

## **Minutes of the Administrative Committee**

**June 28, 2013**

The Administrative Committee of the Board of Trustees of the Tennessee Consolidated Retirement System met on Friday, June 28, 2013 at 9:00 a.m. The meeting was held in Room 29 of the Legislative Plaza with Director Jill Bachus presiding.

The following members were present: Ms. Jill Bachus, Director of TCRS, Ms. Traci Jefferson, Mr. Bill Kemp, Mr. Alfred Laney, Ms. Patsy Moore, and Mr. Harold Morrison.

### **Concord Update**

Ms. Bachus introduced Mr. Fred Marshall, TCRS Assistant Director for Concord, to provide an update on the Concord project. Mr. Marshall informed the committee that TCRS launched Phase 5 – Retired Payroll on Monday, April 8, 2013. Since the launch, TCRS has successfully run three monthly payrolls as well as weekly supplemental payrolls. Mr. Marshall mentioned that TCRS implemented payment of monthly retirement benefits by debit card at the same time with approximately 300 members being paid by debit card.

Mr. Marshall discussed the availability of Retiree Self-Service. Retiree self-service was launched the first of May. TCRS staff is informing the retirees that call TCRS offices that this feature is now available. Mr. Marshall mentioned that approximately 700 retirees have signed up for self-service. Mr. Marshall informed the committee an announcement regarding the availability of retiree self-service would be made in the summer edition of the Retiree Advisor newsletter.

Mr. Marshall indicated that Phase 6 – Active Members and Employer Reporting is under construction. The tentative plan is to implement this phase Spring 2014. He informed the committee that the current focus of staff is on conversion of the data from our current system to Concord. Phase 6 data conversion is a very large and complicated process that involves the service history of all members as well as Employer data. Mr. Marshall also discussed other items that staff is working on including reviewing tests scripts and designing forms and correspondence. He reported that testing of the employer files will begin in the summer of 2013.

### **Field Services**

Ms. Bachus introduced Ms. Melissa Davis, Supervisor of Field Services, to provide an update about employer participation in TCRS. Ms. Davis presented information regarding the Tri-Cities Airport Authority. Ms. Davis indicated that Tri-Cities Airport Authority withdrew from TCRS July 1, 2012, but were seeking participation in the Hybrid pension plan available to local governments. The administrative committee gave a unanimous recommendation to the Board that the entity be approved for participation in TCRS.

**Board of Trustee Election**

Ms. Davis discussed the recent Board of Trustee election. The election was conducted to select the two state employee representatives to the Board of Trustees. The two representatives elected by state employees are Ms. Priscilla Bright with the University of Tennessee and Ms. Angie Judish with Austin Peay State University. The term of office will begin July 1, 2013.

**Legislation Update**

Ms. Bachus provided the committee with an overview of the legislation affecting TCRS that was enacted during the 2013 legislative session. Ms. Bachus informed the committee that a new hybrid pension plan for state employees, employees of institutions of higher education, and K-12 teachers was enacted into law. The new plan would apply to members hired on or after July 1, 2014. Ms. Bachus mentioned the new plan contained defined benefit and defined contribution plan components as well as features to control cost and the unfunded liability. Ms. Bachus discussed the provisions of both plan components. Mr. Morrison asked about comparisons of the current plan versus the new plan. Ms. Bachus mentioned that the benefits under the new plan could vary depending on the investment market.

**Other Business**

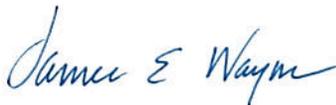
Ms. Bachus mentioned several changes to the TCRS Board of Trustees. Mr. Larry Martin is the new Commissioner of Finance and Administration and serves as an ex-officio member of the Board of Trustees. Mr. Bob Wormsley has been appointed by the Tennessee County Services Association. Mayor Ken Wilbur and Mr. Bill Kemp have been reappointed by the Tennessee Municipal League and County Officials Association of Tennessee, respectively.

Ms. Bachus also noted that this is the last meeting for Ms. Traci Jefferson and Mr. Dennis Carroll as both of their terms have expired.

**Adjournment**

With no other business, the Administrative Committee of the Board of Trustees adjourned at 9:55 a.m. on June 28, 2013.

**Respectfully Submitted,**



**James E. Wayman**  
Assistant Director, TCRS

**Approved:**



**Jill Bachus**  
Administrative Committee Chair