

**KNOX COUNTY RETIREMENT AND PENSION BOARD**

**DECEMBER 21, 2015**

**\*REVISED\***

The Knox County Retirement and Pension Board met in regular session on Monday, December 21, 2015, at 1:00 P.M. in the County Commission Conference Room 640, City County Building, Knoxville, Tennessee. Chairman Trott, presided and called the meeting to order.

The following members were present: Mr. Rick Trott, Chairman, Mr. Nick McBride, Vice Chairman, Commissioner Ed Brantley, Commissioner Sam McKenzie, Commissioner Jeff Ownby, Commissioner Bob Thomas, and Mr. Chris Caldwell, representing Mayor Tim Burchett. Also present at the meeting were: Mr. Bob Cross and Mrs. Carissa Dunaway, USICG, Mr. William Mason, Ms. Ashley Trotto, Mr. John Owings and Mrs. Stephanie Coleman, Legal Counsel, Mr. Ed Shouse, Knox County Trustee, Mr. David Buuck, Knox County Chief Deputy Law Director, Mr. Greg Gass, Knox County Sheriff's Office, Mr. Ted Holtz and Mr. John Sutton, Pugh & Co and Retirement staff, Mrs. Kim Bennett, Mrs. Terri Chase, Mrs. Janet Rowan, Mrs. Jennifer Schroeder, Ms. Debbie Slagle, Mrs. Mitzi Stooksbury and Mrs. Charlotte Welch.

**IN RE: APPROVAL OF MINUTES OF PREVIOUS MEETING**

Consideration of approval of the minutes of the previous meeting of November 16, 2015, was presented. A motion was made by Mr. McBride that the minutes be approved as presented. The motion was seconded by Commissioner McKenzie and unanimously carried.

**IN RE: APPLICATIONS FOR RETIREMENT AS PROVIDED IN THE DEFINED BENEFIT PLAN AND AUTHORIZATION OF LUMP SUM BENEFIT AND CREDITED SERVICE BENEFIT BASED ON COMPLETED YEARS OF SERVICE**

The following application for retirement along with 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, was presented for consideration:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>CREDITED SERVICE</u>	<u>EFFECTIVE DATE</u>
Iva C Hayes	Schools	39 years	January 1, 2016

After review, a motion was made by Commissioner Thomas to approve the application for retirement under the Defined Benefit Plan, along with the lump sum benefit and credited service benefit, as presented and authorize the Trustee, State Street Bank, to make disposition of the benefits. The motion was seconded by Commissioner McKenzie and unanimously approved.

**IN RE: APPLICATIONS FOR RETIREMENT AS PROVIDED IN THE 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>
Donald K Bivens	Sheriff	30 years	January 1, 2016

Timothy C Hicks	Sheriff	30 years	January 1, 2016
Robert M Howard	Sheriff	26 years 4 months	January 1, 2-16
Jesse R Hurst	Sheriff	30 years	January 1, 2016
Jimmy E Hurst	Sheriff	28 years 4 months	January 1, 2016
Gary W Lawson	Sheriff	25 years	January 1, 2016
Raymond E McElyea	Sheriff	30 years	January 1, 2016
Nancy A Woofier	Sheriff	28 years	January 1, 2016

After review, a motion was made by Commissioner Brantley to approve the applications for retirement under the Uniformed Officers Pension Plan as presented and authorize the Trustee, State Street Bank, to make disposition of the benefits. The motion was seconded by Commissioner Thomas and unanimously approved.

**IN RE: APPLICATIONS FOR RETIREMENT AS PROVIDED IN THE 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>
Michael K Brown	EPW	23 years 8 months	January 1, 2016
James Buffaloe	Mayor	25 years	January 1, 2016
Jeffrey K Coffey	Sheriff	13 years 9 months	January 1, 2016
Martha G Danford	Schools	28 years 6 months	January 1, 2016
Judy L Hickman	Schools	28 years 2 months	January 1, 2016
Teresa Kelley	Schools	6 years 8 months	January 1, 2016
Paula A King	Schools	5 years 11 months	January 1, 2016
Paul W Lewis	Juv Svcs	40 years	January 1, 2016
Bernestine Lopes	Schools	5 years 2 months	January 1, 2016

After review, a motion was made by Commissioner Brantley to approve the applications for retirement under the Defined Contribution Plan as presented and authorize the Directed Custodian, Wells Fargo Bank, to make disposition of the benefits upon certification from USI. The motion was seconded by Commissioner McKenzie and unanimously approved.

**IN RE: REPORT OF EXECUTIVE DIRECTOR**

Mrs. Bennett reported the Investment & Retirement Educational Sessions for the Uniformed Officers' Pension Plan (UOPP) will begin the week of January 11<sup>th</sup> and continue weekly for 4 to 6 weeks. She stated Phase II of the Asset Accumulation Plan and Sheriff's Total Accumulation Plan will begin the end of January. These sessions should be completed by summer.

Mrs. Bennett stated the QDRO Procedures approved in October are being revised to allow the fee to be deducted from the Asset Accumulation Plan. She stated there have been four QDRO's received by the Retirement Office in various stages and one that has been completed which was an Asset Accumulation Plan lump sum distribution.

**IN RE: REPORT OF DOCUMENT COMMITTEE**

Mrs. Bennett requested a Document Committee Meeting be held in January to discuss possible amendments to the Plans, including to the County Voluntary 457(b) Plan as there are no specific payment options for the officers who are eligible under the Uniformed Officers' Pension Plan and participating in the Knox County Deferred Compensation Plan when they retire.

**IN RE: REPORT OF ELECTION COMMITTEE**

Ms. Bennett stated the deadline for petitions for the election was December 17<sup>th</sup>. She stated there are two candidates. Mrs. Bennett stated the election will be held online on January 14, 2016 and the newly elected Board Member will be sworn in at the January Board Meeting.

**IN RE: REPORT OF PUGH & COMPANY**

Mr. Holtz presented the audit report on the Knox County Retirement & Pension Board as of June 20, 2015 and the six months ended June 30, 2014. A copy of the report was distributed to the Board Members and is included in the official record of the minutes of the meeting. He stated there were no material adjustments or findings and that the auditors encountered no difficulties in completing their work.

A motion was made by Mr. McBride to accept Pugh & Company's audit report. The motion was seconded by Mr. Caldwell and unanimously approved.

**IN RE: REPORT OF LEGAL COUNSEL**

Mr. Mason stated there was no business to report at this time.

Mrs. Coleman stated the Charter School Memorandum of Understanding has been signed by Emerald Schools and the Knox County Law Department and is on the Knox County Board of Education agenda for January for final approval.

Mr. Owings stated in the divorce case of Justin Stafford, the parties have worked out the details of an agreement. He stated that the Pension Board did not become a party to the case or subject to order of the court in this divorce action. Pursuant to an existing statutory exception, the court issued an assignment of a portion of the participant's funds for payment of child support. The Board is awaiting a certified copy of the final order from the court clerk notifying the Board of such assignment and will distribute the funds accordingly once the letter is received.

Mr. Owings announced that Mrs. Coleman will become a partner of Robertson Overbey law firm effective January 1, 2016.

**IN RE: REPORT OF ACTUARY**

Mr. Cross presented a copy of the Pension Task Force Proposed Suggestions to the members of the Board. Mr. Caldwell asked, in light of the current funded status of the Closed DB Plan, that as part of USI Consulting Group's upcoming January 1, 2016 valuation, Mr. Cross compute and provide information to the Board on the annual contributions in addition to the ADC that would be required to increase that Plan's funded status to 70-75% over a reasonable period of years.

**IN RE: REPORT OF INVESTMENT COMMITTEE**

Mr. McBride presented the rates of return as of November 30, 2015, from USI that were distributed to the Board Members.

**IN RE: STATEMENT OF ACCOUNTS AS AUDITED AND RECOMMENDED FOR PAYMENT BY KIM BENNETT, EXECUTIVE DIRECTOR**

The following statement of accounts for professional services was presented for consideration of approval of payment, as in accordance with agreements and audited and recommended for payment by Mrs. Bennett:

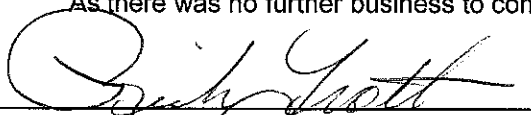
Invoices for December 2015

KENNERLY, MONTGOMERY & FINLEY, P.C. Invoice #195415	\$13,845.00
KENNERLY, MONTGOMERY & FINLEY, P.C. Invoice #195417	\$558.00
ROBERTSON OVERBEY Account #9861M	\$980.00
USI CONSULTING GROUP Invoice #90008694	\$9,836.50
Totals for December 2015	\$25,219.50

After review of the statement of accounts and invoices, a motion was made by Mr. McBride that the Board authorize the payment indicated above to be paid from the designated State Street funds. The motion was seconded by Commissioner Ownby and unanimously approved.

**ADJOURNMENT**

As there was no further business to come before the Board, the meeting was adjourned in order.

  
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RICK TROTT, CHAIRMAN

  
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NICK MCBRIDE, VICE CHAIRMAN