

**Oklahoma Municipal
Retirement Fund—
Defined Benefit Pension Plan**

*Schedule of Changes in
Fiduciary Net Position by Employer*

Year Ended June 30, 2014
(With Independent Auditors' Report Thereon)



**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Table of Contents

	<u>Page</u>
<u>Independent Auditors' Report</u>	1
<u>Schedule of Changes in Fiduciary Net Position by Employer</u>	3
Notes to Schedule of Changes in Fiduciary Net Position by Employer	17



INDEPENDENT AUDITORS' REPORT

Board of Trustees
Oklahoma Municipal Retirement Fund

Report on the Schedule of Changes in Fiduciary Net Position by Employer

We have audited the fiduciary net position as of June 30, 2014, and the changes in fiduciary net position for the year then ended, included in the accompanying Schedule of Changes in Fiduciary Net Position by Employer (the "Schedule") of the Oklahoma Municipal Retirement Fund—Defined Benefit Pension Plan, and the related notes to the financial statements. We have also audited the fiduciary net position of each individual employer for the year then ended, included in the accompanying Schedule, and the related notes.

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on the fiduciary net position and the changes in fiduciary net position in total and of each individual employer included in the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the fiduciary net position and the changes in fiduciary net position included in the Schedule are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the fiduciary net position and the changes in fiduciary net position included in the Schedule, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the fiduciary net position and the changes in fiduciary net position included in the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the fiduciary net position and the changes in fiduciary net position included in the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

(Continued)

INDEPENDENT AUDITORS' REPORT, CONTINUED

Opinions

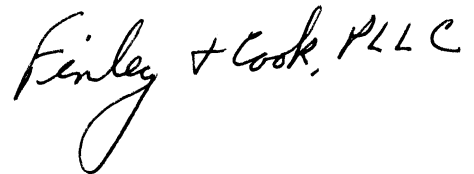
In our opinion, the Schedule referred to above presents fairly, in all material respects, the fiduciary net position of the Oklahoma Municipal Retirement Fund—Defined Benefit Pension Plan as of June 30, 2014, and the changes in fiduciary net position included in the Schedule for the year then ended, in accordance with accounting principles generally accepted in the United States. Also, in our opinion, the Schedule referred to above presents fairly, in all material respects, the fiduciary net position of each individual employer as of June 30, 2014, and the changes in fiduciary net position included in the Schedule of each individual employer for the year then ended, in accordance with accounting principles generally accepted in the United States.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States, the financial statements of the Oklahoma Municipal Retirement Fund—Defined Benefit Pension Plan as of and for the year ended June 30, 2014, and our report thereon, dated December 19, 2014, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of the Oklahoma Municipal Retirement Fund—Defined Benefit Pension Plan's management and Board of Trustees and the Oklahoma Municipal Retirement Fund—Defined Benefit Pension Plan's participating employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Finley + Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma
March 24, 2015

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	Town of Adair	City of Altus	City of Alva	City of Antlers	City of Ardmore	City of Bartlesville
Additions:						
Contributions:						
Employer	\$ 11,171	627,063	79,185	42,102	1,125,336	1,230,392
Plan Members	6,042	192,278	-	22,043	471,839	344,472
Investment income, net of investment expense	32,359	2,728,622	471,323	136,751	3,129,727	1,903,979
Total additions	49,572	3,547,963	550,508	200,896	4,726,902	3,478,843
Deductions:						
Benefit payments, including refunds	13,636	1,061,024	96,353	55,528	434,050	857,478
Administrative expenses	479	40,333	6,973	2,031	46,483	28,636
Total deductions	14,115	1,101,357	103,326	57,559	480,533	886,114
Net increase (decrease)	35,457	2,446,606	447,182	143,337	4,246,369	2,592,729
Fiduciary net position restricted for pension benefits:						
Beginning of year	196,058	16,699,981	2,872,982	826,236	18,571,126	11,347,465
End of year	\$ 231,515	19,146,587	3,320,164	969,573	22,817,495	13,940,194

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of Bethany	Bethany/ Warr Acres PWA	Town of Billings	City of Blackwell	Town of Bokchito	Town of Braman
Additions:						
Contributions:						
Employer	537,682	70,225	9,146	175,365	13,070	11,355
Plan Members	150,355	16,854	4,872	56,529	6,184	4,413
Investment income, net of investment expense	3,380,397	322,312	28,016	729,540	10,370	36,269
Total additions	4,068,434	409,391	42,034	961,434	29,624	52,037
Deductions:						
Benefit payments, including refunds	952,501	119,522	4,295	516,390	514	13,832
Administrative expenses	49,979	4,765	416	10,688	156	536
Total deductions	1,002,480	124,287	4,711	527,078	670	14,368
Net increase (decrease)	3,065,954	285,104	37,323	434,356	28,954	37,669
Fiduciary net position restricted for pension benefits:						
Beginning of year	20,616,812	1,973,180	167,355	4,541,284	57,362	218,939
End of year	23,682,766	2,258,284	204,678	4,975,640	86,316	256,608

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	Town of Buffalo	City of Chandler	City of Cherokee	City of Claremore	City of Cleveland	City of Clinton
Additions:						
Contributions:						
Employer	8,832	89,845	31,811	298,424	126,422	299,965
Plan Members	6,182	46,100	11,375	235,846	35,117	127,630
Investment income, net of investment expense	148,703	263,362	24,121	2,232,743	318,346	1,614,704
Total additions	163,717	399,307	67,307	2,767,013	479,885	2,042,299
Deductions:						
Benefit payments, including refunds	69,161	20,733	17,791	601,302	172,393	567,102
Administrative expenses	2,194	3,901	366	33,001	4,709	23,876
Total deductions	71,355	24,634	18,157	634,303	177,102	590,978
Net increase (decrease)	92,362	374,673	49,150	2,132,710	302,783	1,451,321
Fiduciary net position restricted for pension benefits:						
Beginning of year	924,163	1,559,004	153,507	13,562,355	1,957,288	9,877,199
End of year	1,016,525	1,933,677	202,657	15,695,065	2,260,071	11,328,520

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	Town of Copan	City of Cordell	City of Cushing	City of Dewey	City of Drumright	City of Durant
Additions:						
Contributions:						
Employer	10,194	151,082	3,206,710	67,557	84,831	493,430
Plan Members	2,803	-	-	22,519	41,180	174,621
Investment income, net of investment expense	3,568	624,908	2,096,119	199,608	352,464	2,676,643
Total additions	16,565	775,990	5,302,829	289,684	478,475	3,344,694
Deductions:						
Benefit payments, including refunds	266	189,688	890,923	82,424	206,639	555,849
Administrative expenses	54	9,244	30,986	2,956	5,199	39,638
Total deductions	320	198,932	921,909	85,380	211,838	595,487
Net increase (decrease)	16,245	577,058	4,380,920	204,304	266,637	2,749,207
Fiduciary net position restricted for pension benefits:						
Beginning of year	17,605	3,831,434	12,882,862	1,218,352	2,174,950	16,220,856
End of year	33,850	4,408,492	17,263,782	1,422,656	2,441,587	18,970,063

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of El Reno	Foss Reservoir Public Works	City of Geary	Town of Gore and Gore PWA	City of Guthrie	City of Guymon
Additions:						
Contributions:						
Employer	253,488	38,009	45,352	29,773	154,376	296,299
Plan Members	131,503	10,210	19,397	16,347	66,470	-
Investment income, net of investment expense	395,694	113,749	147,097	58,558	813,430	935,509
Total additions	780,685	161,968	211,846	104,678	1,034,276	1,231,808
Deductions:						
Benefit payments, including refunds	150,337	35,999	39,334	12,981	871,550	201,215
Administrative expenses	5,897	1,684	2,180	871	12,559	13,849
Total deductions	156,234	37,683	41,514	13,852	884,109	215,064
Net increase (decrease)	624,451	124,285	170,332	90,826	150,167	1,016,744
Fiduciary net position restricted for pension benefits:						
Beginning of year	2,325,800	686,839	891,861	345,872	5,123,675	5,635,431
End of year	2,950,251	811,124	1,062,193	436,698	5,273,842	6,652,175

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of Harrah	City of Hulbert	Town of Kansas	Town of Kingston	City of Lindsay	Town of Mannford
Additions:						
Contributions:						
Employer	93,722	38,136	5,179	51,228	147,521	139,570
Plan Members	35,145	13,685	2,721	18,030	55,320	46,266
Investment income, net of investment expense	241,750	67,695	12,427	73,591	546,195	355,836
Total additions	370,617	119,516	20,327	142,849	749,036	541,672
Deductions:						
Benefit payments, including refunds	65,202	20,516	3,906	64,970	163,848	186,709
Administrative expenses	3,586	1,006	184	1,091	8,091	5,268
Total deductions	68,788	21,522	4,090	66,061	171,939	191,977
Net increase (decrease)	301,829	97,994	16,237	76,788	577,097	349,695
Fiduciary net position restricted for pension benefits:						
Beginning of year	1,449,729	400,481	74,628	450,488	3,304,390	2,175,135
End of year	1,751,558	498,475	90,865	527,276	3,881,487	2,524,830

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of McCloud	City of Miami	Town of Mooreland	Mountain Park MCD	Town of Muldrow	City of Mustang
Additions:						
Contributions:						
Employer	26,057	569,542	44,666	65,423	73,202	224,404
Plan Members	11,748	166,578	15,141	11,884	29,404	102,893
Investment income, net of investment expense	69,936	1,363,071	183,960	107,110	238,193	795,493
Total additions	107,741	2,099,191	243,767	184,417	340,799	1,122,790
Deductions:						
Benefit payments, including refunds	20,918	997,138	85,726	67,644	121,618	154,463
Administrative expenses	1,038	20,151	2,721	1,588	3,528	11,807
Total deductions	21,956	1,017,289	88,447	69,232	125,146	166,270
Net increase (decrease)	85,785	1,081,902	155,320	115,185	215,653	956,520
Fiduciary net position restricted for pension benefits:						
Beginning of year	422,343	8,437,357	1,133,446	652,667	1,461,628	4,778,113
End of year	508,128	9,519,259	1,288,766	767,852	1,677,281	5,734,633

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of Nichols Hills	City of Oilton	Town of Okeene	City of Okmulgee	OkMRF	City of Owasso
Additions:						
Contributions:						
Employer	358,053	19,885	22,992	315,468	52,931	403,770
Plan Members	196,536	9,624	11,051	-	24,973	235,624
Investment income, net of investment expense	1,102,303	48,542	118,197	2,036,434	86,268	1,741,201
Total additions	1,656,892	78,051	152,240	2,351,902	164,172	2,380,595
Deductions:						
Benefit payments, including refunds	817,173	66,417	8,971	447,884	7,205	449,007
Administrative expenses	16,324	726	1,753	30,131	1,286	25,772
Total deductions	833,497	67,143	10,724	478,015	8,491	474,779
Net increase (decrease)	823,395	10,908	141,516	1,873,887	155,681	1,905,816
Fiduciary net position restricted for pension benefits:						
Beginning of year	6,824,578	297,741	709,160	12,419,052	497,796	10,506,375
End of year	7,647,973	308,649	850,676	14,292,939	653,477	12,412,191

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of Pawnee	City of Perkins	City of Perry	City of Piedmont	City of Pond Creek	Town of Porum
Additions:						
Contributions:						
Employer	70,179	41,867	150,352	37,601	47,320	22,560
Plan Members	47,498	17,974	71,511	25,124	12,022	7,252
Investment income, net of investment expense	307,873	134,450	496,111	3,094	89,555	25,922
Total additions	425,550	194,291	717,974	65,819	148,897	55,734
Deductions:						
Benefit payments, including refunds	110,756	61,672	234,260	1,469	33,249	12,007
Administrative expenses	4,556	1,994	7,343	54	1,331	386
Total deductions	115,312	63,666	241,603	1,523	34,580	12,393
Net increase (decrease)	310,238	130,625	476,371	64,296	114,317	43,341
Fiduciary net position restricted for pension benefits:						
Beginning of year	1,886,273	817,732	3,037,295	92	538,994	152,048
End of year	2,196,511	948,357	3,513,666	64,388	653,311	195,389

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of Poteau	Town of Roland	City of Sallisaw	Town of Seiling	City of Shawnee	City of Stilwell
Additions:						
Contributions:						
Employer	177,346	51,922	593,615	18,328	842,919	205,752
Plan Members	75,372	28,843	228,564	14,011	139,787	111,151
Investment income, net of investment expense	822,213	104,205	1,805,094	111,864	5,094,596	1,066,365
Total additions	1,074,931	184,970	2,627,273	144,203	6,077,302	1,383,268
Deductions:						
Benefit payments, including refunds	235,739	25,557	904,499	38,093	2,057,807	454,542
Administrative expenses	12,176	1,553	26,721	1,655	131,982	15,767
Total deductions	247,915	27,110	931,220	39,748	2,189,789	470,309
Net increase (decrease)	827,016	157,860	1,696,053	104,455	3,887,513	912,959
Fiduciary net position restricted for pension benefits:						
Beginning of year	5,001,749	622,913	11,043,455	682,601	31,481,171	6,521,890
End of year	5,828,765	780,773	12,739,508	787,056	35,368,684	7,434,849

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of Stroud	City of Sulphur	City of Tonkawa	Town of Vian	City of Vinita	Town of Wakita
Additions:						
Contributions:						
Employer	138,599	149,263	82,471	12,169	269,484	6,464
Plan Members	56,699	47,265	29,666	8,651	77,671	1,782
Investment income, net of investment expense	401,496	574,272	368,247	22,527	1,133,891	31,165
Total additions	596,794	770,800	480,384	43,347	1,481,046	39,411
Deductions:						
Benefit payments, including refunds	218,579	159,429	188,518	8,335	469,235	932
Administrative expenses	5,928	8,496	5,438	334	16,769	462
Total deductions	224,507	167,925	193,956	8,669	486,004	1,394
Net increase (decrease)	372,287	602,875	286,428	34,678	995,042	38,017
Fiduciary net position restricted for pension benefits:						
Beginning of year	2,464,918	3,467,007	2,273,423	133,554	6,936,510	186,011
End of year	2,837,205	4,069,882	2,559,851	168,232	7,931,552	224,028

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	City of Watonga	Town of Webbers Falls	Westville Utility Authority	City of Wetumka	City of Yale	City of Yukon
Additions:						
Contributions:						
Employer	174,211	12,791	16,377	78,147	40,094	1,743,018
Plan Members	37,065	3,150	17,060	16,412	23,747	70,118
Investment income, net of investment expense	537,354	13,386	57,856	180,727	188,297	2,751,704
Total additions	748,630	29,327	91,293	275,286	252,138	4,564,840
Deductions:						
Benefit payments, including refunds	316,592	6,627	11,783	113,880	91,229	1,133,945
Administrative expenses	7,923	199	859	2,674	2,781	40,786
Total deductions	324,515	6,826	12,642	116,554	94,010	1,174,731
Net increase (decrease)	424,115	22,501	78,651	158,732	158,128	3,390,109
Fiduciary net position restricted for pension benefits:						
Beginning of year	3,318,441	79,449	344,878	1,114,164	1,157,423	16,504,317
End of year	3,742,556	101,950	423,529	1,272,896	1,315,551	19,894,426

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	Defined Benefit Plans with Retirees Only				
	City of Muskogee	City of Norman	City of Stillwater	Stillwater Medical Center	City of Tecumseh
Additions:					
Contributions:					
Employer	-	40,000	-	-	2,153
Plan Members	-	-	-	-	-
Investment income, net of investment expense	6,183	66,186	1,082,842	101,971	24,280
Total additions	6,183	106,186	1,082,842	101,971	26,433
Deductions:					
Benefit payments, including refunds	2,108	114,216	5,800	15,494	16,147
Administrative expenses	91	977	16,023	1,507	357
Total deductions	2,199	115,193	21,823	17,001	16,504
Net increase (decrease)	3,984	(9,007)	1,061,019	84,970	9,929
Fiduciary net position restricted for pension benefits:					
Beginning of year	38,405	434,597	6,556,494	624,373	153,560
End of year	42,389	425,590	7,617,513	709,343	163,489

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

Year Ended June 30, 2014

	Accrual City/Town Totals	Nonaccrual City/Town Totals	Total
Additions:			
Contributions:			
Employer	17,295,243	4,123,641	21,418,884
Plan Members	4,378,199	1,283,559	5,661,758
Investment income, net of investment expense	52,720,919	14,071,242	66,792,161
Total additions	<u>74,394,361</u>	<u>19,478,442</u>	<u>93,872,803</u>
Deductions:			
Benefit payments, including refunds	19,602,624	4,608,803	24,211,427
Administrative expenses	837,812	247,505	1,085,317
Total deductions	<u>20,440,436</u>	<u>4,856,308</u>	<u>25,296,744</u>
Net increase (decrease)	53,953,925	14,622,134	68,576,059
Fiduciary net position restricted for pension benefits:			
Beginning of year	<u>321,046,677</u>	<u>85,055,889</u>	<u>406,102,566</u>
End of year	<u><u>375,000,602</u></u>	<u><u>99,678,023</u></u>	<u><u>474,678,625</u></u>

See Independent Auditors' Report.

See accompanying notes to the Schedule of Changes in Fiduciary Net Position by Employer.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**NOTES TO SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER**

June 30, 2014

(1) FUND STRUCTURE AND OPERATIONS

The Oklahoma Municipal Retirement Fund (the “Fund”) was established July 1, 1966, for the purpose of providing a trust instrument for the administration of retirement allowances and other specified benefits for employees of city or town governments and municipally owned agencies in Oklahoma. These municipalities may elect to participate in the Fund in order to provide for the retirement of their employees who are not covered by another retirement plan. There are two programs available to each participating municipality, one being a defined contribution plan and the other a defined benefit plan. Each plan has various available options. The defined benefit plan is an agent multiple-employer type plan.

The overall operations of the Fund are supervised by a nine-member Board of Trustees elected by the participating municipalities. JPMorgan Chase Bank (“JPMorgan”) acts as securities custodian. The Fund utilizes mutual funds, collective trust funds of banks and trust companies, or separate accounts specifically tailored for the Fund by investment advisors, greatly expanding the universe of managers to choose from. In each case, rigorous standards for selection and monitoring are applied. The usage of vehicles other than mutual funds may enable the Fund to reduce expenses or utilize the talent of an investment manager that might not be available via a mutual fund.

There were 214 member municipalities in the Fund at June 30, 2014. The members use a defined benefit plan, a defined contribution plan, or a combination of plans. As of June 30, 2014, there was a total of 326 plans administered by the Fund, which included 133 defined benefit plans and 193 defined contribution plans.

See Independent Auditors’ Report.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**NOTES TO SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER, CONTINUED**

(1) FUND STRUCTURE AND OPERATIONS, CONTINUED

During 2014, the Fund changed their actuary date from January 1 to July 1. Employee membership data related to the defined benefit plans is as follows:

	Plans with Actuarial Information at <u>July 1, 2014</u>
Retirees and beneficiaries currently receiving benefits, and terminated employees entitled to benefits but not yet receiving them	<u>2,152</u>
Vested	1,789
Nonvested	<u>2,172</u>
	<u>3,961</u>

Employee membership data related to defined benefit plans with retirees only of municipalities which no longer participate in the Fund is as follows:

	Plans with Actuarial Information at <u>July 1, 2014</u>
Retirees and beneficiaries currently receiving benefits, and terminated employees entitled to benefits but not yet receiving them	<u>55</u>

The municipalities involved are still responsible for maintaining the funded status of the plans. Included in the schedule of changes in fiduciary net position by employer are the following accrual cities with retirees only:

- City of Muskogee
- City of Norman
- City of Stillwater
- Stillwater Medical Center
- City of Tecumseh

See Independent Auditors' Report.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**NOTES TO SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER, CONTINUED**

(1) FUND STRUCTURE AND OPERATIONS, CONTINUED

The report was prepared to provide participating employers with additional information needed to comply with the financial reporting requirements promulgated under Governmental Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement No. 27* (GASB 68). The Funds annual financial statements located at www.okmrf.org, contain additional information not included within the scope of this report. Participating employers should reference this report, other information to be supplied by the Fund, and the Funds financial statements to fully comply with the disclosure requirements of GASB 68.

The report provides specific detailed information and should be utilized by the Fund's participating employers to assist with the preparation of their financial statements. Data provided in this report is limited in time, nature, and scope and does not provide complete financial information related to the Fund or its participating employers.

(2) INDIVIDUAL EMPLOYERS LISTED IN THE SCHEDULE

The Schedule includes all employers participating in the Fund's Defined Benefit Pension Plan. However, only those employers which Fund management has identified as preparing their financial statements on an accrual basis are separately listed in the Schedule. Those employers which management was not able to identify as preparing their financial statements on the accrual basis are included in the "Nonaccrual City/Town Totals" column of the Schedule.

(3) ESTIMATES, RISKS AND UNCERTAINTIES, AND BASIS OF ACCOUNTING

Estimates

The schedule of changes in fiduciary net position by employer is derived from the financial statements of the Fund, which included estimates of fair value for investments, as well as other estimates. Fair value estimates of investments are subject to volatility, which can and will impact the Schedule, as well as certain employer information used for the preparation of their individual financial statements.

Risks and Uncertainties

Contributions to the Fund are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions may occur in the near term and, due to uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements of the Fund and the Schedule.

See Independent Auditors' Report.

**OKLAHOMA MUNICIPAL RETIREMENT FUND—
DEFINED BENEFIT PENSION PLAN**

**NOTES TO SCHEDULE OF CHANGES IN
FIDUCIARY NET POSITION BY EMPLOYER, CONTINUED**

**(3) ESTIMATES, RISKS AND UNCERTAINTIES, AND BASIS OF ACCOUNTING,
CONTINUED**

Basis of Accounting

The financial statements of the Fund are prepared using the accrual basis of accounting, under which expenses are recorded when the liability is incurred, revenues are recorded in the accounting period in which they are earned and become measurable, and investment purchases and sales are recorded as of their trade date. As such, the Schedule is prepared on the accrual basis as well.

(4) DATE OF MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

The Fund has evaluated subsequent events through March 24, 2015, the date that the Schedule was available to be issued, and determined that no subsequent events have occurred which require adjustment or disclosure in the Schedule.

See Independent Auditors' Report.