



**City of Cincinnati Retirement System
Board of Trustees Meeting
Minutes
August 4, 2022/ 2:00 P.M.
City Hall – Council Chambers and remote**

Board Members Present

Bill Moller, Chair
Tom Gamel
Mark Menkhaus, Jr.
Kathy Rahtz
Don Stiens
Jeff Cramerding

Administration

Mike Barnhill
Bev Nussman
Ann Schooley

CALL TO ORDER

Chair Moller called the meeting to order at 2:09 p.m. and a roll call of attendance was taken. Trustees Moller, Menkhaus, Gamel, Rahtz, Stiens, and Cramerding were present. Trustee Juech was absent.

APPROVAL OF MINUTES

Approval of the minutes of the Board meeting of July 14, 2022, was moved by Trustee Gamel and seconded by Trustee Rahtz. The minutes were approved by unanimous roll call vote.

Report from Investment Committee

Trustee Moller reported that the Investment Committee received a report from Brett Christenson of Marquette Associates. Mr. Christenson discussed the recent market environment and presented the 2Q 2022 CRS Investment Results. The YTD return is negative, but CRS continues to perform better than its benchmark and above its peer median.

The Board accepted Marquette's 2Q 2022 CRS Investment Results report by unanimous roll call vote.

Informational – Executive Director's Report

Director Barnhill provided the following report:

- Trustee Winstead resigned two weeks ago.
- The Mayor has nominated Sheila Simmons as CRS trustee. City Council will take up her confirmation in a future meeting.
- CRS has sent status letters to each of the three families who were denied CRS retiree healthcare for their disabled adult children. The letters also provided information on resources available to the

families.

- An RFP to select an actuary to conduct an analysis as to whether the DROP is cost neutral has been completed. Trustee Moller inquired about the Board's role. Director Barnhill responded that the Board can consider whether it wishes to approve funding for the analysis. Director Barnhill agreed to bring back cost information at the next meeting.
- 2Q 2022 Budget Update. Ms. Nussman provided an update on the CRS budget. Ms. Nussman pointed out items that are paid all at once, or have yet to be paid. The 2022 ERIP payment has been paid. Director Barnhill observed that CRS is moderately underspending the approved budget.
- 2Q 2022 DROP Report. Director Barnhill observed that DROP participation is declining.
- 2Q 2022 Demographic Report. Director Barnhill provided additional demographic data for the Board's consideration. Items of note:
 - There are close to 10,000 inactives with refundable balances, some of which are quite large. Staff will be working over the next year to contact individuals to let them know these balances exist and can be refunded. Trustee Moller asked if this would materially impact CRS cashflow. Director Barnhill responded that it would not, since this effort will be spread over time.
 - There are 360 Group E and F members who cannot participate in DROP; communication to this group so they are aware is needed.
 - Among the group of 273 Deferreds, staff are seeing some of these vested members refund their accrued employee contributions, which may not be in their best interest. Staff will be providing targeted education to raise awareness of the value of the benefits given up when vested members refund their balances and waive benefits.
 - Currently retirees eligible for 5% premium share in the Model plan (5) are paying 10%. Staff is following this, and will resolve with members once the open CSA issues related to this are closed.
- Active Trustee Election Update. Four candidates have filed. The election will close in early September.
- Horan Contract Update. Director Barnhill has enlisted Horan to assist in responding to the questions from the Benefits Committee regarding the disabled adult children matters.
- Staffing Update. The staff vacancies have not been filled. We've extended the hours of the temporary staff. Looking forward to answering the phones soon.
- Legal counsel update. No further discussions.
- CVS Diabetes Program. CRS is implementing the CVS diabetes program on a pilot basis in 2023, CVS intends to send targeted communication about the program to members.

UNFINISHED BUSINESS

Outstanding Opinions:

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.

A. Schooley reported there is no update.

Fiduciary Insurance Excess Layer:

Director Barnhill explained that CRS' broker has provided quotes for (1) an additional \$3mm and (2) an additional \$5mm of excess coverage at a cost of \$18,973 and \$27,125 respectively. The Board can fund the cost of additional excess coverage from the Professional Services budget, Consulting Fees line item.

Trustee Moller asked if \$10mm was a standard level of coverage. Director Barnhill stated that the broker advised that for other organizations with similar levels of assets (\$2+B), \$10mm in coverage was common.

Trustee Moller moved, and Trustee Gamel seconded, that the Board increase coverage to \$10mm by purchasing \$3mm in excess layer coverage at a cost of \$19,000. Upon roll call vote, the Board approved the motion unanimously.

Adjournment

Following a motion to adjourn by Trustee Gamel and seconded by Trustee Cramerding, the Board approved the motion by unanimous roll call vote. The meeting adjourned at 2:39 P.M.

Meeting video link: <https://archive.org/details/crs-board-8-4-22>

Next Meeting: September 1, 2022 at 2:00 p.m.



Secretary