



CITY OF GERMANTOWN TENNESSEE

1930 South Germantown Road • Germantown, Tennessee 38138-2815
Phone (901) 757-7200 Fax (901) 757-7292 www.germantown-tn.gov

Other Post Employees Benefits Commission Minutes

Wednesday, March 26, 2014
Administrative Conference Room
Municipal Center, 1930 S Germantown Rd, TN 38138

MEMBERS PRESENT: City Administrator Patrick Lawton, Alderman Mike Palazzolo, Daniel Dent, Ralph Gabb and Frank SanPietro

MEMBERS ABSENT: Mayor Sharon Goldsworthy, Todd Proctor

STAFF PRESENT: Susan Hopson

ALSO PRESENT: Bill Pickens and Bart Reid with Gerber/Taylor Associates

CALL TO ORDER

Chairman Frank SanPietro called the meeting to order at 5:35 p.m. and announced there was a quorum present.

APPROVAL OF MINUTES

Chairman San Pietro called for approval of the minutes from the December 18, 2013 OPEB meeting.

****MOTION****

Alderman Palazzolo moved to approve the minutes from the December 18, 2013 OPEB meeting as presented. Chairman SanPietro seconded and the motion passed unanimously.

CHAIRMAN'S COMMENTS

No comments were made by Chairman San Pietro.

PRESENTATION OF QUARTERLY UPDATES

Mr. Bill Pickens stated that the OPEB Trust Fund had a great year and was up by 21% totaling approximately \$840,000 in earnings and bumping the total portfolio up to over \$5 million at year end. Performance is right in line

at 1.6% so far for the year. He further stated that Equities lead by Harbor Capital Appreciation was up by 5.6% and International Equities lead by First Eagle was also up by 3.3%. New Hedge Funds include Drake Capital Partners which is the largest of the new investments had a good first month was up by 2.2%, Gotham Absolute Return Fund (mutual fund that follows a hedged/long-short equity strategy) performed well and came in at 2.8% and PIMCO All Asset (multi-strategy fund that must have 50% fixed income) was up by 2.6% by the first month's end. Mr. Pickens said on the Fixed Income side of things, the 1607 Bond Fund (up 2.1%) was added to the already existing PIMCO Total Return and PIMCO Short-Term Funds. Also, another new investment, the Eagle MLP Strategy Fund was up by 1.7% for the year. Except for Real Assets, we are right on target with the entire allocation. He said that 2.5% will be pulled from PIMCO Total Return and 2.5% will be pulled from PIMCO Short-Term Fund for a total of 5% to fund the Black Rock Real Estate Fund (\$250,000). Per Mr. Pickens, this should complete the total re-allocation.

OTHER BUSINESS

No other business.

ADJOURNMENT

With no other business and all matters having been discussed and decided, Chairman SanPietro adjourned the meeting at 5:45 p.m.