

**ARLINGTON COUNTY VIRGINIA  
EMPLOYEES' RETIREMENT SYSTEM**

**Board of Trustees  
Meeting Minutes  
July 8, 2021**

The President of the Board, Mr. Jonathan Kinney, called the meeting to order at 8:00 AM.

The meeting was held in person in Room 311 at 2100 Clarendon Boulevard and electronically via Microsoft Teams, consistent with the Virginia General Assembly and Arlington County rules allowing such electronic meetings during the COVID-19 pandemic.

Voting Members Present:            Mr. Jonathan Kinney, President  
   Mr. Richard Alt, Vice President  
   Ms. Michelle Cowan, Treasurer  
   Ms. Michael-dharma Irwin, Secretary  
   Mr. William Ross, Assistant Treasurer  
   Ms. Barbara Donnellan  
   Mr. Brian Lynch

Substitute Members Present:        Mr. Shaun Lewis  
   Mr. Carl Newby  
   Ms. Emily Hughes

Others Present:                        Ms. Susie Ardeshir, Executive Director  
   Ms. Rande Stenroos, Assistant Director  
   Ms. Katrina Milne, Analyst  
   Mr. Stephen Euell, Accountant  
   Mr. Rob Gooderham, Windmark Investment Partners  
   Mr. Garry Musto, Windmark Investment Partners  
   Ms. Virginia Sadler, CAO

**CONSENT LIST**

Mr. Kinney called the meeting to order at 8:00 AM. A motion to approve the consent list, consisting of the June 3, 2021 meeting minutes, was offered by Ms. Donnellan and seconded by Mr. Ross. The motion passed by a vote of 7-0.

**DISABILITY APPEAL**

The appellant's attorney requested a continuance of the disability hearing due to illness. A motion to continue the disability hearing was offered by Mr. Alt and seconded by Mr. Lynch. The motion passed by a vote of 7 – 0. The disclosure statement from Mr. Lynch is provided as an addendum.

There was a discussion with Ms. Virginia Sadler of CAO regarding the Board's role and responsibilities regarding disability hearings.

After discussion as to the date of the disability hearing, a motion was offered by Ms. Donnellan to schedule the hearing on August 5, 2021, at 9 AM and seconded by Mr. Ross. The motion passed by a vote of 7-0.

## **INVESTMENT REALLOCATION**

Messrs. Gooderham and Musto presented an asset allocation recommendation to adjust the portfolio's risk level.

Three reallocation options were presented:

- Do nothing, noting the Fund is at or above the top of the risk band
- Increase investment risk tolerance – downside risk band could be increased
- Investment reallocation:
  - Reduce NTGE Value Index by \$30M and Kiltarn by \$20M
  - Add \$25M each to Doubleline and NTGI Aggregate Bond Index

After a robust discussion between trustees and Windmark on the market, risk tolerance, and guidelines, Windmark withdrew the options and concurred with the trustee's decision to defer action on reallocation while noting that if market conditions change, Windmark will bring an investment reallocation to a future meeting. The Board requested a review of risk tolerance and risk guidelines (bands) in the coming months.

## **KEY INITIATIVES**

- Mr. Kinney welcomed Mr. Shaun Lewis, the new substitute trustee for public safety employees.
- Ms. Stenroos discussed the fees paid on funds at Vanguard and Northern Trust.
- Mr. Alt requested information on Northern Trust's disaster recovery plan.
- Mr. Kinney requested a session on fiduciary duties of investing in China at the January offsite.

## **ADJOURNMENT**

Ms. Donnellan, seconded by Mr. Ross, offered a motion to adjourn the meeting. The motion passed by a vote of 7-0. The meeting ended at 9:59 AM.

Respectfully Submitted,  
Ranee Stenroos  
Assistant Director


## ADDENDUM

07/08/21

"This is a service connected disability claim of a firefighter. Pursuant to VA Code § 2.2-3112.B.1 I am making this declaration prescribed in subsection F of § 2.2-3115. I am a firefighter and a member and a paid officer of Arlington Professional Firefighters and Paramedics Assoc.-IAFF Local 2800, which makes me a member of an occupation, business, profession and a group of three or more persons affected by the issue. The appellant is also a firefighter and a member of the same organization. The determination of service-connected disability claims are of significant economic importance to all firefighters and potentially one day to me. However, I am able to participate in the transaction fairly, objectively, and in the public interest, as I take my role as fiduciary seriously and it is not in my, the firefighting occupation's, the Association's or the public's interest that service connected disability claims be granted to those who should not receive them.

I would add that while the Association has assisted the appellant in this appeal as it customarily assists members with such appeals. However, at my direction, responsibility for the appeal was given to other officers of the Association instead of me."

Signed,



Brian P. Lynch  
Trustee-Uniformed Service



Lynch Disclosure  
7-08-21.pdf