

KNOX COUNTY RETIREMENT AND PENSION BOARD

January 23, 2023

The Knox County Retirement and Pension Board met in regular session on Monday, January 23, 2023, 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 Richie Beeler, Secretary, Commissioner Kyle Ward, Commissioner Terry Hill, Mr. Chris Simons, Mr. Kevin Clark, Ms. Janet Samar and Mr. Jim Snowden.

Also present at the meeting were:

USI Consulting Group: Mr. Bob Cross and Mr. Ralph Leeman

Legal Counsel: Ms. Ashley Trotto, Mr. Bill Mason, Mr. John Owings and Ms. Sarah Jarrard

Retirement Staff: Ms. Jennifer Schroeder, Ms. Nyla Breshears, Ms. Savannah Russell and Ms. Terri Chase

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 DECEMBER 19, 2022

Chairman Caldwell presented the minutes for the board meeting held on December 19, 2022. Commissioner Ward made a motion to approve the minutes for December 19, 2022, as written. The motion was seconded by Commissioner Beeler. 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>
Rhonda Caldwell	SessCrt	5 years	5 months	February 1, 2023
Tina Davis	Schools	10 years	10 months	February 1, 2023
Marcie Hackney	CommSvc	44 years	2 months	February 1, 2023
Lisa Hoffman	Schools	29 years	4 months	February 1, 2023
Linda McCroskey	Schools	17 years	2 months	February 1, 2023
Laura Morris	Schools	20 years	5 months	February 1, 2023
Phyllis Payne	Schools	17 years	1 month	February 1, 2023
Virginia Sams	IT	31 years	10 months	February 1, 2023
David Smith	CtyClk	18 years	7 months	February 1, 2023
David Taylor	Schools	9 years	4 months	February 1, 2023

Steve Turpin	Schools	17 years	4 months	February 1, 2023
Rita Woods	Schools	18 years	2 months	February 1, 2023

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

IN RE: REPORT OF EXECUTIVE DIRECTOR

- **Election Update** – Ms. Schroeder stated that there were 5 petitions requested. 3 petitions were for the County and 2 petitions were for the Sheriff’s department. IT did online sampling for election purposes.
- **USI Quarterly Statements** – Ms. Schroeder reported on a feature on the USI website allowing a participant to elect to have an email in lieu of mailed quarterly statement. Once elected, a notification will be emailed to the participant that statements are available online.
- **Valuation Update** – Ms. Schroeder reported that the valuation will be sent to USI by the end of the week.
- **Plan Summaries through 12/31/2022** – Ms. Schroeder presented the second quarter plan summaries.

IN RE: REPORT OF INVESTMENT COMMITTEE

- **Monthly Rates of Return** – Mr. Simons 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.

Ms. Trotto reported that SECURE Act 2.0 was passed December 29, 2022. She summarized significant immediately effective provisions, including (1) the increase in RMD commencement age from 72 to 73, (2) removal of the first day of the month rule for 457 Plan elections, and (3) the ability to rely on participant “self-certification” of hardship. She noted that other changes, including various in-service distribution options, will be discussed in more detail at an upcoming Document Committee meeting. Plan amendments are not required until 2027.

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 2023 For FY 23 (Legal Invoices are approved for the previous Months Expense)	Fiscal 23 YTD Approved Invoices 12/31/2022	DEC Invoices For Approval	Fiscal 23 YTD Approved 1/31/2023	FY 23 Budget vs. Actual 1/31/2023
BENXL Invoice #103003		\$12,000.00		Budget \$50,000.00
TOTAL BENXL	\$0.00	\$12,000.00	\$12,000.00	Expenses -\$12,000.00 Remaining Budget \$38,000.00
KENNERLY, MONTGOMERY & FINLEY, P.C. Invoice # 227535				QDRO* \$2,000.00 Rec'd from Participa \$4,000.00
TOTAL KENNERLY, MONTGOMERY & FINLEY, P.C.	\$1,600.00	\$0.00	\$1,600.00	Expenses \$1,600.00 Remaining Budget -\$3,600.00
Owings, Wilson & Coleman Invoice # 9942M Etters Invoice # 9993M Rathbone Invoice #		\$6,889.12 \$2,153.41 \$0.00		Budget \$125,000.00
*** TOTAL OWINGS, WILSON & COLEMAN	\$28,462.32	\$9,042.53	\$37,504.85	Expense -\$37,504.85 Remaining Budget \$87,495.15
USI CONSULTING GROUP Invoice # 90074755 Invoice #		\$0.00 \$0.00		Budget \$475,000.00
TOTAL USI CONSULTING GROUP	\$149,073.00	\$0.00	\$149,073.00	Expense -\$149,073.00 Remaining Budget \$325,927.00
Invoices for Jan 2023 For FY 23	\$179,135.32	\$21,042.53	\$200,177.85	

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

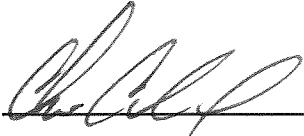
		Fiscal 22 YTD
Owings, Wilson & Coleman Retainer	\$4,000 per month	\$28,000.00
Kennerly Montgomery Retainer	\$12,000 per month	\$84,000.00
USI Quarterly Fee for DB Advisory Services	\$37,000 per quarter	\$111,000.00
Fees Received from QDRO* Participants	\$500 (DC Fee)	\$0.00
	\$2,000 (DB & UOPP Fee)	\$4,000.00

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

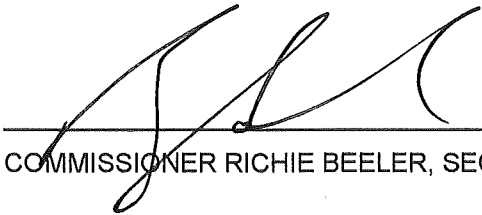
After review of the statement of accounts and invoices, a motion was made by Commissioner Ward that the Board authorize the payment indicated above to be paid from the designated Retirement Plans. The motion was seconded by Mr. Simons. All members present voted in favor. The motion passed unanimously.

ADJOURNMENT

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



MAYOR GLENN JACOBS, CHAIRMAN
BY PROXY, CHRIS CALDWELL



COMMISSIONER RICHIE BEELER, SECRETARY