



**City of Cincinnati Retirement System
Board of Trustees Meeting
Minutes
March 23, 2023/ 2:00 P.M.
City Hall – Council Chambers and remote**

Board Members Present

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

Administration

Karen Alder
Mike Barnhill, Contractor

Law Department

Linda Smith

CALL TO ORDER

Chair Moller called the meeting to order at 2:01pm and a roll call of attendance was taken. Trustees Moller, Gamel, Menkhaus, Rahtz, Juech, Morton and West were present. Trustee Walsh were absent.

PUBLIC COMMENT

No public comment.

Old Business

Experience Study form Cheiron

Chair Moller explained that the purpose of the meeting was to have a discussion on the experience study and to make a recommendation to the City. He explained that the board packet included:

- Cheiron Impact of Demographic Assumptions including impact of Actuarial Liability, Funded Status, Gross Normal Cost, and City's Actuarial Determined Contribution rate dated 3/13/23
- Cheiron Impact of Economic Assumptions at 7.5%, 7.25%, and 7.00% dated 3/13/23
- Cheiron Letter dated 3/13/23, Schedule of Funded Ratios under Proposed Assumptions
- Cheiron Letter dated 3/15/23, Increase to City Contribution Rate to Reach Full Funding by 2045
- Cheiron Letter dated 3/16/23, Incremental Increases to City Contribution Rate to Reach Full Funding by 2045
- Three motions
- Letter of Recommendation to the Mayor and Members of City Council

Trustee Moller explained that he asked that the motions be included in the packet since there were trustees that could only be in attendance at the meeting for a short time due to other commitments. He wanted

Trustees to be able to review the motions in advance of the meeting. He also stated that Cheiron was in attendance remotely to answer any questions. No questions were posed to Cheiron. Trustee Moller then introduced his first motion:

Motion #1 - I move that the CRS Board of Trustees accept the proposed demographic changes presented by the actuary Cheiron in the Experience Review dated March 2, 2023. These changes are necessary to reflect actual experience in the assumed demographic assumptions used to actuarially evaluate CRS.

Trustee Gamel seconded the motion. There was no further discussion and the Board approved the motion by unanimous roll call vote.

Chair Moller introduced his second motion:

Motion #2 - I move that the CRS Board of Trustees recommend to the City an assumed rate of return of 7.25% on CRS investments used to actuarially evaluate CRS.

Trustee Gamel offered a friendly amendment to have the assumed rate of return stay at 7.50% consistent with CSA to avoid confusion. Trustee Rahtz concurred with Trustee Gamel. Trustee Rahtz explained that she felt that different rates will cause confusion and that she preferred to stay consistent with CSA. Chair Moller withdrew motion.

Chair Moller introduced his third and final motion:

Motion #3 - I move that the CRS Board of Trustees send the attached letter to the Mayor and City Council, copy to the City Manager, 1) recommending an increase in the employer contribution annually of 1.75% in accordance with the Scenario B provided by the Cheiron letter dated 3/16/2-23 regarding **Incremental Increases to the City Contribution Rate to reach Full Funding by 2045** and 2) recommending that the Scenario B multi-year incremental funding methodology be updated annually and reflected in the City budget each year for the City employer contribution to CRS pension.

Chair Moller explained that the given the vote of the board to maintain the 7.50% return assumption that the letter would be amended to reflect a 1.5% increment increase in the City's required contribution in line with Scenario A. Trustee Gamel seconded the motion with the proposed changes to the letter. Trustee Menkhaus expressed his desire to recommend to the City the Scenario with the change to 7.25% to which was not reflected in the proposed amended letter. Chair Moller agreed but stated that the greater good is to get a letter of recommendation to the City ASAP which includes the demographic changes and shows a scenario with an incremental increase. Chair Moller stated that there is pressure to get the letter out before the City's budget is finalized. He said that the CRS Board can revisit the recommendation at a later date. Trustee Gamel stated that the City is not paying the ARC now and by lowering the percentage it simply increases the required amount and does not help anything. Trustee Gamel said the CRS Board needs to influence the City to pay the ARC or increased contributions. Mike Barnhill, a contract advisor, informed the CRS Board that they have the prerogative to make a rate recommendation without changing the assumed rate in accordance with the CSA.

There was no further discussion and Board approved the motion by unanimous roll call vote. Chair Moller

indicated that the letter in the packet would be amended to reflect the CRS Board's motion with the changes. He stated that the first paragraph under "CRS Board Recommendations" would be deleted and the sentence referencing the employer contribution annual increase would change from 1.75% to 1.5%.

New Business

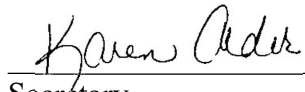
None

Adjournment

Following a motion to adjourn by Trustee Gamel and seconded by Trustee Morton, the Board approved the motion by unanimous roll call vote. The meeting adjourned at 2:22pm.

Meeting video link: <https://archive.org/details/crs-board-2-2-23>

Next Meeting: April 6, 2023, at 2:00 p.m.



Secretary