

Denver Deferred Comp Plan



Plan Highlights

- ❑ Plan Assets: \$564 million
- ❑ Total Participants: 10,400: 7,300 Active, 3,100 Retired/Terminated
- ❑ Average Balance: \$60,000
- ❑ Annual Provider Fees: **\$1.7 million**
- ❑ Plan Providers: Cooney & Associates, ICMA-RC, MassMutual, Prudential

Composition of Committee



<u>Term</u>	<u>Mayoral Appointment</u>	<u>City Council Appointment</u>
2-Year	Capt. Greg Pixley (Fire Dept)	
2-Year	Bruce Backer (OHR)	
3-Year	Alan Buchwald (Retiree)	Sgt. Deric Wynn (Sheriff Dept)
3-Year	Cmdr. Les Perry (Police Dept)	
4-Year	Joseph Strese (Finance)	John Eckhart (Retiree)
4-Year	Susan Judah (Finance)	

Ninth member is the Manager of Finance designee – Steve Ellington (Treasurer)

Ordinance Change Language



The Committee decided to seek an ordinance change to allow for flexibility if the savings realized from a sole provider model exceeded \$1,000,000 over five years when compared to a dual provider model.

Section 18-436 of the Denver Revised Municipal Code shall be amended by deleting the language struck out, to read as follows:

(d) Trustees acting under trust agreements, or custodians acting under custodial agreements, or insurers administering qualifying insurance (group annuity) contracts, or any combination of them, may be engaged by the committee. Such trustees, custodians, or insurers may be removed by the committee at any time, and others may be selected by the committee, ~~but at no time shall less than two (2) organizations be engaged pursuant to this paragraph.~~

- ❑ **Industry Best Practices:** 8 out of 11 benchmarked municipalities use a single provider
- ❑ **Increase Participation:** Reduce “paralysis from analysis”
- ❑ **Reduced Fiduciary Liability:** Two TPA’s doubles liability exposure of fiduciaries
- ❑ **Administrative functions:** Easier
- ❑ **Streamlined Features:** Auto enrollment
- ❑ **Compliance:** Compliance w/ 457 Plan law becomes easier, i.e. loan limits
- ❑ **Uniform Communication:** Education, seminars and presentations
- ❑ **Reporting:** One less set of reports to monitor and review
- ❑ **Overall coordination:** Easier communication between the Committee, the administrator, and participants