

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met May 16, 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 Casey Morrison called the meeting to order.

Members Present: Casey Morrison, Dana Cramer, Craig Freeman, Gerald Garrett, Jim Long, Michel Duncan, Jackie Carner, Janet Kohls, Scott Vanhorn and Brandy Manek arriving at 9:20 A.M.

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

Visitors: Troy Brown and Tim Nash, Bogdahn Group; Stephen Hamilton, Delaware Investments; Brian Beitner, Dan Boston, and Amanda Prentiss, Chautauqua Capital Management; Eric Edmond & Wendy Trevisani, Thornburg Investment Management

Absent: Raanon Adams, Frank Stone and Doug Jacobson

APPROVAL/MINUTES DATED APRIL 18, 2014:

Motion was made by Mr. Long and seconded by Mr. Vanhorn to approve the minutes dated April 18, 2014. Ayes: Messrs. Garrett, Vanhorn, Morrison, Freeman, Cramer, Long, Kohls, Duncan, and Carner. Nays: None. Motion carried.

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Long and seconded by Mr. Vanhorn to approve the Consent Agenda dated May 16, 2014. Ayes: Messrs. Morrison, Garrett, Carner, Freeman, Cramer, Kohls, Duncan, Vanhorn, and Long. Nays: None. Motion carried.

DELAWARE INVESTMENTS/STEPHEN HAMILTON:

Mr. Hamilton gave a presentation for Delaware Investments.

	3 Months Ending <u>04/30/2014</u>	1 Year Ending <u>04/30/2014</u>	3 Years Ending <u>04/30/2014</u>
Delaware Investments	(2.93)%	16.35%	10.17%
Russell 2500 Growth	(0.65)%	21.77%	11.30%

**CHAUTAUQUA CAPITAL MANAGEMENT/BRIAN BEITNER, DAN BOSTON,
& AMANDA PRENTISS:**

Mr. Beitner, Mr. Boston and Ms. Prentiss gave a presentation for Chautauqua Capital Management.

	3 Months Ending <u>04/30/2014</u>	1 Year Ending <u>04/30/2014</u>	09/01/2012 to <u>04/30/2014</u>
Chautauqua Capital Management	8.88%	11.68%	16.16%
MSCI EAFE	6.40%	13.35%	21.14%

**THORNBURG INVESTMENT MANAGEMENT/ERIC EDMOND & WENDY
TREVISANI:**

Mr. Edmond & Ms. Trevisani gave a presentation for Thornburg Investment Management:

	3 Months Ending <u>4/30/2014</u>	1 Year Ending <u>4/30/2014</u>	3 Years Ending <u>4/30/2014</u>
Thornburg Investment Management	2.52%	5.49%	1.76%
MSC EAFE	6.40%	13.35%	5.66%

BOGDAHN GROUP/ TROY BROWN & TIM NASH:

1. Presenting Manager Review.

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

INVESTMENT COMMITTEE/GERALD GARRETT – CHAIRMAN:

1. Discussion of Fixed Income Manager Interviews.

Motion was made by Mr. Garrett and seconded by Mr. Long to select Garcia Hamilton & Associates and Orleans Capital Management to provide core fixed income services, and to allocate \$50 million to Garcia Hamilton & Associates and \$25 million to Orleans Capital Management. Ayes: Messrs. Morrison, Vanhorn, Freeman, Cramer, Garrett, Long, Duncan, Manek, Carner and Kohls. Nays: None. Motion carried

2. Review Investment Performance.

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

	3 Months Ending <u>04/30/2014</u>	1 Year Ending <u>04/30/2014</u>	3 Years Ending <u>04/30/2014</u>
Total Fund	3.60%	13.50%	8.69%
Policy Benchmark	4.25%	13.05%	9.82%

3. International RFP Review and Discussion.

Motion was made by Mr. Garrett and seconded by Mr. Vanhorn to terminate Thornburg Investment Management, and to allocate the Thornburg funds equally between Chautauqua Capital Management and WCM Investment Management. Ayes: Messrs. Morrison, Garrett, Carner, Freeman, Cramer, Kohls, Duncan, Vanhorn, Manek, and Long. Nays: None. Motion carried.

4. Discussion and Vote on Apollo Education Group Securities.

Motion was made by Mr. Garrett and seconded by Mr. Cramer to seek lead plaintiff status against Apollo Education Group and retain Scott and Scott to represent the System. Ayes: Messrs. Morrison, Garrett, Carner, Freeman, Cramer, Kohls, Duncan, Vanhorn, Manek, and Long. 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
Mr. Edwards reported that Mr. Jones will attend to give his deposition.
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. Report on the current status of all other litigation involving the Pension System.

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

ROBERT W. HALL JR./FAIRFAX – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE APRIL 30, 2014:

Motion was made by Mr. Vanhorn and seconded by Mr. Duncan to approve the Application for “Disability in the Line of Duty”, effective April 30, 2014. Ayes: Messrs. Morrison, Garrett, Long, Vanhorn, Freeman, Kohls, Duncan, Manek, Cramer, and Carner. Nays: None. Motion carried.

RICHARD O. BEAMS III/MCALISTER - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2014:

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the Application for “Disability in the Line of Duty”, effective May 1, 2014. Ayes: Messrs. Morrison, Long, Cramer, Duncan, Vanhorn, Kohls, Garrett, Duncan, Manek, and Carner. Naves: Stone. Motion carried.

LEONARD D. PELFREY/NORMAN - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2014:

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

JAMES G. ELLZEY/OKLAHOMA CITY - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2014:

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

LARRY W. KING/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2014:

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

PATRICK M. KNAPP/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2014:

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

BRUCE W. WHITE/OKLAHOMA CITY – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE MAY 1, 2014:

Motion was made by Mr. Vanhorn and seconded by Mr. Freeman to modify the Application for “Disability in the Line of Duty” to “Service”, effective May 1, 2014. Ayes: Messrs. Morrison, Garrett, Kohls, Freeman, Vanhorn, Manek, Duncan, Long, Cramer and Carner. Nays: None. Motion carried.

FRANK D. CREASON/ZENA – APPLICATION FOR “DISABILITY NOT IN THE LINE OF DUTY”, EFFECTIVE APRIL 20, 2014:

Motion was made by Mr. Vanhorn and seconded by Mr. Duncan to approve the Application for “Disability Not in the Line of Duty”, effective April 20, 2014. Ayes: Messrs. Morrison, Garrett, Kohls, Freeman, Vanhorn, Manek, Duncan, Long, Cramer and Carner. Nays: None. Motion carried.

DON M. GRAVES/TULSA – CONSIDERATION TO MODIFY PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:

Motion was made by Mr. Long and seconded by Mr. Freeman to approve the request to modify Mr. King’s pension to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Morrison, Vanhorn, Garrett, Kohls, Freeman, Manek, Duncan, Long, Cramer, and Carner. Nays: None. Motion carried.

RECEIVE & FILE:

1. Russell Investment – Commission Recapture - \$18,523.97 – April 2014

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

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Mr. Jones reported that Senate Bill 2024 had been signed by the governor.

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

Motion was made by Mr. Vanhorn and seconded by Mr. Freeman to approve travel for Robert Jones to attend the NAPA conference in Nashville in June. Ayes: Messrs. Garrett, Morrison, Long, Vanhorn, Duncan, Manek, Kohls, Freeman, Cramer and Carner. Nays: None. Motion carried.

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

OLD BUSINESS:

NEW BUSINESS:

Mr. Carner told the Board that he had enjoyed serving his time on the Board.

Chairman Casey Morrison thanked Jackie Carner and Gerald Garrett for their time they served on the Board.

Mr. Long told Mr. Carner and Mr. Garrett he appreciated all they had done for the Board.

Mr. Garrett said he had enjoyed working with all of the Board Members.

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet June 20, 2014 at 8:30 A.M. at the Lincoln Plaza Office Building at 4545 N. Lincoln Blvd., Oklahoma City, OK.

ADJOURNMENT:

Motion was made by Mr. Vanhorn and seconded by Mr. Freeman to adjourn the Board meeting at 11:16 A.M. Ayes: Messrs. Garrett, Morrison, Vanhorn, Long, Duncan, Manek, Cramer, Kohls, Freeman, and Carner. Nays: None. Motion carried.

Submitted by Terri L. Williams, Executive Secretary.