



**DISTRICT OF COLUMBIA RETIREMENT BOARD
MEETING MINUTES
JULY 18, 2019
1:30 P.M.**

MEMBERS PRESENT

Joseph W. Clark, Chairman
Janice M. Adams
Lyle M. Blanchard
Joseph M. Bress
Mary A. Collins
Denise D. Daniels
Gary W. Hankins
Tracy S. Harris
Edward C. Smith
Thomas N. Tippett
Michael J. Warren (1:46 p.m.) *

* via telephone.

MEMBERS NOT PRESENT

Greggory J. Pemberton
Bruno Fernandes, ex officio

ROLL CALL

Chairman Clark called the meeting to order at 1:44 p.m., and Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Chairman Clark introduced a motion to approve the June 20, 2019 Board Meeting minutes.

Motion #1: To approve the minutes of the June 20, 2019 Board meeting.

DCRB STAFF PRESENT

Sheila Morgan-Johnson
Erie Sampson
Anthony Shelborne
Jeffrey Barnette
Joan Passerino
Daniel Hernandez
Kimberly Woods
Adina Dorch
Vernon Valentine
Patrick Sahn
Ferdinand Frimpong
Katie Schultz
Pam Ashford
Terry Short
Diego Andrade
Deborah Reaves
Johniece Harris
Wukyanos Gebremeskel

OTHERS PRESENT

The Honorable Muriel Bowser, Mayor
Steve Walker, Director, Mayor's Office of Talent
and Appointments (MOTA)
Ventris Gibson, Director, DC Human Resources
Office
Janae Washington, Associate Director, MOTA
Jacklyn Mathew, Mayor's Traveling Chief of
Staff

The motion was moved by Trustee Hankins and properly seconded by Trustee Adams. The motion was approved (11-0). *(See Tally #1)*

CHAIRMAN'S REPORT

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

Board Governance

It is best practice for boards to evaluate their collective performance and for individual trustees to conduct a self-evaluation. In the materials sent prior to this meeting, Trustees were provided with a Board performance form and a self-evaluation form, covering the period January 1, 2018 through June 30, 2019, and would receive an electronic version in the coming weeks for their completion.

Chairman Clark then stated that the next Board meeting would be held on September 19, 2019, and called for the reports of the Executive Director and the Chairs of the Standing Committees:

EXECUTIVE DIRECTOR'S REPORT

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

DCRB Summer Newsletter

DCRB's summer newsletter is scheduled to be distributed to active and retired teachers around the end of August. The newsletter will contain articles about the Teachers' Plan's benefit payment options, tax and mailing issues, options in communicating with DCRB, and how prior service is handled by the Plan.

Retired Firefighter Election

As noted last month, the new term for the Retired Firefighter Trustee position on the Board will begin on January 28, 2020. The election process for that position will begin on August 1 and Notice of Election letters will be mailed to eligible voters at the end of August.

Adjustment to DCRB's Salary Schedule

Pursuant to the Executive Director's authority, the maximum pay-points of DCRB's pay scale will be increased by 2% as of October 12, 2018. This change is consistent with the District's 2% increase to the salary cap of the Excepted Service Pay Scale that was adjusted at the beginning of this fiscal year. There will not be an automatic 2% across-the-board increase for staff.

FY 2018 Charter School Participation

During FY 2018, 30 former DCPS teachers participated in the Teachers' Plan while teaching at 20 charter schools. Those teachers contributed \$142,654 to the Teachers' Fund, and the charter schools where they taught contributed \$211,853 to the Fund on their behalf.

Vision Statement Contest Winners

As noted at last month's meeting, to provide staff with an opportunity to further engage in the strategic planning process, the Executive Leadership Team (ELT) sponsored a contest for staff to submit suggestions for DCRB's Vision Statement. Although we had anticipated a single winner, the ELT liked two submissions so much that they combined them and, consequently, there are

two winners: Patrick Sahn and Terry Short. We have invited them to attend today's meeting for Trustees to meet them, and for them to see their Vision Statement presented to the Board.

Staff Attendance at Board Meetings

As a further way to engage our staff, and to educate them on the Board and how it functions, we are arranging for two staff members to attend our next several Board meetings. Since staff will be attending in alphabetical order, those sitting in today are: Diego Andrade and Pam Ashford.

INVESTMENT COMMITTEE REPORT

Committee Chair Warren indicated that the Committee did not meet this month, so there is no Report.

OPERATIONS COMMITTEE REPORT

Committee Chair Smith stated that there was a meeting of the Committee this morning. He referred Trustees to the written report and made the following motions:

Motion #2: To authorize the Executive Director to enter into a contract with the vendor to provide actuarial services for a one-year base period for \$85,012, with four one-year option periods, for a total contact amount not to exceed \$438,032, subject to contract negotiations.

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

Motion #3: To approve the proposed Mission Statement:

“To serve the interests of the District’s Police Officers, Firefighters, Teachers and their Survivors and Beneficiaries by prudently investing Fund assets and delivering accurate and timely benefit payments with excellent member service.”

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

Motion #4: To approve the proposed Vision Statement:

“Striving to be the leading pension system in the U.S., by prudent investing and excelling in the member service experience.”

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

Motion #5: To approve the proposed Core Values:

- **Accountable:** we will be accountable for our decisions and take responsibility for the associated results.
- **Collaborative:** we seek out colleague and stakeholder input when striving to reach goals and expectations.
- **Respectful:** when interacting with all members, customers, stakeholders, and colleagues, we exhibit courtesy, empathy, and consideration.

- **Responsive:** we strive to provide information and services in a timely manner.
- **Trustworthy:** we will provide our members with the best source of benefits information and prudent investment decisions, and always act with integrity.
- **Service Excellence:** we are attentive to the needs of our members and consistently meet or exceed their expectations.

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

Motion #6: To authorize the Executive Director to expend up to \$560,000 for renewal of IT licenses and technical support and hardware.

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

Motion #7: To authorize the Executive Director to expend an amount of up to \$150,000 for the purchase of computers and accessories.

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

BENEFITS COMMITTEE REPORT

Committee Chair Collins stated that there was no Report, since there was no Benefits Committee meeting this month. She indicated that a Benefits Committee meeting is being scheduled for the second week in September.

Chair Clark then introduced the Mayor of the District of Columbia, the Honorable Muriel Bowser, who was here to address the Board at today’s meeting.

Remarks by Mayor Muriel Bowser

Mayor Bowser began her remarks with a description of her summer project for this year, which is to meet with as many independent boards and commissions as possible in person. She said that her goal is to see how they are doing.

She then listed her priorities for the District, noting that her focus is on making DC more affordable by investing in affordable housing, not only for residents in general, but for the employees of the District Government, especially those just beginning their careers. She also stated that the District is enjoying great prosperity, and that the City is sharing that prosperity with its employees, via fair labor agreements and a specialized mortgage product with a local bank.

The ensuing question and answer session included information related to opportunity and education for the City’s youth; affordable housing for new teachers; diverse investment opportunities; investing in the City’s East side; mayoral appointees to the Board and the existing collaborative atmosphere; procurement opportunities for small, minority and women-owned businesses; and Director Gibson responded to a question related to data needed by the Board to achieve its mission.

LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard stated that there was no Legislative Committee meeting this month and provided Trustees with the following federal legislation introduced into the House and the Senate in the spring of this year:

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

Retirement Enhancement and Savings Act of 2019 (RESA)

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 saving gap impacting millions of American workers. The SECURE Act and RESA primarily focus 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. The SECURE Act passed House vote on May 23, 2019, and RESA was introduced in the Senate on April 1, 2019.

AUDIT COMMITTEE REPORT

Committee Chair Hankins stated that there was a meeting of the Committee this morning, and made the following motion:

Motion #8: To authorize the Executive Director to enter into a contract with the vendor to provide auditing services for a one-year base period for \$67,600, and four 1-year option periods, for a contract amount not to exceed \$352,450, subject to contract negotiations.

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

OTHER BUSINESS

Chairman Clark then made the following motion to go into closed session.

Motion #9: To convene the meeting in closed session to discuss non-public personnel matters pursuant to DC Code §§ 1-736(c), 1-909.05(e), and 2-575(b).

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

Motion #10: To reconvene in open session at 3:27 p.m.

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

ADJOURNMENT

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

Motion #11: To adjourn the meeting at 3:28 p.m.

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

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

| Tally #1: | | Date: July 18, 2019 | | | |
|--|-----|---------------------|---------------------|--------------------|--------|
| To approve the minutes of the June 20, 2019 Board meeting. | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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: July 18, 2019 | | | |
|--|-----|---------------------|---------------------|--------------------|--------|
| To authorize the Executive Director to enter into a contract with the vendor to provide actuarial services for a one-year base period for \$85,012, and four one-year option periods, for a total contract amount not to exceed \$438,032, subject to contract negotiations. | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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. | √ | | | | |

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|--------------------|---|--|--|--|--|
| Warren, Michael J. | √ | | | | |
|--------------------|---|--|--|--|--|

| Tally #3: | | Date: July 18, 2019 | | | |
|--|-----|---------------------|---------------------|--------------------|--------|
| To approve the proposed Mission Statement: | | | | | |
| “To serve the interests of the District’s Police Officers, Firefighters, Teachers and their Survivors and Beneficiaries by prudently investing Fund assets and delivering accurate and timely benefit payments with excellent member service.” | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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: July 18, 2019 | | | |
|---|-----|---------------------|---------------------|--------------------|--------|
| To approve the proposed Vision Statement: | | | | | |
| “Striving to be the leading pension system in the U.S., by prudent investing and excelling in the member service experience.” | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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. | √ | | | | |

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|--------------------|---|--|--|--|--|
| Tippett, Thomas N. | √ | | | | |
| Warren, Michael J. | √ | | | | |

| | |
|-----------|---------------------|
| Tally #5: | Date: July 18, 2019 |
|-----------|---------------------|

To approve the proposed Core Values:

- **Accountable:** we will be accountable for our decisions and take responsibility for the associated results.
- **Collaborative:** we seek out colleague and stakeholder input when striving to reach goals and expectations.
- **Respectful:** when interacting with all members, customers, stakeholders, and colleagues, we exhibit courtesy, empathy, and consideration.
- **Responsive:** we strive to provide information and services in a timely manner.
- **Trustworthy:** we will provide our members with the best source of benefits information and prudent investment decisions, and always act with integrity.
- **Service Excellence:** we are attentive to the needs of our members and consistently meet or exceed their expectations.

| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
|----------------------------|-----|----------------|---------------------|--------------------|--------|
| Clark, Joseph W., Chairman | √ | | | | |
| 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: July 18, 2019 |
|-----------|---------------------|

To authorize the Executive Director to expend up to \$560,000 for renewal of IT licenses and technical support and hardware.

| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
|----------------------------|-----|----------------|---------------------|--------------------|--------|
| Clark, Joseph W., Chairman | √ | | | | |
| 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: July 18, 2019 | | | |
| To authorize the Executive Director to expend an amount of up to \$150,000 for the purchase of computers and accessories. | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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: July 18, 2019 | | | |
|---|-----|---------------------|---------------------|--------------------|--------|
| To authorize the Executive Director to enter into a contract with the vendor to provide auditing services for a one-year base period for \$67,600, and four 1-year option periods, for an amount not to exceed \$352,450, subject to contract negotiations. | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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: July 18, 2019 | | | |
|--|-----|---------------------|---------------------|--------------------|--------|
| To convene the meeting in closed session to discuss non-public personnel matters pursuant to DC Code §§ 1-736(c), 1-909.05(e), and 2-575(b). | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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: July 18, 2019 | | | |
|---|-----|---------------------|---------------------|--------------------|--------|
| To reconvene in open session at 3:27 p.m. | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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 #11: | | Date: July 18, 2019 | | | |
|-------------------------------------|-----|---------------------|---------------------|--------------------|--------|
| To adjourn the meeting at 3:28 p.m. | | | | | |
| Members | Aye | Nay/ Oppose | No Vote/ Abstain | No Vote/ Recuse | Absent |
| Clark, Joseph W., Chairman | √ | | | | |
| 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. | √ | | | | |