

Cincinnati Retirement System Pension Fund Task Force

Minutes

November 30, 2009 – 3PM Centennial II – Meeting Room A

Present:

Milton Dohoney, Chair <u>Administrative Staff Present</u>

Cathy Crain

Dan Geeding

Linda Graviss

Brian Pickering

Bryan Schmitt

Chuck Haas

Chris Stenger

Lea Erickson

Jack Walsh

Paula Tilsley

Roshani Hardin

Chuck Haas

Cheryl Volk

Francis Wagner

Marianne Steger Staff Absent

Absent:

Laketa Cole Cathy Crain James Girton

The meeting was called to order: 3:05 PM

NOVEMBER 9, 2009 TASK FORCE MINUTES

D. Geeding made a motion to accept the Task Force minutes. B. Schmitt seconded the motion and the motion passed. Minutes were approved as submitted.

CAVANAUGH MACDONALD

Ed Koebel and Eric Gary attended the meeting via conference call and provided a presentation for plan design changes.

The report included:

- Recap of September's Task Force meeting
- IceMiller's Comments
- Current 30-Year Projections
 - o Valuation Basis
 - o 2008 Taskforce Changes
- Plan Designs
 - o Pension Changes
 - o Medical Plan Changes
- Three Hypothetical Plan Redesigns

- The 30-year projections were based on the following assumptions:
 - o Active member population remains static. (new hires replace those leaving the workforce)
 - o Employer contributions at 17%
 - o Valuation as of 12/31/08
 - o Investment returns: 8% beginning year 2010

Task Force Discussions:

- Consider transitional periods for implementing changes
- Evaluate feasibility of obtaining software to analyze scenarios
- Examine graduated insurance premiums for retirees
- Create a Task Force sub-committee to analyze options and develop a strategy for moving forward.

TOPICS FOR FUTURE CONSIDERATION:

- The flexibility of union contracts concerning pension benefits. P. Tilsley to research
- Legality of adjusting Cost of Living increases (COLA) for current retirees: Awaiting legal opinion
- Pension Obligation Bonds: Awaiting legal opinion
- Conduct meetings to include active members, retirees, union members. Inform and solicit
 opinions of stakeholders before submitting recommendations to City Council. Afford the union
 leaders an opportunity to communicate with their members about the pension fund crisis and the
 potential solutions.
- Reserve dates for future Task Force meetings
- Cavanaugh Macdonald:
 - Analyze the "Choices Program" of the Ohio Public Employees Retirement System (OPERS)
 - o Consider a phase-in or transition period for benefit changes
 - o Review the CRS "points plan" for employees hired after January 1997
 - o Develop recommendations for Task Force

Meeting was adjourned: 5:05 P.M.