

An Executive Session of the **Pension & OPEB Committee** convened on August 21, 2014 at 9:55 a.m. in the Administration Conference Room at Town Hall, 500 Poplar View Parkway.

The following members were present: Dick Gardiner, Stan Joyner and Jay Jeffries. Absent was Jane Bevill.

Staff present was James Lewellen, Pension Attorney Frank Carney, Lynn Carmack, Marc Pendley, Cindy Greer and Josh Suddath.

RENEWAL OF CONTRACT WITH FIRST TENNESSEE BANK NATIONAL ASSOCIATION

Mr. Lewellen said the issue before the Committee is the renewal of the contract with First Tennessee and whether the Committee wants to renew the contract or go through an interview and RFP process to investigate the marketplace on investment advisor services and investment advisor service fees.

Mr. Joyner stated that the Pension Committee should do due diligence, noting the Pension Committee has had First Tennessee on contract since 2007 (seven years).

Mr. Joyner asked what a reasonably prudent Pension Committee would do.

Mr. Lewellen said there is no harm in testing the market and interviewing with others to see what they have to offer.

Mr. Joyner said that he has no complaints about the service received from First Tennessee and the numbers looked at today; the OPEB was up 13.81% and the Pension fund was up 6.3%.

Mr. Carney stated that some of the other governmental plans for which he provides services usually issue RFSOQs between three and five years on their consulting services contracts for due diligence on services and fees.

Mr. Joyner asked if they usually change investment advisors when they have gone out for proposals.

Mr. Carney said they did not necessarily change and in fact some have had the same investment advisors for 10 or more years even though they may have issued RFSOQs several times during that period.

Mr. Joyner asked if the Pension Committee looks at the request for proposals and decides whether they want to change or not.

Mr. Carney stated that is correct.

Mr. Gardiner advised that MLGW has had the same advisor since 1997 and only changed advisors this year because the existing advisor declined to bid on the contract.

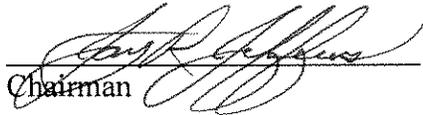
Other brief discussion ensued.

Mr. Lewellen advised that it is the consensus to test the market. Staff will work on the details and come up with a proposal.

Motion by Mr. Jeffries, seconded by Mr. Joyner, to renew the contract with First Tennessee National Association for 12 months and to also begin the process of the request for proposals for services.

ROLL CALL: Gardiner – yes, Jeffries – yes, Joyner – yes. Motion approved.

There being no further business the executive session adjourned at 10:05 a.m.


Chairman


Town Clerk