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**OPEN SESSION**  
**NOTICE OF VIRTUAL BOARD MEETING**  
**DANNY C. GREGG, CHAIR**  
**THURSDAY, JULY 17, 2025**  
**1:30 P.M.**

<a href="#">WebEx Meeting</a>	Telephone: 650-479-3208	Conference Access Code: 2300 377 9517	Meeting Password: 354gMWGbpMM
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**REVISED-AGENDA**

- 1:30 PM **OPEN SESSION -- CALL TO ORDER AND ROLL CALL**
- 1:35 PM **APPROVAL OF BOARD MEETING MINUTES -- ACTION ITEMS** **TAB 2**
  - APPROVAL OF OPEN SESSION MEETING MINUTES FOR MAY 15,2025
  - APPROVAL OF SPECIAL OPEN SESSION MEETING MINUTES FOR JUNE 5,2025
- CHAIR’S COMMENTS** **TAB 3**
- EXECUTIVE DIRECTOR’S REPORT** **TAB 4**
- LEGAL DEPARTMENT REPORT** **TAB 5**
- 2:15PM **INVESTMENT COMMITTEE REPORT-- ACTION ITEMS** **TAB 6**
- OPERATIONS COMMITTEE REPORT-- ACTION ITEM** **TAB 7**
- AUDIT COMMITTEE REPORT-- ACTION ITEM** **TAB 8**
- BENEFITS COMMITTEE REPORT-- ACTION ITEM** **TAB 9**
- LEGISLATIVE COMMITTEE REPORT** **TAB 10**
- 2:30 PM **OTHER BUSINESS--** **TAB 11**
- 3:00 PM **ADJOURNMENT** **TAB 12**

“This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at [opengovoffice@dc.gov](mailto:opengovoffice@dc.gov).”



**DISTRICT OF COLUMBIA RETIREMENT BOARD (DCRB)  
DRAFT\* OPEN BOARD MEETING MINUTES  
THURSDAY, May 15, 2025  
1:30 P.M. via WebEx**

**\*These draft minutes must be approved by the Board at its next Open Board meeting.  
Full meeting minutes will be posted after the next Open Board meeting.**

**MEMBERS PRESENT**

Chair, Danny Gregg  
Lyle M. Blanchard (1:35 p.m.)  
Joseph M. Bress  
Mary A. Collins  
Christopher Finelli  
Geoffrey Grambo  
Tracy S. Harris  
Greggory Pemberton  
Adam Weers

**MEMBERS NOT PRESENT**

Joseph W. Clark  
Nathan A. Saunders  
Carmen Pigler, Ex Officio

**DCRB STAFF PRESENT**

Gianpiero “JP” Balestrieri, Executive Director  
Kate Robinson  
Violeta Curiel Gonzalez  
Patrick Sahn  
Samantha Van der Bunt  
Ram Murthy  
Daniel Hernandez  
Vernon Valentine  
Lauren Smith  
Lori Morgan  
Leslie West  
Jaininne Edwards  
Wukyanos Gebremeskel  
Shaquja Clark  
Johniece Harris, Board Liaison

**OTHERS PRESENT**

Gar Chung, Financial News  
Mustsfa Elgabry, Blackrock

**ROLL CALL**

Chair Danny Gregg called the meeting to order at 1:30 p.m. and Ms. Johniece Harris called the roll.

**APPROVAL OF MINUTES**

Chair Gregg introduced a motion to approve the open session Board meeting minutes.

**Motion#1:** To approve the March 20, 2025, Open Board meeting minutes.

The motion was moved by Trustee Gregg and properly seconded by Trustee Bress. The motion was approved by unanimous vote (8-0). (See Tally #1)

Tally #1			Date: May 15, 2025		
<b>Motion #1:</b> To approve the March 20, 2025, Open Board meeting minutes.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair					
Blanchard, Lyle M.				√	
Bress, Joseph M.					
Clark, Joseph W.					√
Collins, Mary A.					
Finelli, Christopher					
Grambo, Geoffrey P.					
Harris, Tracy S.					
Pemberton, Gregory J.					
Saunders, Nathan A.					√
Weers, Adam					

**CHAIR REPORT**

Chair Gregg referred the trustees to his written report and commented on the following topics:

- **In-Person Board Attendance:**

Board meetings will continue virtually and in person. Those who want to meet in the Board room are welcome to do so, please let staff know.

- **Board Etiquette:**

**Decorum-** professionalism – 1) civility; 2) mutual respect and courtesy toward others and 3) preparation, i.e., thoroughly read briefing materials, test links to access meeting before the actual meeting, 4) be on time – meetings will begin once a quorum is met.

**Agenda** – out of respect for other trustees and staff please plan to arrive on time and remain focused exclusively on the agenda items. Once a meeting is convened, other matters aside from the prepared Agenda may be addressed during “Other Business.”

**Computer Camera** - please turn on your camera and mute your audio until you intend to speak.

- **Board Governance**

**Delegation of Authority** – Board governance focuses on setting the overall direction, strategy, and policies for DCRB, while management focuses on the day-to-day operations and implementation of those policies. Trustees must refrain from getting into the weeds. Trustees and the ED will create the vision for DCRB and it’s the duty of the paid professional staff to help us achieve that vision through the development of operational programs and policies and procedures.

**Complaints/Concerns** – refer complaints to the responsible department head with a courtesy notification to the executive director. DCRB staff will address the issue and contact the complainant with findings and any resolution that addresses the concern. The originating trustee will be kept informed

**Investments**– the executive director and chairman of the Investment Committee will update us on the performance of the Fund.

**Standing Committees-Standing Committees Chairs/Vice Chairs:**

- Investment Committee of the Whole–Chair Adam Weers/Vice Chair Tracy Harris
- Audit Committee – Chair Tracy Harris/Vice Chair Mary Collins
- Benefits Committee – Chair Geoff Grambo/Vice Chair Nathan Saunders
- Legislative Committee – Chair Lyle Blanchard/Vice Chair Mary Collins
- Operations Committee - Chair Chris Finelli/Vice Chair Gregory Pemberton

• **Scheduled Meetings- Schedule of Board of Trustees Meetings:**

Trustee meetings are every other month. A schedule is posted at DCRB website with dates and times.

Committee meetings shall be held during the months that a Board meeting is not scheduled.

August – no meetings

Training sessions for all Trustees will be held prior to the investment committee meeting in the months the Board of trustees meet. All Trustees are encouraged to seek out knowledge-based and skills-based training opportunities to better serve Plan participants.

- **Rules of Professional Behavior for Board Meetings:** I would like to ask that Trustees and Staff please observe the following rules of professional behavior for Board and Committee meetings:
  1. Board and Committee meetings must start and end on time in accordance with the schedule set forth in the meeting agenda.
  2. Trustees and Staff must treat each other with respect and professionalism.
  3. Each Trustee is also asked to be respectful of their peers.
  4. Please turn your camera on and mute your audio until you are asked to speak.
- **Trustee Elections:** It's that time again!! Trustee elections will be held this summer for the Retired Teachers' position on our Board of Trustees. As in the past, the process will begin August 1, 2025, and the winner will be certified in December. The new term will begin on January 28, 2026.
- **Next Board Meeting:** The next meeting will be held on July 17, 2025.
- **Board Motions:** As a reminder, when voting on Board motions and resolutions, individual voice votes are required.

- **Member Complaints:** Trustees who receive questions or complaints from members on issues administered by DCRB should contact the Executive Director and the Department Chief who is responsible for issue resolution.

Trustees moved to the next item on the agenda

## **EXECUTIVE DIRECTOR'S REPORT**

Executive Director, Gianpiero "JP" Balestrieri, gave an update on the following topics:

### **1. Staffing Update**

- a. New & Pending Hires**
- b. Current Vacancies to Fill**
- c. Classification & Compensation Study**

### **2. Fiscal Year 2024 Fund Performance and Investment Update (As of 5/14/2025)**

- a. Total Market Value of the Fund:** is at \$12.6 billion
- b. Firm Fund Liquidity:** Currently, the Fund holds approximately \$160 million in cash vs. monthly benefit payments of approximately \$30mn.
- c. Net Returns to the Fund:**
  - i. Calendar YTD 2025:** 3.9%
  - ii. Fiscal YTD 2025:** 2.4%
  - iii. Last twenty (20) Years Average:** the net return has averaged +6.8% per annum

### **3. Asset Allocation & Rebalancing Update**

The DCRB investment team monitors the portfolio's asset allocation daily to ensure the asset allocation stays in line with targets and that there is sufficient liquidity to meet benefit payments, capital calls, and other operational needs.

- a. Since the last board meeting:** the investment team has completed another 19 rebalancing transactions valued at about \$640 million.
- b. FY 25 to date:** the investment team has completed 69 rebalancing transactions valued at approximately \$4.249 billion in FY 2025 to date.

### **4. Closings Since last Board Meeting**

- a.** DCRB closed an investment of \$75Mn in Hull Street Energy III, an investment manager focused on infrastructure.
- b.** DCRB closed an investment of C\$140Mn/\$100Mn in Birch Hill Equity Partners VII, an investment manager focused on middle market private equity investments.
- c.** DCRB closed an investment of \$100Mn in SVP Special Opportunities VI, an investment manager focused on private credit investments.

### **5. Updated Investment Policy**

The updated investment policy serves as the governing document for the investment of the assets of the retirement funds as well as for the planning and implementation of DCRB's investment

program, outlining DCRB's investment philosophy, practices, policies, and objectives and defining the roles, duties and responsibilities of the individuals and entities involved in the investment process. Management presented an updated investment policy and for initial review by the Investment Committee in today's IC meeting.

**6. Custodial Banking Services RFP**

The Finance and Investments teams have worked with the procurement department to conduct an RFP process for a new custodial banking services recommendation to be presented at the Operations Committee meeting in June 2025 and then to the full Board in July 2025.

**7. DCRB Annual Consolidated Financial Report (ACFR) FYE 2024 Update**

The Fiscal Year end 2024 ACFR has been published and printed as of March 28, 20225. On April 25, 2025, financial summaries for the Teachers, Police and Fire plans were also prepared and posted to the DCRB website.

**8. RFP Process for Independent Audit Services Provider**

The Finance team has worked with the procurement department to conduct an RFP process for a new independent audit services provider recommendation to be presented at the Audit Committee meeting in June 2025 and then to the Board for approval in July 2025.

**9. Stakeholder Outreach: Trainings and Workshops**

The Benefits team continues to lead a very proactive stakeholder outreach program to kick off calendar year 2025 focused on training and workshops with employer agencies.

- a. April 1, 2025: Association of Retired Police Officers (AORP) Meeting
- b. April 7, 2025: Retired Firefighters Association Meeting
- c. April 9, 2025: Washington Teachers' Union (WTU) Retiree Association Meeting

**10. Benefits Administration Pension System RFP Process**

DCRB management will present an education session on the options reviewed to date for the Benefits Administration Pension System (BAPS) at the June 2025 operations committee prior to moving forward with the RFP procurement process for BAPS. DCRB management intends to conduct and complete the RFP process for review and approval by the trustees in the fall of 2025.

Trustees moved to the next item on the agenda

**LEGAL DEPARTMENT REPORT**

Kate Robinson, Interim General Counsel, reported to the Board there were no new developments. DCRB's Legal Department continues to make progress on our goals and projects for fiscal year 2025.

Kate Robinson, Interim General Counsel stated that the Trustees have been granted by BEGA an extension Until June 15<sup>th</sup> to file Financial Disclosures Forms, the Council approved emergency legislation to delay BEGA's rules until next year. The Mayor has a ten-day review period, which ends May 20<sup>th</sup> to either sign or veto the bill and allow it become law with taking any action.

Trustees moved to the next item on the agenda

**INVESTMENT COMMITTEE REPORT**

Committee Chair Weers reported that the Investment Committee met on May 15, 2025. The official actions taken at this meeting are presented below for ratification by the full Board.

**Motion #2:** To approve a full redemption from “Fund AE”\* and the transfer of proceeds to the “Fund AF”\*. The Investment Team should report on the results of the transition to the IC following completion.

The motion was moved by Chair Weers and properly seconded by Trustee Bress.  
The motion was approved unanimous vote (9-0). (See Tally #2)

Tally #2		Date: May 15, 2025			
<b>Motion #:</b> To approve a full redemption from “Fund AE”* and the transfer of proceeds to the “Fund AF”*. The Investment Team should report on the results of the transition to the IC following completion.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Blanchard, Lyle M.	√				
Bress, Joseph M.	√				
Clark, Joseph W.					√
Collins, Mary A.	√				
Finelli, Christopher	√				
Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.	√				
Saunders, Nathan A.					√
Weers, Adam	√				

**Motion #3:** To approve a commitment of up to \$100 million to “Fund AG”\*, a private infrastructure fund, pending legal review and final due diligence. The commitment is in line with DCRB’s various investment policy statements, asset allocation and annual commitment budget.

The motion was moved by Trustee Weers and properly seconded by Trustee Gregg.  
The motion was approved unanimous vote (9-0). (See Tally #3)

Tally #3		Date: May 15, 2025			
<b>Motion #3:</b> To approve a commitment of up to \$100 million to “Fund AG”*, a private infrastructure fund, pending legal review and final due diligence. The commitment is in line with DCRB’s various investment policy statements, asset allocation and annual commitment budget.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Blanchard, Lyle M.	√				
Bress, Joseph M	√				
Clark, Joseph W.					√
Collins, Mary A.	√				
Finelli, Christopher	√				

Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.	√				
Saunders, Nathan A.					√
Weers, Adam	√				

In addition, DCRB completed the following new investments since the last Investment Committee meeting:

1. A \$75 million commitment to **Hull Street Energy Partners III**, a private infrastructure fund, closed on March 27, 2025.
2. A \$100 million (~C\$145mn) commitment to **Birch Hill Equity Partners VII**, a private equity fund, closed on April 3, 2025.
3. A \$100 million commitment to **SVP Special Situations Fund VI**, a private credit fund, closed on April 30, 2025.

Trustees moved to the next item on the agenda.

**OPERATIONS COMMITTEE REPORT**

Committee Chair Finelli reported to the Board that the Operations Committee did not meet in April. The next Operations Committee meeting is scheduled to be held on Tuesday, June 17, 2025, at 1pm.

This concludes my report.

Trustees moved to the next item on the agenda.

**AUDIT COMMITTEE REPORT**

Committee Chair Harris reported that the Audit Committee met on February 18, 2025, and the following items were presented:

- The Budget vs Actual report as of March 31, 2025:
  - o 70% of the original FY 25 budget was available for spending.
- Internal Auditor Report:
  - o The Internal Audit Director provided an update on the audits that were recently completed:
    - Procurement Audit- Mr. Gormley described the procedure for conducting the procurement audit, which included examining the department’s policies and procedures and the relevant DC Code for procurement. He also analyzed the monthly budget and open purchase order reports to select a sample of transactions for testing. The testing process involved tracing transactions from initiation to completion, covering the creation of the requisition to the final payment phase. There were no internal audit findings or instances of non-compliance identified as a result of this testing.
    - Budget Formulation Audit- Alongside the procurement audit, Mr. Gormley also conducted an audit of the Budget Formulation process. His review included examining the department’s policy and procedures manual, and the monthly budget reports. He observed that the

department manages its workload using the Procurement Office Workload Spreadsheet. Additionally, the team has developed Process and Risk flow charts that outline the internal controls that are embedded in the process. Similar to the Procurement Audit, there were no internal audit findings or instances of non-compliance identified.

- Dashboard- Mr. Gormley concluded his presentation by stating that the Dashboard will be utilized to track all internal audits that have been completed to date. He emphasized that the Dashboard will be updated as necessary, as he continues to monitor compliance in previously audited areas.

The next Audit Committee meeting is scheduled for June 17, 2025, at 10 am.

Trustees moved to the next item on the agenda.

### **BENEFITS COMMITTEE REPORT**

Committee Chair Grambo reported that the scheduled for April 19, 2025, was cancelled. The next Benefits Committee meeting is set for Wednesday, June 18, 2025, at 10 a.m.

**2025 Annuitant Verification Project** - The Benefits Department mailed letters to 500 randomly selected annuitants on April 25, 2025, requesting a notarized verification of annuity form by May 30, 2025. Periodically, DCRB mails verification letters to a sampling of annuitants requesting they confirm receipt of their monthly benefit payments, verify their address, and if applicable, update their personal information as appropriate. DCRB is responsible for verifying that retirees and survivors are receiving their benefit payments, an effort which aids in eliminating fraud, waste, and abuse by preventing improper payments.

**Executive Order “Modernizing Payments To and From America’s Bank Account”** - On March 25, 2025, Executive Order “Modernizing Payments To and From America’s Bank Account” was signed into law by the President. This order mandates the transition from paper-based payments to electronic payments for all Federal disbursements and receipts by September 30, 2025. DCRB must make adjustments to comply with the new order because our payments to annuitants in the District of Columbia Police Officers and Firefighters’ Retirement Plan and in the District of Columbia Teachers’ Retirement Plan are issued by the Office of DC Pensions for the U.S. Department of the Treasury. DCRB notified 130 members of the direct deposit requirement; that there will be only limited exceptions and accommodations granted where electronic payment methods are not feasible; and the limited number of annuitants who mail physical checks to the Bureau of Fiscal Services to pay for health care premiums each month will need to sign up at Pay.gov to submit those payments.

Trustee Collins asked if the issues with health and life insurance for some annuitants being under OPM and DC government been resolved? Mr. Daniel Hernandez, Pension Administrator, responded that the corrections are ongoing and there is a planned open enrollment this fall with more information to come at the June Benefits committee meeting. Trustee Collins asked if DCRB is receiving any roadblocks and is the District government in cooperation with resolving the issue. Mr. Hernandez responded that there is a timeline with Treasury and the modification of the STAR system, which will finish up in late June and early July. DCRB is also working with DCHR to ensure correct information is received. JP Balestrieri, Executive Director mentioned that DCRB has received schedules from OPEB and DCHR showing replenishment costs and remedies in writing and stated they are obligated to make those payments. Mr. Hernandez also stated that DCRB will not be responsible for making any missing or underpayments. Trustee Collins replied that the trustees were not aware and DCRB needs to continue to provide information with full transparency.

Trustees moved to the next item on the agenda.

## **LEGISLATIVE COMMITTEE REPORT**

Committee Chair Blanchard reported on the following report reflects activities of interest since the March 20, 2025, Board Meeting:

### **Council of the District of Columbia**

#### **Legislation:**

- **Marion S. Barry Summer Youth Employment Program Creditable Service Benefit Amendment Act of 2025 (B26-43).** The Council is considering a bill to provide that participation in the Marion Barry Youth Employment Program constitutes creditable service under the District retirement programs if the individual is employed as a District employee after completing the program. The Council held a hearing on the proposed legislation on May 9, 2025. The legislation is not expected to impact service crediting under the District of Columbia Police Officers and Firefighters or Teachers' Retirement Plans.
- **Proposed Resolution – Emergency Action (PR26-189, B26-239, B26-240).** The Council approved temporary and emergency legislation during its legislative session on May 5, 2025. The proposed resolution delays the applicability of BEGA's new financial reporting requirements for DC boards and commissions until January 1, 2026. The proposed resolution will not become law until the Mayor either signs it or allows it to become law after the end of her 10 business day review period. In the proposed resolution, the Council notes that several boards and commissions have raised concerns about BEGA's new reporting requirement and explains that the Council needs time to consider whether BEGA is justified in expanding its list of public filers.
- **Retired Firefighter and Police Officer Redeployment Amendment Act of 2024 (DC Law 25-275).** The Council published a notice stating that the 30-day Congressional review period has ended and the Retired Firefighter and Police Officer Redeployment Amendment Act of 2024 was enacted into law as of March 7, 2025.

The legislation amends the Retired Police Officer Redeployment Amendment Act of 1992 to make retired firefighters and police officers eligible for rehire at the discretion of the Director of the Office of Unified Communications (OUC) as temporary full-time or part-time 911 call takers or dispatchers without requiring that their salaries be offset by any retirement annuity they are already receiving. Under the District's current salary offset laws, the salaries of rehired annuitants, in their rehired position, may be reduced by the amount of their retirement annuities. This bill allows the redeployed annuitants to receive both their annuities and their full District salaries in their rehired positions.

#### **Other**

- **Certification of the Winner of the Election to Serve as the Retired Police Officer Member of the Board.** DCRB published the notice of certification of Chair Danny Gregg's election to serve as the retired police officer member of the Board on April 4, 2025.

Chair Gregg wanted to thank everyone for all the efforts for the resolution of the BEGA filings. Trustee Collins asked if the date provided for the Mayor's review period is uploaded in the legislative report currently in Diligent Board books? Trustee Blanchard responded no, he was just made aware of that date a day before, however, will amend his report to reflect that day in Diligent Board books

Trustees moved to the next item on the agenda.

There being no further business to come before the Board of Trustees, Chair Gregg introduced a motion to adjourn the meeting.

**Motion #4:** To adjourn the meeting at 2:20 pm.

The motion was moved by Chair Gregg and properly seconded by Trustee Grambo.  
 The motion was approved by unanimous vote (9-0). (See Tally #4)

Tally #4			Date: May 15, 2025		
<b>Motion #4</b> To adjourn the meeting at 2:20 pm.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Blanchard, Lyle M.	√				
Bress, Joseph M.	√				
Clark, Joseph W.					√
Collins, Mary A.	√				
Finelli, Christopher	√				
Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.	√				
Saunders, Nathan A.					√
Weers, Adam	√				



**DISTRICT OF COLUMBIA RETIREMENT BOARD (DCRB)  
DRAFT\* SPECIAL OPEN BOARD MEETING MINUTES  
THURSDAY, JUNE 5, 2025  
10:30 A.M. via Webex**

**\*These draft minutes must be approved by the Board at its next Open Board meeting.  
Full meeting minutes will be posted after the next Open Board meeting.**

**MEMBERS PRESENT**

Chair, Danny C. Gregg  
Joseph M. Bress  
Lyle M. Blanchard  
Joseph W. Clark  
Geoffrey P. Grambo  
Danny C. Gregg  
Tracy S. Harris  
Nathan A. Saunders  
Carmen Pigler

**DCRB STAFF PRESENT**

Gianpiero “JP” Balestrieri, Executive Director  
Kate Robinson  
Violeta Gonzalez  
Patrick Sahn  
Samantha Van de Bunt  
Paul Gormley  
Wukyanos Gebremeskel  
Johniece Harris, Board Liaison

**MEMBERS NOT PRESENT**

Mary A. Collins  
Christopher Finelli  
Greggory Pemberton  
Adam Weers

**OTHERS PRESENT**

**ROLL CALL**

Chair Danny Gregg called the meeting to order at 10:35 a.m. and Ms. Johniece Harris called the roll.

Chair Danny Gregg introduced a motion to vote on Investment related matters.

**Motion #1:** To approve the revised Investment Policy Statement as shown in the Investment Committee materials for today’s meetings.

The motion was moved by Trustee Grambo and properly seconded by Trustee Clark.  
The motion was approved unanimous vote (7-0). (See Tally #1)

Tally #1		Date: June 5, 2025			
<b>Motion #1:</b> To approve the revised Investment Policy Statement as shown in the Investment Committee materials for today’s meetings.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Blanchard, Lyle M.	√				
Bress, Joseph M.	√				
Clark, Joseph W.	√				
Collins, Mary A.					√
Finelli, Christopher					√
Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.					√
Saunders, Nathan A.	√				
Weers, Adam					√

There being no further business to come before the Board of Trustees, Chair Bress introduced a motion to adjourn the meeting.

**Motion #2:** To adjourn the meeting at 10:39 a.m.

The motion was moved by Chair Gregg and properly seconded by Trustee Harris.

The motion was approved by unanimous vote (7-0). (See Tally #2)

Tally #2:		June 5, 2025			
<b>Motion #2:</b> To adjourn the meeting at 10:39 a.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Gregg, Danny C., Chair	√				
Blanchard, Lyle M.	√				
Bress, Joseph M.	√				
Clark, Joseph W.	√				
Collins, Mary A.					√
Finelli, Christopher					√
Grambo, Geoffrey P.	√				
Harris, Tracy S.	√				
Pemberton, Gregory J.					√
Saunders, Nathan A.	√				
Weers, Adam					√

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 Facsimile (202) 566-5000  
 E-mail: [dcrb@dc.gov](mailto:dcrb@dc.gov)

**Chair's Report  
 July 17, 2025**

TOPIC	UPDATE
<b>In Person Board Attendance</b>	Board meetings will continue virtually as well as in-person. Those Trustees who want to meet in the Board room are welcome to do so, but please let staff know advance.
<b>Board Etiquette</b>	<p><b>Decorum</b> – professionalism – 1) civility; 2) mutual respect and courtesy toward each other; 3) preparation, i.e., thoroughly read briefing materials, test links to access meeting; and 4) be on time – meetings will begin once a quorum is met.</p> <p><b>Agenda</b> – out of respect for other trustees and staff please plan to arrive on time, and remain focused exclusively on the agenda items. Once a meeting is convened, other matters aside from the prepared Agenda may be addressed during “Other Business.”</p> <p><b>Computer Camera</b> - please turn on your camera and mute your audio until you intend to speak.</p> <p><b>Board Governance</b></p> <p><b>Delegation of Authority</b> – Board governance focuses on setting the overall direction, strategy, and policies for DCRB, while management focuses on the day-to-day operations and implementation of those policies. Trustees must refrain from getting into the weeds of operations by reminding focused on the long-term strategy, i.e., organizational goals and objectives.</p> <p>Trustees and the ED will create the vision for DCRB and it’s the responsibility of the paid professional staff to help us achieve that vision through the development of operational programs and policies and procedures.</p> <p><b>Investments</b></p> <p><b>Investments</b> – this morning, prior to the meeting of the Investment Committee of the Whole, an educational workshop was held for trustees and staff regarding the current state of the real estate market. After the training session, trustees received a thorough update from our CIO, Patrick Salm, and the investment team on the Fund’s performance. The executive director will provide a year-to-date overview of the Fund’s performance, and the chairman of the Investment Committee will update us about decisions made today by the Investment Committee for board consideration.</p> <p><b>Standing Committees</b></p> <p><b>Standing Committees Chairs/Vice Chairs:</b></p> <ul style="list-style-type: none"> <li>➤ Investment Committee of the Whole–Chair Adam Weers/Vice Chair Tracy Harris</li> <li>➤ Audit Committee – Chair Tracy Harris/Vice Chair Mary Collins</li> <li>➤ Benefits Committee – Chair Geoff Grambo/Vice Chair Nathan Saunders</li> <li>➤ Legislative Committee – Chair Lyle Blanchard/Vice Chair Mary Collins</li> </ul>

<p><b>Scheduled Meetings</b></p>	<p>➤ Operations Committee - Chair Chris Finelli/Vice Chair Gregory Pemberton</p> <p><b>Schedule of Board of Trustees Meetings:</b></p> <p>Trustee meetings are every other month. A schedule is posted at DCRB website with dates and times.</p> <p>Committee meetings shall be held during the months that a board meeting is not scheduled.</p> <p><b><u>August – No Board or Committee Meetings</u></b></p> <p>Training sessions for all Trustees will be held prior to the Investment Committee meeting in the months the Board of Trustees meet. All Trustees are encouraged to seek out knowledge-based and skills-based training opportunities to better serve Plan participants.</p>
<p><b>Rules of Professional Behavior for Board and Committee Meetings</b></p>	<p>Trustees and Staff shall adhere to rules of professional behavior for Board and Committee meetings:</p> <ol style="list-style-type: none"> <li>1. Board and Committee meetings must start and end on time in accordance with the schedule set forth in the meeting agenda.</li> <li>2. Trustees and Staff must treat each other with respect and professional courtesies.</li> <li>3. Trustees shall always be respectful of their peers.</li> </ol> <p>Please turn your camera on and mute your audio until you are asked to speak.</p>
<p><b>DCRB iPads and Laptops</b></p>	<p>The DCRB issued iPads and Laptops should be frequently powered on and used so that security patches can be installed when released. Doing this at least once a week will secure the device and that it runs properly. If you have any questions or concerns, please contact <a href="mailto:DCRB.ComputerIssues@dc.gov">DCRB.ComputerIssues@dc.gov</a> for further assistance.</p>
<p><b>Trustee Elections Timetable</b></p>	<p>As mentioned in the May Board meeting, the elections for a Retired Teacher Representative on the Board of Trustees will commence on August 1, 2025. The four-year term will begin January 28, 2026, and end January 27, 2030. The Notice of Election and Request for Nominations, including Statement of Candidacy Forms are tentatively scheduled to be sent to eligible members on September 05, 2025.</p>

<p><b>Other</b></p>	<p><b>For your information</b></p> <ul style="list-style-type: none"> <li>➤ <b><u>Next Board Meeting:</u></b> The next meeting will be held on <u>September 18, 2025</u>.</li> <li>➤ <b><u>Boardroom Telephone Numbers: For virtual meetings:</u></b> JP Balestrieri, Executive Director, DCRB at <b>202-343-3228</b> Johniece Harris, Board Liaison, DCRB at <b>202-343-3228</b></li> <li>➤ <b><u>Quorum:</u></b> To assure maximum participation at meetings, DCRB’s Office Management Staff will contact Trustees prior to each meeting.</li> </ul>
	<p><b>As a reminder:</b></p> <ul style="list-style-type: none"> <li>➤ <b><u>Electronic Participation:</u></b> Webex information is sent to all Trustees prior to all Board and Committee meetings. If you do not receive this information prior to the scheduled meeting, please contact Johniece Harris by email at <a href="mailto:Johniece.harris@dc.gov">Johniece.harris@dc.gov</a>.</li> <li>➤ <b><u>Member Complaints:</u></b> refer to the department head responsible with a courtesy notification to the executive director. DCRB staff will address the issue and contact the complainant with findings and any resolution that addresses the concern. The originating trustee will be kept informed.</li> <li>➤ <b><u>Remote Participation Voice Vote:</u></b> Since it is difficult to hear the votes of those participating remotely, I will specifically ask for a voice vote from Trustees attending a remote meeting.</li> <li>➤ <b><u>Use of DCRB-Provided Laptops</u></b> DCRB issued laptops provide access to your official government email account and the Board portal, Diligent. The laptop must only be used for official government purposes. Please do not use it for personal reasons, such as pictures, media, and apps.</li> </ul>

**Board Meeting-WEBEX ONLY - Chair's Comments**

<b>DISTRICT OF COLUMBIA RETIREMENT BOARD</b>					
<b>Trustee Conference Listing</b>					
<b>As of July 17, 2025</b>					
<b>Sponsor</b>	<b>Name of Conference</b>	<b>Date</b>	<b>Location</b>	<b>Cost</b>	<b>Description</b>
International Foundation of Employee Benefit Plans (IFEBP)	Collection Procedures Institute	September 29-30, 2025	Hyatt Regency Monterey Hotel & Spa Monterey, CA	Registration through August 18, 2025 \$1,460.00 After \$1,760.00	This conference has been created for trustees of multiemployer plans from both small and large firm payroll auditors and collection coordinators, administrators, certified public accountants, attorneys, administrators, third-party administrators and administrative staff. Leave with takeaway action items. Receive sample documents, checklists and other prototypes. Learn from your peers in networking and interactive sessions. Learn from experts what best practices are being implemented. Hear how recent key legal decisions impact your plans.
	Investment Basics	October 10-11, 2025	Hilton Austin, TX	Registration through August 25, 2025 \$1,400.00 After \$1,700.00	The content of this course will be beneficial for various backgrounds and levels of experience to rev investment framework with the goal of creating a better investment experience for participants and with. Gather with your peers and experts for two days of investment learning and networking to learn and how others find success, giving you takeaways to implement at your own organization.
National Association of State Retirement Administrators (NASRA)	71st Annual Conference	August 9-13, 2025	Seattle, Washington	Registration \$1,700.00	This flagship event provides a comprehensive platform for networking, learning, and collaboration retirement system professionals. Featuring in-depth sessions, expert panels, and opportunities to share efficient practices, the conference is a must-attend for those shaping the future of public pensions.
National Conference on Public Employee Retirement Systems (NCPERS)	2025 Public Pension Funding Forum	August 17-19, 2025	The David Rubenstein Forum at the University of Chicago Chicago, IL	Registration through August 1, 2025 \$795.00 After \$995.00	The Public Pension Funding Forum brings together public pension professionals for three days of expert presentations, and engaging discussions. This event highlights emerging funding solutions offering practical insights into the effectiveness of various pension reform initiatives.
	Fall Conference	October 26-29, 2025	Omni Fort Lauderdale Fort Lauderdale, FL	Registration through October 10, 2025 \$850.00 After \$1,050.00	Dive into the latest Financial, Actuarial, Legislative & Legal issues impacting public pensions at N Conference! Designed to efficiently deliver actionable insights while fostering connections with peers essential gathering for trustees, staff, and industry partners.
	Accredited Fiduciary (NAF) Program NAF Modules 1&2: Governance & Finance NAF Modules 3&4: Risk management & Human Capital	October 25-26, 2025	Fort Lauderdale, FL	Registration through October 10, 2025 \$900.00 After \$1,100.00	Designed for pension trustees, plan administrators, and public pension professionals, the NCPERS (NAF) program provides the essential knowledge needed to excel in fiduciary roles. Divided into two Governance & Finance and NAF 3&4: Risk Management & Human Capital—the program equips practical skills and a deep understanding of these critical areas. Upon completing both courses and exam, participants earn the Accredited Fiduciary (AF) designation, demonstrating their expertise in fiduciary excellence in public pension plan management.
National Council on Teacher Retirement (NCTR)	103rd Conference	October 4-7, 2025	The Grand American Hotel Salt Lake City, Utah	Registration \$1,380.00	A diverse community of industry professionals dedicated to safeguarding public retirement systems educational opportunities, exchanging ideas, sharing best practices on pension-related challenges and objectives; providing insights and analyses on a broad range of public policy issues affecting public funds—becoming an NCTR member ensures you remain connected and “in the know!”

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## EXECUTIVE DIRECTOR'S REPORT

July 17, 2025

### 1. Staffing Update

- a. **New & Pending Hires**
- b. **Current Vacancies to Fill**

### 2. Fiscal Year 2024 Fund Performance and Investment Update (As of 7/14/2025)

- a. **Total Market Value of the Fund:** is at \$12.9 billion
- b. **Firm Fund Liquidity:** Currently, the Fund holds approximately \$150 million in cash vs. monthly benefit payments of approximately \$30mn.
- c. **Net Returns to the Fund:**
  - i. Calendar YTD 2025: 7.5%
  - ii. Fiscal YTD 2025: 6.0%
  - iii. Last twenty (20) Years Average: the net return has averaged +6.3% per annum

### 3. Asset Allocation & Rebalancing Update

The DCRB investment team monitors the portfolio's asset allocation daily to ensure the asset allocation stays in line with targets and that there is sufficient liquidity to meet benefit payments, capital calls, and other operational needs.

- a. **Since the last board meeting:** the investment team has completed another 14 rebalancing transactions valued at about \$275 million.
- b. **FY 25 to date:** the investment team has completed 84 rebalancing transactions valued at approximately \$4.613 billion in FY 2025 to date.

### 4. Closings Since last Board Meeting:

DCRB closed an investment of \$100mn in Avance Investment Partners on June 20, 2025, an investment manager focused on US middle market buyouts.

### 5. Updated Investment Policy

The updated investment policy serves as the governing document for the investment of the assets of the retirement funds as well as for the planning and implementation of DCRB's investment program, outlining DCRB's investment philosophy, practices, policies, and objectives and defining the roles, duties and responsibilities of the individuals and entities involved in the investment process. The Investment Policy was approved by the Investment Committee and the Board on June 5<sup>th</sup>, 2025.

**6. Custodial Banking Services RFP**

The Finance and Investments teams worked with the procurement department to conduct an RFP process for a new custodial banking services recommendation for review and approval by the Operations Committee in June 2025. The board will review and approve the recommendation at today's board meeting.

**7. RFP Process for Independent Audit Services Provider**

The Finance team worked with the procurement department to conduct an RFP process for a new independent audit services provider recommendation that was presented at the Audit Committee meeting in June 2025. The contract award is pending approval by the Board today.

**8. Stakeholder Outreach: Trainings and Workshops**

The Benefits team continues to lead a very proactive stakeholder outreach program to kick off calendar year 2025 focused on training and workshops with employer agencies.

- a. May 7, 2025: Washington Teachers Appreciation Attendance Meeting
- b. June 11, 2025: FEMS Retirement Workshop

**9. Benefits Administration Pension System (BAPS) RFP Process**

DCRB management presented an education session on the options reviewed to date for the Benefits Administration Pension System (BAPS) at the June 2025 operations committee prior to moving forward with the RFP procurement process for BAPS. DCRB management intends to conduct and complete the RFP process for review and approval by the trustees in the first quarter of FY 2026.

Board Meeting-WEBEX ONLY - Executive Director's Report

<b>DISTRICT OF COLUMBIA RETIREMENT BOARD</b>					
<b>Training &amp; Travel Report</b>					
<b>(For the Period of May 16-July 16, 2025)</b>					
Name	Description	Sponsor/Vendor	Location	Dates	
				From	To
<b>Trustees</b>					
Lyle Blanchard	Conference	Washington Legislative Update (IFEBP)	Washington, DC	05/19/25	05/20/25
Tracy Harris	Summit	KORIED'S 2025 Global Summit (KORIED LLC)	Coral Gables, FL	07/16/25	07/18/25
Nathaniel Boone	Meeting	Paine Schwartz Annual General Meeting	New York, NY	05/20/25	0/21/2025
	Due Diligence	Black Rock Global Infrastructure Funds AGM	New York, NY	06/03/25	06/04/25
Jamia Canlas	Meeting/ Due Diligence	CAL LPAC and AGM	New York, NY	05/28/25	05/29/25
Marianne Guzman	Meeting/ Due Diligence	Due diligence on Ridgemont Capital and intro meetings with prospective managers	Charlotte, NC	07/09/25	07/10/25
Sean Lynch (Intern)	Training	CFA Investment Foundations Certificate Courses	Virtual	06/05/25	06/05/25
Tiffany Marshall	Conference	Government Finance Officers Association (GFOA) 119th Annual Conference	Washington, DC	06/29/25	07/02/25
Joseph Meury (Intern)	Training	CFA Investment Foundations Certificate Courses	Virtual	06/05/25	06/05/25
David Mobley	Conference	Government Finance Officers Association (GFOA) 119th Annual Conference	Washington, DC	06/29/25	07/02/25
Lori Morgan	Conference	"	Washington, DC	06/29/25	07/02/25
Patrick Sahn	Meeting/ Due Diligence	Due diligence on Ridgemont Capital and intro meetings with prospective managers	Charlotte, NC	07/09/25	07/10/25
Deepak Tolani	Meeting/ Due Diligence	Capital Allocators Training and meet with current & potential managers	Half Moon Bay, CA	06/23/25	06/26/25
Samantha Van der Bunt	Conference	2025 NAPPA Legal Education Conference (NAPPA)	Denver, CO	06/24/25	06/27/25

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TO: BOARD OF TRUSTEES

FROM: LEGAL DEPARTMENT

DATE: JULY 17, 2025

SUBJECT: LEGAL DEPARTMENT REPORT

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**Litigation Update:** The District of Columbia Court of Appeals affirmed the dismissal of Erie Sampson's complaint under the DC Whistleblower Protection Act on June 30, 2025.

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**TO:** Adam Weers, Investment Committee Chair  
**FROM:** Patrick Sahn, Chief Investment Officer  
**DATE:** July 17, 2025  
**SUBJECT:** Proposed Action Items - Investment Committee

The Investment Committee met on Thursday, July 17, 2025. The official actions taken at this meeting are presented below for ratification by the full Board.

1. To approve a commitment of up to \$100 million to **“Fund AH”**\*, a private equity fund, pending legal review and final due diligence. The commitment is in line with DCRB’s investment policy statement and asset allocation.
2. To approve a commitment of up to €150mn (or the equivalent in U.S. dollars) to **“Fund AI”**\*, a private credit fund, pending legal review and final due diligence. The commitment is in line with DCRB’s investment policy statement and asset allocation.

In addition, DCRB closed on the following new commitments since the last Investment Committee meeting:

1. A \$100 million commitment to **Avance Investment Partners II**, a private equity fund, closed on June 20, 2025.

*\*For purposes of the Open Meetings Act, fund names will be redacted per D.C. Code § 1-909.05(e) pending completion of the transaction.*

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**TO: BOARD OF TRUSTEES**  
**FROM: CHRIS FINELLI, OPERATIONS COMMITTEE CHAIR**  
**DATE: JULY 17, 2025**  
**SUBJECT: OPERATIONS COMMITTEE REPORT**

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The Operations Committee was held on June 17th, 2025, with an agenda that included three items:

- The approval of minutes from its February 18<sup>th</sup>, 2025, meeting;
- A briefing on DCRB's global custody services contract; and
- An update on the Benefits Administration Pension System (BAPS).

The first item—*Global Custody Services Selection*—included a presentation, followed by an action item requiring a Committee vote. The second item—*Benefits Administration Pension System (BAPS)*—provided an informational update; no Committee action was required. For your reference, copies of each of these presentations are available in Diligent.

Regarding BAPS: DCRB has moved forward with its review and assessment of various technology options for providing the most viable pension system for future benefits administration. The Committee was updated that two options merited further consideration (a cloud-based model, and the District's PeopleSoft pension module). Major next steps include the publishing of an RFP (in August 2025), followed by vendor selection, presentation for review and approval by the Operations Committee (in December 2025), and final Board approval in January 2026.

Regarding global custody services: DCRB's contract (currently with Northern Trust) expires on November 30, 2025. Accordingly, DCRB recently issued a formal Request for Information (RFI), to determine whether Northern Trust should continue as the agency's service provider—or, if other providers might offer superior capabilities, service levels, or value. Following discussion during and after the presentation, the Committee approved moving forward with a motion for full Board review and vote.

The motion to be voted on is as follows:

*To authorize the Executive Director to enter a contract with Northern Trust to provide DCRB with global custody services under the following terms:*

- *A base contract term of seven (7) years, with up to three (3) additional one-year option periods, for a total potential contract term of ten (10) years.*
- *The total contract value shall not exceed \$6,051,000 subject to final contract negotiations, legal review and approvals.*

\*\*\*\*\*

The next Operations Committee is scheduled to be held on Tuesday, October 21st, at 1pm. This concludes my report.

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**TO: BOARD OF TRUSTEES**  
**FROM: TRACY S. HARRIS, CHAIR**  
**DATE: JULY 7, 2025**  
**SUBJECT: AUDIT COMMITTEE REPORT**

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The Audit Committee met on June 17, 2025, and the following items were presented:

- The Budget vs Actual report as of May 31, 2025:
  - o 57% of the original FY 25 budget was available for spending.
- Internal Auditor Report:
  - o The Internal Audit Director provided an update on the internal audit plan:
    - Dashboard - The dashboard remains a key tool for monitoring prior audits and their associated findings. Recent updates include the incorporation of seven upcoming audits that are currently in the planning phase.
    - Active Audit – An update on the revision of the record retention policy by the Legal Team was provided. Ms. Robinson and her team are collecting information from each Department about their individual records and retention practices. The task is projected to be completed by September 30th.
    - Future Audits – Additional audits are currently in development. These upcoming audits will focus on operational due diligence within Investments and assess the design and effectiveness of the internal controls in the new FMS system. Other audits will examine documentation related to cybersecurity internal controls and review incoming calls to the Benefit Team to verify adherence to customer service standards.
- Audit Services Contract:
  - o Following a presentation by the CFO, the Committee approved the associated motion to bring forward to the full Board.

The next Audit Committee meeting is scheduled for October 21, 2025, at 10 am.

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## DISTRICT OF COLUMBIA RETIREMENT BOARD

### Motion:

To authorize the Executive Director to enter into a contract with Watson Rice to provide auditing services for a one-year base period for \$84,016 and four 1- year option periods, for a total contract amount not to exceed \$438, 937 subject to contract negotiations.

PRESENTED TO THE BOARD ON JULY 17, 2025.

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Lyle M. Blanchard • Joseph M. Bress • Joseph W. Clark • Mary A. Collins • Christopher Finelli • Geoffrey P. Grambo  
• Tracy S. Harris • Gregory Pemberton • Carmen Pigler • Nathan A. Saunders • Adam Weers

Danny C. Gregg  
Chairman

Gianpiero "JP" Balestrieri  
Executive Director

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**TO: BOARD OF TRUSTEES**

**FROM: GEOFFREY GRAMBO, CHAIR**  
**DANIEL HERNANDEZ, PENSION ADMINISTRATOR**

**DATE: JULY 17, 2025**

**SUBJECT: BENEFITS COMMITTEE REPORT**

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The Benefits Committee met on June 18, 2025, and the following items were presented:

**Updates on Benefits Operations**

- Stakeholder Engagement and Collaborations
- Certified Public Manager Program
- MPD Lateral Service Project
- Current Retirements
- Member Services
- Upcoming and Ongoing Activities
- Technology Projects
- Compliance Projects
- OPEB Updates

**New Online Videos**

- There was a demonstration of new videos developed in-house with the use of the AI program HeyGen. This program will help the Benefits department create educational content videos for members and staff with the use of avatars. The program will also streamline video production and it reduces the need for traditional filming and editing. The first video links on specific topics are available <https://dcrb.dc.gov/page/retired-members-resource-library>

**Overpayment Limit Recommended Increase**

- IRS regulation (IRS Revenue Procedure 2021-30) has increased the overpayment limit from \$100 to \$250. This policy was already adopted by Treasury for any member Federal overpayments and DCRB is recommending to do the same for District overpayments. The Executive Director still has the authority to compromise, suspend, or terminate recovery activity on an overpayment that cannot be fully recovered.

The Benefits Committee was presented with the updated policy changing the amount and updating the legal citations. Please see attached Motion:

The next Benefits Committee meeting is scheduled for October 23, 2025, at 10 am.

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## **DISTRICT OF COLUMBIA RETIREMENT BOARD**

### **MOTION:**

To accept and approve DCRB's Policy Guidelines for Correcting Benefit Overpayment/Underpayment Errors, as revised to change to *de minimis* threshold from \$100 to \$250 in accordance with IRS guidance.

**PRESENTED TO THE BENEFITS COMMITTEE ON JUNE 18, 2025**



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## Policy Guidelines for Correcting Benefit Overpayment/Underpayment Errors

Original Adopted: December 17, 2009  
Revised Adopted: November 20, 2014  
Revised Adopted: June 18, 2025 (Benefits Committee)

### I. PURPOSE & SCOPE

Trustees and certain staff members of District of Columbia Retirement Board (“DCRB”) have fiduciary duties to administer the District of Columbia Police Officers and Firefighters’ and Teachers’ Retirement Plans (together, the “Plans”) in accordance with Plan terms and to manage and preserve the assets of the Plans.<sup>1</sup> Consistent with these fiduciary duties, DCRB takes reasonable steps to correct overpayments and underpayments of benefits from the Plans. DCRB has determined that the best practice is to follow the correction principles adopted by the Internal Revenue Service (“IRS”) for the Employee Plans Compliance Resolution System (EPCRS), Rev. Proc. 2021-30. Under these *Policy Guidelines for Correcting Benefit Overpayment/Underpayment Errors*, DCRB is required to make reasonable efforts consistent with EPCRS principles to recover any overpayment of benefits that exceeds \$250,<sup>2</sup> and to remit to a Member or beneficiary the amount of any underpayment of benefits. DCRB is not required to take steps to correct these payment errors that would be imprudent under the circumstances.

These *Policy Guidelines for Correcting Benefit Overpayment/Underpayment Errors* establish the following framework for DCRB’s payment correction efforts:

1. After discovery of an overpayment or underpayment of benefits, and within a reasonable period of time after written notification to the affected Member (generally, not less than 30 days), DCRB shall adjust future benefit payments to the Member to reflect the correct total monthly amount due to the Member under the Plans.
2. DCRB will take reasonable steps to recover overpayments (>\$250) from Members and other unauthorized recipients. However, DCRB’s Executive Director reserves the right to waive an overpayment of District Benefit Payments if certain conditions are satisfied (discussed below).
3. DCRB will distribute lump-sum payments for past underpayments of benefits. However, DCRB is not required to make a corrective distribution of \$75 or less if the cost of locating the recipient and processing the payment is potentially greater than the amount of the distribution.

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<sup>1</sup> See D.C. Code §§ 1-711(a); 1-741(a); 1-903.03 (2001 Ed.).

These *Policy Guidelines for Correcting Benefit Overpayment/Underpayment Errors* are intended for use when calculation and/or other administrative or record errors have resulted in an overpayment or underpayment of benefits from the Plans. In the case of a retirement system-wide error<sup>2</sup> that affects multiple Members' benefits, the Executive Director may implement a system-wide correction process that is determined to be appropriate under all the facts and circumstances.

## II. OVERPAYMENTS TO MEMBERS

The following applies to overpayments of District Benefit Payments<sup>3</sup> only. This Policy does not apply to overpayments of Federal Benefit Payments, and disposition of those overpayments shall be determined by the U.S. Department of the Treasury's Office of D.C. Pensions in accordance with applicable laws, rules and regulations.<sup>4</sup>

1. "Overpayment" shall mean a payment of money that causes a Member to receive a higher payment than the Member is entitled to under the terms of the Plans. Payments due to errors by DCRB, the District Government, or the Federal Government shall not necessarily void the overpayment or affect the validity of an overpayment claim but shall be considered in correction and recovery of District Benefit Payments.
2. DCRB shall take all reasonable steps to recover the full amount of all overpayments subject to these guidelines and applicable law and governing authority.
3. DCRB may recover overpayments by: (a) one lump-sum payment from the Member; (b) offsetting the amount to be recovered against future benefits over a period of time as determined by DCRB; (c) other installment payment plan; (d) actuarially reducing the future annuity<sup>5</sup>; or (e) by any combination of the above, unless the Executive Director, in his discretion and because of legal or practical considerations, determines that another process is warranted. DCRB may also pursue collection activity by making a claim against a deceased Member's estate or other third-party, including the Plan Sponsor, if appropriate.
4. Interest, penalties, and administrative costs may be assessed on overpayments when warranted. These charges may also be waived by the Executive Director.

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<sup>2</sup> A system-wide error may include, but is not limited to, payroll errors, administrative errors, interpretation errors, Plan document errors, and other mistake of law errors.

<sup>3</sup> District Benefit Payments mean benefit payments for which the District is financially responsible (e.g., benefits based on service after June 30, 1997; certain benefits under the Federal Split Benefit Regulations (77 Fed. Reg. 64223, 10/19/12); certain benefits based on District law only).

<sup>4</sup>The Executive Director shall retain full discretion to use the U.S. Department of the Treasury's ("Treasury") collection services for the correction and collection of District Benefit Payments or any other debts owed to the Plans and particularly in split benefit payments. *See* § 3.6 of the Memorandum of Understanding Concerning Interim Benefit Administration of Retirement Programs (9/26/05). The Executive Director shall confer and coordinate as necessary with Treasury to accomplish the objectives of this Policy.

<sup>5</sup> This reduces future annuity payments so that the actuarial present value of monthly reductions equal the overpayment. The overpayment is deemed to be an advance payment of benefit payments. However, this may result in the Member overpaying if the Member lives longer than the actuarial life expectancy or underpaying if dying before the actuarial life expectancy. In either case, the overpayment is considered recovered.

5. DCRB will not pursue recovery of overpayments where the total overpayment amount is \$250 or less (the “De Minimis Amount”).<sup>6</sup> The De Minimis Amount shall automatically update to reflect changes to the overpayment provisions of the IRS ECPRS.
6. The Executive Director shall have authority to waive (in whole or in part) recovery of overpayments over \$250 if it is determined that the Member is not at fault in causing or contributing to the overpayment, and recovery would not be prudent or would be against equity and good conscience. The Executive Director shall consider factors including, but not limited to, the amount of the overpayment, the likelihood of recovery, the cost of recovery, the amount of possible recovery, the likelihood of litigation, the financial hardship to the Member, and detrimental reliance on the overpayment by the Member. The Executive Director also shall have authority to compromise, suspend, or terminate recovery activity on an overpayment that cannot be fully recovered.
7. In cases where there is no evidence that the overpayment resulted from the fraud or dishonest conduct by the Member, DCRB may decide to only seek recovery of amounts paid to the Member for the three (3) years immediately before the error was corrected. Considering all relevant factors (including the overpayment amount, recovery issues and principles of equity), DCRB finds that seeking only 3 years of overpayments under those circumstances constitutes “reasonable steps” to recover the full amount of the overpayments. However, DCRB reserves the right to seek all amounts overpaid.
8. DCRB shall maintain a permanent record of all overpayments and repayments.
9. Survivor annuities cannot be reduced to recover overpayments to Members but lump-sum death benefit payments to survivors can be reduced (e.g., refund of contributions and unpaid Member annuity).

### III. UNDERPAYMENTS TO MEMBERS

The following applies to underpayments of benefits under the Plans.

1. “Underpayment” shall mean a payment of money which results in a Member receiving a lower payment than the Member is entitled under the terms of the Plans.
2. When DCRB has underpaid benefits, the Member shall be entitled to a prospective adjustment to his or her retirement benefit necessary to correct the underpayment, as well as a lump-sum payment for all past underpayments.<sup>7</sup> Underpayments shall be paid as far back as practical. If a Member owes a debt to the Plan, any correction for past underpayments may be offset to satisfy the outstanding debt.
3. If a Member who was underpaid benefits has died prior to payment of the lump sum due, DCRB shall make reasonable efforts to locate and contact the Member’s Beneficiary, if known, and inform him or her of the underpayment. If a beneficiary does not exist or cannot be found, DCRB shall comply with DCRB’s Missing Participant Policy (Executive Order 2014-05 (Aug. 21, 2014)).
4. Underpayments of \$75<sup>8</sup> or less shall not be required to be distributed if it is not prudent (e.g., cost of locating Member outweighs cost of underpayment).

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<sup>6</sup> See Rev. Proc. 2021-30

<sup>7</sup> This amount will not include interest based on the Retirement Funds’ actual earnings rate over the underpayment.

<sup>8</sup> See Rev. Proc. 2021-30. The Executive Director shall have discretion in applying a different amount.

5. DCRB shall maintain a permanent record of all outstanding distributions of underpayments.

#### **IV. TAX IMPLICATIONS**

It is DCRB's policy not to give Members financial or tax advice. Any tax consequences to the Member as a result of receiving benefit overpayments or underpayments or repaying benefit overpayments are the Member's responsibility.

1. Overpayments and underpayments received as a lump sum are not eligible for rollover treatment.
2. Member may be able to take a tax deduction or claim a tax credit in the year of repayment for any lump-sum repayments of overpayments.
3. If a retirement benefit is prospectively reduced there is no adverse tax effect.
4. Underpayments are taxable in the year of distribution.
5. The Member should consider changing his or her withholding election for underpayments.

#### **V. LEGAL AUTHORITY**

- D.C. Code § 12-301(8) (2001 Ed.) (Three-year statute of limitations on actions which are not otherwise specifically prescribed)
- Treas. Reg. § 1.401(a)-13(c)(2)(iii) (Arrangements for the recovery by the plan of overpayments of benefits previously made to a participant do not violate the anti- alienation/anti-assignment principles)
- 31 C.F.R. Parts 900-904 (Federal Claims Collection Standards)
- 31 C.F.R. §§ 29.501 *et seq.* (Federal Benefit Payments Under Certain District of Columbia Retirement Programs – Debt Collection and Waivers of Collection)
- DOL Adv. Op. 77-08 (4/4/77)
- EPCRS, Rev. Proc. 2021-30
- IRS Pub. 525, *Taxable and Nontaxable Income*

**DISTRICT OF COLUMBIA RETIREMENT BOARD  
RECORD OF OFFICIAL BOARD ACTION  
(PREVIOUS)**

Tally #3		Date: November 20, 2014			
The Board adopts the updated DCRB policy guidelines for correcting benefit overpayment/underpayment errors and delegate to the Executive Director authority and discretion to implement the policy.					
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.	√				

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TO: BOARD OF TRUSTEES  
FROM: LYLE BLANCHARD, CHAIR  
DATE: JULY 17, 2025  
SUBJECT: LEGISLATIVE COMMITTEE REPORT

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The following report reflects activities of interest since the May 15, 2025 Board Meeting:

## COUNCIL OF THE DISTRICT OF COLUMBIA

### Legislation:

- **Marion S. Barry Summer Youth Employment Program Creditable Service Benefit Amendment Act of 2025 (B26-43).** The Council is considering a bill to provide that participation in the Marion Barry Youth Employment Program constitutes creditable service under the District's retirement programs if the individual is employed as a District employee after completing the program. The Council held a hearing on the proposed legislation on May 14, 2025. The legislation is not expected to impact service crediting under the District of Columbia Police Officers and Firefighters or Teachers' Retirement Plans.
- **Early Childhood Educator Pay Scales Amendment Act of 2025 (B26-0176).** The Council is considering a bill to permanently revise early childhood assistant and lead teacher compensation scales to those recommended by the Early Childhood Equitable Educator Compensation Task Force. The bill seeks to balance the limits of the pay equity fund with the compensation and benefits of pre-k and kindergarten teachers employed at the District of Columbia Public Schools and District public charter schools. A hearing was held on Wednesday, June 4th, 2025, in conjunction with the Office of the State Superintendent Fiscal Year 2026 proposed budget hearing. The bill does not directly impact the administration of the District of Columbia Teachers' Retirement Plan (the "Plan"), but the salary increases will impact the calculation of teachers' benefits under the Plan.
- **Peace DC Omnibus Amendment Act of 2025 (B26-187).** This bill was approved by the Committee on the Judiciary and Public Safety on June 9, 2025. The legislation amends the District of Columbia Police Officers and Firefighters' Retirement Plan (the "Plan") to provide line of duty death benefits to Fire and Emergency Medical Services (FEMS) members and former members who die within five years of retirement from performance-of-duty illness or injury under the District's presumptive disability from cancer statute. As a result of the amendment, widows, widowers, and children of members or former members who die from performance-of-duty illness will be eligible for a lump-sum payment and survivor annuity equal to 100% of the member's or former member's pay (up from the 40% survivor annuity currently provided under the Plan). The bill is effective January 1, 2024.

### Other:

- **Notice of Reprogramming Request (26-0046).** The Council published notice of a request to reprogram \$281,764 from the Department of General Services to the Metropolitan Police Department ("MPD"). The reprogramming request was filed in the Office of Secretary on June 18, 2025.