The Knox County Retirement and Pension Board met in an electronic session on Monday, June 22, 2020, at 3:00 P.M. via electronic means and broadcast live at: https://zoom.us/j/95968292480 (by phone: 1-646-558-8656, Meeting ID 959 6829 2480).

The following members were present: Chairman Chris Caldwell, Proxy for Mayor Jacobs, Commissioner Hugh Nystrom, Vice Chairman, Commissioner Randy Smith, Secretary, Commissioner Brad Anders, Commissioner Larsen Jay, Ms. Jennifer Hemmelgarn, Ms. Janet Samar and Mr. Gabe Mullinax.

Also present at the meeting were:
- USI Consulting Group: Mr. Bob Cross, Mr. Ralph Leeman, Mr. Austin Robinson and Ms. Brenda Trollope
- Legal Counsel: Mr. Bill Mason, Ms. Ashley Trotto and Ms. Stephanie Coleman
- Retirement Staff: Ms. Jennifer Schroeder, Ms. Terri Chase, Mr. Zack Cole, Ms. Mitzi Stooksbury, Ms. Nyla Breshears and Ms. Savannah Russell
- Others in attendance: Mr. Allen Sheets, Nationwide, Mr. Mike Steely, Knox Focus, Ms. Lysette Aviles, Sheriff, Ms. Jessica Rigney, Sheriff, and Mr. Mason Shelton, OWC

**IN RE: CALL TO ORDER**

Chairman Caldwell presided and called the meeting to order. Chairman Caldwell read the following:

“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 Commissioner Nystrom. A roll call vote was taken. 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 MAY 26, 2020**

Chairman Caldwell presented the minutes for May 26, 2020. Mr. Mullinax made a motion to approve the minutes for May 26, 2020, as written. The motion was seconded by Ms. Hemmelgarn. A roll call vote was taken. The motion passed unanimously.
IN RE: APPLICATION FOR RETIREMENT – DEFINED BENEFIT PLAN, LUMP SUM DISTRIBUTION
AND AUTHORIZATION OF CREDITED SERVICE BENEFIT BASED ON COMPLETED YEARS OF
SERVICE

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

<table>
<thead>
<tr>
<th>NAME</th>
<th>DEPARTMENT</th>
<th>CREDITED SERVICE</th>
<th>EFFECTIVE DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bobby Walton</td>
<td>Schools</td>
<td>41 years 2 months</td>
<td>July 1, 2020</td>
</tr>
</tbody>
</table>

A motion was made by Ms. Hemmelgarn to approve the applications for retirement under the
Defined Benefit Plan as presented and to authorize the Directed Custodian, Wells Fargo Bank, 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 and lump sum benefit. The motion was seconded by Ms. Samar. A roll call vote was taken. 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:

<table>
<thead>
<tr>
<th>NAME</th>
<th>DEPARTMENT</th>
<th>CREDITED SERVICE</th>
<th>EFFECTIVE DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carolyn Bilbo</td>
<td>Schools</td>
<td>35 years 10 months</td>
<td>July 1, 2020</td>
</tr>
<tr>
<td>Terry Bright</td>
<td>Schools</td>
<td>11 years 3 months</td>
<td>July 1, 2020</td>
</tr>
<tr>
<td>Brenda Caldwell</td>
<td>Schools</td>
<td>18 years 10 months</td>
<td>July 1, 2020</td>
</tr>
<tr>
<td>John Chicoine</td>
<td>PBA</td>
<td>20 years 8 months</td>
<td>July 1, 2020</td>
</tr>
<tr>
<td>Kenneth Herbstritt</td>
<td>Schools</td>
<td>8 years 0 months</td>
<td>July 1, 2020</td>
</tr>
<tr>
<td>Debra Herron</td>
<td>Schools</td>
<td>35 years 2 months</td>
<td>July 1, 2020</td>
</tr>
<tr>
<td>Clifford Rodgers</td>
<td>ElectComm</td>
<td>9 years 1 month</td>
<td>July 1, 2020</td>
</tr>
<tr>
<td>John Sizemore</td>
<td>Schools</td>
<td>13 years 3 months</td>
<td>July 1, 2020</td>
</tr>
<tr>
<td>Stephen Slice</td>
<td>Schools</td>
<td>7 years 0 months</td>
<td>July 1, 2020</td>
</tr>
</tbody>
</table>

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, Wells Fargo Bank, 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 Commissioner Anders. A roll call vote was taken. 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:
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 Anders. A roll call vote was taken. The motion passed unanimously.

**IN RE: REEMPLOYMENT OF JESSICA RIGNEY, SHERIFF’S OFFICE**

Ms. Schroeder presented Ms. Rigney’s history of employment as a nurse in the Sheriff’s Office, termination prior to retirement, and Asset Plan distribution. Ms. Rigney was rehired in 2020 before the required 4-month waiting period for reemployment. After a full distribution of retirement funds, employees are not permitted to gain employment with any affiliated Knox County facilities within 4 months of their distribution date. However, the plan document states in Section VI-1.02(c)(1):

“In unusual circumstances, upon petition of a Former Participant, the Board may grant an exception to the waiting periods described in Section VI-1.02(a)(1) or (b)(1), where that is found to be in the best interest of the Employer based on circumstances beyond the control of the Former Participant.”

Ms. Aviles, Sheriff’s Human Resources, stated that the Sheriff’s department was struggling to find qualified individuals to fill nursing positions, particularly in light of the COVID-19 pandemic. Ms. Rigney had an exceptional employment record with the Sheriff’s department. Ms. Aviles stated that it was in the employer’s best interest to waive the waiting period in this case.

After discussion, Commissioner Anders made a motion to approve the reemployment of Jessica Rigney. The motion was seconded by Mr. Mullinax. A roll call vote was taken. The motion passed unanimously.

**IN RE: REPORT OF EXECUTIVE DIRECTOR**

- **Nationwide CARES Act Benefit** – Ms. Schroeder reported that Nationwide has the ability to implement the special procedures available under the CARES Act for their 457 plans. However, this would be difficult to administer due to the differences in withdrawal limits between Nationwide and Knox County Retirement. Therefore, no CARES Act distributions will be permitted from the Nationwide 457 plan. Ms. Schroeder noted that there had not been any requests for CARES Act distributions from the Nationwide 457 Plan to date, but that if there was such a request in the future, this topic could be revisited.

- **Update of COVID-19 Distributions and Loans** – Ms. Schroeder reviewed the data of COVID-19 distributions and loans. The average distribution is $16,417 of 85 administered. There have been 10 secondary loans and 10 approved requests to suspend loan repayments since the CARES ACT has been put into effect.
• **Office Return** – Ms. Schroeder stated that the staff is planning to return to work in the office on July 6, 2020.

• **Election** – Ms. Schroeder said she would begin working with the Election Committee next month.

**IN RE: REPORT OF INVESTMENT COMMITTEE**

• **Monthly Rates of Return** – Commissioner Nystrom presented the rates of return for the Defined Contribution and Defined Benefit Plans and stated the overall rates of return are in line with the respective markets.

**IN RE: REPORT OF LEGAL COUNSEL**

Ms. Coleman 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:

<table>
<thead>
<tr>
<th>Invoices for JUNE 2020</th>
<th>Fiscal 20 YTD Approved</th>
<th>JUN Invoice</th>
<th>Fiscal 20 YTD Approved</th>
<th>FY 20 Budget vs. Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Legal Invoices are approved for the previous Months Expense)</td>
<td>Invoices 05/31/2020</td>
<td>For Approval</td>
<td>Invoices 06/30/2020</td>
<td>6/30/2020</td>
</tr>
</tbody>
</table>

**BENXL**

<table>
<thead>
<tr>
<th>Invoice #</th>
<th>Budget</th>
<th>Expenses</th>
<th>Remaining Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$12,600.00</td>
<td>$0.00</td>
<td>$12,600.00</td>
</tr>
<tr>
<td><strong>TOTAL BENXL</strong></td>
<td>$12,600.00</td>
<td>$0.00</td>
<td>$12,600.00</td>
</tr>
</tbody>
</table>

**KENNERLY, MONTGOMERY & FINLEY, P.C.**

<table>
<thead>
<tr>
<th>Invoice #</th>
<th>$500.00</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL KENNERLY, MONTGOMERY &amp; FINLEY, P.C.</strong></td>
<td>$2,500.00</td>
</tr>
</tbody>
</table>

**Owings, Wilson & Coleman**

- Invoice #9943G Gilman: $0.00
- Invoice # 9947G Glenn: $623.80
- Invoice # 9942G Knox County vs. Etters: $623.80

**TOTAL OWINGS, WILSON & COLEMAN**

| $106,420.40 | $1,281.80 | $107,702.20 | -$107,702.20 |

**USI CONSULTING GROUP**

- Invoice # 90038751: $21,937.50
- Invoice #: $0.00

**TOTAL USI CONSULTING GROUP**

| $410,951.10 | $2,937.50 | $432,893.60 | Remaining Budget | $42,106.40 |

| Invoices for JUNE 2020 | $532,476.50 | $23,719.30 | $556,195.80 |

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

- 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) | $3,000.00 |
- $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 Nystrom 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. 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 Mr. Mullinax, and the meeting was adjourned.

Chris Caldwell – Approved at Electronic Meeting held on 07/27/2020

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MAYOR GLENN JACOBS, CHAIRMAN
BY PROXY, CHRIS CALDWELL

Randy Smith – Approved at Electronic Meeting held on 07/27/2020

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COMMISSIONER RANDY SMITH, SECRETARY