



**DISTRICT OF COLUMBIA RETIREMENT BOARD
MEETING MINUTES
MAY 16, 2019
12:15 P.M.**

MEMBERS PRESENT

Joseph W. Clark, Chair (Out 12:30 p.m.)
Janice M. Adams
Joseph M. Bress
Mary A. Collins
Denise D. Daniels (In 12:30 p.m.)
Gary W. Hankins
Tracy S. Harris
Greggory J. Pemberton
Edward C. Smith
Thomas N. Tippett
Bruno Fernandes, Ex-officio (In 12:44 p.m.)

DCRB STAFF PRESENT

Sheila Morgan-Johnson, Executive Director
Erie Sampson, General Counsel
Anthony Shelborne
Jeffrey Barnette
Joan Passerino
Daniel Hernandez
Leslie King
Vernon Valentine
Adina Dorch
Deborah Reaves
Johniece Harris
Wukyanos Gebremeskel

MEMBERS NOT PRESENT

Lyle M. Blanchard
Michael J. Warren

ROLL CALL

Chair Clark called the meeting to order at 12:20 p.m., and Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Chair Clark introduced a motion to approve the March 21, 2019, Board Meeting minutes.

Motion #1: To approve the minutes of the March 21, 2019, Board meeting.

The motion was moved by Trustee Hankins and properly seconded by Trustee Bress. The motion was approved (8-0, with one abstention). (*See Tally #1*)

CHAIR'S REPORT

Chair Clark referred Trustees to the written report, and commented on the following topics:

New Trustee

Chair Clark welcomed new Trustee, Tracy S. Harris, who was sworn in as a mayoral appointee to the Board on April 9, 2019. Her term on the Board continues through January 27, 2023. Trustee Harris is the Chief Business Officer & Chief Financial Officer at the Bullis School. She previously served in senior financial positions with The BondFactor Company; the American Institute of Architects; Delon Hampton & Associates, and the Walter Washington Convention

Center and Office of the Chief Financial Officer of the District Government. Trustee Harris succeeds former Trustee Lenda P. Washington, who served on the Board as a mayoral appointee from May 6, 2014 through January 27, 2019. He then thanked Trustee Washington in absentia for her service and her many contributions to the Board.

Reappointment of Trustee Michael Warren

Trustee Michael J. Warren was reappointed to the Board by the DC Council, effective January 28, 2019. Trustee Warren's term will continue through January 27, 2023.

Trustee Honors and Awards

On April 28, 2019, Trustee Jan Adams was inducted into the Washington, D.C. Hall of Fame after receiving a Legacy Award for her professional accomplishments in Business. At the ceremony, Trustee Adams was also recognized for public service, civic engagement, and philanthropic efforts in support of 50 charitable foundations including the National Down Syndrome Foundation, USO, the Air Force Association, the Arena Stage, and the Disabled American Veterans of America.

Confidentiality

Chair Clark then reminded Trustees and staff that they should be vigilant in preserving the confidentiality of matters that come before the Board and the various committees. He noted that any questions that might arise should be directed to the Board Chair/other Trustees or the Executive Director.

Since Chair Clark needed to leave the meeting at this point, Vice Chair Hankins called on the Executive Director and then the Committee Chairs for their reports.

EXECUTIVE DIRECTOR'S REPORT

Executive Director, Sheila Morgan-Johnson, referred Trustees to her written report and commented on the following topics:

Comprehensive Annual Financial Report (CAFR) for Fiscal Year (FY) 2018

The CAFR for the fiscal year ended September 30, 2018, has been completed. It was sent to the Government Finance Officers' Association (GFOA), posted to DCRB's website, and an electronic copy was emailed to Trustees on May 9, 2019.

DCRB Pay Scale Movement

DCRB will be updating the maximum pay point of its current salary schedule to keep pace with that of the District's Excepted Service schedule (pursuant to D.C. Code § 1-711(k)). More information will be provided at the June Board meeting.

MOU With the Office of Contracts and Procurement (OCP)

On March 26, 2019, DCRB and the District's Office of Contracts and Purchasing (OCP) signed an MOU for OCP's provision of procurement services to DCRB for an initial contract period expiring September 30, 2020, and four (4) one-year options to extend. This agreement allowed DCRB to restart its procurement program last month. Under the MOU, OCP will assign two full-time procurement professionals to work onsite at DCRB.

Interim Financial Report

Ms. Morgan-Johnson then introduced DCRB's Chief Financial Officer, Anthony Shelborne, who provided Trustees with an overview of the Interim Financial Report for the quarter ending March 31, 2019.

Mr. Shelborne began the presentation by explaining that GASB requires two basic financial statements: 1) the Statement of Fiduciary Net Position (the Balance Sheet) and 2) the Changes in Fiduciary Net Position (the Profit/Loss Statement). He said that the Fiduciary Net Position is a measure of DCRB's assets and liabilities. He noted that Fund assets, driven by increases in investments, rose to \$8.3 billion, as of March 31, 2019. Further, the Changes in Fiduciary Net Position reflect revenues and expenses during that period, which include the District contribution, employee contributions, net earnings (or losses) on investments, the U.S. Treasury payment, and miscellaneous sources. He indicated that for the quarter, total revenues were \$231,777, and total deductions were \$109,138. He noted that benefit payments are trending up, due to the increase in District service for current retirees, and that investment values are also trending up after a very volatile December.

Mr. Shelborne then stated that Supplemental Information is reflected in the schedule of Administrative Expenses. He indicated that the total was \$14.0 million for 2nd Quarter 2019, compared with \$15.5 million for 2nd Quarter 2018. He reported that the savings was primarily due to the lower costs of the new telephone service, and reduced professional fees resulting from paused or terminated IT contracts but noted that there was an increase due to the printing and distribution of the Summary Plan Descriptions (SPDs), which are updated every five years. He also said that with the lack of a procurement function since September 2018, there were not as many new contracts as in 2018.

INVESTMENT COMMITTEE REPORT

In Committee Chair Warren's absence, Vice Chair Hankins reported that since there had been no Investment Committee meeting this month, there is no Report.

OPERATIONS COMMITTEE REPORT

Committee Chair Smith indicated that the Operations Committee met earlier in the day and reported that Committee members discussed the following matters:

- An update of the Strategic Planning Project Mission Statement and Core Values
- A review of Retirement Modernization Expenditures since 2012
- An update of the IT Plan and an Overview of the Software Inventory List

Trustee Smith noted that there would be an Operations Committee Meeting before the June 20, 2019 Board meeting that would result in motions related to the above topics.

BENEFITS COMMITTEE REPORT

Committee Chair Collins reported that the Committee met on May 7, 2019 and referred Trustees to the written Report.

LEGISLATIVE COMMITTEE REPORT

Since Committee Chair Blanchard was not present, Vice Chair Hankins indicated that there was no meeting of the Legislative Committee this month and referred Trustees to the written Report.

Ms. Adina Dorch and Ms. Leslie King of DCRB's Legal Department responded to a question posed by Trustee Smith regarding the information included in the Legislative Committee Report.

AUDIT COMMITTEE REPORT

Committee Chair Hankins stated that there was no Report, since there was no Committee meeting this month

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board, Vice Chair Hankins then introduced a motion to adjourn the meeting.

Motion #2: To adjourn the meeting at 1:10 p.m.

The motion was moved by Trustee Bress and properly seconded by Trustee Tippett. The motion was approved (9-0). *(See Tally #2)*

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

Tally #1:		Date: May 16, 2019			
To approve the minutes of the March 21, 2019 Board meeting.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle M.					√
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Denise D.					√
Hankins, Gary W.	√				
Harris, Tracy S.			√		
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

Tally #2:		Date: May 16, 2019			
To adjourn the meeting at 1:10 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair					√
Adams, Janice M.	√				
Blanchard, Lyle M.					√
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Denise D.	√				
Hankins, Gary W.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√