

## **KNOX COUNTY RETIREMENT AND PENSION BOARD**

**April 26, 2021**

The Knox County Retirement and Pension Board met in an electronic session on Monday, April 26, 2021, at 3:00 P.M. via electronic means and broadcast live at: <https://knoxcounty.zoom.us/96678448417> (by phone: 1-646-558-8656, Meeting ID 966 7844 8417, passcode KnoxCounty).

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

Also present at the meeting were:

USI Consulting Group: Mr. Bob Cross, Mr. Ralph Lehman, Ms. Jaime Packer 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, Mr. Zack Cole and Ms. Savannah Russell

Others in attendance: Mr. Allen Sheets, Nationwide, Mr. Jacob Haskew, IT, Mr. Rob Link, IT, Mr. Nick McBride, Register of Deeds, Ms. Cindy Pionke, Human Resources, Ms. Lysette Aviles, Sheriff, Mr. Mike Steely, Knox Focus, and Mr. Mark Ohnsted, Bluefin.

### **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 Busler made a motion to approve the electronic meeting. 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: AMENDMENTS TO AGENDA**

Chairman Caldwell reported an amended agenda had been provided prior to the meeting.

**IN RE: APPROVAL OF MINUTES OF MARCH 29, 2021**

Chairman Caldwell presented the minutes for the board meeting held on March 29, 2021. Ms. Samar made a motion to approve the minutes for March 29, 2021, as written. The motion was seconded by Mr. Simons. A roll call vote was taken. All members present voted in favor. The motion passed unanimously.

**IN RE: APPLICATIONS FOR DISABILITY BENEFIT – EMPLOYEE DISABILITY PLAN**

The following applications for disability were presented for consideration:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>DATE OF RECOMMENDATION FROM REEDGROUP</u>
Ricky Smith	EPW	March 27, 2021

A motion was made by Mr. Snowden to approve the applications for disability. The motion was seconded by Mr. Simons. 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>
Karen Beals (Beneficiary of Robert Beals)	Health	Disability	Ended	May 1, 2021
Shirley Butter	CommSvcs	26 years	8 months	May 1, 2021
Sheree Carroll	Schools	19 years	4 months	May 1, 2021
Walter Dunlap	EPW	27 years	1 month	May 1, 2021
Charles James	Parks & Rec	30 years	2 months	May 1, 2021
Scott Hill	Schools	24 years	9 months	May 1, 2021
Debra Leverette	Schools	16 years	1 month	May 1, 2021
Tamra Moore	Schools	13 years	7 months	May 1, 2021

A motion was made by Mr. Simons 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 Mr. Mullinax. 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>
Kenneth Vineyard	Sheriff	23 years 3 months	May 1, 2021

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 presented the approved budget for FY 2022 with modification to line item 530700. Communications and IT Related budget will remain at \$55,480 instead of being increased to \$202,480.
- **Updated Plan Summaries** – Ms. Schroeder presented the updated plan summaries as of March 31, 2021. The plan summaries are a simple snapshot of each plan.
- **Blackout Notice for Fund Changes** – A blackout notice was mailed to all participants and an email was sent via Knox notification system. The blackout will occur May 21 to May 28.
- **Bluefin Proposal** – Ms. Schroeder reviewed details about Bluefin, an alternative to BenXL. Unlike BenXL, Bluefin is presented in a web-based software. Some of the system's biggest capabilities include running DB/DC estimates, actuarial reviews, adding new hires and calculating COLAs. There would be no continued service through IT and no more \$121,000 per year fee with BenXL. Discussion was held about transferring from BenXL to Bluefin.
- **Office Staff** – Ms. Schroeder announced that the office staff would be returning to the building in May. This could be reevaluated if COVID cases rise.
- **May Board & Investment Meeting** – Discussion took place about the electronic meeting order not being extended. Future meetings will be held in the main assembly room or the commission conference room. There may be hybrid options available on a case-by-case basis.

**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.

**IN RE: REPORT OF LEGAL COUNSEL**

Mr. Owings had no report.

Mr. Mason had no report.

**IN RE: REPORT OF ACTUARY**

Mr. Cross presented the four valuation reports and the proposed revised UOPP funding policy. Commissioner Smith asked Mr. Cross about the UOPP Funding Policy amortization schedule. Commissioner Jay asked Mr. Cross to bring UOPP projections to the next Board Meeting. Chairman

Caldwell agreed with Commissioner Jay and Commissioner Smith to defer approval of the UOPP Funding Policy and Valuations until the May Board Meeting.

**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 APR 2021 (Legal Invoices are approved for the previous Months Expense)	Fiscal 21 YTD Approved Invoices 03/31/2021	APR Invoices For Approval	Fiscal 21 YTD Approved Invoices 04/30/2021	FY 21 Budget vs. Actual 4/30/2021
BENXL				Budget \$50,000.00
Invoice #		\$0.00		Expenses \$0.00
<b>TOTAL BENXL</b>	\$0.00	\$0.00	\$0.00	Remaining Budget \$50,000.00
KENNERLY, MONTGOMERY & FINLEY, P.C.				\$2,000.00
Invoice #		\$0.00		Rec'd from Particip. \$1,000.00
<b>TOTAL KENNERLY, MONTGOMERY &amp; FINLEY, P.C.</b>	\$1,000.00	\$0.00	\$1,000.00	Expenses \$1,000.00 \$2,000.00
Owings, Wilson & Coleman				Budget \$52,000.00
Invoice #		\$0.00		
Invoice # 9947M Glenn		\$150.00		
Invoice # 9942M Knox County vs. Etters		\$3,515.27		Expense -\$92,456.92
<b>*** TOTAL OWINGS, WILSON &amp; COLEMAN</b>	\$88,791.65	\$3,665.27	\$92,456.92	Remaining Budget -\$40,456.92
USI CONSULTING GROUP				Budget \$475,000.00
Invoice #		\$0.00		Expense -\$398,923.47
Invoice # 90050064		\$32,613.00		Remaining Budget \$76,076.53
<b>TOTAL USI CONSULTING GROUP</b>	\$366,310.47	\$32,613.00	\$398,923.47	
<b>Invoices for APR 2021</b>	<b>\$456,102.12</b>	<b>\$36,278.27</b>	<b>\$492,380.39</b>	
<b>*** Retainer not included in approved billings for the Board</b>			<b>Fiscal 21 YTD</b>	
Owings, Wilson & Coleman Retainer	\$4,000 per month		\$40,000.00	
Kennerly Montgomery Retainer	\$12,000 per month		\$120,000.00	
USI Quarterly Fee for DB Advisory Services	\$37,000 per quarter		\$111,000.00	
Fees Received from QDRO* Participants	\$500 (DC Fee)		\$1,000.00	
	\$2,000 (DB Fee)		\$0.00	

\*QDRO fee is Paid to Retirement Office which offsets the legal fee

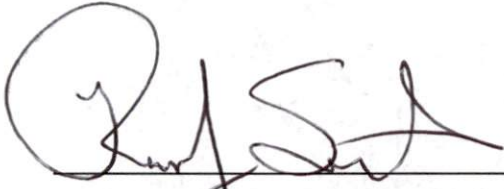
After review of the statement of accounts and invoices, a motion was made by Commissioner Busler that the Board authorize the payment indicated above to be paid from the designated Retirement Plans. The motion was seconded by Ms. Samar. A roll call vote was taken. All members present voted in favor.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

**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.



\_\_\_\_\_  
MAYOR GLENN JACOBS, CHAIRMAN  
BY PROXY, CHRIS CALDWELL



\_\_\_\_\_  
COMMISSIONER RANDY SMITH, SECRETARY