



DISTRICT OF COLUMBIA RETIREMENT BOARD
MEETING MINUTES
FEBRUARY 16, 2012
1:00 PM

MEMBERS PRESENT

Michael J. Warren, Chairman
Lyle M. Blanchard
Barbara Davis Blum
Joseph M. Bress*
Diana K. Bulger
Deborah Hensley
Darrick O. Ross
Edward C. Smith
Thomas N. Tippett

DCRB STAFF PRESENT

Erie Sampson, General Counsel
Sheila Morgan-Johnson
Tom Anderson
Joan Passerino*
Daniel Hernandez
Michael Williamson
Corinne Koch
Leslie King
Jason Ostroski
Donnie Bryant
Vernon Valentine
Katie Schultz
Yolanda Smith
Rabinai Carson
Denice McSears

MEMBERS NOT PRESENT

Joseph W. Clark
Judith C. Marcus
George R. Suter
Lasana Mack, Ex-Officio

OTHERS PRESENT

Kathleen Clark, Office of the Attorney General
Brenda Mathis, OCFO

*Not present at Roll Call

ROLL CALL

Chairman Warren called the meeting to order at 1:40 p.m. Ms. Yolanda Smith called the roll.

APPROVAL OF MINUTES

Ms. Blum made the following motion, which was seconded by Ms. Hensley:

Motion #1: To approve the January 19, 2012 Board meeting minutes. *A voice vote was called and the motion was approved 7-0 with one abstention. (See Tally #1)*

CHAIRMAN'S COMMENTS

Chairman Warren encouraged Trustees to attend as many Committee meetings as possible, because he would like to drive work done by the Board in Committee meetings. He said CliftonLarsonAllen LLP responded to the Board's request for a best practice summary for governing bodies of pension systems. The report was distributed to Trustees, and it will be discussed at the next Open Board meeting.

Chairman Warren said the Board is about to embark on a multi-year program of Trustee education and training.

GENERAL COUNSEL REPORT

Ms. Sampson, the General Counsel, reported on the following items:

- **Annual Financial Disclosure Forms**: The forms were distributed to Trustees at the meeting, and they can be completed and returned at the March, April, or May Board meetings;
- **Ethics Training for DCRB Trustees**: Ms. Sampson introduced Ms. Kathleen Clark, of the Office of the Attorney General, who administered an ethics training session for the Board. Ms. Clark reviewed the new DCRB Ethics Manual that was published January 27, 2012, with focus on the gift policy and The Hatch Act. She also reviewed the 2011 Ethics Bill which creates a new Ethics Board of the District of Columbia. The Bill will handle advice, training, financial disclosures, investigations, and sanctions. The legislation will also change financial disclosure requirements.

INVESTMENT COMMITTEE REPORT

Investment Committee Chair Barbara Blum presented the following action items:

Ms. Blum made the following motion, which was seconded by Mr. Tippet:

Motion #2: To rescind the motion approved by the Board in December 2011 to utilize the State Street GSTIF Fund as the cash vehicle in place of the current traditional STIF, in accordance with the recommendation by Meketa. *A voice vote was called and the motion was approved 8-0. (See Tally #2)*

Ms. Blum made the following motion, which was properly seconded:

Motion #3: To approve an investment in State Street's non-interest bearing fully FDIC-insured DDA as a cash replacement for the STIF. *A voice vote was called and the motion was approved 8-0. (See Tally #3)*

Ms. Blum made the following motion, which was seconded by Mr. Tippet:

Motion #4: This motion is redacted pursuant to DC Code §§ 2-575(b)(1) and 1-909.05(e) and (f) because public disclosure of the Motion would jeopardize DCRB's ability to implement the motion or to achieve the investment objectives. *A voice vote was called and the motion was approved 8-0. (See Tally #4)*

Ms. Blum made the following motion, which was seconded by Mr. Blanchard:

Motion #5: This motion is redacted pursuant to DC Code §§ 2-575(b)(1) and 1-909.05(e) and (f) because public disclosure of the Motion would jeopardize DCRB's ability to implement the motion or to achieve the investment objectives. *A voice vote was called and the motion was approved 8-0. (See Tally #5)*

EXECUTIVE DIRECTOR REPORT

Mr. Stanchfield updated the Board on the following items:

- Executive Director Absence Plan: The Executive Director delegated his authority to Sheila Morgan Johnson, and in her absence to Tom Anderson;
- D.C. Council Communications: Councilmember Bowser, Chair of the Committee on Government Operations, oversees DCRB and annually holds hearings on DCRB's performance and budget. DCRB's performance testimony is March 1. In the Executive Director's absence, Chairman Warren will deliver the agency testimony. Councilmember Mendelson, Chair of the Committee on the Judiciary, also scheduled an oversight hearing for the District of Columbia Police Officers and Firefighters' Retirement Plan on February 24;
- DCRB Lease: DCRB is negotiating a new lease term;
- DCRB Intranet: DCRB is currently designing an Intranet site for staff;
- Cavanaugh MacDonald: Cavanaugh Macdonald will begin a 30-year projection study after contract negotiations. This study, which was last completed in 2006, will project cash flow and benefit payments;
- DCRB Secure Message Transmissions: DCRB initiated a trial of a secure email service provided by ZixCorp, to allow DCRB to protect confidential information and meet privacy requirements mandated by regulations;
- Ethics Pledge: The District recently distributed a District of Columbia Ethics Manual. DCRB provided Ethics training to all staff in November 2011. DCRB staff acknowledged receipt of this manual and will also sign the ethics form in PeopleSoft;
- Contracting Officer Technical Representative Training ("COTR"): DCRB's Sr. Procurement Specialist, Donnie Bryant, conducted "COTR" training for DCRB staff involved in issuing request for proposals, contractor oversight, and project management;
- DCRB's First Executive Director Dies: Earl Johnson, Jr. passed away on February 8, 2012. He was DCRB's first Executive Director from 1984-1988;
- Employer Contributions to the Fund: Ms. Morgan-Johnson noted that based on the 2006 projection study, the District payments to the Fund would be expected to exceed the Federal payments by 2029. By 2037, the District payments are expected to double the Federal payments, and by 2050, over 90% of the total expected benefit payments will be based on District benefit service.

OTHER BUSINESS

Pursuant to Section 1502.14 of the Board Rules, the Election of Officers was conducted by secret ballot. The Board's Administrative Specialist, Ms. Rabinai Carson, served as the teller and managed the collection and counting of the ballots.

Ms. Blum made the following motion, which was seconded:

Motion #6: That all votes for all positions be written on one ballot per Trustee and be approved at the same time. *A voice vote was called and the motion was approved 7-1. (See Tally #6)*

Nominations: Following a vote, it was announced that all nominated Trustees were elected to the office of their nomination.

- **Chairman:** Michael Warren

- **Secretary:** Joseph Bress
- **Treasurer:** Lyle Blanchard
- **Parliamentarian:** Judith Marcus
- **Sergeant-at-Arms:** Diana Bulger

Committees: Mr. Warren noted that Committee placement and the election of Committee Chairs and Vice Chairs will be undertaken at the next meeting of the Board of Trustees.

Conferences: Mr. Blanchard noted that he attended a conference and he has made the slides available to Trustees and DCRB staff through Ms. Morgan-Johnson.

ADJOURNMENT

Motion #7: Mr. Smith moved to adjourn the meeting at 3:07 p.m. The motion was seconded by Mr. Bress. *A voice vote was called and the motion was approved 7-0. (See Tally #7)*

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

Tally #1		Date: February 16, 2012			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.					√
Bulger, Diana K.	√				
Clark, Joseph W.					√
Hensley, Deborah	√				
Marcus, Judith C.					√
Ross, Darrick O.	√				
Smith, Edward C.			√		
Suter, George R.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				

Tally #2		Date: February 16, 2012			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Clark, Joseph W.					√
Hensley, Deborah	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Smith, Edward C.	√				
Suter, George R.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				

Tally #3		Date: February 16, 2012			
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Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Clark, Joseph W.					√
Hensley, Deborah	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Smith, Edward C.	√				
Suter, George R.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				

Tally #4			Date: February 16, 2012		
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Clark, Joseph W.					√
Hensley, Deborah	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Smith, Edward C.	√				
Suter, George R.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				

Tally #5	Date: February 16, 2012
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Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Clark, Joseph W.					√
Hensley, Deborah	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Smith, Edward C.	√				
Suter, George R.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				

Tally #6			Date: February 16, 2012		
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Clark, Joseph W.					√
Hensley, Deborah		√			
Marcus, Judith C.					√
Ross, Darrick O.					√
Smith, Edward C.	√				
Suter, George R.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				

Tally #7			Date: February 16, 2012		
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis* * Stepped out of the room.					√
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Clark, Joseph W.					√
Hensley, Deborah	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Smith, Edward C.	√				
Suter, George R.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				