



City of Cincinnati Retirement System Performance Evaluation Committee

City Hall Council Chambers and via Zoom
March 5, 2026 – 12:00 PM

AGENDA

Members

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

CRS Staff

Jon Salstrom

Legal

Kevin Frank

Call to Order

Public Comment

Approval of Minutes

- September 11, 2025

Informational

- Review Funston Recommendations for Committee (5-7)
- Risk Dashboard (8)

Old Business

- Review of 2025 & 2026 Strategic Objectives (9-12)
 - Update with CEM recommendations
- Updated Evaluation form for Executive Director (14-15)
- Timeline for Evaluation form (13)

New Business

- Staff assessment reports on Healthcare vendors, Investment Consultant and Actuary (16-21)

Adjournment

Next Meeting: Thursday, June 4, 2026, City Hall Council Chambers and via Zoom



**City of Cincinnati Retirement System
Performance Evaluation Committee Meeting Minutes
September 11, 2025 / 12:00 P.M.
City Hall – Council Chambers and remote**

Members

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

Administration

Jon Salstrom

Law

Kevin Frank

Call to Order

The meeting was called to order at 12:02 p.m. by Vice Chair Menkhaus and a roll call of attendance was taken. Committee Members Menkhaus, Gamel, Morton, and Riddle were present. Committee Members Rahtz, Walsh, and West were absent.

Public Comment

No public comment.

Approval of Minutes

Approval of the minutes for the meeting of June 5, 2025, was moved by Committee Member Gamel and Seconded by Committee Member Riddle and approved by unanimous roll call vote.

Informational

Review Funston Recommendations for Committee

Only two items remain unaddressed under Pension Operations (4.2 and 4.3), both of which are dependent on item 4.4, the hiring of CEM Benchmarking. The CEM survey has been completed, and initial insight is emerging regarding the structure and content of the benchmarking deliverable.

Staff expect the results to provide clarity for both management and trustees on gaps or shortcomings compared to peer organizations. This includes areas such as website offerings, member access to information and tools, and appropriate staffing levels.

By year-end, the goal is to have a defined action plan in place outlining initiatives to be executed in 2026.

Risk Dashboard

Cybersecurity will remain elevated at a High-risk level. Funding will also remain High-risk; however, the plan's overall health continues to improve. The City remains committed to increasing contribution rates and is following the Board's recommendation for incremental increases each year.

Personnel risk may be reduced from High to Medium. While the team experienced significant disruption over the past 18 months, the situation has stabilized, and redundancies have been built in to strengthen operational resilience.

Old Business

ED Internal Evaluation from Finance Director

The review was very positive, and congratulations are extended to Director Salstrom. The evaluation reflects feedback provided by the committee through the completed evaluation matrix submitted by each member.

Debrief on the ED Performance Evaluation Process for Trustees

The strategic objectives were reviewed, including assigned ownership, target completion dates, and whether each objective is ongoing or has a fixed end date. Both clean and redlined versions of the strategic objectives were discussed, along with the four overarching goals established within the evaluation framework.

The committee was asked to consider potential improvements to the evaluation process, including both the evaluation form and the overall process, as part of the discussion.

This year's process was significantly smoother than in prior years. The simplified evaluation form helped focus attention on areas where trustees are best positioned to make informed judgements.

New Business

2025-26 Performance Goals & Objectives for Committee's Consideration and Vote

Committee Member Gamel made a motion to approve the four overarching goals to include pages 18, 19, 20, and 21 of the packet, and seconded by Committee Member Riddle. The motion was approved by unanimous roll call vote.

Adjournment

Following a motion to adjourn by Vice Chair Menkhaus and seconded by Committee Member Gamel. The Performance Evaluation Committee approved the motion by unanimous roll call vote. The meeting was adjourned at 12:22 p.m.

Meeting video link: <https://archive.org/details/crs-perf-eval-9-11-25>

Next Meeting: Thursday, March 5, 2026, at 12:00 P.M. City Hall Council Chambers and via zoom

Secretary

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 	Completed	X		X					
	<ul style="list-style-type: none"> Board chair 	Completed	X		X					
	<ul style="list-style-type: none"> Individual trustees 	Completed	X		X					
	<ul style="list-style-type: none"> City Council and Mayor 	Completed		X						
	<ul style="list-style-type: none"> City Manager and City Finance Director 	Completed		X						
	<ul style="list-style-type: none"> CRS Director 	Completed		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.	Completed			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.	Completed			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.	Completed			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.	Completed			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.	Completed			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.	Completed			X		X			
2.2	Develop new policies or formalize current policies and practices for:									
	<ul style="list-style-type: none"> Trustee personal financial disclosures 	Completed	X							
	<ul style="list-style-type: none"> Board self-evaluation / Board education policy 	Completed	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 	Completed	X							
	<ul style="list-style-type: none"> Strategic planning, in coordination with the City 	Completed		X						
	<ul style="list-style-type: none"> Collection of claims in securities class actions 	Completed	X							

	Board	Board, Adm.	Priority	Board	Governance	IC	Staff	Performance evaluation	Audit
• Succession planning, in cooperation with relevant City appointing authorities	Completed	X							
• Business continuity and resumption	Completed	X							
• Independent governance and benchmarking reviews	Completed	X							
• External communications by Board members	Completed	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	Completed	X							
2.3 Reduce the size of each committee to three or five members to better utilize trustee time.	Completed	X							
2.4 Adopt a consent agenda for approval of routine business and reports.	Completed	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.	Completed	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.	Completed	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.	Completed	X	X						
2.8 Formalize a CRS stakeholder communications plan that identifies key stakeholders, communications responsibilities, and messages and objectives.	Completed	X							
2.9 Issue new system email accounts to be used by trustees for all CRS-related business.	Completed	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.	Completed	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.	Completed	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.	Completed	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.	Completed	X	X						
4.2 Consider if pension staffing resources and capabilities should be improved through implementation of a member contact center telecommunications system.	Completed	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.	Initiated	X							
4.4 Charter a pension administration cost and performance benchmarking report.	Completed	X							
4.5 Consult with its actuary and determine if an adjustment to the investment assumed rate of return should be recommended.	Completed		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.	Completed	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.	Completed	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.	Completed	X	X						
5.3 Develop a long-term IT plan that identifies future needs.	Completed	X							
5.4 Work with the City Enterprise Technology Solutions (ETS) Department to ensure security is adequate and tested.	Completed	X	X						
5.5 Update the documented disaster recovery plan.	Completed	X	X						

6. Compliance

6.1 Assign leadership, training, and monitoring responsibilities for compliance to ensure compliance with conflict of interest and ethics policies.	Completed	X	X						
6.2 Develop a repository of risk-ranked compliance requirements.	Completed	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.

Risk Category	Risk Description	Rank	Risk Level	Expected Risk Level Trend	Risk Response	Change	Mitigation Activities	Risk Owner	Reporting and Oversight Committee
Personnel	Ability to attract and retain talented staff; succession planning.	1	medium	↓	Mitigate	Lower	CRS has hired additional staff to ensure all CRS functions covered and with trained backup.	Executive Director	Board of Trustees
Funding	A lack of sound funding for the plan could lead to insufficient assets to pay for long-term benefits and financial obligations.	2	medium	↓	Mitigate	Lower	In Feb'26, City Council passed two ordinance to formalize a funding plan including \$100m injection of cash and increased contribution rates.	Executive Director	Board of Trustees
Cyber	Cyber security controls could lead to breaches or sabotage of CRS systems. Unauthorized access of confidential information could result in state or federal law violations and harm the best interests of CRS and its members.	3	High	↑	Monitor	No Change	Monitor ETS security plans. Evaluate and monitor CRS servers and vendors protocol annually	Executive Director, ETS Director	Performance Evaluation
Market	Market volatility could lead to undesirable investment outcomes due to monthly liquidity needs to pay benefits.	4	High	↑	Monitor	Higher	Market volatility to remain elevated in '26. Public Equity valuations are rich with risk to the downside. Economic headwinds, with potential for slowing growth and rising rates (10yr) caused by debt and tariffs	Executive Director, Marquette	Investment Committee
Counterparty	Business partners or entities are unable to fulfill their obligations or do not complete transactions as agreed upon.	5	Medium	↔	Monitor	No Change	Diversifying manager and vendor exposure to limit counterparty risk. Annual evaluation of key vendors	Executive Director	Audit Committee (TBD), Investment Committee
Operational	Event causes a major business interruption, such as late monthly pension payroll. Generally strive to improve efficiencies lowering plan cost and customer satisfaction	6	Medium	↔	Mitigate	No Change	Complete document scanning project, with image to accessible and secure server. Constant evaluate of resilience and efficiency of pension payroll process. Develop continuity of operations plan for CRS pension operations and payroll.	Executive Director	Audit Committee (TBD)
Governance	Not following processes and procedures in decision making.	7	Low	↔	Mitigate	Lower	Completed new Governance manual. Implement Fiduciary Audit & Benchmarking Recommendations. Creating PAFR for delivery in '26.	Board of Trustees	Governance Committee
Physical	Monitor facilities for inadequacies; general facilities management; improve space utilization.	8	Medium	↔	Accept	No Change	Current space is adequate; a physical move was completed recently and would be extremely disruptive now. Improve remote access and redundancies to improve worker flexibility.	Executive Director	Benefits
Legislative	Legislative events may lead to adverse relations, unfavorable investment and operation policy and/or restricted funding.	10	Medium	↑	Monitor	Higher	Conduct regular meetings with City Solicitor's office, Council members, Mayor and CMO.	Board, Executive Director	Board of Trustees
Compliance	Evaluation of legal, tax and operational compliance variations to the City Solicitors office for review	9	Low	↔	Accept	No Change	The bulk of the reviews (quarterly and annual) are due to investment managers and services providers	Executive Director	Performance Evaluation

High	Represents immediate risk to the plan. Trustees should be mindful and monitoring regularly for resolution
Medium	Represents concern for the plan. Trustees should determine the appropriate interval for evaluation and monitoring
Low	Represents limited risk to the plan. No plan of action is required.

<u>Strategic Objectives</u>	<u>Owner</u>	<u>Target Date to Complete</u>	<u>Status/Date Completed</u>
CY 2025 Board Objectives			
Work collaboratively with CMO to update City Contribution rate incrementally for 2025	Board, Exec. Director	2Q25	Annual
Collaborate with Stakeholders to secure a formal funding plan and policy for the Pension Trust	Exec. Director	1Q26	Ongoing
Collaborate with Stakeholders to identify, report and alleviate all legal and compliance issues	Exec. Director	Ongoing	Ongoing
Assist the Mayor and Council in filling appointed member Board vacancies; conduct elections process in accordance with Board rules for filling elected trustee vacancies.	Board, Exec. Director	2Q26	Ongoing
Personnel Oversight: Annually work with administration to incorporate Board evaluation of the Executive Director into City's employee review	Board, Exec. Director	2Q26	Annual
Development of data dashboards to provide key information and ongoing updates to the Board (e.g. Demographics, Benefits, Returns, Risk, Compliance, Liquidity).	Exec. Director	1Q26	Ongoing
Prepare and present CRS orientation to City Stakeholders (City Mgr, Mayor, V. Mayor, Council Fin. Chair; new Councilmember(s), Budget and Finance Committee)	Board, Exec. Director	Ongoing (1Q, 3Q each year)	Annual
Annual trustee training schedule, including training policy and curriculum; monitor and update implementation	Board, Exec. Director	4Q25	Annual
Evaluate and Redesign CRS website	Exec. Director	1Q26	Ongoing
Identify improvements for member service and communications.	Exec. Director	4Q25	Ongoing
Annually review the Board's Investment Policy and provide recommended adjustments or changes	Board	1Q25	Complete
Keep the Board well- informed about important developments and issues	Exec. Director	Ongoing	Ongoing
Prepare and submit the annual CRS report to City Council	Board, Exec. Director	3Q25	Annual
CY 2024 Investment Committee Objectives			
Make a formal Asset allocation review every 3 years with annual review of market conditions, opportunities and liquidities needs and risks	Board	4Q25 (annually review)	1Q23
Quarterly review of Market volatility and Investment risk/concentrations	Board, Exec. Director	Ongoing	Ongoing
Quarterly update on investment return peer ranking	Board, Exec. Director	Ongoing	Ongoing

Review of liquidity	Exec. Director	Ongoing	Ongoing
Monitor investment manager compliance	Board, Exec. Director	Ongoing	Ongoing
Monitoring tolerance bands	Exec. Director	Ongoing	Ongoing
Implement structure and design within each asset class	Exec. Director	Ongoing	Ongoing
Build in redundancies within Investment team and process for continuity of Investment knowledge	Exec. Director	Ongoing	Ongoing
Monitor and Improve of Executive summary from Marquette	Exec. Director	3Q24	Complete
Complete the five-year actuarial experience study; act on recommendations	Board, Exec. Director	Ongoing, (last completed Q2 23)	Complete
CY 2024 Governance Committee Objectives			
Enroll retirees in Member Direct to continue the path to paperless	Exec. Director	2Q24	ongoing
Creation of Audit Committee, possibly from Performance Eval Comm	Board, Exec. Director	1Q24	Review in 2025
Annual Evaluate Fiduciary Governance of 457 Plans	Exec. Director	3Q26	ongoing
Financial Disclosure Policy and Forms	Board, Exec. Director	2Q25	2Q25
Consider if pension staffing resources and capabilities should be improved through Implementation of a member contact center telecommunications system.	Board, Exec. Director	4Q24	Review Annually
CY 2024 Benefits Committee Objectives			
Review Horan healthcare plan changes summary	Board, Exec. Director	1Q26	Ongoing
Horan Audit of Benefits	Exec. Director	4Q26	Ongoing
Survey Retirees on benefits	Exec. Director	4Q25	Ongoing
CY 2024 Performance Evaluation Committee Objectives			
2025 Strategic Plan	Board, Exec. Director	1Q26	Complete
Annual evaluations of Board contractors	Board, Exec. Director	4Q25 and 1Q26	Annual
Online Retirement Counseling Request Form	Exec. Director	2Q26	Ongoing
Deploy Standardized Feedback Surveys	Exec. Director	1Q26	Ongoing
Convert Member Direct Forms Section to Submittable Forms	Exec. Director	3Q'26	Ongoing

Expand Online Forms for Active Employees and Retirees	Exec. Director	4Q26	Ongoing
Fiduciary Performance Audit: Review audit and implement Board-approved recommendations	Board, Exec. Director	1Q26	Ongoing

CINCINNATI RETIREMENT SYSTEM

→ CRS Implementation Roadmap

Initiative	Description	Ownership	Expected Benefit	Target Timing
Deploy Standardized Feedback Surveys	Provide members with 3-5 questions surveys following one-on-one sessions, new employee orientation and retirement 101 sessions	CRS Staff	Provides Real-time insights into member experiences and identification of service gaps and training opportunities with data driven enhancements.	1Q'26
Online Retirement Counseling Request Form	Enable members to access and submit retirement counseling requests through an online form within Member Direct (MD)	CRS Staff and ETS	Improves accessibility, reduces manual intake, and enhances tracking	2Q'26
Convert MD Forms Section to Submittable Forms	Update the Forms section in MD to allow forms to be completed and submitted electronically (currently forms are download-only and require manual submission)	CRS Staff and LRS	Streamlines workflows, reduces paper handling, and improves processing efficiency	3Q'26
Expand Online Forms for Retirees	Make key retiree forms available as online submissions, including tax withholding, change of address, and personal information updates	CRS Staff and LRS	Faster updates, fewer errors, and improved member experience	4Q'26
Expand Online Forms for Active Employees	Enable service purchase applications, DROP applications, and retirement applications to be submitted directly through MD	CRS Staff and LRS	Eliminates redundant data entry, shortens processing timelines, and improves accuracy	4Q'26

Timeline for CRS Executive Director 2025-26 Performance Evaluation

	STEP	WHO	WHEN
1	Finalize and approve evaluation form	PE Committee	3-5-26
2	Finalize and approve performance objectives	PE Committee	3-5-26
3	Director submits self eval to PE Chair	Director	6-11-26
4	PE chair provides Director self eval to each trustee, together with form	PE Chair	6-12-26
5	Individual Board members complete form and submit to PE chair	Board	6-19-26
6	PE chair compiles results into a single evaluation form	PE Chair	6-22-26
7	PE chair distributes compiled eval form to Board members and director	PE Chair	6-23-26
8	Board Chair, members present eval to and discuss w/ director (possibly in executive session)	Board	7-2-26
9	Board Chair, Director sign eval	Director	7-2-26
10	Board Chair/PE chair transmit completed eval to Finance Director for transmittal to ACM and CM	Board	7-3-25

CRS Board Performance Evaluation of Exec. Dir. Form, 2025-2026 Performance Period		
Performance Rating Period: 7/12/2025 - 7/11/2026		
Rating Scale: 1 - 3. 1 = Does not meet expectations; 2 = Meets expectations; 3 = Exceeds expectations		
Essential Values		
	Quality Rating	Comments
Acts with Integrity, Ethics & Accountability		
Communicates Effectively		
Provides Excellent Customer Service		
Relationship Building		
Embraces Change		
Attitude		
Core Competencies		
Work Productivity		
Attendance		
Timeliness		
Supervisory / Leadership Skills		
Provides Leadership, Trains, Motivates and Coaches		
Plans and Acts Strategically; Delegates Effectively		
Performance Rating Period: 7/12/2025 - 7/11/2026		
Executive Director Performance Goals and Objectives		

Goal 1 - Provide Board with solid leadership, support, coordination, education and communication.

Board Objectives	Owner	Target Date	Status	Quality Rating	Comments
Assist the Mayor and Council in filling appointed member Board vacancies; conduct elections process in accordance with Board rules for filling elected trustee vacancies.	Board, Exec. Director	2Q26	Ongoing		
Development of data dashboards to provide key information and ongoing updates to the Board (e.g. Demographics, Benefits, Returns, Risk, Compliance, Liquidity).	Exec. Director	1Q26	Ongoing		
Annual trustee training schedule, including training policy and curriculum; monitor and update implementation	Board, Exec. Director	4Q25	Ongoing		
Keep the Board well-informed about important developments and issues.	Exec. Director	Ongoing	Ongoing		
Investment Committee Objectives	Owner	Target Date	Status		Comments
Make a formal Asset allocation review every 3 years with annual review of market conditions, opportunities and liquidity needs and risks.	Board	4Q25 (annual review)	Ongoing		
Quarterly review of Market volatility and Investment risk/concentrations	Board, Exec. Director	Ongoing	Ongoing		
Quarterly update on investment return peer ranking	Board, Exec. Director	Ongoing	Ongoing		
Review of liquidity	Exec. Director	Ongoing	Ongoing		
Monitor investment manager compliance	Board, Exec. Director	Ongoing	Ongoing		
Monitoring tolerance bands	Exec. Director	Ongoing	Ongoing		
Implement structure and design within each asset class	Exec. Director	Ongoing	Ongoing		
Build in redundancies within Investment team and process for continuity of Investment knowledge	Exec. Director	Ongoing	Ongoing		
Monitor and improve Executive summaries from Marquette	Exec. Director	Ongoing	Ongoing		
Development of Manager Selection and Monitoring policy	Exec. Director	4Q24	Complete		
Complete the five-year actuarial experience study, act on recommendations	Board, Exec. Director	Ongoing, (last completed 2Q23)	Complete		
Governance Committee Objectives	Owner	Target Date	Status		Comments
Trustee Training Policy	Board, Exec. Director	3Q24	Complete		
Enroll retirees in Member Direct to continue the path to paperless	Exec. Director	2Q24 Ongoing	Ongoing		
Amend Term limits Ordinance	Board, Exec. Director	4Q24	Completes 1Q25		
Creation of Audit Committee, possibly from Performance Eval Comm	Board, Exec. Director	1Q24	Review in 2025/2026		
Annual Evaluate Fiduciary Governance of 457 Plans	Exec. Director	3Q26	Ongoing		
Financial Disclosure Policy and Forms	Board, Exec. Director	2Q25	2Q25		
Consider if pension staffing resources and capabilities should be improved through implementation of a member contact center telecommunications system.	Board, Exec. Director	4Q24	Review Annually		
Charter a pension administration cost and performance benchmarking report	Exec. Director		Complete		
Update the documented disaster recovery plan	Exec. Director				
Benefits Committee Objectives	Owner	Target Date	Status		Comments
Review Horan healthcare plan changes summary	Board, Exec. Director	1Q26	Ongoing		
Horan Audit of Benefits	Exec. Director	4Q26	Ongoing		
Survey retirees on benefits	Exec. Director	4Q26	Ongoing		
Performance Evaluation Committee Objectives	Owner	Target Date	Status		Comments
2025 Strategic Plan	Board, Exec. Director	1Q25	Complete		
Annual evaluations of Board contractors	Board, Exec. Director	4Q25 and 1Q26	Ongoing		
Fiduciary Performance Audit: Review audit and implement Board-approved recommendations	Board, Exec. Director	1Q26	Ongoing		

Goal 2 - Assist Board in developing, updating and documenting a sound investment policy and robust governance structure.

Board Objectives	Owner	Target Date	Status	Quality Rating	Comments
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Annually review the Board's Investment Policy and provide recommended adjustments or changes	Board	Ongoing	Ongoing	
Aggregate and organize the Board policies from all sources into a Governance Manual	Executive Director	2Q25	Complete	
Within Governance Manual clarify roles and responsibilities for all stakeholders (e.g. admin, staff, trustees, vendors, law)	Exec. Director	2Q25	Complete	

Goal 3 - Provide information, education, support, assistance and excellent customer services to active and retired members of CRS.

Board Objectives	Owner	Target Date	Status	Quality Rating	Comments
Complete and publish CRS handbook for active and retired members	Exec. Director	1Q25	Complete		
Evaluate and Redesign CRS website; maintain legacy website with timely information for members.	Exec. Director	1Q25	ongoing		
Identify improvements for member services and communications	Exec. Director	ongoing	ongoing		
Enable online retirement counseling requests for CRS Active members within Member Direct	Exec. Director	2Q26	Ongoing		
Deploy standardized feedback surveys following one-on-one sessions, new employee orientation and retirement 101 sessions	Exec. Director	1Q26	Ongoing		
Enable all Member Direct forms to be completed and submitted electronically	Exec. Director	3Q26	Ongoing		
Expand Online Forms for Active Employees and Retirees	Exec. Director	4Q26	Ongoing		

Goal 4 - Coordinate activities and communication between the Board, the Board's contractors and City Administration as necessary to accomplish Board's objectives. (C., D., F., H.)

Board Objectives	Owner	Target Date	Status	Quality Rating	Comments
Work collaboratively with CMO to update City Contribution rate incrementally for 2025	Board, Exec. Director	2Q26	Annual		
Collaborate with Stakeholders to secure a formal funding plan and policy for the Pension Trust	Exec. Director	1Q26	Ongoing		
Collaborate with Stakeholders to identify, report and alleviate all legal and compliance issues	Exec. Director	Ongoing	Ongoing		
Personnel Oversight: Annually work with administration to incorporate Board evaluation of the Executive Director into City's employee review	Board, Exec. Director	2Q26	Ongoing		
Prepare and present CRS orientation to City Stakeholders (City Mgr, Mayor, V. Mayor, Council Fin. Chair; new Councilmember(s), Budget and Finance Committee)	Board, Exec. Director	Ongoing (1Q, 3Q each year)	Complete		
Prepare and submit the annual CRS report to City Council	Board, Exec. Director	3Q Annually	Complete		

Additional or general comments:

Evaluation Form Completed by: _____
 Signature: _____
 Date: _____

CRS Performance Evaluation Committee

Staff Assessment of Health Vendor Services

Summary rating: Exceeds expectations. Anthem and CVS appear to timely process medical and pharmacy claims in an appropriate and accurate manner. Anthem and CVS produce regular update reports and meet frequently with staff to present updates and field questions. In terms of cost control, the overall health costs of the system are consistent.

Contract status:

Anthem Pre-65:	Annual Renewals
Anthem Medicare Advantage:	Annual Renewals
CVS Caremark Pre-65:	Annual Renewals
CVS Silverscript EGWP (Med Adv Rx):	Annual Renewals
EyeMed Vision	Contract expires at the end of 2030
Superior Dental	Contract expires at the end of 2029

Summary of CY2025 Work:

- Medical and pharmacy claims processing
- Preparation of periodic update reports
- Regular meetings with CRS staff
 - CVS scheduled about 12 meetings over the course of 2025
 - Anthem scheduled about 12 meetings over the course of 2025

Staff Assessment

Anthem and CVS generally perform well in administering medical and pharmacy claims for CRS members, providing regular meetings and reports to ensure transparency and communication.

Anthem and CVS are large, complex organizations. In some cases, the organizational structure can be difficult to navigate, making it challenging to determine the most effective communication channels within their bureaucracy. In addition, RFPs for health vendors are very complicated. Outsourcing this process to a health consultant will be required.

Additionally, CRS utilizes CVS as its pharmacy benefit manager (PBM). The core function of a PBM is to leverage its expertise in negotiating discounts with pharmaceutical manufacturers, thereby reducing prescription drug costs for the plan. However, the actual effectiveness of these cost reductions is uncertain, and concerns about transparency in PBM operations have been widely noted by healthcare administration experts. To enhance cost savings, CRS has also engaged Employer's Health, an entity that aggregates employer participation to negotiate better volume discounts with CVS.

Retirement systems that administer retiree healthcare plans typically engage healthcare consultants to help navigate the complexities of senior healthcare in the U.S. CRS has expanded its partnership with Horan, leveraging their expertise to assist in evaluating the Pre-65 healthcare

and prescription benefits. While cost control remains a priority, CRS has communicated to Horan the importance of minimizing member disruption and ensuring a high-quality pharmacy plan. Moving forward, the expertise of a healthcare consultant may continue to be essential in balancing cost management with superior member service.

- Anthem and CVS are quick to respond to member enrollment/coverage issues
- Anthem and CVS make it a point to present their annual reviews in person
- Anthem and CVS accommodate our requests for ad hoc reports
- For the most part, Anthem and CVS keep us updated with contract negotiations between their organizations and hospitals/pharmacies
- Anthem and CVS ensure compliance with Medicare

CRS Performance Evaluation Committee
March 4, 2026

Staff Assessment of Actuarial Services

Summary rating: Exceeds expectations.

Cheiron continues to exceed expectations in the delivery of actuarial services to the Cincinnati Retirement System (CRS). The firm fulfills all contractual responsibilities in a timely, accurate, and professional manner and consistently responds to additional requests from staff and the Board with thorough and well-reasoned analysis.

Cheiron's periodic presentations to the Board clearly communicate complex actuarial concepts, funding dynamics, and regulatory requirements in a manner that supports informed governance and fiduciary oversight.

Contract status:

Following a formal RFP process in 2024, the City received six proposals for actuarial services. The evaluation committee selected Cheiron, and a new contract was awarded on October 24, 2024. The agreement runs through October 23, 2029, with the option for three additional one-year extensions, potentially extending the relationship through October 23, 2032.

Summary of CY2025 Work:

- Completed the annual Pension and OPEB actuarial valuations and presented results
- Prepared GASB 67/68 and 74/75 reports for inclusion in the City's financial statements
- Modeled multiple funding scenarios, including incremental contribution adjustments
- Provided updated analysis of IRC Section 415(b) limitations
- Conducted service credit purchase cost analyses
- Delivered actuarial education materials and presentations for Board training
- Provided recommended member premium rate analysis for CRS health plans
- Performed out-of-state and federal service purchase cost calculations
- Supported staff with reconciliations, assumption reviews, and funding clarifications

Staff Assessment

Cheiron consistently delivers high-quality actuarial services and remains a trusted advisor to both CRS staff and the Board. The firm has kept stakeholders well informed regarding actuarial governance developments, including continued implementation considerations related to Actuarial Standards of Practice (ASOP) No. 4. These standards emphasize reasonableness in selecting investment return assumptions and amortization methods, reinforcing the importance of sustainable funding practices.

Cheiron has provided clear analysis regarding the potential implications of evolving standards, including the possibility that future valuations may warrant adjustments to the assumed rate of return and/or amortization policy to align with best practices and peer trends.

Responsiveness remains a strong attribute of the firm. Cheiron regularly provides prompt turnaround on funding projections, contribution modeling, benefit-related analyses, and technical reconciliations. Their support has been particularly valuable during budget planning discussions and when evaluating policy alternatives.

The valuation reports are comprehensive, well-organized, and visually accessible, incorporating charts and exhibits that clearly illustrate funded status, contribution requirements, and liability trends. Board presentations are structured to encourage engagement and understanding, and many of the firm's exhibits are incorporated into CRS reporting materials provided to City leadership.

Cheiron successfully met key reporting deadlines, ensuring that actuarial results were available in advance of City budget deliberations. The timing and accuracy of these reports remain critical to informed discussions between the Board, City Council, and the City administration regarding funding policy and long-term plan sustainability.

Outstanding Items

One continuing policy concern is the use of an "open 30-year" (rolling 30-year) amortization approach for the unfunded actuarial accrued liability. Because the amortization period resets annually, progress toward full payoff of the unfunded liability may be slower than under a closed amortization framework. This concern is offset to a degree by the CSA stating full funding is required by 2045.

Additionally, the Plan's assumed rate of return of 7.5%, as established under the Collaborative Settlement Agreement, remains above the median assumption for similarly sized public pension plans, which is closer to 7.0%. Cheiron has appropriately highlighted this peer comparison and the potential implications for future valuations and funding policy discussions.

CRS Performance Evaluation Committee
March 4, 2026

Staff Assessment of Investment Consultant Services

Summary rating: Exceeds expectations.

Marquette Associates continues to perform all contracted services in a timely, thorough, and highly professional manner. In addition to fulfilling its contractual responsibilities, Marquette consistently undertakes supplemental work at the request of the Board and staff, delivering such services promptly and effectively.

Marquette's quarterly and special presentations to the Board are clear, substantive, and accessible, conveying complex investment information in a format that supports informed decision-making. The firm remains flexible and receptive to feedback from both Board members and staff, continually refining communications and reporting to enhance clarity and transparency.

Contract status:

Following a formal RFP process initiated in early 2023, Marquette was selected to continue serving as CRS investment consultant. A new contract was executed effective January 1, 2024, with a three-year initial term and two optional two-year extensions.

Marquette agreed to maintain its current annual fee of \$274,000. Staff considers the fee structure to be favorable and reflective of the strong value provided to CRS.

Summary of CY2025 Work:

- Prepared and presented four quarterly investment performance reports
- Completed and presented a comprehensive asset allocation study
- Conducted hedge fund manager searches and presented recommendations
- Performed a 2025 private equity pacing review
- Reviewed index fund mandates and custodial arrangements, identifying fee reduction opportunities
- Developed an enhanced executive summary format for Board reporting
- Provided ongoing guidance to staff regarding liquidity management and portfolio rebalancing
- Delivered updated capital market assumptions and projection

Staff Assessment:

Brett Christiansen has served as the lead consultant to the CRS Board since at least 2008, providing exceptional continuity and institutional knowledge. The depth of experience and understanding of CRS's history, governance structure, and investment philosophy is highly valuable to both the Board and staff.

Marquette delivers excellent value relative to its fee. CRS staff regularly consult with Mr. Christiansen and the broader Marquette research team regarding liquidity management,

rebalancing decisions, manager evaluation, and asset allocation considerations. Mr. Christiansen ensures timely access to Marquette's research resources, particularly during manager searches and when evaluating new allocations. He is consistently responsive, typically responding within 24 hours.

The staff relies heavily on Marquette's due diligence, analytical rigor, and thoughtful commentary on the market. The firm has demonstrated prudence and discipline in long-term asset allocation planning while also positioning CRS to capitalize on attractive market opportunities when appropriate.

Marquette has also enhanced Board reporting by expanding market environment updates and incorporating executive summaries that clearly articulate the Plan's cash flow profile and liquidity needs.

In 2025, Mr. Christiansen provided updated asset allocation guidance to the Board as well as helped identify fee reductions in our custodian and index provider. Concurrently, Marquette & staff recommended hedge fund managers for investment, including five new relationships for the Plan. These commitments are expected to further diversify and strengthen the portfolio, enhancing long-term return potential.

Consideration of CRS long term investment results versus benchmark and peers is pertinent in assessing Marquette's performance. At the end of Q4'25, CRS 1-year, 3-year, 5-year, and 10-year returns were strong within the peer universe at 40th, 39th, 13th and 27th respectively.

Considerations for expanded coverage from Marquette in 2026:

- Private Equity pacing
- Add new Venture Capital fund
- Add other diversifying GPs to hit PE target
- Add new Private Credit fund
- Continued education from the Marquette staff and with our investment managers