

## AMENDED MINUTES

The Oklahoma Firefighters Pension and Retirement Board met September 21, 2012 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 Gerald Garrett called the meeting to order.

Members Present: Gerald Garrett, David Thompson, Scott Vanhorn, Jim Long, Bob Allen, Janet Kohls, Raanon Adams, Anita Breen, Brandy Manek arriving at 9:05 A.M. and Frank Stone arriving at 9:10 A.M.

Others: Robert Jones, Executive Director; James Reynolds, Assistant Director; Duane Michael, Assistant Director; Terri Williams, Executive Secretary; Marc Edwards, General Counsel

Visitors: George Tarlas & Tom Yanish, Asset Consulting Group; John Boles & Jeremy Conner, Attalus Capital; Tom Meagher & David Flinn, Grosvenor Capital Management

Absent: Doug Jacobson, Dana Cramer & Casey Morrison

### **APPROVAL/MINUTES DATED AUGUST 17, 2012:**

Motion was made by Mr. Long and seconded by Mr. Vanhorn to approve the minutes dated August 17, 2012. Ayes: Messrs. Garrett, Thompson, Vanhorn, Adams, Long, Breen, Allen, and Kohls. Nays: None. Motion carried.

### **ATTALUS CAPITAL/JOHN BOLES & GEREMY CONNERCONNER:**

Mr. Boles & Mr. Conner gave a presentation for Attalus Capital.

	3 Months Ending <u>08/31/2012</u>	1 Year Ending <u>08/31/2012</u>	3 Years Ending <u>08/31/2012</u>
Attalus Capital	(0.58)%	(2.72)%	(1.58)%
Wilshire 5000	7.56%	16.93%	13.76%

**GROSVENOR CAPITAL GROUP/TOM MEAGHER & DAVID FLINN:**

Mr. Meagher & Mr. Flinn gave a presentation for Grosvenor Capital.

	3 Months Ending <u>08/31/2012</u>	1 Year Ending <u>08/31/2012</u>	3 Years Ending <u>08/31/2012</u>
Grosvenor Capital Group	2.58%	4.06%	3.70%
Wilshire 5000	7.56%	16.93%	13.76%

**ASSET CONSULTING GROUP/GEORGE TARLAS & TOM YANISH:**

**1. Presenting Manager Review.**

Mr. Tarlas & Mr. Yanish Pulos reviewed the presenting manager to the Board.

**INVESTMENT COMMITTEE/JIM LONG – VICE-CHAIRMAN:**

**1. Review Investment performance.**

Mr. Tarlas & Mr. Yanish reviewed the monthly investment performance.

	3 Months Ending <u>08/31/2012</u>	1 Year Ending <u>08/31/2012</u>	3 Years Ending <u>08/31/2012</u>
Total Fund	5.28%	8.76%	9.06%
Policy Benchmark	5.95%	11.67%	10.33%

**2. Analysis of long short equity and low volatility hedge fund allocations.**

Motion was made by Mr. Long and seconded by Mr. Vanhorn to notify Grosvenor to exercise the option to redeem all funds. Ayes: Messrs. Thompson, Garrett, Vanhorn, Adams, Long, Allen, Kohls, Breen, Stone, and Manek. Motion carried.

**3. Review local custody issues related to India.**

No action was taken on this item.

#### **4. Review status of investment consultant search.**

Motion was made by Mr. Long and seconded by Mr. Thompson to approve questions and answers as discussed by the Board regarding the investment consultant search. Ayes: Messrs. Thompson, Garrett, Vanhorn, Adams, Long, Allen, Kohls, Breen, Stone, and Manek. Motion carried.

#### **RULES COMMITTEE/SCOTT VANHORN – CHAIRMAN:**

##### **1. Federal income tax withholding on Plan B (DROP) Payment as compared to Plan A monthly pension or disability payments.**

Mr. Vanhorn reported that the Board's Tax Attorney, Cindy Birley will be attending next month's Rules Committee meeting to address this issue.

Mr. Vanhorn said that the rules making process will start next month.

##### **2. Review Plan B withdrawal options and possible amendment to System rules.**

Mr. Vanhorn said this item will be addressed at next month's Rules Committee meeting.

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

Motion was made by Mr. Thompson and seconded by Ms. Kohls to approve the Consent Agenda dated September 21, 2012. Ayes: Messrs. Thompson, Garrett, Vanhorn, Adams, Long, Allen, Kohls, Breen, Stone, and Manek. Motion carried.

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

1. Minneapolis Firefighters Relief Association v. Medtronic, Inc. et el, USDC, Minnesota, Case No. 0:08-CV-06324
2. Kinnett v. Strayer Education, Inc. 10-cv-2317 SDM (D.M.D. Fla.) (Bernstein)
3. Oklahoma Firefighters Pension v. Capella Education Co., 10-cv-4474-SRN (D. Minn.) (AFT)
4. In re: Finisar Corp. Sec. Litig., 11-cv-1252-EJD (AFT) (Waddell)
5. In re: Miller Energy Resources Securities Litigation 11-cv-375 (E.D. Tenn.) (Grant)

6. Greg Young vs. Pacific Biosciences of CA, Inc., et al. CIV 509210 Cal Superior Court, San Mateo Div. (Robbins)
7. Oklahoma Firefighters Pension & Retirement System v. Student Loan Corp., et al. 12-cv-895-NRB (S.D.N.Y.) (Grant)
8. In re: Lehman Brothers Equity/Debt Securities Litigation, 08-cv-5523-LAK (S.D.N.Y.) (Saxena White)
9. City of Henryetta v. Oklahoma Firefighters Pension and Retirement System and Raymond Eldridge, Oklahoma County District Court, Case No. CV-2012-772. (PM)

Mr. Edwards reported that there was a deposition held on August 24, 2012.

10. Harrison v. MAKO Surgical Corp., No. 12-cv-60875 (S.D. Fla. May 10, 2012. (Labaton)
11. Report on the current status of all other litigation involving the Pension System.

Mr. Edwards said there was nothing new to report.

**AARON D. SOWDER/CROMWELL - APPLICATION FOR “DISABILITY IN THE LINE OF DUTY” PENSION, EFFECTIVE AUGUST 21, 2012:**

Motion was made by Ms. Kohls and seconded by Mr. Thompson to approve the Application for “Disability Not in the Line of Duty”, effective August 21, 2012. Ayes: Messrs. Thompson. Naves: Garrett, Vanhorn, Breen, Stone, Adams Long, Manek, Allen and Kohls. Motion failed.

Motion was made by Ms. Kohls and seconded by Mr. Long to deny the Application for “Disability Not in the Line of Duty, effective August 21, 2012. Ayes: Garrett, Vanhorn, Breen, Stone, Adams, Long, Manek, Thompson Allen and Kohls. Naves: None. Motion carried.

**GREGORY L. FUGATE/BROKEN ARROW – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:**

Motion was made by Mr. Long and seconded by Mr. Thompson to deny the Application for “Disability in the Line of Duty”, until another doctor’s statement is received. Ayes: Messrs. Thompson, Vanhorn, Long, Garrett, Adams, Allen, Cramer, Breen, Manek and Kohls. Naves: None. Motion carried

**REX MCGEE/MIDWEST CITY – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”**

Motion was made by Mr. Long and seconded by Mr. Vanhorn to approve Mr. McGee’s request to change his pension from “Service” to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Garrett, Vanhorn, Breen, Stone, Adams, Long, Thompson, Manek, Allen and Kohls. Nays: None. Motion carried.

**CURTIS R. SPEEGLE/OKLAHOMA CITY – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:**

Motion was made by Mr. Thompson and seconded by Mr. Vanhorn to send Mr. Speegle to the State doctor for further review. Ayes: Messrs. Thompson, Garrett, Vanhorn, Adams, Breen, Manek, Stone, Allen, Long and Kohls. Nays: None. Motion carried.

**MARTIN L. CARNER/TULSA – REQUEST TO CHANGE PENSION FROM “SERVICE” TO “DISABILITY IN THE LINE OF DUTY”:**

Motion was made by Mr. Long and seconded by Mr. Allen to approve Mr. Carner’s request to change his pension from “Service” to “Disability in the Line of Duty” based on the medical information submitted. Ayes: Messrs. Thompson, Adams, Garrett, Long, Kohls, Breen, Stone, Vanhorn, Manek and Allen. Nays: None. Motion carried.

**RECEIVE & FILE:**

1. Insurance Premium Tax - \$2,077,793.85 – September 2012

Motion was made by Mr. Thompson and seconded by Mr. Long to approve the above listed receive and file. Ayes: Messrs. Thompson, Garrett, Long, Kohls, Vanhorn, Adams, Manek, Allen, Stone, and Breen. Nays: None. Motion carried.

**ROBERT JONES/EXECUTIVE DIRECTOR REPORT:**

Mr. Jones reported on the System requiring mandatory electronic payments for benefit payments.

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

Motion was made by Mr. Vanhorn and seconded by Ms. Kohls to approve travel for Scott Vanhorn, Janet Kohls, Raanon Adams Bob Allen, and Gerald Garrett to attend the Koried Conference in Key West, Florida, January 27, 2013 thru January 30, 2013. Ayes: Messrs. Thompson, Garrett, Long, Kohls, Vanhorn, Adams, Manek, Allen, Stone, and Breen. Nays: None. Motion carried.

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

**NEW BUSINESS:**

**NEXT MEETING DATE:**

The Oklahoma Firefighters Pension and Retirement Board will meet October 19, 2012 at 8:30 A.M. at the Lincoln Plaza Office Building at 4545 N. Lincoln Blvd., Oklahoma City, OK.

**ADJOURNMENT:**

Motion was made by Ms. Kohls to adjourn the Board meeting at 10:50 A.M.

Submitted by Terri L. Williams, Executive Secretary.