

**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**

JUNE 20, 2012

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Charles Kerr at approximately 9:00 a.m. on Wednesday, June 20, 2012, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone

OTHERS: Steven K. Snyder, Executive Director; Darcie Gordon, Administrative Assistant; Nan J. Patton, Legal Advisor; Jason Pulos, Asset Consulting Group; Rob Harkins, Morgan Stanley; Donna Lucas, Ronald Shroyer and Larry Shroyer

MEMBERS ABSENT: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott

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FINLEY & COOK, PLLC – CERTIFICATION OF SPECIAL ELECTION RESULTS FOR STATE BOARD DISTRICT 5. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Snyder reviewed the results of the Special Election for District 5. Joe Ryan Perkins drew no opponents and will serve the remainder of the term for District 5.

Motion by Tony Davenport and seconded by Craig Akard to approve certification of election results by Finley & Cook for District 5. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

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INTRODUCTION OF JOE RYAN PERKINS AS NEW BOARD MEMBER

Mr. Perkins introduced himself to the board. He has served with the Tulsa Police Department for the past 11 years. He is currently assigned to the Special Operations Division as the Special Operations Team Commander.

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APPROVAL OF MINUTES OF BOARD MEETING HELD MAY 16, 2012

Motion by Frank Stone and second by Tom Custer to approve the Minutes of the Regular Board Meeting held May 16, 2012. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Rick Smith, W. B. Smith and Frank Stone. Abstain: Craig Akard and Ryan Perkins. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

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HEARING: CASE NO. OPPRB 12-05, IN THE MATTER OF GREGORY L. SCHUETTE – BLACKWELL – HEARING TO DETERMINE BENEFICIARY AND/OR BENEFICIARIES TO WHOM PENSION BENEFITS ARE TO BE AWARDED.

Ms. Donna Lucas was in attendance at the hearing, as well as her two sons Ronald Shroyer and Larry Shroyer.

Mr. Snyder gave a brief update of the case to the Board and introduced the following documents into the record:

- Exhibit 1 – Notice of Hearing, dated June 1, 2012
- Exhibit 2 – Request for Hearing
- Exhibit 3 – Application for Beneficiary’s continuation of Pension and Death Benefit, dated April 30, 2012
- Exhibit 4 – Certificate of Death – Gregory L. Schuette
- Exhibit 5 – Mail sent to Donna Lucas at joint address
- Exhibit 6 – Letter from Social Security Administration stating Donna Lucas is not entitled to unpaid benefits of Gregory Schuette
- Exhibit 7 – Letter from Social Security Administration asking for additional information (certified copy of marriage license) to process Form SSA-1724.
- Exhibit 8 – Letter from neighbors, dated June 17, 2012.
- Exhibit 9 – Letter from Alpha Ann & Johnny Thornburgh, neighbors, dated June 17, 2012.
- Exhibit 10 – Letter from Marqua Steely, sister of Gregory Schuette, dated June 15, 2012
- Exhibit 11 – Letter from Ruth Jefferies, former co-worker of Gregory Schuette and friend of the couple, dated June 13, 2012.

Ms. Lucas asked that the following documents be introduced into record:

- Exhibit 12 – Unsigned copy of Last Will and Testament of Gregory LeMarr Schuette
- Exhibit 13 – Copy of Bank Statement from Central National Bank, showing joint account.

Testimony was presented by Ms. Donna Lucas, Ronald Shroyer and Larry Shroyer. Legal Advisor, Nan Patton, recommended that the Board go into Executive Session.

Motion by Craig Akard and second by Jim Keesee to go into Executive Session (at approximately 9:50 am). Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

Motion by Craig Akard and second by Rick Smith to go back into Open Session (at approximately 10:05 am). Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

Motion by Rick Smith and second by Frank Stone to deny application for beneficiary’s continuation of pension. Ayes: Craig Akard, Tom Custer, Jim Keesee, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Nays: Tony Davenport Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. 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>
Dustan A. Chandler	Anadarko
Matthew N. Senchhuom	Arapaho
Mark S. Finch	Atoka
Kevin F. Martin	Atoka
Howard T. Goodman	Commerce
Travis T. Dill	Durant
Jared D. McCreary	Durant
Sarah D. Frye	Elk City
Cody D. Miller	Elk City
John F. Dominic	Eufaula
Brian R. Bowen	Hugo
Curtis R. Fields	Idabel
Patrick T. Bellamy	Lawton
Dustin S. Bode	Lawton
William A. Bradshaw	Lawton
Joshua R. Caughron	Lawton
Elijah R. Garcia	Lawton
Mary E. Lile	Lawton
Jackie D. Long	Lawton
Cameron S. Paterson	Lawton
Adam E. Rowland	Lawton
Abraham I. Woelfel	Lawton
Ronald J. Wilson	Newkirk
Matthew R. Stephens	Noble
Clinton M. Morgan	Okmulgee
Casey J. Lawson	Owasso
Justin R. Perry	Sapulpa
Jeffrey A. Kessel	Sayre
Dustin R. Branson	Sulphur
Dakota J. Jarvis	Tonkawa
Mary E. DePaz	The Village
David M. Vaughn	Atoka
Dax C. Phipps	Chandler
Quentin A. Lee	Cleveland
Paul M. Merrell	Mannford
Athena J. Miles	Pauls Valley
Charles D. Danker	Perkins
Suzanne R. Bare	Tulsa
Taylor T. Bitting	Tulsa
Lance H. Bond	Tulsa
Kevin M. Christian	Tulsa
Terry K. Curbello	Tulsa
Sandra M. Dunn	Tulsa
Skyler B. Hargrove	Tulsa
Jeremy D. Harmon	Tulsa
Robert B. Heidlage	Tulsa

Warren D. Hidy, II	Tulsa
Jessi J. Hilliard	Tulsa
Blake R. Hodges	Tulsa
Drew A. Holden	Tulsa
Jay C. Howell	Tulsa
Billy J. Hursh	Tulsa
Amy E. Jensen	Tulsa
Kendall J. Jobe	Tulsa
Kayla M. Johnson	Tulsa
Tracy A. Komasa	Tulsa
Sean A. Love	Tulsa
Adam W. Lovell	Tulsa
Carter M. McQuigg	Tulsa
Jered C. Metzger	Tulsa
Emily S. Olubunmi	Tulsa
Trevor G. Peters	Tulsa
Edel Rangel	Tulsa
Wendell E. Reagan	Tulsa
Heather L. Reynolds	Tulsa
Khara C. Ritzky	Tulsa
Michael J. Robertson	Tulsa
Ryan D. Rogers	Tulsa
Andrew M. Sharp	Tulsa
Joshua D. Showman	Tulsa
Rashena R. Smith	Tulsa
Joseph T. Snoddy	Tulsa
Nathaniel R. Terrell	Tulsa
Stephen J. Villarreal	Tulsa
David B. Wages	Tulsa
Christopher S. Westcott	Tulsa
Justin D. Bushong	Weatherford
Laura B. McAfee	Weatherford

b. Application for Refund of Contributions

<u>Name</u>	<u>City</u>
Cody McGinty	Atoka
Brian Morgan	Atoka
Jess Lyda	Enid
Carrie L. Morris	Hugo
Lauren R. Thorne	Lawton
Jeffery D. Cox	Noble
Anthony J. Valentin, Jr.	Noble
Joseph R. Gulikers	Oklahoma City
Robby Lester	Perkins
Nishia Chapman	The Village
Shawn Williams	Seminole
Charles H. Wyatt, Jr	Spencer
Tra Snider	Woodward
Matthew Langston	Bristow
Debbie A. Walters	Claremore

John F. Morrison, Jr.	Muskogee
Brandon D. Kirby	Oklahoma City
David A. Putt	Oklahoma City
Clayton R. Sargent	Oklahoma City
Robin R. Spaid	Oklahoma City
Cheryl R. Brewer	Seminole
Denesa Mathers	Tulsa
Carlos C. Ruiz	Weatherford

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>
Cheryl A. Compton	Tulsa	06/01/2007	06/01/2012
Jack W. Cook	Claremore	08/01/2007	07/01/2012
Tommy R. Corbin	Enid	04/01/2012	07/01/2012
Richard L. Mask, Sr.	Nichols Hills	09/01/2008	09/01/2012
Lori L. Crowcroft	Oklahoma City	11/01/2010	08/01/2012
Lori E. Davis	Oklahoma City	10/01/2007	08/01/2012
Eric H. Thompson	Oklahoma City	05/01/2009	07/01/2012
Charles Wheeler	Oklahoma City	06/01/2007	06/01/2012
William T. Parrish	Tulsa	06/01/2007	06/01/2012
John Corn	Yukon	09/01/2011	06/01/2012

d. Application for Vested Benefit:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
William F. Bolling, Jr.	Muskogee	05/16/2027
Maria C. Cervantes	Oklahoma City	05/17/2026
Mikle D. DeShazer	Okmulgee	08/26/2012
Lindell R. Miller	Stillwater	09/29/2015

e. Application for Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Terry Brannon	Cushing	10/01/2012
Dwayne T. Gilliam	Oklahoma City	07/01/2012

f. Death Benefit:

<u>Name</u>	<u>City</u>
Ramona G. Smith, widow of Billy J. Smith, Jr.	Poteau
Fola Stratton, Personal Rep. of Derek Habeck	Muskogee

g. Application for Monies Due the Estate from the System

<u>Name</u>	<u>City</u>
Fola Stratton, Personal Rep. of Derek Habeck	Muskogee

h. Continuation of Benefit

Name
Ramona G. Smith, widow of
Billy J. Smith, Jr.

City
Poteau

i. Termination of Benefit

Name
Derek Habeck

City
Muskogee

Motion by Craig Akard 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, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. 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 May 2012 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 MAY 31, 2012, AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS; BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Pulos briefly reviewed the ASAP report for the month ended May 31, 2012, a copy of which is attached as Exhibit "E". As of May 31, 2012, the total Fund was approximately \$1,743,868.00. The one-year return net of fees for the total Fund is -2.65%.

Mr. Pulos stated that Artio had been replaced with Baring and Wasatch was coming along, it has taken some time to get the fund set up and the documents completed. He also advised that Grovesnor would be coming to the August meeting to do a presentation.

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DISCUSSION OF RESOLUTION FROM DAVIS GRAHAM AND STUBBS REGARDING IRS COMPLIANCE RESOLUTIONS; BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY

Mr. Snyder stated that we had additional IRS tax language after our bill has passed. It was put in SB 1588, which did not have an emergency clause, therefore not going into effect until July 1, 2012. The IRS requires all language to be effective prior to July 1, 2012. The board has statutory authority to adopt resolutions to keep that system in compliance. The resolutions mirror what was in SB 1588 exactly.

Motion by Craig Akard and second by W.B. Smith to approve the resolutions from Davis Graham and Stubbs regarding IRS compliance. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

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DISCUSSION OF STATUS OF REAL ESTATE SEARCH AND SALE OF REAL ASSETS. - PROPOSED EXECUTIVE SESSION, TO DISCUSS AND DELIBERATE STATUS OF REAL ESTATE SEARCH AND SALE OF REAL ASSETS PURSUANT TO 25 O.S. § 307(B)(3)

Motion by W.B. Smith and second by Craig Akard to go into Executive Session (at approximately 10:45 am). Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

Motion by Craig Akard and second by Tony Davenport to go back into Open Session (at approximately 11:05 am). Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

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LITIGATION REPORT – PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS CASE NO 1:12-CV-00276, IN RE CAREER EDUCATION CORPORATION (UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS); CASE NO. 2-11-CV-00173-DLB-CJS IN RE OMNICARE, 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. Snyder stated that an Executive Session was not necessary. Judge Patton advised the Jeffrey Taylor case was proceeding and we were waiting on notice of completion.

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NEW BUSINESS

Mr. Snyder advised the board he had received documentation from Labaton Sucharow, late Tuesday June 19th, 2012, and he needed a response from the board today. A class action law suit is being filed against Tempur-Pedic and Labaton Sucharow has recommended that OPPRS seek co-lead plaintiff. The county of Norfolk, MA has incurred the largest loss and OPPRS has incurred the second largest loss. Labaton Sucharow represents both entities. The documents need to be signed, sent and filed today.

Motion by Tony Davenport and second by Craig Akard to seek co-lead plaintiff against Tempur-Pedic. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

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BOARD MEMBERS' REPORTS

Frank Stone mentioned that the State of Oklahoma has received a \$141 million settlement from AIG Insurance and some that of that will go towards the Insurance Premium Tax.

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

Mr. Snyder advised the board the OPFTEC was September 5-7, 2012 in Stillwater, and the IFEBP Annual Conference would be in San Diego, CA in November.

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DIRECTOR'S REPORT

Mr. Snyder reported Ray Ix with Mount Lucas would be here at the July meeting, election of chairman and vice chairman would be at the July meeting and Finley and Cook would be doing the audit during the month of August.

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DOUGLAS PARKER, OKLAHOMA CITY – REQUEST TO BUY BACK PRIOR SERVICE WHILE EMPLOYED WITH THE NORMAN POLICE DEPARTMENT FROM 7/5/1994 TO 12/26/1998. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Craig Akard to approve the request to buy back prior service while employed with the Norman Police Department from 7/5/1994 to 12/26/1998. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

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MICHAEL B. BROWN, OKLAHOMA CITY – REQUEST TO BUY BACK PRIOR SERVICE WHILE EMPLOYED WITH THE OKLAHOMA COUNTY SHERIFF'S DEPARTMENT FROM 10/4/1984 TO 2/29/1988. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Jim Keese to approve the request to buy back prior service while employed with the Oklahoma County Sheriff's Department from 10/4/1984 to 2/29/1988.. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Ryan Perkins, Rick Smith, W. B. Smith and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson, and Randy Scott. Motion Carried.

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DISCUSSION OF POSSIBLE SOLUTIONS FOR WIRELESS BOARD ACCESS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Snyder introduced Mr. Sarjoo Shah from the Office of State Finance. Mr. Shah stated he needed to find out what exactly the board needed and the intended use of the tablet device and he would then be able to go back and work up a plan for OPPRS to gain secure wireless access to tablet devices. He stated that VPN would be the preferred connection method and currently OSF only has VPN for laptops, but they are working on VPN for tablets, it just isn't completed. He confirmed that a tablet would be better than a laptop for our current needs. He stated that he would go back to OSF and find out what the options were for OPPRS and get back in touch to discuss his findings.

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The meeting was adjourned at approximately 11:15 am

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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 DARCI GORDON, ADMINISTRATIVE ASSISTANT.