

BOARD MEETING MINUTES DECEMBER 17, 2009

MEMBERS PRESENT

DARRICK O. ROSS, CHAIRMAN
LYLE M. BLANCHARD
BARBARA DAVIS BLUM
JOSEPH M. BRESS
DIANA K. BULGER
JOSEPH W. CLARK
DEBORAH HENSLEY
JUDITH C. MARCUS
EDWARD C. SMITH
GEORGE R. SUTER
THOMAS N. TIPPETT

DCRB STAFF PRESENT

ERIC STANCHFIELD, EXECUTIVE DIRECTOR
ERIE SAMPSON, GENERAL COUNSEL
THOMAS ANDERSON
SHEILA MORGAN-JOHNSON
JOAN PASSERINO
LESLIE KING
STEVEN HOWSER
SUE SCRAPPER
DONNIE BRYANT
DEBORAH REAVES
SHARON JEFFRIES
SEBASTIAN PODESTA
YOLANDA SMITH

MEMBERS NOT PRESENT

MICHAEL J. WARREN
LASANA MACK, EX-OFFICIO

OTHERS PRESENT

BRENDA MATHIS, OCFO

ROLL CALL

Chairman Ross called the meeting to order at 10:17 a.m. Ms. Deborah Reaves called the roll.

APPROVAL OF MINUTES

Chairman Ross made the following motion, which was seconded:

Motion #1: To approve the November 19, 2009, Open Board Meeting minutes as revised. The motion was approved by a voice vote of 10-1 abstention.

INVESTMENT COMMITTEE REPORT

The Investment Committee Chair, Ms. Blum, did not have any action items to report.

OPERATIONS COMMITTEE REPORT

The Operations Committee Chair, Mr. Clark, discussed the DCRB 401(a) Supplemental Retirement Plan (the "401(a) Plan"). Mr. Clark proposed a resolution that the Board adopt a supplemental money purchase plan. The resolution was seconded, approved by a voice vote of 11-0.

Resolution #1: To approve the resolution to adopt a supplemental money purchase plan.

Mr. Podesta, Budget Analyst, gave a presentation on the DCRB FY 2011 budget. Highlights included:

- DCRB proposed personnel budget has increased with the expectancy to fill all vacancies during the FY 2011.
- Investment fees are expected to decline reflecting market conditions.
- DCRB's funding percentage is expected to increase based on the FY 2010 MOU with Treasury's Office of DC Pensions.
- The multi-year DCRB Retirement Information System remains a significant part of the operations and is scheduled to continue through FY 2011.
- Estimated STAR costs are projected to increase due to system upgrades.
- Recurring operational expenses are expected to decline because of greater efficiency and more accurate estimates.

Mr. Clark made the following motions, which were seconded:

Motion #2: To approve the FY 2011 Operating Budget. A voice vote was called and the motion was approved 11-0.

Motion #3: To adopt the certified District contribution as presented in the actuarial valuation report as of October 1, 2009, for FY 2011 contributions. A voice vote was called and the motion was approved 11-0.

Mr. Clark informed the Board that the Elections Taskforce conducted the retired teacher election and that written certified results are final. Ms. Marcus was re-elected as the retired teacher trustee.

Motion #4: To certify the results of the Retired Teacher election. A voice vote was called and the motion was approved 11-0.

BENEFITS COMMITTEE REPORT

The Benefits Committee Chair, Mr. Suter, directed the trustees to the written committee report. He deferred to Sue Scrapper, Program Manager, for comments on the Data Access and Reclamation Project.

Mr. Suter introduced DCRB's revised Debt Collection Policy, which sets forth the underlying correction principles for DCRB to correct and collect District benefit payments and other debts. The policy follows the requirements under the IRS's Employee Plans Correction Resolution System and is consistent with Treasury's correction and collection procedures.

Mr. Suter introduced the following motion, which was seconded and approved by a voice vote of 11-0:

Motion #5: To adopt a Policy Statement Governing the Correction and Collection of District Benefit Payments and Other Debts.

LEGISLATIVE COMMITTEE REPORT

There was no Legislative Committee Report.

Motion #6: Chairman Ross made a motion to enter into executive session (D.C. Code § 1-909.05 (e), (f)) at 11:50a.m. The motion was seconded and approved by a voice vote of 11-0.

Motion #7: Chairman Ross made a motion to return to open session at 12:27 p.m. The motion was seconded and approved by a voice vote of 11-0.

ADJOURNMENT

Motion #8: Chairman Ross moved to adjourn the meeting at 12:55 p.m. The motion was seconded and approved by a voice vote of 11-0.

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

| MOTION #1 | | | DATE: DECEMBER 17, 2009 | | |
|--|-----|----------------|-------------------------|--------------------|--------|
| To approve the November 19, 2009, Open Board Meeting minutes as revised. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | | | √ | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |

| MOTION #2 | | | DATE: DECEMBER 17, 2009 | | |
|--|-----|----------------|-------------------------|--------------------|--------|
| To approve the resolution to adopt a supplemental money purchase plan. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | √ | | | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |

| MOTION #3 | | | DATE: DECEMBER 17, 2009 | | |
|--|-----|----------------|-------------------------|--------------------|--------|
| To approve the FY 2011 Operating Budget. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | √ | | | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |

| MOTION #4 | | | DATE: DECEMBER 17, 2009 | | |
|--|-----|----------------|-------------------------|--------------------|--------|
| To adopt the certified District contribution as presented in the actuarial valuation report as of October 1, 2009 for FY 2011 contributions. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | √ | | | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |

| MOTION #5 | | | DATE: DECEMBER 17, 2009 | | |
|---|------------|------------------------|-----------------------------|----------------------------|---------------|
| To certify the results of the Retired Teacher election. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | √ | | | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |

| MOTION #6 | | | DATE: DECEMBER 17, 2009 | | |
|---|------------|------------------------|-----------------------------|----------------------------|---------------|
| To adopt the Policy Statement Governing the Correction and Collection of District Benefit Payments and Other Debts. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | √ | | | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |

| MOTION #7 | | | DATE: DECEMBER 17, 2009 | | |
|--|------------|------------------------|-----------------------------|----------------------------|---------------|
| Chairman Ross made a motion to enter executive session at 11:50am. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | √ | | | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |

| MOTION #8 | | | DATE: DECEMBER 17, 2009 | | |
|---|------------|------------------------|-----------------------------|----------------------------|---------------|
| Chairman Ross made a motion to return to open session at 12:27 p.m. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | √ | | | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |

| MOTION #9 | | | DATE: DECEMBER 17, 2009 | | |
|---|------------|------------------------|-----------------------------|----------------------------|---------------|
| Chairman Ross moved to adjourn the meeting at 12:55 p.m. The motion was seconded. | | | | | |
| MEMBERS | AYE | NAY/ OPPOSE | NO VOTE/ ABSTAIN | NO VOTE/ RECUSE | ABSENT |
| ROSS, DARRICK O. | √ | | | | |
| BLANCHARD, LYLE M. | √ | | | | |
| BLUM, BARBARA DAVIS | √ | | | | |
| BRESS, JOSEPH M. | √ | | | | |
| BULGER, DIANA K. | √ | | | | |
| CLARK, JOSEPH W. | √ | | | | |
| HENSLEY, DEBORAH | √ | | | | |
| MARCUS, JUDITH C. | √ | | | | |
| SMITH, EDWARD C. | √ | | | | |
| SUTER, GEORGE R. | √ | | | | |
| TIPPETT, THOMAS N. | √ | | | | |
| WARREN, MICHAEL J. | | | | | √ |