

**Fire & Police Pension Association
Board of Directors Meeting Agenda**

**January 23, 2020
7:30 a.m.**

- 7:30 a.m. **Call to Order.** *Dave Bomberger, Chair*
- 7:30 a.m. **Consent Calendar.** *Dave Bomberger, Chair*
- a) Approval of December 12, 2019, Board meeting minutes
 - b) Posting Notice
 - c) Authority of Executive Director
 - d) Resolution for Elizabeth Partial Entry
- 7:30 a.m. **Cambridge Market Update.** *Brian McDonnell, Cambridge Associates*
- 7:50 a.m. **Investment report**
- a) Review of December performance and managers. *Scott Simon*
- 8:10 a.m. **2020 legislative session preview.** *Kevin Lindahl; Tony Lombard & Bill Clayton, Lombard & Clayton*
- 8:45 a.m. **Break**
- 9:00 a.m. **Staff Report**
- a) Executive Director Report. *Dan Slack*
 - b) Conflict of interest form. *Dan Slack*
 - c) General Counsel Report. *Kevin Lindahl*
 - d) Boeing Derivative Action *Kevin Lindahl* **(executive session)**
- 9:30 a.m. **Chair's report.** *Dave Bomberger, Chair*
- a) Evaluation of Executive Director **(executive session-Board Members only)**
 - b) Evaluation of Executive Director **(executive session, including Executive Director)**
 - c) Items for future discussion
- 10:30 a.m. **Adjournment**

FIRE AND POLICE PENSION ASSOCIATION
Minutes – Board Meeting
January 23, 2020

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

Board Members Present: Chair Dave Bomberger, Guy Torres, Jason Mantas, Karen Frame, Patrick Phelan, Sue Morgan, Tammy Hitchens, and Tyson Worrell.

Staff Members Present: Dan Slack, Scott Simon, Kevin Lindahl, Chip Weule, Kim Collins, Dale Martin, Michael Sutherland, Elaine Gorton, and Isabel Fernandez.

Others Present: Pam Feely, former Board member; Brian McDonnell, Stuart Cameron, Cambridge Associates.

Notice of this meeting and a copy of the agenda were posted at 5290 DTC Parkway, Suite 100, Greenwood Village, CO 80111, and on the FPPA website, at least twenty-four hours prior to the meeting.

Call to Order

At 7:35 a.m., Chair Bomberger called the meeting to order. The Board took a moment to honor former Board member Pam Feely.

Consent Calendar

Chair Bomberger called for a motion to approve the following Consent Calendar:

- Approval of December 12, 2019, Board meeting minutes.
- Posting Notice
- Authority of Executive Director
- Resolution for Elizabeth Partial Entry

Ms. Morgan moved to approve the Consent Calendar, Mr. Phelan seconded the motion. Motion passed.

Cambridge Market Update

Brian McDonnell presented the market update, providing market highlights.

4th Quarter 2019 saw the third Federal Reserve rate cut this year that occurred in October.

Britain is leaving the European Union and there has been a great deal of uncertainty in the markets due to Brexit.

Earnings were expected to be up but were flat to negative worldwide.

Tariffs caused distress and impacted growth but are seen as temporary and something that will be pulled back.

Investment Report

Mr. Simon provided a review of the December performance and managers.

It was a good year with preliminary Long-Term Pool performance of 14.72% relative to a 13.08% Implementation Benchmark.

Asset Allocation

Asset allocation has been fairly on point although it's been difficult to stay on target with the Global Equity Markets that kept rising.

Overlay has added a lot of value with cash being put to work in the market.

The private markets portfolio is robust and performing as we expect.

Investment Committee

Mr. Torres provided a review of the recent Investment Committee meeting.

Mr. Simon provided a review of recent investment activities, including FPPA's investments with BLS, Orchard Global, and Quadria.

Annual Compliance

Mr. Simon provided a review of the statements for FPPA's proxy voting, class actions claims and brokerage commissions.

Ms. Frame asked about the voting proxy procedure and Mr. Simon explained the process, history, and FPPA's voting proxy policies.

2020 Legislative Session Preview

Bill Clayton joined the meeting.

Mr. Clayton provided a review of House Bill 20-1044, including his activities with respect thereto, meetings that have taken place, and when the bill is scheduled to be heard.

Provided update on the status of Rule of 80. The lobbyists are emphasizing

that this is not a benefit increase, but rather allows the member to take the benefits he or she has earned without a reduction.

Mr. Clayton provided information regarding the disability plan in response to a question from Ms. Frame.

Mr. Lindahl stated that FPPA's website about the bill is www.forwardwithfppa.org and it is designed to answer any questions regarding the bill.

CML has suggested that departments that have recently joined should be allowed to elect out of the Plan. FPPA is opposed to this action.

Mr. Worrell moved to direct staff and lobbyists that the Board maintains its full support of the legislation as proposed. Mr. Phelan seconded. Motion passed.

At 8:48 a.m., Chair Bomberger called for a break.

At 9:05 a.m., the meeting reconvened.

Staff Report

Executive Director Report

Mr. Slack provided overviews of the articles in the Board packet.

Mr. Slack went over the educational events memorandum. He pointed out the new highlighted items and provided information and history on the CII meetings. He let the Board know delegates were needed for NCPERS voting.

Ms. Frame provided information regarding the NACD webinar.

Mr. Slack went over the Holiday Reception survey results and his recommendations for the 2020 Board reception.

Mr. Slack requested to go into executive session to address personnel matters.

Mr. Phelan addressed the Chair, and moved the Board to adjourn into executive session to discuss personnel matters as allowed under Section 24-6-402(4)(f) of the Colorado Revised Statutes. Mr. Worrell seconded.

EXECUTIVE SESSION staff: Mr. Slack, Ms. Gorton, Mr. Simon, Mr. Lindahl and Ms. Fernandez.

The board came out of executive session. Chair Bomberger declared that no motions were made or passed and no actions were taken in executive session.

Staff and Cambridge Associates rejoined the meeting.

Conflict of Interest Form

Mr. Slack reviewed the Conflict of Interest form.

General Counsel Report

Mr. Lindahl provided the Litigation Report. There is a settlement conference in the Cognizant Technology Solutions Corporation case on February 7, 2020, that he will attend.

Boeing Derivative Action

Mr. Lindahl requested to enter Executive Session.

Ms. Hitchens addressed the Chair and moved that the Board adjourn into executive session to discuss and receive legal advice from our Legal Counsel regarding the Boeing Derivative Action as allowed under Section 24-6-402(4)(b) of the Colorado Revised Statutes. Ms. Morgan seconded. Motion passed.

Cambridge Associates left the meeting.

The board came out of executive session. Chair Bomberger declared that no motions were made or passed and no actions were taken in executive session.

Mr. Lindahl requested a motion to authorize FPPA to file suit in the form of a derivative action complaint, using Lief Cabraser Heimann & Bernstein, LLP, as lead counsel on behalf of FPPA. Ms. Hitchens moved. Ms. Morgan seconded. Motion passed.

Chair's report

Chair's report

- a) Evaluation of Executive Director (executive session – Board Members only)
- b) Evaluation of Executive Director (executive session – including Executive Director)

Mr. Phelan moved to adjourn into Executive Session to discuss personnel matters as allowed under Section 24-6-402(4)(f) of the Colorado Revised Statutes. Mr. Torres seconded. Motion passed.

The board came out of executive session. Chair Bomberger declared that no motions

were made or passed and no actions were taken in executive session.

Mr. Worrell moved to approve Mr. Slack's compensation. Mr. Mantas seconded. Motion passed.

c) Items for future discussion

Mr. Slack went over Strategic Plan documents and the Board reviewed dates for the June Board of Directors' meeting, Investment Committee meeting and March Board meeting.

The Board discussed adding an extra day to the June meeting in order to review the Strategic Plan, but did not take such action.

At 11:36 a.m., Chair Bomberger declared the meeting adjourned.