# DISTRICT OF COLUMBIA RETIREMENT BOARD
## BOARD MEETING MINUTES
## MAY 19, 2016
## 10:00 A.M.

**MEMBERS PRESENT**
Joseph W. Clark, Vice-Chair/Secretary
Joseph M. Bress, Chair (electronic participation)
Lyle M. Blanchard
Barbara Davis Blum
Gary W. Hankins
Darrick Ross
Thomas N. Tippett
Michael J. Warren
Jeffrey Barnette, ex officio

**DCRB STAFF PRESENT**
Eric Stanchfield, Executive Director
Sheila Morgan-Johnson
Erie Sampson, General Counsel
Johnetta Bond
Peter Dewar
Anthony Shelborne
Joan Passerino
Leslie King
Patrick Sahm
Michael Xanthopoulos
Adina Dorch
Katie Schultz
Deborah Reaves
Johniece Harris
Wukyanos Gebremeskel

**MEMBERS NOT PRESENT**
Mary A. Collins
Nathan A. Saunders
Edward C. Smith
Lenda P. Washington

**OTHERS PRESENT**
Fred Duball – Hewlett- Packard

DRAFT

## ROLL CALL
On behalf of Chairman Bress, who was attending the meeting electronically, Vice-Chair Clark called the meeting to order at 1:55 p.m., and Ms. Deborah Reaves called the roll.

## APPROVAL OF MINUTES
Vice-Chair Clark introduced a motion to approve the April 17, 2016, Board meeting minutes.

**Motion #1**: To approve the April 17, 2016, Board meeting minutes.

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

## CHAIRMAN'S COMMENTS

Vice-Chair Clark commented on the following topics:

**Committee Assignments for 2016**

Vice-Chair Clark stated that Chairman Bress plans to complete appointments for standing committee Chairs, Vice-Chairs and members by the end of this month. An announcement will be sent out via email toward the end of this month with an updated committee list.

**Strategic Planning Initiatives for 2017 and Beyond**

As noted previously, meetings will be scheduled in June and September to discuss the Board's strategic objectives. An RFP to engage a facilitator will be released shortly. Trustees will receive information next month regarding the date and agenda for the first meeting.

## EXECUTIVE DIRECTOR'S REPORT

Executive Director, Eric Stanchfield, commented on the following:

**Legislative Issues Related to Procurement and CBE Matters**

After many months of discussing the applicability of the Procurement Practices Reform Act (PPRA) of 2010 and the rules related to Certified Business Enterprises (CBE), on May 9, 2016, DCRB's Legal Department received a written memorandum from the District's Office of the Attorney General (OAG) acknowledging that, in their opinion, neither the PPRA, nor the contracting requirements of the Small Local Disadvantaged Business Enterprise Act, apply to DCRB. DCRB Legal will work with D.C. Council staff to draft amendments to properly reflect the application of these laws to DCRB.

**Litigation Update and Proposed Legislative Amendments**

In *Rivera v. Lew, et al*., No. 13-5222 (D.D.C. 2016), the US Court of Appeals for the District of Columbia Circuit dismissed Mrs. Rivera's appeal for lack of prosecution. Mrs. Rivera had requested Treasury and DCRB accept her posthumous QDRO awarding her a survivor annuity. A formal mandate was issued by the court on May 10, 2016, terminating the appeal.

Following DCRB's recent Council oversight hearings testimony, DCRB's Legal Department has been working with DC Council staff to include technical amendments to the Fiscal Year 2017 Budget Support Act of 2016 (B21-669) related to the DC Spouse Equity Act of 1988 and the procurement law noted above. Updates will be provided as changes occur.

**Budget Hearing Testimony Responses**

During the April budget oversight hearing testimony, Council Chairman Mendelson asked a few follow-up questions that required responses. Attached for your information is a copy of the questions he asked and the responses DCRB provided on May 12, 2016.

DRAFT

**Trustee Handbook**
Staff has compiled a Trustee Handbook, which includes the Board Governance Manual and related information and a summary reference sheet to the Open Meetings Act.

## INVESTMENT COMMITTEE REPORT

The Investment Committee met earlier in the day and Committee Chair Blum reported that as of April 30, 2016, the Trust Fund was valued at $6.5 billion, and presented the following proposed motion:

**Motion #2:** To select a non-discretionary investment consultant for all services, subject to contract negotiations.

The motion was properly moved by Trustee Blum and seconded by Trustee Tippett. The motion was approved (8–0). *(See Tally #2)*

## OPERATIONS COMMITTEE REPORT

Committee Chair Ross stated that there is no report, since the Committee did not meet this month.

## BENEFITS COMMITTEE REPORT

The Benefits Committee did not meet this month. On behalf of Committee Chair Smith, Board Vice-Chair Clark reported the following update of activities that occurred since the April Board meeting:

**Retirement Modernization Project - Electronic Transmission of HR Data to Treasury's STAR System**
A STAR change request is in process that will result in improved retirement processing efficiencies and will pave the way for the faster issuance of an annuitant's first pension check. Implementation of this change will: 1) reduce the amount of manual data entry required to create a new retiree record in Treasury's system, 2) reduce data entry errors that impact benefits computations, and 3) expedite the retirement record creation process. In addition, this step will position DCRB for the installation of its own Pension Information Management System (PIMS).

**Benefits Statements**
The Benefits Department has begun discussions with Cavanaugh Macdonald (Cavanaugh) related to the development and distribution of benefits statements to active members. To begin this project, the Benefits Department elected to use firefighters as a pilot group, with police and teachers to follow. More information about the project will be provided, including a timeline and completion date, following our next few discussions with Cavanaugh.

**Benefits Community of Interest Meeting**
The second meeting of the Benefits Community of Interest will be held at DCRB on May 20, 2016. Agenda items are listed in the Benefits Committee Report.

## LEGISLATIVE COMMITTEE REPORT

Committee Chair Blanchard noted the following activities of interest since the April Board Meeting.

**B21-669, Fiscal Year 2017 Budget Support Act of 2016**
Committee Chair Blanchard noted that the District Council met on May 17, 2016, for first vote on the Act and will meet again on the first Tuesday of next month, June 7.

## AUDIT COMMITTEE REPORT

Committee Chair Hankins stated that there is no report, since the Committee did not meet this month.

## OTHER BUSINESS

None.

## ADJOURNMENT

**Motion #3:** Vice-Chair Clark introduced a motion to adjourn the meeting at 2:19 p.m.

The motion was properly moved by Trustee Hankins and seconded by Trustee Tippett. The motion was approved (8–0). *(See Tally #3)*

DRAFT

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

| Tally #1: | | | Date: May 19, 2016 | | |
|---|---|---|---|---|---|
| To approve the April 21, 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: May 19, 2016 | | |
|---|---|---|---|---|---|
| To select a non-discretionary investment consultant for all services, 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. | | | | | √ |

DRAFT

| Tally #3: | | | Date: April 21, 2016 | | |
|---|---|---|---|---|---|
| To adjourn the meeting at 2:19 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. | | | | | √ |

DRAFT