

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met November 21, 2014 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, Janet Kohls, Michael Duncan, Dana Cramer arriving at 8:40 A.M. and Brandy Manek arriving at 9:00 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 Zavoyna, Brandywine; John Lynch & Michael Mow, Chautauqua Capital Management; William Conrad & Kevin Brown, Jackson Square Partners

Absent: Doug Jacobson and Frank Stone

APPROVAL/MINUTES DATED OCTOBER 17, 2014:

Motion was made by Mr. Long and seconded by Mr. Morrison to approve the minutes dated October 17, 2014. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan Kohls and Smith. Naves: None. Motion carried.

AMENDMENT/MINUTES DATED SEPTEMBER 19, 2014 TO REFLECT THAT ERVIN WYATT'S PENSION WAS APPROVED AS A "SERVICE" PENSION NOT "DISABILITY IN THE LINE OF DUTY" PENSION:

Motion was made by Mr. Lone and seconded by Mr. Lay to approve the amendment to reflect that Ervin Wyatt's pension was approved as a "Service" pension not "Disability in the Line of Duty". Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan Kohls and Smith. Naves: None. Motion carried.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Long and seconded by Mr. Morrison to approve the Consent Agenda dated November 21, 2014. Ayes: Messrs. Morrison, Adams, Freeman, Stone, Lay, Vanhorn, Kohls, Duncan, Smith, and Long. Nays: None. Motion carried.

BRANDYWINE/GREG ZAVOYNA:

Mr. Zavoyna gave a presentation for Brandywine.

	3 Months Ending <u>10/31/2014</u>	1 Year Ending <u>10/31/2014</u>	3 Years Ending <u>10/31/2014</u>
Brandywine	0.01%	6.63%	5.49%
Citigroup WGBI	(3.11)%	(1.28)%	(0.78)%

CHAUTAUQUA CAPITAL MANAGEMENT/JOHN LYNCH & MICHAEL MOW:

Mr. Lynch and Mr. Mow gave a presentation for Chautauqua Capital Management.

	3 Months Ending <u>10/31/2014</u>	1 Year Ending <u>10/31/2014</u>	3 Years Ending <u>10/31/2014</u>
Chautauqua Capital Management	(3.28)%	2.70%	11.12%
MSCI EAFE	(5.39)%	(0.60)%	12.30%

JACKSON SQUARE PARTNERS/WILLIAM CONRAD:

Mr. Conrad and Mr. Nash gave a presentation for Jackson Square Partners.

	3 Months Ending <u>10/31/2014</u>	1 Year Ending <u>10/31/2014</u>	3 Years Ending <u>10/31/2014</u>
Jackson Square	4.43%	6.25%	15.23%
Russell 2500 Growth	5.31%	10.24%	18.64%

BOGDAHN GROUP/ TROY BROWN & TIM NASH:

1. Presenting Manager Review.

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

INVESTMENT COMMITTEE:

1. Medley Opportunity Fund II LP presentation by Medley Capital.

Mr. Adams reported that Medley Capital made a presentation at the last Investment Committee meeting regarding an update of Fund II and to announce as opportunity to participate in Fund III.

2. Review Investment Performance including quarterly portfolio, private investment and IPS review.

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

	3 Months Ending <u>10/31/2014</u>	1 Year Ending <u>10/31/2014</u>	3 Years Ending <u>10/31/2014</u>
Total Fund	2.19%	9.34%	12.50%
Policy Benchmark	2.40%	10.32%	13.01%

3. Fund of Hedge Fund Candidate review.

Mr. Adams reported that the Investment Committee had selected six candidates for further evaluations as follows: Carlson Capital, Cube Capital, Evanston Capital, Skybridge Capital, The Permal Group & Titan Advisors.

4. GTAA candidate review.

Mr. Adams reported that the Investment Committee had selected four candidates for further evaluations as follows: Allianz Global, Black Rock, Parazol Investment, and Westwood Management.

Mr. Nash and Mr. Brown said they will review further evaluate these candidates and present to the Investment Committee in December.

5. Discussion of recommendation to increase Capital Dynamics private equity secondary commitment from \$40 to \$ 50 million.

Motion was made by Mr. Adams and seconded by Mr. Morrison to increase Capital Dynamics private equity secondary commitment from \$40 to \$50 million subject to approval by the General Counsel. Messrs. Morrison, Lay, Freeman, Cramer, Adams, Duncan, Kohls, Vanhorn, Long, Manek and Smith. Naves: None. Motion carried.

6. Discussion on Salix Pharmaceuticals securities litigation.

This issue will be addressed in December.

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.

Motion was made by Mr. Morrison and seconded by Mr. Adams to agree to the settlement as set forth in memo by Saxena White. Messrs. Morrison, Lay, Freeman, Cramer, Adams, Duncan, Kohls, Vanhorn, Long, Manek and Smith. Nays: None. Motion carried.

4. Reinschmidt v. Zillow, Inc. et al, Securities Litigation, Western

Mr. Edwards reported that this case was concluded.

5. Gail Failkov v. Microsoft, Case 2-13-cv-02039 USDC WD Wash (Robbins Geller)
6. Lang v. Towers Group International, et al, Case No. 13-CV-5282, USDC, SDNY
7. Santore, et al. v. IXIA et al., Case No. CV 13-08440, (USDC CD Calif) (Grant)
8. In re: FX Litigation, Case No. 13-cv-07789 (SDNY) (Scott & Scott)
9. OFP v. K12, Inc. et al., Case No. 1:14-cv-01008 (USDC ED of Virginia) (BTBG)

Mr. Edwards reported that a motion to dismiss was granted on November 15, 2014.

10. Abdul Awad. Et al. v. Herbalife, Ltd. Et al., Case No. CV 14-02850, (USDC CD Calif) (Saxena White)
11. Waterford Township Police and Fire Retirement System v. Ply Gem

Holdings, et. Al, Case No. 14-cv-3577, (USDC SDNY)

12. Shah v. Rocket Fuel Inc., et al. Case No. 14-CV-03998 (USDC ND Calif)
13. Oklahoma Firefighters Pension v. City of Midwest City, Oklahoma County District Court, Case No. CJ-2014-3481

Mr. Edwards reported that Mr. Olsen is going to an intervention and will proceed with the case on December 5, 2014.

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

Mr. Edwards reported that he was still working on this case.

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

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

UEL D. LESPERANCE/BROKEN ARROW - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE NOVEMBER 1, 2014:

Motion was made by Mr. Cramer and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective November 1, 2014. Ayes: Messrs. Morrison, Lay, Freeman, Cramer, Adams, Duncan, Kohls, Vanhorn, Long, Manek and Smith. Naves: None. Motion carried.

MICHAEL T. MARTIN/INOLA - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE SEPTEMBER 27, 2014:

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective September 27, 2014. Ayes: Messrs. Morrison, Vanhorn, Lay, Cramer, Duncan, Long, Freeman, Adams, Smith, Manek and Kohls. Naves: None. Motion carried.

KEVIN S. GOODNIGHT/MOORE - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE NOVEMBER 1, 2014:

Motion was made by Mr. Long seconded by Mr. Morrison to approve the Application for “Disability in the Line of Duty”, effective November 1, 2014. Ayes: Messrs. Morrison, Lay, Vanhorn, Kohls, Freeman, Long, Cramer, Duncan, Adams, Manek and Smith. Naves: None. Motion carried.

TIMOTHY D. SUCHY/NORMAN - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE NOVEMBER 1, 2014:

Motion was made by Mr. Cramer and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective November 1, 2014. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Manek, Cramer, Adams, Duncan, Kohls, and Smith. Naves: None. Motion approved.

JOSHUA L. KRUMM/SKIATOOK – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE OCTOBER 10, 2014:

Motion was made by Mr. Long and seconded by Mr. Lay to refer Mr. Krumm to the State doctor for further review. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Kohls, Manek, Cramer, Duncan, Adams, Freeman, and Smith. Naves: None. Motion carried.

DAVID KANNADY/TULSA – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE NOVEMBER 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 November 1, 2014. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Freeman, Kohls, Manek, Cramer, Adams, Duncan and Smith. Naves: None. Motion carried.

STEVEN S. MILLS/TULSA – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE NOVEMBER 1, 2014:

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective November 1, 2014: Messrs. Morrison, Lay, Vanhorn, Long, Freeman, Kohls, Cramer, Duncan, Manek, Adams and Smith. Naves: None. Motion carried.

JAMES D. SMITH/COYLE – APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY” PENSION, EFFECTIVE SEPTEMBER 29, 2013:

Motion was made by Mr. Long and seconded by Mr. Morrison to modify the Application for “Disability Not in the Line of Duty”, to “Disability in the Line of Duty” effective September 29, 2013: Messrs. Morrison, Lay, Vanhorn, Long, Freeman, Kohls, Cramer, Duncan, Manek, Adams and Smith. Naves: None. Motion carried.

BILLY GRAHAM/BROKEN ARROW – REQUEST TO CHANGE PENSION

FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

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

GREG NEELY/BROKEN ARROW – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Cramer and seconded by Mr. Long to approve the request to modify the pension to “Disability in the Line of Duty” based on the medical information provided. Ayes: Messrs. Lay, Long, Cramer, Adams, Duncan and Smith. Nays: Kohls, Manek, Morrison, Freeman, and Vanhorn. Motion denied.

RECEIVE & FILE:

1. Russell Investments - \$19,860.67 – October 2014
2. ATTM Settlement - \$7.62 – November 2014
3. Insurance Premium Tax - \$71,106.84 – November 2014

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

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Duane Michael reported that they were scheduled to meet the vendors regarding the member record system conversion, but the meeting had to be rescheduled until the following week.

Mr. Jones announced that the System would start searching for new office space because the current building may not be available after June 30, 2015.

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

Motion was made by Mr. Cramer and seconded by Mr. Morrison to approve travel for Robert Jones to attend the OPAL Conference in Scottsdale Arizona in January.

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

OLD BUSINESS:

NEW BUSINESS:

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet December 19, 2014 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 10:55 A.M.

Submitted by Terri L. Williams, Executive Secretary.