

**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**

JANUARY 21, 2015

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, January 21, 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, and Jeff Pierce.

OTHERS: Steven K. Snyder, Executive Director; Darcie Gordon, Administrative Officer; Sean Ruark, Pension Administration Officer; Deric Berousek, Chief Financial Officer; Kim Heaton, Attorney General's Office; Patty Karolczak, Asset Consulting Group; and Rick Wagon.

MEMBERS ABSENT: None

* * * * *

NoteTim Foley arrived at 9:04 a.m.

* * * * *

APPROVAL OF MINUTES OF BOARD MEETING HELD DECEMBER 17, 2014

Motion by W.B. Smith and second by Jim Keesee to approve the Minutes of the Regular Board Meeting held December 17, 2014. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, and Jeff Pierce. Absent: Tim Foley. Motion Carried.

* * * * *

HEARING: CASE NO. OPPRB 13-07, MUNICIPALITY APPLICATION FOR DISABILITY BENEFIT IN LINE OF DUTY FOR JASON B. SIMPSON, NORMAN

Mr. Steven Snyder advised the board that Mr. Simpson had requested a continuance.

* * * * *

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

a. Application for Participation:

<u>Name</u>	<u>City</u>
Hayden D. Young	Anadarko
Jonathon R. Diehl	Blanchard
Kendrae J. Traylor	Blanchard
Reid C. Kerr	Chickasha
Nickolaus S. Wooton	Chickasha
Vanessa F. Cole	Elk City
Nicholas W. Crauthers	Elk City

Tamra L. Stephens	Hobart
James M. Waltman	Mannford
Sabrina L. Lee	Nowata
Zachary T. West	Pawhuska
Brian C. Jordan	Tahlequah
Shari N. Dixon	The Village
Bradley S. Males	Vinita
Thomas A. Bell	Warner
Richard A. Eaker	Ada
Donald J. Long	Ardmore
Matthew T. Branscum	Bethany
Ryan K. O'Neal	Enid
Christopher R. Palmisano	Enid
Walter F. Tuttle	Enid
Justin M. Conner	Kingfisher
Michael A. Andersen	Lawton
Raymond D. Brown, II	Lawton
George J. Bruce, Jr.	Lawton
Kenneth I. Dixon	Lawton
Clarissa N. Haynes	Lawton
Jimmie R. Hicks	Lawton
Justin K. Johnson	Lawton
Patrick H. Kilgore	Lawton
Thomas N. Rorrer	Lawton
William J. Torres	Lawton
Thomas K. Rollins	Purcell

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Royce Gillham	Ardmore
Ronald D. Morris	Bristow
Christopher M. Janos	Broken Arrow
Gabrielle Pellegrino	Broken Arrow
Charles L. Willis	Broken Arrow
Howard T. Goodman	Commerce
Tomie D. Dotson	Cushing
Ronald S. Johnson	Enid
Steven Nail	Hobart
Richard N. Pickard	Hobart
Ross Mahan	Hominy
Richard D. Cresse	Idabel
Roy Linkswiler	Idabel
James L. Smith	Lindsay
James R. Williams	Lindsey
Twyla A. Stephens	Marlow
Tony R. Kyzer	Moore
Joseph Miller	Midwest City
Ronald H. Asmus, III	Muskogee
Rickie Kubiak	Muskogee

Denny Tharp	Muskogee
Cody Bowlin	Norman
Jennie A. Killman	Norman
Benjamin G. Landis	Norman
Tomy Tran	Oklahoma City
Steven B. Clark	Oklahoma City
Patrick S. Cuellar, Sr.	Oklahoma City
Jason F. Zimmerman	Oklahoma City
Kenneth P. Qualls	Piedmont
Russell K. Ross	Prague
Joshua Hayes	Sayre
Bobby J. Morgan	Tishomingo
Michael A. Altman	Tulsa
Tommy Bass	Tulsa
Robert R. Kimery	Tulsa
George Sofield	Tulsa
Wesley Johnston	Watonga
Robert Ferguson	Wetumka
Eric A. Haworth	Wewoka
Bobby W. Fields	Wister
Roger W. Hamilton	Yukon
Gary W. Monkres	Yukon
Vincent Seeman	Ardmore
Rodney Sumpter	Blackwell
David M. Book	Catoosa
Craig Hamilton	Claremore
Paul W. Patterson	Claremore
Patrick K. Law	Cleveland
Brandon M. Groves	Coweta
Christopher Estep	Durant
Nathan Holman	Durant
Matthew L. Hyso	Elk City
Jeff Taylor	Glenpool
Ryan M. Smith	Haskell
Michael West	Midwest City
Kenneth G. Schiwart	Prague
Cory Kelley	Shawnee
Leonard J. Wilkins	Tahlequah
Rodney L. Farris	Tulsa
Harry W. Hunt	Tulsa
Bobby Neugin	Wagoner
Belinda Bumpass	Wewoka
Travis Riley	Woodward

c. 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>
Kevin Hood	Ada	02/01/2013	02/01/2015
Kelly R. Harper	Broken Arrow	02/01/2010	02/01/2015

Edward A. Ferguson	Broken Arrow	02/01/2010	02/01/2015
Lawrence D. Turner	Lawton	02/01/2010	02/01/2015
David G. King	Norman	02/01/2012	02/01/2015
J. Lindall Cadena	Oklahoma City	04/01/2010	02/01/2015
Charles Case	Oklahoma City	04/01/2010	02/01/2015
Darren J. Clark	Oklahoma City	02/01/2010	02/01/2015
Jon M. Pullen	Sapulpa	11/01/2014	02/01/2015
Randall C. Hiner	Stillwater	02/01/2010	02/01/2015
George M. Dunham	Tulsa	02/01/2010	02/01/2015
Gordon M. McMeen	Tulsa	02/01/2010	02/01/2015
James E. Rogers	Tulsa	03/01/2010	02/01/2015
Robert K. McGill	Altus	02/01/2014	02/01/2015
Ronald Keef	Oklahoma City	04/01/2010	04/01/2015
Dale A. Marshall	Oklahoma City	02/01/2010	02/01/2015

d. Application for Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Tommy L. Tillotson	Coweta	02/01/2015
Stephen Abernathy	Midwest City	01/01/2015
Shannon Crary	Muskogee	02/01/2015

e. Death Benefit:

<u>Name</u>	<u>City</u>
Clara D. Crabtree, widow of Grady S. Crabtree	Lawton
Ella M. Green, Personal Rep. of James L. Poindexter	Lawton
R. Chris Szatkowski, widow of Bernard J. Szatkowski	Lawton
Genevieve G. O'Neal, Personal Rep. of Zelfhia G. Conner	Miami
Jane M. Garrett, widow of Anthony D. Garrett	Eufaula
Linda S. Clark, widow of Glen C. Clark	Oklahoma City
Darlene L. Rowell, widow of Henry R. Rowell	Oklahoma City

f. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Clara D. Crabtree, widow of Grady S. Crabtree	Lawton
R. Chris Szatkowski, widow of Bernard J. Szatkowski	Lawton
Jane M. Garrett, widow of Anthony D. Garrett	Eufaula
Linda S. Clark, widow of Glen C. Clark	Oklahoma City
Darlene L. Rowell, widow of Henry R. Rowell	Oklahoma City

g. Termination of Benefit:

<u>Name</u>	<u>City</u>
James L. Poindexter	Lawton
Zelphia G. Conner	Miami

h. Application for Vested Benefit:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Ryan Matthias	Sapulpa	06/29/2026

Motion by W.B. Smith 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, and Jeff Pierce. Absent: Tim Foley. Motion Carried.

* * * * *

TIMOTHY J. SCOTT, ALTUS – REQUEST TO RESCIND APPLICATION FOR VESTED BENEFIT APPROVED ON 10/22/2014. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Tony Davenport to approve request to rescind application for vested benefit for Timothy J. Scott, Altus. 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.

* * * * *

DONALD J. LONG, ARDMORE – REQUEST TO RESCIND APPLICATION FOR REFUND APPROVED ON 12/17/14. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by Jeff Pierce and second by Craig Akard to approve request to rescind application for refund for Donald J. Long. Altus. 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.

* * * * *

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 December 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."

* * * * *

ASSET CONSULTING GROUP – FINANCIAL CONSULTANT REPORT FOR MONTH ENDED DECEMBER 31, 2014 AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Ms. Patty Karolczak reviewed the ASAP report for the month ended December 31, 2014, a copy of which is attached as Exhibit "E". As of December 31, 2014, the total Fund was approximately \$2,198,929,000.00. The one-year return net of fees for the total Fund is 4.75%.

Ms. Patty Karolczak also presented the “Year in Review”, a copy of which is attached as Exhibit “F”.

* * * * *

PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS THE ANALYSIS OF PROPOSAL TO ALLOW MEMBERS TO LEAVE EMPLOYMENT FOR A PARTICIPATING MUNICIPALITY TO REMAIN IN THE SYSTEM IF THEY WORK AS LAW ENFORCEMENT OFFICERS FOR A COUNTY SHERIFF’S OFFICE 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

Motion by Jim Keesee and second by Tom Custer to go 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 Jeff Pierce and second by Jim Keesee to go back into 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.

* * * * *

PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS THE PT+ INVESTIGATION ALERT FROM SCOTT+SCOTT REGARDING POSSIBLE SECURITIES LITIGATION CLAIM 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

Motion by W.B. Smith and second by Tony Davenport to go 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 Jeff Pierce and second by Jim Keesee to go back into 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 W.B. Smith and second by Jim Keesee to authorize the Executive Director to proceed as necessary with the case. 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.

* * * * *

LITIGATION REPORT – PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS 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. 1:12-CV-03419-GBD-HBP, IN RE LAYDON VS. MIZUHO BANK, LTD. ET AL. (TIBOR LITIGATION). (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. Steve Snyder advised that Weight Watchers International, Inc. was currently in discovery, Tempur-Pedic International is on appeal and Laydon vs. Mizuho Bank, LTD. is currently in settlement discussion.

* * * * *

NEW BUSINESS

No new business

* * * * *

BOARD MEMBERS' REPORTS

Mr. Ryan Perkins mentioned that the FOP Winter Board Meeting which included Pension 101, was well attended.

* * * * *

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

Mr. Snyder advised the board that NCPERS is May 3-7, 2015 in New Orleans, LA., IFEBP CAPP with Pensions I & II, June 9-12, 2015 in Chicago, IL, NCPERS Public Safety Conference in Rancho Mirage, CA, October 25 – 28, 2015 and IFEBP Annual Conference, Nov. 8-11, in Honolulu, HI.

* * * * *

DIRECTOR'S REPORT

Mr. Snyder stated 1099's were going to be mailed on Thursday, Jan 22nd, 2015. He also noted Districts 1 & 4 are up for election this year, April Investment Mangers Meeting would be at Twelve Oaks, and the Annual Tenant Appreciation picnic would be in May. He also stated that he would be retiring from the Air National Guard on May 5th, 2015.

* * * * *

DISCUSSION AND VOTE TO AUTHORIZE PROPOSED LEGISLATION BY THE OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM RELATING TO IRS TECHNICAL CLEANUP OF STATUTORY LANGUAGE. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder presented the board with proposed IRS Technical Cleanup Language for 11 O.S. § 50-106, 11 O.S. § 50-111.4, 11 O.S. § 50-114.2 a copy of which is attached as Exhibit "G".

Motion by W.B. Smith and second by Jim Keesee to approve the proposed legislation relating to IRS Technical Cleanup of statutory language. 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.

* * * * *

**DISCUSSION OF POSSIBLE AMENDMENTS TO THE ADMINISTRATIVE RULES
PROMULGATED BY THE OKLAHOMA POLICE PENSION AND RETIREMENT BOARD. BOARD
TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY**

Mr. Steven Snyder presented the board with five proposed rule changes; 550:1-3-1, 550:1-3-2, and 550:1-7-2. A copy of which is attached as, Exhibit "H".

Motion by W.B. Smith and second by Jeff Pierce to approve the amendments to the administrative rules. 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.

* * * * *

The meeting was recessed at approximately 10:22 a.m.

* * * * *

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.