

**MINUTES OF MEETING
COUNTY EMPLOYEES RETIREMENT SYSTEM BOARD OF TRUSTEES
AD HOC PERSONNEL COMMITTEE
JUNE 22, 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 22, 2022 the following members were present: George Cheatham, Michael Foster, and JT Fulkerson. Other Board member present: Betty Pendergrass. Staff members present were Rebecca Adkins, Erin Surratt, Steve Willer, Leigh Ann Davis, Lori Casey, Ashley Gabbard, Glenna Frasher, and Sherry Rankin. Others present included Eric Branco of Johnson Bowman Branco, LLP.

Mr. Fulkerson called the meeting to order.

Ms. Davis read the Legal Opening Statement.

Ms. Rankin called the roll.

Since there was no public comment submitted, Mr. Fulkerson introduced agenda item *Approval of Minutes – June 7, 2022*. Mr. Foster made a motion and was seconded by Mr. Cheatham to approve the minutes as presented. The motion passed unanimously.

Mr. Fulkerson introduced agenda item *Review and approval of Contract for CERS General Counsel – Johnson Bowman Branco, LLP*. Ms. Pendergrass stated that the terms of the contract have not changed; therefore, this is a renewal of the contract. A motion was made by Mr. Foster and seconded by Mr. Cheatham to approve the CERS General Counsel contract with Johnson Bowman Branco, LLP. The motion passed unanimously.

Mr. Fulkerson introduced agenda item *Discussion of Policy and Procedures for Annual Evaluations of CEO and General Counsel* and opened the floor for discussion. Mr. Fulkerson stated that page 1 of the Employee Evaluation Appraisal form shown would be altered slightly. Mr. Foster asked for clarification regarding the evaluation rating scale to be used and how to use

it on the appraisal form. Ms. Pendergrass stated that the rating scale is located on page 1 – Outstanding, Highly Effective, Good, Needs Improvement, and Unacceptable. She explained that this scale would be used throughout the form and that the number of Outstanding, Good, etc. marks received would be used to determine a rating for each of the appraisal categories. These categories are: Job Tasks, Adaptability/Initiative, Communication/Teamwork, and Self-Management. Mr. Foster asked Ms. Pendergrass if an evaluator is expected to begin on the later pages of the appraisal form and then summarize on page 1. Ms. Pendergrass confirmed that evaluators would begin with the detail and then summarize. She also stated that this is a form in which the Personnel Committee and CERS CEO Ed Owens, III, could complete and then meet to discuss any rating disagreements, expectations, and/or job duties. Further, Ms. Pendergrass stated that this is an evaluation process that she has seen before; the employee and the supervisor each complete an appraisal form and then discuss. Mr. Fulkerson praised Ms. Pendergrass and stated that the appraisal form is quite detailed and included all necessary and important categories. Ms. Pendergrass explained that the evaluation would be for a specific period end date. Then, for the next period job tasks can be altered if needed and the expectations can be outlined at the beginning of the next period. Ms. Pendergrass asked Human Resources Division Director, Ms. Lori Casey, if this evaluation process was clear and in line with her expertise. Ms. Casey stated that currently employees complete a self-evaluation with goals and expectations being set at the beginning of each year. Mid-term review, year-end step, and final ratings also take place. She stated that the procedure being discussed for the annual evaluation of the CEO and General Counsel does fall in line with current processes. Ms. Pendergrass stated that the job tasks listed in the appraisal form were included in a project to-do list given to CERS CEO Ed Owens, III, on June 28, 2021 to outline areas of assistance needed. In January 2022, Ms. Pendergrass updated the task list and has been meeting with CERS CEO Ed Owens, III, periodically to make additions and deletions as needed/as projects are completed. In March or April 2022 a project list was used to track project tasks, completion dates, and who was responsible for the task. Mr. Cheatham asked if CERS CEO Ed Owens, III, should be able to add job tasks to the appraisal form during his self-evaluation process and if a section should be added to comment on or address the CEO pay and/or benefits package. Ms. Pendergrass stated that discussion of salary is not included and would need to be added. Ms. Pendergrass directed the Committee to the last page of the appraisal form. This page includes an area to add additional projects which could be utilized by CERS CEO Ed Owens, III, or the Personnel Committee. Mr. Cheatham added that asset allocation and past history returns are important tasks being discussed in the creation of a strategic plan and should be included in the Investment Management section

of the form. Additionally, an assessment of risk and staffing are also important and should be included. Mr. Cheatham stated that a quarterly update on these tasks would be beneficial. Ms. Pendergrass agreed and explained that this form was created prior to working on the strategic plan. Mr. Foster stated that the job tasks and detail sheet do not necessarily correspond with the summary sheet. Ms. Pendergrass stated that there should be a section of each of the categories and an area to allow the evaluator to provide ratings. It was agreed that the groupings on the form are not consistent and need improvement. Mr. Foster expressed a need for consistency in these evaluations. Further, he stated that work must be done to ensure that the detail translates to the categories, however, he does like the appraisal form overall. Ms. Pendergrass suggested that a written policy which describes the form and how it should be completed be created. She asked that Ms. Casey work to create a draft of this policy. Mr. Foster stated that typically these forms include an introduction with guidelines, a numerical rating system, and how a consensus would be determined. He suggested that a number be assigned to each evaluation standing (Outstanding, Highly Effective, and Good etc.) in order to reach a consensus with a quick calculation. Ms. Casey stated that she has some good examples from the current performance management system with ratings and definitions of Outstanding etc. She may be able to tweak these to fit the needs of the Committee. Mr. Cheatham stated that he envisions a summary sheet which would include the scoring of each Committee Member. Mr. Foster agreed with that statement and added that it is imperative that the form provide structure for those conducting the evaluation. A numerical rating system would help to create this structure and allow the Committee to do a better job. In conclusion to this discussion, Ms. Pendergrass asked Ms. Casey if she had all necessary information to take the information discussed and come to the Committee at a later date with written guidance. Ms. Casey stated that she will provide a draft of a written policy and appraisal examples to the Committee and Mr. Branco as soon as completed.

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

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

Jim Tony Fulkerson
Chair of the CERS Finance Committee

I have reviewed the Minutes of the June 22, 2022 CERS Ad Hoc Personnel Committee Meeting for content, form, and legality.


Executive Director
Office of Legal Services