



Pension Board

Regular Meeting

~ Minutes ~

917B E. Fifth Ave.
Knoxville, TN 37917
www.knoxvillepensionboard.org

THURSDAY, June 11, 2015

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mr. Coker called to order the June 11, 2015 meeting of the City of Knoxville Pension Board at 9:05 a.m. in the Pension Board Conference Room.

2. ROLL CALL

Attendee Name	Title	Status	
Mayor Rogero	Mayor	Represented By Proxy	
Linda Gay Blanc	Mayoral Appointment	Present	
Greg Coker	Police Representative	Present	
Jim York	Finance Director	Present	
Dennis Owen	Mayoral Appointment	Present	
Stephen King	General Government Representative	Present	
Michael Paseur	General Government Representative	Present	
Finbarr Saunders	City Council Representative	Present	
John Tillett	Fire Representative	Present	
Kathy Aslinger	Legal Counsel	Present	
Kristi Paczkowski	Executive Director	Present	

Others Present: Dr. William Lyons - Deputy to the Mayor and Chief Policy Officer attended as Mayor Rogero's designated representative as authorized by T.C.A. § 6-54-112 and the mayor's letter of designation dated June 28, 2012;

3. APPROVAL OF REGULAR MEETING MINUTES FOR MAY 14, 2015

Mr. Saunders made a motion to approve the minutes of the May 14, 2015 meeting. Ms. Blanc seconded the motion. The motion passed 8-0.

4. APPROVAL OF REVISED AGENDA – Exhibit 1

Mr. Saunders made a motion to accept the Revised Agenda. Mr. Owen seconded the motion. The motion passed 8-0.

5. EXECUTIVE DIRECTOR COMMENTS

Knox County Plan A – Actuarial Valuation – Exhibit 2

Ms. Paczkowski presented the Board a copy of the Executive Summary of Knox County's annual actuarial valuation as of January 1, 2015. Ms. Paczkowski advised the Board that the County was actuarially funding its portion of the Plan A benefits for certified teachers.

6. ADMINISTRATIVE MATTERS

Financial Plan 2015-2016 – Exhibit 3

Ms. Paczkowski presented the Board the 2015-2016 proposed Financial Plan for the pension system for their review.

Ms. Paczkowski and Ms. Curnutt left the meeting during the Board's discussion of the Personnel Committee's recommendations and returned shortly thereafter.

Motion: Mr. Saunders made a motion to approve the 2015-2016 Financial Plan, including the Personnel Committee's recommendations. Mr. Paseur seconded the motion. The motion passed 7-1. Mr. York voted no, noting that he would like for Civil Service to review the pay grade changes included in the Personnel Committee's recommendations before approving them.

New Website

Ms. Paczkowski informed the Board that the new website for the Pension System was up and running. So far, it has been well received.

7. CONTRACTS: None

8. ENROLLMENTS

The following General Government employees have filed applications to become members of the Plan H pension system:

Robert J. Johnson
Samuel D. Reagan
Johnathan A. Reno
Zachary S. Roberts

Motion: Mr. Paseur made a motion to approve these applications for enrollment in Plan H of the Pension System. Mr. Saunders seconded the motion. The motion passed 8-0.

9. WITHDRAWALS

The following employees have filed applications to withdraw employee pension contributions plus 4% interest and the supplemental retirement account as applicable to each participant's respective plan.

Patricia Davis, General Govt. – Plan G1, vested (defined contribution)
Andrew J. Howard, Fire Dept. - Plan C - vested
Willie G. Sanders, General Govt. – Plan G1, vested (defined contribution)

Motion: Mr. Paseur made a motion to approve these applications for withdrawal of employee contributions. Mr. Saunders seconded the motion. The motion passed 8-0.

**10. APPLICATION FOR DEFERRED RETIREMENT: PLAN G2
CHARTER SECTION 1360.28**

Jeri H. Parker, General Govt. - Plan G2

Option A-9
100% with reinstatement

Date of birth, May 26, 1953: 62 years of age

Total credited service: 16 years 1 month (last employed Dec 2003)

Average monthly salary for 2 highest 12 month periods, $\$4,059.04 \times .021 =$

$\$85.24 \times 16.08333 = \$1,370.94$. Ms. Parker chose Option A-9 – 100% Joint and Survivor with reinstatement to H. Fredrick Parker, III, spouse. $\$1,370.94 \times .8610344 =$
 $\$1,180.43$ pension effective June 1, 2015

Motion: Mr. Paseur made a motion to approve this application for Deferred retirement payable under Option A-9. Mr. Owen seconded the motion. The motion passed 8-0.

11. APPLICATION FOR PARTICIPATION IN THE DELAYED RETIREMENT OPTION PROGRAM (DROP): PURSUANT TO CHARTER SECTION 1371.8 – PLAN G. The following employees have chosen a Delayed Retirement Option and will receive a one-time payment of the accumulated monthly benefits on termination of employment with the City of Knoxville.

Donald E. Mitchell, General Government – Plan G2

Option A-9
100% with reinstatement

Date of birth, September 16, 1963: 51 years of age

Total credited service: 28 years 4 months 13 days

Average monthly salary for 2 highest 12 month periods, $\$3,195.62 \times .021 =$

$\$67.11 \times 28.36895 = \$1,903.84$. Mr. Householder chose Option A-9 – 100% Joint and Survivor with reinstatement to Deborah L. Mitchell, spouse. $\$1,903.84 \times .9192143 =$
 $\$1,750.04$ pension effective June 1, 2015.

DROP complete May 31, 2017.

Motion: Mr. Paseur made a motion to approve this application for DROP retirement payable under Option A-9. Mr. Saunders seconded the motion. The motion passed 8-0.

12. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD Total
Bryan, Pendleton, Swats & McAllister – Actuary (April)	9,651.00	133,026
Kennerly, Montgomery & Finley – Attorney (General May)	3,307.00	82,812
Acadian – Money Manager (1 st Qtr - 2015)	64,987.00	330,202
Eagle Capital – Money Manager (1 st Qtr - 2015)	93,644.07	409,506
Summit Strategies – Investment Consultant (2 nd Qtr – 2015)	40,000.00	191,250
		995,546

Ms. Paczkowski, Executive Director, has reviewed the bills and certifies that they are consistent with the services provided and are within the budgeted figures of the system's financial plan.

Motion: Mr. Saunders made a motion to pay the invoices as presented. Mr. Owen seconded the motion. The motion passed 8-0.

13. INVESTMENT MATTERS

Investment Allocation Recommendation from Committee – Exhibit 4

Motion: Mr. Saunders seconded a motion based upon the recommendation of the Investment Committee to approve the Target Asset Allocation as presented. The motion passed 8-0.

14. OTHER:

Advisor Reviews

Mr. Saunders requested a review of all the Board's advisors be performed on a periodic basis. Ms. Paczkowski advised the Board that she would set up a Request for Qualifications "RFQ" schedule and report back to the Board in a couple of months.

Personnel Committee

Mr. Coker advised that the full Board approved the salary recommendations from the Personnel Committee.

15. PUBLIC COMMENTS: None

16. ATTORNEY COMMENTS:

Qualified Domestic Relations Orders ("QDROs") Discussion

Attorney Aslinger advised the Board of State legislation recently passed requiring governmental retirement plans to honor QDROs effective July 1, 2015. Ms. Aslinger informed the Board of the need to develop rules and Supplemental Plan Provisions since the current Charter does not have a provision for the implementation of this legislation.

Open Meetings Training

Attorney Aslinger scheduled with the Board an open meetings training seminar for Thursday, July 9, 2015 in conjunction with the regularly scheduled Board meeting. Ms. Blanc requested an additional training session, at a later date, specific to pension matters and Sunshine Law.

Funding Policy

Mr. York advised the Board that the funding policy presented to City Council passed and the Pension System is in compliance with TN State Law.

17. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mr. Coker at 9:56 a.m.

Chair

Date