



DISTRICT OF COLUMBIA RETIREMENT BOARD
BOARD MEETING MINUTES
APRIL 20, 2017
10:00 A.M.

MEMBERS PRESENT

Joseph W. Clark, Chair
Janice M. Adams
Lyle M. Blanchard*
Joseph M. Bress
Gary W. Hankins
Darrick O. Ross
Nathan Saunders ***
Edward C. Smith
Thomas N. Tippett*
Lenda P. Washington
Michael J. Warren ***
Jeffrey Barnette, ex officio **

* Arrived after training roll call.
** Attended training only.
*** Participated at Board Meeting only.

MEMBER NOT PRESENT

Mary A. Collins

DCRB STAFF PRESENT

Sheila Morgan-Johnson, Interim Executive Director
Erie Sampson
Johnetta Bond
Anthony Shelborne
Peter Dewar
Joan Passerino
Leslie King*
Patrick Sahn**
Tahir Kazmi**
Adina Dorch
Michaela Burnette**
Vernon Valentine**
Michael Xanthopoulos**
Ferdinand Frimpong**
Jason Todd**
Rhonda O'Neal**
Deborah Reaves
Yolanda Smith**
Johniece Harris
Wukyanos Gebremeskel

* Arrived after training began.
** Attended fiduciary training only.

OTHERS PRESENT

Karl Middleton (DCRB contractor) **
Kimberly Woods (DCRB contractor)**
Johnnie Barton, BEGA
Traci Hughes, BEGA
Darrin Sobin, BEGA
Ian Lanoff, Groom Law Group
Jennifer O'Dell, Laborers' International Union of North America
Aaron Kilberg, Standard Life Investments

ROLL CALL

Chairman Clark called the meeting to order at 10:12 a. m. and Ms. Deborah Reaves called the roll.

Motion #1: To convene the meeting in closed session pursuant to D.C. § 2-575(b)(12) to train and develop members of the Board and staff.

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

Motion #2: To reconvene the meeting in open session at 1:15 p.m.

The motion was moved by Trustee Hankins and properly seconded by Trustee Bress. The motion was approved (10–0). (*See Tally #2*)

Motion #3: To adjourn the meeting 1:17 p.m.

The motion was moved by Trustee Bress and properly seconded by Trustee Hankins. The motion was approved (10–0). (*See Tally #3*)

The meeting was reconvened at 1:50 p.m. and Deborah Reaves again called the roll. Ms. Reaves announced the visitors who attended the meeting and Chairman Clark welcomed them. Those who arrived after the training began or who attended only the fiduciary training are noted on the prior page.

APPROVAL OF MINUTES

Chairman Clark introduced a motion to approve the March Board meeting minutes.

Motion #4: To approve the March 16, 2017, Board meeting minutes.

The motion was moved by Trustee Bress and properly seconded by Trustee Hankins. The motion was approved (11-0). (*See Tally #4*)

CHAIRMAN'S COMMENTS

Chairman Clark commented on the following topics:

Performance and Budget Hearing Testimony

DCRB provided Performance testimony before the District Council's Committee of the Whole on March 13, 2017, and Budget testimony on April 11, 2017. Copies of the Chairman's and the Interim Executive Director's testimony for both hearings are attached for your information.

Public Roundtable Reappointments of Trustees Blanchard and Warren

On February 27, 2017, the District of Columbia Committee of the Whole issued a Notice announcing a public roundtable on Monday, March 13, 2017, to confirm the Council's reappointments of Trustees Lyle Blanchard and Michael Warren as members of the District of Columbia Retirement Board. The Council's Committee of the Whole voted on and approved the reappointment resolutions on April 4, 2017.

Trustee Training

Trustees and appropriate DCRB staff received the annual, mandatory training this morning on the Open Meetings Act, conducted by the District's Board of Ethics and Government Accountability's (BEGA) Office of Open Government; and on current issues and best practices in fiduciary law, led by Ian Lanoff of The Groom Law Group. Trustee Janice Adams will be attending the Wharton School's Investment Portfolio Concepts in Management course in May at the University of Pennsylvania.

Committee Chair Assignments

Committee Chair assignments will be completed shortly. As in the past, current Committee Chair's will continue until the new assignments are announced. Also, since the Board no longer has a Parliamentarian position, it is the responsibility of each Committee Chair to assure that his or her committee is run in accordance with parliamentary procedure.

INTERIM EXECUTIVE DIRECTOR'S REPORT

Interim Executive Director, Sheila Morgan-Johnson, referred Trustees to her written report and provided the following comments:

Pension Information Management System (PIMS)

The Report notes that the PIMS Request for Proposal (RFP) will be released next month, however, prior to releasing it, we are reviewing the DCRB Procurement Manual and making necessary updates. That activity will delay the release.

New Organization Chart

A new organization chart has been included with the Board materials. The chart notes vacant positions for which we are currently recruiting. One of those vacant positions will be converted to that of an internal auditor, who will be responsible for reviewing DCRB systems and procedures.

OIG Risk Assessment

DCRB's Chief Financial Officer, Anthony Shelborne, reported that the District's Office of the Inspector General randomly selected DCRB for a risk assessment this year. He pointed out that a risk assessment is a review and not a field audit and indicated that he would provide the Board with updates as the review progressed.

INVESTMENT COMMITTEE REPORT

Chairman Clark commented that there was no Investment Committee meeting this month, but noted that, as of today, the value of assets in the Fund totaled almost \$7.3 billion.

OPERATIONS COMMITTEE REPORT

In the absence of Committee Chair Collins, Chairman Clark announced that the next Operations Committee meeting is scheduled for Tuesday, April 25, 2017, at 10:00 a.m. He indicated that the meeting will involve an in-depth review and discussion of the Actuarial Experience Study results and recommendations. He noted that topics in subsequent meetings will include: 1) an inventory list, 2) the draft policy and procedures for surplus office equipment, and 3) proposed changes to the Staff Travel Policy.

BENEFITS COMMITTEE REPORT

Committee Chair Smith stated that the Benefits Committee did not meet in March and highlighted the following activities:

Annual Estimated Benefit Statement Project

Estimated benefits statements are in the process of being distributed to approximately 1,700 active firefighter members of the District of Columbia Police Officers and Firefighters' Retirement Plan (Police/Fire Plan).

Annual Earned Income Review Project

The Benefits Department began its 2016 Annual Earned Income Verification Project this month. Under the Police/Fire Plan, annuitants under the age of 50 who are receiving a disability retirement benefit are required to submit a notarized statement reporting earned income for the prior calendar year. Income verification letters are being mailed to 150 such members to verify their earned income.

FileNet Upgrade

This update involves enhancing images, increasing the number of search fields, and categorizing documents more logically. In addition, users will have the ability to search for documents by the System to Administer Retirement (STAR) benefits Employee ID and the PeopleSoft Employee ID.

STAR 9.2 Release

This project upgrades the software that processes our pension data and payments in the U.S. Treasury Department's STAR. This effort removes customized code and obsolete reports, and adds Homepages, Work-Centers, Tiles and Navigation Bar for an up-to-date look and feel to most pages.

Committee Chair Smith then pointed out the average processing time (65, 52, and 53 days) for the months of January through March 2017, and referred Trustees to the written report for additional information and metrics. He also indicated that a checklist of steps in the retirement process is being developed for those considering retirement.

Chairman Clark mentioned the March 23 and 28 Teachers' Retirement Workshops, and congratulated Trustee Saunders and staff on their work on those projects. Trustee Smith also mentioned the upcoming seminar for new firefighter recruits at the Fire Academy. Trustee Saunders acknowledged the importance of those outreach projects and indicated his support for additional efforts of that kind.

LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard noted the following legislative activities:

B22-0041, "Force of 4,200 – Police Officer Recruitment and Retention Act of 2017"

This bill would dedicate \$63.8 million to recruitment and retention incentives for police officers, including salary increases, aimed at stabilizing and rebuilding the District of Columbia Metropolitan Police Department. The bill will also allow any sworn officer of the Fraternal Order of Police MPD Labor Committee (Compensation Unit 3) who is eligible to retire, but who continues to work for an additional five years after October 1, 2017, to receive one-time

compensation at the end of the fifth year, equal to the regular salary earned by that officer during his or her fifth year. A public roundtable on the proposed bill was held on Monday, April 10, 2017.

B22-0042, “First Responder Income Tax Exclusion Amendment Act of 2017”

This bill will amend D.C. Code § 47-1803.02(a) to exclude from gross income the annual salaries of members of the Fraternal Order of Police MPD Labor Committee (Compensation Unit 3) and the International Association of Firefighters, Washington, DC Firefighters Association Local 36 (Compensation Unit 4). A public roundtable on the proposed bill will be held on Wednesday, April 26, 2017.

B22-0105, “First Responder Housing Incentive Program Amendment Act of 2017”

This bill will provide home purchase assistance for police officers, firefighters, and emergency medical technicians. Assistance options include forgivable grants and District matching of saving increments. A five-year service obligation would be required. A public roundtable on the proposed bill was held on Monday, April 10, 2017.

Chairman Blanchard referred Trustees to the written Report for further information. There followed a short conversation on the Budget Oversight Hearing, the topics discussed during the hearing, and information requested at the meeting’s conclusion.

AUDIT COMMITTEE REPORT

Committee Chair Hankins stated that there was no Committee meeting in April, and noted the following matters:

The Finance Department completed the 2016 Comprehensive Annual Financial Report (CAFR) on March 28 and posted to DCRB’s website. It was then submitted to the Government Finance Officers Association (GFOA) for consideration of their Certificate of Achievement Award for Excellence in Financial Reporting. He noted that staff is currently working on an informal version of the CAFR, that is expected to be published by late summer.

Mr. Hankins announced that the next meeting of the Audit Committee will be held in June 2017. He indicated that the meeting will include a review of DCRB’s insurance program, and a presentation regarding our Federal Information Security Modernization Act (FISMA) security assessment and authorization audit. He also noted that it is his understanding that DCRB is the only D.C. Agency with FISMA certification.

OTHER BUSINESS

Chairman Clark indicated that the DCRB Executive Director position has been posted to DCRB’s website and that an ad hoc committee is being formed to review applications received and interview qualified candidates. A short discussion followed, during which Chairman Clark responded to questions from Trustees.

ADJOURNMENT

Chairman Clark introduced a motion to adjourn the meeting.

Motion #5: To adjourn the meeting at 2:40 p.m.

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

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

Tally #1:		Date: April 20, 2017			
To convene the meeting in closed session pursuant to D.C. § 2-575(b)(12) to train and develop members of the Board and staff.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle					√
Bress, Joseph M.	√				
Collins, Mary A.					√
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.					√
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #2:		Date: April 20, 2017			
To reconvene the meeting in open session at 1:15 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.					√
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #3:			Date April 20, 2017		
To adjourn the meeting at 1:17 p.m.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.					√
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan					√
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #4:			Date: April 20, 2017		
To approve the March 16, 2017 Board meeting minutes.					
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.					√
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				

Tally #5:	Date: April 20, 2017
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To adjourn the meeting at 2:40 p.m.

Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Clark, Joseph W., Chair	√				
Adams, Janice M.	√				
Blanchard, Lyle	√				
Bress, Joseph M.	√				
Collins, Mary A.					√
Hankins, Gary W.	√				
Ross, Darrick O.	√				
Saunders, Nathan	√				
Smith, Edward C.	√				
Tippett, Thomas N.	√				
Warren, Michael J.	√				
Washington, Lenda P.	√				