

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



Telephone (202) 343-3200
Facsimile (202) 566-5000
E-mail: dcrb@dc.gov

OPEN SESSION
NOTICE OF REGULAR BOARD MEETING
JOSEPH BRESS, CHAIRMAN

AGENDA
THURSDAY, JANUARY 22, 2014
1:00 PM

1:00 PM ROLL CALL

APPROVAL OF MEETING MINUTES FOR DECEMBER 18, 2014 **[TAB 1]**

CHAIRMAN'S COMMENTS **[TAB 2]**

EXECUTIVE DIRECTOR'S REPORT **[TAB 2]**

INVESTMENT COMMITTEE REPORT

1:15 PM OPERATIONS COMMITTEE REPORT **[TAB 3]**

2:45 PM BENEFITS COMMITTEE REPORT **[TAB 4]**

LEGISLATIVE COMMITTEE REPORT **[TAB 4]**

AUDIT COMMITTEE REPORT **[TAB 4]**

➤ **PRESENTATION:** FY 2014 AUDIT BY CLIFTONLARSONALLEN, LLP

OTHER BUSINESS **[TAB 5]**

➤ ARTICLE OF INTEREST

3:00 PM ADJOURNMENT

ADDITIONAL MEETING MATERIALS

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



EXECUTIVE DIRECTOR REPORT
January 22, 2015

Activities	Updates
Board Portal Project	<p>The purpose of the Board Portal Project is to transition from hard copy (paper) Board materials to mostly digital documents. At its October meeting, the Board approved an award to Diligent Board Member Services (Diligent) to host and distribute DCRB’s meeting information through their portal application. DCRB is currently finalizing its contract with Diligent.</p>
Max 80 and COLA Lookback	<p>On December 31, 2014, the U.S. Treasury Department’s Office of DC Pensions (ODCP) provided DCRB with a letter (copy attached) outlining their decisions regarding the corrections related to the 80% maximum benefit, COLA lookback provisions, and other errors that occurred from 1980 through 2010. As noted, ODCP plans to provide affected annuitants with an explanatory letter around January 21st, advising them of what happened, what will happen, and when.</p> <p>Essentially, Treasury has decided to:</p> <ul style="list-style-type: none"> ▪ fully correct all benefits prospectively; ▪ fully correct all underpayments retroactively; ▪ waive the collection of past overpayments attributable to systemic errors; ▪ seek to collect past overpayments attributable to ordinary errors. <p>All corrections will be reflected in the March 2015 annuity payments.</p> <p>Also, information related to these activities has been sent to the MPD, DCPS, and DC human resources offices, as well as the WTU, Retired Firefighters’ Association, and the Association of Retired Police Officers, in the event these organizations receive calls from affected annuitants. They have been advised to refer callers to a contact center that Treasury is setting up for this project.</p>
O’Rourke vs. DCRB	<p>On January 12, 2015, DCRB responded to Joseph O’Rourke’s Appeal in the DC Court of Appeals. Mr. O’Rourke sued to have longevity pay included in his retirement calculation, even though he retired with 8 years rather than the required 25 years of active service. Mr. O’Rourke claimed he did not have to purchase his prior service to have it credited under the Plan. The DC Superior Court dismissed Mr. O’Rourke’s lawsuit because he did not purchase the prior service. Mr. O’Rourke is now appealing the DC Superior Court’s decision.</p>

Contract Legislation	Proposed legislation was introduced in the DC Council on January 6, 2015 that would amend the DC Home Rule Act and the Procurement Practices Reform Act of 2011, exempting DCRB contracts from Council review. Details are included in the Legislative Committee Report.
Treasury MOU	DCRB and U.S. Treasury's Office of DC Pensions have concurred on the content of the FY 2015 MOU, which specifies the activities and costs for which each party will be responsible. DCRB executed the MOU following the December Board meeting.
Recent Retirement-Related Articles (attached)	"SEC Commissioner Accuses Harvard Corporate Governance Program of Violating Securities Laws," NCTR FYI, January 13, 2015. "Social Security Defends Seizure of Tax Refunds," Washington Post, January 14, 2015



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 31, 2014

Eric Stanchfield
District of Columbia Retirement Board
900 7th Street NW, 2nd Floor
Washington, DC 20001

Re: Federal Benefit Correction Project – Final Decisions

Dear Mr. Stanchfield:

The U.S. Department of the Treasury's Office of D.C. Pensions ("ODCP") has finalized its plans for its current benefit correction project under the District of Columbia Police Officers and Firefighters' Retirement Plan ("Police and Firefighters' Plan") and District of Columbia Teachers' Retirement Plan ("Teachers' Plan") (together, the "Plans"). This letter summarizes ODCP's final decisions for this correction project.

As discussed in more detail below, ODCP has decided the following:

- ODCP will fully correct all benefits prospectively;
- ODCP will fully correct all underpayments retroactively;
- ODCP will exercise its discretion to automatically waive collection of past overpayments to the extent they are attributable to the extraordinary, systemic errors that gave rise to this correction project; and
- ODCP will seek to collect past overpayments to the extent they are attributable to other ordinary, non-systemic errors that were discovered during this correction project (but may grant meritorious claims for waiver of collection on a case-by-case basis).

All corrections will be effective as of March 1, 2015 and reflected in the annuitants' benefits beginning with the March 2, 2015 benefit payment.

Scope of Correction Project

In this error correction project, ODCP reviewed 785 annuitants' benefit calculations. Of this total, 573 annuitants are still living, which is approximately 4% of all living annuitants with federal benefits.

Errors Being Corrected

This error correction project focuses primarily on three errors that ODCP has determined were sufficiently widespread to be considered systemic errors among the examined annuitant population. Following is a brief summary of these systemic errors:

- **The “Lookback COLA” Error.** The Lookback COLA error refers to the misapplication, by the District, of the Plans’ prior rules regarding the application of cost-of-living adjustments (COLAs) to the benefit calculations of newly retired members. From February 15, 1980 to September 1, 1997, the Plans provided for semi-annual COLAs effective every March 1 and September 1. Under the statute, when a member retired, the member was entitled to have his or her benefit calculated taking into account the most recent COLA. If a member’s benefit commenced on either March 1 or September 1, the member was entitled to the COLA that took effect on his or her benefit commencement date, but not the most recent COLA prior to that date. However, most (but not all) members who retired on March 1 or September 1 received both the COLA that took effect on their benefit commencement date and the most recent COLA prior to that date. ODCP has determined that 435 living and 175 deceased annuitants have been affected by this error. This error resulted in overpayments for almost all affected annuitants.
- **“Max 80” Error.** The Max 80 error refers to a codification error in the D.C. Code that resulted in some police officers and firefighters’ benefits being calculated incorrectly. Prior to July 1, 1975, a member’s benefit under the Police and Firefighters’ Plan was capped at 80% of the member’s final basic salary at retirement (Max 80 Cap). In 1974, the statute was amended to provide that the Max 80 Cap would be calculated using a member’s average pay at retirement, rather than final basic salary, effective for annuities commencing on or after July 1, 1975. However, when the amended statute was codified in the D.C. Code in 1980, the codified version erroneously stated that the Max 80 Cap was calculated using a member’s final basic salary at retirement. Consequently, many (but not all) members’ annuities were calculated according to the misstated rule in the D.C. Code. ODCP has determined that 115 living and 30 deceased annuitants have been affected by this error. This error resulted in a mix of underpayments and overpayments.
- **“Other Max” Error.** The “Other Max” error relates to a misapplication by the District of the Max 80 Cap. This is a separate error from the Max 80 error discussed above. ODCP recently discovered that, from 1988 until 1997, some members were paid the Max 80 Cap benefit even though their service-based benefit under the regular tier benefit formula was lower. As of the date of this letter, ODCP has determined that 41 living and 11 deceased annuitants have been affected by this error. ODCP is still determining the extent of this error, and it is possible that additional annuitants have been affected. This error resulted in overpayments for all affected annuitants.

While reviewing the benefit calculations of annuitants affected by these systemic errors, ODCP discovered that a significant number of these annuitants' initial benefit calculations included other miscellaneous, non-systemic errors. Examples of these miscellaneous errors include – (i) double counting periods of service; (ii) determining police officers' average pay over a period of non-consecutive months; (iii) misapplying firefighter retention incentives awarded during the average pay period; (iv) capping teachers' allowable leave without pay at one year instead of allowing up to six months per fiscal year; (v) data entry errors (*e.g.*, keying in incorrect year when counting service); and (vi) arithmetic errors. These miscellaneous errors resulted in a mix of underpayments and overpayments. In total, ODCP found that 233 living and two deceased annuitants affected by the systemic errors had one or more of these miscellaneous errors. However, none of the individual miscellaneous errors was sufficiently widespread to be considered a systemic error.

Prospective Correction

ODCP has no discretion under federal law to allow benefits to continue at erroneous levels. Therefore, ODCP will fully correct the federal benefits of all affected annuitants prospectively. This prospective correction will be effective as of March 1, 2015 and reflected in the affected annuitants' March 2, 2015 benefit payment. As a result of this correction, annuitants who have been underpaid as a result of the errors discussed above will receive an increase in their monthly payments from the Plans, and annuitants who have been overpaid will receive a decrease in their monthly payments from the Plans.

Retroactive Correction

For annuitants who have a net underpayment as a result of these errors, ODCP will complete a full retroactive correction of their benefits, also effective as of March 1, 2015. ODCP will make a corrective lump sum payment to these annuitants in the amount of their net underpayments with (or shortly after) the March 2, 2015 benefit payment. In the case of a deceased annuitant, a corrective lump sum payment will be made according to the applicable order of precedence under the Plans for accrued and unpaid annuities. ODCP is not authorized to pay interest to the affected annuitants on their corrective lump sum payments.

For annuitants who have a net overpayment, collection of overpayments resulting from the retroactive correction will depend on whether an annuitant's net overpayment is attributable to the systemic or miscellaneous, non-systemic errors. Specifically, ODCP has decided the following:

- ODCP will exercise its discretion to waive collection of all overpayments attributable to the systemic errors; and

- ODCP will seek to collect overpayments to the extent they are attributable to one or more of the miscellaneous, non-systemic errors, although ODCP may grant meritorious claims for waiver of collection on a case-by-case basis.

In the case of a deceased annuitant, ODCP will not seek to recover overpayments attributable to the miscellaneous, non-systemic errors from the annuitant's estate.

Due Process

All affected annuitants will be afforded full due process rights under 31 C.F.R. §§ 29.401-29.407 for both the prospective correction and retroactive correction of their benefits. Accordingly, all annuitants will have an opportunity to request reconsideration of ODCP's benefit determination and to appeal any reconsideration decision.

In addition, all annuitants with a net overpayment the collection of which is not being waived preemptively will have an opportunity to request individual waivers of their debts on financial hardship or detrimental reliance grounds under 31 C.F.R. §§ 29.521-29.526 or compromise of their debts under the Federal Claims Collection Standards in 31 C.F.R §§ 902.1-902.7. Accordingly, although some annuitants will not receive relief under the mass waiver, relief still may be available under an individual debt waiver or compromise.

Coordination with District of Columbia Retirement Board

ODCP is aware that DCRB has decided not to correct the District benefits of annuitants who have been overpaid as a result of the Max 80 error discussed above — prospectively or retroactively. However, ODCP is required to follow federal law in this error correction project. As noted above, ODCP is required by federal law to correct benefits prospectively. Similarly, ODCP has limited discretion under federal law to forgo collection of overpayments.

In developing the plan of correction for this project, it was ODCP's goal to minimize the burden of the correction to the affected annuitants to the greatest extent possible while complying with the requirements of applicable federal law. To this end, ODCP determined the circumstances surrounding the systemic errors were such that a mass waiver of collection of the net overpayments attributable to those errors is appropriate under the debt waiver rules for the Plans. In particular, ODCP considered the length of time it took Treasury and the District to discover the systemic errors. At the same time, however, ODCP determined that the circumstances surrounding the miscellaneous, non-systemic errors were such that it could not justify a mass waiver of collection of overpayments attributable to these errors. These miscellaneous errors are the types of individual error corrections for which ODCP typically seeks collection of past overpayments. A mass waiver of the overpayments attributable to these errors now would not be consistent with the criteria for a mass waiver and would be unfair to other annuitants who have had overpayments associated with similar errors collected in the past.

Mr. Eric Stanchfield
December 31, 2014
Page 5 of 5

Accordingly, ODCP believes it is offering the maximum relief to affected annuitants that ODCP is permitted to provide under applicable federal law while preserving fairness to all annuitants under the Plans.

I hope this letter has answered DCRB's outstanding questions regarding this correction project.

Sincerely,



Nancy A. Ostrowski
Director, Office of D.C. Pensions
U.S. Department of the Treasury

cc: Joseph M. Bress
Jeffrey Barnette
Lyle M. Blanchard
Barbara Davis Blum
Joseph Clark
Mary A. Collins
Gary W. Hankins
Darrick O. Ross
Nathan A. Saunders
Edward C. Smith
Thomas N. Tippet
Michael J. Warren
Lenda Penn Washington
Johnetta Bond
Erie Sampson

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



Telephone (202) 343-3200
Facsimile (202) 566-5001
E-mail: dcrb@dc.gov

December 23, 2014

Chairman Phil Mendelson
Council of the District of Columbia
Committee of the Whole
1350 Pennsylvania Avenue, NW
Suite 504
Washington, DC 20004

**Re: District of Columbia Police Officers and Firefighters' Retirement Plan
and District of Columbia Teachers' Retirement Plan**

Dear Mr. Chairman:

This letter is sent to alert you to two significant systemic benefit payment errors impacting certain retired members of the District of Columbia Police Officers and Firefighters' Retirement Plan ("Police and Fire Plan") and the District of Columbia Teachers' Retirement Plan ("Teachers' Plan").

The first error impacts retired Police and Fire Plan members who retired prior to 2011 and whose retirement benefit was subject to the Plan's maximum 80% benefit cap (referred to as "Max 80"). The second error impacts members of both the Police and Fire Plan and the Teachers' Plan who retired between 1980 and 1997 and whose retirement benefit is funded solely by the Federal government.

The Max 80 error dates back to a recodification of the D.C. Code in 1980 that inadvertently restored earlier Police and Fire Plan language. Prior to July 1, 1975, the maximum optional retirement benefit was limited to 80% of a member's basic salary at retirement. In 1974, a Federal statute-at-large changed basic salary to "average salary" (Pub. L. 93-407, 84 Stat. 1040, title 1, part 3, §§ 121(b)(3), 124(a) (9/3/74); codified at former D.C. Official Code § 4-528(3) (1973)). The amendment was codified correctly in the 1976 Supplement III to the 1973 Edition of the D.C. Code, until the publication of Supplement VII in 1980, which erroneously restored the pre-1974 language of "basic salary."

The D.C. Code error went unnoticed by both the Federal and District governments until 2010 and was relied upon by all stakeholders, including members, when communicating Plan information, calculating retirement benefits, and appropriating annual Plan funding. The error was corrected in the D.C. Code in 2011 (D.C. Official Code § 5-712(c) (2001)) and the law is being applied correctly to members retiring beginning in 2011.

Jeffrey Barnette • Lyle M. Blanchard • Barbara Davis Blum • Joseph W. Clark • Mary A. Collins • Gary W. Hankins
Darrick O. Ross • Nathan A. Saunders • Edward C. Smith • Thomas N. Tippet • Michael J. Warren • Lenda P. Washington

Joseph M. Bress
Chairman

Eric O. Stanchfield
Executive Director

As a result of the D.C. Code Max 80 error, approximately 103 retired D.C. police officers and firefighters have received benefit overpayments totaling \$3,430,920 that were funded by the Federal Government. The U.S. Department of the Treasury's Office of D.C. Pensions ("ODCP") has decided to correct prospective benefit payments beginning March 2, 2015, by reducing the erroneous benefit payment going forward. Impacted retirees will be notified by ODCP in mid-January. ODCP has made no decision regarding recovery of the benefit overpayments from retirees. Per ODCP's director, ODCP is authorized under the Balanced Budget Act of 1997 (Pub. L. 105-33, 111 Stat. 715 (8/5/97)) to provide certain benefit payments as allowed under the terms of the Plans (the statutes-at-large) and is required to make benefit changes when unauthorized benefit payments have been made; it reportedly does not have flexibility to do anything other than make the benefit change.

DCRB's actuary, Cavanaugh Macdonald, has analyzed the data and determined that 287 retirees and survivors funded by the District are impacted. Those individuals have received benefit overpayments totaling \$4,691,076 and, if no corrections are made, the total overpayments are projected to reach approximately \$8.5 million over the span of their lifetimes. The majority of the District-funded retirees have been retired for at least 10-15 years and range from 60 to 69 years of age. DCRB, as a fiduciary to the District of Columbia Police Officers and Fire Fighters' Retirement Fund and the District of Columbia Teachers' Retirement Fund (the "Funds"), has flexibility to consider all facts of the error and options in making a prudent decision in the best interest of all Plan members. At its December 18, 2014 meeting, the DCRB trustees, considering the circumstances and that the overpayments resulted from no misdeeds of the retirees, voted not to take any action that will result in benefit reductions for impacted District retirees, including recovering benefit overpayments from the retirees. The Board's decision should not result in an increased projected cost for the Funds, since the actuary's assumptions already reflect the current benefit overpayments.

The second error involves Federally funded benefit payments only and impacts approximately 414 retired D.C. police officers, firefighters and teachers, who have received benefit overpayments totaling \$7,710,765 due to a Plan interpretation error. Plan members who retired between February 15, 1980 and September 1, 1997, with a March 1 or September 1 benefit commencement date, received two cost-of-living-adjustments ("COLAs") when they were only entitled to one. ODCP will correct these prospective benefit payments, as well, beginning March 2, 2015, for retirees funded by the Federal Government. ODCP has not made a decision at this time as to whether they will collect the overpayments, but it is important to note that they (and not DCRB) have the exclusive authority to make such decisions regarding federal payments.

Since ODCP's decision to correct these two systemic benefit errors for the retirees funded by the Federal Government will result in reduced retirement benefits, it is likely that your office and the Mayor's office will receive phone calls from the retirees. DCRB will be directing inquiries from the impacted retirees to ODCP. With regard to either of these cases, it is important to point out that annuitants had no way of knowing that their pension was not calculated correctly.

December 23, 2014

Page 3

Please do not hesitate to contact Ms. Joan Passerino, DCRB Director of Stakeholder Communications and Outreach, at (202) 343-3281, if you have questions or would like to discuss this matter further.

Sincerely,



Eric O. Stanchfield
Executive Director

cc: Muriel Bowser, Councilmember and Mayor Elect
Joe Bress, DCRB Chairman
DCRB Trustees
Erie Sampson, DCRB General Counsel
Johnetta Bond, DCRB Chief Benefits Officer
Joan Passerino, DCRB Director of Stakeholder Communication and Outreach

Jeffrey Barnette • Lyle M. Blanchard • Barbara Davis Blum • Joseph W. Clark • Mary A. Collins • Gary W. Hankins
Darrick O. Ross • Nathan A. Saunders • Edward C. Smith • Thomas N. Tippet • Michael J. Warren • Lenda P. Washington

Joseph M. Bress
Chairman

Eric O. Stanchfield
Executive Director



January 7, 2015

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 2016 (FY 2016) Payment to the Teachers' Retirement Fund and the Police Officers and Fire Fighters' Retirement Fund

Dear Mayor Bowser:

Pursuant to D.C. Official Code, 2001 Ed § 1-907.03(b), the District of Columbia Retirement Board ("Board") is required to certify to the Mayor and the Council of the District of Columbia, not less than thirty (30) days prior to submission of the Mayor's annual budget for the District of Columbia government to the D.C. Council, the normal contribution rate for each separate retirement Fund: (i) the Teachers' Retirement Fund and (ii) the Police Officers and Fire Fighters' Retirement Fund (collectively the "Funds"). Accordingly, the law requires the Mayor and the Council to include the entire certified amount in the District of Columbia annual budget.

On December 18, 2014, Trustees of the Board approved the enrolled actuary's (Cavanaugh Macdonald Consulting, LLC) enclosed certification of the District of Columbia FY 2016 payment to the Funds. As in past years, the enrolled actuary's calculation of the District's contribution to the Funds is based solely on data maintained by the District's Office of Pay and Retirement Services. This letter constitutes the Board's statutorily required certification of the District's payment to the Funds for FY 2016, as noted in this table:

Retirement Fund	Normal Contribution Rate	Normal Contribution Amount (in thousands)
Teachers' Retirement Fund	6.63%	\$ 44,469
Police Officers and Fire Fighters' Retirement Fund (Combined)	34.80%	\$ 136,115
Total FY 2016 District Contribution		\$ 180,584

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

Sincerely,

A handwritten signature in black ink that reads "Eric O. Stanchfield".

Eric O. Stanchfield
Executive Director

Enclosure: Actuarial Certification

cc: Trustees of the D.C. Retirement Board

Jeffrey Barnette • Lyle M. Blanchard • Barbara Davis Blum • Joseph W. Clark • Mary A. Collins • Gary W. Hankins
Darrick O. Ross • Nathan A. Saunders • Edward C. Smith • Thomas N. Tippet • Michael J. Warren • Lenda P. Washington

Joseph M. Bress
Chairman

Eric O. Stanchfield
Executive Director



**Required Actuarial Certification
Under District of Columbia Code §1-907 for Fiscal Year 2016 (\$Thousands)**

Certification	Code Section	Teachers	Police	Fire	Police/Fire Combined	Total District
FY 2016 Normal Cost Rate	N/A	6.63%	33.33%	38.18%	34.80%	21.74%
FY 2016 Unfunded Accrued Liability Cost Rate	N/A	5.00%	(9.18)%	1.47%	(5.96)%	(0.88)%
Estimated FY 2016 Covered Payroll	N/A	\$395,031	\$318,760	\$138,288	\$457,048	\$852,079
FY 2016 Normal Cost	1-907.03(a)(3)(A)	\$26,190	\$106,243	\$52,798	\$159,041	\$185,231
FY 2016 Unfunded Accrued Liability Payment	1-907.03(a)(3)(C)	\$19,752	\$(29,262)	\$2,033	\$(27,229)	\$(7,477)
FY 2016 District Payment before 1-907.02 (c)	N/A	\$45,942	\$76,981	\$54,831	\$131,812	\$177,754
FY 2014 Shortfall/Overpayment	1-907.02 (c)	\$(1,473)	\$(487)	\$4,790	\$4,303	\$2,830
FY 2016 District Payment	N/A	\$44,469	\$76,494	\$59,621	\$136,115	\$180,584
Present Value of Future Benefits	1-907.03(a)(3)(B)	\$2,284,585	\$4,148,860	\$2,058,877	\$6,207,737	\$8,492,322
Current Value of Assets	1-907.03(a)(3)(D)	\$1,746,030	\$3,272,733	\$1,315,586	\$4,588,319	\$6,334,349
Actuarial Value of Assets	1-907.03(a)(3)(E)	\$1,638,583	\$3,061,936	\$1,226,791	\$4,288,727	\$5,927,310

Actuarial Assumptions

The actuarial assumptions used for the valuation represent the actuary's best estimates of the future experience for the plans. Upon review of recommended economic assumptions, the Board elected to choose an interest rate assumption slightly more conservative than the actuary's recommended rate.

Edward J. Koebel

12/30/2014

(Date)

Edward J. Koebel, EA, FCA, MAAA



January 7, 2015

The Honorable Phil Mendelson
Chairman, Council 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 2016 (FY 2016) Payment to the Teachers' Retirement Fund and the Police Officers and Fire Fighters' Retirement Fund

Dear Chairman Mendelson:

Pursuant to D.C. Official Code, 2001 Ed § 1-907.03(b), the District of Columbia Retirement Board ("Board") is required to certify to the Mayor and the Council of the District of Columbia, not less than thirty (30) days prior to submission of the Mayor's annual budget for the District of Columbia government to the D.C. Council, the normal contribution rate for each separate retirement Fund: (i) the Teachers' Retirement Fund and (ii) the Police Officers and Fire Fighters' Retirement Fund (collectively the "Funds"). Accordingly, the law requires the Mayor and the Council to include the entire certified amount in the District of Columbia annual budget.

On December 18, 2014, Trustees of the Board approved the enrolled actuary's (Cavanaugh Macdonald Consulting, LLC) enclosed certification of the District of Columbia FY 2016 payment to the Funds. As in past years, the enrolled actuary's calculation of the District's contribution to the Funds is based solely on data maintained by the District's Office of Pay and Retirement Services. This letter constitutes the Board's statutorily required certification of the District's payment to the Funds for FY 2016, as noted in this table:

Retirement Fund	Normal Contribution Rate	Normal Contribution Amount (in thousands)
Teachers' Retirement Fund	6.63%	\$ 44,469
Police Officers and Fire Fighters' Retirement Fund (Combined)	34.80%	\$ 136,115
Total FY 2016 District Contribution		\$ 180,584

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

Sincerely,

Eric O. Stanchfield
Executive Director

Enclosure: Actuarial Certification

cc: Trustees of the D.C. Retirement Board

Jeffrey Barnette • Lyle M. Blanchard • Barbara Davis Blum • Joseph W. Clark • Mary A. Collins • Gary W. Hankins
Darrick O. Ross • Nathan A. Saunders • Edward C. Smith • Thomas N. Tippet • Michael J. Warren • Lenda P. Washington

Joseph M. Bress
Chairman

Eric O. Stanchfield
Executive Director



**Required Actuarial Certification
Under District of Columbia Code §1-907 for Fiscal Year 2016 (\$Thousands)**

Certification	Code Section	Teachers	Police	Fire	Police/Fire Combined	Total District
FY 2016 Normal Cost Rate	N/A	6.63%	33.33%	38.18%	34.80%	21.74%
FY 2016 Unfunded Accrued Liability Cost Rate	N/A	5.00%	(9.18)%	1.47%	(5.96)%	(0.88)%
Estimated FY 2016 Covered Payroll	N/A	\$395,031	\$318,760	\$138,288	\$457,048	\$852,079
FY 2016 Normal Cost	1-907.03(a)(3)(A)	\$26,190	\$106,243	\$52,798	\$159,041	\$185,231
FY 2016 Unfunded Accrued Liability Payment	1-907.03(a)(3)(C)	\$19,752	\$(29,262)	\$2,033	\$(27,229)	\$(7,477)
FY 2016 District Payment before 1-907.02 (c)	N/A	\$45,942	\$76,981	\$54,831	\$131,812	\$177,754
FY 2014 Shortfall/Overpayment	1-907.02 (c)	\$(1,473)	\$(487)	\$4,790	\$4,303	\$2,830
FY 2016 District Payment	N/A	\$44,469	\$76,494	\$59,621	\$136,115	\$180,584
Present Value of Future Benefits	1-907.03(a)(3)(B)	\$2,284,585	\$4,148,860	\$2,058,877	\$6,207,737	\$8,492,322
Current Value of Assets	1-907.03(a)(3)(D)	\$1,746,030	\$3,272,733	\$1,315,586	\$4,588,319	\$6,334,349
Actuarial Value of Assets	1-907.03(a)(3)(E)	\$1,638,583	\$3,061,936	\$1,226,791	\$4,288,727	\$5,927,310

Actuarial Assumptions

The actuarial assumptions used for the valuation represent the actuary's best estimates of the future experience for the plans. Upon review of recommended economic assumptions, the Board elected to choose an interest rate assumption slightly more conservative than the actuary's recommended rate.

Edward J. Koebel

12/30/2014

(Date)

Edward J. Koebel, EA, FCA, MAAA

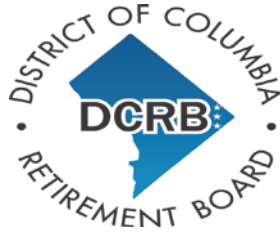
900 7th Street, NW, 2nd Floor
Washington, DC 20001
www.dcrb.dc.gov



Telephone (202) 343-3200
Facsimile (202) 566-5000
E-mail: dcrb@dc.gov

**OPERATIONS COMMITTEE
CHAIRMAN'S REPORT
JANUARY 22, 2015**

TOPIC	DETAIL
Trustee Travel Policy	For your information the Trustee Travel Policy presented to the Board in December has been finalized and published. Copies of the new policy, procedures, and form are in your book behind Tab 3.



TRUSTEE EDUCATION AND RELATED TRAVEL POLICY

Approved by the Board of Trustees

Adopted: December 18, 2014

Introduction	3
Purpose	3
Travel Authorization	3
Guidelines for Expenses	4
Travel Arrangements	4
Transportation	4
A. Air Transportation	4
1. Air Mileage Programs	4
2. Coach Class	5
3. Personal Upgrades	5
4. Charter Flights	5
5. Cancellation Policy	5
6. Lost Luggage	5
B. Ground Transportation (rail, taxicab, bus, metro/subway).....	5
C. Mileage/Parking/Tolls	5
D. Car Rental	6
Lodging, Meals and Incidental Expenses.....	6
Telephone, Internet, Mail and Delivery Expenses	7

Personal Expenses	7
Miscellaneous Expenses	7
Cost Savings	7
Speaking Engagements.....	8
Fraudulent Claims	8
Individual Trustee Education and Related Travel Budgets	8
A. Expense Allocation, Reporting, and Recording	8
B. Multiple Fiscal Years and Trustee Budgets	9
C. No Travel Advances	9
D. Expense Reimbursement	9
1. Trustee Responsibility	9
2. DCRB Staff Responsibility	10
Appendix A: Miscellaneous Reimbursable Expenses	11
Appendix B: Miscellaneous Non-Reimbursable Expenses	12
Appendix C: Mandatory or Intensive Education Programs	14

I. Introduction

The District of Columbia Retirement Board (“DCRB” or the “Board”) recognizes that its fiduciary responsibility to plan participants is enhanced when members of the Board increase their knowledge of the financial and benefits aspects of the retirement system by attending educational meetings, conferences and seminars. Consequently, the Board encourages Board members (“Trustees”) to attend such functions to assure their ability to carry out their fiduciary responsibilities.

It is important to note that all use of funds from the pension trusts for education and related travel by Trustees must clearly be for the benefit of the participants and beneficiaries of the District of Columbia Police Officers and Firefighters’ Retirement Plan and the District of Columbia Teachers’ Retirement Plan.

II. Purpose

The purpose of this policy is to establish guidelines for Trustees to follow to assure that attendance at educational meetings, conferences, and seminars that are necessary to the performance of their duties are accomplished as economically and efficiently as possible.

III. Travel Authorization

“Out-of-town” travel is defined as any travel destination that exceeds a forty (40) mile radius of the District of Columbia. All other travel is defined as “local.”

Travel by Trustees must be for purposes that are relevant to their fiduciary obligations and their duties in performing Board business, and must be preapproved by the Board Chair. Travel by the Board Chair must be approved by the Board Secretary.

The full Board must preapprove Trustee education and related travel when:

- 1) The education/related travel is scheduled to occur within 60 calendar days of the expiration of the Trustee’s term.
- 2) More than two Trustees indicate their wish to attend the same event, except for mandatory educational training.
- 3) The education/related travel is international and there are exceptional circumstances for its consideration.

IV. Guidelines For Expenses*

Trustees traveling on official business are expected to apply the same care in incurring expenses that a prudent person would exercise if traveling on personal business. Essentially, every effort will be made by the DCRB Travel Coordinator, when possible, to use carriers and services that offer government travel and lodging rates. Eligible travel expenses submitted for payment or reimbursement from the DCRB retirement Trusts are limited to those that are essential to transacting official business. Additional guidance is provided below.

* Since the Board's travel payment and reimbursement plan meets the IRS's definition of an "Accountable Plan," education and travel expenses paid or reimbursed are not taxable to you as income (Publication 463, page 30).

V. Travel Arrangements

The DCRB Travel Coordinator will make all travel arrangements for Trustees. This includes the processing of meeting registrations, airfare, lodging and ground transportation. DCRB's booking these arrangements ensures that they are made in compliance with policy and that volume discounts, government rates, and other economic advantages are leveraged. Although such charges are paid directly by DCRB, they should be reflected on the traveler's Expense Report, along with the appropriate receipts that account for payments related to the trip. It should be noted that the Travel Coordinator will not make travel arrangements for persons other than Trustees.

VI. Transportation

When DCRB's Travel Coordinator is making travel arrangements, Trustees should be aware that the maximum allowable reimbursement for inter-city travel via common carrier (airplane, train or bus) will be at the **coach rate** (government rate) between the points traveled. Any higher rate must be approved by the Board Chair. Any requests for an extended stay at Board expense must be approved in writing in advance. Generally, any such request requires documentation that demonstrates that the total cost of the extended stay (including lodging and meals) would be less than the cost that would be incurred without the extended stay. An extended stay may not be required.

A. Air Transportation

To optimize cost savings, travel arrangements should be initiated at least seven (7) days in advance of the scheduled departure date.

1. **Air Mileage Programs:** Air miles should be managed by the traveler. Airline miles earned while traveling on DCRB business are retained by the traveler. Frequent flyer miles or other such benefits (e.g., upgrades) used on DCRB business are not reimbursable by DCRB.
2. **Coach Class:** Refundable Coach class is the standard for all flights. The Board Chairman may approve an upgrade due to disability or medical condition.
3. **Personal Upgrades:** A traveler may upgrade to a higher class using personal miles, coupons or opting to personally pay the difference between Coach and the upgraded class.
4. **Charter Flights:** Charter flights are not approved under this Policy.
5. **Cancellation Policy:** Flight cancellations must be made through the DCRB Travel Coordinator. Some domestic airline tickets are non-refundable, and cancelled reservations will result in an airfare credit being issued, which can be used by the traveler within a calendar year,

subject to individual airline requirements.

6. **Lost Luggage:** In the event of lost luggage, the traveler should work directly with the airline to submit a claim for reimbursement. DCRB does not reimburse for such losses.

B. Ground Transportation (rail, taxicab, bus, metro/subway)

The most cost-effective, safe, and efficient ground transportation should be used. Public transportation (taxicabs, buses, and metro/subway) services are preferred. The more costly shuttle/limousine may be allowed if more economical travel is not available or it is deemed to be necessary and advantageous to the Board. Considerations for approval include length of the trip, availability of public transportation, and safety issues. Standard class of rail travel is preferred. Tips are reimbursed up to 20%.

C. Mileage/Parking/Tolls

The maximum allowable reimbursement for use of a privately owned automobile (in lieu of public transportation or common carrier) is the current IRS mileage rate* for business use of a personal vehicle. This rate reflects the cost of fuel, insurance, depreciation, and other operating costs.

* The rate is \$.57½ per mile, effective January 1, 2015.

You may access www.irs.gov/Publication 463 (then review Standard Mileage Rate on page 16) for further information and subsequent updates. The amount of mileage reimbursement shall not exceed 500 miles per trip, excluding local travel at the point of destination, unless administratively determined to be advantageous to the Board.

Parking (plus tip) and tolls are reimbursed at the actual rate, and **must** be accompanied by receipts. Receipts are not needed for metered parking.

D. Car Rental

Rental cars for out-of-town official business purposes are reserved through the DCRB Travel Coordinator using preferred vendors. Car rentals by Trustees must be preapproved by the Board Chair, and rentals by the Board Chair must be approved in advance by the Board Secretary. The Travel Coordinator will arrange insurance coverage for the traveler at the time the car is reserved. The cost of any personal use of the rental car is borne by the traveler.

In general, an intermediate or smaller car is the standard within policy; however, the size and type of the car can be larger if being used by multiple, approved DCRB travelers. In-car navigation systems and electronic toll payment options are considered reimbursable. All other convenience options (e.g., satellite radio) are not reimbursable. As a cost savings measure, the traveler should fill the gas tank upon returning the car.

VII. Lodging, Meals, and Incidental Expenses

To assure the most economical costs, expenses for lodging will be paid directly by DCRB at the lesser of the conference rate or the prevailing government rate. Meals and incidental expenses (see below) shall be paid or reimbursed at the per-diem rate published for the current year by the federal Government Services Administration (GSA) for the destination of the trip. These rates will be provided to you by the Travel Coordinator and can be accessed at www.gsa.gov/perdiem (enter the destination city, county or zip code).

If the city or county being visited is not on the GSA per-diem rate page, then the standard CONUS (CONTINENTAL US) rate applies. The per-diem for meals includes taxes and tips (to a maximum of 20%). An Incidental Expenses per-diem of \$5 per day covers fees and tips given to porters, baggage carriers (to a maximum of \$2 per bag), and hotel staff. On the first and last day of travel, 75% of the usual Meals and Incidental Expenses rate applies. Per-diem amounts may not be traded-off between meals and incidental expenses. The traveler must provide receipts to substantiate expenses incurred. No reimbursement is made for alcoholic beverages or other personal expenses (see Personal Expenses below and Appendix B).

VIII. Telephone, Internet, Mail and Delivery Expenses

Charges for official telephone calls (local and long distance) and Internet usage (including access fees, if any) will be reimbursed, provided that a statement is furnished for each usage, indicating who was contacted, the company name, and the purpose, date and amount of the call or message.

Also, while on official business, charges for mail or other delivery services that are incurred for a business purpose shall be reimbursed when accompanied by a receipt and a statement identifying the recipient, purpose, date and amount of each. No reimbursement will be made for the delivery of personal mail.

IX. Personal Expenses

Personal expenses, such as in-room movies, laundry, mini-bar, and travel up-grades are not reimbursable. Reasonable and necessary personal expenses may be reimbursed when a traveler's return is delayed for up to 48 hours through no fault of the traveler (e.g., inclement weather or the cancellation of flights). Delays that are anticipated to extend beyond 48 hours must be reported to the Board Chair for consideration and approval.

X. Miscellaneous Expenses

Miscellaneous expenses that are not identified above, when incurred in connection with the necessary transaction of official business, shall be allowed when authorized and preapproved. [See attached lists of reimbursable (Appendix A) and non-reimbursable (Appendix B) expenses.]

XI. Cost Savings

In general, DCRB does not support a substitution or exchange philosophy regarding travel expenditures. If a traveler chooses a less expensive option, it would not be appropriate to utilize the “cost savings” somewhere else, particularly if it is personal in nature. All DCRB expenses must have a substantiated business purpose and must not present any optics which could be viewed in a negative way.

For example, if a traveler chooses to stay with a relative or friend rather than in a hotel, the savings may not be reallocated to cover meals, extra days for personal reasons, or to thank the host. On the other hand, the traveler may opt for a weekend or extended stay between two business trips, if the cost of the lodging, transportation, and meals for the extra days does not exceed the cost of the air fare for the second trip.

Documentation of the fare differentials must be clear, specific, and accompany the expense report. DCRB will not reimburse the expenses incurred for travel to a different location for personal reasons for a weekend or extended stay between two business trips other than where the business need is located.

XII. Speaking Engagements

Requests for Trustees to speak regarding DCRB business must be preapproved by the Board Chair, or by the Board Secretary with regard to such requests affecting the Board Chair. To avoid potential conflict-of-interest issues, DCRB should pay all eligible travel expenses for a Trustee who is asked to speak publicly on DCRB business (this does not apply to certain non-profit organizations). Travel expenses related to non-DCRB business speaking engagements are considered the personal responsibility of the traveler. In addition, the Trustee’s education and travel budgets cannot be used to pay for the time and travel expenses for such trips.

XIII. Fraudulent Claims

A claim against the District Government is forfeited, if the claimant attempts to defraud the Government in connection therewith (DCMR 1-800 – 1-818). In addition, there are criminal provisions under which severe penalties may be imposed on a traveler who presents a false, fictitious, or fraudulent claim against the Government.

XIV. Individual Trustee Education and Related Travel Budgets

The Board has established an allocation for each Trustee for education and related travel for each fiscal year. The current allocation is \$10,000 for the Board Chair and the Investment Committee Chair, and \$7,500 for all other Trustees¹. The total allocation amount is available for approved education/related travel and is not prorated.

A. Expense Allocation, Reporting and Recording

All education and related travel expenses claimed by Trustees or paid on their behalf will be allocated to their individual budget and reported to the

¹ Adopted by the Board on September 20, 2001.

Board as part of the Monthly Expense Report. Trustee travel expenses that are approved by the Board Chair for purposes of attending an intensive academic program, such as the IFEBP-sponsored Wharton School program, are not charged to the Trustee's individual travel budget (see Appendix C for a list of such programs).

Trustees are strongly encouraged to submit travel expenses* to the DCRB Travel Coordinator within seven (7) business days after returning from a business trip. This is especially important with travel that occurs toward the end of a fiscal year.

Trustees should also complete a report describing what they learned at the conference and its benefit to the Board.

B. Multiple Fiscal Years and Trustee Budgets

Trustee education and related travel expenses will be allocated to the Trustee's individual budget for the fiscal year in which the travel or education occurs, provided that an Expense Report is submitted within 31 calendar days after the end of that fiscal year. Such expenses submitted after the 31-day deadline will be allocated to the Trustee's budget for the subsequent fiscal year. (*See the attached information related to the requirements and administrative procedures for the submission of travel expenses.)

C. No Travel Advances

The DCRB Trustee Travel Policy does not provide for travel advances.

D. Expense Reimbursement

DCRB may deny reimbursement of any expense not permitted under applicable law or not in compliance with this Policy. Travelers also should be mindful that government agencies and other observers may perceive certain expenditures as being either excessive or inappropriate in the context of a regulatory audit, an IRS audit, or other similar review of DCRB activities. Thus, moderation and discretion should guide decisions to incur expenses on DCRB's behalf. Consequently, DCRB may deny reimbursement of any expense it deems inappropriate or excessive.

- 1. Trustee Responsibility:** Trustees are solely responsible for the timely reconciliation of their expense reports, and for providing the full documentation required as verification of each expense. The IRS requires that expense documentation provide a clear explanation of the business purpose.
- 2. DCRB Staff Responsibility:** DCRB staff is responsible for reviewing the expenses submitted for validity, accuracy, compliance and appropriate documentation prior to their timely processing of the expenses.

To keep this Policy up-to-date, the DCRB Operations Committee will review it annually, and will present any necessary or proposed changes to the Board for its approval.

Please Note: Although certain provisions of this Policy require preapproval by the Board Chair or the full Board, where circumstances arise during a trip that preclude a Trustee's ability to comply with other provisions (e.g., the meals per-diem), upon the receipt of appropriate documentation, the Board Chair will have the discretion to approve exceptions.

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

Tally #9		Date: December 18, 2014			
To adopt the new Trustee Travel Policy.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Bress, Joseph M., Chair					√
Blanchard, Lyle	√				
Blum, Barbara Davis	√				
Clark, Joseph W.	√				
Collins, Mary A.	√				
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√
Washington, Lenda P.	√				

Appendix A

Miscellaneous Reimbursable Expenses

The following are considered to be reimbursable when traveling on DCRB business:

- Internet connectivity for business purposes in hotel, airplanes, and other public places. Trustees should be mindful of security issues surrounding wireless connectivity. Please contact the IT Service Desk for more information.
- Mileage on personal cars. Mileage will be reimbursed at the IRS business mileage rate for miles incurred in excess of the Trustee's normal commuting mileage to DCRB's location. The personal mileage reimbursement reflects costs related to operation of the vehicle, including service, maintenance, and depreciation.
- Voice over Internet Protocol (VoIP) related business expenses (e.g., Skype minutes). Please note: Use of these applications on DCRB devices should be coordinated with IT Support Services.
- Please contact DCRB IT Support Services for information regarding local options when traveling with DCRB equipment.
- In-car navigation systems and electronic toll payment options for rental cars are considered reimbursable. All other convenience options (e.g., satellite radio) are considered non-reimbursable.

Appendix B

Miscellaneous Non-Reimbursable Expenses

Non-reimbursable expenses are listed below. This list is not all-inclusive; there may be additional or similar non-reimbursable expenses which are not listed. Please contact the DCRB Travel Coordinator if you have questions.

The following expenses are not reimbursable:

- Lost luggage and contents. Trustees should work directly with the airline to recover damages.
- Fees or dues for airline VIP clubs and hotel loyalty or frequent-stayer programs.
- Air travel insurance.
- Any expenses resulting from obtaining airline miles for personal use.
- Class of service upgrades.
- Health club services (e.g., massages, manicures, personal trainers).
- Personal travel expenses, including sundries or recreational reading.
- Movies (in-room and in-flight), mini- bar and alcoholic beverages.
- Costs for personal guests.
- Normal commuting costs.
- Parking citations.
- Cost of business clothing.
- Expenses incurred by spouses or partners or other family members of Trustees are not considered reimbursable.
- Gifts or expenses for consultants, vendors, service providers, participants or employees.
- Professional services.
- Consultant travel-related expenses.
- EReader devices and supplies (e.g., Kindle, Kindle supplies).
- Hands-free devices (e.g., Bluetooth headsets) not obtained through IT Support Services.
- Any technology equipment or supplies.

Appendix C

Mandatory or Intensive Education Programs

Portfolio Concepts and Management Course at the Wharton School or Pension Fund and Investment Management course sponsored by the Wharton School

Trustee Travel Policy Administrative Procedures for Trustees

The following are the administrative procedures that apply to the processing of Trustee travel requests:

- A Travel Request Form, approved by the Board Chair, should be submitted to the DCRB Travel Coordinator at least seven (7) days prior to the date you plan to attend Training, a conference or a seminar.
- Approval by the full Board is required if:
 - the conference/travel will occur within 60 calendar days of the expiration of your term as a DCRB trustee.
 - more than two trustees wish to attend the same conference (this does not apply to mandatory training).
 - the trip is international and there are exceptional circumstances for its consideration.
- Please provide us with information related to:
 - your travel dates, city/state, hotel accommodations, the conference you want to attend.
 - your travel preferences.
 - any changes that arise, preferably before your flight or other accommodations are booked.
 - the possibility that your trip may exceed your travel budget.
- The Travel Coordinator will:
 - scan your travel documents into an information folder that can be easily located to answer any questions you may have.
 - provide you with a travel folder that will contain:
 - travel/conference information
 - a business travel information card, with telephone numbers of the Travel Coordinator, your airline, and other contacts that may be helpful to you.
 - a pocket containing an Expense Report and checklist, an envelope for receipts, and a conference travel report.
- Upon your return, you should:
 - complete your Expense Report and attach any documentation needed.
 - submit the Report to the Travel Coordinator within seven (7) business days of your return.
 - complete your Conference Travel Report providing feedback to other Trustees.



TRUSTEE TRAVEL REQUEST FORM

To be completed by the Trustee

Trustee Name:	
Conference Name:	
Name of Sponsor:	
Location:	
Proposed Travel Dates:	
Purpose of Attendance:	
Explain how this event will benefit the participants and beneficiaries of the Plans.	

- The proposed travel is to attend an educational conference or seminar in fulfillment of my fiduciary obligations.
- The expenses may take me over my travel budget.
- The travel will occur within 60 days of the end of my term. *
- The travel location is outside the United States or its territories. *
- Two or more Trustees have indicated their wish to attend this event. *
- The expenses will be paid in whole or in part by an approved 403(b) non-profit. **
- The purpose of the travel is to attend an extensive academic program, such as the IFEBP courses at the Wharton School or CAPP Program. **

Trustee's Signature:	Date:
-----------------------------	--------------

* Prior Full Board Approval is required. ** Prior Approval of the Board Chair is Required.

To be completed by the Board Chair or Designee

<input type="checkbox"/>	Approve	
<input type="checkbox"/>	Agendize for next Board Meeting	
<input type="checkbox"/>	Deny with explanation	
Board Chair's Signature:		Date:

Note: Since DCRB is a tax-exempt entity, to avoid any unwarranted taxes all registration, travel arrangements and hotel accommodations must be arranged by DCRB's travel coordinator.

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



Telephone (202) 343-DCRB
(866) 456-DCRB
TTY/Federal Relay (800) 877-8339
Facsimile (202) 566-5001
E-mail: dcrb.benefits@dc.gov

TO: BOARD OF TRUSTEES
FROM: EDWARD SMITH, CHAIRMAN
DATE: JANUARY 22, 2015
SUBJECT: BENEFITS COMMITTEE REPORT

The Benefits Committee did not meet in January. The following report reflects highlights of Benefits Department activities that occurred since the December Board meeting.

Health Benefits Open Season – Processing

The open enrollment period for the Federal and District Health Benefits Programs closed December 12, 2014. During the months of December and January, DCRB worked with both Federal and District health providers to update records for approximately 215 members. Members should begin to receive new health insurance cards by the end of this month. The first deductions for their new plan choices will be included on the member's February 2015 annuity payment.

Max 80/ COLA Lookback Errors Update (As of 1-12-15)

The Federal COLA Lookback & MAX80 letters, and a set of Qs&As will be sent to 100% federal annuitants on U.S. Treasury letterhead on or about January 21st. Treasury's call center (staffed by Deloitte Consulting) will become operational on January 21st, as well. Their contact information for inquiries is as follows:

Toll free: 844-833-2258
Local: 202-622-0803
TTY: 1 800-877-8339
Email: ODCPEmployeeRelationsTeam@treasury.gov
Fax: 202-622-0233

Issuing of 1099 Statements to Members

The year-end processing and 1099R Forms mailing has been completed by U.S. Treasury's, Bureau of Fiscal Service. The Forms were mailed on Thursday, January 15, 2015. DCRB's Member Services group will be provided with PDF copies of 1099Rs, in the event that members do not receive them or request duplicate copies. Duplicates will be available on or after February 3, 2015.

January 1, 2015 Checks - New Retirement Cases

During the month of November, DCRB processed* 27 new Police and Fire Plan retirement cases, and 21 new Teachers' Plan retirement cases. During the month of December, DCRB

received 2,556 calls. This 32% increase from the previously reported November 2014 calls of 1,934 is normal for year end.

*These statistics do not include other cases processed such as recalculations, one time payments, retroactive adjustments, health benefit adjustments, garnishment changes, pop-up calculations, and other informational requests.

Benefits Staffing

The Benefits Department is currently recruiting for the following positions: Retirement Services Manager and Member Services Manager.

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



Telephone (202) 343-3200
Facsimile (202) 566-5001
E-mail: dcrb@dc.gov

TO: BOARD OF TRUSTEES
FROM: LYLE BLANCHARD, CHAIRMAN
DATE: JANUARY 22, 2015
SUBJECT: LEGISLATIVE COMMITTEE REPORT

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

COUNCIL OF THE DISTRICT OF COLUMBIA

B21-0014, “Council Contract Review Repeal Act of 2015”

This legislation would amend the District of Columbia Home Rule Act (D.C. Code § 1-204.51) by repealing the requirement that contracts in excess of \$1 million during a 12-month period, as well as multi-year contracts, be subject to D.C. Council review. A conforming amendment would be made to the Procurement Practices Reform Act of 2011 (“PPRA”) (D.C. Code § 2-352.02). Thus, the District of Columbia Retirement Board, which is exempt from the PPRA except for the D.C. Council review requirement (D.C. Code § 2-351.05(c)), would not be required to submit its contracts to the D.C. Council.

The proposed legislation would not affect any contract that was required to be submitted to the Council prior to the bill’s final effective date and any contract pending Council review would be deemed approved as of the bill’s final effective date.

Status: The legislation was introduced January 6, 2015 by Councilmembers Jack Evans, Elissa Silverman, Anita Bonds, David Grosso, Yvette Alexander, and Charles Allen. The bill was referred to the Committee of the Whole.

At its December 2014 meeting, the Board adopted a resolution, consistent with its fiduciary duties, to continue awarding and executing Board contracts without the review and approval of the D.C. Council.