

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met December 21, 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 Dereck Cassady called the meeting to order.

Members Present: Dereck Cassady, Matt Lay, Mike Kelley, Cliff Davidson, Scott Vanhorn, Dana Cramer, Juan Rodriguez, Buddy Combs, Brandy Manek, Janet Kohls and Vacant

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

Visitors: Greg Forbes, State Street Custody; David Settles, State Street Global Advisors; Ken Wisdom, Harry Pierandri and Jason Landon, Portfolio Advisors

Absent: Ron Hunter and Eric Harlow

APPROVAL/MINUTES DATED NOVEMBER NOVEMBER 16, 2018:

Motion was made by Mr. Kelley and seconded by Mr. Vanhorn to approve the minutes dated November 16, 2018. Ayes: Messrs. Lay, Cramer, Kelley, Cassady, Vanhorn, Davidson, Manek, Kohls, Combs, and Rodriguez. Nays: None. Motion carried.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Kelly and seconded by Mr. Combs to approve the Consent Agenda dated November 16, 2018. Ayes: Messrs. Lay, Cramer, Kelley, Cassady, Vanhorn, Rodriguez, Combs, Manek, Kohls, and Davidson. Nays: None. Motion carried.

APPOINTMENT OF INVESTMENT COMMITTEE:

Chairman Derek Cassady appointed Scott Vanhorn to the Investment Committee.

STATE STREET CUSTODY/GREG FORBES:

Mr. Forbes gave a presentation for State Street Bank.

STATE STREET GLOBAL ADVISORS/DAVID SETTLES:

Mr. Settles gave a presentation for State Street Global Advisors.

	3 Months Ending <u>11/30/2018</u>	1 Year Ending <u>11/30/2018</u>	3 Years Ending <u>11/30/2018</u>
SSGA S&P 500 Flagship	-4.38%	6.30%	12.20%
S&P 500	-4.40%	6.27%	12.16%
SSGA S&P 500 Equal Weighted	-4.45%	3.76%	10.94%
S & P 500 (Equal Weighted)	-4.51%	3.51%	10.91%

PORTFOLIO ADVISORS/KEN WISOM, HARRY PIERANDRI & JASON LONDON:

Mr. Wisdom, Mr. Pierandri, and Mr. Landon gave a presentation for Portfolio Advisors.

	3 Months Ending <u>11/30/2018</u>	1 Year Ending <u>11/30/2018</u>	3 Years Ending <u>11/30/2018</u>
PAREF III	-2.12%	-0.54%	4.76%
NCRIEF Property Index	1.67%	7.16%	7.75%
PAREF IV	2.65%	16.41%	13.40%
NCRIEF Property Index	1.67%	7.16%	7.75%
PAREEF V	0.32%	6.35%	6.48%
NCRIEF ODCE EW Net	1.88%	7.89%	8.17%
PAREF VI	4.19%	23.05%	N/A
NCRIEF ODCE EW Net	1.88%	7.89%	N/A

&CO CONSULTING/TIM NASH & TONY KAY:

1. Presenting Manager Review.

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

INVESTMENT COMMITTEE/MIKE KELLEY - CHAIRMAN:

1. Presentation by Portfolio Advisors.
2. Review Investment Performance.

	3 Months Ending <u>11/30/2018</u>	1 Year Ending <u>11/30/2018</u>	3 Years Ending <u>11/30/2018</u>
Total Fund	-4.29%	3.24%	8.81%
Policy	-3.80%	2.17%	7.25%

3. Recommendation from Labaton to seek co-lead plaintiff in a securities litigation case against Nektar Therapeutics, Inc.

Motion was made by Mr. Kelley and seconded by Mr. Cramer to seek co-lead plaintiff with El Paso Fire and Police. Ayes: Messrs. Cassidy, Kelley, Davidson, Lay, Cramer, Combs, Manek, Kohls, Vanhorn, Rodriquez. Nays: None. Motion carried

4. Old Business:
5. New Business:

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)

Mr. Edwards reported the case did not settle and Mr. Rankin's deposition will be taken as discovery comes to an end.

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 the federal court approved the settlement. He said the final approval will be May, 2019.

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. PG & E Derivative Action (Berman).
12. Garrett et al. v. OFP Board Case No. CV-18-1327, (OK County D. Ct.)
13. Ruther v. OFP; Case No. CJ-2018-4340, (OK County D. Ct.)
14. Marder v. Campbell Soup Company, et al; Case No. 18-cv-14385, (USDC,NJ.)
15. Report on the current status of all other litigation involving the Pension System.

ERIK DAY/MOORE - APPLICATION FOR "DISABILITY IN THE LINE OF DUTY" PENSION, EFFECTIVE DECEMBER 1, 2018:

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

JOSHUA B. DAVIS/YUKON – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE DECEMBER 15, 2018:

Motion was made by Mr. Cramer and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective December 15, 2018. Ayes: Messrs. Cramer, Kelley, Cassady, Vanhorn, Davidson, Lay, Kohls, Combs, Manek and Rodriguez. Naves: None. Motion carried.

JEFFREY SPENCER/BRAMAN - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 3, 2017:

Motion was made by Mr. Kelley and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective August 3, 2017. Ayes: Messrs. Cramer, Kelley, Cassady, Vanhorn, Davidson, Kohls, Manek, Combs, Lay, and Rodriguez. Naves: None. Motion carried.

JOHN BACON/CLAREMORE – REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY” PENSION:

No action taken.

JACK ROSS/COMMERCE – REQUEST FOR APPROVAL OF DISABILITY IN THE LINE OF DUTY – APPLIED FOR DISABILITY IN 2012 AND WAS REQUESTED TO SEE STATE PHYSICIAN FOR APPROVAL- EVALUATION JUST RECEIVED:

Motion was made by Mr. Rodriguez and seconded by Mr. Vanhorn to approve the “Disability in the Line of Duty” Pension. Ayes: Messrs. Cramer, Kelley, Cassady, Davidson, Vanhorn, Combs, Manek, Lay, Kohls and Rodriguez. Naves: None. Motion carried.

TIMOTHY S. MCINTOSH/LAWTON - REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Rodriguez and seconded by Mr. Combs to approve the Request of Mr. McIntosh to modify from “Service” to “Disability in the Line of Duty”. Ayes: Naves: Cassady, Kelley, Davidson, Cramer, Vanhorn, Combs, Lay, Kohls, Manek, and Rodriguez. Motion carried.

DON W. THOMASON/OKLAHOMA CITY - REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Cramer and seconded by Mr. Lay to send Mr. Thomason to the State Doctor for further review. Ayes: Naves: Cassady, Kelley, Lay, Davidson, Cramer, Combs, Kohls, Manek, Vanhorn, and Rodriguez. Motion carried.

APPROVAL OF PHYSICAL AGILITY TEST/DEER CREEK:

Firefighter Brett Zimdars discussed the changes they would like to make to the Physical Agility Test.

Motion was made by Mr. Cramer and seconded by Mr. Lay to approve the Physical Agility Test presented by the Deer Creek Fire Department. Ayes: Messrs. Cramer, Kelley, Cassady, Davidson, Combs, Lay, Kohls, Manek and Rodriguez. Nays: Vanhorn. Motion carried.

PERFORMANCE AND SALARY REVIEW OF EXECUTIVE DIRECTOR WITH POSSIBLE BOARD ACTION TO ADJUST COMPENSATION WITHIN THE SALARY RANGE AUTHORIZED BY STATE LAW:

- a. Executive Session if deemed necessary by Legal Counsel pursuant to 25 O.S. Section 307B.
- b. Vote to Enter into Executive Session

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

- c. Discussion on performance and salary review of Executive Director with Possible Board action to adjust compensation with the salary range authorized by State Law.
- d. Vote to Enter into Open Session.

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

Motion was made by Mr. Rodriguez and seconded Mr. Kelley to raise the Executive Directors salary to the maximum allowed for his position. Ayes: Messrs. Cramer, Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Kohls, Manek and Rodriguez. Nays: None. Motion carried.

RECEIVE & FILE:

- 1. Insurance Premium Tax - \$1,161,353.97 – December 2018

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

CHASE RANKIN/EXECUTIVE DIRECTOR REPORT:

Mr. Rankin said he wanted to thank the Board for their confidence in him.

Mr. Rankin reported that Craig Freeman resigned from the Board and that we hadn't received an appointment for him yet.

Mr. Rankin reported that Duane Michael would be resigning from the Pension System to be the Executive Director for Oklahoma Law Enforcement Retirement System. He said that Mr. Michael had done a great job with the Pension System.

Mr. Rankin reported that Tim Vanhorn would be taking Mr. Michaels position and would be introduced at the next Board Meeting.

Mr. Rankin reported that the new handbooks were being printed.

Mr. Rankin reported that on January 4, 2019 we would be getting a new conference table.

Mr. Rankin reported that 4,370 bills were pre-filed by legislators as compared to 2,245 bills the prior year.

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

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

OLD BUSINESS:

NEW BUSINESS:

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet January 18, 2019 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 10:35 A.M.

Submitted by Terri L. Williams, Executive Secretary.