

**Fire and Police Pension Association of Colorado  
Investment Risk Committee  
February 18, 2014**

**Agenda**

2:30 Call to Order

2:30 Minutes Approval

2:35 Investment Matters

- Investment Policy Statement
- Benchmarks
- Investment Staff Incentive Program

3:30 Adjourn

**Fire and Police Pension Association  
Investment Risk Committee**

**Minutes  
February 18, 2014**

**FPPA Office**  
**5290 DTC Parkway, Suite 100**  
**Greenwood Village, CO**

**Investment Risk Committee Members Present:** (in person) Dan Slack; (via teleconference) Todd Bower, Cliff Stanton, Dave Bomberger, Kevin Lindahl.

**Investment Risk Committee Members Absent:** None.

**Staff Members Present:** (in person) Scott Simon, Dale Martin, Sean Ross, Austin Cooley, Ben Bronson, Jessica Hsu, Elaine Gorton.

**Others Present:** (via teleconference) John Linder of PCA.

*Notice of this meeting and a copy of the agenda were posted outside the meeting room and on the FPPA website at least twenty-four hours prior to the meeting.*

The meeting was called to order at 2:30 p.m.

The Committee approved the minutes of the February 14, 2014 meeting.

**Investment Matters**

Mr. Simon presented the changes to the final revision of Investment Policy Statement. Final changes were focused on the role of the Investment Committee. The Securities Litigation Policy and Personal Trading Policy are now appendices of the IPS. The Committee was supportive of presenting the final version of the IPS to the Board for approval.

Mr. Simon and Mr. Linder presented the Committee with the recommendation for a three-benchmark structure to measure Total Fund performance: the Reference Benchmark, Policy Benchmark and Implementation Benchmark. The goals, composition and historical analyses of each benchmark were detailed for the Committee. After questions and discussion, the Committee was supportive of presenting the benchmarks to the Board for approval.

Dale Martin, Sean Ross, Austin Cooley, Ben Bronson and Jessica Hsu left the meeting.

Mrs. Gorton presented the Committee with her research on a potential Incentive Program for the Investment Staff. Details of the program's structure and benchmarks were discussed. While receptive to the idea, the Committee directed Staff to conduct further research on incentive programs and report back to the

Committee at a subsequent meeting.

The Committee engaged in a discussion of the typical due diligence process followed by the investment staff before making an investment manager recommendation. Specifically the Committee discussed the desire to have more than one investment professional conduct the on-site diligence visit. The costs and benefits of this process were discussed. At a minimum, the Committee suggested that an additional investment person should attend the on-site meeting via teleconference.

The meeting was adjourned at 3:50 p.m.