



The Educational Employees' Supplementary
Retirement System of *Fairfax County*

MEETING MINUTES

Approved August 4, 2022

A meeting of the ERFC Board of Trustees was held on July 22, 2022, in a conference room at the administrative offices located at 8001 Forbes Place, Suite 300, Springfield, Virginia 22151. There was not a quorum present for the meeting.

Trustees present:

Kimberly Adams, *Chairperson and Trustee*
Leigh Burden, *Trustee*
Marty Smith, *Trustee (departed at 11:38am)*
Ducchi Quan, *Trustee (by video conference)*

Trustees absent:

Kathie Pfeffer-Hahn, *Vice Chairperson and Trustee*
Adam McConagha, *Trustee*
Sean McDonald, *Trustee*

Also present:

Eliazer Martinez, *Executive Director/CIO*
Srikumar Bala, *Deputy Executive Director of IT/Finance*
Melissa O'Neal, *Coordinator, Communications & Operations*
Pedro Rivera, *Senior Functional Applications Specialist*
Adolphus Tarty, *Functional Applications Specialist*
Wendy Zhi, *Finance Coordinator*
Jenifer Cromwell, *Member, Bredhoff & Kaiser*
Rosemary Elly Guillette, *Vice President, Segal Marco Advisors (by video conference) (departed at 11:00am)*
Christian Sevier, *Vice President and Senior Consultant, Segal Marco Advisors*
John Haggerty, *Managing Principal/Director of Private Market Investments, Meketa Investment Group (departed at 11:44am)*
Todd Silverman, *Principal/Private Markets Consultant, Meketa Investment Group (by video conference)*

Absent:

Matthew Clash-Drexler, *Member, Bredhoff & Kaiser*
Sue Crotty, *Senior Vice President and Chief Investment Officer, Segal Marco*

Meeting

Call to Order

Ms. Adams called the meeting to order at 9:34 am.

Announcement of Agenda Changes

Ms. Adams announced that there were no agenda changes.

Consultants

Annual Legal Update

Ms. Cromwell provided the annual legal update on the Virginia Freedom of Information Act ("VA FOIA"), the Public Records Act, and other Virginia legislative changes. She noted that the annual memorandum on fiduciary duties was included in the materials, and that fiduciary training on governance issues will be scheduled for a fall Trustees meeting. Ms. Cromwell also reviewed various current issues that are important pension plans, including security and privacy, missing members, and death audits. She responded to Trustee questions.

Bredhoff & Kaiser's memoranda on VA FOIA, the Public Records Act, other legislation, and the Trustees' Fiduciary Duties were posted to BoardDocs. Bredhoff & Kaiser's presentation was posted to BoardDocs. Copies of VA FOIA and the Public Records Act also were posted to BoardDocs.

Investment Performance

Mr. Sevier reviewed current market conditions, the flash report on portfolio performance, and review of asset allocation for the period ending June 30, 2022. He noted that all investment classes were down in June. He also noted that except for hedge funds – opportunistic, and private equity, all asset allocations are within long-term target ranges. He reported that ERFC's total return for the one-month ending June 30, 2022, was -4.5% compared to the benchmark return of -4.9% for the same period. ERFC's total return for the fiscal year-to-date was -8.7% compared to the benchmark return of -11.0% for the same period, and the year-to-date return was -13.5% compared to the benchmark return of -13.7% for the same period.

Segal Marco's Monthly Report was posted to BoardDocs.

Private Market Performance Report

Mr. Silverman and Mr. Haggerty reviewed the private markets program for the quarter ending March 31, 2022. They also reviewed the status of the private markets program for the period ending June 30, 2022.

Mr. Haggerty announced that Mr. Silverman is leaving Meketa at the end of July. Mr. Martinez stated that he has no concerns with this change, and that Meketa's team remains strong. Mr. Silverman thanked the Trustees and staff for the opportunity to work with ERFC.

Meketa's quarterly and monthly reports were posted to BoardDocs.

Staff Reports

Executive Director Update

Mr. Martinez reported that there will be an IT update at the next Trustees meeting.

Operations and Communications Report

Ms. O'Neal reviewed retirements for June 2022, and retirements by calendar year. The Trustees discussed retirement numbers and the impact of salary increases on retirements.

The Retirement Summary Report and WAR Summary Report were posted to BoardDocs.

Finance Update

Ms. Zhi reviewed the finance report noting that the contributions and benefit payments are consistent with 2021 numbers and that the expenses are in-line with the budget.

The Financial Reports for the Period Ending June 30, 2022 was posted to BoardDocs.

School Board Draft Presentation

Mr. Martinez reviewed the draft slides for the annual presentation to the School Board. The Trustees discussed the draft presentation and offered feedback.

Informational Items

Mr. Martinez reviewed the Educational Resource List.

The Educational Resource List was posted to BoardDocs.

The Staff Reports presentation was posted to BoardDocs.

Adjournment

The meeting was adjourned at 12:00pm.

Next Meeting – August 4, 2022 (ad hoc meeting)