



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. Tippet

DCRB STAFF PRESENT

Eric Stanchfield
Erie Sampson
Sheila Morgan-Johnson
Tom Anderson
Johnetta Bond
Daniel Hernandez
Peter Dewar
Leslie King
Deborah Reaves
Wukyanos Gebremeskel
Yolanda Smith
Robin Chester
Denice 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 January Board meeting minutes. The motion was moved by Mr. Hankins and seconded by Mr. Smith. The motion was passed 7-0, with one abstention.

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 both the staff and the 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. 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 5th, 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 explained that staff is moving forward with drafting an Audit Committee Charter and governance policy for consideration, with the goal being for the Audit Committee to meet in April and finalize the charter for Board approval. 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.

Chairman Bress suggested hiring an outside consultant to assist in developing the audit and risk management charter and to present a training session for the Board. Chairman Bress also requested to have the session taped for future Trustee training use.

Mr. Bress welcomed back Executive 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, and Tom Anderson, Chief Finance Officer, for all the hard 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.
- DCRB submitted written responses to performance questions from Chairman Mendelson prior to the Committee of the Whole Performance Oversight Hearing March 5. 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 (ODCP) in January and February to review ongoing projects and to present DCRB's IT Strategic Plan.
- Many staff vacancies have been filled, particularly in the Benefits Department, where five vacancies were filled within the last two months.

GENERAL COUNSEL REPORT

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

INVESTMENT COMMITTEE REPORT

The investment 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 two abstentions.

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 one abstention.

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 two abstentions.

BENEFITS COMMITTEE REPORT

Mr. Smith 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 processed in less than sixty (60) 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.
- 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 responded.
- As a result of the CY 2013 Disability Earned Income Review under the Police Officers and Firefighters' Retirement Plan, ten (10) disability annuitants were found restored to earning capacity and had their annuities terminated. Five of those 10 requested reconsideration and two were 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 is posted on the DCRB website and annuitants will see this increase in their April 1, 2014, paycheck. 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

There was no Legislative Committee report.

OPERATIONS COMMITTEE REPORT

There was no Operations Committee report.

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. Tippett seconded the nomination. Mr. Bress was elected Chairman of the Board (7 votes);
- **Secretary**: Mr. Tippett nominated Mr. Warren for Secretary, and the motion was properly seconded. Mr. Warren was elected Secretary of the Board (8 votes);
- **Treasurer**: Chairman Bress asked for a vote to extend Mr. Blanchard's term for an additional year. A vote was taken with a unanimous vote. Mr. Tippett nominated Mr. Blanchard, and Mr. Hankins seconded the nomination. Mr. Blanchard was elected Treasurer of the Board (7 votes);
- **Parliamentarian**: Ms. Blum nominated Mr. Tippett, and Mr. Tippett declined the nomination. Mr. Tippett nominated Ms. Bulger and the nomination was properly seconded. Ms. Bulger was elected Parliamentarian of the Board (8 votes);
- **Sergeant-at-Arms**: Mr. Tippett nominated Mr. Hankins and Mr. Smith seconded the nomination. 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. Tippett and unanimously passed.

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

Tally #1		Date: March 20, 2014			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Bulger, Diana K.					√
Collins, Mary A.			√		
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

Tally #2		Date: March 20, 2014			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle			√		
Blum, Barbara Davis	√				
Bulger, Diana K.					√
Collins, Mary A.			√		
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

**DISTRICT OF COLUMBIA RETIREMENT BOARD
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Tally #3		Date: March 20, 2014			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle			√		
Blum, Barbara Davis	√				
Bulger, Diana K.					√
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

Tally #4		Date: March 20, 2014			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle			√		
Blum, Barbara Davis	√				
Bulger, Diana K.					√
Collins, Mary A.			√		
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

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

Tally #5			Date: March 20, 2014		
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Bulger, Diana K.					√
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√