

MINUTES
**SPECIAL MEETING OF THE BOARD OF TRUSTEES OF THE OKLAHOMA
MUNICIPAL RETIREMENT FUND AND THE CONTRACT COMMITTEE OF
OKLAHOMA MUNICIPAL RETIREMENT FUND**
February 24, 2017

1. Call To Order

The Contract Committee of the Oklahoma Municipal Retirement Fund met at Oklahoma Municipal Retirement Fund Offices, Oklahoma City, Oklahoma on February 24, 2017, at 9:00 a.m. with Contract Chair Lage presiding. On roll call the following members were present.

BOARD OF TRUSTEES PRESENT

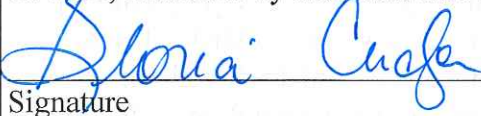
Contract Committee: Leroy Lage, Retiree, City of Watonga
Melissa Reames, Chief Financial Officer, City of Stillwater
Timothy Rooney, City Manager, City of Mustang

Vice Chair: Robert Johnston, City Manager, City of Frederick
Secretary: Bertha Ann Young, Retiree, City of Shawnee

OTHERS PRESENT

OkMRF Staff: Jodi Cox, CEO/Director
Rhnea Stewart, Fund Accountant

NOTICE: The agenda for the February 24, 2017, meeting was posted in the Central Park Tower I, first floor by 8:30 a.m. on February 22, 2017, by Gloria Cudjoe.



Signature

Contract Committee Chair, Lage extended a welcome to all in attendance and called the meeting to order.

2. Review of Vendor Evaluations

Cox reviewed the vendor evaluations as prepared by Staff for actuary, auditor, investment consultant and recordkeeper, highlight positive attributes and applicable concerns with the Committee.

- Recordkeeper: Since our go-live date to convert to daily recordkeeping was over a year ago, this is Voya's first evaluation. The Committee spent quite a bit of time on this in-depth evaluation. Staff reported that DC Participants are now being better served. Their account balances are updated daily. They have a 2 to 5 day turn around for majority of transactions, including distributions and loans. (Vast improvement over the lengthy turnaround in the past). Written confirmations are sent directly to Participants within 2 to 5 days of transaction. Participants can input their personal banking information in order for distributions or loan proceeds to be delivered directly to their account. Paperless activities using Interactive Voice Response (IVR), on-line or mobile app are offered. A free Online Advisory Service or a Professional Account Manager Program (real person and advice) for an additional fee is now available. None of these services were offered prior to the Voya partnership. The Voya team is extremely proactive and responsive. They have been available to OkMRF at several state-wide conferences and Member city visits. Their PR group is extremely creative. The OkMRF PR materials, DC Participant website (tailored to OkMRF) and the OkMRF website revamp makes us highly competitive with a professional appeal. Voya assigned us a PR team of professionals, that allowed for customization and co-branding using OkMRF logo. We did not lose our identity and had ultimate authority to change materials accordingly. The overall partnership has helped OkMRF system go to the next level.
No recommended changes at this time.
- Actuary: Dean Actuaries continues to demonstrate expertise in preparing annual funding valuations for all member cities and individualized participant statements. Execution of the accounting reports for GASB 68 was successful overall. The generation of reports is improving year over year, still needing typographical improvement to final reports. The Participant Accounting System (PAS) supported by Dean Actuary's programmer is integral to our daily operations. The programming is inventive and customized to OkMRF. This is a true asset to OkMRF. It traces reciprocal vesting service per the OkMRF plan document and bi-directional data transfers with the Recordkeeper. Staff was directed by the Committee to inquire about securing PAS's Source Code from Dean Actuaries. This is OkMRF intellectual property and is vital to obtain. Succession planning is still a concern. A short-term commitment to the next three (3) years was stated in writing. A long-term plan still requires Chuck Dean to provide additional thought. Overall provides solid service, customized programming and actuarial services.
No recommended changes at this time.
- Auditor: Finley and Cook continues to provide service excellence to OkMRF for auditing services and continued implementation of GASB 68. Staff has confidence

and trust in their services. This was the last year of a five (5) year engagement. Cox reminded the Committee that in 2012, OkMRF went out for RFP and sent out fourteen (14) RFPs and none of the proposers sent in a response except for the incumbent Finley & Cook. Therefore, we will request another five (5) year engagement letter from Finley & Cook on all external audits.

No recommended changes at this time.

- Consultant: Asset Consulting Group continues to be a valued partner exhibiting depth and breadth of personnel. Because of ACG's resources, they helped Staff and the Board with negotiation and transition to a new DB Custodial bank change within a relatively short time frame. They continue to prove they are invaluable partners as the DB and DC portfolios change and evolve. ACG helped the Trustees with numerous accomplishments in 2016. Staff has confidence in this firm and is of the opinion they will service OkMRF well in the future.

No recommended changes at this time.

3. Update on Northern Trust DB Custodial Services

Northern Trust was supposed to provide unitized accounting by the January Board meeting. This was not accomplished. Cox reminded Committee that the prior custodian did not provide unitized accounting at the Member level and that this was quite an undertaking. Yet, they missed their targeted timeline. Unitized accounting by Member has been provided by Dean Actuaries, DB Actuary and Recordkeeper, historically. OkMRF Staff will continue to request concurrent unitized reports, once Northern Trust produces, for comparison purposes. This is still a critical component to PAS for GASB purposes. Cox further reported seventeen (17) retirees did not receive their 2/1/17 checks timely. She wrote a personal letter and encouraged the retirees to complete a direct deposit form.

4. New Business

None.

5. Adjourn

With no further discussion, meeting adjourned at 9:59 a.m.



Leroy Lage, Contract Chair



Donna Doolen, Chair

Respectfully submitted by:



Jodi S. Cox

