



# **Cincinnati Retirement System (CRS) Board of Trustees Special Meeting**

## **Minutes**

July 20, 2010 / 10:00 A.M.

Committee Room B

Meeting called to order at 10:10 A.M.

### **Present:**

Brian Pickering, Chair  
Donald Beets  
Michael Fehn  
Roxanne Qualls  
David Rager  
James Robinson  
Bryan Schmitt  
Jack Walsh

### **Staff Present:**

Roshani Hardin  
Christine Zimmer  
Gina Marsh  
Paula Tilsley  
Cheryl Volk

### **Absent**

Jason Barron  
Michael Rachford

### **OATH OF OFFICE**

Roxanne Qualls, Vice Mayor, recently replaced Laketa Cole as Chair of the Budget and Finance Committee. Christine Zimmer, Assistant City Solicitor, administered the Oath of Office to Ms. Qualls to serve as Ms. Cole's replacement as a member of the CRS Board of Trustees.

### **CRS BOARD OF TRUSTEES**

Roxanne Qualls provided the following report:

On June 30, 2010 City Council passed Ordinance #0255-2010 that changed the composition and terms of the CRS Board of Trustees. No elected officials, administrators, or citizen appointees shall participate on the new Board. The new ordinance contains no provision for allowing existing trustees to carry over to the new Board. The new Board will consist of newly elected and appointed trustees as outlined in the ordinance.

### **The new Board will be effective October 2010 and shall consist of eleven members:**

1. Six members will be appointed by the Mayor with the advice and consent of Council.
  - a. A nominating committee will recruit and screen candidates and make recommendations to the Mayor. The appointed members must meet specific educational and experiential background requirements as stipulated in the Ordinance. The candidates appointed by the Mayor will require approval of City Council.
2. Four members, who may or may not be members of the system, shall be elected by active members (full time, part time, and those classified as Deferred Retirement).
3. One member, who may or may not be a member of the system, shall be elected by CRS pensioners (retirees, optionees, surviving spouses)

Administration modified the CRS Election Rules to reflect a special election timeline. The special election rules align with the original structure of the CRS Rules with added date modifications. Dates were changed to implement the steps in the election process and to meet the October 2010 deadline. Paula Tilsley provided an overview of the special election process:

- Nomination Notice
  - Emailed to all active members - July 23, 2010
  - Mailed by first-class mail to retirees – July 26, 2010
- Nominations Close – August 17, 2010
- Candidate names distributed to departments and posted on CRS website – August 23, 2010
- Ballots mailed by first-class mail to actives and retirees by August 30, 2010
  - The voter is required to pay the postage on the official return envelope. The official return envelopes will not have pre-paid postage.
- Elections are opened – September 7, 2010
- Elections are closed – September 28, 2010 at 4 P.M. All ballot envelopes will be date-stamped as they are received by the CRS office. The ballots must be received by the CRS office no later than 4 P.M., September 28, 2010.
- Ballots counted – September 30, 2010
- The two candidates with the top two votes will have 4-year terms. The next two candidates with the highest votes will be assigned 2-year terms.
- Ties will be broken with a coin toss. If four candidates are tied, a name draw will determine their terms.
- Oath of Office by October 7, 2010

The special election rules include extending the expiring term by approximately 3 weeks for the out-going retiree trustee. The term of the outgoing trustee will expire when the new ordinance becomes effective and the Oath of Office is administered to the new Board. City Council is to consider a recommendation to extend the effective date of the Ordinance from October 1, 2010 to October 7, 2010 to allow adequate time for the election process.

On August 4, 2010 City Council will address a recommendation to tier the terms for the four trustees elected by active members. Council will consider four-year terms for two trustees with the highest number of votes and two-year terms for the remaining two trustees. Staggering the terms will help avoid four simultaneous Board vacancies that would require elections.

The Board Chair shall recuse and replace any Election Committee member who is participating in the elections. Board members who are not running for election shall serve on the Election Committee as appointed by the Chair.

***Board Action***

D. Rager made a motion to approve the special election rules. J. Walsh seconded the motion and following a roll-call vote, the motion passed.

D. Beets	No
M. Fehn	No
R. Qualls	Yes
B. Pickering	Yes
D. Rager	Yes
J. Robinson	Yes
B. Schmitt	Yes
J. Walsh	Yes

**ANNUAL VALUATION PREPARED AS OF DECEMBER 31, 2009**

The updated 2009 Annual Valuation Reports and Executive Summary were submitted for review.

The June 3, 2010 Board of Trustees identified items in the reports requiring corrections. The summary of the modifications and the reports containing the corrected language were reviewed and accepted.

**Board Action**

M. Fehn made a motion “to approve and certify in accordance with Section 203-101 of the Cincinnati Municipal Code the amount of the employer contribution payable to the Retirement Fund based on the 12/31/09 Cavanaugh Macdonald Actuary Report.

The annual required contribution for the fiscal year ending 12/31/11 is 46.22% of payroll or a total of \$74,818,000. These figures include the costs of:

▪ City Early Retirement Incentive Plan (ERIP)	2.28%	\$3,690,000
▪ Pension	31.62%	\$51,185,000
▪ Health	12.32%	\$19,943,000

I further move the Secretary be directed to advise all the Retirement System employers and beneficiaries of the amounts so certified.” D. Rager seconded the motion and following a roll-call vote, the motion passed.

D. Beets	Yes
M. Fehn	Yes
R. Qualls	Yes
B. Pickering	Yes
D. Rager	Yes
J. Robinson	Yes
B. Schmitt	Yes
J. Walsh	Yes

With no outstanding business or disability cases pending, the Board Chair announced the August Board meeting and committees shall be cancelled. The next Board of Trustees, Investment Committee, and Benefits Committee meetings will be held September 2, 2010.

**Board Action**

M. Fehn made a motion to adjourn the meeting. B. Schmitt seconded the motion and the motion passed. Meeting was adjourned at 11:00 A.M.