

MINUTES
BOARD OF TRUSTEES
OKLAHOMA MUNICIPAL RETIREMENT FUND
April 26, 2024

1. Call To Order

The Board of the Oklahoma Municipal Retirement Fund met at the Oklahoma Municipal Retirement Fund Offices, Oklahoma City, Oklahoma, on April 26, 2024, at 10:02 a.m. with Vice Chair Johnston presiding.

2. Roll Call

Vice Chair Johnston requested Whatley take the roll call. A quorum was declared. On the roll call, the following members were present.

BOARD OF TRUSTEES:

Vice Chair: Robert Johnston, City Manager, City of Clinton
Treasurer: Jim Lockett, Jr., Retiree, City of Thomas
Secretary: Robert Park, Retiree, City of Sallisaw *(arrived at 10:30 a.m.)*
Members: Shaun Barnett, City Manager, City of Woodward
Tamera Johnson, Retiree, City of Shawnee
Melissa Reames, Retiree, City of Stillwater
Tim Rooney, City Manager, City of Mustang

OTHERS PRESENT:

OkMRF Staff: Jodi Cox, CEO & Director
Chris Whatley, CIO & Plan Advisor
Rhnea Stewart, Fund Accountant
Regina Story, Fund Accountant
Kevin Darrow, Retirement Administrator

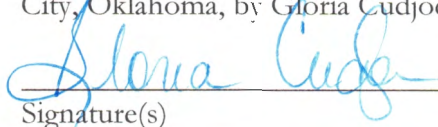
OkMRF Attorney: David Davis

Other: Kevin Moore, ACG
Andrew Beck, River Road
Ben Brady, River Road
Sean Sullivan, Dean Actuaries
Kevin Baload, With Intelligence *(via video)*

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

Johnston welcomed everyone and called the meeting to order.

NOTICE: The agenda for April 26, 2024, was posted in Columbus Square, Oklahoma City, Oklahoma, by Gloria Cudjoe, by 10:00 a.m. on April 25, 2024.


Signature(s)

3. Approval of Consent Agenda

The following items were presented under the consent agenda.

A. Minutes of March 28, 2024 Meeting(s)

B. Monthly Valuation of Fund Assets & Unit Values by Custodian as of March 31, 2024 Including February Revisions

Option	Value by Fund
Defined Benefit	\$ 743,702,839.86
International Investment Equity	9,068,609.97
Aggressive Equity	19,606,904.18
Real Assets Fund	778,866.80
ESG US Stock Fund	1,882,423.33
Global Equity	12,777,264.03
Growth and Value Equity	27,425,140.29
S & P 500 Index	44,236,598.65
Target Retirement 2065	254,340.78
Target Retirement 2060	11,054,861.20
Target Retirement 2055	10,657,870.17
Target Retirement 2050	16,392,390.45
Target Retirement 2045	20,809,608.88
Target Retirement 2040	24,845,216.26
Target Retirement 2035	31,399,411.65
Target Retirement 2030	36,370,358.96
Target Retirement 2025	42,071,015.18
Target Retirement 2020	20,538,119.79
Target Retirement Income	18,793,265.85
Total Yield Bond Fund	7,291,614.18
Bond Index	14,521,556.22
Voya Fixed Plus III	49,362,142.09
Loan Portfolio	8,040,016.31
Self Directed Brokerage	371,482.45
Total Assets	\$ 1,172,251,917.53

C. Purchases and Sales of Assets for March 2024

D. Administrative Expenses and Fees

Expenses and Fees for April

Actuary & Recordkeeping	\$ 48,538.31
Administration	110,730.39
Attorney	3,985.00
Audit	0.00
Board Travel	2,433.48
Employer Directed Expense	0.00
Insurance	0.00
Investment Advisors	107,369.09
Custodial	8,149.79
Investment Consultant	40,978.25
Public Relations	0.00
Representative Travel	<u>4,639.68</u>
EXPENSES	<u>\$ 326,823.99</u>

E. Benefit Payments and Contribution Refunds for March 2024

Motion made by Lockett, seconded by Rooney to approve all items on the Consent Agenda.

Motion carried: AYE: Barnett, Johnson, Johnston, Lockett, Reames, and Rooney

NAY: None

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

No action taken.

5. Comments from the Public

None.

6. River Road: Annual Update from Investment Managers – Andrew Beck and Ben Brady

Beck began his remarks that his previous visit was in July 2022 in which a bear market had begun in June 2022, with many market changes since that point. He reported that personnel remained stable, and they just completed a firm-wide strategic review which identified actions to take, but nothing specific to the strategy that OkMRF invests in. He provided a reminder that his co-

founder will be retiring at quarter end and that their multi-year succession plan process was implemented. He proceeded with a portfolio overview and covered various market events since his last visit. He further explained the recent market underperformance was primarily due to earnings expectation slashing between the last quarter of 2023 and the first quarter of 2024 and the Federal Reserve interest rate expectations changing. Yet, Beck was optimistic that quality should perform well. He provided insight on top and bottom stock contributors, the impact of merger and acquisitions with potential regulatory changes, the cash position of the portfolio as well as companies having ample cash on hand, portfolio performance and future expectations in the small cap value sector, and their sell discipline. In general, he stated, River Road is closed to new investors in their small cap and mid cap portfolios.

7. Consideration and Possible Action Regarding Investment Committee Report

A. ACG: Review of Monthly ASAP Reports

Moore began by highlighting that ACG again and for the sixth time has been named a Greenwich Associates Quality Leader, being recognized as one of the top consultants in the mid-size investment consultant category. Appreciation was expressed for the invaluable feedback received from the survey of which OkMRF participates.

Moore briefly reviewed the Market Snapshot noting that ACG sees inflation moderating, Federal Reserve rate hikes will most likely be limited in comparison to the anticipated six (6) rate hikes expected at the first of the calendar year. However, they are continuing to watch inflation, the labor markets, accumulated consumer headwinds, Fed policy mistakes, downward revision in corporate earnings projections, and the ongoing geopolitical activity.

The DB portfolio ten year annualized return on March 31, 2024, came in at 7.33% compared to the policy index of 6.81%, gross of fees. Moore briefly reviewed the managers within the portfolio, noting no concerns. Due to personnel changes at JPMorgan Real Estate, ACG is having a follow-up meeting with JPMorgan and will report back to the Trustees during the upcoming Board meetings. The DC Investment options are doing as expected. Growth and Value and the Aggressive investment options are bringing in strong double digit returns. One of the underlying manager's performance in the International option was affected by stock selection in Japan, the Total Yield option has no concerns, and Target Date Fund participation continues to represent nearly 55% of the total DC portfolio.

B. Consideration and Possible Action on Reallocation and/or Rebalancing of Assets as Recommended by the Investment Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting

No action taken.

8. Consideration and Possible Action Regarding Administrative Committee Report

A. Consideration and Possible Action Regarding Executive Director Review as Recommended by the Administrative Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting

Johnston stated Cox presented a comprehensive review of CEO and OkMRF's FY 2023-24 goals to the Administrative Committee.

Cox expressed gratitude towards the supportive Board and Staff. Noting, it is without doubt a collective effort. She emphasized the importance of concentrating on three key areas: Trustees, Staff, and Membership. Then, presented an overview of the most impactful accomplishments that were achieved during the fiscal year to include the development of a

Business Continuity and Security Plan, the hiring of additional replacement personnel for a Plan Administrator and Fund Accountant, development of an internal Staff dashboard/landing page, implementation of DC single log in with Voya for Participants to access all of their OkMRF accounts as well as Voya 457 accounts, development of a comprehensive benefit review and intentional one-on-one discussions promoting open dialog and seeking valuable Staff input, the Staff's 457 service provider change, and the Code of Ethical Conduct update for Board and Staff.

Johnston indicated the complete report is available for review upon request. Trustees were encouraged to submit input for the upcoming fiscal year's goal setting. He reminded the Board that the Trustee Retreat will be Thursday, June 27th.

Motion made by Johnson, seconded by Reames to accept the Executive Director Review as presented.

Motion carried: AYE: Barnett, Johnson, Johnston, Lockett, Park, Reames, and Rooney

NAY: None

9. Consideration and Possible Action Regarding Contract Committee Report

No action taken.

10. Dean Actuaries, LLC: Consideration and Possible Acceptance of the Summary of GASB Accounting Results for Fiscal Years Ending on or Before July 1, 2024 – Sean Sullivan

Sullivan presented an overview of GASB reporting requirements for accrual based Members. Expressing the importance of the discount rate and funding methods utilized to prevent depletion of assets. Potential exceptions were analyzed in depth for possible depletion. A letter was issued to CEO stating no depletion dates. Each exhibit in the report was briefly reviewed. The retiree medical plans are well funded with no concerns at this time.

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

Whatley reported on plan changes for the OkMRF members, including two (2) new Members to include a DB plan for the Town of Byng and a new DC plan for the Town of Hochatown. Whatley recognized for Byng and Cox for Hochatown.

12. OkMRF Staff Report

Whatley reported on attending the TEXPIERS conference and the due diligence trip to Clarion Lion. Trustees who participated in the due diligence trip were extremely impressed with the management, facility tour, and transparency exhibited by Clarion Lion.

Cox reported on the following:

- Audit fieldwork for GASB 68 is underway.
- Finley & Cook will present the GASB 68 audit results at the May meeting.
- Budget for FY 24-25 to be presented at the May meeting.
- The Administrative Committee is meeting at 11:00 a.m., Thursday, May 30th to review the budget and set goals.
- Trustee nomination process begins the first week of May for District 4 and the At-large position. Nominations remain open until the end of business on June 30, 2024.
- Requested Trustee Retreat survey be completed for planning purposes.

13. New Business

None.

14. Trustee/Member Comments

None.

15. Acknowledge the Review and Acceptance of ACG, River Road and Dean Actuaries Reports as Presented During this Meeting

Motion made by Lockett, seconded by Rooney to accept the reports as received from ACG, River Road and Dean Actuaries.

Motion carried:

AYE: Barnett, Johnson, Johnston, Lockett, Park, Reames, and Rooney

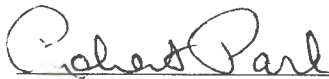
NAY: None

16. Roll Call

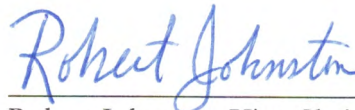
Whatley reported a quorum present.

17. Adjourn

With no further business to conduct, the meeting adjourned at 11:29 a.m.



Robert Park, Secretary



Robert Johnston, Vice Chair

Respectfully submitted by:

