



Pension Board

Regular Meeting

~ Minutes ~

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

THURSDAY, February 9, 2017

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the February 9, 2017 meeting of the City of Knoxville Pension Board at 9:05 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	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: Ms. Savannah Maupin – City Recorder’s Office; Mr. Roger Byrd – Fire Department Uniformed Retired member; Mr. Phineas Troy – Summit Strategies.

3. APPROVAL OF REGULAR MEETING MINUTES FOR JANUARY 12, 2017.

Mr. Saunders made a motion to approve the minutes of the January 12, 2017 meeting. Mr. Owen seconded the motion. The motion passed 7-0.

4. APPROVAL OF REVISED AGENDA – Exhibit 1

Mr. York made a motion to accept the Revised Agenda. Mr. Saunders seconded the motion. The motion passed 7-0.

5. ADMINISTRATIVE MATTERS**Factor Tables – Exhibit 2**

Ms. Blanc arrived at 9:09 a.m.

Ms. Paczkowski discussed with the Board the summary prepared by Mr. Pennington comparing the mortality tables adopted by the Board in January 2017 for purposes of determining the annual valuation of the System to the mortality tables currently used for determining actuarial equivalence in calculating benefit options. Ms. Paczkowski noted that the Board is not required to adopt the same tables for all purposes. Following review of the summary, the Board took no action.

6. EXECUTIVE DIRECTOR COMMENTS: None**7. CONTRACTS: None****8. ENROLLMENTS**

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

Miranda A Bowness
Thomas Cook
Timothy D Hester
Joshua LeClair
Tyler R Nicholson
Kevin A Perry
Adam Roberts
Katrise N Thompson

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.

Tracy Derrick, General Govt – Plan G1, non-vested
Samuel McLane, Police Dept – Plan C, vested
Jessica Sammons, General Govt – Plan H, non-vested

Motion: Mr. Paseur made a motion to approve this application for withdrawal of employee contributions. Ms. Blanc seconded the motion. The motion passed 8-0.

**10. APPLICATION FOR NORMAL RETIREMENT: PLAN C
CHARTER SECTION 1390.6**

John P Knopf, Police Dept. - Uniformed

*Option A-4
50% without reinstatement

Date of birth, December 30, 1946: 70 years of age

Total credited service: 25 years 10 days

Average monthly salary for 2 highest 12 month periods, \$4,709.13 x .025 =

\$117.73 x 25.02740 = \$2,946.48. Mr. Knopf chose Option A-4 – 50% without reinstatement to Patricia A Knopf, spouse.

*\$2,946.48 pension effective February 1, 2017

*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 Normal retirement payable under Option A-4. Mr. Saunders seconded the motion. The motion passed 8-0.

11. 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) Brenda K Hicks, General Government – Plan G1 No Option
Date of birth, February 4, 1953: 63 years of age
Total credited service: 15 years 9 months 1 day
Average monthly salary for 2 highest 12 month periods, \$3,547.56 x .0121 =
\$42.93 x 15.75274 =
*\$676.27 pension effective February 1, 2017.
DROP complete January 31, 2019.

*Defined benefit only – member chose to convert the value of the supplemental retirement account (defined contribution) into an additional, lifetime monthly annuity pending the 12/31/2016 account valuation.

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

- b) Terry L McBee, General Government – Plan G2 No Option
Date of birth, February 1, 1955: 62 years of age
Total credited service: 14 years 3 months 18 days
Average monthly salary for 2 highest 12 month periods, \$3,137.40 x .021 =
\$65.89 x 14.29932 =
\$942.18 pension effective February 1, 2017.
DROP complete January 31, 2019.

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

12. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD
Bryan, Pendleton, Swats & McAllister – Actuary (Dec)	30,830	110,593
Kennerly, Montgomery & Finley – Attorney (General - Jan)	2,820	21,620
Acadian Asset Man. – Money Manager (4th Qtr – 2016)	62,248	179,736
Wm Blair – Money Manager (4th Qtr 2016)	33,231	90,975
Eagle Capital – Money Manager (4th Qtr 2016)	93,322	263,538
IRM – Money Manager (4th Qtr 2016) – TIPS Fund)	1,574	4,728
IRM – Money Manager (4th Qtr. 2016 – Core Fund)	23,374	70,611
Northern Trust – Custodial/Benefit (4 th Qtr – 2016)	41,609	128,245
Penn Capital – Money Manager (4th Qtr 2016)	42,938	126,168
Schroders (Money Manager – 4th Qtr – 2016)	29,221	91,225
Standish – Money Manager (4th Qtr – 2016)	13,447	40,442
Tortoise Capital – Money Manager (4th Qtr 2016)	51,157	135,516
		1,262,669

Ms. Paczkowski, Executive Director, has reviewed the bills and certifies that they are consistent with 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. Ms. Blanc seconded the motion. The motion passed 8-0.

13. INVESTMENT MATTERS:**Phineas Troy – Summit Strategies**

4th Qtr 2016 Performance Report

Mr. Troy made a presentation of the 4th Quarter 2016 Performance Report. Copies of the report are on file in the Pension Office.

14. OTHER:**Educational Seminars**

Ms. Paczkowski advised the Board that she would notify the Board members via e-mail regarding upcoming education seminars.

15. PUBLIC COMMENTS: None**16. ATTORNEY COMMENTS: None****17. ADJOURNMENT:**

There being no further business, the meeting was adjourned by Mayor Rogero at 9:33 a.m.

Chair

Date