

MINUTES

The Oklahoma Firefighters Pension and Retirement Board met May 20, 2011 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 Bert Norton called the meeting to order.

Members Present: Bert Norton, David Thompson, Dana Cramer, Janet Kohls, Jim Long, Les Foughty, Randy Rose and Brandy Manek arriving at 9:02 A.M.

Others: Duane Michael, Controller; Terri Williams, Executive Secretary; Marc Edwards, General Counsel

Visitors: Dana Dean, Thornburg; Rebecca Kubick and Michael Mulvihill, Artio Global Investors; Jason Pulos, Asset Consulting Group

Absent: Doug Jacobson, Gerald Garrett, Casey Morrison, Frank Stone and Anita Breen

APPROVAL/MINUTES DATED APRIL 15, 2011:

Motion was made by Mr. Cramer and seconded by Mr. Rose to approve the minutes dated April 15, 2011. Ayes: Messrs. Norton, Thompson, Long, Foughty, Rose, Kohl, and Cramer. Nays: None. Motion carried.

THORNBURG/DANA DEAN:

Ms. Dean gave a presentation for Thornburg.

| | 3Months Ending <u>04/30/2011</u> | 1 Year Ending <u>04/30/2011</u> | 07/01/2009 Ending <u>04/30/2011</u> |
|-----------|--|---------------------------------------|---|
| Thornburg | 8.51% | 23.41% | 25.70% |
| MSCI EAFE | 7.02% | 19.18% | 22.05% |

ARTIO GLOBAL INVESTORS/REBECCA KUBICK& MICHAEL MULVIHILL:

Ms. Kubick and Mr. Mulvihill gave a presentation for Artio Global Investors.

| | 3 Months Ending <u>04/30/2011</u> | 1 Year Ending <u>04/30/2011</u> | 3 Years Ending <u>04/30/2011</u> |
|--------------|---|---------------------------------------|--|
| Artio Global | 7.68% | 16.94% | (4.73)% |
| MSCI EAFE | 7.02% | 19.18% | (2.85)% |

ASSET CONSULTING GROUP/JASON PULOS:

1. Presenting Manager Review.

Mr. Pulos reviewed the presenting managers to the Board.

INVESTMENT COMMITTEE/JIM LONG – CHAIRMAN:

1. Review Monthly Investment Performance.

Mr. Pulos reviewed the monthly investment performance.

| | 3 Months Ending <u>04/30/2011</u> | 1 Year Ending <u>04/30/2011</u> | 3 Years Ending <u>04/30/2011</u> |
|------------------|---|---------------------------------------|--|
| Total Fund | 6.18% | 15.27% | 2.81% |
| Policy Benchmark | 5.22% | 15.03% | 3.98% |

2. Review Private Equity.

Mr. Long noted that Hall Capital presented to the Investment Committee regarding their capabilities.

3. Review Asset Allocation.

Motion was made by Mr. Long and seconded by Ms. Manek to participate in the Portfolio Advisors Fund IV for a total amount of \$10 million. Ayes: Messrs. Thompson, Rose, Foughty, Norton, Long, Kohls, Manek, and Cramer. Naves: None. Motion carried.

Motion was made by Mr. Long and seconded by Mr. Rose to rebalance \$32 million from Intech to Brandywine Global Bond Fund as soon as possible. Ayes: Messrs. Thompson, Rose, Foughty, Norton, Long, Kohls, Manek, and Cramer. Nays: None. Motion carried.

Motion was made by Mr. Long and seconded by Mr. Rose to approve seeking lead plaintiff status in the Finisar Case with Abraham, Fruchter, & Twersky, LLP providing legal representation. Ayes: Messrs. Thompson, Rose, Foughty, Norton, Long, Kohls, Manek, and Cramer. Nays: None. Motion carried

REQUEST APPROVAL/CONSENT AGENDA, A COPY IS ATTACHED:

Motion was made by Mr. Thompson and seconded by Mr. Long to approve the Consent Agenda dated May 20, 2011. Ayes: Messrs. Thompson, Rose, Foughty, Norton, Long, Kohls, Manek, and Cramer. Nays: None. Motion carried.

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

1. Hwang vs. Smith & Wesson Holding Corp., et. al, USDC of Massachusetts, Case No. 07-CV-30238.
2. Minneapolis Firefighters Relief Association v. Medtronic, Inc. et el, USDC, Minnesota, Case No. 0:08-CV-06324
3. Southern Copper Shareholder Litigation, Delaware Court of Chancery.
4. Strayer Education.
5. Capella Education.
6. Report on the current status of all other litigation involving the Pension System.

General Counsel Marc Edwards updated the Board Members on the litigation that was involving the Pension System.

MICHAEL W. ESLICK/BRISTOW – APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE APRIL 9, 2011:

Motion was made by Mr. Cramer and seconded by Mr. Foughty to approve the Application for “Disability in the Line of Duty”, effective April 9, 2011. Ayes: Messrs. Norton, Thompson, Foughty, Rose, Cramer, Long, Manek, and Kohls. Nays: None. Motion carried.

ROBERT W. ABLES/PONCA CITY - APPLICATION FOR "DISABILITY IN THE LINE OF DUTY" PENSION, EFFECTIVE MAY 20, 2011:

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the Application for "Disability in the Line of Duty", effective May 20, 2011. Ayes: Messrs. Norton, Thompson, Cramer, Foughty, Long, Rose, Manek, and Kohls. Naves: None. Motion carried.

GORDON L. SHIELDS/TULSA - APPLICATION FOR "DISABILITY IN THE LINE OF DUTY" PENSION, EFFECTIVE MAY 1, 2010:

Motion was made by Mr. Long and seconded by Mr. Cramer to approve the Application for "Disability in the Line of Duty", April 1, 2011. Ayes: Messrs. Norton, Thompson, Cramer, Garrett, Rose, Long, Morrison, Breen, and Manek. Naves: None. Kohls and Foughty. Motion failed.

GREG K. BROWN/WAURIKA – APPLICATION FOR "DISABILITY NOT IN THE LINE OF DUTY" PENSION, EFFECTIVE MAY 1, 2011:

Motion was made by Mr. Cramer seconded by Mr. Thompson to approve the Application for "Disability Not in the Line of Duty" , effective May 1 , 2011. Ayes: Messrs. Norton, Thompson, Foughty, Rose, Cramer, Long, Kohls, and Manek. Naves: None. Motion carried.

DANIEL I. KLEIN/OKLAHOMA CITY – REQUEST TO CHANGE PENSION FROM "SERVICE" TO "DISABILITY IN THE LINE OF DUTY"

Motion was made by Mr. Cramer and seconded by Mr. Foughty to approve the request of Mr. Klein to change his pension from "Service" to "Disability in the Line of Duty" based on the medical information submitted. Ayes: Messrs. Norton, Thompson, Foughty, Cramer, Long, Rose, Kohls, and Manek. Naves: None. Motion carried.

JERRY MILLER/TAHLEQUAH – REQUEST TO CHANGE PENSION FROM "SERVICE" TO "DISABILITY IN THE LINE OF DUTY"

Motion was made by Mr. Cramer and seconded and by Mr. Foughty to deny the request of Mr. Miller to change his pension from "Service" to "Disability in the Line of Duty" based on the medical information submitted. Ayes: Messrs. Norton, Thompson, Foughty, Cramer, Long, Rose, Kohls, and Manek. Naves: None. Motion carried.

ROBERT JONES/APPROVAL OF THE FOLLOWING CONTRACTS:

Money Managers

Aronson & Partners
Artio Global Management

Attalus Capital
Brandywine Large Cap Value
Brandywine Global Fixed Income
Delaware
Earnest Partners
Fred Alger
Grosvenor Capital Management
Intech
JP Morgan Fleming
Lord Abbett
Pequot/AZUL
Price Edwards
Private Advisors
River Road Asset Management
State Street Global Advisors
TA Real Estate
Portfolio Advisors
Thornburg Investment Management

Other Professionals

Asset Consulting Group
Robert Palesano
Buck Consultants
Price Edwards & Company

Legal

Phillips Murrah
Davis, Graham & Stubbs

Accounting/Auditing

Finley and Cook
Crawford & Associates
State Street Custody

Motion was made by Mr. Long and seconded by Mr. Thompson to change the fees for Phillips McFall from a 20% increase to a 10% increase. Ayes: Messrs. Norton, Thompson, Foughty, Cramer, Long, Rose, Kohls, and Manek. Nays: None. Motion carried.

Motion was made by Mr. Long and seconded by Mr. Foughty to approve the contract as listed with the above listed amendment. Ayes: Messrs. Norton, Thompson, Foughty, Cramer, Long, Rose, Kohls, and Manek. Nays: None. Motion carried.

ROBERT JONES/APPROVAL OF 2012 BUDGET:

Mr. Long made a motion seconded by Mr. Foughty to change the Phillips Murrah line to 10% increase and Price Edward's budgeted amount from \$200,000.00 to \$225,000.00. Ayes: Messrs. Norton, Thompson, Foughty, Cramer, Long, Rose, Kohls, and Manek. Naves: None. Motion carried.

Motion was made by Mr. Thompson and seconded by Mr. Rose to approve the 2012 Budget as amended. Ayes: Messrs. Norton, Thompson, Foughty, Cramer, Long, Rose, Kohls, and Manek. Naves: None. Motion carried.

RECEIVE & FILE:

1. BNY Convergenx - \$763.97 – April 2011
2. Bristol Myers Squibb - \$302.02 – April 2011
3. Insurance Premium Tax - ~~\$7,784,844.40~~ – April 2011
4. Merrill Lynch - \$139.50 – April 2011
5. Russell Investments - \$14,136.82 – April 2011
6. Realty Associates Advisors LLC - \$20,073.00 – May 2011
7. Realty Associates Advisors LLC - \$9,835.00
8. BNY ConVergx - \$1,721.74 – May 2011
9. Insurance Premium Tax - \$12,144,315.38 – May 2011
10. The Garden City Group - \$14,770.57 – May 2011

Motion was made by Mr. Cramer and seconded by Mr. Foughty to approve the above listed receive and file. Ayes: Messrs. Norton, Thompson, Foughty, Rose, Cramer, Long, Kohls, and Manek. Naves: None. Motion carried.

ROBERT JONES/EXECUTIVE DIRECTOR REPORT:

Motion was made by Mr. Long and seconded by Mr. Kohls to table the restructure of staff until the June meeting. Ayes: Messrs. Norton, Thompson, Foughty, Rose, Cramer, Long, Kohls, and Manek. Naves: None. Motion carried.

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

There was no discussion on this item.

QUESTIONS & COMMENTS FROM BOARD MEMBERS & AUDIENCE:

NEW BUSINESS:

NEXT MEETING DATE:

The Oklahoma Firefighters Pension and Retirement Board will meet June 17, 2011 at 8:30 A.M. at the Lincoln Plaza Office Building at 4545 N. Lincoln Blvd., Oklahoma City, OK.

ADJOURNMENT:

Chairman Bert Norton adjourned the Board meeting at 10:25 A.M.

Submitted by Terri L. Williams, Executive Secretary.

CONSENT AGENDA
May 20, 2011

CHECKS TERMINATED IN APRIL 2011:

| | | |
|---------------|--------------------|----------|
| AFTON | JOANNE VICTOR | DECEASED |
| ARDMORE | HELEN L. MOORE | DECEASED |
| BRISTOW | DOROTHY E. GREER | DECEASED |
| CACHE | EDWARD F. BOWLES | DECEASED |
| DEL CITY | MARY STRUNK | DECEASED |
| DEPEW | HENRY G. GEMMILL | DECEASED |
| HICKORY | ANDREW L. CHAMBERS | DECEASED |
| KIEFER | VELORA COOK | DECEASED |
| LOCUST GROVE | LEVA MOFFETT | DECEASED |
| MAYSVILLE | OLIE A. MCCASKILL | DECEASED |
| MUSKOGEE | CONNIE A. BEAVER | DECEASED |
| OKLAHOMA CITY | EDITH BERKENBILE | DECEASED |
| OKLAHOMA CITY | EVELYNE BODINE | DECEASED |
| OKLAHOMA CITY | RICHARD E. PRAYTOR | DECEASED |
| SEILING | AUDRY POOLE | DECEASED |
| TULSA | BARBARA VANMETER | DECEASED |
| TYRONE | FRANK COLLINS | DECEASED |

\$5,000.00 DEATH BENEFIT:

| | |
|---------------|--|
| CACHE | JACKSON FUNERAL HOME ON BEHALF OF EDWARD BOWLES |
| CHECOTAH | DANNY S. THOMAS, CO-DEATH RECIPIENT OF OTIS H. THOMAS |
| CHECOTAH | BOBBY H. THOMAS, CO-DEATH RECIPIENT OF OTIS H. THOMAS |
| CHECOTAH | JUDITH A. WOOD, CO-DEATH RECIPIENT OF OTIS H. THOMAS |
| CUSTER CITY | CONNIE J. HUNNICUTT, WIDOW OF NYLE L. HUNNICUTT |
| HICKORY | CRISSWELL FUNERAL HOME ON BEHALF OF ANDREW L. CHAMBERS |
| MUSKOGEE | CORNERSTONE FUNERAL HOME ON BEHALF OF CONNIE A. BEAVER |
| OKLAHOMA CITY | BAGGERLEY FUNERAL HOME ON BEHALF OF JAMES MEARS |
| OKLAHOMA CITY | KENNETH E. PRAYTOR, DEATH RECIPIENT OF RICHARD E. PRAYTOR |
| ROSSTON | MYATT-LAVERNE FUNERAL HOME ON BEHALF OF ELDON W. DEWITT |

SPARKS
STILLWATER

PATRICIA A. NEER, WIDOW OF LARRY D. NEER, SR.
GLENDA L. DUNCAN, WIDOW OF PAUL E. DUNCAN

**APPLICATION FOR ENTRANCE INTO THE PENSION SYSTEM/APPROVED
BY EXECUTIVE DIRECTOR, ROBERT E. JONES, JR.:**

| <u>CITY</u> | <u>APPLICANT</u> |
|---------------|--------------------|
| BERRYHILL FPD | BRETT ROBERTS |
| BRISTOW | BRYAN DESHAZO |
| BRISTOW | MIKE SILER |
| BROKEN BOW | JOSEPH FRUNK |
| BROKEN BOW | LANDON MIDDLETON |
| COALGATE | STEVEN BURROWS |
| COALGATE | CLARK HANSEN |
| COLLINSVILLE | WILLIAM EDWARDS |
| COLLINSVILLE | CALEB EYTCHESON |
| COLLINSVILLE | JUSTIN WAGNON |
| COLLINSVILLE | MICHAEL WILLIAMS |
| COWETA | JEREMY POPLIN |
| DRUMRIGHT | JACK DOTSON |
| GLENPOOL | GEORGE GORTON |
| JENKS | JAY DESHIELDS |
| JENKS | RICHARD TEETER |
| MUSKOGEE | RYAN DAVISON |
| NEWCASTLE | CLIFFORD MCCONNELL |
| NICOMA PARK | DANIEL MORTON |
| OKLAHOMA CITY | CODY ASHMORE |
| OKLAHOMA CITY | MICHAEL NICHOLS |
| OKLAHOMA CITY | TIMOTHY TRAYLOR |
| OKLAHOMA CITY | RYAN WALKER |
| SAPULPA | NOAH SANCO |
| SAPULPA | CHRIS WRESCHER |
| SEMINOLE | JAKE GIFFORD |
| TULSA | EVAN BAKER |
| TULSA | KEVIN BAKER |
| TULSA | EUGENE BEACHLY |
| TULSA | RYAN BEELER |
| TULSA | ANTHONIE BOUNDS |
| TULSA | DYLAN BROADLAND |
| TULSA | KYLE BROOKS |
| TULSA | JUSTIN CALDWELL |
| TULSA | PAUL CAMPANELL |
| TULSA | ERIC CARPENTER |
| TULSA | ANTHONY CASTORENA |

| | |
|-------------|--------------------|
| TULSA | JARED CROWDER |
| TULSA | KELLEN DAVIS |
| TULSA | AUBREY EMERSON |
| TULSA | CHAD GILLEY |
| TULSA | CODY GILMORE |
| TULSA | JOHN GRIFFIN |
| TULSA | GEORGE GRUENWALD |
| TULSA | THOMAS HARRIS |
| TULSA | TYLER HENDERSON |
| TULSA | LARRY JACKSON |
| TULSA | ADAM JOSEPH |
| TULSA | NICHOLAS KANNEMAN |
| TULSA | ROBERT KERR |
| TULSA | NICHOLAS LANCASTER |
| TULSA | WESLEY LIGHTLE |
| TULSA | WYATT LOWE |
| TULSA | CHASE MARTIN |
| TULSA | MICHAEL MCCLENDON |
| TULSA | RICHARD MCCREARY |
| TULSA | JACOB MCDANIEL |
| TULSA | RYAN RIDER |
| TULSA | DAVID ROLLANDINI |
| TULSA | MATTHEW RUSKOSKI |
| TULSA | JOHNNY RUTLEDGE |
| TULSA | JUSTIN SHARP |
| TULSA | BRANDON SMITH |
| TULSA | RICHARD STAMMER |
| TULSA | QUINN WEHLACZ |
| TULSA | JUSTIN WHINERY |
| TULSA | COLBY WRIGHT |
| TULSA | JAMES YODER |
| TULSA | JOSHUA ZWEIFEL |
| WARR ACRES | CHRIS MCCOY |
| WEATHERFORD | JAMES DILLON GREEN |
| WEWOKA | FRED MILLARD |

APPLICATION FOR SURVIVING SPOUSE:

| <u>EFFECTIVE DATE</u> | <u>CITY</u> | <u>APPLICANT</u> |
|------------------------------|--------------------|--|
| 03/25/2011 | BOSWELL | KRISTY LANKFORD, WIDOW OF Larry Lankford Deceased 03/24/2011 |

APPLICATION FOR SURVIVING SPOUSE FOR CONTINUATION:

| <u>EFFECTIVE DATE</u> | <u>CITY</u> | <u>APPLICANT</u> |
|------------------------------|--------------------|---|
| 05/01/2011 | COLBERT | VIRGINIA A. PARRISH, WIDOW Of Richard F. Parrish |
| 05/01/2011 | COUNCIL HILL | GLENDA K. SHINPOCH, WIDOW Of Ronald D. Shinpoch |
| 05/01/2011 | HOLLIS | MARY C. WHITMAN, WIDOW of Clyde H. Whitman |
| 05/01/2011 | LAMONT | DELORES I. PAMETICKY, Widow of Harvey Pameticky |
| 05/01/2011 | LAWTON | JO ANNE TAYLOR, WIDOW OF Charles T. Taylor |
| 05/01/2011 | OKLAHOMA CITY | SHARON K. MEARS, WIDOW OF James L. Mears |
| 05/01/2011 | SKIATOOK | DOROTHY J. PIPPIN, WIDOW OF John W. Pippin |

APPLICATION FOR SERVICE PENSION:

| <u>EFFECTIVE DATE</u> | <u>CITY</u> | <u>APPLICANT</u> |
|------------------------------|--------------------|-------------------------|
| 05/01/2011 | ARNETT | STUART L. STEVENS |
| 05/01/2011 | BARTLESVILLE | BILLY J. JOHNSON |
| 05/01/2011 | BARTLESVILLE | JAMES B. WATERBURY |
| 05/01/2011 | BROKEN ARROW | PAUL C. BOLDING |
| 05/01/2011 | BROKEN ARROW | HAROLD C. SISCO |
| 05/06/2011 | BURNS FLAT | THOMAS H. GILLHAM |
| 03/08/2011 | DACOMA | KENNETH BYRD |

| | | |
|------------|----------------|---------------------|
| 03/20/2011 | EDGEWATER PARK | KENNETH D. TAYLOR |
| 03/01/2011 | FAIRMONT | RHONDA M. STEINERT |
| 05/20/2011 | FORGAN | THOMAS L. SWALLOW |
| 05/01/2011 | MUSKOGEE | WILLIAM E. STURGEON |
| 05/07/2011 | OKEMAH | JEFFERY A. ANDERSON |
| 05/01/2011 | OKLAHOMA CITY | CLAYTON E. BELL |
| 05/01/2011 | OKLAHOMA CITY | RICHARD D. DILLON |
| 03/11/2011 | PURCELL | CHARLIE G. CLARK |
| 04/07/2011 | REYDON | CHARLES L. HICKEY |
| 05/01/2011 | SAPULPA | DONALD A. ACREE |
| 05/01/2011 | SAPULPA | ROBERT H. ROBERTSON |
| 05/01/2011 | SEMINOLE | ROY E. LEMMINGS |
| 03/26/2011 | STILWELL | BUFFALO SELLERS |
| 05/01/2011 | STONE BLUFF | DAVID L. DANIELS |
| 05/01/2011 | STONEBLUFF | DEBORAH K. DANIELS |
| 05/13/2011 | TYRONE | JAMES R. SWARTZ |
| 04/08/2011 | VICI | JIM PECK |
| 05/01/2011 | WANETTE | RICHEY FINK |
| 04/12/2011 | YALE | JEFFREY D. MORPHEW |

APPLICATION FOR VESTED BENEFIT:

EFFECTIVE
DATE

CITY

APPLICANT

11/01/2015

HOG EYE

PAUL E. PIERCE

| | | |
|------------|--------------|---------------------|
| 02/10/2014 | KREMLIN | MICHAEL R. SKAGGS |
| 03/12/2019 | PAULS VALLEY | MICHAEL L. HAMILTON |
| 11/10/2011 | STILWELL | RALPH F. KEEN II |
| 07/02/2020 | WAURIKA | PRENTISS L. WOODS |
| 03/22/2017 | WEWOKA | KEVIN A. ANDERSON |

REFUND OF CONTRIBUTIONS:

| <u>APPLICANT</u> | <u>CITY</u> | <u>HIRED</u> | <u>TERMINATED</u> |
|-------------------------|--------------------|---------------------|--------------------------|
| BERNARD W. BLUE | COALGATE | 05/01/2007 | 12/26/2010 |
| JOSHUA BIBBY | HUGO | 07/15/2009 | 04/22/2011 |
| BRYAN R. SPENCER | LAWTON | 06/05/2001 | 04/01/2010 |
| CHAD S. MACH | OWASSO | 01/02/2007 | 07/14/2009 |
| JOSEPH WILES | POTEAU | 06/07/1999 | 05/04/2011 |
| MARION BLACKWELL | STILLWATER | 06/15/2007 | 12/15/2010 |

NEW COUNTY AND/OR CITY FIRE DEPARTMENT ENTERING THE PENSION SYSTEM: