



Pension Board
Regular Meeting
~ Minutes ~

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

Thursday, November 12, 2020

9:00 a.m.

Pension Board Conference Room

ORDER OF BUSINESS

1. CALL TO ORDER

Mayor Kincannon called to order the November 12, 2020 meeting of the City of Knoxville Pension Board at 9:00 a.m. via video conference.

2. ROLL CALL

Attendee Name	Title	Status	
Mayor Kincannon	Mayor	Present	
Linda Gay Blanc	Mayoral Appointment	Present	
Mark Fortner	Police Representative	Present	
Susan Gennoe	Finance Director	Present	
Dennis Owen	Mayoral Appointment	Present	
Stephen King	General Government Representative	Present	
Alex Neubert	General Government Representative	Present	
Lynne Fugate	City Council Representative	Present	
Jacob Mason	Fire Representative	Present	
Kathy Aslinger	Legal Counsel	Present	
Kristi Paczkowski	Executive Director	Present	

Others present: Savannah Maupin – City Recorder’s Office, Kweku Obed and Chris Caparelli - Marquette, Emily Raby – Fundmap, Ben Wright - Marquette

3. APPROVAL TO HOLD MEETINGS OF THE PENSION BOARD VIA VIDEO CONFERENCE IN ACCORDANCE WITH THE GOVERNOR’S EMERGENCY ORDER

Motion: Ms. Blanc made a motion for approval to hold the Board Meeting via video conference because such video conference is necessary for continued function of the City of Knoxville Employees' Pension System to protect public health, safety, and welfare during the outbreak of COVID-19 under the Governor's Executive Order No. 65. Mr. King seconded the motion. The motion passed 9-0.

4. APPROVAL OF REGULAR MEETING MINUTES FOR October 8, 2020.

Motion: Ms. Blanc made a motion to approve the minutes of the October 8, 2020 meeting. Mr. Neubert seconded the motion. The motion passed 8-0.

5. APPROVAL OF REVISED AGENDA

Motion: Mr. Owen made a motion to accept the Revised Agenda. Mr. King seconded the motion. The motion passed 8-0.

6. EXECUTIVE DIRECTOR COMMENTS:

- Update on Police and General Government Seat A Elections

Ms. Paczkowski informed the Board that the Police ballots have been sent out and are due on November 13th. They will be counted on November 16th and the winner will be announced at that time. The General Government ballots have also been sent out and are due back on November 20th. They will be counted on November 23rd and the winner will be announced at that time.

- Post Retirement Benefit Adjustment Resolution

Ms. Paczkowski reviewed with the Board the cost of living adjustments effective January 1, 2021.

Motion: Mr. Owen made a motion to approve the Post Retirement Benefit Adjustment Resolution as presented by the Executive Director. Mr. Mason seconded the motion. The motion passed 9-0.

7. CONTRACTS: None

8. ENROLLMENTS

The following employees have filed applications to become members of the Plan HG or HU pension system:

Timothy C. Jones – HG

Motion: Mr. King made a motion to approve these applications for enrollment in Plan HG or HU of the pension system. Mr. Owen seconded the motion. The motion passed 9-0.

9. 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.

Christopher Q. Edmonds – HG	Karen H. Melton – HG
David A. Fowler – HG (unclaimed property)	Mary J. Pappas – G1 (unclaimed property)
Tiffiney L. Hamlin – HG	Tod B. Plott – HG
Breyauna N. Holloway – HG	Johnnie E. Stinnett III – HG (unclaimed property)
Sheri Jones – G1 (unclaimed property)	Jill B. Strange – HG (unclaimed property)
Chelsea D. Wright – HU	

Motion: Mr. Owen made a motion to approve these applications for withdrawal of employee contributions. Mr. Neubert seconded the motion. The motion passed 9-0.

10. APPLICATION FOR PARTICIPATION IN THE DELAYED RETIREMENT OPTION PROGRAM (DROP): PURSUANT TO CHARTER SECTION 1371.8 – PLAN G

Gary W. Alexander, General Gov't. – Plan G2	Option A-7
62 years of age	50% with reinstatement
Total credited service: 14 years 1 month 6 days	
<u>\$778.15</u> pension effective November 1, 2020	
DROP complete October 31, 2022	

Motion: Mr. Neubert made a motion to approve this application for DROP Retirement. Mr. Fortner seconded the motion. The motion passed 9-0.

Bridget J. Pensa, General Gov't. – Plan G2	Option B-11
60 years of age	10 year Certain & Life
Total credited service: 22 years 8 months 20 days	
<u>\$1,522.22</u> pension effective November 1, 2020	
DROP complete October 31, 2022	

Motion: Mr. Neubert made a motion to approve this application for DROP Retirement. Mr. Fortner seconded the motion. The motion passed 9-0.

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

William S Warwick, Fire Dept. – Uniformed	No Option
56 years of age	
Total Credited Service: 30 years	
<u>\$4,402.20</u> pension effective November 1, 2020	

Ms. Aslinger discussed with the Board the Board's duties under the Charter to investigate applications for pension benefits and to approve applications for members who have met the requirements for a pension benefit under the System, as well as the extremely limited circumstances under which a pension benefit may be forfeited.

Motion: Mr. King made a motion to approve this application for Normal Retirement. Mr. Neubert seconded the motion. The motion passed 8-1, with Mr. Mason voting No.

12. APPROVAL OF INVOICES FOR PROFESSIONAL SERVICES:

	Inv. Amount	FYTD
Acadian – Money Manager (Q3 2020)	67,164	124,965
Eagle Capital – Money Manager (Q3 2020)	92,023	178,554
Findley – Actuary (September)	11,478	58,763
IRM – Money Manager (Q3 2020 – TIPS Fund)	2,738	5,389
IRM – Money Manager (Q3 2020 – Core Fund)	55,431	109,341
Kennerly, Montgomery & Finley (October)	6,425	18,950
Ninety One (Investec) – Money Manager (Q3 2020)	33,434	64,285
Northern Trust Company – Money Manager (Q3 2020)	5,456	9,727
Pinnacle – Money Manager (Q3 2020)	28,647	54,085
Rhumblin Advisers – Money Manager (Q3 2020)	5,836	11,482
Schroders – Money Manager (Q3 2020)	52,063	107,509
William Blair – Money Manager (Q3 2020)	25,863	<u>51,457</u>
		794,507

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. Owen made a motion to pay the invoices as presented. Ms. Fugate seconded the motion. The motion passed 9-0.

13. INVESTMENT MATTERS:

- Marquette Representatives – Kweku Obed and Chris Caparelli

3rd Quarter 2020 Performance Report

Mr. Obed and Mr. Caparelli made a presentation of the 3rd Quarter 2020 Performance Report. Copies of the report are on file in the Pension Office.

- Recommendation from the Investment Committee for Low Volatility Stock Manager

Motion: Mr. Owen made a motion to approve the recommendation from the Investment Committee to engage Northern Trust as the Low Volatility Stock Manager upon reaching a legal agreement with Northern Trust. Mr. Mason seconded the motion. The motion passed 9-0.

- Recommendation from the Investment Committee regarding request for continued waiver for downgraded securities by fixed income managers and reevaluate in six months presented

Motion: Ms. Fugate made a motion to approve the recommendation from the Investment Committee to allow the System’s managers IR&M and Schroders to continue to maintain bonds that have been downgraded by the bond rating agencies mostly because of travel constraints and COVID-19 related impacts. These waivers are based on manager and Marquette’s recommendations and will be revisited in six months to review the status of the investments. Mr. Owen seconded the motion. The motion passed 9-0.

14. OTHER: None

15. PUBLIC COMMENTS: None

16. ATTORNEY COMMENTS: None

17. ADJOURNMENT

There being no further business, the meeting was adjourned by Mayor Kincannon at 9:48 a.m.

Chair

Date

NOTICE: The next Pension Board Meeting is on December 10, 2020