

Minutes of the Regular Monthly Meeting
Board of Trustees
Employees' Retirement System of the City of Norfolk
March 11, 2009

The regular monthly meeting of the Board of Trustees of the Employees' Retirement System of the City of Norfolk held in the City Hall sixth floor conference room in the City of Norfolk, Virginia. The meeting began at 12:43 p.m. on Wednesday, March 11, 2009 with Chairperson, Stephanie A. Calliott presiding. The following was the result of the roll call:

Attending the Meeting
S. A. Calliott
Y. T. Allmond
K. W. Crowder
C. R. Neikirk
A. M. Kelly
N. E. Nelson
E. G. Tucker
R. V.K. Williams

Not Attending the Meeting
L. A. Bernert, III

The minutes for the meeting on February 13, 2009 approved as printed.

Mr. Wilder presented an application from Ms. Jean S. Tatem for ordinary disability retirement. Ms. Kelly made a motion to approve Ms. Tatem for ordinary disability retirement. This motion was seconded by Ms. Allmond and approved unanimously by the Board.

Mr. Wilder presented an application from Ms. Arnetta R. Burchett for ordinary disability retirement. Mr. Tucker made a motion to defer Ms. Burchett's application to the April 2009 Board meeting pending additional information from Dr. Cetrone. This motion was seconded by Ms. Allmond and approved unanimously by the Board.

New Business

A. Applications for normal service retirement:

Thomas G. Luckman, Active No. 25117, April 1, 2009, with no refund due. [\[Human Resources\]](#)

Maurice S. Joseph, Active No. 26132, April 1, 2009, with no refund due. [\[Police\]](#)

Marlene M. Williams, Active No. 28271, April 1, 2009, with no refund due. [\[Civic Facilities\]](#)

Molly N. Dye, Active No. 30883, April 1, 2009, with no refund due. [Recreation, Parks & Open Spaces]

Jacqueline M. Riley, Active No. 19243, May 1, 2009, with no refund due. [Public Works]

Willie L. Washington, Active No. 20424, May 1, 2009, with no refund due. [Public Works]

Clarence E. Satchell, Sr., Active No. 20920, May 1, 2009, with no refund due. [Neighborhood Preservation]

Judith A. Boggs, Active No. 28986, May 1, 2009, with no refund due. [Police]

Shirley A. Roman, Active No. 18472, June 1, 2009, with no refund due. [Human Services]

Lonnie T. Barnes, III, Active No. 18727, June 1, 2009, with no refund due. [Human Services]

Susan K. Frank, Active No. 21750, June 1, 2009, with no refund due. [Real Estate Assessor]

B. Death of retired members:

Donald L. Meeker, Ret. No. 1886, death occurred January 3, 2009. Spouse elected monthly benefit of \$572.07.

Paul H. Harrison, Ret. No. 2005, death occurred January 21, 2009. Spouse elected monthly benefit of \$697.42.

Norma I. White, Ret. No. 3404, death occurred January 24, 2009. Spouse elected lump sum payment of \$14,615.48.

Theodore R. Saleeby, Ret. No. 2495, death occurred February 3, 2009. Spouse elected monthly benefit of \$98.15.

Harvey L. Tucker, Sr., Ret. No. 4250, death occurred February 3, 2009. Spouse elected monthly benefit of \$629.16.

Charles L. Knight, III, Ret. No. 3829, death occurred February 17, 2009. Spouse elected monthly benefit of \$1,140.43.

Edward Hart, Ret. No. 4023, death occurred February 19, 2009. Spouse elected monthly benefit of \$1,167.21.

William E. Leggett, Sr., Ret. No. 5622, death occurred February 20, 2009. No benefit payable due to no surviving spouse or dependent children.

Harvey L. Martin, Ret. No. 3794, death occurred February 22, 2009. Spouse elected monthly benefit of \$1,436.70.

William F. Hoots, Ret. No. 2915, death occurred February 23, 2009. No benefit payable due to no surviving spouse or dependent children.

C. Death of spouse:

Florence F. Proctor, Spouse No. 862N, death occurred November 28, 2008. No benefit payable.

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

<u>Name of Member</u>	<u>Active Number</u>
George Andrew Showers, III	30585
Clifford W. Johnson	30825
Rae Ann Gastoukian	31762
Kimberly Delacruz	31906
Reginald L. White	31929
Brandon Rhine	32384
Rodnesha S. Hardy	32511
Total Members - 7	

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

State Street Corporation (1)	\$ 16,825.72
Chantal N. Brooks, MD (2)	250.00
Cheiron (3)	4,102.61
FedEx (4)	20.43
Baker's Crust (5)	143.23
Retirement Payroll (Est. March 2009)	<u>5,100,000.00</u>
Total	<u>\$ 5,121,341.99</u>

- (1) Custodial service for month of November 2008
- (2) Medical exam for Jean Tatem
- (3) Monthly retainer for February 2009
- (4) Information sent to State Street
- (5) Lunch for Board Meeting on February 13, 2009

Committee Reports

Administration and Planning:

Ms. Kelly reported that the Committee did not have a meeting.

Investment Management:

Mr. Neikirk informed the Board that the Committee met prior to today's Board meeting with Mrs. Jessica Portis of Summit Strategies Group via conference call. Mr. Neikirk reported that the U.S. Equity Transition is nearly complete. \$200 million is invested in the equity component of which \$46 million is in the Russell 3000 lending program versus the non-lending. The asset allocation after March 9, 2009 is 39% domestic equity, 18% international, 42% fixed income and international will be increase between the end of February and now with a \$17 million contribution from PIMCO.

Mr. Neikirk made a motion to close the tax reclaim account on the Italian Security and the shares of Segate Securities. This motion was second by Mr. Nelson and approved unanimously by the Board.

Mr. Neikirk informed the Board of a request from PIMCO to provide them the flexibility to hold common equity as the result of potential exchanged/converted preferred equity issues and/or other securities. In this specific case, the corporate entity is Citibank, but there could be others. We will have Mrs. Nexsen and Mrs. Portis draft an exception letter to the investment policy as related to the PIMCO request. We will keep the Board informed.

The Executive Director received information from SSgA on the FDIC Transaction Account Guarantee Program (TAGP) with fees associated. The explanation from State Street is when there is excess of \$250,000 in a non-interest bearing account at quarter-end a fee will be assessed. By monitoring the account, Mrs. Portis and Mr. Wilder believe this can eliminate the possibility of incurring a fee by having all monies swept into the stiff account that is an interest-bearing account. The stiff account is not impacted by TAGP. Mrs. Portis is going to provide the Board with a transition outline on how we can transition the international equity and the satellite portfolios. Included in the international equity transition plan will be the use of futures to maintain market exposure throughout the transition period. The Board will be kept informed.

Mr. Neikirk informed the Board that Wellington's redemption window is now 45 days instead of 30 days. Mr. Neikirk asked Mrs. Aaron to send all Board members a copy of the Cortex presentation and discussion material that Mr. Tom Iannucci provided last year for review prior to the April Board meeting.

Mr. Wilder informed the Board that the Retirement System would host the Association of Municipal Retirement Systems of VA at the Sheraton Norfolk Waterside Hotel on April 27-28, 2009 for an estimated cost of \$950.00. Mr. Tucker made a motion for the System to spend \$950.00 to host the meeting. This motion was second by Ms. Allmond and approved unanimously by the Board.

Ms. Calliott informed the Board that the next meeting is April 8, 2009. The Investment Committee begins at 11:00 a.m. and the Board meeting at 12:00 noon.

Mrs. Williams informed the Board that there were rumors from employees about the City of Norfolk offering employees an incentive to retire. Mrs. Williams wanted the Board to know that an incentive program was not on her budget-balancing list. Mrs. Williams further stated that she would not transfer an active budget issue over to a long-term liability fund such as the Retirement System without first addressing the Board.

There being no further business, the meeting adjourned at 1:15 p.m.

Chairperson

Executive Director