

At the regularly scheduled meeting of the Fire and Police Pension Fund held on the 5th day of July 2012, President Terry Knowles presided. The meeting was held at the Pension Office, 6009 John Douglass Drive, Chattanooga, TN 37421.

The meeting convened at 0910 hours with board members Terry Knowles, Phillip McClain, Chris Willmore, Scott Fulgham, Corliss Cooper, Shawn O'Kelley, Ray Ryan and Stan Sewell. Attorney Bill Robinson was also present.

Motion by Phillip McClain and seconded by Corliss Cooper to approve the minutes from the June 6, 2012 meeting. Motion carried unanimously.

Bill Robinson reported on his recent attendance at the annual National Association of Public Pension Attorneys educational conference. After attending the NAPPA conference, Mr. Robinson feels that it is now time for the Fund to apply for a Qualification Determination letter from the Internal Revenue Service (already on today's agenda for discussion). The filing period for a determination letter will open next year. Mr. Robinson will contact City Attorney Mike McMahan to work on required language for the qualification in the City Code. Ray Ryan asked if the 3.8% surtax in the Healthcare Act applies to pension benefit payments. Mr. Robinson said that he would find out. Mr. Ryan also referred to the bankruptcy of the city of Stockton, CA. The city's financial situation had worsened after consolidating its retirement plans into the statewide public retirement plan, CalPERS. The city of Stockton forfeited all discretionary control to CalPERS, who now sets the benefit structure and required contributions from each municipality. Mr. Ryan asked if municipalities that participate in the Tennessee Consolidated Retirement System (TCRS) have any discretionary control over benefits and contributions. TCRS added a new tier of benefits this year, but it is TCRS that determines the contribution rate and participating municipalities are given no discretion on required contributions.

The Board discussed and approved a change in the meeting agenda format to allow all membership changes to be approved with one vote on consent of the Board Members to allow the Board to focus issues requiring greater time and discussion.

The Board discussed the Fund Administrative budget and decided to continue discussion at the next meeting.

Motion by Corliss Cooper and seconded by Scott Fulgham to approve the following membership changes:

REMOVE FROM THE ROLLS:

- 1) Retired Police Detective Charles Randolph, effective 06/30/2012, died 06/18/2012.

ADD TO THE ROLLS:

- 1) Fire Captain David J. Powell effective 06/14/2012, with 26 years of service reduced to 25-year pension rate and a 21 month DROP, participation date of 09/09/1985
- 2) Doris Randolph, surviving spouse and 75% Joint & Survivor beneficiary of Charles Randolph, effective 07/01/2012
- 3) Police Sergeant Jeffrey Clarke, effective 07/06/2012, with 27 years of service reduced to a 25-year pension rate and a 24 month DROP, participation date of 06/21/1985
- 4) Police Officer Michael Burns, effective 06/27/2012, with 25 years of service, reduced for a 100% Joint & Survivor option, participation date of 06/24/1987

REFUND CONTRIBUTIONS:

- 1) Former Firefighter Kevin D. Young, terminated 06/04/2012, participation date of 05/21/2010.
- 2) Former FFS George B. Rattledge, Jr., terminated 06/03/2012, participation date of 12/09/2004
- 3) Former Police Officer Anthony B. Gibson, terminated 06/27/2012, participation date 6/27/2008

PAY DEATH BENEFIT:

- 1) Doris Randolph, designated beneficiary of Charles Randolph

The motion carried unanimously.

Motion by Chris Willmore and seconded by Stan Sewell to pay the bills. Motion carried unanimously.

Motion by Corliss Cooper and seconded by Phillip McClain to adjourn at 1013 hours. Motion carried unanimously.

Note: As of May 30, 2012, the appraised value of the Real Estate Holdings at 6009 John Douglass Drive, Chattanooga, TN 37421 is \$885,000.

Note: Payment received from Eric Jones's employee contributions for military leave period 11/07/2007 through 08/05/2010

Note: The 2Q Fund Performance report by Gerber Taylor Associates will be on 08/16/2012

Terry Knowles
President

Scott Fulgham
Secretary

<u>Visitors</u>
none