

KNOX COUNTY RETIREMENT AND PENSION BOARD

February 22, 2021

The Knox County Retirement and Pension Board met in an electronic session on Monday, February 22, 2021, at 3:00 P.M. via electronic means and broadcast live at: <https://knoxcounty.zoom.us/96860904393> (by phone: 1-646-558-8656, Meeting ID 968 6090 4393, passcode 852723).

The following members were present: Chairman Chris Caldwell, Proxy for Mayor Jacobs, Commissioner Larsen Jay, Vice Chairman, Commissioner Randy Smith, Secretary, Commissioner Charles Busler, Ms. Jennifer Hemmelgarn, Ms. Janet Samar and Mr. Gabe Mullinax. Commissioner Kyle Ward was absent.

Also present at the meeting were:

Newly Elected/Sworn Board Members: Mr. Jim Snowden and Mr. Chris Simons

USI Consulting Group: Mr. Bob Cross, Mr. Ralph Leeman, Mr. Austin Robinson and Ms. Brenda Trollope

Legal Counsel: Mr. Bill Mason, Ms. Ashley Trotto, Mr. John Owings and Ms. Stephanie Coleman

Retirement Staff: Ms. Jennifer Schroeder, Ms. Terri Chase, Ms. Mitzi Stooksbury and Ms. Savannah Russell

Others in attendance: Mr. Daryl Hobby, IT, Mr. Jacob Haskew, IT, Ms. Lysette Aviles, Sheriff, Mr. Nick McBride, Register of Deeds, Ms. Tiffany Barnard, Payroll, and Ms. Cindy Pionke, Human Resources

IN RE: CALL TO ORDER

Chairman Caldwell presided and called the meeting to order.

IN RE: DETERMINATION OF ELECTRONIC MEETING

Chairman Caldwell read the official public notice for holding this electronic meeting, then asked for a motion determining the necessity of such meeting.

“A determination is needed by the Board regarding electronic meetings pursuant to the Governor’s Executive Order No. 16, executed on March 20, 2020, and recommendations from the Tennessee Comptroller of the Treasury, issued on March 20, 2020, and other applicable laws in effect. The Governor’s Order allows government agencies to amend or rescind portions of the Tennessee Open Meetings Act regarding electronic meetings in lieu of in-person attendance and participation. The Comptroller’s Office recommends that boards make a determination regarding the necessity of electronic meetings for continued function of government agencies and to protect public health, safety, and welfare during the outbreak of COVID-19. Such determination is to be placed on the record in the Board’s minutes. May I have a motion for this determination and to record this determination in the Board’s minutes?”

Commissioner Jay made a motion to approve the electronic meeting. The motion was seconded by Ms. Hemmelgarn. A roll call vote was taken. All members present voted in favor. The motion passed unanimously.

IN RE: AMENDMENTS TO AGENDA

Ms. Schroeder stated that there were no amendments to the agenda.

IN RE: APPROVAL OF MINUTES OF JANUARY 25, 2021

Chairman Caldwell presented the minutes for the board meeting held on January 25, 2021. Mr. Mullinax made a motion to approve the minutes for January 25, 2021, as written. The motion was seconded by Commissioner Jay. A roll call vote was taken. All members present voted in favor. The motion passed unanimously.

IN RE: APPLICATIONS FOR RETIREMENT – DEFINED CONTRIBUTION PLAN AND AUTHORIZATION OF CREDITED SERVICE BENEFIT BASED ON COMPLETED YEARS OF SERVICE

The following applications for retirement and the credited service benefit based upon completed years of credited service at the date of retirement, as provided in the Defined Contribution Plan, were presented for consideration:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>CREDITED SERVICE</u>	<u>EFFECTIVE DATE</u>
Betty Beal	Schools	14 years 11 months	March 1, 2021
Krista Fisher	Schools	13 years 8 months	March 1, 2021
David Kinlaw	Parks & Rec	18 years 2 months	March 1, 2021
Barbara Roesler	Schools	16 years 5 months	March 1, 2021
Rebecca Simpson	AttGen	27 years 0 months	March 1, 2021

A motion was made by Ms. Hemmelgarn to approve the applications for retirement under the Defined Contribution Plan as presented and to authorize the Directed Custodian, Charles Schwab, to make disposition of the benefits upon certification from USI and to authorize the Trustee, State Street Bank, to make payment of the credited service benefit. The motion was seconded by Ms. Samar. A roll call vote was taken. All members present voted in favor. The motion passed unanimously.

IN RE: APPLICATION FOR RETIREMENT – UNIFORMED OFFICERS PENSION PLAN

The following application for retirement, as provided in the Uniformed Officers Pension Plan, was presented for consideration:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>CREDITED SERVICE</u>	<u>EFFECTIVE DATE</u>
Bobbie C. Armstrong	Sheriff	26 years 7 months	March 1, 2021

(Survivor of Rex Armstrong)

A motion was made by Mr. Mullinax to approve the application for retirement under the Uniformed Officers Pension Plan as presented and to authorize Trustee, State Street Bank, to make payment of the monthly benefits. The motion was seconded by Commissioner Jay. A roll call vote was taken. All members present voted in favor. The motion passed.

IN RE: REPORT OF EXECUTIVE DIRECTOR

- **Budget FY22** – Ms. Schroeder notified the Board that the FY22 budget will be presented in March.
- **Election Review** – Ms. Schroeder reported the results of the election held online on February 11th. Seat A will be held by Mr. Chris Simons and Seat B will be held by Mr. Jim Snowden. There was an increase in voting participants by 5.6% from 2019.

IN RE: REPORT OF INVESTMENT COMMITTEE

- **Monthly Rates of Return** – Commissioner Smith presented the rates of return for the Defined Contribution and Defined Benefit Plans and stated the overall rates of return are in line with respective markets.
- **DC Investment Changes** – Mr. Cross presented the proposed changes to the DC Plans' Balanced Fund, as summarized in the Investment Committee's Summary and Recommendations (attached to these minutes). Commissioner Smith made a motion to accept the Investment Committee's recommendation, as written. The motion was seconded by Commissioner Jay. A roll call vote was taken. All members present voted in favor. The motion passed.

IN RE: REPORT OF LEGAL COUNSEL

Mr. Owings had no report.

Mr. Mason had no report.

IN RE: REPORT OF ACTUARY

Mr. Cross had no report.

IN RE: APPROVAL OF PAYMENT – STATEMENT OF ACCOUNTS

The following statement of accounts for professional services was presented for consideration and approval of payment, in accordance with agreements, audits and recommended for payment by Ms. Schroeder:

Invoices for FEB 2021 (Legal Invoices are approved for the previous Months Expense)	Fiscal 21 YTD Approved Invoices 01/31/2021	FEB Invoices For Approval	Fiscal 21 YTD Approved Invoices 02/28/2021	FY 21 Budget vs. Actual 2/28/2021
BENXL Invoice #		\$0.00		Budget \$50,000.00
TOTAL BENXL	\$0.00	\$0.00	\$0.00	Expenses \$0.00 Remaining Budget \$50,000.00
KENNERLY, MONTGOMERY & FINLEY, P.C. Invoice # 219064		\$0.00		\$2,000.00 Rec'd from Participa \$500.00
TOTAL KENNERLY, MONTGOMERY & FINLEY, P.C.	\$1,000.00	\$0.00	\$1,000.00	Expenses \$1,000.00 Remaining Budget \$1,500.00
Owings, Wilson & Coleman Invoice #9943M Gilman Invoice # 9947M Glenn Invoice # 9942M Knox County vs. Eiters *** TOTAL OWINGS, WILSON & COLEMAN		\$0.00 \$0.00 \$0.00 \$87,884.90		Budget \$52,000.00 Expense -\$87,884.90 Remaining Budget -\$35,884.90
USI CONSULTING GROUP Invoice # 90048832 Invoice # 90048586 TOTAL USI CONSULTING GROUP		\$55,000.00 \$53,811.72 \$225,770.00		Budget \$475,000.00 Expense -\$334,581.72 Remaining Budget \$140,418.28
Invoices for FEB 2021	\$314,654.90	\$108,811.72	\$423,466.62	
*** Retainer not included in approved billings for the Board			Fiscal 21 YTD	
Owings, Wilson & Coleman Retainer	\$4,000 per month		\$32,000.00	
Kennerly Montgomery Retainer	\$12,000 per month		\$96,000.00	
USI Quarterly Fee for DB Advisory Services	\$37,000 per quarter		\$111,000.00	
Fees Received from QDRO* Participants	\$500 (DC Fee) \$2,000 (DB Fee)		\$500.00 \$0.00	
*QDRO fee is Paid to Retirement Office which offsets the legal fee				

After review of the statement of accounts and invoices, a motion was made by Commissioner Jay that the Board authorize the payment indicated above to be paid from the designated Retirement Plans. The motion was seconded by Mr. Mullinax. A roll call vote was taken. All members present voted in favor. The motion passed unanimously.

IN RE: RECOGNITION OF OUTGOING BOARD MEMBER

Ms. Jennifer Hemmelgarn was recognized for her service to the Retirement Board.

IN RE: SWEARING IN OF NEW BOARD MEMBERS

Legal counsel, Mr. John Owings, swore in the following new Board members: Mr. Chris Simons and Mr. Jim Snowden.

IN RE: CHAIRMAN APPOINTMENT OF COMMITTEES

Chairman Caldwell appointed the committees as follows:

- **Disability Committee:** Commissioner Larsen Jay, Chairman of Disability Committee, Commissioner Charles Busler, Ms. Janet Samar, Mr. Gabe Mullinax and Mr. Chris Simons
- **Document Committee:** Ms. Janet Samar, Chairman of Document Committee, Mr. Chris Caldwell, Commissioner Kyle Ward, Mr. Gabe Mullinax and Mr. Jim Snowden
- **Investment Committee:** Commissioner Randy Smith, Chairman of Investment Committee, Mr. Chris Caldwell, Commissioner Larsen Jay, Mr. Chris Simons and Mr. Jim Snowden

ADJOURNMENT

Chairman Caldwell asked if there was a motion to adjourn. Commissioner Jay made a motion to adjourn, which was seconded by Commissioner Smith, and the meeting was adjourned.

Chris Caldwell – Approved at Electronic Meeting held on 03/29/2021

MAYOR GLENN JACOBS, CHAIRMAN
BY PROXY, CHRIS CALDWELL

Randy Smith – Approved at Electronic Meeting held on 03/29/2021

COMMISSIONER RANDY SMITH, SECRETARY