

AMENDED MINUTES

The Oklahoma Firefighters Pension and Retirement Board met February 20, 2015 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, Raanon Adams, Craig Freeman, Tom Smith, Casey Morrison, Matt Lay, Jim Long, Michael Duncan, Dana Cramer, Janet Kohls, Brandy Manek arriving at 8:50 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, and Jeff Gabrione, Bogdahn Group; Monroe Moore and Richard Burgess and Earnest Partners; Michelle Robbins and Andrew Beck, River Road Asset Management; and David Robbins and Bryan Forester, Lord Abbett

Absent: Doug Jacobson and Frank Stone

APPROVAL/MINUTES DATED JANUARY 16, 2015:

Motion was made by Mr. Morrison and seconded by Mr. Cramer to approve the minutes dated January 16, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan, Cramer, Kohls, and Smith. Nays: None. Motion carried.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Cramer and seconded by Mr. Smith to approve the Consent Agenda dated February 20, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Lay, Long, Duncan, Cramer, Kohls, and Smith. Nays: None. Motion carried.

EARNEST PARTNERS/MONROE MOORE & RICHARD BURGESS:

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

	3 Months Ending <u>01/31/2015</u>	1 Year Ending <u>01/31/2015</u>	3 Years Ending <u>01/31/2015</u>
Earnest Partners	(0.46)%	11.58%	16.14%
Russell 2500 Value	(1.00)%	7.25%	16.23%

RIVER ROAD ASSET MANAGEMENT/MICHELLE ROBBINS & ANDREW BECK:

Ms. Robbins & Mr. Beck gave a presentation for River Road Asset Management.

	3 Months Ending <u>01/31/2015</u>	1 Year Ending <u>01/31/2015</u>	3 Years Ending <u>01/31/2015</u>
River Road Asset Management	(0.12)%	1.09%	12.62%
Russell 2000 Value	(2.00)%	3.90%	14.15%

LORD ABBETT/DAVID ROBBINS & BRYAN FORESTER:

Mr. Robbins and Mr. Forester made a presentation for Lord Abbett.

	3 Months Ending <u>01/31/2015</u>	1 Year Ending <u>01/31/2015</u>	2 Years Ending <u>01/31/2015</u>
Lord Abbett	(0.81)%	0.54%	19.86%
Russell 2000 Growth	1.26%	5.01%	16.39%

BOGDAHNS GROUP/ TROY BROWN, TIM NASH & JEFF GABRIONE:

1. Presenting Manager Review.

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

INVESTMENT COMMITTEE:

1. Review Investment Performance.

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

	3 Months Ending <u>01/31/2015</u>	1 Year Ending <u>01/31/2015</u>	3 Years Ending <u>01/31/2015</u>
Total Fund	0.50%	8.69%	11.65%
Policy Benchmark	0.63%	9.58%	11.93%

2. December Quarterly Compliance Review.

Mr. Brown and Mr. Nash reviewed the December Quarterly Compliance report.

3. Discussion of International Equity Target Allocation.

Mr. Brown and Mr. Jones discussed the international equity target allocation.

Motion was made by Mr. Adams and seconded by Mr. Morrison to reduce the international equity target allocation to 10%. Ayes: Cramer, Duncan, Morrison. Motion failed. Nayas: Vanhorn, Adams, Freeman, Lay, Long, Manek, Smith and Kohls

Motion was made by Mr. Long and seconded by Mr. Lay to reduce the international equity target allocation to 15%. Ayes: Messrs. Vanhorn, Adams, Freeman, Lay, Long, Manek, Smith and Kohls. Nayas: Cramer, Duncan, and Morrison. Motion carried.

4. Investment Manager Interviews.

Motion was made by Mr. Adams and seconded by Mr. Morrison to make onsite visits to Allianz Global, The Permal Group and Sky Bridge Capital in New York City. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Cramer, Lay, Long, Duncan, Manek, Smith and Kohls. Nayas: None. Motion carried.

The onsite visits will be scheduled for two days in March.

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

1. In re: Miller Energy Resources Securities Litigation 11-cv-375 (E.D. Tenn.) (Grant)
2. In re: Lehman Brothers Equity/Debt Securities Litigation, 08-cv-5523-LAK

(S.D.N.Y.) (Saxena White)

3. Oklahoma Firefighters Pension v. Jefferies Group et al, Chancery Court of Delaware, Case No.
4. Gail Failkov v. Microsoft, Case 2-13-cv-02039 USDC WD Wash (Robbins Geller)
5. Lang v. Towers Group International, et al, Case No. 13-CV-5282, USDC, SDNY
6. Santore, et al. v. IXIA et al., Case No. CV 13-08440, (USDC CD Calif) (Grant)
7. In re: FX Litigation, Case No. 13-cv-07789 (SDNY) (Scott & Scott)

Mr. Edwards reported that this case was moving forward.

8. Waterford Township Police and Fire Retirement System v. Ply Gem Holdings, et. Al, Case No. 14-cv-3577, (USDC SDNY)
9. Shah v. Rocket Fuel Inc., et al. Case No. 14-CV-03998 (USDC ND Calif)
10. Oklahoma Firefighters Pension v. City of Midwest City, Oklahoma County District Court, Case No. CJ-2014-3481

Mr. Edwards reported that the discovery had been provided.

11. Oklahoma Firefighters Pension v. City of Tulsa, Tulsa County District Court, Case No. CJ-2014-02363.

Mr. Edwards reported there was a scheduling order entered with the deadline to file any motions is July 31, 2015 and pretrial is set for September 21, 2015.

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

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

BOB K. GRANT/BRISTOW – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE DECEMBER 1, 2015:

Motion was made by Mr. Long and seconded by Mr. Cramer to modify the Application for “Disability in the Line of Duty” to “Service”, effective February 1, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Cramer, Lay, Long, Duncan, Smith, Manek and Kohls. Naves: None. Motion carried.

BRIAN K. FOUGHTY/MOORE- APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE FEBRUARY 1, 2015:

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective February 1, 2015. Ayes: Messrs. Vanhorn, Adams, Morrison, Freeman, Cramer, Lay, Long, Duncan, Smith, Manek and Kohls. Naves: None. Motion carried.

DRUEL W. CLIFTON/NELSON - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2014:

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

MITCHELL T. PIERCE/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE FEBRUARY 1, 2015:

Motion was made by Mr. Cramer seconded by Mr. Morrison to modify the Application for “Disability in the Line of Duty” to “Service”, effective February 1, 2015. Ayes: Messrs. Morrison, Lay, Freeman, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Kohls, Manek and Smith. Naves: None. Motion carried.

ROY J. DEAKINS/PONCA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE FEBRUARY 1, 2015:

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective February 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Kohls, Manek and Smith. Naves: None. Motion carried.

JOHN F. COATS/SAYRE - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE FEBRUARY 11, 2015:

There was no action taken on this item.

JOSHUA L. KRUMM/SKIATOOK - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE OCTOBER 10, 2014:

Motion was made by Mr. Long and seconded by Mr. Morrison to approve the Application for “Disability in the Line of Duty” effective October 10, 2014. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Kohls, Manek and Smith. Naves: None. Motion carried.

PAUL S. WILSON/TISHOMINGO - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE DECEMBER 1, 2014:

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

RANDY BERCHER/TULSA - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE FEBRUARY 1, 2015:

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective February 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Kohls, Manek and Smith. Naves: None. Motion carried.

KEITH A. FREEMAN/TULSA - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE FEBRUARY 1, 2015:

Motion was made by Mr. Long and seconded by Mr. Lay to approve the Application for “Disability in the Line of Duty”, effective February 1, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Kohls, Manek and Smith. Naves: None. Motion carried.

JED W. SCAMMON/TULSA - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE FEBRUARY 1, 2015:

Motion was made by Mr. Long and seconded by Mr. Lay to modify the Application for “Disability in the Line of Duty”, to “Service, effective February 1, 2015 and direct the Mr. Reynolds to get the correct medical information needed. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Kohls, Manek and Smith. Naves: None. Motion carried.

JESSE K. GRIFFITH/HOBART - APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 18, 2015:

Motion was made by Mr. Cramer and seconded by Mr. Long to approve the Application for “Disability Not in the Line of Duty, effective January 18, 2015. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Kohls, Manek and Smith. Naves: None. Motion carried.

JAMES B. REDUS/SAPULPA - APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2015:

Motion was made by Mr. Long and seconded by Mr. Adams to table upon receipt of second doctor letter. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, Manek, Kohls, Manek and Smith. Naves: None. Motion carried.

DAVID E. IMHOFF/OKLAHOMA CITY – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Long and seconded by Mr. Adams to approve the request to change Mr. Imhoff’s pension from “Service” to “Disability in the Line of Duty” based on the medical information provided. Ayes: Messrs. Morrison, Lay, Vanhorn, Long, Cramer, Duncan, Adams, and Smith. Naves: None. Freeman, Manek, Kohls. Motion carried.

DOUGLAS G. POSTON/OKLAHOMA CITY – REQUEST APPROVAL TO MODIFY PENSION FROM “SERVICE” TO “DISABILTY IN THE LINE OF DUTY:

Motion was made by Mr. Cramer and seconded by Mr. Long to approve the request to change Mr. Poston’s pension from “Service” to “Disability in the Line of Duty” based on the medical information provided. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Kohls, Manek and Smith. Naves: None. Motion carried.

TERRELL D. SELBY/OKLAHOMA CITY – REQUEST APPROVAL TO MODIFY PENSION FROM “SERVICE” TO “DISABILTY IN THE LINE OF DUTY”

Motion was made by Mr. Long and seconded by Mr. Adams to approve the request to change Mr. Selby’s pension from “Service” to “Disability in the Line of Duty” based on the medical information provided. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Kohls, Manek and Smith. Naves: None. Motion carried.

RECEIVE & FILE:

1. Insurance Premium Tax - \$17,902,373.41 – January 2015
2. Insurance Premium Tax - \$34,048.08 – February 2015
3. Capital Institutional Services - \$24.01 – Commission Recapture
4. Russell Investments - \$19,171.89 – Commission Recapture

Motion was made by Mr. Morrison and seconded by Mr. Duncan to approve the above listed receive and file. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Manek, Kohls and Smith. Naves: None. Motion carried.

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Duane Michael reported he had advertised for notification of relocation of the Pension office. Mr. Michael said he would be doing on site visits.

Mr. Michael reported that he had a meeting in regards to the member record system conversion last week and we were in the final phases of the RFP.

Mr. Michael reported that the changes made for travel weren't going as easy as expected in regard to trustee air travel.

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

Motion was made by Mr. Morrison and seconded by Mr. Adams to approve travel for Janet Kohls to attend NCEPERS in May. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Kohls, and Smith. Naves: None. Motion carried.

Motion was made by Mr. Morrison and seconded by Mr. Freeman to approve travel for Robert Jones, Scott Vanhorn, Casey Morrison, Janet Kohls, Jim Long, Dana Cramer, Matt Lay and Raanon Adams for due diligence visits in March. Ayes: Messrs. Morrison, Lay, Vanhorn, Freeman, Long, Cramer, Duncan, Adams, Kohls, and Smith. Naves: None. Motion carried.

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

OLD BUSINESS:

NEW BUSINESS:

Chairman Vanhorn reported that he would be removing Frank Stone from the Investment Committee and replacing him with Matt Lay.

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet March 20, 2015 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 11:40 A.M.

Submitted by Terri L. Williams, Executive Secretary.