

A regular meeting of the OPEB Trust Committee was held February 8, 2017 at 9:27 a.m. in the Administration Conference Room at Town Hall, 500 Poplar View Parkway.

The following members were present: Gregory Reichert, Mark Krock, Jay Jeffries and Stan Joyner. Absent was Dick Gardiner.

Staff present was James Lewellen, Adam Hamric, Pension Attorney Frank Carney and Lynn Carmack. Also present was Susan Fletcher and Ward McBee of First Tennessee Bank.

### **APPROVAL OF MINUTES**

Motion by Mayor Joyner to approve the minutes of the November 9, 2016 meeting.

ROLL CALL: Reichert – yes, Krock – yes, Jeffries – yes, Joyner – yes. Motion approved.

### **REVIEW OF THE QUARTERLY INVESTMENT PERFORMANCE OF THE OPEB TRUST FUND BY FINANCIAL ADVISORS – FIRST TENNESSEE BANK (Ward McBee and Susan Fletcher)**

CAPITAL MARKET ASSUMPTIONS: The numbers speak for themselves, with the only changes in asset allocation and expected returns are associated with international equities.

PERFORMANCE: 2Q was up 0.05 versus the blended benchmark of 1.20, 1-year is 6.97 versus 7.74 (a lot of the underperformance, recently, has been international holdings), 3-year is 4.74 versus 4.59, 5-year is 8.64 versus 8.50 and inception (7-years, 7 months) is 10.20 versus 9.53.

Mr. McBee stated that for the YTD, OPEB is up 1.88 (as of 2/7/17) and the Pension Plan is up 1.72. Both have positive performance this year.

ASSET ALLOCATION: Under Total Fixed Income, the target is 35.00 and variance is underweight - 0.81 basis points. The Total Equity target is 65.00 and is overweight 0.81.

PORTFOLIO HOLDINGS AND PERFORMANCE: You see outperformance of the financials in 2Q and underperformance for international.

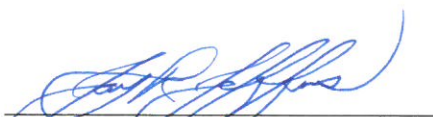
HISTORICAL SUMMARY: Market Value at QE 12/31/16 is \$11,017,237 compared to YE 06/30/09 of \$1,799,372, which is a good change.

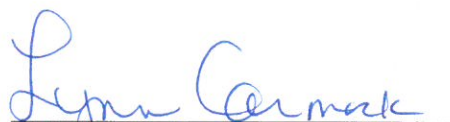
Ms. Fletcher said the actual FYTD for OPEB is up 5.23.

Mr. McBee added that the FYTD for Pension is up 4.42.

### **ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:34 a.m.

  
Chairman

  
Town Clerk