City of Cincinnati Retirement System
Performance Evaluation Committee Meeting Minutes
September 14, 2023 / 1:00 P.M.
City Hall – Council Chambers and remote

Call to Order
The meeting was called to order at 1:00 p.m. by Chair Rahtz and a roll call of attendance was taken. Committee members Rahtz, Menkhaus, Gamel, Morton, and West were present. Committee members Walsh and Riddle were absent.

Public Comment
No public comment.

Approval of Minutes
Approval of the minutes for the meeting of July 13, 2023, was moved by Trustee Gamel and Seconded by Trustee Morton and approved by unanimous roll call vote.

Old Business
2023 ED Evaluation
Chair Rahtz proposed to keep the Executive Director's performance evaluation period on a calendar year. Trustee Gamel pointed out that keeping the performance period on a calendar year will impact the Director's salary increase. Ms. Alder stated that all employees are tied to their start date and the performance evaluation should be completed when the employee is considered for an increase. Chair Rahtz motioned to change the Executive Director's performance evaluation period from a calendar year to the anniversary year and seconded by Trustee Gamel. The motion was approved by unanimous roll call vote.

Chair Rahtz motioned to utilize the format previously used in Executive Director's performance evaluation with room for modification and seconded by Trustee Gamel. The motion was approved by unanimous roll call vote.

Update of Fiduciary Performance Audit
Director Salstrom explained that the contract is being finalized so the initial meeting with Funston will be re-scheduled, which he anticipates being next week. Director Salstrom reminded Chair Rahtz the timeline for the project. He noted he would need to confirm but believed it should be completed by the end of the year and presented to the Board early next year.

Cyber Security & Disaster Recovery Update
Director Salstrom presented a high-level overview of the internal and external controls that are in place, while highlighting Phishing emails being the most common form of cyber-crime. The city has ongoing training where ETS sends simulated emails which must be reported by staff. Antivirus software is installed on all workstations and has automatic updates. ETS has suspicious websites blocked which require special permission to have access to. The city has a multifactor authentication process when staff are not connected to a secure network. All retirement systems are compliant with industry standards. The pension and financial systems have continuous backup and disaster recovery that are intact and running as it should. Director Salstrom explained he meets annually with peers that work with the pension systems to discuss security risks and prevention.

Trustee Morton explained to Trustee Gamel that email senders that go to the spam folder must be marked as "safe to receive" for them to go to the Inbox folder. Ms. Alder explained to Trustee Gamel that the two items from the state's findings regarding the retirement security system from a few years ago have been removed from the management recommendations. Trustee Moller commented that if there was a system disaster, the biggest issue would be the lack of payment to retirees' benefits. Mr. Moller asked if there would be any sort of delay in direct deposit or printed checks and Director Salstrom responded that there should be no delay in access to pension information. Director Salstrom explained to Chair Rahtz the two audits: SOC 1 and SOC 2. SOC 1 is more on the financial side and SOC 2 looks at what vulnerabilities you may have.

Update of '23 Board Objectives
Director Salstrom summarized the goals and objectives of the board and committees and gave an update on the status of each.
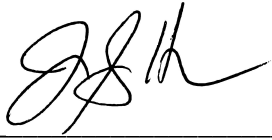
Ms. Alder reminded Trustee Gamel that there was not enough time to re-bid the dental coverage before open enrollment but do plan to offer another level of coverage next year. Trustee Gamel asked that this task be put on FY24's objectives.

Adjournment
Following a motion to adjourn by Trustee Gamel and seconded by Trustee Menkhaus, The Performance Evaluation Committee approved the motion by unanimous roll call vote. The meeting was adjourned at 1:40 p.m.

Meeting video link: https://archive.org/details/crs-performance-eval-9-14-23

Next Meeting: Thursday, December 7, 2023

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Secretary

Cyber Security & Disaster Recover Overview

Phishing Emails

- Phishing is the most common form of cyber crime, with several reports estimating that 3.4 billion malicious emails are sent every day.

- 36% of all data breaches involved phishing.

- ETS implemented phishing simulation emails that helps employees to be aware.

  - **STOP:** Take a second to evaluate the email before clicking a link

  - **THINK:** Consider who sent the email and why the sender send the email

  - **CONNECT:** Reach out to the send over the phone

STOP.THINK.CONNECT.

Antivirus Software

- Installed on all workstations

- Automatic updates

- Protects workstations and Network from different types of viruses

Block Suspicious Website

Page Blocked

http://www. [redacted]

Access to the requested site has been restricted due to its contents. Please submit a [redacted] ticket.

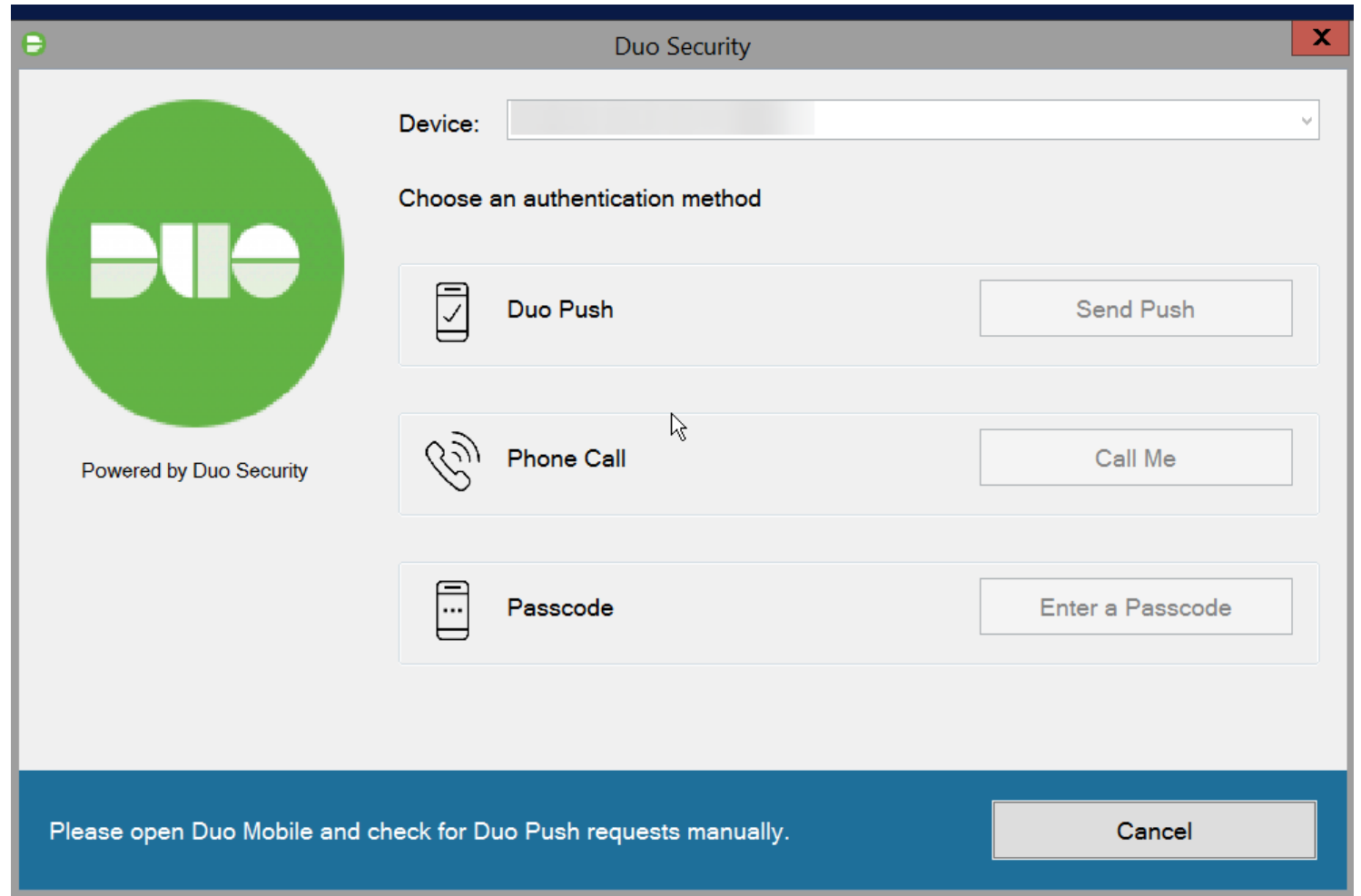**Description:** Geo Ip Location AR
Group Number: 1
Group Name: Default
Ip Address: [redacted]
Username: [redacted]

Multifaceted Authentication

- Required for all network access out of the City's Infrastructure

- Second level verification for network connections

Compliant with Industry Standards

- **Financial System** annually completes SOC 1 and SOC 2 audits.

- **Pension System** completes an Independent Service Auditor's Report on Controls Relevant to Security, Confidentiality and Availability ("SOC" 2, Type 2).

- State of Ohio does a **Financial and IT audit** on both systems annually.

Backup and Disaster Recovery

Pension System

- To ensure a seamless operation of the system in the event of a disaster, the Pension System mirrors the production database to their off-site location continuously.

- The disaster recovery site is in Virginia. The Pension System utilizes a network cloud-based solution with encryption.

Financial System

- Cloud-based solutions are also designed to identify and immediately address security threats using tried-and-true methods, such as constant monitoring, frequent testing, and automatic— and regular—backups.