



Pension Board
Regular Meeting
~ Minutes ~

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

Thursday, August 13, 2020

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Kincannon called to order the August 13, 2020 meeting of the City of Knoxville Pension Board at 9:00 a.m. via video conference.

2. ROLL CALL

Attendee Name	Title	Status	
Mayor Kincannon	Mayor	Present	
Linda Gay Blanc	Mayoral Appointment	Absent	
Mark Fortner	Police Representative	Present	9:06 a.m.
Susan Gennoe	Finance Director	Present	
Dennis Owen	Mayoral Appointment	Present	
Stephen King	General Government Representative	Present	
Alex Neubert	General Government Representative	Present	
Lynne Fugate	City Council Representative	Present	9:11 a.m.
Jacob Mason	Fire Representative	Present	9:13 a.m.
Kathy Aslinger	Legal Counsel	Present	
Kristi Paczkowski	Executive Director	Present	

Others present: Boyce Evans – COK Deputy Finance Director, Kweku Obed and Chris Caparelli – Marquette, Emily Raby – FundMap, Gar Chung – Financial Investment News

3. APPROVAL TO HOLD MEETINGS OF THE PENSION BOARD VIA VIDEO CONFERENCE IN ACCORDANCE WITH THE GOVERNOR'S EMERGENCY ORDER

Motion: Mr. Owen made a motion for approval to hold the Board Meeting via video conference because such video conference is necessary for continued function of the City of Knoxville Employees' Pension System to protect public health, safety, and welfare during the outbreak of COVID-19 under the Governor's Executive Order No. 16. Mr. Neubert seconded the motion. The motion passed 5-0.

4. APPROVAL OF REGULAR MEETING MINUTES FOR July 9, 2020.

Motion: Mr. Neubert made a motion to approve the minutes of the July 9, 2020 meeting. Mr. Owen seconded the motion. The motion passed 5-0.

5. APPROVAL OF AGENDA

Motion: Mr. King made a motion to accept the Revised Agenda. Mr. Neubert seconded the motion. The motion passed 5-0.

Mr. Fortner joined the video conference at 9:06 a.m.

6. EXECUTIVE DIRECTOR COMMENTS:

Ms. Paczkowski provided an update the Board on the Tennova office space after her recent meeting with the Planning Committee. Renderings should be updated by the end of the month with an earth tone color palette for the space.

Ms. Paczkowski also welcomed Ms. Susan Gennoe to the Board. Ms. Paczkowski and Ms. Aslinger met with Ms. Gennoe Wednesday afternoon to provide Board orientation and information on the upcoming private equity vote.

7. CONTRACTS: None

8. ENROLLMENTS

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

Nolan Ailor – HU
Michael Bravine – HU
Tyler Burton – HU
Austin Currado – HU
Hayden Dacus – HU
Logan Flehan – HU
Willam Gaff – HU
Robert Grooms – HU
Caleb Haney – HU
Adam Hill – HU
Matthew Jasiacki – HU
Nicholas Johnson – HU

Ethan Tompkins – HU
Zachary Tyree – HU
Kara Wilson – HU
Jessica Worth – HU

Isaiah Keck – HU
Blake Kerley – HU
Shaun Lyon – HU
Lakenya Middlebrook – HG
Jake Phillips – HU
John Sewell – HU
Gage Seymour – HU
Dallas Smith – HU
Michael Smith – HU
Sadler Snyder – HU
Glynn Theodore – HU

Motion: Mr. King made a motion to approve these applications for enrollment in Plan H-GG or H-U of the pension system. Mr. Owen seconded the motion. The motion passed 6-0.

9. WITHDRAWALS

The following employees have filed applications to withdraw employee pension contributions plus interest and the supplemental retirement account as applicable to each participant’s respective plan.

Melvin H. Cotten, Jr. – Plan HG
Ola L. Blackmon-McBride – Plan HG
David A. Evans – Plan HG
Joshua H. Graham – Plan HG
Tony K. Hall – Plan C
Brian I. Mason – Plan C

Motion: Mr. Owen made a motion to approve these applications for withdrawal of employee contributions. Mr. Owen seconded the motion. The motion passed 6-0.

Ms. Fugate joined the video conference at 9:11 a.m.

10. APPLICATION FOR PARTICIPATION IN THE DELAYED RETIREMENT OPTION PROGRAM (DROP): PURSUANT TO CHARTER SECTION 1371.8 – PLAN G

Jonne L. Crick, General Gov’t. – Plan G2
57 years of age
Total credited service: 22 years 10 months 23 days
\$2,197.82 pension effective August 1, 2020
DROP complete July 31, 2022
No Option

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

Randy C. Reagan, General Gov’t. – Plan G2
62 years of age
Total credited service: 13 years 0 months 2 days
\$748.34 pension effective August 1, 2020
DROP complete July 31, 2022
No Option

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

Deborah A. Thomas, General Gov't. – Plan G2
63 years of age
Total credited service: 24 years 11 months 22 days
\$1,486.80 pension effective August 1, 2020
DROP complete July 31, 2022

Option A-9
100% with reinstatement

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

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

Lynn E Clemons Jr, Police Dept. – Uniformed
50 years of age
Total Credited Service: 25 years 10 months 17 days
\$3,611.54 pension effective August 1, 2020

Option A-4
50% without reinstatement

Motion: Mr. Fortner made a motion to approve this application for Normal Retirement. Mr. Neubert seconded the motion. The motion passed 7-0.

Mr. Mason joined the video conference at 9:13 a.m.

12. 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.

Ray E Offenbacher, Police Dept. – Uniformed
62 years of age
Total Credited Service: 25 years 4 months 12 days
\$2,904.34 pension effective August 1, 2020
DROP complete July 31, 2022

Option A-9
100% with reinstatement

Motion: Mr. Fortner made a motion to approve this application for DROP Retirement. Mr. Owen seconded the motion. The motion passed 8-0.

13. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD
Acadian – Money Manager (Q2 2020)	57,801	57,801
Eagle Capital – Money Manager (Q2 2020)	86,531	86,531
Findley – Actuary (Q2 2020)	15,105	15,105
IRM – Money Manager (Q2 2020 – TIPS Fund)	2,651	2,651
IRM – Money Manager (Q2 2020 – Core Fund)	53,910	53,910
Kennerly, Montgomery & Finley – Attorney (July)	2,225	3,850
Ninety One (Investec) – Money Manager (Q2 2020)	30,851	30,851
Northern Trust Company – Custodial/Benefit (Q2 2020)	44,664	44,664
Pinnacle – Money Manager (Q2 2020)	25,438	25,438
Rhumblin Advisers – Money Manager (Q2 2020)	5,646	5,646
Schroders – Money Manager (Q2 2020)	55,446	55,446
William Blair – Money Manager (Q2 2020)	25,594	<u>25,594</u>
		407,487

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: Ms. Fugate made a motion to pay the invoices as presented. Mr. King seconded the motion. The motion passed 8-0.

14. INVESTMENT MATTERS:

Marquette Representative - Kweku Obed and Chris Caparelli

Mr. Obed and Mr. Caparelli made a presentation of the 2nd Quarter 2020 Performance Report. Copies of the report are on file in the Pension Office.

Ms. Paczkowski summarized the private equity memorandum regarding the recommendations from the Investment Committee to make commitments to private equity managers Fort Washington and Partners Group in accordance with advice from Marquette. After some discussion, the following motions were made regarding the proposed private equity recommendations.

Motion: Ms. Fugate made a motion to commit \$9 million to Fort Washington Private Equity Investors Fund X upon reaching a legal agreement with the Fort Washington. Mr. Neubert seconded the motion. The motion passed 8-0.

Motion: Mr. Owen made a motion to commit \$5 million to fund PGPE II upon reaching a legal agreement with Partners Group, following which the Investment Committee and the Board will evaluate the investment quarterly to determine whether to make additional investments up to a total of \$20 million with Partners Group to bring the System’s private equity investments more in line with the target asset allocations. Mr. King seconded the motion. The motion passed 8-0.

15. OTHER: None

16. PUBLIC COMMENTS: None

17. ATTORNEY COMMENTS: None

18. ADJOURNMENT

There being no further business, the meeting was adjourned by Mayor Kincannon at 9:55 a.m.

Chair

Date

NOTICE: The next Pension Board Meeting is on September 10, 2020