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EXECUTIVE DIRECTOR REPORT
April 21, 2016

Activities	Updates
Budget Testimony	DCRB's Budget Hearing testimony before the DC Council's Committee of the Whole was held on Thursday, April 14, 2016. Attached, for your information, are copies of the testimony delivered by Trustee Warren and the Acting Executive Director, Sheila Morgan-Johnson.
Mayor Bans DC Government Travel to North Carolina	On March 31, 2016, Mayor Muriel Bowser signed a Mayor's Order (see attached materials) banning travel to North Carolina by DC government employees. The Order was a result of the passage of a controversial law in North Carolina that, among other things, prevents transgender people from using public bathrooms that do not match their birth gender and rolls back local anti-discrimination measures for LGBTQ people.
Updated DCRB Quickfacts	Attached are copies of DCRB Quickfacts that reflect changes related to the Teachers' Plan, the Police/Fire Plan, Funding, and Investments as of the end of FY 2015. The fact sheet related to the Board is effective March 1, 2016, following the election of officers.
Staffing	**New Hires:** **Adina Dorch** joined DCRB on March 21, 2016 as a Staff Attorney. She will be focused primarily on working to support the legal needs of our Benefits Department. Adina previously worked for ICMA-Retirement Corporation, and brings with her significant experience in employee benefits and securities law. She earned her J.D. degree from Catholic University's Columbus School of Law and her B.A. degree from Elon University. **Lisa Richardson** joined DCRB's Benefits Department on March 21, 2016, as a Quality, Compliance and Projects Analyst. Lisa previously worked for the District of Columbia Public Schools. She brings with her more than twenty-five years of service with District Government, including a deep knowledge of the Teachers' Plan and the District's PeopleSoft system. She has a Business Management Certificate from Strayer University and certificates from Oracle University in human resources, benefits administration and payroll. **Congratulations. Ferdinand Frimpong** was promoted from Database Manager to Database and Cyber Security Group Manager, effective April 4, 2016. **Departure: Jonelle Hall,** a Member Services Representative, left DCRB's Benefits Department, effective March 29, 2016.

Recent Retirement-Related Articles (attached)	"Study Finds Public Pension Promises Exceed Ability to Pay," The New York Times, Mary Williams Walsh, March 17, 2016. "'Customers First' Becomes the Law in Retirement Investment," The New York Times, Tara Siegel Bernard, April 6, 2016.

District of Columbia Retirement Board

Budget Oversight Hearing

Statement of

Michael J. Warren, Trustee
District of Columbia Retirement Board

Before the

Council of the District of Columbia
Committee of the Whole
April 14, 2016

Good afternoon, Chairman Mendelson and members of the Council of the District of Columbia Committee of the Whole. I am Michael J. Warren, representing the Trustees of the District of Columbia Retirement Board (DCRB).

I am pleased to be here today to provide a brief overview of DCRB's Fiscal Year 2017 Budget and to introduce DCRB's Acting Executive Director, Sheila Morgan-Johnson. Ms. Morgan-Johnson will highlight our current and upcoming initiatives aimed at achieving our strategic goals during FY 2016, as well as give more information regarding our FY 2017 budget. Ed Koebel, of Cavanaugh Macdonald, our independent actuary, is also here to answer any questions you may have on the Fiscal Year 2017 Certified District Contribution to the District of Columbia Teachers' Retirement Fund and the District of Columbia Police Officers and Fire Fighters' Retirement Fund (collectively referred to as the "Fund").

DCRB's budget is fully supported by the Fund, which includes the investment earnings, the employer and employee contributions, and reimbursements received from the U.S. Department of the Treasury (for DCRB's administration of the frozen federal plans).

DCRB's FY 2017 Budget is $39.1 million and 69.6 full-time employees (FTEs), an increase of about $6 million and 7.0 FTEs from the FY 2016 level. As Ms. Morgan-Johnson will discuss in greater detail, these changes are primarily the result of the Board's Retirement Modernization Program.

I'm pleased to report that as of October 1, 2015, the beginning of Fiscal Year 2016, DCRB is a fully funded retirement system. In addition, we continue to make progress in our efforts to create a comprehensive retirement system that serves the needs of our members.

I would also like to mention two awards DCRB continues to receive each year. During Fiscal Year 2015, DCRB was among a select number of public systems to receive the Government Finance Officers Association's (GFOA) Certificate of Achievement Award for Excellence in Financial Reporting for FY 2014. We have received this award for seven consecutive years. In addition, DCRB received the Public Pension Coordinating Council's Recognition Award for Plan Funding. These awards reflect the Board's commitment to its fiduciary obligations and pension administration best practices.

As a Council-appointed member of DCRB's Board of Trustees, I want to thank you, Chairman Mendelson, and this Committee, for your continued support. We look forward to working with this Committee and the Council as DCRB works to fulfill its fiduciary and administrative responsibilities.

Sheila Morgan-Johnson, DCRB's Acting Executive Director and Chief Investment Officer, will now provide you with information about the initiatives that support DCRB's mission, our goals, and our FY 2017 Budget.

District of Columbia Retirement Board

Budget Oversight Hearing

Before the

Council of the District of Columbia
Committee of the Whole

April 14, 2016

OPENING REMARKS

Good afternoon, Chairman Mendelson and members of the Council of the District of Columbia Committee of the Whole. I am Sheila Morgan-Johnson, Acting Executive Director and Chief Investment Officer of the District of Columbia Retirement Board ("DCRB" or the "Board"). I would like to thank Trustee Michael Warren for his introduction and for taking the time to represent DCRB's Board of Trustees before this Committee. I will testify on our FY 2017 Budget.

Joining me today to respond to the Committee's questions are Anthony Shelborne, DCRB's Chief Financial Officer and Ed Koebel, of Cavanaugh Macdonald, our independent actuary. Other senior staff in attendance include Erie Sampson, General Counsel, Johnetta Bond, Chief Benefits Officer; Peter Dewar, Chief Technology Officer; and Joan Passerino, Director of Stakeholder Communication and Outreach.

DCRB was created by Congress in 1979 under the District of Columbia Retirement Reform Act as an independent agency of the District of Columbia government. The Agency has exclusive authority and discretion to manage the assets of the District of Columbia Teachers' Retirement Fund and the District of Columbia Police Officers and Fire Fighters' Retirement Fund (collectively referred to as the "Fund").

DCRB invests and manages the Fund, which is held in trust for the exclusive benefit of all members and their eligible survivors and beneficiaries. The assets of the Fund, which are commingled for investment purposes, can only be used to pay benefits and provide trust services to our members from their date of initial participation in the District of Columbia Teachers' Retirement Plan and the District of Columbia Police Officers and Firefighters' Retirement Plan (collectively referred to as the "Plans") throughout their lifetime and the lifetime of their survivors.

DCRB's Board of Trustees (the "Board") has 12 members, six (6) who are elected by members of the Plans, three (3) who are appointed by the Mayor, and three (3) who are appointed by this Council. In addition, the District's Deputy Chief Financial Officer (CFO)/Treasurer serves on the Board as an ex-officio (non-voting) member (representing the District's CFO). Board members are fiduciaries, who are required to discharge their responsibilities solely in the interest of Plan members and beneficiaries.

The District government, as the employer, is the Plan Sponsor and is responsible for the design of the Plans and for paying the required employer contributions to the Fund. DCRB, as Plan Administrator, is responsible for investing the assets of the Fund and for providing a range of pension administration services to our members. DCRB also serves as the third-party administrator for benefits under the federal plans for District police officers, firefighters, and teachers, which were frozen in 1997 and for which the U.S. Department of the Treasury ("Treasury") is financially responsible.

As of September 30, 2015, there were 24,394 members in the frozen federal and active District Plans, 16,730 of which are funded by the District. Of this number, 6,327 were retirees and survivors who receive monthly pension payments and 10,403 were active employees. The remaining 7,664 participants are federal retirees.

I am pleased to report that as of October 1, 2015, the Plans' aggregate funded ratio on an actuarial basis (the basis on which we report) was 101.7 percent. For the individual Plans, the ratios were 88.7 percent for the Teachers' Plan, and 107.6 percent for the Police and Firefighters' Plan. As of December 31, 2015, the market value of the Fund was $6.4 billion.

DCRB'S STRATEGIC GOALS

I would like to highlight our strategic goals, and outline how our current and upcoming initiatives are aligned with our budget for FY 2017 and beyond.

<u>1. Safeguard the integrity of the Fund</u>.

During Fiscal Year 2015, we engaged an independent actuarial firm to perform an actuarial audit. This audit provided an additional "set of eyes" and technical expertise to review our independent actuary's assumptions and calculations. We are pleased to report that the audit resulted in a finding that the assumptions, methods, and certifications used in the annual actuarial valuations are generally sound and reasonable, and that they conform to the appropriate Actuarial

Standards of Practice. Further, based on the samples tested, the audit found no reason to question the reliability of valuation results.

Also, as with other organizations, cyber-security threats continue to be of concern to DCRB's operations and could pose a serious challenge to our Agency. Mitigating these risks has been a focus of the Agency, and DCRB has invested in cyber-security insurance, and updated our security policies to ensure compliance with industry best practices, reducing our cyber-risk exposure. In addition, during FY 2016, DCRB will contract with an incident response vendor to assist the Agency if a cyber-security event were to occur.

2. Prudently invest Fund assets to provide long-term sustainable risk adjusted returns.

DCRB's ongoing objective is to prudently manage Fund assets with the goal of earning a return that meets or exceeds the actuarial investment return target of 6.5% over the long-term. The performance of the investment managers is measured against the return of their style benchmarks, and investment costs are compared to our industry peers of similar asset size and allocation. In addition, we frequently evaluate potential rebalancing opportunities within the Fund to ensure that the various asset classes are within our strategic target ranges.

DCRB conducted a search during FY 2015 that resulted in our transition to a new custodial bank, producing a savings of $300,000 over the next three (3) years. This year, we will conclude a search for an investment consultant, and we will work with that consultant to review the Fund's asset allocation and investment manager structure. Also, during Fiscal Year 2016, DCRB will conduct an asset-liability study to assure the continued alignment of the Board's asset allocation policy with its long-term liability structure.

3. Expand and improve member benefits administration capabilities while assuring benefits are paid to our members timely and accurately.

In FY 2013, DCRB launched a multi-year, Retirement Modernization Program focused on the areas of benefits administration and information technology. The Program included three main projects: Business Process Reengineering, Data Reclamation, and a Pension Information Management System ("PIMS"). Business Process Reengineering and Data Reclamation were completed last year. Later this year, we expect to release a Request for Proposal for the PIMS.

4. Refine DCRB's organizational structure to meet agency responsibilities and needs.

The Agency will continue to provide annual training for staff and Trustees, as well as ensure awareness of Personally Identifiable Information (PII) policies by all staff and contractors. During FY 2016, DCRB will also identify performance gaps and training needs and fill key staff vacancies, as needed.

Our primary focus over the next few years will be to transform our pension operations that currently are substantially manual and paper-based to an automated, digital environment that facilitates self-service and the production of benefit statements and other services accurately, timely and more efficiently.

5. Foster member and stakeholder trust through enhanced communications and collaborative outreach.

During FY 2015, DCRB enhanced staff efficiency by implementing intranet capabilities (an "employee portal") that encourages and facilitates collaboration through improved staff communication and information sharing. The employee portal has enabled DCRB to become a more technologically secure information-sharing organization. The portal is also designed to allow authorized staff to access information remotely in the event of a disaster.

During FY 2015, DCRB added a special Teachers' Edition newsletter that was published over the summer, when many teachers consider retirement. In FY 2016, DCRB published a special Police/Fire Edition newsletter for public safety officers. The focus of these newsletters is to provide information about retirement benefits and to encourage retirement planning. DCRB distributes newsletters to our members via e-mail and in hard copy.

In addition, in March 2015, DCRB joined with DCPS and the Washington Teachers' Union to offer teachers a retirement workshop, which was hosted at DCRB. A similar workshop, with substantially increased participation, was held in our building on March 23, 2016. We will continue working with DCPS, and with the Metropolitan Police Department and the District's Fire and Emergency

Medical Services Department, to identify opportunities like this that benefit members of the Plans.

In late FY 2015, DCRB initiated a “Benefits Community of Interest” group, which includes human resources personnel from stakeholder District agencies. The group met in October 2015, and plans to meet periodically to discuss subjects and issues of mutual interest. This group will be of special importance as DCRB moves forward with the Retirement Modernization Program.

DCRB’S 2017 OPERATING BUDGET

Now I will discuss our proposed FY 2017 operating budget.

DCRB manages the Fund, receives contributions from the District and employees, and calculates and pays benefits for eligible members upon retirement, termination, disability, or death.

In addition, as mentioned earlier, DCRB serves as the third-party benefits administrator for the frozen federal plans, receiving a payment from U.S. Treasury for these administrative services. That payment is anticipated to be $3.2 million for FY 2016 and $3.5 million for FY 2017.

Under the line item, Agency Management, DCRB’s FY 2017 budget reflects the following seven budgetary activities under the Executive Director’s oversight: Investments, Benefits, Operations (which includes Finance), Information Technology, Legal, Projects and the Executive Office (which includes the Communications and Outreach function). An eighth budgetary activity is under the Board of Trustees.

DCRB’s FY 2016 budget is $32.3 million. As we indicated during our budget testimony last year, with the retirement modernization projects now accelerating, we anticipate increases in our budget over the next few years.

DCRB’s FY 2017 budget is $39.1 million. The budget includes 69.6 authorized full-time employees (FTEs), an increase of 7.0 FTEs from the FY 2016 level. As in the past, we will continue to fill positions, as needed, for the prudent management of operations.

The proposed budget for FY 2017 includes the following:

- The Personal Services budget is $9.2 million, reflecting an increase of approximately $1.1 million over the FY 2016 amount. The increase includes an overall addition of 7.0 FTEs: four (4) in the Benefits Department to provide benefits administration and customer support services; two (2) in the Information Technology Department to manage systems that support the Retirement Modernization Program, and one (1) in the Legal Department to assist with matters related to Retirement Modernization and to provide expertise and support that ensures compliance across the Agency.

- The Non-Personal Services budget is $29.9 million, reflecting an increase of $5.7 million from the FY 2016 amount. This increase is related to our ongoing Retirement Modernization Program, which will ultimately result in DCRB's ability to pay initial pension benefits quicker, and to provide members with a full range of retirement services.

- On a line-item basis, DCRB's FY 2017 Budget varies from FY 2016 across the following Comptroller Source Groups (CSG):

  CSG 11 Regular Pay- Continuing Full-Time: An increase of $847,000 for the cost-to-continue operations, as well as the additional PIMS-related staff mentioned above. As we move ahead with the implementation of our strategic plan of enhanced services and technology improvements, DCRB will need to increase staffing levels.

  CSG 14 Fringe Benefits: An increase of $220,000 for projected fringe benefit costs related to CSG 11 Regular Pay.

  CSG 20 Supplies and Materials: A net decrease of $5,000 based on estimates derived from recent actual expenditures.

  CSG 31 Rent: A decrease of $18,000 to reflect the lease expenses we are incurring.

  CSG 40 Other Services and Charges, and CSG 41 Contractual Services: An increase of $5.6 million largely related to the PIMS. This includes preliminary systems, such as, an Enterprise Data Quality tool and a Master Data Management system that will allow DCRB to collect Plan member information from the District's PeopleSoft active member repository and from U.S. Treasury's electronic annuitant system, and to aggregate the information in a database that will become a single source for maintaining the Plans.

As already noted, the PIMS will not only allow DCRB to calculate and pay benefits, but also to reduce our reliance on paper documents, and minimize the turnaround time to deliver initial pension payments.

CSG 70 Equipment and Machinery: An increase of $120,000 reflects the need for software and hardware for the implementation of the systems indicated above.

THE DISTRICT'S NORMAL CONTRIBUTION

The Plans' actuary has estimated that the District's certified Normal Contribution for FY 2017 is $202.4 million. As a general rule, employer contributions for all groups rise as salaries increase, assuming other actuarial assumptions are met. The key drivers that can change the annual contribution include the recognition of investment gains or losses, wage and general inflation, differences in assumed versus actual retirement and mortality rates, as well as changes due to labor contract negotiations and legislation. As I mentioned, our independent actuary is here to answer any questions you may have on DCRB's contribution rates and funding status.

In summary, I am pleased to report that the Fund is in excellent shape. Our Board has maintained conservative investment assumptions, the Plan is in sound financial condition, and we pay members timely. We have a skilled Board and an experienced team managing our strategic initiatives. And, most importantly, we continue to make strides toward creating a comprehensive retirement system to serve the needs of our members.

In closing, I'd like to thank the Committee for your continued support in helping us to carry out this mission. As we proceed, we may seek your assistance in helping us accomplish our goals. We look forward to working with you and your staff.

This concludes DCRB's Budget Oversight Hearing Testimony. We look forward to answering your questions. Thank you.

Mayor Bowser Bans D.C. Government Travel To North Carolina

by Rachel Kurzius in News on Apr 1, 2016 11:14 am

Photo by Paul Morigi/Getty Images for Fortune/Time Inc.

Update: This afternoon, the District canceled the trip of five DDOT employees who were planning to attend a GIS transportation symposium in Raleigh, according to Bowser's deputy press secretary, Jordan Bennett.

Original:

Following the passage of a controversial law in North Carolina that, among other things, prevents transgender people from using public bathrooms that do not match the gender on their birth certificates and rolls back local anti-discrimination measures for LGBTQ people, Mayor Muriel Bowser signed an order banning D.C. government employee travel to the Tarheel State.

"We stand w/ the LGBTQ community & against discrimination," she wrote in a tweet.

The order (which you can read in its entirety below) prohibits travel to "ensure a constant voice in policy and practice in the District of Columbia in favor of equal treatment for members of the LGBTQ communities" until the law in question is "permanently enjoined, repealed, or amended." It is effective immediately.

Bowser similarly issued an order banning city employees from traveling to Indiana after the state passed the Religious Freedom Restoration Act a year ago. She rescinded the order a week later, saying that the state removed the discriminatory language from the bill.

D.C. joins Connecticut, New York, Vermont, Boston, San Francisco, and others, which have also implemented travel bans to North Carolina over the law.

D.C. Ban on Travel to the State of North Carolina

- Several civil rights groups and LGBTQ advocates are organizing a rally tonight in Raleigh, North Carolina, to protest the state's controversial passage of House Bill 2, which critics have called "the most anti-LGBT bill in the country."

  Here's everything you need to know about the bill, also known as the Public Facilities Privacy and Security Act, which was signed into law by Gov. Pat McCrory on Wednesday.

  What Does It Do?

  House Bill 2 declares that state law overrides all local ordinances concerning wages, employment and public accommodations.

  Thus, the law now bars local municipalities from creating their own rules prohibiting discrimination in public places based on sexual orientation and gender identity. Though North Carolina does have a statewide nondiscrimination law, it does not include specific protections for LGBTQ people.

  The law also directs all public schools, government agencies and public college campuses to require that multiple-occupancy bathrooms and changing facilities, such as locker rooms, be designated for use only by people based on their "biological sex" stated on their birth certificate. Transgender people can use the bathrooms and changing facilities that correspond to their gender identity only if they get the biological sex on their birth certificate changed.

  Under the law, public institutions can still offer single-occupancy facilities.

  How Did the Bill Pass?

  Republican lawmakers, who make up the majority of North Carolina's General Assembly, publicly unveiled the language of the bill Wednesday morning.

  The legislature was not originally scheduled to convene until late April, but GOP leaders scheduled the special session on Wednesday at a cost of $42,000.

  They said they wanted to stop a newly approved ordinance in Charlotte, North Carolina, that had been set to take effect April 1. The local ordinance was supposed to prohibit discrimination in housing and public accommodations based on someone's gender identity or sexual orientation.

Gerry Broome/AP Photo

Rep. Paul Stam, R-Wake, speaks on the House floor as North Carolina lawmakers gather for a special session, March 23, 2016, in Raleigh, N.C. more +

In less than 12 hours, the bill was approved by the House and Senate and signed by Gov. McCrory at 10 p.m. the same day.

Lawmakers in the House voted 83–25 Wednesday to pass the bill and the Senate approved the bill in a 32–0 vote after Democrats, who make up the minority of the General Assembly, walked out of the chamber in protest.

What Do Proponents of the Bill Argue?

Republicans and allies supporting the bill argued that it was necessary to protect the safety of women and children from "radical" action by Charlotte.

Critics of Charlotte's ordinance said it could have allowed men who may be sexual offenders to enter a woman's restroom or locker room by claiming a transgender identity.

John Rustin, president of the North Carolina Family Policy Council, testified before the Senate, saying that the Charlotte ordinance "means men could enter women restrooms and locker rooms -- placing the privacy, safety, and dignity of women and the elderly at great risk."
Gov. McCrory agreed in a statement he wrote after signing the bill.

"The basic expectation of privacy in the most personal of settings, a restroom or locker room, for each gender was violated by government overreach and intrusion by the mayor and city council of Charlotte," he said. "As a result, I have signed legislation passed by a bipartisan majority to stop this breach of basic privacy and etiquette which was to go into effect April 1."

What Do Opponents of the Bill Argue?
Democrats, along with civil rights groups and LGBTQ advocates, argue that the bill is discriminatory, interferes with a local government's rights and could put the state's economy at risk.

Many opponents pointed out that there are no known instances of a sexual predator dressing up as women to commit a crime and then using similar city ordinances as a legal defense.
"Repeating a lie over and over does not make it true," the Rev. Mykal Slack testified during debate of the bill. "I am a transgender male, and I am not a threat to you."

Transgender people are actually much more likely to be assaulted in a bathroom, according to Mike Meno, communications director for the American Civil Liberties Union of North Carolina. Meno told ABC News that the ACLU heard from numerous trans men and women on Wednesday saying "how scary it can be" just to go to the bathroom.

What's Next?
North Carolina is now at risk of losing $4.5 billion of federal funding, according to a statement from the Human Rights Campaign, which claimed the new law is in "direct violation" of Title IX, a federal non-discrimination act.

The ACLU, its North Carolina chapter, Lambda Legal and Equality North Carolina also announced today that they "are exploring legal challenges to the discriminatory law."
"Today was a devastating day for LGBT North Carolinians and particularly our transgender community members who have been subjected to months of distorted rhetoric culminating in today's display of bias and ignorance by North Carolina lawmakers," Chris Brook, legal director of ACLU of North Carolina, said in a statement.

"We are disappointed that Governor McCrory did not do right by North Carolina's families, communities, and businesses by vetoing this horribly discriminatory bill, but this will not be the last word," Brook said. "The ACLU, Lambda Legal, and Equality NC are reviewing all options, including litigation."

Major companies, including American Airlines and PayPal, have denounced the newly approved law and many other companies and organizations are reportedly reconsidering their business in the state.

For example, the NCAA, which has men's basketball tournament games planned in North Carolina in 2017 and 2018, said in a statement it would "continue to monitor current events" and that it "is our expectation that all people will be welcomed and treated with respect in cities that host our NCAA championships and events."
The Associated Press contributed to this report.

GOVERNMENT OF THE DISTRICT OF COLUMBIA

ADMINISTRATIVE ISSUANCE SYSTEM

Mayor's Order 2016-040
March 31, 2016

SUBJECT: Ban on Travel to the State of North Carolina

ORIGINATING AGENCY: Office of the Mayor

By virtue of the authority vested in me as Mayor of the District of Columbia pursuant to section 422(11) of the District of Columbia Home Rule Act, approved December 24, 1973, 87 Stat. 790, Pub. L. 93-198, D.C. Official Code § 1-204.22(11) (2014 Repl.), it is hereby **ORDERED** that:

I. BACKGROUND AND PURPOSE:

WHEREAS, the state of North Carolina recently enacted the Public Facilities Privacy & Security Act (the **"Act"**) to regulate persons' use of public bathrooms and changing facilities (collectively referred herein as **"restrooms"**);

WHEREAS, the Act prohibits a person from using restrooms that are inconsistent with the gender stated on that person's birth certificate, regardless of the gender identity of the person;

WHEREAS, the Act also prohibits North Carolina government localities from extending anti-discrimination protections to the lesbian, gay, bi-sexual, transgender and questioning (LGBTQ) communities;

WHEREAS, ensuring individuals are free from discrimination based on sexual orientation or gender identity is a compelling government interest; and

WHEREAS, the laws and public policies of the District of Columbia should support the values of inclusiveness and respect for all.

II. PROHIBITION:

To ensure a constant voice in policy and practice in the District of Columbia in favor of equal treatment for members of the LGBTQ communities, no officer or employee of the District of Columbia is authorized to approve any official travel to North Carolina until such time that the Public Facilities Privacy & Security Act is permanently enjoined, repealed or amended to allow local jurisdictions to enact laws protecting the LGBTQ communities from discrimination and to enact laws allowing persons to use restrooms that correspond to their gender identity.

III. **EFFECTIVE DATE:** This Order shall become effective immediately.

MURIEL BOWSER
MAYOR

ATTEST:
LAUREN C. VAUGHAN
SECRETARY OF THE DISTRICT OF COLUMBIA

DCRB QuickFacts — Teachers' Plan

Members As of October 1, 2015	9,736 4,866 active members paying into the system 3,718 retirees and beneficiaries receiving benefits 1,152 terminated members with a deferred vested benefit
Total 2014 Benefits Paid (in thousands)	$64,076
Funded Status	88.67% based on the actuarial value of Plan assets 85.55% based on the market value of Plan assets
Total Fund Assets As of October 1, 2015 (in thousands)	$1,670,976 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	• Age 55, 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
Hired on/after November 1, 1996	• 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+ 2.0% of Average Salary times service
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 2015 COLA: .3%

DCRB QuickFacts Teachers' Plan

DCRB QuickFacts — Police/Fire Plan

Members As of October 1, 2015	8,465 5,537 active members paying into the system 2,609 retirees and beneficiaries receiving benefits 319 terminated members with a deferred vested benefit
Total 2014 Benefits Paid (in thousands)	$63,634
Funded Status	107.57% based on the actuarial value of Plan assets 104.18% based on the market value of Plan assets
Total Fund Assets As of October 1, 2015 (in thousands)	$4,462,228 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	▪ 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	• Any Age, 20 Yrs. of Service, hired before February 15, 1980 • Age 50, 25 Yrs. of Service with MPD • Age 60, 5 Yrs. of Service with MPD* • Any Age, 25 Yrs. of Service with MPD • Age 60, 5 Yrs. of Service with MPD*
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* + 2.5% of Average Salary times purchased or credited service 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 2015 COLA: .8%

DCRB QuickFacts Police/Fire Plan

DCRB QuickFacts Funding

Members As of October 1, 2015	18,201 10,403 active members paying into the system 6,327 retirees and beneficiaries receiving benefits 1471 terminated members with a deferred vested benefit
Total 2015 Benefits Paid (in thousands)	$127,710
Funded Status **Police/Fire**	107.57% based on the actuarial value of Plan assets 104.18% based on the market value of Plan assets
Teachers	88.67% based on the actuarial value of Plan assets 85.55% based on the market value of Plan assets
Total Fund Assets As of October 1, 2015 (in thousands)	$6,133,204 $4,462,228 total in Police/Fire Plan $1,670,976 total in Teachers' Plan
Investment Returns As of October 1, 2015 (annualized)	-3.9% 1-Year; 4.7% 10-Year 5.1% 3-Year; 8.7% since inception (1982) 6.4% 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 for FY 2015 (in thousands)	$ 65,300 employee contributions $142,943 employer contributions ($259,931) investment earnings
Cash Flow For FY 2015 (in thousands)	$208,243 employee/employer contributions $127,710 payments made to members Contributions are currently sufficient to cover benefit payments
Key Assumptions	6.5% Investment Rate of Return 3.5% Inflation Rate 4.25% Wage Inflation Rate
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	7-Year Smoothing
COLAs	4.25% Members hired before November 1, 1996. 3.00% Members hired on or after November 1, 1996.

DCRB QuickFacts — Investments

Total Fund Assets As of October 1, 2015 (in thousands)	$6,334,090 $4,588,129 total in Police/Fire Plan $1,745,961 total in Teachers' Plan
Investment Returns As of October 1, 2015 (annualized)	-3.9% 1-Year 5.1% 3-Year 6.4% 5-Year 4.7 % 10-Year 8.7% since inception (1982)
Funded Status **Police/Fire**	107.57% based on the actuarial value of Plan assets 104.18% based on the market value of Plan assets
Teachers	88.67% based on the actuarial value of Plan assets 85.55% based on the market value of Plan assets

Largest Holdings – Public Equity

Security	Market Value	Shares
VISA, Inc. – Class A Shares	$11,932,758	171,300
Regeneron Pharmaceuticals	$6,698,016	14,400
Facebook, Inc. A	$5,789,560	64,400
The Priceline Group Inc.	$5,380,341	4,350
Salesforce.com, Inc.	$5,318,338	76,600
Chipotle Mexican Grill, Inc.	$4,861,688	6,750
Alexion Pharmaceuticals, Inc.	$4,566,588	29,200
Amazon.com, Inc.	$4,197,498	8,200
Nike, Inc. – Cl. B	$4,033,416	32,800

Largest Holdings – Fixed Income

Security	Market Value	Interest Rate
US Foods, Inc.	$15,297,300	8.500%
HRG Group, Inc.	$14,521,519	7.750%
Foresight Energy/Finance	$13,035,471	7.875%
Transdigm, Inc.	$10,484,430	5.500%
Ceasars Intertainment OP	$ 9,560,000	11.250%
Clear Channel Worldwide	$ 9,094,300	6.500%
1011778 BC/New Red Fin	$ 8,800,050	6.000%
AssuredPartners Cap, Inc.	$ 8,798,990	.010%
AF Borrower, LLC	$ 8,086,473	.010%
Asurion, LLC	$ 7,703,125	.010%

DCRB QuickFacts Investments

Asset Allocations

As of October 1, 2015

Asset Class	Target	Actual	Difference
Cash	0%	1%	+ 1%
U.S. IG Fixed Income	12%	14%	+ 2%
U.S. TIPS	4%	5%	+ 1%
U.S. HY Bonds & Bank Loans	6%	6%	0%
Non-U.S. Fixed Income	2%	3%	+ 1%
Emerging Markets Debt	3%	3%	0%
U.S. Equities	21%	23%	+ 2%
Developed Markets Equities	18%	20%	+ 2%
Emerging Markets Equities	9%	9%	0%
Absolute Return	10%	5%	- 5%
Private Equity	8%	5%	- 3%
Real Assets	7%	6%	- 1%

Fees and Expenses

For Fiscal Year 2015 (in thousands)

	Amount	% of Fund
Investment Managers	$10,118	0.165%
Investment Consultants	$ 1,030	0.017%
Investment Administration	$ 879	0.014%
Investment Custodian	$ 229	0.004%
Brokerage Commissions	$ 760	0.012%
Total	$13,016	0.212%

Asset Summary

As of October 1, 2015

Asset Class	Percent of Fund
Cash and Cash Equivalents	.9%
Fixed Income	30.8%
U. S. Equities	22.8%
Int’l Developed Markets Equities	20.1%
Emerging Markets Equities	9.4%
Absolute Return	4.7%
Private Equity	5.2%
Real Assets	6.2%
	100.0%

DCRB QuickFacts Investments

DCRB QuickFacts — The Board

Established 1979	Created by Congress in 1979 as an independent agency of the District of Columbia.
Mission	To prudently invest the assets of the District of Columbia Police Officers and Firefighters Retirement Plan, and Teachers Retirement Plan for the exclusive benefit of the Plan members, while providing members with total retirement services.
Fiduciary Duty	In its roles as manager of Fund assets and Administrator of the Plans, the Board has an unique obligation to: - Act solely in the interest of participants of the Plans, and - Apply the standard of care, skill, diligence, and loyalty that a prudent expert would use in similar circumstances.
Board Structure	The Board has 12 members: - 3 appointed by the Mayor - 3 appointed by the District Council - 6 are elected by active and retired members - The District's CFO, or his/her designee, is an ex officio, non-voting member.
Current Board Members (*executive officers as of February 2016)	• Joseph M. Bress, Chairman*, Council Appointee • Lyle Blanchard, Treasurer*, Council Appointee • Joseph W. Clark, Vice-Chair/Secretary*, Mayoral Appointee • Gary W. Hankins, Retired Police Officer • Thomas N. Tippett, Retired Firefighter • Barbara Davis Blum, Mayoral Appointee • Mary A. Collins, Retired Teacher • Darrick O. Ross, Active Police Officer • Nathan A. Saunders, Active Teacher • Edward C. Smith, Active Firefighter • Michael J. Warren, Council Appointee • Lenda P. Washington, Mayoral Appointee • Jeffrey Barnette, CFO designee, ex officio
Standing Committees	▪ Audit Committee, Chair, Trustee Hankins ▪ Benefits Committee, Chair, Trustee Smith ▪ Fiduciary Committee, Chair, Trustee Clark ▪ Investment Committee, Chair, Trustee Blum ▪ Legislative Committee, Chair, Trustee Blanchard ▪ Operations Committee, Chair, Trustee Ross - The Board Chair serves as an ex officio member of each Committee.
Membership Terms	Once elected or appointed, each Board member serves a four-year term. The initial terms were staggered to provide the Board with continuity and experience. The Reform Act was amended to remove term limits. The Chair of the Retirement Board is elected annually by the Board members, and is limited to two consecutive terms unless waived by members.

DCRB QuickFacts The Board

The New York Times http://nyti.ms/1UEg3A3

Study Finds Public Pension Promises Exceed Ability to Pay

By MARY WILLIAMS WALSH MARCH 17, 2016

When Detroit went bankrupt in 2013, investors were shocked to learn that the city had promised pensions worth billions more than anyone knew – creating a financial pileup that ultimately meant big, unexpected losses for Detroit's bondholders.

Now, researchers at Citigroup say the groundwork has been laid for similar conflicts across the developed world: Governments have promised much more than they can most likely pay to current and future retirees, without revealing the disparity to investors who bought government bonds and whose investments could be at risk.

Twenty countries of the Organization for Economic Cooperation and Development have promised their retirees a total $78 trillion, much of it unfunded, according to the Citigroup report.

That is close to twice the $44 trillion total national debt of those 20 countries, and the pension obligations are "not on government balance sheets," Citigroup said.

"Total global government debt may be three times as large as people currently think it is," the researchers warned, after gathering as much information as they could about various government pension plans and adjusting the amounts where necessary, to permit fair comparisons with bond debt.

Getting each country's unstated pension obligations down on paper, along with the sovereign debt, showed that some countries have almost certainly promised more than they can deliver.

"If you owed student loans of $44,000, and the bank called you up and said, 'actually you owe $134,000,' you'd fall off your chair," said Charles E. F. Millard, head of pension relations at Citigroup. "That's what this is."

He said he did not expect all the overextended governments to experience sudden head-on collisions between bondholders and pensioners the way Detroit did. Instead, he said many of those countries — as well as many American states, cities, school districts and other jurisdictions — would keep struggling along, cutting more and more services, raising taxes and wondering where all the money was going.

"It's not going to be, for most cities and states, some enormous collision or explosion," he said. "It's going to be 10 fewer cops, or three fewer teachers and 'Let's fix the bridge three years from now.' "

One of the report's recommendations was that governments start disclosing the amounts promised to retirees, "so that everyone can see them."

Government officials are in many cases loath to do that because they believe it will harm their credit ratings, driving up borrowing costs. And the unions that represent public workers believe calls for full disclosure mask a broad anti-labor campaign to cut benefits.

The disclosure issue has grown increasingly contentious in Washington. Republican members of Congress are planning to introduce a bill in the next few days that would require states and local governments to measure their pension obligations using the method now universally used to price municipal bonds. States and cities currently report their pension obligations as calculated by actuaries, and actuarial numbers can greatly distort economic reality.

It was actuarial numbers in Detroit, for instance, that obscured the value of that city's pension promises before the bankruptcy.

States have long argued that as constitutional sovereigns, they cannot be forced to meet any federal pension disclosure requirements. Republican lawmakers are generally sympathetic to states' rights issues, but they are also worried about being asked to bail out troubled pension systems in places like Illinois and Puerto Rico.

Since the tax-exempt treatment of municipal bonds is, in fact, a federal subsidy, they have written the bill to require full, market-based pension disclosure only in connection with tax-exempt borrowing. If states and cities remain unwilling to reveal their pension obligations, they could still borrow — but they could not market their bonds as tax-exempt.

Senate Republicans introduced a similar disclosure measure late last year as part of a package to help Puerto Rico through a huge debt crisis. The island appears not to have nearly enough money to pay both its bond debt and its retirees' pensions, but up-to-date information about its pension system does not exist in the public domain.

For years there have been frequent reports of pension systems rife with pay-to-play deals, improper payouts, overly risky investment strategies and other problems. But the Citigroup researchers looked beyond such scandals and depicted the worldwide accumulation of giant, invisible pension obligations as a matter of simple demographics.

Most developed countries had baby booms after World War II, and their populations are now aging and enjoying significant gains in health and longevity. When the boomers first joined the work force, they provided a big supply of labor to support what was then a much smaller population of retirees drawing pensions. Those favorable demographics made it seem that government pension systems could operate forever with minimal funding — or in many cases, no funding at all.

Now that is changing as populations age in many places, and the Citigroup report said the numbers no longer work. More and more retirees are receiving benefit payments every month, straining retirement systems even when the individual amounts paid are modest. And now there are relatively fewer younger workers generating the revenue that is supposed to support those systems.

The report said these demographic strains would worsen in the next few decades, noting that China now has seven workers to support every retiree, but will have only two by 2050; Japan is on track to have just one per retiree by then.

Citigroup said governments were aware of these trends, but had generally been slow to adapt their retirement systems. It expressed particular concern about pay-as-you-go systems, which are common in Europe.

In a few deeply troubled American jurisdictions, pension systems that were supposed to be funded have exhausted all their assets and effectively become pay-as-you-go plans, in which payments come from current tax revenues rather than dedicated, invested funds. Puerto Rico now looms as the biggest case — but while Puerto Rico's financial troubles are widely seen as an aberration, the Citigroup research suggested they were not.

"Future population and life expectancy trends will exert considerable pressure on public and private sector pension systems," the report said. "Unless addressed quickly, we believe this could overwhelm public and private sector balance sheets, and act as a major drag on economic growth."

The report discussed possible solutions, such as "collective defined contribution plans," in which workers' nest eggs are pooled and professionally invested, but retirees are not promised a predetermined benefit, and taxpayers are not required to replace money lost on Wall Street.

A version of this article appears in print on March 18, 2016, on page B1 of the New York edition with the headline: Slow-Motion Pension Crisis Awaits 20 Nations, a Study Finds.

Trending

1.

Op-Ed Columnist: No, Not Trump, Not Ever

The New York Times http://nyti.ms/206J2ha

YOUR MONEY

'Customers First' Becomes the Law in Retirement Investing

By TARA SIEGEL BERNARD APRIL 6, 2016

The rules governing how financial professionals handle the trillions of dollars they invest on behalf of Americans saving for retirement are about to get a lot tougher.

The government move is expected to encourage a shift of retirement funds into lower-cost investments — potentially saving billions of dollars for many ordinary investors — while setting off one of the biggest upheavals in the financial services industry in decades.

The Labor Department, after years of battling Wall Street and the insurance industry, issued new regulations on Wednesday that will require financial advisers and brokers handling individual retirement and 401(k) accounts to act in the best interests of their clients.

"The marketing material that I see from many firms is, 'We put our customers first,'" Thomas E. Perez, the secretary of labor, said in an interview. "This is no longer a marketing slogan. It's the law."

The new regulations, which may be challenged in court, were formally proposed a year ago and were modified after hearings and industry criticism. They are not expected to take effect until next spring at the earliest.

Many consumers assume the individuals and firms investing their money are operating under the same sort of ethical and legal standards as a family doctor — someone who is obliged to provide the very best advice.

But brokers are generally required only to recommend "suitable" investments, which means, for example, that they can push a more expensive mutual fund that pays a higher commission when an otherwise identical, cheaper fund would have been an equal or better alternative.

The Obama administration, relying on extensive academic research, estimated that conflicts of interest embedded in the way many investment professionals do business cost Americans about $17 billion, leading to returns that are about 1 percentage point lower each year.

"It has the potential to really change the way advice is delivered to retail investors," said Barbara Roper, director of investor protection at the Consumer Federation of America. "It is a really big deal. Revolutionary, even."

The so-called conflict of interest rule covers only tax-advantaged retirement accounts and does not apply to most other investments. But it could lead to more sweeping changes across the financial services industry, making it harder for some smaller firms to do business and perhaps encouraging a further consolidation into larger companies better able to handle the detailed rules of compliance.

It is also expected to promote a shift away from commissions for individual transactions toward relying more on flat annual fees for managing accounts, a move that would not benefit all investors equally.

Critics of the rule in its earlier proposed form, such as the American Council of Life Insurers, argued that the changes would cost much more than the government estimated because they were based on an "inadequate and flawed" analysis.

"We hope that once published it reflects the concerns of many of the more than 300 members of Congress from both sides of the aisle, the life insurance industry and numerous other stakeholders," said Dirk Kempthorne, the council's chief executive.

For the past year, the industry has lobbied Congress to delay or kill the rule, so far without success. Before going ahead with the final rule, the Labor Department held four days of public hearings at which nearly 80 parties testified; it also received more than 3,000 comments on the proposal from consumer advocates, industry stakeholders and others.

"We heard the concerns, we listened, we acted," Secretary Perez said. "And I think we improved the rule as a result."

Generally speaking, the new rules — six years in the making — would require a broader swath of professionals to act as "fiduciaries," the legal term for putting customers' interests first. They cannot accept compensation or payments that would create a conflict unless they qualify for an exemption that ensures the customer is protected.

If brokers want to receive certain types of compensation that can pose a conflict, they will be required to offer an enforceable contract that promises to put the customer's interests first.

The firms must also disclose any conflicts and direct consumers to a website that describes how they make money. Firms can charge only "reasonable compensation," and they cannot offer advisers financial incentives to act in a way that would hurt investors.

In using the contract, brokers will still be permitted to charge commissions and engage in a practice known as revenue sharing, which allows a mutual fund company, for example, to share a slice of its revenue with the brokerage firm selling the fund. Companies that pay more may secure a spot on the firm's list of recommended funds.

The rule also aims to protect investors when they roll over money from a 401(k) retirement plan to an I.R.A. Right now, because the recommendation provided is considered "one-time" advice, brokers do not necessarily have to act in the investor's best interest.

There are piles of money at stake: Individual retirement accounts held $7.3 trillion at the end of 2015, according to the Investment Company Institute, while 401 (k)-type plans had $6.7 trillion — money that may eventually be rolled over into I.R.A.s.

Secretary Perez said that the government rule makers had made several changes to their last proposal in an effort to respond to the criticism and avoid creating a bias toward certain investment products. He said advisers would not be obliged to sell lowest-cost products if a more expensive product like a variable annuity made sense for a particular individual's situation.

The industry was also concerned that simply providing educational information could trigger the rule; regulators said that education would not be considered advice until a broker made a specific recommendation.

Wall Street was worried that brokers would need to provide a contract even before they began talking with a potential client. Regulators said the contract could be signed at the same time as other account-opening documents, though any advice given before the signing must still be in the customer's best interest.

The new rules also simplify disclosures, another industry complaint. For example, firms will no longer be required to disclose performance projections for one, five- and 10-year periods.

There are also allowances for small 401(k) plans. Under the final rules, advisers who provide advice to small businesses that sponsor 401(k) plans, or plans with less than $50 million, as well as advice to participants, can qualify for an exemption from the strictest rules.

Consumer advocates and lawyers say that a robust fiduciary rule will help thwart more unscrupulous brokers, like the one encountered by Russell Kazda, a retired mechanic, and his wife Christine, a fourth-grade teacher in Illinois.

Their advisers took $172,000 of the Kazdas' I.R.A. savings and put it in illiquid real estate investment trusts and later invested money in an options strategy. They ended up losing about $125,000.

"I could have had my fourth graders do it and they would've done a better job," Mrs. Kazda said.

Andrew Stoltmann, a securities lawyer in Chicago who represented the Kazdas, applauded the changes.

"By imposing a fiduciary duty standard, this will cause the brokerage firms to self-police," he said, protecting most people from often unsuitable investments like "nontraded REITs, variable annuities in I.R.A.s and active trading of stocks and options."

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TO: BOARD OF TRUSTEES

FROM: EDWARD SMITH, CHAIRMAN

DATE: APRIL 21, 2016

SUBJECT: BENEFITS COMMITTEE REPORT

The Benefits Committee did not meet in April 2016. The following report reflects Benefits Department activities and projects that occurred since the March Board meeting.

B21-669, "Fiscal Year 2017 Budget Support Act of 2016"

Title III, Subtitle H of this proposed bill, entitled "Fire Officials' Service Longevity Amendment Act of 2016," will amend D.C. Code § 5-544.01(a)(3) to provide that longevity pay for non-union covered active Assistant Fire Chiefs, Deputy Fire Chiefs, and Battalion Fire Chiefs is calculated based on their annual rate of pay and total active service. Any impact on the retirement side will be one hundred percent (100%) District.

Status: The bill, introduced by Chairman Mendelson on behalf of the Mayor on March 24, 2016, is under review by the Committee of the Whole. A hearing on the bill is scheduled for April 29, 2016 at 10:00 am in Room 500, 1350 Pennsylvania Ave., N.W., Washington, DC.

The Benefits Department has the following projects underway.

Term Vested Project

DCRB is continuing to work with US Treasury to develop a project plan for locating terminated vested Plan participants. The purpose of this project is twofold: 1) to identify former members who terminated employment prior to retirement eligibility and who left their contributions in the Fund, and 2) to build a database to track them until they request a refund of their contributions, begin receiving a deferred retirement annuity, or their survivor receives an annuity or death benefits. Another important reason for locating such participants is to assure that this information is included for Plan funding purposes.

In April, DCRB was able to compare multiple databases of annuitant information to better estimate the actual number of potential members who might be included in the term vested project. A considerable number of members originally included in the population were eliminated due to their subsequent receipt of: 1) a refund, 2) a retirement annuity, or 3) the payment of death benefits.

Benefits staff will continue to analyze the data to further determine the actual number of members who will be included. Once this is completed, DCRB will meet with Treasury to partner in project planning, funding, policies, and work review. Additional updates on this topic will be provided to the Benefits Committee and the Board as the project progresses.

Disability Income Review Project

On March 16, 2016, the Benefits Department issued 150 letters requesting income verification for annuitants, under the age of 50, receiving disability income under the District of Columbia Police Officers and Firefighters' Retirement Plan. Payments to annuitants receiving a disability retirement benefit will cease if, in the calendar year prior to reaching age 50, their income from wages, self-employment, or both equal or exceeds their earnings limitation. Twenty-one members have completed this process thus far. DCRB is preparing a second letter to be sent April 30, 2016 to members who have failed to report. The deadline set for member compliance is May16th.

Stakeholder Outreach

Teachers Retirement Workshop

DCRB hosted a Teachers' Retirement Workshop on March 23, 2016, from 4:00 pm – 7:00 pm on the ML level of our building. Attendance this year was almost double that of last year, with 71 members participating. Active Teachers' Trustee, Nathan Sanders and WTU President, Elizabeth Davis, welcomed attendees, and presentations were provided by DCPS' Director of Benefits and Compensation, Jana Woods-Jefferson, DCRB's Chief Benefits Officer, Johnetta Bond and a representative from the Social Security Administration's public affairs office. As in the past, participating teachers were provided with information on the Teachers' Plan, the retirement process, post-retirement health and life insurance benefits, and the Social Security and Medicare programs.

Benefits Department Monthly Statistics

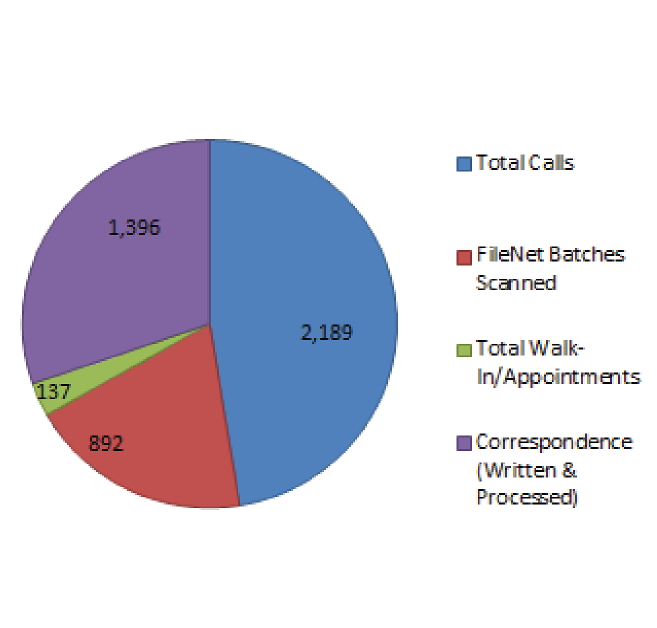
Processing volume by month:

Activity	March	February	January
Retirement Claims Received	238	249	224
Processed Retirements	145	145	137
Average Processing Days	42	58	n/a
Telephone Calls	2189	2072	2072
Walk-in Customers	138	147	97
Scanned Documents	6832	12,656	12,695
QDROs Approved	4 final 6 drafts pending	3 final, 1 draft (1 rejected)	2 final, 1 draft
Purchase of Service	7 (10,737.88)	11($6,706.38)	14 ($16,200.02)

You will find more details of the Benefits Department statistics in the attached reports.

DCRB Member Services Center Statistics for March 2016

Call Center Statistics	
Total Calls	**2,189**
Inbound Calls	1,907
Outbound Calls (Voicemails & Follow-up calls)	282
Average Talk Time	*4:55 minutes*
Average Caller Wait Time	*3:14 minutes*
Total Walk-In/Appointments	**137**
FileNet Batches Scanned	**892**
Released Documents Pages Scanned	6,832
Correspondence *(Written & Processed)*	**1,396**
Email & Fax	480
Processed Documents (EFTs, address & name changes, tax forms, 1099s, & 2809s)	916
Total	**4,614**



Top Contact Trends	
1099-R's *(22% of calls)*	1. Duplicate copies of the 1099-R 2. Questions regarding reported income
Death Benefits/Notification *(13% of calls)*	1. Death notification 2. Request for death benefit packets and the process.
Health Insurance *(12% of calls)*	1. Reduced coverage level from self & family to self plus one. 2. Overall general health care questions pertaining to coverage levels, premiums and quality of life events.
Life Insurance *(5% of calls)*	1. Life Insurance Value 2. How to change the beneficiary

Member Services March Stats Comparison

	2015	2016	Comments
Walk-Ins/Appointments	113	137	
Total Calls *(includes voice mails)*	1,722	2,189	
Emails	223	248	
Totals	**2,058**	**2,574**	

RETIREMENT CASE PROCESSING - MONTHLY REPORT

APRIL 1, 2016

CASES AVAILABLE FOR PROCESSING	CASES RECEIVED (but may not have been ready for payment)	CASES PROCESSED	CASE TYPE	PLAN		
				Fire	Police	Teacher
58	32	26	Beneficiary (One-Time Payments)	5	7	14
1	1	0	Beneficiary of Survivor	0	0	0
10	4	6	Deferred Annuity	0	0	6
8	4	4	Disability	3	1	0
8	0	8	Garnishment/Levy	2	6	0
5	1	4	Health Benefit Adjustments	0	3	1
57	23	34	Optional/Voluntary & Involuntary Annuity	7	21	6
7	2	5	QDRO/QMSCO	1	4	0
29	15	14	Survivor Annuity	1	13	0
3	0	3	Student Certifications	0	2	1
25	9	16	Annuity Adjustments	3	12	1
1	0	1	Disability Income Reinstatements	0	1	0
21	0	21	POST-56 Adjustments	3	18	0
1	0	1	CAPS Adjustments*	0	0	1
4	2	2	Adjustments - Deloitte Audit Findings	0	1	1
238	93	145		25	89	31

*ODCP's Corrective Action Project

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TO: BOARD OF TRUSTEES

FROM: LYLE BLANCHARD, CHAIRMAN

DATE: APRIL 21, 2016

SUBJECT: LEGISLATIVE COMMITTEE REPORT

The following report reflects activities of interest since the March Board Meeting.

HEARING

DCRB's annual agency budget oversight hearing was held Thursday, April 14, 2016 at 10:00 am before Councilmember Phil Mendelson, Chair of the Committee of the Whole, 1350 Pennsylvania Ave., NW, Room 120, Washington, D.C.

COUNCIL OF THE DISTRICT OF COLUMBIA

A21-356 (B21-360), "Neighborhood Engagement Achieves Results Act of 2015"

Title II, Subtitle J of this act allows, with the exception of disability annuitants, police officers retired from the Metropolitan Police Department will be eligible for rehire at the discretion of the Director of the Department of Forensic Sciences as a temporary full-time or part-time employee without jeopardy to the retirement benefits of the police officer.

Status: The bill, originally introduced by Councilmembers McDuffie, Allen, Cheh, Silverman, Nadeau, Grosso, Bonds, May, Evans, Orange and Chairman Mendelson on September 22, 2015, was enacted with Act number A21-0356 on March 26, 2016. The Act was transmitted to Congress on April 6, 2016, and the projected law date is September 8, 2016.

Note: Chairman Mendelson, at the request of the Mayor, previously introduced the "Public Safety and Criminal Code Revisions Amendment Act of 2015" (B21-0357),which contained identical provisions of Title II, Subtitle J of the "Neighborhood Engagement Achieves Results Act of 2015." Bill B21-0357 appears to have been tabled by the Council in favor of the provisions enacted under the "Neighborhood Engagement Achieves Results Act of 2015."

OFFICE OF THE MAYOR

Mayor's Order 2016-040 Ban on Travel to the State of North Carolina

Effective March 31, 2016, the Mayor has issued a ban on official travel by District employees to the state of North Carolina. This ban is in response to the recent enactment of the "Public Facilities Privacy & Security Act" (the "Bathroom Bill") by the North Carolina legislature and the ban will remain in place until the Bathroom Bill is permanently enjoined, repealed or amended.