



**DISTRICT OF COLUMBIA RETIREMENT BOARD
MEETING MINUTES
OCTOBER 17, 2019
10:00 A.M.**

MEMBERS PRESENT

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

* via telephone.

⁺ attended trustee annual Code of Conduct and Open Meetings Act training during morning session.

MEMBERS NOT PRESENT

Joseph W. Clark, Chair
Bruno J. Fernandes

DCRB STAFF PRESENT

Sheila Morgan-Johnson
Erie Sampson⁺
Anthony Shelborne
Joan Passerino
Daniel Hernandez
Kimberly Woods
Leslie King
Monica Houston
Akiko Kawashima
Adina Dorch⁺
Patrick Sahn
Michael Xanthopoulos
Vernon Valentine
Michaela Burnette
Deborah Reaves⁺
Joyce Greene
Johniece Harris
Nina Bridgers
Wukyanos Gebremeskel

OTHERS PRESENT

Johnnie Barton, BEGA/OMA⁺
Asia Stewart-Mitchell, BEGA⁺
Gregory M. Dean, DC Fire Chief
Molly LeStage, Meketa*
Yanni Grupen, Meketa*
John Haggerty, Meketa*
Derek Proctor, Meketa*

ROLL CALL

In the absence of the Board Chairman, Vice Chair Hankins called the meeting to order at approximate 10:15 a.m. and Ms. Deborah Reaves called the roll. Once the roll was called Vice Chair Hankins introduced the two representatives from the District's Board of Ethics and Government Accountability in attendance to provide the trustees with annual District Code of Conduct and Open Meetings Act training. He presented a motion to convene the meeting in closed session:

Motion #1: To convene in closed session to train and develop Board Trustees and staff pursuant to DC Code §2-575(b)(12).

The motion was properly moved and seconded. The motion was approved (8–0). (*See Tally #1*)

Following the discussion, Vice Chair Hankins made the following motion to bring the Board out of closed session:

Motion #2: To reconvene in open session.

The motion was properly moved and seconded. The motion was approved (8–0). (*See Tally #2*)

At the conclusion of training, the trustees briefly recessed for lunch. Vice Chair Hankins called the open meeting of the Board to order at approximate 1:30 p.m. and Ms. Deborah Reaves called the roll again.

APPROVAL OF MINUTES

Vice Chair Hankins introduced a motion to approve the September 19, 2019 Board Meeting minutes.

Motion #3: To approve Open Board Meeting Minutes for the September 19, 2019 Board meeting.

The motion was moved by Trustee Warren and properly seconded by Trustee Tippett. The motion was approved (9-0, with 2 abstentions). (*See Tally #3*)

Motion #4: To approve the Closed Executive Session Minutes of the September 19, 2019 Board meeting.

The motion was moved by Trustee Tippett and properly seconded by Trustee Harris. The motion was approved (9-0, with 2 abstentions). (*See Tally #4*)

CHAIRMAN’S REPORT

Vice Chair Hankins referred Trustees to his written report, and commented on the following topics:

Investment Committee Vice Chair

Trustee Bress has been effectively serving as interim Vice Chair of the Investment Committee since former Trustee Lenda Washington’s term on the Board ended. This is official notice of his appointment as the Vice Chair of the Investment Committee.

Visit by DC Fire Chief

Vice Chair Hankins indicated that at the September Board meeting, it was announced that DC Fire Chief Gregory M. Dean would be attending the meeting today. He welcomed Chief Dean to the Board meeting and reiterated that District Council Chairman Phil Mendelson will be joining us at the Board meeting next month. He then turned the meeting over to Chief Dean for his remarks.

REMARKS BY FIRE CHIEF GREGORY M. DEAN

Chief Dean began his comments with some personal history, indicating that he is from Seattle, Washington and that he began his career there as a firefighter trainee and rose through the ranks to become Fire Chief. After serving ten years as Fire Chief in Seattle, he was appointed by DC Mayor Muriel Bowser to lead the DC Fire and Emergency Medical Services (FEMS) Department.

He then talked about some challenges he faced early in his tenure with DC FEMS, as well as his goals as Chief of DC FEMS, which include stabilizing operations, and increased leadership training for staff. Chief Dean then responded to questions and comments from Trustees and closed by thanking the Trustees for the services that DCRB provides to members.

EXECUTIVE DIRECTOR'S REPORT

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

Retired Firefighter Election Update

The election process for the Retired Firefighter Trustee position on the Board began on August 1, 2019. As with last year's election, DCRB's new Election Official's (Election America, Inc.) system permits eligible members to cast their ballots via paper, telephone, or on-line. The winner will be certified at the December Board meeting. The new term begins on January 28, 2020.

Treasury Offset Program (TOP) Update

As noted last month, ODCP asked Treasury management for an extension of the due date for the exemption request related to TOP from September 30, 2019 to October 30, 2019. Since that due date request was granted, DCRB has had several discussions with ODCP and Treasury's Bureau of the Fiscal Service staff about the contents of the exemption request. DCRB will submit a supplemental letter to ODCP by October 18, 2019, reiterating DCRB's rationale for the request and providing additional data. ODCP will use that information in their request for a full exemption of District Benefit Payments from the TOP.

All Hands Meeting

On October 7, 2019, I held an All Staff Meeting, which was also attended by Board Chair Joseph Clark and Vice Chair Gary Hankins (who attended via telephone). During that meeting, I addressed issues related to DCRB's work environment and culture, thanked staff for their efforts during a difficult time of staff vacancies and heavy work requirements, and advised them of the work being done by the Executive Leadership Team to meet these challenges.

DCRB Summer Newsletter Update

DCRB's summer newsletter, the Teachers' Edition, was distributed to active and retired teachers on October 9, 2019.

Staff Attendance at Board Meetings

As noted in July, to further engage our staff, and to educate them on the Board and how it functions, up to two staff members will attend Board meetings each month.

In attendance today was Michaela Burnett, an Applications Database Manager in the Information Technology office, who joined DCRB on June 21, 2010.

Staffing Changes

Executive Director Morgan-Johnson then introduced Monica Houston and Akiko Kawashima, who recently joined DCRB, and asked them to introduce themselves.

Monica Houston joined DCRB on September 30, 2019 as our **Director of Internal Audit**, a newly created position within our Legal & Compliance Department. With over 20 years of audit and accounting experience in both the private and public sectors, Monica has previously worked as the City Auditor for the City of Modesto, California and prior to that served as the Compliance Manager for the National Futures Association, and the Chief Audit Officer for the South Carolina Retirement System Investment Commission. Monica is a certified fraud examiner, holds a bachelor's degree in Accounting, and a master's degree in Financial Planning.

Akiko Kawashima joined DCRB on October 7, 2019 as our **Controller**. Most recently, Akiko served as the Assistant Controller to the Metropolitan Washington Airports Authority (from 2016 to 2019) and was Compliance Manager for the Montgomery County Employee Retirement Plans from 2010 to 2016. In addition to being a certified public accountant (CPA), she holds a bachelor's degree in Commerce and a master's degree in accounting.

INVESTMENT COMMITTEE REPORT

Committee Chair Warren stated that the Committee did not meet this month and noted that the next meeting will be held on November 21, 2019. He then noted that there are two time-sensitive investment opportunities that the Board needs to consider and made the following motion:

Motion #5: To convene in closed session to discuss investment matters pursuant to DC Code §§2-575(b)(1)(2), (11) and 1-909.05(e).

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

Following the discussion, Trustee Warren made the following motion to bring the Board out of closed session:

Motion #6: To reconvene in open session at 3:13 p.m.

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

Investment Committee Chair Warren then read the following motions involving information discussed during the closed session:

Motion #7: To commit up to \$40 million to a recommitment (Re-Up) in Wheelock Street Real Estate Fund VI, an opportunistic U.S. Real Estate Fund, subject to legal review and further due diligence.

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

Motion #8: To commit up to \$50 million to a recommitment (Re-Up) in Advent Latin American Private Equity Fund VII, a Pan-Regional Buyout Fund, subject to legal review and further due diligence.

The motion was moved by Trustee Warren and properly seconded by Trustee Smith. The motion was approved (10-1). (*See Tally #8*)

OPERATIONS COMMITTEE REPORT

Committee Chair Smith stated that the Committee did not meet this month, so there is no report. He indicated that there would be meetings in November and December. He noted that in November, there will be an actuarial workshop and a presentation of the preliminary results of the actuary, as well as the proposed DCRB budget.

BENEFITS COMMITTEE REPORT

Committee Chair Collins stated that there was no meeting of the Benefits Committee this month, so there is no report. She noted, however, that open enrollment for 2020 Federal and District health insurance benefits begins on Monday, November 11, 2019 and continues through Monday, December 9, 2019. DCRB will be distributing annuitant materials in early November and will be hosting two walk-in events at DCRB during the open enrollment period.

LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard stated that there was no Legislative Committee meeting this month, so there is no report. He provided a brief update on pending Federal legislation related to retirement security and indicated that, schedule permitting, he anticipated planning a Legislative Committee meeting before the end of the year.

AUDIT COMMITTEE REPORT

Committee Chair Hankins stated that there was a meeting of the Committee earlier that day during which Eric Ernst, engagement partner with certified public accounting firm McConnell & Jones LLP, provided the Committee with a presentation on the substance and timing of McConnell's inaugural audit of DCRB's financials. Committee Chair Hankins noted the Committee's executive session with Ms. Houston to discuss her role as Internal Auditor, what is expected of DCRB's new internal audit function, and a proposal to update DCRB's Audit Committee Charter in contemplation of the new internal audit function.

OTHER BUSINESS

None.

ADJOURNMENT

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

Motion #9: To adjourn the meeting at 3:23 p.m.

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

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

Tally #1		Date: October 17, 2019			
To convene in closed session to train and develop Board Trustees and staff pursuant to DC Code §2-575(b)(12).					
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: October 17, 2019			
To reconvene in open session.					
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: October 17, 2019			
To approve the Open Board Meeting Minutes for the September 19, 2019 Board 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 #4:		Date: October 17, 2019			
To approve the Closed Executive Session Minutes for the September 19, 2019 Board 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 #5			Date: October 17, 2019		
To convene in closed session to discuss investment matters pursuant to DC Code §§2-575(b)(1)(2), (11) and 1-909.05(e).					
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: October 17, 2019		
To reconvene in open session at 3:13 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 #7		Date: October 17, 2019			
To commit up to \$40 million to a recommitment (Re-Up) in Wheelock Street Real Estate Fund VI, an opportunistic U.S. 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 #8:		Date: October 17, 2019			
To commit up to \$50 million to a recommitment (Re-Up) in Advent Latin American Private Equity Fund VII, a Pan-Regional 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 #9:		Date: October 17, 2019			
To adjourn the meeting at 3:23 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.	√				