



January 31, 2020

Representative Janice Rich  
200 E Colfax Ave., RM 307  
Denver, CO 80203

Dear Representative Rich:

I am writing on behalf of the City Council of the City of Grand Junction about proposed changes to employer contributions to Fire & Police Pension Association (FPPA) Statewide Defined Benefit (SWDB) plans that are now a component of HB20-1044. As a municipality that recently reentered FPPA because there was planned stability and no COLA, we want to ensure that municipalities are not negatively affected by this legislation. We propose making the employer contributions in legislation subject to a plan election, just as employee contributions were subject to a plan election that occurred in 2014 subsequent to 2010 legislation.

In 2010, the legislature passed SB10-022, which created the precedent for contribution increases absent actuarial necessity. Employees desired to increase their own contributions to potentially allow for a future COLAs, which is the same reason they are now advocating for a 4% contribution increase. SB10-022 allowed the increase upon approval of a plan amendment (like any other plan amendment) by employees *and* employers.

We believe that what was good enough in 2010 should be good enough for 2020, both for the 4% increase and the 1% increase for early retirement. We propose HB 20-1044 be amended to:

- Require a plan amendment and successful approval by employers and employees per existing law for the pension contribution increase
- Require a plan amendment and successful approval by employers and employees per existing law for the contribution increase for early retirement
- Remove the requirement that the early retirement contribution increase be employer-funded and leave the statute silent to allow it to be determined locally (as with Death & Disability contributions)
- Remove the ability of the FPPA Board to unilaterally increase future employer and employee contributions.

Thank you for considering our concerns with HB20-1044.

Sincerely,

A handwritten signature in black ink, appearing to read "Kraig Andrews". The signature is fluid and cursive, with a large loop at the end.

Kraig Andrews, City Councilmember