

KNOX COUNTY RETIREMENT BOARD

November 18, 2024

The Knox County Retirement Board met in regular session on Monday, November 18, 2024, 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, Mr. Zac Fullerton, Secretary, Commissioner Terry Hill, Commissioner Shane Jackson, Commissioner Damon Rawls, Mr. Matthew Schlosshan, Mr. Jim Snowden and Mr. Chris Simons.

Also present at the meeting were:

USI Consulting Group: Mr. Bob Cross and Mr. Brett Bronkhorst

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

Retirement Staff: Ms. Jennifer Schroeder, Ms. Terri Chase, Ms. Nyla Breshears, Mr. Zack Cole and Ms. Faith Sullivan

Pugh and Company: Mr. Gary Mitchell and Mr. Ted Hotz

IN RE: CALL TO ORDER

Chairman Caldwell presided and called the meeting to order.

IN RE: AMENDMENTS TO AGENDA

Chairman Caldwell reported there were no amendments to the Agenda.

IN RE: APPROVAL OF MINUTES OF OCTOBER 28, 2024

Chairman Caldwell presented the Minutes for the Board meeting held on October 28, 2024. Mr. Schlosshan made a motion to approve the Minutes for October 28, 2024, as written. The motion was seconded by Mr. Snowden. 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>
Gary Bucci	Schools	18 years	9 months	December 1, 2024
Will Carr	Schools	12 years	1 month	December 1, 2024
Tony Crowe	Finance	31 years	1 month	December 1, 2024
Alayna Foust	Schools	17 years	5 months	December 1, 2024
Lawanda Foust	JuvSvcs	17 years	9 months	December 1, 2024
Mark Henry	Health	44 years	9 months	December 1, 2024
Ethel Styles	Schools	7 years	5 months	December 1, 2024
Patricia Walker	CommSvcs	29 years	11 months	December 1, 2024

A motion was made by Commissioner Hill 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.

Ms. Schroeder informed the Board that, in the future, she will separate Asset and STAR retirees.

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>
Phillip Dalton	Sheriff	26 years 0 months	December 1, 2024

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

IN RE: AUDIT REPORT – PUGH AND COMPANY

Mr. Mitchell presented the audit report. Each Board member received a copy of the audit report. Mr. Mitchell gave a clean audit opinion and reported that there were no written compliance findings. A motion was made by Commissioner Hill to accept the audit report. The motion was seconded by Mr. Snowden. All members voted in favor. The motion passed unanimously.

IN RE: FIRST READING OF PLAN AMENDMENT AND RESTATEMENT FOR THE EMPLOYEE BENEFIT SYSTEM

Ms. Schroeder summarized the proposed amendments and referred Board members to the Summary of Proposed Amendments and Restatement of the System and STAR, included in the Board packet and attached hereto. A motion was made by Mr. Simons to approve the first reading of the Plan Amendment and Restatement for the employee benefit system. The motion was seconded by Mr. Snowden. All members voted in favor and the motion passed unanimously.

IN RE: FIRST READING OF PLAN AMENDMENT AND RESTATEMENT FOR SHERIFF'S TOTAL ACCUMULATION RETIREMENT PLAN

Ms. Schroeder summarized the proposed amendment to the Board and referred Board members to the Summary of Proposed Amendments and Restatement of the System and STAR, included in the Board packet and attached hereto. A motion was made by Mr. Schlosshan to approve the first reading of the Plan Amendment and Restatement for Sheriff's Total Accumulation Retirement Plan. The motion was seconded by Commissioner Hill. All members voted in favor and the motion passed unanimously.

IN RE: REPORT OF EXECUTIVE DIRECTOR

- **Prior Military Service Credit in UOPP** – Ms. Schroeder reminded the Board that it agreed to provide a final 30-day window in the first quarter of 2024 for active officers to apply to purchase prior military service credit (active or reserve) at its actuarial value. Ms. Schroeder reported that five total officers inquired about the purchase of prior military service credit within the applicable window. Each officer was given an estimate and letter detailing the cost to purchase service credit. None of the officers elected to purchase service. The window to purchase has expired and will not be reopened.
- **2025 Board Meeting Schedule** – Ms. Schoeder has included the Board Meeting Schedule for next year, with the same meeting days as Commission for the monthly meetings. It also includes the four Investment Committee meetings, with the last one being on a Thursday due to a holiday. A motion was made by Commissioner Jackson to approve the 2025 Board Meeting Schedule. The motion was seconded by Mr. Snowden. All members voted in favor. The motion passed unanimously.

Ms. Schroeder updated the Board on 457b enrollment forms received in response to the 457b match letters sent out by the Retirement Office in an attempt to increase participation and/or deferrals. The Retirement Office has received over 80 enrollment/change forms.

IN RE: REPORT OF INVESTMENT COMMITTEE

- **Summary from Investment Committee Meeting on November 13, 2024** – Mr. Simons summarized the Investment Committee meeting held on November 13th. In the meeting, USI gave an update on all the current Plans, performance review and market updates.
- **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

- **Owings, Wilson, & Coleman** – There was no report.
- **Kennerly, Montgomery** – Ms. Trotto reminded the Board of the second reading of the Amendment and Restatement of the System and STAR scheduled for next month.

IN RE: REPORT OF ACTUARY

There was 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 NOV 2024 For FY 25 (Legal Invoices are approved for the previous Months Expense)	Fiscal 25 YTD Approved 10/31/2024	Invoices For Approval	Fiscal 25 YTD Approved 11/30/2024	FY 25 Budget vs. Actual 11/30/2024
BENXL Invoice #				Budget \$50,000.00
				Expenses - \$5,200.00
TOTAL BENXL	\$5,200.00	\$0.00	\$5,200.00	Remaining Budget \$44,800.00
KENNERLY, MONTGOMERY & FINLEY, P.C. Invoice #				QDRO* \$2,000.00
Invoice #				Rec'd from Participant - \$3,500.00
TOTAL KENNERLY, MONTGOMERY & FINLEY, P.C.	\$1,500.00	\$0.00	\$1,500.00	Expenses \$1,500.00
				Remaining Budget \$4,000.00
Owings, Wilson & Coleman Invoice # 9038M Ragon		\$612.50		Budget \$100,000.00
Invoice # 9012M Stachey				
Invoice # 9011M Klitts				Expense - \$28,247.59
*** TOTAL OWINGS, WILSON & COLEMAN	\$27,635.09	\$612.50	\$28,247.59	Remaining Budget \$71,752.41
USI CONSULTING GROUP Invoice # 90102797		\$755.00		Budget \$475,000.00
Invoice # 90103261		\$11,300.00		Expense - \$120,495.50
Invoice # 90103262		\$3,250.00		Remaining Budget \$354,504.50
TOTAL USI CONSULTING GROUP	\$105,190.50	\$15,305.00	\$120,495.50	
Invoices for NOV 2024 For FY 25	\$139,525.59	\$15,917.50	\$155,443.09	

*** Retainer not included in approved billings for the Board		Fiscal 25 YTD	
Owings, Wilson & Coleman Retainer	\$4,000 per month (July - Sept)	\$12,000.00	\$22,000.00
	\$5,000 per month (Oct - June)	\$10,000.00	
Kennerly Montgomery Retainer	\$12,000 per month (July - Sept)	\$36,000.00	\$66,000.00
	\$15,000 per month (Oct - June)	\$30,000.00	
USI Quarterly Fee for DB Advisory Services	\$37,000 per quarter	\$74,000.00	
USI Disability Plan - Admin Fee	\$3,250 per quarter	\$7,500.00	
Fees Received from QDRO* Participants	\$500 (DC Fee)	-\$1,500.00	
	\$2,000 (DB & UOPP Fee)	-\$2,000.00	

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

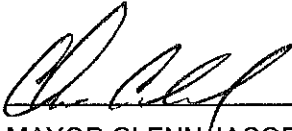
After review of the statement of accounts and invoices, a motion was made by Commissioner Jay that the Board authorize the payment indicated above to be paid from the designated Retirement Plans. The motion was seconded by Mr. Snowden. All members present voted in favor. The motion passed unanimously.

IN RE: PUBLIC COMMENT

There was no public comment.

ADJOURNMENT

Chairman Caldwell asked if there was a motion to adjourn. Commissioner Hill made a motion to adjourn, and the meeting was adjourned.



MAYOR GLENN JACOBS, CHAIRMAN
BY PROXY, CHRIS CALDWELL



MR. ZAC FULLERTON, SECRETARY

Attachments:

1. Summary of Proposed Amendments and Restatement of the System and STAR