



The Educational Employees' Supplementary  
Retirement System of Fairfax County

## MEETING MINUTES

Approved July 25, 2025

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The ERFC Board of Trustees held its annual Board Retreat on June 26, 2025, in the conference room on the main floor of the building located at 3110 Fairview Park Drive, Falls Church, VA 22042. An in-person meeting of the ERFC Board of Trustees was held on June 27, 2025, in the ERFC conference room located at 3110 Fairview Park Drive, Suite 300, Falls Church, VA 22042.

### Trustees present:

Kimberly Adams, *Chairperson and Trustee*  
Kathie Pfeffer-Hahn, *Vice Chairperson and Trustee*  
Leigh Burden, *Treasurer and Trustee*  
Ducchi Quan, *Trustee*  
Marty Smith, *Trustee (June 26 - attended part of the meeting; June 27 - attended part of the meeting)*  
William Solomon, *Trustee (June 26 - attended part of the meeting; June 27 - attended part of the meeting)*  
Adam McConagha, *Trustee*

### Also present:

Melissa O'Neal, *Executive Director*  
Basil alQudwa, *Deputy Executive Director, Investments (Acting) (departed on June 27 at 2:26pm)*  
Kristin Delgado, *Senior Manager II, Operations & Communications (departed on June 27 at 2:26pm)*  
Kevin McCarty, *Financial Analyst II (June 27 only; departed at 2:26pm)*  
Pedro Rivera, *Senior Functional Applications Specialist (departed on June 27 at 2:26pm)*  
Adolphus Tarty, *Functional Applications Specialist (departed on June 27 at 2:26pm)*  
Jenifer Cromwell, *Member, Bredhoff & Kaiser*

Ernest Zhu, *Associate, Bredhoff & Kaiser*

Kevin Spanier, *Principal, Buck, A Gallagher Company (via video conference)*  
(departed at 10:45am on June 27)

Elizabeth Wiley, *Senior Actuarial Consultant, Buck, A Gallagher Company*  
(departed at 11:53am on June 27)

Rosemary Elly Guillette, *Senior Vice President and Senior Consultant, Segal Marco Advisors (departed at 11:53am on June 27)*

Michael Stoyanovich, *Vice President and Senior Consultant, Segal Marco Advisors (June 26 only)*

Christian Sevier, *Vice President and Senior Consultant, Segal Marco Advisors (departed at 11:53am on June 27)*

John Haggerty, *Managing Principal / Director of Private Market Investments, Meketa Investment Group (via video conference) (departed at 11:53am on June 27)*

Balaj Singh, *Vice President / Senior Private Markets Analyst, Meketa Investment Group (departed at 11:53am on June 27)*

Sabrina Ciampa, *Private Markets Analyst, Meketa Investment Group (departed at 11:53am on June 27)*

Tyler Bond, *Research Director, National Institute on Retirement Security (June 26 only)*

Michael Hairston, *Senior Pension Specialist, National Education Association (June 26 only)*

Ashu Garg, *General Partner, Foundation Capital (via video conference) (June 26 only)*

Alma Hou, *Executive Assistant, Foundation Capital (via video conference) (June 26 only)*

Ashley Hyotte, *Barings (June 26 only)*

Brian Harvey, *Cramer Rosenthal & McGlynn (June 26 only)*

Harris Swenson, *Cramer Rosenthal & McGlynn (June 26 only)*

Hunter Downs, *Doubleline (June 26 only)*

Christine Thorpe, *Fidelity (June 26 only)*

Kristin Shofner, *Fidelity (June 26 only)*

Victoria Linn, *GCM Grosvenor (June 26 only)*

Asim Hussain, *Global Alpha (June 26 only)*

Yashu Joshi, *Global Alpha (June 26 only)*

Ed Fitzpatrick, *JP Morgan (June 26 only)*

Katie Hammond, *JP Morgan (June 26 only)*

Salone Loney, *KKR Client Solutions (June 26 only)*

Mike Powers, *Lazard (June 26 only)*

Nina Osenbroch, *Lazard (June 26 only)*

David Zielinski, *Loomis, Sayles & Company (June 26 only)*  
Kenneth Johnson, *Loomis, Sayles & Company (June 26 only)*  
Tyler Juchno, *Schroders (June 26 only)*  
Suzanne Schechter, *Schroders (June 26 only)*  
Sam Ensslin, *Westfield (June 26 only)*  
Mike Kinney, *Westfield (June 26 only)*  
Kristin O'Donnell, *Wellington Management (June 26 only)*  
Douglas Kryscio, *William Blair (June 26 only)*

## **ERFC Board of Trustees Meeting and Annual Retreat –**

**June 26-27, 2025**

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### **Thursday – June 26, 2025 – Annual Retreat**

The Annual Retreat was called to order at 9:00am. Ms. O’Neal welcomed the Board of Trustees, introduced ERFC staff, and thanked Barings, Westfield, Global Alpha, Schroders, Loomis, and other service providers for their support of the Annual Retreat. She introduced Michael Hairston from the National Education Association and Tyler Bond from the National Institute on Retirement Security.

#### **Keynote Address**

**Tyler Bond, Research Director, National Institute on Retirement Security**  
**Michael Hairston, Senior Pension Specialist, National Education Association**

Mr. Hairston described the National Institute on Retirement Security’s research and introduced Mr. Bond. Mr. Bond reviewed the economic “ripple effect” of payments in Virginia from defined benefit pension plans, including ERFC.

The National Institute on Retirement Security’s presentations were posted to BoardDocs.

#### **Equity Roundtable Discussion**

**Rosemary Elly Guillette, Senior Vice President and Senior Consultant,  
Segal Marco Advisors**  
**Sam Ensslin, Westfield**  
**Tyler Juchno, Schroders**  
**Asim Hussain, Global Alpha**  
**Brian Harvey, Cramer Rosenthal & McGlynn**  
**Ashley Hyotte, Barings**  
**Michael Powers, Lazard**

Ms. Guillette and the panelists discussed the investment strategies in the equity market.

### **Fixed Income Roundtable Discussion**

**Christian Sevier, Vice President and Senior Consultant, Segal Marco  
Advisors**

**David Zielinski, Loomis, Sayles & Company**

**Christine Thorpe, Fidelity**

**Ed Fitzpatrick, JP Morgan**

**Hunter Downs, Doubleline**

Mr. Sevier and the panelists discussed fixed income investment strategies.

### **Artificial Intelligence: What It Is and Why It Matters**

**Ashu Garg, General Partner, Foundation Capital**

Mr. Haggerty introduced Mr. Garg from Foundation Capital. Mr. Garg reviewed the technological trends for artificial intelligence (“AI”) and the impact on the economy and relevant investments. He responded to questions from the Trustees.

Foundation Capital’s presentation was posted to BoardDocs.

### **AI and GEN AI Impact and Opportunities**

**Michael Stoyanovich, Vice President and Senior Consultant, Segal Marco  
Advisors**

Ms. Guillette introduced Mr. Stoyanovich. Mr. Stoyanovich reviewed the significance of generative AI in the workplace, and he responded to questions from the Trustees.

Segal Marco’s presentation was posted to BoardDocs.

### **Educational Game**

**Rosemary Elly Guillette, Senior VP and Senior Consultant, Segal Marco  
Advisors**

**Christian Sevier, VP and Senior Consultant, Segal Marco Advisors**

Ms. Guillette and Mr. Sevier hosted an educational game regarding key investment terms.

### **Navigating the ERFC Annual Valuation: A Deep Dive into Actuarial Methods**

**Kevin Spanier, Principal, Buck, A Gallagher Company**

**Elizabeth Wiley, Senior Actuarial Consultant, Buck, A Gallagher Company**

Mr. Spanier and Ms. Wiley reviewed the assumptions and methods used in the annual actuarial evaluations and presented a hypothetical employee example to

illustrate the actuarial valuation process. They also reviewed the highlights of the result of the December 31, 2024, actuarial valuation, which were previously presented to the Trustees.

Gallagher's presentation was posted to BoardDocs.

### **Retreat Review**

**Melissa O'Neal, Executive Director, ERFC**

Ms. O'Neal asked the Trustees to provide their feedback on the retreat.

The meeting recessed for the day at 3:46pm.

## **Friday – June 27, 2025 – Regular Meeting of the ERFC Board of Trustees**

### **Call to Order**

Ms. Adams called the meeting to order at 9:04am. Ms. Adams, on behalf of the Trustees, thanked the presenters and ERFC staff for their work on the retreat.

### **Announcement of Agenda Changes**

Ms. Adams announced that the election of officers would be conducted at the end of the meeting, and the educational game from the retreat would continue after the approval of meeting minutes. There were no other changes to the agenda.

Mr. Quan **moved to approve the agenda, as amended**. Mr. McConagha seconded the motion. Mr. Smith and Mr. Solomon were not present for the vote. The remaining Trustees voted unanimously to approve the agenda as amended.

### **Consent Agenda**

#### **Approval of Minutes of the May 5, 2025, Special Board of Trustees Meeting and the May 9, 2025, Board of Trustees Meeting**

Mr. Quan **moved to approve the minutes of the May 9, 2025, Board of Trustees Meeting, as presented**. Mr. McConagha seconded the motion. Mr. Smith and Mr. Solomon were not present for the vote. The remaining Trustees voted unanimously to approve the minutes as presented.

Mr. Quan **moved to approve the minutes of the May 5, 2025 Special Board of Trustees Meeting, as presented**. Mr. McConagha seconded the motion. Mr. Smith and Mr. Solomon were not present for the vote. The remaining Trustees voted unanimously to approve the minutes as presented.

The minutes of the May 5, 2025 Special Board of Trustees Meeting and the May 9, 2025, Board of Trustees Meeting were posted to BoardDocs.

### **Old Business**

#### **Educational Game**

Ms. Guillette and Mr. Sevier continued the educational game regarding key investment terms.

#### **Meeting Dates**

Ms. Adams presented the proposed Fiscal Year 2026 ERFC Board of Trustees meeting dates. The Trustees discussed the proposed meeting dates. Ms. O'Neal and Ms. Cromwell responded to questions from the Trustees.

Ms. Pfeffer-Hahn **moved that the Board of Trustees approve the Fiscal Year 2026 ERFC Board of Trustees meeting dates, as presented.** Mr. Quan seconded the motion. Ms. Pfeffer-Hahn abstained from the vote. Mr. Solomon was not present for the vote. The remaining Trustees voted unanimously to approve the meeting dates, as presented.

The meeting dates were posted on BoardDocs.

### **December 31, 2024 Actuarial Valuation**

Ms. Wiley presented the December 31, 2024, actuarial valuation. She noted that this valuation is not used to set the employer contribution rate unless the Trustees decide to make such a recommendation to the School Board. She reviewed membership data, the actuarial assumptions, and the actuarial valuation results. Ms. Wiley stated that ERFC is an actuarially sound plan and that contributions are being made consistent with the funding policy. She responded to questions from the Trustees about the actuarial valuation.

Ms. Pfeffer-Hahn **moved that the Board of Trustees accept the Actuarial Valuation results for the period ending December 31, 2024, as presented by the Plan Actuary.** Mr. Quan seconded the motion. Mr. Smith and Mr. Solomon were not present for the vote. The remaining Trustees voted unanimously to accept the actuarial valuation, as presented.

The actuarial valuation and Gallagher's presentation were posted on BoardDocs.

## **New Business**

### **Asset Allocation Review**

Mr. Sevier reviewed the 2025 capital markets assumptions and introduced the asset allocation discussion. He reviewed ERFC's current asset allocation and three possible revised asset allocations. Ms. Guillette stated that Segal Marco is not recommending any changes to the Plan's asset allocation at this time. The investment consultants responded to questions from the Trustees.

Mr. Sevier reported that Barings was put on the watch list due to underperformance versus the benchmark. He reported that the William Blair EM Growth strategy is currently rated as "hold" by Segal Marco, and therefore, Segal Marco will maintain the William Blair EM Growth fund on the watch list as Segal Marco continues to monitor the fund's performance. He also reported that the



transition manager engaged by Segal Marco is processing the transition from the William Blair International Leaders Concentrated fund to the Mellon International Stock Index fund.

Segal Marco's presentation and the memoranda on Barings and William Blair were posted to BoardDocs.

## **Investment Consultants**

### **Cash Flow and Liquidity Review**

Ms. Guillette and Mr. Sevier introduced the cash flow and liquidity discussion to help Trustees evaluate the adequacy of ERFC's cash and determine whether and how to invest in less liquid assets. They reported that ERFC's cash flow this year is similar to last year. They stated that the Plan is well diversified from a liquidity standpoint with 64% of the portfolio having daily liquidity.

Segal Marco's presentation was posted to BoardDocs.

### **Investment Performance**

Mr. Sevier reviewed the quarterly investment performance for the period ending March 31, 2025. He reported that ERFC's assets were approximately \$3.29 billion as of March 31, 2025. He noted that all asset classes are within long-term ranges and reported that ERFC's total return for the first quarter of 2025, was - 0.1%, compared to the interim policy benchmark return of 0.3% for the same period. He reviewed the fee analysis for the public market investment managers, and the emerging market equity return summary for the last few years, noting that while 2022 was a very difficult year for emerging markets, ERFC's emerging market investments have outperformed over the longer term. Mr. Sevier and Ms. Guillette responded to questions from the Trustees.

Mr. Sevier reviewed current market conditions, the preliminary flash report on portfolio performance, and asset allocations for the period ending May 31, 2025. He reported that ERFC's total return for the one month ending May 31, 2025, was 2.0%, compared to the interim policy benchmark return of 1.8% for the same period. ERFC's total return for the fiscal year-to-date was 6.0% compared to the interim policy benchmark return of 6.5% for the same period, and the one-year return was 7.2%, compared to the benchmark return of 7.4% for the same period. He also reviewed the five-, seven-, and ten-year returns. Dr. alQudwa noted that active management for the fixed income portfolio has produced strong returns.

Segal Marco's Monthly Report and Quarterly Investment Report were posted to BoardDocs.

## **Private Market Performance Report**

Mr. Singh and Mr. Haggerty reviewed the macro-economic impact on private markets. Mr. Haggerty, Mr. Singh, and Ms. Ciampa reviewed the private markets program, including commitments and cash flow, for the period ending May 31, 2025, and for the fourth quarter of 2024. They reported that the total net cash flow for the private market program is projected to become positive at the end of fiscal year 2027. They responded to questions from the Trustees.

Ms. Ciampa reviewed a recent commitment to ISQ Growth Markets Infrastructure Fund II. Mr. Singh reviewed a recent commitment to Evolution Credit Opportunity Fund III, L.P. Meketa reported that the rate of return for ERFC's private market investments since inception is 15.7%, compared to the return of 13.7% for public market equivalents during the same period. Mr. Singh reported that the private market program is performing to expectations. They also reviewed significant events, performance by vintage year, recent commitments, and various other performance measures. They responded to questions from the Trustees and staff.

Meketa's quarterly and monthly reports and the 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. Mr. Smith and Mr. Solomon were not present for the vote. The remaining Trustees voted unanimously to receive and file the reports.

## **Staff Reports**

### **ERFC Office Expansion**

Ms. O'Neal reviewed the current office space of ERFC and the upcoming changes to FCPS's teleworking requirements. Ms. O'Neal presented the proposal to expand the workspace of ERFC.

Ms. Pfeffer-Hahn **moved that the Board of Trustees approve the ERFC office expansion proposal, as presented**. Mr. Quan seconded the motion. Mr. Smith and Mr. Solomon were not present for the vote. The remaining Trustees voted unanimously to approve the proposal to expand the workspace of ERFC.

Ms. Pfeffer-Hahn **moved that that the Board of Trustees reconsider the ERFC office expansion proposal**. Mr. Quan seconded the motion. Mr. Solomon was not present for this vote. Mr. Smith abstained from the vote. The remaining Trustees voted unanimously to reconsider the ERFC office expansion proposal.

The Trustees discussed teleworking plans for ERFC staff.

Ms. Pfeffer-Hahn **moved to amend the motion that approved the ERFC office expansion proposal, as presented, to direct the Executive Director to request a teleworking exception for ERFC staff, consistent with FCPS guidelines regarding teleworking due to space constraints; and move forward with the ERFC office expansion proposal only if the teleworking exception for ERFC staff is not approved by FCPS.** Mr. Quan seconded the motion. Mr. Solomon was not present for the vote. Mr. Smith abstained from the vote. The remaining Trustees voted unanimous approval.

The ERFC Office Expansion Proposal presentation was posted to BoardDocs.

### **Executive Director Report**

Ms. O'Neal reported on the progress of initiatives under the 2025-2027 Strategic Plan, including initiatives to achieve excellent governance, improve impactful member experience and effective operations, and provide purposeful training to ERFC staff. She also provided an update regarding the upcoming interview for the Deputy Executive Director, Investments position. Ms. O'Neal, Ms. Delgado, Mr. McCarty, and Mr. Rivera responded to questions from the Trustees.

### **Operations and Communications Report**

Ms. Delgado reviewed recent marketing materials and reported that ERFC staff attended the FCPS Retirement Ceremony on April 30, 2025, and ERFC presented at a National Institute on Retirement Security webinar. She reviewed the spring email newsletter to members, retirements for May 2025, retirements by calendar year, retirement totals for the last three calendar years, upcoming DROP participants, and members in critical shortage positions.

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

### **Finance Report**

Ms. O'Neal provided an update on recent members exiting from DROP. Mr. McCarty reported that as of May 31, 2025, actual expenses were approximately 88% of the current fiscal year budget, and that the pension payments (including refunds) were 94.7% of total actual expenses, which was in line with the budget.

### **Investment Report**

Dr. alQudwa reported that all managers are currently in compliance with ERFC's Investment Policy Statement. He reported that ERFC staff are conducting reviews of investment managers.

### **IT Report**

Ms. O'Neal provided updates on the upcoming implementation of Dialpad, Pension Gold workflows, and SharePoint testing. She reported that the review of the pension administration software is ongoing after ERFC's contract with LRS was renewed by the FCPS School Board for one year, effective July 1, 2025, through June 30, 2026.

### **Educational Resource List**

Ms. O'Neal reviewed the Educational Resource List.

The Educational Resource List was posted to BoardDocs.

### **Trustees Self-Evaluation**

Ms. Adams reviewed, and the Trustees discussed, the result of the Trustees Self-Evaluation.

The Staff Reports presentation and the Trustees Self-Evaluation Data were posted to BoardDocs.

Ms. Pfeffer-Hahn **moved to receive and file the reports of ERFC staff**. Mr. Quan seconded the motion. Mr. Solomon was not present for the vote. The remaining Trustees voted unanimously to receive and file the reports.

### **Election of Officers**

#### **Election of Officers**

Ms. Cromwell summarized the responsibilities of the Board Officers. She opened the floor to nominations for the Board Officers.

Mr. Smith moved **that the Board of Trustees re-elect the current slate of officers by acclamation**. Mr. Quan seconded the motion. Mr. Solomon was not present for the vote. The remaining Trustees voted unanimously to re-elect Ms. Adams as Board Chairperson, Ms. Pfeffer-Hahn as Vice Chairperson, and Ms. Burden as Treasurer.

## **Closed Session**

Ms. Pfeffer-Hahn **moved that the Board of Trustees go into Closed Session, including authorized ERFC staff and legal counsel, to discuss personnel matters, specifically the performance of ERFC staff, according to Virginia Code Section 2.2-3711.A.1.** Mr. Quan seconded the motion. Mr. Solomon was not present for the vote. The remaining Trustees voted unanimously to go into Closed Session at 2:27pm.

Ms. Pfeffer-Hahn **moved that the Board of Trustees come out of Closed Session.** Mr. Quan seconded the motion. Mr. Solomon was not present for the vote. The remaining Trustees voted unanimously to come out of Closed Session at 2:36pm.

Ms. Pfeffer-Hahn **moved to certify that only personnel matters were discussed or considered by the Board while in Closed Session.** Mr. Solomon was not present for the vote. The remaining Trustees voted unanimous approval.

## **Adjournment**

Mr. Smith **moved to adjourn the meeting.** Mr. Quan seconded the motion. Mr. Solomon was not present for the vote. The remaining Trustees voted unanimously to adjourn the meeting at 2:37pm.

**Next Meeting – July 25, 2025  
(all-virtual meeting)**