

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

August 06, 2020

At the regularly scheduled meeting of the Chattanooga Fire and Police Pension Fund Board of Trustees held on the 6th day of August 2020, President Joe Shaw presided. The meeting was held via teleconference and the number was posted to the Fund's Facebook page for the public to join.

The meeting convened at 0908 hours with board members Joe Shaw, Britt Bradshaw, Nathan Vaughn, Phillip McClain, Cal Long and Chris Hopkins. Attorney Bill Robinson was also present. Kelly Simmons was an excused absence.

APPROVAL OF MINUTES

Motion by Nathan Vaughn and seconded by Britt Bradshaw to approve the minutes of the July 16, 2020 meeting. Motion carried unanimously.

APPEARING BEFORE THE BOARD

Firefighter Senior Matthew Long appeared before the Board to submit his application for a job-related disability. FFS Long is not actively working in his normal capacity and has provided all necessary documentation. The Board accepted his application and noted this could be a lengthy process.

Fire Lieutenant Jason Rains appeared before the Board to submit his application for a job-related disability. Lt. Rains is not actively working in his normal capacity and has provided all necessary documentation. The Board accepted his application and noted this could be a lengthy process.

Steve Roth and Barry Bryant of Dahab Associates appeared before the Board to provide the 2Q 2020 performance report. Please refer to the Investment Report section for additional details.

LEGAL UPDATE

Board Attorney Bill Robinson updated the Board on the status of the private letter ruling the Fund has requested from the IRS regarding the taxation of benefits for beneficiaries of members that have retired on a job-related disability or survivors of job-related deaths. The IRS has requested additional information that has been or will be provided.

Fund Administrator Katrina Abbott updated the Board on the status of the pending suit for accounting against its former trustee, Wells Fargo Bank, N.A. A Special Master has been agreed upon and appointed to oversee the remaining discovery and outstanding motion to compel.

MEMBERSHIP CHANGES

Motion by Britt Bradshaw and seconded by Cal Long to approve the following membership items:

REMOVE FROM THE ROLLS

- Retired Fire Lieutenant William D. Knight, effective 07/31/2020, passed away 07/24/2020 (2-411)
- Retired Firefighter Senior Chad Crisp, effective 08/31/2020, passed away 08/02/2020 (2-410, 2-418)

ADD TO THE ROLLS:

- Fire Lieutenant Charles Thomason, vesting with 18 years of service, terminated 06/11/2020, participation date of 04/05/2002. Deferred Vested benefit begins effective 08/01/2032 (2-415)
- Police Master Police Officer James D. Ashley, Jr. retiring with 25 years of service effective 08/01/2020, participation date of 07/21/1995 (2-411)
- Patricia Knight, surviving spouse of Retired Fire Lieutenant William D. Knight, effective 08/01/2020 (2-411)

- Leah Crisp, surviving spouse and 100 J&S beneficiary of Retired Firefighter Senior Chad Crisp, effective 09/01/2020 (2-410, 2-418)

REFUND CONTRIBUTIONS:

- Former Police Officer John D. Foster, terminated 07/17/2020, participation date of 08/03/2018 (2-413)
- Former Police Officer Eric M. Brown, terminated 07/29/2020, participation date of 02/02/2018 (2-413)

PAY DEATH BENEFITS:

- Leah Crisp, designated beneficiary of retired Firefighter Senior Chad E. Crisp (2-410)
- Patricia Knight, designated beneficiary of retired Fire Lieutenant William D. Knight (2-411)

Motion carried unanimously.

ADMINISTRATIVE BUSINESS

The Board reviewed the bills paid since the last meeting.

Fund Administrator Katrina Abbott presented the Board with a revised Disability Policy, Member's Guide to Disability, and Summary Plan Description that included updated language regarding the Board's determination of disability applications. After additional Board discussion, motion by Britt Bradshaw and seconded by Cal Long to approve the revisions with suggested minor grammatical corrections. Motion carried unanimously.

INVESTMENT REPORT

Steve Roth and Barry Bryant of Dahab Associates presented the 2Q-2020 performance summary. As of June 30, 2020, the Fund has returned 13.6% for the quarter and ranked in the 29th percentile of the Public Fund Universe. Over the trailing twelve-month period, the Fund returned 4.2% and ranked in the 32nd percentile of the Public Fund Universe. The performance summary does not include updated results from private equity managers. Dahab recommended reallocating \$1.5 million from Vanguard Mid-Cap and \$1.5 million from Vanguard Large Cap to Johnson Institutional Core Fixed Income. Motion by Chris Hopkins and seconded by Nathan Vaughn to approve Dahab's recommendation. Motion carried unanimously.

AGENDA NOTES

- City of Chattanooga Employer Contributions received for July 16, 2020 (\$800,041.41) and July 30, 2020 (\$822,799.61)
- City of Chattanooga Employee Contributions received for July 16, 2020 (\$173,174.82) and July 30, 2020 (\$171,963.51)
- CARTA Parking Fees received for June 2020 (\$1,890.00)
- City Court Fees received for June 2020 (\$5,763.09)

ADJOURNMENT


With no other business, motion by Phillip McClain and seconded by Britt Bradshaw to adjourn at 1010 hours. Motion carried unanimously.

Respectfully Submitted,



Nathan Vaughn, Secretary

Date Approved: AUGUST 20, 2020



Joe Shaw, President

Visitors not Appearing Before the Board
Scott Sparks