

## MINUTES

The Oklahoma Firefighters Pension and Retirement Board met July 20, 2018, in the Salvation Army Building at 6601 Broadway Ext., Suite 100, 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 Matt Lay called the meeting to order.

Members Present: Matt Lay, Mike Kelley, Scott Vanhorn, Eric Harlow, Jim Long, Dana Cramer, Cliff Davidson, Dereck Cassady, Craig Freeman, Buddy Combs, Janet Kohls and Juan Rodriguez.

Others: Chase Rankin, Executive Director; Duane Michael, Assistant Director; James Reynolds, Assistant Director; Terri Williams, Executive Secretary; Marc Edwards, Legal Counsel

Visitors: Janna Hamilton & Jeffrey Detwiler, Garcia Hamilton; Gary Welchel & Phyllis Kyle, Orleans; Troy Brown & Tim Nash, &Co

Absent: Brandy Manek

### **ELECTION OF CHAIRMAN OF THE BOARD:**

Motion was made by Mr. Davidson and seconded by Mike Kelley to elect Dereck Cassady as Chairman of the Board. Ayes: Messrs. Lay, Cramer, Davidson, Kelley, Cassady, Long, Vanhorn, Harlow, Freeman, Combs, Kohls and Rodriguez. Nays: None. Motion carried.

### **ELECTION OF VICE-CHAIRMAN OF THE BOARD:**

Motion was made by Mr. Harlow and seconded by Mr. Davidson to elect Mike Kelley as Vice-Chairman of the Board. Ayes: Messrs. Lay, Cramer, Davidson, Kelley, Cassady, Long, Vanhorn, Harlow, Freeman, Combs, Kohls and Rodriguez. Nays: None. Motion carried.

**APPROVAL/MINUTES DATED JUNE 22, 2018:**

Motion was made by Mr. Kelley and seconded by Mr. Vanhorn to approve the minutes dated June 22, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Kelley, Cassady, Long, Vanhorn, Harlow, Freeman, Combs, Kohls and Rodriguez. Nays: None. Motion carried.

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

Motion was made by Mr. Kelley and seconded by Mr. Harlow to approve the Consent Agenda dated July 20, 2018. Ayes: Messrs. Lay, Duncan, Cramer, Kelley, Vanhorn, Harlow, Kohls, Cassady, Rodriguez, Davidson, Combs and Long. Nays: None. Motion carried.

**APPOINTMENT OF INVESTMENT AND RULES COMMITTEE:**

Mr. Cassady appointed Chairman, Mike Kelley; Vice-Chairman Eric Harlow; Craig Freeman, Dana Cramer and Matt Lay to the Investment Committee.

Mr. Cassady appointed Chairman Eric Harlow; Vice-Chairman Cliff Davidson, Scott Vanhorn, Juan Rodriguez, and Jim Long to the Rules Committee.

**GARCIA HAMILTON/JANNA HAMILTON & JEFFREY DETWILER:**

Ms. Hamilton and Mr. Detwiler gave a presentation for Garcia Hamilton.

	3 Months Ending <u>06/30/2018</u>	1 Year Ending <u>06/30/2018</u>	3 Years Ending <u>06/30/2018</u>
Garcia Hamilton	0.72%	1.51%	2.96%
BBG Barc Agg Bd	-0.16%	-0.40%	1.72%

**ORLEANS/GARY WELCHEL & PHYLLIS KYLE:**

Mr. Welchel and Ms. Kyle gave a presentation for Orleans.

	3 Months Ending <u>06/30/2018</u>	1 Year Ending <u>06/30/2018</u>	3 Years Ending <u>06/30/2018</u>
Orleans	0.03%	-0.34%	2.03%
BBG Barc Agg Bd.	-0.16%	-0.40%	1.72%

**&CO CONSULTING/TROY BROWN & TIM NASH:**

**1. Presenting Manager Review.**

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

**INVESTMENT COMMITTEE/DERECK CASSADY - CHAIRMAN:**

1. Review BATTEA Class Action Services.

Motion was made by Mr. Kelley and seconded by Mr. Lay to hire BETTEA Class Action Services. Ayes: Messrs. Lay, Duncan, Cramer, Kelley, Vanhorn, Harlow, Kohls, Cassady, Rodriguez, Davidson, Combs and Long. Nayas: None. Motion carried.

2. Review Investment Performance.

	3 Months Ending <u>06/30/2018</u>	1 Year Ending <u>06/30/2018</u>	3 Years Ending <u>06/30/2018</u>
Total Fund	1.70%	11.76%	8.93%
Policy	1.95%	8.91%	8.01%

3. Review Hall Capital Real Estate Fund II.

Motion was made by Mr. Kelley and seconded by Mr. Vanhorn invest \$15 million in Hall Capital Real Estate Fund II. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Combs, Cramer, Davidson, Long, Kohls, Vanhorn, Kelley and Rodriguez. Nayas: None. Motion carried.

4. Trustee Education.

5. Recommendation by Robbins Geller to seek lead plaintiff in a class action against Unum Group.

No action recommended by General Counsel.

6. Recommendation by Berman Tobacco and Levi Korinsky to seek lead plaintiff in an action against Symantec Corporation.

No action recommended by General Counsel.

**STEVE RUTHER/ENID – REQUEST FOR HEARING:**

Attorney David Henneke discussed Mr. Ruther's request to the Board.

1. Executive Session if deemed necessary by Legal Counsel pursuant to 25 O.S. Section 307 B (1).

**Craig Freeman left the meeting at 10:30 A.M.**

2. Vote to Enter into Executive Session.

Motion was made by Mr. Vanhorn and seconded by Mr. Combs to enter into Executive Session. Ayes: Messrs. Lay, Cassady, Harlow, Combs, Cramer, Davidson, Long, Kohls, Vanhorn, Kelley and Rodriguez. Nays: None. Motion carried.

3. Discussion on Administrative Hearing regarding application by Steve Ruther.
4. Vote to enter into Open Session.

Motion was made by Mr. Long and seconded by Mr. Harlow to enter into Open Session. Ayes: Messrs. Lay, Cassady, Harlow, Combs, Cramer, Davidson, Long, Kohls, Vanhorn, Kelley and Rodriguez. Nays: None. Motion carried.

Motion was made by Mr. Kelly and seconded by Mr. Lay to deny the request made by Steve Ruther. Ayes: Messrs. Lay, Cassady, Harlow, Combs, Cramer, Davidson, Long, Kohls, Vanhorn, Kelley and Rodriguez. Nays: None. Motion carried.

General Counsel Marc Edwards will prepare the final order.

**GERALD GARRETT, CASEY MORRISON, T.K. BOYDSTUN, RYAN GARRETT, BRYAN FULLER AND DANE SCHEUERMAN V. OFPRS AND OFPRB, CV-2018-1327, DISTRICT COURT, OKLAHOMA COUNTY**

1. Executive Session if deemed necessary by Legal Counsel pursuant to 25 O.S. Section 307 B (1).
2. Vote to Enter into Executive Session.
3. Discussion on receipt of lawsuit.
4. Vote to enter into Open Session.

No action was taken.

Mr. Edwards reported that the above referenced lawsuit had been filed against the Pension System and Pension Board, although no individual Board Members are named. Additionally, a request for a temporary restraining order/temporary injunction was filed. A response will be filed and a hearing will be held on August 10 in Oklahoma City

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

1. In re: FX Litigation, Case No. 13-cv-07789 (SDNY) (Scott & Scott)
2. Avila, et al. v Lifelock, Inc. et al.: Case No. 15-cv-01398-DKD (USDC District of Arizona)
3. OFP et a; v. Corbat et al and Citigroup, Inc., Case No. 12151-VCG< (Chancery Court of State of Delaware) (Grant)
4. Murphy v. Precision Castparts Corp. et al.: Case No. 16-cv-00521-SB, (District of Oregon, Portland) (3) (Labaton)
5. In re: Finisar Corporation Securities Litigation; Case No. 5:11-CV-01252-EJD, (USDC ND Calif) (AFT)
6. Lehigh County Employees Retirement System v. Novo Nordisk A/S, Case No. 17-CV-00209 (USDC, N.J. (BLBG)
7. Hall v. Rent-A-Center et al.; Case No. 4:16-cv-00978; (USDC ED of Texas) (Labaton)

Mr. Edwards reported that the attorneys had agreed to have a mediation on August 8, 2018 in New York City. Mr. Edwards said that he and Mr. Rankin have been requested to attend.

8. United Health Group, Inc. Recommendation for Derivative Action (Cohen Milstein)
9. Eric Weiner, et al., v. Tivity Health Inc., et al: Case No 17-cv-1469 (Middle District of Tennessee, Nashville)
10. OFP, et al v Banco Santander S.A. et al., Case No. 18-cv-02830 (SDNY)
11. In RE Lending Club, Case No. 16-cv-02627, (N.D. Calif)
12. PG & E Derivative Action (Berman).
13. Report on the current status of all other litigation involving the Pension System.

**WILLIAM M. CARTER/MOORE - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Harlow, Long, Vanhorn, Kohls, Combs, Kelley, and Rodriguez. Nays: None. Motion carried.

**JARET C. CRAIG/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Cramer and seconded by Mr. Long to approve the Application for “Disability in the Line of Duty”, effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Kohls, Cassady, Harlow, Long, Vanhorn, Combs, Kelley, and Rodriguez. Nays: None. Motion carried.

**JEFFREY D. JOHNSON /OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective July 1, 2018 Ayes: Messrs. Lay, Davidson, Kohls, Combs, Cramer, Cassady, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Nays: None. Motion carried.

**BRADLEY J. MICHAUD /OKLAHOMA CITY – APPLICATION FOR  
DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Kohls, Combs, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Nays: None. Motion carried.

**MATTHEW PASCHAL/OKLAHOMA CITY – APPLICATION FOR  
DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Vanhorn and seconded by Mr. Kelley to approve the Application for “Disability in the Line of Duty”, effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Kohls, Combs, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Nays: None. Motion carried.

**RICHARD E. SCHMITT/OKLAHOMA CITY – APPLICATION FOR  
DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Kelley and seconded by Mr. Vanhorn to modify the Application for “Disability in the Line of Duty” to “Service” effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Kohls, Combs, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Nays: None. Motion carried.

**DAVID B. STAPLES/OKLAHOMA CITY – APPLICATION FOR DISABILITY  
IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Cramer and seconded by Mr. Long to approve the Application for “Disability in the Line of Duty”, effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Kohls, Combs, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Nays: None. Motion carried.

**JIMMY L. TAYLOR JR./OKLAHOMA CITY – APPLICATION FOR  
DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Kohls, Combs, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Nays: None. Motion carried.

**ADAM M. WELLIVER/OKLAHOMA CITY – APPLICATION FOR  
DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Vanhorn and seconded by Mr. Long to approve the Application for “Disability in the Line of Duty”, effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Naves: Kohls and Combs. Motion carried.

**LEE A. HORST/TULSA /OKLAHOMA CITY – APPLICATION FOR  
DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Lay and seconded by Mr. Harlow to modify the Application for “Disability in the Line of Duty”, to “Service” effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Kohls, Combs, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Naves: None. Motion carried.

**ROBERT E. PETERS/TULSA /OKLAHOMA CITY – APPLICATION FOR  
DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 1, 2018:**

Motion was made by Mr. Lay and seconded by Mr. Harlow to modify the Application for “Disability in the Line of Duty”, to “Service” effective July 1, 2018. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Kohls, Combs, Harlow, Long, Vanhorn, Kelley, and Rodriguez. Naves: None. Motion carried.

**MATTHEW CARTER/OKLAHOMA CITY - REQUEST TO MODIFY PENSION  
FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:**

Motion was made by Mr. Vanhorn and seconded by Mr. Rodriguez to approve the request of Mr. Carter based on the medical information provided. Ayes: Messrs. Lay, Cramer, Davidson, Cassady, Long, Harlow, Vanhorn, Kohls, Combs, Kelley and Rodriguez. Naves: None. Motion carried.

**ANDREW E. MUNSEY/OKLAHOMA CITY - REQUEST TO MODIFY FROM  
“DISABILITY NOT IN THE PENSION TO “DISABILITY IN THE LINE OF  
DUTY”:**

Motion was made by Mr. Cramer and seconded by Mr. Long to approve the request of Mr. Gay based on the injury reported. Ayes: Messrs. Lay, Davidson, Cramer, Cassady, Long, Combs, Harlow, Vanhorn, Kelley, and Rodriguez. Naves: Kohls. Motion carried.

**CAREY E. CLUBB/TULSA – REQUEST TO MODIFY FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”;**

No action taken.

**RECEIVE & FILE:**

1. Insurance Premium Tax - \$18,153,427.97 – July 2018

Motion was made by Mr. Lay and seconded by Mr. Kelley to approve the receive and file as listed above. Ayes: Messrs. Lay, Davidson, Cramer, Cassady, Long, Kohls, Combs, Harlow, Vanhorn, Kelley, and Rodriguez. Nays: None. Motion carried.

**CHASE RANKIN/EXECUTIVE DIRECTOR REPORT:**

Mr. Rankin reported on House Bill 1340 in regards to the one-time stipend. Mr. Rankin explained the qualifications of the stipend.

Mr. Rankin reported on the Board resource document folder or drop box.

Mr. Rankin reminded the Board that they need to register for OPFTEC Conference. He said the conference will be held at the Hard Rock Hotel in Tulsa, September 26– 28, 2018.

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

Mr. Rankin asked for travel approval for New York City for mediation on August 8, 2018. Mr. Rankin said the law firm will pay for the travel expenses.

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

**OLD BUSINESS:**

**NEW BUSINESS:**

**NEXT MEETING DATE:**

The Oklahoma Firefighters Pension and Retirement Board will meet August 17, 2018 at 8:30 A.M. at the Salvation Army Building, 6601 Broadway Extension, Ste. 100, Oklahoma City, OK.

**ADJOURNMENT:**

Mr. Cassady adjourned the Board meeting at 11:17 A.M.

Submitted by Terri L. Williams, Executive Secretary.