



Fire & Police Pension Association Board of Directors Meeting Agenda

Meeting Date, Time, and Location

Thursday, October 1, 2026, at 7:30 a.m.
7979 East Tufts Avenue, Ste. 900
Thunderbird Conference Room
Denver, CO 80237

NOTE: Seating for members of the public attending the meeting in person is limited by the seating capacity of the conference room. Interested members of the public are strongly encouraged to observe the meeting remotely via webinar. Advance registration is required for remote access, and registration information is available on the Board's website.

<u>Time</u>	<u>Topic / Speaker</u>
7:30 a.m.	Call to Order
7:33 a.m.	Meeting Etiquette <i>Kevin Gallaway & Jason Mantas, Board Chair</i>
7:35 a.m.	Consent Calendar <i>Jason Mantas, Board Chair</i> a. Approval of August 20, 2026, Board Meeting Minutes
7:40 a.m.	Mission Moment <i>Kevin Lindahl, Executive Director</i>
8:00 a.m.	COLA Task Force <i>Bill Clayton & Don Lombardi, Task Force Co-Chairs</i>
8:20 a.m.	Actuary RFP Review <i>Chip Weule & Ahni Smith</i>
8:45 a.m.	Cambridge Market Update <i>Brian McDonnell & Stuart Cameron, Cambridge Associates</i>
9:00 a.m.	Rules Hearing <i>Kevin Gallaway & Adam Franklin</i>
9:15 a.m.	Investment Report <i>Scott Simon</i> a. Investment Committee Report b. Self-Directed Plans Committee Report
9:45 a.m.	Break
10:10 a.m.	Cambridge Asset / Liability Study <i>Brian McDonnell & Stuart Cameron, Cambridge Associates</i>
11:10 a.m.	Convene Board Training <i>John Miller, Convene</i>
11:45 a.m.	Lunch and Break
12:15 p.m.	Audit Committee Report <i>Tammy Hitchens, Committee Chair</i>
12:25 p.m.	Initial Budget Review <i>Ahni Smith</i>
12:35 p.m.	Staff Reports a. Executive Director <i>Kevin Lindahl</i> b. General Counsel Report <i>Kevin Gallaway</i> c. Legislative Updates <i>Adam Franklin & Chip Weule</i>

1:15 p.m.

Chair's Report *Jason Mantas, Board Chair*

- a. Election of Officers
- b. Board Committee Assignments
- c. Succession Plan Review – **Executive Session**
- d. Board Education Opportunities *Kevin Lindahl*
- e. Finalize Proposed 2027 Board Meeting and Committee Dates *Jason Mantas*
- f. Public Comment Policy *Kevin Gallaway*

2:30 p.m.

Adjournment

Memorandum**To:**

Board of Directors

From:

Executive Team

Regarding:

October Executive Team Report

Date:

October 1, 2026

After the August Board meeting Staff continued to work on the Board's strategic plan. The focus continues to be the COLA Task Force and the Board's process to ultimately assess its actuarial assumption and the COLA Policy. We held our first COLA Task Force meeting on September 10th and we have created a specific COLA Task Force landing page on our FPPA website. The Task Force Chairs will give the Board an update about the first Task Force meeting as one of the first items on the agenda.

As we previously discussed, the 2026 Rulemaking has been postponed until the December Board meeting this year. You will be asked to re-enact the Emergency Rules to bridge the gap for the rules enacted last spring until the December Board meeting.

Staff has also been busy responding to additional voluminous CORA requests. These requests are time-consuming and have delayed other work from being completed.

Objective	Updates
Artificial Intelligence 	The AI Governance Committee continues to evaluate emerging capabilities in AI application development, governance and security platforms. As technology evolves, governance includes ensuring that AI solutions are appropriately tested, secured, and supported by effective training before and throughout implementation. The objective is to enable FPPA to take advantage of AI innovation while maintaining appropriate oversight, security, compliance, and architectural standards. The goal is not to slow innovation through governance. It is to create the foundation that allows FPPA to innovate confidently, responsibly, and sustainably.
Pension Administration System 	Progress continues on the Pension Administration System (PAS) Modernization project. The contracts and documentation are being put into place to kick off phase II of the project. Contract negotiations with the selected PAS vendor are anticipated in October 2027. A project budget tracking model has been put into place to track both Implementation of the new PAS as well as costs of maintaining our current system through the life of this project.

Objective	Updates
COLA Analysis 	The first COLA Task Force meeting took place on September 10th and the second Task Force meeting is tentatively scheduled for November 12th. At this Board meeting, staff is recommending the selection of the actuarial firm to perform the second independent actuarial review. Also, this month the compounded COLA and one-time lump sum payment will be paid that was set by the Board in June in accordance with the Board COLA policy.
Benefit Enhancement 	The Board approved the Notice of Rulemaking during the August meeting, and we posted the notice in September. The Board will have one rulemaking hearing in October to codify the rules impacted by the recent SWDD Plan legislation (see objective "Study the SWDD" below), and a second rulemaking hearing is anticipated during the December meeting to adopt annual rule changes.
Study the SWDD 	Our D&D legislation, SB26-039, successfully passed and the bill became effective August 12, 2026. We have drafted the rules, revised our SOPs, updated the forms, brochures, and the website, and provided communications and education materials reflecting these legislative changes to the Plan. We are currently focusing our efforts on the rehab and retraining program, and mental health claim requirements. Milliman has interviewed several other organizations that provide D&D benefits to help us assess options that may best meet the needs of our Members and Employers. We have interviewed our Independent Medical Examiners and other medical professionals regarding best practices for handling mental health claims as well. We plan to present the results of these interviews and our proposed next steps to the Board during a future Board meeting. We will further socialize any changes in process or requirements as a result of these meetings to our Task Force and stakeholder groups as well.
Board Governance 	We continue with the transition as Adam continues to assume additional responsibilities and work more directly with the Board leadership. Kevin Gallaway will discuss with the Board a public comment policy to improve governance around how the Board handles public comment. The Board will receive training at this Board meeting on Convene, the new secure electronic Board portal. As part of Board governance, we continue to work on updating Board policies and charters and creating a more formal Board governance manual.
Investment Performance 	Please see the separate investment report for updates to performance, asset allocation, and investment activity.
Organizational Health / Employee Engagement 	We are in the process of recruiting for a Data Base Administrator, Systems Administrator II and Helpdesk Technician in IT. We celebrated the FPPA career for our Records Specialist and wish her the best in retirement. We are in the implementation phase for a new employee payroll system. We are looking forward to better functionality at a reduced cost from our current provider. We are in the process of looking at health and welfare benefits for 2027 and have begun preparing the 2027 budget.

Stakeholder Engagement & Regulation 	FPPA continued its employer and member engagement efforts through several educational and outreach events in August and September. The Employer Solutions team hosted its most recent Employer Playbook webinar on August 19, 2026. That same day, FPPA welcomed attendees to its annual Retiree Appreciation Luncheon in the first-floor meeting room. The annual Employer Summit was held on September 2, 2026, providing an opportunity for employer representatives to receive updates and engage with FPPA staff. The annual Old Hire and Volunteer Employer Seminar followed on September 17, 2026. Ft. Lupton Police's effective date of reentry was July 4, 2026. We are finalizing the asset transfer process now. We anticipate lifting the blackout period by the end of September. Clear Creek Country Sheriff voted to affiliate with FPPA. Their Board of County Commissioners approved this initiative, and they signed their certification of compliance on August 4, 2026. Their effective date of affiliation is August 31, 2026. Their Members will participate in the SRP-Soc. Sec. Component. We are currently working with Fidelity and their recordkeeper on the asset transfer. We have also received interest in reentry from Eagle Police, Estes Park Police, and Grand Junction Police. We have completed the initial education and informational meetings and will continue to work with them if they choose to proceed.
Actuarial Management, Auditing, and Reporting 	GRS provided all GASB 68 reports and we are finalizing our internal reviews. These will be distributed to employers later this year. The internal auditors presented observations on the workflow processes for the implementation of a new GL system at the September Audit Committee meeting. They reviewed the findings of the annual risk assessment and presented suggested 2027 internal audits. The Audit Committee approved 6 internal audits to be completed in 2027. The external auditors finalized the GASB 68 report for the Statewide Retirement Plan and presented it to the Audit Committee in September. We will begin the 2027 financial and SOC audit this fall in October and December, respectively. The Accounting team completed implementation of Microsoft Business Central 365 system for the General Ledger and went live for the August 2026 close. We are finalizing enhanced reporting and finalizing the final details through the end of October as needed.
IT Implementation & Integration 	Our last release to the ASPEN pension platform we automated DROP termination. In September we will implement the upcoming COLA distribution. In our October release, we plan to implement ID.me as the required way to log in to the Member Account Portal (MAP). This improves our overall security of the portal site. We are doing a lot of work on our backend technology and technical debt. This is in preparation for the PAS Modernization project. We want our members and employers to have a good experience in ASPEN while anticipating the new platform. The recently hired IT Security vendor Coalfire attended our September Audit Committee meeting. The 2026 NIST audit will be accomplished in Q4.
Information Governance 	We continue to work with staff on records and contract management and with IT on data governance and security. We participate on the AI Governance Committee, Third-Party Risk Management (TPRM) team and AI Advisory Committee to manage the associated risks. We will be working with the new IT Security vendor to review and update the TPRM program using their tools and reporting during Q4.



Fire & Police Pension Association Board of Directors Meeting Minutes

Meeting Date, Time, and Location

Thursday, August 20, 2026, at 7:30 a.m.
4582 South Ulster Street
2nd Floor Conference Room
Denver, CO 80237

Board Members Present

Chair Jason Mantas, Vice Chair William Clayton, Karen Frame, Tammy Hitchens, and Don Lombardi. Joan Brown, Kim McDaniel, and Caleb Seviaan attended via Zoom. John Hoehler was excused.

Staff Members Present

Kevin Lindahl, Adam Franklin, Scott Simon, Ahni Smith, Chip Weule, Teresa Dupree, Kevin Gallaway, Jack Wilson, Tim O'Connell, Sean Ross, Riley Dinnison, Jim Payne, Ryan Woodhouse, Clarissa Flynn, Lo Juarez, Heidi Smothers, and Andrea Koelzer.

Others Present

Brian McDonnell, Cambridge Associates; Dana Woolfrey and Joe Newton, GRS Consulting; Jennifer Steck, Denver Police Department Retiree; Tab Davis, Denver Police Department Active; FPPA Members (Retirees and Actives from various departments); Lieutenant Costigan, Denver Police.

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

Call to Order

At 7:33 a.m., Chair Mantas called the meeting to order.

At 7:34 a.m., Chair Mantas and Mr. Franklin gave an introduction to FPPA's new General Counsel, Kevin Gallaway.

Consent Calendar

At 7:35 a.m., Vice Chair Clayton moved for the approval of the Consent Calendar which consisted of the June 10, 2026, Board Strategic Planning Session minutes, June 11, 2026, Board Strategic Planning Session minutes, and the June 12, 2026, Board Meeting minutes. Mr. Lombardi seconded the motion. The motion passed.

Mission Moment

At 7:36 a.m., Mr. Weule and FPPA Staff presented the mission moment. Mr. Payne spoke regarding the Employer Solutions team and their contributions to FPPA including: the support they provide to Employers when training new staff, understanding FPPA's processes, using the Employer portal; hosting the Employer Playbook; and supporting other strategies designed to help Employers navigate their relationship with FPPA.

Cambridge Market Update

At 7:47 a.m., Mr. McDonnell presented the Cambridge Market Update.

Investment Report

At 8:12 a.m., Mr. Simon presented the June 2026 Investment Report.

Asset Liability Study – Introduction and Timeline

At 8:27 a.m., Mr. Simon and Mr. McDonnell provided an introduction regarding the Asset Liability Study, including a proposed timeline and an outline of the necessary concurrent processes.

Discussion of Governance of Pension Administration System (PAS) Project

At 8:52 a.m., Mr. Lindahl discussed governance of the PAS project with the Board, which included the reporting structure; the projected cost of the PAS project over the next 10 years; Board oversight, budgeting and reporting; and moving on to phase 2 of the project.

PAS Presentation

At 9:18 a.m., Mr. Lindahl and Ms. Dupree provided an update to the Board on the Pension Administration System (PAS) information technology project which included a recap from June regarding the completion of phase 1 of the project, the recommended path of “go to market,” and planned kickoff for 2027 to be staged over time. Delivery risk and vendor management were also reviewed with the Board. Ms. Dupree raised the topic of staffing and capacity necessary to the PAS project and requested the Board to allow for the hiring of a database administrator beginning in 2026.

At 9:50 a.m., Chair Mantas called for a break.

At 10:15 a.m., the meeting reconvened.

Public Comment

At 10:15 a.m., Chair Mantas opened the meeting for public comment requested in advance of the meeting from Ms. Steck and Mr. Davis, each to be allotted five minutes.

At 10:16 a.m., Ms. Steck spoke to the Board regarding her position on COLAs.

At 10:24 a.m., Mr. Davis spoke to the Board regarding his position on COLAs.

At 10:31 a.m., Chair Mantas thanked both Ms. Steck and Mr. Davis for their public comments demonstrating their courage and passion around the COLA topic.

Review of Findings regarding Ms. Steck's COLA Calculator

At 10:33 a.m., Mr. Lindahl spoke to the Board regarding GRS's review of Ms. Steck's COLA model and the meeting held by Mr. Lindahl and Mr. Franklin with Ms. Steck, her guests, and Mr. Newton to discuss the findings prior to today's Board meeting.

At 10:34 a.m., Ms. Woolfrey and Mr. Newton presented to the Board regarding their findings after comparing GRS's COLA calculations to those of Ms. Steck, which were presented to the Board at the June Strategic Planning meeting. GRS spoke to their findings that Ms. Steck's calculator was flawed with COLAs not sustainable as presented. The main difference between the models was the complexity used to project how active Members transition into the retiree population and how retiree liabilities develop over time. The retiree model did not account for the rate of growth in retiree liabilities and overestimated growth in retiree liabilities and underestimated the cost of future COLAs.

GRS also presented on a revised retiree model which provided a 1.25% COLA increasing by approximately 0.05% every two years. GRS opined that while this approach is sustainable in many economic scenarios, it is not a silver bullet. It frontloads COLAs at the expense of significant dampening of future COLAs for future retirees and less future resilience of the plan if there is adverse experience.

COLA Task Force Charter

At 11:22 a.m., Mr. Clayton and Mr. Lombardi, Task Force Co-Chairs, and Mr. Franklin, provided the Board with an update regarding the COLA Task Force which included providing the COLA Task Force Charter. Mr. Franklin emphasized the focus of the Task Force, the upcoming hiring of an independent actuarial firm, the

forthcoming Asset Liability Study to assess FPPA's investment program, and the process which the Task Force will be taking to proceed to analyze the COLA issue leading to a recommendation to be provided to the Board. Chair Mantas stated that the Task Force membership was intentionally structured to provide balanced representation among active and retired police and fire members, employers, special districts, and varying levels of career seniority.

At 11:28 a.m., Ms. Frame moved the Board to approve the COLA Task Force Charter set forth in Tab 10 of the Board materials. Ms. Hitchens seconded the motion. The motion passed.

At 11:29 a.m., Chair Mantas recognized Ms. Steck's efforts in bringing COLA-related concerns before the Board in a respectful and constructive manner, which helped initiate the discussion and laid the groundwork for the formation of the COLA Task Force. Chair Mantas emphasized FPPA's commitment to addressing the issue through a thoughtful and deliberate process that considers Member feedback while preserving the long-term sustainability and generational equity of the pension fund.

At 11:31 a.m., Chair Mantas called for a break.

At 11:47 a.m., the meeting reconvened.

Board-Self Evaluation with Executive Director and Deputy Executive Director

At 11:48 a.m., Mr. Lindahl and Mr. Franklin discussed the Board-Self Evaluation with the Board.

At 11:52 a.m., Chair Mantas called for a lunch break.

At 12:43 p.m., the meeting reconvened.

Staff Reports

At 12:43 p.m., Mr. Lindahl reviewed the Executive Team Report, which included an explanation of why FPPA is requesting the approval of a budget amendment for the IT department to provide the ability to hire a database administrator in 2026.

At 12:46 p.m., Ms. Hitchens moved the Board to amend the 2026 Budget with a \$70,000 increase to allow for the hiring of a database administrator for the Pension Administration System. Mr. Clayton and Mr. Lombardi seconded the motion. The motion passed.

At 12:47 p.m., Mr. Lindahl also reviewed Resolution No. 2026-05 – Authority of Executive Director with the Board.

At 12:48 p.m., Mr. Clayton moved the Board to approve Resolution No. 2026-05 empowering Kevin Lindahl, Adam Franklin, Scott Simon, and Kevin Gallaway to perform certain actions including investing and entering contracts on behalf of FPPA. Mr. Lombardi seconded the motion. The motion passed.

At 12:50 p.m., Mr. Gallaway briefly reviewed the General Counsel Report.

At 12:51 p.m., Mr. Weule and Mr. Franklin provided the Board with legislative updates.

At 12:52 p.m., Mr. Weule provided the Board with updates on the disability project.

At 12:55 p.m., Mr. Franklin reviewed the Notice of Rulemaking with the Board.

At 12:56 p.m., Ms. Frame moved the Board to direct the publication of the Notice of Proposed rulemaking for the October 1, 2026, public hearing. Mr. Lombardi seconded the motion. The motion passed.

At 12:57 p.m., Mr. Lindahl spoke to the Board regarding additional items that were included on the Executive Team report which included an update on the transition of responsibilities between Executive Director, Deputy Executive Director, and General Counsel.

At 1:02 p.m., Ms. Dupree provided updates regarding the IT department to the Board regarding the hiring of Joey Douglas, IT Ops & Production Manager, a temporary helpdesk position, and an intern to assist with AI agent development. Ms. Dupree also updated the Board on a cyber security auditor.

At 1:09 p.m., Mr. Weule discussed the Fidelity Workplace Financial Consultant with the Board.

Chair's Report

At 1:26 p.m., Chair Mantas reviewed the Board Education Opportunities.

At 1:28 p.m., Chair Mantas reviewed the 2026 Q2 Board Scorecard. Mr. Simon also discussed the Cambridge questionnaire and survey with the Board. A review of FPPA's relationship with BNY Mellon was also discussed.

At 1:34 p.m., Chair Mantas introduced the public comment topic to the Board. Mr. Gallaway discussed in greater detail the forthcoming Public Comment Policy with the Board providing its purpose and process.

At 1:39 p.m., Mr. Simon provided notice to the Board regarding the upcoming migration of services from Diligent Board to Convene.

At 1:47 p.m., Chair Mantas reviewed the proposed 2027 Board meeting dates with the Board. Mr. Lindahl requested the Board provide notice of any conflicts around the proposed dates, including the tentative dates requested for additional meetings for updates on the COLA Task Force and/or PAS project, if needed.

At 1:52 p.m., Chair Mantas informed the Board of the letter received from Senator Kolker and confirmed a forthcoming response.

At 1:54 p.m., Mr. Lindahl spoke to the Board about the letter to the Board from Mr. Donny Baca. Mr. Lindahl also confirmed the letter from Ms. Avis Laurita was also shared with the Board. Chair Mantas confirmed receipt of a letter from Mark Rogers as well.

At 1:57 p.m., the meeting adjourned.



Mission Moment

MISSION



The Fire & Police Pension Association of Colorado is committed to our members. We will prudently invest their retirement funds, administer benefits impartially, and efficiently provide high quality service.

VISION



Being a trusted provider of financial security for Colorado police officers, firefighters, and first responders.

VALUES

How Do We Behave?



- **Professionalism**

We collaborate, communicate and innovate with respect and professionalism.

- **Commitment**

We commit to decisions made.

- **Community**

We are a community, and we care about each other, while acting in service of others.



Fire & Police Pension Association Board of Directors

Memorandum

To:

Board of Directors

From:

Chip Weule, Chief Benefits Officer; and Ahni Smith, Chief Operations Officer

Regarding

Independent Actuarial Review RFP Process and Staff Recommendation

Date:

October 1, 2026

Purpose

As part of the Board's ongoing commitment to sound governance, transparency, and independent review, FPPA issued a Request for Proposals (RFP) seeking actuarial consulting services to perform an independent actuarial valuation and advisory review of the Statewide Retirement Plan. The scope of work includes:

- An independent actuarial valuation of the Statewide Retirement Plan as of December 31, 2026;
- Independent recommendations regarding actuarial assumptions and actuarial methods; and
- An evaluation of the design and long-term sustainability of the Statewide Retirement Plan's COLA policy.

The intent of the engagement is to provide the Board with an independent actuarial perspective regarding the Plan's funding, assumptions, methodologies, and COLA framework.

RFP and Evaluation Process

FPPA released the RFP on July 28, 2026. Nine actuarial consulting firms submitted notices of intent to propose, and seven firms ultimately submitted proposals by the September 11, 2026, deadline.

An evaluation committee consisting of Ahni Smith, Chief Operations Officer, Scott Simon, Chief Investment Officer, Adam Franklin, Deputy Executive Director, and Chip Weule, Chief Benefits Officer, independently reviewed and scored each proposal using a standardized evaluation matrix developed from the criteria outlined in the RFP. The evaluation considered:

- Organizational qualifications and personnel;
- Experience performing comparable public pension actuarial work;
- Demonstrated understanding of the requested services;
- Independence and potential conflicts of interest;
- Overall quality and completeness of the proposal; and

- Proposed fees

Following the independent scoring process, the evaluation committee met to discuss the results and determine which firms should advance to interviews. The evaluation committee discussion was held with Kevin Gallaway, General Counsel, to receive legal advice on any legal questions that arose during the discussion.

Based on the scoring results and committee discussion, three firms were selected as finalists:

- CavMac (Cavanaugh Macdonald Consulting, LLC)
- Cheiron
- Segal

Finalist Interviews

On September 24, 2026, FPPA conducted interviews with each finalist via Zoom. The interviews were attended by Ahni Smith, Adam Franklin, and Chip Weule.

Each firm was asked the same set of interview questions covering the following topics:

- Approach to valuation replication and independent review;
- Maintenance of independence from FPPA's current actuary;
- Experience evaluating COLA policies;
- Development of actuarial assumptions, including the discount rate;
- Balancing collaboration with independence; and
- Qualifications and experience that distinguish the firm from its competitors

The interview process provided staff with an opportunity to further evaluate each firm's experience, methodology, communication style, responsiveness, understanding of FPPA's objectives, and ability to present complex actuarial concepts in a manner accessible to Board members and stakeholders.

Staff Assessment

Throughout the evaluation process, staff concluded that all responding firms were capable of successfully performing the requested work. Similarly, all three finalists demonstrated substantial public pension experience, strong technical qualifications, and the independence necessary to perform the engagement objectively.

The finalists each brought unique strengths to the process. Ultimately, no significant concerns were identified regarding any of the finalist firms' qualifications, expertise, or ability to complete the work successfully.

After reviewing written proposals, references, pricing, and interview performance, staff determined that several factors distinguished the recommended firm, including:

- Demonstrated experience conducting independent actuarial reviews and audits of large public pension systems;
- A clear and practical approach to the requested valuation, assumption review, and COLA analysis;

- Strong interview performance and communication style;
- Relevant public pension and public safety plan experience;
- Favorable references; and
- Competitive pricing relative to the proposed scope of services.

Staff Recommendation

Following discussion and deliberation after the interviews, staff unanimously ranked the three firms in the following order:

- 1) Cav Mac
- 2) Cheiron
- 3) Segal

Staff recommends that the Board select **CavMac (Cavanaugh Macdonald Consulting, LLC)** to perform the independent actuarial valuation and advisory review of the Statewide Retirement Plan. Staff believes CavMac offers the strongest overall combination of relevant experience, independence, technical approach, communication capabilities, and value.

While the decision was close, and all three finalists would be capable of successfully completing the engagement, staff believes CavMac represents the best overall fit for FPPA's objectives and the specific scope of work outlined in the RFP.

Accordingly, staff recommends that the Board authorize FPPA to enter into contract negotiations with CavMac for the independent actuarial review project. If approved, staff and legal counsel will finalize contract terms and return to the Board Chair for execution in accordance with FPPA's procurement process.



CAMBRIDGE
ASSOCIATES

Colorado FPPA

August 2026 Market Update

October 2026

Key takeaways for August 2026 market action

Macro developments remained the main backdrop for markets in August.

- Global activity data was broadly constructive, with flash composite PMIs generally remaining in expansion territory and US data pointing to continued resilience. At the same time, policy and geopolitical risks stayed in focus.
- Warsh's hawkish speech in Jackson Hole reinforced the view that inflation had not eased enough to justify a policy pivot, with escalating violence in Iran and higher oil prices further complicating the Fed's job.

Global equities rebounded in August, supported by resilient growth and strong earnings.

- Developed stocks advanced, with the MSCI World Index up 2.6% in USD terms.
- The S&P 500 rose 2.7%, helped by a strong 2Q reporting season, while Japanese equities (+3.3%) outperformed despite concerns over currency weakness.
- The MSCI EM Index (+3.4%) outperformed, boosted by a recovery in semiconductor stocks in Korea and Taiwan.

Leadership broadened somewhat, but technology remained central to market gains.

- Information technology was again a key driver of returns (MSCI World IT +6.1%).
- Semiconductor stocks recovered from July weakness.
- Nvidia's shares rose 10% after blowout 2Q results, adding almost \$500B in market cap.
- Energy (MSCI World Energy Index +4.5%) and materials (MSCI World Materials Index +9.7%) also outperformed, supported by higher commodity prices.

Factor leadership was more balanced than in prior months.

- MSCI World growth and value stocks both rose 2.6% in August, while small caps modestly outperformed large caps.
- In the United States, growth reasserted leadership, though lines are blurring as the value index now includes many mega-cap IT names.
- Rising hyperscaler capex remained in focus, though growing cloud revenue forecasts soothed some concerns.

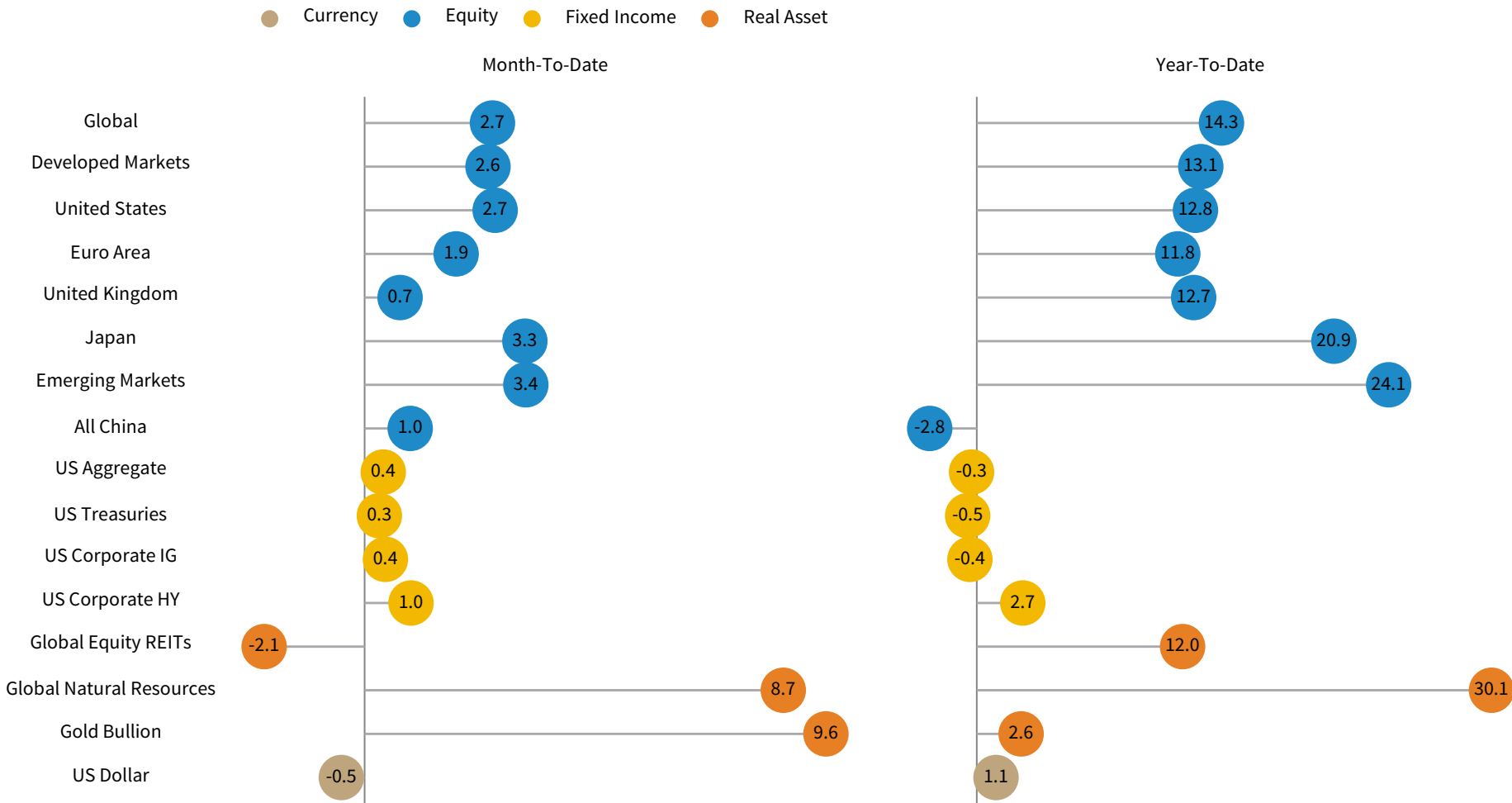
Fixed income posted modest gains, but rate markets reflected a more complicated policy picture.

- Credit outperformed government bonds, while the US curve flattened as front-end yields moved higher.
- Concerns are rising over projected government deficits, but longer-dated Treasury yields were steady after the Treasury unexpectedly announced increased long-dated bond buybacks.

Strong earnings and technology shares helped lift markets in August

Global asset class performance

As of August 31, 2026 • US dollar terms • Percent (%)

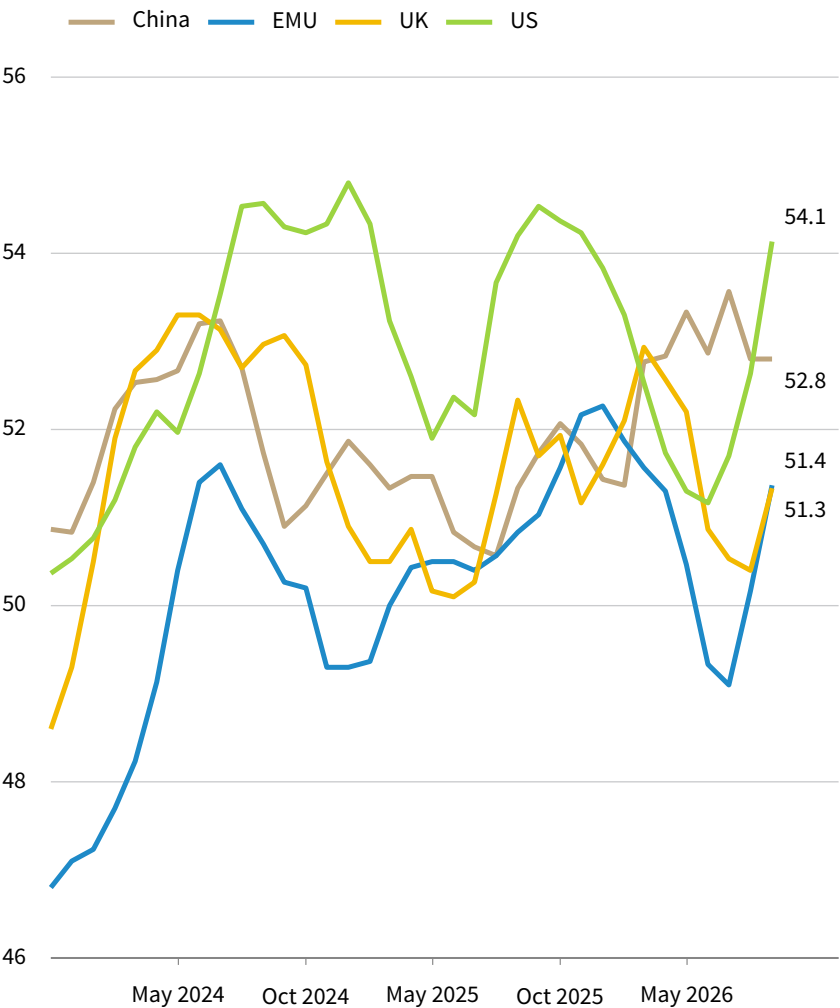


Past performance is not a reliable indicator of future results. All financial investments involve risk. Depending on the type of investment, losses can be unlimited.
Sources: Bloomberg Index Services Limited., ICE Benchmark Administration Ltd., MSCI Inc., and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.
Notes: Equity data are total returns net of dividend taxes of MSCI indexes. Fixed income data are total returns of Bloomberg indexes. MSCI Global Equity REIT Index, the MSCI ACWI Commodity Producers Index, and LBMA gold prices are used to calculate real asset performances. The US Dollar Index (DXY) is used to calculate US dollar performance.

A relatively stable economic backdrop supported improving business confidence

Composite PMIs

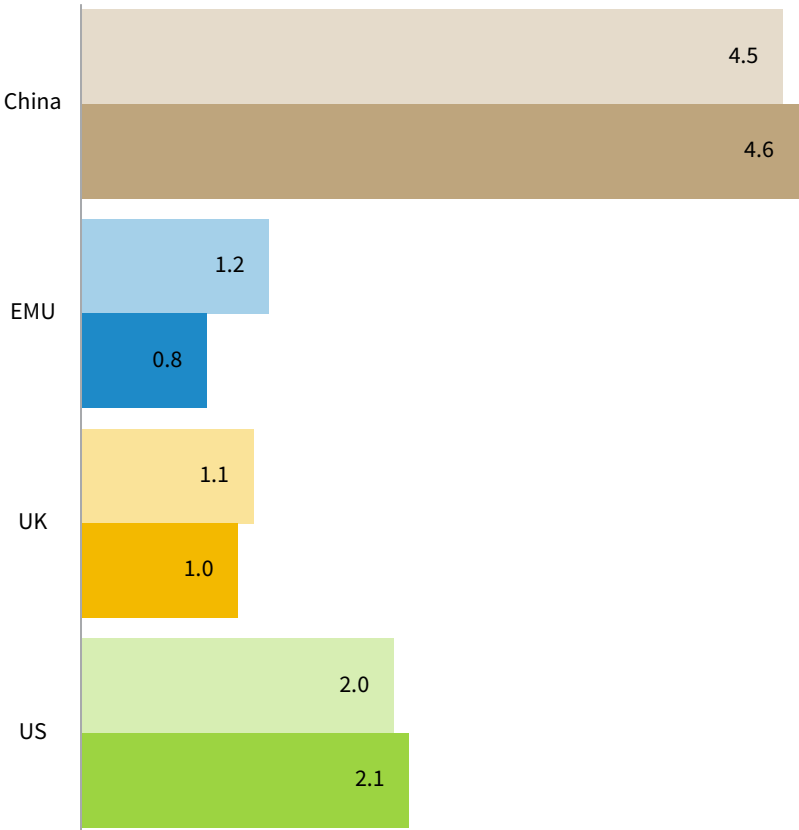
October 31, 2023 – August 31, 2026 • Index Value



2026 real GDP growth estimates

Percent (%)

As of August 31, 2026 (dark bar) As of December 31, 2025 (light bar)

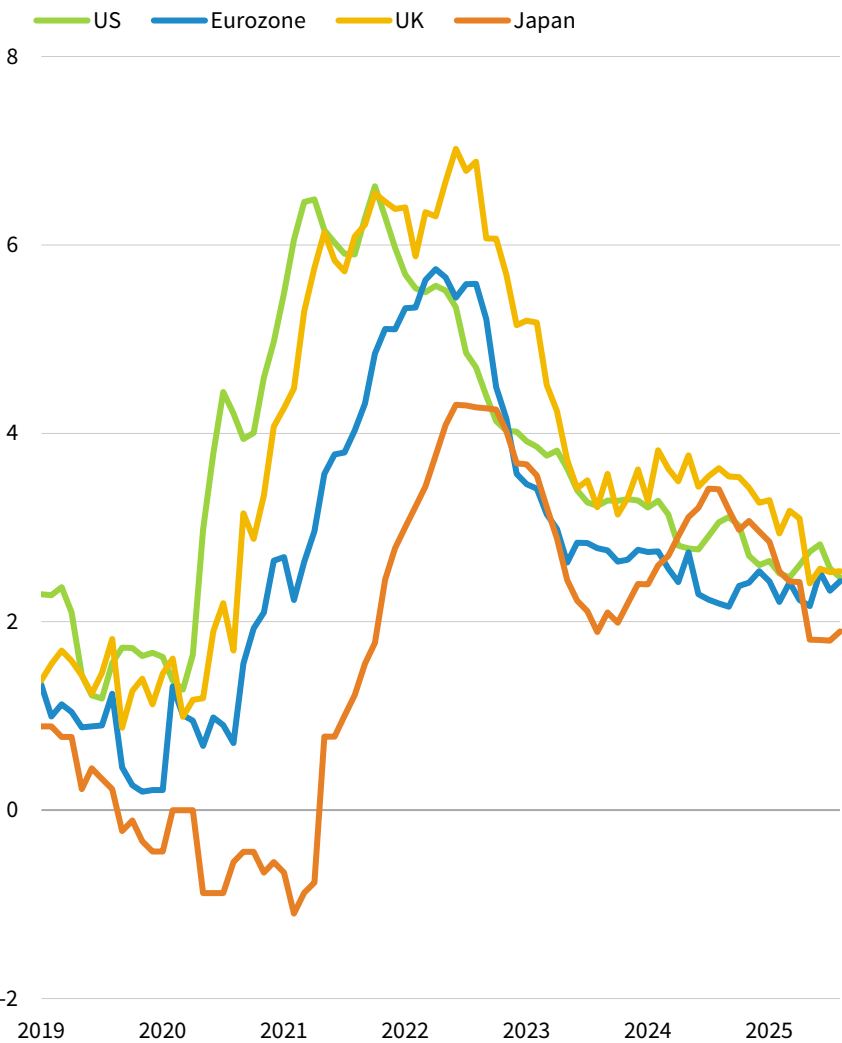


Sources: Bloomberg L.P., S&P Global, and Thomson Reuters Datastream.
Notes: Composite PMI data represent three-month averages. Latest China data are as of July 2026.

Ongoing tensions in the Middle East continue to pose risks to energy prices and inflation

Core CPI for select regions

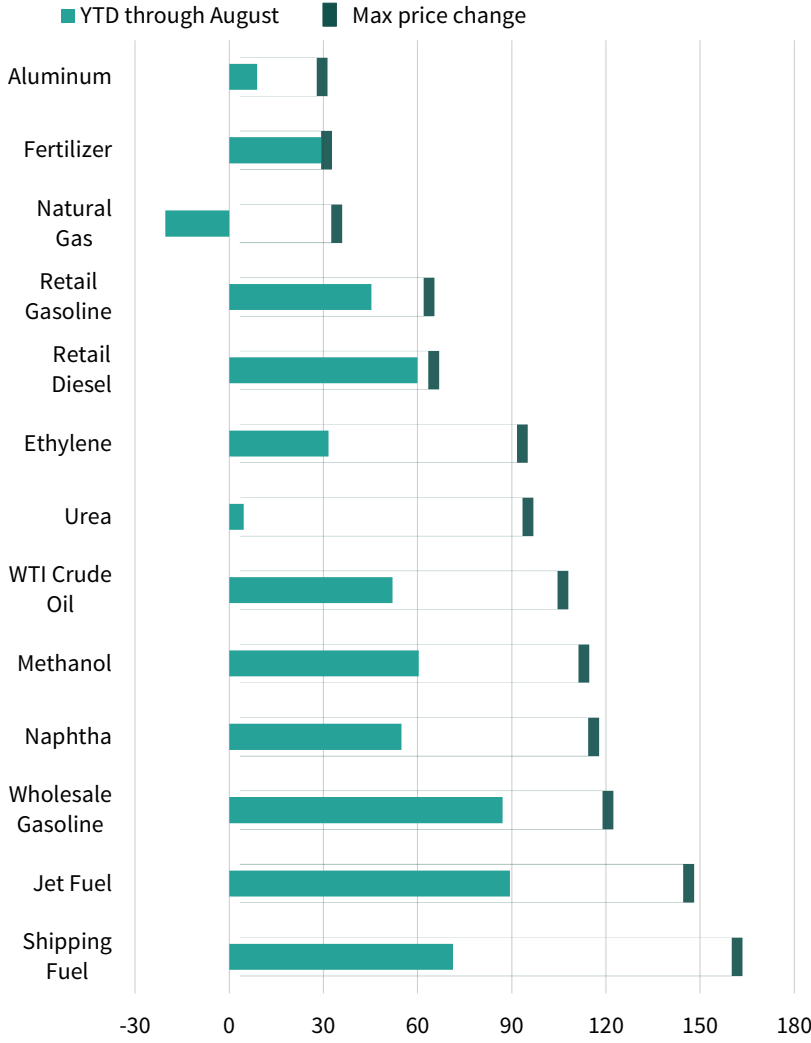
December 31, 2019 – July 31, 2026 • YOY percent change (%)



Sources: Bloomberg L.P., National Sources, Polymerupdate, Ship & Bunker, Thomson Reuters Datastream, and US Energy Information Administration.
Notes: Commodity price changes may vary by region and benchmark. Maximum price change is defined as the YTD trough-to-peak change in price. Natural gas prices declined year to date, bottomed in April, and then peaked in June.

Commodity price changes

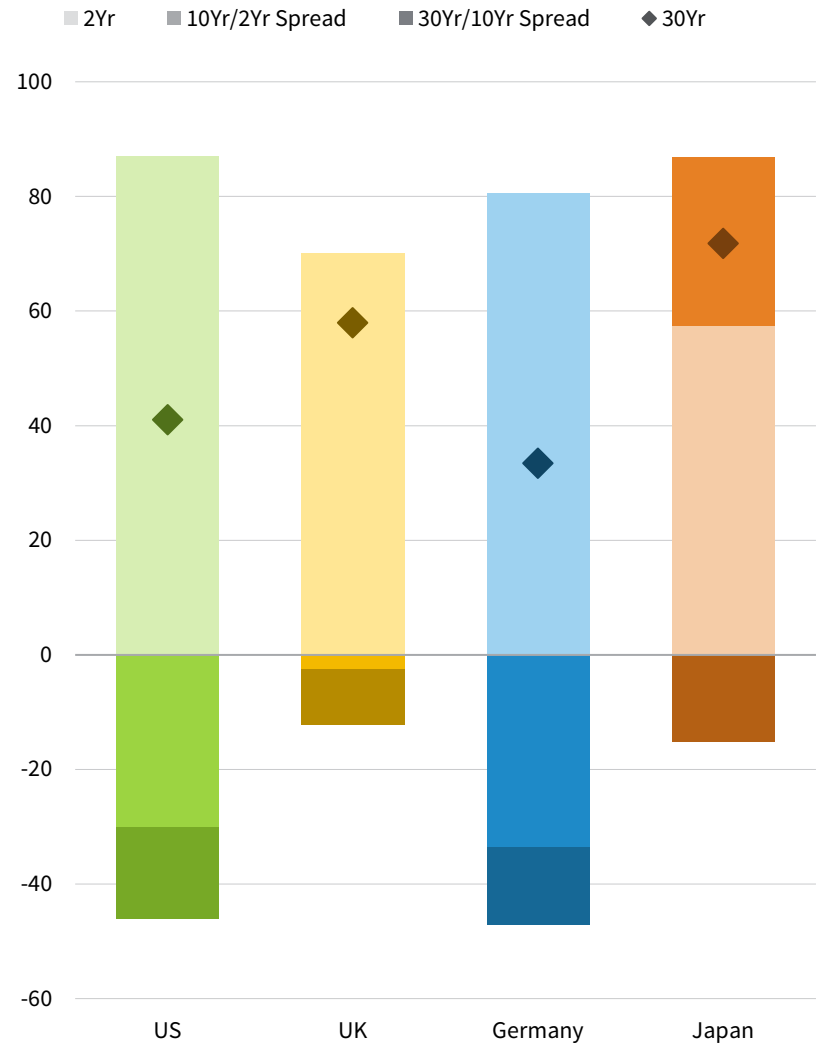
December 31, 2025 – August 31, 2026 • USD terms • Percent (%)



Higher long-term bond yields still appear to reflect economic fundamentals more than fiscal concerns

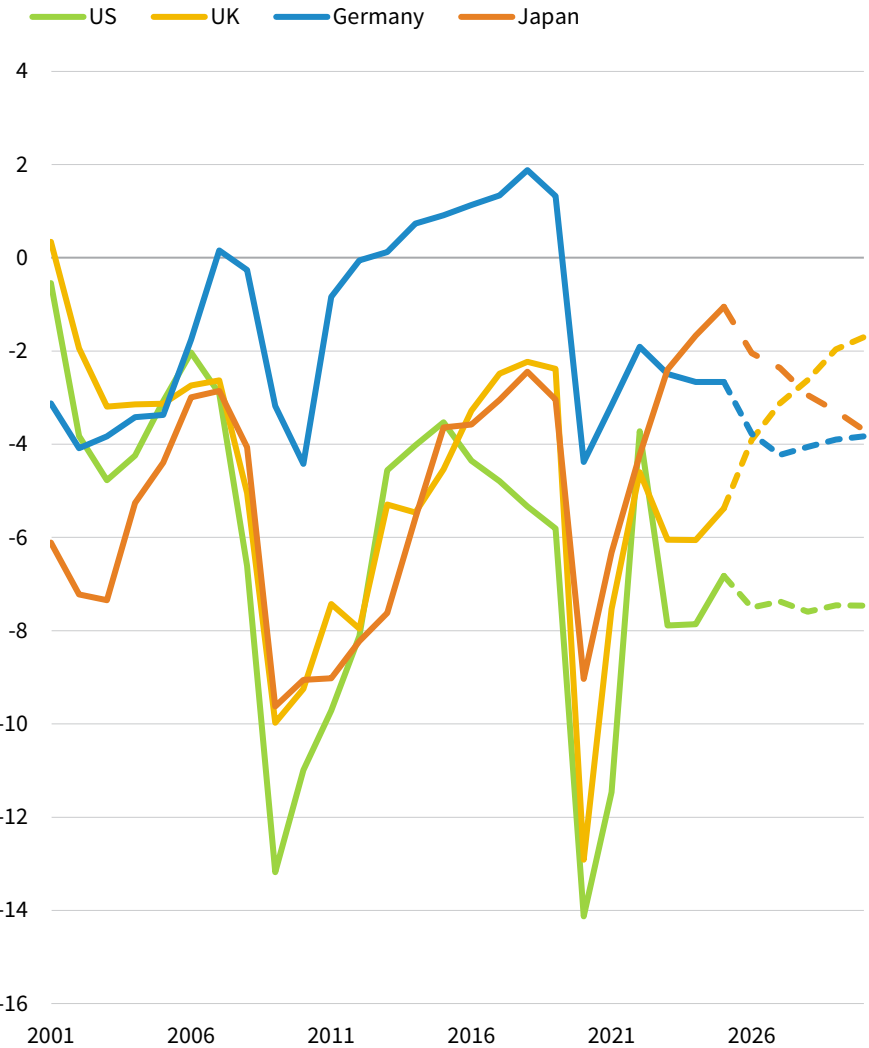
Contribution to YTD change in 30-year government bond yields

As of August 31, 2026 • Basis Points



Fiscal deficit/surplus for select countries

2001–30 • As a % of GDP

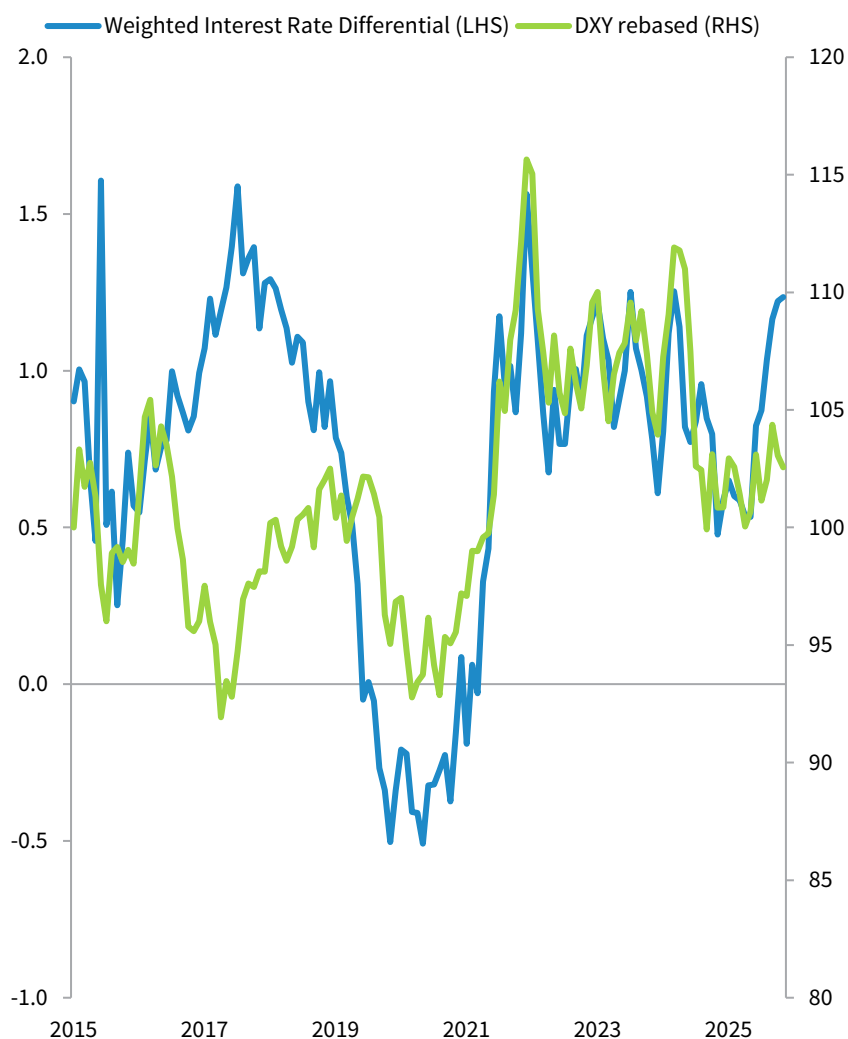


Sources: International Monetary Fund, National Sources, and Thomson Reuters Datastream.
Note: Fiscal deficit projections are as of August 31, 2026.

The US dollar has remained rangebound despite several emerging supports this year

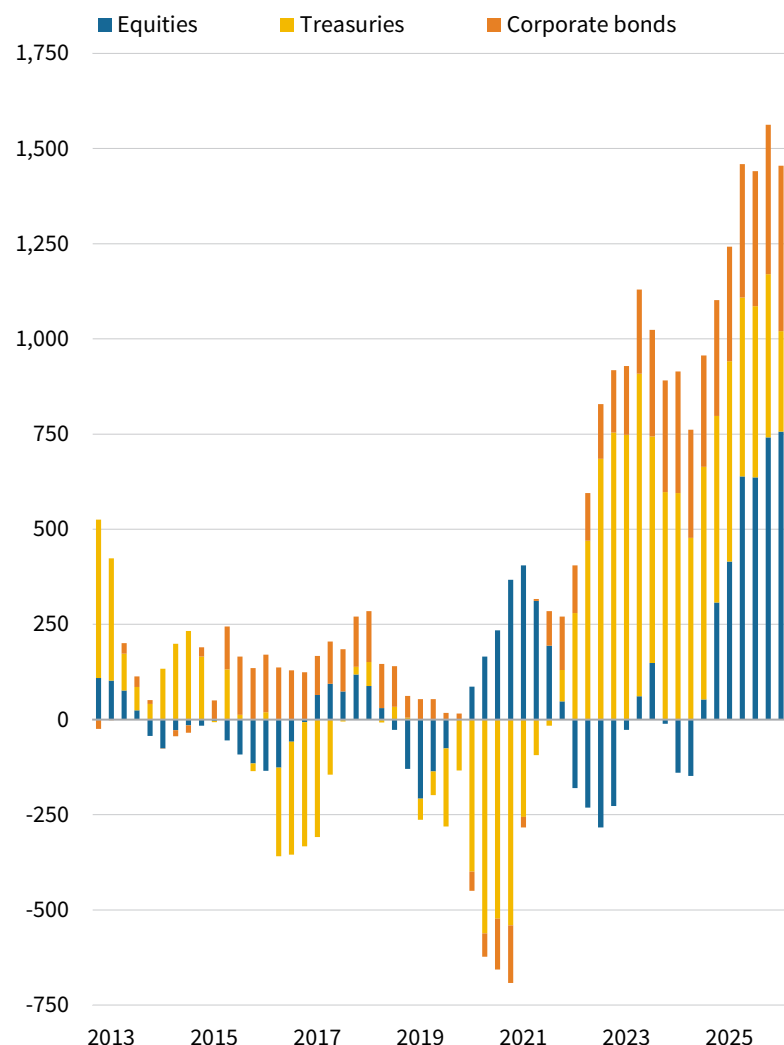
5-yr real rate differential and the dollar index

October 31, 2015 – August 31, 2026 • October 31, 2015 = 100



Net foreign inflows into US assets

Fourth Quarter 2012 – Second Quarter 2026 • Billions (US\$)



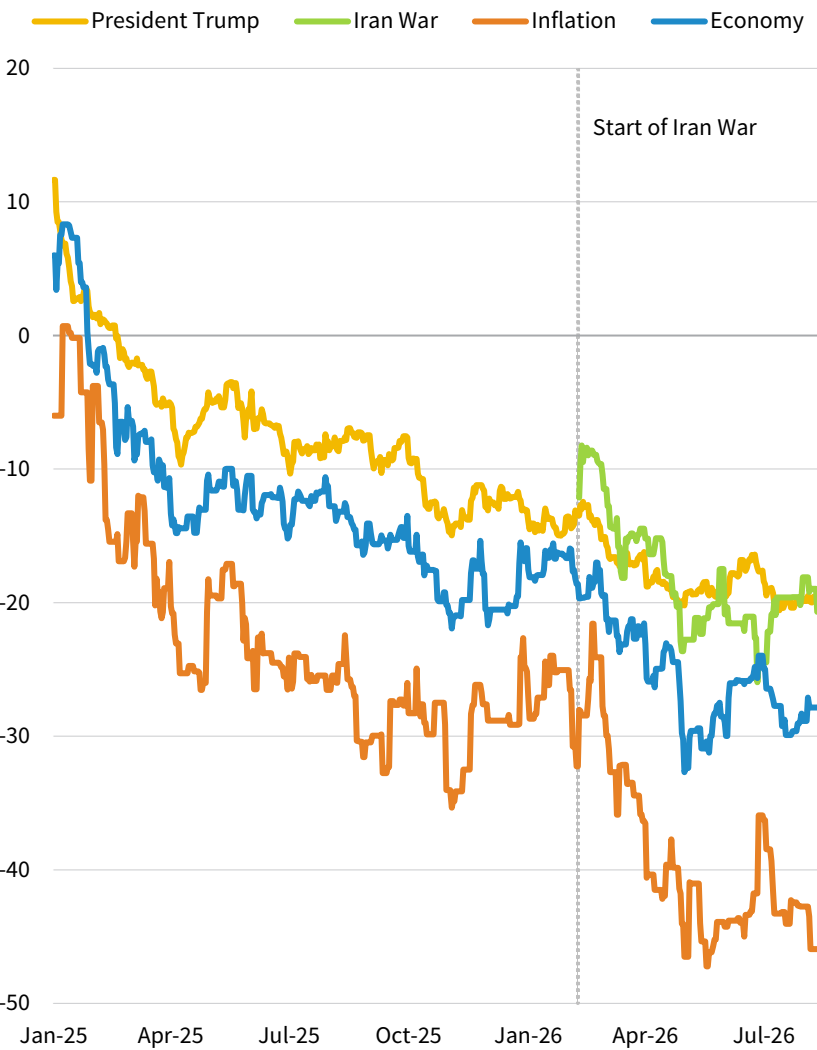
Sources: ICE Data Services, Thomson Reuters Datastream, and US Department of Treasury.

Notes: The real exchange rate differential is calculated as the five-year US TIPS yield less the weighted average of five-year real yields for the euro (45%), Canadian dollar (29%), British pound (11%), Japanese yen (11%), and Australian dollar (3%). Net foreign inflows into US assets are shown as a 12-month rolling sum.

War in Iran has some limiting factors

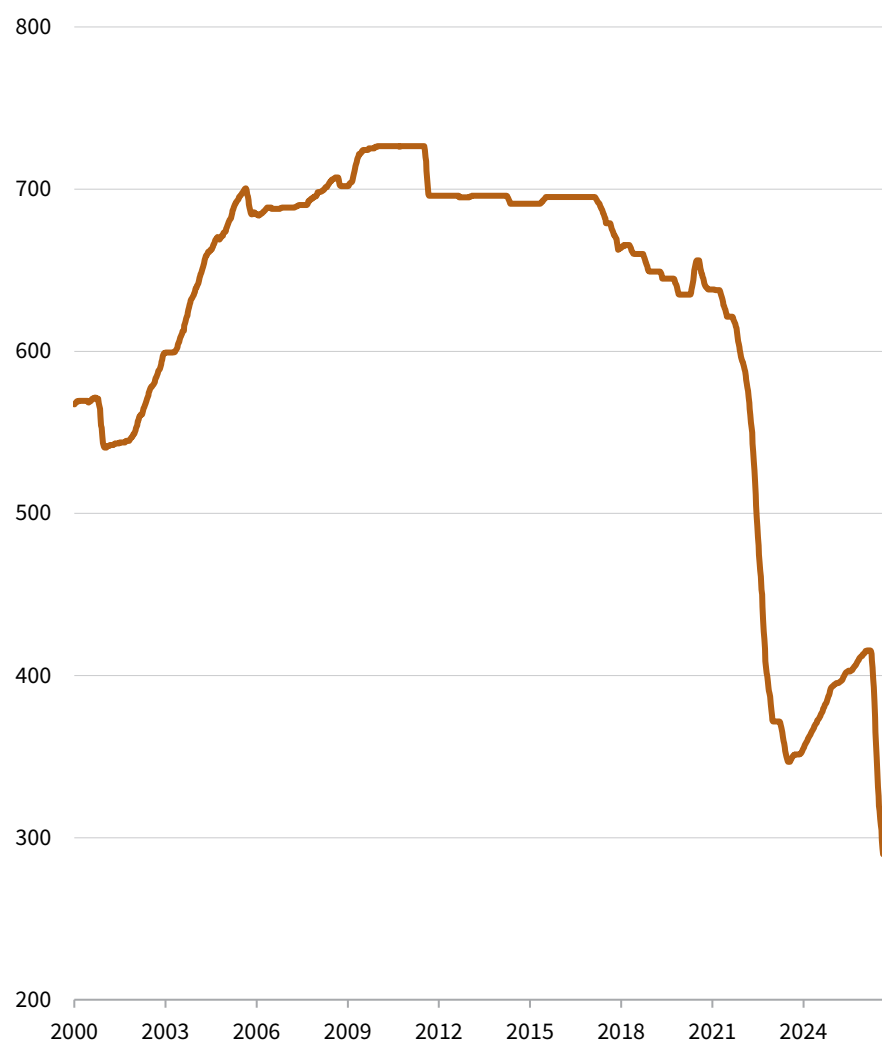
Net approval rating for President Trump and for key issues

January 21, 2025 – August 31, 2026 • Percent (%)



US strategic petroleum reserve (SPR)

January 7, 2000 – August 21, 2026 • Million of barrels



Sources: Silver Bulletin and US Energy Information Administration.
Notes: Polling data for the Iran war began on March 1, 2026. US Strategic Petroleum Reserve data are weekly.

Strong earnings growth propels stocks higher

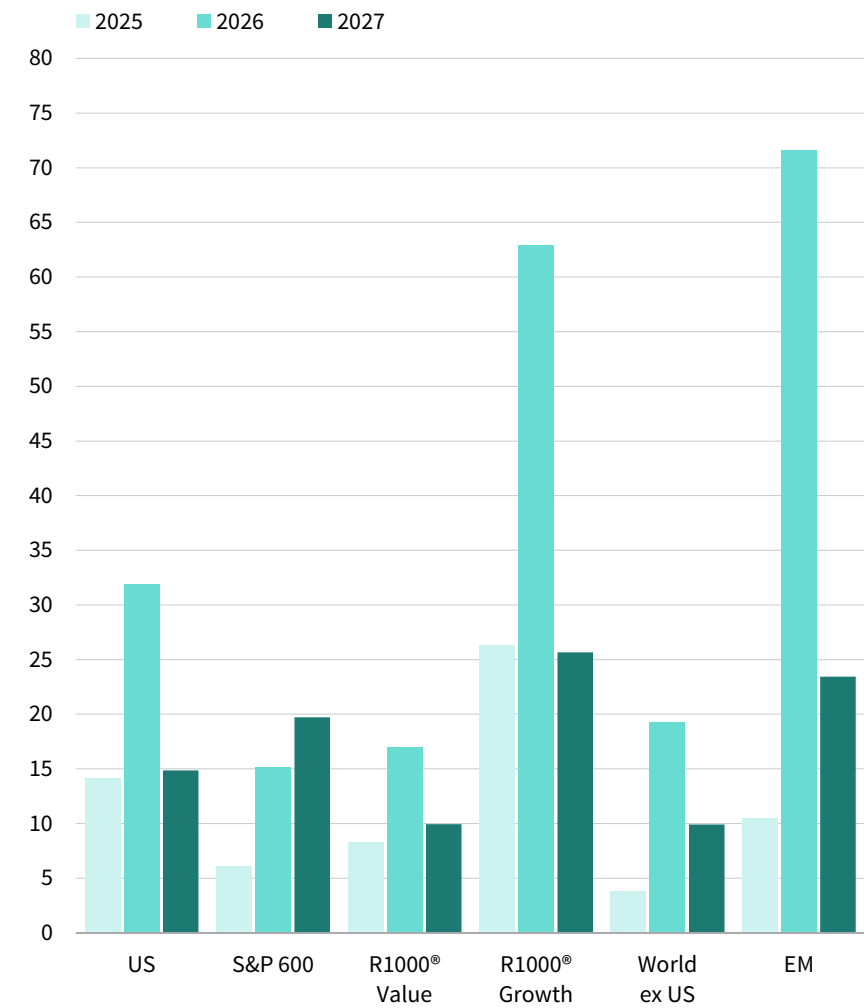
EPS growth across MSCI World Index sectors

As of August 31, 2026 • Percent (%)



Expected EPS growth for select indexes

As of August 31, 2026 • Percent (%)

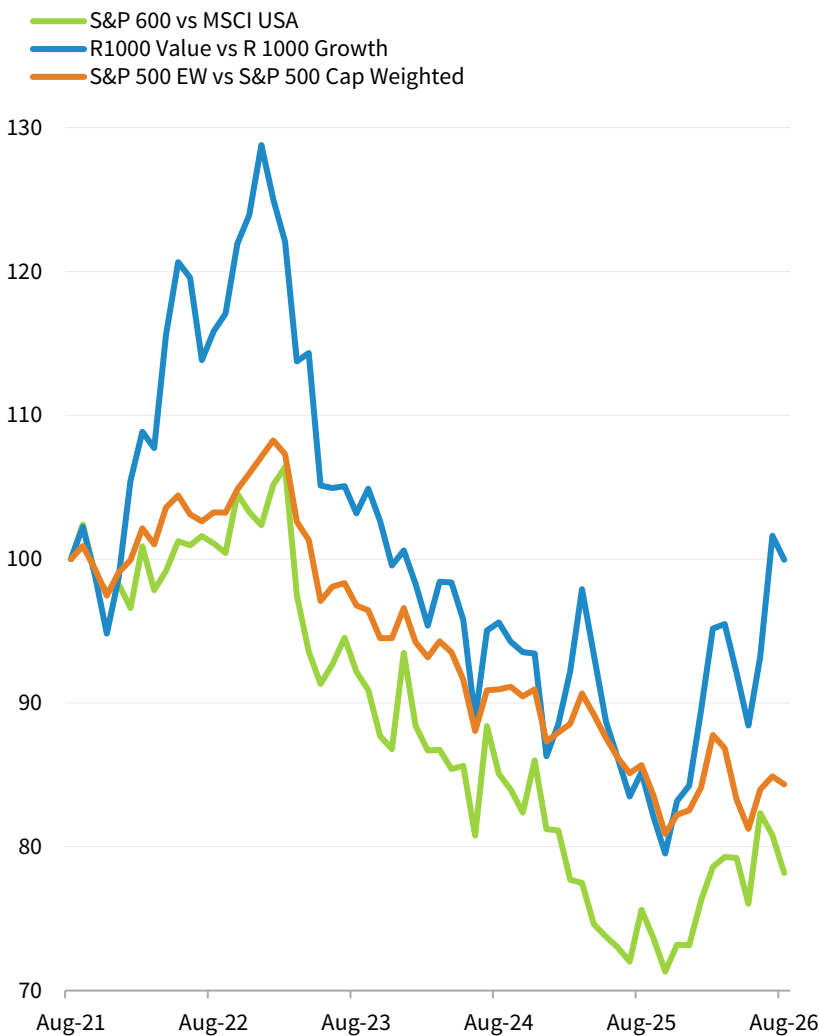


Past performance is not a reliable indicator of future results. All financial investments involve risk. Depending on the type of investment, losses can be unlimited.
 Sources: FTSE International Limited, I/B/E/S, MSCI Inc., Standard & Poor's, and Thomson Reuters Datastream. Third-party data provided "as is" without any express or implied warranties.
 Notes: "Trailing 12 months" reflects year-over-year aggregate index EPS growth through August 31, 2026. Real Estate became a standalone sector in September 2016; accordingly, its 20-year AACR is shown for the period from September 30, 2016, to August 31, 2026. US, World ex US, and EM are represented by the MSCI US, MSCI World ex US, and MSCI EM indexes, respectively.

Investors seeking diversification away from AI/tech have rotated into value and small caps

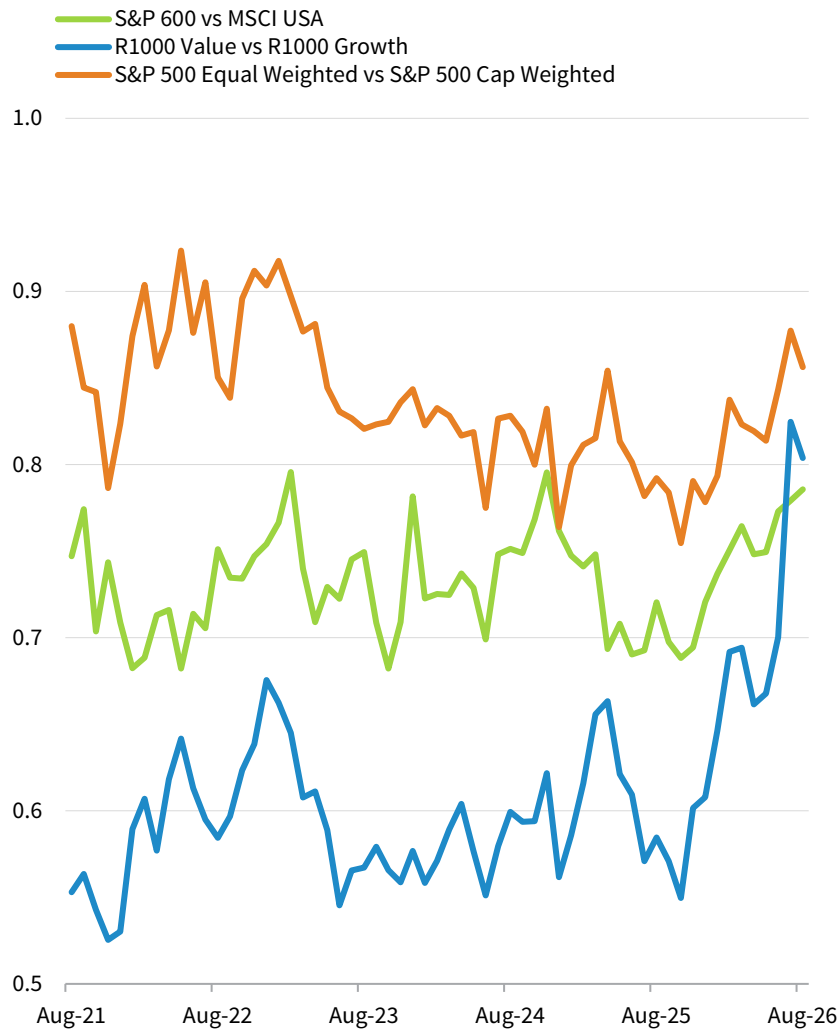
Relative 5-yr cumulative wealth for select indexes

August 31, 2021 – August 31, 2026 • August 31, 2021 = 100



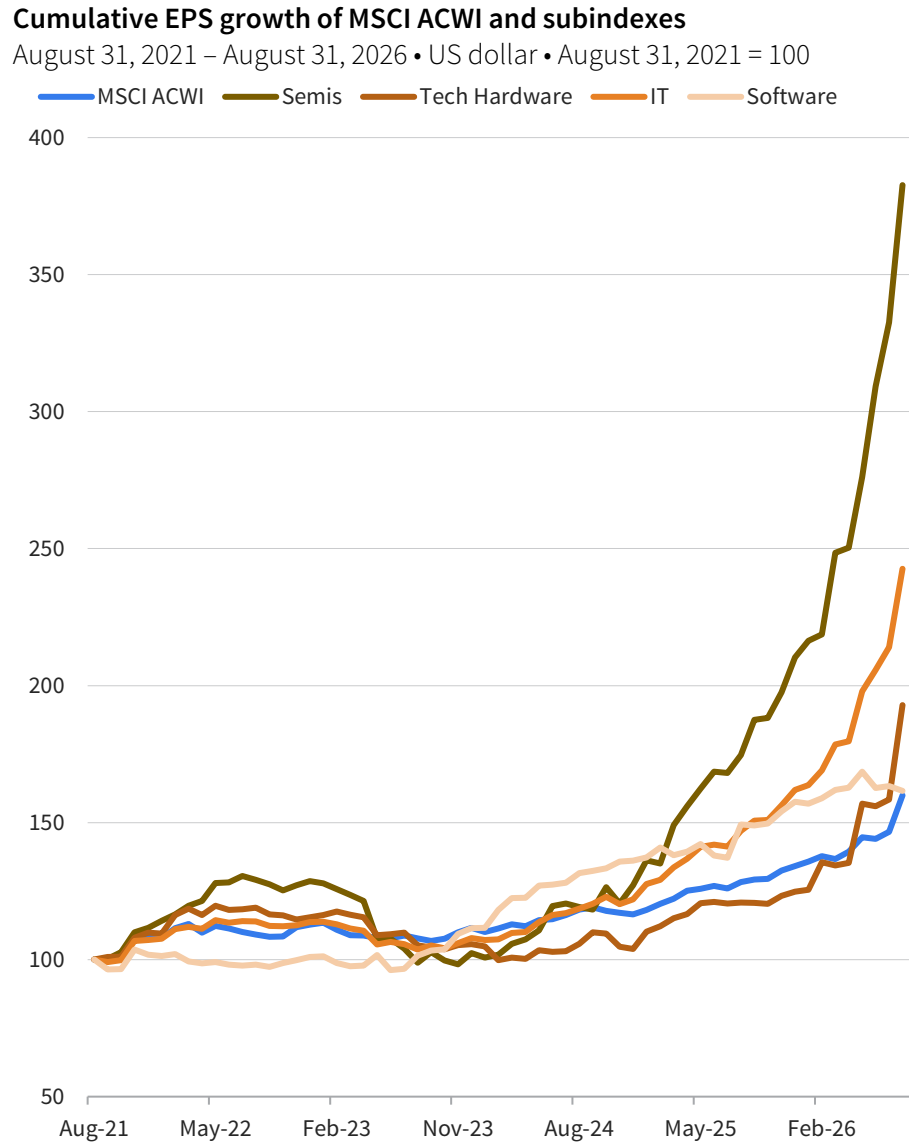
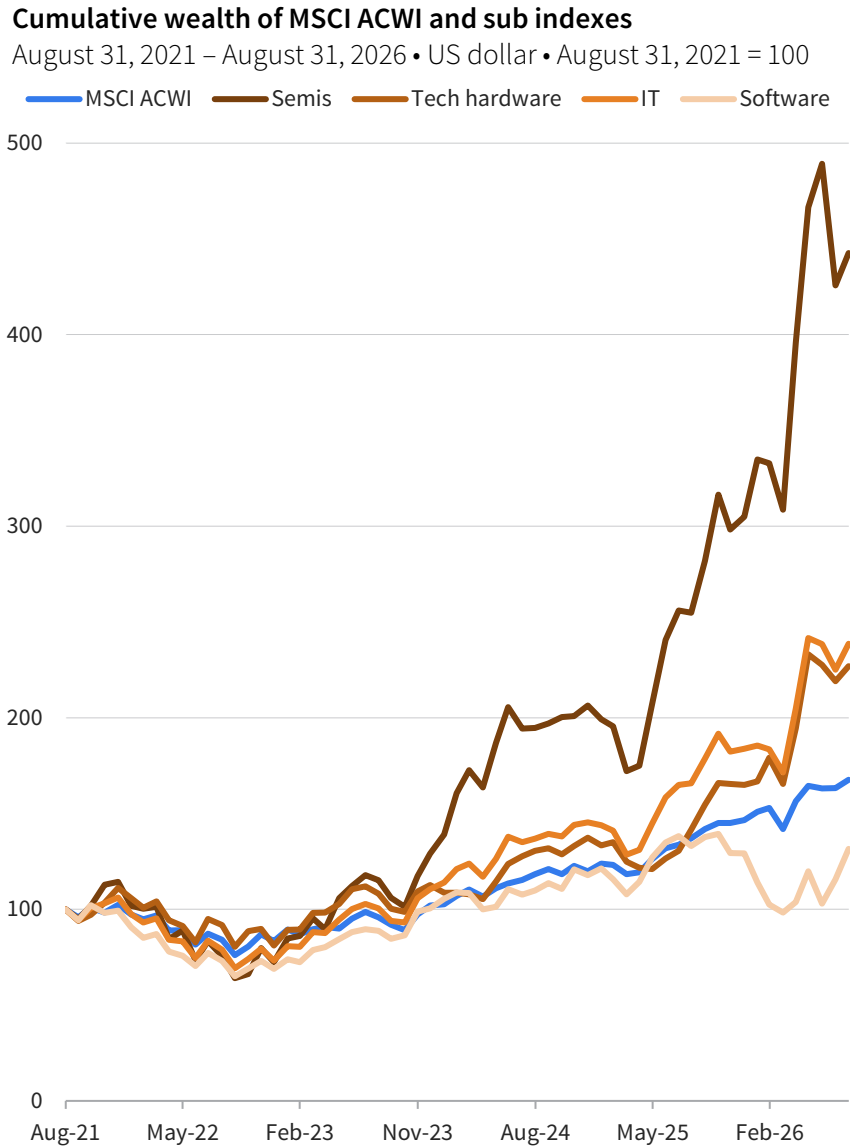
Relative forward P/E ratios for selected indexes

August 31, 2021 – August 31, 2026



Past performance is not a reliable indicator of future results. All financial investments involve risk. Depending on the type of investment, losses can be unlimited.
Sources: Bloomberg L.P., FTSE International Limited, MSCI Inc., Standard & Poor's, and Thomson Reuters Datastream. Third-party data provided "as is" without any express or implied warranties.

Semis have recently underperformed, but strong earnings reflect their position as key AI capex beneficiaries

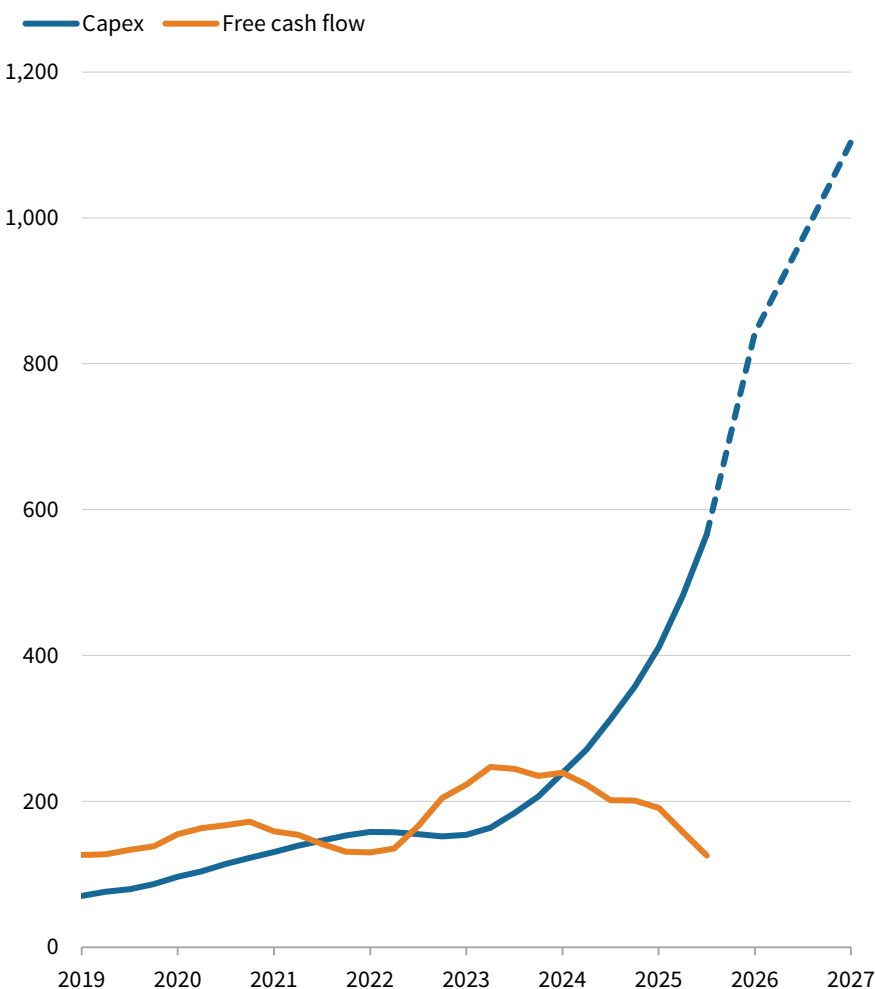


Past performance is not a reliable indicator of future results. All financial investments involve risk. Depending on the type of investment, losses can be unlimited.
Sources: MSCI Inc. and Thomson Reuters Datastream. MSCI data are provided “as is” without express or implied warranties.

Rising AI capex pressures hyperscaler cash flow, but expected revenue also soaring

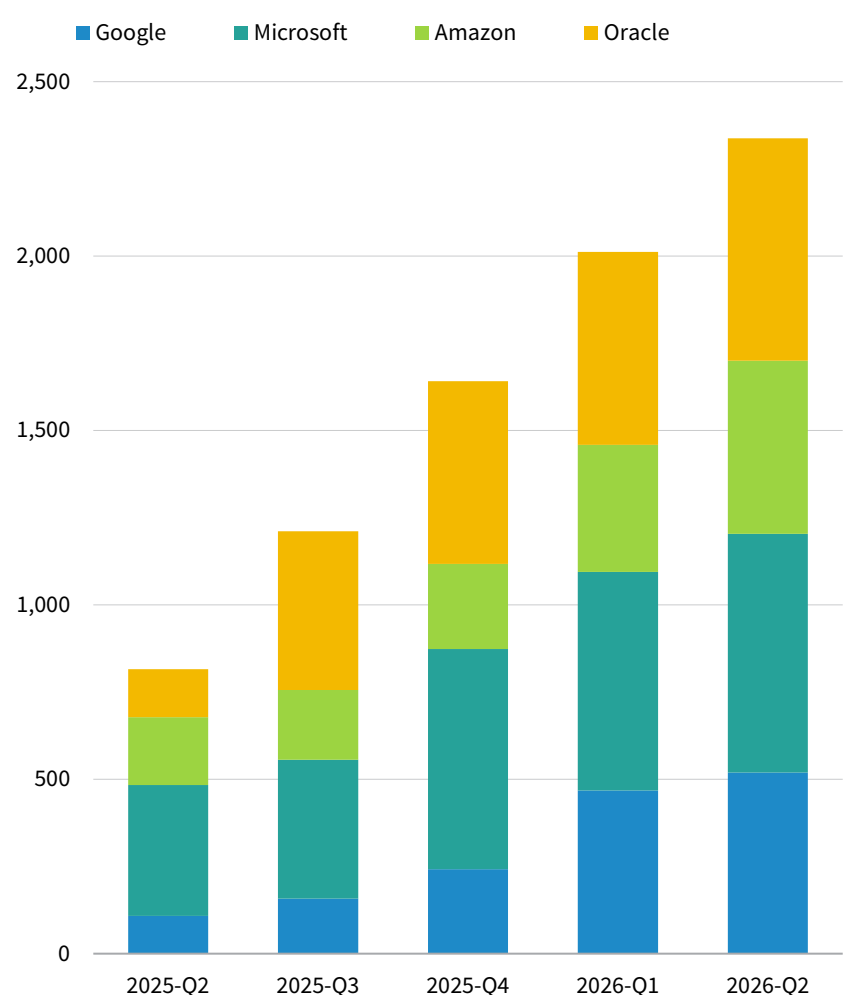
Hyperscaler capex and free cash flow

2020–27E • Trailing 4Q • Billions (US\$)



Hyperscaler remaining performance obligations

Second Quarter 2025 – Second Quarter 2026 • US Dollar (Billions)



Past performance is not a reliable indicator of future results. All financial investments involve risk. Depending on the type of investment, losses can be unlimited.

Source: Bloomberg L.P.

Notes: Hyperscalers include Google, Microsoft, Amazon, Meta, and Oracle. Figures show aggregate capital expenditures and free cash flow over the trailing four-quarter period ended June 30, 2026. The dashed line denotes estimated capex. Full-year 2026 and 2027 capex estimates are based on company earnings reports and forward-looking guidance. Remaining performance obligations (RPOs) represent contracted revenue not yet recognized. Meta does not report RPOs.

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**FIRE AND POLICE PENSION ASSOCIATION BOARD OF DIRECTORS
RESOLUTION NO. 2026-06**

AMENDMENT AND ADOPTION OF FPPA RULES AND REGULATIONS

Whereas, the Board of Directors of the Fire and Police Pension Association (the “Board”) has general rule-making authority under §§ 31-31-202(1)(c), 31-31-202(1)(j), and 31-31.5-102(2), C.R.S.;

Whereas, pursuant to FPPA Rule 1202(2)(b), the Board previously found on June 12, 2026, that immediate adoption of the rules was imperatively necessary to comply with a state law, specifically the passage of SB26-039, which took effect August 12, 2026, on an emergency basis;

Whereas, the Board now wishes to adopt these same amendments to the FPPA Rules and Regulations, pursuant to FPPA Rule 1202(1). The Board has given notice of the time, place, and nature of the public rulemaking proceedings by e-mail to all municipalities and fire protection districts employing full-time paid police officers and firefighters and to any persons and entities who have requested that they receive such notice. A copy of the Notice of Proposed Rulemaking was posted on the FPPA website;

The Board desires to amend the FPPA Rules and Regulations, effective November 1, 2026, as follows:

- To comply Senate Bill 26-039, concerning FPPA’s administration of disability and survivor benefits, amend the Rules to:
 - Amend the definition of “Board” to include those representatives of FPPA as delegated by the Board;
 - Clarify Department Chief eligibility in the SWD&D Plan;
 - Authorize the medical advisor appointed by the Board to assess the needs of each applicant for disability benefits in the SWD&D Plan and remove the requirement that every applicant have three independent medical exams;
 - Remove coverage in the SWD&D Plan when a member enters DROP;
 - Update statutory references and make conforming amendments.
- To add the existing Total Disability and Permanent Occupational Disability benefit payment options into FPPA Rules and make conforming amendments.

Now, therefore, be it resolved by the Board of Directors of the Fire and Police Pension Association:

That, the FPPA Rules and Regulations be amended as contained in the attached document marked as Exhibit A and shall become effective November 1, 2026.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of October 2026.

FIRE AND POLICE PENSION ASSOCIATION,
A political subdivision of the State of Colorado

By: _____
Jason Mantas
Board of Directors, Chair

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing Resolution No. 2026-06 was acknowledged before me this ____ day of October 2026, by Jason Mantas, Chair of the Board of Directors, Fire and Police Pension Association, a political subdivision of the State of Colorado.

Witness my hand and official seal.

Notary Public

Commission expires

Attachment Exhibit A



FPPA Rules and Regulations

Adopted on emergency basis, effective August 12, 2026.

[Adopted permanently, effective November 1, 2026.](#)

In accordance with its duty to administer the Fire and Police Pension Association (FPPA), the Board of Directors has the authority to adopt and revise Rules and Regulations in accordance with 31-31-202, C.R.S. and 31-31.5-102(2), C.R.S.

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(I) Longevity pay, sick leave pay taken in the normal course of employment, vacation leave pay taken in the normal course of employment, shift differential, and mandatory overtime that is part of the Member's fixed, periodic compensation.

(II) Accumulated Vacation Leave Pay if a Member completes the service requirement for purposes of normal retirement while exhausting accumulated vacation leave.

(III) In the event an Employer has established or does establish a Deferred Compensation Plan, the amount of the Member's salary that is deferred shall be included in the Member's Base Salary.

(IV) Any amounts voluntarily contributed to an Internal Revenue Code Section 125 "Cafeteria Plan" shall be included in the Member's Base Salary.

(b) Base Salary shall not include overtime pay (except as noted in subparagraph (8)(a)(I) above), step-up pay or other pay for temporarily acting in a higher rank (a Member is deemed temporarily acting in a higher rank if the appointment to the rank is anticipated to last less than six months), uniform allowances, payout for accumulated sick leave, payout for accumulated vacation leave (except as noted in subparagraph (8)(A)(II) above), and other forms of extra pay (including Member Contributions which are paid by the Employer and not deducted from the Member's salary).

(9) "Board" means the Board of Directors established as the governing body of the Fire and Police Pension Association of Colorado [as provided in C.R.S. § 31-31-102\(2\). Board includes representatives of FPPA as delegated by the Board.](#)

(10) "Cash Equivalent of the Death and Disability Benefit" means the value of the benefits provided under the Statewide Death and Disability Plan determined, for each Employer, by multiplying the cost percentage provided in the latest actuarial valuation of the Statewide Death and Disability Plan times the covered payroll of the applicable Employer.

(11) "Civil Union" means a relationship established by two eligible persons pursuant to C.R.S. § 14-15-101, et seq., the Colorado Civil Union Act, that entitles them to receive the benefits and protections and be subject to the responsibilities of spouses, as a matter of state law.

(12) "Code" means the provisions of the Internal Revenue Code of 1986, as amended, applicable to governmental plans.

(13) "C.R.S." means the Colorado Revised Statutes, as amended from time to time.

(14) "Defined Benefit Component" is the defined benefit arrangement in the Statewide Retirement Plan.

(15) "DDRC" means the Death and Disability Review Committee of the Fire and Police Pension Association of Colorado.

(16) "Defined Benefit System", "FPPA Defined Benefit System", or "System" is a defined benefit plan, which is a qualified retirement plan under Section 401(a) of the Internal Revenue Code of 1986, and a governmental plan exempt from the provisions of Title I of the Employee Retirement Income Security Act of 1974 pursuant to § 4(b)(1) of that Act. The System has two plans: the Statewide Retirement Plan under Part 4 of C.R.S. § 31-31 and 31-31.5 and the Colorado Springs New Hire Pension Plan under C.R.S. § 31-31-706(2)(a).

(17) "Department Chief" means the senior command officer of any fire or police department of any Employer, by whatever title known, including but not limited to chief, administrator, director, sheriff or marshal.

(18) "Dependent Child" or "Dependent Children" pursuant to C.R.S. § 31-31-~~801~~802(2), means an unmarried child or child who is not a party to a Civil Union under the age of 23 and includes, if FPPA so determines, any child, regardless of age or marital status, who is so mentally or physically incapacitated at the time of the Member's retirement for disability or the Member's death while an active employee, that the child cannot provide for the child's own care. In the case of an unmarried child or child who is not a party to a Civil Union under the age of 23, the term also includes an adopted child, and a child who is conceived but unborn at the date of the Member's death or the date of disability, whichever applies. Conceived shall mean that a fertilized egg has become implanted in the uterus. Any applicable increase in benefits will occur upon birth.

(19) "Designated Beneficiary" means the person(s) designated by a Member in writing to the Plan Administrator, entitled to receive benefits under this Plan after the death of a Member, except that a Designated Beneficiary must be a natural person in order to receive a defined benefit.

(20) "Direct Rollover" means a payment from one Eligible Retirement Plan to another Eligible Retirement Plan as specified by the Distributee.

(21) "Disability" means a Member has been found ~~by the Board~~ to be eligible for disability benefits as a result of such Member's becoming Totally Disabled or Occupationally Disabled as provided under and defined in C.R.S. § 31-31-~~801~~802(3), ~~(3.2)~~(4), ~~(3.4)~~(6) and ~~(4)~~(7).

(22) "Distributee" includes a Member or former Member, as well as the Member's or former Member's surviving Spouse, Partner in a Civil Union, or former Spouse or former Partner in a Civil Union who is an alternate payee under a qualified domestic relations order, as defined in Code Section 414(p). For federal tax purposes, only a marriage is recognized to be treated as a spouse. A Partner in a Civil Union is treated as a non-spouse beneficiary under federal law. Effective January 1, 2007, a Distributee also includes a non-spouse beneficiary who is a Designated Beneficiary as defined by Code Section 401(a)(9)(E). However, a non-spouse beneficiary may rollover the distribution only to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution and the account or annuity shall be treated as an "inherited" individual retirement account or annuity.

(23) "Earned income" means wages, salaries, professional fees, or other amounts received as compensation for personal services, actually rendered, but does not include that part of compensation derived by the Member for personal services rendered by him or her to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered.

(24) "Effective Date" means the effective date of coverage by an Employer under the Statewide Retirement Plan, as approved by the Board. The Employer may establish a separate and distinct "Effective Date for New Hires", which shall be a date after the filing of the certification of compliance and prior to the Effective Date, on and after which all Members hired shall participate in the Plan designated by the Employer for new hires.

(25) "Eligible Retirement Plan" means any program defined in Code Sections 401(a)(31) and 402(c)(8)(B), that accepts the Distributee's Eligible Rollover Distribution, as follows:

(a) An individual retirement account under Code Section 408(a);

(b) An individual retirement annuity under Code Section 408(b) (other than an endowment contract);

(c) A qualified trust;

(31) "Employer/Member Funded Separate Retirement Excess Contributions Account" means the funds that were formerly known as the Reentry Separate Retirement Account. This account is not used to offset any benefit payable under the Statewide Death and Disability Plan.

(32) "Employer Voluntary Account" means the account maintained for a Member, as part of the Money Purchase Component to which voluntary Employer contributions to the Statewide Retirement Plan are credited.

(33) "Equal Base Pay" for purposes of C.R.S. § 31-31-~~805~~813(2)(a), as amended, means base pay which is equal to the current base pay of an active Member having the same rank and grade and longevity as the disabled Member held at the time the disabled Member was retired for disability.

(34) "Examination" means the medical examination, either in person or by electronic means, or medical records review by a licensed physician.

(35) "Executive Director" means the administrative officer in charge of FPPA and includes the title Chief Executive Officer (CEO).

(36) "Expenses" means the administrative, legal, investment, banking and consulting fees and expenses of the Plan.

(37) "Fire and Police Member's Benefit Investment Fund" means one of three investment pools for the assets of the Plan and Affiliated Plans as set forth in Part XVIII:

(a) Long-Term Pool - Designed primarily for open plans with a longer time horizon, higher risk tolerance, and lower liquidity needs;

(b) Short-Term Pool - Designed primarily for closed plans with a shorter time horizon, lower risk tolerance, and higher liquidity needs;

(c) Glide-Path Pool - Designed for plans that need to transition over time from Long-Term Pool to the Short-Term Pool.

(38) "Fire and Police Member's Self-Directed Investment Fund" means the assets held by FPPA's third party administrator for the benefit of Members to self-direct their investments in their individual accounts.

(39) "Forfeiture" means the portion of a Member's Employer Account, Employer Transfer Account, Employer Voluntary Account, and Employer Statewide Defined Benefit Excess Contribution Account, which is forfeited because of a termination of employment prior to full vesting.

(40) "Forms" includes, but is not limited to, photocopies, printed forms, web forms, and any forms described in the FPPA Rules and Regulations.

(41) "FPPA" means the Fire and Police Pension Association, a corporate body and political subdivision of the State of Colorado, created pursuant to C.R.S. § 31-31-201.

(41.5) "Health History Form" means the form that shall be completed by each Member as required by C.R.S. § 31-31-~~810~~803(4) that describes all the health conditions that exist as of the Member's date of hire or existed prior to the Member's date of hire.

(42) "HEART" means the Heroes Earnings and Assistance Relief Tax Act of 2008.

(43) “Highest Average Salary” means the average of the Member's highest three (3) calendar years' actual salary on which contributions were paid. The calendar years' actual salary is based on the Employer reported payroll period end date. If the Employer changes payroll frequency resulting in a substantial reduction in the amount of salary paid in a given year, an adjustment may be made to account for the Member's salary in the year it was earned when calculating the average of a Member's highest three years' Base Salary. The year in which a Member retires may be considered in calculating the average of the Member's highest three (3) years' Base Salary if the Member retired on or after July 1. In that event, FPPA will annualize the last year's salary by comparing total pay periods for the year to total pay periods actually paid. If a Member retires on or before June 30 of any given year, the Member's salary for that year shall not be considered for the purpose of calculating the average of the Member's highest three (3) years' salary. If a Member purchased service credit within the last three (3) years of service, the attributed salaries calculated by using the actuarial data in the service credit calculator for the periods of service credit purchase may also be used in calculating the average of a Member's highest three (3) years' Base Salary. When a Member has less than 3 years of service credit, but is vested through a combination of service credits from the Defined Benefit Component, Social Security Component and the Hybrid Component, the Highest Annual Salary for periods of service that are less than three (3) years shall be calculated using the average salary paid for the period calculated on an annualized basis.

(44) “Hours of Service” means each hour for which a Member is:

- (a) Directly or indirectly paid, or entitled to payment, by an Employer for the performance of duties;
- (b) Directly or indirectly paid, or entitled to payment, by an Employer on account of a period during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military service or Authorized Leave of Absence; and
- (c) Entitled to backpay (irrespective to mitigation of damages) which is awarded, or agreed to, by an Employer on behalf of a Member.

Hours of Service under (a) shall be credited to a Member for the period in which the duties are performed, and Hours of Service under (b) and (c) shall be credited for the period to which they relate, but there shall be no duplication of Hours of Service credited.

(45) “Hybrid Component” means the hybrid arrangement in the Statewide Retirement Plan, comprised of both a defined benefit and money purchase component.

(46) “Inactive Member” means a Member whose employment with the Employer has terminated but who has (i) a vested Account balance or (ii) an accrued defined benefit under the FPPA Defined Benefit System.

(47) “Investment Option” means an investment option selected and monitored by the Board and Plan Administrator for Accounts, subject to the provisions of C.R.S. § 31-31.5-503(2)(a).

(48) “Leave of Absence” includes a military leave of absence and a medical leave of absence, and means an authorized absence during which the employee does not receive compensation for one (1) month or more, but less than two (2) years, during which the employee has not been terminated from employment. For purposes of establishing eligibility to apply for disability or survivor benefits, leaves of absence are further defined in Rule 16024 below.

(49) “Lifetime Benefit Components” means the Defined Benefit Component, the Social Security Component, and the Hybrid Component, as described in C.R.S. § 31-31.5, collectively.

(57) “Member Voluntary Account” means the account maintained for a Member as part of the Money Purchase Component to which voluntary Member contributions are credited.

(58) “Money Purchase Component” is the money purchase arrangement in the Statewide Retirement Plan.

(59) “Normal Retirement Age” means age fifty-five (55) if the Member is employed by the Employer after reaching that age in the Money Purchase Component, or otherwise for the Statewide Retirement Plan, age fifty-five (55) or when the Member's combined age and years of accrued service is equal to at least eighty (80) with a minimum age of 50.

(60) “Partner in a Civil Union” or “Party to a Civil Union” means a person who has established a Civil Union pursuant to § 14-15-101, et seq., C.R.S. For purposes of state law, a Partner in a Civil Union or a Party to a Civil Union is included in any definition or use of the terms “dependent”, “family”, “heir”, “spouse”, and any other term that denotes the familial or spousal relationship, as those terms are used throughout Colorado Revised Statutes, Title 31, Articles 30, 30.5, 31, and 31.5 including Member Approved Plan Amendments, and of the Rules and Regulations adopted thereunder.

(61) “Peace Officer” means a Peace Officers Standards & Training (POST) certified officer or guard as described in C.R.S. § 16-2.5-101, and includes any guards employed by a county sheriff pursuant to C.R.S. § 17-26-122.

(62) “Pensionable Earnings” means Base Salary as defined in Rule 101(8)(a) and (b).

(63) “Plan” refers to the Statewide Retirement Plan or its individual Components, and the Predecessor Plans as the context requires.

(64) “Plan Administrator” means the FPPA and includes any entity to which the Board or FPPA has delegated duties under the Statewide Retirement Plan and Affiliated Plans set forth in Part XVIII of these Rules. The term includes a Recordkeeper if one is appointed by the FPPA.

(65) “Plan Year” means the calendar year.

(66) “Predecessor Plan(s)” means the Statewide Defined Benefit Plan, the Statewide Hybrid Plan, the Money Purchase Plan, and the Social Security Supplemental Plan, which are components of the Statewide Retirement Plan, effective January 1, 2023.

(67) “Recordkeeper” means the individual or entity appointed by FPPA to perform third-party service and administrative functions.

(68) “Required Beginning Date” means April 1 of the calendar year following the later of:

(a) the calendar year in which the Member attains 72 (or age 70 ½ if the Member was born before July 1, 1949), or

(b) the calendar year in which the employee retires.

(69) “Resolution” means a Resolution adopted by the Employer in accordance with the requirements of Part 7 of these Rules.

(70) “Salary” for the purpose of calculating the contribution to the Statewide Retirement Plan and the Statewide Death and Disability Plan required by C.R.S. § 31-31-~~811~~819(4), as amended, means Base Salary as defined in Rule 101(8)(a) and (b), except that for Members who are not enrolled in the Statewide Retirement Plan or the Statewide Money Purchase Plan, salary shall

include Member Contributions to any alternative retirement plan which are “picked up” by the Employer. Contributions to the Statewide Death and Disability Plan, as required by C.R.S. § 31-31-~~811~~819(4), are made by Members or on behalf of Members.

(71) “Self-Directed Plans Committee (SDPC)” means a committee designated by the Board to review, evaluate and monitor the self-directed assets in FPPA Plans.

(72) “Social Security Component” means the social security arrangement in the defined benefit portion of the Statewide Retirement Plan.

(73) “Spouse” means the individual to whom a Member is married or has established a Civil Union as determined under Colorado law. For federal tax purposes, only a marriage is recognized to be treated as a spouse. A Partner in a Civil Union is treated as a non-spouse beneficiary under federal law.

(74) “State” means the State of Colorado.

(75) “Statewide Money Purchase Plan” means the FPPA Statewide Money Purchase Plan established pursuant to Part 5 of C.R.S. § 31-31.

(76) “Statewide Retirement Plan” means the FPPA Statewide Retirement Plan established pursuant to C.R.S. § 31-31.5-101, et seq. The Statewide Retirement Plan is comprised of four (4) components: the Defined Benefit Component, the Social Security Component, the Hybrid Component, and the Money Purchase Component.

(77) “Total Pay and Service Method” means the Member’s retirement benefit is calculated using the total service (service from the original retirement plus credited service since the Member’s return to work) and the Highest Average Salary (HAS) from the entire employment history.

(78) “USERRA” means the Uniformed Services Employment and Reemployment Rights Act.

(79) “Year of Service in the Money Purchase Component” means a twelve-month (12-month) period commencing on the Member's hire date and ending one (1) year later in which a Member completes sixteen hundred (1600) Hours of Service.

(80) “Year of Service Credit” means a twelve-month (12-month) period, and can include a fractional period based upon one (1) month, that measures a Member's term of service for the Defined Benefit Component or Hybrid Component.

102. Rules of Construction. Words used herein in the masculine or feminine gender shall be construed to include the feminine or masculine gender where appropriate and words used herein in the singular or plural shall be construed as being in the plural or singular where appropriate.

103. Successor Plan. Pursuant to C.R.S. § 31-31-412, the components of the Statewide Retirement Plan are the successor plans to the Predecessor Plans in existence prior to January 1, 2023.

PART II - MEMBER PARTICIPATION

201. Eligibility for Member Status. For the Statewide Retirement Plan, Statewide Money Purchase Plan or Statewide Death and Disability Plan, FPPA may determine whether the employee meets the eligibility requirements to become a Member.

202. Clerical and Other Personnel. Clerical and support staff may participate in the Statewide Retirement Plan at the election of the Employer, if they otherwise meet the definition of Member.

203. Department Chief Election.

(1) A newly hired Department Chief may be exempted from participating in the Statewide Retirement Plan. The department and the chief shall provide notice to FPPA within sixty (60) days of the first day of employment of the agreement to participate in an alternate pension plan. The newly hired Department Chief and the Employer may elect: (i) to be exempted pursuant to C.R.S. § 31-31.5-203 and (ii) to participate in the Statewide Money Purchase Plan, a Local Money Purchase Plan, Social Security, the Colorado Public Employees' Retirement Association, or an employer-sponsored 457 Deferred Compensation Plan. FPPA shall return to the Employer, all Member and Employer contributions made to the Statewide Retirement Plan on behalf of an exempt Department Chief within sixty (60) days of receipt of notice of the Department Chief's election of coverage, unless the Department Chief elects coverage under the Statewide Money Purchase Plan in which case the Member and Employer contributions shall be transferred to the Statewide Money Purchase Plan. If the Department Chief does not agree to participate in an alternate pension plan within the sixty (60) days, the Department Chief shall be a Member of the component of the Statewide Retirement Plan that the Employer participates in.

(2) A new Department Chief who is promoted into the position by the Department is not exempt from continuing participation in the Statewide Retirement Plan as prohibited by the restrictions against a cash or deferred arrangement contained in the Internal Revenue Code.

(3) A newly hired Department Chief who, prior to permanent appointment or election to the position of Department Chief, has qualified for a pension for employment with a different Employer under the Statewide Retirement Plan, may elect a pension under that component before electing to be covered by any alternate plan pursuant to this Rule during employment as a newly hired Department Chief.

~~(4) An exempt Department Chief may be covered under the Statewide Death and Disability Plan, but only if the Department Chief has elected coverage in the Statewide Money Purchase Plan, the Statewide Retirement Plan, or a Local Money Purchase Plan with a combined contribution rate of at least eighteen (18) percent. An exempt Department Chief who elects to be covered under Social Security alone or the Colorado Public Employees' Retirement Association or a 457 Deferred Compensation Plan, shall not be covered under the Statewide Death and Disability Plan.~~

204. Reemployment.

(1) An Inactive Member who terminated employment prior to January 1, 2023 while in a Predecessor Plan, and is rehired by the same Employer after said date, shall participate in the component of the plan which succeeded the Predecessor Plan.

(2) An Inactive Member who terminated employment on or after January 1, 2023, and is thereafter reemployed by the same Employer shall participate in the same component in which the Member previously participated.

(3) An individual who terminates employment while in a local plan, and is thereafter reemployed by an Employer which covers its members in the Statewide Retirement Plan, shall participate in the component of the Plan in which the Employer's newly hired members participate.

been accepted by the Member as correct unless written notice to the contrary is received by the Plan Administrator, as appropriate, within ninety (90) days (or such longer period as determined by the Plan Administrator) after the mailing or distribution of a report to the Member.

507. Year End Reports. Within ninety (90) days after the end of each Plan Year, a written report shall be prepared and maintained on file by the Plan Administrator showing the assets held under the Plan, a schedule of all receipts and disbursements, and all material transactions of the Plan during the preceding year. This report shall be in a form and shall contain other information as the Plan Administrator requires. The report shall also contain such information as is necessary to enable the Board to prepare their accounting due under the Trust Fund.

508. Valuation. The Plan Administrator (or its designee) shall value the assets in the Accounts each business day based on acceptable industry practices. All daily transactions shall be based on that day's closing market values. The value of the Member's Accounts shall be adjusted in accordance with the daily values.

509. Deposits. In all cases, deposits of contributions shall be treated as actually made only as of the date the contributions are accepted as in good order by the Plan Administrator.

510. Vesting for Money Purchase Component Accounts.

(1) A Member shall be one hundred percent (100%) vested in the Member Accounts.

(2) Employer contributions that are credited to the Employer Accounts, the Employer Transfer Account, the Employer Excess Contribution Account, the Employer/Member Funded Separate Retirement Account, and the Employer Voluntary Account are subject to the following vesting rules:

(a)(I) A Member shall be 100% vested once the Member attains Normal Retirement Age (if employed by the Employer on or after that date).

(II) A Member who has not attained Normal Retirement Age as specified in paragraph (2)(a)(I) above, is subject to the following vesting rules:

Employer Accounts Vesting Schedule

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1	0%
1 but less than 2	20%
2 but less than 3	40%
3 but less than 4	60%
4 but less than 5	80%
5 or more	100%

(b) For purposes of this Vesting Schedule, Years of Service includes Years of Service with the Member's Employer prior to the Member's participation in this Plan and all other Years of Service earned under the Money Purchase Component of the Statewide Retirement Plan for which no distribution has been made.

(c) In the event of Permanent Occupational or Total Disability retirement pursuant to C.R.S. §§ 31-31-803805 and 31-31-804 or death as an active Member, a Member shall be 100% vested in all Member and Employer Accounts.

to a domestic relations order (DRO) prior to January 1, 2021, any division of property from the Member's Employer Funded Separate Retirement Account shall be distributed from the balance transferred to the Money Purchase Component, subject to subsequent gains and losses. An alternate payee must withdraw the alternate payee's share of all funds from a Member's Accounts either as a fixed lump sum or as a percentage of the Member's Accounts as of a date certain. A distribution to a former Spouse or Partner in a Civil Union pursuant to a domestic relations order is a distribution to the Member for the purposes of C.R.S. § ~~31-31-804 (2) and (2.1)~~[31-31-812](#).

1006. DRO Approved in a Predecessor Plan. When a DRO has been approved in a Predecessor Plan that DRO shall apply to the corresponding component(s) in the Statewide Retirement Plan.

PART XVI - DISABILITY RETIREMENT AND SURVIVOR BENEFITS

1601. Applicability. This Part applies to the Statewide Death and Disability Plan under C.R.S. § 31-31-801, et seq., as amended.

1602. Total Disability retirement. (1) Pursuant to C.R.S. §§ 31-31-804 and 31-31-806, a Member eligible for the normal annual disability retirement benefit for total disability may elect to receive one of the following disability benefit options in lieu of the normal annual disability benefit:

(a) Option 1. A reduced annual disability benefit payable to the Member and, upon the Member's death, all of such reduced annual disability benefit to be paid to the Member's Designated Beneficiary for life;

(b) Option 2. A reduced annual disability benefit payable to the Member and, upon the Member's death, one-half of such reduced annual disability benefit to be paid to the Member's Designated Beneficiary for life; or

(c) Option 3. A reduced annual disability benefit payable to the Member and, upon the Member's death, all of such reduced annual disability benefit to be paid to the Member's surviving spouse and Dependent Children, if any, until the death of the surviving spouse,

the death of any adult Dependent Child found to be incapacitated, or until the youngest child, regardless of marital status, reaches twenty-three years of age, whichever is later.

(2) A Member shall be deemed to have elected option 3 as specified in subparagraph (1)(c) of this Rule if the Member is eligible for a benefit for total disability under paragraph (1) of this Rule, is survived by a spouse or Dependent Child, and dies before making an election allowed under this Rule.

1603. Permanent occupational disability benefit. (1) Pursuant to C.R.S. §§ 31-31-805 and 31-31-806, a Member eligible for the normal annual disability retirement benefit for a permanent occupational disability benefit may elect to receive one of the following disability benefit options in lieu of the normal annual disability benefit:

(a) Option 1. A reduced annual disability benefit payable to the Member and, upon the Member's death, all of such reduced annual disability benefit to be paid to the Member's Designated Beneficiary for life;

(b) Option 2. A reduced annual disability benefit payable to the Member and, upon the Member's death, one-half of such reduced annual disability benefit to be paid to the member's Designated Beneficiary for life; or

(c) Option 3. A reduced annual disability benefit payable to the Member and, upon the Member's death, all of such reduced annual disability benefit to be paid to the Member's surviving spouse and Dependent Children, if any, until the death of the surviving spouse, the death of any adult Dependent Child found to be incapacitated, or until the youngest child, regardless of marital status, reaches twenty-three years of age, whichever is later.

(2) A Member shall be deemed to have elected option 3 as specified in subparagraph (1)(c) of this Rule if the Member is awarded a permanent occupational disability under paragraph (1) of this Rule, is survived by a spouse or Dependent Child, and dies before making an election allowed under this Rule.

16024. Leaves of Absence or Modified Duty.

(1) For purposes of establishing eligibility to apply for disability or survivor benefits, Leaves of Absence are categorized into two general types:

(a) Absences during which the Member receives compensation in an amount equal to or less than the Member's regular salary and which lasts for a period of up to one (1) month; and

(b) Absences during which the Member does not receive compensation for one (1) month or more but less than two (2) years but during which the Member has not been terminated from employment (defined herein as a "Leave of Absence").

(2) Members shall be eligible for disability or survivor benefits as follows:

(a) A Member will continue to be covered under the Statewide Death and Disability Plan for death or injuries occurring during a month in which the Member receives compensation in an amount equal to or less than the Member's regular salary and which lasts for a period of up to one (1) month and if the Member has not been terminated from employment.

(b) A Member shall continue to be covered under the Statewide Death and Disability Plan while on a Leave of Absence. A Member hired on or after January 1, 1997 on a Leave of Absence will continue to be covered and FPPA shall receive the regular payroll contribution

at the established contribution rate multiplied by the Member's Base Salary immediately prior to the beginning of the Leave of Absence.

(3) An absence attributable to a work stoppage in which the Member has been unable to work, for example, because of picket lines or Employer lockout, shall be considered an authorized and certified Leave of Absence. However, the absence shall cease to be termed an authorized and certified leave whenever the person fails to observe a valid order issued by a court of proper jurisdiction to return to work.

(4) A Member on military leave is entitled to the same Death and Disability benefits that a person on a Leave of Absence is entitled to receive. Contributions for Members receiving differential pay from their Employer must be based on the Member's Base Salary prior to the beginning of the authorized leave and not on the amount of the differential pay. Members on military leave for service that is covered by USERRA may qualify for a Leave of Absence of up to five (5) years. Any benefits payable under the Statewide Death and Disability Plan shall be offset by any Death or Disability benefits received from the military.

(5) For Members who go on modified duty due to a health condition and have their salary reduced, FPPA shall receive regular contributions at the established contribution rate multiplied by the Member's Base Salary immediately prior to the beginning of the modified duty.

16035. Marital Status, Civil Union Status and Dependent Children

(1) For purposes of calculating Disability benefits or eligibility for survivor benefits, the terms "spouse" and "surviving spouse" may include a spouse by common law marriage, if the Member or such spouse can prove the existence of a common law marriage. A common law marriage is established by the mutual consent or agreement of the couple to enter a marital relationship - that is, to share a life together as spouses in a committed, intimate relationship of mutual support and mutual obligation, followed by conduct manifesting that mutual agreement. In assessing whether a common law marriage has been established, weight should be given to evidence reflecting a couple's express agreement to marry, such as an affidavit of common law marriage. In the absence of an express agreement, the parties' agreement to enter a marital relationship may be inferred from their conduct. When examining the parties' conduct, relevant factors as evidence of a common law marriage may include, but shall not be limited to, evidence of cohabitation, reputation in the community as spouses, joint credit, joint checking or savings accounts, joint purchase and ownership of property, joint tax returns, or the use of one spouse's surname by the other or by the children raised by the parties, leases in both parties' names, joint bills or other payment records, evidence of joint estate planning, beneficiary and emergency contact designations, or other symbols of commitment, such as ceremonies, anniversaries, cards, gifts, and the couple's references to or labels for one another. These factors must be assessed in context, and the inferences to be drawn from the parties' conduct may vary depending upon the circumstances. There is no single form that any such evidence must take. Any form of evidence that openly manifests the intention of the parties that their relationship is that of a married couple will provide the requisite proof from which the existence of their mutual understanding can be inferred. In addition, a party to a valid civil union established under Colorado law or the laws of another state or foreign country is considered to be a spouse for purposes of calculating Disability benefits or eligibility for survivor benefits under Colorado law. Distributions, taxation and other matters regulated by federal law will be treated as allowed by federal law.

(2) An initial determination as to whether an individual qualifies as a spouse by common law marriage for disability and survivor benefits, as set forth in subparagraph (1) of this rule, either shall be made by the staff reviewing the application or shall be referred to the Death and Disability Review Committee ("DDRC") established under Rule 16079. An appeal of the initial determination may be made by requesting an evidentiary hearing before a Hearing Officer pursuant to Rule 16079(2) within 30 days of issuance of the initial determination.

(3) For purposes of calculating disability benefits or eligibility for survivor benefits, the term Dependent Child as defined in C.R.S. § 31-31-801(2), as amended, and Rule 101(18) of these Rules, includes a Member's birth child, adopted child, and stepchild living in the Member's household. It also may include a Member's birth child or adopted child living in another household or any other child living in the Member's household if:

(a) The Member has, or prior to death had, the right to claim the birth child or adopted child living in another household, or any other child living in the Member's household, as dependents for federal income tax purposes, and did make that claim; or the Member or applicant for survivor benefits can otherwise establish that the Member is, or prior to death was, supporting such child to the same extent as that which would normally permit the Member to claim such child as a dependent for federal income tax purposes; or the Member is, or prior to death was, required to make payments for the support of the child pursuant to Court Order; and

(b) The child otherwise meets the definition of Dependent Child as set forth in C.R.S. § 31-31-801(2), as amended, and Rule 101(18) of these Rules.

(4) A Member or applicant for survivor benefits wishing to claim the Member's stepchild, stepchildren, birth children or adopted children living in another household as dependent children shall list the names of such children on the application for disability or survivor benefits. The Member or applicant for survivor benefits also shall give the percentage of support provided by the Member to such children. Failing to list a Dependent Child shall not prevent an otherwise eligible child from being eligible. A guardian or custodial parent may file a waiver of benefit or other document disclaiming a benefit for which a Dependent Child is eligible.

(5) To determine eligibility for dependent status of a stepchild, stepchildren, birth children or adopted children living in another household, FPPA may require the Member or applicant for survivor benefits to submit to FPPA, or sign IRS Form 4506 allowing the FPPA to obtain, a copy of the Member's most recent Federal Income Tax Return.

(6) An initial determination of eligibility for dependent status of a stepchild, stepchildren, birth children or adopted children living in another household, shall be made by the DDRC. A review of the initial determination may be made by requesting an evidentiary hearing before a hearing officer pursuant to Rule 1708 within thirty (30) days of issuance of the initial determination.

(7) Mental or physical incapacity of any Dependent Child shall be initially determined at the time of the award of disability or survivor benefits. Subsequent review and consideration of the continuing status of the child initially found to be incapacitated may be required as a condition of approval.

(8) Members found to be occupationally disabled prior to October 1, 2002 and receiving a spousal benefit who become divorced may continue to receive the spousal benefit in an amount equal to the amount of maintenance legally required to be paid by the Member to the former Spouse, but not more than ten (10) percent of the annual Base Salary, as provided under C.R.S. § 31-31-803(2)(a). For purposes of this determination, staff will also consider the amount paid to the former Spouse per domestic relations order or other court order.

(9) Regarding Payment Option 3 Disability Survivors' Benefits under ~~C.R.S. §31-31-803(1)(b)(III)~~ Rule 1602 (1)(c) and ~~(8)(a)(III)~~ Rule 1603(1)(c):

(a) If the spouse or Partner in a Civil Union and one (1) or more dependent children do not live in the same household, one-half (½) of the benefit shall be paid to the spouse or Partner in a Civil Union and the other one-half (½) of the benefit shall be paid in equal parts to the dependent children.

(b) Upon the termination of the benefit payable to the child or children pursuant to paragraph (1) or (2) of this rule, the surviving spouse or Partner in a Civil Union shall receive the entire benefit.

(c) Spouse for the purposes of payment option 3 means the Member's spouse at the time the first benefit payment is negotiated. If the spouse joint annuitant is either removed by the Member through divorce or dies, the Member is not permitted to add a subsequent spouse. The Member shall direct FPPA to remove a spouse joint annuitant due to a change in marital status.

16046. Reduction of Disability and Survivor Benefits

(1) Spousal and Dependent Child benefits for occupational disabilities granted prior to October 1, 2002, shall be reduced by the amount of benefit allocated to the spouse or Dependent Child at the time of the initial award of benefit, plus any pro-rated cost of living adjustment, upon the loss of eligibility of the spouse or Dependent Child. The Member's portion of the benefit is not subject to recalculation using current actuarial tables.

(2) In the event where a Member is participating in a Deferred Retirement Option Plan (DROP) under a Vested or Early retirement and where a Member's survivor is granted survivor benefits under the Statewide Death and Disability Plan and is eligible for a distribution of the Member's DROP account under any Statewide or Local Plan, the monthly survivor's benefit payable by the Statewide Death and Disability Plan shall be offset by the actuarial equivalent monthly amount of the DROP account.

(3) (a) A permanent occupational disability benefit, a total disability benefit, or survivor's benefit granted under the Statewide Death and Disability Plan to a Member or survivor of an active Member who was covered under a pension plan in either part-time or full-time employment, and that contained one or more of the following, shall be subject to offset pursuant to this Part 16;

(I) a money purchase account (net of affiliation SWDD continuing rates of contribution);

(II) a separate retirement account (but not that portion of the balance established in a Member's Employer Funded Separate Retirement Account) in the Member and Employer Statewide Defined Benefit Excess Contribution Account balances of the Money Purchase Component of the Statewide Retirement Plan);

(III) a DROP account;

(IV) social security, as in the case of Social Security Component benefits, or which is or was the Member's primary pension; or

(V) a money purchase account which accrued during part-time employment prior to full-time employment or full-time employment prior to part-time employment with the same Employer without a break in service and participation in the Statewide Retirement Plan.

(b) Within this Rule 16046, a balance contained in the accounts referenced in subparagraphs (I), (II), and (III), above, will collectively be called a money purchase balance.

(4) The calculation of the defined benefit offset to a death and disability benefit or survivor's benefit shall be reduced by the amount of the defined benefit before any benefit adjustments.

(5) The calculation of the money purchase offset to a death or disability benefit shall be made pursuant to a calculator provided by FPPA's actuary using the following factors:

(a) The Member's life expectancy and the beneficiary's life expectancy if an optional benefit payment is selected;

(b) The actuarial assumed rate of return used by FPPA on plans within the FPPA Defined Benefit System;

(c) An additional margin for anticipated future benefit adjustments and/or adverse experience in order to protect the plan;

(d) The vested amount of funds within the money purchase balance plus the actuarial equivalent value of any amount previously withdrawn from the plan;

(6) The first three factors are combined to calculate an annuity factor which is divided into the money purchase balance. This calculation determines the amount of monthly payment a Member could afford to pay from the money purchase account on a monthly basis over the expected lifetime. This amount is then subtracted from the monthly death or disability benefit. The resulting amount shall be paid to the Member or survivor.

(7) The actuarially equivalent value of an amount previously withdrawn from the plan, as required to be added to the money purchase balance in Rule 16046(5)(d)), shall be determined by using a calculator provided by FPPA's actuary using the following factors:

(a) The amount withdrawn;

(b) The length of the time period between the date of withdrawal and the date of death or disability;

(c) The average gross actual rate of return for the Fire and Police Members' Benefit Investment Fund Long-Term Pool for the years included in the time period, less one (1) percent.

(8) Rounding to whole months may be used in creating calculations under this Rule.

16057. General Rules Governing the Processing of Disability Retirement Applications.

(1) FPPA will determine only those applications for Total or Occupational Disability benefits, where the Member became disabled on or after January 1, 1980. The Board presumes that all disability applications filed on and after January 1, 1980, concern disabilities occurring on and after January 1, 1980, until such time as this presumption is rebutted by substantial evidence. If the presumption is rebutted, then the Board shall refer the case to the appropriate local pension authority for determination in accordance with the applicable provisions of C.R.S. § 31-30.5-701 et seq., as amended.

(2) The Member is disabled when, as a reasonable person, the Member should recognize the nature, seriousness and probable compensable character of the injury.

(3) An applicant for disability retirement is encouraged to file the application prior to termination of employment.

(4) FPPA will accept applications within 365 days from the date certified by the Employer to be the applicant's last day on the payroll, provided that:

(a) Said Member has not received a refund;

(b) Said Member has not reached eligibility for a Normal retirement based upon age and service, with service aggregated from more than one (1) component in the Statewide Retirement Plan;

(c) Said Member can demonstrate that the disability existed during the period of coverage under the Statewide Death and Disability Plan;

(d) The Member has not elected to take a Delayed, Vested, or Early retirement, unless participating in DROP under Early or Vested retirement, in which case FPPA will accept applications within 365 days from the date the Member exits DROP regardless if post-DROP retirement payments have begun. The amount of any pension benefits received by the Member after exiting DROP shall be refunded to the pension plan from the Member's disability benefit distributions. All other disability offsets will be calculated based on the value of the account on the date of separation from service.

(5) As a supplement to a Member's application for disability benefits, the Employer of such a Member shall indicate the reason for the Member's separation from employment. The Employer shall state any additional basis for disability, which the Employer believes exists and shall include any documentation of relevant medical evidence. The Employer shall, if requested, or may if not specifically requested, submit available records, reports and other information, which might be helpful in the determination of a Member's disability.

(6) Records, reports and other information submitted under Rule 16057(5) shall be retained by FPPA, placed in the appropriate file covering the applicant for disability retirement, and treated as confidential, although the affected Member shall receive a copy and shall have the right to inspect said information.

(7) An application for disability must be completed within ninety (90) days from the date FPPA first receives any part of the application packet required by FPPA. If not completed within ninety (90) days, FPPA will treat the application as having been withdrawn. Once withdrawn, a Member must file a completely new application packet in order to apply for Disability benefits.

(8) Once a complete application for disability benefits has been received by FPPA, the DDRC shall, in consultation with its Medical Advisor, appoint ~~a panel of three (3) physicians~~ physician(s) to examine the applicant unless the applicant requests that a preliminary determination of jurisdiction be made. In the event such a request is made, the DDRC shall determine if the application reveals on its face whether FPPA has jurisdiction to grant an award of Disability benefits, pursuant to the limitations set forth in Rule 16057(1), and shall proceed as follows:

(a) If FPPA determines that it has jurisdiction it shall, in consultation with its Medical Advisor, appoint ~~a panel of three (3) physicians~~ physician(s) to examine the applicant.

(b) If the FPPA is unable to determine that it has jurisdiction, it shall proceed in accordance with subparagraph (1) of this rule.

(c) If the FPPA determines it does not have jurisdiction, it shall notify the applicant and the Local Pension Authority of its decision. It shall further inform both the applicant and the Local Pension Authority that either party may file a request for redetermination of the jurisdictional question within thirty (30) days of the mailing of the Notice of Determination of lack of jurisdiction. If either party files such a request, then the matter shall proceed as provided in Rule 1702.

(9) A Member applying for disability benefits may refuse to undergo an invasive test during examination by the ~~panel of three (3) physicians~~ appointed physician(s). If, however, the ~~panel of physicians~~ physician(s) cannot determine that a disability exists without performing the invasive test, then the Disability benefits cannot be awarded.

(10) Once the examination required under Rule 1605~~7~~(8) has been completed, the ~~panel of three (3) physicians~~appointed physician(s) shall submit ~~their~~ findings and conclusions to the Medical Advisor for review. On the basis of the ~~reports of the three (3) physicians~~findings and conclusions, the Medical Advisor may make a recommendation regarding future reexaminations and treatment plans in the event the Member is granted Disability benefits.

(11) The applicant and the applicant's attorney shall have full access to any medical information and reports in the possession of FPPA for the purposes of inspection and copying after DDRC review of the file.

(12) Prior to the release of medical information and reports to the attorney for the applicant, the applicant or their attorney shall file a written release signed by the applicant, verified by a Notary Public or other officer entitled to administer oaths, authorizing FPPA to provide such medical information to the attorney.

(13) A Member who has been granted a Disability retirement will begin to accrue Disability benefits on the day following the Member's actual last day on the payroll or on the day that FPPA accepts the Member's disability application as complete for a Member on an authorized unpaid Leave of Absence over one hundred eighty (180) days for a Member who is still considered an employee, or a Member who applies for disability retirement benefits beyond one hundred eighty (180) days after the last day on payroll for a Member who has terminated service. Last day on the payroll for purposes of this Rule shall include any form of accrued leave time if the Member remains on the Employer's payroll while exhausting such leave. Lump sum payments by the Employer for accrued leave will not be considered in calculating a Member's last day on the payroll if the Member's employment has been terminated. If a Member receives short-term disability benefits from the Employer, pending a determination regarding the Disability retirement application, Disability benefits under the Statewide Death and Disability Plan will accrue from the date the Member's short-term Disability benefits are discontinued.

(14) If a disability retirement is granted and the Employer lists that the last day of payroll is pending an FPPA decision, the FPPA will notify the Member and the Employer of the effective date of the award, which will be the first day of the month following the decision or such other date as the Employer designates.

(15) The disability benefit will be calculated based on the Member's Base Salary immediately prior to the date of disability, pursuant to C.R.S. § ~~31-31-803-(1)(a)(H)~~31-31-804(2), (2)(b)31-31-805(2), (2-1)(b)31-31-807(2), and (2-2)(b)31-31-808(2). If due to the health condition, a Member has continued to be employed in a position of accommodation or light-duty at a lesser Base Salary, the disability benefits shall be calculated based on the Base Salary just prior to the Member beginning the accommodating position.

(16) A Member who has been granted a Disability retirement must elect a payment option, as provided by Rules 1602 and 1603 and C.R.S. § 31-31-~~803~~806, within ninety (90) days after the date of the FPPA decision letter granting the Disability retirement. Any Member who does not elect a payment option within ninety (90) days after the date of the FPPA decision letter will have their payment option defaulted to the Normal payment option, unless good cause is shown. If the Member has elected either Option 1 or Option 2 pursuant to ~~C.R.S. § 31-31-803(1)(b)(I) or (H)~~Rule 1602(1)(b) and (1)(c) and designates a new beneficiary, the benefit calculated under the payment option originally selected shall be recalculated using the life expectancy of both the Member and the newly designated beneficiary and the actuarial equivalent of the remainder of the original pension for which the Member would otherwise have been eligible if the Member had not designated a new beneficiary.

(17) In the event of a disability application by a Member with two (2) Employers, a Member is required to seek a disability determination with regard to each job. A Member may be found to

be disabled for one (1) but not both jobs. A Member may have a pre-existing condition that prevents a disability benefit for one (1) job but not the other job. If a Member is determined disabled with regard to both jobs, then a single disability benefit is awarded based on the combined salaries of the two (2) jobs, unless there is a disqualification due to a pre-existing condition.

(18) ~~Pursuant to C.R.S. § 31-31-803(5)(b)(i), a~~ An unmarried Member, who receives a single life annuity at the time benefits commence and whose marital status subsequently changes as a result of marriage or civil union, may elect one (1) of the payment options pursuant ~~C.R.S. § 31-31-803(5)(a)~~ to Rule 1602 or 1603, as amended whichever is applicable, within one hundred eighty (180) days of the date of the marriage or civil union. If, after such selection of a different payment option, the Member subsequently dies within one hundred eighty (180) days following the marriage or civil union, the only survivor benefit payable to the Member's spouse shall be the difference between the single life annuity option amount payable to the Member prior to marriage or remarriage and the amount of the reduced benefit that was actually paid to the deceased Member after the marriage or civil union and prior to the Member's death.

16068. General Rules Governing Survivor Benefit Matters

(1) If, preceding death, a Member was on extended sick leave drawing only a portion of the Member's normal Base Salary, the Member's normal salary, and not the Member's sick leave pay, shall be used to calculate survivor benefits as set forth in C.R.S. § 31-31-80715, as amended. The survivor benefit will be calculated based on the Member's Base Salary immediately prior to the date of death. If due to a health condition, a Member was employed in a position of accommodation or light-duty at a lesser Base Salary at the time of death, the survivor benefits shall be calculated based on the Base Salary just prior to the Member beginning the accommodating position.

(2) FPPA will not consider applications for survivor benefits if the Member was otherwise eligible for a retirement pension pursuant to C.R.S. § 31-31-80715(1)(a)(I) and (II).

(3) In the event that a Member dies and the Member's survivor becomes eligible for supplemental death benefits pursuant to C.R.S. § 31-31-807.5(1.5)816(2), the monthly retirement benefit, as used in the statute, shall include, but not be limited to, the monthly defined benefit, an amount that is the actuarial equivalent monthly amount of a DROP account, if any, the actuarial equivalent monthly amount of a Separate Retirement Account, if any, and the actuarial equivalent monthly amount of a Member's local or Statewide Money Purchase Plan account, if any.

(4) When a surviving spouse, Partner in a Civil Union or Dependent Child becomes ineligible to receive survivor benefits, the amount of survivor benefits to which a remaining surviving spouse, Partner in a Civil Union or remaining dependent children are entitled will be re-determined according to the current tables used for calculations under C.R.S. §§ 31-31-80715 and 31-31-807.516, as amended.

16079. Administrative Review

(1) The Board hereby establishes the Death and Disability Review Committee, which shall include the Chief Benefits Officer and two additional voting members appointed by the Chief Benefits Officer ("CBO"). The Medical Advisor and the General Counsel (GC) or the GC's designee shall act as advisors to the Committee. The Committee shall be referred to as the DDRC in these rules. The DDRC may take the following actions after administrative review:

(a) Approval or denial of initial disability applications;

(b) Approval of and modification of treatment plans and reexamination schedules for Members awarded Temporary Occupational Disability;

(c) Determinations pursuant to Rule 1703(54) and 1704(2) regarding whether the disabling injury or illness or the death arose out of and in the course of the Member's employment;

(d) Find compliance or non-compliance with a treatment plan upon review;

(e) Approval or denial of continuing disability benefits;

(f) Authority to order a reexamination;

(g) Determination that no more reexaminations are required after a review of intervening medical records and a recommendation by the Medical Advisor;

(h) Approval or denial of applications for survivor benefits;

(i) Initial determinations regarding jurisdiction of the Board to hear Death and Disability applications;

(j) Such other authority the Board may grant it by Rule or by specific grant.

(2) Actions taken by the DDRC are subject to the following requirements:

(a) Actions and determinations shall otherwise meet all criteria established under Colorado State law or by FPPA rule in order to receive approval;

(b) An appeal of the DDRC's determination shall be processed pursuant to Rules 1708. The appeal shall be made in writing, shall state the basis for the appeal, and shall be filed within thirty (30) days of the date of issuance of the DDRC's determination;

(c) The DDRC shall report each determination at a regularly scheduled meeting of the Board;

(d) Determinations shall become effective upon issuance of the written determination unless an alternate date is indicated in the notice of determination.

160810. Election of Alternate Benefits

(1) A Member who is found to have a Permanent Occupational Disability and who is within five (5) years of reaching the age and service requirements under a Defined Benefit Plan or the requirements under a Defined Contribution Plan for a Normal retirement may elect to be classified as having a Temporary Occupational Disability. Said election shall be irrevocable and shall be made prior to the election of a disability payment option.

(2) The effective date of Normal retirement for Members classified as having a temporary occupational disability shall be the date upon which the Member would have met the age and service requirement if the Member had not been granted a disability; however, the retirement benefit will be calculated as of the first day of the month following the Member's eligibility for Normal retirement.

(3) A Member who is restored to active service after a Temporary Occupational Disability ceases to exist will receive service credit for the period during which the Member received Temporary Occupational Disability Benefits. The Statewide Death and Disability Plan shall transfer to the Member's retirement plan the amount of Member and Employer contributions, of not more than sixteen (16) percent of the monthly Base Salary that the Member was being paid at the time of Disability retirement, multiplied by the number of months the Member received Temporary

Occupational Disability benefits. As an Employer contribution from an Employer's trust, in the event that sixteen (16) percent of the Member's monthly Base Salary transferred to the Statewide Money Purchase Plan, the Money Purchase Component of the Statewide Retirement Plan, or a Local Money Purchase Plan would cause total annual contributions for the Member to exceed limitations for contributions to defined contribution plans under IRC §415(c), the amount of the contributions exceeding the limitations under IRC §415(c) shall be distributed to the Member. Any amount in excess of sixteen (16) percent which would normally have been contributed to the Member's retirement plan had the Member not been Temporarily Occupationally disabled shall be contributed by the Employer. A Member who is not restored to active service after a period of Temporary Occupational Disability but instead elects a retirement from the Statewide Money Purchase Plan, the Money Purchase Component of the Statewide Retirement Plan, or a local money purchase plan, shall receive a distribution of the amount of Member and Employer contributions of not more than sixteen (16) percent of the Base Salary that the Member was being paid at the time of the Disability retirement multiplied by the number of months the Member received Temporary Occupational Disability benefits.

(4) A Member retired for Disability may elect to terminate the Disability benefits and shall receive the Member's Vested retirement pension under the applicable plan, payable at Normal Retirement Age.

160911. Payment of Premiums After Reaching Age and Service or Entry into DROP

(1) A Member having reached eligibility for Normal retirement with the service earned under a defined benefit plan, without aggregating service between plans, or age 55 or older with 25 years of service under a Money Purchase Plan, or an alternative plan elected by a chief, or has entered DROP, shall not be eligible to receive Death and Disability benefits except to the extent provided for supplemental death benefits for survivors due to an on-duty death, pursuant to C.R.S. § 31-31-807.5(1.5)816(2).

(2) Statewide Death and Disability Plan contributions for a Member required to be made pursuant to C.R.S. § 31-31-811819(4), shall not be required once the Member becomes ineligible for benefits under Rule 160911(1).

~~(3) For a Member participating in DROP under a Vested or Early retirement, the Member shall continue to be covered under the Statewide Death and Disability Plan. Contributions for the cost of the coverage shall continue to be made to the Statewide Death and Disability Plan during participation in DROP for the Member unless the Member was employed prior to January 1, 1997.~~

(43) Contributions are required on all employment that qualifies for participation in the Statewide Death and Disability Plan, including situations where a member works for two (2) Employers concurrently. However, if a Member becomes ineligible for coverage based on employment with one (1) Employer, then the Member is ineligible for coverage under the other Employer.

16102. Eligibility Verification, Benefit Suspension and Discontinuation

(1) Members or beneficiaries receiving death or disability benefits shall complete the forms necessary to verify eligibility for continuing benefits as requested from time to time. In order to remain eligible for disability or survivor benefits, a Member or the Member's survivors must comply with the applicable Rules and FPPA staff procedures. Failure to comply may result in the discontinuance of disability or survivor benefits, as provided in this Rule 16102.

(2) Benefits shall be suspended after the FPPA has sent three (3) notices First Class U.S. Mail, or by electronic delivery with the Member's or beneficiary's consent, to the Member's or the beneficiary's last known post office or electronic address requesting that required eligibility

verification forms be completed and filed or requesting a copy of the Member's most recent Federal Income Tax Return. Benefits may be reinstated when the Member or beneficiary has complied with the requirement of filing the required information. Suspended benefit payments following the third notice and prior to reinstatement of benefits upon compliance shall not be paid upon compliance. Payment of benefit distributions to insurance providers or to other parties on behalf of suspended Members or beneficiaries shall also be suspended until the Member or beneficiary complies with the requirement. It shall be the Member's responsibility to reinstate insurance in the event that it is suspended due to non-payment and FPPA shall have no liability for the consequences of the suspension of insurance payments.

(3) For the third notice, the CBO shall issue a notice demanding compliance. If the Member fails to comply after such notice and after a two-year (2) period of non-compliance from the original deadline for receipt of the required information, the DDRC shall consider terminating the Member's benefits.

(4) A Member may appeal a determination made under this Rule pursuant to Rule 1709.

16113. Transfer or Distribution of Missed Pension Contributions from the Statewide Death and Disability Plan upon Cessation of Temporary Occupational Disability

(1) When a Member is restored to active service after a period of Temporary Occupational Disability:

(a) If the Member's normal retirement plan is the Statewide Retirement Plan, or the Colorado Springs New Hire Pension Plan (Police or Fire Components), the Statewide Death and Disability Plan shall transfer as an Employer contribution from an Employer's trust of not more than sixteen (16) percent of the monthly Base Salary that the Member was being paid at the time of the Member's disablement multiplied by the number of months the Member received Temporary Occupational Disability benefits. No distribution of contributions shall be made to the Member. Any service credit that the Member lost during the period of Temporary Occupational Disability shall be restored under the Member's normal retirement plan.

(b) If the Member's normal retirement plan is the Statewide Money Purchase Plan, the Money Purchase Only Component of the Statewide Retirement Plan, or a Local Money Purchase Plan, the Statewide Death and Disability Plan shall transfer the amount of not more than sixteen (16) percent of the monthly Base Salary that the Member was being paid at the time of the Member's disablement multiplied by the number of months the Member received Temporary Occupational Disability benefits. If the transfer of contributions would cause total annual contributions for the Member to exceed limitations for contributions to defined contribution plans under IRC §415(c), the amount of the contributions exceeding the limitations under IRC §415(c) shall be distributed to the Member. Any amount in excess of sixteen (16) percent which would have been contributed to the Member's normal retirement plan had the Member not been Temporarily Occupationally Disabled shall be contributed by the Employer. Funds not accepted by the Member's retirement plan shall be distributed to the Member.

(2) When a Member is not restored to active service after a period of Temporary Occupational Disability:

(a) If the Member's normal retirement plan is the Statewide Retirement Plan or the Colorado Springs New Hire Pension Plan (Police or Fire Components), and if the Member would have attained the required age and service for a Normal retirement under the Member's retirement plan, during the Member's period of disability, the Statewide Death and Disability Plan shall transfer as an Employer contribution from an Employer's trust of not more than sixteen (16) percent of the Base Salary that the Member was being paid at the time of the

(8) After the presentation of evidence is concluded, the Hearing Officer may, before issuance of the recommendation, order the submission of evidence reopened, with such limitations and instructions as the Hearing Officer desires;

(9) All hearings shall be recorded, and such recordings shall be made available to the Hearing Officer, Member or Member's attorney upon prior request. FPPA will not prepare or arrange for transcription of any recording unless necessary pursuant to judicial review of a final action. To the fullest extent allowed under Colorado law, any exhibits or documents introduced during a hearing or relied upon by the Hearing Officer in making the recommendation shall not be available for inspection and copying except to the applicant or the applicant's attorney as provided by Rules 16057(11) and 16057(12).

(10) All references to "days" shall be measured in calendar days unless stated otherwise. Any deadline falling on a day on which the FPPA's offices are not open for business shall be extended to the next business day.

(11) Evidentiary hearings before a Hearing Officer shall be a new consideration of an initial disability or staff determination, including both questions of fact and issues of law, without deference to the previous determination.

1702. Jurisdictional Hearings.

(1) In the event that the DDRC has declined jurisdiction under Rule 16057(8), and either the applicant or the Local Pension Authority has filed a written request for redetermination of the jurisdictional question, then such hearing shall be held before a Hearing Officer within one hundred twenty (120) days from the receipt of the request. A Member, for good cause, may have the date of the evidentiary hearing continued but in no event will the Hearing Officer permit a continuance or continuances beyond one (1) year from the date of the DDRC's initial determination.

(2) Prior to the hearing, the DDRC shall state in writing the reasons that FPPA declined jurisdiction, and may, if necessary, call upon the Medical Advisor and the attorney for FPPA to assist in the explanation.

(3) The party requesting the redetermination of jurisdiction shall have the burden of proof and shall proceed with that party's proof first. The party opposing redetermination shall proceed second. The party requesting redetermination shall then have the opportunity to rebut. The DDRC may also present evidence and testimony.

(4) If both parties request redetermination, then the applicant shall proceed first and the Local Pension Authority second.

(5) At the conclusion of the evidence offered by the parties, any other witness(es) desired by the Hearing Officer or any Member thereof shall also testify. The Hearing Officer shall issue written findings and a recommendation in accordance with Rule 1710 subject to review by the Executive Director or the Board.

(6) If the Executive Director or the Board affirms the recommendation of the Hearing Officer, then that decision is final as of the date it is announced. Any allowable judicial review may then proceed.

(7) If an initial denial of jurisdiction is reversed, then the application shall proceed in accordance with Rule 16057(8)(a).

1703. Initial Disability Proceedings.

(1) In the event the DDRC has accepted jurisdiction under the provisions of Rule 1605~~7~~(8) it shall, upon receipt of the reports of the ~~physician panel~~appointed physician(s) and the Medical Advisor, determine disability. If it declines jurisdiction, then the matter shall proceed as set forth in Rule 1702 of these Rules.

~~(2) In a case where the DDRC has accepted jurisdiction, upon receipt of the reports of the physician panel and the Medical Advisor, the DDRC shall determine if a majority of the physician panel has found a Temporary Occupational Disability, a Permanent Occupational Disability or Total Disability as defined under C.R.S. § 31-31-801(3.2), (3.4) and (4), as amended. If not, the applicant shall be notified that the application has been denied and the reason therefore.~~

(32) The DDRC shall approve or deny disability benefits pursuant to the statutory requirements and shall determine the type of disability to be granted.

(43) The Medical Advisor shall advise the DDRC and the Hearing Officer on the medical issues. The DDRC and the Hearing Officer may consider any relevant evidence in considering a disability award.

(54) If the applicant is found to be Temporarily Occupationally Disabled, Permanently Occupationally Disabled, or Totally Disabled and the applicant claims the disability is the result of an injury received while performing official duties or an occupational disease arising out of and in the course of the applicant's employment, the DDRC shall, on the basis of documentary evidence submitted by the applicant with the applicant's Disability Application, the reports of the ~~three (3) physician panel~~appointed physician(s), and any additional information requested by the DDRC, either:

(a) Make an initial determination that the applicant's disability is the result of an injury received while performing official duties or an occupational disease arising out of and in the course of the applicant's employment; or

(b) Make specific findings and an initial determination that the applicant's disability is NOT the result of an injury received while performing official duties or an occupational disease arising out of and in the course of the applicant's employment; or

(c) Make specific findings and an initial determination that the applicant's claim is not supported by the weight of the evidence and is therefore denied.

(65) In making the decision regarding a recommendation on an injury received while performing official duties or on an occupational disease, the following standards shall be considered:

(a) An "injury received while performing official duties" means an injury occurring:

(I) during a scheduled shift of the Member; or

(II) while the Member is otherwise performing official duties for the Employer; or

(III) while the Member is performing official duties in the employ of a third party and the employment is authorized by the Member's Employer.

(b) A Member's "official duties" are those set forth in the written job description for the Member's position, which the Member is regularly required to perform. If there is no written job description for the Member's position, the Employer shall submit a written summary of the Member's job duties, which the Member is regularly required to perform for the Hearing Officer's consideration in this regard.

(c) An "occupational disease" shall be determined to have resulted directly from the employment of the Member or the conditions under which work was performed, if it follows as a natural incident of the work and as a result of the exposure occasioned by the nature of the employment as a proximate cause and does not come from a hazard to which the Member would have been equally exposed outside of the Member's employment.

(d) Standards established in applicable Colorado statutes and case law governing the award of Workmen's Compensation benefits and disability claims generally may also be considered, but shall not be controlling in the determination.

(76) In making a decision regarding a recommendation on an injury received while performing official duties or on an occupational disease, any relevant evidence may be considered, including but not limited to the following:

(a) Evidence demonstrating whether the injury or occupational disease is compensable under the Workmen's Compensation Act of Colorado as having occurred in the course of employment and in the place of employment as defined within C.R.S. § 8-40-201(17), as amended;

(b) Employer records as of the date of injury demonstrating whether the disability resulted from an injury received while performing official duties or an occupational disease arising out of and in the course of the Member's employment;

(c) Other records or documents demonstrating whether the disability resulted from an injury received while performing official duties or an occupational disease arising out of and in the course of the Member's employment;

(d) The reports of the ~~three-(3)-physician-panel retained~~ physician(s) appointed by FPPA to examine the Member; and

(e) Testimony or written statements from the Member or other persons.

(7.5) Death or disability of a firefighter caused by cancer of the brain, skin, digestive system, hematological system, or genitourinary system shall be presumed to be on duty if, at the time of becoming a firefighter, the firefighter underwent a physical examination that failed to reveal substantial evidence of such condition or impairment of health that preexisted employment as a firefighter. This presumption may be rebutted if there is evidence of another cause of disability or if the condition was not due to being a firefighter.

(8) If the applicant is found to be Temporarily Occupationally Disabled, the DDRC shall establish a treatment plan designed to facilitate the Member's improvement and return to work through surgical treatment, counseling, medication, therapy, or other means and based on the recommendations of the ~~three-(3)-physician-panel~~ appointed physician(s) and advice from the Medical Advisor.

(9) In all cases under this Rule 1703 the DDRC shall issue a written determination. FPPA shall provide the applicant a copy of the DDRC's written determination.

(10) The applicant may file a written request for an evidentiary hearing if the applicant disagrees with any aspect of the initial determination. Such request must be filed within thirty (30) days from the date of notice of the DDRC's determination.

1704. Initial Survivor Benefit Proceedings.

(1) Upon receipt of a completed application for survivor benefits or, where there is more than one applicant, upon receipt of all completed applications for survivor benefits, the DDRC shall approve or deny survivor benefits pursuant to the statutory requirements and these Rules.

(2) If the applicant claims that the Member's death was the result of an injury received while performing official duties or an occupational disease arising out of and in the course of the Member's employment, the DDRC shall, on the basis of documentary information submitted in connection with the application for survivor benefits, either:

(a) Make an initial determination that the Member's death was the result of an injury received while performing official duties or an occupational disease arising out of and in the course of the Member's employment. In making its decision, DDRC shall consider the standards set forth in Rule 1703(65). In the case of line-of-duty deaths occurring after December 31, 1996, DDRC shall also determine whether any of the exceptions specified in Section 101(h)(2) of the Federal "Internal Revenue Code of 1986," as amended, are applicable; or

(b) Make specific findings and an initial determination that the Member's death is NOT the result of an injury received while performing official duties or an occupational disease arising out of and in the course of the Member's employment; or

(c) Make specific findings and an initial determination that the applicant's claim is not supported by the weight of the evidence and is therefore denied.

(3) The applicant may file a written request for an evidentiary hearing in the event the applicant believes the initial determination of the applicant's eligibility for survivor benefits is incorrect or, where it has been determined that more than one applicant is eligible for benefits, any such applicant may request an evidentiary hearing on the other applicants' eligibility for benefits. Such request must be filed within thirty (30) days from the date of providing the Member the DDRC's determination.

1705. Change in Status From Total to Permanent Occupational Disability.

(1) When the DDRC has received evidence that indicates a Member is no longer Totally Disabled based upon a reexamination or based upon other evidence of ability to engage in substantial gainful activity, the DDRC may direct an investigation to consider a change in the Member's status from Total to Permanent Occupational Disability.

(2) For purposes of determining whether a Member retired for Total Disability who is employed during any period of the Member's retirement should have the status changed from Total to Permanent Occupational Disability, the term "substantial gainful activity" means work that involves doing significant physical or mental activities for pay or profit.

(3) In determining whether work performed by a Member constitutes substantial gainful activity, the DDRC may consider the following criteria:

(a) The nature of the work performed, including whether the Member's duties require the use of the Member's experience, skills, abilities, supervision and management, or contribute substantially to the operation of a business or enterprise.

(b) How well the Member performs the work.

(c) Whether the work is done under special conditions, such as work done in a sheltered workshop or as a patient in a hospital.

(d) The amount of time spent in work.

consideration of such a change in status must file a complete application with FPPA no later than one hundred eighty (180) days prior to the expiration of the five- (5) year period. The application should be accompanied by physician reports or other medical documentation, which supports the request for a change in status. FPPA will not process an incomplete application. The application must be completed within ninety (90) days from the date FPPA first receives any part of the application packet required by FPPA. If the application is not completed within ninety (90) days, or one hundred eighty (180) days before the expiration of the five- (5) year period, FPPA will treat the application as having been withdrawn.

(3) If a Member requests re-examination in order to find that a disability ceases to exist and the Medical Advisor finds there are reasonable grounds for re-examination, the process will continue per Rule 1706(4). If the Medical Advisor finds there are no reasonable grounds for re-examination, the matter will be referred to the DDRC per Rule 1706(5).

(4) The Medical Advisor will review the application and supporting documentation and advise staff on whether reasonable grounds exist for a reexamination.

(5) If the Medical Advisor does not find reasonable grounds for reexamination, the matter shall be referred to the DDRC for determination. If the DDRC determines there are no reasonable grounds for reexamination, the matter shall terminate and the DDRC shall notify the Member of its determination in writing. The Member may file a written request for an evidentiary hearing pursuant to Rule 1709. Such request must be filed within thirty (30) days from the date of providing the Member the DDRC's determination.

(6) If the DDRC or the Medical Advisor determines there are reasonable grounds for reexamination, the Medical Advisor shall appoint one (1) or more physicians to examine the Member. The physician~~or physicians~~(s) shall submit report(s) to the DDRC on the Member's disability status and, following submission of the report(s), the DDRC shall approve or deny the change in disability status. Alternatively, on the basis of medical reports submitted by the Member, the DDRC may waive the requirement of a reexamination by the appointed physician~~panel~~(s) and declare the Member Permanently Occupationally Disabled or Totally Disabled.

(7) The DDRC shall notify the Member of its determination in writing along with copies of the medical report(s) submitted by the appointed physician(s)~~appointed to examine the Member~~. If the DDRC denies the request for a change in status, the Member may file a written request for an evidentiary hearing before a hearing officer. Such request must be filed within thirty (30) days from the date of providing the Member the DDRC's determination.

(8) If the Member's disability status is changed from Permanent Occupational Disability to Total Disability or Temporary Occupational Disability status is changed to Permanent Occupational Disability or Total Disability, the new benefit shall become effective on the first (1st) day of the month following that date on which the determination of change in status becomes final. The Member shall elect one (1) of the payment options available under C.R.S. § 31-31-803(1) Rule 1602, as amended, in writing, on the form prescribed by FPPA. The Member's election shall be made within ninety (90) days of the date on which all determinations affecting the change in status have become final. Determinations shall not be deemed final until all applicable appeal periods have expired or have been waived. FPPA shall pay benefits in the amount of the previous award of benefits under the Member's prior status until the election is received for a period of up to ninety (90) days, unless FPPA anticipates a substantial offset of the new benefit. If FPPA does anticipate a substantial offset, the benefit payment will be suspended until the required election forms are submitted. After ninety (90) days, benefit payments shall be suspended until the Member submits the required election form. Upon receipt of the written election, FPPA shall adjust the benefit payments for any over or under payments made prior to receipt of the election and shall pay any unpaid suspended benefits resulting from the change in status, without interest or earnings. If the Member dies without making an election and the Member is survived by a spouse, or Partner in a Civil Union and dependent child, the Member shall be considered to have

elected Option 3 provided by ~~C.R.S. § 31-31-803(1)(b)~~ Rule 1602, as amended. If the Member is survived by a spouse or Partner in a Civil Union but no dependent child, the Member shall be considered to have elected Option 1 provided by ~~C.R.S. § 31-31-803(1)(b)~~ Rule 1602, as amended.

(9) A change in a Member's disability status shall be effective upon final approval. The benefit amount shall change effective on the first (1st) day of the month following approval.

1707. Discontinuance of Disability Benefits.

(1) Discontinuance Upon Reemployment

(a) If, subsequent to a grant of disability benefits to a Member, the Member is employed or reemployed in this state or any other jurisdiction, pursuant to either an agreement or court order, in a full-time paid position which normally involves working at least 1,600 hours in any given calendar year and the duties of which are directly involved with the provision of police or fire protection, the disability benefits provided to the Member shall be discontinued. If a Member is employed or reemployed either full-time or part-time in a position directly involved with the provision of police or fire protection in which the Member is capable of meeting the physical requirements of the position, the benefit provided to the Member may be discontinued after a review by the DDRC under Part XVI of these Rules and Regulations.

(b) In the event a Member retired for disability is subsequently employed or re-employed in a full-time paid position, the CBO shall make an initial determination concerning the Member's continuing eligibility for disability benefits pursuant to this Rule 1707(1) and C.R.S. § 31-31-~~806~~814, as amended. The CBO will base the initial determination upon a review of the written job description, or a similar explanation provided by the Employer, for the position in question. In reviewing the written job description, the CBO, among other things, may consider the following matters:

(I) Whether the position includes authority to make investigative stops and arrests.

(II) Whether the position requires carrying a firearm while on duty or requires the operation or use of standard firefighting equipment such as fire trucks, fire hoses, etc.

(III) Whether the position requires that the individual be certified by a local, state, federal, international or foreign law enforcement or fire safety authority.

(IV) Whether the position requires that the individual respond to or investigate crime or fire scenes.

(V) Whether the position involves other duties or qualifications normally required of law enforcement officers or firefighters.

(VI) Whether the position is clerical in nature or primarily involved with the provision of services which are auxiliary to police or fire protection.

(c) Employment in a position which is clerical in nature or primarily involved with the provision of services which are auxiliary to police or fire protection will not result in a discontinuation of Occupational disability benefits pursuant to Rule 1707(1) and § 31-31-~~806~~814, C.R.S., as amended. Generally, such positions may include the following:

(I) Secretarial and other office support positions;

(II) Civilian positions within law enforcement agencies and fire departments which provide only technical support services such as crime analysis, code enforcement, dispatch, etc.;

the DDRC prior to the evidentiary hearing for review of the initial determination pursuant to Rules 1703 and 1704.

(3) At the commencement of the hearing, the Hearing Officer shall state the reasons for the hearing.

(4) The applicant may present testimony or other evidence. The applicant has the burden of proof. If the applicant is challenging the determination of eligibility for survivor benefits with respect to another applicant, the other applicant may also present evidence. In that case, the applicant requesting the evidentiary hearing has the burden of proof.

(5) The DDRC may call any witnesses or present any evidence following the applicant's case in chief.

(6) Following the conclusion of the evidence, the Hearing Officer may make the following recommendations:

~~(a) If, in the initial determination, the applicant was found not disabled because less than a majority of the physician panel has found a disability as required by C.R.S. § 31-31-803(4)(a)(i), as amended, the Hearing Officer may recommend finding the Member not disabled or may order a reexamination by a new panel of physicians. If a reexamination is ordered, the case shall proceed in all particulars as a new case under Rule 1605(8).~~

(ba) If the initially ~~panel of~~ appointed physicians ~~included physicians having~~ e different specialties or areas of expertise, the Hearing Officer may order a reexamination by ~~a new panel of~~ physician(s). If the Hearing Officer orders a reexamination, then the case shall proceed in all particulars as a new case under Rule 16057(8).

(~~e~~b) In all other cases where an initial determination has been made, the Hearing Officer shall make findings of fact and law and shall make a recommendation granting or denying an award of benefits.

(~~d~~c) In all cases, the decision is final at the time final action is taken pursuant to Rule 1710.

1709. Evidentiary Hearings on Staff Determinations.

(1) When these rules provide for an evidentiary hearing pursuant to Rule 1709 or when a determination is made by FPPA staff or the DDRC affecting benefit eligibility, amount or duration of benefits, an Employer's obligation to enroll Members under one of the state plans administered by FPPA, the calculation of a benefit or alternate payee's portion of a benefit pursuant to a domestic relations order, or any other matter upon which a determination is made and an evidentiary hearing on such a determination is not provided elsewhere in these Rules, then the person or entity affected by the determination will be granted an evidentiary hearing by a Hearing Officer upon request as provided by Rule 1709(2).

(2) The person or entity affected may file a request for a hearing on staff's determination within thirty (30) days from the date of providing the person or entity the determination. Such hearing shall be held within one hundred twenty (120) days from receipt of the request. For good cause, the person or entity requesting the hearing may have the date of the hearing continued but in no event will the Hearing Officer permit a continuance or continuances beyond one (1) year from the date of staff's determination.

(3) A pre-hearing conference shall be set with the applicant and FPPA staff for the purpose of identifying and narrowing the issues and witnesses for the evidentiary hearing and an explanation to the applicant of the FPPA evidentiary hearing procedures. If the FPPA staff

(4) The notice of hearing shall be accompanied by a written statement containing the reasons why the DDRC determined that reasonable grounds exist to believe that the Employer may be liable.

(5) Within thirty (30) days after the evidentiary hearing the Hearing Officer shall file written findings and a recommendation. The Member and the Employer shall be notified of the Hearing Officer's written findings and recommendation and shall have thirty (30) days from the date of providing the findings to file objections thereto. Objections shall be in writing and shall set forth in detail the particular errors and objections relied upon, and may be accompanied by a supporting brief. If objections are not timely filed, the Board shall consider the Hearing Officer's written findings and recommendation uncontested.

(6) The Board shall conduct an administrative appellate review of the Hearing Officer's written findings and recommendation and any timely filed Member or Employer objections to the recommendation, at a regularly scheduled Board meeting. The Member and the Employer shall be notified of the date the Board will conduct such review.

(7) At the administrative appellate review hearing, the Board may issue a summary decision affirming the recommendation of the Hearing Officer. Alternatively, the Board may correct, modify or set aside, or remand any recommendation, but only on the following grounds:

- (a) That the Hearing Officer's findings are not sufficient to permit appellate review;
- (b) That conflicts in the evidence are not resolved in the written findings;
- (c) That the written findings are not supported by the evidence; or
- (d) That the recommendation is not supported by applicable law.

1712. Reexamination Hearings and Additional Basis for Disability.

(1) The DDRC shall establish a period for reexamination of all Members awarded Temporary Occupational Disability. Reexamination of Members retired for any type of occupational disability may be ordered as deemed warranted. A member may apply to have their status changed to not disabled. A complete application must be filed with FPPA according to Rule 1706. The DDRC may delegate the decision regarding the necessity and timing of the reexamination to the Medical Advisor. At each subsequent reexamination review, the DDRC may establish the subsequent period for reexamination.

(2) The Medical Advisor may schedule a reexamination with a physician ~~panel~~. The reexamination shall include a review of compliance with the treatment plan if one was required.

(3) If ~~at least two (2) members of~~ the physician ~~panel~~ examining the Member ~~find~~^{opines} that ~~in their opinion~~ an Occupational disability ceases to exist, the DDRC may, but is not required to, determine that such disability ceases to exist. In the event an Occupational disability is based on a medical determination of mental impairment or disease, ~~all three (3) members of~~ the physician ~~panel~~ must agree before the DDRC may determine that the Occupational disability ceases to exist.

(4) Upon a preliminary DDRC determination that a disability ceases to exist, the FPPA shall provide written notice to the Employer and the Member of the physician's⁴ findings and of the opportunity for an evidentiary hearing pursuant to Rule 1709 upon request of the Employer or Member. Such request for an evidentiary hearing must be received within thirty (30) days after the date of providing the Employer or Member the determination. The evidentiary hearing shall be scheduled no sooner than thirty (30) days after the date of the original written notice. If no

evidentiary hearing is timely requested and it has been determined that the disability ceases to exist, the DDRC determination shall become final as of the date that the notice of the DDRC's uncontested determination is sent to the parties, and any allowable judicial review may then proceed. If an evidentiary hearing is timely requested, the Board shall conduct an administrative appellate review of the findings and determination of the DDRC in accordance with Rules 1710(6) through 1710(9). After the review, the Board may terminate the benefits or may reverse all or part of the findings and determination.

(5) If the ~~appropriate number of physicians~~ physician agrees that the disability ceases to exist, and if the Employer has filed a statement of additional basis for disability with the original application, the Member shall be examined by a ~~three (3) member~~ physician ~~panel~~ and evaluated for disability based on the statement of additional basis for disability. If it is found that the Member refuses or fails to cooperate with additional examination, the Member's benefits shall be suspended. Such suspension shall be subject to an administrative appellate review by the Board. Review of the physicians' findings shall be made pursuant to Rule 1712(3) and 1712(4).

PART XVIII - AFFILIATED PLANS

1801. Purpose. Pursuant to Colorado Revised Statutes ("C.R.S.") § 31-30.5-212(2), as amended from time to time, the Board hereby creates rules for the purpose of amending the Old Hire Pension Plans established under C.R.S. § 31-30.5-101 et seq. (hereinafter referred to collectively as "Old Hire Plans" or "Plans" or individually as "Plan") to satisfy the qualification requirements specified in sections 401(a) and 414(d) of the federal Internal Revenue Code of 1986, as amended ("Internal Revenue Code"), and such other applicable provisions of the Internal Revenue Code, the Treasury Regulations thereunder, and related guidance. In order to meet those requirements, the Old Hire Plans are subject to the provisions of Part XVIII notwithstanding any provisions to the contrary of an Old Hire Plan's current plan document (if any). Further, the Board has general rulemaking authority under C.R.S. § 31-31-202(1)(j), as amended, and specifically for any volunteer firefighter plan affiliated with FPPA under FPPA Rule 1818 (hereinafter referred to as "the pension plan").

1802. Compliance with Internal Revenue Code § 401(a)(2) for exclusive benefit and non-diversion of pension funds.

(1) The assets of the plan shall never inure to the benefit of an Employer and shall be held for the exclusive purposes of providing benefits to Members and their beneficiaries and defraying reasonable expenses of administering the plan.

(2) The pension fund must not revert, and no contributions shall be permitted to be returned, to the Employers, except due to a mistake of fact as permitted by revenue ruling 91-4.

1803. Compliance with Internal Revenue Code §§ 401(a)(7) and 401(a)(8) for vesting and forfeitures.

(1) A Member shall be 100% vested in the Member's service retirement benefit upon attaining eligibility for a service retirement benefit as specified in C.R.S. §§ 31-30.5-601 through 31-30.5-604 and C.R.S. §31-30-1122. In the event a Member separates from service prior to attaining eligibility for a service retirement benefit, such Member shall be fully vested, in satisfaction of the pre-1974 Internal Revenue Code vesting requirements, if the Member has served for a period of twenty (20) years or such lesser number of years provided under the plan.

(2) A Member shall be 100% vested in the Member's accumulated contributions at all times.

**FIRE AND POLICE PENSION ASSOCIATION BOARD OF DIRECTORS
RESOLUTION NO. 2026-07**

**AMENDMENT AND ADOPTION OF THE
STATEWIDE MONEY PURCHASE PLAN DOCUMENT**

Whereas, the Board of Directors of the Fire and Police Pension Association (the “Board”) has been granted the authority to amend the Statewide Money Purchase Plan Document under § 31-31-502(5), C.R.S., as it deems prudent and necessary to comply with state and federal law or as it deems necessary to efficiently administer benefits under the plan;

Whereas, pursuant to FPPA Rule 1202(2)(b), the Board previously found on June 12, 2026, that immediate adoption of the amendments was imperatively necessary to comply with a state law, specifically the passage of SB26-039, which took effect August 12, 2026, on an emergency basis;

Whereas, the Board now wishes to adopt these same amendments to the Statewide Money Purchase Plan Document, pursuant to FPPA Rule 1202(1). The Board has given notice of the time, place, and nature of the public rulemaking proceedings by e-mail to all municipalities and fire protection districts employing full-time paid police officers and firefighters and to any persons and entities who have requested that they receive such notice. A copy of the Notice of Proposed Rulemaking was posted on the FPPA website;

The Board desires to amend the Statewide Money Purchase Plan Document, effective November 1, 2026, as follows:

- To comply with Senate Bill 26-039, concerning FPPA’s administration of disability and survivor benefits, amend the Plan Document to:
 - Update statutory references and make conforming amendments.

Now, therefore, be it resolved by the Board of Directors of the Fire and Police Pension Association:

That, the Statewide Money Purchase Plan Document be amended as contained in the attached document marked as Exhibit A and shall become effective November 1, 2026.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of October 2026.

FIRE AND POLICE PENSION ASSOCIATION,
A political subdivision of the State of Colorado

By: _____
Jason Mantas
Board of Directors, Chair

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing Resolution No. 2026-07 was acknowledged before me this ____ day of October 2026, by Jason Mantas, Chair of the Board of Directors, Fire and Police Pension Association, a political subdivision of the State of Colorado.

Witness my hand and official seal.

Notary Public

Commission expires

Attachment Exhibit A



Statewide Money Purchase Plan Document

Adopted on emergency basis, effective August 12, 2026.

[Adopted permanently, effective November 1, 2026.](#)

For more information please also refer to the FPPA Plan Brochure as well as the FPPA Rules and Regulations. The FPPA Plan Brochure and Rules and Regulations may be viewed and/or downloaded from our web site at www.fppaco.org or by requesting copies from the address below.

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determined by multiplying the Compensation Limitation by a fraction equal to the number of months in the short period divided by 12.

(f) Board: The Board of Directors established as the governing body of the Fire and Police Pension Association of Colorado.

(f)(1) Civil Union: A relationship established by two eligible persons pursuant to C.R.S. §14-15-101, et seq., the Colorado Civil Union Act, that entitles them to receive the benefits and protections and be subject to the responsibilities of spouses, as a matter of state law.

(g) Code: The Internal Revenue Code of 1986, as amended and including all regulations promulgated pursuant thereunder.

(h) Defined Benefit Component: The Defined Benefit Component of the FPPA Statewide Retirement Plan.

(i) Designated Beneficiary: The person(s) designated by a Member in writing to the FPPA, entitled to receive benefits under this Plan after the death of a Member.

(j) Disability: A Member shall be considered to have a Disability if the Member is found by the Board of Directors to be eligible for disability benefits as a result of such Member's becoming totally disabled or occupationally disabled as provided under and defined in C.R.S. §31-31-~~801~~802(3), (~~3-24~~), (~~3-46~~) and (~~47~~).

(k) DROP Affiliation Agreement: Employers may voluntarily elect to make contributions to the Employer Account for DROP Participants by submitting a DROP Affiliation Agreement. The DROP Affiliation Agreement must apply to all individuals employed by that Employer who participate in DROP.

(l) DROP Participant: An individual who participates in DROP under the FPPA Statewide Retirement Plan and whose Employer has adopted and submitted a DROP Affiliation Agreement. DROP Participants do not submit Member Contributions to the Statewide Money Purchase Pension Plan. DROP Participants receive Employer Contributions into an Employer Account.

(m) Earnings: The net gain or loss of the Fund from investments, as reflected by interest payments, dividends, realized and unrealized gains and losses on securities, and other investment transactions of the Fund. In determining Earnings of the Fund for any period, assets shall be valued on the basis of their fair market value.

(n) Effective Date: As restated during the 2002 Plan Year is January 1, 2002.

(o) Eligible Retirement Plan: An individual retirement account described in Code §408(a), an individual retirement annuity described in Code §408(b), a qualified trust described in Code §401(a), an annuity contract described in Code §403(b), a Code §457(b) plan which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan, a Code §401(k) plan, a Roth IRA under Code §408A, or a SIMPLE IRA under Code §408(p). The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order ("QDRO") as defined in Code §414(p), including a domestic relations order as allowed by Colorado law.

(p) Employer: Any municipality, special district, fire authority or county improvement district offering fire or police protection service and employing one or more Members which

any plan described under Code § 501(c)(18) and any Employer contributions made on the behalf of a the Member for the purchase of an annuity contract under Code § 403(b) pursuant to a salary reduction agreement, and any other elective deferrals as defined in Code § 402(g)(3).

For purposes of this Section IV.4, compensation paid by the later of 2½ months after severance from employment or the end of the limitation year that includes such severance from employment shall be included in compensation if it is payment that, absent a severance from employment, would have been paid to the Member while the Member continued in employment with the Employer and is regular compensation for services during the Member's regular working hours, or compensation for services outside the Member's regular work hours (such as overtime or shift differential), commissions, bonuses, or other similar payments, and the compensation would have been paid to the Member prior to a severance from employment if the Member had continued employment with the Employer.

Any payment to a Member paid by the Employer not described above is not considered compensation if paid after severance from employment, even if it is paid within 2½ months following severance from employment except as otherwise provided under Section V.7.

(e) For Plan Years commencing on or after December 31, 1999, the benefit limitations of Code §415(e) are repealed and shall not apply to the Plan.

ARTICLE V. VESTING

V.1 Member Contributions: From the first day of membership in the Plan, a Member is 100% vested in the Member Account, Member Voluntary Account, and any Member Rollover Account(s).

V.2 Employer Contributions:

(a) Death or Disability Retirement: In the event of Permanent Occupational or Total Disability retirement pursuant to C.R.S. §§~~31-31-803~~[31-31-804](#) and [31-31-805](#) or death as an active member, a Member shall be 100% vested in the Member's Employer Account and Employer Voluntary Account. Benefits payable under the Statewide Death and Disability plan to a Permanently Occupationally Disabled retiree or to a Totally Disabled retiree or to a survivor of an active Member shall be reduced by an amount that is the actuarial equivalent of the benefits such Member or survivor of an active Member receives from the Statewide Money Purchase Plan, whether the benefits received from the Statewide Money Purchase Plan are paid on a periodic basis or in a lump sum. No such reduction shall exceed the Actuarial Equivalent of the Statewide Money Purchase Plan benefits if such benefits had been funded at the rate of sixteen percent (16%) of salary.

(b) Normal Retirement: A Member shall be 100% vested in the Member's Employer Account and in the Employer Voluntary Account upon and after attaining Normal Retirement Age (if employed by the Employer on or after that date).

(c) REPEALED and reenacted September 30, 2021. Vesting: As of January 1, 2022, all remaining Members in the Plan are fully vested in benefits under the Plan. From the first day of membership in the Plan, a Member is 100% vested in the Member Account, Employer Account and Employer Voluntary Account.

(d) Purchase of Service Credit: If a part-time Member becomes eligible to participate in the FPPA Defined Benefit System and elects to transfer the money purchase account balance to the FPPA Defined Benefit System for the purpose of purchasing service credit, a Member shall be 100% vested in the Member's Employer Account and the Employer's Voluntary Account.

(4) Member's Account Balance. The balance of the Member's Aggregate Account as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Aggregate Account as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The Aggregate Account balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(5) Required Beginning Date. The latest date for commencement of distributions for a Member, as determined under this Article VI of the Plan.

(6) Eligible Designated Beneficiary. A Designated Beneficiary who, as of the date of the death of the Member, is:

(A) the surviving spouse of the Member;

(B) a child of the Member who has not reached the age of majority;

(C) disabled within the meaning of Code Section 72(m)(7);

(D) chronically ill within the meaning of Code Section 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or

(E) any other individual who is not more than ten (10) years younger than the Member. Notwithstanding the preceding, a child described in (B) above shall cease to be an Eligible Designated Beneficiary as of the date he or she reaches the age of majority.

VI.12 Deferral of Distribution: Notwithstanding the foregoing, an Inactive Member may elect to defer receipt of all or part of the Aggregate Account. Such Inactive Member shall receive allocations of Earnings and Expenses pursuant to Section IV.2 until the balance of the Inactive Member's Aggregate Accounts has been distributed. An Inactive Member may make application for distribution of the Aggregate Accounts in accordance with the procedures contained in this article.

VI.13 Domestic Relations Orders: Any disbursements made to alternate payees under Domestic Relations Orders shall be made within 120 days of receipt of the Domestic Relations Order by FPPA. An alternate payee must withdraw the share of all funds from a Member's defined contribution account either as a fixed lump sum or as a percentage of the Member's account as of the date of the decree. A distribution to a former spouse or partner in a civil union pursuant to a Domestic Relations Order is a distribution to the Member for the purposes of C.R.S. §31-31-~~804~~ 812(2).

VI.14 Claims after Distribution: Upon distribution of all or any part of a Member's Aggregate Account, the Member or beneficiary shall have no further claim to benefits from the Plan for that portion of the Member's Aggregate Account distributed.

VI.15 In-Service Plan-to-Plan Transfers: Notwithstanding any other Plan provision, distribution of amounts in a Member's Rollover Account may be transferred prior to a separation from service to an Eligible Retirement Plan within the meaning of Code § 402(c) of

**FIRE AND POLICE PENSION ASSOCIATION BOARD OF DIRECTORS
RESOLUTION NO. 2026-08**

**AMENDMENT AND ADOPTION OF THE COLORADO SPRINGS NEW HIRE
PENSION PLAN RULES AND REGULATIONS**

Whereas, the Board of Directors of the Fire and Police Pension Association (the “Board”) has general rulemaking authority under §§ 31-31-202(1)(c), 31-31-202(1)(j), 31-31-204(2.5), and 31-31.5-102(2), C.R.S.;

Whereas, the Board has rulemaking authority under Article 16 of the Colorado Springs New Hire Pension Plan Rules and Regulations as it deems necessary for the administration of the plan, not inconsistent with State law, and as necessary to maintain the qualification of the plan under the Internal Revenue Code;

Whereas, the Board has rulemaking authority under § 31-31-204(2.5), C.R.S., without an election of active Members and without the consent of the City of Colorado Springs in order to administer benefits under the Plan consistently and uniformly across the FPPA Defined Benefit System in a manner that does not result in an actuarial cost to the Plan;

Whereas, pursuant to FPPA Rule 1202(2)(b), the Board previously found on June 12, 2026, that immediate adoption of the rules was imperatively necessary to comply with a state law, specifically the passage of SB26-039, which took effect August 12, 2026, on an emergency basis;

Whereas, the Board now wishes to adopt these same amendments to the Colorado Springs New Hire Pension Plan Rules and Regulations, pursuant to FPPA Rule 1202(1). The Board has given notice of the time, place, and nature of the public rulemaking proceedings by e-mail to all municipalities and fire protection districts employing full-time paid police officers and firefighters and to any persons and entities who have requested that they receive such notice. A copy of the Notice of Proposed Rulemaking was posted on the FPPA website;

The Board desires to amend the Colorado Springs New Hire Pension Plan Rules and Regulations, effective November 1, 2026, as follows:

- To comply with Senate Bill 26-039, concerning FPPA’s administration of disability and survivor benefits, amend the Plan Document to:
 - Update statutory references;
 - Update references to FPPA Rules and Regulations.

Now, therefore, be it resolved by the Board of Directors of the Fire and Police Pension Association:

That, the Colorado Springs New Hire Pension Plan Rules and Regulations be amended as contained in the attached document marked as Exhibit A and shall become effective November 1, 2026.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of October 2026.

FIRE AND POLICE PENSION ASSOCIATION,
A political subdivision of the State of Colorado

By: _____
Jason Mantas
Board of Directors, Chair

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing Resolution No. 2026-08 was acknowledged before me this ____ day of October 2026, by Jason Mantas, Chair of the Board of Directors, Fire and Police Pension Association, a political subdivision of the State of Colorado.

Witness my hand and official seal.

Notary Public

Commission expires

Attachment Exhibit A



Colorado Springs New Hire Pension Plan Rules & Regulations

Adopted on emergency basis, effective August 12, 2026.
[Adopted permanently, effective November 1, 2026.](#)

Attached are the official Rules and Regulations of the Colorado Springs New Hire Pension Plan. For complete information about plans and benefits administered by FPPA refer to the FPPA Plan Brochures located on FPPAco.org or by requesting copies from the address below.

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ARTICLE I - DEFINITIONS AND RULES OF CONSTRUCTION

1.01. Definitions. As used in these Rules and Regulations, the following terms are defined as follows unless the context requires otherwise:

(a) **"Applicable Form"** means the appropriate form as designated and furnished by the Plan Administrator to make an election or provide a notice as required by the Plan, including a form in electronic medium.

(b) **"Authorized Leave of Absence"** includes a military leave of absence and a medical leave of absence, and means an absence during which the Member does not receive compensation for one month or more, but less than two years, during which the Member has not been terminated from employment. For purposes of establishing eligibility to apply for disability or survivor benefits, leaves of absence are further defined in Rule 160~~2~~³ of the FPPA Rules and Regulations.

(c) **"Board"** means the Board of Directors established as the governing body of the Fire and Police Pension Association of Colorado.

(d) **"City"** means the City of Colorado Springs, Colorado.

(d)(1) **"Civil Union"** means a relationship established by two eligible persons pursuant to § 14-15-101, et seq., C.R.S., the Colorado Civil Union Act, that entitles them to receive the benefits and protections and be subject to the responsibilities of spouses, as a matter of state law.

(e) **"Code"** means the provisions of the Internal Revenue Code of 1986, as amended, applicable to governmental plans and, where appropriate, the Internal Revenue Code of 1954.

(f) **"Colorado Springs Alternate New Hire Plans"** means the defined benefit plans maintained by the City until the date preceding the Effective Date, for members of the City Fire Department and Police Department hired on or after April 8, 1978 and for members who otherwise elected to participate.

(g) **"Colorado Springs New Hire Pension Plan"** means the Colorado Springs Alternate New Hire Plans as restated and renamed hereunder.

(h) **"Cost of Living"** means an increase of not more than three percent (3%) in the cost-of-living over the previous year, rounded (i) for purposes of the Fire Component and Article IV, down to the nearest one-half percent (0.5%), or (ii) for purposes of the Police Component and Article V, to the nearest one-half percent (0.5%). The increase will be determined as of December 31 of each year by the Plan Administrator by using the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Selected areas, all items index, that is prepared by the United States Department of Labor, Bureau of Labor Statistics.

(i) **"C.R.S."** means the Colorado Revised Statutes, as amended from time to time.

(j) **"Death Benefit"** means seventy percent (70%) of the monthly retirement benefit, monthly reduced retirement benefit, or monthly vested separation benefit that was paid or would have been paid to the Member.

a child ceases to be a Qualified Child, each remaining Qualified Child will receive an equal share of the monthly Death Benefit. If a child who is not a Qualified Child becomes a Qualified Child and notifies the Plan Administrator in writing of the change in status, that child and each other Qualified Child will receive an equal share of the monthly Death Benefit effective after such notification.

4.09. Survivor Benefits of a Member Not Receiving Benefits. If a Member who is not receiving a monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit dies while eligible to receive a monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit, and if no Qualified Surviving Spouse or Qualified Child is eligible to receive a benefit from a death or disability plan administered by the FPPA arising from employment covered by this Plan except a supplemental death benefit pursuant to §31-31-~~807-5~~ ~~(1.5)~~ 816(2), C.R.S., then the Qualified Surviving Spouse will receive a monthly Death Benefit starting on the date the Member would have started receiving the monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit. If the Member has no Qualified Surviving Spouse or if the Qualified Surviving Spouse dies, each Qualified Child of the Member will receive an equal share of the monthly Death Benefit starting on the date the Member would have started receiving the monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit. If a child ceases to be a Qualified Child, each remaining Qualified Child will receive an equal share of the monthly Death Benefit. If a child who is not a Qualified Child becomes a Qualified Child and notifies the Plan Administrator in writing of the change in status, that child and each other Qualified Child will receive an equal share of the monthly Death Benefit effective after such notification.

4.10. Return of Contributions as a Result of Death. When a Member dies and no Qualified Surviving Spouse or Qualified Child is eligible to receive a benefit from a death or disability plan administered by the FPPA arising from employment covered by this Plan, and no Death Benefits or no further Death Benefits are payable or potentially payable under this Plan, then the balance of the Member's Contributions to the Fund will be paid to the Designated Beneficiary and if there is no Designated Beneficiary, then to the estate of the Member with simple interest in the amount of 5% per annum. If the Member is retired and dies, the first in, first out (FIFO) method will be used in calculating the simple interest. For the purpose of determining whether funds can be paid to the estate of the Member as provided by this Section, the monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit paid to the Member and the monthly Death Benefits paid to the Qualified Surviving Spouse and any Qualified Child will be considered to have been paid from contributions to the Fund by the Member and will reduce the balance of the Member's Contributions to the Fund that will be paid to the estate of the Member.

4.11. Death Benefit Adjusted for Cost of Living. The monthly Death Benefit will be increased if there is an increase in the Cost of Living. That increase will begin on the October 1 immediately prior to the earlier of the date on which the Member would have been age sixty-five (65) or the date the Member would have received a monthly retirement or vested separation benefit for a period of ten (10) years, and shall be redetermined effective October 1 of each year thereafter. The increase will be the product of the Death Benefit times the increase in the Cost of Living.

4.12. Coordination with Statewide Defined Benefit Plan and the Statewide Retirement Plan. Any Member who participates in the Colorado Springs Alternate New Hire Plan as of the Effective Date and the Colorado Springs New Hire Pension Plan on and after the Effective Date pursuant to Article II shall be eligible for any benefits accrued as determined under this Article based on the Member's Service and Salary while participating under the Colorado Springs Alternate New Hire Plan and Colorado Springs New Hire Pension Plan. Any Member who participates under the Statewide Defined Benefit Plan on or after the Effective Date and the Defined Benefit Component of the Statewide Retirement Plan on or after January

5.08. Benefits to Dependents.

(a) Upon the death of a Member who has retired under the Police Component of this Plan, the Qualified Surviving Spouse of the retired Member shall be entitled to receive a benefit equal to seventy percent (70%) of the retirement benefit being paid to the retired Member at the time of death. If the Member has no Qualified Surviving Spouse on the date of death, or if the Qualified Surviving Spouse subsequently dies, each Qualified Child of the retired Member shall receive an equal share of the Qualified Surviving Spouse's benefit as long as the child remains a Qualified Child.

(b) When a Member dies and no Qualified Surviving Spouse or Qualified Child is eligible to receive a benefit from a death or disability plan administered by the FPPA arising from employment covered by this Plan, and no Death Benefits or no further Death Benefits are payable or potentially payable under this Plan, then the balance of the Member's contributions to the Fund will be paid to the Designated Beneficiary and if there is no Designated Beneficiary, then to the estate of the Member with simple interest in the amount of 5% per annum. If the Member is retired and dies, the first in, first out (FIFO) method will be used in calculating the simple interest. For the purpose of determining whether funds can be paid to the estate of the Member as provided by this Section, the monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit paid to the Member and the monthly Death Benefits paid to the Qualified Surviving Spouse and any Qualified Child will be considered to have been paid from contributions to the Fund by the Member and will reduce the balance of the Member's contributions to the Fund that will be paid to the estate of the Member.

5.09. Survivor Benefits of a Member Not Receiving Benefits. If a Member who is not receiving a monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit dies while eligible to receive a monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit, and if no Qualified Surviving Spouse or Qualified Child is eligible to receive a benefit from a death or disability plan administered by the FPPA arising from employment covered by this Plan except supplemental benefits payable under §31-31-807.5-(1.5)816(2), C.R.S., then the Qualified Surviving Spouse will receive a monthly Death Benefit starting on the date the Member would have started receiving the monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit. If the Member has no Qualified Surviving Spouse or if the Qualified Surviving Spouse dies, each Qualified Child of the Member will receive an equal share of the monthly Death Benefit starting on the date the Member would have started receiving the monthly retirement benefit, reduced monthly retirement benefit, or vested separation benefit. If a child ceases to be a Qualified Child, each remaining Qualified Child will receive an equal share of the monthly Death Benefit. If a child who is not a Qualified Child becomes a Qualified Child and notifies the Plan Administrator in writing of the change in status, that child and each other Qualified Child will receive an equal share of the monthly Death Benefit effective after such notification.

5.10. Death Benefit Adjusted for Cost of Living. The monthly Death Benefit will be increased if there is an increase in the Cost of Living. That increase will begin on the October 1 immediately prior to the earlier of the date on which the Member would have been age sixty (60) or the date the Member would have received a monthly retirement or vested separation benefit for a period of ten (10) years, and shall be determined effective October 1 of each year thereafter. The increase will be the product of the Death Benefit times the increase in the Cost of Living.

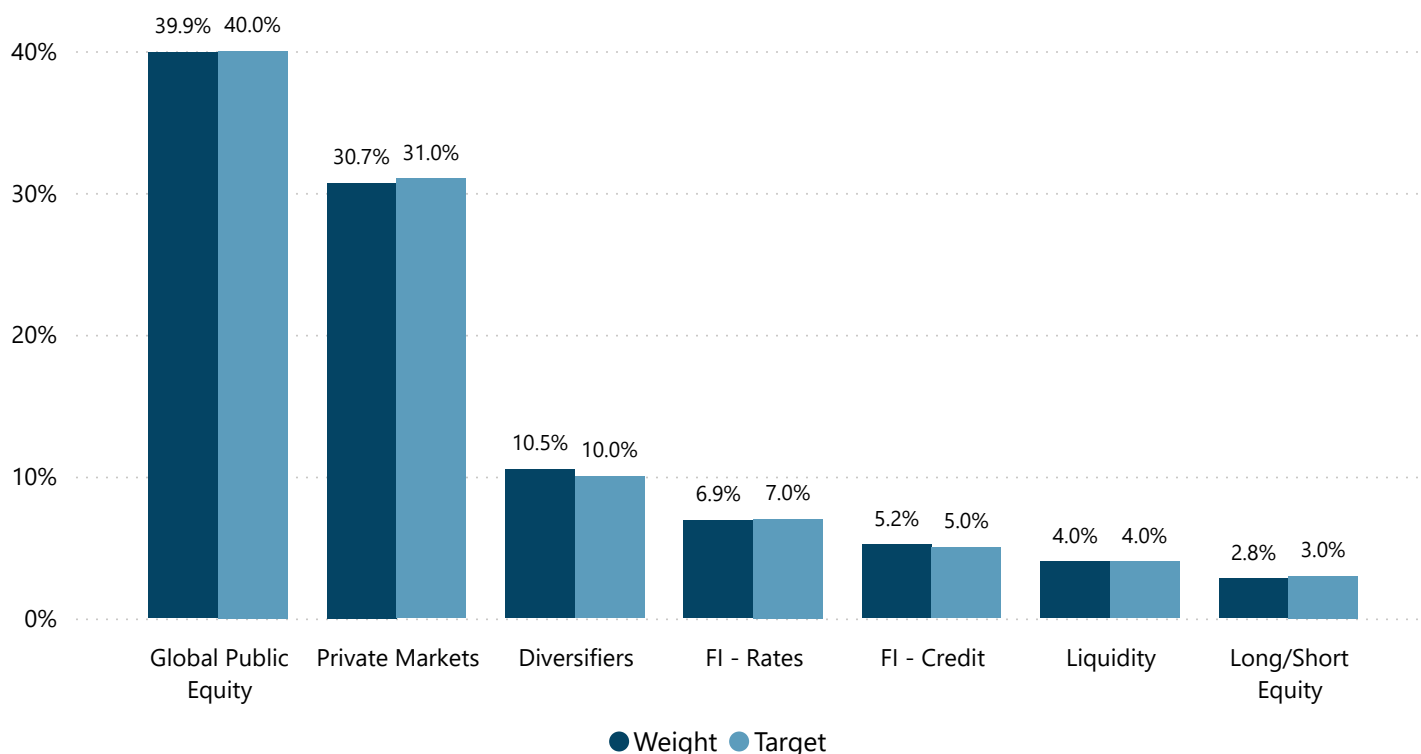
5.11. Coordination with Statewide Defined Benefit Plan and the Statewide Retirement Plan. Any Member who participates in the Colorado Springs Alternate New Hire Plan as of the Effective Date and the Colorado Springs New Hire Pension Plan on and after the Effective Date pursuant to Article II shall be eligible for any benefits accrued as determined

Economic and Market Summary

Global equities advanced in August, gaining 2.3% as resilient activity data and earnings outweighed higher bond yields. Materials, technology, and energy outperformed amid renewed AI optimism and elevated commodity prices. Government bond yields rose in most major markets as renewed US-Iran tensions lifted energy prices mid-month. Brent crude peaked near \$95 per barrel on August 21, then ended the month at \$89—little changed overall. Fed Chair Warsh’s hawkish Jackson Hole speech added to the month-end rates repricing, prompting markets to bring forward expectations for rate hikes. Though the change in US 10-year and 30-year yields was 4bps and -1bps, respectively, the Treasury announced expanded long-dated bond buybacks to provide “greater liquidity support.” Earnings remained supportive for equities, with MSCI ACWI calendar year 2026 EPS estimates rising 2.3% during August. Nvidia’s strong results reinforced the AI investment theme, but IT leadership broadened as solid software results eased concerns that generative AI would disrupt these business models. Beyond IT’s 5.5% gain, materials and energy rose 9.8% and 4.1%, respectively, supported by higher metals prices, a softer dollar, and energy-supply risk. Gold rose nearly 10% as dollar weakness persisted and lower early-month rates boosted ETF demand. Central bank demand has also risen recently.*

Asset Allocation

Long-Term Pool Asset Allocation (8/31/2026)

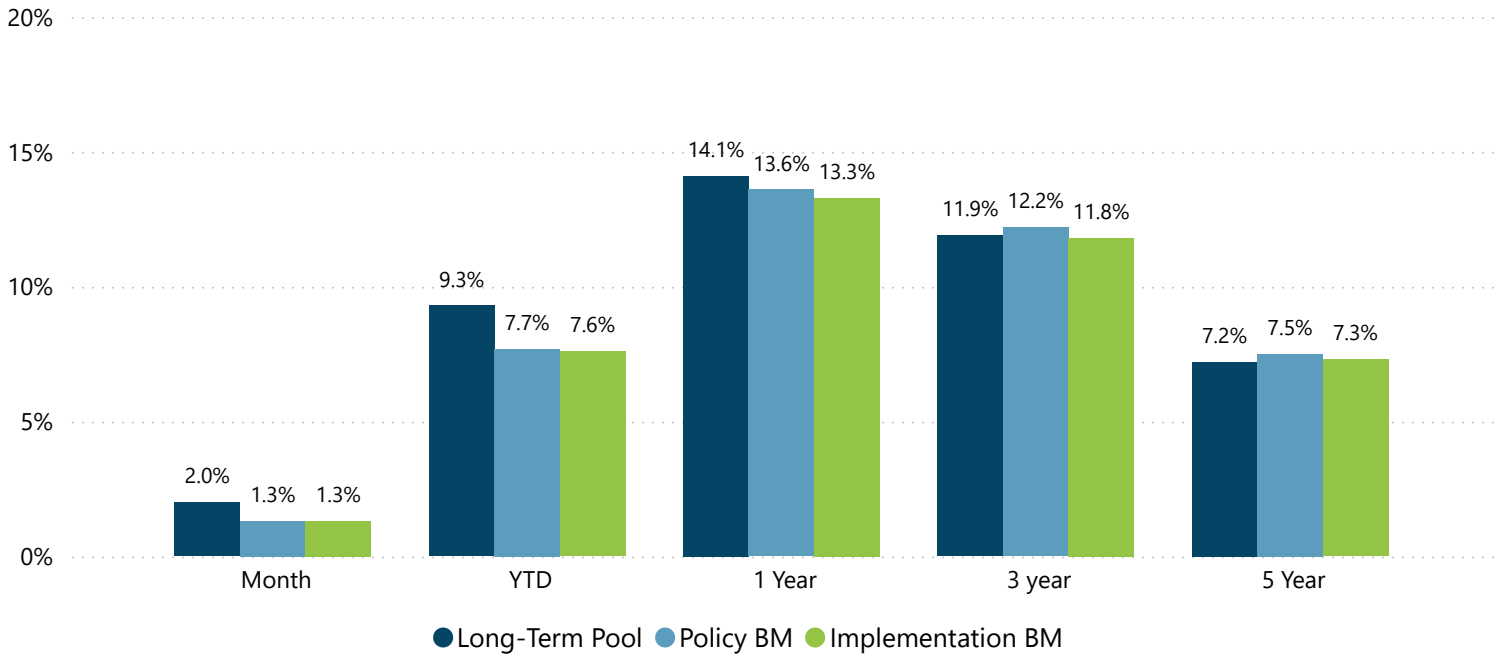


FPPA

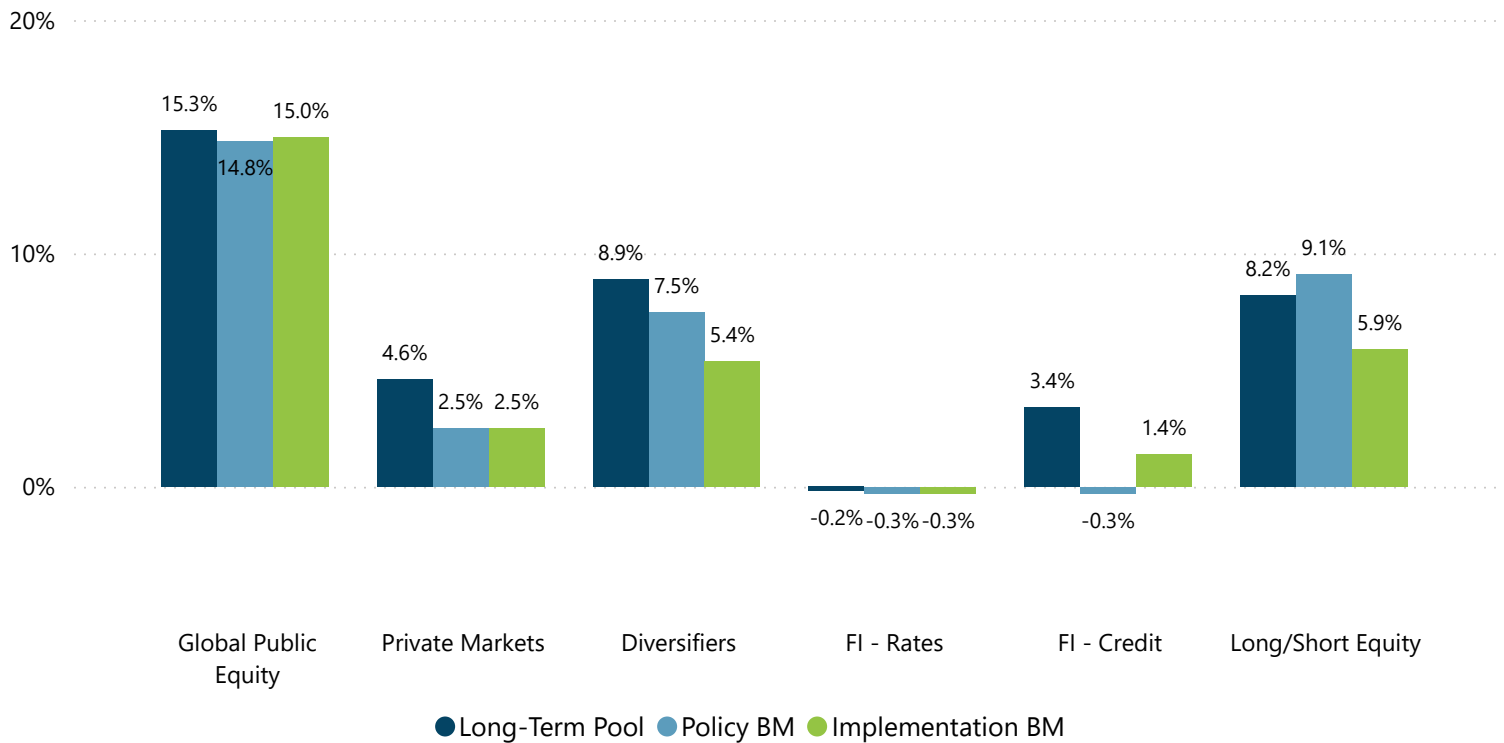
Monthly Investment Report

August 2026

Long-Term Pool Performance (8/31/2026)



Asset Class Performance (YTD 8/31/2026)



Investment Activity

Rebalancing: The following rebalancing activity occurred since the last Board meeting:

- \$40 million funding of Novacore (Diversifiers); funded from
 - \$15 million partial redemption from Neumeier Poma (US Small Cap Equity)
 - \$25 million partial redemption from Baillie Gifford (Emerging Markets Equity)

Pioneer Square (Private Capital): Staff approved a \$15 million commitment to Pioneer Square Ventures Fund III, a \$125 million early-stage venture capital strategy based in the Pacific Northwest ecosystem focused on AI infrastructure and vertical AI applications. Pioneer Square is a new manager relationship for FPPA.

Millennium (Diversifiers): Staff approved a \$200 million investment in Millennium Partners, their \$89 billion flagship multi-strategy platform hedge fund. Millennium is a global alternative investment firm founded by Israel Englander in 1989. Millennium is an existing manager relationship for FPPA.

NovaCore (Diversifiers): Staff approved a \$40 million investment in NovaCore, a \$300 million new launch European Industrials equity market neutral strategy. NovaCore was founded in 2026 by Nico Dil, former Citadel portfolio manager. NovaCore is a new manager relationship for FPPA.

Co-Investment Activity:

- \$5.0 million commitment alongside Enlightenment Capital Fund V

Investment Committee

The Board Investment Committee met on September 30, 2026, to discuss the following agenda items.

- 2Q 2026 Risk Report
- Benchmarks Verification
- Real Estate Portfolio Update – CORE Real Estate Focus
- Currency Overlay
- Cambridge Questionnaire and Survey
- Asset Liability Study – Preview of Board Materials

MEMORANDUM

To: Board

From: Staff

Re: Cambridge Associates Evaluation

Date: 10/1/2026

FPPA conducted an Investment Consultant search process during 2017 which resulted in the engagement of Cambridge Associates in January 2018. Cambridge Associates is based in Boston, has 14 global office locations, 280 senior investment professionals, and \$688.5 billion assets under advisement. FPPA's lead consultants are Brian McDonnell, Global Head of Retirement, Insurance, & Government Practice (24 Years experience), and Stuart Cameron, Managing Director, Retirement, Insurance, & Government Practice (17 Years experience).

Cambridge Associates serves as FPPA's General Consultant to the Board:

- Attends and participates in Board meetings (9 annually) and Investment Committee meetings (4 annually)
- Provides market overviews and investment educational sessions and materials
- Leads the asset liability study process
- Provides quarterly performance reporting, fee analyses, and annual performance verification
- Source of private markets benchmarks

Cambridge Associates also serves as Staff's primary Investment Consultant:

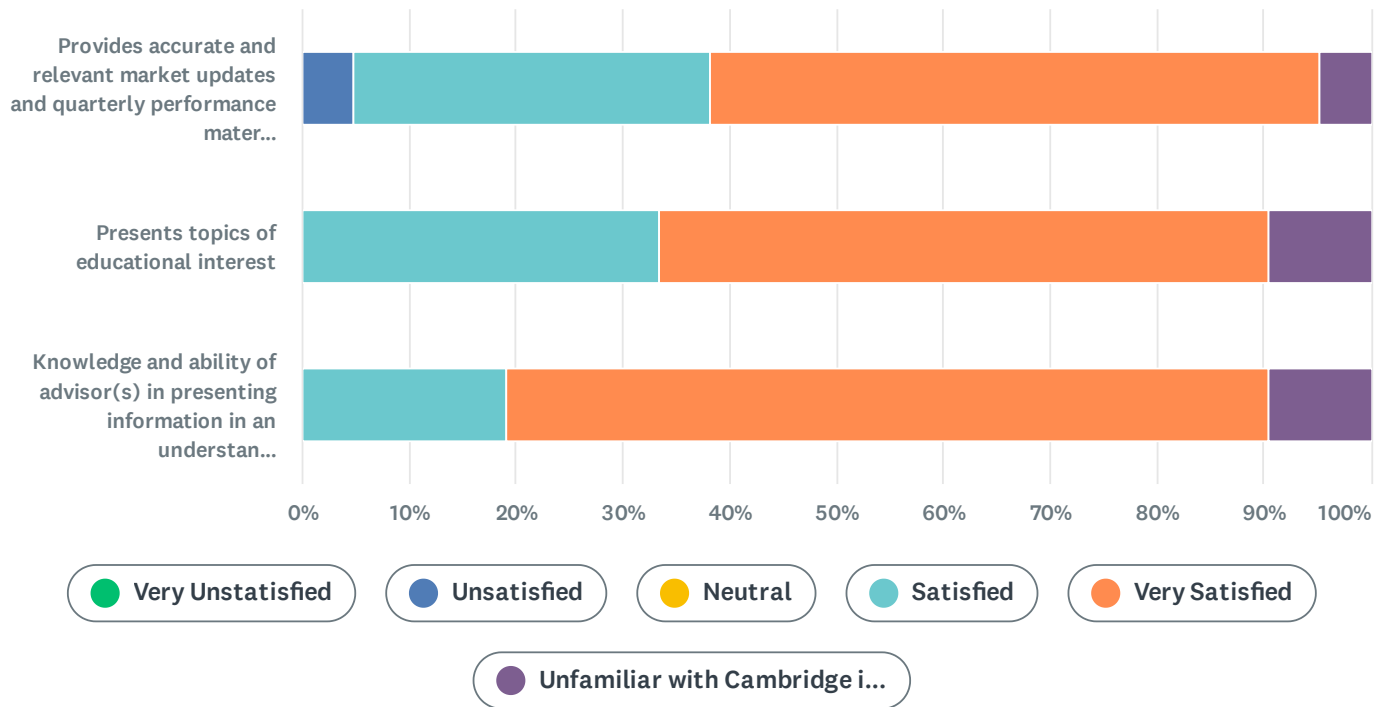
- Attends and participates in Internal Investment Committee meetings (approx. 24 annually)
- Provides compliance concurrence on new investments
- Supports sourcing new investment opportunities and oversight of existing investment portfolio
- Acts as a resource particularly when the Investment Staff has personnel vacancies

See the following results and comments from a recent survey (sent to the Board, Executive Team and Investment Team) evaluating the Cambridge Associates relationship.

Overall the responses were largely positive. Staff will work with Cambridge Associates to address specific comments and to continue improving their support of FPPA.

Q1 21 responses

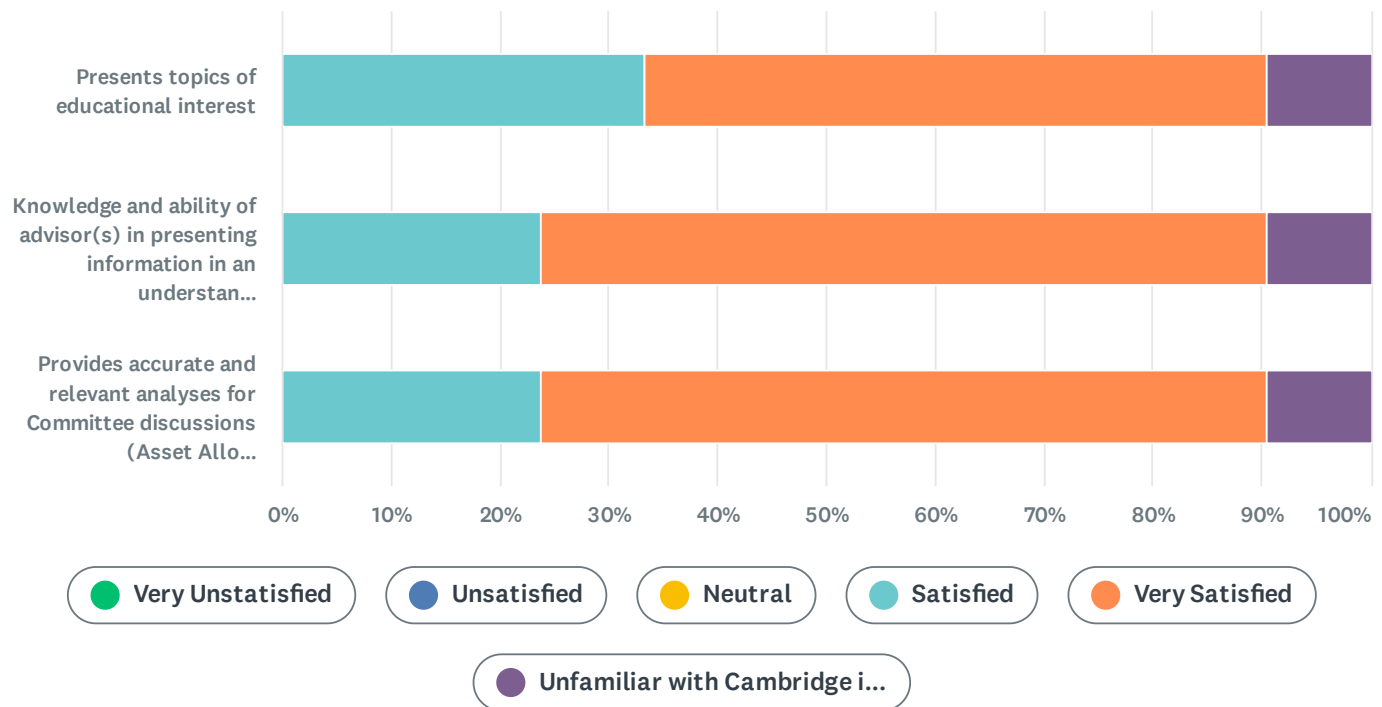
Board Meetings



	Very Unsatisfied	Unsatisfied	Neutral	Satisfied	Very Satisfied	Unfamiliar with Cambridge in this area	Total
Provides accurate and relevant market updates and quarterly performance materials	0% 0	4.76% 1	0% 0	33.33% 7	57.14% 12	4.76% 1	21
Presents topics of educational interest	0% 0	0% 0	0% 0	33.33% 7	57.14% 12	9.52% 2	21
Knowledge and ability of advisor(s) in presenting information in an understandable manner and the ability to respond to questions	0% 0	0% 0	0% 0	19.05% 4	71.43% 15	9.52% 2	21
							63

Q2 21 responses

Board Investment Committee Meetings

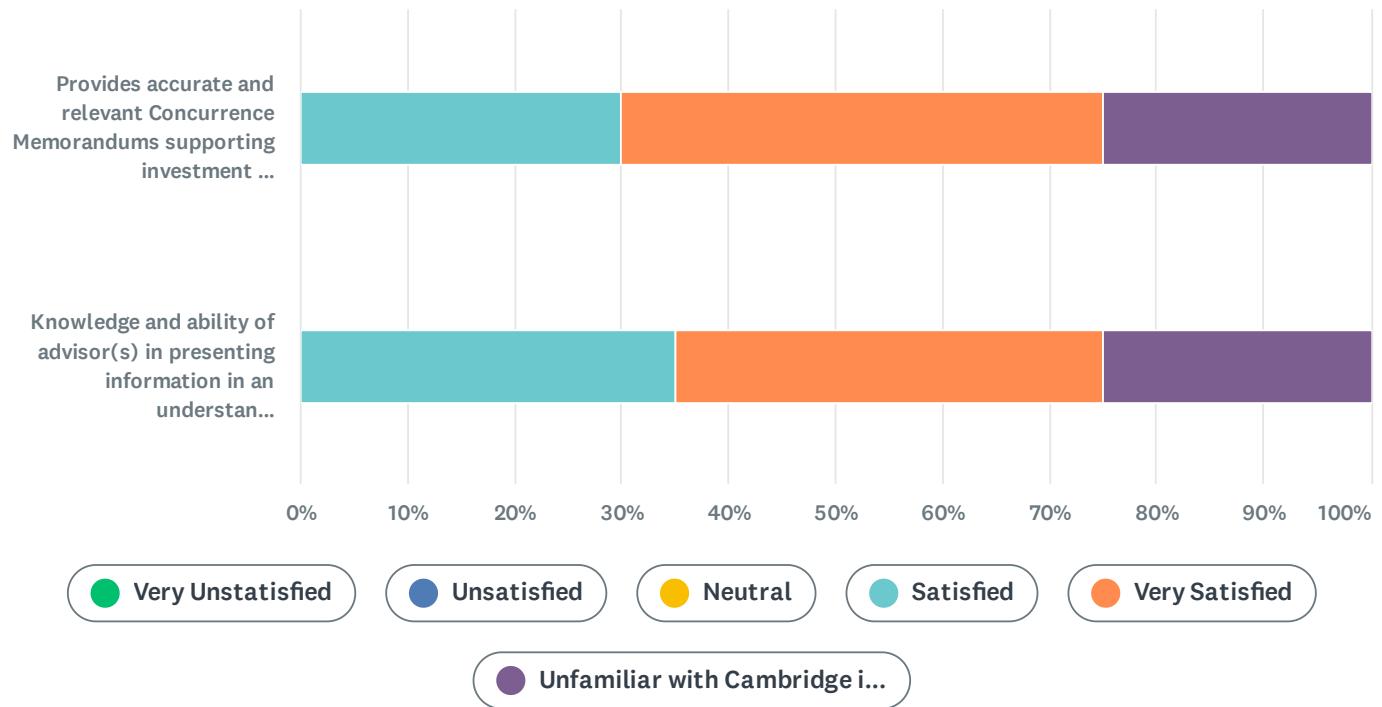


	Very Unstatisfied	Unsatisfied	Neutral	Satisfied	Very Satisfied	Unfamiliar with Cambridge in this area	Total
Presents topics of educational interest	0% 0	0% 0	0% 0	33.33% 7	57.14% 12	9.52% 2	21
Knowledge and ability of advisor(s) in presenting information in an understandable manner and the ability to respond to questions	0% 0	0% 0	0% 0	23.81% 5	66.67% 14	9.52% 2	21

	 Very Unsatisfied	 Unsatisfied	 Neutral	 Satisfied	 Very Satisfied	 Unfamiliar with Cambridge in this area	Total
Provides accurate and relevant analyses for Committee discussions (Asset Allocation, Risk Reviews, Asset Class Reviews)	0% 0	0% 0	0% 0	23.81% 5	66.67% 14	9.52% 2	21
							63

Q3 20 responses

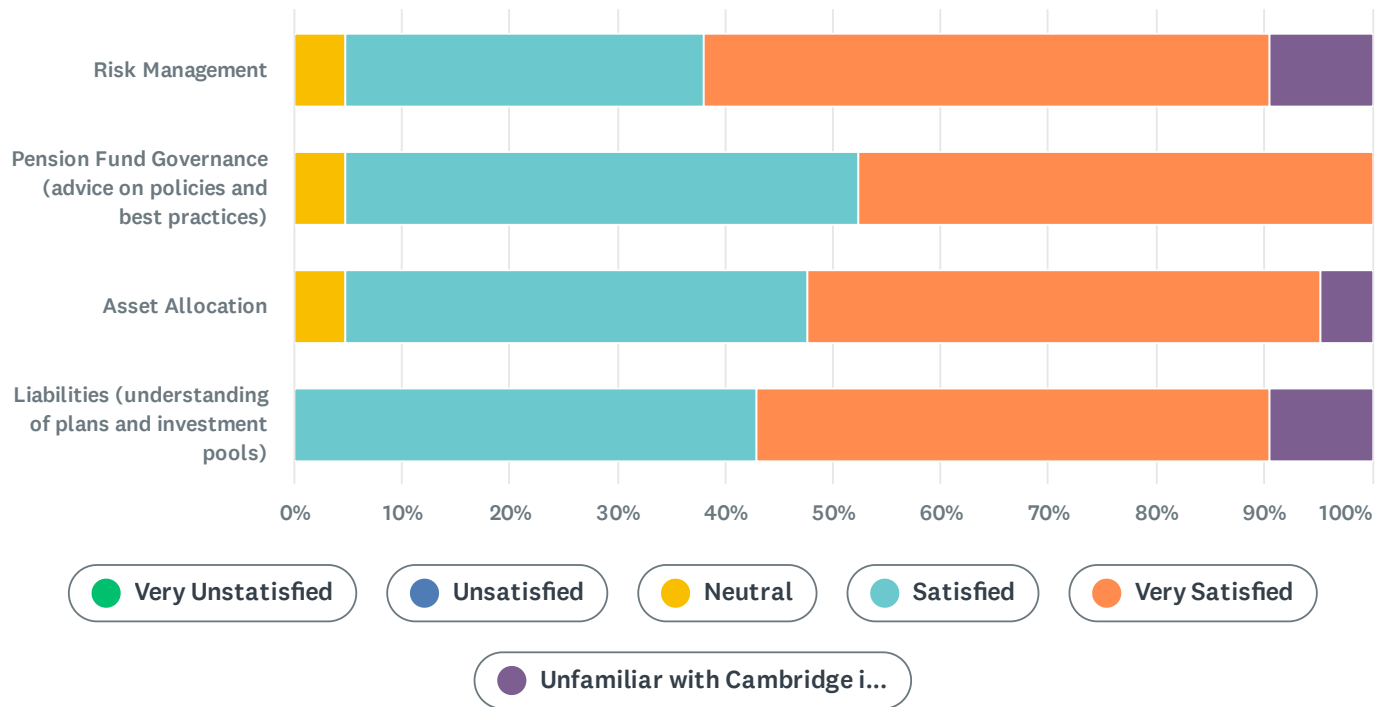
Internal Investment Committee Meetings



	Very Unstatisfied	Unsatisfied	Neutral	Satisfied	Very Satisfied	Unfamiliar with Cambridge in this area	Total
Provides accurate and relevant Concurrence Memorandums supporting investment recommendations	0% 0	0% 0	0% 0	30.00% 6	45.00% 9	25.00% 5	20
Knowledge and ability of advisor(s) in presenting information in an understandable manner and the ability to respond to questions	0% 0	0% 0	0% 0	35.00% 7	40.00% 8	25.00% 5	20
							40

Q4 21 responses

Specific Area (Expertise, Resources):

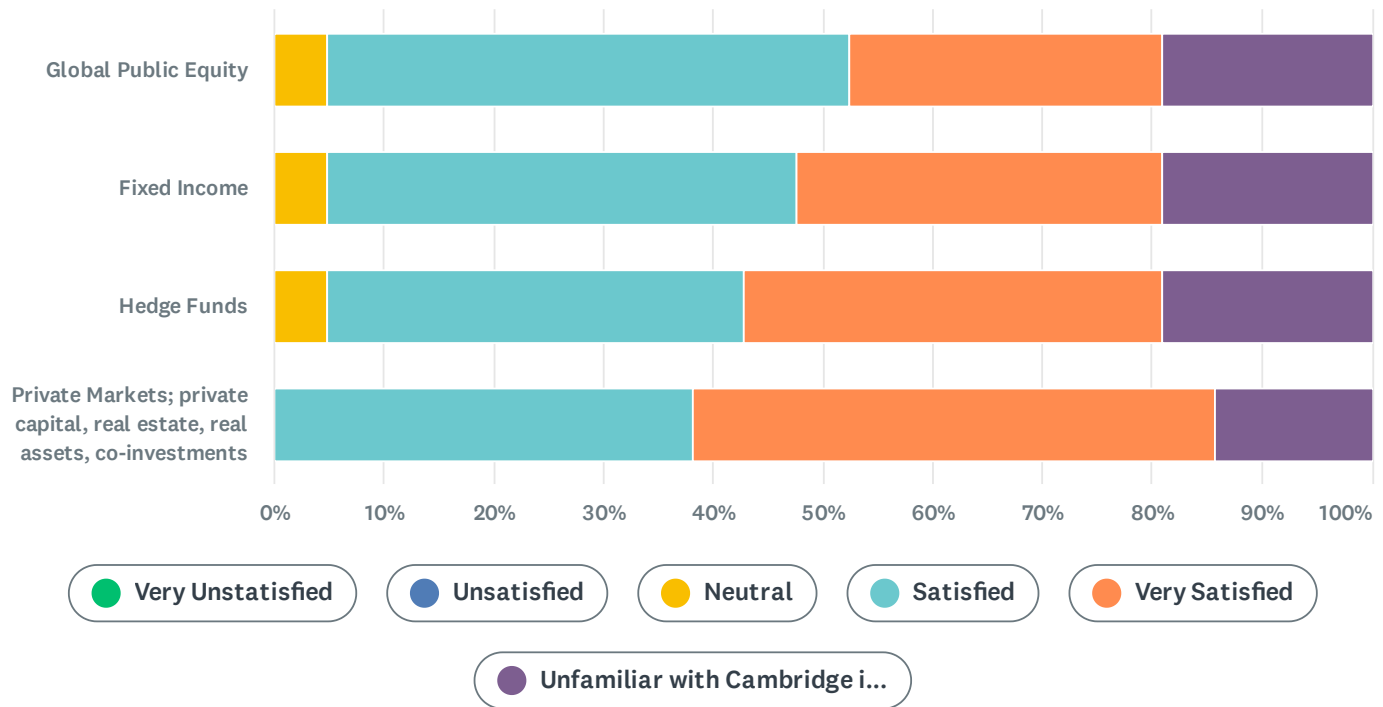


	Very Unstatisfied	Unsatisfied	Neutral	Satisfied	Very Satisfied	Unfamiliar with Cambridge i...	Total
Risk Management	0% 0	0% 0	4.76% 1	33.33% 7	52.38% 11	9.52% 2	21
Pension Fund Governance (advice on policies and best practices)	0% 0	0% 0	4.76% 1	47.62% 10	47.62% 10	0% 0	21
Asset Allocation	0% 0	0% 0	4.76% 1	42.86% 9	47.62% 10	4.76% 1	21
Liabilities (understanding of plans and investment pools)	0% 0	0% 0	0% 0	42.86% 9	47.62% 10	9.52% 2	21
							84

#	OTHER (PLEASE SPECIFY)	DATE
1	I know we are discussing an updated asset/liability study which will help us with determining any needed changes to allocations.	8/31/2026 7:33 PM

Q5 21 responses

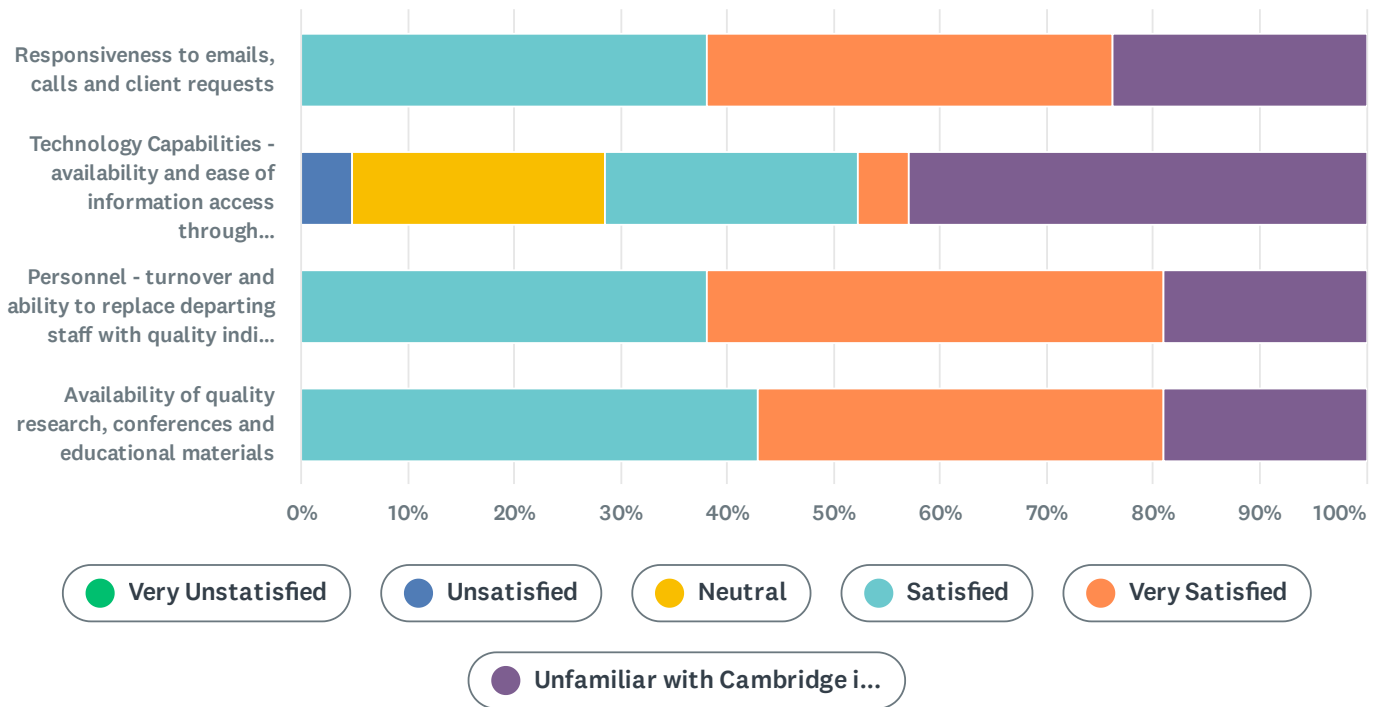
Specific Area (Expertise, Resources, Deal Flow, Monitoring):



	Very Unstatisfied	Unsatisfied	Neutral	Satisfied	Very Satisfied	Unfamiliar with Cambridge in this area	Total
Global Public Equity	0% 0	0% 0	4.76% 1	47.62% 10	28.57% 6	19.05% 4	21
Fixed Income	0% 0	0% 0	4.76% 1	42.86% 9	33.33% 7	19.05% 4	21
Hedge Funds	0% 0	0% 0	4.76% 1	38.10% 8	38.10% 8	19.05% 4	21
Private Markets; private capital, real estate, real assets, co-investments	0% 0	0% 0	0% 0	38.10% 8	47.62% 10	14.29% 3	21
							84

Q6 21 responses

Client Service:

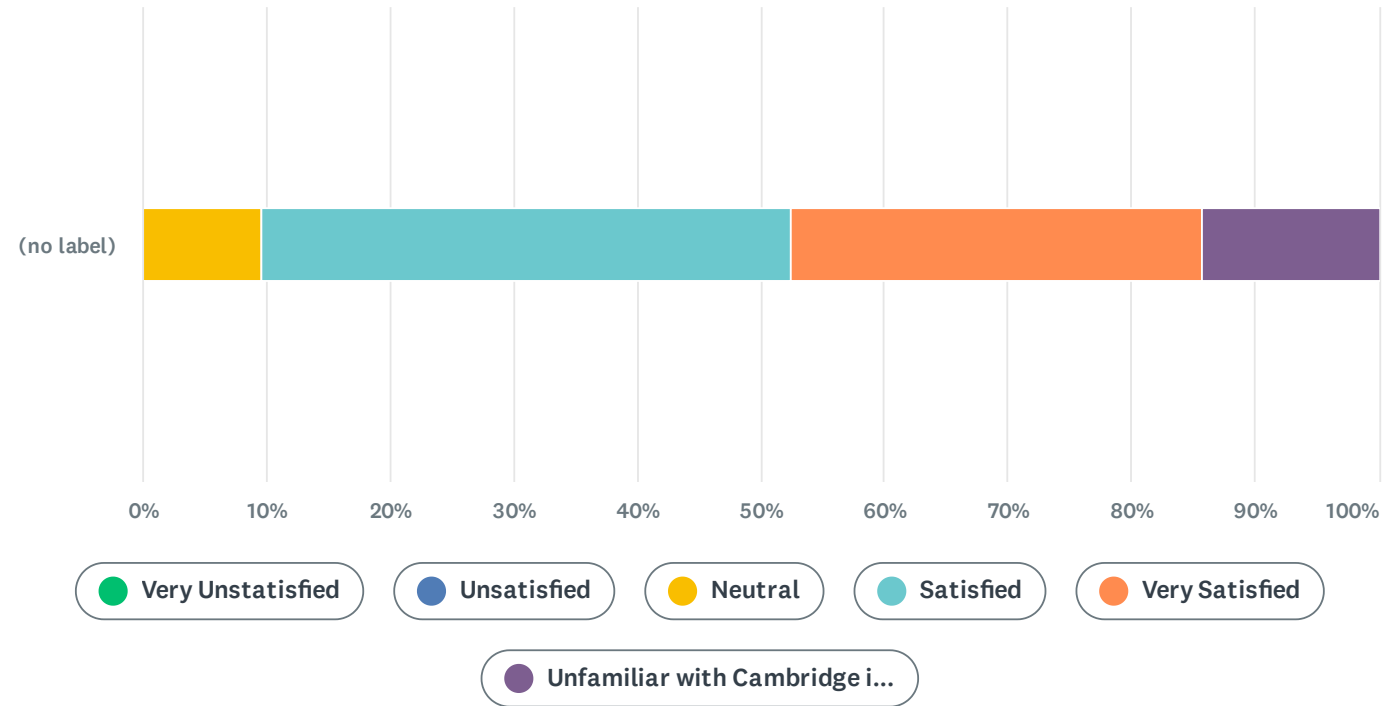


	Very Unstatisfied	Unsatisfied	Neutral	Satisfied	Very Satisfied	Unfamiliar with Cambridge in this area	Total
Responsiveness to emails, calls and client requests	0% 0	0% 0	0% 0	38.10% 8	38.10% 8	23.81% 5	21
Technology Capabilities - availability and ease of information access through their website	0% 0	4.76% 1	23.81% 5	23.81% 5	4.76% 1	42.86% 9	21
Personnel - turnover and ability to replace departing staff with quality individuals	0% 0	0% 0	0% 0	38.10% 8	42.86% 9	19.05% 4	21

	 Very Unsatisfied	 Unsatisfied	 Neutral	 Satisfied	 Very Satisfied	 Unfamiliar with Cambridge in this area	Total
Availability of quality research, conferences and educational materials	0% 0	0% 0	0% 0	42.86% 9	38.10% 8	19.05% 4	21
							84

Q7 21 responses

Value of advisory services for the level of fees (annual fee remains \$1,380,000). Cambridge has not raised FPPA's fee since they have been hired.



	Very Unstatisfied	Unsatisfied	Neutral	Satisfied	Very Satisfied	Unfamiliar with Cambridge in this area	Total
(no label)	0% 0	0% 0	9.52% 2	42.86% 9	33.33% 7	14.29% 3	21
							21

#	OTHER (PLEASE SPECIFY)	DATE
1	Deserving of a premium fee - just not sure how much	8/26/2026 8:14 AM

Q8 Any other comments or questions?

Answered: 5 Skipped: 16

#	RESPONSES	DATE
1	Both Brian and Stu do a good job presenting at Board meetings.	9/9/2026 11:58 AM
2	I have never viewed Cambridge as an educational resource	8/26/2026 7:31 PM
3	Cambridge is a great partner for FPPA	8/26/2026 4:45 PM
4	Cambridge provides a valuable resource to staff and the board. FPPA should always be looking for additional ways to make use of their expertise.	8/26/2026 9:42 AM
5	Cambridge has built a lot of credibility with the Board	8/26/2026 8:14 AM

Questionnaire for Cambridge Associates as General Consultant for the FPPA Board

Cambridge Associates was appointed by the Board to serve as its General Consultant. Their primary fiduciary role is to serve as an independent and unbiased source of investment information and advice, assist the Board in determining policies and objectives for the investment program, monitor the implementation of the investment program, and ensure compliance with investment policies and objectives. The purpose of this questionnaire is for Cambridge to provide the Board with insights regarding the delegation of certain investment and management responsibilities.

1. Given the types of assets and the size of the investment portfolio, is the FPPA Investment Group appropriately staffed with qualified investment professionals?

Response:

Yes. Turnover among the team has meaningfully stabilized relative to prior periods, and the continued mentorship (which requires a significant investment of time) provided to newer hires has now manifested in a noticeable and welcome breadth of investment team members presenting ideas at each IIC for approval. While this appropriately creates great opportunity for leadership development and sharpening of investment judgement across investment professionals at every level of the organization, importantly at all times the CIO and asset class heads retain ultimately accountability for recommendations on investments that enter the portfolio. There is also (positively) been recent examples of new team members bringing relationships from prior jobs to initiate engagement on behalf of FPPA with access constrained managers.

We had previously noted that the private investment team might experience capacity strain should the fundraising pace revert to the torrid pace of ~five years ago. While the pace has increased at a more modest clip than that, there continue to be developments in the overall private equity landscape that warrant monitoring. In particular, the expectation of ongoing continuation vehicle transaction proliferation that requires evaluation and decision-making by the investment team (often in a tight timeframe, regardless of competing priorities) should be monitored from a volume perspective to ensure that both team capacity and processes are sufficient to handle.

2. Does the Investment Group work collaboratively with Cambridge? From your perspective, does the Investment Group work collaboratively within and across each of the teams?

Response:

In Cambridge's view, our collaborative relationship with FPPA staff is as strong as it has been at any point in the partnership. This continues to be reflected in the team's willingness to leverage Cambridge's written due diligence materials and investment professionals in situations where FPPA staff time and resources can be deployed more effectively elsewhere, including Cambridge professionals directly presenting manager recommendations to the IIC.

The recent Core Fixed income manager search is a concrete illustration of how the collaboration can work, with both sides independently determining their list of top candidates, and then after familiarizing each other (sometimes through direct meetings with the manager) on different names, we collectively compared notes and talked through the pros and cons (with a particular emphasis on portfolio construction / complementing existing exposures in the portfolio). FPPA staff also had the opportunity to meet with the Cambridge research

lead on core fixed income to hear her views on specific managers, the overall manager landscape, and key questions for consideration when conducting a core manager search.

We similarly observe strong collaboration across internally teams, particularly with the risk team being viewed today by the investment teams as a partner for helping them to make better investment decisions.

3. In its oversight and fiduciary role, does the Board receive the appropriate level of information regarding risk exposures of the portfolio (including material losses and/or permanent impairment of capital)?

Response:

In our view, which we believe the Board and Board Investment Committee shares, staff has at all times been fully transparent with all relevant constituencies about exposures, risks, specific managers issues/concerns. We have never observed any efforts by the staff to withhold any information from the Board or Board Investment Committee. That said, we are firm believers that a fully transparent “data dump” of underlying exposures, risk metrics, etc. is not an effective approach to risk governance and it is not reasonable to expect a Board or Investment Committee to synthesize and digest such breadth of information.

Our opinion is that this is probably the area of most notable progress since the last questionnaire (Spring 2025) when Cambridge noted “*the bigger risk is that the risk reports shared with the IC have been if anything, too comprehensive, at the expense of highlighting the most salient / actionable metrics for the IC to consider.*” The revised reports strike us as much more effective ways to convey the key, salient and material risks to a Board member, including providing context and longitudinal trend information for information. The active discussion between staff, Cambridge and the Board during each risk report presentation conveys much more comfort and confidence in the current approach without sacrificing engagement and inquiry.

4. Is the current investment program appropriate given the stated goals and objectives of the Plan? That is, do the strategies employed provide a high probability of meeting the investment objectives provided for in the Investment Policy Statement?

Response:

Based on our current understanding of the goals and objectives of the plan, expected “Beta” returns are in-line over full market cycles to deliver the EROA with an acceptable level of risk and low risk of permanent capital impairment (as the liquidity of the plan remains well managed); excess returns delivered by the investment team (value relative to a Policy Benchmark) create the possibility of exceeding required returns.

That said, and importantly, it is clear that there are ongoing dialogues both internally and with Plan constituencies about the benefit structure and we anticipate an important dialogue over the next ~12 months between Cambridge, actuaries, Plan staff and the Board around any required changes to the investment program to support any evolution to the benefit structure goals & objectives, and the associated changes to the risk posture inherent in any shift.

5. Do the manager search and due diligence processes (including the involvement of the Internal Investment Committee) provide the Investment Group with a reasonable basis for making prudent investment decisions?

Response:

The investment teams furnish thorough due diligence materials, and each investment opportunity is subject to multiple detailed discussions by the Internal Investment Committee. These include a broad range of qualitative and quantitative considerations, including but not limited to: investment philosophy and process, team quality and organization, track record and performance, risk management, portfolio construction, operations and infrastructure, alignment of interests & business and firm stability.

The final recommendation reflects both the investments and merits and any remaining risks, open questions, or conditions for approval. Importantly (and increasingly) the context for the fit of the investment within the broader existing portfolio is also a key area of discussion. This has been particularly reflected in the manager hiring / firing decisions that were undertaken as part of the reshaping of the global public equity portfolio.

IIC members engage thoroughly, asking thoughtful questions and receiving substantive answers. Subject to further IIC member feedback, there may be scope to improve efficiency by narrowing the content of successive IIC presentations—for instance, continuing to focus on having the final recommendation focus on newly identified issues and responses to questions raised or left outstanding during earlier previews.

If volume increases materially, there may be an opportunity to reduce the recommendation report out on co-invests. While co-invests are a complicated and newer asset class that requires substantial and detailed evaluation, given that they almost always involve a materially smaller capital investment than a standard fund commitment we have seen other organizations effectively narrow the recommendation report out to confirmation that the opportunity fits with previously identified characteristics of an attractive and appropriate co-investment (while still having the investment teams complete detailed due diligence).

See notes on other elements of this topic in the responses to various questions elsewhere.

6. Is adequate consideration given regarding the fee structure of the investment portfolio?

Response:

Yes. Asset allocation ultimately is the primary driver of the overall fee burden, and as such it is important that the underlying fee level is evaluated within the context of the asset allocation that the organization has determined is most appropriate for its objectives. While it is measured, Staff appropriately does not primarily compare or attempt to “compete” with other plans that may have lower implementation costs but very different asset allocations. Each year we work with the investment team to provide our views on “industry” standard fees and trends broken down by asset class, which enables a comprehensive evaluation of the FPPA fee burden given the FPPA-specific asset allocation.

FPPA has continued to take a thoughtful approach around implementation costs, using passive strategies primarily in markets where active management is less likely to add value. This appropriately directs active-

management fees toward areas where the opportunity set is more compelling. The team also actively seeks to improve terms with active managers, including by using Cambridge's relationships and negotiated preferred arrangements where applicable.

Some institutions focus so heavily on minimizing total implementation costs that they avoid asset classes or strategies that cannot be accessed passively, potentially sacrificing stronger net-of-fee risk-adjusted outcomes. Importantly, in the upcoming A/L study conversations while we anticipate flagging higher implementation costs for certain asset classes as a consideration, we appreciate staff and the Board's willingness to continue pursuing asset classes providing differentiated returns despite higher implementation costs. We ultimately believe that, net of fees, this will deliver better outcomes for constituents.

Two examples of note:

- The public market team eliminated the dedicated exposure to equity long/short hedge funds, in part because there was a meaningful portion of the return contribution that could be attributed to market beta, and it was deemed an expensive means to achieve that beta contribution regardless of the alpha component
- The private markets team has continued to actively pursue co-investment opportunities, which has the effect of further reducing the blended cost of implementation over time in an asset class that typically carries the highest fee burden

7. Identify the key differences in models used by Cambridge to determine its capital market expectations.

Response:

We are pleased to provide some high level background information on this topic via the questionnaire. We understand it to be an important area of interest for the Board with potential implications the benefit structure that can be delivered; as such, we anticipate dedicating a deep dive to the topic (currently tentatively scheduled for February '27) as part of the upcoming A/L study process.

Cambridge develops and maintains three primary sets of Capital Market Assumptions: Equilibrium, Return-to-Normal, and Steady-State. Each paints a somewhat different picture and has varying use cases by clients and investment teams. Additionally, many clients use a combined Return-to-Normal and Equilibrium figure (which is what we have traditionally presented to FPPA). Our Capital Markets team generates expectations for three main variables: return, volatility, and cross-asset correlations. However, our research finds that over medium to long-term horizons, the most material changes are forward looking return-assumptions – volatility and correlations stay more constant.

A brief description of each set and its primary use case below:

Equilibrium: Takes the longest history of individual asset classes and is agnostic to current valuations or forward looking expectations. These rarely move year to year and are typically only adjusted if there is a significant change in the asset composition or profile.

Return-to-Normal: Takes Equilibrium assumptions as a starting point and then adjusts based on current measures of valuation, incorporating a reversion to long-term median valuations and the corresponding price impact. When asset classes are valued more richly than their historical medians, the price impact is negative, depressing return assumptions. Conversely, when asset classes are valued more cheaply than their historical

medians, the price impact is positive, boosting return assumptions. Over the last five years, asset classes, we have seen impacts in both directions for varying asset classes.

Steady-State: A set of assumptions that uses equilibrium, long-term inputs but seeks to model asset classes from where they are valued today with *no* change in valuation. i.e. there is no positive or negative impact from a reversion to long-term median valuations. However, the starting valuations are reflected where they have a direct relation to forward returns.

Blends: The most common blend (and what FPPA uses) is taking our 10-year Return-to-Normal assumptions and splicing this with Equilibrium assumptions for 15 or 20 years depending on the requested horizon. This has the effect of providing a valuation cognizance but provides a set of return assumptions that do not move as significantly year to year with the gyrations of the market.

8. Discuss how Cambridge's role has expanded over time. As the General Consultant to the Board, are there additional opportunities for involving Cambridge that could be considered?

Response:

We have continued to expand our relationship with FPPA over our almost 10 years together and have looked for ways to contribute in new ways that add value to the FPPA organization. We have seen a number of concrete examples of this over the years and see more opportunities to do this going forward in conjunction with the CIO and investment team.

We expect Cambridge to much more visible with the Board in the coming ~12 months as a result of leading the Asset / Liability study. As previously discussed, this will be a much more engaged, structured and iterative process than previous iterations which have focused primarily on confirming the asset allocation was supportive of EROA assumptions.

We would suggest other likely areas of role / contribution expansion in the coming 12 months include:

1. Significantly more complicated performance and benchmark calculation verification given the complex evolution of the methodology for benchmarking private investments within incentive comp
2. We plan to attend and observe all upcoming COLA Task Force meetings, and would be pleased to play whatever direct and active role that Plan staff and the Board deem appropriate
3. Imminent roll-out of our enhanced digital tools suite for investment staff (CATALYST) providing better screening, market landscapes, forward calendars and access to Cambridge manager research comments and due diligence that we expect will make Cambridge/staff collaboration better and more efficient
4. Finally, we were pleased to welcome a number of staff and Board members to our annual client conference earlier this year and hope to see even more FPPA participants at our Spring '27 PI Summit in Washington DC



Fire & Police Pension Association Board of Directors

Memorandum

To:

Board of Directors

From:

Chip Weule, Chief Benefits Officer

Regarding

September 2026 Self-Directed Plans Committee Summary

Date:

October 1, 2026

The items below highlight selected topics from our September 22, 2026, SDPC meeting:

Investment Matters

1. **Fidelity International Small Cap Fund-** Mariner will provide quarterly updates on investment fund performance, discussed mega IPOs and their impacts on the indexes, highlighted concentration within emerging market, and illustrated the reason for the recent large cap value fund's underperformance (no change necessary at this point).
2. **FPPA Staff Financial Wellness Education-** Joe Carter presented to FPPA staff on September 22, 2026. This education session focused on the self-directed plans' asset classes, fees, and investment performance in greater detail. He also took a deeper dive into the investment options available through the plans, discussing the differences between active and passive investment management, breaking down various types of investment fees, and highlighting the different asset classes offered within the plans.

Recordkeeping and Operations

1. **Recordkeeping Fee Reductions-** Fidelity's recordkeeping fees will be reduced from 0.0675% to 0.0640% effective July 1, 2026 (see note below under Legislative and Fiduciary for a complete description).
2. **Fidelity Managed Account (PP&A)-** Fidelity is enhancing their Personalized Planning & Advice (PP&A) services. For younger participants, Fidelity is modifying how they factor in potential income growth and changes in savings behavior over time giving Fidelity's advisors a more complete picture of the participant's ability to take on equity risk as they progress in their careers. Fidelity is also strengthening how they account for participants who indicate a higher willingness to assume equity risk. By giving more weight to those preferences, their portfolios may reflect additional equity exposure. The intended outcome is a more finely tuned portfolio that better reflects each participant's full retirement picture. Participants will also benefit from a refreshed user experience.

3. **Reentries and Affiliations-**

Ft. Lupton PD- the accounts were valued and liquidated on September 8, 2026. The monies were wired on September 10, 2026. The review and approval of the live files and Discrepancy Report have been completed and approved. We're waiting for final word from Fidelity that the blackout has been lifted so we can notify the participants (we anticipate the blackout will be lifted by the end of September).

Clear Creek County Sheriff- we are working to get a call scheduled. We are waiting to hear from Kevin Seamans, Fidelity implementation manager, about what dates and times will work for the County, their current recordkeeper, and the Fidelity team.

Other Interested Departments- We have also had some interest from Northglenn PD, Grand Junction PD, Eagle PD, Estes Park PD. At this time, we do not have any other departments engaged in the reentry or affiliation process.

Legislative and Fiduciary

1. **Recordkeeping Contract Amendment-** the committee voted to amend our contract with Fidelity, specifically changing the number of onsite and virtual days staffed by Fidelity's Workforce Financial Consultants. The amendment reflects a change from 48 in-person days per year to 24 in-person days (still staffed by Zach O'Hayre) and adding 36 virtual days (staffed by both Zach O'Hayre and Juliann Vidaurri. This amendment also results in reduced recordkeeping fees. The reduction from 6.75 bps to 6.40 bps will be retroactively effective starting July 1, 2026.
2. **Upcoming Meeting Dates-**
 - a. NAGDCA Conference: September 27-30, 2026
 - b. Fidelity Benefits Summit: September 28-30, 2026
 - c. November 3, 2026 (12:00pm–3:00pm MT)

Communication and Education

1. **Campaigns–**
 - a. **Engagement Campaign-** the campaign is being sent to Members with a balance in the Money Purchase Component. These are Members with an SRA. The campaign was mailed on August 26, 2026.
 - b. **Hispanic Heritage Month-** the campaign runs from September 15 through October 15. Resources were sent on August 11, 2026.
 - c. **Cyber Awareness Workshop-** this webinar is scheduled for Tuesday, September 29, 2026, at 10 a.m. Mountain Time. Fidelity sent promotional emails on September 1 and 15, 2026.
 - d. **Women Talk Money-** this is a three-part webinar series starting October 14, 2026. During this series, Members will hear perspectives on money and career from the Women Talk Money team and special guests Mariska Hargitay, Emmy and Golden Globe Award-winning actress, and Llona Maher, Olympic Bronze Medalist and Team USA Rugby athlete.
 - e. **National Retirement Security Month for the Public Sector-** October 1-31 to encourage public sector workers to take action to prepare for and save for retirement.
 - f. **Beneficiary Campaign-** this campaign will be a spooky campaign going out in October.

A complete list of discussion items and presentation materials can be found in the Self-Directed Plans materials.



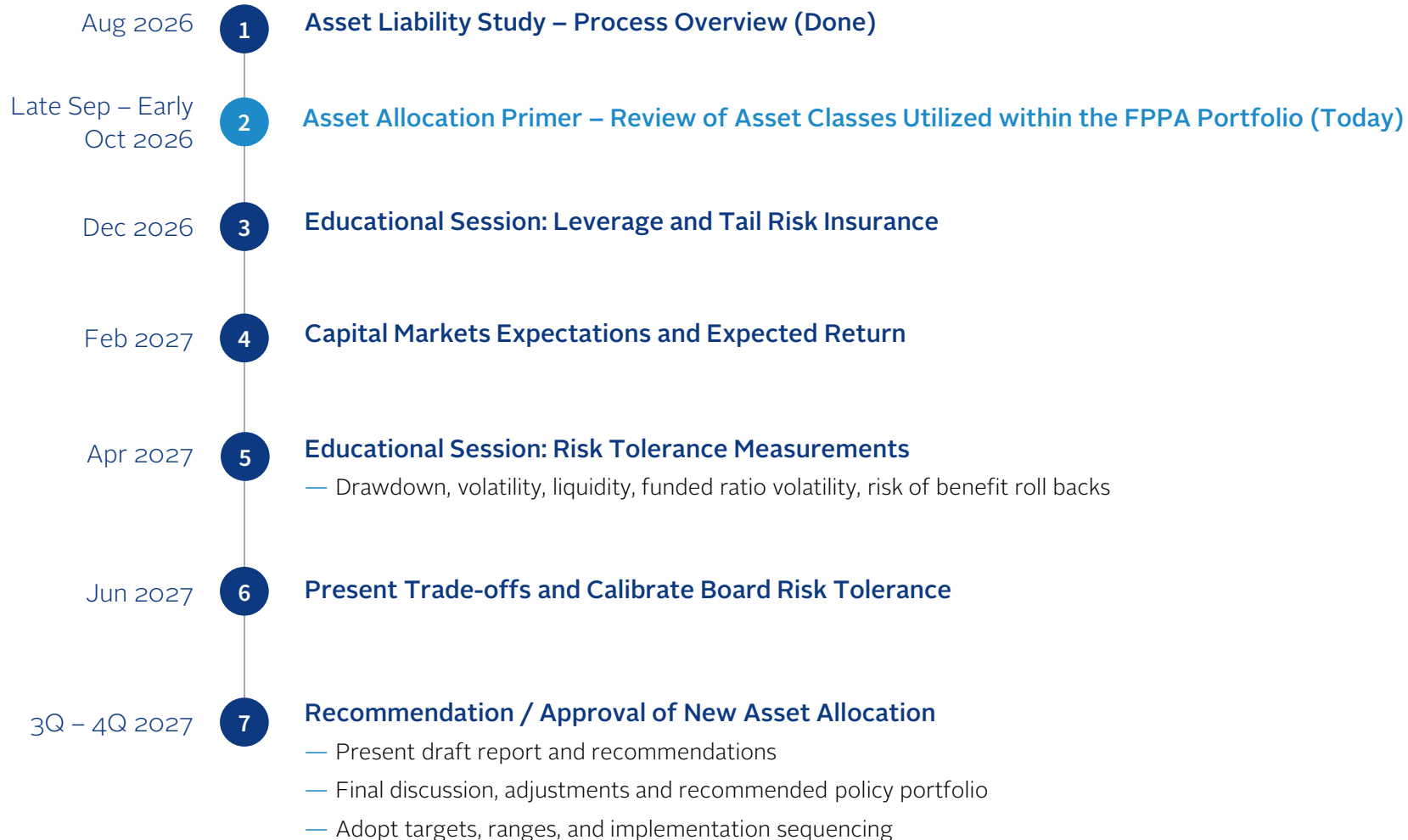
CAMBRIDGE
ASSOCIATES

Colorado FPPA

Asset Allocation Primer

October 2026

Expected topics built around Board meeting calendar



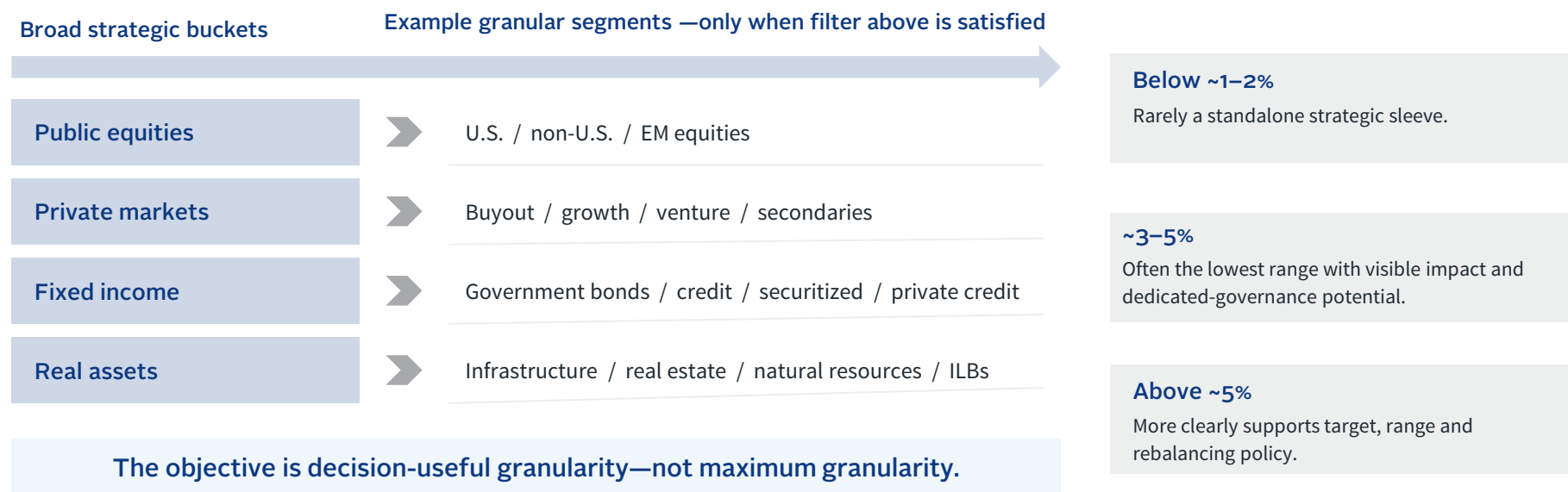
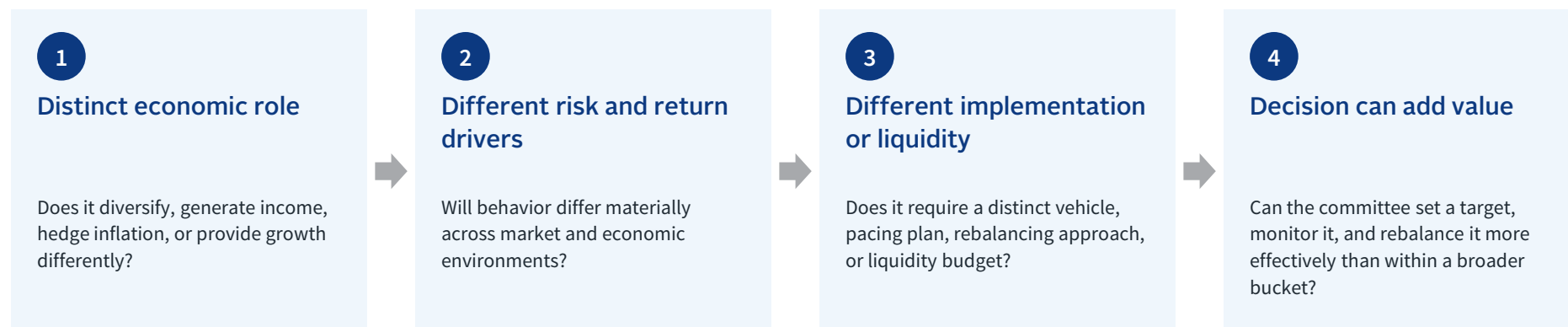
Sequence and timeline illustrative; final dates will come into more focus as timeline and project evolves.

Asset Allocation Background

- **Asset Allocation is the Primary Driver of Long-Term Portfolio Performance**
 - The decision of *what* to own and *in what proportion* matters even more than individual manager selection
 - Two core questions drive the process: which asset classes belong in the portfolio, and how should they be combined?
- **Every Asset Class in the FPPA Portfolio Serves a Distinct Purpose**
 - Each is included not for standalone return, but for the specific role it plays in managing total portfolio risk and return
 - Asset classes span the risk/return spectrum — from capital preservation to long-term growth
- **Diversification Expands the Efficient Frontier**
 - Combining uncorrelated assets shifts the risk/return curve, enabling more return for a given level of risk — or less risk for the same return target
 - A "well-diversified" portfolio outperforms a simple stock/bond mix over a full market cycle
- **Quantitative Inputs Inform the Model, But Qualitative Judgment Drives Implementation**
 - Expected return, volatility, and correlation assumptions are critical inputs
 - Understanding *why* an asset class belongs in the portfolio is equally as important as the numbers behind it
- **In Today's Environment, a Multi-Asset Approach Is Essential**
 - Achieving FPPA's required risk-adjusted returns demands deliberate exposure across public equity, private capital, fixed income, diversifiers, and credit

Segment asset classes only when the distinction changes a decision

Strategic segmentation should reflect economically distinct choices—not simply more detailed labels.

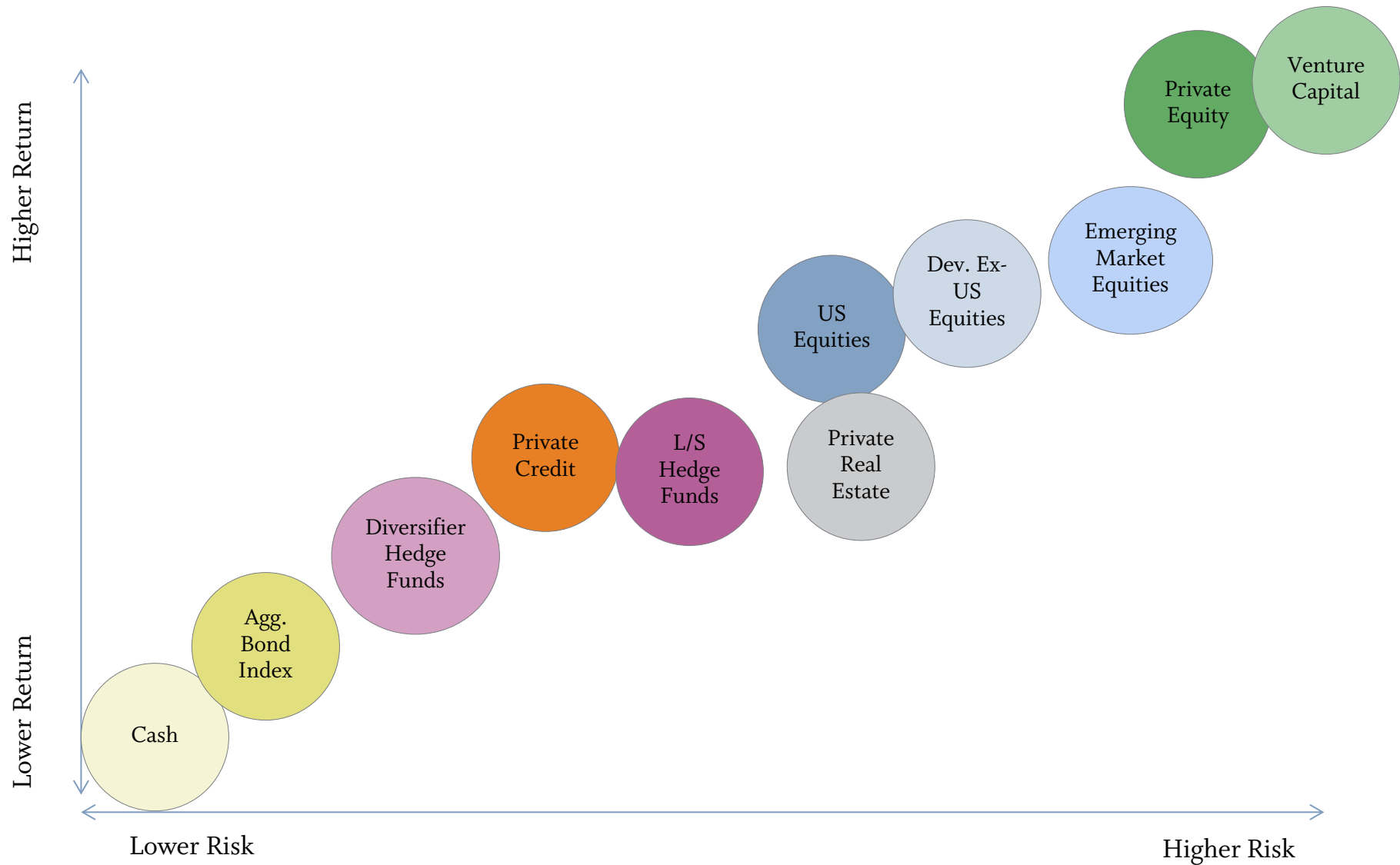


Create a separate policy allocation when the exposure has a distinct portfolio role and the governance process can act on that distinction. Otherwise, retain flexibility within a broader strategic bucket.

Overview of Portfolio Construction

Asset Class Risk/Return Spectrum

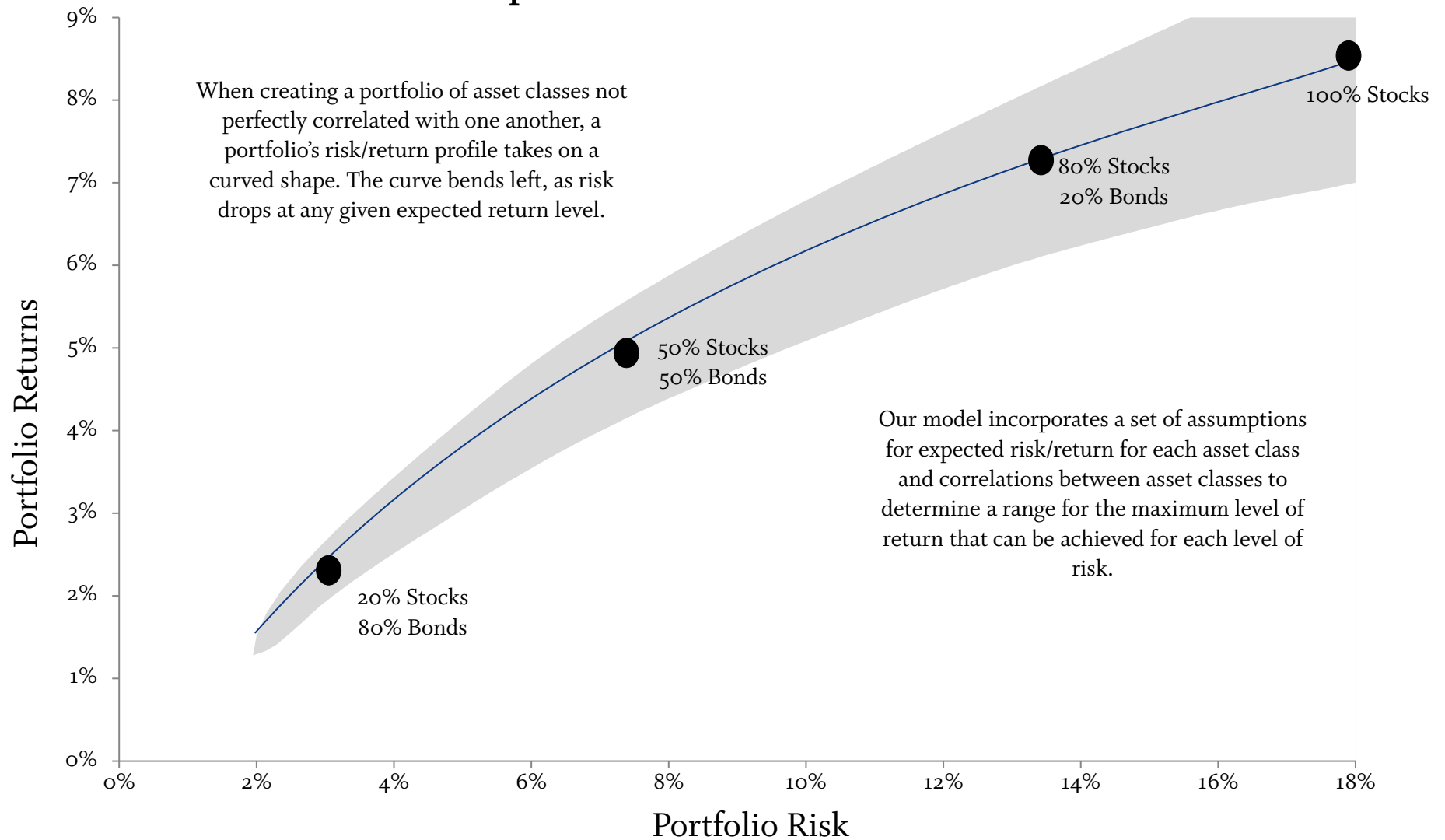
Different asset classes are characterized by different levels of risk



Correlation

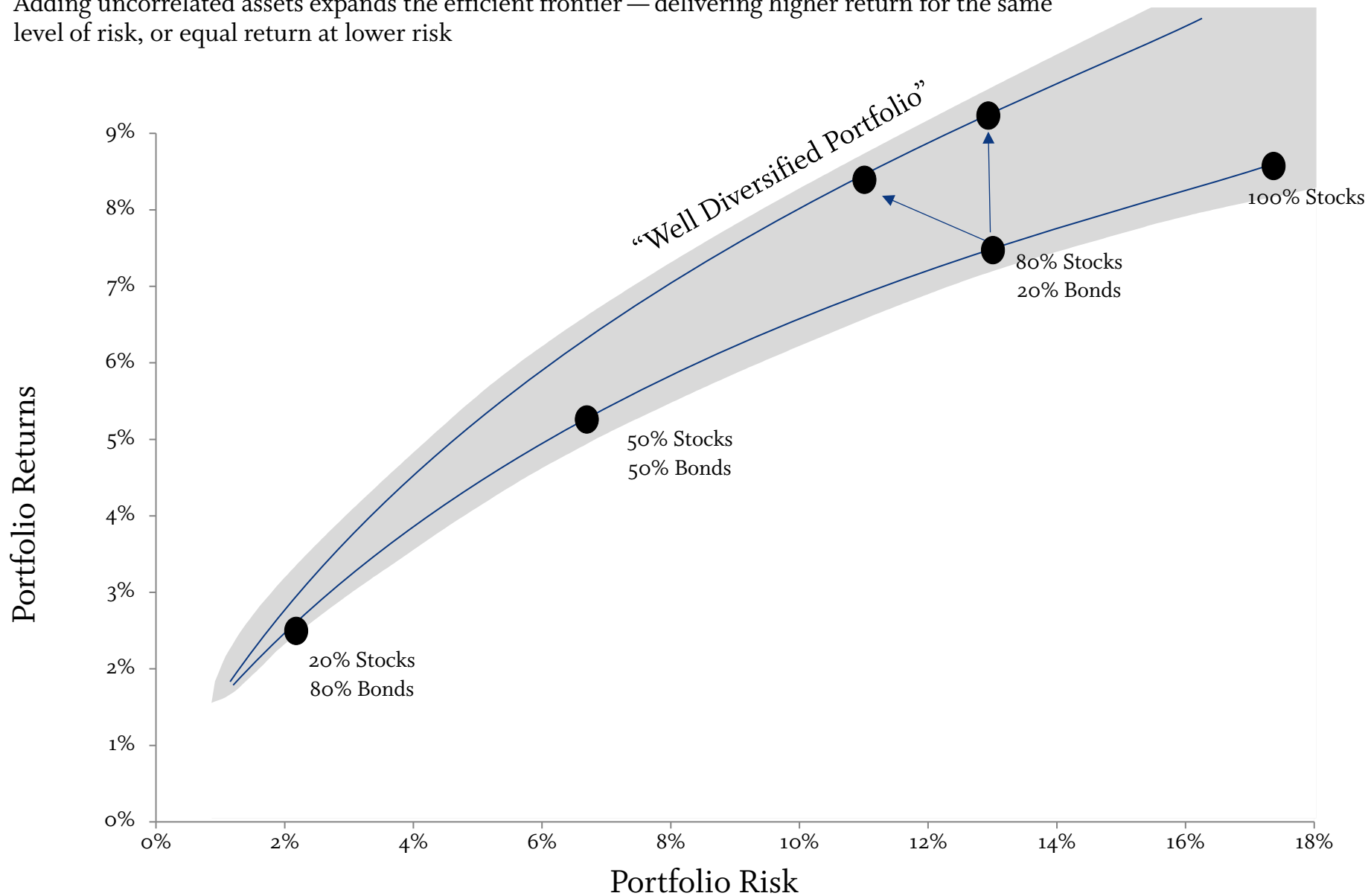
Goal is to optimize the risk-adjusted return in a portfolio

Example: A Portfolio of Stocks and Bonds



A “Well Diversified” Portfolio

- Adding uncorrelated assets expands the efficient frontier — delivering higher return for the same level of risk, or equal return at lower risk



Sensitivity of Asset Class Returns to Inflation

Sensitivity of asset class returns to inflation

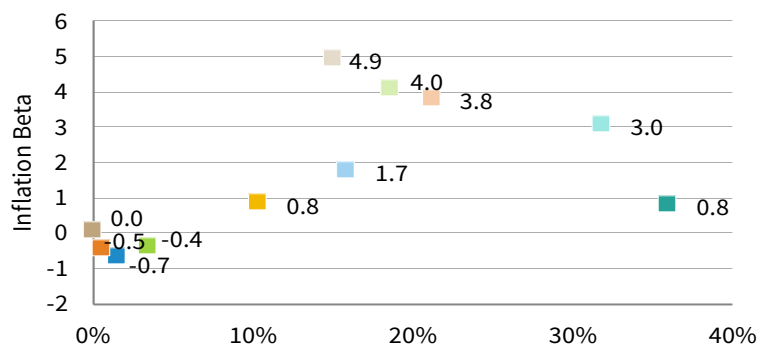
1973–2025

This exhibit portrays one measure of inflation sensitivity (inflation beta) over a specific period in history.

The table to the right shows the strength of that relationship (R^2) and the standard deviation. The equal-weighted basket represents the impact of diversification within an inflation-protection strategy and is not necessarily an appropriate or desirable policy.

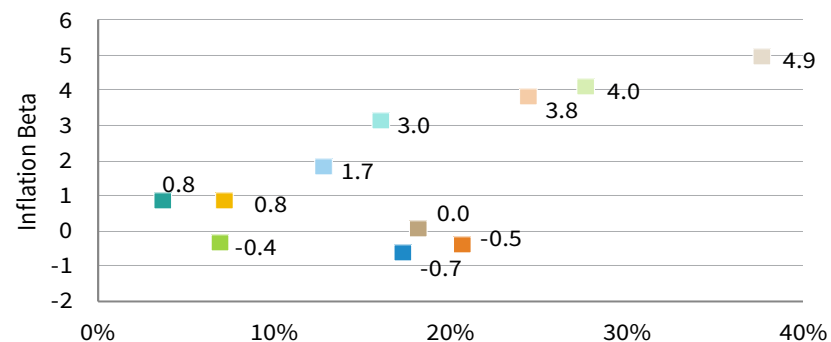
The graphs below plot the statistics shown in the table. The R^2 versus inflation is quite low for all of the asset classes and for the basket. However, the basket is generally less volatile and has a somewhat stronger and more stable relationship with inflation than the individual asset classes.

Strength of inflation relationship



	Symbol	Vs. inflation		Standard deviation
		Beta	R^2	
US Equity	USE	-0.7	2%	17%
Global ex US Equity	GE	-0.5	1%	21%
US Fixed Income	FI	-0.4	3%	7%
REITs	REIT	0.0	0%	18%
Cash	CASH	0.8	36%	4%
Real Estate	RE	0.8	10%	7%
Timber	TBR	1.7	16%	13%
Commodities	COMM	3.8	21%	24%
Gold (Prices)	GOLD	4.0	19%	28%
Oil & Gas (Prices)	OG	4.9	15%	38%
Equal Weighted	BSKT	3.0	32%	16%

Inflation beta vs. volatility



Sources: Bloomberg Index Services Limited, FTSE International Limited, Hancock Timber Resources Group, Intercontinental Exchange Inc., MSCI Inc., National Association of Real Estate Investment Trusts, National Council of Real Estate Investment Fiduciaries, Standard & Poor's, Thomson Reuters Datastream, and U.S. Department of Labor - Bureau of Labor Statistics. MSCI data provided "as is" without any express or implied warranties.

Notes: Inflation betas measure the sensitivity to inflation. An inflation beta of more than 1 implies that an asset class is expected to return in multiples over inflation during periods of high inflation. The 91-Day Treasury Bill Index represents returns calculated using yield data from the Federal Reserve from 1970 to 1977 and the ICE BofA ML 91-Day Treasury Bill Index from 1978 to present. Timberland data for 1973 through 1986 are the John Hancock Timberland Index, 1987 through present are the NCREIF Timberland Index.

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Global Public Equities

Global Public Equity

- The role of the Global Public Equity allocation is to drive long-term returns through exposure to publicly traded companies and markets
 - Within global public equity, investments may be considered based upon exposures such as geography, market capitalization, and style
- Exposure to public equity can be accessed through passive funds, active managers, and equity overlays
- Public equities provide an excellent source of liquidity when growth assets are performing well
 - Conversely, drawing liquidity from public equities during periods of decline can prove costly
- Strategies in this asset class are primarily long-only, meaning managers do not take short positions
- Public equity markets are mark to market daily (when markets are open) and are subject to periods of significant volatility

Public Equity Considerations



Risk of Loss

Public equity markets are subject to both market and company-specific risks which can greatly diminish the value of an investment. Equity investing is a zero-sum game: one individual's gain are offset by another's losses.



Volatility

Public equity market characteristics vary by size, region, type, etc.; however, all display significant uncertainty leading to price volatility. The use of derivative securities can either enhance or reduce the volatility felt by investors.



Fees

Public markets can be accessed through a variety of means with different fees attached to each. Investors incur broker fees, transaction fees, management fees, and tax associates with realized gains. Fees can range from minimal to pronounced.

Key Dimensions of Public Equity Investing

Geography

- US Equity
- Developed Markets (i.e. Japan, Germany, France, etc.)
- Emerging Markets (i.e. China, Brazil, Russia, etc.)
- Single Country/Regional

Market Cap

- Mega, Large, Mid, Small, Micro – this is the size of the company
- Smaller caps may generate higher risk-adjusted returns vs. larger caps, but they are typically less liquid

Style

- Value – investing in companies that are undervalued, often using metrics like P/B, P/E, and dividend yield; often invest in companies/industries that are out of favor
- Growth – investing in companies that will grow faster than the market expects

There is a wide range of sub-asset classes and strategies under global public equities

Sub-Asset Class	Key Characteristics	Highlights	Considerations	Risk Level	Return Potential
Developed Market Large Cap e.g. S&P 500, MSCI World	Highly liquid, well-researched companies in mature economies; low tracking error to broad benchmarks; dominated by mega-cap technology and consumer names	High liquidity; low cost of implementation; strong long-term return history; easy to access via passive vehicles	Highly efficient market limits alpha generation; concentrated in a small number of mega-cap names; limited valuation upside in expensive markets	Medium	Medium
Developed Market Small/Mid Cap	Less analyst coverage and liquidity than large cap; greater exposure to domestic economic cycles; higher dispersion of returns across names	Greater alpha opportunity due to market inefficiency; higher long-term return premium vs. large cap; more diverse sector exposure	Higher volatility and drawdowns; less liquidity; more sensitive to economic slowdowns	Medium-High	Medium-High
Emerging Markets (EM)	Exposure to faster-growing economies in Asia, Latin America, and EMEA; higher geopolitical and currency risk; significant index concentration in China, India, Taiwan, and Korea	Long-term growth potential; diversification benefits; valuation discount vs. developed markets	Political and regulatory risk; currency volatility; governance concerns; liquidity can be limited in frontier markets	High	High
Frontier Markets	Pre-emerging market economies with nascent capital markets; very low liquidity and limited institutional infrastructure; high country-specific risk	Very low correlation to developed markets; significant long-term growth potential; early-mover valuation advantage	Very illiquid; high governance and political risk; limited data and transparency; difficult to exit positions	Very High	Very High
Global Equity e.g. MSCI ACWI	Blended exposure across developed and emerging markets; managed against broad benchmarks such as MSCI ACWI; allows tactical allocation across geographies	Broad diversification; single portfolio solution; flexibility for managers to rotate across regions	Benchmark hugging risk; EM allocation often too small to meaningfully diversify; currency complexity	Medium	Medium
Factor / Smart Beta	Rules-based strategies targeting systematic risk premia such as value, momentum, quality, low volatility, and size; sits between passive and active management	Lower cost than active management; transparent and rules-based; proven long-term factor premia	Factor cyclicality can lead to prolonged underperformance; crowding risk as strategies become popular; limited downside protection	Medium	Medium-High
Sector / Thematic Equity	Concentrated exposure to specific sectors (e.g. technology, healthcare) or themes (e.g. clean energy, AI); higher idiosyncratic risk than broad market strategies	Targeted expression of high-conviction views; potential for outsized returns in high-growth themes	High concentration risk; theme or sector can underperform for extended periods; valuation risk in popular themes	High	High

Note(s): Risk level and return potential are relative assessments across public equity sub-asset classes, not absolute forecasts. Index examples are illustrative.

Private Capital

Private Capital

- Private Capital consists of investments in private partnerships or direct ownership interests that are not publicly for sale
- The role of the Private Capital allocation is implemented to drive long term returns in excess of public equity markets
- Private Capital exposure can only be accessed through active managers
 - Large dispersion of individual fund performance make the asset class ripe for research driven alpha-generation
 - Managers have multiple levers available to drive value in fund investments
- Funds are illiquid and may take many years to realize a return on invested capital
- Investment opportunities within Private Capital span the risk/reward spectrum and include Growth/Enhanced returns (Private Equity, Venture Capital), Hybrid (Real Estate, Natural Resources), less correlated/inflation sensitive (infrastructure, timberland, etc)
- It may take years to build a Private Capital program in a portfolio and capital calls may occur at any time – necessitating robust commitment and liquidity planning
- Private investments are not valued as often as public equity, leading to lower observed volatility – though they are still economically linked to public markets
- Retail-oriented "semi-liquid/interval" funds purporting to offer liquid access to private company exposure remain unproven and less relevant for institutional portfolios

Private Investment Considerations



Liquidity

LPs are 'locked-in' for the duration of the investment period (or fund) and are unable to redeem their committed capital on request during that period.

Private investments have relatively long holding periods until realization.



Risk of Loss

Private investments are difficult to source, and managers must create value during the holding period.

Private companies face significant business and operational risks, with a high probability of capital loss for investors.



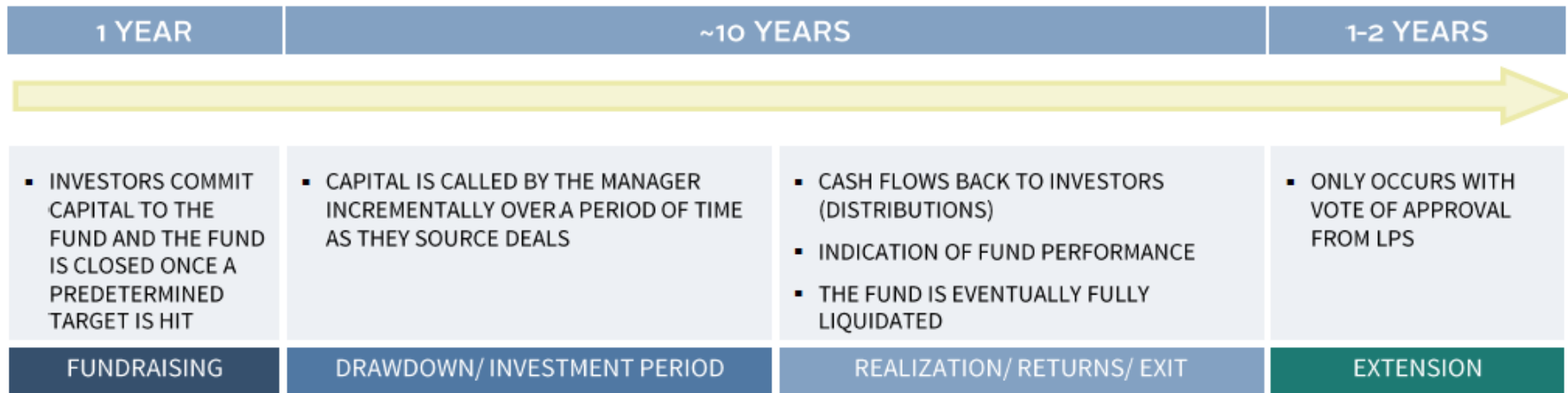
Fees

Private equity managers typically charge higher fees as compared to public equity managers.

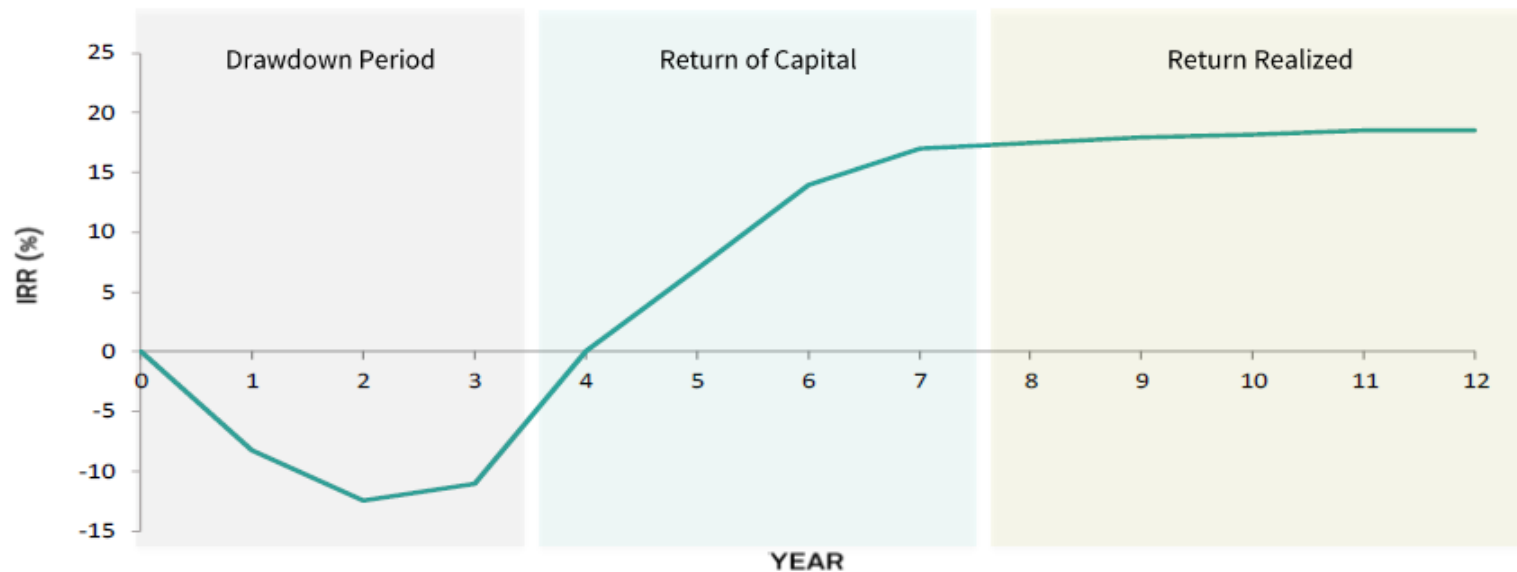
Fees include both high management fees and carried interest charged on profits earned by the manager.

Lifecycle of a Private Investment

Private funds are raised in series; a typical private investment firm raises a new fund every 2-4 years



ILLUSTRATIVE CASH FLOWS FOR A PRIVATE FUND ("J-CURVE")



Private Capital Sub-Asset Classes

Private capital span a broad range of sub-asset classes

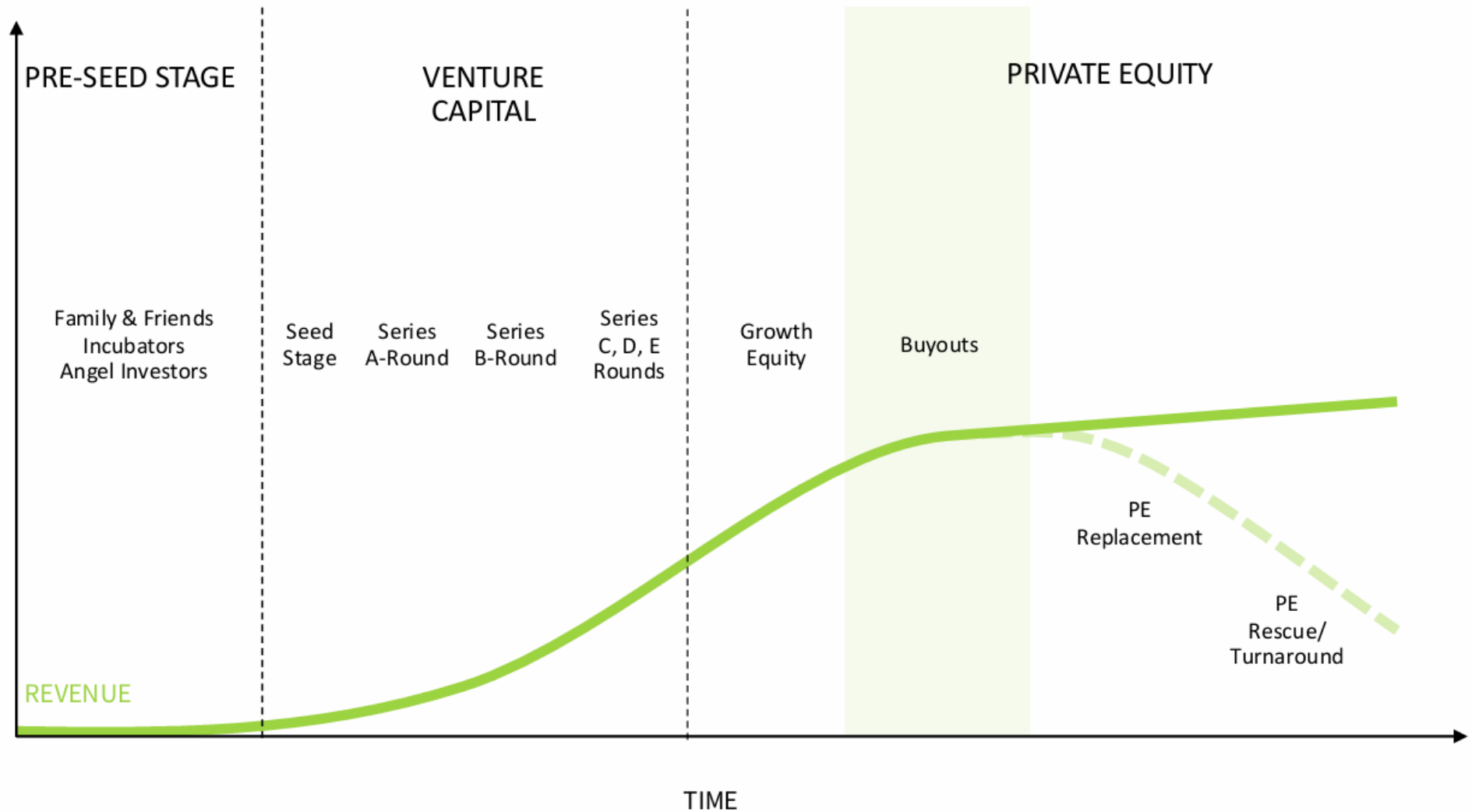
Category	Asset Class	DEFINED	ROLE IN Portfolio	Return Potential	VOLATILITY / Risk of Capital Loss ¹	LIQUIDITY
PUBLIC EQUITIES	Public Equities	Ownership in public companies	Long-term growth driver; liquidity	Medium-High	Medium	High
FIXED INCOME (BONDS)	Bonds	Loans to issuers	Liquidity; downside protection	Low	Low	High
DIVERSIFIERS	Hedge Funds	Pursuit of various strategies across asset classes	Downside protection	Medium	Medium	Medium
PRIVATE INVESTMENT	Venture Capital	Minority ownership in nascent companies	Growth in excess of public markets	High	High	Low
	Growth Equity	Majority or minority ownership in growing companies that are more established than venture targets	Growth in excess of public markets	High	High	Low
	Buyouts ("LBOs") ¹	Controlling share in a business with positive earning potential	Growth in excess of public markets	High	High	Low
	Secondaries	Purchase of existing stakes in private investment funds or portfolios from existing investors seeking liquidity	Diversification; accelerated capital deployment with reduced J-curve effect	Medium-High	Medium	Low
	Private Credit	Investments in the form of loans to a company, or against a pool of assets, in exchange for interest payments; can also include investments in companies or assets under stress	Diversification	Medium	Medium	Medium
	Real Assets	Ownership in tangible properties	Yield, diversification, return enhancement, and/or inflation sensitivity ¹	Low-Medium	Low-Medium	Low-Medium

¹For private investments, risk is measured as the potential of capital loss (not volatility)

²Also commonly referred to as Leveraged Buyouts (LBOs)

³Role of real estate depends on the risk profile of the investment. For example, investments in core real estate properties offer yield vs. investments in ground of development, which offer return enhancement for a portfolio.

Private Investing and the Target Company's Life Cycle

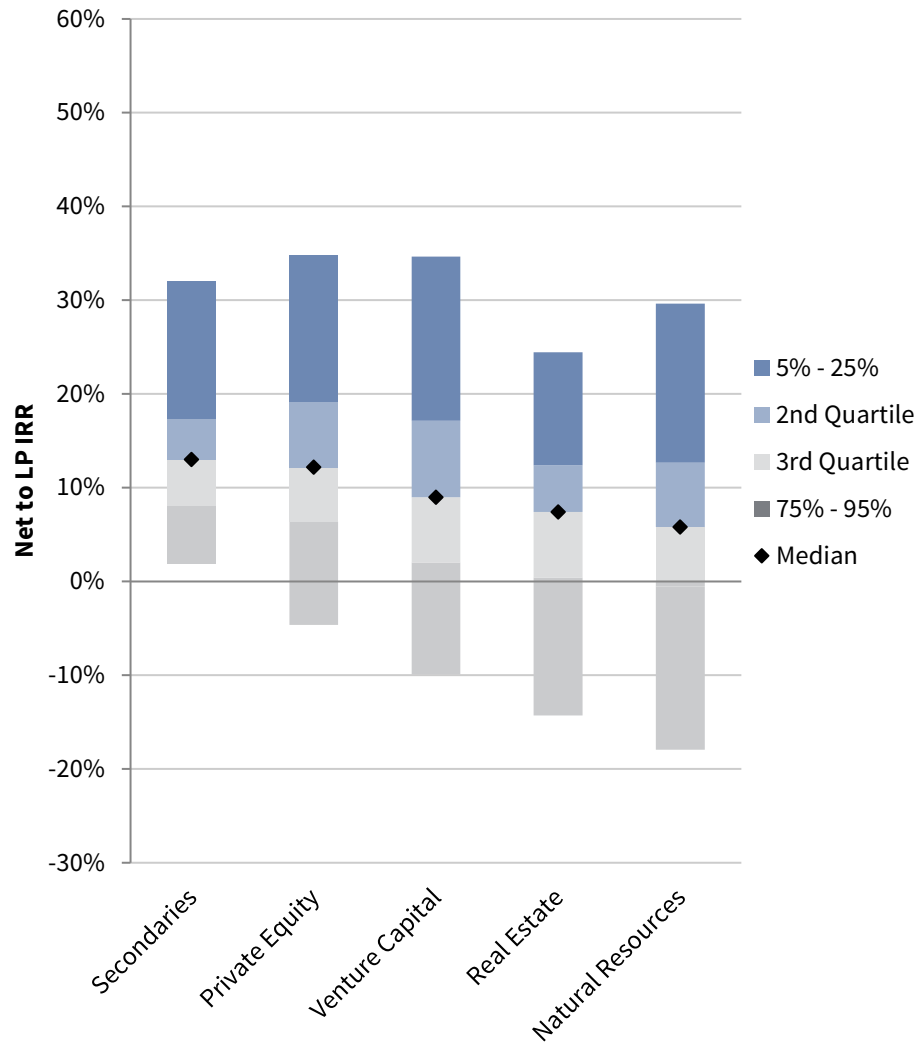


Note(s): revenue line for illustrative purposes only.

There is a wide dispersion in returns within private investments

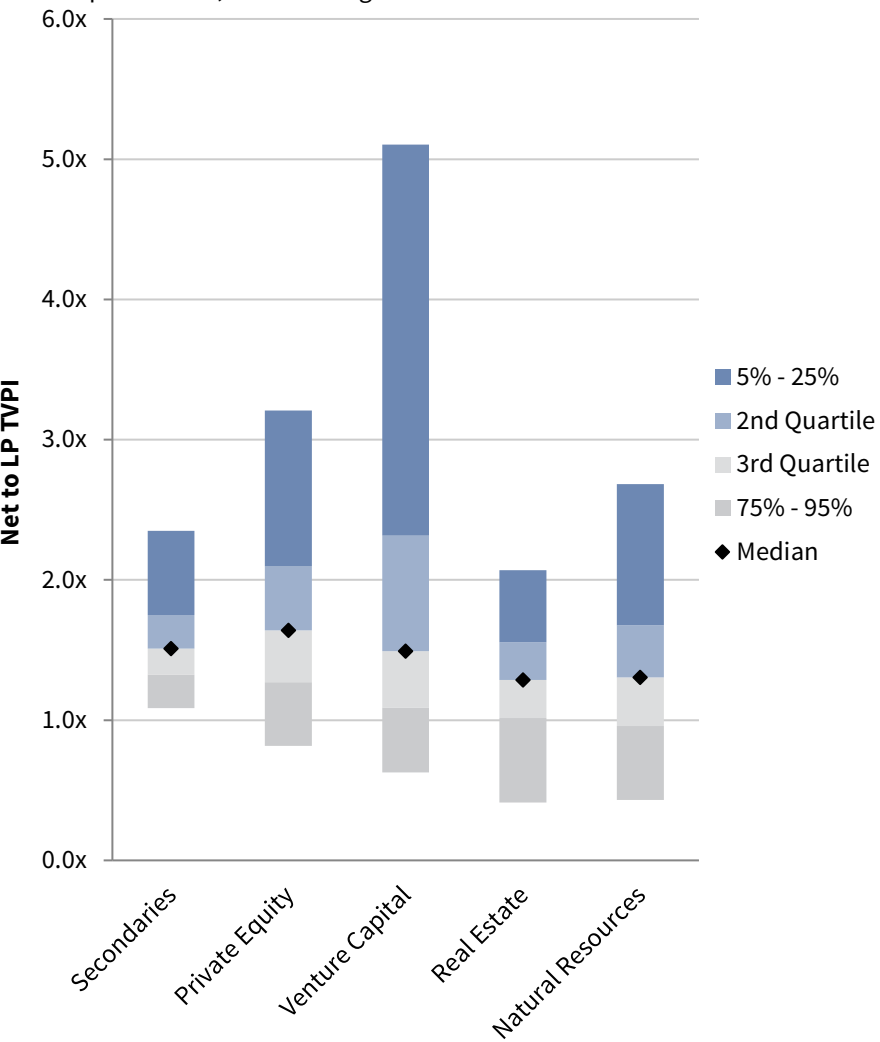
Return Dispersion by Asset Class: IRR

As of September 30, 2025 • Vintage Years 2003-2022



Return Dispersion by Asset Class: TVPI

As of September 30, 2025 • Vintage Years 2003-2022



Source(s): Cambridge Associates LLC.

Note(s): Pooled returns are net of fees, expenses, and carried interest. Private equity includes buyout and growth equity funds. Natural resources includes private equity energy, energy upstream & royalties, and timber funds. All asset classes listed are global. Funds less than three years old are considered too young to have produced meaningful returns; those vintages have been excluded from this analysis.

Private Equity

Buyouts

Controlling stakes in mature, private or public companies using equity + debt

Key Characteristics

- Buyouts involve acquiring a controlling stake in a company using a combination of equity and debt, with leverage typically comprising 50–70% of the purchase price, amplifying potential returns for the PE sponsor.
- Target companies are generally mature, cash-flow-generative businesses that can reliably service acquisition debt, often including corporate carve-outs, family-owned businesses, or undervalued public companies taken private.
- Value creation is driven by operational improvements, financial deleveraging, and multiple expansion, with sponsors actively working to reduce costs, grow revenues, and pay down debt over the holding period.
- The typical investment horizon spans 3–7 years, after which sponsors exit via an IPO, strategic sale to a corporate buyer, or a secondary sale to another PE firm.
- As an asset class, buyouts sit at the higher end of the private equity risk/return spectrum, offering the potential for outsized gains relative to public equities in exchange for illiquidity, concentration risk, and a typical fund life of 10 years.
- **Targeted gross IRRs for buyout strategies typically range from 20–25%**, translating to net IRRs of approximately 15–20% after fees and carry

Highlights

- ✓ **Higher return potential** — buyouts have historically delivered a meaningful premium over public equities, driven by leverage, operational improvements, and active ownership.
- ✓ **Active value creation** — sponsors take a hands-on approach to improving operations and strategy, giving them direct influence over outcomes.
- ✓ **Portfolio diversification** — buyouts provide exposure to private companies and industries not accessible through public markets.
- ✓ **Lower risk profile** — buyout targets are generally mature, cash-flow-generative businesses, resulting in a more modest risk profile relative to VC and Growth Equity strategies.
- ✓ **Alignment of interests** — the carried interest and GP co-investment structure ensures managers are incentivized to generate strong returns for LPs.

Considerations

- ✗ **Leverage risk** — significant use of debt amplifies losses as well as gains, leaving portfolio companies more vulnerable in downturns or rising rate environments.
- ✗ **Illiquidity** — capital is locked up for typically 10 years, making it unsuitable for investors with near-term liquidity needs.
- ✗ **High fees** — the “2 and 20” structure meaningfully erodes net returns compared to lower-cost public market alternatives.
- ✗ **Wide manager dispersion** — buyout returns vary significantly across managers, making manager selection critical and difficult to get right.
- ✗ **Deferred returns** — capital is typically locked up for the duration of the fund life, with meaningful distributions often not realized until years after the initial investment.

Growth Equity

Minority or majority stakes in fast-growing, proven businesses

Key Characteristics

- Growth equity occupies the space between venture capital and buyouts, targeting companies that have proven their business model and reached an inflection point requiring capital to scale.
- Target companies are typically founder-owned, have received little or no prior institutional capital, and are generating substantial organic revenue growth, often in excess of 10-20% annually.
- Managers generally take minority stakes using little or no leverage, and secure protective shareholder rights and governance provisions to mitigate the risks of minority ownership.
- As an asset class, growth equity sits between venture capital and buyouts on the risk/return spectrum, offering more downside protection than venture capital due to investing in proven business models, while capturing more upside than traditional buyouts through higher growth trajectories.
- Value creation is primarily driven by revenue growth and business scaling rather than financial engineering or cost cutting, making it more dependent on the underlying company's ability to execute on its growth plan.
- **Targeted net IRRs typically range from 20–30%**, reflecting the higher growth potential of target companies but also the greater execution risk compared to mature buyout targets.

Highlights

- ✓ **High growth potential** — by investing in companies at an inflection point, growth equity offers significant upside as businesses scale revenues and expand into new markets.
- ✓ **Lower leverage risk** — transactions are predominantly equity-financed, meaning portfolio companies are not burdened with debt and are less vulnerable to economic downturns or rising interest rates.
- ✓ **Downside protection relative to VC** — target companies are already proven, revenue-generating businesses, reducing the binary risk of early-stage venture investing.
- ✓ **Diversification across sectors** — growth equity strategies frequently invest across technology, healthcare, and consumer sectors, providing broad exposure to innovative, high-growth industries.
- ✓ **Shorter path to exit** — compared to buyouts, growth equity companies are often closer to an IPO-ready stage, potentially offering a faster route to liquidity and realized returns.

Considerations

- ✗ **Minority stake limits control** — without a controlling interest, sponsors have limited ability to influence strategic decisions or force operational changes if the company underperforms.
- ✗ **Execution risk** — returns are heavily dependent on the company's ability to sustain high growth, which is inherently uncertain and sensitive to competitive and market dynamics.
- ✗ **Valuation risk** — target companies often command high valuations despite not yet being profitable.
- ✗ **Illiquidity** — like buyouts, capital is locked up for several years with limited options for early exit, particularly if an IPO market is unfavorable.
- ✗ **Competitive sourcing landscape** — as private markets have grown, deal flow has become increasingly crowded, making it harder to identify and win access to the most attractive opportunities at reasonable valuations.

Venture Capital

Minority ownership in early-stage, high-growth innovative companies

Key Characteristics

- Venture capital involves taking minority equity stakes in early-stage, high-growth companies with disruptive potential but unproven business models, making it the highest-risk, highest-reward segment of the private equity spectrum.
- Transactions are entirely equity-financed with no leverage, as portfolio companies typically lack the stable cash flows needed to service debt, with value creation driven almost entirely by revenue growth and business model validation.
- Portfolio construction is deliberately diversified across many investments, as managers expect a small number of outsized winners to drive the majority of fund returns while many investments may return little or nothing.
- As an asset class, VC sits at the highest end of the private equity risk/return spectrum, offering the greatest potential for transformative returns but also the highest rate of total loss at the individual investment level.
- The typical investment horizon is 7–10 years, with exits achieved through an IPO or strategic acquisition
- **Targeted net IRRs typically range from 20–35%+,** reflecting the higher risk and return expectations of early-stage investing, though realized returns vary enormously across managers and vintages.

Highlights

- ✓ **Exceptional return potential** — a small number of outsized winners can generate returns that far exceed those of any other asset class, driving strong overall fund performance.
- ✓ **Exposure to innovation** — VC provides access to transformative, early-stage companies in high-growth sectors like technology and healthcare that are not accessible through public markets.
- ✓ **No leverage risk** — the absence of debt means portfolio companies are not at risk of financial distress from interest payments or covenant breaches.
- ✓ **Diversification** — VC returns have a low correlation to public markets, providing meaningful portfolio diversification benefits for institutional investors
- ✓ **Early-mover advantage** — investing at the earliest stages allows LPs to gain exposure to companies at the lowest possible valuations, maximizing the potential return multiple if the business scales successfully.

Considerations

- ✗ **Highest capital loss potential among private asset classes** — the majority of early-stage investments fail to return capital
- ✗ **Concentration risk** — often only 1–2 investments “make” a fund
- ✗ **Longest illiquidity** — with fund lives of 10+ years and uncertain exit timelines, VC is the most illiquid segment of the private equity spectrum.
- ✗ **High fees** — many VC charge higher management fees and carries interest even compared to Buyout managers
- ✗ **Extreme manager dispersion** — the difference in returns between top-quartile and bottom-quartile VC managers is wider than in any other asset class, making manager selection paramount.
- ✗ **Valuation uncertainty** — early-stage companies are difficult to value, leading to significant mark-to-model subjectivity and potential for abrupt write-downs.

Secondaries

Purchasing existing LP interests or portfolios of private assets in the secondary market

Key Characteristics

- Secondary investments involve purchasing pre-existing LP interests or portfolios of private assets from investors seeking liquidity in the secondary market, rather than committing capital to a new primary fund.
- Buyers acquire exposure to a diversified set of private assets spanning PE, VC, growth equity, credit, and real assets, often at a discount to the fund's net asset value (NAV), which enhances return potential.
- Secondaries significantly reduce the J-curve effect versus primary commitments because capital is deployed into more mature, partially realized assets, resulting in a faster return of capital to investors.
- Since the underlying assets are already partially visible and de-risked, secondaries carry lower blind-pool risk than primary commitments, allowing buyers to conduct more informed due diligence.
- The typical investment horizon is shorter than primary funds, often 3–5 years, as the underlying assets are already partway through their lifecycle and closer to exit.
- **Targeted net IRRs typically range from 10–15%**, reflecting the lower risk profile relative to primary funds, though returns vary depending on the discount achieved and the quality of the underlying portfolio.

Highlights

- ✓ **Mitigated J-curve** — buying into seasoned portfolios means investors avoid the early fee drag and negative returns typical of primary fund commitments.
- ✓ **Discounted entry** — purchasing interests below NAV provides an immediate margin of safety and enhances return potential.
- ✓ **Greater portfolio visibility** — buyers can conduct due diligence on an already-known portfolio of companies, reducing blind pool risk significantly.
- ✓ **Faster capital return** — shorter hold periods and more mature underlying assets mean distributions are returned to investors more quickly than in primary funds.
- ✓ **liquidity solution** — provides an exit mechanism for existing LPs needing to divest their interests ahead of a fund's natural end, adding flexibility to an otherwise illiquid asset class.

Considerations

- ✗ **Relatively lower return potential** — the reduced risk profile of secondaries comes at the cost of lower upside compared to primary buyout or VC funds.
- ✗ **Competitive market** — the secondaries market has grown significantly, increasing competition for deals and compressing discounts, which reduces the return advantage buyers once enjoyed.
- ✗ **Complexity and due diligence burden** — evaluating large portfolios of fund interests or direct assets requires significant resources and expertise to assess accurately.
- ✗ **Dependent on seller motivation** — the best deals arise from distressed or motivated sellers, which are not always available, making deal flow and pricing highly situational.
- ✗ **GP consent and transfer restrictions** — many fund agreements require GP approval for secondary transfers, which can slow or complicate deal execution and limit the universe of actionable opportunities.

Private Real Assets

Private Real Assets

Tangible, inflation-sensitive assets spanning real estate, infrastructure, natural resources, and energy

Key Characteristics

- Private real assets encompass a broad range of tangible, physical asset classes including real estate, infrastructure, natural resources, and timberland, united by their ability to generate stable cash flows and preserve capital over long time horizons.
- Returns are driven by a combination of current income and capital appreciation, with the income component typically derived from rents, tolls, royalties, or other contracted cash flows that provide a degree of return certainty.
- The asset class offers a natural hedge against inflation, as the value of physical assets and their associated cash flows tend to rise with inflation, making real assets a valuable diversifier in periods of rising prices.
- Transactions are typically large, capital-intensive, and illiquid, requiring long investment horizons and patient capital, with fund lives often extending to 10–15 years depending on the sub-strategy.
- Targeted net IRRs typically range from 4–15%, varying significantly by sub-strategy, with core infrastructure and real estate at the lower end and value-add or opportunistic strategies at the higher end.

Highlights

- ✓ **Inflation hedge** — physical assets and contracted cash flows tend to appreciate with inflation, providing meaningful protection in rising price environments.
- ✓ **Stable current income** — contracted cash flows from rents, tolls, and royalties provide a reliable income stream less dependent on market conditions.
- ✓ **Portfolio diversification** — real assets have a low correlation to traditional equity and fixed income markets, providing meaningful diversification benefits.
- ✓ **Capital preservation** — the tangible nature of physical assets provides downside protection, as underlying assets retain intrinsic value even in adverse conditions.
- ✓ **Illiquidity premium** — investors are compensated with a yield premium over comparable liquid instruments for committing capital to illiquid real assets.
- ✓ **Broad opportunities spectrum** — wide range of strategies from conservative core (income-focused) to high-return opportunistic (15%+ IRR), allowing portfolio customization by risk appetite.

Considerations

- ✗ **Illiquidity** — real asset investments are among the most illiquid in a portfolio, with long fund lives and limited secondary market activity making early exit difficult.
- ✗ **High capital requirements** — large transaction sizes can make it difficult for smaller institutions to achieve adequate diversification across sub-strategies.
- ✗ **Regulatory and political risk** — infrastructure and natural resource assets are subject to regulatory changes and government intervention that can materially impact returns.
- ✗ **Environmental and ESG risk** — natural resource and energy assets face increasing exposure to environmental liabilities, stranded asset risk, and evolving ESG standards.
- ✗ **High fees** — management fees and carried interest can meaningfully erode net returns compared to lower-cost public market alternatives.

The Building Blocks of a Real Assets Portfolio

Asset Class	Risk Profile	Sector	Strategy	Return Drivers	Target Returns	Target Income	Investment Options
REAL ESTATE	Core	Traditional—stabilized	Stabilized real estate assets in good locations, with in-place cashflows, inflation-linked and/or long duration leases, and typically open ended structures	Income	4–6%	3–4%	Offices, selective retail, logistics
	Core+	Traditional—standing assets	Standing real estate assets usually with in-place cashflows, inflation-linked and/or long duration leases, requiring minimal repositioning	Income	8–10%	3–4%	Logistics, ground leases (U.K.), Net Lease Strategies
	Value Add	Traditional and alternative with asset management/ (re)development	Assets requiring some repositioning with de-risked development. Alternative sectors typically demographic driven so provide a defensive return profile	Income, capital growth	11–13%	1–3%	Student Housing, Private Rented Sector (“PRS”), Senior Living, Healthcare
	Opportunistic	Traditional and alternative with (re)development, distress, corporates	Assets requiring significant repositioning, development risk, complex corporate or distress situations, operational risks	Capital growth	14%+	n/a	Public-to-Private, distress corporate transactions, ground up development
INFRASTRUCTURE	Core	PFI/PPP, Regulated	Assets with long term concession agreements with government or high credit worthy counterparties, equivalent landlord assets, or regulated assets that offer essential services with minimal competition, long term inflation linked revenues	Income	8–9%	5–9%	Gas and electricity networks, water / waste facilities, hospitals, schools, toll roads
	Core+	Economic Infrastructure	Monopoly like characteristics with some demand / economic risks and upside potential, some price regulation	Income, capital growth	9–12%	3–9%	Hub airports, seaports, contracted power assets, some mid-stream energy assets
	Value Add	Greenfield, demand exposed assets	Asset heavy unregulated operating companies, with complex operational risks and higher growth potential. Greenfield risk, particularly within renewables.	Income, capital growth	12–15%	5%	Regional transportation, greenfield renewables, digital infrastructure.
	Opportunistic	Emerging market, private equity like	Operating companies with monopolistic characteristics, but more demand risk and less price protection. Emerging markets particularly focused on energy and renewables.	Capital growth	15%+	n/a	Digital infrastructure, social healthcare, development, merchant power, emerging infrastructure assets.

Note: Target returns, investment periods, and terms are based on selected reported metrics by real assets fund managers in Cambridge Associates’ network.

The Building Blocks of a Real Assets Portfolio (Cont.)

Asset Class	Sector	Strategy	Return Drivers	Target Returns	Target Income	Investment Options
NATURAL RESOURCES	Energy	Assets that directly own or support Oil & Gas production and transportation, focused on acquisitions at discounted valuations and growing cash flows via increased production, improved operating efficiencies, and new contracts, significant commodity price risk	Income, capital growth	12–20%	0-12%	PE Energy, upstream oil & gas royalties, oilfield services, MLPs
	Mining	Assets directly tied to the discovery and production of raw materials, offers inflation protection, significant commodity price risk	Capital growth	20%	0-12%	PE M&M, precious metals, base metals, clay materials, quarry and mining services
	Agriculture	Farmland assets with long term investment horizons and protection against inflation, PE investments with short term cash flow growth initiatives, some commodity risk exposure	Income, capital growth	Tradition Farmland - 6% Agribusiness – 2%	4-6% (farmland)	Farmland REITS, land leases, crop royalties, harvest companies, farming services
	Timber	Assets with low correlation to traditional investments and long-term investment horizons, macro-economic performance drivers like housing and commercial construction	Income	4-12%	4-8%	Timber REITs, direct land resources, hardwood and softwood resource royalties

Note: Target returns, investment periods, and terms are based on selected reported metrics by real assets fund managers in Cambridge Associates' network.

Private Credit

What is private credit and what role does it play in a portfolio?



DEFINITION

Private credit represents borrowed money. In return for loaning money, investors receive a set level of cash flows, interest (coupon) payments, until a designated maturity date at which point repayment is made to the investor. Unlike a traditional bond, this investment occurs in a privately held company.

Private credit is typically higher yielding, illiquid investments. The structure of investments is more flexible given the private "one-off" nature of deals.



ROLE IN PORTFOLIO

Return Potential

Given investments are illiquid, returns are higher in private credit than traditional fixed income. Managers also have a greater ability to structure financing in an advantageous manner.

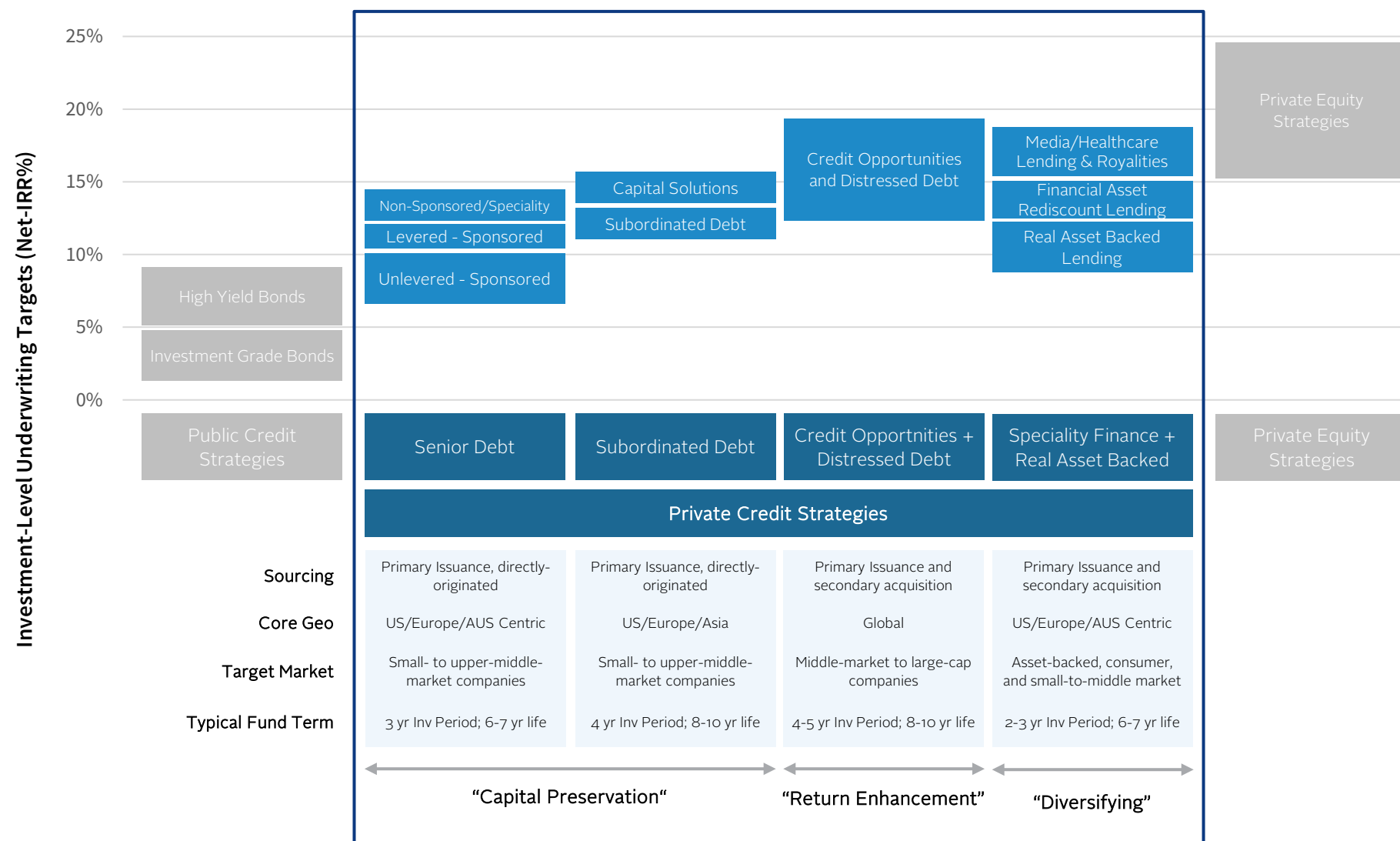
Deflation Hedging

Private credit acts as a store of value in a downturn and hedges against deflationary pressure. It helps further diversify a private investment program.

Characteristics of Private Credit Strategies

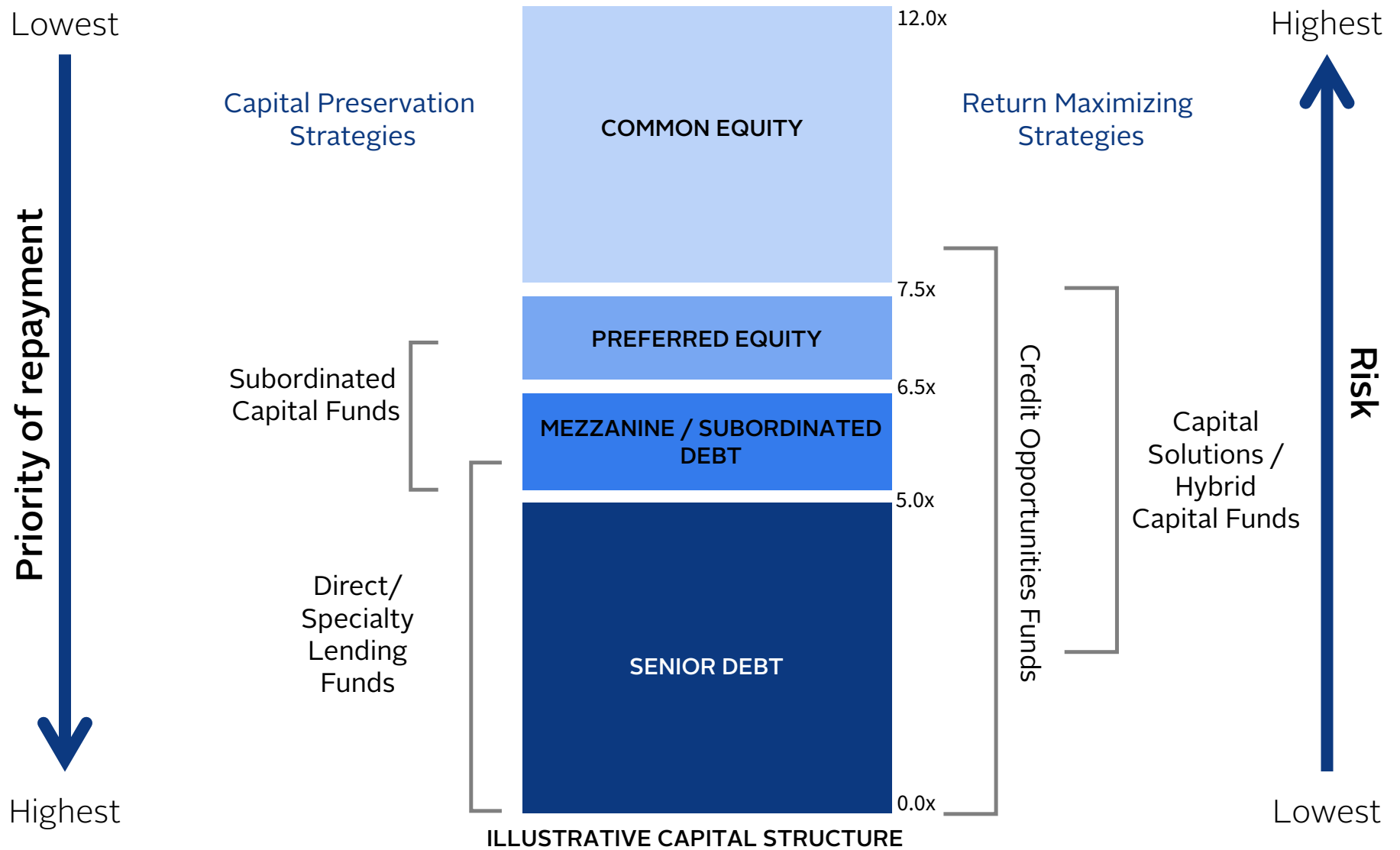
	Capital Preservation		Return Maximizing		Opportunistic, Niche	
	Senior Debt	Mezzanine	Capital Appreciation	Distressed Credit	Credit Opportunities	Specialty Finance
Strategy	Managers offer senior capital to finance private equity managers' buyouts	Managers offer junior capital to finance private managers' buyouts	Managers typically offer junior capital or purchase preferred equity of low-, mid-market firms seeking capital but reluctant to surrender control (to the extent of a private equity buyout)	Managers purchase debt obligations of distressed mid-, large-cap companies (distressed debt)	Managers offer complex financing arrangements across a broad array of industries	Managers purchase cash flows streams generated by a physical or financial asset within specific industries
Return Drivers	Interest payments	Interest payments	Interest payments Equity gains; Fees	Recovery of debt prices; Interest payments; Restructurings	Interest payments	Cash flow recovery through active servicing
Target Returns (Gross IRR)	6-10% (unlevered) 11-15% (levered)	13-17%	>15%	>15%	>15%	7-20%
Investment Period	2-3 years	4-5 years	4-5 years	2-3 years	2-4 years	2-4 years
Fund Life	5-8 years	8-10 years	8-10 years	6-10 years	5-7 years	5-8 years

Private credit is a broad opportunity set with a varying risk-return spectrum



Note: For illustrative purposes only.

Private Credit Strategies' Placement in the Capital Structure



Note: For illustrative purposes only.

Diversifiers

Diversifiers

- The role of the Diversifiers allocation is to provide a source of uncorrelated returns independent of equity and fixed income markets and reduce the volatility of total portfolio returns
 - Diversifier funds tend to exhibit low or negative correlation to equity markets and significantly lower volatility
- Fund managers have the flexibility to invest in many different asset classes
 - Equity
 - Fixed income, currencies
 - Futures, derivatives, commodities
- When the economy is strong, Diversifier funds are likely to lag equities but outperform bonds
- When the economy is weak, Diversifier funds are likely to outperform equities but lag bonds
- Diversifier managers should be evaluated based on their return potential, net of fees (management and performance)

Diversifiers Considerations



Fees

Diversifier managers typically charge higher fees as compared to public equity managers due to outperformance potential.



Organizational Risk

Volatility and/or underperformance may lead to organizational risk if investors move to pull their money from diversifier managers, creating a redemption spiral.



Low Transparency

Diversifiers remain largely unregulated and disclosure requirements to LPs are low. Managers require a level of secrecy due to the competitive nature of the industry.



Liquidity

Diversifier liquidity is subjective and determined by the manager. Investor agreements typically include a gate provision, which allows a manager to halt redemptions, or withdrawals, from the fund.

Long/Short

- The role of the Long/Short allocation is to add significant risk-adjusted returns and an opportunity for potential returns in both rising and falling markets
 - As the name implies, managers use short selling to bet against a stock or hedge a long position
- The breadth of strategies in the Long/Short asset class provide an opportunity to build a Long/Short program with diversified alpha return stream
- Exposures include:
 - Regional specialists (U.S, China, etc)
 - Sector specialists (technology, industrials, etc)
 - Style orientation (growth, value)
- When the economy is strong, Long/Short funds are likely to lag equities but outperform bonds
- When the economy is weak, Long/Short funds are likely to outperform equities but lag bonds
- Long/Short managers should be evaluated based on their return potential, net of fees (management and performance)

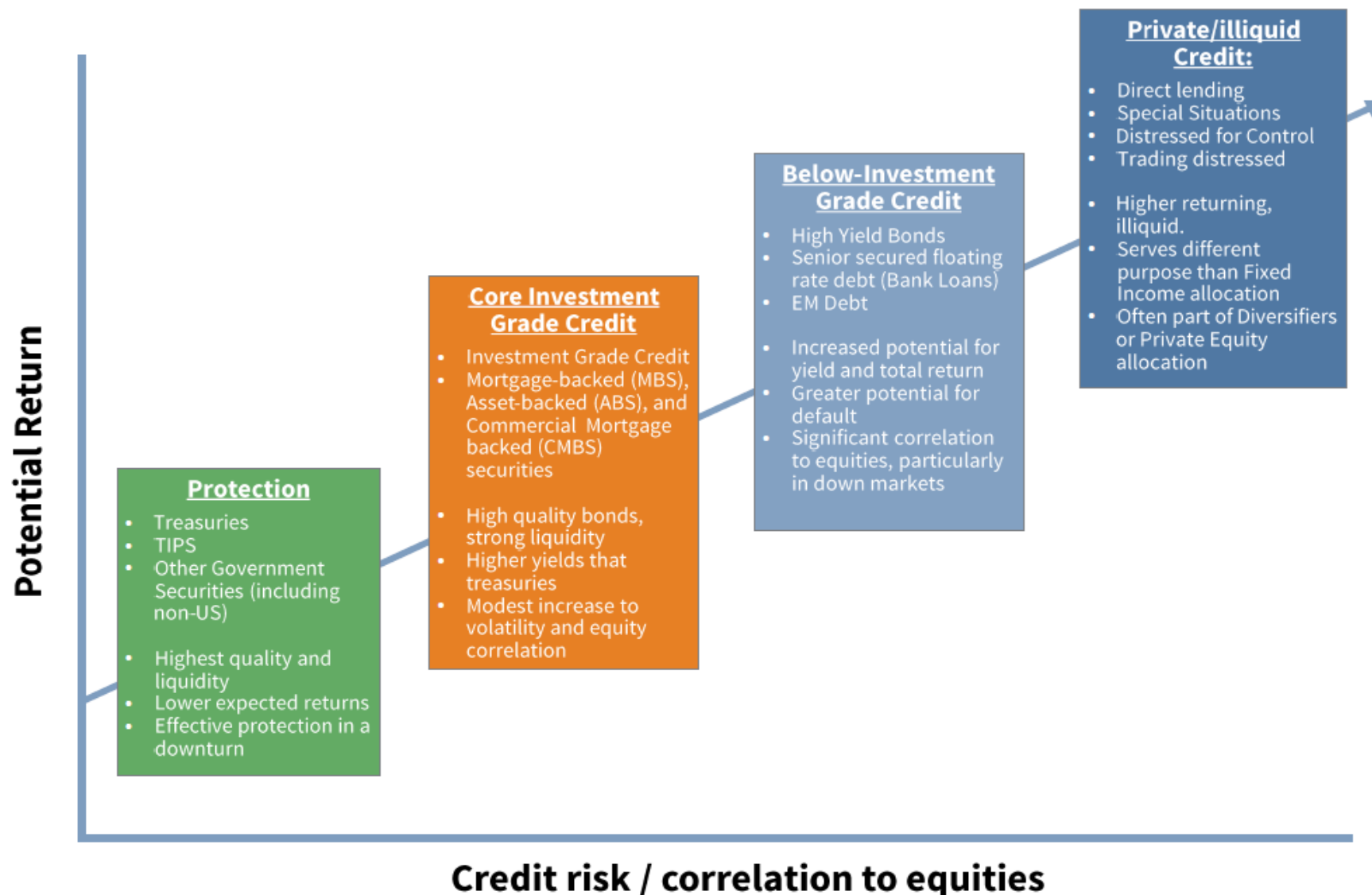
Fixed Income

“Rates and Credit”

Fixed Income

- The Fixed Income allocation plays several roles in a diversified portfolio including:
 - Defense against equity market corrections or economic slowdowns
 - This primarily comes in the form of government bonds, with intermediate to long duration
 - Liquidity in nearly any environment
 - High quality bonds exhibit strong liquidity
 - Low quality bonds (high yield, bank loans) are generally less liquid, which can increase price volatility
 - Steady source of yield
 - Increasing yield generally comes with increased credit risk and volatility. As you move down the credit ladder, there is also increasing correlation to equity markets
- FPPA has separated the fixed income allocation into two distinct strategic asset classes
 - Rates
 - Credit

Range of Fixed Income Sub-Asset Classes



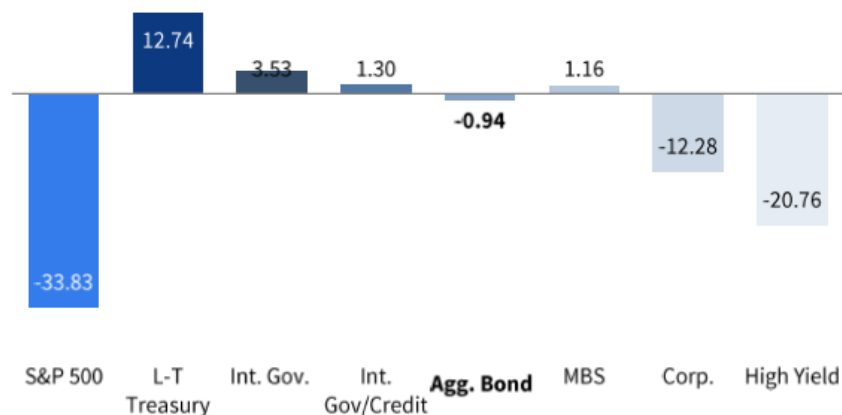
Note: Investment Strategies are applicable across all geographies, sectors, and market capitalizations. Strategies are not exhaustive of all investment strategies and the above chart is for illustrative purposes only.

How do different types of fixed income perform in market declines?

High quality and long duration bonds offer the most protection during times of market or economic contraction

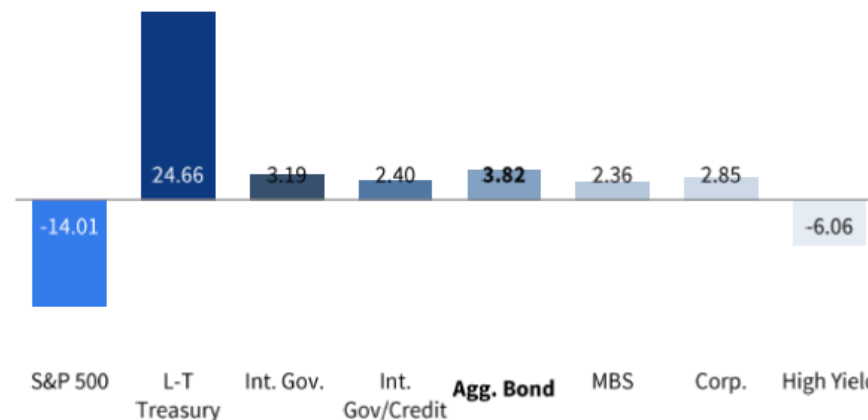
2020 COVID-19

February 19, 2020 - March 23, 2020



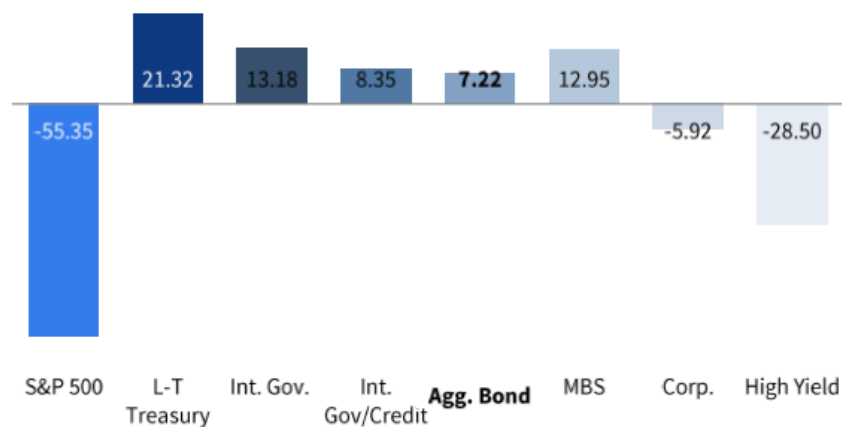
Q3 2011

July 1, 2011 - September 30, 2011



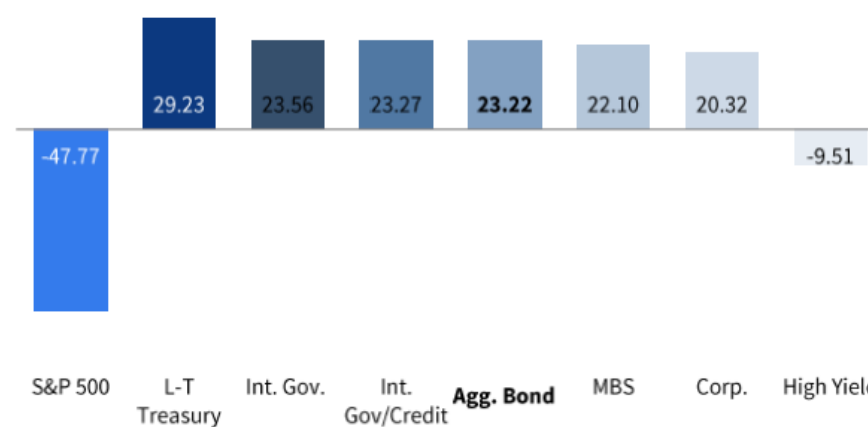
2008 GREAT RECESSION

October 7, 2007 - March 9, 2009



POST DOT-COM BUBBLE CRASH

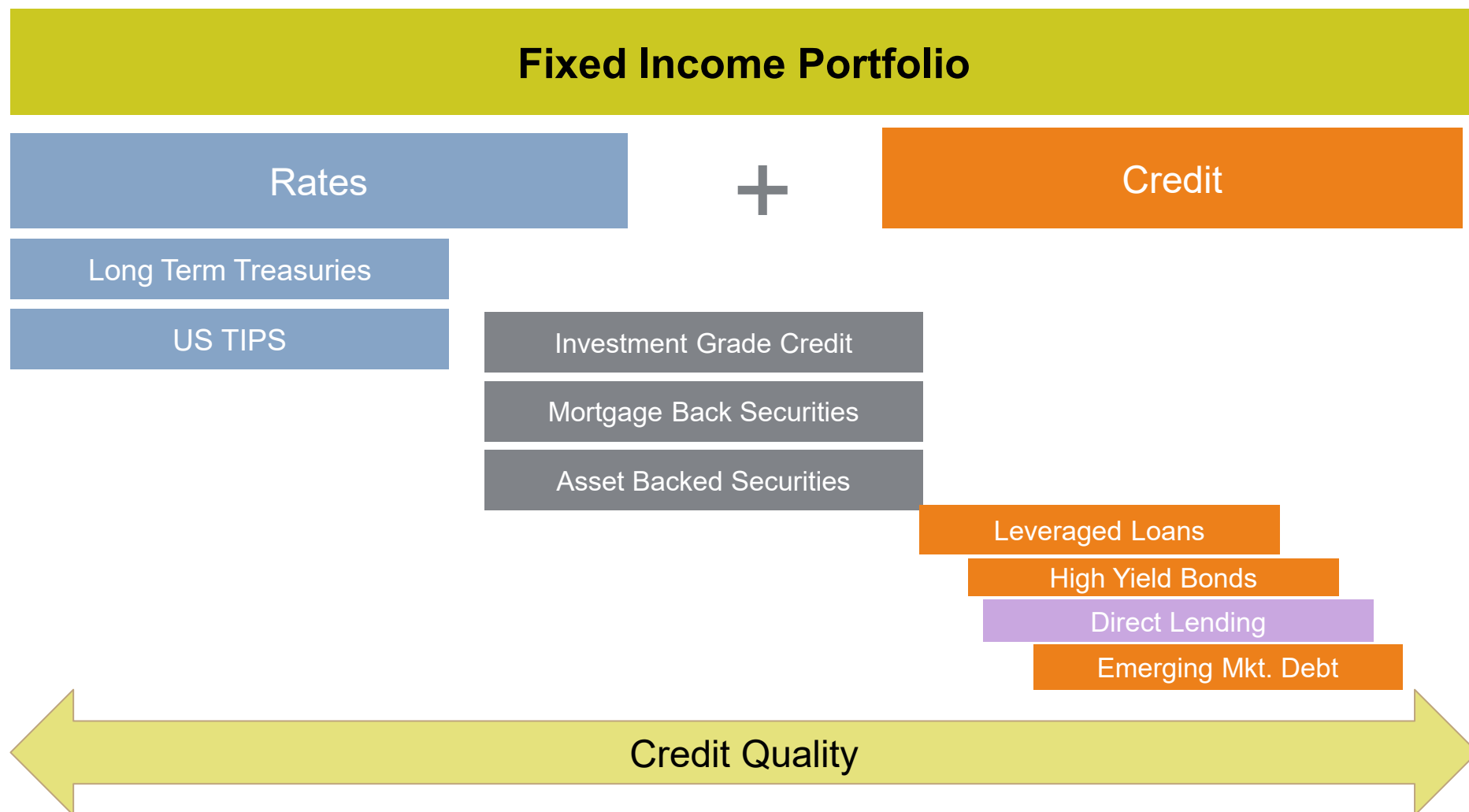
September 1, 2000 - October 9, 2002



Note: Index returns used are as follows: S&P 500 (S&P 500 Index), L-T Treasury (Bloomberg Barclays Long-Term Treasury Bond Index), Int. Gov. (Bloomberg Barclays Intermediate-Term Government Bond Index), Int. Gov./Credit (Bloomberg Barclays Intermediate-Term Gov/Credit A or Better Index), Agg. Bond (Bloomberg Barclays Aggregate Bond Index), MBS (Bloomberg Barclays Mortgage-Backed Securities Index), High Yield (Bloomberg Barclays High Yield Composite Index).

Role of Fixed Income in Current Portfolio

A fixed income portfolio diversified with both protective and diversification/growth assets can provide downside protection while providing upside potential via higher yielding securities.



Rates

Rates

- The Rates allocation is primarily focused on allocating to managers that invest in Treasuries, TIPS, and other government securities as well as high quality bonds.
- The allocation is highly liquid and uncorrelated to equities, providing ballast during times of market volatility.
- Rates are the highest quality and most liquid allocation in fixed income.
- They generally have the lowest expected return but retain the most effective protection characteristics during a market downturn.
- In the current low yield environment, the return prospects from the Rates allocation have diminished, creating an increased opportunity cost to hold



Interest Rates

Fixed income prices move in the opposite direction of interest rates, affecting both the yield and ability to find a buyer for a fixed income security.



Inflation

Inflation can negatively harm fixed income investments as the purchasing power, or "power of a dollar", of coupon payments declines when high inflation exists

High inflation may also have a significant effect on interest rates, limiting yield of a fixed income investment.

Credit

Credit

- The Credit allocation is primarily focused on corporate investment grade, below investment grade, and structured products.
- Investing in Credit is expected to provide higher returns than investing in Rates, because corporate securities carry additional risks such as credit risk and illiquidity.
- Steady source of yield
 - Increasing yield generally comes with increased credit risk and volatility.
- Credit, particularly non-investment grade, tends to be more correlated to equity during times of market distress and volatility.

Credit Considerations



Prepayment/ Call Risk

Borrowers may either become unable to repay borrowed capital or the assessment of their ability to repay borrowed capital may change. This affects the price, value, and yield of a fixed income position.



Credit Risk

A fixed income issuer is sometimes able to call or repurchase a security at their discretion. Alternatively, borrowers may also prepay their required payments before they are due. For an investor, this can rapidly change expectations of an investment. This can affect the price and yield.



Interest Rates

Fixed income prices move in the opposite direction of interest rates, affecting both the yield and ability to find a buyer for a fixed income security.



Inflation

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Liquidity

Liquidity

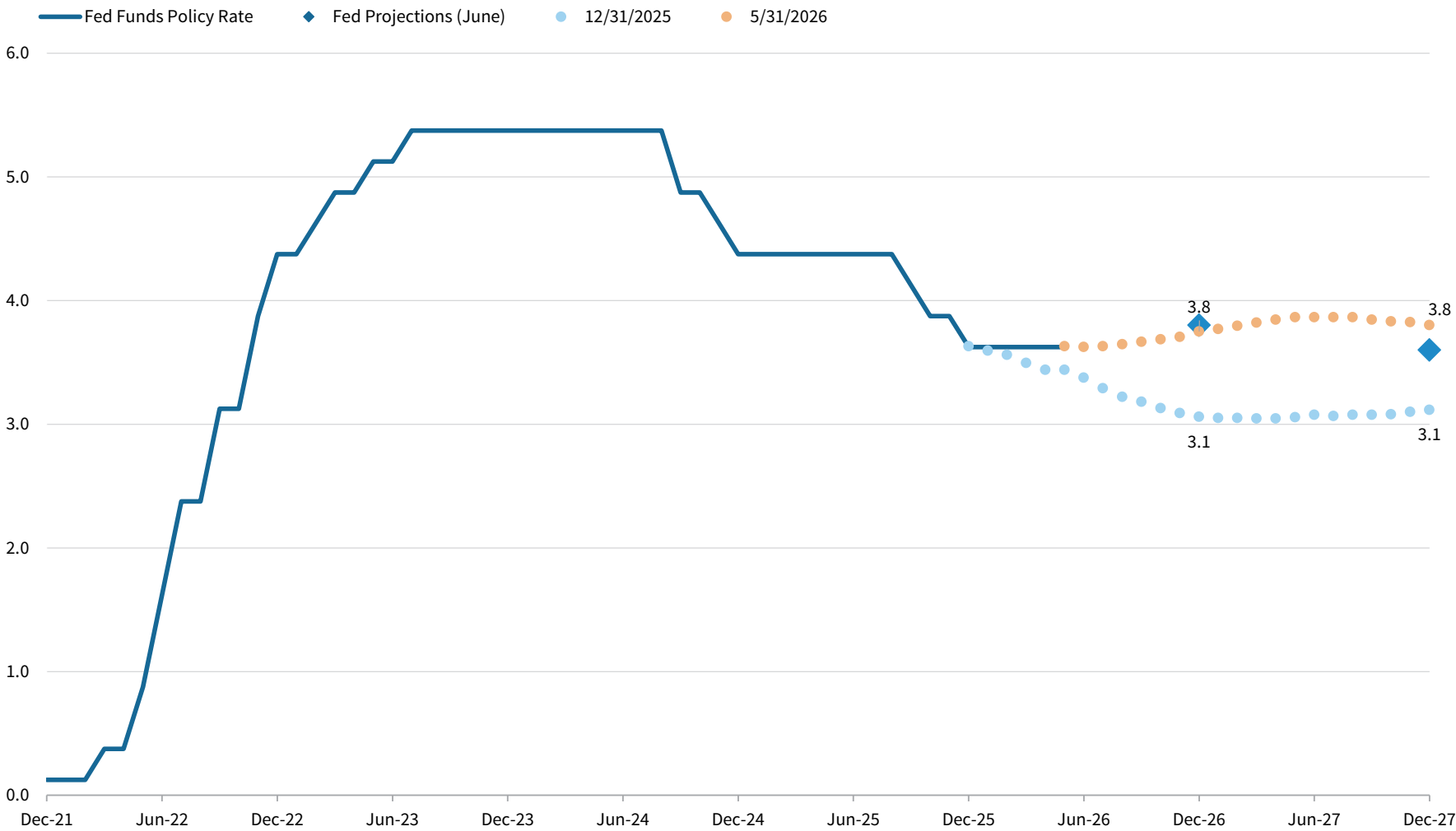
- The role of the Liquidity allocation is to ensure the portfolio can meet near-term cash flow needs — capital calls, distributions, or operating expenses — without being forced to sell longer-term holdings at inopportune times
- Holdings are designed to minimize exposure to price volatility, interest rate risk, and credit risk, with the trade-off of modest returns relative to other asset classes
- Common instruments include:
 - Money market funds — highly liquid, low-risk vehicles investing in short-term government and corporate obligations
 - Savings accounts and bank deposits — FDIC-insured with immediate accessibility
 - Short-duration bond funds and T-bills — slightly higher yield with minimal price risk
 - Higher-yielding cash substitutes (e.g., ultra-short bond funds, floating rate notes) — for portfolios with some appetite for incremental return
- When the economy is strong, Liquidity holdings are likely to lag equities and most fixed income but reliably preserve capital
- When the economy is weak, Liquidity holdings are likely to outperform most risk assets and serve as a stabilizing force in the portfolio

Asset Allocation in Higher Rates

Markets have shifted toward a higher-for-longer Fed outlook

Federal funds policy rate and forward expectations

December 31, 2021 – December 31, 2027 • Percent (%)



Sources: CME Group, Federal Reserve, and Thomson Reuters Datastream.
Note: Market data is based on fed funds futures contracts.

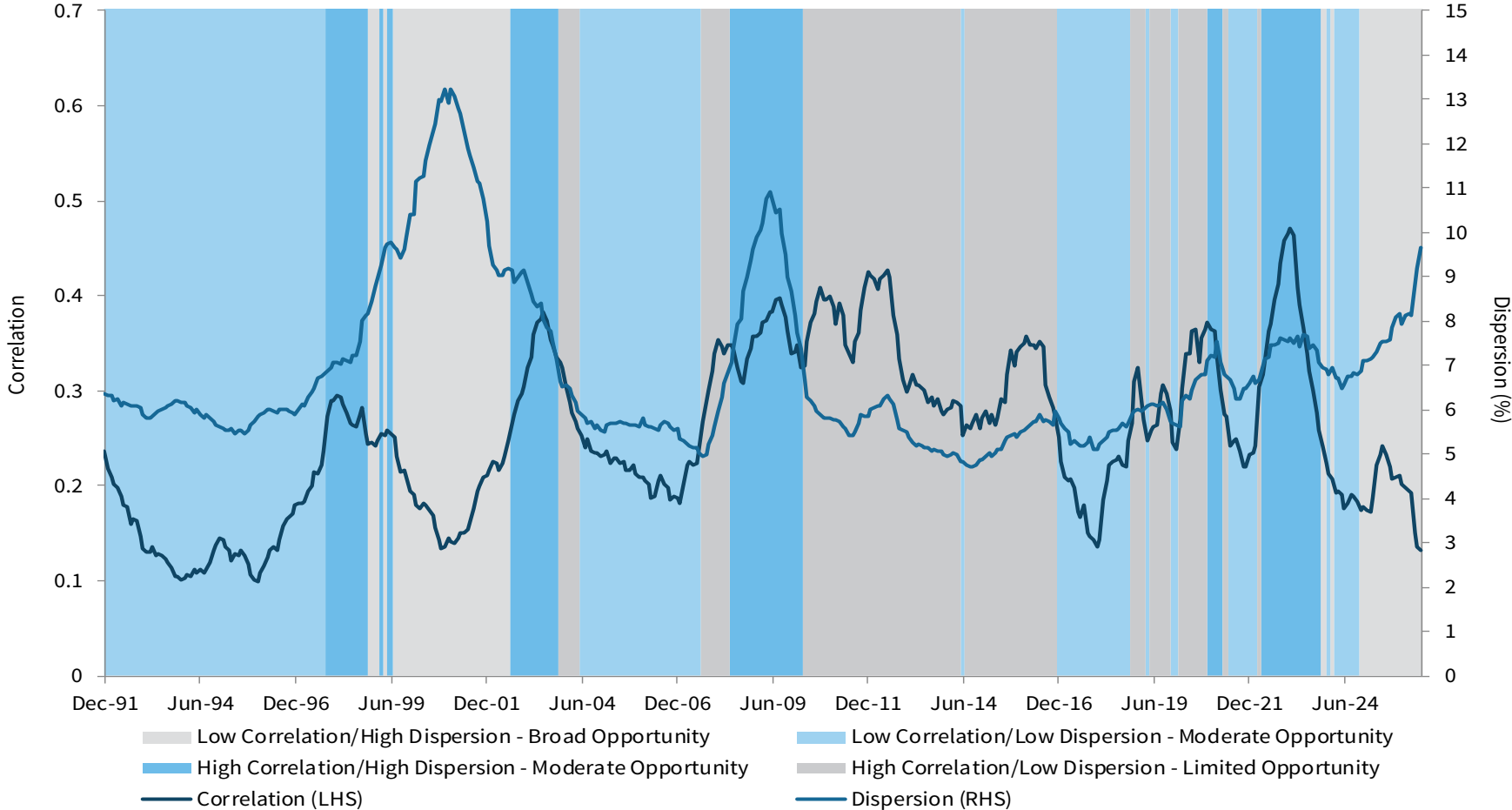
Higher Rates for Longer: Impact on Portfolios

Asset Class	Potential impact	Potential Implementation
Diversifiers	Continued source for higher uncorrelated returns	- Maintain full/overweight to lower beta, uncorrelated Diversifiers - Consider exposure to opportunistic areas (e.g. credit, bridge financing, rail car leasing)
U.S. Equities	- Stretched valuations in Magnificent 7 / FAANG+ - Given the environment, higher volatility driven by increased risk surrounding future earnings	- Rebalance overweight positions to neutral - Maintain exposure to active managers where appropriate
Non-U.S. Equities	Tighter monetary policy supported U.S. \$ appreciation, putting pressure on foreign currencies and markets. Going forward, this trend could reverse	- Rebalance underweight positions - Maintain geographic diversification within portfolio
Fixed Income	Attractive risk/reward within Fixed Income	- Rebalance underweight positions - Revisit duration - Focus on high quality bonds
Private Equity	Slower deployment of capital, extended periods of markdowns	- Continue consistent commitment pacing - Take advantage of increased access to high conviction managers - Focus on managers that demonstrate operational skill and add real value - Consider exposure to secondaries

Greater dispersion, higher volatility and lower correlations create a broader opportunity set for active managers after the Magnificent 7 led rally

Rolling 12-month S&P 500 correlation and dispersion

December 31, 1991 – June 30, 2026



Source: Standard & Poor's.

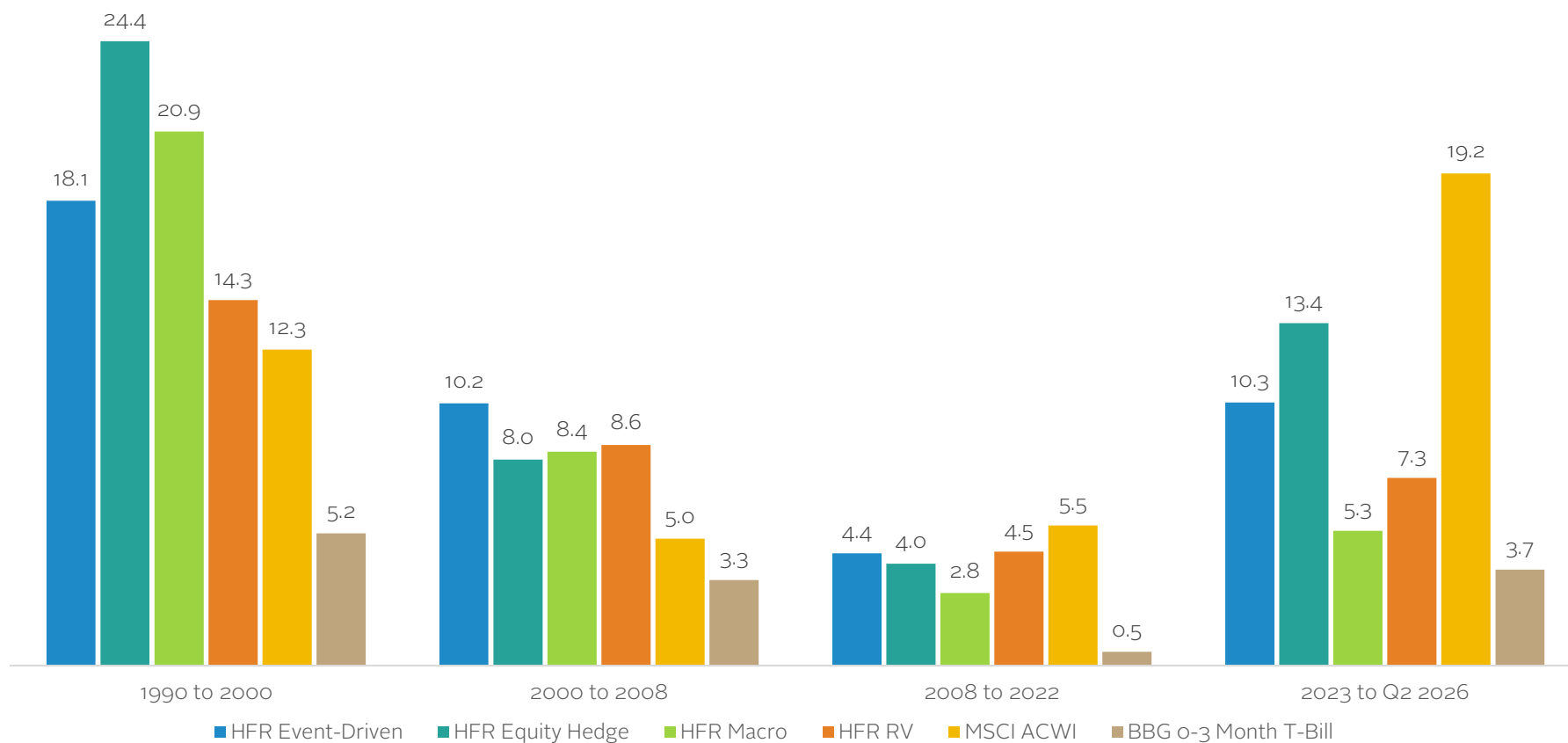
Notes: Correlation is calculated as the weighted average pair-wise correlation across the stocks in the index over one month. Dispersion is calculated as the weighted cross-sectional standard deviation of the performance of stocks within the index during one month. Lines are 12-month moving average. "High" and "Low" are based on above or below long-term historical average correlation and dispersion (0.3 and 6.8%, respectively).

6045m

Higher interest rates should lead to an increase in the expected returns of hedge fund portfolios, partly due to the increased short rebate (i.e. the interest return on collateral).

ASSET CLASS INDEX RETURNS GIVEN DIFFERENT RATE ENVIRONMENTS

USD



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Fire & Police Pension Association Board of Directors

Memorandum

To:

Board of Directors

From:

Ahni Smith, Chief Operations Officer

Regarding:

2027 Budget Preview

Date:

October 1, 2026

This memo is meant to highlight some of the larger or more meaningful requests anticipated within the 2027 budget. While we have not completed the full budget process yet, these are items we would like to call to your attention prior to moving forward with the full budget.

Operating Budget:

Within Personnel Costs we are preparing to budget 4 - 5 additional positions throughout the organization. Once we finalize the needs, we will discuss the specific positions identified and include in the budget.

Within the Outside Services category, we will include expenses related to the defining objective of the Pension Administration System that are carrying over from 2026. In late October, we are starting the second phase of work with our oversight vendor to complete requirements gathering, develop a comprehensive request for proposal, review the RFP responses, select a vendor, and complete contract negotiations.

Continuing our work on our other defining objectives for the 2026 – 2027 strategic plan year, we will be adding requests for continued support from experts and management consultants. This includes an additional actuarial study to support the COLA Task Force work and analysis; review of the D&D program for rehabilitation and retraining programs and further review of our process for reviewing behavioral claims; and, additional outside counsel work related to benefits appeals and the addition of a Board retained fiduciary counsel.

Other:

There are other planned changes in the Budget for 2027 that are not as significant and what we would consider normal annual or periodic requests within the established process.

We plan to provide refined budget amounts, more details for these listed projects, and any other regular budget changes to the Budget Committee at its meeting on November 17, 2026, and then to the Board on December 10, 2026, for approval.

Please let me know if you have any questions or concerns.

PROCEDURE FOR ELECTING BOARD OFFICERS

The board of FPPA has the authority by state law to elect a Chair and Vice-Chair from among the members of the board. The board may also designate other officers as it sees fit in order to effectively govern FPPA.

The board also has the authority to determine the way in which the election of officers will be conducted and the terms of the officer positions.

The following election procedures have been adopted by the board:

ELIGIBILITY

Any person serving as a board member and who is in good standing is eligible to be elected as an officer. There are no restrictions based upon which statutory seat a person occupies since each board member is a fiduciary for the entire membership of FPPA. It is the board's intention to rotate the Chair and Vice-Chair positions regularly among the three groups, however.

NOMINATIONS

A person may be nominated through a motion made by another board member or by himself or herself. Every motion to nominate an officer must receive a second before it can be voted on. If a motion fails to receive a second, the motion dies and the person cannot be voted upon for that particular officer position.

SERVING AS AN OFFICER

No person may be elected to serve concurrently in two officer positions. Service as a Vice-Chair means that, generally, the person will move up in position and become the Chair the following year. The individual serving as an officer should be sure that he or she has adequate time available to fulfill the required duties and responsibilities the position entails, and is willing to spend additional educational and training time as Vice-Chair to prepare to serve as Chair. (See board position descriptions and educational policy.)

VOTING AND TIMING

Voting for officers occurs at a business meeting of the board during the summer preceding September 1. Current officers who may not be on the board for the coming year or who do not desire to continue to serve as officers may at that time officially withdraw from the succession process. If the board, by motion, confirms the succession of the Vice-Chair to Chair, then only a new Vice-Chair must be elected. As necessary, the voting for the Chair is held first, followed by the voting for the Vice-Chair. The voting is by written secret ballot during an open session of the board meeting, unless otherwise determined by the board at that time. Immediately after the voting has concluded, the votes are counted by the board's executive assistant.

and the new officers are announced, without details of the vote count. The board may hold the election of officers at a business meeting at some other time, if the board finds that it is in the best interest of FPPA to do so.

TERMS OF OFFICE

The terms for Chair and Vice-Chair are for one year from September 1 through August 31 or for a period ending the next August 31, if the election is not held prior to September 1.

RESIGNATIONS AND VACANCIES

A board officer may resign from his or her position by providing written notice to the board.

If, for any reason, the person elected Chair resigns or is otherwise unable to serve, the Vice-Chair automatically becomes the Chair, and an election is held for a new Vice-Chair. In this situation, the terms of office run until August 31. If the position of Chair is vacant and the Vice-Chair is unable to serve, the board will elect new officers using these procedures as soon as practicable.

REMOVAL OF OFFICERS

Officers are automatically removed from their office when they leave the board for any reason. Officers may also be removed from the board by a motion made and seconded at a regular or special meeting of the board, if such motion receives a majority vote. The vacant position will be filled at that or the next board meeting using this procedure.

Trustee	Audit	Budget	Investment	COLA Task Force
Jason Mantas				
Bill Clayton				
Karen Frame				
Tammy Hitchens				
Joan Brown				
John Hoehler				
Caleb Sevia				
Don Lombardi				
Kim McDaniel				



Fire & Police Pension Association Board of Directors

Memorandum

To:

Board of Directors

From:

Kevin B. Lindahl, Executive Director

Regarding:

Educational Events for Board Members

Date:

October 2026

As a fiduciary of the retirement plans administered by FPPA, it is important that you understand your responsibilities and have at least a basic understanding of how the plan's assets are managed and invested. Moreover, Board Education and Maintaining Adequate Investment Returns are two of FPPA's Standard Operating Objectives. FPPA offers some basic education through orientation, board meetings and retreats. More substantial education is available through conferences, training programs, and online courses. FPPA will underwrite costs for training and travel related to approved events and programs.

There are several providers of educational conferences as well as online training available to Board members. I'll begin with a list of some of the primary providers. There are two basic types: those provided by associations of investors and those provided by marketing groups on behalf of vendors. Both types can be beneficial, but generally speaking, those provided by investors tend to be more balanced and targeted at the investors' broader perspective. Not surprisingly, programs that are less driven by marketing tend to cost more for the participant. Keep that in mind. The following list of providers and the list of events is not comprehensive and will be updated. If you are aware of a program, please advise me.

National Council of Public Employee Retirement Systems (NCPERS) www.ncpers.org FPPA is a member.

In addition to its annual conference, and several targeted member conferences, which tend to focus on more current topics of interest and presentations on how pension funds have addressed a myriad of issues, NCPERS offers training on several levels. More information is available at www.ncpers.org. Here is a link to NCPERS to fiduciary training: www.ncpers.org/naf/

- **NCPERS Trustee Essentials Training (f/k/a TEDS)** The Trustee Essentials Training is intended for new and novice trustees who are seeking a better understanding of their role and responsibilities as a trustee of their pension fund. It also serves as a refresher for experienced trustees interested in staying up to date.
- **NCPERS Fiduciary in Focus Workshop (f/k/a PATS)** The Fiduciary in Focus Workshop is a two-day program designed for advanced trustees who seek a more intensive, in-depth

learning experience. Held annually during the Annual Conference & Exhibition, each year's program will focus on two topics of particular importance to pension plan trustees, enabling participants to dig deeper and fully explore issues with their counterparts from around the nation. Topics may include ethics, legal developments, and alternative investments, among other timely themes.

- **NCPERS Accredited Fiduciary Program (NAF)** The NCPERS Accredited Fiduciary (NAF) Program is a trustee accreditation program specifically designed and tailored for individuals involved in public pension governance. NAF divides plan governance, oversight and administration into four modules (see below). Each module delves into the fundamental components and strategies necessary for governing a public pension fund, allowing trustees and plan once all modules have been successfully completed, participants will be required to take an online exam to demonstrate an understanding of the program materials.
- **Center for Online Learning** NCPERS also provides a series of webinars and webcasts each year on a variety of topics of interest. Past events have been recorded and are available online. You can sign up to receive notice of coming events.
- **Public Safety Conference** Besides perhaps the annual conference, this NCPERS conference holds the most interest for trustees of police and firefighters. It is typically held in the fall.

The Council of Institutional Investors (CII) www.cii.org, of which FPPA is a member, is a nonprofit, nonpartisan association of pension funds, state and local entities charged with investing public assets, and foundations and endowments. Funds include major long-term shareowners with a duty to protect the retirement savings of millions of workers and their families. CII is a leading voice for effective corporate governance, strong shareowner rights and sensible financial regulations that foster fair, vibrant capital markets. CII promotes policies that enhance long-term value for U.S. institutional asset owners and their beneficiaries. CII is a diverse community of professionals who come together to learn, share perspectives and advocate. CII educates members, and the public, about best corporate governance practices and provides opportunities for members to interact with peers, investment executives and policymakers through conferences and other events.

Institutional Limited Partners Association (ILPA) www.ilpa.org, of which FPPA is a member, is dedicated to engaging, empowering, and connecting private equity limited partners to maximize their performance on an individual, institutional, and collective basis. ILPA offers a variety of basic and advanced training courses, available online and in person, appropriate for trustees. Online, on your own schedule, ILPA offers two sets of courses of interest to pension trustees:

- **The Fundamentals of Private Equity** - This course will walk participants through the basics of the private equity asset class and expose participants to the industry's complex interdependencies through an interactive, self-guided experience on its essential terms, strategies, and challenges.
- **The Economics of Private Equity** - This course will walk participants through the basics of the private equity asset class and the typical economic arrangements structured between limited and general partners and other parties. Participants will gain exposure to the standard

flows of monies through the private equity investment process as well as ways to evaluate returns, overall performance, and post-investment monitoring.

- **ESG Fundamentals** - This course is essential for anyone looking to understand how to launch, and maintain, an ESG program within their organization. The knowledge to develop a plan that integrates your investing framework and organizational goals is critical to establishing a successful ESG program.
- **Integrating ESG Best Practice** - This course is essential for anyone looking to understand how to measure and evaluate integration of ESG into their investment and organizational processes and includes guidance on due diligence processes, ESG monitoring and reporting strategies and legal and regulatory considerations for creating long-term value.

National Association of Corporate Directors (NACD) www.NACDOnline.org the group's focus is on empowering directors and transforming board governance. Several board members have found this group to be helpful. There is a local chapter with regular meetings, some social events and several conferences and educational events. This group is more focused on corporate boards of directors of for-profit corporations, so some things are very on point while others are less useful to governmental pension trustees. FPPA will pay your membership dues if you wish to join.

Markets Group this group produces the Mountain States Institutional Forum held annually in Denver as well as other regional institutional investor conferences around the country. They are a marketing group, and most speakers pay significant sponsorship fees in exchange for the opportunity to present at the forum. Having made this disclaimer, FPPA has found this conference to be beneficial in educating both trustees and staff. Also, it's local and it's free.

Cambridge Associates, our Investment Advisor, is offering an **Investment Leaders Exchange** next spring which will offer much insight into issues facing institutional investors, like FPPA. This is a program offered by Cambridge to its clients. It is always interesting to hear perspectives from other clients.

Upcoming Live Training Opportunities:

NCPERS Fiduciary in Focus Workshop 2026 (f/k/a PATS)

October 24-25, 2026, Renaissance Nashville, Nashville, TN

**Early Bird Discount ends October 1, 2026*

Room Block closes October 1, 2026 - **FULL*

NCPERS Advanced Fiduciary (NAF) Institute (Fall class)

October 24-25, 2026, Renaissance Nashville, Nashville, TN

**Early Bird Discount ends October 2, 2026*

Room Block closes October 1, 2026 - **FULL*

NCPERS Public Safety Conference

October 25-28, 2026, Renaissance Nashville, Nashville, TN

**Early Bird Discount ends October 1, 2026*

Room Block closes October 1, 2026 - **FULL*

NYU/CII Fall Corporate Governance Bootcamp

November 12 – 13, 2026, New York University School of Law, New York City, NY

**Early Bird Discount ends September 30, 2026*

**Registration ends November 5, 2026, at 5:00 p.m. ET*

**Limited discounted block of rooms at the Washington Square Hotel*

Markets Group Mountain States Institutional Forum

March 2-3, 2027, Four Seasons, Denver, Colorado

**Details TBD*

CII Spring Conference

March 8 - 10, 2027, The Potomac Hotel, Washington D.C.

**Details TBD*

Cambridge Associates Private Investments Summit

March 30 - April 1, 2027, Washington D.C.

**Details TBD*

NCPERS 2027 Advanced Fiduciary (NAF) Institute

May 15 - 16, 2027, Sheraton New York Times Square, New York, NY

**Details TBD*

NCPERS Trustee Essentials Training (formerly TEDS)

May 15 - 16, 2027, Sheraton New York Times Square, New York, NY

**Details TBD*

NCPERS 2027 Annual Conference & Exhibition (ACE)

May 16 - 19, 2027, Sheraton New York Times Square, New York, NY

**Details TBD*

NCPERS Legislative Forum & Policy Day

July 19 - 21, 2027, Washington Marriott at Metro Center, Washington D.C.

**Details TBD*

CII Fall Conference

September 15 - 17, 2027,

**Details TBD*

NCPERS Fall Conference 2027

October 24 – 27, 2027, Newport Beach, CA

**Details TBD*

Proposed 2027 Board Meeting Dates

	2026 - 6 Mtgs	Seasonal Items for 2026	Proposed 2027 Meeting Dates	Seasonal Items for 2027
Jan	-	-	-	-
Feb	2/5	2 items: ED Eval Board Education	2/4	2 items: Board Education
March	-	-	-	- -
April	4/9	2 items: Board Education Self-Directed Plans	4/22	2 items: Board Education Self-Directed Plans Actuarial Valuation Review for SRP
May	-	-	Tentative 5/6 or 5/27	1 item: Asset Liability Study and/or Independent Actuarial Study
June	6/10 – 6/12	9 items: ED Check In Actuarial Audit Board Self Eval Board Education Employee Engagement Legislation Strategic Plan/Objectives Rules Stakeholder Surveys	6/9-6/11	9 items: ED Check In and ED Eval Actuarial Audit Board Self Eval Board Education Employee Engagement Legislation Strategic Plan/Objectives Rules Stakeholder Surveys
July	-	-	Tentative 7/15 or 7/22	1 item: Asset Liability Study and/or Independent Actuarial Study
Aug	8/20	8 items: Board Education Legislation Lobbyist Contract Officer Elections Notice of Rulemaking Self-Directed Plans	8/19	8 items: Board Education Legislation Lobbyist Contract Officer Elections Notice of Rulemaking Self-Directed Plans
Sept	-	-	-	-
Oct	10/1	5 items: Audit Board Education Board Meeting Dates Budget Presentation Rulemaking Hearing	10/7 or 10/21 *10/14 potentially conflicts with NACD Directors Summit (not yet confirmed)	5 items: Audit Board Education Board Meeting Dates Budget Presentation Rulemaking Hearing
Nov	-	-	-	-
Dec	12/10	6 items: Annual Resolutions Board Education Budget Presentation Hearing Officer and Medical Advisor Contracts Legislation Strategic Plan / Objectives	12/9	6 items: Annual Resolutions Board Education Budget Presentation Hearing Officer and Medical Advisor Contracts Legislation Strategic Plan/Objectives

Proposed 2027 Board Committee Meeting Dates

2027 Date	Committee	Time / Status
Wednesday, April 7	Investment Committee	1:00 p.m.
Wednesday, May 19	Audit Committee	7:30 a.m. Approved by Committee
Wednesday, June 9	Investment Committee	1:00 p.m.
Tuesday, September 21	Audit Committee	7:30 a.m. Approved by Committee
Wednesday, October 6 or Wednesday, October 20 **Depending on October Board Meeting Date selection	Investment Committee	1:00 p.m. Paired with Board date option
Wednesday, November 17	Budget Committee	9:00 a.m.
Wednesday, December 8	Investment Committee	1:00 p.m.

PUBLIC COMMENT POLICY

FIRE & POLICE PENSION ASSOCIATION OF COLORADO (FPPA)

Purpose and Scope

FPPA values input from its members, beneficiaries, employers, and stakeholders. The Board must also be able to conduct its meetings in a fair, efficient, and orderly manner. This policy sets out the process for public comment at Board meetings so members of the public can be heard while preserving the Board's ability to attend to its business. Public comment is not generally permitted at Committee meetings. Alternatively, members of the public may also contact the Board and submit written comments via email at the email address listed on the Board of Directors page of the FPPA website.

Public Comment Guidelines

1. Public comment should relate to FPPA's statutory responsibilities, governance, benefit administration, investments, operations, or agenda items.
2. Public comment is for input to the Board. It is not a forum for campaigning, commercial solicitation, personal disputes, or disclosure of confidential information.
3. Non-permissible comments include, but are not limited to, comments that:
 - are threatening, harassing, defamatory, or discriminatory;
 - incite or promote violence or illegal activities; contain obscenities;
 - are incompatible with FPPA's mission or unrelated to FPPA's business;
 - are excessively repetitive or duplicative;
 - advertise or promote a commercial product, service, entity, or individual;
 - promote, endorse, or negatively comment on political campaigns, political parties, ballot measures, or candidates, unless related to FPPA's mission or meeting agenda;
 - contain confidential or sensitive FPPA information, confidential member information, personally identifiable information, protected health information, or other legally protected information;
 - contain copyright-infringing material; or
 - are otherwise illegal or violate FPPA policy.

The Chair may rule non-permissible comments or materials out of order and struck from the record.

4. Public comments reflect the speaker's views and do not represent FPPA, the Board, or FPPA staff.

Public Comment Procedures

1. Public comment will occur during the designated agenda item unless the Chair adjusts the order of business.
2. FPPA will allow both in-person and remote public comment when public comment is included on the agenda, unless the notice or agenda state otherwise.
3. All commenters must register with FPPA, either in advance via email or in writing in person at the meeting. Registration before the Board meeting is strongly encouraged. You may register by emailing FPPA at PublicComment@fppaco.org. Your email should contain your name, the topic on which you will be commenting, and whether you will be appearing in-person or virtually. Registration will be first come, first served.
4. Speakers will generally be recognized in order of registration or queue entry and must wait for the Chair to recognize them before speaking.
5. Speakers should provide their name and topic on which they will comment.
6. Public comment is limited to 30 minutes total and 3 minutes per speaker for up to 10 speakers. The Chair may allot additional time to the overall public comment period, not to individual speakers, in

a viewpoint-neutral manner based on the number of speakers, meeting needs, or orderly conduct of Board business.

7. Each individual may speak only once during each public comment period. Speakers may not transfer, reserve, or yield time to another person. The Chair, Vice-Chair, or FPPA staff will monitor time, and when time expires, inform the speaker they may briefly complete a sentence but should make no further remarks.

Speaker Protocol and Board Response

1. Speakers must address comments to the Board through the Chair, not to individual Board members, staff, consultants, or other members of the public.
2. Speakers should keep comments focused on FPPA-related matters and avoid personal attacks, interruptions, repetitive remarks, or comments unrelated to FPPA business.
3. Although the public comment period is open to the public, it is not open to discussion of any and all topics. Comments should be related to relevant FPPA matters. The Board generally will not engage in discussion, debate, or substantive response during public comment. The Chair may acknowledge the comment, ask clarifying procedural questions, or refer the matter to FPPA staff, legal counsel, or another appropriate representative for review and possible follow-up.

Decorum and Orderly Conduct

1. All participants are expected to maintain respectful decorum and comply with the Chair's directions.
2. Meeting-management decisions will be applied in a viewpoint-neutral manner based on reasonable time, place, and manner considerations, relevance to FPPA business, orderly conduct, safety, legal requirements, and the Board's ability to complete its agenda.
3. Conduct or items that interfere with meeting operations, including sustained interruptions, signs, banners, noisemakers, or disruptive conduct, may be restricted without regard to viewpoint.
4. The Chair may warn a speaker who violates this policy and may stop the speaker, end the comment opportunity, request that the person leave, recess, continue, or adjourn the meeting if necessary to restore order or allow the Board to conduct its business.
5. If a respectful decorum cannot be met in person, the Board can adjourn the meeting and continue the meeting virtually.

Accessibility and Administration

1. FPPA will provide reasonable accommodations consistent with applicable law and FPPA procedures. Requests should be submitted as early as practicable using the contact information in the meeting notice, agenda, or on FPPA's website.
2. The Chair is responsible for applying this policy during meetings, with assistance from FPPA staff and legal counsel as needed.
3. FPPA staff may maintain registrations, written comments, meeting recordings, and other records consistent with FPPA's records retention practices and applicable law.
4. This policy may be reviewed periodically and updated by the Board as needed.

Privacy Notice

1. Public comments, written submissions, speaker names, topics, recordings, minutes, and related registration information may become part of FPPA's public meeting record and may be subject to disclosure under applicable law.
2. FPPA does not discuss confidential member information at Board meetings and requests that questions about specific benefits or FPPA accounts be directed to the FPPA department that can best serve the individual.



Revision History

Date of Review	Description of Change
	Adoption of policy.

Total Cost Memo - 2026 Employer Summit

Registration and Attendance:

- The Employer Summit was held on Wednesday, September 2, at The Village Workspace and Event Center in Centennial, Colorado.
- Invitations were successfully sent to 1,101 employer representatives.
- We again conducted the Employer Summit in a hybrid format, with both in-person and virtual attendees (Zoom). Registration was conducted through the Zoom Events platform which was a new feature.
- **In-Person Registration Totals:**
 - 66 total
 - 2 walk-ins
 - 1 switched to the virtual seminar
 - 6 no-shows
 - **54 in-person employer attendees – up from 39 in 2025**
 - In addition, 15 – 20 FPPA staff members at a time filtered in and out of the in-person event
- **Virtual Registration Totals:**
 - 83 total registrants
 - 61 unique users during the livestream (73% turnout)
 - 13 Zoom attendees were FPPA Staff
 - Average viewing duration per user: 221 minutes (out of 396 total minutes of programming)

In-person attendance breakdown by department:

DEPARTMENT	Attended
Arvada FPD	1
Berthoud FPD	2
City and County of Broomfield	2
City and County of Denver	5
City of Arvada	2
City of Castle Rock	1
City of Cherry Hills Village	2
City of Englewood	1
City of Federal Heights	1
City of Fort Lupton	3
City of Fountain	2
City of Lone Tree	3
City of Parker	5
City of Pueblo	2
CRS of Colorado	1

Elizabeth FPD	2
Evergreen FPD	1
Fort Lupton FPD	2
Front Range FRA	1
Monument Fire	2
Platteville- Gilcrest FPD	1
South Adams County FPD	2
South Metro FRA	1
Town of Castle Rock	2
Town of Center	1
Town of Empire	1
Town of Mead	2
Town of Monument	1
West Metro FPD	2
Total	54

- **Virtual attendance breakdown by department:**

Department	Attended
Adams County FRA	1
Cimarron Hills FPD	1
City of Aurora	1
City of Boulder	2
City of Brush	1
City of Canon City	1
City of Colorado Springs	3
City of Federal Heights	2
City of Florence	2
City of Fort Collins	1
City of Grand Junction	1
City of Greeley	2
City of Johnstown	1
City of Lafayette	2
City of Littleton	1
City of Lone Tree	1
City of Longmont	1
City of Northglenn	1
City of Westminster	4
Eaton FPD	1
Evergreen FPD	1
Fort Lewis Mesa FPD	1
Front Range FRA	1
Greater Eagle FPD	1
Green Mountain Falls Chipata Park FPD	1

North Metro FRA	1
Poudre FRA	1
Pueblo West FPD	2
Rattlesnake FPD	1
Roaring Fork FPD	1
South Metro FRA	1
Summit Fire & EMS	1
Town of Erie	2
Town of Frisco	1
West Metro FRA	2
Total	48

Cost Breakdown:

Costs for this event were less than last year. We had one Keynote Speaker, Danielle Templeton, who waived all costs and fees.

<u>EXPENSE</u>	<u>AMOUNT</u>
Venue rental, including tea and coffee service, linen rental	\$2,791.22
Catering (breakfast - Lunch Wired, lunch - Moonbowls)	\$2,792.19
2026 Total Cost for Food / Venue	\$5,583.41
Misc. (Gift Cards, Name Tags/Paper, etc)	\$237.28
2026 Total Cost for Summit	\$5,820.69
2026 Total Budget for Summit	\$18,500
Difference from Budget	(\$12,679.31)
2025 Total Cost, for comparison	\$7,357.57
• 39 employer representatives attended in-person, 2025	
Difference from 2025 to 2026 =	(\$1,536.83)

Seminar Evaluation Results:

Survey feedback is included below. We collected 26 completed paper surveys from in-person attendees and 18 completed surveys from Zoom attendees.

- “Overall, I am satisfied with my experience at the 2026 FPPA Employer Summit”
 - In-person attendees: **average score 9.46**
 - Zoom attendees: **average score 8.82**

- “I would recommend this event to my coworkers”
 - In-person attendees: **average score 9.08**
 - Zoom attendees: **average score 8.94**
- “The topics covered at the Employer Summit were appropriate and useful”
 - In-person attendees: **average score 9.11**
 - Zoom attendees: **average score 9.12**

What topics would you like FPPA staff to cover in a future Employer Summit?

- COLA Task Force updates and how it ties into financial portfolio performance
- Updates on the D&D project, looking at more overall wellness and natural healing options, and rehab success stories.
- Deeper dive into D&D so that Employers can help communicate the plan to their Members
- A deeper understanding of exceptions regarding pensionable earnings and leave of absences.
- Employer Portal demonstrations and continued usages.
- Explain who Employer or Members should contact for different types of questions.
- How to prepare FPPA Reports for end of year audit.

What speakers or topics would you like to see in a future keynote presentation?

- Artificial Intelligence
- Financial education and literacy resources that Employers can pass along to Members and focus on how to wholistically prepare for retirement throughout the duration of their career.
- Further discussion on protecting mental health, additional preventative resources, services for someone needing additional care, and how to build psychological safety within an organization.
- Succession planning for departments when tenured Members retire.

What additional comments or feedback do you have?

- Slides were hard to read for in-person attendees
- Loved this year's keynote speaker and speakers have always been terrific.
- Jim's jokes were very funny
- Keynote speaker was amazing providing great and useful information.
- Topics were great.
- Financial wellness should be part of every event!