



**City of Cincinnati Retirement System  
Board of Trustees Meeting  
Minutes  
August 18, 2020 / 2:00 P.M.  
City Hall – Council Chambers**

**Present**

Bill Moller  
Tom Gamel  
Steven Dietrich  
John Juech

Betsy Sundermann  
Mark Menkhaus, Jr.  
Don Stiens

**Administration Present**

Paula Tilsley  
Bev Nussman  
Renee Kabin  
Ann Schooley  
Kate Burroughs

The meeting was called to order at 2:28 p.m.

**Nomination of Board Chair and Vice Chair**

T. Gamel nominated Bill Moller for Board Chair. S. Dietrich nominated T. Gamel for Chair. T. Gamel declined Chair position. Read three times. Nomination for Chair closed and B. Moller is now Chair. B. Moller nominated Tom Gamel for Vice Chair. No other nominations after three reading, T. Gamel is now vice Chair.

**APPROVAL OF MINUTES**

J. Juech made a motion to approve the minutes from the July 2, 2020 meeting. D. Stiens seconded the motion. Discussion resulted in S. Dietrich making a motion for the addition of notes submitted by former trustee K. Rahtz into the minutes. T. Gamel seconded the motion. B. Moller and B. Sundermann abstained. Motion to approve minutes from July 2, 2020 with amendments.

**INVESTMENT COMMITTEE UPDATE**

T. Gamel reported there was a vote on the language on pages 11 and 12 of the Investment Policy document.

***Board Action***

The Committee voted to accept language regarding asset allocation and rebalancing with added language of notification to the Board within 24 hours of any change, including changes to private debt. D. Stiens seconded the Committee's acceptance of the updated language on pages 11 and 12 of the Investment Policy regarding asset allocation and rebalancing with the addition of language notifying the Board of any changes within 24 hours, including changes to private debt.

**UNFINISHED BUSINESS**

**✚ Outstanding Opinions**

K. Rahtz Board Approved Motion, October 3, 2019

- Item 1. Explain why City's changes to retiree healthcare are permitted under the CSA without Court approval. No updates.
- Item 2. Explain why the Board cannot retain outside counsel on matters which the Solicitor's Office will not give counsel.

No updates.

## **NEW BUSINESS**

### **✦ Special Retiree Trustee Election**

P. Tilsley gave an overview of the timeline and processes to be completed in order to fill Mr. Dietrich's unexpired term ending in 2022.

#### ***Board Action***

T. Gamel made a motion to approve the timeline and process to conduct the election to fill an unexpired term of a retiree trustee.

S. Dietrich seconded the motion and the motion passed.

Approve election timeline and process for filling vacancy of an unexpired term for a retiree trustee.

### **✦ Change in healthcare trust liabilities**

P. Tilsley provided her findings on questions presented at the June Board meeting regarding the actuaries' projections of annual savings. The original annual projected savings of \$6.7 million did not include ACA fees. The incorrect usage of Medicare base rates instead of the insured rates that would have included the ACA fee accounted for the difference in savings, to \$5.5 million.

Still being researched is what is the percentage of savings related to Medicare. Previous claim years did not divide pre-and post-65 claims. Staff is working with the actuaries to determine what the denominator should be on the \$5.5 million in savings.

### **✦ Board Quorum**

Discussion centered on a conflict between the City's Administrative Code and the Board Governance Manual developed as a result of the Collaborative Settlement Agreement (CSA). The conflict results from the fact that the Administrative Code still assumes eleven members on the CRS Board of Trustees when the Collaborate Settlement Agreement (CSA) set the number of Trustees at nine.

Ms. Schooley advised that an update of the Administrative Code has already begun. Relevant items may not be completed before the next scheduled meeting.

#### ***Board Action***

T. Gamel made a motion to have the CRS Board Chair send a letter to the City Solicitor requesting any changes due in the Administrative Code affecting the CRS Board that are in conflict with the Board's Governance Manual to be completed immediately. B. Moller made a friendly amendment to narrow the scope of the request to change the number of Board trustees to nine and for a quorum to be composed of six trustees. M. Menkhaus seconded the amended motion. The motion passed.

Request the Law Department to change the Administrative Code to reflect nine members on the CRS Board of Trustees and a quorum to consist of six Trustees.

### **✦ City's Early Retirement Incentive Plan Impact on CRS**

P. Tilsley reported that as of August 17, 2020, 221 active members have elected to choose the Early Retirement Incentive Program (ERIP). Approximately 500 active members were initially eligible for the ERIP. 25 of those eligible for the E.R.I.P. have chosen to enter the D.R.O.P. instead.

### **✦ Board of Trustees Annual Report to City Council**

P. Tilsley explained this is a new report for which the 2019 valuations provided by Cheiron can be used. T. Gamel volunteered to chair a subcommittee to produce this year's report. In the lack of subsequent volunteers, Mr. Gamel will work with the Executive Director to produce this year's report, using last year's as a template.

### **✦ Performance Evaluation Committee – Executive Director**

#### ***Board Action***

T. Gamel made a motion to discontinue the process of developing performance goals for the Executive

Director in light of Ms. Tilsley's plan to retire at the end of 2020. D. Stiens seconded the motion. Discussion occurred regarding keeping the goals developed thus far as guidance in evaluating any future director. The motion passed.

Discontinue process of developing new performance goals for the Executive Director.

Having no further business, D. Stiens made a motion to adjourn. S. Dietrich seconded the motion and the motion passed.

Meeting adjourned at 3:17 p.m.

DRAFT