



Pension Board

Regular Meeting

~ Minutes ~

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

THURSDAY, September 8, 2016

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mr. Paseur called to order the September 8, 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	Present	
Mark Fortner	Police Representative	Present	
Jim York	Finance Director	Present	
Dennis Owen	Mayoral Appointment	Absent	
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: Dr. William Lyons - Deputy to the Mayor and Chief Policy Officer attended as Mayor Rogero's designated representative as authorized by T.C.A. § 6-54-112 and the mayor's letter of designation dated June 28, 2012; Mr. Charles Swanson – City of Knoxville Law Director; Ms. Megan Boehnke – Knoxville News Sentinel.

3. APPROVAL OF REGULAR MEETING MINUTES FOR AUGUST 12, 2016.

Mr. Saunders made a motion to approve the minutes of August 12, 2016. Ms. Blanc seconded the motion. The motion passed 8-0.

Added Agenda Item

4. Motion: Ms. Blanc made a motion to add the Personnel Committee meeting discussion to the agenda. Mr. Saunders seconded the motion. The motion passed 8-0.**5. APPROVAL OF REVISED AGENDA - Exhibit 1**

Ms. Blanc made a motion to accept the Revised Agenda. Mr. Saunders seconded the motion. The motion passed 8-0.

6. ADMINISTRATIVE MATTERS

Personnel Committee Discussion

Motion: Mr. Saunders made a motion, based upon the recommendation of the Personnel Committee, to increase Executive Director Ms. Paczkowski's salary from \$133,250 annually to \$135,000. Mr. Tillett seconded the motion. The motion passed 8-0.

7. EXECUTIVE DIRECTOR COMMENTS**Revised fee for shared interest QDRO's**

Ms. Paczkowski advised the Board that she had received the first Qualified Domestic Relations Order (QDRO) for administration by the Pension Board and recommended a fee reduction be applied to a shared interest QDRO due to the limited time required for the administrative review of this type of QDRO.

Motion: Mr. York made a motion to amend the QDRO Procedure by reducing the fee for a shared interest QDRO to \$500. Mr. Saunders seconded the motion. The motion passed 8-0.

Estimated costs for military buyback – Exhibit 2

Ms. Paczkowski reviewed with the Board the estimated cost for the military buyback prepared by the Board's actuary, Mr. Alan Pennington. The cost, including the fees charged by the actuary to calculate the buyback, was estimated to be \$907,974.36

Upcoming Election

Ms. Paczkowski informed the Board regarding the upcoming elections for General Government – Seat B and Fire Department – Seat B representatives for the Pension Board.

8. CONTRACTS: None**9. ENROLLMENTS**

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

Vicky E Harrell
Geoffrey R Heidenriech

Motion: Mr. King 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.

10. 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.

Phillip Crawford, General Govt – Plan H (non-vested)
Jessica Graham, General Govt – Plan H (non-vested)
Joey E Leonard, General Govt – Plan H (non-vested)
Greg Mackay, General Govt – Plan H (non-vested)

Motion: Mr. York made a motion to approve these applications for withdrawal of employee contributions. Mr. Saunders seconded the motion. The motion passed 8-0.

11. APPLICATION FOR DEFERRED RETIREMENT: PLAN G1 CHARTER SECTION 1360.28

Jackie W Housewright, General Govt.

Option C
Cash Refund

Date of birth, August 22, 1954: 62 years of age
Total credited service: 17 years 8 months 7 days (last employed August 2015)
Average monthly salary for 2 highest 12 month periods, \$2,229.48 x .0115 % =
\$25.64 x 17.68584 = \$453.46. Mr. Housewright chose Option C – Cash Refund to Jonathan
Housewright and Brittany Housewright. \$453.46 x .9376 =

*\$425.16 pension effective September 1, 2016

*Defined benefit only – member took a refund of defined contribution upon termination.

Motion: Mr. King made a motion to approve this application for Deferred retirement under Option C. Mr. Saunders seconded the motion. The motion passed 8-0.

12. APPLICATION FOR DEFERRED RETIREMENT: PLAN G2 CHARTER SECTION 1360.28

Steven N Lynch, General Govt.

Option A-4
50% without reinstatement

Date of birth, August 25, 1954: 62 years of age
Total credited service: 10 years (last employed September 2004)
Average monthly salary for 2 highest 12 month periods, \$5,355.84 x .021 % =
\$112.47 x 10.00 = \$1,124.70. Mr. Lynch chose Option A-4 – 50% without reinstatement to Donna D
Lynch, spouse. \$1,124.70 x .9005 =
\$1,012.79 pension effective September 1, 2016

Motion: Mr. York made a motion to approve this application for Deferred retirement under Option A-4. Mr. Saunders seconded the motion. The motion passed 8-0.

13. APPLICATION FOR NORMAL RETIREMENT: PLAN G2 CHARTER SECTION 1360.12

James R Lawson, General Govt.

Option A-6
100% without reinstatement

Date of birth, August 11, 1954: 62 years of age

Total credited service: 13 years 27 days

Average monthly salary for 2 highest 12 month periods, $\$5,820.29 \times .021 =$

$\$122.23 \times 13.07397 = \$1,598.03$. Mr. Lawson chose Option A-6 – 100% without reinstatement to Christine M Lawson, spouse. $\$1,598.03 \times .8282 =$

$\$1,323.49$ pension effective September 1, 2016

Motion: Mr. York made a motion to approve this application for Normal retirement under Option A-6. Mr. King seconded the motion. The motion passed 8-0.

14. 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.

Shawn J Austin, Police Dept. - Uniformed

No Option

Date of birth, January 7, 1965: 51 years of age

Total credited service: 26 years 9 months 16 days

Average monthly salary for 2 highest 12 month periods, $\$4,868.51 \times .025 =$

$\$121.71 \times 26.79384 =$

$\$3,261.08$ pension effective September 1, 2016

DROP complete August 31, 2018.

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

15. 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.

Freddie L Manis, General Government – Plan G2

Option A-8
75% with reinstatement

Date of birth, October 15, 1956: 59 years of age

Total credited service: 21 years 2 months 9 days

Average monthly salary for 2 highest 12 month periods, $\$3,366.68 \times .021 =$

$\$70.70 \times 21.19132 = \$1,498.23$. Mr. Manis chose Option A-8 – 75% with reinstatement to Mary Ann Manis, spouse. $\$1,498.23 \times .786 =$

$\$1,177.61$ pension effective September 1, 2016.

DROP complete August 31, 2018.

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

Steven L Moses, General Government – Plan G2 No Option
 Date of birth, August 28, 1954: 62 years of age
 Total credited service: 14 years 1 month 20 days
 Average monthly salary for 2 highest 12 month periods, \$3,603.90 x .021 =
 \$75.68 x 14.13813 =
 \$1,069.97 pension effective September 1, 2016.
 DROP complete August 31, 2018.

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

16. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD
Bryan, Pendleton, Swats & McAllister – Actuary (July)	6,470	15,793
Kennerly, Montgomery & Finley – Attorney (General - August)	3,408	11,260
Schroders (Money Manager – 2 nd Qtr – 2016)	30,757	30,757
		57,810

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. Ms. Blanc seconded the motion. The motion passed 8-0.

17. INVESTMENT MATTERS: None

18. OTHER: None

19. PUBLIC COMMENTS: None

20. ATTORNEY COMMENTS: None

21. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mr. Paseur at 9:16 a.m.

Chair

Date