

EXECUTIVE SUMMARY

Deferred Retirement Option Plan and Deferred Retirement Option Plan II Amendments

The following modifications to the Denver Employees Retirement Plan (“Plan” or “DERP”) would result from the enactment of this bill:

1) Interest rate credited to DROP accounts

Language would be added to Section 18-424 of the Revised Municipal Code of the City and County of Denver regarding the rate of interest credited to DROP accounts. Effective January 1, 2022, DROP accounts would be credited with interest at a rate set annually by the Retirement Board, with a minimum rate of one (1) percent, not to exceed three (3) percent, per annum, compounded annually as of June 30th of each year.

This change would take effect January 1, 2022.

2) Interest rate credited to DROP II accounts

Language would be added to Section 18-430.2 of the Revised Municipal Code of the City and County of Denver regarding the rate of interest credited to DROP II accounts. Effective January 1, 2022, DROP II accounts would be credited with interest at a rate set annually by the Retirement Board, with a minimum rate of one (1) percent, not to exceed three (3) percent, per annum, compounded annually as of June 30th of each year.

This change would take effect January 1, 2022.