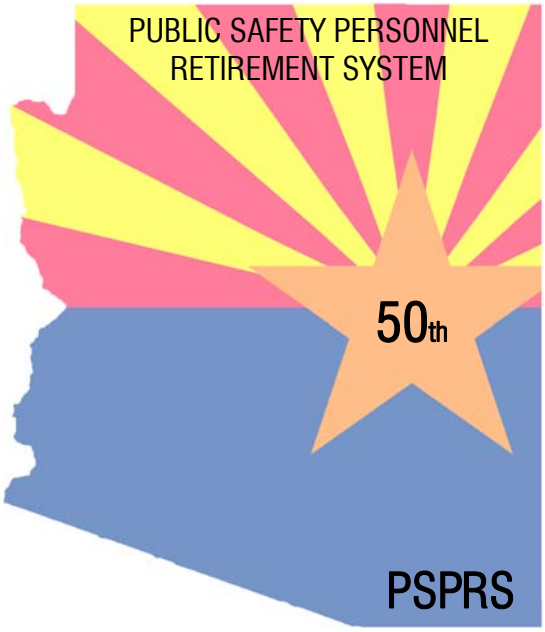
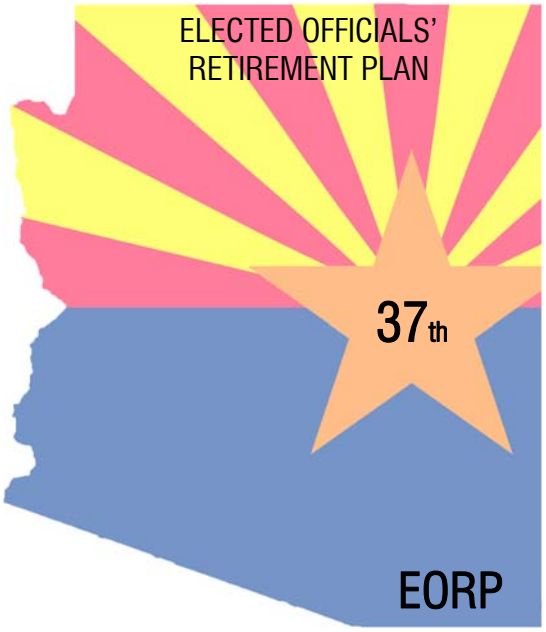
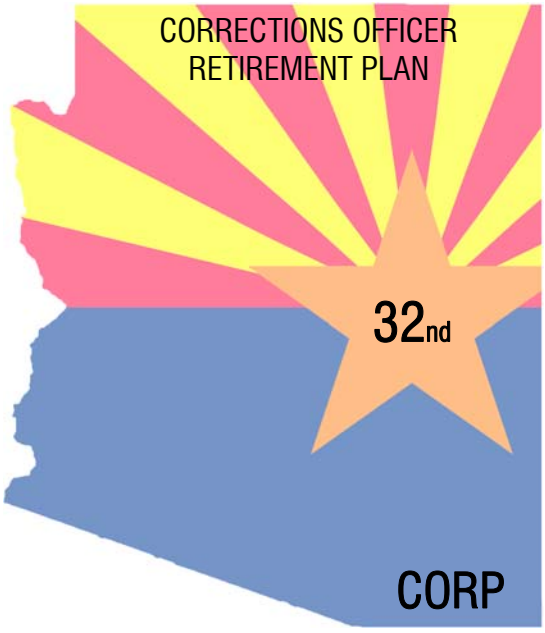
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

PENSION AND OPEB TRUST FUNDS OF THE STATE OF ARIZONA







THIS PAGE INTENTIONALLY BLANK

Comprehensive Annual Financial Report

for the following
Pension and OPEB Trust Funds of the State of Arizona

Public Safety Personnel Retirement System

Elected Officials' Retirement Plan

Corrections Officer Retirement Plan
(Administrative Offices of the Courts)

For the Fiscal Year Ended
June 30, 2018

Prepared by the Staff of PSPRS

Public Safety Personnel Retirement System
3010 E. Camelback Road, Suite 200
Phoenix, AZ 85016
Phone (602) 255-5575 Fax (602) 255-5572
www.psprs.com

The **Purpose** of the Public Safety Personnel Retirement System is to provide *uniform*, *consistent*, and *equitable* statewide retirement programs for those who have been entrusted to our care.

This is accomplished through our **Guiding Principles** where

A spirit of **Gratitude** inspires all of our actions,
thereby *fostering* a culture of unparalleled *service* to others through which *growth* is nurtured, *progress* is developed, and *results* are achieved.

Trust is engendered by *transparency* of our decisions and *accountability* for our actions as measured against sound *expectations*.

We recognize that **Respect** for the *individual* strengthens the *whole* and is only earned by genuinely *understanding* and *fulfilling* the needs of others through *appropriate*, *timely* and *clear communication* and *education*.

TABLE OF CONTENTS

INTRODUCTORY SECTION

- Certificates of Achievement 8
- PPCC Recognition Award 9
- Director Transmittal Letter 10
- Board of Trustees 16
- Executive Staff 17
- Organizational Chart 17
- Professional Advisors 18

FINANCIAL SECTION

- Independent Auditor's Report 20
- Management Discussion & Analysis 22
- Basic Financial Statements
  - Combined Statement of Fiduciary Net Position 32
  - Combined Statement of Changes in Fiduciary Net Position 34
  - Notes to the Financial Statements 37
- Required Supplementary Information
  - Schedules of Pension Contributions 57
  - Money Weighted Rate of Return 57
  - Schedules of Changes in Employers Net Pension Liabilities 58
  - Schedule of Changes in the Net OPEB Liability 60
  - Schedule of Employer OPEB Contributions 62
  - Schedule of Proportionate Share of the Net Pension Liability 64
  - Schedule of Employer Contributions Paid to ASRS 64
  - Notes to the Required Supplementary Information 64
- Supporting Schedules Information
  - Schedule of Changes in Reserve Balances 65
  - Schedule of Administrative Expenses 67
  - Schedule of Investment Expenses 67
  - Schedule of Consultant Expenses 67

INVESTMENT SECTION

- Chief Investment Officer's Letter 70
- Fund Investment Objectives 72
- Investment Performance
  - Asset Allocation 73
  - Annualized Trust Rate of Return 74
- Top 20 Investment Holdings 75
- Schedule of Commissions Paid to Brokers 76
- Fees By Sub-Asset Class 76

TABLE OF CONTENTS (Continued)

ACTUARIAL SECTION

PSPRS Specific Information
- Actuary Certification Letter 78
- Actuarial Balance Sheet 81
- Summary of Valuation Assumptions 82
- Summary of Active Member Data 84
- Summary of Inactive Member Data 85
- Summary of Retired Member Data 85

EORP Specific Information
- Actuary Certification Letter 86
- Actuarial Balance Sheet 89
- Summary of Valuation Assumptions 90
- Summary of Active Member Data 92
- Summary of Inactive Member Data 93
- Summary of Retired Member Data 93

CORP Specific Information
- Actuary Certification Letter 94
- Actuarial Balance Sheet 97
- Summary of Valuation Assumptions 98
- Summary of Active Member Data 100
- Summary of Inactive Member Data 101
- Summary of Retired Member Data 101

Combined Information
- Solvency Test 102
- Schedule of Experience Gain/Loss 103

STATISTICAL SECTION

- Statistical Summary 106
- Changes in Net Plan Position - Pension 107
- Changes in Net Plan Position - Health Insurance 108
- Schedules of Revenues by Source 109
- Schedules of Deductions by Type 110
- Deductions from Net Position for Benefits and Refunds By Type 112
- Valuation Assets vs. Pension Liabilities 113
- Schedules of Benefits by Type and Range 114
- Funding Ratios 115
- Contribution Rates 116
- System Membership 117
- Principal Participating Employers 117
- Summary of Benefit Increases 118
- Summary of Growth of the System 119
- Benefits Payable by Type of Benefit 120
- Average Monthly Benefits and Membership 121
- Ten Year Estimated Contribution Rates 124
- Schedules of Changes in Refundable Member Reserve Balances 125
- Schedules of Changes in Employer Reserve Balances 132
- Schedules of Changes in Health Insurance Reserve Balances 146
- Participating Employers 153

THIS PAGE INTENTIONALLY BLANK

INTRODUCTORY SECTION

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Arizona Public Safety Personnel Retirement System

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

Public Pension Coordinating Council

Public Pension Standards Award For Funding and Administration 2018

Presented to

Arizona Public Safety Personnel Retirement System

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
Program Administrator

Board of Trustees
Brian P. Tobin, Chairman
William T. Buividas, Vice Chairman
William C. Davis, Trustee
Edward J. McNeill, Trustee
Harry A. Papp, Trustee
Bryan Raines, Trustee
Mike Scheidt, Trustee
Dean M. Scheinert, Trustee
Donald A. Smith, Jr., Trustee

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
CORRECTIONS OFFICER RETIREMENT PLAN
ELECTED OFFICIALS' RETIREMENT PLAN
3010 East Camelback Road, Suite 200
Phoenix, Arizona 85016-4416
Telephone: (602) 255-5575
Fax: (602) 255-5572
www.psprs.com

Administration
Jared A. Smout
Administrator
Dave DeJonge
Deputy Administrator
Mark Steed
Chief Investment Officer

December 31, 2018

Dear Members, Benefit Recipients, Employers, and Members of the Board of Trustees:

We are pleased to present the fiftieth Comprehensive Annual Financial Report (CAFR) for the Public Safety Personnel Retirement System (PSPRS), the thirty-seventh for the Elected Officials' Retirement Plan (EORP), and the thirty-second for the Corrections Officer Retirement Plan (CORP), (collectively the System) for the fiscal year ended June 30, 2018 (FY18), in accordance with the provisions of A.R.S. § 38-848. The information contained in this report is accurate in all material respects and is intended to present fairly the financial status and results of operations of the System.

Responsibility for the contents of this report, including the financial statements, rests solely with the management of the System. The Board of Trustees provides an oversight role. This transmittal letter is designed to complement Management's Discussion and Analysis and should be read in conjunction with it.

Plan Overview

PSPRS was created on July 1, 1968 by A.R.S. § 38-841, for public safety personnel who are regularly assigned hazardous duty in the employ of the state of Arizona or a political subdivision thereof. It was joined by EORP on August 7, 1985, by A.R.S. § 38-802, when the Judge's Retirement Plan merged with the previous Elected Officials' Retirement Plan. EORP is for eligible judges and state, county and local elected officials of participating governmental employer units. Finally, on July 1, 1986, CORP was added by A.R.S. § 38-882 for corrections officers, county, city or town detention officers, dispatchers and probation officers. Each plan was created to provide a uniform, consistent and equitable statewide program for their respective eligible members.

PSPRS and CORP are agent multiple-employer defined benefit plans and are administered at the local level by 229 (PSPRS) and 28 (CORP) individual local boards in accordance with A.R.S. §§ 38-847 and 38-893. As agent multiple-employer plans, the assets and liabilities of each individual local board are accounted for separately, thereby allowing for individual funding levels and employer contribution rates. EORP is a cost-sharing, multiple-employer defined benefit plan where the Board administers and manages the plan. As such, the assets and liabilities of EORP are pooled for all the employers who share the same funding level and employer contribution rate. EORP was closed to newly elected officials as of January 1, 2014. All the assets of PSPRS, EORP and CORP are pooled for investment purposes only and reside in the PSPRS Trust, a formal entity created for that express purpose.

Individual local boards for PSPRS and CORP determine eligibility for membership, normal retirement benefits (based on years of service, the annual benefit accrual rate and final average compensation), disability benefits, and survivor benefits for spouses and children. The Board of Trustees fulfills these functions for EORP.

The contributions received from and benefits distributed for each local board and EORP are accounted for by the Board through the administrative offices. However, in accordance with A.R.S. § 38-848, the Board is not responsible for nor has the duty to review the actions or omissions of the individual local boards, but does have the discretion to seek review or rehearing (and does so) to protect the System as a whole. Additionally, although not part of a defined benefit plan or the Trust, the Board also administers the separate Public Safety Cancer Insurance Policy Program for members of PSPRS and CORP. The Board also administers defined contribution plans and has contracted with a third-party administrator to manage those plans.

Financial Information Reporting

Financial statements are prepared in conformity with accounting principles generally accepted in the United States of America and reporting guidelines set forth by the Governmental Accounting Standards Board. We have received a "clean" opinion from Heinfeld, Meech & Co., P.C., Certified Public Accountants and auditors for the System. This unmodified opinion can be found at the beginning of the Financial Section. Management believes that all other financial information included in this annual report is consistent with those financial statements.

It is the System's policy to have and maintain an effective system of accounting controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss or unauthorized disposition and the reliability of the financial records from which the financial reports are prepared. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgment by management. Management believes that as of June 30, 2018, an adequate system of internal controls is in place and that the accompanying statements, schedules and tables are fairly presented.

Investments

Investment portfolio income is a significant source of revenue for the PSPRS plans. In FY18 our investment portfolio provided net investment income of $651.59 million. The rate of return over the fiscal year was 7.07 percent net of fees. Over the past five years, the portfolio has an annualized, net of fees rate of return of 7.18 percent, slightly below our assumed rate of return of 7.4 percent.

Our portfolio is a well-diversified portfolio. The portfolio is strategically allocated to provide appropriate diversification that limits the impact when markets experience losses. Both traditional and nontraditional assets are incorporated into the asset allocation mix. Because the portfolio is less risky and less volatile than the vast majority of our peers, we won't likely be hitting homeruns when the stock market advances (like it has over the past few years), but we will likely outperform our peers when the markets correct or grow stagnant. You can read more about the portfolio and our returns in the CIO's letter at the front of the Investment Section of this CAFR.

The System's Funding Status

Fiduciary Net Position grew from $9.3 billion to $9.8 billion in FY18, despite paying out benefits of $1 billion during the year. We were also required to provide contribution credits of more than $220 million to employers as a result of the Arizona Supreme Court overturning provisions of state law passed by the legislature in 2011 that increased member contribution rates in PSPRS and EORP. The Court determined that an increase in employee contribution rates from 7.65 percent of pay to 11.65 percent of pay for PSPRS active members and from 7 percent to 13 percent of pay for EORP active members was unconstitutional and needed to be refunded with interest.

Legislation was passed in 2017 that replaced the Permanent Benefit Increase (PBI) with a CPI-based Cost of Living Adjustment (COLA) for EORP and CORP retirees. That provision, however, needed to be approved via voter referendum before it became law. In 2018, Arizona voters approved the provision, which lowered pension liabilities in both plans.

In an attempt to help employers saddled with high pension costs, legislation was passed in 2017 allowing individual employers to increase their amortization period from 20 years to up to 30 years. While this measure increases total pension costs for those employers over the long run, the costs are spread over a longer period of time, providing some short-term relief. 10 employers took advantage of this one-time opportunity to extend their amortization period in FY18.

While it is important to have contribution rates that employers can afford, it is even more important that the plans we administer remain sustainable long-term. Legislation was passed in 2018 that shored up EORP by requiring contribution rates to adjust annually, based on the annual actuarial valuation. Prior to that, employers paid a fixed 23.5 percent, substantially below the amount needed to sustain the plan on a long-term basis. EORP employer contribution rates rose to 61.5 percent in FY19 as a result.

Due to the events listed above, the financial health of each plan improved slightly during fiscal year 2018. There are many factors that contribute to changes in the funding levels, some having a greater effect than others. Below is a reconciliation from June 30, 2017 to June 30, 2018 showing those contributing factors and their relative effect on the funded status of each plan, including both the pension and Other Post-Employment Benefit (OPEB) assets and liabilities, at the aggregate level:

Funded % as of	PSPRS	EORP	CORP
June 30, 2017	46.6%	32.6%	51.5%
Asset Losses	(0.3)%	(0.6)%	(0.4)%
Payroll Growth	0.2%	(0.1)%	1.1%
COLA or PBI Gain/(Loss)	(0.1)%	0.8%	0.6%
Hall/Parker Settlement	(0.7)%	(2.0)%	0.0%
Benefit Changes	0.0%	3.7%	2.9%
Other	1.3%	(0.9)%	0.4%
June 30, 2018	47.0%	33.5%	56.1%

Asset Losses
One of the potentially largest contributing factors to contribution rates and funded status are investment returns. In order to calculate appropriate contribution rates today to pay for future pension liabilities, assumptions must be made about future behavior and one of those assumptions is the long-term rate of return that will be made on the investments of the Trust. For June 30, 2018, the assumed rate of return was 7.4%. While the actual rate of return was 7.1% (net of fees), investment returns are actuarially spread over a seven-year smoothing period to soften the effects of volatility on the contribution rates and funding levels. Over that seven-year period the portfolio earned approximately 6 percent (net of fees), resulting in actuarial losses for all three plans.

Payroll Growth
Actuaries also make assumptions about how quickly payroll will grow, allowing them to determine future salaries upon which benefits will be determined as members retire. Payroll growth includes salary and merit increases, inflation, overtime (for PSPRS only) and growth in the number of employees. The payroll growth assumption was lowered from 4.0% to 3.5% in FY17. Gains in this category tells us that salaries did not grow this past year as quickly as expected, thereby decreasing future liabilities and increasing the funding level.

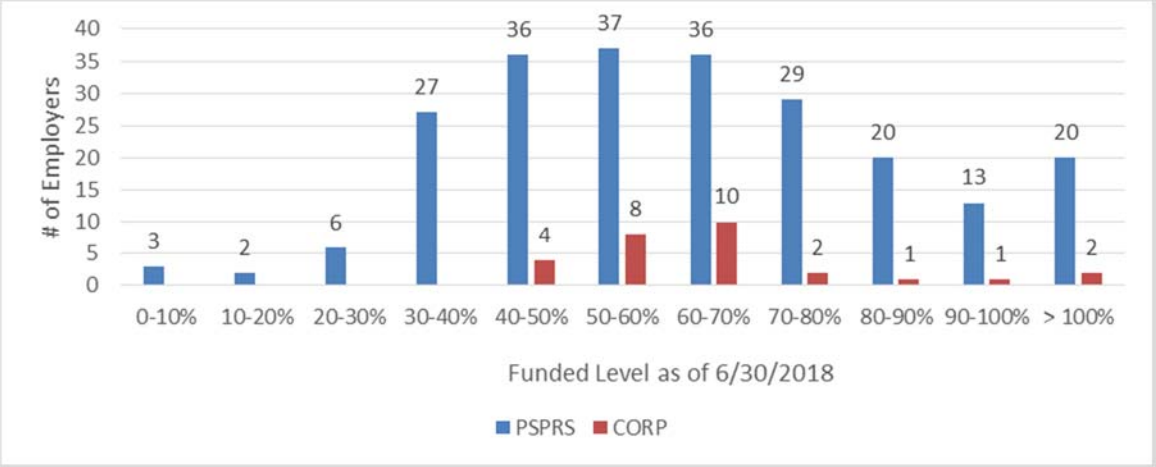
COLA or PBI Gain/(Loss)
When calculating actuarial liabilities, actuaries make assumptions about the probability of retirees receiving permanent benefit increases in future years. PSPRS retirees received a 2 percent cost of living allowance on July 1, 2018, slightly higher than the assumed 1.75 percent. EORP and CORP retirees did not receive a permanent benefit increase on July 1, 2018 because investment returns were not large enough to trigger increases.

Hall/Parker Settlement
As a result of the *Hall* and *Parker* lawsuits, certain Tier 1 PSPRS and EORP members were given approximately $220 million in refunds of contributions the Arizona Supreme Court declared to be unconstitutional.

Benefit Changes
As noted earlier, Arizona voters passed a referendum in 2018 that replaced the PBI with a COLA for EORP and CORP retirees that is CPI-based, capped at 2%.

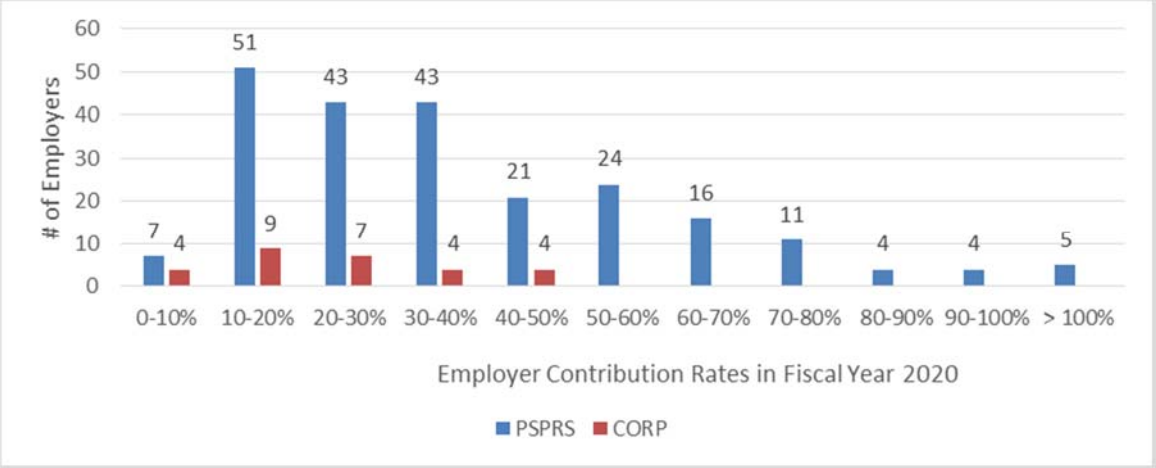
Other
This is the combination of all factors other than those listed above and primarily reflects demographic gains and losses due to experience that differs from actuarial assumptions.

While the numbers above are presented in the aggregate, it is important to remember that any aggregate number calculated for PSPRS and CORP is for comparison and overall general monitoring purposes only and does not necessarily reflect the most accurate picture of the System as a whole. Because PSPRS and CORP are agent multiple-employer plans, each individual employer has its own funding level. Therefore, another useful and appropriate representation for PSPRS and CORP is a distribution of those employers by their individual funding status as of June 30, 2018, as shown in the following chart:



Employer Contribution Rates

Results of the June 30, 2018 actuarial valuation determine contribution rates that will become effective in Fiscal Year 2020, which begins on July 1, 2019. For most employers, contribution rates will either decrease or will increase less than 1 percent in FY20. A distribution graph representing those individual plan rates is provided below.



New Developments and Management Initiatives

Pension reform measures passed by the Legislature in 2016 and 2017 brought about an incredible amount of change to the pension plans administered by PSPRS, which continued into FY18. As a result, PSPRS staff spent much of the fiscal year rewriting the pension system software used by staff, employers, local boards and members. New secure web portals were rolled out to members, local boards and employers. Countless staff hours were spent working directly with employers as they began sending contribution files electronically.

Those files are being validated by our new software at the time they are submitted to make sure contribution data is accurate and thorough. Once contribution data is submitted, employers can make payments electronically using a secure online portal. Employers are now also sending demographic information electronically and have the ability to look up certain information about their employees online. New Tier 3 members have several new sources of information to learn more about their benefit provisions, and PSPRS Tier 3 members make their plan elections in the updated Members Only Portal.

A new initiative to provide training to local boards and employers at various locations across the State of Arizona was begun in FY18. We hired an Employer Relationship Manager to team up with our Local Board Relationship Manager, and they conducted training events across Arizona, making it easier for employers and local board members to receive individual attention. We also hosted an all-day educational Local Board/Employer Seminar in Phoenix that was attended by almost 300 people. In FY19 we will expand those educational opportunities.

A new Defined Contribution (DC) Plan was rolled out July 1, 2017 for PSPRS Tier 3 members (and Tier 2 members who are in the hybrid plan). In 2018, legislation was passed that allows active and former members and benefit recipients the ability to rollover funds into the DC Plan. PSPRS members who enter the DROP program now have their DROP account rolled into the DC Plan when they fully retire. Most new CORP members will be automatically enrolled in the DC Plan effective July 1, 2018. The Board's DC Committee has done an excellent job administering this new plan.

National Recognition

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to PSPRS for its comprehensive annual financial report for the fiscal year ended June 30, 2017. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The Public Pension Coordinating Council (PPCC) presented PSPRS with its 2018 Recognition Award for Funding and Administration in recognition of meeting professional standards for plan funding and administration as set forth in the Public Pension Standards. The PPCC is a coalition of three national associations that represent public retirement systems and administrators—the National Association of State Retirement Administrators, the National Conference on Public Employee Retirement Systems, and the National Council on Teacher Retirement. These three associations represent more than 500 of the largest public pension plans in the U.S.

Acknowledgements

The success of PSPRS requires the cooperation and support of our employers and local boards. We thank the staff and management of our employers along with those who serve on local boards for their encouragement and support. We also thank the staff and Board of Trustees for the commitment and efforts to ensure that PSPRS meets the needs of public servants who serve throughout the State of Arizona. We are honored and privileged to serve those who serve others.

Respectfully submitted,

Jared A. Smout, Administrator Dave DeJonge, Deputy Administrator

THIS PAGE INTENTIONALLY BLANK

BOARD OF TRUSTEES
(AS OF JUNE 30, 2018)

Brian P. Tobin
Chairman

William T. Buividas
Vice Chairman

William C. Davis
Trustee

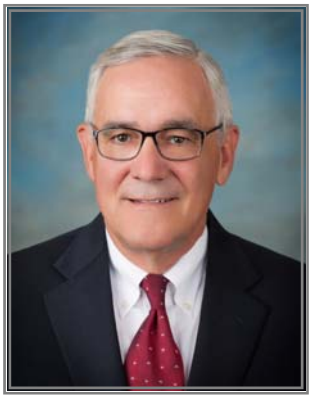
Edward J. McNeill
Trustee

Harry A. Papp
Trustee

Bryan Raines
Trustee

Mike Scheidt
Trustee

Dean M. Scheinert
Trustee



Donald A. Smith, Jr.
Trustee

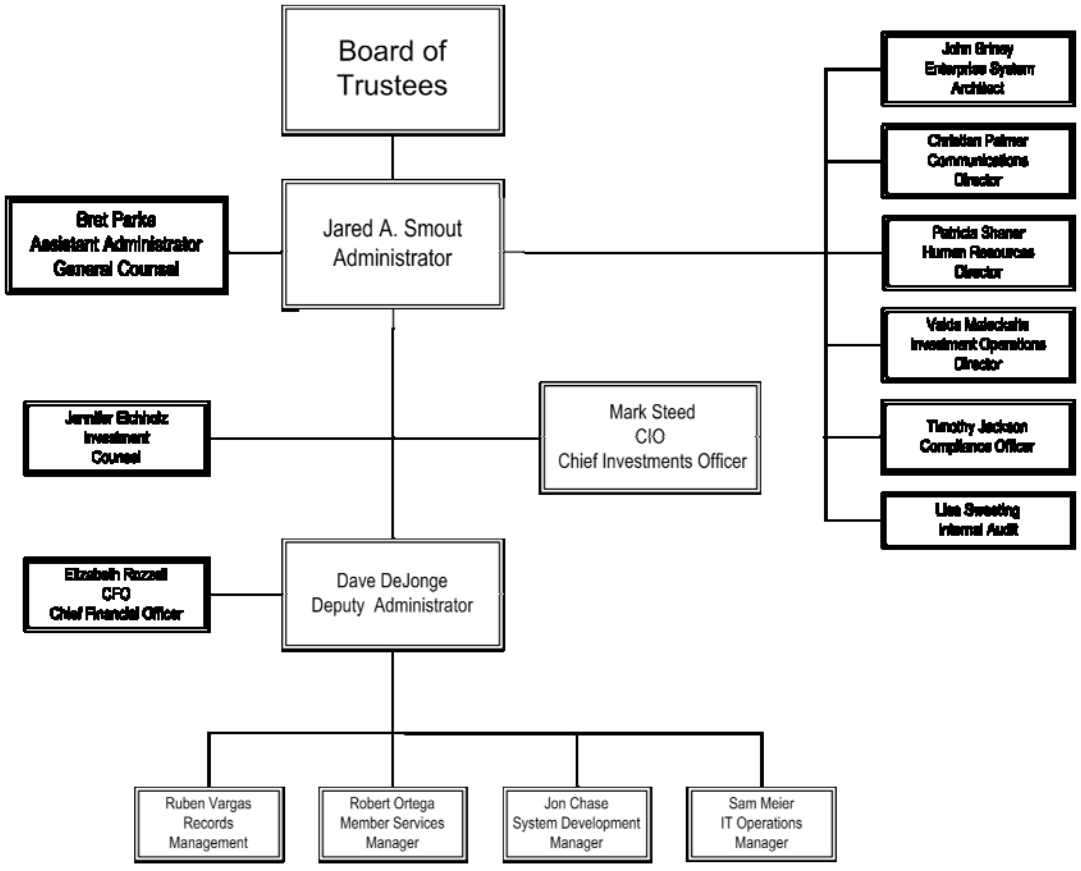
EXECUTIVE STAFF AND ORGANIZATIONAL CHART

(AS OF JUNE 30, 2018)

Dave DeJonge
Deputy Administrator

Jared A. Smout
Administrator

Mark Steed
Chief Investment Officer



PROFESSIONAL ADVISORS

ACTUARIAL SERVICES	GRS RETIREMENT CONSULTING SOUTHFIELD, MI
CUSTODIAL BANK	BNY MELLON NEW YORK, NY
INDEPENDENT AUDITORS	HEINFELD, MEECH & CO., P.C. TUCSON, AZ
GENERAL INVESTMENT CONSULTANT	NEPC, LLC CAMBRIDGE, MA

Additional information regarding investment professionals who provide services for the pension and OPEB plans can be found in the Financial and Investment sections of this CAFR. A Schedule of Consultant Expenses is available in the supporting schedules at the end of the Financial section. A Schedule of Commissions Paid to Brokers is available at the end of the Investment section.

FINANCIAL SECTION

HeinfeldMeech

Tucson • Phoenix • Flagstaff
HeinfeldMeech.com

Independent Auditor's Report

Board of Trustees
Public Safety Personnel Retirement System

Report on the Financial Statements

We have audited the financial statements of Public Safety Personnel Retirement System (System), a component unit of the State of Arizona, which comprise the Combined Statement of Fiduciary Net Position as of June 30, 2018, and the related Combined Statement of Changes in Fiduciary Net Position for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Public Safety Personnel Retirement System as of June 30, 2018, and the respective changes in its net position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Combined Comparative Information

We have previously audited the Public Safety Personnel Retirement System's 2017 combined financial statements, and we expressed an unmodified opinion on those financial statements in our report dated January 25, 2018. In our opinion, the combined comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited combined financial statements from which it was derived.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the System's financial statements. The Introductory Section, Supporting Schedules Information, Investment Section, Actuarial Section, and Statistical Section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The Supporting Schedules Information, as listed in the table of contents under the Financial Section, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 Supporting Schedules Information is fairly stated in all material respects in relation to the financial statements as a whole.

The Introductory Section, Investment Section, Actuarial Section, and Statistical Section have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2018, on our consideration of the Public Safety Personnel Retirement System'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* in considering the Public Safety Personnel Retirement System's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
December 31, 2018

MANAGEMENT DISCUSSION & ANALYSIS

As management of Arizona's Public Safety Personnel Retirement System ("System"), we present this discussion and analysis of the financial activities for the year ended June 30, 2018 (FY18). This narrative is intended to supplement the financial statements which follow this discussion, and should be read in conjunction with the Transmittal Letter.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Basic Financial Statements consist of the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position, and the Notes to the Basic Financial Statements. These financial statements report information about the System's financial condition in an attempt to answer the question: "Is PSPRS better off or worse off as a result of this year's activities?" These statements are prepared in accordance with generally accepted accounting principles laid out in statements issued by the Governmental Accounting Standards Board (GASB).

The Required Supplementary Information that appears after the Notes to the Basic Financial Statements is not a required part of the Basic Financial Statements, but is supplementary information required by the GASB. The other supplementary information following the required supplementary information is not required, but management has chosen to include such information to increase transparency.

BASIC FINANCIAL STATEMENTS

The *Statement of Fiduciary Net Position* provides a snapshot of account balances at year-end. It reports the assets available for future payments to benefit recipients, along with any liabilities that are owed as of the statement date. The difference between assets and liabilities, called "Fiduciary Net Position Restricted for Pensions and OPEB," represents the value of assets held in trust for future benefit payments. Over time, increases and decreases in Fiduciary Net Position can be one measurement of whether the System's financial position is increasing or decreasing.

The *Statement of Changes in Fiduciary Net Position*, on the other hand, shows additions to and deductions from Fiduciary Net Position that took place throughout the year.

The *Notes to the Basic Financial Statements* are an integral part of the Basic Financial Statements and provide additional information about the plans, policies and performance of the System. The Notes include a plan description of the various plans that make up the System, a summary of significant accounting policies, and information about the System's OPEB plans, contribution requirements, cash and investments, capital assets, net pension liability of participating employers, subsequent events, and other information required by GASB. Dollar amounts are presented in thousands, unless otherwise indicated.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2018 (FY18) are as follows:

- The System's total rate of return (net of fees) was 7.07 percent in FY18, below the target fund benchmark by 67 basis points and slightly below the assumed earnings rate of 7.4 percent.
- The System's Fiduciary Net Position increased 5.93 percent during the year from $9.34 billion to $9.90 billion.
- Total additions for FY18 were $1.62 billion, comprised of contributions of $969.65 million and investment gains of $651.59 million.
- Total deductions for the year increased from $1.01 billion in FY17 to $1.07 billion in FY18.

FINANCIAL ANALYSIS OF THE PLAN

The schedules that follow present comparative summary financial statements of the individual plans that make up the System for FY18 in comparison with results for FY17. Following each schedule is a brief summary of the significant changes noted in the schedules and reasons for the changes.

REQUEST FOR INFORMATION

This report is designed to provide a general overview of the finances of the System and the individual plans within the System. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Public Safety Personnel Retirement System, 3010 E. Camelback Road, Suite 200, Phoenix, AZ 85016.

PSPRS
SUMMARY COMPARATIVE STATEMENTS OF FIDUCIARY NET POSITION
(IN THOUSANDS)

	PENSION		HEALTH INSURANCE		PSPRS TOTAL		PSPRS TOTAL	
	2018	2017	2018	2017	2018	2017	CHANGE	% CHANGE
Cash and Short-Term Investments	306,750	197,850	8,656	8,842	315,406	206,692	108,714	52.60%
Total Receivables	66,896	35,415	506	551	67,402	35,966	31,436	87.40%
Total Investments	6,918,626	6,614,984	319,201	312,073	7,237,827	6,927,057	310,770	4.49%
Securities Lending Collateral	422,374	453,149	19,487	21,378	441,861	474,527	(32,666)	-6.88%
Net Capital Assets	2,939	3,069	-	-	2,939	3,069	(130)	-4.24%
Total Assets	**7,717,585**	**7,304,467**	**347,850**	**342,844**	**8,065,435**	**7,647,311**	**418,124**	**5.47%**
Deferred Outflows of Resources	**939**	**1,289**	**-**	**-**	**939**	**1,289**	**(350)**	**-27.15%**
Accrued Accounts Payable	1,297	834	-	-	1,297	834	463	55.52%
Investment Purchases Payable	32	4,355	2	205	34	4,560	(4,526)	-99.25%
Securities Lending Collateral	422,374	453,149	19,487	21,378	441,861	474,527	(32,666)	-6.88%
Employer Net Pension Liabilities	5,399	5,421	-	-	5,399	5,421	(22)	-0.41%
Total Liabilities	**429,102**	**463,759**	**19,489**	**21,583**	**448,591**	**485,342**	**(36,751)**	**-7.57%**
Deferred Inflows of Resources	**292**	**671**	**-**	**-**	**292**	**671**	**(379)**	**-56.48%**
Fiduciary Net Position	**7,289,130**	**6,841,326**	**328,361**	**321,261**	**7,617,491**	**7,162,587**	**454,904**	**6.35%**

Summary Comparative Statements of Fiduciary Net Position Analysis

Total plan fiduciary net position held in trust for PSPRS pension and OPEB benefits at June 30, 2018 were $7.62 billion, a 6.35% increase from $7.16 billion at June 30, 2017. The increase in fiduciary net position is primarily due to favorable financial markets during the fiscal year. The changes in cash and receivables is attributable to normal fluctuations in investment income receivables during the year.

EORP
SUMMARY COMPARATIVE STATEMENTS OF FIDUCIARY NET POSITION
(IN THOUSANDS)

	PENSION		HEALTH INSURANCE		EORP TOTAL		EORP TOTAL	
	2018	2017	2018	2017	2018	2017	CHANGE	% CHANGE
Cash and Short-Term Investments	10,183	8,725	807	637	10,990	9,362	1,628	17.39%
Total Receivables	11,640	2,876	27	34	11,667	2,910	8,757	300.93%
Total Investments	264,368	288,987	22,893	22,493	287,261	311,480	(24,219)	-7.78%
Securities Lending Collateral	16,118	19,797	1,419	1,541	17,537	21,338	(3,801)	-17.81%
Net Capital Assets	210	215	-	-	210	215	(5)	-2.33%
Total Assets	**302,519**	**320,600**	**25,146**	**24,705**	**327,665**	**345,305**	**(17,640)**	**-5.11%**
Deferred Outflows of Resources	**37**	**58**	**-**	**-**	**37**	**58**	**(21)**	**-36.21%**
Accrued Accounts Payable	11,459	2,278	-	-	11,459	2,278	9,181	403.03%
Investment Purchases Payable	0	190	-	15	-	205	(205)	-100.00%
Securities Lending Collateral	16,118	19,797	1,419	1,541	17,537	21,338	(3,801)	-17.81%
Employer Net Pension Liabilities	215	244	-	-	215	244	(29)	-11.89%
Total Liabilities	**27,792**	**22,509**	**1,419**	**1,556**	**29,211**	**24,065**	**5,146**	**21.38%**
Deferred Inflows of Resources	**17**	**30**	**-**	**-**	**17**	**30**	**(13)**	**-43.33%**
Fiduciary Net Position	**274,747**	**298,119**	**23,727**	**23,149**	**298,474**	**321,268**	**(22,794)**	**-7.10%**

Summary Comparative Statements of Fiduciary Net Position Analysis

The Total plan fiduciary net position held in trust for EORP pension and OPEB benefits at June 30, 2018 were $298.47 million, a 7.10% decrease from $321.27 million at June 30, 2017. The decrease in fiduciary net position is primarily due to the contribution rate of 23.50% set by statute, compared to an actuarial determined contribution rate. The changes in cash and receivables is attributable to normal fluctuations in investment income receivables during the year.

CORP
SUMMARY COMPARATIVE STATEMENTS OF FIDUCIARY NET POSITION
(IN THOUSANDS)

	PENSION		HEALTH INSURANCE		CORP TOTAL		CORP TOTAL	
	2018	2017	2018	2017	2018	2017	CHANGE	% CHANGE
Cash and Short-Term Investments	44,985	37,591	3,518	2,963	48,503	40,554	7,949	19.60%
Total Receivables	9,375	7,156	389	178	9,764	7,334	2,430	33.13%
Total Investments	1,391,564	1,319,041	108,816	104,591	1,500,380	1,423,632	76,748	5.39%
Securities Lending Collateral	84,953	90,359	6,643	7,165	91,596	97,524	(5,928)	-6.08%
Net Capital Assets	382	409	-	-	382	409	(27)	-6.60%
Total Assets	**1,531,259**	**1,454,556**	**119,366**	**114,897**	**1,650,625**	**1,569,453**	**81,172**	**5.17%**
Deferred Outflows of Resources	**192**	**262**	**-**	**-**	**192**	**262**	**(70)**	**-26.72%**
Accrued Accounts Payable	5,717	9,024	-	-	5,717	9,024	(3,307)	-36.65%
Investment Purchases Payable	6	868	1	69	7	937	(930)	-99.25%
Securities Lending Collateral	84,953	90,359	6,643	7,165	91,596	97,524	(5,928)	-6.08%
Employer Net Pension Liabilities	1,107	1,101	-	-	1,107	1,101	6	0.54%
Total Liabilities	**91,783**	**101,352**	**6,644**	**7,234**	**98,427**	**108,586**	**(10,159)**	**-9.36%**
Deferred Inflows of Resources	**87**	**136**	**-**	**-**	**87**	**136**	**(49)**	**-36.03%**
Fiduciary Net Position	**1,439,581**	**1,353,330**	**112,722**	**107,663**	**1,552,303**	**1,460,993**	**91,310**	**6.25%**

Summary Comparative Statements of Fiduciary Net Position Analysis

Total plan fiduciary net position held in trust for CORP pension and OPEB benefits at June 30, 2018 were $1.55 billion, a 6.25% increase from $1.46 billion at June 30, 2017. The increase in fiduciary net position is primarily due to favorable financial markets during the fiscal year. The changes in cash and receivables is attributable to normal fluctuations in investment income receivables during the year.

CORP-AOC
SUMMARY COMPARATIVE STATEMENTS OF FIDUCIARY NET POSITION
(IN THOUSANDS)

	PENSION		HEALTH INSURANCE		CORP-AOC TOTAL		CORP-AOC TOTAL	
	2018	2017	2018	2017	2018	2017	CHANGE	% CHANGE
Cash and Short-Term Investments	12,142	10,808	1,169	266	13,311	11,074	2,237	20.20%
Total Receivables	5,274	1,627	140	43	5,414	1,670	3,744	224.19%
Total Investments	402,259	379,238	9,495	9,384	411,754	388,622	23,132	5.95%
Securities Lending Collateral	24,558	25,979	579	643	25,137	26,622	(1,485)	-5.58%
Net Capital Assets	110	118	-	-	110	118	(8)	-6.78%
Total Assets	**444,343**	**417,770**	**11,383**	**10,336**	**455,726**	**428,106**	**27,620**	**6.45%**
Deferred Outflows of Resources	**56**	**75**	**-**	**-**	**56**	**75**	**(19)**	**-25.33%**
Accrued Accounts Payable	1,653	2,594	-	-	1,653	2,594	(941)	-36.28%
Investment Purchases Payable	2	250	1	6	3	256	(253)	-98.83%
Securities Lending Collateral	24,558	25,979	579	643	25,137	26,622	(1,485)	-5.58%
Employer Net Pension Liabilities	319	317	-	-	319	317	2	0.63%
Total Liabilities	**26,532**	**29,140**	**580**	**649**	**27,112**	**29,789**	**(2,677)**	**-8.99%**
Deferred Inflows of Resources	**25**	**39**	**-**	**-**	**25**	**39**	**(14)**	**-35.90%**
Fiduciary Net Position	**417,842**	**388,666**	**10,803**	**9,687**	**428,645**	**398,353**	**30,292**	**7.60%**

Summary Comparative Statements of Fiduciary Net Position Analysis

Total plan fiduciary net position held in trust for CORP-AOC pension and OPEB benefits at June 30, 2018 were $428.65 million, a 7.60% increase from $398.35 million at June 30, 2017. The increase in fiduciary net position is primarily due to favorable financial markets during the fiscal year. The changes in cash and receivables is attributable to normal fluctuations in investment income receivables during the year.

PSPRS
SUMMARY COMPARATIVE STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
(IN THOUSANDS)

	PENSION		HEALTH INSURANCE		PSPRS TOTAL		PSPRS TOTAL	
	2018	2017	2018	2017	2018	2017	CHANGE	% CHANGE
ADDITIONS								
Total Contributions and Service Purchase	767,234	834,857	2,121	4,249	769,355	839,106	(69,751)	-8.31%
Net Investment Income	477,618	727,865	21,954	34,586	499,572	762,451	(262,879)	-34.48%
Transfers Into the System	890	742	-	-	890	742	148	19.95%
Total Additions	**1,245,742**	**1,563,464**	**24,075**	**38,835**	**1,269,817**	**1,602,299**	**(332,482)**	**-20.75%**
DEDUCTIONS								
Benefits	774,945	740,192	16,641	16,359	791,586	756,551	35,035	4.63%
Transfers to Other Plans and Refunds	15,617	17,962	-	-	15,617	17,962	(2,345)	-13.06%
Administrative Expenses	7,377	6,460	334	306	7,711	6,766	945	13.97%
Total Deductions	**797,939**	**764,614**	**16,975**	**16,665**	**814,914**	**781,279**	**33,635**	**4.31%**
Net Increase (Decrease) In Fiduciary Net Position	**447,803**	**798,850**	**7,100**	**22,170**	**454,903**	**821,020**	**(366,117)**	**-44.59%**
Balance Beginning of Year - July 1	**6,841,327**	**6,042,477**	**321,261**	**299,092**	**7,162,588**	**6,341,569**	**821,019**	**12.95%**
Balance End of Year - June 30	**7,289,130**	**6,841,327**	**328,361**	**321,262**	**7,617,491**	**7,162,589**	**454,902**	**6.35%**

Summary Comparative Statements of Changes in Plan Fiduciary Net Position Analysis

Employer and employee contributions for FY2018 decreased $69.75 million from FY2017 due to a decrease in employer contributions attributable to litigation. For FY2018, PSPRS recognized a net investment gain of $499.57 million which compares to a $762.45 million gain in the previous year.

Deductions from the PSPRS fiduciary net position held in trust for pension and OPEB benefits consist primarily of pension, disability, survivor benefits, member refunds and administrative expenses. For FY 2018, the benefits paid totaled $791.59 million, an increase of 4.63% from the $756.55 million paid during FY 2017. Refunds and service transfers decreased over the prior year. Refunds represent a return of contributions held on account when a member leaves employment. Administrative expenses increased 13.97%.

EORP
SUMMARY COMPARATIVE STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
(IN THOUSANDS)

	PENSION		HEALTH INSURANCE		EORP TOTAL		EORP TOTAL	
	2018	2017	2018	2017	2018	2017	CHANGE	% CHANGE
ADDITIONS								
Total Contributions and Service Purchase	20,700	37,228	-	-	20,700	37,228	(16,528)	-44.40%
Net Investment Income	20,002	32,838	1,648	2,550	21,650	35,388	(13,738)	-38.82%
Transfers Into the System	257	69	-	-	257	69	188	272.46%
Total Additions	**40,959**	**70,135**	**1,648**	**2,550**	**42,607**	**72,685**	**(30,078)**	**-41.38%**
DEDUCTIONS								
Benefits	63,970	60,453	1,047	1,043	65,017	61,496	3,521	5.73%
Transfers to Other Plans and Refunds	55	285	-	-	55	285	(230)	-80.70%
Administrative Expenses	305	274	24	24	329	298	31	10.40%
Total Deductions	**64,330**	**61,012**	**1,071**	**1,067**	**65,401**	**62,079**	**3,322**	**5.35%**
Net Increase (Decrease) In Fiduciary Net Position	**(23,371)**	**9,123**	**577**	**1,483**	**(22,794)**	**10,606**	**(33,400)**	**-314.92%**
Balance Beginning of Year - July 1	**298,118**	**288,995**	**23,150**	**21,667**	**321,268**	**310,662**	**10,606**	**3.41%**
Balance End of Year - June 30	**274,747**	**298,118**	**23,727**	**23,150**	**298,474**	**321,268**	**(22,794)**	**-7.10%**

Summary Comparative Statements of Changes in Plan Fiduciary Net Position Analysis

Employer and employee contributions for FY2018 decreased 44.40% from FY2017 due to a decrease in employer contributions attributable to litigation. For FY2018, EORP recognized a net investment gain of $21.65 million which compares to a $35.39 million gain in the previous year.

Deductions from the EORP fiduciary net position held in trust for pension and OPEB benefits consist primarily of pension, disability, survivor benefits, member refunds and administrative expenses. For FY 2018, the benefit deductions totaled $65.02 million, an increase of 5.73% from the $61.50 million paid during FY 2017. Refunds and service transfers decreased over the prior year. Refunds represent a return of contributions held on account when a member leaves employment. Administrative expenses increased 10.40%.

CORP
SUMMARY COMPARATIVE STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
(IN THOUSANDS)

	PENSION		HEALTH INSURANCE		CORP TOTAL		CORP TOTAL	
	2018	2017	2018	2017	2018	2017	CHANGE	% CHANGE
ADDITIONS								
Total Contributions and Service Purchase	141,578	136,107	1,193	467	142,771	136,574	6,197	4.54%
Net Investment Income	97,125	144,008	7,666	11,628	104,791	155,636	(50,845)	-32.67%
Transfers Into the System	345	790	-	-	345	790	(445)	-56.33%
Total Additions	**239,048**	**280,905**	**8,859**	**12,095**	**247,907**	**293,000**	**(45,093)**	**-15.39%**
DEDUCTIONS								
Benefits	124,793	109,514	3,684	3,548	128,477	113,062	15,415	13.63%
Transfers to Other Plans and Refunds	26,490	26,880	-	-	26,490	26,880	(390)	-1.45%
Administrative Expenses	1,514	1,277	117	102	1,631	1,379	252	18.27%
Total Deductions	**152,797**	**137,671**	**3,801**	**3,650**	**156,598**	**141,321**	**15,277**	**10.81%**
Net Increase (Decrease) In Fiduciary Net Position	**86,251**	**143,234**	**5,058**	**8,445**	**91,309**	**151,679**	**(60,370)**	**-39.80%**
Balance Beginning of Year - July 1	**1,353,330**	**1,210,096**	**107,664**	**99,219**	**1,460,994**	**1,309,315**	**151,679**	**11.58%**
Balance End of Year - June 30	**1,439,581**	**1,353,330**	**112,722**	**107,664**	**1,552,303**	**1,460,994**	**91,309**	**6.25%**

Summary Comparative Statements of Changes in Plan Fiduciary Net Position Analysis

Employer and employee contributions for FY2018 increased $6.20 million due to increased employer contribution rates during fiscal year 2018. For FY 2018, CORP recognized a net investment gain of $104.79 million which compares to a $155.64 million gain in the previous year.

Deductions from the CORP fiduciary net position held in trust for pension and OPEB benefits consist primarily of pension, disability, survivor benefits, member refunds and administrative expenses. For FY 2018, the benefit deductions totaled $128.48 million, an increase of 13.63% from the $113.06 million paid during FY 2017. Refunds and service transfers decreased over the prior year. Refunds represent a return of contributions held on account when a member leaves employment. Administrative expenses increased 18.27%.

CORP-AOC
SUMMARY COMPARATIVE STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
(IN THOUSANDS)

	PENSION		HEALTH INSURANCE		CORP-AOC TOTAL		CORP-AOC TOTAL	
	2018	2017	2018	2017	2018	2017	CHANGE	% CHANGE
ADDITIONS								
Total Contributions and Service Purchase	35,865	32,014	956	929	36,821	32,943	3,878	11.77%
Net Investment Income	24,930	41,046	648	1,004	25,578	42,050	(16,472)	-39.17%
Transfers Into the System	76	96	-	-	76	96	(20)	-20.83%
Total Additions	**60,871**	**73,156**	**1,604**	**1,933**	**62,475**	**75,089**	**(12,614)**	**-16.80%**
DEDUCTIONS								
Benefits	29,093	24,647	478	439	29,571	25,086	4,485	17.88%
Transfers to Other Plans and Refunds	2,207	1,654	-	-	2,207	1,654	553	33.43%
Administrative Expenses	395	367	10	9	405	376	29	7.71%
Total Deductions	**31,695**	**26,668**	**488**	**448**	**32,183**	**27,116**	**5,067**	**18.68%**
Net Increase (Decrease) In Fiduciary Net Position	**29,176**	**46,488**	**1,116**	**1,485**	**30,292**	**47,973**	**(17,681)**	**-36.85%**
Balance Beginning of Year - July 1	**388,666**	**342,177**	**9,687**	**8,202**	**398,353**	**350,379**	**47,974**	**13.69%**
Balance End of Year - June 30	**417,842**	**388,665**	**10,803**	**9,687**	**428,645**	**398,352**	**30,293**	**7.60%**

Summary Comparative Statements of Changes in Plan Fiduciary Net Position Analysis

Employer and employee contributions for FY2018 increased $3.88 million due to increased employer contribution rates during fiscal year 2018. For FY 2018, CORP-AOC recognized a net investment gain of $25.58 million which compares to a $42.05 million gain in the previous year.

Deductions from the CORP-AOC fiduciary net position held in trust for pension and OPEB benefits consist primarily of pension, disability, survivor benefits, member refunds and administrative expenses. For FY 2018, the benefit deductions totaled $29.57 million, an increase of 17.88% from the $25.09 million paid during FY 2017. Refunds and service transfers increased over the prior year. Refunds represent a return of contributions held on account when a member leaves employment. Administrative expenses increased 5.05%.

THIS PAGE INTENTIONALLY BLANK

COMBINED STATEMENT OF FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018
(IN THOUSANDS)

	PSPRS PENSION	PSPRS HEALTH INS	EORP PENSION	EORP HEALTH INS	CORP PENSION
ASSETS					
Cash and Short-Term Investments	306,750	8,656	10,183	807	44,985
RECEIVABLES					
Member Contributions	7,245	-	51	-	2,317
Employer Contributions	41,323	-	169	-	5,322
Health Insurance Contributions	-	141	-	-	-
Court Fees	-	-	780	-	-
Interest and Dividends	7,896	364	302	26	1,588
Investment Sales	14	1	1	-	3
Other	10,418	-	10,337	1	145
Total Receivables	**66,896**	**506**	**11,640**	**27**	**9,375**
INVESTMENTS, AT FAIR VALUE					
U.S. Equity	1,143,552	52,759	43,696	3,784	230,006
Non U.S. Equity	1,019,161	47,020	38,943	3,372	204,987
Global Trading Strategies	801,965	37,000	30,644	2,654	161,301
Fixed Income	420,503	19,401	16,067	1,391	84,577
Private Credit	1,095,402	50,538	41,856	3,625	220,322
Private Equity	959,433	44,265	36,661	3,175	192,974
Real Assets	566,796	26,150	21,658	1,875	114,001
Real Estate	607,755	28,040	23,223	2,011	122,239
Risk Parity	304,059	14,028	11,620	1,006	61,157
Total Investments	**6,918,626**	**319,201**	**264,368**	**22,893**	**1,391,564**
Securities Lending Collateral	422,374	19,487	16,118	1,419	84,953
CAPITAL ASSETS, AT COST, NET OF ACCUMULATED DEPRECIATION					
Land	496	-	33	-	67
Building	3,719	-	251	-	507
Furniture, Fixtures & Equipment	1,335	-	119	-	194
Total Capital Assets	**5,550**	**-**	**403**	**-**	**768**
Accumulated Depreciation	(2,611)	-	(193)	-	(386)
Net Capital Assets	**2,939**	**-**	**210**	**-**	**382**
TOTAL ASSETS	**7,717,585**	**347,850**	**302,519**	**25,146**	**1,531,259**
Deferred Outflows of Resources - Pension Plan Items	**939**	**-**	**37**	**-**	**192**
LIABILITIES					
Accrued Accounts Payable	1,297	-	11,459	-	5,717
Investment Purchases Payable	32	2	-	-	6
Securities Lending Collateral	422,374	19,487	16,118	1,419	84,953
Net Pension Liabilities	5,399	-	215	-	1,107
Total Liabilities	**429,102**	**19,489**	**27,792**	**1,419**	**91,783**
Deferred Inflows of Resources - Pension Plan Items	**292**	**-**	**17**	**-**	**87**
FIDUCIARY NET POSITION RESTRICTED FOR PENSIONS AND OPEB BENEFITS	**7,289,130**	**328,361**	**274,747**	**23,727**	**1,439,581**
FIDUCIARY NET POSITION RESTRICTED FOR:					
Refundable Members' Reserve	1,418,317	-	44,141	-	352,300
Employers' Reserve	5,870,813	-	230,606	-	1,087,281
Health Insurance Reserve	-	328,361	-	23,727	-
FIDUCIARY NET POSITION RESTRICTED FOR PENSIONS AND OPEB BENEFITS	**7,289,130**	**328,361**	**274,747**	**23,727**	**1,439,581**

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

COMBINED STATEMENT OF FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018
(IN THOUSANDS)

	CORP HEALTH INS	CORP-AOC PENSION	CORP-AOC HEALTH INS	2018 COMBINED TOTAL	† 2017 COMBINED TOTAL
ASSETS					
Cash and Short-Term Investments	3,518	12,142	1,169	**388,210**	267,682
RECEIVABLES					
Member Contributions	-	1,172	-	**10,785**	3,925
Employer Contributions	-	3,600	-	**50,414**	16,263
Health Insurance Contributions	253	-	128	**522**	138
Court Fees	-	-	-	**780**	775
Interest and Dividends	124	459	11	**10,770**	9,059
Investment Sales	-	1	-	**20**	4,326
Other	12	42	1	**20,956**	13,395
Total Receivables	**389**	**5,274**	**140**	**94,247**	**47,881**
INVESTMENTS, AT FAIR VALUE					
U.S. Equity	17,986	66,488	1,569	**1,559,840**	1,428,734
Non U.S. Equity	16,029	59,256	1,399	**1,390,167**	1,336,204
Global Trading Strategies	12,613	46,627	1,101	**1,093,905**	1,061,733
Fixed Income	6,614	24,449	577	**573,579**	506,110
Private Credit	17,228	63,688	1,504	**1,494,163**	1,185,233
Private Equity	15,090	55,783	1,316	**1,308,697**	1,288,391
Real Assets	8,915	32,954	778	**773,127**	937,158
Real Estate	9,559	35,336	834	**828,997**	860,554
Risk Parity	4,782	17,678	417	**414,747**	446,675
Total Investments	**108,816**	**402,259**	**9,495**	**9,437,222**	**9,050,792**
Securities Lending Collateral	6,643	24,558	579	**576,131**	620,010
CAPITAL ASSETS, AT COST, NET OF ACCUMULATED DEPRECIATION					
Land	-	19	-	**615**	615
Building	-	147	-	**4,624**	4,624
Furniture, Fixtures & Equipment	-	56	-	**1,704**	1,704
Total Capital Assets	**-**	**222**	**-**	**6,943**	**6,943**
Accumulated Depreciation	-	(112)	-	**(3,302)**	(3,132)
Net Capital Assets	**-**	**110**	**-**	**3,641**	**3,811**
TOTAL ASSETS	**119,366**	**444,343**	**11,383**	**10,499,451**	**9,990,176**
Deferred Outflows of Resources - Pension Plan Items	**-**	**56**	**-**	**1,224**	**1,684**
LIABILITIES					
Accrued Accounts Payable	-	1,653	-	**20,126**	14,730
Investment Purchases Payable	1	2	1	**44**	5,958
Securities Lending Collateral	6,643	24,558	579	**576,131**	620,010
Net Pension Liabilities	-	319	-	**7,040**	7,083
Total Liabilities	**6,644**	**26,532**	**580**	**603,341**	**647,781**
Deferred Inflows of Resources - Pension Plan Items	**-**	**25**	**-**	**421**	**876**
FIDUCIARY NET POSITION RESTRICTED FOR PENSIONS AND OPEB BENEFITS	**112,722**	**417,842**	**10,803**	**9,896,913**	**9,343,203**
FIDUCIARY NET POSITION RESTRICTED FOR:					
Refundable Members' Reserve	-	91,676	-	**1,906,434**	2,008,075
Employers' Reserve	-	326,166	-	**7,514,866**	6,873,365
Health Insurance Reserve	112,722	-	10,803	**475,613**	461,763
FIDUCIARY NET POSITION RESTRICTED FOR PENSIONS AND OPEB BENEFITS	**112,722**	**417,842**	**10,803**	**9,896,913**	**9,343,203**

† *Prior year numbers conform to current year presentation.*
* *The accompanying notes are an integral part of these financial statements.*

COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018
(IN THOUSANDS)

	PSPRS PENSION	PSPRS HEALTH INS	EORP PENSION	EORP HEALTH INS	CORP PENSION
ADDITIONS					
Contributions					
Members' Contributions	129,191	-	4,225	-	41,426
Employers' Contributions	606,171	-	695	-	99,547
Health Insurance Contributions	-	2,121	-	-	-
Non-Employer Entity Contributions	18,944	-	5,000	-	-
Court Fees	-	-	9,924	-	-
Members' Service Purchase	12,928	-	856	-	605
Total Contributions	**767,234**	**2,121**	**20,700**	**-**	**141,578**
Investment Income					
From Investing Income					
Net Appreciation in Fair Value of Investments	400,027	18,387	16,836	1,387	81,208
Interest	4,851	223	196	16	990
Dividends	59,884	2,753	2,417	199	12,226
Other Income	50,150	2,305	2,073	171	10,308
From Securities Lending Activities					
Security Lending Activities					
Securities Lending Income	7,375	339	293	24	1,508
Less: Securities Lending Expense	(3,983)	(183)	(158)	(13)	(814)
Net Securities Lending Income	**3,392**	**156**	**135**	**11**	**694**
Total Investment Income	**518,304**	**23,824**	**21,657**	**1,784**	**105,426**
Less Investment Expense	(40,686)	(1,870)	(1,655)	(136)	(8,301)
Net Investment Income	**477,618**	**21,954**	**20,002**	**1,648**	**97,125**
Transfers Into the System from other Plans	890	-	257	-	345
Total Additions	**1,245,742**	**24,075**	**40,959**	**1,648**	**239,048**
DEDUCTIONS					
Pension Benefits	685,593	-	63,970	-	124,124
DROP Benefits	89,352	-	-	-	669
Health Insurance Subsidy	-	16,641	-	1,047	-
Refunds To Terminated Members	15,242	-	55	-	25,925
Administrative Expenses	7,377	334	305	24	1,514
Transfers To Other Plans	375	-	-	-	565
Total Deductions	**797,939**	**16,975**	**64,330**	**1,071**	**152,797**
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	**447,803**	**7,100**	**(23,371)**	**577**	**86,251**
FIDUCIARY NET POSITION RESTRICTED FOR PENSION AND OPEB BENEFITS					
Beginning of Year, July 1	6,841,327	321,261	298,118	23,150	1,353,330
End of Year, June 30	**7,289,130**	**328,361**	**274,747**	**23,727**	**1,439,581**

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

COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018
(IN THOUSANDS)

	CORP HEALTH INS	CORP-AOC PENSION	CORP-AOC HEALTH INS	2018 COMBINED TOTAL	† 2017 COMBINED TOTAL
ADDITIONS					
Contributions					
Members' Contributions	-	9,741	-	**184,583**	225,989
Employers' Contributions	-	26,036	-	**732,449**	765,035
Health Insurance Contributions	1,193	-	956	**4,270**	5,645
Non-Employer Entity Contributions	-	-	-	**23,944**	22,420
Court Fees	-	-	-	**9,924**	8,647
Members' Service Purchase	-	88	-	**14,477**	18,115
Total Contributions	**1,193**	**35,865**	**956**	**969,647**	**1,045,851**
Investment Income					
From Investing Income					
Net Appreciation in Fair Value of Investments	6,409	20,839	547	**545,640**	922,863
Interest	78	254	6	**6,614**	152
Dividends	965	3,142	77	**81,663**	63,653
Other Income	815	2,650	65	**68,537**	60,574
From Securities Lending Activities					
Security Lending Activities					
Securities Lending Income	119	388	10	**10,056**	5,046
Less: Securities Lending Expense	(65)	(209)	(5)	**(5,430)**	(1,345)
Net Securities Lending Income	**54**	**179**	**5**	**4,626**	**3,701**
Total Investment Income	**8,321**	**27,064**	**700**	**707,080**	**1,050,943**
Less Investment Expense	(655)	(2,134)	(52)	**(55,489)**	(55,417)
Net Investment Income	**7,666**	**24,930**	**648**	**651,591**	**995,526**
Transfers Into the System from other Plans	-	76	-	**1,568**	1,697
Total Additions	**8,859**	**60,871**	**1,604**	**1,622,806**	**2,043,074**
DEDUCTIONS					
Pension Benefits	-	27,049	-	**900,736**	827,129
DROP Benefits	-	2,044	-	**92,065**	107,677
Health Insurance Subsidy	3,684	-	478	**21,850**	21,390
Refunds To Terminated Members	-	2,017	-	**43,239**	45,577
Administrative Expenses	117	395	10	**10,076**	8,820
Transfers To Other Plans	-	190	-	**1,130**	1,204
Total Deductions	**3,801**	**31,695**	**488**	**1,069,096**	**1,011,797**
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	**5,058**	**29,176**	**1,116**	**553,710**	**1,031,277**
FIDUCIARY NET POSITION RESTRICTED FOR PENSION AND OPEB BENEFITS					
Beginning of Year, July 1	107,664	388,666	9,687	**9,343,203**	8,311,926
End of Year, June 30	**112,722**	**417,842**	**10,803**	**9,896,913**	**9,343,203**

† *Prior year numbers conform to current year presentation.*
* *The accompanying notes are an integral part of these financial statements.*

THIS PAGE INTENTIONALLY BLANK

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: PLAN DESCRIPTION

ORGANIZATION

The Public Safety Personnel Retirement System ("System") is the administrator of three defined benefit plans, the Public Safety Personnel Retirement System (PSPRS), the Elected Officials' Retirement Plan (EORP), and the Corrections Officer Retirement Plan (CORP). The plans, including benefit provisions and the obligation to make contributions, are established and administered in accordance with Title 38, Chapter 5 of the Arizona Revised Statutes. The plans are governmental plans tax qualified under Section 401(a) of the Internal Revenue Code.

Responsibility for the organization is vested in a Board of Trustees, which is comprised of a nine-member Board. Two members are appointed by the President of the Senate; two are appointed by the Speaker of the House of Representatives; and five are appointed by the Governor. The Board of Trustees is responsible for the investments of the System's assets, setting employer contribution rates in accordance with an annual actuarial valuation, adopting a budget, and the general protection and administration of the System.

The System is also the administrator of two defined contribution plans. The Elected Officials' Defined Contribution Retirement System (EODCRS) and the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The plans are not reported in the financial statements as their current size is immaterial.

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

The PSPRS is an agent multiple-employer public employee retirement plan established by Title 38, Chapter 5, Article 4 of the Arizona Revised Statutes, to provide benefits for public safety employees of certain state and local governments. The Board of Trustees and 229 local boards jointly administer the Plan.

Each eligible group participating in the System has a five-member local board. The chief elected official of the governing body appoints three members to the local board, and two members are elected by the active members of the eligible group. In general, each member serves a fixed four-year term. Each local board is responsible for determining eligibility for membership, service credits, eligibility for benefits, the timing of benefit payments, and the amount of benefits for its eligible group of employees. The various governing bodies pay all costs associated with the administration of the local board.

At June 30, 2018 and 2017, the number of participating local government employer groups was comprised of:

GROUP	2018	2017
Municipalities	141	143
County Agencies	22	22
State Agencies	13	13
Special Districts	53	54
Total Employers	**229**	**232**

Any state agency, county, city or other political subdivision in the State of Arizona may elect to have its paid, full-time eligible employees (generally firefighters and police officers in hazardous duty positions) covered by the Plan. Certain retirees are eligible to receive an insurance subsidy (see Note 3). At June 30, 2018 and 2017, statewide PSPRS membership consisted of:

	RETIREMENT PLAN	
MEMBERSHIP TYPE	2018	2017
Retirees	12,822	12,399
Terminated Vested	2,524	2,114
DROP	1,678	1,409
Current Vested	10,695	10,944
Current Non-Vested	7,954	8,066
Total Members	**35,673**	**34,932**

BENEFIT PROVISIONS

Employees who became a member on or before December 31, 2011: Pursuant to A.R.S. §§ 38-842 and 38-844 and 38-845, retirement benefits will commence the first day of the month following termination of employment and based upon the following age and service requirements:

- Age 62 with 15 years of service: 50% of the average monthly benefit compensation for the first 20 years of credited service. The pension is reduced by 4% per year for each year of credited service under 20 years.
- 20 years of service with less than 20 years of credited service: 50% of the average monthly benefit compensation for the first 20 years of credited service. The pension is reduced by 4% per year for each year of credited service under 20 years.
- 20 to 24.99 years of credited service: 50% of the average monthly benefit compensation for the first 20 years of credited service plus 2% of the average monthly benefit compensation for each year of credited service between 20 and 24.99.
- 25 or more years of credited service: 50% of the average monthly benefit compensation for the first 20 years of credited service plus 2.5% of the average monthly benefit compensation for each year of credited service above 20 years, up to a maximum of 80% of the average monthly benefit compensation.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The average monthly benefit compensation is equal to an average of the highest 36 consecutive months of covered payroll within the last 20 years of credited service.

Inactive members (not making contributions to the System) that have at least 10 years of credited service may elect to receive a Deferred Annuity at the age of sixty-two (62). This annuity is a lifetime monthly payment that is actuarially equivalent to the member's accumulated contributions in the System plus an equal amount paid by the employer. This annuity is not a retirement annuity and annuitants are not entitled to survivor benefits, benefit increases, or the group health insurance subsidy. A.R.S. § 38-846.01(A).

Employees who became a member on or after January 1, 2012 and on or before June 30, 2017: Pursuant to A.R.S. §§ 38-842, 38-844 and 38-845, retirement benefits will commence the first day of the month following termination of employment and based upon the following age and service requirements:

- Age 52.5 with 15 years of credited service but less than 25 years: average monthly benefit compensation multiplied by a multiplier that varies by years of service, from 1.5% to 2.5% per year of service, multiplied by the number of years of service.
- Age 52.5 with 25 years of service: 62.5% of the average monthly benefit compensation. Benefits will be reduced by 4% for each year of credited service under 25 years; or
- 25 or more years of service: 62.5% of the average monthly benefit compensation for the first 25 years of credited service plus 2.5% of the average monthly benefit compensation for each year over 25 years of credited service - up to a maximum of 80% of the average monthly benefit compensation. The pension is reduced by 4% per year for each year of credited service under 25 years with a pro-rata reduction for any fractional years.

The average monthly benefit compensation is equal to an average of the highest 60 consecutive months of covered payroll within the last 20 years of credited service.

Legislation was passed in 2016 that created a new tier of benefits for those members who become members on or after July 1, 2017. This group of members has an irrevocable choice within the first 90 days of employment of enrolling in either the defined benefit plan or in the PSPDCRP. The default is enrollment in the defined benefit plan.

Employees who became a member on or after July 1, 2017: Pursuant to A.R.S. §§ 38-842, 38-844 and 38-845, retirement benefits will commence the first day of the month following termination of employment and based upon the following age and service requirements:

- Age 52.5 with 15 years of credited service: actuarial reduced benefit based on the average monthly benefit compensation times a multiplier that varies by years of service, from 1.5% to 2.5% per year of service, times the number of years of service.
- Age 55 with 15 or more years of service: average monthly benefit compensation, times a multiplier that varies by years of service, from 1.5% to 2.5% per year of service, times the number of years of service, up to a maximum of 80% of the average monthly benefit compensation.

The average monthly benefit compensation is equal to an average of the highest 60 consecutive months of compensation (salary) within the last 15 years of credited service.

Compensation includes base wages, shift and military differential wage pay, compensatory time used by an employee in lieu of overtime not otherwise paid by an employer, holiday and overtime pay that is paid to an employee by the employer for the employee's performance of services in an eligible group on a regular monthly, semi-monthly, or biweekly payroll basis as well as any longevity pay paid to an employee at least every six months for which contributions are made to the system. For the purposes of computing retirement benefits, compensation does not include unused sick leave, unused compensatory time, payment in lieu of vacation, "fringe" benefit pay (such as uniform allowance, cell phone or mileage reimbursement) and any payments made directly or indirectly by the employer to the employee for work performed for a third party on a contracted basis except for third party contracts in certain situations. A.R.S. § 38-842(12).

Employees who became a member on or before December 31, 2011 may voluntarily and irrevocably enter into a Deferred Retirement Option Plan (DROP) program with the employer for a period of up to 60 months. The member's monthly benefit is calculated based upon the years of credited service and average monthly compensation at the beginning of the DROP period and is paid into the DROP account, where it earns interest. During the DROP period, the employee will not earn any additional credited service. At the end of the sixty (60) months (or prior to that time), the member terminates employment and the monies accrued in DROP will be paid as a lump-sum either directly to the member (less mandated taxes), or as a rollover. The member will then begin receiving the monthly retirement benefit, which is the same amount that was calculated at the beginning of DROP.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Active members who have at least five (5) years of service with the System that have previous service with an agency of the U.S. Government, a state of the U.S., or a political subdivision of a state of the U.S. as a full-time paid fire fighter or full-time paid certified peace officer may elect to redeem up to sixty (60) months of any part of the prior service, if the prior service is not on account with any other retirement system.

ELECTED OFFICIALS' RETIREMENT PLAN

EORP is a cost sharing multiple-employer defined benefit pension plan established by Title 38, Chapter 5, Article 3 of the Arizona Revised Statutes, to provide benefits for elected officials and judges of certain state, county and local governments. The Board of Trustees of the PSPRS also administer the EORP Plan.

All state and county elected officials and judges are members of the Plan. Any city or town in the State of Arizona may elect to have its' elected officials covered by EORP.

Legislation passed in 2013 (HB 2608) effectively closed the EORP to new members and created EODCRS. Elected officials and judges who were members of the EORP on December 31, 2013 remain in the Plan. Elected officials, justices of the Supreme Court, judges of the Court of Appeals and Superior Court, and commissioners who are elected, appointed, or hired on or after January 1, 2014 have one of three different paths that are available to them.

Path 1: Elected Officials' Retirement Plan.
ARS § 38-801 restricts membership in EORP to elected officials defined therein who were members of the plan on December 31, 2013.

Path 2: Arizona State Retirement System.
As prescribed in ARS § 38-727, if a person is appointed, elected, or hired on or after January 1, 2014 and does not have prior EORP time, but has ASRS time, that person has the option to return to ASRS. If that person chooses ASRS, that choice must be made in writing and filed with ASRS within 30 days after that person's term begins. That decision is irrevocable during the term in which that election was made. Additionally, the member has the option to participate in either the EODCRS or ASRS Plan with each term. The elected official will contribute to and participate in the Long-Term Disability Program administered by ASRS.

Path 3: Elected Officials' Defined Contribution Retirement System. If a person is elected, appointed, or hired on or after January 1, 2014, does not have time on account with EORP, and does not timely opt out of EODCRS to return to ASRS, s/he is automatically enrolled in EODCRS, which is a defined contribution plan administered by Nationwide Retirement Solutions, a third party vendor. The elected official will contribute to and participate in the Elected Officials' Defined Contribution Retirement System Disability Program administered by EODCRS.

At June 30, 2018 and 2017, the number of participating local government employer groups in EORP consisted of:

GROUP	2018	2017
Municipalities	22	22
County Agencies	15	15
State Agencies	2	2
Special Districts	1	1
Total Employers	**40**	**40**

At June 30, 2018 and 2017, statewide EORP membership consisted of:

	RETIREMENT PLAN	
MEMBERSHIP TYPE	2018	2017
Retirees	1,203	1,196
Terminated Vested	150	162
Current Vested	547	494
Current Non-Vested	32	106
Total Members	**1,932**	**1,958**

The EORP provides retirement benefits as well as death and disability benefits. Generally, all benefits vest after five years of credited service.

BENEFIT PROVISIONS

Employees who became a member on or before December 31, 2011: Pursuant to A.R.S. §§ 38-801(5, 7 and 15), 38-805(A) and 38-808, normal retirement will commence the first day of the month following termination of employment to an elected official who ceases to hold office based the following age and service requirements:

- Age 65 years, with 5 or more years of credited service, or
- Age 62 years, with 10 or more years of credited service, or
- 20 or more years of credited service (regardless of age).

The amount of a normal retirement pension is 4% of the member's average yearly salary multiplied by the years of the member's credited service, not to exceed 80% of the member's average yearly salary.

Members who have at least five (5) years of credited service and who cease to serve as an elected official may retire before meeting the age or service requirement for normal retirement.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The amount of an early retirement pension is 4% of the member's average yearly salary multiplied by the years of the member's credited service, not to exceed 80% of the member's average yearly salary then reducing that amount by three-twelfths of one percent for each month early retirement precedes the member's normal retirement age. The maximum reduction is 30%.

The average monthly benefit compensation is equal to an average of the highest 36 consecutive months of compensation (salary) within the last 10 years of credited service. If an employee does not have three consecutive years of credited service as an elected official, the considered period is the employee's last consecutive period of employment with a Plan employer immediately before retirement.

Employees who became a member on or after January 1, 2012: Pursuant to A.R.S. §§ 38-801(5, 7 and 15), 38-805 (B) and 38-808, normal retirement benefits will commence the first day of the month following termination of employment and based upon the following:

- Age 65 years, with 5 or more years of credited service, or
- Age 62 years, with 10 or more years of credited service.

The amount of a normal retirement pension is 3% of the member's average yearly salary multiplied by the member's credited service, not to exceed 75% of the member's average yearly salary. Early retirement benefits are not available.

The average monthly benefit compensation is equal to an average of the highest 60 consecutive months of compensation (salary) within the last 10 years of credited service. If an employee does not have five consecutive years of credited service as an elected official, the considered period is the employee's last consecutive period of employment with a Plan employer immediately before retirement.

Active members who have at least five years of service with the System that have previous service with an agency of the U.S. Government, a state of the U.S., or a political subdivision of a state of the U.S. may elect to redeem up to 60 months of any part of the prior service if the prior service is not on account with any other retirement system.

CORRECTIONS OFFICER RETIREMENT PLAN

The Corrections Officer Retirement Plan (CORP) is an agent, multiple-employer defined benefit pension plan established by Title 38, Chapter 5, Article 6 of the Arizona Revised Statutes, to provide benefits for prison and jail employees of certain state, county and local governments. CORP includes a cost-sharing, multiple-employer defined benefit pension plan for Administrative Office of the Courts (CORP-AOC) probation officers and an agent, multiple-employer defined benefit pension plan for all other members. The Board of Trustees of the Public Safety Personnel Retirement System and 28 local boards administer the plan.

CORP-AOC provides the same benefits as CORP. The significant accounting and investment policies used for CORP are also used for CORP-AOC. Each eligible group participating in the Plan has a five-member local board. Each local board is responsible for determining eligibility for membership, service credits, eligibility for benefits, the timing of benefit payments, and the amount of benefits for its eligible group of employees. The various governing bodies pay all costs associated with the administration of the local boards.

Any county or city in the state of Arizona may elect to have its eligible employees (generally prison or jail personnel who have direct inmate contact) covered by CORP. At June 30, 2018 and 2017, the number of participating local government employer groups consisted of:

GROUP	2018	2017
CORP AOC	15	15
Towns Dispatchers	3	3
Cities Dispatchers	1	1
Cities Detention	1	1
Counties Dispatchers	4	4
Counties Detention	14	14
State Agency Dispatchers	1	1
State Agency Detention	3	3
Total Employers	**42**	**42**

Designated positions for state and local government employers that elect to join the Plan are eligible to participate in CORP, if the employee's customary employment is for at least forty (40) hours per week, or as defined by statute. Those positions are specified in A.R.S. §38-881 and include (but not limited to) state, county, city or town detention officers, certain dispatchers, and specifically designated positions for Arizona Department of Corrections and the Department of Juvenile Corrections employees.

At June 30, 2018 and 2017, statewide CORP membership consisted of:

	RETIREMENT PLAN					
MEMBERSHIP TYPE	CORP	CORP-AOC	2018	CORP	CORP-AOC	2017
Retirees	4,673	722	5,395	4,445	646	5,091
Terminated Vested	2,468	533	3,001	2,530	387	2,917
Current Vested	4,235	1,000	5,235	4,184	1,026	5,210
Current Non-Vested	7,887	1,213	9,100	7,599	1,149	8,748
Total Members	**19,263**	**3,468**	**22,731**	**18,758**	**3,208**	**21,966**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

CORP provides retirement benefits as well as death and disability benefits. Generally, all benefits vest after five years of credited service.

BENEFIT PROVISIONS

Employees who became a member on or before December 31, 2011: Pursuant to A.R.S. §§ 38-881 and 38-885, retirement benefits will commence the first day of the month following termination of employment and based upon the following age and service requirements:

- For retirement with 20 years of credited service, but less than 25 years of credited service, or 80 points (age plus credited service) if membership date is on/after 8/9/01: 50% of the member's average monthly salary plus 2% of member's average monthly salary multiplied by each year of credited service over 20 (including fractional years).
- For retirement with 25 or more years of credited service, or 80 points if membership date is on/after 8/9/01: 50% of the member's average monthly salary plus 2.5% of member's average monthly salary multiplied by each year of credited service over 20 (including fractional years) with a maximum of 80%.
- For retirement with 20 years of service, but less than 20 years of credited service, or 80 points if membership date is on/after 8/9/01: Member's average monthly salary multiplied by 2.5% for each year of credited service (include fractional years).
- For retirement with 80 points, if membership date is PRIOR to 8/9/01: Member's average monthly salary multiplied by 2.5% for each year of credited service (include fractional years) with a maximum of 75% of average monthly salary.
- For retirement at age 62, with 10 years of service: Member's average monthly salary multiplied by 2.5% for each year of credited service (include fractional years).

Inactive members that have at least 10 years of credited service may elect to receive a "deferred annuity" at age 62. This annuity is a lifetime monthly payment that is actuarially equivalent to the member's accumulated contributions in the Plan plus an equal amount paid by the employer. This annuity is not a retirement benefit and annuitants are not entitled to survivor benefits, benefit increases, or the group health insurance subsidy.

The average monthly salary is equal to an average of the highest 36 consecutive months of compensation (salary) within the last 10 years of credited service.

Employees who became a member after December 31, 2011: Pursuant to A.R.S. §§ 38-881 and 38-885, retirement benefits will commence the first day of the month following termination of employment and based upon the following:

- For retirement at age 62, with 10 years of service: Member's average monthly salary multiplied by 2.5% for each year of credited service (include fractional years).
- For retirement at age 52.5, with 25 or more years of credited service: 62.5% of the member's average monthly salary plus 2.5% of the average monthly salary for each year of credited service over 25 (include fractional years) with a maximum of 80%.
- For retirement at age 52.5, with 25 years of service but less than 25 years of credited service: average monthly salary multiplied by 2.5% for each year of credited service (include fractional years).

The average monthly salary is equal to an average of the highest 60 consecutive months of compensation (salary) within the last 10 years of credited service.

Employees who become a member on or after July 1, 2018: Pension reform legislation (Senate Bill 1442) passed in 2017 that created a new tier of benefits for those members who will become members on or after July 1, 2018. Senate Bill 1442 closed CORP to new members for corrections and detention positions. Newly hired corrections and detention officers who work in state prisons, county jails, and municipalities will receive retirement benefits through PSPDCRP.

CORP remains open for new hires of Arizona's Administrative Office of the Court's probation and surveillance positions. Those hired into these positions will have the choice of enrolling in the defined benefit plan or in the PSPDCRP.

Employees who became a member on or after January 1, 2012 are <u>not</u> eligible for a "deferred annuity." However, a member who attains the service requirement for a normal retirement, but does not meet the age requirement, may elect to leave contributions on account until reaching the age requirement and then elect to receive a retirement benefit (which entitles them to survivor benefits, benefit increases, or the group health insurance subsidy).

Salary includes the base salary, shift differential pay, military differential wage pay and holiday pay paid a member for personal services rendered in a designated position to a participating employer on a regular monthly, semi-monthly or biweekly payroll basis. Salary includes amounts that are subject to deferred compensation or tax shelter agreements. "Base salary" means the amount of compensation each member is regularly paid for personal services rendered to an employer before the addition of any extra monies, including overtime pay, shift differential pay, holiday pay, fringe benefit pay and similar extra payments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Active members who have at least five (5) years of credited service with the System that have previous service with an agency of the U.S. Government, a state of the U.S., or a political subdivision of a state of the U.S. may elect to redeem up to 60 months of any part of the prior service if the prior service is not on account with any other retirement system. Those members may also purchase up to 60 months of credited service for periods of active military service performed before employment with their current employer.

CORP members who are eligible for a normal pension (based on service and age) may be eligible to participate in the Reverse DROP. Under the Reverse DROP, the member must voluntarily and irrevocably elect to terminate employment and receive a normal retirement upon participation in the Reverse DROP.

If a member elects to participate in the Reverse DROP, the years of service credit cannot go below 24 (non-dispatcher), or 25 (dispatcher) years of service credit after the Reverse DROP months are applied. The maximum number of months that a member could elect to reverse is 60 months (5 years).

The member's pension will be calculated using the factors of credited service and average monthly benefit compensation in effect on the Reverse DROP date. The lump sum distribution is credited as though it accrued monthly from the Reverse DROP date to the date the member elected to participate in the Reverse DROP (plus interest equal to the yield on a five (5) year Treasury note as of the first day of the month as published by the Federal Reserve Board).

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PLAN ASSET MATTERS

REPORTING ENTITY

The System functions as a separate statutory entity and maintains rights to sue or be sued in its own name and to hold property in its own name. For financial reporting purposes, the System is considered a pension trust fund of the State of Arizona and is included as a component unit in the State's Comprehensive Annual Financial Report. The System does not have any component units.

BASIS OF ACCOUNTING

The System's financial statements are prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Pension and Health Insurance subsidy benefits are recognized when due and payable in accordance with the terms of the Plan. Refunds are due and payable by state law within 20 days of receipt of a written application for a refund. Refunds are recorded when paid. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

Furniture, fixtures and equipment purchases costing $50,000 or more, when acquired, are capitalized at cost. Improvements, which increase the useful life of the property, are also capitalized.

Investment income net of administrative and investment expenses are allocated to each employer group based on the average relative fund size for each employer group for that year. Administrative fees are paid from investment returns and in cases where there is a loss, the fees are paid from contributions.

Investment-related costs are reported as investment expense, if they are separable from investment income and administrative expense of the plan. Investment expense includes fees that were paid directly to external investment managers, but does not include fees that are not readily separable from investment income.

By state statute, the System is required to provide information in the financial statements used to calculate Net Effective Yield. Net Effective Yield includes only realized gains and losses. The Net Realized Gains (Losses) used in this calculation totaled $415,998 for the fiscal year ended 2018. This calculation is independent of the calculation of the change in the fair value of investments and may include unrealized amounts from prior periods.

In January 2017, GASB issued Statement No. 84, "Fiduciary Activities". This Statement provides guidance on fiduciary funds that should be reported, if applicable: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. GASB 84 will be effective for periods beginning after December 15, 2018. The System has chosen not to early adopt and has not yet determined the impact on of this standard on its financial statements and disclosures.

In March 2017, GASB issued Statement No. 85, "Omnibus 2017." This statement addresses issues identified during the implementation and application of certain GASB pronouncements. Issues addressed in this new standard include, but are not limited to, the presentation of payroll-related measures in Required Supplementary Information by OPEB plans and employers that provide OPEB; classifying employer-paid member contributions for OPEB; and accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans. GASB 85 is effective for periods beginning after June 15, 2017. The System implemented the provisions of GASB Statement No. 85, for the year-ended June 30, 2018.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of fiduciary net position held in trust for pension benefits at June 30, 2018. Actual results could differ from those estimates.

NOTE 3: HEALTH INSURANCE PREMIUM SUBSIDY

The System provides health insurance premium subsidies in accordance with A.R.S. §38-857, §38-817 and §38-906 on behalf of eligible retired members who are receiving health benefits through the Arizona State Retirement System, Arizona Department of Administration, or the participating employer of the retired member. In 2014, the System set up separate 401(h) healthcare plans (one for each pension plan) to receive contributions, invest assets, and pay subsidies. These plans qualify as Other Post Employment Benefits plans (OPEB) and are administered by the PSPRS Board of Trustees.

Contribution rates are determined annually by the Plan's actuary.

The EORP and CORP-AOC healthcare plans are cost-sharing plans. The following disclosures are applicable to those cost-sharing plans. The summary of significant accounting policies and investment policies for the healthcare plans are the same as the corresponding retirement plans, as are the mortality tables. The healthcare plan assets are accounted for by employer, and are only available to pay health insurance benefits.

At June 30, 2018 and 2017, statewide membership consisted of:

MEMBERSHIP TYPE	HEALTH INSURANCE SUBSIDY	
RETIREES	2018	2017
PSPRS	7,776	7,613
EORP	720	720
CORP	2,630	2,613
CORP-AOC	299	262
Total Members	**11,425**	**11,208**

BENEFIT PROVISIONS

The subsidy consists of a fixed dollar amount set by statute, capped at the following amounts:

SINGLE	
Not Medicare Eligible	Medicare Eligible
$150.00	$100.00

FAMILY		
All Not Medicare Eligible	All Medicare Eligible	One With Medicare
$260.00	$170.00	$215.00

Since the only benefits paid are the subsidies paid to retirees defined in statute which seldom, if ever, change, the plan does not have assumptions about inflation, healthcare cost trend rates, salary changes, future COLAs, or the sharing of costs with inactive plan members. The discount rate is 7.4%, equal to the long-term expected rate of return on OPEB plan investments. Investments are pooled with retirement plan investments for investment purposes. The actuarial methods and assumptions used for the health insurance premium subsidy benefit are as follows:

HEALTH INSURANCE PREMIUM SUBSIDY ACTUARIAL ASSUMPTIONS	
Measurement Date:	June 30, 2018
Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Asset Valuation:	Fair Value
Discount Rate:	7.40%

The EORP health insurance subsidy plan has assets of $23,727 as of June 30, 2018, and a total OPEB liability of $13,393 for a funding ratio of 177.2%. The Net OPEB Asset is $10,334, equal to 20.29% of covered payroll, which is $50,939. If the discount rate had been 6.4%, the Net OPEB Asset would have been $9,186 and if the discount rate had been 8.4%, the Net OPEB Asset would have been $11,327.

The CORP-AOC health insurance subsidy plan has assets of $10,803 to cover the total OPEB liability of $15,945 for a funding ratio of 67.8%. The Net OPEB Liability is $5,142, equal to 4.39% of covered payroll, which is $117,081. If the discount rate had been 6.4%, the Net OPEB Liability would have been $7,049 and if the discount rate had been 8.4%, the Net OPEB Liability would have been $3,548.

In accordance with GASB Statement No. 74, the value of assets used in this disclosure is the plan net position rather than a smoothed actuarial value of assets.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Consistent with this perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

NOTE 4: CONTRIBUTION REQUIREMENTS

Contribution rates for members and employers are defined in statute. The System's funding policy also provides for employer contributions set at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. Rates for PSPRS and CORP are recalculated annually based on annual actuarial valuation results. During the year ended June 30, 2018, contributions to PSPRS and CORP were made in accordance with contribution requirements determined by an actuarial valuation of the Plans as of June 30, 2016. Contributions to EORP were made in accordance with rates set in statute.

In November 2016, the Arizona Supreme Court overturned two provisions of state law passed by the legislature in 2011. The Court determined that an increase in employee contribution rates from 7.65% to 11.65% of pay for PSPRS active members, and an increase in employee contribution rates from 7% to 13% of pay for EORP active members were unconstitutional. As a result of the Hall and Parker lawsuits, certain Tier 1 PSPRS and EORP members were refunded contributions totaling approximately $220 million, plus interest, in fiscal 2018.

PSPRS

PSPRS member contributions rates vary depending on when the member was hired by a PSPRS affiliated employer. PSPRS member contribution rates for fiscal 2018 were as follows:

- Membership prior to July 19, 2011 – 7.65% of covered payroll;
- Membership on or after July 20, 2011 – 11.65% of covered payroll;
- Membership on or after January 1, 2012 and before July 1, 2017 – 11.65% of covered payroll, plus 3% to PSPDCRP, if in a non-social security covered position;
- Membership date on or after July 1, 2017 – 9.94% (for most employers) of covered payroll, plus 3% to PSPDCRP, if in a non-social security position. If the PSPRS member elected to participate in only PSPDCRP, the contribution rate was 10.17% (9%, plus 1.17% for disability plan contributions) of covered payroll.

Each employer in PSPRS pays a separate contribution rate, which is actuarially determined. The fiscal 2018 PSPRS employer contribution rate for PSPRS in the aggregate (for members hired prior to July 1, 2017) represented 52.09% of covered payroll (51.84% to the pension plan and 0.25% to the OPEB plan).

PSPRS employer contribution rates for fiscal year 2018 (for tier 3 members hired on or after July 1, 2017) was 9.94% (for most employers). Tier 3 costs are split 50/50 between employees and employers. Employers that do not pay into Social Security on behalf of their members also pay 3% into the PSPDCRP. If the employer was making contributions related to a member that elected to participate in only the PSPDCRP, the employer contribution rate was 10.17% (9% for PSPDCRP, plus 1.17% for disability). In addition, employers continued to pay for the legacy costs related to the unfunded liability portion of the actuarial accrued liability.

Employer contribution rates in PSPRS shall not be less than 8% of covered payroll. For any employer whose actual contribution rate was less than 8% in fiscal year 2007, that employer's contribution rate is not subject to the 8% minimum but shall be at least 5%.

EORP

The member contribution rate for EORP members was 13% of covered payroll for those that became members on or after July 20, 2011, and 7% for those who became members prior to July 20, 2011.

As of January, 1 2014, the Arizona State Legislature closed the Elected Official's Retirement Plan and set the employer contribution rate to 23.50% of covered payroll with an additional five million dollars contributed by the State of Arizona. The five million dollars from the State of Arizona is considered a contribution from a non-employer contributing entity and is listed separately on the Statement of Changes in Fiduciary Position. In addition, the EORP receives additional contributions from certain employers as specified in A.R.S. § 38-810.

Senate Bill 1478, signed into law by Governor Ducey on May 15, 2018 amends A.R.S. § 38-810 and effectively returns the calculation of the employer contribution rate to an annual, actuarially determined basis. Effective July 1, 2018, the EORP employer contribution rate will be 61.5% of covered payroll.

EODCRS

Members of the Elected Officials Defined Contribution Retirement System contribute 8% of covered payroll to Nationwide Retirement Solutions, Inc., which is deposited into their own individual accounts. Employers contribute an additional 6% to Nationwide, plus 17.5% to the EORP to help pay off EORP's unfunded liability.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

CORP

The member contribution rate for CORP is 7.96% for dispatchers and 8.41% for non-dispatchers. While each employer in CORP pays a separate contribution rate, actuarially determined contributions for CORP (including CORP-AOC) in the aggregate for fiscal year 2018 represented 20.98% of covered payroll (20.76% to the pension plan and 0.22% to the OPEB plan).

CORP-AOC

The actuarially determined contributions for CORP-AOC separately were 23.34% of covered payroll (22.51% to the pension plan and 0.83% to the OPEB plan). The minimum employer contribution rate is 6% (in accordance with A.R.S. § 38-891).

NOTE 5: CASH AND INVESTMENTS

CASH

Custodial credit risk for deposits is the risk that in the event of a bank failure, the System's deposits may not be returned. The deposits are held in two financial institutions with a balance of up to $250,000 (permanently guaranteed as of July 21, 2010) insured by the Federal Deposit Insurance Corporation (FDIC). The System mitigates custodial credit risk for deposits by requiring the financial institutions to pledge securities from an acceptable list in an amount at least equal to 102% of the aggregate amount of the deposits on a daily basis.

All monies shall be secured by the depository in which they are deposited and held to the same extent and in the same manner as required by the general depository law of the state. Cash balances represent both operating and cash accounts held by the bank and investment cash on deposit with the investment custodian. All deposits are carried at cost plus accrued interest.

The following table is a schedule of the aggregate book and bank balances of all cash accounts as of June 30, 2018:

	BOOK BALANCE	BANK BALANCE
Deposits with banks (collateralized by securities)	55,723	48,515
Short-term investment funds held at custodial bank	332,487	332,487
Total Deposits	**388,210**	**381,002**

MONEY-WEIGHTED RATE OF RETURN

The money-weighted rate of return on investments for FY 2018 was 7.01%, and 12.25% for FY 2017. The money-weighted rate of return expresses investment performance, net of investments expense, adjusted for the changing amounts actually invested.

FAIR VALUE REPORTING

Short-term investments are reported at cost plus accrued interest. The System categorizes its fair value measurements for investments within the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

- Level 1 – Unadjusted quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.
- Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

Level 1 debt and equity securities are valued based on prices quoted in active markets for those securities. Level 2 securities are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices. Level 3 securities, whose stated market prices are unobservable by the market place, are priced by the investment manager or General Partner using discounted cash flow techniques. The System has the following investments within the hierarchy framework as of June 30, 2018.

INVESTMENTS MEASURED AT FAIR VALUE
(IN THOUSANDS)

	Fair Value	Level 1	Level 2	Level 3
Fixed Income				
US Fixed Income	573,575	51,460	11,786	510,329
Non US Fixed Income	4	4	-	-
Total Fixed Income	**573,579**	**51,464**	**11,786**	**510,329**
Equity				
US Equity	1,559,840	1,292,849	-	266,991
Non US Equity	1,390,167	1,252,612	-	137,555
Total Equity	**2,950,007**	**2,545,461**	**-**	**404,546**
Total Fair Value	**3,523,586**	**2,596,925**	**11,786**	**914,875**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The fair value of alternative investments is based on the investments' net asset value (NAV) per share.

These are investments for which exchange quotations are not readily available and are valued at estimated fair value, as determined in good faith by the General Partner of each fund or by the investment manager responsible for that sector.

Alternative investments are most often established as pooled private investment limited partnerships that are open to a limited group of accredited investors, require large minimum investments and are illiquid. Investors in such structures are Limited Partners.

GTS (Global Trading Strategies) investments are held in 12 funds that are designed to offer risk reduction, uncorrelated returns and liquidity.

Private Credit investments are held in 37 funds that focus on debt instruments.

Private Equity investments are held in 78 funds. The types of partnership strategies included in this asset class include venture capital, growth equity, buyouts, and other special situations.

Real Asset investments are held in 35 funds that invest in assets like gas, oil, minerals and timber.

Real Estate investments are held in 43 funds that invest directly in real estate holdings.

Risk Parity investments are held in 2 funds which focus on allocation of risk or volatility to be more resistant to market downturns.

Redemptions (the ability to withdraw money from an investment) are allowed in most of the individual investments within the GTS, Private Credit, Real Asset, Real Estate and Risk Parity asset classes. Redemptions are allowed monthly, quarterly or annually. Some individual investments allow for daily redemptions within the Private Credit, Real Asset and Real Estate asset classes. The redemption notice period is 5 days for Risk Parity investments.

Private Credit, Real Asset and Real Estate investments have redemption notice periods as short as 1 day and as long as annually. GTS investments have redemption notice periods as short as 5 days and as long as annually.

The table below provides more information about the unfunded commitments for the System's investments measured at the Net Asset Value:

INVESTMENTS MEASURED AT NET ASSET VALUE (NAV)
(IN THOUSANDS)

Investment	Fair Value	Unfunded Commitments
Global Trading Strategies	1,093,905	66,652
Private Credit	1,494,163	340,920
Private Equity	1,308,697	439,933
Real Assets	773,127	289,829
Real Estate	828,997	235,926
Risk Parity	414,747	-
TOTAL	**5,913,636**	**1,373,260**

By statute, the Board of Trustees is to make investments in accordance with the "Prudent Man" rule. In making every investment, the board shall exercise the judgment and care under the circumstances then prevailing which men of ordinary prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the probable income from their funds as well as the probable safety of their capital, provided:

1) That not more than 80% of the combined assets of the System or other Plans that the Board manages shall be invested at any given time in corporate stocks, based on cost value of such stocks irrespective of capital appreciation.
2) That not more than 5% of the combined assets of the system or other plans that the Board manages shall be invested in corporate stock issued by any one corporation, other than corporate stock issued by corporations chartered by the United States government or corporate stock issued by a bank or insurance company.
3) That not more than 5% of the voting stock of any one corporation shall be owned by the System and other Plans that the Board administers, except that this limitation does not apply to membership interests in limited liability companies.
4) That corporate stocks and exchange traded funds eligible for purchase shall be restricted to stocks and exchange traded funds that, except for bank stocks, insurance stocks and membership interests in limited liability companies, are either:
   a) Listed or approved on issuance for listing on an exchange registered under the Securities Exchange Act of 1934, as amended (15 United States Code §78a through §78pp);
   b) Designated or approved on notice of issuance for designation on the national market system of a national securities association registered under the Securities Exchange Act of 1934, as amended (15 United States Code §78a through §78pp).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

c) Listed or approved on issuance for listing on an exchange registered under the laws of this [Arizona] state or any other state.
d) Listed or approved on issuance for listing on an exchange of a foreign country with which the United States is maintaining diplomatic relations at the time of purchase, except that no more than 20% of the combined assets of the System and other Plans that the Board manages shall be invested in foreign securities, based on the cost value of the stocks irrespective of capital appreciation.
e) An exchange traded fund that is recommended by the Chief Investment Officer of the System, that is registered under the Investment Company Act of 1940 (15 United States Code Section 80a-1 through 80a-64) and that is both traded on a public exchange and based on a publicly recognized index.

CUSTODIAL CREDIT RISK

Custodial Credit Risk is the risk that the System will not be able (a) to recover deposits if the depository financial institution fails or (b) to recover the value of the investment or collateral securities that are in the possession of an outside party if the counterparty to the investment or deposit transaction fails. As of June 30, 2018, the System has no fund or deposits that were not covered by depository insurance or collateralized with securities held by the System's banks' trust department or agent. Nor does the System have any investments that are not registered in the name of the System, and are either held by the counterparty or the counterparty's trust department or agent. The System's operating cash balances are included with cash balances held by the State Treasurer for purposes of determining the amount of collateral to be posted to securitize the System's cash deposits.

CREDIT RISK

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the System. Each portfolio is managed in accordance with investment guidelines that are specific as to permissible credit quality ranges, exposure levels within individual quality tiers, and the average credit quality of the overall portfolios.

According to those guidelines, the fixed income portfolio must have a minimum weighted average quality rating of A3/A-. Fixed income securities must have a minimum quality rating of Baa3/BBB, at the time of purchase.

The portion of the bond portfolio in securities rated Baa3/BBB– through Baa1/BBB+ must be 20% or less of the fair value of the fixed income portfolio.

Included in the fixed income portfolio are cash equivalents or commercial paper. Commercial Paper must have a minimum quality rating of P-1/A-1, at the time of purchase. Investments in derivatives are limited to collateralized mortgage obligations (CMO), collateralized bond obligations (CBO), collateralized debt obligations (CDO), and asset-backed securities (ABS).

In preparing this report, collateral for securities lending has been excluded because it is invested in a securities lending collateral investment pool.

The following table summarizes the System's fixed income portfolio exposure levels and credit quality as of June 30, 2018:

CREDIT QUALITY RATING
(IN THOUSANDS)

MOODY'S RATING	FAIR VALUE
Aaa	6,941
B3	42
Baa3	62
Not Rated	566,534
Total	**573,579**

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue. Other than bonds used as direct obligations of and fully guaranteed by the U.S. Government, not more than 5% of the Fund or its fixed income portfolio at fair value shall be invested in bonds issued by any one institution, agency or corporation.

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The System does invest in fixed income securities with floating rates that contain coupon adjustment mechanisms in a rising interest rate environment.

The following table quantifies, to the fullest extent possible, the interest rate risk of the System's fixed income holdings as of June 30, 2018:

INTEREST RATE RISK - EFFECTIVE DURATION
(IN THOUSANDS)

FIXED INCOME SECURITY	FAIR VALUE	EFFECTIVE DURATION IN YEARS
U.S. Government Agencies	6,941	6.26
Duration Not Available	566,638	-
Total	**573,579**	**6.26**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

DERIVATIVES

Derivative instruments are financial contracts whose values depend on the values of one or more underlying assets, reference rates, or financial indexes. They include futures contracts, options contracts, and forward foreign currency exchange. The Board of Trustees has adopted a derivative policy that specifically authorizes external investment managers to enter into certain derivative contracts based on an analysis that the use of such derivatives will have a positive impact on the System's ability to manage its underlying assets and liabilities. The System's investment program, indirectly through its external managers, holds investments in futures contracts. External money managers enter into certain derivative instruments primarily to enhance the performance and reduce the volatility of the System's portfolio, to gain or hedge exposure to certain markets, and to manage interest rate risk. The external managers are required to follow certain controls, documentation and risk management procedures when employing these financial instruments.

At June 30, 2018, the System had four outstanding U.S. equity index futures contracts with a fair value of $(5,645) classified as U.S. Equity. Changes in fair value for the year and outstanding futures contracts as of June 30, 2018 are as follows:

DERIVATIVE INSTRUMENTS
(IN THOUSANDS)

INVESTMENT DERIVATIVES	CHANGE IN FAIR VALUE CLASSIFICATION	AMOUNT
Foreign Currency Forwards	Investment Income	(298)
U.S. Equity Index Futures	Investment Income	28,771
Total		**28,473**

FUTURES CONTRACTS OUTSTANDING
(IN THOUSANDS)

CONTRACT TYPE	YEAR OF MATURITY	NOTIONAL AMOUNT
U.S. Equity Index Futures	2018	265,490
Total		**265,490**

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in the foreign exchange rate will adversely impact the fair value of an investment. The System is allowed to invest part of its assets in foreign investments.

The following table shows the System's exposure to foreign currency risk (U. S. dollars) as of June 30, 2018:

FOREIGN CURRENCY RISK
(IN THOUSANDS)

CURRENCY	SHORT TERM	EQUITY	OTHER	TOTAL
AUSTRALIAN DOLLAR	76	58,479	-	58,555
BRAZIL REAL	132	18,313	-	18,445
CANADIAN DOLLAR	172	81,654	-	81,826
CHILEAN PESO	2	2,904	-	2,906
COLOMBIAN PESO	26	1,698	-	1,724
CZECH KORUNA	38	388	-	426
DANISH KRONE	18	14,208	-	14,226
EURO CURRENCY UNIT	195	270,309	125,121	395,625
HONG KONG DOLLAR	226	101,995	-	102,221
HUNGARIAN FORINT	43	687	-	730
INDIAN RUPEE	25	21,316	-	21,341
INDONESIAN RUPIAH	110	5,315	-	5,425
ISRAELI SHEKEL	77	3,065	-	3,142
JAPANESE YEN	1,057	199,277	-	200,334
MALAYSIAN RINGGIT	15	7,616	-	7,631
MEXICAN PESO	10	9,300	-	9,310
NEW TAIWAN DOLLAR	341	35,445	-	35,786
NEW ZEALAND DOLLAR	24	1,423	-	1,447
NORWEGIAN KRONE	25	5,888	4	5,917
PHILIPPINES PESO	12	2,965	-	2,977
POLISH ZLOTY	70	2,949	-	3,019
POUND STERLING	145	149,942	57,650	207,737
QATARI RIYAL	35	2,084	-	2,119
SINGAPORE DOLLAR	49	10,294	-	10,343
SOUTH AFRICAN RAND	46	20,040	-	20,086
SOUTH KOREAN WON	-	44,668	-	44,668
SWEDISH KRONA	23	20,245	-	20,268
SWISS FRANC	9	65,050	-	65,059
THAILAND BAHT	2	5,057	-	5,059
TURKISH LIRA	67	1,953	-	2,020
UAE DIRHAM	20	1,241	-	1,261
TOTAL	**3,090**	**1,165,768**	**182,775**	**1,351,633**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

SECURITY LENDING PROGRAM

The System is party to a securities lending agreement with a bank. The bank, on behalf of the System, enters into agreements with brokers to loan securities and have the same securities returned at a later date.

The loans are fully collateralized by cash and securities. Collateral is marked-to-market on a daily basis. Non-cash collateral can be sold only upon borrower default. The program requires collateral of at least 102% of the fair value of the loaned U.S. securities and 105% of the fair value of the loaned Non U.S. securities, plus any applicable accrued interest in the case of debt securities. Securities on loan are carried at fair value.

As of June 30, 2018 the fair value of securities on loan was $571,238 and the collateral received was $584,989, comprised of $576,131 in cash and $8,858 in securities. The System receives a negotiated fee for its loan activities and is indemnified for broker default by the securities lending agent. The System participates in a collateral investment pool. All security loans may be terminated on demand by either the lender or the borrower.

Cash collateral received shall be held and maintained by the lending agent in a separately managed cash collateral account. The weighted average life of investments in the collateral account shall not exceed 120 days. At June 30, 2018, the weighted average maturity (to the next reset date) was 17 days. To maintain liquidity, a minimum of 10% of the loan portfolio must be invested in overnight (one day) instruments. Since the majority of securities loans are made on an overnight basis, there is usually a difference between the weighted average maturity of the investments made with the cash collateral provided by the borrower and the maturities of the securities loans. At June 30, 2018, the System had no credit risk exposure because the associated value of the collateral held exceeded the value of the securities loaned.

SECURITIES LENDING
(IN THOUSANDS)

	FAIR VALUE OF UNDERLYING SECURITIES	SECURITIES COLLATERAL VALUE
SECURITIES LENT FOR CASH COLLATERAL		
US Equities	552,220	564,782
Non-US Equities	10,620	11,349
Subtotal	**562,840**	**576,131**
SECURITIES LENT FOR SECURITIES COLLATERAL		
US Equities	2,270	2,304
Non-US Equities	6,128	6,554
Subtotal	**8,398**	**8,858**
Totals	**571,238**	**584,989**

NOTE 6: CAPITAL ASSETS

Capital assets are stated at cost, and depreciable assets are depreciated using the straight-line method over the estimated life of the asset. Repairs and maintenance are charged to expense as incurred. Depreciation expense for the year ended June 30, 2018 was $170.

The following table is a schedule of the capital asset account balances as of June 30, 2018, and June 30, 2017, and changes to those account balances during the year ended June 30, 2018.

SCHEDULE OF CAPITAL ASSETS
(IN THOUSANDS)

	LAND	BUILDING IMPROVEMENTS	FURNITURE FIXTURES EQUIPMENT	TOTAL CAPITAL ASSETS
CAPITAL ASSETS				
June 30, 2017	615	4,624	1,704	6,943
Additions	-	-	-	-
Deletions	-	-	-	-
June 30, 2018	**615**	**4,624**	**1,704**	**6,943**
ACCUMULATED DEPRECIATION				
June 30, 2017	-	(1,478)	(1,654)	(3,132)
Additions	-	(120)	(50)	(170)
Deletions	-	-	-	-
June 30, 2018	**-**	**(1,598)**	**(1,704)**	**(3,302)**
Net Capital Assets	**615**	**3,026**	**-**	**3,641**

NOTE 7: NET PENSION LIABILITY

The following disclosures are only applicable to EORP and CORP-AOC, as only cost-sharing plans are required to report the net pension liability (NPL). PSPRS and CORP are agent plans, therefore, the following note disclosures are not applicable to PSPRS and CORP.

DETERMINATION OF THE NET PENSION LIABILITY

The components of the NPL for EORP and CORP-AOC as of June 30, 2018, are as follows:

	EORP	CORP-AOC
Total Pension Liability	904,884	777,815
Plan Fiduciary Net Position	274,747	417,842
Net Pension Liability	**630,138**	**359,973**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	30.4%	53.7%

NOTES TO THE FINANCIAL STATEMENTS (Continued)

ACTUARIAL ASSUMPTIONS AND METHODS

The actuarial assumptions shown in the following table are used for calculating the total pension liability and may be different than those used for the calculation of funding and contribution rates.

Actuarial assumptions utilized in the June 30, 2018 valuations for EORP and CORP-AOC were based on the results of actuarial experience studies for the 5-year period ended June 30, 2016.

Measurement Date:	June 30, 2018
Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Discount Rate:	7.4%
Wage Inflation:	3.5%
Price Inflation:	2.5%
Mortality Tables:	RP-2014 using MP-2016 improvement scale, with adj. to match experience
Cost of Living Adjustment:	1.75%

A significant change to the actuarial assumptions included in the June 30, 2018 actuarial valuations is the replacement of the future PBI payments with a Cost of Living Adjustment (COLA), due to the passage of Proposition 125 by Arizona voters in the November 2018 election. The passage of Proposition 125 replaced the PBI with a COLA, based on a consumer price index (CPI) for metropolitan Phoenix and Mesa capped at 2%.

The long-term expected rate of return on pension plan investments for both EORP and CORP-AOC was determined using a building-block method in which best estimate ranges of expected real rates of return (expected returns, net of pension plan investment expense) are developed for each major class. Based on the asset allocation, a real rate of return for the portfolio as a whole is determined. The expected nominal rate of return is determined by adding the expected inflation to the real rate of return. The System's independent investment advisor, NEPC, developed a 30-year return forecast which includes an inflation assumption of 2.75%. The following table shows the expected geometric nominal rate of return for pension plan investments as of June 30, 2018:

EXPECTED RETURN - GEOMETRIC BASIS
TARGET ASSET ALLOCATION

ASSET CLASS	TARGET ASSET ALLOCATION	REAL RETURN GEOMETRIC BASIS	LONG-TERM EXPECTED PORTFOLIO REAL RATE OF RETURN
Short Term Investments	2%	0.25%	0.01%
Risk Parity	4%	5.00%	0.20%
Fixed Income	5%	1.25%	0.06%
Real Assets	9%	4.52%	0.41%
GTS	12%	3.96%	0.48%
Private Credit	16%	6.75%	1.08%
Real Estate	10%	3.75%	0.38%
Private Equity	12%	5.83%	0.70%
Non-U.S. Equity	14%	8.70%	1.22%
U.S. Equity	16%	7.60%	1.22%
Total	**100%**		**5.76%**
Inflation			2.75%
Expected Geometric Nominal Return			**8.51%**

DISCOUNT RATE

The single discount rate of 7.4% was used to measure the total pension liability. This discount rate was based on the expected long-term rate of return on pension plan investments of 7.4%. The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rates and that employer contributions will be made at rates set by statute. The projection also assumes non-employer contributions will be made at historical rates. Based on these assumptions, the respective plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following table presents the NPL for EORP and CORP-AOC using the current discount rate, as well as what the respective plan's NPL would be if it were calculated using a discount rate that is one percent lower and one percent higher than the current discount rate.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

SENSITIVITY TO CHANGES IN THE DISCOUNT RATE
(IN THOUSANDS)

	1% DECREASE 6.40%	CURRENT DISCOUNT RATE 7.40%	1% INCREASE 8.40%
EORP Net Pension Liability	723,545	630,138	550,739
CORP-AOC Net Pension Liability	470,931	359,973	269,938

NOTE 8: OTHER BENEFITS

The System adopted a supplemental defined contribution plan available for all contributing members of an eligible group. An eligible group is defined as the employees of the Board of Trustees, PSPRS, the EORP and the CORP.

The employees of any of these eligible groups must make an election to participate within two years after the employee first meets the eligibility requirements to participate in the plan. The election to participate is irrevocable and continues for the remainder of the employee's employment with the employer. If an employee elects to participate, the employee must contribute at least 1% of the employee's gross compensation. The IRS maintains that the employers designate the amounts contributed by each employee. All amounts contributed are subject to the discretion and control of the employer. Employee contributions and earnings to the plan are immediately vested. Employer contributions, if any, are vested based on the following schedule:

Less than one year of service: 0%
One year but less than two: 20%
Two years but less than three: 40%
Three years but less than four: 60%
Four years but less than five: 80%
Five years or more: 100%

The supplemental defined contribution plan is administered by Nationwide Retirement Solutions, Inc. All contributions are sent directly to Nationwide Retirement Solutions, Inc. from the participating employer groups.

NOTE 9: PSPRS EMPLOYEE RETIREMENT PLAN

The employees of the System are covered under the Arizona State Retirement System (ASRS) for pension benefits after retirement.

PLAN DESCRIPTION

ORGANIZATION
The Arizona State Retirement System (ASRS) is a component unit of the State of Arizona. The ASRS is a cost-sharing, multiple-employer, pension plan established by the State of Arizona to provide pension benefits for employees of the State and employees of participating political subdivisions and school districts. The ASRS is administered in accordance with Title 38, Chapter 5, Article 2 of the Arizona Revised Statutes (A.R.S.). The Long Term Disability Program is administered in accordance with Title 38, Chapter 5, Article 2.1.

The operations and administration of the ASRS is vested with the ASRS Board of Trustees, which is comprised of nine members, whom are appointed by the Governor and confirmed by the Arizona Senate pursuant to A.R.S. §38-211. The ASRS Board of Trustees is responsible for establishing and maintaining the funding policy.

BENEFITS
The ASRS provides benefits under formulas and provisions described in Arizona State law. Benefits and administrative expenses are paid from funds contributed by members and employers and from earnings on investments. The ASRS provides for retirement, disability, health insurance premium supplemental benefits and survivor benefits.

Retirement benefits are calculated on the basis of age, total credited service and average monthly compensation, which is established on a fiscal year basis (July 1 to June 30).

Members with an initial membership date before July 1, 2011, are eligible for full retirement benefits upon the earliest of attaining:

- Age 65;
- Age 62 with 10 years of credited service;
- Age plus credited service equaling 80 or more

Members with initial membership dates on or after July 1, 2011, are eligible for full retirement benefits upon the earliest of attaining:

- Age 65;
- Age 62 with 10 years of credited service;
- Age 60 with 25 years of credited service;
- Age 55 with 30 years of credited service

Average monthly compensation calculation is determined by a 60-month or 36-month calculation depending on when a member began contributing to the ASRS.

The 60-month calculation is an option for members who began contributing to the ASRS prior to January, 1, 1984. To determine a member's benefit using this formula, the ASRS averages the highest 60 consecutive months of contributions within the last 120 months of contributions.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

This calculation includes base salary, additional contracts, overtime and any other form of compensation. Termination payments may include vacation/sick pay (except for state and county employees), compensation time pay, retirement incentive pay (excludes payments made after retirement begins, such as VIP or ESP), or any other payments paid at the time of termination.

The average monthly compensation calculation for members who began contributing prior to January 1, 1984 is automatically based on whichever calculation provides the greater benefit.

The 36-month calculation is required for members who contributed to the ASRS between January 1, 1984 and June 30, 2011. To determine a member's benefit using this formula, the ASRS averages the highest 36 consecutive months of contributions within the last 120 months of contributions reported. This calculation excludes any termination payments the member received upon retirement.

For members who began contributing to the ASRS on or after July 1, 2011, the average monthly compensation used in a retiring member's retirement benefit calculation is the highest consecutive 60 months of contributions in the last 120 months of contributions reported. Unlike the pre-1984 60 month calculation, the 60 month calculation enacted in 2011 does not include termination pay such as sick leave, annual leave, etc.

The graded multiplier is a percentage set by Arizona State statute. It is the percentage of the average monthly compensation members will receive for each year of credited service they have accrued at retirement. This percentage is based on their total years of service at retirement based on the following graded multiplier schedule:

ASRS GRADED MULTIPLIER SCHEDULE

YEARS OF SERVICE	MULTIPLIER
00.00 - 19.99 years	2.10%
20.00 - 24.99 years	2.15%
25.00 - 29.99 years	2.20%
30.00 or more years	2.30%

PERMANENT BENEFIT INCREASE (PBI)

Retired members who have been retired for at least one year and members receiving LTD benefits are eligible for a benefit increase adjustment up to a maximum of 4%, if funds are available.

The PBI is paid when the average investment return is in excess of 8% over a rolling 10 year period from a reserve of excess investment earnings. Funds are reserved when total actuarial investment returns for each fiscal year are greater than 8%. If there are no excess investment earnings in the reserve, then no additional benefit increase is paid. As of June 30, 2017, there is a zero balance in the reserve for future PBIs.

Retired members with at least 10 years of service who have been retired five or more years are eligible for an enhanced permanent benefit increase (EPBI). For each complete five-year period the member has been retired, an incremental benefit is paid if monies to pay the benefit are available. This benefit is funded by an interest credit of 8% of the reserve for future PBIs.

Due to legislation enacted in the 2013 legislative session, PBIs and EPBIs will not be awarded to members hired after September 13, 2013.

CONTRIBUTIONS

Per Arizona Revised Statutes, contribution requirements for active plan members and their participating employers are established and may be amended by the ASRS Board.

Contribution rates are actuarially determined and are expected to finance the costs of benefits accrued by plan members during the year and any unfunded accrued liability. The cost of administering the pension and other post-employment benefits is financed through employer contributions, member contributions and investment earnings.

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work. ACR contributions totaling $28.0 million were received in FY17 and are included in Employer Contributions on the Statement of Changes in Fiduciary Net Position in the June 30, 2017 CAFR.

Employers' contractually required contribution rates as a percentage of covered payroll and the employees' matching contributions were as follows for fiscal year 2018:

CONTRIBUTION RATES	EMPLOYEE	EMPLOYER
Retirement	11.34%	10.90%
Health Benefit Supplement	-	0.44%
Long-Term Disability	0.16%	0.16%
TOTAL REQUIRED	**11.50%**	**11.50%**
Alternate Contribution Rate	-	9.49%

The Arizona Revised Statutes allow the purchase of eligible service credit for which no benefit can be paid by another qualified plan. Purchasable services include leave of absence, military service, other public service employment and previously forfeited service under the ASRS. The Arizona Revised Statutes also allow purchase of military service regardless of whether a benefit may be paid.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

TERMINATION OF EMPLOYMENT

Upon termination of employment, members may elect to receive their contributions made to the Plan, plus accrued interest. Members with an initial membership date before July 1, 2011, may receive a percentage of employer contributions to the Plan based on years of service as follows:

YEARS OF SERVICE	VESTING
5.00 - 5.99 years	25%
6.00 - 6.99 years	40%
7.00 - 7.99 years	55%
8.00 - 8.99 years	70%
9.00 - 9.99 years	85%
10.00 or more years	100%

Members with an initial membership date on or after July 1, 2011 will not receive any portion of the employer contributions if they withdraw their account balance prior to retirement. This does not apply to terminations due to an employer reduction in force or position elimination, in which case the above ASRS vesting schedule will apply.

Withdrawal of accumulated contributions results in forfeiture of the member's accrued benefits in the Plan; however, state law provides for reinstatement of a member's forfeited service upon repayment of the accumulated contributions, plus interest if a former member returns to covered service.

CONDENSED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Employers participating in the ASRS cost-sharing multiple-employer defined benefit plans are required to report pension information in their financial statements, for fiscal periods beginning on or after June 15, 2014, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions. The Schedule of Employer Allocations and Schedule of Pension Amounts by Employer (pension allocation schedules) provide employers with the required information for financial reporting.

BASIS OF ACCOUNTING

The underlying financial information used to prepare the pension allocation schedules is based on the ASRS financial statements. The ASRS financial statements are prepared using the accrual basis of accounting and are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) that apply to governmental accounting for fiduciary funds.

EMPLOYER CONTRIBUTIONS

Contributions are recognized as revenues when due, pursuant to statutory and contractual requirements.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actuarial results could differ from those estimates. For a complete description of significant accounting policies, please refer to the ASRS' June 30, 2017 CAFR.

ACTUARIAL ASSUMPTIONS

The total pension liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward using generally accepted actuarial procedures to June 30, 2017. The following actuarial assumptions pertain to assumptions utilized for financial reporting requirements and differ from the assumptions utilized for funding purposes. The principal differences between the actuarial assumptions for financial reporting purposes and those utilized for funding purposes are the actuarial cost methodology, amortization methodology, valuation of the Retirement Fund assets and the inclusion of the Permanent Benefit Increase.

Actuarial Valuation Date	June 30, 2016
Actuarial Roll Forward Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal
Asset Valuation	Fair Value
Discount Rate	8.00%
Projected Salary Increase	3.00 - 6.75%
Inflation	3.00%
Permanent Benefit Increase	Included
Mortality Rates	1994 GAM Scale BB

The actuarial assumptions related to funding appear in the Notes to Required Supplementary Information and the Actuarial Section of the June 30, 2017 CAFR. The actuarial assumptions related to funding were selected on the basis of an experience study which was performed for the five-year period ending June 30, 2012.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The ASRS Board adopted the experience study which recommended changes, and those changes were effective as of the June 30, 2013 actuarial valuation.

The net pension liability for ASRS at the aggregate level as of June 30, 2017 was reduced by $984,132, due to a change in actuarial assumptions related to decreased loads for future potential Permanent Benefit Increases.

The long term expected rate of return on investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the asset allocation policy as of June 30, 2017 are summarized in the following table:

EXPECTED RETURN ARITHMETIC BASIS

ASSET CLASS	TARGET ASSET ALLOCATION	REAL RETURN ARITHMETIC BASIS	LONG-TERM EXPECTED REAL RATE OF RETURN
Equity	58%	6.73%	3.87%
Fixed Income	25%	3.70%	.91%
Commodities	2%	3.84%	.08%
Real Estate	10%	4.25%	.42%
Multi-Asset Class	5%	3.41%	.17%
Total	**100%**		**5.45%**
Inflation			3.25%
Expected arithmetic nominal return			**8.70%**

Actual returns may be different due to volatility of returns. The long term expected rate of return of 8.70% is higher than the 8% assumed rate of return used in the actuarial valuation. Details regarding the discount rate for actuarial purposes follows.

DISCOUNT RATE

The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the funding policy of the ASRS Board, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the Retirement Fund's fiduciary net position was projected to be available to make all the projected future benefit payments of current members.

Therefore, the long term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

The table below presents PSPRS's share of the net pension liability of the participating employers calculated using the discount rate of 8%, as well as what PSPRS's share of the net pension liability would be if it were calculated using the discount rate that is 1.00% lower (7.00%) or 1.00% higher (9.00%) than the current rate at June 30, 2017:

SENSITIVITY ANALYSIS—NET PENSION LIABILITY
PSPRS Proportionate Share
(IN THOUSANDS)

1% DECREASE (7.00%)	CURRENT DISCOUNT RATE (8.00%)	1% INCREASE (9.00%)
9,036	7,040	5,372

BASIS FOR ALLOCATION

PSPRS' proportionate share of the ASRS net pension liability is calculated using accrued retirement contributions for employers that were members of the ASRS on June 30, 2017. Accrued contributions for employers who entered the ASRS mid-year have been annualized. Adjustments have been made for employer contributions received that do not reflect an employer's projected long-term contribution effort. PSPRS' proportionate share of the ASRS' net pension liability was based on the ratio of the System's actual contributions of $475 paid to ASRS for the year ended June 30, 2017 relative to the actual contributions of $1,051,469 from all participating employers. At June 30, 2017 the System's proportionate share was 0.04519%, which is an increase of 0.00131% from the previous year.

Based on its proportionate share, for the year ended June 30, 2017, the System recognized a pension expense of $515. At June 30, 2017, the System recognized a net pension liability of $7,040. It also reported deferred outflows of resources and deferred inflows of resources from the following sources related to ASRS pension benefits:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

(IN THOUSANDS)

BALANCE OF DEFERRED OUTFLOWS AND INFLOWS DUE TO:	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Difference Between Expected and Actual Experience	-	211
Difference Between Projected and Actual Investment Earnings	51	-
Changes of Assumptions	306	210
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	298	-
Employer contributions subsequent to the measurement date	569	-
TOTAL	**1,224**	**421**

$569 reported as a deferred outflow from contributions paid subsequent to the measurement date will be recognized as a reduction to the net pension liability in the fiscal year ended June 30, 2019.

Other amounts reported as collective deferred (inflows)/ outflows of resources to be recognized in future pension expense include the following:

AMORTIZATION OF DEFERRED (INFLOWS)/OUTFLOWS
(IN THOUSANDS)

FYE JUNE 30,	DEFERRED (INFLOW) OUTFLOW
2019	(86)
2020	380
2021	100
2022	(162)
Thereafter	-

Additional financial and actuarial information is available at www.azasrs.gov.

NOTE 10: SUBSEQUENT EVENT

In fiscal year 2018 legislation was passed that replaced the permanent benefit increase (PBI) for retirees in EORP and CORP, which was based on investment returns and capped at 4%, with a cost of living adjustment (COLA), which is based on inflation and capped at 2%. Because that change affects existing retirees, it could not become effective until there was a change to Arizona's constitution.

Proposition 125 was put on the November 2018 ballot and was passed by Arizona's voters. The change from a PBI to a COLA reduces the actuarial accrued liability by $116 million in EORP and $202 million in CORP. Although the proposition was not passed until November, the change is reflected in the June 30, 2018 actuarial valuations.

THIS PAGE INTENTIONALLY BLANK

REQUIRED SUPPLEMENTARY INFORMATION

EORP
SCHEDULE OF PENSION CONTRIBUTIONS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY FROM 2014)

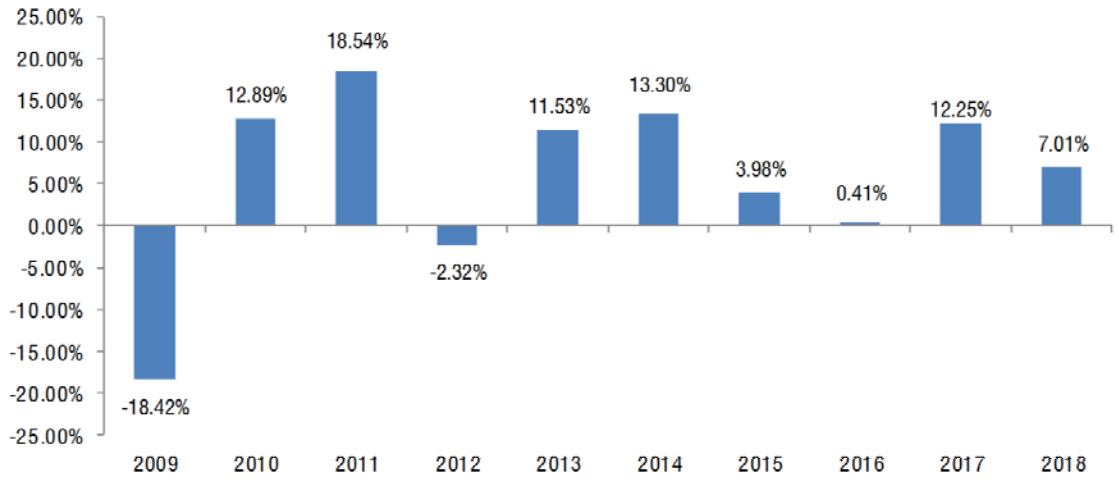
FISCAL YEAR END JUNE 30,	ACTUARIALLY DETERMINED CONTRIBUTION	ACTUAL CONTRIBUTION	CONTRIBUTION CREDITS †	CONTRIBUTION EXCESS (DEFICIENCY)	CONTRACTUALLY REQUIRED CONTRIBUTIONS	COVERED PAYROLL	CONTRIBUTION AS A % OF COVERED PAYROLL
2014	28,235,016	29,845,174	-	1,610,158	29,845,174	68,340,894	43.67%
2015	37,323,403	29,324,054	-	(7,999,349)	29,324,054	61,933,383	47.35%
2016	59,142,210	29,216,113	-	(29,926,097)	29,216,113	57,766,003	50.58%
2017	59,183,541	29,091,116	-	(30,092,425)	29,091,116	50,877,556	57.18%
2018	61,549,676	15,618,040	18,612,219	(27,319,417)	34,230,259	50,939,103	67.20%

† *Amount represents credits issued to employers, due to litigation settlements.*

CORP-AOC
SCHEDULE OF PENSION CONTRIBUTIONS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY FROM 2014)

FISCAL YEAR END JUNE 30,	ACTUARIALLY DETERMINED CONTRIBUTION	ACTUAL CONTRIBUTION	CONTRIBUTION EXCESS (DEFICIENCY)	COVERED PAYROLL	CONTRIBUTION AS A % OF COVERED PAYROLL
2014	15,930,155	15,551,633	(378,522)	110,728,017	14.04%
2015	16,364,512	16,560,621	196,109	110,362,697	15.01%
2016	22,874,814	21,038,447	(1,836,367)	108,624,572	19.37%
2017	23,969,153	22,484,433	(1,484,720)	113,501,629	19.81%
2018	26,446,625	26,035,727	(410,898)	117,081,292	22.24%

SCHEDULE OF INVESTMENT RETURNS - MONEY WEIGHTED RATE OF RETURN
ALL PLANS COMBINED
LAST TEN FISCAL YEARS



REQUIRED SUPPLEMENTARY INFORMATION

EORP - PENSION
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY)

FISCAL YEAR ENDING JUNE 30,	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service Cost	32,258,501	28,655,558	24,580,665	23,501,879	23,501,879
Interest on Total Pension Liability	58,317,197	44,811,980	52,165,633	54,960,104	47,537,398
Benefit Changes	(116,010,794)	282,345,397	150,362,643	95,710,915	342,442,071
Expected-Actual Experience of Total Pension Liability	2,095,509	(12,165,488)	(25,394,624)	(14,303,022)	4,643,397
Assumption Changes	(505,816,607)	-	-	-	-
Benefit Payments, Refunds and Credits	(82,637,279)	(60,717,428)	(58,086,261)	(54,626,427)	(54,138,971)
Net Change in Total Pension Liability	**(611,793,473)**	**282,930,019**	**143,628,056**	**105,243,449**	**363,985,774**
Beginning Total Pension Liability	**1,516,677,798**	**1,233,747,779**	**1,090,119,723**	**984,876,274**	**620,890,500**
Ending Total Pension Liability (A)	**904,884,325**	**1,516,677,798**	**1,233,747,779**	**1,090,119,723**	**984,876,274**
PLAN FIDUCIARY NET POSITION					
Employer Contributions	10,618,040	24,091,116	24,216,113	24,324,054	24,845,174
Employee Contributions	5,080,822	8,136,769	7,826,262	9,113,788	8,989,478
Non-Employer Contributions	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Pension Plan Net Investment Income	20,002,073	32,837,968	1,480,289	6,358,800	34,068,988
Benefit Payments and Refunds	(64,025,060)	(60,717,428)	(58,086,261)	(54,626,427)	(54,138,971)
Pension Plan Administrative Expense	(304,309)	(274,256)	(248,601)	(297,535)	(315,896)
Other	256,775	48,979	138,770	4,491,434	3,327,220
Net Changes in Plan Fiduciary Net Position	**(23,371,659)**	**9,123,148**	**(19,673,428)**	**(5,635,886)**	**21,775,993**
Beginning Plan Fiduciary Net Position	**298,118,145**	**288,994,996**	**308,668,424**	**314,304,310**	**292,528,317**
Ending Plan Fiduciary Net Position (B)	**274,746,486**	**298,118,144**	**288,994,996**	**308,668,424**	**314,304,310**
Net Pension Liability (A-B)	**630,137,839**	**1,218,559,654**	**944,752,783**	**781,451,299**	**670,571,964**
Plan Fiduciary Net Position as % of Total Pension Liability	**30.36%**	**19.66%**	**23.42%**	**28.32%**	**31.91%**
Covered Payroll	**50,939,103**	**50,877,556**	**57,766,003**	**61,933,383**	**68,340,894**
Net Pension Liability as % of Covered Payroll	**1,237.04%**	**2,395.08%**	**1,635.48%**	**1,261.76%**	**981.22%**

REQUIRED SUPPLEMENTARY INFORMATION

CORP-AOC - PENSION
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY)

FISCAL YEAR ENDING JUNE 30,	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service Cost	19,142,791	17,763,005	16,087,299	15,617,822	16,955,738
Interest on Total Pension Liability	58,008,721	46,505,174	44,993,203	42,338,170	35,423,999
Benefit Changes	(46,860,181)	131,371,177	26,734,733	0	45,420,437
Expected-Actual Experience of Total Pension Liability	(11,251,656)	(3,798,541)	(16,301,270)	(1,686,095)	9,870,077
Benefit Payments and Refunds	(31,109,381)	(26,286,733)	(24,602,581)	(20,762,526)	(17,082,841)
Net Change in Total Pension Liability	**(12,069,706)**	**165,554,082**	**46,911,384**	**35,507,371**	**90,587,410**
Beginning Total Pension Liability	**789,884,932**	**624,330,850**	**577,419,466**	**541,912,095**	**451,324,685**
Ending Total Pension Liability (A)	**777,815,226**	**789,884,932**	**624,330,850**	**577,419,466**	**541,912,095**
PLAN FIDUCIARY NET POSITION					
Employer Contributions	26,035,727	22,484,433	21,038,447	16,560,621	15,551,633
Employee Contributions	9,829,485	9,529,954	9,290,604	9,614,012	9,132,189
Pension Plan Net Investment Income	24,929,223	41,046,200	2,060,524	6,924,061	36,147,891
Benefit Payments and Refunds	(31,109,381)	(26,286,733)	(24,602,581)	(20,762,526)	(17,082,841)
Pension Plan Administrative Expense	(395,410)	(367,239)	(297,359)	(306,036)	(304,890)
Other	(113,454)	81,618	378,743	4,759,896	(4,624,871)
Net Changes in Plan Fiduciary Net Position	**29,176,190**	**46,488,233**	**7,868,378**	**16,790,028**	**38,819,111**
Beginning Plan Fiduciary Net Position	**388,665,716**	**342,177,483**	**334,309,105**	**317,519,077**	**278,699,966**
Ending Plan Fiduciary Net Position (B)	**417,841,906**	**388,665,716**	**342,177,483**	**334,309,105**	**317,519,077**
Net Pension Liability (A-B)	**359,973,320**	**401,219,216**	**282,153,367**	**243,126,717**	**224,393,018**
Plan Fiduciary Net Position as % of Total Pension Liability	**53.72%**	**49.21%**	**54.81%**	**57.89 %**	**58.59 %**
Covered Payroll	**117,081,292**	**113,501,629**	**108,624,572**	**110,362,697**	**110,728,017**
Net Pension Liability as % of Covered Payroll	**307.46%**	**353.49%**	**259.75%**	**220.30 %**	**202.65 %**

REQUIRED SUPPLEMENTARY INFORMATION

EORP - HEALTH INSURANCE
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY)

FISCAL YEAR ENDING JUNE 30,	2018	2017
TOTAL OPEB LIABILITY		
Service Cost	250,642	319,977
Interest on Total OPEB Liability	1,009,773	936,894
Changes of Benefit Terms	-	-
Expected and Actual Experience Difference	(864,549)	761,415
Changes of Assumptions	-	215,222
Benefit Payments Net of Retiree Contributions	(1,046,917)	(1,043,450)
Net Change in Total OPEB Liability	**(651,051)**	**1,190,058**
Beginning Total OPEB Liability	**14,043,713**	**12,853,655**
Ending Total OPEB Liability (A)	**13,392,662**	**14,043,713**
PLAN FIDUCIARY NET POSITION		
Employer Contributions	-	-
Employee Contributions	-	-
Non-Employer Contributions	-	-
OPEB Plan Net Investment Income	1,648,735	2,549,976
Benefit Payments Net of Retiree Contributions	(1,046,917)	(1,043,450)
OPEB Plan Administrative Expense	(25,084)	(23,727)
Net Changes in Plan Fiduciary Net Position	**576,734**	**1,482,799**
Beginning Plan Fiduciary Net Position	**23,149,855**	**21,667,056**
Ending Plan Fiduciary Net Position (B)	**23,726,589**	**23,149,855**
Net OPEB Liability/(Asset) (A-B)	**(10,333,927)**	**(9,106,142)**
Plan Fiduciary Net Position as % of Total OPEB Liability	**177.16%**	**164.84%**
Covered Payroll	**50,939,103**	**50,877,556**
Net OPEB Liability/(Asset) as % of Covered Payroll	**(20.29)%**	**(17.90)%**

REQUIRED SUPPLEMENTARY INFORMATION

CORP-AOC - HEALTH INSURANCE
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY)

FISCAL YEAR ENDING JUNE 30,	2018	2017
TOTAL OPEB LIABILITY		
Service Cost	257,579	329,155
Interest on Total OPEB Liability	1,144,137	1,336,555
Changes of Benefit Terms	-	-
Expected and Actual Experience Difference	(550,225)	(697,581)
Changes of Assumptions	-	(2,833,030)
Benefit Payments Net of Retiree Contributions	(477,976)	(439,498)
Net Change in Total OPEB Liability	**373,515**	**(2,304,399)**
Beginning Total OPEB Liability	**15,571,507**	**17,875,906**
Ending Total OPEB Liability (A)	**15,945,022**	**15,571,507**
PLAN FIDUCIARY NET POSITION		
Employer Contributions	955,786	929,246
Employee Contributions	-	-
Non-Employer Contributions	-	-
OPEB Plan Net Investment Income	647,987	1,004,442
Benefit Payments Net of Retiree Contributions	(477,976)	(439,498)
OPEB Plan Administrative Expense	(9,803)	(8,786)
Net Changes in Plan Fiduciary Net Position	**1,115,994**	**1,485,404**
Beginning Plan Fiduciary Net Position	**9,687,041**	**8,201,637**
Ending Plan Fiduciary Net Position (B)	**10,803,035**	**9,687,041**
Net OPEB Liability (A-B)	**5,141,987**	**5,884,466**
Plan Fiduciary Net Position as % of Total OPEB Liability	**67.75%**	**62.21%**
Covered Payroll	**117,081,292**	**113,501,629**
Net OPEB Liability as % of Covered Payroll	**4.39%**	**5.18%**

REQUIRED SUPPLEMENTARY INFORMATION

EORP
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY)

FISCAL YEAR END JUNE 30,	ACTUARIAL DETERMINED CONTRIBUTION	ACTUAL CONTRIBUTION	CONTRIBUTION DEFICIENCY (EXCESS)	COVERED PAYROLL	ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL
2017	-	-	-	50,877,556	0.00%
2018	-	-	-	50,939,103	0.00%

CORP-AOC
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY)

FISCAL YEAR END JUNE 30,	ACTUARIAL DETERMINED CONTRIBUTION	ACTUAL CONTRIBUTION	CONTRIBUTION DEFICIENCY (EXCESS)	COVERED PAYROLL	ACTUAL CONTRIBUTION AS A % OF COVERED PAYROLL
2017	954,946	929,246	25,700	113,501,629	0.82%
2018	975,153	955,786	19,367	117,081,292	0.82%

REQUIRED SUPPLEMENTARY INFORMATION

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1: GENERAL ACTUARIAL METHODS AND ASSUMPTIONS

The pension-related Required Supplementary Information schedules were prepared using the Entry Age Normal actuarial cost method.

The Net Pension/OPEB Liability schedules were prepared using the actuarial assumptions disclosed in the Basic Financial Statements, footnotes 3 and 7. The "actuarially determined contribution" amounts found in the contribution schedules were prepared using actuarial assumptions as of the valuation date, which was June 30, 2016. Those assumptions are as follows:

Measurement Date:	June 30, 2018
Valuation Date:	June 30, 2018
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Discount Rate:	7.4%
Wage Inflation:	3.5%
Price Inflation:	2.5%
Mortality Tables:	RP-2014 using MP-2016 improvement scale, with adj. to match experience
Cost of Living Adjustment:	1.75%

EORP CONTRIBUTIONS

The member contribution rate for EORP members was 13% of covered payroll for those that became members on or after July 20, 2011, and 7% for those who became members prior to July 20, 2011.

As of January, 1 2014, the Arizona State Legislature closed the Elected Official's Retirement Plan and set the employer contribution rate to 23.50% of covered payroll with an additional five million dollars contributed by the State of Arizona. The five million dollars from the State of Arizona is considered a contribution from a non-employer contributing entity and is listed separately on the Statement of Changes in Fiduciary Position. In addition, the EORP receives additional contributions from certain employers as specified in A.R.S. § 38-810.

Senate Bill 1478, signed into law by Governor Ducey on May 15, 2018 amends A.R.S. § 38-810 and effectively returns the calculation of the employer contribution rate to an annual, actuarially determined basis. Effective July 1, 2018, the EORP employer contribution rate will be 61.5% of covered payroll.

CORP-AOC

The actuarially determined contributions for CORP-AOC separately were 23.34% of covered payroll (22.51% to the pension plan and 0.83% to the OPEB plan). The minimum employer contribution rate is 6% (in accordance with A.R.S. § 38-891).

NOTE 2: FACTORS THAT AFFECT TRENDS

As a result of an actuarial experience study conducted in FY17 covering the period July 1, 2011 through June 30, 2016, several actuarial assumptions were adjusted in both plans. Wage inflation was lowered from 4.00% to 3.50%. Mortality tables were updated to the RP-2014 tables. Withdrawal, disability and retirement assumptions were updated, and the assumption regarding future cost of living increases for Tier 1 members was increased.

REQUIRED SUPPLEMENTARY INFORMATION

ASRS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY FROM 2015)

FISCAL YEAR END JUNE 30,	PERCENTAGE OF THE NET PENSION LIABILITY (ASSET)	SHARE OF THE NET PENSION LIABILITY (ASSET)	COVERED PAYROLL	NET PENSION LIABILITY (ASSET) AS A % OF COVERED PAYROLL	FIDUCIARY NET POSITION AS A % OF TOTAL PENSION LIABILITY
2015	0.039438%	5,835,426	3,452,000	169.05%	69.49%
2016	0.041820%	6,514,618	3,852,000	169.13%	68.35%
2017	0.043880%	7,082,674	3,886,000	182.23%	67.06%
2018	0.045190%	7,039,721	4,313,305	163.21%	69.92%

ASRS
SCHEDULE OF EMPLOYER CONTRIBUTIONS PAID TO ASRS
LAST 10 FISCAL YEARS (BUILT PROSPECTIVELY FROM 2015)

FISCAL YEAR END JUNE 30,	ACTUARIALLY DETERMINED CONTRIBUTIONS	ACTUAL CONTRIBUTION	CONTRIBUTION DEFICIENCY (EXCESS)	COVERED PAYROLL	CONTRIBUTION AS A % OF COVERED PAYROLL
2015	419,503	419,503	-	3,452,000	12.15%
2016	475,910	475,910	-	3,852,000	12.35%
2017	492,337	492,337	-	3,886,000	12.67%
2018	569,439	569,439	-	4,313,305	13.20%

Notes to Required Supplementary Information

The schedules shown above are required by GASB Statement No. 68 since PSPRS employees belong to the Arizona State Retirement System, a cost-sharing multiple-employer plan. As such, PSPRS is an "employer" in that plan and is required to contribute to ASRS, and include a share of ASRS' net pension liability on the face of the PSPRS financial statements.

During the measurement period, actuarial assumptions related to changes in the loads for future potential Permanent Benefit Increases increased the net pension liability for ASRS at the aggregate level by $984,131,668. The employer contribution rate was increased from 11.48% to 11.50%. There were no changes in actuarial assumptions during the period.

SUPPORTING SCHEDULES INFORMATION

SCHEDULE OF CHANGES IN RESERVE BALANCES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017
(IN THOUSANDS)

	PSPRS			EORP		
	EE RESERVE	ER RESERVE	HI RESERVE	EE RESERVE	ER RESERVE	HI RESERVE
BALANCE AS OF JUNE 30, 2016	**1,421,902**	**4,620,575**	**299,093**	**58,174**	**230,821**	**21,667**
DISTRIBUTION OF REVENUES AND EXPENSES						
Members' Contributions	182,979			8,137		
Employers' Contributions		634,456	4,249		24,091	
Non-Employer Contributions		17,420			5,000	
Earnings (Loss) on Investments Net of Investment Expenses		727,866	34,585		32,838	2,550
Pension and Insurance Benefits		(740,192)	(16,360)		(60,453)	(1,043)
Refunds to Terminated Members	(10,280)	(7,299)		(235)	(29)	
Administrative Expenses		(6,460)	(306)		(274)	(24)
DISTRIBUTION OF TRANSFERS						
Excess Investment Earnings to be used for Future Benefit Increases						
Earnings (Loss) on Excess Investment Earnings Account Assets						
Amount Utilized by Benefit Increases Granted						
Net Transfers In (Out) and Purchase of Service Credits	(357)	716		27	21	
Balances Transferred to Employers' Reserve due to Retirement	(66,887)	66,887		(7,926)	7,926	
BALANCE AS OF JUNE 30, 2017	**1,527,357**	**5,313,969**	**321,261**	**58,177**	**239,941**	**23,150**
DISTRIBUTION OF REVENUES AND EXPENSES						
Members' Contributions	129,191			4,225		
Employers' Contributions		606,171	2,121		695	
Contribution Credits		234,952			18,613	
Non-Employer Contributions		18,944			14,924	
Earnings (Loss) on Investments Net of Investment Expenses		477,618	21,954		20,002	1,648
Pension and Insurance Benefits		(774,945)	(16,641)		(63,970)	(1,047)
Refunds to Terminated Members	(8,891)	(6,351)		(42)	(13)	
Administrative Expenses		(7,377)	(334)		(305)	(24)
Litigation Settlement	(206,928)	(28,023)		(16,532)	(2,081)	
DISTRIBUTION OF TRANSFERS						
Earnings (Loss) on Excess Investment Earnings Account Assets						
Amount Utilized by Benefit Increases Granted						
Net Transfers In (Out) and Purchase of Service Credits	13,072	371		934	179	
Balances Transferred to Employers' Reserve due to Retirement	(35,484)	35,484		(2,621)	2,621	
BALANCE AS OF JUNE 30, 2018	**1,418,317**	**5,870,813**	**328,361**	**44,141**	**230,606**	**23,727**

SUPPORTING SCHEDULES INFORMATION

SCHEDULE OF CHANGES IN RESERVE BALANCES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017
(IN THOUSANDS)

	CORP			CORP-AOC		
	EE RESERVE	ER RESERVE	HI RESERVE	EE RESERVE	ER RESERVE	HI RESERVE
BALANCE AS OF JUNE 30, 2016	**327,091**	**883,005**	**99,219**	**82,953**	**259,225**	**8,202**
DISTRIBUTION OF REVENUES AND EXPENSES						
Members' Contributions	43,457			9,530		
Employers' Contributions		92,639	467		22,484	929
Non-Employer Contributions						
Earnings (Loss) on Investments Net of Investment Expenses		144,008	11,628		41,046	1,004
Pension and Insurance Benefits		(109,513)	(3,548)		(24,647)	(439)
Refunds to Terminated Members	(16,778)	(9,316)		(1,153)	(487)	
Administrative Expenses		(1,278)	(102)		(367)	(9)
DISTRIBUTION OF TRANSFERS						
Excess Investment Earnings to be used for Future Benefit Increases						
Earnings (Loss) on Excess Investment Earnings Account Assets						
Amount Utilized by Benefit Increases Granted						
Net Transfers In (Out) and Purchase of Service Credits	217	(202)		66	16	
Balances Transferred to Employers' Reserve due to Retirement	(17,584)	17,584		(5,258)	5,258	
BALANCE AS OF JUNE 30, 2017	**336,403**	**1,016,927**	**107,664**	**86,138**	**302,528**	**9,687**
DISTRIBUTION OF REVENUES AND EXPENSES						
Members' Contributions	41,426			9,741		
Employers' Contributions		99,547	1,193		26,036	956
Non-Employer Contributions						
Earnings (Loss) on Investments Net of Investment Expenses		97,125	7,666		24,930	648
Pension and Insurance Benefits		(124,793)	(3,684)		(29,093)	(478)
Refunds to Terminated Members	(16,541)	(9,384)		(1,395)	(622)	
Administrative Expenses		(1,514)	(117)		(395)	(10)
DISTRIBUTION OF TRANSFERS						
Excess Investment Earnings to be used for Future Benefit Increases						
Earnings (Loss) on Excess Investment Earnings Account Assets						
Amount Utilized by Benefit Increases Granted						
Net Transfers In (Out) and Purchase of Service Credits	511	(126)		111	(137)	
Balances Transferred to Employers' Reserve due to Retirement	(9,499)	9,499		(2,919)	2,919	
BALANCE AS OF JUNE 30, 2018	**352,300**	**1,087,281**	**112,722**	**91,676**	**326,166**	**10,803**

SUPPORTING SCHEDULES INFORMATION

SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018
(IN THOUSANDS)

ADMINISTRATIVE EXPENSE	AMOUNT
Personnel Services	
Salaries and Wages	4,387
Payroll Taxes and Fringe Benefits	1,619
Staffing Services	395
Total Personnel Services	6,401
Professional Services	
Actuarial Services	641
Accounting and Auditing Services	145
Consulting Services	475
Legal Services	890
Professional Services	330
Total Professional Services	2,481
General	
Building Expense	339
Depreciation	170
Communications	43
Computer Related Expense	283
Education, Meetings & Travel	150
Postage Expenses	32
Printing and Publications	32
Supplies and Services	145
Total General Expense	1,194
TOTAL ADMINISTRATIVE EXPENSE	**10,076**

SCHEDULE OF PAYMENTS TO CONSULTANTS
FOR THE YEAR ENDED JUNE 30, 2018
(IN THOUSANDS)

PROFESSIONAL SERVICES	AMOUNT
Actuarial Services	
GRS Retirement Consulting	641
Accounting and Auditing Services	
Heinfeld, Meech & Co., P.C.	145
Consulting Services	
NEPC, LLC.	475
Legal Services	
Charles W. Whetstine	58
Foley & Lardner, LLC	5
Kutak Rock, LLP	638
Office of the Attorney General	161
Steptoe & Johnson, LLP	28
Total Legal Services	890
Professional Services	
Public Policy Partners	110
Leibowitz Solo	41
Spawning Fish, LLC	21
Cortex Applied Research, Inc.	53
Highground, Inc	94
Lightstone	11
Total Professional Services	330
TOTAL PAYMENTS TO CONSULTANTS	**2,481**

SCHEDULE OF INVESTMENT EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018
(IN THOUSANDS)

SOURCE OF EXPENSE	AMOUNT
Investment Manager Fees	51,652
Internal Investment Expense	3,837
TOTAL INVESTMENT EXPENSE	**55,489**

THIS PAGE INTENTIONALLY BLANK

INVESTMENT SECTION

Board of Trustees
Brian P. Tobin, Chairman
William T. Buividas, Vice Chairman
William C. Davis, Trustee
Edward J. McNeill, Trustee
Harry A. Papp, Trustee
Bryan Raines, Trustee
Mike Scheidt, Trustee
Dean M. Scheinert, Trustee
Donald A. Smith, Jr., Trustee

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
CORRECTIONS OFFICER RETIREMENT PLAN
ELECTED OFFICIALS' RETIREMENT PLAN
3010 East Camelback Road, Suite 200
Phoenix, Arizona 85016-4416
Telephone: (602) 255-5575
Fax: (602) 255-5572
www.psprs.com

Administration
Jared A. Smout
Administrator
Dave DeJonge
Deputy Administrator
Mark Steed
Chief Investment Officer

December 31, 2018

The Board of Trustees and
The Administrator of the
Arizona Public Safety Personnel Retirement System

Members:

As we approach the close of 2018, I'm grateful to take a moment to introduce myself as the new Chief Investment Officer of AZ PSPRS. You may know that I've worked on the investment team for over a decade and am proud of the program we've built. However, my approach is markedly different from many of my peers; pragmatism is more important than what others in our industry are doing or what we've always done. As CIO, my priorities are as follows; investment returns, team and individual accountability. Successful organizations require clear objectives, a team with complimentary skills and attributes, and a results-driven organizational culture. I'm thrilled for the next chapter at our investment office and at the Trust. In the pages following my brief comments below, you'll find a detailed analysis of the investment program. I encourage everyone to review the commentary along with the accompanying tables as they often reveal relationships and concepts that standard financial statements alone may not impart on all readers.

The Trust earned a time-weighted return of 7.07%, net of fees, for the fiscal year ending June 30, 2018, and ended the fiscal year with a market value of approximately $9.8 billion. Public and private equity asset investments were the strongest contributors to performance, returning approximately 14% and 12%, respectively, net of fees, for the fiscal year. The Global Trading Strategies portfolio delivered a net return of 7.54% and the core lending program produced a return of 9.9%. Roughly 30% of the Trust's portfolio is invested in assets that will do well if commodity prices and/or interest rates increase. Given the low-inflation/low-interest rate environment that portion of the Trust's portfolio produced lower returns than other asset classes and the Trust's assumed earnings rate albeit above benchmark inflation rates such as the Consumer Price Index.

Over the next five to 10 years we expect returns in core bonds and U.S. stocks to be lower than they have been during the preceding five to 10-year span but we don't believe this creates a crisis for pension funds with diversified portfolios. Prices of financial securities are driven not by what happens in the economy but by what happens relative to what markets were expecting to happen. By identifying what assumptions the "market" is making today about the future of interest rates and corporate profits we can assess how likely a positive or negative surprise will be. At the end of the fiscal year, market prices reflected an expectation that the economy would continue as it had over the recent years, namely, that inflation would be low and that corporate profits would continue to grow at a double-digit pace. While such an outcome is not unrealistic, global conditions are not as accommodating now as they were a year ago. Our economy is operating above capacity, the U.S. is experiencing historically low unemployment and the Federal Reserve has started raising interest rates. This is the opposite of the economic landscape 10 years ago or even five years ago. To be clear, we're not hoping for a recession (nor do we think one is likely) but I believe it's important, for context, to keep this environment in mind when assessing what to expect from the PSPRS portfolio.

Fortunately the Trust's exposure to changing economic winds, while not negligible, is manageable. Yet, instead of tilting the portfolio towards, or away from, economic expansions, a more winsome strategy is to favor idiosyncratic opportunities that offer good prospects for high returns regardless of market conditions. The PSPRS Trust has an excellent reputation of being a first-mover in such markets, and was well compensated for doing so, and it's an area we'll continue to pursue and develop. Having an "all-weather" approach means the portfolio will produce more consistent returns which mitigates contribution rate volatility and supports a healthy pension system.

OVERVIEW

The Public Safety Personnel Retirement System (the **System**) is a multi-employer governmental plan acting as an independent trust fund of the State of Arizona. The System and two other governmental plans, the Elected Officials' Retirement Plan (**EORP**) and the Corrections Officer Retirement Plan (**CORP**), which collectively, are called the **Plans**, are administered by a single, nine-member board of trustees (the **Board**). By law, the Board administers the Plans through the System's offices. The Plans have created a group trust called the Arizona PSPRS Trust (the **Trust**) to commingle their assets for purposes of investment.

The Amended and Restated Statement of Investment Policies outlines the goals, objectives and overall governance structure of the investment program. Current policy outlines the following primary objectives:

- Achieve a total return that meets or exceeds the assumed earnings rate
- Achieve a total return that meets or exceeds the Policy Index
- Manage a risk/return ratio in the top-half of peer group

Eligible securities include, but are not limited to, stocks, bonds, public commingled funds, private commingled funds, private single securities and separately managed accounts. The Board delegated day-to-day investment management to the System's Administrator who in turn delegated it to the Chief Investment Officer. The Board also retains an independent investment consultant, as a fiduciary, to assist the Board in developing and modifying the Trust's investment policy.

BASIS FOR PRESENTATION

Investments are reported at fair value. Unrealized gains and losses are included as investment income. The net assets of the Trust are valued on a monthly basis. Investment returns reported in this investment section were prepared using a time-weighted rate of return methodology based upon fair market values, net of investment expenses.

Publicly traded securities (stocks, bonds, mutual funds, ETFs, etc.) are valued using published market prices. Investments in private limited partnerships (private equity, real estate, etc.) are valued on the individual investment's capital account balance, reported by the general partner, at the closest available reporting period, adjusted for subsequent contributions, distributions, management fees and published market prices for certain securities.

Respectfully submitted,

Mark Steed, Chief Investment Officer

FUND INVESTMENT OBJECTIVES AND POLICIES

The objective of the Fund is to ensure the integrity of the Elected Officials' Retirement Plan, Public Safety Personnel Retirement Plan and the Corrections Officer Retirement Plan in order to adequately fund benefit levels for members as stated in Title 38, Chapter 5, Articles 3,4 and 6 of the Arizona Revised Statutes and as amended from time to time by the Legislature. To achieve the objective, the Fund will do the following:

- Maintain a goal for the Fund's assets to be equal to the Fund's liabilities within a twenty year period.
- Annually adjust the employer contribution rates based on the recommendations made by the annual actuarial evaluations.
- Determine a reasonable contribution rate necessary to fund benefits approved by the legislature and then reduce the variation in the employer contribution rate over time to the Fund.
- Preserve and enhance the capital of the Fund through effective management of the portfolio in order to take advantage of attractive opportunities various markets and market sectors have to offer.
- Provide the opportunity for increased benefits for retirees as the legislature may from time to time enact through systematic growth of the investment fund.

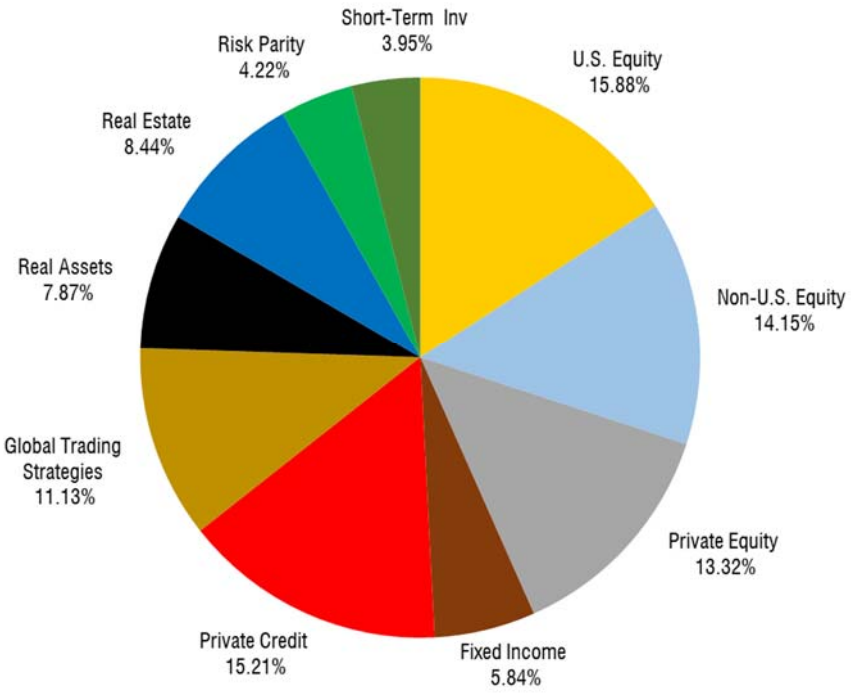
Consistent with the Fund objectives, the primary investment objective of the Fund is to maximize long-term real (after inflation) investment returns recognizing established risk (volatility) parameters and the need to preserve capital by:

- Deriving a reasonable asset allocation model that attempts to fully achieve the primary investment objective, over the long term.
- Consistent with these objectives and the direction of the Board of Trustees, strategically allocating within asset classes and investment styles in order to enhance investment returns.
- Regularly reviewing the status of investments.
- Regularly assessing the need to adjust the mix, type and composition of the investment classes within the allocation ranges.

The possibility of short-term declines in the fair value of the Fund or the Fund's assets is a recognized consequence of achieving potentially higher long-term investment returns.

The time horizon for evaluating total Fund investment performance shall be long-term.

ASSET ALLOCATION
JUNE 30, 2018



ASSET CLASS	FAIR VALUE PER FINANCIAL STATEMENTS	ACTUAL ASSET ALLOCATION (% OF FAIR VALUE)	INTERIM TARGET	UPPER RANGE	LOWER RANGE
U.S. Equity	1,559,840	15.88%	**16%**	22%	10%
Non-U.S. Equity	1,390,167	14.15%	**14%**	19%	9%
Private Equity	1,308,697	13.32%	**12%**	17%	7%
Fixed Income	573,579	5.84%	**5%**	9%	2%
Private Credit	1,494,163	15.21%	**16%**	20%	10%
Global Trading Strategies	1,093,905	11.13%	**12%**	17%	7%
Real Assets	773,127	7.87%	**9%**	14%	6%
Real Estate	828,997	8.44%	**10%**	14%	6%
Risk Parity	414,747	4.22%	**4%**	6%	2%
Cash and Short-Term Investments †	388,210	3.95%	**2%**	5%	0%
Total	**9,825,432**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

† *Includes operating cash.*

ANNUALIZED RATES OF RETURN*

JUNE 30, 2018

Description	TRUST 1 Year	TRUST 3 Years	TRUST 5 Years	TRUST 10 Years
Arizona PSPRS Trust - Total Fund	7.07%	6.41%	7.18%	5.48%
Target Fund Benchmark	*7.74%*	*6.79%*	*7.32%*	*5.28%*
Total Equity	10.90%	7.94%	9.04%	7.04%
Target Equity Benchmark	*11.28%*	*8.56%*	*9.91%*	*7.00%*
U.S. Equity	14.32%	10.40%	11.75%	N/A
Russell 3000	*14.78%*	*11.58%*	*13.29%*	*10.23%*
Non-U.S. Equity	7.14%	5.07%	5.86%	N/A
MSCI ACWI Ex-US Net	*7.28%*	*5.07%*	*5.99%*	*2.54%*
Private Equity	12.90%	12.58%	15.27%	11.36%
Russell 3000 + 100 bps	*15.78%*	*12.59%*	*14.30%*	*11.57%*
Fixed Income	1.80%	3.31%	3.64%	4.16%
BC Global Aggregate	*1.36%*	*2.58%*	*1.50%*	*2.58%*
Private Credit	6.55%	6.46%	7.07%	6.37%
50% BofA ML US High Yield BB-B, 50% CSFB Fixed Income	*2.91%*	*4.51%*	*4.64%*	*5.84%*
Global Trading Strategies	7.54%	3.36%	4.71%	N/A
3-Month LIBOR + 300 bps	*4.72%*	*4.06%*	*3.73%*	*3.71%*
Real Assets	3.85%	5.73%	4.26%	N/A
CPI + 200 bps	*4.80%*	*3.82%*	*3.54%*	*N/A*
Real Estate	-4.07%	1.30%	1.37%	-1.11%
*NCREIF NPI **	*7.19%*	*8.25%*	*9.77%*	*6.22%*
Risk Parity	5.38%	3.33%	4.07%	N/A
60% BC Global, 30% MSCI, 10% Bloomberg Index TR	*4.77%*	*3.67%*	*3.13%*	*2.60%*
Short Term Investments	3.00%	2.39%	2.01%	1.59%
BofA ML 3-Month T-Bill	*1.36%*	*0.68%*	*0.42%*	*0.35%*

*Time weighted rate of return based on the market rate of return (net of fees).

Target Fund Benchmarks (Effective Dates)

July 1, 2017 to June 30, 2018: 16% Russell 3000, 14% MSCI World Ex-US Net, 12% Russell 3000 + 100 bps, 5% BC Global Aggregate, 16% Private Credit (fka Credit Opportunities) Benchmark, 12% 3-Month LIBOR + 300 bps, 9% CPI + 200 bps, 10% NCREIF NPI, 4% Risk Parity Benchmark and 2% BofA ML 3-Month T-Bill.

July 1, 2016 to June 30, 2017: 16% Russell 3000, 14% MSCI World Ex-US Net, 11% Russell 3000+100 bps, 5% BC Global Aggregate, 15% Credit Opp Benchmark, 5% BofA ML 3-Month T-Bill+200 bps, 10% 3-Month LIBOR+300 bps, 8% CPI+200 bps, 10% NCREIF NPI, 4% Risk Parity Benchmark and 2% BofA ML 3-Month T-Bill

July 1, 2015 - June 30, 2016: 16% Russell 3000, 14% MSCI World Ex-US Net, 11% Russell 3000+100 bps, 7% BC Global Aggregate, 13% Credit Opp Benchmark, 5% BofA ML 3-Month T-Bill+200 bps, 10% 3-Month LIBOR+300 bps, 8% CPI+200 bps, 10% NCREIF NPI, 4% Risk Parity Benchmark and 2% BofA ML 3-Month T-Bill

July 1, 2014 - June 30, 2015: 16% Russell 3000, 14% MSCI World Ex-US Net, 11% Russell 3000+100 bps, 7% BC Global Aggregate, 13% Credit Opp Benchmark, 4% BofA ML 3-Month T-Bill+200 bps, 10% 3-Month LIBOR+300 bps, 8% CPI+200 bps, 11% NCREIF NPI, 4% Risk Parity Benchmark and 2% BofA ML 3-Month T-Bill

Target Equity Benchmarks (Effective Dates)

July 1, 2014 to Present: 53.33% Russell 3000 and 46.67% MSCI World Ex-US Net

July 1, 2013 to June 30, 2014: 54.84% Russell 3000 and 45.16% MSCI ACWI Ex-US Net.

July 1, 2012 to June 30, 2013: 56.25% Russell 3000 and 43.75% MSCI ACWI Ex-US Net.

July 1, 2010 to June 30, 2012: 57.14% Russell 3000 and 42.86% MSCI ACWI Ex-US Net.

TOP 20 HOLDINGS
JUNE 30, 2018

DESCRIPTION	FAIR VALUE
STATE STREET GLOBAL ADVISORS - RUSSELL 3000 INDEX STRATEGY	1,300,716,285
STATE STREET GLOBAL ADVISORS - MSCI WORLD EX-US INDEX STRATEGY	1,227,153,452
BRIDGEWATER PURE ALPHA (GTAA) FUND II	369,449,387
CRESTLINE ALPHA (CS 3000) FUND	239,733,706
BRIDGEWATER ALL WEATHER FUND	218,045,694
D.E. SHAW MULTI-ASSET FUND	217,992,163
SPDR BLOOMBERG BARCLAYS HIGH YIELD BOND ETF (JNK)	165,094,259
BLACKROCK CORE ACTIVE BOND FUND	146,277,796
SELECT EQUITY - BAXTER STREET FUND II	137,584,932
IGUAZU PARTNERS, L.P.	127,750,246
SPDR BLOOMBERG BARCLAYS SHORT-TERM HIGH YIELD BOND ETF (SJNK)	127,609,950
GMO BENCHMARK-FREE ALLOCATION (BFA) FUND	118,451,029
ISHARES IBOXX HIGH YIELD CORPORATE BOND ETF (HYG)	114,466,462
MELODY TELECOM LAND ONSHORE FUND, L.P.	110,621,893
CORTEC GROUP FUND V, L.P.	100,604,974
DAVIDSON KEMPNER INSTITUTIONAL PARTNERS, L.P.	100,051,907
DESERT TROON	88,800,000
BLACKROCK FIGA FUND	84,150,106
SPDR GOLD SHARES ETF (GLD)	83,847,582
SALIENT RISK PARITY DRQ V20 FUND	82,515,692

Information on investment activity, including a complete list of portfolio holdings and a schedule of fees and commissions can be obtained by sending a written request to PSPRS, 3010 E. Camelback Rd. #200, Phoenix, AZ 85016.

SCHEDULE OF COMMISSIONS PAID TO BROKERS
FISCAL YEAR ENDED JUNE 30, 2018

BROKER	SHARES TRADED	AVG COMM	TOTAL COMM
MORGAN STANLEY & CO INC, NY	42,322,082	.0024	103,550
GOLDMAN SACHS & CO, NY	1,876,403	.0329	61,696
ICBC FINCL SVCS, NEW YORK	4,039,753	.0100	40,527
MERRILL LYNCH PIERCE FENNER SMITH INC NY	1,816,546	.0157	28,600
UBS SECURITIES LLC, STAMFORD	1,445,563	.0195	28,216
NATIONAL FINL SVCS CORP, NEW YORK	1,363,538	.0164	22,311
MORGAN J P SECS INC, NEW YORK	6,774	3.2163	21,787
ITG INC, NEW YORK	1,643,058	.0125	20,502
ISI GROUP INC, NEW YORK	1,895,268	.0100	18,953
RBC CAPITAL MARKETS LLC, NEW YORK	2,922,586	.0050	14,618
WELLS FARGO SECURITIES LLC, CHARLOTTE	310,718	.0196	6,087
HSBC SECURITIES (USA) INC, NEW YORK	341,323	.0170	5,796
DEUTSCHE BK INTL EQ, LONDN (DEUTGB22EEQ)	1,466,915	.0037	5,386
CREDIT SUISSE, NEW YORK (CSUS)	2,690,849	.0019	4,985
PERSHING LLC, JERSEY CITY	263,650	.0186	4,899
JEFFERIES & CO INC, NEW YORK	415,018	.0115	4,777
INSTINET EUROPE LIMITED, LONDON	1,080,504	.0042	4,551
BANCO SANTANDER, NEW YORK	1,039,422	.0040	4,159
CITIGROUP GBL MKTS/SALOMON, NEW YORK	4,756,127	.0008	3,989
MERRILL LYNCH INTL LONDON EQUITIES	4,382,574	.0007	3,074
MORGAN STANLEY & CO, LONDON (MSLNGB2X)	881,647	.0035	3,069
DEUTSCHE BK SECS INC, NY (NWSCUS33)	1,069,340	.0026	2,760
CITIGROUP GBL MKTS INC, NEW YORK	225,619	.0113	2,551
J.P. MORGAN SECURITIES, HONG KONG	3,449,716	.0007	2,378
J P MORGAN SECS LTD, LONDON	520,934	.0041	2,146
SCOTIA CAPITAL INC, NEW YORK	619,197	.0031	1,901
INSTINET CORP, NEW YORK	113,464	.0166	1,887
INSTINET PACIFIC LTD, HONG KONG	2,733,428	.0006	1,768
BARCLAYS CAPITAL INC./LE, NEW JERSEY	93,964	.0162	1,524
SG SECURITIES, HONG KONG	1,564,024	.0010	1,519
MACQUARIE BANK LTD, HONG KONG	2,997,489	.0005	1,489
HSBC BANK PLC (MIDLAND BK)(JAC), LONDON	23,927	.0621	1,486
VIRTU AMERICAS LLC, JERSEY CITY	43,641	.0281	1,225
BERNSTEIN SANFORD C & CO, NEW YORK	1,292,858	.0009	1,151
CREDIT LYONNAIS SEC, SEOUL	44,388	.0236	1,049
CREDIT SUISSE (EUROPE), LONDON	448,487	.0023	1,015
ALL OTHERS	9,636,581	.0021	19,803
TOTAL BROKER COMMISSIONS	**101,837,375**	**.0045**	**457,182**

FEES BY ASSET CLASS
FISCAL YEAR ENDED JUNE 30, 2018
(IN THOUSANDS)

SUB-ASSET CLASS	AMOUNT
U.S. EQUITY	1,177
NON U.S. EQUITY	1,968
GTS	3,336
FIXED INCOME	147
PRIVATE CREDIT - DISTRESSED	1,166
PRIVATE CREDIT - OPPORTUNISTIC	8,303
PRIVATE EQUITY - BUYOUT	13,625
PRIVATE EQUITY - GROWTH CAPITAL	1,564
PRIVATE EQUITY - MEZZANINE	9
PRIVATE EQUITY - VENTURE CAPITAL	1,790
REAL ASSETS - ENERGY	8,320
REAL ASSETS - INFRASTRUCTURE	232
REAL ASSETS - CORE CAPITAL ASSETS	1,700
REAL ASSETS - TIMBER	(44)
REAL ASSETS - MINING	2,447
REAL ASSETS - SECONDARIES	42
REAL ESTATE - DOMESTIC	4,025
REAL ESTATE - INTERNATIONAL	1,262
REAL ESTATE - SECONDARIES	583
RISK PARITY	-
TOTAL	**51,652**

ACTUARIAL SECTION

GRS Retirement Consulting

800.521.0498 | P: 248.799.9000 | F: 248.799.9020 | www.grsconsulting.com

December 19, 2018

Board of Trustees
Arizona Public Safety Personnel Retirement System
3010 East Camelback Road, Suite 200
Phoenix, Arizona 85016-4416

Re: Arizona Public Safety Personnel Retirement System

Attention: Jared A. Smout, Administrator

The purpose of the annual actuarial valuation of the Arizona Public Safety Personnel Retirement System as of June 30, 2018 is to:

- Compute the liabilities associated with benefits likely to be paid on behalf of current retired and non-retired members.
- Compare assets with accrued liabilities to assess the funded condition.
- Compute the recommended employers' contribution for the Fiscal Year beginning July 1, 2019.

The funding objective is stated in Article 4, Chapter 5, Title 38, Section 843B of the Arizona Revised Statutes. The valuation should not be relied upon for any other purpose.

The valuation process develops contribution rates that are sufficient to fund the plan's normal cost (i.e., the costs assigned by the valuation method to the year of service about to be rendered), as well as to fund unfunded actuarial accrued liabilities as a level percent of active member payroll over a finite period. The valuations were completed based upon population data, asset data, and plan provisions as of June 30, 2018.

The valuation was based upon information furnished by the plan's administrative staff concerning Retirement System benefits, financial transactions, and active members, terminated members, retirees and beneficiaries. We checked the data for internal and year-to-year consistency, but did not audit the data. As a result, we do not assume responsibility for the accuracy or completeness of the data provided. The actuary summarizes and tabulates population data in order to analyze longer-term trends. The following schedules were prepared by the actuary and provided to the administrative staff to be included in the "Actuarial Section" of the June 30, 2018 CAFR:

- Aggregate Actuarial Balance Sheet as of June 30, 2018
- Summary of Valuation Assumptions
- Solvency Test
- Summary of Active Member Data
- Summary of Retirees and Inactive Members
- Schedule of Experience Gain/(Loss) for year ended June 30, 2018

One Towne Square | Suite 800 | Southfield, Michigan 48076-3723

GRS did not prepare any of the schedules included in the "Financial Section" of the June 30, 2018 CAFR. However, we did provide certain pieces of information that were used in that section, such as the Actuarial Accrued Liability and the Actuarial Value of Assets.

Assets are valued on a market related basis. This method recognizes the assumed return fully each year and spreads each year's gain or loss above or below assumed return over a closed 7-year period. The continuing effect of prior asset losses was dampened by the 7-year smoothing period, and further offset by the effect of lower than assumed pay increases. There remains $170.6 million ($161.9 million for pension and $8.7 million for health) of unrecognized investment losses that will in the absence of other gains, drive the contribution rate up over the next several years.

Actuarial valuations are based upon assumptions regarding future activity in specific risk areas including the rates of investment return and payroll growth, eligibility for the various classes of benefits, and longevity among retired lives. The Board of Trustees adopts these assumptions after considering the advice of the actuary and other professionals. The assumptions and the methods comply with the requirements of Statement No. 67 of the Governmental Accounting Standards Board. In addition, the assumptions and methods used for funding purposes are in accordance with the Actuarial Standards of Practice promulgated by the Actuarial Standards Board. Each actuarial valuation takes into account all prior differences between actual and assumed experience in each risk area and adjusts the contribution rates as needed. The June 30, 2018 valuations were based upon assumptions that were recommended in connection with a study of experience covering the 2011-2016 period. Future actuarial measurements may differ significantly from those presented in the valuations due to such factors as experience differing from that anticipated by the actuarial assumptions, changes in plan provisions, changes in actuarial assumptions or methods, or changes in applicable law.

Based upon the results of the June 30, 2018 valuations, the retired lives are less than fully funded on a funding value of assets basis and market value of asset basis. It is most important that this plan receive contributions at least equal to the actuarial rates.

Board of Trustees
December 19, 2018
Page 3

In order to gain a full understanding of the actuarial condition of the plan, it is important to read the full actuarial report that we have provided to the System.

Mark Buis, James D. Anderson and Francois Pieterse are Members of the American Academy of Actuaries (MAAA), and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,

Mark Buis, FSA, EA, FCA, MAAA

James D. Anderson, FSA, EA, FCA, MAAA

Francois Pieterse, ASA, FCA, MAAA

MB/JDA/FP:ah

PSPRS
AGGREGATE ACTUARIAL BALANCE SHEET
YEAR ENDED JUNE 30, 2018

ACTUARIAL ASSETS	PENSION	HEALTH INSURANCE	TOTAL
ACCRUED ASSETS			
Member Accumulated Contributions	1,142,659,660	-	1,142,659,660
Employer and Benefit Payment Reserves	6,145,325,032	328,361,389	6,473,686,421
Funding Value Adjustment	161,924,945	8,682,678	170,607,623
Total Accrued Assets	**7,449,909,637**	**337,044,067**	**7,786,953,704**
PROSPECTIVE ASSETS			
Member Contributions	1,086,163,534	1,251,455	1,087,414,989
Employer Normal Costs	1,558,749,613	36,218,862	1,594,968,475
Employer Unfunded Actuarial Accrued Liability	8,828,876,238	(31,800,544)	8,797,075,694
Total Prospective Assets	**11,473,789,385**	**5,669,773**	**11,479,459,158**
Total Actuarial Assets	**18,923,699,022**	**342,713,840**	**19,266,412,862**
ACTUARIAL PRESENT VALUES (LIABILITY)			
PENSIONS IN PAYMENT STATUS			
Pensions in payment status	8,734,020,815	141,810,258	8,875,831,073
PROSPECTIVE PAYMENTS			
Retirement Payments	10,116,830,857	-	10,116,830,857
Health Insurance Payments	-	200,764,324	200,764,324
Member Contribution Refunds	72,847,350	139,258	72,986,608
Pension Increase Reserve	-	-	-
Total Prospective Payments	**10,189,678,207**	**200,903,582**	**10,390,581,789**
Total Actuarial Present Values (Liabilities)	**18,923,699,022**	**342,713,840**	**19,266,412,862**

PSPRS SUMMARY OF VALUATION ASSUMPTIONS

ECONOMIC ASSUMPTIONS
Investment Rate of Return: 7.40% (net of expenses)
Wage Inflation: 3.50%

MORTALITY TABLES
The mortality tables being utilized are based upon the RP-2014 tables, as extended, and include a margin for future mortality improvement using a fully generational improvement scale. The tables used were as follows:

Healthy Pre-Retirement: The RP-2014 Employee Mortality Tables, extended via cubic spline, projected backwards 1year to 2013 with mortality improvement scale MP-2014. Future mortality improvements are assumed each year using 75% of scale MP-2016.

Healthy Post-Retirement: The RP-2014 Healthy Annuitant Mortality Tables (110% for females), extended via cubic spline, projected backwards 1year to 2013 with mortality improvement scale MP-2014. Future mortality improvements are assumed each year using 75% of scale MP-2016.

Disability Retirement: The RP-2014 Disabled Mortality Tables, extended via cubic spline, projected backwards 1 year to 2013 with mortality improvement scale MP-2014. Future mortality improvements are assumed each year using 75% of scale MP-2016.

Retirement benefits will commence the first day of the month following termination of employment and based upon completion of 20 years of service, or following 62nd birthday and completion of 15 years of service.

These rates adopted by the Board of Trustees, as recommended by the Plan's actuary, were first used for the June 30, 2017 valuation.

PSPRS
MORTALITY RATES

% DYING NEXT YEAR

SAMPLE AGES	HEALTHY PRE-RETIREMENT		HEALTHY POST-RETIREMENT		DISABILITY RETIREMENT	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
40	N/A	N/A	0.1854%	0.1706%	1.2941%	0.6702%
45	N/A	N/A	0.2794%	0.2364%	1.7112%	0.9348%
50	0.1368%	0.0553%	0.4119%	0.3059%	2.0675%	1.1964%
55	0.2242%	0.0837%	0.5764%	0.3984%	2.3485%	1.4481%
60	0.3762%	0.1234%	0.7793%	0.5773%	2.6681%	1.7187%
65	0.6681%	0.1880%	1.1112%	0.9006%	3.1971%	2.1221%
70	N/A	N/A	1.7008%	1.4373%	4.0920%	2.8638%
75	N/A	N/A	2.7223%	2.3333%	5.5091%	4.1583%
80	N/A	N/A	4.5399%	3.8849%	7.7775%	6.1866%

PSPRS
FUTURE LIFE EXPECTANCY (YEARS)

SAMPLE AGES	HEALTHY PRE-RETIREMENT		HEALTHY POST-RETIREMENT		DISABILITY RETIREMENT	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
55	32.98	41.17	29.46	31.11	21.20	25.09
60	28.08	36.09	25.01	26.45	18.27	21.54
65	23.40	31.07	20.74	22.00	15.39	18.09
70	19.01	26.15	16.71	17.82	12.64	14.77
75	14.94	21.37	13.00	13.95	10.06	11.71
80	11.24	16.78	9.70	10.48	7.72	9.05

PSPRS MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

MARRIAGE ASSUMPTION
85% of males and 60% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.

PAY INCREASE TIMING
Six months after the valuation date.

DECREMENT TIMING
Decrements of all types are assumed to occur mid-year.

ELIGIBILITY TESTING
Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

DECREMENT RELATIVITY
Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.

DECREMENT OPERATION
Disability and turnover decrements do not operate during retirement eligibility.

SERVICE CREDIT ACCRUALS
It is assumed that members accrue one year of service credit per year.

INCIDENCE OF CONTRIBUTIONS
Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.

NORMAL FORM OF BENEFIT
A straight life payment is the assumed normal form of benefit for members who are not married, and the 80% Joint and Survivor form of payment with no reduction, for married members. 85% of males and 60% of females are assumed to be married at time of retirement.

BENEFIT SERVICE
Exact fractional service is used to determine the amount of benefit payable.

HEALTH CARE UTILIZATION
70% of future retirees are expected to utilize health care. 85% of males and 60% of females are assumed to be married at the time of retirement.

FUTURE COST OF LIVING INCREASES
The cost-of-living adjustment will be based on the average annual percentage change in the Metropolitan Pheonix-Mesa Consumer Price Index published by the United States Department of Labor, Bureau of Statistics. We have assumed that to be 1.75% for this valuation.

PSPRS SUMMARY OF ACTIVE MEMBER DATA

AGE AND SERVICE DISTRIBUTION

Listed below is a summary of Active Members by age group, years of service and annual compensation. The summary points out that there were 18,648 active members in the System as of June 30, 2018, compared to 19,010 for the prior year.

PSPRS

	YEARS OF SERVICE TO VALUATION DATE							TOTALS	
AGE	0-4	5-9	10-14	15-19	20-24	25-29	30+	NO.	AVG. SALARY
< 25	578	-	-	-	-	-	-	578	52,777
25-29	1,884	236	1	-	-	-	-	2,121	59,156
30-34	1,392	828	736	-	-	-	-	2,956	68,442
35-39	661	600	2,004	350	-	-	-	3,615	79,397
40-44	275	286	1,357	1,406	196	1	-	3,521	86,211
45-49	160	150	798	1,252	787	109	-	3,256	91,762
50-54	55	87	316	578	459	227	22	1,744	94,389
55-59	27	34	136	242	119	68	25	651	89,993
60-64	14	8	44	74	24	5	7	176	81,473
65+	1	4	11	9	3	-	2	30	87,179
Total	**5,047**	**2,233**	**5,403**	**3,911**	**1,588**	**410**	**56**	**18,648**	**79,783**

PSPRS
COMPARATIVE SCHEDULE

YEAR ENDED JUNE 30,	ACTIVE MEMBERS	PAYROLL +000	AGE (YEARS)	SERVICE (YEARS)	AVERAGE SALARY	INCREASE IN AVG. PAY
2009	19,867	1,415,643	37.8	9.4	71,256	2.6%
2010	19,468	1,400,547	38.4	10.0	71,941	1.0%
2011	18,638	1,325,350	38.6	10.2	71,110	-1.2%
2012	18,542	1,349,252	39.1	10.6	72,767	2.3%
2013	18,436	1,370,609	39.5	11.1	74,344	2.2%
2014	18,526	1,390,346	39.7	11.2	75,048	0.9%
2015	18,409	1,401,178	39.7	11.3	76,114	1.4%
2016	18,706	1,448,215	39.7	11.3	77,420	1.7%
2017	19,010	1,500,335	39.6	11.2	78,923	1.9%
2018	18,648	1,487,787	39.7	11.3	79,783	1.1%

PSPRS SUMMARY OF INACTIVE MEMBER DATA

As of June 30, 2018, there were 2,523 inactive members in the System who had not withdrawn their accumulated member contributions. It is assumed that these inactive members are waiting to meet the age requirements for a deferred annuity (A.R.S.§38-846.01). They are broken down by attained age and years of service as follows:

PSPRS
SUMMARY OF INACTIVE MEMBERS
FOR THE YEAR ENDED JUNE 30, 2018

ATTAINED AGE	YEARS OF SERVICE TO VALUATION DATE					
	0-4	5-9	10-14	15-19	20+	TOTAL
< 30	465	19	-	-	-	484
30-39	824	171	77	5	-	1,077
40-44	254	73	45	15	1	388
45-49	181	43	46	18	2	290
50-54	88	24	26	8	2	148
55-59	44	11	19	6	1	81
60-69	24	9	12	3	1	49
70+	3	1	2	-	-	6
Total	**1,883**	**351**	**227**	**55**	**7**	**2,523**

PSPRS SUMMARY OF RETIRED MEMBER DATA

PSPRS
RETIREES AND BENEFICIARIES

YEAR ENDED JUNE 30,	NUMBER REMOVED FROM ROLES	NUMBER ADDED TO ROLES	TOTALS	ANNUAL ALLOWANCES REMOVED FROM ROLES	ANNUAL ALLOWANCES ADDED TO ROLES	ANNUAL PENSIONS	PERCENT INCREASE	AVERAGE PENSION
2009	222	590	8,609	11,175,896	47,338,063	379,007,918	10.5%	44,025
2010	139	484	8,954	5,756,060	37,338,661	410,590,518	8.3%	45,856
2011	130	698	9,522	5,139,598	49,120,961	454,571,881	10.7%	47,739
2012	138	418	9,802	5,859,981	36,291,206	485,003,106	6.7%	49,480
2013	186	543	10,159	8,308,593	26,893,778	503,588,291	3.8%	49,571
2014	195	560	10,524	8,599,683	48,220,721	543,209,329	7.9%	51,616
2015	184	694	11,034	7,890,225	36,611,404	571,930,508	5.3%	51,833
2016	219	1,048	11,863	9,945,560	58,950,969	620,935,917	8.6%	52,342
2017	185	721	12,399	8,838,496	44,008,867	656,106,288	5.7%	52,916
2018	203	626	12,822	9,804,482	46,021,011	692,322,817	5.5%	53,995

GRS Retirement Consulting

800.521.0498 | P: 248.799.9000 | F: 248.799.9020 | www.grsconsulting.com

December 19, 2018

Board of Trustees
Arizona Elected Officials' Retirement System
3010 East Camelback Road, Suite 200
Phoenix, Arizona 85016-4416

Re: Arizona Elected Officials' Retirement Plan

Attention: Jared A. Smout, Administrator

The purpose of the annual actuarial valuation of the Arizona Elected Officials' Retirement Plan as of June 30, 2018 is to:

- Compute the liabilities associated with benefits likely to be paid on behalf of current retired and non-retired members.
- Compare assets with accrued liabilities to assess the funded condition.
- Compute the recommended employers' contribution for the Fiscal Year beginning July 1, 2019.

The funding objective is stated in Article 4, Chapter 5, Title 38, Sections 810C-D of the Arizona Revised Statutes. The valuation should not be relied upon for any other purpose.

The valuation process develops contribution rates that are sufficient to fund the Plan's normal cost (i.e., the costs assigned by the valuation method to the year of service about to be rendered), as well as to fund unfunded actuarial accrued liabilities as a dollar amount over a finite period. The valuations were completed based upon population data, asset data, and plan provisions as of June 30, 2018.

The valuation was based upon information furnished by the plan's administrative staff concerning Retirement Plan benefits, financial transactions, and active members, terminated members, retirees and beneficiaries. We checked the data for internal and year-to-year consistency, but did not audit the data. As a result, we do not assume responsibility for the accuracy or completeness of the data provided. The actuary summarizes and tabulates population data in order to analyze longer-term trends. The following schedules were prepared by the actuary and provided to the administrative staff to be included in the "Actuarial Section" of the June 30, 2018 CAFR:

- Aggregate Actuarial Balance Sheet as of June 30, 2018
- Summary of Valuation Assumptions
- Solvency Test
- Summary of Active Member Data
- Summary of Retirees and Inactive Members
- Schedule of Experience Gain/(Loss) for year ended June 30, 2018

One Towne Square | Suite 800 | Southfield, Michigan 48076-3723

GRS did not prepare any of the schedules included in the "Financial Section" of the June 30, 2018 CAFR. However, we did provide certain pieces of information that were used in that section, such as the Actuarial Accrued Liability and the Actuarial Value of Assets.

Assets are valued on a market related basis. This method recognizes the assumed return fully each year and spreads each year's gain or loss above or below assumed return over a closed 7-year period. The continuing effect of prior asset losses was dampened by the 7-year smoothing period, and further offset by the effect of lower than assumed pay increases. There remains $9.3 million ($8.7 million for pension and $0.6 million for health) of unrecognized investment losses that will, in the absence of other gains, drive the contribution rate up over the next several years.

Actuarial valuations are based upon assumptions regarding future activity in specific risk areas including the rates of investment return and payroll growth, eligibility for the various classes of benefits, and longevity among retired lives. The Board of Trustees adopts these assumptions after considering the advice of the actuary and other professionals. The assumptions and the methods comply with the requirements of Statement No. 67 of the Governmental Accounting Standards Board. In addition, the assumptions and methods used for funding purposes are in accordance with the Actuarial Standards of Practice promulgated by the Actuarial Standards Board. Each actuarial valuation takes into account all prior differences between actual and assumed experience in each risk area and adjusts the contribution rates as needed. The June 30, 2018 valuation was based upon assumptions that were recommended in connection with a study of experience covering the 2011-2016 period. Future actuarial measurements may differ significantly from those presented in the valuation due to such factors as experience differing from that anticipated by the actuarial assumptions, changes in plan provisions, changes in actuarial assumptions or methods, or changes in applicable law.

Based upon the results of the June 30, 2018 valuations, the retired lives are less than fully funded on a funding value of assets basis and market value of assets basis. It is most important that this plan receive contributions at least equal to the actuarial rates.

The June 30, 2018 actuarial valuation reflected the following changes:

Benefit Changes:

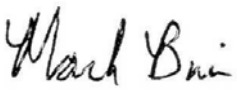
- Replace the prior Permanent Benefit Increase with a CPI-based Cost-of-Living Adjustment (COLA) for all retirees.

Board of Trustees
December 19, 2018
Page 3

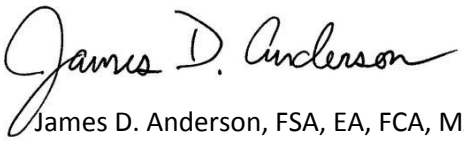
In order to gain a full understanding of the actuarial condition of the plan, it is important to read the full actuarial report that we have provided to the Plan.

Mark Buis, James D. Anderson and Francois Pieterse are Members of the American Academy of Actuaries (MAAA), and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,



Mark Buis, FSA, EA, FCA, MAAA



James D. Anderson, FSA, EA, FCA, MAAA

Francois Pieterse, ASA, FCA, MAAA

MB/JDA/FP:bd

EORP
AGGREGATE ACTUARIAL BALANCE SHEET
YEAR ENDED JUNE 30, 2018

ACTUARIAL ASSETS	PENSION	HEALTH INSURANCE	TOTAL
ACCRUED ASSETS			
Member Accumulated Contributions	44,813,155	-	44,813,155
Employer and Benefit Payment Reserves	229,933,331	23,726,589	253,659,920
Funding Value Adjustment	8,706,942	560,842	9,267,784
Total Accrued Assets	**283,453,428**	**24,287,431**	**307,740,859**
PROSPECTIVE ASSETS			
Member Contributions	22,631,777	-	22,631,777
Employer Normal Costs	56,182,048	1,219,825	57,401,873
Employer Unfunded Actuarial Accrued Liability	621,430,897	(10,894,769)	610,536,128
Total Prospective Assets	**700,244,722**	**(9,674,944)**	**690,569,778**
Total Actuarial Assets	**983,698,150**	**14,612,487**	**998,310,637**
ACTUARIAL PRESENT VALUES (LIABILITY)			
PENSIONS IN PAYMENT STATUS			
Pensions in payment status	677,039,606	9,740,025	686,779,631
PROSPECTIVE PAYMENTS			
Retirement Payments	306,041,699	-	306,041,699
Health Insurance Payments	-	4,872,462	4,872,462
Member Contribution Refunds	616,845	-	616,845
Pension Increase Reserve	-	-	-
Total Prospective Payments	**306,658,544**	**4,872,462**	**311,531,006**
Total Actuarial Present Values (Liabilities)	**983,698,150**	**14,612,487**	**998,310,637**

EORP SUMMARY OF VALUATION ASSUMPTIONS

ECONOMIC ASSUMPTIONS
Investment Rate of Return: 7.40% (net of expenses)
Wage Inflation: 3.50%

MORTALITY TABLES
The mortality rates utilized are based upon the RP-2014 tables, as extended, and include a margin for future mortality improvements projected using a fully generational improvement scale. The tables used were as follows:

Healthy Pre-Retirement: The RP-2014 Employee Mortality Tables, extended via cubic spline, with future mortality improvements assumed each year using scale MP-2016.

Healthy Post-Retirement: The RP-2014 Healthy Annuitant Mortality Tables, extended via cubic spline, with future mortality improvements assumed each year using scale MP -2016.

Disability Retirement: The RP-2014 Disabled Mortality Table, extended via cubic spline, with future mortality improvements assumed each year using scale MP-2016.

Active members are eligible to retire early at any age within 5 years of service, or normally at any age with 20 years of service, at age 62 with 10 years of service, or at age 65 with 5 years of service. Pensions were assumed to be decreased 3/12 of 1% for each month the age at early retirement precedes normal retirement age, with a maximum reduction of 30%.

These rates adopted by the Board of Trustees, as recommended by the Plan's actuary, were first used for the June 30, 2017 valuation.

EORP
MORTALITY RATES

% DYING NEXT YEAR

SAMPLE AGES	HEALTHY PRE-RETIREMENT		HEALTHY POST-RETIREMENT		DISABILITY RETIREMENT	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
40	N/A	N/A	0.1796%	0.1522%	1.2540%	0.6579%
45	N/A	N/A	0.2603%	0.2044%	1.5941%	0.8891%
50	0.1188%	0.1060%	0.3818%	0.2662%	1.9160%	1.1453%
55	0.2015%	0.1659%	0.5526%	0.3591%	2.2518%	1.4355%
60	0.3487%	0.2449%	0.7707%	0.5207%	2.6386%	1.7050%
65	0.6155%	0.3609%	1.0919%	0.7859%	3.1413%	2.0370%
70	N/A	N/A	1.6420%	1.2276%	3.9074%	2.6906%
75	N/A	N/A	2.5592%	1.9953%	5.1791%	3.9114%
80	N/A	N/A	4.2622%	3.3481%	7.3019%	5.8649%

EORP
FUTURE LIFE EXPECTANCY (YEARS)

SAMPLE AGES	HEALTHY PRE-RETIREMENT		HEALTHY POST-RETIREMENT		DISABILITY RETIREMENT	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
55	34.57	36.22	30.41	32.97	22.06	26.03
60	29.54	31.19	25.84	28.17	19.00	22.41
65	24.74	26.27	21.48	23.58	16.08	18.89
70	20.23	21.47	17.37	19.21	13.27	15.44
75	16.00	16.87	13.55	15.14	10.58	12.24
80	12.12	12.53	10.12	11.47	8.12	9.45

EORP MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

MARRIAGE ASSUMPTION
80% of males and 70% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.

PAY INCREASE TIMING
Six months after the valuation date.

DECREMENT TIMING
Decrements of all types are assumed to occur mid-year.

ELIGIBILITY TESTING
Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

DECREMENT RELATIVITY
Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.

DECREMENT OPERATION
Disability and turnover decrements do not operate during retirement eligibility.

SERVICE CREDIT ACCRUALS
It is assumed that members accrue one year of service credit per year.

INCIDENCE OF CONTRIBUTIONS
Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.

NORMAL FORM OF BENEFIT
A straight life payment is the assumed normal form of benefit for members who are not married, and the 75% Joint and Survivor form of payment with no reduction, for married members. 80% of males and 70% of females are assumed to be married at time of retirement.

BENEFIT SERVICE
Exact fractional service is used to determine the amount of benefit payable.

HEALTH CARE UTILIZATION
70% of future retirees are expected to utilize health care. 80% of males and 70% of females are assumed to be married at the time of retirement.

FUTURE COST OF LIVING INCREASES
The cost of living adjustment will be CPI based, capped at 2.0%. The assumed CPI based average is 1.75%.

EORP SUMMARY OF ACTIVE MEMBER DATA

AGE AND SERVICE DISTRIBUTION

Listed below is a summary of Active Members by age group, years of service and annual compensation. The summary points out that there were 579 active members in the Plan as of June 30, 2018, compared to 600 for the prior year.

EORP

	YEARS OF SERVICE TO VALUATION DATE							TOTALS	
AGE	0-4	5-9	10-14	15-19	20-24	25-29	30+	NO.	AVG. SALARY
< 25	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-
30-34	-	6	-	-	-	-	-	6	46,086
35-39	2	9	2	-	-	-	-	13	44,791
40-44	1	24	5	3	-	-	-	33	54,401
45-49	5	39	11	4	-	-	-	59	94,164
50-54	-	42	19	9	5	-	-	75	103,659
55-59	8	47	42	20	2	1	1	121	100,396
60-64	5	43	36	37	10	4	1	136	97,755
65+	6	44	40	28	9	7	2	136	69,943
Total	**27**	**254**	**155**	**101**	**26**	**12**	**4**	**579**	**87,978**

EORP
COMPARATIVE SCHEDULE

YEAR ENDED JUNE 30,	ACTIVE MEMBERS	PAYROLL +000	AGE (YEARS)	SERVICE (YEARS)	AVERAGE SALARY	INCREASE IN AVG. PAY
2009	857	67,777	54.6	8.1	79,086	4.8%
2010	827	66,442	55.1	8.5	80,341	1.6%
2011	845	66,637	54.6	8.0	78,860	-1.8%
2012	845	67,934	55.3	8.5	80,395	1.9%
2013	839	67,505	54.9	8.0	80,459	0.1%
2014	843	68,341	55.6	8.6	81,069	0.8%
2015	738	61,933	56.2	9.3	83,921	3.5%
2016	694	57,766	57.0	10.0	83,236	-0.8%
2017	600	50,878	57.1	10.7	84,796	1.9%
2018	579	50,939	58.0	11.4	87,978	3.8%

Group averages are not used in the actuarial computations but are computed and shown because of their general interest. Reflects the 1985 amendment consolidating the Judges' Retirement System and the Elected Officials' Retirement Plan. Includes participating municipalities pursuant to a 1987 amendment beginning with the June 30, 1988, valuation.

EORP SUMMARY OF INACTIVE MEMBER DATA

As of June 30, 2018, there were 150 inactive members in the Plan who had not withdrawn their accumulated member contributions. It is assumed that these inactive members are waiting to meet the age requirements for service retirement. They are broken down by attained age and years of service as follows:

EORP
SUMMARY OF INACTIVE MEMBERS
FOR THE YEAR ENDED JUNE 30, 2018

ATTAINED AGE	YEARS OF SERVICE TO VALUATION DATE 0-4	5-9	10-14	15-19	20+	TOTAL
< 30	-	-	-	-	-	0
30-39	5	4	-	-	-	9
40-44	9	3	-	1	-	13
45-49	11	8	2	-	-	21
50-54	11	6	2	-	-	19
55-59	13	15	1	1	-	30
60-69	22	20	3	1	-	46
70+	6	2	1	2	1	12
Total	**77**	**58**	**9**	**5**	**1**	**150**

EORP SUMMARY OF RETIRED MEMBER DATA

EORP
RETIREES AND BENEFICIARIES

YEAR ENDED JUNE 30,	NUMBER REMOVED FROM ROLES	NUMBER ADDED TO ROLES	TOTALS	ANNUAL ALLOWANCES REMOVED FROM ROLES	ANNUAL ALLOWANCES ADDED TO ROLES	ANNUAL PENSIONS	PERCENT INCREASE	AVERAGE PENSION
2009	47	80	905	987,408	4,399,639	36,262,571	10.4%	40,069
2010	25	41	921	666,409	3,740,863	39,337,025	8.5%	42,711
2011	32	101	990	1,182,916	5,307,555	43,461,664	10.5%	43,901
2012	33	35	992	1,277,532	1,726,008	43,910,140	1.0%	44,264
2013	26	91	1,057	915,428	4,208,986	47,203,698	7.5%	44,658
2014	42	38	1,053	1,363,194	7,164,962	53,005,466	12.3%	50,338
2015	23	86	1,116	831,841	4,570,428	56,744,053	7.1%	50,846
2016	51	58	1,123	2,136,634	3,484,310	58,091,729	2.4%	51,729
2017	22	95	1,196	1,107,668	6,504,316	63,488,377	9.3%	53,084
2018	38	45	1,203	2,057,381	2,472,912	63,903,908	0.7%	53,120

GRS Retirement Consulting

800.521.0498 | P: 248.799.9000 | F: 248.799.9020 | www.grsconsulting.com

December 19, 2018

Board of Trustees
Arizona Corrections Officer Retirement Plan
3010 East Camelback Road, Suite 200
Phoenix, Arizona 85016-4416

Re: Arizona Corrections Officer Retirement Plan

Attention: Jared A. Smout, Administrator

The purpose of the annual actuarial valuation of the Arizona Corrections Officer Retirement Plan as of June 30, 2018 is to:

- Compute the liabilities associated with benefits likely to be paid on behalf of current retired and non-retired members.
- Compare assets with accrued liabilities to assess the funded condition.
- Compute the recommended employers' contribution for the Fiscal Year beginning July 1, 2018.

The funding objective is stated in Article 4, Chapter 5, Title 38, Section 891A of the Arizona Revised Statutes. The valuation should not be relied upon for any other purpose.

The valuation process develops contribution rates that are sufficient to fund the plan's normal cost (i.e., the costs assigned by the valuation method to the year of service about to be rendered), as well as to fund unfunded actuarial accrued liabilities as a level percent of active member payroll over a finite period. The valuations were completed based upon population data, asset data, and plan provisions as of June 30, 2018.

The valuation was based upon information furnished by the plan's administrative staff concerning Retirement Plan benefits, financial transactions, and active members, terminated members, retirees and beneficiaries. We checked the data for internal and year-to-year consistency, but did not audit the data. As a result, we do not assume responsibility for the accuracy or completeness of the data provided. The actuary summarizes and tabulates population data in order to analyze longer-term trends. The following schedules were prepared by the actuary and provided to the administrative staff to be included in the "Actuarial Section" of the June 30, 2018 CAFR:

- Aggregate Actuarial Balance Sheet as of June 30, 2018
- Summary of Valuation Assumptions
- Solvency Test
- Summary of Active Member Data
- Summary of Retirees and Inactive Members
- Schedule of Experience Gain/(Loss) for year ended June 30, 2018

One Towne Square | Suite 800 | Southfield, Michigan 48076-3723

GRS did not prepare any of the schedules included in the "Financial Section" of the June 30, 2018 CAFR. However, we did provide certain pieces of information that were used in that section, such as the Actuarial Accrued Liability and the Actuarial Value of Assets.

Assets are valued on a market related basis. This method recognizes the assumed return fully each year and spreads each year's gain or loss above or below assumed return over a closed 7-year period. The continuing effect of prior asset losses was dampened by the 7-year smoothing period, and further offset by the effect of lower than assumed pay increases. There remains $42.2 million ($39.5 million for pension and $2.7 million for health) of unrecognized investment losses that will, in the absence of other gains, drive the contribution rate up over the next several years.

Actuarial valuations are based upon assumptions regarding future activity in specific risk areas including the rates of investment return and payroll growth, eligibility for the various classes of benefits, and longevity among retired lives. The Board of Trustees adopts these assumptions after considering the advice of the actuary and other professionals. The assumptions and the methods comply with the requirements of Statement No. 67 of the Governmental Accounting Standards Board. In addition, the assumptions and methods used for funding purposes are in accordance with the Actuarial Standards of Practice promulgated by the Actuarial Standards Board. Each actuarial valuation takes into account all prior differences between actual and assumed experience in each risk area and adjusts the contribution rates as needed. The June 30, 2018 valuations were based upon assumptions that were recommended in connection with a study of experience covering the 2011-2016 period. Future actuarial measurements may differ significantly from those presented in the valuations due to such factors as experience differing from that anticipated by the actuarial assumptions, changes in plan provisions, changes in actuarial assumptions or methods, or changes in applicable law.

It is most important that this plan receive contributions at least equal to the actuarial rates.

The June 30, 2018 actuarial valuation reflected the following changes:

Benefit Changes:

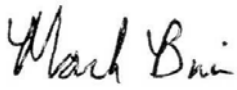
- Replace the prior Permanent Benefit Increase with a CPI-based Cost-of-Living Adjustment (COLA) for all retirees.
- Pension reform changed the benefit formula for Tier 3 DB members (Probation & Surveillance Officers hired after June 30, 2018).
- Effective June 30, 2018, the plan is essentially closed to new hires. Other than Probation & Surveillance Officers, those hired on or after June 30, 2018 do not enter this plan, but instead enter a Defined Contribution Plan. A Statutory Contribution is developed as a level percent of payroll for all employees of the employer (meaning members of this Retirement Plan and the Defined Contribution Plan). In addition to the Statutory Contribution, this valuation develops a contribution in accordance with funding standards for a Closed pension plan, under which unfunded accrued liabilities are amortized on a level dollar basis, which increases the contribution rate in the short term.
- For newly hired Probation & Surveillance Officers during the year ending June 30, 2019, a 1/3-2/3 split of Tier 3 plan normal cost between employees and employers applies.

Board of Trustees
December 19, 2018
Page 3

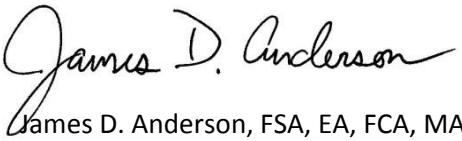
In order to gain a full understanding of the actuarial condition of the plan, it is important to read the full actuarial report that we have provided to the Plan.

Mark Buis, James D. Anderson and Francois Pieterse are Members of the American Academy of Actuaries (MAAA), and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,



Mark Buis, FSA, EA, FCA, MAAA



James D. Anderson, FSA, EA, FCA, MAAA

Francois Pieterse, ASA, FCA, MAAA

MB/JDA/FP:bd

CORP
AGGREGATE ACTUARIAL BALANCE SHEET
YEAR ENDED JUNE 30, 2018

ACTUARIAL ASSETS	PENSION	HEALTH INSURANCE	TOTAL
ACCRUED ASSETS			
Member Accumulated Contributions	423,519,048	-	423,519,048
Employer and Benefit Payment Reserves	1,433,903,906	123,525,328	1,557,429,234
Funding Value Adjustment	39,547,829	2,704,560	42,252,389
Total Accrued Assets	**1,896,970,783**	**126,229,888**	**2,023,200,671**
PROSPECTIVE ASSETS			
Member Contributions	343,800,791	-	343,800,791
Employer Normal Costs	300,461,532	9,097,571	309,559,103
Employer Unfunded Actuarial Accrued Liability	1,609,111,988	(24,088,217)	1,585,023,771
Total Prospective Assets	**2,253,374,311**	**(14,990,646)**	**2,238,383,665**
Total Actuarial Assets	**4,150,345,094**	**111,239,242**	**4,261,584,336**
ACTUARIAL PRESENT VALUES (LIABILITY)			
PENSIONS IN PAYMENT STATUS			
Pensions in payment status	1,824,876,153	48,665,084	1,873,541,237
PROSPECTIVE PAYMENTS			
Retirement Payments	2,260,900,341	-	2,260,900,341
Health Insurance Payments	-	62,574,158	62,574,158
Member Contribution Refunds	64,568,600	-	64,568,600
Pension Increase Reserve	-	-	-
Total Prospective Payments	**2,325,468,941**	**62,574,158**	**2,388,043,099**
Total Actuarial Present Values (Liabilities)	**4,150,345,094**	**111,239,242**	**4,261,584,336**

CORP SUMMARY OF VALUATION ASSUMPTIONS

ECONOMIC ASSUMPTIONS
Investment Rate of Return: 7.40% (net of expenses)
Wage Inflation: 3.50%

MORTALITY TABLES
The mortality rates utilized are based upon the RP-2014 tables, as extended, and include a margin for future mortality improvements projected using a fully generational improvement scale. The tables used were as follows:

Healthy Pre-Retirement: The RP-2014 Employee Mortality Tables, extended via cubic spline, adjusted backward to 2006 using scale MP-2014, setting it as the 2017 base year, with future mortality improvements assumed each year using 75% of scale MP-2016.

Healthy Post-Retirement: The RP-2014 Healthy Annuitant Mortality Tables, extended via cubic spline, adjusted backward to 2006 using scale MP-2014, setting it as the 2017 base year,, with future mortality improvements assumed each year using 75% of scale MP-2016.

Disability Retirement: The RP-2014 Disabled Mortality Table, extended via cubic spline, extended via cubic spline, adjusted backward to 2006 using scale MP-2014, setting it as the 2017 base year, with future mortality improvements assumed each year using 75% of scale MP-2016.

Active members hired before January 1, 2012 are eligible to retire normally at any age with 20 years of service (25 years for dispatchers), at age 62 with 10 years of service, or when a combination of age and credited service is equal to or greater than 80 years.

Active members hired on or after January 1, 2012 are eligible to retire at age 62 with 10 years of service or at age 52.5 with 25 years of service.

These rates adopted by the Board of Trustees, as recommended by the Plan's actuary, were first used for the June 30, 2017 valuation.

CORP
MORTALITY RATES

% DYING NEXT YEAR

SAMPLE AGES	HEALTHY PRE-RETIREMENT		HEALTHY POST-RETIREMENT		DISABILITY RETIREMENT	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
40	N/A	N/A	0.2170%	0.1812%	1.5148%	0.7828%
45	N/A	N/A	0.3378%	0.2427%	2.0694%	1.0560%
50	0.1566%	0.1257%	0.4720%	0.2870%	2.3684%	1.2346%
55	0.2353%	0.1900%	0.6050%	0.3738%	2.4655%	1.4943%
60	0.3947%	0.3071%	0.8179%	0.5934%	2.7997%	1.9434%
65	0.7570%	0.4913%	1.2590%	0.9726%	3.6222%	2.5212%
70	N/A	N/A	2.0186%	1.5507%	4.8567%	3.3988%
75	N/A	N/A	3.2847%	2.4837%	6.6472%	4.8689%
80	N/A	N/A	5.4547%	4.1117%	9.3448%	7.2024%

CORP
FUTURE LIFE EXPECTANCY (YEARS)

SAMPLE AGES	HEALTHY PRE-RETIREMENT		HEALTHY POST-RETIREMENT		DISABILITY RETIREMENT	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
55	31.65	33.44	28.09	30.61	19.83	23.49
60	26.74	28.53	23.63	25.92	16.83	19.94
65	22.08	23.77	19.38	21.50	13.94	16.63
70	17.77	19.19	15.46	17.38	11.32	13.51
75	13.84	14.85	11.91	13.58	8.94	10.64
80	10.32	10.76	8.81	10.16	6.84	8.15

CORP MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

MARRIAGE ASSUMPTION
75% of males and 50% of females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.

PAY INCREASE TIMING
Six months after the valuation date.

DECREMENT TIMING
Decrements of all types are assumed to occur mid-year.

ELIGIBILITY TESTING
Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

DECREMENT RELATIVITY
Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.

DECREMENT OPERATION
Disability and turnover decrements do not operate during retirement eligibility.

SERVICE CREDIT ACCRUALS
It is assumed that members accrue one year of service credit per year.

INCIDENCE OF CONTRIBUTIONS
Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.

NORMAL FORM OF BENEFIT
A straight life payment is the assumed normal form of benefit for members who are not married, and the 80% Joint and Survivor form of payment with no reduction, for married members. 75% of males and 50% of females are assumed to be married at time of retirement.

BENEFIT SERVICE
Exact fractional service is used to determine the amount of benefit payable.

HEALTH CARE UTILIZATION
60% of future retirees are expected to utilize health care. 75% of males and 50% of females are assumed to be married at the time of retirement.

FUTURE COST OF LIVING INCREASES
The cost of living adjustment will be CPI based, capped at 2.0%. The assumed CPI based average is 1.75%.

CORP SUMMARY OF ACTIVE MEMBER DATA

AGE AND SERVICE DISTRIBUTION

Listed below is a summary of Active Members by age group, years of service and annual compensation. The summary points out that there were 14,335 active members in the Plan as of June 30, 2018, compared to 13,958 for the prior year.

CORP

	YEARS OF SERVICE TO VALUATION DATE							TOTALS	
AGE	0-4	5-9	10-14	15-19	20-24	25-29	30+	NO.	AVG. SALARY
< 25	1,341	2	-	-	-	-	-	1,343	33,606
25-29	2,243	413	8	-	-	-	-	2,664	37,092
30-34	1,090	822	312	2	-	-	-	2,226	40,501
35-39	546	468	672	152	2	-	-	1,840	44,438
40-44	373	309	483	505	70	-	-	1,740	47,639
45-49	277	328	406	432	184	21	-	1,648	48,437
50-54	180	208	284	298	135	80	4	1,189	49,275
55-59	145	134	239	225	90	55	32	920	48,636
60-64	64	101	130	170	62	35	20	582	48,825
65+	18	38	54	36	19	9	9	183	48,832
Total	**6,277**	**2,823**	**2,588**	**1,820**	**562**	**200**	**65**	**14,335**	**43,200**

CORP
COMPARATIVE SCHEDULE

YEAR ENDED JUNE 30,	ACTIVE MEMBERS	PAYROLL +000	AGE (YEARS)	SERVICE (YEARS)	AVERAGE SALARY	INCREASE IN AVG. PAY
2009	14,580	630,825	40.2	7.4	43,266	-0.90%
2010	14,319	616,481	40.3	7.8	43,053	-0.50%
2011	14,565	609,243	40.1	7.7	41,829	-2.80%
2012	14,991	626,223	39.8	7.7	41,773	-0.10%
2013	14,580	604,068	39.7	8.0	41,431	-0.80%
2014	14,595	625,264	39.6	8.1	42,841	3.40%
2015	14,184	616,267	39.5	8.3	43,448	1.40%
2016	13,846	599,319	39.1	8.3	43,285	-0.40%
2017	13,958	619,985	39.0	8.3	44,418	2.60%
2018	14,335	619,270	38.7	8.2	43,200	-2.70%

CORP SUMMARY OF INACTIVE MEMBER DATA

As of June 30, 2018, there were 3,001 inactive members in the Plan who had not withdrawn their accumulated member contributions. They are broken down by attained age and years of service as follows:

CORP
SUMMARY OF INACTIVE MEMBERS
FOR THE YEAR ENDED JUNE 30, 2018

ATTAINED AGE	YEARS OF SERVICE TO VALUATION DATE					
	0-4	5-9	10-14	15-19	20+	TOTAL
< 30	906	15	-	-	-	921
30-39	870	111	27	3	-	1,011
40-44	225	44	16	2	-	287
45-49	188	32	18	8	-	246
50-54	143	20	19	7	-	189
55-59	106	21	32	7	1	167
60-69	100	18	33	10	-	161
70+	15	1	2	-	1	19
Total	**2,553**	**262**	**147**	**37**	**2**	**3,001**

CORP SUMMARY OF RETIRED MEMBER DATA

CORP
RETIREES AND BENEFICIARIES

YEAR ENDED JUNE 30,	NUMBER REMOVED FROM ROLES	NUMBER ADDED TO ROLES	TOTALS	ANNUAL ALLOWANCES REMOVED FROM ROLES	ANNUAL ALLOWANCES ADDED TO ROLES	ANNUAL PENSIONS	PERCENT INCREASE	AVERAGE PENSION
2009	118	281	2,591	1,532,671	9,559,615	59,089,591	15.7%	22,806
2010	52	369	2,908	850,373	11,529,838	69,769,056	18.1%	23,992
2011	48	396	3,256	880,983	12,749,577	81,637,650	17.0%	25,073
2012	64	284	3,476	1,078,072	7,358,770	87,918,348	7.7%	25,293
2013	69	403	3,810	1,418,636	9,965,863	96,465,575	9.7%	25,319
2014	56	336	4,090	1,070,772	12,167,340	107,562,143	11.5%	26,299
2015	69	389	4,410	1,498,665	10,153,781	116,217,259	8.0%	26,353
2016	100	475	4,785	2,124,616	12,531,785	126,624,428	9.00%	26,463
2017	86	392	5,091	1,805,076	14,792,334	139,611,686	10.30%	27,423
2018	112	416	5,395	2,490,811	11,154,085	148,274,960	6.20%	27,484

SOLVENCY TEST

Testing the financial solvency of a retirement plan can be done in several ways. The funding objective is to meet long-term benefit promises through contributions that remain approximately level from year to year as a percent of member payroll. If the contributions to the plan are level in concept and soundly executed, and if the plan continues its present operations pattern for the indefinite future, the plan will pay all promised benefits when due - the ultimate test of financial soundness.

A short term solvency test is one means of checking a plan's progress under its funding program. In a short term solvency test, the plan's present assets (cash and investments) are compared with:

1. Active member contributions on deposit.
2. The liabilities for future benefits to present re tired lives.
3. The liabilities for service already rendered by active members.

In a plan that has been following the discipline of level percent of payroll financing, the liabilities for active member contributions on deposit (liability 1) and the liabilities for future benefits to present retired lives (liability 2) will be fully covered by present assets (except in rare circumstances). In addition, the liabilities for service already rendered by active members (liability 3) will be partially covered by the remainder of present assets. Generally, if the plan has been using level cost financing, the funded portion of liability 3 will increase over time. Liability 3 being fully funded is very rare. All amounts presented are in thousands.

PSPRS	AGGREGATE ACCRUED LIABILITIES						
					PORTION OF ACCRUED LIABILITIES COVERED BY NET ASSETS AVAILABLE FOR BENEFITS		
YEAR ENDED JUNE 30,	ACTIVE MEMBER CONT. $ (1)	RETIREES AND BENEFICIARIES $ (2)	ACTIVE MEMBERS (ER PORTION) $ (3)	VALUATION ASSETS AVAILABLE FOR BENEFITS $	(1)	(2)	(3)
2009	737,839	4,622,427	2,629,185	5,445,497	100%	100%	3%
2010	808,207	4,993,382	2,690,233	5,591,304	100%	96%	0%
2011	819,996	5,790,724	2,754,541	5,795,945	100%	86%	0%
2012	897,597	6,364,273	3,063,659	6,051,595	100%	81%	0%
2013	978,017	6,652,270	3,193,253	6,185,074	100%	78%	0%
2014	1,058,474	7,949,695	3,224,848	6,018,984	100%	62%	0%
2015	1,295,884	8,326,599	3,063,317	6,217,787	100%	59%	0%
2016	1,213,983	8,873,605	4,161,122	6,553,903	100%	60%	0%
2017	1,290,499	9,907,937	4,380,264	7,062,650	100%	58%	0%
2018	1,142,737	10,616,598	4,519,451	7,449,909	100%	59%	0%

EORP	AGGREGATE ACCRUED LIABILITIES						
					PORTION OF ACCRUED LIABILITIES COVERED BY NET ASSETS AVAILABLE FOR BENEFITS		
YEAR ENDED JUNE 30,	ACTIVE MEMBER CONT. $ (1)	RETIREES AND BENEFICIARIES $ (2)	ACTIVE MEMBERS (ER PORTION) $ (3)	VALUATION ASSETS AVAILABLE FOR BENEFITS $	(1)	(2)	(3)
2009	40,924	324,200	141,067	360,950	100%	99%	0%
2010	43,283	349,417	143,071	357,342	100%	90%	0%
2011	42,171	393,830	154,321	366,429	100%	82%	0%
2012	47,274	400,005	162,949	356,346	100%	77%	0%
2013	47,351	431,511	153,675	350,885	100%	70%	0%
2014	54,318	576,015	165,913	313,382	100%	45%	0%
2015	56,387	601,711	155,353	315,387	100%	43%	0%
2016	57,473	622,642	157,363	314,525	100%	41%	0%
2017	56,414	765,456	190,083	310,765	100%	33%	0%
2018	44,813	677,040	183,031	283,453	100%	35%	0%

CORP	AGGREGATE ACCRUED LIABILITIES						
					PORTION OF ACCRUED LIABILITIES COVERED BY NET ASSETS AVAILABLE FOR BENEFITS		
YEAR ENDED JUNE 30,	ACTIVE MEMBER CONT. $ (1)	RETIREES AND BENEFICIARIES $ (2)	ACTIVE MEMBERS (ER PORTION) $ (3)	VALUATION ASSETS AVAILABLE FOR BENEFITS $	(1)	(2)	(3)
2009	314,100	586,596	683,597	1,309,124	100%	100%	60%
2010	345,122	689,910	686,973	1,382,144	100%	100%	51%
2011	353,892	823,664	831,013	1,466,750	100%	100%	35%
2012	373,726	918,771	939,047	1,512,989	100%	100%	24%
2013	382,417	1,011,478	936,343	1,559,583	100%	100%	18%
2014	396,381	1,269,515	971,649	1,511,212	100%	88%	0%
2015	406,641	1,351,259	982,336	1,571,431	100%	86%	0%
2016	408,016	1,495,287	1,027,375	1,678,275	100%	85%	0%
2017	417,714	1,845,299	1,361,367	1,795,711	100%	75%	0%
2018	423,519	1,824,876	1,257,688	1,896,971	100%	81%	0%

See Schedule of Funding Progress in the Required Supplementary Information.

EXPERIENCE GAIN (LOSS)

EXPERIENCE GAIN (LOSS)
YEAR ENDED JUNE 30, 2018

		PSPRS	EORP	CORP
(1)	UAAL at start of year	8,516,050	701,188,535	1,828,668,750
(2)	Normal cost from last valuation	330,953	19,708,999	101,983,469
(3)	Actual Contributions	998,458	39,567,856	177,109,214
(4)	Interest Accrual	605,490	51,153,174	132,541,835
(5)	Expected UAAL before changes: (1) + (2) - (3) + (4)	8,454,035	732,482,852	1,886,084,840
(6)	Changes from benefit increases	234,950	(116,010,794)	(202,511,784)
(7)	Expected UAAL after changes: (5) + (6) + (7) + (8)	8,688,985	616,472,058	1,683,573,056
(8)	Actual UAAL at end of year	8,828,602	621,430,897	1,609,111,988
(9)	**Experience Gain/(Loss): (7) - (8)**	**(139,617)**	**(4,958,839)**	**74,461,068**

THIS PAGE INTENTIONALLY BLANK

STATISTICAL SECTION

SUMMARY

The Statistical Section provides additional historical perspective, context, and detail to assist the reader in using the information in the financial statements, notes to the financial statements and required supplemental information to understand and assess the economic condition of PSPRS.

Financial trend information is intended to assist users in understanding and assessing the changes in the financial position over time. Schedules and charts presenting financial trend information are Schedule of Changes in Net Position, Schedule of Revenue by Source, Schedule of Expenses by Type, Deductions from Net Position for Benefits and Refunds by Type, Valuation Assets vs. Pension Liabilities, and Contribution Rates.

Operating information is intended to provide contextual information about the operations and resources of PSPRS to assist readers in using financial statement information to understand and assess the economic condition. Schedules and charts presenting operating information are Membership in the Retirement System*, Principal Participating Employers, Benefit Recipients by Location, Summary of the Growth of the System, Benefits Payable*, Average Monthly Benefit Amounts*, Summary of Benefit Increases*, Schedule of Changes in Employers' Reserve Balances, Schedule of Changes in Refundable Member Reserve Balances, Schedule of Employers' Earnings Distribution, and Participating Employers.

CORP-AOC was first split out from CORP in 2014. In some financial schedules in this statistical section, especially when multiple years worth of data are shown, CORP-AOC has been reported separately from CORP. In the other financial schedules, CORP-AOC has been combined with CORP.

Schedules and information are derived from PSPRS internal sources unless otherwise indicated.

* Schedules and data are provided by actuarial consultant Gabriel, Roeder & Smith.

FINANCIAL TRENDS

CHANGES IN NET PLAN POSITION LAST 10 FISCAL YEARS - PENSION
ALL PLANS COMBINED
(IN THOUSANDS)

	2018	2017	2016	2015	2014
ADDITIONS					
Member Contributions	184,583	225,989	228,970	214,951	201,741
Employer Contributions	732,449	782,457	691,779	546,712	507,939
Non-Employer Contribution	23,944	5,000	22,316	5,000	5,000
Court Fees	9,924	8,647	8,580	8,286	8,541
Net Investment Gain (Loss)	619,675	945,757	46,556	282,446	945,182
Member Service Purchase	14,477	18,115	12,995	11,865	11,474
Transfers IN	1,568	1,697	1,751	570	1,171
Total Additions (Reductions)	**1,586,620**	**1,987,661**	**1,012,947**	**1,069,830**	**1,681,048**
DEDUCTIONS					
Pension Benefits	992,801	934,806	995,607	835,974	773,174
Refunds To Terminated Members	43,239	45,577	48,968	42,460	45,037
Administrative Expenses	9,591	8,380	6,793	7,063	7,580
Transfers OUT	1,130	1,204	2,138	747	574
Total Deductions	**1,046,761**	**989,967**	**1,053,506**	**886,244**	**826,365**
NET INCREASE (DECREASE)	**539,859**	**997,694**	**(40,559)**	**183,587**	**854,683**
NET POSITION HELD IN TRUST					
Beginning of Fiscal Year, July 1	8,881,441	7,883,746	7,924,305	7,747,074	6,892,360
GASB 67 and Prior Year Adjustment	-	-	-	(6,355)	-
End of Fiscal Year, June 30	**9,421,300**	**8,881,441**	**7,883,746**	**7,924,305**	**7,747,043**

	2013	2012	2011	2010	2009
ADDITIONS					
Member Contributions	185,713	171,472	154,870	161,234	158,719
Employer Contributions	435,122	354,881	311,079	338,429	365,800
Non-Employer Contribution	0	0	0	0	0
Court Fees	8,412	8,880	9,896	9,538	8,000
Net Investment Gain (Loss)	677,204	(76,947)	986,460	687,789	(1,106,644)
Member Service Purchase	7,873	15,247	23,165	12,229	8,432
Transfers IN	947	1,057	794	1,343	1,219
Total Additions (Reductions)	**1,315,271**	**474,590**	**1,486,264**	**1,210,562**	**(564,474)**
DEDUCTIONS					
Pension & Insurance Benefits	693,007	638,679	637,012	570,409	534,002
Refunds To Terminated Members	44,123	38,211	37,121	29,876	22,654
Administrative Expenses	6,671	6,361	6,285	6,092	5,938
Transfers OUT	1,392	1,045	1,266	829	561
Total Deductions	**745,193**	**684,296**	**681,684**	**607,206**	**563,155**
NET INCREASE (DECREASE)	**570,078**	**(209,706)**	**804,580**	**603,356**	**(1,127,629)**
NET POSITION HELD IN TRUST					
Beginning of Fiscal Year, July 1	6,322,282	6,531,988	5,727,408	5,124,052	6,251,681
End of Fiscal Year, June 30	**6,892,360**	**6,322,282**	**6,531,988**	**5,727,408**	**5,124,052**

FINANCIAL TRENDS

CHANGES IN NET PLAN POSITION LAST 10 FISCAL YEARS - HEALTH INSURANCE
ALL PLANS COMBINED
(IN THOUSANDS)

	2018	2017	2016	2015	2014
ADDITIONS					
Health Insurance Contributions	4,270	5,645	5,539	29,068	27,296
Net Investment Gain (Loss)	31,916	49,768	2,532	15,428	48,084
Total Additions (Reductions)	**36,186**	**55,413**	**8,071**	**44,465**	**75,380**
DEDUCTIONS					
Pension & Insurance Benefits	21,850	21,390	20,039	18,591	17,567
Administrative Expenses	485	440	365	385	0
Total Deductions	**22,022**	**21,830**	**20,404**	**18,976**	**17,567**
NET INCREASE (DECREASE)	**13,851**	**33,583**	**(12,333)**	**25,520**	**57,813**
NET POSITION HELD IN TRUST					
Beginning of Fiscal Year, July 1	461,762	428,180	440,513	414,993	357,211
End of Fiscal Year, June 30	**475,613**	**461,762**	**428,180**	**440,513**	**415,024**

	2013	2012	2011	2010	2009
ADDITIONS					
Health Insurance Contributions	28,946	27,901	25,416	26,402	29,097
Net Investment Gain (Loss)	33,783	(2,439)	44,291	29,139	(43,995)
Total Additions (Reductions)	**62,729**	**25,462**	**69,707**	**55,541**	**(14,898)**
DEDUCTIONS					
Pension & Insurance Benefits	17,114	17,336	17,026	15,751	15,356
Administrative Expenses	0	0	0	0	0
Total Deductions	**17,114**	**17,336**	**17,026**	**15,751**	**15,356**
NET INCREASE (DECREASE)	**45,615**	**8,126**	**52,681**	**39,790**	**(30,254)**
NET POSITION HELD IN TRUST					
Beginning of Fiscal Year, July 1	311,596	303,470	250,789	210,999	241,253
End of Fiscal Year, June 30	**357,211**	**311,596**	**303,470**	**250,789**	**210,999**

FINANCIAL TRENDS

SCHEDULE OF REVENUE BY SOURCE
LAST TEN FISCAL YEARS (Includes Health Insurance Subsidy)

PLAN	YEAR ENDING JUNE 30,	MEMBER CONTRIB	EMPLOYER CONTRIB	FIRE INSURANCE PREMIUM TAX	COURT FEES	HEALTH INSURANCE CONTRIB	% OF COVERED PAYROLL	INVESTMENT INCOME (LOSS)	TRANSFER FROM OTHER PLANS / MEMBER PURCHASED SERVICE	TOTAL
PSPRS	2009	101,183,586	281,528,862	24,720,792	-	22,186,655	21.71%	(872,798,642)	8,209,996	(434,968,751)
	2010	102,141,540	268,910,398	11,920,934	-	19,875,793	20.77%	553,076,513	11,366,583	967,291,761
	2011	99,262,271	256,525,004	12,022,353	-	17,299,140	20.89%	789,263,727	21,240,375	1,195,612,870
	2012	112,645,371	279,547,069	12,187,512	-	19,094,922	22.68%	(41,661,350)	14,275,143	396,088,667
	2013	127,362,618	347,630,728	12,828,065	-	20,394,283	27.18%	541,980,088	7,575,490	1,057,771,272
	2014	141,066,081	399,705,875	14,139,739	-	19,534,206	30.44%	757,180,984	11,731,942	1,343,358,827
	2015	154,359,120	434,962,028	13,135,529	-	21,480,853	32.54%	227,096,052	10,797,538	861,831,120
	2016	169,469,738	565,862,395	16,316,362	-	4,195,339	41.37%	37,398,310	13,125,367	806,367,511
	2017	167,118,138	635,679,725	16,197,290	-	4,248,856	42.61%	762,451,372	16,603,311	1,602,298,692
	2018	129,190,502	608,172,950	16,943,663	-	2,121,493	52.09%	499,571,588	13,817,382	1,269,817,578
EORP	2009	4,436,652	9,172,918	-	8,000,231	1,273,229	28.00%	(61,526,963)	660,650	(37,983,283)
	2010	4,611,179	8,444,229	-	9,538,094	1,243,514	26.25%	34,583,592	930,727	59,351,335
	2011	4,716,681	10,865,962	-	9,895,857	1,180,768	29.79%	48,274,987	1,699,788	76,634,043
	2012	6,858,675	11,627,462	-	8,880,308	1,232,862	32.99%	(2,641,096)	809,474	26,767,685
	2013	7,700,666	13,567,248	-	8,411,739	1,208,405	36.44%	30,737,247	245,084	61,870,389
	2014	8,938,401	21,304,591	-	8,540,583	1,072,197	23.50%	41,567,954	149,656	81,573,382
	2015	8,471,736	21,038,061	-	8,285,993	-	23.50%	11,878,472	667,914	50,342,176
	2016	7,730,530	20,636,469	-	8,579,644	-	23.50%	1,589,921	275,704	38,812,268
	2017	6,826,992	20,444,326	-	8,646,790	-	23.50%	35,387,944	1,378,845	72,684,897
	2018	4,224,990	5,693,983	-	9,924,057	-	23.50%	21,650,808	1,112,607	42,606,445
CORP	2009	53,098,136	50,378,712	-	-	5,636,426	8.65%	(216,313,556)	781,196	(106,419,086)
	2010	54,480,961	49,154,582	-	-	5,282,496	7.49%	129,267,190	1,276,087	239,461,316
	2011	50,891,168	45,067,749	-	-	6,934,982	8.57%	193,212,289	1,018,286	297,124,474
	2012	51,967,894	51,524,317	-	-	7,568,087	9.50%	(10,340,020)	1,219,350	101,939,628
	2013	50,648,775	61,106,590	-	-	7,334,225	11.31%	138,267,533	999,077	258,356,200
	2014	42,697,294	62,246,291	-	-	5,477,173	13.32%	156,410,650	417,437	267,248,845
	2015	42,816,526	66,016,801	-	-	6,208,839	14.12%	46,844,490	503,585	162,390,241
	2016	42,539,910	90,240,701	-	-	411,556	17.84%	7,991,896	619,027	141,803,090
	2017	42,651,820	92,650,251	-	-	466,526	18.71%	155,635,948	1,595,501	293,000,046
	2018	41,426,429	99,546,354	-	-	1,192,619	20.98%	104,791,350	949,815	247,906,567
AOC	2014	9,039,472	15,551,633	-	-	1,204,069	15.58%	38,106,222	345,423	64,246,819
	2015	9,302,982	16,560,621	-	-	1,378,298	16.15%	12,055,167	466,043	39,763,111
	2016	9,229,568	21,038,447	-	-	931,858	19.95%	2,108,602	623,698	33,932,173
	2017	9,391,814	22,484,433	-	-	929,246	20.88%	42,050,642	234,246	75,090,381
	2018	9,741,229	26,035,727	-	-	955,786	23.34%	25,577,211	164,815	62,474,768

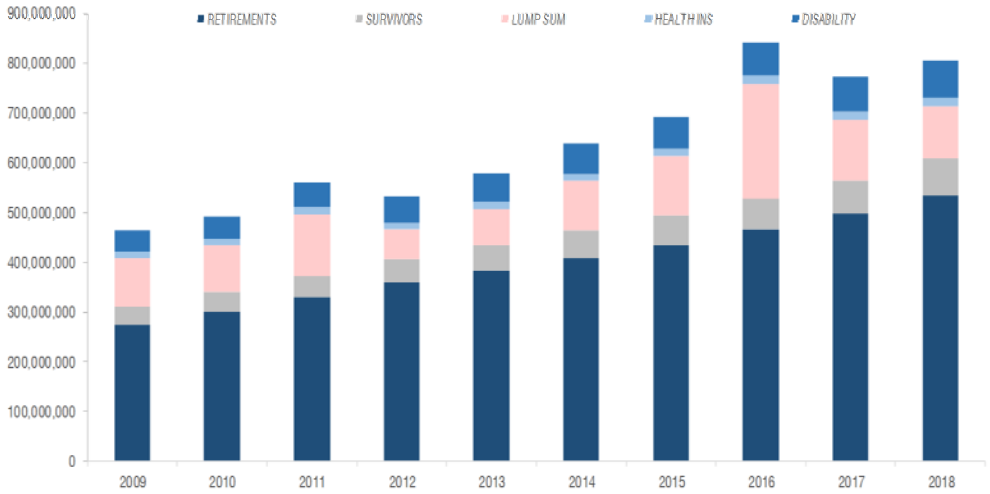
FINANCIAL TRENDS

SCHEDULE OF DEDUCTIONS BY TYPE
LAST TEN FISCAL YEARS

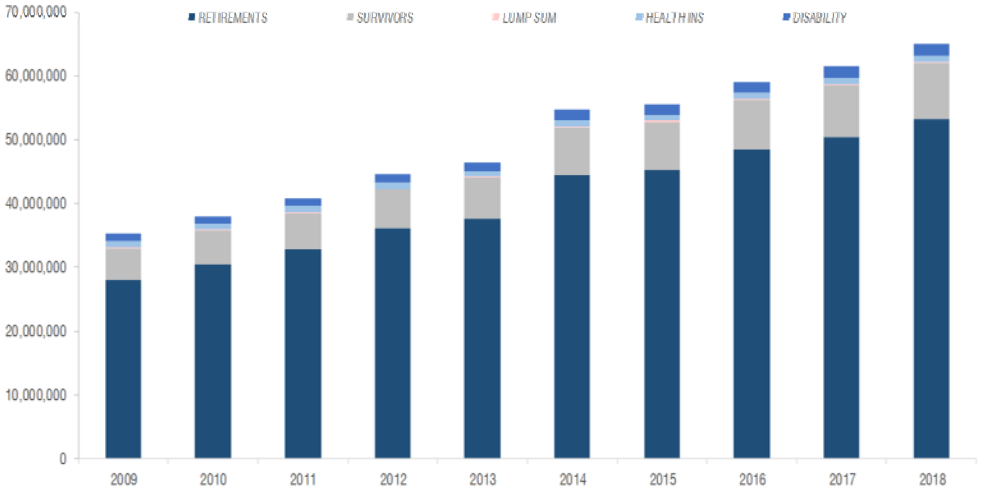
PLAN	YEAR ENDING JUNE 30,	BENEFITS	HEALTH INSURANCE SUBSIDY	ADMIN. EXPENSES	REFUNDS	TRANSFER TO OTHER PLANS	TOTAL
PSPRS	2009	444,352,210	12,214,037	4,352,207	7,643,202	49,169	468,610,825
	2010	469,481,695	12,496,923	4,932,349	9,975,440	243,073	497,129,480
	2011	534,386,731	13,400,890	4,776,388	11,976,416	292,996	564,833,421
	2012	507,182,015	13,513,216	4,890,364	12,376,688	81,362	538,043,645
	2013	552,720,457	13,383,444	5,104,446	12,819,713	514,209	584,542,269
	2014	612,104,805	13,578,195	5,826,248	14,434,714	50,478	645,994,440
	2015	665,138,192	14,242,153	5,655,658	13,897,612	23,119	698,956,734
	2016	810,653,111	15,289,473	5,437,601	17,427,012	539,586	849,346,783
	2017	740,192,481	16,359,496	6,766,128	17,579,621	382,781	781,280,507
	2018	774,944,959	16,640,928	7,710,875	15,242,429	374,791	814,913,982
EORP	2009	34,178,410	917,286	521,507	131,663	-	35,748,866
	2010	36,884,844	884,225	245,127	126,426	-	38,140,622
	2011	39,665,718	926,378	324,343	216,689	28,071	41,161,199
	2012	43,536,995	914,968	287,772	89,631	-	44,829,366
	2013	45,472,356	901,360	299,692	123,773	36,682	46,833,863
	2014	53,984,038	950,531	315,896	154,933	23,581	55,428,979
	2015	54,453,000	956,773	319,124	173,427	-	55,902,324
	2016	58,002,514	1,022,136	267,029	83,747	41,202	59,416,628
	2017	60,453,101	1,043,450	297,983	264,327	20,089	62,078,950
	2018	63,969,647	1,046,917	329,393	55,413	-	65,401,370
CORP	2009	55,488,889	2,207,889	1,064,825	14,879,342	511,697	74,152,642
	2010	64,039,674	2,372,104	915,378	19,774,873	586,100	87,688,129
	2011	76,359,270	2,699,129	1,184,756	24,927,660	945,170	106,115,985
	2012	87,977,793	2,890,441	1,182,692	25,743,514	964,033	118,758,473
	2013	94,813,343	2,829,735	1,266,690	31,179,499	840,629	130,929,896
	2014	91,318,857	2,728,206	1,143,482	29,131,822	437,114	124,759,481
	2015	97,251,701	3,073,707	1,161,134	26,757,384	704,263	128,948,189
	2016	104,815,270	3,339,009	1,147,583	28,990,424	1,375,640	139,667,926
	2017	109,513,477	3,547,976	1,379,671	26,093,328	786,465	141,320,917
	2018	124,793,698	3,684,406	1,630,004	25,924,029	565,141	156,597,278
AOC	2014	15,767,955	309,357	294,209	1,314,886	61,575	17,747,982
	2015	19,130,984	318,262	312,146	1,631,542	19,731	21,412,665
	2016	22,136,170	388,388	306,167	2,466,411	181,909	25,479,045
	2017	24,647,115	439,498	376,025	1,639,618	14,488	27,116,744
	2018	29,092,775	477,976	405,213	2,016,607	190,013	32,182,584

FINANCIAL TRENDS

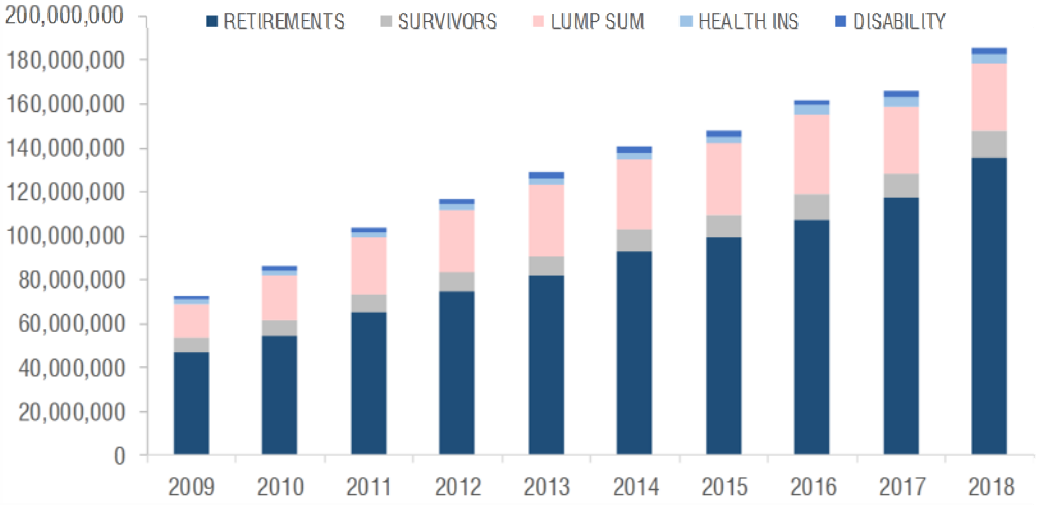
PSPRS



EORP



CORP



FINANCIAL TRENDS

DEDUCTIONS FROM NET POSITION FOR BENEFITS AND REFUNDS BY TYPE
LAST TEN FISCAL YEARS

PLAN	YEAR ENDING JUNE 30,	NORMAL BENEFITS	SURVIVOR BENEFITS	DISABILITY BENEFITS	DEFERRED BENEFITS	TOTAL BENEFITS	DROP PROGRAM	SEPARATION REFUNDS	HEALTH INSURANCE SUBSIDY
PSPRS	2009	274,965,209	36,380,334	41,979,907	158,494	353,483,944	90,868,266	7,643,202	12,214,037
	2010	300,889,208	39,673,066	45,439,760	179,265	386,181,299	83,300,396	9,975,440	12,496,923
	2011	328,892,084	43,889,613	49,132,258	199,716	422,113,671	112,273,060	11,976,416	13,400,890
	2012	359,668,287	47,630,792	53,214,209	187,449	460,700,737	46,481,278	12,376,688	13,513,216
	2013	383,377,255	51,443,297	57,486,396	199,579	492,506,527	60,213,930	12,819,713	13,383,444
	2014	408,013,131	56,828,856	62,099,110	193,661	527,134,758	84,970,047	14,434,714	13,578,195
	2015	434,918,201	60,353,312	64,842,830	219,581	560,333,924	104,804,268	13,897,612	14,242,153
	2016	465,711,498	62,969,494	67,833,683	238,235	596,752,910	213,900,201	17,427,012	15,289,473
	2017	497,461,757	67,008,581	70,493,840	268,945	635,233,123	104,959,358	17,579,621	16,359,496
	2018	535,530,244	73,505,995	76,270,462	286,605	685,593,306	89,351,653	15,242,429	16,640,928
EORP	2009	28,020,876	5,007,588	1,149,946	-	34,178,410	-	131,663	917,286
	2010	30,411,785	5,379,358	1,093,701	-	36,884,844	-	126,426	884,225
	2011	32,855,786	5,582,012	1,227,920	-	39,665,718	-	216,689	926,378
	2012	36,215,843	6,030,424	1,290,728	-	43,536,995	-	89,631	914,968
	2013	37,637,320	6,477,448	1,357,588	-	45,472,356	-	123,773	901,360
	2014	44,479,754	7,488,200	1,650,094	-	53,618,049	-	154,933	950,531
	2015	45,334,729	7,486,807	1,631,464	-	54,453,000	-	173,427	956,773
	2016	48,439,241	7,812,332	1,750,941	-	58,002,514	-	83,747	1,022,136
	2017	50,425,530	8,188,825	1,838,746	-	60,453,101	-	264,327	1,043,450
	2018	53,305,822	8,807,080	1,856,745	-	63,969,647	-	55,413	1,046,917
CORP	2009	46,752,709	6,685,021	1,805,702	-	55,243,432	245,457	14,879,342	2,207,889
	2010	54,722,001	6,740,427	1,914,842	-	63,377,270	662,404	19,774,873	2,372,104
	2011	65,448,261	7,467,220	2,105,741	-	75,021,222	1,338,048	24,927,660	2,699,129
	2012	74,822,948	8,602,328	2,259,626	-	85,684,902	2,292,891	25,743,514	2,890,441
	2013	81,829,319	9,043,592	2,306,541	-	93,179,451	1,633,892	31,179,499	2,829,735
	2014	78,117,262	9,704,817	2,446,501	-	90,268,580	1,050,277	29,131,822	2,728,206
	2015	82,764,383	9,990,109	2,602,666	102,637	95,459,795	1,791,906	26,757,384	3,073,707
	2016	88,359,009	10,421,844	2,678,670	151,531	101,611,054	3,204,216	28,990,424	3,339,009
	2017	95,094,657	10,716,037	2,702,360	183,742	108,696,796	816,681	26,093,328	3,547,976
	2018	108,794,343	12,117,840	2,981,013	231,133	124,124,329	669,369	25,924,029	3,684,406
AOC	2014	14,620,291	344,977	86,082	-	15,051,350	716,605	1,314,886	309,357
	2015	16,449,475	416,971	89,850	-	16,956,296	2,174,688	1,631,542	318,262
	2016	19,131,207	574,800	92,533	10,331	19,808,871	2,327,299	2,466,411	388,388
	2017	22,121,885	482,714	130,311	11,024	22,745,934	1,901,181	1,639,618	439,498
	2018	26,310,791	575,241	144,169	18,722	27,048,923	2,043,852	2,016,607	477,976

FINANCIAL TRENDS

VALUATION ASSETS vs. PENSION LIABILITIES
INCLUDES HEALTH INSURANCE SUBSIDY
LAST TEN FISCAL YEARS
(IN THOUSANDS)

PLAN	YEAR ENDING JUNE 30,	VALUATION ASSETS	UNFUNDED LIABILITIES	ACCRUED LIABILITIES	FUNDED RATIO
PSPRS	2009	5,445,497	2,543,954	7,989,451	68.2%
	2010	5,591,304	2,900,518	8,491,822	65.8%
	2011	5,795,945	3,569,316	9,365,261	61.9%
	2012	6,051,595	4,273,935	10,325,530	58.6%
	2013	6,185,074	4,638,466	10,823,540	57.1%
	2014	6,313,415	6,206,116	12,519,531	50.4%
	2015	6,533,140	6,447,071	12,980,211	50.3%
	2016	6,878,255	7,674,484	14,552,739	47.3%
	2017	7,395,566	8,484,130	15,879,696	46.6%
	2018	7,786,954	8,797,076	16,584,029	47.0%
EORP	2009	360,950	145,240	506,190	71.3%
	2010	357,342	178,429	535,771	66.7%
	2011	366,429	223,892	590,321	62.1%
	2012	356,346	253,883	610,229	58.4%
	2013	350,885	281,652	632,537	55.5%
	2014	336,495	471,862	808,357	41.6%
	2015	338,431	487,380	825,811	41.0%
	2016	338,033	512,299	850,332	39.8%
	2017	334,747	691,250	1,025,997	32.6%
	2018	307,741	610,536	918,277	33.5%
CORP	2009	1,309,124	275,169	1,584,293	82.6%
	2010	1,382,144	339,862	1,722,006	80.3%
	2011	1,466,750	541,820	2,008,569	73.0%
	2012	1,512,989	718,555	2,231,544	67.8%
	2013	1,559,583	770,655	2,330,238	66.9%
	2014	1,613,312	1,121,248	2,734,560	59.0%
	2015	1,682,776	1,158,331	2,841,108	59.2%
	2016	1,794,425	1,243,254	3,037,679	59.1%
	2017	1,916,845	1,808,029	3,724,874	51.5%
	2018	2,023,201	1,585,024	3,608,224	56.1%

FINANCIAL TRENDS

PSPRS
SCHEDULE OF BENEFITS BY TYPE AND RANGE
FISCAL YEAR 2018

MONTHLY BENEFIT AMOUNT	NORMAL BENEFITS	SURVIVOR BENEFITS	DISABILITY BENEFITS	TOTAL BENEFITS
Under 1,000	21	27	8	56
1,001-2000	16	30	60	106
2,001-3,000	447	267	303	1,017
3,001-4,000	2,879	923	873	4,675
4,001-5,000	3,083	255	336	3,674
5,001-6,000	1,591	98	61	1,750
6,001-7,000	769	34	43	846
7,001-8,000	376	13	13	402
8,001-9,000	146	6	5	157
9,001-10,000	83	3	2	88
Over 10,001	51	0	1	52
Totals	**9,462**	**1,656**	**1,705**	**12,823**

EORP
SCHEDULE OF BENEFITS BY TYPE AND RANGE
FISCAL YEAR 2018

MONTHLY BENEFIT AMOUNT	NORMAL BENEFITS	SURVIVOR BENEFITS	DISABILITY BENEFITS	TOTAL BENEFITS
Under 1,000	205	67	0	272
1,001-2000	135	42	1	178
2,001-3,000	111	21	1	133
3,001-4,000	84	18	0	102
4,001-5,000	85	16	3	104
5,001-6,000	54	9	0	63
6,001-7,000	41	5	0	46
7,001-8,000	40	4	0	44
8,001-9,000	43	11	3	57
9,001-10,000	46	13	2	61
Over 10,001	126	10	7	143
Totals	**970**	**216**	**17**	**1,203**

CORP
SCHEDULE OF BENEFITS BY TYPE AND RANGE
FISCAL YEAR 2018

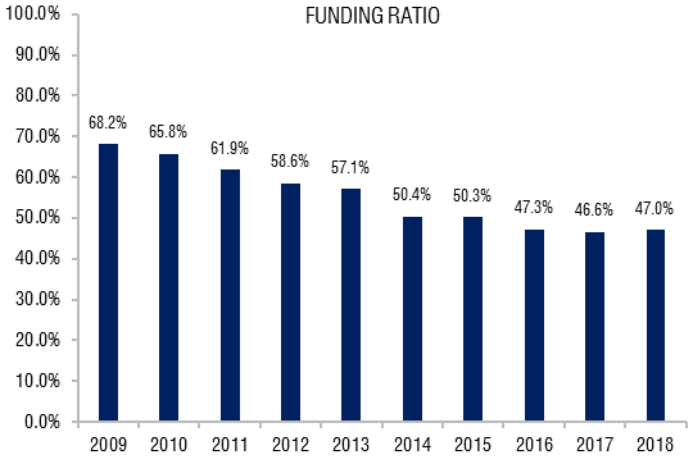
MONTHLY BENEFIT AMOUNT	NORMAL BENEFITS	SURVIVOR BENEFITS	DISABILITY BENEFITS	TOTAL BENEFITS
Under 1,000	265	111	14	390
1,001-2000	1,235	432	77	1,744
2,001-3,000	1,744	78	37	1,859
3,001-4,000	457	18	3	478
4,001-5,000	127	3	0	130
5,001-6,000	46	1	0	47
6,001-7,000	15	1	0	16
7,001-8,000	3	0	0	3
8,001-9,000	4	0	0	4
9,001-10,000	1	0	0	1
Over 10,001	1	0	0	1
Totals	**3,898**	**644**	**131**	**4,673**

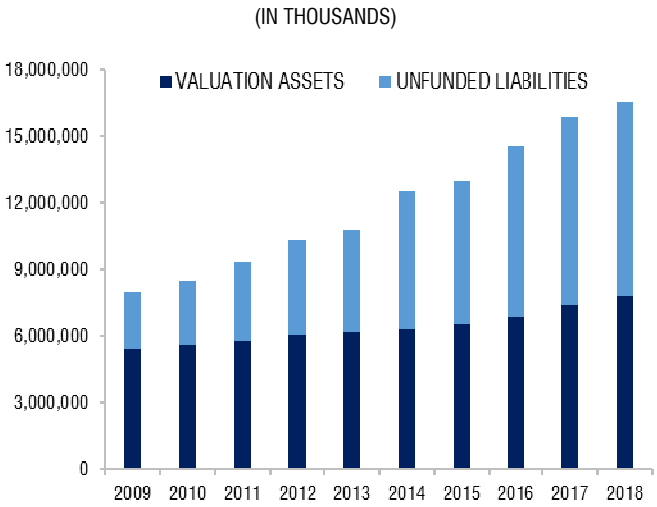
CORP-AOC
SCHEDULE OF BENEFITS BY TYPE AND RANGE
FISCAL YEAR 2018

MONTHLY BENEFIT AMOUNT	NORMAL BENEFITS	SURVIVOR BENEFITS	DISABILITY BENEFITS	TOTAL BENEFITS
Under 1,000	7	3	4	14
1,001-2000	74	7	4	85
2,001-3,000	254	11	1	266
3,001-4,000	210	2	0	212
4,001-5,000	103	0	0	103
5,001-6,000	23	0	0	23
6,001-7,000	10	0	0	10
7,001-8,000	6	0	0	6
8,001-9,000	3	0	0	3
9,001-10,000	0	0	0	0
Over 10,001	0	0	0	0
Totals	**690**	**23**	**9**	**722**

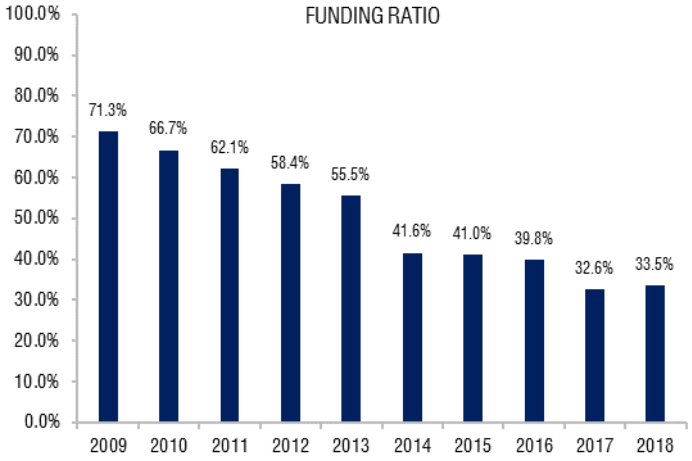
FINANCIAL TRENDS

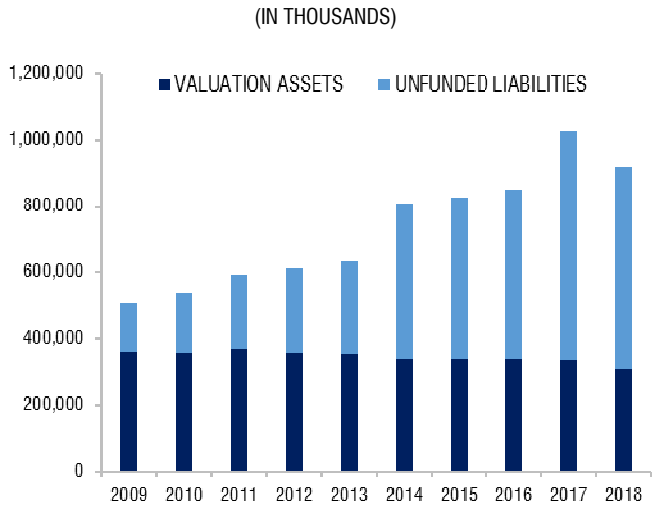
PSPRS



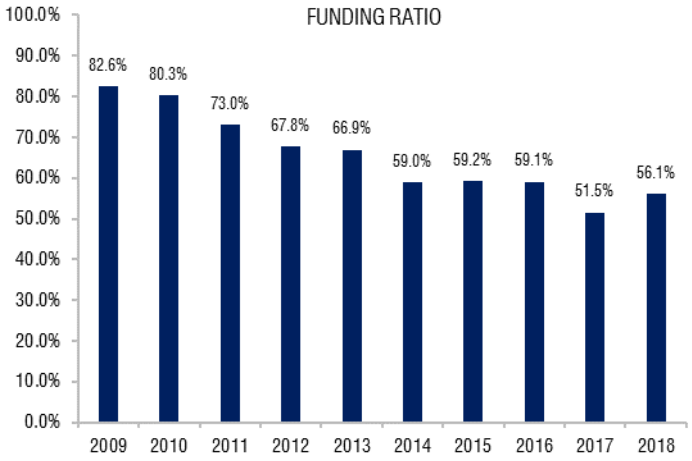


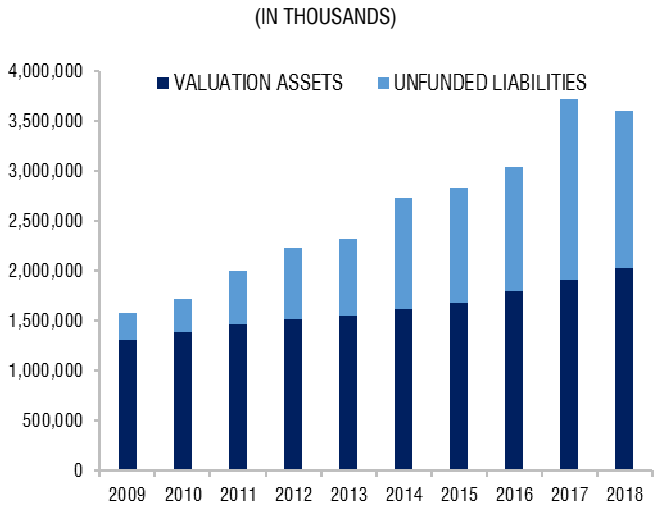
EORP





CORP

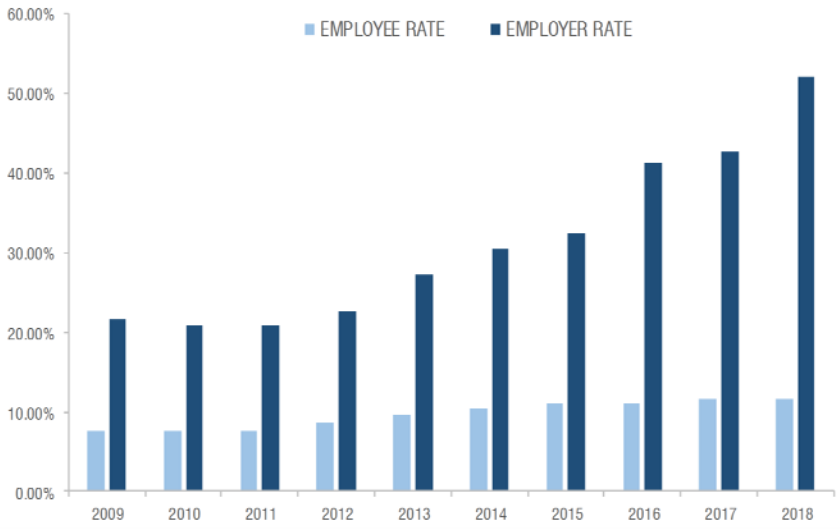




FINANCIAL TRENDS

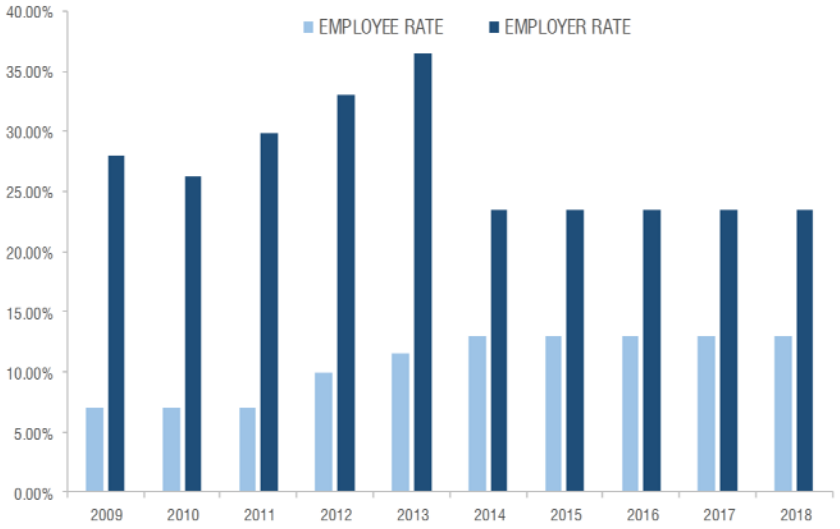
PSPRS
CONTRIBUTION RATES
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	AVERAGE EMPLOYER RATE	EMPLOYEE RATE
2009	21.71%	7.65%
2010	20.77%	7.65%
2011	20.89%	7.65%
2012	22.68%	8.65%
2013	27.18%	9.55%
2014	30.44%	10.35%
2015	32.54%	11.05%
2016	41.37%	11.65%
2017	42.61%	11.65%
2018	52.09%	11.65%



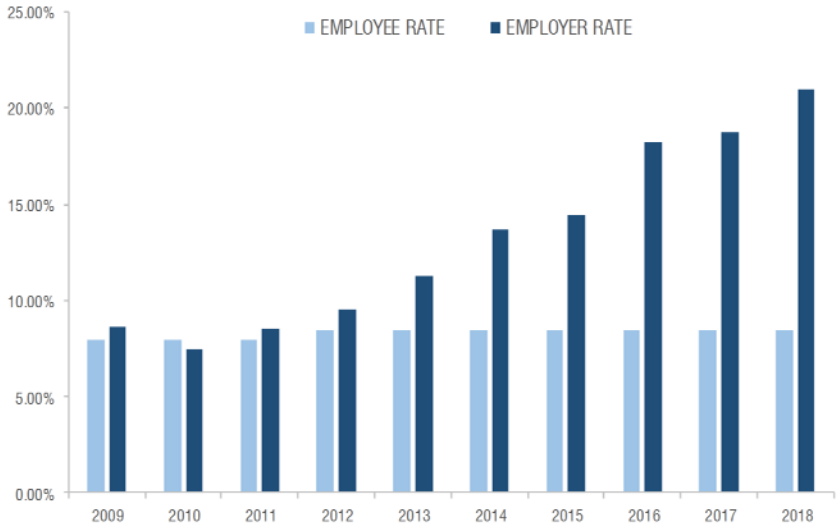
EORP
CONTRIBUTION RATES
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	AVERAGE EMPLOYER RATE	EMPLOYEE RATE
2009	28.00%	7.00%
2010	26.25%	7.00%
2011	29.79%	7.00%
2012	32.99%	10.00%
2013	36.44%	11.50%
2014	23.50%	13.00%
2015	23.50%	13.00%
2016	23.50%	13.00%
2017	23.50%	13.00%
2018	23.50%	13.00%



CORP
CONTRIBUTION RATES
LAST TEN FISCAL YEARS

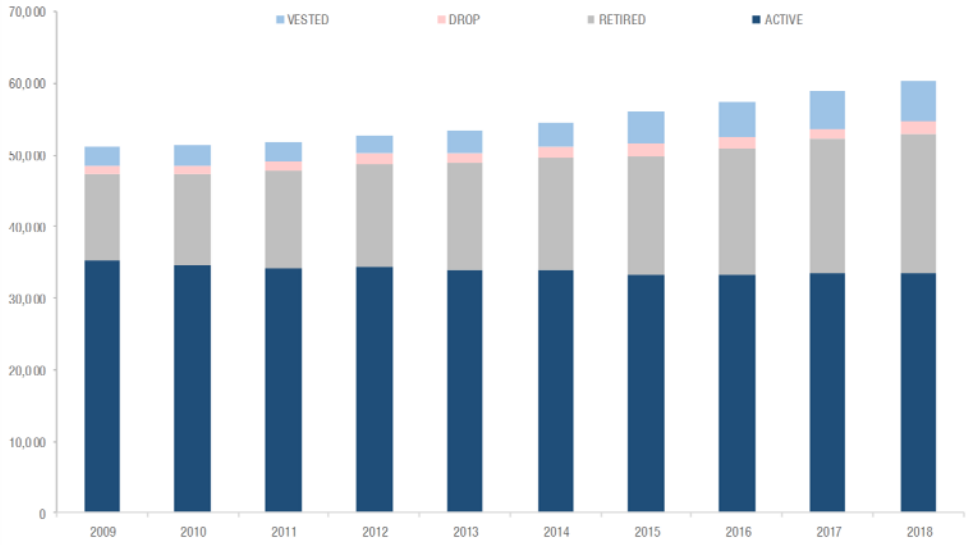
YEAR ENDING JUNE 30,	AVERAGE EMPLOYER RATE	EMPLOYEE RATE
2009	8.65%	7.96%
2010	7.49%	7.96%
2011	8.57%	7.96%
2012	9.50%	8.41%
2013	11.31%	8.41%
2014	13.68%	8.41%
2015	14.46%	8.41%
2016	18.21%	8.41%
2017	18.71%	8.41%
2018	20.98%	8.41%



OPERATING INFORMATION

MEMBERSHIP IN RETIREMENT SYSTEM
ALL PLANS COMBINED
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	ACTIVE	BENEFICIARY RETIRED	DROP	TERMINATED VESTED	TOTAL
2009	35,304	12,105	1,044	2,740	51,193
2010	34,614	12,783	1,093	2,853	51,343
2011	34,048	13,768	1,419	2,503	51,738
2012	34,378	14,270	1,496	2,497	52,641
2013	33,855	15,026	1,482	3,065	53,428
2014	33,964	15,667	1,559	3,410	54,600
2015	33,331	16,560	1,675	4,412	55,978
2016	33,246	17,771	1,365	4,951	57,333
2017	33,568	18,686	1,409	5,217	58,880
2018	33,562	19,421	1,678	5,674	60,335



PRINCIPAL PARTICIPATING EMPLOYERS COMPARISON

	2018			2009		
EMPLOYER	COVERED	RANK	% OF	COVERED	RANK	% OF
STATE	9,964	1	29.69%	13,098	1	39.43%
MARICOPA COUNTY	3,996	2	11.91%	2,788	3	8.39%
CITY OF PHOENIX	3,933	3	11.72%	4,633	2	13.95%
PIMA COUNTY	1,330	4	3.96%	1,020	6	3.07%
CITY OF TUCSON	1,324	5	3.94%	1,527	4	4.60%
CITY OF MESA	1,068	6	3.18%	1,106	5	3.33%
CITY OF SCOTTSDALE	609	7	1.81%	658	7	1.98%
CITY OF GLENDALE	600	8	1.79%	633	8	1.91%
YAVAPAI COUNTY	526	9	1.57%	319	13	0.96%
CITY OF CHANDLER	504	10	1.50%	516	9	1.55%
ALL OTHER	9,711		28.93%	6,920		20.83%
TOTAL	**33,565**		**100.00%**	**33,218**		**100.00%**

OPERATING INFORMATION

PSPRS
SUMMARY OF BENEFIT INCREASES
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	EXCESS YIELD PER STATUTE	EXCESS EARNINGS	EARNED ON EXCESS AVAILABLE	UTILIZED TO FUND PBI	EXCESS EARNINGS AVAILABLE	BENEFIT INCREASE 4% CAP
2009	0.00%	-	(88,616,363)	(125,721,193)	285,613,717	138.66
2010	4.47%	90,856,517	38,472,168	(139,653,075)	275,289,327	146.74
2011	8.37%	111,327,479	47,817,756	(154,776,639)	279,657,923	152.84
2012	0.00%	-	(2,209,298)	(173,606,421)	103,842,204	159.13
2013	1.64%	42,579,441	103,842,204	(157,470,456)	-	137.82
2014	4.28%	122,395,408	-	(122,395,408)	-	104.91
2015	0.00%	-	-	-	-	0.00
2016	0.00%	-	-	-	-	0.00
2017	0.00%	-	-	-	-	0.00
2018	0.00%	-	-	-	-	2.00%

EORP
SUMMARY OF BENEFIT INCREASES
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	EXCESS YIELD PER STATUTE	EXCESS EARNINGS	EARNED ON EXCESS AVAILABLE	UTILIZED TO FUND PBI	EXCESS EARNINGS AVAILABLE	BENEFIT INCREASE 4% CAP
2009	0.00%	-	(3,227,552)	(11,319,196)	3,637,670	4.00%
2010	4.47%	15,303,603	489,994	(12,367,914)	7,063,353	4.00%
2011	0.00%	32,774,743	1,226,904	(13,406,035)	27,658,965	4.00%
2012	0.00%	-	(218,506)	(15,084,924)	12,355,535	4.00%
2013	0.00%	6,913,090	1,314,629	(16,212,682)	4,370,572	4.00%
2014	4.28%	20,233,466	6,664,523	(17,517,227)	8,374,702	4.00%
2015	0.00%	-	308,189	(8,682,891)	-	1.90%
2016	0.00%	-	-	-	-	0.00%
2017	2.85%	17,037,500	-	(17,037,500)	-	3.15%
2018	0.00%	-	-	-	-	0.00%

CORP
SUMMARY OF BENEFIT INCREASES
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	EXCESS YIELD PER STATUTE	EXCESS EARNINGS	EARNED ON EXCESS AVAILABLE	UTILIZED TO FUND PBI	EXCESS EARNINGS AVAILABLE	BENEFIT INCREASE 4% CAP
2009	0.00%	-	(7,311,624)	(18,197,108)	15,124,946	4.00%
2010	4.47%	22,836,733	2,037,330	(21,264,230)	18,734,779	4.00%
2011	0.00%	18,471,995	3,254,231	(25,641,306)	14,819,699	4.00%
2012	0.00%	-	(117,076)	(14,702,623)	-	1.94%
2013	1.64%	11,006,015		(11,006,015)		1.26%
2014	4.28%	30,800,115	-	(30,800,115)	-	3.21%
2015	0.00%	-	-	-	-	0.00%
2016	0.00%	-	-	-	-	0.00%
2017	2.85%	22,863,989		(22,863,989)		1.76%
2018	0.00%	-	-	-	-	0.00%

OPERATING INFORMATION

PSPRS
SUMMARY OF GROWTH OF THE SYSTEM
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	TOTAL ASSETS AT BOOK	INVESTMENT REALIZED EARNINGS	ASSUMED ACTUARIAL YIELD	NET EFFECTIVE YIELD	AVERAGE EMPLOYER RATE
2009	4,528,657,401	(693,024,100)	8.50%	-11.82%	21.71%
2010	4,515,144,264	(853,785)	8.50%	-1.52%	20.77%
2011	4,654,515,193	228,517,315	8.25%	6.44%	20.89%
2012	4,754,315,706	153,740,609	8.00%	4.25%	22.68%
2013	5,035,133,736	268,824,221	7.85%	7.16%	27.18%
2014	5,345,000,339	359,609,007	7.85%	7.69%	30.44%
2015	5,713,026,312	437,627,571	7.85%	7.94%	32.54%
2016	5,876,814,681	244,244,997	7.50%	4.22%	41.37%
2017	6,283,776,138	350,341,962	7.40%	5.78%	42.61%
2018	6,626,886,892	391,553,990	7.40%	6.08%	52.09%

EORP
SUMMARY OF GROWTH OF THE SYSTEM
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	TOTAL ASSETS AT BOOK	INVESTMENT REALIZED EARNINGS	ASSUMED ACTUARIAL YIELD	NET EFFECTIVE YIELD	AVERAGE EMPLOYER RATE
2009	284,301,733	(43,712,004)	8.50%	-12.05%	28.00%
2010	275,228,597	(83,746)	8.50%	-1.48%	26.25%
2011	281,066,482	13,833,726	8.25%	6.56%	29.79%
2012	278,266,609	9,054,084	8.00%	4.22%	32.99%
2013	283,202,703	15,232,109	7.85%	7.07%	36.44%
2014	289,437,455	22,551,048	7.85%	7.64%	23.50%
2015	296,427,743	23,012,960	7.85%	7.87%	23.50%
2016	287,908,552	12,033,354	7.50%	4.21%	23.50%
2017	281,751,649	16,230,212	7.40%	5.75%	23.50%
2018	259,233,183	16,747,057	7.40%	6.13%	23.50%

CORP
SUMMARY OF GROWTH OF THE SYSTEM
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,	TOTAL ASSETS AT BOOK	INVESTMENT REALIZED EARNINGS	ASSUMED ACTUARIAL YIELD	NET EFFECTIVE YIELD	AVERAGE EMPLOYER RATE
2009	1,057,808,935	(175,258,029)	8.50%	-13.04%	8.65%
2010	1,095,569,678	(322,346)	8.50%	-1.50%	7.49%
2011	1,162,499,803	56,158,378	8.25%	6.43%	8.57%
2012	1,205,454,963	38,880,876	8.00%	4.27%	9.50%
2013	1,283,208,335	68,918,508	7.85%	7.20%	11.31%
2014	1,370,985,156	105,803,854	7.85%	7.72%	13.68%
2015	1,474,581,597	113,314,143	7.85%	7.99%	14.46%
2016	1,537,017,590	63,339,430	7.50%	4.11%	18.21%
2017	1,629,432,314	90,799,593	7.40%	5.69%	18.71%
2018	1,719,749,862	102,494,869	7.40%	6.17%	20.98%

OPERATING INFORMATION

PSPRS
BENEFITS PAYABLE JUNE 30, 2018
BY TYPE OF BENEFIT

PENSIONS BEING PAID	NO.	ANNUAL PENSIONS	AVERAGE PENSIONS
RETIRED MEMBERS			
Service Pensions	9,461	542,775,785	57,370
Disability Pensions	1,705	76,101,551	44,634
Total Retired Members	**11,166**	**618,877,336**	**55,425**
SURVIVORS OF MEMBERS			
Spouses	1,584	71,655,383	45,237
Children w/Guardians	72	1,790,098	24,862
Total Survivors of Members	**1,656**	**73,445,481**	**44,351**
TOTAL PENSIONS BEING PAID	**12,822**	**692,322,817**	**53,995**

PSPRS

	AVERAGE AGE	AVERAGE SERVICE	AVG RETIRE AGE
Normal retired members	64.4	23.5	51.9
Disability retired members	58.3	14.4	44.2
Spouse beneficiaries	70.7	19.8	44.5

EORP
BENEFITS PAYABLE JUNE 30, 2018
BY TYPE OF BENEFIT

PENSIONS BEING PAID	NO.	ANNUAL PENSIONS	AVERAGE PENSIONS
RETIRED MEMBERS			
Service Pensions	970	53,507,716	55,163
Disability Pensions	17	1,781,992	104,823
Total Retired Members	**987**	**55,289,708**	**56,018**
SURVIVORS OF MEMBERS			
Spouses	214	8,544,973	39,930
Children w/Guardians	2	69,227	34,614
Total Survivors of Members	**216**	**8,614,200**	**39,881**
TOTAL PENSIONS BEING PAID	**1,203**	**63,903,908**	**53,120**

EORP

	AVERAGE AGE	AVERAGE SERVICE	AVG RETIRE AGE
Normal retired members	72.4	14.4	61.3
Disability retired members	70.1	12.1	58.8
Spouse beneficiaries	78.4	13.8	57.7

CORP
BENEFITS PAYABLE JUNE 30, 2018
BY TYPE OF BENEFIT

PENSIONS BEING PAID	NO.	ANNUAL PENSIONS	AVERAGE PENSIONS
RETIRED MEMBERS			
Service Pensions	4,588	132,945,707	28,977
Disability Pensions	140	2,957,371	21,124
Total Retired Members	**4,728**	**135,903,078**	**28,744**
SURVIVORS OF MEMBERS			
Spouses	632	11,897,250	18,825
Children w/Guardians	35	474,632	13,561
Total Survivors of Members	**667**	**12,371,882**	**18,549**
TOTAL PENSIONS BEING PAID	**5,395**	**148,274,960**	**27,484**

CORP

	AVERAGE AGE	AVERAGE SERVICE	AVG RETIRE AGE
Normal retired members	64.2	20.2	56.2
Disability retired members	58.3	9.7	46.0
Spouse beneficiaries	68.5	13.4	52.5

OPERATING INFORMATION

PSPRS
AVERAGE MONTHLY BENEFITS AND
MEMBERSHIP IN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,		YEARS OF CREDITED SERVICE BY CATEGORY							
		<5	5-10	10-15	15-20	20-25	25-30	30+	ALL MEMBERS
2009	Average monthly benefit	2,638	2,741	2,894	3,007	3,293	4,492	5,401	3,669
	Average final average salary								5,741
	Number of retirees	202	336	425	511	4,351	2,201	583	8,609
2010	Average monthly benefit	2,768	2,879	2,952	3,137	3,434	4,652	5,592	3,821
	Average final average salary								5,938
	Number of retirees	210	343	439	533	4,482	2,333	614	8,954
2011	Average monthly benefit	2,868	3,008	3,061	3,282	3,577	4,820	5,791	3,978
	Average final average salary								6,007
	Number of retirees	221	355	469	551	4,741	2,540	645	9,522
2012	Average monthly benefit	2,988	3,116	3,184	3,405	3,718	4,973	5,988	4,123
	Average final average salary								6,077
	Number of retirees	228	367	478	567	4,872	2,636	654	9,802
2013	Average monthly benefit	3,039	3,122	3,160	3,393	3,718	4,999	6,031	4,131
	Average final average salary								6,197
	Number of retirees	236	386	501	588	5,041	2,740	667	10,159
2014	Average monthly benefit	3,224	3,244	3,304	3,483	3,892	5,182	6,259	4,301
	Average final average salary								6,281
	Number of retirees	231	398	527	627	5,215	2,842	684	10,524
2015	Average monthly benefit	3,241	3,214	3,264	3,500	3,890	5,227	6,309	4,319
	Average final average salary								6,413
	Number of retirees	229	418	545	646	5,465	3,016	715	11,034
2016	Average monthly benefit	3,211	3,177	3,287	3,483	3,892	5,292	6,421	4,362
	Average final average salary								6,598
	Number of retirees	239	436	566	675	5,822	3,332	793	11,863
2017	Average monthly benefit	3,224	3,206	3,287	3,502	3,927	5,359	6,495	4,410
	Average final average salary	-	-	-	-	-	-	-	6,743
	Number of retirees	241	444	593	702	6,075	3,524	820	12,399
2018	Average monthly benefit	3,260	3,256	3,352	3,577	4,002	5,472	6,656	4,500
	Average final average salary	-	-	-	-	-	-	-	6,868
	Number of retirees	246	446	610	726	6,301	3,653	840	12,822

OPERATING INFORMATION

EORP
AVERAGE MONTHLY BENEFITS AND
MEMBERSHIP IN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,		YEARS OF CREDITED SERVICE BY CATEGORY							
		<5	5-10	10-15	15-20	20-25	25-30	30+	ALL MEMBERS
2009	Average monthly benefit	1,161	1,113	2,437	4,196	6,724	5,911	3,802	3,339
	Average final average salary								6,388
	Number of retirees	12	257	255	149	167	50	15	905
2010	Average monthly benefit	1,208	1,156	2,565	4,428	7,116	6,083	3,956	3,559
	Average final average salary								6,525
	Number of retirees	12	255	257	156	177	50	14	921
2011	Average monthly benefit	1,142	1,171	2,700	4,547	7,246	6,309	3,589	3,658
	Average final average salary								6,517
	Number of retirees	11	277	273	169	195	49	16	990
2012	Average monthly benefit	1,133	1,153	2,722	4,609	7,297	6,382	3,589	3,689
	Average final average salary								6,580
	Number of retirees	10	276	277	168	197	48	16	992
2013	Average monthly benefit	1,133	1,144	2,829	4,650	7,297	6,327	3,565	3,722
	Average final average salary								6,576
	Number of retirees	10	291	299	181	209	50	17	1,057
2014	Average monthly benefit	1,252	1,279	3,186	5,258	8,228	7,304	3,964	4,195
	Average final average salary								6,489
	Number of retirees	12	293	295	179	211	48	15	1,053
2015	Average monthly benefit	1,075	1,323	3,260	5,244	8,247	7,342	4,612	4,237
	Average final average salary								6,520
	Number of retirees	14	312	309	190	226	49	16	1,116
2016	Average monthly benefit	828	1,311	3,289	5,425	8,287	7,366	4,709	4,311
	Average final average salary								6,613
	Number of retirees	12	311	307	198	230	48	17	1,123
2017	Average monthly benefit	855	1,355	3,375	5,559	8,538	7,651	4,633	4,424
	Average final average salary	-	-	-	-	-	-	-	6,575
	Number of retirees	12	338	319	213	244	51	19	1,196
2018	Average monthly benefit	847	1,335	3,380	5,603	8,522	7,406	4,808	4,427
	Average final average salary	-	-	-	-	-	-	-	6,636
	Number of retirees	11	341	318	217	250	47	19	1,203

OPERATING INFORMATION

CORP
AVERAGE MONTHLY BENEFITS AND
MEMBERSHIP IN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

YEAR ENDING JUNE 30,		YEARS OF CREDITED SERVICE BY CATEGORY							
		<5	5-10	10-15	15-20	20-25	25-30	30+	ALL MEMBERS
2009	Average monthly benefit	1,155	1,080	1,079	1,596	2,227	3,311	4,019	1,900
	Average final average salary								3,535
	Number of retirees	126	164	614	400	930	290	67	2,591
2010	Average monthly benefit	1,208	1,133	1,131	1,669	2,308	3,397	4,189	1,999
	Average final average salary								3,606
	Number of retirees	132	172	671	438	1,078	335	82	2,908
2011	Average monthly benefit	1,235	1,172	1,169	1,733	2,364	3,424	4,322	2,089
	Average final average salary								3,682
	Number of retirees	138	176	715	458	1,272	399	98	3,256
2012	Average monthly benefit	1,233	1,185	1,168	1,733	2,363	3,392	4,435	2,108
	Average final average salary								3,743
	Number of retirees	142	170	740	477	1,406	434	107	3,476
2013	Average monthly benefit	1,243	1,189	1,176	1,721	2,357	3,373	4,333	2,110
	Average final average salary								3,808
	Number of retirees	148	169	811	524	1,566	477	115	3,810
2014	Average monthly benefit	1,340	1,292	1,216	1,791	2,428	3,482	4,423	2,192
	Average final average salary								3,719
	Number of retirees	150	174	864	554	1,706	517	125	4,090
2015	Average monthly benefit	1,287	1,261	1,214	1,803	2,398	3,475	4,418	2,196
	Average final average salary								3,881
	Number of retirees	150	171	916	585	1,877	566	145	4,410
2016	Average monthly benefit	1,279	1,283	1,199	1,799	2,384	3,425	4,320	2,205
	Average final average salary								4,074
	Number of retirees	148	175	958	618	2,072	646	168	4,785
2017	Average monthly benefit	1,325	1,316	1,240	1,852	2,457	3,535	4,466	2,285
	Average final average salary	-	-	-	-	-	-	-	3,944
	Number of retirees	148	176	1,004	636	2,262	686	179	5,091
2018	Average monthly benefit	1,327	1,339	1,235	1,864	2,444	3,516	4,434	2,290
	Average final average salary	-	-	-	-	-	-	-	3,982
	Number of retirees	146	173	1,044	668	2,434	735	195	5,395

OPERATING INFORMATION

PSPRS
10 YEAR ESTIMATED CONTRIBUTION RATES
(IN PERCENTAGE)

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
PSPRS Aggregate	52.20	51.88	51.83	51.96	51.96	51.70	51.61	51.49	51.37	51.24
Dept. of Liquor Licenses and Control	94.15	94.11	94.27	94.73	94.93	94.77	94.83	94.89	94.95	95.02
Dept. of Public Safety	97.45	97.30	97.32	97.57	97.66	97.40	97.37	97.32	97.29	97.27
Northern Arizona University	65.51	65.10	65.26	65.59	65.73	65.62	65.69	65.74	65.79	65.82
University of Arizona	48.46	48.22	48.29	48.53	48.63	48.37	48.40	48.44	48.45	48.47
Arizona State University	43.47	43.27	43.26	43.48	43.59	43.43	43.46	43.36	43.34	43.37
Arizona Game and Fish Dept.	116.20	116.08	116.23	116.55	116.73	116.64	116.71	116.76	116.82	116.87
Attorney General Investigators	63.00	62.75	62.85	63.11	63.22	63.15	63.21	63.25	63.28	63.34
Dept. of Emergency and Military Affairs	35.66	35.62	35.76	36.05	36.23	36.13	36.19	36.25	36.32	36.37
Arizona State Park Rangers	87.88	87.96	88.29	89.01	89.26	88.94	89.04	89.10	89.17	89.22

CORP
10 YEAR ESTIMATED CONTRIBUTION RATES
(IN PERCENTAGE)

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
CORP Aggregate	27.59	27.37	27.20	27.17	27.01	26.63	26.36	26.06	25.74	25.39
State Department of Corrections	27.51	27.31	27.16	27.12	26.98	26.61	26.34	26.06	25.75	25.41
Dept. of Public Safety - Dispatchers	40.41	40.39	40.51	40.92	41.00	40.50	40.28	39.98	39.65	39.28
Dept. of Public Safety - Detention	26.57	26.37	26.32	26.40	26.37	26.10	25.95	25.76	25.56	25.33
Administrative Office of the Courts (AOC)	30.71	30.45	30.26	30.24	30.09	29.66	29.39	29.08	28.76	28.41
Dept. of Juvenile Corrections	44.65	44.38	44.21	44.17	43.95	43.44	43.07	42.66	42.22	41.74

**Estimated contribution rates for the next 10 years per Amended Statute 38-848.*

OPERATING INFORMATION

SCHEDULE OF CHANGES IN REFUNDABLE MEMBER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB RECEIVED	WITHDRAWN MEMBERS	2018 BALANCES
AK CHIN INDIAN COMM. FIRE DEPT.	1,542,806	-	(207,156)	-	198,567	(44,072)	1,490,145
AK CHIN INDIAN COMM. POLICE DEPT.	966,550	-	(144,400)	-	128,604	-	950,754
APACHE COUNTY SHERIFF'S DEPT.	1,325,313	-	(194,104)	-	160,777	(61,255)	1,230,731
APACHE JUNCTION POLICE DEPARTMENT	3,243,368	-	(419,137)	-	515,398	-	3,339,630
ARIZONA FIRE & MEDICAL AUTHORITY	-	8,415,161	(1,299,668)	(91,172)	832,554	-	7,856,876
ARIZONA STATE PARK RANGERS	1,350,669	-	(173,188)	(120,463)	78,770	-	1,135,788
ASU PD PSPRS LOCAL BOARD	3,992,746	-	(548,423)	1,692	470,623	(81,807)	3,834,832
ATTORNEY GENERAL INVESTIGATORS	1,109,098	-	(138,102)	27,400	183,006	-	1,181,402
AVONDALE FIRE DEPARTMENT	5,810,449	-	(727,719)	(265,269)	514,800	-	5,332,262
AVONDALE POLICE DEPARTMENT	6,662,030	-	(864,706)	(146,696)	841,136	(23,226)	6,468,539
AVRA VALLEY FIRE DISTRICT	1,026,620	-	(119,920)	(30,052)	207,540	-	1,084,187
AZ DPT. LIQ. LIC. & CONTROL INVST	718,067	-	(102,325)	19,644	57,787	-	693,173
BEAVER DAM/LITTLEFIELD FIRE DIST.	17,933	-	-	-	26,320	-	44,253
BENSON FIRE DEPARTMENT	109,452	-	(11,015)	-	5,507	-	103,944
BENSON POLICE DEPARTMENT	637,537	-	(80,348)	(20,331)	70,960	-	607,819
BISBEE FIRE DEPARTMENT	747,430	-	(73,295)	(77,621)	91,419	-	687,933
BISBEE POLICE DEPARTMENT	463,604	-	(63,800)	-	193,523	(5,411)	587,916
BLACK CANYON FIRE DISTRICT	214,675	(214,675)	-	-	-	-	-
BLUE RIDGE FIRE DISTRICT	23,468	-	-	-	28,374	(4,558)	47,284
BUCKEYE FIRE DEPARTMENT	6,566,699	-	(1,014,501)	-	634,840	-	6,187,038
BUCKEYE POLICE DEPARTMENT	5,632,952	-	(890,901)	(101,549)	652,814	(81,206)	5,212,109
BUCKEYE VALLEY FIRE DISTRICT	3,305,421	-	(521,916)	(90,710)	420,636	(40,845)	3,072,585
BUCKSKIN FIRE DISTRICT	778,332	-	(100,899)	(122,137)	150,668	(3,767)	702,196
BULLHEAD CITY FIRE DEPARTMENT	6,296,156	-	(708,118)	(87,558)	436,447	(175,700)	5,761,226
BULLHEAD CITY POLICE DEPARTMENT	4,778,526	-	(578,626)	(174,478)	441,673	(52,023)	4,415,071
CAMP VERDE MARSHALL'S	626,583	-	(94,920)	(85,108)	79,219	-	525,774
CASA GRANDE FIRE DEPARTMENT	4,597,491	-	(680,881)	(184,320)	392,325	-	4,124,616
CASA GRANDE POLICE DEPARTMENT	5,384,977	-	(688,009)	-	500,654	(30,133)	5,167,488
CAVE CREEK MARSHALS	91,736	-	(15,221)	-	8,544	-	85,059
CENTRAL AZ. COLLEGE POLICE DEPT.	220,035	-	(34,910)	-	34,422	-	219,547
CENTRAL AZ. FIRE AND MEDICAL AUTH	8,568,776	-	(1,150,285)	(228,824)	802,433	-	7,992,100
CHANDLER FIRE DEPARTMENT	20,278,304	-	(2,614,955)	(272,494)	1,633,743	(119,768)	18,904,830
CHANDLER POLICE DEPARTMENT	30,114,209	-	(3,915,299)	(1,049,239)	2,765,931	(39,472)	27,876,130
CHINO VALLEY POLICE DEPARTMENT	830,928	-	(143,222)	68,966	132,570	(153)	889,089
CHRISTOPHER-KOHL'S FIRE DISTRICT	206,592	-	(30,079)	-	30,981	-	207,494
CITY OF MARICOPA - FIRE	4,474,375	-	(728,332)	(85,551)	439,880	(7,159)	4,093,213
CITY OF MARICOPA (POLICE DEPT.)	3,002,736	-	(416,331)	15,709	434,646	(34,663)	3,002,097
CLARKDALE POLICE DEPARTMENT	235,587	-	(29,663)	3,165	39,814	-	248,902
CLIFTON FIRE DEPARTMENT	-	-	-	-	-	-	-
CLIFTON POLICE DEPARTMENT	143,760	-	(17,956)	-	31,999	-	157,803

OPERATING INFORMATION

SCHEDULE OF CHANGES IN REFUNDABLE MEMBER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB RECEIVED	WITHDRAWN MEMBERS	2018 BALANCES
COCHISE COUNTY SHERIFF'S DEPT	4,293,003	-	(619,489)	(231,683)	430,422	-	3,872,253
COCONINO COUNTY SHERIFF'S DEPT	2,541,758	-	(325,588)	11,653	340,152	(28,851)	2,539,123
COOLIDGE FIRE DEPARTMENT	229,304	-	(33,149)	-	33,559	(3,140)	226,574
COOLIDGE POLICE DEPARTMENT	1,291,290	-	(189,557)	(10,121)	152,874	(52,911)	1,191,575
COPPER CANYON FIRE AND MEDICAL	1,875,474	-	(273,658)	(63,447)	240,498	-	1,778,866
CORONA DE TUCSON FIRE DISTRICT	697,683	-	(135,959)	9,218	97,500	(62,013)	606,428
COTTONWOOD FIRE DEPARTMENT	1,529,375	-	(209,738)	(60,669)	145,440	(982)	1,403,426
COTTONWOOD POLICE DEPARTMENT	1,747,204	-	(268,021)	(28,548)	174,855	-	1,625,491
DAISY MOUNTAIN FIRE DISTRICT	7,438,968	214,675	(1,088,775)	(165,326)	759,862	-	7,159,404
DEPARTMENT OF EMER & MILITARY AFF	2,161,939	-	(251,792)	(1,373)	250,979	(36,750)	2,123,003
DEPARTMENT OF PUBLIC SAFETY	39,413,541	-	(10,505,543)	(596,097)	3,727,962	(222,464)	31,817,399
DESERT HILLS FIRE DEPARTMENT	691,425	-	(112,277)	(7,226)	103,494	(6,148)	669,269
DOUGLAS FIRE DEPARTMENT	1,496,741	-	(196,406)	-	188,475	(3,587)	1,485,223
DOUGLAS POLICE DEPARTMENT	1,836,602	-	(244,404)	(169,345)	209,160	(57,079)	1,574,934
DREXEL HEIGHTS FIRE DISTRICT	4,625,839	-	(575,631)	(112,480)	407,366	(596)	4,344,499
EAGAR POLICE DEPARTMENT	306,520	-	(41,279)	-	27,597	(4,283)	288,555
EL MIRAGE FIRE DEPARTMENT	1,432,408	-	(205,015)	(10,378)	169,867	(64,278)	1,322,605
EL MIRAGE POLICE DEPARTMENT	2,743,422	-	(368,545)	19,896	373,450	-	2,768,222
ELOY FIRE DISTRICT	1,298,049	-	(234,992)	-	208,622	-	1,271,679
ELOY POLICE DEPARTMENT	1,362,416	-	(210,751)	-	151,267	-	1,302,932
FLAGSTAFF FIRE DEPARTMENT	6,492,017	-	(799,906)	6,575	577,030	-	6,275,716
FLAGSTAFF POLICE DEPARTMENT	6,652,958	-	(810,062)	(113,706)	680,616	-	6,409,807
FLORENCE FIRE DEPARTMENT	1,333,664	-	(212,083)	-	144,528	-	1,266,109
FLORENCE POLICE DEPARTMENT	1,290,599	-	(197,663)	-	153,741	(222)	1,246,455
FORT MCDOWELL TRIBAL FIRE DEPT.	601,727	-	(82,799)	-	91,888	-	610,817
FORT MCDOWELL TRIBAL POLICE DEPT.	1,409,162	-	(203,166)	(93,911)	136,976	(20,722)	1,228,339
FORT MOJAVE MESA FIRE DISTRICT	2,018,527	-	(286,840)	5,521	182,457	(2,129)	1,917,534
FORT MOJAVE TRIBAL POLICE DEPT.	1,001,717	-	(186,457)	-	106,348	-	921,608
FREDONIA MARSHALS	115,375	-	(20,578)	-	7,194	(18,808)	83,184
FRY FIRE DISTRICT	2,624,141	-	(350,313)	(168,366)	236,141	(61,059)	2,280,544
GAME AND FISH DEPARTMENT	7,758,982	-	(1,004,733)	-	594,426	(59,934)	7,288,742
GILA COUNTY SHERIFF'S DEPARTMENT	1,742,009	-	(241,010)	-	196,110	(53,171)	1,643,938
GILA RIVER FIRE DEPARTMENT	4,105,889	-	(573,400)	(97,480)	429,044	(95,985)	3,768,068
GILA RIVER POLICE DEPARTMENT	6,087,429	-	(766,904)	(170,625)	808,942	(152,288)	5,806,554
GILBERT FIRE DEPARTMENT	17,470,689	-	(2,387,330)	(102,829)	1,378,918	(73,912)	16,285,537
GILBERT POLICE DEPARTMENT	18,388,529	-	(2,765,963)	(465,943)	2,013,505	(117,809)	17,052,319
GLENDALE FIRE DEPARTMENT	24,522,783	-	(3,112,324)	(91,570)	2,049,781	-	23,368,669
GLENDALE POLICE DEPARTMENT	36,275,426	-	(4,918,886)	(786,324)	3,350,775	(192,379)	33,728,611
GLOBE FIRE DEPARTMENT	766,496	-	(118,587)	-	81,039	-	728,948
GLOBE POLICE DEPARTMENT	657,155	-	(105,668)	(93,041)	93,522	(26,419)	525,550

OPERATING INFORMATION

SCHEDULE OF CHANGES IN REFUNDABLE MEMBER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB RECEIVED	WITHDRAWN MEMBERS	2018 BALANCES
GOLDEN SHORES FIRE DISTRICT	328,524	-	(40,676)	-	32,815	-	320,663
GOLDEN VALLEY FIRE DISTRICT	969,452	-	(159,418)	-	127,533	-	937,567
GOLDER RANCH FIRE DISTRICT	9,127,318	386,174	(1,434,637)	19,302	1,289,236	(40,591)	9,346,802
GOODYEAR FIRE DEPARTMENT	8,382,593	-	(1,261,752)	(281,378)	910,774	(145,281)	7,604,956
GOODYEAR POLICE DEPARTMENT	6,536,311	-	(1,005,309)	42,340	963,104	(59,898)	6,476,547
GRAHAM COUNTY SHERIFF'S DEPT.	1,105,770	-	(128,822)	(77,995)	96,079	(1,946)	993,085
GREEN VALLEY FIRE DISTRICT	3,358,954	-	(538,038)	442	399,092	(24,427)	3,196,024
GREENLEE CNTY ATTY INVESTIGATORS	23,400	-	-	-	5,614	-	29,014
GREENLEE COUNTY SHERIFF'S DEPT.	516,685	-	(112,613)	-	78,235	-	482,306
GROOM CREEK FIRE DISTRICT	208,150	-	(19,289)	(21,203)	28,465	-	196,123
GUADALUPE FIRE DEPARTMENT	380,943	-	(46,854)	-	25,685	-	359,774
HARQUAHALA FIRE DISTRICT	566,183	-	(86,460)	-	70,160	-	549,883
HAYDEN POLICE DEPARTMENT	225,533	-	(33,617)	-	28,655	(47,304)	173,266
HEBER-OVERGAARD FIRE DISTRICT	689,237	-	(109,005)	-	86,251	(40,858)	625,625
HELLSGATE FIRE DISTRICT	459,517	-	(67,861)	-	46,316	(41,679)	396,293
HIGHLANDS FIRE DISTRICT	1,264,344	-	(250,695)	29,042	162,823	-	1,205,513
HOLBROOK POLICE DEPARTMENT	678,857	-	(76,528)	(19,517)	60,139	(29,538)	613,414
HUACHUCA CITY POLICE DEPARTMENT	203,682	-	(45,562)	-	24,618	-	182,737
HUALAPAI INDIAN TRIBE POLICE DEPT	798,899	-	(124,115)	-	90,564	(99,208)	666,140
JEROME POLICE DEPARTMENT	127,723	-	(17,105)	46,140	16,778	-	173,536
KEARNY POLICE DEPARTMENT	44,403	-	(8,358)	-	26,605	-	62,650
KINGMAN FIRE DEPARTMENT	2,622,019	-	(404,935)	(13,335)	277,807	-	2,481,556
KINGMAN POLICE DEPARTMENT	3,179,938	-	(380,667)	-	294,894	(24,221)	3,069,944
LA PAZ COUNTY ATTY. INVESTIGATORS	-	-	(152)	-	-	-	(152)
LA PAZ COUNTY SHERIFF'S DEPT.	1,245,686	-	(156,125)	(103,511)	159,660	(15,359)	1,130,350
LAKE HAVASU CITY FIRE DEPARTMENT	5,582,287	-	(775,954)	-	470,921	-	5,277,254
LAKE HAVASU CITY POLICE DEPT.	4,845,601	-	(662,230)	(379,161)	740,805	-	4,545,016
LAKE MOHAVE RANCHOS FIRE DISTRICT	264,650	-	(27,476)	(16,226)	19,065	-	240,012
MAMMOTH POLICE DEPARTMENT	77,629	-	(7,334)	-	14,175	-	84,470
MARANA POLICE DEPARTMENT	4,552,683	-	(688,047)	(92,545)	494,139	(208,650)	4,057,581
MARICOPA CNTY ATTY INVESTIGATORS	1,084,505	-	(104,764)	-	126,880	-	1,106,620
MARICOPA COUNTY PARK RANGERS	24,132	-	-	-	-	-	24,132
MARICOPA COUNTY SHERIFF'S OFFICE	53,404,709	-	(6,874,844)	(1,916,664)	5,345,050	(691,095)	49,267,156
MAYER FIRE DISTRICT	932,777	-	(114,172)	(24,175)	65,005	(42,841)	816,595
MESA FIRE DEPARTMENT	40,138,854	-	(4,540,874)	(751,371)	3,035,584	-	37,882,193
MESA POLICE DEPARTMENT	68,293,642	-	(8,902,256)	(2,318,342)	6,058,257	(201,693)	62,929,608
MIAMI POLICE DEPARTMENT	236,935	-	(31,293)	73,961	184,512	-	464,115
MOHAVE COUNTY SHERIFF'S DEPT.	3,884,042	-	(467,117)	-	410,890	(51,828)	3,775,989
MOHAVE VALLEY FIRE DISTRICT	1,441,232	-	(192,879)	(5,521)	138,280	(9,998)	1,371,114
MOUNT LEMMON FIRE DISTRICT	229,601	-	(40,204)	-	25,792	(1,819)	213,370

OPERATING INFORMATION

SCHEDULE OF CHANGES IN REFUNDABLE MEMBER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB RECEIVED	WITHDRAWN MEMBERS	2018 BALANCES
MOUNTAIN VISTA FIRE DISTRICT	386,174	(386,174)	-	-	-	-	-
NAU CAMPUS POLICE	1,036,637	-	(114,081)	-	119,519	(28,993)	1,013,082
NAVAJO COUNTY ATTY'S INVESTIGATOR	-	-	-	-	-	-	-
NAVAJO COUNTY SHERIFF'S DEPT.	1,722,637	-	(228,302)	(216,579)	221,715	(2,319)	1,497,152
NOGALES FIRE DEPARTMENT	2,790,585	-	(372,545)	(92,453)	208,732	(29,019)	2,505,300
NOGALES POLICE DEPARTMENT	3,246,751	-	(517,026)	(108,486)	245,054	(123,776)	2,742,517
NORTH COUNTY FIRE & MEDICAL DISTR	5,557,741	(5,557,741)	-	-	-	-	-
NORTHERN AZ. CONSOLIDATED FD #1	1,106,926	-	(177,459)	-	117,426	(43,370)	1,003,522
NORTHWEST FIRE DISTRICT	15,412,134	-	(2,204,835)	(46,027)	1,373,191	(27,792)	14,506,671
ORACLE FIRE DISTRICT	155,957	-	(35,725)	-	21,296	-	141,527
ORO VALLEY POLICE DEPT.	7,157,898	-	(971,680)	(36,317)	626,098	(21,903)	6,754,096
PAGE FIRE DEPARTMENT	567,613	-	(57,648)	-	90,858	(25,115)	575,708
PAGE POLICE DEPARTMENT	522,163	-	(84,597)	4,134	122,492	-	564,191
PALOMINAS FIRE DISTRICT	267,904	-	(41,014)	(37,252)	33,893	(6,854)	216,678
PARADISE VALLEY POLICE DEPARTMENT	2,380,352	-	(426,696)	27,026	237,556	(75,924)	2,142,313
PARKER POLICE DEPARTMENT	543,251	-	(67,034)	-	45,720	-	521,937
PASCUA YAQUI TRIBE FIRE DEPT.	1,366,755	-	(219,374)	-	115,618	-	1,262,999
PASCUA YAQUI TRIBE POLICE DEPT.	1,931,094	-	(312,383)	75,275	170,887	(68,286)	1,796,586
PATAGONIA MARSHALS	105,234	-	(11,832)	-	11,403	-	104,805
PAYSON FIRE DEPARTMENT	1,816,292	-	(211,395)	(119,982)	179,381	(24,639)	1,639,657
PAYSON POLICE DEPARTMENT	1,447,098	-	(189,704)	-	155,166	(45,863)	1,366,698
PEORIA FIRE DEPARTMENT	13,881,238	-	(1,703,068)	(102,966)	1,445,882	(567)	13,520,519
PEORIA POLICE DEPARTMENT	13,936,507	-	(2,016,905)	(381,362)	1,414,166	(36,473)	12,915,932
PHOENIX FIRE DEPARTMENT	164,044,989	-	(19,118,073)	(3,977,268)	13,412,972	(232,830)	154,129,789
PHOENIX POLICE DEPARTMENT	292,049,137	-	(36,931,592)	(7,197,704)	22,727,857	(929,020)	269,718,677
PICTURE ROCKS FIRE DISTRICT	416,479	-	(45,649)	(9,218)	132,265	(41,003)	452,874
PIMA COUNTY ATTORNEY INVESTIGATOR	267,870	-	(33,044)	(22,263)	8,734	-	221,297
PIMA COUNTY COMM. COLLEGE POLICE	1,426,699	-	(177,562)	(65,180)	166,343	-	1,350,300
PIMA COUNTY SHERIFF'S DEPARTMENT	22,396,550	-	(4,365,533)	(536,416)	1,835,867	(113,631)	19,216,837
PIMA POLICE DEPARTMENT	125,000	-	(15,167)	-	19,539	-	129,372
PINAL COUNTY SHERIFF'S DEPARTMENT	11,420,891	-	(1,655,376)	(166,329)	1,215,178	-	10,814,363
PINE-STRAWBERRY FIRE DISTRICT	1,207,762	-	(173,803)	-	97,046	-	1,131,006
PINETOP FIRE DISTRICT	1,689,664	-	(279,707)	-	183,109	(29,734)	1,563,332
PINETOP-LAKESIDE POLICE DEPT.	683,396	-	(103,970)	-	62,972	-	642,398
PINEWOOD FIRE DISTRICT	1,098,814	-	(178,518)	(29,042)	119,434	-	1,010,689
PONDEROSA FIRE DISTRICT	120,277	-	(7,921)	-	44,746	(8,812)	148,290
PRESCOTT FIRE DEPARTMENT	4,043,495	-	(539,993)	38,467	423,220	-	3,965,190
PRESCOTT POLICE DEPARTMENT	3,668,260	-	(467,162)	(79,735)	406,807	(43,215)	3,484,955
PRESCOTT VALLEY POLICE DEPARTMENT	3,568,943	-	(513,745)	(102,865)	499,007	-	3,451,340
QUARTZSITE FIRE DISTRICT	414,855	-	(59,830)	-	55,864	-	410,889

OPERATING INFORMATION

SCHEDULE OF CHANGES IN REFUNDABLE MEMBER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB RECEIVED	WITHDRAWN MEMBERS	2018 BALANCES
QUARTZSITE POLICE DEPARTMENT	246,398	-	(31,433)	-	70,846	(8,069)	277,742
QUEEN CREEK FIRE DEPARTMENT	1,996,919	-	(323,835)	-	343,412	-	2,016,495
QUEEN VALLEY FIRE DISTRICT	112,930	-	(20,355)	-	10,450	-	103,025
RINCON VALLEY FIRE DISTRICT	1,743,547	-	(263,019)	(81,324)	369,730	(44,788)	1,724,145
RIO RICO FIRE DISTRICT	1,291,382	-	(187,696)	-	176,559	(7,129)	1,273,115
RIO VERDE FIRE DISTRICT	1,145,184	-	(176,534)	35,007	105,325	-	1,108,982
SAFFORD POLICE DEPARTMENT	1,349,990	-	(211,874)	19,055	121,987	-	1,279,158
SAHUARITA POLICE DEPARTMENT	2,698,385	-	(374,945)	(166,456)	294,356	(232,939)	2,218,402
SALT RIVER PIMA-MARICOPA FIRE	6,564,766	-	(929,894)	(16,191)	663,529	(96,645)	6,185,566
SALT RIVER PIMA-MARICOPA POLICE	7,272,504	-	(1,033,234)	(213,790)	933,695	(57,503)	6,901,672
SAN CARLOS TRIBAL POLICE DEPT.	1,083,232	-	(143,832)	(108,744)	199,632	(67,931)	962,358
SAN LUIS FIRE DEPARTMENT	1,303,816	-	(191,874)	-	155,450	-	1,267,392
SAN LUIS POLICE DEPARTMENT	1,548,322	-	(194,045)	-	184,902	(291,489)	1,247,689
SANTA CRUZ COUNTY SHERIFF'S DEPT.	1,702,155	-	(220,197)	(98,292)	177,102	(5,897)	1,554,871
SCOTTSDALE FIRE DEPARTMENT	25,084,713	-	(3,063,399)	(229,401)	1,980,894	-	23,772,807
SCOTTSDALE POLICE DEPARTMENT	35,818,550	-	(4,669,122)	(344,862)	3,438,167	(288,487)	33,954,246
SEDONA FIRE DISTRICT	5,843,090	-	(857,100)	(113,442)	598,700	(41,159)	5,430,089
SEDONA POLICE DEPARTMENT	1,158,556	-	(184,370)	43,635	204,147	-	1,221,967
SHOW LOW POLICE DEPARTMENT	1,781,528	-	(246,611)	19,517	189,466	-	1,743,900
SIERRA VISTA FIRE DEPARTMENT	3,105,721	-	(402,680)	(113,116)	273,616	(59,147)	2,804,394
SIERRA VISTA POLICE DEPARTMENT	4,063,707	-	(587,099)	(68,445)	381,275	(23,076)	3,766,362
SNOWFLAKE POLICE DEPARTMENT	533,438	-	(72,907)	-	62,698	-	523,230
SOMERTON FIRE DEPARTMENT	864,251	-	(115,540)	-	76,584	-	825,295
SOMERTON POLICE DEPARTMENT	840,918	-	(119,347)	-	90,370	(35,269)	776,672
SONOITA ELGIN FIRE DEPARTMENT	303,167	-	(35,569)	-	55,346	-	322,944
SOUTH TUCSON FIRE DEPARTMENT	146,553	-	(23,380)	-	3,910	-	127,082
SOUTH TUCSON POLICE DEPARTMENT	688,259	-	(82,635)	-	70,304	-	675,928
SPRINGERVILLE POLICE DEPARTMENT	389,710	-	(38,882)	-	40,346	-	391,173
ST. JOHNS POLICE DEPARTMENT	282,563	-	(40,463)	-	19,710	(75,652)	186,158
SUMMIT FIRE DISTRICT	2,244,579	-	(303,491)	-	220,232	(29,130)	2,132,189
SUN CITY FIRE DISTRICT	5,932,349	-	(639,043)	(420,603)	423,231	-	5,295,933
SUN LAKES FIRE DISTRICT	2,857,420	(2,857,420)	-	-	-	-	-
SUN SITES PEARCE FIRE DISTRICT	258,117	-	(14,743)	-	40,783	-	284,157
SUPERIOR POLICE DEPARTMENT	246,486	-	(35,820)	-	39,147	-	249,813
SUPERSTITION FIRE AND MEDICAL DIS	7,681,301	-	(895,392)	(340,561)	653,022	-	7,098,370
SURPRISE FIRE DEPARTMENT	10,033,217	-	(1,537,947)	(65,405)	1,036,665	-	9,466,531
SURPRISE POLICE DEPARTMENT	8,838,097	-	(1,370,832)	(15,833)	1,148,357	(147,836)	8,451,953
TEMPE FIRE DEPARTMENT	16,268,997	-	(1,933,920)	(232,613)	1,274,574	(52,360)	15,324,679
TEMPE POLICE DEPARTMENT	30,533,089	-	(4,014,464)	(943,375)	2,811,219	(93,062)	28,293,408
THATCHER POLICE DEPARTMENT	758,170	-	(99,566)	-	70,316	-	728,921

OPERATING INFORMATION

SCHEDULE OF CHANGES IN REFUNDABLE MEMBER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB RECEIVED	WITHDRAWN MEMBERS	2018 BALANCES
THREE POINTS FIRE DISTRICT	977,055	-	(115,697)	-	105,017	(28,376)	937,998
TIMBER MESA FIRE AND MEDICAL DIST	3,888,808	-	(612,434)	5,234	404,691	(184,320)	3,501,979
TOHONO O'ODHAM NATION FIRE DEPT.	2,190,821	-	(322,820)	(86,743)	243,150	(71,876)	1,952,532
TOHONO O'ODHAM NATION POLICE DEPT	3,621,134	-	(607,913)	(59,890)	576,412	(76,527)	3,453,216
TOLLESON FIRE DEPARTMENT	3,289,814	-	(390,550)	-	203,065	-	3,102,329
TOLLESON POLICE DEPARTMENT	1,741,204	-	(225,323)	-	194,795	(81,435)	1,629,242
TOMBSTONE MARSHAL'S DEPARTMENT	170,742	-	(3,357)	-	26,340	(10,725)	183,000
TONOPAH VALLEY FIRE DISTRICT	373,818	-	(51,018)	-	52,786	-	375,587
TOWN OF SUPERIOR (FIRE DEPT)	160,582	-	(21,422)	-	23,178	-	162,338
TRI-CITY FIRE DISTRICT	1,061,289	-	(162,453)	-	146,935	(55,770)	990,001
TUBAC FIRE DISTRICT	1,317,399	-	(202,867)	-	110,964	-	1,225,496
TUCSON AIRPORT AUTHORITY FIRE DPT	1,233,256	-	(183,126)	-	89,302	-	1,139,432
TUCSON AIRPORT AUTHORITY POLICE	1,626,202	-	(208,744)	(77,767)	120,133	-	1,459,823
TUCSON FIRE	40,002,773	-	(5,732,959)	(1,351,388)	3,712,765	(123,355)	36,507,836
TUCSON POLICE	58,383,092	-	(8,009,361)	(3,342,480)	5,665,061	(443,384)	52,252,928
U OF A CAMPUS POLICE DEPARTMENT	4,057,049	-	(480,505)	(121,747)	345,148	-	3,799,945
VERDE VALLEY FIRE DISTRICT	2,397,018	-	(286,374)	(156,019)	263,602	-	2,218,227
WELLTON POLICE	189,417	-	(24,087)	-	31,088	-	196,418
WHETSTONE FIRE DISTRICT	118,749	-	(6,967)	(3,089)	36,283	-	144,975
WICKENBURG FIRE DEPARTMENT	520,721	-	(76,982)	(4,867)	71,690	-	510,562
WICKENBURG POLICE DEPARTMENT	705,932	-	(74,873)	(95,510)	117,831	-	653,381
WILLCOX POLICE DEPARTMENT	393,327	-	(59,339)	-	52,249	(43,890)	342,347
WILLIAMS POLICE DEPARTMENT	452,687	-	(73,641)	-	46,402	(10,138)	415,309
WILLIAMSON VALLEY FIRE DISTRICT	653,932	-	(49,985)	(9,537)	150,826	(6,412)	738,825
WINSLOW FIRE DEPARTMENT	223,238	-	(24,016)	(25,933)	47,269	(3,063)	217,494
WINSLOW POLICE DEPARTMENT	984,650	-	(133,044)	(78,714)	113,164	(18,430)	867,626
YAVAPAI CNTY ATTRNY INVESTIGATORS	-	-	-	-	-	-	-
YAVAPAI COUNTY SHERIFF'S DEPT.	6,836,574	-	(819,374)	(385,097)	816,234	(195)	6,448,143
YAVAPAI PRESCOTT TRIBAL POLICE	329,702	-	(48,544)	(16,689)	42,051	-	306,521
YOUNGTOWN POLICE DEPARTMENT	6,882	-	-	-	-	-	6,882
YUMA COUNTY SHERIFF'S DEPARTMENT	4,648,846	-	(591,702)	(54,991)	523,391	(46,749)	4,478,795
YUMA FIRE DEPARTMENT	7,975,911	-	(1,054,357)	(137,863)	743,542	(13,385)	7,513,848
YUMA POLICE DEPARTMENT	9,764,944	-	(1,241,629)	(203,405)	1,058,461	(55,149)	9,323,222
TOTALS	**1,527,357,292**	**-**	**(206,928,103)**	**(35,338,610)**	**142,118,427**	**(8,891,259)**	**1,418,317,746**

OPERATING INFORMATION

SCHEDULE OF CHANGES IN REFUNDABLE MEMBER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

CORP PLAN	2017 BALANCES	RESERVE TRANSFERS	CONTRIB RECEIVED	WITHDRAWN MEMBERS	2018 BALANCES
APACHE COUNTY CORP	305,336	-	61,105	(19,238)	347,203
CITY OF AVONDALE DETENTION	463,457	-	46,816	(85,534)	424,739
CITY OF SOMERTON DISPATCHERS	164,855	(23,909)	12,452	-	153,398
COCHISE COUNTY CORP	1,250,704	-	195,131	(128,938)	1,316,897
COCONINO COUNTY CORP	2,058,374	(120,045)	329,985	(35,215)	2,233,098
DEPARTMENT OF CORRECTIONS CORP	215,873,629	(6,136,297)	27,055,486	(11,077,989)	225,714,829
DEPARTMENT OF PUBLIC SAFETY	1,921,539	(92,802)	110,521	-	1,939,258
DEPARTMENT OF PUBLIC SAFETY DETENTION	57,725	-	4,769	(7,622)	54,873
DEPT OF JUVENILE CORRECTIONS CORP	11,793,354	(649,793)	1,094,251	(646,747)	11,591,064
GILA COUNTY CORP	1,315,421	(53,908)	194,274	(191,247)	1,264,540
GILA COUNTY DISPATCHERS	256,927	-	14,692	-	271,619
GRAHAM COUNTY DETENTION	560,351	-	120,374	(93,805)	586,920
GRAHAM COUNTY DISPATCHERS	168,579	751	12,559	(751)	181,137
LA PAZ COUNTY DETENTION	641,857	(31,097)	84,469	(71,286)	623,944
MARICOPA COUNTY CORP	67,706,978	(2,023,637)	8,487,865	(2,661,024)	71,510,182
MOHAVE COUNTY CORP	1,493,243	-	300,474	(280,367)	1,513,351
NAVAJO COUNTY CORP	808,947	3,795	134,290	(102,186)	844,847
ORO VALLEY DISPATCHERS	274,561	-	15,976	-	290,537
PIMA COUNTY CORP	13,923,692	(250,620)	1,770,877	(483,624)	14,960,325
PINAL COUNTY CORP	6,425,725	(121,758)	678,892	(237,152)	6,745,706
PINAL COUNTY DISPATCHERS	444,176	-	30,947	(24,986)	450,137
SANTA CRUZ COUNTY CORP	437,658	-	79,126	(24,213)	492,571
TOWN OF MARANA DISPATCHERS	387,897	-	32,445	-	420,342
TOWN OF WICKENBURG DISPATCHERS	110,267	-	10,764	-	121,031
YAVAPAI COUNTY CORP	4,355,096	(43,639)	610,265	(177,564)	4,744,158
YAVAPAI COUNTY DISPATCHERS	156,274	-	14,351	-	170,625
YUMA COUNTY CORP	3,046,204	(50,483)	528,115	(191,510)	3,332,326
TOTALS CORP	**336,402,827**	**(9,593,442)**	**42,031,272**	**(16,540,998)**	**352,299,659**

CORP-AOC PLAN	2017 BALANCES	RESERVE TRANSFERS	CONTRIB RECEIVED	WITHDRAWN MEMBERS	2018 BALANCES
ADMIN. OFFICE OF THE COURT	86,137,722	(2,897,146)	9,829,485	(1,394,554)	91,675,507
TOTALS CORP - AOC	**86,137,722**	**(2,897,146)**	**9,829,485**	**(1,394,554)**	**91,675,507**

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	OTHER ADJ	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB/ CREDITS RECEIVED	FIRE TAX RECEIVED
AK CHIN INDIAN COMM. FIRE DEPT.	5,032,070	-	78	(28,856)	-	427,455	-
AK CHIN INDIAN COMM. POLICE DEPT.	2,852,155	-	44	(19,666)	-	245,682	-
APACHE COUNTY SHERIFF'S DEPT.	3,106,404	-	48	(25,175)	-	900,615	-
APACHE JUNCTION POLICE DEPARTMENT	9,031,072	-	140	(55,318)	-	2,035,888	-
ARIZONA FIRE & MEDICAL AUTHORITY	-	29,740,721	461	(172,064)	91,172	2,746,966	217,885
ARIZONA STATE PARK RANGERS	6,828,111	-	106	(22,690)	73,673	575,314	-
ASU PD PSPRS LOCAL BOARD	14,099,712	-	218	(73,187)	9,988	2,025,884	-
ATTORNEY GENERAL INVESTIGATORS	4,387,519	-	68	(17,698)	31,919	1,648,808	-
AVONDALE FIRE DEPARTMENT	16,051,298	-	249	(96,728)	265,269	1,536,579	146,042
AVONDALE POLICE DEPARTMENT	18,624,054	-	289	(117,248)	141,145	2,446,997	-
AVRA VALLEY FIRE DISTRICT	3,273,183	-	51	(16,527)	-	342,588	13,265
AZ DPT. LIQ. LIC. & CONTROL INVST	3,128,642	-	48	(14,090)	2,488	736,115	-
BEAVER DAM/LITTLEFIELD FIRE DIST.	38,578	-	1	-	-	57,809	4,856
BENSON FIRE DEPARTMENT	425,198	-	7	(1,439)	-	23,689	8,672
BENSON POLICE DEPARTMENT	1,895,184	-	29	(10,687)	-	254,686	-
BISBEE FIRE DEPARTMENT	12,120	-	0	(9,607)	77,621	569,647	10,708
BISBEE POLICE DEPARTMENT	664,881	-	10	(9,452)	-	600,790	-
BLACK CANYON FIRE DISTRICT	794,609	(794,609)	-	-	-	-	-
BLUE RIDGE FIRE DISTRICT	48,810	-	1	-	-	48,612	7,734
BUCKEYE FIRE DEPARTMENT	16,124,585	-	250	(124,661)	-	1,714,842	157,228
BUCKEYE POLICE DEPARTMENT	14,742,785	-	228	(111,053)	101,549	1,974,115	-
BUCKEYE VALLEY FIRE DISTRICT	8,364,100	-	130	(66,628)	47,509	830,300	41,830
BUCKSKIN FIRE DISTRICT	1,911,000	-	30	(13,356)	122,137	508,740	19,849
BULLHEAD CITY FIRE DEPARTMENT	26,489,726	-	410	(99,527)	207,274	1,862,024	88,422
BULLHEAD CITY POLICE DEPARTMENT	17,495,585	-	271	(82,138)	170,218	2,278,737	-
CAMP VERDE MARSHALL'S	3,101,011	-	48	(12,582)	85,108	310,214	-
CASA GRANDE FIRE DEPARTMENT	13,303,886	-	206	(91,786)	128,571	1,790,363	91,739
CASA GRANDE POLICE DEPARTMENT	15,064,230	-	233	(91,024)	-	2,597,894	-
CAVE CREEK MARSHALS	229,284	-	4	(1,894)	-	27,470	-
CENTRAL AZ. COLLEGE POLICE DEPT.	615,614	-	10	(4,583)	-	102,474	-
CENTRAL AZ. FIRE AND MEDICAL AUTH	28,661,722	-	444	(148,384)	228,824	3,773,373	428,341
CHANDLER FIRE DEPARTMENT	66,862,652	-	1,036	(344,151)	272,494	6,387,328	832,152
CHANDLER POLICE DEPARTMENT	100,331,539	-	1,554	(521,578)	1,071,901	10,985,544	-
CHINO VALLEY POLICE DEPARTMENT	3,564,716	-	55	(18,700)	80,602	487,584	-
CHRISTOPHER-KOHL'S FIRE DISTRICT	412,562	-	6	(4,075)	-	61,502	5,560
CITY OF MARICOPA - FIRE	10,774,011	-	167	(94,969)	92,391	1,068,749	87,929
CITY OF MARICOPA (POLICE DEPT.)	7,406,119	-	115	(55,444)	39,017	827,622	-
CLARKDALE POLICE DEPARTMENT	1,721,912	-	27	(4,353)	914	114,419	-
CLIFTON FIRE DEPARTMENT	90,170	-	1	-	-	-	-
CLIFTON POLICE DEPARTMENT	606,828	-	9	(2,259)	-	43,046	-

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	ADDITIONAL ER CONTRIB	PENSION PAYMENT	DROP PAYMENT	ENHANCED REFUNDS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
AK CHIN INDIAN COMM. FIRE DEPT.	1,849	(227,222)	-	(30,851)	457,588	(7,664)	5,624,446
AK CHIN INDIAN COMM. POLICE DEPT.	-	(105,344)	-	-	267,247	(4,767)	3,235,351
APACHE COUNTY SHERIFF'S DEPT.	7,597	(866,358)	-	(55,286)	295,426	(5,196)	3,358,076
APACHE JUNCTION POLICE DEPARTMENT	-	(1,860,815)	-	-	849,125	(13,624)	9,986,469
ARIZONA FIRE & MEDICAL AUTHORITY	-	(1,755,296)	-	-	2,647,593	(40,996)	33,476,443
ARIZONA STATE PARK RANGERS	42,403	(894,585)	-	-	556,670	(9,172)	7,149,829
ASU PD PSPRS LOCAL BOARD	29,858	(1,826,235)	(162,838)	(64,574)	1,201,935	(18,993)	15,221,768
ATTORNEY GENERAL INVESTIGATORS	128,935	(1,403,124)	-	-	383,178	(6,532)	5,153,073
AVONDALE FIRE DEPARTMENT	2,459	(421,072)	(547,486)	-	1,520,649	(23,844)	18,433,415
AVONDALE POLICE DEPARTMENT	20,658	(1,289,894)	(479,979)	(587)	1,760,186	(27,490)	21,078,132
AVRA VALLEY FIRE DISTRICT	-	(168,671)	-	-	304,272	(5,331)	3,733,480
AZ DPT. LIQ. LIC. & CONTROL INVST	-	(674,008)	-	-	265,538	(4,741)	3,439,993
BEAVER DAM/LITTLEFIELD FIRE DIST.	-	-	-	-	5,948	(591)	106,601
BENSON FIRE DEPARTMENT	-	-	-	-	37,357	(1,269)	492,215
BENSON POLICE DEPARTMENT	-	(221,779)	-	-	173,878	(3,346)	2,084,220
BISBEE FIRE DEPARTMENT	126,666	(779,090)	-	-	37,380	(1,269)	44,176
BISBEE POLICE DEPARTMENT	109,197	(705,895)	-	(162)	73,576	(1,820)	731,127
BLACK CANYON FIRE DISTRICT	-	-	-	-	-	-	-
BLUE RIDGE FIRE DISTRICT	-	-	-	(137)	5,557	(585)	109,993
BUCKEYE FIRE DEPARTMENT	-	-	-	-	1,641,687	(25,686)	19,488,243
BUCKEYE POLICE DEPARTMENT	222,522	(786,748)	-	(48,380)	1,459,067	(22,907)	17,531,179
BUCKEYE VALLEY FIRE DISTRICT	815	(132,998)	(283,182)	(41,295)	815,741	(13,115)	9,563,205
BUCKSKIN FIRE DISTRICT	13,843	(440,143)	-	(113)	192,049	(3,623)	2,310,413
BULLHEAD CITY FIRE DEPARTMENT	-	(1,383,154)	(1,964,561)	(166,215)	2,215,919	(34,426)	27,215,893
BULLHEAD CITY POLICE DEPARTMENT	31,444	(2,064,081)	(259,388)	(28,692)	1,502,200	(23,563)	19,020,594
CAMP VERDE MARSHALL'S	132,873	(344,531)	-	-	262,251	(4,691)	3,529,701
CASA GRANDE FIRE DEPARTMENT	43,313	(1,323,400)	(428,850)	-	1,270,540	(20,037)	14,764,545
CASA GRANDE POLICE DEPARTMENT	140,011	(2,225,617)	-	(12,050)	1,508,757	(23,663)	16,958,770
CAVE CREEK MARSHALS	17,115	-	-	-	23,632	(1,060)	294,552
CENTRAL AZ. COLLEGE POLICE DEPT.	2,080	(47,830)	-	-	59,421	(1,604)	725,581
CENTRAL AZ. FIRE AND MEDICAL AUTH	788	(2,780,796)	-	-	2,579,135	(40,654)	32,702,794
CHANDLER FIRE DEPARTMENT	1,696,330	(3,961,510)	(2,281,149)	(991)	6,174,093	(94,669)	75,543,614
CHANDLER POLICE DEPARTMENT	3,747,742	(8,115,145)	(1,736,937)	(21,710)	9,301,979	(142,274)	114,902,616
CHINO VALLEY POLICE DEPARTMENT	302,855	(425,148)	-	(5)	313,268	(5,468)	4,299,762
CHRISTOPHER-KOHL'S FIRE DISTRICT	107	(15,428)	-	-	44,096	(1,371)	502,959
CITY OF MARICOPA - FIRE	2,800	(75,856)	-	-	1,080,336	(17,143)	12,918,414
CITY OF MARICOPA (POLICE DEPT.)	2,707	(182,987)	-	(571)	737,626	(11,927)	8,762,276
CLARKDALE POLICE DEPARTMENT	148,330	(201,467)	-	-	133,742	(2,736)	1,910,787
CLIFTON FIRE DEPARTMENT	20,000	(32,878)	-	-	5,677	(786)	82,184
CLIFTON POLICE DEPARTMENT	-	(32,266)	-	-	52,656	(1,501)	666,513

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	OTHER ADJ	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB/ CREDITS RECEIVED	FIRE TAX RECEIVED
COCHISE COUNTY SHERIFF'S DEPT	13,485,346	-	209	(82,615)	100,535	2,292,739	-
COCONINO COUNTY SHERIFF'S DEPT	19,834,076	-	307	(44,083)	19,470	2,145,610	-
COOLIDGE FIRE DEPARTMENT	504,364	-	8	(4,080)	-	54,749	14,676
COOLIDGE POLICE DEPARTMENT	4,341,448	-	67	(24,509)	-	673,361	-
COPPER CANYON FIRE AND MEDICAL	5,983,801	-	93	(36,185)	-	671,175	56,015
CORONA DE TUCSON FIRE DISTRICT	1,955,965	-	30	(19,443)	769	313,673	16,874
COTTONWOOD FIRE DEPARTMENT	4,576,474	-	71	(26,955)	-	442,825	25,245
COTTONWOOD POLICE DEPARTMENT	4,546,340	-	70	(33,971)	-	1,041,361	-
DAISY MOUNTAIN FIRE DISTRICT	19,592,956	794,609	316	(143,149)	99,324	1,714,283	140,200
DEPARTMENT OF EMER & MILITARY AFF	7,366,603	-	114	(34,810)	-	783,107	-
DEPARTMENT OF PUBLIC SAFETY	321,177,103	-	4,975	(1,391,963)	1,376,294	67,358,517	-
DESERT HILLS FIRE DEPARTMENT	1,811,417	-	28	(15,299)	-	205,709	12,898
DOUGLAS FIRE DEPARTMENT	3,348,137	-	52	(24,722)	-	989,435	13,532
DOUGLAS POLICE DEPARTMENT	5,509,663	-	85	(31,833)	71,449	1,287,304	-
DREXEL HEIGHTS FIRE DISTRICT	16,247,269	-	252	(79,043)	95,939	1,391,849	65,312
EAGAR POLICE DEPARTMENT	1,465,951	-	23	(6,296)	-	251,382	-
EL MIRAGE FIRE DEPARTMENT	4,146,728	-	64	(27,685)	-	395,342	41,622
EL MIRAGE POLICE DEPARTMENT	7,382,036	-	114	(49,186)	14,465	940,344	-
ELOY FIRE DISTRICT	3,826,723	-	59	(30,491)	-	508,192	-
ELOY POLICE DEPARTMENT	5,592,788	-	87	(27,950)	-	520,022	20,796
FLAGSTAFF FIRE DEPARTMENT	23,016,047	-	357	(108,230)	-	4,485,858	216,025
FLAGSTAFF POLICE DEPARTMENT	21,123,308	-	327	(112,128)	113,706	3,776,595	-
FLORENCE FIRE DEPARTMENT	3,474,669	-	54	(26,221)	-	275,889	27,943
FLORENCE POLICE DEPARTMENT	4,481,894	-	69	(25,233)	-	315,638	-
FORT MCDOWELL TRIBAL FIRE DEPT.	2,115,546	-	33	(10,907)	-	124,672	-
FORT MCDOWELL TRIBAL POLICE DEPT.	4,498,989	-	70	(26,930)	93,911	284,214	-
FORT MOJAVE MESA FIRE DISTRICT	8,368,694	-	130	(37,625)	1,631	945,750	30,825
FORT MOJAVE TRIBAL POLICE DEPT.	2,752,968	-	43	(24,375)	-	214,288	-
FREDONIA MARSHALS	542,941	-	8	(2,836)	-	20,895	-
FRY FIRE DISTRICT	7,990,687	-	124	(45,376)	181,265	1,462,257	30,840
GAME AND FISH DEPARTMENT	19,453,792	-	301	(133,901)	-	7,129,853	-
GILA COUNTY SHERIFF'S DEPARTMENT	4,997,608	-	77	(30,731)	-	1,104,639	-
GILA RIVER FIRE DEPARTMENT	9,945,248	-	154	(73,771)	97,480	905,308	-
GILA RIVER POLICE DEPARTMENT	15,412,773	-	239	(97,426)	129,478	1,342,755	-
GILBERT FIRE DEPARTMENT	48,840,969	-	757	(321,339)	109,296	3,745,017	749,864
GILBERT POLICE DEPARTMENT	64,363,012	-	997	(381,025)	570,982	6,124,717	-
GLENDALE FIRE DEPARTMENT	80,991,178	-	1,255	(407,862)	144,375	9,028,196	514,429
GLENDALE POLICE DEPARTMENT	106,349,825	-	1,647	(637,476)	977,155	16,438,904	-
GLOBE FIRE DEPARTMENT	3,455,016	-	54	(16,356)	-	496,176	12,183
GLOBE POLICE DEPARTMENT	4,141,269	-	64	(16,112)	(176,207)	588,667	-

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	ADDITIONAL ER CONTRIB	PENSION PAYMENT	DROP PAYMENT	ENHANCED REFUNDS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
COCHISE COUNTY SHERIFF'S DEPT	41,821	(2,798,784)	-	-	1,160,922	(18,369)	14,181,804
COCONINO COUNTY SHERIFF'S DEPT	447,921	(2,858,561)	(115,543)	(4,996)	1,489,045	(23,363)	20,889,882
COOLIDGE FIRE DEPARTMENT	-	-	-	(94)	51,825	(1,489)	619,959
COOLIDGE POLICE DEPARTMENT	402	(641,340)	-	(6,100)	383,925	(6,543)	4,719,257
COPPER CANYON FIRE AND MEDICAL	2,851	(306,360)	-	-	550,171	(10,474)	6,804,962
CORONA DE TUCSON FIRE DISTRICT	-	(106,291)	-	(43,559)	182,990	(3,485)	2,297,523
COTTONWOOD FIRE DEPARTMENT	237,064	(178,117)	-	(29)	446,150	(7,490)	5,429,385
COTTONWOOD POLICE DEPARTMENT	347,081	(703,892)	-	-	487,296	(8,117)	5,661,690
DAISY MOUNTAIN FIRE DISTRICT	36,656	(450,795)	-	-	1,971,361	(30,704)	23,725,055
DEPARTMENT OF EMER & MILITARY AFF	63,050	(693,044)	(274,102)	(26,456)	664,012	(10,806)	7,837,385
DEPARTMENT OF PUBLIC SAFETY	229,871	(68,764,098)	(4,873,260)	(184,771)	24,370,957	(371,623)	338,932,005
DESERT HILLS FIRE DEPARTMENT	1,000	(74,138)	-	(184)	175,886	(3,377)	2,111,690
DOUGLAS FIRE DEPARTMENT	75,123	(851,724)	-	-	335,682	(5,809)	3,879,705
DOUGLAS POLICE DEPARTMENT	5,200	(1,323,463)	-	(23,762)	499,109	(8,296)	5,985,457
DREXEL HEIGHTS FIRE DISTRICT	5,988	(886,009)	(942,845)	(18)	1,423,059	(22,359)	17,299,394
EAGAR POLICE DEPARTMENT	88,853	(244,778)	-	(128)	128,040	(2,649)	1,680,398
EL MIRAGE FIRE DEPARTMENT	234,143	(150,342)	-	(32,284)	397,468	(6,749)	4,997,522
EL MIRAGE POLICE DEPARTMENT	434,000	(573,147)	-	-	739,675	(11,958)	8,876,344
ELOY FIRE DISTRICT	575	(222,498)	-	-	360,036	(6,180)	4,436,416
ELOY POLICE DEPARTMENT	-	(528,596)	-	-	477,140	(7,962)	6,046,325
FLAGSTAFF FIRE DEPARTMENT	259,949	(4,457,236)	(550,596)	-	2,182,722	(33,921)	25,010,974
FLAGSTAFF POLICE DEPARTMENT	304,704	(3,737,501)	-	-	2,083,512	(32,411)	23,520,114
FLORENCE FIRE DEPARTMENT	-	(35,145)	-	-	337,761	(5,841)	4,049,110
FLORENCE POLICE DEPARTMENT	2,511	(233,485)	-	(7)	401,056	(6,804)	4,935,641
FORT MCDOWELL TRIBAL FIRE DEPT.	420	(53,378)	-	-	190,332	(3,597)	2,363,122
FORT MCDOWELL TRIBAL POLICE DEPT.	-	(88,667)	-	(622)	412,633	(6,980)	5,166,618
FORT MOJAVE MESA FIRE DISTRICT	-	(624,205)	-	(64)	722,746	(11,700)	9,396,182
FORT MOJAVE TRIBAL POLICE DEPT.	-	-	-	-	263,164	(4,705)	3,201,382
FREDONIA MARSHALS	-	(34,892)	-	(7,523)	43,890	(1,368)	561,115
FRY FIRE DISTRICT	3,168	(1,190,633)	-	(61,460)	722,113	(11,690)	9,081,294
GAME AND FISH DEPARTMENT	330,187	(7,183,738)	(379,262)	(19,727)	1,841,899	(28,733)	21,010,670
GILA COUNTY SHERIFF'S DEPARTMENT	20,545	(1,105,147)	-	(39,810)	454,858	(7,623)	5,394,416
GILA RIVER FIRE DEPARTMENT	-	(266,759)	-	(96,478)	968,525	(15,441)	11,464,266
GILA RIVER POLICE DEPARTMENT	122	(340,143)	-	(141,153)	1,484,985	(23,301)	17,768,328
GILBERT FIRE DEPARTMENT	3,262,065	(762,208)	(1,002,968)	(86,475)	4,953,898	(76,098)	59,412,779
GILBERT POLICE DEPARTMENT	4,612,952	(3,558,589)	(1,581,227)	(82,662)	6,245,157	(95,750)	76,218,565
GLENDALE FIRE DEPARTMENT	-	(5,857,564)	(810,514)	-	7,405,418	(113,409)	90,895,501
GLENDALE POLICE DEPARTMENT	100,271	(11,150,075)	(2,933,337)	(154,557)	9,920,645	(151,691)	118,761,312
GLOBE FIRE DEPARTMENT	249,219	(513,349)	(32,877)	-	310,839	(5,431)	3,955,472
GLOBE POLICE DEPARTMENT	230,752	(692,705)	-	(793)	342,716	(5,916)	4,411,734

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	OTHER ADJ	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB/ CREDITS RECEIVED	FIRE TAX RECEIVED
GOLDEN SHORES FIRE DISTRICT	1,006,095	-	16	(5,203)	-	51,398	3,461
GOLDEN VALLEY FIRE DISTRICT	3,402,201	-	53	(21,107)	-	326,861	13,605
GOLDER RANCH FIRE DISTRICT	25,589,296	947,118	411	(188,045)	-	3,603,224	326,574
GOODYEAR FIRE DEPARTMENT	21,508,586	-	333	(162,340)	334,165	2,203,775	265,860
GOODYEAR POLICE DEPARTMENT	20,236,734	-	313	(130,672)	23,822	2,810,601	-
GRAHAM COUNTY SHERIFF'S DEPT.	3,468,202	-	54	(19,107)	77,995	387,490	-
GREEN VALLEY FIRE DISTRICT	13,725,605	-	213	(75,457)	-	1,495,261	104,792
GREENLEE CNTY ATTY INVESTIGATORS	61,656	-	1	-	-	2,481	-
GREENLEE COUNTY SHERIFF'S DEPT.	3,635,257	-	56	(14,893)	-	238,397	-
GROOM CREEK FIRE DISTRICT	662,775	-	10	(2,602)	-	39,071	5,195
GUADALUPE FIRE DEPARTMENT	746,107	-	12	(6,393)	-	121,986	4,572
HARQUAHALA FIRE DISTRICT	1,373,316	-	21	(11,274)	-	117,678	2,688
HAYDEN POLICE DEPARTMENT	1,519,073	-	24	(4,525)	-	58,621	-
HEBER-OVERGAARD FIRE DISTRICT	2,020,331	-	31	(13,836)	-	176,103	22,951
HELLSGATE FIRE DISTRICT	1,576,838	-	24	(9,164)	-	155,428	7,483
HIGHLANDS FIRE DISTRICT	4,790,663	-	74	(34,347)	18,068	554,541	27,596
HOLBROOK POLICE DEPARTMENT	1,581,685	-	25	(10,457)	-	397,336	-
HUACHUCA CITY POLICE DEPARTMENT	569,457	-	9	(6,020)	-	78,110	-
HUALAPAI INDIAN TRIBE POLICE DEPT	1,851,475	-	29	(15,593)	-	184,539	-
JEROME POLICE DEPARTMENT	385,790	-	6	(2,509)	65,880	33,078	-
KEARNY POLICE DEPARTMENT	1,259,249	-	20	(2,029)	-	182,642	-
KINGMAN FIRE DEPARTMENT	12,424,192	-	192	(55,837)	-	1,324,150	62,423
KINGMAN POLICE DEPARTMENT	10,637,318	-	165	(50,705)	-	1,352,549	-
LA PAZ COUNTY ATTY. INVESTIGATORS	163,641	-	3	-	-	-	-
LA PAZ COUNTY SHERIFF'S DEPT.	4,948,217	-	77	(23,154)	103,511	755,672	-
LAKE HAVASU CITY FIRE DEPARTMENT	17,722,922	-	275	(101,130)	-	2,790,386	224,930
LAKE HAVASU CITY POLICE DEPT.	16,911,288	-	262	(87,373)	368,738	2,900,206	-
LAKE MOHAVE RANCHOS FIRE DISTRICT	1,079,640	-	17	(5,154)	-	92,019	4,863
MAMMOTH POLICE DEPARTMENT	490,617	-	8	(1,422)	-	21,207	-
MARANA POLICE DEPARTMENT	14,667,222	-	227	(92,515)	92,545	1,782,639	-
MARICOPA CNTY ATTY INVESTIGATORS	5,785,452	-	90	(14,242)	-	1,243,847	-
MARICOPA COUNTY PARK RANGERS	1,505,199	-	23	-	-	-	-
MARICOPA COUNTY SHERIFF'S OFFICE	174,361,978	-	2,701	(886,818)	2,037,270	27,539,815	-
MAYER FIRE DISTRICT	2,599,829	-	40	(14,491)	-	170,789	6,928
MESA FIRE DEPARTMENT	141,560,940	-	2,193	(609,412)	751,371	14,253,443	1,139,141
MESA POLICE DEPARTMENT	252,463,763	-	3,911	(1,193,416)	2,828,728	28,769,459	-
MIAMI POLICE DEPARTMENT	1,051,812	-	16	(4,981)	168,132	98,382	-
MOHAVE COUNTY SHERIFF'S DEPT.	15,883,660	-	246	(68,115)	-	2,243,760	-
MOHAVE VALLEY FIRE DISTRICT	5,710,660	-	88	(24,952)	-	334,699	16,975
MOUNT LEMMON FIRE DISTRICT	689,972	-	11	(5,341)	-	51,518	4,423

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	ADDITIONAL ER CONTRIB	PENSION PAYMENT	DROP PAYMENT	ENHANCED REFUNDS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
GOLDEN SHORES FIRE DISTRICT	-	(8,237)	-	-	93,971	(2,130)	1,139,371
GOLDEN VALLEY FIRE DISTRICT	1,024	(209,369)	-	-	304,448	(5,334)	3,812,382
GOLDER RANCH FIRE DISTRICT	1,487	(795,869)	-	(32,811)	2,538,850	(39,341)	31,938,607
GOODYEAR FIRE DEPARTMENT	1,429,312	(578,670)	(199)	(145,460)	2,135,937	(33,209)	26,958,091
GOODYEAR POLICE DEPARTMENT	1,158,889	(1,184,893)	-	(38,732)	1,919,636	(29,917)	24,765,781
GRAHAM COUNTY SHERIFF'S DEPT.	147,078	(258,210)	(293,453)	(58)	312,773	(5,460)	3,817,302
GREEN VALLEY FIRE DISTRICT	9,442	(1,003,179)	(321,814)	(733)	1,170,985	(18,522)	15,086,150
GREENLEE CNTY ATTY INVESTIGATORS	777	-	-	-	6,113	(793)	70,235
GREENLEE COUNTY SHERIFF'S DEPT.	1,976	(355,289)	-	-	281,807	(4,989)	3,782,322
GROOM CREEK FIRE DISTRICT	-	-	-	-	61,587	(1,637)	751,936
GUADALUPE FIRE DEPARTMENT	-	(51,263)	-	-	79,265	(1,906)	892,379
HARQUAHALA FIRE DISTRICT	-	-	-	-	137,167	(2,788)	1,616,808
HAYDEN POLICE DEPARTMENT	-	-	-	(47,304)	121,722	(2,553)	1,645,058
HEBER-OVERGAARD FIRE DISTRICT	-	(26,973)	-	(28,601)	188,290	(3,566)	2,334,731
HELLSGATE FIRE DISTRICT	-	(93,008)	-	(1,250)	139,523	(2,824)	1,773,051
HIGHLANDS FIRE DISTRICT	19,309	(410,476)	-	-	420,025	(7,093)	5,378,361
HOLBROOK POLICE DEPARTMENT	107,384	(513,668)	(7,939)	(886)	155,550	(3,067)	1,699,659
HUACHUCA CITY POLICE DEPARTMENT	-	(19,977)	-	-	54,497	(1,529)	674,546
HUALAPAI INDIAN TRIBE POLICE DEPT	772	(48,507)	-	(45,086)	181,532	(3,463)	2,105,698
JEROME POLICE DEPARTMENT	-	-	-	-	43,209	(1,358)	524,097
KEARNY POLICE DEPARTMENT	-	(204,844)	-	-	89,672	(2,065)	1,322,645
KINGMAN FIRE DEPARTMENT	11,773	(1,435,579)	(61,378)	-	1,029,278	(16,365)	13,273,567
KINGMAN POLICE DEPARTMENT	2,731	(1,199,305)	-	(727)	956,501	(15,258)	11,683,269
LA PAZ COUNTY ATTY. INVESTIGATORS	8,979	(34,194)	-	-	10,833	(865)	148,397
LA PAZ COUNTY SHERIFF'S DEPT.	2,299	(1,105,675)	(12,824)	(461)	407,572	(6,903)	5,068,331
LAKE HAVASU CITY FIRE DEPARTMENT	4,012,255	(2,347,076)	(650,121)	-	1,866,236	(29,104)	23,489,572
LAKE HAVASU CITY POLICE DEPT.	4,486,810	(2,650,072)	(431,303)	-	1,768,012	(27,609)	23,238,960
LAKE MOHAVE RANCHOS FIRE DISTRICT	-	(93,683)	-	-	90,646	(2,080)	1,150,622
MAMMOTH POLICE DEPARTMENT	-	(54,065)	-	-	38,549	(1,287)	493,608
MARANA POLICE DEPARTMENT	127,633	(1,209,480)	(216,644)	(148,399)	1,356,161	(21,341)	16,338,049
MARICOPA CNTY ATTY INVESTIGATORS	-	(845,968)	-	-	486,062	(8,098)	6,647,143
MARICOPA COUNTY PARK RANGERS	88,829	(158,157)	-	-	106,221	(2,317)	1,539,798
MARICOPA COUNTY SHERIFF'S OFFICE	242,997	(24,942,733)	(2,322,010)	(539,681)	15,616,478	(238,381)	190,871,616
MAYER FIRE DISTRICT	-	(143,022)	-	(44,298)	239,244	(4,341)	2,789,785
MESA FIRE DEPARTMENT	1,340,232	(15,297,194)	(1,310,779)	-	12,464,190	(190,403)	154,103,721
MESA POLICE DEPARTMENT	2,826,883	(30,772,304)	(3,645,239)	(135,229)	21,888,777	(333,844)	272,701,488
MIAMI POLICE DEPARTMENT	18,813	(145,943)	-	-	94,520	(2,139)	1,278,612
MOHAVE COUNTY SHERIFF'S DEPT.	576,930	(2,173,089)	(363,228)	(1,169)	1,335,441	(21,025)	17,413,412
MOHAVE VALLEY FIRE DISTRICT	226,147	(188,221)	-	(300)	503,761	(8,385)	6,568,840
MOUNT LEMMON FIRE DISTRICT	145	-	-	(55)	64,887	(1,688)	803,873

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	OTHER ADJ	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB/ CREDITS RECEIVED	FIRE TAX RECEIVED
MOUNTAIN VISTA FIRE DISTRICT	947,118	(947,118)	-	-	-	-	-
NAU CAMPUS POLICE	3,126,169	-	48	(16,154)	-	649,091	-
NAVAJO COUNTY ATTY'S INVESTIGATOR	62,668	-	1	-	-	-	-
NAVAJO COUNTY SHERIFF'S DEPT.	4,209,425	-	65	(30,809)	151,785	1,030,722	-
NOGALES FIRE DEPARTMENT	8,188,441	-	127	(49,197)	92,453	1,236,493	27,254
NOGALES POLICE DEPARTMENT	12,026,857	-	186	(70,674)	108,486	1,337,972	-
NORTH COUNTY FIRE & MEDICAL DISTR	17,248,648	(17,248,648)	-	-	-	-	-
NORTHERN AZ. CONSOLIDATED FD #1	3,622,569	-	56	(23,414)	-	472,208	24,841
NORTHWEST FIRE DISTRICT	45,731,762	-	708	(288,797)	185,091	4,475,056	308,241
ORACLE FIRE DISTRICT	587,983	-	9	(4,269)	-	42,068	6,136
ORO VALLEY POLICE DEPT.	23,725,782	-	368	(127,109)	143,801	2,494,812	-
PAGE FIRE DEPARTMENT	1,458,244	-	23	(7,832)	-	162,545	18,065
PAGE POLICE DEPARTMENT	3,059,537	-	47	(11,761)	126	447,348	-
PALOMINAS FIRE DISTRICT	688,343	-	11	(6,189)	-	44,334	8,161
PARADISE VALLEY POLICE DEPARTMENT	14,619,585	-	226	(59,262)	16,638	1,958,291	-
PARKER POLICE DEPARTMENT	2,026,017	-	31	(9,553)	-	158,132	-
PASCUA YAQUI TRIBE FIRE DEPT.	4,310,379	-	67	(28,356)	-	382,283	-
PASCUA YAQUI TRIBE POLICE DEPT.	5,223,845	-	81	(41,196)	283,830	568,259	-
PATAGONIA MARSHALS	589,634	-	9	(1,617)	-	53,612	-
PAYSON FIRE DEPARTMENT	5,144,937	-	80	(28,680)	119,982	708,917	53,232
PAYSON POLICE DEPARTMENT	4,558,103	-	71	(26,349)	-	1,270,554	-
PEORIA FIRE DEPARTMENT	46,957,309	-	727	(223,727)	147,215	4,269,639	476,083
PEORIA POLICE DEPARTMENT	48,211,907	-	747	(266,788)	421,310	6,563,040	-
PHOENIX FIRE DEPARTMENT	546,466,145	-	8,465	(2,721,872)	4,219,723	68,741,029	4,284,861
PHOENIX POLICE DEPARTMENT	999,563,105	-	15,484	(5,269,726)	6,739,532	123,782,422	-
PICTURE ROCKS FIRE DISTRICT	2,972,421	-	46	(3,914)	-	334,630	-
PIMA COUNTY ATTORNEY INVESTIGATOR	1,359,832	-	21	(4,359)	-	367,229	-
PIMA COUNTY COMM. COLLEGE POLICE	4,654,829	-	72	(23,945)	-	619,741	-
PIMA COUNTY SHERIFF'S DEPARTMENT	130,526,006	-	2,022	(587,042)	311,264	19,541,809	-
PIMA POLICE DEPARTMENT	482,431	-	7	(2,006)	-	32,501	-
PINAL COUNTY SHERIFF'S DEPARTMENT	38,268,444	-	593	(229,743)	453,469	5,585,316	-
PINE-STRAWBERRY FIRE DISTRICT	3,510,489	-	54	(23,213)	-	465,392	19,453
PINETOP FIRE DISTRICT	4,941,992	-	77	(35,207)	-	742,169	37,292
PINETOP-LAKESIDE POLICE DEPT.	1,737,114	-	27	(13,875)	-	399,519	-
PINEWOOD FIRE DISTRICT	2,485,459	-	39	(23,115)	-	432,266	16,849
PONDEROSA FIRE DISTRICT	160,230	-	2	(955)	-	54,078	6,435
PRESCOTT FIRE DEPARTMENT	15,927,997	-	247	(74,402)	22,110	5,110,941	194,508
PRESCOTT POLICE DEPARTMENT	8,647,818	-	134	(63,965)	-	3,804,308	-
PRESCOTT VALLEY POLICE DEPARTMENT	13,800,906	-	214	(71,542)	96,074	1,504,829	-
QUARTZSITE FIRE DISTRICT	1,119,682	-	17	(7,474)	-	120,056	7,787

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	ADDITIONAL ER CONTRIB	PENSION PAYMENT	DROP PAYMENT	ENHANCED REFUNDS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
MOUNTAIN VISTA FIRE DISTRICT	-	-	-	-	-	-	-
NAU CAMPUS POLICE	8,058	(643,044)	-	(870)	285,549	(5,046)	3,403,801
NAVAJO COUNTY ATTY'S INVESTIGATOR	72,028	(38,355)	-	-	6,364	(797)	101,909
NAVAJO COUNTY SHERIFF'S DEPT.	20,636	(1,208,653)	-	(70)	382,346	(6,519)	4,548,928
NOGALES FIRE DEPARTMENT	12,898	(999,796)	-	(20,313)	757,437	(12,228)	9,233,567
NOGALES POLICE DEPARTMENT	-	(1,275,844)	-	(108,320)	1,040,425	(16,535)	13,042,553
NORTH COUNTY FIRE & MEDICAL DISTR	-	-	-	-	-	-	-
NORTHERN AZ. CONSOLIDATED FD #1	12,260	(334,705)	-	(27,838)	324,868	(5,644)	4,065,201
NORTHWEST FIRE DISTRICT	84,164	(1,793,399)	(419,436)	(834)	4,281,127	(65,858)	52,497,826
ORACLE FIRE DISTRICT	2	(23,334)	-	-	51,503	(1,484)	658,614
ORO VALLEY POLICE DEPT.	(113,865)	(1,566,402)	-	(310)	2,159,951	(33,574)	26,683,453
PAGE FIRE DEPARTMENT	153,193	(82,824)	-	(753)	150,132	(2,985)	1,847,806
PAGE POLICE DEPARTMENT	868,057	(410,062)	-	-	294,819	(5,187)	4,242,924
PALOMINAS FIRE DISTRICT	-	-	-	(206)	65,662	(1,699)	755,657
PARADISE VALLEY POLICE DEPARTMENT	1,012,971	(2,115,739)	(41,180)	(30,370)	1,121,032	(17,762)	16,464,432
PARKER POLICE DEPARTMENT	17,333	(150,694)	-	-	181,162	(3,457)	2,218,972
PASCUA YAQUI TRIBE FIRE DEPT.	4,188	(123,642)	-	-	395,608	(6,721)	4,933,805
PASCUA YAQUI TRIBE POLICE DEPT.	1,355	(198,552)	-	(71,856)	500,060	(8,311)	6,257,515
PATAGONIA MARSHALS	-	(76,341)	-	-	46,962	(1,415)	610,844
PAYSON FIRE DEPARTMENT	2,570	(550,228)	(175,675)	(739)	469,110	(7,840)	5,735,665
PAYSON POLICE DEPARTMENT	6,069	(969,881)	-	(24,711)	406,944	(6,894)	5,213,906
PEORIA FIRE DEPARTMENT	9,890	(1,931,022)	(1,963,234)	(17)	4,205,866	(64,670)	51,884,058
PEORIA POLICE DEPARTMENT	94,589	(4,763,872)	(922,322)	(19,045)	4,235,162	(65,159)	53,489,570
PHOENIX FIRE DEPARTMENT	262,098	(73,787,887)	(15,507,824)	(206,585)	49,178,522	(751,191)	580,185,484
PHOENIX POLICE DEPARTMENT	835,835	(145,297,912)	(21,588,535)	(866,471)	89,411,383	(1,363,529)	1,045,961,588
PICTURE ROCKS FIRE DISTRICT	16,988	(294,218)	-	(8,142)	233,750	(4,258)	3,246,533
PIMA COUNTY ATTORNEY INVESTIGATOR	-	(251,175)	-	-	109,871	(2,372)	1,484,348
PIMA COUNTY COMM. COLLEGE POLICE	35,030	(618,465)	(96,738)	-	418,173	(7,065)	4,952,185
PIMA COUNTY SHERIFF'S DEPARTMENT	256,149	(19,701,788)	(1,500,595)	(40,296)	10,342,702	(158,115)	138,992,117
PIMA POLICE DEPARTMENT	-	-	-	-	42,812	(1,352)	554,394
PINAL COUNTY SHERIFF'S DEPARTMENT	7,258	(4,759,617)	(10,540)	-	3,347,880	(51,654)	42,611,406
PINE-STRAWBERRY FIRE DISTRICT	99,739	(318,666)	(291,464)	-	323,681	(5,626)	3,779,841
PINETOP FIRE DISTRICT	5,708	(367,915)	-	(892)	462,499	(7,739)	5,777,984
PINETOP-LAKESIDE POLICE DEPT.	12,646	(426,911)	-	-	162,986	(3,181)	1,868,326
PINEWOOD FIRE DISTRICT	-	(202,898)	-	-	251,088	(4,522)	2,937,099
PONDEROSA FIRE DISTRICT	-	-	-	(264)	21,961	(1,034)	240,454
PRESCOTT FIRE DEPARTMENT	10,043,603	(3,603,137)	(340,816)	-	1,823,608	(30,955)	29,073,703
PRESCOTT POLICE DEPARTMENT	9,887,350	(3,063,373)	(333,854)	(43,293)	1,235,139	(19,499)	19,991,264
PRESCOTT VALLEY POLICE DEPARTMENT	648,220	(1,156,982)	(26,749)	-	1,238,140	(19,544)	16,013,566
QUARTZSITE FIRE DISTRICT	-	-	-	-	109,337	(2,364)	1,347,041

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	OTHER ADJ	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB/ CREDITS RECEIVED	FIRE TAX RECEIVED
QUARTZSITE POLICE DEPARTMENT	2,691,327	-	42	(5,570)	-	137,378	-
QUEEN CREEK FIRE DEPARTMENT	5,404,836	-	84	(40,402)	-	609,484	120,719
QUEEN VALLEY FIRE DISTRICT	259,437	-	4	(2,737)	-	29,462	1,406
RINCON VALLEY FIRE DISTRICT	4,198,828	-	65	(34,784)	31,472	430,629	35,369
RIO RICO FIRE DISTRICT	3,559,447	-	55	(24,823)	-	314,094	16,159
RIO VERDE FIRE DISTRICT	4,525,634	-	70	(23,886)	12,854	323,586	20,782
SAFFORD POLICE DEPARTMENT	3,471,683	-	54	(27,282)	3,563	777,254	-
SAHUARITA POLICE DEPARTMENT	7,848,148	-	122	(47,910)	273,582	637,830	-
SALT RIVER PIMA-MARICOPA FIRE	21,024,339	-	326	(119,065)	53,551	1,989,146	-
SALT RIVER PIMA-MARICOPA POLICE	19,336,785	-	300	(132,806)	271,755	2,473,147	-
SAN CARLOS TRIBAL POLICE DEPT.	3,327,904	-	52	(19,709)	-	349,240	-
SAN LUIS FIRE DEPARTMENT	3,689,923	-	57	(24,063)	-	339,703	22,578
SAN LUIS POLICE DEPARTMENT	4,712,220	-	73	(24,624)	-	476,961	-
SANTA CRUZ COUNTY SHERIFF'S DEPT.	5,356,722	-	83	(29,067)	66,491	928,187	-
SCOTTSDALE FIRE DEPARTMENT	52,096,140	-	807	(396,307)	244,364	3,970,704	1,920,977
SCOTTSDALE POLICE DEPARTMENT	126,608,342	-	1,961	(619,822)	309,002	15,312,731	-
SEDONA FIRE DISTRICT	16,685,822	-	258	(111,199)	113,442	2,454,639	159,057
SEDONA POLICE DEPARTMENT	5,481,967	-	85	(24,293)	18,122	605,605	-
SHOW LOW POLICE DEPARTMENT	7,000,299	-	108	(31,810)	6,302	811,926	-
SIERRA VISTA FIRE DEPARTMENT	11,789,508	-	183	(58,005)	101,345	1,396,805	82,858
SIERRA VISTA POLICE DEPARTMENT	12,877,118	-	199	(83,008)	68,445	2,090,386	-
SNOWFLAKE POLICE DEPARTMENT	1,744,230	-	27	(10,302)	-	294,310	-
SOMERTON FIRE DEPARTMENT	2,591,593	-	40	(15,966)	-	250,262	12,605
SOMERTON POLICE DEPARTMENT	3,220,593	-	50	(15,226)	-	245,096	-
SONOITA ELGIN FIRE DEPARTMENT	697,140	-	11	(4,543)	-	82,863	10,076
SOUTH TUCSON FIRE DEPARTMENT	1,085,248	-	17	(3,392)	-	65,089	-
SOUTH TUCSON POLICE DEPARTMENT	-	-	(2)	(10,574)	-	359,412	-
SPRINGERVILLE POLICE DEPARTMENT	1,545,153	-	24	(6,020)	-	108,798	-
ST. JOHNS POLICE DEPARTMENT	1,104,007	-	17	(5,492)	-	65,634	-
SUMMIT FIRE DISTRICT	7,195,720	-	111	(43,747)	-	693,934	35,120
SUN CITY FIRE DISTRICT	16,693,318	-	259	(83,972)	420,603	2,272,285	108,731
SUN LAKES FIRE DISTRICT	12,492,073	(12,492,073)	-	-	-	-	-
SUN SITES PEARCE FIRE DISTRICT	541,976	-	8	(2,120)	-	47,276	2,943
SUPERIOR POLICE DEPARTMENT	910,548	-	14	(4,736)	-	112,901	-
SUPERSTITION FIRE AND MEDICAL DIS	23,065,762	-	357	(118,971)	340,561	1,764,542	121,709
SURPRISE FIRE DEPARTMENT	26,751,122	-	414	(197,374)	212,391	2,811,858	337,298
SURPRISE POLICE DEPARTMENT	25,964,374	-	402	(176,833)	36,298	3,517,954	-
TEMPE FIRE DEPARTMENT	61,724,955	-	956	(262,599)	243,246	8,998,816	668,051
TEMPE POLICE DEPARTMENT	91,848,302	-	1,423	(555,846)	954,385	16,117,998	-
THATCHER POLICE DEPARTMENT	2,927,291	-	45	(14,063)	-	390,032	-

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	ADDITIONAL ER CONTRIB	PENSION PAYMENT	DROP PAYMENT	ENHANCED REFUNDS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
QUARTZSITE POLICE DEPARTMENT	23,692	(217,558)	-	(242)	204,696	(3,815)	2,829,950
QUEEN CREEK FIRE DEPARTMENT	1,035,137	(132,132)	-	-	560,467	(9,230)	7,548,963
QUEEN VALLEY FIRE DISTRICT	-	-	-	-	26,581	(1,105)	313,048
RINCON VALLEY FIRE DISTRICT	1,054	(92,221)	-	(44,788)	425,118	(7,170)	4,943,572
RIO RICO FIRE DISTRICT	149	(54,699)	-	(214)	343,920	(5,934)	4,148,153
RIO VERDE FIRE DISTRICT	224,185	(213,224)	-	-	402,040	(6,819)	5,265,223
SAFFORD POLICE DEPARTMENT	-	(736,563)	-	-	330,291	(5,727)	3,813,272
SAHUARITA POLICE DEPARTMENT	428,419	(209,034)	(29,618)	(202,569)	740,509	(11,970)	9,427,509
SALT RIVER PIMA-MARICOPA FIRE	2,232	(680,695)	(207,245)	(98,423)	1,922,057	(29,953)	23,856,270
SALT RIVER PIMA-MARICOPA POLICE	12,125	(960,812)	(636,386)	(21,709)	1,849,565	(28,850)	22,163,114
SAN CARLOS TRIBAL POLICE DEPT.	64,205	(76,614)	-	(53,415)	310,438	(5,425)	3,710,034
SAN LUIS FIRE DEPARTMENT	3,008	(83,463)	-	-	353,107	(6,074)	4,294,775
SAN LUIS POLICE DEPARTMENT	6,719	(337,725)	-	(300,455)	415,341	(7,021)	4,941,488
SANTA CRUZ COUNTY SHERIFF'S DEPT.	142,865	(868,399)	-	(10,848)	447,329	(8,115)	6,025,248
SCOTTSDALE FIRE DEPARTMENT	3,629,275	(1,046,931)	-	-	5,520,273	(84,718)	65,854,584
SCOTTSDALE POLICE DEPARTMENT	5,466,768	(13,603,629)	(1,369,848)	(213,336)	11,537,379	(176,297)	143,253,251
SEDONA FIRE DISTRICT	25,031	(1,239,179)	(117,288)	(20,179)	1,574,056	(24,657)	19,499,803
SEDONA POLICE DEPARTMENT	274,130	(493,585)	-	-	510,813	(8,475)	6,364,370
SHOW LOW POLICE DEPARTMENT	303,455	(632,301)	-	-	649,114	(10,579)	8,096,514
SIERRA VISTA FIRE DEPARTMENT	417,680	(1,234,062)	(303,759)	(37,277)	1,017,694	(16,189)	13,156,781
SIERRA VISTA POLICE DEPARTMENT	929,628	(2,063,897)	-	(7,545)	1,179,417	(18,651)	14,972,092
SNOWFLAKE POLICE DEPARTMENT	4,590	(270,588)	-	-	158,383	(3,111)	1,917,539
SOMERTON FIRE DEPARTMENT	114,348	(97,208)	-	-	248,931	(4,489)	3,100,117
SOMERTON POLICE DEPARTMENT	137,154	(203,904)	(36,387)	(29,764)	284,911	(5,036)	3,597,486
SONOITA ELGIN FIRE DEPARTMENT	-	-	-	-	70,045	(1,766)	853,826
SOUTH TUCSON FIRE DEPARTMENT	857	(256,808)	-	-	79,007	(1,902)	968,116
SOUTH TUCSON POLICE DEPARTMENT	37,002	(625,508)	-	-	26,167	(1,098)	(374,476)
SPRINGERVILLE POLICE DEPARTMENT	-	(103,024)	-	-	134,221	(2,743)	1,676,409
ST. JOHNS POLICE DEPARTMENT	45,955	(96,690)	-	(65,449)	93,500	(2,123)	1,139,359
SUMMIT FIRE DISTRICT	15,741	(402,713)	(230,124)	(142)	658,100	(10,716)	7,911,285
SUN CITY FIRE DISTRICT	49,166	(1,970,266)	(1,707,209)	-	1,513,652	(23,738)	17,272,829
SUN LAKES FIRE DISTRICT	-	-	-	-	-	-	-
SUN SITES PEARCE FIRE DISTRICT	-	-	-	-	57,763	(1,579)	646,268
SUPERIOR POLICE DEPARTMENT	-	(91,514)	-	-	80,066	(1,919)	1,005,360
SUPERSTITION FIRE AND MEDICAL DIS	2,640	(894,150)	(236,726)	-	2,134,210	(33,182)	26,146,751
SURPRISE FIRE DEPARTMENT	1,735,691	(652,543)	-	-	2,659,369	(41,175)	33,617,051
SURPRISE POLICE DEPARTMENT	1,665,384	(1,816,399)	(241,383)	(122,507)	2,509,903	(38,900)	31,298,293
TEMPE FIRE DEPARTMENT	26,509	(8,356,953)	(1,025,436)	(54,977)	5,290,035	(81,214)	67,171,389
TEMPE POLICE DEPARTMENT	44,062	(14,279,905)	(1,237,483)	(52,662)	8,386,647	(128,344)	101,098,577
THATCHER POLICE DEPARTMENT	1,007,836	(283,957)	-	-	294,227	(5,178)	4,316,234

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	OTHER ADJ	LITIGATION SETTLEMENT	RESERVE TRANSFERS	CONTRIB/ CREDITS RECEIVED	FIRE TAX RECEIVED
THREE POINTS FIRE DISTRICT	2,151,125	-	33	(15,355)	-	278,222	10,702
TIMBER MESA FIRE AND MEDICAL DIST	10,106,995	-	157	(78,292)	70	1,000,158	72,225
TOHONO O'ODHAM NATION FIRE DEPT.	6,767,886	-	105	(48,356)	86,743	527,779	-
TOHONO O'ODHAM NATION POLICE DEPT	17,136,188	-	265	(91,980)	(196,056)	1,168,060	-
TOLLESON FIRE DEPARTMENT	8,310,953	-	129	(50,013)	-	629,003	45,352
TOLLESON POLICE DEPARTMENT	6,371,410	-	99	(28,818)	-	690,030	-
TOMBSTONE MARSHAL'S DEPARTMENT	800,629	-	12	(829)	-	21,203	-
TONOPAH VALLEY FIRE DISTRICT	855,969	-	13	(6,461)	-	86,607	6,106
TOWN OF SUPERIOR (FIRE DEPT)	509,759	-	8	(3,147)	-	35,614	-
TRI-CITY FIRE DISTRICT	2,690,044	-	42	(21,336)	-	300,786	6,502
TUBAC FIRE DISTRICT	4,786,337	-	74	(27,282)	-	323,474	21,466
TUCSON AIRPORT AUTHORITY FIRE DPT	3,798,696	-	59	(24,557)	-	862,196	-
TUCSON AIRPORT AUTHORITY POLICE	3,107,397	-	48	(28,788)	158,985	1,031,940	-
TUCSON FIRE	132,059,548	-	2,046	(745,260)	1,423,700	28,951,897	997,976
TUCSON POLICE	236,114,297	-	3,658	(1,057,817)	3,072,472	40,980,544	-
U OF A CAMPUS POLICE DEPARTMENT	11,431,048	-	177	(62,696)	(139,777)	1,623,512	-
VERDE VALLEY FIRE DISTRICT	7,023,587	-	109	(37,336)	156,019	634,375	50,292
WELLTON POLICE	573,457	-	9	(3,584)	-	169,272	-
WHETSTONE FIRE DISTRICT	345,445	-	5	(1,077)	4,482	40,930	4,618
WICKENBURG FIRE DEPARTMENT	1,191,706	-	18	(9,453)	(1,973)	155,275	-
WICKENBURG POLICE DEPARTMENT	2,275,446	-	35	(10,370)	98,423	388,309	-
WILLCOX POLICE DEPARTMENT	1,768,779	-	27	(8,457)	-	302,343	-
WILLIAMS POLICE DEPARTMENT	1,480,874	-	23	(9,258)	-	167,121	-
WILLIAMSON VALLEY FIRE DISTRICT	880,938	-	14	(6,223)	(5,426)	189,883	4,208
WINSLOW FIRE DEPARTMENT	6,294,438	-	98	(3,872)	(11,427)	46,788	6,670
WINSLOW POLICE DEPARTMENT	4,470,465	-	69	(19,170)	78,714	465,950	-
YAVAPAI CNTY ATTRNY INVESTIGATORS	3,921	-	-	-	-	10,329	-
YAVAPAI COUNTY SHERIFF'S DEPT.	18,026,513	-	279	(116,208)	144,399	3,795,536	-
YAVAPAI PRESCOTT TRIBAL POLICE	789,105	-	12	(6,990)	16,689	85,018	-
YOUNGTOWN POLICE DEPARTMENT	530,865	-	8	-	-	-	-
YUMA COUNTY SHERIFF'S DEPARTMENT	13,864,146	-	215	(79,458)	(20,677)	2,224,153	-
YUMA FIRE DEPARTMENT	24,172,529	-	374	(136,591)	137,863	4,365,118	155,965
YUMA POLICE DEPARTMENT	37,630,665	-	583	(163,876)	57,231	5,502,647	-
TOTALS	**5,313,969,249**	**-**	**82,318**	**(28,022,279)**	**35,853,276**	**728,379,972**	**16,943,663**

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	ADDITIONAL ER CONTRIB	PENSION PAYMENT	DROP PAYMENT	ENHANCED REFUNDS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
THREE POINTS FIRE DISTRICT	-	(133,304)	(89,786)	(851)	218,080	(4,019)	2,414,846
TIMBER MESA FIRE AND MEDICAL DIST	2,184	(236,006)	-	(189,486)	972,064	(15,495)	11,634,573
TOHONO O'ODHAM NATION FIRE DEPT.	1,286	(139,931)	(129,220)	(65,038)	630,755	(10,300)	7,621,710
TOHONO O'ODHAM NATION POLICE DEPT	4,864	(850,526)	-	(42,551)	1,458,342	(22,896)	18,563,711
TOLLESON FIRE DEPARTMENT	489,573	(245,783)	-	-	817,353	(13,140)	9,983,427
TOLLESON POLICE DEPARTMENT	1,242,009	(429,868)	-	(87,553)	567,178	(9,332)	8,315,154
TOMBSTONE MARSHAL'S DEPARTMENT	4,207	-	-	-	69,169	(1,753)	892,638
TONOPAH VALLEY FIRE DISTRICT	-	-	-	-	87,358	(2,030)	1,027,561
TOWN OF SUPERIOR (FIRE DEPT)	-	(17,597)	-	-	46,946	(1,415)	570,169
TRI-CITY FIRE DISTRICT	-	(57,756)	-	(33,864)	261,913	(4,686)	3,141,644
TUBAC FIRE DISTRICT	2,312	(205,479)	(74,579)	-	424,858	(7,166)	5,244,015
TUCSON AIRPORT AUTHORITY FIRE DPT	0	(923,319)	-	-	346,270	(5,970)	4,053,375
TUCSON AIRPORT AUTHORITY POLICE	830	(1,015,085)	(184,624)	-	323,004	(5,616)	3,388,091
TUCSON FIRE	10,599,089	(31,757,760)	(2,093,479)	(92,220)	12,483,625	(200,699)	151,628,463
TUCSON POLICE	20,307,291	(50,696,545)	(4,313,176)	(239,383)	21,304,804	(334,956)	265,141,188
U OF A CAMPUS POLICE DEPARTMENT	7,106	(1,161,257)	(121,035)	-	1,071,150	(17,003)	12,631,226
VERDE VALLEY FIRE DISTRICT	3,368	(314,643)	-	-	657,383	(11,405)	8,161,748
WELLTON POLICE	-	(125,891)	-	-	52,675	(1,502)	664,435
WHETSTONE FIRE DISTRICT	-	-	-	-	32,999	(1,202)	426,200
WICKENBURG FIRE DEPARTMENT	35,511	-	-	-	124,093	(2,589)	1,492,589
WICKENBURG POLICE DEPARTMENT	3,810	(392,969)	-	-	206,207	(3,838)	2,565,052
WILLCOX POLICE DEPARTMENT	-	(338,127)	-	(43,890)	145,954	(2,921)	1,823,708
WILLIAMS POLICE DEPARTMENT	-	(133,662)	-	(304)	133,332	(2,729)	1,635,397
WILLIAMSON VALLEY FIRE DISTRICT	191	-	-	(192)	110,288	(2,379)	1,171,301
WINSLOW FIRE DEPARTMENT	-	(186,255)	-	(92)	448,794	(7,531)	6,587,612
WINSLOW POLICE DEPARTMENT	12,443	(485,365)	-	(553)	375,736	(6,419)	4,891,870
YAVAPAI CNTY ATTRNY INVESTIGATORS	81,519	(82,575)	-	-	649	(710)	13,133
YAVAPAI COUNTY SHERIFF'S DEPT.	4,037,114	(3,048,040)	(210,582)	(6)	1,732,383	(27,067)	24,334,322
YAVAPAI PRESCOTT TRIBAL POLICE	2,374	(20,621)	-	-	80,452	(1,924)	944,115
YOUNGTOWN POLICE DEPARTMENT	51,475	(111,296)	-	-	37,512	(1,271)	507,293
YUMA COUNTY SHERIFF'S DEPARTMENT	4,798	(1,593,508)	(91,374)	(17,556)	1,270,033	(20,030)	15,540,742
YUMA FIRE DEPARTMENT	50,668	(4,199,649)	-	(402)	2,217,754	(34,454)	26,729,177
YUMA POLICE DEPARTMENT	70,391	(5,633,352)	(168,118)	(31,965)	3,273,507	(50,522)	40,487,191
TOTALS	**114,743,360**	**(685,593,306)**	**(89,351,653)**	**(6,351,170)**	**477,618,102**	**(7,459,064)**	**5,870,813,468**

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

CORP PLAN	2017 BALANCES	OTHER ADJ	RESERVE TRANSFERS	CONTRIB RECEIVED	ADDITIONAL ER CONT.	PENSION PAYMENTS
APACHE COUNTY CORP	1,117,351	(29)	-	80,147	-	(95,167)
CITY OF AVONDALE DETENTION	1,036,711	(27)	-	76,431	-	(11,787)
CITY OF SOMERTON DISPATCHERS	407,872	(10)	(19,003)	52,562	-	(36,193)
COCHISE COUNTY CORP	4,593,953	(118)	-	469,110	-	(590,057)
COCONINO COUNTY CORP	6,381,705	(164)	88,922	464,713	-	(437,856)
DEPARTMENT OF CORRECTIONS CORP	667,299,037	(17,100)	6,385,539	66,030,354	-	(85,603,447)
DEPARTMENT OF PUBLIC SAFETY	7,582,671	(194)	92,802	318,650	-	(573,739)
DEPARTMENT OF PUBLIC SAFETY DETENTION	63,830	(2)	-	10,365	-	-
DEPT OF JUVENILE CORRECTIONS CORP	47,262,364	(1,211)	533,149	3,988,437	-	(8,045,968)
GILA COUNTY CORP	3,485,088	(89)	45,490	238,843	-	(212,608)
GILA COUNTY DISPATCHERS	1,058,958	(27)	-	47,658	-	(91,254)
GRAHAM COUNTY DETENTION	1,576,414	(40)	-	111,107	-	(125,412)
GRAHAM COUNTY DISPATCHERS	435,590	(11)	(751)	10,176	-	-
LA PAZ COUNTY DETENTION	265,344	(7)	16,423	134,312	-	(13,996)
MARICOPA COUNTY CORP	179,214,215	(4,593)	1,850,696	18,023,723	-	(18,180,746)
MOHAVE COUNTY CORP	6,193,016	(159)	-	228,873	-	(348,665)
NAVAJO COUNTY CORP	2,889,807	(74)	9,004	147,102	-	(225,161)
ORO VALLEY DISPATCHERS	986,238	(25)	-	87,566	-	(141,910)
PIMA COUNTY CORP	41,909,183	(1,074)	175,681	5,167,107	-	(6,123,485)
PINAL COUNTY CORP	19,741,283	(506)	121,758	1,109,574	-	(1,170,173)
PINAL COUNTY DISPATCHERS	1,153,930	(30)	-	71,070	-	(71,116)
SANTA CRUZ COUNTY CORP	1,958,484	(50)	-	78,750	-	(126,600)
TOWN OF MARANA DISPATCHERS	828,771	(21)	-	57,269	-	-
TOWN OF WICKENBURG DISPATCHERS	347,822	(9)	-	22,339	-	(32,522)
YAVAPAI COUNTY CORP	8,846,953	(227)	18,670	1,130,186	500,000	(991,585)
YAVAPAI COUNTY DISPATCHERS	562,570	(14)	-	40,149	-	(43,942)
YUMA COUNTY CORP	9,727,961	(249)	54,894	849,783	-	(830,939)
TOTALS CORP	**1,016,927,120**	**(26,060)**	**9,373,273**	**99,046,354**	**500,000**	**(124,124,329)**

CORP-AOC PLAN	2016 BALANCES	OTHER ADJ	RESERVE TRANSFERS	CONTRIB RECEIVED	ADDITIONAL ER CONT.	PENSION PAYMENTS
ADMIN. OFFICE OF THE COURT	302,527,994	(7,753)	2,783,692	26,035,727	-	(27,048,923)
TOTALS CORP - AOC	**302,527,994**	**(7,753)**	**2,783,692**	**26,035,727**	**-**	**(27,048,923)**

OPERATING INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

CORP PLAN	DROP PAYMENTS	ENHANCED REFUNDS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
APACHE COUNTY CORP	-	(577)	101,432	(2,235)	1,200,923
CITY OF AVONDALE DETENTION	-	(64,019)	104,541	(2,282)	1,139,567
CITY OF SOMERTON DISPATCHERS	-	-	40,207	(1,308)	444,127
COCHISE COUNTY CORP	-	(78,920)	396,107	(6,693)	4,783,382
COCONINO COUNTY CORP	-	(4,405)	596,062	(9,718)	7,079,259
DEPARTMENT OF CORRECTIONS CORP	(232,280)	(6,139,484)	63,502,942	(961,443)	710,264,118
DEPARTMENT OF PUBLIC SAFETY	-	-	683,438	(11,040)	8,092,588
DEPARTMENT OF PUBLIC SAFETY DETENTION	-	-	8,786	(833)	82,147
DEPT OF JUVENILE CORRECTIONS CORP	-	(270,504)	4,131,347	(63,136)	47,534,476
GILA COUNTY CORP	-	(140,453)	335,380	(5,774)	3,745,875
GILA COUNTY DISPATCHERS	-	-	93,455	(2,114)	1,106,676
GRAHAM COUNTY DETENTION	-	(53,767)	153,706	(3,025)	1,658,981
GRAHAM COUNTY DISPATCHERS	-	-	44,368	(1,371)	488,001
LA PAZ COUNTY DETENTION	-	(343)	69,049	(1,745)	469,037
MARICOPA COUNTY CORP	(437,089)	(1,960,491)	17,773,630	(269,599)	196,009,747
MOHAVE COUNTY CORP	-	(105,270)	534,696	(8,789)	6,493,702
NAVAJO COUNTY CORP	-	(41,952)	253,700	(4,538)	3,027,887
ORO VALLEY DISPATCHERS	-	-	89,317	(2,051)	1,019,135
PIMA COUNTY CORP	-	(133,654)	3,970,221	(60,766)	44,903,213
PINAL COUNTY CORP	-	(201,841)	1,867,400	(28,952)	21,438,542
PINAL COUNTY DISPATCHERS	-	(21,238)	111,426	(2,386)	1,241,656
SANTA CRUZ COUNTY CORP	-	(726)	193,448	(3,339)	2,099,966
TOWN OF MARANA DISPATCHERS	-	-	90,441	(2,068)	974,391
TOWN OF WICKENBURG DISPATCHERS	-	-	33,012	(1,199)	369,442
YAVAPAI COUNTY CORP	-	(89,027)	974,213	(15,439)	10,373,744
YAVAPAI COUNTY DISPATCHERS	-	-	52,432	(1,492)	609,702
YUMA COUNTY CORP	-	(76,359)	920,644	(14,629)	10,631,107
TOTALS CORP	**(669,369)**	**(9,383,031)**	**97,125,397**	**(1,487,965)**	**1,087,281,389**

CORP-AOC PLAN	DROP PAYMENTS	ENHANCED REFUNDS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
ADMIN. OFFICE OF THE COURT	(2,043,852)	(622,053)	24,929,223	(387,657)	326,166,399
TOTALS CORP - AOC	**(2,043,852)**	**(622,053)**	**24,929,223**	**(387,657)**	**326,166,399**

OPERATING INFORMATION

SCHEDULE OF CHANGES IN HEALTH INSURANCE RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	CONTRIB RECEIVED	SUBSIDY BENEFITS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
AK CHIN INDIAN COMM. FIRE DEPT.	175,471	-	6,119	(2,040)	12,335	(188)	191,696
AK CHIN INDIAN COMM. POLICE DEPT.	106,701	-	4,051	-	7,553	(115)	118,190
APACHE COUNTY SHERIFF'S DEPT.	303,246	-	3,644	(9,626)	20,962	(319)	317,907
APACHE JUNCTION POLICE DEPARTMENT	729,780	-	4,883	(28,647)	50,252	(765)	755,504
ARIZONA FIRE & MEDICAL AUTHORITY	-	914,136	-	(43,197)	62,485	(951)	932,473
ARIZONA STATE PARK RANGERS	628,383	-	1,819	(31,033)	42,981	(654)	641,495
ASU PD PSPRS LOCAL BOARD	959,146	-	9,215	(35,048)	65,965	(1,004)	998,274
ATTORNEY GENERAL INVESTIGATORS	328,047	-	2,408	(28,021)	22,063	(336)	324,161
AVONDALE FIRE DEPARTMENT	528,062	-	16,757	(11,190)	36,857	(561)	569,926
AVONDALE POLICE DEPARTMENT	793,686	-	20,942	(21,613)	55,219	(840)	847,392
AVRA VALLEY FIRE DISTRICT	169,644	-	4,246	(2,743)	11,884	(181)	182,850
AZ DPT. LIQ. LIC. & CONTROL INVST	107,271	-	3,658	(24,355)	6,790	(103)	93,260
BEAVER DAM/LITTLEFIELD FIRE DIST.	-	-	-	-	-	-	-
BENSON FIRE DEPARTMENT	11,538	-	548	-	805	(12)	12,879
BENSON POLICE DEPARTMENT	165,520	-	-	(18,931)	11,507	(175)	157,922
BISBEE FIRE DEPARTMENT	231,081	-	213	(10,841)	15,808	(241)	236,020
BISBEE POLICE DEPARTMENT	159,070	-	1,103	(13,822)	10,713	(163)	156,902
BLACK CANYON FIRE DISTRICT	40,877	(40,877)	-	-	-	-	-
BLUE RIDGE FIRE DISTRICT	-	-	-	-	-	-	-
BUCKEYE FIRE DEPARTMENT	485,089	-	18,633	-	34,384	(523)	537,583
BUCKEYE POLICE DEPARTMENT	577,102	-	14,140	(7,206)	40,463	(616)	623,883
BUCKEYE VALLEY FIRE DISTRICT	343,473	-	14,303	(3,727)	24,144	(367)	377,825
BUCKSKIN FIRE DISTRICT	77,446	-	2,622	(3,967)	5,346	(81)	81,366
BULLHEAD CITY FIRE DEPARTMENT	1,292,624	-	-	(17,118)	89,854	(1,368)	1,363,992
BULLHEAD CITY POLICE DEPARTMENT	1,068,667	-	1,986	(35,411)	73,581	(1,120)	1,107,703
CAMP VERDE MARSHALL'S	182,664	-	2,330	(5,892)	12,619	(192)	191,529
CASA GRANDE FIRE DEPARTMENT	449,128	-	9,568	(15,021)	31,106	(473)	474,307
CASA GRANDE POLICE DEPARTMENT	835,212	-	9,664	(44,003)	57,226	(871)	857,227
CAVE CREEK MARSHALS	9,228	-	329	-	652	(10)	10,199
CENTRAL AZ. COLLEGE POLICE DEPT.	29,057	-	2,080	(280)	2,078	(32)	32,903
CENTRAL AZ. FIRE AND MEDICAL AUTH	1,289,793	-	15,048	(61,690)	88,474	(1,347)	1,330,279
CHANDLER FIRE DEPARTMENT	2,538,860	-	30,088	(103,193)	174,680	(2,659)	2,637,777
CHANDLER POLICE DEPARTMENT	4,107,060	-	59,047	(227,537)	281,187	(4,280)	4,215,476
CHINO VALLEY POLICE DEPARTMENT	251,283	-	1,523	(8,452)	17,332	(264)	261,423
CHRISTOPHER-KOHL'S FIRE DISTRICT	17,742	-	2,577	(1,686)	1,248	(19)	19,862
CITY OF MARICOPA - FIRE	341,186	-	17,757	(1,200)	24,147	(368)	381,522
CITY OF MARICOPA (POLICE DEPT.)	272,942	-	15,115	-	19,420	(296)	307,181
CLARKDALE POLICE DEPARTMENT	139,248	-	31	(2,391)	9,657	(147)	146,398
CLIFTON FIRE DEPARTMENT	11,599	-	-	(1,200)	772	(12)	11,160
CLIFTON POLICE DEPARTMENT	56,409	-	56	-	3,943	(60)	60,347

OPERATING INFORMATION

SCHEDULE OF CHANGES IN HEALTH INSURANCE RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	CONTRIB RECEIVED	SUBSIDY BENEFITS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
COCHISE COUNTY SHERIFF'S DEPT	1,200,230	-	6,994	(53,545)	82,302	(1,253)	1,234,728
COCONINO COUNTY SHERIFF'S DEPT	624,092	-	7,185	(65,327)	41,545	(632)	606,862
COOLIDGE FIRE DEPARTMENT	17,953	-	1,591	-	1,279	(19)	20,803
COOLIDGE POLICE DEPARTMENT	345,318	-	954	(11,628)	23,787	(362)	358,070
COPPER CANYON FIRE AND MEDICAL	252,178	-	5,400	(2,615)	17,699	(269)	272,393
CORONA DE TUCSON FIRE DISTRICT	113,194	-	1,205	-	7,940	(121)	122,218
COTTONWOOD FIRE DEPARTMENT	154,001	-	7,561	(8,901)	10,605	(161)	163,105
COTTONWOOD POLICE DEPARTMENT	317,394	-	2,789	(6,760)	21,988	(335)	335,077
DAISY MOUNTAIN FIRE DISTRICT	654,656	40,877	19,884	(1,228)	48,964	(745)	762,408
DEPARTMENT OF EMER & MILITARY AFF	661,857	-	-	(1,160)	46,221	(703)	706,214
DEPARTMENT OF PUBLIC SAFETY	30,615,116	-	891	(1,741,004)	2,083,223	(31,706)	30,926,520
DESERT HILLS FIRE DEPARTMENT	84,326	-	3,948	-	5,985	(91)	94,169
DOUGLAS FIRE DEPARTMENT	438,453	-	415	(10,746)	30,305	(461)	457,965
DOUGLAS POLICE DEPARTMENT	565,137	-	1,936	(27,231)	38,645	(588)	577,898
DREXEL HEIGHTS FIRE DISTRICT	857,166	-	9,285	(29,681)	58,984	(898)	894,857
EAGAR POLICE DEPARTMENT	130,177	-	-	(841)	9,073	(138)	138,270
EL MIRAGE FIRE DEPARTMENT	141,857	-	4,323	-	10,013	(152)	156,041
EL MIRAGE POLICE DEPARTMENT	322,370	-	6,782	(5,543)	22,545	(343)	345,810
ELOY FIRE DISTRICT	162,002	-	6,066	-	11,447	(174)	179,341
ELOY POLICE DEPARTMENT	346,586	-	-	(3,000)	24,130	(367)	367,349
FLAGSTAFF FIRE DEPARTMENT	2,671,958	-	317	(89,633)	183,906	(2,799)	2,763,750
FLAGSTAFF POLICE DEPARTMENT	1,487,211	-	7,513	(101,106)	100,461	(1,529)	1,492,549
FLORENCE FIRE DEPARTMENT	133,979	-	6,651	-	9,521	(145)	150,006
FLORENCE POLICE DEPARTMENT	238,612	-	3,071	(4,320)	16,618	(253)	253,728
FORT MCDOWELL TRIBAL FIRE DEPT.	104,546	-	74	-	7,308	(111)	111,816
FORT MCDOWELL TRIBAL POLICE DEPT.	215,131	-	5,322	(1,191)	15,101	(230)	234,133
FORT MOJAVE MESA FIRE DISTRICT	310,069	-	2,162	(7,852)	21,476	(327)	325,528
FORT MOJAVE TRIBAL POLICE DEPT.	110,738	-	2,613	-	7,778	(118)	121,011
FREDONIA MARSHALS	54,253	-	-	-	3,792	(58)	57,987
FRY FIRE DISTRICT	352,647	-	7,445	(27,153)	23,826	(363)	356,402
GAME AND FISH DEPARTMENT	2,829,612	-	7,894	(186,853)	191,862	(2,920)	2,839,594
GILA COUNTY SHERIFF'S DEPARTMENT	633,474	-	149	(23,836)	43,515	(662)	652,641
GILA RIVER FIRE DEPARTMENT	477,145	-	8,668	-	33,477	(510)	518,781
GILA RIVER POLICE DEPARTMENT	747,400	-	20,787	(841)	52,233	(795)	818,784
GILBERT FIRE DEPARTMENT	1,445,745	-	45,743	(14,172)	100,921	(1,536)	1,576,701
GILBERT POLICE DEPARTMENT	2,229,044	-	35,529	(53,662)	154,249	(2,348)	2,362,813
GLENDALE FIRE DEPARTMENT	4,334,024	-	-	(112,532)	299,343	(4,556)	4,516,278
GLENDALE POLICE DEPARTMENT	5,028,385	-	76,322	(292,902)	343,121	(5,222)	5,149,703
GLOBE FIRE DEPARTMENT	185,636	-	1,791	(12,480)	12,586	(192)	187,341
GLOBE POLICE DEPARTMENT	275,060	-	1,477	(21,532)	18,550	(282)	273,273

OPERATING INFORMATION

SCHEDULE OF CHANGES IN HEALTH INSURANCE RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	CONTRIB RECEIVED	SUBSIDY BENEFITS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
GOLDEN SHORES FIRE DISTRICT	37,281	-	1,295	(520)	2,636	(40)	40,652
GOLDEN VALLEY FIRE DISTRICT	181,610	-	816	(1,530)	12,666	(193)	193,369
GOLDER RANCH FIRE DISTRICT	1,049,784	-	38,531	(17,485)	73,475	(1,118)	1,143,187
GOODYEAR FIRE DEPARTMENT	648,893	-	23,132	(24,100)	44,810	(682)	692,053
GOODYEAR POLICE DEPARTMENT	836,535	-	17,868	(13,196)	58,351	(888)	898,670
GRAHAM COUNTY SHERIFF'S DEPT.	238,966	-	1,816	(3,429)	16,610	(253)	253,710
GREEN VALLEY FIRE DISTRICT	551,837	-	12,045	(37,649)	37,632	(573)	563,293
GREENLEE CNTY ATTY INVESTIGATORS	-	-	1,157	-	21	(0)	1,178
GREENLEE COUNTY SHERIFF'S DEPT.	267,101	-	39	(3,522)	18,584	(283)	281,919
GROOM CREEK FIRE DISTRICT	29,331	-	490	-	2,051	(31)	31,842
GUADALUPE FIRE DEPARTMENT	39,596	-	1,200	(1,200)	2,758	(42)	42,312
HARQUAHALA FIRE DISTRICT	57,726	-	2,127	-	4,080	(62)	63,871
HAYDEN POLICE DEPARTMENT	52,615	-	99	-	3,680	(56)	56,337
HEBER-OVERGAARD FIRE DISTRICT	95,586	-	1,434	-	6,710	(102)	103,627
HELLSGATE FIRE DISTRICT	65,376	-	633	(1,800)	4,528	(69)	68,668
HIGHLANDS FIRE DISTRICT	184,222	-	3,377	(4,595)	12,828	(195)	195,636
HOLBROOK POLICE DEPARTMENT	219,911	-	27	(9,454)	15,066	(229)	225,320
HUACHUCA CITY POLICE DEPARTMENT	26,755	-	2,221	-	1,932	(29)	30,879
HUALAPAI INDIAN TRIBE POLICE DEPT	72,421	-	4,943	-	5,120	(78)	82,406
JEROME POLICE DEPARTMENT	24,083	-	957	-	1,703	(26)	26,716
KEARNY POLICE DEPARTMENT	39,013	-	-	(2,548)	2,647	(40)	39,072
KINGMAN FIRE DEPARTMENT	709,264	-	858	(21,241)	48,934	(745)	737,070
KINGMAN POLICE DEPARTMENT	602,844	-	4,526	(22,003)	41,575	(633)	626,309
LA PAZ COUNTY ATTY. INVESTIGATORS	11,909	-	-	(422)	819	(12)	12,294
LA PAZ COUNTY SHERIFF'S DEPT.	463,484	-	17	(10,126)	32,074	(488)	484,960
LAKE HAVASU CITY FIRE DEPARTMENT	1,461,627	-	890	(58,653)	100,268	(1,526)	1,502,606
LAKE HAVASU CITY POLICE DEPT.	1,095,206	-	5,778	(59,732)	74,788	(1,138)	1,114,901
LAKE MOHAVE RANCHOS FIRE DISTRICT	60,660	-	-	-	4,240	(65)	64,836
MAMMOTH POLICE DEPARTMENT	38,043	-	-	-	2,659	(40)	40,662
MARANA POLICE DEPARTMENT	784,926	-	10,901	(16,153)	54,561	(830)	833,404
MARICOPA CNTY ATTY INVESTIGATORS	262,881	-	637	(10,941)	18,039	(275)	270,341
MARICOPA COUNTY PARK RANGERS	41,630	-	-	(843)	2,883	(44)	43,626
MARICOPA COUNTY SHERIFF'S OFFICE	13,330,218	-	1,783	(418,196)	919,059	(13,988)	13,818,876
MAYER FIRE DISTRICT	114,530	-	1,990	-	8,039	(122)	124,437
MESA FIRE DEPARTMENT	7,521,772	-	38,333	(532,352)	509,368	(7,753)	7,529,369
MESA POLICE DEPARTMENT	10,477,092	-	231,206	(1,324,951)	694,548	(10,571)	10,067,324
MIAMI POLICE DEPARTMENT	67,525	-	595	(2,002)	4,676	(71)	70,723
MOHAVE COUNTY SHERIFF'S DEPT.	1,386,877	-	295	(24,275)	96,179	(1,464)	1,457,612
MOHAVE VALLEY FIRE DISTRICT	387,091	-	-	-	27,057	(412)	413,736
MOUNT LEMMON FIRE DISTRICT	33,254	-	1,425	-	2,357	(36)	37,000

OPERATING INFORMATION

SCHEDULE OF CHANGES IN HEALTH INSURANCE RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	CONTRIB RECEIVED	SUBSIDY BENEFITS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
MOUNTAIN VISTA FIRE DISTRICT	-	-	-	-	-	-	-
NAU CAMPUS POLICE	291,208	-	1,139	(27,171)	19,655	(299)	284,533
NAVAJO COUNTY ATTY'S INVESTIGATOR	3,446	-	-	(1,499)	186	(3)	2,130
NAVAJO COUNTY SHERIFF'S DEPT.	637,087	-	180	(12,432)	44,137	(672)	668,300
NOGALES FIRE DEPARTMENT	542,911	-	9,924	(30,570)	37,038	(564)	558,740
NOGALES POLICE DEPARTMENT	935,220	-	6,616	(47,120)	63,966	(974)	957,709
NORTH COUNTY FIRE & MEDICAL DISTR	542,902	(542,902)	-	-	-	-	-
NORTHERN AZ. CONSOLIDATED FD #1	187,870	-	4,439	(7,127)	12,978	(198)	197,962
NORTHWEST FIRE DISTRICT	1,835,367	-	40,868	(47,750)	127,313	(1,938)	1,953,861
ORACLE FIRE DISTRICT	27,200	-	1,448	-	1,931	(29)	30,549
ORO VALLEY POLICE DEPT.	1,184,964	-	12,650	(29,984)	82,165	(1,251)	1,248,545
PAGE FIRE DEPARTMENT	66,053	-	2,410	(1,200)	4,630	(70)	71,823
PAGE POLICE DEPARTMENT	420,284	-	208	-	29,377	(447)	449,422
PALOMINAS FIRE DISTRICT	32,275	-	910	-	2,276	(35)	35,427
PARADISE VALLEY POLICE DEPARTMENT	452,596	-	5,201	(39,922)	30,441	(463)	447,853
PARKER POLICE DEPARTMENT	153,122	-	-	(2,443)	10,662	(162)	161,179
PASCUA YAQUI TRIBE FIRE DEPT.	202,729	-	4,021	-	14,260	(217)	220,793
PASCUA YAQUI TRIBE POLICE DEPT.	222,956	-	5,848	(3,780)	15,584	(237)	240,371
PATAGONIA MARSHALS	32,931	-	-	(15,080)	1,965	(30)	19,786
PAYSON FIRE DEPARTMENT	198,750	-	8,311	(23,730)	13,264	(202)	196,393
PAYSON POLICE DEPARTMENT	266,939	-	4,516	(30,780)	17,751	(270)	258,155
PEORIA FIRE DEPARTMENT	1,660,580	-	20,124	(42,867)	115,070	(1,751)	1,751,156
PEORIA POLICE DEPARTMENT	1,950,259	-	32,919	(86,192)	134,117	(2,041)	2,029,062
PHOENIX FIRE DEPARTMENT	37,000,931	-	1,347	(1,765,568)	2,529,003	(38,491)	37,727,221
PHOENIX POLICE DEPARTMENT	65,659,359	-	5,285	(3,252,884)	4,482,627	(68,225)	66,826,162
PICTURE ROCKS FIRE DISTRICT	197,778	-	283	(5,250)	13,653	(208)	206,256
PIMA COUNTY ATTORNEY INVESTIGATOR	111,490	-	-	(5,280)	7,624	(116)	113,718
PIMA COUNTY COMM. COLLEGE POLICE	403,882	-	368	(7,638)	28,020	(426)	424,206
PIMA COUNTY SHERIFF'S DEPARTMENT	8,244,885	-	50,979	(381,109)	564,257	(8,588)	8,470,425
PIMA POLICE DEPARTMENT	27,067	-	331	-	1,896	(29)	29,266
PINAL COUNTY SHERIFF'S DEPARTMENT	2,482,395	-	12,655	(85,083)	170,787	(2,599)	2,578,154
PINE-STRAWBERRY FIRE DISTRICT	203,378	-	-	(609)	14,224	(216)	216,776
PINETOP FIRE DISTRICT	181,933	-	5,040	(4,317)	12,679	(193)	195,142
PINETOP-LAKESIDE POLICE DEPT.	95,313	-	3,164	(20,882)	6,125	(93)	83,628
PINEWOOD FIRE DISTRICT	57,852	-	5,452	(3,240)	4,086	(62)	64,088
PONDEROSA FIRE DISTRICT	9,643	-	785	-	678	(10)	11,095
PRESCOTT FIRE DEPARTMENT	1,180,956	-	-	(55,438)	80,779	(1,229)	1,205,068
PRESCOTT POLICE DEPARTMENT	779,053	-	7,828	(70,682)	52,322	(796)	767,725
PRESCOTT VALLEY POLICE DEPARTMENT	642,748	-	9,777	(19,289)	44,519	(678)	677,078
QUARTZSITE FIRE DISTRICT	48,452	-	1,594	-	3,426	(52)	53,419

OPERATING INFORMATION

SCHEDULE OF CHANGES IN HEALTH INSURANCE RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	CONTRIB RECEIVED	SUBSIDY BENEFITS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
QUARTZSITE POLICE DEPARTMENT	118,802	-	147	(3,591)	8,189	(125)	123,423
QUEEN CREEK FIRE DEPARTMENT	150,569	-	9,625	(3,120)	10,537	(160)	167,451
QUEEN VALLEY FIRE DISTRICT	15,813	-	1,369	-	1,122	(17)	18,286
RINCON VALLEY FIRE DISTRICT	194,081	-	8,154	(1,800)	13,677	(208)	213,905
RIO RICO FIRE DISTRICT	169,819	-	5,400	-	12,026	(183)	187,062
RIO VERDE FIRE DISTRICT	136,957	-	4,693	(5,779)	9,492	(144)	145,219
SAFFORD POLICE DEPARTMENT	300,153	-	2,976	(17,459)	20,439	(311)	305,798
SAHUARITA POLICE DEPARTMENT	329,814	-	12,532	(652)	23,196	(353)	364,537
SALT RIVER PIMA-MARICOPA FIRE	715,807	-	11,941	(621)	50,281	(765)	776,642
SALT RIVER PIMA-MARICOPA POLICE	729,270	-	23,585	(12,862)	51,042	(777)	790,258
SAN CARLOS TRIBAL POLICE DEPT.	150,447	-	4,335	-	10,599	(161)	165,219
SAN LUIS FIRE DEPARTMENT	211,531	-	5,439	-	14,848	(226)	231,593
SAN LUIS POLICE DEPARTMENT	293,328	-	2,666	(2,860)	20,473	(312)	313,296
SANTA CRUZ COUNTY SHERIFF'S DEPT.	455,656	-	3,811	(18,111)	31,309	(477)	472,188
SCOTTSDALE FIRE DEPARTMENT	1,519,496	-	87,207	(21,540)	106,562	(1,622)	1,690,103
SCOTTSDALE POLICE DEPARTMENT	6,415,354	-	39,956	(257,058)	441,073	(6,713)	6,632,611
SEDONA FIRE DISTRICT	526,326	-	18,373	(27,460)	36,316	(553)	553,003
SEDONA POLICE DEPARTMENT	291,410	-	-	(4,244)	20,233	(308)	307,092
SHOW LOW POLICE DEPARTMENT	387,050	-	2,647	(7,826)	26,847	(409)	408,310
SIERRA VISTA FIRE DEPARTMENT	566,215	-	8,621	(50,664)	38,143	(581)	561,735
SIERRA VISTA POLICE DEPARTMENT	702,184	-	13,974	(62,961)	47,396	(721)	699,872
SNOWFLAKE POLICE DEPARTMENT	139,689	-	388	(1,200)	9,734	(148)	148,463
SOMERTON FIRE DEPARTMENT	147,395	-	2,535	(1,200)	10,310	(157)	158,884
SOMERTON POLICE DEPARTMENT	219,470	-	2,466	(3,120)	15,279	(233)	233,863
SONOITA ELGIN FIRE DEPARTMENT	39,867	-	2,025	-	2,804	(43)	44,653
SOUTH TUCSON FIRE DEPARTMENT	86,522	-	-	(3,120)	5,948	(91)	89,259
SOUTH TUCSON POLICE DEPARTMENT	106,521	-	2,084	(14,032)	7,016	(107)	101,482
SPRINGERVILLE POLICE DEPARTMENT	112,223	-	-	-	7,844	(119)	119,948
ST. JOHNS POLICE DEPARTMENT	66,415	-	-	-	4,642	(71)	70,987
SUMMIT FIRE DISTRICT	326,909	-	4,130	(2,041)	22,853	(348)	351,503
SUN CITY FIRE DISTRICT	879,688	-	5,371	(43,928)	60,210	(916)	900,426
SUN LAKES FIRE DISTRICT	371,233	(371,233)	-	-	-	-	-
SUN SITES PEARCE FIRE DISTRICT	20,965	-	1,032	-	1,494	(23)	23,468
SUPERIOR POLICE DEPARTMENT	96,267	-	-	-	6,729	(102)	102,894
SUPERSTITION FIRE AND MEDICAL DIS	890,981	-	11,514	(16,981)	61,923	(942)	946,494
SURPRISE FIRE DEPARTMENT	840,564	-	29,406	(12,727)	58,949	(897)	915,295
SURPRISE POLICE DEPARTMENT	1,057,981	-	28,198	(27,446)	73,787	(1,123)	1,131,397
TEMPE FIRE DEPARTMENT	3,658,932	-	9,089	(216,408)	248,942	(3,789)	3,696,767
TEMPE POLICE DEPARTMENT	4,073,660	-	70,271	(417,982)	272,884	(4,153)	3,994,679
THATCHER POLICE DEPARTMENT	216,242	-	-	(3,601)	15,027	(229)	227,439

OPERATING INFORMATION

SCHEDULE OF CHANGES IN HEALTH INSURANCE RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

PSPRS SYSTEM	2017 BALANCES	SYSTEM MERGERS	CONTRIB RECEIVED	SUBSIDY BENEFITS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
THREE POINTS FIRE DISTRICT	107,957	-	3,363	(1,748)	7,574	(115)	117,031
TIMBER MESA FIRE AND MEDICAL DIST	381,727	-	14,990	(1,800)	27,004	(411)	421,509
TOHONO O'ODHAM NATION FIRE DEPT.	242,950	-	12,318	-	17,079	(260)	272,087
TOHONO O'ODHAM NATION POLICE DEPT	602,505	-	15,131	(7,460)	41,804	(636)	651,344
TOLLESON FIRE DEPARTMENT	295,275	-	5,597	(4,920)	20,563	(313)	316,202
TOLLESON POLICE DEPARTMENT	272,576	-	4,775	(8,630)	18,852	(287)	287,287
TOMBSTONE MARSHAL'S DEPARTMENT	58,570	-	21	-	4,094	(62)	62,622
TONOPAH VALLEY FIRE DISTRICT	55,130	-	2,104	-	3,901	(59)	61,076
TOWN OF SUPERIOR (FIRE DEPT)	32,058	-	466	(1,200)	2,213	(34)	33,504
TRI-CITY FIRE DISTRICT	123,147	-	3,941	-	8,659	(132)	135,615
TUBAC FIRE DISTRICT	229,332	-	3,520	(1,820)	16,077	(245)	246,864
TUCSON AIRPORT AUTHORITY FIRE DPT	331,602	-	-	(12,415)	22,786	(347)	341,626
TUCSON AIRPORT AUTHORITY POLICE	288,961	-	862	(15,983)	19,711	(300)	293,252
TUCSON FIRE	10,829,173	-	87,035	(970,061)	726,450	(11,056)	10,661,540
TUCSON POLICE	16,019,761	-	184,510	(1,554,072)	1,071,703	(16,311)	15,705,591
U OF A CAMPUS POLICE DEPARTMENT	584,884	-	12,183	(38,546)	40,092	(610)	598,002
VERDE VALLEY FIRE DISTRICT	332,427	-	2,077	(8,560)	23,003	(350)	348,597
WELLTON POLICE	55,511	-	-	-	3,880	(59)	59,332
WHETSTONE FIRE DISTRICT	20,061	-	274	-	1,405	(21)	21,718
WICKENBURG FIRE DEPARTMENT	58,519	-	3,367	-	4,187	(64)	66,009
WICKENBURG POLICE DEPARTMENT	168,182	-	1,812	(5,880)	11,621	(177)	175,558
WILLCOX POLICE DEPARTMENT	131,529	-	122	(3,289)	9,068	(138)	137,293
WILLIAMS POLICE DEPARTMENT	108,985	-	-	-	7,618	(116)	116,486
WILLIAMSON VALLEY FIRE DISTRICT	42,998	-	3,012	-	3,017	(46)	48,981
WINSLOW FIRE DEPARTMENT	301,094	-	43	(2,700)	20,968	(319)	319,087
WINSLOW POLICE DEPARTMENT	334,724	-	128	(7,912)	23,126	(352)	349,713
YAVAPAI CNTY ATTRNY INVESTIGATORS	15,875	-	-	(1,200)	1,071	(16)	15,730
YAVAPAI COUNTY SHERIFF'S DEPT.	1,251,730	-	15,786	(50,251)	86,232	(1,312)	1,302,185
YAVAPAI PRESCOTT TRIBAL POLICE	34,457	-	2,389	-	2,477	(38)	39,286
YOUNGTOWN POLICE DEPARTMENT	49,852	-	-	(1,686)	3,432	(52)	51,546
YUMA COUNTY SHERIFF'S DEPARTMENT	1,083,255	-	54	(8,176)	75,469	(1,149)	1,149,453
YUMA FIRE DEPARTMENT	1,791,698	-	8,190	(84,394)	122,634	(1,866)	1,836,261
YUMA POLICE DEPARTMENT	2,867,052	-	161	(95,638)	197,245	(3,002)	2,965,818
TOTALS	**321,261,466**	**-**	**2,121,493**	**(16,640,928)**	**21,953,487**	**(334,129)**	**328,361,389**

OPERATING INFORMATION

SCHEDULE OF CHANGES IN HEALTH INSURANCE RESERVE BALANCES
FISCAL YEAR ENDED JUNE 30, 2018

CORP PLAN	2017 BALANCES	CONTRIB RECEIVED	SUBSIDY BENEFITS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
APACHE COUNTY CORP	177,743	-	(2,358)	12,760	(193)	187,951
CITY OF AVONDALE DETENTION	38,104	2,950	-	2,821	(43)	43,833
CITY OF SOMERTON DISPATCHERS	20,832	1,236	-	1,531	(23)	23,576
COCHISE COUNTY CORP	665,716	-	(10,631)	47,767	(723)	702,129
COCONINO COUNTY CORP	476,989	10,482	(17,873)	33,904	(513)	502,989
DEPARTMENT OF CORRECTIONS CORP	74,206,615	1,072,317	(2,936,745)	5,271,149	(79,748)	77,533,589
DEPARTMENT OF PUBLIC SAFETY	175,498	21,243	(22,827)	12,488	(189)	186,213
DEPARTMENT OF PUBLIC SAFETY DETENTION	1,899	584	-	152	(2)	2,632
DEPT OF JUVENILE CORRECTIONS CORP	6,177,811	-	(240,464)	438,024	(6,627)	6,368,744
GILA COUNTY CORP	343,951	1,980	(3,197)	24,779	(375)	367,138
GILA COUNTY DISPATCHERS	89,737	-	(429)	6,477	(98)	95,687
GRAHAM COUNTY DETENTION	77,769	3,675	(2,580)	5,620	(85)	84,399
GRAHAM COUNTY DISPATCHERS	19,695	410	-	1,434	(22)	21,517
LA PAZ COUNTY DETENTION	-	-	-	-	-	-
MARICOPA COUNTY CORP	16,290,567	19,113	(294,249)	1,167,804	(17,668)	17,165,568
MOHAVE COUNTY CORP	643,510	-	(7,012)	46,261	(700)	682,059
NAVAJO COUNTY CORP	357,654	-	(2,040)	25,774	(390)	380,998
ORO VALLEY DISPATCHERS	66,987	-	(3,464)	4,724	(71)	68,175
PIMA COUNTY CORP	3,700,182	56,119	(105,792)	264,710	(4,005)	3,911,214
PINAL COUNTY CORP	1,424,821	-	(11,670)	102,755	(1,555)	1,514,351
PINAL COUNTY DISPATCHERS	154,734	-	-	11,180	(169)	165,745
SANTA CRUZ COUNTY CORP	201,019	-	(10,352)	14,194	(215)	204,647
TOWN OF MARANA DISPATCHERS	42,148	1,590	-	3,087	(47)	46,778
TOWN OF WICKENBURG DISPATCHERS	39,669	-	(99)	2,863	(43)	42,390
YAVAPAI COUNTY CORP	1,165,328	-	(10,034)	83,910	(1,269)	1,237,934
YAVAPAI COUNTY DISPATCHERS	26,250	919	-	1,922	(29)	29,062
YUMA COUNTY CORP	1,078,876	-	(2,590)	77,867	(1,178)	1,152,974
TOTALS CORP	**107,664,105**	**1,192,619**	**(3,684,406)**	**7,665,955**	**(115,979)**	**112,722,293**

CORP-AOC PLAN	2017 BALANCES	CONTRIB RECEIVED	SUBSIDY BENEFITS	DIST. OF EARNINGS	DIST. OF ADMIN EXP	2018 BALANCES
ADMIN. OFFICE OF THE COURT	9,687,041	955,786	(477,976)	647,987	(9,803)	10,803,035
TOTALS CORP - AOC	**9,687,041**	**955,786**	**(477,976)**	**647,987**	**(9,803)**	**10,803,035**

OPERATING INFORMATION

PSPRS PARTICIPATING EMPLOYERS

AK CHIN INDIAN COMM. FIRE DEPT.
AK CHIN INDIAN COMM. POLICE DEPT.
APACHE COUNTY SHERIFF'S DEPT.
APACHE JUNCTION POLICE DEPARTMENT
ARIZONA FIRE & MEDICAL AUTHORITY
ARIZONA STATE PARK RANGERS
ASU PD PSPRS LOCAL BOARD
ATTORNEY GENERAL INVESTIGATORS
AVONDALE FIRE DEPARTMENT
AVONDALE POLICE DEPARTMENT
AVRA VALLEY FIRE DISTRICT
AZ DPT. LIQ. LIC. & CONTROL INVST
BEAVER DAM/LITTLEFIELD FIRE DIST.
BENSON FIRE DEPARTMENT
BENSON POLICE DEPARTMENT
BISBEE FIRE DEPARTMENT
BISBEE POLICE DEPARTMENT
BLACK CANYON FIRE DISTRICT
BLUE RIDGE FIRE DISTRICT
BUCKEYE FIRE DEPARTMENT
BUCKEYE POLICE DEPARTMENT
BUCKEYE VALLEY FIRE DISTRICT
BUCKSKIN FIRE DISTRICT
BULLHEAD CITY FIRE DEPARTMENT
BULLHEAD CITY POLICE DEPARTMENT
CAMP VERDE MARSHALL'S
CASA GRANDE FIRE DEPARTMENT
CASA GRANDE POLICE DEPARTMENT
CAVE CREEK MARSHALS
CENTRAL AZ. COLLEGE POLICE DEPT.
CENTRAL AZ. FIRE AND MEDICAL AUTH
CHANDLER FIRE DEPARTMENT
CHANDLER POLICE DEPARTMENT
CHINO VALLEY POLICE DEPARTMENT
CHRISTOPHER-KOHL'S FIRE DISTRICT
CITY OF MARICOPA - FIRE
CITY OF MARICOPA (POLICE DEPT.)
CLARKDALE POLICE DEPARTMENT
CLIFTON POLICE DEPARTMENT
COCHISE COUNTY SHERIFF'S DEPT
COCONINO COUNTY SHERIFF'S DEPT
COOLIDGE FIRE DEPARTMENT
COOLIDGE POLICE DEPARTMENT
COPPER CANYON FIRE AND MEDICAL
CORONA DE TUCSON FIRE DISTRICT
COTTONWOOD FIRE DEPARTMENT
COTTONWOOD POLICE DEPARTMENT
DAISY MOUNTAIN FIRE DISTRICT
DEPARTMENT OF EMER & MILITARY AFF
DEPARTMENT OF PUBLIC SAFETY
DESERT HILLS FIRE DEPARTMENT
DOUGLAS FIRE DEPARTMENT
DOUGLAS POLICE DEPARTMENT
DREXEL HEIGHTS FIRE DISTRICT
EAGAR POLICE DEPARTMENT
EL MIRAGE FIRE DEPARTMENT
EL MIRAGE POLICE DEPARTMENT
ELOY FIRE DISTRICT
ELOY POLICE DEPARTMENT
FLAGSTAFF FIRE DEPARTMENT
FLAGSTAFF POLICE DEPARTMENT
FLORENCE FIRE DEPARTMENT
FLORENCE POLICE DEPARTMENT
FORT MCDOWELL TRIBAL FIRE DEPT.
FORT MCDOWELL TRIBAL POLICE DEPT.
FORT MOJAVE MESA FIRE DISTRICT
FORT MOJAVE TRIBAL POLICE DEPT.
FREDONIA MARSHALS
FRY FIRE DISTRICT
GAME AND FISH DEPARTMENT
GILA COUNTY SHERIFF'S DEPARTMENT
GILA RIVER FIRE DEPARTMENT
GILA RIVER POLICE DEPARTMENT
GILBERT FIRE DEPARTMENT
GILBERT POLICE DEPARTMENT
GLENDALE FIRE DEPARTMENT
GLENDALE POLICE DEPARTMENT
GLOBE FIRE DEPARTMENT
GLOBE POLICE DEPARTMENT
GOLDEN SHORES FIRE DISTRICT
GOLDEN VALLEY FIRE DISTRICT
GOLDER RANCH FIRE DISTRICT
GOODYEAR FIRE DEPARTMENT
GOODYEAR POLICE DEPARTMENT
GRAHAM COUNTY SHERIFF'S DEPT.
GREEN VALLEY FIRE DISTRICT
GREENLEE CNTY ATTY INVESTIGATORS
GREENLEE COUNTY SHERIFF'S DEPT.
GROOM CREEK FIRE DISTRICT
GUADALUPE FIRE DEPARTMENT
HARQUAHALA FIRE DISTRICT
HAYDEN POLICE DEPARTMENT
HEBER-OVERGAARD FIRE DISTRICT
HELLSGATE FIRE DISTRICT
HIGHLANDS FIRE DISTRICT
HOLBROOK POLICE DEPARTMENT
HUACHUCA CITY POLICE DEPARTMENT
HUALAPAI INDIAN TRIBE POLICE DEPT
JEROME POLICE DEPARTMENT
KEARNY POLICE DEPARTMENT
KINGMAN FIRE DEPARTMENT
KINGMAN POLICE DEPARTMENT
LA PAZ COUNTY SHERIFF'S DEPT.
LAKE HAVASU CITY FIRE DEPARTMENT
LAKE HAVASU CITY POLICE DEPT.
LAKE MOHAVE RANCHOS FIRE DISTRICT
MAMMOTH POLICE DEPARTMENT
MARANA POLICE DEPARTMENT
MARICOPA CNTY ATTY INVESTIGATORS
MARICOPA COUNTY PARK RANGERS
MARICOPA COUNTY SHERIFF'S OFFICE
MAYER FIRE DISTRICT
MESA FIRE DEPARTMENT
MESA POLICE DEPARTMENT
MIAMI POLICE DEPARTMENT
MOHAVE COUNTY SHERIFF'S DEPT.
MOHAVE VALLEY FIRE DISTRICT
MOUNT LEMMON FIRE DISTRICT
MOUNTAIN VISTA FIRE DISTRICT
NAU CAMPUS POLICE

OPERATING INFORMATION

PSPRS PARTICIPATING EMPLOYERS

NAVAJO COUNTY SHERIFF'S DEPT.
NOGALES FIRE DEPARTMENT
NOGALES POLICE DEPARTMENT
NORTH COUNTY FIRE & MEDICAL DISTR
NORTHERN AZ. CONSOLIDATED FD #1
NORTHWEST FIRE DISTRICT
ORACLE FIRE DISTRICT
ORO VALLEY POLICE DEPT.
PAGE FIRE DEPARTMENT
PAGE POLICE DEPARTMENT
PALOMINAS FIRE DISTRICT
PARADISE VALLEY POLICE DEPARTMENT
PARKER POLICE DEPARTMENT
PASCUA YAQUI TRIBE FIRE DEPT.
PASCUA YAQUI TRIBE POLICE DEPT.
PATAGONIA MARSHALS
PAYSON FIRE DEPARTMENT
PAYSON POLICE DEPARTMENT
PEORIA FIRE DEPARTMENT
PEORIA POLICE DEPARTMENT
PHOENIX FIRE DEPARTMENT
PHOENIX POLICE DEPARTMENT
PICTURE ROCKS FIRE DISTRICT
PIMA COUNTY ATTORNEY INVESTIGATOR
PIMA COUNTY COMM. COLLEGE POLICE
PIMA COUNTY SHERIFF'S DEPARTMENT
PIMA POLICE DEPARTMENT
PINAL COUNTY SHERIFF'S DEPARTMENT
PINE-STRAWBERRY FIRE DISTRICT
PINETOP FIRE DISTRICT
PINETOP-LAKESIDE POLICE DEPT.
PINEWOOD FIRE DISTRICT
PONDEROSA FIRE DISTRICT
PRESCOTT FIRE DEPARTMENT
PRESCOTT POLICE DEPARTMENT
PRESCOTT VALLEY POLICE DEPARTMENT
QUARTZSITE FIRE DISTRICT
QUARTZSITE POLICE DEPARTMENT
QUEEN CREEK FIRE DEPARTMENT
QUEEN VALLEY FIRE DISTRICT
RINCON VALLEY FIRE DISTRICT
RIO RICO FIRE DISTRICT
RIO VERDE FIRE DISTRICT
SAFFORD POLICE DEPARTMENT
SAHUARITA POLICE DEPARTMENT
SALT RIVER PIMA-MARICOPA FIRE
SALT RIVER PIMA-MARICOPA POLICE
SAN CARLOS TRIBAL POLICE DEPT.
SAN LUIS FIRE DEPARTMENT
SAN LUIS POLICE DEPARTMENT
SANTA CRUZ COUNTY SHERIFF'S DEPT.
SCOTTSDALE FIRE DEPARTMENT
SCOTTSDALE POLICE DEPARTMENT
SEDONA FIRE DISTRICT
SEDONA POLICE DEPARTMENT
SHOW LOW POLICE DEPARTMENT
SIERRA VISTA FIRE DEPARTMENT
SIERRA VISTA POLICE DEPARTMENT
SNOWFLAKE POLICE DEPARTMENT
SOMERTON FIRE DEPARTMENT
SOMERTON POLICE DEPARTMENT
SONOITA ELGIN FIRE DEPARTMENT
SOUTH TUCSON FIRE DEPARTMENT
SOUTH TUCSON POLICE DEPARTMENT
SPRINGERVILLE POLICE DEPARTMENT
ST. JOHNS POLICE DEPARTMENT
SUMMIT FIRE DISTRICT
SUN CITY FIRE DISTRICT
SUN LAKES FIRE DISTRICT
SUN SITES PEARCE FIRE DISTRICT
SUPERIOR POLICE DEPARTMENT
SUPERSTITION FIRE AND MEDICAL DIS
SURPRISE FIRE DEPARTMENT
SURPRISE POLICE DEPARTMENT
TEMPE FIRE DEPARTMENT
TEMPE POLICE DEPARTMENT
THATCHER POLICE DEPARTMENT
THREE POINTS FIRE DISTRICT
TIMBER MESA FIRE AND MEDICAL DIST
TOHONO O'ODHAM NATION FIRE DEPT.
TOHONO O'ODHAM NATION POLICE DEPT
TOLLESON FIRE DEPARTMENT
TOLLESON POLICE DEPARTMENT
TOMBSTONE MARSHAL'S DEPARTMENT
TONOPAH VALLEY FIRE DISTRICT
TOWN OF SUPERIOR (FIRE DEPT)
TRI-CITY FIRE DISTRICT
TUBAC FIRE DISTRICT
TUCSON AIRPORT AUTHORITY FIRE DPT
TUCSON AIRPORT AUTHORITY POLICE
TUCSON FIRE
TUCSON POLICE
U OF A CAMPUS POLICE DEPARTMENT
VERDE VALLEY FIRE DISTRICT
WELLTON POLICE
WHETSTONE FIRE DISTRICT
WICKENBURG FIRE DEPARTMENT
WICKENBURG POLICE DEPARTMENT
WILLCOX POLICE DEPARTMENT
WILLIAMS POLICE DEPARTMENT
WILLIAMSON VALLEY FIRE DISTRICT
WINSLOW FIRE DEPARTMENT
WINSLOW POLICE DEPARTMENT
YAVAPAI COUNTY SHERIFF'S DEPT.
YAVAPAI PRESCOTT TRIBAL POLICE
YOUNGTOWN POLICE DEPARTMENT
YUMA COUNTY SHERIFF'S DEPARTMENT
YUMA FIRE DEPARTMENT
YUMA POLICE DEPARTMENT

OPERATING INFORMATION

EORP PARTICIPATING EMPLOYERS

STATE OF ARIZONA
P.S.P.R.S.
APACHE COUNTY
COCHISE COUNTY
COCONINO COUNTY
GILA COUNTY
GRAHAM COUNTY
GREENLEE COUNTY
LA PAZ COUNTY
MARICOPA COUNTY
MOHAVE COUNTY
NAVAJO COUNTY
PIMA COUNTY
PINAL COUNTY
SANTA CRUZ COUNTY
YAVAPAI COUNTY
YUMA COUNTY

CITY OF APACHE JUNCTION
CITY OF AVONDALE
CITY OF CHANDLER
CITY OF FLAGSTAFF
CITY OF GLENDALE
CITY OF GLOBE
CITY OF MESA
CITY OF PEORIA
CITY OF PHOENIX
CITY OF SAFFORD
CITY OF SAN LUIS
CITY OF SCOTTSDALE
CITY OF SOUTH TUCSON
CITY OF SURPRISE
CITY OF TEMPE
CITY OF TOLLESON
CITY OF TUCSON
CITY OF YUMA

TOWN OF GILBERT
TOWN OF MARANA
TOWN OF SAHUARITA
TOWN OF THATCHER

CORP PARTICIPATING EMPLOYERS

DEPARTMENT OF CORRECTIONS
DEPT. OF JUVENILE CORRECTIONS
APACHE COUNTY - AOC
COCHISE COUNTY - AOC
COCONINO COUNTY - AOC
GILA COUNTY - AOC
GRAHAM COUNTY - AOC
GREENLEE COUNTY - AOC
LA PAZ COUNTY - AOC
MARICOPA COUNTY - AOC
MOHAVE COUNTY - AOC
NAVAJO COUNTY - AOC
PIMA COUNTY - AOC
PINAL COUNTY - AOC
SANTA CRUZ COUNTY - AOC
YAVAPAI COUNTY - AOC
YUMA COUNTY - AOC

DEPT. OF PUBLIC SAFETY - DETENTION OFFICERS
APACHE COUNTY - DETENTION OFFICERS
COCHISE COUNTY - DETENTION OFFICERS
COCONINO COUNTY - DETENTION OFFICERS
GILA COUNTY - DETENTION OFFICERS
GRAHAM COUNTY - DETENTION OFFICERS
LA PAZ COUNTY - DETENTION OFFICERS
MARICOPA COUNTY - DETENTION OFFICERS
MOHAVE COUNTY - DETENTION OFFICERS
NAVAJO COUNTY - DETENTION OFFICERS
PIMA COUNTY - DETENTION OFFICERS
PINAL COUNTY - DETENTION OFFICERS
SANTA CRUZ COUNTY - DETENTION OFFICERS
YAVAPAI COUNTY - DETENTION OFFICERS
YUMA COUNTY - DETENTION OFFICERS
CITY OF AVONDALE - DETENTION OFFICERS

DEPT. OF PUBLIC SAFETY - DISPATCHERS
GILA COUNTY - DISPATCHERS
GRAHAM COUNTY - DISPATCHERS
PINAL COUNTY - DISPATCHERS
YAVAPAI COUNTY - DISPATCHERS
CITY OF SOMERTON - DISPATCHERS
TOWN OF MARANA - DISPATCHERS
TOWN OF ORO VALLEY - DISPATCHERS
TOWN OF WICKENBURG - DISPATCHERS

THIS PAGE INTENTIONALLY BLANK