OKMRF™
OKLAHOMA MUNICIPAL RETIREMENT FUND

Memorandum
September 21, 2026

To: Board of Trustees
From: Jodi S. Cox, Executive Director & CEO
RE: September 25, 2026, Meeting

TAKE NOTE: Board meeting is off-site at 11:30 a.m.

Meeting follows the Oklahoma Public Fund Trustee Education Conference at the Choctaw Conference & Resort, Magnolia Rooms 1, 6, and 7 located at 4216 S. Highway 69/75 Durant, OK 74701. Feel free to show your OkMRF spirit and wear the following:

- **Wednesday – short sleeve black polo or black sweater/pullover**
- **Thursday – long sleeve white polo**
- **Friday – short sleeve gray polo or gray pullover**

Please review attached **Agenda commentary** on items: **3. F, 6. B, 6. C, 7. A, 7. B** and **9**. They contain pertinent information on those specific agenda items. I did not write up commentary on regular agenda items or items being presented by third parties.

This month, we will have **George Tarlas** covering ACG items. Items on our agenda:

1. Consent agenda **Clarion Lion Industrial Trust amended** and **restated agreements** (**See Memo 6. B**).
2. **George** will review 8/31/26 **ASAP reports**.
3. **Investment Committee** has two (2) agenda items, to **approve Thompson Street Capital Partners agreements** and **ratify ACG/Staff investment placement** of Jenks large deposit. (See Memos **6. B** and **6. C**).
4. **Contract Committee** has two (2) agenda items, to **ratify OPEH&W termination letter** and **approve Hub International broker appointment**, plus **approve the usage of Administrative Assets to settle run-off claims and/or future special assessments.** (See Memos **7. A** and **7. B**).
5. **Final trustee election results** are in and need to be accepted by the Board: Congratulations to Melissa and Tim! Read commentary **9**.
6. **ACG** will periodically add an **educational piece** which will become part of your **Memos**. This month, ACG only provided the **Market Snapshot** which is now contained inside the ASAP reports.

REMINDER: October is the month to **elect board officers**. Donna and I want to encourage any Board member interested in running for an Officer position to let that be known to fellow Board members before the October meeting.

We also will approve our **2026 meeting calendar**. Please think ahead regarding any special dates or considerations on your calendar and let me know as soon as possible.

If you should have any questions, please give me a call at 1-888-394-6673, ext. 102. Until then, make it a great week!!! See most of you in Durant!!! ☺

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OKLAHOMA MUNICIPAL RETIREMENT FUND

INFORMATIONAL MEMO FOR TRUSTEES ONLY
9/25/2026
Agenda Item: 3. F

To: Board of Trustees

From: Chris L. Whatley, Chief Investment Officer & Plan Advisor

Acknowledgement of Receipt of the Clarion Lion Industrial Trust Confidential Private Placement Memorandum Amended and Restated as of September 1, 2026

Background/Summary:
The Trustees of OkMRF's various investment funds can, from time to time, amend confidential Private Placement Memorandums (PPMs), Limited Partnership Agreements (LPAs), Supplements, and Declaration of Trusts (DoTs). Staff worked with David and concluded it prudent to acknowledge the receipt on the consent agenda of these types of amendments for historical record purposes.

Clarion manages the industrial real estate component within OkMRF's real assets allocation of the Defined Benefit (DB) portfolio. They represent approximately 28% of the total DB real assets allocation with no current outstanding commitments.

The proposed revisions were reviewed by Staff and ACG. Due to the confidential nature of this document, it is not included in the agenda packet. It is available for Board review, if requested.

Based on Staff review the following noteworthy changes were noted in the Confidential Private Placement Memorandum:

- ✓ Provided the Trust with the ability to invest up to 15% of the portfolio in Canada and Mexico.
- ✓ The Clarion Board of Trustees was updated to include Dayton Conklin and Josh Pristaw. Reference to David Confer and Hugh MacDonnell has been removed.
- ✓ Text updates and modifications to various types of investment risks.
- ✓ Text modifications to conflicts of interest, tax consequences, and regulatory matters.

Recommendation: Trustees acknowledge receipt of the Confidential Private Placement Memorandum Amended and Restated as of September 1, 2026. No additional action required.

OKLAHOMA MUNICIPAL RETIREMENT FUND

INFORMATIONAL MEMO FOR TRUSTEES ONLY
9/25/2026
Agenda Item: 6. B

To: **Board of Trustees**

From: **Chris L. Whatley, Chief Investment Officer & Plan Advisor**

Consideration and Possible Approval of Thompson Street Capital Partners VII-A Confidential Private Placement Memorandum, Agreement of Limited Partnership, Subscription Agreement, and Related Documents as Recommended by the Investment Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting

Background/Summary:

On August 28, 2026, Agenda Item 8. B, OkMRF authorized a $10 million commitment to Thompson Street Capital Partners VII as an additional placement of Private Equity assets in the Defined Benefit (DB) portfolio. Thompson Street will issue OkMRF capital calls as tactical opportunities arise for investment. Due to the nature of this type of investment, it is difficult to predict the exact timing of these capital calls.

OkMRF established a cash management policy as part of the updated Investment Policies and Guidelines approved under Agenda Items 7. B and 7. D on March 27, 2026. Under the updated policy, when capital calls are received, ACG will make an investment recommendation for funding each capital call as well as provide direction for investment placement for each private equity distribution.

Staff and Davis have diligently worked with Thompson Street, reviewed the agreement documents, and negotiated a side letter as directed.

Due to the voluminous and confidential nature of the documents, they were not included in the agenda packet. A copy of the documents for the Thompson Street Capital Partners Fund VII-A investment are available upon Trustee request.

OKLAHOMA MUNICIPAL RETIREMENT FUND

INFORMATIONAL MEMO FOR TRUSTEES ONLY
9/25/2026
Agenda Item: 6. C

To: Board of Trustees

From: Chris L. Whatley, Chief Investment Officer & Plan Advisor

Consideration and Possible Action to Ratify the Investment of Large Deposit Received from the City of Jenks as Recommended by the Investment Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting

Background/Summary:
On August 1, 2026, the City of Jenks opened a new Defined Benefit (DB) program allowing up to ten (10) years of past service credit for their employees. On August 25, 2026, the City of Jenks made an initial deposit of $6,119,968 to pay down the unfunded actuarial liability and offset actuarial costs. Once received, ACG was consulted for an investment recommendation. Per their recommendation, the deposit was invested into the Blackrock Strategic Income Opportunities Fund on September 3, 2026, to increase the Fixed Income component to get closer to its' 20% target of the overall DB asset allocation.

Deposit Received:

Cash	$ 6,119,968

Deposit Invested:

Blackrock Strategic Income Opportunities	$ 6,119,968

Recommendation:
Staff recommends the Board ratify Staff-initiated action on the investment of the large deposit received from the City of Jenks as proposed by ACG.

INFORMATIONAL MEMO FOR TRUSTEES ONLY
9/25/2026
Agenda Item: 7. A

To: Board of Trustees

From: Jodi S. Cox, Executive Director & CEO

Discussion and Possible Ratification of Termination Letter Sent to Current Health Provider, OPEH&W, in Accordance with the Inter-local Agreement with the Intent of Providing the Required 60-day Notice and Appoint a New Broker of Record, HUB International with an Effective Date of December 1, 2026, as Recommended by the Contract Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting

Background/Summary:
OkMRF became a standalone employer on September 1, 2005, and began offering Staff benefits. OPEH&W has been our health insurance provider of choice since July 1, 2013. OPEH&W was established in 1992 and is a non-profit Inter-Local Public Trust formed under Oklahoma State Statutes 51 and 74. These statutes allowed Oklahoma public entities to work together for a common purpose using Inter-Local Government Agreements. The intent was to enhance the quality of life for local government employees and their families by providing affordable health benefits. They offered a range of services including health, dental, vision, life insurance, and ancillary benefits, with a focus on making healthcare more accessible and cost-effective. The organization is uniquely owned and operated by a collaboration of Oklahoma local government organizations, including OkMRF. They have a 15-member Board consisting of 14 county officials and 1 non-county representative.

However , in January 2026, OPEH&W approved a special assessment of $5M to its members to offset the lag of paying claims and satisfy their current line of credit. OkMRF's share of that assessment was 0.3% or just under $15,000. To date, more than 94.6% or $4.7M of the $5M was reported as paid. In other words, 83 groups have fully paid, 6 groups are paying in installments, and 4 groups have yet to pay or quite frankly refusing to pay. This is the second OPEH&W assessment over the thirteen (13) years since OkMRF joined this organization.

Then on June 2, 2026, the Oklahoma Insurance Commissioner based on 6.30.2025 financials issued an order questioning OPEH&W's solvency, requesting a plan be in place to remedy the financial position of the health plan, and to confirm that their Trustees are taking appropriate measures to ensure financial stability. Since that time, a State Insurance Commissioner (SIC) representative has begun attending the OPEH&W Board meetings and has required OPEH&W meet with the SIC monthly for updates.

Your Trust Attorney, CEO, and Staff have been monitoring the situation. We have been meeting with Hub International, a broker, to develop the best possible alternative insurance to replace OPEH&W. We feel confident in our proposed solution that will go before the Contract Committee in October and be presented to the Board at the October Board meeting.

On September 8, 2026, OkMRF Board Chair, Contract Chair, and CEO determined it was time to send a withdrawal letter terminating OPEH&W coverage effective December 1, 2026. The letter was intended to satisfy the required 60-day notice, as meeting our statutory notification in accordance with the Interlocal Government Agreement (fourth amended and restated interlocal government agreement dated July 1, 2000) and our Participation Agreement signed by OkMRF Board on April 26, 2013. Below is the reference excerpt:

Any Participating Agency may withdraw from membership in this Interlocal Agreement by giving at least sixty (60) days in advance written notice thereof to the Board of Review.

Numerous factors led to this decision, including but not limited to the following:

- Post the $5M assessment in January, only eight (8) short months later, the Plan Administrator reported at the September 3, 2026, Emergency meeting that there was a need for another assessment for 260% more than the initial assessment and estimated to be $13M. OkMRF's share of this recent possible assessment would be approximately $52K, which either way, we will be required to pay our share.
- Ongoing OPEH&W Board and legal scrutiny.
- The actuary review suggested a higher increase was necessary, but the OPEH&W Board only increased premiums by 9.9% effective July 1, 2026, for most participating employers to avoid a double-digit increase and discounted the actuarial concerns. OkMRF actually experienced a slight 5% decrease due to the plan selection.
- A retroactive increase back to July 1, 2026, was passed by the Board at the September emergency meeting, for an additional 12.5% increase in rates applied to member/employee coverage only and not to spouses or dependents. Ours was an all-in increase of 7.5% but some members' premiums increased by over 22%.
- Lawsuits have ensured including Woods County which is tied to disputes over carrier cancellations, significant health surcharges, and municipal withdrawals.
- New appeals resulted from runoff claims and assessments (City of Eufaula and Sayre).
- BlueCross and BlueShield sent notification that OPEH&W's current 60-day grace period provision for claims payment will be reduced to 30-days, with the change to become effect 11/1/2026. Such a change without significant action being taken would be impossible, in their words, for the OPEH&W Health Plan to make work.
- The landscape has changed significantly, not only in Oklahoma, but nationwide, with health claim inflation rampant. Therefore, the Board of Trustees voted unanimously to develop new policies including procedures for reviewing and reporting on the past performance and future risk of each participating group and allowing targeted group by group true-up assessments for over utilization as a condition of continued participation and/or potential non-renewal of certain groups.
- Air ambulance utilization and claims (millions of dollars) continue to be of great concern.
- There were 9 reported groups leaving on 6/30/2026, which increased to 13 groups as of August 6, 2026, and now to 17 groups as of September's emergency meeting. The loss of these 17 groups has resulted in an approximate 20% reduction in monthly premium income, with claim payments currently due prior to these groups terminating, and the money available for claims payments being significantly squeezed, which tightened OPEH&W's financial position even further.
- Even though groups are responsible for their run-out claims, the OPEH&W Health Plan is still paying and floating those costs pending reimbursement from the affected group.
- Their line of credit (LOC) is up to 3.1M with only $500K available on the LOC and financial statements showed a deficit of over $3M as well.
- New emergency bylaws are being proposed and reviewed by the Trustees which contain revisions to the Trust and Interlocal agreements as recommended by their legal counsel. They are expected to approve at the upcoming September 24, 2026, meeting.

OkMRF currently has three (3) retirees using the OkMRF health, dental, and vision insurance, with the retiree paying the full premium.

Recommendation:
Ratify the termination letter sent to OPEH&W, in accordance with the Inter-local Agreement and appoint a New Broker of Record, HUB International with an Effective Date of December 1, 2026.

INFORMATIONAL MEMO FOR TRUSTEES ONLY
9/25/2026
Agenda Item: 7. B

To: Board of Trustees

From: Jodi S. Cox, Executive Director & CEO

Discussion and Possible Action to Authorize the Usage of the Administrative Account Assets to Settle any Run-off Claims and/or Special Assessments Subsequently Issued to the Fund by OPEH&W as Recommended by the Contract Committee and Rejection or Approval of any Amendments Proposed and Considered by the Trustees at the Meeting

Background/Summary:
As of August 31, 2026, our Administrative Account has $364,833 in unreserved fund balance. Historically, and for specific reasons, the Board has authorized Staff to use some of the unreserved fund balance. The recent such usages were to:

- ✓ Support the office relocation, furniture, and fixtures in 2017
- ✓ Add office space, furniture, and equipment to support the additional Plan Administrator/traveling position in 2024
- ✓ To pay our share of the January OPEH&W assessment

The unrestricted funds are used rather than running certain items through the budget. By using OkMRF reserves, we do not directly impact the Memberships' bottom-line and under certain circumstances, this approach makes the best sense.

OPEH&W run-off claims are incurred but not yet received/paid at the time of a departing member. With OkMRF leaving the OPEH&W plan effective December 1, 2026, there may be claims that the Fund will be fully responsible to pay. That is, if the bill is not settled before December 1st. Providers have up to twelve (12) months to settle the claims with Blue Cross/Blue Shield (BC/BS); hence, run-off claims are a possibility. OkMRF, per the signed OPEH&W agreement, will be fully responsible to pay BC/BS after that date.

Update on OPEH&W:
See Memo 7. B for details.

Recommendation:
Authorize the usage of the Administrative Account assets to settle any run-off claims and/or special assessments subsequently issued to the Fund by OPEH&W.

To: Board of Trustees

From: Jodi S. Cox, Executive Director & CEO

Consideration and Possible Action Regarding the Trustee Election Results

Background/Summary:
Below are the results of the Trustee elections for District 5 and District 6 positions. Typically, ballots are distributed to the respective district members with election outcomes tallied and closed by August 30th. Then, election results are approved in the following September meeting.

District 5 Election Results:

There was no need for an election in District 5 due to the lack of an opponent.

Nominee	No election necessary
Melissa Reames	Winner - did not draw an opponent

District 6 Election Results:

Ballots were distributed to the respective twenty-seven (27) District 6 Members with election outcomes tallied and closed on August 30, 2026. Tim Rooney was declared the winner.

Nominee	Total Votes Received
Tim Rooney	**7**
Kamie Brookshire	0
Ryan Rushing	1
Total Votes Received	8 (30% of the District)

Board Action: The Board needs to accept election results in this month's meeting with elected Trustees taking their Oath of Office at the start of the October meeting.