



**City of Cincinnati Retirement System
Board of Trustees Meeting
Minutes
February 4, 2021 / 2:00 P.M.
City Hall – Council Chambers**

Present

Bill Moller, Chair
Tom Gamel, Vice Chair
Mark Menkhaus, Jr.
Kathy Rahtz
Don Stiens
Betsy Sundermann

Absent

John Juech
Erica Winstead

Staff Present

Paula Tilsley
Renee Kabin
Bev Nussman
Ann Schooley

CALL TO ORDER

The meeting was called to order at 2:13 p.m.

APPROVAL OF MINUTES

K. Rahtz made a motion to approve minutes of the November 5, 2020 meeting. T. Gamel seconded the motion.

Results of the roll call vote:

Mr. Gamel – Yes

Mr. Menkhaus, Jr. – Yes

Mr. Moller – Yes

Ms. Rahtz – Yes

Mr. Stiens – absent

Ms. Sundermann - Yes

The motion to approve minutes of November 5, 2020 passed.

K. Rahtz made a motion to approve minutes of the January 7, 2021 meeting. T. Gamel seconded the motion. Results of the roll call vote:

Mr. Gamel – Yes

Mr. Menkhaus, Jr. – Yes

Mr. Moller – Yes

Ms. Rahtz – Yes

D. Stiens – absent

Ms. Sundermann - Yes

The motion to approve minutes of January 7, 2021 passed.

NEW BUSINESS

Investment Committee Report

The Investment Committee voted to approve the 4th Quarter 2020 Investment Report. Following discussion, the roll call vote results for the Board to approve the 4th Quarter Investment Report are as follows:

Mr. Gamel – Yes
Mr. Moller – Yes
Mr. Menkhaus – Yes
Ms. Rahtz – Yes
Mr. Stiens – Yes
Ms. Sundermann – Yes

The motion to approve the 4th Quarter 2020 Investment Report passed.

Board Action

The Investment Committee voted to approve Marquette’s recommendation to keep JP Morgan Private Equity Group as general partner and for the investment commitment period to remain open until 2/21/2023 for JP Morgan PE Fund VIII. Results of the roll call vote:

Mr. Gamel – Yes
Mr. Menkhaus, Jr. – Yes
Mr. Moller – Yes
Ms. Rahtz – Yes
Mr. Stiens – Yes
Ms. Sundermann – Yes

The motion to approve JP Morgan Private Equity Group as general partner and to approve the investment commitment period to remain open until 2/21/2023 for JP Morgan PE Fund VIII passed.

Board Action

The Investment Committee voted to accept and approve Marquette’s recommendations in their memo on fixed income, U.S. equities, and non-U.S. equities, and to approve the updated Investment Policy. Following are results of the roll call vote:

Mr. Gamel – Yes
Mr. Menkhaus, Jr. – Yes
Mr. Moller – Yes
Ms. Rahtz – Yes
Mr. Stiens – Yes
Ms. Sundermann -Yes

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.
- Item 2. Explain why the Board cannot retain outside counsel on matters which the Solicitor’s Office will not give counsel.

P. Tilsley reported there are no updates on this item.

Board's Annual Report to City Council

The Board's Annual Report to City Council was finalized and presented to the Board of Trustees. T. Gamel explained that the report was modeled on the one presented to Council last year with updated graphs and figures reflecting the December 31, 2019 valuations, impact of both the DROP and ERIP, and investment returns as of December 31, 2020.

Board Action

T. Gamel made a motion to accept and approve the Annual Report to Council. M. Menkhaus, Jr. seconded the motion. Following are results of the roll call vote:

- Mr. Gamel – Yes
- Mr. Menkhaus, Jr. – Yes
- Mr. Moller – Yes
- Ms. Rahtz – Yes
- Mr. Stiens – Yes
- Ms. Sundermann – Yes

The motion passed. The Board's report is to be sent to City Council and the City Manager.

Board Action

T. Gamel made a motion to have the Chair of the CRS Board of Trustees represent the annual report of CRS to City Council. D. Stiens seconded the motion. Discussion followed questioning the need for a Board Chair instead of the Director representing CRS to City Council or other entities. B. Sundermann observed that other independent Boards have their respective directors represent them in front of Council. D. Stiens emphasized the need to differentiate duties of trustees and CRS staff, and to clarify each. B. Moller stated he has seen members of other Boards in front of Council. T. Gamel mentioned the Collaborative Settlement Agreement (CSA) can give guidance on this issue. Following are results of the roll call vote:

- Mr. Gamel -Yes
- Mr. Moller - Yes
- Mr. Menkhaus – Yes
- Ms. Rahtz – Yes
- Mr. Stiens – Yes
- Ms. Sundermann – No

The motion to have the CRS Board of Trustees chair represent CRS in front of Council passed.

Ongoing Board Training – Actuarial and Investment Concepts

Discussion occurred regarding the preference of scheduling training on actuarial concepts, including an investments primer, prior to receipt of the annual actuarial report in June.

Search Firm RFP for Executive Director Position Update

B. Moller requested City Administration provide access to the tool used to evaluate the firms submitting proposals. Three trustees will have access to the proposals and be given the ability to provide input but will not be able to vote on the Selection Committee. The City Manager-designated Selection Committee may vote by February 10th. P. Tilsley cautioned trustees who have such access to maintain confidentiality in accordance with the agreements they signed from Purchasing.

INFORMATIONAL

✚ DROP Report

Noted without comment.

✚ Demographic Report

An increase in retirements was noted, likely related to the ERIP.

✚ 115 Health Care Trust Funding Policy

No updates.

✚ Pending Items: Asset/Liability Study

P. Tilsley gave an update from the actuary who advised waiting until the actuarial report is completed in June, as that will serve as a building block toward an asset/liability study.

Board Action

Having no further business, T. Gamel made a motion to adjourn. D. Stiens seconded the motion

Results of the roll call vote:

Mr. Gamel – Yes

Mr. Menkhaus, Jr. – Yes

Mr. Moller – Yes

Ms. Rahtz – Yes

Mr. Stiens – Yes

Ms. Sundermann – Yes

The motion to adjourn passed. Meeting adjourned at 2:46 p.m.

Next meeting: March 4, 2021, 2:00 PM