

MEETING OF THE TRUSTEES

CITY OF CHATTANOOGA GENERAL PENSION PLAN

June 16, 2011

The regular meeting of the City of Chattanooga General Pension Plan was held on June 16, 2011 at 11:30 a.m. in the J. B. Collins Conference Room. Trustees present were Daisy Madison, Katie Reinsmidt, Carl Levi, BettyeLynn Smith, Dan Johnson, Terry Lamb and Steve Perry. Others attending the meeting were Michael McMahan, City Attorney’s Office; Steve McNally and Teresa Laney, First Tennessee Bank; Todd Gardenhire, Morgan Stanley Smith Barney; Madeline Green, Drew Dunn and Doug Kelley, City Personnel Department.

The meeting was called to order by Chairwoman Daisy Madison. A quorum was present.

The minutes of the meeting held May 19, 2011 were unanimously approved by the Board.

The following benefit and plan expenses were discussed and unanimously approved by the Board:

PART I – PARTICIPANT SUMMARY

SUMMARY OF PENSION APPLICATIONS (PENDING BOARD APPROVAL)

<u>NAME</u>	<u>DEPARTMENT</u>	<u>TYPE/OPTION</u>	<u>MONTHLY AMOUNT</u>	<u>EFFECTIVE DATE</u>
Carper, Ronnie	Public Works	Normal-Option D	\$792.84	June 1, 2011
Crawford, Robert (Formerly Vested)	Public Works	Normal-Option B	\$1,232.77	June 1, 2011
McKeldin, Beverly (Three-Year DROP - \$83,704.26)	Human Services	Rule of 80- No Option Elected	\$2,125.13	June 1, 2011
Schropshire, Katherine (Formerly Vested)	Library	Normal-Option A	\$908.28	June 1, 2011
Seeber, Rhonda	Parks & Recreation	Immediate Early- Option B	\$241.03	June 1, 2011
Simpson, Jacqueline (One-Year DROP - \$20,289.35)	Parks & Recreation	Normal - No Option Elected	\$1,626.42	June 1, 2011

BENEFIT REVISIONS/CONVERSIONS-PENDING BOARD REVIEW/APPROVAL

<u>NAME</u>	<u>TYPE/OPTION</u>	<u>PREVIOUS AMOUNT APPROVED BY BOARD</u>	<u>REVISED AMOUNT</u>	<u>EFFECTIVE DATE</u>
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No activity

SELECTION OF OPTIONAL BENEFIT REPORT – VESTED OR AGE 62 AND OLDER PARTICIPANTS

<u>NAME</u>	<u>OPTION</u>	<u>DATE</u>
Toney, Harris	Option B	May 23, 2011

DISABILITY BENEFIT REPORT

<u>NAME</u>	<u>MONTHLY DISABILITY BENEFIT AMOUNT</u>	<u>EFFECTIVE DATE</u>
Delaney, David	\$1,406.85	October 5, 2010
Dennis, David	\$1,646.41	May 8, 2011

LUMP SUM DISTRIBUTIONS (FOR RATIFICATION-CHECKS PROCESSED)

<u>NAME</u>	<u>DEPARTMENT</u>	<u>EMPLOYEE NUMBER</u>	<u>TERMINATION DATE</u>	<u>REFUND AMOUNT</u>
Gilbert, Antoine	Human Services	62469	April 1, 2011	\$3,849.53
Hoback, Timothy	Personnel	65629	May 9, 2011	\$1,547.63
Reed, Steven	General Government	63225	May 19, 2011	\$2,527.06
Woodard, Angela	Human Services	63135	May 2, 2011	\$672.07
Headrick, Robert (Refund of remaining employee basis - retiree Gwendolyn Headrick died May 6, 2011)				\$857.99
McIntosh, Teresa (Refund of remaining employee basis – retiree Dorothy McIntosh died May 6, 2011)				\$883.14
Pennington, Margaret (\$250.00 death benefit – Education retiree Ralph Pennington died March 16, 2011)				\$250.00
Shaw, Samuel (Refund of remaining employee basis – retiree Samuel Shaw died April 21, 2011)				\$5,406.43
			TOTAL	\$15,993.85

PART II – ACCOUNT SUMMARY

ACCOUNTS PAYABLE

<u>COMPANY</u>	<u>AMOUNT PAID THIS PERIOD</u>	<u>FYTD</u>	<u>PURPOSE</u>
CITY OF CHATTANOOGA	\$45,000.00		Fiscal Year 2011 reimbursement for services provided by Personnel Department
CONSULTING SERVICES GROUP	\$18,220.00		Professional services for the quarter ending March 31, 2011
EFI ACTUARIES	\$20,000.00		Services provided for the period January 1, 2011 through May 31, 2011
COMPANY TOTAL	\$83,220.00	\$237,955.77	

INVESTMENT MANAGERS (does not include direct bill thru Custodian)

<u>COMPANY</u>	<u>AMOUNT PAID</u>		<u>PURPOSE</u>
	<u>THIS PERIOD</u>	<u>FYTD</u>	

No activity

MANAGER TOTAL	\$132,202.83	\$478,791.82
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ACCOUNTS PAYABLE – INVESTMENT MANAGERS (REVISION)

No Activity

ACCOUNTS RECEIVABLE

<u>COMPANY</u>	<u>AMOUNT RECEIVED</u>	<u>PURPOSE</u>
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No activity

REPORT OF ACCOUNT(S) PAID

<u>COMPANY</u>	<u>AMOUNT PAID</u>		<u>PURPOSE</u>
	<u>THIS PERIOD</u>	<u>FYTD</u>	

THE HARTFORD	\$8,477.10		Long-Term Disability (50%) – June 2011
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LTD TOTAL	\$8,477.10	\$108,686.21
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Recognition – New Board Member and City Personnel Department Intern

The Board welcomed new member Steve Perry. Mr. Perry is currently the Chief Financial Officer and Vice President of Finance with Blood Assurance in Chattanooga.

Daisy Madison requested that Doug Kelley introduce Drew Dunn, a volunteer intern in Personnel who is currently working on his MBA at the University of Tennessee at Chattanooga.

Administrative Budget FY2012 and General Pension Plan Website

Doug Kelley presented the administrative budget for fiscal year 2012 to the Board. The budget request included the normal 2.5% increase in actuary fees, a \$5,000.00 increase in consultant fees and a slight reduction in the fees for First Tennessee Bank. The long-term disability premium was added as a new item to the budget (included 5% increase in the premium). The remaining fees, with the exception of the General Pension Plan Website, remained consistent.

The General Pension Plan Website hosting fee budget item was discussed. An updated Website for the city is currently under development. Doug Kelley inquired if the General Pension Plan Website could be hosted by the city based on service issues with the current vendor. He mentioned to the Board about previous inquiries with Phillip Stevens, Web Master working in the Mayor’s Office, and Cory Wentz, IT Business Project Analyst with Information Services with the city, which had resulted in a positive reaction from both gentlemen. The Board, on motion from Dan Johnson, unanimously approved this request. Mr. Johnson also approved working with Phillip Stevens on the General Pension Plan Website.

On motion by Dan Johnson, seconded by Terry Lamb, the Board unanimously approved the administrative budget for fiscal year 2012. A copy of the budget will be included with the minutes.

Administrative Issues – General Pension Plan

The Board unanimously approved recommending that the city's contribution rate into the General Pension Plan based on the salaries of all participants increase to 12.95% for fiscal year 2012 as specified in the most recent actuarial study prepared by EFL. The Board had previously deferred this action during their May 19, 2011 meeting.

On motion of Terry Lamb, seconded by Steve Perry, the Board unanimously approved the transfer of up to \$4,000,000.00 from fixed income to cover benefit payments and miscellaneous expenses for the third quarter of 2011. This will be a routine action for the Board to discuss and ratify on the last month of each quarter for the following quarter.

The Board discussed their meeting schedule. The Board arrived at the consensus to keep their meeting on the third Thursday of each month and to commence at 8:30 a.m. in the J.B. Collins Conference Room – City Council.

Daisy Madison mentioned to the Board about an invitation by Mr. Mike Andrews to his annual pension summit in Chicago, Illinois. Daisy Madison and Michael McMahan both encouraged Board members to attend educational conferences. Use of the education fund would be available.

The next Board meeting is scheduled for August 18, 2011 at 8:30 a.m. in the J. B. Collins Conference Room.

There being no further business, the meeting was adjourned.

Chairman

APPROVED:

Secretary