

**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**

MAY 25, 2016

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Jeff Pierce at approximately 10:00 a.m. on Wednesday, May 25, 2016, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Craig Akard, Tom Custer, Tony Davenport, 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 Officers; Lyn Martin-Diehl, Attorney General's Office; George Tarlas, Asset Consulting Group; Jim Moore, James R. Moore & Associates, P.C., Tony Puckett, McAfee & Taft; Marc Edwards, John Smith and Steve Robinson, City of Del City; Mr. & Mrs. Larry Hill; and Robert Bartleson.

MEMBERS ABSENT: **Jim Keesee, Susan Knight left at approx. 11:06am, Tony Davenport and Andy McPherson left at approx. 12:00pm**

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APPROVAL OF MINUTES OF REGULAR BOARD MEETING HELD APRIL 20, 2016

Motion by W.B. Smith and second by Craig Akard to approve the Minutes of the Regular Board Meeting held April 20, 2016. Ayes: Craig Akard, Tom Custer, Tony Davenport, Susan Knight, Andy McPherson, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Abstain: Brandy Manek and Ryan Perkins. Absent: Jim Keesee. Motion Carried.

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(Agenda Item #4 was heard before Agenda Item #3 due to timing issues)

HEARING: CASE NO. OPPrB 15-09, APPLICATION FOR DISABILITY BENEFIT IN LINE OF DUTY FOR ROBERT BARTLESON, SAPULPA.

Mr. Robert Bartleson was present and was not represented by counsel.

Mr. Steven Snyder introduced Exhibits 1-7;

- OPPrS Exhibit #1 - Notice of hearing, dated May 13, 2016
- OPPrS Exhibit #2 - Application for Disability Benefit In Line of Duty, dated November 16, 2015
- OPPrS Exhibit #3 - No Position Letter from the City of Sapulpa (Rick Rumsey, Police Chief), dated November 18, 2016 (2 pages)
- OPPrS Exhibit #4 - Physician Disability Statement from Lisa Goulden, PhD, dated November 16, 2016

- OPPRS Exhibit #5 - Sapulpa Police Department Incident Report, dated October 31, 2012 (28 pages)
- OPPRS Exhibit #6 - Occupational Injury or Illness Report, dated October 31, 2012 (2 pages)
- OPPRS Exhibit #7 - Report from Dr. John Munneke, dated March 30, 2016 (7 pages)

Motion by Craig Akard and second by Tony Davenport to award Mr. Robert Bartleson a 52% impairment rating which equals a 75% disability benefit. Ayes: Craig Akard, Tom Custer, Tony Davenport, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Jim Keesee. Motion Carried

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HEARING: CASE NO. OPPRB 15-08, MUNICIPALITY APPLICATION FOR DISABILITY BENEFIT NOT IN LINE OF DUTY FOR LARRY J. HILL, DEL CITY

Mr. Larry Hill was present and represented by Jim Moore of James R. Moore & Associates, P.C. (NOTE: Mr. Larry Hill is known as and goes by Jay Hill. He is referred to as both during this hearing.)

The City of Del City was represented by Tony Puckett of McAfee and Taft.

Mr. Steven Snyder introduced the following Exhibits 1-10 for the record.

- OPPRS Exhibit #1 – Notice of Continuation of Hearing - City of Del City via Tony Puckett & Larry Hill via Jim Moore, dated May 9, 2016 (2 pages)
- OPPRS Exhibit #2 – Municipality Application for Disability Benefit Not In Line of Duty, dated October 6, 2015
- OPPRS Exhibit #3 – No Position Letter, dated October 6, 2015
- OPPRS Exhibit #4 – Fitness for Duty Evaluation - Gary A Rouse, PhD, FICPP, dated July 20, 2015 (4 pages)
- OPPRS Exhibit #5 – Fitness for Duty Exam - Mr. R.E. Curling/Dr. Thomas Coniglione, MD, dated June 1, 2015 (3 pages)
- OPPRS Exhibit #6 – Request for Updated Medical Release from City of Del City to Mr. Hill, dated July 6, 2015
- OPPRS Exhibit #7 – Request for Information from City of Del City to Mr. Jim Moore, dated August 5, 2015
- OPPRS Exhibit #8 – Physical Work Performance Evaluation Summary - Integris Jim Thorpe Rehabilitation - Joanne Baroli, PT, dated February 17, 2016 (2 pages)
- OPPRS Exhibit #9 - Resume of Bruce Leckart, Ph.D. (2 pages)
- OPPRS Exhibit #10 - Review of Fitness for Duty Evaluation - Dr. Bruce Leckart, Ph.D., dated February 8, 2016 (16 pages)

Mr. Tony Puckett questioned Marc Edwards, City Manager - City of Del City. He introduced City Exhibits 1-6;

- City Exhibit #1 – Police Lieutenant Job Description (2 pages)
- City Exhibit #2 – Larry J. Hill Paid Leave Hours
- City Exhibit #3 – Email from Mr. Larry Hill to Marc Edwards about counselor in Stillwater

- City Exhibit #4 – Online Resume for Kathy Thomas, Psychologist (2 pages)
- City Exhibit #5 – Letter from Marc Edwards, City Manager to Jay Hill regarding Fitness for Duty Evaluation and Disability Application (2 pages)
- City Exhibit #6 – Norman Police Department Incident Report (14 pages)

Mr. Jim Moore questioned Marc Edwards, City Manager for the City of Del City.

Mr. Jim Moore introduced Member Exhibit 1:

- Member Exhibit #1 – Sgt. Jay Hill Performance Evaluation and Counseling Form dated July 10,2012 (10 pages)

The Board questioned Marc Edwards, City Manager for the City of Del City.

Marc Edwards was excused.

Mr. Tony Puckett questioned John Smith, HR Director - City of Del City.

Mr. Jim Moore questioned John Smith, HR Director - City of Del City.

The Board questioned John Smith, HR Director - City of Del City.

Mr. Jim Moore questioned John Smith, HR Director - City of Del City.

Mr. Tony Puckett introduced City Exhibits 7-8;

- City Exhibit #7 – Records reviewed by Dr. Gary A. Rouse (121 pages)
- City Exhibit #8 – Dr. Bruce Leckart information from website (7 pages)

The Board questioned Mr. Tony Puckett about Exhibit #7 & 8.

Mr. Tony Puckett and Mr. Jim Moore both offered closing arguments.

The record was closed.

Motion by Ryan Perkins and second by W.B. Smith to enter into Executive Session (at approx. 12:47pm). Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keesee, Susan Knight, and Andy McPherson. Motion Carried.

Motion by Ryan Perkins and second by Craig Akard to enter into Open Session (at approx. 1:02pm). Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keesee, Susan Knight, and Andy McPherson. Motion Carried.

Motion by W.B. Smith and second by Craig Akard to deny the Municipality Application for Disability Benefit Not in Line of Duty for Larry J. Hill. Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keesee, Susan Knight, and Andy McPherson. 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>
Darrin J. Duckworth	Atoka
Cole M. Long	Bethany
David L. Sergeant	Commerce
William E. Perkins	Coweta
Mathew J. Estus	Guthrie
Travis J. McDowell	Guymon
Berta E. Sircy	Guymon
Zachariah S. Phelps	Hobart
Terry R. Lewis	Idabel
James W. Muse	Idabel
Phillip W. Dubois	Jenks
Curtis M. Nivens	Jones
Tristan J. Walker	Okmulgee
Raymond A. Kimbrough	Piedmont
Jason L. Allen	Poteau
Casey T. Jenkins	Tonkawa
Aaron M. Jones	Tonkawa
Jonathan C. Cordell	Wewoka
Zachary J. TerWee	Wewoka

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Brian Morgan	Atoka
Casey Perry	Cushing
Jessica Shirkey	Del City
Cassie Gentry	Enid
Jeremiah G. Gilkey	Guymon
Logan D. Farmer	Lawton
John T. Revel	Oklahoma City
Taylor Roschli	Oklahoma City
Christian Torres	Oklahoma City
William McDaniel	Pawhuska
Kim A. Ward	Pawhuska
Seth Barby	Stillwater
William O. Odom	Sulphur
Sean D. Knight	Valley Brook

c. Application for Deferred Option Plan:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Robert Beavers	Moore	06/01/2016

d. Terminate Deferred Option Plan to Begin Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Alan H. Burgett	Oklahoma City	05/01/2016

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>
Daniel Boggs	Collinsville	11/01/2015	06/01/2016
David N. Williams	Lawton	04/01/2014	06/01/2016
Kenton R. Hughey	Muskogee	10/01/2015	06/01/2016
Christopher Dirck	Norman	07/01/2014	05/01/2016
Don A. Hull	Oklahoma City	06/01/2011	06/01/2016
William D. Scruggs	Oklahoma City	06/01/2011	06/01/2016
William W. Tays, Jr.	Oklahoma City	06/01/2011	06/01/2016
Darla L. Woodruff	Oklahoma City	07/01/2011	07/01/2016
Mason Wilson	Shawnee	06/01/2011	06/01/2016
Gary F. Bradley	Tulsa	06/01/2011	06/01/2016
Charles Tapper	Tulsa	06/01/2011	06/01/2016

f. Application for Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Michael Mahan	Muskogee	06/01/2016

g. Application for Vested Benefit:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Christopher P. Harmon	Lawton	05/30/2029

h. Death Benefit:

<u>Name</u>	<u>City</u>
Bobbie J. Foster, widow of Pleasant B. Foster, Jr.	Duncan
Sheryl A. Wilson, widow of Jerry D. Wilson	Duncan
Ellen G. Eaton, widow of Jerry L. Eaton	The Village
Joyce M. Frangiosa, widow of Joseph A. Frangiosa	Tulsa
Donna K. Miller, widow of Michael S. Miller	Tulsa
Terry Schwaighofer, Personal Rep. of George E. Watson	Tulsa

i. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Bobbie J. Foster, widow of Pleasant B. Foster, Jr.	Duncan
Sheryl A. Wilson, widow of Jerry D. Wilson	Duncan
Ellen G. Eaton, widow of Jerry L. Eaton	The Village
Joyce M. Frangiosa, widow of Joseph A. Frangiosa	Tulsa

j. Application for Survivor's Pension for Death Not In Line of Duty:

<u>Name</u>	<u>City</u>
Donna K. Miller, widow of Michael S. Miller	Tulsa

k. Termination of Benefit:

<u>Name</u>	<u>City</u>
Terry Schwaighofer, Personal Rep. of George E. Watson	Tulsa

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

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TOMMY J. LANE, OKLAHOMA CITY – REQUEST TO BUY BACK PRIOR SERVICE WHILE EMPLOYED WITH THE OKLAHOMA CITY POLICE DEPARTMENT FROM 06/14/1991 TO 02/02/1999. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by Craig Akard and second by Rick Smith to approve request to buy back prior service while employed with the Oklahoma City Police Department from 6/14/1991 to 2/2/1999 for Tommy J. Lane. Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keesee, Susan Knight, and Andy McPherson. 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 April 2016 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 APRIL 30, 2016, QUARTERLY REPORT FOR QUARTER ENDED MARCH 31, 2016, 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 April 30, 2016, a copy of which is attached as Exhibit "E". As of April 30, 2016 the total Fund was approximately \$2,177,853,000.00. The one-year return net of fees for the total Fund is -1.50%.

Mr. George Tarlas reviewed the Quarterly Report for quarter ended March 31, 2016, a copy of which is attached as Exhibit "F".

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REVIEW BUDGET WORK PROGRAM FOR FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder reviewed the Budget Work Program for Fiscal Year beginning July 1, 2016 – June 30, 2017, a copy of which is attached as Exhibit "G".

Motion by W.B. Smith and second by Craig Akard to approve the Budget Work Program for Fiscal Year Beginning July 1, 2016 and ending June 30, 2017 Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keese, Susan Knight, and Andy McPherson. Motion Carried.

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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 proposed new rules 550:10-1-6 & 550:10-1-7, a copy of which is attached as Exhibit "H".

Motion by Craig Akard and second by W.B. Smith to approve the proposed rules as presented. Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keese, Susan Knight, and Andy McPherson. Motion Carried.

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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); CASE 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); 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); CASE NO. 4:15-CV-03327, IN RE FLOTEK INDUSTRIES, INC. ET AL. (UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION); 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 W.B. Smith to enter into Executive Session. Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keese, Susan Knight, and Andy McPherson. Motion Carried.

Motion by Craig Akard and second by Rick Smith to enter into Open Session. Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keese, Susan Knight, and Andy McPherson. Motion Carried.

Motion by W.B. Smith and second by Tom Custer to select Bernstein Liebhard, LLP to represent OPPRS in the Tailored Brands Inc. case. Ayes: Craig Akard, Tom Custer, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce, and Tim Foley. Absent: Tony Davenport, Jim Keesee, Susan Knight, and Andy McPherson. Motion Carried.

Mr. Steven Snyder stated that all the other cases were status quo.

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NEW BUSINESS

No New Business

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BOARD MEMBERS' REPORTS

Mr. Tom Custer stated the NCPERS Annual Conference was good and there was a lot of good information presented. He noted it was smaller in number this year than previous years.

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

Mr. Steven Snyder advised the board of the following conferences:

- NCPERS Public Pension Funding Forum
 - August 21-23, 2016 – New Haven CT
- OPFTEC
 - September 28-30, 2016 – Tulsa Renaissance Hotel
- NCPERS Public Safety Conference
 - October 23-26, 2016 – Las Vegas, NV
- IFEBP Annual Conference & CAPPP Part I
 - November 13 - November 16, 2016 – Orlando, FL
- IFEBP – CAPPP (Part I & II)
 - June 7-10, 2016 – Boston, MA

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DIRECTOR'S REPORT

Mr. Snyder advised the board that the Annual Tenant Appreciation Picnic was being held downstairs today.

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The meeting was adjourned at approximately 1:30pm.

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.