

# Chattanooga Fire & Police Pension Fund

**Serving Those That  
Serve Our Community**

**March  
2019**



## Letter from the Fund Administrator

Hello Everyone,

I hope this newsletter finds everyone doing well as we enter the spring season!

As a reminder, please take the time to review the enclosed 4Q State of the Pension Summary. This summary provides the most recent information available regarding investment performance, funding information, and participant information.

As you may have noticed, the markets were extremely volatile the fourth quarter of 2018, thus resulting in a negative return for the Fund for 2018. The Board's efforts in regards to investment allocations placed the Fund in the 41<sup>st</sup> percentile of the Public Fund Universe rankings for the fourth quarter 2018. This means despite the negative return, the Fund outperformed 59% of other public funds for the fourth quarter. On a positive note, as of February 2019, the loss incurred the final quarter of 2018 has been almost fully recovered. This just goes to show the volatility of the markets.

The Board has worked and continues to work diligently to meet the needs of our participants. We began a comprehensive reallocation process in 2017 under the guidance of our new investment consultant, Dahab Associates. While we are moving closer to our target allocation and have already seen some of the fruits of this process, we will likely not see the full effect of these changes for a little while longer as the reallocation process is not yet complete.

There is not much to update regarding the complaints and suit for accounting filed by the Fund against its former trustee, Wells Fargo Bank. We expect this will be a lengthy process and will provide relevant updates as they become available.

I would also like to take this time to remind you that the Board meets every first and third Thursday at 9 a.m. These meetings are open to the public and minutes of Board meetings can also be found online at [www.cfppf.org](http://www.cfppf.org). I encourage you to attend and become involved in your future!

Sincerely,

Katrina Abbott  
Fund Administrator

# STATE OF THE PENSION SUMMARY

As of 12/31/2018

This notice includes summary information about the Chattanooga Fire and Police Pension Fund regarding investments, funding and participant information.

## Investment Returns as of 12/31/2018

Plan Assets 9/30/2018:		\$226,642,140			
Plan Assets 12/31/2018:		\$206,822,445			
	Q4 2018	YTD	1 YEAR	3 Year (Annualized)	
<b>CFPPF Portfolio - Before Fees</b>	<b>-8.1%</b>	<b>-5.3%</b>	<b>-5.3%</b>	<b>4.6%</b>	
<b>Equity - Before Fees</b>	<b>-12.6%</b>	<b>-9.4%</b>	<b>-9.4%</b>	<b>5.5%</b>	
MSCI World Index	-12.7%	-8.9%	-8.9%	7.2%	
<b>Real Assets - Before Fees</b>	<b>2.1%</b>	<b>10.0%</b>	<b>10.0%</b>	<b>11.9%</b>	
Real Asset Index	-2.3%	0.0%	0.0%	4.0%	
<b>Fixed Income - Before Fees</b>	<b>1.1%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>4.9%</b>	
Bloomberg Agg Index	1.6%	0.0%	0.0%	2.1%	
<b>CFPPF Portfolio - After Fees</b>	<b>-8.1%</b>	<b>-5.7%</b>	<b>-5.7%</b>	<b>4.0%</b>	
Benchmark Index	-8.4%	-5.7%	-5.7%	3.8%	

Index returns presented are broad benchmarks considered representative of each asset class in which the performance of the asset class can be measured against.

## 1/1/2018 Actuarial Valuation Data

Funding Information	
Estimated Actuarial Unfunded Liabilities	\$210,627,789
Market Value Funded Ratio	51.99%
Required City Contribution	\$18,823,113
Required City Contribution as % Payroll	45.56%
Required Employee Contribution as % Payroll	11%

Participant Information	
Active Participants	858
Retired Participants and Beneficiaries	788
Terminated Vested Participants	13
Total Monthly Pension Benefits for 2017	\$27,113,348
Total Lump Sum Payments for 2017	\$2,698,829

This summary notice is also available online at [www.cfppf.org](http://www.cfppf.org).

## *Our Condolences to those who have lost Family & Friends*

**Martha Castings Newport**, surviving spouse of retired Police Officer **Freddy Lamar Newport**, passed away on January 3, 2019. She is survived by her son **Zackery Newport**.

**Doratha Faye Bryson**, spouse of retired Fire Relief Driver **William H. Bryson**, passed away on January 4, 2019. She is also survived by her children retired Police Officer **Charles Bryson** and **Lisa (Steve) Smith**.

**Dorothy Jeanette Williams**, surviving spouse of retired Fire Captain **Leonard C. "Huck" Williams**, passed away on January 21, 2019. She is survived by her children retired Fire Captain **Norman E. "Eddy" (Gale) Williams** and **Mark A. E. (Jutta Escher) Williams**.

**Barbara Faye Christian**, surviving spouse of retired Fire Captain **Daniel T. Christian, Sr.**, passed away on January 26, 2019. She is survived by her children **Anna Christian, Joey and Nateria Geren, Paula (Austin) Christian Floyd, Daniel T. Christian, Jr.**, and **Donna (Marty) Christian Lowe**.

**Geraldine Delores Smith**, surviving spouse of retired Fire Lieutenant **Francis Joseph Smith, Sr.**, passed away on January 27, 2019. She is survived by her children **Kathleen (Waymon) Benson, Patricia Walline, Susan (Kevin) Wheeler, Francis Joseph (Julie) Smith, Jr., Thomas (Marcia) Smith** and **Brian (Angela) Smith**.

Retired Fire Lieutenant **Larry Wade Patton** passed away on January 30, 2019. He is survived by his wife **Dorothy Patton** and children **Larry W. Patton II** and **Kristy Patton**.

Police Sergeant **John R. Monroe, Jr.** passed away on February 21, 2019. He is survived by his wife **Thaivanai Monroe** and sons **Daniel Monroe** and **Michael Monroe**.

Police Officer **Nicholas Scott Galinger** passed away on February 23, 2019. He is survived by his children **Ethan Galinger** and **Hailey Galinger**.

Retired Firefighter **Bobby David Styles** passed away on March 14, 2019. He is survived by his step-children **Sybil Cline, Karen (Mike) Compton** and **Randy (Peggy) Woody**.

## *Congratulations New Retirees*

Police Sergeant **Rebecca S. Crites** retired on December 31, 2018 with 31 years of service.

Master Police Officer **John Timothy Yates** retired on December 31, 2018 with 27 years of service.

Police Lieutenant **Austin L. Garrett** retired on February 9, 2019 with 25 years of service.

Master Police Officer **Michael P. Holbrook** retired on February 9, 2019 with 25 years of service.

Police Officer **Damany K. Norwood** retired on February 22, 2019 with 25 years of service.

Police Sergeant **Malcolm Kennemore** retired on March 14, 2019 with 28 years of service.

Police Officer **Martin Santos** retired on March 16, 2019 with 25 years of service.

**Board Members:**

**Charlie Thomason** President

**Joe Shaw** Vice President

**Mark Coffman** Secretary

**Phillip McClain**

**Kelly Simmons**

**Nathan Vaughn**

**Chris Hopkins**

Fund Administrator:

**Katrina Abbott**

Deputy Administrator:

**Christina Culpepper**

Administrative Assistant:

**Doug Kelley**

Board Attorney:

**William E. Robinson**

**ANNUAL RETIREMENT & DROP SEMINAR**

**Thursday, May 16, 2019  
@ 6:00 PM**

Chattanooga Fire & Police Pension Fund  
6009 John Douglass Drive  
Chattanooga, TN 37421

This is an excellent opportunity to ask questions about your benefits and obtain basic investment information.

This is open to all members, regardless of years of service. It's never too early to start planning!

Feel free to bring a guest(s).

Refreshments will be served.

Independent retirement professionals will also be in attendance to assist you with additional questions you may have.

**Chattanooga Fire & Police  
Pension Fund  
6009 John Douglass Drive  
Chattanooga, TN 37421**



**423-893-0500**

**1-800-881-9022**

**Fax: 423-893-7769**

[www.cfppf.org](http://www.cfppf.org)