

**MINUTES OF THE REGULAR MEETING OF THE
OKLAHOMA POLICE PENSION AND RETIREMENT BOARD**
Board Room
1001 N.W. 63rd Street, Suite 305
Oklahoma City, Oklahoma 73116

AUGUST 20, 2014

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Ryan Perkins at approximately 9:00 a.m. on Wednesday, August 20, 2014, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley.

OTHERS: Steven K. Snyder, Executive Director; Darcie Gordon, Administrative Officer; Sean Ruark, Pension Administration Officer; Kim Heaton, Attorney General's Office; and Jason Pulos, Asset Consulting Group.

MEMBERS ABSENT: Craig Akard, Brandy Manek, and Frank Stone

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APPROVAL OF MINUTES OF BOARD MEETING HELD JULY 16, 2014

Motion by Tom Custer and second by Rick Smith to approve the Minutes of the Regular Board Meeting held July 16, 2014. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Abstain: Susan Knight. Absent: Craig Akard, Brandy Manek, and 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>
Dustin L. Ragland	Ardmore
Jerry A. Wieland	Blackwell
Aaron M. Bennett	Chandler
Blake A. Lawson	Choctaw
Jacob J. Washington, III	Choctaw
Christopher J. Cbringer	Clinton
Kory W. Boatwright	Del City
Walter O. Bullard	Hugo
Jared M. Baier	Norman
Julie K. Church	Norman
Johnathan M. Clark	Norman
Derek J. Geiges	Norman
Andre S. Harris	Norman
Jonatan Kieft	Norman
Benjamin G. Landis	Norman

Jared G. Meget	Norman
Edward J. Nickerson	Norman
Harley W. Rhynes	Norman
Annalissa B. Richardson	Norman
Ramon L. Rivera	Norman
Kenneth D. Ward	Norman
Justin S. Wicks	Norman
Ryan T. Claiborne	Owasso
Shannon C. Farnan	Pauls Valley
James B. Woods	Spencer
Kristi L. Martindale	Tuttle
Michael D. Grisham	Warr Acres
Steven D. Marshall	Warner
William H. Spatz	Ada
Debbie V. Gallegos	Elk City
Matthew M. Knollenberg	Guymon
Lane T. Davenport	Nicoma Park
David R. Jenkins	Norman
Tony D. Slayden	Perkins
Steven R. Sample	Shawnee
Zachary R. Thompson	Shawnee
Ludvig A. Williams	Spencer
Michael A. Ward	Woodward

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Jeremy W. Jones	Altus
Laura Hill	Choctaw
Randy E. White	Davis
Candy N. Webb	Eufaula
Teresa Lashmet	Miami
Adam C. Crane	Norman
Marcus Debottis	Oklahoma City
Jarod Lasater	Okmulgee
Trevor W. Felan	Pauls Valley
Brian C. Rumsey	Pawhuska
Edward N. Gory	Ponca City
Jonathan J. Eason	Sayre
Craig Cook, Personal Rep. Of Brian R. Cook	Tulsa
Barrett A. Storm	Woodward
Aaron Vaughan	Dewey
James Dunbar	Hobart
Raymond F. McGee, III	Lawton
Bradley D. Holt	Muskogee
Ruben Jauregui, Jr.	Tonkawa
Christopher K. Banwart	Watonga

c. Application for Deferred Option Plan:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Mark D. Irwin	Broken Arrow	09/01/2014

d. Terminate Deferred Option Plan to Begin Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Joseph T. Castor	Woodward	08/01/2014

e. 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>
Scott Bross	Broken Arrow	08/01/2009	08/01/2014
David Hendricks	Broken Arrow	08/01/2009	08/01/2014
Jimmy J. Thomas	Oklahoma City	05/01/2012	08/01/2014
Michael A. Veasey	Oklahoma City	09/01/2009	09/01/2014
Bryan K. McKown	Tulsa	09/01/2012	08/01/2014
Gary J. Otterstrom	Tulsa	08/01/2009	08/01/2014
Thomas R. Lewis	Broken Arrow	10/01/2009	10/01/2014
Joseph Sterling	Del City	10/01/2012	11/01/2014
Bruce B. Burton	Tulsa	09/01/2009	09/01/2014

f. Application for Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Derrick C. J. Palmer	Coweta	10/01/2014
Kris L. Fite	Edmond	09/01/2014
Joe Christensen	Sand Springs	10/01/2014

g. Application for Vested Benefit:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Joshua Landers	Nichols Hills	05/12/2031
Mario Kirby	Tulsa	07/12/2028

h. Death Benefit:

<u>Name</u>	<u>City</u>
Sandra L. Payne, widow of Gerald S. Payne	Oklahoma City
Craig Cook, Personal Rep. Of Brian R. Cook	Tulsa
Marc R. Crawford, Personal Rep. of Jon M. Crawford	Tulsa
Nancy K. Stickney, widow of Richard D. Stickney	Oklahoma City

i. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Sandra L. Payne, widow of Gerald S. Payne	Oklahoma City
Nancy K. Stickney, widow of Richard D. Stickney	Oklahoma City

j. Application for Monies Due the Estate from the System:
Name City
Marc R. Crawford, Personal Rep. of Tulsa
Jon M. Crawford

k. Termination of Benefit:
Name City
Jon M. Crawford Tulsa

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: Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Craig Akard, Brandy Manek, and Frank Stone. Motion Carried.

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DANIEL E. BEAN, TULSA – REQUEST TO BUY BACK PRIOR SERVICE WHILE EMPLOYED WITH THE TULSA POLICE DEPARTMENT FROM 01/03/2005 TO 12/23/2010. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Tony Davenport to approve request to buy back prior service while employed with the Tulsa Police Department from 01/03/2005 to 12/23/2010. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Craig Akard, Brandy Manek, and 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 2014 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, 2014, QUARTERLY REPORT FOR QUARTER ENDED JUNE 30, 2014, AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Jason Pulos reviewed the ASAP report for the month ended July 31, 2014, a copy of which is attached as Exhibit "E". As of July 31, 2014, the total Fund was approximately \$2,192,027,000.00. The one-year return net of fees for the total Fund is 10.37%.

Mr. Jason Pulos also reviewed the Quarterly Report for quarter ended June 30, 2014, a copy of which is attached as Exhibit "F".

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DISCUSSION AND POSSIBLE VOTE ON SELECTION OF LARGE CAP INDEX MANAGER. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Jason Pulos presented the Oklahoma Police Pension and Retirement System – Passive Large Cap Core Equity Search, a copy of which is attached as Exhibit "G".

Motion by W.B. Smith and second by Tony Davenport to select Northern Trust as Large Cap Index Manager. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Craig Akard, Brandy Manek, and Frank Stone. Motion Carried.

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BOARD TO RATIFY EXECUTIVE DIRECTOR’S ACTIONS REGARDING SECURITIES LITIGATION CASE RELATED TO URS CORPORATION. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder advised that the case had been filed, they had agreed to our demands, and the case had been dismissed. He stated it was a case of the company selling and they basically had a Do Not Compete clause, which meant they accepted the offer they wanted and did not compete for the best offer.

Motion by W.B. Smith and second by Andy McPherson to ratify Executive Director’s actions regarding securities litigation case related to URS Corporation.. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Craig Akard, Brandy Manek, and Frank Stone. Motion Carried.

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LITIGATION REPORT – PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS CASE NO. 1:14CV952, IN RE BANCORP INC. (UNITED STATES DISTRICT COURT, DISTRICT OF DELAWARE); CASE NO. 3:14-CV-02564, IN RE INFOBLOX, INC. (UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA); CASE NO. 1:14-CV-01997-LAK, IN RE WEIGHT WATCHERS INTERNATIONAL, INC. (UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK); CASE NO. 8703-VCL, IN RE DOLE FOOD COMPANY, INC. (STATE OF DELAWARE COURT OF CHANCERY); CASE NO. 5:12-CV-00195-KKC, IN RE TEMPUR-PEDIC INTERNATIONAL, INC (UNITED STATES DISTRICT COURT, EASTERN DISTRICT OF KENTUCKY); CASE NO. 1:11-CV-08066-JGK, IN RE OPPRS V. U.S. BANK NATIONAL ASSOCIATION, (UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK); 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. Snyder advised that there was no need for Executive Session. He stated the US National Bank case was still in discovery and he was going to be doing a deposition on this case. He stated the complaint had been filed in the InfoBlox case, the Tempur-Pedic case had been dismissed and we were appealing, and the Bankcorp case was in the discovery stage after the complaint was filed.

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NEW BUSINESS

No new business

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BOARD MEMBERS' REPORTS

No board members reports

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

Mr. Snyder advised the board that IFEBP would be in Boston, MA, October 12-15 2014, OPFTEC would be in Norman, OK September 24-26, 2014 and ACG Due Diligence would be September 9-10, 2014 in St. Louis, MO. He also mentioned that all NCPERS conferences next year were going to be in New Orleans, LA.

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DIRECTOR'S REPORT

Mr. Snyder reported the auditors will be here through mid-September. He stated that the rules would be effective September 12, 2014. He also advised that there were two approved Interim Studies regarding the pension systems. The first one was Interim Study S14-041 regarding members of the system staying with the system once they move to the county sheriff's office and H14-005, the regular study of the pension systems by Rep. McDaniel.

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BRADLEY D. HOLT, MUSKOGEE – REQUEST TO RESCIND APPLICATION FOR VESTED BENEFIT APPROVED 6/18/2014. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by Tony Davenport and second by Tom Custer to approve request to rescind Application for Vested Benefit approved 6/18/2014
Ayes: Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Craig Akard, Brandy Manek, and Frank Stone.
Motion Carried.

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HEARING: CASE NO. OPORB 14-01, APPLICATION FOR DISABILITY BENEFIT NOT IN LINE OF DUTY FOR RYAN HUNNICUTT, ARDMORE

Mr. Ryan Hunnicutt was not present for the hearing nor was he represented by legal counsel present at the hearing.

Mr. Snyder introduced the following documents into the record:

- OPORS Exhibit #1 - Notice of Hearing dated September 18, 2014
- OPORS Exhibit #2 - Application for disability benefit in line of duty dated May 6, 2014
- OPORS Exhibit #3 - Letter from City of Ardmore dated May 4, 2014 stating that the Ardmore Police Department does not have a position for Mr. Hunnicutt based on his restrictions
- OPORS Exhibit #4 - Letter from Dr. Jimmy Conway - OSSO stating that Mr. Hunnicutt will not be able to return to Law Enforcement at full capacity.
- OPORS Exhibit #5 - Report from Dr. LeRoy Young , dated July 8, 2014 (7 pages)

Motion by Tony Davenport and second by Jim Keesee to award Mr. Hunnicutt a disability benefit not in line of duty base on an impairment of 17% to the whole person which equates to 25% of accrued retirement benefit. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Tim Foley. Absent: Craig Akard, Brandy Manek, and Frank Stone. Motion Carried.

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The meeting was adjourned at approximately 9:56 a.m.

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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 DARCIE GORDON, ADMINISTRATIVE OFFICER.