

**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 19, 2013

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Tom Custer at approximately 9:00 a.m. on Wednesday, June 19, 2013, in the Board Room of the Oklahoma Police Pension and Retirement System.

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

OTHERS: Steven K. Snyder, Executive Director; Darcie Gordon, Administrative Officer; Sean Ruark, Pension Analyst; Deric Berousek, Chief Financial Officer; Christina Hirschman, Executive Legal Assistant; Kim Heaton, Attorney General's Office; George Tarlas, Asset Consulting Group; and Andrew Gillentine, Asset Consulting Group.

MEMBERS ABSENT: Susan Knight

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Note Tony Davenport arrived at approximately 9:11 a.m. and Brandy Manek arrived at approximately 9:33 a.m.

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APPROVAL OF MINUTES OF BOARD MEETING HELD MAY 15, 2013

Motion by Charles Kerr and second by Jim Keesee to approve the Minutes of the Regular Board Meeting held May 15, 2013. Ayes: Craig Akard, Tom Custer, Jim Keesee, Charles Kerr, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith and Frank Stone. Absent: Tony Davenport, Susan Knight, and Brandy Manek. 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>
Jose T. Campos	Altus
Colby Earls	Altus
Jeremy W. Jones	Altus
Jacob K. Looney	Altus
Alexander M. Wilson	Altus
Caleb W. Chaffin	Ardmore
Daniel B. Elkins	Bartlesville
Taylor A. Francis	Bartlesville
Denver G. Millard	Bartlesville

David R. Disch	Bixby
Claude G. Cassady	Blackwell
Kara A. Peska	Davis
Nicholas T. Dziewa	Duncan
Anna K. VanDyck	Duncan
Cory D. Lemons	Elk City
William R. Hunt	Frederick
Daniel R. Teal	Hugo
Joshua G. Blevins	Kingfisher
Francisco Hernandez	Moore
Julian T. Barrie	Oklahoma City
Michael E. Gage	Oklahoma City
David A. Hanson	Oklahoma City
Kolby S. Hysell	Oklahoma City
Brandon L. Jackson	Oklahoma City
Zakary J. McWilliams	Oklahoma City
Fredrick C. Warren	Oklahoma City
Michael T. Williams	Oklahoma City
Bryan D. Wright	Oklahoma City
William M. Wilmott	Pawhuska
Steven M. Yinger	Ponca City
Shawn M. Millermon	Stillwater
Chance K. Whiteley	Stillwater
David F. Beaty	El Reno
Shawnee R. Skinner	Frederick
Shay A. Green	Grove
Casey A. Breshears	Idabel
Michael A. Brabham	Oklahoma City
Matthew R. Campbell	Oklahoma City
Jacob T. Castleberry	Oklahoma City
Mark A. List	Oklahoma City
Gerald R. Ritter	Oklahoma City
Eric M. Wooten	Oklahoma City
John J. Zbyszinski	Oklahoma City
Jason P. Conyer	Sulphur
Richard T. Hill	Tecumseh
James D. Lane	Wetumka
Christopher T. Epperley	Wewoka

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Brad Edmonds	Altus
Kristina K. Jones	Alva
Billy Fox	Ardmore
Christopher Hassler	Ardmore
Chad Wilkerson	Atoka
Howard Nave	Blackwell
Johnathan Hall	Bristow
Christopher Ruiz	Clinton

Wilson Garrison	Coweta
Travis R. Eastbourne	Edmond
Zachary T. Andrews	Oklahoma City
Shantel L. Mackey	Oklahoma City
Stephanie A. Peery, widow of Chad G. Peery	Oklahoma City
Gregory B. Coats	Wewoka
Christopher Hassler	Ardmore
Sean S. Grigsba	Blackwell
Jacob D. Avery	Cushing
Chase Bouziden	Enid
Robert Reynolds	Hugo
Charles R. Bentley	Moore
Donald Bruecks	Piedmont
Travis Barnes	Tulsa

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 Woods	Ardmore	08/01/2010	06/01/2013
Keith Colasacco	Stillwater	07/01/2008	07/01/2013
David Olden	Tulsa	06/01/2008	06/01/2013
David G. Jones, Jr.	Sapulpa	08/01/2012	07/01/2013

d. Application for Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Shirlene J. Meadows	Altus	07/01/2013
Bradley J. Perry	Norman	07/01/2013
Randy Castle	Oklahoma City	07/01/2013
Mark A. McCaleb	Oklahoma City	06/01/2013

e. Application for Vested Benefit:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Tracy L. Lyons	Guthrie	11/04/2016
Jason Roberts	Lawton	03/14/2026
James R. Trekell	Sand Springs	10/17/2016

f. Death Benefit:

<u>Name</u>	<u>City</u>
Mary A. Duncan, widow of Henry V. Duncan, Sr.	Muskogee
Stephanie A. Peery, widow of Chad G. Peery	Oklahoma City
Ilene K. Kraft, widow of Ronnie L. Kraft	Tulsa
Marilyn K. Aud, widow of James D. Aud	Tulsa
Debra J. Demarest, widow of William P. Winston	Tulsa

g. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Mary A. Duncan, widow of Henry V. Duncan, Sr.	Muskogee
Ilene K. Kraft, widow of Ronnie L. Kraft	Tulsa
Marilyn K. Aud, widow of James D. Aud	Tulsa
Debra J. Demarest, widow of William P. Winston	Tulsa

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

<u>Name</u>	<u>City</u>
Ronald L. Morgan, Personal Rep. of Lucille M. Morgan	Blackwell
Michael Gallmore, Personal Rep. of Lynda S. Gallmore	McAlester

i. Termination of Benefit:

<u>Name</u>	<u>City</u>
Lucille M. Morgan	Blackwell
Lynda S. Gallmore	McAlester
Jacque Sumner	Tulsa

j. Terminate Deferred Option Plan to Begin Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
James E. Bowen	The Village	07/01/2013

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

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THOMAS M. JAHA, OKLAHOMA CITY – REQUEST TO BUY BACK PRIOR SERVICE WHILE EMPLOYED WITH THE TULSA POLICE DEPARTMENT FROM 03/01/1988 TO 03/12/1990. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Charles for approval of request to buy back prior service while employed with the Tulsa Police Department from 03/01/1988 to 03/12/1990. Ayes: Craig Akard, Tom Custer, Jim Keesee, Charles Kerr, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith and Frank Stone. Absent: Tony Davenport, Susan Knight, and Brandy Manek. Motion Carried.

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

Mr. Steven Snyder advised the Board that this Resolution was for the ABLE, OSBI & OBND members, to correct the error. A copy is attached as Exhibit "A".

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

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REVIEW OF BOARD REPORTS

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

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ASSET CONSULTING GROUP – FINANCIAL CONSULTANT REPORT FOR MONTH ENDED MAY 31, 2013, AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS; BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. George Tarlas reviewed the ASAP report for the month ended May 31, 2013, a copy of which is attached as Exhibit "F". As of May 31, 2013, the total Fund was approximately \$1,996,443,000.00. The one-year return net of fees for the total Fund is 16.23%.

Mr. Tarlas stated the markets did well for the month of May and the portfolio was structured to succeed.

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TOWN OF BLANCHARD – RESOLUTION TO AFFILIATE AND JOIN THE OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Charles Kerr to approve Town of Blanchard's Resolution to Affiliate and Join the Oklahoma Police Pension and Retirement System. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith and Frank Stone. Absent: Susan Knight. Motion Carried.

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LEGISLATIVE UPDATE

Mr. Steven Snyder briefly updated the Board on the status of pension related bills. He stated the tax bill has been signed by the Governor and is in effect. He also stated there were 2 requests for Interim Studies. Interim Study 13-012 & Interim Study 13-019 are both on the House side. He stated that we did not know about request on the Senate side at this time.

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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. 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

Motion by Craig Akard and second by Jim Keesee to go into Executive Session (at approximately 9:43 am). Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith and Frank Stone. Absent: Susan Knight. Motion Carried.

Motion by Craig Akard and second by Charles Kerr to go back into Open Session (at approximately 9:55 am). Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith and Frank Stone. Absent: Susan Knight. Motion Carried.

Motion by Craig Akard and second by Charles Kerr to move forward with litigation pertaining to Dole Food Company, Inc with Berman DeValerio. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith and Frank Stone. Absent: Susan Knight. Motion Carried.

Mr. Snyder also advised the board Tempur-Pedic was in the discovery stages and Career Education was settling.

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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. Craig Akard stated he went to a class at NCPERS and obtained ideas to make a flier containing pertinent information to give to each Senator and Representative.

Mr. Craig Akard also stated it was a good idea for all board members to watch their conference attendance and suggested that anyone who went to Hawaii NCPERS not attend IFEBP in Las Vegas.

Mr. Snyder advised that OPFTEC was September 25-27, 2013 in Tulsa, IFEBP was in Las Vegas, NV in October and NCPERS would be in San Antonio next year.

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DIRECTOR'S REPORT

Mr. Snyder reported that Nomination Petitions for District 6 were mailed June 6th and had to be returned by June 28th. He advised next month Ray Ix with Mt. Lucas would be here with a presentation followed by lunch. Mr. Snyder stated the Chairman and Vice Chairman elections will also take places next month. He advised the auditors would be in office August 6th – September 12th. He also mentioned that Bobby Stern who was previously the lobbyist for the Fraternal Order of Police had gone to work for the Arnold Foundation and was no longer with the Fraternal Order of Police.

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The meeting was adjourned at approximately 10:04 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 OFFICER.