DISTRICT OF COLUMBIA RETIREMENT BOARD
BOARD MEETING MINUTES
OCTOBER 16, 2014

MEMBERS PRESENT
Joseph M. Bress, Chairman
Barbara Davis Blum
Joseph W. Clark
Mary A. Collins
Gary W. Hankins
Darrick O. Ross
Nathan A. Saunders
Thomas N. Tippett
Michael J. Warren
Lenda P. Washington
Jeffrey Barnette, ex officio

DCRB STAFF PRESENT
Eric Stanchfield, Executive Director
Erie Sampson, General Counsel
Sheila Morgan-Johnson
Thomas Anderson
Johnetta Bond
Peter Dewar
Joan Passerino
Leslie King
Camille Castro
Patrick Sahm
Susan Scrapper
Deborah Reaves
Yolanda Smith
Johniece Harris
Wukyanos Gebremeskel

MEMBERS NOT PRESENT
Lyle M. Blanchard*
Edward C. Smith

*Participated via telephone, but was not present for quorum or voting purposes.

Others Present
Craig Bitman, Morgan Lewis
Darrin P. Sobin, DC Board of Ethics and Government Accountability
Gavin Bernstein, Diligent Board Member Services, Inc.
Marcus Ross, visitor

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ROLL CALL
Chairman Bress called the meeting to order at 10:50 a.m. Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES
Chairman Bress introduced a motion to approve the September 17, 2014, Board meeting minutes. The motion was properly seconded.

Motion #1: To approve the September 17, 2014 Board meeting minutes.

A voice vote was called and the motion was approved 6-0, with two abstentions. *(See Tally #1)*

Chairman Bress made the following motion, which Mr. Hankins seconded:

Motion #2: To enter into Closed Session at 10:52 a.m for trustee fiduciary and ethics training pursuant to D.C. Code § 2-575(b)(12).

A voice vote was called and the motion was approved 8-0. (*See Tally #2)*

Chairman Bress made a motion, which was properly seconded by Ms. Collins:

Motion #3: To come out of closed session at 1:55 p.m.

A voice vote was called and the motion was approved 9-0. (*See Tally #3*)

CHAIRMAN'S COMMENTS

Fiduciary and Ethics Training: The chairman thanked the Trustees and Staff members for attending the mandatory training provided prior to the Board meeting, and reminded everyone that this is an important part of their fiduciary duties.

Request of Meeting by DC Divest: Mr. Bress indicated that the Board had been asked by an advocacy group, DC Divest, to allow them to provide the Board with a presentation related to their cause. He indicated that a response was being prepared in accordance with the Board's policy not to meet with such groups.

Revised Trustee Travel Policy: The Operations Committee has been asked to update the Trustee Travel Policy and assure that it is current and reflects best practices. A draft will be presented at the Operations Committee meeting in November.

Lasana Mack: Mr. Bress recognized the contributions of Lasana Mack, who passed away in September. Mr. Mack served on the Board as the District Chief Financial Officer's representative in an ex officio capacity from 2005 to 2012.

EXECUTIVE DIRECTOR'S REPORT HIGHLIGHTS

Mr. Stanchfield presented the following information to the Board:

Board Portal Project: The project team has reviewed vendor proposals and demonstrations, and will submit a recommendation to the Board today.

Data Reclamation Project: The Data Reclamation Project involves reviewing and reclaiming 4,559 active member service records and transmitting future member activity, including service and contribution histories, to DCRB on a bi-weekly schedule. To date 95% of the records have been reclaimed, with MPD at 100% (1,768 of 1,768), DCPS at 100% (2,265 of 2,265), and FEMS at 58% (303 of 526).

Pension System Feasibility Study: The Pension System Feasibility and Requirements Study continues with Linea Solutions performing interviews with key agency staff to better understand DCRB's requirements and future initiatives. This phase is expected to continue until February 2015.

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Certificate of Achievement for Excellence in Financial Reporting: On September 22, 2014, DCRB was notified that its Finance Department had been awarded a Certificate of Achievement for Excellence in Financial Reporting for DCRB's comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2013. This is the fifth year in a row that DCRB has received this award.

Total FY 2015 District Pension Contribution: The District's total FY 2015 contribution to the Funds is $142,943,000 ($39,513,000 for the Teachers' Plan and $103,430,000 for the Police/Fire Plan). The Office of the Chief Financial Officer will execute the transfer of this contribution to the Fund on October 23, 2014.

Certificate of Achievement in Public Plan Policy (CAPPP®) Training: Part I of the two-part Certificate of Achievement in Public Plan Policy (CAPPP®) program in Employee Pensions was hosted by DCRB on Monday, September 29 and Tuesday, September 30. This first part covered Governance, Legislative/Regulatory Developments, the Legal Environment, and Actuarial Principles. Part II, which will be held on October 27 and 28, will cover Plan Design, Investments, Business Improvement Strategies, and Emerging Issues.

The Fall 2014 Newsletter: The fall 2014 DCRB Report is in the process of being assembled. It will contain articles that are related to year-end Benefits Department activities, as well as information on fiscal year-end investment results.

Treasury MOU: The MOU between DCRB and the U.S. Department of the Treasury's Office of DC Pensions for FY 2015 Administrative Expenses is in its final stages of review. The MOU is expected to be signed within the next few weeks.

INVESTMENT COMMITTEE REPORT

The Investment Committee did not meet this month.

OPERATIONS COMMITTEE REPORT

The Operations Committee met on October 15, 2014. Committee Chair, Darrick Ross, reported the following:

Electronic Board Materials Presentation: DCRB solicited proposals for an electronic solution to replace the manual, paper process currently used to provide Board members with materials each month. The project team reviewed the seven proposals received, and the selected vendor demonstrated its software at the Board meeting.

Committee Chair Darrick Ross made the following motion, which was seconded by Mr. Clark:

Motion #4: This motion is redacted pursuant to DC Code § 2-575(b)(2) because public disclosure of the Motion would adversely affect DCRB's negotiating strategy.

A voice vote was called and the motion was approved 9-1. *(See Tally #4)*

Mr. Tippett opposed the motion on the record.

Contract for Kofax Maintenance and Support: A solicitation was issued by the DCRB Procurement Office in March 2014 for maintenance and support of the DCRB Kofax Imaging System. The project team reviewed and evaluated the three proposals that were received, and selected a vendor to provide these services.

Committee Chair Darrick Ross made the following motion, which was seconded by Mr. Hankins:

Motion #5: This motion is redacted pursuant to DC Code § 2-575(b)(2) because public disclosure of the Motion would adversely affect DCRB's negotiating strategy.

A voice vote was called and the motion was approved 9-0. *(See Tally #5)*

Trustee Compensation Method
Trustee Washington asked that the Committee consider paying Trustees a stipend rather than via detailed accounting. She also asked that a pay advice be provided to Trustees for their on-going fiscal year records, rather than receiving just an IRS 1099 form at the end of the tax year.

Electronic Meeting Attendance
Trustee Washington asked that the Committee revisit allowing Trustees to vote via teleconference, videoconference and other electronic means when they are not able to physically attend meetings.

BENEFITS COMMITTEE REPORT

The Benefits Committee did not meet this month. Committee Vice-Chair, Nathan Saunders, reported on the following items:

2014 Health Benefits Open Season Preparations: The Office of Personnel Management (OPM) announced November 10, 2014 through December 8, 2014 as the dates for the 2014 Federal health care Open Season. Open enrollment for the District's program is from November 10, 2014 through December 12, 2014.

Resolution 20-482 MPD Union Increase - Tiers II/III Retired Police Impact – Update: The Benefits Department recalculated the annuities of 93 of the 116 Police annuitants who retired after April 7, 2013. The increases and retroactive amounts were included in their October benefit payment. The remaining 23 cases will be processed in time for November payments.

Resolution 20-588 Fire Union Increase – Update: This resolution provided Fire Department personnel with a 3% increase (effective April 8, 2012), 3.5% increase (effective April 7, 2013), and 3.5% increase (effective April 6, 2014). Affected retirees and survivors will see these increases in their benefit payments in November or December 2014.

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Teacher's Retirement Processing
Benefits Department staff completed processing 45 teacher retirements in time for the September 2014 benefit payroll; an additional 23 will be included with the October 2014 payroll. The average time for case processing, from DCRB's receipt of the HR package to placement on payroll, was 45 days.

LEGISLATIVE COMMITTEE REPORT

The Committee Chair, Lyle Blanchard, provided an update on B20-890, "Firefighter Retirement While Under Disciplinary Investigation Amendment Act of 2014." The Committee on Judiciary and Public Safety held a public hearing on October 15, 2014 for the purpose of receiving testimony on the bill. DCRB submitted a letter to Councilmember Wells regarding the bill's conflict with the Plan's anti-alienation provision.

AUDIT COMMITTEE REPORT

The Audit Committee met on October 15, 2014. Committee Chair, Gary Hankins, reported the following:

2014 Audit: CliftonLarsonAllen kicked-off the audit of DCRB's financial statements for the fiscal year ended September 30, 2014. The critical areas that will be covered in this audit will be investments, contributions, benefit payments, and actuarial data. Final reports will be completed in December 2014.

OTHER BUSINESS

None.

ADJOURNMENT

Chairman Bress made the following motion, which was seconded by Ms. Washington:

Motion #6: To adjourn the meeting at 3:05 p.m.

A voice vote was called and the motion was approved 9-0. *(See Tally #6)*

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DISTRICT OF COLUMBIA RETIREMENT BOARD
RECORD OF OFFICIAL BOARD ACTIONS

Tally #1			Date: October 16, 2014		
To approve the minutes of the September 17, 2014 Board meeting minutes.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.					√
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.			√		
Saunders, Nathan A.*					√
Smith, Edward C.					√
Tippett, Thomas N.			√		
Warren, Michael J.**					√
Washington, Lenda P.	√				

* arrived at the conclusion of the fiduciary training.
** arrived at the conclusion of the ethics training.

Tally #2			Date: October 16, 2014		
To enter into Closed Session at 10:52 a.m for trustee fiduciary and ethics training pursuant to D.C. Code § 2-575(b)(12).					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.					√
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan A.*					√
Smith, Edward C.					√
Tippett, Thomas N.	√				
Warren, Michael J.**					√
Washington, Lenda P.	√				

* arrived at the conclusion of the fiduciary training.
** arrived at the conclusion of the ethics training

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Tally #3			Date: October 16, 2014		
To come out of closed session at 1:55 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.					√
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan A.	√				
Smith, Edward C.					√
Tippett, Thomas N.	√				
Warren, Michael J.*					√
Washington, Lenda P.	√				

* arrived at the conclusion of the ethics training.

Tally #4			Date: October 16, 2014		
This motion is redacted pursuant to DC Code § 2-575(b)(2) because public disclosure of the Motion would adversely affect DCRB's negotiating strategy.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.					√
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan A.	√				
Smith, Edward C.					√
Tippett, Thomas N.		√			
Warren, Michael J.	√				
Washington, Lenda P.	√				

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Tally #5			Date: October 16, 2014		
This motion is redacted pursuant to DC Code § 2-575(b)(2) because public disclosure of the Motion would adversely affect DCRB's negotiating strategy.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.					√
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.*					√
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan A.	√				
Smith, Edward C.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

* left meeting before this vote was taken.

Tally #6			Date: October 16, 2014		
To adjourn the meeting at 3:05 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair	√				
Blanchard, Lyle M.					√
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.*					√
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan A.	√				
Smith, Edward C.					√
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

* left meeting before this vote was taken.

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