

**ARLINGTON COUNTY VIRGINIA  
EMPLOYEES' RETIREMENT SYSTEM**

**Board of Trustees  
Meeting Minutes  
February 3, 2022**

The President of the Board, Mr. Jonathan Kinney, called the meeting to order at 8:35 AM. The meeting was held electronically via Microsoft Teams, consistent with the Virginia General Assembly and Arlington County rules allowing electronic meetings during the COVID-19 pandemic.

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

Voting Members Absent:            Ms. Michelle Cowan, Treasurer

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

Others Present:                        Ms. Susie Ardeshir, Executive Director  
   Ms. Randee Stenroos, Assistant Director  
   Ms. Katrina Milne, Analyst  
   Mr. Stephen Euell, Accountant  
   Mr. Rob Gooderham, Windmark Investment Partners  
   Mr. Garry Musto, Windmark Investment Partners  
   Mr. Drew Dinger, Windmark Investment Partners  
   Mr. Pat Paoli, Windmark Investment Partners  
   Mr. Jim McGovern, Franklin Park  
   Mr. Matt Castaldo, Franklin Park  
   Mr. Paul Marcus, Marcus Partners  
   Mr. Ryan McDonough, Marcus Partners  
   Mr. Pat Sousa, Marcus Partners

**CONSENT LIST**

Mr. Kinney called the meeting to order at 8:35 AM. A motion to approve the consent list, consisting of the December 1, 2021, meeting minutes, was offered by Mr. Ross and seconded by Mr. Alt. The motion passed by a vote of 6-0, with Ms. Cowan not present.

**GOVERNANCE REVIEW**

Ms. Ardeshir presented an overview of the governance documents, discussed a proposed framework for the governance documents, and created a new implementation manual. A discussion around the roles of various fiduciaries and investment beliefs then ensued.

The Board requested the Executive Director meet with the Governance subcommittee concerning their questions and return to the Board with the proposed framework.

### **PRIVATE INVESTMENT PROGRAM REVIEW AND PLAN**

Messrs. McGovern and Castaldo presented the 2022 Private Investment pacing plan and scenarios to understand the impact of changing the 15% exposure cap of the private investment program.

A motion to increase the policy limit for private investments from 15% to 25% was offered by Mr. Ross. With no second, the motion failed. The decision to upsize the Bison VI commitment was discussed and deferred until the Board reviews the allocation and policy limits of the private markets.

A motion to defer changing the cap and come back with additional information at the March meeting was offered by Ms. Donnellan and seconded by Mr. Alt. The motion passed by a vote of 6-0, with Ms. Cowan not present.

### **CLOSED SESSION**

Ms. Irwin offered a motion, seconded by Ms. Donnellan, and passed by a vote of 6-0, with Ms. Cowan not present to enter into a closed session for discussion by the Board regarding the acquisition, holding, or disposition of a security or other ownership interest in an entity, where such security or ownership interest is not traded on a governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential analyses prepared for the Board under a promise of confidentiality, of the future value of such ownership interest or the future financial performance of the entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed of by the Retirement System pursuant to Virginia Code §2.2-3711 A (20) & (38); 2.2 3705.7 (24).

The closed session began at 11:07 AM.

The Board returned to the open session at noon. On a motion by Ms. Irwin, and carried by a vote of 6-0, the voting recorded as follows:

<u>Member</u>	<u>Vote</u>
Mr. Kinney	Aye
Mr. Alt	Aye
Mr. Ross	Aye
Ms. Donnellan	Aye
Mr. Lynch	Aye
Ms. Irwin	Aye

The Board certified that only public matters lawfully exempted from open meeting requirement by Virginia law and identified in the motion convening the closed session were heard, discussed, or considered.

Upon returning to the open session, Ms. Irwin, seconded by Mr. Ross, offered a motion to commit \$25 million to Marcus Partners Fund IV, subject to satisfactory negotiation of documentation, to be funded via the Northern Trust Short Term Investment Fund or the Vanguard 500 Index Fund, as necessary, at staff's discretion, and authorize staff to take the actions required to implement the investment. The motion passed by a vote of 5 – 1, with Mr. Alt dissenting and Ms. Cowan not present.

## **KEY INITIATIVES/OTHER BUSINESS**

Ms. Ardeshir discussed the addition of new items to the FY 2023 budget. A draft will be presented at the May 2022 Board meeting.

A discussion of virtual, in-person, or hybrid meetings was held between the Board and Staff. It was agreed that the March 2022 meeting would be held virtually while the April 2022 meeting would be a hybrid, with trustees being able to attend in person or via Microsoft Teams.

## **ADJOURNMENT**

Ms. Irwin, seconded by Mr. Lynch, offered a motion to adjourn the meeting. The motion passed by a vote of 6-0, with Ms. Cowan not present. The meeting ended at 12:21 PM.