



Pension Board

Regular Meeting

~ MINUTES ~

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

FRIDAY, April 15, 2016

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the April 15, 2016 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	
	Police Representative	Election Pending	
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; Mr. Charles Swanson – City of Knoxville Attorney; Mr. William Cole, General Government employee; Mr. Paul Trumpore, Fire Department employee; Mr. William Warwick, retired Fire Department employee.

3. APPROVAL OF REGULAR MEETING MINUTES FOR MARCH 10, 2016

Mr. Saunders made a motion to approve the minutes of the March 10, 2016 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. ADMINISTRATIVE MATTERS: None

6. EXECUTIVE DIRECTOR COMMENTS: None

7. CONTRACTS: None

8. ENROLLMENTS

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

Angela L Bolin
Hunter A Lee
Elisabeth G Murray
Tod B Plott
Denise D Richardson

Motion: Mr. Paseur made a motion to approve these applications for enrollment in Plan H-GG 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.

Erica Connolly, General Govt – Plan H, non-vested
Geoffrey Heidenreich, General Govt – Plan H, non-vested
Brandon Mase, General Govt – Plan H, non-vested
Rebecca Taylor, 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 8-0.

10. FUNDS TO BE SENT TO TN UNCLAIMED PROPERTY DIVISION

Matthew P Oliver, Police Dept – Plan C (non-vested)
Travis O Davis, Police Dept – Plan C (non-vested)
Clyde D Jones, General Govt – Plan G1 (non-vested)
Ryan E Self, Police Dept – Plan C (non-vested)

Motion: Mr. York made a motion to approve these unclaimed funds be transferred to the State of Tennessee Treasury Department. Ms. Blanc seconded the motion. The motion passed 8-0.

**11. APPLICATION FOR BUYBACK OF PRIOR MILITARY SERVICE: PLAN C
CHARTER SECTION 1350.9(E) – (Exhibits 2a, 2b, 2c, 2d, 2e)**

Trevor A Dunham, Police Dept. – Plan C
Buyback of three (3) years for the amount of \$20,201.05

Motion: Mr. Owen made a motion to approve this application to purchase three years of prior military service in the amount of \$20,201.05. Ms. Blanc seconded the motion. The motion passed 7-1. Mr. York voted no.

John P Knopf, Police Dept. – Plan C
Buyback of four (4) years for the amount of \$8,825.88

Motion: Mr. Owen made a motion to approve this application to purchase four years of prior military service in the amount of \$8,825.88. Ms. Blanc seconded the motion. The motion passed 7-1. Mr. York voted no.

Paul N Trumpore, Fire Dept. – Plan C
Buyback of four (4) years for the amount of \$20,220.40

Motion: Mr. Owen made a motion to approve this application to purchase four years of prior military service in the amount of \$20,220.40. Ms. Blanc seconded the motion. The motion passed 7-1. Mr. York voted no.

Marcus L Yarbrough, Fire Dept. – Plan C
Buyback of three (3) years for the amount of \$17,065.29

Motion: Mr. Owen made a motion to approve this application to purchase four years of prior military service in the amount of \$23,998.41. Ms. Blanc seconded the motion. The motion passed 7-1.

Blake V Young, General Govt – Plan G2
Buyback of two years, three months (2 yrs 3 mos) for the amount of \$10,244.70

Motion: Mr. Owen made a motion to approve this application to purchase two years three months of prior military service in the amount of \$10,244.70. Ms. Blanc seconded the motion. The motion passed 7-1. Mr. York voted no.

**12. APPLICATION FOR NORMAL RETIREMENT: PLAN C
CHARTER SECTION 1360.6**

James G Coker, Police Dept - Uniformed

Option A-6
100% without reinstatement

Date of birth, October 20, 1962: 53 years of age
Total credited service: 29 years 2 months 17 days
Average monthly salary for 2 highest 12 month periods, \$5,526.71 x .025 =
\$138.17 x 29.21324 = \$4,036.39. Mr. Coker chose Option A-6 – 100% without reinstatement to
Susan R Coker, spouse. \$4,036.39 x .8755 =
\$3,533.86 pension effective April 1, 2016.

Motion: Mr. Paseur made a motion to approve this application for normal retirement payable under Option A-6. Mr. Saunders 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.

- a) William J Walsh, General Government – Plan G1 No Option
Date of birth, April 24, 1955: 60 years of age
Total credited service: 28 years 10 months 4 days
Plan A benefit: Average base salary for 2 highest 12 month periods, $\$400.00 \times .0081\% = \$3.24 \times 10.08333 = \$32.67$ plus average excess salary for 2 highest 12 month periods, $\$7,880.70 \times .0162\% = \$127.67 \times 10.08333 = \$1,287.34$; Total A benefit = $\$32.67 + \$1,287.34 = \mathbf{\$1,320.01}$.
Plan G1 benefit: Average monthly salary for 2 highest 12 month periods, $\$8,280.70 \times .0115\% = \$95.23 \times 18.76096 = \mathbf{\$1,786.61}$. Plan A benefit $\$1,320.01$ + Plan G1 benefit $\$1,786.61 = \mathbf{\$3,106.62}$ pension effective April 1, 2016.
DROP complete March 31, 2018.

*Defined benefit only – member chose to receive the value of the supplemental retirement account (defined contribution) in a one-time lump sum payment pending the 3/31/2016 account valuation.

Mr. Paseur made a motion to approve this application for DROP retirement. Mr. King seconded the motion. The motion passed 8-0.

- b) Martin L Clay, General Government – Plan G2 Option A-6
100% without reinstatement
Date of birth, March 1, 1952: 64 years of age
Total credited service: 10 years 5 months 15 days
Average monthly salary for 2 highest 12 month periods, $\$4,888.81 \times .021 = \$102.67 \times 10.45776 = \$1,073.70$. Mr. Clay chose Option A-6 – 100% without reinstatement to Rebecca A Clay, spouse. $\$1,073.70 \times .7981 = \mathbf{\$856.92}$ pension effective April 1, 2016.
DROP complete March 31, 2018.

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.

- c) William E Cole, General Government – Plan G2 Option A-9
100% with reinstatement
Date of birth, November 24, 1964: 51 years of age
Total credited service: 30 years 1 month 5 days
Average monthly salary for 2 highest 12 month periods, $\$6,331.71 \times .021 = \$132.97 \times 30.09703 = \$4,002.00$. Mr. Cole chose Option A-9 – 100% with reinstatement to Beth L Cole, spouse. $\$4,002.00 \times .8515 = \mathbf{\$3,407.70}$ pension effective April 1, 2016.

DROP complete March 31, 2018.

Mr. Paseur made a motion to approve this application for DROP retirement payable under Option A-9. 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 (Feb)	11,113	76,206
Kennerly, Montgomery & Finley – Attorney (General-March)	6,192	61,734
Northern Trust - Custodial/Benefit (1st Qtr – 2016)	4,348	145,620
Northern Trust – Money Manager (1 st Qtr – 2016)	41,605	187,225
Pinnacle – Money Manager (4th Qtr 2015)	29,616	94,962
Summit Strategies – Investment Consultant (1st Qtr – 2016)	40,000	120,000
		544,179

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. Saunders seconded the motion. The motion passed 8-0.

15. INVESTMENT MATTERS: None

16. OTHER:

Special Election for Police Representative – Exhibit 3

Ms. Paczkowski advised the Board about the special election to be conducted to replace retiring Board Member, Mr. Greg Coker – Police Department Representative – Seat A.

17. PUBLIC COMMENTS: None

18. ATTORNEY COMMENTS:

Charter Amendment Discussion – Exhibits 4a, 4b, 4c, 4d, 4e, 4f

Attorney Aslinger reviewed and discussed with the Board the working draft ordinances entitled QDRO and Military, Death and Disability, SPP, Alternate Death and Disability, Alternate SPP and Small Payouts.

Mr. Tillett left the meeting at 9:55 a.m.

After a lengthy discussion of the various ordinances the following motions were made:

The Board requested Ms. Aslinger prepare a “Cliff Notes” version of the proposed ordinances.

Mr. Paseur requested a workshop be scheduled with Fire and Police Associations. Ms. Blanc requested Mr. Swanson be included.

The Board decided to schedule a special board meeting to be held Wednesday, May 11, 2016 at 8:00 a.m. in the Pension Board conference room on the proposed charter amendments.

Mr. Paseur withdrew his earlier motion to table the discussion per the following motion:

Motion: Mr. King made a motion to defer the discussion to the May 11, 2016 special board meeting. Mr. Paseur seconded the motion. The motion passed 7-0.

18. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mayor Rogero at 10:29 a.m.

Chair

Date