



**DISTRICT OF COLUMBIA RETIREMENT BOARD**  
**BOARD MEETING MINUTES**  
**DECEMBER 17, 2015**  
**1:00 P.M.**

**MEMBERS PRESENT**

Joseph M. Bress, Chairman  
Lyle M. Blanchard  
Barbara Davis Blum  
Joseph W. Clark  
Mary A. Collins  
Gary W. Hankins  
Darrick Ross  
Edward C. Smith  
Thomas N. Tippet  
Michael J. Warren  
Lenda P. Washington

**DCRB STAFF PRESENT**

Eric Stanchfield, Executive Director  
Erie Sampson, General Counsel  
Sheila Morgan-Johnson  
Jhonna Bond  
Peter Dewar  
Anthony Shelborne  
Joan Passerino  
Leslie King  
Jason Todd  
Ortencia Nichols  
Deborah Reaves  
Yolanda Smith  
Johniece Harris  
Wukyanos Gebremeskel

**MEMBERS NOT PRESENT**

Nathan Saunders  
Jeffrey Barnette, ex officio

**OTHERS PRESENT**

Edward Koebel, Cavanaugh Macdonald  
Jonathan Craven, Cavanaugh Macdonald  
Pete Rodrigue, DC Divest  
Jerry Stewart, DC Divest

**ROLL CALL**

Chairman Bress called the meeting to order at 3:04 p.m. and Ms. Deborah Reaves called the roll.

**APPROVAL OF MINUTES**

Chairman Bress introduced a motion to approve the November 19, 2015 Board meeting minutes.

**Motion #1:** To approve the November 19, 2015 Board meeting minutes.

The motion was moved and properly seconded by Trustee Hankins. The motion was approved (9-0), with two abstentions. (*See Tally #1*)

**CHAIRMAN'S COMMENTS**

Chairman Bress commented on the following topics:

**Board Meeting Schedule**

The annual schedule of Board meetings for calendar year 2016 will be published in the DC Register in early January.

### **Northern Trust Company**

DCRB's Chief Financial Officer (CFO), Anthony Shelborne, will brief us later in the meeting on the successful December 1, 2015 transfer of custodial services from State Street Bank to the Northern Trust Company.

### **Sponsored Activities**

DCRB's Comprehensive Annual Financial Report (CAFR) includes a Schedule of Trustee Sponsored Activities, which are meetings, conferences and the like that trustees attend and where the event sponsor waives registration fees and covers the cost of travel and/or meals. Should you have any such activities to disclose for fiscal year 2015, please provide that information to DCRB's CFO, Anthony Shelborne.

### **February Elections**

Elections for Board officers will be held in February.

### **Board Governance**

Given the number of items on today's agenda, the Operations Committee was not able to discuss the updated Board governance documents. Trustees should review them for discussion before the next meeting.

### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Eric Stanchfield commented on the following topics.

#### **Annual FOIA Report**

On November 17, 2015, DCRB submitted its Annual FOIA Report to the Mayor's Office. During fiscal year 2015, DCRB received 22 FOIA requests: 10 of the requests were granted in whole, seven were granted in part, four were denied, and one was withdrawn.

#### **Staff Ethics Training**

Also on November 17, 2015, Board of Ethics and Government Accountability (BEGA) staff conducted ethics training for new DCRB staff members and specified contractors. The training covered BEGA, its role and governing statute, and basic employee obligations, both during and after their District employment.

#### **DCRB Website Changes and Updates**

Over the past few months, Communications staff have been working on an audit of DCRB's website and are bringing its content up-to-date, as well as inserting hyperlinks and other changes aimed toward making the website more user-friendly for visitors who are visually and hearing impaired. They expect to have this project completed by the end of this month.

#### **Visit to Ashburn Data Center**

On December 2, 2015, a group of key staff visited DCRB's data center in Ashburn, VA. The group was given a tour of the facility, including the area where DCRB data is housed, and provided with a presentation by DCRB's IT staff explaining the reasons for, and the benefits of, this alternate site strategy.

## **OPERATIONS COMMITTEE REPORT**

Board Chair Bress indicated that since most trustees had attended the Operations Committee meeting this morning, the presentations on the Actuarial Valuation, the Retirement Modernization Program, and the FY 2017 budget would be shortened or consist only of motions:

### **Presentation: FY 2017 Actuarial Valuation, Cavanaugh Macdonald, LLC**

Ed Koebel and Jonathan Craven of Cavanaugh Macdonald (“CavMac”) reviewed the major results of the FY 2015 actuarial valuation and noted that: (1) in the aggregate, the District of Columbia Police Officers and Firefighters’ and Teachers’ Retirement Plans have retained a funded ratio at or over 100%, based on both the actuarial and the market value of assets, and (2) the annual District contribution for FY 2017 is \$202.4 million. They indicated that the major increases over FY 2016’s \$180.6 million District contribution are attributable to an anticipated normal cost increase of \$7.9 million, and an increase of \$14.0 million resulting from the retroactive firefighter salary increase of FY 2013 and FY 2014. They also reported that CavMac would be conducting a review of all actuarial assumptions next year to assure that the assumptions reflect the current economic and demographic environments. In addition, they stated that they will revisit DCRB’s funding policy.

Following the presentation, Committee Chair Ross presented the following motion:

**Motion #2:** To accept the Report of the Actuarial Valuation for the DCRB plans, as of October 1, 2015 for FY 2017.

The motion was moved and properly seconded by Trustee Collins. The motion was approved 11-0. (*See Tally #2*)

### **FY 2016 Retirement Modernization Program**

Committee Chair Ross made the following motions:

**Motion #3:** To authorize the Executive Director to expend up to \$3,400,000 for the Retirement Modernization Program for FY 2016 with quarterly reporting to the Operations Committee and the Board.

The motion was moved and properly seconded by Trustee Hankins. The motion was approved 10-0, with one abstention. (*See Tally #3*)

**Motion #4:** To authorize the Executive Director to release an RFP for a Pension Information Management System.

The motion was moved and properly seconded by Trustee Clark. The motion was approved 9-1, with one abstention. (*See Tally #4*)

### **FY 2017 DCRB Budget**

Committee Chair Ross made the following motion:

**Motion #5:** To accept the FY 2017 Operating Budget in the amount of \$39.1 million.

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

### **INVESTMENT COMMITTEE REPORT**

There was no report, since the Committee did not meet this month.

### **BENEFITS COMMITTEE REPORT**

Committee Chair Smith referred trustees to the written Report and read the following motions:

**Motion #6:** That the Board approve the proposed amendments to 7 DCMR Sections 1701.1, 1701.2 that clarify the calendar years for when annuitants are no longer subject to review, and the repeal of 7 DCMR Section 1701.6(d).

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

**Motion #7:** To delegate authority to the Executive Director for Benefits Administration in the attached Delegation of Authority.

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

A discussion followed related to the wording of DCRB's mission statement as it appears on the DCRB website vs. the language that appears in the Delegation of Authority.

### **AUDIT COMMITTEE**

Committee Chair Hankins stated there was no report, since the Committee did not meet this month.

### **LEGISLATIVE COMMITTEE REPORT**

Chairman Bress stated there was no report, since the Committee did not meet this month.

## **OTHER BUSINESS**

### **Transition of Custodial Services**

DCRB's CFO, Anthony Shelborne, reported that the transition of custodial services from State Street Bank to Northern Trust Company was successfully completed on December 1, 2015. Mr. Shelborne indicated that the State Street relationship will continue, however, into the early months of 2016 until all business with State Street is completed.

Chief Investment Officer, Sheila Morgan-Johnson, reported that DCRB was recently alerted by State Street Bank that they have made some errors, and that an audit related to the errors is being conducted. She indicated that State Street advised that they will let DCRB know in January 2016 whether the errors have resulted in over- or undercharges to DCRB.

## **ADJOURNMENT**

**Motion #8:** Chairman Bress introduced a motion to adjourn the meeting at 3:36 p.m.

The motion was properly moved by Trustee Clark and seconded by Trustee Hankins. The motion was approved 11-0. (*See Tally #8*)

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

Tally #1:		Date: December 17, 2015			
To approve the November 19, 2015 Board meeting minutes.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.			√		
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.			√		

Tally #2:		Date: December 17, 2015			
To accept the Actuarial Valuation Report as of October 1, 2015 for FY 2017.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #3:		Date: December 17, 2015			
To authorize the Executive Director to expend up to \$3,400,000 for the Retirement Modernization Program for FY 2016 with quarterly reporting to the Operations Committee and the Board.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.			√		
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #4:		Date: December 17, 2015			
To authorize the Executive Director to release an RFP for a Pension Information Management System.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.			√		
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.		√			
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #5:		Date: December 17, 2015			
To accept the FY 2017 Operating Budget in the amount of \$39.1 million.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #6:		Date: December 17, 2015			
That the Board approve the proposed amendments to 7 DCMR Sections 1701.1, 1701.2 that clarify the calendar years for when annuitants are no longer subject to review, and the repeal of 7 DCMR Section 1701.6(d).					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				



Tally #7:		Date: December 17, 2015			
To delegate authority to the Executive Director for Benefits Administration in the attached Delegation of Authority.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #8:		Date: December 17, 2015			
To adjourn the meeting at 3:36 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				