



**DISTRICT OF COLUMBIA RETIREMENT BOARD (DCRB)**  
**MEETING MINUTES**  
**THURSDAY, JANUARY 16, 2020**  
**1:30 P.M.**

**MEMBERS PRESENT**

Joseph W. Clark, Chair  
Janice M. Adams  
Lyle M. Blanchard  
Joseph M. Bress  
Mary A. Collins  
Denise D. Daniels  
Gary W. Hankins  
Tracy S. Harris  
Greggory J. Pemberton  
Edward C. Smith\*  
Thomas N. Tippet  
Michael J. Warren

\*Participated via telephone.

**DCRB STAFF PRESENT**

Sheila Morgan-Johnson, Executive Director  
Erie Sampson, General Counsel  
Anthony Shelborne  
Patrick Sahn  
Daniel Hernandez  
Ram Murthy  
Akiko Kawashima  
Leslie King  
Kimberly Woods  
Adina Dorch  
Vernon Valentine  
Michael Xanthopoulos  
Rhonda O'Neal  
Deborah Reaves  
Ricardo Morgan  
Johniece Harris  
Bonnie Rivers  
Wukyanos Gebremeskel  
Mark Jackson

**MEMBER NOT PRESENT**

Bruno Fernandes, Ex officio

**OTHERS PRESENT**

Eric Ernest, McConnell and Jones, LLP  
Michelle Michelbacher, Neal R. Gross & Co., Inc.

**ROLL CALL**

Chair Clark called the meeting to order at 2:17 p.m. and Ms. Deborah Reaves called the roll.

**APPROVAL OF MINUTES**

Chair Clark introduced a motion to approve the December 19, 2019 Board Meeting minutes.

**Motion #1:** To approve the Board Meeting Minutes for the December 19, 2019 meeting.

The motion was moved by Trustee Harris and properly seconded by Trustee Hankins. The motion was approved (12-0). (*See Tally #1*)

**CHAIR'S REPORT**

Chair Clark referred the Trustees to his written report in the interest of time and stated that he will go to the Investment Committee Report and then the Audit Committee Meeting.

## **INVESTMENT COMMITTEE REPORT**

Committee Chair Warren indicated that the Investment Committee met this morning and made the following motions:

**Motion #2:** To conduct a search for an emerging markets debt manager.

The motion was moved by Committee Chair Warren and properly seconded by Trustee Tippett. The motion was unanimously approved (12–0). (*See Tally #2*)

**Motion #3:** To approve the proposed private markets commitment budget for calendar year 2020.

The motion was moved by Committee Chair Warren and properly seconded by Trustee Tippett. The motion was unanimously approved (12–0). (*See Tally #3*)

**Motion #4:** To approve a commitment of up to \$75 million to One Rock Capital Partners III, L.P, a U.S. middle market buyout fund, subject to legal review and further due diligence.

The motion was moved by Committee Chair Warren and properly seconded by Trustee Tippett. The motion was approved (11–1). Trustee Collins voted Nay. (*See Tally #4*)

**Motion #5:** To approve a commitment of up to \$40 million to Divco West Fund VI, LP, a U.S. value-added real estate fund, subject to legal review and further due diligence.

The motion was moved by Chair Warren and properly seconded by Trustee Daniels. The motion was approved (12-0). (*See Tally#5*)

Chair Clark stated that in order to conduct further business, the meeting will be convened in closed session and made the following motion:

**Motion #6:** To convene in closed session with representatives from McConnell & Jones, LLP (“Auditor”), to discuss DCRB’s Fiscal Year 2019 Audited Financial Statements, including but not limited to the findings and report of the Auditor, the disclosure of which would restrict the Board’s candid and detailed discussions thereof.

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

The meeting convened in Closed Session at 2:22 p.m.

Chair Clark stated the meeting will be turned over to the Vice Chair and the Audit Committee Chair Gary Hankins to present the Audit Committee actions.

## **AUDIT COMMITTEE REPORT**

Committee Chair Hankins stated that there will be several action items coming up and will be presented by the Audit Committee to the Board in open session.

Eric Ernest of McConnell and Jones LLP, DCRB’s auditor, gave his presentation on the FY 2019 Audit.

**Motion 7:** To return to Open Session at 3:47 p.m.

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

**Motion 8:** To accept the Fiscal Year 2019 Audited Financial Statements, including the Management Letter and Report of Internal Controls, as presented to the Audit Committee of the District of Columbia Retirement Board.

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

**Motion 9:** To approve a three-year extension of the District of Columbia Retirement Board’s legal services contract with Morgan, Lewis & Bockius, LLP to continue to provide investment counsel for the Board in an amount not to exceed the budget of \$380,000 per year.

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

### **EXECUTIVE DIRECTOR’S REPORT**

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

- The office will be closed on Monday, January 20, 2020 in observance of the Martin Luther King, Jr. holiday.
- Trustees’ bios require updating; therefore, Trustees should return corrections to Deborah Reaves.

### **OPERATIONS COMMITTEE REPORT**

Committee Chair Smith stated that there was no meeting of the Operations Committee this month, so there is no report.

### **BENEFITS COMMITTEE REPORT**

Committee Chair Collins stated that there was no meeting of the Benefits Committee this month, so there is no report, but a meeting will be scheduled by the end of the month.

### **LEGISLATIVE COMMITTEE REPORT**

Committee Chair Blanchard stated that there was no Legislative Committee meeting this month. He then referred the Trustees to the written report and commented on the following topics:

#### **B23-0606, “Diversity in Fund Management Amendment Act of 2020”**

The bill proposes to amend the Police Officers, Fire Fighters, and Teachers Retirement Benefit Replacement Plan Act of 1998 (“Replacement Plan Act”) to require the District of Columbia

Retirement Board to report annually on the affirmative steps it has taken to hire diverse fund managers including minorities, women, and disabled individuals, beginning January 1, 2021. Status: The bill, B23-0606, was introduced on January 7, 2020, and was referred to the Committee of the Whole.

**PR23-0073, “District of Columbia Retirement Board Michael J. Warren Reappointment Resolution of 2019”**

The proposed resolution reappoints Michael J. Warren to the District of Columbia Retirement Board for a four-year term, to expire January 27, 2023, effective immediately upon publication of the proposed resolution in the District of Columbia Register.

Status: The proposed resolution was introduced by Chairman Mendelson on January 7, 2019. The proposed resolution was referred to the Committee of the Whole.

**PR23-00635, “District of Columbia Retirement Board Joseph M. Bress Reappointment Resolution of 2020”**

The proposed resolution reappoints Joseph M. Bress to the District of Columbia Retirement Board for a four-year term, to expire January 27, 2024, effective immediately upon publication of the proposed resolution in the District of Columbia Register.

Status: The proposed resolution was introduced by Chairman Mendelson on January 2, 2020. The proposed resolution was referred to the Committee of the Whole.

**Setting Every Community up for Retirement Enhancement Act of 2019 (SECURE Act)**

The bill is considered by reform advocates to be the most comprehensive retirement security legislation since the Pension Protection Act of 2006 and necessary to help address the retirement plan coverage and savings gap impacting millions of American workers. The SECURE Act primarily focuses on the defined contribution plan space with measures intended to continue to expand opportunities to save for retirement; increase access to lifetime income products; and help savers make more-informed decisions about their finances with enhancements such as repealing of the maximum age for traditional IRA contributions (age 70½) and increasing the required minimum distribution (RMD) age from 70½ to 72 for defined contribution plans and IRAs.

Status: In December 2019, the Senate voted 71-23 in favor of the fiscal year 2020 appropriations bills, to which the SECURE Act was attached. The House approved the same measure by a vote of 297-120.

**OTHER BUSINESS**

None.

**ADJOURNMENT**

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

**Motion #10:** To adjourn the meeting at 3:55 p.m.

The motion was moved by Trustee Hankins and properly seconded by Trustee Daniels. The motion was approved (11–0). (See Tally #10)

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

Tally #1:			Date: January 16, 2020		
To approve the Board Meeting Minutes for the December 19, 2019 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: January 16, 2020		
To conduct a search for an emerging markets debt manager.					
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 #3			Date: January 16, 2020		
To approve the proposed private markets commitment budget for calendar year 2020.					
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 #4			Date: January 16, 2020		
To approve a commitment of up to \$75 million on One Rock Capital Partners III, LP, a U.S. middle market buyout fund, subject to legal review and further due diligence.					
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 #5:		Date: January 16, 2020			
To approve a commitment of up to \$40 million to Divco West Fund VI, LP, a U.S. value-added real estate fund, subject to legal review and further due diligence.					
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 #6:		Date: January 16, 2020			
To go into closed session at 2:22pm.					
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 #7:			Date: January 16, 2020		
To return to Open Session at 3:47 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.	√				

Tally #8:			Date: January 16, 2020		
To accept the fiscal year 2019 audited financial statements, including the management letter and report of internal control as presented to the Audit Committee of the District of Columbia Retirement Board.					
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 #9:			Date: January 16, 2020		
To approve a three-year extension of the District of Columbia Retirement Board's legal services contract with Morgan, Lewis & Bockius, LLP to continue to provide investment counsel for the Board in an amount not to exceed the budget of \$380,000 per year.					
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 #10:			Date: January 16, 2020		
To adjourn the meeting at 3:55pm.					
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.	√				