



DISTRICT OF COLUMBIA RETIREMENT BOARD
BOARD MEETING MINUTES
JANUARY 26, 2017
1:00 P.M.

MEMBERS PRESENT

Joseph M. Bress, Chair (by phone)
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
Lenda P. Washington
Michael J. Warren (by phone)
Jeffrey Barnette, ex officio

DCRB STAFF PRESENT

Eric Stanchfield, Executive Director
Sheila Morgan-Johnson
Erie Sampson
Johnetta Bond
Anthony Shelborne
Peter Dewar
Joan Passerino
Leslie King
Adina Dorch
Katie Schultz
Deborah Reaves
Johniece Harris
Wukyanos Gebremeskel

MEMBERS NOT PRESENT

OTHERS PRESENT

Owen Ward, CliftonLarsonAllen
Karen Anderson, Hewlett Packard
Fred Duball, Hewlett Packard
Ernie Sanders, Hewlett Packard

ROLL CALL

On Chairman Bress' behalf, Vice-Chairman Clark called the meeting to order at 1:30 p.m., and Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Vice-Chair Clark introduced a motion to approve the December 15, 2016 Board meeting minutes.

Motion #1: To approve the December 15, 2016 Board meeting minutes.

The motion was moved by Trustee Tippett and properly seconded by Trustee Bress. The motion was approved (11-0, with 1 abstention). (*See Tally #1*)

Vice-Chair Clark asked that the Chair's Report and the Executive Director's Report follow the Audit Committee Report to facilitate a move into closed session.

INVESTMENT COMMITTEE REPORT

Committee Chair Blum indicated that the Committee had met earlier in the day and introduced the following motions:

Motion #2: To commit up to \$25 million to DivcoWest Fund V, L.P. (real estate), subject to contract negotiations.

The motion was moved by Trustee Blum and properly seconded by Trustee Tippett. The motion was approved (12-0). (*See Tally #2*)

Motion #3: To concur with Meketa and the Chief Investment Officer's recommendation to continue the Board's investment in SteelRiver Infrastructure Fund North America.

The motion was moved by Trustee Blum and properly seconded by Trustee Tippett. The motion was approved (12-0). (*See Tally #3*)

Motion #4: To delegate to the Executive Director, the authority to approve all necessary efficient travel by the Investment staff to Paris, France to conduct DCRB business in conformance with DCRB's staff travel policy and annual spending authority.

The motion was moved by Trustee Blum and properly seconded by Trustee Tippett. The motion was approved (12-0). (*See Tally #4*)

OPERATIONS COMMITTEE REPORT

Committee Chair Collins indicated that because the Committee did not meet this month there was no written report.

BENEFITS COMMITTEE REPORT

Committee Chair Smith stated that the Benefits Committee did not meet this month, and highlighted the following activities that occurred since the December Board meeting:

Annual Benefit Statement Project

Benefits statements were mailed to a pilot group of 192 active firefighter members of the Police Officers and Firefighters' Retirement Plan. The group was asked to provide feedback via an online survey link, and approximately 40 survey responses (21%) were received by January 10, 2017. The feedback, which was very positive, suggested including sick leave in the calculation, and Benefits is investigating the possibility of doing so.

2017 Disability Annuitant Earned Income Verification Project

Based on a review of the Plans' annual earned income review provisions and procedures by AON Hewitt Investment Consulting, the Benefits and Legal Departments are reviewing the current procedures for suggested revisions and best practices.

Committee Chair Smith noted the statistics provided with the Report and emphasized the 60-day average processing time. He referred Trustees to his written Report for additional information.

LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard provided the following report:

“Omnibus Public Safety and Justice Amendment Act of 2016” (A21-0603).

This Act incorporates the provisions of the “Senior Law Enforcement Officer Amendment Act of 2016 (B21-827)” and the “Law Enforcement Career Opportunity Amendment Act of 2016 (B21-847).” The bill, B21-0724, was introduced on April 29, 2016, and enacted with Act number A21-0603 on January 6, 2017.

“Force of 4,200 – Police Officer Recruitment and Retention Act of 2017” (B22-0041).

This Bill will 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. The bill was introduced on January 10, 2017, and was referred to the Committee on Judiciary and Public Safety.

Reappointment of Trustees Blanchard and Warren

District Council Chairman Phil Mendelson has introduced a resolution reappointing Trustee Lyle M. Blanchard and Trustee Michael J. Warren to the Board.

AUDIT COMMITTEE REPORT

Committee Chair Hankins stated that the Committee met on January 24, 2017, and DCRB's auditors, CliftonLarsonAllen, LLP, presented the fiscal year (FY) 2016 audit results and the preliminary annual financial statements. He then introduced Owen Ward of CliftonLarsonAllen, who provided the following information to Trustees:

Audit Results

Mr. Ward congratulated the Board on achieving a clean, unmodified opinion. He indicated that due to the excellent condition of the data, there were no deficiencies noted in the audit related to internal controls this year.

Committee Chair Hankins then made the following motion:

Motion #5: To approve the FY 2016 audit and preliminary annual financial statements.

The motion was moved by Trustee Hankins and properly seconded by Trustee Tippet. The motion was approved (12-0). (*See Tally #5*)

EXECUTIVE DIRECTOR'S REPORT

Executive Director, Eric Stanchfield, commented on the following topics:

Certification of District Contribution to Fund for FY 2018

On January 12, 2017, letters were sent to Mayor Bowser and Council Chairman Mendelson certifying the amount of the District's contribution to the Teachers' Retirement Fund and the Police Officers and Fire Fighters' Retirement Fund for Fiscal Year 2018.

Actuarial Experience Study

At the March Board meeting, Cavanaugh Macdonald will provide the Board with the results of the actuarial experience study, which covers the period of FY 2010 through FY 2015.

DCRB Newsletter – Police/Fire Edition

At the end of February, DCRB expects to distribute the second edition of the newsletter for police officers and firefighters. This newsletter will introduce the Board's Trustees who were elected by police officers and firefighters, and will include articles about purchasing post-1956 military service, the Social Security Windfall Elimination Provision, and the value of Police/Fire Plan assets from FY 2009 through FY 2016.

Performance and Budget Hearing Dates

Notices of Public Hearings have been published indicating that DCRB's Performance Hearing testimony is scheduled for Monday, March 13, 2017, and its Budget Hearing is scheduled for Tuesday, April 11, 2017.

CHAIRMAN'S COMMENTS

On behalf of Chairman Bress, Vice-Chair Clark commented on the following topics:

Meeting With Council Chairman Mendelson

On January 12, 2017, Chairman Bress, and Trustees Lyle M. Blanchard and Michael J. Warren met with Council Chairman Mendelson to talk about DCRB activities and to provide him with answers to any questions he had. During the meeting, Mr. Mendelson requested copies of recent DCRB newsletters, DCRB's FY 2016 Comprehensive Annual Financial Report (CAFR), and the FY 2016 Audit letters, all of which will be sent to him on January 27, 2017.

February Board Meeting and Election of Officers

Since the January Board meeting was being held so close to the end of the month, Trustees agreed that there would be no meeting in February. With that change, Vice-Chair Clark noted that the election of the Board's officers would take place during the March Board meeting.

DC.GOV Email Addresses for Trustee iPads

In accordance with the Board of Ethics and Government Accountability (BEGA) requirement, Trustees were reminded that they should use their dc.gov email address to conduct all Board business.

Sponsored Activities

DCRB's CAFR includes a Schedule of Trustee Sponsored Activities, where disclosure of meetings, conferences, and the like attended by trustees and where the event sponsor waived

registration fees and covered the cost of travel and/or meals. Trustees were reminded that should they have any such activities to disclose for FY 2016, they should do so as soon as possible.

OTHER BUSINESS

Motion #6: Vice-Chair Clark made a motion to enter into closed session to discuss a personnel matter pursuant to D.C. Code § 2-575(b)(1) and (b)(10).

The motion was moved by Trustee Hankins and properly seconded by Trustee Collins. The motion was approved (12–0). (*See Tally #6*)

Motion #7: Vice-Chair Clark made a motion to return to open session.

The motion was moved by Trustee Collins and properly seconded by Trustee Hankins. The motion was approved (12–0). (*See Tally #7*)

ADJOURNMENT

Vice-Chair Clark introduced a motion to adjourn the meeting.

Motion #8: To adjourn the meeting at 2:30 p.m.

The motion was moved by Trustee Hankins and properly seconded by Trustee Tippet. The motion was approved (12–0). (*See Tally #8*)

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

Tally #1:		Date: January 26, 2017			
To approve the December 15, 2016 Board meeting minutes.					
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.	√				

Tally #2:		Date: January 26, 2017			
To commit up to \$25 million to DivcoWest Fund V, L.P. (real estate), subject to contract negotiations.					
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.	√				

Tally #3:		Date January 26, 2017			
To concur with Meketa and the Chief Investment Officer's recommendation to continue the Board's investment in SteelRiver Infrastructure Fund North America.					
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.	√				

Tally #4:		Date: January 26, 2017			
To delegate to the Executive Director, the authority to approve all necessary efficient travel by the Investment staff to Paris, France to conduct DCRB business in conformance with DCRB's staff travel policy and annual spending authority.					
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.	√				

Tally #5:		Date: January 26, 2017			
To approve the FY 2016 audit and preliminary annual financial statements.					
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.	√				

Tally #6:		Date: January 26, 2017			
To enter into closed session to discuss a personnel matter pursuant to D.C. Code § 2-575(b)(1) and (b)(10).					
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.	√				

Tally #7:		Date: January 26, 2017			
To return to open session.					
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.	√				

Tally #8:		Date: January 26, 2017			
To adjourn the meeting at 2:30 p.m.					
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.	√				