



**City of Cincinnati Retirement System
Board of Trustees Meeting
Minutes**

**June 4, 2020 / 2:30 P.M.
City Hall – Council Chambers**

Present

Tom Gamel, Chair	Chris Meyer
Bill Moller, Vice Chair	Kathy Rahtz
Mark Berliant	Don Stiens
Christopher Baucom	Steven Dietrich

Administration Present

Paula Tilsley
Bev Nussman
Renee Tyree
Ann Schooley, City Solicitor's Office
Keva Eleam

The meeting was called to order at 2:31 p.m.

APPROVAL OF MINUTES

B. Moller made a motion to approve the minutes from the March 5, 2020 meeting. C. Meyer seconded the motion and the motion passed. Minutes of March 5, 2020 approved.

Investment Committee Report

C. Meyer reported two recommendations from the Committee: Adopt changes to asset allocation to reduce fixed income by 3% and add private debt at 3%; Commit \$40 million to private debt fund H.I.G Bayside Loan Opportunity Fund VI.

Board Action

Investment Committee seconded reducing fixed income by 3% and adding private debt at 3%; and committing \$40 million to H.I.G Bayside Opportunity Fund VI. Motion passed by vote.

NEW BUSINESS

✚ Pension Actuarial Valuation Report – Cheiron

Kevin Woodrich of Cheiron presented the Pension Actuarial Valuation as of December 31, 2019. Funded ratio decreased slightly from 72.6% to 71.2%. The City's Actuarially Determined Contribution (ADC) increased slightly from 30.2% to 30.67%.

✚ OPEB (Healthcare) Valuation Report – Cheiron

Gaelle Gravot and Margaret Tempkin presented the OPEB Actuarial Valuation as of December 31, 2019. The movement to a Medicare Advantage plan effective January 1, 2020 resulted in substantial savings against future liabilities. The funded ratio increased from 97.25% to 129.59%.

Board Action

D. Stiens made a motion to accept the actuary's reports with edits. B. Moller seconded the motion and the motion passed. Actuary's reports with edits accepted.

UNFINISHED BUSINESS

✚ Financial Accounting Software Update

Bev Nussman explained that funding for the implementation of a software program was not included in the initial approval for the feasibility study. Implementation of the software requires the approval of additional funds up to the contract limit of \$49,500.

Board Action

C. Meyer made a motion to approve additional financial accounting software implementation funding up to \$49,500. B. Moller seconded the motion and the motion passed.

Funding up to \$49,500 approved for implementation of financial accounting software package approved.

✚ 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 update.
- Item 2. Explain why the Board cannot retain outside counsel on matters which the Solicitor's Office will not give counsel. No update.

INFORMATIONAL

✚ City Early Retirement Incentive Plan

P. Tilsley stated that the City plans to offer an Early Retirement Incentive Plan, subject to City Council approval, similar to the program last implemented in 2007. B. Moller commented that the Government Finance Officers Association advises against cities implementing such plans because of the additional unfunded liability to the pension.

Board Action

D. Stiens made a motion to forward the Government Finance Officer Association (GFOA) report referenced by B. Moller to the CRS Trustees, the Mayor and City Council. K. Rahtz seconded the motion and the motion passed.

Forward GFOA's advisory against implementation of Early Retirement Incentive Plans to CRS Trustees, Mayor and City Council.

✚ General Fund Percent of Payroll

P. Tilsley was asked what percentage of City payroll was allocated to the City's General Fund. Funds 050, 303 and 416 representing the City's General Funds account for 36% of City payroll.

✚ Executive Director Performance Self Evaluation

The Executive Director to provide a draft of goal achievements at the July 2 Board meeting.

✚ 1st Quarter Budget Summary

B. Nussman reviewed the 1st Quarter Budget Summary.

BY LEAVE

✚ Election Chair's Report

S. Dietrich gave an update on the status of the Retiree Trustee elections for 2020. Three nominations were received by the deadline but one candidate withdrew. Per the Board's Election Rules, if the number of nominees equals the number of seats open for election, the nominees are declared the winners and the election process ceases.

Two nominations were submitted for one Active Trustee seat. Therefore, the election process for an Active Trustee will continue.

✚ Appointed Trustees Terms

There was differing information regarding the actual term expiration dates for appointed trustees, and due to this difference, in an abundance of caution, the Board agreed to move the Board meetings scheduled on July 9 to July 2, contingent on the opening of City Hall and the availability of meeting space.

 **115 Healthcare Trust**

No updates.

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

Meeting adjourned at 4:43 p.m.