

A regular meeting of the OPEB Committee was held on Thursday, August 11, 2022, at 9:15 a.m. in the Administration Conference Room at Town Hall, 500 Poplar View Parkway.

The following members were present: Preston Carpenter, Valesa Wells and Stan Joyner. Absent was Charles Taylor and Shanda Ford.

Staff present was James Lewellen, Adam Hamric, Kristie Diamond and Town Clerk Lynn Carmack.

Also present was Pension Attorney Frank Carney and Susan Fletcher and Ward McBee of First Horizon Bank.

Approval of Minutes

Motion by Mr. Carpenter, seconded by Ms. Wells, to approve the minutes of the May 12, 2022, meeting.

ROLL CALL: Carpenter – yes, Wells – yes, Joyner – yes. Motion approved.

Review of the Quarterly Investment Performance of the OPEB Trust Fund by Financial Advisors - First Horizon Bank (Ward McBee and Susan Fletcher)

IPS GUIDELINE & CAPITAL MARKET ASSUMPTIONS (06/30/22):

The expected returns total fund is 4.61%; the actuarial assumption is 7.25%.

MARKET VALUE AND PERFORMANCE:

The total fund ending the fiscal year is \$15,242,033; April was down -5.48%; May was up 0.31%; June was down -5.69%; Q4 was down -10.58%; FYTD was down -12.89%; 1 year was -12.89%; 3 years was up 4.89%; 5 years up 5.86%; 10 years up 7.28%; and inception (13 years, 1 month) is up 8.68% versus the benchmark at 8.07%.

ASSET ALLOCATION:

The total cash and fixed income are still within range at \$5,391,131; total equities are \$9,850,901 (35.37% fixed income and 64.63% equities). Still within range.

HOLDINGS AND PERFORMANCE:

No changes were made.

HISTORICAL SUMMARY:

Mr. McBee said QE 06/30/22 was down -12.89%, but QE 06/30/21 was up 26.70%; QE 06/30/20 was up 4.57% and QE 06/30/19 was up 7.22%.

Ms. Fletcher said there was a disbursement out of the account of \$400,000. The investment account finished out the year at \$15,248,316. As of August 10, 2022, the market value is \$16,238,115, a gain of \$989,799.

Ms. Fletcher gave up to date numbers: FYTD is 6.54%; July 5.4%; and August 1.08%.

EXPENSE SUMMARY:

Ms. Fletcher said weighted expense finished out the year at 37 basis points; expenses were 29 basis points; total for the year came in at 66 basis points.

There were no questions or comments.

Other Business

None.

Adjournment

There being no further business, the meeting was declared adjourned at 9:21 a.m.


Chairman


Town Clerk