

**MINUTES**  
**BOARD OF TRUSTEES**  
**OKLAHOMA MUNICIPAL RETIREMENT FUND**  
**March 28, 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 March 28, 2024, at 10:00 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 Park, Retiree, City of Sallisaw  
Members: Shaun Barnett, City Manager, City of Woodward  
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  
Kevin Darrow, Retirement Administrator

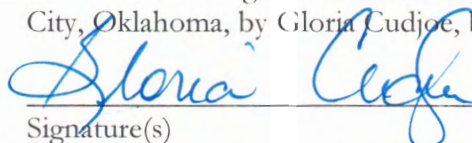
OkMRF Attorney: David Davis

Other: Kevin Moore, ACG  
James Dominguez, William Blair  
Aaron Socker, William Blair  
Sean Sullivan, Dean Actuaries  
Unidentified, *(via video)*

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

Doolen welcomed everyone and called the meeting to order.

**NOTICE:** The agenda for March 28, 2024, was posted in Columbus Square, Oklahoma City, Oklahoma, by Gloria Cudjoe, by 10:00 a.m. on March 27, 2024.

  
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Signature(s)

**3. Approval of Consent Agenda**

The following items were presented under the consent agenda.

**A. Minutes of February 29, 2024 Meeting(s)**

**B. Monthly Valuation of Fund Assets & Unit Values by Custodian as of February 29, 2024**

| Option                          | Value By Fund       |
|---------------------------------|---------------------|
| Defined Benefit                 | \$ 728,891,823.43   |
| International Investment Equity | \$ 8,925,882.40     |
| Aggressive Equity               | \$ 19,187,490.99    |
| Real Assets Fund                | \$ 771,730.58       |
| ESG US Stock Fund               | \$ 2,054,434.01     |
| Global Equity                   | \$ 12,249,261.56    |
| Growth and Value Equity         | \$ 26,682,505.38    |
| S & P 500 Index                 | \$ 43,176,875.05    |
| Target Retirement 2065          | \$ 196,124.44       |
| Target Retirement 2060          | \$ 10,710,389.24    |
| Target Retirement 2055          | \$ 10,347,497.62    |
| Target Retirement 2050          | \$ 15,755,293.34    |
| Target Retirement 2045          | \$ 19,766,500.75    |
| Target Retirement 2040          | \$ 24,217,815.01    |
| Target Retirement 2035          | \$ 30,564,508.55    |
| Target Retirement 2030          | \$ 35,092,979.05    |
| Target Retirement 2025          | \$ 42,318,788.75    |
| Target Retirement 2020          | \$ 19,338,841.38    |
| Target Retirement Income        | \$ 18,494,523.65    |
| Total Yield Bond Fund           | \$ 6,788,772.03     |
| Bond Index                      | \$ 14,032,780.54    |
| Voya Fixed Plus III             | \$ 49,449,798.17    |
| Loan Portfolio                  | \$ 7,927,020.65     |
| Self Directed Brokerage         | \$ 351,939.51       |
| Total Assets                    | \$ 1,147,293,576.08 |

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

**D. Administrative Expenses and Fees**

**Expenses and Fees for March**

|                           |                      |
|---------------------------|----------------------|
| Actuary & Recordkeeping   | \$ 55,224.81         |
| Administration            | 118,986.67           |
| Attorney                  | 12,652.50            |
| Audit                     | 0.00                 |
| Board Travel              | 2,137.93             |
| Employer Directed Expense | 0.00                 |
| Insurance                 | 138,317.00           |
| Investment Advisors       | 0.00                 |
| Custodial                 | 12,908.74            |
| Investment Consultant     | 0.00                 |
| Public Relations          | 0.00                 |
| Representative Travel     | 2,079.25             |
| EXPENSES                  | <u>\$ 342,306.90</u> |

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

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

Motion carried: AYE: Barnett, Doolen, 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. William Blair: Annual Update from Investment Managers – James Dominguez and Aaron Socker**

Dominguez provided an overview of their firm. Main office is located in Chicago, started OkMRF relationship in October 2022, considered a global transparent boutique firm and a private partnership with 100% active employee ownership. William Blair has four (4) investment

teams with varied strategies within each team. Assets under management has reflected growth for the past five (5) years straight. Current assets under management are \$67.7 billion.

Socketer provided an overview of the firm structure and of the investment strategy of the small-mid cap growth fund. Various partnership levels occur within the firm, noting that analysts, as well as portfolio managers and specialists, can become partners. The strategy seeks long-term earnings, durable growth, strong management teams, a sustainable business model, and strong, solid financials while exploiting market inefficiencies. The strategy tends to provide better returns in bear markets with good quality growth companies but will tend to lag during speculative markets. Since inception, this fund has provided additional value over the benchmark of 4%. A brief review was discussed related to their sell discipline as well as the contributors and distractors for calendar year 2023 and the first two (2) months of 2024. William Blair does not take big bets on sector allocations but strives for diversification and long-term sustainable growth.

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

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

Moore briefly reviewed the Market Snapshot noting that ACG still sees sign for continued growth in 2024. However, they are continuing to watch inflation, the labor markets, and Fed policy as well as geopolitical activity.

The DB portfolio is at \$734 million and continues to outperform the policy index on a 10-year annualized return basis. Over and underweight target allocations were discussed, active managers doing well in 2024 in comparison to 2023, the non-U.S. equity allocation is adding good value for the year, Private Equity funding is in infancy, and Berkshire documents are in review. Fixed Income managers are of no concern and are performing as expected. The Real Estate allocation will be discussed during the next agenda item. A due diligence visit will be made to Clarion Lion in April in conjunction with the TEXPERS conference.

The DC investment options are performing as expected. The Target Date Funds now account for 54% participation with a total of \$227 million. Potential due diligence trip for SSgA and other managers in the Boston area will likely be scheduled for this fall. The remaining investment options provide additive value for Participant investing.

### **B. ACG: Update and Education on Real Estate Opportunity Set**

Moore provided an update on the Real Estate liquidation of the two (2) JPMorgan funds, providing an anticipated redemption schedule that will take numerous quarters through calendar year 2025. As such, Moore reminded Trustees that we are still invested in real estate. ACG continues on-going discussions with JPMorgan about the strategies and proposed changes as well as management of the large exit queue that is evolving. JPMorgan real estate presentation has been moved up in rotation to the June Board meeting.

Moore then discussed a sample of two new managers each for a core fund and a value added fund, purely as examples of the real estate opportunity set. If a search is deemed necessary, discussion will most likely begin during the August Investment Committee.

### **C. ACG: Consideration & Possible Action Regarding DB and DC Investment Policies & Guidelines as Recommended by the Investment Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting**

Moore presented changes in both policies. Amendments to the DB document was related to the consistency of terms throughout, added investment managers to avoid all issues related to Unrelated Business Taxable Income (UBTI), updated benchmark for Real Estate allocation from NCREIF Property Index to NFI ODCE Net Index, revisions to performance expectations, private equity guidelines enhanced, “liquid absolute return” renamed to be “unconstrained” fixed income, and added a table of contents. Amendments to the DC document was related to the consistency of terms throughout, performance expectations updated for Total Yield Bond Fund option, “liquid absolute return” renamed to be “unconstrained” fixed income, revised benchmark for the strategic income opportunistic fund within the Total Yield Bond Fund option and added a table of contents.

Motion made by Tinker, seconded by Rooney to approve the amendments to the Statement of Investment Policy, Guidelines, and Objectives for both DB and DC as recommended by the Investment Committee and ACG.

Motion carried: AYE: Barnett, Doolen, 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**

No action taken.

**10. Dean Actuaries, LLC: Consideration and Possible Acceptance of the Summary of Actuarial Funding Results July 1, 2023 – Sean Sullivan**

Sullivan presented the Summary of Actuarial Funding results as of July 1, 2023, and the new contribution rates effective for the year starting July 1, 2024. A review of the new ASOP 4 was discussed and the introduction of the concept of “low-default-risk obligation measure” (LDRM) and how it compares to the accumulated benefit obligation (ABO) in the Risk Assessment Section of the report. The overall contribution rate reflected a slight average increase of 0.8% and a 0.39% median increase. The funding ratios were very solid with four (4) newer plans with a 60% or lower funded ratio, 86 plans were over 80% funded with the majority in the funded range of 80 to 90%. The unfunded actuarial asset liability as a percent of covered payroll reflected 56 plans less than 50%. The nonactive plans were briefly reviewed with only two (2) of the six (6) plans having a funding ratio of less than 100%. Market value returns vs. the Actuarial value return trends were discussed due to volatility in the markets during 2021 – 2023. Other points of interest:

- Average age of active participants was 45.2 years
- Youngest nonactive participant was 53.9 years
- Retirees increased by 61 participants
- Average pay for actives increased by 6%
- Past two (2) years, participation shows an increase while the preceding years reflected decreases year over year

Motion made by Lockett, seconded by Park to accept the Summary of Actuarial Funding Results as of July 1, 2023, as presented with the new contribution rates effective July 1, 2024, as prepared by Dean Actuaries, LLC.

Motion carried: AYE: Barnett, Doolen, Johnston, Lockett, 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, including a new CMO plan for City of Perry and a new member, Town of Leedy. Whatley was recognized for his efforts.

**12. Acknowledge the Review and Acceptance of ACG, William Blair and Dean Actuaries Reports as Presented During this Meeting**

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

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

NAY: None

**13. OkMRF Staff Report**

Whatley reported the TEXPERS conference folder is available to attendees along with the Clarion Lion due diligence trip details. The agenda for the TEXPERS will only be available via an app that has to be downloaded.

Cox reported on the following:

- River Road, U.S. small cap value, will be presenting next month.
- Dean Actuaries will be back for the presentation of the GASB 68 consolidated report.
- Reminder to pay Davis for waiver recourse insurance for their personal coverage premium.
- Conference attendees for TEXPERS and Clarion Lion due diligence trip will be Whatley, Reames, Park, Johnston, and Lockett.
- The Oklahoma Public Fund Trustee Education Conference is September 25 – 27<sup>th</sup> and will be held in Tulsa at the Hyatt Regency Downtown with the Board meeting immediately following conference completion that Friday.
- Trustee Retreat is scheduled for June 27<sup>th</sup>.
- OkMRF membership is currently at 250 Members and growing, with 394 plans, four (4) new Members since January 2024 and four (4) more potential new Members currently under consideration. Great start to ring in 2024.
- Upcoming elections will be for the At-large District currently held by Johnston and District 4 currently held by Johnson. Nomination notices will be mailed the first week of May with nominations to remain open until June 30<sup>th</sup>, 2024.
- Administrative Committee and CEO will be reviewing last year's goal and setting new goals for 24-25 during the next two (2) months. Please provide Johnston or Cox suggestions for consideration and addition of new goals.

**14. New Business**

None.

**15. Trustee/Member Comments**

None.

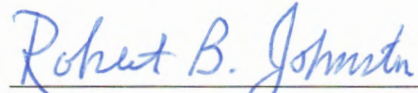
**16. Roll Call**

Whatley reported a quorum present.

**17. Adjourn**


With no further business to conduct, the meeting adjourned at 11:45 a.m.

  
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Robert Park, Secretary

  
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Donna Doolen, Chair

*On behalf of Donna Doolen*

Respectfully submitted by:

  
\_\_\_\_\_  
Rhnea Stewart

