



**County Employees Retirement System
Personnel Committee – Special Meeting
June 22, 2022 at 3:00 PM EST (2:00 PM CT)
Live Video Conference/Facebook Live**

AGENDA

- | | |
|--|-----------------------|
| 1. Call to Order | JT Fulkerson |
| 2. Opening Statement | Legal Services |
| 3. Roll Call | Sherry Rankin |
| 4. Public Comment | Sherry Rankin |
| 5. Approval of Minutes – June 7, 2022* | JT Fulkerson |
| 6. Review and approval of Contract for CERS General Counsel* - Johnson, Bowman and Branco | JT Fulkerson |
| 7. Discussion of Policy and Procedures for Annual Evaluations of CEO and General Counsel* | JT Fulkerson |
| 8. Adjourn* | JT Fulkerson |

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

MINUTES OF MEETING
COUNTY EMPLOYEES RETIREMENT SYSTEM BOARD OF TRUSTEES
AD HOC PERSONNEL COMMITTEE
JUNE 7, 2022 AT 3:00 P.M. ET (2:00 P.M. CT)
VIA LIVE VIDEO TELECONFERENCE

At the meeting of the County Employees Retirement System Board of Trustees Ad Hoc Personnel Committee held a special called meeting on June 7, 2022 the following members were present: George Cheatham, Michael Foster, and JT Fulkerson. Other Board member present: Betty Pendergrass. Staff members present were CERS CEO Ed Owens, III, KRS CEO John Chilton, Rebecca Adkins, Erin Surratt, Michael Board, Victoria Hale, Lori Casey, Ashley Gabbard, Glenna Frasher, and Sherry Rankin.

Mr. Owens called the meeting to order.

Mr. Board read the Legal Opening Statement.

Ms. Rankin called the roll.

Since there was no public comment submitted, Mr. Owens introduced agenda item *Election of Officers – Chair and Vice-Chair*. Mr. Owens opened the floor for nominations for the Chair of the CERS Ad Hoc Personnel Committee. Mr. Cheatham made a motion and was seconded by Mr. Foster to nominate Mr. Fulkerson as Chair. There being no further nominations, a vote was taken and passed unanimously. Mr. Owens turned the meeting over to the newly elected chair, Mr. Fulkerson.

Mr. Fulkerson then opened the floor for nominations for Vice-Chair. Mr. Cheatham made a motion and was seconded by Mr. Fulkerson to nominate Mr. Foster. There being no further nominations, a vote was taken and passed unanimously.

Mr. Fulkerson introduced agenda item *Discussion of Committee Organization and Duties for Amendment to CERS Bylaws*. Ms. Pendergrass stated that this committee was formed as an Ad Hoc Committee until the provisions were amended in the Bylaws to allow for a standing Personnel

Committee. Mr. Owens indicated that he would create a section to add to the Bylaws that would set out the duties and responsibilities based on the other standing committees and will bring that back to the Committee for approval. Mr. Foster provided details on how the Board could amend the Bylaws to establish this committee as a standing committee and have two (2) readings of the amendment at a special or regular meeting. He suggested that the committee make a recommendation to the Board to begin this process due to the length of time it may take to meet the reading requirements. Mr. Owens stated that he could prepare the amendment to the Bylaw and the recommendation from this committee to present at the CERS Board Meeting that will be held on June 14, 2022 and that would serve as the first reading of the amended Bylaws. After discussion about the specifics of the Bylaw amendment, Mr. Owens suggested and the committee members agreed that a draft of the Bylaw amendment would be sent via email to the committee members for their review and input. Afterwards, the Bylaw amendment would be added to the material for Board consideration at the meeting on June 14, 2022. Mr. Board expressed caution in this method of communication and reminded Mr. Owens to email the Trustees individually, so as to not cause a violation of the Open Meetings Act by creating a quorum of the committee members. All of the committee members agree to proceed with the Bylaw amendment as discussed.

Mr. Fulkerson introduced agenda item *Discussion of Policy and Procedures for Annual Evaluations of CEO and General Counsel*. Ms. Pendergrass announced that she is working with Mr. Eager to get some staff support from the KPPA Human Resources Department to assist with the needs of this committee. She introduced Lori Casey and indicated that she would be a good source to provide information regarding the evaluation process. Ms. Casey stated that she would conduct some research to attempt to find some forms to assist in the evaluation process. Mr. Foster suggested the use of a form with a uniform format during the evaluation indicating that it would assist the committee in future evaluations. He suggested that the evaluations occur at least yearly and that the reviewer would have a conference afterwards to discuss the results of the evaluation. Ms. Pendergrass reviewed a form that she developed to use for evaluation purposes, and will send that to the committee members for their review. She indicated that it would be a good starting point for the committee to build upon.

The committee members held discussion for the next committee meeting. It was decided that the next meeting of the CERS Ad Hoc Personnel Committee would be scheduled for June 22, 2022 at 3:00 pm ET (2:00 pm CT).

A motion was made by Mr. Foster and seconded by Mr. Cheatham to adjourn the meeting. The motion passed unanimously.

Copies of all documents presented are incorporated as part of the Minutes of the CERS Ad Hoc Personnel Committee meeting held June 7, 2022 except documents provided during a closed session conducted pursuant to the open meetings act and exempt under the open records act.

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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 Ad Hoc Personnel Committee, do certify that the Minutes of Meeting held on June 7, 2022 were approved on June 22, 2022.

Chair of the CERS Finance Committee

I have reviewed the Minutes of the June 7, 2022 CERS Finance Committee Meeting for content, form, and legality.

Executive Director
Office of Legal Services



**EMPLOYEE PERFORMANCE APPRAISAL
CERS CEO – ED OWENS, III
JANUARY 2022**

COMPLETED BY: _____ **DATE:** _____
TITLE: _____

EVALUATION SUMMARY

| | Outstanding | Highly Effective | Good | Needs Improvement | Unacceptable |
|----------------------------|--------------------|-------------------------|-------------|--------------------------|---------------------|
| A. CATEGORIES | | | | | |
| 1) Job Tasks | | | | | |
| 2) Adaptability/Initiative | | | | | |
| 3) Communication/Teamwork | | | | | |
| 4) Self-Management | | | | | |

B. COMMENTS

Signatures:

 Ed Owens, III, CERS CEO **Date:** _____

 Jerry Powell, CERS Vice-Chair **Date:** _____

 Betty Pendergrass, CERS Chair **Date:** _____

CERS CEO DETAILED EVALUATION

Name: _____ **Date:** _____
Prepared by: _____

| CATEGORY | EXPECTATIONS | RATING |
|--|---|--------|
| JOB TASKS | | |
| Administration | See attached Project Summary for detailed descriptions, due dates & comments. | |
| Trustee Education | | |
| Administrative Policies | | |
| Legislative | | |
| Investment Management | | |
| Litigation | | |
| Actuarial | | |
| Peer Group Research | | |
| Additional Projects | | |
| Monitors compliance with Board Administrative Policies | | |
| Completes research required for Committee meetings and ensures that all required documents are available 1 week prior to Committee meetings. | | |
| Compiles Committee Summaries for Board meetings to outline Committee actions and recommendations. | | |
| Ensures Board materials are loaded to Board Books to allow adequate prep time for Trustees. | | |
| Collaborates with CERS General Counsel on outstanding litigation matters. | | |
| Represents CERS at General Assembly Committee meetings. Provides written reports as required. | | |
| Develops working relationships with key professional associations, such as NCPERS and NASRA | | |

CERS CEO DETAILED EVALUATION (continued)

Name: _____

Date: _____

Prepared by: _____

| CATEGORY | EXPECTATIONS | RATING |
|---------------------------|---|--------|
| Initiative | Agrees to take responsibility for job duties and actions. Employee is knowledgeable about what is required and resources available to complete assigned projects without constant supervision but seeks advice in unfamiliar situations. Accepts change and is willing to respond to new job tasks for the benefit of CERS members. | |
| COMMENTS: | | |
| Project Management | Demonstrates adaptability by managing related projects while meeting agreed upon expectations. Able to prioritize task. Employee keeps documentation of projects and changes in priorities and discusses with Board Chair and/or Vice Chair | |
| COMMENTS: | | |
| Communications | Provides CERS information in a courteous way to key stakeholders, staff, and Board leadership in a timely manner. Keeps Chair and Vice-Chair informed of project progress or concerns. Written and verbal communication are clear and concise. | |
| KPPA Staff | | |
| CERS Trustees | | |
| CERS Stakeholders | | |
| Ky General Assembly | | |
| COMMENTS: | | |

CERS CEO DETAILED EVALUATION (continued)

Name: _____

Date: _____

Prepared by: _____

| CATEGORY | EXPECTATIONS | RATING |
|-------------------------------------|--|--------|
| Employee Behavior | Employee's behavior is ethical, courteous, respectful and professional to KPPA staff, Board Trustees, stakeholders, legislators, and the public. There are no reports concerning discourteous detrimental employee behavior. | |
| COMMENTS: | | |
| Dependability/Responsibility | Abides by project timelines. Accepts responsibility for own actions and work output. Employee complies with federal, state, and agency policies and procedures including those regarding fiduciary duties, confidentiality, harassment, workplace violence, and computer/internet use. | |
| COMMENTS: | | |
| Career Development | Seeks and accepts career development opportunities. Completes continuing education requirements at same level as Trustee education requirements | |

| 2021-2022 CERS CEO PROJECT SUMMARY | | |
|--|------------------------|------------------------------|
| <u>Describe</u> | <u>Due Date</u> | <u>Completed Date</u> |
| Administration | | |
| <ul style="list-style-type: none"> Coordinate with Eager on KPPA staff & area of responsibilities (Eager has regular staff meetings that he might invite you to attend) | July 15 | |
| <ul style="list-style-type: none"> State equipment & system access for CEO | July 15 | |
| <ul style="list-style-type: none"> Coordinate with Shawn Sparks and Chris Clair to develop PR structure | Aug 31 | |
| <ul style="list-style-type: none"> Review website and make recommendations for improving access to documents (I couldn't find the 11/2020 Asset Liability Study on Investments or Board pages.) | Aug 31 | |
| <ul style="list-style-type: none"> Compare BoardBooks documents to KPPA website Publications & Forms to identify gaps | Sept 30 | |
| <ul style="list-style-type: none"> Explore options for hiring clerical staff | July 31 | |
| <ul style="list-style-type: none"> Develop Strategic Plan for CERS plan management | Feb 28 | |
| COMMENTS: | | |
| | | |
| Trustee Education: | | |
| <ul style="list-style-type: none"> Schedule Ethics training for Trustees (BAP has a slide deck from TEDS) | Sept 30 | |
| <ul style="list-style-type: none"> Finalize training approval forms | Aug or Oct | |
| <ul style="list-style-type: none"> Organize training records (Rebecca was looking for Alane's list) | July 31 | |
| <ul style="list-style-type: none"> Develop a catalog of Trustee Education courses, including recorded sessions that were presented live | July 31 | |
| <ul style="list-style-type: none"> Develop a catalog of Trustee Education courses, including recorded sessions that were presented live | Oct 31 | |
| COMMENTS: | | |
| | | |
| Administrative Policies | | |
| <ul style="list-style-type: none"> Review current policies and suggest updates for CERS | Sept 1 | |
| <ul style="list-style-type: none"> Evaluate need for a separate Code of Conduct in addition to the ethics requirements in state law and Admin policies (Jillian Hale is drafting for KPPA & KERS) | Sept 1 | |
| <ul style="list-style-type: none"> Review Bylaws adopted in April and suggest revisions, if necessary | Nov 3 | |
| COMMENTS: | | |
| | | |

| 2021-2022 CERS CEO PROJECT SUMMARY (continued) | | |
|--|-----------------|-----------------------|
| <u>Describe</u> | <u>Due Date</u> | <u>Completed Date</u> |
| Legislative | | |
| <ul style="list-style-type: none"> • Contact PPOB chairs to coordinate CERS presentations for regular PPOB meetings | July 31 | |
| <ul style="list-style-type: none"> • Contact Rep. Webber to establish communications for amendments to 2020 HB 484 | July 31 | |
| COMMENTS: | | |
| Investment Management | | |
| <ul style="list-style-type: none"> • Contact Steven Herbert to open communications about investment management | July 12 | |
| <ul style="list-style-type: none"> • Review Investment Policy Statement with Dr. Hackbart | July 12 | |
| <ul style="list-style-type: none"> • Asset Allocation <ul style="list-style-type: none"> ○ Contact NCPERS to find out when Asset Allocation (Kinlaw, Kritzman, & Turkington) will be published ○ Analyze allocations among stocks, bonds, and alternatives ○ Dr. H is suggesting that we allocate based on industrial sectors rather than US vs Non US equities ○ Analyze management fees (BAP has a schedule that summarizes) | July 9 | |
| <ul style="list-style-type: none"> • Evaluate investment admin policies for CERS impact (Do we need separate investment admin policies?) | July 9 | |
| COMMENTS: | | |
| Litigation | | |
| <ul style="list-style-type: none"> • Schedule briefing on Mayberry before KPPA staff changes | July 20 | |
| <ul style="list-style-type: none"> • Schedule briefing on Northern Ky cities litigation | Aug 15 | |
| COMMENTS: | | |

| CERS CEO PROJECT SUMMARY (continued) | | |
|---|-----------------|------------------------|
| <u>Describe</u> | <u>Due Date</u> | <u>Completion Date</u> |
| Actuarial | | |
| <ul style="list-style-type: none"> • Mike Foster wants to use Pension Obligation Bonds to retire the unfunded liability – Research current guidance from NCPERS, GFOA, rating agencies | Oct 31 | |
| <ul style="list-style-type: none"> • Review references from Segal presentation at TEDS | Oct 31 | |
| Develop Peer Group Research | | |
| <ul style="list-style-type: none"> • Identify peer public pension plans | Sept 30 | |
| <ul style="list-style-type: none"> • Research NASRA info for small plans | Sept 30 | |
| <ul style="list-style-type: none"> • Check contacts on TEDS attendee list for potential peer public plans | Sept 30 | |
| COMMENTS: | | |
| | Authorized By: | |
| ADDITIONAL PROJECTS | | |
| • | | |
| • | | |
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| • | | |
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| • | | |
| COMMENTS: | | |