



**DISTRICT OF COLUMBIA RETIREMENT BOARD
MEETING MINUTES
FEBRUARY 28, 2019
10:00 A.M.**

MEMBERS PRESENT

Joseph W. Clark, Chair
Jan M. Adams
Lyle M. Blanchard
Joseph M. Bress
Mary A. Collins
Denise D. Daniels (by phone) *
Gary W. Hankins
Greggory J. Pemberton
Edward C. Smith
Thomas N. Tippet
Michael J. Warren
Lenda P. Washington
Bruno Fernandes, ex officio

DCRB STAFF PRESENT

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

* dialed in after roll call

OTHERS PRESENT

Ralph Smith, Orion Development Group

ROLL CALL

Chairman Clark called the meeting to order at 11:04 a.m., and Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Chairman Clark introduced a motion to approve the January 17, 2019 Board Meeting minutes.

Motion #1: To approve the minutes of the January 17, 2019 Board meeting minutes.

The motion was moved by Trustee Tippet and properly seconded by Trustee Hankins. The motion was approved (10-0, with one abstention). (*See Tally #1*)

CHAIR'S REPORT

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

Welcome to New Active Police Officer and Active Teacher Trustees

As announced during the December and January Board meetings, Gregory Pemberton was the winner of the 2018 Active Police Officer election and Denise Daniels won the 2018 Active Teacher election. Their terms began on January 28, 2019.

New Trustee Orientation

Staff will schedule a Trustee Orientation in early March for the new Trustees and for Bruno Fernandes, our new ex officio member, who joined the Board in September and who represents the District's Office of the Chief Financial Officer.

Board Officer Elections

As noted previously, with the change of Board members in January, the election of Board Officers was postponed until today's meeting. The elections will take place toward the end of the meeting.

Trustee Financial Disclosure Statement

Trustees should give their completed Financial Disclosure and Trustee Acknowledgement forms to DCRB's General Counsel by the April 18 Board meeting for filing by the April 30, 2019 due date.

2019 Performance and Budget Hearings

On February 25, 2019, DCRB testified before the District Council's Committee of the Whole. For anyone who did not have an opportunity to watch the testimony, a video is available on the Council website. Also, DCRB's Budget Hearing is scheduled for March 25, 2019.

EXECUTIVE DIRECTOR'S REPORT

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

Strategic Planning

Ralph Smith, of the Orion Development Group, met with both DCRB's Executive Leadership Team and the Strategic Planning Project's Implementation Team earlier this month to further discuss DCRB's Priority #1 initiatives and corresponding metrics. Ralph will lead the Strategic Planning Retreat for Trustees and project staff following the Board meeting.

DCRB Winter (Police/Fire) Newsletter

The DCRB newsletter (Winter Edition) for police officers and firefighters is in its final stages of preparation and an electronic copy will be distributed to active members in early March. Paper copies of the newsletter will be mailed to retirees about a week later. Among other things, this edition includes articles about the taxation of disability retirement payments, the eligibility of domestic partners for survivor benefits, the 2019 Cost-of-Living Adjustment (COLA), and the active police officer election results.

Audit of Charter School Contribution Amounts

The Memorandum of Agreement (MOA) between the Office of Financial Operations and Systems and the Office of Finance and Treasury (OFT) regarding the implementation of the public charter schools specifically requires the boards to execute a financial audit of the mandated annual report. DCRB will conduct an audit of the charter school contribution

amounts in FY2019-2020 and will work with OFT to update the MOA and, as needed, the MOU related to the charter schools, which were originally drafted in 2003 and 2002, respectively.

DCRB Quarterly Financial Report

A report reflecting DCRB's financial results for the quarter ending December 31, 2018, was included with the Board materials. DCRB's Chief Financial Officer, Anthony Shelborne, provided Trustees with a short overview of the report. He began by indicating that the report consists of two statements: 1) the fiduciary net position (the equivalent of a Balance Sheet), and 2) changes in the fiduciary net position (the equivalent of a profit/loss statement). He indicated that the Fund incurred a loss at the end of the first quarter of FY 2018 compared with the prior year due to the volatility of the market at year end 2018, and he provided explanations for each area where there were significant differences between first quarter 2018 and first quarter 2019.

There followed a discussion of various issues, including Plan contributions, Treasury reimbursements, legal fees, and administrative expenses, during which Mr. Shelborne provided answers to questions that arose.

Following the presentation, Chair Clark called on the Committee Chairs for reports of their meetings.

INVESTMENT COMMITTEE REPORT

Committee Chair Warren reported that there was no report, since there was no meeting this month.

OPERATIONS COMMITTEE REPORT

Chairman Clark indicated that there was no report, since there was no meeting this month.

BENEFITS COMMITTEE REPORT

Committee Chair Collins reported that the Committee met on February 7, 2019 and referred Trustees to the written report that was included with the Board materials.

LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard indicated that there was no meeting this month, and provided the following update to legislative issues:

HEARINGS

DCRB's annual performance oversight hearing was held Tuesday, February 25, 2019, before Chairman Mendelson, Chair of the Committee of the Whole, 1350 Pennsylvania Ave., NW, Room 123, Washington, D.C., 20004.

DCRB's annual agency budget oversight hearing is scheduled for Monday, March 25, 2019, before Chairman Mendelson, Chair of the Committee of the Whole, 1350 Pennsylvania Ave., NW, Room 412, Washington, D.C., 20004.

The Committee of the Whole is scheduled to mark up and report DCRB's budget for Fiscal Year 2020 on between April 30, and May 2, 2019.

LEGISLATION

“Teachers, Police, and Firefighters Retirement Benefits Technical Amendment Act of 2018” (L22-0215). The bill became official law on February 22, 2019.

AUDIT COMMITTEE REPORT

Committee Chair Hankins stated that there was a Committee meeting that morning and indicated that there were two motions for the Board’s consideration.

A contract settlement:

Motion #2: To authorize executive leadership to negotiate and enter into a settlement and mutual release agreement, including payment arrangement, with Software Information Resource Corporation for an amount not to exceed \$305,000.

The motion was moved by Trustee Hankins and properly seconded by Trustee Smith. The motion was approved (10-0, with one abstention). (*See Tally #2*)

A modification to the Strategic Planning Project contract:

Motion #3: To authorize the Executive Director to exercise a no cost, ninety (90) business day extension to Contract #DCRB-18-C-0028 with Orion Development Group, which expired on January 22, 2019, to allow for the completion of the contract requirements through May 30, 2019.

The motion was moved by Trustee Bress and properly seconded by Trustee Warren. The motion was approved (11-0). (*See Tally #3*)

BOARD OFFICER ELECTIONS

Chairman Clark then began the Board officer election process by summarizing the Board Rules applicable to electing Board Officers, and called for nominations for the positions of Chairman, Vice Chair/Secretary, and Treasurer. Since those to be nominated had already served two one-year terms in the respective positions, a motion preceded each nomination to waive the two one-year term limit, as follows:

Motion #4: To waive Board Rule 1501.6, to allow the Board Chair to serve in the same elected office for an additional one-year term.

The motion was moved by Trustee Hankins and properly seconded by Trustee Tippet. The motion was approved (11-0). (*See Tally #4*)

Trustee Hankins then placed Trustee Clark’s name into nomination for the position of Chair of the Board.

Motion #5: To waive Board Rule 1501.6, to allow Vice Chair/Secretary to serve in the same elected office for an additional one-year term.

The motion was moved by Trustee Clark and properly seconded by Trustee Adams. The motion was approved (11-0). (*See Tally #5*)

Trustee Clark then placed Trustee Hankins' name into nomination, seconded by trustee Warren, for the position of Vice Chair/Secretary.

Motion #6: To waive Board Rule 1501.6, to allow the Treasurer to serve in the same elected office for an additional one-year term.

The motion was moved by Trustee Clark and properly seconded by Trustee Hankins. The motion was approved (11-0). (*See Tally #6*)

Trustee Tippett then placed Trustee Blanchard's name into nomination for the position of Treasurer.

Following the nominations, Chair Clark indicated that there would be break for lunch until 12:15 p.m. and that the winners would be disclosed thereafter.

The meeting resumed at 12:22 p.m. with Chair Clark's announcement of the following results of the Board officer elections:

Treasurer:	Lyle M. Blanchard
Vice Chair/Secretary:	Gary W. Hankins
Chair:	Joseph W. Clark

OTHER BUSINESS

A motion was then made to go into closed session:

Motion #7: To convene in closed session to train and develop Board Trustees and Staff pursuant to DC Code §2-575(b) (12).

The motion was moved by Trustee Clark and properly seconded by Trustee Tippett. The motion was approved (11-0). (*See Tally #7*)

Motion #8: To reconvene in open session.

The motion was moved by Trustee Hankins and properly seconded by Trustee Tippett. The motion was approved (11-0). (*See Tally #7*)

ADJOURNMENT

Chair Clark then introduced a motion to adjourn the meeting.

Motion #9: To adjourn the meeting at 2:12 p.m.

The motion was moved by Trustee Bress and properly seconded by Trustee Hankins. The motion was approved (11-0). (*See Tally #9*)

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

Tally #1:		Date: February 28, 2019			
To approve the minutes of the January 17, 2019 Board meeting.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle			√		
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Denise D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #2:		Date: February 28, 2019			
To authorize executive leadership to negotiate and enter into a settlement and mutual release agreement, including payment arrangement, with Software Information Resource Corporation for an amount not to exceed \$305,000.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.			√		
Collins, Mary A.	√				
Daniels, Densie D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #3:		Date: February 28, 2019			
To authorize the Executive Director to exercise a no cost, ninety (90) business day extension to Contract #DCRB-18-C-0028 with Orion Development Group, which expired on January 22, 2019, to allow for the completion of the contract requirements through May 30, 2019.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Densie D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #4:		Date: February 28, 2019			
To waive Board Rule 1501.6, to allow the Board Chair to serve in the same elected office for an additional one-year term.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Denise D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #5:		Date: February 28, 2019			
To waive Board Rule 1501.6, to allow the Vice Chair/Secretary to serve in the same elected office for an additional one-year term.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Denise D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #6:		Date: February 28, 2019			
To waive Board Rule 1501.6, to allow the Treasurer to serve in the same elected office for an additional one-year term.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Denise D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #7:		Date: February 28, 2019			
To convene in closed session to train and develop Board Trustees and Staff, pursuant to DC Code §2-575(b) (12).					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Densie D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #8:		Date: February 28, 2019			
To reconvene in open session.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Densie D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #9:		Date: February 28, 2019			
To adjourn the meeting at 2:12 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.	√				
Daniels, Denise D.					√
Hankins, Gary W.	√				
Pemberton, Gregory J.	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				