

Board Meeting - Agenda

June 14 - 16, 2023

Beaver Creek Lodge

Beaver Creek, Colorado

***Virtual attendance by videoconferencing is not available**

Wednesday, June 14

12:00 p.m. - 1:00 p.m. **Arrival luncheon**

1:00 p.m. **Investment Committee meeting**

(See separate itemized agenda in Investment Committee Book)

4:30 p.m. **Adjournment**

5:40 p.m. **Shuttle departs for restaurant**

(walking not a real option)

6:00 p.m. - 8:00 p.m. **Reception & Dinner***

Guests Invited

*No business will be discussed or conducted at the Reception & Dinner

Thursday, June 15

- 7:30 a.m. - 8:30 a.m. **Breakfast**
- 8:00 a.m. **Board Self Evaluation** - *Kevin Lindahl*
Executive and Managers Meeting - separately - *Adam Franklin, Chip Weule*
- 8:45 a.m. **Staff Compensation and Benefits** - *Elaine Gorton, Kevin Lindahl*
(Executives and Managers join meeting)
- 9:15 a.m. **Mission moment** - *Chip Weule*
- 9:30 a.m. **Three Hills Capital Partners: environmental, social and governance integration case study** - *Mauro Moretti, Lance Contento, Barbara Roversi*
- 10:15 a.m. **Break**
- 10:30 a.m. **Results from the Retiree, Member, and Employer Satisfaction Surveys** - *Chip Weule, Ryan Woodhouse*
- 11:00 a.m. **2023 Actuarial Valuation** - *Dana Woolfrey, Joe Newton, GRS*
- 12:30 p.m. – 1:30 p.m. **Lunch**
- 1:30 p.m. **2020-2024 Strategic Plan: Half-way to our Three-Year Objective of A Thriving Organization** - *Kevin Lindahl*
- 1:50 p.m. **Living the New Normal: Proposed Defining Objectives and Standard Operating Objectives 2023-2024** - *FPPA Executives and Managers*
- 3:00 p.m. **Break**
- 3:15 p.m. **Living the New Normal: Proposed Defining Objectives and Standard Operating Objectives 2023-2024 Continued** - *FPPA Executives and Managers*
- 5:00 p.m. **Adjournment**
- 5:40 p.m. **Shuttle departs for restaurant**
(walking is an option)
- 6:00 p.m. - 8:00 p.m. **Reception and Dinner***
*No business will be discussed or conducted at the Reception & Dinner

Friday, June 16

- 7:30 a.m. - 8:30 a.m. **Breakfast**
- 8:30 a.m. **Call to order** - *Guy Torres, Chair*
- Consent Calendar**
- 8:30 a.m. **Mission Moment** - *Teresa Dupree*
- 8:40 a.m. **Organizational Health in 2023: The Rise of Belonging, Psychological Safety, and Emotional Intelligence** - *Dr. Cris Tiesort, University of Denver*
- 9:40 a.m. **Break**
- 10:00 a.m. **Cambridge market update**
- 10:20 a.m. **Investment report**
- a) CIO Report. *Scott Simon*
 - b) Investment Committee update. *Karen Frame, Chair*
 - c) Self-Directed Plans update. *Chip Weule*
 - d) Board approval for the SDPC IPS. *Scott Simon*
- 10:45 a.m. **Investment Policy Statement: Consideration of proposed environmental, social and governance amendments** - *Scott Simon, Adam Franklin*
- 11:00 a.m. **2023 Actuarial Valuation - Annual Board Action Items** - *Chip Weule*
- 11:20 a.m. **Audit Committee Chair update** - *Tammy Hitchens*
- Annual Comprehensive Financial Report Review** - *Ahni Smith*
- 11:40 a.m. **Staff Reports**
- a) Executive Director Report - *Kevin Lindahl*
 - b) General Counsel Report - *Adam Franklin*
 - c) 2024 Legislation - *Adam Franklin, Chip Weule*
- 11:55 a.m. **Chair's Report** - *Guy Torres, Chair*
- 12:00 p.m. **Adjournment**
- 12:00 p.m. **Box Lunch provided**
- 12:45 p.m. – 1:30 p.m. **Debrief: Executives and Managers**

Fire and Police Pension Association of Colorado
Investment Committee
June 14, 2023
Minutes

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.

This meeting was held at the Beaver Creek Lodge, Beaver Creek Colorado

Investment Committee Members Present: Chair Karen Frame, Guy Torres, Jason Mantas, and Mike Feeley

Staff Members Present: Scott Simon, Kevin Lindahl, Ahni Smith, Chip Weule, Adam Franklin, Dale Martin, Kyle Geordan, Tim O’Connell, Irina Nagy, Travis Rosa, Sean Ross, Melanie Winters, Jim Payne, Beth Hemenway, and Cheryl Jackson.

Others Present: Brian McDonnell, Stuart Cameron, Cambridge Associates; Joseph Staccatto, and Nicholas Moller, JP Morgan Chase.

At 1:03 p.m., Chair Frame called the meeting to order.

At 1:03 p.m. Mr. Torres moved that the Committee approve the minutes of the April 20, 2023, Investment Committee meeting. Mr. Feeley seconded the motion. The motion passed.

At 1:04 p.m., Mr. Geordan went over the Risk Report. He explained that overall, there haven’t been many changes quarter-to-quarter and while leverage has increased, we are still comfortably within the guardrails. Mr. Geordan also discussed the impact of a potential departure of the Colorado Springs New Hire Plan from the long-term investment pool.

At 1:18 p.m., Mr. Feeley moved that the Board adjourn into executive session to discuss matters that are required to be kept confidential by C.R.S. 31-31-302 which is allowed under the Colorado Open Meetings Act at C.R.S. 24-6-402(4)(c). Mr. Torres seconded the motion. The motion passed.

At 2:01 p.m., Chair Frame moved the Board to return to its regular meeting. No formal action was taken during the executive session.

At 2:02 p.m., Mr. Simon discussed the Asset Liability Study. The purpose of the study is to develop appropriate investment allocation targets and ranges which are generally expected to achieve the performance objectives relative to the liability and liquidity needs of the three investment pools and the overall risk tolerance of the Board. Mr. Simon

explained that staff began the Asset Liability Study process in early 2023 but are deferring recommending any significant changes until the completion of the June Board meeting.

At 2:17 p.m., Chair Frame called for a break.

At 2:31 p.m., the meeting reconvened.

At 2:31 p.m., Mr. Simon presented the Investment Overview Presentation, noting it's a work in progress. He also requested feedback on the presentation content to share with new Board members, legislators, current Board members, etc.

At 2:48 p.m., Mr. O'Connell provided a Liquid Strategies update.

At 3:11 p.m., Mr. Martin provided a Private Markets update.

At the conclusion of the Private Markets update, Mr. Simon discussed Mr. Martin's upcoming departure from FPPA and recognized Mr. Martin for his service.

At 3:45 p.m., Mr. Feeley motioned to adjourn the meeting. Mr. Mantas seconded the motion. The motion passed.

FIRE AND POLICE PENSION ASSOCIATION
Minutes – Strategic Planning Meeting
June 15, 2023

***This meeting was held at:**
Beaver Creek Lodge
Beaver Creek, CO 81620

Notice of this meeting and a copy of the agenda were posted on the FPPA website and at 7979 E. Tufts Ave, Suite 900, Greenwood Village, CO 80237, at least twenty-four hours prior to the meeting.

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

Staff Members Present:

Kevin Lindahl, Adam Franklin, Scott Simon, Chip Weule, Elaine Gorton, Teresa Dupree, Ahni Smith, Dale Martin, Kyle Geordan, Michael Kraemer, Melanie Winters, Tim O’Connell, Beth Hemenway, Vicki Willis, John Voulgaris, Joshua Broshears, Ryan Woodhouse, Jim Payne, Travis Rosa, and Cheryl Jackson.

Others Present: Brian McDonnell, Stuart Cameron, Cambridge Associates; Dana Woolfrey and Joe Newton, GRS; Abhik Das, Mauro Moretti, Three Hills Capital Partners, LLC.

Call to Order

At 8:00 a.m., Chair Torres called the meeting to order.

Board Self Evaluation

At 8:01 a.m., Mr. Lindahl and the Board reviewed the Board of Directors annual self-evaluations. The Executives and Managers met separately.

Staff Compensation and Benefits

At 8:51 a.m., Ms. Gorton provided a review of staff compensation and benefits. Ms. Gorton explained that the compensation philosophy of FPPA is designed to help attract, motivate, and retain talent necessary to fulfill our mission statement and to fulfill our strategic objectives. Additionally, she discussed the principles within this philosophy, framework for non-executive compensation, how to attract and retain top talent, how to administer compensation fairly, and health and welfare benefits.

Three Hills Capital Partners: environmental, social and governance integration case study

At 9:32 a.m., Mr. Moretti and Mr. Das from Three Hills Capital Partners, LLC, explained their firm's investment strategy, which includes a growth journey committed to sustainability, steadfast commitment to ESG and responsible investment at a firm level. Next, they mentioned ESG integration at the portfolio level, their approach to ESG and impact, integration across the investment cycle, and 2022 Sustainability Report highlights.

At 10:28 a.m., Chair Torres called for a break.

At 10:45 a.m., the meeting reconvened.

Mission Moment

At 10:45 a.m., Mr. Weule and Ms. Hemenway presented the Mission Moment and also reviewed FPPA's Mission, Vision, and Values.

Actuarial Valuation

At 10:59 a.m., Mr. Newton and Ms. Woolfrey reviewed the Actuarial Valuation presentation. Highlights included: Statewide Retirement Plan Valuation Report, Statewide Death and Disability Valuation Report, and the Colorado Springs New Hire Plan – Police and Fire components. Mr. Newton and Ms. Woolfrey also reviewed potential COLA options for the Statewide Retirement Plan.

Results from the Retiree, Member, and Employer Satisfaction Surveys

At 12:30 p.m., Mr. Weule and Mr. Woodhouse discussed the Retiree, Member, and Employer satisfaction surveys. Overall, in all of the surveys, the participants are very happy with FPPA.

2020-2024 Strategic Plan

At 1:33 p.m., Mr. Lindahl reviewed the current Strategic Plan, covering the proposed work plan for 2023 – 2024, and reviewing the past objectives for 2022 - 2023. He explained the building blocks of the strategic plan: Mission, Vision, Values, Strategic Anchors, Organizational Health, Three-year objective (strategic initiatives), and 12-Month Objectives (2022-23 thematic goal: New Beginnings). Mr. Lindahl shared how proactive risk management informs planning and three-year objective (thriving organization) and what has been accomplished so far.

Living the New Normal: Proposed Defining Objectives and Standard Operating Objectives 2023-2024

At 1:49 p.m., executives and managers shared the many different things they are doing now and into 2024. These objectives include Organizational Health, IT Implementation & Integration, Informative Governance, studying the Statewide Death and Disability Plan and the Volunteer Plans. Standard operating objectives, 2023-24 Thematic Goals are: Board Governance, Investment Performance, Employee Engagement, Stakeholder Engagement, Actuarial Management; Auditing and Reporting, and Legislation, Rules and Regulations. Employee Engagement Survey results were also reviewed.

Adjournment

At 4:58 p.m., Chair Torres adjourned the meeting.

FIRE AND POLICE PENSION ASSOCIATION
Minutes – Strategic Planning Meeting
June 16, 2023

***This meeting was held at:**
Beaver Creek Lodge
Beaver Creek, CO 81620

Notice of this meeting and a copy of the agenda were posted on the FPPA website and at 7979 E. Tufts Ave, Suite 900, Greenwood Village, CO 80237, at least twenty-four hours prior to the meeting.

Board Members Present:

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

Staff Members Present:

Kevin Lindahl, Adam Franklin, Scott Simon, Chip Weule, Elaine Gorton, Teresa Dupree, Ahni Smith, Dale Martin, Kyle Geordan, Michael Kraemer, Melanie Winters, Tim O’Connell, Beth Hemenway, Vicki Willis, John Voulgaris, Joshua Broshears, Ryan Woodhouse, Jim Payne, Travis Rosa, Sean Ross, and Cheryl Jackson.

Others Present: Brian McDonnell, Cambridge Associates; Dana Woolfrey and Joe Newton, GRS; Chris Tietsort, University of Denver.

Call to Order

At 8:31 a.m., Chair Torres called the meeting to order.

Consent Calendar

At 8:31 a.m., Mr. Feeley moved the Board approve the Consent Calendar which consists of the April 20, 2023 Board Meeting minutes. Mr. Phelan seconded the motion. The motion passed.

Mission Moment

At 8:32 a.m., Ms. Dupree led the mission moment.

Organizational Health in 2023: The Rise of Belonging, Psychological Safety, and Emotional Intelligence

At 8:37 a.m., Mr. Tietsort shared a presentation on Organizational Health in 2023: The Rise of Belonging, Psychological Safety, and Emotional Intelligence.

At 9:43 a.m., Chair Torres called for a break.

At 10:00 a.m., the meeting reconvened.

Cambridge Market Update

At 10:00 a.m., Mr. McDonnell provided a market update highlighting mixed markets in May given the uncertainty over the US debt ceiling and stickier inflation.

Investment Report

At 10:15 a.m., Mr. Simon provided an update on portfolio performance and investment activity, provided an overview of FPPA's participation in a peer survey, and the results of the current asset liability study process. Ms. Frame provided an overview of the recent Investment Committee Meeting. Mr. Weule provided highlights from the Self-Directed Plans Committee Meeting held on May 23, 2023.

Approval of Amended Investment Policy Statement of the Self-Directed Investment Fund

Mr. Feeley moved that the Board approve the Amended Investment Policy Statement of the Self-Directed Investment Fund. Ms. Pacheco seconded the motion. The motion passed.

Approval of Amended Investment Policy Statement of the Fire and Police Members' Benefit Investment Fund

Mr. Feeley moved the Board to approve the Amended Investment Policy Statement of the Fire and Police Members' Benefit Investment Fund. Ms. Brown seconded the motion. The motion passed.

2023 Actuarial Valuation - Annual Board Action Items

COLA for the Statewide Retirement Plan

Vice Chair Mantas moved that the Board set the compounding COLA for retirees and beneficiaries of the Statewide Retirement Plan at 0.15%, effective 10/1/2023. Ms. Pacheco seconded the motion. The motion passed.

Vice Chair Mantas moved the Board to set the one-time lump sum payment amount at 8.35% which shall be paid with the October 2023 benefit payment. Mr. Phelan seconded the motion. The motion passed.

Statewide Hybrid Defined Benefit Component Contribution Rate

Ms. Hitchens moved the Board to set the Statewide Hybrid Defined Benefit Component Contribution Rate at 14.24% effective 7/1/2023 through 6/30/2024. Ms. Pacheco seconded the motion. The motion passed.

Statewide Death & Disability Plan – Contribution Rate

Ms. Pacheco moved the Board to set the Statewide Death & Disability Plan contribution rate at 3.6%, effective 1/1/2024 through 12/31/2024. Ms. Frame seconded the motion. The motion passed.

Statewide Death & Disability Plan – COLA

Ms. Pacheco moved the Board to set the ad hoc COLA for the Statewide Death & Disability Plan for occupational disability retirees and their beneficiaries and for survivors of active members who have received a benefit for 15 or more years at 1%, effective 10/1/2023. Ms. Hitchens seconded the motion. The motion passed.

Audit Committee Chair Update

At 11:19 a.m., Chair Hitchens gave an update on the May 16, 2023 Audit Committee Meeting.

Staff Reports

At 11:38 a.m., Mr. Lindahl provided his Executive Director update.

At 11:41 a.m., Mr. Franklin provided his General Counsel update.

At 11:43 a.m., Mr. Weule provided a Legislative Update.

At 12:00 p.m. Mr. Phelan moved that the Board meeting adjourn. Mr. Feeley seconded the motion. The motion passed.

