DISTRICT OF COLUMBIA RETIREMENT BOARD (DCRB)
OPEN BOARD MEETING MINUTES
THURSDAY, July 16, 2026
1:30 P.M. via WebEx

MEMBERS PRESENT
Chair, Danny Gregg
Michael Bethea
Joseph M. Bress
Lyle M. Blanchard 1:39 pm
Geoffrey Grambo
Tracy S. Harris
Chester McPherson
Greggory Pemberton
Nathan Saunders
Adam Weers

DCRB STAFF PRESENT
JP Balestrieri, Executive Director
Kate Robinson
Violeta Curiel Gonzalez
Dave Hart
Patrick Sahm
Paul Gormley
Ram Murthy
Daniel Hernandez
Vernon Valentine
Lauren Smith
Lori Morgan
Steve Utley
Jaininne Edwards
Johniece Harris, Board Liaison

MEMBERS NOT PRESENT
Joseph W. Clark
Christopher Finelli
Carmen Pigler-Ex Officio

OTHERS PRESENT
Gar Chung, Financial News
Joe Ebisa, With Intelligence

ROLL CALL
Chair Danny Gregg called the meeting to order at 1:32 p.m. and Ms. Johniece Harris called the roll.

APPROVAL OF MINUTES
Chair Gregg introduced a motion to approve the open session Board meeting minutes.

Motion#1: To approve the May 21, 2026, Open Board meeting minutes.

The motion was moved by Trustee Gregg and properly seconded by Trustee Weers.
The motion was approved by unanimous vote (10-0). *(See Tally #1)*

Tally #1			Date: July 16, 2026		
Motion #1: To approve the May 21, 2026, Open Board meeting minutes.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Bethea, Michael	√				
Blanchard, Lyle M.	√				
Bress, Joseph M.	√				
Clark, Joseph W.					√
Finelli, Christopher					√
Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
McPherson, Chester	√				
Pemberton, Greggory J.	√				
Saunders, Nathan	√				
Weers, Adam	√				

CHAIR REPORT

Chair Gregg presented a report on the following topics:

- **In-Person Board Attendance:**
  Board meetings will continue virtually as well as in-person. Those Trustees who plan to meet in the Board room are welcome to do so, but please let staff know in advance.

- **Board & Committee Etiquette:**
  Preparation – review agenda, reports, and material in advance of meeting

  Professional Conduct – treat all members, staff, and guests with respect. Listen actively and avoid interrupting others. Disagree professionally – focus on issues, not individuals.

  Speaking Protocols – to avoid talking over another, address comments to the chair; stay on topic and keep remarks concise. Allow equal opportunity for all attendees to speak.

  Decision Making – support board decisions once a vote is taken, even if you disagree. Avoid revisiting settled matters unless current information becomes available.

  Computer Camera – if attending remotely, please turn on your camera and mute your audio until you intend to speak.

  Delegation of Authority – the Board of Trustees will focus on setting the overall direction, strategy, and policies for DCRB, and will delegate authority to the executive director (ED) and his management team to develop policies and procedures to handle day-to-day operations in accordance with Board decisions.

The Golden Rule – noses in, fingers out. The Board will provide oversight and steer strategy, while leaving daily execution to the management team.

- **Governance:**
The Board and the ED will create a vision for the organization while the professional staff will aid the Board by developing operational policies and procedures to effectively execute board decisions.

- **Investments:**
This morning trustees received a thorough update from our CIO, Patrick Sahm, and the investment team on the investment process for private market investments. For this meeting, the executive director will provide a year-to-date overview of the Fund's performance, and the chair of the Investment Committee will update us about decisions made today by the Investment Committee for board consideration.

- **Standing Committees: Chairs and Vice Chairs of Standing Committees:**

➢ Investment Committee of the Whole–Chair Adam Weers/Vice Chair Tracy Harris
➢ Audit Committee – Chair Tracy Harris/Vice Chair Joseph Bress
➢ Benefits Committee – Chair Geoff Grambo/Vice Chair Greggory Pemberton
➢ Legislative Committee – Chair Lyle Blanchard/Vice Chair Joseph Clark
➢ Operations Committee - Chair Chris Finelli/Vice Chair Greggory Pemberton

- **Scheduled Meetings:**
Trustees will meet every other month. A schedule is posted at DCRB website with dates and times. Committee meetings shall be held during the months a board meeting is not.

- **August – No Board or Committee Meetings:** Training sessions for all Trustees will be held prior to the Investment Committee meeting in the months the Board of Trustees meets. All Trustees are encouraged to seek out knowledge-based and skills-based training opportunities to better serve Plan participants.

- **Trustee Elections:** As mentioned in the May Board meeting, the elections for an Active Police Representative on the Board of Trustees will commence on August 1, 2026. The four-year term will begin January 28, 2027, and end January 27, 2031. The Notice of Election and Request for Nominations, including Statement of Candidacy Forms are tentatively scheduled to be sent to eligible members on September 08, 2026.

- **New Trustee Orientation:** Staff will be reaching out to schedule a new trustee orientation for Trustees Bethea and McPherson. Trustees are also encouraged to attend as a refresher. Subjects covered include, DCRB's mission and vision, departmental structure, Board governance, fiduciary principles and ethics, communications and outreach, administrative procedures, finance and technology, benefits, and investments.
- **Reminders:** The next Board Meeting will be held on September 17, 2026.

Boardroom Telephone Numbers:

➢ JP Balestrieri, Executive Director, 202.343.3228
➢ Johniece Harris, Board Liaison, 202.343.3228

Electronic Participation: Webex information is sent to all Trustees prior to scheduled Board and Committee meetings. Should you encounter a problem, please contact Johniece by email at Johniece.Harris@dc.gov.

Complaints from Plan Participants: please refer complaints from Plan participants to the department head responsible for addressing the issue with a courtesy notification to the executive director.

DCRB Laptops: use of a DCRB laptop is to access your official DC.Gov email account and the Board portal at Diligent. The laptop is used solely for official government business. To safeguard the laptop against unwanted intrusions and to ensure it has the most recent version of installed software, users should log on at least weekly to upload

Trustees moved to the next item on the agenda

EXECUTIVE DIRECTOR'S REPORT

Executive Director, JP Balestrieri, presented a report on the following topics:

1. Staffing Update

a. **New and Pending Hires**
b. **Current Vacancies to Fill**
c. **Classification & Compensation Study Update**

2. Fiscal Year 2026 Fund Performance and Investment Update (As of 7/6/2026)

a. **Total Market Value of the Fund:** a new high of $14.7 billion
b. **Firm Fund Liquidity:** Currently, the Fund holds approximately $154 million in cash.
c. **Net Returns to the Fund:**
   i. Calendar YTD: 7.5%
   ii. Fiscal Year Ended 2025: 10.25%
   iii. Fiscal YTD 2026: 9.8%
   iv. Last twenty (20) Years Average: the net return has averaged +6.6% per annum

3. Asset Allocation & Rebalancing Update (As of 7/6/2026)

The DCRB investment team monitors the portfolio's asset allocation daily to ensure the asset allocation stays in line with targets and that there is sufficient liquidity to meet benefit payments, capital calls, and other operational needs.

a. **Since the last board meeting:** the investment team has completed another 30 rebalancing transactions valued at about $1.685 billion**.**
b. **Fiscal YTD 2026**: the investment team has completed 77 rebalancing transactions valued at approximately $2.847 billion.

4. Closings Since last Board Meeting:

1. Closed on a new US Public Equities commitment with Arrowstreet US Equity Fund on 5/26/2026 for a total amount of $735 million.
2. Closed on a new $100 million investment commitment with Ares Pathfinder Fund III on 5/29/2026.

5. Stakeholder Outreach: Trainings and Workshops

The Benefits team continues to lead a very proactive stakeholder outreach program continues in fiscal year focused on training and workshops with employer agencies.

a. May 19, 2026 – DC Public School Retirement Workshop
b. June 13, 2026 – DC Fire and EMS Recruit Class New Employee Orientation

6. **<u>2026 Experience Study Update</u>**

The last experience study was completed in fiscal year 2022 and was based on experience through June 30, 2020. General standards are to complete a new experience study up to every five years, depending on plan size and circumstances. The final report is scheduled to be completed by the end of fiscal year 2026.

7. **<u>BAPS Update</u>**

Final negotiations with Majesco were concluded and a final contract was executed with Majesco on May 26, 2026.

Trustees moved to the next item on the agenda

<u>LEGAL DEPARTMENT REPORT</u>

Kate Robinson, Interim General Counsel, reported no new developments. DCRB's Legal Department continues to make progress on our goals and projects for fiscal year 2026.

Trustees moved to the next item on the agenda

<u>INVESTMENT COMMITTEE REPORT</u>

Committee Chair Weers reported that the Investment Committee met earlier today. The Investment Committee met earlier today. The official actions taken at this meeting are presented below for ratification by the Board of Trustees:

- To approve a commitment of up to $75 million to **"FUND AS"***, a private real estate fund, pending legal review and final due diligence. The commitment is in line with DCRB's investment policy statement and asset allocation.

- To approve a commitment of up to $125 million to **"FUND AT"***, a private equity fund, pending legal review and final due diligence. The commitment is in line with DCRB's investment policy statement and asset allocation.

- A $100 million commitment to **ARES PATHFINDER FUND III**, a private credit fund, on May 29, 2026.

<u>Motion #2</u>: To approve a commitment of up to $75 million to **"FUND AS"***, a private real estate fund, pending legal review and final due diligence. The commitment is in line with DCRB's investment policy statement and asset allocation.

The motion was moved by Chair Weers and properly seconded by Trustee Harris.
The motion was approved unanimous vote (10-0). *(See Tally #2)*

Tally #2			Date: July 16, 2026		
Motion #2 To approve a commitment of up to $75 million to "FUND AS"*, a private real estate fund, pending legal review and final due diligence. The commitment is in line with DCRB's investment policy statement and asset allocation.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Bethea, Michael	√				
Blanchard, Lyle M.	√				
Bress, Joseph M.	√				
Clark, Joseph W.					√
Finelli, Christopher					√
Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
McPherson, Chester	√				
Pemberton, Greggory J.	√				
Saunders, Nathan	√				
Weers, Adam	√				

Motion #3: To approve a commitment of up to $125 million to **"FUND AT"***, a private equity fund, pending legal review and final due diligence. The commitment is in line with DCRB's investment policy statement and asset allocation.

The motion was moved by Trustee Weers and properly seconded by Trustee Harris.
The motion was approved by a unanimous vote (10-0). *(See Tally #3)*

Tally #3			Date: July 16, 2026		
Motion #3: To approve a commitment of up to $125 million to "FUND AT"*, a private equity fund, pending legal review and final due diligence. The commitment is in line with DCRB's investment policy statement and asset allocation.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Bethea, Michael	√				
Blanchard, Lyle M.	√				
Bress, Joseph M	√				
Clark, Joseph W.					√
Finelli, Christopher					√
Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
McPherson, Chester	√				
Pemberton, Greggory J.	√				
Saunders, Nathan	√				
Weers, Adam	√				

In addition, DCRB completed the following new investments since the last Investment Committee meeting:

- A $100 million commitment to **Ares Pathfinder Fund III**, a private credit fund, on May 29, 2026.

Trustees moved to the next item on the agenda.

OPERATIONS COMMITTEE REPORT

Committee Vice-Chair Pemberton reported the Operations Committee meeting was held on June 16, with an agenda that included five items:

1. Review and approval of the minutes from the Committee's April 21, 2026, meeting;
2. Review and approval of the updated Certificate of Incumbency;
3. An update-presentation from Bolton on the "Experience Study";
4. A presentation from PRM Consulting on DCRB's "Classification and Compensation" study; and
5. Any "Other Business."

The Bolton presentation and PRM's presentation and final report are available to Trustees in Diligent.

In the Experience Study presentation, Bolton provided an overview of the study; highlighted it's "key findings," to date; and previewed "next steps."

In the Classification and Compensation presentation, PRM provided an overview of its research and findings, and presented a data-supported recommendation for updating DCRB's current pay scale, subject to prevailing District pay limits (DCRB's pay scale was last updated (last updated in October 2023, for FY2024).

Regarding "Certificate of Incumbency," the Committee approved moving forward with the motion for full Board review and vote. It is presented now for ratification by the full Board:

To approve the revised Certificate of Incumbency that authorizes the Executive Director, Chief Investment Officer, Chief Financial Officer, Controller and Financial Manager, in their official capacities, individually or collectively, to transact business with Northern Trust, DCRB's custodial bank. The Certificate of Incumbency is updated to include DCRB's recently hired Controller.

PRESENTED TO THE BOARD ON JULY 16, 2026

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The next Operations Committee meeting is scheduled to be held on October 20, 2026.
This concludes my report.

Trustees moved to the next item on the agenda.

Motion #4: To approve the revised Certificate of Incumbency that authorizes the Executive Director, Chief Investment Officer, Chief Financial Officer, Controller and Financial Manager, in their official capacities, individually or collectively, to transact business with Northern Trust, DCRB's custodial bank. The Certificate of Incumbency is updated to include DCRB's recently hired Controller.

The motion was moved by Trustee Pemberton and properly seconded by Trustee Bress
The motion was approved by a unanimous vote (10-0). *(See Tally #4)*

Tally #4			Date: July 16, 2026		
Motion #4: To approve the revised Certificate of Incumbency that authorizes the Executive Director, Chief Investment Officer, Chief Financial Officer, Controller and Financial Manager, in their official capacities, individually or collectively, to transact business with Northern Trust, DCRB's custodial bank. The Certificate of Incumbency is updated to include DCRB's recently hired Controller.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Bethea, Michael	√				
Blanchard, Lyle M.	√				
Bress, Joseph M	√				
Clark, Joseph W.					√
Finelli, Christopher					√
Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
McPherson, Chester	√				
Pemberton, Greggory J.	√				
Saunders, Nathan	√				
Weers, Adam	√				

AUDIT COMMITTEE REPORT

Committee Chair Harris reported the Audit Committee met on June 16, 2026, and the following items were presented:

- The Budget vs Actual report as of May 31, 2026:

    • At the end of May, $24.7M, representing 62% of the original FY 2026 budget, remained available for expenditure.

- Internal Audit Report:

    • The Internal Audit Director provided an update on the following audits:

o Cybersecurity Internal Controls - The IT team has successfully documented the agency's Cybersecurity Internal Controls in advance of the September 30th deadline. The final document comprises detailed information on cybersecurity measures and additional IT desktop procedures. Internal Audit has reviewed the completed document, which was subsequently shared and discussed with agency staff.

o Operational Due Diligence (ODD) Procedures: The Investment Team finalized the documentation for their ODD process prior to the September 30th deadline. The final document encompasses the entire life cycle of the due diligence procedures utilized when assessing new funds for investment, as well as ongoing post-monitoring activities. The documentation has been reviewed by Internal Audit and is currently under review by the Executive Director.

o Benefit Administration and Payment System (BAPS) – Internal Audit is closely monitoring the progress of the BAPS Project Team, as the project has recently begun and is transitioning into a new phase.

- o Human Resources Audit – The HR audit has concluded, resulting in a recommendation for the HR Team to formally document their desktop procedures, including recruitment, hiring, onboarding, and performance management. Completion of these procedures is expected by September 30th.

The next Audit Committee meeting is scheduled for October 20, 2026.

Trustees moved to the next item on the agenda.

BENEFITS COMMITTEE REPORT

Committee Chair Grambo reported that the Benefits Committee met last month and discussed 2026 operational activities in the last six months and how the Benefits Department is currently using and planning to use artificial intelligence. Both of those presentations can be found in the Diligent Board books. The next Benefits Committee meeting is scheduled for October 22, 2026, at 10 a.m.

Trustees moved to the next item on the agenda.

LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard reported on the following report reflects activities of interest since the reflects activities of interest since the May 21, 2026, Board Meeting:

Council of the District of Columbia

Legislation:

- **Fiscal Year 2027 Budget Support Emergency Declaration Resolution of 2026 (PR26-0758)**. On July 6, 2026, the Council passed a resolution declaring existence of an emergency with respect to the time-sensitive provisions of the FY 2027 Budget Support Act. The Council resolved that the FY 2027 Budget Support Act must be adopted after a single reading due to emergency circumstances. Council unanimously approved the resolution on July 7, 2026.

- **Fiscal Year 2027 Budget Support Emergency Act of 2026 (B26-0724)**: On July 6, 2026, Chair Mendelson introduced the FY 2027 Budget Support Act of 2026 in the Office of the Secretary. The legislation was unanimously approved by Council on July 7, 2026**.** The legislation includes the "Frequency Standardization for Contributions to District Government Employee Benefit Funds Emergency Amendment Act of 2026" introduced by the District's CFO, which changes the timing of the District's contributions to the retirement funds from an annual payment to a series of bi-monthly payments throughout the year.

  Trustee Saunders requested clarification of the Local Budget Act and Trustee Blanchard stated that he will send the link for the funding act. The trustees continued with a lengthy discussion concerning the intended funding for DCRB administration and the actual language of the legislation concerning DCRB funding for clarity on administration costs.

Trustees moved to the next item on the agenda.

There being no further business to come before the Board of Trustees, Chair Gregg introduced a motion to adjourn the meeting.

Motion #5: To adjourn the meeting at 2:29 pm.

The motion was moved by Chair Gregg and properly seconded by Trustee Bress.
The motion was approved by unanimous vote (10-0). (See Tally #5)

Tally #5			Date: July 16, 2026		
Motion #5 To adjourn the meeting at 2:29 pm.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Bethea, Michael	√				
Blanchard, Lyle M.	√				
Bress, Joseph M.	√				
Clark, Joseph W.					
Finelli, Christopher					√
Grambo, Geoffrey P.	√				√
Harris, Tracy S.	√				
McPherson, Chester	√				
Pemberton, Greggory J.	√				
Saunders, Nathan	√				
Weers, Adam	√				