



**City of Cincinnati Retirement System
Board of Trustees Meeting
Minutes
November 3, 2022/ 2:00 P.M.
City Hall – Council Chambers and remote**

Board Members Present

Bill Moller, Chair
Tom Gamel, Vice Chair
Mark Menkhaus, Jr.
Kathy Rahtz
John Juech
Jeff Cramerding
Monica Morton
Tom West

Administration

Mike Barnhill
Ann Schooley
Linda Smith
Bev Nussman

CALL TO ORDER

Chair Moller called the meeting to order at 2:11 p.m. and a roll call of attendance was taken. Trustees Moller, Menkhaus, Gamel, Rahtz, Morton, Juech, Cramerding, and West were present.

PUBLIC COMMENT

No public comment.

APPROVAL OF MINUTES

Approval of the minutes of the Board meeting of October 6, 2022, was moved by Trustee Gamel and seconded by Trustee Cramerding. The minutes were approved by unanimous roll call vote.

Report from the Investment Committee

Trustee Moller provided the report from the Investment Committee. Marquette provided investment education to the Committee.

The Committee took four actions:

- Approved the 3rd quarter 2022 investment report.
- Approved direction to Marquette to prepare an asset allocation study.
- Approved replacing the existing private equity benchmark (Cambridge All PE) with a private equity benchmark from Burgiss.
- Approved amending the CRS Statement of Investment Policy to reflect the change in the Private

Equity benchmark.

The Board approved each action by unanimous roll call vote.

Chair Moller clarified that the Board does not need to formally approve CRS staff proceeding to issue an RFP for investment consultant.

Informational – Executive Director’s Report

Director Barnhill provided the following report:

- Ms. Nussman presented the 3rd quarter CRS budget update. Certain larger items are billed once a year and result in either greater or lesser spending than items where spending is spread throughout the year. Those items are fiduciary insurance premiums, payments to the information system vendor LRS, and consultant services for the finance section. Medical premiums from members are coming in slightly less than expected.
- A proposed 2023 budget will be presented for Board consideration at the December meeting.
- The DROP 3rd quarter report shows a decline from 187 to 183 participants.
- The City is proceeding with the actuarial analysis with respect to whether the DROP is cost neutral to the CRS pension trust.
- The 3rd quarter demographic report does not reflect any clear trends. Deaths in 2022 are less than they were in 2021 and 2020. The retiree count has declined since last year, and the employee count has increased back to the 2019 level.
- The FY2022 GASB 67/68 and 74/75 reports from Cheiron are in the Board’s packet. They are also now posted on the CRS website with the CRS financial information. These GASB provisions provide a different method of computing the “net pension liability” for purposes of preparing the City’s Annual Comprehensive Financial Report (ACFR). As a result of this different method, the financial statement net pension liability is substantially higher than the actuarial unfunded liability. The GASB 67/68 report shows that the CRS pension trust has a depletion date of 2047; since a depletion date is specified, the calculation of net pension liability uses a lower earnings assumption (5.5%), which produces a higher liability amount. These reports have been prepared since 2014. The highest net pension liability to date was reported in the FY2020 GASB 67/68 report. Ms. Nussman prepares the CRS portion of the City’s ACFR.
- Horan Consulting has nearly completed the analysis and comparisons of the CRS healthcare plans with the baseline plans specified in the Collaborative Settlement Agreement. The analysis will be presented at the next Benefits Committee meeting.
- A proposal from Horan on stop-loss insurance for the pre-65 healthcare plan is expected soon. The drafts showed no savings in the first year of coverage.
- Cheiron continues to work on an analysis and proposal regarding survivor benefits.
- CRS still has two staff vacancies and is using temps to fill those vacancies. The Member Counselor position has not been posted yet.
- CRS began answering the phones in October. Calls picked up increased from 30% in the first week to 50% last week. Contacts have increased nearly threefold during this time because of open enrollment. Director Barnhill will continue to analyze the call metrics.
- Trustee Sheila Simmons was unable to continue service on the Board because of conditions imposed by her employer that the Law Dept determined were incompatible with trustee service. Trustee Simmons resigned.
- Trustee training program. Director Barnhill presented a tracking spreadsheet for Trustee training,

and will be providing regular education that is tailored to each trustee. He will be reaching out to each trustee individually to discuss.

- Trustee Menkhaus attended NCPERS Accredited Fiduciary training. He completed 2 of the 4 modules required for the accreditation. Trustee Moller endorsed other trustees attending such training.
- The 2021 Annual Report has been transmitted to City Council. The Budget and Finance Committee has calendared the report for its meeting on November 14. Trustee Moller thanked the City Manager's Office for transmitting the report. Trustee Moller indicated he would attend the Council hearing.
- Director Barnhill provided and explained flow charts for the proposed changes to CMC 203-48, regarding eligibility criteria for disabled adult children. The Law Dept is working on the drafting. Mr. Barnhill recommended that language be added requiring any person who is eligible for CRS health insurance and also eligible for Medicare, be required to enroll in Medicare.
- Director Barnhill presented a draft Risk Dashboard for the Board's consideration. This will be presented to the Performance Evaluation Committee. Director Barnhill recommended the Board consider the creation of an Audit Committee.

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.

Ms. Schooley stated there is no report update on these items.

New Business

No new business.

Adjournment

Following a motion to adjourn by Trustee Gamel and seconded by Trustee Juech, the Board approved the motion by unanimous roll call vote. The meeting adjourned at 2:44 PM.

Meeting video link: <https://archive.org/details/crs-board-11-3-22>

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



Secretary