

**KNOX COUNTY RETIREMENT AND PENSION BOARD**

**January 24, 2022**

The Knox County Retirement and Pension Board met in regular session on Monday, January 24, 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, Commissioner Kyle Ward, Mr. Chris Simons, Ms. Janet Samar and Mr. Jim Snowden.

Also present at the meeting were:

USI Consulting Group: Mr. Bob Cross

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 and Ms. Savannah Russell

Nationwide: Mr. Allen Sheets, Mr. Nicholas Ziegenbusch and Mr. Don Regan via Zoom

Others in Attendance: Mr. Ed Shouse, Trustee

**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 agenda amendments to include applications to retire which were contained within the agendas passed out at the meeting.

**IN RE: APPROVAL OF MINUTES OF DECEMBER 20, 2021**

Chairman Caldwell presented the minutes for the board meeting held on December 20, 2021. Commissioner Busler made a motion to approve the minutes for December 20, 2021, as written. The motion was seconded by Mr. Simons. 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:

<b><u>NAME</u></b>	<b><u>DEPARTMENT</u></b>	<b><u>DATE OF RECOMMENDATION FROM REEDGROUP</u></b>
Zachary Akins	Sheriff	January 7, 2022
Karla Smith	Sheriff	December 22, 2021

A motion was made by Commissioner Jay to approve the applications for disability. The motion was seconded by Commissioner Busler. All members present voted in favor. 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:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>CREDITED SERVICE</u>	<u>EFFECTIVE DATE</u>
Diane Dykes	Schools	36 years 5 months	February 1, 2022
David Johnson	Schools	34 years 7 months	February 1, 2022
Robert McClain, Jr.	Schools	37 years 9 months	February 1, 2022

A motion was made by Ms. Samar to approve the applications for retirement under the Defined Benefit 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 and lump sum benefit. The motion was seconded by Commissioner Busler. 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>
Becky Acuff	EPW	15 years 4 months	February 1, 2022
Angela Arnold	Schools	9 years 1 month	February 1, 2022
Pamela Braden	Sheriff	18 years 7 months	February 1, 2022
Frank Brown, Jr.	Parks&Rec	19 years 5 months	February 1, 2022
David Chandler	Schools	34 years 7 months	February 1, 2022
Karen Dotson	CommSvc	17 years 3 months	February 1, 2022
Teresa Elliott	Schools	26 years 11 months	February 1, 2022
Geoffrey Emery	Judges	27 years 10 months	February 1, 2022
Patricia Evans	Schools	25 years 1 month	February 1, 2022
Terri Farrow	PBA	15 years 5 months	February 1, 2022
Tracy Garron	Schools	24 years 5 months	February 1, 2022
Carol Haremski	Schools	12 years 5 months	February 1, 2022
Robert Hotaling	Schools	10 years 2 months	February 1, 2022
Ann Hurst	Schools	13 years 4 months	February 1, 2022
Pamela Jordan	Schools	34 years 6 months	February 1, 2022
Tammy Logan	Schools	14 years 5 months	February 1, 2022
Shelia McDonald	Schools	21 years 1 month	February 1, 2022
Muharema Merdanovic	Schools	11 years 0 months	February 1, 2022
Robert Moran	LawDir	8 years 10 months	February 1, 2022
Katherine Morris	Health	32 years 4 months	February 1, 2022

Leslie Rhodes	Schools	7 years	1 month	February 1, 2022
Lori Shaw	Schools	16 years	5 months	February 1, 2022
Ronald Simmons	Schools	13 years	9 months	February 1, 2022
Debra Tharp	Schools	19 years	6 months	February 1, 2022
Joe Wallace	Schools	26 years	8 months	February 1, 2022
Peggy Weekley	Schools	14 years	2 months	February 1, 2022

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

**IN RE: REPORT OF EXECUTIVE DIRECTOR**

- **Medical Holiday for Approved Disability by KCRPB** – Ms. Schroeder informed the Board the medical holiday policy will sunset on 6/30/2022 and would be extended to 6/30/2026.
- **Minimum Required Distributions (MRD’s) proceed for 2021** – Minimum required distribution letters were mailed to participants over age 72.
- **Election for Employee Representative for KCRPB on February 10, 2022** – Ms. Schroeder informed the Board that a special election will be held for an open County position on the Board on February 10<sup>th</sup>. Notification of the election was sent out on January 3<sup>rd</sup>. There were 5 petitions requested and 2 have been returned so far.
- **Knox County Schools Classified Employees** – Ms. Schroeder reported that the Retirement Office had been talking to Schools and TCRS about the feasibility of classified employees being covered by the State hybrid plan, the same as new hired teachers. If Schools decides to pursue that, current classified Schools employees would have the choice of staying in our plans or starting to accrue future benefits with TCRS and all new classified employees would enter TCRS. School staff’s proposal to make this change will require approval of the School Board and County Commission. Ms. Schroeder reviewed a proposed timeline for decision-making and told the Board she would keep them updated on any developments.
- **Valuation** – Ms. Schroeder informed the Board that the valuation data had been sent to the actuary.
- **Plan Summaries 4Q2021** – Ms. Schroeder presented the updated plan summaries for the period ending 12/31/2021.

**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**

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:

Invoices for JAN 2022 For FY 22 (Legal Invoices are approved for the previous Months Expense)	Fiscal 22 YTD Approved Invoices 12/31/2021	JAN Invoices For Approval	Fiscal 22 YTD Approved 1/31/2022	FY 22 Budget vs. Actual 1/31/2022
BENXL Invoice #		\$0.00		Budget \$50,000.00 From FY21 \$50,000.00 Expenses \$0.00 Remaining Budget \$100,000.00
<b>TOTAL BENXL</b>	\$0.00	\$0.00	\$0.00	
KENNERLY, MONTGOMERY & FINLEY, P.C. Invoice # 224489		\$500.00		QDRO* \$2,000.00 Rec'd from Participa \$2,550.00 Expenses \$500.00 \$4,050.00
<b>TOTAL KENNERLY, MONTGOMERY &amp; FINLEY, P.C.</b>	\$0.00	\$500.00	\$500.00	
Owings, Wilson & Coleman Invoice #		\$0.00		Budget \$100,000.00
Invoice #		\$0.00		
Invoice # 9942M Knox County vs. Ethers	\$0.00	\$7,639.50		Expense -\$31,066.83
<b>*** TOTAL OWINGS, WILSON &amp; COLEMAN</b>	\$23,427.33	\$7,639.50	\$31,066.83	Remaining Budget \$68,933.17
USI CONSULTING GROUP Invoice # 90061409		\$5,080.00		Budget \$475,000.00
Invoice #		\$0.00		Expense -\$81,861.50
<b>TOTAL USI CONSULTING GROUP</b>	\$76,781.50	\$5,080.00	\$81,861.50	Remaining Budget \$393,138.50
<b>Invoices for JAN 2022 For FY 22</b>	<b>\$100,208.83</b>	<b>\$13,219.50</b>	<b>\$113,428.33</b>	

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

		Fiscal 22 YTD
Owings, Wilson & Coleman Retainer	\$4,000 per month	\$28,000.00
Kennerly Montgomery Retainer	\$12,000 per month	\$84,000.00
USI Quarterly Fee for DB Advisory Services	\$37,000 per quarter	\$74,000.00
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 Mr. Snowden. 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 Jay, and the meeting was adjourned.



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MAYOR GLENN JACOBS, CHAIRMAN  
BY PROXY, CHRIS CALDWELL



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COMMISSIONER RANDY SMITH, SECRETARY