. Kinney, Active No. 18091, April 1, 2003, with no refund due.

Irvin S. Jordan, Jr., Active No. 20147, April 1, 2003, with no refund due.

Desdemonia Bass, Active No. 22254, May 1, 2003, with no refund due.

Melvin C. High, Active No. 26981, May 1, 2003, with no refund due.

Ralph E. Bregant, Active No. 20350, June 1, 2003, with no refund due.

D. Recommendations by the Medical Board that the following be retired:

James A Scott, Jr., Active No. 22053, April 1, 2003, with no refund due.

This member requested accidental disability retirement.

Roger D. Vercruysse, Active No. 26276, April 1, 2003, with no refund due.

E. Death of retired members:

Spouse Gene F. Elmore, Ret. No. 3736, death occurred January 10, 2003. elected monthly benefit of \$223.98.

Spouse Charles C. Jones, Ret. No. 2778, death occurred February 7, 2003. elected monthly benefit of \$360.46.

2003. No Joseph W. Creech, Sr., Ret. No. 1755, death occurred February 9, benefit payable due to no surviving spouse or dependent children.

F. Death of spouses:

Willard W. Richardson, Spouse No. 469, death occurred February 22, 2003. No benefit payable.

The following report of payments from the Trust Fund was received and filed:

FedEx	(1)	\$ 16.38
The Virginian-Pilot	(2)	124.99
Baker's Crust	(3)	162.49
Therapy Associates	(4)	1,060.00
State Street Bank & Trust	(5)	12,198.67

Aquatic Therapy of Virginia	(6)	585.00
Lotus Financial Consulting	(7)	12,500.00
Retirement Payroll (Mar. 03 Est.)		
3,125,000.00		
Virginia Retirement System	(8)	
<u>81,181.11</u>		
Total		\$3,232,828.64

Money Manager invoice submitted to custodian for payment:

Pacific Investment Management Co. (9)	\$
87,152.00	

- (1) Information sent to State Street
- (2) Subscription Renewal
- (3) Lunch for meeting on 2-20-03
- (4) Therapy for Carolyn Harrell-Heyward
- (5) Custodial services for January 31, 2003
- (6) Functional capacity evaluation for Carolyn Harrell-Heyward
- (7) Consulting services for March 1, 2003 through March 31, 2003
- (8) City of Norfolk assets transferred to VRS for the following members:
Alice Barber, Felix Granger, Donnell Gray and Lori Reimann
- (9) Investment Management fee for quarter ending 12-31-02

There being no further business, the meeting was adjourned at 2:15 p.m.

Chairperson

Executive Director