

Minutes of the Administrative Committee

March 23, 2018

The Administrative Committee of the Board of Trustees of the Tennessee Consolidated Retirement System met on Friday, March 23, 2018 at 9:00 a.m. The meeting was held in House Hearing Room V, First Floor Cordell Hull Building with Director Jamie Wayman presiding.

The following members were present: Mr. Paul Varble, Mr. Alfred Laney, Ms. Patsy Moore, Ms. Deborah Taylor Tate, and Mr. Harold Morrison.

Approval of the September 29, 2017 Minutes of the TCRS Administrative Committee

On a motion by Mr. Varble and seconded by Ms. Tate, the minutes of the September 29, 2017 TCRS Administrative Committee meeting were unanimously approved.

Political Subdivision Update

Mr. Wayman introduced Ms. Joy Harris, Assistant Treasurer for Financial Empowerment, to discuss four employers seeking participation in TCRS. The following political subdivisions are seeking entry into TCRS: Bolivar Hardeman Library is seeking participation effective April 1, 2018 in the Regular Defined Benefit Plan; Obion County 911 is seeking participation effective April 1, 2018 in the Local Government Hybrid Plan; Town of Halls is seeking participation effective April 1, 2018 in the Local Government Hybrid Plan; and Upper Cumberland Regional Airport is seeking participation effective April 1, 2018 in the Regular Defined Benefit Plan.

On a motion by Mr. Varble and seconded by Mr. Laney, the Administrative Committee unanimously recommended to the Board of Trustees that all entities be allowed entry to TCRS.

Operations Update

Mr. Wayman introduced Ms. Mary Beth Franklyn to discuss Employer and Participant Education. Ms. Franklyn discussed the number of phone calls and meetings with employers during the prior fiscal year. Next Ms. Erica Nale discussed the reduced processing time for retirement applications, successful generation of 1099s, a new training position dedicated to maintaining internal communication and compliance, and internal testing and discussions regarding the security of the Self-Service website. In addition, Ms. Nale discussed lessons learned from the Iowa Public Employees Retirement System after Iowa experienced an account takeover of some member's accounts.

Pending Legislation

Mr. Wayman provided a summary of pending legislation in the General Assembly. All legislation impacting TCRS is first presented to the Council on Pensions and Insurance. There was a discussion on the TCRS Housekeeping bill, which contains 27 sections with minimal impact to TCRS. A bill specific to the Optional Retirement Plan available to Higher Education employees which modifies their distribution options. The Stabilization Reserve bill allows the reserve funds to be co-invested with TCRS assets. Finally two bills related to public pension plans outside of TCRS, which allow Treasury to invest their assets and a clarification to reporting under the Public Employee Defined Benefit Financial Security Act of 2014.

Other Business

Mr. Wayman informed the committee that the actuary would be presenting information on the Hybrid plan during the full meeting.

Adjournment

With no other business, the Administrative Committee of the Board of Trustees adjourned at 9:45 a.m. on March 23, 2018.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Erica Nale".

Erica Nale

Assistant Director, TCRS

Approved:

A handwritten signature in cursive script that reads "James E. Wayman".

James E. Wayman

Administrative Committee Chair