

November 15, 2019

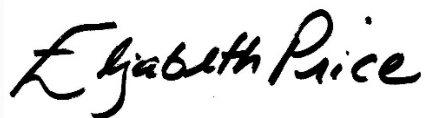
To the Members of the Retirement Association:

It is with great pleasure that I have attached the annual financial report of Colorado Retirement Association (CRA), formerly CCOERA, for the fiscal years ended June 30, 2019 and 2018. The June 30, 2019 financial statements contained in the annual financial report were audited by Plante Moran.

CRA has continued to operate smoothly and efficiently throughout the changes over the past year and currently has approximately 221 member employers and 24,900 participants. As many of you are aware, the plan is governed by a seven-member Board of Directors. Through the efforts of the Board and staff I hope that this will be an understandable report containing relevant information that will enable employers and participants to better evaluate the CRA plans.

As always, if you have any specific questions about the financial statements, or general questions of the Retirement Association, please feel free to contact our offices.

Sincerely,



Elizabeth A. Price
Executive Director

Colorado Retirement Association

**Financial Report
with Supplemental Information
June 30, 2019**

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Independent Auditor's Report

To the Governing Board
Colorado Retirement Association

Report on the Financial Statements

We have audited the accompanying financial statements of Colorado Retirement Association (the "Association") as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise Colorado Retirement Association's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Colorado Retirement Association as of June 30, 2019 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Prior Year Financial Statements

The basic financial statements of Colorado Retirement Association as of and for the year ended June 30, 2018 were audited by EKS&H LLLP, which expressed an unmodified opinion on the financial position of Colorado Retirement Association as of June 30, 2018 and the respective changes in its financial position for the year then ended. The predecessor auditor's report was dated October 29, 2018.

To the Governing Board
Colorado Retirement Association

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the 2019 financial statements that collectively comprise Colorado Retirement Association's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plante & Moran, PLLC

November 15, 2019

Overview of the Financial Statements

Management's discussion and analysis is intended to provide a narrative introduction and overview to the Colorado Retirement Association (the "Association") financial statements for the years ended June 30, 2019 and 2018. The Association is the trustee of the Association Retirement Plan (the "Retirement Plan") and the Association Deferred Compensation Plan (the "Deferred Compensation Plan") (collectively, the "Plans"). Please read this discussion and analysis in conjunction with the financial statements and notes to the financial statements.

The Association's financial statements consist of the Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, and Notes to Financial Statements. These financial statements report information about the Plans as a whole and about their financial condition that should help answer the question: Are the Plans as a whole better off or worse as a result of this year's activities? The net position held in trust for pension benefits is one means of assessing the financial health of an organization, looking to the assets that the fiduciary funds have, compared to the liabilities against those assets. With the Association, it is a means of determining whether the assets are sufficient to pay retirement benefits. Due to the nature of the Plans, the retirement benefits are 100% funded, meaning that currently there are sufficient assets to pay retirement benefits. The statement of changes in fiduciary net position provides a view of the current year's additions and deductions to the Association. The Notes to Financial Statements provide additional information relative to the financial statements that is essential for a full understanding of the data provided in the Association's financial statements.

Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

Financial Analysis

Comparative Financial Information

Statement of Fiduciary Net Position

	June 30		Percent Change
	2019	2018	
Assets			
Cash	\$ 286,468	\$ 299,675	(4.4%)
Participant notes receivable	24,077,824	25,169,514	(4.3%)
Investments	1,735,671,618	1,661,266,022	4.5%
Other assets	1,225,402	1,110,864	10.3%
Total assets	1,761,261,312	1,687,846,075	4.3%

Liabilities and Net Position

Accounts payable and accrued liabilities	760,522	745,254	2.0%
Net position held in trust for pension benefits	\$ 1,760,500,790	\$ 1,687,100,821	4.4%

	June 30		
	2018	2017	
Assets			
Cash	\$ 299,675	\$ 257,018	16.6%
Participant notes receivable	25,169,514	25,529,936	(1.4%)
Investments	1,661,266,022	1,527,019,975	8.8%
Other assets	1,110,864	1,171,694	(5.2%)
Total assets	1,687,846,075	1,553,978,623	8.6%

Liabilities and Net Position

Accounts payable and accrued liabilities	745,254	742,024	0.4%
Net position held in trust for pension benefits	\$ 1,687,100,821	\$ 1,553,236,599	8.6%

Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

Financial Analysis (Continued)

Comparative Financial Information (Continued)

Statement of Changes in Fiduciary Net Position

	For the Years Ended June 30		Percent Change
	2019	2018	
Additions:			
Member employer contributions	\$ 44,543,449	\$ 46,146,770	(3.5%)
Participant contributions	63,213,434	55,011,414	14.9%
Participant rollovers	20,082,290	27,051,076	(25.8%)
Interest and other	1,311,027	1,197,160	9.5%
Total additions	<u>129,150,200</u>	<u>129,406,420</u>	(0.2%)
Investment income	<u>75,402,584</u>	<u>114,527,490</u>	(34.2%)
Deductions:			
Participants' benefit distributions	118,027,422	97,979,471	20.5%
Plan-to-plan transfers	10,008,173	9,302,805	7.6%
Administrative expenses	<u>3,117,220</u>	<u>2,787,412</u>	11.8%
Total deductions	<u>131,152,815</u>	<u>110,069,688</u>	19.2%
Increase in net position held in trust for pension benefits	73,399,969	133,864,222	(45.2%)
Net position held in trust for pension benefits			
Beginning of year	<u>1,687,100,821</u>	<u>1,553,236,599</u>	8.6%
End of year	<u>\$ 1,760,500,790</u>	<u>\$ 1,687,100,821</u>	4.4%

Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

Financial Analysis (Continued)

Comparative Financial Information (Continued)

Statement of Changes in Fiduciary Net Position (Continued)

	For the Years Ended June 30		Percent Change
	2018	2017	
Additions:			
Member employer contributions	\$ 46,146,770	\$ 40,003,925	15.4%
Participant contributions	55,011,414	55,530,181	(0.9%)
Participant rollovers	27,051,076	12,499,455	116.4%
Recordkeeping fees	-	201,472	(100.0%)
Interest and other	1,197,160	1,094,410	9.4%
Total additions	129,406,420	109,329,443	18.4%
Investment income	114,527,490	146,064,473	(21.6%)
Deductions:			
Participants' benefit distributions	97,979,471	93,205,278	5.1%
Plan-to-plan transfers	9,302,805	6,534,304	42.4%
Administrative expenses	2,787,412	2,896,505	(3.8%)
Total deductions	110,069,688	102,636,087	7.2%
Increase in net position held in trust for pension benefits	133,864,222	152,757,829	(12.4%)
Net position held in trust for pension benefits			
Beginning of year	1,553,236,599	1,400,478,770	10.9%
End of year	\$ 1,687,100,821	\$ 1,553,236,599	8.6%

Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

Summary of Statement of Fiduciary Net Position

All of the Association's net position is used to pay for accrued retirement benefits of plan participants except for the net position of the Association's administration totaling \$3,628,243, \$4,153,095, and \$4,466,030 as of June 30, 2019, 2018, and 2017, respectively. The net position of the Association's administration is available to the members of the Association. The Association's net position held in trust for pension benefits exceeds \$1,760,000,000 at June 30, 2019. Assets mainly consist of investments, cash, receivables, and property and equipment. As of June 30, 2019, 20.2% of the investment assets, or \$351,191,595, was invested in the Book Value Fund. Other investment assets of \$1,384,480,023 represent investments of \$1,358,520,558 in 15 publicly traded mutual funds and 12 customized target date portfolios and \$25,959,465 invested in self-directed brokerage accounts. The remainder of the Association's assets consists of cash of \$286,468, participant notes receivable of \$24,077,824, net property and equipment of \$1,170,777, and other assets of \$54,625. The Association occupies a building and land purchased on January 17, 2008 for a total cost of \$1,464,855. The investment gain on the Association's investments was over \$75,000,000 during the year ended June 30, 2019.

By way of comparison, as of June 30, 2018, 21.2% of the investment assets, or \$351,314,028, was invested in the Book Value Fund. Other investment assets of \$1,309,951,994 represent investments of \$1,280,709,191 in 16 publicly traded mutual funds and 12 customized target date portfolios and \$29,242,803 invested in self-directed brokerage accounts. The remainder of the Association's assets consists of cash of \$299,675, participant notes receivable of \$25,169,514, net property and equipment of \$1,057,967, and other assets of \$52,897. The investment gain on the Association's investments was over \$114,000,000 during the year ended June 30, 2018.

As of June 30, 2019, 2018, and 2017, the Association's net position held in trust for pension benefits was \$1,760,500,790, \$1,687,100,821, and \$1,553,236,599, representing total assets of \$1,761,261,312, \$1,687,846,075, and \$1,553,978,623, less total liabilities of \$760,522, \$745,254, and \$742,024, respectively. During the fiscal years ended June 30, 2019, 2018, and 2017, the net position held in trust for benefits increased 4.4%, 8.6%, and 10.9%, or \$73,399,969, \$133,864,222, and \$152,757,829, respectively. The increase in net position held in trust for pension benefits is further explained below in the summary of statements of changes in fiduciary net position.

Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

Summary of Statements of Changes in Fiduciary Net Position

The Association's investment income consists of interest income and investment gains or losses in the market value of its investments. Investments of the Association had a total net investment gain of \$75,402,584 during fiscal year 2019 and a gain of \$114,527,490 during fiscal year 2018. Of this amount, mutual fund investments increased by approximately \$67,000,000 and \$107,000,000 in net market value during fiscal years 2019 and 2018, respectively. For the fiscal years ended June 30, 2019 and 2018, where the S&P 500 Index went up 8.22% and 12.2%, respectively, these gains recognized in fiscal years 2019 and 2018 were not unexpected. The remainder of total net investment gain is from Book Value Fund income. Total income earned on the Book Value Fund during fiscal years 2019 and 2018 was approximately \$8,600,000 and \$7,500,000, respectively.

During the fiscal years ended June 30, 2019 and 2018, the Association incurred \$3,117,220 and \$2,787,412, respectively, of administrative expenses. The largest component of this amount was for salaries and personnel of \$1,372,707 and \$1,371,958 for 2019 and 2018, respectively. Other significant expense items included recordkeeping fees, marketing, system maintenance, consultant and investment advisors, legal, administrative, depreciation, and insurance. Recordkeeping fees and system maintenance for 2019 and 2018 were \$794,946 and \$714,403, respectively. The Association also incurred consultant and investment advisory expenses of \$133,567 and \$111,988 for 2019 and 2018, respectively. Other major expenses incurred during 2019 and 2018 were marketing expenses of \$169,961 and \$54,049; legal fees of \$112,520 and \$85,781; administrative expenses of \$72,603 and \$71,838; depreciation of \$74,434 and \$68,752; insurance of \$73,775 and \$67,375; travel-related expenses of \$65,999 and \$60,610, primarily related to participant education and counseling efforts; and accounting and auditing of \$57,000 and \$57,000, respectively.

During the fiscal years ended June 30, 2019 and 2018, contributions to both the Retirement Plan and the Deferred Compensation Plan totaled \$127,839,173 and \$128,209,260, consisting of \$44,543,449 and \$46,146,770 in member employer contributions; \$63,213,434 and \$55,011,414 in participant contributions; and \$20,082,290 and \$27,051,076 in participant rollovers, respectively. Distributions for the payment of benefits and for plan-to-plan transfers totaled \$128,035,595 and \$107,282,276 for the fiscal years ended June 30, 2019 and 2018, respectively.

The net impact of the Association's net investment gains and losses, contributions, revenues, distributions, and administrative expenses was a total increase in net position held in trust for pension benefits of \$73,399,969 and \$133,864,222 for the fiscal years ended June 30, 2019 and 2018, respectively.

Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

Economic and Industry Considerations

The stock market has again climbed to record highs this year as the economy and corporate profits continue to improve, although at a much slower pace. Since the 2008-9 recession, the United States (US) has recorded almost uninterrupted growth. The nation's real Gross Domestic Product (GDP) grew at a 2.1% pace for the 2nd quarter of 2019, the lowest rate since the first quarter of 2017 and down from 3.1% in the first quarter. At the same time, consumer spending rose from 1.1% growth in the first quarter 2019 to 4.3% in the second.

The International Monetary Fund (IMF) in April reduced its 2019 estimate for world real GDP growth from 3.5% to 3.3%, following 2018's 3.6%, and in doing so, noted that over 70% of the world economies were experiencing slower growth. In July, with more trade war weakness evident, the IMF cut its 2019 growth estimate to 3.2%. The IMF does predict that 2020 will see world GDP growth recovering somewhat to 3.5%. For the United States, the IMF expects 2019 real GDP growth of 2.3%, slowing to 1.9% in 2020.

This US economy, much like that of the rest of the developed world, began to slow significantly in late 2018 and early 2019. While consumer spending continued to show remarkable strength, employment growth, US industrial production and exports weakened. Weak sectors of the economy, trade uncertainty and global growth worries all helped fuel the first interest rate cut in decade by the Federal Reserve in July 2019. The Federal Reserve followed this up with another .25% reduction in September.

Coinciding with the last rate cut, the Consumer Confidence Index decreased 9.1 points at the end of September from 134.2 to 125.1, suggesting uncertainty among households. Despite this decrease in the index, August new home sales (seasonally adjusted) increased 7.1% as consumers sought to take advantage of the lower interest rates.

Colorado's economy has been one of the strongest in the nation in recent years. The state's unemployment rate is 2.7% for September 2019 as compared to the national unemployment rate of 3.5%. Colorado's job growth has continued with a 2.8% increase year-over-year (May), ranking the state as the nation's sixth fastest growing job market. This is impressive considering the Centennial State is facing historic labor shortages.

Colorado's rapid job growth and the allure of the outdoors have encouraged a huge influx of new residents and businesses, which has sparked a real estate boom. This influx of businesses and residents has refocused Colorado's economy around high growth industries such as aerospace, healthcare, alternative energy data analytics and outdoor recreation. Recent employment growth has risen across nearly every major labor category, with professional services, business services, leisure and hospitality leading the charge.

In just over four decades, the state has undergone a huge increase in college-educated population as the % of Colorado residents 25 years or older with four or more years of college more than tripled, from 14.9% in 1970 to 39.4% today.

Colorado's population growth has moderated somewhat recently. The short-term population growth forecast for Colorado is an increase of 1.3% for both 2019 and 2020. The total population was estimated to be 5,694,000 as of July 2018. The growth rate forecast of 1.3% is somewhat lower than what Colorado experienced prior to the recession. Over the next five years, annual growth rates are forecast to vary from a high of 2.3% per year along the North Front Range to less than 1% in the Central Mountains and the San Luis Valley. The forecast is for Colorado to reach 6 million by 2023. Local government employment has largely recovered from the Great Recession and is expected to grow at about the same rate as the state population.

Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

Property tax collections are a primary source of revenue for counties and many special districts in Colorado, which will affect the budgets of our members. Changes to the assessed valuation of property can increase or decrease the revenues raised from each jurisdiction's property taxes. Based on recent home price appreciation, statewide property tax revenue is expected to increase over the next couple of years. With Colorado's skilled workforce; high-tech, diversified economy; relatively low cost of doing business; global economic access; and exceptional quality of life, the state remains poised for long-term economic growth. As a result of the above, we expect that our inflow of revenues (contributions) will be stable over the next few years and that our historical pattern of distributions will also continue.

The continued challenge for our participants is to not abandon their long-term focus and disciplined approach to investing along the road to retirement. We are cautioning participants as even the healthiest markets are subject to the potential of sharp sell-offs from time to time. Speed bumps are to be expected in the short term. Volatility is the norm and we at Association strive to prepare our participants for such events and to not become distracted from their established investing plan.

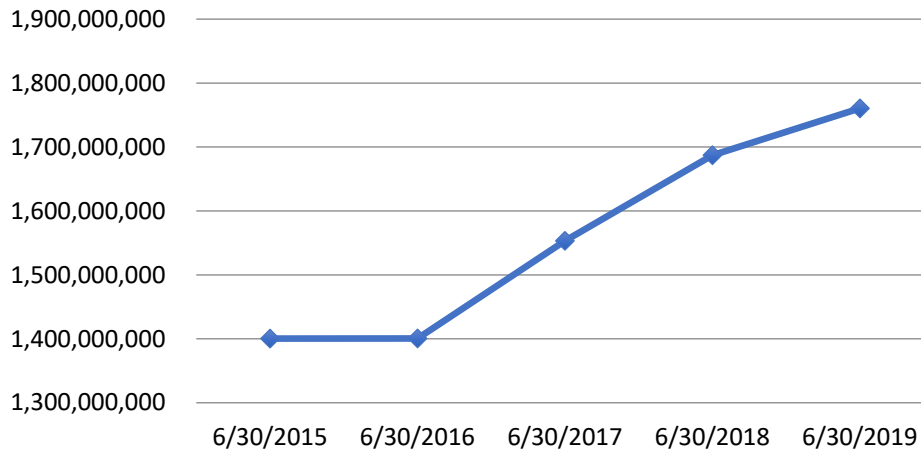
Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

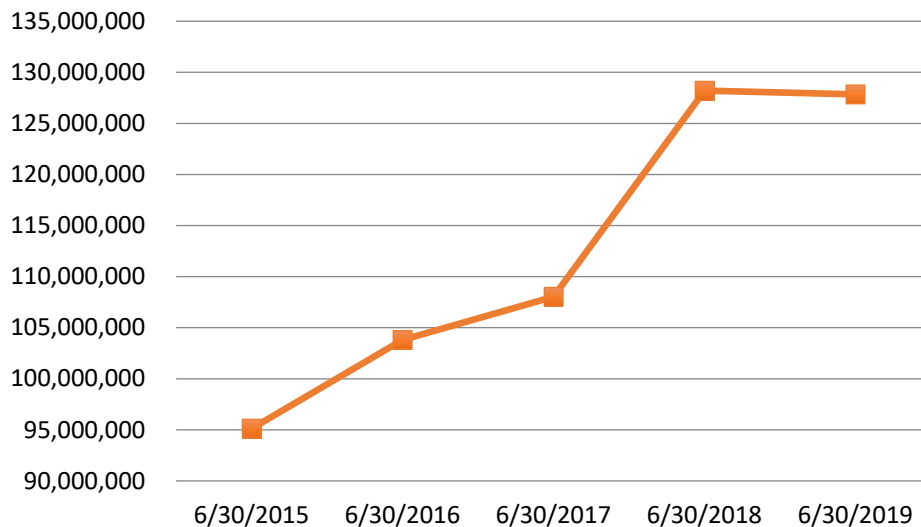
The below chart summarizes the growth of the assets in both Association plans over the past five years.

Net Assets of the Association Plans



The below chart summarizes the annual contributions to both Association plans over the past five years.

Contributions to the Association Plans



Colorado Retirement Association

Management's Discussion and Analysis (Continued)

June 30, 2019 and 2018

Since July 1, 2006, the Governing Board is comprised of seven members. Its current members are Mr. Tobe Allumbaugh, Mr. Paul Danley, Mr. Jerry DiTullio, Mr. Christopher Felton, Mr. Lucas Hale and Mr. Scott Vargo. Effective July 1, 2019, Mr. Darius Allen was elected to the Governing Board. Mr. Allen filled a board position that was vacated in May of 2019.

The Association is using the services of Innovest Portfolio Solutions, Inc. ("Innovest") to research and advise the Association of any mutual fund managers in which the participant funds are invested. Innovest constantly monitors and investigates to see if any of the funds are under investigation or are actually being charged in any wrongdoing concerning late trading, short trading, or other questionable activities. The Association is happy to report that as of June 30, 2019, 2018, and 2017, none of the mutual funds that make up its portfolio have been named in any investigations or charges. The Governing Board, through Innovest, will continue to monitor the mutual fund menu very closely.

This financial report is designed to provide the Governing Board and the Plans' participants with a general overview of the Association's finances and to demonstrate the Association's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Executive Director at 751 SouthPark Drive, Littleton, Colorado 80120.

Colorado Retirement Association

Statement of Fiduciary Net Position

June 30, 2019 and 2018

	June 30	
	2019	2018
Assets		
Cash	\$ 286,468	\$ 299,675
Participant notes receivable	24,077,824	25,169,514
Investments:		
Book Value Fund	351,191,595	351,314,028
Target date portfolios	911,107,008	857,476,047
Mutual funds	447,413,550	423,233,144
Self-directed brokerage accounts	<u>25,959,465</u>	<u>29,242,803</u>
Total investments	1,735,671,618	1,661,266,022
Other assets:		
Prepaid expenses and other	54,625	52,897
Property and equipment - Net	<u>1,170,777</u>	<u>1,057,967</u>
Total other assets	<u>1,225,402</u>	<u>1,110,864</u>
Total assets	<u>1,761,261,312</u>	<u>1,687,846,075</u>
Liabilities and Net Position		
Liabilities - Accounts payable and accrued liabilities	<u>760,522</u>	<u>745,254</u>
Net Position - Net position held in trust for pension benefits	<u>\$ 1,760,500,790</u>	<u>\$ 1,687,100,821</u>

Colorado Retirement Association

Statement of Changes in Fiduciary Net Position

June 30, 2019 and 2018

	For the Years Ended June 30	
	2019	2018
Contributions		
Member employers	\$ 44,543,449	\$ 46,146,770
Participants	63,213,434	55,011,414
Participant rollovers	20,082,290	27,051,076
Total contributions	127,839,173	128,209,260
Income		
Participants notes receivable interest	1,230,624	1,124,930
Other	80,403	72,230
Total income	1,311,027	1,197,160
Investment income		
Book Value Fund	8,657,235	7,534,614
Net change in fair value	66,745,349	106,992,876
Total investment income	75,402,584	114,527,490
Deductions		
Participants' benefit distributions	128,035,595	107,282,276
Administrative expenses	3,117,220	2,787,412
Total deductions	131,152,815	110,069,688
Increase in net position held in trust for pension benefits	73,399,969	133,864,222
Net position held in trust for pension benefits Beginning of year	1,687,100,821	1,553,236,599
End of year	\$ 1,760,500,790	\$ 1,687,100,821

June 30, 2019 and 2018

Note 1 - Nature of Business

Colorado Retirement Association (the "Association") was established in 1968 under 24-54-101 et. seq. Colorado Revised Statutes, as amended. The Association was established to serve as trustee and provide continuing administration of a trust fund for retirement benefits of eligible county and municipal officers and county, municipal, and special district employees. Effective May 17, 2019, the name of the Association was changed from Colorado County Officials and Employees Retirement Association to Colorado Retirement Association.

The Association established a defined contribution plan called Colorado Retirement Association Retirement Plan (the "Retirement Plan"), through which contributions of the member employers and the participants' contributions are invested at the participants' direction in a number of investment funds for the benefit of retirement plan participants. In addition to participating in the Retirement Plan, each participant may elect to contribute voluntarily to the Colorado Retirement Association Deferred Compensation Plan (the "Deferred Compensation Plan"), established pursuant to the Internal Revenue Code (IRC) Section 457. Under the Deferred Compensation Plan, a member employer, at the request of the employee, defers payment of a portion of the employee's current eligible compensation. The Retirement Plan and the Deferred Compensation Plan are collectively referred to as the "Plans."

The Association is governed by a seven-member board (the "Governing Board"), which has the fiduciary responsibility for the Plans, selected in accordance with Colorado Revised Statutes. The Governing Board consists of the following members at June 30, 2019: Toby Allumbaugh - Crowley County; Paul Danley - Southeast Metro Stormwater Authority; Jerry DiTullio - Jefferson County; Christopher Felton - Jefferson County; Lucas Hale - Widefield Water and Sanitation District; and Scott Vargo - Summit County.

The Association is not an agency of or subject to any administrative direction of the state of Colorado or any local governments. Accordingly, the Association's financial statements are not included in the financial statements of any other organization.

Any county, municipality, or special district of the state of Colorado, with the consent of the Association, may become a member employer of the Association and participate in the Retirement Plan or Deferred Compensation Plan by adopting it for its officers and employees. The number of association member employers and plan participants was approximately 221 and 24,900, respectively, at June 30, 2019 and 215 and 22,600, respectively, at June 30 2018.

Upon termination of the plans, the net position of the Association will be distributed to the Association's members. As of June 30, 2019 and 2018, the Association's net position was \$3,628,243 and \$4,153,095, respectively.

Galliard Capital Management, Inc. (Galliard) is the Association's investment advisor for the Book Value Fund. Galliard has full discretionary authority subject to written investment objectives and guidelines established by the Association; however, Galliard does not have custody of the assets.

Note 2 - Significant Accounting Policies

Retirement Plan

Generally, employees and officers of association member employers are required to participate in the Retirement Plan after the completion of terms of service established by the employer, but participation is optional for all elected officials.

Contributions

Employer contributions to the Retirement Plan range from 3 percent to 12 percent of eligible compensation. Generally, employee contributions must match employer contributions and are funded on a current basis. Employees may make additional after-tax voluntary contributions not to exceed 100 percent of eligible compensation. Participant rollover contributions may also be made to the Retirement Plan if certain criteria are met.

Note 2 - Significant Accounting Policies (Continued)

Vesting

Participants vest in employer contributions and in the earnings, losses, and changes in the fair value of retirement plan assets at rates ranging from 10 percent per year to immediately, depending on the vesting schedule adopted by the member employer. Participants are immediately vested 100 percent in their own contributions and earnings. In the event that an association member employer withdraws from the Retirement Plan, all participant balances for that member employer shall become immediately vested at 100 percent.

Participant Notes Receivable

Participants may borrow from the vested portion of their accounts up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balances, reduced by the highest outstanding loan balance during the past 12 months. The loans bear interest at 1.00 percent over the prime rate published in *The Wall Street Journal* on the first business day of the month before the loan is originated, which ranged from 4.25 percent to 9.25 percent at June 30, 2019. Principal and interest are paid ratably through payroll deductions, and the loans mature between July 2019 and June 2034. Participant loans are recorded in the financial statements at amortized cost plus accrued interest.

Participant loans, except those taken for the purchase of the participant's principal residence, require amortization of principal and interest over a period not to exceed five years.

Participant Termination and Forfeitures

Any member employer contribution forfeited by a participant due to termination of employment before becoming fully vested is available to the member county, municipality, or special district to offset against future contributions or to be allocated to remaining participants. Forfeitures removed from participant accounts were \$2,943,347 and \$2,586,241 for the years ended June 30, 2019 and 2018, respectively. Forfeitures totaling \$2,953,508 and \$2,538,788 were reallocated to participants during the years ended June 30, 2019 and 2018, respectively. The balance of this account at June 30, 2019 and 2018 was \$709,108 and \$703,311, respectively, and is included in the Book Value Fund on the accompanying statement of fiduciary net position.

Deferred Compensation Plan

Eligible employees of member employers may elect to contribute a portion of their current eligible compensation to the Deferred Compensation Plan, which is subject to limitations by the IRS. Participant rollover contributions may also be made to the Deferred Compensation Plan if certain criteria are met. Participants are immediately 100 percent vested in their own contributions and earnings. Loans are available consistent with the terms of the Retirement Plan.

Participants' Accounts

Each participant's account is credited or charged with the participant's pretax or post-tax contributions, rollover contributions, employer contributions, distributions, administrative expenses, and net plan investment earnings and losses. Participants may direct the investment of their account balances into various investment options offered by the Plans. If no written direction is received from a participant, the participant's funds are automatically invested in the target date portfolio most closely associated with the participant's age.

The Governing Board allows participants to direct investment decisions through self-directed brokerage accounts.

The funds are valued on a daily basis. Participants receiving benefit payments upon retirement or termination are allocated earnings or losses through the date of the distribution.

Note 2 - Significant Accounting Policies (Continued)

Benefit Payments

At retirement or termination, each participant in the Plans has the option of receiving his or her vested balance in cash, leaving his or her vested balance invested in the funds, transferring his or her vested balance to an IRA, or requesting that the Association transfer to other retirement savings plans, as provided by law. The Plans provide for in-service withdrawals to participants who have attained normal retirement age and are no longer eligible to make contributions. A retiring participant also has the option to purchase a retirement annuity with an independent insurance company. The Plans are not involved with such purchase. A participant in the Plans also may elect to transfer funds directly to an IRC Section 401(a) defined benefit plan for purchase of service credit as defined by the plan agreement.

At the sole option of the Association, for participants in the Plans, an immediate lump-sum distribution may be made to a terminated participant if the participant's account balance is \$1,000 or less. Additionally, participants in the Deferred Compensation Plan with account balances of \$5,000 or less who have not contributed to the Deferred Compensation Plan for the last two years or more and have had no prior distribution may receive their total account balances while still employed, defined as an in-service distribution.

Administrative Expenses

Various administrative costs are paid by the participants.

Plan Termination

The Association may at any time elect to terminate the Plans. In the event of such termination, participants shall become 100 percent vested if they are not already 100 percent vested.

Basis of Presentation

The financial statements of the Association have been prepared in accordance with accounting principles generally accepted in the United States of America and all applicable Governmental Accounting Standards Board statements that apply to governmental accounting for fiduciary funds.

Basis of Accounting

The accompanying financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Association has spent its resources.

Fund Accounting

The accompanying financial statements include the accounts of Colorado Retirement Association and its two fiduciary funds: the Retirement Plan and the Deferred Compensation Plan. All interfund accounts and transactions have been eliminated.

The Retirement Plan and the Deferred Compensation Plan maintain their investments in separate investment portfolios. The administrative activities and operating assets and liabilities are pooled and recorded in the Association.

Annually, the management of the Association prepares a budget not to exceed half of 1 percent of the Plans' combined assets. This is presented to the Governing Board for review, discussion, and any proposed modifications. The budget is then adopted, as modified, prior to the beginning of the fiscal year.

Note 2 - Significant Accounting Policies (Continued)

Investment Valuation

The Association's investments in mutual funds, target date portfolios, and self-directed brokerage accounts are stated at fair value based upon current market quotations. The Book Value Fund invests primarily in investment contracts and collective trust funds that are considered fully benefit responsive (FBRIC). Investment contracts, generally referred to as guaranteed investment contracts, are predominately fixed-rate agreements issued by insurance companies and banks. At June 30, 2019, the contract value of the investment contracts approximated fair value. As of and for the years ended June 30, 2019 and 2018, the average crediting interest rate was 2.70 percent and 2.34 percent, respectively. A FBRIC is an investment contract that provides a guarantee by a financially responsible third party of all principal and accrued interest to any participant exercising his or her right to withdrawal and allows participants the amount they would receive if they were to initiate transactions under the terms of the Plans. Contract value is a relevant measurement attribute for that portion of the net position available for benefits of a defined contribution plan attributable to FBRICs, because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Association.

The common collective trust funds included in the Book Value Fund are valued at net asset value per share (NAV) (or its equivalent) of the funds, which is based on the fair value of the funds' underlying assets. See Note 3 for additional information.

Income Recognition

Interest is recorded when earned. Dividends are recorded on the ex-dividend date. Investment income represents the dividend income, capital gain distributions, and realized and unrealized gains and losses on the investments. Purchases and sales are recorded on a trade-date basis.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method at rates designed to amortize the costs of the assets over their estimated useful lives.

Impairment or Disposal of Long-lived Assets

The Association reviews the recoverability of long-lived assets when events or changes in circumstances occur that indicate the carrying value of the asset may not be recoverable. The assessment of possible impairment is based on the ability to recover the carrying value of the asset from the expected future pretax cash flows (undiscounted and without interest charges) of the related operations. If these cash flows are less than the carrying value of such asset, an impairment loss is recognized for the difference between estimated fair value and carrying value. The measurement of impairment requires management to make estimates of these cash flows related to long-lived assets, as well as other fair value determinations.

Income Taxes

The Association has been classified as a nontaxable organization by the IRS under IRC 414(d) and 413(c).

The Plans have been classified as nontaxable by the IRS. In August 2014, the Association received a letter from the IRS informing it that, as amended, the Retirement Plan and related trust are designed in accordance with the applicable sections of the IRC. The IRS has determined and informed the Association by a letter dated April 22, 1993 that the Deferred Compensation Plan and related trust are designed in accordance with the applicable sections of the IRC. The Plans have been amended since receiving the determination letter; however, the Association believes that the Plans are designed and are currently operating in compliance with the applicable requirements of the IRC.

Note 2 - Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Reclassification

Certain 2018 amounts have been reclassified to conform to the 2019 presentation. These changes were the result of condensing certain amounts on the basic financial statements and disclosing the detailed information within the notes to the accompanying financial statements.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including November 15, 2019, which is the date the financial statements were available to be issued.

Note 3 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the valuation techniques and inputs used to measure fair value.

Level 1

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Association has the ability to access.

Level 2

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, and inputs other than quoted prices that are observable for the asset.

Level 3

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

In instances whereby inputs used to measure fair value fall into different levels of the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Association's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Note 3 - Fair Value Measurements (Continued)

The following tables present information about the Association's assets measured at fair value on a recurring basis at June 30, 2019 and 2018. Investments measured at NAV have not been classified in the fair value hierarchy, such amounts presented in this table are intended to permit reconciliation to total investments.

Assets Measured at Fair Value on a Recurring Basis at June 30, 2019				
	Investments (at Fair Value)	Level 1	Level 2	Level 3
Target-date mutual funds	\$ 732,537,178	\$ 732,537,178	\$ -	\$ -
Mutual funds	447,413,550	447,413,550	-	-
Self-directed brokerage accounts	25,959,465	25,959,465	-	-
Total in fair value hierarchy	1,205,910,193	<u>\$ 1,205,910,193</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at contract value or NAV:				
Book Value Fund investment contracts at contract value	516,257,264			
Book Value Fund collective trust fund at NAV	13,504,161			
Total investments	<u>\$ 1,735,671,618</u>			

Assets Measured at Fair Value on a Recurring Basis at June 30, 2018				
	Investments (at Fair Value)	Level 1	Level 2	Level 3
Target-date mutual funds	\$ 679,418,518	\$ 679,418,518	\$ -	\$ -
Mutual funds	423,233,144	423,233,144	-	-
Self-directed brokerage accounts	29,242,803	29,242,803	-	-
Total in fair value hierarchy	1,131,894,465	<u>\$ 1,131,894,465</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at contract value or NAV:				
Book Value Fund investment contracts at contract value	483,830,593			
Book Value Fund collective trust fund at NAV	45,540,964			
Total investments	<u>\$ 1,661,266,022</u>			

There were no unfunded commitments or redemption restrictions on the investments described above. The units may be redeemed on a daily basis. There were no changes to the valuation techniques used during the year. The Association's management reaffirms its understanding of the valuation techniques used by its pricing service at least annually.

Note 4 - Cash and Investments

Cash and cash equivalent accounts of \$286,468 and \$299,675 as of June 30, 2019 and 2018, respectively, are maintained at a commercial bank located in Colorado. The bank balance of deposits was \$431,673 and \$381,937 as of June 30, 2019 and 2018, respectively. Accounts at the commercial bank are guaranteed by the Federal Depository Insurance Corporation (FDIC) up to \$250,000. The remaining amounts are subject to the state of Colorado's Public Deposit Protection Act (PDPA). All cash accounts are held in a bank that is an eligible public depository bank protected under the PDPA.

The Plans have a money market mutual fund with Vanguard Investments of \$8,460,056 and \$6,882,312 at June 30, 2019 and 2018, respectively, which are not guaranteed by the FDIC or PDPA.

As of June 30, 2019, the Association had the following investments:

Investment Type	Fair Value	Weighted Average Maturity in Years
Book Value Fund:		
Investment contracts	\$ 516,257,264	3.0
Collective trust funds	13,504,161	0.1
Mutual funds	1,179,950,728	N/A
Self-directed brokerage accounts	<u>25,959,465</u>	N/A
Total	<u>\$ 1,735,671,618</u>	

The Book Value Fund weighted-average maturity is 2.9 years.

As of June 30, 2018, the Association had the following investments:

Investment Type	Fair Value	Weighted Average Maturity in Years
Book Value Fund		
Investment contracts	\$ 483,830,593	3.1
Collective trust funds	45,540,964	1.2
Mutual funds	1,102,651,662	N/A
Self-directed brokerage accounts	<u>29,242,803</u>	N/A
Total	<u>\$ 1,661,266,022</u>	

The Book Value Fund weighted-average maturity is 3.0 years.

Interest Rate Risk

In accordance with the Association's investment policy, since the accounts are participant directed, there is no time horizon expressed for the total portfolio. For the Book Value Fund, the Association manages its exposure to declines in fair values by limiting its overall duration of the underlying investments to maturities not to exceed 3.5 years. Weighted-average maturity measures the time when investments become due and payable in years, weighted to reflect the dollar size of individual investments within an investment type.

Credit Risk

The Association provides participants with a broad array of investment choices so that they have alternatives providing a variety of risk and return levels. For the Book Value Fund, the Association adheres to an investment policy of maintaining securities with a minimum weighted-average quality of A+/A1. As of June 30, 2019, the Association's investments in the Book Value Fund were rated within the ranges of AA- to A+ by Standard & Poor's and AA2 to A2 by Moody's Investors Service.

Note 4 - Cash and Investments (Continued)

Foreign Currency Risk

The Association's investment policy for the Book Value Fund specifies that all permissible securities be denominated in U.S. dollars.

Concentration of Credit Risk

The Association offers participants a broad range of equity, fixed-income, and cash equivalent investment options. The Association's investment policy for the Book Value Fund dictates that no more than 3 percent of the aggregate portfolio be invested in guaranteed investment contracts from any one issuer, no more than 2 percent of the aggregate portfolio be invested in one corporate security issuer, and no more than 10 percent of the aggregate portfolio be invested in securities of any other non-U.S. government/agency issuer.

The following table presents investments that represent 5 percent of total investments at June 30, 2019 and 2018, including investments within the Book Value Fund, target date portfolios, and portfolios:

	2019	2018
Vanguard Institutional Index I	\$ 163,286,549	\$ 147,095,011
Transamerica Premier Life Insurance Co.	109,398,718	110,131,055
American Funds EuroPacific GR R6	105,762,580	96,961,804
Metropolitan West Total Return Bond Fund	104,583,453	69,623,350
Pacific Life Insurance Co.	103,684,602	104,599,360
American Beacon International Equity Institutional	101,933,915	90,251,730
American General Life Insurance Co.	101,400,968	102,249,584
Royal Bank of Canada	101,132,299	-
Prudential Insurance Co. of America	100,640,677	91,425,357

Concentrations, Risks, and Uncertainties

The Plans invest in registered investment companies (mutual funds), insurance contracts, and investment contract funds. These investments are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risk in the near term would materially affect the amounts reported on the statement of fiduciary net position and the statement of changes in fiduciary net position.

Additionally, certain registered investment companies' investments are invested in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies.

June 30, 2019 and 2018

Note 5 - Book Value Fund

Investment contracts within the Book Value Fund consist of the following:

	<u>2019</u>	<u>2018</u>
Investment contracts:		
Transamerica Premier Life Insurance Co.	\$ 109,398,718	\$ 110,131,055
Pacific Life Insurance Co.	103,684,602	104,599,360
American General Life Insurance Co.	101,400,968	102,249,584
Royal Bank of Canada	101,132,299	-
Prudential Insurance Co. of America	100,640,677	91,425,357
New York Life Insurance Co.	-	75,425,237
	<u>516,257,264</u>	<u>483,830,593</u>
Collective trust funds	13,504,161	45,540,964
Less amounts in target date portfolios	<u>(178,569,830)</u>	<u>(178,057,529)</u>
Total	<u>\$ 351,191,595</u>	<u>\$ 351,314,028</u>

Note 6 - Mutual Funds

Mutual funds consist of the following:

	<u>2019</u>	<u>2018</u>
Fidelity Contrafund	\$ 81,553,048	\$ 81,364,660
Vanguard Institutional Index I	61,819,473	54,153,007
Vanguard Mid-Cap Index Institutional	44,905,115	32,263,909
Harbor Capital Appreciation Institutional	35,059,306	32,790,522
Metropolitan West Total Return Bond	32,466,722	24,864,085
Dodge & Cox Stock Fund	32,316,015	33,003,113
Vanguard Small Cap Index Institutional	32,180,793	30,343,072
Artisan Mid-Cap Institutional	24,317,713	20,947,995
American Funds EuroPacific Growth	20,341,517	21,876,905
Fidelity Low-Priced Stock	19,454,047	22,365,988
American Beacon Small Cap Value Institutional	17,972,242	20,686,632
American Beacon International Equity Institutional	16,512,736	15,166,832
PIMCO High Yield Institutional	11,568,696	9,539,419
Neuberger Berman Socially Responsive	8,486,071	8,225,300
Vanguard Federal Money Market	8,460,056	6,882,312
Cohen & Steers Institutional Realty	-	8,759,393
	<u>\$ 447,413,550</u>	<u>\$ 423,233,144</u>
Total	<u>\$ 447,413,550</u>	<u>\$ 423,233,144</u>

Note 7 - Target Date Portfolios

Target date portfolios consist of the following:

	2019	2018
Target Date Portfolio Income	\$ 30,989,880	\$ 26,633,950
Target Date Portfolio 2010	39,355,418	41,190,219
Target Date Portfolio 2015	83,193,415	89,930,772
Target Date Portfolio 2020	145,765,281	142,579,518
Target Date Portfolio 2025	152,624,639	149,143,128
Target Date Portfolio 2030	115,307,355	105,889,290
Target Date Portfolio 2035	109,800,556	98,999,474
Target Date Portfolio 2040	82,019,826	74,344,446
Target Date Portfolio 2045	70,561,693	63,021,628
Target Date Portfolio 2050	49,275,355	42,229,581
Target Date Portfolio 2055	23,427,526	18,229,336
Target Date Portfolio 2060	8,786,064	5,284,705
Total	<u>\$ 911,107,008</u>	<u>\$ 857,476,047</u>

Note 8 - Property and Equipment

Property and equipment consist of the following:

	June 30, 2018	Additions	Disposals	June 30, 2019
Gross asset cost:				
Building	\$ 1,430,275	\$ 90,213	\$ -	\$ 1,520,488
Corporate equipment	198,591	45,604	(5,485)	238,710
Vehicles	94,295	53,772	(28,319)	119,748
Land	34,580	-	-	34,580
Total gross asset cost	<u>1,757,741</u>	<u>189,589</u>	<u>(33,804)</u>	<u>1,913,526</u>
Accumulated depreciation and amortization:				
Building	(469,191)	(46,157)	-	(515,348)
Corporate equipment	(156,707)	(12,393)	3,139	(165,961)
Vehicles	(73,876)	(15,884)	28,320	(61,440)
Net property and equipment	<u>\$ 1,057,967</u>	<u>\$ 115,155</u>	<u>\$ (2,345)</u>	<u>\$ 1,170,777</u>
	June 30, 2017	Additions	Disposals	June 30, 2018
Gross asset cost:				
Building	\$ 1,430,275	\$ -	\$ -	\$ 1,430,275
Corporate equipment	188,308	10,283	-	198,591
Vehicles	94,295	-	-	94,295
Land	34,580	-	-	34,580
Total gross asset cost	<u>1,747,458</u>	<u>10,283</u>	<u>-</u>	<u>1,757,741</u>
Accumulated depreciation and amortization:				
Building	(423,786)	(45,405)	-	(469,191)
Corporate equipment	(146,556)	(10,151)	-	(156,707)
Vehicles	(60,680)	(13,196)	-	(73,876)
Net property and equipment	<u>\$ 1,116,436</u>	<u>\$ (58,469)</u>	<u>\$ -</u>	<u>\$ 1,057,967</u>

June 30, 2019 and 2018

Note 9 - Administrative Fees

Plan participants are charged an administrative fee by the Association for plan administration. On July 1, 2005, the Association transferred all recordkeeping duties to Great-West Life & Annuity Insurance Company (Great-West) in a nonfiduciary capacity. This contract was most recently renewed on July 1, 2016 and, as amended, will remain effective until June 30, 2023. Associated with this transfer of recordkeeping duties, the Association reduced participant fees from 0.35 percent to 0.25 percent or \$28 per annum, whichever is greater. For the years ended June 30, 2019 and 2018, the Plans incurred \$3,182,806 and \$3,096,214, respectively, in administrative fees charged by the Association. These fees were eliminated in combination. The administrative fees are deducted from participants' accounts on a monthly basis and are capped at \$437.50 per year. Effective January 1, 2020, the fees will be capped at \$1,000 per year.

Note 10 - Contingencies

In the normal course of business, the Association may be party to litigation from time to time. The Association maintains insurance to cover certain actions and believes that resolution of such actions will not have a material adverse effect on the Association.

Supplemental Information

Colorado Retirement Association

Combining Statement of Fiduciary Net Position

June 30, 2019

Assets	Association	Retirement Plan	Deferred Compensation		Total
			Plan	Eliminations	
Cash	\$ 286,459	\$ 7	\$ 2	\$ -	\$ 286,468
Participant notes receivable	-	22,577,170	1,500,654	-	24,077,824
Investments:					
Book Value Fund	2,570,094	282,265,351	66,356,150	-	351,191,595
Target date portfolios	-	742,191,851	168,915,157	-	911,107,008
Mutual funds	-	347,976,024	99,437,526	-	447,413,550
Self-directed brokerage accounts	-	20,749,171	5,210,294	-	25,959,465
Total investments	<u>2,570,094</u>	<u>1,393,182,397</u>	<u>339,919,127</u>	<u>-</u>	<u>1,735,671,618</u>
Other assets:					
Prepaid expenses and other	54,625	-	-	-	54,625
Property and equipment, net	1,170,777	-	-	-	1,170,777
Total other assets	<u>1,225,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,225,402</u>
Total assets	<u>4,081,955</u>	<u>1,415,759,574</u>	<u>341,419,783</u>	<u>-</u>	<u>1,761,261,312</u>
Liabilities and Net Position					
Liabilities - Accounts payable and accrued liabilities	<u>453,712</u>	<u>245,424</u>	<u>61,386</u>	<u>-</u>	<u>760,522</u>
Net Position - Net position held in trust for pension benefits	<u>\$ 3,628,243</u>	<u>\$ 1,415,514,150</u>	<u>\$ 341,358,397</u>	<u>\$ -</u>	<u>\$ 1,760,500,790</u>

Colorado Retirement Association

Combining Statement of Changes in Fiduciary Net Position

For the year ended June 30, 2019

	Association	Retirement Plan	Deferred Compensation Plan	Eliminations	Total
Contributions:					
Member employers	\$ -	\$ 44,708,608	\$ -	\$ (165,159)	\$ 44,543,449
Participants	-	41,733,394	21,480,040	-	63,213,434
Participant rollovers	-	8,183,911	11,898,379	-	20,082,290
Total contributions	-	94,625,913	33,378,419	(165,159)	127,839,173
Income:					
Administrative fees	3,182,806	-	-	(3,182,806)	-
Participant notes receivable interest	-	1,157,768	72,856	-	1,230,624
Other	80,403	-	-	-	80,403
Total income	3,263,209	1,157,768	72,856	(3,182,806)	1,311,027
Investment income:					
Book Value Fund	-	7,018,245	1,638,990	-	8,657,235
Net change in fair value	-	53,512,778	13,232,571	-	66,745,349
Total investment income	-	60,531,023	14,871,561	-	75,402,584
Deductions:					
Participants' benefit distributions	-	101,497,214	26,538,381	-	128,035,595
Administrative expenses	3,788,061	2,249,223	427,901	(3,347,965)	3,117,220
Total deductions	3,788,061	103,746,437	26,966,282	(3,347,965)	131,152,815
(Decrease) increase in net position held in trust for pension benefits	(524,852)	52,568,267	21,356,554	-	73,399,969
Net position held in trust for pension benefits					
Beginning of year	4,153,095	1,362,945,883	320,001,843	-	1,687,100,821
End of year	\$ 3,628,243	\$ 1,415,514,150	\$ 341,358,397	\$ -	\$ 1,760,500,790

Colorado Retirement Association

Combining Statement of Fiduciary Net Position

June 30, 2018

	Association	Retirement Plan	Deferred Compensation Plan	Eliminations	Total
Assets					
Cash	\$ 299,658	\$ 14	\$ 3	\$ -	\$ 299,675
Participant notes receivable	-	23,672,776	1,496,738	-	25,169,514
Investments:					
Book Value Fund	3,174,705	283,660,791	64,478,532	-	351,314,028
Target date portfolios	-	702,362,447	155,113,600	-	857,476,047
Mutual funds	-	330,011,656	93,221,488	-	423,233,144
Self-directed brokerage accounts	-	23,490,290	5,752,513	-	29,242,803
Total investments	<u>3,174,705</u>	<u>1,339,525,184</u>	<u>318,566,133</u>	<u>-</u>	<u>1,661,266,022</u>
Other assets					
Prepaid expenses and other	52,897	-	-	-	52,897
Property and equipment - Net	1,057,967	-	-	-	1,057,967
Total other assets	<u>1,110,864</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,110,864</u>
Total assets	<u>4,585,227</u>	<u>1,363,197,974</u>	<u>320,062,874</u>	<u>-</u>	<u>1,687,846,075</u>
Liabilities and Net Position					
Liabilities - Accounts payable and accrued liabilities	<u>432,132</u>	<u>252,091</u>	<u>61,031</u>	<u>-</u>	<u>745,254</u>
Net Position - Net position held in trust for pension benefits	<u>\$ 4,153,095</u>	<u>\$ 1,362,945,883</u>	<u>\$ 320,001,843</u>	<u>\$ -</u>	<u>\$ 1,687,100,821</u>

Colorado Retirement Association

Combining Statement of Changes in Fiduciary Net Position

For the year ended June 30, 2018

	Association	Retirement Plan	Deferred Compensation Plan	Eliminations	Total
Contributions:					
Member employers	\$ -	\$ 46,291,042	\$ -	\$ (144,272)	\$ 46,146,770
Participants	-	35,321,427	19,689,987	-	55,011,414
Participant rollovers	-	18,824,798	8,226,278	-	27,051,076
Total contributions	-	100,437,267	27,916,265	(144,272)	128,209,260
Income:					
Administrative fees	3,096,214	-	-	(3,096,214)	-
Participant notes receivable interest	-	1,055,352	69,578	-	1,124,930
Other	72,230	-	-	-	72,230
Total income	3,168,444	1,055,352	69,578	(3,096,214)	1,197,160
Investment income:					
Book Value Fund	-	6,140,092	1,394,522	-	7,534,614
Net change in fair value	-	86,900,117	20,092,759	-	106,992,876
Total investment income	-	93,040,209	21,487,281	-	114,527,490
Deductions:					
Participants' benefit distributions	-	83,936,194	23,346,082	-	107,282,276
Administrative expenses	3,481,379	2,141,393	405,126	(3,240,486)	2,787,412
Total deductions	3,481,379	86,077,587	23,751,208	(3,240,486)	110,069,688
(Decrease) increase in net position held in trust for pension benefits	(312,935)	108,455,241	25,721,916	-	133,864,222
Net position held in trust for pension benefits Beginning of year	4,466,030	1,254,490,642	294,279,927	-	1,553,236,599
End of year	\$ 4,153,095	\$ 1,362,945,883	\$ 320,001,843	\$ -	\$ 1,687,100,821

Colorado Retirement Association

Schedule of Administrative Expenses

June 30, 2019 and 2018

	For the Years Ended June 30	
	2019	2018
Salaries and personnel expenses	\$ 1,372,707	\$ 1,371,958
Recordkeeping fees and system maintenance	794,946	714,403
Marketing	169,961	54,049
Consultant and investment advisory expenses	133,567	111,988
Legal fees	112,520	85,781
Reorganization expenses	112,029	83,340
Depreciation	74,434	68,752
Insurance expense	73,775	67,375
Administrative expenses	72,603	71,838
Staff travel and expenses	65,999	60,610
Accounting and auditing expenses	57,000	57,000
Board travel and expense	44,936	24,597
Other	21,974	7,468
Professional dues and publications	10,769	8,253
Total administrative expenses	<u>\$ 3,117,220</u>	<u>\$ 2,787,412</u>