



**DISTRICT OF COLUMBIA RETIREMENT BOARD  
MEETING MINUTES  
MARCH 21, 2013  
1:00 PM**

**MEMBERS PRESENT**

Joseph M. Bress, Chairman  
Lyle M. Blanchard  
Barbara Davis Blum  
Diana K. Bulger  
James E. Bunn  
Nathan Saunders (arrived 1:50 pm)  
Edward C. Smith (departed 2:00 pm)  
George R. Suter  
Thomas N. Tippett  
Jeffrey Barnette, ex-officio

**DCRB STAFF PRESENT**

Eric Stanchfield, Executive Director  
Erie Sampson, General Counsel  
Sheila Morgan-Johnson  
Joan Passerino  
Daniel Hernandez  
Corinne Koch  
Peter Dewar  
Leslie King  
Katie Schultz  
Rabinai Carson  
Nina Bridgers

**MEMBERS NOT PRESENT**

Judith C. Marcus  
Darrick O. Ross  
Michael Warren

**OTHERS PRESENT**

Brenda Mathis, OCFO  
Viola Davies, WMATA  
James A. Pankey, WMATA  
Ron Saathoff, International Association of Fire  
Fighters

**ROLL CALL**

Chairman Bress called the meeting to order at 1:40 p.m. Ms. Rabinai Carson called the roll.

**APPROVAL OF MINUTES**

Ms. Bulger made the following motion, which was seconded by Mr. Blanchard:

**Motion #1:** To approve the February 21, 2013 Board meeting minutes. *A voice vote was called and the motion was approved 6-0, with two abstentions.*

**CHAIRMAN'S COMMENTS**

Chairman Bress updated the Board on the following items:

- April Board Meeting: The next Board Meeting will be held on Thursday, April 25, 2013, at 10:00 a.m. There will be no Investment Committee meeting for the month of April. The next Investment Committee Meeting will be held on May 16, 2013.
- Board Retreat: Plans are being made for a Board retreat with Meketa in June. Trustees should contact staff about their availability.

- Projection Study: Cavanaugh Macdonald is preparing a draft of the Projection Study, which should be ready by the end of the month.
- Committee Chair and Vice Chair Assignments: A committee sign-up sheet will be circulated. Under the Board rules, a Trustee may serve on no more than two standing committees (not including the Investment Committee and the Fiduciary Committee). The Chair and Vice Chair assignments are as follows:

<b>Operations Committee</b>	<b>Benefits Committee</b>	<b>Strategic Planning</b>
Chair: Darrick Ross	Chair: George Suter	Chair: Judith Marcus
Vice Chair: Thomas Tippet	Vice Chair: Ed Smith	Vice Chair: James Bunn
<b>Legislative Committee</b>	<b>Investment Committee</b>	<b>Fiduciary Committee</b>
Chair: Lyle Blanchard	Chair: Barbara Davis Blum	No Chair will be appointed. This will be a Committee of the Whole.
Vice Chair: Diana Bulger	Vice Chair: Michael Warren	

- Conference Travel Report: Trustees should complete the Conference Travel Report that was included in the travel package. It should be submitted to Rabi Carson when Trustees report for the next meeting.

### **EXECUTIVE DIRECTOR’S REPORT**

Mr. Stanchfield updated the Board on the following items:

- D.C. Council Testimony:
  - *DCRB Performance Hearing*: Councilmember Phil Mendelson, Chair of the Committee of the Whole, held a performance oversight hearing on March 12th. Lyle Blanchard represented the Board, Eric Stanchfield and Joan Passerino represented staff, and Ed Koebel from Cavanaugh MacDonald was in attendance and answered questions regarding information on contribution rates. Trustees Nathan Saunders and Ed Smith attended the hearing and provided testimony. Other trustees in attendance were Diana Bulger, James Bunn, and Jeffrey Barnette. Mr. Stanchfield noted that staff anticipates that many specific financial and budget-related questions will be asked at DCRB’s budget hearing.
  - *DCRB Budget Hearing*: On Thursday, April 18th at 10am in room 412, the Committee of the Whole is scheduled to hold a hearing on the FY14 DCRB Budget.
- Board Items: The Operations Committee will need to meet before the scheduled DCRB April 18th budget hearing to discuss items that were raised at the March 12th DCRB performance hearing.
- Pension Articles: Mr. Stanchfield updated the Board on the following articles:
  - “*D.C.’s Budget Picture Isn’t As Pretty As It Seems*” (3/7/13) and “*D.C.’s Pensions Are Looking Pretty*” (3/11/13); the Washington Post.
  - “*Cities Squeezed by Pension and Retiree Health Care Shortfalls*” (March 2013); the Pew Center for the States Cities ([www.pewstates.org/cities](http://www.pewstates.org/cities)).
  - “*Wisconsin Public Pension Works to Spread the Cheddar*” (March 2013); InstitutionalInvestor.com.
  - “*Workers Savings Too Little to Retire*” (3/19/13); the Wall Street Journal.
- Current Procurements: Benefits Staff Training – A Request for Proposal (RFP) was issued this month to secure training services for the Benefits staff which includes Microsoft Word 2010, Microsoft Excel 2010, business communications, and customer

service; and, HR Data Technicians. An invitation for bids (IFB) for a vendor to provide qualified temporary Human Resources/Data Technicians to review and enter human resource information into the PeopleSoft System was re-released to secure up to four (4) temporary Human Resources/Data Technicians for the Data Reclamation project.

- DCRB Human Resources: Job Postings - DCRB is recruiting for a Staff Attorney and Controller; see <http://dcrb.dc.gov/newsroom/job-announcements>. Departures – Kevin Green, Sr. Procurement Specialist, and Marquetta Miller, Clerical Assistant, are no longer employed at DCRB.

### **GENERAL COUNSEL’S REPORT**

Ms. Erie Sampson, General Counsel, reported on the following items:

- Financial Disclosure Forms: They were included in the meeting materials. Trustees may also request the forms as PDFs they may fill out on a computer and email back. The forms are due back by April 30, 2013.

### **INVESTMENT COMMITTEE**

There was no Investment Committee Report brought before the Board.

The following motion was made by Ms. Blum, and seconded by Ms. Bulger:

**Motion #2:** To authorize staff to release an RFP for a transaction cost consultant. *A voice vote was called and the motion was approved 9-0.*

The following motion was made by Ms. Blum, and seconded by Mr. Bunn:

**Motion #3:** This motion is redacted pursuant to DC Code §§ 2-575(b)(1) and 1-909.05(e) and (f) because public disclosure of the Motion would jeopardize DCRB’s ability to implement the motion or to achieve the investment objectives. *A voice vote was called and the motion was approved 9-0.*

The following motion was made by Ms. Blum, and seconded by Ms. Bulger:

**Motion #4:** To commit \$20 million to Riverside Capital Appreciation Fund VI (RCAF VI), a private equity investment, subject to contract negotiations. *A voice vote was called and the motion was approved 9-0.*

The following motion was made by Ms. Blum, and seconded by Mr. Bunn:

**Motion #5:** To approve the addition to the Private Equity Forward Calendar. *A voice vote was called and the motion was approved 9-0.*

### **BENEFITS COMMITTEE REPORT**

Mr. Suter, the Benefits Committee Chair, updated the Board on the following committee items:

- Business Process Reengineering (BPR): Earlier this year, Linea Solutions conducted a skills assessment of DCRB’s Benefits staff. The overall results were discussed with staff and individual assessments were returned to staff members on March 5. Training for staff, based on test results, is expected to begin in May. The training will address gaps in

skill levels that will be needed for Benefits staff to operate successfully in the reorganized Benefits Department structure. The new structure was suggested by Linea following its review of the current structure, existing procedures and workflows, and in light of DCRB's strategic goals. The new Benefits Department structure will include benefits administration activities previously performed by staff at Treasury, the Police Officers and Firefighters' Retirement & Relief Board, and other District agencies. Concurrently, job descriptions created for the new structure are being graded, and Benefits employees will be placed into appropriate positions based on the required knowledge and experience needed for the jobs, and in light of training results.

- Data Reclamation Project: The project is currently within its projected overall schedule and is under budget. Work continues on planning for employee service and contribution data clean-up tasks by identifying data trends, quantifying potential data issues, and recommending necessary steps to correct active employee information. Within the past two months, the project team has met with all stakeholders to further understand employee records, employee data, Plan rules, and historic payroll and HR systems where the data reside. DCRB and its partners are now refining a data correction plan and onboarding additional technical/HR staff to complete the active employee data review. OCTO continues to provide DCRB with access to PeopleSoft member data through a web-based portal. Deliverables are currently being drafted for the third quarter of this fiscal year, which includes proactive ways to assure data quality, such as systems scans and edits, further data analysis, and delivery of active data to DCRB.
- Summary Plan Descriptions (SPDs): Treasury has completed its review of the SPDs, and DCRB's final review is nearing an end as well. DCRB expects to return both booklets to the consultant for updating by March 20<sup>th</sup>, after which, DCRB will proof the booklets and then release them for printing. It is anticipated that the booklets will be distributed to members around the end of April.
- 2013 Cost-of-Living Adjustments (COLAs): The 1.7% COLAs applicable to the Police/Fire and Teachers' Plan annuitants and survivors have been entered into STAR and will be included in annuity payments beginning April 1, 2013.

*There were no action items brought before the Board by this committee.*

### **LEGISLATIVE COMMITTEE REPORT**

Mr. Blanchard, Legislative Committee Chair, updated the Board on the following items:

- B20-64, "Teachers' Retirement Amendment Act of 2013": A public hearing will be held by the Committee of the Whole on Friday, April 26th at 12:30pm in room 120.

Discussion: Mr. Saunders noted that it was the Washington Teachers' Union (WTU) that put together the teacher retirement legislation. He also noted that an actuarial study will be requested, and WTU will pay for the study. He also noted that DCRB staff, including the entire Benefits management team, will be attending a retirement seminar this evening. About 210 teachers have already registered for the seminar.

*There were no action items brought before the Board by this committee.*

### **OPERATIONS COMMITTEE REPORT**

This was no written report to be presented to the committee.

*There were no action items brought before the Board by this committee.*

**OTHER BUSINESS**

There was no other business to be discussed by the Board.

**ADJOURNMENT**

**Motion #6:** Mr. Tippett moved to adjourn the meeting at 1:05 p.m. Ms. Bulger seconded the motion. *A voice vote was called and the motion was approved 8-0.*

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

Motion #1		Date: March 21, 2013			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis			√		
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Bunn, James E.	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Saunders, Nathan					√
Smith, Edward C.			√		
Suter, George R.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

Motion #2		Date: March 21, 2013			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Bunn, James E.	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Suter, George R.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

Motion #3			Date: March 21, 2013		
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Bunn, James E.	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Suter, George R.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

Motion #4			Date: March 21, 2013		
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Bunn, James E.	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Suter, George R.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

Motion #5		Date: March 21, 2013			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Bunn, James E.	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.	√				
Suter, George R.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√

Motion #6		Date: March 21, 2013			
Members	Aye	Nay/ Oppose	No Vote/ Abstain	No Vote/ Recuse	Absent
Blanchard, Lyle M.	√				
Blum, Barbara Davis	√				
Bress, Joseph M.	√				
Bulger, Diana K.	√				
Bunn, James E.	√				
Marcus, Judith C.					√
Ross, Darrick O.					√
Saunders, Nathan	√				
Smith, Edward C.					√
Suter, George R.	√				
Tippett, Thomas N.	√				
Warren, Michael J.					√