



Pension Board
Regular Meeting
~ Revised Agenda ~

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

THURSDAY, July 9, 2015

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the July 9, 2015 meeting of the City of Knoxville Pension Board at 9:04 a.m. in the Pension Board Conference Room.

2. ROLL CALL

Attendee Name	Title	Status
Mayor Rogero	Mayor	Present
Linda Gay Blanc	Mayoral Appointment	Present
Greg Coker	Police Representative	Present
Jim York	Finance Director	Absent
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: Mr. Charles Swanson, City Law Director.

3. APPROVAL OF REGULAR MEETING MINUTES FOR JUNE 11, 2015

Mr. Saunders made a motion to approve the minutes of the June 11, 2015 meeting. Mr. Paseur seconded the motion. The motion passed 8-0.

4. APPROVAL OF REVISED AGENDA – Exhibit 1

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

5. ADMINISTRATIVE MATTERS

QDRO Draft of proposed changes to SPPs – Exhibit 2

Attorney Aslinger presented the Board with a draft 2nd Amendment to the 2013 Amended and Restated Supplemental Plan Provisions for review to comply with State Law regarding Qualified Domestic Relations Orders that went into effect July 1, 2015 and advised she would have a final amendment prepared by next month.

Fiduciary Insurance Policy

Ms. Paczkowski informed the Board that the Fiduciary insurance policy for the Pension System had been renewed with a slight increase over last year's premium.

6. EXECUTIVE DIRECTOR COMMENTS

Pending Office Move

Mr. Paseur inquired about the pending office move. Ms. Paczkowski confirmed with the Board that the Police Department was interested in locating some of their personnel in the Pension Board space when they move into vacated Parks and Recreation space adjacent to the Pension Office later this year, but no definitive plans have been made at this time.

7. CONTRACTS: None

8. ENROLLMENTS

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

Gilbert A. Frazier
Jessica R. Graham
Robert J. Johnson
Darren L. Oldham
Melanie S. Overall
Johnathan A. Reno
Zachary S. Roberts
Kitchell T. Snow
Charles M. Tallent

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 0.72% interest and the supplemental retirement account as applicable to each participant's respective plan.

Jonathan L. Brown, General Govt. – Plan G1; non-vested
 Rocky McCulloch, Police Dept. - Plan C; non-vested
 Richard H. Wingate, General Govt. – Plan G1, vested

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 SURVIVOR'S BENEFIT: PLAN C CHARTER SECTION 1390.14

Mihaela H. Hembree, survivor of Robert G. Hembree, who died in service June 29, 2015.
 Mr. Hembree chose Option A-6 – 100% Joint & Survivor.
 The following are Mr. Hembree's statistics:
 Date of birth, June 6, 1973: 42 years of age
 Total credited service: 18 years 5 months 24 days
 Average monthly salary for 2 highest 12 month periods, $\$5,188.34 \times .02 =$
 $\$103.77 \times 25 \times 18.48242/26.41553 = \$1,815.15$. Mr. Hembree chose Option A-6 – 100% Joint and
 Survivor without reinstatement to Mihaela Hembree, spouse. $\$1,815.15 \times .8929 =$
 $\$1,620.75$ Mihaela Hembree's monthly benefit beginning July 1, 2015.

Motion: Mr. Coker made a motion to approve this application for a survivor's benefit payable under Option A-6. Mr. Paseur seconded the motion. The motion passed 8-0.

11. APPLICATION FOR NORMAL RETIREMENT: PLAN A CHARTER SECTION 1360.12

Eddie E. Milligan, General Govt. - Plan A

Option A-9
 100% with reinstatement

Date of birth, August 9, 1952: 62 years of age
 Total credited service: 25 years 8 months 8 days
 Average base monthly salary for 2 highest years, $\$400.00 \times .78\% = \3.12
 Average excess earnings for 2 years, $\$4,147.04 \times 1.58\% = \65.52
 making a total of \$68.64 benefit per year of service. $\$68.64 \times 25.68858 =$
 $\$1,763.26$. Mr. Milligan chose Option A-9 – 100% with reinstatement to Mary Jane Milligan, spouse.
 $\$1,763.26 \times .77536 =$
 $\$1,367.16$ pension effective July 1, 2015

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

**12. APPLICATION FOR NORMAL RETIREMENT: PLAN G2
CHARTER SECTION 1360.12**

Denny R. Norris, General Govt. - Plan G2

Option A-4
50% without reinstatement

Date of birth, March 10, 1948: 67 years of age

Total credited service: 21 years 5 months 14 days

Average monthly salary for 2 highest 12 month periods, $\$3,897.73 \times .021 =$

$\$81.85 \times 21.45502 = \$1,756.09$. Mr. Norris chose Option A-4 – 50% Joint and Survivor without reinstatement to Rebecca Sue Norris, spouse. $\$1,756.09 \times .8601246 =$

$\$1,510.46$ pension effective July 1, 2015

Motion: Mr. Paseur made a motion to approve this application for Normal retirement payable under Option A-4. Mr. King seconded the motion. The motion passed 8-0.

13. 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.

James H. Pauley, General Government – Plan G2

Option A-6
100% without reinstatement

Date of birth, January 25, 1949: 66 years of age

Total credited service: 19 years 28 days

Average monthly salary for 2 highest 12 month periods, $\$8,888.24 \times .021 =$

$\$186.65 \times 19.07671 = \$3,560.67$. Mr. Pauley chose Option A-6 – 100% Joint and Survivor without reinstatement to Sherry McCoy Pauley, spouse. $\$3,560.67 \times .8215098 =$

$\$2,925.13$ pension effective July 1, 2015.

DROP complete June 30, 2017.

Motion: Mr. Paseur made a motion to approve this application for DROP retirement payable under Option A-6. Mr. King seconded the motion. The motion passed 8-0.

14. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD Total
Bryan, Pendleton, Swats & McAllister – Actuary (May)	2,355.00	2,355.00
Kennerly, Montgomery & Finley – Attorney (General June)	6,123.40	6,123.40
Northern Trust Co. - Custodial/Benefit (2nd Qtr – 2015)	45,531.40	45,531.40

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.

15. INVESTMENT MATTERS: None

16. OTHER:

Mr. Coker

Mr. Coker reminded the Board that he would not be in attendance at the August through November meetings due to his attendance at the Southern Police Institute during those months.

17. PUBLIC COMMENTS:

Ms. Blanc

Ms. Blanc informed the Board of correspondence she had received from a citizen.

18. ATTORNEY COMMENTS:

Kingsbury Lawsuit Update

Motion: Mr. Saunders made a motion to enter into Executive Session at 9:34 a.m. Mr. King seconded the motion. The motion passed 8-0 and the meeting was called back into order at 9:56 a.m.

Motion: Mr. Saunders made a motion to enter into mediation in the Kingsbury lawsuit. Ms. Blanc seconded the motion. The motion passed 8-0.

Open Meetings Education

Mr. Swanson gave an Open Meetings Education presentation to the Board.

Mr. Coker left the meeting at 10:43 a.m.

19. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mayor Rogero at 10:57 a.m.

Chair

Date