

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met August 15, 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, Tom Smith, Casey Morrison, Dana Cramer, Matt Lay, Jim Long, and Frank Stone 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; Patmon Malcom and Richard Burgess, Earnest Partners; Michele Robbins and Bryan Flaherty, River Road Asset Management; Cinda Hughes and David Robbins, Lord & Abbett; Raymond Eldridge and Attorney Daniel Gamino

Absent: Raanon Adams, Craig Freeman, Michel Duncan, Janet Kohls, Brandy Manek and Doug Jacobson

APPROVAL/MINUTES DATED JULY 18, 2014:

Motion was made by Mr. Cramer and seconded by Mr. Morrison to approve the minutes dated July 18, 2014. Ayes: Messrs. Vanhorn, Morrison, Lay, Cramer, Long and Smith. Naves: None. Motion carried.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Cramer and seconded by Mr. Morrison to approve the Consent Agenda dated July 18, 2014. Ayes: Messrs. Morrison, Lay, Cramer, Vanhorn, Smith, and Long. Naves: None. Motion carried.

EARNEST PARTNERS/PATMON MALCOM & RICHARD BURGESS:

Mr. Malcom and Mr. Burgess gave a presentation for Earnest Partners.

	3 Months Ending <u>07/31/2014</u>	1 Year Ending <u>07/31/2014</u>	3 Years Ending <u>07/31/2014</u>
Earnest Partners	0.92%	16.98%	15.92%
Russell 2500 Value	0.33%	12.49%	15.58%

RIVER ROAD ASSET MANAGEMENT/MICHELLE ROBBINS & BRYAN FLAHERTY:

Ms. Robbins and Mr. Flaherty gave a presentation for River Road Asset Management.

	3 Months Ending <u>07/31/2014</u>	1 Year Ending <u>07/31/2014</u>	3 Years Ending <u>07/31/2014</u>
River Road Asset Management	(1.44)%	4.61%	13.34%
Russell 2000 Value	(1.27)%	8.18%	13.55%

LORD & ABBETT/CINDA HUGHES & DAVID ROBBINS:

Ms. Hughes & Mr. Robbins gave a presentation for Lord & Abbett.

	3 Months Ending <u>7/31/2014</u>	1 Year Ending <u>7/31/2014</u>	3 Years Ending <u>7/31/2014</u>
Lord & Abbett	(0.63)%	11.67%	15.23%
Russell 200 Growth	0.73%	8.93%	13.63%

BOGDAHNS GROUP/TROY BROWN & TIM NASH:

1. Presenting Manager Review.

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

INVESTMNET COMMITTEE/DANA CRAMER – VICE CHAIRMAN:

1. Review Option Overlay Strategies.

Mr. Cramer and Mr. Brown commented on the option overlay strategy presented by Gary Gould and Johns Hastings of Financial Solutions, Inc.

2. Review Investment Performance.

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

	3 Months Ending <u>07/31/2014</u>	1 Year Ending <u>07/31/2014</u>	3 Years Ending <u>07/31/2014</u>
Total Fund	2.15%	12.1%	10.50%
Policy Benchmark	2.00%	12.37%	11.43%

3. RFP/Allocation Discussion on Diversified Hedge Fund and Global Tactical Asset Allocation Strategies.

Motion was made by Mr. Cramer and seconded by Mr. Morrison for the Bogdahn Group to prepare RFP's for Diversified Hedge Fund and Global Tactical Asset Allocation strategies with an initial allocation of up to \$50 million each. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer Stone, and Smith. Nays: None. Motion carried.

4. Recommendation of Scott & Scott to file a securities fraud class action case against Rocket Fuel, Inc.

This item was tabled until the next Board meeting.

5. Recommendation of Bernstein Litowitz to file a securities fraud class action case against Genworth Financial, Inc.

This item was tabled until the next Board meeting.

RAYMOND ELDRIDGE/HENRYETTA – APPLICATION FOR SERVICE PENSION; DISCUSSION AND POSSIBLE VOTE TO CONSIDER REQUEST FOR ADMINISTRATIVE HEARING, AND POSSIBLE REFERRAL OF ADMINISTRATIVE PROCEEDING TO A HEARING EXAMINER.

Attorney Daniel Gaiman represented Raymond Eldridge.

Motion was made by Mr. Morrison and seconded by Mr. Long to have this appeal go before an Administrative Proceedings Hearing Examiner. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer Stone, and Smith. Nays: None. Motion carried.

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

1. In re: Finisar Corp. Sec. Litig., 11-cv-1252-EJD (AFT) (Waddell)
2. In re: Miller Energy Resources Securities Litigation 11-cv-375 (E.D. Tenn.) (Grant)
3. In re: Lehman Brothers Equity/Debt Securities Litigation, 08-cv-5523-LAK (S.D.N.Y.) (Saxena White)
4. Oklahoma Firefighters Pension v. Jefferies Group et al, Chancery Court of Delaware, Case No.
5. Reinschmidt v. Zillow, Inc. et al, Securities Litigation, Western
6. Gail Failkov v. Microsoft, Case 2-13-cv-02039 USDC WD Wash (Robbins Geller)
7. Lang v. Towers Group International, et al, Case No. 13-CV-5282, USDC, SDNY
8. Manabat v. Velti PLC, et al. Case No. 13-CV-4606 USDC ND Calif (Labaton)
9. Santore, et al. v. IXIA et al., Case No. CV 13-08440, (USDC CD Calif) (Grant)
10. In re: FX Litigation, Case No. 13-cv-07789 (SDNY) (Scott & Scott)
11. OFP v. K12, Inc. et al., Case No. 1:14-cv-01008 (USDC ED of Virginia) (BTBG)
12. In re: Safeway Inc., Case No. 9461, (Del. Ch. Ct.) (KTMC)
13. Abdul Awad. Et al. v. Herbalife, Ltd. Et al., Case No. CV 14-02850, (USDC CD Calif) (Saxena White)
14. NeuStar, Inc. Securities Litigation.

15. Waterford Township Police and Fire Retirement System v. Ply Gem Holdings, et. Al, Case No. 14-cv-3577, (USDC SDNY)
16. Oklahoma Firefighters Pension v. City of Midwest City, Oklahoma County District Court, Case No. CJ-2014-3481
17. Oklahoma Firefighters Pension v. City of Tulsa, Tulsa County District Court, Case No. CJ-2014-02363
18. Report on the current status of all other litigation involving the Pension System.

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

JAMES J. MCMANUS/DEL CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 1, 2014:

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

JOHN SHAFER/GUYMON - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 26, 2014:

Motion was made by Mr. Long and seconded by Mr. Smith to approve the Application for “Disability in the Line of Duty”, effective July 26, 2014. Ayes: Messrs. Morrison, Cramer, Vanhorn, Lay, Adams, Long, Stone, and Smith. Naves: None. Motion carried.

LEMONTE F. MERRITT/LAWTON - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 31, 2014:

Motion was made by Mr. Cramer seconded by Mr. Long to approve the Application for “Disability in the Line of Duty”, effective July 31, 2014. Ayes: Messrs. Morrison, Lay, Stone, Vanhorn, Cramer, Long and Smith. Naves: None. Motion carried.

JERE D. KORTHANKE/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 1, 2014:

Motion was made by Mr. Long and seconded by Mr. Morrison to approve the Application for “Disability in the Line of Duty”, effective August 1, 2014. Ayes: Messrs. Morrison, Lay, Vanhorn, Cramer, and Smith. Naves: Stone. Motion denied.

Motion was made by Mr. Morrison and seconded by Mr. Long to modify Application for “Disability in the Line of Duty” to “Service”, effective August 1, 2014. . Ayes: Messrs. Morrison, Lay, Stone, Vanhorn, Cramer, Long and Smith. Nays: None. Motion carried.

RONALD MCCUMMINS/OKLAHOMA CITY – APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 25, 2014:

Motion was made by Mr. Long and seconded by Mr. Smith to approve the Application for “Disability Not in the Line of Duty”, effective July 25, 2014. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer and Smith. Nays: None. Motion carried.

MATTHEW J. PEMPIN/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 22, 2014:

Motion was made by Mr. Long and seconded by Mr. Morrison to approve the Application for “Disability in the Line of Duty”, effective July 22, 2014. Ayes: Messrs. Morrison, Lay, Vanhorn, Stone, Long, Cramer and Smith. Nays: None. Motion carried.

RECEIVE & FILE:

1. Russell Investments - \$18,990.45 - July 2014
2. Insurance Premium Tax - \$929,695.16 – August 2014

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

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Mr. Rankin reported on the Internal 4th Quarter Audit.

Mr. Michael reported that the RFP for the member record conversion had started. Mr. Michael said he would be attending the Pre-Bid meeting next week.

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

This item was not addressed.

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

OLD BUSINESS:

NEW BUSINESS:

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet September 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 11:07 A.M.

Submitted by Terri L. Williams, Executive Secretary.