

KNOX COUNTY RETIREMENT AND PENSION BOARD

July 25, 2022

The Knox County Retirement and Pension Board met in regular session on Monday, July 25, 2022, at 3:00 P.M. in Room 640, City-County Building, Knoxville, Tennessee.

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

Also present at the meeting were:

USI Consulting Group: Mr. Bob Cross, Mr. Ralph Leeman and Mr. Edward Bronkhorst

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

Retirement Staff: Ms. Jennifer Schroeder, by phone, Mr. Zack Cole and Ms. Savannah Russell

Others in Attendance: Mr. Anthony Rathbone, Ms. Emily Rathbone, Ms. Lysette Aviles, Sheriff, and Mr. Nick McBride, Register of Deeds

IN RE: CALL TO ORDER

Chairman Caldwell presided and called the meeting to order.

IN RE: AMENDMENTS TO AGENDA

Chairman Caldwell reported that there were no amendments to the agenda.

IN RE: APPROVAL OF MINUTES OF JUNE 27, 2022

Chairman Caldwell presented the minutes for the board meeting held on June 27, 2022. Commissioner Busler made a motion to approve the minutes for June 27, 2022, as written. The motion was seconded by Mr. Snowden. All members present voted in favor. The motion passed unanimously.

IN RE: APPROVAL OF MINUTES OF SPECIAL CALLED MEETING OF JUNE 6, 2022

Chairman Caldwell presented the special called minutes for the board meeting held on June 6, 2022. Commissioner Busler made a motion to approve the special called minutes for June 6, 2022, as written. The motion was seconded by Mr. Simons. All members present voted in favor. The motion passed unanimously.

IN RE: ANTHONY RATHBONE APPEAL TO THE BOARD REGARDING DISABILITY BENEFIT AND WORKERS COMPENSATION OFFSET

Mr. Rathbone spoke to the board and asked it to reconsider the Retirement Office's initial calculation of his Disability benefit, including the Worker's Compensation offset, his Disability benefit commencement date, and the annual re-certification requirements. Additionally, Rathbone asked the Board to clarify his Disability benefit termination date and the procedure for the required election between UOPP retirement benefits and Disability benefits. The Board referred the matter to the Disability Committee for further consideration and recommendation.

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>
Connie Bartlett	Sheriff	32 years	4 months	August 1, 2022
Russell Blevins	Schools	10 years	3 months	August 1, 2022
Kimberly Boyatt	Schools	15 years	6 months	August 1, 2022
Ginger Cockrum	Schools	35 years	1 month	August 1, 2022
Jacqueline Collins	Schools	9 years	10 months	August 1, 2022
Carl Cupp	Schools	16 years	0 months	August 1, 2022
Cathy Dalton	Schools	9 years	1 month	August 1, 2022
Pamela Degges	Schools	14 years	1 month	August 1, 2022
Felicia Downs	Finance	33 years	8 months	August 1, 2022
Kristine Hall	Schools	23 years	11 months	August 1, 2022
Vicky Harden	Schools	30 years	0 months	August 1, 2022
Laura Hartwell	Schools	9 years	10 months	August 1, 2022
Russell Hatcher	Sheriff	17 years	1 month	August 1, 2022
Sandra Hatcher	Schools	29 years	6 months	August 1, 2022
Linda Heatherly	Schools	34 years	0 months	August 1, 2022
Katherine Hobson	Schools	29 years	7 months	August 1, 2022
Donna Hotz	Schools	14 years	1 month	August 1, 2022
Willa Jones	Sheriff	7 years	9 months	August 1, 2022
William Jones	Schools	33 years	0 months	August 1, 2022
Paula Limback	Schools	25 years	8 months	August 1, 2022
Barbara Lundell	Schools	14 years	7 months	August 1, 2022
Erich Mauer	Schools	5 years	0 months	August 1, 2022
Janet McBryar	Schools	22 years	10 months	August 1, 2022
Paula Mikels	Schools	14 years	11 months	August 1, 2022
Joyce Mink	Schools	15 years	10 months	August 1, 2022
Rebecca Nagle	Schools	23 years	7 months	August 1, 2022
Cathy Norris	Schools	26 years	0 months	August 1, 2022
Debora Peterson	Schools	7 years	0 months	August 1, 2022
Theresa Raper	Schools	30 years	0 months	August 1, 2022
John Roche	Sheriff	18 years	8 months	August 1, 2022

Rosemary Saulpaw	JuvSvcs	8 years	11 months	August 1, 2022
Darla Smith	Schools	8 years	0 months	August 1, 2022
Kathy Tindell-Julian	Schools	31 years	7 months	August 1, 2022
Fredda Tipton	Public Def	15 years	4 months	August 1, 2022
Donna Vandergriff	Schools	17 years	7 months	August 1, 2022
Amy Williams	Schools	14 years	7 months	August 1, 2022
Melissa Zemleni	Schools	12 years	8 months	August 1, 2022

A motion was made by Mr. Snowden 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. Simons. All members present voted in favor. The motion passed unanimously.

IN RE: APPLICATIONS FOR RETIREMENT – UNIFORMED OFFICERS PENSION PLAN

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

<u>NAME</u>	<u>DEPARTMENT</u>	<u>CREDITED SERVICE</u>	<u>EFFECTIVE DATE</u>
Bobby Law	Sheriff	27 years 5 months	August 1, 2022

A motion was made by Commissioner Jay 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 Busler. All members present voted in favor. The motion passed unanimously.

IN RE: REPORT OF EXECUTIVE DIRECTOR

- **Plan Summaries for 2nd Quarter** – Ms. Schroeder presented the second quarter plan summaries.
- **ReedGroup Check Writing Contract** – Ms. Schroeder presented a cost analysis of ReedGroup’s proposal for check writing services, including draft agreements. A motion was made by Commissioner Jay to approve the ReedGroup check writing services and to authorize Ms. Schroeder to take any action necessary to implement those services. The motion was seconded by Mr. Clark. All members present voted in favor. The motion passed unanimously.
- **Fiduciary Insurance Renewal** – Ms. Schroeder stated that the Board will be asked to consider a renewed fiduciary insurance policy in August.
- **STAR Communication to Officers** – Ms. Schroeder stated the STAR summary plan document has been updated. The updated summary plan document and communication piece was sent to Sheriff’s department personnel. Group meetings with officers are being scheduled by the Sheriff’s department.
- **Schools Communication for Classified Employees in the Asset Plan** – Ms. Schroeder stated that a communication piece is being drafted in coordination with Schools and will be sent to current classified employees in the Asset plan. All current Schools employees in the Asset plan will need

to make an irrevocable election to either stay in the Asset plan or move to TCRS by January 31, 2023. Elections will be effective July 1, 2023.

- **BENXL Virtual Server Conversion with Knox County IT** – Ms. Schroeder reported BenXL servers will be moving from Knox County IT to virtual. This will be at minimal cost, if any.

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 provided an update on the Etters lawsuit.

Mr. Mason stated the restatements approved on second reading by the Board were approved by Commission.

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 July 2022 For FY 22 (Legal Invoices are approved for the previous Months Expense)	Fiscal 22 YTD Approved Invoices 06/30/2022	JUNE Invoices For Approval	Fiscal 22 YTD Approved 6/30/2022	FY 22 Budget vs. Actual 6/30/2022
BENXL Invoice #		\$0.00		Budget \$50,000.00 From FY21 \$50,000.00 Expenses \$0.00
TOTAL BENXL	\$0.00	\$0.00	\$0.00	Remaining Budget \$100,000.00
KENNERLY, MONTGOMERY & FINLEY, P.C. Invoice #		\$0.00		QDRO* \$2,000.00 Rec'd from Particips \$2,550.00 Expenses \$1,800.00
TOTAL KENNERLY, MONTGOMERY & FINLEY, P.C.	\$1,800.00	\$0.00	\$1,800.00	\$2,750.00
Owings, Wilson & Coleman Invoice #		\$0.00		Budget \$100,000.00
Invoice #		\$0.00		
Invoice # 9942M Knox County vs. Eiters		\$0.00		Expense -\$57,893.24
*** TOTAL OWINGS, WILSON & COLEMAN	\$57,893.24	\$0.00	\$57,893.24	Remaining Budget \$42,106.76
USI CONSULTING GROUP Invoice # 90068427		\$500.00		Budget \$475,000.00
Invoice #		\$0.00		Expense -\$250,117.25
TOTAL USI CONSULTING GROUP	\$249,617.25	\$500.00	\$250,117.25	Remaining Budget \$224,882.75
Invoices for July 2022 For FY 22	\$309,310.49	\$500.00	\$309,810.49	

*** Retainer not included in approved billings for the Board

		<u>Fiscal 22 YTD</u>
Owings, Wilson & Coleman Retainer	\$4,000 per month	\$48,000.00
Kennerly Montgomery Retainer	\$12,000 per month	\$144,000.00
USI Quarterly Fee for DB Advisory Services	\$37,000 per quarter	\$148,000.00
Fees Received from QDRO* Participants	\$500 (DC Fee)	\$550.00
	\$2,000 (DB & UOPP Fee)	\$2,000.00

*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 Ms. Samar. All members present voted in favor. The motion passed unanimously.

ADJOURNMENT

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



MAYOR GLENN JACOBS, CHAIRMAN
BY PROXY, CHRIS CALDWELL



COMMISSIONER RANDY SMITH, SECRETARY

Attachments:

1. ReedGroup Check Writing Services