MINUTES
PENSION TRUST COMMISSION
THIRD FLOOR CONFERENCE ROOM
CITY HALL
JANUARY 26, 2023 – 9:00 A.M.

Chairperson Bayones called the meeting to order at 9:00 a.m. in the City Hall Third Floor Conference Room. Notice of meeting and agenda was posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT:	Teri Bayones; Paul Ellwanger; Christine James; Andrew Hill; Ed Petersen
ABSENT:	James Apple; Richard Rogalski
ALSO PRESENT:	Dewayne Burk, Deputy City Manager; Michael Cleghorn, City Manager; Joe Don Dunham, Financial Services Director; Craig Akard, Human Resources Director; Kristin Huntley, Financial Services Deputy Director; Tim Wilson, Deputy City Attorney; Donalynn Blazek-Scherler, Sr. Deputy City Clerk; Perry Warren, Morgan-Stanley; Chad Rother, Morgan-Stanley.

STATEMENT OF COMPLIANCE WITH OKLAHOMA OPEN MEETING ACT, 25 O.S. 301-314

INTRODUCTION OF GUESTS

BUSINESS ITEMS:

1. Consider approving the minutes of the July 28, 2022, October 27, 2022, and November 29, 2022 meetings.

Motion by Petersen, **Second** by James, to approve the minutes of July 28, 2022. **AYE:** Ellwanger, James, Hill, Petersen, Bayones. **NAY:** None. ***MOTION PASSED.***

Motion by Petersen, **Second** by Hill, to approve the minutes of October 27, 2022. **AYE:** Ellwanger, James, Hill, Petersen, Bayones. **NAY:** None. ***MOTION PASSED.***

Motion by James, **Second** by Ellwanger, to approve the minutes of November 29, 2022. **AYE:** Ellwanger, James, Hill, Petersen, Bayones. **NAY:** None. ***MOTION PASSED.***

2. Receive quarterly report from Morgan Stanley on pension investments.

   Warren gave the financial report from Morgan Stanley. This report is available in the City Clerk's Office. Warren reviewed pages 4, 5, 6, 7, 8, 26, 28, 29, and the Portfolio X-Ray.

3. Consider approving the refunds of employee contributions and quarterly statements of receipts and disbursements.

   Kristin Huntley gave Finance Report. This report is available in the City Clerk's Office.

Motion by Ellwanger, **Second** by Hill, to approve the refunds of employee contributions and quarterly statements of receipts and disbursement. **AYE:** Petersen, Bayones, Ellwanger, James, Hill. **NAY:** None. ***Motion Passed.***

4. Consider approving payment to The Berwyn Group in the amount of $850.00 for services rendered to the Pension Trust.

   Bayones stated this is what HR uses to verify the death audits, and this is an annual fee for the subscription.

Motion by Hill, **Second** by Ellwanger, to approve payment of $850.00 to the Berwyn Group for services rendered to the Pension Trust. **AYE:** Bayones, Ellwanger, James, Hill, Petersen. **NAY:** None. ***Motion Passed.***

5. Consider awarding contract for (RFPCL23-006) Annual Pension Fund Audit to Finley & Cook of Shawnee, Oklahoma

Huntley stated this was sent out to six known auditors, advertised on BidSync, in Lawton Constitution, and on our website, but only received one response.

Huntley clarified that this is a one-year proposal, and it has four one-year extension options.

Motion by Petersen, **Second** by Ellwanger, to award contract for (RFPCL23-006) Annual Pension Fund Audit to Finley & Cook of Shawnee, Oklahoma. **AYE:** Bayones, Ellwanger, James, Hill, Petersen. **NAY:** None. ***Motion Passed.***

6. Discussion and action to allow for the Finance Director to fund the attendance to the TEXPERS Conference from pension monies.

Dunham explained this is an annual pension conference held in Austin, TX, and he has attended several times with Oklahoma Municipal League. It provides insight into what other markets and municipalities are doing. He felt like this would be a good thing to do with the funding liability that currently exists. It’s a three- or four-day conference, and he would be able to travel with people from OMRF who will also be attending.

Dunham stated we would need to pay for the registration, approximately $325.00, the conference hotel, approximately $250.00 per night, and meals. Dunham stated he will try to see if he can get a reduced rate by signing up with OMRF and some of the meals would be provided as part of the conference. He stated this conference has not been budgeted for, and it is not something that we have attended in the past, but he believes paying from the Pension Trust is the most logical solution.

Bayones asked if Dunham is the only one from the City attending.

Dunham stated the figures he provided were for one person, but the City Manager had also mentioned going.

Cleghorn stated he would go if he is able, but he has a professional services fund.

Ellwanger stated this would be a good opportunity to meet with other municipalities that are in a similar situation as we are.

Cleghorn discussed the process for creating the City's fiscal budget and the possibilities that were discussed during the budget process to fully fund the pension system.

Dunham stated because the conference is not until April, an agenda has not been published yet, but he knows from attending in previous years that it is an excellent conference. It is also the closest conference available to gather this type of information.

Ellwanger stated the networking potential of the conference is just as valuable as the number information that might be obtained.

Cleghorn explained that the federal government changed a law that now requires municipalities to disclose their unfunded liability. He stated if everyone retired at the same time, we would have to come up with $40 million, and that's not where we need to be. He would prefer to be in the 85% or 90% funded area. There is also an issue with recruiting given the new pension system. There are many cities in Oklahoma that have a much better pension system than what we offer.

Burk stated we are one of the worst. We aren't even in the game.

Cleghorn stated his goal is to be in the top 20%.

James asked if the board has a budget or just one pot of money to consider paying this from.

Huntley stated the pension trust has a budget.

James stated she would like to put a limit on how much can be spent for this.

Dunham stated the commentary shows where he calculated the cost. On the high end, the conference is $325, the hotel is $298 a night. The total cost, if he rides with OMRF, would be $1,815.00 plus meals.

James stated she added the meals and got $2,039.00. She suggested to motion should be an amount not to exceed $2,200.00.

Motion by Petersen, **Second** by James, to approve funding for an amount not to exceed $2,200.00 to send the finance director to the TEXPERS Conference. **AYE:** Ellwanger, James, Hill, Petersen, Bayones. **NAY:** None. ***Motion Passed.***

CONSENT AGENDA:

The following items are considered to be routine by the Pension Trust Authority and will be enacted with one motion. Should discussion be desired on an item, that item will be removed from the Consent Agenda prior to action and considered separately.

7. Consider application for Early Retirement from Therese Sullivan.

8. Consider application for Normal Retirement from Keith Neitzke.

9. Consider Memo of Information regarding the death of retiree Robert G Bridwell.
10. Consider Memo of Information regarding the death of retiree James T. Russell.
11. Consider Memo of Information regarding the death of retiree Robert J McCarthy.
12. Consider Memo of Information regarding the death of surviving spouse Gisela Bolin.
13. Consider approval for the paid-in-full judgments to be released from the record

Motion by Ellwanger, **Second** by James, to approve the consent agenda as presented. **AYE:** James, Hill, Petersen, Bayones, Ellwanger. **NAY:** None ***Motion Passed.***

ADDENDUM:

Executive Session

1. Pursuant to Section 307B.4, Title 25, Oklahoma Statutes, consider convening in executive session to discuss the status of an ongoing investigation concerning pension calculations, and, if necessary, take appropriate action in open session.

Motion by James, **Second** by Hill, to adjourn into executive session. **AYE:** Hill, Petersen, Bayones, Ellwanger, James. **NAY:** None. ***Motion Passed.***

The Pension Trust Commission entered into executive session at 9:43AM and adjourned from executive session at 10:44 AM. Roll call showed all members present. No action was taken.

DISCUSSION ITEMS:

The commissioners discussed the possibility of having a special meeting in February.

ADJOURNMENT:

There being no further business, the meeting adjourned at 10:49 AM

Motion by James, **Second** by Hill, to adjourn the meeting of January 26, 2023. **AYE**: Bayones, Ellwanger, James, Hill, Petersen. **NAY:** None. ***Motion Passed.***