



Annual Update: Pension Review Commission

Mission Statement



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.

FPPA Membership



Defined Benefit System

- Active: **13,232**
- Retired: **3,318**

Statewide Death & Disability Plan

- Active: **14,052**
- Retired: **1,501**

Statewide Money Purchase Plan

- Active: **181**
- Retired: **149**

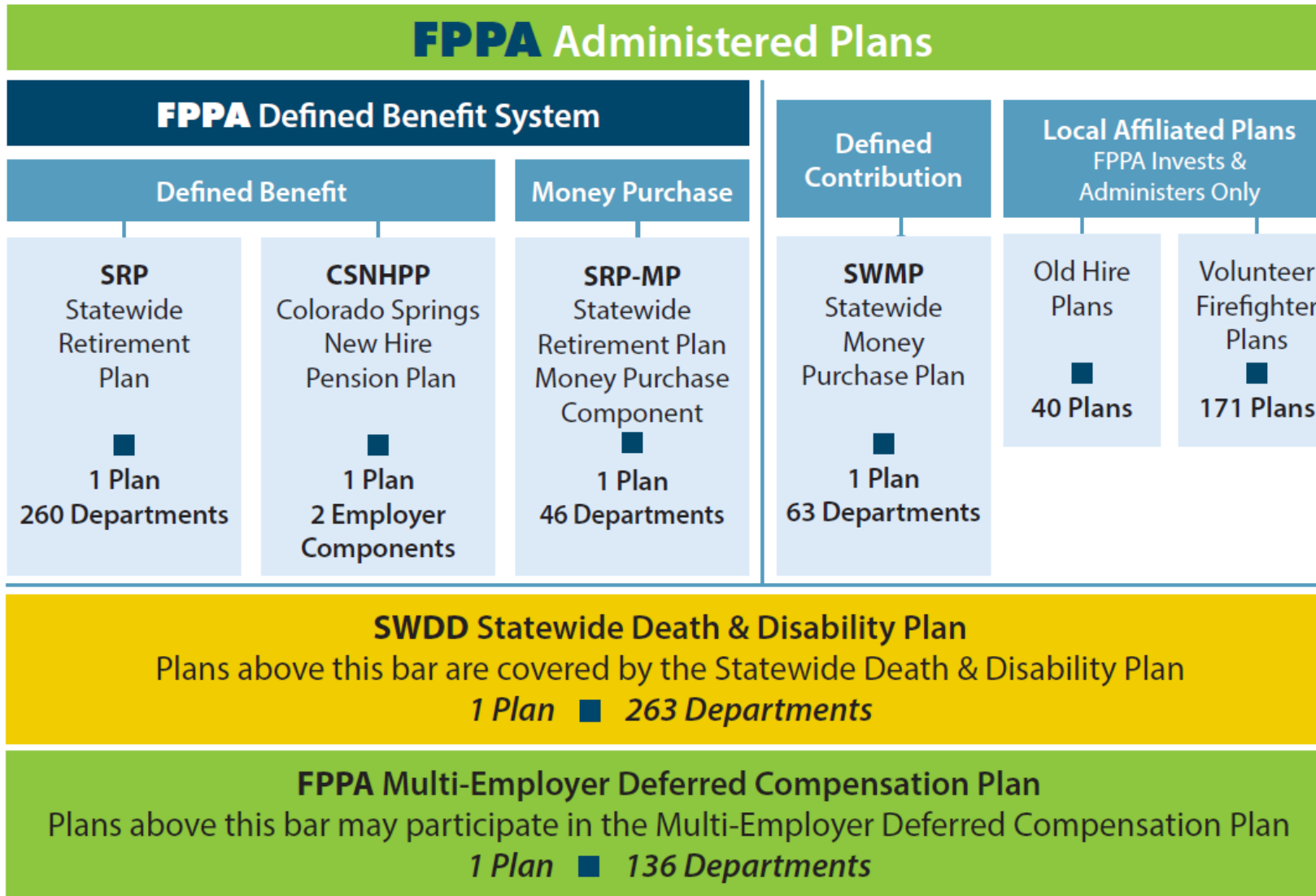
Volunteer Firefighter Plans

- Active: **2,215**
- Retired: **3,812**

Old Hire Plans

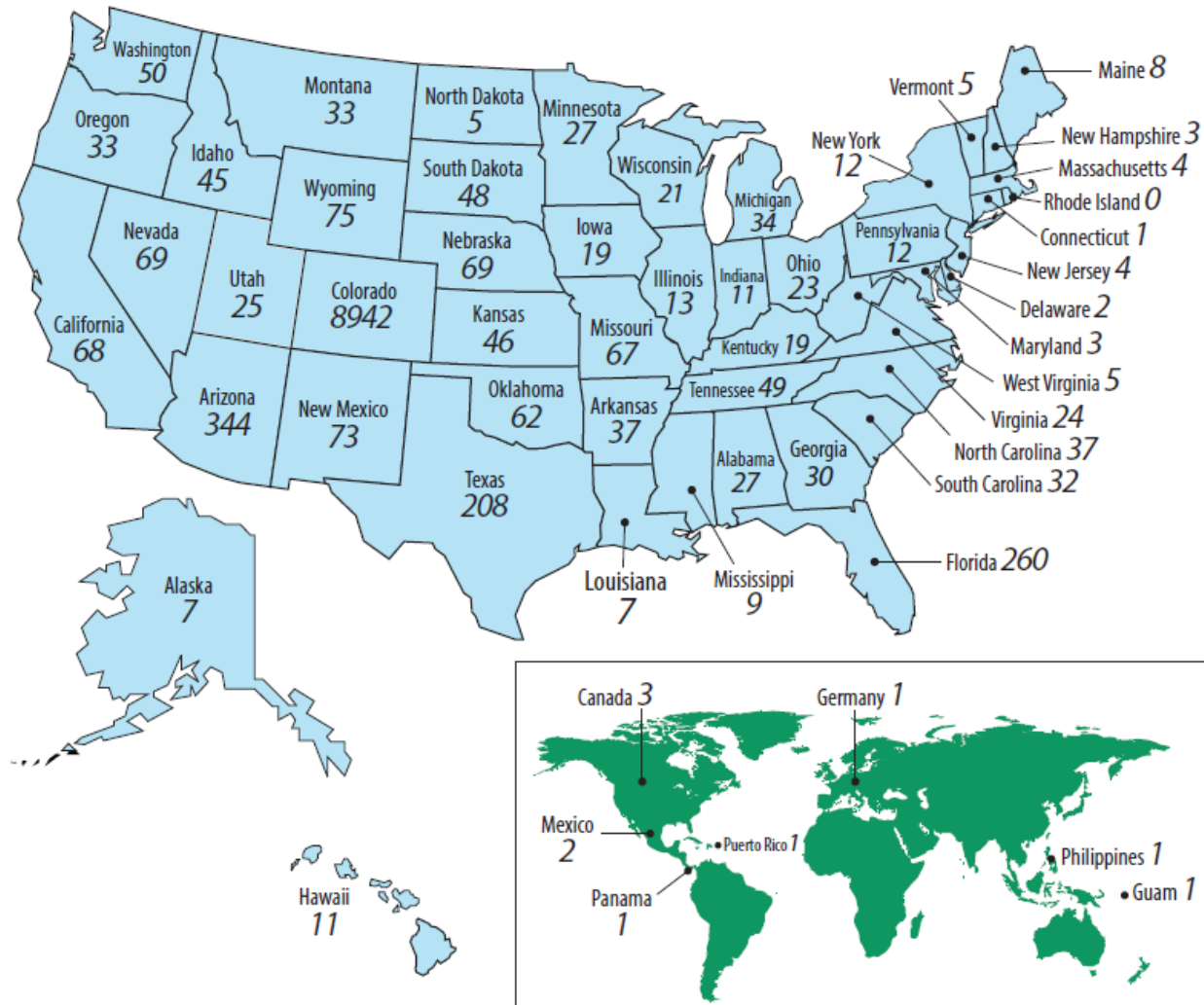
- Active: **0**
- Retired: **2,427**

Plan Organization



Retirees by Location

FPPA Total Retirees by Location: 11,028 (As of April 8th, 2024)



Funded Status and Contribution Rates



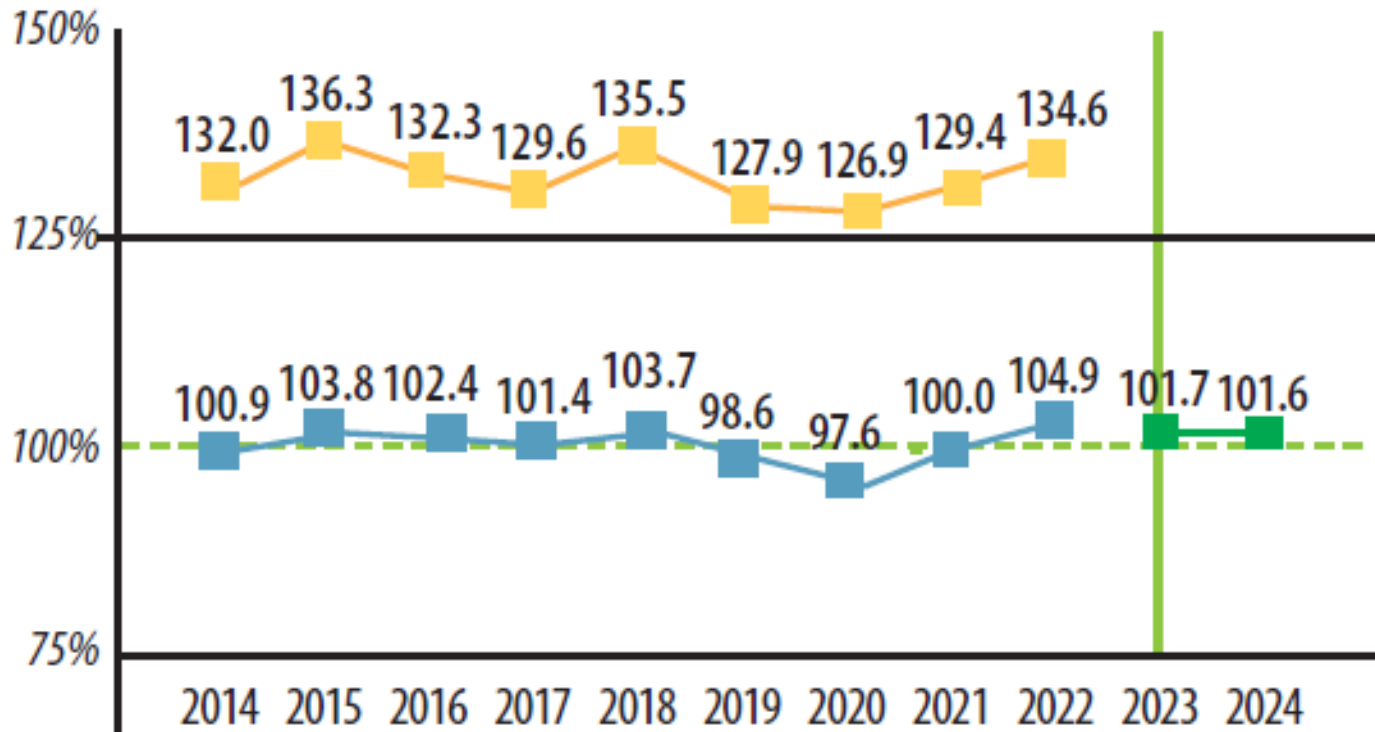
Statewide Retirement Plan

- **101.6%** funded
- Member contribution: **12%** / Employer Contribution: **10%**

Statewide Death & Disability Plan

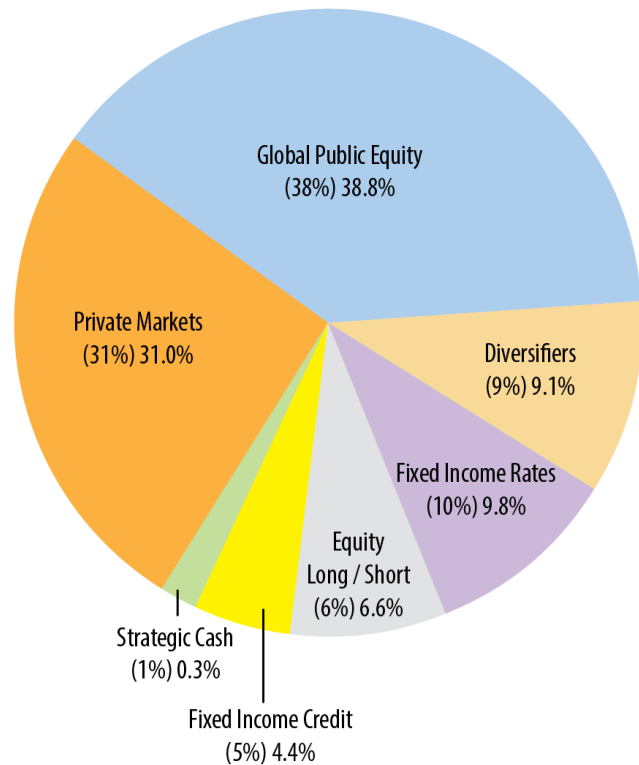
- **83.6%** funded
- Required contribution: **3.6%**

Funded Status: Statewide Retirement Plan

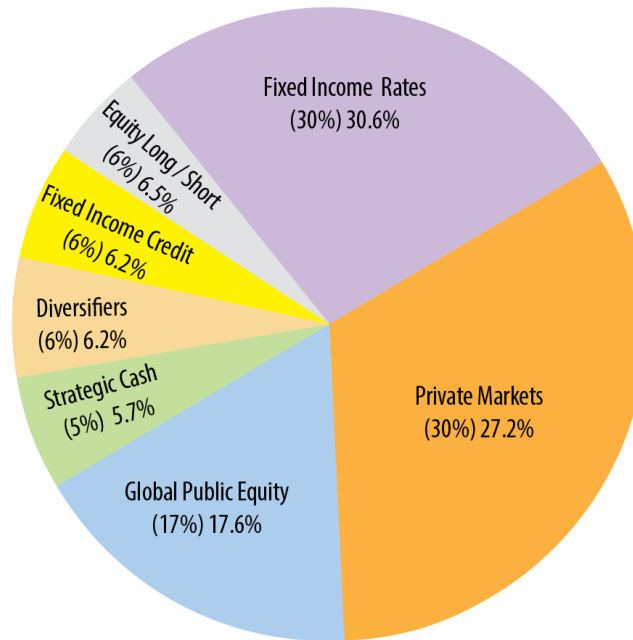


The Statewide Hybrid Plan (orange) merged with the Statewide Defined Benefit Plan (blue) effective January 1, 2023 to create the Statewide Retirement Plan (green)

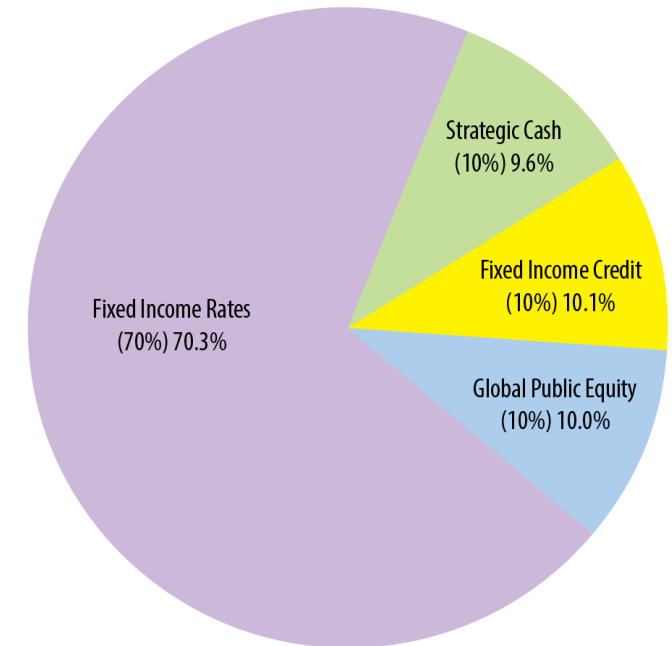
Investment Assets and Allocations



FPPA Long-Term Pool: \$5.8 Billion
As of June 30, 2024
(Target) Actual



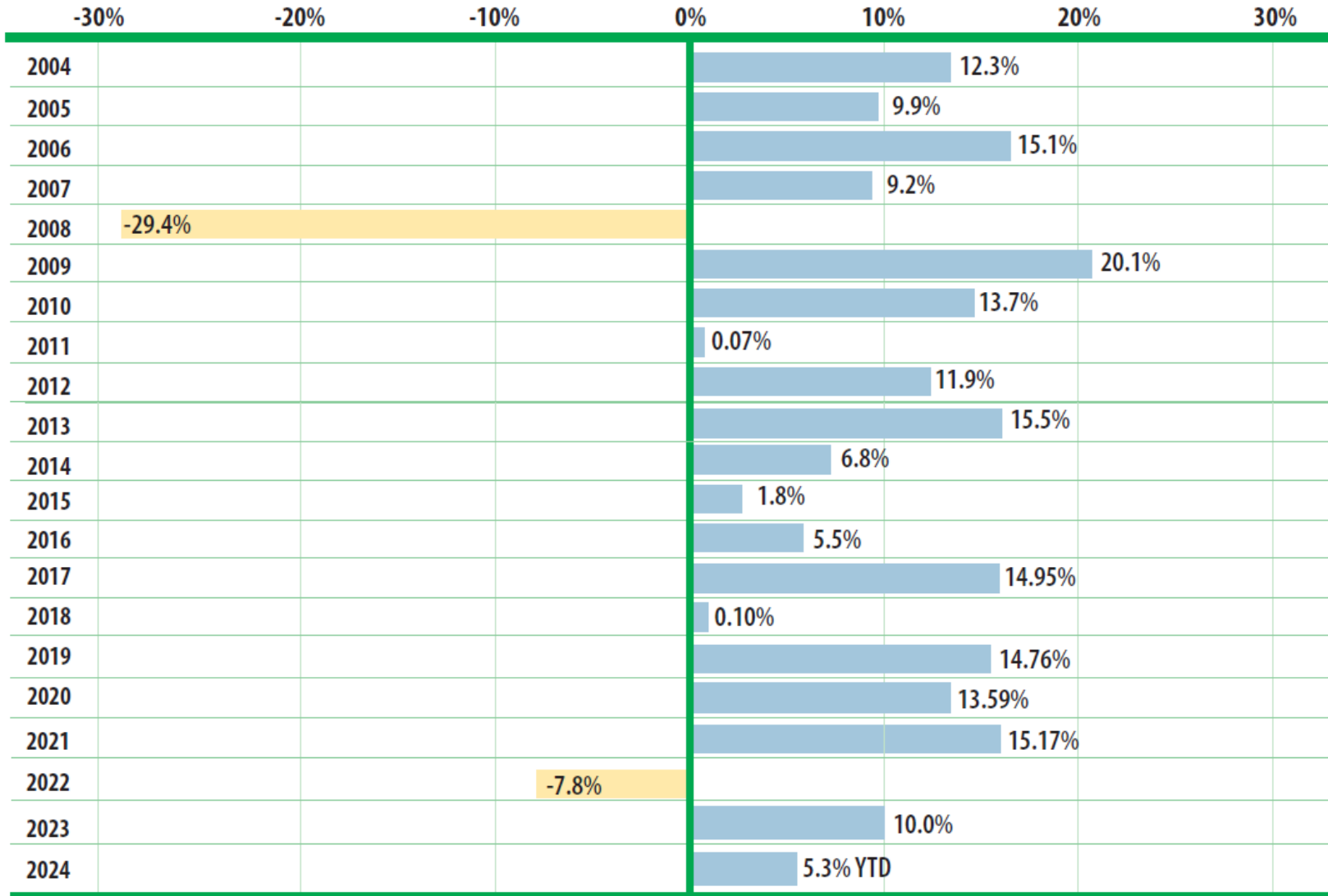
FPPA Glide Path Pool: \$1.1 Billion
As of June 30, 2024
(Target) Actual



FPPA Short-Term Pool: \$0.2 Billion
As of June 30, 2024
(Target) Actual

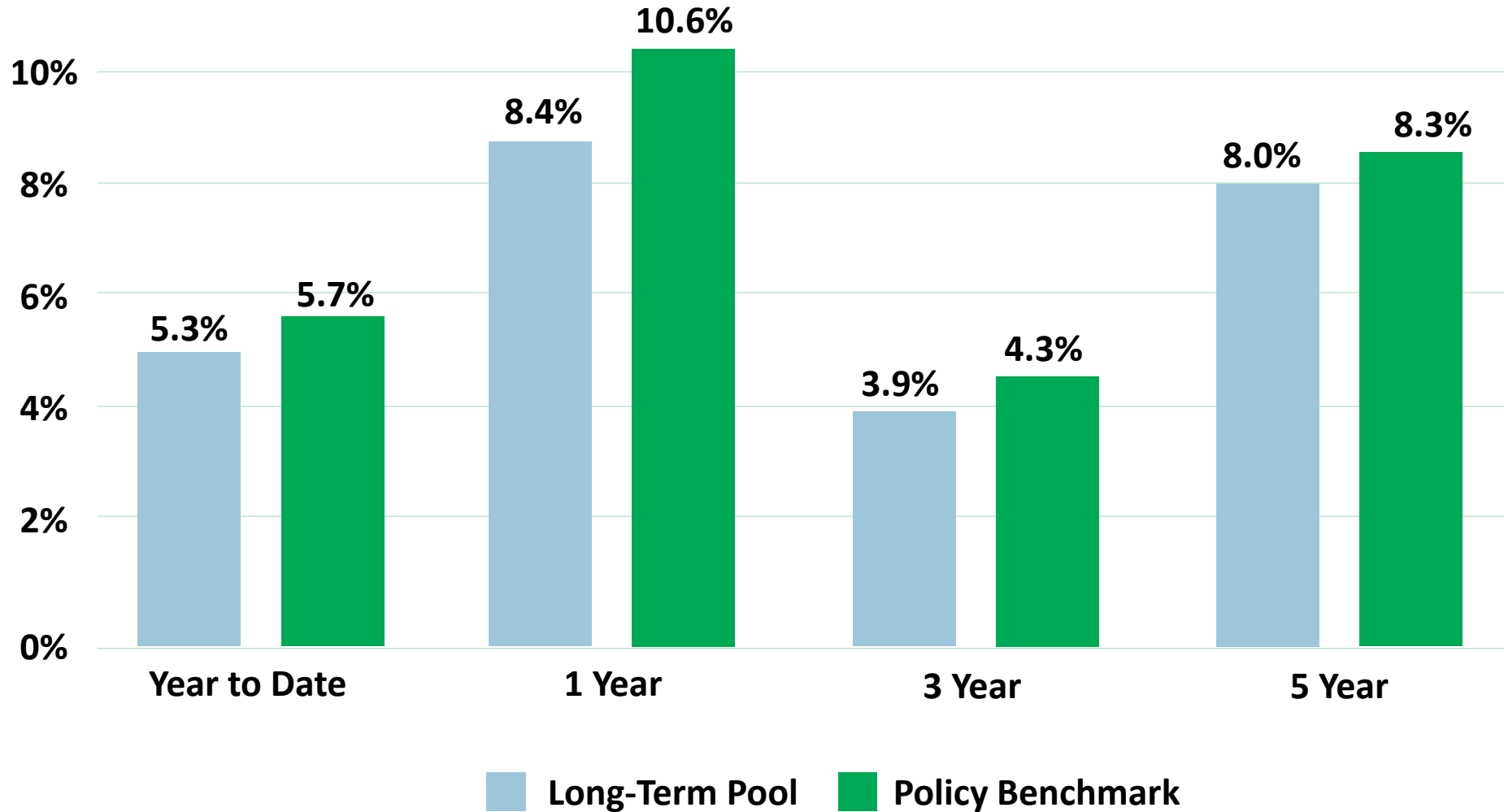
Annual Returns: Last 20 Years

As of June 30, 2024



Performance vs. Benchmarks

As of June 30, 2024



Risk/Return Analysis

10 Year Annualized Total Fund Returns vs. Standard Deviation



Statewide Retirement Plan COLA Policy

- **Ad Hoc Compounding COLAs**
- **Non-Compounding COLAs**
 - HB23-1106 Gives FPPA's Board the Authority to Grant Non-Compounding COLAs Under Certain Conditions

- **The Conditions:**

- Pay a One-Time Lump Sum according to this calculation:

CPI-W inflation rate – Compounding COLA percentage = One-Time Lump Sum Percentage

- Then multiply the One-Time Lump Sum Percentage by the Member's annual benefit to determine the One-Time Lump Sum:

One-Time Lump Sum Percentage x Member's annual benefit = One-Time Lump Sum Amount

2024 Example

- **2023 Annual Benefit:** \$50,000
- **2024 Inflation Rate:** 3.80%
- **2024 Ad Hoc COLA:** 0.14%
- **5-Year Avg Returns At Least 6.5%?** Yes
- **2024 Annual Benefit:** \$50,070
 - $\$50,000 * (1.0014) = \70
- **2024 Lump Sum:** \$1,830
 - $\$50,000 * (3.80\% - 0.14\%)$

Additional Retirement Savings Opportunities

- **The Statewide Retirement Plan Offers Additional Savings Opportunities for Members and their Employers:**
 - **457(b) Deferred Compensation Plan**
 - Voluntary savings
 - **Excess contributions into the Plan**
 - Members and/or Employers may contribute additional funds into self-directed account
 - **Employer DROP contributions**
 - Deferred Retirement Option Plan (DROP) allows Members to create a cash account during final working years
 - Employers can now continue to make contributions on behalf of Members in DROP

2024 Legislation: Clean-Up Bill + D&D Funding Bill

- **HB24-1042: Technical Language Clean-Up Bill**
 - Fixed incorrect references and inconsistent language in C.R.S. Title 31: Articles 30, 30.5, 31 & 31.5
 - Signed by the Governor on March 6, 2024
- **HB24-1043: Death & Disability Plan Funding Bill**
 - State obligation to pay benefit costs for Members hired prior to 1997
 - SB22-036 paid \$13.3 Million
 - Bill sought to receive State's remaining unfunded liability
 - Signed by the Governor on May 28, 2024
 - Will receive annual payments of \$2.05M for 35 years, starting July 1, 2025

2025 and 2026 Legislation

- **2025: No New Legislation This Year**
- **2026: Statewide Death & Disability Plan**
 - Currently studying the Plan
 - Does our plan meet best practices/serve our Members and Employers
 - Is the current Plan design still appropriate
 - Opportunities for administrative improvements
 - Will most likely seek legislative changes in 2026

Questions?

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