

December 16, 2010



**COLORADO
PERA®**

DU Strategic Issues Program

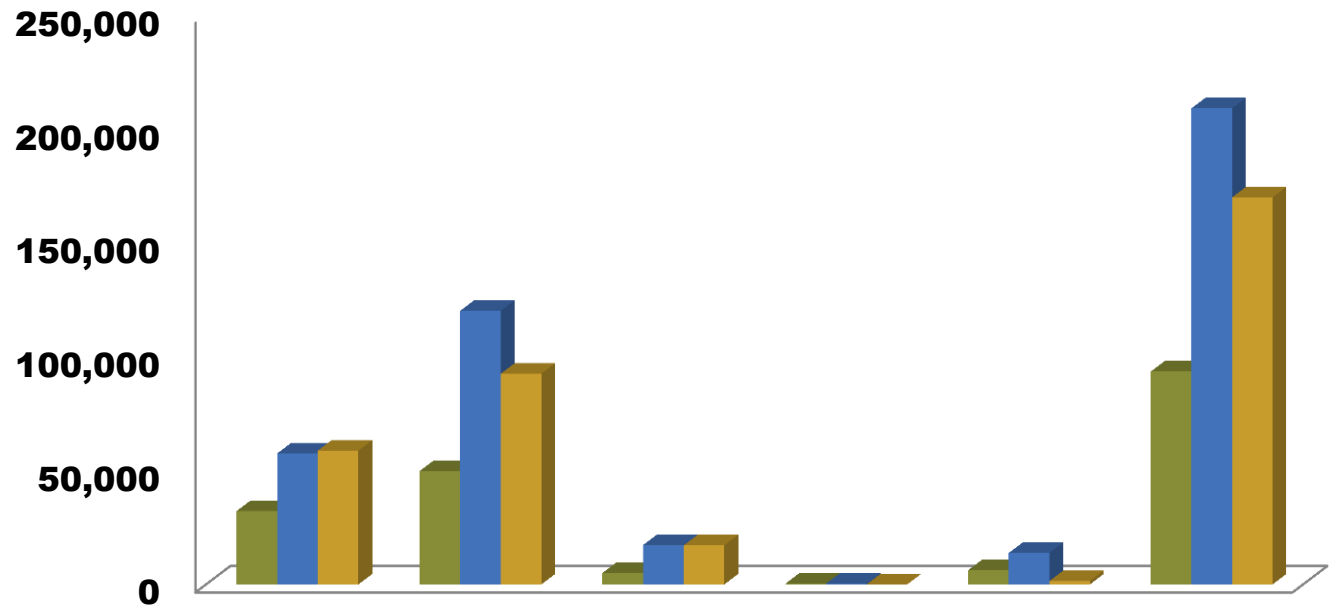
Colorado PERA's Mission Statement

To promote long-term financial security for our membership while maintaining the stability of the fund.

PERA Membership

October 31, 2010

Total: 472,436



	State	School	Local Gov't	Judicial	DPS	Total
Benefit Recipients	32,204	49,728	4,996	291	6,265	93,484
Active Members	57,517	120,121	17,264	314	13,819	209,035
Inactive Members	58,763	92,537	17,133	12	1,472	169,917

PERA Financial Recap

(in thousands of dollars; does not include defined contribution plans)

\$35,695,328* net assets as of December 31, 2009

October 2010

Contributions	
\$1,484,355	
Employer – Pension	\$755,361
Employer – Health Care	\$64,896
Member	\$514,769
Purchased Service	\$26,918
Retiree Health Care Premiums	\$95,654
Medicare Retiree Drug Subsidy	\$13,321
Other Additions	\$13,436

Investments	
\$2,769,110	
Net Change in Fair Value	\$2,186,646
Interest	\$283,543
Dividends	\$286,303
Real Estate/Opportunities/ Alternative Investments	\$101,300
Securities Lending	\$11,831
Investment Expense	(\$100,513)

Benefits Paid	
(\$2,984,628)	
Pension Benefits	(\$2,623,827)
Health Care Benefits	(\$165,298)
Disability/Life Insurance	(\$4,429)
Refunds	(\$148,083)
Other	(\$8,991)
Admin Exp	(\$34,000)

\$36,964,165 net assets as of October 31, 2010

** Includes \$2,764,076 of DPSRS assets transferred on January 1, 2010
(unaudited, for internal use only)*

Colorado PERA Without DC plans

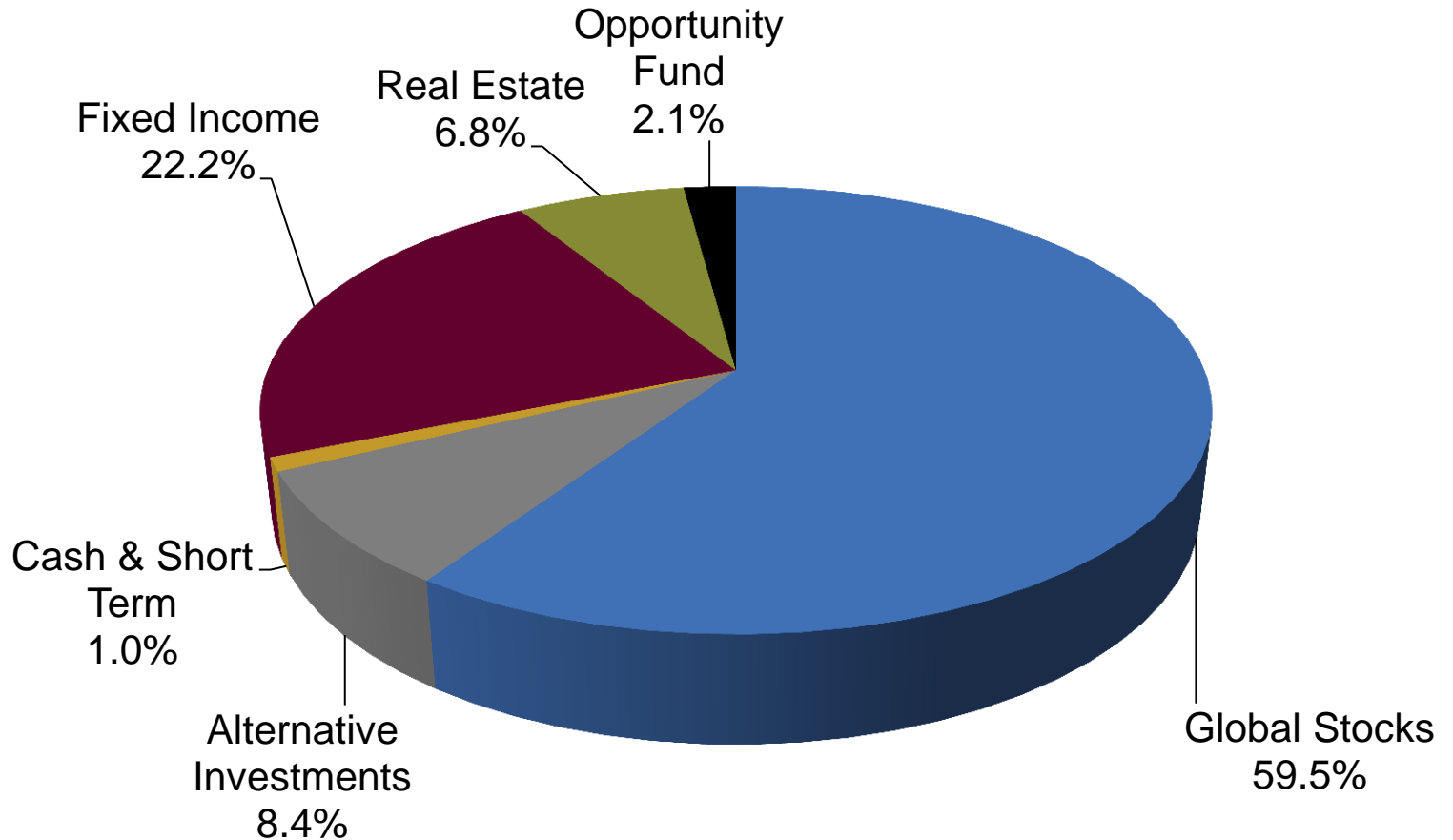
In billions

Beginning Balance January 1, 1985	\$4.5
Employer Contributions	11.8
Member and other contributions	11.9
Investment Income	35.9
Benefit and refund payments	(30.7)
Administrative Expenses	(0.5)
Ending Balance December 31, 2009	\$32.9

Investment Asset Allocation

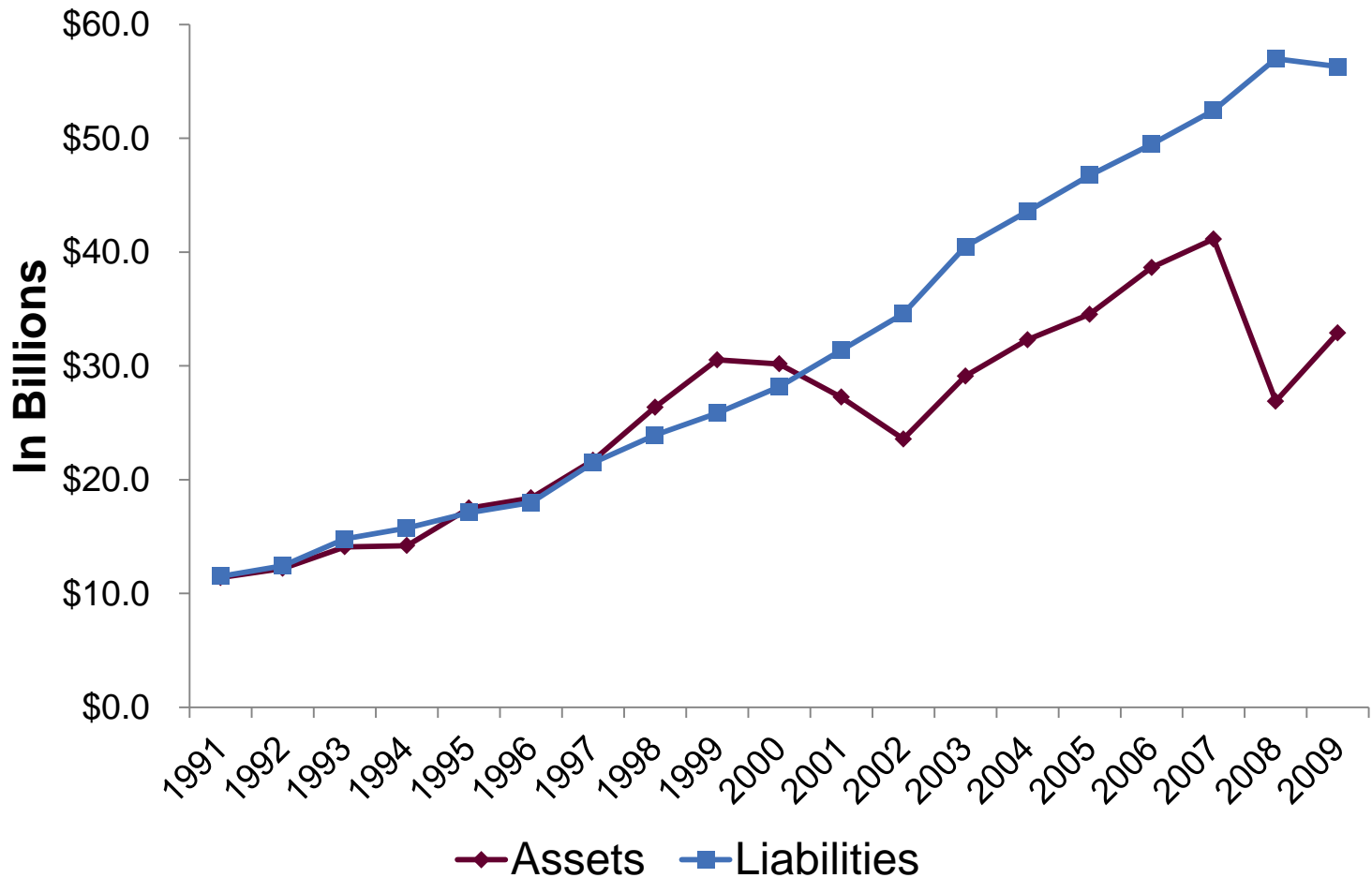
December 14, 2010

\$37.7 Billion Market Value

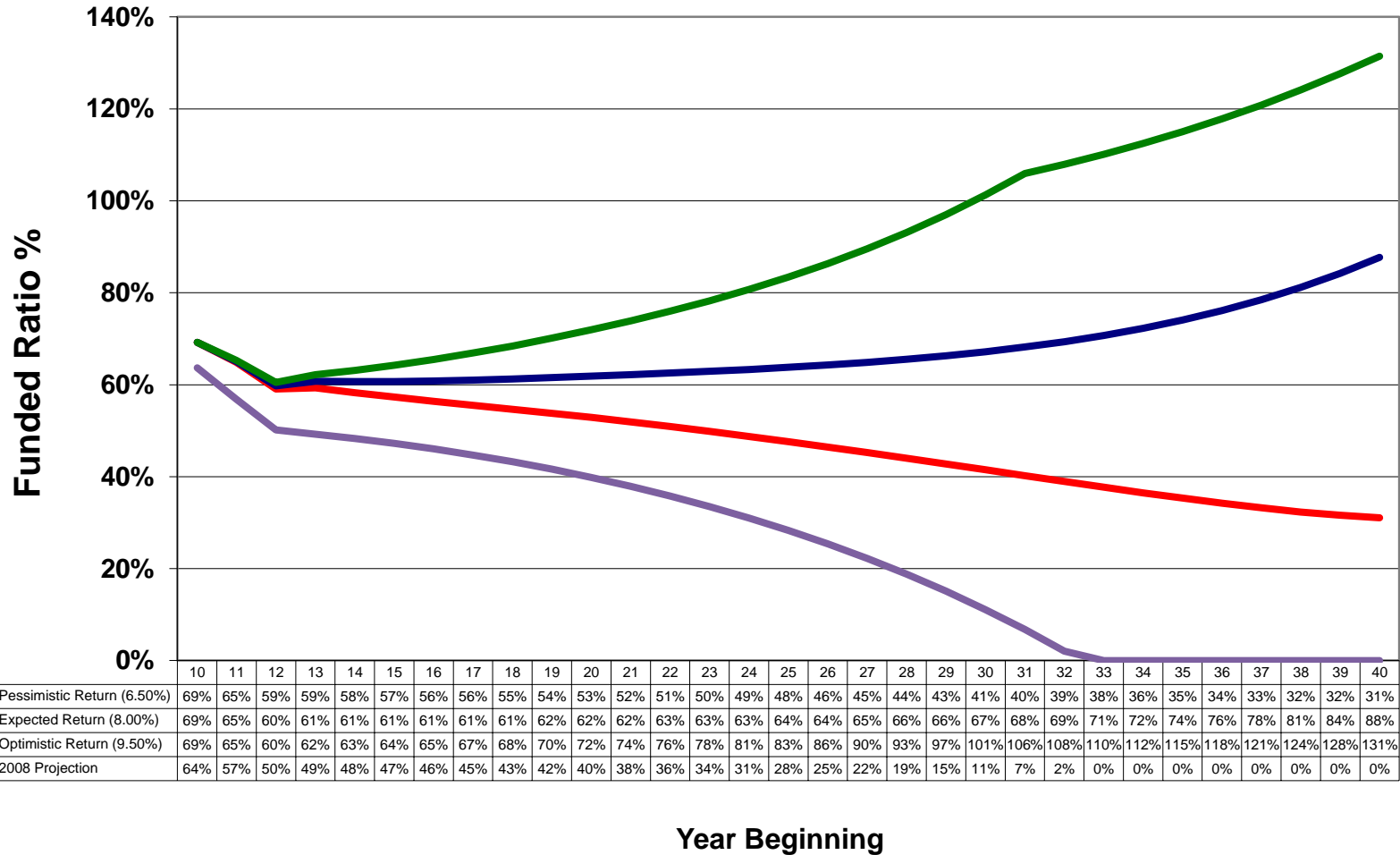


PERA Assets vs. Liabilities

Market Value as of December 31 for each year



School Division Actuarial Projection



— Pessimistic Return (6.50%)	69%	65%	59%	59%	58%	57%	56%	56%	55%	54%	53%	52%	51%	50%	49%	48%	46%	45%	44%	43%	41%	40%	39%	38%	36%	35%	34%	33%	32%	32%	31%
— Expected Return (8.00%)	69%	65%	60%	61%	61%	61%	61%	61%	61%	62%	62%	62%	63%	63%	63%	64%	64%	65%	66%	66%	67%	68%	69%	71%	72%	74%	76%	78%	81%	84%	88%
— Optimistic Return (9.50%)	69%	65%	60%	62%	63%	64%	65%	67%	68%	70%	72%	74%	76%	78%	81%	83%	86%	90%	93%	97%	101%	106%	108%	110%	112%	115%	118%	121%	124%	128%	131%
— 2008 Projection	64%	57%	50%	49%	48%	47%	46%	45%	43%	42%	40%	38%	36%	34%	31%	28%	25%	22%	19%	15%	11%	7%	2%	0%	0%	0%	0%	0%	0%	0%	0%

— Pessimistic Return (6.50%) — Expected Return (8.00%) — Optimistic Return (9.50%) — 2008 Projection

Senate Bill 10-001

Shared Sacrifices

- Modifies annual increase or “COLA”
- Increases member/employer contribution rates
- Increases retirement age (Rule of 90 with minimum age 60 for new hires in 2017)
- Includes funding corridor between 90 percent and 103 percent
- Actuaries state that projections show full funding achieved under current assumptions

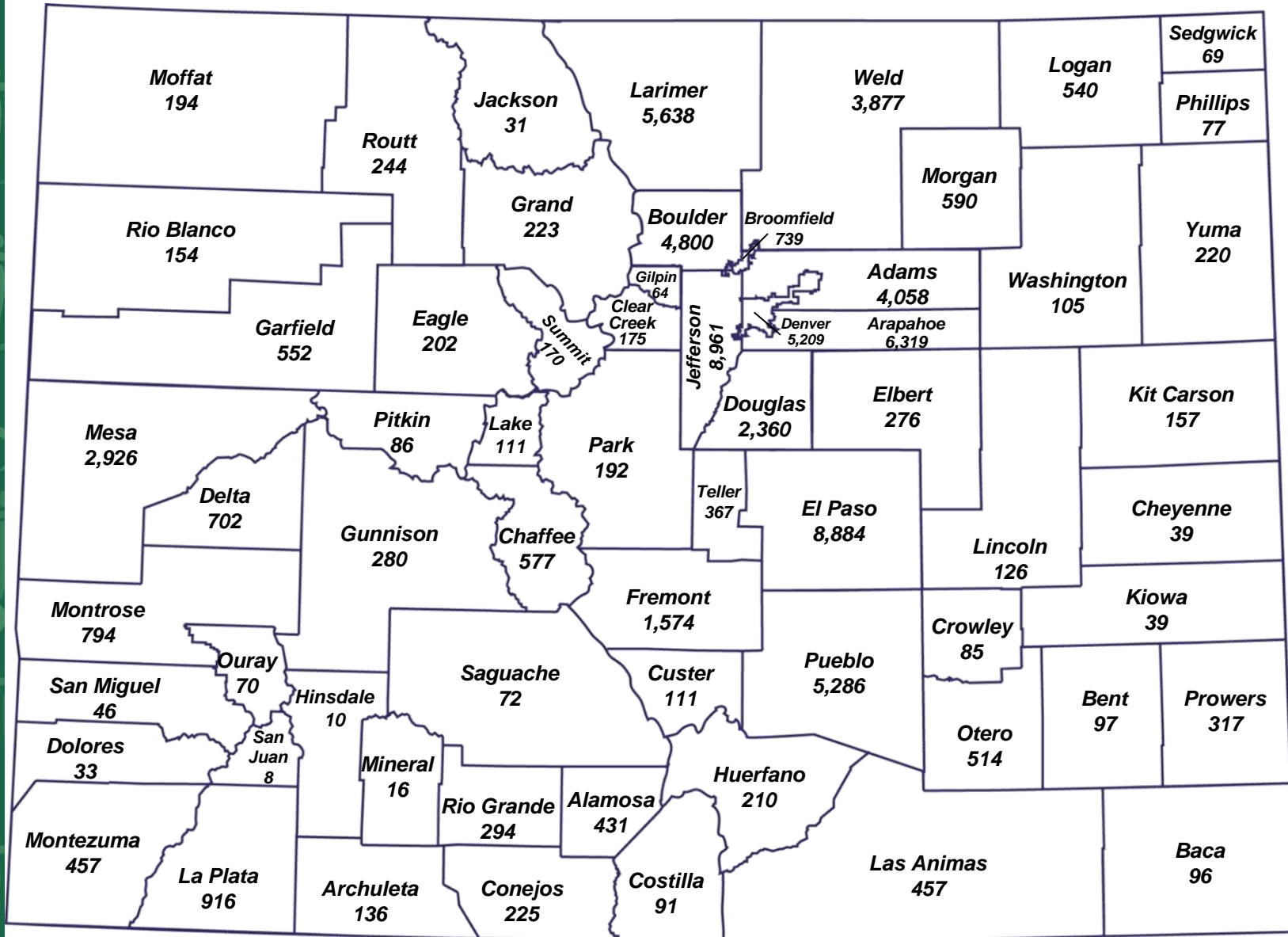
PERA's Economic Engine

- \$3 billion in benefits paid annually
 - 93,000 retirees – 90 percent Colorado residents
 - 2.7 percent of the State's wage income
 - 20,000 jobs created
 - \$2,885 average monthly benefit paid
 - \$186 million in State and local tax receipts
- \$315 million in Colorado investments
- One in 13 Coloradans is a PERA member

Source: Pacey Economics Group

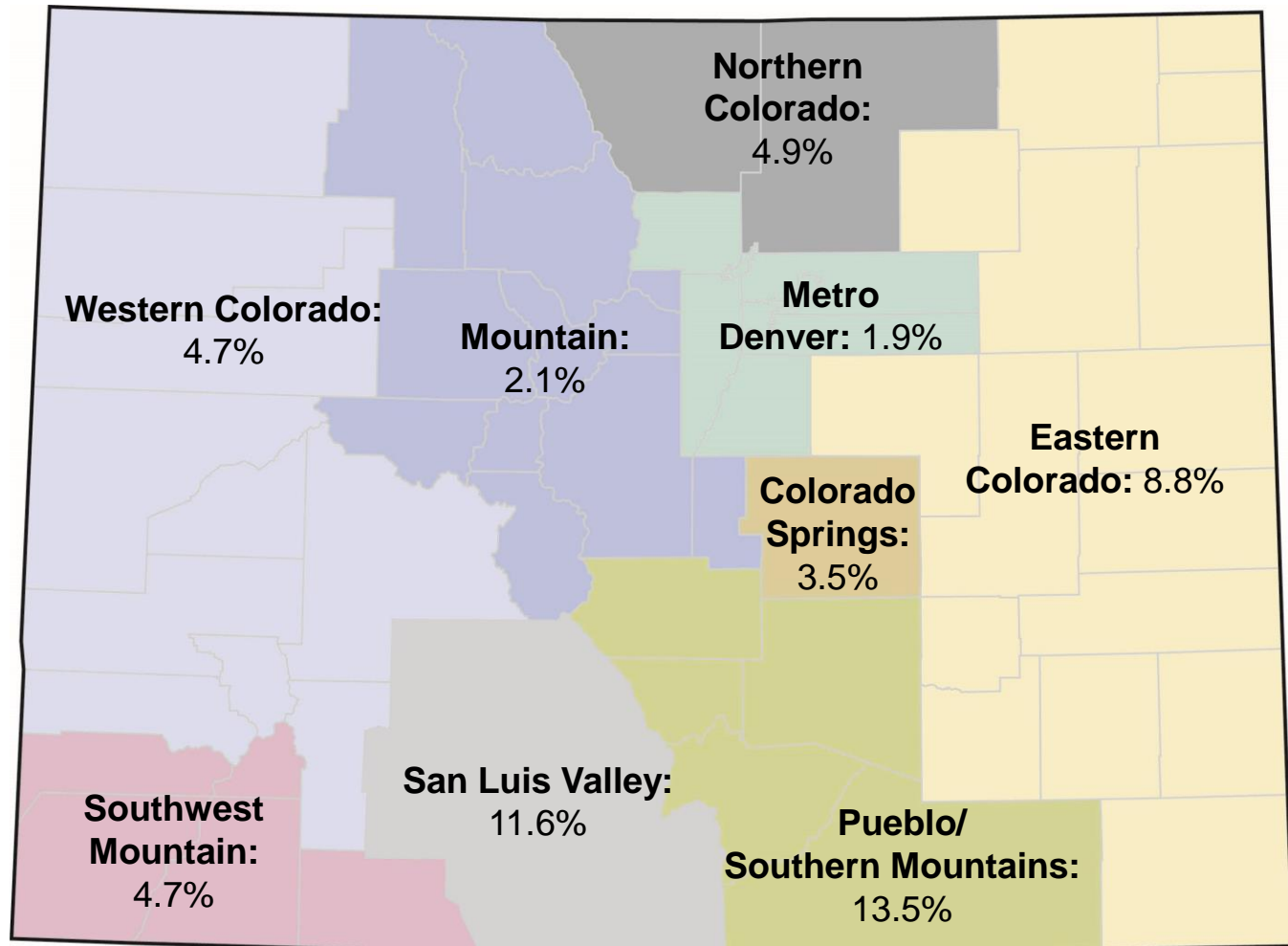
Benefit Recipients in Colorado

December 31, 2009 – 72,998



PERA Recipient Payments as a Percentage of Wage Income

State of Colorado Total: 2.7%



Source: Pacey Economics Group, 2008 data

PERA's DC Plans

Plan	Who's Eligible	Participants (As of September 30, 2010)	Assets (As of September 30, 2010)
401(k)	All PERA members and retirees	74,350	\$1.78 billion
PERA DC	State employees hired in 2006 or later Community College employees hired in 2008 or later	3,355	\$47 million
457	State employees and employees in some school districts	18,221	\$423 million