

5/4/2020

Hello everyone,

Hope you're all hanging in there, staying safe and healthy! Although the state's restrictions are relaxing to an extent beginning last week, Denver is still on a stay-at-home order until at least May 8. Even then we won't be going back to the office all at once. At least through May, you'll want to continue to call or email myself or the benefits team with any questions you have.

I was on the Skype call with Chief Pazen a couple weeks ago. Like you all, I found it very informative and it was great to hear how much the department appreciates the work you all did to get them there! Overall, I think the City has had a phenomenal response to this worldwide issue and the Police Department and Department of Safety in general are a huge part of that success.

Understandably, questions on your pensions and benefits came up on the call and many of you have reached out individually. I consulted with the Chief Operations Officer and Accounting Director at FPPA to summarize the following for you. Coincidentally, FPPA sent out several updates last week with their recent legislation updates and a notice from FPPA Executive Director, Dan Slack. Hopefully all of this provides as much reassurance as possible at a time like this.

To summarize for the Old Hire plan:

- I received the allocation reports this week (4/27), I can share them with any who are curious.
- The City of Denver has been funding the plans as required by the actuarial reports and the required contributions are on track for 2020.
- As of 7/1/2019, the Denver Old Hire plans are invested in the Glide-Path Pool with greater exposure to income generating investments and a lower exposure to equity investments. This asset allocation is designed to meet your plan's increasing need for liquidity and to reduce the risk of loss of assets. There's more information on the investments here:
<https://fppaco.org/investments.html>
- The Glide-Path Pool has a targeted 6.5% annual rate of return. Through March 31, 2020, the Glide-Path investment pool returned, net of fees, (3.65)%.
- The FPPA actuaries are currently preparing the actuarial valuations on the Denver Old Hire plans as of 1/1/2020. The valuations will be completed and provided to the employer by August 2020. The valuations will establish the contribution requirements for 2021 and 2022.
- Colorado House Bill 20-1044 included a provision that allows the FPPA Board to set contribution policies for Old Hire plans to address the unique needs of each plan. The contribution funding policy was approved at the April 2020 FPPA Board meeting and is focused on stabilizing the annual required contribution and maintaining the funded ratio of the plan. This policy helps employers better predict annual contributions by allowing plans nearing closure to invest more conservatively than those plans that expect to pay benefits for a longer period of time. The new funding policy will be incorporated into the 1/1/2020 old hire actuarial valuations which establishes the contribution requirements for 2021 and 2022.

For all Retirees in general:

- Please see the FPPA website for information from the IRS and other pertinent updates that would relate to the retiree group. That link is – <http://blog.fppaco.org/covid-19-coronavirus-resources-for-first-responders/> Also check the FPPA corporate website for recent news at www.fppaco.org

- FPPA continues to enhance the Member Account Portal (MAP) to allow for more self-service. MAP can be reached from the FPPA corporate website www.fppaco.org. Recently, they added the ability to update retiree mailing addresses instead of completing a paper form. That is in addition to maintaining appropriate tax deductions and banking information.
- In addition to the Dr. Nicoletti webinar on 5/1, FPPA is working to prepare a “Wills, Trusts, and Estates” webinar. It is tentatively scheduled for May 15th. FPPA will provide you with more information on this session as they make final arrangements.
- Following the advice of local and state health officials, FPPA offices will continue to be closed to in-person visitors until further notice. During this time, continued service to their members and employers remains their highest priority. Throughout the coming weeks they will be evaluating when and how their offices may open to staff and then to their members. In the meantime, their staff continues to conduct business as usual and are available via phone, email and video conferencing.

Lastly FPPA notes retirement benefits are being processed on time! With technology advanced as it is, we administrators can work just as well from home, so you all should see no disruptions or issues from our end. Safety HR and FPPA continue to take care of our first responders so they can take care of everyone else! That is a sentiment I know you’re all familiar with.

Please continue to reach out to myself or FPPA with any questions you have or resources you need. I can also troubleshoot technology questions pretty well, like setting up grocery to-go orders or a Skype call in lieu of your monthly breakfast meetings, and I’m always looking for new recipes to cook. After the (what feels like) 542 days of quarantine, I’m fresh out!

Be safe, stay healthy!

Regards,
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