

**MINUTES OF THE REGULAR MEETING OF THE  
OKLAHOMA POLICE PENSION AND RETIREMENT BOARD**

**Board Room  
1001 N.W. 63<sup>rd</sup> Street, Suite 305  
Oklahoma City, Oklahoma 73116**

**AUGUST 21, 2013**

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Jim Keesee at approximately 1:00 p.m. on Wednesday, August 21, 2013, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Ryan Perkins, Rick Smith, W.B. Smith and Jeff Pierce.

OTHERS: Steven K. Snyder, Executive Director; Darcie Gordon, Administrative Officer; Sean Ruark, Pension Administration Officer; Deric Berousek, Chief Financial Officer; Tom Janisch, Asset Consulting Group; Mike Irvin and Tim Foley.

MEMBERS ABSENT: Brandy Manek, Andy McPherson, and Frank Stone

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\*\*\*Note\*\*\* Brandy Manek and Andy McPherson arrived at approximately 1:05 p.m., and Frank Stone arrived at approximately 1:10 p.m.

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**INTRODUCTION OF TIMOTHY FOLEY AS NEW BOARD MEMBER**

Mr. Timothy Foley introduced himself. He spent 10 years at Edmond Police Department and then went to Law School. He spent 15 years with Crowe & Dunlevy before being hired by one client that he works for solely now. He has a tax background and handles investments at the energy company.

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**APPROVAL OF MINUTES OF BOARD MEETING HELD JULY 17, 2013**

Motion by W.B. Smith and second by Tom Custer to approve the Minutes of the Regular Board Meeting held July 17, 2013. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Frank Stone. Motion Carried.

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**CONSIDERATION AND VOTE, SUBJECT TO BOARD'S EXCEPTION, ON THE FOLLOWING APPLICATIONS**

a. Application for Participation:

<u>Name</u>	<u>City</u>
Adam K. Goushas	Ardmore
Jon W. Little	Bixby
Joseph A. Beilouny	Blanchard
Gaetano A. Cipriano	Blanchard

Damon B. Clawson	Blanchard
Shane P. Nimsey	Blanchard
Austin C. Plackemeier	Blanchard
Clark C. Tucker	Blanchard
Brandon G. Wheeler	Blanchard
LeAnthony D. Bell	Chickasha
Michael A. Chavers	Chickasha
Joel E. Hendrix	Chickasha
Ashten D. Troutman	Chickasha
Austin B. Burkes	Enid
Stephanie A. Cardwell	Enid
Dustin L. Fitzwater	Enid
Robert D. Hammons	Enid
Blayke R. Hickey	Enid
Roberto J. Norton	Enid
Brian C. Anderson	Ft. Gibson
Tiffany M. Yarbrough	Ft. Gibson
Corey L. Dizer	Guthrie
Ryan L. Friesen	Guthrie
Michael J. Harland	Guthrie
Raul A. Rodriguez	Guymon
Chad B. Wixom	Haskell
Steven W. Watkins	Henryetta
Drew S. Wiley	Hinton
James R. Dunbar	Hobart
Cory B. Cole	Idabel
Jackson R. Suter	Krebs
Kacy D. Wallace	Lamont
Kalyssa R. Holland	Muskogee
Phillip T. Wilson	Pawhuska
Brian S. Wilcox	Tecumseh
Preston J. Cox	Tuttle
Zachary P. Richardson	Tuttle
Michael J. Rushing, II	Yukon
Jaron E. Ballagh	Ada
Adam O. Vanlandingham	Ada
Brett R. Moore	Elk City
Jamie A. Gandy	Guymon
Girard C. Capps	Lawton
Joshua R. Dawson	Lawton
Joshua D. Essex	Lawton
Dale R. Fisher	Lawton
Chadd A. Mendiola	Lawton
Collin S. Ney	Lawton
Raymond J. Scott	Lawton
Steven P. Taylor	Lawton
Hector R. ValleQuinones	Lawton
Tony D. Morris	Miami

Sarah F. Zumwalt	Miami
Jeremy D. Arent	Oklahoma City
Justin R. Bailey	Oklahoma City
Samuel C. Ballinger	Oklahoma City
Alicia M. Blaschke	Oklahoma City
Eric J. Burzinski	Oklahoma City
Declan A. Catelli	Oklahoma City
Tammi J. Clary	Oklahoma City
Kristi R. Cox	Oklahoma City
John M. Curry	Oklahoma City
Christina T. Daino	Oklahoma City
Megan L. Fitzwilliam	Oklahoma City
Kristopher M. Gellenbeck	Oklahoma City
Amy E. Hanson	Oklahoma City
Bailey A. Hawkins	Oklahoma City
Jacob R. McCoy	Oklahoma City
Derrick J. Murray	Oklahoma City
Vinita C. Newman	Oklahoma City
Matthew D. Quirk	Oklahoma City
Bandy J. Rackley	Oklahoma City
Eric B. Reyes	Oklahoma City
Joe D. Robertson	Oklahoma City
Matthew L. Ruth	Oklahoma City
Jonathan L. Thomas	Oklahoma City
Carlton A. Tschetter	Oklahoma City
Sommer N. Tyrrell	Oklahoma City
Jeremy A. Wiley	Oklahoma City
Matthew D. Woodworth	Oklahoma City

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Nathan L. Rapp	Altus
Jacob Scott	Chickasha
Brandon L. Sparks	Chickasha
David Ward	Davis
Justin Blackshear	Durant
Daniel D. Hansen	El Reno
Blake A Frost	Henryetta
Luis R. Pagan	Lawton
Bryan S. Janz	Marlow
Kelly L. Hamm	Muskogee
Jason Reyes	Newkirk
Georgy Bernard	Norman
Roy Anderson	Perry
Michael Robinson	Spencer
Matthew R. Moulton	Edmond
Joel E. Pierce	Elk City
Kyle M. Logan	Oklahoma City

Jacob D. Branscum                      Skiatook  
Michael Randall                         Tecumseh

c. Application for Deferred Option Plan:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Bobby S. Pruett	Ponca City	9/1/2013

d. Application for Participation in the Oklahoma Police Deferred Option Plan Under the Back Drop Provision:

<u>Name</u>	<u>City</u>	<u>DOP Eff. Date</u>	<u>Service Pension Eff. Date</u>
Kermit S. Bennett	Ada	08/01/2008	08/01/2013
Wade L. Shaw	Lawton	10/01/2008	10/01/2013
Thomas W. Blackwell	Midwest City	09/01/2008	09/01/2013
Glen K. Holcomb	Oklahoma City	08/01/2008	08/01/2013
Daisy P. Vallely	Tulsa	04/01/2010	09/01/2013

e. Application for Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Tyrone Reece	Oklahoma City	08/01/2013
Frank M. Hardcastle	Muskogee	08/01/2013
Michael W. Adams	Mustang	10/01/2013

f. Application for Vested Benefit:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Billy R. Varney	Enid	09/12/2023
James J. Smarr	Durant	06/11/2021
Terry L. Laflin	Owasso	06/01/2011
Todd Collins	Tulsa	01/02/2021

g. Death Benefit:

<u>Name</u>	<u>City</u>
Billye Camp, widow of James Camp	Tulsa
Marqua L. Steely, Personal Rep. of Gregory L. Schuette	Blackwell
Rebecca D. Powell, Personal Rep. of Jennifer S. Thomas	Shawnee

h. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Billye Camp, widow of James Camp	Tulsa

i. Application for Monies Due the Estate from the System:

<u>Name</u>	<u>City</u>
Marqua L. Steely, Personal Rep. of Gregory L. Schuette	Blackwell

j. Termination of Benefit:

<u>Name</u>	<u>City</u>
Gregory L. Schutte	Blackwell
Jennifer S. Thomas	Shawnee

Motion by W.B. Smith and second by Tony Davenport for approval of applications for Police Deferred Option Plan, Participation, Service Pension, Refunds and Benefits and the Addendum. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Frank Stone. Motion Carried.

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**ROBERT D. FELTS, TUTTLE – REQUEST TO RESCIND APPLICATION FOR REFUND OF CONTRIBUTIONS APPROVED 8/15/2007 AND APPROVE APPLICATION FOR VESTED BENEFIT. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Motion by Tony Davenport and second by Andy McPherson for approval of request to rescind application for Refund of Contributions, approved 8/15/2007, and approve Application for Vested Benefit. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Frank Stone. Motion Carried.

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**REVIEW OF BOARD REPORTS**

The Account #6000, Fund 20000 (operating expenses), report is attached as Exhibit "A"; the Account #8557A, Fund Expenditures (receipts and disbursements), report for July 2013 is attached as Exhibit "B"; the Broker Commission Report is attached as Exhibit "C"; and the report for the Statement of Total Fund is attached as Exhibit "D."

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**ASSET CONSULTING GROUP – FINANCIAL CONSULTANT REPORT FOR MONTH ENDED JULY 31, 2013, QUARTERLY REPORT FOR QUARTER ENDED JUNE 30, 2013, AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS.**

Mr. Tom Janisch reviewed the ASAP report for the month ended July 31, 2013, a copy of which is attached as Exhibit "E". As of July 31, 2013, the total Fund was approximately \$2,022,827.000.00. The one-year return net of fees for the total Fund is 14.11%.

Mr. Janisch also reviewed the Quarterly Report for Quarter ended June 30, 2013, a copy of which is attached as Exhibit "F". He stated that the only thing that did well was High Yield Bonds, which is up 3% year to date.

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**ASSET CONSULTING GROUP – DISCUSSION AND POSSIBLE VOTE REGARDING ISSUING AN RFP FOR SMALL CAP GROWTH MANAGER TO REPLACE WILLIAM BLAIR. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Mr. Tom Janisch advised the board that William Blair had chosen to step aside and by the end of the year they will no longer be the Small Cap Growth Manager. Mr. Janisch recommended that the board issue a Request for Proposal for Small Cap Growth Manager to replace William Blair.

Motion by Tony Davenport and second by Andy McPherson to issue a Request for Proposal for Small Cap Growth Manager. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Motion Carried.

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**DISCUSSION AND POSSIBLE VOTE ON SELECTION OF HEDGE FUND MANAGERS FOR SHARE CLASS B, OF GROSVENOR LONG/SHORT EQUITY FUND. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Mr. Tom Janisch reviewed the GLSEF Direct Portfolio (Class B) Action Plan (Part 1 & 3), a copy of which is attached as Exhibit “G”. He stated there were currently seven managers and it was possible they may recommend adding an eighth manager, and would possibly go to ten managers. Board took no action on this item/

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**DISCUSSION AND POSSIBLE VOTE ON ADDITIONAL ALLOCATION FOR SHARE CLASS B, OF GROSVENOR LONG/SHORT EQUITY FUND. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Mr. Tom Janisch reviewed the GLSEF Direct Portfolio (Class B) Action Plan (Part 2), a copy of which is attached as Exhibit “G”. He recommended additional investments of \$3 million to each of the five current funds, Hoplite Offshore Fund, Ltd., Southpoint Offshore Fund, Ltd., Tremblant Concentrated Fund, Ltd., Trian Partners, Ltd., and White Elm Offshore, Ltd. for a total of \$15 million.

Motion by W.B. Smith and second by Tom Custer to approve additional investments of \$3 million to each of the five current funds, Hoplite Offshore Fund, Ltd., Southpoint Offshore Fund, Ltd., Tremblant Concentrated Fund, Ltd., Trian Partners, Ltd., and White Elm Offshore, Ltd. for a total of \$15 million. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Motion Carried.

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**DISCUSS AND DELIBERATE PROPOSED RESOLUTION RECOMMENDATION FROM TAX COUNSEL REGARDING CUSTODY AND DISBURSEMENT OF PENSION FUNDS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Mr. Steven Snyder advised the board that the tax counsel, Davis Graham and Stubbs, had done this resolution as a solution for OPPRS to be able to give money back to a city when they have made overpayments to the system. He advised that the legislature is not in session so we are not able to get a rule or statute passed. According to tax counsel, we have to have a resolution, rule, or statute to give money back to someone per the Internal Revenue Code.

Motion by W.B. Smith and second by Tom Custer to approve proposed resolution from tax counsel regarding custody and disbursement of pension funds. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Motion Carried.

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**LITIGATION REPORT – PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS CASE NO. TBD, IN RE DOLE FOOD COMPANY, INC. (STATE OF DELAWARE COURT OF CHANCERY)CASE NO. 1:12-CV-00276, IN RE CAREER EDUCATION CORPORATION (UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS); CASE NO. 5:12-CV-00195-KKC, IN RE TEMPUR-PEDIC INTERNATIONAL, INC (UNITED STATES DISTRICT COURT, EASTERN DISTRICT OF KENTUCKY); AND TO DISCUSS OTHER POTENTIAL LITIGATION WITH LEGAL COUNSEL PURSUANT TO 25 O.S. § 307(B)(4) IN THAT DISCLOSURE WILL SERIOUSLY IMPAIR THE ABILITY OF THE BODY TO CONDUCT A PENDING PROCEEDING IN THE PUBLIC INTEREST**

Mr. Steven Snyder advised the board that no executive session was necessary, also that all the lawsuits were still pending and there had been no change in status, except for Dole Foods. He advised that the Dole Foods Complaint had been filed against Mr. Murdock and that it was pending in the Delaware Court of Chancery.

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**NEW BUSINESS**

No New Business

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**BOARD MEMBERS' REPORTS**

Mr. Andy McPherson advised the board that he had taken a new position with a different bank in Weatherford. He also noted that the employment change would possibly change his status on the board at some point.

Mr. Tom Custer noted that several board members went to the Pension Oversight Commission meeting. It was a good turn out by several of the pension systems.

Mr. Craig Akard also stated he thought it would be a good idea to be at the next Pension Oversight Commission meeting. They meet quarterly.

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**DISCUSSION OF SEMINARS/CONFERENCES. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY**

Mr. Snyder advised that OPFTEC is September 25-27, 2013 in Tulsa, IFEBP is in Las Vegas, NV in October and NCPERS would be in San Antonio next year. He also stated CAPPP would hold programs next year in Boston, MA and San Jose, CA.

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**DIRECTOR'S REPORT**

Mr. Snyder reported that the auditors were here and would be here until September 6<sup>th</sup>. He said the audit was going well. He also advised that NCPERS was holding a Public Safety Conference October 27-30 in Rancho Mirage, CA. He noted that the Arnold Foundation was agenda item for the conference. He advised the board that anyone who wanted to go, needed to let Darcie know ASAP so she could begin making arrangements.

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The meeting was adjourned at approximately 2:05 pm

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Notice of this meeting was filed with the Secretary of State and the agenda for the meeting was posted in compliance with the Open Meeting Act.

RESPECTFULLY SUBMITTED BY DARCIÉ GORDON, ADMINISTRATIVE OFFICER.