



DISTRICT OF COLUMBIA RETIREMENT BOARD
MEETING MINUTES
JANUARY 23, 2014
11:00 AM

MEMBERS PRESENT

Joseph M. Bress
Lyle M. Blanchard
Barbara Davis Blum
Diana K. Bulger
Gary W. Hankins
Judith C. Marcus
Darrick O. Ross
Nathan A. Saunders
Michael J. Warren
Thomas N. Tippett
Jeffrey Barnette, Ex-Officio

DCRB STAFF PRESENT

Eric Stanchfield
Tom Anderson
Erie Sampson
Sheila Morgan-Johnson
Johnetta Bond
Daniel Hernandez
Peter Dewar
Corinne Koch
Leslie King
Patrick Sahn
Susan Scrapper
Michael Xanthopoulos
Deborah Reaves
Yolanda Smith
Robin Chester
Nina Bridgers
Denise McSears

MEMBERS NOT PRESENT

Edward C. Smith

OTHERS PRESENT

Brenda Mathis, OCFO
John Henry, OCFO
Daniel Michon, Recording Services
Hazel Bradford, Pension and Investment
Owen Ward, CliftonLarsonAllen LLP

ROLL CALL

Chairman Bress called the meeting to order at 11:40 a.m. Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Motion #1: Chairman Bress moved to approve the Board meeting minutes for December 19, 2013. The motion was properly seconded and unanimously passed.

CHAIRMAN'S COMMENTS

Chairman Bress updated the Board on his meeting with Council Chairman Mendelson regarding the Fossil Fuel Divestment Act of 2013.

Chairman Bress announced that elections for Board Officer will be held next month and a new retired teacher Trustee, Mary Collins, will be joining the Board. Chairman Bress also reminded the Board that fiduciary training will occur in April.

EXECUTIVE SESSION

Motion #2: Chairman Bress moved to enter into Executive Session at 11:44 am. A voice vote was called and the motion was approved 10-0.

Motion #3: Chairman Bress moved to return to open session at 12:30 pm. A voice vote was called and the motion was approved 10-0.

EXECUTIVE DIRECTOR'S REPORT HIGHLIGHTS

Mr. Stanchfield presented the following information to the Board:

- DCRB will be issuing a request for proposal for actuarial audit services within the next few months.
- The DC Office of Boards and Commissions contacted DCRB regarding candidates for the currently vacant Mayoral-Appointed Trustee. DCRB forwarded them information on former trustee, Mr. Joseph Clark
- DCRB received the first round of performance questions from Council Chairman Mendelson on January 15th.
- The construction of DCRB's office space on the 2nd floor is progressing as planned.
- In the area of human resources, staff vacancies are beginning to be filled and all eligible staff received FY14 pay increases.

GENERAL COUNSEL REPORT HIGHLIGHTS

Ms. Sampson presented highlights of the report, which included information on the following litigations:

- Rivera v. The District of Columbia Retirement Board and The U.S. Department of the Treasury (Case No. 13-5222 (BJR))
- Tribune Company Fraudulent Conveyance Litigation, Case No. 11 MD 2296(RJS)/Case No. 12 MD 2296(RJS)
- California State Teachers Retirement System v. Vivendi

Ms. Sampson reminded the Board about upcoming fiduciary and ethics training in the future months. Ms. Sampson also indicated that Financial Disclosure Forms should be submitted at the April Board meeting.

INVESTMENT COMMITTEE REPORT HIGHLIGHTS

The investment committee met prior to the Board meeting and the committee Chair Ms. Blum presented the Board with three motions:

Motion #4: To conduct a replacement search for one manager and that the Board remain invested in that manager while the search is being conducted.

The motion was seconded by Mr. Tippet. A vote was called and the motion was approved 10-0.

Motion #5: To change the DCRB Energy Benchmark to the Cambridge Associates Energy Upstream & Royalties and Private Equity Energy Index from Cliffwater Private Energy Index.

The motion was properly seconded and a voice vote was called. The motion was approved 10-0.

Motion #6: To approve one addition to the Real Assets & Private Equity Forward Calendar.

The motion was seconded by Mr. Tippett. A vote was called and the motion was approved 10-0.

BENEFITS COMMITTEE REPORT HIGHLIGHTS

Mr. Bress referred the Board to the Benefits Report in the packet and highlighted the following items:

- Business Process Reengineering (BPR) is progressing as planned and most of the STAR training for staff in their new roles occurred on Wednesday, December 18th. Training on the student certification process for staff in new roles has been tentatively scheduled for January 30th.
- As noted in the last report, ODCP has indicated that contractors will soon be secured to begin work on the COLA Lookback project.
- In the first week of January 2014, the DC health insurance plan, Aetna Open Access HMO, sent a letter to current plan participants indicating that there would be a name change of the plan and that new insurance cards would be mailed to policy holders. DCRB estimates that 188 members were affected.

LEGISLATIVE COMMITTEE REPORT HIGHLIGHTS

Mr. Blanchard referred the Board to the Benefits Report in the packet. The report included information on the following items:

- B20-623, "Police Officer and Firefighter Retention and Wage Fairness Act of 2013"
- B20-624, "Public School Teachers Income Exclusion Act of 2013"
- B20-627, "Post-Employment Benefits Trust Fund Jurisdiction Amendment Act of 2013"
- B20-631, "Pension or Other Retirement Income Exclusion from Income Tax Amendment Act of 2013"

OPERATIONS COMMITTEE REPORT HIGHLIGHTS

DCRB's auditor, Owen Ward, CliftonLarsonAllen LLP, presented the January 2014 Independent Auditors' Report to the Board.

EXECUTIVE SESSION

Motion #7: To enter executive session to discuss the Auditor's Report and Management Letter.

A voice vote was called and the motion was approved 10-0.

Motion #8: Chairman Bress moved to return to open session at 1:20 pm.

The motion was properly seconded and unanimously passed.

OTHER BUSINESS

Motion #9: Chairman Bress moved to establish an Audit Committee.

Mr. Warren seconded the motion. A voice vote was called and the motion was approved 10-0.

ADJOURNMENT

Motion #10: Chairman Bress moved to adjourn the meeting at 1:35 p.m.

The motion was properly seconded and unanimously passed.

DRAFT