

Minutes of the Regular Monthly Meeting
Board of Trustees
Employees' Retirement System of the City of Norfolk
October 16, 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, October 16, 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
N. Johnson
F.V. Martin
A.B. Nusbaum

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 September 18, 2006 were approved as printed.

New Business

A. Applications for vested service retirement:

Norman N. James, Active No. 23546, December 1, 2006, with no refund due.

Beatrice A. Gibbs, Active No. 10447, January 1, 2007, with a refund of \$6,549.15.

B. Applications for early service retirement:

Linda E. Barnes, Active No. 22947, November 1, 2006, with no refund due.

Joseph A. Billups, Active No. 23647, December 1, 2006, with no refund due.

C. Applications for normal service retirement:

Grant E. Mouser, IV, Active No. 22836, November 1, 2006, with no refund due.

Diane W. Foreman, Active No. 24162, November 1, 2006, with no refund due.

D. Death of retired members:

Prince Smallwood, Ret. No. 03971, death occurred September 5, 2006. Spouse elected monthly benefit of \$886.57.

Robert Barnes, Ret. No. 03475, death occurred September 24, 2006. Spouse elected monthly benefit of \$401.51.

William T. Caffee, Ret. No. 03489, death occurred September 29, 2006. Spouse elected monthly benefit of \$906.38.

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

<u>Name of Member</u>	<u>Active Number</u>
Clayton E. McMillen	29667
Mickey Ann Garcia	29974
Deborah Rivers	30784
Roby Hackney	30818
Dameon C. Wright	30822
David M. Fuller	30988
Richard I. Tubbs, Jr.	31352
Shonia M. Holloway	31362
Tameka R. Boatner	31379
James D. Schilke, Jr.	31406
Nicholas P. Newby	29880
Holly Y. Ashberry	30367
Jason M. Canfield	30413
Robin E. Trear	30512
Charles L. Farmer	30606
Dawn F. Griffith	30832
Ronald L. Staten	31223
Angela M. Scott	30266
Argentine R. Mitchell	30998
Natashia D. Boney	31047
Paul M. Silva	31066
Nyeika Hollien	31078
Howard Gerald Smelt	31222
Michele Nicole Taylor	31224
Pamela D. Ridley	31323
Heather A. Fonte	31404

Total Members - 26

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

FedEx	(1)	\$	154.96
Pension Benefit	(2)		
1,794.00			
State Street Corporation	(3)		
22,946.66			
Lotus Financial Consulting	(4)		15,750.00
Employees' Retirement System (payroll est. Oct. 06)			
4,700,000.00			
Lotus Financial Consulting	(5)		2,250.00
Virginia Retirement System	(6)		
5,654.94			
Theodore Wilder	(7)		<u>27.86</u>
Total		\$	<u>4,748,578.42</u>

- (1) Information sent to the following:
Cheiron
Fidelity
State Street
McGladrey & Pullen
- (2) Processing retirement file with Social Security file for deaths
- (3) Custodial service for the following:
July 1-31, 2006 \$11,012.67
August 1-31, 2006 11,933.99
- (4) Consulting services for October 1-31, 2006
- (5) Consulting service for July, August & September 06.
(\$15,750 - 15,000 = 750 times 3 mos.)
- (6) Transfer retirement service to VRS
- (7) Reimbursement for brownies for Board Meeting on 9-18-06

Mr. Wilder informed the Board that the Employees' Retirement System would be the host for the Association of Municipal Retirement Systems of Virginia (AMRS-VA) 2006 Fall Conference at the Sheraton Norfolk Waterside Hotel on October 30-31, 2006. Mr. Wilder estimated that to host the Conference would cost approximately \$2,500.00. Mr. de Mik made a motion that the System spends the necessary funds to host the AMRS-VA Conference. This motion was seconded by Dr. Hopkins and approved unanimously by the Board.

Mr. James W. Oberweis and Mr. Brian K. Lee of Oberweis Asset Management, Inc. gave a presentation to the Board. Their presentation covered the following topics:

- Firm Overview
- Investment Philosophy
- Performance

Committee Reports:

Administration and Planning:

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

Asset Allocation & Investment Management Review:

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:

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.

The Board asked Mr. Wilder to inquire if the actuary could present the experience study at the November 20th Board Meeting.

There being no further business, the meeting was adjourned at 3:19 p.m.

Chairperson

Executive Director