



## **City of Cincinnati Retirement System Performance Evaluation Committee**

**City Hall Council Chambers and via Zoom  
September 14, 2023 – 1:00 PM**

### **AGENDA**

#### **Members**

Kathy Rahtz, Chair  
Mark Menkhaus, Jr., Vice Chair  
Tom Gamel  
Monica Morton  
Seth Walsh  
Tom West  
Aliya Riddle

#### **CRS Staff**

Karen Alder  
Jon Salstrom

#### **Call to Order Public**

#### **Comment**

#### **Approval of Minutes**

- Meeting of July 13th, 2023

#### **Old Business**

- 2023 ED Evaluation
- Update of Fiduciary Performance Audit
- Cyber Security & Disaster Recovery Update
- Update of '23 Board Objectives

#### **New Business**

- Planning for '24 Goals and Objectives

#### **Adjournment**

**Next Meeting:** Thursday, December 7, 2023

**City of Cincinnati Retirement System  
Performance Evaluation Committee Meeting Minutes  
July 13, 2023/ 1:00 P.M.  
City Hall – Council Chambers and remote**

**Board Members**

Kathy Rahtz, Chair  
Mark Menkhaus, Jr., Vice Chair  
Tom Gamel  
Monica Morton  
Seth Walsh  
Tom West  
Aliya Riddle

**Administration**

Karen Alder  
Mike Barnhill, Contractor

**Law**

Ann Schooley  
Linda Smith

**Call to Order**

The meeting was called to order at 1:04 p.m. by Chair Rahtz and a roll call of attendance was taken. Committee members Rahtz, Menkhaus, Gamel, Morton, and Riddle were present. Committee members Walsh and West were absent.

**Public Comment**

No public comment.

**Approval of Minutes**

Approval of the minutes for the meeting of March 2, 2023, was moved by Trustee Menkhaus and seconded by Trustee Morton and approved by unanimous roll call vote.

**Old Business**

**2023 Goals and Objectives Update**

Chair Rahtz summarized the goals and objectives of the board and committees and gave an update on the status of each..

Chair Rahtz moved to add the annual performance evaluation of the Executive Director to the Performance Evaluation Committee's objectives and the motion was seconded by Trustee Menkhaus.

Director Alder asked the Chair about the timeframe for the Executive Director evaluation and Chair Rahtz informed Director Alder that she will confirm that with the new Director once they are hired.

The motion to add the annual performance evaluation of the Executive Director to the Performance Evaluation Committee Objectives was approved by unanimous roll call vote.

#### CRS Risk Dashboard

Chair Rahtz proposed that the CRS Risk Dashboard be addressed at the next meeting when there is more stability and a permanent director.

Mr. Moller, who is not on the committee, but attended the meeting, expressed his concern about cyber risk and disaster recovery. He requested a presentation on cyber risk and disaster recovery. Director Alder told the Committee that there will be a presentation on this topic at the next Performance Evaluation Committee meeting.

Trustee Morton asked the Chair about the lack of membership access to information and education regarding retirement, and if CRS is still doing the newsletters. Director Alder responded that there is a newsletter for active members and one for retirees. Director Alder stated she would provide the timeline for the cycle of these to the Board. Chair Rahtz pointed out that there are two newsletters per year for each type of member.

Trustee Morton asked Director Alder if cyber security and disaster recovery is covered under the city's plan. Director Alder answered that most of the systems are covered by the City's plan, but there are some systems such as Pension Gold that are specific to Retirement. She will consult with Retirement's IT staff and include the information in the presentation.

#### Follow-up on Anthem and CVS Items from March Meeting

Chair Rahtz explained that the Committee received extensive reports on the staff review and evaluation of healthcare vendors (Anthem and CVS). The Committee received the 2022 Summary Report from Anthem, which was provided at the March meeting. Chair Rahtz has since received the 2022 Summary Report from CVS and asked Director Alder to post both reports on the CRS website. Chair Rahtz did not propose any changes and approved the staff's evaluation of the vendors.

Chair Rahtz ask Director Alder if any additional information had been obtained from Anthem on the difference between an appeal and a grievance and whether it is dependable as a performance metric, and other metrics that can be considered. Director Alder explained that Anthem did not have anything additional to provide.

Director Alder indicated that CVS and Anthem have been contacted for information on any customer satisfaction surveys they have done. Anthem responded that they have received 192 surveys YTD and 93.3% of member's were satisfied. CVS indicated that they do have customer satisfaction survey information which they would forward. However, the information has not yet been received.

#### **Adjournment**

Following a motion to adjourn by Trustee Menkhous and seconded by Trustee Morton, The Performance Evaluation Committee approved the motion by unanimous roll call vote. The meeting was adjourned at 1:26 p.m.

**Meeting video link:** <https://archive.org/details/crs-performance-eval-7-13-23>

**Next Meeting:** September 14, 2023

**CRS Board Performance Evaluation of Exec. Dir. Form, CY 2022**

**Rating Scale: 1 - 3. 1 = Does not meet expectations; 2 = Meets expectations; 3 = Exceeds expectations**

**Essential Values**

	<b><u>Quality Rating</u></b>	<b><u>Comments</u></b>
Acts with Integrity, Ethics & Accountability		
Communicates Effectively		
Provides Excellent Customer Service		
Relationship Building		
Embraces Change		
Attitude		

**Core Competencies**

	<b><u>Quality Rating</u></b>	<b><u>Comments</u></b>
Work Productivity		
Attendance		
Timeliness		
Effectiveness		

**Supervisory / Leadership Skills**

	<b><u>Quality Rating</u></b>	<b><u>Comments</u></b>
Provides Leadership, Trains, Motivates and Coaches		
Consistently Upholds Standards Fairly; Resolves Problems, Conflicts Appropriately and Timely		
Plans and Acts Strategically; Delegates Effectively		
Promotes, embraces and values Small Business Enterprise initiatives, EEO and Affirmative Actions Goals		
Completes Employees' Performance Evaluations on Time		

**Cincinnati Retirement System  
DRAFT 2023 STRATEGIC PLAN**

*Updated February 2023*

**CRS MISSION**

- **Assure Promised Pension and Healthcare Benefits for Current and Future Retirees**
- **Assist and Support CRS Members in Achieving a Successful Retirement**
- **Assure CRS Transparency and Accessibility for all Stakeholders**

**CRS Board of Trustee Goals**

- A. Invest CRS financial assets to establish a reasonable probability that the assumed annual rate of return is achieved. *(CMC sec. 203-65)*
- B. Establish reasonable actuarial and investment assumptions and determine the probability that current retirees and future retirees will receive promised pension and healthcare benefits. *(CSA, 2nd and 3rd Goals)*
- C. Provide recommendations to the City Administration, City Council, and Mayor to achieve full funding of pension and healthcare benefits. *(CSA, 2nd and 3rd Goals)*
- D. Provide strategic CRS direction and support to the CRS Department. *(CSA, para. 30)*
- E. Provide timely communication to active and retiree members regarding CRS financial status and pension and healthcare benefits. *(CSA, para. 30; Agreed Order, para. j)*
- F. Cultivate and advance collaborative relationships, marked by mutual respect and transparency, among CRS administration and CRS Board. *(CSA, 7th Goal)*
- G. Prioritize customer service best practices to strengthen responsiveness and reduce barriers to communication among stakeholders. *(CSA, para. 30)*

**CRS Board of Trustee Responsibilities**

1. The Cincinnati Retirement System (CRS) Board of Trustees (Board) shall administer CRS solely for the benefit of active and retiree members. *(CMC secs. 203-0, 203-65)*
2. The CRS Board shall have exclusive authority to govern the Pension Trust and Healthcare Trust as fiduciaries. *(CSA, para. 30; CMC sec. 203-65)*
3. The Board shall have full power to invest and reinvest fund assets as a prudent investor and according to investment policies adopted by the Board. *(CMC sec. 203-65)*
4. The CRS Board shall be responsible for determining and approving the CRS Budget. *(CMC sec. 203-133)*
5. The CRS Board shall be guided by principles of full transparency to inform the members and the public of the Board's concerns, considerations, and decisions. *(Agreed Order, para. j)*
6. The CRS Board shall generate and maintain a governing manual, including rules, procedures, and regulations. *(Agreed Order, para. k; Admin. Code Art. XV, sec. 4)*
7. The CRS Board will provide information and documentation as required by the Collaborative Settlement Agreement. *(Agreed Order, para. l)*
8. The CRS Board shall actively participate in searches for the CRS Director. *(Agreed Order, para. m)*
9. The CRS Board shall perform an annual evaluation of the CRS Director and shall submit it to the City Manager. *(Agreed Order, para. m)*
10. The CRS Board shall be responsible for selecting actuaries, investment advisors, and other professionals, subject to the City's procurement process. *(CSA, para. 30; Agreed Order, para. n; Admin. Code Art. XV, sec. 7)*
11. The CRS Board shall not limit actuaries, investment advisors, and other professionals regarding information that they deem necessary for the city administration, CRS members, or the public to know. *(Agreed Order, para. o)*
12. The CRS Board shall have an actuarial review of experience and assumptions every five years and make a valuation of assets and liabilities at least every two years. *(Admin. Code Art. XV, sec. 9)*
13. The CRS Board shall adopt mortality tables and other assumptions as it considers necessary. *(Admin. Code Art. XV, sec. 9)*
14. The CRS Board shall create committees to fulfill its obligations each having membership of at least one retiree Board member, one active Board member, and one appointed Board member. *(Agreed Order, para. p)*
15. The CRS Board Chair shall appoint an investment committee. *(CMC sec. 203-65)*
16. The CRS Board shall approve by a two-thirds vote any changes to the CRS annual budget. *(CSA, para. 30; Agreed Order, para. q)*
17. The CRS Board shall establish rules for the election of active and retiree members to fill Board positions. *(Agreed Order, para. f)*
18. The Board shall elect a Chair and Vice-Chair for the Board to serve for two years. *(Admin. Code Art. XV, sec. 3)*
19. The Board shall provide input and recommendations to the City regarding funding policy for healthcare. *(CSA, para. 26)*
20. The Board shall report annually to City Council regarding CRS status. *(Admin. Code Art. XV, sec. 1)*
21. The general administration and responsibility for the proper operation of the retirement system shall be vested in a board of trustees. *(CMC secs. 203-0, 203-133)*

**CY 2023 Board Objectives**

<b>Strategic Objectives</b>	<b>Owner</b>	<b>Target Date to Complete</b>	<b>Status/Date Completed</b>
Work collaboratively to seek increase of City contribution rate to 17.75%	Board, Exec. Director	June 30, 2023	City approved increase to 17% in June 20;
Provide the City Administration with input and recommendations regarding the healthcare trust funding policy <i>(A,B,C,1,2,11,19)</i>	Board	1Q 2023	Completed, 1/17/2023
Assist the Mayor and Council in filling appointed member Board vacancies <i>(C,1)</i>	Board, Exec. Director	1Q 2023	Completed
Complete the five-year actuarial experience study; act on recommendations	Board, Exec. Director	2Q 2023	Completed May 2023
<b>Ongoing Objectives</b>			
Prepare and present CRS orientation to City Stakeholders (City Mgr, Mayor, V. Mayor, Council Fin. Chair) <i>(C,D,1,5,7)</i>	Board, Exec. Director	Ongoing	Target 2Q24
Prepare and provide trustee training plan, including training policy and curriculum <i>(A,B,C,D,1,2,3,10,12,13)</i>	Board, Exec. Director	Ongoing	NCPERS
Develop and provide newsletters for active and retired members <i>(E,5,7)</i>	Exec. Director	Ongoing	Retiree sent '9/11
Prepare and approve the 2024 budget <i>(A,B,D,4,16)</i>	Board, Exec. Director	12/7/2023	Completed 4/6/2023
Review and approve the annual 12/31/2022 Actuarial Valuation Reports <i>(B,1,2,12,13)</i>	Board	5/4/2023	Completed 5/4/2023
Review and approve the quarterly and Annual Investment Reports <i>(A,B,1,2,3,11)</i>	Board	Ongoing	Marquette Report Posted to Website
Prepare and submit the annual CRS report to City Council <i>(C,D,5,7,20)</i>	Board, Exec. Director	9/7/2023	Draft to Board at July 2023 meeting

**CY 2023 Investment Committee Objectives**

Asset allocation review; cash allocation?	Board, Exec. Director	1Q 2023	Completed 2/2/2023
Investment risk review	Board, Exec. Director	1Q 2023	Completed 2/2/2023
Investment Consultant RFP	Board, Exec. Director	2Q 2023	Released 5/3/22
Investment return peer universe	Include in RFP	2Q 2023	Included - marquette
Investment manager compliance	Include in RFP	2Q 2023	Included - marquette
Tolerance bands	Board, Exec. Director	2Q 2023	marquette and ED monitor
Investment Contract governance; approval authority; standardized review of terms		3Q 2023	
De-risk health plan		3Q 2023	Coordinate with Horan

**CY 2023 Governance Committee Objectives**

Ethics Policy		2Q 2023	Revised Draft referred to Governance Committee in
Trustee Training Policy		2Q 2023	Draft reviewed at Jan 2023 mtg
Role for Exec Dir recommendation in the Disability Rules?		2Q 2023	Completed 5/4/2023
Amend in Board disability rules to implement CMC 180 day timeline for abandonment of application		2Q 2023	Completed 5/4/2023
Creation of Audit Committee, possibly from Performance Eval Comm		3Q 2023	
Charters for Current Committees		3Q 2023	Completed by 4Q23
Consider Change to Fiscal Year		3Q 2023	Considered and not practical
Evaluate Fiduciary Governance of 457 Plans		3Q 2023	Potentially engage Marquette on best pract

**CY 2023 Benefits Committee Objectives**

Review Horan healthcare plan changes summary		1Q 2023	Completed 1/12/2023
Survivor Benefits: review Cheiron letter		2Q 2023	Benefits Committee Agenda item
Survey retirees re benefits		2Q 2023	Completed 5/29/23
Consider cafeteria benefits options (LTC, Life Ins, Ins tier options)		3Q 2023	Survey completed: Horan analysis?

**CY 2023 Performance Evaluation Committee Objectives**

2023 Strategic Plan		1Q 2023	Complete
Review of staff evaluations of Board contractors		1Q and 4Q 2023	Complete
Fiduciary Performance Audit; RFP and monitoring contract		2Q 2023	Review of RFP responses due 6/27/23
Disaster Recovery and Business Continuity of Operations Plan		3Q 2023	Complete