

A regular meeting of the OPEB Committee convened at 9:30 on February 11, 2016, in the Administration Conference Room at Town Hall, 500 Poplar View Parkway.

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

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

### **APPROVAL OF MINUTES**

Motion by Mayor Joyner, seconded by Mr. Gardiner, to approve the minutes of the November 9, 2015 meeting.

ROLL CALL: Gardiner – yes, Krock – yes, Jeffries – yes, Joyner – yes.

### **REVIEW OF THE QUARTERLY INVESTMENT PERFORMANCE OF THE COLLIERVILLE OTHER POST EMPLOYMENT BENEFIT TRUST PLAN BY FINANCIAL ADVISORS – FIRST TENNESSEE BANK (Gerald Laurain, Ward McBee and Susan Fletcher)**

Mr. McBee said the Capital Markets Assumptions for the OPEB trust fund is 35% fixed income and 65% equity, so this is taking on a little more equity exposure.

Performance in the second quarter is 2.76 versus 3.16 blended benchmark; the 1 year is -0.45 basis points versus -0.45 basis points for the blended benchmark, the 3 year is 7.84 versus 7.69 blended benchmark, the 5 year is 7.14 versus 6.78, and for 6 years and 7 months it is 10.70 for the account versus 9.82 for the blended benchmark.

Mr. Krock asked if there is anything in particular that caused us to underperform benchmark for Q2.

Mr. McBee said it was probably emerging markets and security selection.

Mr. Laurain stated that for the full calendar year 2015, the US Large Cap core model underperformed the benchmark by about 500 basis points, so that is where most of the under performance came from.

Mr. McBee stated that the account is underweight on fixed income, 35.00 is the target and we are 33.95. It is opposite over weight for equity, 66.05 which is over target by 105 basis points.

Mr. McBee said there are no bonds that have matured, but it is the same thing in regards to the Highland Dividend Equity Fund that was liquidated on 1/14/16. Those proceeds were used to buy the T. Rowe Price Dividend and Growth Fund and then the exit from the Vanguard

Emerging Markets on 1/21/16 and redeployed those assets into the International Value and the International Growth.

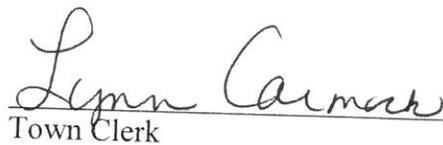
Mr. McBee concluded his remarks by stating that cash has grown from \$95,000 to \$115,000, which is a good thing to have right now especially in light of the two bumps all the way up to 20 basis points on the money market.

There were no questions or comments from the Committee.

**ADJOURNMENT**

There being no further business, the meeting was declared adjourned at 9:33 a.m.

  
Chairman

  
Town Clerk