

Minutes of the Regular Monthly Meeting
Board of Trustees
Employees' Retirement System of the City of Norfolk
October 18, 2004

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 2:05 p.m. on Monday, October 18, 2004, with Chairperson, Michael S. Ives presiding. The following was the result of the roll call:

<u>Attending the Meeting</u>	<u>Not Attending the Meeting</u>
M.S. Ives	R.V.K. Williams
W.O. Carrow	Vacant
S.G. de Mik	
J.D. Hopkins	
R.J. Keogh	
F.V. Martin	
A.B. Nusbaum	
Nancy Johnson	

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

The minutes of the monthly meeting held September 20, 2004 were approved as printed.

Mr. Stephen Beaumont of Pimco gave a presentation to the Board. His presentation covered the following topics:

- Market Review and Performance
- Economic Outlook & Strategy
- Organizational Update

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. Martin 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:

Dr. Hopkins reported that the Committee did not have a meeting.

Manager Search & Selection:

Captain Carrow reported that the Committee did not have a meeting.

Mr. Khanna distributed for the Board's information his comments summarizing the Fund's performance and commentary on the markets. The report is attached as part of the official minutes. Kamal Khanna and Steve de Mik attended the biannual Wellington Research Forum (September 22-23, 2004) in Boston, MA. While in Boston, they also met with State Street and SSgA (September 21, 2004) and treated the visit as a due-diligence. Mr. Khanna asked the Board's permission to approve variance in policy to approve this as a Trustee's visit. All Board members approved unanimously.

Summit will present the results of adding new asset allocation classes to our existing U.S. equities and bonds only portfolio on Monday, November 15 at noon. This is a very important event in the evolution of our fund and all trustees are invited to attend. Also, a due-diligence visit to Tattersall in Richmond, Virginia is planned for Tuesday, November 16.

New Business

A. Applications for vested service retirement:

Jack D. Bullock, Jr., Active No. 17728, July 1, 2004, with no refund due.

Agnes D. Shambley, Active No. 18979, December 1, 2004, with no refund due.

Necita P. Avila, Active No. 24471, January 1, 2005, with no refund due.

B. Applications for early service retirement:

Willar M. Baum, Active No. 21408, December 1, 2004, with no refund due.

Jacqueline Tyson, Active No. 21818, December 1, 2004, with no refund due.

Robert L. Dawson, Active No. 22148, January 1, 2005, with no refund due.

C. Applications for normal service retirement:

Alexander J. Moorman, Jr., Active No. 17600, November 1, 2004, with no refund due.

Jessee G. Moore, Jr., Active No. 18359, November 1, 2004, with no refund due.

Roy S. Thomas, Active No. 20657, November 1, 2004, with no refund due.

Eben Scribner, Active No. 21079, December 1, 2004, with no refund due.

Eugene Hawkins, Active No. 25319, December 1, 2004, with no refund due.

Harold D. Beimler, Active No. 19878, January 1, 2005, with no refund due.

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

Michael J. Preziotti, Active No. 19425, November 1, 2004, with no refund due. This member requested accidental disability retirement.

Timothy I. McCullough, Active No. 27652, October 1, 2004, with no refund due.

This member requested ordinary disability retirement.

Keith A. Lawrence, Active No. 28387, November 1, 2004, with no refund due. This member requested ordinary disability retirement.

Bernadette McLean, Active No. 28254, November 1, 2004, with no refund due. This member requested ordinary disability retirement.

Robert St. Laurent, Active No. 29770, November 1, 2004, with no refund due. This member requested accidental disability retirement.

E. Death of retired members:

Robert L. Daughtrey, Ret. No. 03224, death occurred September 6, 2004. Spouse elected monthly benefit of \$1,373.47.

Lucy E. Nichols, Ret. No. 03156, death occurred September 13, 2004. No benefit payable due to no surviving spouse or dependent children.

Peggy L. Boisvert, Ret. No. 03055, death occurred October 1, 2004. No benefit payable due to no surviving spouse or dependent children.

Willie Britt, Ret. No. 03659, death occurred October 6, 2004. No benefit payable due to no surviving spouse or dependent children.

Conald Whitaker, Sr., Ret. No. 05043, death occurred October 12, 2004. No benefit payable due to no surviving spouse or dependent children.

The Board approved withdrawal of the following non-contributing members:

<u>Name of Member</u>	<u>Active Number</u>
Ann D. Cannon	29375
Tonya L. White	29678
Vickie B. Christmas	29821
Timotheus Duke	29973
Kenyatta J. Gantt	30146
Latasha Dillard	30205
Dionne Dawson	30252
Benjamin B. Haller	30256
Charles William Boyce	30474
Total - 9 members	

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

Director of Finance	(1)	\$	485.70
Baker's Crust	(2)		22.24
Theodore Wilder	(3)		10.41
FedEx	(4)		56.96
Mellon Consultants, Inc.	(5)		
4,471.00			

State Street Corporation	(6)
9,823.24	
Lotus Financial Consulting,LLC	(7)
14,583.00	
Summit Strategies, Inc.	(8)
38,150.00	
Ruth L. Kerns	(9)
Ruth L. Kerns	(10)
Retirement Payroll (est. Oct. 04)	
<u>3,500,000.00</u>	
Total	\$ 3,568,611.39

- (1) Reimbursement for Steven de Mik's attendance to the Wellington Research Forum in Boston on September 22-23, 2004
- (2) Sweet tray for Board Meeting 9-20-04
- (3) Reimbursement for purchase of Dasani water and cups for Board Meeting
- (4) Information sent to Mellon Financial Corporation
- (5) Services rendered through August 31, 2004: 6-30-04 valuation; calculation of options; portability calculations; amortization methods & impact on social security of paramedic employee reclassification
- (6) Custodial services for the month of July 2004
- (7) Consulting services October 1, 2004 through October 31, 2004
- (8) Investment consulting services for the period 7-1-04 through 9-30-04
- (9) Monthly assigned benefit of \$72.06 from Dennis W. Kerns, Sr. for May 02 through December 02
- (10) Monthly assigned benefit of \$72.06 from Dennis W. Kerns, Sr. for January 03 through June 03

There being no further business, the meeting was adjourned at 3:27 p.m.

Chairperson

Executive Director