

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met October 19, 2012 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 Gerald Garrett called the meeting to order.

Members Present: Gerald Garrett, Casey Morrison, Scott Vanhorn, Dana Cramer, Jim Long, Bob Allen, Janet Kohls, Raanon Adams, Anita Breen, and Frank Stone arriving at 9:00 A.M.

Others: Robert Jones, Executive Director; James Reynolds, Assistant Director; Duane Michael, Assistant Director; Terri Williams, Executive Secretary; Marc Edwards, General Counsel

Visitors: Tom Yanish, Asset Consulting Group; Craig Truitt & Tim Berry, Private Advisors; Warren DeKinder, INTEC; Greg Zavoyna, Brandywine; Cindy Birley, Davis Graham & Stubbs

Absent: Doug Jacobson, David Thompson, and Brandy Manek

APPROVAL/MINUTES DATED SEPTEMBER 21, 2012:

Motion was made by Mr. Cramer and seconded by Mr. Long to approve the minutes dated September 21, 2012. Ayes: Messrs. Garrett, Morrison, Vanhorn, Adams, Cramer, Long, Breen, Allen, and Kohls. Nays: None. Motion carried.

PRIVATE ADVISORS/CRAIG TURITT & TIM BERRY:

Mr. Truitt & Mr. Berry gave a presentation for Private Advisors.

	3 Months Ending <u>09/30/2012</u>	1 Year Ending <u>09/30/2012</u>	3 Years Ending <u>09/30/2012</u>
Private Advisors	2.12%	4.07%	5.10%
HFRI FOF Conservative	1.64%	2.41%	1.59%

INTECH/WARREN DEKINDER:

Mr. DeKinder gave a presentation for INTECH.

	3 Months Ending <u>09/30/2012</u>	1 Year Ending <u>09/30/2012</u>	3 Years Ending <u>09/30/2012</u>
INTECH	6.54%	29.72%	14.11%
S & P 500	6.35%	30.20%	13.20%

BRANDYWINE ASSET MANAGEMENT/GREG ZAVOYNA:

Mr. Zavoyna gave a presentation for Brandywine Asset Management.

	3 Months Ending <u>9/30/2012</u>	1 Year Ending <u>9/30/2012</u>	3 Years Ending <u>9/30/2012</u>
Brandywine Global Fixed Inc.	5.28%	11.75%	11.30%
Citigroup WGBI (All)	2.99%	3.29%	4.29%

ASSET CONSULTING GROUP/TOM YANISH:

1. Presenting Manager Review.

Mr. Yanish Pulos reviewed the presenting manager to the Board.

INVESTMENT COMMITTEE/CASEY MORRISON – CHAIRMAN:

1. Review Investment performance.

Mr. Yanish reviewed the monthly investment performance.

	3 Months Ending <u>09/30/2012</u>	1 Year Ending <u>09/30/2012</u>	3 Years Ending <u>09/30/2012</u>
Total Fund	4.56%	17.63%	8.77%
Policy Benchmark	4.70%	19.53%	10.07%

2. Analysis of long short equity and low volatility hedge fund allocations.

Mr. Yanish reported that the issue was discussed at the Investment Committee.

3. Review status of investment consultant search.

Mr. Morrison reported that Clarivest will report to the Board next month regarding ownership change.

Mr. Morrison reported that the Investment Committee will meet to review the bids for the investment consultant search on November 7, 2012 at 9:00 A.M.

RULES COMMITTEE/SCOTT VANHORN – CHAIRMAN:

1. Federal income tax withholding on Plan B (DROP) Payment as compared to Plan A monthly pension or disability payments.

Cindy Birley informed the Board on the IRS rules regarding mandatory withholding.

2. Amendment to Administrative Rules.

Cindy Birley explained the proposed rule changes to the Board.

Motion was made by Mr. Vanhorn and seconded by Mr. Garrett to open the rule process and to post the new proposed rules in the OSFA paper. Ayes: Messrs. Garrett, Morrison, Vanhorn, Cramer, Long, Allen, Kohls, Adams, Breen and Stone. Nays: None. Motion carried.

3. Description of Organization 270:1-1-2.

No action was taken on this matter.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Cramer and seconded by Mr. Vanhorn to approve the Consent Agenda dated October 19, 2012. Ayes: Messrs. Garrett, Morrison, Cramer, Vanhorn, Cramer. Adams, Long, Allen, Kohl's, Breen, and Stone. Motion carried.

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

1. Minneapolis Firefighters Relief Association v. Medtronic, Inc. et el, USDC, Minnesota, Case No. 0:08-CV-06324
2. Kinnett v. Strayer Education, Inc. 10-cv-2317 SDM (D.M.D. Fla.) (Bernstein)

3. In re: Finical Corp. Sec. Litig., 11-cv-1252-EJD (AFT) (Waddell)
4. In re: Miller Energy Resources Securities Litigation 11-cv-375 (E.D. Tenn.) (Grant)
5. Greg Young vs. Pacific Biosciences of CA, Inc., et al. CIV 509210 Cal Superior Court, San Mateo Div. (Robbins)
6. Oklahoma Firefighters Pension & Retirement System v. Student Loan Corp., et al. 12-cv-895-NRB (S.D.N.Y.) (Grant)
7. In re: Lehman Brothers Equity/Debt Securities Litigation, 08-cv-5523-LAK (S.D.N.Y.) (Saxena White)
8. City of Henryetta v. Oklahoma Firefighters Pension and Retirement System and Raymond Eldridge, Oklahoma County District Court, Case No. CV-2012-772. (PM)

Mr. Edwards reported that this case was still ongoing. Mr. Edwards said he was preparing a brief for December 19, 2012.

9. Harrison v. MAKO Surgical Corp., No. 12-cv-60875 (S.D. Fla. May 10, 2012. (Labaton)
10. Report on the current status of all other litigation involving the Pension System.

Mr. Edwards said there was nothing new to report.

FINLEY & COOK – NATHANIEL ATCHION & KYLER DOVER – AUDIT REPORT:

Mr. Atchison and Mr. Dover presented the Audit report to the Board.

BUCK CONSULTANTS – DAVID KENT – ACTUARY REPORT:

Mr. Kent presented the Actuary report to the Board.

MARK A. FENNEL/MIDWEST CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE SEPTEMBER 21, 2012:

Motion was made by Mr. Long and seconded by Mr. Morrison to approve the Application for “Disability in the Line of Duty”, effective September 21, 2012. Ayes: Messrs. Garrett, Morrison, Vanhorn, Breen, Stone, Cramer, Adams, Long, Allen, and Kohl’s. Nays: None. Motion carried.

STARLAND DAVIS JR./PRAGUE - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE OCTOBER 6, 2012:

Motion was made by Mr. Long and seconded by Ms. Kohl's to send Mr. Davis to the State doctor for further review. Messrs. . Garrett, Morrison, Vanhorn, Breen, Stone, Cramer, Adams, Long, Allen, and Kohl's. Nays: None. Motion carried.

JOHN C. KING/SAPULPA - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE OCTOBER 13, 2012:

Motion was made by Mr. Long and seconded by Mr. Vanhorn to approve Mr. McGee's request to change his pension from “Service” to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohls. Nays: None. Motion carried.

JESS W. FOREST/TULSA – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE SEPTEMBER 1, 2012:

Motion was made by Mr. Cramer and seconded by Mr. Vanhorn to approve the Application for “Application for Disability in the Line of Duty” pension, effective September 1, 2012. Ayes: Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohls. Nays: None. Motion carried.

ARNOLD LONG/CLAREMORE – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Morrison and seconded by Mr. Long to approve the request of Mr. Long to change the pension from “Service” to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohl's. Nays: None. Motion carried.

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

Motion was made by Mr. Long and seconded by Mr. Stone to deny the Mr. Fugate's request to change his pension from “Service” to “Disability in the Line of Duty”. Ayes: Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohl's. Nays: None. Motion carried.

DENNIS L. DOBBS/OKLAHOMA CITY – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Stone and seconded Kohls to deny the application to change the pension to Disability in the Line of Duty”. Messrs: Ayes: Garrett, Breen, Stone, Cramer, and Kohls. Nays: Adams. Allen, Long, Morrison, and Vanhorn. Motion denied.

Motion was made by Mr. Long and seconded by Mr. Adams to send Mr. Dobbs to the State Doctor for further review. Ayes: Messrs. Garrett, Vanhorn, Breen, Adams, Long, Thompson, Manek, Allen and Kohl's. Nays: Stone. Motion carried.

CURTIS SPEEGLE/OKLAHOMA CITY – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Long and seconded by Mr. Vanhorn to approve the request of Mr. Vanhorn to change the pension from “Service” to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohl's. Nays: None. Motion carried.

LARRY GOOCH/DEL CITY – RECONSIDERATION OF DENIAL OF CHANGE FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY” AS REQUESTED BY BOARD MEMBER SCOTT VANHORN:

Motion was made by Mr. Long and seconded by Mr. Morrison to deny Mr. Gooch's request for “Disability in the Line of Duty” pension. Ayes: Messrs. Long and Mr. Morrison. Nays: Garrett, Vanhorn, Breen, Stone, Cramer, Adams, Allen and Kohl. Motion denied.

The Board asked Mr. Jones to write a letter to Mr. Gooch explaining his rights to appeal the Board's decision.

RECEIVE & FILE:

1. Insurance Premium Tax - \$12,850,053.21 October 2012
2. Interpublic Group - \$95.76 – September 2012
3. Realty Associates Advisors - \$555,305.00 (Dividends) – October 2012

Motion was made by Mr. Vanhorn and seconded by Ms. Kohl's to approve the above listed receive and file. Ayes: Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohl's. Nays: None. Motion carried.

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Mr. Jones reported on the articles in The Daily Oklahoman related to the needs of the Pension System.

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

Motion was made by Mr. Long and seconded by Ms. Kohls to approve travel to the annual NCEPRS conference. Ayes: Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohl's. Nays: None. Motion carried.

Motion was made by Mr. Vanhorn and seconded by Mr. Long to approve for David Thompson and Dana Cramer to attend the Koried Conference. Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohl's. Nays: None. Motion carried.

Motion was made by Mr. Allen and seconded by Ms. Kohls for Robert Jones to attend the Global Indexing & ETFs Conference in Phoenix, Arizona. Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohl's. Nays: None. Motion carried.

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

NEW BUSINESS:

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet November 16, 2012 at 8:30 A.M. at the Lincoln Plaza Office Building at 4545 N. Lincoln Blvd., Oklahoma City, OK.

ADJOURNMENT:

Motion was made by Ms. Kohls to adjourn the Board meeting at 1:08 P.M.

Submitted by Terri L. Williams, Executive Secretary.