

**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**

APRIL 16, 2014

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Jim Keesee at approximately 9:00 a.m. on Wednesday, April 16, 2014, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce, and Frank Stone.

OTHERS: Steven K. Snyder, Executive Director; Darcie Gordon, Administrative Officer; Deric Berousek, Chief Financial Officer; Kim Heaton, Attorney General's Office; and Jason Pulos, Asset Consulting Group.

MEMBERS ABSENT: Frank Stone

* * * * *

Note Frank Stone arrived at approximately 9:02 a.m.

* * * * *

APPROVAL OF MINUTES OF BOARD MEETING HELD MARCH 19, 2014

Motion by Tony Davenport and second by Craig Akard to approve the Minutes of the Regular Board Meeting held March 19, 2014. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Brandy Manek, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce and Tim Foley. Absent: Frank Stone Abstain: Susan Knight and Andy McPherson. Motion Carried.

* * * * *

CONSIDERATION AND VOTE, SUBJECT TO BOARD'S EXCEPTION, ON THE FOLLOWING APPLICATIONS

a. Application for Participation:

<u>Name</u>	<u>City</u>
Jeffrey W. Ellis	Arapaho
Riley N. Love	Ardmore
Jeffery J. Bryant	Atoka
Nathan R. Todd	Davis
Christian L. Archer	Duncan
Daniel E. Braley	Newkirk
Paige R. Charter	Oklahoma City
Andrew D. Collier	Oklahoma City
Matthew J. Comodera	Oklahoma City
Briana L. Copeland	Oklahoma City
Warren B. Fairleigh	Oklahoma City
Rebecca L. Fry	Oklahoma City

Robert B. Gilmore	Oklahoma City
Brett A. Like	Oklahoma City
Chase W. Mercer	Oklahoma City
Derick W. Rawson	Oklahoma City
Lisa M. Thompson	Oklahoma City
Stephen E. Wright	Oklahoma City
Justin D. Tulk	Pawhuska
Brian D. Barnett	Sand Springs
Adam R. Baxter	Altus
David M. Huffman	Fort Gibson
Michael J. Roberts	Fort Gibson
Lance M. Henry	Harrah
Ross K. Mahan	Hominy
David J. Folkert	Lawton
Charles A. Thompson	Lawton
Justin S. Williams	Lawton
Eric L. Gambill	Mangum
Bobby D. Harris	Midwest City
Mark C. Alexander	Oklahoma City
Vincent B. Astrino	Oklahoma City
Alma Deloera	Oklahoma City
Alonzo L. Fields	Oklahoma City
Derin J. Garrett	Oklahoma City
Adam R. Lynch	Oklahoma City
Juan J. Medina	Oklahoma City
Jason T. Mickley	Oklahoma City
Jason A. Suitor	Oklahoma City
Evan D. Walton	Oklahoma City
Grant O. West	Pawhuska
Blake R. Steely	Purcell
Randall M. Armstrong	Tulsa
Lovis A. Bauhaus, III	Tulsa
Daniel E. Bean	Tulsa
Travis L. Creech	Tulsa
Jeremie J. Dawes	Tulsa
Trey A. Fillmore	Tulsa
Michael R. Fullbright	Tulsa
Marlon D. Galbrath	Tulsa
Christopher D. Green	Tulsa
Amy Hernandez	Tulsa
Garrett A. Higgins	Tulsa
Todd M. Judkins	Tulsa
Jesus Quinones	Tulsa
Ralph R. Travis	Tulsa
Ryan J. VerMeer	Tulsa
Jacob O. Nunez	Tuttle
Andrew P. Tait	Weatherford
Amber L. Ballard	Wewoka

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Jarrold K. Cummings	Claremore
Ross Costa	Davis
Christopher Wagstaff	Davis
Ashton W. Fletcher	Enid
James C. Kennedy	Enid
Bandy Rackley	Oklahoma City
Kevin Lanham	Pryor
Tyler Childers	Sapulpa
Juan D. Hernandez	Spencer
Corey Stewart	Skiatook
Tyson M. Bussinger	Woodward
Kristina Jones	Alva
Winston Collums	Enid
Chad B. Wixom	Haskell
Christopher L. Daniels	Oklahoma City
Stephen Cross	Sayre
Anthony A. Dotson	Tahlequah
Trever Blackwell	Wewoka

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>
Robert A. Edmonson	Lawton	05/01/2009	05/01/2014
Hershel W. Embrey	Midwest City	02/01/2010	05/01/2014
Marvin D. Vandaveer	Newkirk	05/01/2009	05/01/2014
Robert L. Bach	Oklahoma City	04/01/2009	04/01/2014

d. Application for Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Mark A. Jobe	Cushing	05/01/2014

e. Application for Vested Benefit:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
James S. Bonds	Elk City	11/11/2018
Brandon Combs	Fort Gibson	02/16/2025
Bryan D. Waters	Fort Gibson	01/27/2021

f. Death Benefit:

<u>Name</u>	<u>City</u>
Teresa L. Barnett, widow of Ricky G. Barnett	Broken Arrow
Geraldine Day, widow of Charles Day	Del City
Virginia L. Denison, widow of William B. Denison	Idabel
Kristi D. West, widow of John D. West	Norman
Elizabeth L. Johnson, widow of Albert S. Johnson	Oklahoma City
Norma L. Neal, widow of Harold D. Neal Albert S. Johnson	Oklahoma City

Terri Alexander, Personal Rep. of Terrance Bishop	Owasso
Melissa A. Martin, Personal Rep. of Robert L. Martin	Shawnee

g. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Teresa L. Barnett, widow of Ricky G. Barnett	Broken Arrow
Geraldine Day, widow of Charles Day	Del City
Virginia L. Denison, widow of William B. Denison	Idabel
Kristi D. West, widow of John D. West	Norman
Elizabeth L. Johnson, widow of Albert S. Johnson	Oklahoma City
Norma L. Neal, widow of Harold D. Neal Albert S. Johnson	Oklahoma City

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

<u>Name</u>	<u>City</u>
Terri Alexander, Personal Rep. of Terrance Bishop	Owasso
Melissa A. Martin, Personal Rep. of Robert L. Martin	Shawnee
Frank C. Wilhelm, Personal Rep. of Peggy A. Wilhelm	Oklahoma City

i. Termination of Benefit:

<u>Name</u>	<u>City</u>
Terrance Bishop	Owasso
Robert L. Martin	Shawnee
Peggy A. Wilhelm	Oklahoma City

Motion by Ryan Perkins and second by Andy McPherson 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, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce and Tim Foley. Absent: Frank Stone. Motion Carried.

* * * * *

JARROD K. CUMMINGS, CLAREMORE– REQUEST TO RESCIND APPLICATION FOR VESTED BENEFIT APPROVED ON 12/21/2011. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by Tony Davenport and second by Tom Custer to approve request to rescind Application for Vested Benefit approved on 12/21/2011. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce and Tim Foley. Absent: Frank Stone. Motion Carried.

* * * * *

HUGH E. ODOM, JR., SULPHUR– REQUEST TO RESCIND APPLICATION FOR VESTED BENEFIT APPROVED ON 10/19/2011. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by W.B. Smith and second by Tom Custer to approve request to rescind Application for Vested Benefit approved on 10/19/2011. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Jeff Pierce and Tim Foley. Absent: Frank Stone. Motion Carried.

* * * * *

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 March 2014 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."

* * * * *

ASSET CONSULTING GROUP – FINANCIAL CONSULTANT REPORT FOR MONTH ENDED FEBRUARY 28, 2014, REVIEW OF UPDATED FORM ADV PART 2, AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Note: The agenda item incorrectly referred to February 28, 2014 ASAP and it should have referenced March 31, 2014 ASAP.

Mr. Jason Pulos reviewed the ASAP report for the month ended March 31, 2014, a copy of which is attached as Exhibit "E". As of March 31, 2014, the total Fund was approximately \$2,169,259,000.00. The one-year return net of fees for the total Fund is 12.47%.

Mr. Jason Pulos entertained questions regarding Form ADV Part 2, a copy of which is attached as Exhibit "F".

* * * * *

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 Oklahoma Police Pension and Retirement System Private Equity Portfolio Review dated April 16, 2014, a copy of which is attached as Exhibit "G".

* * * * *

DISCUSSION AND POSSIBLE VOTE REGARDING ISSUING RFP FOR ACTUARY SERVICES. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by Craig Akard and second by W.B. Smith to issue RFP for Actuarial Company to audit findings of current Actuary Service Provider. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce and Tim Foley. Motion Carried.

* * * * *

DISCUSSION AND POSSIBLE VOTE REGARDING ISSUING RFP FOR INVESTMENT CONSULTANT. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

No Action taken

* * * * *

DISCUSSION AND POSSIBLE VOTE ON WHETHER TO RETAIN ROBBINS GELLER RUDMAN & DOWD, LLP AS SECURITIES LITIGATION MONITORING FIRM. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Steven Snyder presented to the board the Oklahoma Police Pension and Retirement System Cost-Free Securities Fraud Portfolio Monitoring Program, a copy of which is attached as Exhibit "H".

Motion by W.B. Smith and second by Ryan Perkins to retain Robbins Geller Rudman & Dowd, LLP as Securities Litigation Monitoring Firm. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, W.B. Smith, Frank Stone, Jeff Pierce and Tim Foley. Absent: Rick Smith. Motion Carried.

* * * * *

PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS THE LEGAL MEMORANDUM FROM BERMAN DEVALERIO REGARDING POSSIBLE SECURITIES LITIGATION CLAIM 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 W.B. Smith and second by Ryan Perkins to go into Executive Session (at approximately 10:00am).. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce and Tim Foley. Motion Carried.

Motion by Tony Davenport and second by W.B. Smith to go back into Open Session (at approximately 10:15am). Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce and Tim Foley. Motion Carried.

Motion by Tony Davenport and second by W.B. Smith to authorize the Executive Director to take the needed direction as the case develops. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keese, Susan Knight, Brandy Manek, Andy McPherson, Ryan Perkins, Rick Smith, W.B. Smith, Frank Stone, Jeff Pierce and Tim Foley. Motion Carried.

* * * * *

REVIEW OF BILLS INTRODUCED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE WHICH WOULD IMPACT THE OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM AND/OR OTHER STATE RETIREMENT SYSTEMS

Mr. Steven Snyder reviewed the Board Info Bill Portfolio, a copy of which is attached as Exhibit "I". It contained 9 bills that related to pension systems.

* * * * *

LITIGATION REPORT – PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS CASE NO. 8703-VCL, IN RE DOLE FOOD COMPANY, INC. (STATE OF DELAWARE COURT OF CHANCERY); CASE NO. 5:12-CV-00195-KKC, IN RE TEMPUR-PEDIC INTERNATIONAL, INC (UNITED STATES DISTRICT COURT, EASTERN DISTRICT OF KENTUCKY); CASE NO. 1:11-CV-08066-JGK, IN RE OPPRS V. U.S. BANK NATIONAL ASSOCIATION, (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 the board that Dole was in document production stage and still doing additional discovery. The Tempur-Pedic case is in the pleading stage, a motion to dismiss had been filed but it is being contested. The U.S. Bank case is still in discovery stage.

* * * * *

NEW BUSINESS

No new business

* * * * *

BOARD MEMBERS' REPORTS

Ryan Perkins stated he attended the retirement seminar in Tulsa and Sean did a great job. It was well received by the audience.

* * * * *

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

Mr. Snyder advised the board that NCPERS would be held in Chicago, IL, April 27 – May 1, 2014, IFEBP would be in Boston, MA in October 12-15 2014, and OPFTEC would be in Norman, OK September 24-26, 2014.

* * * * *

DIRECTOR'S REPORT

Mr. Snyder reported that election ballots were due back Friday (April 18, 2014). He stated the dinner following the board meeting would be at Mickey Mantles. He advised the board that Ethics Forms had been prepared and given to each of them, they needed to sign them and return them to Darcie before leaving today. He noted that commodities RFP deadline was close of business today. He advised that the afternoon presentations would begin promptly at 1:00 p.m. He also advised the board that he had received notification from GOFA that the OPPRS CAFR was proficient in every area on the GOFA Report Card. Mr. Snyder also thanked Sean Ruark for his work on the seminars, Deric Berousek for his phenomenal work on the CARF, and Darcie Gordon for her work doing travel, purchasing and working with the board and executive director.

* * * * *

The meeting was recessed at approximately 10:30 a.m.

* * * * *

At approximately 12:50 pm, Chairman Keesee announced that the meeting was back in order.

* * * * *

The representatives of the investment managers listed below made presentations to the Board which included a brief overview of the presenter and their firm, any relevant changes within their organization, their outlook on the financial marketplace, and how their portfolio is positioned to take advantage of that outlook, etc.:

BARINGS

Barbara Cassidy
David Bertocchi

WASATCH

Kitty Swenson
Andrey Kutuzov

VONTOBEL

Amit Mukadam
Douglas Bennett

PAAMCO

Jim Meehan
Scott Warner

JP MORGAN

Rebekah Brown
Bob Parise

A quorum of the Board did attend a reception/dinner, during which business of the System was not discussed. The reception/dinner was held at Mickey Mantle’s Steakhouse, 7 Mickey Mantle Drive, Oklahoma City, Oklahoma.

* * * * *

The meeting was adjourned at approximately 3:55 pm

* * * * *

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 DARCIÉ GORDON, ADMINISTRATIVE OFFICER.