THURSDAY, April 13, 2017

Pension Board
Regular Meeting
~ Minutes ~

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the April 13, 2017 meeting of the City of Knoxville Pension Board at 9:00 a.m. in the Pension Board Conference Room.

2. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor Rogero</td>
<td>Mayor</td>
<td>Present</td>
</tr>
<tr>
<td>Linda Gay Blanc</td>
<td>Mayoral Appointment</td>
<td>Absent</td>
</tr>
<tr>
<td>Mark Fortner</td>
<td>Police Representative</td>
<td>Absent</td>
</tr>
<tr>
<td>Jim York</td>
<td>Finance Director</td>
<td>Present</td>
</tr>
<tr>
<td>Dennis Owen</td>
<td>Mayoral Appointment</td>
<td>Present</td>
</tr>
<tr>
<td>Stephen King</td>
<td>General Government Representative</td>
<td>Present</td>
</tr>
<tr>
<td>Michael Paseur</td>
<td>General Government Representative</td>
<td>Present</td>
</tr>
<tr>
<td>Finbarr Saunders</td>
<td>City Council Representative</td>
<td>Present</td>
</tr>
<tr>
<td>John Tillett</td>
<td>Fire Representative</td>
<td>Present</td>
</tr>
<tr>
<td>Kathy Aslinger</td>
<td>Legal Counsel</td>
<td>Present</td>
</tr>
<tr>
<td>Kristi Paczkowski</td>
<td>Executive Director</td>
<td>Present</td>
</tr>
</tbody>
</table>

Others Present: Ms. Savannah Maupin – City Recorder's Office; Mr. Roger Byrd – Fire Department Uniformed Retired member.

3. APPROVAL OF REGULAR MEETING MINUTES FOR MARCH 9, 2017.
Mr. Saunders made a motion to approve the minutes of the March 9, 2017 meeting. Mr. Owen seconded the motion. The motion passed 7-0.

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 7-0.

5. ADMINISTRATIVE MATTERS: None

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:

Alexandra Gellis
Wade Murphy
William Sammons

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.

Kimberly Davis, General Govt – Plan H, non-vested
Terry L Flick, General Govt – Plan H; non-vested
Nicholas Gill, General Govt – Plan G1; non-vested
Robert Johnson, General Govt – Plan H; non-vested
William Snodgrass, General Govt – Plan G1; non-vested
John White, General Govt – Plan G1; vested

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

10. FUNDS TO BE SENT TO TN UNCLAIMED PROPERTY DIVISION

Larry D Coleman, Fire Dept – Plan C (non-vested)
Alicia L Foster, General Govt – Plan G1 (non-vested)
Davis S Kerley, Police Dept – Plan C (non-vested)
Motion: Mr. Paseur made a motion to approve these unclaimed funds be transferred to the State of Tennessee Treasury Department. Mr. Saunders seconded the motion. The motion passed 7-0.

11. APPLICATION FOR SURVIVOR’S BENEFIT: PLAN G2
CHARTER SECTION 1360.24

Rita K Arnett, survivor of William A Arnett, who died in service March 15, 2017. Mr. Arnett chose Option A-6 – 100% without reinstatement. The following are Mr. Arnett’s statistics:
Date of birth, August 1, 1954: 62 years of age
Credited service: 38 years 10 months 1 day
Average monthly salary for 2 highest 12 month periods, $5,352.95 x .021 = $112.41 x 38.83607 = $4,365.56. Mr. Arnett chose Option A-6 – 100% without reinstatement to Rita K Arnett, spouse. $4,365.56 x .8039 = $3,509.47 Rita K Arnett’s monthly benefit beginning April 1, 2017.

Motion: Mr. Paseur made a motion to approve this application for a survivor’s benefit payable under Option A-6. Mr. King seconded the motion. The motion passed 7-0.

12. APPLICATION FOR NORMAL RETIREMENT: PLAN A
CHARTER SECTION 1360.12

Amy S Rhea, Schools – Non-certified No Option
Date of birth, April 3, 1952: 64 years of age
Total credited service: 40 years 4 months
Average base earnings for 3 years, $400.00 x .83% = $3.32
Average excess earnings for 3 years, $3,650.43 x 1.66% = $60.60
making a total of $63.92 benefit per year of service. $63.92 x 40.3333 = $2,578.10 Total benefit
$2,016.44 minus County benefit
$561.66 pension effective April 1, 2017

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

13. APPLICATION FOR NORMAL RETIREMENT: PLAN C
CHARTER SECTION 1390.6

Trevor A Dunham, Police Dept. - Uniformed No Option
Date of birth, February 8, 1967: 50 years of age
Total credited service: 25 years 12 days
Average monthly salary for 2 highest 12 month periods, $5,080.28 x .025 = $127.01 x 25.03288 = $3,179.43 pension effective April 1, 2017

Motion: Mr. York made a motion to approve this application for Normal retirement. Mr. Saunders seconded the motion. The motion passed 7-0.
14. APPLICATION FOR PARTICIPATION IN THE DELAYED RETIREMENT OPTION PROGRAM (DROP): PURSUANT TO CHARTER SECTION 1371.8 – PLAN G.

The following employee has 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.

Steven B Harnden, General Govt  No Option
Date of birth, November 27, 1954:  62 years of age
Total credited service:  22 years 10 months 12 days
Average monthly salary for 2 highest 12 month periods, $4,366.31 x .021 = $91.69 x 22.866.21 = $2,096.60 pension effective April 1, 2017

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

Kimberly A Scarborough, General Govt  Option A-7  50% with reinstatement
Date of birth, June 16, 1957:  59 years of age
Total credited service:  34 years 2 days
Average monthly salary for 2 highest 12 month periods, $4,177.39 x .021 = $87.73 x 34.00548 = $2,983.30.  Ms. Scarborough chose Option A-7 – 50% with reinstatement to Barry R Scarborough, spouse.  $2,983.30 x .8921 = $2,661.40 pension effective April 1, 2017

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

15. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

<table>
<thead>
<tr>
<th>Provider</th>
<th>Inv. Amount</th>
<th>FYTD</th>
</tr>
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<tbody>
<tr>
<td>Bryan, Pendleton, Swats &amp; McAllister – Actuary (Feb)</td>
<td>11,400</td>
<td>142,547</td>
</tr>
<tr>
<td>Kennerly, Montgomery &amp; Finley – Attorney (General - Mar)</td>
<td>1,457</td>
<td>24,887</td>
</tr>
<tr>
<td>Summit Strategies – Investment Consultant (1st Qtr – 2017)</td>
<td>40,000</td>
<td>120,000</td>
</tr>
<tr>
<td>Northern Trust – Money Manager (1st Qtr – 2017)</td>
<td>3,806</td>
<td>15,748</td>
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303,182

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.  Mr. Owen seconded the motion.  The motion passed 7-0.

16. INVESTMENT MATTERS:  None

17. OTHER:  None
18. PUBLIC COMMENTS: None

19. ATTORNEY COMMENTS:

Charter

Motion: Mr. Saunders made a motion authorizing Attorney Aslinger to reorganize the charter language for better clarification but not in any way to change the intent of the language. Mr. King seconded the motion. The motion passed 7-0.

QDRO Procedures

Attorney advised the Board that she and Ms. Paczkowski would draft language for the Board’s review to add separate interest type QDROs to the Board Rules to coincide with the Charter changes that were passed in 2016.

20. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mayor Rogero at 9:29 a.m.

_________________________________________
Chair

_________________________________________
Date