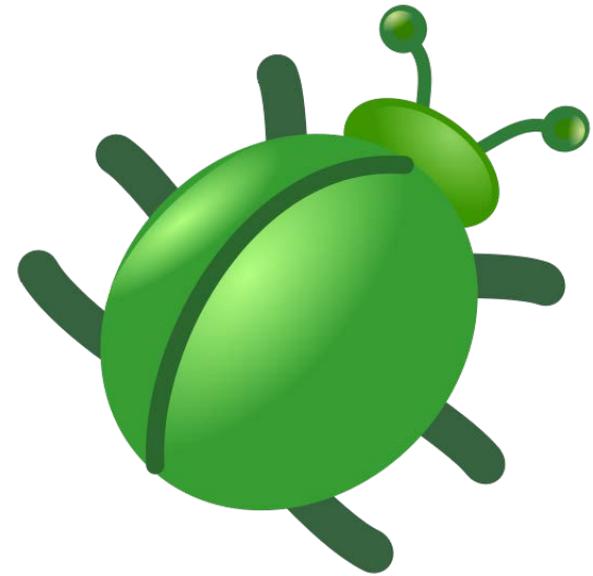


At a Glance: The FPPA 457(b) Deferred Compensation Plan



Why are we interrupting your lunch?

- Our goal at FPPA is to help members toward a more secure retirement
- This is National Retirement Security Week!
- You as the employer are the members' greatest ally in the pursuit of retirement security.



“Put a bug in their ear!”

The Basics: 457(b) Deferred Compensation

- A tax deferred savings and investment plan available for paid governmental workers
- Participant invests the balance through an individual, self-directed account
- **This plan can help participants:**
 - Supplement a primary retirement plan
 - Manage unforeseeable expenses in retirement
 - Keep up with rising costs of health care
 - Lower taxable income now - contributions are made on a pre-tax basis (Roth feature also offered)

If Not Already Offering a 457 Plan - Why Not?

- **It's Free:** There is no cost to the employer
- **It's Easy:** Contributions are taken through payroll deductions – \$18,000 limit in 2015 with Catch-Up Provisions for those over 50
- **It's Voluntary:** Members can enroll, stop, start and change contributions at any time
 - Participants are always 100% vested
- **No Penalties:** No IRS early withdrawal penalty-distributions can begin upon termination of employment

6 Reasons Why You Should Look at the FPPA 457(b) Deferred Compensation Plan

1. No commissions or incentive pay for FPPA Representatives
2. FPPA understands unique needs of police and fire
3. High quality plan at a competitive price
4. Open architecture with continual and prudent oversight of the plan
5. Partnered with Fidelity Investments
6. Full fee disclosure and transparency

1. No Commissions or Incentive Pay for FPPA Representatives

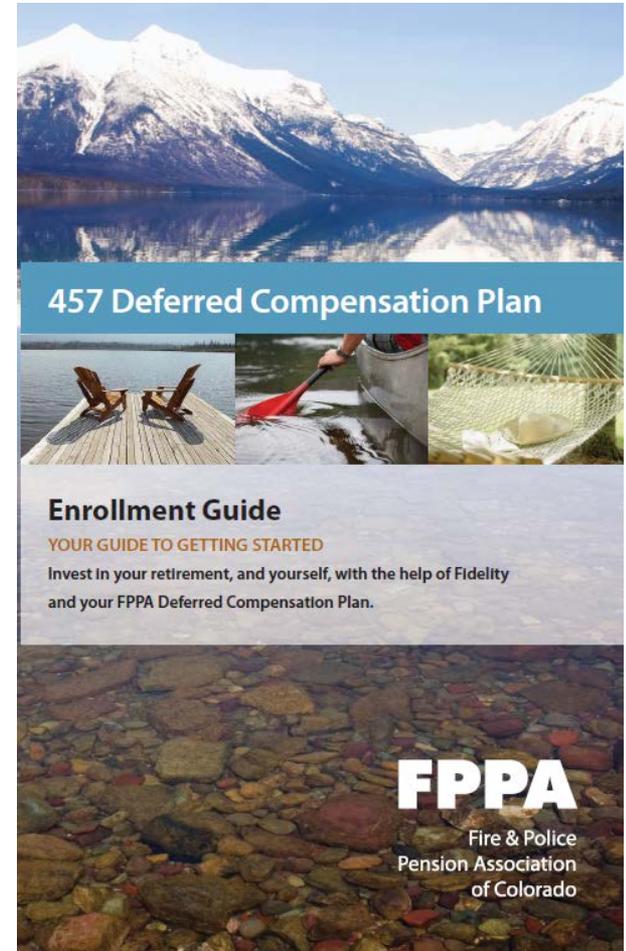
- FPPA staff are salary based
- No bonus structure for adding new participants to a plan
- Our main goal is to provide the tools for members to build a more secure retirement

2. FPPA Understands the Unique Needs of Police and Fire

- Investments and plan features are designed with members' best interests in mind
 - Earlier retirement ages
 - We know the retirement plans our members are participating in and working to supplement
 - Offering a cost-effective and competitive plan is very important to FPPA

3. High Quality Plan at a Low Price

- We consider both cost and quality of the mutual funds offered.
- We utilize the lowest share class available (institutional class when available) to control expenses for our members.
- Lower Fees = Higher Account Balances



4. Open Architecture with Continual and Prudent Oversight of the Plan

- Fidelity is our record keeper, however our core fund line up is not proprietary
- Funds are monitored by our in-house investment team and outside consultants
- Funds and plan features are designed with our members in mind and may be based on feedback from our members

Personalized Investor Involvement Levels

Take a “Hands-off” or “Hands-on” Approach with FPPA and Fidelity

Hands-off

Tier 1
PAS-W

For investors who want a professionally managed account (for a small fee)

Tier 2
Target Date Funds

For investors who want a pre-built portfolio based on their retirement date

Tier 3
Core Funds

For investors who want to construct their own portfolio allocation

Tier 4
BrokerageLink

For experienced investors who want a larger selection of investment options outside of the core lineup

Hands-on



2015 Employer Summit

5. Partnered with Fidelity Investments- an industry leader in retirement plan administration

- Many resources and tools available to our members **without** additional fees
 - Online
 - Phone
 - Investor Centers
 - Planning and Guidance Consultants

6. Full Fee Disclosure and Transparency-

3 primary areas make up the cost of administering the FPPA plan

- Record-keeping services provided by Fidelity (currently 0.12%)
- FPPA administration services, plan oversight and member education (currently 0.028%)
- Expenses charged by the underlying mutual funds offered within the plan, lowest priced share classes are offered.

Do all 457(b) DC Plans have fees?

- **Yes!** – If you are told that your plan is free, then you are not getting the full story.
- Some providers may not be transparent with the fee structure, but fees are always present
 - Expense ratios and revenue sharing
 - Administrative and record keeping fees
- It is important to look at fee disclosures- (share classes of funds)
- “A” Class Shares are the most expensive

Enhancements to FPPA Plan

Old Fee Structure VS New Fee Structure

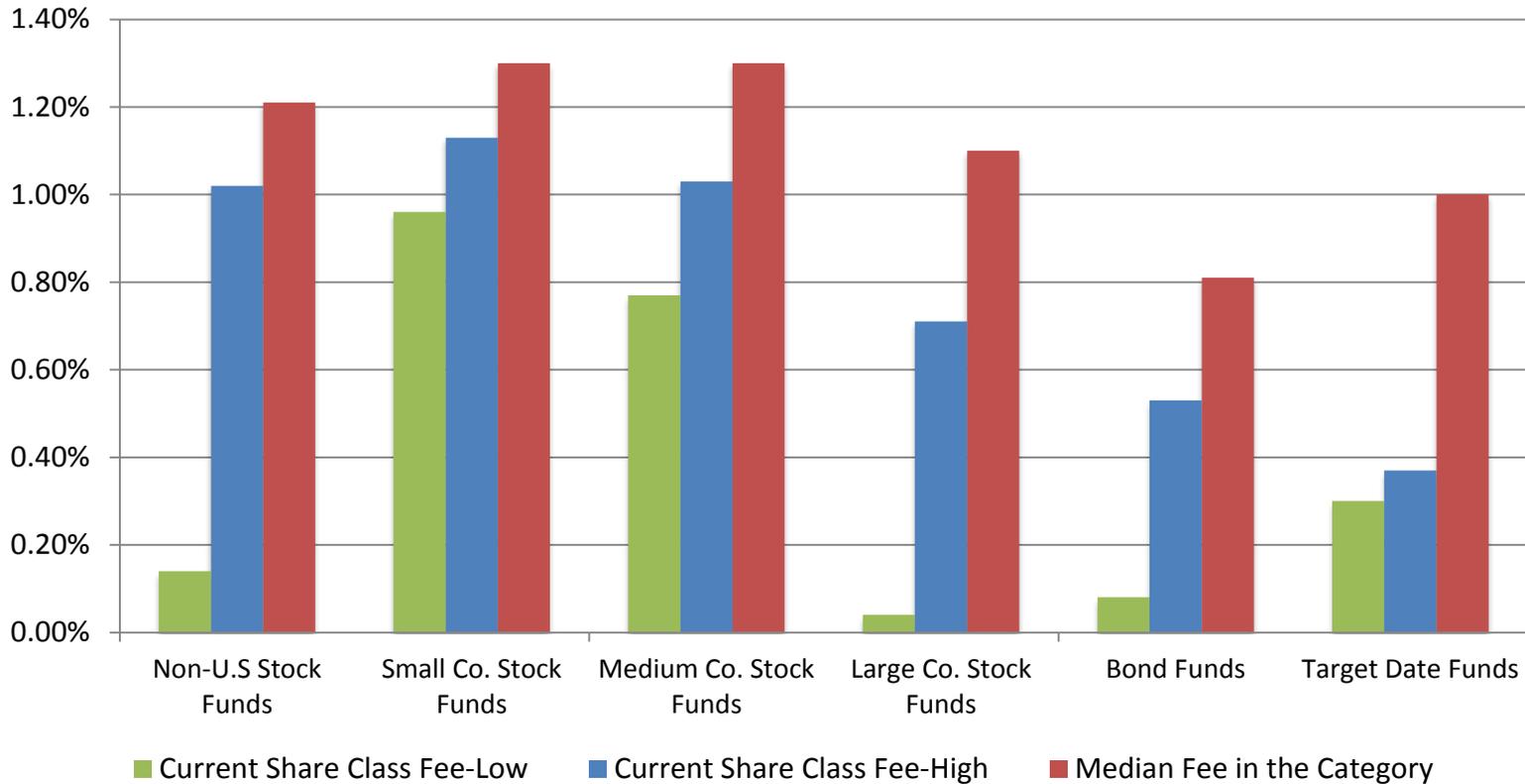
Investment Option	Investor Share Class Expense Ratio	Institutional Share Class Expense Ratio	Fee % Difference	Annual Fee \$ Difference (Based on \$250K Balance)
Wells Fargo TDF 2050	0.72%	0.37%	0.35%	\$875
Wells Fargo TDF 2040	0.72%	0.37%	0.35%	\$875
Wells Fargo TDF 2030	0.71%	0.36%	0.35%	\$875
Wells Fargo TDF 2020	0.70%	0.35%	0.35%	\$875
Wells Fargo TDF Today	0.65%	0.30%	0.35%	\$875



*Information prepared by Bidart & Ross



How Our Expense Ratios Compare



*Information prepared by Bidart & Ross

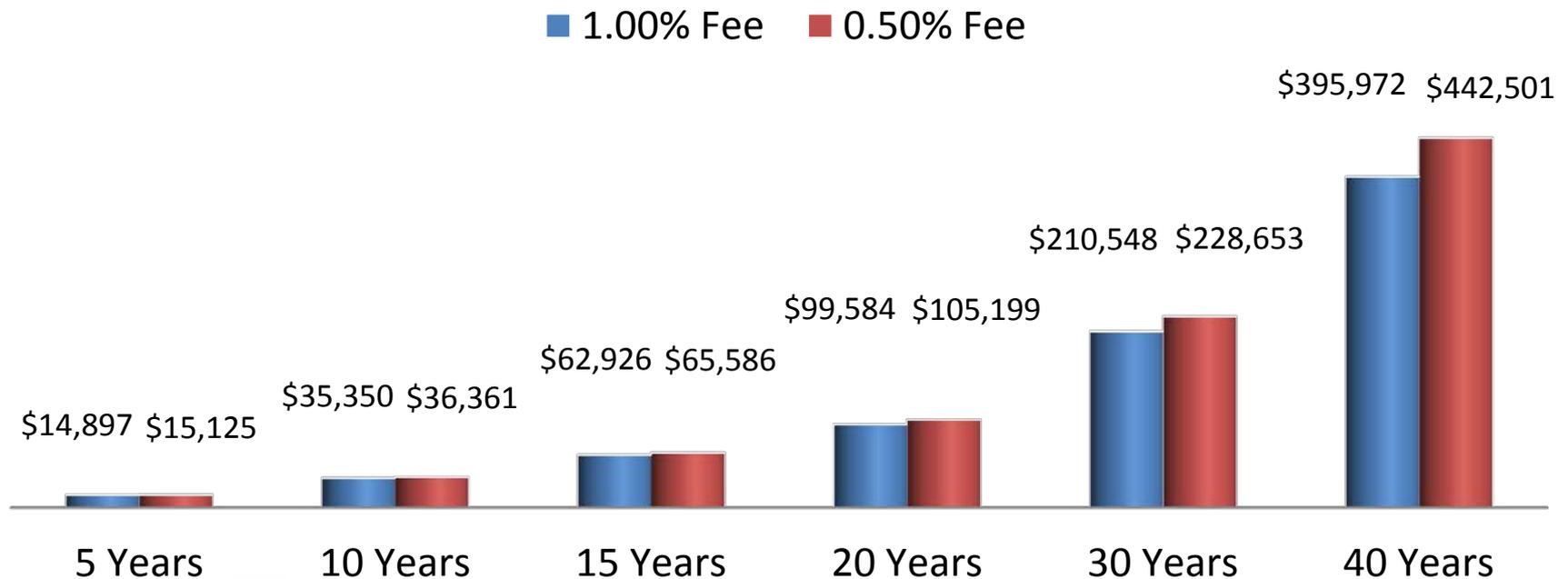


The Bottom Line

- Even our highest expense ratio in a given asset class is less than the median expense ratio in the industry
- Our participants pay less to invest

Fees Are Important

- Example: 457 Plan growth at 5% savings rate, 5% annual rate of return of a \$50,000 salary



New Plan Features

Loan Provision (2015)

- Minimum loan is \$1,000
- Maximum the lesser of \$50,000 or 50% of the account balance
- Interest rate is 1% over the prime rate as verified by Fidelity
- General Purpose Loan and Principal Residence Purchase Loan available
- \$75 loan set up fee, \$25 annual maintenance fee

New Plan Features

457 Roth Provision (December 2015)

- 457 Plan contribution limits apply to the combination of pre-tax and Roth deferrals
- No tax on *qualified* earnings
- No tax on *qualified* distributions
- Allows participant to make post tax contributions for a tax free account in retirement

How to start

- Contact the Communications Team at FPPA to adopt the 457(b) DC Plan if not yet adopted
- Submit completed enrollment forms to your FPPA Contributions Specialist – Members can enroll at any time
- Enrollment form and more information can be found on the Fidelity tab through www.FPPAco.org

FPPA Fire & Police Pension Association of Colorado

Return completed form to:
Your Payroll Office

Remember to make a
copy for your records.

457 Deferred Compensation Plan Contribution Authorization Form

Participant Information			
PARTICIPANT'S LAST NAME		FIRST NAME	MIDDLE INITIAL
MAILING ADDRESS			APT #
CITY	STATE	ZIP	WORK PHONE #
EMAIL			Social Security #

I request that the following contribution(s) be deducted from my salary per payroll period (whole percentages or whole dollars only):

<input type="text"/> %	- Or -	\$ <input type="text"/>	Pre-Tax Contribution
<input type="text"/> %	- Or -	\$ <input type="text"/>	Roth* (Post-Tax) Contribution
I request a one-time lump sum deferral of		\$ <input type="text"/>	Pre-Tax Contribution
I request a one-time lump sum deferral of		\$ <input type="text"/>	Roth* (post-tax) contribution.

I suspend my pre-tax contributions to the plan effective / /

I suspend my Roth* (post-tax) contributions to the plan effective / /

The maximum combined pre-tax contribution and Roth contribution amount (including any employer matching contributions, if applicable) cannot exceed the lesser of 100% of your compensation or the annual IRS limit (see the FPPA website at www.FPPAco.org), plus any allowed catch-up contribution.

Employer contributions to the plan may be submitted to FPPA directly through the Employer Portal without the use of this form.

* Roth contributions are only available if your employer can accommodate Roth contributions. Please check with your payroll office. Tax-free distributions are only available if a 5-year holding period is satisfied once you have separated from service and have met one of the following: attained age 59 1/2, disability or death.

Participant Authorization	
SIGNATURE OF PARTICIPANT	DATE

Information in this form has been provided by FPPA. Fidelity Investments is not responsible for its content. 4DCFCF 11.15

3 Things To Keep In Mind

- It is beneficial to save in **ALL** career stages. Encourage members not to delay participation!

You can solve an investment problem by saving but you can't solve a savings problem through investing.

- Working and contributing to only a pension plan is most likely NOT enough for a secure retirement.
- An extra 1% can go a long way. Try increasing contributions when promotions and raises occur.



Questions?

Thank you for your time!