



Pension Board

Regular Meeting

~ Minutes ~

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

THURSDAY, November 12, 2015

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the November 12, 2015 meeting of the City of Knoxville Pension Board at 9:00 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	Present	
Dennis Owen	Mayoral Appointment	Present	
Stephen King	General Government Representative	Absent	
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; Ms. Savannah Maupin – City Recorder’s Office; Mr. Bill Warwick – Retired Fire Department; Mr. Phineas Troy – Summit Strategies; Mr. Alan Pennington – Bryan, Pendleton, Swats and McAllister

3. APPROVAL OF REGULAR MEETING MINUTES FOR OCTOBER 8, 2015

Mr. Saunders made a motion to approve the minutes of the October 8, 2015 meeting. Mr. Owen seconded the motion. The motion passed 7-0.

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 7-0.

Ms. Blanc arrived at 9:12 a.m.

5. ADMINISTRATIVE MATTERS

Actuary Presentation

Alan Pennington – June 30, 2015, Actuarial Valuation Summary

Alan Pennington – Bryan, Pendleton, Swats & McAllister presented the actuarial valuation as of July 1, 2015. A copy of Mr. Pennington's presentation is on file in the Pension Office.

Motion: Mr. Saunders made a motion to accept the June 30, 2015 Actuarial Valuation as presented by Mr. Pennington. Mr. Owen seconded the motion. The motion passed 8-0.

QDRO Rules – Exhibit 2

Attorney Aslinger reviewed with the Board the final Qualified Domestic Relations Order (“QDRO”) Procedure for the Pension System to comply with recent State Law changes.

Mr. Saunders left the meeting at 9:53 a.m.

Motion: Ms. Blanc made a motion to adopt the Qualified Domestic Relations Order (“QDRO”) procedure as presented by Attorney Aslinger. Mr. Paseur seconded the motion. The motion passed 7-0.

Mayor Rogero called for a brief recess at 10:10 a.m. and called the meeting back in to order shortly thereafter.

Post Retirement Benefit Adjustment Resolution – Exhibit 3

Ms. Paczkowski reviewed with the Board the cost of living adjustments effective January 1, 2016.

Motion: Mr. York made a motion to approve the Post Retirement Benefit Adjustment Resolution as presented by the Executive Director. Mr. Owen seconded the motion. The motion passed 7-0.

6. EXECUTIVE DIRECTOR COMMENTS

Injury in Line of Duty Application

Ms. Paczkowski advised the Board regarding an Injury in Line of Duty application she was reviewing and hoped to have a recommendation before the Board in December.

Kingsbury Litigation

Ms. Paczkowski advised the Board that information regarding settlement in the Kingsbury military litigation was forthcoming at the December meeting

7. CONTRACTS: None

8. ENROLLMENTS

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

Daniel L. Evans
Jonathan M. Gomez
Justin S. Johnson
Indya K. Kincannon

Motion: Mr. Paseur made a motion to approve these applications for enrollment in Plan H-GG of the Pension System. Mr. Owen seconded the motion. The motion passed 7-0.

9. WITHDRAWALS

The following employee 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.

Isaac E. Blakney, General Govt. – Plan H; non-vested
Jeffrey H. Brooks, Police Dept. – Plan H; non-vested
Matthew A. Compton, General Govt. – Plan H; non-vested
Michelle Dresch, General Govt. – Plan G1; non-vested
Michael E. Gilbreath, Jr. – General Govt. – Plan G1; non-vested
Cheri Intveld, General Govt. – Plan H; non-vested

Motion: Mr. Paseur made a motion to approve these applications for withdrawal of employee contributions. Mr. Owen seconded the motion. The motion passed 7-0.

10. APPLICATION FOR NORMAL RETIREMENT: PLAN G2 CHARTER SECTION 1360.12

Dale J. Dunn, General Government No Option
Date of birth, March 30, 1942: 73 years of age
Total credited service: 19 years 9 months 8 days
Average monthly salary for 2 highest 12 month periods, \$8,606.79 x .021 =
\$180.74 x 19.77192
\$3,573.58 pension effective November 1, 2015.

Motion: Mr. Paseur made a motion to approve this application for Normal retirement. Ms. Blanc seconded the motion. The motion passed 7-0.

11. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD Total
Bryan, Pendleton, Swats & McAllister – Actuary (Sept)	9,459	34,526
Kennerly, Montgomery & Finley – Attorney (General-Oct.)	7,237	34,538
Wm Blair – Money Manager (3 rd Qtr 2015)	32,355	67,401
Eagle Capital – Money Manager (3 rd Qtr 2015)	79,594	171,018
IRM – Money Manager (3 rd Qtr 2015) – TIPS Fund)	1,522	3,060
IRM – Money Manager (3 rd Qtr. 2015 – Core Fund)	22,432	44,931
Penn Capital – Money Manager (3 rd Qtr 2015)	39,132	79,477
Pinnacle – Money Manager (3 rd Qtr 2015)	29,556	65,346
Tortoise Capital – Money Manager (3 rd Qtr 2015)	36,810	85,420
		585,717

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. York made a motion to pay the invoices as presented. Mr. Owen seconded the motion. The motion passed 7-0.

12. INVESTMENT MATTERS

Phineas Troy – Summit Strategies

3Q 2015 Performance Report

Mr. Troy made a presentation of the 3rd Quarter 2015 Performance Report. Copies of the report are on file in the Pension Office.

Action Item - Tortoise Manager Direction Change – Exhibit 4

Mr. Troy informed the Board regarding a revision to the Tortoise Capital Advisors Investment Manager instructions discussed and recommended by the Investment Committee, to change the upper limit of securities held from 30 to 40 in the Tortoise portfolio.

Motion: Ms. Blanc seconded the motion from the Investment Committee and Summit Strategies to revise the Tortoise Capital Advisors, LLC Investment Manager Instruction's upper limit of securities held from 30 to 40. The motion passed 7-0.

13. OTHER:

Travel Policy

Mr. Passeur inquired as to the travel budget for the Pension Board. Ms. Paczkowski discussed with the Board the travel policy and budget for educational seminars. Ms. Paczkowski will develop her travel schedule for the upcoming year and provide information to the Board about recommended seminars considered to be beneficial to the Board.

14. PUBLIC COMMENTS: None

15. ATTORNEY COMMENTS: None

16. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mayor Rogero at 11:10 a.m.

Chair

Date