

**ARLINGTON COUNTY VIRGINIA
EMPLOYEES' RETIREMENT SYSTEM**

**Board of Trustees
Meeting Minutes
May 4, 2023**

- Voting Members: Mr. Jonathan Kinney, President
Mr. Richard Alt, Vice President
Ms. Michelle Cowan, Treasurer (via TEAMS)
Ms. Michael-dharma Irwin, Secretary
Mr. William Ross, Assistant Treasurer
Ms. Barbara Donnellan
Mr. Brian Lynch
- Substitute Members: Ms. Emily Hughes
Mr. Carl Newby
- Substitute Members Absent: Mr. Matt Martin
- Others Present: Ms. Susie Ardeshir, Executive Director
Ms. Rande Stenroos, Assistant Director
Ms. Katrina Milne, Analyst
Mr. Stephen Euell, Accountant (via TEAMS)
Mr. Rob Gooderham, Windmark Investment Partners
Mr. Garry Musto, Windmark Investment Partners
Mr. Dan Barner, Windmark Investment Partners

THE MEETING CONVENED AT 8:30 AM

The President of the Board, Mr. Jonathan Kinney, called the meeting to order. The meeting was held at 2100 Clarendon Boulevard, Conference Room 311, and electronically via Microsoft Teams, consistent with the Virginia General Assembly and Arlington County policies for electronic participation in meetings.

CONSENT LIST

A motion to approve the consent list, consisting of March 2, 2023, meeting minutes, was offered by Ms. Donnellan and seconded by Mr. Ross. The motion passed by a vote of 7 – 0.

GOVERNANCE REVIEW

Ms. Ardeshir reviewed existing policies and noted no proposed changes. There was discussion around interest member contributions and aligning process to any modifications made to the County Code due to collective bargaining outcomes.

Ms. Ardeshir noted that Human Resources was initiating a benefits study.

The trustees were requested to complete the annual evaluations for the Executive Director, Windmark Investment Partners, and Franklin Park.

Ms. Ardeshir presented the proposed FY 2024 Retirement Office Budget. She noted increases in software and legal fees. There was a discussion of how the budget impacts the expense loading used in the actuarial valuation as well as sharing the costs associated with pension administration software.

The FY 2024 budget will be on the June 1, 2023, consent agenda.

INVESTMENT PORTFOLIO RECOMMENDATIONS

Messrs. Gooderham, Barner, and Musto with Windmark Investment Partners recommended moving from the Northern Trust Short-Term Investment Fund (STIF) to the Northern Trust Government Short-Term Investment Fund (GSTIF), given the uncertainty and potential risks in the banking sector.

After discussion, Mr. Lynch made a motion to move 50% of the STIF account into the GSTIF account—the motion failed. Mr. Alt motioned to move the STIF monies into the GSTIF account. Ms. Donnellan seconded the motion, which passed by a vote of 7-0.

Messrs. Gooderham, Barner, and Musto with Windmark Investment Partners recommended terminating the Vanguard 600 index and moving the proceeds into the Vanguard 500 Index.

After discussion, Ms. Irwin made a motion to terminate the Vanguard 600 Index and move the proceeds into the Vanguard 500 Index. Mr. Lynch seconded the motion, which subsequently passed by a vote of 6 – 1, with Mr. Ross dissenting.

KEY INITIATIVES

Messrs. Ross, Kinney, and Alt gave an update on the Franklin Park conference they attended. Mr. Kinney requested a discussion on alternative (private) investment valuations.

Ms. Ardeshir gave a portfolio update.

The Board also discussed the date and format of the July Board meeting, pending the timing of the disability appeal.

THE MEETING ADJOURNED AT 11:05 AM