



## Pension Board

Regular Meeting

~ Minutes ~

917B E. Fifth Ave.  
Knoxville, TN 37917  
[www.cokpension.org](http://www.cokpension.org)

THURSDAY, January 12, 2017

9:00 a.m.

Pension Board Conference Room

### ORDER OF BUSINESS

#### 1. CALL TO ORDER

Mayor Rogero called to order the January 12, 2017 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	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:** Mr. Charles Swanson – City of Knoxville Law Director; Mr. Eric Vreeland – City of Knoxville Communications Manager; Ms. Savannah Maupin – City Recorder’s Office; Mr. Bruce Cureton and Mr. Roger Byrd – Fire Department Uniformed Retired members; Mr. Alan Pennington – Bryan, Pendleton, Swats and McAllister; Mr. George Wallace – City Council Member; Mr. John Craig – City resident; Mr. Tyler Whetstone – Knoxville News Sentinel.

**3. APPROVAL OF REGULAR MEETING MINUTES FOR DECEMBER 9, 2016.**

Mr. Saunders made a motion to approve the minutes of the December 9, 2016 meeting. Mr. Owen seconded the motion. The motion passed 7-0.

**4. APPROVAL OF REVISED AGENDA – Exhibit 1**

Mr. Paseur made a motion to accept the Revised Agenda and to move agenda items 8, 9, 10, 11 and 12 above agenda item 5. Mr. Saunders seconded the motion. The motion passed 7-0.

**8. ENROLLMENTS**

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

Paul R Adams  
Marilyn A Anderson  
Joel E Byrd  
Ryan E Haaland  
Jacob A Lawson  
Jonathan R Malach  
Katrise N Thompson  
Donna K Vineyard  
James M Webber

**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 7-0.

**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.

Joshua Dykes, Police Dept – Plan C, vested

**Motion:** Mr. Fortner made a motion to approve this application for withdrawal of employee contributions. Mr. Paseur seconded the motion. The motion passed 7-0.

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

Mayme J Hopper, General Govt. No Option  
Date of birth, October 6, 1950: 66 years of age  
Total credited service: 14 years 7 months 12 days  
Average monthly salary for 2 highest 12 month periods, \$2,765.29 x .021 =  
\$58.07 x 14.61621 =  
\$848.76 pension effective January 1, 2017

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

**11. APPLICATION FOR PARTICIPATION IN THE DELAYED RETIREMENT OPTION PROGRAM (DROP): PURSUANT TO CHARTER SECTION 1390.22 – PLAN C. 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) Michael C Anders, Police Dept. - Uniformed \*Option A-4  
50% without reinstatement
- Date of birth, May 27, 1962: 54 years of age  
Total credited service: 25 years 9 mos 12 days  
Average monthly salary for 2 highest 12 month periods,  $\$4,866.10 \times .025 =$   
 $\$121.65 \times 25.78288 = \$3,136.49$ . Mr. Anders chose Option A-4 – 50% without reinstatement to  
Debbie L Anders, spouse.  
 $\$3,136.49$  pension effective January 1, 2017  
DROP complete December 31, 2018.

\*No reduction in Plan C for 50% Joint and Survivor Option to a spouse.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement payable under Option A-4. Mr. Saunders seconded the motion. The motion passed 7-0.**

- b) Eddie G Ault, Fire Dept. - Uniformed No Option
- Date of birth, November 22, 1960: 56 years of age  
Total credited service: 38 years 1 mo 22 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,211.34 \times .025 =$   
 $\$130.28 \times 30.0 =$   
 $\$3,908.40$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement. Mr. Saunders seconded the motion. The motion passed 7-0.**

- c) Vincent M Ayub, Police Dept. - Uniformed \*Option A-4  
50% without reinstatement
- Date of birth, December 17, 1953: 63 years of age  
Total credited service: 30 years 1 mo 21 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,987.42 \times .025 =$   
 $\$149.69 \times 30.0 = \$4,490.70$ . Mr. Ayub chose Option A-4 – 50% without reinstatement to Savannah L  
Ayub, spouse.  
 $\$4,490.70$  pension effective January 1, 2017  
DROP complete December 31, 2018.

\*No reduction in Plan C for 50% Joint and Survivor Option to a spouse.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement payable under Option A-4. Mr. Saunders seconded the motion. The motion passed 7-0.**

- d) Ronald A Bradley, Police Dept. - Uniformed Option A-6  
100% without reinstatement  
Date of birth, August 2, 1963: 53 years of age  
Total credited service: 30 years 1 mo 21 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,480.39 \times .025 =$   
 $\$137.01 \times 30.0 = \$4,110.30$ . Mr. Bradley chose Option A-6 – 100% without reinstatement to Amanda  
P Bradley, spouse.  $\$4,110.30 \times .8562 =$   
 $\$3,519.24$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement payable under Option A-6. Mr. Saunders seconded the motion. The motion passed 7-0.**

- d) Jaquetta Z Brooks, Fire Dept. - Uniformed No Option  
Date of birth, July 3, 1958: 58 years of age  
Total credited service: 28 years 3 mos 19 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,209.16 \times .025 =$   
 $\$130.23 \times 28.30205 =$   
 $\$3,685.78$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement. Mr. Saunders seconded the motion. The motion passed 7-0.**

- e) Kent L Holley, Fire Dept. - Uniformed Option A-8  
75% with reinstatement  
Date of birth, June 5, 1956: 60 years of age  
Total credited service: 27 years 9 mos 5 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,209.16 \times .025 =$   
 $\$130.23 \times 27.76370 = \$3,615.67$ . Mr. Holley chose Option A-8 – 75% with reinstatement to Lisa D  
Holley, spouse.  $\$3,615.67 \times .9082 =$   
 $\$3,283.75$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement payable under Option A-8. Mr. Saunders seconded the motion. The motion passed 7-0.**

- f) Monty S Houk, Police Dept. - Uniformed No Option  
Date of birth, October 16, 1966: 50 years of age  
Total credited service: 28 years 8 mos 7 days  
Average monthly salary for 2 highest 12 month periods,  $\$7,207.54 \times .025 =$   
 $\$180.19 \times 28.68584 =$   
 $\$5,168.90$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement. Mr. Saunders seconded the motion. The motion passed 7-0.**

- g) Sandra L Huff, Police Dept. - Uniformed No Option  
Date of birth, July 20, 1954: 62 years of age  
Total credited service: 30 years 1 mo 21 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,104.13 \times .025 =$   
 $\$127.60 \times 30.0 =$   
 $\$3,828.00$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement. Mr. Saunders seconded the motion. The motion passed 7-0.**

- h) Thomas M Lawson, Jr, Police Dept. - Uniformed No Option  
Date of birth, November 23, 1966: 50 years of age  
Total credited service: 26 years 3 mos 3 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,003.12 \times .025 =$   
 $\$125.08 \times 26.25822 =$   
 $\$3,284.38$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement. Mr. Saunders seconded the motion. The motion passed 7-0.**

- i) Bill S McMahan, Police Dept. - Uniformed No Option  
Date of birth, July 26, 1950: 66 years of age  
Total credited service: 35 years 1 mo 15 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,364.12 \times .025 =$   
 $\$134.10 \times 30.0 =$   
 $\$4,023.00$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement. Mr. Saunders seconded the motion. The motion passed 7-0.**

- j) Cheri T Matlock-Kemp, Police Dept. - Uniformed No Option  
Date of birth, September 11, 1951: 65 years of age  
Total credited service: 30 years 1 mo 21 days  
Average monthly salary for 2 highest 12 month periods,  $\$5,987.42 \times .025 =$   
 $\$149.69 \times 30.0 =$   
 $\$4,490.70$  pension effective January 1, 2017  
DROP complete December 31, 2018.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement. Mr. Saunders seconded the motion. The motion passed 7-0.**

- k) Cecil Ridsen, Fire Dept. - Uniformed \*Option A-4  
50% without reinstatement
- Date of birth, February 4, 1957: 59 years of age  
 Total credited service: 27 years 9 mos 5 days  
 Average monthly salary for 2 highest 12 month periods,  $\$5,229.01 \times .025 =$   
 $\$130.73 \times 27.76370 = \$3,629.55$  . Mr. Ridsen chose Option A-4 – 50% without reinstatement to Gail Ridsen, spouse.  
\$3,629.55 pension effective January 1, 2017  
 DROP complete December 31, 2018.

\*No reduction in Plan C for 50% Joint and Survivor Option to a spouse.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement payable under Option A-4. Mr. Saunders seconded the motion. The motion passed 7-0.**

- l) Stephen F Sise, Police Dept. - Uniformed \*Option A-4  
50% without reinstatement
- Date of birth, September 2, 1966: 50 years of age  
 Total credited service: 25 years 11 mos 4 days  
 Average monthly salary for 2 highest 12 month periods,  $\$5,261.74 \times .025 =$   
 $\$131.54 \times 25.92763 = \$3,410.52$  . Mr. Sise chose Option A-4 – 50% without reinstatement to Donna G Sise, spouse.  
\$3,410.52 pension effective January 1, 2017  
 DROP complete December 31, 2018.

\*No reduction in Plan C for 50% Joint and Survivor Option to a spouse.

**Motion: Mr. Owen made a motion to approve this application for DROP retirement payable under Option A-4. Mr. Saunders seconded the motion. The motion passed 7-0.**

## 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.**

- a) George D Aubuchon, General Government – Plan G2 No Option
- Date of birth, December 23, 1952: 64 years of age  
 Total credited service: 18 years 2 months 10 days  
 Average monthly salary for 2 highest 12 month periods,  $\$3,957.16 \times .021 =$   
 $\$83.10 \times 18.19406 =$   
\$1,511.93 pension effective January 1, 2017.  
 DROP complete December 31, 2018.

**Motion: Mr. Paseur made a motion to approve this application for DROP retirement. Mr. Saunders seconded the motion. The motion passed 7-0.**



**Ms. Blanc arrived at 9:08 a.m.**

c) Investment Committee Member Appointments

Ms. Paczkowski advised the Board that both Mr. King and Mr. Owen's terms as Investment Committee members ended on December 31, 2016 and replacement or renewal of their terms needed to be decided.

**Motion: Mr. Saunders made a motion to reappoint both Mr. King and Mr. Owen to new terms on the Investment Committee and to appoint Ms. Blanc to also serve on the committee. Due to other work commitments Mr. Owen indicated he would not be able to serve a second term on the Board but agreed to serve on the Board and the committee until a replacement could be secured. Mr. York seconded the motion. The motion passed 8-0.**

**6. EXECUTIVE DIRECTOR COMMENTS**

Ms. Paczkowski advised the Board that the new doorbell for the Pension office had been installed and the work had been completed under the budgeted amount.

**7. CONTRACTS: None**

**13. INVESTMENT MATTERS: None**

**Mr. Tillett arrived at 9:17 a.m.**

**14. OTHER:**

**2011 – 2016 Experience Study and Actuarial Assumption Discussion**

Alan Pennington – Bryan, Pendleton, Swats & McAllister presented the 2011 – 2016 Experience Study to the Board and discussed changing several of the actuarial assumptions and the expected rate of return from 7.375% to 7.25%. Copies of Mr. Pennington's presentation are on file in the Pension Office.

**Motion: Mr. Saunders made a motion to accept the Experience Study as presented and to adopt the assumptions recommended and summarized by Mr. Pennington in the actuary's letter of January 12, 2017. Ms. Gay seconded the motion. The motion passed 9-0.**

**15. PUBLIC COMMENTS: None**

**16. ATTORNEY COMMENTS: None**

**17. ADJOURNMENT:**

There being no further business, the meeting was adjourned by Mayor Rogero at 10:19 a.m.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Date



