

**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**

**August 18, 2010**

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, August 18, 2010, in the Board Room of the Oklahoma Police Pension and Retirement System.

MEMBERS PRESENT: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Susan Knight, Charles Kerr, Jim McGoodwin, Rick Smith, W. B. Smith and Frank Stone.

OTHERS: Steven K. Snyder, Executive Director; Marla Hensley, Administrative Officer; Darcie Gordon, Administrative Assistant; Dusty Brassfield, Pension Administration Officer; Judy Cong, Comptroller; Nan J. Patton, Legal Advisor; Jason Pulos, Asset Consulting Group.

MEMBERS ABSENT: Andy McPherson and Randy Scott

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**APPROVAL OF MINUTES OF BOARD MEETING HELD JULY 21, 2010.**

Motion by Charles Kerr and second by Jeff Cealka to approve the Minutes of the Regular Board Meeting held July 21, 2010. Ayes: Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Rick Smith, W. B. Smith and Frank Stone. Abstain: Craig Akard and Jim McGoodwin. Absent: Andy McPherson and Randy Scott. Motion Carried.

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**HEARING: CASE NO. OPPRB 07-02 – JEFFREY S. TAYLOR, GLENPOOL, APPLICATION FOR DISABILITY BENEFIT IN LINE OF DUTY**

Legal Advisor, Nan Patton, recommended that the Board go into Executive Session.

Motion by Tony Davenport and second by Tom Custer to go into Executive Session (at approximately 9:05 am). Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Jim McGoodwin, Rick Smith, W. B. Smith and Frank Stone. Absent: Andy McPherson and Randy Scott. Motion Carried.

Motion by Tony Davenport and second by Charles Kerr to go back into Open Session (at approximately 10:30 am). Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Jim McGoodwin, Rick Smith, W. B. Smith and Frank Stone. Absent: Andy McPherson and Randy Scott. Motion Carried.

Motion by Jeff Cealka and second by Jim Keesee to approve disability benefit to Jeffrey Taylor. Ayes: Jeff Cealka, Jim Keesee and Susan Knight. Nays: Craig Akard, Tom Custer, Tony Davenport, Charles Kerr, Rick Smith, W. B. Smith and Frank Stone. Absent: Andy McPherson and Randy Scott. Motion failed and disability benefit application denied.

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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>
David W. Holman	Bristow
Matthew G. Langston	Bristow
Jennifer J. Case	Chickasha
Drew S. Wiley	Chickasha
Joseph W. Cox	Clinton
Michael E. Kennedy	Haskell
Shayne M. Ballard	Hobart
Janett Reyna	Newkirk
Jonathan A. Bailey	Norman
Kent D. Gonser	Norman
Joshua E. Hard	Norman
Derek A. Lamb	Norman
Lee P. McWhorter	Norman
David M. Stevenson	Norman
Cody D. Gibson	Shawnee
Bradlee D. Phelps	Sulphur
Jennings D. Gabriele	Tonkawa
Cameron R. Meyer	Tonkawa
Andrew Z. Zamudio	Tonkawa
Ian S. Adair	Tulsa
Joseph D. Anderson	Tulsa
Michelle L. Armentrout	Tulsa
Jeremy R. Ballard	Tulsa
Travis D. Barnes	Tulsa
Jason M. Bell	Tulsa
Robert W. Bowman	Tulsa
Rusty L. Brown	Tulsa
Brian A. Carlisle	Tulsa
Ananias Carson, III	Tulsa
Donald R. Childers	Tulsa
Adam S. Dawson	Tulsa
James A. Dawson	Tulsa
Jason P. Edwards	Tulsa
Mitchell K. Franklin	Tulsa
Joshua B. Goldstein	Tulsa
Robert N. Guardiola	Tulsa
Kevin B. Hall, Jr.	Tulsa
April L. Harding	Tulsa
Eric W. Johnson	Tulsa
Jacob K. Johnston	Tulsa
Jamie D. Kirby	Tulsa

Daniel R. Madewell	Tulsa
Amber M. McCarty	Tulsa
Thomas W. McLain	Tulsa
Patrick J. McLean	Tulsa
Ronald E. Montgomery, Jr.	Tulsa
Charles A. Ramsey, Jr.	Tulsa
Samantha R. Ramsey	Tulsa
Jennifer G. Richert	Tulsa
Christopher J. Robinson	Tulsa
Tiffany D. Sappington	Tulsa
Christopher K. Scott	Tulsa
Flossie L. Stephens	Tulsa
Jennifer M. Tate	Tulsa
Sarah A. Toliver	Tulsa
Richard M. Urban, II	Tulsa
Andrew J. Weeden	Tulsa
Dana R. Hajek	Watonga

b. Application for Refund of Contributions:

<u>Name</u>	<u>City</u>
Jason J. Circle	Blackwell
Erik C. Haworth	Bristow
Robert Lamoreaux	Broken Arrow
Misty Chandler	Catoosa
Jennifer J. Case	Chickasha
Dale L. Tillotson	Coweta
Bryan Nelms	El Reno
James H. Harmon	Enid
Jency A. O'Neal	Enid
Doug Ragsdale	Ft. Gibson
Kristian D. Willhight	Granite
Wesley Henry	Guthrie
Robert B. Covington	Hugo
Michael C. Sumpter	Oklahoma City
Robert Heath	Okmulgee
Anthony M. Bell	Piedmont
Casey Miller	Tishomingo
Robert Bryan	Tulsa
Anthony Manganaro	Tulsa
Rodney W. Mason	Tulsa
Travis Taverna	Tulsa
John P. Vassilakos	Tulsa
Joshua R. Lenz	Warr Acres
Michael A. Morton	Woodward

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>
Kenneth D. Davis	Oklahoma City	11/01/2006	09/01/2010

d. Terminate Deferred Option Plan to Begin Service Pension

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Scott P. Smith	Oklahoma City	09/01/2010

e. Application for Service Pension

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
David D. Crabtree	Clinton	09/01/2010

f. Application for Monies Due the Estate from the System

<u>Name</u>	<u>City</u>
Justin B. Evans, Heather Evans, Lucrecia Evans, Mika Evans, Surviving Heirs of John L. Evans	Bartlesville
Myra Poindexter, Surviving Heir of Lenora P. Scott	Oklahoma City

g. Termination of Benefit:

<u>Name</u>	<u>City</u>
John L. Evans	Bartlesville
Lenora P. Scott	Oklahoma City

h. Death Benefit:

<u>Name</u>	<u>City</u>
Justin B. Evans, Heather Evans, Lucrecia Evans, Mika Evans, Surviving Heirs of John L. Evans	Bartlesville
Audrey Douglas, widow of Emmett D. Douglas	Oklahoma City
Sallye S. Harris, widow of John A. Harris	Tulsa

i. Continuation of Benefit:

<u>Name</u>	<u>City</u>
Audrey Douglas, widow of Emmett D. Douglas	Oklahoma City
Sallye S. Harris, widow of John A. Harris	Tulsa

j. Application for Deferred Option Plan:

<u>Name</u>	<u>City</u>	<u>Eff. Date</u>
Robert Stephens	Cleveland	7/1/2010

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

(Craig Akard briefly left the meeting and was absent for this vote.)

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**DARYLE SCHMITT, DUNCAN – REQUEST TO RESCIND APPLICATION FOR VESTED BENEFIT APPROVED BY THE BOARD ON JULY 17, 2002 AND REQUEST FOR APPROVAL OF APPLICATION FOR PARTICIPATION. 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 for Daryle Schmitt, Duncan, approved by the Board on July 17, 2002. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Jim McGoodwin, Rick Smith,

W. B. Smith and Frank Stone. Absent: Andy McPherson and  
Randy Scott. 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 July 2010 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 JULY 31, 2010; QUARTERLY REPORT FOR QUARTER ENDED JUNE 30, 2010; AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Mr. Pulos briefly reviewed with the Board the Quarterly Report for the quarter ended June 30, 2010, a copy of which is attached as Exhibit "E." He also reviewed with the Board the ASAP for the month ended July 31, 2010, a copy of which is attached as Exhibit "F." As of July 31, 2010, the total Fund was approximately \$1,597,801,000.00. The one-year return net of fees for the total Fund is 10.12%.

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**DISCUSSION ON WHETHER TO RETAIN LABATON SUCHAROW AS A SECURITIES LITIGATION MONITORING FIRM. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Motion by Tony Davenport and second by Jim Keesee to retain Labaton Sucharow as a securities litigation monitoring firm. Ayes: Craig Akard, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Jim McGoodwin, Rick Smith, and W. B. Smith. Nays: Jeff Cealka and Frank Stone. Absent: Andy McPherson and Randy Scott. Motion Carried.

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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. 5514-CC IN RE PSYCHIATRIC SOLUTIONS, INC. (COURT OF CHANCERY OF THE STATE OF DELAWARE); CASE NO. 2:10-CV-02013 OPPRS ET AL VS. BP, PLC (UNITED STATES DISTRICT COURT, EASTERN DISTRICT OF LOUISIANA); 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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Note – Susan Knight left the meeting at 11:05 am.

**BOARD MEMBERS' REPORTS**

Jeff Cealka inquired about the status of a “survey” of recently retired members regarding the service they received from the OPPRS staff during the retirement process. Mr. Snyder stated that the staff plans to send out such a survey after the new pension software is completely installed.

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

The board members were reminded of the Oklahoma Public Fund Trustee Conference to be held in Stillwater on September 22-24, 2010.

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**DIRECTOR’S REPORT**

Mr. Snyder reported that the Oklahoma Pension Commission met last week and he briefly discussed the status of the State public pension funds.

The Investment Managers Meeting will be held at the October Board meeting.

Mr. Snyder handed out copies of an article from the New York Times regarding fiscal difficulties with the public pension funds.

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**DISCUSS REQUEST FROM SENATOR PATRICK ANDERSON REGARDING COSTS TO TRANSITION FROM A DEFINED BENEFIT SYSTEM TO A DEFINED CONTRIBUTION SYSTEM. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.**

Mr. Snyder reported that the OPPRS has received a letter from Senator Patrick Anderson explaining that an Interim Study is being conducted on what it would cost to transition from a defined benefit system to a defined contribution system. Mr. Snyder stated that the staff has composed a brief report for Senator Anderson, and a request to the actuary has been made to find out what the costs would be to get a report with greater detail.

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At approximately 11:30 am, Chairman Smith adjourned the meeting.

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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.