

**MINUTES OF THE REGULAR MEETING OF THE  
OKLAHOMA POLICE PENSION AND RETIREMENT BOARD**  
Board Room  
1001 N.W. 63<sup>rd</sup> Street, Suite 305  
Oklahoma City, Oklahoma 73116  
April 20, 2011

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Chairman W. B. Smith at approximately 9:00 a.m. on Wednesday, April 20, 2011, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Randy Scott, W. B. Smith, and Frank Stone.

OTHERS: Steven K. Snyder, Executive Director; Marla Hensley, Administrative Officer; Darcie Gordon, Administrative Assistant; Nan J. Patton, Legal Advisor; George Tarlas, Asset Consulting Group.

MEMBERS ABSENT: Susan Knight, Brandy Manek, Andy McPherson, and Rick Smith.

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**APPROVAL OF MINUTES OF BOARD MEETING HELD MARCH 23, 2011**

Motion by Charles Kerr and second by Randy Scott to approve the Minutes of the Regular Board Meeting held March 23, 2011. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Randy Scott, W.B. Smith, and Frank Stone. Abstain: Jeff Cealka. Absent: Susan Knight, Brandy Manek, Andy McPherson and Rick Smith. 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>
Lesley L. Amriott	Atoka
Marjorie A. Morales	Bartlesville
Paul D. Duncan	Collinsville
Lucas O. Armenta	Cushing
Richard A. Brown	Ft. Gibson
Brent M. Maddocks	Ft. Gibson
Steven D. Marshall	Haskell
Alexandro F. Solis	Hobart
Jakob A. Gaither	Kingfisher
Gregory R. Adams	Lawton
Michael L. Albert	Lawton
Dalas J. Anderson	Lawton
Austin R. Benton	Lawton
Daniel A. Brown	Lawton
Donquell D. Brown	Lawton
Raymond D. Brown II	Lawton

Miranda K. Durham	Lawton
Jacob C. English	Lawton
Chaney M. Gibson	Lawton
Chelsey L. Gordon	Lawton
Marq A. Hackworth	Lawton
Billy R. Hicks	Lawton
Timothy T. Jenkins	Lawton
James A. McCarty	Lawton
Rigoberto Miranda	Lawton
Kimberly M. Morton	Lawton
Melaine R. Powers	Lawton
Austin L. Schettler	Lawton
Brian J. Valdez	Lawton
Michael R. Whisman	Lawton
Matthew W. Whittington	Lawton
Jason D. Stover	Mangum
Mike P. Wooten	Marlow
Jesse K. Pfeil	Perry
Daniel S. Lang	Ringling
Billy S. Moiser	Ringling
Dustin D. Spinak	Shawnee
John W. Henderson	Skiatook
Joshua P. Metcalf	Tulsa
Jason E. Barrett	The Village
Thomas A. Bell	Warner
David S. Robertson	Watonga
Christopher Conn	Wewoka

b. Application for Refund of Contributions

<u>Name</u>	<u>City</u>
Chad Anthony	Ardmore
Johnathan "Seth" Thompson	Chickasha
Elizabeth Crockett	Coweta
Benjamin Northcutt	Edmond
Billy L. Parris	Ft. Gibson
Dannielle M. Hollings	Guymon
Steven E. Hutcherson	Guymon
William Lackey	Guymon
Donald D. Feather, Jr.	Haskell
Brian K. Ernest	Henryetta
Mareila Mansfield	Hobart
Tandy Low	Hugo
Blaine Beene	Marlow
Perry O. Galvin	Muskogee
Luke Miles	Ponca City
Derek Sinor	Ponca City
Justin Abbott	Shawnee
John Bates	Sulphur
Tyler Trammel	Tahlequah
Mary Big Elk, Personal Rep. of Catherine J. Waller	Tulsa

- 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>
Bobby J. Hunter	Edmond	05/01/2001	05/01/2011
Michael D. Johnson	Lawton	05/01/2006	06/01/2011
Donnie Andrews	Moore	05/01/2006	04/01/2011
Dennis B. Adams	Oklahoma City	12/01/2007	04/01/2011
Ronald R. Thrasher	Stillwater	06/01/2008	07/01/2011
Scott H. Wanzer	Tulsa	04/01/2006	04/01/2011

- d. Terminate Deferred Option Plan to Begin Service Pension:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Anthony C. Bush	Enid	05/01/2011

- e. Application for Monies Due the Estate from the System:

<u>Name</u>	<u>City</u>
Kent L. McMahan, Personal Rep of Geraldine McMahan	Norman
Cathy A. Baker, Personal Rep of Jennifer Mansell	Tulsa

- f. Death Benefit:

<u>Name</u>	<u>City</u>
Cathy A. Baker, Personal Rep of Jennifer Mansell	Tulsa
Mary Big Elk, Personal Rep. of Catherine J. Waller	Tulsa

- g. Termination of Benefit:

<u>Name</u>	<u>City</u>
Geraldine McMahan	Norman
Jennifer D. Mansell	Tulsa

- h. Application for Vested Benefit:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Michael J. Class	Spencer	07/26/2020

Motion by Craig Akard and second by Jeff Cealka for approval of applications for Police Deferred Option Plan, Participation, Service Pension, Refunds and Benefits. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Randy Scott, W. B. Smith, and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson and Rick Smith. Motion carried.

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**ETHEL E. WOODS, ALTUS – REQUEST TO AMEND PREVIOUSLY APPROVED APPLICATION FOR PARTICIPATION APPROVED 02/16/2011. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Motion by Tony Davenport and second by Craig Akard and to approve request to amend previously approved application for participation approved 02/16/2011. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Randy Scott, W. B. Smith, and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson and Rick Smith. Motion carried.

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**SABRINA L. LEE, NOWATA – REQUEST TO AMEND PREVIOUSLY APPROVED APPLICATION FOR PARTICIPATION APPROVED 03/23/2011. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Motion by Craig Akard and second by Tony Davenport to approve request to amend previously approved application for participation approved 03/23/2011. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Randy Scott, W. B. Smith, and Frank Stone. Absent: Susan Knight, Brandy Manek, Andy McPherson and Rick Smith. Motion carried.

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\*\*\*NOTE – Frank Stone left at 9:45 am and Susan Knight arrived at 10:08 am.

**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 2011 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 MARCH 31, 2011 AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Mr. Tarlas briefly reviewed the ASAP report for the month ended March 31, 2011, a copy of which is attached as Exhibit "E." As of March 31, 2011, the total Fund was approximately \$1,786,933,000.00. The one-year return net of fees for the total Fund is 12.12%.

Mr. Tarlas reminded the Board members of the Trustee Due Diligence Educational Investment Meeting which will be May 16, 2011 at the offices of Asset Consulting Group in St. Louis.

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**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. Snyder briefly updated the Board on the current status of bills introduced in the legislature that would impact the Oklahoma Police Pension and Retirement System or other State retirement systems. Bills discussed included the following: HB 1005, HB 1221, HB 1656, HB 2132, SB 0290, SB 0347, SB 0577, SB 0826, and SB 0891.

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**LITIGATION REPORT – PROPOSED EXECUTIVE SESSION, IF DEEMED NECESSARY BY LEGAL COUNSEL TO DISCUSS CASE NO. 07-MD-1898 (TCP) IN RE AMERICAN HOME MORTGAGE SECURITIES LITIGATION (UNITED STATES DISTRICT COURT, EASTERN DISTRICT OF NEW YORK); CASE NO. 08-CV-22572-COOKE-BANDSTRA, IN RE BANKUNITED FINANCIAL CORPORATION (UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF FLORIDA); CASE NO. 2:10-CV-02013 OPPRS ET AL VS. BP, PLC (UNITED STATES DISTRICT**

**COURT, EASTERN DISTRICT OF LOUISIANA); CASE NO. 2:10-CV-01061-NBF-RCM, IN RE EDUCATION MANAGEMENT CORPORATION (UNITED STATES DISTRICT COURT, WESTERN DISTRICT OF PENNSYLVANIA); CASE NO. 1:10-CV-990-LPS IN RE WILMINGTON TRUST CORPORATION (UNITED STATES DISTRICT COURT, DISTRICT OF DELAWARE); 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. Snyder stated that it would not be necessary for the Board to go into Executive Session on these matters. He then briefly updated the Board on the status of litigation impacting the Oklahoma Police Pension and Retirement System.

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**NEW BUSINESS**

No new business was discussed.

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**BOARD MEMBERS' REPORTS**

Mr. Scott reminded the board that he is still planning a retirement training session for the Oklahoma City area police departments.

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

Mr. Snyder reminded the board members of the following seminars/conference:

Trustee Educational Forum, Skirvin Hilton, May 4, 2011, hosted by Asset Consulting Group.

NCPERS Annual Conference will be held in Miami, FL, May 22-26, 2011.

Oklahoma Public Fund Trustee Education Conference, Stillwater, September 28-30, 2011.

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**DIRECTOR'S REPORT**

Statements of Financial Interest are due to the Ethics Commission no later than May 16, 2011.

The amendments to the Systems administrative rules are awaiting the governor's signature.

The Columbus Square building is now at 100% capacity with Summit Bank opening May 1, 2011.

A special meeting of the Oklahoma State Pension Commission will be held in Room 512A at the Capitol, April 28, 2011 at 2:30 pm.

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**JEREMY A. RAGER, STILLWATER – REQUEST TO BUY BACK PRIOR SERVICE WHILE EMPLOYED WITH THE STILLWATER POLICE DEPARTMENT FROM 02/26/2001 TO 02/21/2009. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Motion by Jim Keesee and second by Tony Davenport to approve request to buy back prior service while employed with the Stillwater Police Department from 02/26/2001 to 02/21/2009. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Randy Scott, and W. B. Smith. Absent: Brandy Manek, Andy McPherson, Rick Smith, and Frank Stone. Motion carried.

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At approximately 10:55 am, Chairman Smith announced the meeting was recessed until 1:00 pm.

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Chairman W. B. Smith did not return to the meeting after lunch. At approximately 1:00 pm. Vice Chairman Kerr announced the meeting was back in order.

Members in attendance: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr and Susan Knight.

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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.:

ARTIO GLOBAL  
Brigid Flanagan  
Rebecca Kubick

MONDRIAN  
Jonathan Spread  
Steve Starnes

WILLIAM BLAIR  
Bob Duwa  
Rob Lanphier

FIRSTMARK CAPITAL  
Rick Heitzmann  
Danielle Hootnick

AGINCOURT  
Patrick O'Hara  
Brad Coats

JP MORGAN  
Marcia Matthews  
John Trydahl  
George Ochs

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At approximately 2:00 p.m. the official business of the Board was concluded as there was no longer a quorum of the Board. However, those Board members who were still present (Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, and Charles Kerr) stayed to hear the presentations by William Blair, FirstMark, Agincourt, and JP Morgan for informational purposes only.

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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 the Red Prime Steak House, 504 N. Broadway, Oklahoma City, Oklahoma.

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 MARLA HENSLEY, ADMINISTRATIVE OFFICER.