

Comprehensive

Annual Report

for the

fiscal year ended

December 31, 2011



FPPA

Fire & Police

Pension Association

of

Colorado

This report was created
under the direction of the
FPPA Board of Directors
Kirk J. Miller, Chair
Clifford W. Stanton, Vice Chair

Jack Blumenthal

Todd Bower

Monica Cortez-Sangster

Susan R. Eaton

Pamela M. Feely

Lyle Hesalroad

Tim Nash

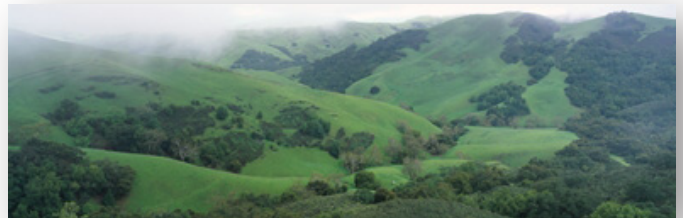
and prepared by the

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FPPA

Fire & Police

Pension Association

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Table of Contents

Introductory Section

Letter of Transmittal	3
Board of Directors	11-12
Professional Consultants and Investment Managers	13-14

Financial Section*

General Information	15
Independent Auditor's Report	16-17
Management's Discussion and Analysis	19
Basic Financial Statements	
Statement of Plan Net Assets Available for Pension Benefits	24
Statement of Changes in Plan Net Assets Available for Pension Benefits	25
Statement of Plan Net Assets Available for Pension Benefits (By Plan)	26
Statement of Changes in Plan Net Assets Available for Pension Benefits (By Plan)	28
Notes to the Financial Statements	30
Required Supplementary Information	
Schedule of Funding Progress (Unaudited)	56
Schedule of Employer Contributions (Unaudited)	60
Notes to the Required Supplementary Information	62
Other Supplementary Schedules for Financial Section	
Net Assets by Participating Employer	64
Payments to Consultants	70
Schedule of Administrative and Investment Expenses	72

Investment Section

Fire & Police Members' Benefit Investment Fund General Information	77
Asset Allocation	79
Investment Summary Return vs. Inflation	80
Asset Allocation by Category and Investment Manager	81
"Top 20" Holdings	85
Performance Summary	86
Schedule of Brokerage Commissions	87
Fire & Police Members' Self-Directed Investment Fund General Information	88

Actuarial Section

Actuary's Certification Letter	90
General Information and Summary of Actuarial Assumptions	92
Summary of Plan Provisions	
Statewide Defined Benefit Plan	96
Statewide Hybrid Plan	101
Colorado Springs New Hire Pension Plans	106
Statewide Death & Disability Plan	110
Affiliated Local Plans	114

Statistical Section

General Information	117
Distribution of Funds Directly Received from the State of Colorado	118
Revenues: Source & Allocation	120
Expenses by Type – All Plans	120
Changes in Fiduciary Net Assets	121
Schedule of Average Benefit Payments for New Benefit Recipients	125
Principal Participating Employers	128
Employers	141
Benefit and Refund Deductions from Net Assets by Type	145
Member Data	148
Growth of Total Pension Fund Assets	152
Schedule of Retired Members by Type of Benefit	153

*The accompanying notes are an integral part of the financial statements.

The Fire & Police Pension Association
of Colorado is committed to our members.
We will prudently invest
their retirement funds,
administer benefits fairly,
and provide superior,
cost-effective service.



Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Colorado Fire and Police
Pension Association

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

Jeffrey R. Emery

Executive Director



Public Pension Coordinating Council

**Public Pension Standards Award
For Funding and Administration
2011**

Presented to

Fire & Police Pension Association of Colorado

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H. Winkle

Alan H. Winkle
Program Administrator



June 30, 2012

Dear Fire & Police Pension Association Members, Benefit Recipients, Employers, and Members of the Board of Directors:

We are pleased to present the Fire & Police Pension Association's (FPPA) Comprehensive Annual Financial Report (CAFR) for the calendar year ended December 31, 2011. This CAFR was prepared to aid interested parties in assessing FPPA's financial status as of December 31, 2011, and its results for the year then ended.

Overview of FPPA

The Fire & Police Pension Association was established in 1980 pursuant to the Colorado Revised Statutes of 1973, as amended. FPPA administers two funds: the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund.

The Fire & Police Members' Benefit Investment Fund includes the assets of those plans that fall under the complete investment authority of the FPPA Board of Directors. This fund includes the assets of the Defined Benefit System, the Statewide Death & Disability Plan, and numerous separate Local "Old Hire" police and fire plans, and Volunteer Fire pension plans. The Defined Benefit System comprises the Statewide Defined Benefit Plan, the Statewide Hybrid Plan, and the Colorado Springs New Hire Pension Plans.

The Fire & Police Members' Self-Directed Investment Fund consists of the assets in plans where members control their account by choosing from various mutual fund options selected by the Board of Directors. The Fire & Police Members' Self-Directed Investment Fund includes the assets in the Fire & Police Members' Statewide Money Purchase Plan and the Fire & Police Members' Deferred Compensation Plan. In addition, the Fire & Police Members' Self-Directed Investment Fund includes assets of certain Deferred Retirement Option Plans within the Defined Benefit System and Local "Old Hire" pension plans. This fund also includes the Money Purchase Component of the Defined Benefit System – Statewide Hybrid Plan, and the Separate Retirement Account assets from eligible Defined Benefit System retired members.

The Fire & Police Pension Association administers a statewide multiple employer public employee retirement system providing defined benefit plan coverage as well as death and disability coverage for police officers and firefighters throughout the State of Colorado. The Association also administers local defined benefit pension funds for police officers and firefighters hired prior to April 8, 1978 whose employers have elected to affiliate with the Association and for volunteer fire plans. Starting January 1, 1995, the Association began offering membership in the Statewide Money Purchase Plan. There were 219 employer plans participating in the Defined Benefit System – Statewide Defined Benefit Plan, 29 employer plans participating in the Defined Benefit System – Statewide Hybrid Plan, 2 employer plans participating in the Defined Benefit System – Colorado Springs New Hire Pension Plans, 39 employer plans with employees participating in the Fire & Police Members' Statewide Money Purchase Plan, 399 employer plans covered by the Statewide Death & Disability Plan, 52 affiliated Local "Old Hire" plans, and 175 affiliated Local Volunteer Fire pension plans as of December 31, 2011.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Additionally, graphs and charts of statistical data may be found throughout the report.

Introductory Section

Letter of Transmittal *continued*

Financial Highlights

General Economic Conditions

The Fire & Police Members' Benefit Investment Fund experienced positive performance for the year ended December 31, 2011. Real gross domestic product (GDP), a broad measure of the output of goods and services in the United States, increased at an estimated annual rate of 1.7% in 2011, compared to an increase of 3.0% in 2010. The labor markets improved in 2011 with non-farm payroll employment increasing by 1.8 million jobs during the year. The unemployment rate decreased to 8.5% from 9.4% during 2011.

The Federal Reserve maintained the targeted federal funds at a range of 0.0% to 0.25% throughout 2011 citing the continued need to support economic recovery in light of low inflation expectations. The consumer price index increased 3.00% in 2011 compared to an increase of 1.42% in 2010.

On the heels of solid performance in 2009 and 2010, the U.S. equity markets ended 2011 relatively flat. Large company stocks, as measured by the Russell 1000 Index, increased 1.50% in 2011 compared to an increase of 16.10% in 2010. Smaller company stocks, as measured by the Russell 2000 Index, decreased 4.18% in 2011 compared to an increase of 26.85% in 2010. Supported by a continued low interest rate environment and strong credit markets, the U.S. bond market posted solid returns. The Barclays Capital U.S. Aggregate Bond Index produced a return of 7.84% in 2011 compared to a 6.54% return in 2010.

The international equity markets underperformed the U.S. equity markets in 2011. The MSCI EAFE Index decreased by 11.73% in 2011 compared to an increase of 8.21% in 2010. The MSCI Emerging Markets Index decreased 18.17% after increasing 19.20% in 2010.

In the currency markets, with the exception of the Japanese Yen, the U.S. Dollar appreciated in value against most major currencies in 2011. The Euro depreciated 3.16% against the Dollar, closing at 1.2961 Dollars per Euro from 1.3384 at the end of 2010. The British Pound depreciated 0.44% against the Dollar, closing at 1.5543 Dollars per GRB from 1.5612 at the end of 2010. The Dollar appreciated 2.33% against the Canadian Dollar resulting in a rate of 1.0213 Canadian Dollars per U.S. Dollar from 0.9980 at the end of 2010. The Dollar depreciated 5.19% relative to the Japanese Yen to 76.91 Yen per Dollar from 81.12 at the end of 2010.

Investments

Net investible assets totaled \$3.410 billion in market value as of December 31, 2011, which was comprised of the Fire & Police Members' Benefit Investment Fund (\$3.111 billion) and the Fire & Police Members' Self-Directed Investment Fund (\$299 million). The Members' Benefit Investment Fund had a total net return of 0.73% for the one-year period ending December 31, 2011. At year-end, the Fire & Police Members' Benefit Investment Fund was allocated as follows: Global Equity 48.2%; Fixed Income 19.5%; Absolute Return 10.4%; Opportunistic 0.7%; Private Capital 15.9%; Real Assets 4.3%; and Cash & Short Term Investments 1.0%. In February 2011, the Board reaffirmed interim investment allocation targets of Global Equity at 49.0%; Fixed Income & Cash 20.0%; Absolute Return 11.0%; Real Assets 4.0%; Private Capital 14.0%; and Opportunistic 2.0%. The Board has established investment policies and objectives to define acceptable levels of risk, asset allocation targets, asset class guidelines, investment performance objectives, and other guidelines governing the management of the Fire & Police Members' Benefit Investment Fund. The Board has adopted a separate statement of policies and objectives for the Fire & Police Members' Self-Directed Investment Fund which includes investment objectives, criteria for the selection of investment options and mutual fund guidelines.

Funding Status

Each pension plan administered by FPPA must be separately funded. Assets from one plan cannot be used to pay the benefit obligations of any other plan. Therefore, the funding status of each individual plan must be judged separately.

FPPA's funding objective for the Fire & Police Members' Benefit Investment Fund is to meet long-term benefit promises through contributions and investment income. The funding ratios listed in the following chart give an indication of how well this objective has been met to date. The higher the funding ratio, the better funded the plan is.

The funding ratio (actuarial value of assets divided by actuarial accrued liability) for each of the plans in the Defined Benefit System and the Statewide Death & Disability Plan as of January 1, 2011 is as follows:

Plan (information as of January 1, 2011)	Funding Ratio	Actuarial Value of Assets	Actuarial Accrued Liability
Statewide Death & Disability Plan	108.0%	\$281,577,454	\$260,688,472
Defined Benefit System			
Statewide Defined Benefit Plan	102.9%	\$1,080,284,447	\$1,049,622,033
Statewide Hybrid Plan	132.6%	\$18,107,030	\$13,658,025
Colorado Springs New Hire Pension Plan – Police Component	82.8%	\$187,249,190	\$226,088,133
Colorado Springs New Hire Pension Plan – Fire Component	85.1%	\$108,848,941	\$127,909,057

Affiliated Local Plans are not listed because the data necessary to calculate a gain/loss analysis on all Local Plans was not available as of the January 1, 2011 actuarial valuations.

Investment income is the most significant driver in a defined benefit plan. Poor market performance during 2011 will likely drive down the funded status of the plans in the near term.

Actuarial Experience Study

At least every five years the FPPA Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2011 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of FPPA's past experience and expectations of the future.

The assumption changes will be effective for actuarial valuations beginning January 1, 2012. The actuarial assumptions will also impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used. The date the new actuarial assumptions will be effective for benefit purposes will be October 1, 2012.

The main actuarial factor changes were:

- Reduce the inflation assumption from 3.50% to 3.00%. It was determined that the current 3.50% assumption is higher than the long term historical average, the recent historical average, and most sources of future expectations. The decision to lower the assumption to 3.00% places the assumption closer to recent inflation levels and closer to the levels expected in the bond market.
- Reduce the normal investment return assumption from 8.00% to 7.50%, taking into account the lower inflation assumption and maintaining an expected net real return of 4.50%. The investment return assumption is one of the principal assumptions in any actuarial valuation of a retirement plan. It is used to discount future expected benefit payments to the valuation date, in order to determine the liabilities of the plan. Even a small change to this assumption can produce significant changes to the liabilities and contribution rates. The FPPA Board reduced the assumption to 7.50% as this was the median expected portfolio return given the fund's target allocation and given a set of capital market assumptions.
- Revise the post-retirement mortality tables to reflect increased longevity. The post-retirement mortality tables for non-disabled retirees were updated to the generational mortality tables with blue collar adjustment as it reflected the plans experience. An explicit assumption for continuously increasing longevity was also added as the life expectancies for today's younger active members are expected to be materially longer than those of today's retirees. This has a significant impact on costs and liabilities.

These new actuarial assumptions are a more conservative position for FPPA as it proceeds forward. As always, the assumptions will be reviewed against actual experience each year and gains or losses recognized in accordance with Governmental Accounting Standards Board standards and our actuarial methods and policies.

Introductory Section

Letter of Transmittal *continued*

Independent Audit

The accounting firm of CliftonLarsonAllen LLP rendered an opinion as to the fairness of the Fund's 2011 financial statements. The audit was performed in accordance with auditing standards generally accepted in the United States of America. The Independent Auditors' Report is included and begins on page 16-17 of this report.

Revenues

Revenues are used to fund the current and future retirement benefits established by the state legislature and local boards which are paid to retirees and their survivors by the Association. The primary sources of revenue include contributions from active members, employers and the state; new affiliations; and investment income. Revenues for the year 2011 amounted to \$330.7 million, a decrease of \$244.9 million or 42.5% from 2010.

The net revenues for 2011 were comprised of \$115.1 million in member contributions, up 44.4% from \$79.7 million in 2010. Employer contributions totaled \$101.8 million in 2011, up 13.2% from \$89.9 million in 2010. The State of Colorado contributed \$3.1 million to plans affiliated with the Association in 2011. The Association's investment income for 2011 totaled \$23.8 million. The net assets of the Fire & Police Members' Self-Directed Investment Fund increased by \$83.4 million in 2011 as a result of the affiliation of three fire departments and one police department. The net assets of the Fire & Police Members' Benefit Fund increased by \$2.5 million in 2011 as a result of the affiliation of two fire departments.

Active membership is distributed as follows: 6,271 Defined Benefit System – Statewide Defined Benefit Plan members, up 8.2% from 5,798 in 2010; 479 Defined Benefit System – Statewide Hybrid Plan members, up 18.3% from 405 in 2010; 697 Colorado Springs New Hire Pension Plans members, down 15.5% from 825 the prior year; 68 old hire members, down 24.4% from 90 in 2010; 125 statewide money purchase plan members, up 20.2% from 104 last year; 4,008 volunteer fire members, up 0.6% from 3,985 in 2010; and 4,212 members covered for Death & Disability only, down 6.2% from 4,492 last year. The members listed above are comprised of 39.1% police officers, 60.2% firefighters, and 0.7% administrative fire district staff.

The net investment income for 2011 amounted to \$23.8 million. Interest, dividends and other investment income decreased by \$0.1 million over the prior year. Realized and unrealized gains on investment transactions decreased \$377.0 million for 2011 over those in 2010. The total market value of the investment portfolio remained flat at \$3.4 billion.

An explanation of FPPA's investment policies and asset allocation strategy, as well as the portfolio's composition, are included in the investment section of this report. Additionally, a review of investment activity and performance for 2010 is included in that section.

Expenses

The primary expenses of the Association include the payment of benefits to retirees and beneficiaries, the refund of contributions to former members, and the cost of administering the numerous pension plans. Expenses for the year 2011 totaled \$304.4 million, which is an increase of \$43.8 million or 16.8% over 2010.

Benefit payments to retirees and beneficiaries totaled \$221.3 million in 2011, up 1.7% or \$3.8 million from the prior year. The increase in benefit payments was due primarily to an increase in the number of retirees and beneficiaries receiving benefits. The number of retirees receiving benefit payments increased to 8,861 as of December 31, 2011, up 1.1% from 8,760 at the end of 2010.

Administrative expenses of the Fund increased to \$25.1 million in 2011 from \$22.4 million in 2010. This reflects an increase of 12.1%. The largest part of administrative expenses are money management fees, which make up 70.6% of total administrative expenses. Investment management fees are largely asset-based, and increase as the size of the fund increases.

Accounting System and Internal Control

The financial statements included in this report, along with all other information provided, are the responsibility of the management of the Fire and Police Pension Association. The financial statements have been prepared in accordance with account-

ing principles generally accepted in the United States of America applicable to financial audit contained in Government Auditing Standards, including the pronouncements of the Governmental Accounting Standards Board (GASB).

Revenues are recognized when they are earned and become measurable, and expenses recorded as liabilities as they are incurred. Investments are stated at current market value, and trades booked on a trade-dated rather than settlement-dated basis. Investments in limited partnerships and pooled funds are carried at values adjusted to recognize the Association's share of net income or loss in the period reported. Capital assets are reported at historical cost and depreciated over their useful lives. Contributions to the plans are based on principles of level cost funding, and are developed using the entry age normal cost method with current service financed on a current basis and prior service amortized over a 4 to 30 year period (depending on the type of plan). In management's opinion, the financial statements present fairly the financial position of the FPPA at December 31, 2011 and the result of its operations for the period then ended.

The financial statement format of the Comprehensive Annual Financial Report, as well as data presented in the Actuarial Section, meet the requirements of GASB 25. While each of the plans administered by FPPA have been audited as a separate fund and identified separately in the auditor's opinion, they are combined on the financial statements for presentation purposes.

The management of the Fire and Police Pension Association is also responsible for maintaining a system of internal accounting controls designed to provide reasonable assurance that transactions are executed and reported in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived; and
- (2) The valuation of costs and benefits requires estimates and judgments by management.

The internal control system includes the appropriate segregation of duties and responsibilities, sound practices in the performance of those duties, capable personnel, and the organizational structure itself. A control system, no matter how well designed and implemented, can provide only reasonable assurance that the financial statements are free from material misstatement due to error or fraud or that instances of fraud, if any, have been detected. These inherent limitations may include faulty decision-making based on inaccurate information, the circumvention of controls by staff, or the overriding of controls by management. We believe that the internal controls in effect during the year ended December 31, 2011 adequately safeguarded assets and provided reasonable assurance regarding the proper recording and reporting of financial transactions.

Major Initiatives

In 2011, FPPA continued to follow its strategic plan and made adjustments as needed in response to changing economic conditions. Resources were devoted to several major initiatives.

- FPPA continued its efforts to streamline business operations and increase operational efficiency.
- FPPA instituted a revised and streamlined process for administering disability and survivor benefits.
- FPPA increased its in-house investment capabilities in order to reduce the overall expenses of the investment program.
- FPPA created the Self-Directed Plans Committee to ensure adequate oversight and review of our defined contribution and deferred compensation plans. We also improved the mutual fund lineup in the self-directed plans and reduced fees.
- A total compensation study was conducted for non-investment staff. The study confirmed that FPPA's compensation and benefits are positioned appropriately within its peer group and among local employers.
- The fixed income portfolio was restructured by moving high yield fixed income to the global growth asset class, thus removing equity-like risk from the fixed income portfolio. The global public equity allocation was completed. The Absolute Return class was implemented with an overall allocation to three hedge fund strategies. The Real Asset investment class continued to be developed. Implementation began for a long/short allocation within the global public equity portfolio.
- FPPA continues to affiliate new employer plans into the Defined Benefit System.

Legislation

FPPA did not propose any legislation in 2011, and none was passed that impacted FPPA plans directly.

Introductory Section

Letter of Transmittal *continued*

Other Programs and Services

Visitation Program

During 2011, FPPA's Benefits & Communication Division continued its communication programs with members, employers and retirees. Approximately 557 presentations were made to members from 153 fire and police departments throughout the State covering information about the death and disability benefits, retirement benefits, and other services provided by the Association. Much of this program is conducted on-site, with staff visiting fire stations and attending police roll calls, to ensure that members have face-to-face meetings with FPPA staff on a regular basis. Some meetings are conducted using video conferencing or other media. Thanks to exceptionally good response, we have continued to offer retirement projections to assist members in planning for their future retirement needs. These projections display the dollar amount the member can expect to receive at retirement, shown in both future, and current values, as well as displaying a percentage of salary that their retirement income is projected to replace. This program takes into account the many accounts (i.e., money purchase account, deferred retirement option plans (DROP), separate retirement account (SRA), and IRC 457 Deferred Compensation Plan assets) that the member may have in addition to the core pension benefit. This provides a quick way for the members to see if they may be saving adequately for retirement.

FPPA staff also presents benefit information at many department academy classes throughout the year. These meetings provide the new members an introduction to the FPPA benefit plans and voluntary participation in a 457 deferred compensation plan is strongly encouraged. The members are then able to stay abreast of the benefit plan provisions and retirement readiness through the on-going department visitation program.

FPPA staff accepts many invitations to participate in employer sponsored retirement seminars or benefit fairs held at various departments and cities across the state.

FPPA Defined Benefit System Meetings

In 2003, legislation was enacted to allow departments who cover their firefighters and police officers in money purchase plans to elect coverage under the FPPA Defined Benefit System. In 2011, FPPA staff held a series of meetings to present information to departments who expressed interest in entering the FPPA Defined Benefit System. Four departments completed the entry process in 2011. Discussions are ongoing with other departments. These meetings are conducted at the request of the members and/or employers.

FPPA Seminars

Year 2011 also marks FPPA's twenty-fourth year of offering various seminars to help members plan for retirement, both financially and psychologically. FPPA hosted two seminars, on topics including pre-retirement planning and Social Security information as it relates to the FPPA membership. The seminars explored estate and tax planning, insurance services, long term care insurance, as well as many issues relating to Social Security. The seminars continue to get excellent reviews by the attendees. FPPA strongly recommends these no-cost seminars to members, retirees and employers.

IRC 457 Deferred Compensation Plan

FPPA's Section 457 Deferred Compensation program was developed in 1990 in response to member requests. By the end of 2011, there were 126 employer plans participating in the program. The program provides tax-deferred savings to help members meet their retirement needs and, with low management fees, more of the dollars invested are returned for the member's use in retirement.

Fire & Police Members' Statewide Money Purchase Plan

In April 1993, the Colorado General Assembly authorized FPPA to create a new Fire & Police Members' Statewide Money Purchase Plan. The plan took effect on January 1, 1995. Currently there are 39 employer plans with members participating in this program. Some have exited to enter the FPPA Defined Benefit System which offers added choice to the existing members. Department chiefs may also participate in this plan as an alternative to the FPPA Defined Benefit System, which includes the Statewide Defined Benefit Plan and the Statewide Hybrid Plan.

Money Management Services – Volunteer Fire Plans

Since legislative approval in 1986, FPPA has offered the advantages of its money management services to volunteer fire department pension funds that choose to affiliate. At the end of 2011, there were a total of 175 volunteer plans participating. Plans participating in FPPA are provided with an actuarial study every two years as well as an annual audit of their pension funds.

Optional Insurance Benefit Programs

FPPA offers members access to a broad range of insurance products including health, dental, vision and long-term care. Some of these products are available to active members and retirees by simply applying for coverage, while others require evidence of insurability. A group medical plan is available for retirees who are Medicare eligible. Retirees who are not Medicare eligible can contact HUB International, an insurance broker who partners with FPPA to provide members with assistance in finding an individual medical insurance policy. Many of these insurance premiums are deducted from the retiree's pension check and paid directly to the insurance provider, thus enabling eligible retirees to take advantage of the tax exclusion as permitted by the Healthcare Enhancement for Local Public Safety (HELPS) provision of the Federal Pension Protection Act of 2006.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Fire and Police Pension Association for its comprehensive annual financial report for the fiscal year ended December 31, 2010. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

In addition, FPPA received The Public Pension Standards Award for 2011 from the Public Pension Coordinating Council. The award recognizes the Association's conformance with professional standards for plan design and administration.

Acknowledgments

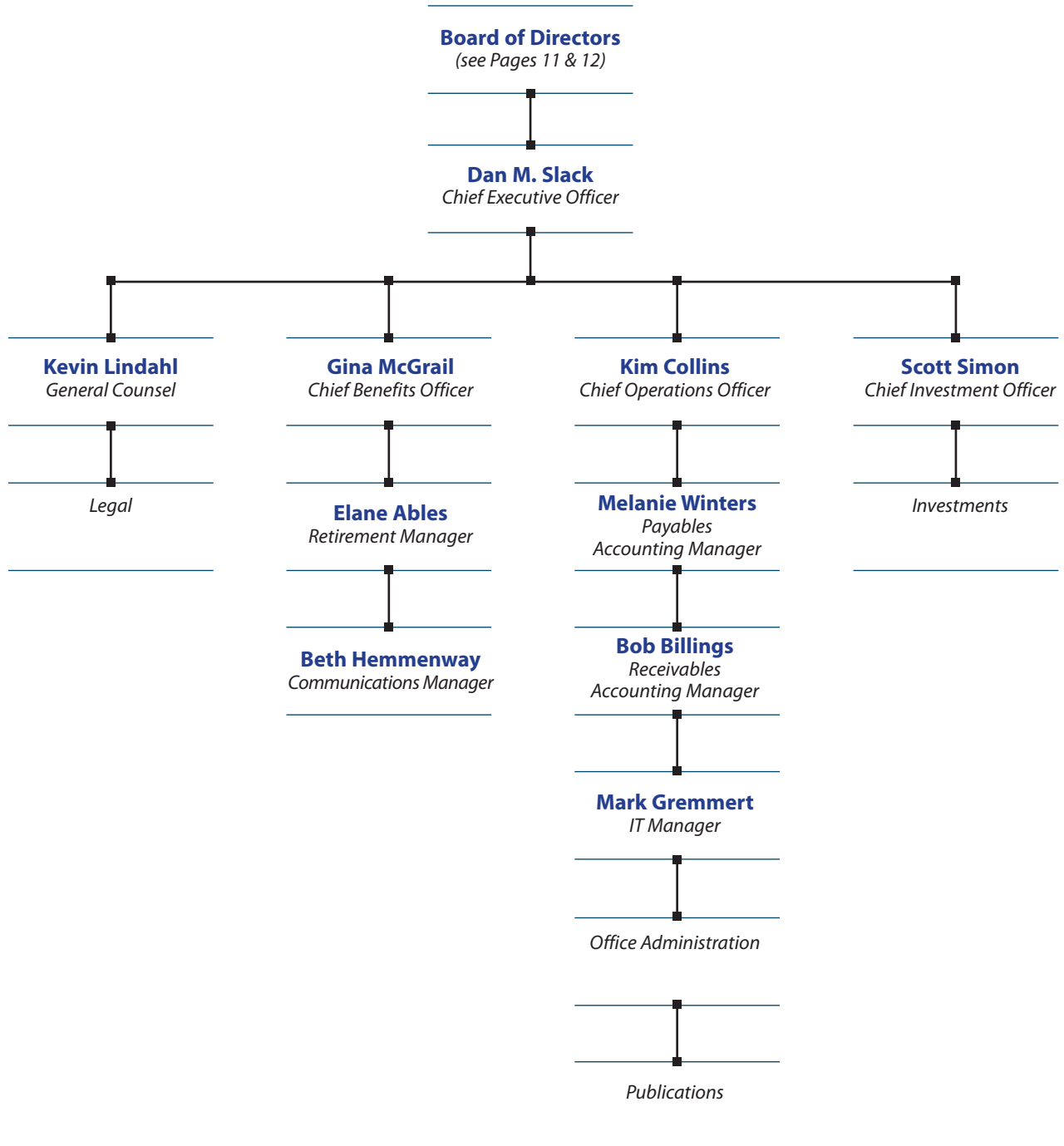
This annual report of the Fire and Police Pension Association was prepared through the combined efforts of the FPPA staff under the leadership of the Board of Directors. It is intended to provide complete and reliable information which may be used as a basis for making management decisions and as a means for determining compliance with state statutes.

Access to this report is being provided to the State Auditor, the Joint Budget Committee, the Police Officers' and Firefighters' Pension Reform Commission, all participating employers, and other interested parties.

Respectfully submitted,

Dan M. Slack
FPPA Chief Executive Officer

FPPA Administrative Organizational Chart



By state statute, the management of the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (the Funds) is vested in the Board of Directors of the Fire and Police Pension Association of Colorado. Appointed by the Governor and confirmed by the Senate, the FPPA Board of Directors is composed of nine members:

Two members representing Colorado municipal employers;

One member representing full-time paid firefighters;

One member representing full-time paid police officers;

One member who is either a member of the Board of Directors of a special district, or is the full-time paid professional manager of a special district to represent special districts having volunteer firefighters;

One member from the state's financial or business community with experience in investments;

One member from the state's financial or business community with experience in insurance disability claims; and

One member of the state's financial or business community experienced in personnel or corporate administration in corporations of over 200 employees.

All of the eight Board of Directors mentioned above serve four year staggered terms.

One member who is a retired police officer and who, upon completion of his term, is replaced by a retired firefighter. Thereafter, the appointment of retired officers alternates between a retired police officer and a retired firefighter for each successive six year term.

Specific duties of the Board of Directors include investing and managing the Funds, disbursing money from the Funds, setting required contribution levels, and determining the award of disability and survivor benefits. The Board of Directors also appoints a Chief Executive Officer who is FPPA's chief administrative officer. The Chief Executive Officer appoints FPPA staff who are responsible for the day-to-day administration of the firefighter and police pension funds.

The FPPA Board of Directors accomplishes its business at regular meetings, held ten times per year at the Association's Greenwood Village offices. In accordance with state law, each meeting's proposed agenda items are posted in the lobby directory of FPPA's offices at least 24 hours in advance. All meetings begin between 7:30 and 9:00 a.m. and are open to the public.

Introductory Section

Board of Directors *as of December 31, 2011*



Kirk J. Miller
Board Chair
Corporal,
Denver Police Department
Member since 2005
Current term expires 9/1/12



Clifford W. Stanton
Board Vice Chair
CIO, Prima Capital Holding
Member since 2009
Current term expires 9/1/12



Jack Blumenthal
Principal,
Causey Demgen & Moore, Inc.
Member since 2009
Current term expires 9/1/14



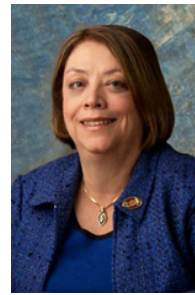
Todd Bower
Deputy Chief, Denver Fire
Department
Member since 2001
Current term expires 9/1/13



Monica Cortez-Sangster
Director of Human Resources
Colorado Department of
Personnel & Administration
Member since 2003
Current term expires 9/1/14



Susan R. Eaton
Human Resources Director, City of Englewood
Member since 2009
Current term expires 9/1/14



Pamela M. Feely
President,
West Metro
Fire Rescue District IV
Member since 2011
Current term expires 9/1/15



Lyle Hesalroad
Retired Police Captain,
Denver Police
Member since 2009
Current term expires 9/1/13



Tim Nash
Finance Director,
City of Greeley
Member since 2008
Current term expires 9/1/15

Professional Consultants & Investment Managers

Professional Consultants

Actuarial

Gabriel Roeder Smith & Co.

Auditor

CliftonLarsonAllen LLP

Board Medical Advisor

Clarence Henke, M.D., P.C.

Investment Consultants

Albourne
Hamilton Lane
Pension Consulting Alliance
RiskMetrics Group/ISS Governance
Bidart & Ross, Inc.

Master Custodian/Trustee

BNY Mellon Asset Servicing

Management

McLagan Partners Inc.
Waters Consulting Group

Legal Counsel

Ballard Spahr
Ice Miller LLP
Inman Flynn Biesterfeld & Brentlinger, P.C.
Pendleton Friedberg Wilson & Hennessey, P.C.
Thomas Pollart & Miller LLC
Bingham McCutchen LLP
Lee + Kinder, LLC

Governmental Relations

Lombard & Clayton

Investment Managers

Global Equity

Baillie Gifford Overseas Ltd.
Cortina Asset Management
Driehaus Asset Management
JP Morgan Investment Management
State Street Global Markets
State Street Global Advisors
Walter Scott Partners

Fixed Income

C.S. McKee L.P.
Pacific Investment Management Co.
Prudential Capital Group
State Street Global Advisors

Real Assets

ArLight Energy Partners
Blackrock, Inc.
Enervest, Ltd
EIG Management Company
JP Morgan Asset Management – Real Estate
Morgan Stanley Real Estate
Prudential Real Estate Investors
RREEF Alternative Investments
Scout Energy Partners

Absolute Return

Aetos Capital
GAM
K2 Advisors

Opportunistic

Capital Royalty Partners
Metropolitan West Asset Management
Mountain View Capital Holdings

Alternative Investments

ABS Capital Partners
American Securities
Apollo Management LP
Apollo Real Estate Advisors
ARCH Venture Partners
Aurora Equity Partners
Avenue Capital Group
Birch Hill Equity Partners
Blackstone Capital Partners
Blackstone Real Estate
Boston Ventures
Bowmark Capital Partners
Catterton Partners

Introductory Section

Professional Consultants & Investment Managers *continued*

Alternative Investments - continued

Centennial Ventures
Chisholm Partners
Coller Investment Management Limited
Commonfund Capital
CVC European Equity Partners
Doughty Hanson & Company
Dune Real Estate
Endeavour Capital
Energy Capital Partners
Enhanced Equity
Ethos Private Equity
First Reserve Corporation
Focus Ventures
Gilde Buyout Partners
Granite Global Ventures
Green Equity Investors
H2 Real Estate
Harvest Partners
Heritage Partners
HIG Bayside
High Road Capital Partners
Insight Venture Partners
J.H. Whitney
JMI Equity
Kayne Anderson Capital Advisors
Kelso Investment Associates
Kohlberg Investors
KPS Capital Partners
Larimer Venture
Leapfrog Ventures
Lighthouse Capital Partners
LNK Partners
Matlin Patterson
MHR Institutional Partners
MVM Life Science Partners
Nautic Partners
New Enterprise Associates
Nordic Capital
Oak Hill Advisors
Oxford Bioscience
Permira
Providence Equity Partners
Roak Capital Partners
SAIF Partners
SKM Equity Fund
Sprout Capital Group
Square Mile
TA Associates
Technology Crossover Ventures
Texas Pacific Group
Thomas H Lee Partners
Thomas McNerney & Partners
Venture Investment Managers
Veritas Capital
Vestar Capital Partners
W Capital Partners

FPPA administers the Fire & Police Members' Benefit Investment Fund which includes the assets of those plans that fall under the complete investment authority of the FPPA Board of Directors. This fund includes the assets of the Defined Benefit System, the Statewide Death & Disability Plan, and numerous separate Local "Old Hire" police and fire plans, and Volunteer Fire pension plans. The Defined Benefit System comprises the Statewide Defined Benefit Plan, the Statewide Hybrid Plan, and the Colorado Springs New Hire Pension Plans.

In addition, FPPA administers the Fire & Police Members' Self-Directed Investment Fund which consists of the assets of plans where members control their account by choosing from various mutual fund options selected by the Board of Directors. The Fire & Police Members' Self-Directed Investment Fund includes the assets in the Fire & Police Members' Statewide Money Purchase Plan, and the Fire & Police Members' Deferred Compensation Plans. In addition, the Fire & Police Members' Self-Directed Investment Fund includes assets of certain Deferred Retirement Option Plans within the Defined Benefit System and Affiliated Local "Old Hire" pension plans. This fund also includes the Money Purchase Component of the Defined Benefit System – Statewide Hybrid Plan and the Separate Retirement Account assets from the eligible Defined Benefit System retired members.

An audit is performed annually on the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund.

General information about each Fund can be found in the Introductory Section of this annual report. A listing of employers by plan or plan type can be found in the Statistical Section of this report. All data in this annual report, other than the audit reports which follow, has not been audited by FPPA's outside auditors.

The accompanying notes are an integral part of the financial statements.



CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

Independent Auditor's Report

Board of Directors
Fire and Police Pension Association of Colorado
Greenwood Village, Colorado

We have audited the accompanying statements of plan net assets available for pension benefits and the related statements of changes in plan net assets available for pension benefits of the Fire and Police Members' Benefit Investment Fund (consisting of the Affiliated Local Plans, the Statewide Death and Disability Plan, and the Defined Benefit System) and the Fire and Police Members' Self-Directed Investment Fund (consisting of the Fire and Police Members' Statewide Money Purchase Plan, the Self-Directed Assets for the Affiliated Local and Defined Benefit System Plans, and the IRC 457 Deferred Compensation Plan) of the Fire and Police Pension Association of Colorado (the "Association") as of and for the year ended December 31, 2011 which collectively comprise the Association's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Association's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative combined information has been derived from the Fire and Police Pension Association of Colorado's December 31, 2010 financial statements, and in our report dated April 20, 2010, we expressed an unqualified opinion on the respective financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective statements of plan net assets available for pension benefits of the Association as of December 31, 2011, and the statements of changes in plan assets available for pension benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2012 on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant

agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of funding progress and employer contributions on pages 20 through 23 and 56 through 62 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 who 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 management's discussion and analysis and 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. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements. The other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section, investment section, actuarial section and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
April 19, 2012

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Colorado has some of the **HIGHEST** elevation golf courses in the U.S.

This makes the golf games of our members **WAY** above par.

Financial Section

Management's Discussion & Analysis

The following is an overview of the financial activities of the Fire & Police Pension Association for the year ended December 31, 2011.

FPPA administers two funds: the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund ("the Funds"). The Fire & Police Members' Benefit Investment Fund includes the assets of those plans that fall under the complete investment authority of the FPPA Board of Directors. This fund includes the assets of the Defined Benefit System, the Statewide Death & Disability Plan, and numerous separate Local "Old Hire" police and fire plans, and Volunteer Fire pension plans. The Defined Benefit System comprises the Statewide Defined Benefit Plan, the Statewide Hybrid Plan, and the Colorado Springs New Hire Pension Plans.

The Fire & Police Members' Self-Directed Investment Fund consists of the assets of plans where members control their account by choosing from various mutual fund options selected by the Board of Directors. The Fire & Police Members' Self-Directed Investment Fund includes the assets in the Fire & Police Members' Statewide Money Purchase Plan and the Fire & Police Members' Deferred Compensation Plans. In addition, the Fire & Police Members' Self-Directed Investment Fund includes assets of certain Deferred Retirement Option Plans within the Defined Benefit System and affiliated Local "Old Hire" pension plans. This fund also includes the Money Purchase Component of the Defined Benefit System – Statewide Hybrid Plan and the Separate Retirement Account assets from eligible Defined Benefit System retired members.

Financial Highlights

Plan Net Assets for all plans administered by FPPA increased \$26,307,100 during the calendar year 2011.

Change in Plan Net Assets	
Affiliated Local Plans	\$(102,396,211)
Statewide Death & Disability Plan	(3,865,468)
Defined Benefit System	81,533,597
Fire & Police Members' Statewide Money Purchase Plan	496,399
Self-Directed Assets for Affiliated Local and Defined Benefit System Plans	48,783,310
IRC 457 Deferred Compensation Plan	1,755,473
Total Increase in Plan Net Assets	\$26,307,100

For the year ended December 31, 2011, the gross rate of return on the Fire & Police Members' Benefit Investment Fund was 1.23 percent, (0.73 percent, net of fees). Performance for the year ended December 31, 2010 was 14.26 percent (13.68 percent, net of fees). The net investment gain for all of the funds, including the Fire & Police Members' Self-Directed Investment Fund administered by FPPA, for the year ended December 31, 2011 was \$23,803,060 as compared to \$402,065,952 for 2010. The overall financial position of FPPA improved slightly in 2011; however, overall investments experienced volatile capital markets resulting in relatively flat performance for the year. There are no current known facts, conditions or decisions that are expected to have a significant effect on the financial position or results of operations.

Net Investment Gain	
Affiliated Local Plans	\$11,416,272
Statewide Death & Disability Plan	1,955,995
Defined Benefit System	8,908,133
Fire & Police Members' Statewide Money Purchase Plan	71,541
Self-Directed Assets for Affiliated Local and Defined Benefit System Plans	1,596,788
IRC 457 Deferred Compensation Plan	(145,669)
Total Net Investment Gain	\$23,803,060

Management's Discussion & Analysis *continued*

The members of the FPPA Board of Directors serve as the fiduciaries for the Funds and are responsible for the investment of the Funds. They also select the investment options available to self-directed plan members. As fiduciaries, the FPPA Board members are required to discharge their duties in the interest of fund participants and beneficiaries.

The Fire & Police Members' Benefit Investment Fund experienced continued positive performance for the year ended December 31, 2011. Global stock indices were down approximately 7 percent along with U.S. bond indices being up approximately 8 percent for the year (compared to 2010, where global stock indices were up approximately 14 percent along with U.S. bond indices being up 6 percent).

The table below shows the funding ratio (actuarial value of assets divided by actuarial accrued liability) for each of the plans in the Defined Benefit System and the Statewide Death & Disability Plan as of January 1, 2011 and January 1, 2010:

Funding Ratio	1/1/2011	1/1/2010
Statewide Death & Disability Plan	108.0%	106.3%
Defined Benefit System – Statewide Defined Benefit Plan	102.9%	100.0%
Defined Benefit System – Statewide Hybrid Plan	132.6%	127.0%
Defined Benefit System – Colorado Springs New Hire Pension Plan – Police Component	82.8%	80.0%
Defined Benefit System – Colorado Springs New Hire Pension Plan – Fire Component	85.1%	83.0%

Affiliated Local Plans are not listed because the data necessary to calculate a gain/loss analysis on all Local Plans was not available as of the January 1, 2011 actuarial valuations.

FPPA's funding objective for the Fire & Police Members' Benefit Investment Fund is to meet long-term benefit promises through contributions and investment income. The funding ratios listed above give an indication of how well this objective has been met to date. The higher the funding ratio, the better funded the plan is.

Overview of the Financial Statements

The management discussion and analysis is intended to serve as an introduction to FPPA's Financial Statements. Below is a short description of the following four components of the Financial Section for FPPA: (1) Fund Financial Statements, (2) Notes to the Financial Statements, (3) Required Supplementary Information, and (4) Other Supplementary Schedules.

Fund Financial Statements. There are two financial statements presented for the Funds. The Statement of Plan Net Assets is a snapshot of account balances as of December 31, 2011. This statement reflects the net assets available to pay future pension benefits. The Statement of Changes in Plan Net Assets Available for Pension Benefits reflects all the activities that occurred during the year ended December 31, 2011. This statement shows the impact of those activities as additions and deductions to the Funds.

Notes to the Financial Statements. *The notes are an integral part of the financial statements and provide additional information that is essential for a full understanding of the data provided in the fund financial statements.*

Required Supplementary Information. The required supplementary information consists of a Schedule of Funding Progress and a Schedule of Employer Contributions.

Other Supplementary Schedules. The additional schedules (Net Assets by Participating Employer, Payments to Consultants, Schedule of Administration and Investment Expenses) are presented for the purpose of additional analysis.

Financial Section

Management's Discussion & Analysis *continued*

Comparative Financial Statements

Fire & Police Members' Benefit Investment Fund. The defined benefit plans within this fund provide retirement, survivor and disability benefits to the employees of affiliated employers. Benefits are funded by member, employer and State of Colorado contributions and by earnings on investments.

Fire and Police Members' Self-Directed Investment Fund. The defined contribution plan assets are held for the exclusive benefit of the participants. Benefits are funded by member and/or employer contributions and by earnings on the investments. The Fire & Police Members' Self-Directed Investment Fund consists of the assets of plans where members control their account by choosing from various mutual fund options selected by the Board of Directors or investment options available through a Self Directed Brokerage Account administered by FPPA's record keeper.

Fire & Police Members' Benefit Investment Fund Net Assets	12/31/2011	12/31/2010	% Change
Assets			
Cash and Short Term Investments	\$91,850,263	\$254,585,692	(63.9)%
Securities Lending Collateral	169,352,161	174,029,897	(2.7)%
Total Other Investments	3,040,689,660	3,022,463,321	(0.6)%
Receivables	84,213,147	101,519,432	(17.0)%
Other Assets	6,194,414	6,611,869	(6.3)%
Total Assets	\$3,392,299,645	\$3,559,210,211	(4.7)%
Liabilities			
Securities Lending Liabilities	174,426,260	179,689,638	(2.9)%
Investment and Other Liabilities	106,604,375	243,523,481	(56.2)%
Total Liabilities	\$281,030,635	\$423,213,119	(33.6)%
Net Assets Available for Benefits	\$3,111,269,010	\$3,135,997,092	(0.8)%

Fire & Police Members' Self-Directed Investment Fund Net Assets	12/31/2011	12/31/2010	% Change
Assets			
Cash and Short Term Investments	\$39,844	\$41,984	(5.1)%
Total Other Investments	298,761,792	247,875,521	20.5%
Receivables	656,039	509,438	28.8%
Total Assets	\$299,457,675	\$248,426,943	20.5%
Liabilities			
Investment and Other Liabilities	333	4,783	(93.0)%
Total Liabilities	333	4,783	(93.0)%
Net Assets Available for Benefits	\$299,457,342	\$248,422,160	20.5%

Management's Discussion & Analysis *continued*

Fire & Police Members' Benefit Investment Fund Changes in the Net Assets	12/31/2011	12/31/2010	% Change
Additions			
Employer Contributions	\$98,387,227	\$87,316,598	12.7%
Member Contributions	79,051,700	43,887,476	80.1%
Affiliations (Withdrawals) *	2,512,024	(678,910)	470.0%
State Contributions	3,102,866	3,078,432	0.8%
Investment Income/Loss	22,280,400	377,055,817	(94.1)%
Securities Lending Income	896,691	637,482	40.7%
Total Additions	\$206,230,908	\$511,296,895	(59.7)%
Deductions			
Benefit Payments	221,287,914	\$217,548,445	1.7%
Refund Of Contributions	3,032,293	3,765,160	(19.5)%
Administrative Costs	6,638,783	6,116,409	8.5%
Total Deductions	\$230,958,990	\$227,430,014	1.6%
Change in Net Assets Available for Pension Benefits	\$(24,728,082)	\$283,866,881	(108.7)%

Fire & Police Members' Self-Directed Investment Fund Changes in Net Assets	12/31/2011	12/31/2010	% Change
Additions			
Employer Contributions	\$3,436,171	\$2,597,439	32.3%
Member Contributions	36,075,740	35,804,293	0.8%
Affiliations **	83,427,455	890,784	9,265.6%
Investment Income/Loss	1,522,660	25,010,135	(93.9)%
Total Additions	\$124,462,026	\$64,302,651	93.6%
Deductions			
Refund Of Contributions	72,678,826	32,828,567	121.4%
Administrative Costs	748,018	384,944	94.3%
Total Deductions	\$73,426,844	\$33,213,511	121.1%
Change in Net Assets Available for Pension Benefits	\$51,035,182	\$31,089,140	64.2%

* The net assets of the Fire & Police Members' Benefit Investment Fund increased by \$2,512,024 due to the affiliations of Elk Creek FPD and Poudre Canyon FPD. In January, 2011, the Elk Creek FPD affiliation totaled \$2,478,058. In October, 2011, the affiliation of Poudre Canyon FPD totaled \$33,966.

** The Net Assets of the Fire & Police Members' Self-Directed Investment Fund experienced a large increase in the amount of \$83,427,455 during 2011 due to the affiliations of West Metro FPD, Fountain Fire, Aurora Fire, and Buena Vista Police Departments. Under C.R.S. § 31-31-1103, an employer who has established a local money purchase plan may elect to cover its members under the Defined Benefit System upon approval by at least sixty-five percent of all active members. The members entered the Defined Benefit System and assets previously held in their local money purchase plan were brought into the Fire & Police Members' Self-Directed Investment Fund. \$7,456,965 was due to the affiliation of West Metro FPD in February 2011, \$1,846,322 was due to the affiliation of Fountain Fire in September 2011, \$73,783,329 was due to the affiliation of Aurora Fire in September 2011, and \$340,839 was due to the affiliation of Buena Vista Police in December 2011.

Financial Section

Basic Financial Statements

Statement of Plan Net Assets Available for Pension Benefits | December 31, 2011 with Comparative Combined Totals for 2010

	Total Members' Benefit Investment Fund	Total Members' Self-Directed Investment Fund	Combined Totals 2011	Combined Totals 2010
ASSETS				
Cash & Short Term Investments (Note 4)	\$91,850,263	\$39,844	\$91,890,107	\$254,627,676
Investments (Note 4)				
Fixed Income	621,377,225		621,377,225	661,550,769
Global Equity	1,472,621,498		1,472,621,498	1,786,806,160
Real Assets	128,241,600		128,241,600	101,998,549
Absolute Return	302,949,698		302,949,698	13,799,517
Private Capital	493,367,137		493,367,137	438,542,900
Opportunistic	22,132,502		22,132,502	19,765,426
Domestic Equity Funds		57,542,683	57,542,683	55,997,023
International Equity Funds		11,710,922	11,710,922	11,793,618
Balanced Funds		114,744,763	114,744,763	93,762,433
Fixed Income Funds		22,458,297	22,458,297	19,328,631
Money Market, Managed Income & Stable Value Funds		42,190,446	42,190,446	30,413,737
Brokeragelink Funds		50,114,681	50,114,681	36,580,079
Securities Lending Collateral	169,352,161		169,352,161	174,029,897
Total Investments	3,210,041,821	298,761,792	3,508,803,613	3,444,368,739
Total Cash and Investments	3,301,892,084	298,801,636	3,600,693,720	3,698,996,415
Receivables				
Other	37,736	283	38,019	26,863
Assets Sold-Pending Trades	74,676,638		74,676,638	92,106,307
Contributions	3,780,483	655,756	4,436,239	2,665,591
Accrued Interest and Dividends	5,718,290		5,718,290	7,230,109
Total Receivables	84,213,147	656,039	84,869,186	102,028,870
Properties and Equipment, at Cost, Net of Accumulated Depreciation/Amortization (Note 6)	6,054,859		6,054,859	6,449,109
Other Assets	139,555		139,555	162,760
TOTAL ASSETS	3,392,299,645	299,457,675	3,691,757,320	3,807,637,154
LIABILITIES				
Payables				
Accounts, Employee and Participants Payable	3,539,504	333	3,539,837	1,737,883
For Assets Purchased-Pending Trades	103,064,871		103,064,871	241,790,381
Securities Lending Liabilities (Note 4)	174,426,260		174,426,260	179,689,638
TOTAL LIABILITIES	281,030,635	333	281,030,968	423,217,902
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$3,111,269,010	\$299,457,342	\$3,410,726,352	\$3,384,419,252

The accompanying notes are an integral part of these basic financial statements.

Basic Financial Statements *continued*Statement of Changes in Plan Net Assets Available for Pension Benefits | for the Year Ended December 31, 2011
with Comparative Combined Totals for 2010

	Total Members' Benefit Investment Fund	Total Members' Self-Directed Investment Fund	Combined Totals 2011	Combined Totals 2010
ADDITIONS				
Contributions (Note 3)				
Employer	\$98,387,227	\$3,436,171	\$101,823,398	\$89,914,037
Plan Member	79,051,700	36,075,740	115,127,440	79,691,769
Affiliations (Withdrawals)	2,512,024	83,427,455	85,939,479	211,874
State Contributions	3,102,866		3,102,866	3,078,432
Total Contributions	183,053,817	122,939,366	305,993,183	172,896,112
Investment Income				
Net Appreciation (Depreciation) in Fair Value of Investments	(29,470,056)	(2,681,644)	(32,151,700)	344,896,960
Interest	19,384,825	150,278	19,535,103	30,064,461
Dividends	49,857,188	5,817,985	55,675,173	41,091,067
Other Income (Loss)	(358,271)		(358,271)	3,809,168
Brokeragelink Income		(1,763,959)	(1,763,959)	3,809,540
Unrealized Gain (Loss) on Securities Lending	585,642		585,642	(5,659,742)
Total Investment Income	39,999,328	1,522,660	41,521,988	418,011,454
Less Investment Consulting	412,788		412,788	217,000
Less Investment Management Fees	16,457,643		16,457,643	15,142,901
Less Investment Legal Fees	79,304		79,304	64,736
Less Investment Closing Costs	26,273		26,273	10,000
Less Bank Fees	633,304		633,304	510,865
Less Other Misc. Investment Expenses	109,616		109,616	
Net Investment Income	22,280,400	1,522,660	23,803,060	402,065,952
Securities Lending				
Income	481,304		481,304	615,776
Borrowers Rebates	639,440		639,440	156,418
Agent Fees	(224,053)		(224,053)	(134,712)
Net Securities Lending Income	896,691		896,691	637,482
Total Additions	206,230,908	124,462,026	330,692,934	575,599,546
DEDUCTIONS				
Benefit Payments	221,287,914		221,287,914	217,548,445
Refunds of Contributions (including interest earned)	3,032,293	72,678,826	75,711,119	36,593,727
Administrative Costs	6,638,783	748,018	7,386,801	6,501,353
Total Deductions	230,958,990	73,426,844	304,385,834	260,643,525
NET INCREASE (DECREASE) IN PLAN NET ASSETS	(24,728,082)	51,035,182	26,307,100	314,956,021
NET ASSETS AVAILABLE FOR PENSION BENEFITS				
BEGINNING OF YEAR	3,135,997,092	248,422,160	3,384,419,252	3,069,463,231
END OF YEAR	\$3,111,269,010	\$299,457,342	\$3,410,726,352	\$3,384,419,252

The accompanying notes are an integral part of these basic financial statements.

Financial Section

Basic Financial Statements *continued*

Statement of Plan Net Assets Available for Pension Benefits | December 31, 2011

	Affiliated Local Plans	Statewide Death & Disability	Defined Benefit System	Total Members' Benefit Investment Fund
ASSETS				
Cash & Short Term Investments (Note 4)	\$40,256,500	\$8,154,166	\$43,439,597	\$91,850,263
Investments (Note 4)				
Fixed Income	272,339,688	55,163,839	293,873,698	621,377,225
Global Equity	645,426,424	130,734,523	696,460,551	1,472,621,498
Real Assets	56,206,240	11,384,870	60,650,490	128,241,600
Absolute Return	132,778,002	26,894,884	143,276,812	302,949,698
Private Capital	216,234,917	43,799,522	233,332,698	493,367,137
Opportunistic	9,700,321	1,964,851	10,467,330	22,132,502
Domestic Equity Funds				
International Equity Funds				
Balanced Funds				
Fixed Income Funds				
Money Market, Managed Income & Stable Value Funds				
Brokeragelink Funds				
Securities Lending Collateral	74,224,341	15,034,531	80,093,289	169,352,161
Total Investments	1,406,909,933	284,977,020	1,518,154,868	3,210,041,821
Total Cash and Investments	1,447,166,433	293,131,186	1,561,594,465	3,301,892,084
Receivables				
Other	16,539	3,350	17,847	37,736
Assets Sold-Pending Trades	32,729,575	6,629,548	35,317,515	74,676,638
Contributions	401,180	440,973	2,938,330	3,780,483
Accrued Interest and Dividends	2,506,235	507,651	2,704,404	5,718,290
Total Receivables	35,653,529	7,581,522	40,978,096	84,213,147
Properties and Equipment, at Cost, Net of				
Accumulated Depreciation/Amortization (Note 6)	2,653,748	537,530	2,863,581	6,054,859
Other Assets	61,165	12,389	66,001	139,555
TOTAL ASSETS	1,485,534,875	301,262,627	1,605,502,143	3,392,299,645
LIABILITIES				
Payables				
Accounts, Employee and Participants Payable	1,551,308	314,226	1,673,970	3,539,504
For Assets Purchased-Pending Trades	45,171,683	9,149,762	48,743,426	103,064,871
Securities Lending Liabilities (Note 4)	76,448,237	15,484,993	82,493,030	174,426,260
TOTAL LIABILITIES	123,171,228	24,948,981	132,910,426	281,030,635
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$1,362,363,647	\$276,313,646	\$1,472,591,717	\$3,111,269,010

Members' Statewide Money Purchase	Self-Directed Assets for Affiliated Local & DB System	IRC 457 Deferred Compensation Plan	Total Members' Self-Directed Investment Fund	Combined Totals 2011
\$(520)	\$40,364	.	\$39,844	\$91,890,107
				621,377,225
				1,472,621,498
				128,241,600
				302,949,698
				493,367,137
				22,132,502
1,774,187	32,409,258	23,359,238	57,542,683	57,542,683
250,491	7,865,624	3,594,807	11,710,922	11,710,922
3,571,676	84,477,790	26,695,297	114,744,763	114,744,763
516,983	17,550,510	4,390,804	22,458,297	22,458,297
142,191	37,932,070	4,116,185	42,190,446	42,190,446
23,287	48,660,365	1,431,029	50,114,681	50,114,681
				169,352,161
6,278,815	228,895,617	63,587,360	298,761,792	3,508,803,613
6,278,295	228,935,981	63,587,360	298,801,636	3,600,693,720
	283		283	38,019
				74,676,638
27,427	470,466	157,863	655,756	4,436,239
				5,718,290
27,427	470,749	157,863	656,039	84,869,186
				6,054,859
				139,555
6,305,722	229,406,730	63,745,223	299,457,675	3,691,757,320
	333		333	3,539,837
				103,064,871
				174,426,260
	333		333	281,030,968
\$6,305,722	\$229,406,397	\$63,745,223	\$299,457,342	\$3,410,726,352

Financial Section

Basic Financial Statements *continued*

Statement of Changes in Plan Net Assets Available for Pension Benefits for the Year Ended December 31, 2011

	Affiliated Local Plans	Statewide Death & Disability	Defined Benefit System	Total Members' Benefit Investment Fund
ADDITIONS				
Contributions (Note 3)				
Employer	\$46,108,486	\$10,602,122	\$41,676,619	\$98,387,227
Plan Member	169,643	2,354,267	76,527,790	79,051,700
Affiliations	2,512,024			2,512,024
State Contributions	3,102,866			3,102,866
Total Contributions	51,893,019	12,956,389	118,204,409	183,053,817
Investment Income				
Net Appreciation (Depreciation) in Fair Value of Investments	(12,177,124)	(2,661,604)	(14,631,328)	(29,470,056)
Interest	8,810,146	1,730,912	8,843,767	19,384,825
Dividends	22,620,556	4,450,945	22,785,687	49,857,188
Other Income (Loss)	(148,604)	(34,598)	(175,069)	(358,271)
Brokeragelink Income				
Unrealized Gain on Securities Lending	324,701	52,301	208,640	585,642
Total Investment Income	19,429,675	3,537,956	17,031,697	39,999,328
Less Investment Consulting	186,684	36,854	189,250	412,788
Less Investment Management Fees	7,442,986	1,469,352	7,545,305	16,457,643
Less Investment Legal Fees	35,865	7,080	36,359	79,304
Less Investment Closing Costs	11,882	2,346	12,045	26,273
Less Bank Fees	286,412	56,542	290,350	633,304
Less Other Misc. Investment Expenses	49,574	9,787	50,255	109,616
Net Investment Income	11,416,272	1,955,995	8,908,133	22,280,400
Securities Lending				
Income	210,955	42,740	227,609	481,304
Borrowers Rebates	280,267	56,782	302,391	639,440
Agent Fees	(98,203)	(19,896)	(105,954)	(224,053)
Net Securities Lending Income	393,019	79,626	424,046	896,691
Total Additions	63,702,310	14,992,010	127,536,588	206,230,908
DEDUCTIONS				
Benefit Payments	162,511,376	18,217,570	40,558,968	221,287,914
Refunds of Contributions (including interest earned)	584,749	47,192	2,400,352	3,032,293
Administrative Costs	3,002,396	592,716	3,043,671	6,638,783
Total Deductions	166,098,521	18,857,478	46,002,991	230,958,990
NET INCREASE (DECREASE) IN PLAN NET ASSETS	(102,396,211)	(3,865,468)	81,533,597	(24,728,082)
NET ASSETS AVAILABLE FOR PENSION BENEFITS				
BEGINNING OF YEAR	1,464,759,858	280,179,114	1,391,058,120	3,135,997,092
END OF YEAR	\$1,362,363,647	\$276,313,646	\$1,472,591,717	\$3,111,269,010

Members' Statewide Money Purchase	Self-Directed Assets For Affiliated Local & DB System	IRC 457 Deferred Compensation Plan	Total Members' Self-Directed Investment Fund	Combined Totals 2011
\$313,947	\$2,421,796	\$700,428	\$3,436,171	\$101,823,398
297,614	29,697,334	6,080,792	36,075,740	115,127,440
	83,427,455		83,427,455	85,939,479
				3,102,866
611,561	115,546,585	6,781,220	122,939,366	305,993,183
(91,812)	(902,141)	(1,687,691)	(2,681,644)	(32,151,700)
893	116,351	33,034	150,278	19,535,103
170,579	4,020,357	1,627,049	5,817,985	55,675,173
(8,119)	(1,637,779)	(118,061)	(1,763,959)	(358,271)
				(1,763,959)
				585,642
71,541	1,596,788	(145,669)	1,522,660	41,521,988
				412,788
				16,457,643
				79,304
				26,273
				633,304
				109,616
71,541	1,596,788	(145,669)	1,522,660	23,803,060
				481,304
				639,440
				(224,053)
				896,691
683,102	117,143,373	6,635,551	124,462,026	330,692,934
				221,287,914
175,587	67,711,031	4,792,208	72,678,826	75,711,119
11,116	649,032	87,870	748,018	7,386,801
186,703	68,360,063	4,880,078	73,426,844	304,385,834
496,399	48,783,310	1,755,473	51,035,182	26,307,100
5,809,323	180,623,087	61,989,750	248,422,160	3,384,419,252
\$6,305,722	\$229,406,397	\$63,745,223	\$299,457,342	\$3,410,726,352

NOTE 1 | ORGANIZATION

The Fire & Police Members' Benefit Investment Fund was established in 1980 pursuant to the Colorado Revised Statutes of 1973, as amended. (The fund was originally named the Fire & Police Members' Benefit Fund; the name was changed to the Fire & Police Members' Benefit Investment Fund as a result of legislation enacted in 2006.) The "Fire & Police Members' Self-Directed Investment Fund" was created by Colorado House Bill 1059 in 2006. It combined the separate money purchase plan and self-directed plan funds that had been created by prior legislation. The Funds are administered by a nine member Board of Directors appointed by the Governor and confirmed by the Senate to serve four-year staggered terms. In 2010, legislation was passed to extend the term of the retired member position of the Board to a six-year term. As trustee, the Fire & Police Pension Association of Colorado (FPPA), collects, invests, administers, and disburses monies on behalf of fire fighters and police officers in the State of Colorado within the "Fire & Police Members' Benefit Investment Fund" and the "Fire & Police Members' Self-Directed Investment Fund."

The Fire & Police Members' Benefit Investment Fund includes the assets of those plans that fall under the complete investment authority of the FPPA Board of Directors. This fund includes the assets of the Defined Benefit System, affiliated Local "Old Hire" police and fire plans, affiliated Volunteer Firefighter pension plans, and the Statewide Death & Disability plan.

The Fire & Police Members' Self-Directed Investment Fund consists of the assets of plans where members control their account by choosing from various mutual fund options selected by the Board of Directors or investment options available through a Self Directed Brokerage Account administered by FPPA's record keeper. This fund includes the assets in the Fire & Police Members' Statewide Money Purchase Plan and the IRC 457 Deferred Compensation Plan. In addition, this fund includes assets of certain Deferred Retirement Option Plans ("DROP") within the Defined Benefit System and affiliated Local "Old Hire" pension plans. It also includes the Money Purchase component of the Defined Benefit System – Statewide Hybrid Plan and the Separate Retirement Account assets from eligible Defined Benefit System retired members.

The **Affiliated Local Plans** include defined benefit retirement plans for fire and police employees in the State of Colorado hired before April 8, 1978 (Old Hires), provided that such plans have affiliated with FPPA, and the affiliated volunteer fire pension plans in the State of Colorado. This is an agent multiple-employer plan.

The **Statewide Death & Disability Plan** is a defined benefit plan. This is a cost sharing multiple-employer plan.

The **Defined Benefit System** comprises the Statewide Defined Benefit Plan, the Statewide Hybrid Plan, and the Colorado Springs New Hire Pension Plans. The Statewide Defined Benefit Plan covers fire and police employees hired in the State of Colorado by affiliated employers on or after April 8, 1978. The Statewide Hybrid Plan became effective January 1, 2004 and provides a combination of defined benefit and money purchase retirement benefits to the Members of those Employers who have either (1) established a local money purchase plan pursuant to C.R.S. § 31-30.5-801 or 31-31-601 or (2) withdrawn into the Statewide Money Purchase Plan pursuant to C.R.S. § 31-31-501 and subsequently elected to participate in the Statewide Hybrid Plan under C.R.S. § 31-31-1101. This system is presented as a single plan based on GASB Statement 25, paragraph 16 which states that on an "ongoing basis, all assets accumulated for the payment of benefits may legally be used to pay benefits, including refunds of member contributions to any of the plan members or beneficiaries, as defined by the terms of the plan." Two plans joined the Defined Benefit System as of October 1, 2006. Upon joining the Defined Benefit System, these two plans merged into one plan document but with a fire and police component. The Colorado Springs New Hire Pension Plans cover firefighters and police officers who were hired by the City of Colorado Springs on or after April 8, 1978 but prior to October 1, 2006.

The **Fire & Police Members' Statewide Money Purchase Plan** is a cost sharing multiple-employer defined contribution plan.

The **Self-Directed Assets for Affiliated Local and Defined Benefit System Plans** include supplemental benefits for the Deferred Retirement Option Plans ("DROP"), the Money Purchase component for the Statewide Hybrid Plan, and the Separate Retirement Account assets from eligible Defined Benefit System retired members.

The **IRC 457 Deferred Compensation Plan**, created under Internal Revenue Code Section 457, collects amounts deferred by participants of affiliated employers. The assets are held in trust for the exclusive benefit of participants.

In order to facilitate investing and to reduce operating costs, FPPA pools assets within the Fire & Police Members' Benefit Investment Fund for investment purposes. Each month shared revenues (i.e. investment income or loss) and shared operating expenses are allocated to each affiliate and to the statewide plans, based upon each plan's proportionate share of total assets. Assets in the Fire & Police Members' Self-Directed Investment Fund are excluded from this allocation process.

NOTE 2 | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Basis of Accounting*

FPPA follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA. Member and employer contributions are recognized in the period in which the contributions are due, and benefits and refunds are recognized when payable in accordance with the terms of each plan.

B. *Reporting Entity*

The Governmental Accounting Standards Board has specified the criteria that define a governmental entity for financial reporting purposes. FPPA has considered the possibility of inclusion of additional entities in its comprehensive annual financial report. The definition of the reporting entity is based primarily on financial accountability.

FPPA would be financially accountable for an outside entity if it appointed a voting majority of the organization's governing body and could impose its will on that organization. The same would hold true if FPPA might potentially accrue benefits or incur specific financial burdens on FPPA from an outside entity. Finally, FPPA may be financially accountable for governmental organizations that are fiscally dependent upon it.

Based upon the application of the above criteria, FPPA has no includable entities. In addition, FPPA is not included in the financial statements of any other entity.

C. *Investments*

Investments are carried at fair value using quoted market prices, with the following exceptions:

- Investments in private fund investments are recorded at estimated fair value based on valuation of the underlying investments as reported by the general partner via the most recent capital account statements. FPPA will analyze public market performance and utilize discussions with the general partners to approximate an aggregate change in year-end valuations of its private fund investments. The aggregate change in valuations applied to the 2011 financial statements were a positive \$21,691,778; and
- Hedge funds are valued based upon net asset values provided by each Hedge Fund's third-party administrator.
- Within the Fire & Police Members' Self-Directed Investment Fund, fair value of the Stable Value Funds are determined by the Investment Manager of the Fund and are based on the contract value of the investment adjusted for interest earned and accrued expenses.

Investment transactions are accounted for on the trade date.

Short term investments refer to all investments with a maturity of less than one year, including short term investment funds, repurchase agreements, commercial paper, certificates of deposit, treasury bills, and government agency issues.

Dividend income is recorded on the ex-dividend date. Interest income is accounted for using the accrual method of accounting.

D. *Cash and Short Term Investments*

Cash and short term investments consist of money market funds, cash and cash equivalents held by money managers, certificates of deposit, short term fixed income securities with maturity of 12 months or less, and demand deposits.

Financial Section

Notes to the Financial Statements | December 31, 2011 *continued*

E. Property and Equipment

FPPA has a \$5,000 capitalization threshold for tangible assets. The capitalization threshold for intangible assets, specifically internal use computer software, is \$100,000. Property and equipment are stated at cost, less any write-downs for impairment in value, and are depreciated/amortized using the straight-line method over estimated lives as follows:

Computer and office equipment	3 - 5 years
Vehicles	5 years
Furniture	10 years
Building and Improvements	5 - 30 years
Tenant Improvements	life of lease
Internal Use Computer Software	7 years

F. Income Taxes

FPPA is exempt from federal income taxes under Section 501(c) (9) of the Internal Revenue Code.

G. Member Transactions

Funds invested by members include payroll contributions made by member police officers and firefighters, contributions of affiliated employers on behalf of their police officers and firefighters, contributions from the State of Colorado, and contributions of plan assets by newly affiliated plans of formerly non-participating entities.

Funds withdrawn by members include benefit payments to members, refunds paid to terminated members, and withdrawals of deferred amounts.

H. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. Actuarially determined future benefit payments require the use of significant estimates. FPPA believes that the techniques and assumptions used in establishing these estimates are appropriate.

I. Reclassification of Prior Year Amounts

The financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with FPPA's financial statements for the year ended December 31, 2010, from which the summarized information was derived.

Certain amounts in prior-year "Combined Totals" of the financial statements have been reclassified to be consistent with the current year's presentation.

J. Allocation

Expenses and investments are allocated to each Plan according to its proportionate share of total assets. In the current year, Plan administration costs are included in the Total Increase in Plan Net Assets of the Fire & Police Members' Benefit Investment Fund.

K. New Pronouncement

The GASB has approved Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This statement establishes guidance for reporting deferred outflows of resources and deferred inflows of resources. The Statement also discusses how net position—no longer net assets—should be displayed. The provisions for this statement will become effective for FPPA's financial statement reporting period beginning January 1, 2012.

NOTE 3 | PLAN DESCRIPTIONS**A. Affiliated Local Plans**

1. Plan Description

This is an agent multiple-employer Public Employee Retirement System (PERS). There are 227 local plans affiliated with FPPA. These plans are for the benefit of two distinct groups: 1) fire and police employees of affiliated employers hired prior to April 8, 1978 (Old Hires) and 2) volunteer firefighters of affiliated plans.

The Affiliated Local Plans represent the assets of numerous separate plans that have been pooled for investment purposes. The pension plans (volunteer and paid) represented in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan "DROP" assets only) have elected to affiliate with FPPA for plan administration and investment only. Each plan has a separate plan document and actuarial valuation and is governed by its own local pension board.

2. Contributions and Benefit Provisions

As each affiliated employer has its own plan, there is no uniform amount for either contributions or benefit provisions. There are no paid employees within the volunteer firefighters pension plans and employees do not contribute to their pension plan. The State of Colorado contributes to some of the Affiliated Local Plans as defined in the Colorado Revised Statutes. In 2009, legislation was adopted to defer the State of Colorado contributions for certain affiliated Local "Old Hire" Plans for 2009 through 2011 and resuming in 2012 until 2015. In 2011, legislation was adopted to change the payment dates to 2012 until 2019.

3. Membership

The memberships of these groups as of December 31, 2011, are as follows:

Deferred Retirement Option Plan (DROP) Participants - Active Old Hire	58
Retirees and Beneficiaries Currently Receiving Benefits	6,342
Terminated Vested Employees Entitled To Benefits But Not Yet Receiving Them	272
Current Employees – Active Old Hire	10
Current Volunteers – Active	4,008
Total Members	10,690

4. Funded Status and Funding Progress

Actuarial studies are completed every other year for the Affiliated Local Plans. The affiliated volunteer fire pension plans' actuarial studies are completed on the odd years and the old hire actuarial pension plans' actuarial studies are completed on the even years. Each employer participating in the system is financially responsible for its own liabilities. Accordingly, the aggregate numbers presented are indicative only of the overall condition of the system and are not indicative of the status of any one employer. The combined funded status of the Affiliated Local Plans as of January 1, 2011 and January 1, 2010, the most recent actuarial valuation dates, is as follows:

Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll for Paid Members (c)	UAAL as a Percentage of Covered Payroll for Paid Members ((b – a) / c)
\$1,626,454,118	\$2,038,237,183	\$411,783,065	79.8%	\$3,416,792	12,051.7%

The funded status of the Affiliated Local Plans has trended unfavorably due to the widespread downturns in the financial markets in 2008 and the level of commitment the State of Colorado is able to maintain toward their required contribution for certain Affiliated Local "Old Hire" Plans. The percentage of covered payroll represented above is a high number due to the few remaining actively paid members in the old hire plans.

Financial Section

Notes to the Financial Statements | December 31, 2011 *continued*

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Additional information as of the latest actuarial valuation follows:

Valuation Date	January 1, 2010 and January 1, 2011
Actuarial Method	Entry Age Normal
Amortization Method	Varies, Major Method is Level Dollar, Open
Amortization Period	Varies, Average is 17.7 years
Asset Valuation Method	3 Year Smoothed Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return*	8.0%
Projected Salary Increases*	4.75% - 16.75%
Cost of Living Adjustment (COLA)	0% - 4%
*Includes inflation at	3.5%

For financial reporting purposes, the projection of benefits for the Affiliated Local Plans does not explicitly incorporate the potential effects of the contractual limits on employer contributions, if applicable.

5. Significant Factors Affecting Trends in Actuarial Information

Almost all of the negative trend in the funded status can be attributed to the performance of the financial markets during 2008 and the deferral of the State contributions since 2009. There were changes to the methods used to determine the smoothed actuarial value of assets and to the method used to determine the amortization period in conjunction with the January 1, 2010 valuations.

The amortization period was changed to be the lesser of 20 years or the average remaining life expectancy of the individual group. The asset valuation method was changed to remove the corridor and move from a method of individual investment income gain or loss base recognition to aggregate investment income gain or loss base recognition. Neither change had an impact on the funded status or unfunded liability as of January 1, 2010 or as of January 1, 2011.

B. Statewide Death & Disability Plan

1. Plan Description

The Plan is a multi-employer cost sharing defined benefit plan covering full-time employees of substantially all fire and police departments in Colorado. As of August 1, 2003, the Plan may include part-time police and fire employees. Contributions to the Plan are used solely for the payment of death and disability benefits. The Plan was established in 1980 pursuant to Colorado Revised Statutes and currently has 399 participating employer plans. Included in that number are 9 contributing employers as of December 31, 2011, who are covered by Social Security and have elected supplementary coverage by the Plan. The Plan assets are included in the Fire & Police Members' Benefit Investment Fund.

2. Contributions

Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado statute. In 1997 the State made a one-time contribution of \$39,000,000 to fund past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated. Members hired on or after January 1, 1997, began contributing 2.4 percent of payroll to this Plan as of January 1, 1997. The contribution increased to 2.6 percent of payroll as of January 1, 2007. This percentage can vary depending on actuarial experience.

Since the Aggregate Funding Method used in the annual actuarial valuation does not identify or separately amortize unfunded actuarial liabilities, information about the Statewide Death & Disability Plan's funded status and funding

progress has been prepared using the Entry Age Normal Funding Method for that purpose. As provided on the following pages, the single equivalent amortization period based on the above contribution policy and the entry age normal actuarial cost method is 7.3 years.

3. Benefits

Benefits are established by Colorado statute.

If a member dies prior to retirement while off-duty, the surviving spouse is eligible for a benefit equal to 40 percent of the member's monthly base salary with an additional 10 percent of base salary if a surviving spouse has two or more dependent children. If the member was single at the time of death, but had one or two dependent children, the children are eligible for a benefit equal to 40 percent of base salary. If there are three or more dependent children without a surviving spouse, the children receive an additional 10 percent. As of October 15, 2002, if a member dies prior to retirement while on-duty, the surviving spouse is eligible for a benefit equal to 70 percent of the member's monthly base salary regardless of the number of dependent children. If there is no surviving spouse but there are dependent children living in the member's household, the children are eligible for a benefit equal to 70 percent of the member's base salary. If there are dependent children without a surviving spouse, and they do not live in the household, the benefit is 40 percent for the first child and 15 percent for each additional child but not greater than the 70 percent total. Benefit eligibility continues until death of the spouse and death, marriage, or other termination of dependency of children.

A member who becomes disabled prior to retirement eligibility may be eligible for disability benefits. If the member is granted a total disability benefit, the member shall receive 70 percent of base salary preceding disability. If the member is granted an occupational disability and the disability is determined to be a permanent occupational disability, he/she shall receive 50 percent of base salary preceding disability regardless of family status. If the member is granted an occupational disability and the disability is determined to be a temporary occupational disability, the member shall receive 40 percent of base salary preceding disability for up to five years regardless of family status.

Total disability and permanent occupational disability benefits are reduced by the amount of certain other benefits received.

Benefits paid to occupationally disabled members and their survivors are evaluated and may be re-determined on October 1 of each year. Any increase in the level of benefits cannot exceed 3 percent for any one year. Totally disabled members and their beneficiaries receive an automatic benefit adjustment each year of 3 percent, effective October 1.

4. Membership

The participating employees (members) of the Plan as of December 31, 2011, are as follows:

Retirees and Beneficiaries Currently Receiving Benefits	881
Active non-vested members	10,958
Total Members	11,839

Financial Section

Notes to the Financial Statements | December 31, 2011 *continued*

5. Funded Status and Funding Progress

The funded status of the Statewide Death & Disability Plan as of January 1, 2011, the most recent actuarial valuation date, is as follows:

Results Using the Aggregate Funding Method					
Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Surplus)/ Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
\$281,577,454	\$260,688,472	\$(20,888,982)	108.0%	\$750,497,200	(2.8)%

Since the Aggregate Funding Method presented in the previous chart does not identify or separately amortize unfunded actuarial liabilities, information about the Statewide Death & Disability Plan's funded status and funding progress has been prepared using the Entry Age Normal Funding Method for that purpose. The following information presented is intended to serve as a surrogate for the funded status and funding progress of the plan.

Results Using the Entry Age Normal Funding Method						
Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	(Surplus)/ Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)	Equivalent Amortizations Period
\$281,577,454	\$229,959,016	\$(51,618,438)	122.4%	\$750,497,200	(6.9)%	7.3 years

The funded status of the Statewide Death & Disability Plan decreased slightly on an Entry Age Normal Funding Method basis. This was due to a modest asset loss on the actuarial value of assets.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Additional information as of the latest actuarial valuation follows:

Valuation Date	January 1, 2011
Actuarial Method	Aggregate Funding (1)
Amortization Method	N/A
Amortization Period	N/A
Asset Valuation Method	3 Year Smoothed Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return*	8.0%
Projected Salary Increases*	4.75% - 16.75%
Benefit Adjustment	0% - 3%
*Includes inflation at	3.5%

(1) The aggregate funding method does not identify or separately amortize unfunded actuarial liabilities.

For financial reporting purposes, the projection of benefits for the Statewide Death & Disability Plan does not explicitly incorporate the potential effects of the legal limit on employer contributions.

6. Significant Factors Affecting Trends in Actuarial Information

All of the negative trend in the funded status can be attributed to the performance of the financial markets during 2008 as the plan has had favorable actuarial experience over the last couple of years.

C. Defined Benefit System – Statewide Defined Benefit Plan

1. Plan Description

The Plan is a multi-employer cost sharing, defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 1, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The Plan became effective January 1, 1980 and currently has 219 participating employer plans.

Employers once had the option to elect to withdraw from the Plan, but a change in state statutes permitted no further withdrawals after January 1, 1988.

The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan "DROP" assets and Separate Retirement Account assets from eligible retired members).

2. Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members of the Statewide Defined Benefit Plan. At present state law requires employers and members to each contribute 8 percent of the members' base salary to the Plan. As of January 1, 2004, employers that affiliate with the Defined Benefit System and have members selecting the Statewide Defined Benefit Plan tier shall contribute a total of 20 percent. The employer specifies how much of the required rate of contribution is paid by the employer and how much by the member. However, the employer and member shall each contribute at least 8 percent. In addition, certain employers who are covered by Social Security have elected to receive supplementary coverage under the statewide plan. Effective January 1, 2007, members currently covered under Social Security were transferred into the new FPPA Supplemental Social Security Program. The new plan is designed to give half the benefit of the Statewide Defined Benefit Plan for half the cost. The employer and member each contribute 4 percent.

3. Benefits

On May 23, 1983, the Colorado Revised Statutes were amended to allow the Trustees of the Plan to change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The amended statutes state that retirement age should not be less than age 55 or more than age 60. The Trustees subsequently elected to amend the retirement provisions, effective July 1, 1983, such that any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension.

The annual normal pension is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the CPI.

In addition, upon retirement a participant may receive additional benefits credited to the participant's "Separate Retirement Account" each year after January 1, 1988. These are attributable to contributions in excess of the actuarially determined pension cost and any earnings or losses thereon. Participants do not vest in amounts credited to their Separate

Financial Section

Notes to the Financial Statements | December 31, 2011 *continued*

Retirement Account until retirement, and the Plan may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. Effective July 1, 2011, the Separate Retirement Account contribution rate for members of the Statewide Defined Benefit Plan was set at 0 percent. For members who are subject to the 20 percent continuing rate of contribution, the Separate Retirement Account contribution rate was set at 3.74 percent.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

4. Membership

The participating employees (members) of the Plan as of December 31, 2011, are as follows:

Retirees and Beneficiaries Receiving Benefits	424
Terminated Members Entitled to Benefits But Not Yet Receiving Such Benefits	165
Deferred Retirement Option Plan (DROP) Participants	215
Fully Vested	365
Partially Vested	3,899
Non-Vested	1,792
Total Members	6,860

5. Funded Status and Funding Progress

The funded status of the Defined Benefit System - Statewide Defined Benefit Plan as of January 1, 2011, the most recent actuarial valuation date, is as follows:

Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	(Surplus)/ Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
\$1,080,284,447	\$1,049,622,033	\$(30,662,414)	102.9%	\$353,484,986	(8.7)%

The funded status of the Defined Benefit System - Statewide Defined Benefit Plan improved between the 2010 and 2011 actuarial valuations as the liability gains from salary increases was less than expected. The Plan had a modest asset loss and the market value and actuarial value of assets are now similar. The current contribution levels into the Plan continue to exceed the normal cost for base plan benefits and the funded ratio is projected to increase under the valuation assumptions. However, poor market performance during 2011 will likely drive down the funded status of the Plan in the near term.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Additional information as of the latest actuarial valuation follows:

Valuation Date	January 1, 2011
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Asset Valuation Method	3 Year Smoothed Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return*	8.0%
Projected Salary Increases*	4.75% - 16.75%
Benefit Adjustment	0%
*Includes inflation at	3.5%

For financial reporting purposes, the projection of benefits for the Defined Benefit System – Statewide Defined Benefit Plan does not explicitly incorporate the potential effects of the legal limit on employer contributions.

6. Significant Factors Affecting Trends in Actuarial Information
Liability gains from salary increases were less than expected and the market value of investment returns during 2010 were in excess of the actuarial assumption and have countered the previously seen negative trend in funded status attributed to the performance of the financial markets during 2008.

D. Defined Benefit System – Statewide Hybrid Plan

1. Plan Description

The Plan was established January 1, 2004 as a multi-employer cost sharing pension plan covering full-time firefighters and police officers from departments that elect coverage. The Plan may also cover clerical staff or other fire district personnel whose services are auxiliary to fire protection. The Plan is comprised of two components: Defined Benefit and Money Purchase. With the latter component, employees have the option of choosing among various mutual funds offered by an outside investment manager. The Plan currently has 29 participating employer plans.

Employers may not withdraw from the Plan once elected. The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan "DROP" and the Statewide Hybrid Plan – Money Purchase Component assets).

2. Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. At present, both employers and members are required to contribute 8 percent of the members' salary to the Plan, pursuant to C.R.S § 31-31-1102 (4) (a). Of that 16 percent, 11.3 percent as of July 1, 2011 funds the Defined Benefit Component. The 11.3 percent will change to 12.9 percent as of January 1, 2012. If an employer has a higher mandatory contribution rate, the excess funds the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2010 through June 30, 2011 was 11.5 percent.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20% per year after the first year of service to be 100% vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members.

A member may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan.

Financial Section

Notes to the Financial Statements | December 31, 2011 *continued*

3. Benefits

The Plan document states that any member may retire from further service and become eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service.

The annual normal pension of the Defined Benefit Component is 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion and can range from 0 to 3 percent.

A member is eligible for early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, a member may elect to have all contributions, along with 5 percent as interest, returned as a lump sum distribution from the Defined Benefit Component. Alternatively, a member with at least five years of accredited service may leave contributions with the Defined Benefit Component of the Plan and remain eligible for a retirement pension at age 55 equal to 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. In addition, upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

4. Membership

The participating employees (members) of the Plan – Defined Benefit Component and Money Purchase Only Component as of December 31, 2011, are as follows:

Defined Benefit Component: Retirees and Beneficiaries Receiving Benefits and Terminated Members Entitled to Benefit But Not Yet Receiving Such Benefits	13
Money Purchase Component: Retirees and Beneficiaries Receiving Benefits and Terminated Members Entitled to Benefits But Not Yet Receiving Such Benefits	174
Deferred Retirement Option Plan (DROP) Participants	2
Fully Vested	293
Partially Vested	104
Non-Vested	80
Total Members	666

5. Funded Status and Funding Progress

The funded status of the Defined Benefit System - Statewide Hybrid Plan Defined Benefit Component as of January 1, 2011, the most recent actuarial valuation date, is as follows:

Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	(Surplus)/ Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b – a) / c)
\$18,107,030	\$13,658,025	\$(4,449,005)	132.6%	\$8,770,187	(50.7)%

The funded status of the Defined Benefit System – Statewide Hybrid Plan Defined Benefit Component improved between the 2010 and 2011 actuarial valuations as the liability gains from salary increases were less than expected. The Plan had a modest asset gain and the market value and actuarial value of assets are now similar. The current contribution levels into the Plan continue to exceed the normal cost for base plan benefits and the funded ratio is projected to increase under the valuation assumptions. However, poor market performance during 2011 will likely drive down the funded status of the Plan in the near term.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Additional information as of the latest actuarial valuation follows:

Valuation Date	January 1, 2011
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Asset Valuation Method	3 Year Smoothed Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return*	8.0%
Projected Salary Increases*	4.75% - 16.75%
Benefit Adjustment	0%
*Includes inflation at	3.5%

For financial reporting purposes, the projection of benefits for the Defined Benefit System – Statewide Hybrid Plan Defined Benefit Component does not explicitly incorporate the potential effects of the legal limit on employer contributions.

6. Significant Factors Affecting Trends in Actuarial Information
Liability gains from salary increases were less than expected and the market value of investment returns during 2010 were in excess of the actuarial assumption and have countered the previously seen negative trend in funded status attributed to the performance of the financial markets during 2008.

E. Defined Benefit System – Colorado Springs New Hire Pension Plans

1. Plan Description

Two plans joined the Defined Benefit System as of October 1, 2006. They are now one defined benefit plan, but with a fire component and a police component for fire and police employees hired by the City of Colorado Springs on or after April 8, 1978 but prior to October 1, 2006. The plans are closed to new members as of October 1, 2006.

Employers may not withdraw from the Plan once elected. The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan "DROP" assets and Separate Retirement Account assets from eligible retired members).

2. Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members within each plan. At present, the fire plan employer contribution is 15.095 percent of the members' salary and the member portion is 10.0 percent. Effective January 1, 2012, the fire plan employer contribution is 20.248 percent of the members' salary and the member portion is 10.0 percent. For the police plan, the employer contribution for 2011 was 20.906 percent of the members' salary and the member portion was 8.0 percent. Effective January 1, 2012, the employer contribution is 20.656 percent of the members' salary and the employee portion is 8.0 percent.

3. Benefits

Police Component

The Plan document states that any member may retire and be eligible for a normal retirement pension at any time after age 50, if the member has at least 25 years of service.

The annual normal pension equals 2 percent of the member's final average salary (past 39 payroll periods) for each full year of credited service up to ten years plus 2.75 percent for each full year thereafter with a maximum benefit of 75 percent. Cost-of-living-adjustments begin on October 1 immediately before the retiree turns 60, or 10 years after benefits payment commence, whichever is earlier. The amount of the cost-of-living adjustment cannot exceed 3 percent per year subject to limitations linked to the consumer price index.

In addition, upon retirement a participant may receive additional benefits credited to the member's Separate Retirement Account. These are attributable to contributions in excess of the actuarially determined pension cost and any earnings or losses thereon. Participants do not vest in amounts credited to their account until retirement and the Plan may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. Effective January 1, 2010, the Separate Retirement Account contribution rate for members of the Police Component was set at 0 percent. This rate will remain the same for calendar year 2011.

A member is eligible for an early retirement benefit after completion of 20 years of service and attainment of age 45. The early retirement benefit is reduced by 7.5 percent for each year that the member is less than age 50.

Upon termination, a member may elect to have all contributions, along with 5 percent per annum, as interest, returned as a lump sum distribution. Alternatively, a member with at least 10 years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 50 equal to 2 percent of the member's final average salary (past 39 payroll periods) for each full year of credited service up to ten years plus 2.75 percent for each full year thereafter with a maximum benefit of 75 percent.

Fire Component

The Plan document states that any member may retire and become eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service.

The annual normal pension is 2 percent of the member's final average salary (past 39 payroll periods) for each full year of credited service up to ten years plus 2.85 percent for each full year thereafter with a maximum benefit of 77 percent. Cost-of-living-adjustments begin on October 1 immediately before the retired firefighter turns 65 or 10 years after benefits payment commence, whichever is earlier. The amount of the cost-of-living adjustment cannot exceed 3 percent per year subject to limitations linked to the consumer price index.

In addition, upon retirement a participant may receive additional benefits credited to the participant's Separate Retirement Account. These are attributable to contributions in excess of the actuarially determined pension cost and any earnings or losses thereon. Participants do not vest in amounts credited to their account until retirement and the Plan may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. Effective January 1, 2010, the Separate Retirement Account contribution rate for members of the Fire Component was set at 0 percent. This rate will remain the same for calendar year 2011.

A member is eligible for an early retirement benefit at age 50 and after completion of 20 years of service. The early retirement benefit is reduced by 4.615 percent for each year that the member is less than age 55.

Upon termination, a member may elect to have all contributions, along with 5 percent per annum, as interest, returned as a lump sum distribution. Alternatively, a member with at least 10 years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's final average salary (past 39 payroll periods) for each full year of credited service up to ten years plus 2.85 percent for each full year thereafter with a maximum benefit of 77 percent.

4. Membership

The participating employees (members) of the Plan as of December 31, 2011, are as follows:

Retirees and Beneficiaries Receiving Benefits	216
Terminated Members Entitled to Benefits But Not Yet Receiving Such Benefits	23
Deferred Retirement Option Plan (DROP) Participants	81
Fully Vested	43
Partially Vested	399
Non-Vested	174
Total Members	936

5. Funded Status and Funding Progress

The funded status of the Defined Benefit System – Colorado Springs New Hire Pension Plans as of January 1, 2011, the most recent actuarial valuation date, is as follows:

Component	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) – Entry Age (b)	(Surplus)/ Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b – a) / c)
Police	\$187,249,190	\$226,088,133	\$38,838,943	82.8%	\$33,357,427	116%
Fire	\$108,848,941	\$127,909,057	\$19,060,116	85.1%	\$19,664,027	97%

The funded status of the Defined Benefit System – Colorado Springs New Hire Pension Plans improved between the 2010 and 2011 actuarial valuations as the liability gains from the salary increases were less than expected. The Plans had modest asset losses and the market value and actuarial value of assets are now similar. The current contribution levels into the Plan continue to exceed the normal cost for base plan benefits and the funded ratio is projected to increase under the valuation assumptions. However, poor market performance during 2011 will likely drive down the funded status of the Plan in the near term. The required contribution levels for these Plans are expected to increase as a percentage of payroll as the covered payroll decreases over time.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Additional information as of the latest actuarial valuation follows:

Valuation Date	January 1, 2011
Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Amortization Period	27 Years, Beginning January 1, 2011
Asset Valuation Method	3 Year Smoothed Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return*	8.0%
Projected Salary Increases*	4.75% - 16.75%
Cost of Living Adjustment (COLA)	3.0%
*Includes inflation at	3.5%

For financial reporting purposes, the projection of benefits for the Defined Benefit System – Colorado Springs New Hire Pension Plans does not explicitly incorporate the potential effects of the legal limit on employer contributions.

6. Significant Factors Affecting Trends in Actuarial Information

Liability gains from salary increases were less than expected and the market value of investment returns during 2010 were in excess of the actuarial assumption and have countered the previously seen negative trend in funded status attributed to the performance of the financial markets during 2008

F. Fire & Police Members' Statewide Money Purchase Plan

1. Plan Description

The Plan is a multi-employer defined contribution (money purchase) pension fund covering full-time employees of participating fire or police districts in Colorado. As of August 1, 2003, the Plan may include part-time police and fire employees. The Plan may also include clerical or other personnel from fire districts whose services are auxiliary to fire protection.

The Fire & Police Members' Statewide Money Purchase Plan became effective on January 1, 1995. Participants can choose from various mutual funds offered by an outside money manager. There were 39 contributing employer plans as of December 31, 2011. The Plan assets are included in the Fire & Police Members' Self-Directed Investment Fund.

2. Contributions and Vesting

Contributions to the Plan are calculated as a percentage of the member's base salary, which is specified by state statute. Current participants contribute 8 percent of salary, which is matched by the employer. Members are always fully vested in their own contributions, and the earnings on those contributions. Vesting in the employer's contributions and earnings on those contributions occurs according to the vesting schedule set by state statute at 20% per year after the first year of service to be 100% vested after 5 years of service. Employer and member contributions are invested in funds at the discretion of members.

3. Membership

The participating employees (members) of the Plan as of December 31, 2011, are as follows:

Retirees and Beneficiaries Receiving Benefits and Terminated Members Entitled to Benefit But Not Yet Receiving Such Benefits	53
Fully Vested	35
Partially Vested	55
Non-Vested	35
Total Members	178

E. Self-Directed Assets for the Affiliated Local and Defined Benefit System Plans

1. Plan Description

Consists of the assets of plans where members control their account by choosing from various mutual fund options selected by the Board of Directors as well as mutual funds or other investments offered through a Self Directed Brokerage Account. The benefits in this group are in the defined benefit plans described above in Note 3.

The Deferred Retirement Option Plan ("DROP") assets which fund a supplemental benefit within the Local "Old Hire" and Defined Benefit System Plans are included in the Fire & Police Members' Self-Directed Investment Fund. In general, the DROP program allows a member to elect to participate in the supplemental benefit after reaching eligibility for normal retirement (and in some cases, early or vested retirement). A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into the DROP. The member's percentage of retirement benefit is frozen at the time of entry into the DROP. The monthly payments that begin at entry into the DROP are accumulated until the member terminates service, at which time the DROP accumulated benefits can be paid as a lump sum, if desired.

Also included is the money purchase component for the Defined Benefit System – Statewide Hybrid Plan. The Plan is described above in Note 3, Section D.

The Separate Retirement Account assets from eligible Defined Benefit System retired members are included in the Fire & Police Members' Self-Directed Investment Fund. The benefits are described above in Note 3, Sections C and E.

2. Contributions and Vesting

Within the DROP programs, the member continues contributing at the rate described in each plan, which is credited to the DROP. The member is vested 100 percent in their DROP account.

The Defined Benefit System – Statewide Hybrid Plan contributions and vesting are described above in Note 3, Section D.

The Separate Retirement Accounts within the Defined Benefit System are described above in Note 3, Section C and E.

3. Membership

Membership is listed within the defined benefit plans described above in Note 3.

NOTE 4 | DEPOSITS AND INVESTMENTS

Under Colorado statutes, FPPA, as trustee of the Fire & Police Members' Benefit Investment Fund, has complete discretionary authority to invest and reinvest funds of the Fire & Police Members' Benefit Investment Fund, subject to the prudent investor rule.

FPPA has established a statement of investment objectives and policies for managing and monitoring the Fire & Police Members' Benefit Investment Fund. The investment objective for the Fire & Police Members' Benefit Investment Fund is to balance and prudently manage the investment needs (risk and return) of all plans participating in the Fund.

The investment policy also defines the fiduciaries' responsibilities with respect to the Fire & Police Members' Benefit Investment Fund, their investment authority under the prudent investor rule, the level of acceptable risk for investments, statutory asset allocation restrictions, investment performance objectives, and guidelines within which outside investment managers may operate.

A. Cash Deposits and Short Term Investments

Cash deposits and short term investments represent both operating cash accounts held by banks and investment cash on deposit with the investment custodian. The carrying value of cash and short term investments at December 31, 2011, on the Statement of Plan Net Assets Available for Pension Benefits includes deposit and money market funds of \$26,245,711 and short term fixed income securities of \$65,644,396 for a total of \$91,890,107. FPPA considers fixed income securities with a maturity of 12 months or less to be short term investments.

The table below presents FPPA combined total deposits and short term investments as of December 31, 2011.

Deposits with banks and petty cash of \$100	\$26,245,711
Short Term Investments (maturity of 12 months or less)	65,644,396
Total Deposits and Short Term Investments	\$91,890,107

Financial Section

Notes to the Financial Statements | December 31, 2011 *continued*

B. Investments

The assets of the Fire & Police Members' Self-Directed Investment Fund are invested in commingled mutual fund investment vehicles. These investments at December 31, 2011 are summarized in the following table:

Cash and Short Term Investments	\$39,844
Investments	
Domestic Equity Funds	57,542,683
International Equity Funds	11,710,922
Balanced Funds	114,744,763
Fixed Income Funds	22,458,297
Money Market, Managed Income & Stable Value Funds	42,190,446
Brokeragelink Funds	50,114,681
Total Investments	\$298,761,792
Total Cash and Investments	\$298,801,636

The investments reflected on the Statement of Plan Net Assets Available for Pension Benefits for the Fire & Police Members' Benefit Investment Fund at December 31, 2011 are summarized in the following table:

Cash and Short Term Investments	\$91,850,263
Investments	
Fixed Income	621,377,225
Global Equity	1,472,621,498
Real Assets	128,241,600
Absolute Return	302,949,698
Private Capital	493,367,137
Opportunistic	22,132,502
Securities Lending Collateral	169,352,161
Total Investments	\$3,210,041,821
Total Cash and Investments	\$3,301,892,084

Investments are exposed to various risks including custodial credit risk, credit risk, interest rate risk, and foreign currency risk.

1. Custodial Credit Risk

FPPA has no formal policy for custodial credit risk for investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, FPPA would not be able to recover the value of investment or collateral securities that are in possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in FPPA's name and are held by either a counterparty or the counterparty's trust department or agent but not in FPPA's name. Investment-related cash deposits and invested collateral within the securities lending program are under the custody of The Bank of New York Mellon which has an AA-long-term senior debt credit rating by Standard & Poor's and an Aa2 rating by Moody's and an AA- rating by Fitch. As of December 31, 2011, FPPA had exposure to cash deposits in the amount of \$91,850,263 and invested collateral within the securities lending program of \$169,352,161 which would be exposed to custodial credit risk since these deposits are not collateralized or insured. For the Fire & Police Members' Self-Directed Investment Fund, all assets are in custody with Fidelity Investments. The custodial agent carries no custodial credit risk as all assets are insured and/or collateralized by the securities held by Fidelity Investments in FPPA's name.

2. Concentration of Credit Risk

FPPA does not have any investments representing five percent or more of the Fire & Police Members' Benefit Investment Fund assets in any single issuer.

3. Credit Risk

Credit risk is the risk that an issuer of a debt instrument will not fulfill its obligations. Although FPPA does not have a specific policy relating to credit risk, through its Master Statement of Investment Policies and Objectives for the Fund, FPPA has established and monitors specific guidelines regarding the types, exposures and quality of securities within each fixed income portfolio.

The following table summarizes FPPA's fixed income securities credit quality ratings as of December 31, 2011:

Credit Quality Rating	Fixed Income Portfolio	
	Fair Value	%
Members' Benefit Investment Fund		
Aaa/AAA	105,745,899	13.59%
Aa/AA	70,514,976	9.07%
A	102,289,803	13.15%
Baa/BBB	71,520,142	9.19%
Ba/BB	1,571,150	0.20%
B	2,217,506	0.29%
Caa/CCC	1,342,189	0.17%
Ca/CC	300,396	0.04%
C	498,566	0.06%
D	680,844	0.09%
Not Rated	4,334,951	0.56%
Total Credit Risk Debt Securities	361,016,422	46.41%
U.S Government and Agency Securities	260,360,803	33.47%
Total Fixed Income Securities	621,377,225	79.88%
Cash	91,850,263	11.80%
Sub Total	713,227,488	91.68%
* Members' Self-Directed Investment Fund		
Fixed Income Funds	22,458,297	2.89%
Money Market, Managed Income & Stable Value Funds	42,190,446	5.42%
Cash	39,844	0.01%
Sub Total	64,688,587	8.32%
Total Fixed Income Investments	777,916,075	100.00%

* Members' Self-Directed Investment Fund not rated.

Financial Section

Notes to the Financial Statements | December 31, 2011 *continued*

4. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. FPPA utilizes effective duration as the primary measure of interest rate risk within its fixed income investments. Although FPPA does not have a specific policy relating to interest rate risk, through its Master Statement of Investment Policies and Objectives for the Fund, FPPA has established and monitors specific guidelines regarding the types, exposures and quality of securities within each fixed income portfolio.

The following table summarizes the effective duration of the FPPA's fixed income portfolios at December 31, 2011:

Security Type	Fixed Income Portfolio	
	Fair Value	Effective Duration
<i>Members' Benefit Investment Fund</i>		
Asset Backed Securities	\$685,000	0.00
Puts/Calls/Options	(122)	1.99
Corporate Bonds	213,833,023	4.75
Fixed Income Swaps	2,831,049	0.35
US Financial Futures	1,655,594	0.40
Government & Agency	127,758,426	5.37
Mortgages-Agency	133,058,462	2.61
Mortgages- Non-Agency	19,483,310	1.67
International Bonds	18,654,114	2.44
Revenue Bonds	26,301,060	9.57
TIPS	51,433,609	5.24
Private Placements	25,683,631	2.62
Preferred Stock	69	0.00
Cash	91,850,263	0.003
Sub Total	\$713,227,488	
<i>Members' Self-Directed Investment Fund</i>		
Fixed Income Funds	22,458,297	6.24
Money Market, Managed Income & Stable Value Funds	42,190,446	1.10
Cash	39,844	0.003
Sub Total	\$64,688,587	
Total	\$777,916,075	3.73

notes continue

5. Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. FPPA's exposure to foreign currency risk derives primarily from its allocations to non-U.S. dollar denominated international equity. Other sources of foreign currency risk are derived from fixed income and alternative investments. Although FPPA does not have a specific policy relating to foreign currency risk, through its Master Statement of Investment Policies and Objectives for the Fund, FPPA has established and monitors specific guidelines regarding the types, exposures and quality of securities within each investment portfolio.

The fair value of FPPA's exposure to foreign currency risk at December 31, 2011 is summarized in the following table:

Currency	Cash	Global Equity	Fixed Income	Private Capital	Total
Australian Dollar	\$1,581,808	\$45,195,400	\$4,843,760		\$51,620,968
Brazilian Real		16,625,404			16,625,404
Canadian Dollar		65,375,095	1,637,888	3,933,688	70,946,671
Swiss Franc		44,543,645			44,543,645
Chinese Yuan		5,044,963			5,044,963
Danish Krone		7,839,236			7,839,236
Egyptian Pound		1,385,282			1,385,282
Euro Currency	1,851,327	137,589,591		43,365,400	182,806,318
British Pound	2,353,415	137,945,971		6,995,277	147,294,663
Hong Kong Dollar		47,359,543			47,359,543
Indonesian Rupian		2,999,053			2,999,053
Israeli Shekel		2,853,768			2,853,768
Indian Rupee		7,381,375			7,381,375
Japanese Yen	1,676,401	123,053,382			124,729,783
Korean Won		19,726,931			19,726,931
Mexican Peso		2,762,048			2,762,048
Malaysian Ringgit		1,971,823			1,971,823
Norwegian Krone		4,246,006			4,246,006
Russian Rouble		1,804,663			1,804,663
Swedish Krona		19,445,110			19,445,110
Singapore Dollar		10,535,023			10,535,023
Thailand Baht		2,420,811			2,420,811
Turkish Lira		1,442,318			1,442,318
Taiwan Dollar		9,799,132			9,799,132
South African Rand		8,123,159			8,123,159
Other (less than \$1 million in holdings)	1,713,934	4,331,843	619,082	48,881	6,713,740
Subtotal	\$9,176,885	\$731,800,575	\$7,100,730	\$54,343,246	\$802,421,436
U.S. Dollar	82,673,378	740,820,923	614,276,495	439,023,891	1,876,794,687
Grand Total	\$91,850,263	\$1,472,621,498	\$621,377,225	\$493,367,137	\$2,679,216,123

The above chart excludes the investment classes of real assets, absolute return, opportunistic, securities lending, and the assets of the Fire & Police Members' Self-Directed Investment Fund which are comprised of U.S. dollar based investments.

C. Securities Lending

Colorado statute allows FPPA to participate in securities lending transactions. FPPA has, via a Securities Lending Authorization Agreement, authorized BNY Mellon Bank to lend the securities it holds as custodian to broker-dealers and banks.

FPPA receives as collateral U.S. and foreign dollar cash, U.S. government securities, foreign sovereign debt and irrevocable bank letters of credit. Borrowers are required to deliver collateral for each loan in amounts equal to 102 percent of the market value of the loaned securities with respect to U.S. securities and 105 percent of the market value of loaned securities with respect to foreign securities. FPPA does not impose any restrictions on the amounts of loans that BNY Mellon Bank made on its behalf. FPPA and borrowers maintained the right to terminate all securities lending transactions on demand. The cash or U.S. Government and Agency securities collateral received on each loan is invested, together with the cash collateral of other qualified tax-exempt plan lenders. Maturities of the investments made with cash collateral generally do not match the maturities of securities loans. At December 31, 2011, the fair value of the securities on loan was \$219,510,028 relative to the collateral received of \$226,481,762. The fair value of the invested collateral was \$169,352,161 relative to the securities lending obligations of \$174,426,260. As of December 31, 2010, the fair value of the securities on loan was \$174,723,228 relative to the collateral received of \$179,740,817. The fair value of the invested collateral was \$174,029,897 relative to the securities lending obligations of \$179,689,638. The invested collateral and corresponding obligation are reflected in the Statement of Plan Net Assets Available for Pension Benefits as assets and liabilities, respectively. Due to the decline in the fair value in the invested collateral, the liability represented by the securities lending obligation is greater than the invested collateral. For the year ended December 31, 2011, the increase in fair value of the invested collateral was \$585,642 in comparison to the decline in fair value of the invested collateral for the year ended December 31, 2010 of \$5,659,742. These changes are reflected in the "Unrealized Gain/(Loss) on Securities Lending" line on the Statement of Changes in Plan Net Assets Available for Pension Benefits. The invested collateral securities in this program are typically held to maturity and expected to mature at par.

In accordance with GASB Statement No. 28 Accounting and Financial Reporting on Securities Lending Transactions, non-cash collateral of \$52,055,601 is not reported in the Statement of Plan Net Assets Available for Pension Benefits because FPPA is not permitted to pledge or sell these collateral securities received unless the borrower defaults.

As of December 31, 2011, FPPA had no credit exposure to the collateral held within the securities program because the market value of the collateral exceeded the market value of the securities amount borrowed. The agreement with FPPA's lending agent provides that the lending agent will indemnify FPPA if loaned securities are not returned and FPPA suffers direct losses due to a borrower's default or the lending agent's noncompliance with the contract. FPPA will have credit exposure with respect to investments in debt instruments as part of the securities lending investment pool.

As of December 31, 2011, FPPA maintained a net payable of \$3,759,790 related to securities of Lehman Brothers held in the securities lending investment pool. These assets have been segregated into a distinct liquidating trust.

FPPA records its share of lending fees as an expense with a corresponding effect of recognizing security lending income earned.

The following table presents the balances relating to securities lending transactions at December 31, 2011:

Securities Lent	Market Value of Securities on Loan	Collateral Held
Lent for Cash Collateral:		
U.S. Government and Agency Securities	\$ 0	\$ 0
Corporate Bonds	8,282,073	8,482,332
Domestic Stocks	133,282,816	136,801,754
International Stocks	27,010,083	29,142,174
Subtotal	\$168,574,972	\$174,426,260
Lent for Securities Collateral:		
U.S. Government and Agency Securities	50,920,034	52,040,276
Domestic Stocks	15,022	15,326
Subtotal	\$50,935,056	\$52,055,602
Total	\$ 219,510,028	\$ 226,481,862

At December 31, 2011, the fair market value of the invested collateral was \$169,352,161.

D. Interest Income

The Statement of Changes in Plan Assets Available for Pension Benefits for the Fire & Police Members' Benefit Investment Fund reflects interest investment income of \$19,384,825 for the year 2011. Interest income for the Fire & Police Members' Self-Directed Investment Fund totaled \$150,278 for 2011.

NOTE 5 | IRC 457 DEFERRED COMPENSATION PLAN

The IRC 457 Deferred Compensation Plan, created under Internal Revenue Code Section 457, collects amounts deferred by participants of affiliated plans and employees of FPPA. The assets are held in trust for the exclusive benefit of participants. Plan participation is voluntary and contributions are separate from the defined benefit or money purchase contributions made to FPPA.

All contributions are invested in the Fire & Police Members' Self-Directed Investment Fund. This plan allows employees to defer a portion of their salary until future years. Participants in the plan are allowed to transfer account balances among a variety of investment funds, or change the contribution percentages designated to each fund on a daily basis. The core investment funds are: Wells Fargo Advantage DJ Target 2010 Fund, Wells Fargo Advantage DJ Target 2015 Fund, Wells Fargo Advantage DJ Target 2020 Fund, Wells Fargo Advantage DJ Target 2025 Fund, Wells Fargo Advantage DJ Target 2030 Fund, Wells Fargo Advantage DJ Target 2035 Fund, Wells Fargo Advantage DJ Target 2040 Fund, Wells Fargo Advantage DJ Target 2045 Fund, Wells Fargo Advantage DJ Target Today Fund Institutional Class, American Beacon Large Cap Value Fund Institutional Class, American Funds New Perspective Fund Class R6, Artisan Mid Cap Fund Investor Class, DWS Alternative Asset Allocation Plus Fund Class S, Dreyfus/The Boston Company Small Cap Value Fund Class I, Fidelity® Growth Company Fund Class K, Fidelity® Money Market Trust Retirement Government Money Market Portfolio, Franklin International Small Cap Growth Fund Class Advisor, Gabelli Small Cap Growth Fund Class I, Harbor International Fund Institutional Class, Metropolitan West High Yield Bond Fund Class Institutional, Oppenheimer Developing Markets Fund Class Y, PIMCO Total Return Fund Institutional Class, Pax World Balanced Fund Class Institutional, Perkins Mid Cap Value Fund Class I, Templeton Global Bond Fund Advisor Class, Vanguard Total Bond Market Index Fund Signal Shares, Vanguard Total International Stock Index Fund Signal Shares, Wells Fargo Stable Return Portfolio Class C, and Vanguard Total Stock Market Index Fund Institutional Shares. In addition, participants may utilize a Self-Directed Brokerage Window. The deferred compensation and associated appreciation in the fair value of the assets held are not available to employees until termination, retirement, death, or an unforeseen emergency. As of December 31, 2011, there were 2,071 participants with account balances within the plan.

Financial Section

Notes to the Financial Statements | December 31, 2011 *continued*

In 2011, participants could contribute \$16,500 into the plan. Catch-up contributions up to \$5,500 in 2011 were allowed for participants who had attained age 50 before the close of the plan year. As an alternative to the age 50+ catch-up provisions, participants could defer up to twice the contribution limit in a given year for the three years prior to normal retirement age if the maximum contributions have not been made previously. If the "double limit" or Enhanced Contribution Limit is used, the participant cannot use the age 50+ catch-up provision within the same year. A participant may trigger the Enhanced Contribution Limit by electing a normal retirement age. "Normal Retirement Age" means age 70 ½ or some other earlier age specified in writing by the participant. In no event shall normal retirement age be earlier than the earliest date at which one may retire under the employer's basic pension plan without the employer's consent and receive immediate retirement benefits, without incurring an actuarial or similar reduction in benefits. The Enhanced Contribution Limit is available to a participant only during one three-year period. If a participant uses the Enhanced Contribution Limit and then postpones normal retirement age or returns to work after retiring, the limitation shall not be available again before a subsequent retirement.

Participants are eligible to take distributions from their account under any of the following conditions: 1.) Participant attains age 70 1/2 in the current calendar year 2.) Participant incurs a separation of service, defined as the termination of employment with the Employer due to death, retirement, or other cause 3.) Participant suffers an approved hardship that results from an unforeseeable emergency. Benefits for a Participant or Beneficiary shall commence no later than April 1 of the calendar year in which the Participant attains age 70 1/2.

In response to the 1996 Small Business Protection Act, the Governmental Accounting Standards Board issued Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. This statement requires that amounts deferred under a qualified Section 457 plan be held in trust for the exclusive benefit of participating employees, and not be accessible by the sponsoring government or its general creditors.

In response to this statement, FPPA has modified its trust agreement with respective affiliates to place this plan's activity within the Fire & Police Members' Self-Directed Investment Fund for the purposes of financial statement presentation. Fund balance reserved for withdrawals at December 31, 2011 is \$63,745,223.

NOTE 6 | PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2011, is comprised of the following:

General Assets	Balance 12/31/2010	Additions	Deletions	Balance 12/31/2011
Nondepreciable Assets:				
Land	\$1,937,742			\$1,937,742
Depreciable Assets:				
Building & Improvements	1,841,842	\$382,639		2,224,481
Equipment	760,841	8,046	(34,948)	733,939
Intangible Assets (Internally generated computer software)	4,698,629			4,698,629
Totals at Historical Cost	\$9,239,054	\$390,685	\$(34,948)	\$9,594,791
Less Accumulated Depreciation/Amortization for:				
Building & Improvements	(1,367,970)	(94,279)		(1,462,249)
Equipment	(694,806)	(19,423)	34,948	(679,281)
Intangible Assets (Internally generated computer software)	(727,169)	(671,233)		(1,398,402)
Total Accumulated Depreciation	(2,789,945)	(784,935)	(34,948)	(3,539,932)
Total Net Assets	\$6,449,109	\$(394,250)	\$0	\$6,054,859

Land, Building, and Improvements are held as an operating asset and not held within the Fire & Police Members' Benefit Investment Fund. Depreciation/Amortization Expense for 2011 totaled \$784,935.

NOTE 7 | RISK MANAGEMENT

FPPA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. It carries commercial coverage of these risks of loss. Claims have not exceeded coverage in any of the last three fiscal years.

NOTE 8 | EMPLOYEE RETIREMENT PLAN**A. Plan Description**

FPPA contributes to the State Division Trust Fund (SDTF) a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). SDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees of FPPA are members of SDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, authorizes the Colorado Legislature to establish benefit provisions. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for SDTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA's InfoLine at 1-800-759-PERA, or 303-837-6250 within the Denver metro area.

B. Basis of Accounting for the SDTF

The financial statements of the SDTF are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. SDTF plan investments are presented at fair value except for short term investments, which are recorded at cost and approximate fair value.

C. Funding Policy

Plan members and FPPA are required to contribute at a rate set by statute. The contribution requirements of plan members and FPPA are established under Title 24, Article 51, Part 4 of the CRS, as amended. Members contribute 8.0 percent of covered salary and FPPA contributes 13.85 percent of covered salary. The passage of Senate Bill 10-146 in 2010 affected the contribution rates for PERA covered employees, including FPPA staff members, by temporarily reducing the employer contribution rate by 2.5 percent and temporarily increasing the employee contribution rate by 2.5 percent for the State's fiscal year beginning July 2010 through June 2011. The FPPA Board of Directors passed Resolution No. 2010-3 which allowed for the continued payment of the full 13.85 percent contribution level by FPPA, in lieu of passing the additional 2.5 percent of covered salary on to plan members. Senate Bill 11-076 extended the current contribution rates through June 2012. The FPPA Board of Directors continued payment of the full 13.85 percent contribution level by FPPA in lieu of passing the additional 2.5 percent of covered salary on to the plan members.

A portion of FPPA's contribution is allocated for the Health Care Fund. FPPA's contributions to SDTF for the years ending December 31, 2011, 2010, and 2009 were \$436,927, \$386,496, and \$333,756, respectively, equal to the required contributions for each year.

NOTE 9 | OTHER POST EMPLOYMENT BENEFITS

A. Plan Description

FPPA administers a single-employer defined benefit healthcare plan ("FPPA Staff Healthcare Subsidy Plan"). The plan provides a healthcare premium subsidy to all full time employees who leave FPPA and have completed at least ten years of service with the FPPA. Currently, 16 employees meet those eligibility requirements and 3 are receiving a benefit. The program began in March 1993.

B. Benefit provisions

FPPA provides a health care premium subsidy to eligible retirees. The subsidy period is limited to the number of years actually worked at FPPA and further limited to the maximum subsidy paid by the Public Employees Retirement Association of Colorado (PERA). The subsidy is \$11.50 per month for each year of PERA covered service with a maximum of 20 years. This amount decreases to \$5.75 per month for each year of PERA covered service when the beneficiary becomes Medicare eligible. Currently, the maximum subsidy paid by PERA is \$230 per month pre-Medicare and \$115 per month Medicare-covered. The PERA subsidy can be increased by an act of the Colorado General Assembly. The retiree health plan does not issue a publicly available financial report.

C. Funding Policy

FPPA applies alternative measurement methods instead of obtaining actuarial valuations due to the small size of this plan. As of 2011, FPPA is funding this plan by taking the projected liability (\$263,567 as of December 31, 2011) less the unsmoothed market value of assets (\$154,188 as of October 31, 2011) and amortizing this over 10 years at the FPPA 7.5% actuarial rate. (The FPPA actuarial rate changed from 8.0% to 7.5% effective January 1, 2012.) Based on this calculation, FPPA contributed \$14,823 in 2011. FPPA has provided contributions to the Plan equivalent to the annual Other Post Employment Benefits (OPEB) cost, and therefore the Net OPEB obligation is zero.

NOTE 10 | DEFINED CONTRIBUTION PENSION PLAN

A. Plan Description

The SDTF members of FPPA may contribute to the Voluntary Investment Program (VIP), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is optional, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the CRS, as amended, authorizes the Colorado Legislature to establish VIP provisions.

The VIP is funded by member contributions. The maximum contribution level is set by the Internal Revenue Service and changes annually. No employer contributions are required. The VIP member contributions from FPPA employees for the year ended December 31, 2011 was \$65,879.

NOTE 11 | DERIVATIVE INSTRUMENTS

The GASB has issued Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments." This statement establishes accounting and financial reporting for derivative instruments.

A. Forward Foreign Exchange Contracts

Through its various money managers, FPPA may enter into forward foreign exchange contracts to hedge against changes in currency prices relative to the U. S. dollar. Forward foreign exchange contracts are a contractual obligation between two parties to pay or receive specific amounts of foreign currency at a future date in exchange for another currency at an agreed-upon exchange rate. Forward commitments are not standardized and carry counterparty risk. Forwards are usually transacted over the counter (OTC) with the foreign exchange department of a bank located in a major money market. Recognition of realized gain or loss depends on whether the currency exchange rate has moved favorably or unfavorably to the contract holder upon termination of the contract. As of December 31, 2010, the total portfolio had less than -3.56% net exposure to forward foreign exchange contracts. The fair market value of exposure was comprised of \$133,827,294 in payables and \$24,312,091 in receivables, for a net exposure of (\$109,515,204).

B. Equity Index Futures

FPPA through its various managers has invested in equity index futures. These future positions are used solely to provide liquidity and market exposure.

FPPA utilizes an Exposure Manager to temporarily rebalance the portfolio via the use of derivatives contracts, primarily index futures. Derivatives contracts can be used to approximate the benchmarks of underlying managers or asset classes. An Exposure Manager may also be utilized to create equity exposure up to the amounts of cash held within the accounts of FPPA's domestic and international equity managers. As of December 31, 2010, the total portfolio had less than 0.75% net exposure to equity index futures. The fair market value of exposure was comprised of \$0 in payables and \$23,225,207 in receivables, for a net exposure of \$23,225,207.

C. Financial Futures, Options

FPPA, through its various money managers, has entered into exchange traded financial futures. The purpose of these contracts is for hedging, as an alternative to investments in the cash market and as an additional yield curve management strategy. These futures included U.S. agency, bond and treasury futures and options. In addition, contracts include Euro-dollar and interest rate swap futures. Money managers may also invest in forward contracts. These transactions relate to a forward commitment strategy in cash equivalents or short duration securities with an effective duration of one year or less. As of December 31, 2010, the total portfolio had 2.99% net exposure financial futures. The fair market value of exposure was comprised of \$35,182,189 in payables and \$127,290,889 in receivables, for a net exposure of \$92,108,700.

NOTE 12 | COMMITMENTS AND CONTINGENCIES

FPPA is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of FPPA's legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial condition of the Fire & Police Members' Benefit Investment Fund. FPPA has invested in certain limited partnerships and private fund investments. As part of these investments, FPPA has agreed to contribute additional funds at various times. At December 31, 2011, FPPA had committed approximately \$396.7 million in additional funds to these investments.

Financial Section

Required Supplementary Information

Schedule of Funding Progress (Unaudited) | December 31, 2011

	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability
Defined Benefit System - Statewide Defined Benefit Plan			
2011	1/1/2011	\$1,080,284,447	\$1,049,622,033
2010	1/1/2010	963,500,681	963,300,852
2009	1/1/2009	856,090,014	847,821,122
2008	1/1/2008	950,114,346	795,499,983
2007	1/1/2007	801,426,848	654,097,657
2006	1/1/2006	681,193,087	569,819,934
2005	1/1/2005	557,949,693	495,915,617
2004	1/1/2004	473,006,658	426,673,675
2003	1/1/2003	424,088,589	371,056,405
2002	1/1/2002	428,388,591	337,391,594

Defined Benefit System - Statewide Hybrid Plan

2011	1/1/2011	\$18,107,030	\$13,658,025
2010	1/1/2010	15,373,546	12,107,329
2009	1/1/2009	13,642,709	10,648,712
2008	1/1/2008	14,075,984	9,774,906
2007	1/1/2007	9,624,239	6,299,422
2006	1/1/2006	7,998,356	5,366,912
2005	1/1/2005	5,040,067	4,035,894

The first actuarial valuation completed on the Defined Benefit System - Statewide Hybrid Plan was in 2005.

Defined Benefit System - Colorado Springs New Hire Pension Plan - Police Component

2011	1/1/2011	\$187,249,190	\$226,088,133
2010	1/1/2010	170,960,335	213,764,095
2009	1/1/2009	156,099,012	198,695,916
2008	1/1/2008	178,548,095	188,263,199
2007	1/1/2007	159,508,243	161,530,980
2006	1/1/2006	N/A	N/A

The first actuarial valuation completed on the Defined Benefit System - Colorado Springs New Hire Pension Plan - Police Component was in 2007 as the program began October 1, 2006.

Defined Benefit System - Colorado Springs New Hire Pension Plan - Fire Component

2011	1/1/2011	\$108,848,941	\$127,909,057
2010	1/1/2010	100,709,022	121,361,624
2009	1/1/2009	92,515,096	113,068,434
2008	1/1/2008	104,946,386	107,389,381
2007	1/1/2007	98,290,761	99,137,903
2006	1/1/2006	N/A	N/A

The first actuarial valuation completed on the Defined Benefit System - Colorado Springs New Hire Pension Plan - Fire Component was in 2007 as the program began October 1, 2006.

Unfunded (Surplus) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded (Surplus) Actuarial Accrued Liability as a Percentage of Covered Payroll
\$(30,662,414)	102.9%	\$353,484,986	(8.7%)
(199,829)	100.0%	363,265,902	(0.1%)
(8,268,892)	101.0%	337,918,774	(2.4%)
(154,614,363)	119.4%	312,857,166	(49.4%)
(147,329,191)	122.5%	271,906,902	(54.2%)
(111,373,153)	119.5%	246,693,626	(45.1%)
(62,034,076)	112.5%	217,752,582	(28.5%)
(46,332,983)	110.9%	189,359,234	(24.5%)
(53,032,184)	114.3%	172,625,858	(30.7%)
(90,996,997)	127.0%	156,808,953	(58.0%)
\$(4,449,005)	132.6%	\$8,770,187	(50.7%)
(3,266,217)	127.0%	9,026,182	(36.2%)
(2,993,997)	128.1%	7,726,670	(38.7%)
(4,301,078)	144.0%	7,342,967	(58.6%)
(3,324,817)	152.8%	4,391,954	(75.7%)
(2,631,444)	149.0%	4,053,146	(64.9%)
(1,004,173)	124.9%	2,587,830	(38.8%)
\$38,838,943	82.8%	\$33,357,427	116.0%
42,803,760	80.0%	35,550,304	120.0%
42,596,904	78.6%	36,735,114	116.0%
9,715,104	94.8%	39,048,754	24.9%
2,022,737	98.7%	40,438,034	5.0%
N/A	N/A	N/A	N/A
\$19,060,116	85.1%	\$19,664,027	97.0%
20,652,602	83.0%	21,535,495	96.0%
20,553,338	81.8%	22,483,956	91.0%
2,442,995	97.7%	23,827,770	10.3%
847,142	99.1%	26,867,827	3.2%
N/A	N/A	N/A	N/A

Financial Section

Required Supplementary Information *continued*

Schedule of Funding Progress (Unaudited) | December 31, 2011 *continued*

	Actuarial Valuation Date**	Actuarial Value of Assets	Actuarial Accrued Liability
Affiliated Local Plans			
2011	1/1/2010 and 1/1/2011	\$1,626,454,118	\$2,038,237,183
2010	1/1/2009 and 1/1/2010	1,618,455,903	2,036,107,581
2009	1/1/2008 and 1/1/2009	1,855,493,729	2,081,304,156
2008	1/1/2007 and 1/1/2008	1,859,987,228	2,064,576,138
2006	1/1/2005 and 1/1/2006	1,818,993,571	2,246,572,810
2004	1/1/2003 and 1/1/2004	1,642,270,820	2,160,729,353
2002	1/1/2001 and 1/1/2002	1,902,729,069	2,086,914,286
2000	1/1/1999 and 1/1/2000	1,824,520,033	1,958,959,749
1998	1/1/1997 and 1/1/1998	1,466,608,186	1,813,999,862
1996	1/1/1995 and 1/1/1996	1,121,444,504	1,593,927,538

* State Contributions were suspended in 2003 and resumed on 4/30/2006 and were suspended in 2009 and will resume on 4/30/2012.

**Actuarial studies are completed every other year for the Affiliated Local Plans. The affiliated volunteer fire pension plans' actuarial studies are completed on the odd years and the old hire actuarial pension plans' actuarial studies are completed on the even years. Each employer participating in the system is financially responsible for its own liabilities. Accordingly, the aggregate numbers presented in this chart are indicative only of the overall condition of the system and are not indicative of the status of any one employer.

Statewide Death & Disability Plan - Results Using the Aggregate Funding Method

2011	1/1/2011	\$281,577,454	\$260,688,472
2010	1/1/2010	266,477,875	250,709,436
2009	1/1/2009	257,279,496	241,813,411
2008	1/1/2008	300,642,721	223,999,678
2007	1/1/2007	274,091,581	258,243,478
2006	1/1/2006	249,299,173	258,726,894
2005	1/1/2005	223,389,097	231,252,507
2004	1/1/2004	212,273,124	241,966,436
2003	1/1/2003	218,151,921	261,133,007
2002	1/1/2002	239,456,347	239,793,687

This plan is valued under the Aggregate Funding Method, where the Actuarial Accrued Liability is set equal to the assets, resulting in no Unfunded Actuarial Accrued Liability and a Funded Ratio of 100%. The Actuarial Accrued Liability reported here is the Present Value of Projected Benefits, less the Present Value of Projected Member Contributions.

Since the Aggregate Funding Method presented in the previous chart does not identify or separately amortize unfunded actuarial liabilities, information about the Statewide Death & Disability Plan's funded status and funding progress has been prepared using the Entry Age Funding Method for this purpose. The information presented below is intended to serve as a surrogate for the funded status and funding progress of the plan. Data is only available since 2008.

Statewide Death & Disability Plan - Results Using the Entry Age Normal Funding Method

2011	1/1/2011	\$281,577,454	\$229,959,016
2010	1/1/2010	266,477,875	216,103,895
2009	1/1/2009	257,279,496	203,673,786
2008	1/1/2008	300,642,721	182,814,659

Unfunded (Surplus) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded (Surplus) Actuarial Accrued Liability as a Percentage of Covered Payroll
------------------------------------------------------	--------------	-----------------	-----------------------------------------------------------------------------------------

\$411,783,065	79.8%*	\$3,416,792	12051.7%
417,651,678	79.5%*	3,483,331	11990.0%
225,810,427	89.2%*	6,199,241	3642.5%
204,588,910	90.1%	6,160,242	3321.1%
427,579,239	81.0%*	75,130,892	569.1%
518,458,533	76.0%*	70,053,951	740.1%
184,185,217	91.2%	74,373,501	247.6%
134,439,716	93.1%	82,304,632	163.3%
347,391,676	80.9%	104,522,694	332.4%
472,483,034	70.4%	96,013,582	492.1%

\$(20,888,982)	108.0%	\$750,497,200	(2.8%)
(15,768,440)	106.3%	758,113,476	(2.1%)
(15,466,086)	106.4%	740,172,854	(2.1%)
(76,643,044)	134.2%	679,223,009	(11.3%)
(15,848,103)	106.1%	631,667,107	(2.5%)
9,427,721	96.4%	610,620,208	1.5%
7,863,410	96.6%	567,949,536	1.4%
29,693,312	87.7%	547,190,145	5.4%
42,981,086	83.5%	515,529,441	8.3%
337,340	99.9%	484,328,830	0.1%

\$(51,618,438)	122.4%	\$750,497,200	(6.9%)
(50,373,981)	123.3%	758,113,476	(6.6%)
(53,605,710)	126.3%	740,172,854	(7.2%)
(117,828,062)	164.5%	679,223,009	(17.3%)

Financial Section

Required Supplementary Information *continued*

Schedule of Employer Contributions (Unaudited) | December 31, 2011

A. Statewide Death & Disability Plan

Year Ended 12/31	Annual Required Contribution Rate*	Percentage Contribution
2011	0%	100%
2010	0%	100%
2009	0%	100%
2008	0%	100%
2007	0%	100%
2006	0%	100%
2005	0%	100%
2004	0%	100%
2003	0%	100%
2002	0%	100%

**All contributions are made by members or on behalf of members.*

B. Defined Benefit System - Statewide Defined Benefit Plan

Year Ended 12/31	Annual Required Contribution Rate	Percentage Contribution
2011	8.00%	100%
2010	8.00%	100%
2009	8.00%	100%
2008	8.00%	100%
2007	8.00%	100%
2006	8.00%	100%
2005	8.00%	100%
2004	8.00%	100%
2003	8.00%	100%
2002	8.00%	100%

Required Supplementary Information *continued*Schedule of Employer Contributions (Unaudited) | December 31, 2011 *continued***C. Defined Benefit System - Statewide Hybrid Plan Defined Benefit Component**

The first actuarial valuation completed on the Statewide Hybrid Plan - Defined Benefit Component was in 2005.

Year Ended 12/31	Annual Required Contribution Rate	Percentage Contribution
2011	8.00%	100%
2010	8.00%	100%
2009	8.00%	100%
2008	8.00%	100%
2007	8.00%	100%
2006	8.00%	100%
2005	8.00%	100%

D. Defined Benefit System - Colorado Springs New Hire Pension Plans

The first actuarial valuation on the Defined Benefit System - Colorado Springs New Hire Pension Plans was in 2007.

Year Ended 12/31	Police Component Annual Required Contribution Rate	Fire Component Annual Required Contribution Rate	Percentage Contribution
2011	20.906%	15.095%	100%
2010	21.160%	15.133%	100%
2009	12.949%	9.225%	100%
2008	8.864%	8.228%	100%
2007	8.000%	8.169%	100%
2006	N/A	N/A	N/A

E. Affiliated Local Plans

Year Ended 12/31	Annual Required Contribution Amount	Percentage Contribution
2011	\$46,120,697	100%
2010	46,647,139	100%
2009	29,462,935	100%
2008	39,316,014	100%
2007	77,438,443	100%
2006	79,726,307	100%
2005	97,547,567	100%
2004	96,995,192	100%
2003	42,835,929	100%
2002	40,986,770	100%

Financial Section

Required Supplementary Information *continued*

Notes to the Required Supplementary Information | December 31, 2011

NOTE 1 | DESCRIPTION

The historical trend information about the Plan is presented as required supplementary information. This information is intended to help users assess the funding status on a going-concern basis and to assess progress made in accumulating assets to pay benefits when due.

Information for the required supplementary schedules of funding progress and employer contributions is provided for ten years for the Plan.

The Schedule of Employer Contributions presents the amount of the employer's actuarial required contribution (ARC) as a percentage instead of a dollar amount for certain plans as that is the statutory and/or plan document requirement.



Right in the backyard
of our members



from Denver to Durango
The Colorado Trail

stretches almost **500 MILES**,
at an average **ALTITUDE** of **10,000 feet**
through **6 WILDERNESS** areas, and
8 jaw dropping
MOUNTAIN ranges.



Financial Section

Other Supplementary Schedules for Financial Section

Net Assets by Participating Employer | December 31, 2011

Alamosa Volunteer Fire Department (Volunteer)	\$ 1,281,271
Alamosa County Fire Protection District (Volunteer)	441,359
Allenspark Fire (Volunteer)	339,361
Aspen Fire Protection District (Volunteer)	1,568,428
Ault Fire Protection District (Volunteer)	482,696
Aurora Police	82,184,060
Aurora Fire	72,638,175
Bancroft Fire Protection District	874,877
Basalt and Rural Fire Protection District (Volunteer)	1,504,617
Bennett Volunteer Fire (Volunteer)	679,381
Berthoud Fire Protection District (Volunteer)	498,305
Big Sandy Fire Protection District (Volunteer)	91,426
Big Thompson Canyon Fire (Volunteer)	261,272
Black Forest Fire Protection District (Volunteer)	1,022,051
Blanca Volunteer Fire (Volunteer)	121,867
Boone Volunteer Fire (Volunteer)	29,472
Boulder Mountain Fire Protection District (Volunteer)	671,194
Boulder Rural Fire Protection District (Volunteer)	543,584
Bow Mar Police	55,834
Brighton Fire (Volunteer)	3,319,355
Brush Volunteer Fire Department (Volunteer)	689,743
Buena Vista Fire (Volunteer)	326,892
Burning Mountain Fire Protection District (Volunteer)	1,532,515
Calhan Fire (Volunteer)	94,979
Cañon City Area Fire Protection District	2,764,734
Cañon City Area Fire Protection District (Volunteer)	207,182
Carbondale & Rural Fire Protection District (Volunteer)	1,831,531
Cascade Fire (Volunteer)	263,249
Castle Rock Volunteer Fire Department (Volunteer)	856,812
Cedaredge Police	184,739
Central City Fire Department (Volunteer)	420,265
Central Orchard Mesa Fire Protection District (Volunteer)	99,475
Cherry Hills Fire Protection District	2,330,623
Cheyenne County #1 Fire (Volunteer)	300,977
Clear Creek Fire Authority (Volunteer)	1,563,219
Clifton Fire Protection District (Volunteer)	1,677,313
Coal Creek Fire Protection District (Volunteer)	819,659
Colorado Springs Police	61,704,827
Colorado Springs Fire	73,677,062
Cortez Police	263,221
Crested Butte Fire Protection District (Volunteer)	1,984,482
Cripple Creek Fire Protection District (Volunteer)	415,720
Crowley Fire Department (Volunteer)	27,691
Crystal Lakes Fire Department (Volunteer)	169,517
Del Norte Police	4,825
Denver Fire	332,858,671
Denver Police	455,929,182
Divide Volunteer Fire (Volunteer)	278,511
Donald Westcott Volunteer Fire (Volunteer)	839,161
Dove Creek Fire (Volunteer)	190,753
Durango Police	\$1,526,921

Other Supplementary Schedules for Financial Section *continued*Net Assets by Participating Employer | December 31, 2011 *continued*

Durango Fire	\$ 966,165
Durango Fire & Rescue Authority	4,615,727
Eads Volunteer Fire Department (Volunteer)	116,956
East Grand Fire Protection District #4 (Volunteer)	1,610,701
Eaton Volunteer Fire Department (Volunteer)	896,100
Eckley Fire (Volunteer)	18,882
Elbert Fire (Volunteer)	138,490
Elizabeth Fire Protection District (Volunteer)	1,050,049
Elk Creek FPD (Volunteer)	2,372,377
Englewood Police	4,842,166
Englewood Fire Department	7,087,111
Englewood Fire Department (Volunteer)	99,021
Evans Volunteer Fire Department (Volunteer)	472,821
Evergreen Fire (Volunteer)	3,415,550
Falcon Fire Protection District (Volunteer)	586,910
Federal Heights Volunteer Fire Department (Volunteer)	2,014,580
Firestone Marshalls Police	13,637
Fisher's Peak Fire (Volunteer)	107,582
Florence Fire (Volunteer)	1,120,022
Foothills Fire Protection District (Volunteer)	1,118,688
Fort Lewis-Mesa Fire Protection District (Volunteer)	255,611
Fort Morgan Fire (Volunteer)	1,060,459
Fort Morgan Rural Fire (Volunteer)	550,642
Fort Morgan Police	513,192
Franktown Fire Protection District (Volunteer)	2,066,906
Frederick Area Fire Protection District (Volunteer)	141,030
Galeton Fire (Volunteer)	525,904
Genesee Fire Protection District (Volunteer)	1,050,315
Glacier View Fire (Volunteer)	176,847
Glendale Volunteer Fire Department (Volunteer)	195,817
Glenwood Springs Fire Department (Volunteer)	706,911
Golden Volunteer Fire Department (Volunteer)	2,572,648
Golden Gate Fire Protection District (Volunteer)	244,206
Grand Fire Protection District (Volunteer)	1,125,529
Grand Junction Fire	8,892,147
Grand Junction Police	2,917,886
Grand Lake Fire (Volunteer)	1,451,012
Grand Valley Fire (Volunteer)	2,640,018
Greeley Police	904,823
Green Mountain Falls-Chipita Park Fire Protection District (Volunteer)	190,873
Gypsum Fire (Volunteer)	458,817
Hartsel Fire Protection District (Volunteer)	466,898
Haxtun Volunteer Fire Department (Volunteer)	137,052
Haxtun Police	150,824
Hillrose Rural Fire (Volunteer)	145,261
Holyoke (City) Volunteer Fire Department (Volunteer)	152,438
Holyoke Fire Protection District (Volunteer)	200,100
Hot Sulphur Springs-Parshall Fire Protection District (Volunteer)	175,233
Hygiene Fire (Volunteer)	833,435
Indian Hills Fire Protection District (Volunteer)	286,543
Inter-Canyon Fire Protection District (Volunteer)	\$ 1,078,294

Financial Section

Other Supplementary Schedules for Financial Section *continued*

Net Assets by Participating Employer | December 31, 2011 *continued*

Jackson 105 Fire Protection District (Volunteer)	\$210,269
Jefferson-Como Fire Protection District (Volunteer)	793,769
Kiowa Fire Protection District (Volunteer)	544,264
Kremmling Fire Protection District (Volunteer)	349,492
La Junta Police	737,757
La Junta Fire	775,185
La Junta Rural Fire Protection District (Volunteer)	422,160
Lafayette Volunteer Fire Department (Volunteer)	1,131,647
Lake City Fire (Volunteer)	55,928
Lake Dillon Fire (Volunteer)	3,112,224
Lake George Fire Protection District (Volunteer)	250,195
Lakewood Fire Protection District	9,257,709
Lamar Fire	714,494
Lamar Fire Protection District (Volunteer)	502,417
Larkspur Fire Protection District (Volunteer)	1,331,056
Las Animas Police	335,848
La Salle Police	810,901
La Salle Fire Protection District (Volunteer)	2,167,278
Leadville Fire	174,368
Lefthand Fire Protection District (Volunteer)	927,586
Lewis-Arriola Fire Protection District (Volunteer)	989,949
Limon Area Fire Protection District (Volunteer)	407,558
Livermore Fire Protection District (Volunteer)	125,564
Log Hill Mesa Fire Protection District (Volunteer)	135,762
Loveland Fire	235,014
Loveland & Rural Consolidated Volunteer Fire	2,593,236
Lower Valley Fire Protection District (Volunteer)	925,955
Lyons Fire Protection District (Volunteer)	769,429
Mancos Fire Protection District (Volunteer)	602,312
Manitou Springs Fire	324,622
Manitou Springs Volunteer Fire Department (Volunteer)	335,204
Manzanola Rural Fire Protection District (Volunteer)	125,670
Milliken Fire Protection District (Volunteer)	521,020
Montrose Fire Protection District	142,541
Montrose Fire Protection District (Volunteer)	516,958
Mountain View Fire Protection District	311,115
Mountain View Fire Protection District (Volunteer)	2,163,969
Nederland Fire Protection District (Volunteer)	467,363
New Raymer-Stoneham Fire (Volunteer)	152,106
North Fork Fire Protection District (Volunteer)	182,744
North Routt Fire Protection District (Volunteer)	156,696
North Washington Fire Protection District	2,097,499
North Washington Fire Protection District (Volunteer)	145,276
Northeast Teller County Fire Protection District (Volunteer)	471,954
Northwest Fire Protection District (Volunteer)	279,624
Northwest Conejos Fire Protection District (Volunteer)	390,758
Norwood Fire Protection District (Volunteer)	252,057
Nucla-Naturita Fire (Volunteer)	418,379
Nunn Fire Protection District (Volunteer)	579,923
Oak Creek Fire Protection District (Volunteer)	253,840
Olathe Fire Protection District (Volunteer)	\$511,128

Other Supplementary Schedules for Financial Section *continued*Net Assets by Participating Employer | December 31, 2011 *continued*

Olney Springs Volunteer Fire Department (Volunteer)	\$148,160
Ordway Fire (Volunteer)	170,680
Ouray Volunteer Fire Department (Volunteer)	307,091
Palisade Volunteer Fire Department (Volunteer)	630,085
Palmer Lake Volunteer Fire Department (Volunteer)	11,890
Parker Fire Protection District (Volunteer)	415,201
Pawnee Fire (Volunteer)	104,817
Peetz Fire Protection District (Volunteer)	86,514
Peyton Volunteer Fire Department (Volunteer)	25,166
Pinewood Springs Fire (Volunteer)	121,446
Plateau Valley Fire (Volunteer)	930,637
Platte Canyon Fire Protection District (Volunteer)	879,748
Platte Valley Fire Protection District (Volunteer)	2,011,267
Platteville/Gilcrest Fire Protection District (Volunteer)	3,024,584
Pleasant View Fire Protection District (Volunteer)	229,133
Pleasant View Metro Fire Protection District (Volunteer)	1,351,663
Poudre Canyon FPD (Volunteer)	42,855
Poudre Fire Authority (Volunteer)	105,044
Pueblo Fire	26,729,063
Pueblo Fire - DROP	1,807,148
Pueblo Police	48,996,456
Pueblo Rural Fire Protection District	2,005,488
Rangely Rural Fire (Volunteer)	494,220
Rattlesnake Fire Protection District (Volunteer)	725,538
Red Feather Lakes Fire Protection District (Volunteer)	235,999
Red, White & Blue Fire Protection District	286,135
Red, White & Blue Fire Protection District (Volunteer)	1,158,649
Ridgway Fire (Volunteer)	461,056
Rio Blanco Fire Protection District (Volunteer)	2,153,898
Rifle Fire (Volunteer)	3,514,058
Rocky Ford Police	324,533
Rocky Ford Fire	280,633
Rocky Ford Volunteer Fire Department (Volunteer)	56,146
Rocky Mountain Fire Protection District (Volunteer)	401,444
Sable Altura Fire Protection District (Volunteer)	502,335
Salida Fire	163,553
Salida Police	632,950
Sheridan Fire (Volunteer)	419,127
Silverton Fire (Volunteer)	188,589
South Adams County Fire Protection District	403,190
South Adams County Fire Protection District (Volunteer)	4,214,042
South Arkansas Fire Protection District (Volunteer)	175,565
South Conejos Fire Protection District (Volunteer)	181,867
South Metro Fire Rescue (Volunteer)	345,628
Springfield Police	444,325
Springfield Fire (Volunteer)	105,784
Steamboat Springs Volunteer Fire Department (Volunteer)	877,173
Sterling Fire	694,057
Sterling Volunteer Fire Department (Volunteer)	366,120
Sterling Police	1,276,527
Stonewall Fire (Volunteer)	\$545,030

Financial Section

Other Supplementary Schedules for Financial Section *continued*

Net Assets by Participating Employer | December 31, 2011 *continued*

Stratton Fire Protection District (Volunteer)	\$ 92,326
Sugar City Fire Department (Volunteer)	93,097
Sugarloaf Fire Protection District (Volunteer)	336,434
SW Washington Fire (Volunteer)	89,072
Telluride Fire Protection District (Volunteer)	1,203,981
Thornton Fire	5,656,941
Thornton Fire DROP	45
Timberline FPD (Volunteer)	1,411,332
Trinidad Fire	592,692
Trinidad Police	74,193
Union Colony Fire	7,285,615
Walsenburg Police	15,791
Walsh Fire (Volunteer)	48,363
Wellington Fire Protection District (Volunteer)	1,050,267
West Cheyenne Fire Protection District (Volunteer)	110,310
West Douglas County Fire Protection District (Volunteer)	480,339
West Metro Fire (Volunteer)	661,734
West Routt Fire Protection District (Volunteer)	2,065,633
Westminster Fire (Volunteer)	2,368,875
Wet Mountain Fire (Volunteer)	1,170,239
Wiggins Fire (Volunteer)	656,342
Wiley Rural Fire Protection District (Volunteer)	99,782
Windsor Severance (Volunteer)	2,307,291
Yampa Fire Protection District (Volunteer)	379,069
Yuma Fire (Volunteer)	386,384
Sub-Total Affiliated Local Plans Net Assets	\$1,361,962,467
Contributions Receivable at 12/31/11	401,180
Total Affiliated Local Plans Net Assets	\$1,362,363,647
Statewide Death & Disability Plan	\$275,872,673
Contributions Receivable at 12/31/11	440,973
Total Statewide Death & Disability Plan Net Assets	\$276,313,646
Defined Benefit System - Statewide Defined Benefit Plan	\$1,168,577,354
Defined Benefit System - Colorado Springs New Hire Plans	278,221,696
Defined Benefit System - Statewide Hybrid Plan	22,688,412
FPPA Staff Healthcare Subsidy	165,925
Sub-Total Defined Benefit System Net Assets	\$1,469,653,387
Contributions Receivable at 12/31/11	2,938,330
Total Defined Benefit System Net Assets	\$1,472,591,717
Total Net Assets - Members' Benefit Investment Fund	\$3,111,269,010

Other Supplementary Schedules for Financial Section *continued*

Net Assets by Participating Employer | December 31, 2011 *continued*

Statewide Money Purchase Plan	\$6,278,295
Contributions Receivable at 12/31/11	27,427
Total Statewide Money Purchase Plan Net Assets	\$6,305,722

Statewide Defined Benefit Plan - Separate Retirement Accounts (SRA)	\$11,575,174
Statewide Hybrid Plan - MP Component	151,205,664
Statewide Defined Benefit Plan - Deferred Retirement Option Plan (DROP)	22,881,238
Statewide Hybrid Plan - DROP	202,023
Aurora Police - DROP	2,073,256
Aurora Fire - DROP	2,555,107
Colorado Springs Police - DROP	2,610,473
Colorado Springs Fire - DROP	1,113,257
Colorado Springs New Hire Plans - Police Component DROP	10,304,083
Colorado Springs New Hire Plans - Police Component SRA	13,574
Colorado Springs New Hire Plans - Fire Component DROP	5,274,897
Colorado Springs New Hire Plans - Fire Component SRA	36,092
Denver Fire - DROP	10,669,143
Denver Police - DROP	7,245,435
Durango Fire - DROP	59,352
Englewood Police - DROP	391,558
Englewood Fire - DROP	63,334
Pueblo Fire - DROP	662,271
Sub-Total Affiliated Local & DB System Net Assets	\$228,935,931
Contributions Receivable at 12/31/11	470,466
Total Affiliated Local & DB System Net Assets	\$229,406,397

IRC 457 Deferred Compensation Plans	\$63,587,360
Contributions Receivable at 12/31/11	157,863
Total IRC 457 Deferred Compensation Net Assets	\$63,745,223

Total Net Assets - Members' Self-Directed Investment Fund	\$299,457,342
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Grand Total - FPPA Net Assets	\$3,410,726,352
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Financial Section

Other Supplementary Schedules for Financial Section *continued*

Payments to Consultants | December 31, 2011

Actuarial Consultants

Gabriel Roeder Smith & Co. \$360,500

Auditors

CliftonLarsonAllen LLP 48,375

Timothy M. O'Brien 25,865

Investment Consultants

Pension Consulting Alliance 172,500

Bidart & Ross, Inc. 80,000

Institutional Shareholder Services 58,330

Albourne America LLC 23,871

Scherzer International Risk Management Background Investigations 10,684

Conflict Securities Advisory Group 10,500

Legal Counsel

Inman Flynn Biesterfeld & Brentlinger, PC 77,098

Ballard Spahr 53,304

Pendleton Friedberg Wilson & Hennessey PC 24,185

Lee + Kinder, LLC 11,460

Ice Miller LLP 6,886

Thomas Pollart & Miller LLC 3,039

Bingham McCutchen LLP 413

Legislative Consultants

Lombard & Clayton 50,000

Management Consultants

Waters Consulting Group 21,146

McLagan Partners Inc. 478

Medical Consultant

Clarence Henke, M.D., PC 45,000

Total Payments To Consultants \$1,083,634

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Financial Section

Other Supplementary Schedules for Financial Section *continued*

Fire & Police Members' Benefit Investment Fund - Schedule of Administrative and Investment Expenses

(With Comparative Totals for 9 Prior Years) | December 31, 2011

Expense Group	2011	2010	2009	2008
Professional Contracts				
Actuarial Contract	\$324,000	\$272,000	\$453,000	\$301,000
Audit Fees	57,875	56,220	39,000	37,500
Computer Maintenance & Lease	367,028	225,997	344,595	98,328
Insurance & Bonding	121,532	158,784	111,335	124,258
Legal & Legislative Counsel	141,701	73,035	64,159	100,376
Management Consulting	21,624	23,375	29,400	277
Medical Exam Fees	144,008	157,822	144,441	122,377
Hearing Officers - D&D	23,948	13,625	13,965	9,954
Outside Svcs/Contract Help	58,411	53,392	54,705	58,599
Records Management	6,366	5,972	5,726	9,899
Total Professional Contracts	1,266,493	1,040,222	1,260,326	862,568
Personnel Services				
Salaries	3,161,744	2,952,056	2,839,136	2,588,431
Employee Benefits	888,233	829,521	747,331	640,571
Employment Programs	16,980	6,728	22,134	147,601
Total Personnel Services	4,066,957	3,788,305	3,608,601	3,376,603
Staff Education				
Tuition Assistance Program	18,214	13,429	8,800	20,348
Conferences & Seminars	22,028	21,321	19,788	34,893
Total Staff Education	\$40,242	\$34,750	\$28,588	\$55,241

	2007	2006	2005	2004	2003	2002
	\$246,998	\$253,000	\$230,216	\$345,098	\$148,500	\$174,885
	36,000	34,000	33,000	33,000	33,210	31,225
	114,595	224,101	177,215	176,420	107,532	92,150
	128,980	126,489	114,209	109,290	104,251	91,770
	66,129	105,183	80,646	60,698	111,631	109,660
	19,950	33,860	25,000			4,720
	136,630	117,279	120,110	119,446	142,455	130,642
	10,402	8,573	6,623	8,345	5,375	3,947
	85,141	51,887	27,471	49,947	10,781	16,931
	6,062	6,488	4,808	5,370	3,852	5,254
	850,887	960,860	819,298	907,614	667,587	661,184
	2,135,055	2,006,777	1,820,739	1,730,359	1,629,422	1,581,473
	517,372	514,013	451,140	413,205	370,754	350,602
	14,525	18,952	12,050	9,454	7,494	9,562
	2,666,952	2,539,742	2,283,929	2,153,018	2,007,670	1,941,637
	9,734	6,754	15,914	21,981	15,348	14,088
	23,312	22,645	31,970	26,545	24,948	28,599
	\$33,046	\$29,399	\$47,884	\$48,526	\$40,296	\$42,687

Financial Section

Other Supplementary Schedules for Financial Section *continued*

Fire & Police Members' Benefit Investment Fund - Schedule of Administrative and Investment Expenses

(With Comparative Totals for 9 Prior Years) | December 31, 2011 *continued*

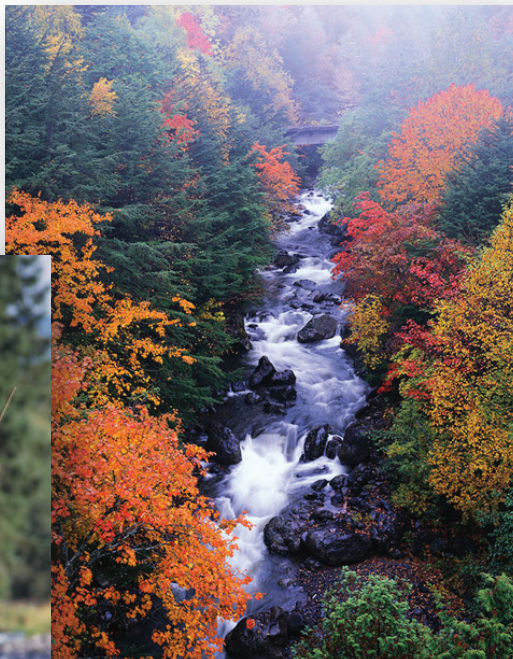
Expense Group	2011	2010	2009	2008
Other Operating Expenses				
Company Vehicles	\$4,449	\$5,790	\$3,446	\$4,137
Board Expenses	27,760	30,504	31,884	47,799
Data Processing Supplies	81,452	60,189	45,135	115,649
Equipment Rental & Maint.	26,416	29,078	31,111	37,767
Meetings & Travel	15,607	25,267	20,628	23,217
Operating Exp. Two DTC	74,930	98,926	80,759	68,920
Other (Misc.)	48	500		
Postage	62,299	58,828	57,794	65,460
Printing & Mailing	84,172	73,045	68,414	104,161
Retirement Services	7,224	7,441	9,926	8,032
Staff Expense				
Subscriptions & Dues	18,497	23,699	21,131	20,320
Supplies	62,152	38,437	40,478	39,697
Telephone	15,150	23,701	28,123	30,655
Total Other Operating Expense	480,156	475,405	438,829	565,814
Total Operating Expense	5,853,848	5,338,682	5,336,344	4,860,226
Depreciation/Amortization Expense	784,935	777,727	166,754	124,158
Total Administrative Expense	6,638,783	6,116,409	5,503,098	4,984,384
Capital Expenditures	391,016	202,049	6,700	60,051
Total Administrative Expense And Capital	\$7,029,799	\$6,318,458	\$5,509,798	\$5,044,435
Investment Fees				
Investment Consulting	\$412,788	\$217,000	\$242,125	\$372,500
Investment Mgmt. Fees	16,457,643	15,142,901	13,399,161	18,610,131
Investment Legal Fees	79,304	64,736	80,396	
Investment Closing Costs	26,273	10,000	27,398	
Bank/Security Lending Fees	633,304	510,865	628,407	1,104,469
Other Misc. Investment Expenses:				
Computer Software	48,104			
Meetings & Travel / Due Diligence	54,232			
Subscriptions & Dues	4,255			
Printing & Mailing Expense	3,025			
Total Investment Fees	\$17,718,928	\$15,945,502	\$14,377,487	\$20,087,100

2007	2006	2005	2004	2003	2002
\$4,342	\$4,966	\$5,582	\$2,779	\$4,439	\$3,931
43,355	63,881	68,315	56,747	44,439	74,379
57,136	107,313	23,847	12,604	11,544	15,182
34,154	32,501	42,919	38,995	37,406	36,644
26,613	24,683	25,569	29,335	27,281	28,172
109,072	69,834	(60,599)	25,812	(15,441)	88,742
			699	28	984
59,653	57,476	55,494	52,097	66,909	63,744
111,076	82,062	118,476	109,470	145,465	143,412
9,099	9,177	10,626	9,148	8,870	14,197
	5,413	4,426	3,138	3,797	4,960
11,836	11,975	11,673	10,432	10,805	8,674
36,021	82,624	30,587	26,959	24,305	30,507
23,577	17,820	15,636	20,207	20,434	20,981
525,934	569,725	352,551	398,422	390,281	534,509
4,076,819	4,099,726	3,503,662	3,507,580	3,105,834	3,180,017
120,517	103,831	194,536	147,257	43,980	140,759
4,197,336	4,203,557	3,698,198	3,654,837	3,149,814	3,320,776
66,012	42,615	42,507	74,800	48,797	55,386
\$4,263,348	\$4,246,172	\$3,740,705	\$3,729,637	\$3,198,611	\$3,376,162
\$361,512	\$310,500	\$180,001	\$234,916	\$186,003	\$175,000
18,443,997	14,689,108	12,825,394	10,167,622	5,491,021	5,028,068
41,052	142,182	35,196	61,843	28,224	14,457
807,614	759,789	726,617	332,650	374,755	371,514
\$19,654,175	\$15,901,579	\$13,767,208	\$10,797,031	\$6,080,003	\$5,589,039

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This section of the comprehensive annual financial report has been prepared by the Investment Division of the Fire & Police Pension Association of Colorado.

Scott Simon, Chief Investment Officer



The mission of the Fire and Police Pension Association – to provide for the retirement needs of police officers and fire-fighters throughout the State of Colorado – is facilitated by the management of various fund investment portfolios, which totaled \$3.411 billion in market value as of December 31, 2011.

Specifically, the Association is responsible for administering two separate funds:

- **The Fire & Police Members' Benefit Investment Fund** (\$3.111 billion) defined benefit plans. General Information and data found on the following pages, and
- **The Fire & Police Members' Self-Directed Investment Fund** (\$299 million) defined contribution plans. General Information found on page 88.

Investment Section

General Information

The Members of the Association's Board of Directors serve as the fiduciaries for the Funds and are responsible for the investment of the Funds, or the selection of investment options available to defined contribution, deferred compensation and self-directed DROP plan members. As fiduciaries, the FPPA Board Members are required to discharge their duties solely in the interest of fund participants and beneficiaries. The Board has established investment policies and allocates assets, or selects investment options, based upon member characteristics, plan provisions, and the financial requirements of the Funds, in addition to considering the risk/reward trade-offs of various investments.

The Association has established long range statements of investment objectives and policies for managing and monitoring the Funds. The investment policies establish investment objectives and define the responsibilities of the fiduciaries with respect to the Funds, their investment authority under Colorado law, the level of acceptable risk for investments, investment allocation targets, investment performance objectives, and guidelines within which outside investment managers must operate.

The assets in the Fire & Police Members' Benefit Investment Fund are managed primarily by professional investment management firms. Similarly, investment options offered to defined contribution and deferred compensation plan members are typically pooled investment vehicles managed by professional money managers.

The Association's investment staff coordinates and monitors the investments and fund options, and assists the Board of Directors in the formulation and implementation of investment policies and long-term investment strategies. The investment staff is also responsible for the contents of this section of the annual report. To the extent applicable, investment managers are required to report results in conformance with standards developed by the CFA Institute (CFAI). FPPA utilizes its custodian bank to independently calculate investment performance.

Fire & Police Members' Benefit Investment Fund

Summary of Investment Objectives

The Board, in developing long-term investment objectives, investment class allocation and investment guidelines, recognizes that the Fund includes the assets of several different benefit plans, all having a different funded status. The overall objective of the Fund is to balance and prudently manage the investment needs of all plans participating in the Fund, including the need to eliminate current unfunded liabilities and/or to protect surpluses, if possible.

Over the long-term, the performance objective of the Fund is to achieve a compound real rate of return on invested assets of 4.5%. Consistent with the current actuarial assumptions adopted by the Board, this equates to a 7.5% nominal investment rate of return assumption. The Board expects the objectives to be fulfilled within the levels of risk that a prudent investor would take under similar conditions.

Investment Allocation

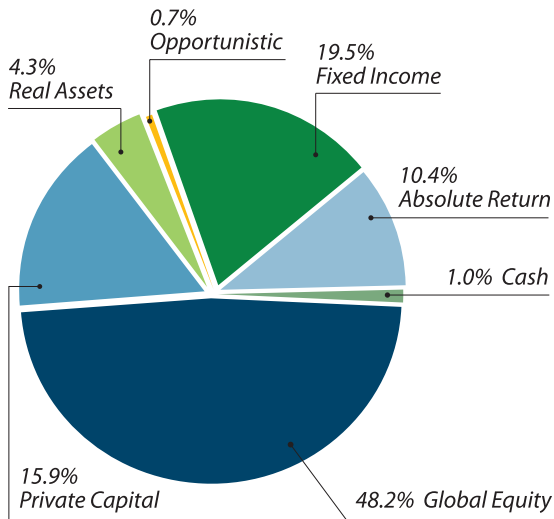
FPPA utilizes an asset liability study as its primary process to establish the overall risk tolerance for the Fund. In establishing Investment Allocation Policy Targets, the Board considers the historical and expected risks and correlations of investment classes in creating a portfolio which reduces risk through investment diversification. The Board conducts a formal asset liability study a minimum of every five years. The Board reviews these investment class assumptions through annual investment allocation reviews.

In September 2009, the Board completed an asset liability study and approved the following investment allocation: global equity 45.0%; fixed income & cash 21%; absolute return 10.0%; real estate 7.0%; private capital 12.0%; and opportunistic 5.0%. In February 2011, as a result of the Annual Investment Allocation Review, the Board reaffirmed an interim investment allocation of global equity 49.0%; fixed income & cash 20.0%; absolute return 11.0%; real assets 4.0%; private capital 14.0%; and opportunistic 2.0%.

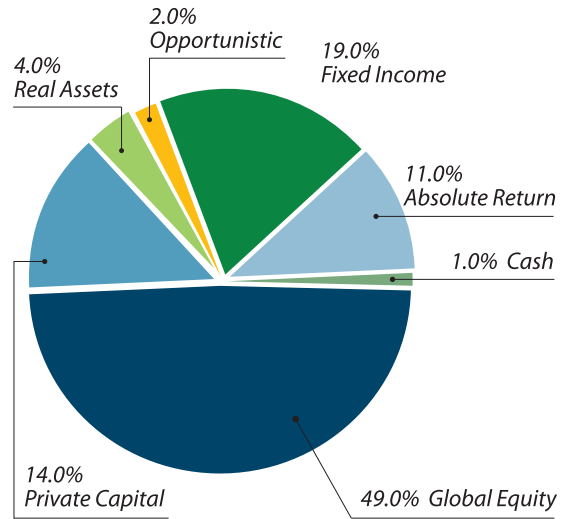
For the Fire & Police Members' Benefit Investment Fund, as of December 31, 2011, the Association employed the external investment managers listed further in this section.

Fire & Police Members' Benefit Investment Fund

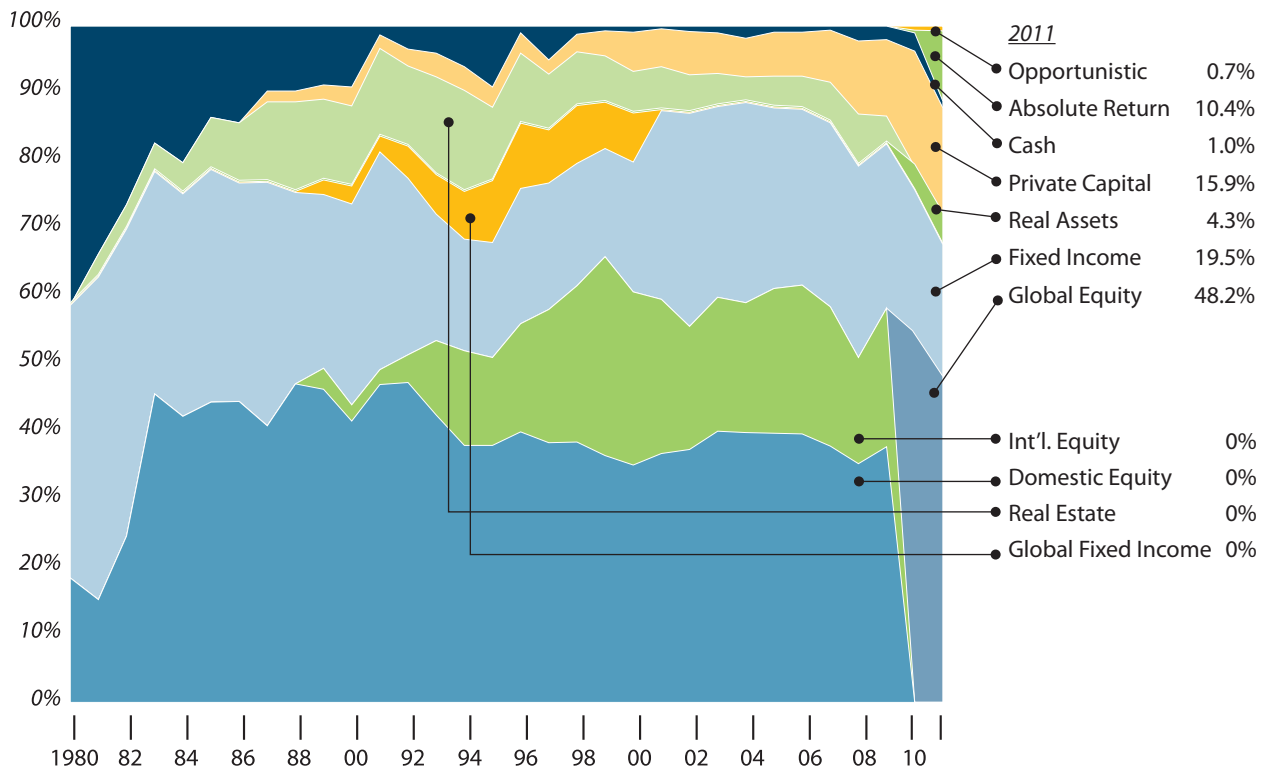
2011 Asset Allocation



2011 Target Asset Allocation



Fire & Police Members' Benefit Investment Fund
FPPA Asset Allocation 1980 - 2011



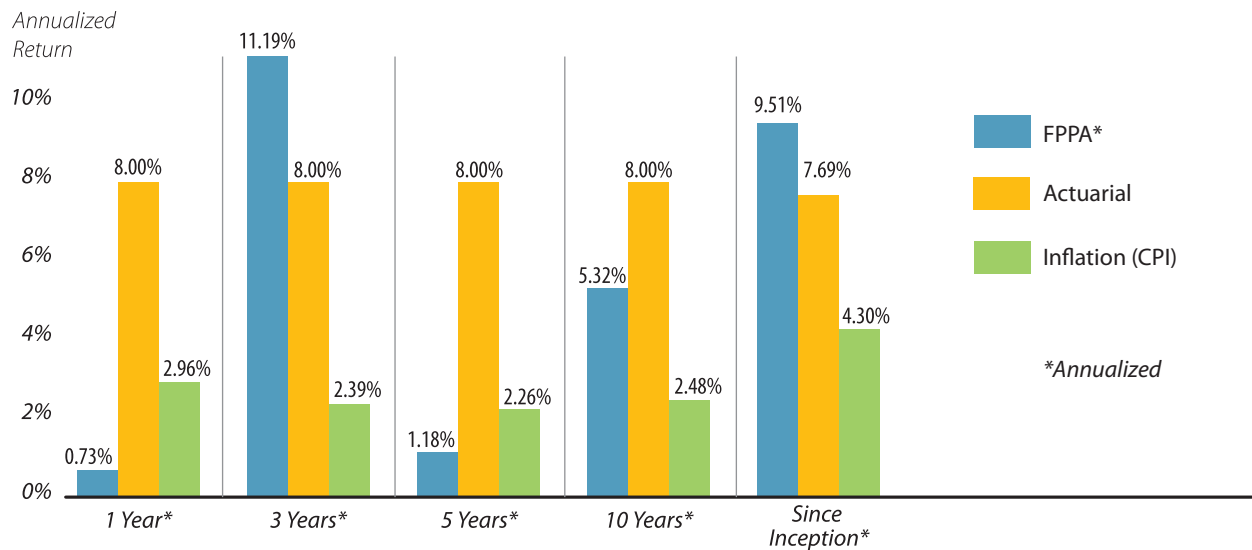
Investment Section

Fire & Police Members' Benefit Investment Fund Investment Summary

	Market Value per Financial Statement December 31, 2011	Reallocation	Market Value Per Investment Portfolio December 31, 2011	Percent of Market Value December 31, 2011
Global Equity	1,472,621,498	25,853,834	1,498,475,332	48.7%
Fixed Income	621,377,225	(20,919,637)	600,457,588	19.5%
Real Assets	128,241,600	-	128,241,600	4.2%
Private Capital	493,367,137	135	493,367,272	16.0%
Absolute Return	302,949,698	15,615,731	318,565,429	10.3%
Opportunistic	22,132,502	-	22,132,502	0.7%
Investment Cash & Short Term	91,850,263	(73,185,661)	18,664,602	0.6%
Securities Lending Investment Pool	169,352,161	(169,352,161)	-	-
	3,301,892,084	(221,987,761)	3,079,904,323	100.0%

The total market value per the Investment Portfolio of the Members' Benefit Investment Fund does not include physical assets of the Association, assets in the Association's operational cash account, receivable and payables of the Association, and assets held in the securities lending investment pool.

Fire & Police Members' Benefit Investment Fund Return vs. Inflation and Actuarial Requirements (Inception - 2011)



Fire & Police Members' Benefit Investment Fund
 Asset Allocation by Category and Investment Manager

Asset Class Manager	Investment Style	Management Fees	TOTAL ASSETS	% of Total Fund Assets
Global Equity				
TH&B ²	Domestic Small Cap Core	228,766		0.00%
Clarivest ²	Small Cap Value	226,563		0.00%
Cortina Asset Management	Small Cap Growth	554,847	97,091,590	3.15%
SSGA MSCI World	MSCI World Index	281,342	740,650,999	24.05%
Global Transition Account	MSCI World Index		358,470,302	11.64%
Walter Scott	Active World Equity	810,699	108,844,409	3.53%
Baillie Gifford Overseas Ltd.	Active Emerging Markets	295,200	43,122,086	1.40%
JP Morgan GEM Discovery	Active Emerging Markets	508,788	85,933,499	2.79%
Driehaus	Global Small Cap	297,972	62,526,742	2.03%
Rexiter Capital Management ²	Active Emerging Markets	132,666		0.00%
Artio Global Investors ¹	Active EAFE		9,330	0.00%
LSV Asset Management ¹	Active EAFE		18,552	0.00%
SSgA Russell 1000 Index ¹	Russell 1000 Index	(324)		0.00%
SSgM Cash Equitization Account	Equity Exposure		1,807,821	0.06%
Total Global Equities		\$3,336,519	\$1,498,475,332	48.65%
Fixed Income				
Trust Company of the West	High Yield	80,840		0.00%
PIMCO	Active	797,220	233,893,998	7.59%
Western Asset Mgmt ²	Active	180,165		0.00%
PriVest	Investment Grade Bonds	141,744	55,318,016	1.80%
C.S. McKee	Core Bond	257,797	211,976,505	6.88%
SSgA BC Agg x-Credit Index Fund		5,314	98,345,841	3.19%
Fixed Income Transition			916	0.00%
Fixed Income Impaired			922,311	0.03%
Total Domestic Fixed		\$1,463,081	\$600,457,588	19.50%
Opportunistic				
Capital Royalty	Opportunistic	43,333	1,438,831	0.05%
Metropolitan West	Opportunistic	140,269	12,453,269	0.40%
Mountain View FD II	Opportunistic	190,753	8,205,358	0.27%
<i>Valuation Adjustment ³</i>			35,044	0.00%
Total Opportunistic		\$374,356	\$22,132,502	0.72%
Absolute Return				
GAM	Fund of Hedge Funds		85,122	0.00%
GAM Global Macro	Fund of Hedge Funds	438,850	98,002,327	3.18%
Gottex Market Neutral	Fund of Hedge Funds	(77,724)		0.00%
Aetos	Fund of Hedge Funds	459,210	130,726,955	4.24%
K2	Fund of Hedge Funds	190,510	89,751,025	2.91%
Total Absolute Return		\$1,010,846	\$318,565,429	10.34%

Investment Section

Fire & Police Members' Benefit Investment Fund

Asset Allocation by Category and Investment Manager - *continued*

Real Assets

Blackrock Diamond Fund	Enhanced	40,666	3,161,356	0.10%
Enervest Fund XII	Oil & Gas	316,730	9,200,704	0.30%
JP Morgan	Core	416,175	46,630,498	1.51%
Morgan Stanley	Core	199,618	18,747,810	0.61%
PRISA	Core	218,253	22,753,460	0.74%
RREEF	Core	68,037	15,393,845	0.50%
EIG Real Assets	Energy	119,175	7,655,885	0.25%
Arclight Capital	Oil & Gas		1,245,978	0.04%
Scout	Oil & Gas	(5,171)	3,077,398	0.10%
<i>Valuation Adjustment</i> ³			374,665	0.01%
Total Real Assets		\$1,373,482	\$128,241,600	4.16%

Private Capital

ABS Capital Partners II		890	143,030	0.00%
AIF VII Euro Holdings		95,919	5,866,504	0.19%
American Securities Opportunity Fund II		85,336	4,322,607	0.14%
American Securities Partners VI			2,722,195	0.09%
Apollo Investment Fund IV			572,076	0.02%
Apollo Investment Fund VI			9,109,565	0.30%
Apollo Real Estate Fund III			915,249	0.03%
ARCH Venture Fund V		54,548	1,409,427	0.05%
Aurora Equity Partners II			3,842,892	0.12%
Aurora Equity Partners III			9,524,656	0.31%
Avenue Special Situations Fund IV		40,362	889,783	0.03%
Avenue Special Situations V		154,251	1,539,250	0.05%
Birch Hill Equity Partners (US) III		54,751	3,933,688	0.13%
Blackstone Capital Partners III			99,891	0.00%
Blackstone Capital Partners IV			3,493,180	0.11%
Blackstone Capital Partners V		38,001	8,096,838	0.26%
Blackstone Real Estate Fund III			92,372	0.00%
Blackstone Real Estate Fund VI		293,960	22,220,776	0.72%
Blackstone Real Estate Fund VII			1,349,319	0.04%
Boston Ventures V			621,656	0.02%
Bowmark Capital Partners IV		194,707	3,725,861	0.12%
Catterton Partners V		43,346	3,682,623	0.12%
Catterton Partners VI		108,307	7,384,990	0.24%
Centennial Fund VI			1	0.00%
Centennial Fund VII		60,205	2,509,605	0.08%
Chisholm Partners III			384,652	0.01%
Chisholm Partners IV		30,404	711,960	0.02%
Coller International Partners IV		73,836	3,666,480	0.12%
Coller International Partners V		56,207	4,686,444	0.15%
CommonFund Capital Venture Partners IX		20,313	2,013,319	0.07%
CVC European Equity Partners III			4,269,060	0.14%
CVC European Equity Partners IV		26,573	7,425,653	0.24%

Fire & Police Members' Benefit Investment FundAsset Allocation by Category and Investment Manager - *continued*

CVC European Equity Partners V	200,319	8,324,181	0.27%
Doughty Hanson Fund III	504	1,405,121	0.05%
Dune Real Estate Fund I	108,223	5,546,279	0.18%
Dune Real Estate Fund II	133,281	5,628,055	0.18%
Endeavour Capital Fund IV	5,250	7,976,874	0.26%
Endeavour Capital Fund VI		555,556	0.02%
Energy Capital Partners II	245,036	7,016,406	0.23%
Enhanced Equity Fund II	172,845	3,203,795	0.10%
Ethos Private Equity VI		1,239,822	0.04%
First Reserve Fund X	34,048	4,659,843	0.15%
First Reserve Fund XI	56,613	5,784,425	0.19%
First Reserve Fund XII	171,746	9,563,338	0.31%
Focus Ventures III	120,604	4,386,601	0.14%
GBOF VI	210,316	3,628,811	0.12%
Granite Global Ventures II		5,053,986	0.16%
Granite Global Ventures III	150,890	8,480,646	0.28%
Green Equity Investors IV	4,769	4,895,129	0.16%
Green Equity Investors V	15,999	8,018,047	0.26%
H/2 Special Opportunities Fund II	8,583	2,747,288	0.09%
Harvest Partners III		1	0.00%
Harvest Partners IV		720,693	0.02%
Heritage Fund III		1	0.00%
HIG Bayside Opportunities Fund II	249,506	2,814,282	0.09%
High Road Capital Partners	209,357	13,325,511	0.43%
Insight Venture Partners VII	78,775	2,609,309	0.08%
JH Whitney VII	351,314	4,394,183	0.14%
JMI Equity Fund V	75,918	6,464,886	0.21%
JMI Equity Fund VI	170,398	9,843,760	0.32%
JMI Equity Fund VII	118,043	3,742,198	0.12%
Kayne Anderson Energy Fund III	88,710	6,317,155	0.21%
Kayne Anderson Energy Fund IV	139,609	6,792,202	0.22%
Kelso Investment Assoc VIII	225,000	5,833,662	0.19%
Kohlberg Investors VI	136,635	11,820,898	0.38%
KPS Special Situations Fund III	148,937	2,964,146	0.10%
Larimer Ventures II		22,770	0.00%
Leapfrog Ventures II	34,769	3,657,864	0.12%
Lighthouse Capital Partners V	59,185	404,000	0.01%
LNK Partners	87,511	7,934,701	0.26%
MatlinPatterson Global Opps Fund	4,595	1	0.00%
MHR Institutional Partners III	158,368	6,124,790	0.20%
MVM Fund III	94,690	3,269,416	0.11%
Nautic Partners V	7,619	1,923,588	0.06%
Nautic Partners VI	98,181	5,633,542	0.18%
New Enterprise Associates XIII	107,921	6,447,806	0.21%
Nordic Capital Fund III		48,881	0.00%
Nordic Capital Fund V	34,459	5,013,570	0.16%

Investment Section

Fire & Police Members' Benefit Investment Fund

Asset Allocation by Category and Investment Manager - *continued*

Nordic Capital Fund VI	59,194	4,447,645	0.14%
Nordic Capital Fund VII	203,372	6,565,891	0.21%
OHA Strategic Credit Fund II	33,792	6,472,412	0.21%
Oxford Bioscience Partners IV	67,434	1,133,040	0.04%
Oxford Bioscience Partners V	125,171	3,243,749	0.11%
Permira Europe IV	174,350	7,599,536	0.25%
Providence Equity Partners V	82,289	6,772,282	0.22%
Providence Equity Partners VI	51,780	8,967,907	0.29%
Roark Capital Partners II	118,996	11,035,657	0.36%
SAIF Partners IV	163,986	3,808,058	0.12%
SKM Equity Fund II		1,554,430	0.05%
Sprout Capital VIII		200,343	0.01%
Sprout Capital IX		516,660	0.02%
Square Mile Partners III	150,000	7,551,685	0.25%
TA XI	94,657	2,945,247	0.10%
TCV VII	337,582	7,312,688	0.24%
Thomas H. Lee Equity Fund V	1,861	1,733,163	0.06%
Thomas McNerney & Partners	156,493	4,257,115	0.14%
Thomas, McNerney & Partners II	230,084	5,723,636	0.19%
TPG Growth Genpar II		364,734	0.01%
TPG Partners II		1	0.00%
TPG Partners III		1,457,534	0.05%
TPG Partners IV		6,190,377	0.20%
TPG Partners V	27,749	5,762,358	0.19%
TPG Partners VI	63,996	5,467,126	0.18%
TPG Partners VI SEC	26,140	1,890,698	0.06%
Venture Investment Managers	150,000	7,444,912	0.24%
Veritas Capital Fund IV	8,163	2,989,255	0.10%
Vestar Capital Partners III		2,877,642	0.09%
Vestar Capital Partners IV	3,756	1,775,283	0.06%
Vestar Capital Partners V	39,322	4,152,349	0.13%
W Capital Partners	75,294	2,408,006	0.08%
PE Pending Activity & Cash		133	0.00%
PE Stock Distribution Account		28	0.00%
Valuation Adjustment ³		21,282,069	0.69%
Hamilton Lane - PE Consultant	600,000		
Total Alternative Investments	8,795,898	493,367,272	16.02%
Internal Cash Account Mellon Bank		18,664,602	0.61%
Annual Accrual Adjustment	103,461		
TOTAL FEES & ASSETS	\$16,457,643	\$3,079,904,323	100%

The total market value per the Investment Portfolio of the Members' Benefit Investment Fund does not include physical assets of the Association, assets in the Association's operational cash account, receivable and payables of the Association, and assets held in the securities lending investment pool.

1) Manager terminated in 2010 - 2) Manager terminated in 2011 - 3) See Note 2.C. Summary of Significant Accounting Policies, within the Financial Statements

Fire & Police Members' Benefit Investment Fund
"Top 20" Equity Holdings

Company	Market Value
EXXON MOBIL CORP	\$19,816,888.00
APPLE INC	\$17,982,000.00
MICROSOFT CORP	\$11,583,352.00
NESTLE SA	\$11,373,955.73
JOHNSON & JOHNSON	\$10,774,794.00
INTERNATIONAL BUSINESS MACHINE	\$10,646,652.00
GOOGLE INC	\$10,463,580.00
CHEVRON CORP	\$10,225,040.00
GENERAL ELECTRIC CO	\$9,105,444.00
PROCTER & GAMBLE CO/THE	\$8,872,430.00
INTEL CORP	\$8,807,600.00
AT&T INC	\$8,554,896.00
PFIZER INC	\$8,221,036.00
ROCHE HLDG AG GENUSSSCHEINE NPV	\$8,174,173.46
HSBC HLDGS ORD USD0.50 (UK)	\$8,092,749.57
WAL-MART STORES INC	\$7,852,464.00
ORACLE CORP	\$6,999,885.00
COCA-COLA CO/THE	\$6,941,024.00
VODAFONE GROUP ORD USD0.11428571	\$6,838,458.24
PHILIP MORRIS INTERNATIONAL IN	\$6,741,432.00

*The top 20 holdings exclude commingled funds.
A complete list of holdings is available upon request.*

Fire & Police Members' Benefit Investment Fund
"Top 20" Fixed Income Holdings

Company	Description	Market Value
COMMIT TO PUR FHLMC GOLD SFM	4.000% 01/01/2042	\$20,975,000.00
FNMA POOL #0AE0981	3.500% 03/01/2041	\$19,676,394.59
US TREAS-CPI INFLATION INDEX	0.625% 04/15/2013	\$13,067,155.61
FNMA POOL #0AE0828	3.500% 02/01/2041	\$9,881,594.00
COMMIT TO PUR FNMA SF MTG	3.000% 02/01/2027	\$9,265,770.00
US TREAS-CPI INFLATION INDEX	2.000% 04/15/2012	\$8,551,477.73
FNMA POOL #0AD2341	4.500% 03/01/2040	\$7,735,945.91
COMMIT TO PUR FNMA SF MTG	4.000% 01/01/2042	\$6,302,820.00
U S TREASURY NOTE	2.000% 11/15/2021	\$6,285,913.15
US TREAS-CPI INFLAT	1.250% 04/15/2014	\$5,945,670.07
US TREAS-CPI INFLATION INDEX	0.500% 04/15/2015	\$5,759,392.86
ROYAL BANK OF SCOTLAND PLC/THE	4.875% 03/16/2015	\$5,737,080.00
BANK OF AMERICA CORP	5.650% 05/01/2018	\$5,525,950.00
FNMA POOL #0AH0008	3.500% 12/01/2040	\$5,094,298.84
NEW YORK N Y	6.246% 06/01/2035	\$5,008,725.00
U S TREASURY BOND	3.125% 11/15/2041	\$4,919,811.36
FNMA POOL #0AE6865	4.500% 11/01/2040	\$4,744,278.95
MORGAN ST REV REPO	0.110% 01/04/2012	\$4,700,000.00
CITIGROUP INC	6.125% 11/21/2017	\$4,589,089.00
AMERICAN INTERNATIONAL GROUP I	8.250% 08/15/2018	\$4,551,628.99

*The top 20 holdings exclude commingled funds & SWAPS.
A complete list of holdings is available upon request.*

Investment Section

Fire & Police Members' Benefit Investment Fund Performance Summary as of December 31, 2011

Series Name Benchmark Indices	4Q return Percentage	1 year return Percentage	Annualized 3 year return Percentage	Annualized 5 year return Percentage
FPPA Total Fund - Gross of Fees	4.08	1.23	11.75	1.72
FPPA Total Fund - Net of Fees	3.94	0.73	11.19	1.18
Custom Total Fund Benchmark ¹	1.56	-0.69	10.63	2.14
Public Fund Median (BNY/Mellon)	5.44	0.88	11.17	1.98
Global Public Equity Accounts - Gross of Fees	7.67	-5.85	11.65	-2.93
Global Public Equity Accounts - Net of Fees	7.60	-6.03	11.39	-3.19
MSCI ACWI IMI	7.30	-7.43	13.41	-1.13
Fixed Income Accounts - Gross of Fees	1.51	8.77	12.69	8.13
Fixed Income Accounts - Net of Fees	1.45	8.52	12.39	7.88
Barclays Capital U.S. Aggregate Index	1.12	7.84	6.77	6.50
Real Asset Accounts - Gross of Fees ²	5.56	15.99	N/A	N/A
Real Asset Accounts - Net of Fees ²	5.22	14.56	N/A	N/A
NCREIF ODCE Index	2.97	15.99	N/A	N/A
Private Capital Accounts - Gross of Fees ³	0.30	13.81	15.27	11.82
Private Capital Accounts - Net of Fees ³	-0.10	11.79	13.24	9.61
Private Capital Benchmark	-16.64	-3.04	3.34	6.65
Absolute Return - Gross of Fees ⁴	-1.11	-3.96	N/A	N/A
Absolute Return - Net of Fees ⁴	-1.27	-4.23	N/A	N/A
Absolute Return Benchmark	0.99	4.08	N/A	N/A
Opportunistic Accounts - Gross of Fees ⁵	1.24	2.03	N/A	N/A
Opportunistic Accounts - Net of Fees ⁵	0.67	0.13	N/A	N/A
Actuarial Rate	1.94	8.00	N/A	N/A

NOTES:

1. Composite of the index benchmark returns of each asset class multiplied by their target asset allocations.
2. FPPA changed to a new allocation on 10/1/2010 moving from Real Estate to Real Assets allocation and Real Assets and NCREIF ODCE are reported on a quarter lag.
3. Private Capital accounts are reported on a quarter lag. FPPA changed the Private Capital benchmark effective 10/1/2010 to the MSCI ACWI IMI+300BP.
4. FPPA adopted a new asset class in Absolute Return which took effect on 10/1/2010. FPPA changed the Absolute Return benchmark to the 90-Day T-Bill+400BP.
5. FPPA adopted a new asset class in Opportunistic which took effect on 10/1/2010.

Performance was calculated by FPPA's custodian bank, BNY Mellon. Returns were calculated using time-weighted rates of return adjusted for significant cash flows (5% of the portfolio or greater) or the Modified-Dietz method was used.

Fire & Police Members' Benefit Investment Fund
Schedule of Brokerage Commissions

Broker Name	Total Commission	Shares Traded	Per Share
CREDIT SUISSE, NEW YORK (CSFBUS33XXX)	\$16,212.35	\$1,018,118.00	0.016
LIQUIDNET INC, BROOKLYN	25,337.59	835,409.00	0.030
JEFFERIES & CO INC, NEW YORK	24,120.14	635,111.00	0.038
INSTINET CORP, NY	5,992.83	597,089.00	0.010
PIPER JAFFRAY & CO, MINNEAPOLIS	22,290.96	591,121.00	0.038
BNY CONVERGEX, NEW YORK	20,407.44	589,390.00	0.035
CRAIG HALLUM, MINNEAPOLIS	20,672.65	497,929.00	0.042
CLEARVIEW CORRESPONDENT SRVS,LLC,RICHMON	21,630.01	453,832.00	0.048
STEPHENS INC, LITTLE ROCK	14,690.79	451,740.00	0.033
CANTOR FITZGERALD & CO INC, NEW YORK	11,840.40	397,460.00	0.030
NORTHLAND SECS INC, JERSEY CITY	8,800.75	390,361.00	0.023
WJB CAPITAL GROUP, INC., JERSEY CITY	15,139.12	378,478.00	0.040
KNIGHT EQUITY MARKETS L.P.,JERSEY CITY	12,498.26	351,596.00	0.036
BENCHMARK COMPANY LLC, BROOKLYN	16,100.81	351,272.00	0.046
NEEDHAM & CO, NEW YORK	11,728.43	348,225.00	0.034
PULSE TRADING LLC, BOSTON	10,441.06	335,935.00	0.031
CITIGROUP GBL MKTS INC, NEW YORK	7,559.84	295,800.00	0.026
STERNE AGEE & LEACH INC	13,764.50	280,150.00	0.049
J P MORGAN SECURITIES INC, BROOKLYN	9,133.64	280,069.00	0.033
RAYMOND JAMES & ASSOC INC, ST PETERSBURG	7,615.90	275,261.00	0.028
RBC CAPITAL MARKETS CORP, MINNEAPOLIS	7,700.84	259,050.00	0.030
BAIRD, ROBERT W & CO INC, MILWAUKEE	11,198.68	249,146.00	0.045
MORGAN STANLEY & CO INC, NY	9,699.76	231,964.00	0.042
STIFEL NICOLAUS	7,014.23	223,269.00	0.031
BTIG LLC, JERSEY CITY	6,452.77	213,055.00	0.030
CANACCORD GENUITY INC, JERSEY CITY	8,632.13	210,713.00	0.041
MERRILL LYNCH PIERCE FENNER SMITH INC NY	6,575.30	210,308.00	0.031
LAZARD CAPITAL MARKETS LLC, NEW YORK	8,029.83	204,106.00	0.039
PACIFIC CREST SEC, PORTLAND	9,262.40	198,740.00	0.047
NATIONAL FINL SVCS CORP, NEW YORK	6,625.95	196,498.00	0.034
FIDELITY CAP MKTS (DIV OF NFSC), BOSTON	2,580.88	175,094.00	0.015
AVONDALE PARTNERS LLC, NASHVILLE	8,538.40	170,768.00	0.050
KEEFE BRUYETTE AND WOODS, JERSEY CITY	5,775.70	169,176.00	0.034
JONESTRADING INSTL SVCS LLC, WESTLAKE	4,632.97	166,329.00	0.028
GOLDMAN SACHS & CO, NY	4,793.60	160,054.00	0.030
WILLIAM BLAIR & CO, CHICAGO	5,792.24	155,770.00	0.037
JANNEY MONTGOMERY SCOTT, PHILADELPHIA	6,692.63	153,838.00	0.044
UBS SECURITIES LLC, STAMFORD	4,340.96	148,681.00	0.029
JMP SECURITIES, SAN FRANCISCO	4,801.98	145,053.00	0.033
DEUTSCHE BK SECS INC, NY (NWSCUS33)	6,087.77	144,996.00	0.042
DOUGHERTY COMPANY, BROOKLYN	6,756.67	143,099.00	0.047
SANDLER O'NEILL & PARTNERS, NEW YORK	4,191.00	127,000.00	0.033
ISI GROUP INC, NY	4,031.85	117,377.00	0.034
LEERINK SWANN & CO, JERSEY CITY	4,686.22	117,293.00	0.040
SIMMONS & CO INTL, HOUSTON	4,785.95	116,217.00	0.041
SUNTRUST CAPITAL MARKETS INC, ATLANTA	5,642.90	116,198.00	0.049
SIDOTI & CO LLC, NEW YORK	5,675.15	115,843.00	0.049
FIG PARTNERS LLC, ATLANTA	3,030.34	114,500.00	0.026
DAVIDSON(D A) & CO INC, NEW YORK	5,233.51	110,193.00	0.047
OPPENHEIMER & CO INC, NEW YORK	4,412.31	103,954.00	0.042
All Other Brokers	60,677.75	1,785,008.00	0.034
Total	\$540,330.14	\$16,107,636.00	0.034

Investment Section

General Information

Fire & Police Members' Self-Directed Investment Fund

Summary of the Fund's Objectives

Members of the Self-Directed Investment Fund direct their contributions to one or more of the investment options selected by the Board. It is the Board's intent to select well-managed funds, across diversified asset classes, as investment options for members participating in the plans. In doing so, the Board acts pursuant to the requirements of Colorado law governing its selection of investment options for such members, and pursuant to the Fund's master statement of investment policies and objectives, while at the same time seeking to delegate its fiduciary liability to the extent prudent.

In order to provide members with the opportunity to select risk/reward strategies to meet their savings and investment goals, the Board provides fund options with distinctly different risk/reward trade-offs, each holding securities that are, in the majority, exclusive of the other managers. To this end, the Board's policy is to have a study of investment options performed approximately every two years. The purpose of this study is to provide updated information regarding the risk/reward profiles of current fund options, as well as alternative fund options across various asset classes. This information will be utilized by the Board in determining appropriate fund options.

Members make their own decisions when directing the investment of their contributions and accumulated account balances among the investment options offered. Members assume the risk of investment results derived from both the options offered and the strategies they select. It is the member's responsibility to allocate and reallocate assets among investment options as personal circumstances change. The options offered allow the members to address the risks and needs members face.

Fund Options for Members

As with any investment strategy, diversification is a component of effective risk management. FPPA's Board of Directors has selected a variety of funds across various asset classes from which members can select investment options. Within the funds, one or more pooled investment vehicles are offered in the following asset classes: Stable Value, Money Market, Domestic Bond, Domestic Equity, International Equity and Target Date Retirement Funds. FPPA utilizes Fidelity Investments® to provide record-keeping and investment management services for FPPA's self directed plans.

82% of our members
CONTINUE to make
Colorado
their home
after RETIREMENT.





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April 23, 2012

Board of Directors
Fire & Police Pension Association
5290 DTC Parkway, Suite 100
Greenwood Village, CO 80111

Re: Actuarial Certification of Defined Benefit Plans

Dear Members of the Board:

This letter concerns the actuarial valuations of the FPPA Defined Benefit System - Statewide Defined Benefit Plan, the Defined Benefit System - Statewide Hybrid Plan Defined Benefit Component, the Statewide Death & Disability Plan, the Colorado Springs New Hire Plans, and affiliated local old hire and volunteer fire plans.

For each plan, a contribution rate was determined which provides for funding as shown in the following table:

Plan	Funding Objective
Defined Benefit System - Statewide Defined Benefit Plan	Current cost plus level percent of payroll amortization of unfunded liability over 30 years
Defined Benefit System - Statewide Hybrid Plan Defined Benefit Component	Current cost plus level percent of payroll amortization of unfunded liability over 30 years
Statewide Death & Disability Plan	Current cost funded as level percent of payroll of contributing members
Defined Benefit System – Colorado Springs New Hire Pension Plans	Current cost plus level dollar amortization of unfunded liability over 27 years
Affiliated Local Old Hire Plans	Current cost plus level dollar amortization of unfunded liability over 17 years
Affiliated Volunteer Fire Plans	Current cost plus level dollar amortization of unfunded liability over 20 years

Most affiliated plans are valued every two years, while the Defined Benefit System and Statewide Death & Disability Plans, and certain state assisted local old hire plans are valued every year. The funding objective for each plan is currently being realized, with the exception of certain affiliated local old hire plans.

Gabriel Roeder Smith & Company

Board of Directors, Fire and Police Pension Association
April 23, 2012
Page 2

The Statewide Death & Disability Plan ("D&D") contribution rate was increased to 2.6% effective January 1, 2007, the maximum rate currently permitted by statute. The D&D contribution rate may only be changed every two years by statute. Based on the January 1, 2010 actuarial valuation, the Board elected to leave the contribution rate unchanged at 2.6% for the two year period beginning January 1, 2011.

The Defined Benefit System and Statewide Death & Disability Plans, and affiliated volunteer fire plans were last valued as of January 1, 2011. The local old hire plans were last valued as of January 1, 2010.

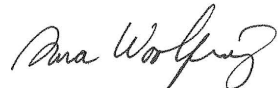
The valuations were performed based on data provided by FPPA's administrative staff, with an examination of the data for reasonableness. The actuarial methods and assumptions used are in full compliance with all the parameters established by GASB Statements No. 25 & No. 27 and meet the parameters set for the disclosures presented in the financial section by GASB Statement No. 25. The supporting schedules in the actuarial section and the trend tables in the financial section were prepared by FPPA from information in GRS' actuarial reports. We have reviewed these schedules for their accuracy. To the best of our knowledge, the supporting schedules fully and fairly disclose the actuarial conditions of the plans.

The undersigned are independent actuaries. Both are Members of the Society of Actuaries and meet the Qualifications Standards of the American Academy of Actuaries, and they are experienced in performing valuations for large public retirement systems.

Sincerely,
Gabriel, Roeder, Smith & Company



Joseph P. Newton, F.S.A., E.A.
Senior Consultant



Dana Woolfrey, A.S.A., E.A.
Consultant

Gabriel Roeder Smith & Company

Actuarial Section

General Information and Summary of Actuarial Assumptions

General Information

The Fire & Police Members' Benefit Investment Fund of the Fire & Police Pension Association includes the assets of the Defined Benefit System, Affiliated Local "Old Hire" police and fire plans, Affiliated Local Volunteer Firefighter pension plans, and the Statewide Death & Disability Plan. The Defined Benefit System comprises the Statewide Defined Benefit Plan, the Statewide Hybrid Plan, and the Colorado Springs New Hire Pension Plans. An independent actuarial firm is hired by the Association to perform annual valuations on the three statewide plans and the Colorado Springs New Hire Pension Plans, and to perform bi-annual valuations on the local "Old Hire" and volunteer plans. In 2011 the independent actuarial valuations were performed by Gabriel, Roeder, Smith & Company.

All of the Affiliated Local "Old Hire" pension plans have a valuation performed as of January 1 of the even numbered years (2010, 2012, etc.). All of the Affiliated Local volunteer firefighters plans have valuations performed as of January 1 of the odd numbered years (2011, 2013, etc.). The state assisted Affiliated Local "Old Hire" pension plans have their valuation also updated on the odd numbered years per statutory requirement.

Each of the locally administered plans has a different benefit and member structure. All of the affiliated plans use the actuarial assumptions which have been established by FPPA's Board of Directors.

The following data covers detailed information on the Defined Benefit System, Statewide Death & Disability Plan and the Affiliated Local plans.

Summary of Actuarial Assumptions

The Defined Benefit System is a multi-tiered system that is comprised of the Statewide Defined Benefit Plan, the Statewide Hybrid Plan, and the Colorado Springs New Hire Pension Plans. The statewide plans are multiple employer, cost sharing public employee retirement systems (PERS).

The Defined Benefit System – Statewide Defined Benefit Plan was created by state statute to cover all members hired on and after April 8, 1978 for normal retirement benefits. This plan was created as the successor to local "Old Hire" plans, most of which had significant unfunded liabilities. The local "Old Hire" plans are closed to new entrants. As of December 31, 2011, 219 employer plans throughout the state were participating in the Defined Benefit System – Statewide Defined Benefit Plan.

The Defined Benefit System – Statewide Hybrid Plan was created by state statute on January 1, 2004 as an option for local Money Purchase plans and participants in the Fire & Police Members' Statewide Money Purchase plan. It allows participants in these plans to migrate to a defined benefit plan administered by FPPA. The plan is comprised of two components, the Defined Benefit Component and the Money Purchase Component. As of December 31, 2011, 29 employer plans throughout the state were participating.

Two plans joined the Defined Benefit System as of October 1, 2006. They are defined benefit plans for fire and police employees hired on and after April 8, 1978 but prior to October 1, 2006 for the City of Colorado Springs. The plans are closed to new members as of October 1, 2006

The Statewide Death & Disability Plan is a multiple employer cost sharing plan, previously funded almost exclusively by contributions from the state. This plan was created by state statute, and is designed to provide both on- and off-duty coverage for death and disability for all members in the state who have not yet completed the age and service requirements for a normal retirement. As of December 31, 2011, 399 employer plans were participating.

The Affiliated Local Plans include defined benefit retirement plans for fire and police employees in the State of Colorado hired before April 8, 1978 (Old Hires), provided that such plans have affiliated with FPPA, and the affiliated volunteer fire pension plans in the State of Colorado. There are 227 Affiliated Local Plans with FPPA as of December 31, 2011.

The valuation for the Defined Benefit System - Statewide Defined Benefit Plan and the Colorado Springs New Hire Pension Plans are used to determine the normal cost of the plan, and to determine any "excess" contribution amounts which may be allocated to the members' separate retirement accounts (SRAs) for the following year.

The valuation for the Defined Benefit System - Statewide Hybrid Plan is also used to determine the normal cost of the plan and to determine any "excess" contribution amounts which may be allocated to the Money Purchase Component of the Plan.

General Information and Summary of Actuarial Assumptions *continued*

FPPA supplied the data for the retired, active and inactive members. The data was examined for general reasonableness and consistency with prior years' information by the independent consulting firm but was not audited.

The actuarial valuation computations were made by or under the supervision of a Member of the American Academy of Actuaries (MAAA) and an Enrolled Actuary (EA).

The actuarial assumptions have been selected by the FPPA Board based upon the actuary's analysis and recommendations from the 2008 Experience Study. The assumptions and methods are detailed within the Actuarial Section of this report. The Board has sole authority to determine the actuarial assumptions used for the plans. The assumptions that are based upon the actuary's recommendations are internally consistent and are reasonably based on the actual past experience of the plans. These assumptions are also in full compliance with all of the parameters established by GASB Statement No. 25 and No. 27. The following economic and non-economic assumptions were adopted by the FPPA Board of Directors and were first used during the January 1, 2008 actuarial valuations.

Actuarial Experience Study

At least every five years the FPPA Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2011 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of FPPA's past experience and expectations of the future.

The assumption changes will be effective for actuarial valuations beginning January 1, 2012. The actuarial assumptions will also impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used. The date the new actuarial assumptions will be effective for benefit purposes will be October 1, 2012.

The main actuarial factor changes were:

- Reduce the inflation assumption from 3.50% to 3.00%. It was determined that the current 3.50% assumption is higher than the long term historical average, the recent historical average, and most sources of future expectations. The decision to lower the assumption to 3.00% places the assumption closer to recent inflation levels and closer to the levels expected in the bond market.
- Reduce the normal investment return assumption from 8.00% to 7.50%, taking into account the lower inflation assumption and maintaining an expected net real return of 4.50%. The investment return assumption is one of the principal assumptions in any actuarial valuation of a retirement plan. It is used to discount future expected benefit payments to the valuation date, in order to determine the liabilities of the plan. Even a small change to this assumption can produce significant changes to the liabilities and contribution rates. The FPPA Board reduced the assumption to 7.50% as this was the median expected portfolio return given the fund's target allocation and given a set of capital market assumptions.
- Revise the post-retirement mortality tables to reflect increased longevity. The post-retirement mortality tables for non-disabled retirees were updated to the generational mortality tables with blue collar adjustment as it reflected the plans experience. An explicit assumption for continuously increasing longevity was also added as the life expectancies for today's younger active members are expected to be materially longer than those of today's retirees. This has a significant impact on costs and liabilities.

These new actuarial assumptions are a more conservative position for FPPA as it proceeds forward. As always, the assumptions will be reviewed against actual experience each year and gains or losses recognized in accordance with Governmental Accounting Standards Board standards and our actuarial methods and policies.

Economic Assumptions

The investment rate of return for purposes of the actuarial valuation is 8.0% per annum, compounded annually and net of operating expenses. Future inflation is assumed to be 3.5% annually and is included in the active members' salary projections. Thus, the real investment rate of return, net of inflation, is 4.5% per annum.

Active members' salary increases are composed of three pieces, inflation increases, productivity component of 1.25%, and step-rate/promotional component which varies by the service of the member. As stated above, inflation is assumed to be

Actuarial Section

General Information and Summary of Actuarial Assumptions *continued*

3.5% annually. For the Statewide Plans, retirees and beneficiaries are not assumed to receive annual cost-of-living increases as described under current state statute.

Under the Defined Benefit System - Statewide Defined Benefit Plan, social security benefits for supplemental social security departments are assumed to increase by 3.5% annually and the social security wage base is assumed to increase by 4.0% per year. Under the other affiliated plans, paid plan retirees and beneficiaries from limited rank escalation departments are projected to receive annual cost-of-living increases of 4% per annum, compounded annually for benefits accrued prior to January 1, 1980, and 3% per annum compounded annually for benefits accrued after January 1, 1980 (maximum permitted by law). Paid plan retirees and beneficiaries from full rank escalation departments are projected to receive annual cost-of-living increases of 4% per annum.

Assets are valued at an actuarial value of assets. The actuarial value of assets is based on a three-year moving average of expected and actual market values.

No new members are projected to be added to the plans.

Non-economic Assumptions

The 1994 Group Annuity Mortality (GAM) Table, reduced by 50%, is used in the valuation for non-duty mortality of active members. Duty related mortality is assumed to be .00025 per year for all members. The 1994 GAM Table, unchanged, is used in the projection of post-retirement benefits. For the Defined Benefit System - Statewide Defined Benefit Plan and Defined Benefit System - Statewide Hybrid Plan, those benefits are for retirees and their spouses. For the Statewide Death & Disability Plan, those benefits are for occupationally disabled retirees and surviving spouses. The 1983 Railroad Retirement Totally Disabled Annuity Mortality Table is used in the valuation of benefits for totally disabled retirees. And for the other affiliated plans, those benefits are for volunteer (actives and retirees) and paid retirees and their spouses.

The probabilities of separation from service and disablement are based on paid firefighter and police and volunteer experience, and for disablement reflect the increased probability of injury/disablement due to the hazardous nature of firefighter and police work.

The actuarial method used for the valuation of benefits is specified by state statute to be either the Entry Age Normal or Aggregate Cost Method, with experience gains or losses adjusting the unfunded actuarial accrued liability. The surplus in the Defined Benefit System - Statewide Defined Benefit Plan and the Defined Benefit System - Statewide Hybrid Plan are amortized over 30 years from the valuation date. Since the two Colorado Springs New Hire Pension Plans are closed plans, the amortization period for these plans are over 30 years from January 1, 2008. State statute also specifies that the Defined Benefit System - Statewide Defined Benefit Plan must be fully funded on an actuarially sound basis without necessitating an increase in the 8% employer and 8% member contribution.

Post-Retirement Assumptions

Sample Ages	COLA Increases	Social Security		Full Rank	Limited Rank		Retiree/Surviving Spouse/ Occupational Disability Death		Total Disability Death Annual Rate Per 1,000 Members (Unisex)
		(Benefit)	(Wage Base)		(Pre 1980)	(Post 1980)	Annual Rate Per 1,000 Members (Male)	Annual Rate Per 1,000 Members (Female)	
20	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	0.51	0.28	10.60
30	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	0.80	0.35	10.60
40	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	1.07	0.71	13.50
45	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	1.58	0.97	20.00
50	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	2.58	1.43	31.64
55	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	4.43	2.29	37.81
60	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	7.98	4.44	42.46
65	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	14.54	8.64	51.20
70	3.0%	3.5%	4.0%	4.0%	4.0%	3.0%	23.73	13.73	67.47

General Information and Summary of Actuarial Assumptions *continued*

Pre-Retirement Assumptions – Annual Rate Per 1,000 Members

Sample Ages	Disability		Years of Service	Separation			Sample Ages	Death	
	(Paid)	(Volunteer)		(Fire)	(Police)	(Volunteer)		(Male)	(Female)
20	0.14	0.10	0	90.0	180.0	165.79	20	0.50	0.39
30	1.15	0.26	5	35.7	49.5	123.85	30	0.65	0.43
40	3.49	0.97	10	20.8	26.7	82.97	40	0.79	0.60
45	4.82	3.50	15	12.1	18.6	54.92	45	1.04	0.74
50	6.26	6.50	20	6.0	14.4	0.00	50	1.54	0.96
55	7.81	8.10	23	3.0	12.7	0.00	55	2.46	1.40

For Statewide Death and Disability Plan - Service Retirement:

- 1) Statewide Defined Benefit System members - Age 55 with 5 years of service, or current age, if greater.
- 2) Money purchase plan members - Earlier of age 65 or age 55 with 25 years of service; or current age, if greater.
- 3) Denver Police local plan members - Age after 25 years of service or current age, if greater.
- 4) Denver Fire local plan members - Age 50 and 25 years of service or current age, if greater.
- 5) All other plan members - Age 52 or current age, if greater.

Pre-Retirement Assumptions – Increases in Earnings

Years of Service	Annual Step-Rate/ Promotional Rate	Total Annual Rate of Increase Including 3.50% Inflation Component and 1.25% Productivity Component
1	12.00%	16.75%
2	10.00%	14.75%
3	8.00%	12.75%
4	7.00%	11.75%
5	2.50%	7.25%
6	2.00%	6.75%
7	1.50%	6.25%
8	1.25%	6.00%
9	1.00%	5.75%
10	0.75%	5.50%
11	0.75%	5.50%
12	0.50%	5.25%
13	0.50%	5.25%
14	0.25%	5.00%
15	0.00%	4.75%

Actuarial Section

Defined Benefit System | Statewide Defined Benefit Plan

Schedule of Active Member Valuation Data

Valuation Date	Number	Average Age	Average Service	Covered Payroll	Annual Average Pay	% Increase in Average Pay
1/1/2011	5,314	40.7	10.5	\$353,484,986	\$66,520	1.83%
1/1/2010	5,331	40.1	9.9	\$384,253,545	\$65,326	5.12%
1/1/2009	5,197	39.6	9.5	\$322,971,268	\$62,146	3.91%
1/1/2008	4,988	39.3	9.2	\$298,313,990	\$59,806	2.00%
1/1/2007	4,512	39.3	9.2	\$264,560,282	\$58,635	5.26%
1/1/2006	4,302	39.1	9.1	\$239,642,543	\$55,705	3.75%
1/1/2005	3,907	39.0	9.1	\$209,765,329	\$53,690	1.58%
1/1/2004	3,459	38.9	9.4	\$182,825,786	\$52,855	5.88%
1/1/2003	3,340	38.4	9.1	\$166,734,883	\$49,921	4.84%
1/1/2002	3,179	38.0	8.8	\$151,369,850	\$47,616	5.04%

Gain | (Loss) on Actuarial Value of Assets

	Valuation as of January 1, 2011	Valuation as of January 1, 2010
Actuarial assets, prior valuation	\$963,500,681	\$856,090,014
Total Contributions since prior valuation	\$64,648,361	\$68,550,470
Benefits and refunds since prior valuation	(\$26,028,445)	(\$15,199,342)
Assumed net investment income at 8%		
Beginning assets	\$77,080,055	\$68,487,201
Contributions	\$2,585,934	\$2,689,268
Benefits and refunds paid	(\$1,041,138)	(\$596,278)
Total	\$78,624,851	\$70,580,191
Expected actuarial assets	\$1,080,745,448	\$980,021,333
Actual actuarial assets, this valuation	\$1,080,284,447	\$963,500,681
Preliminary asset gain/(loss)	(\$461,001)	(\$16,520,652)
Excess Return on SRA*	\$0	\$7,707,318
Net asset gain (loss) since prior valuation	(\$461,001)	(\$24,227,970)
	Loss	Loss

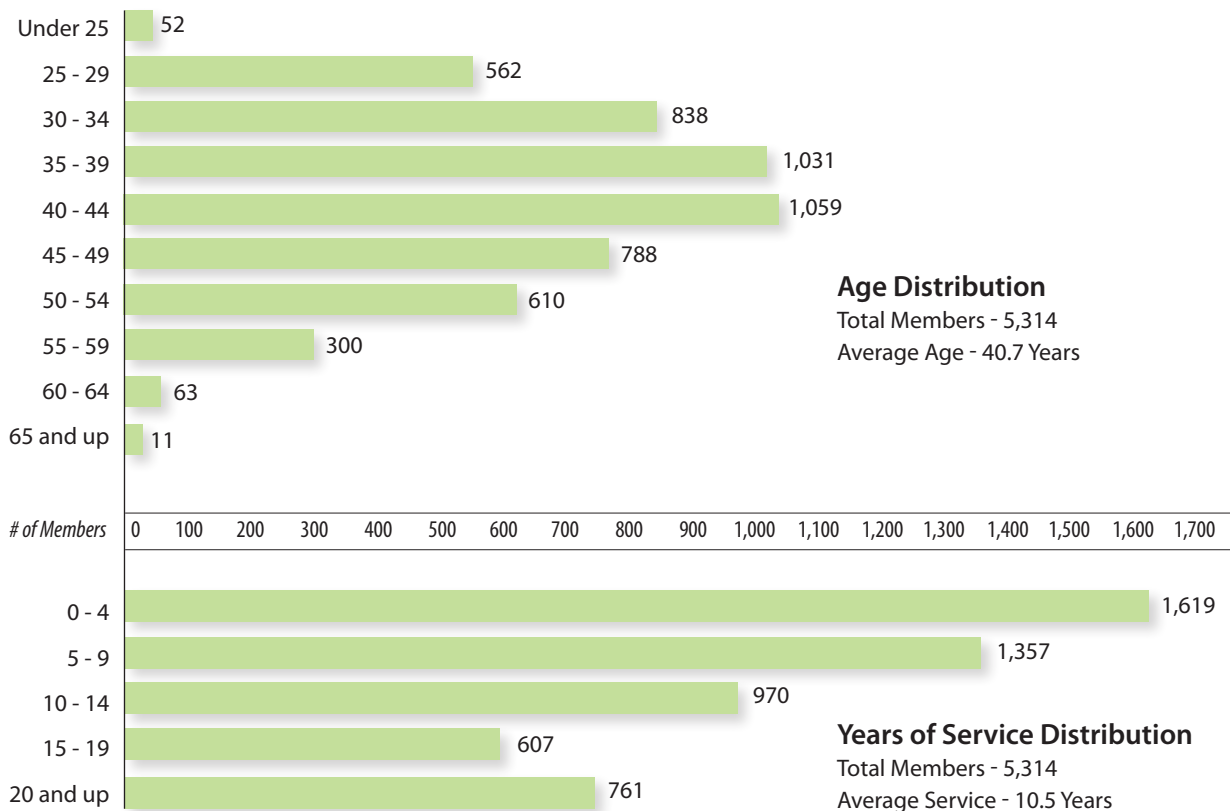
*Not used in AVA calculation at 1/1/2010

Schedule of Retirees and Beneficiaries Added To and Removed From Benefit Payroll

Year Ended	Added to Payroll*		Removed from Payroll		Payroll		% Increase in Annual Benefit	Average Annual Benefit
	Number	Annual Benefit	Number	Annual Benefit	Number	Annual Benefit		
12/31/2010	94	\$3,862,662	5	\$131,169	513	\$17,270,880	27.56%	\$33,666
12/31/2009	75	\$2,981,664	4	\$43,765	424	\$13,539,387	27.71%	\$31,933
12/31/2008	65	\$2,375,478	3	\$75,874	353	\$10,601,488	27.70%	\$30,033
12/31/2007	66	\$2,201,387	1	\$29,009	291	\$8,301,884	35.44%	\$28,529
12/31/2006	69	\$2,284,964	2	\$97,352	226	\$6,129,506	55.50%	\$27,122
12/31/2005	51	\$1,458,446	2	\$22,713	159	\$3,941,893	57.29%	\$24,792
12/31/2004	27	\$825,955	0	\$0	110	\$2,506,161	52.00%	\$22,783
12/31/2003	24	\$606,147	2	\$21,898	83	\$1,648,771	56.31%	\$19,865
12/31/2002	14	\$301,795	0	\$0	61	\$1,054,842	43.47%	\$17,292
12/31/2001	16	\$374,072	1	\$3,697	47	\$735,257	107.97%	\$15,644

*Includes Benefit Adjustments

Age and Years of Service Distribution



Actuarial Section

Defined Benefit System | Statewide Defined Benefit Plan

Solvency Test

The FPPA funding objective for the Defined Benefit System - Statewide Defined Benefit Plan is to be able to pay the retirement benefits promised to the members including the granting of an annual benefit adjustment to all retirees and beneficiaries. The objective is to entirely fund these promised benefits by 16% of pay, 8% from the employee and 8% from the employer.

A short-term solvency test is used to check FPPA's funding progress towards its funding objective. In a short-term solvency test, the plan's present assets are compared with: (1) liability for active member contributions on deposit, (2) liability for future benefits to present retired lives, (3) liability for service already rendered by active members.

Expressing the net assets available for benefits as a percentage of the different liability measures provides one indication of the funding status on a going-concern basis. Generally the greater the percentages, the stronger the public employee retirement system.

The schedule on this page illustrates the progress in funding the various liability measures. As can be seen by the funded percentages, the liabilities continue to be 100% covered by current assets. This plan does not have any unfunded liability and current contributions exceed the cost of annual benefit accruals.

Solvency Test

Valuation Date	Valuation Assets (000's)	Aggregate Accrued Liabilities For			Portion of Accrued Liabilities Covered by Reported Assets		
		(1)	(2)	(3)	(1)	(2)	(3)
		Active Member Contributions (000's)	Retirees, Beneficiaries and Vested Terminations (000's)	Members (Employer Financed Portion) (000's)			
1/1/2011	\$1,080,284	\$276,908	\$210,799	\$561,915	100%	100%	100%
1/1/2010	\$963,501	\$259,369	\$165,390	\$538,542	100%	100%	100%
1/1/2009	\$856,090	\$232,742	\$135,004	\$480,075	100%	100%	100%
1/1/2008	\$950,114	\$211,285	\$110,301	\$473,914	100%	100%	100%
1/1/2007	\$801,427	\$177,180	\$82,227	\$394,691	100%	100%	100%
1/1/2006	\$681,193	\$161,665	\$57,780	\$350,374	100%	100%	100%
1/1/2005	\$557,950	\$130,910	\$40,029	\$324,977	100%	100%	100%
1/1/2004	\$473,007	\$106,332	\$28,578	\$291,764	100%	100%	100%
1/1/2003	\$424,089	\$95,830	\$19,925	\$255,301	100%	100%	100%
1/1/2002	\$428,389	\$85,368	\$15,946	\$236,078	100%	100%	100%

Summary of Plan Provisions

Members Included

Members included are active employees who are full-time salaried employees of a participating municipality, fire protection district, fire authority, or county improvement district normally serving at least 1,600 hours in a calendar year and whose duties are directly involved with the provision of police or fire protection. As of August 1, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection.

Also included are employees of any employer that covers members under the federal Social Security Act or any county that chooses to affiliate with FPPA and that covers salaried employees whose duties are directly involved with the provision of law enforcement or fire protection as certified by the county under the federal Social Security Act.

Compensation Considered

Base salary means the total base rate of pay including Member Contributions to the Statewide Defined Benefit Plan or Statewide Money Purchase Plan which are “picked up” by the employer:

- 1) and shall also include longevity pay, sick leave pay taken in the normal course of employment, vacation leave pay taken in the normal course of employment, shift differential, and mandatory overtime that is part of the Member’s fixed, periodic compensation.
- 2) Accumulated vacation leave pay will also be included if a Member completes his/her service requirement for purposes of Normal retirement while exhausting accumulated vacation leave.
- 3) Base salary shall not include overtime pay (except as noted in the preceding sentence), step-up pay or other pay for temporarily acting in a higher rank, uniform allowances, accumulated sick leave pay, accumulated vacation leave pay (except as noted in the preceding sentence), and other forms of extra pay (including Member Contributions which are paid by the employer and not deducted from the Member’s salary).
- 4) In the event an employer has established or does establish a Deferred Compensation Plan, the amount of the Member’s salary that is deferred shall be included in the Member’s base salary.
- 5) Any amounts voluntarily contributed to an Internal Revenue Code Section 125 “Cafeteria Plan” shall be included in the Member’s base salary. A Member is deemed temporarily acting in a higher rank if the appointment to the rank is anticipated to last less than six months.

Normal Retirement Date

A member’s Normal Retirement Date shall be the date on which the member has completed at least twenty-five years of credited service and has attained the age of 55.

Normal Retirement Benefit

The annual Normal Retirement Benefit shall be 2% of the average of the member’s highest three years base salary for each year of credited service up to ten years plus 2.5% for each year thereafter.

The benefit for members of affiliated social security employers will be reduced by the amount of the social security income the member receives annually, calculated as if the social security benefit started as of age 62 for benefits prior to 2007. Beginning January 1, 2007, members of affiliated social security employers will participate in the FPPA supplemental social security program which will provide benefits equal to 1% of the average of the member’s highest three years base salary for each year of credited service up to ten years plus 1.25% for each year thereafter.

Early Retirement Benefit

A member shall be eligible for an Early Retirement Benefit after completion of thirty years of service or attainment of age 50 with at least five years of credited service. The Early Retirement Benefit shall be the reduction of the Normal Retirement Benefit on an actuarially equivalent basis.

Deferred Retirement Benefit

Members who qualify for a Normal or Vested Retirement may defer the receipt of their defined benefit pension to as late as age 65 and receive the actuarial equivalent of the benefit.

Terminated Vested Benefit

A member who terminates with at least five years of service is vested. A vested member who does not withdraw their contributions from the fund is eligible for a vested benefit, payable at age 55. The monthly benefit is based on the retirement formula described above. Both the highest average salary and service are determined at the time the member leaves active employment or enters the Deferred Retirement Option Plan (DROP). Benefits may commence at age 55.

The benefit for members of affiliated social security employers earned prior to January 1, 2007 will be reduced by the amount of social security income the member receives annually.

Actuarial Section

Summary of Plan Provisions

Defined Benefit System | Statewide Defined Benefit Plan

Severance Benefits

In lieu of a future pension, a member may upon termination elect to have the member's accumulated contributions refunded in a lump sum. In addition to receiving the accumulated contributions, the member shall receive five percent of the total accumulated contributions as interest.

Benefit Adjustments for Benefits in Pay Status

Benefits to members and beneficiaries may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion and can range from 0% to the higher of 3% or the Consumer Price Index.

Contribution Rates

Members of this fund and their employers are currently each contributing at the rate of 8% of base salary.

Contributions from members and employers of plans re-entering the system are established by resolution and approved by the FPPA Board of Directors.

The contribution rate for members and employers of affiliated social security employers is 4% each effective January 1, 2007.

Stabilization Reserve Account (SRA)

Annually, at the discretion of the Board of Directors, the difference between the combined member/employer contribution and the actuarially determined contribution rate may be allocated to the stabilization reserve account. Amounts set aside in the SRA are allocated to individual accounts for each new hire member. A member may receive the amounts in his individual account only upon election of normal, early, disability, or vested retirement. If the cost of the defined benefit plan exceeds the combined member/employer contribution rate, funds from the SRA may be used to make up the shortfall. If the member leaves with less than five years of service, the SRA account is forfeited. Likewise, if a vested member elects to take a refund of member contributions instead of a retirement, the SRA is forfeited. The SRA may be payable in the event of the active member's death if the member was vested at the time of death, or if the member's survivors receive benefits from the Statewide Death & Disability Plan, the applicable SRA offset applies.

Deferred Retirement Option Program (DROP)

A member may elect to participate in the DROP after reaching eligibility for normal retirement, early retirement, or vested retirement and age 55. A member continues to work while participating in the DROP, but must terminate employment within five years of entry into the DROP. The member's percentage of retirement benefit is frozen at the time of entry into the DROP. The monthly payments that begin at entry into the DROP are accumulated in the DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. The member continues to make contributions, which are credited to the DROP. Effective January 1, 2003, the member shall self-direct the investments of their DROP funds.

Death Benefits

Upon the death of a non-vested active, unmarried member with no spouse, no dependent children, and no beneficiary, a refund of the member's contributions is paid to the member's estate. If the member was vested, single and had no dependent children and was not eligible for a Normal or Early retirement, a joint and survivor annuity may be paid to the beneficiary if greater than the refund. The benefit for members of affiliated social security employers earned prior to January 1, 2007 will be reduced by the amount of social security income the member receives annually. Survivors (spouse or dependent children) of active members who die prior to retirement eligibility are covered by the benefits provided by the Statewide Death & Disability Plan.

Changes in Plan Provisions

The plan provisions have not changed since the prior valuation.

Changes in Actuarial Assumptions

There were no changes in assumptions since the prior valuation.

Defined Benefit System | Statewide Hybrid Plan

The first actuarial valuation completed on the Statewide Hybrid Plan was in 2005.

Schedule of Active Member Valuation Data

Valuation Date	Number	Average Age	Average Service	Covered Payroll	Annual Average Pay	% Increase in Average Pay
1/1/2011	121	43.4	9.7	\$8,462,937	\$69,942	2.20%
1/1/2010	126	42.7	8.9	\$8,622,865	\$68,435	6.30%
1/1/2009	114	41.2	8.8	\$7,338,959	\$64,377	5.93%
1/1/2008	115	40.9	8.5	\$6,988,987	\$60,774	(10.08%)
1/1/2007	63	41.7	10.3	\$4,257,723	\$67,583	14.12%
1/1/2006	67	42.4	9.8	\$3,967,889	\$59,222	(16.76%)
1/1/2005	36	48.7	12.2	\$2,561,203	\$71,145	N/A

Gain | (Loss) on Actuarial Value of Assets

	Valuation as of January 1, 2011	Valuation as of January 1, 2010
Actuarial assets, prior valuation	\$15,373,546	\$13,642,709
Total Contributions since prior valuation	\$1,253,552	\$1,384,791
Benefits and refunds since prior valuation	\$162,522	(\$427,666)
Assumed net investment income at 8%		
Beginning assets	\$1,229,884	\$1,091,417
Contributions	\$50,142	\$55,392
Benefits and refunds paid	\$6,501	(\$17,107)
Total	\$1,286,527	\$1,129,702
Expected actuarial assets	\$18,076,147	\$15,729,536
Actual actuarial assets, this valuation	\$18,107,030	\$15,373,546
Net asset gain (loss) since prior valuation	\$30,883	(\$355,990)
	Gain	Loss

Schedule of Retirees and Beneficiaries Added To and Removed From Benefit Payroll

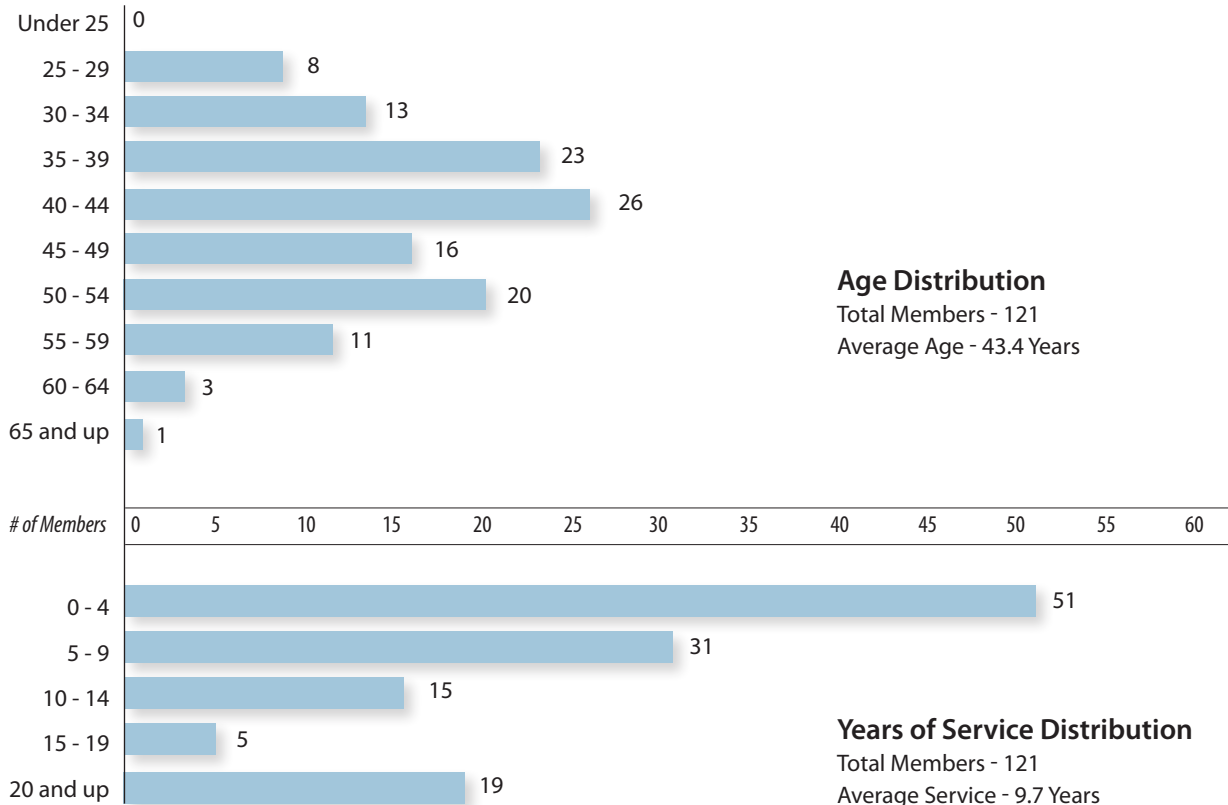
Year Ended	Added to Payroll*		Removed from Payroll		Payroll		% Increase in Annual Benefit	Average Annual Benefit
	Number	Annual Benefit	Number	Annual Benefit	Number	Annual Benefit		
12/31/2010	4	\$90,509	0	\$0	10	\$257,272	54.27%	\$25,727
12/31/2009	0	\$4,858	0	\$0	6	\$166,763	3.00%	\$27,794
12/31/2008	2	\$59,330	0	\$0	6	\$161,905	66.76%	\$26,984
12/31/2007	1	\$13,802	0	\$0	4	\$97,089	16.57%	\$24,272
12/31/2006	3	\$83,287	0	\$0	3	\$83,287	N/A	\$27,762
12/31/2005	0	\$0	0	\$0	0	\$0	N/A	\$0
12/31/2004	0	\$0	0	\$0	0	\$0	N/A	\$0

*Includes Benefit Adjustments

Actuarial Section

Defined Benefit System | Statewide Hybrid Plan

Age and Years of Service Distribution



Solvency Test

The FPPA funding objective for the Defined Benefit System - Statewide Hybrid Plan is to be able to pay the retirement benefits promised to the members including the granting of an annual benefit adjustment to all retirees and beneficiaries. Contribution rates are actuarially determined each year as the sum of the normal cost and the amortization of the unfunded accrued liability over a period of 30 years from the current valuation date. The Board of Directors then certifies the rates allocated to the Defined Benefit component of the Statewide Hybrid Plan such that the rates will remain relatively stable over time and that will meet this financing objective. As of July 1, 2010 this rate was 11.5%. Effective July 2011, the Board certified a contribution rate of 11.3%. The 11.3% will change to 12.9% as of January 1, 2012.

A short-term solvency test is used to check FPPA's funding progress towards its funding objective. In a short-term solvency test, the plan's present assets are compared with: (1) liability for active member contributions on deposit, (2) liability for future benefits to present retired lives, (3) liability for service already rendered by active members.

Expressing the net assets available for benefits as a percentage of the different liability measures provides one indication of the funding status on a going-concern basis. Generally the greater the percentages, the stronger the public employee retirement system.

The following schedule illustrates the progress in funding the various liability measures. As can be seen by the funded percentages, the liabilities are 100% covered by current assets. This plan does not have any unfunded liability and current contributions exceed the cost of annual benefit accruals.

Summary of Plan Provisions

Defined Benefit System | Statewide Hybrid Plan

Solvency Test

Valuation Date	Valuation Assets	Aggregate Accrued Liabilities For			Funded Percentages		
		(1) Active Member Contributions	(2) Retirees, and Beneficiaries	(3) Active Members (Employer Financed Portion)	(1)	(2)	(3)
1/1/2011	\$18,107,030	\$7,303,256	\$3,146,943	\$3,207,826	100%	100%	100%
1/1/2010	\$15,373,546	\$7,717,567	\$2,233,942	\$2,155,820	100%	100%	100%
1/1/2009	\$13,642,709	\$7,488,207	\$2,201,593	\$958,912	100%	100%	100%
1/1/2008	\$14,075,984	\$9,263,435	\$1,249,679	(\$738,208)	100%	100%	100%
1/1/2007	\$9,624,239	\$6,372,113	\$869,103	(\$941,794)	100%	100%	100%
1/1/2006	\$7,998,356	\$6,565,089	\$0	(\$1,198,177)	100%	100%	100%
1/1/2005	\$5,040,067	\$4,796,229	\$0	(\$760,335)	100%	100%	100%

Summary of Plan Provisions

Members Included

Members included are active employees who are full-time salaried employees of a participating municipality, fire protection district, fire authority, or county improvement district normally serving at least 1,600 hours in a calendar year and whose duties are directly involved with the provision of police or fire protection. The Plan may include clerical and other personnel from fire protection districts whose services are auxiliary to fire protection.

Compensation Considered

Base salary means the total base rate of pay including Member Contributions to the Defined Benefit System which are “picked up” by the employer. The definition of Base Salary is subject to the following conditions:

- 1) The definition of Base Salary shall also include longevity pay, sick leave pay taken in the normal course of employment, vacation leave pay taken in the normal course of employment, shift differential, and mandatory overtime that is part of the Member’s fixed, periodic compensation.
- 2) Accumulated vacation leave pay shall also be included if a Member completes his/her service requirement for purposes of normal retirement while exhausting accumulated vacation leave.
- 3) Base salary shall not include overtime pay (except as noted in (1) above), step-up pay or other pay for temporarily acting in a higher rank, uniform allowances, accumulated sick leave pay, accumulated vacation leave pay (except as noted in (2) above), and other forms of extra pay (including Member Contributions which are paid by the employer and not deducted from the Member’s salary). A member is deemed to be temporarily acting in a higher rank if the appointment to the rank is anticipated to last less than six months.
- 4) In the event an employer has established or does establish a Deferred Compensation Plan in addition to the Defined Benefit System, the amount of the Member’s salary that is deferred shall be included in the member’s base salary.
- 5) Any amounts voluntarily contributed to an Internal Revenue Code Section 125 “Cafeteria Plan” shall be included in the Member’s base salary.

Actuarial Section

Summary of Plan Provisions

Defined Benefit System | Statewide Hybrid Plan

Normal Retirement Date

A member's Normal Retirement Date shall be the date on which the member has completed at least twenty-five years of credited service and has attained the age of 55.

Normal Retirement Benefit

The annual Normal Retirement Benefit shall be 1.5% of the average of the member's highest three years base salary for each year of credited service.

Early Retirement Benefit

A member shall be eligible for an Early Retirement Benefit after completion of thirty years of service or attainment of age 50 with at least five years of credited service. The Early Retirement Benefit shall be the reduction of the Normal Retirement Benefit on an actuarially equivalent basis.

Deferred Retirement Benefit

Members who qualify for a Normal or Vested Retirement may defer the receipt of their defined benefit pension to as late as age 65 and receive the actuarial equivalent of the benefit.

Terminated Vested Benefit

A member who terminates with at least five years of active service may leave his contributions in the fund and when the member attains age 55 be eligible to receive an annual vested benefit equal to one and a half percent (1.5%) of the average of his highest three years base salary for each year of credited service.

Severance Benefits

In lieu of a future pension, a member may upon termination elect to have the member's accumulated contributions refunded in a lump sum. In addition to receiving the accumulated contributions, the member shall receive five percent of the total accumulated contributions as interest. In addition, upon termination, the vested account balance within the Money Purchase component is available to the employee.

Benefit Adjustments for Benefits in Pay Status

Benefits to members and beneficiaries may be re-determined annually on October 1. The amount of any increase is based on the Board's discretion and can range from 0-3%.

Contribution Rates

Members of this fund and their employers are currently each contributing at the rate determined by the individual employer. The amount allocated to the Defined Benefit portion of the Hybrid Plan is annually set by the Board of Directors. Effective July 1, 2010, the rate was 11.5%. Effective July 1, 2011, the rate changed to 11.3%. The 11.3% will change to 12.9% as of January 1, 2012.

Deferred Retirement Option Program (DROP)

A member may elect to participate in the DROP after reaching eligibility for normal retirement, early retirement, or vested retirement and age 55. A member continues to work while participating in the DROP, but must terminate employment within five years of entry into the DROP. The member's percentage of retirement benefit is frozen at the time of entry into the DROP. The monthly payments that begin at entry into the DROP are accumulated in the DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as a periodic installment, a lump sum, or if desired a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. The member continues to make contributions, which are credited to the DROP. The member shall self-direct the investments of their DROP funds.

Death Benefits

Upon the death of an active, unmarried member with no dependent children, a refund of the member's contributions is paid. If the member was eligible for retirement, a joint and survivor annuity may be paid to the beneficiary when the member would

Summary of Plan Provisions

Defined Benefit System | Statewide Hybrid Plan

have been age 55. Survivors (spouse or dependent children) of active members who die prior to retirement eligibility are covered by the benefits provided by the Statewide Death & Disability Plan.

Changes in Plan Provisions

The plan provisions have not changed since the prior valuation.

Changes in Actuarial Assumptions

There were no changes in assumptions since the prior valuation.

Actuarial Section

Defined Benefit System | Colorado Springs New Hire Pension Plans

Two plans joined the Defined Benefit System as of October 1, 2006. They are now one defined benefit plan, but with a fire component and a police component for fire and police employees hired by the City of Colorado Springs on or after April 8, 1978 but prior to October 1, 2006. The plans are closed to new members as of October 1, 2006.

Note: The first actuarial valuation on the Defined Benefit System – Colorado Springs New Hire Pension Plans was January 1, 2007. The fire and police components are studied separately.

Schedule of Active Member Valuation Data

	Valuation Date	Number	Average Age	Average Service	Covered Payroll	Annual Average Pay	% Increase in Average Pay
Police Component	1/1/2011	470	42.2	13.6	\$33,357,527	\$70,973	0.02%
	1/1/2010	501	41.5	12.9	\$35,550,304	\$70,959	1.41%
	1/1/2009	525	40.7	12.1	\$36,735,114	\$69,972	0.71%
	1/1/2008	562	40.1	11.3	\$39,048,754	\$69,482	8.42%
	1/1/2007	631	39.4	10.4	\$40,438,034	\$64,086	N/A
Fire Component	1/1/2011	264	43.1	14.0	\$19,664,027	\$74,485	(0.39%)
	1/1/2010	288	42.7	13.7	\$21,535,495	\$74,776	1.44%
	1/1/2009	305	42.3	13.3	\$22,483,956	\$73,718	(1.31%)
	1/1/2008	319	41.7	12.5	\$23,827,770	\$74,695	14.54%
	1/1/2007	412	39.7	10.9	\$26,867,827	\$65,213	N/A

Gain | (Loss) on Actuarial Value of Assets

	Police Component		Fire Component	
	Valuation as of January 1, 2011	Valuation as of January 1, 2010	Valuation as of January 1, 2011	Valuation as of January 1, 2010
Actuarial assets, prior valuation	\$170,960,335	\$156,099,012	\$100,709,022	\$92,515,096
Total Contributions since prior valuation	\$10,233,797	\$8,216,628	\$5,123,834	\$4,025,461
Benefits and refunds since prior valuation	(\$6,219,750)	(\$5,901,639)	(\$4,102,856)	(\$3,250,868)
Assumed net investment income at 8%				
Beginning assets	\$13,676,827	\$12,487,921	\$8,056,722	\$7,401,208
Contributions	\$409,352	\$328,665	\$204,953	\$161,018
Benefits and refunds paid	(\$248,790)	(\$236,066)	(\$164,114)	(\$130,035)
Total	\$13,837,389	\$12,580,520	\$8,097,561	\$7,432,191
Expected actuarial assets	\$188,811,771	\$170,994,521	\$109,827,561	\$100,721,880
Actual actuarial assets, this valuation	\$187,249,190	\$170,960,335	\$108,848,941	\$100,709,022
Preliminary asset gain/(loss)	(\$1,562,581)	(\$34,186)	(\$978,620)	(\$12,858)
Excess return on SRA	\$0	\$12,695	\$0	(\$3,080)
Net asset gain (loss) since prior valuation	(\$1,562,581)	(\$46,881)	(\$978,620)	(\$9,778)
	Loss	Loss	Loss	Loss

Defined Benefit System | Colorado Springs New Hire Pension Plans

Schedule of Retirees and Beneficiaries Added To and Removed From Benefit Payroll

	Year Ended	Added to Payroll*		Removed from Payroll		Payroll		% Increase in Annual Benefit	Average Annual Benefit
		Number	Annual Benefit	Number	Annual Benefit	Number	Annual Benefit		
Police	12/31/2010	21	\$1,007,007	0	\$0	166	\$6,523,775	18.3%	\$39,300
Component	12/31/2009	16	\$791,367	1	\$14,525	145	\$5,516,768	16.4%	\$38,047
	12/31/2008	17	\$847,350	0	\$0	130	\$4,739,926	21.8%	\$36,461
	12/31/2007	21	\$897,046	0	\$0	113	\$3,892,576	29.9%	\$34,448
	12/31/2006	14	\$619,230	0	\$0	92	\$2,995,530	N/A	\$32,560
Fire	12/31/2010	16	\$901,143	0	\$0	95	\$4,295,279	26.5%	\$45,213
Component	12/31/2009	14	\$725,800	0	\$0	79	\$3,394,136	27.2%	\$42,964
	12/31/2008	11	\$536,669	0	\$0	65	\$2,668,336	25.2%	\$41,051
	12/31/2007	12	\$592,154	0	\$0	54	\$2,131,667	38.5%	\$39,475
	12/31/2006	26	\$1,160,157	0	\$0	42	\$1,539,513	N/A	\$36,655

*Includes Cost-of-Living Adjustments granted since the prior valuation.

Age and Years of Service Distribution*

	Valuation Date	Average Age	Average Service
Police Component	1/1/2011	42.2	13.6
	1/1/2010	41.5	12.9
	1/1/2009	40.7	12.1
	1/1/2008	40.1	11.3
	1/1/2007	39.4	10.4
Fire Component	1/1/2011	43.1	14.0
	1/1/2010	42.7	13.7
	1/1/2009	42.3	13.3
	1/1/2008	41.7	12.5
	1/1/2007	39.7	10.9

*A breakdown by age/service was not available in the actuarial valuation.

Solvency Test

The FPPA funding objective for the Defined Benefit System – Colorado Springs New Hire Pension Plans is to be able to pay the retirement benefits promised to the members including the granting of an annual cost-of-living increase to all retirees and beneficiaries. Contribution rates are actuarially determined each year as the sum of the normal cost and the amortization of the unfunded accrued liability over a period of 27 years from the current valuation date. The Board of Directors then certifies the rates allocated to the fire and police components of the Colorado Springs New Hire Pension Plans such that the rates will remain relatively stable over time and that will meet this financing objective. As of January 1, 2011, the employer contribution is 15.095% and the employee portion is 10.0% of the employees' salary for the fire component. Effective January 1, 2012, the fire plan employer contribution is 20.248% of the members' salary and the member portion is 10.0%. For the police plan, the employer contribution is 20.906% and the employee portion is 8.0% of the employees' salary. Effective January 1, 2012, the employer contribution is 20.656% of the members' salary and the employee portion is 8.0%.

A short-term solvency test is used to check FPPA's funding progress towards its funding objective. In a short-term solvency test, the plan's present assets are compared with: (1) liability for active member contributions on deposit, (2) liability for future benefits to present retired lives, (3) liability for service already rendered by active members.

Actuarial Section

Summary of Plan Provisions

Defined Benefit System | Colorado Springs New Hire Pension Plans

Expressing the net assets available for benefits as a percentage of the different liability measures provides one indication of the funding status on a going-concern basis. Generally the greater the percentages, the stronger the public employee retirement system. The following schedule illustrates the progress in funding the various liability measures. As can be seen by the funded percentages, the liabilities are not covered by current assets.

Solvency Test

	Valuation Date	Valuation Assets (000's)	Aggregate Accrued Liabilities For			Funded Percentages		
			(1) Active Member Contributions (000's)	(2) Retirees and Beneficiaries (000's)	(3) Active Members (Employer Financed Portion) (000's)	(1)	(2)	(3)
Police Component	1/1/2011	\$187,249	\$28,721	\$96,564	\$100,804	100%	100%	61.5%
	1/1/2010	\$170,960	\$28,025	\$82,218	\$103,521	100%	100%	58.7%
	1/1/2009	\$156,099	\$26,693	\$70,017	\$101,986	100%	100%	58.2%
	1/1/2008	\$178,548	\$26,162	\$57,986	\$104,116	100%	100%	90.7%
	1/1/2007	\$159,508	\$25,345	\$45,637	\$90,549	100%	100%	97.8%
Fire Component	1/1/2011	\$108,849	\$17,297	\$59,509	\$51,103	100%	100%	62.7%
	1/1/2010	\$100,709	\$17,531	\$46,439	\$57,391	100%	100%	64.0%
	1/1/2009	\$92,515	\$17,117	\$36,551	\$59,400	100%	100%	65.4%
	1/1/2008	\$104,946	\$16,186	\$29,492	\$61,711	100%	100%	96.0%
	1/1/2007	\$98,291	\$17,106	\$21,479	\$60,554	100%	100%	98.6%

Summary of Plan Provisions

Police Component

The Plan document states that any employee may be retired from further service and shall be eligible for a normal retirement pension at any time after attaining the age of 50 years, if the member has at least twenty five years of service.

The annual normal pension shall be 2% of the member's final average salary (which is the average of the monthly base salary including longevity and third week pay, if applicable, received by the member for the 39 payroll periods immediately preceding the date the member separates service) for each full year of credited service up to ten years plus 2.75% for each full year thereafter with a maximum benefit of 75%. Cost-of-living-adjustments begin on October 1 immediately prior to the retired police officer turning age 60 or ten years after benefits payment commence, whichever is earlier. The amount of the cost-of-living-adjustment cannot exceed 3% per year subject to limitations linked to the consumer price index.

In addition, upon retirement a participant may receive additional benefits credited to the participant's Separate Retirement Account. These are attributable to contributions in excess of the actuarially determined pension cost and any earnings or losses thereon. Participants do not vest in amounts credited to their account until retirement and the Plan may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. Effective January 1, 2008, the Separate Retirement Account contribution rate for members of the Police Component was set at 0%. The rate will remain at 0% for calendar years 2011 and 2012.

A member shall be eligible for an early retirement benefit after completion of twenty years of service and attainment of age 45. The early retirement benefit is reduced by one half of one percent for each month that the member is less than age 50.

Upon termination, an employee may elect to have all member contributions, along with 5% per annum, as interest, returned as a lump sum distribution. Alternatively, a member with at least ten years of accredited service may leave contributions with the Plan and continue to be eligible for a retirement pension at age 50 equal to 2% of the member's final average salary (past 39 payroll periods) for each full year of credited service up to ten years plus 2.75% for each full year thereafter with a maximum benefit of 75%.

Summary of Plan Provisions**Defined Benefit System | Colorado Springs New Hire Pension Plans**

Members who qualify for normal retirement may defer the receipt of their defined benefit pension to as late as age 65 and receive the actuarial equivalent benefit.

Members who qualify for normal retirement may elect to participate in the Deferred Retirement Option Plan (DROP) for a maximum of five years.

Changes in Plan Provisions

The plan provisions have not changed since the prior valuation.

Changes in Actuarial Assumptions

The actuarial assumptions have not changed since the prior valuation.

Fire Component

The Plan document states that any employee may be retired from further service and shall be eligible for a normal retirement pension at any time after attaining the age of 55 years, if the member has at least twenty five years of service.

The annual normal pension shall be 2% of the member's final average salary (which is the average of the monthly base salary including longevity, mandatory overtime, and third week pay, if applicable, received by the member for the 39 payroll periods immediately preceding the date the member separates service) for each full year of credited service up to ten years plus 2.85% for each full year thereafter with a maximum benefit of 77%. Cost-of-living-adjustments begin on October 1 immediately prior to the retired firefighter turning age 65 or ten years after benefits payment commence, whichever is earlier. The amount of the cost-of-living-adjustment cannot exceed 3% per year subject to limitations linked to the consumer price index.

In addition, upon retirement a participant may receive additional benefits credited to the participant's Separate Retirement Account. These are attributable to contributions in excess of the actuarially determined pension cost and any earnings or losses thereon. Participants do not vest in amounts credited to their account until retirement and the Plan may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. Effective January 1, 2008, the Separate Retirement Account contribution rate for members of the Fire Component was set at 0%. The rate will remain at 0% for calendar years 2011 and 2012.

A member shall be eligible for an early retirement benefit after completion of twenty years of service and attainment of age 50. The early retirement benefit is reduced by 4.615% for each year that the member is less than age 55.

Upon termination, an employee may elect to have all member contributions, along with 5% per annum, as interest, returned as a lump sum distribution. Alternatively, a member with at least ten years of accredited service may leave contributions with the Plan and continue to be eligible for a retirement pension at age 55 equal to 2% of the member's final average salary (past 39 payroll periods) for each full year of credited service up to ten years plus 2.85% for each full year thereafter with a maximum benefit of 77%.

Members who qualify for normal retirement may defer the receipt of their defined benefit pension to as late as age 65 and receive the actuarial equivalent benefit.

Members may elect to participate in the Deferred Retirement Option Plan (DROP) for a maximum of five years if they are eligible for normal retirement or if the sum of their age and years of credited service equal at least 75.

Changes in Plan Provisions

The plan provisions have not changed since the prior valuation.

Changes in Actuarial Assumptions

The actuarial assumptions have not changed since the prior valuation.

Actuarial Section

Statewide Death & Disability Plan

Schedule of Active Member Valuation Data

Valuation Date	Number	Average Age	Average Service	Annual Payroll (000's)	Annual Average Pay	% Increase in Average Pay
1/1/2011	10,903	41.4	11.3	\$750,497	\$68,834	1.42%
1/1/2010	11,077	40.8	10.9	\$751,781	\$67,869	3.77%
1/1/2009	11,157	40.3	10.4	\$729,724	\$65,405	7.34%
1/1/2008	10,971	40.0	10.1	\$668,502	\$60,934	3.56%
1/1/2007	10,600	39.9	10.2	\$623,699	\$58,840	2.02%
1/1/2006	10,338	39.7	10.1	\$596,231	\$57,674	3.28%
1/1/2005	10,031	39.6	10.1	\$560,173	\$55,844	2.16%
1/1/2004	9,669	39.5	10.2	\$528,557	\$54,665	3.65%
1/1/2003	9,462	39.3	10.1	\$499,043	\$52,742	3.38%
1/1/2002	9,177	39.2	10.2	\$468,169	\$51,015	6.76%

Gain | (Loss) on Actuarial Value of Assets

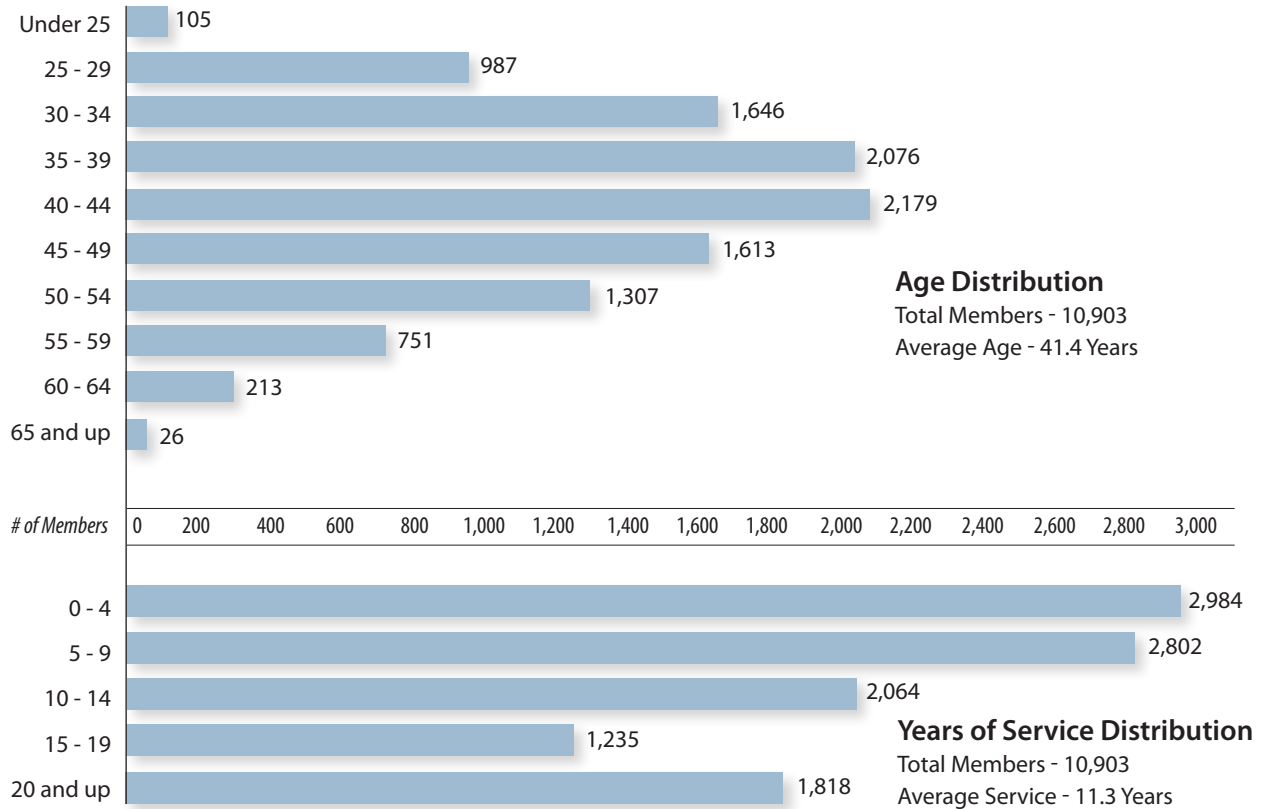
	Valuation as of January 1, 2011	Valuation as of January 1, 2010
Actuarial assets, prior valuation	\$266,477,875	\$257,279,496
Total contributions since prior valuation	\$12,258,588	\$11,956,606
Benefits since prior valuation	(\$17,435,085)	(\$16,009,654)
Assumed net investment income at 8%		
Beginning assets	\$21,318,230	\$20,582,360
Contributions	\$490,343	\$469,063
Benefits paid	(\$697,404)	(\$628,066)
Total	\$21,111,169	\$20,423,357
Expected actuarial assets	\$282,412,547	\$273,649,805
Actual actuarial assets, this valuation	\$281,577,454	\$266,477,875
Asset gain (loss) since prior valuation	(\$835,093)	(\$7,171,930)
	Loss	Loss

Schedule of Retirees and Beneficiaries Added To and Removed From Benefit Payroll

Year Ended	Added to Payroll		Removed from Payroll		Payroll		% Increase in Annual Benefit	Average Annual Benefit
	Number	Annual Benefit	Number	Annual Benefit	Number	Annual Benefit		
12/31/2010	50	\$1,366,173	9	\$185,774	853	\$17,606,189	7.19%	\$20,640
12/31/2009	54	\$1,537,193	14	\$312,334	812	\$16,425,790	8.06%	\$20,229
12/31/2008	45	\$1,259,221	20	\$339,442	772	\$15,200,931	6.44%	\$19,690
12/31/2007	39	\$1,264,925	16	\$258,356	747	\$14,281,152	7.58%	\$19,118
12/31/2006	78	\$2,061,528	11	\$223,439	724	\$13,274,583	6.06%	\$18,335
12/31/2005	49	\$1,349,934	17	\$270,411	689	\$12,516,017	9.44%	\$18,165
12/31/2004	50	\$752,870	9	\$123,720	657	\$11,436,494	5.82%	\$17,407
12/31/2003	45	\$837,778	14	\$204,551	616	\$10,807,344	5.95%	\$17,544
12/31/2002	36	\$736,302	13	\$182,056	585	\$10,200,028	11.16%	\$17,436
12/31/2001	57	\$980,000	15	\$200,000	562	\$9,175,755	16.81%	\$16,327

Statewide Death & Disability Plan

Age and Years of Service Distribution



Solvency Test

The FPPA funding objective for the Statewide Death & Disability Plan is to be able to pay the death and disability benefits promised to the members including the granting of an annual benefit adjustment to all retirees and beneficiaries.

A short-term solvency test is used to check FPPA's funding progress towards its funding objective. In a short-term solvency test, the plan's present assets are compared with: (1) liability for active member contributions on deposit, (2) liability for future benefits to present retired lives, (3) liability for service already rendered by active members.

Expressing the net assets available for benefits as a percentage of the different liability measures provides one indication of the funding status on a going-concern basis. Generally the greater the percentages, the stronger the public employee retirement system.

The following schedule illustrates the progress in funding the various liability measures. As can be seen by the funded percentages, the liabilities are 100% covered by current assets. This plan does not have any unfunded liability and current contributions exceed the cost of annual benefit accruals.

Blank space on this page is intentional. It allows the Solvency Test chart to remain in one piece.

Actuarial Section

Statewide Death & Disability Plan

Solvency Test

Valuation Date	Valuation Assets (000's)	Aggregate Accrued Liabilities For			Funded Percentages		
		(1) Active Member Contributions (000's)	(2) Retirees and Beneficiaries (000's)	(3) Active Members (Employer Financed Portion) (000's)	(1)	(2)	(3)
1/1/2011	\$281,577	\$0	\$191,243	\$69,445	100%	100%	100%
1/1/2010	\$266,478	\$0	\$178,039	\$72,671	100%	100%	100%
1/1/2009	\$257,279	\$0	\$165,740	\$76,074	100%	100%	100%
1/1/2008	\$300,643	\$0	\$154,614	\$69,386	100%	100%	100%
1/1/2007	\$274,092	\$0	\$143,706	\$114,537	100%	100%	100%
1/1/2006	\$249,299	\$0	\$135,159	\$123,568	100%	100%	92%
1/1/2005	\$223,389	\$0	\$125,741	\$105,512	100%	100%	93%
1/1/2004	\$212,273	\$0	\$118,710	\$123,256	100%	100%	76%
1/1/2003	\$218,152	\$0	\$113,476	\$147,657	100%	100%	71%
1/1/2002	\$239,456	\$0	\$104,431	\$135,363	100%	100%	100%

Summary of Plan Provisions

Members Included

Members included are active employees who are full-time salaried employees of a participating municipality or fire protection district normally serving at least 1,600 hours in a calendar year and whose duties are directly involved with the provision of police or fire protection. As of August 1, 2003, the Plan may include part-time police and fire employees. Former members and beneficiaries of former members who have died or become disabled are also included.

Compensation Considered

Base salary means the total base rate of pay including Member Contributions to the Statewide Defined Benefit Plan or Statewide Money Purchase Plan which are "picked up" by the employer:

- 1) and shall also include longevity pay, sick leave pay taken in the normal course of employment, vacation leave pay taken in the normal course of employment, shift differential, and mandatory overtime that is part of the Member's fixed, periodic compensation.
- 2) Accumulated vacation leave pay will also be included if a Member completes his/her service requirement for purposes of Normal retirement while exhausting accumulated vacation leave.
- 3) Base salary shall not include overtime pay (except as noted in the preceding sentence), step-up pay or other pay for temporarily acting in a higher rank, uniform allowances, accumulated sick leave pay, accumulated vacation leave pay (except as noted in the preceding sentence), and other forms of extra pay (including Member Contributions which are paid by the employer and not deducted from the Member's salary).
- 4) In the event an employer has established or does establish a Deferred Compensation Plan, the amount of the Member's salary that is deferred shall be included in the Member's base salary.
- 5) Any amounts voluntarily contributed to an Internal Revenue Code Section 125 "Cafeteria Plan" shall be included in the Member's base salary. A Member is deemed temporarily acting in a higher rank if the appointment to the rank is anticipated to last less than six months.
- 6) The base salary under the Statewide Death & Disability Plan for each Member of the Colorado Springs New Hire Pension Plans shall be the same as the base salary as defined in the Colorado Springs New Hire Pension Plans.

Summary of Plan Provisions**Statewide Death & Disability Plan****Pre-Retirement Death Benefits**

If a member dies prior to normal retirement eligibility while off-duty, the surviving spouse shall receive a benefit (including payments made from local defined contribution plans) equal to 40% of the monthly base salary paid to the member prior to death. An additional 10% of base salary is payable if a surviving spouse has two or more dependent children. If there is no surviving spouse, but the member had one or more dependent children, the benefit payable is 40% of the member's monthly base salary. If there is no spouse but three or more dependent children, the monthly benefit equals 50% of the member's base salary.

As of October 15, 2002, if a member dies prior to retirement while on-duty, the surviving spouse shall receive a benefit equal to 70% of the member's monthly base salary regardless of the number of dependent children. If there is no spouse but one or more dependent children living in the member's household, the monthly benefit equals 70% of the member's monthly base salary. If there are dependent children without a surviving spouse, and they do not live in the household, the benefit is 40% for the first child, and 15% for each additional child, but not greater than a 70% total benefit.

Benefits will be paid to the spouse until death and to dependent children until death, marriage or other termination of dependency. These benefits are offset by the actuarial equivalent value of the Money Purchase, DROP, and SRA account balances, as if they were converted to annuities.

Disability Benefits

A member who becomes disabled prior to normal retirement eligibility shall be eligible for disability benefits. If the member is totally disabled, he shall receive 70% of his base salary preceding disability.

If the member is occupationally disabled and his disability is determined to be a permanent occupational disability, he shall receive 50% of his base salary preceding disability regardless of his family status. If the member is occupationally disabled and his disability is determined to be a temporary occupational disability, he shall receive 40% of his base salary preceding disability regardless of his family status for up to five years.

Total disability and permanent occupational disability benefits are offset by any applicable Money Purchase, DROP or SRA balance. For member's who also participate in Social Security, disability benefits are reduced by Social Security disability benefits derived from employment as a member, if applicable. Further offset may apply based on a member's earned income.

Temporary Occupational Disability benefits are payable for a maximum of five years. Permanent Occupational and Total Disability benefits are payable as long as the member remains disabled.

Benefit Adjustments for Benefits in Pay Status

Benefits payable from the Statewide Death & Disability Plan may be subject to a benefit adjustment up to 3% each year as determined by the Board. Totally disabled members and their beneficiaries receive an automatic benefit adjustment each year of 3%.

Contributions

Members hired after 1996 contribute 2.6% of base salary. This 2.6% contribution may be paid entirely by either the employer or member, or it may be split between the employer and the member.

Offsets for SRA, DROP, and Money Purchase

Death and disability benefits are reduced by the actuarially equivalent annuities of the SRA, DROP, and Money Purchase account balances. A maximum of 16% of the annual Money Purchase contributions apply for this purpose. Benefits provided by the Statewide Death & Disability Plan are also offset by any defined benefit that the member may have received due to work as a Colorado firefighter or police officer.

Changes in Plan Provisions

The plan provisions have not changed since the prior valuation.

Changes in Actuarial Assumptions

There were no changes in assumptions since the prior valuation.

Actuarial Section

Affiliated Local Plan

Note: Data compilation began with the 1/1/1995 actuarial valuation. Actuarial studies are completed every other year for the Affiliated Local Plans. The affiliated volunteer fire pension plans' actuarial studies are completed on the odd years and the old hire actuarial pension plans' actuarial studies are completed on the even years. Each employer participating in the system is financially responsible for its own liabilities. Accordingly, the aggregate numbers presented in this section are indicative only of the overall condition of the system and are not indicative of the status of any one employer.

Schedule of Active Member Valuation Data

Valuation Date	Number of Participating Employers	Number of Paid and Volunteer Members	Annual Payroll of Paid Members	Annual Average Pay of Paid Members	% Increase in Average Pay
1/1/2010 and 1/1/2011	226	3,758	\$3,416,792	\$92,346	0.74%
1/1/2009 and 1/1/2010	227	3,730	\$3,483,331	\$91,667	12.38%
1/1/2008 and 1/1/2009	230	3,763	\$6,199,241	\$81,569	0.00%
1/1/2007 and 1/1/2008	228	3,927	\$6,199,241	\$81,569	28.87%
1/1/2005 and 1/1/2006	221	4,949	\$75,130,892	\$63,295	5.98%
1/1/2003 and 1/1/2004	220	5,179	\$70,053,951	\$59,722	48.88%
1/1/2001 and 1/1/2002	211	5,652	\$74,373,501	\$40,115	(2.67%)
1/1/1999 and 1/1/2000	191	5,687	\$82,304,632	\$41,214	(15.37%)
1/1/1997 and 1/1/1998	177	5,278	\$104,552,694	\$48,697	28.83%
1/1/1995 and 1/1/1996	154	5,033	\$96,013,582	\$37,801	N/A

Gain | (Loss) on Actuarial Value of Assets

Note: Data to calculate a gain/loss analysis on all local plans was not available as of the 1/1/2011 actuarial valuations.

Schedule of Retirees and Beneficiaries Added To and Removed From Benefit Payroll

Year Ended	Added to Payroll		Removed from Payroll		Payroll		% Increase in Annual Benefit	Average Annual Benefit
	Number	Annual Benefit	Number	Annual Benefit	Number	Annual Benefit		
1/1/2010 and 1/1/2011	N/A	N/A	N/A	N/A	6,402	\$158,394,559	N/A	\$24,741
1/1/2009 and 1/1/2010	N/A	N/A	N/A	N/A	6,185	\$156,599,326	N/A	\$25,319
1/1/2008 and 1/1/2009	N/A	N/A	N/A	N/A	6,258	\$151,639,626	N/A	\$24,231
1/1/2007 and 1/1/2008	N/A	N/A	N/A	N/A	6,046	\$150,903,385	N/A	\$24,959
1/1/2005 and 1/1/2006	N/A	N/A	N/A	N/A	5,808	\$143,788,489	N/A	\$24,757
1/1/2003 and 1/1/2004	N/A	N/A	N/A	N/A	5,516	\$113,510,844	N/A	\$20,578
1/1/2002	N/A	N/A	N/A	N/A	2,989	\$110,003,326*	N/A	\$36,803

* Does not include volunteer retirees

Note: Data to calculate the retirees and beneficiaries added to and removed from payroll on all local plans was not available prior to the 1/1/2002 actuarial valuations.

Solvency Test

Valuation Date	Valuation Assets (000's)	Aggregate Accrued Liabilities For			Funded Percentages		
		(1) Active Member Contributions (000's)	(2) Retirees and Beneficiaries (000's)	(3) Active Members (Employer Financed Portion) (000's)	(1)	(2)	(3)
1/1/2010 and 1/1/2011	\$1,626,454	*	*	\$2,038,237	N/A	N/A	79.8%
1/1/2009 and 1/1/2010	\$1,618,456	*	*	\$2,036,108	N/A	N/A	79.5%
1/1/2008 and 1/1/2009	\$1,855,494	*	*	\$2,081,304	N/A	N/A	89.2%
1/1/2007 and 1/1/2008	\$1,859,987	*	*	\$2,064,576	N/A	N/A	90.1%
1/1/2005 and 1/1/2006	\$1,818,994	*	*	\$2,246,573	N/A	N/A	81.0%
1/1/2003 and 1/1/2004	\$1,642,271	*	*	\$2,160,729	N/A	N/A	76.0%
1/1/2001 and 1/1/2002	\$1,902,729	*	*	\$2,086,914	N/A	N/A	91.2%
1/1/1999 and 1/1/2000	\$1,824,520	*	*	\$1,958,960	N/A	N/A	93.1%
1/1/1997 and 1/1/1998	\$1,466,608	*	*	\$1,814,000	N/A	N/A	80.8%
1/1/1995 and 1/1/1996	\$1,121,445	*	*	\$1,593,928	N/A	N/A	70.4%

* Included in Column 3.

Summary of Plan Provisions

Members Included

The Affiliated Local Plans are for the benefit of two distinct groups. The first of those are fire and police employees of affiliated employers hired prior to April 8, 1978 (Old Hires). The second of those are the volunteer firefighters of affiliated plans.

Compensation Considered

Base salary, including longevity, sick and vacation pay.

Volunteer members are not compensated. Their benefit is generally based on the total assets in the plan.

Normal Retirement Date

A member's Normal Retirement Date varies with each Old Hire plan. Several plans are based on the date a member has completed years of credited service, usually twenty to twenty five years. Most plans require the member to complete twenty to twenty five years of credited service and attain the age of 50 to 55.

Volunteer plans Normal Retirement Date is at age 50 with 20 years of service.

Normal Retirement Benefit

The annual Normal Retirement Benefit varies with each Old Hire plan. The benefit calculation ranges from 50-75% of salary. Several plans offer a lump sum actuarial equivalent benefit.

Volunteer plans offer a flat dollar benefit from \$0 - \$1,400 per month.

Deferred Vested Benefit

Some Old Hire plans allow a member to leave their contributions in the fund and be eligible to receive a vested benefit based on salary times years of credited service at termination, usually with a maximum benefit of 50% of pay. The benefit is payable at normal retirement age, typically age 50 or 55. The minimum eligibility for this benefit is usually ten or twenty years of service at termination. Most plans do not offer deferred vested benefits.

Actuarial Section

Summary of Plan Provisions

Affiliated Local Plan

Volunteer plans offer a flat dollar benefit that ranges from 50-100% of the normal retirement benefit depending on the years of credited service at termination. The benefit is usually payable at age 50.

Severance Benefits

In lieu of a future pension, some Old Hire plans offer their members upon termination an election to have accumulated contributions refunded in a lump sum. In addition to receiving accumulated contributions, the member may receive interest on the total accumulated contributions. Most plans do not offer severance benefits.

Volunteer plans are restricted by statute and cannot offer severance benefits.

Cost-of-Living Adjustments for Benefits in Pay Status

Several Old Hire plans offer a cost-of-living increase to their retirees and beneficiaries. Some only offer an ad-hoc cost-of-living increase. Others offer an escalation benefit based on the rank at which the member retired.

Volunteer plans are restricted by statute and cannot offer a cost-of-living increase.

Contribution Rates

The contribution rate varies for each Old Hire plan. Paid member rates range from 0-10%.

Volunteer members do not contribute to their plan.

Pre-Retirement Death and Disability Benefits

The paid Old Hire members are covered by the Statewide Death & Disability Plan.

Some volunteer plans offer a 50% benefit. All volunteer plans are required to pay at least a \$100 lump sum funeral benefit.

Post-Retirement Death Benefits

Most Old Hire plans offer a 50-100% benefit to the surviving spouse until death or remarriage. Some plans also offer actuarially equivalent post-retirement death benefits.

Some volunteer plans offer a 50% benefit to the surviving spouse until death or remarriage.

Deferred Retirement Option Plan (DROP)

Several Old Hire plans allow a member to participate in the DROP after reaching eligibility for normal or delayed retirement. A member continues to work while participating in the DROP, but must terminate employment within a given time frame, generally between three to five years of entry into the DROP. The member's percentage of retirement benefit is frozen at the time of entry into the DROP. The monthly payments accumulate in the DROP account until the member terminates service, at which time the DROP and accumulated benefits can be paid as a lump sum or periodic payments, if desired. The member continues contributing the employee percentage of pay which is credited to the DROP.

Volunteer plans are restricted by statutes and cannot offer a DROP.

Changes in Plan Provisions

The provisions of the local plans will vary from plan to plan, as will the periodic changes made to the plans.

Changes in Actuarial Assumptions

There were no changes in assumptions since the prior valuations.

The objectives of the statistical section are to provide additional historical perspective, context, and relevant details to assist readers in using information in the financial statements, notes to the financial statements, and required supplementary information in order to understand and assess the overall financial condition of the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund. In support of these objectives, FPPA reports information in this section in compliance with GASB Statement 44, Economic Condition Reporting: The Statistical Section. This statement establishes standardized reporting requirements relative to the supplementary information provided in this section.



- The table on pages 118-119 reflects the funds received by the Local “Old Hire” police and fire plans from the State of Colorado for the purpose of reducing the unfunded liabilities within those plans.
- The tables on page 120 detail revenue and expense categories for the past 10 years.
- The schedules beginning on page 121 show financial trend information about the growth of FPPA’s assets within various reporting entities. These schedules, entitled “Changes in Fiduciary Net Assets”, provide detailed information about the trends of key sources of additions and deductions to the Plans’ assets, which assist in providing a context framing how the Plans’ financial position have changed over time.
- Pages 125-127 contain the Schedule of Average Benefit Payments for New Benefit Recipients which outline payment information according to Retirement Year within ranges of Years of Service Credit.
- The listing of Principal Participating Employers by Plan is found on pages 128-140.
- The listing of all Employers affiliated for coverage under each applicable Plan are on pages 141-144.
- The tables on page 145-147 outline Benefit and Refund Deductions from Net Assets by Type.
- The schedules and graphs beginning on page 148 show demographic and economic information. The demographic information is designed to provide additional insight regarding FPPA’s active and retired membership. The economic information provides an overall summary of the sources of change within the Total Pension Fund Assets managed by FPPA. All non-accounting data is derived from FPPA internal sources. The demographic and economic information presented includes:
 - Active Members by Plan Type
 - Retired Members by Plan Type
 - Defined Benefit System Membership by Status
 - Statewide Death & Disability Plan Membership by Status
 - Active and Retired Members by Occupation
 - Growth of Total Pension Fund Assets
 - Schedule of Retired Members by Type of Benefit.

While the material in this section is intended to supplement the independent auditor’s report contained elsewhere, none of the information within the Statistical Section has been reviewed or certified as to its accuracy by FPPA’s auditors.

Statistical Section

2011 Distribution of Funds Directly Received by the State of Colorado

State Funds Allocated to Local Plans to Reduce Unfunded Liabilities

	1999	2000	2001	2002
Aurora Fire	\$0	\$0	\$0	\$0
Aurora Police	1,032,476	0	0	0
Colorado Springs Fire	0	0	0	0
Colorado Springs Police	646,302	0	0	0
Denver Fire	9,172,120	9,827,860	9,960,439	9,960,439
Denver Police	11,604,493	12,434,131	12,601,870	12,601,870
Grand Junction Fire	314,551	337,039	0	0
Grand Junction Police	265,881	284,890	288,733	288,733
Greeley Fire (Union Colony)	606,039	649,366	658,126	658,126
Greeley Police		0	0	0
Pueblo Fire	890,508	954,172	967,044	967,044
Pueblo Police	0	0	0	0
Rocky Ford Fire	10,710	0	0	0
Rocky Ford Police	0	0	0	0
Lakewood FPD	625,612	670,339	679,382	679,382
Lamar Fire	0	0	0	0
Leadville Fire	0	0	0	0
North Washington FPD	144,430	154,756	156,844	156,844
All Other	7,957	8,526	8,641	8,641
Total	\$25,321,079	\$25,321,079	\$25,321,079	\$25,321,079

**Senate Bill 2003-263 suspended funding from 2003-2005.*

***Senate Bill 2009-227 suspended funding from 2009-2011.*

2003-2005*	2006	2007	2008	2009-2011**	Total (1980-2011)
\$0	\$0	\$0	\$0	\$0	\$2,502,878
0	0	0	0	0	9,175,314
0	0	0	0	0	9,947,115
0	0	0	0	0	11,496,947
0	9,960,439	13,683,617	13,684,810	0	191,916,661
0	12,601,870	17,312,406	17,313,915	0	251,483,929
0	0	0	0	0	4,589,087
0	288,733	396,660	396,694	0	5,568,173
0	658,126	904,131	904,210	0	10,268,368
0	0	0	0	0	192,075
0	967,044	1,328,522	1,328,638	0	20,102,337
0	0	0	0	0	1,699,753
0	0	0	0	0	131,044
0	0	0	0	0	14,005
0	679,382	933,333	933,414	0	12,130,697
0	0	0	0	0	23,293
0	0	0	0	0	44,719
0	156,844	215,472	215,491	0	2,607,898
0	8,641	0	0	0	4,413,438
\$0	\$25,321,079	\$34,774,141	\$34,777,172	\$0	\$538,307,731

Statistical Section

Revenues by Source — All Plans

For Year Ended	Investment Earnings	State Funding	Employers	Employees	Affiliations	Total
2011	\$24,699,751	3,102,866	101,823,398	115,127,440	85,939,479	\$330,692,934
2010	\$402,703,434	3,078,432	89,914,037	79,691,769	211,874	\$575,599,546
2009	\$515,320,880	2,908,504	79,071,860	72,855,332	226,112,745	\$696,269,321
2008	(\$1,072,758,209)	37,592,294	88,810,611	60,950,939	1,051,718	(\$884,352,647)
2007	\$307,987,773	37,593,512	85,552,218	76,320,853	70,777,656	\$578,323,012
2006	\$428,071,167	27,970,106	86,508,062	57,931,399	5,986,434	\$606,467,168
2005	\$270,239,803	2,628,849	85,341,786	53,119,943	12,576,166	\$423,906,547
2004	\$289,931,244	1,962,294	67,491,499	61,505,739	21,758,372	\$442,649,148
2003	\$441,061,479	2,425,586	58,278,401	49,414,320	3,545,138	\$554,724,924
2002	(\$203,473,694)	28,060,171	55,686,872	44,081,226	364,746	(\$75,280,679)
2001	(\$162,204,276)	27,432,188	53,003,474	44,873,291	10,679,999	(\$26,215,324)

Revenue Allocation — All Plans

For Year Ended	Additions to Fund Balance	Benefit Payments	Administrative Expenses	Refunds & Withdrawals	Total
2011	\$26,307,100	221,287,914	7,386,801	75,711,119	\$330,692,934
2010	\$314,956,021	217,548,445	6,501,353	36,593,727	\$575,599,546
2009	\$461,550,570	196,224,840	5,829,521	32,664,390	\$696,269,321
2008	(\$1,104,966,569)	185,187,189	5,215,816	30,210,917	(\$884,352,647)
2007	\$352,182,265	173,142,569	4,197,336	48,709,842	\$578,323,012
2006	\$401,908,001	164,846,096	4,203,557	35,509,514	\$606,467,168
2005	\$211,727,492	156,721,164	3,698,198	51,759,693	\$423,906,547
2004	\$247,094,343	150,284,940	3,654,837	41,615,028	\$442,649,148
2003	\$387,708,585	142,466,923	3,149,814	21,399,602	\$554,724,924
2002	(\$231,233,712)	133,970,296	3,320,776	18,661,961	(\$75,280,679)
2001	(\$172,154,282)	125,003,556	3,122,013	17,813,389	(\$26,215,324)

Expenses by Type — All Plans

For Year Ended	Benefit Payments	Refunds	Administrative Expenses	Capital Expenses	Total Expenses
2011	\$221,287,914	75,711,119	7,386,801	391,016	\$304,776,850
2010	\$217,548,445	36,593,727	6,501,353	202,049	\$260,845,574
2009	\$196,224,840	32,664,390	5,829,521	6,700	\$234,725,451
2008	\$185,187,189	30,210,917	5,215,816	60,051	\$220,673,973
2007	\$173,142,569	48,709,842	4,197,336	66,012	\$226,115,759
2006	\$164,846,096	35,509,514	4,203,557	42,615	\$204,601,782
2005	\$156,721,164	51,759,693	3,698,198	42,507	\$212,221,562
2004	\$150,284,940	41,615,028	3,654,837	74,800	\$195,629,605
2003	\$142,466,923	21,399,602	3,149,814	48,797	\$167,065,136
2002	\$133,970,296	19,823,566	3,320,776	55,386	\$157,170,024

Changes in Fiduciary Net Assets

Affiliated Local Plans

	2011	2010	2009	2008	2007
Additions					
Employer Contributions	\$46,108,486	\$37,239,905	\$30,813,175	\$46,007,841	\$47,549,603
Member Contributions	169,643	276,165	366,911	640,234	1,238,824
Affiliations (Withdrawals)	2,512,024	(678,910)		21,194	7,042,765
State Contributions	3,102,866	3,078,432	2,908,504	37,592,294	37,593,512
Investment Income (Loss)	11,809,291	178,431,326	240,361,700	(552,351,083)	167,049,310
Total Additions	\$63,702,310	\$218,346,918	\$274,450,290	(\$468,089,520)	\$260,474,014
Deductions					
Benefit Payments:					
Retirees/Survivors	162,511,376	164,220,145	157,644,750	152,270,531	146,375,432
Death/Disability					
Refunds of Contributions	584,749	1,823,003	5,045,932	2,958,380	3,219,143
Administrative Costs	3,002,396	2,927,262	2,797,233	2,693,660	2,337,465
Total Deductions	\$166,098,521	\$168,970,410	\$165,487,915	\$157,922,571	\$151,932,040
Changes in Net Assets Available for Benefits	(102,396,211)	49,376,508	108,962,375	(626,012,091)	108,541,974
Net Assets Held at Beginning of Year	1,464,759,858	1,415,383,350	1,306,420,975	1,932,433,066	1,823,891,092
Net Assets Held at End of Year	\$1,362,363,647	\$1,464,759,858	\$1,415,383,350	\$1,306,420,975	\$1,932,433,066

Note: Information prior to 2007 is not available.

Statewide Death & Disability Plan

	2011	2010	2009	2008	2007
Additions					
Employer Contributions	\$10,602,122	\$10,001,394	\$9,573,756	\$8,562,034	\$7,522,862
Member Contributions	2,354,267	2,307,656	2,311,648	2,356,603	2,372,335
Affiliations (Withdrawals)					
State Contributions					
Investment Income (Loss)	2,035,621	33,679,604	42,062,468	(89,411,107)	26,139,800
Total Additions	\$14,992,010	\$45,988,654	\$53,947,872	(\$78,492,470)	\$36,034,997
Deductions					
Benefit Payments:					
Retirees/Survivors					
Death/Disability	18,217,570	17,376,644	15,995,412	14,886,707	13,741,872
Refunds of Contributions	47,192	58,440	14,242		
Administrative Costs	592,716	544,161	485,984	435,765	369,928
Total Deductions	\$18,857,478	\$17,979,245	\$16,495,638	\$15,322,472	\$14,111,800
Changes in Net Assets Available for Benefits	(3,865,468)	28,009,409	37,452,234	(93,814,942)	21,923,197
Net Assets Held at Beginning of Year	280,179,114	252,169,705	214,717,471	308,532,413	286,609,216
Net Assets Held at End of Year	\$276,313,646	\$280,179,114	\$252,169,705	\$214,717,471	\$308,532,413

Note: Information prior to 2007 is not available.

Statistical Section

Changes in Fiduciary Net Assets *continued*

Defined Benefit System

	2011	2010	2009	2008	2007
Additions					
Employer Contributions	\$41,676,619	\$40,075,299	\$36,109,248	\$31,867,543	\$29,464,995
Member Contributions	76,527,790	41,303,655	46,415,422	33,780,203	49,112,009
Affiliations (Withdrawals)					
State Contributions					
Investment Income (Loss)	9,332,179	165,582,369	193,591,955	(382,348,087)	103,317,713
Total Additions	\$127,536,588	\$246,961,323	\$276,116,625	(\$316,700,341)	\$181,894,717
Deductions					
Benefit Payments:					
Retirees/Survivors	40,558,968	35,951,656	22,584,678	18,029,951	13,025,265
Death/Disability					
Refunds of Contributions	2,400,352	1,883,717	2,488,556	4,076,623	5,375,671
Administrative Costs	3,043,671	2,644,986	2,219,881	1,854,959	1,489,943
Total Deductions	\$46,002,991	\$40,480,359	\$27,293,115	\$23,961,533	\$19,890,879
Changes in Net Assets Available for Benefits	81,533,597	206,480,964	248,823,510	(340,661,874)	162,003,838
Net Assets Held at Beginning of Year	1,391,058,120	1,184,577,156	935,753,646	1,276,415,520	1,114,411,682
Net Assets Held at End of Year	\$1,472,591,717	\$1,391,058,120	\$1,184,577,156	\$935,753,646	\$1,276,415,520

Note: Information prior to 2007 is not available.

Fire & Police Members' Statewide Money Purchase Plan

	2011	2010	2009	2008	2007
Additions					
Employer Contributions	\$313,947	\$319,739	\$295,874	\$282,877	\$250,200
Member Contributions	297,614	312,330	295,874	283,369	250,200
Affiliations (Withdrawals)		25,671			
State Contributions					
Investment Income (Loss)	71,541	684,169	958,382	(1,405,228)	417,710
Total Additions	\$683,102	\$1,341,909	\$1,550,130	(\$838,982)	\$918,110
Deductions					
Benefit Payments:					
Retirees/Survivors					
Death/Disability					
Refunds of Contributions	175,587	402,564	262,920	500,040	644,083
Administrative Costs	11,116	6,460	14,623		
Total Deductions	\$186,703	\$409,024	\$277,543	\$500,040	\$644,083
Changes in Net Assets Available for Benefits	496,399	932,885	1,272,587	(1,339,022)	274,027
Net Assets Held at Beginning of Year	5,809,323	4,876,438	3,603,851	4,942,873	4,668,846
Net Assets Held at End of Year	\$6,305,722	\$5,809,323	\$4,876,438	\$3,603,851	\$4,942,873

Note: Information prior to 2007 is not available.

Changes in Fiduciary Net Assets *continued***Self-Directed Assets for Affiliated Local & Defined Benefit System Plans**

	2011	2010	2009	2008	2007
Additions					
Employer Contributions	\$2,421,796	\$2,277,700	\$2,279,807	\$2,065,284	\$684,519
Member Contributions	29,697,334	28,407,353	17,604,699	17,009,496	16,815,374
Affiliations (Withdrawals)	83,427,455	865,113	26,112,745	1,532,625	69,134,962
State Contributions					
Investment Income (Loss)	1,596,788	16,632,880	27,211,960	(30,051,876)	6,163,503
Total Additions	\$117,143,373	\$48,183,046	\$73,209,211	(\$9,444,471)	\$92,798,358
Deductions					
Benefit Payments:					
Retirees/Survivors					
Death/Disability					
Refunds of Contributions	67,711,031	27,588,789	22,942,996	20,852,584	36,396,439
Administrative Costs	649,032	336,571	271,171		
Total Deductions	\$68,360,063	\$27,925,360	\$23,214,167	\$20,852,584	\$36,396,439
Changes in Net Assets Available for Benefits	48,783,310	20,257,686	49,995,044	(30,297,055)	56,401,919
Net Assets Held at Beginning of Year	180,623,087	160,365,401	110,370,357	140,667,412	84,265,493
Net Assets Held at End of Year	\$229,406,397	\$180,623,087	\$160,365,401	\$110,370,357	\$140,667,412

Note: Information prior to 2007 is not available.

IRC 457 Deferred Compensation Plan

	2011	2010	2009	2008	2007
Additions					
Employer Contributions	\$700,428				
Member Contributions	6,080,792	7,084,610	5,860,778	6,856,002	6,433,829
Affiliations (Withdrawals)					
State Contributions					
Investment Income (Loss)	(145,669)	7,693,086	11,134,415	(17,374,290)	4,745,946
Total Additions	\$6,635,551	\$14,777,696	\$16,995,193	(\$10,518,288)	\$11,179,775
Deductions					
Benefit Payments:					
Retirees/Survivors					
Death/Disability					
Refunds of Contributions	4,792,208	4,837,214	1,909,744	1,821,135	2,861,400
Administrative Costs	87,870	41,913	40,629		
Total Deductions	\$4,880,078	\$4,879,127	\$1,950,373	\$1,821,135	\$2,861,400
Changes in Net Assets Available for Benefits	1,755,473	9,898,569	15,044,820	(12,339,423)	8,318,375
Net Assets Held at Beginning of Year	61,989,750	52,091,181	37,046,361	49,385,784	41,067,409
Net Assets Held at End of Year	\$63,745,223	\$61,989,750	\$52,091,181	\$37,046,361	\$49,385,784

Note 1: 2011 is the first year in which Contributions have been split between Employer and Member for financial reporting purposes for this Plan.

Note 2: Information prior to 2007 is not available.

Statistical Section**Changes in Fiduciary Net Assets** *continued***FPPA Staff Healthcare Subsidy Plan**

	2011	2010	2009	2008	2007
Additions					
Employer Contributions	\$14,823	\$14,316	\$13,632	\$12,425	\$8,600
Member Contributions					
Affiliations (Withdrawals)					
State Contributions					
Investment Income (Loss)	962	17,556	19,670	(38,716)	11,167
Total Additions	\$15,785	\$31,872	\$33,302	(\$26,291)	\$19,767
Deductions					
Benefit Payments:					
Retirees/Survivors	5,958	7,041	6,349	1,348	2,226
Death/Disability					
Refunds of Contributions					
Administrative Costs					853
Total Deductions	\$5,958	\$7,041	\$6,349	\$1,348	\$3,079
Changes in Net Assets Available for Benefits	9,827	24,831	26,953	(27,639)	16,688
Net Assets Held at Beginning of Year	156,098	131,267	104,314	131,953	115,265
Net Assets Held at End of Year	\$165,925	\$156,098	\$131,267	\$104,314	\$131,953

Note: Information prior to 2007 is not available.

Schedule of Average Benefit Payments for New Benefit Recipients

Affiliated Local Plans

Year Retired	In Total
1/1/11 - 12/31/11	
Average monthly benefit	\$456
Average highest average salary	Not Available
Number of service retirees	135
1/1/10 - 12/31/10	
Average monthly benefit	\$415
Average highest average salary	Not Available
Number of service retirees	172
1/1/09 - 12/31/09	
Average monthly benefit	\$429
Average highest average salary	Not Available
Number of service retirees	125
1/1/08 - 12/31/08	
Average monthly benefit	\$399
Average highest average salary	Not Available
Number of service retirees	95
1/1/07 - 12/31/07	
Average monthly benefit	\$1,717
Average highest average salary	Not Available
Number of service retirees	200

Note 1: Information prior to 2007 is not available.
 Note 2: Information on Years of Service is not available for the Affiliated Local Plans.

Statewide Death & Disability Plan

Year Retired	In Total
1/1/11 - 12/31/11	
Average monthly benefit	\$2,199
Average final salary	5,781
Number of service retirees	33
1/1/10 - 12/31/10	
Average monthly benefit	\$2,221
Average final salary	5,804
Number of service retirees	50
1/1/09 - 12/31/09	
Average monthly benefit	\$2,372
Average final salary	Not Available
Number of service retirees	54
1/1/08 - 12/31/08	
Average monthly benefit	\$2,332
Average final salary	Not Available
Number of service retirees	45
1/1/07 - 12/31/07	
Average monthly benefit	\$2,703
Average final salary	Not Available
Number of service retirees	39

Note 1: Information prior to 2007 is not available.
 Note 2: Service is not taken into consideration in the benefit calculation for the Statewide Death & Disability Plan, therefore only totals are available.

Statistical Section

Schedule of Average Benefit Payments for New Benefit Recipients *continued*

Defined Benefit System - Statewide Defined Benefit Plan

Year Retired	Years of Service Credit					
	0-10	10-15	15-20	20-25	25-30	30+
1/1/11 - 12/31/11						
Average monthly benefit	\$708	\$986	\$1,459	\$3,003	\$4,031	\$4,775
Average highest average salary	\$5,403	\$4,914	\$4,656	\$6,329	\$6,842	\$6,786
Number of service retirees	4	9	6	24	44	43
1/1/10 - 12/31/10						
Average monthly benefit	\$681	\$863	\$1,692	\$3,171	\$3,954	\$4,571
Average highest average salary	\$1,958	\$3,607	\$4,463	\$6,487	\$6,829	\$6,945
Number of service retirees	4	4	13	15	32	26
1/1/09 - 12/31/09						
Average monthly benefit	\$0	\$834	\$2,275	\$2,527	\$3,600	\$4,601
Average highest average salary	\$0	\$3,903	\$5,755	\$5,457	\$6,056	\$6,613
Number of service retirees	0	8	7	13	30	17
1/1/08 - 12/31/08						
Average monthly benefit	\$1,165	\$1,193	\$1,632	\$2,566	\$3,667	\$3,717
Average highest average salary	\$3,940	\$3,957	\$4,107	\$4,965	\$5,478	\$6,892
Number of service retirees	2	5	9	15	26	8

Note: Detailed information prior to 2008 is not available.

Defined Benefit System - Statewide Hybrid Plan - Defined Benefit Component

Year Retired	Years of Service Credit					
	0-10	10-15	15-20	20-25	25-30	30+
1/1/11 - 12/31/11						
Average monthly benefit	\$4,560	\$1,671	\$0	\$0	\$0	\$4,889
Average highest average salary	N/A	\$8,854	\$0	\$0	\$0	\$7,530
Number of service retirees	1	1	0	0	0	1
1/1/10 - 12/31/10						
Average monthly benefit	\$0	\$993	\$0	\$0	\$1,801	\$2,374
Average highest average salary	\$0	\$4,168	\$0	\$0	\$5,674	\$6,331
Number of service retirees	0	1	0	0	1	2
1/1/09 - 12/31/09						
Average monthly benefit	\$0	\$0	\$0	\$0	\$0	\$0
Average highest average salary	\$0	\$0	\$0	\$0	\$0	\$0
Number of service retirees	0	0	0	0	0	0
1/1/08 - 12/31/08						
Average monthly benefit	\$0	\$0	\$0	\$0	\$1,579	\$3,365
Average highest average salary	\$0	\$0	\$0	\$0	\$4,887	\$7,901
Number of service retirees	0	0	0	0	1	1

Note: Detailed information prior to 2008 is not available.

Schedule of Average Benefit Payments for New Benefit Recipients *continued*

Defined Benefit System - Colorado Springs New Hire Pension Plans (Combined Police and Fire Components)

Year Retired	Years of Service Credit					
	0-10	10-15	15-20	20-25	25-30	30+
1/1/11 - 12/31/11						
Average monthly benefit	\$0	\$1,228	\$2,188	\$3,513	\$4,710	\$5,255
Average final average salary	\$0	\$5,395	\$6,055	\$6,769	\$7,081	\$6,955
Number of service retirees	0	1	5	7	12	7
1/1/10 - 12/31/10						
Average monthly benefit	\$0	\$1,283	\$1,843	\$3,607	\$4,397	\$5,879
Average final average salary	\$0	\$5,639	\$5,064	\$6,746	\$6,903	\$8,512
Number of service retirees	0	1	3	6	19	8
1/1/09 - 12/31/09						
Average monthly benefit	\$0	\$930	\$1,567	\$3,092	\$4,596	\$5,188
Average final average salary	\$0	\$4,312	\$5,223	\$5,839	\$7,030	\$6,868
Number of service retirees	0	3	1	6	8	12
1/1/08 - 12/31/08						
Average monthly benefit	\$0	\$1,767	\$0	\$3,238	\$4,116	\$5,981
Average final average salary	\$0	\$5,684	\$0	\$5,923	\$6,390	\$7,961
Number of service retirees	0	1	0	7	17	3

Note: Detailed information prior to 2008 is not available.

FPPA Staff Healthcare Subsidy Plan

Year Retired	Years of Service Credit					
	0-10	10-15	15-20	20-25	25-30	30+
1/1/11 - 12/31/11						
Average monthly benefit	\$0	\$0	\$0	\$0	\$0	\$0
Average highest average salary	<i>Highest Average Salary is not taken into consideration in the benefit calculation for this plan.</i>					
Number of service retirees	0	0	0	0	0	0
1/1/10 - 12/31/10						
Average monthly benefit	\$0	\$0	\$0	\$0	\$0	\$0
Average highest average salary	<i>Highest Average Salary is not taken into consideration in the benefit calculation for this plan.</i>					
Number of service retirees	0	0	0	0	0	0
1/1/09 - 12/31/09						
Average monthly benefit	\$0	\$0	\$0	\$0	\$288	\$0
Average highest average salary	<i>Highest Average Salary is not taken into consideration in the benefit calculation for this plan.</i>					
Number of service retirees	0	0	0	0	1	0
1/1/08 - 12/31/08						
Average monthly benefit	\$0	\$0	\$213	\$0	\$0	\$0
Average highest average salary	<i>Highest Average Salary is not taken into consideration in the benefit calculation for this plan.</i>					
Number of service retirees	0	0	1	0	0	0
1/1/07 - 12/31/07						
Average monthly benefit	\$0	\$0	\$0	\$0	\$0	\$0
Average highest average salary	<i>Highest Average Salary is not taken into consideration in the benefit calculation for this plan.</i>					
Number of service retirees	0	0	0	0	0	0

Note: Information for years prior to 2007 is not available.

Statistical Section

Principal Participating Employers

Affiliated Local Plans

Employer	Rank	Covered Active Members as of 12/31/11	Percentage of Total Plan
Durango Fire & Rescue Authority (Volunteer)	1	96	2.36%
Golden Volunteer Fire Department	2	93	2.28%
Evergreen Fire (Volunteer)	3	89	2.18%
South Adams County Fire Protection District (Volunteer)	4	88	2.16%
Elk Creek Fire Protection District (Volunteer)	5	66	1.62%
Bennet Fire Protection District (Volunteer)	6	62	1.52%
Telluride Fire Protection District (Volunteer)	6	62	1.52%
Carbondale and Rural Fire Protection District (Volunteer)	7	55	1.35%
Wellington Fire Protection District (Volunteer)	8	53	1.30%
Divide Fire (Volunteer)	9	52	1.28%
Forence Fire Protection District (Volunteer)	10	51	1.25%

Employer	Rank	Covered Active Members as of 12/31/10	Percentage of Total Plan
Golden Volunteer Fire Department	1	94	2.31%
Durango Fire & Rescue Authority (Volunteer)	2	89	2.18%
South Adams County Fire Protection District (Volunteer)	3	86	2.11%
Bennet Fire Protection District (Volunteer)	4	63	1.55%
Evergreen Fire (Volunteer)	4	63	1.55%
Foothills Fire Protection District (Volunteer)	4	63	1.55%
Telluride Fire Protection District (Volunteer)	4	63	1.55%
Larkspur Fire Protection District (Volunteer)	5	55	1.35%
Carbondale and Rural Fire Protection District (Volunteer)	6	52	1.28%
Forence Fire Protection District (Volunteer)	7	51	1.25%
Palmer Lake Fire (Volunteer)	8	46	1.13%
Denver Fire Old Hire Fire DROP	9	44	1.08%
Divide Fire (Volunteer)	10	43	1.06%

Employer	Rank	Covered Active Members as of 12/31/09	Percentage of Total Plan
Durango Fire & Rescue Authority (Volunteer)	1	92	2.31%
Golden Volunteer Fire Department	2	88	2.21%
South Adams County Fire Protection District (Volunteer)	3	66	1.66%
Bennet Fire Protection District (Volunteer)	4	65	1.63%
Evergreen Fire (Volunteer)	5	64	1.61%
Telluride Fire Protection District (Volunteer)	6	63	1.58%
Forence Fire Protection District (Volunteer)	7	57	1.43%
Carbondale and Rural Fire Protection District (Volunteer)	8	56	1.41%
Larkspur Fire Protection District (Volunteer)	9	55	1.38%
Foothills Fire Protection District (Volunteer)	10	48	1.20%

Note 1: Data for the number of members by employer for years prior to 2007 is not available.

Note 2: The majority of the plans in this group are closed plans and do not have active members.

Principal Participating Employers *continued*

Affiliated Local Plans *continued*

Employer	Rank	Covered Active Members as of 12/31/08	Percentage of Total Plan
Durango Fire & Rescue Authority (Volunteer)	1	107	2.39%
South Adams County Fire Protection District (Volunteer)	2	94	2.10%
Evergreen Fire (Volunteer)	3	86	1.92%
Golden Volunteer Fire Department	4	82	1.83%
Forence Fire Protection District (Volunteer)	5	77	1.72%
Mountain View Fire Protection District (Volunteer)	6	68	1.52%
Evans Volunteer Fire Department	7	62	1.38%
Telluride Fire Protection District (Volunteer)	8	61	1.36%
Lafayette Fire (Volunteer)	9	60	1.34%
Inter-Canyon Fire Protection District (Volunteer)	10	54	1.21%
Larkspur Fire Protection District (Volunteer)	10	54	1.21%

Employer	Rank	Covered Active Members as of 12/31/07	Percentage of Total Plan
Durango Fire & Rescue Authority (Volunteer)	1	108	2.39%
Evergreen Fire (Volunteer)	2	86	1.91%
Golden Volunteer Fire Department	3	83	1.84%
Forence Fire Protection District (Volunteer)	4	74	1.64%
South Adams County Fire Protection District (Volunteer)	5	73	1.62%
Evans Volunteer Fire Department	6	64	1.42%
Mountain View Fire Protection District (Volunteer)	6	64	1.42%
Telluride Fire Protection District (Volunteer)	7	63	1.40%
Denver Fire Old Hire Fire DROP	8	59	1.31%
Platte Canyon Fire Protection District (Volunteer)	9	54	1.20%
Wellington Fire Protection District (Volunteer)	9	54	1.20%
Inter-Canyon Fire Protection District (Volunteer)	10	50	1.11%
Northwest Conejos County Fire Protection District (Volunteer)	10	50	1.11%

Note 1: Data for the number of members by employer for years prior to 2007 is not available.

Note 2: The majority of the plans in this group are closed plans and do not have active members.

Statistical Section

Principal Participating Employers *continued*

Statewide Death & Disability Plan

Employer	Rank	Covered Active Members	Percentage of
		as of 12/31/11	Total Plan
Denver Police	1	1,323	12.07%
Denver Fire	2	831	7.58%
Aurora Police	3	665	6.07%
Colorado Springs Police	4	575	5.25%
Colorado Springs Fire	5	354	3.23%
West Metro Fire Protection District	6	327	2.98%
South Metro Fire Rescue	7	306	2.79%
Aurora Fire	8	288	2.63%
Fort Collins Police	9	208	1.90%
Pueblo Police	10	187	1.71%

Employer	Rank	Covered Active Members	Percentage of
		as of 12/31/10	Total Plan
Denver Police	1	1,384	12.69%
Denver Fire	2	814	7.47%
Aurora Police	3	631	5.79%
Colorado Springs Police	4	571	5.24%
Colorado Springs Fire	5	351	3.22%
West Metro Fire Protection District	6	329	3.02%
South Metro Fire Rescue	7	312	2.86%
Aurora Fire	8	301	2.76%
Pueblo Police	9	195	1.79%
Fort Collins Police	10	188	1.72%

Employer	Rank	Covered Active Members	Percentage of
		as of 12/31/09	Total Plan
Denver Police	1	1,427	12.88%
Denver Fire	2	842	7.60%
Aurora Police	3	632	5.71%
Colorado Springs Police	4	612	5.52%
Colorado Springs Fire	5	384	3.47%
West Metro Fire Protection District	6	330	2.98%
South Metro Fire Rescue	7	324	2.92%
Aurora Fire	8	294	2.65%
Pueblo Police	9	192	1.73%
Fort Collins Police	10	189	1.71%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Principal Participating Employers *continued*

Statewide Death & Disability Plan *continued*

Employer	Rank	Covered Active Members as of 12/31/08	Percentage of Total Plan
Denver Police	1	1,472	13.16%
Denver Fire	2	865	7.73%
Aurora Police	3	629	5.62%
Colorado Springs Police	4	619	5.53%
Colorado Springs Fire	5	402	3.59%
South Metro Fire Rescue	6	329	2.94%
West Metro Fire Protection District	7	325	2.90%
Aurora Fire	8	289	2.58%
Pueblo Police	9	185	1.65%
Fort Collins Police	10	182	1.63%

Employer	Rank	Covered Active Members as of 12/31/07	Percentage of Total Plan
Denver Police	1	1,455	12.97%
Denver Fire	2	805	7.17%
Aurora Police	3	696	6.20%
Colorado Springs Police	4	616	5.49%
Colorado Springs Fire	5	420	3.74%
Aurora Fire	6	306	2.73%
Pueblo Police	7	179	1.60%
Thornton Police	8	158	1.41%
Poudre Fire Authority	9	153	1.36%
Greeley Police	10	152	1.35%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Statistical Section

Principal Participating Employers *continued*

Defined Benefit System - Statewide Defined Benefit Plan

Employer	Rank	Covered Active Members as of 12/31/11	Percentage of Total Plan
Denver Police	1	1,440	22.96%
Denver Fire	2	903	14.40%
Aurora Fire	3	217	3.46%
Pueblo Police	4	202	3.22%
Colorado Springs Fire	5	195	3.11%
Colorado Springs Police	6	139	2.22%
Pueblo Fire	7	138	2.20%
Arvada Fire Protection District	8	120	1.91%
Littleton Fire	9	113	1.80%
Westminster Fire	10	110	1.75%

Employer	Rank	Covered Active Members as of 12/31/10	Percentage of Total Plan
Denver Police	1	1,470	25.35%
Denver Fire	2	867	14.95%
Pueblo Police	3	200	3.45%
Pueblo Fire	4	142	2.45%
Littleton Fire	5	111	1.91%
Westminster Fire	6	110	1.90%
Colorado Springs Police	7	104	1.79%
Arvada Fire Protection District	8	100	1.72%
West Metro Fire Protection District	9	99	1.71%
Greeley Fire	10	98	1.69%

Employer	Rank	Covered Active Members as of 12/31/09	Percentage of Total Plan
Denver Police	1	1,459	25.72%
Denver Fire	2	843	14.86%
Pueblo Police	3	191	3.37%
Pueblo Fire	4	127	2.24%
Colorado Springs Police	5	111	1.96%
Westminster Fire	5	111	1.96%
Littleton Fire	6	104	1.83%
Arvada Fire Protection District	7	100	1.76%
Colorado Springs Fire	8	95	1.67%
Union Colony Fire Rescue	9	93	1.64%
West Metro Fire Protection District	9	93	1.64%
North Metro Fire Rescue	10	90	1.59%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Principal Participating Employers *continued*

Defined Benefit System - Statewide Defined Benefit Plan *continued*

Employer	Rank	Covered Active Members as of 12/31/08	Percentage of Total Plan
Denver Police	1	1,503	27.18%
Denver Fire	2	857	15.50%
Pueblo Police	3	185	3.35%
Pueblo Fire	4	121	2.19%
Westminster Fire	5	113	2.04%
North Metro Fire Rescue	6	105	1.90%
Union Colony Fire Rescue	7	101	1.83%
Arvada Fire Protection District	8	98	1.77%
Colorado Springs Fire	8	98	1.77%
West Metro Fire Protection District	9	94	1.70%
Colorado Springs Police	10	92	1.66%

Employer	Rank	Covered Active Members as of 12/31/07	Percentage of Total Plan
Denver Police	1	1,455	29.08%
Denver Fire	2	805	16.09%
Pueblo Police	3	179	3.58%
Pueblo Fire	4	124	2.48%
Westminster Fire	5	110	2.20%
Colorado Springs Fire	6	100	2.00%
Arvada Fire Protection District	7	94	1.88%
Union Colony Fire Rescue	8	93	1.86%
North Metro Fire Rescue	9	88	1.76%
West Metro Fire Protection District	10	75	1.50%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Statistical Section

Principal Participating Employers *continued*

Defined Benefit System - Statewide Hybrid Plan

Employer	Rank	Covered Active Members as of 12/31/11	Percentage of Total Plan
West Metro Fire Protection District	1	256	53.44%
Aurora Fire	2	72	15.03%
Littleton Fire	3	29	6.05%
Evans Police	4	24	5.01%
Westminster Fire	5	19	3.97%
Canon City Police	6	15	3.13%
North Metro Fire Rescue	7	11	2.30%
Lafayette Police	8	10	2.09%
Lake Dillon Fire Protection District	9	8	1.67%
Snowmass Wildcat Fire Protection District	10	6	1.25%

Employer	Rank	Covered Active Members as of 12/31/10	Percentage of Total Plan
West Metro Fire Protection District	1	252	62.22%
Littleton Fire	2	29	7.16%
Evans Police	3	25	6.17%
Westminster Fire	4	21	5.19%
Canon City Police	5	18	4.44%
North Metro Fire Rescue	6	12	2.96%
Lafayette Police	7	10	2.47%
Lake Dillon Fire Protection District	8	8	1.98%
Snowmass Wildcat Fire Protection District	9	6	1.48%
Brighton Police	10	4	0.99%
Trinidad Fire	10	4	0.99%

Employer	Rank	Covered Active Members as of 12/31/09	Percentage of Total Plan
West Metro Fire Protection District	1	261	62.00%
Littleton Fire	2	30	7.13%
Evans Police	3	27	6.41%
Westminster Fire	4	21	4.99%
Canon City Police	5	19	4.51%
North Metro Fire Rescue	6	16	3.80%
Lafayette Police	7	10	2.38%
Lake Dillon Fire Protection District	8	8	1.90%
Snowmass Wildcat Fire Protection District	9	6	1.43%
Brighton Police	10	4	0.95%
Trinidad Fire	10	4	0.95%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Principal Participating Employers *continued*

Defined Benefit System - Statewide Hybrid Plan *continued*

Employer	Rank	Covered Active Members as of 12/31/08	Percentage of Total Plan
West Metro Fire Protection District	1	238	65.21%
Evans Police	2	27	7.40%
Westminster Fire	3	22	6.03%
Canon City Police	4	19	5.21%
North Metro Fire Rescue	5	14	3.84%
Lafayette Police	6	10	2.74%
Lake Dillon Fire Protection District	7	8	2.19%
Snowmass Wildcat Fire Protection District	8	6	1.64%
Brighton Police	9	4	1.10%
Trinidad Fire	9	4	1.10%
Federal Heights Police	10	3	0.82%

Employer	Rank	Covered Active Members as of 12/31/07	Percentage of Total Plan
West Metro Fire Protection District	1	31	30.39%
Evans Police	2	20	19.61%
Westminster Fire	3	13	12.75%
Canon City Police	4	9	8.82%
Lafayette Police	4	9	8.82%
Lake Dillon Fire Protection District	5	6	5.88%
Trinidad Fire	6	5	4.90%
Brighton Police	7	2	1.96%
North Metro Fire Rescue	7	2	1.96%
Federal Heights Police	8	1	0.98%
Federal Heights Fire	8	1	0.98%
Milliken Police	8	1	0.98%
Montrose Fire Protection District	8	1	0.98%
Union Colony Fire Rescue	8	1	0.98%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Statistical Section

Principal Participating Employers *continued*

Fire & Police Members' Statewide Money Purchase Plan

Employer	Rank	Covered Active Members as of 12/31/11	Percentage of Total Plan
Rifle Fire Protection District	1	33	26.40%
Eaton Fire Protection District	2	16	12.80%
Elizabeth Fire Protection District	3	15	12.00%
Windsor Severance Fire Protection District	4	11	8.80%
Mountain Village Police	5	7	5.60%
Central City Police	6	5	4.00%
Sable-Altura Fire Protection District	7	4	3.20%
West Routt Fire Protection District	7	4	3.20%
Jefferson-Como Fire Protection District	8	3	2.40%
Colorado Springs Police	9	2	1.60%
Bayfield Police	10	1	0.80%
Brighton Fire Protection District	10	1	0.80%
Burning Mountains Fire Protection District	10	1	0.80%
Central City Fire	10	1	0.80%
Clear Creek Fire Authority	10	1	0.80%
Colorado Centre Metro District Fire	10	1	0.80%
Denver Police	10	1	0.80%
Edgewater Fire	10	1	0.80%
Elizabeth Police	10	1	0.80%
Erie Police	10	1	0.80%
Falcon Fire Protection District	10	1	0.80%
Grand Valley Fire Protection District	10	1	0.80%
Greater Eagle Fire Protection District	10	1	0.80%
Kremmling Fire Protection District	10	1	0.80%
Lake George Fire Protection District	10	1	0.80%
Manassa Police	10	1	0.80%
Mountain View Police	10	1	0.80%
Nederland Fire Protection District	10	1	0.80%
Palisade Police	10	1	0.80%
Platteville Police	10	1	0.80%
Rocky Mountain Fire Protection District	10	1	0.80%
Salida Fire	10	1	0.80%
Security Fire Protection District	10	1	0.80%
Southern Park County Fire Protection District	10	1	0.80%
Upper Pine River Fire Protection District	10	1	0.80%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Principal Participating Employers *continued*

Fire & Police Members' Statewide Money Purchase Plan *continued*

Employer	Rank	Covered Active Members as of 12/31/10	Percentage of Total Plan
Rifle Fire Protection District	1	29	27.88%
Eaton Fire Protection District	2	16	15.38%
Elizabeth Fire Protection District	3	15	14.42%
Sable-Altura Fire Protection District	4	8	7.69%
Mountain Village Police	5	6	5.77%
Central City Police	6	4	3.85%
West Routt Fire Protection District	7	2	1.92%
Brighton Fire Protection District	8	1	0.96%
Burning Mountains Fire Protection District	8	1	0.96%
Central City Fire	8	1	0.96%
Clear Creek Fire Authority	8	1	0.96%
Colorado Centre Metro District Fire	8	1	0.96%
Colorado Springs Police	8	1	0.96%
Edgewater Fire	8	1	0.96%
Elizabeth Police	8	1	0.96%
Erie Police	8	1	0.96%
Fairmount Fire Protection District	8	1	0.96%
Falcon Fire Protection District	8	1	0.96%
Gilcrest Police	8	1	0.96%
Grand Valley Fire Protection District	8	1	0.96%
Kremmling Fire Protection District	8	1	0.96%
Lake George Fire Protection District	8	1	0.96%
Mountain View Police	8	1	0.96%
Nederland Fire Protection District	8	1	0.96%
Palisade Police	8	1	0.96%
Platteville Police	8	1	0.96%
Rocky Mountain Fire Protection District	8	1	0.96%
Salida Fire	8	1	0.96%
Security Fire Protection District	8	1	0.96%
Southern Park County Fire Protection District	8	1	0.96%
Upper Pine River Fire Protection District	8	1	0.96%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Statistical Section

Principal Participating Employers *continued*

Fire & Police Members' Statewide Money Purchase Plan *continued*

Employer	Rank	Covered Active Members as of 12/31/09	Percentage of Total Plan
Rifle Fire Protection District	1	25	27.47%
Eaton Fire Protection District	2	17	18.68%
Elizabeth Fire Protection District	3	15	16.48%
Mountain Village Police	4	7	7.69%
Central City Police	5	4	4.40%
West Routt Fire Protection District	6	2	2.20%
Brighton Fire Protection District	7	1	1.10%
Central City Fire	7	1	1.10%
Clear Creek Fire Authority	7	1	1.10%
Colorado Centre Metro District Fire	7	1	1.10%
Colorado Springs Police	7	1	1.10%
Elizabeth Police	7	1	1.10%
Erie Police	7	1	1.10%
Fairmount Fire Protection District	7	1	1.10%
Falcon Fire Protection District	7	1	1.10%
Gilcrest Police	7	1	1.10%
Grand Valley Fire Protection District	7	1	1.10%
Kremmling Fire Protection District	7	1	1.10%
Lake George Fire Protection District	7	1	1.10%
Mountain View Police	7	1	1.10%
Nederland Fire Protection District	7	1	1.10%
Palisade Police	7	1	1.10%
Platteville Police	7	1	1.10%
Rocky Mountain Fire Protection District	7	1	1.10%
Salida Fire	7	1	1.10%
Southern Park County Fire Protection District	7	1	1.10%
Upper Pine River Fire Protection District	7	1	1.10%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Principal Participating Employers *continued*

Fire & Police Members' Statewide Money Purchase Plan *continued*

Employer	Rank	Covered Active Members as of 12/31/08	Percentage of Total Plan
Rifle Fire Protection District	1	32	31.68%
Eaton Fire Protection District	2	19	18.81%
Elizabeth Fire Protection District	3	16	15.84%
Mountain Village Police	4	8	7.92%
Central City Police	5	4	3.96%
Colorado Springs Police	6	3	2.97%
Brighton Fire Protection District	7	1	0.99%
Central City Fire	7	1	0.99%
Clear Creek Fire Authority	7	1	0.99%
Elizabeth Police	7	1	0.99%
Erie Police	7	1	0.99%
Fairmount Fire Protection District	7	1	0.99%
Falcon Fire Protection District	7	1	0.99%
Gilcrest Police	7	1	0.99%
Grand Valley Fire Protection District	7	1	0.99%
Kremmling Fire Protection District	7	1	0.99%
Lake George Fire Protection District	7	1	0.99%
Mountain View Police	7	1	0.99%
Nederland Fire Protection District	7	1	0.99%
Palisade Police	7	1	0.99%
Palmer Lake Police	7	1	0.99%
Rocky Mountain Fire Protection District	7	1	0.99%
Salida Fire	7	1	0.99%
Upper Pine River Fire Protection District	7	1	0.99%
West Rott Fire Protection District	7	1	0.99%

Employer	Rank	Covered Active Members as of 12/31/07	Percentage of Total Plan
Eaton Fire Protection District	1	19	27.54%
Elizabeth Fire Protection District	2	17	24.64%
Mountain Village Police	3	7	10.14%
Central City Police	4	6	8.70%
Upper Pine River Fire Protection District	5	2	2.90%
West Rott Fire Protection District	6	2	2.90%
Brighton Fire Protection District	7	1	1.45%
Central City Fire	7	1	1.45%
Cherryvale Fire Protection District	7	1	1.45%
Clear Creek Fire Authority	7	1	1.45%
Elizabeth Police	7	1	1.45%
Erie Police	7	1	1.45%
Fairmount Fire Protection District	7	1	1.45%
Falcon Fire Protection District	7	1	1.45%
Gilcrest Police	7	1	1.45%
Grand Valley Fire Protection District	7	1	1.45%
Kremmling Fire Protection District	7	1	1.45%
Lake George Fire Protection District	7	1	1.45%
Nederland Fire Protection District	7	1	1.45%
Palisade Police	7	1	1.45%
Salida Fire	7	1	1.45%
Wheat Ridge Fire Protection District	7	1	1.45%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Statistical Section**Principal Participating Employers** *continued***Defined Benefit System - Colorado Springs New Hire Pension Plans**

Employer	Rank	Covered Active Members as of 12/31/11	Percentage of Total Plan
Colorado Springs Police	1	493	70.73%
Colorado Springs Fire	2	204	29.27%

Employer	Rank	Covered Active Members as of 12/31/10	Percentage of Total Plan
Colorado Springs Police	1	522	63.27%
Colorado Springs Fire	2	303	36.73%

Employer	Rank	Covered Active Members as of 12/31/09	Percentage of Total Plan
Colorado Springs Police	1	512	63.92%
Colorado Springs Fire	2	289	36.08%

Employer	Rank	Covered Active Members as of 12/31/08	Percentage of Total Plan
Colorado Springs Police	1	539	63.71%
Colorado Springs Fire	2	307	36.29%

Employer	Rank	Covered Active Members as of 12/31/07	Percentage of Total Plan
Colorado Springs Police	1	564	63.87%
Colorado Springs Fire	2	319	36.13%

Note: Data for the number of members by employer for years prior to 2007 is not available.

Employers of Affiliated Local Volunteer Firefighters Plans

Alamosa VFD	Englewood VFD*	Lamar VFD	Pleasant View Metro VFD
Alamosa County FPD	Evans VFD	Larkspur FPD	Poudre Canyon FPD
Allenspark FPD	Evergreen VFD	Lefthand FPD	Poudre FA
Aspen FPD	Falcon FPD	Lewis-Arriola FPD	Rangely Rural FPD
Ault FPD	Federal Heights VFD	Limon Area FPD	Rattlesnake FPD
Basalt & Rural FPD	Fisher's Peak FPD	Livermore FPD	Red Feather Lakes VFD
Bennett FPD #7	Florence FPD	Log Hill Mesa FPD	Red, White & Blue FPD*
Berthoud FPD	Foothills Fire & Rescue	Loveland & Rural Consol. VFD	Ridgway FPD
Big Sandy FPD	Fort Lewis-Mesa FPD	Lower Valley FPD	Rifle FPD
Big Thompson VFD	Fort Morgan VFD	Lyons FPD	Rio Blanco FPD
Black Forest FPD	Fort Morgan Rural VFD	Mancos FPD	Rocky Ford VFD
Blanca VFD	Franktown FPD	Manitou Springs VFD	Rocky Mountain FPD
Boone VFD	Frederick Firestone FPD	Manzanola Rural FPD	Sable-Altura FPD
Boulder Mountain FPD	Galeton FPD	Milliken FPD	Sheridan VPD
Boulder Rural FPD	Genesee FPD	Montrose FPD	Silverton FD
Brighton VFD	Glacier View VFD	Mountain View FPD	South Adams County FPD
Brush Combined Fire/VFD	Glendale VFD*	Nederland FPD	South Arkansas FPD*
Buena Vista VFD	Glenwood Springs VFD	New Raymer-Stoneham FPD	South Conejos FPD
Burning Mountains FPD	Golden VFD	North Fork VFD	South Metro Fire Rescue*
Calhan FPD	Golden Gate Fire	North Routt County VFD	Southwest Washington County FPD
Cañon City Area FPD	Grand FPD #1	North Washington FPD*	Springfield VFD
Carbondale and Rural FPD	Grand Lake FPD	Northeast Teller County FPD	Steamboat Springs VFD
Cascade FPD	Grand Valley FPD	Northwest FPD	Sterling VFD
Castle Rock VFD	Green Mountain Falls/ Chipita Park FPD	Northwest Conejos County FPD	Stonewall VFD
Central City VFD	Gypsum FPD	Norwood FPD	Stratton FPD
Central Orchard Mesa FPD	Hartsel FPD	Nucla-Naturita FPD	Sugar City VFD
Cheyenne County FPD #1	Haxtun VFD	Nunn Volunteer FPD	Sugarloaf FPD
Clear Creek Fire Authority	Hillrose Rural FPD	Oak Creek FPD	Telluride FPD
Clifton FPD	Holyoke - City VFD	Olathe FPD	Timberline FPD
Coal Creek Canyon FD	Holyoke FPD	Olney Springs VFD	Walsh FD
Crested Butte FPD	Hot Sulphur Springs/ Parshall FPD	Ordway Fire	Wellington FPD
Cripple Creek Fire	Hygiene VFD	Ouray VFD	West Cheyenne FPD
Crowley FD	Indian Hills FPD	Palisade VFD	West Douglas County FPD
Crystal Lakes FPD	Inter-Canyon FPD	Palmer Lake VFD	West Metro FPD*
Divide VFD	Jackson 105 FPD	Parker FPD*	West Routt FPD
Donald Wescott FPD	Jefferson-Como FPD	Pawnee FPD	Westminster VFD*
Dove Creek FPD	Kiowa FPD	Peetz FPD	Wet Mountain FPD
Durango Fire & Rescue Authority	Kremmling FPD	Peyton VFD	Wiggins Rural FPD
Eads VFD	La Junta VFD	Pinewood Springs VFD	Wiley Rural FPD
East Grand FPD #4	La Salle FPD	Plateau Valley VFD	Windsor Severance FPD
Eaton FPD	Lafayette VFD	Platte Canyon FPD	Yampa FPD
Eckley VFD	Lake City Area FPD	Platte Valley FPD	Yuma VFD
Elbert FPD & Rescue	Lake Dillon FPD	Platteville/Gilcrest FPD	
Elizabeth FPD	Lake George FPD	Pleasant View FPD	
Elk Creek FPD			

Employers of Affiliated Colorado Springs New Hire Pension Plans

Colorado Springs Police and Fire

Statistical Section

Employers *continued*

Employers of Affiliated Local "Old Hire" Pension Plans

Aurora Police and Fire	Durango Police and Fire	Lamar Fire	Rocky Ford Police and Fire
Bancroft FPD	Englewood Police and Fire	Las Animas Police	Salida Police and Fire
Bowmar Police	Firestone Marshalls Police	Leadville Fire	South Adams County FPD
Cañon City Area FPD	Fort Morgan Police	Loveland Fire	Springfield Police
Cedaredge Police	Grand Junction Police	Manitou Springs Fire	Sterling Police and Fire
Cherry Hills FPD	and Fire	Montrose FPD	Thornton Fire
Colorado Springs Police	Greeley Police	Mountain View FPD	Trinidad Police and Fire
and Fire	Haxtun Police	North Washington FPD	Union Colony Fire Rescue
Cortez Police	La Junta Police and Fire	Pueblo Police and Fire	Walsenburg Police
Del Norte Police	La Salle Police	Pueblo Rural FPD	
Denver Police and Fire	Lakewood FPD	Red, White and Blue FPD	

Employers Affiliated for Statewide Defined Benefit Supplemental Social Security Pension and/or Death and Disability Coverage

Akron Police*	Estes Park Police	Johnstown Police	Windsor Police
Cedaredge Police	Frederick Police	Kremmling Police	
Custer County Sheriffs	Haxtun Police	Monument Police	
Debeque Police	Holyoke Police	Springfield Police	

Employers Participating in FPPA's 457 Deferred Compensation Plan

Alamosa, City of (Police)	East Grand FPD No. 4	Kremmling FPD*	Pueblo Rural FPD
Arvada FPD	Eaton FPD	La Jara, Town of (Police)	Pueblo, City of (Police & Fire)
Arvada, City of (Police)	Elizabeth FPD	Lake Dillon FPD	Red, White & Blue FPD
Ault, Town of (Police)	Elk Creek FPD	Lakeside, Town of (Police)	Rifle FPD
Aurora, City of (Police & Fire)	Estes Valley FPD	Larkspur FPD	Rocky Mountain FPD
Basalt & Rural FPD	Fairmount FPD*	Lefthand FPD	Sable-Altura FPD
Bayfield, Town of (Police)	Federal Heights,	Lochbuie, Town of (Police)	Salida, City of (Police & Fire)
Bennett FPD No. 7	City of (Police & Fire)	Lone Tree, City of (Police)	Snowmass Wildcat FPD
Berthoud FPD	Firestone, Town of (Police)	Los Pinos FPD	South Adams County FPD
Boulder Rural FPD	Foothills FPD	Loveland,	South Metro Fire Rescue
Brighton, City of (Police)	Fort Collins,	City of (Police & Fire)	Southern Park County FPD*
Broadmoor FPD	City of (Police and Fire*)	Lower Valley FPD	Southwest Adams
Brush, City of (Police)	Fort Lewis-Mesa FPD	Manitou Springs, City of	County FPD #2
Buena Vista,	Fort Lupton FPD	(Police & Fire)	Sterling,
Town of (Police)*	FPPA Employees	Milliken FPD	City of (Police & Fire)
Burning Mountains FPD	Frederick-Firestone FPD	Montrose FPD	Stratmoor Hills FPD
Cañon City, City of (Police)	Genesee FPD	Mountain View FPD	Stratton, Town of (Police)*
Cañon City Area FPD	Glendale Police	Mountain Village,	Telluride FPD
Carbondale & Rural FPD	Granada, Town of (Police)*	Town of (Police)	Tri-Lakes Monument FPD
Castle Rock, Town of (Fire)	Grand FPD #1	Nederland FPD	Trinidad,
Cimarron Hills FPD	Grand Lake FPD	North Metro Fire Rescue	City of (Police & Fire)
Clear Creek Fire Authority*	Grand Valley FPD	Authority	Upper Pine River FPD
Clifton FPD*	Greeley, City of (Police & Fire)	North Washington FPD	Vail, Town of
Colorado Springs,	Green Mountain Falls/	Northeast Teller County FPD	(Police* and Fire)
City of (Police & Fire)	Chipita Park FPD*	Northwest FPD	West Routt FPD
Columbine Valley,	Gypsum FPD	Pagosa FPD	Wheat Ridge FPD
Town of (Police)	Hartsel FPD	Palisade (Police*& Fire)	Wiggins, Town of (Police)*
Cripple Creek, City of (Fire)	Hugo, Town of (Police)	Plateau Valley FPD	Windsor Severance FPD
Cunningham FPD	Idaho Springs,	Platte Canyon FPD	Wray, City of (Police)
Debeque FPD	City of (Police)*	Platteville, Town of (Police)	Yuma, City of (Police)
Donald Wescott FPD	Ignacio, Town of (Police)	Platteville/Gilcrest FPD*	
Durango Fire &	Jefferson-Como FPD	Pleasant View Metro Fire	
Rescue Authority	Kiowa FPD	Poudre Fire Authority	

Employers of Statewide Defined Benefit Pension Plan

Aguilar Police	Durango Fire & Rescue Authority	La Jara Police	Pierce Police*
Alma Police*	Eads Police*	La Salle FPD	Plateau Valley FPD
Antonito Police	East Grand FPD #4	La Salle Police	Platte Canyon FPD
Arvada FPD	Eaton FPD	La Veta Police	Platte Valley FPD
Aspen FPD*	Edgewater Fire*	Lafayette Police & Fire	Platteville Police
Ault Police	Elizabeth Police	Lake Dillon FPD	Platteville/Gilcrest FPD
Aurora Fire	Elk Creek FPD	Lake George FPD*	Pleasant View Metro Fire
Basalt Police	Empire Police	Lakeside Police	Pueblo Police and Fire
Basalt & Rural FPD	Englewood Fire	Larkspur FPD	Pueblo Rural FPD
Bayfield Police	Erie Police	Lamar Fire*	Pueblo West Metro FPD
Bennett FPD #7	Estes Valley FPD	Las Animas Police	Rattlesnake FPD
Berthoud FPD	Evans Police & Fire	Leadville Police and Fire	Red, White & Blue FPD
Big Sandy FPD	Evergreen FPD	Lefthand FPD	Rifle FPD
Black Forest FPD	Fairmount FPD	Littleton Fire	Rocky Mountain FPD
Black Hawk Fire	Fairplay Marshalls	Lochbuie Police & Fire*	Rye FPD
Blanca Police	Falcon FPD	Log Lane Village Police	Sable-Altura FPD
Blue River Police*	Federal Heights Police & Fire	Lone Tree Police	Salida Police and Fire
Boulder Mountain FA	Firestone Marshalls Police	Los Pinos FPD	Saguache Police*
Boulder Rural FPD	Florence Police	Louisville Fire*	Sanford Police
Bow Mar Police*	Florissant FPD	Lower Valley FPD	San Luis Police*
Brighton Police	Foothills Fire & Rescue	Lyons FPD	Security FPD
Broadmoor FPD	Fort Lewis-Mesa FPD*	Manassa Police*	Sheridan Police
Greater Brighton FPD	Fort Lupton FPD	Manitou Springs Police and Fire	Silt Police
Brush Police	Fountain Fire	Milliken FPD	Silverton Police*
Buena Vista Police	Fowler Police	Milliken Police	Snowmass Wildcat FPD
Burning Mountains FPD	Franktown FPD	Minturn Fire*	South Adams County FPD
Cañon City Police	Frederick Firestone FPD	Montrose FPD	South Fork Police
Carbondale & Rural FPD	Frisco Police	Mountain View FPD	Southeast Weld FPD
Castle Rock Fire	Genesee FPD	Mountain View Police	Southern Park County FPD
Center Police	Georgetown Police	Nederland FPD	Steamboat Springs Fire
Central City Fire*	Gilcrest Police	Northeast Teller County FPD	Sterling Police and Fire
Chaffee County FPD	Granada Police	North Fork Fire	Strasburg FPD
Cimarron Hills FPD	Grand FPD #1	North Metro Fire Rescue	Stratmoor Hills FPD
Clear Creek Fire Authority	Grand Lake Fire	North Routt County Fire	Stratton Police
Clifton FPD	Grand Valley FPD	North Washington FPD	Telluride FPD
Collbran Marshalls Police*	Greater Eagle FPD	Northwest FPD	Thornton Fire
Colorado Centre Metro District Fire*	Greeley Fire	Nunn Police*	Timberline FPD
Colorado Springs Police & Fire	Green Mountain Falls/Chipita Park Fire*	Oak Creek FPD	Tri Lakes Monument FPD
Columbine Valley Police	Gypsum FPD	Oak Creek Police	Trinidad Fire
Copper Mountain Fire	Hartsel FPD	Olathe Police	Upper Pine River FPD
Cortez FPD	Holly Police*	Ordway Police	West Metro FPD
Cripple Creek Fire	Hudson FPD	Otis Police*	Westminster Fire
Cunningham FPD	Hugo Police	Pagosa FPD	West Routt FPD
Dacono Police	Idaho Springs Police	Pagosa Springs Police	Wheat Ridge FPD
Debeque FPD	Ignacio Police	Palisade Police and Fire	Wiggins Police
Denver Police and Fire	Jefferson-Como FPD	Palmer Lake Police	Windsor-Severance FPD
Dinosaur Police*	Johnstown FPD	Paonia Police	Woodland Park Fire*
Dolores Police*	Kiowa FPD	Parachute Police	Wray Police
Donald Wescott FPD	Kremmling FPD*	Parker Police	Yuma Police
		Peyton FPD*	

Statistical Section

Employers *continued*

Employers of Statewide Hybrid Plan

Arvada FPD*	Evans Fire* & Police	Lafayette Police	Security FPD
Aurora Fire	Federal Heights Police & Fire	Lake Dillon FPD	Snowmass Wildcat FPD
Brighton Police	Florence Police*	Littleton Fire	Sterling Fire
Buena Vista Police	Foothills Fire and Rescue	Milliken Police	Trinidad Fire
Cañon City Police	Fountain Fire	Montrose FPD	West Metro FPD
Carbondale and Rural FPD	Granada Police	North Metro Fire Rescue	Westminster Fire
Dacono Police*	Grand FPD #1	Sable-Altura FPD	

Employers of Statewide Money Purchase Plan

Black Hawk Fire*	Edgewater Fire	Kremmling FPD	Rifle FPD
Burning Mountains FPD*	Elizabeth FPD	Lake George FPD	Rocky Mountain FPD
Greater Brighton FPD	Elizabeth Police	Las Animas Police*	Sable-Altura FPD
Central City Police and Fire	Elk Creek FPD*	Louviers FPD*	Salida Fire
Clear Creek Fire Authority	Erie Police	Manassa Police	Security FPD
Colorado Centre Metro	Fairmont FPD	Mountain View Police	Southern Park County FPD
District Fire	Falcon FPD	Mountain Village Police	Upper Pine River FPD
Colorado Springs Police	Grand Valley FPD	Nederland FPD	West Routt FPD
Cripple Creek Fire*	Greater Eagle FPD	Palisade Police	Windsor Severance FPD
Eaton FPD	Kiowa FPD*	Platteville Police	

*Currently inactive, with no active members.

Benefit and Refund Deductions from Net Assets by Type

Affiliated Local Plans

Type of Benefit	2011	2010	2009	2008	2007	2006
Age and service benefits:						
Retirees & Survivors	\$162,511,376	\$164,220,145	\$157,644,750	\$152,270,531	\$146,375,432	\$142,548,265
Disability	0	0	0	0	0	0
Total benefits	\$162,511,376	\$164,220,145	\$157,644,750	\$152,270,531	\$146,375,432	\$142,548,265

Type of Refund	2011	2010	2009	2008	2007	2006
Contributions						
(including interest earned)	584,749	1,823,003	5,045,932	2,958,380	3,219,143	6,207,794
Total refunds	\$584,749	\$1,823,003	\$5,045,932	\$2,958,380	\$3,219,143	\$6,207,794

Note: Detailed information for years prior to 2006 is not available.

Statewide Death & Disability Plan

Type of Benefit	2011	2010	2009	2008	2007	2006
Age and service benefits:						
Retirees & Survivors	\$0	\$0	\$0	\$0	\$0	\$0
Disability	18,217,570	17,376,644	15,995,412	14,886,707	13,741,872	13,007,054
Total benefits	\$18,217,570	\$17,376,644	\$15,995,412	\$14,886,707	\$13,741,872	\$13,007,054

Type of Refund	2011	2010	2009	2008	2007	2006
Contributions						
(including interest earned)	47,192	58,440	14,242	0	0	0
Total refunds	\$47,192	\$58,440	\$14,242	\$0	\$0	\$0

Note: Detailed information for years prior to 2006 is not available.

Defined Benefit System - Statewide Defined Benefit Plan

Type of Benefit	2011	2010	2009	2008	2007	2006
Age and service benefits:						
Retirees & Survivors	\$28,284,899	\$25,448,990	\$13,547,142	\$10,892,803	\$7,589,368	\$5,339,458
Disability	0	0	0	0	0	0
Total benefits	\$28,284,899	\$25,448,990	\$13,547,142	\$10,892,803	\$7,589,368	\$5,339,458

Note: Detailed information for years prior to 2006 is not available.

Type of Refund	2011	2010	2009	2008	2007	2006
Contributions						
(including interest earned)	1,882,112	1,493,913	1,927,732	3,621,108	4,749,042	4,171,221
Total refunds	\$1,882,112	\$1,493,913	\$1,927,732	\$3,621,108	\$4,749,042	\$4,171,221

Note: Detailed information for years prior to 2006 is not available.

Statistical Section**Benefit and Refund Deductions from Net Assets by Type** *continued***Defined Benefit System - Statewide Hybrid Plan**

Type of Benefit	2011	2010	2009	2008	2007	2006
Age and service benefits:						
Retirees & Survivors	\$317,469	\$236,346	\$282,930	\$155,143	\$95,405	\$42,482
Disability	0	0	0	0	0	0
Total benefits	\$317,469	\$236,346	\$282,930	\$155,143	\$95,405	\$42,482

Type of Refund	2011	2010	2009	2008	2007	2006
Contributions (including interest earned)	14,990	5,069	232,027	78,716	122,503	2,108
Total refunds	\$14,990	\$5,069	\$232,027	\$78,716	\$122,503	\$2,108

Note: Detailed information for years prior to 2006 is not available.

Defined Benefit System - Colorado Springs New Hire Pension Plans

Type of Benefit	2011	2010	2009	2008	2007	2006
Age and service benefits:						
Retirees & Survivors	\$11,920,608	\$10,259,279	\$8,754,606	\$6,982,005	\$5,340,492	\$3,908,837
Disability	0	0	0	0	0	0
Total benefits	\$11,920,608	\$10,259,279	\$8,754,606	\$6,982,005	\$5,340,492	\$3,908,837

Type of Refund	2011	2010	2009	2008	2007	2006
Contributions (including interest earned)	479,250	384,736	0	376,799	504,126	364,850
Total refunds	\$479,250	\$384,736	\$0	\$376,799	\$504,126	\$364,850

Note: Detailed information for years prior to 2006 is not available.

Fire & Police Members' Statewide Money Purchase Plan

Type of Benefit	2011	2010	2009	2008	2007	2006
Age and service benefits:	<i>Retirees & Survivors Age and Service benefits are not calculated for this plan.</i>					
Type of Refund	2011	2010	2009	2008	2007	2006
Contributions (including interest earned)	\$175,587	\$402,564	\$262,920	\$500,040	\$644,083	\$167,481
Total refunds	\$175,587	\$402,564	\$262,920	\$500,040	\$644,083	\$167,481

Note: Detailed information for years prior to 2006 is not available.

Benefit and Refund Deductions from Net Assets by Type *continued*

Self-Directed Assets for Affiliated Local and Defined Benefit System Plans

Type of Benefit	2011	2010	2009	2008	2007	2006
Age and service benefits:	<i>Retirees & Survivors Age and Service benefits are not calculated for this plan.</i>					
Type of Refund	2011	2010	2009	2008	2007	2006
Contributions (including interest earned)	\$67,711,031	\$27,588,789	\$22,942,996	\$20,852,584	\$36,396,439	\$22,434,115
Total refunds	\$67,711,031	\$27,588,789	\$22,942,996	\$20,852,584	\$36,396,439	\$22,434,115

Note: Detailed information for years prior to 2006 is not available.

IRC 457 Deferred Compensation Plan

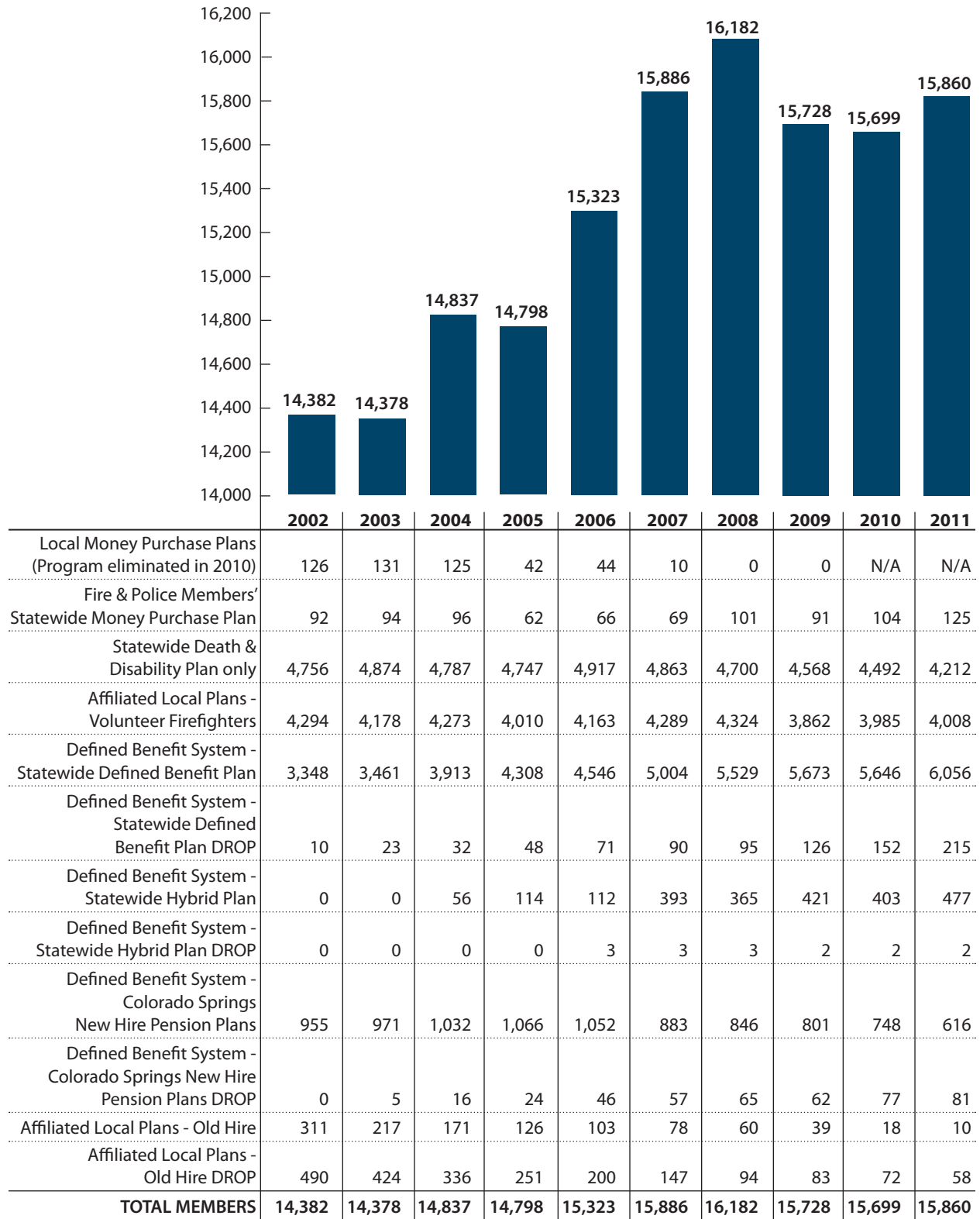
Type of Benefit	2011	2010	2009	2008	2007	2006
Age and service benefits:	<i>Retirees & Survivors Age and Service benefits are not calculated for this plan.</i>					
Type of Refund	2011	2010	2009	2008	2007	2006
Contributions (including interest earned)	\$4,792,208	\$4,837,214	\$1,909,744	\$1,821,135	\$2,861,400	\$1,865,766
Total refunds	\$4,792,208	\$4,837,214	\$1,909,744	\$1,821,135	\$2,861,400	\$1,865,766

Note: Detailed information for years prior to 2006 is not available.

Statistical Section

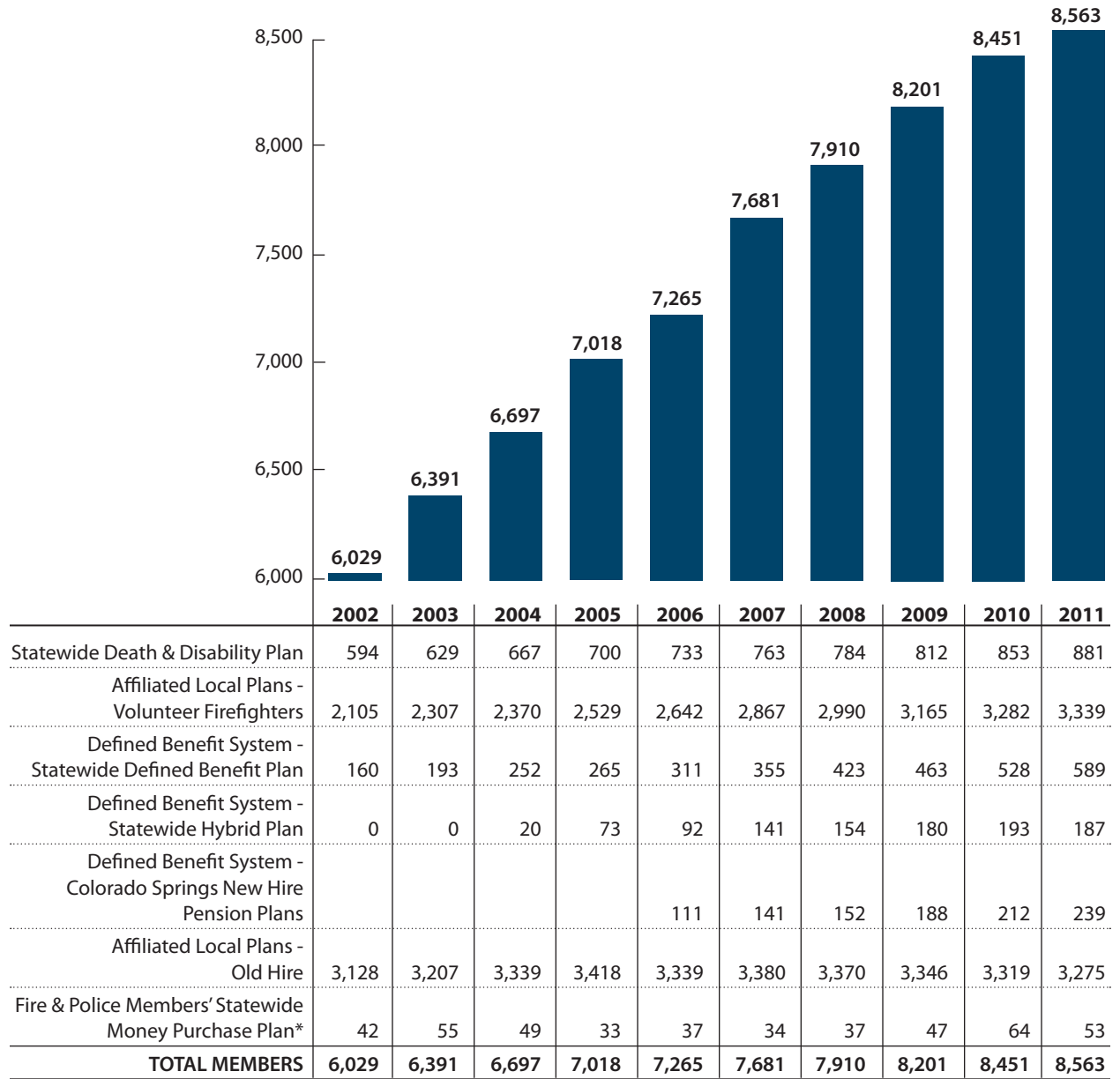
FPPA Active Members by Plan Type (2002-2011)

Members Per Plan



FPPA Retired Members by Plan Type (2002-2011)

Members Per Plan

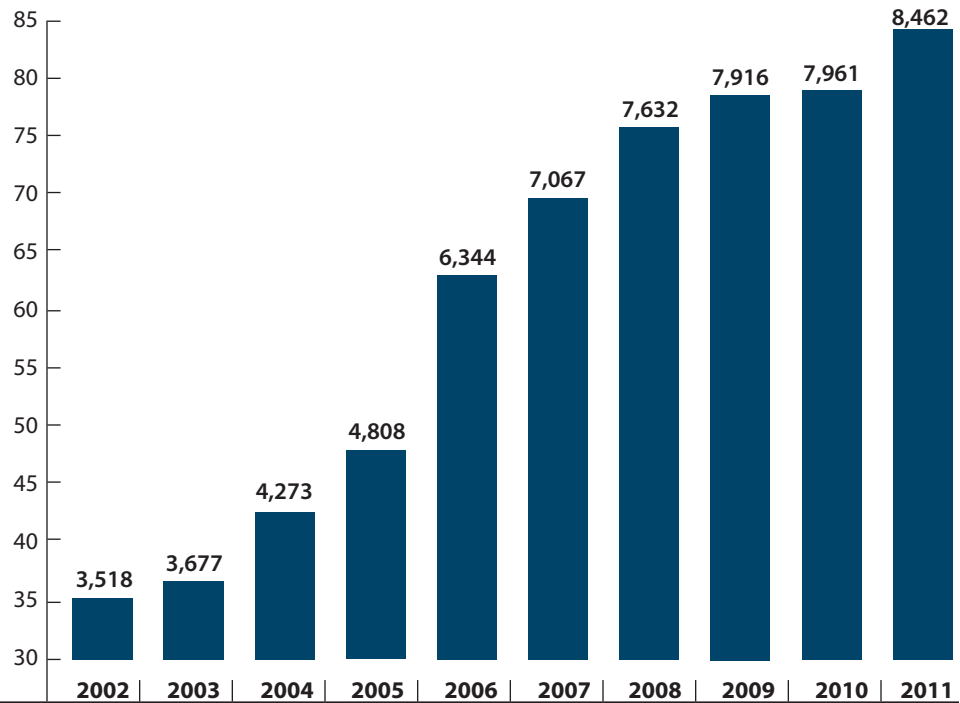


*Includes Local Money Purchase Plans counts from 2001-2007.

Statistical Section

Defined Benefit System Membership by Status (2002-2011)

Members Per Plan



Statewide Defined Benefit Plan

Terminated Vested	111	134	176	157	162	156	164	167	170	165
Retired & Beneficiaries	49	59	76	108	149	199	259	296	358	424
Non-vested Actives	2,089	1,370	1,547	1,742	1,721	1,963	2,300	2,139	1,841	1,792
Partially Vested Actives	1,213	2,000	2,189	2,350	2,604	2,751	2,918	3,208	3,467	3,899
Fully Vested Actives	46	91	177	216	221	290	311	326	338	365
DROP Actives	10	23	32	48	71	90	95	126	152	215

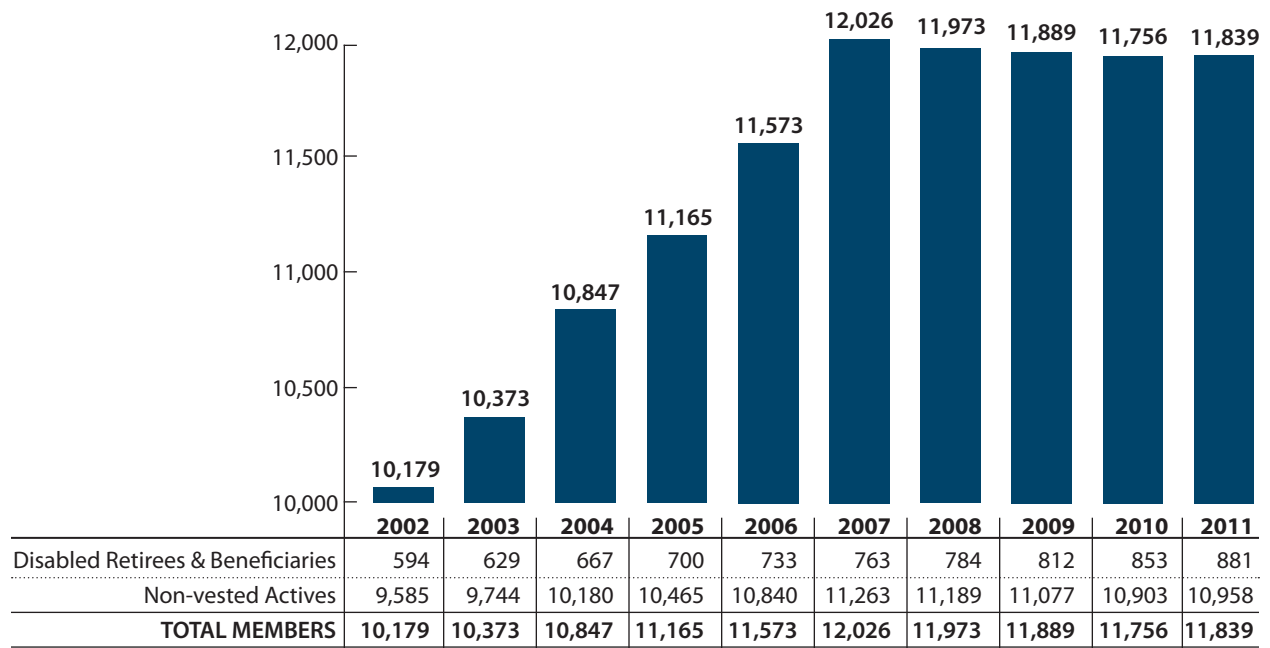
Statewide Hybrid Plan

Retired, Beneficiaries, & Terminated Vested	0	0	20	73	92	141	154	180	193	187
Non-vested Actives	0	0	48	0	7	73	72	75	55	80
Partially Vested Actives	0	0	5	100	52	83	78	73	82	104
Fully Vested Actives	0	0	3	14	53	237	215	273	266	293
DROP Actives	0	0	0	0	3	3	3	2	2	2

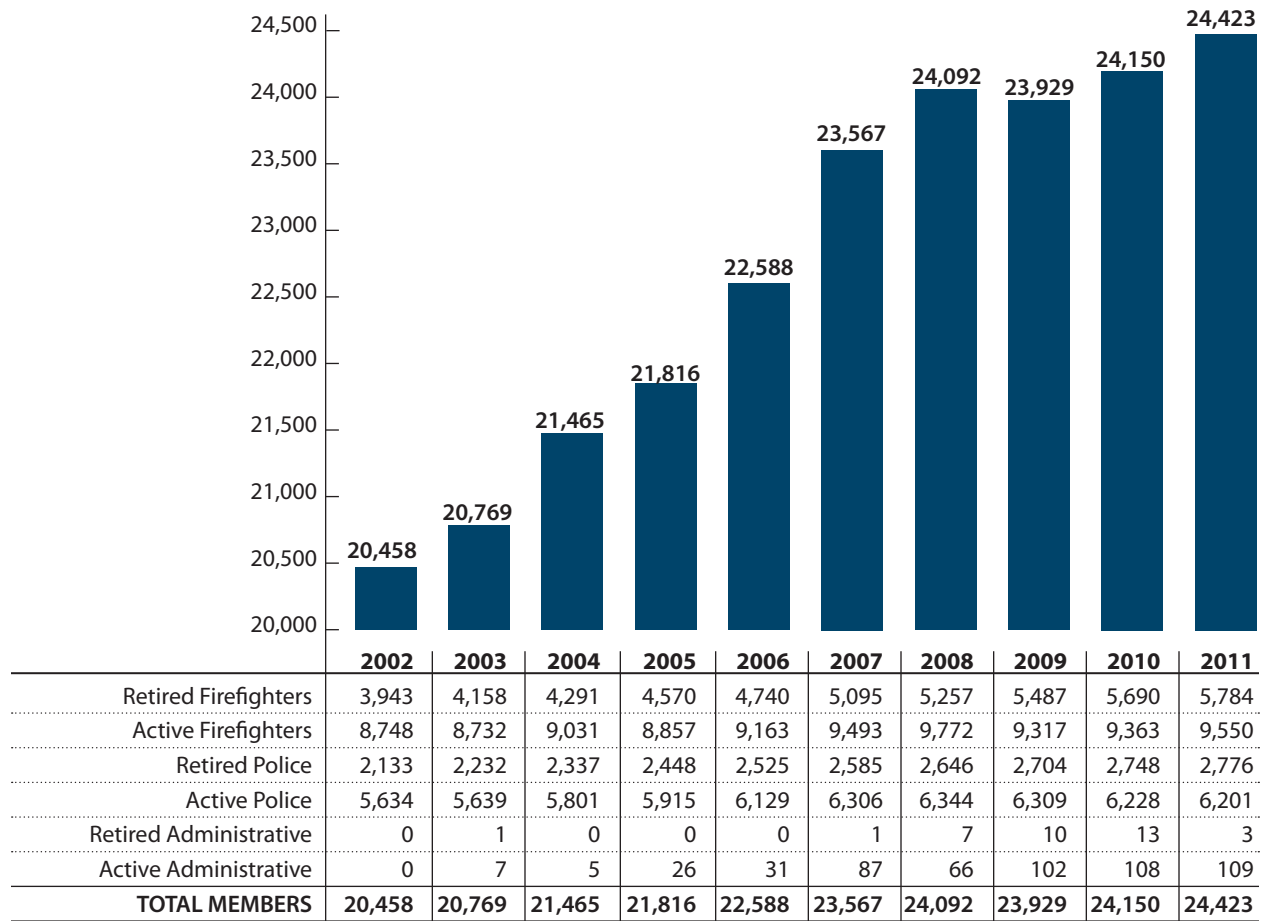
Colorado Springs New Hire Pension Plans

Retired, Beneficiaries, & Terminated Vested					111	141	152	188	212	239
Non-vested Actives					613	460	409	349	268	174
Partially Vested Actives					370	372	380	405	435	399
Fully Vested Actives					69	51	57	47	45	43
DROP Actives					46	57	65	62	77	81
TOTAL MEMBERS	3,518	3,677	4,273	4,808	6,344	7,067	7,632	7,916	7,961	8,462

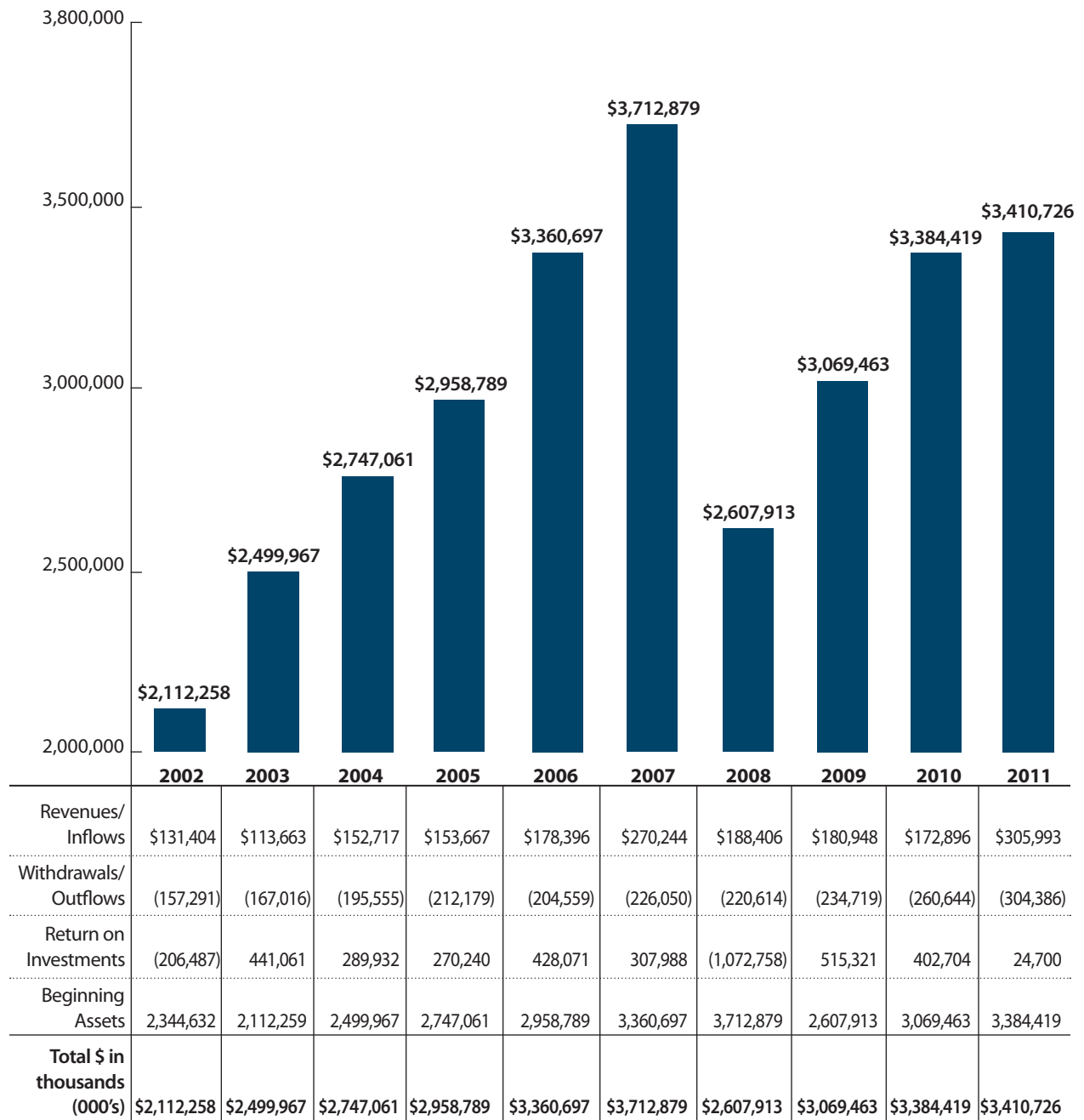
Statewide Death & Disability Plan Membership by Status (2002-2011)



FPPA All Plans Active and Retired Members by Occupation (2002-2011)



Growth of Total Pension Fund Assets (2002-2011)



Schedule of Retired Members by Type of Benefit as of December 31, 2011

	Monthly Benefit Amount						Total
	<=\$500	\$501-\$1,000	\$1,001-\$1,500	\$1,501-\$2,000	\$2,001-\$2,500	>\$2,501	
Statewide Death & Disability Plan							
Occupational Disability	18	83	175	162	119	72	629
Occupational Disability-Survivor	19	7	8	3	0	0	37
Total Disability	1	1	1	8	4	42	57
Total Disability-Survivor	3	7	15	5	9	12	51
Survivor of Active	3	13	15	39	24	13	107
*Fire & Police Members' Statewide Money Purchase Plan							
*Money Purchase Only	N/A	N/A	N/A	N/A	N/A	N/A	53
Defined Benefit System - Statewide Defined Benefit Plan							
Retired	3	0	3	8	16	151	181
Vested	33	124	67	37	52	74	387
Retired-Survivor	1	10	3	0	0	7	21
Defined Benefit System - Statewide Hybrid Plan							
*Money Purchase Only	N/A	N/A	N/A	N/A	N/A	N/A	174
Retired	0	0	0	2	2	4	8
Vested	0	0	2	1	1	1	5
Retired-Survivor	0	0	0	0	0	0	0
Defined Benefit System - Colorado Springs New Hire Pension Plans							
Retired	0	0	6	10	11	103	130
Vested	1	9	27	12	7	47	103
Retired-Survivor	0	3	0	2	0	1	6
Affiliated Local Plans							
Disability Retirement	6	8	3	1	7	750	775
Disability-Survivor	4	8	3	15	164	136	330
Retired	991	472	22	27	49	1,630	3,191
Vested	1,333	198	7	4	2	62	1,606
Retired-Survivor	349	53	21	34	132	123	712
Totals	2,765	996	378	370	599	3,228	8,563

* Details not available for Fire & Police Members' Statewide Money Purchase Plan.

