THURSDAY, February 8, 2018

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the February 8, 2018 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>Sam Bills</td>
<td>Mayoral Appointment</td>
<td>Absent</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 Tillet</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; Ms. Stephanie Welch – City Council; Mr. Nicholas Della Volpe – City Council Retiree; Mr. Roger Byrd – Fire Department retiree; Mr. Phineas Troy – Summit Strategies.

3. APPROVAL OF REGULAR MEETING MINUTES FOR JANUARY 11, 2018.

Mr. Saunders made a motion to approve the minutes of the January 11, 2018 meeting. Mr. King 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. York seconded the motion. The motion passed 6-0.

5. ADMINISTRATIVE MATTERS: None

6. EXECUTIVE DIRECTOR COMMENTS: None

7. CONTRACTS – Exhibit 2

Audit Contract Recommendation – Exhibit 2

Ms. Paczkowski reviewed with the Board the Crosslin & Associates fees and contract terms.

Motion: Mr. Saunders seconded the motion from the Investment Committee authorizing the Executive Director to sign a three year contract with Crosslin & Associates for the annual audit for fiscal years July 1, 2018, July 1, 2019 and July 1, 2020. The motion passed 6-0.

8. ENROLLMENTS

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

John Burks
Stephanie Byrne
Tyler Fox
Lucas Gaulding
Rosa Gonzalez
Amanda Strange

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 6-0.

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.

Mike Compton, Jr, General Govt – Plan H, non-vested
James E Harris, III, General Govt – Plan H, non-vested
Reginald Jones, II, General Govt – Plan G2, vested

Motion: Mr. Paseur made a motion to approve this application for withdrawal of employee contributions. Mr. Saunders seconded the motion. The motion passed 6-0.

10. APPLICATION FOR DEFERRED RETIREMENT: PLAN C
CHARTER SECTION 1390.16

Lawrence C Presnell, Jr, Police Dept
Option A-8
75% with reinstatement
Date of birth, January 21, 1968: 50 years of age
Total credited service: 25 years 8 months 4 days
Average monthly salary for 2 highest 12 month periods, $4,829.98 x .02 =
$96.60 x 25 x 25.67763/26.9577 = $2,300.32. Mr. Presnell chose Option A-8– 75% with
reinstatement to Macie Presnell, spouse. $2,300.32 x .9368 =
$2,154.94 pension effective February 1, 2018

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

11. APPLICATION FOR RULE OF 80 RETIREMENT: PLAN G2
CHARTER SECTION 1371.4

Jeffrey C Johnson, General Govt.
No Option
Date of birth, May 16, 1961: 56 years of age
Total credited service: 40 years 5 months 7 days
Average monthly salary for 2 highest 12 month periods, $3,400.54 x .021 =
$71.41 x 40.43584 =
$2,887.52 pension effective February 1, 2018

Motion: Mr. Paseur made a motion to approve this application for a Rule of 80 retirement. Mr.
King seconded the motion. The motion passed 6-0.

12. 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) Stephen W Dyer , General Government – Plan G2
Option A-6
100% without reinstatement
Date of birth, January 6, 1954: 64 years of age
Total credited service: 32 years 6 months 28 days
Average monthly salary for 2 highest 12 month periods, $5,430.51 x .021 =
$114.04 x 32.57671 = $3,715.05. Mr. Dyer chose Option A-6– 100% without reinstatement to Sylvia
A Dyer, spouse. $3,715.05 x .7981 =
$2,964.98 pension effective February 1, 2018.

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

b) Avice E Reid , General Government – Plan G2
No Option
Date of birth, December 22, 1952: 65 years of age
Total credited service: 10 years 4 months 12 days
Average monthly salary for 2 highest 12 month periods, $8,306.04 x .021 = $174.43 x 10.36621 = $1,808.18 pension effective February 1, 2018. DROP complete January 31, 2020.

Motion: Mr. Paseur made a motion to approve this application for DROP retirement. Mr. King seconded the motion. The motion passed 6-0.

13. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Inv. Amount</th>
<th>FYTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kennerly, Montgomery &amp; Finley – Attorney (General - Jan)</td>
<td>3,190</td>
<td>29,999</td>
</tr>
<tr>
<td>Northern Trust – Custodial/Benefit (4th Qtr – 2017)</td>
<td>41,254</td>
<td>82,683</td>
</tr>
<tr>
<td>Wm Blair – Money Manager (4th Qtr 2017)</td>
<td>36,167</td>
<td>71,605</td>
</tr>
<tr>
<td>Eagle Capital – Money Manager (4th Qtr 2017)</td>
<td>95,988</td>
<td>188,492</td>
</tr>
<tr>
<td>IRM – Money Manager (4th Qtr 2017) – TIPS Fund</td>
<td>2,193</td>
<td>3,793</td>
</tr>
<tr>
<td>IRM – Money Manager (4th Qtr. 2017 – Core Fund)</td>
<td>28,325</td>
<td>52,440</td>
</tr>
<tr>
<td>Schroders (Money Manager – 4th Qtr – 2017)</td>
<td>43,402</td>
<td>83,849</td>
</tr>
<tr>
<td>Tortoise Capital – Money Manager (4th Qtr 2017)</td>
<td>56,375</td>
<td>109,495</td>
</tr>
</tbody>
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622,356

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. King seconded the motion. The motion passed 6-0.

14. INVESTMENT MATTERS:

Phineas Troy – Summit Strategies

4th Qtr 2017 Performance Report

Mr. Troy made a presentation of the 4th Quarter 2017 Performance Report. Copies of the report are on file in the Pension Office.

15. OTHER: None

16. PUBLIC COMMENTS: None

17. ATTORNEY COMMENTS: None

18. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mayor Rogero at 9:27 a.m.
Chair

Date