

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met August 19, 2016 in the Lincoln Plaza Office 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 Michel Duncan called the meeting to order.

Members Present: Michel Duncan, Paul Gallahar, Derek Cassady, Dana Cramer, Craig Freeman, Janet Kohls, Frank Stone, and Brandy Manek arriving at 8:45 A.M.

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

Visitors: Troy Brown and Tim Nash, Bogdahn Group; Chris Taube and Rebecca Murdukhayev, Medley; Mitch Drucker and Alison Foxworth, Garrison; Ben Blakney and Andy Pataky, Mesirov

Absent: Matt Lay, Jim Long, Doug Jacobson, Raanon Adams, Mike Kelley

APPROVAL/MINUTES DATED JULY 15, 2016:

Motion was made by Mr. Cramer and seconded by Mr. Cassady to approve the minutes dated July 15, 2016. Ayes: Messrs. Duncan, Cassady, Cramer, Kohls, Freeman, Stone and Gallahar. Nays: None. Motion carried.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Cramer and seconded by Mr. Cassady to approve the Consent Agenda dated August 19, 2016. Messrs. Duncan, Cassady, Cramer, Kohls, Freeman, Stone and Gallahar. Nays: None. Motion carried.

MEDLEY/CHRIS TAUBE & REBECCA MURDUKHAYEV:

Mr. Taube and Ms. Murdukhayev gave a presentation for Medley.

	3 Months Ending <u>07/31/2016</u>	1 Year Ending <u>07/31/2016</u>	3 Years Ending <u>07/31/2016</u>
Medley	(0.42)%	4.27%	3.59%
Barclays Aggregate Bond	2.47%	5.94%	4.23%

GARRISON/MITCH DRUCKER & ALISON FOXWORTH:

Mr. Drucker and Ms. Foxworth gave a presentation for Garrison.

	3 Months Ending <u>07/31/2016</u>	1 Year Ending <u>07/31/2016</u>	3 Years Ending <u>07/31/2016</u>
Garrison	(1.71)%	2.78%	5.51%
Barclays Aggregate Bond	2.47%	5.94%	4.23%

CRAIG FREEMAN LEFT THE MEETING AT 9:30 A.M.

MESIROW/BEN BLAKNEY & ANDY PATAKY:

Mr. Blakney and Mr. Pataky gave a presentation for Mesirow.

	3 Months Ending <u>7/31/2016</u>	1 Year Ending <u>7/31/2016</u>	2 Years Ending <u>7/31/2016</u>
Mesirow	8.70%	10.62%	4.44%
NCREIF ODCE EW Net	1.97%	11.24%	12.43%

BOGDAHN GROUP/TROY BROWN AND TIM NASH:

1. Presenting Manager Review.

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

	3 Months Ending <u>07/31/2016</u>	1 Year Ending <u>07/31/2016</u>	3 Years Ending <u>07/31/2016</u>
Total Fund	4.12%	3.34%	7.78%
Policy Index	4.14%	4.39%	8.06%

INVESTMENT COMMITTEE:

1. Review Investment Performance.
2. Review Investment Policy Compliance.
3. Review Alternative Investments including liquidity pacing schedule.
4. Discuss presentation by various investment manager firms at the September and October Investment Committee Meetings.

No action was taken on these items.

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. Shah v. Rocket Fuel Inc., et al. Case No. 14-CV-03998 (USDC ND Calif)

Mr. Edwards reported no deposition was needed from Mr. Jones. Mr. Edwards said the discovery was ongoing.

3. In re: Castlight Health; Shareholder Litigation; Case No. CIV-533647 (Sup. Ct. Calif, San Mateo)

4. City of St. Clair Shores Police & Fire Retirement System v. Nationstar Mortgage Holdings Inc. et al: Case No. 15-cv-61170-WPD (USDC FL (Ft. Lauderdale))

Mr. Edwards reported that this item could be taken off.

5. Avila, et al. v Lifelock, Inc. et al.: Case No. 15-cv-01398-DKD (USDC District of Arizona)

Mr. Edwards reported that Legal Counsel was preparing additional information.

6. In re: Broadcom Corporation Stockholder Litigation; Case No. 15-cv-00979-JVS-PJW (USDC CD Calif) Cohen Milstein)
7. OFP et a; v. Corbat et al and Citigroup, Inc., Case No. 12151-VCG< (Chancery Court of State of Delaware) (Grant)
8. Murphy v. Precision Castparts Corp. et al.: Case No. 16-cv-00521-SB, (District of Oregon, Portland) (3) (Labaton)
9. Report on the current status of all other litigation involving the Pension System.

Mr. Edwards said his recommendation was not to go forward with Kaplin Fox SSA Bonds case.

TIM TOWNSEND – REQUEST FOR AN ADMINISTRATIVE HEARING CONCERNING THE RESULTS OF HIS HEARING TEST RESULTING IN DENIAL OF HIS ENTRANCE INTO THE PENSION SYSTEM:

Mr. Jones said the Board would review the rules and make a recommendation.

JAMES MASSEY-REQUEST FOR AN ADMINSTRATIVE HEARING TO DETERMINE HIS STATUS AS A PAID FIREFIGHTER WHO WAS REPORTED BY HIS PARTICIPATING EMPLOYER AS A VOLUNTEER FIREFIGHTER.

Mr. Jones said he would go talk to the City.

ROBERT L. THOMAS JR./BROKEN ARROW - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 12, 2016:

Motion was made by Mr. Cramer and seconded by Mr. Cassady to approve the Application for “Disability in the Line of Duty”, effective August 12, 2016. Messrs. Ayes: Cassady, Cramer, Duncan, Kohls, Manek, Stone, and Gallahar. Nayas: None. Motion carried.

JERMAH N. WILSON/LAWTON – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JULY 9, 2016:

Motion was made by Mr. Kohl and seconded by Mr. Stone to send him to Dr. Janet Ardis. Messrs. Ayes: Cassady, Cramer, Duncan, Kohls, Manek, Stone, and Gallahar. Naves: None. Motion carried.

JEFFREY T. KETCHUM/MCALESTER – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 4, 2016:

Motion was made by Mr. Cramer and seconded by Mr. Cassady to approve the Application for “Disability in the Line of Duty”, effective August 4, 2016. Messrs. Ayes: Cassady, Cramer, Duncan, Kohls, Manek, Stone and Gallahar. Naves: None. Motion carried.

MICHAEL FLETCHER/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 1, 2016:

Motion was made by Mr. Cramer and seconded by Mr. Cassady to approve the Application for “Disability in the Line of Duty” to “Service”, effective August 1, 2016. Messrs. Ayes: Cassady, Cramer, Duncan, Kohls, Manek, Stone and Gallahar. Naves: None. Motion carried.

GENE C. BROWN/THE VILLAGE – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 1, 2016:

Motion was made by Mr. Cassady and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective August 1, 2016. Messrs. Ayes: Cassady, Cramer, Duncan, Kohls, Manek, Stone, and Gallahar. Naves: None. Motion carried.

JERRY L. ECKHART/TULSA – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 1, 2016:

Motion was made by Mr. Gallahar and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective August 1, 2016. Messrs. Ayes: Cassady, Cramer, Duncan, Kohls, Manek, Stone, and Gallahar. Naves: None. Motion carried.

STEVEN NASWORTHY/TULSA - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 1, 2016:

Motion was made by Mr. Lay and seconded by Mr. Long to modify the Application for “Disability in the Line of Duty” to “Service”, effective August 1, 2016. Messrs. Ayes: Cassady, Cramer, Duncan, Kohls, Manek, Stone and Gallahar. Naves: None. Motion carried.

RANDY BRIERTON/LAWTON – REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Cramer and to approve the request of Mr. Brierton to change his pension from “Service to “Disability in the Line of Duty” based on the medical information provided. Motion died due to a second.

RAYMOND B. COLLINS/LAWTON - REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Cassady and seconded by Mr. Cramer to approve the request of Mr. Collins to change his pension from “Service” to “Disability in the Line of Duty” based on the medical information provided. Messrs. Ayes: Cassady, Cramer, Duncan, Kohls, Manek, Stone and Gallahar. Naves: None. Motion carried.

RANDAL ELMORE/OKLAHOMA CITY – REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Gallahar and seconded by Mr. Cramer to send Mr. Elmore to Dr. Janet Ardis. Ayes: Messrs. Ayes: Messrs. Duncan, Cassady, Stone, Cramer, Manek, Kohls and Gallahar. Naves: None. Motion carried.

DAVID G. MITCHELL/OKLAHOMA CITY – REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LIE OF DUTY”:

Motion was made by Mr. Cramer and seconded by Mr. Gallahar to send Mr. Mitchell to Dr. Janet Ardis. Ayes: Messrs. Ayes: Messrs. Duncan, Cassady, Stone, Cramer, Manek, Kohls and Gallahar. Naves: None. Motion carried.

RANDEL K. THOMAS/OKLAHOMA CITY - REQUEST TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LIE OF DUTY”:

Motion was made by Mr. Gallahar and seconded by Mr. Cassady to approve the request of Mr. Thomas to change his pension from “Service” to “Disability in the Line of Duty” based on the medical information provided. Ayes: Messrs. Duncan, Cassady, Stone, Cramer, Manek, Kohls and Gallahar. Naves: None. Motion carried.

RECEIVE & FILE:

1. Insurance Premium Tax - \$19,128,363.10 – July 2016
2. Insurance Premium Tax - \$276,502.15 – August 2016

Motion was made by Mr. Cassady and seconded by Mr. Cramer to approve the above receive and file items. Ayes: Messrs. Cassady, Duncan, Cramer, Kohls, Manek, Stone and Gallahar. Nays: None. Motion carried.

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Mr. Jones reported that the OPTEC Conference will be held in Tulsa September 28-30, 2016.

Mr. Michael reported on the System conversion.

Mr. Rankin reported on the 4th Quarter Internal Audit. He said there were no findings. Mr. Rankin said the external annual audit will start next week.

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

There was no action taken on this item.

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

Mr. Stone reported that OPERS had lowered their actuarial assumed interest rate from 7.5% to 7.25%.

OLD BUSINESS:

NEW BUSINESS:

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet September 16, 2016 at 8:30 A.M. at the Salvation Army Building, 6601 Broadway Extension, Ste. 100, Oklahoma City, OK.

ADJOURNMENT:

Motion was made by Mr. Cramer and seconded by Mr. Kohls to adjourn the Board meeting at 11:40 A.M. Ayes: Messrs. Cassady, Duncan, Cramer, Lay, Kohls, Manek and Gallahar. Nays: None. Motion carried.

Submitted by Terri L. Williams, Executive Secretary.

