

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met January 19, 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 Matt Lay called the meeting to order.

Members Present: Matt Lay, Mike Kelley, Dana Cramer, Michel Duncan, Scott Vanhorn, Jim Long, Craig Freeman, Janet Kohls, Dereck Cassady, Herb Bradshaw with Frank Stone arriving at 9:05 A.M. and Brandy Manek at 9:10 A.M.

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

Visitors: Troy Brown and Tim Nash, Andco Consulting; Ted Aronson, AJO; Craig Auwaerter and Glenn Fortin, Beutel Goodman; John Carl, WCM

Absent: Eric Harlow

APPROVAL/MINUTES DATED DECEMBER 15, 2017:

Motion was made by Mr. Kelley and seconded by Mr. Duncan to approve the minutes dated December 15, 2017. Ayes: Messrs. Duncan, Kelley, Cassady, Long, Kohls, Vanhorn, Lay, Freeman, Bradshaw, and Cramer. Nays: None. Motion carried.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Bradshaw and seconded by Mr. Kelley to approve the Consent Agenda dated January 19, 2018. Ayes: Messrs. Duncan, Kelley, Vanhorn, Lay, Bradshaw, Cassady, Long, Kohls, Freeman, and Cramer. Nays: None. Motion carried.

AJO/TED ARONSON:

Mr. Aronson gave a presentation for AJO

	3 Months Ending <u>12/31/2017</u>	1 Year Ending <u>12/31/2017</u>	3 Years Ending <u>12/31/2017</u>
AJO	7.62%	16.94%	8.68%
Russell 1000 Value	5.33%	13.66%	8.65%

BEUTEL GOODMAN/CRAIG AUWAERTER & GLENN FORTIN:

Mr. Auwaerter and Mr. Fortin gave a presentation for Beutel Goodman.

	3 Months Ending <u>12/31/2017</u>	1 Year Ending <u>12/31/2017</u>	5/1/2016 Inception to date
Beutel Goodman	5.59%	22.44%	21.55%
Russell 1000 Value	5.33%	13.66%	16.20%

WCM/JOHN CARL:

Mr. Carl gave a presentation for WCM.

	3 Months Ending <u>12/31/2017</u>	1 Year Ending <u>12/31/2017</u>	3 Years Ending <u>12/31/2017</u>
WCM	5.64%	33.87%	13.24%
MSCI EAFE	4.23%	25.03%	7.80%

ANDCO CONSULTING/TROY BROWN AND TIM NASH:

1. Presenting Manager Review.

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

INVESTMENT COMMITTEE/DERECK CASSDAY - CHAIRMAN:

1. Review Investment Performance.

	3 Months Ending <u>12/31/2017</u>	1 Year Ending <u>12/31/2017</u>	3 Years Ending <u>12/31/2017</u>
Total Fund	4.37%	18.67%	9.19%
Policy	4.11%	15.39%	8.37%

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)

Mr. Edwards reported that Mr. Jones and himself would be doing a deposition in New York on January 30, 2018.

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)
7. Hall v. Rent-A-Center et al.; Case No. 4:16-cv-00978; (USDC ED of Texas) (Labaton)
8. Oklahoma Firefighters Pension and Retirement System, derivatively on behalf of Yahoo! Inc., v Eric Brandt, et al.: (Court of Chancery State of Delaware) (BLBG)
9. United Health Group, Inc. Recommendation for Derivative Action (Cohen Milstein)

10. Ruther v OFP; Case No. CV-2017-50, (Garfield County District Court); Case No. 11641, (Supreme Court).

11. Tivity Health, Inc. Securities Fraud Litigation (Cohen Milstein)

Mr. Edwards reported that application for lead plaintiff had been filed.

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

MARC EDWARDS/ADHOC COMMITTEE/EXECUTIVE DIRECTOR SEARCH. DISCUSSION, VOTE AND ANY OTHER NECESSARY ACTION TO IMPLEMENT DISCUSSION AND VOTE:

- a. Executive Session if deemed necessary by Legal Counsel pursuant to 25 O.S. Section 307 B (1).
- b. Vote to enter into Executive Session.

Motion was made by Mr. Kelley and seconded by Mr. Cassaday to enter into Executive Session. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Nays: None. Motion carried

- c. Review current status for hiring the next Executive Director of the System.
- d. Vote to enter into Open Session.

Motion was made by Mr. Cramer and seconded by Mr. Duncan to enter into Open Session. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Nays: None. Motion carried.

Motion was made by Mr. Cassady and seconded by Mr. Bradshaw to appoint Chase Rankin as the new Executive Director for the Pension System with an annual salary of \$120,000 per year. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Nays: None. Motion carried.

GORDON R. CARRIGER/CLAREMORE/CLAREMORE - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2018:

Motion was made by Mr. Kelley and seconded by Mr. Vanhorn to approve the Application for “Disability in the Line of Duty”, effective January 1, 2018. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Naves: None. Motion carried.

JOE VOSS/EDMOND – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2018:

Motion was made by Mr. Kelley and seconded by Mr. Duncan to approve the Application for “Disability in the Line of Duty”, effective January 1, 2018. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Naves: None. Motion carried.

JOHN-PAUL WATSON/LAWTON - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 10, 2018:

Motion was made by Mr. Long and seconded by Mr. Cassady to approve the Application for “Disability in the Line of Duty” effective January 10, 2018 Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Naves: None. Motion carried.

JIMMY L. SECRIST/MOORE – APPLICATION FOR DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2018:

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective January 1, 2018. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Naves: None. Motion carried.

TODD J. SEXTON/NORMAN – APPLICATION FOR DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2018:

Motion was made by Mr. Bradshaw and seconded by Mr. Long to approve the Application for “Disability in the Line of Duty”, effective January 1, 2018. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Naves: None. Motion carried.

MARK W. ARGO/OKLAHOMA CITY – APPLICATION FOR DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2018:

Motion was made by Mr. Bradshaw and seconded by Mr. Kelley to modify the Application for “Disability in the Line of Duty” to “Service”, effective January 1, 2018. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Nays: None. Motion carried.

CARL W. BUNCH/STILLWATER – APPLICATION FOR DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JANUARY 1, 2018:

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty, effective January 1, 2018. Ayes: Lay, Cassady, Cramer, Duncan, Long, Vanhorn, Kelley, and Bradshaw. Nays: Stone, Freeman, Kohls, Manek. Motion carried.

REQUEST TO DECLARE JEFFREY SCOTT WHITE/OKLAHOMA CITY AS A DEATH IN THE LINE OF DUTY:

Motion was made by Mr. Vanhorn and seconded by Mr. Long to approve Jeffrey Scott White’s death as a Death in the Line of Duty. Ayes: Lay, Cassady, Freeman, Stone, Cramer, Duncan, Long, Manek, Kohls, Vanhorn, Kelley, and Bradshaw. Nays: None. Motion carried.

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Mr. Jones reported that the Pension Office building was broken into, and nothing of value was reported missing.

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

Mr. Long said he wanted to thank the candidates that were interested in the search for the Executive Director position.

Mr. Long thanked Mr. Jones on his career and service with the Pension System.

Mr. Lay said all of the candidates for the Executive Director position had performed very well in their interviews.

OLD BUSINESS:

NEW BUSINESS:

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet February 16, 2018 at 8:30 A.M. at the Salvation Army Building, 6601 Broadway Extension, Ste. 100, Oklahoma City, OK.

ADJOURNMENT:

Mr. Lay adjourned the Board meeting at 10:46 A.M.

Submitted by Terri L. Williams, Executive Secretary.