

900 7th Street, NW, 2nd Floor
Washington, DC 20001
www.dcrb.dc.gov



Telephone (202) 343-3200
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OPEN SESSION

NOTICE OF REGULAR BOARD MEETING

JOSEPH W. CLARK, CHAIRMAN

THURSDAY, JANUARY 17, 2019

1:30 PM

AGENDA

CLOSED EXECUTIVE SESSION *

- 1:30 PM
- I. **CALL TO ORDER AND ROLL CALL**
 - II. **APPROVAL OF BOARD MEETING MINUTES FOR DECEMBER 20, 2018**
 - III. **CHAIR'S COMMENTS – ACTION ITEM**
 - CERTIFICATION OF ACTIVE TEACHER ELECTION RESULTS
 - DCRB ANNUAL OPEN MEETING SCHEDULE
 - IV. **EXECUTIVE DIRECTOR'S REPORT**
 - PRESENTATION: STRATEGIC PLANNING *
 - V. **INVESTMENT COMMITTEE REPORT**
 - VI. **OPERATIONS COMMITTEE REPORT**
 - VII. **BENEFITS COMMITTEE REPORT**
 - VIII. **LEGISLATIVE COMMITTEE REPORT**
 - IX. **AUDIT COMMITTEE REPORT - - ACTION ITEM**
 - X. **OTHER BUSINESS**
- 3:00 PM
- XI. **ADJOURNMENT**

ADDITIONAL MEETING MATERIALS

- ORGANIZATIONAL CHART
- CONFERENCES & MEETINGS LISTING
- TRUSTEES & STAFF TRAINING AND TRAVEL REPORT

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CHAIRMAN'S REPORT

January 17, 2019

TOPIC	UPDATE
Welcome to New Active Police Officer Trustee	As announced during the December Board meeting, Gregory Pemberton was the winner of the 2018 Active Police Officer election. His term begins on January 28, 2019.
Special Active Teacher Election	<p>As noted previously, the Special election for the Active Teacher seat on the Board was restarted on November 7, 2018. Election America, Inc., the Board's election official, certified the ballots yesterday, and advised DCRB that the winner was Denise Daniels. Attached is the notice from Election-America, to the Executive Director reporting on the results and providing information on the ballots cast. The purpose of the following motion is to certify that election.</p> <p>Motion: To certify Denise Daniels as the winner of the 2018 Active Teacher special election.</p> <p>A notice of the election results will be published in the DC Register. Following the publication date, there is a 30-day period during which candidates may contest the results. Denise Daniels will begin serving out the remainder of the current term on January 28, 2019 (the term ends on January 27, 2021).</p>
New Trustee Orientation	Staff will schedule a new trustee orientation in February for the trustees, whose terms will begin in January, and for Bruno Fernandes, our new ex officio member, who joined the Board in September and who represents the District's Office of the Chief Financial Officer.
Board Officer Elections	With the change of Board members this month, and their orientation in February, we should postpone the election of Board Officers until March, as we have done the past two years. With your concurrence, the current Officers will remain in place until then.
Sponsored Activities	As noted last month, DCRB's Comprehensive Annual Financial Report (CAFR) includes a Schedule of Trustee Sponsored Activities, where Trustees must disclose their attendance at any meetings, conferences, or other events where the event sponsor waived registration fees and/or covered the cost of travel and/or meals. Trustees must disclose any such activities for FY 2018.
Waiver of Recourse Insurance Coverage	Trustees should provide Deborah Reaves with their \$25.00 payment for the Fiduciary Liability Insurance policy. Checks, made payable to AON Risk Services, are due at today's Board meeting. Any questions should be referred to Deborah Reaves at (202) 343-3226.
Trustee Position Description and Compensation Review	As also noted last month, to assist new Trustees in knowing their duties and responsibilities upon joining the Board, I have asked staff to develop a trustee position description. I will circulate a draft to you for your input as soon as it is completed. I have also asked staff to do a review of trustee compensation practices among public pension systems. The last such review was performed by DCRB in 2005. These matters will be referred to the Operations Committee.

Back-to-Basics Webinar	At 3:00 p.m. today, the National Council on Teacher Retirement (NCTR) will be hosting a webinar entitled: “Back-to-Basics Webinar: A Guide to Actuarial Valuations for Public Pensions.” Since the webinar will probably overlap with our meeting this afternoon, we contacted NCTR and they indicated that they will be providing a copy of the webinar to its members, along with the presentation slides. If you are interested in viewing the webinar, please contact Deborah Reaves at (202) 343-3226.
Council of Institutional Investors (CII) Programs	On March 4, 2019, CII is offering an educational program entitled, “Pension Fund Trustee Training – Fiduciary Fitness,” from 8:30 a.m. to 2:30 p.m. at the Mandarin Oriental Hotel, Washington, DC. The program will focus on fiduciary skills, investment skills, and current and emerging practices. In addition, from 7:15 p.m. to 9:15 p.m., there will be a private dinner and roundtable discussion chaired by Tom Byrne, former chair of the New Jersey Division of Investment.
Recommend No Board Meeting in February	Since there is no business to be conducted next month, there will be no Board meeting in February.
Other	<p>For your information:</p> <ul style="list-style-type: none"> ➤ The next Board meeting will be held at 1 p.m. on Thursday, March 21. ➤ To assure that all meetings will have a quorum, DCRB’s Office Management staff poll all Committee or Board members prior to the meetings to confirm attendance. ➤ Please note: While construction continues on the adjacent building, the garage entrance on 7th Street will remain closed. We will follow up with you when we learn of the date that it will reopen. ➤ Since it is difficult to hear the votes of those participating remotely, I will specifically ask for a voice vote from anyone attending a meeting via telephone. <p>As a reminder:</p> <ul style="list-style-type: none"> ➤ In accordance with a provision in the Trustee Travel Policy, following your attendance at a conference, Trustees are asked to complete a report describing what they learned at the conference and its benefit to the Board. Section 4 of the Conference Travel Report for Trustees and Staff provides space for you to list your ideas and insights gained at the conference. ➤ Notice should be provided to the Chairman and to Deborah Reaves if you plan to participate at a meeting electronically. The IT staff will provide WebEx information prior to every meeting. ➤ 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 the issue rather than departmental staff.

NO WRITTEN REPORT PROVIDED

NO WRITTEN REPORT PROVIDED



DISTRICT OF COLUMBIA RETIREMENT BOARD

ANNUAL OPEN PUBLIC MEETING SCHEDULE

As of January 7, 2019

The District of Columbia Retirement Board (DCRB) holds Open Board of Trustee meetings on the third Thursday of each month at 1:00 p.m., unless specified differently. The meetings will be held in the DCRB Board Room (2nd floor) at 900 7th Street, N.W., Washington, D.C. 20001. The meeting place and time are subject to change without prior notice.

NOTICE: Please call one (1) business day prior to the meeting to ensure the meeting has not been cancelled or rescheduled. For additional information, please contact Deborah Reaves, Board Liaison at (202) 343-3200 or Deborah.Reaves@dc.gov.

Proposed 2019 Annual Open Board Meeting Schedule

January 17, 2019

February 21, 2019

March 21, 2019

April 18, 2019

May 16, 2109

June 20, 2019

July 18, 2019

August – No Meeting

September 19, 2019

October 17, 2019

November 21, 2019

December 19, 2019

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EXECUTIVE DIRECTOR REPORT

January 17, 2019

Activities	Updates
Strategic Planning	<p>Bob Boehringer of Orion Development Group met with DCRB's Executive Leadership Team (ELT) on January 10, 2019 for a workshop on Business Process Management. The workshop focused on managing business processes to achieve strategic objectives. Essentially, this involves identifying a process gap, evaluating the gap and determining its cause, then identifying and implementing a solution.</p> <p>Ralph Smith, of the Orion Development Group, is with us today and he will provide Trustees with a presentation of the status of our Strategic Planning Project. His presentation will include information on the Project timeline, the process, DCRB's mission and vision, the draft Strategy Map, a proposed Balanced Scorecard, potential initiatives, and next steps.</p>
Certification of District Contribution to Fund for Fiscal Year (FY) 2020	<p>On January 3, 2019, letters were sent to Mayor Bowser and Council Members certifying the amount of the District's contribution to the Teachers' Retirement Fund and the Police Officers and Fire Fighters' Retirement Fund for FY 2020. Copies of the letters to the Mayor and Council Chairman are attached for your information.</p>
Retirement of Former Board Member and Executive Director	<p>DCRB has been advised that Betty Ann Kane retired from the District Public Services Commission on December 18, 2018. Betty Ann served on the Board from 1995 to 2002 and was DCRB's Executive Director when she left in 2005.</p>
Updated Fact Sheets	<p>Attached for your information are updated Fact Sheets for the Police/Fire Plan and the Teachers' Plan that reflect information in DCRB's FY 2018 financial statements and in the October 1, 2018 Actuarial Valuation Report. You will also note that the slides shown on the flat-screen monitors have been updated to reflect the new information.</p>
Office of DC Pensions (ODCP) FY2018 Annual Report	<p>The FY 2018 Annual Report for ODCP is available for your information. ODCP received an unmodified audit opinion on its financial statements. The audit did not identify any matters involving internal controls and its operations that are considered material weaknesses or any instances of reportable noncompliance with any regulations and contracts tested.</p>

Status of U.S. Department of the Treasury's Office of DC Pensions (ODCP)	ODCP has advised DCRB that they have not been impacted by the partial Federal Government shutdown.
Revised Valuation Slides	Following the December Board meeting, the staff alerted Cavanaugh Macdonald to an error in their presentation, which listed a total of 1,249 terminated vested members. That number should have been 1,429. A revised set of the slides is attached for your information. The number listed in the Actuarial Valuation Report is accurate.
Staffing Updates	<p>Hires:</p> <p>India LaPrade joined DCRB's Benefits Department, Member Services Unit, as a Member Services Representative on January 7, 2019. India has over 12 years of experience as a communications specialist and business advocate with financial institutions.</p> <p>Paul Maynard joined DCRB's Benefits Department, Retirement Services Unit, as a Retirement Analyst on January 7, 2019. Paul has over 10 years of experience as a Pension Analyst.</p> <p>Departures:</p> <p>Alisha Pugh, who joined DCRB's Benefits Department, Member Services Unit, a year ago as a Member Services Representative, left DCRB on December 28, 2018.</p> <p>Robin White left DCRB on January 11, 2019, after serving as Executive Assistant to the Benefits Department for five years.</p>
Passing of Former Staff Member	I am sad to advise you of the passing of former DCRB staff member, Sheila Douglas, on January 1, 2019. Sheila transferred to DCRB from the District's Office of Pay and Retirement Services in September 2005, when DCRB became the Benefits Administrator for our Plans. She retired from her position as Member Services Manager in the Benefits Department in October 2013.
Recent Retirement-Related Articles (attached)	"Special Washington Update, Top Issues to Watch From Washington in 2019," U. S. Office of Public Policy, UBS Americas, Inc., January 4, 2019.

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January 3, 2019

The Honorable Muriel Bowser
Mayor of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Re: Certification of the District of Columbia Fiscal Year 2020 (FY 2020) Contribution Amount to the Teachers' Retirement Fund and the Police Officers and Fire Fighters' Retirement Fund

Dear Mayor Bowser:

The District of Columbia Retirement Board ("Board") is required to certify annually to the Mayor and the Council of the District of Columbia, the actuarially determined employer contribution amount for: (i) the Teachers' Retirement Fund and (ii) the Police Officers and Fire Fighters' Retirement Fund (collectively, the "Funds"). Pursuant to D.C. Code § 1-907.03(b)(2)(2001 Ed.), the Mayor and the Council shall include the entire certified amount in the District of Columbia annual budget.

On December 20, 2018, Trustees of the Board approved the enrolled actuary's (Cavanaugh Macdonald Consulting, LLC) certification of the FY 2020 District of Columbia contribution amount to the Funds. The enrolled actuary's calculation of the District's required payment to the Funds is based on participant and financial data supplied by Board staff, the D.C. Office of Pay and Retirement Services, and the U.S. Department of the Treasury. Accordingly, enclosed is the actuarial certification of the FY 2020 District payment amount for the Funds. For your convenience, a condensed table is set forth below:

Retirement Fund	Actuarially Determined Employer Contribution Rate	FY 2020 District Payment Amount (\$000s in thousands)
Teachers' Retirement Fund	7.97%	\$ 58,888
Police Officers and Fire Fighters' Retirement Fund (Combined)	33.81%	\$ 93,061
Total FY 2020 Certified District Contribution Amount		\$ 151,949

Should you have any questions or concerns, please do not hesitate to contact me at (202) 343-3200.

Sincerely,


Sheila Morgan-Johnson
Executive Director

Enclosure: Actuarial Certification

cc: Trustees of the D.C. Retirement Board

Janice M. Adams • Lyle M. Blanchard • Joseph M. Bress • Mary A. Collins • Bruno Fernandes • Gary W. Hankins
Darrick O. Ross • Edward C. Smith • Thomas N. Tippet • Michael J. Warren • Lenda P. Washington

Joseph W. Clark
Chairman

Sheila Morgan-Johnson
Executive Director

Board Members
December 21, 2018
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**Required Actuarial Certification
Under District of Columbia Code §1-907 for Fiscal Year 2020**

Certification	Code Section	Teachers	Police	Fire	Police/Fire Combined	Total District
FY 2020 Employer Normal Cost Rate	N/A	7.97%	33.03%	35.29%	33.81%	20.66%
FY 2020 Unfunded Accrued Liability Cost Rate	N/A	3.70%	(17.45)%	(8.54)%	(14.37)%	(5.17)%
Estimated FY 2020 Covered Payroll	N/A	\$490,756,000	\$309,918,000	\$163,595,000	\$473,513,000	\$964,269,000
FY 2020 Employer Normal Cost	1-907.03(a)(3)(A)	\$39,113,000	\$102,366,000	\$57,733,000	\$160,099,000	\$199,212,000
FY 2020 Unfunded Accrued Liability Payment	1-907.03(a)(3)(C)	\$18,158,000	\$(54,081,000)	\$(13,971,000)	\$(68,052,000)	\$(49,894,000)
FY 2020 District Payment before 1-907.02 (c)	N/A	\$57,271,000	\$48,285,000	\$43,762,000	\$92,047,000	\$149,318,000
FY 2018 Shortfall/Overpayment	1-907.02 (c)	\$1,617,000	\$(2,864,000)	\$3,878,000	\$1,014,000	\$2,631,000
FY 2020 District Payment	N/A	\$58,888,000	\$45,421,000	\$47,640,000	\$93,061,000	\$151,949,000
Present Value of Future Benefits	1-907.03(a)(3)(B)	\$2,876,183,114	\$4,859,598,935	\$2,393,400,181	\$7,252,999,116	\$10,129,182,230
Current Value of Assets	1-907.03(a)(3)(D)	\$2,193,598,000	\$4,199,796,949	\$1,816,156,051	\$6,015,953,000	\$8,209,551,000
Actuarial Value of Assets	1-907.03(a)(3)(E)	\$2,139,911,003	\$4,083,671,267	\$1,764,905,107	\$5,848,576,374	\$7,988,487,377

Actuarial Assumptions

The actuarial assumptions used for the valuation represent the actuary's best estimates of the future experience for the plans.

12/21/18

(Date)

Edward J. Koebel, EA, FCA, MAAA

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January 3, 2019

The Honorable Phil Mendelson
Chairman, Council of the District of Columbia
John A. Wilson Building
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Sincerely,

A handwritten signature in blue ink, appearing to read "Sheila Morgan-Johnson", is written over the word "Sincerely,".

Sheila Morgan-Johnson
Executive Director

Enclosure: Actuarial Certification

cc: Trustees of the D.C. Retirement Board

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December 21, 2018
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The actuarial assumptions used for the valuation represent the actuary's best estimates of the future experience for the plans.

12/21/18

(Date)

Edward J. Koebel, EA, FCA, MAAA



DCRB QuickFacts Police/Fire Plan (as of Sept. 30, 2018)

Members	9,105 (District Plan Only) 5,349 active members paying into the system 3,441 retirees and beneficiaries receiving benefits 315 terminated members with a deferred vested benefit
Total 2017 Benefits Paid (in thousands)	\$108,374 (benefit payments, refunds and transfers)
Funded Status	111.96% based on the actuarial value of Plan assets
Total Fund Assets (in thousands)	\$6,032,630 market value
Employee Contribution Rate	7% if hired before November 10, 1996 8% if hired on/after November 10, 1996
Effective Date	July 1, 1997
Average Salary Hired before February 15, 1980 Hired on/after February 15, 1980	<ul style="list-style-type: none"> ▪ Highest 12 consecutive months of pay, divided by three ▪ Highest 36 consecutive months of pay, divided by three
Vesting	Five or more years of service
Service Retirement Hired before November 10, 1996 Hired on/after November 10, 1996 * mandatory retirement age	<ul style="list-style-type: none"> • Any Age, 20 Yrs. of Service, hired before February 15, 1980 • <u>Age 50, 25 Yrs. of Service with MPD</u> • Any Age, 25 Yrs. of Service with MPD • Age 60*
Benefit Formula Hired before November 10, 1996 Hired on/After November 10, 1996	2.5% of Average Salary times up to 25 yrs. of service** + 3.00% of Average Salary times over 25 yrs. of service** + <u>2.5% of Average Salary times purchased or credited service</u> 2.5% of Average Salary times total service ** 20 years if hired before February 15, 1980
For Deaths in Line-of-Duty	100% of Final Pay Spousal Benefit \$50,000 Lump-Sum benefit
COLAs Capped at 3% if hired on/after November 1, 1996	Effective: March 1 Payable: April 1 2018 COLA: 2.1%



DCRB QuickFacts Teachers' Plan (as of Sept. 30, 2018)

Members	10,485 (District Plan Only) 5,066 active members paying into the system 3,990 retirees and beneficiaries receiving benefits 1,429 terminated members with a deferred vested benefit
Total 2018 Benefits Paid (in thousands)	\$84,556 (benefit payments, refunds and transfers)
Funded Status	93.0% based on the actuarial value
Total Fund Assets (in thousands)	\$2,179,596 market value
Employee Contribution Rate	7% if hired before November 1, 1996 8% if hired on/after November 1, 1996
Effective Date	July 1, 1997
Average Salary	Highest 36 consecutive months of pay, divided by three.
Vesting	Five or more years of service
Service Retirement Hired before November 1, 1996	<ul style="list-style-type: none"> • Age 55, 30 Yrs. of Service, including 5 years with DCPS • Age 60, 20 Yrs. of Service, including 5 years with DCPS • <u>Age 62, 5 Yrs. of Service with DCPS</u>
Hired on/after November 1, 1996	<ul style="list-style-type: none"> • Any Age, 30 Yrs. of Service, including 5 years with DCPS • Age 60, 20 Yrs. of Service, including 5 years with DCPS • Age 62, 5 Yrs. of Service with DCPS
Involuntary Retirement	Age 50, 20 Yrs. of Service, including 5 Yrs. with DCPS Any Age, 25 Yrs. of Service, including 5 Yrs. with DCPS
Benefit Formula Hired before November 1, 1996	1.5% of Average Salary times up to 5 yrs. of service + 1.75% of Average Salary times 6 through 10 yrs. of service+ <u>2.0% of Average Salary times service</u>
Hired on/After November 1, 1996	2.0% of Average Salary times total service
COLAs Capped at 3% if hired on/after November 1, 1996	Effective: March 1 Payable: April 1 2018 COLA: 2.2%



DCRB QuickFacts

Funding (as of September 30, 2018)

Members	19,590 10,415 active members paying into the system 7,431 retirees and beneficiaries receiving benefits 1,744 terminated members with a deferred vested benefit
Total 2017 Benefits Paid (in thousands)	\$192,930 includes benefit payments, refunds and transfers
Funded Status Police/Fire	Based on actuarial value 112.0% (Police: 113.7% and Fire: 108.2%)
Teachers	93.0%
Both Plans	106.2% Combined
Total Fund Assets (in thousands)	\$8,212,226 (market value) \$6,032,630 total in Police/Fire Fund \$2,179,596 total in Teachers' Fund
Investment Returns (annualized-gross of fees)	5.4% 1-Year 6.7% 10-Year 9.2% 3-Year 8.8% since inception (1982) 6.3% 5-Year
Employee Contribution Rate	7% if hired before Nov. 1 (Teachers) or Nov. 10 (Police/Fire) 1996 8% if hired on/after Nov. 1 (Teachers) or Nov. 10 (Police/Fire) 1996
Funding Sources (in thousands)	\$ 74,802 employee contributions \$164,642 employer contributions \$ 3,394 other \$410,971 investment earnings (net of investment expenses)
Cash Flow (in thousands)	\$ 653,809 contributions + investment earnings (inflows) <u>\$-208,974</u> benefit payments + expenses (outflows) \$ 444,835 positive cash flow
Economic Assumptions	6.5% Investment Rate of Return 3.5% Inflation Rate 4.25% Wage Inflation Rate
Actuarial Cost Method	Entry Age Normal
Asset Smoothing Period	5-Years
COLA Assumptions (maximums)	4.25% Members hired before November 1, 1996 3.00% Members hired on or after November 1, 1996



Cavanaugh Macdonald
CONSULTING, LLC

The experience and dedication you deserve



The District of Columbia Retirement Board 10/1/2018 Actuarial Valuation Results

Revised





Table of Contents

- Key Findings
- Funded Status
- Pension Results
 - Active and Retired Data
 - Liabilities & Assets
 - Gain/Loss Analysis
 - Contribution Results
- Risk Assessment
- Surplus Amortization



Purposes of an Actuarial Valuation

- Assess the strategy of funding the promised benefits of the system
- Measure assets and liabilities (future benefit payments)
- Determine actuarial contribution amounts (2018 valuation results are used to set the FYE 2020 contribution amounts)
- Analyze experience (actual vs. expected) in last year
- Report on trends



Funding Policy

- Adopted in 2012 and revised in 2017 by the Board
- Objectives and Goals
 - 100% Funded Ratio
 - Stable or Decreasing Contribution Rates
- Assumptions
 - Entry Age Normal Cost Method
 - 5 year smoothing
 - Level dollar amortization
 - Closed 20 year amortization period beginning in 2012 valuation; now have 14 years remaining
 - All future gains and losses amortized over separate closed 20-year period



Key Findings

- Retroactive payroll increases recognized in census data for 2018 for Teachers and Firefighters
- An estimated aggregate 6.47% investment return on a Market Value basis for fiscal year ending September 30, 2018.
- A 7.70% investment return on an Actuarial Value basis due to smoothing of asset returns over 5-year period.
- Funded status increased in aggregate from 105.2% to 106.2% on an Actuarial Value Basis.
- Total contribution is estimated at \$151.9 million for 2020 fiscal year (up from \$144.6 million for the 2019 fiscal year).



Funded Status as of October 1



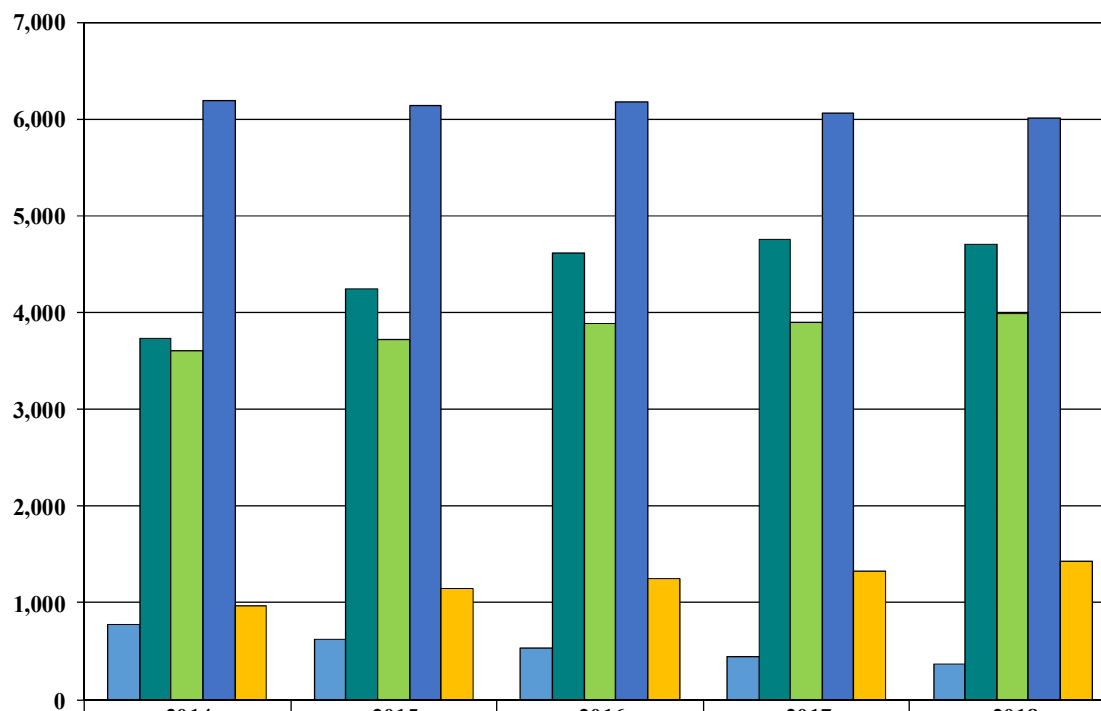
Plan	Actuarial Value of Assets		Market Value of Assets	
	2018	2017	2018	2017
Teachers	93.0%	92.5%	95.3%	95.7%
Police	113.7	111.2	116.9	115.7
Fire	108.2	109.9	111.4	114.7
Police and Fire	112.0	110.8	115.2	115.4
Total	106.2	105.2	109.1	109.4



DCRB Pension Results



Total Active & Retired Teachers



	2014	2015	2016	2017	2018
Active Members Hired Prior to 7/1/1997	771	623	526	437	365
Active Members Hired After 7/1/1997	3,728	4,243	4,616	4,762	4,701
Retired District Members	3,601	3,718	3,882	3,899	3,990
Retired Total Members	6,189	6,138	6,183	6,061	6,006
Deferred Vested Members	969	1,152	1,246	1,330	1,429

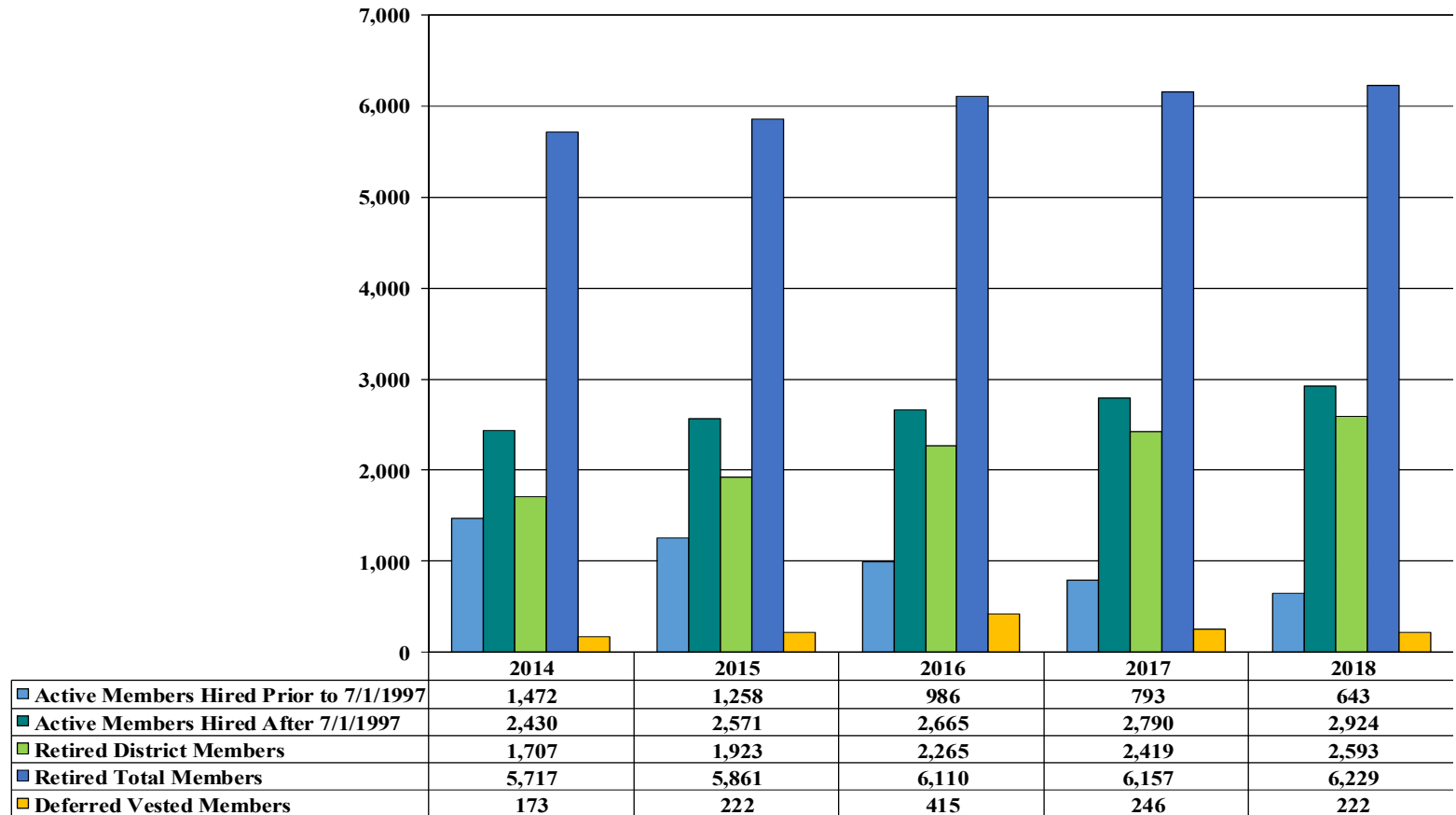
3.0% average increase for active members since 2014; 2.6% decrease for 2018

2.6% average increase for retired district members since 2014; 2.3% increase for 2018

0.7% average decrease for retired total members since 2014; 0.9% decrease for 2018



Total Active & Retired Police



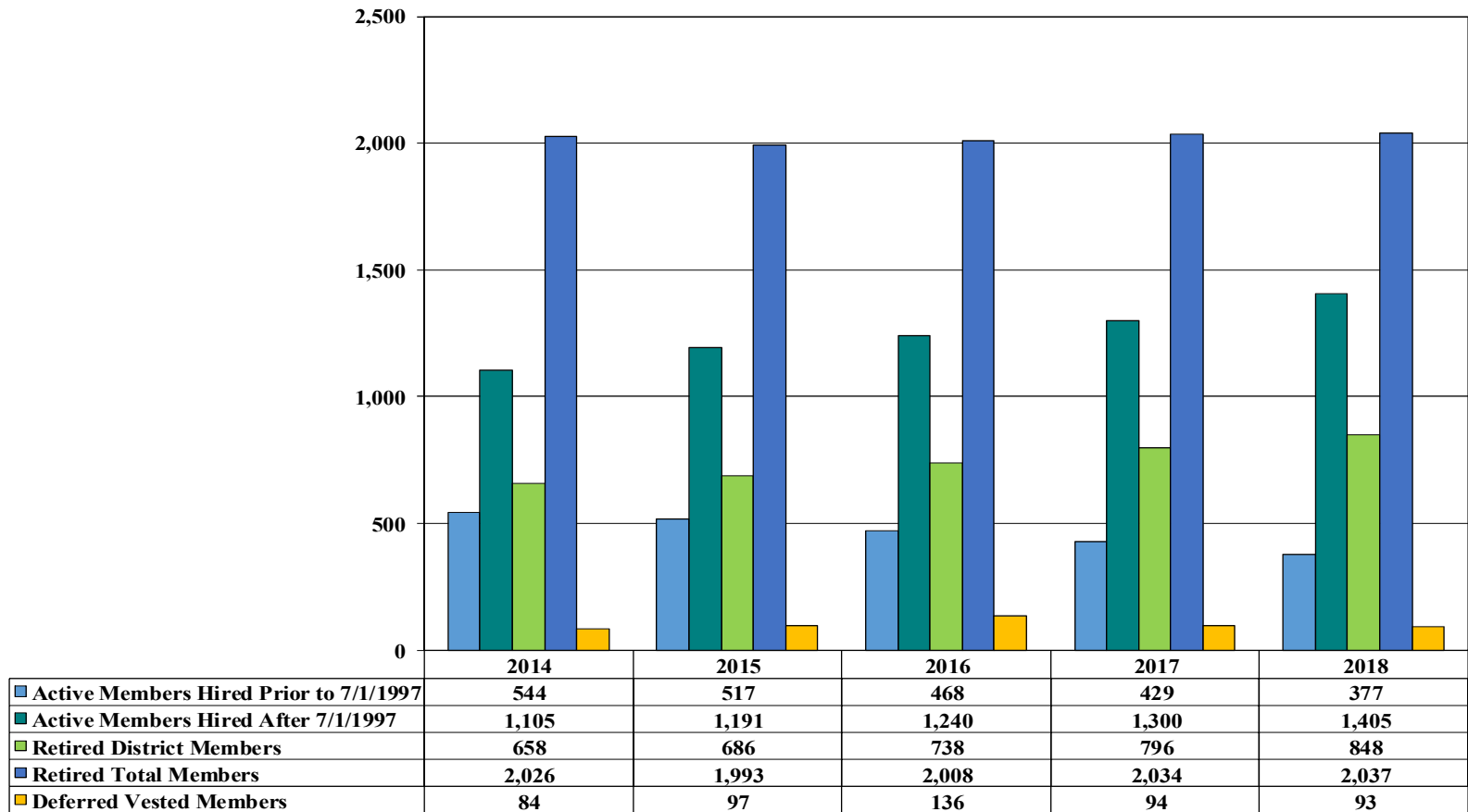
2.2% average decrease for active members since 2014; 0.4% decrease for 2018

11.0% average increase for retired district members since 2014; 7.2% increase for 2018

2.2% average increase for retired total members since 2014; 1.2% increase for 2018



Total Active & Retired Fire



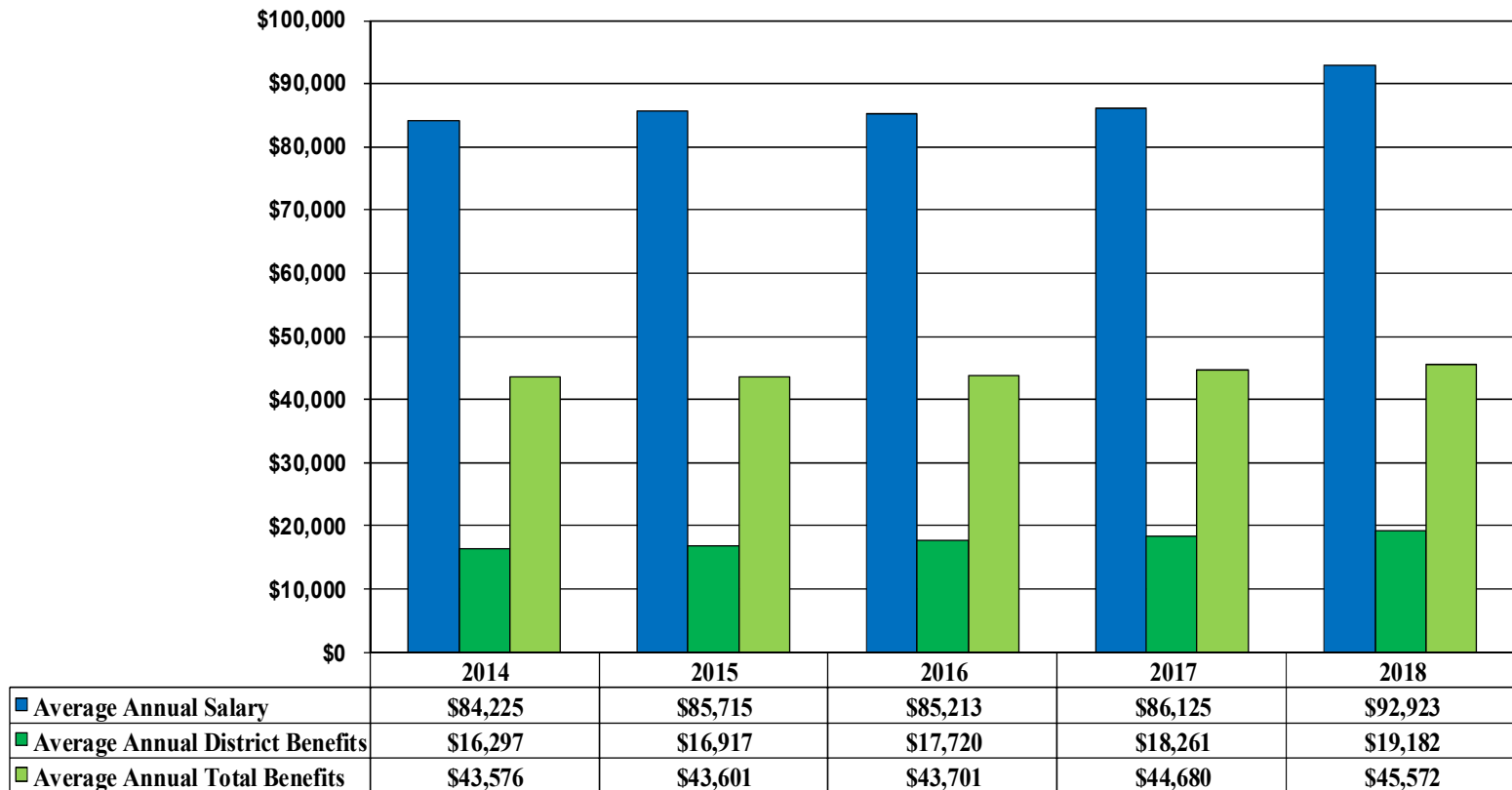
2.0% average increase for active members since 2014; 3.1% increase for 2018

6.5% average increase for retired district members since 2014; 6.5% increase for 2018

0.1% average increase for retired total members since 2014; 0.1% increase for 2018



Average Teacher Salary & Benefits



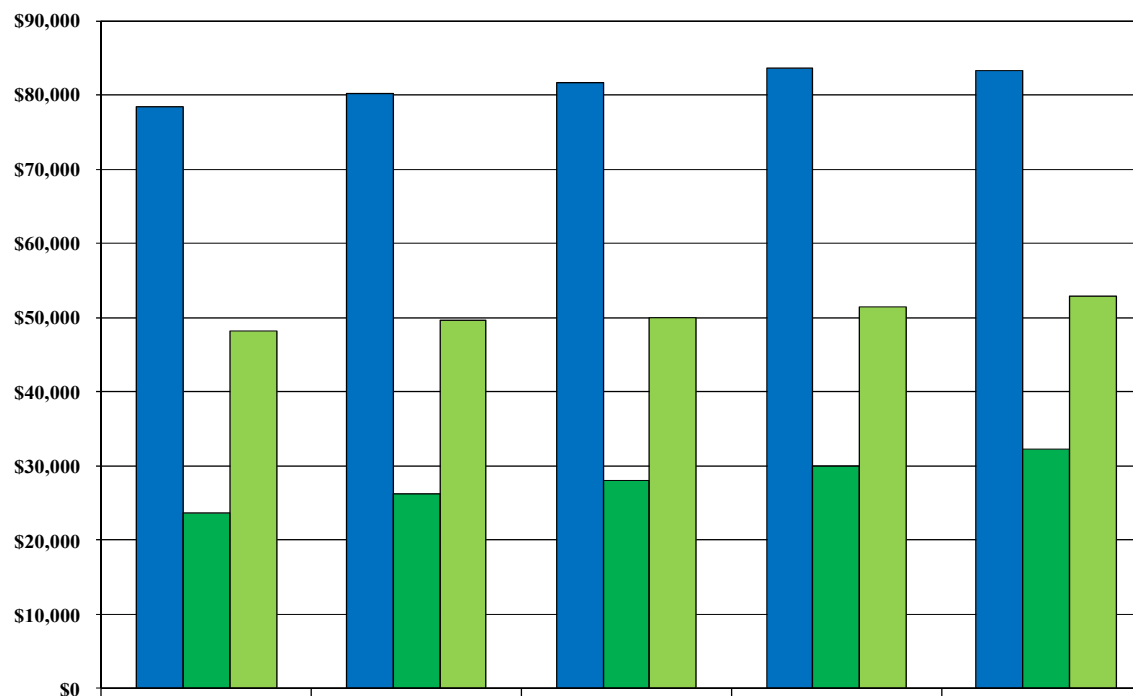
2.5% average increase in salary since 2014; 7.9% increase for 2018

4.2% average increase in district benefit since 2014; 5.0% increase for 2018

1.1% average increase in total benefit since 2014; 2.0% increase for 2018



Average Police Salary & Benefits



	2014	2015	2016	2017	2018
■ Average Annual Salary	\$78,361	\$80,275	\$81,743	\$83,599	\$83,342
■ Average Annual District Benefits	\$23,592	\$26,243	\$28,074	\$29,956	\$32,193
■ Average Annual Total Benefits	\$48,245	\$49,635	\$49,962	\$51,392	\$52,890

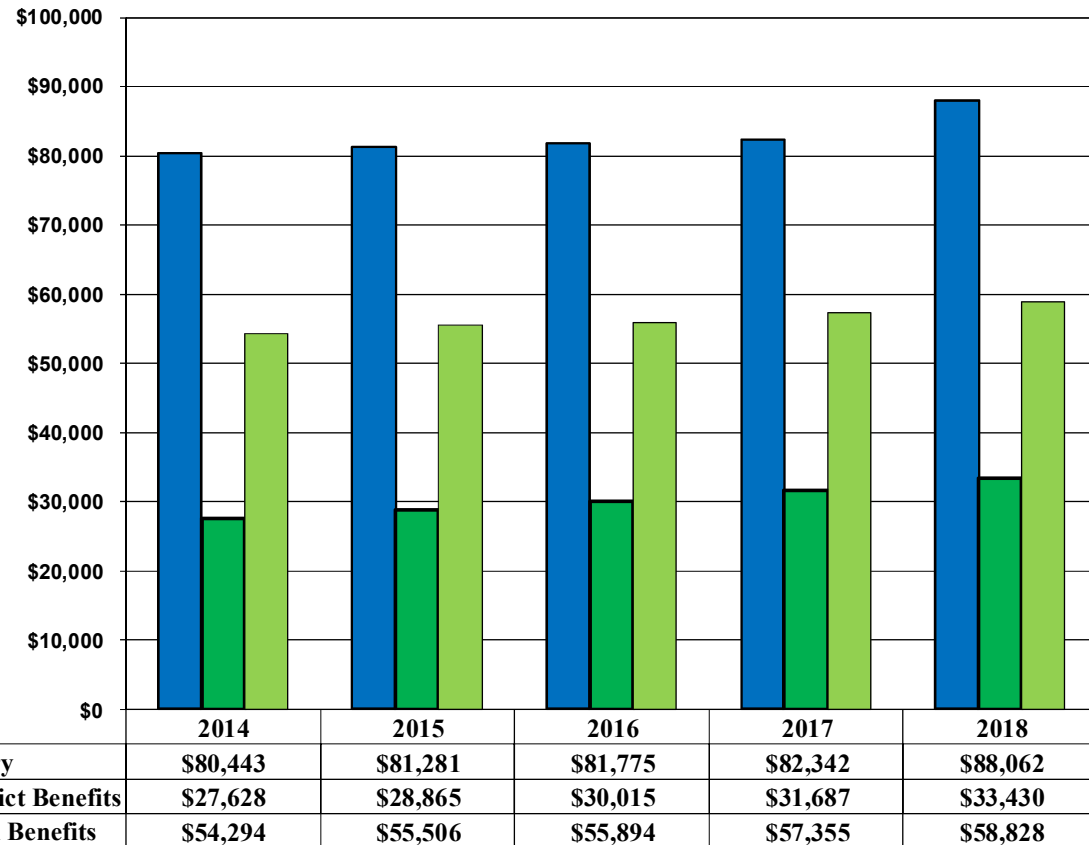
1.6% average increase in salary since 2014; 0.3% decrease for 2018

8.1% average increase in district benefit since 2014; 7.5% increase for 2018

2.3% average increase in total benefit since 2014; 2.9% increase for 2018



Average Fire Salary & Benefits



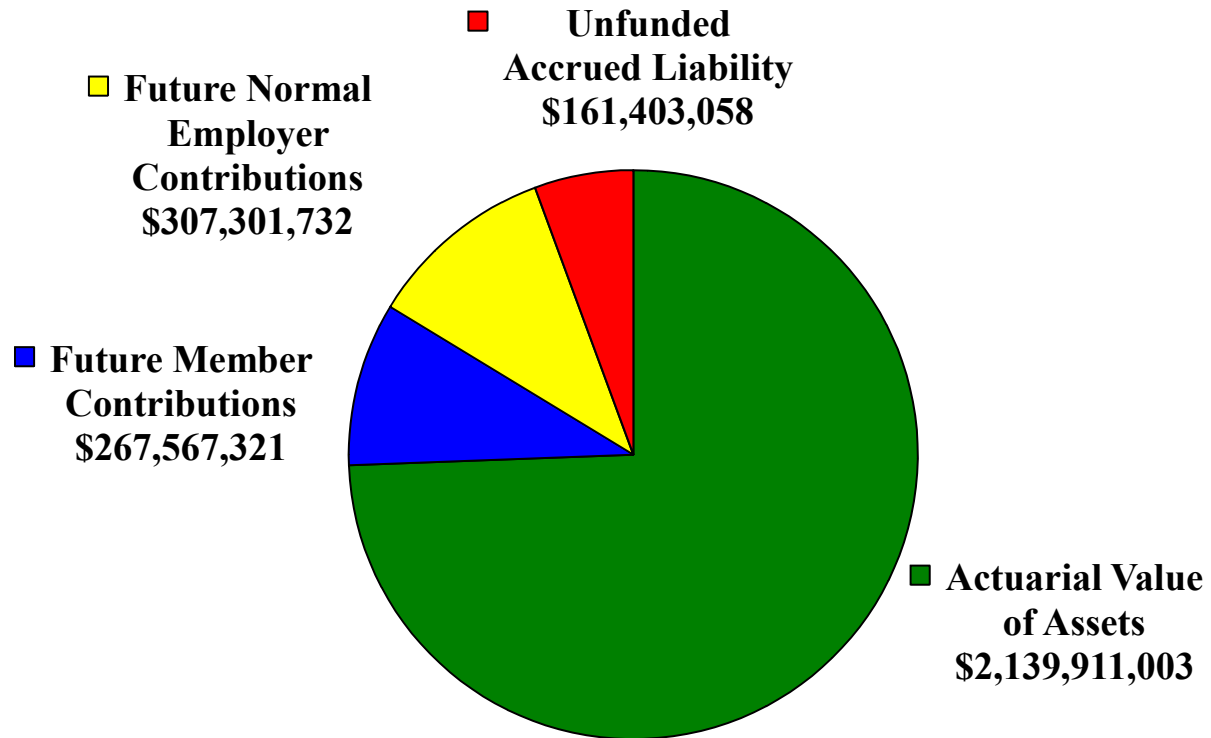
2.3% average increase in salary since 2014; 6.9% increase for 2018

4.9% average increase in district benefit since 2014; 5.5% increase for 2018

2.0% average increase in total benefit since 2014; 2.6% increase for 2018



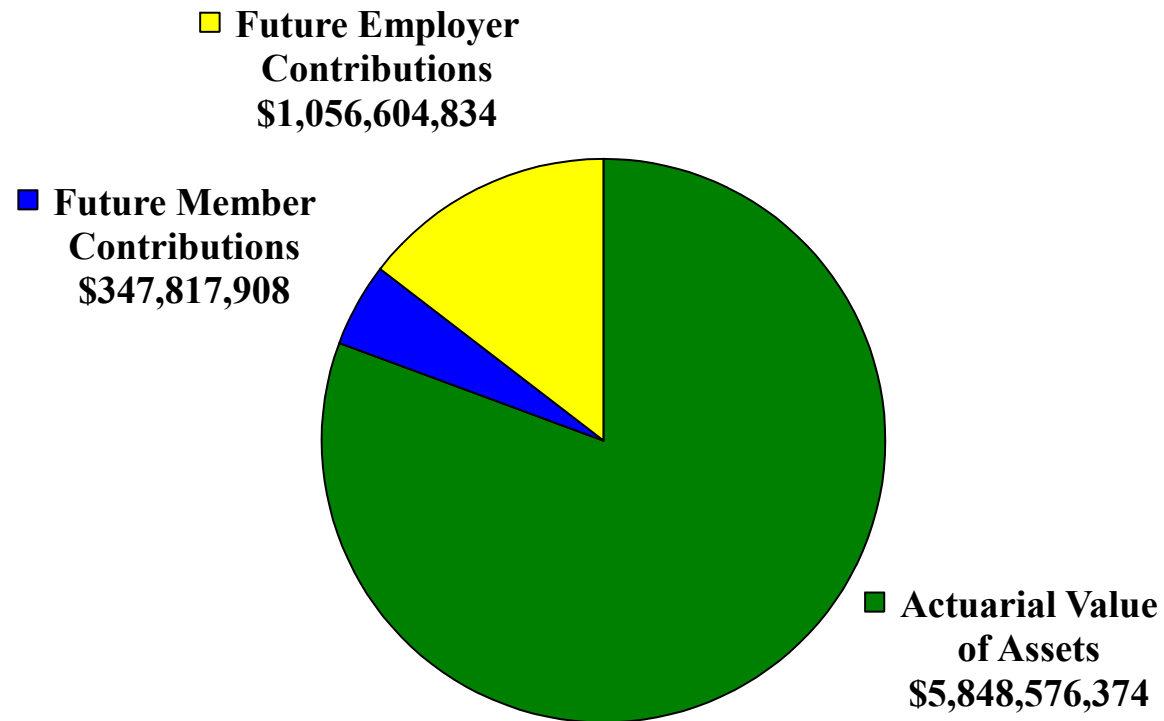
Present Value of Future Benefits by Funding Type - Teachers



Total - \$2,876,183,114



Present Value of Future Benefits by Funding Type – Police & Fire

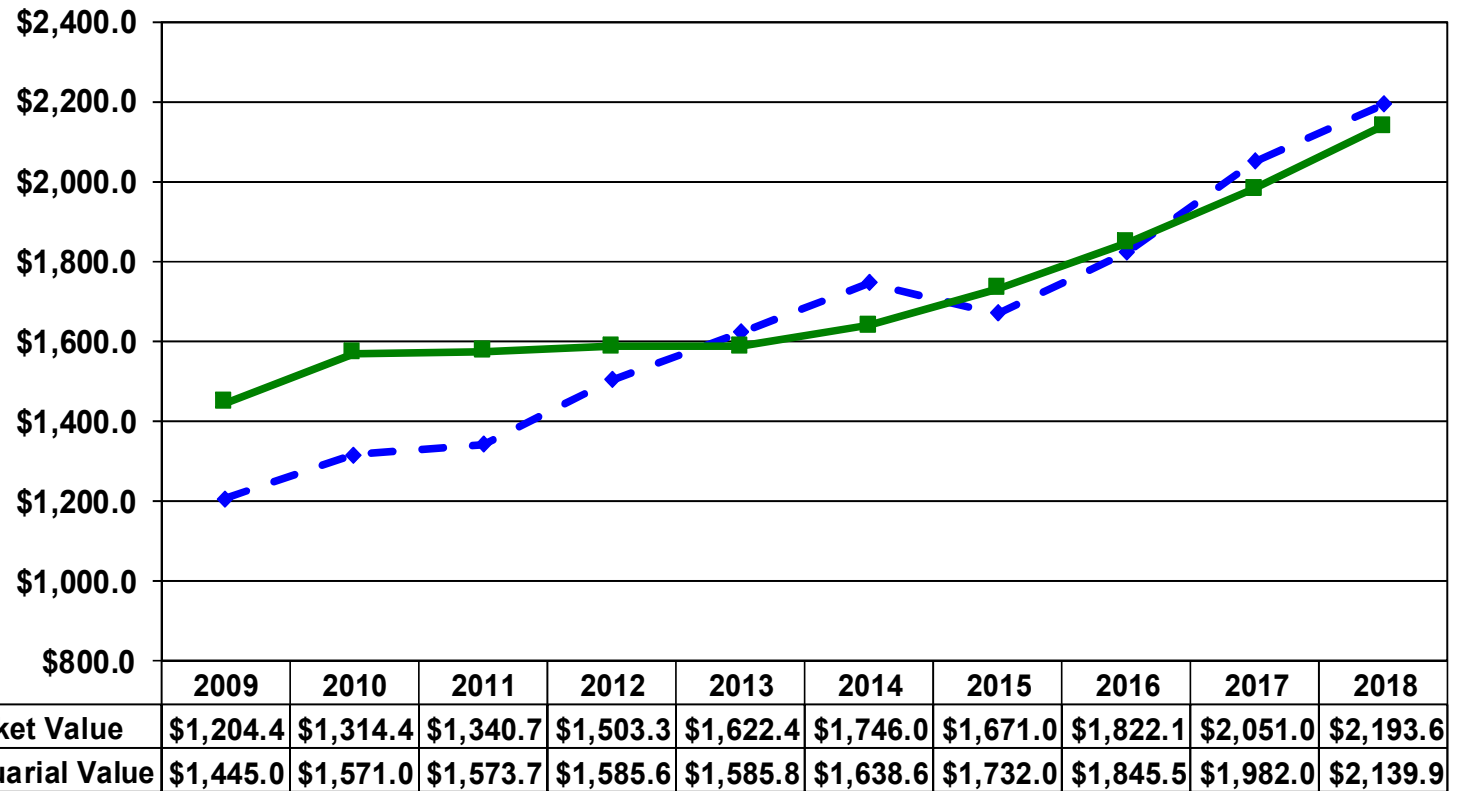


Total - \$7,252,999,116



Teacher Assets

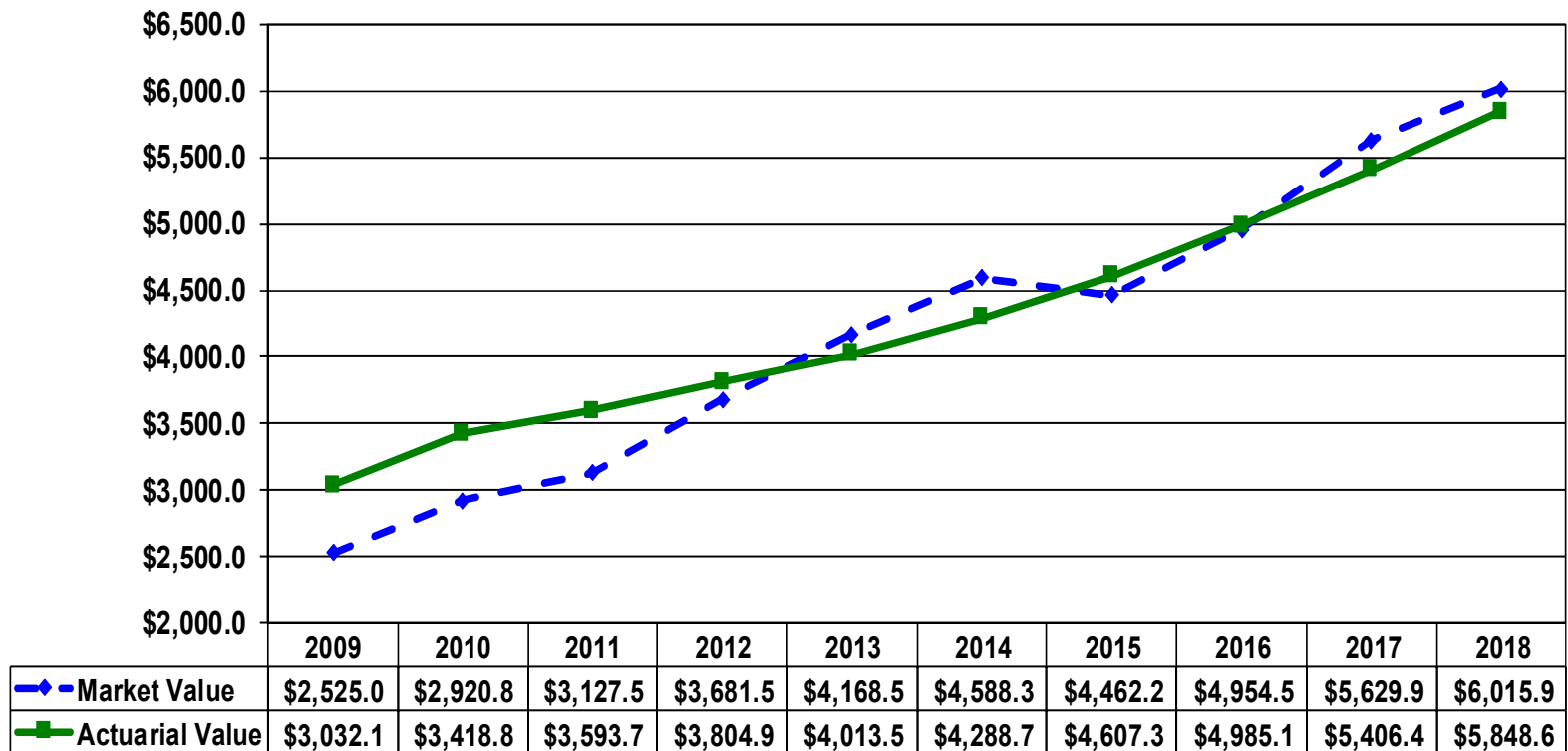
(\$ millions)





Police & Fire Assets

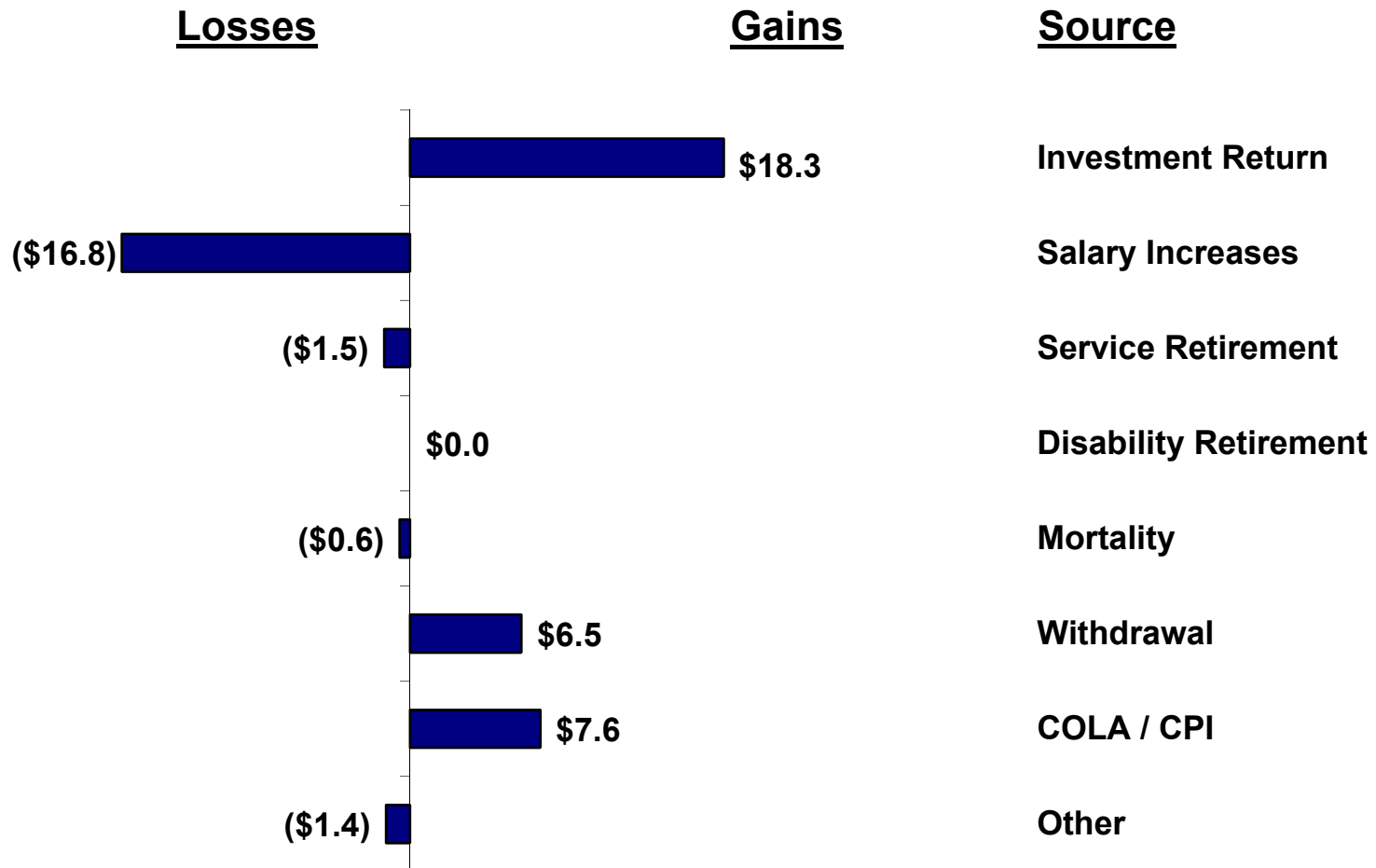
(\$ millions)





Teachers Actuarial Gain/Loss Analysis

(\$ millions)





Police & Fire Actuarial Gain/Loss Analysis

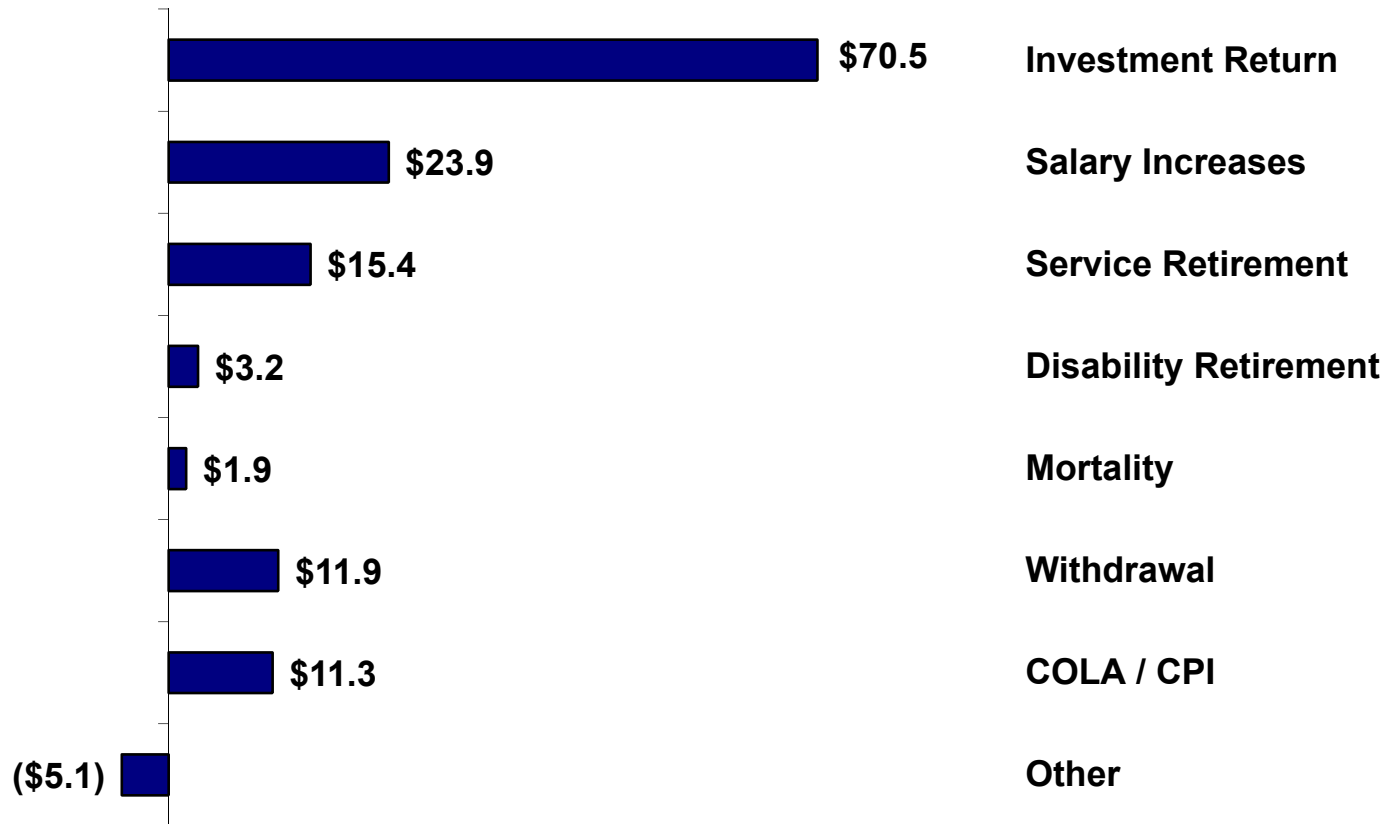
(\$ millions)



Losses

Gains

Source





Contribution Results for FY 2020

(\$ millions)



	Teachers	Police	Fire	Total
Employer Normal Cost Rate	7.97%	33.03%	35.89%	20.76%
Total Accrued Liability	\$2,301.3	\$3,593.0	\$1,630.8	\$7,525.1
Actuarial Value of Assets	\$2,139.9	\$4,083.7	\$1,764.9	\$7,988.5
Unfunded Accrued Liability	\$161.4	\$(490.7)	\$(134.1)	\$(463.4)
Amortization of UAL (Level \$)	\$17.4	\$(51.9)	\$(14.3)	\$(48.8)
UAL Rate	3.70%	(17.45)%	(9.14)%	(5.28)%
Total Employer Contribution Rate (Employer Normal Cost Rate plus UAL Rate)	11.67%	15.58%	26.75%	15.48%
Estimated 2020 Fiscal Year Payroll	\$490.8	\$309.9	\$163.6	\$964.3
Employer Contributions in Dollars	\$57.3	\$48.3	\$43.7	\$149.3
1-907.02(c) Shortfall/(Overpayment)	\$1.6	\$(2.9)	\$3.9	\$2.6
Final Employer Contributions in Dollars	\$58.9	\$45.4	\$47.6	\$151.9
Funded Ratio based on AVA	92.99%	113.66%	108.22%	106.20%
Funded Ratio based on MVA	95.32%	116.89%	111.37%	109.10%



Reconciliation of Contribution Requirement (\$ millions)



Source	Increase/(Decrease) in Contribution	Cumulative Employer Contribution
October 1, 2017 Valuation (2019 FYE)		\$144.6
Section 1-907.02(c) Contribution Adjustment from 2017 Valuation*	4.3	148.9
Anticipated Normal Cost Increase due to Salary Increases	8.2	157.1
Actuarial Value of Assets Investment Gain	(8.5)	148.6
Net Demographic Experience	2.5	151.1
Net COLA Experience	(1.8)	149.3
Assumption Changes	0.0	0.0
Method Changes	0.0	0.0
Section 1-907.02(c) Contribution Adjustment from 2018 Valuation*	2.6	151.9
October 1, 2018 Valuation (2020 FYE)		\$151.9

*Section 1-907.02(c) requires that City contributions based on expected pay amounts be trued up after the actual pay amounts are known.



Risk Assessment



Risk Assessment

- Actuarial Standard of Practice (ASOP) 51
 - Effective for valuations after November 1, 2018
 - Provides guidance on assessing and disclosing risks related to pension plan funding

- Identify the significant risks to the pension plan and provide information to help those sponsoring and administering the plan understand the implications of these risks.
 - Investment Risk
 - Sensitivity Measures
 - Mortality Risk
 - Contribution Risk



Investment Risk

(\$ millions)



- Most obvious risk and usually the largest risk in funding a pension plan.
- To illustrate the magnitude of this risk, we present the Asset Volatility Ratio (AVR), defined as the market value of assets divided by covered payroll

Valuation	Teachers' Retirement Plan			Police Officers and Firefighters' Retirement Plan		
	Market Value of Assets	Covered Payroll	Asset Volatility Ratio	Market Value of Assets	Covered Payroll	Asset Volatility Ratio
2010	\$1,314	\$338	3.89	\$2,921	\$424	6.89
2011	1,341	384	3.49	3,127	421	7.43
2012	1,503	381	3.94	3,682	415	8.87
2013	1,622	369	4.40	4,168	413	10.09
2014	1,746	379	4.61	4,588	438	10.47
2015	1,671	417	4.01	4,462	446	10.00
2016	1,822	438	4.16	4,954	438	11.31
2017	2,051	448	4.58	5,630	442	12.74
2018	2,193	471	4.66	6,016	454	13.25



Investment Risk

- AVR is especially useful to compare across plans or through time.
- It is also frequently useful to consider how the AVR translates into changes in the ADEC Rate.
- To illustrate this we assumed a negative 10% return in the next fiscal year

	Impact of Return 10% Below Expected (Percent of Payroll)		
AVR	Asset Value	Unsmoothed Amortization	Smoothed Amortization
4.0	40%	3.63%	0.73%
5.0	50%	4.54	0.91
6.0	60%	5.45	1.09
7.0	70%	6.35	1.27
8.0	80%	7.26	1.45
9.0	90%	8.17	1.63
10.0	100%	9.08	1.82
11.0	110%	9.98	2.00
12.0	120%	10.89	2.18
13.0	130%	11.80	2.36
14.0	140%	12.71	2.54



Sensitivity Measures

- Valuations are generally performed with a single set of assumptions that reflects the best estimate of future conditions, in the opinion of the actuary and typically the governing board.
- To enhance the understanding of the importance of an assumption, a sensitivity test can be performed where the valuation results are recalculated using a different assumption or set of assumptions, such as the discount rate.

Teachers' Retirement Plan	Investment Return Assumption		
	5.50%	6.50%	7.50%
Normal Cost Rate	12.41%	7.97%	4.80%
Amortization of UAAL	<u>11.07%</u>	<u>3.70%</u>	<u>(3.13)%</u>
Total Required Contribution	23.48%	11.67%	1.67%
Contribution in Dollars (\$M) – Minimum Normal Cost	\$116.8	\$58.9	\$25.2
Funded Ratio	79.12%	92.99%	107.92%
Actuarial Accrued Liability (\$M)	\$2,704.8	\$2,301.3	\$1,982.8
Unfunded Actuarial Accrued Liability (\$M)	\$564.9	\$161.4	\$(157.1)



Sensitivity Measures



Police Officers and Firefighters' Retirement Plan	Investment Return Assumption		
	5.50%	6.50%	7.50%
Normal Cost Rate	46.79%	33.81%	24.25%
Amortization of UAAL	<u>5.71%</u>	<u>(14.37)%</u>	<u>(32.45)%</u>
Total Required Contribution	52.50%	19.44%	0.00%
Contribution in Dollars (\$M) – Minimum Employee Contribution	\$249.4	\$93.0	\$37.7
Funded Ratio	94.21%	111.96%	131.43%
Actuarial Accrued Liability (\$B)	\$6,208.1	\$5,223.8	\$4,449.8
Unfunded Actuarial Accrued Liability (\$B)	\$359.6	\$(624.8)	\$(1,398.7)



Other Risks

➤ Mortality Risk

- Significant assumption for valuation results, second only to the investment assumption in most situations.
- Since DCRB utilizes a generational mortality table, improvements in mortality are built in already.

➤ Contribution Risk

- DCRB is funded by member and employer contributions to the trust fund, together with the earnings on those accumulated contributions.
- Since the District is obligated to make 100% of the Required Contribution Rate by statute, there is no true contribution risk for the Retirement Plans.



Amortization of Surplus Alternatives



Amortization of Surplus

- What is a surplus?
 - A surplus exists when the actuarial value of assets exceeds the accrued liability. It is the opposite of an unfunded actuarial accrued liability (when the accrued liability exceeds the actuarial value of assets).
 - Currently, the police and fire plans are in a surplus position.
- How are surpluses handled?
 - Under the current funding policy, surpluses are handled the same as unfunded liabilities. The initial surplus base established in 2012 has 15 years of amortization left and new bases are amortized over 20 years.
- Is there another way?
 - Conference of Consulting Actuaries White Paper endorses different treatment of surpluses than unfunded liabilities.
 - Suggestion: If plan is in surplus, no separate amortization bases and entire surplus gets 20 year amortization treatment every year. 20 year period does not decline each year. This delays or eliminates the jump in contribution rate experienced when surplus is eliminated.



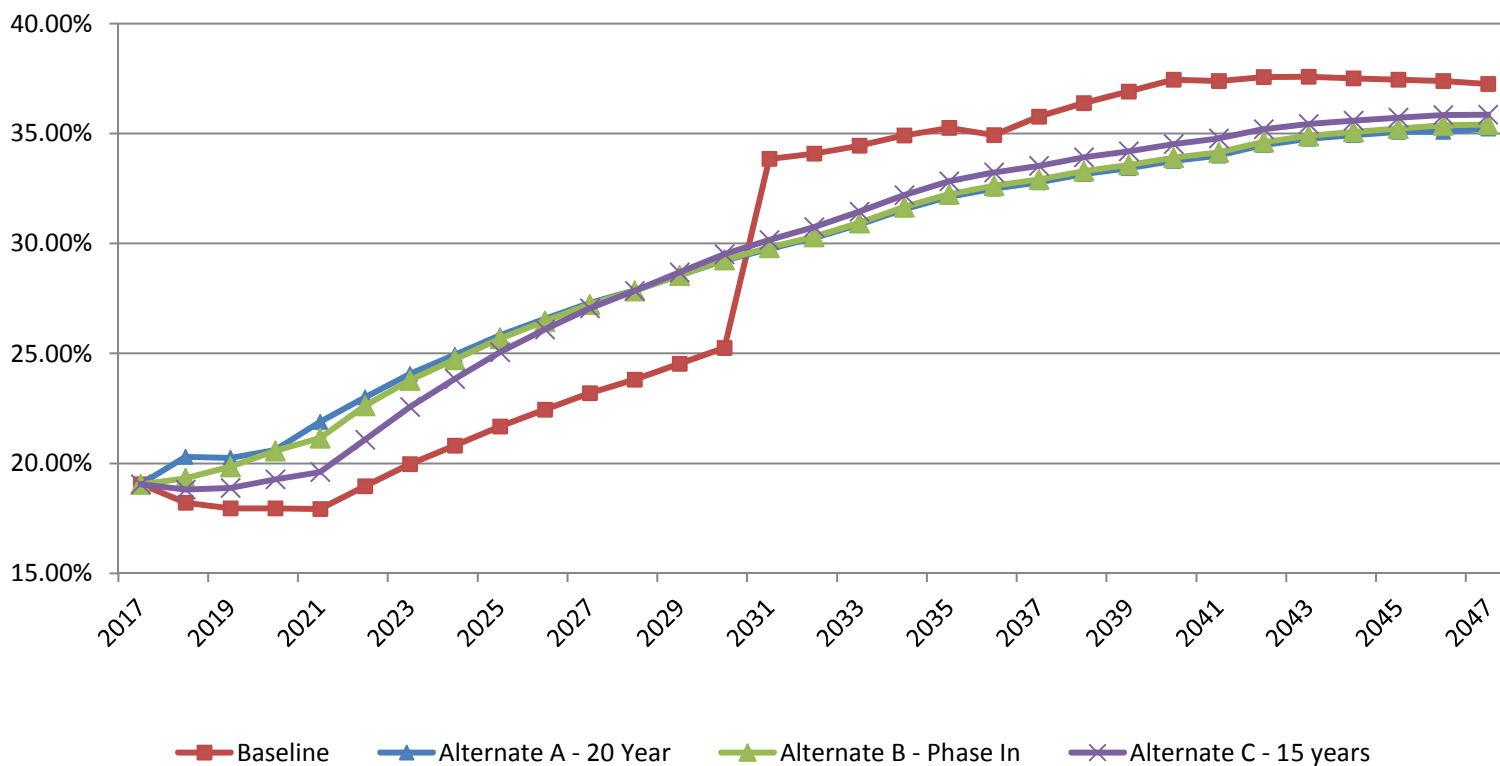
Amortization Alternatives

- Current Policy
 - Initial surplus base from 2012 being completely amortized over next 15 years and is projected to cause large increase in employer contribution at that time. All new bases are amortized over 20 years
- Alternative A
 - 20 year amortization payment of surplus each year
- Alternative B
 - 15 year surplus amortization payment phased in to 20 year amortization payment over next 5 years
- Alternative C
 - 15 year amortization payment of surplus each year



Amortization of Surplus

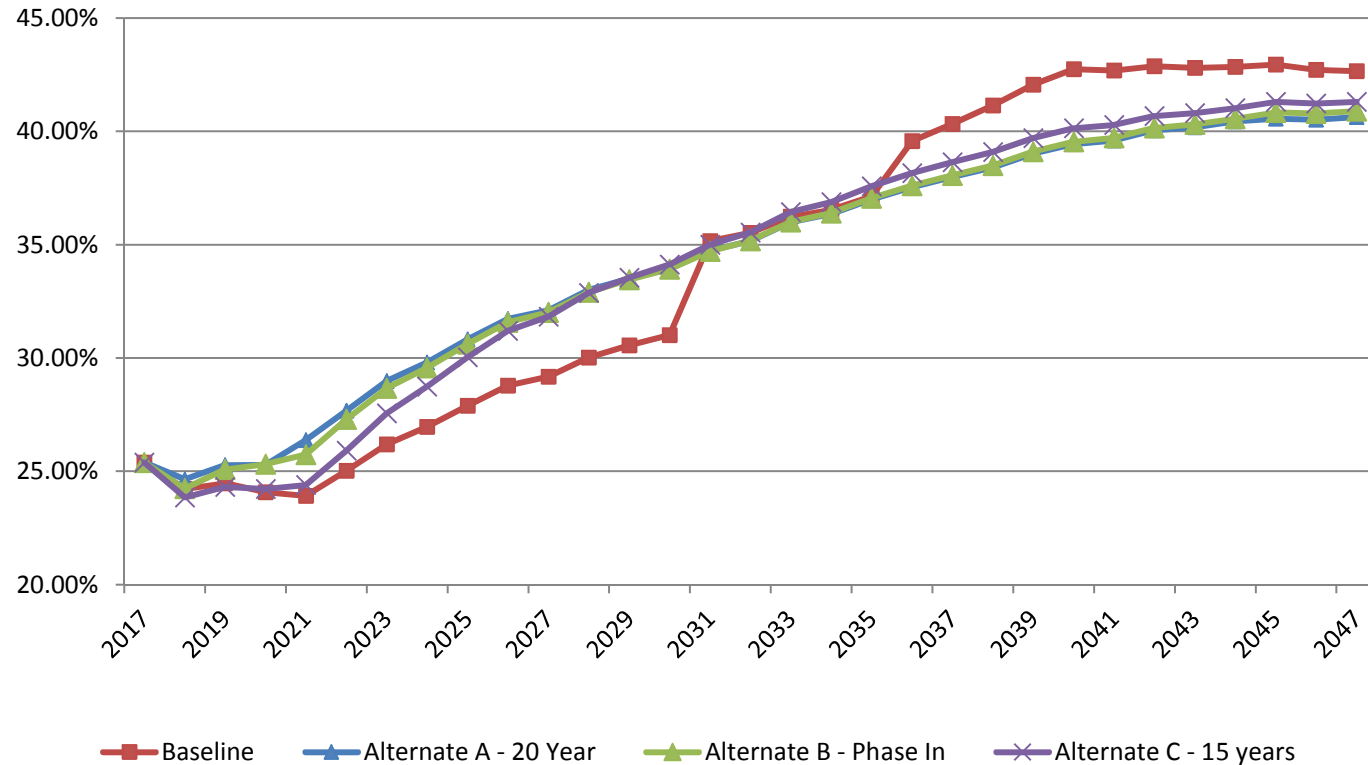
**Police Officers' Retirement Plan
Employer Contribution Rate as a Percent of Payroll**





Amortization of Surplus

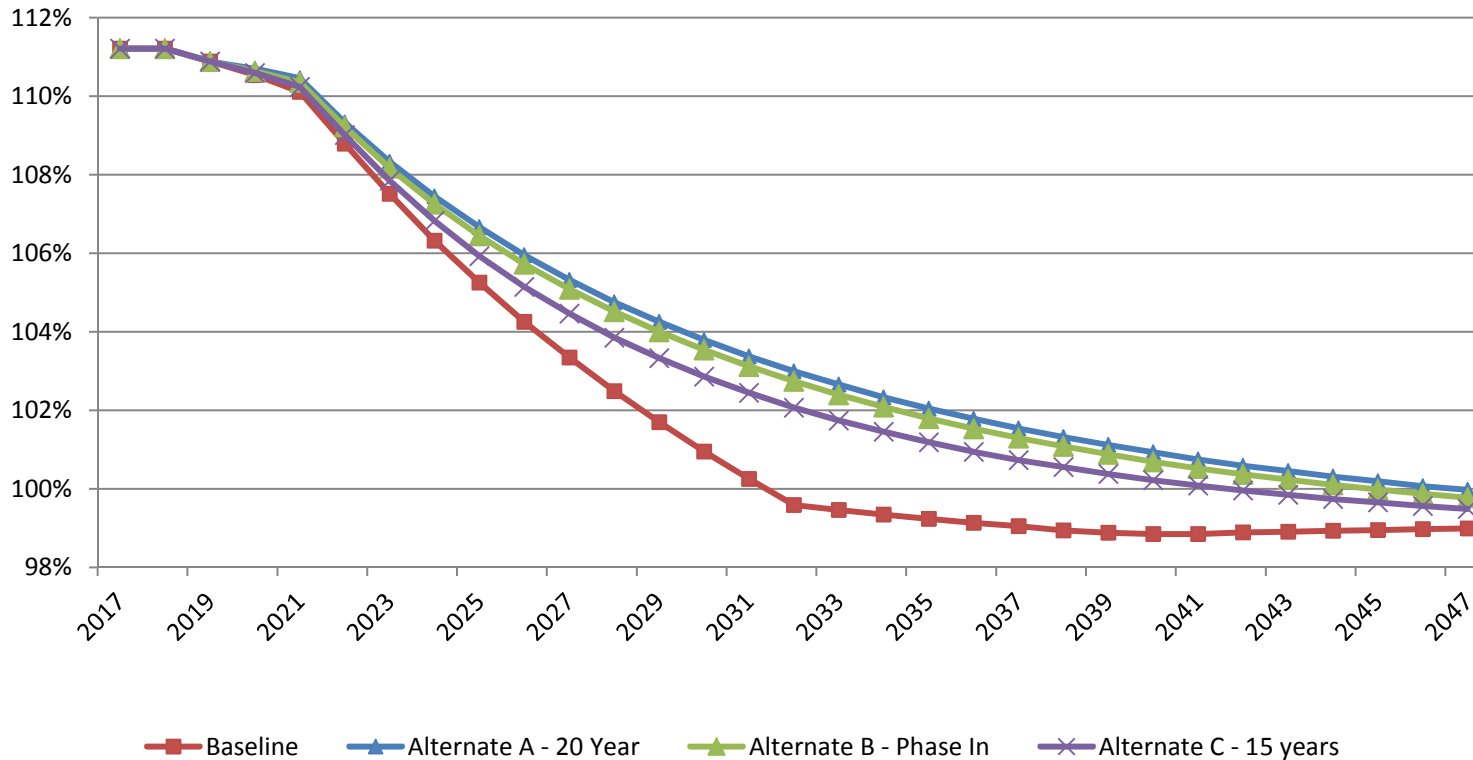
**Firefighters' Retirement Plan
Employer Contribution Rate as a Percent of Payroll**





Amortization of Surplus

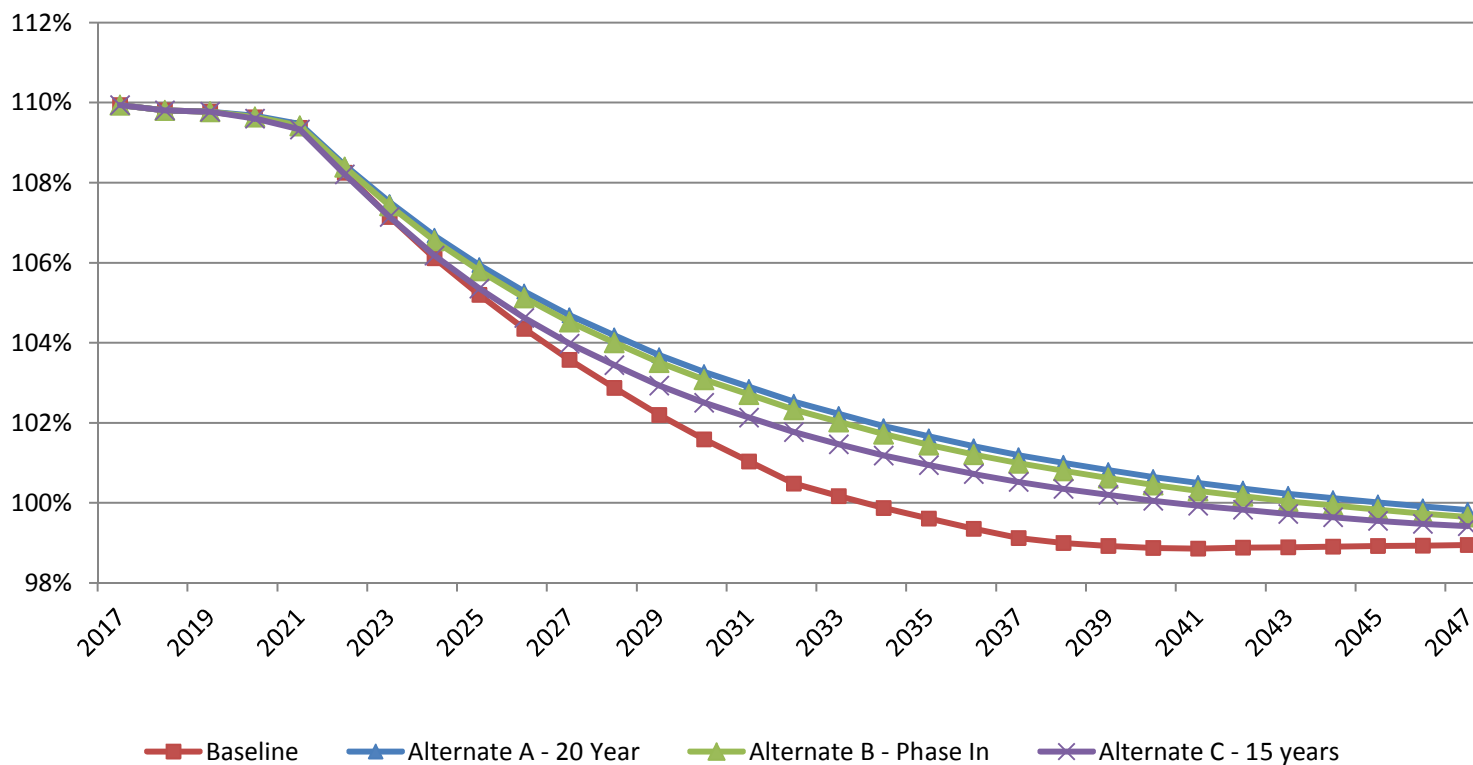
Police Officers' Retirement Plan Funded Ratio





Amortization of Surplus

**Firefighters' Retirement Plan
Funded Ratio**





Amortization of Surplus



Police Officers and Firefighters' Retirement Plan	Surplus Amortization Policy		
	Current	15 Year	20 Year
Normal Cost Rate	33.81%	33.81%	33.81%
Amortization of UAAL	<u>(14.37)%</u>	<u>(13.97)%</u>	<u>(11.89)%</u>
Total Required Contribution	19.44%	19.84%	21.92%
Contribution in Dollars (\$M)	\$93.061	\$94.965	\$104.792
Funded Ratio	111.96%	111.96%	111.96%
Actuarial Accrued Liability (\$B)	\$5,223.8	\$5,223.8	\$5,223.8
Unfunded Actuarial Accrued Liability (\$B)	\$(624.8)	\$(624.8)	\$(624.8)



Amortization of Surplus FY 2020 Contribution Amounts



Surplus Amortization Policy	Teachers	Police	Fire	Total
Current Policy	\$58.9	\$45.4	\$47.6	\$151.9
15 Year Amortization of Surplus	\$58.9	\$46.8	\$48.1	\$153.8
20 Year Amortization of Surplus	\$58.9	\$54.5	\$50.3	\$163.7



Summary

- Retroactive payroll increases recognized in census data for 2018 for Techers and Firefighters
- Funded status increased in aggregate from 105.2% to 106.2% on an Actuarial Value Basis.
- Total contribution is estimated at \$151.9 million for 2020 fiscal year (up from \$144.6 million for the 2019 fiscal year).
- Police and Fire are more sensitive to large investment swings from year to year
- Amortizing surplus over longer period of time puts more money in plan over the short-term but smooths out contributions over time.



U.S. Office of Public Policy

Special Washington Update

Top Issues to Watch From Washington in 2019

4 January 2019



Washington will be as chaotic—if not more—in 2019 than it was in 2018. As the 2020 presidential election approaches and presidential contenders to President Trump begin to line up this month, a wide range of issues will be in play for all voters to digest. Below we highlight those that we believe will be the most impactful for the new year. Buckle up.

Inheriting the Government Shutdown. Like it or not, the 116th Congress commenced this week amidst an ongoing shutdown of nine federal departments and several other agencies that began on December 22. Given this, the top priority in the early days of this session will be finding some agreement over funding for border security and the extension of the southwest border wall. While neither side has shown much give in its position up to this point, this dynamic will soon change as the negative impacts of the shutdown (including federal park facility closures, delays in tax preparation processing, delayed highway construction improvements, missed paychecks for 800,000 federal workers) are felt by more and more Americans. The side that feels more politically vulnerable eventually will begin to show more flexibility. A recent *Reuters/Ipsos* survey taken in late December indicated that 47% of those polled believe President Trump is more to blame for the shutdown than congressional Democrats (who get blame from 33%). We expect a very modest compromise to be made this month that will allow both sides to claim some sort of “victory” while most Americans will wonder why the shutdown was needed in the first place, especially if the compromise is so unsatisfying to many. *Expect wall funding to be an issue again later in 2019 as well when a new round of government funding is debated—it’s too important to both parties’ base voters to not be resolved one way or the other.*

Next Up in the House: Ethics Reform. Coming out of the blocks, House Democrats have highlighted the theme of cleaning up a “culture of corruption” in the White House and in the broader political system. H.R. 1, the legislation with the most symbolic importance to Democrats in the new Congress, is a package of ethics and campaign finance reforms. Key aspects of this legislation include increased disclosure for super PACs, an expansion of voting protections of the Voting Rights Act, and heightened ethics strictures on Members of Congress and other government officials. This reform bill will move quickly through the House and will be reinforced by the oversight agenda we discuss below. While the bill will be stopped in its tracks in the Republican-controlled Senate, Democrats hope that they can add some of its provisions to must-pass legislative vehicles. *Regardless of the success of these efforts, the legislation has even more significance as a political message at a time when many Democrats successfully used this issue as a cudgel in 2018 and no doubt will try to do so again against President Trump in 2020.*

Aggressive Oversight Agenda in the House. With the flip of the House, President Trump and his administration will be the target of myriad investigations by Democrats. The investigations will encompass everything from Russian interference in the 2016 elections to the President’s business dealings to the administration’s policy actions. While the spotlight will be on the Trump administration, private businesses will not be immune. A wide range of industries (including pharmaceutical, financial, technology and energy) could get swept up in some of these investigations or become the focus of separate ones. With control of the House, Democrats will have the crucial power of issuing subpoenas to compel testimony and documents from administration officials, CEOs and others. *As the House investigations and the separate Mueller investigation reach their crescendo amidst the backdrop of the Democratic presidential primary, the House Democratic leadership will have a tougher time waving off increasingly vocal calls for impeachment from the party’s base.*

The Mueller Investigation. We don’t know when Special Counsel Robert Mueller’s investigation into Russia’s involvement in the 2016 US presidential election will end, but we think it will be wound down sometime in 2019. Nonetheless, the activity surrounding the investigation will continue to generate news on a daily basis and be a constant subject of commentary. As such, it will clearly be a major issue in 2019 that will shape voters’ perceptions about President Trump, Russia, the 2016 and

2020 elections, and everything in between. The investigation may yield enough damaging evidence to prompt House Democrats to use their new majority status to try to impeach President Trump. On the other hand, there may be no "smoking gun" and little evidence that President Trump was involved in anything sordid relating to Russia and the election. If pursued, impeachment obviously would become a dominant issue in 2019 and would consume several months of the House's time. An impeachment vote in the House would need only a majority, whereas a vote for conviction (and removal from office) in the Senate would require a super-majority of 67 votes. *Very few measures ever muster 67 votes in a divided Senate, and, unless the Mueller probe unearths clear evidence of egregious conduct, President Trump likely would be acquitted in the Senate if it got to that point; for historical context, acquittal by the Senate was the outcome in the two instances (with Bill Clinton and Andrew Johnson) where a US president has been impeached.*

2019 Q1/Q2 Key Dates

Jan 29	President Trump's State of the Union Address
Feb 5	President Trump sends Congress his proposed budget for FY-20
Feb 17	Potential US tariffs on automobiles and auto parts in focus
Mar 1	Deadline for US-China trade deal
Apr 15	Tax Day. Will people/businesses feel lower tax rates?
May	NAFTA/USMCA vote in Congress? Very close and crucial trade vote
Jun	First debate scheduled for Democratic nominees for president

Get Ready for the 2020 Democratic Candidates. With 2019 only a few days old, the 2020 Democratic presidential primary has already begun in earnest. With upwards of 20 people expected to declare for the nomination, candidates have to be strategic in choosing the right time to announce. However, with debates scheduled to begin in June, they cannot afford to wait too long and run the risk of being left behind. In the crowded Republican primary process just over two years ago, there was a compressed timeline of announcements book-ended by Senator Ted Cruz (TX) in March and former Virginia Governor Jim Gilmore in July before the first debate in August. In contrast, speculation for the 2020 Democratic presidential nomination began the day after President Trump was elected in 2016. Several long-shot candidates have already formally declared their intention to run, and Senator Elizabeth Warren (D-MA) announced on Monday that she was forming an exploratory committee. With these early announcements and a looming June debate, Democratic candidates seeking the 2020 nomination will need to declare their intentions sooner rather than later. *We expect candidate announcements to come on a weekly basis beginning this month and expect most candidates to announce by May.*

Continued Trade Tensions and Opportunities. US trade policy will continue to play a prominent role for the Trump administration in shaping the global economy, financial markets and the upcoming 2020 elections. The ongoing trade dispute

saga between the US and China will continue to lead the way as the two sides try to settle their vast differences before a deadline of March 1. A deal could be struck this year, but we are doubtful one could be reached by March 1 unless one side unexpectedly capitulates on major issues or only a very modest deal is made. There are too many serious issues to negotiate and resolve in less than two months, and neither the US nor China appears to have yet drawn its bottom line on what it will find acceptable. China is not the only trade game in Washington, however. Congress will have to decide, most likely in May or June, on the revised NAFTA agreement known as the US-Mexico-Canada Agreement (USMCA) in what will be very close votes. The US will also initiate new trade discussions with Japan and the EU. Trade policy actions will present both risks and opportunities this year, but more of the former. Panic could set in if further tariffs are imposed following a breakdown in US-China negotiations and/or the Congress rejects or struggles to approve the new USMCA. *On the other hand, if both issues are resolved successfully, and the US gets off to a good start in negotiating two new trade deals, this could amount to an economic stimulus of sorts and give President Trump a needed political boost.*

Health Care Woes Never Go Away. Health care issues will be in play in 2019 as many voters continue to express frustration with high health care costs, limited coverage and high prescription drug prices. The legality of the Affordable Care Act ("Obamacare") is currently up in the air since a district court ruled all of its provisions unconstitutional in December. However, a successful challenge to that decision is expected. Even with that likely outcome, House Democrats will advance measures to stabilize and improve Obamacare in an effort to further entrench it as the law of the land. These measures won't pass the Senate but will be the subject of debate throughout the year. A bipartisan group of lawmakers and the Trump administration will also explore ways to control prescription drug prices. Currently, there is bipartisan support for requiring drug companies to disclose more information about their pricing to consumers and to spur generic drug competition, but not for further measures to regulate pricing. *We expect a lot of activity in this space next year, but not necessarily much impactful legislation that is enacted into law.*

Budget Issues Persist. The ongoing government shutdown is not the only budget-related issue that Washington will wrestle with this year. Lawmakers will be under pressure to pass a budget for the next fiscal year, which will begin on October 1, in order to prevent across-the-board government spending cuts that would otherwise kick in as part of the "sequestration" process. In the 2020 fiscal year, these cuts would amount to approximately \$71 billion for defense spending and \$55 billion for non-defense spending. These cuts are considered draconian by most lawmakers of both parties, but the political stalemate that has smothered Washington has prevented them from agreeing to a bipartisan budget for many years. *Look for "sequestration" to be a big part of the Washington vocabulary again this year, with its impact creating an additional need for lawmakers to agree on a wishful thinking, long-term budget plan that will reduce these annual budget threats.*

2019 Q3/Q4 Key Dates

Jul	Debt ceiling resolution? Will Washington get serious about deficit reduction?
Aug	Summer recess
Sep	Wrap up funding bills for FY-20? Many will be punted to December
Oct 1	Fiscal year 2020 begins
Nov	Gubernatorial elections in KY, MS and LA
Dec	Likely another partisan standoff over government funding

Debt Ceiling Debate to Return. The debt ceiling is currently suspended until March 1. If Congress does not lift the debt ceiling at that point, the Treasury Department will begin using "extraordinary measures" to avoid default. This will give breathing room until the mid-summer, and, depending on the pace of tax returns, possibly until early fall. Raising the debt ceiling used to be a pro forma exercise in Congress but has become more contentious over the past decade as many lawmakers see it as an opportunity to extract concessions on spending issues. Addressing the \$22 trillion national debt and high budget deficits has not been a top priority for either President Trump or the Congress, but the exercise to increase the debt ceiling could force a longer-term budget deal to try to reduce the budget deficit. Enough lawmakers from both parties want to avoid a showdown over the debt ceiling, but would President Trump sign an increase if it didn't contain specific measures he favored (such as the wall)? *Extension of the debt ceiling is a high risk/high reward exercise, and we'll know this summer which course Congress and the President will take.*

Immigration a Potential Wildcard. Ongoing problems with both illegal and legal immigration issues have become so massive and politically contentious that they are very difficult to address in the currently divided political environment. Congress and President Trump may be better off lowering their sights to try to find common ground on a smaller set of issues. Congressional Democrats' biggest immigration policy objective is to extend the Deferred Action for Childhood Arrivals program (DACA), which assigns legal status for the children of parents who came to the US illegally. President Trump's biggest objective is to secure funding for the extension of a wall along the southwest border. A deal that combines the two and that therefore accomplishes the two sides' respective primary immigration priorities seems like an obvious solution. However, a previous attempt to reach such an agreement as part of budget negotiations failed early last year and positions only have hardened since then. Democrats are dug in against any wall funding, while Republicans are split on DACA and won't give

the concession away without getting something in return. This trade-off may be wishful thinking in a divided Washington, but there are enough lawmakers who support it that it cannot be ruled out. *If this tradeoff is not used to help resolve the current government shutdown, we expect it will be revisited later in the year as other immigration developments occur.*

Tech Scrutiny to Continue in 2019. Major technology companies spent much of last year in the hot seat dealing with lingering concerns about manipulation of social media platforms during the 2016 election and about how these companies use and protect the personal data of consumers. The temperature only will rise for these companies with Democrats taking over the House. In addition to likely new investigative probes into industry practices, there will be a big push this year on advancing data privacy legislation. A reflection of the changing political landscape, the technology industry actually has been mobilizing in support of a federal standard that it can shape. Policy actions in other arenas have been a primary catalyst for this conversion. Notably, the EU has issued a sweeping directive on data protection and California has passed a strict data privacy bill of its own. The California law is set to go into effect in 2020 and could become a model for other states. *Despite industry's urgency and bipartisan interest in Congress on doing something on data privacy, finding agreement on many tricky issues (from questions about how companies disclose and obtain consent from consumers on data collection to the perennially divisive one of whether federal law should preempt state laws) will be difficult.*

All Talk but No Action. Many other issues will surface from time to time but won't gain significant traction. Both parties will have their own **infrastructure** proposals, but neither side will compromise enough on how to pay for greater infrastructure investment to allow for a bipartisan agreement to move forward. Although House Democrats will undertake efforts to pare back certain tax cuts for corporations and individuals that were part of the 2017 tax bill championed by President Trump and congressional Republicans, no new **tax legislation** will advance into law. Congress won't advance any meaningful **financial reforms**, but financial regulators will be busy on this front with a number of measures, including efforts to implement last year's bank regulatory relief legislation. An SEC final rule on a new **best interest** standard for brokers is also likely by the summer or fall. Finally, the Senate will continue its focus on approving **nominations** for Trump administration jobs, including the coveted judgeships that have a lifetime tenure. *Nearly 300 nominations await Senate approval currently, and the highly-visible posts of Attorney General and Defense Secretary will soon be added to that list.*

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TO: BOARD OF TRUSTEES

FROM: MARY COLLINS, CHAIR

DATE: JANUARY 17, 2019

SUBJECT: BENEFITS COMMITTEE REPORT

The Benefits Committee did not meet last month and there is no formal report. The next Benefits Committee Meeting is scheduled for Thursday, February 7, 2019 at 10:00 a.m. The topics of the next meeting may include:

- DC Post-Retirement Health Benefits - Update
- Improving First Payment Time Ideas
- DCRB Projects Updates (including District collaboration)
- Treasury Offset Program (TOP) - Update

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TO: BOARD OF TRUSTEES
FROM: LYLE BLANCHARD, CHAIRMAN
DATE: JANUARY 17, 2019

SUBJECT: LEGISLATIVE COMMITTEE REPORT

The following report reflects activities of interest since the December Board Meeting:

COUNCIL OF THE DISTRICT OF COLUMBIA

B23-0060, “Pension Exclusion Restoration and Expansion Act of 2019”

The bill proposes to exclude from taxable income certain pension, military retired pay, or annuity income received from the District of Columbia or the federal government by persons who are 62 years of age

Status: The bill was introduced on January 8, 2019, by Councilmembers Gray, T. White, R. White, Cheh, Evans, Bonds, Todd, and Nadeau and was referred to the Committee on Finance and Revenue.

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

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

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

WILL BE PROVIDED AT THE MEETING.

NO WRITTEN REPORT PROVIDED

Board Meeting - Additional Materials

D.C. RETIREMENT BOARD Conference Listing As of January 16, 2019					
Sponsor	Name of Conference	Date	Location	Cost	Description
International Foundation of Employee Benefit Plans (IFEBP)	New Trustees Institute Level I: Core Concepts	February 18-20, 2019	Lake Buena Vista, FL	Registration \$1,515	Focus on the role as a new trustee, and the New Trustee Institute Level I: Core Concepts will enhance your understanding of basic concepts involved in managing your employee benefit trust funds. As an attendee, you will be able to identify your responsibilities as a fiduciary.
	Certificate of Achievement in Public Plan Policy (CAPPP) Employee Pensions-Part I	March 2019	Washington, DC	DCRB Sponsored	The Certificate of Achievement in Public Plan Policy (CAPPP) program is ideal for enhancing your understanding of the fundamental areas of public sector benefit plans. Provides essential education for new trustees as well as attendees in need of a refresher that addresses core concepts and current trends in legal, legislative, plan design and fiduciary aspects of public sector benefit plans.
	CAPPP in Employee Pensions-Part II	March 2019	Washington, DC	DCRB Sponsored	The Certificate of Achievement in Public Plan Policy (CAPPP) program is ideal for enhancing your understanding of the fundamental areas of public sector benefit plans. Provides essential education for new trustees as well as attendees in need of a refresher that addresses core concepts and current trends in legal, legislative, plan design and fiduciary aspects of public sector benefit plans.
	CAPPP in Employee Pensions-Part I and II	Part I-June 18-19, 2019 Part II- June 20-21, 2019	Boston, MA	Registration thru May 9, 2019 \$1,150	The Certificate of Achievement in Public Plan Policy (CAPPP) program is ideal for enhancing your understanding of the fundamental areas of public sector benefit plans. Provides essential education for new trustees as well as attendees in need of a refresher that addresses core concepts and current trends in legal, legislative, plan design and fiduciary aspects of public sector benefit plans.
	Washington Legislative Update	May 20-21, 2019	Washington, DC	Registration thru April 8, 2019 \$1,250	The program is designed for those who need to understand the legal, legislative and regulatory environment surrounding employee benefits. The content is designed for trustees, administrators and plan professionals who work with the public sector, single employer, and multiemployer.
	Public Employee Benefits Institute	June 24-26, 2019	San Francisco, CA	Registration thru May 13, 2019 \$1,515	The Public Employee Benefits Institute is designed to address benefit topics most critical to public plans and share ideas and discuss important issues with your peers.
Council of Institutional Investors (CII)	Pension Fund Trustee Training-Fiduciary Fitness	March 4, 2019	Washington, DC	Registration \$395	The program will cover fiduciary skills, investment skills and current and emerging practices. The morning session will focus on fundamentals and will be a great intro or refresher course. The afternoon session will cover more advanced topics.

Board Meeting - Additional Materials

DISTRICT OF COLUMBIA RETIREMENT BOARD Training & Travel Report As of January 16, 2019					
Name	Description	Sponsor/Vendor	Location	Dates	
				From	To
Trustees					
No Trustee Travel					
Staff					
No Staff Travel					