



CITY OF GERMANTOWN TENNESSEE

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

Retirement Plan Administration Commission Minutes

March 21, 2017 – 6:00 pm.
Human Resources Conference Room
City Hall, 1930 S. Germantown Road

MEMBERS PRESENT: Daniel Dent, Ralph Gabb, Alderman Rocky Janda, Matt Keathley, Paul Turner

MEMBERS ABSENT: Mayor Mike Palazzolo, Patrick Lawton

ALSO PRESENT: ▪Gerber/Taylor Representatives - Bill Pickens, Steven Francomaccaro

CALL TO ORDER

Chairman Dent called the meeting to order.

ESTABLISHMENT OF A QUORUM

Mr. Turner called the roll and announced that there was a quorum.

CHAIRMAN COMMENTS

Chairman Dent advised that the meeting will be somewhat out of order as Bill Pickens will be presenting first.

GERBER/TAYLOR—CITY INVESTMENT POSITION

A) Amended & Restated Pension Plan (Old Plan):

Mr. Pickens reported that the month of February was very positive with funds being up by 3.2% year-to-date and 9.4% fiscal year-to-date. Although pleasing, Mr. Pickens said this is not sustainable as the market was down anywhere between 1.5% to nearly 2% today. Outperforming all benchmarks, overall the fund is up 16.4% for the last twelve months.

B) Defined Benefit (Cash Balance Plan)

Mr. Pickens advised fiscal year-to-date, the Cash Balance is up 7.8% and 3.6% year-to-date. He further advised that from a Total Fund perspective, the funds are performing well. Due to internal concerns as to whether Baron Small Cap is the best fit for the City's small cap area, Mr. Pickens said that we needed a manager with more of a small cap strategy, like Wedge perhaps. With that, Mr. Pickens recommended the full sale of Baron (100%) with the replacement of LSV Small Cap Value Mix (100%) which is a mutual fund that is daily valued.

CITY PROJECTED CASH NEEDS (6 MONTHS) – Amended and Restated Retirement Plan

Mr. Turner reported for the period of March 1 through September 30th, 2017 the cash needs for the Pension Plan is \$336,000. He said this for sure will get us through September however, cash flow needs will be re-evaluated at our June meeting.

****MOTION****

Mr. Gabb made a motion to approve that the Amended and Restated Retirement Plan is funded by \$336,000 for cash flow needs through September 30th, 2017. Alderman Janda seconded and the motion passed unanimously.

APPROVAL OF MINUTES

Chairman Dent called for the approval of the minutes from the December 15th, 2016 RPAC meeting.

****MOTION****

Paul Turner made a motion to approve the minutes (as amended) from the December 15th, 2016 RPAC meeting. Alderman Janda seconded and the motion passed unanimously.

****MOTION****

Alderman Janda made a motion to replace Baron Small Cap with LSV Small Cap. Mr. Gabb seconded and the motion passed unanimously.

OTHER BUSINESS

There was no other business to discuss.

ADJOURNMENT

Having discussed all items on the agenda, Chairman Dent called for the meeting to be adjourned.