

**MODIFYING** Article XV, “Retirement System,” of the Administrative Code of the City of Cincinnati by **AMENDING** Section 1, “Board of Trustees,” to revise the limitation on the terms of board members and to harmonize the Administrative Code with the provisions of the Collaborative Settlement Agreement reached in Sunyak, et. al. v. City of Cincinnati, et. al., Case Number 1:11-cv-445 in the U.S. District Court, Southern District of Ohio, Western Division.

WHEREAS, on May 7, 2015, the City entered into a Collaborative Settlement Agreement (“CSA”) to resolve multiple consolidated court cases against the City that were pending in the U.S. District Court for the Southern District of Ohio, Western Division, Case Number 1:11-cv-445; and

WHEREAS, the terms of the CSA prevail over conflicting provisions of Article XV of the Administrative Code; and

WHEREAS, harmonizing the Administrative Code to the terms of the CSA and current policies and procedures of the Cincinnati Retirement System provides increased clarity and transparency; and

WHEREAS, the Cincinnati Retirement System Board (“Board”) wants to amend the limitation on the number of terms which board members may serve to provide flexibility and continuity in Board membership and to maintain attendance of a sufficient number of Board members for quorum; and

WHEREAS, the Board has voted to amend the limitation on the number of terms that board members may serve to provide that members may serve a maximum of three consecutive terms, after which board members must wait at least four years before they are eligible to serve again; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio, with three-fourths of its members concurring:

Section 1. That Section 1, “Board of Trustees,” of Article XV, “Retirement System,” of the Administrative Code of the City of Cincinnati is amended as follows:

**ARTICLE XV. – RETIREMENT SYSTEM**

**Sec. 1. Board of Trustees.**

- a) The general administration and responsibility for the proper operation of the retirement system shall be vested in a board of trustees. The board of trustees shall consist of nine members:

- i. Four members with qualifications specified in subsection (b) shall be appointed by the Mayor with the advice and consent of Council.
  - ii. Two members, who shall be employee members of the system, shall be elected by deferred members and active members, as defined in Sections 203-1-D and 203-1-A2, who are not currently receiving a retirement benefit.
  - iii. Three members, who shall be retired members of the system, shall be elected by persons who are receiving retirement allowances, optional benefits, or survivor benefits from the system.
- b) At least two of the ~~appointed~~ members who are appointed to of the board pursuant to Article XV, Section 1(a)(i) shall have the following qualifications:
- i. Baccalaureate degree from an accredited college or university in finance, economics, business, or other field of study involving financial management; or
  - ii. A minimum of ten years of experience in pension administration, pension actuarial practice, institutional investment management, employee benefits/investment law, banking, asset/liability management for an insurance company, or university or college professor with a focus on fiduciary or trust fund law or quantitative background in financial theory or actuarial math.
  - iii. The appointed member shall not have any business, personal, or family interests related to the city or the retirement system that would constitute a conflict of interest, or that would create the appearance of a conflict of interest, with the duties of a trustee. Being a member of the Cincinnati Retirement System or a beneficiary of the Cincinnati Retirement System shall not constitute a conflict of interest.
  - iv. Residency shall not be considered as a qualification for any appointed member.
  - v. A current or former elected city official appointed as a member of the board pursuant to this section does not have to meet the requirements of subsection b)i and b)ii of this section. No more than two current or former elected city officials appointed as members of the board pursuant to this section shall be eligible to simultaneously serve as members of the board.
- c) Board members shall have terms of the following lengths ~~serve four-year terms, except that:~~
- i. Mayoral appointees: Members who are appointed to the board pursuant to Article XV, Section 1(a)(i) may have a term of any length of time not exceeding four years. ~~when the Mayor makes initial appointments to the board under this Article, the Mayor shall appoint two members to serve~~

four-year terms, and two members to serve two-year terms, so that the terms overlap to establish continuity in board membership from year to year.

- ii. Elected members: Members who are elected to the board pursuant to Article XV, Section 1(a)(ii) or (iii) shall serve a term of four years for the initial election of the board members elected pursuant to subsection a)ii of this section, the active employee candidate with the highest vote total shall serve a four-year term and the active employee candidate with the next highest vote total shall serve a two-year term.
- iii. ~~for the initial election of the board members elected pursuant to subsection a)iii of this section, the two retiree candidates with the two highest vote totals shall serve four-year terms and the retiree candidate with the third highest vote total shall serve a two-year term.~~
- d) Term limits: Each No board member may serve up to three four-year terms either consecutive or non-consecutive, except that persons serving two-year terms upon their initial appointments to the board may serve the initial term and two subsequent four-year terms consecutive terms consisting of more than twelve years. Appointment to an unexpired term shall be counted against the term limitation except that an interim term of no more than 300 days as provided under Article XV, Section (1)(f) shall not be counted against the term limitation under this subsection. A board member shall not be eligible for appointment or election to a subsequent term if serving the full subsequent term will cause the board member to exceed the twelve-year limitation.
- e) Effect of break in service: Re-election or re-appointment to the board after a break in service of less than four years shall be treated as a consecutive term and will be counted against the term limitation under Article XV, Section (1)(d). A board member who reaches the term limit in Article XV, Section 1(d) becomes eligible to serve on the board again four years after the board member left the board. If elected or appointed after the four-year break in service, a new term limit of no more than twelve consecutive years shall apply.
- ef) Each board member shall hold office from the first date of the term until the end of the term for which the member was appointed or elected. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of the unexpired term. Any member shall continue in office after the expiration date of the member's term until the member's successor takes office, or until a period of thirty180 days has elapsed, whichever occurs first. The election process shall begin at least 120 days prior to the end of an active board member's term.
- i. Appointed members: A vacancy on the board shall be filled in the same manner as the original appointment. If a vacancy occurs in the middle of a term, the member appointed to fill the vacancy shall serve the remainder of the vacated term.

- ii. ~~Elected members: If the remaining portion of the unexpired term is nine months or less, the position will remain vacant until the next regularly-scheduled election. If the remaining portion of the unexpired term is more than nine months, an election to elect a new board member shall be held in accordance with the election rules promulgated by the board.~~ If a vacancy occurs in the position of a board member and the remaining portion of the member's unexpired term is 300 days or less no election shall be held to fill the unexpired term. If a vacancy occurs in the position of a board member and the remaining portion of the member's unexpired term is more than 300 days, an election shall be held to fill the unexpired term.
- iii. If a vacancy occurs in the position of a board member elected pursuant to Article XV, Section 1(a)(ii) the remaining active member shall select an active member of the system as an interim replacement to serve until the term ends or until an active member is elected to fill the vacancy.
- iv. If a vacancy occurs in the position of a board member elected pursuant to Article XV, Section 1(a)(iii) the remaining retiree members shall select a retiree member of the system as an interim replacement to serve until the term ends or until a retiree member is elected to fill the vacancy.
- fg) An entity authorized to appoint or elect a member under subsection a) shall remove its appointee or representative from the board for any act of misconduct involving the trustee's duties, including breach of fiduciary duty and failure to properly discharge the duties of the trustee, to the extent permitted by state law.
- gh) The board shall meet regularly and shall convene other meetings at the request of the chairperson or a majority of the members. A member who fails to attend at least two-thirds of the regular and special meetings of the board during any two-year period forfeits membership on the board.
- hi) The board shall report to council at least annually on the following issues:
  - i. Success at meeting the investment and funding objectives.
  - ii. Investment performance and attribution.
  - iii. Compliance with conflict of interest and ethics policies.
  - iv. Compliance with benefit delivery policies.
  - v. Results of external and internal audit findings and follow-up efforts.
  - vi. Board member attendance, travel, and educational efforts.
- ij) The board shall vote to disqualify any candidate from seeking election to the board or any member from remaining as a board trustee for any of the following reasons:

- i. Finding of dishonesty in any civil proceeding or disciplinary decision.
- ii. Conviction of a felony for an act committed while the candidate or member was an adult.
- iii. Failure to comply with election requirements established by the board.

Section 2. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: \_\_\_\_\_, 2025

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Aftab Pureval, Mayor

Attest: \_\_\_\_\_  
Clerk

\_\_\_\_\_  
Deletions are indicated by strikethrough; additions are indicated by underline.