



# CITY OF GERMANTOWN TENNESSEE

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## RETIREMENT PLAN ADMINISTRATION COMMISSION MINUTES

Thursday, December 17, 2009 – 5:30 p.m.  
Personnel Conference Room  
Municipal Centre, 1930 S Germantown Road

**MEMBERS PRESENT:** Chairman Dick Vosburg, Patrick Lawton, FAC Chairman Julius Moody, and Ralph Gabb.

**MEMBERS ABSENT:** Mayor Sharon Goldsworthy, Alderman Ernest Chism, and Kirk Riggins

**STAFF PRESENT:** Michael Stoll.

**ALSO PRESENT:** Bill Pickens, Sarah Thomas, and Bart Reid of Gerber/Taylor Associates, Inc

### CALL TO ORDER

Chairman Vosburg called the meeting to order at 5:30 p.m. and announced there was a quorum present.

### APPROVAL OF MINUTES

Chairman Vosburg called for approval of the minutes from the September 9, 2009 RPAC meeting.

### **\*\*MOTION\*\***

Ralph Gabb moved to approve the minutes from the September 9th RPAC meeting as presented. Julius Moody seconded and the motion passed unanimously

### REPORT BY GERBER/TAYLOR

Bill Pickens introduced Bart Reid who gave the summary of Market Highlight. The draw-down in 2008 of the S&P of 37% and the International market down 43%, the current trend has produced the S&P up 52% and the International market up 60%. Bart continued to give an historical account of the market trends in his presentation.

Bill stated the City funds have done well this year in the recovery process. The ending market value at September 30<sup>th</sup> was \$37.3 million. The total investment earning return was \$5.8 million for the year with a net of fees of 18.7%. The City's return is in line with the S&P. The stock market is up 19% and the City's is up 18.7%. The City performed nicely in the rally. It was good that the City stayed the course of its investment strategy. The various funds are nearly in line with their target allocation. In addition, the manager performed in line with their benchmark.

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Bill stated that when you look at the fund at September 30<sup>th</sup>, the fund has nearly recuperated all the losses. It was at a high of \$41 million and now at \$37.3 million, a difference of \$4 million.

With the good news, Chairman Vosburg said that we needed to relook at the amortization of the unfunded actuarial accrued liability (UAAL) from last year. Also, the Chairman asked if the amortization was on a calendar or fiscal basis. Ralph Gabb, stated that the amortization of the UAAL is on a fiscal basis. It was recommended that Richard Ellis be brought back at the June meeting for a reevaluation of the Trust.

Bill talked about the fund as of November 30<sup>th</sup>. The Trust continues to grow. For the month of November it grew an additional 3.3% or year to date 21.5% to \$38 million.

Chairman Vosburg asked about the disbursement account. Michael Stoll said the account was on target with no changes recommended.

### **\*\*MOTION\*\***

The Chairman recommended that the allocation not be changed and there be no change in manager or the disbursement account. A motion was made by Ralph Gabb to follow the Chairman recommendation and seconded by Patrick Lawton. The motion was passed unanimously.

### **ADJOURNMENT**

Hearing no further business, Chairman Vosburg called for a motion to adjourn.

### **\*\*MOTION\*\***

Julius Moody moved to adjourn. Patrick Lawton seconded and the motion passed unanimously.

The meeting adjourned at 6.00 p.m.