

**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**

FEBRUARY 20, 2019

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman Chris Cook at approximately 10:00 a.m. on Wednesday, February 20, 2019, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown.

OTHERS: Ginger Sigler, Executive Director; Sean Ruark, Deputy Director; Deric Berousek, Chief Financial Officer; Darcie Gordon, Administrative Officer; Lauren Holmes, Administrative Assistant; Thomas Schneider, Assistant Attorney General; Jason Pulos, Asset Consulting Group; Marc Edwards, Legal Advisor; and Lee Davis, Office of Management and Enterprise Services.

MEMBERS ABSENT: Andy McPherson, Dave Roberts, and Chris Chandler
* * * * *

HEARING: 10:00 A.M. – BOARD TO CONSIDER WRITTEN COMMENTS AND HEAR PUBLIC COMMENTS REGARDING PROPOSED AMENDMENTS TO THE FOLLOWING PERMANENT RULES:

TITLE 550: OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM

CHAPTER 1. ADMINISTRATIVE OPERATIONS

SUBCHAPTER 5. PETITION PROCEDURES

550:1-5-5: Qualified domestic relations orders [AMENDED]

CHAPTER 1. ADMINISTRATIVE OPERATIONS

SUBCHAPTER 7. COLLECTION AND DISBURSEMENTS

550:1-7-4: Vouchers payable to an estate [AMENDED]

CHAPTER 15. OKLAHOMA POLICE DEFERED OPTION PLAN

550:15-1-2: Forward drop [AMENDED]

Ms. Ginger Sigler advised the Board that the system had not received any request to make public comments not had the system received any written comments.

* * * * *

DISCUSS PROPOSED AMENDMENTS TO PERMANENT RULES LISTED IN AGENDA ITEM 2

No discussion of the above item.

* * * * *

CONSIDERATION AND VOTE ON WHETHER TO ADOPT THE PROPOSED AMENDMENTS TO PERMANENT RULES LISTED IN AGENDA ITEM 2 AS PRESENTED OR AS MAY BE REVISED AFTER PUBLIC HEARING AND DISCUSSION.

A copy of the proposed amendments for Chapter 1 and Chapter 15 is attached as Exhibit “A”.

Motion by Ryan Perkins and second by Thomas Cooper to adopt the proposed amendments to OAC 550, Chapter 1 and Chapter 15. Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

APPROVAL OF MINUTES OF REGULAR BOARD MEETING HELD JANUARY 16, 2019.

Motion by Ryan Perkins and second by Mike Brown to approve the minutes of the Regular Board Meeting held January 16, 2019. Ayes: Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Abstain: Brandy Manek. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

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

a. Application for Participation:

<u>Name</u>	<u>City</u>
Quinten Chedester	Altus
Chasity D. Williams	Altus
Brian S. McClure	Bethany
Luke D. Hall	Collinsville
Seth J. Kemper	Davis
Allen L. Rush	Del City
Nicholas J. McGouran	Duncan
Jesse D. Meyer	Elk City
Joseph G. Jones	El Reno
Clayton G. Ridge	Eufaula
Justin M. Wittmer	Eufaula
Syngen G. Rankins	Idabel
Dylan R. Goode	Jenks
Dillon R. Chaloupek	Kingfisher
Buddy D. Townes, Jr.	Mannford
Warner D. Bedford	McAlester
Kyle M. Wagner	Moore
Zachary T. Hill	Nicoma Park
Harley W. Rhynes	Norman
Michael E. McNally	Oklahoma City
Matthew L. Miller	Oklahoma City
Christopher A. Roach	Oklahoma City
David A. Sanderson	Oklahoma City
Dustin T. Clark	Okmulgee
Thomas J. Florence	Pawhuska

Tyler M. Kruse	Sand Springs
David M. Meacham	Sand Springs
Jacob A. Byram	Sapulpa
Dennis J. Hall	Sapulpa
Cansas M. Pate	Sapulpa
Matthew C. Dougherty	Shawnee
Zachary W. Rice	Stringtown
Todd A. Davis	Union City
Jonathan R. Noteboom	Union City
Jamie A. Sanchez	Union City
Adam C. Taylor	Union City
Jessica L. Krnavek	Valley Brook
Drew A. Jones	Vinita
Daniel Gaucin-Salazar	Warr Acres
Michelle L. Singh	Watonga
Colby K. Vaughan	Weatherford
Wyatt R. Honsinger	Wewoka
Joshua D. Kelley	Wewoka
Jeffrey T. Hill	Yukon
Tomy Tran	Yukon

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Trenton Barrick	Ardmore
Phillip B. Annis	Bixby
Joey R. Wakefield	Chandler
Phillip Isham	Cleveland
Jason G. McWhorter	El Reno
Caleb R. Ellington	Enid
Christopher Palmisano	Enid
Bradley Dunlap	Muskogee
Julian Anaya	Oklahoma City
Jonathan C. Murch	Oklahoma City
Austin P. McKanna	Oklahoma City
Weston Slater	Oklahoma City
Tyler J. Westerfield	Poteau
Jason T. Palmer	Tecumseh
Owen Redmon	Tulsa

c. Terminate Deferred Option Plan to Begin Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Anthony M. Fike	Edmond	03/01/2019
Marvin L. Denny	Oklahoma City	02/01/2019

d. 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>
Ruben Garcia	Ardmore	04/01/2017	04/01/2019
Cary D. Akin	Claremore	08/01/2016	03/01/2019

Vernon W. DeMoss	Edmond	04/01/2014	04/01/2019
James W. Bennett	Jenks	01/01/2014	01/01/2019
Mike L. Crandall	McAlester	04/01/2014	04/01/2019
David Dean	Miami	04/01/2016	03/01/2019
Michael Cory	Oklahoma City	03/01/2014	03/01/2019
Edward E. Dugan	Oklahoma City	03/01/2014	03/01/2019
Jan M. Latta	Oklahoma City	03/01/2014	03/01/2019
David Rivers	Oklahoma City	03/01/2014	03/01/2019
Robert R. Sipe	Oklahoma City	04/01/2014	04/01/2019
George T. Jester	Oklahoma City	03/01/2014	03/01/2019
David G. Wilson	Oklahoma City	04/01/2014	04/01/2019
Jeffrey M. White	Oklahoma City	02/01/2014	02/01/2019
Ronald Kawano	Tulsa	02/01/2018	02/01/2019
Corey Myers	Tulsa	03/01/2014	03/01/2019

e. Death Benefit:

<u>Name</u>	<u>City</u>
Sondra L. Armer, widow of Howard. H. Armer	Oklahoma City
Norma J. Chesnut, widow of Samuel J. Chesnut	Oklahoma City
Elaine M. Taylor, widow of William B. Taylor	Oklahoma City
Linda C. Timmons, widow of Curtis L. Timmons	Oklahoma City
Susan E. Green, widow of William B. Green	Sapulpa

f. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Sondra L. Armer, widow of Howard. H. Armer	Oklahoma
Norma J. Chesnut, widow of Samuel J. Chesnut	Oklahoma City
Elaine M. Taylor, widow of William B. Taylor	Oklahoma City
Linda C. Timmons, widow of Curtis L. Timmons	Oklahoma City
Susan E. Green, widow of	Sapulpa

Motion by Ryan Perkins and second by Thomas Cooper for approval of applications for Police Deferred Option Plan, Participation, Service Pension, Refunds, and Benefits. Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

JENDRICK W. HILLE, DEL CITY – REQUEST TO BUY BACK PRIOR SERVICE FROM MCLLOUD POLICE DEPARTMENT FROM 09/10/2005 TO 02/12/2007. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by Mike Brown and second by Jeff Cealka to approve request to buy back prior service from McLoud Police Department from 09/10/2005 to 02/12/2007. Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

MATTHEW DRISKILL, TULSA – REQUEST TO RESCIND APPLICATION FOR PARTICIPATION IN THE OKLAHOMA DEFERRED OPTION PLAN UNDER THE BACK DROP PROVISION, APPROVED 1/16/2019. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Ms. Ginger Sigler advised that no payment had been made to Matthew Driskill.

Motion by Robert Groseclose and second by Jeff Cealka to approve request rescind Application for Participation in the Oklahoma Deferred Option Plan Under the Back DROP Provision approved 01/16/2019. Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

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 January 2019 is attached as Exhibit "C"; the Broker Commission Report is attached as Exhibit "D"; the Statement of Total Fund is attached as Exhibit "E", and the Monthly Claims Register is attached as Exhibit "F".

* * * * *

ASSET CONSULTING GROUP – FINANCIAL CONSULTANT REPORT FOR MONTH ENDED JANUARY 31, 2019, QUARTERLY REPORT FOR QUARTER ENDED DECEMBER 31, 2018, 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 January 31, 2019, a copy of which is attached as Exhibit "G". As of January 31, 2019, the total Fund was approximately \$2,507,447,000.00. The one-year return net of fees for the total Fund is -1.24%.

Mr. Jason Pulos also reviewed the Quarterly Report for quarter-ended December 31, 2019, a copy of which is attached as Exhibit "H".

Mr. Jason Pulos presented the OPPRS Fixed Income Portfolio Rebalance Recommendation, a copy of which is attached as Exhibit "I". Mr. Pulos stated it was the recommendation of Asset Consulting Group to reallocate \$40,000,000.00 from PAAMCO and \$20,000,000.00 from Loomis Sayles, and distribute \$50,000,000.00 to Agincourt and \$10,000,000.00 to Wellington.

Motion by Ryan Perkins and second by Robert Groseclose to reallocate \$40,000.00 from PAAMCO and \$20,000.00 from Loomis Sayles, to \$50,000.00 to Agincourt and \$10,000.00 to Wellington .Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

CASE NO. OPORB 18-04, APPLICATION FOR DISABILITY BENEFIT IN LINE OF DUTY FOR CLIFFORD J. WEST, COLLINSVILLE.

Motion by Ryan Perkins and second by Mike Brown to enter into Executive Session (at approx 10:43 a.m.) .Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

Motion by Ryan Perkins and second by Robert Groseclose to enter back into Open Session (at approx 10:46 a.m.) .Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

Motion by Robert Groseclose and second by Ryan Perkins to deny the Application for Disability Benefit in Line of Duty for Clifford J. West, Collinsville. Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

DISCUSSION AND POSSIBLE VOTE ON NOTICE OF PETITION FOR JUDICIAL REVIEW OF ADMINISTRATIVE ORDER, CV-2019-278, DISTRICT COURT OKLAHOMA COUNTY, REGARDING OPORB 18-05, APPLICATION FOR DISABILITY BENEFIT IN LINE OF DUTY FOR CHRISTOPHER SHUBERT, OKLAHOMA CITY.

Motion by Thomas Cooper and second by Mike Brown to enter into Executive Session (at approx 10:48 a.m.) .Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

Motion by Ryan Perkins and second by Thomas Cooper to enter back into Open Session (at approx 11:00 a.m.) .Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

Motion by Ryan Perkins and second by Thomas Cooper to defend the lawsuit. Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

REVIEW OF BILLS INTRODUCED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE WHICH WOULD IMPACT THE OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Ms. Ginger Sigler presented the board with a list of bills OPPRS is currently watching, a copy of which is attached as Exhibit “J”.

Ms. Sigler advised that no COLA/Stipend bills had been heard and she had been told that they would not be heard. The deadline to have bills passed out of House or Senate is next week. She stated that they were applying pressure to try and get them heard. She stated HB 2272 was a shell bill that would add the Sheriff’s Department to OPERS and not OPPRS. Ms. Ginger Sigler advised that HB 1426 would add Native American tribe officers to OPPRS. She stated that there was no opposition as long as it was done correctly. She mentioned that she had talked to Rep. Loring and he did not know much about pensions. After discussion with Rep. Loring, it was decided it might be best for Ms. Sigler to contact the Fiscal Analyst and discuss with him her concerns. Ms. Sigler visited with the Fiscal Analyst and sent over her list of concerns about the bill. Ms. Sigler noted that if the bill was heard this session, it would still have to go to the actuary. Ms. Sigler stated that the technical cleanup bill had passed out of committee and would be voted on in the coming days. She also advised that SB 1021 would change our benefit calculations from the last 30 months to the last 60 months. She stated that if the bill went into effect, it would reduce a retirees monthly benefit by \$277.00/monthly. She sent a spreadsheet over to the committee members and within 5 minutes she got a call from the Vice Chairman asking what the purpose of the bill was.

* * * * *

DISCUSSION AND POSSIBLE VOTE TO PURSUE LEGISLATION TO ACCESS FILES FROM CLEET TO AUDIT CITIES FOR QUALIFIED POLICE OFFICERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Ms. Ginger Sigler presented the purposed language, a copy of which is attached as Exhibit “K”. Ms. Sigler advised that OPPRS used to have access to these records from CLEET, however in the last few years they would not supply the list due to confidentiality reasons. Ms. Sigler mentioned that OPPRS used these records to audit the cities. She advised that Sean Ruark had reached out to CLEET and they were willing to give us the requested information if we got our statute changed. The language was a joint effort between OPPRS and CLEET. She mentioned that our lobbyist stated there was a bill that the language could be added to, once approved by the board.

* * * * *

PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS POSSIBLE INSPECTION OF BOOKS 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

This agenda item was not discussed.

* * * * *

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. 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. 12584-VCG, IN RE STARZ STOCKHOLDER LITIGATION. (COURT OF CHANCERY OF THE STATE OF DELAWARE), CASE NO. 1:17-CV-02169, IN RE TEMPUR SEALY INTERNATIONAL, INC (UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK),CASE NO. 1:17-CV-01346-MJW, IN RE JAGGED PEAK ENERGY, INC. (UNITED STATES DISTRICT

COURT, DISTRICT OF COLORADO), CASE NO 17-CV-01748, IN RE CLUBCORP HOLDINGS, INC. ET AL. (SECOND JUDICIAL DISTRICT COURT FOR THE STATE OF NEVADA IN AND FOR THE COUNTY OF WASHOE), CASE NO. 2:18-CV-02612-SVW-AGR, IN RE TRUECAR INC. (UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA), CASE NO. 4:18-CV-5181, IN RE NEVRO CORPORATION ET.AL (UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA), 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

Ms. Ginger Sigler advised that all cases were status quo.

* * * * *

NEW BUSINESS

No new business.

* * * * *

BOARD MEMBERS' REPORTS

Mr. Jeff Cealka stated he planned to run again for the District 7 trustee. He also mentioned he would like to talk to Ginger and Sean to see how many people are affteted by the Baker case and if there was anything OPPRS could do.

* * * * *

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

Motion by Jeff Cealka and seconded by Ryan Perkins to approve the following list for conference attendance.

IFEBP CAPP I & II – June 18-21, 2019 – Sandra LaVenue, Jeff Russell, and Mike Brown

NCPERS Public Pension Funding Forum – Sept 11-13, 2019 – Mike Brown

IFEBP Annual Conference – Oct 20 – 23, 2019 – Sandra LaVenue and Jeff Russell

Ayes: Brandy Manek, Ryan Perkins, Tim Foley, Thomas Cooper, Chris Cook, Robert Groseclose, Sandra LaVenue, Jeff Russell, Jeff Cealka, and Mike Brown. Absent: Andy McPherson, Dave Roberts, and Chris Chandler. Motion Carried.

* * * * *

DIRECTOR'S REPORT

Ms. Sigler advised that Nomination Petitions were due back March 8, 2019 for Districts 2, 5, & 7. She stated that the NCPERS Legislative Conference was very beneficial and she made a lot of connections and learned a lot. Ms. Sigler mentioned that a logo was being worked on for the system and board. She also noted that OPPRS was going to be scheduling more retirement seminars as the Chiefs have been very receptive of them.

* * * * *

The meeting was adjourned at approximately 11:25 a.m.

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.