

MINUTES
**SPECIAL MEETING OF THE BOARD OF TRUSTEES OF THE OKLAHOMA
MUNICIPAL RETIREMENT FUND AND THE INVESTMENT COMMITTEE OF
OKLAHOMA MUNICIPAL RETIREMENT FUND**
March 30, 2017

1. Call To Order

The Investment Committee of the Oklahoma Municipal Retirement Fund met at Oklahoma Municipal Retirement Fund Offices, Oklahoma City, Oklahoma on March 30, 2017, at 1:05 p.m. with Investment Chair Lockett, Jr. presiding. On roll call the following members were present.

BOARD OF TRUSTEES PRESENT

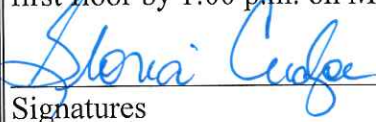
Investment Committee: Jim Lockett, Jr., Retiree, City of Thomas
 Robert Park, Retiree, City of Sallisaw
 Ed Tinker, Retiree, City of Glenpool

OTHERS PRESENT:

OkMRF Staff: Jodi Cox, Executive Director and CEO
 Chris Whatley, Plan Advisor and Portfolio Strategist
 Katie Girardi, Plan Advisor

Others: Haley Rives, Asset Consulting Group
 Kevin Moore, Asset Consulting Group

NOTICE: The agenda for the March 30, 2017, meeting was posted in the Central Park Tower I, first floor by 1:00 p.m. on March 28, 2017, by Gloria Cudjoe.



Signatures

Luckett extended a welcome to all in attendance and called the meeting to order.

2. Overview of the Mandate and the Investment Managers Presented by Asset Consulting Group

Moore gave an overview of the current portfolio structure, fixed income investment environment and the reasoning for adding this new fixed income asset class. Moore reminded the Committee the reasoning behind funding from Pioneer as well as the future allocation flows of the fixed income portfolio. He then reviewed how the mandate was defined and provided an overview of the candidate managers focusing on the qualitative and quantitative factors for each manager.

3. Presentations Regarding Liquid Absolute Return Management Firms

BlackRock Asset Management

Shayan Hussain and Eric Lane

Lane introduced herself, Hussain and the firm. She reviewed the strategy and addressed the history of why the firm started the fund and the environment that made it possible. Hussain described the strategy as able to produce return but protect capital. The fund is benchmark agnostic and uses T-Bills because it is a less volatile as a benchmark instead of Libor. Hussain described the portfolio as being primarily downside protection with some level of return. He then described various market conditions in the past and the future where the portfolio could excel or be challenged. The three keys to the strategy are flexibility, diversification, and downside protection. The CIO has ultimate decision making authority and his goal is trying to get consistency of returns.

Loomis, Sayles & Company

Todd Vandam and John Trydahl

Trydahl introduced himself, Vandam and the firm. He then reviewed the strategy and talked about what differentiates Loomis Sayles from others. Incentives are designed to incent associates to stay with the firm over a long term time horizon. He said the LS in Loomis Sayles stands for "Last Stay" to describe how associates typically have long tenure. Vandam gave an overview of the strategy, investment philosophy and risk objectives. The goal is to look for market opportunities where the reward outweighs the risks taken. Decisions are made as a consensus driven approach on both buys and sales. As a firm, they believe markets move in cycles and cycles repeat. Risk management tools are designed by the Loomis Sayles quant team to limit losses and focus risk budgets.

GAM

Alex McKnight, Jack Flaherty and Chris Todisco

Todisco introduced himself, McKnight, Flaherty and the firm. He reviewed the strategy with the goal being to manage the downside and make money in all environments. He also described the max allocation to various sectors and low correlation as being the key to success. Flaherty described more of the team environment. The majority of the team is based in London. As a firm, they believe it is important to go see the environment where they make investments. McKnight then described the GAM version of unconstrained fixed income investing; wider variety of asset classes, tools and techniques. The existing portfolio was broken down focusing on sectors, regions and ratings. Flaherty reviewed performance of the portfolio and where they have made money throughout the year. He also talked about risk management techniques and how they feel they are continually learning and adjusting as the market "throws new things at them."

4. **Discussion and Development of a Recommendation to the Board of Trustees for the Purpose of Hiring a Liquid Absolute Return Manager for both DB and DC Portfolios**

Moore reviewed the managers with the Committee and answered questions regarding the manager interviews. He then reviewed the manager risk and return metrics, correlations when added with existing portfolios, Sharpe ratios, etc. Admitting, OkMRF could not go wrong with any of the firms interviewed.

Motion by Tinker, seconded by Park to recommend to the Board of the Oklahoma Municipal Retirement Fund to hire BlackRock for a 25% allocation in the fixed income portfolio in the DB plan and 25% of the Total Yield Bond Fund in the DC investment lineup.

Luckett: Yes

Park: Yes

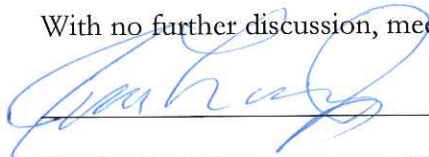
Tinker: Yes

5. **New Business**

None

6. **Adjourn**

With no further discussion, meeting adjourned at 4:26 p.m.



Jim Luckett, Jr., Investment Chair



Donna Doolen, Chair

Respectfully submitted by:



Chris L. Whatley