

BUILDING ON A TRADITION OF SERVICE

Serving Colorado since 1931



Popular Annual Financial Report
Public Employees' Retirement Association of Colorado
For the Year Ended December 31, 2021

MESSAGE FROM THE EXECUTIVE DIRECTOR



Ron Baker
Executive Director

This *Popular Annual Financial Report (PAFR)* prepared by the Public Employees' Retirement Association of Colorado (PERA) details the plan's performance from January 1, 2021, through December 31, 2021.

This *PAFR* is a reader-friendly summary of information derived from PERA's *Annual Comprehensive Financial Report (ACFR)*, but it is not presented in a manner that conforms with generally accepted accounting principles (GAAP). PERA's *ACFR* is produced to conform with GAAP and is available on our website at copera.org/2021-annual-report or by requesting a copy from PERA's Customer Service Center.

In 2021, PERA marked its 90th year of providing retirement and other benefits to Colorado's public employees. When the Colorado General Assembly established PERA in 1931, the Association had fewer than 1,500 members and just \$63,000 in assets.

Today, PERA manages more than \$76.8 billion on behalf of nearly 650,000 members and benefit recipients. As I reflect on where we've been and where we're headed, I'm proud of how PERA continues to build on its tradition of service to Colorado and those who serve our state.

It's been more than two years since COVID-19 upended our lives, but we're still seeing the effects of the pandemic here in Colorado and beyond. While 2021 saw many people begin the transition back to in-person work and schooling, Colorado's public employees have faced unprecedented challenges brought on by additional waves of coronavirus and unforgiving economic conditions. We extend our appreciation to those who remain steadfast in their dedication to serving others through trying times.

Like many employers, PERA began welcoming staff back to the office in the second half of 2021. With a new hybrid work environment in place, PERA staff have continued to expand efforts that arose from 2020's sudden shift to remote work. These efforts center around providing more digital offerings that are convenient to members, retirees, and employers. We've produced more webinars and educational materials and made enhancements to our website to make important information more accessible. We'll continue to improve and expand on those member-focused initiatives to provide service to our members where, when, and how they need it.

Financially, 2021 was a strong year for the global markets, and PERA's portfolio benefitted from that environment. The defined benefit funds ended the year with a time-weighted return of 16.1% net-of-fees.

The value of the long-term investment strategy set by PERA's Board of Trustees and implemented by PERA staff has been evident amid the high degree of economic uncertainty we've experienced over the past two years and is essential to PERA's core mission: to provide retirement security for our members while ensuring the sustainability of the fund.

While 2021 was a strong year financially, investment performance is just one factor among many that determine how much progress PERA is making toward its goal of full funding. Other factors, such as the economy, workforce changes, and demographics also play a major role, and it's vital that we continue to monitor and measure those factors and react to any changes to keep PERA on track to meet our goal.

When the Colorado General Assembly passed the package of PERA reforms known as Senate Bill 200 in 2018, the Legislature mandated that PERA reach full funding within 30 years—by the end of 2047. Included in those reforms was the automatic adjustment provision (AAP), which automatically adjusts member and employer contributions as well as the annual increase (AI) paid to eligible benefit recipients if PERA is off-track to meet that target. Limits are placed on how much these amounts can change in a single year and cumulatively.

The AAP calculation is made on an annual basis, to take effect the following year. Based on 2021's financial results, additional adjustments will not be necessary in 2023.

MESSAGE FROM THE EXECUTIVE DIRECTOR

The following table illustrates the effect the recent AAP adjustments have had in reducing the estimated years needed for each trust fund to reach full funding (also reflecting plan experience). The comparative values shown, from the prior to the current valuation date, are presented on a closed-group basis. Also shown for illustrative purposes are the projected funding periods determined as of December 31, 2021, represented on an open-group basis. As an example, the School Division’s estimated amortization or funding period has been reduced from 43 years as of December 31, 2020, to 26 years as of December 31, 2021, on a closed-group basis, and as low as 16 years on a projected, or open-group basis (see page 5 for detail defining methodology related to these two scenarios). These results reflect the favorable 2021 investment performance, as well as support the design and effectiveness of the AAP as enacted under SB 18-200.

Funded Period Progress (In Years)

As of December 31

| Division Trust Funds | 2020 Funding Periods ¹ | 2021 Funding Periods ¹ | 2021 Projected Funding Periods ² |
|----------------------|-----------------------------------|-----------------------------------|---|
| State | 33 | 23 | 16 |
| School | 43 | 26 | 16 |
| Local Government | 29 | 12 | 2 |
| Judicial | 13 | 7 | 3 |
| DPS | 16 | 9 | 2 |
| Health Care | 18 | 13 | 12 |
| DPS Health Care | 4 | 2 | 1 |

¹Funding periods are determined on a closed-group basis and shown as of prior and current valuation dates.

²Funding periods are determined on an open-group basis and shown as of the current valuation date only.

As we’ve seen over the past two years, PERA members are incredibly dedicated, and they have continued to serve their communities during difficult circumstances. Despite the challenges we have all faced, we will continue to build on our tradition of service and uphold our mission as we have for more than 90 years ensuring that PERA provides reliable benefits for generations.

Ron Baker

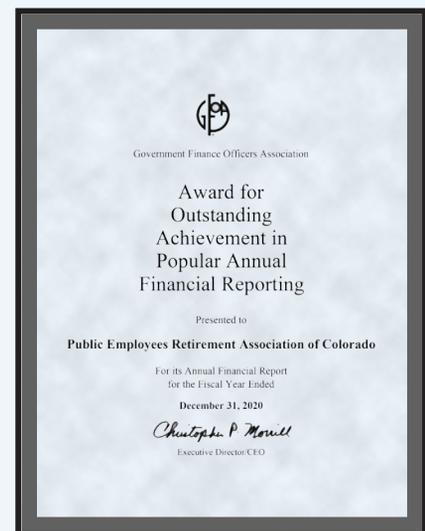
Colorado PERA Executive Director

Outstanding Achievement in Popular Annual Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to PERA for its *Popular Annual Financial Report* for the year ended December 31, 2020. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. PERA has received a Popular Award for the last 19 consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



This *Popular Annual Financial Report (PAFR)* is derived from information contained in PERA’s 2021 *Annual Comprehensive Financial Report (ACFR)*; however this *PAFR* is not presented in a manner that conforms with generally accepted accounting principles (GAAP). Information in this *PAFR* is presented in a summarized format for purposes of reader appeal and certain financial information and note disclosures are omitted. Readers may obtain additional detail from PERA’s *ACFR* which conforms with GAAP and is available on our website at copera.org. Alternatively, readers may request a copy of the *ACFR* from PERA’s Customer Service Center.

ACTUARIAL VALUATION—FINANCIAL REPORTING

The actuarial valuations to determine pension liabilities, other postemployment benefit (OPEB) liabilities, and other related amounts are performed for financial reporting purposes and prepared in accordance with governmental accounting standards. These amounts are required to use assets stated at fair value and to be reported in the financial statements of PERA-affiliated employers.

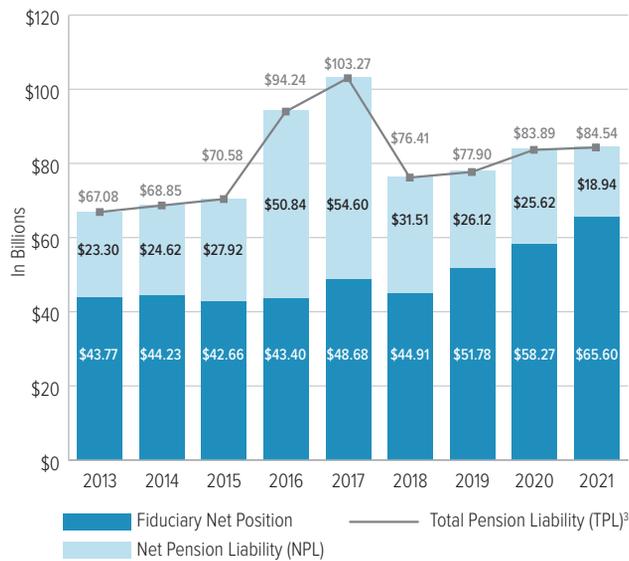
As of December 31, 2021, the total net pension liability is \$18.94 billion for the Division Trust Funds and the total net OPEB liability is \$872.82 million for the Health Care Trust Funds.

More information about the actuarial valuations for financial reporting purposes can be found in the Financial Section of PERA's *ACFR*.

Components of Net Pension Liabilities¹

As of December 31

The graph below is a summary of the current and historic results of the actuarial valuations for financial reporting purposes regarding the Division Trust Funds.²



¹ Based on the actuarial valuations performed for financial reporting purposes. Amounts shown may not add due to rounding.

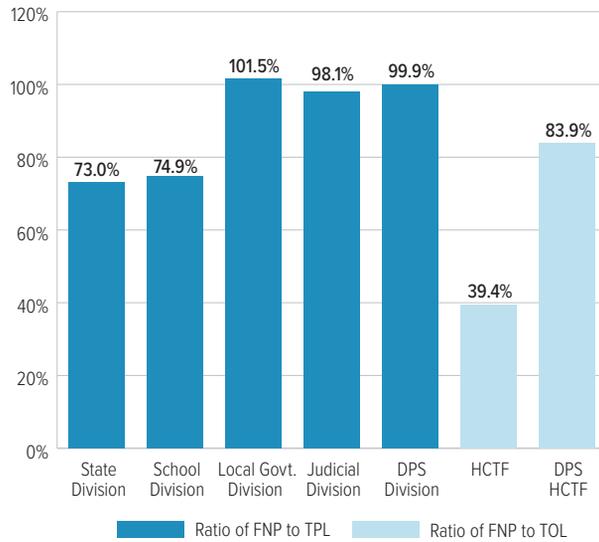
² The data in this table is aggregated for informational purposes. The assets of each trust fund are for the sole purpose of its members and cannot be used by another fund.

³ The rate used to discount the liabilities as of December 31, 2021, was 7.25%.

Status of Colorado PERA – Pension and OPEB

As of December 31, 2021

The graph below illustrates the ratio of the fiduciary net position (FNP) to the total pension liability for each Division Trust Fund and the ratio of the FNP to the total OPEB liability (TOL) for each Health Care Trust Fund.



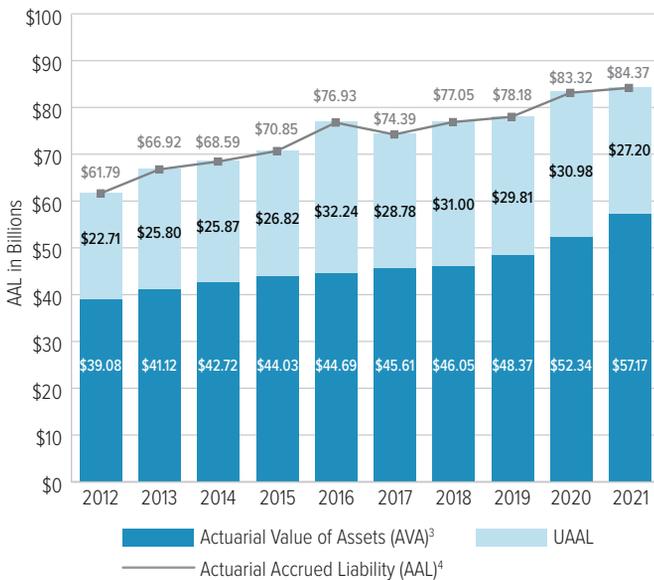
ACTUARIAL VALUATION—FUNDING

PERA’s liabilities are determined at the end of each year by the Board’s actuary. The actuary performs a study, or a valuation as of the last day of the plan year (valuation date), to estimate these long-term costs or liabilities based on actuarial assumptions. The assumptions, most recently updated in 2020, attempt to anticipate member behaviors (retirement, termination, mortality, etc.), as well as future economic experience (inflation, investment return, etc.).

The graph shown below is based on the results of the last 10 funding actuarial valuations for the Division Trust Funds, reflecting all enacted contribution provisions as of each valuation date, and does not consider anticipated growth in active membership (valuation or closed-group basis). To the extent promised benefits outweigh the current assets, there exists unfunded actuarial accrued liability (UAAL), as illustrated in the graph below. As of December 31, 2021, the total UAAL for the five Division Trust Funds is \$27.20 billion and the total UAAL for the two Health Care Trust Funds is \$846.67 million (not shown).

Components of Unfunded Actuarial Accrued Liability (UAAL)¹ for the Division Trust Funds²

As of December 31



¹ Based on the actuarial valuations performed for funding purposes. Amounts shown may not add due to rounding.

² The data in this table is aggregated for informational purposes. The assets of each trust fund are for the sole purpose of its members and cannot be used by another fund.

³ The actuarial value of assets is a smoothed market-related value, calculated by spreading any market gains or losses, above or below the assumed rate of return, over a four-year period.

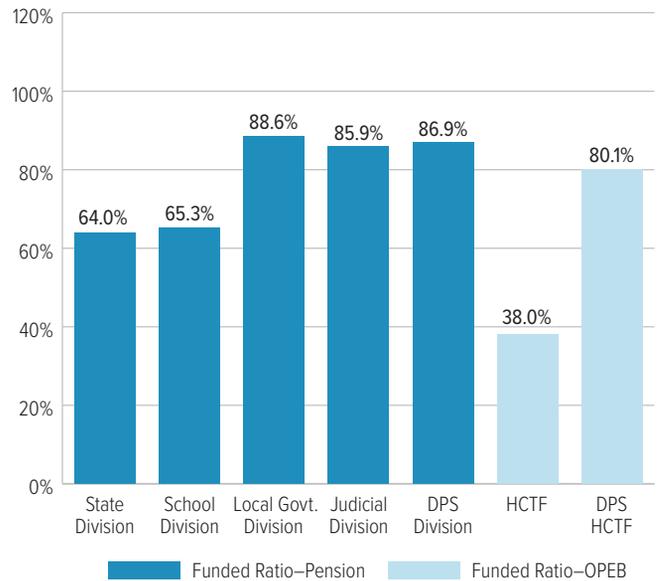
⁴ The funding valuation results as of December 31, 2016, and forward are based upon an assumed 7.25% rate of return on investments and a 7.25% discount rate.

A key measure of a defined benefit fund’s health is its funded ratio. This ratio represents the comparison of the assets available to the benefits that must be paid.

Favorable investment performance in parallel with contribution and benefit adjustments resulting from recent AAP adjustments have better aligned all trust funds for achieving full funding within the targeted 30-year period. The following graph shows the funded ratios for all trust funds on a closed-group basis as of December 31, 2021.

Funded Ratios¹ of Division and Health Care Trust Funds

As of December 31, 2021



¹ Funded ratio is based on the actuarial value of assets.

Another key measure is the number of years required to pay off the UAAL, referred to as the “amortization” or funding period. The funding period for each PERA trust fund is determined under two scenarios:

- **Closed-group basis:** The first calculation, as a product of the annual valuation, is performed considering only the current membership and enacted contribution provisions as of the valuation date. (Results are shown on page 3.)
- **Open-group basis:** The second calculation is performed applying the same actuarial assumptions used in the funding valuation, but reflecting anticipated changes in the active population and future contributions over the projection period. (Results are shown on page 3.)

INVESTMENT PERFORMANCE

(Performance returns are time-weighted and net-of-fees unless otherwise noted; does not include the two Defined Contribution and Deferred Compensation Plans.)

Investment portfolio income is a significant source of revenue to PERA. The Investment Committee, a subcommittee of the Board, is responsible for assisting the Board in overseeing PERA's investment program.

For the year ended December 31, 2021, PERA's total fund returned 16.1% net-of-fees, outperforming the policy benchmark's return of 13.7%. PERA's annualized rate of return over the last three years was 17.9%, and over the last five years it was 13.3%. Over the last 10 years the annualized rate of return was 10.9%. The 30-year, annualized, gross-of-fees rate of return for the pooled investment assets was 9.0%.

PERA's investment strategies reflect our mission, which is to promote long-term financial security for our membership while maintaining the stability of the fund. Specifically, the fund is to be broadly diversified across and within asset classes to limit the volatility of the total fund investment returns and limit the impact of large losses on individual investments.

The Board sets the ranges and targets for each asset class in PERA's investment portfolio.

PERA makes every effort to ensure its investment program produces competitive performance at a low cost. Investment expenses for 2021 were 30.7 basis points, or less than one-half of one percent of the total assets under management. By judiciously combining internal and external management of PERA's investment portfolio, PERA is able to invest at a relatively low cost.

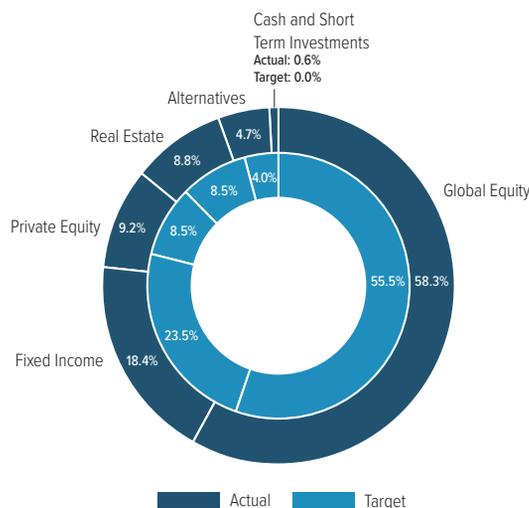
Investment Expenses

| | 2021 |
|---|----------------------|
| Global Equity | \$32,472,000 |
| Fixed Income | — |
| Private Equity | 62,522,000 |
| Real Estate | 34,074,000 |
| Alternatives | 40,808,000 |
| Cash and Short-Term Investments | 563,000 |
| Total External Manager Expenses | 170,439,000 |
| Internal Manager Expenses | 26,426,000 |
| Other Investment Expenses and Custody Fees | 6,139,000 |
| Total Pension, HC and Life Insurance Investment Expenses | 203,004,000 |
| DC Plans Investment Expenses | 5,039,000 |
| Total Investment Expenses | \$208,043,000 |

The charts below detail the asset allocation for the PERA investment portfolio as well as PERA's investment returns compared to its policy benchmark and the BNY Mellon Performance & Risk Analytics' in conjunction with Investment Metrics' Median Public Fund Universe.

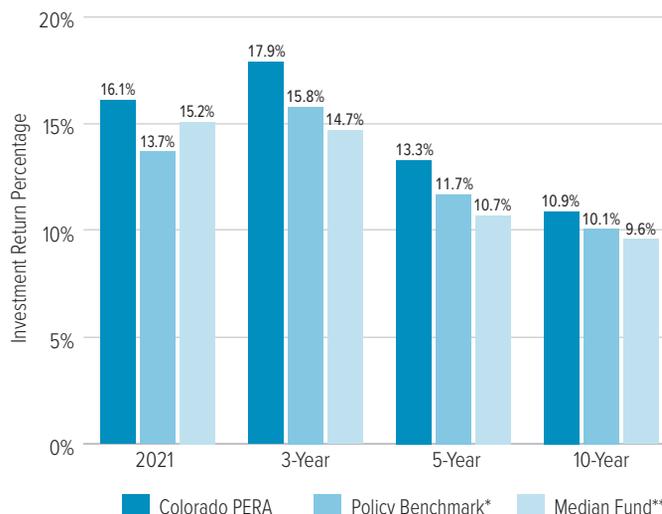
Asset Allocation and 2021 Targets

As of December 31, 2021



Comparison of Colorado PERA Fund Investment Return (Annualized)

As of December 31, 2021



* PERA's policy benchmark is a passive representation of the asset allocation policy adopted by the Board.

** BNY Mellon Performance & Risk Analytics' in conjunction with Investment Metrics' Median Public Fund Universe is comprised of 123 public pension funds with assets of approximately \$2.7 trillion.

CONTRIBUTING TO COLORADO'S ECONOMY

(Does not include the two Defined Contribution and Deferred Compensation Plans.)



PERA is a large contributor to the Colorado economy beyond benefit payments with investments that provide jobs and services that boost the state's economy. Recognizing the opportunities present in Colorado, PERA has more than \$898 million invested in Colorado-based companies, partnerships, and assets. Ultimately, these investments are an economic stimulus, which strengthen the state's economy.

PERA has Colorado investments within its investment portfolio, which include equity of companies headquartered in Colorado in both established, publicly traded companies, as well as investments in entrepreneurial businesses that rely on private equity capital for growth and expansion. Fixed income investments include bonds issued by Colorado companies. Real estate investments are by direct ownership and pooled investment capital. PERA also employs investment managers with operations and employees in the state.

Profile of Investments in Colorado

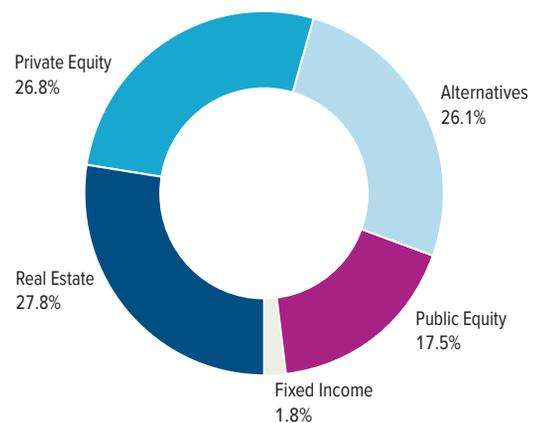
As of December 31, 2021

| | Fair Value |
|--|----------------------|
| Public Equity¹ | \$157,064,000 |
| Fixed Income¹ | 16,170,000 |
| Real Estate | |
| Portfolio investments ² | 140,682,000 |
| Future commitments to Colorado-based general partnerships or funds | 109,318,000 |
| Total Real Estate | 250,000,000 |
| Private Equity | |
| Portfolio investments ² | 220,061,000 |
| Future commitments to Colorado-based general partnerships or funds | 20,513,000 |
| Total Private Equity | 240,574,000 |
| Alternatives | |
| Portfolio investments ² | 145,410,000 |
| Future commitments to Colorado-based general partnerships or funds | 89,680,000 |
| Total Alternatives | 235,090,000 |
| Total | \$898,898,000 |

¹ Companies headquartered in Colorado.

² Portfolio investments domiciled in Colorado.

Diversification of Investments in Colorado



Facts About Colorado PERA Investments

- As PERA's assets have grown, the competitive advantage of using in-house investment professionals has also increased, saving PERA over \$65 million in 2021
- The Total Fund has outperformed the policy benchmark since its adoption in April 2004
- More than 62% of assets managed internally
- More than \$898 million invested in Colorado companies as of December 31, 2021
- 9.0% annualized 30-year return (gross-of-fees)
- 52 investment team members

FINANCIAL SUMMARY

The comparative information below includes all funds—the Division Trust Funds, Voluntary Investment Program, Defined Contribution Plan, Deferred Compensation Plan, Health Care Trust Funds, and Life Insurance Reserve.

Summary Comparative Combined Statement of Fiduciary Net Position

The Comparative Combined Statement of Fiduciary Net Position is a summary of the net assets available to pay future benefit payments at the end of December.

| | 2021 | 2020 | 2019 |
|-------------------------------|-------------------------|-------------------------|-------------------------|
| Total Assets | \$76,826,544,000 | \$67,354,215,000 | \$58,874,481,000 |
| Total Liabilities | 4,178,474,000 | 2,913,992,000 | 1,749,966,000 |
| Fiduciary Net Position | \$72,648,070,000 | \$64,440,223,000 | \$57,124,515,000 |

Summary Comparative Combined Statement of Changes in Fiduciary Net Position

The Comparative Combined Statement of Changes in Fiduciary Net Position shows the inflows (contributions, investment income) and outflows (benefits paid, plan administration costs) during the year. During 2021, total contributions and investment income added \$13.9 billion to the fiduciary net position. Benefits and expenses reduced the fiduciary net position by \$5.7 billion.

| | For the Year Ended December 31, 2021 | For the Year Ended December 31, 2020 | For the Year Ended December 31, 2019 |
|---|---|---|---|
| Additions | | | |
| Employer Contributions | \$2,080,273,000 | \$1,977,103,000 | \$1,875,205,000 |
| Nonemployer Contributions | 225,000,000 | — | 225,000,000 |
| Member Contributions | 1,305,289,000 | 1,165,294,000 | 1,034,878,000 |
| Purchased Service | 114,246,000 | 75,623,000 | 66,453,000 |
| Employer Disaffiliation | — | — | — |
| Net Investment Income | 10,164,321,000 | 9,461,560,000 | 9,903,305,000 |
| Other | 26,168,000 | 23,199,000 | 20,341,000 |
| Total Additions | 13,915,297,000 | 12,702,779,000 | 13,125,182,000 |
| Deductions | | | |
| Benefit Payments ¹ | 4,984,779,000 | 4,825,842,000 | 4,708,541,000 |
| Health Care Benefits | 67,409,000 | 56,109,000 | 61,865,000 |
| Refunds | 572,786,000 | 421,933,000 | 444,974,000 |
| Disability and Life Insurance Premiums | 3,715,000 | 4,776,000 | 6,641,000 |
| Administrative Expenses | 57,810,000 | 57,467,000 | 54,853,000 |
| Other | 20,951,000 | 20,944,000 | 17,641,000 |
| Total Deductions | 5,707,450,000 | 5,387,071,000 | 5,294,515,000 |
| Net Change | 8,207,847,000 | 7,315,708,000 | 7,830,667,000 |
| Fiduciary Net Position—Beginning of Year | 64,440,223,000 | 57,124,515,000 | 49,293,848,000 |
| Fiduciary Net Position—End of Year | \$72,648,070,000 | \$64,440,223,000 | \$57,124,515,000 |

¹ Reflects benefit payments for the Defined Benefit pension plans only.

MEMBERSHIP SUMMARY



Membership in PERA's Defined Benefit (DB) Plan includes employees of the State of Colorado, all school districts, the judicial system, and many municipalities, special districts, and other local government entities. All employees of PERA-affiliated employers who work in a position eligible for PERA membership must be covered by PERA, except for employees who are hired into a position that makes them eligible for a choice between enrolling in the PERA DB Plan or the PERA Defined Contribution Retirement Plan (PERAChoice). Some positions at PERA-affiliated employers are not eligible for PERA membership and may be covered by another separate retirement program.

Colorado PERA Active Members

As of December 31, 2021

| Division | Active Members | Average Age | Average Years of Service | Average Annual Salary |
|--|----------------|-------------|--------------------------|-----------------------|
| State (Members other than State Troopers) | 51,885 | 45.4 | 9.0 | \$57,185 |
| State (State Troopers) | 1,592 | 38.0 | 7.3 | \$78,807 |
| School | 125,007 | 44.7 | 8.8 | \$43,724 |
| Local Government (Members other than State Troopers) | 12,716 | 45.0 | 7.8 | \$56,780 |
| Local Government (State Troopers) | 29 | 37.0 | 1.3 | \$59,750 |
| Judicial | 345 | 54.1 | 12.2 | \$161,681 |
| DPS | 15,695 | 40.9 | 7.2 | \$52,462 |

Colorado PERA Retirees¹

For the Year Ended December 31, 2021

| | State Division | School Division | Local Government Division | Judicial Division | DPS Division |
|--|----------------|-----------------|---------------------------|-------------------|--------------|
| Average monthly benefit | \$3,419 | \$3,079 | \$3,212 | \$6,237 | \$3,293 |
| Average age at retirement | 58.8 | 59.1 | 58.9 | 62.5 | 59.6 |
| Average age | 72.6 | 72.4 | 70.8 | 75.2 | 75.0 |
| Average years of service at retirement | 22.5 | 22.9 | 21.0 | 23.2 | 23.5 |
| Average age at death | 82.7 | 83.1 | 79.8 | 85.4 | 85.8 |

¹ Includes disability retirements, but not survivor benefits.

Colorado PERA Membership

As of December 31, 2021

Active Members: 207,269



Retirees and Beneficiaries: 132,111



Inactive Members: 310,201



Largest Participating Employers

As of December 31, 2021

| Employer | Covered Active Members |
|---------------------------------------|------------------------|
| State of Colorado | 49,360 |
| Denver Public School District No. 1 | 15,695 |
| Jefferson County School District R-1 | 11,820 |
| Douglas County School District Re 1 | 8,781 |
| Cherry Creek School District 5 | 7,720 |
| Adams-Arapahoe School District 28J | 5,790 |
| Adams 12 Five Star Schools | 5,261 |
| Boulder Valley School District RE2 | 4,689 |
| Poudre School District R-1 | 4,582 |
| St. Vrain Valley School District RE1J | 4,496 |
| All other employers | 89,075 |
| Total | 207,269 |

2021 LEGISLATION



During the 2021 legislative session, four bills affecting PERA were introduced and two were signed into law.

Senate Bill 21-228: Public Employees' Retirement Association Cash Fund

Governor Jared Polis signed this bill into law on May 4, 2021. The bill created the PERA Payment Cash Fund in the State Treasury and appropriated \$380 million to the fund for the 2020-21 state fiscal year. The State Treasurer is required to pay the General Fund portion of the direct distribution payment due to PERA on July 1, 2022, from the fund and, subject to annual appropriation, money in the fund may be used by the state for any employer contribution or disbursement to PERA.

The PERA Board did not take a position on this bill.

House Bill 21-1136: Judicial Division Retirees Temporary Judicial Duties Compensation

Governor Jared Polis signed this bill into law on May 4, 2021. The bill adds additional contract periods of 10, 20, and 30 days per year that retired judges may perform temporary judicial duties after retirement and receive a benefit increase equal to a percentage of the current monthly salary of judges serving in the same position held by the retiree at the time of retirement. It also removes the requirement that a judge enters into such an agreement before retirement, or within five years after retirement, and adds certain conditions that would make those retired judges ineligible to enter into an agreement if met.

The PERA Board did not take a position on this bill.

House Bill 21-1213: Conversion of Pinnacle Assurance

This bill would have converted Pinnacle Assurance, which provides workers' compensation insurance in Colorado and is a political subdivision of the state, into a private company. This conversion required a disaffiliation of Pinnacle Assurance as an affiliated employer from the State Division Trust Fund of PERA and payment to cover the costs of disaffiliation.

The PERA Board holds that all disaffiliations should be treated the same and the methodology used to determine the cost for disaffiliation should align with the framework provided under the current statute.

This bill was postponed indefinitely.

House Bill 21-1246: Public Employees' Retirement Association Divestment from Fossil Fuel Companies

This bill would have required the PERA Board to create an exclusion list of all direct investments PERA has in fossil fuel companies and issue a determination whether divestment from the companies on the list complies with the Board's fiduciary obligations. If the Board determined that divestment from the any company on the exclusion list did comply with its fiduciary duties then the Board would have been required to divest from those companies.

PERA opposes divestment efforts unless such opposition is inconsistent with its fiduciary duty and recommends the Legislature thoughtfully consider such proposals with caution and fiduciary care.

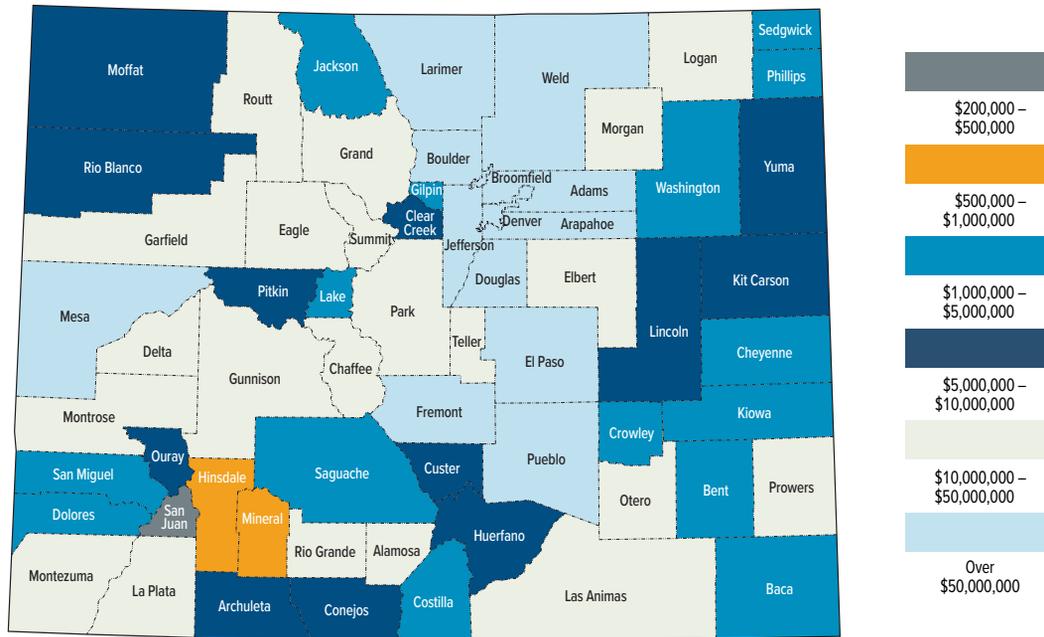
This bill was postponed indefinitely.

► [For more on these bills go to \[peraontheissues.com\]\(https://peraontheissues.com\).](https://peraontheissues.com)

COLORADO PERA BENEFITS PAID BY COUNTY

For the Year Ended December 31, 2021

PERA has a large impact throughout Colorado. In addition to creating jobs through the investment of PERA trust fund dollars in many Colorado-based companies, PERA contributes to the state's economy by providing pension and health care benefits to PERA participants. In 2021, PERA paid over \$4.9 billion in pension benefits, and, of that, \$4.3 billion was paid to 110,084 PERA retirees living in Colorado. PERA retirement benefits represent a steady stream of income in every county in Colorado.



| County | Number of Benefit Recipients | Annual PERA Benefits Paid in 2021 (Actual Dollars) | County | Number of Benefit Recipients | Annual PERA Benefits Paid in 2021 (Actual Dollars) | County | Number of Benefit Recipients | Annual PERA Benefits Paid in 2021 (Actual Dollars) |
|-------------|------------------------------|--|------------|------------------------------|--|--------------|------------------------------|--|
| Adams | 6,228 | \$228,284,149 | Fremont | 2,153 | \$77,256,995 | Morgan | 756 | \$22,844,590 |
| Alamosa | 620 | 21,794,664 | Garfield | 933 | 34,127,635 | Otero | 676 | 22,473,773 |
| Arapahoe | 10,056 | 420,325,577 | Gilpin | 118 | 4,154,136 | Ouray | 148 | 5,026,612 |
| Archuleta | 220 | 6,669,153 | Grand | 295 | 11,290,875 | Park | 356 | 11,572,289 |
| Baca | 131 | 3,308,283 | Gunnison | 327 | 13,225,649 | Phillips | 133 | 4,073,627 |
| Bent | 122 | 3,695,795 | Hinsdale | 16 | 684,707 | Pitkin | 135 | 5,261,033 |
| Boulder | 7,270 | 305,295,099 | Huerfano | 230 | 7,528,971 | Prowers | 362 | 10,879,243 |
| Broomfield | 1,243 | 54,140,451 | Jackson | 43 | 1,222,590 | Pueblo | 6,690 | 258,452,337 |
| Chaffee | 793 | 29,882,082 | Jefferson | 13,607 | 596,181,733 | Rio Blanco | 195 | 6,172,736 |
| Cheyenne | 59 | 1,753,923 | Kiowa | 49 | 1,526,383 | Rio Grande | 412 | 12,512,936 |
| Clear Creek | 228 | 8,804,210 | Kit Carson | 208 | 6,030,074 | Routt | 418 | 15,949,524 |
| Conejos | 303 | 9,666,546 | La Plata | 1,253 | 46,272,905 | Saguache | 119 | 3,403,126 |
| Costilla | 112 | 3,477,486 | Lake | 159 | 4,917,322 | San Juan | 14 | 452,562 |
| Crowley | 109 | 3,412,021 | Larimer | 8,192 | 327,344,416 | San Miguel | 99 | 3,218,773 |
| Custer | 191 | 7,169,353 | Las Animas | 521 | 16,516,102 | Sedgwick | 81 | 2,200,324 |
| Delta | 944 | 29,978,187 | Lincoln | 190 | 6,763,972 | Summit | 283 | 12,750,182 |
| Denver | 8,782 | 382,880,809 | Logan | 772 | 25,150,414 | Teller | 645 | 24,513,049 |
| Dolores | 55 | 1,580,223 | Mesa | 3,993 | 144,660,525 | Washington | 158 | 4,587,776 |
| Douglas | 5,128 | 217,500,079 | Mineral | 27 | 839,468 | Weld | 5,848 | 219,318,708 |
| Eagle | 408 | 15,822,685 | Moffat | 266 | 8,535,376 | Yuma | 247 | 6,830,797 |
| El Paso | 13,494 | 515,839,253 | Montezuma | 685 | 19,548,172 | | | |
| Elbert | 584 | 20,897,392 | Montrose | 1,192 | 39,908,648 | | | |
| | | | | | | Total | 110,084 | \$4,338,358,485 |

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GLOSSARY OF KEY TERMS

The following terms are used in this *PAFR* and are defined below.

Actuarial Accrued Liability—The present value of promised pension benefits for service earned as of the valuation date.

Actuarial Assumptions—Estimates used to forecast uncertain future events affecting future benefits or costs to PERA. Examples include investment rate of return, inflation, payroll growth, and mortality.

Actuarial Valuation—A study performed by an actuary to estimate PERA's long-term costs and determine contribution recommendations based on the PERA Board's funding policies.

Amortization Period—The amount of time to pay off unfunded liabilities considering PERA's statutory contribution rates.

Assets—Items such as cash and investments that are held for the purpose of paying and administering benefits.

Asset Allocation—The long-term mix of assets that the PERA Board has determined represents the most appropriate diversification of assets to meet the risk and return objectives of the plan.

Fiduciary Net Position—PERA's assets minus liabilities other than retirement benefits owed.

Funded Status—A comparison of the assets to the liabilities or benefit obligations owed to members for service.

Interim Asset Allocation—An asset mix designed to bridge the gap from the prior asset allocation to the long-term asset allocation as revised and adopted by the PERA Board, allowing for a reallocation of assets over time.

Net Pension/OPEB Liability—The difference between the present value of projected benefits for earned service and the assets set aside to pay these benefits; determined as required by governmental accounting standards.

Unfunded Actuarial Accrued Liability—The difference between the present value of projected benefits for earned service and the assets set aside to pay these benefits based on the PERA Board's funding policy.