



Cincinnati Retirement System Pension Fund Task Force

Minutes

May 4, 2010 – 2PM

Centennial II – Meeting Room A

Present:

Cathy Crain
Milton Dohoney
James Girton
Dan Geeding
Linda Graviss
Brian Pickering
Marianne Steger
Francis Wagner
Jeff Ventre

Administrative Staff Present

Lea Eriksen
Hilary Bohannon
Paula Tilsley
Jack Walsh
Cheryl Volk

Absent

Laketa Cole
Chris Stenger
Kathy Creager

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

APPROVAL OF MINUTES

The Task Force minutes from April 20, 2010 were submitted for review and approval. D. Geeding made a motion to approve the minutes. The motion was seconded by C. Crain and the motion passed. Minutes were approved.

CAVANAUGH MACDONALD REPORT

Eric Gary attended the meeting via conference call. The following report was presented and discussed. The report included:

- ✚ Objective
 - Provide the financial impact to the pension plan of additional benefit, eligibility, and funding designs
- ✚ Retirement Eligibility
 - Two eligibility designs were presented, both with a transition group.
- ✚ Four Scenarios:
 - Thirty-year projections of funded ratio with varied adjustments in city contributions and cash infusions were displayed as six different models per scenario.
- ✚ Summary of Results
 - Scenario components outlined within a table

TASK FORCE II DRAFT REPORT

P. Tilsley provided an updated draft report for consideration by the Task Force members. The Task Force has the option of submitting to City Council several recommendations designed to reach 80% stable funding. The report included:

- ✚ Executive Summary
- ✚ Recommendations on healthcare benefits
- ✚ Task Force II guiding principals
- ✚ History of employer contributions to CRS (2000-2010)
- ✚ Historical investment returns
- ✚ 30-year projection of funded ratio based upon various investment rate scenarios
 - (Past 10 year average: 2.5% return)
- ✚ Total active members as of 12/31/09 grouped by age and service
- ✚ Recommendations to achieve 80% stable funding ratio

DISCUSSIONS

- ✚ Task Force II Report to identify the actual employer contribution and contribution shortfall for years 2000 – 2003

- ✚ Regarding the Actuarial Experience Gain/Loss Analysis: Identify the percentage of under funding caused by each source

- ✚ Consider Cost of Living Adjustments (COLA) according to investment returns.
 - Set threshold, protect pension, share overages when able

- ✚ Members of the Task Force and the actuary(s) from Cavanaugh Macdonald to present the Task Force II report to City Council. The report to include:
 - Recommendations, supporting documentation, and narrative outlining the concerns and issues
 - Glossary of terms
 - Guiding principles
 - Comments by Task Force members
 - Recommendations regarding retiree healthcare benefits. Create a committee to specifically address the healthcare benefits. Members could include Risk Management Director, Board members, and stakeholders.

Next meeting is scheduled for Tuesday, May 18, 2010 – Centennial II – Meeting Room A. Meeting was adjourned at 4:10 P.M.