



DISTRICT OF COLUMBIA RETIREMENT BOARD
MEETING MINUTES
MARCH 20, 2014
1:00 PM

MEMBERS PRESENT

Joseph M. Bress
Lyle M. Blanchard
Barbara Davis Blum
Mary A. Collins
Gary W. Hankins
Nathan A. Saunders
Edward C. Smith
Thomas N. Tippett

DCRB STAFF PRESENT

Eric Stanchfield
Sheila Morgan-Johnson
Tom Anderson
Erie Sampson
Johnetta Bond
Daniel Hernandez
Peter Dewar
Leslie King
Deborah Reaves
Wukyanos Gebremeske
Yolanda Smith
Robin Chester
Denise McSears

MEMBERS NOT PRESENT

Diana K. Bulger
Darrick O. Ross
Michael J. Warren
Jeffrey Barnette, Ex-Officio

OTHERS PRESENT

Brenda Mathis, OCFO
Jim Schneider, Retired Firefighter
Marion Sanchez, Retired Firefighter

ROLL CALL

Chairman Bress called the meeting to order at 2:00 p.m. Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Motion #1: Chairman Bress introduced the motion to approve the Board meeting minutes for January 23, 2014. The motion was moved by Mr. Hankins and seconded by Mr. Smith. The motion was passed 7-0, with Trustee Collins abstaining from voting.

CHAIRMAN'S COMMENTS

Chairman Bress welcomed back Mary Collins to the Board of Trustees. Mr. Bress congratulated Ms. Collins on being elected by a majority of the retired teachers and mentioned to the Board that Ms. Collins previously served on the Board for twelve years representing the active teachers. Ms. Collins indicated that she was happy to be serving again and looked forward to working with the both the staff and Board Trustees.

Chairman Bress announced that DCRB's annual budget oversight hearing is scheduled for April 14, 2014, at 10:00 a.m. before Councilmember Phil Mendelson, Chairman of the Committee of

the Whole. Chairman Bress indicated that he will deliver the trustee statement and all Trustees are welcome to attend.

Chairman Bress acknowledged and thanked Gary Hankins for presenting the trustee statement at the performance oversight hearing on March 5, and assisting with answering questions from Councilmember Mendelson.

Chairman Bress asked DCRB's Chief Financial Officer, Thomas Anderson, to brief the Board on the future Audit Committee. Mr. Anderson indicated that staff is moving forward with drafting an Audit Committee Charter and governance policy for trustees' consideration, with the goal being for the Audit Committee to meet in April and finalize the charter for Board approval next month. Mr. Anderson discussed the need for training and for clear responsibilities of the committee. Mr. Anderson clarified a question from Ms. Collins about committee makeup: the planned three-person Committee will be exclusively Trustees, not ex-officio members of the Board.

Mr. Bress welcomed back Director Eric Stanchfield to the office from undergoing surgery. Mr. Stanchfield thanked the Chairman and thanked his staff, in particular, Ms. Sheila Morgan-Johnson, Chief Investment Officer, for work performed in his absence.

EXECUTIVE DIRECTOR'S REPORT HIGHLIGHTS

Mr. Stanchfield presented the following information to the Board:

- The office move occurred on March 7-10th, as planned. Thanks to Sue Scrapper, Peter Dewar, the IT team, Deborah Reaves, and the move coordinators.
- DCRB submitted written responses to performance questions from Chairman Mendelson prior to the Committee of the Whole Performance Oversight Hearing March 5th. Subsequently, DCRB submitted responses to questions Chairman Mendelson asked during the hearing regarding historical fund performance, supplemental procurement data, WMATA benefits costs, and survivor benefit coverage.
- DCRB met with staff from the Office of DC Pensions (ODPC) in January and February to review ongoing projects and to present DCRB's IT Strategic Plan.
- In the area of human resources, many staff vacancies have been filled, particularly in the Benefits Department, where five vacancies were filled within the last two months.

GENERAL COUNSEL REPORT HIGHLIGHTS

No report this month. Ms. Sampson reminded the Trustees that Financial Disclosure Forms should be submitted at the April Board meeting.

INVESTMENT COMMITTEE REPORT HIGHLIGHTS

The investment committee met prior to the Board meeting and the committee Chair Ms. Blum presented the Board with three motions:

Motion #2: To terminate investment in one fund and reinvest the proceeds in another fund.

The motion was seconded by Mr. Tippet. A vote was called and the motion was approved 6-0, with Ms. Collins and Mr. Blanchard abstaining from voting.

Motion #3: To approve the additions to the Real Assets & Private Equity Forward Calendar.

The motion was seconded by Mr. Hankins. A vote was called and the motion was approved 7-0, with Mr. Blanchard abstaining from voting.

Motion #4: To commit \$20 million to EnCap Flatrock Midstream Fund III, LP, an infrastructure/opportunist fund, subject to contract negotiations.

The motion was seconded by Mr. Tippet. A vote was called and the motion was approved 6-0, with Ms. Collins and Mr. Blanchard abstaining from voting.

BENEFITS COMMITTEE REPORT HIGHLIGHTS

Mr. Smith referred the Board to the Benefits Report in the packet and highlighted the following items:

- With the implementation of the Business Process Re-engineering staffing alignment now in place, the Department has seen an increase in the number of retirement packages processed by the Retirement Services Unit over the past two months. Retirement packages are now being processed in less than sixty days of receipt of a complete package, and the backlog has virtually disappeared. The Department continues to make efforts to reduce this time as benefits from the data reclamation process are realized.
- As noted in the last report, ODCP has indicated that contractors will soon be secured to begin work on the COLA Lookback project.

Ms. Collins requested an explanation of the COLA Lookback Project and Mr. Tippet provided this information.

- As a result of the CY 2013 Disability Earned Income Review under the Police Officers and Firefighters' Retirement Plan, ten disability annuitants were found restored to earning capacity and had their annuities terminated. Five of those ten requested reconsideration and two have been reinstated. The CY 2013 Disability Earned Income Review will begin this spring.
- The March 1, 2014 annuitant and survivor COLA announcement of 1.5% for Police, Fire, and Teachers has been posted on the DCRB website and annuitants will see this increase in their April 1, 2014 pay check. Tier 1 non-union police and firefighters who receive equalization increases will see a 1.03% increase in their May 1, 2014 benefit payment. This benefit will also include a retroactive payment to the May 1, 2013 effective date of the equalization increase.

LEGISLATIVE COMMITTEE REPORT HIGHLIGHTS

There was no legislative committee report.

OPERATIONS COMMITTEE REPORT HIGHLIGHTS

There was no report this month.

OTHER BUSINESS

Board Officer Election: Pursuant to Section 1502.14 of the Board Rules, the Election of Officers was conducted by secret ballot. Ms. Yolanda Smith, the Board's Contract Specialist, served as the teller and managed the collection and counting of the ballots.

Chairman Bress called for the nominations in the following categories:

- **Chairman:** Ms. Blum nominated Mr. Bress for Chairman, and Mr. Tippet seconded the nomination. Mr. Bress was elected Chairman of the Board (7 votes);
- **Secretary:** Mr. Tippet nominated Mr. Warren for Secretary, and the motion was properly seconded. Mr. Warren was elected Secretary of the Board (8 votes);
- **Treasurer:** Mr. Tippet nominated Mr. Blanchard, and Mr. Hankins seconded the nomination. Mr. Blanchard was elected Treasurer of the Board (7 votes);
- **Parliamentarian:** Ms. Blum nominated Mr. Tippet, and Mr. Tippet declined the nomination. Mr. Tippet nominated Ms. Bulger and the nomination was properly seconded. Ms. Bulger was elected Parliamentarian of the Board (8 votes);
- **Sergeant-at-Arms:** Mr. Tippet nominated Mr. Hankins and the nomination was seconded by Mr. Smith. Mr. Hankins was elected Sergeant-at-Arms of the Board (8 votes).

ADJOURNMENT

Motion #5: Chairman Bress moved to adjourn the meeting at 3:00 p.m.

The motion was seconded by Mr. Tippet and unanimously passed.