

**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**

DECEMBER 16, 2015

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Jeff Pierce at approximately 9:00 a.m. on Wednesday, December 16, 2015, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: 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.

OTHERS: Steven K. Snyder, Executive Director; Darcie Gordon, Administrative Officer, Lauren Holmes, Administrative Assistant; Sean Ruark, Pension Administration Officer, Deric Berousek, Chief Financial Officer; Kim Heaton, Attorney General's Office; George Tarlas, Asset Consulting Group; and Viki Johnson, Davis Graham & Stubbs.

MEMBERS ABSENT: None

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DAVIS GRAHAM & STUBBS - DISCUSSION OF POSSIBLE LEGISLATION REGARDING PAID BASE SALARY.

Motion by W.B. Smith and second by Craig Akard to enter into Executive Session. 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.

Motion by Craig Akard and second by Tony Davenport to return to Open Session 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.

Motion by Craig Akard and second by Ryan Perkins to approve the proposed legislation with the discussed amendments. 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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APPROVAL OF MINUTES OF REGULAR BOARD MEETING HELD NOVEMBER 18, 2015

Motion by W.B. Smith and second by Ryan Perkins to approve the Minutes of the Regular Board Meeting held November 18, 2015. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, and Jeff Pierce. Abstain: Craig Akard, Susan Knight, and Tim Foley. 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> |
|----------------------|--------------|
| Sean M. Farris | Alva |
| Dirk A. Day | Clinton |
| Kenneth C. Stutzriem | Clinton |
| Cole L. Graves | Cushing |
| Jessica K. Shirkey | Del City |
| Martine E. Singer | Del City |
| Johnathan E. Pointer | Dewey |
| Jordan T. Dixon | Elk City |
| John. A. Grimes | Guymon |
| Randy Jauregui | Guymon |
| Lyndon R. Spears | Henryetta |
| Corbin M. Peters | Hominy |
| Kolton K. Loving | Idabel |
| Michael J. Harland | Jones |
| Trea B. Fulton | Mangum |
| Jacob M. Schiller | McAlester |
| Jeremy D. Kennon | Midwest City |
| James D. Lowe | Poteau |
| Emily A. Chisum | Sand Springs |
| Aaron R. Graves | Sulphur |
| Randall T. Bray | Tecumseh |
| David A. Stagner | Tecumseh |
| Ashlyn B. Truelove | Tuttle |
| Justin C. Winslett | Waurika |
| Clinton J. Glass | Wewoka |
| Daniel W. Marler | Choctaw |
| Jared T. Brush | Enid |
| Ryan S. Peavy | Enid |
| Kevin J. Muirhead | Noble |
| Nehemiah L. Hanson | The Village |
| Micah D. Thomas | The Village |

b. Application for Refund of Contributions:

| <u>Name</u> | <u>City</u> |
|----------------------|-------------|
| Adam Baxter | Altus |
| Ryan Eads | Ardmore |
| Ashten Hendrix | Chickasha |
| Justin Harkins | Comanche |
| Bruce L. Maness, Jr. | Edmond |
| Travis David | El Reno |
| Randy Taylor | Fort Gibson |
| Raul A. Rodriguez | Guymon |
| Jason Crittenden | McAlester |
| Justin D. Pyle, Jr. | Noble |
| Grant O. West | Pawhuska |

| | |
|-------------------|-----------|
| Bradley Warren | Poteau |
| Mark A. Smith | Sapulpa |
| Anthony Runyon | Savanna |
| Adam W. Lovell | Tulsa |
| Rock Clark | Tulsa |
| Jimmie Kester | Vinita |
| Jacob C. Garrett | Guthrie |
| Matthew A. Miller | McAlester |
| Bryan Hale | Okmulgee |
| Kevin Kees | Yukon |

c. Terminate Deferred Option Plan to Begin Service Pension:

| <u>Name</u> | <u>City</u> | <u>Eff. Date</u> |
|-----------------|--------------|------------------|
| Matthew Dukes | Midwest City | 12/01/2015 |
| John K. Toles | Muskogee | 01/01/2016 |
| Kenneth M. King | Shawnee | 02/01/2016 |

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> |
|-------------------|---------------|----------------------|----------------------------------|
| Lacky J. Harkins | Midwest City | 09/01/2014 | 12/01/2015 |
| David Henry | Muskogee | 10/01/2015 | 12/01/2015 |
| Edmond G. Dobry | Norman | 01/01/2011 | 01/01/2016 |
| Jaryl L. Phillips | Oklahoma City | 01/01/2011 | 01/01/2016 |
| Glenn Pope | Sand Springs | 01/01/2011 | 01/01/2016 |
| Thomas D. Mackey | Seminole | 10/01/2010 | 10/01/2015 |
| Gerard M. Hummel | Tulsa | 12/01/2010 | 12/01/2015 |
| Steve Jagosh | The Village | 01/01/2011 | 01/01/2016 |

e. Death Benefit:

| <u>Name</u> | <u>City</u> |
|---|---------------|
| Kathy L. Walker, widow of James E. Walker | Miami |
| Ellen L. McKittrick, widow of Robert W. McKittrick | Oklahoma City |
| Goldie R. Bryan, widow of Samuel D. Bryan | Tulsa |
| Audrey R. Hansen, Personal Rep. of Bobby R. Linker | Ada |
| Devra Divecchio, widow of Arthur Divecchio | Moore |

f. Continuation of Benefit:

| <u>Name</u> | <u>City</u> |
|---|---------------|
| Kathy L. Walker, widow of James E. Walker | Miami |
| Ellen L. McKittrick, widow of Robert W. McKittrick | Oklahoma City |
| Goldie R. Bryan, widow of Samuel D. Bryan | Tulsa |
| Devra Divecchio, widow of Arthur Divecchio | Moore |

g. Termination of Benefit:

| | |
|-----------------|-------------|
| <u>Name</u> | <u>City</u> |
| Bobby R. Linker | Ada |

Motion by Ryan Perkins and second by Craig Akard 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, Frank Stone, Jeff Pierce, and Tim Foley. Motion Carried.

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MATTHEW DUKES, MIDWEST CITY – REQUEST TO AMEND RETIREMENT DATE FOR TERMINATION OF DEFERRED OPTION FROM 2/1/2016, AS APPROVED ON NOVEMBER 18, 2015, TO 12/1/2015.

Motion by W.B. Smith and second by Ryan Perkins to approve Mr. Matthew Dukes' request to amend retirement date for Termination of Deferred Option from 2/1/2016. 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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CONTINUATION OF HEARING: CASE NO. OPFRB 15-03, APPLICATION FOR DISABILITY BENEFIT IN LINE OF DUTY FOR DENNIS GRAVES, YUKON.

Mr. Dennis Graves was not present and not represented by legal counsel.

Mr. Steven Snyder introduced the following documents into the record, in addition to Exhibits #1 - #8 that were previously introduced.

- OPFRS Exhibit #5 – Notice of Continuation of Hearing, dated December 14, 2015
- OPFRS Exhibit #6 – Letter from Dr. John Ellis, dated November 16, 2015
- OPFRS Exhibit #7 – Report from Dr. John Ellis, dated November 16, 2015 (20 pages)

Motion by Tony Davenport and second by W.B. Smith to award Mr. Dennis Graves a 100% disability benefit in line of duty. 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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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 November 2015 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 OCTOBER 31, 2015 AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder noted it was the November 30, 2015 report, not the October 31, 2015 as was stated on the agenda.

Mr. George Tarlas reviewed the ASAP report for the month ended November 30, 2015, a copy of which is attached as Exhibit “E”. As of November 30, 2015 the total Fund was approximately \$2,202,684,000.00. The one-year return net of fees for the total Fund is 1.19%.

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DISCUSSION AND POSSIBLE SELECTION OF NEW INDEPENDENT MEDICAL EXAMINER; BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder provided the board with the curriculum vitae of M. Stephen Wilson, M.D. of Rehabilitation Medicine of Oklahoma, a copy of which is attached as Exhibit “F”. He advised the board he thought Dr. Wilson would be a good addition to the Independent Medical Examiners used by OPPRS.

Motion by Craig Akard and second by W.B. Smith to add M. Stephen Wilson, M.D. to the list of Independent Medical Examiners used by OPPRS. 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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FINLEY & COOK, PLLC – CERTIFICATION OF ELECTION RESULTS FOR STATE BOARD DISTRICTS 3 AND 6. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder advised the board that the wrong districts had been listed on the agenda. The correct item would be put on next month’s agenda.

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LITIGATION REPORT – PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS CASE NO. CIV536013, IN RE SIENRA, INC. (SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF SAN MATEO); CASE NO. 15-CV-07759-LAK IN RE FIFTH STREET FINANCE CORP. (UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK); CASE NO. 2:15-CV-01398-SRB, IN RE LIFELOCK, INC. (UNITED STATES DISTRICT COURT, DISTRICT OF ARIZONA); CASE NO. 3:15-CV-01797, IN RE MAGNACHIP SEMICONDUCTOR CORP. (UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA); NO. 1:15-CV-00679, IN RE BOULDER BRANDS, INC. (UNITED STATES DISTRICT COURT, DISTRICT OF COLORADO); CASE NO. 1:14-CV-10136-GBD, IN RE RCS CAPITAL CORP. (UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK); NO. 3:15-CV-01106, IN RE EHEALTH, 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. 5:12-CV-00195-KKC, IN RE LAYDON VS. MIZUHO BANK, LTD. ET AL. (TIBOR LITIGATION) (UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK); CASE NO. 1:15-CV-08149, OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM VS. BANK OF NOVA SCOTIA ET.AL (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. Steven Snyder noted that OPPRS was Lead Plaintiff in the Dole case and would be awarded approximately \$1.48 million. He stated the other cases were status quo.

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NEW BUSINESS

No new business.

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BOARD MEMBERS' REPORTS

Mr. Ryan Perkins advised he had been approached by two smaller cities whom are not able to find doctors to do the required physicals. Mr. Snyder advised that they could send them directly to Mr. Robert Curling and Dr. Thomas Coniglione.

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

Mr. Steven Snyder advised the board that NCPERS Annual Conference was in San Diego, CA, May 15 – 19, 2016 and IFEBP was November 13-16, 2016 in Orlando, FL.

Several board members expressed interest in seeking professionals in the industry to come in and educate them since they were not allowed to travel to the IFEBP Annual Conference. They felt it was extremely important in upholding their fiduciary responsibilities. Mr. George Tarlas noted that Asset Consulting Group would be willing to set up a conference for the board. He stated he would get with Steve and look at some possible dates.

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DIRECTOR'S REPORT

Mr. Steven Snyder reminded the board that the meetings have been moved to 10am. He also noted that beginning in January that there would be no addendum, only an agenda prepared on the Thursday before the board meeting.

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MICHAEL J. CLASS – REQUEST TO RESCIND VESTED BENEFIT APPROVED APRIL 20, 2011.

Motion by Tony Davenport and second by W.B. Smith to approve Michael Class' request to rescind vested benefit approved April 20, 2011. 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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The meeting was adjourned at approximately 10:55am.

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 DARCI GORDON, ADMINISTRATIVE OFFICER.