



Cincinnati Retirement System Pension Fund Task Force

Minutes

January 5, 2010 – 2PM
Centennial II – Meeting Room A

Present:

Milton Dohoney, Chair
James Girton
Linda Graviss
Diana Frey
Chris Stenger
Brian Pickering
Francis Wagner
Marianne Steger

Administrative Staff Present

Paula Tilsley
Jack Walsh
Lea Erickson
Hilary Bohannon
Kathy Creager
Cheryl Volk

Staff Absent

Absent:

Cathy Crain
Laketa Cole
Dan Geeding
Francis Wagner

The meeting was called to order at 2:05P.M.

DECEMBER 7, 2009 TASK FORCE MINUTES

M. Stenger made a motion to accept the Task Force minutes. L. Graviss seconded the motion and the motion passed. Minutes were approved as submitted.

CAVANAUGH MACDONALD REPORT

Cavanaugh Macdonald submitted a report addressing the specific inquiries of the Task Force. Eric Gary and Ed Koebel attended the meeting by conference call. The following report was presented:

- Task Force Objectives
- Current plan – Issues
- Current Plan – Pension
- Current Plan – Health Care
- Benefit Financing
 - Basic Retirement Funding Equation: Contributions + Investment Income = Benefits + Expenses (administration)
 - Short Term and Long Term
 - Legal Barriers
- Benchmarking
- New Benefit Plan Development
 - Assumptions

- Graph reflecting a thirty year projection of Funded Ratio for the New Benefit Plan scenario
- Additional considerations
- Next Steps
 - 1) Resolve outstanding legal ambiguities
 - 2) Determine impact of alternative plan designs
 - 3) Meet with stakeholders

The Task Force requested additional information regarding:

- The active to retiree ratio of other pension funds
- Regarding medical benefits for members hired on or after January 1997. Clarify the term “cost” used in the definition of the CRS “point system.”
- Obtain additional options for benchmarks. Research other city pension funds for a benchmark more comparable to Cincinnati
- Obtain the funding levels of the other public funds and other city pension funds
- Provide specific dollar amounts coinciding with each action proposed in the report, including Cost of Living Adjustment (COLA) .5% increments
- Regarding a COLA Holiday: include a financial report outlining the result of pension obligation bonds funding COLA holidays
- Provide additional charts reflecting interchangeable scenarios
- Consider the possibility of keeping separate funding: one for health care and one for pension.

PENSION OBLIGATION BONDS

The Ohio Revised Code does not contain a provision for the city to issue pension obligation bonds. Amendment of the Ohio Revised Code would need to be required. R. Hardin to provide the legal guidelines at the next meeting of the Task Force: January 19, 2010.

Meetings were scheduled for Tuesday, January 19, 2010 and January 26, 2010. Meeting was adjourned at 4:15 P.M.