



Pension Board

Regular Meeting

~ Minutes ~

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

THURSDAY, July 14, 2016

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the July 14, 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
Mark Fortner	Police Representative	Absent
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	Absent
Kathy Aslinger	Legal Counsel	Present
Kristi Paczkowski	Executive Director	Present

Others present: Ms. Shawna Williams – Knoxville Police Department; Mr. Mark Taylor – FOP President; Mr. Charles Swanson – City of Knoxville Law Director.

3. APPROVAL OF REGULAR MEETING MINUTES FOR JUNE 20, 2016.

Ms. Blanc made a motion to approve the minutes of June 20, 2016. Mr. Saunders seconded the motion. The motion passed 6-0.

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 6-0.

5. ADMINISTRATIVE MATTERS

Fiduciary Insurance Policy

Ms. Paczkowski informed the Board that the Fiduciary insurance policy for the Pension System had been renewed with no premium increase from the prior year.

6. EXECUTIVE DIRECTOR COMMENTS: None

7. CONTRACTS

Ft Washington

Ms. Paczkowski advised the Board that she had completed the private equity contract with Ft. Washington and was awaiting receipt of the signed copy of the contract.

8. ENROLLMENTS

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

Rhonda L Bender
Sheila R Bragg
Amelia M Cooper
Jeremy D Ensley
Mark A Keaton
David W Laubach

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 6-0.

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.

Peggy Blevins, General Govt – Plan H (non-vested)
James Clabough, General Govt – Plan G1 (vested) **Defined Contribution Only**
James Miller, General Govt – Plan G2 (vested)
Mark Ryan, General Govt – Plan H (non-vested)
Denise Swatzell, General Govt – Plan G1 (non-vested)
Cedric Taylor, 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 6-0.

**10. APPLICATION FOR INJURY IN LINE OF DUTY: PLAN C
CHARTER SECTION 1390.11**

Shawna R Williams, Police Dept - Uniformed
Date of birth, May 24, 1968: 48 years of age
Total credited service: 23 years 6 months 7 days
\$2,918.27 pension effective August 1, 2016

No Option

Ms. Paczkowski summarized for the Board the medical records relevant to Ms. Williams' disability application, and Ms. Williams spoke to the Board about her medical condition and its impact on her work and her life.

Attorney Aslinger reviewed with the Board the Charter provisions regarding the requirements for awarding In Line and Not In Line of Duty disability pension benefits and the Board's option to award a Not In Line of Duty disability pension benefit if it found that Ms. Williams was disabled but could not conclude that her disability arose out of and in the course of her duties as an officer.

The Injury In Line of Duty award failed due to lack of a motion by the Board but the following motion was made:

Motion: Mr. Paseur made a motion to approve a Disability Not In Line of Duty benefit based on the medical records and the Pension Board Rules regarding disability pension benefits. Mr. Saunders seconded the motion. The motion passed 6-0.

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

Robert J Edmonds, General Govt
Date of birth, May 7, 1954: 62 years of age
Total credited service: 19 years 10 months
Average monthly salary for 2 highest 12 month periods, $\$2,500.48 \times .021 =$
 $\$52.51 \times 19.83333 =$
\$1,041.45 pension effective July 1, 2016.

No Option

Motion: Mr. Paseur made a motion to approve this application for Normal retirement. Mr. Saunders seconded the motion. The motion passed 6-0.

Ronald J Hickman, General Govt
Date of birth, March 8, 1952: 64 years of age
Total credited service: 11 years 2 months 2 days
Average monthly salary for 2 highest 12 month periods, $\$3,460.30 \times .021 =$
 $\$72.67 \times 11.17215 =$
\$811.88 pension effective July 1, 2016.

No Option

Motion: Mr. Paseur made a motion to approve this application for Normal retirement. Mr. Saunders seconded the motion. The motion passed 6-0.

David P Rekstis, General Govt

Option A-6
100% without reinstatement

Date of birth, June 5, 1954: 62 years of age

Total credited service: 14 years 7 months 19 days

Average monthly salary for 2 highest 12 month periods, \$3,783.58 x .021 =

\$79.46 x 14.63539 = \$1,162.93. Mr. Rekstis chose Option A-6 – 100% Joint and Survivor without

reinstatement to Bonnie M Rekstis, spouse. \$1,162.93 x .8725 =

\$1,014.66 pension effective July 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 6-0.

12. 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.

Vicki R Dagnan, General Government – Plan G2

No Option

Date of birth, February 25, 1949: 67 years of age

Total credited service: 21 years 7 months 4 days

Average monthly salary for 2 highest 12 month periods, \$3,990.70 x .021 =

\$83.80 x 21.59429 =

\$1,809.60 pension effective July 1, 2016.

DROP complete June 30, 2018.

Motion: Mr. Paseur made a motion to approve this application for Drop retirement. Mr. Saunders seconded the motion. The motion passed 6-0.

Donald R Davis, General Government – Plan G2

No Option

Date of birth, November 21, 1957: 58 years of age

Total credited service: 22 years 6 months 19 days

Average monthly salary for 2 highest 12 month periods, \$3,265.48 x .021 =

\$68.58 x 22.55205 =

\$1,546.62 pension effective July 1, 2016.

DROP complete June 30, 2018.

Motion: Mr. Paseur made a motion to approve this application for Drop retirement. Mr. Saunders seconded the motion. The motion passed 6-0.

Susan Kay, General Government – Plan G1

No Option

Date of birth, June 23, 1953: 63 years of age

Total credited service: 28 years 3 months 18 days

Plan A benefit: Average base salary for 2 highest 12 month periods, \$400.00 x .0084 =

\$3.36 x 9.25 = \$31.08 plus average excess salary for 2 highest 12 month periods, \$3,040.05 x .017 = \$51.68 x 9.25 = \$478.04; Total A benefit = \$31.08 + \$478.04 = **\$509.12.**

Plan G1 benefit: Average monthly salary for 2 highest 12 month periods, \$3440.05 x .0121 % =

\$41.62 x 19.04932 = **\$792.83.** Plan A benefit \$509.12 + Plan G1 benefit \$792.83 =

*\$1,301.95 pension effective July 1, 2016.

DROP complete June 30, 2018.

*Defined benefit only – member chose to convert the value of the supplemental retirement account (defined contribution) into an additional, lifetime monthly annuity pending the 6/30/2016 account valuation.

Motion: Mr. Paseur made a motion to approve this application for Drop retirement. Mr. Saunders seconded the motion. The motion passed 6-0.

13. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD Total
Bryan, Pendleton, Swats & McAllister – Actuary (May)	8,923.00	8,923.00
Kennerly, Montgomery & Finley – Attorney (General - June)	3,431.00	3,431.00
Northern Trust – Money Manager (2nd Qtr – 2016)	4,380.61	4,380.61
Northern Trust – Custodial/Benefit (2 nd Qtr – 2016)	45,190.53	45,190.53
		61,925.14

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. King seconded the motion. The motion passed 6-0.

14. INVESTMENT MATTERS: None

15. OTHER: None

16. PUBLIC COMMENTS:

FOP President Mr. Mark Taylor thanked the Board for their service.

Mayor Rogero called for a brief recess at 9:48 a.m. and called the meeting back in to order at 9:56 a.m.

17. ATTORNEY COMMENTS:

Proposed Charter Amendments

Attorney Aslinger reviewed for the Board the proposed charter amendments. She noted that both counsel and the actuary recommended delaying action on the small payouts proposal, and the Board took no action on that amendment.

QDRO and Military Ordinance – Exhibit 2

Motion: Mr. Saunders made a motion to present the proposed QDRO and Military amendment to City Council. Ms. Blanc seconded the motion. The motion passed 6-0.

SPP Ordinance – Exhibit 3

Motion: Mr. Saunders made a motion to present the proposed SPP amendment to City Council but with added language “to make compliant with State and Federal Law” to the ballot question. Mr. Owen seconded the motion. The motion passed 6-0.

Death and Disability Ordinance – Exhibit 4

Motion: Mr. King made a motion to present the proposed Death and Disability amendment to City Council. Mr. Saunders seconded the motion. The motion passed 6-0.

18. ADJOURNMENT:

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

Chair

Date