

**Fire and Police Pension Association of Colorado
Investment Committee
October 16, 2017**

Agenda

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| 7:30 | Call to Order |
| 7:30 | Minutes Approval (July 24, 2017) |
| 7:30 | Investment Consultant Search
<i>Discussion of Firms to Interview</i> |
| 9:30 | Global Public Equity Review |
| 10:30 | Illiquid Alternatives Implementation
<i>Commitment Pacing</i>
<i>Investment Size</i>
<i>Deal Flow</i> |
| 11:30 | Adjourn |

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Investment Committee
October 16, 2017**

FPPA Offices
5290 DTC Pkwy
Greenwood Village, CO 80111

Investment Committee Members Present: Chair Dave Bomberger, Todd Bower, Tyson Worrell, and Guy Torres (via phone)

Staff Members Present: Dan Slack, Scott Simon, Kevin Lindahl, Claud Cloete, Dale Martin, Sean Ross, Jessica Hsu, Ben Bronson, Scott Bryant, Austin Cooley, Jeff Kaszubowski, and Karen Moore.

Others Present: Neil Rue and Ryan Lobdell, Pension Consulting Alliance.

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.

At 7:30 a.m., Mr. Bomberger called the meeting to order.

Mr. Bower moved the Investment Committee to appoint Mr. Bomberger as Committee Chair. Mr. Worrell seconded the motion. The motion passed.

Mr. Bower moved to approve the minutes from the July 24, 2017, meeting. Mr. Worrell seconded the motion. The motion passed.

The Committee approved the minutes from the July 24, 2017 meeting.

Mr. Simon presented an overview of the Investment Consultant search process. Mr. Simon provided details of the 18 firms that responded to the RFP.

The Committee discussed whether to maintain the current consultant model of maintaining a general consultant along with retaining incumbent specialists and adding an illiquid alternatives consultant; or to hire a general consultant with greater experience in alternatives and greater support to staff. The Committee also discussed how staff would utilize the services of an illiquid alternative consultant.

At 8:19 a.m., Mr. Bower moved the Committee to recommend inviting the following firms to be interviewed in October: Cambridge, NEPC, Maketa, Verus, and PCA. Mr. Worrell seconded that motion. The motion passed.

At 8:27 a.m., Chair Bomberger called for a break.

Neil Rue and Ryan Lobdell, PCA, joined the meeting. Mr. Torres also joined the meeting via phone.

Global Public Equity Review

At 8:35 a.m., the meeting reconvened. Mr. Bronson reviewed global public equity performance, the current investment policy objective and guidelines, current performance and exposures, and potential actions and future research.

Illiquid Alternatives Implementation

Commitment Pacing

Mr. Simon provided an update on illiquid alternatives performance and reviewed the commitment pacing model. Currently, we are moving slower than our target pacing model. There is a high deal flow market right now and the team is being cautious. Mr. Rue provided his opinion on pacing. He believes the current target allocation and commitment pacing range is acceptable and consistent with other plans.

Investment Size

Mr. Simon presented scenarios of average commitment sizes that lead to the number of partnerships in the portfolio. Mr. Rue noted the administrative challenge that comes with increasing the number of partnerships. Mr. Rue recommended increasing the scale of each investment with partnerships that have previously performed, to preserve relationship and focus on the funds that are material to our investment program.

Mr. Slack noted his concern of the pricing of mega funds and portfolio companies being sold back and forth.

Deal Flow

Mr. Simon reviewed the deal flow included in the Board materials. The team has reviewed 593 Illiquid Alternatives deals.

Mr. Simon noted the disadvantage with current resources and pointed out that a new consultant could assist in this area. Mr. Simon also noted the current advantage in the team's efficiency.

At 10:01 a.m., Chair Bomberger declared the meeting adjourned.