

MINUTES
BOARD OF TRUSTEES
OKLAHOMA MUNICIPAL RETIREMENT FUND
October 26, 2018

1. Call To Order

The Board of the Oklahoma Municipal Retirement Fund met at the Oklahoma Municipal Retirement Fund Offices, Oklahoma City, Oklahoma, on October 26, 2018, at 10:02 a.m. with Vice-Chair Johnston presiding. On roll call, the following members were present:

BOARD OF TRUSTEES

Vice-Chair: Robert Johnston, City Manager, City of Frederick
Secretary: Robert Park, Retiree, City of Sallisaw
Treasurer: Jim Lockett, Jr., Retiree, City of Thomas
Members: Joe Don Dunham, City Manager, City of Alva
Tamera Johnson, Human Resources Director, City of Shawnee
Melissa Reames, Assistant City Manager & Chief Financial Officer, City of Stillwater
Tim Rooney, City Manager, City of Mustang
Ed Tinker, Retiree, City of Glenpool

OTHERS PRESENT:

OkMRF Staff: Jodi Cox, CEO & Director
Chris Whatley, Plan Advisor & Portfolio Strategist
Rhnea Stewart, Fund Accountant
Katie Girardi, Plan Administrator

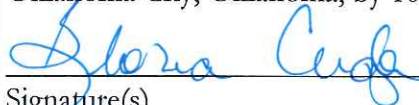
OkMRF Attorney: David Davis

Others: Kevin Moore, ACG
Katie Morrison, Amundi Pioneer
Meredith Birdsall, Amundi Pioneer

Whatley opened the meeting with prayer and Johnston led the Pledge of Allegiance.

Johnston welcomed everyone and called the meeting to order.

NOTICE: The agenda for the October 26, 2018, meeting was posted in Columbus Square, Oklahoma City, Oklahoma, by 10:00 a.m. on October 29, 2018, by Gloria Cudjoe



Signature(s)

2. **Ed Tinker Trustee Oath of Office**

Ed Tinker, District 1 was administered the constitutional and statutory oath of office by Jody Elliott, OkMRF.

3. **Approval of Consent Agenda**

The following items were presented under the consent agenda.

A. **Minutes of September 28, 2018 Meeting(s)**

B. **Monthly Valuation of Fund Assets by Custodian**

Option	Value by Fund
Defined Benefit	\$583,545,919.03
International Investment Equity	\$ 8,651,542.65
Aggressive Equity	\$ 21,533,339.24
Real Assets Fund	\$ 465,252.67
Global Equity	\$ 6,693,214.46
Growth and Value Equity	\$ 21,591,294.40
S & P 500 Index	\$ 28,108,172.34
Target Retirement 2060	\$ 1,463,387.75
Target Retirement 2055	\$ 3,293,920.78
Target Retirement 2050	\$ 6,252,062.65
Target Retirement 2045	\$ 8,938,077.83
Target Retirement 2040	\$ 12,957,792.49
Target Retirement 2035	\$ 18,068,656.20
Target Retirement 2030	\$ 21,788,516.06
Target Retirement 2025	\$ 35,393,206.37
Target Retirement 2020	\$ 33,105,939.82
Target Retirement Income	\$ 21,489,817.43
Total Yield Bond Fund	\$ 5,362,250.59
Bond Index	\$ 11,308,015.04
Voya Fixed Plus III	\$ 35,453,473.35
Loan Portfolio	\$ 8,401,651.29
Self Directed Brokerage	\$ 115,691.12
Total Assets	\$893,981,193.56

C. **Purchases and Sales of Assets**

D. Administrative Expenses and Fees
Expenses and Fees for October

Actuary & Recordkeeping	\$40,056
Administration	123,892
Attorney	3,950
Audit	0
Board Travel	5,411
Employer Directed Expense	735
Insurance	0
Investment Advisors	167,418
Custodial	13,281
Investment Consultant	30,442
Public Relations	0
Representative Travel	<u>4,008</u>
EXPENSES	<u><u>\$389,193</u></u>

E. Benefit Payments and Contribution Refunds

Motion made by Tinker, seconded by Luckett to approve all items on the Consent Agenda.

Motion carried: AYE: Dunham, Johnson, Johnston, Luckett, Park,
Reames, Rooney and Tinker

NAY: None

4. Consideration and Possible Action of Items Removed from the Consent Agenda

No action taken.

5. Comments from Public

None.

6. Amundi Pioneer: Annual Update from Investment Manager – Katie Morrison and Meredith Birdsall

Morrison spoke on the final steps of Pioneer's transition to Amundi's integrated platform. The integration of Pioneer and Amundi has led to several organizational changes that have allowed both managers access to a deeper breadth of research analysts and trade platform capabilities with very little organizational overlap. Birdsall reviewed continued outperformance of the benchmark in 3Q18, year-to-date and projected 2% annualized returns for 2018. Multi-sector allocations, shorter durations, TIPS and municipal exposure are contributors towards both upside performance and downside protection. Birdsall concluded with long term views on risk and exposure. Based on global illiquidity forecasts, Amundi Pioneer foresees reducing exposure to higher risk investments and focusing on adding exposure to Treasuries and agency-backed mortgages to lower risk and position themselves defensively.

7. Consideration and Possible Action Regarding Investment Committee Report

A. ACG: Review and Discussion of Monthly ASAP Reports

Moore began the discussion with a broad market overview, citing volatile current month activity could eliminate any positive returns from quarter-end. Information technology selloffs, rising interest rates and ongoing threats of tariffs and trade wars have contributed to headwinds in the current market. Moore reiterated active portfolio management and fundamentals will help navigate through bumpy markets.

Moore continued with a high-level overview of both DB and DC portfolios. Domestic equities have proven to be the driver of results of both portfolios, while non-US equities and emerging markets have presented hurdles due to a strong US dollar, lower GDP growth and ongoing concern of trade wars and tariffs. Fixed income has been problematic with rising interest rates throughout the year. BlackRock has acted as a great compliment to JPMorgan and Amundi Pioneer in the current market. Moore restated the importance of the presence of long/short portfolio managers during down markets for protection and possible positive returns. Target retirement funds are performing in line with their global and fixed income exposure.

B. Consideration and Possible Action on Reallocation and/or Rebalancing of Assets Among Investment Managers

No action taken.

8. Consideration and Possible Action Regarding Administrative Committee Report

No action taken.

9. Consideration and Possible Action Regarding Contract Committee Report

No action taken.

10. Consideration and Possible Action Regarding the Election of Officers

Officers are annually elected to serve one-year terms.

Motion made by Rooney, seconded by Tinker to approve the same slate of officers as follows:

Chairman:	Donna Doolen, Finance Director, City of Ada
Vice-Chairman:	Robert Johnston, City Manager, City of Frederick
Secretary:	Robert Park, Retiree, City of Sallisaw
Treasurer:	Jim Lockett, Jr., Retiree, City of Thomas

Motion carried: AYE: Dunham, Johnson, Johnston, Lockett,
Park, Reames, Rooney and Tinker.

NAY: None

11. Consideration and Possible Approval of Chair's Committee Assignments

The Chair appointed Committees as follows:

Administrative Committee: Johnston as Chair, Johnson and herself

Contract Committee: Reames as Chair, Dunham and Rooney

Investment Committee: Lockett as Chair, Park and Tinker

Motion made by Tinker, seconded by Park to accept the Chair's Committee assignments.

Motion carried: AYE: Dunham, Johnson, Johnston, Luckett,
Park, Reames, Rooney and Tinker.

NAY: None

12. Consideration and Possible Approval of 2019 Trustee Meeting Schedule and Staff Holidays

Cox presented the meeting schedule and staff holidays.

Motion made by Rooney, seconded by Tinker to approve calendar for board meetings and staff holidays as proposed.

Motion carried: AYE: Dunham, Johnson, Johnston, Luckett,
Park, Reames, Rooney and Tinker.

NAY: None

13. Receive Report on Newly Adopted or Amended OkMRF Member Plans

Whatley reported on the plan changes for Antlers, Krebs, Vian and Tipton. New Member, Chelsea Gas Authority, will be joining OkMRF on December 1, 2018. Whatley attended Guymon's city council meeting where a unanimous vote was made to allow former IBTS employees to rejoin OkMRF.

14. OkMRF Staff Report

Stewart reported on audit process with auditors being on site next week.

Girardi reported on new member, Walters, transition. Funds to be received after November 1.

Whatley reported on the following items:

- Saxena White informed OkMRF of a security litigation case involving Papa Johns. No action needed at this time.
- Presented potential Christmas family from Youth & Family Services. Envelope passed around for donations.

Cox reported on the following items:

- Due Diligence trip to ACG offices was informative and appreciated by Trustee and Staff attendees.
- Thanked trustees for OPFTEC attendance.
- Next month, Intech will be presenting and we will be serving traditional Thanksgiving meal.
- Staff member, Lindsay Porter, has been promoted to Recordkeeping Manager. New employee, Linda Ruckman, will be replacing Porter as Recordkeeping Assistant. Welcomed all Trustees to attend Jeanette Howard's retirement celebration on October 31st.

15. Consideration and Possible Action on Resolution 2018-3 Commending Jeanette Howard for Service

Johnston recognized Howard and read Resolution 2018-3 commending her for service with OkMRF. Howard received standing ovation from the Board and Staff. Trustees and staff expressed their appreciation and wished her well. Howard reflected on her experience during her employment tenure.

Motion made by Tinker, seconded by Rooney to approve Resolution 2018-3 of commendation for Jeanette Howard.

Motion carried:

AYE: Dunham, Johnson, Johnston, Luckett,
Park, Reames, Rooney and Tinker.

NAY: None

16. New Business

None.

17. Trustee/Member Comments

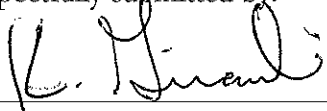
18. Adjourn

With no further business to conduct meeting adjourned.

Robert Park, Secretary

Robert Johnston, Vice-Chair

Respectfully submitted by:



Katie Girardi