



Pension Board
Regular Meeting
~ Minutes ~

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

Thursday, September 12, 2019

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Rogero called to order the September 12, 2019 meeting of the City of Knoxville Pension Board at 9:01am in the Pension Board Conference Room.

2. ROLL CALL

Attendee Name	Title	Status	
Mayor Rogero	Mayor	Present	
Linda Gay Blanc	Mayoral Appointment	Present	
Mark Fortner	Police Representative	Absent	
Jim York	Finance Director	Present	
Sam Bills	Mayoral Appointment	Present	
Stephen King	General Government Representative	Present	
Alex Neubert	General Government Representative	Present	
Stephanie Welch	City Council Representative	Present	
John Tillett	Fire Representative	Present	
Kathy Aslinger	Legal Counsel	Present	
Kristi Paczkowski	Executive Director	Present	

Others present Mr. Roger Byrd – Fire Department Uniformed Retired Member, Ms. Savannah Maupin – City Recorder’s Office

Mayor Rogero commended Mr. Tillett for excelling in the September 11th Fallen Firefighter’s Stair Climb at the Knoxville Sunsphere.

3. APPROVAL OF REGULAR MEETING MINUTES FOR August 9, 2019.

Mr. Bills made a motion to approve the minutes of the August 9, 2019 meeting. Ms. Welch seconded the motion. The motion passed 7-0.

4. APPROVAL OF REVISED AGENDA – Exhibit 1

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

5. EXECUTIVE DIRECTOR COMMENTS:

General Government and Fire Department Seat B Representative Elections

Ms. Paczkowski informed the Board that staff is preparing for the upcoming elections for General Government – Seat B and Fire Department – Seat B representatives for the Pension Board.

John Harold update

Ms. Paczkowski informed the Board that the Pension office has complied with the federal Order of Garnishment and has accordingly transmitted a portion of John Harold's employee contributions to the U.S. District Court to satisfy the Court's Order of Restitution. Mr. Harold has requested a refund of his remaining funds.

6. CONTRACTS: None

7. ENROLLMENTS

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

Jeffrey Archer
Patrick Borden
Bryan Davis
Moeana Franklin
Tirzah Given
Charles Harrell
Amanda Humphreys
Leslie Walters

Motion: Mr. King made a motion to approve these applications for enrollment in Plan H-GG of the pension system. Ms. Welch seconded the motion. The motion passed 7-0.

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.

Aaron A. Farmer – Plan H
Christopher L. Norton – Plan G1
James E. Raley – Plan H
John Harold – Plan G2
Jordan A Culp – Plan C
Mark A. Keaton – Plan H

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

9. 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.

Ronnie E. Newman, General Government – Plan G2	Option A-9
63 years of age	100% with reinstatement
Total credited service: 25 years 6 months 21 days	
<u>\$1,763.73</u> pension effective September 1, 2019	
DROP complete August 31, 2021	

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

10. 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.

Doug Stiles, Police Dept. - Uniformed	Option A-8
53 years of age	75% with reinstatement
Total credited service: 30 years 4 months 7 days	
<u>\$4,607.00</u> pension effective September 1, 2019	
DROP complete August 31, 2021.	

Motion: Mr. Tillett made a motion to approve this application for Drop retirement payable under Option A-8. Mr. King seconded the motion. The motion passed 7-0.

11. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD
Acadian – Money Manager (2nd Qtr 2019)	63,835	63,835
Findley – Actuary (July)	3,404	10,674
Kennerly, Montgomery & Finley – Attorney (August)	4,000	7,250
Northern Trust Company – Custody & Benefit Payment Fee	82,297	82,297
Tortoise Capital – Money Manager (3 rd Qtr 2019)	26,493	<u>86,765</u>
		250,821

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. York made a motion to pay the invoices as presented. Mr. Tillett seconded the motion. The motion passed 7-0.

12. INVESTMENT MATTERS:

Investment Allocation Recommendation

Ms. Packowski provided information from the Investment Committee meeting regarding Marquette's recommendation that the System reallocate a portion of the investment portfolio into a low volatility strategy.

Ms. Linda Gay Blanc arrived at 9:11am.

Motion: Mr. York revised the motion from the Investment Committee and moved that the Pension Board allocate 5%* of the portfolio to a global low volatility equity strategy, which shall be initially invested in a passive index fund through Rhumblin Advisors. The funding for this investment will be provided by the termination of Gryphon's Non-U.S. Large-Cap Growth portfolio and the remaining amount will be from a partial draw down of funds from PanAgora, which manages the System's Risk Parity portfolio.

*approximately \$31.5 million

Mr. Bills seconded the motion. The motion passed 8-0.

13. OTHER: None

14. PUBLIC COMMENTS: None

15. ATTORNEY COMMENTS: None

16. ADJOURNMENT:

There being no further business, the meeting was adjourned by Mayor Rogero at 9:15am.

Chair
