



**County Employees Retirement System  
Personnel Committee – Regular Meeting  
January 9, 2024, at 2:00 PM ET (1:00 PM CT)  
Live Video Conference/Facebook Live**

**AGENDA**

- |   |                    |
|---|--------------------|
| 1. Call to Order  | Jim Tony Fulkerson |
| 2. Opening Statement  | Legal Services     |
| 3. Roll Call  | Sherry Rankin      |
| 4. Public Comment   | Sherry Rankin      |
| 5. Approval of Minutes* -- June 6, 2023                       | Jim Tony Fulkerson |
| 6. 2023 CEO Performance Plan*                                 | Betty Pendergrass  |
| 7. Trustee Recruitment  | Jim Tony Fulkerson |
| 8. Trustee Education*   | Jim Tony Fulkerson |
| a. Identify topics for July and October 2024 and January 2025 |                    |
| b. Identify potential speakers                                |                    |
| 9. Personnel Committee Strategic Plan*                        | Jim Tony Fulkerson |
| 10. ADJOURN   | Jim Tony Fulkerson |

***\*Committee Action May Be Taken***

**MINUTES OF MEETING  
COUNTY EMPLOYEES RETIREMENT SYSTEM  
BOARD OF TRUSTEES  
SPECIAL CALLED PERSONNEL COMMITTEE  
JUNE 6, 2023 AT 2:00 P.M. ET (1:00 P.M. CT)  
VIA LIVE VIDEO TELECONFERENCE**

At the June 6, 2023 County Employees Retirement System' (CERS) Special Called Personnel Committee Meeting, the following Committee members were present: JT Fulkerson, George Cheatham, and Michael Foster. Staff members present were David Eager, Rebecca Adkins, Erin Surratt, Michael Board, Michael Lamb, Lori Casey, Jared Crawford, Ashley Gabbard, Shaun Case, Katie Park, and Sherry Rankin. Others present included were CERS CEO Ed Owens, III, KRS CEO John Chilton, CERS Trustee Betty Pendergrass, and Eric Branco with Johnson Bowman Branco, LLP.

Mr. Fulkerson called the meeting to order.

Mr. Branco read the Opening Statement.

Ms. Rankin called the roll.

There being no **Public Comment** submitted, Mr. Fulkerson introduced agenda item **Approval of Minutes – January 10, 2023** (Video 00:07:54 to 00:08:20). Mr. Cheatham made a motion and was seconded by Mr. Foster to approve the minutes as presented. The motion passed unanimously.

Mr. Fulkerson introduced agenda item **Closed Session** (Video 00:08:21 to 00:08:50) and requested to enter closed session pursuant to 61.810(1)(f) for the purpose of discussions that might lead to the appointment, discipline, or dismissal of an employee. A motion was made by Mr. Foster and seconded by Mr. Cheatham. The motion passed unanimously.

\*\*\* *David Eager, Rebecca Adkins, Erin Surratt, Michael Board, Michael Lamb, Jared Crawford, Ashley Gabbard, Shaun Case, Katie Park, and KRS CEO John Chilton were placed in the waiting virtual room\*\*\**

Mr. Fulkerson called the meeting back to open session.

*\*\*\* David Eager, Rebecca Adkins, Erin Surratt, Michael Board, Michael Lamb, Jared Crawford, Ashley Gabbard, Shaun Case, Katie Park, and KRS CEO John Chilton reentered the meeting\*\*\**

Mr. Fulkerson introduced agenda item **2023 CEO Contract Renewal** (*Video - Part 2 - 00:00:17 to 00:00:40*) and requested a motion to approve the renewal of the CEO contract. Mr. Foster made a motion to approve the renewal of the CEO contract. The motion was seconded by Mr. Cheatham and the motion passed unanimously.

There being no further business, Mr. Fulkerson requested a motion to **adjourn** (*Video - Part 2 - 00:00:40 to 00:00:57*) the meeting. A motion to adjourn was made by Mr. Cheatham and seconded by Mr. Foster. The motion passed unanimously, and the meeting adjourned.

*The remainder of this page left blank intentionally.*

## CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Trustees on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in conjunction with this meeting.

---

Recording Secretary

I, JT Fulkerson, the Chair of the County Employees Retirement System Personnel Committee, do certify that the Minutes of Meeting held on June 6, 2023 were approved on January 9, 2024.

---

Chair of the CERS Personnel Committee

I have reviewed the Minutes of the June 6, 2023 CERS Personnel Committee Meeting for content, form, and legality.

---

Executive Director  
Office of Legal Services



<b>CEO 2024 JOB TASKS AND EXPECTATIONS</b>		
<b><u>Describe</u></b>	<b><u>Due Date</u></b>	<b><u>Date Completed</u></b>
Administration		
<ul style="list-style-type: none"> <li>• Coordinate with Shawn Sparks and Chris Clair to develop PR structure for CERS communications</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Keep CERS Board Chair informed about key issues affecting CERS pension management</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Keep CERS Committee Chairs informed about key issues affecting CERS pension management</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Stakeholder Communications                             <ul style="list-style-type: none"> <li>○ Newsletters</li> <li>○ Conferences, seminars</li> <li>○ Press releases</li> </ul> </li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>○ Develop webinars to publish on KPPA site for CERS topics of interest</li> </ul>	04/2024	
<ul style="list-style-type: none"> <li>• CERS Strategic Planning</li> </ul>	06/30/2024	
<ul style="list-style-type: none"> <li>○ Assist Committees with developing goals and measurement tools</li> </ul>	03/31/2024	
<ul style="list-style-type: none"> <li>○ Consolidate Committee plans to organize Board Strategic Plan</li> </ul>	04/30/2024	
<ul style="list-style-type: none"> <li>○ Develop communications to distribute CERS Strategic plan to key stakeholders (Separation workgroup, KLC, KACo, KSBA &amp; General Assembly)</li> </ul>	06/30/2024	
<ul style="list-style-type: none"> <li>○ Establish data collection system to develop measurement process and reporting to Board for quarterly meetings</li> </ul>	07/31/2024	
Trustee Education:		
<ul style="list-style-type: none"> <li>• Develop a catalog of Trustee Education courses, including recorded sessions that were presented live</li> </ul>	03/2024	
<ul style="list-style-type: none"> <li>• Organize CERS-sponsored education sessions (2-hour in-person training) to provide 6 – 8 hours of annual training</li> </ul>	3/31, 6/30, 9/30, & 12/31	
<ul style="list-style-type: none"> <li>• Monitor Trustee training reports and assist Trustees with finding educational opportunities</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Provide quarterly reports to Board Chair about Trustee education hours completed</li> </ul>	3/31, 6/30, 9/30, & 12/31	
Monthly CEO reports to CERS Board Chair	Last work day of each month	
Quarterly CEO report in CERS Board packet	3/1/2024, 6/1/2024, 9/1/2024, & 11/25/2024	

<u>Describe</u>	<u>Due Date</u>	<u>Date Completed</u>
Legislative		
<ul style="list-style-type: none"> <li>• Contact PPOB chairs to coordinate CERS presentations for regular PPOB meetings</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Assist Committee Chair with meeting agendas, scheduling, and summaries to CERS Board</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Coordinate draft bill review for KPPA legislative proposals with CERS Legislative Working Group and ensure that CERS Board has input prior to submission to LRC/General Assembly</li> </ul>	10/31/2024	
<ul style="list-style-type: none"> <li>• Coordinate bill review with Legislative Working Group during General Assembly regular and special sessions</li> </ul>	Jan – April (Annually)	
<ul style="list-style-type: none"> <li>• Coordinate CERS legislative requests with Legislative Working Group and CERS General Counsel</li> </ul>	Ongoing	
Investment Management		
<ul style="list-style-type: none"> <li>• Assist Committee Chair with meeting agenda, packet, and scheduling</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Asset Allocation                             <ul style="list-style-type: none"> <li>○ Contact NCPERS to find out when Asset Allocation study (Kinlaw, Kritzman, &amp; Turkington) will be published</li> </ul> </li> </ul>	01/31/2023	
Finance		
<ul style="list-style-type: none"> <li>• Assist Committee Chair with meeting agenda, packet, scheduling, and summary for CERS Board packet</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Evaluate ongoing Admin Costs</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Review proposed KPPA Admin Budget</li> </ul>	08/2024	
<ul style="list-style-type: none"> <li>• Develop historical financial trend reports for each of CERS plans</li> </ul>	03/31/2024	
<ul style="list-style-type: none"> <li>• Coordinate with Internal Audit to evaluate Risk Assessments</li> </ul>	Ongoing	
Actuarial		
<ul style="list-style-type: none"> <li>• Assist Committee Chair with meeting agenda, packet, scheduling, and summary for CERS Board</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Monitor investment performance versus discount rate</li> </ul>	Ongoing	
Develop Peer Group Research	02/2024	
<ul style="list-style-type: none"> <li>• Identify peer public pension plans</li> </ul>	02/2024	
<ul style="list-style-type: none"> <li>• Research NASRA info for small plans</li> </ul>	02/2024	
<ul style="list-style-type: none"> <li>• Check contacts on NCPERS conference attendee lists for potential peer public plans</li> </ul>	02/2024	

---

---

**County Employees Retirement System**  
**Board of Trustees Election Policy**

---

---

**I. INTRODUCTION**

Adoption of Board Election Policy

Pursuant to the provisions of Kentucky Revised Statutes (KRS) 78.782, the Board of Trustees (Board) of the County Employees Retirement System (System) is permitted to adopt procedures necessary to conduct the business of the System as needed. State and federal law shall control if any inconsistency exists between the law and this policy.

Statement of Board Election Policy

The Board is composed of nine Trustees who shall be selected as follows:

1. Three (3) elected from members of the County Employees Retirement System.
  - a. Two (2) elected individuals shall have a majority of service credit earned in a nonhazardous position.
  - b. One (1) elected individual shall have a majority of service credit earned in a hazardous position.
2. Six (6) appointed by the Governor.
  - a. Three (3) Trustees with retirement experience.
    - i. One (1) appointed from a list of three (3) applicants submitted by the Kentucky League of Cities.
    - ii. One (1) appointed from a list of three (3) applicants submitted by the Kentucky Association of Counties.
    - iii. One (1) appointed from a list of three (3) applicants submitted by the Kentucky School Boards Association.
  - b. Three (3) Trustees with investment experience.
    - i. One (1) appointed from a list of three (3) applicants submitted by the Kentucky League of Cities.
    - ii. One (1) appointed from a list of three (3) applicants submitted by the Kentucky Association of Counties.
    - iii. One (1) Trustee appointed from a list of three (3) applicants submitted by the Kentucky School Boards Association.

KRS 78.782 (3) through (6) provides the basic statutory requirements for the election of the elected Trustees of the Board. The Board recognizes the need to establish consistent procedures for the implementation of these statutory provisions requiring the election of certain Trustees.

Purpose

The purpose of this Board Election Policy (Policy) is to establish procedures to implement KRS 78.782 and 105 Kentucky Administrative Regulation 1:445, Electronic ballots in Trustee elections.

## II. DEFINITIONS

The following definitions and terms used in this Policy shall be applicable whenever used herein:

1. "Application" means the form adopted by the Board to be used by members seeking to be nominated and placed on the Official Ballot as a candidate. The application can be submitted through the KPPA website using DocuSign. It may also be submitted to the KPPA either electronically at [trustee.election@kyret.kv.gov](mailto:trustee.election@kyret.kv.gov) or at the Frankfort retirement office by a member.
2. "Ballot" or "Official Ballot" means a voting instrument, either electronic or paper, that includes the candidates for election as a Board Trustee and the following information for each of the candidates:
  - a. Name;
  - b. Recent photograph;
  - c. City and county of residence;
  - d. The System's current employing agency and position title or the System's employing agency from which the candidate last worked or retired and the position title of the last position held;
  - e. Education including schools and/or universities attended and degrees earned;
  - f. Whether or not the candidate has been convicted of a felony;
  - g. Any professional licenses or certifications held by the candidate; and
  - h. Any organization of which the candidate is a member that is listed on the candidate's application or résumé.

The ballot shall contain the website address where each candidate's application, cover letter, picture, and résumé shall be available for viewing. Candidates' position on the ballot shall be determined by random lottery, performed and certified by a representative from the Kentucky Public Pensions Authority (KPPA) Division of Internal Audit Administration. Identification information for each eligible voter shall be protected by bar code or other means. The ballot shall include the ability to write-in candidates.

3. "Candidate" means a potential candidate who has been nominated and placed on the Official Ballot by the current Board or by petition from the membership of the System.
4. "Constitutionally eligible individual" means a potential candidate who does not have a conflict of interest on the basis of holding a constitutionally elected or appointed position pursuant to KRS 78.782 and Kentucky Constitution Section 165.
5. "Cover Letter" means a document submitted to the KPPA either electronically at [trustee.election@kyret.kv.gov](mailto:trustee.election@kyret.kv.gov) or at the Frankfort retirement office by a member, which details the member's qualifications for serving as a Trustee to the board.
6. "Eligible voter" means any person who was a member of the System on or before December 31 of the year preceding the election year and who has provided the KPPA at the Frankfort retirement office with a valid email or physical address as set forth in KRS 78.782.



7. "Member" shall mean individuals of the System, whether that individual is active (i.e. currently employed), inactive (i.e. formerly employed, but not retired and has not taken an account refund), or retired.
8. "Petition" means a document submitted by a potential candidate requesting to be nominated and placed on the Official Ballot by the members of the System. A petition shall meet the following standards or, if it fails to meet the following standards, shall be deemed invalid and the requesting individual shall not be a potential candidate qualified for nomination and placement on the Official Ballot as a candidate:
  - a. The petition shall contain the names, the last four digits of Social Security numbers, and signatures of not less than one-tenth of the number of members voting in the last election for the System. Each member may only be counted once on the petition.
  - b. A potential candidate seeking nomination by petition shall submit a fully completed application, cover letter, résumé, picture, and a release for a criminal background check at the same time the petition is submitted to the KPPA at the Frankfort retirement office.
9. "Picture" means a photograph that will be included on the KPPA website and on the Official Ballot. The picture should be in color and at least size 5x7. The picture should be submitted in an electronic format to [trustee.election@kyret.ky.gov](mailto:trustee.election@kyret.ky.gov).
10. "Plurality of votes" means a majority of votes cast in the election on a Valid Ballot.
11. "Potential candidate" means a member who is seeking nomination as a candidate by the current Board or by valid petition from the membership of the System and who meets the following criteria:
  - a. Is a member of the System;
  - b. Has fully completed and submitted an application, cover letter, résumé, picture, and a release for a criminal background check by the required deadline;
  - c. Is a constitutionally eligible individual;
  - d. Is not statutorily prohibited from being a Trustee by virtue of the term limits in KRS 78.782 (3);
  - e. Is not a current or former employee of the System, Kentucky Retirement Systems, or KPPA; and
  - f. Is not in violation of any provision of KRS 11A.020 or 11A.040 by a court of competent jurisdiction or any other statute.
12. "Résumé" means a document submitted to the KPPA either electronically at [trustee.election@kyret.ky.gov](mailto:trustee.election@kyret.ky.gov) or at the Frankfort retirement office by a member, which shall include the member's name, address, phone number, e-mail address, educational background, and professional employment history. Employment history must include dates of employment, job title, employer name and address, and type of business. Résumé may also include any certifications and relevant memberships not included on the application.
13. "Term of Office" means the period of membership on the Board, which shall begin on April 1 of the year elected or appointed and shall end on March 31 four years thereafter.

14. "Valid Ballot" means a current version of the electronic or paper ballot provided to an eligible voter that has been marked to show the voter's choice of at least one (1), but not more than the maximum number of eligible candidates for the number of vacancies being filled.
  - a. Electronic ballots shall be cast on or before March 1.
  - b. Paper ballots shall contain the signature of the voter and be postmarked to the System in care of a predetermined post office box number at a United States Post Office on or before March 1.

Any ballot that does not meet these standards shall be deemed an invalid ballot and shall not be counted. In addition, if multiple ballots are submitted by one (1) individual, only the first received ballot will be considered valid and will be counted; all subsequent ballots shall be invalid and will not be counted.

15. "Write-in candidate" means an individual whose full name (first, middle, and last name) was written in the space provided on at least one Valid Ballot. Should a write-in candidate receive a plurality of votes, a representative from the KPPA Division of Internal Audit Administration will ensure the write-in candidate meets all of the following criteria. If the criteria is not met, the write-in candidate will not be allowed to serve as Trustee:
  - a. Is a member of the System;
  - b. Is a constitutionally eligible individual;
  - c. Is not statutorily prohibited from being a Trustee by virtue of the term limits in KRS 78.782 (3);
  - d. Is not a current or former employee of the System, Kentucky Retirement Systems, or KPPA; and
  - e. Is not in violation of any provision of KRS 11A.020 or 11A.040 by a court of competent jurisdiction or any other statute.

### III. REQUESTS FOR CANDIDATES

1. The KPPA shall notify the membership that applications are being accepted from members who would like to be considered for nomination by the Board as a candidate for the position of Trustee. The notice shall include information, or direct the membership on how to find information, regarding the qualifications necessary for candidacy as well as the due dates for applications and other required documents.
2. A member seeking nomination by the Board must submit a completed application, cover letter, résumé, picture, and a release for a criminal background check to the KPPA by July 31 of the year prior to the expiration of a term of office.
3. If a member requesting nomination by the Board is currently employed or holds any other office, the member's personal information will be forwarded to the Office of the Attorney General of Kentucky to determine whether the member is a constitutionally eligible individual.
  - a. If the member is not a constitutionally eligible individual, the member shall be notified of his or her ineligibility, and that he or she will not be listed as a potential candidate for nomination by the Board, unless the member agrees to resign from the position causing the constitutional ineligibility. This resignation would only be required if the member were to be declared a winner of the election.

- b. The Board also shall be notified if the member seeking to be listed as a potential candidate for nomination by the Board is determined not to be a constitutionally eligible individual.
4. Any information requested by a potential candidate and approved by designated KPPA staff to be provided to the potential candidate shall be forwarded to all other potential candidates, providing the information does not violate the confidentiality requirements specified in KRS 61.661 or any other binding law.

**IV. NOMINATION BY THE BOARD**

1. The System's Chief Executive Officer or designee shall provide written notice to the Board of election procedures at the first quarterly meeting in the Board year preceding the expiration of the term of office.
2. The Board shall nominate no more than three (3) candidates for each position to be elected. No more than six (6) candidates can be nominated who have a majority of service in a non-hazardous position and no more than three (3) candidates can be nominated that have a majority of service in a hazardous position. Therefore, the ballot shall contain no more than nine (9) names. This nomination shall take place no less than six (6) months prior to the expiration of the current elected Trustee's term of office. Prior to making the nominations, the current Trustees will be given a list of all potential candidates seeking nomination by the Board.
3. From the list provided, each Trustee may vote for up to three (3) potential candidates, but must vote for at least one (1) potential candidate per open position. Voting will occur in a roll call manner so that each current Trustee verbally confirms his or her nomination(s). Current Trustees may vote for up to a maximum of nine (9) candidates, but must vote for at least three (3) candidates.
4. After voting under Paragraph three (3) of this section is completed, a representative from the KPPA Division of Internal Audit Administration will review the number of votes received by each potential candidate. The potential candidates that receive the highest number of votes will be placed on the Official Ballot. No more than the maximum allowed nominated candidates under Paragraph two (2) of this section will be placed on the Official Ballot.
5. If multiple potential candidates receive the same number of votes under Paragraph three (3) of this section resulting in more than the maximum allowed nominated candidates under Paragraph two (2) of this section, another vote will be taken only of those potential candidates receiving a tying vote for the last spot(s) on the Official Ballot. Trustees will vote for up to one (1) potential candidate per remaining spot to be filled on the Official Ballot. After the additional vote is taken, the potential candidate(s) receiving the highest number of votes will be placed on the Official Ballot. The voting shall continue in this manner until the ties are broken resulting in no more than the maximum number of allowed nominated candidates under Paragraph two (2) of this section.

**Commented [BC(1):** Nomination by the Board must occur no later than September 30<sup>th</sup> (6 months prior to the end of the candidate terms). Additionally, Kristen has noted that applications are not due until July 31 according to Section 3 of this policy, so if the nomination occurs prior to July 31<sup>st</sup>, we would need to change some of the dates earlier in this policy.

6. If voting under Paragraphs three (3) and/or five (5) of this section results in fewer than the maximum number of allowed potential candidates being nominated to the Official Ballot under Paragraph two (2), the Trustees must take one (1) of the following actions by affirmative majority vote:
  - a. Allow only those potential candidates with the highest number of votes under Paragraphs three (3) and/or five (5) to be placed on the Official Ballot, or
  - b. From the original list of potential candidates, vote in accordance with Paragraph five (5) of this section for potential candidates who have not received sufficient votes under Paragraphs three (3) or five (5) to be placed on the ballot until the maximum number of potential candidates under Paragraph two (2) are nominated to be on the Official Ballot.

The KPPA will publish the candidates nominated by the Board on the KPPA website. Deadlines as set out below shall be provided on the website.

## V. NOMINATION BY PETITION

1. After the candidates are nominated by the Board, a member may also seek nomination by petition from members of the System. The petition nomination process will be published on the KPPA website.
2. To be nominated as a candidate on the Official Ballot, a member seeking nomination by petition from the membership of the System must submit a petition complying with the requirements as set out in the definitions above and adhere to the following requirements:
  - a. The petition may only contain the name of one (1) potential candidate.
  - b. The petition shall be delivered to the KPPA at the Frankfort retirement office no later than November 30 of the year prior to the expiration of a term of office.
3. Names and last four digits of Social Security numbers on petitions shall be verified by designated KPPA staff and the results shall be certified by a representative from the KPPA Division of Internal Audit Administration. The certification of additional candidates shall become part of the official minutes of the Board.
4. If a member submitting a petition is currently employed or holds any other office, the member's personal information will be forwarded to the Office of the Attorney General of Kentucky to determine whether the member is a constitutionally eligible individual.
  - a. If the member is not a constitutionally eligible individual, the member shall be notified of his or her ineligibility, and that he or she does not qualify as a potential candidate for nomination by petition, unless the member agrees to resign from the position causing the constitutional ineligibility. This resignation would only be required if the member were to be declared a winner of the election.
  - b. The Board also shall be notified if the member seeking to qualify as a potential candidate for nomination by petition is determined not to be a constitutionally eligible individual.

5. Any information requested by a potential candidate and approved by designated KPPA staff to be provided to the potential candidate shall be forwarded to all other potential candidates, providing the information does not violate the confidentiality requirements specified in KRS 61.661 or any other binding law.

**VI. ELECTION BY THE MEMBERSHIP**

1. An Official Ballot, complying with the requirements as set out in the definitions above, shall be prepared no later than three (3) months prior to the expiration of the term of office in question.
  - a. Electronic ballots shall include instructions on voting for a candidate, including write-in candidates. The deadline by which electronic votes must be cast shall be included on the electronic ballots.
  - b. Paper ballots shall include instructions for voting for a candidate, including write-in candidates, and for marking and returning the ballots. The postmark deadline for the paper ballots shall be printed on the ballots. Paper ballots shall be addressed to the System in care of a predetermined post office box number at a United States Post Office.
2. The KPPA Executive Director or designee shall initiate a bid for a contracted firm to administer the election (hereafter referred to as the "Election Services Vendor") using the procurement procedures then in place. The bid shall outline vendor security requirements, the technical requirements for both electronic and paper ballots (including paper ballot printing specifications), and the required election timeline.
3. The Election Services Vendor shall obtain the post office box for receipt of paper ballots. Access to this post office box shall be limited to the Election Services Vendor. An agreement shall be made between KPPA and the Election Services Vendor concerning the location of the postal box and the Business Reply Permit Number that shall be used.
4. All eligible voters will be provided with an electronic ballot or mailed a paper ballot on or before January 20.
5. Only one (1) ballot will be provided to an eligible voter. Ballots will be distributed as follows:
  - a. Electronic ballots for the election of Trustees shall be distributed via email addresses on file at KPPA.
  - b. Paper ballots for the election of Trustees shall be distributed via the United States Postal Service to each voter that does not have a valid email address on file at KPPA or to each eligible voter that requests a paper ballot by November 30 of the year prior to the expiration of a term of office.
6. Duplicate ballots will not be produced.
  - a. If an eligible voter fails to receive a ballot (paper or electronic) because of an act or omission of the System or the KPPA and makes the System or the KPPA aware of this before the voting has closed, a representative from the KPPA Division of Internal Audit Administration shall work with the Election Services Vendor to provide a replacement ballot. If the System or the KPPA is made aware of the situation on or before one (1) week prior to the postmark deadline, the eligible

**Commented [CK(2)]:** House Bill 297 (2022) allows KPPA to exclude a member address that has been marked as invalid in the KPPA system. If that portion of HB 297 passes, the policy will be updated to say:  
 Paper ballots for the election of Trustees shall be distributed via the United States Postal Service to each voter that does not have a valid email address on file at KPPA or to each eligible voter that requests a paper ballot by November 30 of the year prior to the expiration of a term of office. Paper ballots shall not be distributed by mail to member addresses reported as invalid to KPPA.

voter may request either a paper or electronic ballot. If the System or the KPPA is made aware of the situation with less than a week before for the postmark deadline, only an electronic ballot will be provided to the eligible voter.

- b. If a paper ballot is returned to the Election Services Vendor, the System, or KPPA with an invalid address, but a corrected address is received from the United States Postal Service on or before one (1) week prior to the postmark deadline, a representative from the KPPA Division of Internal Audit Administration may work with the Election Services Vendor to mail a subsequent paper ballot to the eligible voter at the corrected address.
7. The Election Services Vendor shall count each ballot. In so doing, the Election Services Vendor shall review the validity of the ballot in accordance with the definition above. All votes via valid ballots shall be counted for the candidates marked. During the process of the count, all ballots shall be in the exclusive control of the Election Services Vendor, with proper security to ensure that no one other than the Election Services Vendor has access to the ballots.
  8. Official ballots returned to the System or KPPA will be processed in accordance with 105 KAR 1:445 Sections 4, 6.
  9. After counting all valid ballots, the Election Services Vendor shall certify in writing the results of the election to the Chair of the Board in care of the System's Chief Executive Officer and the KPPA Executive Director on or before March 15 of the year in which a term of office expires.
  10. The two (2) candidates with a majority of service in a non-hazardous duty position and the one (1) candidate with a majority of service in a hazardous position receiving a plurality of the votes shall be designated as the winners. Winning candidates shall begin their term of office as Trustee on April 1 and shall be sworn in at the annual meeting of the Board.
  11. Once ballots have been counted and the election is deemed final, the Election Services Vendor shall destroy all ballots and provide a certificate to that effect to the System's Chief Executive Officer and the KPPA Executive Director.

**VII. FILLING A VACANCY**

1. Any vacancy that may occur in a Trustee position other an elected Trustee position, except by the expiration of the term, shall be filled in the same manner that provides for the selection of that non-elected Trustee position under KRS 78.782.
2. Any vacancy, which may occur in an elected position, other than by the expiration of the term, shall be filled within ninety (90) days by appointment by a majority vote of the remaining elected Trustees.
  - a. The KPPA shall notify the membership that applications are being accepted from members who would like to be considered for appointed to the position of Trustee.
  - b. A member seeking appointment by the Board must submit a completed application, cover letter, résumé, [picture](#), and release for criminal background

check to the KPPA at the Frankfort retirement office no later than sixty (60) days after the vacancy occurs. The specific due date will be listed in the provided notice.

- c. If the member requesting appointment by the Board is currently employed or holds any other office, the member's personal information will be forwarded to the Office of the Attorney General of Kentucky to determine whether the member is a constitutionally eligible individual.
  - i. If a member is not a constitutionally eligible individual, the member shall be notified of ineligibility, and that he or she will not be considered for appointment to the vacant position, unless the member agrees to resign from the position causing the constitutional ineligibility. This resignation would only be required if the member were appointed to the position of Trustee.
  - ii. The Board shall also be notified if a member seeking appointment is determined not to be a constitutionally eligible individual.
3. Each current elected Trustee may make one (1) nomination for the vacancy of the elected position, which will allow for a maximum of two nominees.
4. All individuals nominated by the current elected Trustees shall meet the requirements of a potential candidate as defined above.
5. The remaining elected Trustees shall then vote on a nominee to fill the vacancy using the voting procedure set forth above in Nomination by the Board Procedures Paragraphs 3, 4, 5, and 6.
6. Any such vacancies shall only be filled for the expiration of the unexpired term.

#### **VIII. PROCUREMENT OF THE ELECTION SERVICES VENDOR**

1. When procuring an Election Services Vendor, the request for proposal (RFP) shall indicate that the selected vendor will sign the KPPA's Business Associate and Confidentiality Agreements as well as provide a summary of security policies and standard security procedures related to ensuring election integrity. The RFP must include specific security details to which the vendor must adhere. The security details should include, but not be limited to, the following topics:
  - a. Technology systems, network, and application software used to process sensitive information.
  - b. Vendor risk and threat management responsibilities.
  - c. Software License Agreements.
  - d. Service Level Agreement and Support.
2. The team that drafts the RFP and evaluates the bid proposals should include KPPA employees from the Divisions of Internal Audit Administration, Communications, and Enterprise and Technology Services. The KPPA Executive Management team and Office of Legal Services employees as well as the System's Chief Executive Officer and General Counsel should be consulted as needed.

**IX. ETHICS**

Ethics in the election process shall conform to the Executive Branch Code of Ethics as set forth in KRS Chapter 11A.

**X. CERTIFICATION**

We, the Chair of the County Employees Retirement System Board, the Chief Executive Officer of the County Employees Retirement System, and the Executive Director of KPPA do hereby certify that this Board Election Policy was adopted by the Board on this the 14th day of March, 2022.

---

Betty Pendergrass, Board Chair  
County Employees Retirement System Board of Trustees

Date

---

Ed Owens III, Chief Executive Officer  
County Employees Retirement System

Date

---

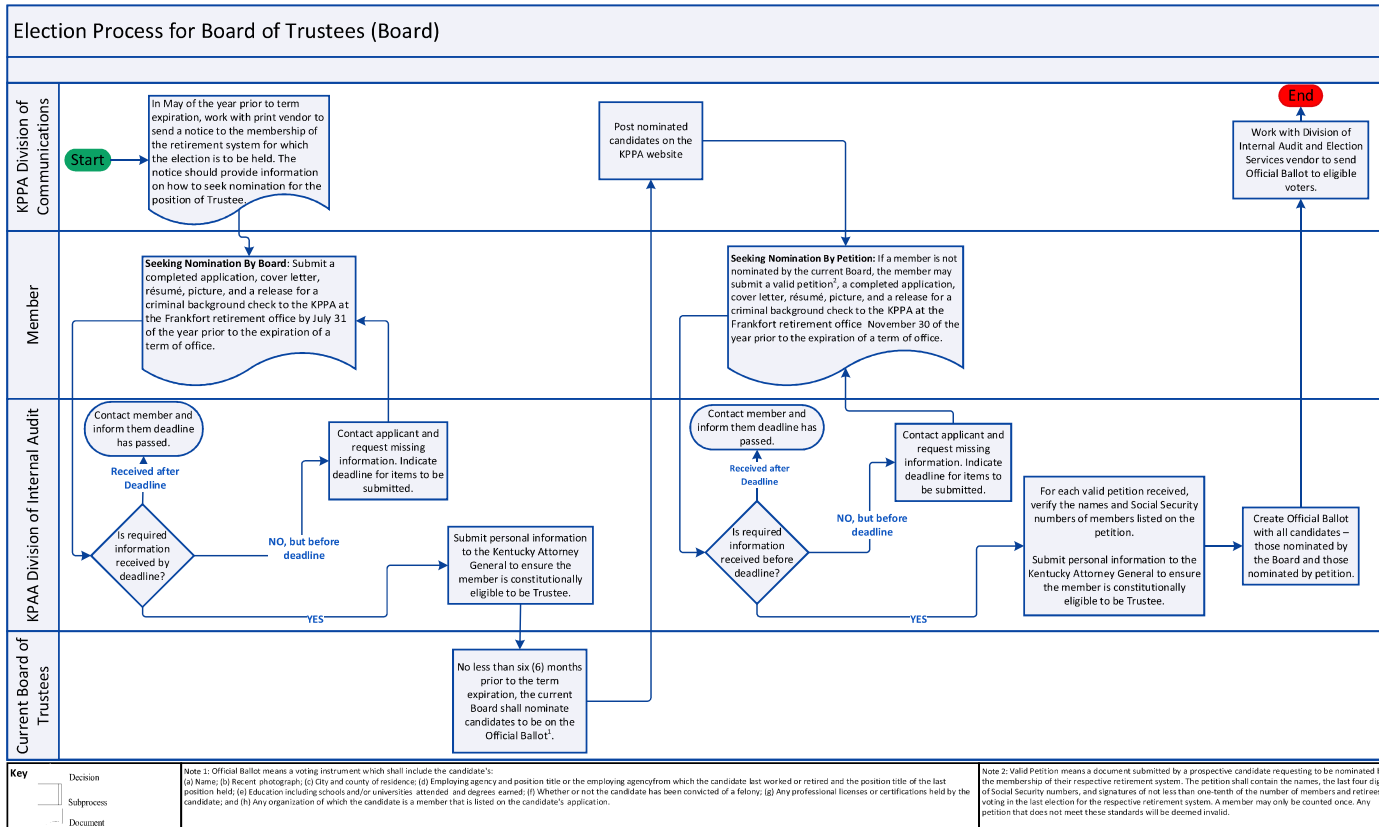
David Eager, Executive Director  
Kentucky Public Pensions Authority

Date

History: Approval Date: March 14, 2022  
Amended:



Exhibit A





### Personnel Committee Strategic Plan Objectives

<b>Objective A. Enhance Personnel Committee framework for CERS staff evaluations, professional development, and succession planning.</b>
<ul style="list-style-type: none"> <li>1) <b>Measure:</b> Adopt CEO Performance Plan. <b>Target:</b> Annually in January</li> <li>2) <b>Measure:</b> Evaluate CEO annually. <b>Target:</b> Annually in June</li> <li>3) <b>Measure:</b> Recruit Trustees for elected and appointed positions. <b>Target:</b> July 2024 (Elected Trustees) &amp; 2025 (Appointed Trustees)</li> </ul>
<b>Objective C. Formalize annual planning for Trustee Education.</b>
<ul style="list-style-type: none"> <li>1) <b>Measure:</b> Educational sessions (January, July, &amp; October) provide a minimum of 6 hours of CERS-sponsored education. <b>Target:</b> Ongoing</li> <li>2) <b>Measure:</b> Education catalog of videos provide Trustees with additional resources for training hours, including specific training for New Trustee Orientation sessions. <b>Target:</b> July 2024</li> <li>3) <b>Measure:</b> All Trustees meet the statutory requirements for 12 hours of annual training. <b>Target:</b> Ongoing</li> </ul>
<b>Objective D. Risk Management</b>
<ul style="list-style-type: none"> <li>1) <b>Measure:</b> Establish methodology to evaluate effectiveness of Board governance with an Independent analysis of CERS Board governance <b>Target:</b> September 2024 and ongoing</li> </ul>

GOAL/OBJECTIVE	2024	2025	2026	2027	2028
<b>Goal 6. Administrative (Personnel Objectives)</b>					
1) Adopt annual CEO Performance plan.	Jan	Jan	Jan	Jan	Jan
2) Evaluate CEO performance annually.	June	June	June	June	June
3) Formalize annual planning for in-person Trustee education sessions in January, July & October.	Jan	Jan	Jan	Jan	Jan
4) Establish methodology to evaluate effectiveness of Board governance.	September				