

**RETIREMENT BOARD OF TRUSTEES
MEETING MINUTES**

COMMENCEMENT

1. Chairperson call meeting to order.

Meeting Date	Start Time	End Time	Meeting Type
1/8/2025	12:00 PM	12:20 PM	Regular

Meeting Information

City Hall Building, Tenth Floor Conference Room
810 Union Street, Norfolk, Virginia 23510

2. Roll call.

	Present
Yvonne T. Allmond (Chair)	<input checked="" type="checkbox"/>
Elizabeth (Liz) A. Delude (Vice-Chair)	<input type="checkbox"/>
John R. E. Garris	<input checked="" type="checkbox"/>
Lashawnda W. Hall	<input checked="" type="checkbox"/>
Jean G. Hopkins	<input checked="" type="checkbox"/>
Daryl N. Howard	<input checked="" type="checkbox"/>
James (Jim) J. Izard II (Investment Committee Chair)	<input checked="" type="checkbox"/>
Mark R. Warden	<input checked="" type="checkbox"/>
Christine A. Garczynski (Admin and Planning Committee Chair)	<input type="checkbox"/>
Catheryn R. Whitesell	<input type="checkbox"/>

Additional Attendees

Penny DeLosh Executive Director	Justin Payne Retirement Benefits Specialist II	Andy Fox Deputy City Attorney I
Mike Roggow (alternate for C. Garczynski) Asst. Director of Finance		

3. Approval of minutes of meeting held November 6, 2024:

Approved Denied

REPORTING

Reporting Period: December 2024 – January 2025	TOTAL (Submitted/Approved)
A. Service Retirement Applications	23
1. Normal Service Retirement	8
2. Normal Service Retirement with DROP	3
a. General Employees	2
b. Public Safety Employees	1
3. Early Service Retirement – Reduced Benefit	1
4. Early Service Retirement – Deferred Benefit	1
5. Vested Service Retirement	10
B. Disability Retirement Applications	0
1. Accidental Disability Retirement	0
2. Ordinary Disability Retirement	0
C. Disability Reexamination Determinations	0
D. DROP Exit Report	3
E. Report of Deaths	20
1. Retiree	12
2. Spouse or Beneficiary	8
F. Death Benefit Claims	7
G. Retirement Rescissions	0
H. Previous Docket Amendments and Corrections	0
I. Non-Vested Member Separation from Employment	1
Total	\$11,614.05

J. Obligations Reported for Payment

Refer to EXHIBIT 1

K. Committee Reports

1. Administration and Planning Committee – no meeting
2. Investment Management Committee –
 - a. Meketa Investment Group investment and market review
 - i. Economic and Market Update

NERS	November 30, 2024	October 31, 2024	September 2024
Total Fund Balance	\$1.40 Billion	\$1.38 Billion	\$1.42 Billion
Funded Status	90%	89%	91%
NERS Assumed Rate of Return	6.75%	6.75%	6.75%
FYTD Rate of Return	5.7%	3.9%	6.1%
12 Months Trailing Rate of Return	16.0%	20.6%	20.5%
Monthly Rate of Return	1.7%	-2.1%	2.1%
Monthly Gains/Losses	\$24.0 million	-\$29.1 million	\$28.8 million
Monthly Net Cash Flow	-\$8.4 million	-\$8.0 million	-\$8.0 million

ii. Executive Summary

1. Investment Committee has requested an explanation and recommendations from Meketa on how to proceed with the significant under performance in Hedge Fund assets.

iii. Performance Summary as of November 30, 2024

Performance Update As of November 30, 2024													
Asset Class Performance Summary													
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Total Fund	1,400,458,683	100.0	1.7	-0.4	5.7	11.8	16.0	4.0	7.0	6.3	7.9	Oct-90	
Total Fund Policy Benchmark			2.2	0.5	6.0	13.2	16.7	5.2	8.0	6.6	8.1		
Total Fund Actual Allocation Benchmark			2.1	0.3	5.8	12.5	16.5	--	--	--	--		
Total Fund Public Benchmark			3.2	0.7	7.2	15.1	20.7	4.9	7.7	6.8	8.2		
Growth Assets	754,702,180	53.9	2.9	0.3	7.1	17.9	23.7	--	--	--	16.7	Dec-22	
Growth Assets Custom Benchmark			3.8	1.8	8.5	20.7	26.1	--	--	--	18.8		
Global Equity	749,408,351	53.5	2.9	0.3	7.1	17.9	23.7	6.5	10.8	9.2	9.3	Oct-90	
Global Equity Policy Benchmark			3.9	1.5	8.4	19.6	25.9	7.2	11.0	9.2	9.6		
Private Equity	5,293,829	0.4											
MSCI ACWI + 3% IQ Lag			2.8	4.7	8.5	32.2	27.1	--	--	--	22.1		
Credit	58,922,835	4.2	0.2	0.9	4.3	7.9	10.4	--	--	--	10.3	May-23	
Credit Custom Benchmark			1.0	1.1	4.8	8.5	11.4	--	--	--	10.9		
High Yield & Bank Loans	58,922,835	4.2	0.2	0.9	4.3	7.9	10.4	--	--	--	10.3	May-23	
High Yield & Bank Loans Custom Benchmark			1.0	1.1	4.8	8.5	11.4	--	--	--	10.9		
Inflation Hedges	303,622,906	217	-0.2	-0.7	5.4	7.0	7.6	--	--	--	-0.3	Dec-22	
Inflation Hedges Custom Benchmark			-0.8	-1.6	2.4	3.6	3.1	--	--	--	-0.7		
Real Estate	110,980,722	7.9	2.1	0.9	7.1	3.9	2.6	-1.9	0.9	3.8	5.8	Apr-11	
NCREIF ODCE (Net)			0.0	0.0	0.0	-3.2	-8.0	-1.0	2.1	5.2	6.8		
Natural Resources & Infrastructure	70,708,205	5.0	-0.7	-3.5	0.4	2.8	6.3	--	--	--	2.0	Apr-23	
S&P Global LargeMidcap Resources & Commodities NR USD			-1.0	-4.6	-0.2	1.1	4.8	--	--	--	0.6		
Gold	53,070,086	3.8	-4.6	-1.2	13.6	24.0	24.0	--	--	--	13.8	Apr-23	
60% Gold (Spot)/40% FTSE Gold Mines			-4.9	-3.1	12.9	24.5	26.5	--	--	--	15.7		
Short-Term TIPS	68,863,893	4.9	0.4	0.0	2.5	4.9	6.0	--	--	--	4.6	Mar-23	
Bloomberg U.S. TIPS 0-5 Year			0.4	0.0	2.5	4.8	6.0	--	--	--	5.2		

Performance Update As of November 30, 2024													
	Market Value (\$)	% of Portfolio	1 Mo (%)	QTD (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Risk Mitigation	283,210,762	20.2	1.1	-2.2	2.4	1.2	5.3	--	--	--	3.0	Dec-22	
Risk Mitigation Custom Benchmark			1.1	-1.2	2.5	2.9	6.2	--	--	--	3.4		
Investment Grade Fixed Income	228,856,615	16.3	1.3	-2.0	4.1	2.4	7.6	-2.1	0.1	1.6	5.1	Oct-90	
Bloomberg U.S. Aggregate Index			1.1	-1.4	3.7	2.9	6.9	-2.0	0.0	1.5	5.1		
Intermediate-Term Bonds	178,479,570	12.7	1.1	-1.5	4.1	3.7	7.8	-1.5	0.5	1.8	5.2	Oct-90	
Bloomberg U.S. Aggregate Index			1.1	-1.4	3.7	2.9	6.9	-2.0	0.0	1.5	5.1		
Long-Term Bonds	50,377,045	3.6	1.9	-3.4	4.2	-0.9	7.4	--	--	--	0.3	Mar-23	
Bloomberg U.S. Treasury: Long			1.8	-3.5	4.1	-1.2	7.4	--	--	--	0.3		
Hedge Funds	51,460,504	3.7	0.4	-3.3	-3.9	-4.1	-3.2	--	--	--	-1.0	Apr-23	
Hedge Fund Custom Benchmark			1.5	-0.3	-1.6	2.6	3.5	--	--	--	2.9		
Cash	2,893,642	0.2											

iv. Comparison to June 30, 2024

Performance Update As of June 30, 2024											
Asset Class Performance Summary											
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Total Fund	1,321,625,157	100.0	1.3	5.8	10.4	2.5	6.4	5.8	7.8	Oct-90	
Total Fund Policy Benchmark			1.9	6.9	12.1	3.4	7.2	6.1	8.0		
Total Fund Actual Allocation Benchmark			1.6	6.3	11.6	--	--	--	--		
Total Fund Public Benchmark			1.8	7.4	14.2	2.7	7.1	6.2	8.1		
Growth Assets	738,992,459	55.9	1.9	10.1	17.4	--	--	--	16.5	Dec-22	
Growth Assets Custom Benchmark			3.0	11.3	19.3	--	--	--	18.0		
Global Equity	734,402,918	55.6	1.8	10.1	17.4	4.4	10.4	8.6	9.2	Oct-90	
Global Equity Policy Benchmark			2.4	10.3	18.4	4.7	10.4	8.4	9.5		
Private Equity	4,589,541	0.3									
Credit	64,630,411	4.9	1.0	3.5	9.8	--	--	--	10.2	May-23	
Credit Custom Benchmark			1.5	3.5	10.8	--	--	--	10.5		
High Yield & Bank Loans	64,630,411	4.9	1.0	3.5	9.8	--	--	--	10.2	May-23	
High Yield & Bank Loans Custom Benchmark			1.5	3.5	10.8	--	--	--	10.5		
Inflation Hedges	273,537,606	20.7	1.4	1.5	1.9	--	--	--	-3.6	Dec-22	
Inflation Hedges Custom Benchmark			1.0	1.2	1.2	--	--	--	-2.3		
Real Estate	102,249,915	7.7	0.2	-3.0	-8.4	-1.7	-0.3	3.4	5.4	Apr-11	
NCREIF ODCE (Net)			-0.7	-3.2	-10.0	1.0	2.3	5.5	7.0		
Natural Resources & Infrastructure	64,416,659	4.9	0.7	2.4	6.8	--	--	--	2.3	Apr-23	
S&P Global LargeMidcap Resources & Commodities NR USD			0.2	1.3	5.2	--	--	--	0.9		
Gold	46,710,259	3.5	5.2	9.1	15.3	--	--	--	7.2	Apr-23	
60% Gold (Spot)/ 40% FTSE Gold Mines			5.9	10.3	17.8	--	--	--	10.2		
Short-Term TIPS	60,160,774	4.6	1.4	2.3	5.4	--	--	--	4.2	Mar-23	
Blmbg. U.S. TIPS 0-5 Year			1.4	2.3	5.4	--	--	--	4.9		

Performance Update As of June 30, 2024											
	Market Value (\$)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Risk Mitigation	244,464,681	18.5	-0.6	-1.2	0.5	--	--	--	2.3	Dec-22	
Risk Mitigation Custom Benchmark			-0.2	0.4	3.2	--	--	--	2.7		
Investment Grade Fixed Income	178,666,464	13.5	-0.4	-1.6	0.9	-3.3	-0.3	1.4	5.0	Oct-90	
Bimb. U.S. Aggregate Index			0.1	-0.7	2.6	-3.0	-0.2	1.3	5.0		
Intermediate-Term Bonds	130,310,898	9.9	0.1	-0.4	3.1	-2.6	0.1	1.6	5.1	Oct-90	
Bimb. U.S. Aggregate Index			0.1	-0.7	2.6	-3.0	-0.2	1.3	5.0		
Long-Term Bonds	48,355,567	3.7	-1.7	-4.8	-5.7	--	--	--	-2.6	Mar-23	
Bimb. U.S. Treasury: Long			-1.8	-5.0	-5.6	--	--	--	-2.6		
Hedge Funds	63,667,802	4.8	-1.3	-0.2	-1.2	--	--	--	1.9	Apr-23	
Hedge Fund Custom Benchmark			-1.2	4.2	4.7	--	--	--	5.1		
Cash	2,130,414	0.2									

v. As of June 30, 2024, Total Plan Actuarial Liability (AL) is \$1.555 billion and the Actuarial Value of Assets (AVA) is \$1.324 billion for an Actuarial Funded Ratio (AVA/AL) of 85%. Using the Market Value of Assets (MVA), the Market Funded Ration (MVA/AL) was approximately 89% in October 2024 and 90% in November 2024.

L. Other / Old Business

1. UBS

- \$690,586.00 redemption on January 6, 2025

M. New Business/Other

1. Reappointment of Board of Trustee Appointee, Yvonne T. Allmond – Resolution 1,931; term January 1, 2025 – December 31, 2028
2. Reappointment of Board of Trustee Appointee, Elizabeth (Liz) A. Delude – Resolution 1,931; term January 1, 2025 – December 31, 2028
3. Reappointment of Board of Trustee Appointee, John R. E. Garris – Resolution 1,931; term January 1, 2025 – December 31, 2028
4. Reappointment of Board of Trustee Appointee, Daryl N. Howard – Resolution 1,931; term January 1, 2025 – December 31, 2028

N. Next Meeting: March 5, 2025

1. Anticipated Quorum: Yes No
2. Scheduled Guest Speaker(s)

O. Adjournment



810 Union Street, Suite 309, Norfolk, VA 23510

Exhibit 1
Obligations Reported for Payment: December 2024 – January 2025

	Description	Amount
1.	State Street Corporation	\$6,000.00
2.	Cheiron	\$10,975.20
3.	Retirement Payroll	\$16,991,620.86
4.	Meketa Investment Group, Inc.	\$120,914.10
5.	Government Finance Officers Association	\$1,220.00
6.	TOTAL	\$17,130,730.16

Additional Details

1. Custodial Services - December 2024 \$3,000.00 (estimated); January 2025 \$3,000.00 (estimated)
(Payment is auto debited from the investment cash account)
2. Actuarial Services – December 2024 \$5,487.60 (estimated); January 2025 \$5,487.60 (estimated)
3. Monthly Benefits Payroll - December 2024 \$8,391,620.86 (actual) and January 2025 \$8,600,000.00 (estimated)
4. Outsourced Chief Investment Officer Services (OCIO) – December 2024 \$60,457.05 (estimated); January 2025 \$60,457.05 (estimated)
5. Application Fee for Certificate of Achievement Award for FY 2024 Annual Comprehensive Financial Report (ACFR); paid November 2024