



Pension Board

Regular Meeting

~ Minutes ~

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

THURSDAY, May 12, 2016

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mr. York called to order the May 12, 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	Represented By Proxy	
Linda Gay Blanc	Mayoral Appointment	Absent	
	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: Mr. Charles Swanson – City of Knoxville Attorney attended as Mayor Rogero’s designated representative as authorized by T.C.A. § 6-54-112 and the mayor’s letter of designation dated May 11, 2016; Chief David Rausch - Knoxville Police Department; Lt. Cheri Matlock – Knoxville Police Department; Mr. Travis Brasfield – Knoxville Police Department; Mr. Mark Taylor – FOP President; Mr. Phineas Troy – Summit Strategies; Ms. Meghan Boehnke – Knoxville News Sentinel.

3. APPROVAL OF REGULAR MEETING MINUTES FOR APRIL 15, 2016

Mr. Saunders made a motion to approve the minutes of the April 15, 2016 meeting. Mr. Paseur seconded the motion. The motion passed 6-0.

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 6-0.

5. ADMINISTRATIVE MATTERS

Mr. King arrived at 9:02 a.m.

Financial Plan 2016-2017 – Exhibit 2

Ms. Paczkowski presented the Board the 2016-2017 proposed financial plan for the pension system for review.

Motion: Mr. Saunders made a motion to approve the 2016-2017 financial plan. Mr. Paseur seconded the motion. The motion passed 7-0.

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:

Kimberly L Davis
Katherine V Graham
Deborah L Jeffries
Pamala L Roberts
Eddie W Taylor
Clarence L Vaughn

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.

Jean Brown, General Govt. – Plan H (non-vested)
Amanda Dills, General Govt. – Plan H (non-vested)
Joshua Hurst, Police Dept. – Plan C (vested)
John Salata, General Govt. – Plan H (non-vested)

Motion: Mr. Paseur made a motion to approve these applications for withdrawal of employee contributions. Mr. Saunders seconded the motion. The motion passed 7-0.

**10. APPLICATION FOR BUYBACK OF PRIOR MILITARY SERVICE:
CHARTER SECTION 1350.9(E) – see attached**

Stephen W Dyer, General Govt. – Plan G2
Buyback of two years, six months (2 yrs 6 mos) for the amount of \$19,352.12

Motion: Mr. Paseur made a motion to approve this application to purchase two years, six months (2 yrs 6 mos) of prior military service in the amount of \$19,352.12. Mr. Saunders seconded the motion. The motion passed 6-1. Mr. York voted no.

David B Rausch, Police Dept. – Plan C
Buyback of three years, ten months (3 yrs 10 mos) for the amount of \$30,089.04

Motion: Mr. Saunders made a motion to approve this application to purchase three years, ten months (3 yrs 10 mos) of prior military service in the amount of \$30,089.04. Mr. Owen seconded the motion. The motion passed 6-1. Mr. York voted no.

**11. APPLICATION FOR DEFERRED RETIREMENT: PLAN A
CHARTER SECTION 1360.28**

Debra Dexter, General Govt. No Option
Date of birth, April 13, 1954: 62 years of age
Total credited service: 21 years 7 months (last employed April 1994)
Average base monthly salary for 2 highest years, \$400.00 x .75% = \$3.00
Average excess earnings for 2 years, \$1,477.06 x 1.50% = \$22.16
making a total of \$25.16 benefit per year of service. \$25.16 x 21.58333 =
\$543.04 pension effective May 1, 2016.

Motion: Mr. Paseur made a motion to approve this application for Deferred retirement. 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 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.**

Dean J Fontaine, Fire Dept. - Uniformed No Option
Date of birth, January 21, 1963: 53 years of age
*Total credited service: 30 years 5 days
Average monthly salary for 2 highest 12 month periods, \$5,146.69 x .025 =
\$128.67 x 30.0 =
\$3,860.10 pension effective May 1, 2016
DROP complete April 30, 2018.
*30 years maximum credited service per Charter Section 1390.8

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

Kevin P Maycann, Police Dept. - Uniformed No Option
 Date of birth, August 28, 1961: 54 years of age
 Total credited service: 25 years 11 months 7 days
 Average monthly salary for 2 highest 12 month periods, \$4,661.18 x .025 =
 \$116.53 x 25.93584 =
 \$3,022.30 pension effective May 1, 2016
 DROP complete April 30, 2018.

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

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.

Phillip Jordan, General Government – Plan G2 Option A-5
 50% without reinstatement
 Date of birth, December 27, 1955: 60 years of age
 Total credited service: 24 years 5 months 20 days
 Average monthly salary for 2 highest 12 month periods, \$3,417.70 x .021 =
 \$71.77 x 24.47146 = \$1,756.32. Mr. Jordan chose Option A-4 – 50% without reinstatement to Joyce Eda Jordan, spouse. \$1,756.32 x .9221 =
 \$1,619.50 pension effective May 1, 2016.
 DROP complete April 30, 2018.

Motion: Mr. Paseur made a motion to approve this application for DROP retirement payable under Option A-5. Mr. Saunders seconded the motion. The motion passed 7-0.

14. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD Total
Bryan, Pendleton, Swats & McAllister – Actuary (Mar)	7,782	83,988
Kennerly, Montgomery & Finley – Attorney (General-April)	5,495	67,229
Wm Blair – Money Manager (1st Qtr 2016)	27,163	127,685
Eagle Capital – Money Manager (1st Qtr 2016)	81,369	336,488
IRM – Money Manager (1st Qtr 2016) – TIPS Fund)	1,542	6,115
IRM – Money Manager (1st Qtr. 2016) – Core Fund)	22,805	90,196
Penn Capital – Money Manager (1st Qtr - 2016)	39,353	157,575
Pinnacle – Money Manager (1 st Qtr – 2016)	21,002	115,964
Schroders – Money Manager (1st Qtr – 2016)	29,084	139,997
Standish – Money Manager (1st Qtr – 2016)	12,007	27,993
Tortoise Capital – Money Manager (1st Qtr 2016)	35,558	158,650
		1,116,396

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. Paseur seconded the motion. The motion passed 7-0.

15. INVESTMENT MATTERS

Phineas Troy – Summit Strategies

1st Qtr 2016 Performance Report and the Asset Liability Study

Mr. Phineas Troy made a presentation of the 1st Quarter 2016 Performance Report. Mr. Troy also reviewed the results of the Asset Liability Study performed as of July 1, 2015. Copies of the reports are on file in the Pension Office.

16. OTHER:

Special Election for Police Representative

Ms. Paczkowski updated the Board on the pending election for the Police Department – Seat A representative to the Board, advising that ballots had recently been mailed out.

17. PUBLIC COMMENTS: None

18. ATTORNEY COMMENTS: None

19. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mr. York at 10:01 a.m.

Chair

Date