

At the regularly scheduled meeting of the Fire and Police Pension Fund held on the 7th day of August 2014, President Chris Willmore presided. The meeting was held at the Pension Office, 6009 John Douglass Drive, Chattanooga, TN 37421.

The meeting convened at 0909 hours with board members Chris Willmore, Phillip McClain, Less Lee, Mark Coffman, Craig Joel, and Brent Goldberg. Attorney Bill Robinson was also present. Shawn O'Kelley and Jerome Halbert were excused absences.

Motion by Mr. Joel and seconded by Mr. Lee to approve the minutes from the July 17, 2014 meeting. Motion carried unanimously.

Attorney Robinson reported to the Board that the lawsuit against the Fund by Officer Perry Walden has been dismissed. Mr. Robinson also updated the Board on the progress of Frazier lawsuit.

Motion by Mr. McClain and seconded by Mr. Coffman to approve the following membership changes:

REMOVE FROM THE ROLLS:

- *Retired Firefighter James "Sonny" T. Capley, Jr., effective 07/31/2014, died 07/17/2014 (2-411)*
- *Faye Daverson, surviving spouse of Retired Fire Captain Claude Daverson (2-411)*

ADD TO THE ROLLS:

- *Eubie Capley, surviving spouse and 100% J&S of Retired Firefighter James T. Capley, Jr., effective 08/01/2014 (2-411)*
- *AMENDMENT: Retired Firefighter Eugene Morris, Permanent & Total Disability, effective 07/01/2014, participation date of 11/02/2001 (2-416) (Originally approved N-JRD on 6/3/2010)*
- *Police Captain David L. Woosley, with a 25-year pension rate and a 5-month DROP, reduced for 50% J&S (Stephanie A. Woosley) effective 08/01/2014; retirement eligibility date 02/10/2014 (2-411, 2-418, 2-422)*
- *Fire Lieutenant William J. Gaston, with a Job Related Disability, reduced for a 50% J&S (Linda D. Gaston) effective 08/01/2014; participation date of 12/16/1993 (2-412) (2-418)*

REFUND CONTRIBUTIONS:

- *Former Police Officer Jonathan B. Raughton, terminated effective 07/21/2014, participation date of 01/13/2014 (2-413)*
- *Former Police Officer Heath B. Wheeler, terminated effective 07/20/2014, participation date of 09/15/2004 (2-413)*
- *Retired Fire Lieutenant William J. Gaston, disability retirement date of 08/01/2010, pension hire date of 12/16/1993, refund of additional 1% contribution (2-423(d))*
- *Former Police Officer III Zachary Moody, terminated effective 08/04/2014, participation date of 01/07/2005 (2-413)*
- *Former Senior Firefighter Scott A. Bailliff, terminated effective 08/06/2014, participation date of 04/06/2005 (2-413)*

PAY DEATH BENEFITS:

- *Eubie Capley, designated beneficiary of James T. Capley, Jr.*

The motion carried unanimously.

The Board discussed the Fund's allocation to Barlow Partners. Barlow Partners has lost senior level staff; shifted management style; and has had a sharp decline in assets under management. Gerber Taylor Associates has recommended that the Board terminate the relationship in a 08/01/2014 email. Motion by Mr. Lee and seconded by Mr. Coffman to terminate the relationship with Barlow Partners. Motion carried unanimously.

The Board discussed disabilities that have recently been filed or currently are under review. The Board scheduled a disability hearing for Senior Firefighter Cleophus Howell at 1030 hours on 08/21/2014.

The Fund Staff updated the Board on the refund of the additional 1% contribution to eligible participants with less than 24 years of service as of July 1, 2014. The refund is scheduled to occur on 10/03/2014. The Internal Revenue Service's mandatory 20% withholding for lump sum distributions will apply to any refund that is not rolled over to an IRA or qualified plan. Due to the fact that a refund that is not being rolled over to an IRA or qualified plan may be coded as "excess contributions", it appears that the direct refunds will not likely be subject to the IRS 10% early withdrawal penalty. However, Fund Staff members are directing participants to consult with tax advisors for information regarding proper handling of their refund for tax purposes.

The Board discussed the need for external research that the Staff cannot perform. Motion by Mr. Lee and seconded Mr. Joel to amend the FY2015 budget and allow the hiring of an external research consultant on an as needed basis, not to exceed \$2,500. Motion carried unanimously.

The Board requested that the Fund Staff prepare a report on fees the Fund is currently paying on Asset Managers and Attorneys to have and discuss at the annual meeting next month.

Motion by Mr. Joel and seconded by Mr. Lee to pay the bills. Motion carried unanimously.

Motion by Mr. McClain and seconded by Mr. Goldberg to adjourn at 1018 hours. Motion carried unanimously.

Chris Willmore
President

Phillip McClain
Secretary

<u>Visitors</u> None
