



## MEETING MINUTES

Approved January 26, 2024

The Educational Employees' Supplementary  
Retirement System of Fairfax County

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An all-virtual meeting of the ERFC Board of Trustees was held on December 15, 2023, via video and teleconference.

Trustees present:

Kimberly Adams, *Chairperson and Trustee*  
Kathie Pfeffer-Hahn, *Vice Chairperson and Trustee*  
Ducchi Quan, *Trustee*  
Sherry Agnew-Scott, *Trustee*  
Marty Smith, *Trustee (arrived 10:07am)*

Trustees absent:

Leigh Burden, *Treasurer and Trustee*  
Adam McConagha, *Trustee*

Also present:

Srikumar Bala, *Deputy Executive Director of IT, Member Services and Communication (departed 11:45am)*  
Wendy Zhi, *Acting Deputy Executive Director, Finance and Investment (departed 11:45am)*  
Melissa O'Neal, *Coordinator, Communications & Operations (departed 11:45am)*  
Basil AlQudwa, *Investment Specialist (departed 11:45am)*  
Adolphus Tarty, *Functional Applications Specialist (10:05am-11:45am; 12:05pm-12:06pm)*  
Jenifer Cromwell, *Member, Bredhoff & Kaiser*  
Ernest Zhu, *Associate, Bredhoff & Kaiser*  
John Haggerty, *CFA, Managing Principal/Director of Private Market Investments, Meketa Investment Group (departed 11:25am)*  
Balaj Singh, *CFA, Private Markets Analyst, Meketa Investment Group (departed 11:25am)*  
Sabrina Ciampa, *Investment Associate, Meketa Investment Group (departed 11:25am)*  
Colin Hill, *Real Estate Associate, Meketa Investment Group (10:55am to 11:25am)*  
Rosemary Elly Guillette, *Senior VP and Senior Consultant, Segal Marco Advisors (10:15am-11:25am)*  
Tamara Wesely, *Executive Recruiter/Staff Consultant, CBIZ Talent and Compensation Solutions (EFL Associates) (departed 10:16am)*  
Lauren Albanese, *Reporter, Financial Investment News (departed 11:43am)*  
Eric Eichelberger, *General Public (departed 11:05am)*  
John Flynn, *General Public (departed 11:43am)*

## **Meeting**

### **Call to Order**

Ms. Adams called the meeting to order at 10:05am.

### **Announcement of Agenda Changes**

Ms. Adams announced that there were no changes to the agenda. The Trustees voted unanimously to approve the agenda. Mr. Smith was absent for this vote.

The December 15, 2023, Board of Trustees Meeting Agenda was posted to BoardDocs.

## **Consent Agenda**

### **Approval of Minutes of the October 27, 2023 Board of Trustees Meeting**

Ms. Pfeffer-Hahn **moved to approve the minutes of the October 27, 2023 Board of Trustees Meeting, as presented.** Mr. Quan seconded the motion. The Trustees voted unanimously to approve the minutes. Ms. Adams abstained from the vote because she did not attend the October meeting.

The October 27, 2023 Board of Trustees Meeting Minutes were posted to BoardDocs.

## **New Business**

### **Executive Director Search**

Ms. Wesely from EFL Associates reviewed the status of the ERFC Executive Director search and responded to questions from Trustees.

The presentation from EFL Associates was posted to BoardDocs.

### **New Website**

Mr. Bala introduced ERFC's new website and the new web address: [erfcension.org](http://erfcension.org). Mr. Bala noted that the new website can be translated into multiple languages and includes more details on ERFC benefits. Ms. O'Neal reviewed the website, including links to frequently asked questions, and explained that dedicated pages for each ERFC plan will make it easier for members to find plan information.

The presentation on the new website was posted to BoardDocs.

## **Investment Consultants**

### **Investment Performance**

Ms. Guillette reviewed current market conditions, the flash report on portfolio performance, and asset allocations for the period ending November 30, 2023. She noted that except for real estate, hedge funds – opportunistic, and private equity, all asset allocations are within long-term target ranges. She reported that ERFC’s total return for the one month ending November 30, 2023, was 5.2% compared to the interim policy benchmark return of 5.3% for the same period. ERFC’s total return for the fiscal year-to-date was 0.1% compared to the interim policy benchmark return of 0.5% for the same period, and the year-to-date return was 5.5% compared to the interim policy benchmark return of 6.5% for the same period. She noted most types of ERFC investments, especially small cap equity, outperformed the market. She reported that there are no managers on the watch list.

Segal Marco’s monthly reports were posted to BoardDocs.

### **Core Fixed Income Search**

Ms. Guillette reviewed the three recommended candidates for the fixed income manager based on Segal Marco’s research and review, including fees and returns for each manager. She advised that fees for all three candidates are reasonable.

Ms. Guillette responded to questions from Trustees and ERFC staff.

Segal Marco’s presentation was posted to BoardDocs.

### **Private Market Performance Report**

Ms. Ciampa reviewed the private markets program as of November 30, 2023, including recent monthly cash flows and the private debt program.

Mr. Singh reviewed a recent commitment made to FS Equity Partners IX, L.P., and Mr. Haggerty reviewed a recent commitment made to Flagship Pioneering Fund VIII, L.P.

Mr. Hill noted current market conditions affecting real estate transactions, and reviewed a recent commitment made to SIH Debt Opportunities Fund III, L.P.

Mr. Haggerty reviewed recent commitments made to BlackRock Global Renewable Power Infrastructure Fund IV, L.P. and Peppertree Capital Fund X, L.P.

Meketa's monthly report and investment memoranda were posted to BoardDocs.

Ms. Pfeffer-Hahn **moved to receive and file the reports of the investment consultants**. Mr. Quan seconded the motion. The Trustees voted unanimously to receive and file the reports.

## **Staff Reports**

### **Finance Report**

Ms. Zhi reported that ERFC's external audit was complete, and that ERFC received a clean audit opinion. She reported that the Annual Comprehensive Financial Report and Popular Annual Financial Report were published. Ms. Zhi noted that the internal control examination is on schedule, and that the transition of actuarial services to Buck continues.

She also reviewed ERFC's Financial Report for the period ending September 30, 2023. She noted that ERFC's total fund balance is approximately \$3 billion. She also reviewed ERFC's expenses and cash flow forecast.

The Finance Report was posted to BoardDocs.

### **Investment Report**

Dr. AlQudwa reported that all managers are currently in compliance with ERFC guidelines.

### **Operations and Communications Report**

Ms. O'Neal reviewed retirements for November 2023, retirements by calendar year, retirement totals for the last three calendar years, and ERFC*Direct* account statistics. The Trustees discussed a recent change in Virginia law regarding the Virginia Retirement System and working in critical shortage positions after retirement.

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

### **Educational Resource List**

The Educational Resource List was posted to BoardDocs.

The Staff Reports presentation was posted to BoardDocs.

Ms. Pfeffer-Hahn **moved to receive and file the reports of ERFC staff**. Mr. Quan seconded the motion. The Trustees voted unanimously to receive and file the reports.

### **Closed Session**

Ms. Pfeffer-Hahn **moved that the Board of Trustees go into Closed Session, including legal counsel, to discuss personnel matters, specifically, candidates for the Executive Director position and performance of ERFC staff, according to Virginia Code Section 2.2-3711.A.1**. Mr. Quan seconded the motion. The Trustees voted unanimously to go into Closed Session at 11:45am.

Ms. Pfeffer-Hahn **moved that the Board of Trustees come out of Closed Session**. Mr. Quan seconded the motion. The Trustees voted unanimously to come out of Closed Session at 12:05pm.

Ms. Pfeffer-Hahn **moved to certify that only personnel matters were discussed or considered by the Board of Trustees while in Closed Session**. Mr. Quan seconded the motion. The Trustees voted unanimous approval.

### **Adjournment**

Ms. Pfeffer-Hahn **moved to adjourn the Board of Trustees meeting**. Mr. Quan seconded the motion. The Trustees voted unanimously to adjourn the meeting.

The meeting was adjourned at 12:06pm.

**Next Meeting – January 26, 2024  
(Board of Trustees Meeting) (in-person)**