

DENVER BOARD OF WATER COMMISSIONERS
Acting as Trustee of Retirement Plan or Sponsor of 401(k) Plan

Meeting Date: June 26, 2013

Board Item: 2-A-1

Change in amortization method of Unfunded Actuarial Liability (UAL) for the Employees' Retirement Plan of the Denver Board of Water Commissioners

Consent

Action

Information

At the May 22, 2013 Trustee Meeting, the Board's actuary, Milliman, presented results of the January 1, 2013 Valuation of the Employees' Retirement Plan of Denver Board of Water Commissioners ("Plan"). Milliman also recommended that the Board change the amortization method on its current Unfunded Actuarial Liability (UAL) to a 15-year "closed" period to better reflect the actual working life of employees and pay down current UAL over next 15 years. The Board currently uses a 30-year "open" amortization period. Benefits of changing to a shorter and closed amortization period are explained in the attached memo.

Recommendation:

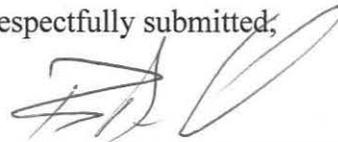
It is recommended that the Board approve the change in the amortization method for the Employees' Retirement Plan of the Denver Board of Water Commissioners from a 30-year "open" to a 15-year "closed" period.

Approvals:



Angela Bricmont
Director of Finance

Respectfully submitted,



for James S. Lochhead
CEO/Manager