

MEETING OF THE BOARD OF TRUSTEES
CHATTANOOGA FIRE & POLICE PENSION FUND

November 07, 2019

At the regularly scheduled meeting of the Chattanooga Fire and Police Pension Fund Board of Trustees held on the 7th day of November 2019, President Charlie Thomason presided. The meeting was held at the Pension Office, 6009 John Douglass Drive, Chattanooga, TN 37421.

The meeting convened at 0906 hours with board members Charlie Thomason, Joe Shaw, Nathan Vaughn, Kelly Simmons, Phillip McClain, and Britt Bradshaw. Attorney Bill Robinson was also present. Chris Hopkins was an excused absence.

APPROVAL OF MINUTES

Motion by Joe Shaw and seconded by Britt Bradshaw to approve the minutes of the October 03, 2019 meeting. Motion carried unanimously. Motion by Joe Shaw and seconded by Britt Bradshaw to approve the minutes of the October 18, 2019 annual meeting. Motion carried unanimously.

APPEARING BEFORE THE BOARD

Senior Firefighter Rufus Hicks appeared before the Board to submit his application for a job-related disability. FFS Hicks is currently on light duty. The Board accepted his application and noted this could be a lengthy process.

Janet Neighbors of LBMC, Inc. appeared before the Board to present the findings of the Agreed upon Procedures for the fiscal year ending June 30, 2019. It was noted that there was an underpayment of \$0.72 for a refund issued during the fiscal year due to a transposed number. No other issues were noted. Mrs. Neighbors noted that it was beneficial for the Fund to have multiple staff members able to review payments to lessen the potential for errors, which showed in the limited findings of the Agreed upon Procedures.

Barry Bryant of Dahab Associates appeared before the Board to provide the 3Q 2019 performance report. Please refer to the Investment Report section for additional details.

LEGAL UPDATE

Katrina Abbott updated the Board on the status of the Wells Fargo suit for accounting. Wells Fargo has been ordered by Hamilton Chancery Court to provide certain requested documents, however the Board and staff are under a court ordered protective order not to discuss or disclose information related to confidential documents for the time being.

MEMBERSHIP CHANGES

Motion by Britt Bradshaw and seconded by Nathan Vaughn to approve the following membership items:

REMOVE FROM THE ROLLS:

- Retired Fire Captain Michael S. Kennedy, Sr. effective 10/31/2019, passed away 10/25/2019 (2-411)

ADD TO THE ROLLS:

- Ann Kennedy, surviving spouse of Retired Fire Captain Michael S. Kennedy, Sr., effective 11/01/2019 (2-411)

REFUND CONTRIBUTIONS:

- Former Fire Lieutenant Daniel Bryan, terminated effective 10/10/2019, participation date 03/09/2012 (2-413)
- Former Police Officer Kelly Downs, terminated effective 10/25/2019, participation date 06/01/2012 (2-143)

PAY DEATH BENEFITS:

- Ann Kennedy, designated beneficiary of Michael S. Kennedy, Sr. (2-411)

Motion carried unanimously.

ADMINISTRATIVE BUSINESS

The Board reviewed the bills paid since the last meeting.

Fund Administrator Katrina Abbott and the Board discussed the findings of the Wage and Income Transcripts that were required from all disability participants for 2018. Katrina Abbott will follow up with two participants for further clarification in regards to employment or receipt of income.

Fund Administrator Katrina Abbott also noted that the Fund increased the rate of pay for the Board President and Board Secretary in 2012 after the Fund’s accountants requested that a formula be established to determine the rate of pay. The Fund is supposed to review the rate of pay on an annual basis. After reviewing the current average rate of pay for a fiduciary officer in Chattanooga, Katrina Abbott recommended a rate increase as it has not been increased since 2012. The Board requested that Katrina Abbott research the fiduciary rate of pay for other pensions of comparable size to ensure the Fund offers an appropriate pay that is commensurate with the duties involved with Board President and Secretary.

Fund Administrator Katrina Abbott requested the Board consider posting the internal Fund policies on the Fund’s website due to multiple requests. The Board discussed the desire for transparency. Motion by Phillip McClain and seconded by Britt Bradshaw to post the Fund’s internal policies on the its website. Motion carried unanimously.

INVESTMENT REPORT

Barry Bryant of Dahab Associates presented the 3Q -2019 performance summary. Trustee Chris Hopkins joined via conference call. As of September 30, 2019, the Fund has returned 0.4% for the third quarter and 4.0% for the trailing twelve-month period. Year-to-date, the Fund has returned 13.1%.

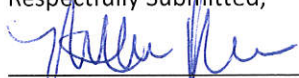
AGENDA NOTES

- City of Chattanooga Employer Contributions received for October 10, 19 (\$791,682.85) and October 24, 19 (\$804,088.54)
- City of Chattanooga Employee Contributions received for October 10, 19 (\$174,506.18) and October 24, 19 (\$174,055.00)
- Received CARTA Parking Fees for September 2019 (\$5,315.00)
- Received City Court Fees for September 2019 (\$5,283.77)
- Following Membership Changes during 2019 YTD: 21 Police and 13 Fire terminated; 10 Police and 0 Fire retired; 1 Fire vested began benefits; 0 Police and 2 Fire Disabilities approved; 15 Retirees and 10 beneficiaries passed away; 10 new beneficiaries were added to rolls; and 48 New Police Officers and 23 New Firefighters
- The following graduated the Fire Academy and became new members of the plan effective 10/11/2019: Paige Anderson, Emily Bell, Thomas R. Clark, Samuel Davenport, Matthew B. Doss, David A. Eldridge, Henry Frick, Joseph P. Graham, Daniel Hall, Jr., Tyler Hansen, Myrrhande J. Haskett, William R. Hughes, Jonathan T. Ivey, Andrew S. Johnson, Austin T. Mays, William M. Merrell, Jacob D. Mertz, Matthew T. Miller, Michael J. Miller, Jarrad D. Peace, Eric D. Penn, Jr., Samuel T. Seamster and Josh M. Smelser.

ADJOURNMENT

With no other business, motion by Britt Bradshaw and seconded by Joe Shaw to adjourn at 1022 hours. Motion carried unanimously.

Respectfully Submitted,



Nathan Vaughn, Secretary

Date Approved: 11-21-19



Charlie Thomason, President

<u>Visitors not Appearing Before the Board</u>	
Ron Boyd	Jack Thompson
Tim Bryant	Jimmy DePrimo