

Minutes of the Administrative Committee

December 12, 2014

The Administrative Committee of the Board of Trustees of the Tennessee Consolidated Retirement System met on Friday, December 12, 2014 at 9:00 a.m. The meeting was held in Room 29 of the Legislative Plaza with Assistant Director Jamie Wayman presiding in the absence of Ms. Jill Bachus.

The following members were present: Mr. Kevin Fielden, Ms. Angie Judish, Mr. Alfred Laney, Ms. Patsy Moore, and Mr. Harold Morrison.

Concord Update

Ms. Wayman introduced Mr. Fred Marshall, TCRS Assistant Director for Concord, to provide an update on the Concord project. Mr. Marshall informed the committee that TCRS and Deloitte continue to review and work on correcting the Problem Incident Reports (PIRs). A build correcting PIRs that TCRS has identified as the most important is delivered on a monthly basis. Once a build is delivered, staff has one week to test the PIR resolutions. After testing, a decision is made to accept or reject the build. Accepted builds are deployed to production on a Sunday night.

Mr. Marshall discussed that work was continuing on producing member annual statements (MAS) for 2014. When the MAS process is complete, the statements will be available for members on Member Self-Service. TCRS will notify employers when the statements are available for members to review so that the employers can inform their employees.

Mr. Marshall next discussed that Employer Reporting continues to improve each month, with fewer errors and less inquiries by the employer to complete the process. Mr. Marshall indicated that staff has completed the design work for the State and Teacher Hybrid plan. These designs will be used by Deloitte to develop the code to process retirement benefits and service purchase requests under the Hybrid Plan.

Employer Reporting

Mr. Wayman provided an update on the employer reporting process. Mr. Wayman indicated that employers have been reporting through Concord for five months and improvement in the process has been made. Mr. Wayman indicated that reports are due by the 10th of the following month. For the November 2014 reporting period, 98.2% of the employers had completed the reporting process by the deadline of December 10.

Operations Update

Mr. Wayman next provided an update on TCRS operations since the launch of Concord. TCRS is still experiencing a large volume of incoming retirement applications. Since the last meeting in September, TCRS has reduced the backlog of outstanding retirement applications from approximately 1,600 to 1,200. Sixty percent of the retirement applications to be worked have a future date of retirement. TCRS is working diligently to process the retirement applications in a timely manner by prioritizing the applications based on the date of retirement and the date of receipt. Retired payroll and refunds are being processed timely. Mr. Wayman also mentioned a backlog of service purchase requests.

GASB Update

Mr. Wayman reminded the committee that the Governmental Accounting Standards Board (GASB) has issued new accounting standards, Statements 67 and 68. These new standards govern how pension plans are reported by the plan sponsor and participating employers. GASB Statement 67 outlines the disclosures and schedules required to be presented by the pension plan. This statement was effective for the year ended June 30, 2014. GASB Statement 68 outlines what an employer participating in TCRS must present in their financial statements and the statement is effective for years ending June 30, 2015. TCRS plans to provide the required information to employers by March 2015.

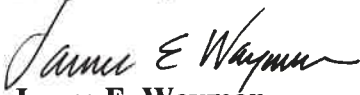
Political Subdivision Participation

Mr. Wayman introduced Ms. Melissa Davis, Supervisor of Employer Services, to provide an update about employer participation in TCRS. Ms. Davis presented information regarding the Town of Vanleer and the Russellville Whitesburg Utility District. Ms. Davis indicated the Town of Vanleer is petitioning for membership in the Alternate Defined Benefit plan with a 1.4% accrual factor and higher retirement eligibility criteria. The Russellville Whitesburg Utility District is petitioning for membership in the Legacy Defined Benefit plan. The administrative committee gave a unanimous recommendation to the Board that the Town of Vanleer and the Russellville Whitesburg Utility District be approved for participation in TCRS.

Adjournment

With no other business, the Administrative Committee of the Board of Trustees adjourned at 9:50 a.m. on December 12, 2014.

Respectfully Submitted,



James E. Wayman
Assistant Director, TCRS

Approved:



Jill Bachus
Administrative Committee Chair