
LARIMER COUNTY
CONTRIBUTORY RETIREMENT PLAN
FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

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Independent Auditors' Report

Larimer County Retirement Board
Larimer County Contributory Retirement Plan
Fort Collins, Colorado

Opinion

We have audited the financial statements of Larimer County Contributory Retirement Plan (the Plan), which comprise the Plan's basic financials statements as listed in the table of contents, as of and for the years then ended December 31, 2023 and 2022, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as of December 31, 2023 and 2022 and the results of its operations for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities Of Management For The Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for 12 months after the date that the financial statements are available to be issued.

Auditors' Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages i through iii be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 supplementary 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.

RubinBrown LLP

July 29, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

This is an analysis and overview of the financial activities of the Larimer County Contributory Retirement Plan (the Plan) for the year ended December 31, 2023. This information should be read in conjunction with the financial statements and notes which follow.

FINANCIAL HIGHLIGHTS

- As of December 31, 2023, \$321,661,211 was held in trust for the payment of Plan benefits to the participants.
- For 2023, the total Plan net position held in trust increased by \$42,428,703 from 2022. This increase is due primarily to an increase in investment income.
- Additions to Plan net position included participant contributions of \$11,067,074 and County matching contributions of \$10,719,688.
- Retirement benefits paid from Plan net position for 2023 totaled \$23,170,546, an increase of 46% from 2022.

The Plan is a defined contribution plan, and its purpose is to enable the Plan participants to accumulate financial assets for their retirement. The County matches employee contributions 100% up to 8% of the participating employee's salary. As of December 31, 2023, the Plan had approximately 3,397 participants with account balances of which approximately 2,101 were active employees, representing about 62% of all participants. Participation in the Plan is mandatory.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following discussion and analysis is intended to serve as an introduction to the Plan's financial statements which follow. The statements include:

1. Statements of fiduciary net position
2. Statements of changes in fiduciary net position
3. Notes to financial statements

Statements of fiduciary net position present the Plan assets and liabilities as of December 31, 2023 and 2022. It reflects the net position available for benefits in the Retirement Plan as of December 31, 2023 and 2022.

Statements of changes in fiduciary net position show the additions to and deductions from Plan assets during 2023 and 2022.

Both of these statements are in compliance with Governmental Accounting Standards Board (GASB) Statements Nos. 34 and 67. These pronouncements address the requirements for financial statement presentation and certain disclosures for state and local governmental retirement plans. The Plan's financial statements comply with all material requirements of these pronouncements.

These statements provide a snapshot of the Plan's assets and liabilities as of December 31, 2023 with comparative totals for 2022, and the activities which occurred during the years. Both statements were prepared using the accrual basis of accounting as required by GASB. All investment activities have been reported based on the trade dates and have been valued based on outside sources.

Notes to financial statements provide additional information which is essential to a full understanding of the basic financial statements.

FINANCIAL ANALYSIS

Within the overall objective of enabling the employees to accumulate savings for their retirement, the Larimer County Retirement Board (the Board) has identified the following additional objectives:

- to undertake all transactions solely in the interest of the participants and beneficiaries;
- to maintain flexibility in meeting the future needs of the participants;
- to enable participants to exercise investment control;
- to allow participants to maximize return within reasonable and prudent levels of risk by selecting from the investment options offered;
- to include investment options that have reasonable investment management costs;
- to the extent possible, to select investment options that do not result in the imposition of additional participant fees for administration or recordkeeping and to arrange for investment education to be available to the participants.

As sponsor of the Plan, the Board establishes investment policy objectives and guidelines, determines asset classes from which investment options will be chosen, selects investment options and fund managers and monitors the investment performance and continued acceptability of the investment options and fund managers. It is the Board's policy to engage experts to assist it with these duties.

As of December 31, the Plan's net position was:

December 31,	2023	2022	Increase (Decrease)	Percent Change
Investments:				
Mutual funds	\$ 280,470,089	\$ 233,642,560	\$46,827,529	20%
CCTs	25,707,065	29,018,450	(3,311,385)	-11%
PSAs	9,915,728	11,917,879	(2,002,151)	-17%
Self-directed brokerage account	5,568,329	4,653,619	914,710	20%
Total investments	321,661,211	279,232,508	42,428,703	15%
Notes receivable	394,258	559,414	(165,156)	-30%
Plan assets	322,055,469	279,791,922	42,263,547	15%
Fiduciary net position	\$ 322,055,469	\$ 279,791,922	\$ 42,263,547	15%

Plan Activities

Plan net position decreased as of December 31, 2023 as compared to December 31, 2022, due principally to investment losses, despite increasing contributions and decreasing benefits paid. The net position increased by \$42,263,547 during 2023. Key elements are discussed below:

Additions and Subtractions

The monies used to pay benefits are accumulated from the contributions made by the County and each participant and increases or decreases generated from the participant's investments, including investment earnings. County matching contributions for 2023 totaled \$10,719,688, an increase of 11% from 2022. The decrease in plan assets from net investment income for 2023 was \$43,913,926.

	2023	2022	Increase (Decrease)	Percent Change
County matching contributions	\$ 10,719,688	\$ 9,625,156	\$ 1,094,532	11%
Participant contributions	11,067,074	9,980,799	1,086,275	11%
Investment income (loss)	43,913,926	(44,489,394)	88,403,320	199%
Participant rollovers	894,631	349,235	545,396	156%
Less: investment costs	(1,094,409)	(1,080,693)	(13,716)	-1%
Total additions (subtractions)	\$ 65,500,910	\$ (25,614,897)	\$ 91,115,807	356%

Deductions

Benefits paid to participants during the year were \$23,170,546 representing a decrease of 37% from 2022. Increases in distributions is due to an increasing number of retirees drawing on their benefits. Internal costs and staff time are considered to be County costs and are not separately tracked or charged to the Plan.

	2023	2022	Increase (Decrease)	Percent Change
Retirement benefits	\$ 23,170,546	\$ 15,863,488	\$ 7,307,058	46%
Service provider fees	66,817	71,862	(5,045)	-7%
Total deductions	\$ 23,237,363	\$ 15,935,350	\$ 7,302,013	46%

REQUESTS FOR INFORMATION

This discussion and analysis is designed to provide a general overview of the Plan's activities for the years ended December 31, 2023 and 2022. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Larimer County Retirement Board, Larimer County Contributory Retirement Plan, P.O. Box 1190, Fort Collins, Colorado 80522.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN
STATEMENT OF FIDUCIARY NET POSITION

	December 31,	
	2023	2022
Assets		
Investments - at fair value	\$ 321,661,211	\$ 279,232,508
Receivables		
Notes receivable from participants	394,258	559,414
Total Assets	322,055,469	279,791,922
Fiduciary Net Position - Restricted	\$ 322,055,469	\$ 279,791,922

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	<u>For The Year Ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Additions (Subtractions) To Net Position Attributed To:		
Net Investment Income (Loss)		
Net change in fair value of investments	\$ 43,913,926	\$ (44,489,394)
Less: Investment costs	(1,094,409)	(1,080,693)
Net Investment Income (Loss)	42,819,517	(45,570,087)
Contributions		
Employer	10,719,688	9,625,156
Participant	11,067,074	9,980,799
Participant rollovers/transfers	894,631	349,235
Total Contributions	22,681,393	19,955,190
Total Additions (Subtractions)	65,500,910	(25,614,897)
Deductions From Net Position Attributed To:		
Benefits paid directly to participants	23,170,546	15,863,488
Service provider fees	66,817	71,862
Total Deductions	23,237,363	15,935,350
Net Change In Net Position	42,263,547	(41,550,247)
Net Position Restricted For Pension - Beginning Of Year	279,791,922	321,342,169
Net Position Restricted For Pension - End Of Year	\$ 322,055,469	\$ 279,791,922

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

1. Description Of Plan

The following description of the Larimer County Contributory Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

The Plan is a defined contribution, single-employer plan to which eligible participants and Larimer County, Colorado (the County), contribute equal amounts on a monthly basis. Substantially all full-time salaried employees of the County are eligible on their first day of work and required to participate in the Plan. The participants also may voluntarily contribute additional compensation. The total employee mandatory and voluntary contributions cannot exceed 85% of the employee's compensation. Voluntary contributions are not matched by the County. As of December 31, 2023 and 2022, there were 3,397 and 3,257, respectively, participants with account balances in the Plan.

In 2009, the Plan was amended to change contribution rates beginning in 2009. The amounts contributed by both parties now range from 5% of compensation for participants with less than 5 years of service to 8% of compensation for participants with over 10 years of service.

Each participant's account is credited with the participant's contribution, allocations of the County's contribution and plan earnings and charged with administrative expenses. Allocations are based on compensation and account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participants are immediately fully vested in their contributions plus actual earnings thereon. Vesting in the County's matching contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. Participants become 100% vested in the County's matching portion following five years of service. Participants are also fully vested upon the occurrence of death, being found totally and permanently disabled or taking normal retirement. Elected and appointed officials are immediately 100% vested.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

In 2019, the Plan was amended to allow for loans to participants. A participant may borrow from their account the lesser of \$50,000 or 50% of their vested account balance with a minimum loan amount of \$1,000. Participants may only have 1 loan outstanding at any given time. Loans are secured by the participant's vested account. The loans are to be repaid over a 10-year period and are allowed only for the purchase of a primary residence. Principal and interest are collected ratably through bi-weekly payroll deductions.

This plan is authorized by the Larimer County Board of County Commissioners under applicable state statutes.

Plan Termination

Although it has not expressed any intent to do so, the County has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event of plan termination, participants will become 100% vested in their accounts.

2. Summary Of Significant Accounting Policies

The following is a summary of significant accounting policies, which are in conformity with accounting principles generally accepted in the United States.

Basis Of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Plan record keeper to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment securities, in general, are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

Investment Valuation And Income Recognition

The Plan's policy is to account for investments at fair value. Gains or losses on the sale of investments are recognized when the investment is sold.

The Plan's investments are stated at the values reported to the Plan by the record keeper, which are based on the fair value of the underlying investments. Shares of mutual funds are valued at quoted market prices, which represent the net asset value (the NAV) of shares held by the Plan at year end. The Common Collective Trusts (the CCT) and Pooled Separate Accounts (PSA) are reported at estimated fair value by the fund, based on discounted projected cash flows at the prevailing yield curve rate, and considering the impacts of withdrawal restrictions or surrender clauses, if any, which is approximately the same as contract value.

The Plan's funds' market value is calculated by the record keeper and custodian, Teachers Insurance and Annuity Association of America (TIAA), on a daily basis. These assets reflect all contributions and disbursements processed through the end of the day. The daily transactions are processed, and a percent change in assets is calculated and used to adjust the beginning market value of each rate class to current-day market value. Next, the system calculates and deducts the appropriate expenses from the current-day market value for each rate class. Then a unit value is calculated for each rate class by dividing the assets adjusted for market performance and expense by the number of units.

Purchases and sales of investments are recorded on a trade-date basis. Investment income is primarily comprised of realized and unrealized appreciation and depreciation of the fair value of the investments.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

Payment Of Benefits

A participant's entire vested interest in the Plan is payable in the event of termination, upon death of the participant, attaining normal retirement age of 59½ or becoming totally disabled, as defined in the Plan Agreement. A participant's benefits are payable in a lump-sum payment or periodic cash installments. In addition, hardship distributions are permitted if specified criteria are met.

3. Investments

Larimer County Retirement Board (the Board) shall have complete control and authority to determine the investment options for the funds of the Plan. Funds of the Plan shall be managed and invested by the Board in accordance with the prudent investor rule and the other standards and provisions for trustees set forth in the Colorado Uniform Prudent Investor Act. These limitations shall not apply to investments self-directed by participants in the Plan.

The Plan held no investments issued by the County or any entity under the County's control.

Investments at fair value at December 31, 2023 and 2022:

	December 31,	
	2023	2022
Investments, At Fair Value		
Mutual funds	\$ 280,470,089	\$ 233,642,560
CCT	25,707,065	29,018,450
PSA	9,915,728	11,917,879
Self-directed brokerage account	5,568,329	4,653,619
Total Investments	\$ 321,661,211	\$ 279,232,508

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Plan's PSAs and mutual funds have a maturity date of less than one year, and the Plan does not have a policy to address interest rate risk.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Board does not have a policy to limit credit risk for the Plan's PSAs and mutual funds. These investments are not rated.

Concentration Of Credit Risk: The Plan places no limit on the amount that may be invested with one issuer.

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of financial institution failure, the Plan's investments may not be returned to it. The Plan's invested funds represent direct contractual investments and are not considered securities exposed to custodial credit risk.

The Plan's investment policy seeks to maximize participant diversification opportunities to reduce overall portfolio risk while generating growth of asset value.

Investments that represent 5% or more of the Plan's net position are as follows:

	December 31,	
	2023	2022
Vanguard Institutional Index Fund	\$ 37,054,848	\$ 28,830,191
American Funds 2030 Target Date Retirement Fund R6	23,827,344	21,088,142
Dodge and Cox Income Fund	23,762,883	21,499,391
Morley Stable Value Fund	23,045,718	29,018,450
American Funds 2040 Target Date Retirement Fund R6	20,312,130	16,680,375
American Funds 2035 Target Date Retirement Fund R6	18,316,119	15,588,367

4. Fair Value Measurements

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets,
- Quoted prices for identical or similar assets or liabilities in inactive markets,
- Inputs other than quoted prices that are observable for the asset or liability and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Mutual Funds: These are public investment vehicles valued using the fair value per share (unit) provided by the administrator of the fund. The fair value per unit is based on the value of the underlying assets owned by the fund, minus the liabilities, and then divided by the number of shares outstanding. The fair value per unit is the quoted price in an active market and classified within Level 1 of the valuation hierarchy.

The CCT: These investments are public investment vehicles valued using the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus the liabilities, and then divided by the number of shares outstanding. The investments are redeemable daily at the adjusted NAV under agreements with the insurance company. However, it is possible that the redemption rights may be restricted or eliminated in the future. Due to the nature of the investments, changes in the market conditions, liquidity requirements and the economic environment may significantly affect the NAV of the registered investment companies and, consequently, the fair value of the Plan's investments. The CCT is not classified within the fair value hierarchy pursuant to the Governmental Accounting Standards Board (GASB) Statement No. 72.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

The PSA: These are valued at the NAV of units held by the Plan at year end. The NAV is determined by dividing the net assets, at fair value, of the fund by the number of units outstanding on the day of valuation. The Plan has concluded that the NAV, as adjusted (for variable annuity income and administrative maintenance charges and other items) and reported by the insurance company, approximates fair value of the investments. The investments are redeemable daily at the adjusted NAV under agreements with the insurance company. However, it is possible that the redemption rights may be restricted or eliminated in the future. Due to the nature of the investments, changes in the market conditions, liquidity requirements and the economic environment may significantly affect the NAV of the registered investment companies and, consequently, the fair value of the Plan's investments. The PSA is not classified within the fair value hierarchy pursuant to GASB Statement No. 72.

Self-Directed Brokerage Accounts: These accounts consist primarily of common stocks that are valued on the basis of readily determinable market prices and are classified within Level 1 of the valuation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements *(Continued)*

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value.

	December 31, 2023	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments By Fair Value Level				
Self-directed brokerage accounts	\$ 5,568,329	\$ 5,568,329	\$ —	\$ —
Mutual funds	280,470,089	280,470,089	—	—
Total Investments By Fair Value Level	286,038,418	\$ 286,038,418	\$ —	\$ —
Investments Measured At NAV				
CCTs	25,707,065			
PSAs	9,915,728			
Total Investments	\$ 321,661,211			
	December 31, 2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments By Fair Value Level				
Self-directed brokerage accounts	\$ 4,653,619	\$ 4,653,619	\$ —	\$ —
Mutual funds	233,642,560	233,642,560	—	—
Total Investments By Fair Value Level	238,296,179	\$ 238,296,179	\$ —	\$ —
Investments Measured At NAV				
CCTs	29,018,450			
PSAs	11,917,879			
Total Investments	\$ 279,232,508			

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2023 and 2022. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

Investment	Fair Value 2023	Fair Value 2022	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
CCTs					
Morley Stable Value Fund	\$ 23,045,718	\$ 29,018,450	N/A	Daily	12 Months
TIAA Stable Value	2,661,347	—	N/A	Daily	12 Months
PSAs					
TIAA Real Estate	9,915,728	11,917,879	N/A	Daily	Quarterly

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

Upon enrollment in the Plan, a participant may direct contributions in any of the Plan's current investment options. The following investment options which had participant positions for the years ended December 31, 2023 and 2022 were:

Mutual Funds

Dodge & Cox Income - The Dodge & Cox Income investment seeks a high and stable rate of current income, consistent with long-term preservation of capital. The fund invests in a diversified portfolio of high-quality bonds and other fixed income securities. At least 65% of the fund's total assets will be invested in fixed income securities rated A or better by either Standard & Poor's Ratings Group (S&P), Fitch Ratings or Moody's Investors Service, or equivalently rated by any other nationally recognized statistical rating organization. It may also invest in interest rate derivatives such as U.S. Treasury futures.

Loomis Sayles Bond - The Loomis Sayles Bond institutional investment seeks high total investment return through a combination of current income and capital appreciation. The fund normally invests at least 80% of its net assets in fixed-income securities. It will invest primarily in investment-grade fixed-income securities, although it may also invest up to 35% of its assets in below investment-grade fixed-income securities and up to 20% of its assets in equity securities, such as common stocks and preferred stocks (with up to 10% of its assets in common stocks). The fund's fixed-income securities investments may include unrated securities. It may invest in fixed-income securities of any maturity.

Vanguard Institutional Index Fund - The Vanguard Institutional Index Fund seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the S&P 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

T. Rowe Price Blue Chip Growth Advantage - The T. Rowe Price Blue Chip Growth Advantage investment seeks long-term capital growth; income is a secondary objective. The fund will normally invest at least 80% of assets in the common stocks of large and medium-sized blue chip growth companies. It focuses on companies with leading market position, seasoned management and strong financial fundamentals. The fund may sell securities for a variety of reasons, such as to secure gains, limit losses or redeploy assets into more promising opportunities.

Vanguard FTSE Social Index - The Vanguard FTSE Social Index investment seeks to track the performance of a benchmark index that measures the investment return of large- and mid-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the FTSE4Good U.S. Select Index. The index is composed of the stocks of companies that have been screened for certain social and environmental criteria by the index sponsor, which is independent of Vanguard. It attempts to replicate the index by investing all, or substantially all, of its assets in the stocks that make up the index.

Vanguard Small-Cap Index Admiral - The Vanguard Small-Cap Index Admiral investment seeks to track the performance of a benchmark index that measures the investment return of small-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the CRSP US Small Cap Index, a broadly diversified index of stocks of small U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Vanguard Mid-Cap Index Institutional Shares - Vanguard Mid-Cap Index Fund seeks to track the investment performance of the CRSP US Mid Cap Index, an unmanaged benchmark representing medium-size U.S. firms. Using full replication, the portfolio holds all stocks in the same capitalization weighting as the index. The experience and stability of Vanguard's Equity Index Group have permitted continuous refinement of techniques for reducing tracking error. The group uses proprietary software to implement trading decisions that accommodate cash flow and maintain close correlation with index characteristics. Vanguard's refined indexing process, combined with low management fees and efficient trading, has provided tight tracking, net of expenses.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

Vanguard TTL International Stock Index Adm - Vanguard Mid-Cap Index Fund offers investors a low cost way to gain equity exposure to both developed and emerging international economies. The fund tracks stock markets all over the globe, with the exception of the United States. Because it invests in non-U.S. stocks, including those in developed and emerging markets, and the fund can be more volatile than a domestic fund.

Harding Loevner Institutional Emerging Markets - The Harding Loevner Institutional Emerging Markets investment seeks long-term capital appreciation. The fund invests primarily in companies that are based in emerging and frontier markets. It normally holds investments across at least 15 countries. The fund invests at least 80% of its net assets in emerging markets securities, which includes frontier markets securities and investment companies that invest in the types of securities in which the portfolio would normally invest. It invests at least 65% of its total assets in common stocks, preferred stocks, rights and warrants issued by companies.

Principal MidCap Value I R5 - The Principal MidCap Value I R5 investment seeks long-term growth of capital. The fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in a diversified portfolio of equity securities of companies with a medium market capitalization (those with market capitalizations similar to companies in the Russell Midcap Value Index) at the time of purchase. It invests in value equity securities, an investment strategy that emphasizes buying equity securities that appear to be undervalued. The fund also invests in real estate investment trusts.

T. Rowe Price Mid-Cap Growth - The T. Rowe Price Mid-Cap Growth investment seeks long-term capital appreciation. The fund normally invests at least 80% of net assets (including any borrowings for investment purposes) in a diversified portfolio of common stocks of mid-cap companies whose earnings T. Rowe Price expects to grow at a faster rate than the average company. It defines mid-cap companies as those whose market capitalization falls within the range of either the S&P MidCap 400 Index or the Russell Midcap Growth Index. While most assets will typically be invested in U.S. common stocks, the fund may invest in foreign stocks in keeping with the fund's objectives.

DFA U.S. Small Cap Value I - The DFA U.S. Small Cap Value I investment seeks to achieve long-term capital appreciation. The fund normally will invest at least 80% of its net assets in securities of small-cap U.S. companies. It may use derivatives, such as futures contracts and options on futures contracts for U.S. equity securities and indices, to gain market exposure on its uninvested cash pending investment in securities or to maintain liquidity to pay redemptions.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

American Funds 2010 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2015 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2020 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2025 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2030 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2035 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2040 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

American Funds 2045 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2050 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2055 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2060 Target Date Retirement Fund R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

American Funds 2065 Target Date Retirement Fund R6 - This international strategy seeks growth of capital by employing a flexible approach to investing in attractively valued companies in developed and emerging markets that are positioned to benefit from innovation, global economic growth, increasing consumer demand or a turnaround in business conditions. It invests primarily in common stocks (may also invest in preferred stocks), convertibles, American Depositary Receipts, European Depositary Receipts, bonds and cash.

American EuroPac Growth R6 - The investment seeks growth, income and conservation of capital. The fund normally invests a greater portion of its assets in fixed income, equity-income and balanced funds as it continues past its target date. The target date is the approximate year when investors plan to retire and may begin withdrawing their money.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

Dodge & Cox Stock Fund - The Dodge & Cox Stock Fund investment seeks long-term growth and income. The fund invests in a diversified portfolio of equity securities from a least three different countries, including emerging markets. In the selection of investments, the fund looks for undervalued or temporarily undervalued investments by focusing on the underlying condition and prospects of the individual companies. Under normal circumstances, the fund investment pool is at least 40% of the fund's total assets that will be invested in securities of non-U.S. companies and at least 80% of total assets in equity securities.

Dodge & Cox International Stock Fund I - The Dodge & Cox International Stock Fund I investment offers investors a highly selective, actively managed core international equity fund that typically invests in companies in developed markets (excluding the U.S.) and emerging markets, based on analysis of companies' fundamentals relative to their current valuations.

Conestoga Small Cap Institutional - The Conestoga Small Cap Institutional investment seeks to provide long-term capital growth. The fund normally invests at least 80% of its net assets in equity securities of small-cap companies, which are predominantly companies with market capitalizations up to \$2.5 billion at the time of purchase of small-cap companies. These companies can be foreign or domestic and include convertible securities, common and preferred stocks, rights and warranties.

Harbor Capital Appreciation Fund - The Harbor Capital Appreciation Fund investment seeks long-term growth of capital. The fund primarily invests in equity securities, principally common and preferred stocks of U.S. companies with market capitalizations of at least \$1 billion at the time of purchase and that the Subadvisor considers to have above average prospects for growth. The stocks of mid and large cap companies in the fund's portfolio are those the Subadvisor expects to maintain or achieve above average earnings growth. The fund may invest up to 20% of its total assets in the securities of foreign issuers, including issuers located or doing business in emerging markets.

CCTs

Morley Stable Value Fund - The Morley Stable Value Fund objective is to provide a low-risk, moderate-yield investment. The fund is managed to earn a consistent level of return, while providing for preservation of capital, high credit quality and liquidity to pay plan benefits.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

TIAA Stable Value - The TIAA Stable Value Fund is a fixed annuity providing capital preservation and income, is designed to provide safety, liquidity, competitive interest and the option to receive guaranteed income for life during retirement. During the accumulation phase, the annuity's guarantees are supported by a pooled separate account of TIAA.

PSAs

TIAA Real Estate Account - The TIAA Real Estate Account is a variable annuity account that seeks long-term return. The account intends to have between 75% and 85% of its net assets invested directly in real estate or real estate-related investments with the goal of producing favorable long-term returns primarily through rental income and appreciation. Its principal strategy is to purchase direct ownership interests in income-producing real estate, primarily office, industrial, retail and multi-family residential properties. The account is targeted to hold between 65% and 80% of the account's net assets in such direct ownership interests at any time.

Self-Directed Brokerage Accounts

TIAA-CREF Self-Directed Brokerage Account - The participant chooses the individual stocks, bonds and mutual funds in which to direct contributions.

Participants may change their investment options daily.

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

The following is the number of participants in each investment option:

	December 31,	
	2023	2022
Vanguard Institutional Index Inst	688	629
TIAA Real Estate	572	530
Dodge & Cox Stock Fund	535	476
Morley Stable Value Fund	523	557
Dodge & Cox Income Fund	479	465
American Funds 2055 Target Date Retirement Fund R6	473	470
American Funds 2060 Target Date Retirement Fund R6	469	445
Dodge & Cox International Stock Fund I	463	479
Vanguard Small-Cap Index Inst Adm	455	424
Principal Mid-Cap Value I Inst	454	402
Harding Loevner Inst Em Mkts I	420	384
American EuroPac Growth R6	399	400
American Funds 2050 Target Date Retirement Fund R6	351	334
American Funds 2040 Target Date Retirement Fund R6	320	333
TIAA Stable Value	311	35
American Funds 2045 Target Date Retirement Fund R6	297	287
American Funds 2030 Target Date Retirement Fund R6	277	299
American Funds 2035 Target Date Retirement Fund R6	260	262
Vanguard Mid-Cap Idx Inst	252	255
T Rowe Price Mid-Cap Growth Fund	245	266
DFA U.S. Small Cap Value I	243	224
Conestoga Small Cap Instl	216	169
Vanguard TTL International Stock Index Adm	195	70
Harbor Capital Appreciation RT	189	—
Loomis Sayles Bond Fund	173	171
American Funds 2065 Target Date Retirement Fund R6	145	66
American Funds 2025 Target Date Retirement Fund R6	128	137
Vanguard FTSE Social Index	122	122
American Funds 2020 Target Date Retirement Fund R6	102	114
American Funds 2015 Target Date Retirement Fund R6	67	76
Self Directed Account	37	—
Loan Fund	25	28
American Funds 2010 Target Date Retirement Fund R6	9	13
Deemed Loan Fund	2	1
T. Rowe Blue Chip Growth Advantage	—	198

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

5. Withdrawals And Forfeitures

Upon termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or a regular amount on a periodic basis. The periodic payments may be monthly, quarterly or annually for any amount chosen by the participant. The periodic payments continue as long as the participant has a vested balance in the Plan. A participant may withdraw any part of their voluntary contributions or rollover contribution since they are always 100% vested.

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A terminating participant of the Plan that is not fully vested forfeits a portion of the County's contributions. Forfeitures remain in the Plan and are allocated to the remaining active participants. Such forfeitures totaled \$564,291 for the year ended December 31, 2023 and \$320,576 for the year ended December 31, 2022. At December 31, 2023 and 2022, the nonvested forfeited account balances were \$602,618 and \$272,610, respectively.

The Board also approved a change in forfeiture allocations, retroactive to January 1, 2007, according to the following outline:

- Participants eligible to receive forfeitures after five full years of service
- Annual allocation of forfeitures - last day of plan year
- One unit for each year of service, if the total number of years of service is 1 - 10
- Two units for each year of service, if the total number of years of service is 11 - 15
- Three units for each year of service, if the total number of years of service is 16 - 20
- Four units for each year of service, if the total number of years of service is 21 - 25
- Five units for each year of service, if the total number of years of service is 26 or more
- Forfeitures allocated to eligible participants based on ratio of units

LARIMER COUNTY CONTRIBUTORY RETIREMENT PLAN

Notes To Financial Statements (*Continued*)

6. Federal Income Taxes

Effective January 1, 2017, sponsors of individually designed governmental plans under Internal Revenue Code Section 401(a) are no longer required to submit an application for a favorable tax determination letter from the IRS on a regular basis, and may only submit the request under certain circumstances, such as an initial determination letter, plan termination, or other specific circumstances which the Plan did not experience during the year under the audit. The Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

7. Related Party Transactions

Plan investments at December 31, 2023 include units of funds managed by the record keeper and custodian, TIAA.