



DISTRICT OF COLUMBIA RETIREMENT BOARD
BOARD MEETING MINUTES
JULY 16, 2015
2:15 P.M.

MEMBERS PRESENT

Joseph M. Bress, Chairman
Lyle M. Blanchard
Barbara Davis Blum
Joseph W. Clark
Mary A. Collins
Gary W. Hankins
Nathan A. Saunders
Edward C. Smith
Thomas N. Tippet
Lenda P. Washington

DCRB STAFF PRESENT

Erie Sampson, General Counsel
Sheila Morgan-Johnson
Johnetta Bond
Peter Dewar
Anthony Shelborne
Joan Passerino
Patrick Sahn
Michael Xanthopoulos
Camille Castro
Daniel Hernandez
Deborah Reaves
Johniece Harris
Denice McSears
Wukyanos Gebremeskel
Jason Todd
Alexander Williams von Fabricius
John Siegmond
Alexandria Veasley

MEMBERS NOT PRESENT

Michael J. Warren
Darrick O. Ross
Jeffrey Barnette, ex officio

OTHERS PRESENT

Gene Kalwarski, Cheiron
Janet Cranna, Cheiron
Leighann Guinan, Cheiron

ROLL CALL

Chairman Bress called the meeting to order at 2:15 p.m. Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Chairman Bress introduced a motion to approve the May 21, 2015 Board meeting minutes.

Motion #1: To approve the May 21, 2015 Board meeting minutes.

The motion was moved by Trustee Smith and properly seconded by Trustee Collins. The motion was approved (9-0), with 1 abstention. (*See Tally #1*)

CHAIRMAN'S COMMENTS

Committee Assignments

A list of Committee assignments for the current Board year was included in the Board packet forwarded to members prior to the meeting.

Ad Hoc Committee

An Ad Hoc Committee, consisting of the Chairs of each Standing Committee, will meet over the summer to review the Executive Director's contract. A recommendation on the status of the contract will be presented to the Board in the fall.

George Suter's Memorial Service

The Chairman noted the passing of former Trustee George Suter on June 22, 2015, and called for a moment of silence in his memory. The Chairman mentioned Mr. Suter's long service on the Board and his having served as Benefits Committee Chair for a number of years.

Other

There will be no meeting during the month of August.

EXECUTIVE DIRECTOR'S REPORT

On behalf of Executive Director Stanchfield, Sheila Morgan-Johnson referred the Trustees to his written report for information on recent staff activities.

Summer Newsletter – Teachers' Edition

Trustee Collins complimented the staff on the recent special Teachers' Edition newsletter, which she indicated had been very well received.

OPM Security Breach

Chairman Bress reported that Benefits staff had reached out to OPM to determine whether any participants of the Police Officers and Firefighters' or Teachers' Plans had been affected by the recent security breach. OPM advised Benefits Staff that it could not answer that question at this time.

Treasury Offset Program (TOP) FOIA Requests

Chairman Bress also noted that DCRB had sent Freedom of Information Act (FOIA) requests to U.S. Treasury's Director of FOIA and Transparency, and the Disclosure Office of Treasury's Bureau of the Fiscal Service, asking for information related to TOP.

INVESTMENT COMMITTEE REPORT

Investment Committee Chair Blum presented the following motions proposed by the Investment Committee, which met earlier in the day:

Motion #2: To commit up to \$30 million to Accel-KKR Capital Partners V, LP (private equity), subject to further due diligence and contract negotiations.

The motion was moved and properly seconded by Trustee Tippet. The motion was approved 9-1. (*See Tally #2*)

Motion #3: To commit up to \$30 million to Summit Partners Growth Equity Fund IX, LP (private equity), subject to further due diligence and contract negotiations.

The motion was moved and properly seconded by Trustee Tippet. The motion was approved 10-0. (*See Tally #3*)

Motion #4: This motion is redacted pursuant to D.C. Code §2-575(b)(2) because public disclosure of the motion would adversely affect DCRB's negotiation strategy.

No vote was taken on this motion.

OPERATIONS COMMITTEE REPORT

There was no report for the Operations Committee, since the Committee did not meet this month.

BENEFITS COMMITTEE REPORT

Benefits Committee Chair Smith indicated that the Benefits staff was involved in ongoing administrative activities related to disability income review and annuitant verification. He also noted the status of requests for reconsideration regarding overpayments addressed in the Max 80/COLA Lookback Errors Project. He referred Trustees to his written report for details.

Treasury Offset Program (TOP)

Trustee Smith reported that Benefits and Legal staff have conferred with the U.S. Treasury's Office of D.C. Pensions (ODCP) about the TOP program and referred questions to the Legal Department. Erie Sampson, DCRB's General Counsel, stated that Legal has talked with ODCP legal staff and, as noted in the Executive Director's Report, DCRB has submitted FOIA requests to Treasury and to the Treasury's TOP bureau staff asking for copies of all requests for exemptions under the Federal TOP program, copies of the Secretary's written responses granting or denying such requests, and a waiver of all fees associated with DCRB's request for this information.

LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard referred Trustees to the written Legislative Committee Report regarding the status of B21-0157, "Fiscal Year 2016 Budget Request Act of 2015," and indicated that the bill was transmitted to the Mayor, enacted, and signed on July 9, 2015 instead of the dates originally noted on the Committee Report.

AUDIT COMMITTEE REPORT

Committee Chairman Hankins introduced members of the Cheiron actuarial firm which DCRB hired earlier this year to perform an actuarial audit.

Cheiron provided the Board with an overview of its Actuarial Audit Report. Cheiron noted the context in which the audit was performed, summarized their key findings, and identified the recommendations made to DCRB's actuary, CavanaughMacdonald.

Following the presentation, Trustees asked a series of questions related to the key findings and recommendations, and discussed how the changes might improve the annual reports received by the Board, as well as their understanding of the elements of the annual valuations. Trustee Hankins then proposed the following Motion:

Motion #5: To accept the Actuarial Audit Report presented by Cheiron.

The motion was properly moved by Chairman Bress and seconded by Trustee Hankins. The motion was unanimously approved 8-0. (*See Tally #5*)

OTHER BUSINESS

None

ADJOURNMENT

Motion #6: Chairman Bress introduced a motion to adjourn the meeting at 3:35 p.m.

The motion was moved by Trustee Collins and properly seconded. The motion was unanimously approved 8-0. (*See Tally #6*)

DRAFT

**DISTRICT OF COLUMBIA RETIREMENT BOARD
RECORD OF OFFICIAL BOARD ACTIONS**

Tally #1:		Date: July 16, 2015			
To approve the May 21, 2015 Board meeting minutes.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.			√		
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

Tally #2:		Date: July 16, 2015			
To commit up to \$30 million to Accel-KKR Capital Partners V, LP (private equity), subject to further due diligence and contract negotiations.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.		√			
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

**DISTRICT OF COLUMBIA RETIREMENT BOARD
RECORD OF OFFICIAL BOARD ACTIONS**

Tally #3:		Date: July 16, 2015			
To commit up to \$30 million to Summit Partners Growth Equity Fund IX, LP (private equity), subject to further due diligence and contract negotiations.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

Tally #4:		Date: July 16, 2015			
This motion is redacted pursuant to D.C. Code §2-575(b)(2) because public disclosure of the motion would adversely affect DCRB's negotiation strategy.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair					
Blanchard, Lyle					
Blum, Barbara Davis					
Clark, Joseph W.					
Collins, Mary A.					
Hankins, Gary W.					
Ross, Darrick O.					
Saunders, Nathan					
Smith, Edward C.					
Tippett, Thomas N.					
Warren, Michael J.					
Washington, Lenda P.					

**DISTRICT OF COLUMBIA RETIREMENT BOARD
RECORD OF OFFICIAL BOARD ACTIONS**

Tally #5:		Date: July 16, 2015			
To accept the Actuarial Audit Report presented by Cheiron.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle					√
Blum, Barbara Davis	√				
Clark, Joseph W.					√
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

Tally #6:		Date: July 16, 2015			
To adjourn the meeting at 3:35 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle					√
Blum, Barbara Davis	√				
Clark, Joseph W.					√
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				