



District of Columbia Retirement Board

Budget Oversight Hearing

Statement of

Lyle M. Blanchard, Trustee

District of Columbia Retirement Board

Before the

Council of the District of Columbia

Committee of the Whole

April 17, 2015

Good afternoon, Chairman Mendelson and members of the Council of the District of Columbia Committee of the Whole. I am Lyle M. Blanchard, Trustee of the District of Columbia Retirement Board (DCRB).

I am pleased to be here today to provide a brief overview of DCRB's Fiscal Year 2016 Budget and to introduce DCRB's Executive Director, Eric Stanchfield. Mr. Stanchfield will highlight our current and upcoming initiatives aimed at achieving our strategic goals during FY 2015 as well as give more information regarding our FY 2016 budget. Ed Koebel, of Cavanaugh Macdonald, our independent actuary, is also here to answer any questions you may have on the Fiscal Year 2016 Certified District Contribution to the District of Columbia Teachers' Retirement Fund and the District of Columbia Police

Officers and Firefighters' Retirement Fund (collectively referred to as the "Fund").

DCRB's budget is fully supported by the Fund, which includes the investment earnings, the employer and employee contributions, and reimbursements received from the U.S.

Department of the Treasury (for DCRB's administration of the frozen federal plans).

DCRB's FY 2016 Budget is \$32.3 million and 62.6 full-time employees (FTEs), an increase of about \$2 million and 5.0 FTEs from the FY 2015 level. As Mr. Stanchfield will discuss in greater detail, these changes are primarily the result of the Board's Retirement Modernization Program.

I'm pleased to report that as of October 1, 2014, the beginning of Fiscal Year 2015; DCRB is a fully funded retirement system. In addition, we continue to make progress in

our efforts to create a comprehensive retirement system that serves the needs of our members.

I would also like to mention an award DCRB continues to receive each year. During Fiscal Year 2014, DCRB was among a select number of public systems to receive the Public Pension Coordinating Council's Recognition Award for Funding, demonstrating the agency's "high level of plan design, funding, member communications and administrative practices."

As a Council appointed member of DCRB's Board of Trustees, I want to thank you, Chairman Mendelson, and this Committee, for your continued support. We look forward to working with this Committee and the Council as DCRB works to fulfill its fiduciary and administrative responsibilities.

Eric Stanchfield, DCRB's Executive Director, will now provide you with information about the initiatives that support DCRB's mission, our goals, and our FY 2016 Budget.