

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
CORRECTIONS OFFICER RETIREMENT PLAN
ELECTED OFFICIALS' RETIREMENT PLAN**

Board of Trustees

Brian Tobin, Chairman
Gregory Ferguson, Vice Chair
Jeff Allen McHenry, Trustee
Richard J. Petrenka, Trustee
Randie A. Stein, Trustee
Lauren Kingry, Trustee

3010 East Camelback Road, Suite 200
Phoenix, Arizona 85016-4416
www.psprs.com
TELEPHONE: (602) 255-5575
FAX: (602) 255-5572

Administration

James M. Hacking
Administrator
Jared A. Smout
Deputy Administrator
Ryan Parham
Assistant Administrator-CIO

December 30, 2011

Arizona State Senate
Arizona State House of Representatives
Joint Legislative Budget Committee

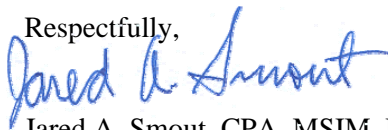
To Whom It May Concern:

Please find attached the June 30, 2011 consolidated actuarial valuation for the Public Safety Personnel Retirement System. We are providing this information in accordance with ARS § 38-848.02. The fiscal year 2011 employee rate for all members within PSPRS was 7.65%. The current fiscal year 2012 rate is 8.65% and the fiscal year 2013 rate will be 9.55%, all as set by ARS § 38-843(E)(3). Additionally, you will find in the attached report the following:

- Individual employer contribution rates for each employer within PSPRS can be found in Appendix IV
- The funding status of each individual employer within PSPRS can be found in Appendix III
- The investment rates of return are as follows:
 - The one-year market rate of investment return is 17.5% (see page C-1, line I)
 - The recognized seven-year rate of return used in the valuation of assets is 4.4% (see page C-1, line J)

Should you have any questions about this information, please do not hesitate to contact me.

Respectfully,



Jared A. Smout, CPA, MSIM, MPA
Deputy Administrator

Direct recipients of this report:

Senator Steve Pierce
Senator Steve Yarbrough
Representative Andy Tobin
Representative Bob Robson
JLBC Director Richard Stavneak

Senator Andy Biggs
Senator Scott Bundgaard
Representative Steve Court
Representative John Fillmore

Senator David Schapira
Senator Don Shooter
Representative Chad Campbell
Representative John Kavanagh

ARS § 38-848.02. Board of trustees report on employer and employee costs

On or before December 31 of each year, the board of trustees shall provide to the legislature, and the joint legislative budget committee and post on its website the shared cost structure of employees and employers, the funding status and the rate of return. The report to the legislature shall include when the trigger to the reduction in the employee rates is being met.