

## MINUTES

The Oklahoma Firefighters Pension and Retirement Board met June 16, 2017, 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, Herb Bradshaw, Jim Long, Mike Kelley, Dana Cramer, Dereck Cassady, Matt Lay, Scott Vanhorn, Eric Harlow, Craig Freeman, Janet Kohls, and Frank Stone arriving at 9:05 A.M.

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

Visitors: Troy Brown and Tim Nash, Andco Consulting; Mark Guarulia & Alex Pillersdorf, En Trust Permal; Christopher Good & Alan Brand, TA Associates Reality; Larry Ostow, JP Morgan

Absent: Brandy Manek

### **APPROVAL/MINUTES DATED MAY 19, 2017:**

Motion was made by Mr. Kelley and seconded by Mr. Lay to approve the minutes dated May 19, 2017. Ayes: Messrs. Duncan, Bradshaw, Long, Kelley, Vanhorn, Lay, Cassady, Harlow, Kohls, Freeman, and Cramer. Nays: None. Motion carried.

### **REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:**

Motion was made by Mr. Cramer and seconded by Mr. Harlow to approve the Consent Agenda dated May 19, 2017. Ayes: Messrs. Duncan, Bradshaw, Long, Kelley, Vanhorn, Lay, Cassady, Harlow, Kohls, Freeman, and Cramer. Nays: None. Motion carried.

**EN TRUST PERMAL/MARK GUARULIA & ALEX PILLERSDORF:**

Mr. Guarulia and Mr. Pillersdorf gave a presentation for En Trust Permal.

	3 Months Ending <u>05/31/2017</u>	1 Year Ending <u>05/31/2017</u>	7/1/2015 Ending <u>05/31/2017</u>
En Trust Permal	2.02%	9.11%	1.13%
HFRI FOF: Conservative	0.42%	4.43%	0.74%

**TA ASSOCIATES REALTY/CHRISTOPHER GOOD & ALAN BRAND:**

Mr. Good and Mr. Brand gave a presentation for TA Associates.

	3 Months Ending <u>05/31/2017</u>	1 Year Ending <u>05/31/2017</u>	3 Years Ending <u>05/31/2017</u>
TA Associates IX Fund	(0.69)%	3.74%	11.08%
NCREIF Property Index	1.55%	7.27%	10.58%

**JP MORGAN/LARRY OSTOW:**

	3 Months Ending <u>05/31/2017</u>	1 Year Ending <u>05/31/2017</u>	3 Years Ending <u>5/31/2017</u>
JP Morgan SPF Fund	1.74%	7.71%	10.91%
JP Morgan SSP Fund	1.89%	9.23%	
NCREIF Prop Index	1.55%	7.27%	10.58%

**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/MATT LAY- CHAIRMAN:**

1. Review Investment Performance.

	3 Months Ending <u>05/31/2017</u>	1 Year Ending <u>05/31/2017</u>	3 Years Ending <u>05/31/2017</u>
Total Fund	3.75%	13.97%	7.32%
Policy	2.77%	12.32%	73.00%

2. Foundation Medicine, Inc, securities litigation, recommendation from Robbins Gellar.

Motion was made by Mr. Lay and seconded by Mr. Long not to seek lead plaintiff. Ayes: Messrs. Lay, Cassidy, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**RULES COMMITTEE/DEREK CASSADY – CHAIRMAN:**

1. Update and next steps on 2017 administrative rulemaking process.
2. Review frequently asked questions

**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)
3. Avila, et al. v Lifelock, Inc. et al.: Case No. 15-cv-01398-DKD (USDC District of Arizona)
4. OFP et a; v. Corbat et al and Citigroup, Inc., Case No. 12151-VCG< (Chancery Court of State of Delaware) (Grant)
5. Murphy v. Precision Castparts Corp. et al.: Case No. 16-cv-00521-SB, (District of Oregon, Portland) (3) (Labaton)

6. In re: Finisar Corporation Securities Litigation; Case No. 5:11-CV-01252-EJD, (USDC ND Calif) (AFT)
7. Lehigh County Employees Retirement System v. Novo Nordisk A/S, Case No. 17-CV-00209 (USDC, N.J. (BLBG)
8. Hall v. Rent-A-Center et al.; Case No. 4:16-cv-00978; (USDC ED of Texas) (Labaton)
9. Oklahoma Firefighters Pension and Retirement System, derivatively on behalf of Yahoo! Inc., v Eric Brandt, et al.: (Court of Chancery State of Delaware) (BLBG)
10. Baggs v. Baggs, Case No. FD-2011-375, (Canadian County District Court)
11. Ruther v. OFP; Case No. CV-2017-50, (Garfield County District Court)
12. Report on the current status of all other litigation involving the Pension System.

**DUSTIN E. MCDUFFY/EL RENO - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 3, 2017:**

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective June 3, 2017. Messrs. Ayes: Lay, Cassady, Harlow, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Naves: Freeman and Stone. Motion carried.

**BRANDON HUGHES/LAWTON – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 27, 2017:**

Motion was made by Mr. Cramer and seconded by Mr. Long to approve the Application for “Disability in the Line of Duty”, effective May 27, 2017. Messrs. Ayes: Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Naves: None. Motion carried.

**PETER E, MARTIN/LAWTON – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective June 1, 2017. Messrs. Ayes: Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Naves: None. Motion carried.

**TIMOTHY J. MCINTOSH/LAWTON – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Cramer and seconded by Mr. Cassady to modify the Application for “Disability in the Line of Duty”, to “Service”, effective June 1, 2017. Messrs. Ayes: Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Naves: None. Motion carried.

**JERELO D. YOUNG/LAWTON – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Cassady and seconded by Mr. Cramer to modify the Application for “Disability in the Line of Duty”, to “Service” effective June 1, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Naves: None. Motion carried.

**ANGELO R. RIVERS II/MCALESTER – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 10, 2017:**

Motion was made by Mr. Long and seconded by Mr. Harlow to approve the Application for “Disability in the Line of Duty”, effective June 10, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Naves: None. Motion carried.

**LARRY L. ALLEN/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Cassady and seconded by Mr. Harlow to modify the Application for “Disability in the Line of Duty”, to “Service”, effective June 1, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Naves: None. Motion carried.

**RON D. CUNNINGHAM/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Kelley and seconded by Mr. Long to approve the Application for “Disability in the Line of Duty”, effective June 1, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Naves: Stone. Motion carried.

**BILLY L. GAINES/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Vanhorn and seconded by Mr. Cassady to approve the Application for “Disability in the Line of Duty”, effective June 1, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**STEVEN M. HANSEN/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Cassady and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective June 1, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**JOSEPH F. HOPPES/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Kelley and seconded by Mr. Harlow to approve the Application for “Disability in the Line of Duty”, effective June 1, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**RICK D. HORNER/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Kelley and seconded by Mr. Lay to modify the Application for “Disability in the Line of Duty”, to “Service” effective June 1, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**PHILLIP M. RAY/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Cassady and seconded by Mr. Harlow to modify the Application for “Disability in the Line of Duty”, to “Service” effective June 1, 2017. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**TIMOTHY W. WEAVER/OKLAHOMA CITY - APPLICATION FOR  
“DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Cassady and seconded by Mr. Harlow to approve the Application for “Disability in the Line of Duty”, effective June 1, 2017.  
Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**HAROLD A. PAYNE/STILLWATER - APPLICATION FOR  
“DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Harlow and seconded by Mr. Kelley to approve the Application for “Disability in the Line of Duty”, effective June 1, 2017.  
Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**TED KUPSICK/TAHLEQUAH - APPLICATION FOR “DISABILITY IN THE  
LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Long and seconded by Mr. Vanhorn to approve the Application for “Disability in the Line of Duty”, effective June 1, 2017.  
Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**DANIEL A. LITTLE/TULSA - APPLICATION FOR “DISABILITY IN THE  
LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Lay and seconded by Mr. Harlow to modify the Application for “Disability in the Line of Duty”, to “Service” effective June 1, 2017.  
Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**W.J. MORGAN JR./TUTTLE - APPLICATION FOR “DISABILITY IN THE  
LINE OF DUTY” PENSION, EFFECTIVE JUNE 1, 2017:**

Motion was made by Mr. Long and seconded by Mr. Lay to modify to “Disability Not in the Line of Duty” and send Mr. Morgan to the State doctor. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**TODD E. BROWN/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. Cassady and seconded by Mr. Long to approve the request of Mr. Brown to modify the Application from “Service” to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**DONALD K. BURNETT/TULSA – REQUEST TO MODIFY PENSION FROM “DISABILITY NOT IN THE LINE OF DUTY” TO “DISABILITY IN THE LINE OF DUTY”:**

Motion was made by Mr. Cassady and seconded by Mr. Long to approve the request of Mr. Burnett to modify the Application from “Service” to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**PAUL T. HUFFORD/TULSA – REQUEST TO MODIFY PENSION FROM “DISABILITY NOT IN THE LINE OF DUTY” TO “DISABILITY IN THE LINE OF DUTY”:**

Motion was made by Mr. Long and seconded by Mr. Lay to approve the request of Mr. Burnett to modify the Application from “Service” to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**ROBERT JONES/APPROVAL OF THE FOLLOWING CONTRACT**

Mr. Jones reviewed the contracts with the contracts with the Board.

**Money Managers**

Allianz Global Investors  
Angelo Gordon  
Ardian  
Aronson & Partners  
Azul Holdco  
Brandywine Asset Management  
Beutel Goodman  
Capital Dynamics  
Chautauqua Asset Management/Baird  
Clarivest Asset Management LLC

Dune  
Earnest Partners  
Fred Alger  
Garcia Hamilton & Associates  
Garrison  
Hall Capital  
INTECH  
Jackson Square Partners  
JP Morgan  
Landmark  
Lord Abbett  
Medley  
Mesirow  
Orleans  
Permal Group/Entrust  
PIMCO  
Pomona Capital  
Portfolio Advisors  
River Road Asset Management  
State Street Global Advisors  
TA Associates  
Tortoise Capital Advisors  
Wasatch Advisors  
WCM Investment Management

**Other Professionals:**

AndCo Consulting  
Robert Palesano  
Conduent HR Consulting

**Legal:**

Phillips Murrah  
Davis, Graham & Stubbs

**Accounting/Auditing/Custody:**

Finley & Cook  
Crawford & Associates  
State Street Bank

Motion was made by Mr. Cramer and seconded by Mr. Kelley to approve the contracts as listed. Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None. Motion carried.

**CHASE RANKIN/APPROVAL OF 2018 BUDGET:**

Mr. Rankin reviewed the budget with the Board.

Motion was made by Mr. Kelley and seconded by Mr. Lay to approve the 2018 Budget.  
Ayes: Messrs. Lay, Cassady, Harlow, Freeman, Stone, Cramer, Duncan, Long, Kohls, Vanhorn, Kelley and Bradshaw. Nays: None.

**ROBERT JONES/EXECUTIVE DIRECTOR REPORT:**

Mr. Rankin reported the change in the Investment Balance Assets Report was due to increased benefit payout and other cost.

Mr. Rankin explained the changes that had been made concerning the Deferred Retirement Option Plan report.

**QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:**

Mr. Long thanked Michel Duncan, Paul Gallahar and Raanon Adams for the service they provided to the Board.

Mr. Long also welcomed Eric Harlow and Herb Bradshaw to the Board.

**OLD BUSINESS:**

**NEW BUSINESS:**

**NEXT MEETING DATE:**

The Oklahoma Firefighters Pension and Retirement Board will meet July 21, 2017 at 8:30 A.M. at the Salvation Army Building, 6601 Broadway Extension, Ste. 100, Oklahoma City, OK.

**ADJOURNMENT:**

Motion was made by Mr. Lay and seconded by Mr. Cassady to adjourn the Board meeting at 11:30 A.M.

Submitted by Terri L. Williams, Executive Secretary.