

AGREEMENT BETWEEN THE OKLAHOMA CITY EMPLOYEE RETIREMENT SYSTEM AND THE CITY OF OKLAHOMA CITY REGARDING THE CITY'S OBLIGATION TO PROVIDE CERTAIN PROFESSIONAL AND NONPROFESSIONAL SERVICES AND OFFICE RENTAL TO THE OKLAHOMA CITY EMPLOYEE RETIREMENT SYSTEM AND FOR THE RETIREMENT SYSTEM TO PROVIDE CERTAIN PROFESSIONAL SERVICES FOR THE CITY

THIS AGREEMENT is made and entered into by and between the Oklahoma City Employee Retirement System, hereinafter referred to as "ERS," and The City of Oklahoma City, a municipal corporation, hereinafter referred to as "CITY."

WITNESSETH:

WHEREAS, the ERS desires to receive and the CITY is agreeable to providing said professional and nonprofessional services and office rental to the ERS; and

WHEREAS, the CITY desires for ERS to perform certain services for the CITY.

WHEREAS, execution of this Agreement by the Chairman was duly authorized by the Oklahoma City Employee Retirement System Board of Trustees, at a meeting duly called and held on the _____ day of _____, 2023.

NOW THEREFORE, in consideration of the mutual covenants set forth hereafter, the ERS and the CITY agree as follows:

I. SCOPE OF SERVICES TO BE PROVIDED BY THE CITY:

The CITY will provide those services specified in Attachments A through E: Attachment A – Services Provided by the City's Municipal Counselor's Office; Attachment B – Services Provided by the City's Human Resources Total Rewards Division; Attachment C – Services Provided by the City's Accounting and Payroll Services Divisions; Attachment D – Services Provided by the City's Office of the Treasurer; Attachment E – Services Provided by the City's Information Technology Department for Pension Software Maintenance and Data Retention and Storage.

II. SCOPE OF SERVICES TO BE PROVIDED BY ERS:

ERS in consideration of the Scope of Services to be provided by The City and the annual administrative fee provided under a separate agreement, agrees to provide all professional services necessary to administer The City of Oklahoma City's Employee Retirement System as defined and set forth in Chapter 40 of the Oklahoma City Municipal Code, 2011, as amended from time to time, and including professional services related to prudent investment of and maintenance of all plan assets for the employee and beneficiaries of the Plan.

III. TERM.

This Agreement shall be in effect for one year, beginning July 1, 2023, and terminating on June 30, 2024.

IV. COMPENSATION.

In consideration for the services provided by the CITY as described in Attachments A through E, the ERS shall pay to the CITY an amount not to exceed **\$205,086.97** for the Agreement term. Payments shall be made on a quarterly basis. The payment schedule shall not begin until the Agreement is fully executed by all parties.

V. OFFICE RENTAL AND RELATED SERVICES.

In addition to those services described in Attachments A through E, the City does hereby lease to ERS the real property described as: Suite 343, 420 West Main Street, Oklahoma City, Oklahoma, 73102. Further, in connection with said lease, the City shall provide general maintenance, security, and janitorial services to said Suite. Janitorial services shall consist of full nightly cleaning Monday, Wednesday and Friday of Suite 343 and the 3rd floor restroom, and only trash pick-up and restroom cleaning on Tuesday and Thursday.

VI. ERS OBLIGATIONS.

The ERS will perform any responsibilities identified in Attachments A through E.

VII. STANDARD OF CARE.

The CITY and the ERS shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties hereunder.

VIII. TERMINATION.

Either party may terminate this Agreement at any time by giving written notice of termination, pursuant to the "Notice" provision herein, to the other party and specifying the effective date thereof. The parties agree to provide written notice at least thirty (30) days prior to the effective date of such termination. Should this Agreement be terminated by CITY, CITY will transfer all stored data to the ERS.

IX. NOTICES.

Notices pursuant to any and all provisions of this Agreement shall be delivered to:

ERS: Oklahoma City Employee Retirement System
c/o Regina Story
420 West Main Street, Suite 343
Oklahoma City, Oklahoma 73102

CITY: The City of Oklahoma City
 City Manager
 200 N. Walker, 3rd Floor
 Oklahoma City, Oklahoma 73102

X. ENTIRE AGREEMENT.

A. This Agreement, including Attachments A through E, expresses the entire understanding of the ERS and the CITY concerning this Agreement. Neither the ERS nor the CITY have made or shall be bound by any agreement or any representation to the other concerning this Agreement which is not expressly set forth herein.

B. Any amendment to this Agreement shall be in writing and shall set forth an effective date. Any such amendment and effective date shall be mutually agreed upon by the ERS and the CITY.

XI. APPLICABLE LAWS.

This Agreement and all rights and duties arising hereunder shall be governed, interpreted, and construed under the Oklahoma City Charter and Ordinances, as well as the laws and Constitution of the State of Oklahoma.

XII. NO WAIVER.

The failure or neglect of the ERS to insist, in any one or more instances, upon the strict performance of any terms or conditions of this Agreement shall not be construed as a waiver of such term or condition nor the relinquishment in the future of such term or condition, but such term or condition shall continue in full force and effect.

XIII. CONFIDENTIALITY.

The CITY acknowledges that in the course of providing services, the CITY may become privy to information of a confidential nature relating to ERS and its beneficiaries. All information CITY becomes privy to as a result of this Agreement should be treated as confidential and should not be divulged by CITY to any other person or entity without the express written consent of ERS.

XIV. VALIDITY.

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement for The City of Oklahoma City to provide Professional and Nonprofessional Services and Office Rental to the Oklahoma City Employee Retirement System.

**OKLAHOMA CITY EMPLOYEE
RETIREMENT SYSTEM**

Amy K. Simpson
Secretary

Paul E. Bronson
Chairman

APPROVED by the Council and **SIGNED** by the Mayor of The City of Oklahoma City this 20TH day of JUNE, 2023.

THE CITY OF OKLAHOMA CITY

ATTEST:

Amy K. Simpson
CITY CLERK



David Holt
MAYOR

Reviewed for form and legality.

Richard E. Mahoney
Assistant Municipal Counselor

Attachment A

Scope of Services Provided by the CITY's Municipal Counselor's Office to the ERS

For the Agreement term, the Municipal Counselor's Office will provide the following services to the ERS: review monthly Board agendas to ensure compliance with the Open Meetings Act and other laws; attend monthly meetings of the Board to ensure compliance with all laws and advise the Board accordingly; attend subcommittee meetings as requested; review contracts with independent consultants; assist the ERS Administrator with responses to subpoenas and Open Records requests; assist the ERS Administrator in creation of Requests for Proposals for professional services; review qualified domestic orders to ensure compliance with State law and plan terms; prepare ordinance amendments as requested; advise the Board regarding disability retirement issues; file collection actions for overpayments of ERS funds; provide advice regarding military leave issues; meet with ERS Administrator and Cindy Birley, outside legal counsel, whenever requested; assist in preparation and/or review of necessary forms, documents, notifications, policies, etc., on an as-needed basis; assist in Board elections, as requested, to ensure legal compliance and assist in formulation of appropriate policies and procedures regarding said elections; provide overall advice and support to the Board and the ERS Administrator regarding City ordinances and Oklahoma and federal laws, excepting IRS issues.

Attachment B

Scope of Services Provided by the CITY's Human Resources Total Rewards Division

For the Agreement term, the CITY agrees to provide the following Human Resources Total Rewards services for the employees of the ERS: contract administration for the City insurance plans and claims processing for the indemnity plan, open enrollment and related administrative support and management of the City's health and welfare benefits programs.

Attachment C

Scope of Services Provided by the CITY's Accounting and Payroll Services Divisions to the ERS

For the Agreement term, the City agrees to provide the following services to the ERS:

- I. Accounting and Financial Reporting
 - A. Annual financial report through City's contract at fiscal year-end.
 - 1. Footnote disclosure
 - 2. Workpapers for Annual Comprehensive Financial Report (ACFR)
 - 3. Trend Information
 - 4. Actuarial report information-incorporated into ACFR
 - B. Annual preparation and printing of stand-alone ACFR report at fiscal year-end.
 - 1. Includes all of (A) above and any additional schedules required by Generally Accepted Accounting Principles (GAAP)
 - C. Financial information provided for actuarial services at calendar year-end.
 - D. Miscellaneous services related to financial information and investment managers.
 - E. Preparation of interim financial statements.
 - 1. Financial Statements
 - a. Statement of Plan Net Position
 - b. Statement of Changes in Plan Net Position
 - 2. Other Supplementary Information Schedules
 - a. Schedule of Plan Net Position by Money Manager/Investment Group
 - b. Schedule of Changes in Plan Net Position by Money Manager/Investment Group
 - F. Provide assistance and support for independent audit.
 - 1. Research applicable reporting and accounting standards
 - 2. Write, proofread and edit notes
 - 3. Type and review statements
 - 4. Prepare new schedules
 - H. Preparation of monthly judgment report.
- II. Payroll
 - A. Process the employee payroll for the ERS staff.

B. Process IRS and/or State reporting for ERS staff payroll

The ERS agrees:

- I. To provide all names of employees and retirees.
- II. To provide all other information necessary to perform the accounting and financial reporting services for the ERS.

Attachment D

Scope of Services Provided by the CITY's Office of the Treasurer

For the Agreement term, the CITY agrees to provide the following services including but not limited to:

- Prepare periodic cash flows and monitor primary operating accounts to ensure sufficient balance available to meet monthly obligations
- Monitor and maintain custodian statements
- Coordinate correspondence with investment managers on proxy votes
- Settlement notifications
- Review monthly judgment listings
- Quarterly confirmation of fee calculations on investment manager invoices prior to presentation to Board
- Provide weekly and monthly instructions to bank for transfers related to outsourced pension payment processing
- Monitor compliance with the investment policy
- Assist in the issuance of financial manager RFP's when needed
- Various year-end responsibilities including bank confirmations and obtaining required annual financial reporting information from custodian, etc.
- Coordinate correspondence with custodian on class action and bankruptcy notifications
- Coordinate correspondence with investment consultant, money managers and custodian on portfolio rebalances and asset transfers
- Coordinate funding of capital calls
- Open records requests
- Prepare redemptions to fund operational expenses and subsequent transfer to primary bank as needed
- Establish new custody accounts and online banking modification/additions as needed
- Coordinate inquires with custodian regarding reporting, billing and/or platform issues

Attachment E

Scope of Services Provided by the CITY's Information Technology Department for Pension Software Maintenance and Data Retention and Storage Services

For the Agreement term, the CITY will retain human resources information and payroll data as specified by the ERS for the life of the employee and any beneficiary of ERS benefits. The Compensation paid under Section IV of this Agreement includes, but is not limited to, fee reimbursement to the CITY for licensing and maintenance costs charged by PeopleSoft, and for the CITY's Information Technology Department's costs for technology system security, backup and monitoring services, other enterprise application services, and network and server expenses.