

METROPOLITAN LIBRARY COMMISSION OF OKLAHOMA COUNTY

LIBRARY RETIREMENT PENSION BOARD AGENDA

Members:

Fran Cory, Chair
Judy Smith, Vice-Chair
Nancy Anthony, Disbursing Agent
Donna Morris, Executive Director
Jim Welch, Deputy Executive Director/Technology
Lloyd Lovely, Deputy Executive Director/ Finance & Support

Wednesday, May 1, 2013
3:30 p.m.

Downtown Library
300 Park Avenue
Oklahoma City, OK 73102

- I. Call to Order and Establishment of Quorum – Fran Cory, Chair
- II. Approval of Minutes of October 29, 2012 meeting
- III. Kris Neuhold, Bank of Oklahoma: Introduction of new BOK team member
- IV. Discussion, Consideration and Possible Action: Defined Contribution Plan Report ~ Mark Thompson, Mass Mutual Financial Group
- V. Discussion, Consideration and Possible Action: Review of Investments and Money Manager Performance ~ Sawgrass (Large-Cap Growth)
- VI. Discussion, Consideration and Possible Action: Review of Investments and Money Manager Performance ~ Foundation Resources (Large-Cap Value)
- VII. Discussion, Consideration and Possible Action: Review of Investments and Money Manager Performance ~ Karen Foust, Asset Services Company

METROPOLITAN LIBRARY COMMISSION
OF OKLAHOMA COUNTY

LIBRARY RETIREMENT PENSION BOARD

MINUTES

DATE: Monday, October 29, 2012 TIME: 3:30 PM
MEETING PLACE: Downtown Library
300 Park Avenue
Oklahoma City, OK 73102
(405) 231-8650

Written public notice of the time, date, and place of this meeting was given to the County Clerk of Oklahoma County, October 5, 2012. Notice of the time, date, place, and agenda for this meeting was posted by the Secretary of the Commission in prominent public view at the Downtown Library, 300 Park Avenue, Oklahoma City, on October 25, 2012, in conformity with the Oklahoma Open Meeting Act § 311.

COMMITTEE MEMBERS PRESENT:

Fran Cory, Chair
Nancy Anthony
Lloyd Lovely
Donna Morris
Judy Smith
Jim Welch

COMMITTEE MEMBERS EXCUSED:

COMMISSION MEMBERS PRESENT:

ESTIMATE OF OTHERS PRESENT: 10

I. The meeting was called to order at 3:27 p.m. by Mrs. Fran Cory, Chair.

Roll was called to establish a quorum. Present: Anthony, Lovely, Morris, Smith, Welch, Cory.

II. Mrs. Cory referred to Agenda Item II ~ Approval of Minutes of November 14, 2011.

Mrs. Nancy Anthony moved to approve the minutes of the November 14, 2011 meeting. Mr. Jim Welch seconded. No further discussion; motion passed unanimously.

III. Mrs. Cory referred to Agenda Item III ~ Defined Contribution Plan Report ~ Mark Thompson, Mass Mutual Financial Group.

Mr. Mark Thompson, Mass Mutual, stated as of the close of business on October 15, 2012, the assets of the Metropolitan Library System Defined Contribution Plan totaled \$10,245,839.72, which represents an increase of \$1,403,756.19 over the November 7, 2011 total of \$8,842,083.53.

Mr. Thompson reported he recently conducted informational meetings at five library locations. The primary focus of the meetings was to discuss the retirement plan fees that are now required to be illustrated on all participant reports. Mr. Thompson included a copy of all participant plan fees in his report. Questions and discussion followed.

IV. Mrs. Cory referred to Agenda Item IV ~ Review of Investments and Money Manager Performance ~ Asset Services Company

Ms. Karen Foust, Asset Services Company introduced Mr. David Thompson, the new CEO of Asset Services.

Mr. Peter Junkin handed out and referred to the 3rd quarter report for 2012. Mr. Junkin reviewed the performance of Sawgrass (Large-Cap Growth). For the third quarter of 2012, Sawgrass underperformed its index (Russell 1000 Growth) for the quarter and year to date. Mr. Junkin stated at this time, there are no concerns with the performance of Sawgrass or Foundation Resources performance. As mentioned previously, Mr. Junkin would like to have both money managers; Sawgrass and Foundation Resources attend and make a presentation at the next Library Retirement Pension Board Meeting. Mr. Junkin reviewed the performance of the other mutual funds for the 3rd Quarter.

For the one year time period, the plan and policy index are both up 18.0%. For the three year and five year time period the plan is ahead of the policy index. Questions and Discussion followed. Mrs. Nancy Anthony suggested composite fees be provided in future reports.

V. Mrs. Cory called on Mr. Kris Neuhold and Mr. Tim Hopkins with Bank of Oklahoma. Mr. Neuhold introduced Mr. Steven Curry, Portfolio Manager with BOK.

Mr. Hopkins handed out 3rd Quarter 2012 Investment Review reports for the fixed income portion of the pension plan, managed by Bank of Oklahoma. He highlighted the Economic, Strategy and Policy Summary provided in the report. The economic summary includes both positives and negatives for the economic outlook. Mr. Hopkins reviewed the fund returns compared to its benchmark for the last 12 months, 3 years, and 5 years. Questions and Discussion followed.

VI. Mrs. Cory referred to Agenda Item VI ~ Discussion, Consideration, and Possible Action: Annual Valuation as of July 1, 2011 and Agenda Item VII ~ Recommendation for the Metropolitan Library System's Contribution to the Pension Fund for FY 2012-13.

Mr. Ken Culver, President, FBD Consulting, Inc. was unable to attend the meeting; however a written report was provided highlighting the actuarial valuation. The Plan's assets on July 1, 2012, were \$21,466,216. The present value of accrued benefits is \$18,078,488.

The actuarial assumptions resulted in a negative rate of return of <1.97%> offsetting the pure investment gain of 3.44%. Both of these percentages are below the assumed interest rate of 7% which resulted in a loss for the year ending June 30, 2012.

The recommended contribution is based upon the actuarial assumptions used by the Plan's Actuary and is input into the system as plan specifications. If the Employer contribution is made on November 30, 2012, the amount is \$1,074,744, a decrease of \$39,689 from last year's contribution.

Mrs. Cory called for a motion on the recommended contribution to the Pension Fund for FY 2012-2013.

Mrs. Anthony moved that the Metropolitan Library System's contribution to the pension fund for FY 2012-13 shall be \$1,074,744. Mrs. Donna Morris seconded. No further discussion; motion passed unanimously.

VI. There being no further business, the meeting was adjourned at 4:57 p.m.

Donna Morris, Executive Director



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May 1, 2013

Library Retirement Pension Board
Metropolitan Library System
Oklahoma City, OK

At the close of business on April 17th, 2013, the assets of the Metropolitan Library System Defined Contribution Plan totaled \$11,494,876.27, an increase of \$1,249,036.55 over the October 29, 2012, total of \$10,245,839.72.

I have extensive supporting documentation for fund performance and participant activity should you like to study the reports. No fund options for the plan are listed on the most current "Watch List". Please let me know if you would like a copy of the report as I'm happy to email it to you and respond to any questions or concerns that you might have.

Two additional topics that I feel merit the attention of the committee are:

1. Consideration of altering the investment emphasis of the library's 457 Plan and
2. The disclosure of my intent to change Broker/Dealers and how that will affect the library's retirement plan.

I will be happy to discuss both topics in more detail should the committee feel they merit attention at our meeting.

Respectfully Submitted,

A handwritten signature in black ink, reading "Mark S. Thompson". The signature is written in a cursive style with a large, stylized "M" and "S".

Mark S. Thompson