

RESOLUTION NO. 846

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLINTON APPROVING AN AMENDED AND RESTATED TRUST INDENTURE FOR THE OKLAHOMA MUNICIPAL RETIREMENT FUND; PROVIDING AMENDMENTS TO THE TRUST TO AUTHORIZE DAILY VALUATIONS AND DAILY ACCOUNTING FOR ASSETS WITHIN THE MASTER DEFINED CONTRIBUTION PLANS ADMINISTERED BY OKLAHOMA MUNICIPAL RETIREMENT FUND; PROVIDING FOR DAILY VALUATION OF PARTICIPANT ACCOUNTS IN THE DEFINED CONTRIBUTION PLANS ADMINISTERED BY OKLAHOMA MUNICIPAL RETIREMENT FUND AND PROVIDING PROCEDURES AND RULES FOR ACCOUNTING OF SUCH ASSETS; PROVIDING FOR EFFECTIVE DATE OF AMENDED AND RESTATED TRUST INDENTURE AND CONTINUING EXISTING TRUST AS AMENDED IN FULL FORCE AND EFFECT.

WHEREAS, the Board of Trustees of Oklahoma Municipal Retirement Fund have approved an Amended and Restated Trust Indenture of the Oklahoma Municipal Retirement Fund which makes various amendments to the Trust for purposes of allowing daily valuations and rules and procedures for accounting of assets in the Master Defined Contribution Plan which amendment is attached hereto as Exhibit "1"; and,

WHEREAS, the amendment can only become effective upon approval by a two-thirds (2/3) majority of the participating employers in the Oklahoma Municipal Retirement Fund.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Clinton that the attached amendment to the Oklahoma Municipal Retirement Fund Trust Indenture is approved.

*****END*****

The foregoing Resolution was duly adopted and approved by the City Council of the City of Clinton, on the ____ day of _____, 2015, after compliance with notice requirements of the Open Meeting Law (25 OSA, Sections 301, et seq.).

MAYOR/CHAIRMAN

ATTEST:

CLERK/SECRETARY



Oklahoma • Municipal • Retirement • Fund

**Proposed
Amendment, Restatement and Continuation
Trust Indenture explanation**

Each Oklahoma Municipal Retirement Fund (OkMRF) member operates under two documents – the *Master Plan Document with Joinder Agreement* and the *Trust Indenture*. The Trust Indenture provides for the organization and administrative procedures of the OkMRF **trust**. In order for any changes to be made to the Trust Indenture, two-thirds of the OkMRF membership must approve the change.

Before you is a request from the OkMRF trustees to approve an Amended and Restated Trust Indenture. The change does not directly impact the Defined Benefit (DB) plans or any pension benefits. It does impact members with Defined Contribution (DC) and related Customized Manager Option (CMO) plan(s). Yet, it requires each of you to consider a **resolution ballot** to secure the two-thirds vote.

Up until this proposed amendment, the applicable rules for DB, DC and CMO members were identical. With the amendment before you, OkMRF is suggesting separate accounting rules for the Defined Contribution Systems. This would be a favorable and welcomed change to enable DC/CMO participants to obtain their individual balances on a daily basis rather than monthly.

DB Members action required:

After voting and returning the enclosed resolution on the Trust Indenture amendment, there will be no further action needed.

DC and CMO Members further action required:

After voting and returning the enclosed resolution on the Trust Indenture amendment, provided amendment passes, the trust Administrator will then forward a related Master Plan Document with Joinder Agreement that will need to be presented to your governing body for approval and signature. The revised Master Plan with Joinder Agreement will include the updated IRS approved plan document along with necessary changes to implement daily recordkeeping.

The affected sections as outlined and explained on the attached **MEMORANDUM** are also highlighted for your convenience on the Trust Indenture attached to the Resolution as **Exhibit “1”** and will go into effect at a later date which will be certified by the OkMRF Trustees after:

- Two-third majority vote is secured;
- Contracts for daily recordkeeping with related vendors are properly in place; and
- Individual DC and CMO Master Plans with Joinder Agreements are signed and received.

Enclosed please find a resolution which should be submitted to your Retirement Committee (governing body) for approval **on your next available Council/Board meeting date**. A certified copy of the resolution needs to be returned to the OkMRF offices on or by May 15, 2015. When necessary votes are received and effective date certified, we will forward the updated Trust Indenture document for your files.

Thank-you for taking the time to have your governing body address this simple but important change. OkMRF is super excited to effect this type of change for DC/CMO plan participants to have account balances, distributions, loans, etc. updated and processed more frequently.

Please call Jodi Cox, Chris Whatley or Kari Baser with any questions you might have at ext. 102, 103 and 104, respectively.



Oklahoma • Municipal • Retirement • Fund

MEMORANDUM

TO: Oklahoma Municipal Retirement Fund

FROM: Jodi S. Cox, Executive Director & CEO

DATE: March 10, 2015

RE: Oklahoma Municipal Retirement Fund Trust Indenture Amendment and Restatement – Summary of Material Changes

The following summary compares the old version of the Oklahoma Municipal Retirement Fund Trust Indenture with proposed version as set before you for approval.

Trust Indenture Amendment and Restatement

<u>Sec.</u>	<u>Feature</u>	<u>Current Version</u>	<u>Newly-Approved Version</u>
1.2	Continuation of Trust	None.	Trustees will certify effective date of trust indenture upon acquiring 2/3 votes, securing applicable vendor contracts and obtaining individual DC/CMO master plan documents with joinders.
2.1	Definitions	None.	Daily Valuation Date defined.
4.2	Valuations	DB and DC Systems valued monthly.	DB Systems remain monthly. DC Systems valued each Daily Valuation Date.
4.3	Units of Participation	DB and DC Systems unitized using same method.	DB Systems unitized using same unit method. DC Systems can be unitized using units or dollars.
5.2	Costs and Expenses	Did not address individual participant fees.	Provides for a means to charge a DC plan participant individually, if they want specialized services, such as, but not limited to: loans, investment advice, brokerage fees, etc.
6.3	Required Appointments	None.	Recordkeeper(s) defined.