

**City of Cincinnati Retirement System  
Board of Trustees Meeting Minutes  
April 4, 2024 / 2:00 P.M.  
City Hall – Council Chambers and remote**

**Board Members**

Bill Moller, Chair  
Tom Gamel, Co-Chair  
Kathy Rahtz  
Mark Menkhaus Jr.  
Monica Morton  
John Juech  
Tom West  
Seth Walsh  
Aliya Riddle

**Administration**

Jon Salstrom

**Law**

Linda Smith

**CALL TO ORDER**

Chair Moller called the meeting to order at 2:02 p.m. and a roll call of attendance was taken. Trustees Moller, Gamel, Rahtz, Menkhaus, Juech, West, Walsh and Riddle were present. Trustee Morton was absent.

**PUBLIC COMMENT**

No public comment.

**APPROVAL OF MINUTES**

Approval of the minutes of the Board meeting of March 7, 2024, was moved by Trustee Gamel and seconded by Trustee Juech. The minutes were approved by unanimous roll call vote.

**Report from Governance Committee**

Trustee Menkhaus explained that the Governance Committee briefly discussed some of Funston's recommendations for governance including revision of the governance manual. The Committee discussed a strategy on how it will approach that so it can consider revisions.

**Report from Elections Committee**

Trustee Juech explained that the Committee discussed the upcoming elections and processes and procedures, especially timelines around that. A special meeting will be scheduled in June or July to discuss an updated roster of committee members and more definitive terms. He confirmed his

term ending on July 1, 2024. Chair Moller motioned to approve the calendar and Trustee Gamel seconded. The motion was approved by unanimous roll call vote.

### **Informational – Staff Report**

#### *Marquette Investment Report*

Chair Moller referenced the Investment Report that is included in the packet. Year-to-date total fund is up 1.4%, which is slightly below the benchmark. The one-year is in good shape. We are up 11% from the benchmark versus 10.6% from last year.

#### *Staff Update on Open Positions*

Director Salstrom reported that interviews have started for the Member Counselor position. He will continue to work toward filling the Administrative Technician, IT, and Accountant positions.

#### *Healthcare Funding Policy & Subcommittee Update*

Director Salstrom explained that the Healthcare Funding Policy has been approved. He will include this in the packet for next month and post it on the CRS website. Chair Moller confirmed with Director Salstrom that members impacted will be contacted soon.

#### *115 Subcommittee Update*

Chair Moller explained that the Law Department expressed a concern regarding the fiduciary responsibility of the 115 trust investments. Director Salstrom said that there is no further update from outside counsel or from internal legal.

#### *Futures Commissions Update*

Director Salstrom explained that there is no update at this time. Trustee Walsh explained that the report is imminent and likely to come out soon.

#### *Actuarial & Healthcare RFP Update*

Director Salstrom explained that the Healthcare RFP bids were rejected. Felt that scope of scale was lost and did not include pharmacy Medicare Advantage and Part D for retirees. CRS will re-issue the bid next year when it can include the pre-65 as well as Medicare advantage, and pharmacy as well as Part D for those that are on Medicare. The bid for dental will go back out in a few weeks because the contract is up at the end of the year.

Director Salstrom explained that CRS has received 7 bids for the Actuarial RFP. He is in the process of reviewing those and looking for scoring in the next few weeks. He will then bring those scores to the Evaluation Committee to discuss.

### **Old Business**

#### *Survivor Benefits*

Linda Smith, from the Law Department, explained that this is not finalized but is very hopeful it will be finalized by the next meeting.

#### *Term Limits Ordinance*

Chair Moller referenced the draft form of the ordinance that is included in the packet. Trustee Gamel motioned to approve the Ordinance and send it on to City Council and second by Trustee

Rahtz. Trustee Walsh commented on his opposition to the ordinance and as a member of Council, he will present it fairly to City Council. If there are objections from Council, he will move to hold the objections so the CRS Board can work with Council to correct it. The motion was approved by a 7-1 vote.

### **New Business**

#### **Annual Funding Letter to CMO**

Chair Moller referenced the draft letter included in the packet and explained that last year, CRS asked Cheiron if CRS was to do an incremental funding approach to increase the employer contribution over a period of time, and what would the annual increase have to be to have full funding by 2045. Last year's initial increase was 1.5% and is now 1.1% and increases over time to about 41%. If the City's contribution remained at 17%, then the pension will be funded at 41% by 2045, which is a concern. From a fiduciary perspective, the Board wants the employer contribution to increase. Chair Moller motioned to approve sending the Annual Funding letter to the City Manager and at the appropriate time, send it to the Mayor and City Council. The motion was seconded by Trustee Gamel and approved by unanimous roll call vote.

#### **Foster and Foster DROP Report**

Chair Moller explained that Foster and Foster was asked to determine if the DROP program was cost neutral from a theoretical perspective. The CSA required a cost neutral DROP program. CRS had a report from Cheiron from 2020 that says that the DROP program was not cost neutral. There was an increase liability in about \$11 million and what is included in the packet is a new report from Foster and Foster that takes into consideration what has actually happened, and that liability has gone up. Trustee Gamel motioned to accept the report and seconded by Trustee Menkhaus. The motion was approved by unanimous roll call vote.

#### **Review 2024 Funston Performance Audit Report & Recommendations**

Chair Moller motioned to formally send this report & recommendations to the City Manager, Mayor, and City Council from the Board, including a cover memo explaining why the Board did it and its general conclusions. Trustee Gamel seconded the motion, and it was approved by unanimous roll call vote.

Chair Moller referenced and briefly explained the summary of recommendations in the packet with the Board, welcoming suggestions, concerns, and/or explanations for each item. He suggested the recommendations under the Governance Framework be delegated to the Governance Committee, and Investment Programs and Operations be assigned to the Investment Committee. The rest of the recommendations are Board-related or need to be discussed further. The Performance Evaluation Committee will keep track of the progress being made on these items.

### **Adjournment**

Following a motion to adjourn by Trustee Rahtz and seconded by Trustee Menkhaus. The Board approved the motion by unanimous roll call vote. The meeting was adjourned at 3:03 p.m.

**Meeting video link:** <https://archive.org/details/crs-board-4-4-24>

**Next Meeting:** Thursday, May 2, 2024, at 2:00 p.m. – City Hall Council Chambers and via Zoom

A handwritten signature in black ink, appearing to be 'JSH', written in a cursive style.

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Secretary