

# 8 Reasons to Join FPPA's Defined Benefit System

## FOR EMPLOYERS



- 1) Well-funded defined benefit plans
- Statewide Defined Benefit Plan funding level: 102.4%<sup>a</sup>
  - Statewide Hybrid Plan funding level: 132.3%<sup>a</sup>

- 2) 8% employer contribution rate to Statewide Defined Benefit Plan has been constant since 1980
- In some cases lower than current plan



- 3) Statutory safeguards reduce the likelihood of employer rate increases

- 4) Defined benefit plans may help in recruiting and retaining qualified firefighters and police officers



- 5) DROP helps with retention of experienced firefighters and police officers, as well as succession planning

- 6) Employer contribution stops during DROP participation



- 7) Defined benefit income supports local economies
- 87% of Statewide Defined Benefit Plan retirees reside in Colorado<sup>b</sup>
  - 82% of Statewide Hybrid Plan retirees reside in Colorado<sup>b</sup>

- 8) Partial Entry: every reentry member gets to choose the plan they want



For more information, visit [joinFPPA.org](http://joinFPPA.org)

<sup>a</sup>Actuarial valuation report, 1/2016

<sup>b</sup>As of 12/2016