

Board of Mayor and Aldermen Meeting
Monday, December 7, 2015
Dyersburg Municipal Court Room

- (1) **Call to Order:** The Board of Mayor and Aldermen met in regular session on Monday, December 7, 2015 in the Dyersburg Municipal Court Room at 7:00 p.m. Mayor Holden presided over the meeting. The meeting opened with prayer by Alderman Mike Morgan. Mayor Holden noted all were present on the Alderman Board.
- (2) **Approval of Minutes:** The minutes of the November 16, 2015 meeting were approved on a motion by Alderwoman Carolyn Norman, followed by a second from Alderman Robert Taylor Jr. The motion passed approving the minutes.
- (3) **Unfinished Business:** Dyersburg Police Chief, Steve Isbell, informed the Board of the DPD recent accreditation award by The Commission on Accreditation for Law Enforcement Agencies, Inc., (CALEA®). He stated the program recognizes best practices in the delivery of public safety services, primarily by: maintaining a body of standards, developed by public safety practitioners, covering a wide range of up-to-date public safety initiatives; establishing and administering an accreditation process; and recognizing professional excellence. The accreditation covers the next four years. He acknowledged the support of the Mayor and Board, the community, and especially, the men and women of the Department.
- (4) **New Business:**

a. **Bids – Greg Williams, Purchasing Agent.**

1. Department: Gas
Item: Materials & labor to install and paint sheetrock, trim, and doors.
Purpose: Remodel interior office space of new building
Budgeted: Gas Fund
Notification – State Gazette, Direct to 3 bidders
- | | |
|-------------------------------|-------------|
| Bids: Still Contractors | \$28,900.00 |
| Mike Ward Contracting | \$26,600.00 |
| Jackson Painting & Remodeling | \$23,960.00 |

Recommendation: Mr. Williams recommended awarding the bid to Jackson Painting & Remodeling, of Jackson TN at \$23,960.00.

A motion to approve the recommendation as presented before the Board was made by Alderman Dennis Moody, with a second by Alderman Robert Taylor, Jr. The motion passed by full approval.

2. Department: Solid Waste
Item: Rebuild transmission
Purpose: Repairs to 2008 Case 305 4WD Tractor
Budgeted: No
Notification – None – The damage could not be accessed until transmission was disassembled.
Bids: Tri-County Farmers Equipment \$ 21,453.36

Recommendation: Mr. Williams recommended awarding the bid to Tri-County Farmers Equipment, Newbern, at \$21,453.36.

A motion to approve the recommendation as presented before the Board was made by Alderman Bob Kirk, with a second by Alderman Dennis Moody. The motion passed by full approval.

b. Finance Committee Meeting – December 7, 2015 – Chairman Kevin Chaney.

Alderman Chaney presented the following minutes with proper motions before the Board:

Finance Committee Meeting

City of Dyersburg

Monday, December 7, 2015

The Finance Committee met at 2:00 p.m. on Monday, December 7, 2015 in the City Hall Second Floor Conference Room.

Committee Members Present: Mayor John Holden, Chairman Kevin Chaney, and Aldermen Terry Glover, Bob Kirk.

Other attendees: Alderman Mike Morgan, Steve Anderson, Ken Jones, State Gazette reporter, Alan Pennington, Consulting Actuary, Bryan, Pendleton, Swats & McAllister, LLC, and Scott Haight, Lannom Coronado, PLLC, and Sue Teague, Human Resources.

Chairman Chaney opened the meeting with discussion of the City of Dyersburg Pension Plan.

Mayor Holden distributed copies of the proposed City of Dyersburg Retirement Plan Changes.

Scott Haight and Alan Pennington provided the following informational perspective regarding the culmination of the legislative mandates and the on-going work of the City of Dyersburg Retirement Committee to comply with the legislation.

Specifically noted was that on May 22, 2014, the State legislature passed the Public Defined Benefit Financial Security Act of 2014 (“2014 Pension Act”).

This act requires that local government sponsored defined benefit Pensions Plans, including the City of Dyersburg Pension Plan, not only fund those plans sufficiently to meet current benefit payment obligations, but also that they achieve payment of 100% of their actuarially determined contributions (“ADC”) within a 5-year phase-in period, to ensure long term financial stability and soundness of the Plan. The legislation sets forth specific requirements regarding the actuarial assumptions that may be used, and requires the city to take certain actions to establish compliance with 2014 Pension Act.

Therefore, the City is required to complete such actions as necessary to accomplish the goals of the legislation. The Committee was advised to approve the following motions for recommendation and approval by the full Board of Mayor and Alderman at the next regular Board meeting.

1. The first motion is to adopt the “Pension Funding Policy of the City of Dyersburg,” as required by Tenn. Code Ann. § 9-3-504(b). This Plan has been submitted for review and comment by the State Treasurer. Chairman Chaney called for a motion to approve the recommendation. Alderman Bob Kirk motioned for approval with a second by Alderman Terry Glover. The motion was approved.

After the reading of the Finance Committee motion, Chairman Chaney motioned to approve the amendment as presented before the Board and Alderman Bob Kirk seconded the motion. The motion was approved by the full Board.

2. The second motion is to adopt the “Plan of Correction” as required by Tenn. Code Ann. § 9-3-504(c) (3) and § 9-3-505(b). This sets forth the schedule of annual percentages to be met each year until 100% is achieved. This must be submitted for consideration by the State Treasurer for determination of compliance with the 2014 Pension Act and then submit it to the state funding board for approval. Chairman Chaney called for a motion to approve the recommendation. Alderman Bob Kirk motioned for approval with a second by Alderman Terry Glover. The motion was approved.

After the reading of the Finance Committee motion, Chairman Chaney motioned to approve the amendment as presented before the Board and Alderman Robert Taylor, Jr. seconded the motion. The motion was approved by the full Board.

3. The third motion is the adoption of the Amended and Restated City of Dyersburg Pension Plan. Chairman Chaney called for a motion to approve the recommendation. Alderman Bob Kirk motioned for approval with a second by Mayor John Holden. The motion was approved.

After the reading of the Finance Committee motion, Chairman Chaney motioned to approve the amendment as presented before the Board and Alderman Bill Escue seconded the motion. The motion was approved by the full Board.

4. The fourth motion is the adoption of a new 401(k) plan, administered by the State of Tennessee. The State has a formal form of that it requires be adopted. Chairman Chaney called for a motion to approve the recommendation. Alderman Bob Kirk motioned for approval with a second by Alderman Terry Glover. The motion was approved.

The Resolution is as follows:

RESOLUTION NO. 12072015

WHEREAS, the City of Dyersburg, Tennessee (hereinafter referred to as the "Employer") has determined that in the interest of attracting and retaining qualified employees, it wishes to offer a 401(a) or 401(k) defined contribution plan, funded by employee deferrals and, if elected pursuant to Section N, Q, or HH of the

Participating Employer Agreement, employer contributions;

WHEREAS, Tennessee Code Annotated, Section 8-25-111(a) allows a Tennessee local governmental entity to participate in the State of Tennessee's 401(a)/401(k) defined contribution plan subject to the approval of the Chair of the Tennessee Consolidated Retirement System (hereinafter referred to as the "Chair");

WHEREAS, the liability for participation and the costs of administration shall be the sole responsibility of the Employer and/or its employees, and not the State of Tennessee;

WHEREAS, the Employer has also determined that it wishes to encourage employees' saving for retirement;

WHEREAS, the Employer has reviewed the State of Tennessee Deferred Compensation Plan II Adoption Agreement for a Section 401(k) Cash or Deferred Arrangement for Governmental Employers, as adopted by the State of Tennessee, as amended and restated effective January 1, 2010, as amended December 21, 2010, and as amended by Amendment Number Two dated January 4, 2012, as well as the Section 401(k) Cash or Deferred Arrangement for Governmental Employer Basic Plan Document (collectively known as the "Plan" or "Plan Document");

WHEREAS, the Employer wishes to provide certain benefits to its employees, reduce overall administrative costs, and afford attractive investment opportunities;

WHEREAS, the Employer is eligible to become a Participating Employer in the Plan, pursuant to Article XX of the Plan Document;

WHEREAS, the Employer is concurrently executing a Participating Employer Agreement for the Plan;
and

WHEREAS, the Mayor and Board of Aldermen ("Governing Authority") of the Employer is authorized by law to adopt this resolution approving the Participating Employer Agreement on behalf of the Employer;

NOW, THEREFORE, the Governing Authority of the Employer hereby resolves:

1. The Employer adopts the Plan Document for its Employees; provided, however, that for the purpose of the Plan, the Employer shall be deemed to have designated irrevocably the Chair as its agent, except as otherwise specifically provided herein or in the Participating Employer Agreement.
2. The Employer acknowledges that the Plan does not cover, and the Trustees of the Plan ("Trustees") have no responsibility for, other employee benefit plans maintained by the Employer.

3. The Employer acknowledges that it may not provide employer contributions to the Plan on behalf of any of its employees that exceed three percent (3%) of the respective employees' salary if the employees are members of the Tennessee Consolidated Retirement System ("TCRS") or of any other retirement program financed from public funds whereby such employees obtain or accrue pensions or retirement benefits based upon the same period of service to the Employer, unless such employees are members of TCRS' local government hybrid plan established under Tennessee Code Annotated, Section 8-35-256 or TCRS' State hybrid plan established under Tennessee Code Annotated, Title 8, Chapter 36, Part 9. If such employees participate in either of those hybrid plans, the total combined amount of employer contributions to the Plan and to any one or more additional defined contribution plans may not exceed seven percent (7%) of the respective employees' salary. In no instance shall the total combined employer contributions to all defined contributions plans on behalf of a single employee exceed the maximum allowed under the Internal Revenue Code ("Code"), and shall conform to all applicable laws, rules and regulations of the Internal Revenue Service ("IRS") governing profit sharing and/or salary reduction plans for governmental employees.
4. The Employer hereby adopts the terms of the Participating Employer Agreement, which is attached hereto and made a part of this resolution. The Participating Employer Agreement (a) permits all employees of the respective entity to make elective deferrals; (b) sets forth the Employees to be covered pursuant to Section N, Q, or HH of the Participating Employer Agreement for employer contributions, if any; (c) outlines the benefits to be provided by the Participating Employer under the Plan; and, (d) states any conditions imposed by the Participating Employer with respect to, but not inconsistent with, the Plan. The Participating Employer reserves the right to amend its elections under the Participating Employer Agreement, so long as the amendment is not inconsistent with the Plan, the Code, Tennessee law, or other applicable law and is approved by the Chair.
5. The Chair may amend the Plan on behalf of all Employers, including those Employers who have adopted the Plan prior to a restatement or amendment of the Plan, for changes in the Code, the regulations thereunder, Tennessee law, revenue rulings, other statements published by the Internal Revenue Service ("IRS"), including model, sample, or other required good faith amendments, and for other reasons that are deemed at the Chair's sole discretion to be in the interest of the Plan. These amendments shall be automatically applicable to all Employers.
6. The Chair will maintain, or will have maintained a record of the Employers and will make reasonable and diligent efforts to ensure that Employers have received all Plan amendments.
7. The Employer shall abide by the terms of the Plan, including amendments to the Plan and Trust made by the Chair, all investment, administrative, and other service agreements of the Plan, and all applicable provisions of the Code, Tennessee law, and other applicable law.
8. The Employer accepts the administrative services to be provided by the Tennessee Treasury Department and any services provided by Plan vendors. The Employer acknowledges that fees will be imposed with respect to the services provided and that such fees may be deducted from the Participants' Accounts and/or charged to the Employer.

9. Subject to the provisions of Section 20.06 of the Plan, the Employer may terminate its participation in the Plan, including but not limited to, its contribution requirements pursuant to the Plan, if it takes the following actions:
 - a. A resolution must be adopted by the Governing Authority of the Employer terminating the Employer's participation in the Plan.
 - b. The resolution must specify the proposed date when the participation will end, which must be at least six calendar months after notice to the Chair and the Employer's employees.
 - c. The Chair shall (i) determine whether the resolution complies with the Plan, and all applicable federal and state laws, (ii) determine an appropriate effective date, and (iii) provide appropriate forms to terminate ongoing participation. Distributions under the Plan of existing accounts to Participants will be made in accordance with the Plan Document.
 - d. Once the Chair determines the appropriate effective date, the Employer shall immediately notify all its Employees participating in the Plan of the termination and the effective date thereof.
 - e. The Chair can, in the Chair's sole discretion, reduce the six month notice and withdrawal period to a shorter period if the Employer so requests, but in no event shall the period be less than three months.
10. The Employer acknowledges that the Plan Document contains provisions for Plan termination by the Trustees, subject to applicable Tennessee law.
11. The Employer acknowledges that all assets held in connection with the Plan, including all contributions to the Plan, all property and rights acquired or purchased with such amounts and all income attributable to such amounts, shall be held in trust for the exclusive benefit of Participants and their Beneficiaries under the Plan. No part of the assets and income of the Plan shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries and for defraying reasonable expenses of the Plan. All amounts of compensation deferred pursuant to the Plan, all property and rights acquired or purchased with such amounts and all income attributable to such amounts, property or rights held as part of the Plan, shall be transferred to the Trustees to be held, managed, invested and distributed as part of the Trust Fund in accordance with the provisions of the Plan and subject to the vesting provisions of the Plan. All contributions to the Plan must be timely transferred by the Employer to the Trust Fund pursuant to and in the manner provided by the Chair. The Employer acknowledges that if the Employer fails to remit the requisite contributions in a timely manner, the Chair reserves the right, at the Chair's sole discretion, to terminate the Employer's participation in the Plan. In such event, the Chair shall notify the Employer of the effective termination date, and the Employer shall immediately notify all its employees participating in the Plan of the termination and the effective date thereof. Notwithstanding the foregoing, the Employer acknowledges that it is the sole responsibility of the Employer to remit the requisite reports and

contributions to the Plan and that neither the State, the Chair, the Trustees, its employees, or agents shall have any responsibility or liability for ensuring or otherwise monitoring that this is done. All benefits under the Plan shall be distributed solely from the Trust Fund pursuant to the Plan.

12. The Employer agrees to offer and enroll only those persons, whether appointed, elected, or under contract, wherein an employee-employer relationship is established, providing service to the Employer for which compensation is paid by the Employer.
13. The Employer understands that IRS rules and Tennessee law limit participation in the Plan to governmental entities and their respective employees. The Employer will notify the Chair in writing within ten (10) calendar days if it ceases to be a governmental entity under applicable federal or Tennessee law, and/or if it discovers that it is transferring or having transferred employee deferrals and/or employer contributions to the Plan on behalf of an individual who does not meet the requirements in Paragraph 12 above.
14. The Employer acknowledges that the Chair and other Trustees are the fiduciaries of the Plan and have sole and exclusive authority to interpret the Plan and decide all claims and appeals for Plan benefits. The Employer agrees to abide by the Chair's decisions on all matters involving the Plan.
15. This resolution and the Participating Employer Agreement shall be submitted to the Chair for approval. The Chair shall determine whether the resolution and the Agreement comply with the Plan, and, if they do, shall provide appropriate forms to the Employer to implement participation in the Plan. The Chair may refuse to approve a Participating Employer Agreement executed by an Employer that, in the Chair's sole discretion, does not qualify to participate in the Plan.
16. The Governing Authority hereby acknowledges that it is responsible to assure that this resolution and the Participating Employer Agreement are adopted and executed in accordance with the requirements of applicable law.

After the reading of the Resolution at the Finance Committee meeting, Chairman Chaney motioned to approve the amendment as presented before the Board and Alderman Mike Morgan seconded the motion. The motion was approved by the full board.

Also discussed was the opportunity for City Pension Plan participants to exercise an addendum option Service sell-back as part of the Amended and Restated Pension Plan.

Report from Alderman and Alderwomen:

Aldermen Bob Kirk: Commended the Mayor on the recent article about the City of Dyersburg as published in the Tennessee Municipal League “Town and Country “newspaper.

Alderman Bill Escue: No report.

Alderman Terry Glover: No report.

Alderman Kevin Chaney: No report.

Alderwoman Mike Morgan: No report.

Alderman Dennis Moody: No report.

Alderwoman Carolyn Norman: Commented on the excellent participation by the community in the recent merchant’s night out event in downtown Dyersburg.

Alderman Robert Taylor, Jr: No report.

Communications from the Mayor:

Mayor Holden announced the following:

- The annual Sorghum Valley Christmas Village - December 10, 2015 - December 12, 2015 at the Dyer County Fairgrounds.
- Stated there would be no Board meeting on Monday, December 21, 2015.

With no further business the meeting adjourned at 7:21 p.m.

John Holden, Mayor

Robert C. Jones, City Recorder