



Employee Contribution to DERP Increases by 0.5%

Effective with the Jan. 11, 2019 pay date, the amount contributed to the Denver Employees Retirement Plan (DERP) by all employees will increase by 0.5%, to a new rate of 8.5% of pay, due to the increased life expectancy of current and future retirees.

This increase in the employee contribution rate is the first one in 4 years. In 2018, DERP's actuary revised the tables which project life expectancy. The projected higher cost of paying lifetime benefits for additional months to all 22,200 DERP members caused a 1% increase in the amount required to be contributed to DERP annually.

Mayor Hancock recommended, and the City Council unanimously approved, splitting the additional 1% payroll contribution equally between the City and all covered employees. The City will continue to pay the majority of the total required contribution to DERP each payday, at a new contribution rate of 13%, compared to the new rate for employees of 8.5%. These City and employee contributions, along with investment earnings, together fund lifetime retirement and health insurance benefits for every DERP member and their beneficiary.

Comprehensive information about the DERP retirement benefit program is available at www.derp.org.