



DISTRICT OF COLUMBIA RETIREMENT BOARD
BOARD MEETING MINUTES
JUNE 19, 2014
1:00 PM

MEMBERS PRESENT

Joseph M. Bress
Barbara Davis Blum
Joseph W. Clark
Mary A. Collins
Darrick O. Ross
Nathan A. Saunders
Edward C. Smith
Thomas N. Tippett
Lenda P. Washington

DCRB STAFF PRESENT

Eric Stanchfield, Executive Director
Sheila Morgan-Johnson
Tom Anderson
Johnetta Bond
Daniel Hernandez
Anthony Shelborne
Peter Dewar
Leslie King
Camille Castro
Deborah Reaves
Wukyanos Gebremeskel
Johniece Harris
Nina Bridgers

MEMBERS NOT PRESENT

Lyle M. Blanchard
Gary W. Hankins
Michael J. Warren
Jeffrey Barnette, Ex-Officio

OTHERS PRESENT

Augustin Traore, DCRB Contractor

ROLL CALL

Chairman Bress called the meeting to order at 1:14 pm. Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Chairman Bress introduced the motion to approve the May 15, 2014, Board meeting minutes. The motion was moved by Mr. Tippett and was properly seconded.

Motion #1: To approve the May 15, 2014, Board meeting minutes.

The motion was approved 5-0, with four abstentions. (*See Tally #1*)

CHAIRMAN'S COMMENTS

Chairman Bress welcomed back Lenda Washington and Joseph Clark to the Board of Trustees.

Chairman Bress made the following committee assignments:

- Audit: Mr. Hankins (Chair) and a vice chair member was not assigned
- Benefits: Mr. Smith (Chair) and Mr. Saunders (Vice-Chair)
- Fiduciary: Mr. Clark (Chair) and a vice chair member was not assigned
- Legislative: Mr. Blanchard (Chair) and a vice chair member was not assigned

- Operations: Mr. Ross (Chair) and Ms. Collins (Vice-Chair)
- Investments: Ms. Blum (Chair) and Mr. Warren (Vice-Chair)

For the full list of committee assignments, please refer to written Chairman's Comments.

Chairman Bress thanked the Trustees for their interest and commitment in serving on the subcommittees. He also noted that the Strategic Planning committee, with the creation of the Audit committee, has been eliminated and its duties and responsibilities have been transferred to the Benefits and Operations committees.

Chairman Bress noted that as a result of many Trustees having interests in attending conferences or education sessions, there will be a new policy of reimbursement and compensation in order to comply with best practice standards of the newly created Audit committee. To be consistent with best practices, and to relieve the DCRB staff of duties, Chairman Bress will review and act on all Trustee requests for travel and reimbursement. The Board will continue to act on approval of any reimbursement for travel that is offered by a provider of a conference to determine if there is a conflict. Mr. Bress will consult with Mr. Warren (Board Secretary) to act upon his own travel requests to ensure a check and balance. If any Trustee has a request for travel or reimbursement they should email the Chairman of the Board or Deborah Reaves for consideration.

EXECUTIVE DIRECTOR'S REPORT HIGHLIGHTS

Mr. Stanchfield presented the following information to the Board:

- FY 2013 CAFR (Comprehensive Annual Financial Report) publication is now available. An electronic version is also available on DCRB's website at www.dcrb.dc.gov.
- The Board Portal Project began June 4, 2014 and is being managed by Mobomo LLC. This project focuses on improving the process of generating Board package materials by migrating from the use of standard paper documents to digital documents. Trustees will be asked to help pilot the project and DCRB staff will be interviewed for creative input. The expected launch date for the project is slated for the fall.
- Mandatory Ethics training: DCRB Staff is required to attend a yearly ethics training session which will be provided this year by the Director of Government Ethics with the Board of Ethics & Government Accountability. A number of changes have been implemented, such as the regulations on political contributions and the Hatch Act. DCRB will also invite the Director of Government Ethics to speak before the Board to address the Board's responsibilities on lobbying, among other key points, and how the ethics codes affect DCRB Board members.
- Background Checks: DCRB will be coordinating with the Metropolitan Police Department to conduct background checks for new employees, as well as new contractors.
- CAPPP (Certificate of Achievement in Public Pension Policy): On behalf of DCRB, the International Foundation will conduct (2) two-day training programs for DCRB managers that will introduce legal and legislative compliance and fiduciary duties on investment

management and administrative issues. In-house sessions will occur in September and October. DCRB's HR and Legal departments will handle registration for our Trustees.

- New Employee: DCRB has filled the Staff Attorney vacancy and welcomed Camille Castro.
- National Institute of Retirement Security (NIRS) will host a webinar on Thursday, June 26th at 3 PM ET.
- Chairman Phil Mendelson's office has requested information from DCRB and the Police and Firemen's Retirement and Relief Board on Board Member compensation, dating back to the last three years. DCRB has begun collecting data to assist with the inquiry.

INVESTMENT COMMITTEE REPORT

The Investment Committee Chair, Ms. Blum, stated that there was no report for June, and the next meeting will take place in July. Ms. Blum reminded the Board that both the Investment and the Board meetings for September 18, 2014, will be rescheduled for Wednesday, September 17, 2014.

OPERATIONS COMMITTEE REPORT

The Operations Committee Chair, Mr. Ross, stated that the committee did not meet this month and that there is no report for June. The next meeting is scheduled for July.

BENEFITS COMMITTEE REPORT

The Benefits Committee Chair, Mr. Smith, presented the Board with the following report:

- The Benefits Committee did not meet in June. The next meeting is scheduled in July.
- COLA Look-Back Error and 80% Maximum Benefit Publication Error: In preparation for the next Benefits Committee Meeting, DCRB Staff will review ODCP's data and the financial impact on the Fund and the members. The 2009 correction policy will also be reviewed and updated. This approach will be discussed with outside legal counsel to consider the ramifications of these issues, and in order to recommend a statute of limitations for errors.
- Charter School Communications: DCRB Staff has been working with the Charter School Board to improve communications for the charter schools regarding eligibility reporting requirements for former DCPS employees.
- The vice-chair of the Benefits Committee, Mr. Saunders, inquired about the expectations of former DCPS employees that have remained members, as well as DCPS employees that work in charter schools who aren't being communicated with and are not in the program.
- Ms. Johnetta Bond, Chief Benefits Officer, informed the Board that she met with the Charter School representatives on June 9th, and provided them with information on how to communicate with former DCPS employees who were hired by the charter schools. There are many employees who have transitioned to charter schools who may have decided to opt out of participating due to the lack of adequate information. DCRB has

developed materials to bridge the gap for communications between Charter School Administrators and DCPS employees when they enter or leave Charter School employment. Ms. Leslie King, Sr. Counsel, clarified the eligibility requirements by stating current DCPS employees who were in the Teachers' Retirement Plan are eligible to continue in the Plan when they become Charter school employees.

LEGISLATIVE COMMITTEE REPORT

In Chairman Blanchard's absence, Mr. Bress reported the following:

- The OPEB Trust Fund Jurisdiction Amendment includes the establishment of an advisory committee that would include one DCRB trustee or one of its professional staff members to advise the District's Office of the Chief Financial Officer. This opportunity was granted by Chairman Mendelson's committee based on the recognition of DCRB.
- The Retirement Parity Act would institute an employer matching program to the District's 457(b) plan, and increase District 401(a) plan contributions from 5% to 7%. Councilmember Jack Evans introduced this bill on May 29, 2014. The bill has been referred to the Committee on Finance and Revenue.

Chairman Bress made the following motion:

Motion #2: To approve the Audit Committee Charter with the following amendments: 1) that the Audit Committee Charter will be reviewed every two years or as necessary by the Board; and 2) An appointed Audit Committee member shall only be removed by the Board as a whole and not by the Chair alone.

The motion was properly seconded and a vote was called. The motion was approved 9-0.
(See Tally #2)

OTHER BUSINESS

- Mr. Saunders requested from the Board to improve the technology of the calendar requests when Trustees are using other devices. DCRB's IT department will review the compatibility issue and address the issue through the use of improved configurations.
- Fitch Report: Mr. Stanchfield mentioned that this report highlights the comparison of equalized pension funds at a 7% assumption. DCRB uses 6.5% assumption which conveys a more conservative funded pension system.

ADJOURNMENT

Motion #3: Chairman Bress introduced the motion to adjourn the meeting at 1:46 p.m.

The motion was moved by Mr. Tippet and seconded by Ms. Collins. A vote was called and the motion was approved 9-0. (See Tally #3)

DISTRICT OF COLUMBIA RETIREMENT BOARD

RECORD OF OFFICIAL BOARD ACTIONS

Tally #1			Date: June 19, 2014		
To approve the May 15, 2014, 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.	√				
Washington, Lenda P.			√		
Warren, Michael J.					√

Tally #2			Date: June 19, 2014		
To approve the Audit Committee Charter with the following amendments: 1) that the Audit Committee Charter will be reviewed every two years or as necessary by the Board; and 2) An appointed Audit Committee member shall only be removed by the Board as a whole and not by the Chair alone.					
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.	√				
Washington, Lenda P.	√				
Warren, Michael J.					√

Tally #3		Date: June 19, 2014			
To adjourn the meeting at 1:46 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.	√				
Washington , Lenda P.	√				
Warren, Michael J.					√