

**City of Cincinnati Retirement System
Board of Trustees Meeting Minutes
November 7, 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
Seth Walsh
Aliya Riddle
Sonya Morris
Tom West

Administration

Jon Salstrom

Law

Linda Smith

CALL TO ORDER

Chair Moller called the meeting to order at 2:12 p.m. and a roll call of attendance was taken. Trustees Moller, Gamel, Rahtz, Menkhaus, Morton, Walsh, Riddle, Morris, and West were present.

PUBLIC COMMENT

There was one person present for public comment.

APPROVAL OF MINUTES

Approval of the minutes of the Board meeting of October 3, 2024, was moved by Trustee Gamel and seconded by Trustee Menkhaus. The minutes were approved by unanimous roll call vote.

Report from Investment Committee

Chair Moller explained the three motions made at the Investment Committee:

- Motion to accept the Quarterly Investment Report and Private Equity recommendation, which included \$12-15 million commitment to Siguler Guff Fund VI, \$7-10 million commitment to JPM Coin Fund II, and a \$5 million commitment to Timber Bay Fund III. No second needed. The motion was approved by unanimous roll call vote.
- Motion to update the target benchmarks used to compare CRS's performance. This will be updated now and reviewed, updated, etc... if necessary, when the asset allocation studies are accepted by the Board or at least annually after the 4th quarter Investment Report is accepted by the CRS Board. No second needed. The motion was approved by unanimous roll call vote.
- Motion to amend the Investment Policy. The CRS staff defines in the Investment Manager selection, monitoring and communication, which was provided in the packet. For the Investment

Committee, there were two modifications to that motion; 1. Correct misspelling of Executive Director and 2. Where CRS Staff and Director are mentioned in the Investment Policy, to change that to just the Director. No second needed. The motion was approved by unanimous roll call vote.

Informational – Staff Report

Marquette Investment Report

Chair Moller referenced the Investment Report included in the packet.

Staff Update

Director Salstrom explained that CRS staff are in the process of interviewing for their open Administrative Specialist position.

115 Subcommittee Update

Director Salstrom explained that there was no update at this time. Chair Moller mentioned that the 115 Subcommittee was a recommendation from outside counsel. He created a summary, which he provided to Director Salstrom, of his concerns regarding the 115 Subcommittee and the possible conflicts with the CSA and Consent Decree. The goal is to have the concerns clarified and then be brought back to the Board at the appropriate time.

City Stabilization Fund – Waterfall mechanism update (IRC 415B overview)

Director Salstrom gave a high-level overview of the report from Administration to Council on the Stabilization Fund. Similar to last year, as part of the Municipal Code, the CRS benefits from overfunding within the Stabilization Fund and will receive \$2 million. That is in addition to the 17.75% contribution rate from the City. There is an additional \$2 million that will be coming into the CRS Pension Trust due to an IRS Code requirement for which CRS needs to come into compliance. Both have been transferred into the Pension account already.

Director Salstrom referenced the Internal Revenue Code 415B presentation included in the packet. This code puts a limit on the benefit the defined benefit can pay. It is to limit the impact that a highly compensated employee has on an overall plan. The reason CRS needs to stay in compliance with this is to keep its tax deferred status.

Fiduciary Audit Recommendations Update

Director Salstrom explained that there is no real update at this time and the Governance Manual is the main item being worked on.

Mayoral Trustee Appointments

Chair Moller explained that Tom West was reappointed.

Futures Commissions Motion Update

Director Salstrom explained that he did not have an update at this time.

Old Business

Term Limits Ordinance

Chair Moller explained that the Board's original thought was to eliminate term limits, and the committee of Council suggested that there not only be term limits, but the Board create a way to increase interest in the future for Board members to run. Chair Moller motioned to discuss the 3 motions he created, that is

included in the packet and seconded by Trustee Rahtz. The motion was approved by unanimous roll call vote, except for Trustee Walsh who abstained.

- The first motion is to provide notice to the constituent groups when there is a vacancy coming up and giving them plenty of time to consider running.
- Motion number two provides for 3 consecutive 4-year terms.; an incumbent can run again if you skip a term; if a term ends and the election is not complete, the incumbent may continue to serve for up to 180 days or until the election is complete; if the incumbent is unable to continue to serve the 180 days, Board member can elect an interim qualified replacement for the remainder of the 180 days.
- Motion number three would ask the Law Department to prepare an ordinance to modify the Administrative Code to incorporate motion two.

Memorandum of Understanding – Funston Recommendations

Director Salstrom explained that he included his notes from the meeting with Administration. He recommends moving forward by tackling each item one at a time, as far as him working with Administration.

New Business

Board and Committee Meeting Agenda for 2025

The 2025 Board and Committee meeting schedule for 2025 is included in the packet.

Adjournment

Following a motion to adjourn by Trustee Rahtz and seconded by Trustee Morris. The Board approved the motion by unanimous roll call vote. The meeting was adjourned at 2:42 p.m.

Meeting video link: <https://archive.org/details/crs-board-11-7-24>

Next Meeting: Thursday, December 5, 2024, at 2:00 p.m. – City Hall Council Chambers and via Zoom

Jon Salstrom

Secretary