

**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**

September 15, 2010

The regular meeting of the Oklahoma Police Pension and Retirement Board was called to order by Vice Chairman Charles Kerr at approximately 9:00 a.m. on Wednesday, September 15, 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, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, Rick 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; George Tarlas, Asset Consulting Group.

MEMBERS ABSENT: W. B. Smith

* * * * *

APPROVAL OF MINUTES OF BOARD MEETING HELD AUGUST 18, 2010.

Motion by Craig Akard and second by Jim McGoodwin to approve the Minutes of the Regular Board Meeting held August 18, 2010. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Jim McGoodwin, Rick Smith and Frank Stone. Abstain: Andy McPherson and Randy Scott. Absent: W. B. Smith. Motion Carried.

* * * * *

HEARING: CASE NO. OPPERB 10-04 – MARK W. DAVIS, OKLAHOMA CITY, APPLICATION FOR DISABILITY BENEFIT IN LINE OF DUTY

Mr. Davis was not in attendance at the hearing nor was any appearance by counsel made. Mr. Snyder gave a brief update of the case to the Board and introduced the following documents into the record:

- Exhibit A – Letter to Mr. Davis setting hearing date for September 15, 2010.
- Exhibit B – Application for Disability Benefit in Line of Duty, dated June 1, 2010.
- Exhibit C – Letter from William Citty, Chief of Police, Oklahoma City, stating the Police Department has no position available for Mr. Davis, dated May 25, 2010.
- Exhibit D – Letter from Tarek Dernaika, MD, dated April 28, 2010.
- Exhibit E – Letter from Mohammad K. Ghani, MD, dated May 19, 2010.
- Exhibit F – Medical report from John Munneke, MD, dated August 30, 2010.

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

Motion by Tony Davenport and second by Craig Akard to go into Executive Session (at approximately 9:10 am). Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, Rick Smith and Frank Stone. Absent: W. B. Smith. Motion Carried.

Motion by Randy Scott and second by Craig Akard to go back into Open Session (at approximately 9:20 am). Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, Rick Smith, and Frank Stone. Absent: W. B. Smith. Motion Carried.

Motion by Tony Davenport and second by Tom Custer to award Mr. Davis a disability benefit in line of duty based on an impairment of 100% to the whole person. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, Rick Smith, and Frank Stone. Absent: W. B. Smith.

* * * * *

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

a. Application for Participation:

<u>Name</u>	<u>City</u>
Scott R. Anderson	Anadarko
Damon W. Stewart	Arapaho
Terry V. Vanzant	Checotah
Derek D. Hall	Chickasha
Charles McCollough	Coweta
Curtis C. Puckett	Coweta
Justin C. Vinson	Davis
Nathan D. Holman	Durant
Carter W. Mathews, III	Durant
David C. Crozier	Enid
Nicholas B. Mahoney	Guymon
Dustin R. Carney	Hinton
Matthew A. Adamson	Marlow
Sean D. Knight	Lindsay
Eric L. Thomas	Mustang
Shelly J. Spratt	Newcastle
LaLita K. Armer	Sallisaw
Bobby H. Qualls	Sallisaw
Shawn D. Williams	Seminole
Keith D. Denton	Tonkawa
Matthew L. Arnold	Tulsa
Brent B. Barnhart	Tulsa
Steven K. Beck	Tulsa
Brad E. Blackwell	Tulsa
Kelli W. Braitsch	Tulsa

Shaun A. Downie	Tulsa
Darin Y. Ehrenrich	Tulsa
Megan M. Elias	Tulsa
Anthony S. Finnegan	Tulsa
Thomas J. Gancarz	Tulsa
Mitchell L. Helberg	Tulsa
Clayton H. Hicks	Tulsa
Bradley R. Hill	Tulsa
Darin M. Howse	Tulsa
Adam J. James	Tulsa
Brandon M. Jarrett	Tulsa
Donnie R. Johnson, Jr.	Tulsa
Jackie L. Keeler	Tulsa
Gary J. Koenig	Tulsa
Paul A. Madden	Tulsa
Vernon P. McNeal	Tulsa
Joshua M. McMath	Tulsa
Robert C. Miller	Tulsa
Matthew S. Osborn	Tulsa
Joseph W. Sakewicz	Tulsa
Bradford G. Sharpe	Tulsa
Jeremiah J. Spencer	Tulsa
David F. Treseder	Tulsa
Tyler K. Turnbough	Tulsa
Brian W. Wilson	Tulsa
Patrick A. Yerton	Tulsa
James D. Lane	Wetumka
Raymond D. Mitchell	Woodward

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

JEFFERY S. ADAMS, ENID – REQUEST TO RESCIND APPLICATION FOR REFUND OF CONTRIBUTIONS APPROVED BY THE BOARD ON JULY 19, 2006. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by Tom Custer and second by Randy Scott to approve request to rescind application for refund of contributions from Jeffery S. Adams, Enid, approved by the Board on July 19, 2006. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, Rick Smith, and Frank Stone. Absent: W. B. Smith. Motion Carried.

* * * * *

KENNETH D. DAVIS, OKLAHOMA CITY – REQUEST TO RESCIND APPLICATION FOR PARTICIPATION IN THE OKLAHOMA POLICE DEFERRED OPTION PLAN UNDER THE BACK DROP PROVISION APPROVED ON AUGUST 18, 2010. REQUEST FOR APPROVAL FOR APPLICATION FOR PARTICIPATION IN THE OKLAHOMA POLICE DEFERRED OPTION PLAN UNDER THE BACK DROP PROVISION DATED SEPTEMBER 2, 2010. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Motion by Tony Davenport and second by Craig Akard to approve request to rescind application for participation in the Oklahoma Police Deferred Option Plan under the Back Drop Provision Approved on August 18, 2010. Request for approval for Application for Participation in the Oklahoma Police Deferred Option Plan under the Back Drop Provision dated September 2, 2010. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keesee, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, Rick Smith, and Frank Stone. Absent: W. B. Smith. 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 August 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."

* * * * *

ASSET CONSULTING GROUP – FINANCIAL CONSULTANT REPORT FOR MONTH ENDED AUGUST 31, 2010; AND DISCUSSION ON REBALANCING PORTFOLIO ASSETS AMONG VARIOUS ASSET STRATEGIES AND MANAGERS. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. George Tarlas reviewed with the Board the ASAP report for the month ended August 31, 2010 (a copy of which is attached as Exhibit "E"). As of August 31, 2010, the total Fund was approximately \$1,572,695,000.00. The one-year return net of fees for the total Fund is 6.36%.

Mr. Tarlas also reviewed with the Board the Quarterly Report for the quarter ended August 31, 2010, a copy of which is attached as Exhibit "F."

* * * * *

SECURITIES LITIGATION PRESENTATION BY JEFF BLOCK AND RICHARD LORANT – BERMAN DEVALERIO.

Mr. Block and Mr. Lorant briefly reviewed with the Board the process in which they go through to determine if a securities litigation suit needs to be filed on behalf of the Oklahoma Police Pension and Retirement System, and also gave an update on the status of the current litigation cases.

NOTE: Mr. Stone left the meeting at approximately 9:25 am.

* * * * *

DISCUSSION OF PROPOSED CHANGES TO AGENCY ORGANIZATION CHART. BOARD TO TAKE APPROPRIATE ACTION AS DEEMED NECESSARY.

Mr. Snyder explained that the proposed changes will involve one staff member assuming the functions of a staff member who recently retired. The resulting open position will then be reallocated to an additional Pension Analyst position. The change also includes adding the position of Chief Financial Officer to the organization chart to be filled at a later date.

Motion by Tom Custer and second by Tony Davenport to approve proposed changes to agency organization chart. Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, and Rick Smith. Absent: W. B. Smith and Frank Stone. Motion Carried.

* * * * *

DISCUSSION OF REPLACEMENT PROPERTY ACQUISITION. PROPOSED EXECUTIVE SESSION TO DISCUSS AND DELIBERATE REPLACEMENT PROPERTY ACQUISITION PURSUANT TO 25 O.S. § 307(B)(3).

Motion by Craig Akard and second by Jim McGoodwin to go into Executive Session for discussion (at approximately 10:15 am). Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, Rick Smith, and Frank Stone. Absent: W. B. Smith and Frank Stone. Motion Carried.

Motion by Tony Davenport and second by Jim McGoodwin to go back into Open Session (at approximately 10:25 am). Ayes: Craig Akard, Jeff Cealka, Tom Custer, Tony Davenport, Jim Keese, Charles Kerr, Susan Knight, Jim McGoodwin, Andy McPherson, Randy Scott, and Rick Smith. Absent: W. B. Smith and Frank Stone. Motion Carried.

* * * * *

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.

* * * * *

NEW BUSINESS

No new business was discussed.

* * * * *

BOARD MEMBERS' REPORTS

No discussion.

* * * * *

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

Oklahoma Public Fund Trustee Education Conference will be in Stillwater, September 22-24, 2010. International Foundation of Employee Benefit Plans Conference will be held in Honolulu, HI, November 14-17, 2010.

* * * * *

DIRECTOR'S REPORT

Investment Managers' Meeting will be held after the October Board Meeting. The annual auditor and actuary reports will be presented also at this meeting.

Mr. Snyder reported on the information Senator Patrick Anderson has requested regarding current and past funding of the Oklahoma Police Pension and Retirement System. A study is being conducted regarding converting from a defined benefit plan to a defined contribution plan.

New pension books have been mailed out to those members who have requested them. The pension book can also be found on OPPRS's website.

* * * * *

At approximately 11:25 am, Vice Chairman Kerr adjourned the meeting.

* * * * *

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.