

## MINUTES

The Oklahoma Firefighters Pension and Retirement Board met January 16, 2015 in the Lincoln Plaza Office Building at 4545 N. Lincoln Blvd., Oklahoma City, OK. Written notice was sent to Board members and interested parties, posted 24 hours before the meeting and filed with the Secretary of State in compliance with the Open Meeting Laws.

Chairman Scott Vanhorn called the meeting to order.

Members Present: Scott Vanhorn, Raanon Adams, Craig Freeman, Tom Smith, Casey Morrison, Matt Lay, Jim Long, Michael Duncan, Dana Cramer, Brandy Manek arriving at 8:45 A.M. and Frank Stone arriving at 9:05 A.M.

Others: Robert Jones, Executive Director; Duane Michael, Assistant Director; James Reynolds, Assistant Director; Terri Williams, Executive Secretary; Chase Rankin, Controller

Visitors: Troy Brown and Tim Nash, Bogdahn Group; Greg Rogers, AJO Partners; Antoinette Bing Scroggins & Randy Cain, Herndon; John Karl, WCM

Absent: Doug Jacobson and Janet Kohls

### **APPROVAL/MINUTES DATED DECEMBER 19, 2014:**

Motion was made by Mr. Cramer and seconded by Mr. Morrison to approve the minutes dated December 19, 2014. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan, Cramer, and Smith. Nays: None. Motion carried.

### **REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:**

Motion was made by Mr. Smith and seconded by Mr. Morrison to approve the Consent Agenda dated January 16, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan, Cramer, and Smith. Nays: None. Motion carried

**AJO PARTNERS/GREG ROGERS:**

Mr. Rogers gave a presentation for AJO Partners.

	3 Months Ending <u>12/31/2014</u>	1 Year Ending <u>12/31/2014</u>	3 Years Ending <u>12/31/2014</u>
AJO Partners	3.69%	10.55%	21.69%
Russell 1000 Value	4.98%	13.45%	20.89%

**HERNDON/ANTOINETTE BING SCROGGINS & RANDY CAIN:**

Ms. Bing Scroggins and Mr. Cain gave a presentation for Herndon.

	3 Months Ending <u>12/31/2014</u>	1 Year Ending <u>12/31/2014</u>	3 Years Ending <u>12/31/2014</u>
Herndon	(2.05)%	2.27%	16.39%
Russell 1000 Value	4.98%	13.45%	20.89%

**WCM/JOHN KARL:**

Mr. Karl gave a presentation for WCM.

	3 Months Ending <u>12/31/2014</u>	1 Year Ending <u>12/31/2014</u>	2 Years Ending <u>12/31/2014</u>
WCM	0.10%	1.30%	11.62%
MSCI EAFE	(3.57)%	(4.90)%	8.06%

**BOGDAHNS GROUP/ TROY BROWN & TIM NASH:**

**1. Presenting Manager Review.**

Mr. Brown and Mr. Nash reviewed the presenting managers to the Board.

**INVESTMENT COMMITTEE:**

**1. Angelo Gordon presentation on net lease realty fund investments and update.**

Mr. Adams noted that Angelo Gordon presented to the Investment Committee.

## 2. Review Investment Performance.

Mr. Brown and Mr. Nash reviewed the monthly investment performance.

	3 Months Ending <u>12/31/2014</u>	1 Year Ending <u>12/31/2014</u>	3 Years Ending <u>12/31/2014</u>
Total Fund	2.99%	6.91%	13.38%
Policy Benchmark	3.02%	8.54%	13.53%

## 3. Total Plan Investment Fee Review.

Mr. Brown provided a brief review of system investment fees.

## 4. Bogdahn Group notification of a change in internal control.

Mr. Brown and Mr. Nash reported on the internal changes that were taking place within the Bogdahn Group.

## 5. Scheduling of Manager interviews.

Mr. Brown reported that the manager interviews would be starting at 12:00 P.M. February 19, 2015 and would be done in one day.

## **MARC EDWARDS/LEGAL COUNSEL REPORT. DISCUSSION, VOTE, AND ANY OTHER NECESSARY ACTION TO IMPLEMENT DISCUSSION AND VOTE:**

1. In re: Miller Energy Resources Securities Litigation 11-cv-375 (E.D. Tenn.) (Grant)
2. In re: Lehman Brothers Equity/Debt Securities Litigation, 08-cv-5523-LAK (S.D.N.Y.) (Saxena White)
3. Oklahoma Firefighters Pension v. Jefferies Group et al, Chancery Court of Delaware, Case No.
4. Gail Failkov v. Microsoft, Case 2-13-cv-02039 USDC WD Wash (Robbins Geller)

Mr. Edwards reported that a motion to dismiss was granted by the Court, and the recommendation by Robbins Gellar was not to proceed.

5. Lang v. Towers Group International, et al, Case No. 13-CV-5282, USDC, SDNY

6. Santore, et al. v. IXIA et al., Case No. CV 13-08440, (USDC CD Calif) (Grant)
7. In re: FX Litigation, Case No. 13-cv-07789 (SDNY) (Scott & Scott)
8. Waterford Township Police and Fire Retirement System v. Ply Gem Holdings, et. Al, Case No. 14-cv-3577, (USDC SDNY)
9. Shah v. Rocket Fuel Inc., et al. Case No. 14-CV-03998 (USDC ND Calif)
10. Oklahoma Firefighters Pension v. City of Midwest City, Oklahoma County District Court, Case No. CJ-2014-3481

Mr. Edwards reported that this case was still in discovery. Mr. Edwards said since Mr. Olsen was directly affected by this case, he was going to take a more active role.

11. Oklahoma Firefighters Pension v. City of Tulsa, Tulsa County District Court, Case No. CJ-2014-02363.

Mr. Edwards reported that this case was still in discovery.

12. Report on the current status of all other litigation involving the Pension System.

Mr. Edwards said there was no litigation to report on.

**RYAN BROWN/BLACKWELL – REQUEST A HEARING TO APPEAL THE DECISION DENYING ENTRANCE INTO THE OKLAHOMA FIREFIGHTERS PENSION.**

Mr. Jones reported that Mr. Brown would not be attending the meeting this month.

**MATTHEW L. JOHNSON/JENKS - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE NOVEMBER 22, 2014:**

Motion was made by Mr. Cramer and seconded by Mr. Smith to approve the Application for “Disability in the Line of Duty”, effective November 22, 2014. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Cramer, Lay, Long, Duncan, Smith, Manek and Stone Naves: None.

**TERRY J. SCHAT/MOORE - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Morrison to approve the Application for “Disability in the Line of Duty”, effective January 1, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Cramer, Lay, Long, Duncan, Smith, Manek and Stone. Nays: None.

**GREGORY W. WALTERS/NICUT - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE DECEMBER 1, 2014:**

Motion was made by Mr. Duncan seconded by Mr. Adams to approve the Application for “Disability in the Line of Duty”, effective December 1, 2014. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: Freeman. Motion carried.

**DAVID E. IMHOFF/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Long to modify the Application for “Disability in the Line of Duty” to “Service”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

**DAVID E. IMHOFF/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Long to modify the Application for “Disability in the Line of Duty” to “Service”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

**DOUG G. POSTON/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Morrison to modify the Application for “Disability in the Line of Duty” to “Service”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

**TERRELL D. SELBY/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Freeman to modify the Application for “Disability in the Line of Duty” to “Service”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

**JIMMY D. SCHINER/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Morrison to approve the Application for “Disability in the Line of Duty”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

**CHARLES A. GOODWIN/POTEAU - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Duncan and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

**CHARLES A. GOODWIN/POTEAU - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Duncan and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

**BARRY MOLENCUPP/SAND SPRINGS - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Long and seconded by Mr. Lay to enter into Executive Session. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

Motion was made by Mr. Adams and seconded by Mr. Long to enter into Open Session. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: None. Motion carried.

Motion was made by Mr. Adams and seconded by Mr. Smith to send Mr. Molencupp to the State Doctor. Ayes: Messrs. Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Nays: Morrison. Motion carried.

**GARY L. WILLIAMS/SAPULPA - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Naves: None. Motion carried.

**JOHN DILLEY/STILLWATER - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Naves: None. Motion carried.

**MORRIS W. GERMAN/STILLWATER - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Naves: None. Motion carried.

**LESTER BALL/TAHLEUQUAH - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:**

Motion was made by Mr. Cramer and seconded by Mr. Duncan to approve the Application for “Disability in the Line of Duty”, effective January 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Stone, Manek and Smith. Naves: None. Motion carried.

**JAMES CHANEY/GLENPOOL – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:**

Motion was made by Mr. Long and seconded by Mr. Adams to approve the request to change Mr. Chaney’s pension from “Service” to “Disability in the Line of Duty” based on the medical information provided. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Stone, Manek and Smith. Naves: None. Motion carried.

**LARRY KING/OKLAHOMA CITY – REQUEST APPROVAL TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY:**

Motion was made by Mr. Cramer and seconded by Mr. Adams to approve the request to change Mr. King’s pension from “Service” to “Disability in the Line of Duty” based on the medical information provided. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Stone, Manek and Smith. Nays: None. Motion carried.

**BRUCE W. WHITE/OKLAHOMA CITY – REQUEST APPROVAL TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”**

Motion was made by Mr. Long and seconded by Mr. Morrison to deny the request to change Mr. White’s pension from “Service” to “Disability in the Line of Duty” and contact him for further directions. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Stone, Manek and Smith. Nays: None. Motion carried

**KEVIN FERGUSON/TULSA – REQUEST APPROVAL TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”**

Motion was made by Mr. Long and seconded by Mr. Lay to approve the request to change Mr. Ferguson’s pension from “Service” to “Disability in the Line of Duty” based on the medical information provided. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Stone, Manek and Smith. Nays: None. Motion carried.

**FRANK STONE LEFT THE MEETING AT 11:50 A.M.**

**JAMES WARDEN/CLAREMORE – SUBMISSION OF ADDITIONAL MEDICAL INFORMATION BY STATE BOARD’S DOCTOR:**

Motion was made by Mr. Morrison and seconded by Mr. Duncan to have the staff notify Mr. Warden to get corrected seconded doctors letter. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Manek and Smith. Nays: None. Motion carried.

**RECEIVE & FILE:**

1. IPG (Dividend) \$151.62 – December 2014

Motion was made by Mr. Morrison and seconded by Mr. Cramer to approve the above listed receive and file. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Manek and Smith. Nays: None. Motion carried.

**BRANDY MANEK LEFT THE MEETING AT 11:52 A.M.**

**ROBERT JONES/EXECUTIVE DIRECTOR REPORT:**

Mr. Michael reported that Concur was the new travel agent for the Pension System for all approved travel.

Mr. Michael reported that a status letter had been sent to the Pension Technology Group in regards to the data system conversion.

Mr. Michael reported that State Leasing had approved for the Pension System to relocate. He said they would be going out for bids and realtors would be submitting proposals.

**DISCUSSION ON TRAVEL REIMBURSED BY THE SYSTEM. BOARD TO TAKE APPROPRIATE ACTION.**

Motion was made by Mr. Long and seconded by Mr. Morrison to approve travel for Raanon Adams and Jim Long to attend the Pension Bridge Conference in San Francisco, CA. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, and Smith. Nays: None. Motion carried.

**QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:**

**OLD BUSINESS:**

**NEW BUSINESS:**

**NEXT MEETING DATE:**

The Oklahoma Firefighters Pension and Retirement Board will meet February 19, 2015 at 8:30 A.M. at the Lincoln Plaza Office Building at 4545 N. Lincoln Blvd., Oklahoma City, OK.

**ADJOURNMENT:**

Chairman Scott Vanhorn adjourned the Board meeting at 11:58 A.M.

Submitted by Terri L. Williams, Executive Secretary.