

THE ADVISOR

Quarterly Newsletter of the Oklahoma Teachers Retirement System



**OKLAHOMA TEACHERS
RETIREMENT SYSTEM**

Board of Trustees

Chair

Michael L. Simpson, Ed.D

Vice Chair

Gary L. Trennepohl, Ph.D.

Secretary

Bruce DeMuth

Members

Sherrie L. Barnes

Cathy A. Conway

James Dickson

Vernon Florence

Roger Gaddis, CPA/CFP®

Jill Geiger

Stewart E. Meyers, Jr.

William L. Peacher

Jonathan Small, CPA

Billie C. Stephenson

Executive Director

James R. Wilbanks, Ph.D.

Assistant Executive Director

Joe Ezzell, CPA

OTRS Investment Program Recognized For Excellence



We are pleased to announce that the Oklahoma Teachers Retirement System's investment portfolio has been recognized as the best mid-sized pension plan investor in the country by Money Management Intelligence, a division

of Institutional Investor Magazine. MMI named the OTRS fund at its 11th Annual Public Pension Funds Awards for Excellence Program in March. The criteria for the award include demonstrated investment innovation and savvy decision-making that help the plan meet overall performance objectives, risk management and funding goals.

"We were honored by the nomination and now to be named the best mid-sized plan in the country is very exciting and humbling," said Executive Director James Wilbanks. "This recognition is a testament to the Board of Trustees at OTRS and their diligent efforts in collaboration with the System staff and our investment consultant to build an investment program that will stand the test of time."

Wilbanks said he believes in investing for the long run in assets that either appreciate or bear interest. "We focus on the fundamentals of investing in order to achieve our long-run total return target, net of fees."

The fund is currently reviewing the large-cap portfolio and is considering moving to passive management in more efficient markets, while investing \$300 million in international small cap equities, with the potential to generate higher returns.

Oklahoma Teachers Retirement Welcomes New Board Members



Roger Gaddis,
CPA/CFP

Roger Gaddis has been a financial planner since 1987. He helps successful investors and business owners manage their financial world by creating written financial plans, implementing investment strategies, and providing estate planning.

Mr. Gaddis grew up in a military family, living around the U.S. and abroad. He settled in Ponca City in 1972 where his parents were raised. Roger received his Accounting degree from OSU in 1979, became a CPA in 1981, a Certified Financial Planner in 1992 and is near completion of his Masters in Financial Planning.

When not working, Roger may be found with his wife, Leigh, and family enjoying scuba diving, snow and water skiing, hunting, and fishing.



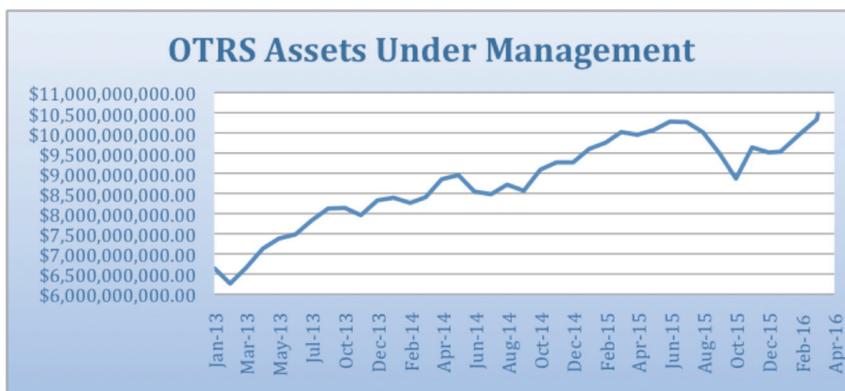
James R. Dickson

James R. Dickson serves as the President and Senior Fiduciary Officer for the Trust and Investment Management Division of BancFirst. Mr. Dickson has compiled over 30 years of experience in the financial services industry.

Mr. Dickson earned an Associates Degree in Applied Sciences – Banking & Finance from Oklahoma City Community College, and a Foundations of Banking Diploma from the American Institute of Banking. In addition to his responsibilities with BancFirst, Mr. Dickson is currently active in a variety of state and local civic organizations and community projects.

James and his wife, Teresa are the proud parents of two daughters, and a son. In addition to professional and civic activities, James is an enthusiastic golfer, and enjoys a wide variety of sports and outdoor activities.

Quarterly Investment Overview



During the first quarter of 2016, the Fund continued to experience significant appreciation. The System's assets under management have eclipsed the all time high water mark. The global economic picture has started to sort itself out, and domestic equities rallied sharply in the first quarter. The bond markets continue to perform weakly due to low interest rates and strong policy language from the Federal Reserve that interest

rates will remain low for the foreseeable future. Unemployment rates are starting to improve, and the United States is experiencing growth that is better than expected. The S&P 500 has increased more than 25% in the last two quarters. The rally and growth appears to be broad based. Employment, consumer spending, and manufacturing are all up, which indicates a recovery and positive momentum for the US economy.

When You Need Information About Your Retirement – Contact OTRS

Whether you are planning to retire this year or just have questions about the benefit options, the retirement planning consultants at OTRS are here to serve you. Pre-retirement counseling is available to you by telephone or in person. Our consultants will explain the five benefit options, provide you benefit estimates and help you file your retirement paperwork.

Many clients choose to enlist the help of a financial planner when considering retirement. We recommend you remain engaged in your retirement planning. This will ensure that you understand all of the options so that you and your financial planner can work together and make decisions that are right for you.

“Assisting clients with the retirement process is the most important service we provide to our members,” said Dixie Moody, Director of Client Services. “It is our goal to provide you with accurate and concise information so you can make prudent decisions about your future retirement income.”

Not Eligible to Retire But Curious About Future Benefits?

Estimate Your Retirement Online at www.ok.gov/TRS

The OTRS Benefit Calculator can be used to estimate your monthly retirement benefit for selected dates based on service and salary information you enter. The calculator is only an *estimate* of your benefit. Actual benefits will be calculated and verified by our staff when you retire. The option is available to you 24 hours a day, seven days a week.

What You Need to Know About Social Security

Become familiar with your Social Security benefits by visiting their website at www.ssa.gov. The website provides valuable information about the latest Social Security and Medicare rates and other related topics. It also includes many online features that offer you an alternative to visiting your local SSA office.

Once you're on the website's home page, click "Retirement" on the top menu. You'll then see a range of services to choose from including how to apply for

your Social Security benefits online. Your application can be completed in as little as 15 minutes. You may also apply for your Medicare benefits online and learn how to receive additional assistance with Medicare prescription costs.

If you prefer, you may also receive assistance by calling 1-800-772-1213.



OKLAHOMA TEACHERS RETIREMENT SYSTEM

Post Office Box 53524
Oklahoma City OK 73152-3524

PRSRTSTD
U.S. POSTAGE
PAID
Oklahoma
City, OK
Permit No. 61

Have Questions? Need Help?

Here's how you can get in touch with us:

In person: Oliver Hodge Building, 5th Floor, 2500 N. Lincoln Blvd., Oklahoma City

On the phone: 1-877-738-6365 or 405-521-2387

On the web: www.ok.gov/TRS or facebook.com/okTRS

Printed by University Printing Services and issued by Oklahoma Teachers Retirement System. 141,000 copies were printed at a cost of \$10,000.00. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.



New System Conversion Affects Service Performance

By James R. Wilbanks, Ph.D.
Executive Director
Oklahoma Teachers Retirement System

The Oklahoma Teachers Retirement System is committed to protecting and promoting the financial interests of our clients. On January 3, we converted to a new client accounting system that was developed over the past 24 months. We are very excited about the new system as it will provide you with more robust information about your account while enhancing our response to your requests.

As with any system conversion, we incurred unforeseen obstacles that greatly impacted our ability to quickly respond to your information requests. During the implementation process, it was also

necessary for the staff to devote a great deal of time to learning new processes and procedures. As a result, our service performance suffered during the first quarter of this year.

We are happy to report the new computer system is running proficiently. We are currently prioritizing and processing requests as quickly as possible, and anticipate returning to our normal response time of 48 hours.

We are committed to providing retirement services that exceed your expectations.