

**MINUTES**  
**BOARD OF TRUSTEES**  
**OKLAHOMA MUNICIPAL RETIREMENT FUND**  
**February 29, 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 February 29, 2024, at 10:03 a.m. with Chair Doolen presiding. On roll call, the following members were present.

**2. Roll Call**

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

**BOARD OF TRUSTEES:**

Chair: Donna Doolen, Retiree, City of Ada  
Vice Chair: Robert Johnston, City Manager, City of Clinton  
Treasurer: Jim Lockett, Jr., Retiree, City of Thomas  
Secretary: Robert Part, Retiree, City of Sallisaw  
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  
Ed Tinker, Retiree, City of Glenpool

**OTHERS PRESENT:**

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


OkMRF Attorney: David Davis

Other: Kevin Moore, ACG  
Don Elefson, Axiom  
Megan Strater, Axiom  
Unidentified, (*via video*)

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

Doolen welcomed everyone and called the meeting to order.

**NOTICE:** The agenda for February 29, 2024, was posted in Columbus Square, Oklahoma City, Oklahoma, by Gloria Cudjoe, by 10:00 a.m. on February 28, 2024.

  
Signature(s)

3. **Approval of Consent Agenda**

The following items were presented under the consent agenda.

A. **Minutes of January 26, 2024 Meeting(s)**

B. **Monthly Valuation of Fund Assets & Unit Values by Custodian as of January 31, 2024**

<b>Option</b>	<b>Value By Fund</b>
Defined Benefit	\$ 711,547,501.80
International Investment Equity	\$ 8,679,702.09
Aggressive Equity	\$ 18,172,670.26
Real Assets Fund	\$ 771,524.97
ESG US Stock Fund	\$ 1,893,567.59
Global Equity	\$ 11,689,567.07
Growth and Value Equity	\$ 25,052,334.64
S & P 500 Index	\$ 40,993,725.12
Target Retirement 2065	\$ 188,767.84
Target Retirement 2060	\$ 10,122,349.00
Target Retirement 2055	\$ 9,993,658.15
Target Retirement 2050	\$ 15,129,562.23
Target Retirement 2045	\$ 18,992,690.13
Target Retirement 2040	\$ 23,670,520.08
Target Retirement 2035	\$ 29,716,315.02
Target Retirement 2030	\$ 34,360,512.22
Target Retirement 2025	\$ 42,096,306.94
Target Retirement 2020	\$ 21,094,510.70
Target Retirement Income	\$ 18,046,433.46
Total Yield Bond Fund	\$ 6,565,096.44
Bond Index	\$ 14,277,250.57
Voya Fixed Plus III	\$ 50,230,502.07
Loan Portfolio	\$ 7,763,007.93
Self Directed Brokerage	\$ 327,067.83
Total Assets	\$ 1,121,375,144.15

**C. Purchases and Sales of Assets for January 2024**

**D. Administrative Expenses and Fees**

**Expenses and Fees for February**

Actuary & Recordkeeping	\$47,381.40
Administration	139,122.17
Attorney	3,750.00
Audit	0.00
Board Travel	1,598.29
Employer Directed Expense	0.00
Insurance	0.00
Investment Advisors	0.00
Custodial	10,432.66
Investment Consultant	0.00
Public Relations	6,400.00
Representative Travel	<u>1,770.41</u>
EXPENSES	<u>\$210,454.93</u>

**E. Benefit Payments and Contribution Refunds for January 2024**

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

Motion carried: AYE: Barnett, Doolen, 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 the Public**

None.

**6. Axiom: Annual Update from Investment Managers – Dan Elefson and Megan Strater**

Strater, Client Services Axiom, provided introductions and a brief overview of the firm noting they are in Connecticut, considered a boutique type company utilizing a bottom up process that

removes the emotional aspect of buying and selling, single team concept of investment decisions, and 100% employee owned.

Elefson, one of the four (4) portfolio managers, described their alpha driven philosophy and investment process. They focus on three (3) defined alpha drivers of positive change, sustainable growth, and valuations that are attractive for upside potential while providing risk control benefits. The investment process tends to center around quick reactionary and timely decisions made within their active management style, utilizing their proprietary based database software and the resulting factor related rating assignments. Axiom does rely on brokerage research information. The portfolio is underweighted in China, overweight in Brazil based companies, and overweight in Mexico due to anticipated retail opportunities. Portfolio performance was reviewed, being slightly behind the benchmark since inception.

## **7. Consideration and Possible Action Regarding Investment Committee Report**

### **A. ACG: Review and Discussion of Monthly ASAP Reports and Quarterly Performance Report**

Moore briefly reviewed the Market Snapshot indicating that markets are off to a strong start this year, AI tends to be driving returns upward and the large cap magnificent seven (7) companies are the leaders for strong returns in the U.S. markets.

The DB portfolio is closing in on \$713 million and continues to outperform the policy index with less risk on a long-term basis of a five (5), seven (7) and 10 (ten) year period. The allocations of over and under targets were reviewed. February's returns should reflect strong, positive returns. Moore noted that active management has been aggressively repositioning within sectors in anticipation of future interest rate cuts by the Federal Reserve. This portfolio will continue to be positioned for the long term as the Private Equity allocation build out continues and potential management changes of the Real Estate allocation evolve as discussed in the Investment Committee meeting.

The DC investment options were reviewed. The Growth and Value option diversification has done exceptionally well, with solid performance over the long term in both the Aggressive and International investment options. The Target Retirement Funds now represent 55% of total DC assets with SSgA doing a good job of managing these options at a very low fee.

### **B. ACG: Consideration and Possible Action to Enter the Exit Queue for Full Liquidation of JPMorgan Strategic Property Fund and Special Situations Property Fund and Cease Dividend Reinvestment as Recommended by the Investment Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting**

Investment Chair, Lockett, thanked those in attendance and the meaningful discussion points during the Investment Committee meeting.

Motion made by Lockett and seconded by Park to enter the exit queue for full liquidation of the JPMorgan Strategic Property and Special Situations Property funds and to cease dividend reinvestment effective immediately as recommended by the Investment Committee.

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

NAY: Tinker

**C. ACG: Consideration and Possible Action Regarding Private Equity Annual Review and Commitment Pacing Plan in the Defined Benefit Portfolio as Recommended by the Investment Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting**

Investment Chair, Lockett, requested Moore provide an overview of the private equity discussions from the Investment Committee meeting held the previous day. Moore began by saying that the private equity pacing plan will continue to be annually evaluated for the continuation of building out this allocation. This is the second step towards adding an additional manager that will target buyouts of middle market businesses.

Motion made by Lockett and seconded by Tinker for staff to enter contract negotiations for the Berkshire Partners XI fund with a total commitment of \$15 million as soon as administratively possible as recommended by the Investment Committee.

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

NAY: None

**D. 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**

No action taken.

**9. Consideration and Possible Action Regarding Contract Committee Report**

**A. Approve Renewal of Fiduciary Liability and Crime Insurance Policies as Recommended by the Contract Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting**

Motion made by Reames and seconded by Rooney to accept the recommendation from the Contract Committee to renew the fiduciary liability policy issued by Federal Insurance Company for the term April 2, 2024, to April 2, 2025, and to accept the recommendation to renew the excess fiduciary liability policy and crime policy issued by Travelers for the term April 2, 2024, to April 2, 2025.

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

NAY: None

**B. Consideration and Possible Action Regarding Review of Vendor Evaluations as Recommended by the Contract Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting**

Reames, Contract Committee Chair, reported an in-depth review was conducted for OkMRF service providers. Appreciation expressed for Staff's time in documenting the respective Vendors' performance during the past year.

Motion made by Reames, seconded by Barnett to retain Voya, Dean Actuaries, Asset Consulting Group, Northern Trust, and Finley & Cook as service providers.

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

NAY: None

**10. Consideration and Possible Approval of the Revised and Restated Defined Benefit Master Plan and Joinder Agreement with Related Adoption of Resolution 2024-2 thereto**

Cox explained that this is the third time the Defined Benefit (DB) Master Plan and Joinder Agreement has been updated, receiving a determination letter that the Plan is a qualified plan as certified by the Internal Revenue Service (I.R.S.). The IRS has a six (6)-year restatement cycle requiring that each plan sponsor update their pre-approved plan documents. Upon approval and adoption of the Revised and Restated Define Benefit Master Plan and Joinder Agreement by the Board, then each DB Member will be required to subsequently adopt this updated Master Plan and Joinder Agreement on or by March 31, 2025.

Highlights of updates and changes included the following:

- Use of the Public Plan Mortality Study (Pub-2010) issued by Society of Actuaries
- Revised lump sum factor options to coincide with revised mortality rates in Pub -2010
- More clarification and details clearly defining the hybrid feature
- Joint and Survivor option mathematical changes
- Definition change of Normal Retirement Age to allow for pension eligibility once age of sixty-five (65) and at least five (5) years of service is achieved, regardless of vesting schedule
- Updates to comply with the 2020 I.R.S. Cumulative List of Plan Qualification Requirements, changes for state and federal laws, and clarification for administrative purposes

Motion made by Rooney, seconded by Reames to approve the Revised and Restated Defined Benefit Master Plan and Joinder Agreement and related adoption of Resolution 2024-2.

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

NAY: None

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

Whatley reported on plan changes for the OkMRF Members. Two (2) new DC members added. Recognition to Whatley for the Town of Oologah and Cox for the Town of Kellyville.

**12. OkMRF Staff Report**

Whatley reported the upcoming TEXPERS conference folder was provided to attendees. The Clarion Lion due diligence information will be provided at the March meeting in advance of the TEXPERS conference.

Cox reported on the following:

- William Blair, SMID Growth, will be presenting next month.
- Dean Actuaries, Sean Sullivan, will be presenting the consolidated funding actuarial study information next month.
- The annual review of the Investment Policies, Guidelines and Objectives will be presented for Board approval next month.
- Trustees were reminded of the importance of their waiver recourse insurance and to pay David Davis \$25 for their personal coverage premium.
- An update was provided on recent personnel hired to assist Whatley with coverage of visiting the membership.
- Voya has completed the “Single Sign” on feature for the DC Participants who also have Voya 457 Plans.

**13. New Business**

None.

**14. Trustee/Member Comments**

None.

**15. Roll Call**

Whatley reported a quorum present.

**16. Adjourn**

With no further business to conduct the meeting adjourned.

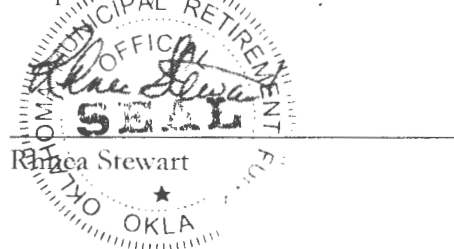


Robert Park, Secretary



Donna Doolen, Chair

Respectfully submitted by:



Renee Stewart