

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met May 17, 2019, 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, Mike Kelley, Cliff Davidson, Matt Lay, Dana Cramer, Scott Vanhorn, Juan Rodriguez, Janet Kohls, Eric Harlow, Buddy Combs, Brent Bryant arriving at 8:35 A.M. and Brandy Manek arriving at 8:40 A.M.

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

Visitors: Tony Kay, &CO; Steve Mitchell & Patrick Sullivan, Argonaut; Brian Beitner & Nathaniel Velarde, Chautauqua Capital; and John Karl, WCM

Absent: Ron Hunter

APPROVAL/MINUTES DATED APRIL 19, 2019:

Motion was made by Mr. Kelley and seconded by Mr. Cramer to approve the minutes dated April 19, 2019. Ayes: Messrs. Kelley, Cassady, Lay, Cramer, Vanhorn, Davidson, Kohls, Harlow, Combs, and Rodriguez. Nays: None. Motion carried.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Kelley and seconded by Mr. Lay to approve the Consent Agenda dated April 19, 2019. Ayes: Messrs. Kelley, Lay, Cramer, Cassady, Vanhorn, Rodriguez, Kohls, Harlow, Combs and Davidson. Nays: None. Motion carried.

ARGONAUT/STEVE MITCHELL & PATRICK SULLIVAN:

Mr. Mitchell and Mr. Sullivan gave a presentation for Argonaut.

	3 Months Ending <u>04/30/2019</u>	1 Year Ending <u>04/30/2019</u>	3 Years Ending <u>04/30/2019</u>
Argonaut	-0.11%	N/A	N/A
Cambridge	0%		

CHAUTAUQUA CAPITAL/BRIAN BEITNER & NATHANIEL VELARDE:

Mr. Beitner and Mr. Velarde gave a presentation for Chautauqua Capital.

	3 Months Ending <u>04/30/2019</u>	1 Year Ending <u>04/30/2019</u>	3 Years Ending <u>04/30/2019</u>
Chautauqua Capital	13.01%	-0.14%	11.22%
MSCI EAFE (Net)	6.10%	-3.22%	7.24%

WCM/JOHN KARL:

Mr. Karl gave a presentation for WCM.

	3 Months Ending <u>04/30/2019</u>	1 Year Ending <u>04/30/2019</u>	3 Years Ending <u>04/30/2019</u>
WCM	12.06%	9.17%	14.13%
MSCI EAFE (Net)	6.10%	-3.22%	7.24%

&CO CONSULTING/TONY KAY:

1. Presenting Manager Review.

Mr. Kay reviewed the presenting managers to the Board.

INVESTMENT COMMITTEE/MIKE KELLEY - CHAIRMAN:

1. Review Investment Performance.

	3 Months Ending <u>04/30/2019</u>	1 Year Ending <u>04/30/2019</u>	3 Years Ending <u>04/30/2019</u>
Total Fund	2.78%	8.32%	11.19%
Policy	2.46%	8.54%	9.81%

2. Review Quarterly Investment Policy Compliance.
3. Review Quarterly Private Investment Report.
4. Trustee Education – Investment Structures – Review and Recommendations.

Motion was made by Mr. Kelley and seconded by Mr. Cramer to move assets with Chautauqua Capital and Brandywine Global from separate accounts to Commingled vehicles pursuant to recommendation of consultant and upon successful review of contract. Ayes: Messrs. Cassady, Kelley, Harlow, Davidson, Lay, Cramer, Bryant, Manek, Kohls, Vanhorn, Rodriguez and Combs. Nays: None. Motion carried.

5. Review a securities class action case against Eventbrite.
6. Old Business:
7. 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)

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))

Mr. Edwards reported that Mr. Rankin would be deposed on May 29th in New York City.

7. Hall v. Rent-A-Center et al.; Case No. 4:16-cv-00978; (USDC ED of Texas) (Labaton)
8. Eric Weiner, et al., v. Tivity Health Inc., et al: Case No 17-cv-1469 (Middle District of Tennessee, Nashville)
9. OFP, et al v Banco Santander S.A. et al., Case No. 18-cv-02830 (SDNY)
10. PG & E Derivative Action (Berman).
11. Marder v. Campbell Soup Company, et al: Case No. 18-cv-14385, (USDC N.J.) (Kessler)
12. Mulquin V. Nektar Therapeutics, et al; Case No. 18-cv-06607 (USDC N Calif.) (Labaton)
13. West Palm Beach Firefighter's Pension Fund, et al. v. Conagra Brands, Inc., et al; 19-cv-01323 (N.D. ILL.)

Mr. Edwards reported that the motion for lead plaintiff was pending but, we did not sustain the largest loss and this case will likely drop off our list.

14. Garrett et al. v. OFP Board Case No. CV-18-1327, (OK County D. Ct.)
15. Ruther v. OFP; Case No. CJ-2018-4340, (OK County D. Ct.)
16. Karen Potts, et al. v. Weight Watchers International, Inc. et al.; Case No. 19-cv-02005-WHP, (S.D. NY)

Mr. Edwards reported that the Pension System had filed for lead plaintiff.

17. Employees Retirement System of Puerto Rico Electric Power Authority et al. v. Conduent Inc., et al.; Case No. 19-cv-08237, (USDC, N.J.)

Mr. Edwards reported that the Pension System was the only one that filed for lead plaintiff and may be appointed lead plaintiff as we had the largest loss of those filing.

18. Vrakas, et al.v. U.S. Steel, et al.; Case No. 17-cv-579

Mr. Edwards reported that we filed for co-class representative, however based on concessions from the defense, we were not added as co-class representative.

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

DAVID TOMLINSON/ARDMORE - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Cramer and seconded by Mr. Kelley to modify the Application for “Disability in the Line of Duty”, to “Service” effective May 1, 2019. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Manek, Kohls, Combs, Lay, Cramer, Bryant, Harlow and Rodriguez. Naves: None. Motion carried.

JOHNATHAN L. GRAHAM/BROKEN ARROW – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE APRIL 13, 2019:

Motion was made by Mr. Lay and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective April 13, 2019. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Manek, Lay, Cramer, Kohls, Combs, Bryant, Harlow and Rodriguez. Naves: None. Motion carried.

PAUL E. KRAGER/CHOUTEAU - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE APRIL 1, 2019:

Motion was made by Mr. Cramer and seconded by Ms. Manek to modify the Application for “Disability in the Line of Duty”, to “Disability Not in the Line of Duty” effective April 1, 2019. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Naves: None. Motion carried.

DEWAYNE BURK/LAWTON – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Rodriguez and seconded by Mr. Harlow to approve the Application for “Disability in the Line of Duty”, effective May 1, 2019. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Naves: None. Motion carried.

MICHAEL HESSEE/MIAMI – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Cramer and seconded by Ms. Kohls to modify the Application for “Disability in the Line of Duty”, to “Service”, effective May 1, 2019. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Naves: None. Motion carried.

TIMOTHY CHISM/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Cramer and seconded by Mr. Vanhorn to approve the Application for “Disability in the Line of Duty”, effective May 1, 2019. Ayes: Messrs. Kelley, and Rodriguez, Davidson, Cramer, Bryant, Manek, Kohls, Vanhorn Harlow and Combs. Naves: None. Motion approved.

KERRY NEMECEK/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Cramer and seconded by Mr. Rodriguez to modify the Application for “Disability in the Line of Duty”, to “Service” effective May 1, 2019. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Naves: None. Motion carried.

ERIC R. THOMSEN/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Vanhorn and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective May 1, 2019. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Naves: None. Motion carried.

J. DEWAYNE TORRES/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Kelley and seconded by Mr. Rodriguez to modify the Application for “Disability in the Line of Duty”, to “Service” effective May 1, 2019. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Naves: None. Motion carried.

JEFFREY P. WALKER/OWASSO – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE APRIL 14, 2019:

Motion was made by Mr. Rodriguez and seconded by Mr. Vanhorn to approve the Application for “Disability in the Line of Duty”, effective May 1, 2019.

Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Nays: None. Motion carried.

ROBERT C. HOLLY/TULSA – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Rodriguez and seconded by Ms. Kohls to modify the Application for “Disability in the Line of Duty”, to “Service” effective May 1, 2019.

Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Nays: None. Motion carried.

JERALD D. LOVELL SR./KELLYVILLE – APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Lay and seconded by Mr. Rodriguez to approve the Application for “Disability Not in the Line of Duty”, effective May 1, 2019.

Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Nays: None. Motion carried.

BRIAN WEATHERFORD/NORMAN – APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2019:

Motion was made by Mr. Vanhorn and seconded by Mr. Harlow to approve the Application for “Disability Not in the Line of Duty”, effective May 1, 2019.

Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Nays: None. Motion carried.

DONALD W. FOSTER/WAINWRIGHT – APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY” PENSION, EFFECTIVE MARCH 1, 2016:

Motion was made by Juan Rodriguez to approve Disability in the Line of Duty. Motion died for lack of send.

Motion was made by Mr. Rodriguez and seconded by Mr. Lay to approve the Application for “Disability Not in the Line of Duty”, effective March 1, 2016. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Combs, Lay, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. Nays: None. Motion carried.

DOUGLAS OWENS/BROKEN ARROW - REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Cramer and seconded by Mr. Vanhorn to deny the Request of Mr. Owens to modify from “Service” to “Disability in the Line of Duty”.
Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Lay, Combs, Cramer, Bryant, Manek, Kohls, Harlow, and Rodriguez. Nays: None. Motion carried.

HUGH L. CRAWFORD/NORMAN – REQUEST TO MODIFY PENSION FROM “DISABILITY NOT IN THE LINE OF DUTY” TO “DISABILITY IN THE LINE OF DUTY”

Motion was made by Mr. Cramer and seconded by Mr. Harlow to approve the Request of Mr. Crawford to modify from “Service” to “Disability in the Line of Duty”.
Ayes: Messrs. Cassady, Vanhorn, Davidson, Combs, Manek, Kohls, Lay, Kelley, Cramer, Bryant, Harlow and Rodriguez. Nays: None. Motion carried.

WILLIAM FULTON/OKLAHOMA CITY – REQUEST TO MODIFY PENSION FROM “DISABILITY NOT IN THE LINE OF DUTY” TO “DISABILITY IN THE LINE OF DUTY”

Motion was made by Mr. Cramer and seconded by Mr. Vanhorn to approve the Request of Mr. Fulton to modify from “Service” to “Disability in the Line of Duty”.
Ayes: Messrs. Cassady, Vanhorn, Davidson, Combs, Manek, Kohls, Lay, Kelley, Cramer, Bryant, Harlow and Rodriguez. Nays: None. Motion carried.

TIMOTHY LONG/OKLAHOMA CITY – REQUEST TO MODIFY PENSION FROM “DISABILITY NOT IN THE LINE OF DUTY” TO “DISABILITY IN THE LINE OF DUTY”

Motion was made by Mr. Vanhorn and seconded by Mr. Harlow to approve the Request of Mr. Crawford to modify from “Service” to “Disability in the Line of Duty”.
Ayes: Messrs. Cassady, Vanhorn, Davidson, Combs, Manek, Kohls, Lay, Kelley, Cramer, Bryant, Harlow and Rodriguez. Nays: None. Motion carried.

STEPHEN BOZARTH/TULSA – REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”

Motion was made by Mr. Davidson and seconded by Mr. Vanhorn to approve the Request of Mr. Bozarth to modify from “Service” to “Disability in the Line of Duty”.
Ayes: Messrs. Cassady, Vanhorn, Davidson, Combs, Manek, Kohls, Lay, Kelley, Cramer, Bryant, Harlow and Rodriguez. Nays: None. Motion carried.

REQUEST TO DECLARE IN THE LINE OF DUTY DEATH/TRENT GIBSON/CASHION:

1. Executive Session if deemed necessary by Legal Counsel pursuant to 25 O.S. Section 307 B (7).
2. Vote to enter into Executive Session.
3. Discussion of request to declare in the Line of Duty death.
4. Vote to enter into Open Session.

Motion was made by Harlow and seconded by Lay to declare in the Line of Duty Death for Trent Gibson. Ayes: Messrs. Cassady, Vanhorn, Davidson, Combs, Manek, Kohls, Lay, Kelley, Cramer, Bryant, Harlow and Rodriguez. Naves: None. Motion carried.

REQUEST TO DECLARE IN THE LINE OF DUTY DEATH/JASON SMITH/CRESCENT:

5. Executive Session if deemed necessary by Legal Counsel pursuant to 25 O.S. Section 307 B (7).
6. Vote to enter into Executive Session.
7. Discussion of request to declare in the Line of Duty death.
8. Vote to enter into Open Session.

Motion was made by Harlow and seconded by Lay to declare in the Line of Duty Death for Jason Smith. Ayes: Messrs. Cassady, Vanhorn, Davidson, Combs, Manek, Kohls, Lay, Kelley, Cramer, Bryant, Harlow and Rodriguez. Naves: None. Motion carried.

CHASE RANKIN/APPROVAL OF THE FOLLOWING CONTRACTS:

Money Managers

Allianz Global Investors
Angelo Gordon
Ardian
Argonaut Private Equity
AJO
Brandywine Global Investment Management, LLC
Beutel Goodman

Capital Dynamics
Chautauqua Asset Management/ Robert W. Baird & Co.
Dune Real Estate
Earnest Partners
Fred Alger
Garcia Hamilton & Associates
Garrison Middle Market Funding
Hall Capital
INTECH
Jackson Square Partners
JP Morgan
Landmark Real Estate
Lord Abbett
Medley
Mesirow Real Estate
Orleans Capital
Entrust Permal Group
PIMCO
Pomona Capital
Portfolio Advisors
RBC Global Asset Management
River Road Asset Management
State Street Global Advisors
Tortoise Capital Advisors
WCM Investment Management
Wellington Trust Company

Other Professionals:

AndCo Consulting
Battea- Class Action Services, LLC
Millennium Trust Company
Robert Palesano
Retirement Horizons, Inc.

Legal:

Phillips Murrah
Davis, Graham & Stubbs

Accounting/Auditing/Custody:

Finley & Cook
Crawford & Associates
State Street Bank

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

CHASE RANKIN/APPROVAL OF 2020 BUDGET:

Motion was made Mr. Vanhorn and seconded by Mr. Kelley to approve the 2020 Budget with the change for Phillips Murrah for \$150,000. Ayes: Messrs. Cassady, Vanhorn, Davidson, Combs, Manek, Kohls, Lay, Kelley, Cramer, Bryant, Harlow and Rodriguez. Nays: None. Motion carried.

RECEIVE & FILE:

1. Insurance Premium Tax - \$22,463,038.26 – May 2019

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

CHASE RANKIN/EXECUTIVE DIRECTOR REPORT:

Mr. Rankin reported that Nate Atchison with Finley & Cook had passed away.

Mr. Rankin reported that the legislation session was over. He said the technical correction bill had been signed.

Mr. Rankin said the 2% COLA was sent to the Actuary from Senate and a 4% COLA was sent to the actuary from the House.

Mr. Rankin reported that Juan Rodriguez and Matt Lay completed their terms on the Board.

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

Motion was made by Mr. Harlow and seconded by Mr. Vanhorn to approve for Mr. Rankin to attend accounting conference in Boston MA. In August. Ayes: Messrs. Kelley, Cassady, Vanhorn, Davidson, Lay, Combs, Cramer, Bryant, Manek, Kohls, Harlow and Rodriguez. 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 June 21, 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 11:00 A.M.

Submitted by Terri L. Williams, Executive Secretary.