

Minutes of the Regular Monthly Meeting  
Board of Trustees  
Employees' Retirement System of the City of Norfolk  
March 20, 2006

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 2:06 p.m. on Monday, March 20, 2006, with Acting Chairperson, Frederick V. Martin presiding. The following was the result of the roll call:

Attending the Meeting

S.G. de Mik  
J. D. Hopkins  
F.V. Martin  
A. B. Nusbaum  
N. Johnson

Not Attending the Meeting

M.S. Ives  
Vacant  
Vacant  
Vacant

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 February 16, 2006 were approved as printed.

**Committee Reports:**

Administration and Planning:

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

Asset Allocation:

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

Investment Management Review:

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:

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

Manager Search & Selection:

Mr. Martin 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. Khanna informed the Board that the 2006 CFA Institute Annual Conference will be held in Zurich, Switzerland on May 21 through May 25, 2006. The expenses for this year's CFA Conference is comparable to the amount paid for the Philadelphia Conference held last year. Mr. Nusbaum made a motion to send Mr. Khanna to the 2006 CFA Conference to be held in Zurich, Switzerland. This motion was seconded by Dr. Hopkins and approved unanimously by the Board.

Mr. Khanna announced a meeting of the Asset Allocation Committee prior to the Board meeting on Monday, April 17, 2006. The Asset Allocation Meeting would begin at 12:30 p.m. with lunch to be served at 12:00 noon. The purpose of the meeting is to continue discussions on fixed income.

New Business:

- A. Recommendation by the City Manager that the following September 1, 2005 retirement be extended (previously extended to Nov. 1, 2005, Jan. 1, 2006 & April 1, 2006):

Bobby G. Crowder Active No. 16136 July 1, 2006

Recommendation by the City Manager that the following September 1, 2005 retirement be extended (previously extended to March 1, 2006)

Robert J. McElhiney Active No. 17767 August 1, 2006

- B. Applications for vested service retirement:

Jonella P. Cross, Active No. 28621, January 1, 2006, with no refund due.

William E. Leggett, Active No. 18945, June 1, 2006, with no refund due.

Bettie J. Osier, Active No. 19576, June 1, 2006, with no refund due.

- C. Applications for early service retirement:

Wayne E. Credle, Active No. 23055, April 1, 2006, with no refund due.

Gerald A. Lee, Active No. 24703, April 1, 2006, with no refund due.

Joseph S. Riley, Active No. 24827, May 1, 2006, with no refund due.

Andrea L. Southall, Active No. 26019, May 1, 2006, with no refund due.

D. Applications for normal service retirement:

Wayne N. Trout, Active No. 18834, April 1, 2006, with no refund due.

Ann M. Young, Active No. 22513, April 1, 2006, with no refund due.

Joseph C. Harper, Active No. 26127, April 1, 2006, with no refund due.

Beverly A. Bonner, Active No. 20238, May 1, 2006, with no refund due.

E. Recommendation by the Medical Board that the following be retired:

Jimmy L. Cooper, Active No. 19388, April 1, 2006, with no refund due. This member requested ordinary disability retirement.

F. Ordinary death:

Robert E. James, Active No. 24633, death occurred January 2, 2006. Lump sum benefit payable to Millie S. James, mother, in the amount of \$23,598.47.

G. Death of retired members:

Charles H. Greene, Ret. No. 02649, death occurred January 18, 2006. Spouse elected lump sum benefit of \$11,081.22.

Grover C. Franklin, Ret. No. 03236, death occurred February 5, 2006. Spouse elected monthly benefit of \$1,100.97.

William R. Ansell, Sr., Ret. No. 01252, death occurred February 11, 2006. Spouse elected lump sum payment of \$6,220.56.

Virginia L. Carr, Ret. No. 03816, death occurred February 18, 2006. No benefit payable due to no surviving spouse or dependent children.

John O. Bynum, Ret. No. 03637, death occurred February 20, 2006. No benefit payable due to no surviving spouse or dependent children.

Theodocia B. Manley, Ret. No. 02609, death occurred February 22, 2006. No benefit payable due to no surviving spouse or dependent children.

William E. Owens, Jr., Ret. No. 02884, death occurred March 1, 2006. Spouse elected monthly benefit of \$250.93.

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

<u>Name of Member</u>	<u>Active Number</u>
Michael S. Flynn	29638
Arthur L. Burke	29773
George C. Guvernator IV	29884
Wesley W. Jones	30098
Michael B. Martin	30229
Felicia R. Jiles	30285
Ami Anne Gonzalez	30390
Delaine A. Goodman	30521
Samantha L. Jones	30564
Willie G. McNeill	30826
Stephanie Nicole Gray	31075
Gary W. Bennett	31169
Jonathan A. Richardson	31193
William W. Walker	31199
Total - 14 Members	

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

The Virginian-Pilot	(1)	124.99
Baker's Crust	(2)	130.83
Bayview Physician	(3)	896.00
Cheiron, Inc.	(4)	9,312.08
Cheiron, Inc.	(5)	8,194.58

Cheiron, Inc.	(6)	3,868.33
State Street Corporation	(7)	12,096.39
State Street Corporation	(8)	9,151.57
Summit Strategies	(9)	39,617.50
Lotus Financial Consulting	(10)	15,000.00
Retirement Payroll (est. Mar. 06)		<u>4.</u>
<u>400,000.00</u>		
Total		<u>\$ 4,498,392.27</u>

- (1) Subscription for the period 4-2-06 through 4-1-07
- (2) Lunch for Board Meeting held 2-16-06
- (3) Medical exams for Tami McKeon, Derrick Warren, Glendora Farmer and Wilhelmena Hayes
- (4) Retainer for Jan. 06 plus work on Portability; CAFR Revisions; Early Retirement Window Cost and Experience Study
- (5) Retainer for Feb. 06 plus work on Portability; Early Retirement Window Cost and Experience Study
- (6) Retainer for March 06 plus work on Portability and Option Factors
- (7) Custodial Service for December 1-31, 2005
- (8) Custodial Service for January 1-31, 2006
- (9) Investment Consulting Services for January 1, 2006 through March 31, 2006
- (10) Consulting Services for the period March 1, 2006 through March 31, 2006

There being no further business, the meeting was adjourned at 2:21 p.m.

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Chairperson

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Executive Director