

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met March 20, 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, Janet Kohls.

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

Visitors: Troy Brown and Tim Nash, Bogdahn Group; Peter Latara, and William Rector, Fred Alger; Robert Zimmer, Clarivest Asset Management; Chuck Stolfa, Andrey Kutuzov and Priyanshu Mutreja, Wasatch Advisors

Absent: Doug Jacobson, Brandy Manek and Frank Stone

APPROVAL/MINUTES DATED FEBRUARY 20, 2015:

Motion was made by Mr. Cramer and seconded by Mr. Morrison to approve the minutes dated February 20, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan, Cramer, Kohls, 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 March 20, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan, Cramer, Kohls, and Smith. Nays: None. Motion carried.

FRED ALGER/PETER LATARA:

Mr. Latara gave a presentation for Fred Alger.

	3 Months Ending <u>02/28/2015</u>	1 Year Ending <u>02/28/2015</u>	3 Years Ending <u>02/28/2015</u>
Fred Alger	4.63%	17.05%	20.09%
Russell 1000 Growth	3.94%	16.24%	18.05%

CLAIRVEST ASSET MANAGEMENT/WILLIAM RECTOR & ROBERT ZIMMER:

Mr. Rector and Mr. Zimmer gave a presentation for Clairvest Asset Management.

	3 Months Ending <u>02/28/2015</u>	1 Year Ending <u>02/28/2015</u>	2 Years Ending <u>02/28/2015</u>
Clairvest Asset Management	(0.27)%	8.60%	1.45%
MSCI Emerging Markets	(1.07)%	5.01%	(0.65)%

WASATCH ADVISORS/CHUCK STOLFA, ANDREY PRIYANSHU MUTREJA AND ANDREY KUTUZOV:

Mr. Stolfa, Mr. Kutuzov and Mr. Mutreja made a presentation for Wasatch Advisors.

	3 Months Ending <u>02/28/2015</u>	1 Year Ending <u>02/28/2015</u>	2 Years Ending <u>02/28/2015</u>
Wasatch Advisors	(0.17)%	5.05%	(1.26)%
MSCI Emerging Markets	(1.07)%	5.01%	(0.65)%

BOGDAHN GROUP/ TROY BROWN, TIM NASH & JEFF GABRIONE:

1. Presenting Manager Review.

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

INVESTMENT COMMITTEE:

1. Review Investment Performance.

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

	3 Months Ending <u>02/28/2015</u>	1 Year Ending <u>02/28/2015</u>	3 Years Ending <u>02/28/2015</u>
Total Fund	2.79%	8.88%	11.94%
Policy Benchmark	2.42%	9.80%	12.13%

2. Investment Policy Statement red line review regarding change in international equity asset allocation and final approval.

Motion was made by Mr. Adams and seconded by Mr. Morrison to accept changes to the Investment Policy regarding the change in international equity asset allocation and final approval. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan, Smith, and Kohls. Naves: Dana Cramer. Motion carried.

3. GTTA and Hedge Fund RFP discussion and final selection.

Motion was made by Mr. Adams and seconded by Mr. Long to invest \$75 million with the Permal Group in a new custom fund of fund hedge funds and the custom strategy will be designed with the assistance of Permal and presented to the Board for approval at a future meeting and invest \$50 million with Allianz Global Investors in their DMAP strategy in a new Global Tactical Asset Allocation commingled fund. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan, Smith, and Kohls. Naves: Dana Cramer. Motion carried.

4. Discussion and Possible vote regarding federal securities class action against Coupons.com.

There was no action taken on this item.

GASB 68 REQUIRED DISCLOSURE REPORT ON PENSION LIABILITY ALLOCATION TO PARTICIPATING MUNICIPALITIES – FINLEY & COOK/NATHAN ATCHISON & TIM VANHORN:

Mr. Atchison presented the GASB 68 required disclosure report to the Board. The report will be posted on the System website.

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. Lang v. Towers Group International, et al, Case No. 13-CV-5282, USDC, SDNY
5. Santore, et al. v. IXIA et al., Case No. CV 13-08440, (USDC CD Calif) (Grant)
6. In re: FX Litigation, Case No. 13-cv-07789 (SDNY) (Scott & Scott)

Mr. Edwards presented a proposed settlement by a group of defendants and he recommended approval.

Motion was made by Mr. Long and seconded by Mr. Morrison to approve the proposed settlement. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Cramer, Lay, Long, Duncan, Smith and Kohls. Nays: None. Motion carried.

7. Waterford Township Police and Fire Retirement System v. Ply Gem Holdings, et. Al, Case No. 14-cv-3577, (USDC SDNY)
8. Shah v. Rocket Fuel Inc., et al. Case No. 14-CV-03998 (USDC ND Calif)
9. Oklahoma Firefighters Pension v. City of Midwest City, Oklahoma County District Court, Case No. CJ-2014-3481
10. Oklahoma Firefighters Pension v. City of Tulsa, Tulsa County District Court, Case No. CJ-2014-02363.

Mr. Edwards reported that there was a proposed settlement offer from the City of Tulsa. He stated that he was in the process of evaluating the proposal.

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

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

WILLIAM MCCAINE III/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MARCH 1, 2015:

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

JOHN E. YORK/OWASSO - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MARCH 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 March 1, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Cramer, Lay, Long, Duncan, Smith, and Kohls. Nays: None. Motion carried.

BILLY D. WARREN JR./TULSA - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MARCH 1, 2014:

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

JOHN F. COATS/TULSA - APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY” PENSION, EFFECTIVE FEBRUARY 11, 2015:

Motion was made by Mr. Smith and seconded by Mr. Duncan to approve the Application for “Disability Not in the Line of Duty” effective February 11, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Kohls, and Smith. Nays: None. Motion carried.

JED SCAMMON/TULSA – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

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

BARRY MOLDENCUPP/SAND SPRINGS – REQUEST APPROVAL TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY:

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the request to change Mr. Moldencupp’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, Kohls, and Smith. Nays: None. Motion carried.

TERRY W. MIDDLETON/MACOMB – DECLARE AS A DEATH IN THE LINE OF DUTY – DECEASED JANUARY 19, 2015:

Motion was made by Mr. Long and seconded by Mr. Smith to declare Mr. Middleton’s death as in the Line of duty”. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Kohls, and Smith. Nays: None. Motion carried.

RECEIVE & FILE:

1. Insurance Premium Tax - \$2,753,230.36 – March

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

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Mr. Jones reported on House Bill 2005.

Mr. Michael reported on the office space and the data system conversion.

Mr. Rankin reported on the Quarterly Internal Audit report. Mr. Rankin said the Pension System had no issues for the quarter.

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

Motion was made by Mr. Morrison and seconded by Mr. Smith to approve travel for Robert Jones, Matt Lay, Dana Cramer, Janet Kohls, Michel Duncan and Jim Long to attend the OPAL Conference in Newport, RI. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Kohls, 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 April 17, 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 11:40 A.M.

Submitted by Terri L. Williams, Executive Secretary.