

MINUTES
BOARD OF TRUSTEES
OKLAHOMA MUNICIPAL RETIREMENT FUND
October 25, 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 October 25, 2024, at 10:00 a.m. with Vice Chair Johnston presiding.

2. Roll Call

Vice Chair Johnston requested Darrow 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 (*arrived at 10:05 a.m.*)
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
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
Kevin Darrow, Retirement Plan Advisor
Rhnea Stewart, Fund Accountant
Regina Story, Fund Accountant

OkMRF Attorney: David Davis

Other: Kevin Moore, ACG
Ed Omata, Artisan (*virtual*)
David Samra, Artisan (*virtual*)
Joe Ebisa, with Intelligence (*virtual*)
Marina Benitez, Money-Media.com (*virtual*)
Unknown, 415-283-1820 (*virtual*)

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

Johnston welcomed everyone and called the meeting to order.

NOTICE: The agenda for October 25, 2024, was posted in Columbus Square, Oklahoma City, Oklahoma, by Gloria Cudjoe, by 10:00 a.m. on October 24, 2024.



Signature(s)

3. Consideration and Possible Action to Administer Trustee Oaths of Office to Tamera Johnson and Robert Johnston and Acknowledge General Incumbency Certificate

Tamera Johnson, District 4 and Robert Johnston, At-Large, were administered the constitutional and statutory oath of office by OkMRF staff member, Lindsay Porter.

4. Approval of Consent Agenda

The following items were presented under the consent agenda.

A. Minutes of September 27, 2024 Meeting(s)

B. Monthly Valuation of Fund Assets & Unit Values by Custodian as of September 30, 2024

Option	Value By Fund
Defined Benefit	\$781,360,239.05
International Investment Equity	9,574,123.19
Aggressive Equity	19,101,081.84
Real Assets Fund	718,484.52
ESG US Stock Fund	1,888,344.36
Global Equity	13,462,169.93
Growth and Value Equity	29,050,615.46
S & P 500 Index	48,022,488.59
Target Retirement 2065	274,624.24
Target Retirement 2060	13,032,195.01
Target Retirement 2055	12,172,885.84
Target Retirement 2050	18,053,576.99
Target Retirement 2045	23,515,740.05
Target Retirement 2040	27,801,384.39
Target Retirement 2035	34,425,287.60
Target Retirement 2030	39,689,051.44
Target Retirement 2025	45,121,204.27
Target Retirement 2020	19,566,375.34
Target Retirement Income	19,029,829.08
Total Yield Bond Fund	8,137,161.17
Bond Index	14,774,523.61
Voya Fixed Plus III	47,358,333.69
Loan Portfolio	8,846,678.23
Self Directed Brokerage	429,537.27
Total Assets	\$1,235,405,935.16

C. Purchases and Sales of Assets for September 24

D. Administrative Expenses and Fees

Expenses and Fees for October

Actuary & Recordkeeping	\$ 50,353.59
Administration	120,165.78
Attorney	24,000.00
Audit	0.00
Board Travel	9,139.52
Employer Directed Expense	5,280.00
Insurance	0.00
Investment Advisors	106,811.20
Custodial	8,133.34
Investment Consultant	42,207.60
Public Relations	3,775.66
Representative Travel	<u>10,897.61</u>
EXPENSES	<u>\$380,764.30</u>

E. Benefit Payments and Contribution Refunds for September 24

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

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

NAY: None

ABSENT: Doolen

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

No action taken.

6. Comments from the Public

None.

7. **Artisan: Annual Update from Investment Manager – Ed Omata and David Samra**

Omata introduced himself and Samra joined the call to kick off with a brief portfolio positioning summary. Samra stated that Artisan Partners are fundamental investors and the way the portfolios are constructed are based on discounts to intrinsic value. As value investors, they are looking for disparities in the marketplace and every security is evaluated based on what level of discount it offers. When markets are rising, as in the current environment, Artisan is selling securities to recognize gains. Therefore, it becomes much more difficult to find new, significantly undervalued securities at the same rate at which they are selling. This causes cash to grow as a percentage of the portfolio.

Samra pointed to the Top 10 holdings and discussed how they evaluate each business on an individual basis, rather than geographical considerations. He summarized several of these holdings, the selection criteria surrounding each holding, and how they are contributors to the performance of the fund.

Omata then commented on the performance of the fund and discussed what transpired during the pandemic as far as investment opportunities. Samra pointed out that travel and leisure as well as oil and gas provided opportunities for investment and were able to generate significant returns over the past few years. Samra then discussed the domestic vs. international economy and businesses that comprise the index, and that Artisan's focus is on better businesses at a discount.

8. **Consideration and Possible Action Regarding Investment Committee Report**

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

Moore stated that performance has been strong with markets at all-time highs. Real estate appears to be trending towards a turnaround. Regarding the DB portfolio, the Fund will continue to move to the new target allocation for private equity. While performance is up, Moore said that he expects the election and other geopolitical concerns to create volatility.

Emerging markets moved upward in the month of September. The portfolio is a tad bit overweight to large cap equities, but that is due to performance as well as using that category for investing idle cash. Total portfolio, net of fees, is up over 11.5% year to date. Seven-year rate of return numbers are right at the fund targets, with U.S. stocks continuing to be the driver of performance. No concerns with any of the managers.

Moore pointed out that River Road looks different than other managers because they do not hold any banks, and banks were up almost 20% in the quarter alone. Moore also pointed out that the S&P 500 trailing one year return is up 36%, the DB portfolio is passively invested there so not a huge boost to the overall performance. On the non-U.S. side, Moore indicated that China has had strong performance in a short amount of time, and Axiom being underweight to China, results in being significantly below the benchmark for a shorter time frame.

Moore reminded the Board that the Morgan Stanley Prime Property Fund is targeted to complete the subscription documentation process by the end of the year for a \$30 million commitment. Moore informed the Board of a key employee leaving the JP Morgan Strategic Property Fund and summarized the fee credit program for JP Morgan that the

Board is participating in and the status to date. Moore also pointed out the last page of the DB statement regarding private equity activity.

Regarding the DC portfolio, Moore also presented experience of double digit returns regarding U.S. equities. No concerns with any managers. Pointing out the wide utilization of the target date funds amongst the participant base.

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

No action needed.

9. Consideration and Possible Action Regarding Administrative Committee Report

A. Consideration and Possible Action on Resolution 2024-3 Regarding an Amendment to the Staff OkMRF Defined Benefit Program Approving a Split Tier Retention Structure Effective January 1, 2025, as Recommended by the Administrative Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting

Johnston reminded Trustees that this amendment has been discussed since the last budget process. The Administrative Committee brought it to the meeting last month for approval, and this item is the resolution that would formally amend the OkMRI' Defined Benefit plan.

Motion to adopt and approve Resolution 2024-3 made by Johnston and seconded by Reames.

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

NAY: None

10. Consideration and Possible Action Regarding Contract Committee Report

No action needed.

11. Consideration and Possible Action Regarding the Election of Officers

Officers are elected annually to serve a one (1) year term.

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

Chair: Doolen
Vice-Chair: Johnston
Secretary: Park
Treasurer: Lockett

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

NAY: None

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

Chair Doolen suggested appointments, via memo, and designated Chairpersons to continue to serve on the same Committee as the prior year. The Committee Chair appointments proposed as follows:

Administrative Chair: Johnston
Contract Committee Chair: Reames
Investment Committee Chair: Lockett

Motion made by Tinker and seconded by Rooney to accept the Chair's Committee assignments as presented.

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

NAY: None

13. Consideration and Possible Approval of 2025 Trustee Meeting Schedule and Staff Holidays

Cox presented a proposed 2025 Trustee meeting schedule and Staff holidays, noting one (1) Thursday Board meeting to be held in August. Cox indicated that OkMRF is the host plan for OPFTEC in 2025 and it is scheduled for the first week in October, so there is no need for any off-site meetings. Cox also indicated that since OkMRF is organizing OPFTEC next year, there will be no Trustee retreat planned for 2025 due to demands on finding presenters for both events.

Motion made by Lockett and seconded by Rooney to approve the schedule for Board meetings and Staff holidays as proposed.

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

NAY: None

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

Cox reported on plan changes for the OkMRF members.

15. OkMRF Staff Report

Cox reported on the following items:

- Reminder of professional photos scheduled before next month's meeting on Friday, November 22nd.
- WCM will be presenting at next month's meeting.
- Finley & Cook will be attending the December meeting to present the financial report.
- Kari Baser is working to get all DB Member's plans to adopt the restated DB master joinder. These will be mailed to members next week with an effective date of 1/1/25 and need to be adopted by 3/31/25.
- This year's give back event is again the Youth and Family Services of El Reno. Donations will be accepted by cash, check, or electronically.

- CPE status for each Trustee has been provided. Also, for those who participated in ACG staff education through due diligence trips, please complete the ACG training form provided so CPE records can be updated.
- Whatley and Darrow provided a memo summarizing the due diligence trips to State Street and Amundi for those who were unable to attend.

16. New Business

None.

17. Trustee/Member Comments

Trustees provided feedback to ACG regarding the meeting's investment presentation, Item 7.

18. Acknowledge the Review and Acceptance of ACG and Artisan Reports as Presented During This Meeting

Motion made by Lockett and seconded by Rooney to accept the monthly reports from ACG and Artisan.

Motion carried:

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


NAY: None


19. Roll Call

Darrow reported a quorum present.

20. Adjourn

With no further business to conduct, the meeting adjourned at 11:05 a.m.


Robert Park, Secretary


Donna Doolen, Chair

Respectfully submitted by:


Regina Story



The seal is circular with the text "OKLAHOMA MUNICIPAL RETIREMENT FUND" around the perimeter and "OKLA." at the bottom. A star is in the center. The word "OFFICIAL" is written across the seal.