

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

Thursday, November 3, 2022

- 7:30 a.m. **Call to order**, *Guy Torres, Chair*
- 7:30 a.m. **Mission Moment**, *Chip Weule*
- 7:40 a.m. **Consent Calendar**
 - Approval of the September 29, 2022 minutes
- 7:40 a.m. **Cambridge Market Update**
- 8:00 a.m. **Investment report**
 a) CIO Report, *Scott Simon*
- 8:20 a.m. **Question from the PRC: Active vs Passive investment**, *Scott Simon*
- 8:40 a.m. **Notice of Rulemaking**, *Adam Franklin*
- 9:00 a.m. **Actuarial Audit RFP presentation**, *Ahni Smith*
- 9:15 a.m. **Break**
- 9:30 a.m. **IT Strategic Planning Process**, *Kevin Lindahl and Jim Lubinski*
- 10:00 a.m. **ESG Journey Session #2: Proxy voting, Securities Litigation, Industry Participation**, *Scott Simon and Adam Franklin*
- 10:45 a.m. **Staff Reports**
 a) General Counsel Report, *Adam Franklin*
 b) Legislative Update, *Chip Weule*
- 11:00 a.m. **Chair's Report**, *Guy Torres, Chair*
 a) Board Education Opportunities, *Kevin Lindahl*
 b) NCPERS Public Safety Report, *Patrick Phelan and Jason Mantas*
- 11:15 a.m. **Adjournment**
- 11:15 a.m. **Lunch**
- 11:30 a.m. **Private Equity Secondaries Manager Educational Session**, *Andy Nick, Managing Director, Jefferies LLC*
- 12:15 p.m. **9th Floor Office Tour**

FIRE AND POLICE PENSION ASSOCIATION
Minutes – Board Meeting
November 3, 2022

***This meeting was held at:**
7979 E. Tufts Ave., Denver, CO 80237

Board Members Present:

Chair Guy Torres, Vice Chair Jason Mantas, Tammy Hitchens, Joan Brown, Karen Frame, Marisa Pacheco, Patrick Phelan, and John Hoehler. Mike Feely was excused.

Staff Members Present:

Kevin Lindahl, Adam Franklin, Scott Simon, Ahni Smith, Chip Weule, Elaine Gorton, Kyle Geordan, Tim O’Connell, Mark Gremmert, John Voulgaris, and Cheryl Jackson

Others Present: Brian McDonnell, Cambridge Associates, Andy Nick, Jefferies LLC, Jim Lubinski, Consultant.

Notice of this meeting and a copy of the agenda were posted on the FPPA website and at 7979 East Tufts Avenue, Denver, CO 80237, at least twenty-four hours prior to the meeting.

Call to Order

At 7:30 a.m., Chair Torres called the meeting to order.

Mission Moment

At 7:30 a.m., Mr. Weule presented the Mission Moment, reviewing FPPA’s mission and discussing organizational health. Additionally, he shared a video from the Employer Summit.

Consent Calendar

At 7:40 a.m., Chair Torres called for a motion to approve the Consent Calendar, which consisted of:

- Approval of the September 29, 2022, Board meeting minutes.

Ms. Frame moved to approve the Consent Calendar. Ms. Pacheco seconded the motion. The motion passed.

Cambridge Market Update

At 7:41 a.m., Mr. McDonnell presented the market update.

Investment Report

At 7:59 a.m., Mr. Simon presented the Investment Report as well as an update on investment activities.

Question from the PRC: Active vs Passive Investments

At 8:44 a.m., Mr. Simon discussed FPPA's response to requested information from the Pension Review Commission related to Active vs Passive Investments. It was noted that every pension fund is unique and has to be implemented to its own liabilities, contributions, funded status, and resources.

Notice of Rulemaking

At 9:00 a.m., Mr. Franklin discussed creating the new rulemaking document to implement our Statewide Retirement Plan, merging the Statewide Hybrid Plan rules and Statewide Defined Benefit Plan rules into one document. He requested a motion to approve the notice of rulemaking hearing. Mr. Hoehler motioned to approve. Mr. Feely seconded the motion. The motion passed.

Actuarial Audit RFP presentation

At 9:06 a.m., Ms. Smith discussed the Actuarial Audit RFP results, which included an explanation of the RFP process, comprised of high-level review of responses, an assessment of proposals (by Ms. Smith, Mr. Weule and Mr. Franklin), and making a recommendation. Ms. Smith proposed the Board could either select a firm and begin the contract process or the Board could choose to interview firms.

Ms. Hitchens moved the Board to select Bolton to conduct the actuarial audit, subject to successful contract negotiations. Mr. Mantas seconded the motion. The motion passed.

At 9:11 a.m., Chair Torres motioned for a break.

At 9:25 a.m., the meeting reconvened

IT Strategic Planning Process

At 9:25 a.m., Mr. Lindahl and Mr. Lubinski discussed their holistic FPPA Information Technology Assessment. They considered what was in place and how to improve things, including addressing relying on individuals rather than processes and systems. FPPA has a legacy technology architecture that has not adapted to the modern ways of working collaboratively and productively and is now committed to leveraging Sagitek and extracting full values from the system. To do this, FPPA is reshaping the people, processes, and technology, with the goal to create a more collaborative IT plan to improve business efficiencies.

ESG Journey Session #2: Proxy Voting, Securities Litigation, Industry Participation

At 10:03 a.m., Mr. Simon and Mr. Franklin discussed the status of the ESG journey, which is a part of FPPA's strategic plan. There was a recap of the fiduciary discussion from July and a presentation on proxy voting, securities litigation, and industry participation. Ultimately, FPPA's fiduciary responsibility is to maximize our long-term risk adjusted investment returns. Every decision FPPA makes must address those economic considerations and question how any action taken will provide benefit to FPPA members. It was suggested the Board may want to adopt a Divestment Policy.

Staff Reports

At 10:58 a.m., Mr. Franklin gave an update on Grand Canyon litigation, as well as updates on some current litigation processes.

Mr. Weule provided a legislative update. He is working with FPPA lobbyists on a bill to modify the COLA language in our state statutes. He also discussed conversations with members of the legislature.

Mr. Lindahl gave updates on the construction status of the office build, the new board/executive name plates, and a reminder that the December 15 Board Meeting will be from 11 a.m. – 3:30 p.m.

Ms. Gorton gave an update on FPPA staffing.

Chairs Report

Mr. Lindahl provided an update on the status of Board Education opportunities.

Mr. Mantas and Mr. Phelan provided an update on the NCPERS conference they attended.

At 11:14 a.m., Mr. Mantas moved to adjourn. Mr. Phelan seconded the motion. The motion passed.