



City of Cincinnati Retirement System Governance Committee

**City Council Chambers and via Zoom
July 11, 2024 – 12:00 PM**

AGENDA

Members

Mark Menkhaus, Jr. (Chair)
Tom Gamel (Vice Chair)
Bill Moller
Kathy Rahtz
Seth Walsh
Aliya Riddle

CRS Staff

Jon Salstrom

Law

Linda Smith

Call to Order

Public Comment

Approval of Minutes

- March 4, 2024

Old Business

- Funston Performance Audit Recommendations

New Business

- Draft of the Governance Bylaws Manual

Adjournment

Next Meeting: October 3, 2024, at 12:00 p.m. - City Council Chambers and via Zoom

**City of Cincinnati Retirement System
Governance Committee Meeting Minutes
April 4, 2024 / 12:00 P.M.
City Hall – Council Chambers and remote**

Board Members

Mark Menkhaus, Jr., Chair
Tom Gamel, Vice Chair
John Juech
Bill Moller
Kathy Rahtz
Seth Walsh
Aliya Riddle

Administration

Jon Salstrom

Law

Linda Smith

Call to Order

The meeting was called to order at approximately 12:01 p.m. by Chair Menkhaus and a roll call vote of attendance was taken. Committee members Menkhaus, Gamel, Juech, Moller, Rahtz, Walsh and Riddle were present.

Public Comment

No public comment.

Approval of Minutes

Approval of the minutes of the January 11, 2024, motion was moved by Committee member Gamel and seconded by Committee member Moller. The minutes were approved by unanimous roll call vote.

Old Business

No Old Business.

New Business

Review 2024 Funston Performance Audit Report & Recommendations (Governance Manual)

Director Salstrom referenced the summary of the recommendations included in the packet. The Committee discussed pension system recommendations and sample documents from other systems. Chair Menkhaus emphasized the need to revise the manual through drafts, focusing on structure and format, and present them to the Committee for discussion and revision. Committee member Moller highlighted the need to prioritize some recommendations over others and will go over the report in detail at the Board of Trustees meeting.

Adjournment

A motion to adjourn was made by Committee member Gamel and seconded by Committee member Walsh. The Governance Committee approved the motion by unanimous roll call vote. The meeting was adjourned at 12:15 p.m.

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

Next Meeting: Thursday, July 11, 2024, at 12:00 p.m. - City Council Chambers and via Zoom

DRAFT

Funston Performance Audit - Summary of Recommendations

Assignment

		Board	Board, Adm.	Priority	Board	Governance	IC	Staff	Performance evaluation	Audit
1. Legal and Regulatory										
	Status									
1.1	Improve definition and clarity of roles and authorities of:									
	<ul style="list-style-type: none"> The Board of trustees 	Initiated	X		X					
	<ul style="list-style-type: none"> Board chair 	Initiated	X		X					
	<ul style="list-style-type: none"> Individual trustees 	Initiated	X		X					
	<ul style="list-style-type: none"> City Council and Mayor 	Initiated		X						
	<ul style="list-style-type: none"> City Manager and City Finance Director 	Initiated		X						
	<ul style="list-style-type: none"> CRS Director 	Initiated		X						
1.2	The City should expand Board of Trustees personnel authorities to align with the Board's responsibilities, for example, naming the CRS Director as a direct report to the Board, with authority to hire/fire, evaluate, and set compensation.	Initiated		X						
1.3	The City Solicitor should provide the Board of Trustees with independent external legal counsel or establish a policy and process that allows CRS to retain independent external counsel and/or hire internal CRS counsel to address potential conflicts of interest associated with the City Solicitor's representation of other clients on the same matters.	Initiated		X	X					
1.4	Confirm the Board's authority, as the named fiduciary, to contract with actuaries, investment consultants, investment managers, custodial banks, benefit providers, and legal counsel, all of which require unique pension and investment expertise.	Initiated		X	X					
1.5	The City Manager should allow CRS trustees who are not City employees to vote on CRS procurement decisions; the Board, as fiduciaries, should have final authority on those decisions.	Initiated		X	X					
1.6	If the CRS Board is not given authority to hire/fire/evaluate/compensate the Director, work with the City Manager to develop a Memorandum of Understanding that addresses the City Manager's role as a potential fiduciary and formalizes procedures where the Board and City Manager, Finance Director or other officers have overlapping responsibilities (e.g., setting goals for and evaluating the Executive Director); CRS may need to consider options for engagement of independent fiduciary legal counsel to assist with this initiative.	Initiated		X	X					
	<small>GREEN - SHORTER TERM COMPLETION RED - LONGER TERM COMPLETION Board - CRS Board has authority to complete Board, Adm. - CRS Board and City Administration have shared authority to complete Priority - CRS Board priority to complete as soon as possible Note: Some Recommendations may require CSA update.</small>									

2. Governance Framework

2.1	Aggregate and organize the Board policies from all sources into a Board Governance Manual with online access and links to underlying document provisions; include the mission statement, goals, trustee responsibilities, committee charters and the Code of Ethics.	Initiated		X	X					
2.2	Develop new policies or formalize current policies and practices for:									
	<ul style="list-style-type: none"> Trustee personal financial disclosures 	Initiated	X							
	<ul style="list-style-type: none"> Board self-evaluation / Board education policy 	Initiated	X							
	<ul style="list-style-type: none"> Funding 	Initiated		X						
	<ul style="list-style-type: none"> Separate investment policy statement for the 115 trust fund that is tailored to its liabilities 	Reviewed	X							
	<ul style="list-style-type: none"> Strategic planning, in coordination with the City 	Initiated		X						
	<ul style="list-style-type: none"> Collection of claims in securities class actions 	Initiated	X							

		Board	Board_Adm.	Priority	Board	Governance	IC	Staff	Performance evaluation	Audit
	• Succession planning, in cooperation with relevant City appointing authorities	Initiated	X							
	• Business continuity and resumption	Initiated	X							
	• Independent governance and benchmarking reviews	Reviewed	X							
	• External communications by Board members		X							
	• Due diligence and reporting for referral of service provider candidates by trustees, along with limits on candidate contacts with trustees during an RFP process	Initiated	X							
2.3	Reduce the size of each committee to three or five members to better utilize trustee time.	Reviewed	X							
2.4	Adopt a consent agenda for approval of routine business and reports.	Reviewed	X							
2.5	Conduct periodic board retreats for more in-depth discussion on key topics, conducting board self-evaluations and executive director evaluations, and trustee education.	Not Reviewed Yet	X							
2.6	Following implementation of the recommendations in this report, conduct a biennial self-evaluation process, potentially with external assistance; this process should help to inform educational priorities.	Not Reviewed Yet	X							
2.7	Define ongoing training requirements for Board members, including onboarding plan for new trustees and required fiduciary training; link training to board self-assessment findings and the calendar of Board agenda action items.	Not Reviewed Yet	X	X						
2.8	Formalize a CRS stakeholder communications plan that identifies key stakeholders, communications responsibilities, and messages and objectives.	Not Reviewed Yet	X							
2.9	Issue new system email accounts to be used by trustees for all CRS-related business.	Reviewed	X	X						
2.10	Discuss with the Director and the investment consultant how reporting could be improved and executive summaries better utilized to enhance trustee understanding and insight.		X	X						
2.11	Appoint a Board Audit Committee with oversight of internal and external audits to commission an independent financial audit and obtain internal audit services from the City Internal Audit Department and/or an independent firm; include oversight of enterprise performance and risk in the committee charter responsibilities.		X	X						

3. Investment Program and Operations

3.1	Develop a separate Statement of Investment Beliefs (SIB) to guide development and implementation of the strategic asset allocation.	Completed	X							
3.2	Develop a liquidity policy as part of the Investment Policy Statement (IPS) to ensure that the cash needs of the organization are effectively and efficiently met.	Completed	X	X						
3.3	Develop a separate IPS for the 115 Trust (Health Care Trust) that reflects the unique liability structure of the 115 Trust.	Reviewed	X	X						
3.4	Extend the time horizon for the strategic asset allocation to 3-5 years and only make changes to the target asset allocation as part of a comprehensive Asset Liability Study.	Completed	X							
3.5	Include a more comprehensive rebalancing policy in the IPS that describes how rebalancing is linked to the Board's investment philosophy and what the process should be.	Completed	X							
3.6	Discuss with Marquette Associates how reporting might be improved through development of an introductory executive summary, with an exception reporting approach, to the quarterly reporting package focused on actual performance compared to the IPS.	Completed	X	X						

4. Pension Operations

4.1	Clarify the Board's responsibilities and role (or lack thereof) in pension and benefits administration.	Initiated	X	X						
4.2	Consider if pension staffing resources and capabilities should be improved through Implementation of a member contact center telecommunications system.	Initiated	X	X						
4.3	Develop a long-term plan with service, performance, and cost objectives, to ensure that member self-service, website redesign, and other improvements, are all developed and implemented in a coordinated manner and achieve desired results.	Not Reviewed Yet	X							
4.4	Charter a pension administration cost and performance benchmarking report.	Not Reviewed Yet	X							
4.5	Consult with its actuary and determine if an adjustment to the investment assumed rate of return should be recommended.	Reviewed		X						
4.6	Develop and adopt a formal actuarial and funding policy describing responsibilities and frequency of actuarial and asset/liability study processes and addressing investment, demographic and benefit risks.	Reviewed	X	X						

5. Administrative Operations

		<u>Board</u>	<u>Board, Adm.</u>	<u>Priority</u>	<u>Board</u>	<u>Governance</u>	<u>IC</u>	<u>Staff</u>	<u>Performance evaluation</u>	<u>Audit</u>
5.1	Develop succession planning and implement a cross training program for staff to minimize key person risk and enhance staff development.	Initiated	X							
5.2	Work with the City Administration and the Law Department to delegate authority to the CRS Board to engage external counsel to obtain more timely legal support or unique expertise when appropriate. See also Recommendation 1.3.	Initiated	X	X						
5.3	Develop a long-term IT plan that identifies future needs.	Initiated	X							
5.4	Work with the City Enterprise Technology Solutions (ETS) Department to ensure security is adequate and tested.	Initiated	X	X						
5.5	Update the documented disaster recovery plan.	Initiated	X	X						

6. Compliance

6.1	Assign leadership, training, and monitoring responsibilities for compliance to ensure compliance with conflict of interest and ethics policies.	Reviewed	X	X						
6.2	Develop a repository of risk-ranked compliance requirements.	Reviewed	X							
6.3	Establish tracking mechanisms to identify and escalate non-compliance.	Completed	X							

GREEN - SHORTER TERM COMPLETION
 RED - LONGER TERM COMPLETION

Board - CRS Board has authority to complete
 Board, Adm. - CRS Board and City Administration have shared authority to complete
 Priority - CRS Board priority to complete as soon as possible

Note: Some Recommendations may require CSA update.

Cincinnati Retirement System (CRS)

Governance Policies Review



December 1, 2023

CRS Governance Policies Review

Introduction

Review of current Cincinnati Retirement System (CRS) governance policies and charters is part of the Funston Advisory Services (FAS) CRS fiduciary audit. In order to conduct the governance policies evaluation, FAS reviewed the following documents from the CRS public website:

- Chapter 203 of the Cincinnati Municipal Code
- Collaborative Settlement Agreement (5-7-2015)
- Collaborative Settlement Agreement Consent Decree (10-5-2015)
- Collaborative Settlement Agreement Agreed Order (on Board reforms 4-14-2016)
- CRS Governance Manual
- CRS Board Rules
- Article XV of the Cincinnati Administrative Code
- CRS Board Policies
- CRS Committee Charters.

FAS compared the CRS policies to those of its peers, using the proprietary FAS National Public Pension Policy Repository (N3PR), with policies from over 80 public pension funds. Policies and practices were also compared to peers in the FAS InGov database, which contains survey results from public pension funds. In addition, FAS referenced its knowledge of peer policies from experience working with dozens of public pension funds and other institutional investors on governance matters.

We assessed each CRS governance policy and formed an independent opinion as to whether it was a lagging, prevailing or leading practice. A lagging practice has fallen behind peers. A prevailing practice is common among peers. A leading practice is a practical improvement over prevailing practice. We also considered whether the practice was adequate for the purpose. The results of that analysis are contained in a separate FAS InGov report that compares CRS policies and practices with its peers.

Preliminary Conclusions

FAS overall determination was that CRS governance policies are comprehensive and, with a few exceptions, appear to be both appropriate and consistent with prevailing practice amongst peer funds. Nevertheless, even when consistent with peer practices, there can be opportunities to improve policies and practices. FAS recommendations are developed with that perspective in mind.

While peer policies and practices provide an important reference point for compliance with the fiduciary duty of prudence, prudent policies must also fit a plan's unique characteristics and circumstances. The adage "one size fits one" is foundational when it comes to evaluating governance policies. Policies must be "fit for purpose" in the context of each plan's structure and circumstances.

Accordingly, the CRS staff and Board have a central role to play in determining what policy recommendations are "best" for CRS. While FAS has tried to take the System's circumstances into consideration, the CRS Board and staff are the final decision makers to determine what policies are the best fit. To help with that process, we have attached a Model Board Governance Manual Outline that provides an organized and comprehensive list of potential CRS governance policies that are common at

CRS Governance Policies Review

peer funds. CRS is invited to use that Worksheet in deliberations on structuring its Governance Policy Manual.

An example governance policy manual from another public pension fund is also attached to provide additional context for CRS. However, it is only an example and should be viewed through the “one size fits one” lens.

Policy Guideposts

When deliberating on structure and content of an updated CRS Governance Policy Manual, we offer the following guideposts for content and level of detail. Consideration could be given to whether:

- The policy is important for implementation or interpretation of fiduciary duties, ordinances or other legal requirements
- The additional policy guidance is needed on how to effectively conduct the activity
- A formal policy would assist in achieving compliance or documentation of compliance
- The policy would promote consistency in application of CRS standards or facilitate personnel transitions
- There is a need to establish metrics for performance oversight
- The policy reflects actual practices and capabilities
- Content is detailed enough to provide clarity but not so detailed that it creates compliance risks
- The topic is material to achieving goals of the plan
- The policy has been vetted with expert staff or advisers.

Preliminary Recommendations

1. Expand and reorganize the current Governance Manual.

CRS has a very complicated set of governing statutes, municipal ordinances, rules, court orders, charters and policies. The current Board Governance Manual collects some of those provisions and includes footnotes that identify the underlying documents in which referenced provisions are contained. FAS sees this compilation of CRS governance provisions as a valuable approach. However, we recommend that it be given a table of contents, expanded to reference all material CRS Board governance authorities (using concise summaries with links to appropriate sections of underlying documents) and be reorganized into sections that highlight the different governance roles reserved to the Board.

We believe that an updated and reorganized Board Governance Manual would facilitate orientation of new Board members and provide both the Board and staff with a single reference document for governance matters. It might also help CRS identify areas where there is a need to resolve ambiguity about responsibilities and authority of the various system decision-making entities.

The attached Governance Policies Outline Worksheet provides an example of how the CRS Board Governance Manual might be organized. In many instances, rather incorporating long legal text, the Manual might use plain language summaries with links to the source document. That should make the Manual easier to read and understand, while providing access to the full legal text.

The following sections offer preliminary recommendations for the revised Manual's policy topics content. Combination of several topics in the same policy or document might be appropriate in some instances. In addition, CRS might have to weigh practical considerations with best practice benefits in determining whether a policy topic should be addressed.

2. Incorporate existing CRS policies from various sources.

As noted in the InGov report, CRS currently has a number of prevailing and leading governance policies which are already included in Board materials and its various governing documents. These policies and practices should continue to be referenced in, or added to, the updated Board Governance Manual (with links to source documents). They might include:

- CRS mission statement
- Summary and references to governing legal documents
- Fiduciary duties
- Board composition, terms, qualifications
- Trustee elections and appointments
- Meeting attendance requirements
- Board officer elections and duties
- Board ethics code, standards of conduct and discipline process

CRS Governance Policies Review

- Procedural standards for the conduct of Board/committee meetings
- Board agenda calendar
- Board responsibilities and powers
- Process for Trustee information requests from staff
- Role of the Board in CRS Director selection, responsibilities and evaluation
- Member benefits and disability appeal processes
- Budget approval and oversight process
- Process for selection of custodian, medical director, actuary, investment managers and other Board advisors
- Actuarial standards and processes
- CRS reporting obligations
- Independent legal counsel representation and selection/Agreement with Law Department on handling Code of Professional Responsibility conflicts of and responsiveness to client
- Committees and mandates
- Committee officer selection
- Use of title holding companies for system physical assets
- Determination of format for reports to the Board

3. Develop new policy provisions.

Where CRS Board governance policies lag peers or where development of additional practices and policies is merited, new or revised policies should be developed and referenced (with links to source documents) in the Board Governance Manual. Again, CRS should weigh practical considerations and relevance (in the context of CRS operations) with best practice benefits in determining whether a particular policy topic should be addressed. FAS looks forward to receiving CRS input and assisting with this process.

Areas which appear to merit consideration by CRS include:

- Role of the Board in advising appointing authorities on key employee succession planning
- Process governing contacts with staff outside of meetings to limit undue influence or misuse of staff resources and allow prioritization of work demands
- Confidentiality policy; misuse of inside/proprietary CRS information
- Trustee financial transaction reporting and oversight of potential conflicts or misuse of confidential information

CRS Governance Policies Review

- Trustee position description; use of the Trustee portal
- Committee chair charter
- Blackout period prohibiting contacts during REP selection process (if not covered by City procurement standards)
- Strategic planning process, including roles of the Board, staff and advisors
- Internal audit function and new audit committee charter
- Independent governance review policy
- Funding policies for 115 Trust and Retirement Plan
- Stakeholder communications plan development processes
- Board self-assessment process
- Trustee onboarding and continuing education program standards, linked with Board self-assessments and Board meeting calendar
- Securities litigation claims recovery process and reporting by investment managers

CRS Governance Policies Review

Model Board Governance Manual Outline

Board Function	Governance Manual Policy and Governance Topics
Table of Contents	
Purpose, Vital Functions & Fiduciary Duty	Summary of Assigned Program Responsibilities
	Statement of Purpose, Mission
	Key Governing Laws, Powers (with links to source documents)
	Fiduciary Duties
Fundamentals	Board Composition, Qualifications
	Terms, Vacancies, Removal from Office
	Oath of Office
	Compensation
	Board Portal
	Indemnification & Insurance
	Application of Public Records Law
Conduct Business of the Board	Meetings
	Frequency, Location
	Special/Emergency Meetings
	Member & Public Notice of Meetings
	Board Member Charter/Duties, Attendance
	Agenda Development
	Executive/Closed Sessions
	Calendar of Key Meeting Agenda Topics
	Quorum & Voting Standards
	Rules of Order
	Public Participation
	Requests for Information from Staff
	Minutes
	Policy on website posting of materials, streaming of meetings
	Board Officers
	Selection, Terms & Vacancies
	Chair, Vice Chair & Secretary Charters/Duties
	Committees
	Standing & Ad Hoc
	Membership, Selection & Terms
	Committee Charters, Powers & Reporting
	Committee Officers Selection, Terms & Vacancies
	Committee Officer Charters/Duties
	Evaluations
	Conduct Board Self-Evaluations

CRS Governance Policies Review

Board Function	Governance Manual Policy and Governance Topics
	Evaluate Board Direct Reports (Director)
	Evaluate Board Service Providers
Set/Approve Board Policies & Delegations	Board Ethics Policies
	Standards of Conduct
	Conflicts of Interest/Recusal
	Confidentiality
	Personal Investments, Insider Trading, Frontrunning
	Pay to Play Restrictions
	Financial Disclosures
	Trustee Referral of Potential Investments & Service Providers
	Travel & Expense Reimbursement
	Board Member Discipline
	Board Policies
	Trustee Election Procedures
	Board Service Providers Selection & Evaluation
	Investment Beliefs
	Trustee Education & Onboarding
	Board Self-Evaluation
	Actuarial Standards
	Strategic Planning
	Stakeholder Relations & Communication
	Actuarial, COLA Recommendations
	Benefits Administration Standards
	Whistleblower Process
	Placement Agent Use
	Securities Litigation
	Proxy Voting Policy (if applicable)
	Delegations
	Powers Reserved for Exercise by the Board
	Director Charter/Delegations
	Internal Audit Charter
Oversee or Monitor	Operational Policies/Compliance Reviews
	Investment, Benchmarks & Performance Evaluation
	Procurement Process
	Budgeting and Costs
	Framework & Protocol for Board Reports and Exception Reporting
	Stakeholder Relations
	Rule & Policy Reviews
	Administration & Operations

CRS Governance Policies Review

<i>Board Function</i>	<i>Governance Manual Policy and Governance Topics</i>
	Benefits Administration
Obtain Reassurance	Audit Committee Charter/Duties
	Approve Audit Plan
	Independent Governance Reviews
	Fiduciary Counsel

**City of Cincinnati
Board of Trustees
Governance Manual
2024**

Governance Manual
 for
The Board of Trustees for the Cincinnati Retirement System

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Governance Manual

for

The Board of Trustees for the Cincinnati Retirement System

The Board of Trustees (“Board”) for the Cincinnati Retirement System (“CRS”), is established and governed by the Collaborative Settlement Agreement (“CSA”) (*Sunyak v. City of Cincinnati*, S.D. Ohio, 2016), the Cincinnati Municipal Code (“CMC”), and the Cincinnati Administrative Code (“CAC”). The Board is also governed by applicable Ohio laws and federal statutes. The purpose of the CRS is to provide benefits as specified by the CSA and CMC. These benefits are managed by the Board. The Board governs the CRS by establishing policy, while the City of Cincinnati, CRS Department management and employees are responsible for implementing that policy and managing day-to-day operations.

This Governance Manual incorporates the terms of the CSA, CMC and CAC, and provides guidance for Board matters, procedures, rules and regulations.

1. Board Composition

- a. The Board shall have nine (9) Trustees.¹
 - i. Four (4) Trustees will be appointed by the Mayor.
 - ii. Three (3) Trustees will be elected by retired members. Any Trustee of the Board elected by the retired members must be a retired member of the CRS.
 - iii. Two (2) Trustees will be elected by employee members. Any Trustee of the Board elected by employee members must be an employee member of the CRS.
- b. Trustees shall serve a term of four years. However, the initial term for each Trustee shall vary in length (four years or less each) in such a way as to create staggered terms that end two years and four years after initial appointment/election. The objective is to have the terms overlap to establish continuity in membership from year to year.²
 - i. The initial term for the three retiree-elected Trustees shall be two four-year terms and one two-year term. The elected retiree candidates receiving the greatest number of votes shall serve the initial four-year terms, the elected retiree candidate receiving next higher number of votes shall serve the two-year term.
 - ii. The initial terms of the two employee-elected Trustees shall be a four-year term and a two-year term. The elected employee candidate receiving the greatest number of votes shall serve the initial four-year

¹ CSA, Requires revision of CAC §1

² CSA, Requires revision of CAC §1

term and the elected employee candidate receiving the next lower number of votes shall serve the two-year term.

- iii. Subject to the limitations set forth herein, in the CSA and the Consent Decree, the Mayor's appointees shall also be subject to any subsequent ordinances adopted by City Council. The Mayor shall appoint four Trustees to the Board for the length of a term as decided by the Mayor subject to the four-year per term limitation as set forth above.
 1. At least two of the Mayor's appointed Trustees shall have the following qualifications:
 - a. Baccalaureate degree from an accredited college or university in finance, economics, business or other field of study involving financial management; or
 - b. A minimum of ten years of experience in pension administration, pension actuarial practice, institutional investment management, employee benefits/investment law, banking, asset/liability management for an insurance company, or university or college professor with a focus on fiduciary or trust fund law or a quantitative background in financial theory or actuarial math.
 2. No appointed Trustee shall have any business, personal, or family interests related to the City or the retirement system that would constitute a conflict of interest, or that would create the appearance of a conflict of interest, with the duties of a Trustee. Being a member or a beneficiary of the CRS shall not constitute a conflict of interest.
 3. Residency shall not be considered as a qualification for any appointed Trustee.
 - iv. Not more than two current or former elected City officials shall be eligible to simultaneously serve as Trustees.
- c. Elections
- i. The Board shall establish the rules for all elections of the elected Trustees.³
 - ii. The following reasons disqualify any person from seeking election to the Board or remaining as a Trustee:⁴
 1. Finding of dishonesty in any civil proceeding or disciplinary decision,
 2. Conviction of a felony for an act committed while the candidate or member was an adult, or
 3. Failure to comply with election requirements established by the Board.

³ CSA

⁴ This entry requires changes to CAC §1(i).

- iii. Each Trustee shall take an oath of office at the next regular or special meeting of the Board after his or her election or appointment.⁵
- d. A Trustee who fails to attend at least two-thirds of the regular and special meetings of the Board during any rolling two-year period permanently forfeits membership on the Board.⁶

2. Officers

- a. The Trustees shall elect from their membership the Chair and Vice Chair who shall serve for two years.
 - b. The Chair (or Vice Chair in the absence of the Chair) shall be responsible for:
 - i. Communicating the concerns of the Board to the CRS Director,
 - ii. Setting Board meeting agendas, and
 - iii. After consulting with the Board as a whole, establishing priorities for the CRS Director and CRS staff.
 - iv. Representing the Board when dealing with City Council, Committees of Council, the City Administration, City employees, City retirees, the public, and the media.
 - 1. The representation shall be limited to the consensus view of the Board and not the personal opinions, interests, beliefs, or views of the Chairs or Vice Chair.
 - 2. All such representations shall be reported to the Board, to include the content of the representations and the parties involved.
- No member shall assail, question or impugn the integrity, character or motives of another Board member.
- c. The CRS Director shall be Secretary, ex officio, of the Board, but shall not vote on items considered by the Board.
 - d. Any Trustee may communicate with or pose a question to the CRS Director, the actuary, or other individuals dealing with the business of the Board.
 - i. The CRS Director and the Chair will be copied on any question or communication with the actuary.
 - ii. Should the CRS Director find that Trustees' communications are incurring expense to the CRS; the CRS Director shall bring such cost to the attention of the Board.
 - iii. If answering any specific question or providing further information will incur considerable expense to the CRS, for example, running new projections, agreement to proceed is required of at least three Trustees.
 - e. The City Treasurer ("Treasurer") shall be the custodian of the CRS regular bank account. All payments from said account shall be made by the Treasurer only upon vouchers signed by the Secretary or persons designated by the Secretary.⁷
 - f. The Board may designate a master trustee/custodian and delegate to said custodian the authority to make payments from custodial accounts for

⁵ CAC §2

⁶ CAC §1(g)

⁷ CMC §203-69

investment purposes, receive funds derived from investment sales, dividends, and interest, and perform such other services related to investment transactions and custody as specified in the master custody agreement.⁸

- g. Trustees are required to comply with all applicable laws, including but not limited to ethics laws, in the performance of their duties as Board Members

3. Meetings

- a. The Board shall meet regularly and shall convene other meetings at the request of the Chair or a majority of the members.⁹
- b. At least six (6) Trustees shall be present for quorum.¹⁰
- c. The Trustees present shall vote on issues before the Board.¹¹
- d. There shall be no voting by proxy or designated representative.¹²
- e. The concurring votes of at least five (5) Trustees present shall be necessary for any decision by the Board, unless noted otherwise herein.¹³
- f. Board and committee meetings shall be considered meetings of a public body and be open to the public.¹⁴
- g. Board meeting agendas shall be made available to the public at least 48 working hours prior to the meeting time of the Board.¹⁵
- h. Members of the public shall have an opportunity to speak to the Board on items under consideration at the time such items are considered and before the Board's vote on such items.¹⁶
 - a. Each public speaker's comments may be limited consistent with the Board's rules, as amended.
 - b. Other opinions and comments shall be welcomed in writing, by email, or by other similar means.
- i. The Board shall keep a record of its proceedings, which shall be open to public inspection.¹⁷
- j. Board minutes shall be published in a timely fashion.¹⁸
- k. Upon the request of persons at the Board meetings, public reports by and to the Board shall be made available to attendees.¹⁹

⁸ CMC §203-69

⁹ CSA

¹⁰ This entry requires changes to the CAC §3.

¹¹ CSA

¹² CSA

¹³ This entry requires changes to the CAC; the bold and underlined verbiage alters CAC §3.

¹⁴ CSA

¹⁵ CSA

¹⁶ CSA

¹⁷ CAC §5

¹⁸ CSA

¹⁹ CSA

4. Board Responsibilities

- a. The Board shall exercise all authority for the administration and operation of the retirement system except to the extent any such authority is delegated to others as provided in CMC §203. Specifically, but without limiting the general scope of its authority:²⁰
 - i. The Board may establish rules and procedures for the administration of the retirement system (including, without limitation, forms and procedures for applying for benefits and electing forms of payment).
 - ii. The Board shall have the right to construe and interpret the terms of the retirement system (including any such terms as are unclear or ambiguous), and to resolve any questions or disputes arising in the administration and operation of the retirement system.
 - iii. The Board shall exercise its authority to construe and interpret the terms of the retirement system, and to resolve questions and disputes, so as to preserve the status of the retirement system as a qualified plan under Section 401(a) of the Internal Revenue Code.
 - iv. The Board is empowered to direct the payment of the expenses of administering the retirement system from the assets of the trust fund, subject to the provisions of CMC §§203-65 and 203-66, and other applicable law.
- b. The Board shall be responsible for determining and approving the CRS budget and all components in a timely fashion.²¹
 - i. Any deposits, expenditures, transfers, loans, or withdrawals for the CRS Pension Fund, the 115 Trust, or staff funds that were not identified by category in the annual budgets of the CRS and the City must be approved by a vote of two-thirds of the Trustees present.
 - ii. All such actions shall be included and identified as a line item in the budget which shall be approved annually by the Board by a two-thirds vote of those present.
- c. The Board shall administer the CRS solely for the benefit of the members of the CRS.²²
- d. The Board shall have the exclusive authority to govern the CRS Pension Trust Fund and the 115 Trust Fund, subject to the terms and provisions of the CSA and the Consent Decree issued by the United States District Court, the Internal Revenue Code and the Cincinnati Municipal Code, provided that, in the event of any conflict, the CSA and Consent Decree shall control.²³
- e. The Board shall be the trustee of the fund created by CMC §203 and shall have full power to invest and reinvest the moneys and other assets of such fund

²⁰ CMC §203-133

²¹ CSA

²² CSA

²³ CSA

subject to the terms, conditions, limitations and restrictions set forth in CMC §203. An investment committee consisting of members of the Board shall be appointed by the Chair.²⁴

- f. Board shall establish and maintain an Investment Policy.
- g. The Board and other fiduciaries shall discharge their duties with respect to the funds solely in the interest of the Members and their Optionees and Beneficiaries; and for the exclusive purpose of providing benefits to Members, and their Optionees and Beneficiaries and defraying reasonable expenses of administering the Retirement System. The foregoing shall not prohibit a return of City or Member contributions made under a mistake of fact or law, to the extent permitted under IRC Section 401(a)(2).²⁵
- h. In addition to the foregoing, as trustee of the fund, the Board and its members shall perform all of their duties with respect to the Retirement System in accordance with standards described in Section 5809.02 of the Ohio Revised Code, as amended from time to time. As set forth in Section 5809.02 of the Ohio Revised Code, the Board and its members shall abide by the following standards of care:²⁶
 - i. The Board shall invest and manage the fund assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the Retirement System. In satisfying this requirement, the Board shall exercise reasonable care, skill and caution.
 - ii. The Board shall make a reasonable effort to verify facts relevant to the investment and management of fund assets.
 - iii. The Board's investment and management decisions (including investment management delegation) shall not be evaluated in isolation, but in the context of the fund portfolio as a whole and as part of an overall investment strategy having risk and return objectives reasonably suited to the Retirement System.
 - iv. Among circumstances that the Board shall consider in investing and managing fund assets are the following as are relevant to the Retirement System and its Members:
 - 1. The general economic conditions;
 - 2. The possible effect of inflation or deflation;
 - 3. The expected tax consequences of investment decisions or strategies;
 - 4. The role that each investment or course of action plays within the overall fund portfolio, which may include financial assets, interests in closely held enterprises, tangible and intangible personal property, and real property;

²⁴ CMC §203-65

²⁵ CMC §203-65

²⁶ CMC §203-65

5. The expected total return from income and appreciation of capital;
 6. Other resources of the Members;
 7. Needs for liquidity, regularity of income, and preservation or appreciation of capital;
 8. An asset's special relationship or special value, if any, to the purposes of the Retirement System.
- v. The Board may enter into a bank custody or master trustee relationship, hold securities in nominee name, authorize the lending of securities for the purpose of earning additional income, and authorize the writing of options on owned securities. To facilitate investment of the funds, the Board may establish a partnership, trust, limited liability company, corporation, including a corporation exempt from taxation under 26 U.S.C. §§ 1 et seq., as amended, or any other legal entity authorized to transact business in this state.
 - vi. The Board may hire competent outside investment manager(s) and may delegate to such investment manager(s) its power to invest and reinvest as provided herein. The Board may require from investment manager(s) appropriate information to ensure the disinterested character of its recommendations and to ensure disinterested advice on the continued holdings of securities recommended. If investment manager(s) have been hired by the Board in accordance with the provisions of this section, no member of the Board shall be liable for acts or omissions of such investment manager(s), or be under any obligation to invest or otherwise manage any asset of the Retirement System which is subject to the management of such investment manager(s). The Board shall exercise reasonable care, skill and caution in doing all of the following:
 1. Selecting an investment manager;
 2. Establishing the scope and terms of the delegation consistent with the purposes and terms of the Retirement System and the fund; and
 3. Periodically reviewing the actions in order to monitor the investment manager's performance with the terms of the delegation.
 - vii. The Board shall, in the process of selecting an investment manager, consider qualified Cincinnati investment managers, provided, however, that while consideration shall be given to such qualified Cincinnati investment managers, the Board must continue to act as a prudent investor in its selection of an investment manager. The Board shall also make public, on an annual basis, the list of investment managers used by the CRS during that period. An investment manager shall be deemed a "qualified Cincinnati investment manager" if the investment manager possesses each of the following:

1. A material investment manager business presence in Cincinnati, Ohio;
 2. Past and/or future firm commitment or involvement in the Cincinnati, Ohio community, prior to and/or throughout the period in which the investment manager shall manage the fund assets;
 3. Compliance with the CRS Statement of Investment Policy approved by the Board, including the Investment Manager Selection Policy; and
 4. The investment manager has a minimum of Two Billion Dollars and 00/100 (\$2,000,000,000) in assets under its management at the time it submits its request to present a proposal to the Board to manage the fund assets. This section does not apply to Alternative Investments as determined by the Board.
- viii. The Board shall have authority to impose upon the investment manager, pursuant to the contract with such manager, a standard of care that exceeds the standard of care imposed upon a fiduciary under applicable law. An investment manager appointed by the Board shall exercise reasonable care to comply with the terms of its investment management contract. The foregoing provisions of this section providing for the delegation of investment functions are intended to implement the provisions of Section 5808.07 of the Ohio Revised Code in the context of the Retirement System, and shall be construed in a manner that is consistent with the requirements of such section.
- i. Except as set forth in division (i) below, the Board shall not perform any of the following actions to a party in interest:²⁷
- i. Lend any part of its income or corpus, without the receipt of adequate security and a reasonable rate of interest;
 - ii. Pay any compensation, in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered;
 - iii. Make any part of its services available on a preferential basis;
 - iv. Make any substantial purchase of securities or any other property, for more than adequate consideration in money or money's worth;
 - v. Sell any substantial part of its securities or other property, for less than an adequate consideration in money or money's worth; or
 - vi. Engage in any other transaction which results in a substantial diversion of its income or corpus.
- j. For purposes of subsection (h)(i) above, a bond, debenture, note, or certificate or other evidence of indebtedness (hereinafter in this section referred to as "obligation") of the City shall not be treated as a loan made without the receipt of adequate security if:²⁸

²⁷ CMC §203-66

²⁸ CMC §203-66

- i. Such obligation is acquired:
 - 1. On the market, either at the price of the obligation prevailing on a national securities exchange which is registered with the Securities and Exchange Commission; or if the obligation is not traded on such a national securities exchange, at a price not less favorable to the trust than the offering price for the obligation as established by current bid and asked prices quoted by persons independent of the issuer;
 - 2. From an underwriter, at a price not in excess of the public offering price for the obligation as set forth in a prospectus or offering circular filed with the Securities and Exchange Commission; and at which a substantial portion of the same issue is acquired by person independent of the issuer; or
 - 3. Directly from the issuer, at a price not less favorable to the trust than the price paid currently for a substantial portion of the same issue by persons independent of the issuer;
- ii. Immediately following acquisition of the obligation:
 - 1. Not more than 25% of the aggregate amount of obligations issued in such issue and outstanding at the time of acquisition is held by the trust; and
 - 2. At least 50% of the aggregate amount referred to in subsection (h)(i) is held by persons independent of the issuer; and
- iii. Immediately following acquisition of the obligation, not more than 25% of the assets of the trust are invested in obligations of persons described in division (k).
- k. Except as otherwise provided herein, the Board shall not purchase or sell any securities from, to or through any party in interest. The Board shall not hire an investment manager who is a party in interest.²⁹
- l. For purposes of this section, the term "party in interest" shall include the following:³⁰
 - i. The City of Cincinnati;
 - ii. A member of the Board;
 - iii. An elected or appointed official, an officer who is appointed with the consent of the council of the City of Cincinnati, or any department or division head;
 - iv. A relative of a person described in subsections (ii) or (iii);
 - v. A corporation, partnership or other legal entity that is controlled by the City of Cincinnati;
 - vi. A corporation, partnership or other legal entity in which a person described in subsections (ii), (iii), or (iv) has a stock, capital or profits interest of three percent or more.

²⁹ CMC §203-66

³⁰ CMC §203-66

- m. For purposes of this section, the term "relative" shall include a spouse, and any siblings, lineal ascendants, lineal descendants, or any of their spouses.³¹
- n. The foregoing restrictions of divisions (h) and (i) are intended to comply with the requirements of Federal Internal Revenue Code, 26 U.S.C. § 503(b) and (e), and shall be construed and interpreted accordingly.³²
- o. Each member of the Board shall have fiduciary responsibility as defined under the laws of the State of Ohio. The fiduciary responsibility shall be solely to the active, deferred and retired members of the CRS.³³
- p. The Board shall be guided by principles of full transparency.³⁴
 - i. The public and the CRS members shall have a right to be fully informed of the Board's concerns, considerations, and decisions.
 - ii. The Board shall generate, maintain, and make publicly available a governing manual for guidance of Board matters, procedures, rules and regulations.
 - 1. A published version of the Roberts Rules of Order³⁵ is hereby incorporated by reference within the governing manual.
 - 2. The Board shall adopt rules and regulations for the administration of the funds of the retirement system and for the transaction of its business.³⁶
- q. The Board shall provide to the City Manager and the City Solicitor any information and documentation needed for the reports required by the CSA and the Consent Decree.³⁷
- r. The Board shall report to Council annually on the following issues:³⁸
 - i. The fiscal transactions of the CRS for the calendar year,
 - ii. The amounts of accumulated cash and securities,
 - iii. The financial condition by means of an actuarial valuation of assets and liabilities,
 - iv. Investment performance,
 - v. Success at meeting the investment and funding objectives, and
 - vi. Compliance with conflict of interest and ethics policies.
- s. Unless the Board votes otherwise, at least once in each five-year period, the Board shall cause an actuarial experience study to be made into the mortality, service and compensation experience of the active members, deferred members, retired members and optionees of the CRS, and shall make a

³¹ CMC §203-66

³² CMC §203-66

³³ CSA

³⁴ CSA

³⁵ Zimmerman, Doris P. *Robert's Rules in Plain English*. New York: HarperPerennial. 1997.

³⁶ CAC §4

³⁷ CSA

³⁸ §4(q) requires changes to the CAC; it changes and combines CAC §§1(h) and 5.

valuation of its assets and liabilities. Taking into account the results of such study and valuation, the Board may:³⁹

- i. Adopt such mortality service and other tables as it shall consider necessary;
- ii. Certify the rates of contributions payable by members in accordance with ordinance provisions and other applicable law;
- iii. Certify the rates of contribution payable by the City in accordance with ordinance provisions and other applicable law; and
- iv. On the basis of its tables, the Board may cause an actuarial valuation to be made of the assets and liabilities of the retirement system.

5. CRS Director

- a. The City Manager shall be the appointing authority for the CRS Director and shall supervise his or her performance. The Board will actively participate in any searches for a new CRS Director, whether by committee or otherwise, and may present candidates for consideration. The City Manager and the Board shall develop formalized procedures for the evaluation of the CRS Director and the Board's annual written evaluation of the CRS Director's performance shall be submitted to the City Manager in accordance with the City's policies and procedures regarding performance reviews for Directors. The City Manager may also dismiss the CRS Director if warranted by circumstances and performance. The City Manager shall dismiss the CRS Director at the request of a two-thirds majority of the Board of Trustees. The City Manager shall be responsible for fixing the compensation of the CRS Director with the advice and consent of the Board of Trustees.⁴⁰
- b. The CRS Director shall oversee the administration of benefits, investments and member services of the division, and shall direct, control and supervise all employees within the Retirement Department.⁴¹

6. Special Services

- a. The Board may employ such special actuarial, medical and other service as shall be required.⁴²
- b. Actuary
 - i. The Board shall designate an actuary who shall be its technical adviser on matters regarding the operation of the retirement system and shall perform such other duties as are required in connection therewith.⁴³
 1. Any actuaries, investment advisors and investment consultants hired shall be experienced and reputable professionals in the field.⁴⁴

³⁹ §4(r) requires changes to the CAC; the bold and underlined verbiage alter CAC §9.

⁴⁰ CSA

⁴¹ CAC §12

⁴² CAC §8

⁴³ CAC §7

⁴⁴ CSA

- a. They shall have experience and competencies in the areas of management of funds for large public pension plans.
 - b. They shall be experienced in assessing index funds, assessing, comparing, choosing and administering appropriate asset allocation plans, and satisfying objectives.
 - c. Any firm(s) chosen shall also have records of positive achievement regarding integrity and attaining plan goals.
 - 2. The Board shall keep in convenient form such data as shall be necessary for actuarial valuation of the retirement system and for checking the experience of the retirement system.⁴⁵
 - 3. The Board may determine the format and subjects of any reports from the actuary and investment managers. However, the Board shall not limit, in any way, the right and duty of the actuaries, investment advisors, and other professionals deemed necessary for the administration of the CRS to provide content deemed by those actuaries, investment advisors, and other professionals deemed necessary for the administration of the CRS to be important for the Board, the members, staff, or public.⁴⁶
- c. Medical Director
 - i. The Board shall designate a Medical Director, who shall be a physician not eligible to participate in the retirement system.⁴⁷
 - ii. The Medical Director shall:⁴⁸
 - 1. Arrange for and pass upon all medical examinations required under the provisions of the ordinances,
 - 2. Investigate all essential statements and certificates by or on behalf of a member in connection with any application for disability retirement, and
 - 3. Report in writing to the board his or her conclusions and recommendations upon all referred matters.
- d. The Board will follow the City's established procurement process for its selecting and contracting with any actuaries, investment advisors and other professionals deemed necessary for the administration of the CRS.⁴⁹
- e. The term of any contract for actuaries, investment advisors, and other professionals deemed necessary for the administration of the CRS shall be three years, with one additional three year extension, for a maximum term of six years. Prior to the end of the six year term, these contractual services must be

⁴⁵ CAC §7

⁴⁶ CSA

⁴⁷ CAC §6

⁴⁸ CAC §6

⁴⁹ CSA

rebid, but nothing herein is intended to preclude selection of the former contractor.⁵⁰

7. Administrative Services

- a. The City Solicitor shall serve the Board as legal counsel and attorney, and shall represent the Board in all proceedings in court.⁵¹
- b. The operating budget for the administration of the system shall be paid for by the funds of the system.⁵²
- c. The City shall carry a Public Entity Fiduciary Liability Policy that covers claims made by employees alleging financial loss due to mismanagement of funds to protect against the potential liability of the trustees, the employer, and fiduciaries and professional administrators with respect to error and omissions in the administration of employee benefit programs.⁵³

8. Committees

- a. The Board shall create committees.⁵⁴
- b. The Board Chair shall appoint committee members.
- c. Any committee shall have at least one retiree Trustee, one employee Trustee and one Mayor-appointed Trustee.⁵⁵
- d. All reports made to a committee of the Board shall be provided to all Trustees of the Board, and any Trustee may request additional reports as needed provided that such request is approved by at least two other Trustees.⁵⁶

⁵⁰ CSA

⁵¹ CAC §10

⁵² CAC §10

⁵³ CAC §10

⁵⁴ CSA

⁵⁵ CSA

⁵⁶ CSA



**Cincinnati Retirement System
Rules of the Board of Trustees**

2023

(Revised 10/5/2023)

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Rule I Order of Business

- A. Approval of Minutes
- B. Reports of the Secretary and the Committees
- C. Unfinished Business
- D. New Business
- E. Informational
- F. Adjournment

Rule II Rules of Order

The Board of Trustees of the Retirement System adopts Robert’s Rules in Plain English by Doris P. Zimmerman (Scott, Foresman 1997).

Rule III Meeting Place and Time

Regular meetings of the Board of Trustees are generally held monthly in accordance with an annual calendar of dates as approved by the Board each year.

Rule IV Open Meetings

All meetings of the Board and its Committees are open to the public, except that the Board and its Committees may adjourn into Executive Session under circumstances permitted under Ohio Revised Code Section 121.22. The Secretary, which is defined as the CRS Executive Director, has the duty to cause minutes to be prepared of all meetings and keep the minutes available to the public.

Rule V Special Meetings

Special meetings of the Board of Trustees may be held at the request of the Chairperson or two or more members not less than 48 hours before the time of the meetings, and not less than 24 hours notice to each member. The notice for the meeting must state the time, date, location, and subjects to be considered at the meeting and be posted on the Cincinnati Retirement System’s web page, in compliance with Ohio Revised Code Section 121.22. No other subject may be discussed except with the approval of a majority of the Board.

Rule VI Election of Chair and Vice-Chair

Each December of the even-numbered years, the Board shall elect one of its members as Chair and another as Vice-Chair, to serve for two-year terms. If a vacancy in the office of the Chair

occurs, then the Vice-Chair shall succeed the Chair. The Board shall elect a member to fill any unexpired term of the Vice-Chair.

Rule VII Trustee Elections

TRUSTEE ELECTIONS

The Board is made up of four Appointed Trustees, three elected Retired Trustees, and two elected Active Employee Trustees. Only members of the Cincinnati Retirement System (“CRS”) are eligible to serve as elected Trustees or to vote in the CRS election process. Elected Trustees are elected for a four-year term. Appointed Trustees are appointed by the Mayor for a term of up to four years, as determined by the Mayor.

ACTIVE EMPLOYEE TRUSTEES

Only active Members of the CRS shall be elected as Active Employee Trustees. Employees who participate in the D.R.O.P. (Deferred Retirement Option Program) are ineligible to serve on the Board of Trustees as an Active Employee Trustee. Active Employee Trustees who enroll in the D.R.O.P. during their terms shall forfeit their Trustee position on the Board effective the date of their D.R.O.P. enrollment.

Every CRS Member who is a full-time, part-time, or seasonal employee employed as of the opening of Elections shall be eligible to vote for candidates for either of the two Active Employee Trustee positions. Additionally, ballots for the Active Employee Trustees shall be provided to each Member who is classified as a Deferred Vested Member and to every employee on leave of any type.

RETIREE TRUSTEES

Only Retired Members of the City of Cincinnati Retirement System shall be elected as Retiree Trustees. Every Pensioner (a person receiving a pension benefit) shall be eligible to vote for candidates for the three Retiree Board Trustee positions.

ELECTION PROCESS

A. Elections Committee

The Elections Committee of the Board shall monitor trustee elections, assure that the election rules of the Board of Trustees are followed, submit the election results to the Board of Trustees for approval, and hear election protests.

B. Opening of Nominations

- 1) An Opening of Nominations Notice shall be prepared and distributed by the Retirement Department. The nomination period shall remain open for no less than 25 days. For counting purposes, day 1 shall be the date declared on the Opening of Nominations Notice.

2) The Opening of Nominations Notice shall state all deadlines and dates pertinent to the election, including but not limited to, the deadline for nominations, the deadline for candidates' position papers, the date for the posting of the confirmed candidates' names, the opening and closing dates of the election, and the contact person's name, telephone number and email address within the Retirement Department.

3) Candidate Instructions shall include an outline of the Board's function, the duties of a Board Trustee, the meeting schedule, and attendance expectations. The following reasons disqualify any person from seeking election to the Board or remaining as a Trustee:

- a. Finding of dishonesty in any civil proceeding or disciplinary decision,
- b. Conviction of a felony for an act committed while the candidate or member was an adult, or
- c. Failure to comply with election requirements established by the Board.

4) Active Employee Trustees: The Opening of Nominations Notice shall be sent via email to all employees, including DROP participants, who have City email addresses and who are CRS Members as of the date of the Opening of Nominations. City Departments shall be responsible for the distribution and posting of the Opening of Nominations Notice. Retirement Department shall mail the Opening of Nominations Notice via U.S.P.S. first-class mail to all Deferred Vested Members

5) Retiree Trustees: The Opening of Nominations Notice shall be mailed by U.S.P.S. first-class mail to all CRS Pensioners.

C. Nomination Petition Forms

1) Nomination Petition Forms can be obtained from the Retirement Department office or website.

2) Completed Nomination Petition Forms shall contain on each page the name of the candidate, the position the candidate is seeking, and the deadline for submission of candidate's position paper.

3) Nomination Petition Forms shall require no fewer than 25 signatures and printed names of those meeting the qualification to vote in the election of a trustee. For the Active Employee Trustees, the signatures must be from active employees who are members of CRS, employees who participate in the Deferred Retirement Option Program or Deferred Vested Members of CRS. For the Retiree Trustees, the signatures must be from CRS Pensioners.

4) Nomination Petition Forms can include a single signature or multiple signatures as long as a nominated candidate receives a combined total of no less than 25 signatures from eligible CRS members from their representative group. The Nomination Petition Forms may be delivered directly to CRS, mailed to CRS, or electronic copies may be emailed to the designated CRS contact listed on the Opening of Nominations Notice.

5) Hard copies and electronic copies of Nomination Petition Forms must be RECEIVED by the Retirement Department (Room 328 City Hall) by the deadline posted on the Nomination Petition Form.

6) At the time that the Nomination Petition Form is due, each candidate shall provide the Retirement Department with his or her:

- a. Official home address
- b. Email address
- c. Home phone and cell phone if applicable
- d. Department/Division name
- e. Job title
- f. Years employed with the City

7) The Retirement Department shall confirm that names on petitions are eligible CRS members and shall notify the candidate within 2 business days if there are not enough legible or valid names on the petitions.

8) The list of validated candidates' names shall be posted on the Retirement Department's web page within 5 business days after the closing of the nominations.

9) If the total number of candidates validly nominated equals the number of vacancies, the election shall be declared closed and the candidates shall be declared the winners.

D. Candidates' Position Papers

1) Each candidate shall provide the Retirement Department with a position paper in Microsoft WORD format containing no more than 200 words, on only one (1) page, no later than 4:00 P.M. on the deadline date posted on the Opening of Nomination Notice and Nomination Petition Form.

2) Each position paper must be emailed to the Retirement System contact listed on the Opening of Nominations Notice and must be received by the Retirement Department by the deadline posted on the Opening of Nominations Notice and Nomination Petition Form. It is the responsibility of the candidate to confirm receipt of his or her position paper by CRS.

3) Candidates' position papers shall be included with each ballot. The placement of each candidate's position paper shall be rotated so no single name appears as the first a greater number of times than that of the others.

4) Candidates' position papers shall not contain any profanity or derogatory comments regarding other candidates.

5) A candidate's failure to submit a position paper meeting the above-listed criteria by the deadline shall invalidate his or her candidacy.

E. Ballots

- 1) Ballots shall be sent by U.S.P.S. first-class mail. The Ballots shall be designed by the Retirement Department and include the official Cincinnati Retirement logo and be printed on heavier than the customary 20-pound weighted paper or card-stock. Official election return envelopes shall be imprinted with a series of numeric characters and sequentially numbered in a location and of a design as determined by the Retirement Department. The official election return envelopes shall be pre-paid postage envelopes.
- 2) Returned election ballots must be contained within a sealed, official election return envelope. Copied ballots, reproduced ballots, or ballots in unsealed envelopes or unofficial return envelopes will not be deemed valid and will not be counted.
- 3) The position of the name of each candidate shall be rotated on the ballots so that no single candidate's name shall appear as the first name a greater number of times than the other candidates to the extent feasible.
- 4) No write-in candidates are permitted
- 5) A ballot with more votes than vacancies will be deemed invalid.
- 6) Ballots shall be mailed by U.S.P.S first-class mail 14 days after the close of nominations. For counting purposes, day 1 shall be the day after the close of nominations.
- 7) Employees not receiving a ballot at their address of record may request a duplicate ballot from the Retirement Department.
- 8) A duplicate ballot shall be of a different color and marked "DUPLICATE."
- 9) A duplicate ballot shall be mailed to the employee's home address on record, or picked up in person at the Retirement Department, Room 328, City Hall. A new official election return envelope will be provided with the duplicate ballot. The Retirement Department will keep a log of all members receiving duplicate ballots and check those against the ballots to be counted on Ballot Count Day.
- 10) The CRS Board and the Retirement Department are not responsible if the duplicate ballot is not returned by the deadline.
- 11) All ballots shall be returned only in the official election return envelope provided. Ballots returned in any other envelope are invalid and will not be counted.
- 12) Only one ballot shall be returned in the official election return envelope. If multiple ballots are returned in one envelope, they will be invalidated and will not be counted.

13) Ballots in the official election return envelope shall be returned by U.S.P.S. first-class mail, interdepartmental mail, or deposited directly into the locked ballot box located in the Retirement Department, Room 328, City Hall.

14) Returned ballots shall remain secure in the locked ballot box in the Retirement Department during business and non-business hours.

F. Election

1) The election period shall be declared open on the 14th day after the close of nominations and remain open for a minimum of 21 days. The opening and closing date of the election period shall be posted on all ballots. For counting purposes, day 1 shall be the first day after the close of nominations.

2) The election shall continue for at least 21 days and close at 4:00 PM on the 21st day or the due date specified on the ballots, if later. All ballots must be received by the Retirement Department by 4:00PM on the 21st day (or the due date specified on the ballots).

G. Counting of Ballots

1) Retirement Department shall be responsible for coordinating the Ballot Count Day and providing the ballot box to the ballot counters on Ballot Count Day.

2) Ballot Count Day shall be treated as an open meeting with the date and time posted on CRS website.

3) The ballots shall be counted by City employees within 5 business days after the close of the election.

4) If Duplicate ballots were provided to members during the election, the ballot counters will review all ballot envelopes to determine if a member submitted more than one ballot.

5) If it is determined that a member submitted more than one ballot, the ballots will be deemed invalid and discarded.

6) The Retirement Department shall notify the candidates of the time and location for the counting of ballots at least two business days prior to the counting of ballots.

7) Each candidate shall have the opportunity to attend and witness the counting of ballots, or, prior to the initiation of the counting process, to designate a proxy as their official representative to attend and witness the counting of the ballots.

8) A member of the Election Committee shall brief the candidates, or the proxies of a candidate, on the procedure for the count, as well as the appeal process regarding the count.

9) During the counting process, the candidates or their proxies shall remain in the audience seating section of the room. If a candidate or his or her proxy violates the rules of the election count or disrupts the proceedings, the Election Committee has the discretion of asking the member to leave the room or the Committee may contact the City Hall Security Staff as appropriate.

10) The Retirement Department shall notify each candidate of the unofficial election results by phone or email by the end of the next business day following the counting of ballots.

11) Election Committee shall review the results of the ballot count. The results shall include the number of issued ballots, returned valid ballots, invalidated ballots, duplicate ballots issued, and duplicate ballots returned. The Election Committee shall declare the winners of the election based on the results of the ballot count.

H. Tied Vote Results

If a tie is declared in the count of valid ballots received, the following process shall be used to resolve the tie:

- 1) The Chair of the Election Committee shall set the time and location for resolving a tie.
- 2) Candidates shall be notified of the tie and the tie-breaking process.
- 3) A tie shall be resolved by the Chair of the Election Committee flipping a coin, once.
- 4) The candidate having the greater service credit as a member of the CRS shall call the coin while still in the air.
- 5) The coin shall fall to the ground.
- 6) The candidate whose 'called-side' lands face up shall be declared the elected candidate.

I. Appeals

If the counted ballot margin between the candidate with the most votes and another candidate is less than 1% of the total votes cast, a candidate receiving a lesser number of votes than the candidate receiving the most votes may file an appeal for a recount. An appeal must be filed in writing, either letter or email, with the Cincinnati Retirement System Executive Director, no later than 2 business days after notice of the ballot count. The Executive Director will immediately notify the Cincinnati Retirement System Board of Trustees of the appeal. A recount will be completed within 5 business days of the receipt of the appeal. Candidates will be given notice of the time and location of the recount at least 2 business days prior to the recount. If the recount

results in a different candidate receiving the most votes, a second and final recount will occur within 5 business days. A candidate may withdraw an appeal at any time.

Appeals may result in an extension of the trustee election timeline as determined by the Board of Trustees Chair in consultation with the Cincinnati Retirement System Executive Director.

J. Formal Protests

1) Nomination Petition Forms Determination

Any individual who has submitted Nomination Petition Forms which have been determined to be invalid in whole or in part resulting in fewer than 25 valid signatures required to be a candidate may file a protest. A protest must be filed in writing, either letter or email, with the Cincinnati Retirement System Executive Director within 2 business days after notice of not being a valid candidate. An individual filing a protest may withdraw the protest at any time.

2) Representative Group Determination

Any individual who has submitted Nomination Petition Forms for which a determination has been made that the individual is not a member of the represented group which the individual seeks to represent as a candidate may file a protest. Represented groups include either active employee members or retiree members. A protest must be filed in writing, either letter or email, with the Cincinnati Retirement System Executive Director within 2 business days after notice of not being a valid candidate. An individual filing the protest may withdraw the protest at any time.

3) Invalid/Invalidated Ballots

Any candidate appearing on the ballot who believes there is evidence that counted ballots are invalid or that ballots were invalidated in error prior to the ballot count may file a protest. A protest must be filed in writing, either letter or email, with the Cincinnati Retirement System Executive Director within 2 business days of notice of the ballot count. Such protest shall only be made if the number of alleged invalid ballots or invalidated ballots is sufficient to change the outcome of the election. A candidate may withdraw the protest at any time.

4) Protest Hearings

Protests shall be considered at a hearing of the Elections Committee of the Board of Trustees as soon as practicable. An individual filing the protest will receive reasonable notice of the date and time of the meeting by the Cincinnati Retirement System Executive Director. An individual making the appeal may appear before the Elections Committee.

Protests may result in an extension of the trustee election timeline as determined by the Board of Trustees Chair in consultation with the Cincinnati Retirement System Executive Director.

The Elections Committee shall render its decision in writing and shall be considered the final decision.

K. Oath of Office

The Election Committee shall submit the election results for approval to the CRS Board of Trustees at their next regularly scheduled meeting. Following approval of the election results, the Oath of Office shall be administered to the newly elected Trustee(s). If a newly elected trustee is unable to attend the Board meeting following the counting of ballots, they may be sworn in at the next Board meeting or by a Notary from the Retirement Department at another time. A newly elected Trustee must receive the Oath of Office before he/she can serve as a Board Trustee.

RETENTION AND DESTRUCTION OF BALLOTS AND RETURNED ENVELOPES

The destruction of ballots from elections as well as the envelopes used to return such ballots shall conform to the guidelines and/or retention schedules of the Cincinnati Retirement System.

Rule VIII Committees

The Chair shall annually appoint standing Investment, Benefits, Performance Evaluation, Governance, and Elections Committees, comprised of no fewer than three members of the Board. The Chair shall fill any vacancies on Committees as they may occur. The Chair may appoint sub-committees or special committees as needed to conduct the business of the Board. All Committees, sub-committees and special committees shall include at least one Mayor Appointed Trustee, one Active Employee Trustee and one Retiree Trustee in accordance with the Collaborative Settlement Agreement. The Chair shall designate a member to chair each Committee. The Investment Committee shall adopt a regular time and place for meeting. Other Committee meetings are at the call of the Committee Chair. Notice of all Committee, sub-committee and special committee meetings shall be given in compliance with Ohio Revised Code Section 121.22.

Rule IX Matters Referred to Committees

The Chair shall present matters immediately to the various committees. The committees are to submit their reports at a future Board meeting.

Rule X Attendance

Board members have the duty to attend the meetings of the Board, Committee, Sub-Committee and Special meetings as to which they have been appointed. A member who fails to attend at

least two-thirds of the regular Board, Committee, Sub-Committee and special meetings of the Board during any rolling two-year period permanently forfeits membership on the Board.

Rule XI Disability Application and Appeal Process

A. Applications and Audits

- 1) Member has 30 calendar days from application date or receipt of audit notification, to meet with the Cincinnati Retirement System's (CRS) Medical Director for a medical evaluation.
- 2) Member has 60 calendar days from application date or receipt of audit notification, to have medical records forwarded from their healthcare providers to the CRS Medical Director.
- 3) Member has 180 calendar days from application date to complete the application, including the submission of the member's option election form.
- 4) The Executive Director may provide additional background information to the Board with respect to a pending application for disability retirement. It is the Board's responsibility to either approve or deny the application based upon the recommendation of the medical director and evidence provided in the application, or to request additional information from the medical director in order to either approve or deny the application for disability.

B. Disability Appeals

This rule applies when the Board of Trustees of the Cincinnati Retirement System either denies an application for a disability retirement benefit pursuant to CMC §203-41 or terminates a disability retirement benefit pursuant to CMC §203-53 and §203-55.

- 1) After the Board of Trustees has either denied an application for or terminated a disability retirement benefit, the member shall be notified in writing, via USPS Certified Mail within 7 calendar days of such action.
- 2) The notification shall include the following information:
 - a. The Board of Trustee's denial or termination of the disability retirement benefit;
 - b. The member's right to Request an Appeal by providing additional medical evidence. Such an Appeal Request shall be received by the CRS Administrative Office no later than 30 calendar days from the date of the notice of denial, or termination;

c. Failure of a member to submit an Appeal Request within 30 calendar days shall make the Board of Trustee's action final as to such application;

d. Such additional medical evidence relative to the Appeal Request shall be current medical evidence documented by a licensed physician specially trained in the field of medicine covering the illness or injury for which the disability is claimed and such evidence has not been considered previously by the Benefits Committee and/or the Board of Trustees;

e. Member has 60 calendar days from the CRS Office's receipt of the Appeal Request to provide additional medical evidence. Failure to provide the additional medical evidence within the 60 calendar days, shall make the Board of Trustee's action final to such application or benefit unless an extension for submission of such evidence has been requested and granted by Administration;

f. After submission of additional medical evidences as described in paragraph B(2)(d) of this rule, all evidence shall be reviewed by the CRS Medical Director who shall submit a recommendation to the Benefits Committee and/or the Board of Trustees. The Board of Trustees shall make its recommendation at the next regular Board of Trustees meeting. The decision of the Board of Trustees shall be final.

C. Request for Extension

The Request for Extension provides the member additional time to gather medical documentation.

- 1) Member has 30 days to provide additional medical evidence.
- 2) Request must be submitted in writing.

D. Reapplication by an Active or Terminated Member Following a Denial

- 1) Member may reapply for disability retirement if they can prove the initial documented condition(s) have progressed or additional condition(s) have been identified.
- 2) Medical Director to assess the new medical evidence to determine if the reapplication criteria have been met.

E. Terminated Employees – Disability Application

Member has 24 months from their employment termination date to apply for disability. Member must prove that the disabling condition existed while employed.

F. Effective Date of Approved Disability Retirement

- 1) Disability Application – Employee’s disability retirement effective date is the 1st of the month following their disability application date or their employment termination date – whichever is later.
- 2) Appeal of Denied Disability Application – The effective date of an Appeal that has been approved will be retroactive to the 1st of the month following their original disability application date or their termination date – whichever is later.
- 3) Appeal of Denied Disability Audit – The effective date of an Appeal that has been approved will be retroactive to the 1st of the month following the termination of their most recent audited disability retirement benefit.

Rule XII Policies and Procedures for Determination of Disability Benefits

The Benefits Committee shall recommend to the Board and the Board shall adopt policies and procedures for determination of disability benefits.

Rule XIII Review of Benefits

Repealed, 12/2/2021.

Rule XIV Delegation of Functions

A. The Board may delegate functions that prudent trustees acting in a like capacity and familiar with those matters could properly delegate under the circumstance.

B. The Board shall exercise reasonable care, skill, and caution in:

- 1) Selecting a service provider, an agent or other person to perform duties it delegates;
- 2) Establishing the scope and terms of the delegation, consistent with the purposes and terms of the Retirement System; and
- 3) Periodically reviewing the service provider or agent’s performance and compliance with the terms of the delegation.

C. Every agreement for the retention of a service provider or agent shall prohibit the service provider or agent and the employees and subcontractors of a service provider or agent engaged in providing goods or services to the Retirement System from directly or indirectly giving, soliciting or receiving or in any manner being concerned in giving, soliciting or receiving any assessment, subscription or contribution for any political party in the City of Cincinnati or

Hamilton County or for any candidate for public office in the City of Cincinnati or Hamilton County.

D. Every agreement for the retention of an agent shall prohibit the agent from paying any finder's fee or commission based on obtaining the agreement with the Retirement System to any person other than:

- 1) An employee of the agent, or
- 2) A person whose identity and the basis for compensation is disclosed in writing to the Retirement System prior to entering into the agreement.

E. Repealed, 12/2/2021.

F. The Board will follow the City's Purchasing Department procedures as described in Section N of the Collaborative Settlement Agreement Board Reforms.

G. Every agreement for the retention of an agent shall clearly identify the responsibilities of the agent and state the standards by which the agent's performance shall be evaluated.

Rule XV Investment Objectives and Policies

The Board shall adopt a statement of investment objectives and policies for the Retirement System. At least annually, the Board shall review the statement and change or reaffirm it.

Rule XVI Return of Contributions

Repealed, 12/2/2021.

Rule XVII Handbook

A. The Secretary shall prepare and send a Member Handbook to all active members. The Member Handbook shall include a summary description of the rights and obligations of members of the Retirement System and be prepared in accordance with this Rule.

B. The Secretary shall furnish to each member a copy of an updated Member Handbook that integrates all modifications and changes to the rights and obligations of members of the Retirement System, at intervals not exceeding five years.

C. The Secretary shall furnish each new active member a copy of the most recently published Member Handbook, along with a summary description of any modifications or changes to the rights and obligations of members of the Retirement System since the date of publication.

D. The Member Handbook and the summary description of modifications or changes are to be written in a manner calculated to be understood by the average member and be accurate and sufficiently comprehensive reasonable to inform the members and beneficiaries of their rights and obligations under the Retirement System.

E. The Member Handbook must contain:

- 1) a description of the Retirement System's requirements regarding eligibility for participation and benefits;
- 2) a description of the benefits provided by the Retirement System, including the manner of calculating benefits and any benefits provided for spouses and survivors;
- 3) the procedure to claim benefits under the Retirement System and the administrative procedures available under the program for the redress of claims denied; and
- 4) the notice of availability of additional information pursuant to Rules XVIII and XIX.

Rule XVIII Annual Disclosure of Financial, Actuarial and Operational Status

The Secretary shall prepare and distribute to the Board of Trustees an annual disclosure of the financial, actuarial and operational status of the Retirement System. The annual disclosure shall be kept available for public examination. The annual disclosure must contain:

A. The name of each member of the Board of Trustees and a brief description of how each member was selected.

B. Financial statements and notes to the financial statements prepared in conformity with generally accepted accounting principles.

C. An unqualified opinion rendered by a certified public accountant that the financial statements are in conformity with generally accepted accounting principles.

D. Actuarial schedules and notes to the actuarial schedules in conformity with generally accepted actuarial principles and practices for measuring pension obligations.

E. An opinion by a qualified actuary that the actuarial schedules are complete and accurate to the best of the actuary's knowledge, that assumptions and methods in the aggregate are reasonable, and that the assumptions and methods in combination offer the actuary's best estimate of anticipated experience.

F. The number of members of the Retirement System by classification (active, retired and deferred).

G. The name of each actuarial, investment consulting, investment managing and investment custodial firm paid fees in excess of \$1,000 during the calendar year.

H. A schedule of rates of return, net of manager fees, on the assets of The Retirement System overall and on assets aggregated by asset class (equity, fixed income, alternative investment and cash) over the most recent one-year, three-year, five-year and 10-year periods, to the extent available, and the rates of return on appropriate benchmarks for assets of the Retirement System overall and or each asset class over each period.

I. A schedule of the sum of the total investment expense and total general administrative expense for the fiscal year expressed as a percentage of the average of the beginning and ending fair value of assets of The Retirement System during the fiscal year and an equivalent percentage for the preceding five fiscal years.

J. A schedule of the 100 assets held for investment purposes on the last day of the year having the greatest fair value.

Rule XIX Annual Report

The Secretary shall prepare, send to members and persons receiving benefits and make available for public inspection an annual report.

The annual report must contain:

A. The name of each member of the Board

B. A summary description of any material modification of the retirement System since the last publication of the Member Handbook.

C. A concise and accurate compilation of the financial statements, but not the notes, required by Rule XVIII(B).

D. A restatement of the Summary of Principal Valuation Results, or substantially similar data, as reported by the Retirement System's actuary.

E. Other material necessary to summarize fairly and accurately the annual disclosure of financial and actuarial status.

Rule XX Benefit Estimates

The Secretary shall provide to each active member annually and upon written request of the member a statement containing information that would permit the member to estimate projected benefits reasonable, to the extent the information is regularly maintained by the Retirement System.

Rule XXI Trustee Education

Recognizing that each Trustee is under a fiduciary obligation to be prudent in discharging the duties of a Trustee, each Trustee is encouraged to further his or her education in matters that come before the Board. The education of a Trustee may include attendance at conferences and seminars sponsored by the National Conference of Public Employee Retirement Systems, the International Federation of Employee Benefit Plans, and other programs appropriate to advancing the Trustee's knowledge and skills. The decision to attend conferences shall be at the discretion of each Trustee, who must be mindful of a Trustees' fiduciary obligation to incur only costs that are appropriate and reasonable. Reimbursement of actual expenses may not exceed those allowed City of Cincinnati employees. A Trustee may not be reimbursed for the expenses of attending more than two conferences in a year without the prior approval of the Board for the attendance of each additional conference.

Rule XXII Annual Evaluation of Pension Manager and Retained Fiduciaries

The Board shall annually evaluate the performance of the Secretary, the Investment Consultant, the Actuary, each investment manager and all other advisors, consultants and fiduciaries retained by the Board. The performance shall be evaluated according to whether each individual or firm exceeds, fulfills, or fails to fulfill the duties delegated to the individual or firm.

Rule XXIII Adoption and Amendment of the Revised Rules

Upon their adoption by a vote of a majority of the Trustees, these Revised Rules shall supersede the Rules then in existence and go into immediate effect. They may be amended or revised only after notice of the proposed revision or amendment has been introduced at a regular meeting of the Board, held until the next regular meeting and adopted by a vote of a majority of the Trustees.

Draft Cincinnati Retirement System Ethics Policy

Preamble

The policy of the Cincinnati Retirement System (CRS) is to carry out its mission in accordance with the strictest ethical guidelines and to ensure that board members and employees conduct themselves in a manner that fosters public confidence in the integrity of CRS and its processes.

Ethics Rules

1. CRS board members and employees must, at all times, abide by Ohio Revised Code and Cincinnati Municipal Code provisions related to their ethical obligations and possible or actual conflicts of interest. Board members and employees must conduct themselves, at all times, in a manner that avoids favoritism, bias, and the appearance of impropriety. (See, City of Cincinnati Administrative Regulation 68).
2. A general summary of the restraints upon the conduct of all CRS board members and employees includes, but is not limited to, those listed below.

No CRS board member or employee shall:

- a. Have any business, personal, or family interests related to the city or the retirement system that would constitute a conflict of interest, or that would create the appearance of a conflict of interest, with the duties of a trustee. Being a member of the CRS or a beneficiary of the CRS, or having a family member who is a member or beneficiary of the CRS, shall not constitute a conflict of interest. (See, Cincinnati Administrative Code, Article XV, Section 1, Part b, Subsection iii, and CSA Board Reform Order, Section (d)(iii));
- b. Solicit or accept anything of value from anyone doing business with or interested in matters before the board or the CRS. Anything of value may include lavish meals, tickets to professional sporting events, and other items over \$25 in value. (See, R.C. 102.03(E));
- c. Solicit or accept employment from anyone doing business with or interested in matters before the board or the CRS, unless the board member or employee completely withdraws from any discussions, deliberations, votes, or decisions regarding the party offering employment, and the board approves the withdrawal in the case of a board member or the executive director of the system, or the executive

director approves the withdrawal in the case of another employee. (See, R.C. 102.03(D) and (E));

- d. Use his or her public position to obtain any advantages or benefits for the board member or employee, a family member thereof, or anyone with whom the board member or employee has a business or employment relationship. (See, R.C. 2921.41(A)(1) & (A)(2));
- e. Be paid or accept any form of compensation for personal services rendered on a matter before, or sell goods or services to, the board or the CRS, except for compensation received from the City of Cincinnati. (See, R.C. 2921.43(A)(1));
- f. Be paid or accept any form of compensation for personal services rendered on a matter before, or sell (except by competitive bid) goods or services to, any state agency other than the board or the CRS, unless the board member or employee first discloses the services or sales and fully withdraws from matters before the board or the CRS that directly affect officials and employees of the other state agency. (See, R.C. 2921.41(A)(3));
- g. Vote, authorize, recommend, discuss, participate or in any other way use his or her position to secure approval of a board or system contract (including employment or personal services) in which the board member or employee, an immediate family member thereof, or anyone with whom the board member or employee has a business or employment relationship, has an interest. (See, R.C. 2921.41(A)(4) and (A)(5));
- h. Solicit or accept an honorarium, except CRS employees who are not required to file a financial disclosure may receive an honorarium only if the honorarium is unrelated to the CRS employee's public office or employment, and it is not paid for by any person or other entity, or by a representative or association of those persons or entities, doing business with the board or the CRS. (See, R.C. 102.03(H)(1));
- i. During public service, and for one year after leaving public service, represent any person, in any fashion, before any public agency, with respect to a matter in which the board member or employee personally participated while serving with the board or system. (See, R.C. 2921.41(A)(3));
- j. Use or disclose confidential information, that was designated as confidential, or that is confidential by operation of law, unless appropriately authorized. (See, R.C. 102.03(B) and City of Cincinnati Administrative Regulation 68);
- k. Use or share non-public investment or financial information for personal gain, or for the personal gain of another person, except for the collective gain of the CRS members and their beneficiaries. (See, R.C. 102.03(B));

- l. Use, or authorize the use of, his or her title, the name of the board or the CRS, or the board's or CRS system's logo in a manner that suggests impropriety, favoritism, or bias by the board or system, or the board member or employee. (See, City of Cincinnati Administrative Regulation 68).;
- m. Solicit or accept any compensation, except from the City of Cincinnati, to perform his or her official duties or any act or service in his or her official capacity. (See, R.C. 2921.41(A)(3)); and
- n. Solicit or accept from any person, including a partnership of which the system is a partner, payment of CRS related travel expenses, including expenses incurred with the travel for lodging, meals, food, and beverages unless permitted by Ohio Administrative Code Sec. 102-3-08. (See, R.C. 102.03(E)).

Conflict Disclosure

CRS board members and employees must promptly disclose any circumstances that could result in any actual or potential conflict of interest so that the matter may be fully assessed. CRS board members and employees are encouraged to consult the City Solicitor regarding any potential conflict of interest. CRS board members are required to report to the executive director, and CRS employees are required to report to their supervisor, any actual conflict of interest.

In the event of a conflict of interest, the conflicted CRS board member or employee may not vote, authorize, recommend, discuss or in any other way participate in the matter. A CRS board member shall remove himself or herself from the meeting room during that portion of the meeting involving the item from which that member is conflicted.

Financial Disclosure

The CRS executive director shall file an annual financial disclosure statement with the City of Cincinnati Clerk of Council. This financial disclosure statement shall be filed annually by April 15 for the preceding calendar year.

Definitions

1. "Anything of value" includes anything of monetary value, including, but not limited to, money, loans, gifts, food or beverages, social event tickets and expenses, travel expenses, golf outings, consulting fees, compensation, or employment. "Value" means worth greater than de minimus or nominal, and in no event worth more than \$25.
2. "Anyone doing business" with the board or the CRS system includes, but is not limited to, any person, corporation, or other party that is doing or seeking to do business with,

regulated by, or has interests before the board or system, including anyone who is known or should be known to be an agent or acting on behalf of such a party, including any partnership or which the system is a partner, any person or entity that has a contract related to investment of the system's funds, and any other person marketing or otherwise attempting to secure business involving the system's funds.

3. "Family member" includes a spouse, children, step-children, siblings, parents, step-parents, grandparents and grandchildren. "Family member" also includes any other person related by blood or marriage (e.g. cousins, aunts, uncles, in-laws, nieces, nephews) if that person resides in the same household as the CRS board member or employee.
4. "Honorarium" includes any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or similar gathering. "Honorarium" does not include ceremonial gifts or awards that have insignificant monetary value; unsolicited gifts of nominal value or trivial items of informational value; or earned income from any person, other than a legislative agent, for personal services that are customarily provided in connection with the practice of a bona fide business, if that business initially began before the public official or employee conducting that business was elected or appointed to the public official's or employee's office or position of employment.
5. "Confidential information" and "non-public investment or financial information" includes information which is not a "public record" as defined in R.C. 149.43(A)(1) or if the information has been clearly designated as confidential when such designation is warranted and necessary for the proper conduct of government business.
6. "A partnership of which the system is a partner" includes professional organizations, joint lobbyist efforts, or other organized groups that involve the CRS or the CRS board.

CRS Benefits Committee Charter

The Board of Trustees of the Cincinnati Retirement System has adopted this Benefits Committee Charter.

Purpose

The Benefits Committee is responsible for the periodic review of the benefits offered by the Cincinnati Retirement System and funded by the 115 Trust and for making recommendations to the City Manager and City Council for any changes.

Composition

The Benefits Committee shall consist of no fewer than three members of the Retirement Board appointed by the Chair of the Board. In making appointments, the Chair of the Board will ensure representation from each category of trustee: one Mayoral Appointed Trustee, one Active Employee Trustee and one Retiree Trustee.

Meetings

A quorum consists of a majority of members appointed to the committee who may be physically or remotely present. A member participating remotely must be able to actively participate in the meeting so that they can ask questions and cast votes in a manner that can be heard. Committee meetings shall be considered meetings of a public body subject to applicable laws and be open to the public commensurate with the method in which the meeting is being conducted. Each meeting agenda will be posted on the CRS website in advance and in accordance with applicable law. Meeting materials will be prepared by the Executive Director, as necessary.

Staff will prepare and post minutes for each meeting.

Responsibilities

The Benefits Committee is responsible for:

- Reviewing the benefits offered by the Cincinnati Retirement System and considering recommendations for changes as needed.
- Scheduling periodic update presentations by CRS contractors who administer benefits, including healthcare benefits.
- With the assistance of staff, annually evaluating the performance of the healthcare vendors.
- With the assistance of staff and any retained healthcare consultant, ensuring the proper and sustainable administration of healthcare benefits.

Any changes adopted by the Benefits Committee are subject to final approval by the full Board of Trustees.

Procedures for Amending the Benefits Committee Charter

This Charter may be amended by a majority vote of the Board. Recommendations for policy changes should be directed to the Executive Director and/or the Chair. The Executive Director and/or the Chair shall review all such recommendations and is responsible for submitting necessary changes to the Board for approval.