

**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**

NOVEMBER 18, 2015

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Jeff Pierce at approximately 1:00 p.m. on Wednesday, November 18, 2015, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Tom Custer, Tony Davenport Jim Keesee, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce.

OTHERS: Steven K. Snyder, Executive Director; Darcie Gordon, Administrative Officer, Lauren Holmes, Administrative Assistant; Sean Ruark, Pension Administration Officer, Kim Heaton, Attorney General's Office; Jason Pulos, Asset Consulting Group; Cindy Birley, Davis Graham & Stubbs; and Jason Simpson.

MEMBERS ABSENT: Craig Akard, Susan Knight, Brandy Manek, Frank Stone and Tim Foley.

*Brandy Manek arrived at approximately 1:30 p.m.

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

Mr. Jason Simpson was present and not represented by legal counsel. Mr. Snyder advised that Exhibits 1-10, entered at the previous hearing were still on the record.

Mr. Snyder introduced the following exhibits for the record;

- OPPRS Exhibit #11 – Notice of Continuation of Hearing, dated November 11, 2015
- OPPRS Exhibit #12 – Supplemental Report from Dr. C.B. Pettigrew, dated November 5, 2015

Mr. Snyder noted there was a scrivener's error on page 2, where Dr. Pettigrew refers to Mr. Williams. It should be Mr. Simpson.

Mr. Simpson addressed the board concerning his evaluation by Dr. Pettigrew and possible solutions he would like the board to consider. He stated that Dr. Pettigrew's report showed his lack of attention to detail and a very inaccurate evaluation. He stated that he had went over the initial report from Dr. Young with Dr. Pettigrew's nurse page by page and noted all of the errors, yet none were changed in Dr. Pettigrew's report. He also noted that Dr. Pettigrew did not mention reviewing any of his medical records, only Dr. Young's report.

Mr. Simpson stated he would like both Dr. Young and Dr. Pettigrew's report removed from his case. Mr. Simpson asked the board to either consider Dr. Lance Rosson's report or send him to a different doctor who would take the time to review the medical records and do his due diligence to ensure a fair and accurate evaluation. He noted there were twenty-six (26) total errors in the report from Dr. Pettigrew.

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

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

Motion by Tony Davenport and second by Tom Custer to send Mr. Simpson for an evaluation by Dr. John Ellis. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce. Absent: Craig Akard, Susan Knight, Frank Stone, and Tim Foley. Motion Carried.

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APPROVAL OF MINUTES OF REGULAR BOARD MEETING HELD OCTOBER 21, 2015

Motion by Ryan Perkins and second by Jim Keesee to approve the Minutes of the Regular Board Meeting held October 21, 2015 Ayes: Tom Custer, Jim Keesee, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce. Abstain: Tony Davenport. Absent: Craig Akard, Susan Knight, Frank Stone, 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>
Nathan L. Rapp	Altus
Jacquelyn M. Searson	Blanchard
Tyrel A. Cox	Blackwell
Brad R. Geras	Broken Arrow
Daniel C. James	Broken Arrow
Christopher C. Johnson	Broken Arrow
Nicholas A. Jordan	Broken Arrow
Conner P. Robinson	Broken Arrow
Joshua L. Russell	Broken Arrow
Jonathan A. Seagraves	Broken Arrow
Israel C. Pinley	Guthrie
Dakota C. Schroyer	Idabel
Christopher R. Potter	Newkirk
Joshua L. Fout	Poteau
Travis N. Stanberry	Prague
Cameron L. Reed	Tishomingo
Joshua A. Schoenhals	Vinita
Jacob Gonzales	Altus
Melissa Medrano	Broken Arrow
Cory J. Rouse	Duncan

Jared A. Whitehurst	Duncan
Chuey Potter	Hugo
Briston K. Lowry	Watonga

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Christopher Clark	Ardmore
Dana Burns	Bixby
Michael Orcutt	Broken Arrow
Curtis B. Rackley II	Chandler
Michael S. Cody	Mangum
Matthew A. Adamson	Marlow
Larry D. Nichols	Oklahoma City
David L. Loudermilk	Sapulpa
Bradlee Phelps	Sulphur
Armon K. Barkhimer	Wewoka
Christopher Clark	Ardmore
Keith F. Hagger	Del City
Michael A. Okeefe	Dewey
Dalton Loafman	Duncan
Michael Martin	Hominy
James Owen	Newkirk
Erin K. Yeo	Norman
Joshua L. Vogele	Pawhuska
Mark LaHue	Tecumseh

c. Application for Deferred Option Plan:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Bobbie R. Burke	Dewey	01/01/2016
Timothy J. Stringer	Dewey	01/01/2016

d. Terminate Deferred Option Plan to Begin Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Matthew Dukes	Midwest City	02/01/2016

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>
Howard. R. Neal	Midwest City	11/01/2010	11/01/2015
Greg Douglass	Tulsa	07/01/2015	12/01/2015
Tommy R. Easley	Norman	01/01/2011	01/01/2016
Scott McCall	Oklahoma City	01/01/2011	01/01/2016
Earl A. Jones	Sand Springs	12/01/2010	12/01/2015

f. Application for Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Jerry D. Holyfield	Midwest City	01/01/2016
Joe D. Bradley	Jones	12/01/2012

g. Death Benefit:

<u>Name</u>	<u>City</u>
Margaret Gaultney, Personal Rep. of Alan Carter	Muskogee
Carol Woods, widow of Robert A. Woods	Oklahoma City
Stephanie Gibson, Personal Rep. of Larry Kitchens	Ponca City

h. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Carol L. Woods, widow of Robert A. Woods	Oklahoma City

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

<u>Name</u>	<u>City</u>
Margaret Gaultney, Personal Rep. of Alan Carter	Muskogee
Stephanie Gibson, Personal Rep. of Larry Kitchens	Ponca City
Beverly Miller, Personal Rep. of Beatrice Goins	Sapulpa

j. Termination of Benefit:

<u>Name</u>	<u>City</u>
Alan Carter	Muskogee
Larry Kitchens	Ponca City
Beatrice Goins	Sapulpa

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

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GREG D. LINDSEY, LEXINGTON – APPLICATION FOR PARTICIPATION. APPLICANT OVER AGE 45. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder advised the board that Mr. Lindsey had worked at Lexington Police Department for approximately 15 months, as so he was under the maximum age requirement at the time of hire. He stated the department had never advised Mr. Lindsey about being part of the OPPRS until the City Clerk advised the Chief that they were indeed part of the system.

The Lexington Police Department has submitted all required paperwork.

Motion by Andy McPherson and second by Tom Custer to approve Mr. Greg Lindsey's Application for Participation. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce. Absent: Craig Akard, Susan Knight, Frank Stone, 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 October 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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DAVIS GRAHAM & STUBBS - DISCUSSION OF POSSIBLE LEGISLATION REGARDING PAID BASE SALARY.

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

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

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ASSET CONSULTING GROUP – FINANCIAL CONSULTANT REPORT FOR MONTH ENDED OCTOBER 31, 2015, QUARTERLY REPORT FOR QUARTER ENDED SEPTEMBER 30, 2015, AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Jason Pulos reviewed the ASAP report for the month ended October 31, 2015, a copy of which is attached as Exhibit "E". As of October 31, 2015 the total Fund was approximately \$2,216,456,000.00. The one-year return net of fees for the total Fund is 2.84%.

Mr. Jason Pulos reviewed the Quarterly Report for the quarter ended September 30, 2015, a copy of which is attached as Exhibit "F".

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ASSET CONSULTING GROUP – PRIVATE EQUITY PROGRAM REVIEW AND RECOMMENDATION ON NEW COMMITMENTS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Jason Pulos reviewed the Private Equity Recommendation – November 18, 2015, a copy of which is attached as Exhibit "G".

Motion by Tom Custer and second by W.B. Smith to commit \$7,500,000.00 to Thompson Street Capitol Partners IV, L.P. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce. Absent: Craig Akard, Susan Knight, Frank Stone, and Tim Foley. Motion Carried.

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ASSET CONSULTING GROUP -- REVIEW OF WRITTEN GUIDELINES AND EXPECTATIONS OF THE FUND'S INVESTMENT MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Jason Pulos present the modified Oklahoma Police Pension and Retirement Fund Investment Policy, including Appendix A, a copy of which is attached as Exhibit "H".

Mr. Pulos stated that the proposed changes were only to clean up the titles and show them as they appear on the ASAP.

Motion by W.B. Smith and second by Tony Davenport to approve the changes to the Oklahoma Police Pension and Retirement Fund Investment Policy, including Appendix A. Ayes: Tom Custer, Tony Davenport, Jim Keese, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce. Absent: Craig Akard, Susan Knight, Frank Stone, and Tim Foley. Motion Carried.

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CONSIDERATION CONCERNING SETTING THE BOARD MEETING DATES FOR CALENDAR YEAR 2016. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder presented to the board the proposed board meeting dates for 2016, a copy of which is attached as Exhibit "I"

Motion by Tony Davenport and second by W.B. Smith to approve the 2016 Board meeting dates. Ayes: Tom Custer, Tony Davenport, Jim Keese, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce. Absent: Craig Akard, Susan Knight, Frank Stone, and Tim Foley. Motion Carried.

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DISCUSSION AND POSSIBLE VOTE TO MOVE BOARD MEETING START TIME TO 10:00AM. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Andy McPherson to change the board meeting start time to 10:00am beginning January 2016. Ayes: Tom Custer, Tony Davenport, Jim Keese, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce. Absent: Craig Akard, Susan Knight, Frank Stone, and Tim Foley. Motion Carried.

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TRUSTEE EDUCATION SESSION – PRESENTATION, FOR INFORMATIONAL PURPOSES ONLY, REGARDING SYSTEM BENEFITS, STRUCTURE, AND FINANCIAL STATISTICS

Mr. Snyder briefly discussed the system benefits, structure and financial statistics of the system, a copy of which is attached as Exhibit "J".

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DISCUSSION AND POSSIBLE 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 purposed IRS Technical cleanup language, a copy of which is attached as Exhibit "K".

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

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LITIGATION REPORT – PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS 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 advised that all cases were status quo.

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NEW BUSINESS

No new business.

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BOARD MEMBERS' REPORTS

Mr. W.B. Smith and Mr. Ryan Perkins advised they had submitted their Nomination Petitions.

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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.

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DIRECTOR'S REPORT

Mr. Steven Snyder noted that the Nomination Petitions were due back by November 25, 2015. He stated that the spiral Pension Books were available for the board members today and the bound ones would be here in a few days. He advised the board that the Annual Report has been completed and posted on the website. He reminded that the Christmas Breakfast would take place before the December Board Meeting and that all Settlement Agreements should have paid, if not see Darcie.

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ALBERT NEASE, JR., LAWTON – REQUEST TO BUY BACK PRIOR SERVICE WHILE EMPLOYED WITH THE COMANCHE COUNTY SHERIFF’S DEPARTMENT FROM 6/10/1996 TO 02/19/2002. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Jim Keesee to approve the buy back request for Albert Nease, Jr. while employed with the Comanche County Sheriff’s Department from 6/10/1996 to 2/19/2002. Ayes: Tom Custer, Tony Davenport, Jim Keesee, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, and Jeff Pierce. Absent: Craig Akard, Susan Knight, Frank Stone, and Tim Foley. Motion Carried.

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The meeting was adjourned at approximately 4:00pm.

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.