

At the regularly scheduled meeting of the Fire and Police Pension Fund held on the 1st day of August 2013, President Terry Knowles presided. The meeting was held at the Pension Office, 6009 John Douglass Drive, Chattanooga, TN 37421.

The meeting convened at 0915 hours with board members Terry Knowles, Chris Willmore, Shawn O'Kelley, Phillip McClain, Corliss Cooper, Ray Ryan and Brent Goldberg. Attorney Bill Robinson was also present. Jerome Halbert joined the meeting at 0920 hours.

Motion by Phillip McClain and seconded by Corliss Cooper to approve the minutes from the July 18, 2013 meeting. Motion carried unanimously.

Attorney Bill Robinson reported that the New Member Orientation for Brent Goldberg was completed on July 25, 2013 and that Mr. Goldberg offered ideas regarding Fund policies during orientation. The Board discussed the Policy Committee and the role of the previous mayoral appointee to the Board on said committee. Motion by Chris Willmore and seconded by Phillip McClain to give a seat on the Policy Committee to Brent Goldberg, replacing Ray Ryan. Motion carried unanimously.

Motion by Chris Willmore and seconded by Shawn O'Kelley to accept the following membership changes:

REMOVE FROM THE ROLLS:

Retired Firefighter James H. Walker, effective 07/31/2013, died 07/25/2013 (2-411)

REFUND CONTRIBUTIONS:

Former Firefighter Bryan Keene, terminated 07/29/2013, participation date of 05/21/2010 (2-413)

PAY DEATH BENEFIT:

Jeffrey K. Walker, designated beneficiary of James H. Walker (2-411)

Motion carried unanimously.

Motion by Brent Goldberg and seconded by Phillip McClain to pay the bills. Motion carried unanimously.

Attorney Bill Robinson was asked to leave the meeting and the Board reviewed the responses to the Request for Proposal ("RFP") for legal representation. Approximately ten regional law firms were contacted regarding the RFP. The Fund Office received three proposals from the law firms of: Baker Donelson, Miller & Martin, and Kennerly Montgomery. After discussing the proposals, the Board noted Baker Donelson's experience, higher limit of professional liability, and in-depth knowledge of this Fund are crucial assets to the Fund. Motion by Ray Ryan and seconded by Brent Goldberg to retain Baker Donelson as legal representation to the Fund. Motion carried unanimously. Attorney Bill Robinson was asked to rejoin the meeting.

Terry Knowles read a statement to the Board regarding misleading information that is being presented to the City Council and to the public. That statement is attached to these minutes. Mr. Knowles reported that he has been asked by the Mayor's Chief of Staff, Travis McDonough, to represent the Board on the Task Force. Mr. Knowles stated that his term as a Board member ends on September 3, 2013. The Board discussed the possibility and responsibilities of Mr. Knowles serving as the Board's representative to the Task Force beyond his term on the Board. Motion by Chris Willmore and seconded by Corliss Cooper to name Terry Knowles as the Board's representative on the Mayor's Task Force. Motion carried unanimously.

Motion by Phillip McClain and seconded by Shawn O'Kelley to nominate Corliss Cooper to represent the Board as its Police representative if a second seat is offered. Motion carried unanimously.

Frank Hamilton gave an update on the budget meeting at the City Council on Wednesday, July 31, 2013, noting that a 1.5% pay increase was proposed for all City employees, and that the City proposed 40 new Police positions. Terry Knowles asked if Mr. Hamilton if he had additional information regarding the difference between the required contribution and the \$1.1 million additional amount that the City is budgeting. Mr. Hamilton reported that the City has not yet released the proposed payroll for Fire and Police and he could not determine how the additional \$1.1 million reported by the City is being calculated as the City is giving a lower than projected salary increase and the 40 proposed new Officers would not come into the Plan until the end of FY2014 at the earliest. Brent Goldberg stated that the City has always used the contribution rate rather than the dollar amount. It was noted that a memo was sent to the City's Finance Officer on 05/21/2013 that the required contribution is the dollar amount and not the percent of payroll.

Jeff Eldridge appeared before the Board to ask how employee salary and contributions affect the City's contribution. The Board discussed employee salary and several other factors that have an impact on the City's contribution including a 10-year smoothing policy adopted by the City against the Board's recommendation.

Motion by Phillip McClain and seconded by Corliss Cooper to adjourn at 1009 hours. Motion carried unanimously.

Note: Annual Directors Meeting will be held from 09/23/2013 through 09/25/2013

Note: Received City Court Fines for May 2013

Terry Knowles
President

Phillip McClain
Secretary

Visitors

Jeff Eldridge, Michael Carraher, Chuck Keef, Ken Neblette, Alan Chance, David Powell, Bill Sparks, Susan Blaine, Mark Coffman, Charles Thomason, Craig Joel, and Ralph Brown.