ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the August 9, 2019 meeting of the City of Knoxville Pension Board at 9:01 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>Present</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>Present</td>
</tr>
<tr>
<td>Stephen King</td>
<td>General Government Representative</td>
<td>Present</td>
</tr>
<tr>
<td>Alex Neubert</td>
<td>General Government Representative</td>
<td>Present</td>
</tr>
<tr>
<td>Stephanie Welch</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: Mr. Roger Byrd – Fire Department Uniformed Retired member; Ms. Savannah Maupin – City Recorder’s Office, Kweku Obed and Chris Caparelli – Marquette Associates, Boyce Evans – City Deputy Finance Director


Mr. Bills made a motion to approve the minutes of the July 11, 2019 meeting. Mr. Tillett seconded the motion. The motion passed 7-0.
4. **APPROVAL OF REVISED AGENDA – Exhibit 1**

   Mr. Tillett made a motion to accept the Revised Agenda. Mr. York seconded the motion. The motion passed 7-0.

5. **EXECUTIVE DIRECTOR COMMENTS:**

   Fiduciary Insurance Policy Renewal

   Ms. Paczkowski informed the Board that the Fiduciary insurance policy for the Pension System has been renewed.

   **Ms. Welch arrived at 9:03 a.m.**

   Tennova Site Plans

   Ms. Paczkowski reviewed with the Board the architectural plans for the new Pension Office at the Tennova site.

6. **CONTRACTS:** None

7. **ENROLLMENTS**

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

   - Leann Bruce
   - Ronnie Crigger
   - Jared Dozier
   - Joseph Elder
   - Robert Hill
   - Billy Miller
   - Bailey Owens
   - Tyshaun Washington
   - Neil Wright
   - Michael Smith

   **Motion:** Mr. King made a motion to approve these applications for enrollment in Plan H-GG of the pension system. Mr. Neubert seconded the motion. The motion passed 8-0.

8. **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.

   - Charles B. Corum – General Gov’t, Plan H
   - James B. Ward – General Gov’t, Plan H
   - Joshua R. Wheat – General Gov’t, Plan H

   **Motion:** Mr. Tillett made a motion to approve these applications for withdrawal of employee contributions. Ms. Welch seconded the motion. The motion passed 8-0.
9. APPLICATION FOR INJURY IN LINE OF DUTY: PLAN C – see attachments

CHARTER SECTION 1390.11

Webb “Shane” Hood, Fire Dept. – Uniformed
No Option
62 years of age
Total credited service: 18 years 1 month 2 days
$2,534.21 pension effective September 1, 2019

Motion: Mr. Tillett made a motion to approve a Disability In Line of Duty benefit based on the Executive Director’s recommendation, medical records and the Pension Board Rules regarding disability pension benefits. Ms. Welch seconded the motion. The motion passed 8-0.

Brian L Headrick, Police Dept. – Uniformed
No Option
44 years of age
Total credited service: 17 years 3 months 12 days
$2,229.98 pension effective September 1, 2019

Motion: Mr. Bills made a motion to approve a Disability In Line of Duty benefit based on the Executive Director’s recommendation, medical records and the Pension Board Rules regarding disability pension benefits. Mr. York seconded the motion. The motion passed 8-0.

10. APPLICATION FOR NORMAL RETIREMENT: PLAN G2

CHARTER SECTION 1360.12

Denise R. Johnston, General Gov’t – Plan G2
No Option
63 years of age
Total credited service: 10 years 1 month 4 days
$563.26 pension effective August 1, 2019

Motion: Mr. Neubert made a motion to approve this application for Normal Retirement. Mr. King seconded the motion. The motion passed 8-0.

Patricia M. Resig, General Gov’t – Plan G2
No Option
65 years of age
Total credited service: 19 years 1 month 18 days
$1,800.38 pension effective August 1, 2019

Motion: Mr. Neubert made a motion to approve this application for Normal Retirement. Mr. King seconded the motion. The motion passed 8-0.

James V. Williams, General Gov’t – Plan G2
Option A-4
50% without reinstatement
63 years of age
Total credited service: 29 years 8 months 27 days
$1,796.70 pension effective August 1, 2019
Motion: Mr. Neubert made a motion to approve this application for Normal Retirement payable under Option A-4. Mr. King seconded the motion. The motion passed 8-0.

11. APPLICATION FOR RULE OF 80 RETIREMENT: PLAN G

CHARTER SECTION 1371.4

Bruce A. Smith, General Gov’t – Plan G2
Option A-4
59 years of age
Total credited service: 24 years 6 months 2 days
$2,064.34 pension effective August 1, 2019
50% without reinstatement

Motion: Mr. Neubert made a motion to approve this application for Rule of 80 Retirement payable under Option A-4. Ms. Welch seconded the motion. The motion passed 8-0.

12. APPLICATION FOR PARTICIPATION IN THE DELAYED RETIREMENT OPTION PROGRAM (DROP): PURSUANT TO CHARTER SECTION 1390.22 – PLAN C.

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.

Michael R Cummings, Fire Dept. - Uniformed
No Option
69 years of age
Total credited service: 25 years 3 months 17 days
$2,686.78 pension effective August 1, 2019
DROP complete July 31, 2021.

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

13. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Inv. Amount</th>
<th>FYTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eagle Capital – Money Manager (2nd Qtr 2019)</td>
<td>94,018</td>
<td>94,018</td>
</tr>
<tr>
<td>Findley – Actuary (June)</td>
<td>7,270</td>
<td>7,270</td>
</tr>
<tr>
<td>IRM – Money Manager (2nd Qtr 2019 – TIPS Fund)</td>
<td>2,504</td>
<td>2,504</td>
</tr>
<tr>
<td>IRM – Money Manager (2nd Qtr 2019 – Core Fund)</td>
<td>30,969</td>
<td>30,969</td>
</tr>
<tr>
<td>Investec – Money Manager (2nd Qtr 2019)</td>
<td>31,101</td>
<td>31,101</td>
</tr>
<tr>
<td>Kennerly, Montgomery &amp; Finley – Attorney (General –July)</td>
<td>3,250</td>
<td>3,250</td>
</tr>
<tr>
<td>Pinnacle – Money Manager (2nd Qtr – 2019)</td>
<td>23,720</td>
<td>23,720</td>
</tr>
<tr>
<td>Schroders –Money Manager (2nd Qtr – 2019)</td>
<td>45,107</td>
<td>45,107</td>
</tr>
<tr>
<td>Tortoise Capital – Money Manager (2nd Qtr 2019)</td>
<td>60,272</td>
<td>60,272</td>
</tr>
<tr>
<td>William Blair – Money Manager (2nd Qtr 2019)</td>
<td>36,190</td>
<td>36,190</td>
</tr>
</tbody>
</table>

334,401
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. Welch made a motion to pay the invoices as presented. Mr. York seconded the motion. The motion passed 8-0.

### 14. INVESTMENT MATTERS:

Marquette Representatives - Kweku Obed and Chris Caparelli

2nd Qtr 2019 Performance Report

Mr. Obed made a presentation of the 2nd Quarter 2019 Performance Report. Copies of the report are on file in the Pension Office.

**Investment Committee Allocation Recommendation**

Motion: Mr. Bills made a motion for the Pension Board to unwind its existing investments in hedge funds and MLPs and temporarily invest those funds in the fixed income portfolio while the Investment Committee continues to review the System’s existing investments and allocation options with Marquette and develop a revised target asset allocation to recommend to the Board. Mr. York seconded the motion. The motion passed 8-0.

### 15. OTHER: None

### 16. PUBLIC COMMENTS: None

### 17. ATTORNEY COMMENTS:

Investment Committee Charter

**Motion:** Ms. Welch made a motion to amend the Investment Committee Charter to increase the maximum number of members from five to seven. The motion passed 8-0.

### 18. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mayor Rogero at 9:28 a.m.

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Chair