Effective December 2021, CAFR (Comprehensive Annual Financial Report) is called
ACFR (Annual Comprehensive Financial Report)

# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

THIRTY-FIRST COMPREHENSIVE
ANNUAL FINANCIAL REPORT

—

A PENSION TRUST FUND
OF THE STATE OF ARIZONA

—

FOR THE FISCAL YEAR ENDED
JUNE 30, 1999

# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

A PENSION TRUST FUND OF THE STATE OF ARIZONA

THIRTY-FIRST COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 1999

This report was prepared by the staff of the PSPRS

1020 East Missouri Avenue

Phoenix, Arizona 85014

(602) 255-5575

Fax (602) 255-5572

www.psprs.com

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# THIRTY-FIRST COMPREHENSIVE ANNUAL FINANCIAL REPORT

## CONTENTS


**INTRODUCTORY SECTION**

Fund Managers' Report ..... 3

Letter of Transmittal ..... 4

Certificate of Achievement for Excellence in Financial Reporting ..... 7

The Retirement Board and Administrative Organization ..... 8

Organizational Chart ..... 9

Summary of Plan Provisions (See Note 1 in Notes to Financial Statements) ..... 16

**FINANCIAL SECTION**

Independent Auditor's Report ..... 13

Basic Financial Statements

Statements of System Net Assets ..... 14

Statements of Changes in System Net Assets ..... 15

Notes to Financial Statements ..... 16

(These Notes are an Integral Part of the Financial Statements)

Required Supplementary Information

Schedule of Funding Progress ..... 23

Schedule of Employer Contributions ..... 24

Supporting Schedule of Changes in Fund Balance Reserves ..... 25

Supporting Schedule of Administrative and Investment Expenses ..... 26

Supporting Schedule of Payments to Consultants ..... 26

Supplemental Schedule of Cash Receipts and Cash Disbursements ..... 27

Schedule of Changes in Employers' Reserve – Year Ended June 30, 1999 and Unfunded Accrued Normal Costs at June 30, 1998 ..... 28

Statement of Changes in Refundable Member Reserves Fiscal Year Ended June 30, 1999 ..... 34

**INVESTMENT SECTION**

Fund Objectives ..... 41

Investment Performance Data ..... 42

Supporting Schedule of Commissions Paid to Brokers ..... 46

Summary of Changes in Investment Portfolio ..... 47

Detailed List of Investments Acquired ..... 48

Detailed List of Sales and Redemption of Investments ..... 58
Detailed List of Investments Owned ..... 62

**ACTUARIAL SECTION**

Actuarial Certification Statement ..... 77
Actuarial Balance Sheet – All Employers ..... 78
Summary of Valuation Methods and Assumptions ..... 79
Solvency Test ..... 83
Summary of Active Member Data ..... 84
Schedule of Retirants and Beneficiaries..... 85
Schedule of Experience Gain / (Loss)..... 86

**STATISTICAL SECTION**

Schedule of Revenues by Source and Expenses by Type..... 89
Schedule of Benefit Expenses by Type ..... 90
Summary of Retired Member and Survivor Data ..... 91
Summary of Benefit Increases ..... 92
Participating Employers ..... 94
Summary of Growth of the System ..... 96

# INTRODUCTORY SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

THIRTY-FIRST COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 1999


Fund Managers' Report

Letter of Transmittal

Certificate of Achievement for
Excellence in Financial Reporting

The Retirement Board and
Administrative Organization

Organizational Chart

Summary of Plan Provisions
(See Note 1 in Notes to Financial Statements)

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**CORRECTIONS OFFICER RETIREMENT PLAN**
**ELECTED OFFICIALS' RETIREMENT PLAN**
1020 East Missouri Avenue
Phoenix, Arizona 85014-2613

Jack M. Cross, C.P.A., C.F.A.
Administrator

TELEPHONE: (602) 255-5575
FAX: (602) 255-5572

Michael H. Ong, J.D.
Assistant Administrator

The Honorable Jane Dee Hull
Governor of the State of Arizona
State Capitol
Phoenix, Arizona 85007

September 30, 1999

Dear Governor Hull:

The Fund Manager of the Public Safety Personnel Retirement System respectfully submits the Thirty-First Annual Report for the fiscal year ending June 30, 1999, in accordance with the provisions of A.R.S. Section 38-848.

We are pleased to report that the System is in outstanding financial and actuarial condition. For the sixteenth year in a row the System remains more than 97% funded even in the face of improved retirement benefits. In fact, the System is now more than 120% funded. Set forth below are some of the record-breaking highlights of the fiscal year ending June 30, 1999Total System assets increased from $4,151,364,074 to $4,841,649,236, an increase of 16.6%. The fair value of the total System assets was nearly 38% above cost. Benefits paid to retired members and their beneficiaries increased from $112,374,125 to $125,873,371. The average employer contribution rate as a percentage of gross payroll decreased from a high of 22.13% for the 1972/73 fiscal year to 5.29% for the 1999/00 fiscal year. This is a direct savings to the taxpayers of approximately $114 million annually. The investment earnings provided 88% of the total cost of the System. Net investment income for the year totaled $723,369,908, which was the second best year on record.

The total rate of return, which includes realized as well as unrealized gains and losses, for the total fund was 17.70%. The total rates of return for the stock portfolio and bond portfolios were 24.43% and 2.73% respectively. The fund continues to outperform the market indexes on a short-term and a long-term basis. The net effective yield, which takes into account only realized gains and losses, was 22.68%—the best on record.

Total administrative and investment expenses increased about 5.3% from $878,120 last year to $925,090 this year. Costs have increased only 43% during the past fourteen years. This increase is well below the rate of inflation (55% during this period) even though assets managed have increased 572% and the System membership has increased 84%.

We sincerely appreciate the opportunity of serving the State of Arizona, its political subdivisions and its Public Safety members.

Respectfully submitted,

DONALD L. De MENT/sig
Donald L. De Ment,
Chairman

CARMEN TORRIE/sig
Carmen Torrie, Member

PATRICK CANTELME/sig
Patrick Cantelme, Member

CAROL SPRINGER/sig
Carol Springer, Member

ROBERT BLENDU/sig
Robert Blendu, Member

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**CORRECTIONS OFFICER RETIREMENT PLAN**
**ELECTED OFFICIALS' RETIREMENT PLAN**
1020 East Missouri Avenue
Phoenix, Arizona 85014-2613

Jack M. Cross, C.P.A., C.F.A.
Administrator

Michael H. Ong, J.D.
Assistant Administrator

TELEPHONE: (602) 255-5575
FAX: (602) 255-5572
www.psprs.com

September 30, 1999

The Fund Manager
Public Safety Personnel Retirement System
State of Arizona
Phoenix, Arizona

Gentlemen:

There is presented herewith the Thirty-First Annual Report of the operations and financial conditions of the Public Safety Personnel Retirement System for the fiscal year ended June 30, 1999. Incorporated in this report are the audited financial statements and other financial data from the June 30, 1999, report of Barrows & Schatza, P.L.C., Certified Public Accountants and auditors for the System. Also included is the Actuarial Certification Statement and the Actuarial Balance Sheet from the June 30, 1999, Actuarial Valuation made by the System's Actuary, Gabriel, Roeder, Smith & Company, Consulting Actuaries.

This report has been organized into five sections: the Introductory Section contains general information regarding the operations of the PSPRS; the Financial Section contains the financial reports and schedules of the funds administered by the PSPRS; the Investment Section contains detailed lists of the investment transactions and portfolios of the system along with investment performance; the Actuarial Section contains actuarial information regarding the funding of the pension trusts; and the Statistical section contains statistical data pertaining to the benefits paid by the PSPRS and growth of the system.

## FINANCIAL INFORMATION

The primary responsibility for the integrity and objectivity of the financial statements and related financial data rests with the management of the System. The financial statements were prepared in conformity with generally-accepted accounting principles appropriate for government-sponsored defined benefit pension plans. 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 maintain a control-conscious environment through an effective system of accounting controls. These controls are adequate to provide reasonable assurance that assets are safeguarded against loss or unauthorized use and to produce the records necessary for the preparation of financial information. There are limits inherent in all systems of internal control based on the recognition that the costs of such systems should be related to the benefits to be derived. Management believes the System's controls provide this appropriate balance.

The System uses the accrual basis of accounting for both revenues and expenses. Contributions to the System are based on principles of level-cost financing with current service financed as a level percent of payroll on a current basis and prior service amortized as a level percent of payroll over a rolling twenty (20) year period.

## REVENUES

Revenues to the System are derived from three sources; member contributions, employer contributions and investment income. As shown by the Schedule of Revenues by Source included with the financial statements later in this report, the investment earnings during the 1998/1999 fiscal year provided 88% of the total funding of the System. Member contributions made up 6% of total revenue, direct employer contributions made up 5% of the total revenues and insurance premium taxes provided 1% of the total revenues. Please refer to the Financial Section for a ten-year history of revenues and expenses.

## ADMINISTRATIVE AND INVESTMENT EXPENSES

The 1998/1999 Administrative and Investment Expenses of the Administrative Office totaled $925,090 compared to $878,120 for the prior year. This is only 43% higher than the total for fiscal year 1984/1985. This is a compounded annual rate of increase of 2.6% over the last fourteen years. This rate of increase is well below both the rate of inflation and the rate of growth of the System. A dedicated staff and constantly improving internal expertise has allowed management to keep costs nearly flat for the past fourteen years even though inflation, membership and assets managed have increased substantially during this same period (over 55% over 84% and over 572%, respectively).

## INVESTMENTS

Since the System is well-funded, the management takes a moderately conservative approach to investing. The System invests primarily in bonds rated A or better and blue-chip common stock. A detailed summary of the investment portfolio and all investment transactions is presented in the Investment Section. At year-end, the investment portfolio was made up of 10.7% U. S. Government Securities, 13.0% Corporate Bonds, 2.2% Other Investments, .9% Corporate Notes, .01% insured Money Market Funds and 73.2% Common Stocks. All investments re held in trust by the Arizona subsidiary of one of the largest banks in the world.

Even with this relatively conservative investment philosophy, the fixed income portfolio has outperformed the Lehman Government Corporate Bond Index in seven of the last ten years. The equity portfolio has also outperformed the appropriate Index in seven of the last ten years. This extraordinary performance resulted in a total rate of return of 17.70% for the 1998/1999 fiscal year. Graphs depicting the fund's extraordinary performance since 1974, the year internal staff took over the portfolio management, can be found in the Investment Section.

## ECONOMIC OUTLOOK

The economy seems to be leveling off. It is likely the economy will continue its moderate growth. With interest rates so low, it may be difficult to continue to outperform the System's 9% assumed rate of investment return over the next couple of years.

## ACTUARIAL AND FUNDING INFORMATION

Funding a retirement system on a sound actuarial reserve basis involves the accumulation of substantial reserves to guarantee the payment of promised benefits. These reserves are invested and the rate of investment earnings, over time, is a major factor in determining the employer contribution requirement to meet the calculated level cost of the System.

There is no single all-encompassing test to measure a retirement system's funding progress and current status. A traditional measure is the ratio of assets to unfunded accumulated normal costs, often referred to as the "percent funded." The percent funded for the System at June 30, 1999, is 120.3% which is well ahead of schedule. One hundred and two of the 171 participating units have fully-funded actuarial accrued liabilities.

The System is funded through a member contribution of 7.65% of gross payroll, an employer contribution set by an actuarial valuation expressed as a percent of gross payroll and a distribution of the net earnings of the Fund. While each employer has a different contribution rate, the average for the entire System for the 2000/2001 fiscal year is 5.21% of gross payroll. Of the 171 groups that make up the System, nine will have no employer contribution required and 50 employers will pay less than the 7.65% which the employees pay. In addition, the firefighter groups and the Department of Public Safety receive a percentage of Insurance Premium Tax which underwrites a large portion, if not all, of their employer contributions.

## POST RETIREMENT BENEFIT INCREASES

State law provides for an annual benefit increase for retirees or their survivors who are over age fifty-five on the effective day of the increase and for disability retirees regardless of age. These increases are dependent upon the production of excess earnings on a portion of the system's assets and are limited to four percent of the average benefit being paid.

Below is a schedule of the increases granted since this program began on July 1, 1986:

July 1, 1986 - $36.17
July 1, 1987 - $38.59
July 1, 1988 - $42.84

July 1, 1989 - $44.95
July 1, 1990 - $47.83
July 1, 1991 - $52.35
July 1, 1992 - $55.13
July 1, 1993 - $58.69
July 1, 1994 - $63.94
July 1, 1995 - $45.00
July 1, 1996 - $50.00
July 1, 1997 - $55.00
July 1, 1998 - $78.36
July 1, 1999 - $81.95
July 1, 2000 - $87.37

Cumulative Total - $838.17

A benefit increase schedule showing how these amounts were calculated can be found in the Statistical Section.

## CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the PSPRS for its comprehensive annual financial report for the fiscal year ended June 30, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the Government Finance Officers Association.

## SUMMARY

The System's Actuary, Gabriel, Roeder, Smith & Company, summarized the results of the latest Actuarial Valuation as of June 30, 1999, as follows:

> The results of the valuations indicate that Retirement System benefit obligations are being funded as incurred. Current assets are 120.3% of actuarial accrued liabilities. This is an excellent level of accrued funding and well ahead of schedule. Superior investment returns, over an extended period, have made possible the excellent actuarial condition of the Retirement System, improved benefits for members retiring in the future, cost-of-living increases to retired members and their beneficiaries and substantial reductions in contribution requirements.

The System has experienced great change during the past thirty-one years. The System was created on July 1, 1968 to provide a uniform state-wide retirement system for public safety personnel. The System successfully transitioned from a 25-year/age-55 program to a straight 20-year program. The System now provides for disability benefits, survivor benefits for spouses and children, post-retirement increases and health insurance subsidies. Employer contribution rates have dropped from an average of 22.13% to 5.21%. Funding has increased to 120.3%. Over just the past eleven years, investment income and total assets of the fund have more than tripled. I am proud to have been a part of the Fund's management team and I look forward to the Fund's continued success in the future.

Respectfully submitted,

JACK M. CROSS/sig

Jack M. Cross, C.P.A., C.F.A.
Administrator

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Public Safety Personnel Retirement System, Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1998

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

Douglas R Ellsworth
President

Jeffrey L. Esser
Executive Director

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# THE RETIREMENT BOARD AND ADMINISTRATIVE ORGANIZATION

## THE FUND MANAGER

| | | Term Expires |
|---|---|---|
| Donald L. De Ment<br>Retired City Clerk<br>City of Tucson | Chairman | January 2000 |
| Carmen Torrie<br>Retired Sergeant<br>Department of Public Safety | Member | January 2001 |
| Pat Cantelme<br>Retired Firefighter<br>City of Phoenix | Member | January 2002 |
| Carol Springer<br>State Treasurer<br>State of Arizona | Member | January 2000 |
| Robert Blendu<br>Public Member | Member | January 2002 |

## PROFESSIONAL ADVISORS

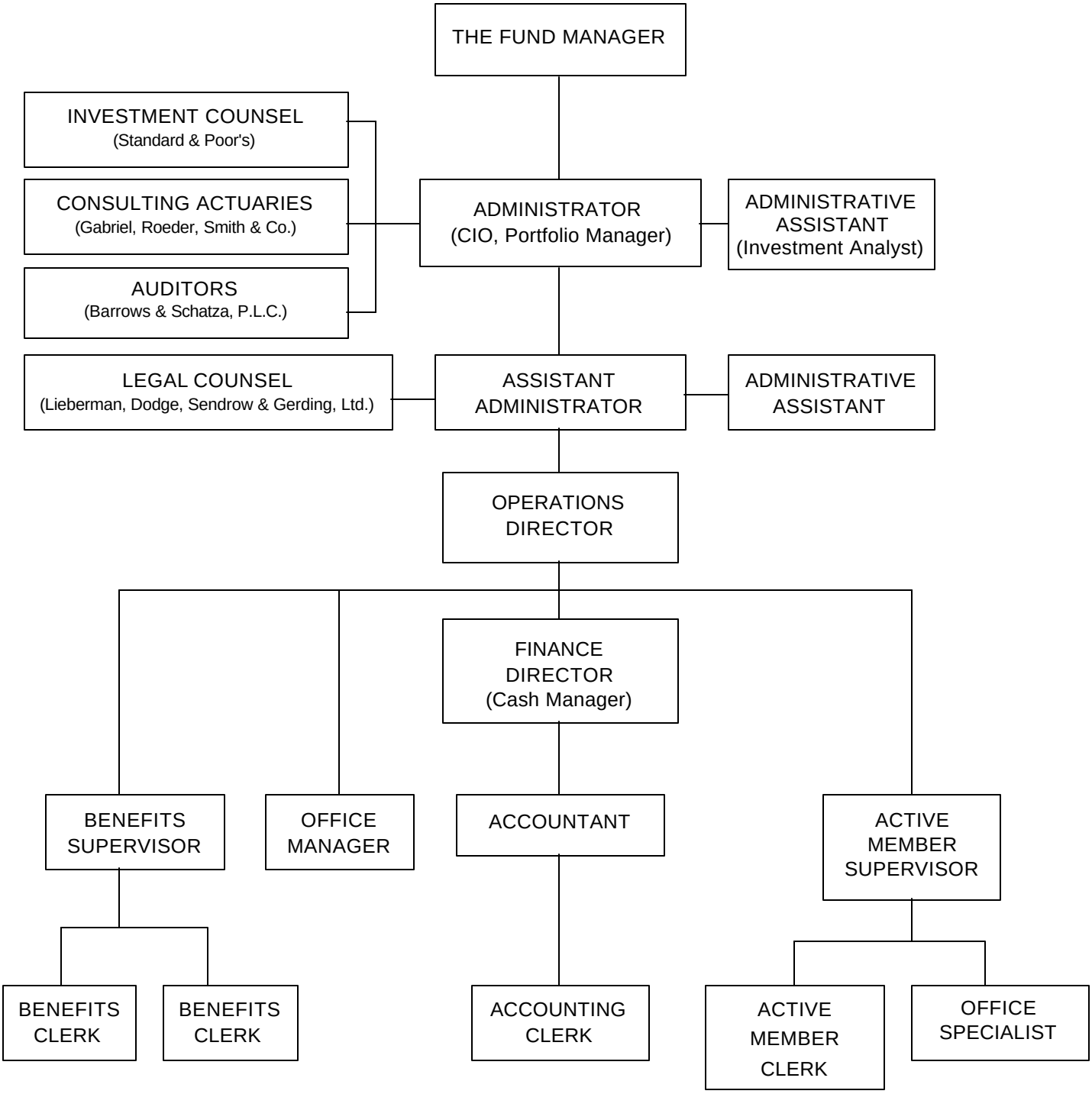
| | |
|---|---|
| Standard & Poor's | Investment Counsel |
| Gabriel, Roeder, Smith & Company | Consulting Actuaries |
| Barrows & Schatza, P.L.C. | Auditors |
| Lieberman, Dodge, Sendrow & Gerding, Ltd. | Legal Counsel |

## ADMINISTRATIVE STAFF

| | |
|---|---|
| Jack M. Cross, C.P.A., C.F.A. | Administrator |
| Michael H. Ong, J.D. | Assistant Administrator |
| Donald B. Mineer | Operations Director |
| William F. Mulholland, C.P.A. | Finance Director |
| Jared A. Smout | Administrative Assistant |
| Lori A. Boyle | Office Manager |
| LaDawn M. Snodgrass | Active Member Supervisor |
| Sheryl D. Saltsman | Benefits Supervisor |
| Annette L. Jorgensen | Administrative Assistant |
| Lisa A. Guerrero | Active Member Clerk |
| Joann L. Lowey | Accountant |
| Kathleen A. Mattoon | Office Specialist |
| Deborah S. Irwin | Accounting Clerk |
| Lilian L. Leung | Benefits Clerk |
| Eric T. Ellsworth | Benefits Clerk |

1020 East Missouri
Phoenix, Arizona 85014
Telephone (602) 255-5575
Fax (602) 255-5572
www.psprs.com

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**ORGANIZATIONAL CHART**
**JUNE 30, 1999**



# FINANCIAL SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

THIRTY-FIRST COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 1999


Independent Auditor's Report

Statements of System Net Assets

Statements of Changes in System Net Assets

Notes to Financial Statements

Schedule of Funding Progress

Schedule of Employer Contributions

Supporting Schedule of
Changes in Fund Balance Reserves

Supporting Schedule of
Administrative and Investment Expenses

Supporting Schedule of Payments to Consultants

Supplemental Schedule of
Cash Receipts and Cash Disbursements

Schedule of Changes in Employers' Reserve – Year Ended June 30, 1999,
and Unfunded Accrued Normal Costs at June 30, 1998

Statement of Changes in Refundable Member Reserves
Fiscal Year Ended June 30, 1999

## INDEPENDENT AUDITOR'S REPORT

**FUND MANAGER**
**STATE OF ARIZONA PUBLIC SAFETY**
**PERSONNEL RETIREMENT SYSTEM**
**PHOENIX, ARIZONA**

We have audited the accompanying statements of system net assets of the **STATE OF ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM** as of June 30,1999 and 1998, and the related, statements of changes in system net assets for the years then ended, appearing on pages 14 and 15, respectively. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of **STATE OF ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM** as of June 30, 1999 and 1998, and the results of its operations and the changes in system net assets for the years then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information, contained on pages 22 and 23, schedule of funding progress and -schedule of employer contributions, are required disclosures under Governmental Accounting Standards Board (GASB) statement No. 25 and are not a required part of the basic financial statements. Also, the accompanying additional information, contained on pages 24 to 37, are not required disclosures under Governmental Accounting Standards Board (GASB) statement No. 25 and are not a required part of the basic financial statements. The accompanying additional information described above has been subjected to the auditing procedures applied in our audit of the 1999 financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

BARROWS & SCHATZA, P.L.C./sig

September 3, 1999

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**STATEMENTS OF SYSTEM NET ASSETS**
**AS OF JUNE 30, 1999 AND 1998**

| | 1999 | | 1998 | |
|---|---|---|---|---|
| | Book Cost | See Note 2 | Book Cost | See Note 2 |
| **ASSETS** | | | | |
| Cash | | | | |
| Receivables: | | | | |
| Members' Contributions | | $ 2,042,141 | | $ 1,659,013 |
| Employers' Contributions | | 3,673,829 | | 3,542,635 |
| Interest and Dividends | | 36,408,657 | | 28,137,005 |
| **Total Receivables** | | 42,124,627 | | 33,338,653 |
| Investments at Fair value (Note 2): | | | | |
| U.S. Government Securities | $ 482,192,631 | 512,175,047 | $ 534,741,606 | 579,256,724 |
| Corporate Bonds | 622,219,496 | 624,438,028 | 540,375,606 | 591,569,004 |
| Corporate Notes | 43,952,939 | 43,952,939 | 20,975,637 | 20,975,637 |
| Corporate Stocks | 2,214,465,197 | 3,510,963,034 | 1,686,080,374 | 2,847,416,225 |
| Other Investments | 106,567,349 | 106,567,349 | 77,042,472 | 77,042,472 |
| Money Market Account | 935,635 | 935,635 | 1,243,996 | 1,243,996 |
| **Total Investments** | $ 3,470,333,247 | 4,799,032,032 | $ 2,860,459,691 | 4,117,504,058 |
| Property (Note 2) | | 492,577 | | 521,363 |
| **Total System Assets** | | 4,841,649,236 | | 4,151,364,074 |
| Collateral Held in Trust for Securities on Loan | | 904,877,819 | | 782,334,055 |
| Liability- Collateral Subject to Return to Borrower | | (904,877,819) | | (782,334,055) |
| **Net Assets Held in Trust for Pension Benefits:** | | $ 4,841,649,236 | | $ 4,151,364,074 |
| **Net Asset Reserves** | | | | |
| Refundable Members' Reserve | | $ 395,990,517 | | $ 368,729,039 |
| Employers' Reserve | | 3,699,639,034 | | 3,259,806,604 |
| Future Benefit Increase Reserve | | 746,019,685 | | 522,828,431 |
| **Total Net Asset Reserves** | | $ 4,841,649,236 | | $ 4,151,364,074 |

A schedule of funding progress is presented immediately following the notes to the financial statements.
The accompanying notes are an integral part of these financial statements.

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**STATEMENTS OF CHANGES IN SYSTEM NET ASSETS**
**FOR THE YEARS ENDED JUNE 30, 1999 AND 1998**

| | | 1999 | | 1998 |
|---|---|---|---|---|
| **Additions:** | | | | |
| Contributions | | | | |
| Members' Contributions (Notes 1 and 3) | | $ 51,684,448 | | $ 43,094,843 |
| Employers' Contributions (Notes 1 and 3) | | 44,384,344 | | 45,320,932 |
| Total Contributions | | 96,068,792 | | 88,415,775 |
| Investment Income: | | | | |
| Net Appreciation in Fair Value of Investments (Note 2) | | 588,827,929 | | 610,322,798 |
| Interest | | 96,590,627 | | 103,719,207 |
| Dividends | | 37,186,307 | | 36,100,900 |
| Securities Lending Activities | | | | |
| Securities Lending Income | $ 44,588,011 | | $ 51,079,630 | |
| Borrower rebates | (42,948,912) | | (49,662,673) | |
| Agents Share of Income | (573,674) | | (495,904) | |
| Net Securities Lending Income (Note 2) | | 1,065,425 | | 921,053 |
| | | 723,670,288 | | 751,063,958 |
| Less Investment Expense | | (300,380) | | (270,602) |
| Net Investment Income | | 723,369,908 | | 750,793,356 |
| Amounts Transferred from Other State-Sponsored Pension Plans and Service Credits Purchased--Net | | 668,167 | | 1,000,692 |
| **Total Additions** | | 820,106,867 | | 840,209,823 |
| **Deductions:** | | | | |
| Pension and Insurance Benefits (Note 1) | | 125,879,371 | | 112,374,125 |
| Refunds to Terminated Members (Note 1) | | 3,317,624 | | 3,020,135 |
| Administrative Expenses | | 624,710 | | 607,518 |
| **Total Deductions** | | 129,821,705 | | 116,001,778 |
| **Net Increase** | | 690,285,162 | | 724,208,045 |
| **Net Assets Held In Trust for Pension Benefits** | | | | |
| **Beginning of Year, July 1** | | 4,151,364,074 | | 3,427,156,029 |
| **Ending of Year, June 30** | | $ 4,841,649,236 | | $ 4,151,364,074 |

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

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 1999 AND 1998**

## NOTE 1 - PLAN DESCRIPTION

### Organization

Public Safety Personnel Retirement System (PSPRS) is an agent multiple-employer public employee retirement system 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 system is jointly administered by the Fund Manager and 171 Local Boards.

The Fund Manager is a five-member board. Three members are appointed by the Governor and two members are appointed by the state legislature. Beginning August 6, 1999, the Governor will appoint all members. All members serve a fixed three-year term. The Fund Manager is responsible for the investment of the system's assets, setting employer contribution rates in accordance with an actuarial study, adopting a budget, hiring personnel to administer the plan, setting up records, setting up accounts for each member and each Local Board, and the general protection and administration of the system.

Each eligible group participating in the system has a five-member Local Board. Three members are appointed by the chief elected official of the organization 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, timing of benefit payments, and the amount of benefits for its eligible group of employees. All costs associated with the administration of the Local Boards are paid by the various governing bodies.

The addition or deletion of eligible groups does not require the approval of the other participating eligible groups. New eligible groups are approved for participation by the Fund Manager. The PSPRS is not reported as a component unit of any other organization. The Local Boards are reported as component units of their respective sponsoring organization.

The Fund Manager of the PSPRS is also responsible for the investment and general administration of two other statewide retirement plans—the Corrections Officer Retirement Plan and the Elected Officials' Retirement Plan. The investments and expenses of these plans are held and accounted for separately from those of the PSPRS. Since none of the plans have the authority to impose their will on any of the other plans, each plan is reported as its own stand-alone government.

At June 30, 1999 and 1998, the number of participating local government employer groups was:

| | 1999 | 199 |
|---|---|---|
| Municipalities | 118 | 114 |
| Counties or County Agencies | 19 | 19 |
| State Agencies | 9 | 9 |
| Special Districts | 25 | 25 |
| Total Employers | 171 | 167 |

Any state or local government in the State of Arizona may elect to have its paid, full-time eligible employees (generally, fire fighters and police officers) covered by the PSPRS. At June 30, 1999 and 1998, statewide PSPRS membership consisted of:

| | 1999 | 1998 |
|---|---|---|
| Retirees and beneficiaries currently receiving | 5,050 | 4,700 |
| Terminated vested employees | 53 | 46 |
| Current employees | | |
| Vested | 9,324 | 6,301 |
| Non-vested | 4,804 | 7,334 |
| Total Members | 19,23 | 18,381 |

PSPRS provides retirement benefits as well as death and disability benefits. A member of the system does not have vested rights to benefits under the system until he files an application for benefits and is found eligible for those benefits.

An eligible claimant's rights to benefits vest on the date of his application for those benefits or his last day of employment under the system, whichever occurs first. Below is a summary of benefits and plan provisions.

## SUMMARY OF BENEFITS

**Purpose** (A.R.S. Section 38-841)
To provide a uniform, consistent and equitable state-wide program for public safety personnel who are regularly assigned hazardous duty in the employ of the State of Arizona, or a political subdivision thereof.

**Eligible Groups**
(a) Municipal police officers who are certified peace officers.
(b) Municipal fire fighters.
(c) Paid full-time fire fighters employed directly by a fire district organized pursuant to section 48-803 with five or more full-time fire fighters, but not including fire fighters employed by a fire district pursuant to a contract with a corporation.
(d) State highway patrol officers who are certified peace officers.
(e) State fire fighters.
(f) County sheriffs and deputies who are certified peace officers.
(g) Fish and game wardens who are certified peace officers.
(h) Police officers who are certified peace officers and fire fighters of a nonprofit corporation operating a public airport pursuant to sections 28-8423 and 28-8424. A police officer shall be designated pursuant to section 28-8426 to aid and supplement state and local law enforcement agencies and a fire fighter's sole duty shall be to perform fire fighting services, including services required by federal regulations.
(i) Police officers who are certified peace officers and who are appointed by the Arizona board of regents.
(j) Police officers who are certified peace officers and who are appointed by a community college district governing board.
(k) State attorney general investigators who are certified peace officers.
(l) County attorney investigators who are certified peace officers.
(m) Police officers who are certified peace officers and who are employed by an Indian reservation police agency.
(n) Fire fighters who are employed by an Indian reservation fire fighting agency.
(o) Police officers who are certified peach officers and who are appointed by the department of administration.
(p) Department of Liquor Licenses and Control Investigators who are certified peace officers.
(q) Arizona Department of agriculture officers who are certified peace officers.

**Average Monthly Compensation** (A.R.S. Section 38-842.4)
One thirty-sixth of total compensation paid a member during the highest three consecutive years, out of the last twenty years of credited service.

**Compensation** (A.R.S. Section 38-842.7)
For purposes of computing retirement benefits, base salary, overtime pay, shift differential pay and holiday pay paid to an employee on a regular monthly, semimonthly or bi-weekly payroll basis and longevity pay paid to an employee at least every six months for which contributions are made to the System.

**Normal Retirement** (A.R.S. Section 38-842.20)
First day of month after completion of twenty years of service, or following sixty-second birthday and completion of fifteen years of service.

The amount of monthly normal pension is based on credited service and average monthly compensation as follows:

For retirement with twenty years of credited service but less than twenty-five years of credited service, 50% of average monthly compensation for the first twenty years of credited service, plus 2% of average monthly compensation for each year of credited service between twenty and twenty-five. (A.R.S. Section 38-845.A.2)

For retirement with twenty years of service, but less than twenty years of credited service, the pension is reduced by a rate of 4% per year for each year of credited service under twenty years. (A.R.S. Section 38-845.A.1)

For retirement with twenty-five or more years of credited service, 50% of average monthly compensation for the first twenty years of credited service, plus 2-1/2% of average monthly compensation for each year of credited service above twenty years, up to a maximum of 80% of average monthly compensation. (A.R.S. Section 38-845.A.2)

**Deferred Retirement** (A.R.S. Section 38-846.01)

A member with at least ten years of credited service, who terminates employment, may elect to leave their contributions in the System and receive a deferred retirement allowance, commencing at age sixty-two. Pension is a lifetime monthly annuity, based on twice the amount of the member's contributions. The benefit is forfeited if the member elects a refund of their contributions.

**Ordinary Disability Retirement (Not Service Connected)** (A.R.S. Sections 38-842.21, 38-845.C, and 38-844.B)
Physical condition: Total and permanent disability preventing performance of a reasonable range of duties within the employee's department, prior to normal retirement date. Mental condition: Total and permanent disability preventing any substantial gainful activity, prior to normal retirement date. Benefit is percentage of normal retirement, based on years of credited service: 25% less than seven years, 50%, seven to fourteen years, 75%, fourteen to twenty years.
**Accidental Disability Retirement (Service Connected)** (A.R.S. Sections 38-842.1, 38-845.B, and 38-844.B)
Total and permanent disability, incurred in performance of duty, preventing performance of a reasonable range of duties within the employee's job classification. No credited service requirement. The pension is 50% of average monthly compensation or normal pension amount, whichever is greater.

**Offset of Accidental or Ordinary Disability Pension** (A.R.S. Section 38-844.F)
Before the member's normal retirement date, an accidental or ordinary disability pension will be reduced if the retiree engages in any employment and the income from this employment is greater than the retiree's pension. The reduction is equal to the difference between the retiree's income from employment and the retiree's pension.

**Temporary Disability (Service Connected)** (A.R.S. Sections 38-844.H, 38-845.D and 38-842.28)
Total and presumably temporary disability, incurred in performance of duty, prior to normal retirement, preventing performance of a reasonable range of duties within the employee's department. No credited service requirement. Monthly pension is one-twelfth of 50% of annual compensation at time of disability. Payments terminate after twelve months or return to work.

**Survivor Pension** (A.R.S. Section 38-846)
The survivors of members who die in service, or after retirement, are eligible for benefits as follows: No credited service requirement.

Spouse's Pension – Three-fourths of pension deceased active member would have been paid for accidental disability retirement, or in the case of retired member, three-fourths of retired member's pension. Requires two years of marriage for a retired member's spouse. Terminates on death. For a member killed in the line of duty, the spouse's pension is 100% of pension deceased member would have been paid for accidental disability retirement, less any amount payable for an eligible child. (A.R.S. Section 38-846.A and Section 38-846.B)

Child's Pension - One-eighth of pension deceased active member would have been paid for accidental disability retirement (equal shares of two-eighths if more than two children), or, in the case of a retired member, one-eighth of the retired member's pension (equal shares of two-eighths if more than two children). Eligible child must be unmarried, under the age of 18 or under the age of 23, a full-time student, unmarried and a dependent of the surviving spouse or guardian. (A.R.S. Section 38-842.12 and 38-846.E)

Guardian's Pension - Same amount as spouse's pension. Payable only during periods no spouse is being paid and there is at least one eligible child. (A.R.S. Section 38-846.C and Section 38-846.D)

**Termination Refund** (A.R.S. Section 38-846.02)
Upon termination of employment, for any reason other than death or retirement, a member shall, within twenty days after filing an application with the Fund Manager, receive a lump-sum payment, equal to his accumulated contributions, as of the date of termination, less any benefits paid or any amounts owed to the System. A member forfeits all membership rights and credited service in the System upon receipt of refund of contributions. If the member has 5 or more years of credited service upon termination they shall receive an additional amount according to the schedule below.

5 to 5.9—25% of member contributions deducted from the member’s salary pursuant to ARS 38-843.C
6 to 6.9—40% of member contributions deducted from the member’s salary pursuant to ARS 38-843.C
7 to 7.9—55% of member contributions deducted from the member’s salary pursuant to ARS 38-843.C
8 to 8.9—70% of member contributions deducted from the member’s salary pursuant to ARS 38-843.C
9 to 9.9—85% of member contributions deducted from the member’s salary pursuant to ARS 38-843.C
10 or more—100% of member contributions deducted from the member’s salary pursuant to ARS 38-843.C plus interest at 3% after 30 days if left on deposit

**Transfer of Contributions** (A.R.S. Section 38-853)
A member who terminates employment with an employer and accepts, within two years, a position with the same, or another employer participating in the System, shall have his credited service transferred to his record with the new employer, provided he leaves his accumulated contributions on deposit with the Fund. The termination of employment shall not constitute a break in service; however, the period not employed shall not be considered as service.

**Re-Employment And Repayment Of Contributions** (A.R.S. Section 38-849.C)
Members who terminate and take a refund of their contributions may elect, upon re-employment with the same employer, to recover their prior service, provided that their re-employment is within two years from date of termination, and they sign a written election within ninety days after re-employment to reimburse the Fund within one year.

**Redemption Of Prior Service** (A.R.S. Section 38-853.01.A)
Active members who had previous service in this state in a covered position with an employer now covered by the system and who received a refund of accumulated contributions from the applicable retirement system upon termination or who had previous service in this system and received a refund of accumulated contributions from this system may elect to redeem any part of the prior service by paying into the system the amounts required in A.R.S. Section 38-853.01.B.

**Purchase of Prior Active Military Service** (A.R.S. section 38-858)
A member may purchase up to four years of prior active military time that is not on account with any other retirement system. The member must pay the actuarial present value of the increase of credited service resulting from this purchase.

**Transfer Between State Retirement Systems** (A.R.S. Section 38-921 and 38-922)
Members of any of the four Arizona state retirement systems or plans who have credited service under another Arizona state retirement system or plan may transfer or redeem the credited service to their current Arizona state retirement system or plan by paying or transferring the full actuarial present value of the credited service into their current Arizona retirement system or plan with approval of the Fund Manager or retirement boards involved. A reduced credited service amount may be transferred based on the transfer of the actuarial present value of the credited service under the prior Arizona state system or plan.

**Cola Benefit Increases** (A.R.S. Section 38-856)
Effective July 1 of each year, each retired member or survivor of a retired member may be entitled to a permanent benefit increase in their base benefit. The maximum amount of the increase is four percent (4%) of the average normal PSPRS benefit being received on the preceding June 30 and is contingent upon sufficient excess investment earnings for the fund. To be eligible for the increase the member or survivor must be age 55 on July 1 of the current year and have been receiving benefits on or before July 31 of the previous year. A member or survivor is also eligible if they were receiving benefits on or before July 31 of the two previous years regardless of age.

**Health Insurance Premium Subsidy** (A.R.S. Section 38-857)
For PSPRS retirees who have group health and accident insurance coverage provided and administered by the state or another PSPRS employer, the PSPRS will pay up to $82.50 per month for part of the premium for the retirees' individual coverage and up to $130.00 per month for part of the premium for family health and accident insurance coverage.

**State Taxation of PSPRS Benefits** (A.R.S. Section 38-852 and Section 43-1022)
Effective tax year commencing January 1, 1989, all PSPRS retirement benefits in excess of $2,500 annually will be subject to Arizona state tax.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PLAN ASSET MATTERS

### Basis of Accounting

PSPRS financial statements are prepared using the accrual basis of accounting. Member and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits due are paid in arrears on the last working day of each month. 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. Furniture and equipment purchases, which are not material in amount, are expensed in the year of purchase. Investment income net of

administrative and investment expenses is allocated to each employer group based on the average relative fund size for each employer group for that year.

The System implemented Statement Number 25 of the Governmental Accounting Standards Board for Fiscal Year End 1997. As such, the System reports assets on a Fair Value Basis. Certain cost information is provided to comply with state law.

By state statute, this 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 used in this calculation totaled $517,173,512 for FYE 1999 and $164,540,618 for FYE 1998.

**Investments**

PSPRS investments are reported at Fair Value and at Cost. Fair values are determined as follows. Short-term investments are reported at Fair Value, which approximates Cost. Equity securities are valued at the last reported sales price. Fixed-income securities are valued using the last reported sales price or the estimated fair market value as determined by one of the world's largest and most prominent fixed-income broker/dealers. Investments that do not have an established market are reported at estimated fair value. Investment income is recognized as earned.

Statutes enacted by the Arizona Legislature authorize the Fund Manager to make investments in accordance with the "Prudent Man" rule. The Fund Manager is not limited to so-called "Legal Investments for Trustees." In making every investment, the Fund Manager shall exercise the judgement 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 seventy per cent of the pension fund 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 five per cent of the pension fund shall be invested in securities issued by any one institution, agency or corporation, other than securities issued as direct obligations of and fully guaranteed by the United States Government.
3) That not more than five per cent of the voting stock of any one corporation shall be owned.
4) That corporate stocks eligible for purchase shall be restricted to stocks which, except for bank stocks and insurance stocks, 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 7811)
    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 7811)
    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 ten per cent of the pension fund shall be invested in foreign equity securities on these exchanges, based on the cost value of the stocks irrespective of capital appreciation.

A.R.S. § 38-848.D

The system's investment portfolio is in compliance with state law.

Statement No. 3 of the GASB requires government entities to categorize investments for the purpose of giving an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which securities are held by the System or its agent in the name of the System. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the System's name.

All investments of the System (other than those held by broker-dealers under the security loan program and those investments categorized as "Other Investments") meet the criteria of Category 1. "Other Investments" are not considered securities for purpose of credit risk classification. Substantially all investments are held in the name of the System by its custodian bank.

**Money Market Account**

The money market account is a deposit with an Arizona bank. These deposits are insured by federal depository insurance.

The money market account is subject to the general depository laws of the State of Arizona which require deposits to be either insured by the Federal Deposit Insurance Corporation or collateralized by certain securities including U.S. Government obligations and first mortgages.

**Securities Lending Income**

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 primarily by cash. Collateral is marked-to-market on a daily basis. Non-cash collateral can be sold only upon borrower default. The System requires collateral of at least 102% of the market value of the loaned U.S. Government or corporate security. Securities on loan are carried at market value. As of June 30, 1999 and 1998 the market value of securities on loan was $886,759,736 and $745,981,493, respectively. 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 can be terminated on demand by either the pool participants or the borrower. All term loans have a matched collateral investment. Cash collateral received for open loans is invested for longer term, however, at least 20% of total collateral investments must be invested on an overnight basis and at least 30% of total collateral investments must be invested with a maturity of 7 days or less. Additionally, no more than 20% of the total collateral investments will be invested in instruments maturing in over 91 days. In lending securities, investments of cash collateral for open loans as of June 30, 1999 are not matched in maturity and have a weighted average maturity of 8 days, 16 days as of June 30, 1998. The System has no credit risk under this program and has experienced no default or losses on these loans.

**Property**

These 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 June 30, 1999 and 1998 was $28,786 and $32,786, respectively.

Property consists of the following:

| | Estimated Useful | 1999 | 1998 |
|---|---|---|---|
| Land | | $ | $ |
| Building | 40 years | | 479,596 |
| Fixtures | 3 years | | 55,459 |
| | | | 693,786 |
| Less Accumulated | | | 172,423 |
| | | $ | $ |

## NOTE 3 - CONTRIBUTIONS REQUIRED AND CONTRIBUTIONS MADE

The Retirement System's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and actuarial accrued liability are determined using an entry age actuarial funding method. Unfunded actuarial accrued liabilities and assets in excess of actuarial accrued liabilities are being amortized as a level percent of payroll over a rolling twenty (20) year period.

During the year ended June 30, 1999, contributions totaling $96,068,792 ($44,384,344 employer and $51,684,448 member) were made in accordance with contribution requirements determined by an actuarial valuation of the System as of June 30, 1997. The employer contributions consisted of $75,651,665 for normal cost less ($31,267,321) for amortization of the assets in excess of the actuarial accrued liability in aggregate. Employer contributions represented 5.82% of covered payroll. [9.92% for normal costs and (4.10)% for amortization of assets in excess of the actuarial accrued liability in aggregate.] Member contributions represented 7.65% of covered payroll and is all attributable to normal costs.

During the year ended June 30, 1998, contributions totaling $88,415,775 ($45,320,932 employer and $43,094,843 member) were made in accordance with contribution requirements determined by an actuarial valuation of the System as of June 30, 1996. The employer contributions consisted of $70,831,771 for normal

cost less ($25,510,839) for amortization of the assets in excess of the actuarial accrued liability in aggregate. Employer contributions represented 6.36% of covered payroll. [9.94% for normal costs and (3.58)% for amortization of assets in excess of the actuarial accrued liability in aggregate.] Member contributions represented 7.65% of covered payroll and is all attributable to normal costs.

## NOTE 4 – REQUIRED SCHEDULES

The Schedule of Funding Progress and the Schedule of Employer Contributions are presented immediately following the notes to the financial statements.

## NOTE 5 – YEAR 2000 ISSUE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the System's operations this year.

The System has completed an inventory of computer systems and other electronic systems that are necessary to conduct the System's operations, which may be affected by the year 2000 issue. These systems have been tested and validated to comply with any problems created by the year 2000 issue. The System has also conducted tests with its bank to insure that the bank is 2000 compliant for direct deposit of pension payments.

The System's testing, as well as its bank's testing, did not indicate any problem with the year 2000 issue. However, until the year 2000, these efforts cannot be judged as to its success.

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**REQUIRED SUPPLEMENTARY INFORMATION**
**SCHEDULE OF FUNDING PROGRESS**

While not any one or two numeric indices can fully describe the financial condition of a retirement system, the ratio of unfunded actuarial accrued liabilities to active member payroll is significant. The ratio of unfunded actuarial accrued liabilities to member payroll is a relative index of condition where inflation is present in both items. Observation of the ratio over a period of years gives an indication of funding achievement. The smaller the index, the stronger the system's condition. Shown below is a Comparative Schedule ($ in thousands) since legislation was enacted in 1977, setting up a 40-year amortization schedule. Effective June 30,1997, Unfunded (Excess) Actuarial Accrued Liabilities are being amortized on a level percent method over a rolling twenty (20) year period.

| Actuarial Valuation Date | Actuarial Value of Assets (a) [2] | Actuarial Accrued Liability (AAL) —Entry Age (b) | Unfunded (Excess) AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|---|---|---|---|---|---|---|
| 6-30-77 | $ 198,449 | $ 252,662 | $ 54,213 | 78.5% | $ 97,177 | 55.8% |
| 6-30-78 | 234,751 | 281,716 | 46,965 | 83.3 | 109,359 | 42.9 |
| 6-30-79 | 276,500 | 322,354 | 45,854 | 85.8 | 125,667 | 36.5 |
| 6-30-80 | 323,768 | 371,873 | 48,105 | 87.1 | 144,371 | 33.3 |
| 6-30-81* | 381,720 | 407,302 | 25,582 | 93.7 | 165,055 | 15.5 |
| 6-30-82 | 446,529 | 475,147 | 28,618 | 94.0 | 185,650 | 15.4 |
| 6-30-83 [1] | 519,155 | 557,232 | 38,077 | 93.2 | 199,736 | 19.1 |
| 6-30-84* | 599,945 | 617,369 | 17,424 | 97.2 | 217,163 | 8.0 |
| 6-30-85* | 693,159 | 706,779 | 13,620 | 98.1 | 244,094 | 5.6 |
| 6-30-86* | 816,882 | 802,038 | (14,844) | 101.9 | 268,511 | (5.5) |
| 6-30-87* [1] | 919,931 | 915,089 | ( 4,842) | 100.5 | 299,559 | (1.6) |
| 6-30-88* | 1,037,988 | 1,026,251 | (11,737) | 101.1 | 321,750 | (3.6) |
| 6-30-89* [1] | 1,164,003 | 1,156,502 | ( 7,501) | 100.6 | 345,743 | (2.2) |
| 6-30-90* | 1,297,562 | 1,322,781 | 25,219 | 98.1 | 371,950 | 6.8 |
| 6-30-91* | 1,432,023 | 1,470,778 | 38,755 | 97.4 | 402,687 | 9.6 |
| 6-30-92* | 1,595,739 | 1,605,890 | 10,151 | 99.4 | 415,471 | 2.4 |
| 6-30-93* | 1,769,345 | 1,758,746 | (10,599) | 100.6 | 425,811 | (2.5) |
| 6-30-94* | 1,945,166 | 1,932,046 | (13,120) | 100.7 | 451,022 | (2.9) |
| 6-30-95* | 2,181,351 | 2,117,733 | (63,618) | 103.0 | 496,063 | (12.8) |
| 6-30-96* | 2,487,953 | 2,328,276 | (159,677) | 106.9 | 541,231 | (29.5) |
| 6-30-97* | 2,915,173 | 2,533,435 | (381,738) | 115.1 | 579,341 | (65.9) |
| 6-30-98* | 3,192,627 | 2,743,998 | (448,629) | 116.3 | 625,222 | (71.8) |
| 6-30-99 | $ 3,709,251 | $ 3,082,202 | $ (627,049) | 120.3% | $ 682,184 | (91.9)% |

* One-time cost-of-living adjustments for retired members and survivors, effective July 1 were included in this valuation. Future increases for retirees and their survivors over age fifty-five are dependent upon excess earnings created by the Fund.

1. Significant benefit changes were enacted by the 1983 Legislature, 1987 Legislature and 1989 Legislature, respectively.
2. Excludes the amount held in reserve for future benefit increases. Beginning 6-30-95, includes an amount for partial recognition of the difference between market value and book value of system assets amortized over a four year period.

AAL is calculated using the entry age normal method. Significant assumptions used in determining AAL include (a) a rate of return on the investment of present and future assets of 9.0% per year compounded annually, (b) projected salary increases of 6.5% per year compounded annually, attributable to an assumed inflation rate of 5.5% and other across-the-board factors of 1.0%, (c) additional projected salary increases ranging from 0.0% to 3.0% per year, depending on age, attributable to seniority/merit.

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**REQUIRED SUPPLEMENTARY INFORMATION**
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

| | Employer Contributions | |
|---|---|---|
| Year Ended June 30 | Annual Required Contributions | Percentage Contributed |
| 1990 | $19,854,866 | 100% |
| 1991 | $23,984,837 | 100% |
| 1992 | $28,723,991 | 100% |
| 1993 | $33,777,972 | 100% |
| 1994 | $34,120,463 | 100% |
| 1995 | $32,917,493 | 100% |
| 1996 | $37,734,258 | 100% |
| 1997 | $42,760,823 | 100% |
| 1998 | $38,287,697 | 100% |
| 1999 | $36,512,536 | 100% |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUPPORTING SCHEDULE OF CHANGES IN FUND BALANCE RESERVES**
**FOR THE YEARS ENDED JUNE 30, 1999 AND 1998**

| | Refundable Members' Reserve | Employers' Reserve | Future Benefit Increase Reserve |
|---|---|---|---|
| **Balance -- June 30, 1997** | $ 344,166,545 | $3,046,418,509 | $ 36,570,975 |
| **Distribution of Revenues and Expenses:** | | | |
| Members' Contributions | 43,094,843 | | |
| Employers' Contributions | | 45,320,932 | |
| Earnings on Investments Net of Investment Expenses | | 750,793,356 | |
| Pension Benefits | | (112,374,125) | |
| Refunds to Terminated Members | (3,020,135) | | |
| Administrative Expenses | | (607,518) | |
| **Distribution of Transfers:** | | | |
| Excess Investment Earnings to be used for Future Benefit Increases | | (248,240,392) | 248,240,392 |
| Earnings on Excess Investment Earnings Acct Assets | | (8,129,728) | 8,129,728 |
| Amount Utilized by Benefit Increases Granted | | 26,935,849 | (26,935,849) |
| Amount Transferred by HB 2496 Second Session 1998 | | (256,823,185) | 256,823,185 |
| Net Transfers from Other State-Sponsored Pension Plans | 442,651 | 558,041 | |
| Inter-System Transfers -- Member Account Balances Transferred to Employers' Reserve due to Retirement | (15,954,865) | 15,954,865 | |
| **Balance -- June 30, 1998** | $ 368,729,039 | $3,259,806,604 | $522,828,431 |
| **Distribution of Revenues and Expenses:** | | | |
| Members' Contributions | 51,684,448 | | |
| Employers' Contributions | | 44,384,344 | |
| Earnings on Investments Net of Investment Expenses | | 723,369,908 | |
| Pension Benefits | | (125,879,371) | |
| Refunds to Terminated Members | (3,317,624) | | |
| Administrative Expenses | | (624,710) | |
| **Distribution of Transfers:** | | | |
| Excess Investment Earnings to be used for Future Benefit Increases | | (172,804,837) | 172,804,837 |
| Earnings on Excess Investment Earnings Acct Assets | | (92,540,632) | 92,540,632 |
| Amount Utilized by Benefit Increases Granted | | 42,154,215 | (42,154,215) |
| Net Transfers from Other State-Sponsored Pension Plans | 220,672 | 447,495 | |
| Inter-System Transfers -- Member Account Balances Transferred to Employers' Reserve due to Retirement | (21,326,018) | 21,326,018 | |
| **Balance -- June 30, 1999** | $ 395,990,517 | $3,699,639,034 | $746,019,685 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUPPORTING SCHEDULE OF ADMINISTRATIVE AND INVESTMENT EXPENSES**
**FOR THE FISCAL YEAR ENDED JUNE 30, 1999**

| | Administrative | Investment | Total |
|---|---|---|---|
| Accounting and Auditing Services | $ 5,700 | $ - | $ 5,700 |
| Actuarial Services | 107,140 | - | 107,140 |
| Contractual Services | 16,029 | 7,209 | 23,238 |
| Education Expenses | 8,850 | 13,071 | 21,921 |
| Furniture and Equipment | 41,284 | 18,566 | 59,850 |
| Investment Equipment | - | 3,228 | 3,228 |
| Investment Services | - | 1,168 | 1,168 |
| Occupancy Expenses | 26,400 | 3,957 | 30,357 |
| Office Supplies | 8,213 | 2,770 | 10,983 |
| Payroll Taxes and Fringe Benefits | 49,532 | 33,414 | 82,946 |
| Postage Expense | 21,444 | 3,215 | 24,659 |
| Printing, Publications and Subscriptions | 9,833 | 859 | 10,692 |
| Professional Services | 23,747 | 3,560 | 27,307 |
| Salaries and Wages | 297,829 | 200,913 | 498,742 |
| Telephone Expense | 7,057 | 1,680 | 8,737 |
| Travel Expense | 1,652 | 6,770 | 8,422 |
| | $ 624,710 | $ 300,380 | $ 925,090 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUPPORTING SCHEDULE OF PAYMENTS TO CONSULTANTS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 1999**

| | Fees Paid |
|---|---|
| Standard & Poor's - Investment Counsel | $ (1) |
| Gabriel, Roeder, Smith & Company - Consulting Actuaries | 107,140 |
| Barrows & Schatza, P.L.C. - Auditors | 5,700 |
| Leiberman, Dodge, Sendrow & Gerding, Ltd. - Legal Counsel | 27,307 |
| | $ 140,147 |

(1) This Service was provided to the System without charge by Standard & Poor's Securities, Inc. The value of these services is approximately $85,000

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUPPLEMENTAL SCHEDULE OF**
**CASH RECEIPTS AND CASH DISBURSEMENTS**
**FOR THE YEARS ENDED JUNE 30, 1999 AND 1998**

| | 1999 | 1998 |
|---|---|---|
| **RECEIPTS:** | | |
| Members' Contributions | $ 51,301,321 | $ 43,069,035 |
| Employers' Contributions | 44,253,149 | 46,164,681 |
| Interest | 95,963,466 | 101,167,609 |
| Dividends | 29,565,836 | 37,338,120 |
| Securities Lending Income | 1,041,405 | 967,420 |
| Amounts Transferred from Other State-Sponsored Pension Plans | 760,190 | 1,185,939 |
| Maturities and Sales of: | | |
| U.S. Government Securities | 122,050,543 | 106,541,523 |
| Corporate Bonds | 38,833,460 | 22,352,651 |
| Corporate Notes | 5,601,915,448 | 2,881,408,996 |
| Other Investments | 28,532,903 | 40,787,587 |
| Common Stock | 1,426,399,212 | 460,014,338 |
| Net Decrease in Money Market Fund | 308,361 | 605,725 |
| **Total Receipts:** | 7,440,925,294 | 3,741,603,624 |
| **DISBURSEMENTS:** | | |
| Pension Benefits | 125,879,371 | 112,374,125 |
| Refunds to Terminated Members | 3,317,624 | 3,020,135 |
| Investment and Administrative Expenses | 896,304 | 845,336 |
| Amounts Transferred to Other State-Sponsored Pension Plans | 92,023 | 185,247 |
| Acquisitions of: | | |
| U.S. Government Securities | 69,559,040 | - |
| Corporate Bonds | 119,987,198 | 153,132,292 |
| Corporate Notes | 5,624,892,751 | 2,863,544,858 |
| Other Investments | 57,671,943 | 42,873,052 |
| Common Stock | 1,438,629,040 | 565,639,528 |
| Property | - | - |
| Net Increase in Money Market Fund | - | - |
| **Total Disbursements:** | 7,440,925,294 | 3,741,614,573 |
| **DECREASE IN CASH** | - | (10,949) |
| **BEGINNING CASH BALANCES, July 1** | - | 10,949 |
| **ENDING CASH BALANCES, June 30** | $ - | $ - |

# STATE OF ARIZONA
## PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
## SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 1999
## AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1998

| Sys No | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Insurance Premium Tax Received | Pension Payment | Distribution of Earnings | Balances June 30, 1999 | Unfunded Accrued Normal Costs at June 30, 1998 |
|---|---|---|---|---|---|---|---|---|---|
| 001 | Bisbee Fire | 2,637,350.46 | (32,922.46) | 69,196.77 | 5,631.24 | (243,959.62) | 640,468.45 | 3,075,764.84 | 188,689.00 |
| 002 | Casa Grande Fire | 4,389,263.30 | 0.00 | 56,135.75 | 22,798.66 | (307,538.16) | 1,085,583.00 | 5,246,242.55 | (329,927.00) |
| 003 | Casa Grande Police | 6,214,243.35 | 327,588.59 | 165,558.11 | 0.00 | (435,482.43) | 1,697,118.67 | 7,969,026.29 | 78,744.00 |
| 004 | Chandler Fire | 12,321,806.05 | (14.66) | 268,057.69 | 211,346.46 | (361,166.22) | 3,526,674.94 | 15,966,704.26 | (1,441,148.00) |
| 005 | Chandler Police | 15,319,217.03 | 91,741.92 | 782,382.91 | 0.00 | (514,059.42) | 4,724,819.57 | 20,404,102.01 | 113,998.00 |
| 006 | Clifton Fire | 316,295.01 | 0.00 | 0.00 | 1,326.98 | (14,054.76) | 77,999.61 | 381,566.84 | (169,744.00) |
| 007 | Dept. of Public Safety | 336,258,260.87 | 2,332,253.40 | 0.00 | 3,156,988.00 | (18,307,089.52) | 79,191,374.02 | 402,631,786.77 | (73,850,613.00) |
| 008 | Douglas Fire | 3,790,036.40 | 32,142.46 | 103,104.39 | 7,880.90 | (322,375.02) | 962,916.13 | 4,573,705.26 | (7,744.00) |
| 009 | Douglas Police | 3,635,469.97 | 24,059.36 | 70,693.01 | 0.00 | (180,104.04) | 976,499.46 | 4,526,617.76 | (363,050.00) |
| 010 | Flagstaff Fire | 18,199,287.28 | 45,255.41 | 0.00 | 89,836.16 | (802,215.92) | 4,672,513.57 | 22,204,676.50 | (5,367,239.00) |
| 011 | Flagstaff Police | 12,546,744.54 | 259,887.57 | 213,815.48 | 0.00 | (642,264.86) | 3,330,068.49 | 15,708,251.22 | (1,356,372.00) |
| 012 | Glendale Fire | 27,754,294.15 | 204,327.40 | 185,414.74 | 207,833.07 | (974,585.04) | 7,377,871.46 | 34,755,155.78 | (7,588,503.00) |
| 013 | Glendale Police | 32,435,030.37 | 423,813.34 | 1,223,168.06 | 0.00 | (1,785,586.21) | 9,156,448.38 | 41,452,873.94 | 3,452,910.00 |
| 014 | Globe Fire | 2,173,724.56 | 48,574.91 | 18,827.40 | 7,335.80 | (188,640.46) | 524,862.96 | 2,584,685.17 | (451,726.00) |
| 015 | Kingman Fire | 2,776,971.86 | 7,718.19 | 131,452.20 | 25,637.67 | (161,277.48) | 813,725.11 | 3,594,227.55 | 520,708.00 |
| 016 | Maricopa Cnty Sheriff | 101,440,366.96 | 1,529,791.49 | 1,133,097.23 | 0.00 | (5,948,041.29) | 25,646,524.30 | 123,801,738.69 | (20,435,824.00) |
| 017 | Mesa Fire | 64,549,608.29 | 385,807.24 | 308,189.27 | 427,032.56 | (2,172,911.30) | 17,213,619.60 | 80,711,345.66 | (14,683,363.00) |
| 018 | Mesa Police | 92,738,474.84 | 966,787.04 | 3,024,400.63 | 0.00 | (4,336,916.82) | 24,949,128.98 | 117,341,874.67 | (12,608,457.00) |
| 019 | Miami Fire | 344,626.12 | 0.00 | 0.00 | 993.49 | (42,571.56) | 72,725.81 | 375,773.86 | 16,789.00 |
| 020 | Nogales Fire | 2,977,599.79 | (31,577.59) | 105,356.58 | 19,945.91 | (228,294.60) | 789,153.70 | 3,632,183.79 | 81,549.00 |
| 021 | Phoenix Fire | 333,491,022.42 | 1,889,353.21 | 2,569,909.27 | 1,576,189.29 | (15,524,576.00) | 85,770,272.91 | 409,772,171.10 | (66,593,604.00) |
| 022 | Phoenix Police | 600,168,575.26 | 4,948,511.38 | 7,931,465.19 | 0.00 | (28,651,486.34) | 153,260,392.50 | 737,657,457.99 | (116,649,670.00) |
| 023 | Prescott Fire | 10,022,260.43 | 74,443.14 | 99,741.58 | 66,684.75 | (577,693.20) | 2,572,681.90 | 12,258,118.60 | (1,159,725.00) |
| 024 | Prescott Police | 7,000,140.18 | 163,095.38 | 253,553.41 | 0.00 | (573,463.74) | 1,902,406.63 | 8,745,731.86 | 1,080,981.00 |
| 025 | Scottsdale Police | 46,563,821.70 | 489,460.33 | 1,137,231.51 | 0.00 | (1,902,828.50) | 12,595,096.05 | 58,882,781.09 | (9,479,880.00) |
| 026 | Sierra Vista Fire | 3,991,720.75 | 623,465.65 | 0.00 | 32,046.18 | (109,135.56) | 1,188,512.42 | 5,726,609.44 | (1,271,193.00) |
| 027 | Tempe Fire | 37,660,090.45 | 358,083.09 | 54,359.04 | 260,325.35 | (1,562,209.07) | 9,657,768.17 | 46,428,417.03 | (10,115,636.00) |
| 028 | Tempe Police | 39,626,336.62 | 352,467.11 | 975,884.59 | 0.00 | (1,980,036.10) | 10,963,852.03 | 49,938,504.25 | (730,517.00) |
| 029 | Tucson Fire | 141,688,147.78 | 1,038,325.75 | 737,686.39 | 485,251.26 | (8,416,718.71) | 35,192,881.03 | 170,725,573.50 | (29,190,529.00) |
| 030 | Tucson Police | 188,313,056.87 | 2,180,181.98 | 1,598,689.04 | 0.00 | (9,364,161.95) | 47,949,158.78 | 230,676,924.72 | (43,315,937.00) |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 1999**
**AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1998**

| Sys No | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Insurance Premium Tax Received | Pension Payment | Distribution of Earnings | Balances June 30, 1999 | Unfunded Accrued Normal Costs at June 30, 1998 |
|---|---|---|---|---|---|---|---|---|---|
| 031 | Winslow Fire | 2,201,572.61 | 0.00 | 0.00 | 5,259.52 | (50,948.15) | 521,788.65 | 2,677,672.63 | (1,624,569.00) |
| 032 | Yuma Fire | 19,115,264.13 | 385,973.74 | 198,590.61 | 57,789.99 | (1,459,887.31) | 4,721,581.29 | 23,019,312.45 | (2,351,303.00) |
| 033 | Yuma Police | 21,438,441.73 | 173,621.58 | 300,774.43 | 0.00 | (1,005,831.19) | 5,546,774.07 | 26,453,780.62 | (5,660,242.00) |
| 034 | Yuma Cnty Sheriff | 7,962,717.43 | (21,029.09) | 158,653.56 | 0.00 | (624,280.81) | 1,948,079.16 | 9,424,140.25 | (1,095,056.00) |
| 035 | Game & Fish | 25,802,259.19 | 413,827.89 | 916,678.44 | 0.00 | (1,833,764.59) | 6,829,472.75 | 32,128,473.68 | 679,607.00 |
| 036 | Sierra Vista Police | 6,024,522.36 | (109,896.07) | 150,641.42 | 0.00 | (187,550.76) | 1,695,298.46 | 7,573,015.41 | (293,274.00) |
| 037 | Benson Police | 876,674.92 | (612.37) | 21,735.68 | 0.00 | (28,237.44) | 250,755.76 | 1,120,316.55 | (81,363.00) |
| 038 | Bisbee Police | 1,574,598.80 | (4,163.65) | 52,131.28 | 0.00 | (152,305.18) | 401,461.76 | 1,871,723.01 | 219,015.00 |
| 039 | Pima Cnty Sheriff | 83,763,487.00 | 865,590.96 | 1,423,563.47 | 0.00 | (4,825,514.85) | 20,300,102.83 | 101,527,229.41 | (18,039,365.00) |
| 040 | Kingman Police | 4,458,036.94 | (739.62) | 112,566.17 | 0.00 | (290,337.37) | 1,173,399.46 | 5,452,925.58 | (29,304.00) |
| 041 | A.S.U. Campus PD | 7,732,673.87 | 90,979.89 | 93,315.27 | 0.00 | (413,624.03) | 1,936,813.60 | 9,440,158.60 | (2,182,794.00) |
| 042 | Lake Havasu Fire | 9,635,143.20 | 2,726.58 | 18,530.66 | 78,499.77 | (303,007.58) | 2,603,431.25 | 12,035,323.88 | (1,986,561.00) |
| 043 | Mohave Cnty Sheriff | 7,491,467.53 | (58,663.30) | 93,549.82 | 0.00 | (316,168.38) | 2,002,967.62 | 9,213,153.29 | (1,774,372.00) |
| 044 | Bullhead City Fire | 5,492,798.21 | (6,008.89) | 215,505.82 | 50,120.41 | (163,636.44) | 1,437,741.00 | 7,026,520.11 | (949,447.00) |
| 045 | U of A Campus PD | 4,522,525.54 | (16,121.53) | 75,564.03 | 0.00 | (324,642.46) | 1,165,373.06 | 5,422,698.64 | (591,193.00) |
| 046 | Cochise Cnty Sheriff | 7,497,558.68 | 116,073.33 | 211,589.78 | 0.00 | (605,382.48) | 1,961,054.11 | 9,180,893.42 | 403,461.00 |
| 047 | Safford Police | 1,845,660.41 | (9,096.54) | 63,251.85 | 0.00 | (124,085.94) | 505,113.86 | 2,280,843.64 | 266,702.00 |
| 049 | Drexel Heights Fire | 1,910,731.20 | (24,586.85) | 66,620.40 | 19,779.60 | (16,642.92) | 612,977.92 | 2,568,879.35 | (550,898.00) |
| 050 | Winslow Police | 2,161,621.40 | (1,998.62) | 0.00 | 0.00 | (112,251.60) | 531,550.23 | 2,578,921.41 | (742,072.00) |
| 051 | Payson Fire | 979,109.23 | 134,878.03 | 29,387.72 | 23,565.60 | (30,267.36) | 304,010.13 | 1,440,683.35 | (130,131.00) |
| 052 | Payson Police | 1,786,273.80 | (9,972.64) | 96,841.03 | 0.00 | (97,931.09) | 535,128.17 | 2,310,339.27 | 357,076.00 |
| 053 | Hualapai Valley Fire | 331,702.10 | (7,718.19) | 60,324.37 | 12,454.20 | 0.00 | 136,318.42 | 533,080.90 | (51,882.00) |
| 054 | Fry Fire | 3,477,895.16 | (102,604.44) | 80,050.93 | 15,470.43 | (152,080.23) | 944,451.60 | 4,263,183.45 | (711,238.00) |
| 055 | Fredonia Marshals | 70,000.61 | 0.00 | 1,570.42 | 0.00 | 0.00 | 26,582.20 | 98,153.23 | (36,643.00) |
| 056 | N.A.U. Police Dept | 2,923,746.60 | 163,632.87 | 31,601.88 | 0.00 | (217,291.65) | 737,554.37 | 3,639,244.07 | (662,344.00) |
| 058 | South Tucson Fire | 1,092,059.61 | 0.00 | 8,311.72 | 2,624.28 | (60,367.00) | 279,756.03 | 1,322,384.64 | (314,523.00) |
| 059 | Avondale Fire | 796,856.91 | 0.00 | 64,427.00 | 19,968.89 | (17,302.20) | 251,136.74 | 1,115,087.34 | (3,740.00) |
| 060 | Parker Police | 613,469.60 | 0.00 | 18,844.78 | 0.00 | (18,698.76) | 197,424.16 | 811,039.78 | (138,980.00) |
| 061 | Coconino Cnty Sheriff | 7,306,258.73 | (19,797.28) | 184,066.45 | 0.00 | (498,915.14) | 1,910,772.11 | 8,882,384.87 | 108,036.00 |
| 062 | Central Yavapai Fire | 3,860,985.55 | 55,786.74 | 159,927.54 | 56,839.34 | (116,348.04) | 1,149,670.44 | 5,166,861.57 | (114,717.00) |

# STATE OF ARIZONA
## PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
## SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 1999
## AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1998

| Sys No | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Insurance Premium Tax Received | Pension Payment | Distribution of Earnings | Balances June 30, 1999 | Unfunded Accrued Normal Costs at June 30, 1998 |
|---|---|---|---|---|---|---|---|---|---|
| 064 | Buckskin Fire | 943,449.23 | 0.00 | 24,817.81 | 6,788.56 | (54,005.88) | 254,413.91 | 1,175,463.63 | (155,952.00) |
| 065 | Snowflake Police | 521,144.75 | 0.00 | 35,222.88 | 0.00 | (43,075.68) | 160,150.77 | 673,442.72 | 186,094.00 |
| 066 | Cottonwood Police | 1,038,355.66 | 35,359.57 | 87,975.23 | 0.00 | (101,407.54) | 326,293.83 | 1,386,576.75 | 589,670.00 |
| 067 | Lake Havasu Police | 5,337,250.51 | 171,255.27 | 186,402.88 | 0.00 | (146,916.93) | 1,593,360.47 | 7,141,352.20 | (545,097.00) |
| 068 | Verde Rural Fire | 499,629.15 | 61,073.75 | 9,500.36 | 11,219.85 | 0.00 | 163,280.50 | 744,703.61 | (339,320.00) |
| 069 | South Tucson Police | 971,371.23 | (16,758.23) | 123,129.31 | 0.00 | (190,947.42) | 269,751.59 | 1,156,546.48 | 1,209,223.00 |
| 070 | Apache Junction PD | 3,476,259.27 | 26,919.48 | 166,308.43 | 0.00 | (127,058.64) | 1,068,411.07 | 4,610,839.61 | 194,671.00 |
| 071 | Navajo Cnty Sheriffs | 4,408,353.27 | 8,593.26 | 70,520.41 | 0.00 | (311,176.32) | 1,118,780.29 | 5,295,070.91 | (606,982.00) |
| 072 | Mohave Valley Fire | 672,754.29 | (2,936.02) | 24,088.30 | 6,764.59 | 0.00 | 236,150.22 | 936,821.38 | (361,447.00) |
| 073 | Peoria Fire | 5,266,002.01 | 1,132.66 | 232,556.28 | 109,267.56 | (40,949.52) | 1,711,437.90 | 7,279,446.89 | (426,560.00) |
| 074 | Peoria Police | 6,353,851.05 | 15,715.16 | 555,721.99 | 0.00 | (230,258.46) | 1,956,261.02 | 8,651,290.76 | 675,178.00 |
| 076 | Paradise Valley PD | 4,169,835.88 | 187,336.77 | 124,037.65 | 0.00 | (183,240.60) | 1,196,186.19 | 5,494,155.89 | (112,387.00) |
| 077 | Wilcox Police | 532,461.47 | 0.00 | 31,216.27 | 0.00 | (50,321.96) | 149,884.48 | 663,240.26 | 153,754.00 |
| 078 | Show Low Police | 1,049,494.87 | 10,489.90 | 36,191.54 | 0.00 | (35,201.40) | 310,551.46 | 1,371,526.37 | (305,749.00) |
| 079 | Eloy Police | 806,503.72 | (20,478.39) | 47,998.07 | 0.00 | (19,571.04) | 264,829.74 | 1,079,282.10 | (124,198.00) |
| 080 | Nogales Police | 3,232,726.68 | 53,511.82 | 157,916.56 | 0.00 | (135,588.72) | 1,007,274.29 | 4,315,840.63 | (158,726.00) |
| 081 | Gilbert Police | 4,337,401.24 | 141,388.15 | 425,047.23 | 0.00 | (222,015.24) | 1,398,766.31 | 6,080,587.69 | 701,272.00 |
| 083 | Clifton Police | 209,741.68 | 0.00 | 2,693.46 | 0.00 | 0.00 | 64,681.00 | 277,116.14 | (177,916.00) |
| 084 | Taylor Police | 985.12 | 0.00 | 0.00 | 0.00 | 0.00 | 3,690.30 | 4,675.42 | 0.00 |
| 085 | Coolidge Police | 1,104,166.79 | 46,019.46 | 54,244.52 | 0.00 | (64,335.24) | 339,248.83 | 1,479,344.36 | 102,167.00 |
| 086 | Holbrook Police | 1,431,114.52 | 1,998.31 | 33,209.17 | 0.00 | (70,258.56) | 389,577.36 | 1,785,640.80 | (50,295.00) |
| 087 | Santa Cruz Police | 1,893,090.87 | (52,565.66) | 122,097.59 | 0.00 | (160,785.15) | 518,236.03 | 2,320,073.68 | 620,643.00 |
| 088 | Prescott Valley PD | 962,822.50 | 21,517.46 | 54,219.27 | 0.00 | (22,842.57) | 298,964.39 | 1,314,681.05 | (203,658.00) |
| 089 | Eagar Police | 266,437.27 | 0.00 | 15,107.55 | 0.00 | 0.00 | 89,224.77 | 370,769.59 | (25,822.00) |
| 090 | Tolleson Police | 1,173,668.85 | 0.00 | 42,719.36 | 0.00 | (68,814.96) | 323,781.90 | 1,471,355.15 | (98,797.00) |
| 091 | Florence Police | 633,649.53 | 114,949.19 | 4,349.28 | 0.00 | 0.00 | 204,917.00 | 957,865.00 | (412,424.00) |
| 092 | Springerville Police | 182,372.87 | (12,085.38) | 5,062.56 | 0.00 | 0.00 | 58,017.02 | 233,367.07 | (121,258.00) |
| 093 | El Mirage Police | 353,294.07 | (4,374.65) | 26,958.75 | 0.00 | 0.00 | 114,901.01 | 490,779.18 | (117,869.00) |
| 094 | Superior Police | 322,889.41 | (24,234.26) | 10,375.54 | 0.00 | 0.00 | 100,912.15 | 409,942.84 | (227,832.00) |
| 095 | San Luis Police | 457,095.28 | 45,354.69 | 45,416.80 | 0.00 | (8,599.44) | 158,225.39 | 697,492.72 | (13,107.00) |

# STATE OF ARIZONA
## PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
## SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 1999
## AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1998

| Sys No | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Insurance Premium Tax Received | Pension Payment | Distribution of Earnings | Balances June 30, 1999 | Unfunded Accrued Normal Costs at June 30, 1998 |
|---|---|---|---|---|---|---|---|---|---|
| 096 | Page Police | 1,284,622.94 | (3,851.23) | 18,804.13 | 0.00 | (22,673.76) | 393,454.83 | 1,670,356.91 | (370,025.00) |
| 097 | Page Fire | 297,399.01 | 52.92 | 10,023.83 | 7,456.09 | (19,062.44) | 73,810.34 | 369,679.75 | (102,071.00) |
| 098 | Yavapai Cnty Sheriff | 5,312,373.00 | 20,063.61 | 319,675.75 | 0.00 | (323,797.13) | 1,569,260.21 | 6,897,575.44 | 1,008,517.00 |
| 099 | Guadalupe Police | 185,671.72 | 0.00 | 0.00 | 0.00 | 0.00 | 44,905.00 | 230,576.72 | (204,808.00) |
| 100 | Pima Police | 78,801.16 | (3,479.96) | 0.00 | 0.00 | 0.00 | 26,371.81 | 101,693.01 | (79,827.00) |
| 101 | Apache Cty Sheriff | 1,573,034.30 | 59,977.59 | 42,547.59 | 0.00 | (107,637.66) | 457,169.66 | 2,025,091.48 | 14,008.00 |
| 102 | Cottonwood Fire | 347,507.64 | (72,513.83) | 18,177.16 | 9,208.23 | 0.00 | 102,391.49 | 404,770.69 | (41,136.00) |
| 103 | LaPaz Cty Sheriff | 2,392,154.30 | 76,037.38 | 99,582.32 | 0.00 | (119,009.85) | 698,903.14 | 3,147,667.29 | 216,642.00 |
| 104 | Pinal Cty Sheriff | 11,310,588.21 | (16,997.85) | 382,027.33 | 0.00 | (566,053.24) | 3,042,570.08 | 14,152,134.53 | (2,166,040.00) |
| 105 | Clarkdale Police | 299,572.68 | 0.00 | 18,565.99 | 0.00 | 0.00 | 108,490.79 | 426,629.46 | (25,344.00) |
| 106 | Buckeye Police | 662,645.16 | (1,936.09) | 36,901.82 | 0.00 | (13,617.36) | 210,839.27 | 894,832.80 | (51,492.00) |
| 107 | Marana Marshals | 1,687,682.89 | 115,041.35 | 100,782.83 | 0.00 | (21,956.55) | 561,950.18 | 2,443,500.70 | (338,786.00) |
| 108 | Tolleson Fire | 579,719.07 | (25,190.04) | 54,349.68 | 5,638.89 | 0.00 | 190,163.13 | 804,680.73 | (183,192.00) |
| 109 | Chino Valley Police | 559,056.21 | (15,289.78) | 23,008.64 | 0.00 | (14,710.68) | 169,339.07 | 721,403.46 | (217,815.00) |
| 110 | Surprise Police | 1,499,173.55 | 21,389.94 | 84,375.66 | 0.00 | (14,399.28) | 475,350.92 | 2,065,890.79 | (117,031.00) |
| 111 | Welton Police | 83,875.56 | (1,354.97) | 3,875.11 | 0.00 | 0.00 | 55,427.55 | 141,823.25 | (12,320.00) |
| 112 | Gila Cty Sheriff | 2,693,223.83 | (15,930.90) | 89,513.05 | 0.00 | (133,161.73) | 772,452.55 | 3,406,096.80 | (258,322.00) |
| 113 | Pinetop-Lakeside | 1,070,462.69 | 1,574.69 | 36,022.91 | 0.00 | (81,343.20) | 278,570.91 | 1,305,288.00 | 88,735.00 |
| 114 | Bullhead City Police | 4,202,823.55 | 88,114.31 | 221,266.69 | 0.00 | (199,197.95) | 1,305,609.38 | 5,618,615.98 | 211,520.00 |
| 115 | Williams Police | 465,573.86 | (30,572.39) | 8,552.50 | 0.00 | 0.00 | 134,265.73 | 577,819.70 | (232,221.00) |
| 116 | Miami Police | 193,311.76 | 0.00 | 17,449.09 | 0.00 | 0.00 | 80,291.49 | 291,052.34 | 28,439.00 |
| 117 | Thatcher Police | 687,231.76 | 26,336.44 | 17,759.18 | 0.00 | (14,368.99) | 216,487.65 | 933,446.04 | (109,473.00) |
| 118 | Youngtown Police | 474,337.65 | (29,756.41) | 11,422.34 | 0.00 | (30,522.96) | 117,473.29 | 542,953.91 | (118,478.00) |
| 119 | D.E.M.A. | 1,871,432.18 | 0.00 | 61,466.16 | 0.00 | (46,756.62) | 592,182.55 | 2,478,324.27 | (295,839.00) |
| 120 | Surprise Fire | 465,714.67 | (31,782.65) | 64,619.36 | 28,380.54 | 0.00 | 160,156.73 | 687,088.65 | (30,126.00) |
| 121 | Camp Verde Mrshls | 607,262.65 | 30,029.72 | 19,459.95 | 0.00 | (36,369.91) | 176,102.77 | 796,485.18 | (178,945.00) |
| 122 | Oro Valley Police | 1,697,160.41 | 8,208.37 | 174,090.62 | 0.00 | (25,406.04) | 598,877.80 | 2,452,931.16 | 295,239.00 |
| 123 | Greenlee Cty Sheriff | 806,993.96 | (12,404.11) | 30,625.77 | 0.00 | 0.00 | 264,545.69 | 1,089,761.31 | (120,159.00) |
| 124 | Tucson Air Auth Fire | 2,367,084.48 | 0.00 | 122,914.50 | 0.00 | (104,980.32) | 698,429.76 | 3,083,448.42 | 375,712.00 |
| 125 | Tucson Air Auth Pd | 2,126,879.18 | 44,351.01 | 139,982.79 | 0.00 | (251,814.64) | 573,215.65 | 2,632,613.99 | 828,357.00 |

# STATE OF ARIZONA
## PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
## SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 1999
## AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1998

| Sys No | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Insurance Premium Tax Received | Pension Payment | Distribution of Earnings | Balances June 30, 1999 | Unfunded Accrued Normal Costs at June 30, 1998 |
|---|---|---|---|---|---|---|---|---|---|
| 126 | Wickenburg Police | 496,264.39 | (12,469.07) | 49,500.46 | 0.00 | (63,934.02) | 142,902.39 | 612,264.15 | 355,704.00 |
| 127 | El Mirage Fire | 95,285.60 | (819.21) | 14,336.24 | 4,320.85 | 0.00 | 34,423.67 | 147,547.15 | (52,000.00) |
| 128 | Patagonia Marshals | 4,581.00 | 1,148.49 | 4,908.26 | 0.00 | 0.00 | 10,220.95 | 20,858.70 | 3,698.00 |
| 129 | Sedona Police | 597,297.61 | 5,852.99 | 39,051.25 | 0.00 | 0.00 | 208,958.42 | 851,160.27 | (111,382.00) |
| 130 | Mammoth Police | 39,017.40 | 222.03 | 14,753.61 | 0.00 | (15,641.50) | 33,479.90 | 71,831.44 | 144,666.00 |
| 131 | Globe Police | 1,251,879.25 | 38,533.67 | 93,489.44 | 0.00 | (93,056.14) | 392,961.77 | 1,683,807.99 | 321,974.00 |
| 132 | Tombstone Police | 139,950.56 | (118,184.01) | 14,619.00 | 0.00 | 0.00 | 36,478.34 | 72,863.89 | (122,846.00) |
| 133 | Golder Ranch Fire | 1,053,683.23 | (13,762.72) | 92,456.19 | 66,481.00 | (33,982.41) | 341,829.28 | 1,506,704.57 | 101,505.00 |
| 134 | Fort Mohave Mesa FD | 1,172,829.86 | 50,483.97 | 128,322.38 | 13,090.97 | (41,347.80) | 394,463.05 | 1,717,842.43 | 115,993.00 |
| 135 | Laveen Fire | 233,440.04 | (20,827.19) | 15,809.97 | 5,801.21 | 0.00 | 72,636.17 | 306,860.20 | (132,752.00) |
| 136 | Goodyear Fire | 334,198.59 | 0.00 | 64,567.38 | 22,913.68 | 0.00 | 137,435.15 | 559,114.80 | 37,620.00 |
| 137 | Goodyear Police | 1,087,394.82 | 39,754.65 | 100,676.87 | 0.00 | (24,764.00) | 377,350.17 | 1,580,412.51 | 255,723.00 |
| 138 | Chino Valley Fire | 394,827.60 | 0.00 | 35,990.06 | 9,594.77 | 0.00 | 131,010.21 | 571,422.64 | 50,376.00 |
| 139 | Avondale Police | 1,319,172.76 | (69,523.78) | 158,233.19 | 0.00 | (56,322.60) | 437,628.95 | 1,789,188.52 | 385,042.00 |
| 140 | Graham Cty Sheriff | 462,049.07 | 7,404.40 | 47,744.39 | 0.00 | (34,758.60) | 156,552.44 | 638,991.70 | 153,627.00 |
| 141 | Flowing Wells Fire | 43,597.33 | 0.00 | 0.00 | 0.00 | 0.00 | 12,369.96 | 55,967.29 | 0.00 |
| 142 | Golden Valley Fire | 495,262.43 | 0.00 | 37,296.67 | 6,861.11 | 0.00 | 162,403.21 | 701,823.42 | (70,894.00) |
| 143 | Daisy Mountain Fire | 287,315.51 | (34,511.59) | 53,695.38 | 11,606.65 | 0.00 | 104,896.95 | 423,002.90 | (58,728.00) |
| 144 | Quartsite Marshals | 70,101.45 | 0.00 | 15,603.04 | 0.00 | 0.00 | 61,752.30 | 147,456.79 | (21,381.00) |
| 145 | Picture Rock Fire | 300,404.22 | 0.00 | 27,422.35 | 6,072.31 | 0.00 | 114,872.91 | 448,771.79 | (65,382.00) |
| 146 | Pima College | 1,131,356.21 | 0.00 | 89,565.45 | 0.00 | 0.00 | 386,432.82 | 1,607,354.48 | 199,986.00 |
| 147 | Northwest Fire | 3,492,826.62 | (116,064.42) | 314,492.69 | 111,605.28 | (52,578.00) | 1,071,196.16 | 4,821,478.33 | 383,710.00 |
| 148 | Apache Junction Fire | 1,557,779.36 | (69,786.97) | 257,295.67 | 32,458.85 | (48,406.20) | 510,278.07 | 2,239,618.78 | 957,019.00 |
| 149 | Gilbert Fire | 1,046,304.64 | 122,396.38 | 40,760.61 | 127,870.92 | (16,763.64) | 386,143.44 | 1,706,712.35 | (178,123.00) |
| 150 | Pine-Strawberry Fire | 235,436.26 | 0.00 | 27,713.86 | 11,205.42 | 0.00 | 83,549.99 | 357,905.53 | (31,870.00) |
| 151 | Attorney Gen Inv | 3,357,129.09 | 23,362.79 | 109,078.91 | 0.00 | (85,722.36) | 1,027,290.20 | 4,431,138.63 | 152,575.00 |
| 152 | Tucson Estate Fire | 17,783.50 | (3,477.25) | 11,939.70 | 2,283.16 | 0.00 | 12,448.62 | 40,977.73 | 17,074.00 |
| 153 | St. Johns Police | (23,147.36) | 30,846.61 | 12,302.27 | 0.00 | 0.00 | 13,876.22 | 33,877.74 | 27,496.00 |
| 154 | Pima Cty Attn Inv | 558,498.89 | 0.00 | 23,470.55 | 0.00 | 0.00 | 182,598.27 | 764,567.71 | (20,647.00) |
| 155 | SunLakes Fire | 1,090,721.73 | (122,286.99) | 90,599.84 | 30,171.19 | (19,708.92) | 302,898.29 | 1,372,395.14 | (266,336.00) |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 1999**
**AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1998**

| Sys No | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Insurance Premium Tax Received | Pension Payment | Distribution of Earnings | Balances June 30, 1999 | Unfunded Accrued Normal Costs at June 30, 1998 |
|---|---|---|---|---|---|---|---|---|---|
| 156 | Kearny Police | 135,034.47 | 23,250.47 | 11,427.35 | 0.00 | (20,302.81) | 42,046.61 | 191,456.09 | (5,836.00) |
| 157 | Greenlee Cty Attn Inv | 12,607.51 | 0.00 | 1,250.28 | 0.00 | 0.00 | 7,234.65 | 21,092.44 | (8,997.00) |
| 158 | Navajo Cty Attn Inv | 76,320.88 | 0.00 | 1,455.11 | 0.00 | 0.00 | 31,230.18 | 109,006.17 | (13,317.00) |
| 159 | Doney Park Rural FD | 235,131.59 | 1,069.04 | 35,552.16 | 7,310.80 | 0.00 | 80,551.57 | 359,615.16 | 51,868.00 |
| 160 | AZ State Capitol PD | 484,223.61 | (15,792.83) | 63,041.34 | 0.00 | (16,310.16) | 150,483.27 | 665,645.23 | (44,760.00) |
| 161 | Fountain Hills Mrshl | 97,411.30 | (10,929.67) | 25,602.78 | 0.00 | 0.00 | 42,207.72 | 154,292.13 | (60,344.00) |
| 162 | Avra Valley Fire | 271,531.64 | 0.00 | 27,795.57 | 4,092.89 | 0.00 | 83,870.95 | 387,291.05 | (96,901.00) |
| 163 | San Luis Fire | 104,816.37 | 0.00 | 35,559.27 | 3,256.85 | 0.00 | 45,680.10 | 189,312.59 | 89,659.00 |
| 164 | Az St. Dept. Liqur/Licn | 749,436.59 | 28,036.97 | 41,219.30 | 0.00 | 0.00 | 256,075.14 | 1,074,768.00 | (168,450.00) |
| 165 | Maricopa Cnty Atty Inv | 2,251,904.57 | 125,341.34 | 64,104.28 | 0.00 | (88,158.20) | 678,502.82 | 3,031,694.81 | (26,749.00) |
| 166 | Sedona Fire | 785,499.84 | 96,748.62 | 95,816.59 | 61,604.51 | (54,657.00) | 260,118.93 | 1,245,131.49 | 793,768.00 |
| 167 | Guadalupe Fire | 29,733.34 | (810.64) | 13,978.74 | 0.00 | 0.00 | 16,830.08 | 59,731.52 | 3,784.00 |
| 168 | Mayer Fire | 63,477.57 | 1,195.36 | 13,586.56 | 1,350.91 | 0.00 | 47,234.58 | 126,844.98 | (9,234.00) |
| 169 | Somerton Police | 142,664.96 | (42,381.23) | 50,045.97 | 0.00 | 0.00 | 48,451.14 | 198,780.84 | 278,345.00 |
| 170 | Sun City West Fire | 1,052,979.36 | (22,031.90) | 171,110.96 | 75,396.62 | 0.00 | 303,904.70 | 1,581,359.74 | (228,526.00) |
| 171 | Somerton Fire | 68,246.95 | (18,228.33) | 31,225.70 | 1,989.18 | 0.00 | 23,279.39 | 106,512.89 | 358,082.00 |
| 172 | Tubac Fire District | 67,009.74 | 72,617.62 | 44,135.15 | 4,452.97 | 0.00 | 40,393.90 | 228,609.38 | (37,328.00) |
| 173 | La Paz Cnty Atty Inv | 31,682.37 | 0.00 | 5,726.96 | 0.00 | 0.00 | 12,402.03 | 49,811.36 | (42,230.00) |
| 174 | Sahuarita Police | 5,074.81 | 10,781.67 | 13,723.79 | 0.00 | 0.00 | 6,601.65 | 36,181.92 | 1,665.00 |
| 175 | Bowie Fire District | 1,139.23 | (1,139.23) | 0.00 | 0.00 | 0.00 | 387,318.76 | 387,318.76 | 52,507.00 |
| 176 | Florence Fire | 0.00 | 47,305.45 | 9,939.32 | 3,372.48 | 0.00 | 10,855.33 | 71,472.58 | 0.00 |
| 177 | Sun City Fire | 0.00 | (41,815.09) | 645,573.75 | 114,462.95 | 0.00 | 71,371.42 | 789,593.03 | 0.00 |
| 178 | Hayden Police | 0.00 | 0.00 | 16,034.88 | 0.00 | 0.00 | 1,916.60 | 17,951.48 | 0.00 |
| 199 | EXCESS EARNINGS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | **2,525,590,668.14** | **21,773,512.99** | **36,512,536.06** | **7,871,807.60** | **(125,879,370.79)** | **651,090,780.24** | **3,116,959,934.24** | **(448,628,699.00)** |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES
# FISCAL YEAR ENDED JUNE 30, 1999



| Sys No. | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Withdrawn Members | June 30, 1999 |
|---|---|---|---|---|---|---|
| 001 | BISBEE POLICE | 332,745.91 | (79,135.54) | 54,643.30 | (28,746.20) | 279,507.47 |
| 002 | CASA GRANDE FIRE | 498,736.48 | 0.00 | 75,348.64 | 0.00 | 574,085.12 |
| 003 | CASA GRANDE POLICE | 1,297,149.91 | (267,331.37) | 172,081.26 | 0.00 | 1,201,899.80 |
| 004 | CHANDLER FIRE | 3,024,374.24 | 14.66 | 485,908.93 | (14,223.87) | 3,496,073.96 |
| 005 | CHANDLER POLICE | 4,910,333.12 | (50,590.92) | 858,735.93 | (27,173.68) | 5,691,304.45 |
| 006 | CLIFTON FIRE | 34,264.14 | 0.00 | 2,307.50 | 0.00 | 36,571.64 |
| 007 | DEPT. OF PUBLIC SAFETY | 20,659,045.40 | (1,801,781.86) | 1,363,203.73 | (52,105.36) | 20,168,361.91 |
| 008 | DOUGLAS FIRE | 524,089.84 | 0.00 | 70,198.87 | (2,809.57) | 591,479.14 |
| 009 | DOUGLAS POLICE | 691,273.69 | (44,523.36) | 100,894.09 | (1,142.85) | 746,501.57 |
| 010 | FLAGSTAFF FIRE | 2,705,193.40 | (45,255.41) | 286,243.72 | 0.00 | 2,946,181.71 |
| 011 | FLAGSTAFF POLICE | 2,268,757.79 | (273,874.57) | 287,469.16 | (52,883.37) | 2,229,469.01 |
| 012 | GLENDALE FIRE | 4,855,934.16 | (116,907.61) | 610,678.48 | 0.00 | 5,349,705.03 |
| 013 | GLENDALE POLICE | 7,643,881.90 | (296,763.34) | 1,054,930.74 | (7,929.75) | 8,394,119.55 |
| 014 | GLOBE FIRE | 229,759.10 | (54,167.91) | 37,764.03 | (22,828.14) | 190,527.08 |
| 015 | KINGMAN FIRE | 773,610.52 | 5,507.81 | 97,344.17 | (9,550.93) | 866,911.57 |
| 016 | MARICOPA CNTY SHERIFFS | 13,413,901.52 | (1,553,645.49) | 1,927,533.41 | (79,743.77) | 13,708,045.67 |
| 017 | MESA FIRE | 11,633,015.70 | (291,305.05) | 1,442,320.34 | (50,262.32) | 12,733,768.67 |
| 018 | MESA POLICE | 16,743,394.35 | (936,597.04) | 2,706,998.86 | (266,939.57) | 18,246,856.60 |
| 019 | MIAMI FIRE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 020 | NOGALES FIRE | 589,708.71 | (71,872.41) | 100,012.68 | (35,328.56) | 582,520.42 |
| 021 | PHOENIX FIRE | 48,827,527.74 | (1,513,409.21) | 5,784,289.74 | (76,760.00) | 53,021,648.27 |
| 022 | PHOENIX POLICE | 82,108,080.12 | (4,909,627.38) | 10,684,075.20 | (330,849.59) | 87,551,678.35 |
| 023 | PRESCOTT FIRE | 1,492,964.05 | (74,443.14) | 190,691.48 | (5,899.75) | 1,603,312.64 |
| 024 | PRESCOTT POLICE | 1,454,261.59 | (108,833.38) | 183,856.06 | (29,399.83) | 1,499,884.44 |
| 025 | SCOTTSDALE POLICE | 8,822,770.34 | (489,376.33) | 1,249,940.88 | (108,981.18) | 9,474,353.71 |
| 026 | SIERRA VISTA FIRE | 803,060.80 | 219,083.35 | 118,424.97 | 0.00 | 1,140,569.12 |
| 027 | TEMPE FIRE | 5,496,971.17 | (445,004.09) | 608,060.81 | 0.00 | 5,660,027.89 |
| 028 | TEMPE POLICE | 8,664,996.35 | (191,513.09) | 1,200,221.90 | (169,266.99) | 9,504,438.17 |
| 029 | TUCSON FIRE | 17,240,467.08 | (986,752.75) | 1,147,193.24 | (40,066.15) | 17,360,841.42 |
| 030 | TUCSON POLICE | 26,256,573.63 | (2,504,030.00) | 3,001,411.65 | (201,715.67) | 26,552,239.61 |
| 031 | WINSLOW FIRE | 120,572.85 | 0.00 | 17,667.44 | 0.00 | 138,240.29 |
| 032 | YUMA FIRE | 2,147,240.37 | (229,093.74) | 345,015.91 | 0.00 | 2,263,162.54 |
| 033 | YUMA POLICE | 3,243,233.57 | (173,621.58) | 446,260.95 | (105,098.31) | 3,410,774.63 |
| 034 | YUMA COUNTY SHERIFFS | 852,483.44 | (12,922.91) | 162,900.73 | (57,950.77) | 944,510.49 |
| 035 | GAME & FISH | 4,565,063.40 | (409,245.58) | 470,706.19 | (14,790.06) | 4,611,733.95 |
| 036 | SIERRA VISTA POLICE | 1,404,719.44 | (29,079.93) | 277,329.25 | (5,449.68) | 1,647,519.08 |
| 037 | BENSON POLICE | 223,507.47 | 612.37 | 30,509.53 | (12,674.77) | 241,954.60 |
| 038 | BISBEE POLICE | 232,465.21 | (2,903.35) | 44,621.19 | (84.32) | 274,098.73 |
| 039 | PIMA COUNTY SHERIFFS | 7,397,912.26 | (967,720.96) | 734,016.10 | (61,869.49) | 7,102,337.91 |
| 040 | KINGMAN POLICE | 800,840.27 | (86,862.38) | 128,385.69 | (12,399.40) | 829,964.18 |
| 041 | A.S.U. CAMPUS POLICE | 927,584.90 | (99,745.89) | 149,031.97 | (14,832.58) | 962,038.40 |
| 042 | LAKE HAVASU FIRE | 1,910,842.08 | 691.42 | 183,048.62 | 0.00 | 2,094,582.12 |
| 043 | MOHAVE CNTY SHERIFFS | 1,447,283.43 | (29,080.70) | 241,776.72 | (111,127.12) | 1,548,852.33 |
| 044 | BULLHEAD CITY FIRE | 799,255.55 | (25,580.11) | 98,924.31 | (24,393.10) | 848,206.65 |
| 045 | U OF A CAMPUS POLICE | 703,041.06 | (10,553.47) | 154,917.55 | (8,204.38) | 839,200.76 |
| 046 | COCHISE CNTY SHERIFFS | 1,191,008.43 | 50,969.67 | 182,280.88 | 0.00 | 1,424,258.98 |
| 047 | SAFFORD POLICE | 398,602.41 | (5,598.46) | 48,078.34 | 0.00 | 441,082.29 |
| 049 | DREXEL HEIGHTS FIRE | 761,848.76 | (65,265.15) | 102,091.04 | (6,845.17) | 791,829.48 |
| 050 | WINSLOW POLICE | 220,677.28 | (1,360.38) | 58,023.47 | (5,503.22) | 271,837.15 |
| 051 | PAYSON FIRE | 251,445.13 | 21,734.97 | 46,681.49 | 0.00 | 319,861.59 |
| 052 | PAYSON POLICE | 540,667.42 | (9,262.36) | 83,239.65 | 0.00 | 614,644.71 |
| 054 | FRY FIRE | 1,082,386.09 | (577,606.56) | 139,653.81 | (24,829.09) | 619,604.25 |
| 055 | FREDONIA MARSHALS | 30,077.01 | 0.00 | 3,705.16 | 0.00 | 33,782.17 |
| 056 | N.A.U. POLICE DEPARTMENT | 339,234.53 | (32,115.87) | 59,763.96 | (28,864.05) | 338,018.57 |
| 058 | SOUTH TUCSON FIRE | 132,800.65 | 0.00 | 28,852.49 | 0.00 | 161,653.14 |
| 059 | AVONDALE FIRE | 271,387.18 | (43.19) | 72,156.67 | 0.00 | 343,500.66 |
| 060 | PARKER POLICE | 172,332.72 | 0.00 | 32,988.99 | (11,525.61) | 193,796.10 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES**
**FISCAL YEAR ENDED JUNE 30, 1999**



| Sys No. | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Withdrawn Members | June 30, 1999 |
|---|---|---|---|---|---|---|
| 061 | COCONINO CNTY SHERIFFS | 1,225,721.45 | (7,377.72) | 183,826.29 | (20,618.65) | 1,381,551.37 |
| 062 | CENTRAL YAVAPAI FIRE | 1,165,454.74 | (55,786.74) | 184,746.07 | (9,322.63) | 1,285,091.44 |
| 064 | BUCKSKIN FIRE | 190,997.16 | 0.00 | 28,979.34 | 0.00 | 219,976.50 |
| 065 | SNOWFLAKE POLICE | 158,041.84 | 0.00 | 26,186.26 | (17,387.55) | 166,840.55 |
| 066 | COTTONWOOD POLICE | 332,500.41 | (102,827.57) | 71,265.80 | (11,861.93) | 289,076.71 |
| 067 | LAKE HAVASU POLICE | 1,646,218.38 | (159,103.27) | 214,754.57 | (6,550.04) | 1,695,319.64 |
| 068 | VERDE RURAL FIRE DIST. | 138,517.08 | 28,778.25 | 32,544.93 | 0.00 | 199,840.26 |
| 069 | SOUTH TUCSON POLICE | 210,696.24 | (6,685.77) | 57,629.31 | (9,569.51) | 252,070.27 |
| 070 | APACHE JUNCTION POLICE | 1,144,124.06 | 15,637.52 | 156,105.54 | (45,335.78) | 1,270,531.34 |
| 071 | NAVAJO COUNTY SHERIFFS | 656,274.63 | (36,331.26) | 124,018.94 | (28,614.69) | 715,347.62 |
| 072 | MOHAVE VALLEY FIRE | 195,661.18 | (1,774.98) | 40,561.31 | (4,079.57) | 230,367.94 |
| 073 | PEORIA FIRE | 2,044,449.46 | 4,693.34 | 308,693.79 | 0.00 | 2,357,836.59 |
| 074 | PEORIA POLICE | 1,991,438.00 | 8,906.84 | 238,359.55 | (3,624.92) | 2,235,079.47 |
| 076 | PARADISE VALLEY POLICE | 1,127,092.29 | (187,336.77) | 200,987.17 | (18,630.56) | 1,122,112.13 |
| 077 | WILCOX POLICE | 124,812.12 | 0.00 | 22,808.37 | 0.00 | 147,620.49 |
| 078 | SHOWLOW POLICE | 286,247.41 | 5,898.10 | 56,158.54 | (28,826.61) | 319,477.44 |
| 079 | ELOY POLICE | 309,945.29 | (16,316.61) | 62,447.20 | (19,296.59) | 336,779.29 |
| 080 | NOGALES POLICE | 953,688.71 | 24,285.18 | 169,196.30 | (62,651.71) | 1,084,518.48 |
| 081 | GILBERT POLICE | 1,609,693.57 | 69,083.73 | 410,257.93 | (28,843.56) | 2,060,191.67 |
| 083 | CLIFTON POLICE | 54,298.85 | 0.00 | 7,688.45 | (17,517.38) | 44,469.92 |
| 085 | COOLIDGE POLICE | 314,411.87 | 27,153.54 | 57,158.73 | (19,002.74) | 379,721.40 |
| 086 | HOLBROOK POLICE | 270,930.94 | 1,501.69 | 42,841.45 | (13,831.96) | 301,442.12 |
| 087 | SANTA CRUZ CTY DEPUTIES | 475,108.63 | (81,646.34) | 94,538.81 | 0.00 | 488,001.10 |
| 088 | PRESCOTT VALLEY POLICE | 378,997.56 | (81,991.26) | 79,611.57 | (12,834.55) | 363,783.32 |
| 089 | EAGER POLICE | 109,492.26 | 0.00 | 17,379.61 | 0.00 | 126,871.87 |
| 090 | TOLLESON POLICE | 258,396.79 | 0.00 | 42,552.42 | (60,390.79) | 240,558.42 |
| 091 | FLORENCE POLICE | 169,441.22 | 41,160.81 | 41,076.74 | (23,119.75) | 228,559.02 |
| 092 | SPRINGERVILLE POLICE | 68,749.55 | (5,226.62) | 14,781.57 | 0.00 | 78,304.50 |
| 093 | EL MIRAGE POLICE | 115,798.70 | (3,733.35) | 41,126.63 | (11,217.29) | 141,974.69 |
| 094 | SUPERIOR POLICE | 102,606.49 | (11,937.74) | 21,163.44 | 0.00 | 111,832.19 |
| 095 | SAN LUIS POLICE | 179,337.72 | 21,779.31 | 54,714.78 | (3,832.60) | 251,999.21 |
| 096 | PAGE POLICE | 349,405.75 | (3,535.77) | 62,817.55 | 0.00 | 408,687.53 |
| 097 | PAGE FIRE | 30,432.36 | (52.92) | 13,934.65 | 0.00 | 44,314.09 |
| 098 | YAVAPAI CNTY SHERIFFS | 1,573,368.87 | (25,528.61) | 293,528.29 | (87,818.50) | 1,753,550.05 |
| 100 | PIMA POLICE | 4,739.43 | (1,867.04) | 3,331.64 | 0.00 | 6,204.03 |
| 101 | APACHE CNTY SHERIFFS | 386,330.31 | (98,721.59) | 79,192.18 | 0.00 | 366,800.90 |
| 102 | COTTONWOOD FIRE | 133,951.64 | (27,780.17) | 23,811.22 | 0.00 | 129,982.69 |
| 103 | LA PAZ COUNTY SHERIFFS | 680,670.62 | (76,137.38) | 117,805.36 | (50,139.37) | 672,199.23 |
| 104 | PINAL COUNTY SHERIFFS | 2,225,378.98 | (106,031.37) | 337,468.06 | (118,791.95) | 2,338,023.72 |
| 105 | CLARKDALE POLICE | 136,965.45 | 0.00 | 22,227.08 | 0.00 | 159,192.53 |
| 106 | BUCKEYE POLICE | 237,343.78 | (1,636.91) | 40,156.37 | 0.00 | 275,863.24 |
| 107 | MARANNA MARSHALS | 603,642.19 | 44,960.65 | 121,607.46 | (17,448.30) | 752,762.00 |
| 108 | TOLLESON FIRE | 244,659.99 | (8,475.96) | 60,049.96 | 0.00 | 296,233.99 |
| 109 | CHINO VALLEY POLICE | 161,422.92 | (10,223.22) | 37,906.99 | 0.00 | 189,106.69 |
| 110 | SURPRISE POLICE | 549,682.97 | (40,412.94) | 104,610.56 | 0.00 | 613,880.59 |
| 111 | WELTON POLICE | 33,624.62 | (885.03) | 5,075.97 | 0.00 | 37,815.56 |
| 112 | GILA COUNTY SHERIFFS | 752,216.18 | (27,638.10) | 96,581.97 | (30,172.44) | 790,987.61 |
| 113 | PINETOP-LAKESIDE POLICE | 172,593.01 | 2,664.19 | 32,707.64 | (211.14) | 207,753.70 |
| 114 | BULLHEAD CITY POLICE | 1,528,222.57 | (85,051.31) | 242,159.21 | (3,345.09) | 1,681,985.38 |
| 115 | WILLIAMS POLICE | 140,754.14 | (19,945.61) | 24,421.31 | (5,897.81) | 139,332.03 |
| 116 | MIAMI POLICE | 110,870.63 | 0.00 | 17,519.41 | (494.45) | 127,895.59 |
| 117 | THATCHER POLICE | 261,865.73 | (62,388.44) | 24,701.36 | 0.00 | 224,178.65 |
| 118 | YOUNGTOWN | 68,407.41 | (15,323.59) | 14,990.35 | 0.00 | 68,074.17 |
| 119 | D.E.M.A. | 649,269.31 | 0.00 | 76,892.83 | 0.00 | 726,162.14 |
| 120 | SURPRISE FIRE | 207,948.35 | (11,699.35) | 78,460.36 | (35,574.28) | 239,135.08 |
| 121 | CAMP VERDE MARSHALS | 141,963.01 | (26,153.72) | 29,342.17 | (10,640.86) | 134,510.60 |
| 122 | ORO VALLEY POLICE | 816,366.44 | 3,979.63 | 161,248.96 | (3,089.56) | 978,505.47 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES**
**FISCAL YEAR ENDED JUNE 30, 1999**



| Sys No. | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Withdrawn Members | June 30, 1999 |
|---|---|---|---|---|---|---|
| 123 | GREENLEE CTY SHERIFFS | 339,116.55 | (5,146.89) | 37,128.87 | (10,117.92) | 360,980.61 |
| 124 | TUCSON AIR.AUTH.FIRE | 695,928.33 | 0.00 | 66,782.06 | 0.00 | 762,710.39 |
| 125 | TUCSON AIR.AUTH.POLICE | 456,981.76 | (34,303.01) | 76,764.59 | (3,311.94) | 496,131.40 |
| 126 | WICKENBURG POLICE | 132,038.28 | (7,387.13) | 26,169.70 | (1,802.96) | 149,017.89 |
| 127 | EL MIRAGE FIRE | 46,995.57 | (614.79) | 16,428.12 | 0.00 | 62,808.90 |
| 128 | PATAGONIA MARSHALS | 6,215.57 | 420.51 | 5,785.70 | (6,676.01) | 5,745.77 |
| 129 | SEDONA POLICE | 282,601.73 | 16,126.01 | 52,045.43 | (10,865.80) | 339,907.37 |
| 130 | MAMMOTH POLICE | 55,227.69 | 548.97 | 9,268.70 | (7,772.11) | 57,273.25 |
| 131 | GLOBE POLICE | 430,212.53 | (49,282.67) | 67,726.72 | (8,676.96) | 439,979.62 |
| 132 | TOMBSTONE POLICE | 89,003.13 | (51,905.99) | 14,356.18 | 0.00 | 51,453.32 |
| 133 | GOLDER RANCH FIRE DIST. | 386,032.50 | (6,228.28) | 101,123.26 | 0.00 | 480,927.48 |
| 134 | FORT MOHAVE MESA FIRE | 465,022.19 | (50,483.97) | 104,923.81 | (818.52) | 518,643.51 |
| 135 | LAVEEN FIRE DIST. | 78,125.65 | (12,306.81) | 25,863.77 | 0.00 | 91,682.61 |
| 136 | GOODYEAR FIRE DEPT. | 165,175.43 | 0.00 | 62,168.42 | 0.00 | 227,343.85 |
| 137 | GOODYEAR POLICE DEPT. | 486,938.89 | 11,885.35 | 113,763.03 | (11,489.65) | 601,097.62 |
| 138 | CHINO VALLEY FIRE | 161,775.93 | 0.00 | 32,878.16 | 0.00 | 194,654.09 |
| 139 | AVONDALE POLICE DEPT. | 602,653.73 | (45,136.22) | 142,242.52 | (18,250.28) | 681,509.75 |
| 140 | GRAHAM COUNTY SHERIFFS | 181,087.71 | 6,136.60 | 38,980.03 | 0.00 | 226,204.34 |
| 141 | FLOWING WELLS FIRE DIST. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 142 | GOLDEN VALLEY FIRE DIST. | 193,736.27 | 0.00 | 39,793.05 | (19,123.70) | 214,405.62 |
| 143 | DAISY MOUNTAIN FIRE DIST. | 151,980.82 | (25,112.51) | 61,841.60 | 0.00 | 188,709.91 |
| 144 | QUARTZSITE MARSHALS | 43,911.41 | 0.00 | 18,827.09 | 0.00 | 62,738.50 |
| 145 | PICTUREROCKS FIRE | 109,093.06 | 0.00 | 28,033.30 | (16,580.46) | 120,545.90 |
| 146 | PIMA COMMUNITY COLLEGE | 495,742.07 | 0.00 | 90,658.46 | (44,751.20) | 541,649.33 |
| 147 | NORTHWEST FIRE | 1,088,519.12 | (40,548.58) | 287,648.26 | (4,117.29) | 1,331,501.51 |
| 148 | APACHE JUNCTION FIRE | 592,804.65 | (19,485.03) | 167,529.25 | (14,228.00) | 726,620.87 |
| 053 | HUALAPAI VALLEY FIRE | 179,653.63 | (5,507.81) | 56,196.15 | (2,479.46) | 227,862.51 |
| 149 | GILBERT FIRE | 490,011.14 | 40,682.86 | 164,850.33 | (33,258.35) | 662,285.98 |
| 150 | PINE-STRAWBERRY FIRE | 116,019.15 | 0.00 | 45,740.01 | 0.00 | 161,759.16 |
| 151 | ATTORNEY GENERAL | 1,143,588.52 | 3,531.07 | 126,963.20 | (25,824.46) | 1,248,258.33 |
| 152 | TUCSON ESTATES FIRE | 21,202.28 | (2,367.75) | 10,579.01 | (12,384.55) | 17,028.99 |
| 153 | ST. JOHNS POLICE | 12,431.87 | 8,854.39 | 11,284.11 | (5,044.56) | 27,525.81 |
| 154 | PIMA CO. ATTORNEY INVEST. | 227,239.40 | 0.00 | 23,470.55 | 0.00 | 250,709.95 |
| 155 | SUN LAKES FIRE DIST. | 289,680.50 | (40,783.01) | 84,917.66 | 0.00 | 333,815.15 |
| 156 | KEARNY POLICE | 60,128.99 | (36,389.47) | 13,028.01 | 0.00 | 36,767.53 |
| 157 | GREENLEE CO. ATTRNY INV | 3,045.68 | 0.00 | 2,379.43 | 0.00 | 5,425.11 |
| 158 | NAVAJO CO.ATTORNEY INV. | 27,799.78 | 0.00 | 2,876.16 | 0.00 | 30,675.94 |
| 159 | DONEY PARK RURAL FIRE | 85,174.47 | (1,114.04) | 29,389.41 | 0.00 | 113,449.84 |
| 160 | AZ STATE CAP. POLICE | 156,245.36 | (10,619.17) | 68,627.53 | (6,303.90) | 207,949.82 |
| 161 | FOUNTAIN HILLS MARSHALS | 69,518.58 | (7,981.33) | 29,146.03 | 0.00 | 90,683.28 |
| 162 | AVRA VALLEY FIRE DISTRICT | 53,848.86 | 0.00 | 30,328.58 | (6,311.16) | 77,866.28 |
| 163 | SAN LUIS FIRE | 47,994.57 | 0.00 | 24,883.35 | 0.00 | 72,877.92 |
| 164 | AZ DEPT OF LIQUOR LICENSE | 301,215.69 | 16,005.03 | 55,402.76 | 0.00 | 372,623.48 |
| 165 | MARICOPA CNTY ATTY INVES | 710,227.84 | (57,942.34) | 53,478.05 | (110.40) | 705,653.15 |
| 166 | SEDONA FIRE DISTRICT | 261,152.47 | 33,647.38 | 88,982.49 | (36,203.18) | 347,579.16 |
| 167 | GUADALUPE FIRE | 19,669.55 | (590.36) | 11,961.57 | (1,159.89) | 29,880.87 |
| 168 | MAYER FIRE DISTRICT | 29,498.59 | 1,474.64 | 15,472.15 | (16,978.37) | 29,467.01 |
| 169 | SOMERTON POLICE | 65,018.86 | (12,185.77) | 33,672.28 | 0.00 | 86,505.37 |
| 170 | SUN CITY WEST FIRE DSTRCT | 171,024.22 | (8,707.79) | 203,607.92 | (1,768.19) | 364,156.16 |
| 171 | SOMERTON FIRE | 25,688.29 | (3,375.67) | 15,054.54 | (4,417.85) | 32,949.31 |
| 172 | TUBAC FIRE DISTRICT | 24,421.27 | 32,598.38 | 25,389.90 | (3,731.64) | 78,677.91 |
| 173 | LA PAZ CNTY ATTY INVSTGTR | 18,798.98 | 0.00 | 2,888.00 | 0.00 | 21,686.98 |
| 174 | SAHUARITA POLICE | 4,679.85 | 5,895.33 | 14,245.10 | 0.00 | 24,820.28 |
| 175 | BOWIE FIRE DISTRICT | 543.16 | (543.16) | 1,246.61 | (1,246.61) | 0.00 |
| 176 | FLORENCE FIRE | 0.00 | 18,718.98 | 5,887.70 | 0.00 | 24,606.68 |
| 177 | SUN CITY WEST FIRE DSTRCT | 0.00 | (82,949.91) | 3,259,039.81 | (20,185.11) | 3,155,904.79 |
| 178 | HAYDEN POLICE | 0.00 | 0.00 | 12,607.29 | 0.00 | 12,607.29 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES**
**FISCAL YEAR ENDED JUNE 30, 1999**



| Sys No. | System | Balances June 30, 1998 | Reserve Transfers | Contributions Received | Withdrawn Members | June 30, 1999 |
|---|---|---|---|---|---|---|
| | **TOTALS** | **368,729,039.04** | **(21,105,345.78)** | **51,684,447.96** | **(3,317,623.81)** | **395,990,517.41** |

# INVESTMENT SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

THIRTY-FIRST COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 1999

Fund Objectives

Investment Performance Data

Supporting Schedule of Commissions Paid to Brokers

Summary of Changes in Investment Portfolio

Detailed List of Investments Acquired

Detailed List of Sales and Redemption of Investments

Detailed List of Investments Owned

## FUND OBJECTIVES

1. The intent of the Public Safety Personnel Retirement System, the Elected Official's Retirement Plan and the Corrections Officer Retirement Plan (herein after referred to as the Plan) is to provide the Plan participants benefits as defined in Title 38, chapter 5, articles 3, 4 and 6 of the Arizona Revised Statutes.
2. The Fund Manager and the Administrator will discharge their duties with respect to the Plan solely in the interest of the Plan participants, beneficiaries and employer sponsors. In making every investment, the Fund Manager 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 these investments are made in conformity with all applicable laws.
3. The intention of the Plan is to maintain the benefit level 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 Arizona State Legislature. In order to maintain this benefit level the Plan will annually adjust the employer contribution rate based on the recommendations made by the annual actuarial valuations. The Plan's funding goal is for the Plan assets to be equal to Plan liabilities within any twenty-year period.
4. It is the intent of the Plan to level off or reduce the employer contribution rate to the Plan as well as to provide the opportunity for increased benefits for retirees as the legislature may from time to time enact, through the systematic growth of the investments of the fund.
5. The primary objective of the investment program of the Plan is a reasonable, long-range total rate of return. Inherent in this goal is the preservation and enhancement of capital through effective management of the portfolio in order to take advantage of attractive opportunities various market sectors have to offer.

Adopted this 17th day of June, 1998, by the Fund Manager.

John A. Cochran/sig
_____
John A. Cochran, Ph.D., Chairman

F. Michael Geddes/sig
_____
F. Michael Geddes, Member

Donald L. De Ment/sig
_____
Donald L. De Ment, Member

Carmen Torrie/sig
_____
Carmen Torrie, Member

Tony West/sig
_____
Tony West, Member

Added 11-57-92
Revised 11-55-97
Revised 06-45-98

*Standard & Poor's Investment*
*Advisory Services, Inc.*
*55 Water Street*
*New York, NY 10041*
*Tel: (212) 438-9546*
*Fax: (212) 438-9511*

Standard & Poor's
A Division of The McGraw-Hill Companies

September 8, 1999

The Fund Manager
Public Safety Retirement System

Dear Sirs:

The attached charts and tables depict the investment performance for the Public Safety Retirement System of the State of Arizona. The performance results shown are based entirely on data provided by the plan's staff and does not constitute an audit on Standard & Poor's part. We note that Standard & Poor's has assumed that all data that has been supplied by the staff is accurate and complete and that Standard & Poor's has not taken steps to verify same. We also note that the performance was calculated under the assumption that cash inflows and outflows take place uniformly through each month.

The performance data include realized and unrealized capital gains and losses, as well as interest and dividend income earned by the fund. We believe these computations were performed in accordance with accepted AIMR procedures.

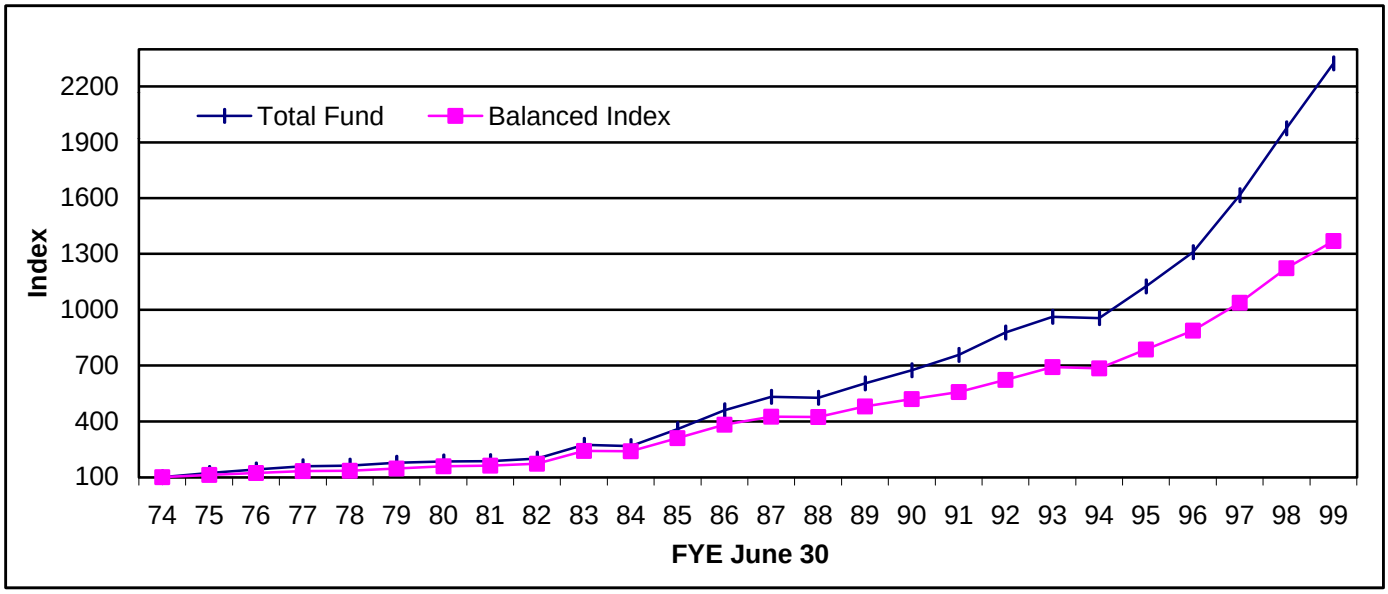
Based on the foregoing, during the past fiscal year, the stock portfolio outperformed the NYSE and S&P 500 indices, while the bond portfolio outperformed the Lehman Government/Corporate Index. The overall fund outperformed two custom benchmarks, each using a bond and stock index invested the same proportion as the overall fund. The overall fund has attained a rate of return over the past decade that compares favorably with these custom indices.

Sincerely,

Kenneth Shea/sig

Kenneth Shea
VP - Director of Equity Research

## Cumulative Return - Total Fund
## Public Safety




| FYE | Market Value | Contribution | Total Return | Balanced Index* |
|---|---|---|---|---|
| 06-30-99 | $4,799,032,031 | ($7,356,362) | 17.70% | 11.94% |
| 06-30-98 | 4,117,504,057 | (27,274,561) | 22.23% | 17.82% |
| 06-30-97 | 3,393,713,299 | (23,461,309) | 23.42% | 16.85% |
| 06-30-96 | 2,764,579,315 | (13,651,156) | 16.43% | 12.99% |
| 06-30-95 | 2,387,258,324 | (11,730,534) | 17.66% | 14.82% |
| 06-30-94 | 2,040,534,626 | (3,736,636) | -0.71% | -1.03% |
| 06-30-93 | 2,058,778,434 | (5,497,735) | 9.76% | 11.22% |
| 06-30-92 | 1,880,846,956 | 9,729,880 | 15.88% | 11.51% |
| 06-30-91 | 1,614,307,083 | 10,925,999 | 12.20% | 7.19% |
| 06-30-90 | 1,428,631,192 | 7,099,861 | 11.82% | 8.49% |
| 06-30-89 | 1,270,848,790 | 19,119,731 | 14.70% | 13.23% |
| 06-30-88 | 1,089,934,034 | 15,123,458 | -1.10% | -0.33% |
| 06-30-87 | 1,086,519,311 | 21,366,628 | 15.50% | 11.20% |
| 06-30-86 | 921,122,839 | 17,116,567 | 28.34% | 23.36% |
| 06-30-85 | 704,031,440 | 18,162,936 | 34.17% | 29.79% |
| 06-30-84 | 515,661,673 | 21,383,722 | -2.45% | -1.14% |
| 06-30-83 | 507,216,188 | 20,393,414 | 36.84% | 39.76% |
| 06-30-82 | 354,453,695 | 23,006,994 | 7.19% | 6.72% |

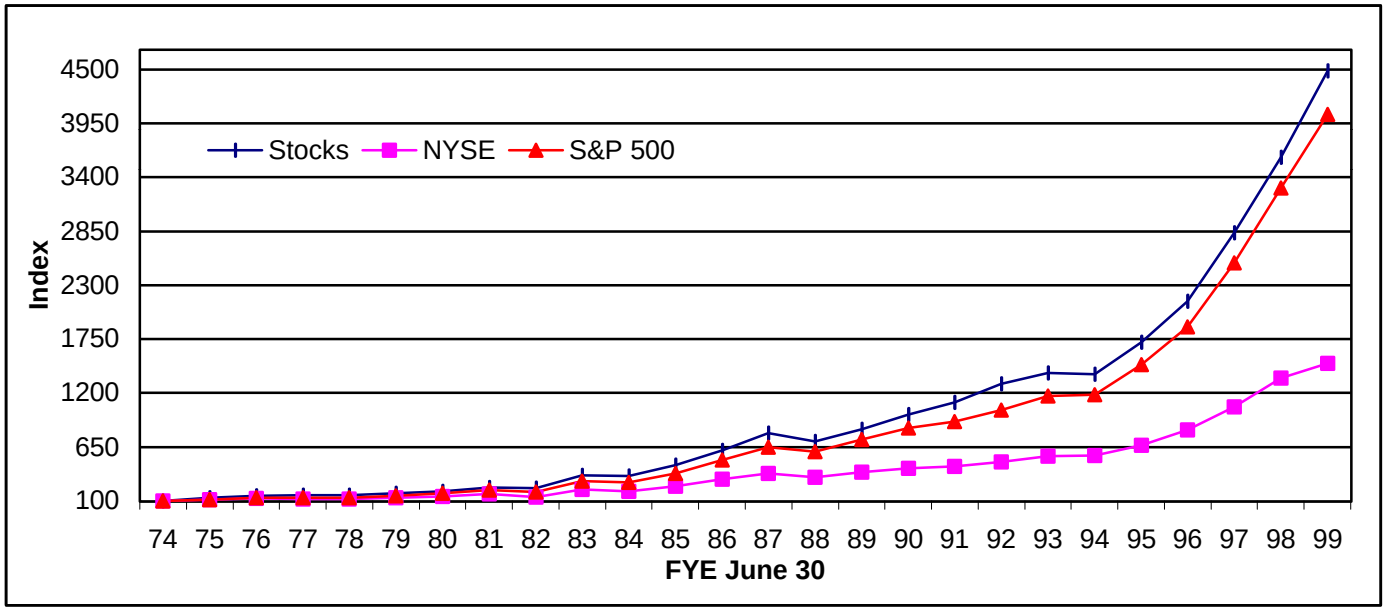
*Balanced Index is 45% NYSE + 45% Lehman Government/Corporate Bond + 10% 91 day T-bill. Beginning FY 98/99, S&P 500 replaces NYSE.

Prior to 1990 the weightings in each asset class were calculated using the fiscal year-end market values.

Since 1990, the asset class weightings have been calculated using the average weightings of the quarter's beginning & ending market values.

| Annualized Returns | | |
|---|---|---|
| | Total Fund | Balanced Index |
| 3-year | 21.09% | 15.51% |
| 5-year | 19.45% | 14.86% |

## Cumulative Return - Stocks
## Public Safety

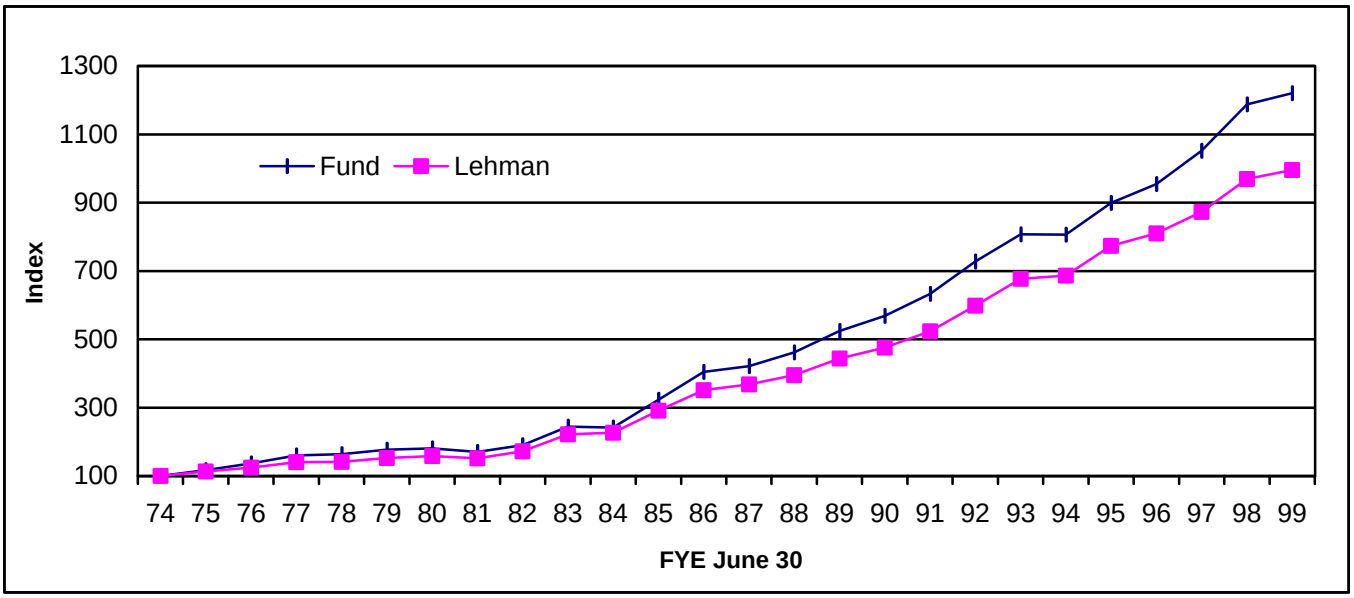



| FYE | Market Value | Contribution | Total Return | NYSE Index* | S&P 500 |
|---|---|---|---|---|---|
| 06-30-99 | $3,510,963,034 | ($60,408,007) | 24.43% | 11.40% | 22.76% |
| 06-30-98 | 2,847,416,226 | 62,789,349 | 27.27% | 28.48% | 34.69% |
| 06-30-97 | 2,189,785,301 | 12,444,471 | 32.48% | 28.48% | 34.69% |
| 06-30-96 | 1,646,181,750 | 72,975,245 | 24.62% | 23.08% | 26.00% |
| 06-30-95 | 1,249,064,319 | (73,778,340) | 23.49% | 19.04% | 26.06% |
| 06-30-94 | 1,079,624,319 | 17,567,044 | -1.17% | 1.58% | 1.23% |
| 06-30-93 | 1,076,135,294 | 20,148,748 | 8.72% | 11.04% | 13.52% |
| 06-30-92 | 924,885,669 | 27,758,211 | 17.01% | 10.25% | 13.45% |
| 06-30-91 | 765,961,738 | 100,051,684 | 12.98% | 4.09% | 7.39% |
| 06-30-90 | 586,485,375 | 38,836,422 | 17.97% | 9.88% | 16.44% |
| 06-30-89 | 463,610,700 | (27,032,573) | 16.78% | 15.17% | 20.54% |
| 06-30-88 | 423,707,612 | (94,474,445) | -10.56% | -9.70% | -6.97% |
| 06-30-87 | 583,885,788 | 65,257,942 | 29.10% | 18.83% | 25.19% |
| 06-30-86 | 395,006,488 | (57,644,263) | 32.17% | 29.50% | 35.83% |
| 06-30-85 | 347,907,038 | (4,655,381) | 31.07% | 25.72% | 30.80% |
| 06-30-84 | 269,543,480 | 81,697,323 | -2.04% | -9.27% | -4.65% |
| 06-30-83 | 195,489,212 | 45,082,539 | 57.04% | 54.57% | 60.92% |
| 06-30-82 | 92,342,163 | 10,698,054 | -3.77% | -17.24% | -11.42% |

*Our investment universe is the New York Stock Exchange (NYSE) prior to July 21,1997.

| Annualized Returns | | | |
|---|---|---|---|
| | Total Stocks | NYSE | S&P 500 |
| 3-year | 28.02% | 22.51% | 30.59% |
| 5-year | 26.42% | 21.92% | 28.75% |

## Cumulative Return - Bonds
## Public Safety




| FYE | Market Value | Contribution | Total Return | Lehman* |
|---|---|---|---|---|
| 06-30-99 | $1,288,068,997 | $53,051,645 | 2.73% | 2.69% |
| 06-30-98 | 1,270,087,831 | (90,063,916) | 12.97% | 11.08% |
| 06-30-97 | 1,203,927,998 | (35,905,780) | 10.14% | 7.75% |
| 06-30-96 | 1,118,397,565 | (86,626,401) | 6.18% | 4.65% |
| 06-30-95 | 1,138,194,005 | 62,047,807 | 11.50% | 12.75% |
| 06-30-94 | 960,910,163 | (21,303,679) | -0.16% | 1.45% |
| 06-30-93 | 982,643,140 | (15,007,410) | 10.99% | 13.15% |
| 06-30-92 | 955,961,286 | (18,028,331) | 14.90% | 14.17% |
| 06-30-91 | 848,345,345 | (89,127,685) | 11.47% | 10.21% |
| 06-30-90 | 842,145,817 | (31,736,561) | 8.33% | 7.11% |
| 06-30-89 | 807,238,090 | 46,152,304 | 13.55% | 12.34% |
| 06-30-88 | 666,226,422 | 109,597,902 | 9.69% | 7.48% |
| 06-30-87 | 502,633,523 | (43,891,314) | 3.99% | 4.68% |
| 06-30-86 | 526,116,351 | 74,760,830 | 25.23% | 20.65% |
| 06-30-85 | 356,124,402 | 22,818,317 | 33.86% | 28.71% |
| 06-30-84 | 246,118,193 | (60,313,601) | -1.17% | 1.79% |
| 06-30-83 | 311,489,212 | (24,689,125) | 28.83% | 29.14% |
| 06-30-82 | 362,218,170 | 12,308,308 | 11.52% | 13.34% |

*The Lehman Government/Corporate bond index includes more than 5,000 public traded bond issues of $25 million or more rated Baa or better for a total market value of more than $2 trillion.

| Annualized Returns | | |
|---|---|---|
| | Total Bonds | Lehman |
| 3-year | 8.52% | 7.12% |
| 5-year | 8.64% | 7.72% |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUPPORTING SCHEDULE OF COMMISSIONS PAID TO BROKERS**
**FISCAL YEAR ENDED JUNE 30, 1999**

| Broker | Number of Shares Traded | Average Commission | Commissions |
|---|---|---|---|
| Covato Lipsitz | 2,992,525 | 0.050 | $ 149,626 |
| ISI Group | 2,990,000 | 0.050 | 149,500 |
| J.W.Garrett | 6,116,496 | 0.050 | 305,850 |
| Merrill Lynch | 6,654,500 | 0.019 | 125,698 |
| Paine Webber | 5,860,500 | 0.034 | 198,275 |
| Prudential Securities | 6,414,500 | 0.035 | 224,750 |
| Smith Barney--Phoenix | 6,196,700 | 0.030 | 183,210 |
| Smith Barney--Scottsdale | 6,241,500 | 0.028 | 177,825 |
| Simon Securities | 6,550,800 | 0.050 | 327,540 |
| Standard & Poor's Securities | 7,600,000 | 0.050 | 380,000 |
| **Total Commissions** | **57,617,521** | **0.039** | **$ 2,222,274** |

The System typically pays $ .05 per share traded plus SEC charges on sale transactions. Over the Counter stocks are typically traded net of commissions. The firms with an average commission of less than $.05 have traded Over the Counter stocks net of commissions for the System.

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUMMARY OF CHANGES IN INVESTMENT PORTFOLIO**
**FOR THE FISCAL YEAR ENDED JUNE 30, 1999**

| Description | Percent at Fair Value | Balance June 30, 1998 Fair Value | Book Value | Acquisitions | Maturities and Sales | (Premium) Discount | Balance June 30, 1999 Book Value | Fair Value | Percent at Fair Value |
|---|---|---|---|---|---|---|---|---|---|
| U.S. Treasury Obligations | 6.9% | 284,184,020.00 | 257,450,837.00 | 0.00 | 35,051,612.00 | (1,170,867.00) | 221,228,358.00 | 241,377,390.00 | 5.0% |
| Federal Agency Obligations | 7.2% | 295,072,704.24 | 277,290,769.19 | 69,559,039.86 | 85,885,535.60 | 0.00 | 260,964,273.45 | 270,797,656.86 | 5.6% |
| **Total U.S. Government Securities** | **14.1%** | **579,256,724.24** | **534,741,606.19** | **69,559,039.86** | **120,937,147.60** | **(1,170,867.00)** | **482,192,631.45** | **512,175,046.86** | **10.7%** |
| **Corporate Bonds** | **14.4%** | **591,569,003.80** | **540,375,606.06** | **119,987,198.01** | **37,722,018.46** | **(421,290.00)** | **622,219,495.61** | **624,438,027.46** | 13.0% |
| Total Bond Portfolio | 28.5% | 1,170,825,728.04 | 1,075,117,212.25 | 189,546,237.87 | 158,659,166.06 | (1,592,157.00) | 1,104,412,127.06 | 1,136,613,074.32 | 23.7% |
| **Corporate Notes** | **0.5%** | **20,975,636.67** | **20,975,636.67** | **5,624,892,750.87** | **5,601,915,448.11** | **0.00** | **43,952,939.43** | **43,952,939.43** | 0.9% |
| **Common Stock** | **69.0%** | **2,847,416,225.63** | **1,686,080,374.29** | **1,438,629,039.98** | **910,244,216.89** | **0.00** | **2,214,465,197.38** | **3,510,963,034.25** | 73.2% |
| **Other Investments** | **1.9%** | **77,042,472.15** | **77,042,472.15** | **57,671,942.59** | **28,147,065.65** | **0.00** | **106,567,349.09** | **106,567,349.09** | 2.2% |
| **Money Market Account** | **0.1%** | **1,243,996.00** | **1,243,996.00** | **0.00** | **308,361.47** | **0.00** | **935,634.53** | **935,634.53** | 0.0% |
| **Total Portfolio** | **100.0%** | **4,117,504,058.49** | **2,860,459,691.36** | **7,310,739,971.31** | **6,699,274,258.18** | **(1,592,157.00)** | **3,470,333,247.49** | **4,799,032,031.62** | **100.0%** |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS ACQUIRED**
**JULY 1, 1998 THROUGH JUNE 30, 1999**
**BONDS ACQUIRED**

| Security | Coupon | Maturity | Purchase Price | Par Value | Principal | (Premium) Discount | Accrued Interest | Total Amount | Yield |
|---|---|---|---|---|---|---|---|---|---|
| ***FEDERAL AGENCY OBLIGATIONS*** | | | | | | | | | |
| GNMA POOL #470493 | 7.000 | 06/15/29 | 99.28125 | 9,999,000.00 | 9,927,132.20 | 71,867.80 | 42,773.50 | 9,969,905.70 | 7.05% |
| GNMA POOL #472997 | 7.000 | 06/15/29 | 99.46875 | 4,044,316.00 | 4,022,830.57 | 21,485.43 | 17,300.69 | 4,040,131.26 | 7.04% |
| GNMA POOL #482784 | 7.000 | 10/15/28 | 99.28125 | 8,999,107.47 | 8,934,426.45 | 64,681.02 | 38,496.15 | 8,972,922.60 | 7.05% |
| GNMA POOL #486539 | 7.000 | 09/15/28 | 99.28125 | 8,999,107.20 | 8,934,426.18 | 64,681.02 | 38,496.15 | 8,972,922.33 | 7.05% |
| GNMA POOL #499876 | 7.000 | 06/15/29 | 99.46875 | 8,261,615.00 | 8,217,725.17 | 43,889.83 | 35,341.35 | 8,253,066.52 | 7.04% |
| GNMA POOL #500931 | 7.000 | 06/15/29 | 99.46875 | 6,659,273.00 | 6,623,895.61 | 35,377.39 | 28,486.89 | 6,652,382.50 | 7.04% |
| GNMA POOL #504418 | 7.000 | 06/15/29 | 99.46875 | 1,034,569.00 | 1,029,072.85 | 5,496.15 | 4,425.66 | 1,033,498.51 | 7.04% |
| GNMA POOL #505728 | 7.000 | 06/15/29 | 99.46875 | 15,000,227.00 | 14,920,538.29 | 79,688.71 | 64,167.64 | 14,984,705.93 | 7.04% |
| GNMA POOL #510958 | 7.000 | 05/15/29 | 99.28125 | 6,999,300.00 | 6,948,992.54 | 50,307.46 | 29,941.45 | 6,978,933.99 | 7.05% |
| **TOTAL FEDERAL AGENCY OBLIGATIONS** | | | | **69,996,514.67** | **69,559,039.86** | **437,474.81** | **299,429.48** | **69,858,469.34** | **7.04%** |
| ***CORPORATE BONDS*** | | | | | | | | | |
| FIRST EMPIRE CAPITAL TRUST I | 8.277 | 06/01/27 | 108.92700 | 5,000,000.00 | 5,446,350.00 | (446,350.00) | 80,470.84 | 5,526,820.84 | 7.60% |
| FIRST EMPIRE CAPITAL TRUST I | 8.234 | 02/01/27 | 108.52800 | 8,000,000.00 | 8,682,240.00 | (682,240.00) | 38,425.33 | 8,720,665.33 | 7.59% |
| JPM CAPITAL TRUST II | 7.950 | 02/01/27 | 104.61500 | 11,000,000.00 | 11,507,650.00 | (507,650.00) | 89,879.17 | 11,597,529.17 | 7.60% |
| LEHMAN BROTHERS HOLDINGS INC | 8.800 | 03/01/15 | 111.91104 | 5,000,000.00 | 5,595,551.76 | (595,551.76) | 194,333.33 | 5,789,885.09 | 7.86% |
| LUMBERMANS MUTUAL CASUALTY CO | 8.300 | 12/01/37 | 108.43000 | 12,000,000.00 | 13,011,600.00 | (1,011,600.00) | 249,000.00 | 13,260,600.00 | 7.65% |
| PAINE WEBER GROUP INC | 7.605 | 07/17/17 | 97.37500 | 10,000,000.00 | 9,737,500.00 | 262,500.00 | 217,587.50 | 9,955,087.50 | 7.81% |
| SECURITY NATIONAL MORTAGE LOAN | 7.870 | 08/25/30 | 100.00000 | 21,604,245.00 | 21,604,245.00 | 0.00 | 0.00 | 21,604,245.00 | 7.87% |
| SECURITY NAT'L MORTGAGE 99-1 | 8.353 | 09/25/30 | 100.00000 | 7,487,575.00 | 7,487,575.00 | 0.00 | 0.00 | 7,487,575.00 | 8.35% |
| TRANSAMERICA CAPITAL II | 7.650 | 12/01/26 | 101.73900 | 7,875,000.00 | 8,011,946.25 | (136,946.25) | 266,076.56 | 8,278,022.81 | 7.52% |
| UNION CENTRAL LIFE | 8.200 | 11/01/26 | 107.89200 | 9,500,000.00 | 10,249,740.00 | (749,740.00) | 19,475.00 | 10,269,215.00 | 7.60% |
| USF&G CAPITAL II, SERIES B | 8.470 | 01/10/27 | 109.72235 | 17,000,000.00 | 18,652,800.00 | (1,652,800.00) | 262,099.44 | 18,914,899.44 | 7.72% |
| **TOTAL CORPORATE BONDS** | | | | **114,466,820.00** | **119,987,198.01** | **(5,520,378.01)** | **1,417,347.17** | **121,404,545.18** | **7.74%** |
| **TOTAL BONDS** | | | | **184,463,334.67** | **189,546,237.87** | **(5,082,903.20)** | **1,716,776.65** | **191,263,014.52** | **7.49%** |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS ACQUIRED
# JULY 1, 1998 THROUGH JUNE 30, 1999

## SHORT TERM INVESTMENTS MATURED



| Date Acquired | Description | Interest Rate | Maturity Date | Cost | Amount of Interest | Maturity Value |
|---|---|---|---|---|---|---|
| 06/23/98 | MERRILL LYNCH & CO,INC. | 5.590 | 07/02/98 | 15,977,640.00 | 22,360.00 | 16,000,000.00 |
| 06/29/98 | KZH-CNC CORP | 6.020 | 07/02/98 | 1,998,996.67 | 1,003.33 | 2,000,000.00 |
| 06/30/98 | COOPERATIVE ASSN OF TRA | 6.000 | 07/02/98 | 2,999,000.00 | 1,000.00 | 3,000,000.00 |
| 07/01/98 | DUKE CAPITAL CORP | 6.200 | 07/02/98 | 4,999,138.89 | 861.11 | 5,000,000.00 |
| 07/02/98 | MERRILL LYNCH & CO,INC. | 5.550 | 07/08/98 | 25,975,950.00 | 24,050.00 | 26,000,000.00 |
| 07/08/98 | HERTZ CORP | 5.500 | 07/31/98 | 9,964,861.11 | 35,138.89 | 10,000,000.00 |
| 07/08/98 | RELIASTAR MORTGAGE CO | 5.520 | 07/14/98 | 21,580,128.00 | 19,872.00 | 21,600,000.00 |
| 07/09/98 | DISTRIBUTOR FUNDING | 5.530 | 07/15/98 | 13,987,096.67 | 12,903.33 | 14,000,000.00 |
| 07/10/98 | DUKE CAPITAL CORP | 5.480 | 07/13/98 | 4,997,716.67 | 2,283.33 | 5,000,000.00 |
| 07/13/98 | BANCA CRT FINANCIAL COR | 5.550 | 07/20/98 | 14,983,812.50 | 16,187.50 | 15,000,000.00 |
| 07/14/98 | TRIDENT CAPINAL FINANCE | 5.520 | 07/23/98 | 21,969,640.00 | 30,360.00 | 22,000,000.00 |
| 07/15/98 | HERTZ CORP | 5.500 | 07/20/98 | 13,989,305.56 | 10,694.44 | 14,000,000.00 |
| 07/15/98 | ATLANTIC RICHFIELD | 5.520 | 07/23/98 | 13,982,826.67 | 17,173.33 | 14,000,000.00 |
| 07/20/98 | HALIFAX PLC | 5.480 | 07/24/98 | 19,987,822.23 | 12,177.77 | 20,000,000.00 |
| 07/20/98 | MERRILL LYNCH & CO,INC. | 5.500 | 07/27/98 | 11,987,166.67 | 12,833.33 | 12,000,000.00 |
| 07/21/98 | FLEET FUNDING CORP | 5.480 | 07/24/98 | 2,998,630.00 | 1,370.00 | 3,000,000.00 |
| 07/23/98 | HASBRO INC. | 5.540 | 07/28/98 | 10,821,666.91 | 8,333.09 | 10,830,000.00 |
| 07/23/98 | MERRILL LYNCH & CO,INC. | 5.480 | 07/28/98 | 24,980,972.22 | 19,027.78 | 25,000,000.00 |
| 07/24/98 | DUKE CAPITAL CORP | 5.520 | 07/27/98 | 5,350,537.62 | 2,462.38 | 5,353,000.00 |
| 07/24/98 | WEST PENN POWER | 5.500 | 07/27/98 | 16,992,208.33 | 7,791.67 | 17,000,000.00 |
| 07/27/98 | FORD MOTOR CREDIT CO. | 5.520 | 07/29/98 | 34,989,266.66 | 10,733.34 | 35,000,000.00 |
| 07/28/98 | HALIFAX PLC | 5.610 | 07/30/98 | 17,994,390.00 | 5,610.00 | 18,000,000.00 |
| 07/28/98 | EXXON ASSET MANAGEMENT | 5.550 | 07/30/98 | 18,994,141.67 | 5,858.33 | 19,000,000.00 |
| 07/29/98 | LEXINGTON PARKER CAP. | 5.660 | 07/31/98 | 14,995,283.33 | 4,716.67 | 15,000,000.00 |
| 07/29/98 | IBM CREDIT CORP | 5.570 | 08/03/98 | 17,986,075.00 | 13,925.00 | 18,000,000.00 |
| 07/30/98 | GENERAL MOTORS CORP | 5.640 | 08/03/98 | 11,992,480.00 | 7,520.00 | 12,000,000.00 |
| 08/11/98 | UBS FINANCE(DELAWARE) | 5.470 | 08/12/98 | 15,997,568.89 | 2,431.11 | 16,000,000.00 |
| 08/11/98 | CONSOLIDATED EDISON CO. | 5.500 | 08/13/98 | 22,493,125.00 | 6,875.00 | 22,500,000.00 |
| 08/11/98 | EXXON ASSET MANAGEMENT | 5.410 | 08/13/98 | 5,998,196.67 | 1,803.33 | 6,000,000.00 |
| 08/17/98 | KZH-ING-3 | 5.810 | 08/18/98 | 19,996,772.22 | 3,227.78 | 20,000,000.00 |
| 08/17/98 | FORD MOTOR CREDIT CO. | 5.620 | 08/19/98 | 19,993,755.56 | 6,244.44 | 20,000,000.00 |
| 08/17/98 | NEW ENGLAND ELECTRIC | 5.650 | 08/21/98 | 19,987,444.44 | 12,555.56 | 20,000,000.00 |
| 08/18/98 | DISTRIBUTION FUNDING | 5.570 | 08/20/98 | 16,994,739.44 | 5,260.56 | 17,000,000.00 |
| 08/18/98 | NORWEST CORPORATION | 5.500 | 08/31/98 | 10,978,152.78 | 21,847.22 | 11,000,000.00 |
| 08/19/98 | EXXON ASSET MANAGEMENT | 5.460 | 08/24/98 | 7,993,933.34 | 6,066.66 | 8,000,000.00 |
| 08/20/98 | FORD MOTOR CREDIT CO. | 5.450 | 08/25/98 | 23,981,833.33 | 18,166.67 | 24,000,000.00 |
| 08/21/98 | HOLLAND LIMITED SECURT. | 5.510 | 08/27/98 | 19,981,633.33 | 18,366.67 | 20,000,000.00 |
| 08/21/98 | DISTRIBUTION FUNDING | 5.500 | 08/27/98 | 13,987,166.67 | 12,833.33 | 14,000,000.00 |
| 08/24/98 | CASE EQUIP. LOAN TRUST | 5.510 | 08/26/98 | 9,996,938.89 | 3,061.11 | 10,000,000.00 |
| 08/25/98 | WEST PENN POWER | 5.500 | 08/26/98 | 8,998,625.00 | 1,375.00 | 9,000,000.00 |
| 08/25/98 | COUNTRYWIDE HOME LOANS | 5.500 | 08/26/98 | 9,998,472.22 | 1,527.78 | 10,000,000.00 |
| 08/25/98 | NEW ENGLAND ELECTRIC | 5.520 | 08/28/98 | 8,995,860.00 | 4,140.00 | 9,000,000.00 |
| 08/26/98 | TRIPLE A-1 FUNDING | 5.590 | 08/28/98 | 1,999,378.89 | 621.11 | 2,000,000.00 |
| 08/27/98 | COUNTRYWIDE HOME LOANS | 5.570 | 08/28/98 | 14,997,679.17 | 2,320.83 | 15,000,000.00 |
| 08/27/98 | GTE FUNDING, INC. | 5.530 | 08/31/98 | 9,993,855.56 | 6,144.44 | 10,000,000.00 |
| 08/27/98 | NEW ENGLAND ELECTRIC | 5.560 | 09/01/98 | 23,383,928.45 | 18,071.55 | 23,402,000.00 |
| 08/27/98 | FORD MOTOR CREDIT CO. | 5.500 | 09/01/98 | 21,983,194.45 | 16,805.55 | 22,000,000.00 |
| 08/28/98 | AC ACQUISITION HOLDING | 5.500 | 08/31/98 | 10,994,958.33 | 5,041.67 | 11,000,000.00 |
| 08/28/98 | CAISSE DES DEPOTS | 5.580 | 09/01/98 | 1,998,760.00 | 1,240.00 | 2,000,000.00 |
| 09/08/98 | MARKET STREET FUNDING | 5.600 | 09/11/98 | 17,991,600.00 | 8,400.00 | 18,000,000.00 |
| 09/09/98 | MONONGHELA POWER CO | 5.740 | 09/10/98 | 999,840.56 | 159.44 | 1,000,000.00 |
| 09/10/98 | POTOMAC ELECTRIC POWER | 5.530 | 09/16/98 | 999,078.33 | 921.67 | 1,000,000.00 |
| 09/11/98 | TRIDENT CAPITAL FINANCE | 5.550 | 09/16/98 | 19,984,583.33 | 15,416.67 | 20,000,000.00 |
| 09/15/98 | MERRILL LYNCH & CO,INC. | 5.560 | 09/21/98 | 9,990,733.34 | 9,266.66 | 10,000,000.00 |
| 09/17/98 | GEN. MTRS. ACCEPT. CORP | 5.450 | 09/30/98 | 4,990,159.72 | 9,840.28 | 5,000,000.00 |
| 09/17/98 | CENTERIOR FUEL | 5.550 | 09/30/98 | 5,987,975.00 | 12,025.00 | 6,000,000.00 |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS ACQUIRED
# JULY 1, 1998 THROUGH JUNE 30, 1999

## SHORT TERM INVESTMENTS MATURED



| Date Acquired | Description | Interest Rate | Maturity Date | Cost | Amount of Interest | Maturity Value |
|---|---|---|---|---|---|---|
| 09/17/98 | CARGILL INC. | 5.460 | 09/22/98 | 15,987,866.67 | 12,133.33 | 16,000,000.00 |
| 09/21/98 | FORD MOTOR CREDIT CO. | 5.480 | 09/24/98 | 10,994,976.67 | 5,023.33 | 11,000,000.00 |
| 09/22/98 | HALIFAX PLC | 5.510 | 09/25/98 | 14,993,112.50 | 6,887.50 | 15,000,000.00 |
| 09/24/98 | FORD MOTOR CREDIT CO. | 5.320 | 09/29/98 | 6,994,827.78 | 5,172.22 | 7,000,000.00 |
| 09/25/98 | MONTAUK FUNDING CORP | 5.400 | 09/28/98 | 3,998,200.00 | 1,800.00 | 4,000,000.00 |
| 09/28/98 | ENGELHARD CORP | 5.500 | 09/29/98 | 4,999,236.12 | 763.88 | 5,000,000.00 |
| 09/28/98 | ASSET SECURITIZATION CO | 5.600 | 10/01/98 | 25,526,082.27 | 11,917.73 | 25,538,000.00 |
| 09/30/98 | MARKET STREET FUNDING | 5.550 | 10/05/98 | 15,987,666.67 | 12,333.33 | 16,000,000.00 |
| 10/01/98 | CONSOLIDATED EDISON CO. | 5.330 | 10/06/98 | 24,981,493.06 | 18,506.94 | 25,000,000.00 |
| 10/01/98 | ENGELHARD CORP. | 5.600 | 10/02/98 | 24,996,111.11 | 3,888.89 | 25,000,000.00 |
| 10/01/98 | TRIDENT CAPITAL FINANCE | 5.350 | 10/06/98 | 22,982,909.72 | 17,090.28 | 23,000,000.00 |
| 10/02/98 | HALIFAX PLC | 5.330 | 10/07/98 | 20,984,454.17 | 15,545.83 | 21,000,000.00 |
| 10/02/98 | TRIPLE A-1 FUNDING | 5.410 | 10/06/98 | 9,899,046.00 | 5,954.00 | 9,905,000.00 |
| 10/05/98 | PHH CORPORATION | 5.450 | 10/13/98 | 18,976,988.89 | 23,011.11 | 19,000,000.00 |
| 10/05/98 | SUN BELT-DIX, INC. | 5.500 | 10/13/98 | 11,561,851.56 | 14,148.44 | 11,576,000.00 |
| 10/06/98 | DISTRIBUTION FUNDING | 5.530 | 10/14/98 | 24,969,277.78 | 30,722.22 | 25,000,000.00 |
| 10/06/98 | LEXINGTON PARKER CAP. | 5.530 | 10/15/98 | 24,965,437.50 | 34,562.50 | 25,000,000.00 |
| 10/06/98 | PHH CORPORATION | 5.550 | 10/13/98 | 9,989,208.33 | 10,791.67 | 10,000,000.00 |
| 10/06/98 | TRIDENT CAPITAL FINANCE | 5.370 | 10/30/98 | 10,960,620.00 | 39,380.00 | 11,000,000.00 |
| 10/07/98 | FOUR WINDS FUNDING CORP | 5.330 | 10/14/98 | 21,977,199.44 | 22,800.56 | 22,000,000.00 |
| 10/08/98 | BEST FOODS | 5.180 | 10/13/98 | 3,997,122.22 | 2,877.78 | 4,000,000.00 |
| 10/13/98 | PREFERRED RECEIVABLES | 5.350 | 10/16/98 | 22,989,745.84 | 10,254.16 | 23,000,000.00 |
| 10/13/98 | PHH CORPORATION | 5.530 | 10/19/98 | 22,978,801.67 | 21,198.33 | 23,000,000.00 |
| 10/14/98 | DISTRIBUTION FUNDING | 5.450 | 10/20/98 | 24,977,291.67 | 22,708.33 | 25,000,000.00 |
| 10/14/98 | COOPERATIVE ASSN OF TRA | 5.400 | 10/21/98 | 13,785,510.00 | 14,490.00 | 13,800,000.00 |
| 10/14/98 | EAGLE FUNDING | 5.400 | 10/20/98 | 7,992,800.00 | 7,200.00 | 8,000,000.00 |
| 10/15/98 | DUKE CAPITAL CORP | 5.650 | 10/16/98 | 22,996,390.27 | 3,609.73 | 23,000,000.00 |
| 10/15/98 | TRIDENT CAPITAL FINANCE | 5.500 | 10/20/98 | 15,987,777.78 | 12,222.22 | 16,000,000.00 |
| 10/16/98 | EDISON ASSET SECURT. | 5.200 | 10/21/98 | 24,981,944.44 | 18,055.56 | 25,000,000.00 |
| 10/16/98 | MONTAUK FUNDING CORP | 5.250 | 10/23/98 | 26,972,437.50 | 27,562.50 | 27,000,000.00 |
| 10/19/98 | CAISSE DES DEPOTS | 5.060 | 10/22/98 | 22,990,301.67 | 9,698.33 | 23,000,000.00 |
| 10/20/98 | ALLIEDSIGNAL INC. | 5.450 | 10/26/98 | 26,975,475.00 | 24,525.00 | 27,000,000.00 |
| 10/20/98 | REPUBLIC INDUSTRIES | 5.200 | 10/23/98 | 24,128,539.77 | 10,460.23 | 24,139,000.00 |
| 10/21/98 | CHARTA CORPORATION | 5.150 | 10/26/98 | 7,994,277.78 | 5,722.22 | 8,000,000.00 |
| 10/21/98 | MERRILL LYNCH & CO,INC. | 5.070 | 10/27/98 | 23,979,720.00 | 20,280.00 | 24,000,000.00 |
| 10/21/98 | GTE FUNDING INC. | 5.060 | 10/23/98 | 9,997,188.89 | 2,811.11 | 10,000,000.00 |
| 10/22/98 | FORD MOTOR CREDIT CO. | 4.970 | 10/27/98 | 22,984,123.61 | 15,876.39 | 23,000,000.00 |
| 10/23/98 | LEXINGTON PARKER CAP. | 5.000 | 10/26/98 | 21,990,833.33 | 9,166.67 | 22,000,000.00 |
| 10/23/98 | WORLD OMNI VEH. LEASING | 5.250 | 11/02/98 | 25,962,083.33 | 37,916.67 | 26,000,000.00 |
| 10/26/98 | MERRILL LYNCH & CO,INC. | 4.950 | 10/29/98 | 27,988,450.00 | 11,550.00 | 28,000,000.00 |
| 10/26/98 | THAMES ASSET GLOBAL SEC | 5.120 | 10/30/98 | 27,984,071.11 | 15,928.89 | 28,000,000.00 |
| 10/27/98 | MOAT | 5.320 | 11/02/98 | 26,976,060.00 | 23,940.00 | 27,000,000.00 |
| 10/27/98 | REPUBLIC INDUSTRIES | 5.250 | 11/02/98 | 19,982,500.00 | 17,500.00 | 20,000,000.00 |
| 10/29/98 | COMMERZBANK U.S FINANCE | 5.280 | 11/02/98 | 27,983,573.33 | 16,426.67 | 28,000,000.00 |
| 10/30/98 | AMSTERDAM FUNDING CORP | 5.680 | 11/03/98 | 22,000,106.72 | 13,893.28 | 22,014,000.00 |
| 10/30/98 | COOPERATIVE ASSN OF TRA | 5.600 | 11/03/98 | 6,995,644.44 | 4,355.56 | 7,000,000.00 |
| 11/02/98 | CINCINNATI BELL INC. | 5.550 | 11/05/98 | 13,314,839.04 | 6,160.96 | 13,321,000.00 |
| 11/02/98 | COUNTRYWIDE HOME LOANS | 5.550 | 11/05/98 | 27,987,050.00 | 12,950.00 | 28,000,000.00 |
| 11/02/98 | DUKE CAPITAL CORP | 5.600 | 11/03/98 | 29,995,333.33 | 4,666.67 | 30,000,000.00 |
| 11/02/98 | FORD MOTOR CREDIT CO. | 5.390 | 11/06/98 | 29,982,033.33 | 17,966.67 | 30,000,000.00 |
| 11/03/98 | HALIFAX PLC | 5.380 | 11/05/98 | 26,991,930.00 | 8,070.00 | 27,000,000.00 |
| 11/03/98 | WORLD OMNI VEH. LEASING | 5.420 | 11/09/98 | 29,972,900.00 | 27,100.00 | 30,000,000.00 |
| 11/04/98 | HERTZ CORP | 5.190 | 11/09/98 | 3,997,116.67 | 2,883.33 | 4,000,000.00 |
| 11/05/98 | MERRILL LYNCH & CO,INC. | 5.050 | 11/10/98 | 27,980,361.12 | 19,638.88 | 28,000,000.00 |
| 11/05/98 | EXXON ASSET MANAGEMENT | 5.020 | 11/09/98 | 24,986,055.56 | 13,944.44 | 25,000,000.00 |
| 11/05/98 | GILLETTE CO. | 5.030 | 11/06/98 | 14,997,904.17 | 2,095.83 | 15,000,000.00 |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS ACQUIRED
# JULY 1, 1998 THROUGH JUNE 30, 1999

## SHORT TERM INVESTMENTS MATURED



| Date Acquired | Description | Interest Rate | Maturity Date | Cost | Amount of Interest | Maturity Value |
|---|---|---|---|---|---|---|
| 11/06/98 | ENTERPRISE FUNDING CORP | 5.200 | 11/30/98 | 10,961,866.67 | 38,133.33 | 11,000,000.00 |
| 11/06/98 | LUCENT TECHNOLOGIES | 5.000 | 11/12/98 | 18,984,166.67 | 15,833.33 | 19,000,000.00 |
| 11/06/98 | WMC FINANCE LIMITED | 5.200 | 11/13/98 | 14,984,833.33 | 15,166.67 | 15,000,000.00 |
| 11/09/98 | TRIDENT CAPITAL FINANCE | 5.150 | 11/16/98 | 30,968,956.94 | 31,043.06 | 31,000,000.00 |
| 11/09/98 | USAA CAPITAL CORP | 5.090 | 11/13/98 | 29,983,033.33 | 16,966.67 | 30,000,000.00 |
| 11/10/98 | HERTZ CORP | 5.150 | 11/17/98 | 8,990,987.50 | 9,012.50 | 9,000,000.00 |
| 11/12/98 | HALIFAX PLC | 5.180 | 11/17/98 | 18,986,330.56 | 13,669.44 | 19,000,000.00 |
| 11/13/98 | DUKE CAPITAL CORP | 5.300 | 11/20/98 | 24,974,236.11 | 25,763.89 | 25,000,000.00 |
| 11/13/98 | HOLLAND LIMITED SECURT. | 5.250 | 11/19/98 | 19,982,500.00 | 17,500.00 | 20,000,000.00 |
| 11/16/98 | MARKET STREET FUNDING | 5.670 | 11/19/98 | 24,988,187.50 | 11,812.50 | 25,000,000.00 |
| 11/16/98 | TRIPLE A-1 FUNDING | 5.660 | 11/20/98 | 21,986,164.44 | 13,835.56 | 22,000,000.00 |
| 11/17/98 | CONSOLIDATED COAL CO. | 5.620 | 11/23/98 | 20,980,330.00 | 19,670.00 | 21,000,000.00 |
| 11/17/98 | QUINCY CAPITAL CORP | 5.240 | 11/23/98 | 6,993,886.67 | 6,113.33 | 7,000,000.00 |
| 11/19/98 | EAGLE FUNDING | 5.020 | 12/03/98 | 13,972,668.89 | 27,331.11 | 14,000,000.00 |
| 11/19/98 | FLORIDA POWER CORP | 4.740 | 11/24/98 | 14,290,585.83 | 9,414.17 | 14,300,000.00 |
| 11/19/98 | NEPTUNE FUNDING | 5.050 | 12/01/98 | 19,966,333.33 | 33,666.67 | 20,000,000.00 |
| 11/20/98 | DUKE CAPITAL CORP | 4.500 | 11/24/98 | 24,987,500.00 | 12,500.00 | 25,000,000.00 |
| 11/20/98 | EXXON ASSET MANAGEMENT | 4.500 | 11/25/98 | 23,985,000.00 | 15,000.00 | 24,000,000.00 |
| 11/23/98 | COOPERATIVE ASSN OF TRA | 4.650 | 11/24/98 | 27,996,383.33 | 3,616.67 | 28,000,000.00 |
| 11/24/98 | CONSOLIDATED COAL CO. | 5.350 | 12/01/98 | 27,970,872.22 | 29,127.78 | 28,000,000.00 |
| 11/24/98 | DUKE CAPITAL CORP | 4.980 | 12/03/98 | 16,978,835.00 | 21,165.00 | 17,000,000.00 |
| 11/25/98 | AMSTERDAM FUNDING CORP | 5.020 | 12/02/98 | 23,976,573.33 | 23,426.67 | 24,000,000.00 |
| 11/30/98 | ENGELHARD CORP | 5.500 | 12/01/98 | 1,999,694.45 | 305.55 | 2,000,000.00 |
| 12/01/98 | HALIFAX PLC | 4.880 | 12/04/98 | 26,989,020.00 | 10,980.00 | 27,000,000.00 |
| 12/01/98 | EXXON ASSET MANAGEMENT | 4.870 | 12/07/98 | 26,978,085.00 | 21,915.00 | 27,000,000.00 |
| 12/02/98 | GEN. MTRS. ACCEPT. CORP | 4.790 | 12/08/98 | 23,980,840.00 | 19,160.00 | 24,000,000.00 |
| 12/03/98 | ENGELHARD CORP | 4.700 | 12/04/98 | 13,998,172.22 | 1,827.78 | 14,000,000.00 |
| 12/03/98 | HOLLAND LIMITED SECURT. | 4.850 | 12/10/98 | 16,983,968.06 | 16,031.94 | 17,000,000.00 |
| 12/04/98 | FORD MOTOR CREDIT CO. | 4.630 | 12/09/98 | 11,992,283.34 | 7,716.66 | 12,000,000.00 |
| 12/04/98 | FORD MOTOR CREDIT CO. | 4.680 | 12/11/98 | 15,985,440.00 | 14,560.00 | 16,000,000.00 |
| 12/07/98 | DAIMLER-BENZ N. AMERICA | 4.720 | 12/10/98 | 23,990,560.00 | 9,440.00 | 24,000,000.00 |
| 12/07/98 | FORD MOTOR CREDIT CO. | 4.700 | 12/10/98 | 11,995,300.00 | 4,700.00 | 12,000,000.00 |
| 12/08/98 | FORD MOTOR CREDIT CO. | 4.690 | 12/11/98 | 11,995,310.00 | 4,690.00 | 12,000,000.00 |
| 12/08/98 | HALIFAX PLC | 4.730 | 12/14/98 | 25,979,503.34 | 20,496.66 | 26,000,000.00 |
| 12/10/98 | GEN. MTRS. ACCEPT. CORP | 4.750 | 12/15/98 | 27,981,527.78 | 18,472.22 | 28,000,000.00 |
| 12/10/98 | RECEIVABLES CAPIT. CORP | 4.790 | 12/16/98 | 27,977,646.67 | 22,353.33 | 28,000,000.00 |
| 12/10/98 | WORLD OMNI VEH. LEASING | 4.800 | 12/18/98 | 22,975,466.67 | 24,533.33 | 23,000,000.00 |
| 12/11/98 | ALLIEDSIGNAL INC. | 5.000 | 12/15/98 | 18,989,444.45 | 10,555.55 | 19,000,000.00 |
| 12/11/98 | BARTON CAPITAL CORP | 4.900 | 12/16/98 | 13,990,472.22 | 9,527.78 | 14,000,000.00 |
| 12/14/98 | HALIFAX PLC | 5.160 | 12/17/98 | 25,988,820.00 | 11,180.00 | 26,000,000.00 |
| 12/15/98 | TRIPLE A-1 FUNDING | 5.340 | 12/18/98 | 11,994,660.00 | 5,340.00 | 12,000,000.00 |
| 12/16/98 | WORLD OMNI VEH. LEASING | 4.920 | 12/18/98 | 24,993,166.67 | 6,833.33 | 25,000,000.00 |
| 12/17/98 | TRIPLE A-1 FUNDING | 4.890 | 12/23/98 | 18,984,515.00 | 15,485.00 | 19,000,000.00 |
| 12/18/98 | AMSTERDAM FUNDING CORP | 4.850 | 12/28/98 | 21,908,444.64 | 29,555.36 | 21,938,000.00 |
| 12/18/98 | FORD MOTOR CREDIT CO. | 4.770 | 12/23/98 | 26,982,112.50 | 17,887.50 | 27,000,000.00 |
| 12/21/98 | TRIPLE A-1 FUNDING | 4.910 | 12/28/98 | 999,045.28 | 954.72 | 1,000,000.00 |
| 12/23/98 | FORD MOTOR CREDIT CO. | 4.780 | 12/31/98 | 18,979,817.78 | 20,182.22 | 19,000,000.00 |
| 12/23/98 | G.E. CAPITAL CORP | 4.820 | 12/31/98 | 30,209,607.46 | 32,392.54 | 30,242,000.00 |
| 12/28/98 | FORD MOTOR CREDIT CO. | 5.020 | 12/30/98 | 13,996,095.56 | 3,904.44 | 14,000,000.00 |
| 12/28/98 | WINDMILL FUNDING CORP | 5.050 | 12/29/98 | 8,998,737.50 | 1,262.50 | 9,000,000.00 |
| 12/31/98 | COOPERATIVE ASSN OF TRA | 5.200 | 01/07/99 | 5,993,933.33 | 6,066.67 | 6,000,000.00 |
| 12/31/98 | DUKE CAPITAL CORP | 5.300 | 01/06/99 | 29,973,500.00 | 26,500.00 | 30,000,000.00 |
| 12/31/98 | LUCENT TECHNOLOGIES | 4.950 | 01/06/99 | 24,145,063.88 | 19,936.12 | 24,165,000.00 |
| 12/31/98 | MDU RESOURCES GROUP | 5.350 | 01/07/99 | 10,988,556.94 | 11,443.06 | 11,000,000.00 |
| 12/31/98 | THREE RIVERS FUNDING | 5.200 | 01/07/99 | 32,966,633.33 | 33,366.67 | 33,000,000.00 |
| 01/04/99 | CONSOLIDATED COAL CO. | 5.200 | 01/08/99 | 15,291,160.00 | 8,840.00 | 15,300,000.00 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS ACQUIRED**
**JULY 1, 1998 THROUGH JUNE 30, 1999**

## SHORT TERM INVESTMENTS MATURED



| Date Acquired | Description | Interest Rate | Maturity Date | Cost | Amount of Interest | Maturity Value |
|---|---|---|---|---|---|---|
| 01/04/99 | GTE FUNDING INC. | 4.940 | 01/08/99 | 20,988,473.33 | 11,526.67 | 21,000,000.00 |
| 01/05/99 | G.E. CAPITAL CORP | 4.900 | 01/08/99 | 4,997,958.33 | 2,041.67 | 5,000,000.00 |
| 01/06/99 | COUNTRYWIDE HOME LOANS | 4.930 | 01/29/99 | 10,965,353.05 | 34,646.95 | 11,000,000.00 |
| 01/06/99 | DUKE CAPITAL CORP | 4.650 | 01/11/99 | 30,979,979.17 | 20,020.83 | 31,000,000.00 |
| 01/06/99 | GEN. MTRS. ACCEPT. CORP | 4.700 | 01/13/99 | 10,989,947.23 | 10,052.77 | 11,000,000.00 |
| 01/07/99 | JOHN HANCOCK CAPITAL CO | 4.700 | 01/14/99 | 15,985,377.78 | 14,622.22 | 16,000,000.00 |
| 01/08/99 | ENTERPRISE FUNDING CORP | 4.680 | 01/14/99 | 19,984,400.00 | 15,600.00 | 20,000,000.00 |
| 01/08/99 | TRIPLE A-1 FUNDING | 4.680 | 01/14/99 | 18,847,287.64 | 14,712.36 | 18,862,000.00 |
| 01/11/99 | COMMONWEALTH BANK AUST. | 5.020 | 01/14/99 | 12,994,561.67 | 5,438.33 | 13,000,000.00 |
| 01/11/99 | DUKE CAPITAL CORP | 5.070 | 01/12/99 | 3,999,436.67 | 563.33 | 4,000,000.00 |
| 01/13/99 | REPUBLIC INDUSTRIES | 5.050 | 01/19/99 | 2,997,475.00 | 2,525.00 | 3,000,000.00 |
| 01/14/99 | HOLLAND LIMITED SECURT. | 4.910 | 01/21/99 | 17,982,815.00 | 17,185.00 | 18,000,000.00 |
| 01/14/99 | LEXINGTON PARKER CAP. | 4.950 | 01/19/99 | 27,980,750.00 | 19,250.00 | 28,000,000.00 |
| 01/14/99 | TRIDENT CAPITAL FINANCE | 4.900 | 01/20/99 | 19,983,666.67 | 16,333.33 | 20,000,000.00 |
| 01/15/99 | THREE RIVERS FUNDING | 4.900 | 01/21/99 | 19,983,666.67 | 16,333.33 | 20,000,000.00 |
| 01/19/99 | REPUBLIC INDUSTRIES | 4.800 | 01/22/99 | 30,987,600.00 | 12,400.00 | 31,000,000.00 |
| 01/19/99 | CONSOLIDATION COAL CO. | 4.990 | 01/25/99 | 15,986,693.33 | 13,306.67 | 16,000,000.00 |
| 01/20/99 | PREFERRED RECEIVABLES | 4.750 | 01/26/99 | 13,988,916.67 | 11,083.33 | 14,000,000.00 |
| 01/20/99 | TRIPLE A-1 FUNDING | 4.760 | 01/26/99 | 5,749,435.16 | 4,564.84 | 5,754,000.00 |
| 01/21/99 | HOLLAND LIMITED SECURT. | 4.780 | 01/28/99 | 18,959,361.93 | 17,638.07 | 18,977,000.00 |
| 01/21/99 | MARSH & MCLENNAN | 4.700 | 01/27/99 | 19,984,333.33 | 15,666.67 | 20,000,000.00 |
| 01/22/99 | REPUBLIC INDUSTRIES | 4.770 | 01/28/99 | 30,975,355.00 | 24,645.00 | 31,000,000.00 |
| 01/27/99 | VULCAN MATERIALS CO. | 4.870 | 02/01/99 | 15,989,177.78 | 10,822.22 | 16,000,000.00 |
| 01/27/99 | GTE CORP | 4.890 | 02/01/99 | 29,979,625.00 | 20,375.00 | 30,000,000.00 |
| 01/27/99 | TRIPLE A-1 FUNDING | 4.880 | 01/29/99 | 24,993,222.22 | 6,777.78 | 25,000,000.00 |
| 01/28/99 | CONCORD MINUTEMAN CAP. | 4.870 | 02/02/99 | 14,989,854.17 | 10,145.83 | 15,000,000.00 |
| 01/29/99 | LEXINGTON PARKER CAP. | 4.870 | 02/02/99 | 1,998,917.78 | 1,082.22 | 2,000,000.00 |
| 02/01/99 | FALCON ASSET SECURT. | 4.840 | 02/03/99 | 17,995,160.00 | 4,840.00 | 18,000,000.00 |
| 02/02/99 | COUNTRYWIDE HOME LOANS | 4.770 | 02/04/99 | 16,995,495.00 | 4,505.00 | 17,000,000.00 |
| 02/02/99 | INTREPID FUNDING MASTER | 4.860 | 02/26/99 | 10,964,360.00 | 35,640.00 | 11,000,000.00 |
| 02/03/99 | DUKE CAPITAL CORP | 4.650 | 02/05/99 | 14,996,125.00 | 3,875.00 | 15,000,000.00 |
| 02/03/99 | EXXON ASSET MANAGEMENT | 4.650 | 02/08/99 | 27,981,916.67 | 18,083.33 | 28,000,000.00 |
| 02/04/99 | REPUBLIC INDUSTRIES | 4.800 | 02/10/99 | 13,988,800.00 | 11,200.00 | 14,000,000.00 |
| 02/05/99 | DUKE CAPITAL CORP | 4.720 | 02/09/99 | 12,993,182.22 | 6,817.78 | 13,000,000.00 |
| 02/08/99 | MARKET STREET FUNDING | 4.850 | 02/12/99 | 25,985,988.89 | 14,011.11 | 26,000,000.00 |
| 02/09/99 | G.E. CAPITAL CORP | 4.800 | 02/11/99 | 6,998,133.34 | 1,866.66 | 7,000,000.00 |
| 02/10/99 | HOLLAND LIMITED SECURT. | 4.840 | 02/11/99 | 21,997,042.22 | 2,957.78 | 22,000,000.00 |
| 02/10/99 | REPUBLIC INDUSTRIES | 4.870 | 02/17/99 | 29,971,591.67 | 28,408.33 | 30,000,000.00 |
| 02/11/99 | HOLLAND LIMITED SECURT. | 4.880 | 02/18/99 | 26,974,380.00 | 25,620.00 | 27,000,000.00 |
| 02/12/99 | DISTRIBUTION FUNDING | 4.820 | 02/19/99 | 16,984,067.23 | 15,932.77 | 17,000,000.00 |
| 02/16/99 | REPUBLIC INDUSTRIES | 4.900 | 02/19/99 | 11,995,100.00 | 4,900.00 | 12,000,000.00 |
| 02/17/99 | BLOCK FINANCIAL CORP | 4.800 | 02/19/99 | 28,992,266.67 | 7,733.33 | 29,000,000.00 |
| 02/17/99 | DUKE ENERGY CORP | 4.730 | 02/22/99 | 18,987,518.05 | 12,481.95 | 19,000,000.00 |
| 02/18/99 | REPUBLIC INDUSTRIES | 4.800 | 02/23/99 | 24,983,333.33 | 16,666.67 | 25,000,000.00 |
| 02/19/99 | ENGELHARD CORP | 4.700 | 02/22/99 | 28,988,641.67 | 11,358.33 | 29,000,000.00 |
| 02/19/99 | HOLLAND LIMITED SECURT. | 4.680 | 02/22/99 | 10,995,710.00 | 4,290.00 | 11,000,000.00 |
| 02/19/99 | KITTY HAWK FUNDING | 4.740 | 02/23/99 | 17,990,520.00 | 9,480.00 | 18,000,000.00 |
| 02/22/99 | DUKE CAPITAL CORP | 4.820 | 02/23/99 | 8,998,795.00 | 1,205.00 | 9,000,000.00 |
| 02/23/99 | FALCON ASSET SECURT. | 4.860 | 03/01/99 | 24,979,750.00 | 20,250.00 | 25,000,000.00 |
| 02/23/99 | REPUBLIC INDUSTRIES | 4.900 | 02/25/99 | 24,989,937.50 | 6,659.72 | 24,996,597.22 |
| 02/25/99 | ENGELHARD CORP | 4.870 | 02/26/99 | 12,998,241.39 | 1,758.61 | 13,000,000.00 |
| 02/26/99 | KITTY HAWK FUNDING | 4.860 | 03/01/99 | 3,998,380.00 | 1,620.00 | 4,000,000.00 |
| 03/01/99 | BARTON CAPITAL CORP | 4.950 | 03/03/99 | 16,995,325.00 | 4,675.00 | 17,000,000.00 |
| 03/01/99 | ENGELHARD CORP | 5.050 | 03/02/99 | 11,998,316.67 | 1,683.33 | 12,000,000.00 |
| 03/02/99 | EXPORT DEVELOPMENT CORP | 4.800 | 03/03/99 | 1,999,733.33 | 266.67 | 2,000,000.00 |
| 03/03/99 | AMERITECH CORP | 4.800 | 03/31/99 | 10,958,933.33 | 41,066.67 | 11,000,000.00 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS ACQUIRED**
**JULY 1, 1998 THROUGH JUNE 30, 1999**

## SHORT TERM INVESTMENTS MATURED



| Date Acquired | Description | Interest Rate | Maturity Date | Cost | Amount of Interest | Maturity Value |
|---|---|---|---|---|---|---|
| 03/03/99 | ENGELHARD CORP | 4.850 | 03/04/99 | 7,998,922.22 | 1,077.78 | 8,000,000.00 |
| 03/04/99 | HERTZ CORP | 4.730 | 03/09/99 | 8,994,087.50 | 5,912.50 | 9,000,000.00 |
| 03/08/99 | HOLLAND LIMITED SECURT. | 4.860 | 03/11/99 | 7,996,760.00 | 3,240.00 | 8,000,000.00 |
| 03/09/99 | ENGELHARD CORP | 4.820 | 03/10/99 | 19,997,322.22 | 2,677.78 | 20,000,000.00 |
| 03/09/99 | QUINCY CAPITAL CORP | 4.760 | 03/11/99 | 16,995,504.45 | 4,495.55 | 17,000,000.00 |
| 03/10/99 | DISTRIBUTION FUNDING | 4.880 | 03/12/99 | 14,879,964.78 | 4,035.22 | 14,884,000.00 |
| 03/10/99 | EAGLE FUNDING | 4.870 | 03/12/99 | 8,997,565.00 | 2,435.00 | 9,000,000.00 |
| 03/11/99 | EXXON ASSET MANAGEMENT | 4.780 | 03/16/99 | 19,986,722.22 | 13,277.78 | 20,000,000.00 |
| 03/11/99 | QUINCY CAPITAL CORP | 4.840 | 03/16/99 | 4,833,748.46 | 3,251.54 | 4,837,000.00 |
| 03/12/99 | CARGILL GLOBAL FUNDING | 4.800 | 03/17/99 | 17,988,000.00 | 12,000.00 | 18,000,000.00 |
| 03/12/99 | EAGLE FUNDING | 4.820 | 03/17/99 | 5,751,147.35 | 3,852.65 | 5,755,000.00 |
| 03/15/99 | USAA CAPITAL CORP | 4.910 | 03/18/99 | 8,906,354.32 | 3,645.68 | 8,910,000.00 |
| 03/16/99 | CIBA SPECIALTY CHEMICAL | 4.800 | 03/19/99 | 25,989,600.00 | 10,400.00 | 26,000,000.00 |
| 03/17/99 | ALLSTATE CORP | 4.780 | 03/23/99 | 23,980,880.00 | 19,120.00 | 24,000,000.00 |
| 03/18/99 | MERRILL LYNCH & CO,INC. | 4.730 | 03/23/99 | 8,994,087.50 | 5,912.50 | 9,000,000.00 |
| 03/19/99 | CENTENNIAL ENERGY HOLD. | 4.750 | 03/22/99 | 2,998,812.50 | 1,187.50 | 3,000,000.00 |
| 03/19/99 | HOLLAND LIMITED SECURT. | 4.750 | 03/22/99 | 23,990,500.00 | 9,500.00 | 24,000,000.00 |
| 03/22/99 | EATON CORPORATION | 4.850 | 03/25/99 | 25,989,491.67 | 10,508.33 | 26,000,000.00 |
| 03/23/99 | ENGELHARD CORP | 4.800 | 03/24/99 | 25,996,533.33 | 3,466.67 | 26,000,000.00 |
| 03/23/99 | TRIPLE A-1 FUNDING | 4.760 | 03/25/99 | 7,997,884.45 | 2,115.55 | 8,000,000.00 |
| 03/24/99 | CAISSE DES DEPOTS | 4.880 | 03/25/99 | 25,996,475.56 | 3,524.44 | 26,000,000.00 |
| 03/25/99 | HALIFAX PLC | 4.700 | 03/30/99 | 28,981,069.44 | 18,930.56 | 29,000,000.00 |
| 03/25/99 | HOLLAND LIMITED SECURT. | 4.930 | 04/01/99 | 28,972,200.28 | 27,799.72 | 29,000,000.00 |
| 03/31/99 | BANK OF AUSTRIA CP,INC. | 4.950 | 04/05/99 | 31,978,000.00 | 22,000.00 | 32,000,000.00 |
| 04/01/99 | COOPERATIVE ASSN OF TRA | 4.900 | 04/30/99 | 10,956,580.56 | 43,419.44 | 11,000,000.00 |
| 04/01/99 | MARSH & MCLENNAN | 5.020 | 04/07/99 | 22,980,756.67 | 19,243.33 | 23,000,000.00 |
| 04/05/99 | TRIPLE A-1 FUNDING | 4.890 | 04/08/99 | 31,986,960.00 | 13,040.00 | 32,000,000.00 |
| 04/06/99 | COOPERATIVE ASSN OF TRA | 4.800 | 04/09/99 | 2,199,120.00 | 880.00 | 2,200,000.00 |
| 04/07/99 | CENTAURI (CC USA) | 4.760 | 04/08/99 | 3,999,471.11 | 528.89 | 4,000,000.00 |
| 04/08/99 | DORADA FINANCE | 4.760 | 04/09/99 | 27,996,297.78 | 3,702.22 | 28,000,000.00 |
| 04/09/99 | ENTERPRISE FUNDING CORP | 4.700 | 04/14/99 | 20,986,291.67 | 13,708.33 | 21,000,000.00 |
| 04/09/99 | TRIPLE A-1 FUNDING | 4.710 | 04/14/99 | 10,049,421.70 | 6,578.30 | 10,056,000.00 |
| 04/13/99 | HOLLAND LIMITED SECURT. | 4.710 | 04/14/99 | 1,999,738.33 | 261.67 | 2,000,000.00 |
| 04/14/99 | FORD MOTOR CREDIT CO. | 4.730 | 04/16/99 | 32,991,328.33 | 8,671.67 | 33,000,000.00 |
| 04/15/99 | BANK OF AUSTRIA | 4.850 | 04/19/99 | 13,422,762.72 | 7,237.28 | 13,430,000.00 |
| 04/15/99 | MERRILL LYNCH & CO,INC. | 4.800 | 04/19/99 | 26,985,600.00 | 14,400.00 | 27,000,000.00 |
| 04/19/99 | FORD MOTOR CREDIT CO. | 4.690 | 04/22/99 | 24,990,229.17 | 9,770.83 | 25,000,000.00 |
| 04/20/99 | ENTERPRISE FUNDING CORP | 4.680 | 04/23/99 | 8,996,490.00 | 3,510.00 | 9,000,000.00 |
| 04/21/99 | ALLMERICA FINANCIAL | 4.630 | 04/23/99 | 16,595,730.11 | 4,269.89 | 16,600,000.00 |
| 04/21/99 | FORD MOTOR CREDIT CO. | 4.630 | 04/23/99 | 8,997,685.00 | 2,315.00 | 9,000,000.00 |
| 04/22/99 | MERRILL LYNCH & CO,INC. | 4.620 | 04/23/99 | 32,995,765.00 | 4,235.00 | 33,000,000.00 |
| 04/23/99 | FORD MOTOR CREDIT CO. | 4.590 | 04/28/99 | 31,979,600.00 | 20,400.00 | 32,000,000.00 |
| 04/23/99 | GEN. MTRS. ACCEPT. CORP | 4.590 | 04/29/99 | 34,973,225.00 | 26,775.00 | 35,000,000.00 |
| 04/29/99 | EXXON PROJECT INVEST. | 4.830 | 05/05/99 | 22,981,485.00 | 18,515.00 | 23,000,000.00 |
| 04/29/99 | LEXINGTON PARKER CAP. | 4.870 | 05/04/99 | 28,980,384.72 | 19,615.28 | 29,000,000.00 |
| 04/29/99 | MERRILL LYNCH & CO,INC. | 4.850 | 05/05/99 | 28,976,558.33 | 23,441.67 | 29,000,000.00 |
| 04/29/99 | NATIONAL AUSTRALIA | 4.840 | 05/04/99 | 28,980,505.55 | 19,494.45 | 29,000,000.00 |
| 04/29/99 | TRIPLE A-1 FUNDING | 4.850 | 05/04/99 | 24,340,592.85 | 16,407.15 | 24,357,000.00 |
| 04/30/99 | COOPERATIVE ASSN OF TRA | 4.850 | 05/28/99 | 10,958,505.56 | 41,494.44 | 11,000,000.00 |
| 04/30/99 | CENETNNIAL ENERGY HOLD | 4.950 | 05/04/99 | 1,998,900.00 | 1,100.00 | 2,000,000.00 |
| 05/03/99 | DUKE CAPITAL CORP | 5.050 | 05/04/99 | 2,999,579.17 | 420.83 | 3,000,000.00 |
| 05/04/99 | INTERNT'L LEASE FINANCE | 4.820 | 05/06/99 | 29,991,966.67 | 8,033.33 | 30,000,000.00 |
| 05/04/99 | EXXON PROJECT INVEST. | 4.810 | 05/07/99 | 29,987,975.00 | 12,025.00 | 30,000,000.00 |
| 05/04/99 | FORD MOTOR CREDIT CO. | 4.800 | 05/07/99 | 27,988,800.00 | 11,200.00 | 28,000,000.00 |
| 05/05/99 | CARGILL GLOBAL FUNDING | 4.750 | 05/10/99 | 19,986,805.55 | 13,194.45 | 20,000,000.00 |
| 05/05/99 | GEN. MTRS. ACCEPT. CORP | 4.730 | 05/11/99 | 31,974,773.33 | 25,226.67 | 32,000,000.00 |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS ACQUIRED
# JULY 1, 1998 THROUGH JUNE 30, 1999

## SHORT TERM INVESTMENTS MATURED



| Date Acquired | Description | Interest Rate | Maturity Date | Cost | Amount of Interest | Maturity Value |
|---|---|---|---|---|---|---|
| 05/06/99 | LIBERTY MUTUAL CAPITAL | 4.700 | 05/10/99 | 10,994,255.55 | 5,744.45 | 11,000,000.00 |
| 05/07/99 | CONCORD MINUTEMAN CAP. | 4.720 | 05/12/99 | 23,979,269.94 | 15,730.06 | 23,995,000.00 |
| 05/07/99 | KITTY HAWK FUNDING | 4.700 | 05/11/99 | 9,994,777.78 | 5,222.22 | 10,000,000.00 |
| 05/07/99 | SOMERSET RAILROAD CORP | 4.680 | 05/10/99 | 17,992,980.00 | 7,020.00 | 18,000,000.00 |
| 05/10/99 | MERRILL LYNCH & CO,INC. | 4.720 | 05/13/99 | 10,995,673.33 | 4,326.67 | 11,000,000.00 |
| 05/11/99 | TRIPLE A-1 FUNDING | 4.690 | 05/14/99 | 33,986,711.67 | 13,288.33 | 34,000,000.00 |
| 05/11/99 | UNITED PARCEL SERVICE | 4.620 | 05/13/99 | 17,245,572.50 | 4,427.50 | 17,250,000.00 |
| 05/12/99 | GENERAL MILLS INC. | 4.670 | 05/18/99 | 12,989,881.67 | 10,118.33 | 13,000,000.00 |
| 05/12/99 | GEN. MTRS. ACCEPT. CORP | 4.720 | 05/17/99 | 6,874,490.43 | 4,509.57 | 6,879,000.00 |
| 05/12/99 | COUNTRYWIDE HOME LOANS | 4.710 | 05/17/99 | 13,103,422.57 | 8,577.43 | 13,112,000.00 |
| 05/14/99 | TOYS R US | 4.820 | 05/19/99 | 33,477,573.61 | 22,426.39 | 33,500,000.00 |
| 05/17/99 | MONTAUK FUNDING CORP | 5.130 | 05/18/99 | 13,998,005.00 | 1,995.00 | 14,000,000.00 |
| 05/17/99 | UNITED PARCEL SERVICE | 5.050 | 05/20/99 | 28,987,795.83 | 12,204.17 | 29,000,000.00 |
| 05/19/99 | CENTENNIAL ENERGY HOLD. | 4.800 | 05/20/99 | 999,866.67 | 133.33 | 1,000,000.00 |
| 05/20/99 | EAGLE FUNDING | 4.770 | 05/25/99 | 17,988,075.00 | 11,925.00 | 18,000,000.00 |
| 05/21/99 | DUKE CAPITAL CORP | 4.680 | 05/25/99 | 5,996,880.00 | 3,120.00 | 6,000,000.00 |
| 05/24/99 | COUNTRYWIDE HOME LOANS | 4.810 | 05/26/99 | 1,999,465.56 | 534.44 | 2,000,000.00 |
| 05/24/99 | GTE CORP | 4.810 | 05/27/99 | 8,996,392.50 | 3,607.50 | 9,000,000.00 |
| 05/25/99 | EAGLE FUNDING | 4.720 | 05/28/99 | 30,987,806.67 | 12,193.33 | 31,000,000.00 |
| 05/27/99 | UNITED AIRLINES FIRST | 4.900 | 06/02/99 | 5,995,100.00 | 4,900.00 | 6,000,000.00 |
| 05/28/99 | CONSOLIDATED EDISON CO. | 4.920 | 06/03/99 | 15,986,880.00 | 13,120.00 | 16,000,000.00 |
| 05/28/99 | EAGLE FUNDING | 4.950 | 06/03/99 | 6,296,800.85 | 5,199.15 | 6,302,000.00 |
| 05/28/99 | UNITED PARCEL SERVICE | 4.900 | 06/04/99 | 13,986,661.11 | 13,338.89 | 14,000,000.00 |
| 06/01/99 | UNITED AIRLINES FIRST | 5.100 | 06/03/99 | 1,999,433.33 | 566.67 | 2,000,000.00 |
| 06/02/99 | EAGLE FUNDING | 4.870 | 06/30/99 | 8,965,910.00 | 34,090.00 | 9,000,000.00 |
| 06/03/99 | CIBA SPECIALTY CHEMICAL | 4.810 | 06/08/99 | 9,143,887.29 | 6,112.71 | 9,150,000.00 |
| 06/03/99 | MARSH & MCLENNAN | 4.780 | 06/09/99 | 11,990,440.00 | 9,560.00 | 12,000,000.00 |
| 06/03/99 | PG&E CORPORATION | 4.800 | 06/30/99 | 1,992,800.00 | 7,200.00 | 2,000,000.00 |
| 06/07/99 | GTE CORP | 4.860 | 06/10/99 | 12,994,735.00 | 5,265.00 | 13,000,000.00 |
| 06/08/99 | EXXON PROJECT INVEST. | 4.770 | 06/23/99 | 8,982,112.50 | 17,887.50 | 9,000,000.00 |
| 06/09/99 | ALLMERICA FINANCIAL | 4.680 | 06/11/99 | 4,998,700.00 | 1,300.00 | 5,000,000.00 |
| 06/09/99 | BANK AUSTRIA COMMERCIAL | 4.790 | 06/23/99 | 25,951,567.78 | 48,432.22 | 26,000,000.00 |
| 06/09/99 | FORD MOTOR CREDIT CO. | 4.700 | 06/14/99 | 14,990,208.33 | 9,791.67 | 15,000,000.00 |
| 06/10/99 | COOPERATIVE ASSN OF TRA | 4.820 | 06/11/99 | 19,997,322.22 | 2,677.78 | 20,000,000.00 |
| 06/11/99 | POTOMAC ELECTRIC POWER | 4.800 | 06/17/99 | 19,984,000.00 | 16,000.00 | 20,000,000.00 |
| 06/14/99 | LUCENT TECHNOLOGIES | 4.870 | 06/17/99 | 8,996,347.50 | 3,652.50 | 9,000,000.00 |
| 06/15/99 | TRIPLE A-1 FUNDING | 4.890 | 06/18/99 | 8,996,332.50 | 3,667.50 | 9,000,000.00 |
| 06/16/99 | ALLSTATE CORP | 4.760 | 06/21/99 | 2,063,634.80 | 1,365.20 | 2,065,000.00 |
| 06/17/99 | FORD MOTOR CREDIT CO. | 4.630 | 06/21/99 | 28,985,081.11 | 14,918.89 | 29,000,000.00 |
| 06/18/99 | WINDMILL FUNDING CORP | 4.720 | 06/23/99 | 7,994,755.56 | 5,244.44 | 8,000,000.00 |
| 06/21/99 | WORLD OMNI VEH. LEASING | 4.770 | 06/23/99 | 30,991,785.00 | 8,215.00 | 31,000,000.00 |
| 06/22/99 | CINCINNATI BELL INC. | 4.770 | 06/23/99 | 3,999,470.00 | 530.00 | 4,000,000.00 |
| 06/23/99 | WORLD OMNI VEH. LEASING | 4.800 | 06/28/99 | 21,985,333.33 | 14,666.67 | 22,000,000.00 |
| 06/24/99 | HOLLAND LIMITED SECURT. | 4.760 | 06/25/99 | 22,996,958.89 | 3,041.11 | 23,000,000.00 |
| | **TOTALS** | | | **5,601,915,448.11** | **3,879,149.11** | **5,605,794,597.22** |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS ACQUIRED**
**JULY 1, 1998 THROUGH JUNE 30, 1999**

**COMMON STOCK ACQUIRED**



| Company | No. Shares | Dividend Rate | Annual Income | Book Yield | Average Cost | Book Cost |
|---|---|---|---|---|---|---|
| 3COM CORPORATION | 162,000 | 0.00 | 0.00 | 0.00% | 29.19 | 4,728,037.60 |
| AIRBORNE FREIGHT CORP | 150,000 | 0.16 | 24,000.00 | 0.60% | 26.61 | 3,990,750.00 |
| AIRTOUCH COMMUNICATIONS | 400,000 | 0.16 | 64,000.00 | 0.27% | 58.94 | 23,576,202.20 |
| ALASKA AIR GROUP | 190,000 | 0.00 | 0.00 | 0.00% | 37.35 | 7,097,014.30 |
| ALLTEL CORPORATION | 150,000 | 1.22 | 183,000.00 | 1.85% | 65.83 | 9,873,949.80 |
| AMERICA ONLINE | 255,000 | 0.00 | 0.00 | 0.00% | 141.92 | 36,188,666.30 |
| AMERICAN EXPRESS | 335,000 | 0.92 | 308,200.00 | 0.86% | 106.57 | 35,701,456.26 |
| AMGEN | 615,000 | 0.00 | 0.00 | 0.00% | 75.20 | 46,244,928.50 |
| APPLIED MATERIALS | 700,000 | 0.00 | 0.00 | 0.00% | 36.35 | 25,448,127.00 |
| AT&T CORP | 850,000 | 0.88 | 748,000.00 | 1.46% | 60.22 | 51,187,692.00 |
| BANK OF AMERICA CORP | 200,000 | 1.80 | 360,000.00 | 2.63% | 68.37 | 13,673,020.00 |
| BANK OF NEW YORK | 200,000 | 0.56 | 112,000.00 | 1.47% | 38.10 | 7,620,989.42 |
| BANK ONE CORPORATION | 850,500 | 1.68 | 1,428,840.00 | 7.30% | 23.02 | 19,581,868.00 |
| BIOGEN INC | 500,000 | 0.00 | 0.00 | 0.00% | 95.03 | 47,516,038.50 |
| BRISTOL-MYERS SQUIBB CO. | 350,000 | 0.88 | 308,000.00 | 0.80% | 110.25 | 38,588,627.80 |
| CABLEVISION SYSTEMS CORP | 1,086,000 | 0.00 | 0.00 | 0.00% | 60.02 | 65,179,298.13 |
| CMS ENERGY | 150,000 | 1.32 | 198,000.00 | 2.72% | 48.55 | 7,282,500.00 |
| COMCAST CORP. | 1,500,000 | 0.00 | 0.00 | 0.00% | 53.06 | 79,591,215.30 |
| COMPUWARE CORPORATION | 690,000 | 0.00 | 0.00 | 0.00% | 69.35 | 47,854,527.70 |
| CONTINENTAL AIRLINES | 550,000 | 0.00 | 0.00 | 0.00% | 51.40 | 28,270,140.50 |
| COSTCO COMPANIES, INC. | 995,000 | 0.00 | 0.00 | 0.00% | 68.14 | 67,800,861.00 |
| DANA CORP | 500,000 | 1.24 | 620,000.00 | 3.00% | 41.30 | 20,650,994.19 |
| DAYTON HUDSON | 640,000 | 0.40 | 256,000.00 | 0.72% | 55.71 | 35,654,484.60 |
| DUKE ENERGY | 120,000 | 2.20 | 264,000.00 | 3.66% | 60.05 | 7,206,000.00 |
| EMC CORP | 273,000 | 0.00 | 0.00 | 0.00% | 69.64 | 19,011,604.20 |
| ERICSSON | 200,000 | 0.00 | 0.00 | 0.00% | 27.36 | 5,472,500.00 |
| EXPRESS SCRIPTS | 75,000 | 0.00 | 0.00 | 0.00% | 76.47 | 5,734,941.84 |
| FIRST UNION CORP | 150,000 | 1.88 | 282,000.00 | 3.53% | 53.32 | 7,998,195.00 |
| FOX ENTERTAINMENT GRP, INC | 435,000 | 0.00 | 0.00 | 0.00% | 27.84 | 12,109,436.98 |
| FURNITURE BRANDS INTL | 400,000 | 0.00 | 0.00 | 0.00% | 25.66 | 10,264,366.73 |
| GENERAL NUTRITION COMPANIES | 1,180,000 | 0.00 | 0.00 | 0.00% | 14.19 | 16,740,125.30 |
| IMS HEALTH, INC. | 790,000 | 0.08 | 63,200.00 | 0.19% | 42.08 | 33,241,110.91 |
| JABIL CIRCUIT | 488,500 | 0.00 | 0.00 | 0.00% | 50.13 | 24,487,672.61 |
| JOHNSON CONTROLS | 150,000 | 1.00 | 150,000.00 | 1.57% | 63.49 | 9,523,917.59 |
| LEXMARK INTERNATIONAL GROUP | 130,000 | 0.00 | 0.00 | 0.00% | 100.53 | 13,069,004.00 |
| MBNA CORP | 350,000 | 0.28 | 98,000.00 | 1.01% | 27.80 | 9,729,265.00 |
| MICROSOFT CORPORATION | 915,000 | 0.00 | 0.00 | 0.00% | 104.52 | 95,633,133.80 |
| MOBIL OIL COMPANY | 150,000 | 2.28 | 342,000.00 | 2.21% | 103.16 | 15,474,720.00 |
| NEWS CORPORATION | 125,000 | 0.07 | 8,750.00 | 0.25% | 27.59 | 3,448,975.00 |
| NOKIA CORPORATION | 295,000 | 0.37 | 109,150.00 | 0.34% | 108.25 | 31,934,690.64 |
| NORTH FORK BANCORPORATION | 360,000 | 0.60 | 216,000.00 | 2.80% | 21.46 | 7,725,407.40 |
| OFFICEMAX INC. | 1,950,000 | 0.00 | 0.00 | 0.00% | 12.14 | 23,674,937.22 |
| PARAMETRIC TECHNOLOGY | 300,000 | 0.00 | 0.00 | 0.00% | 14.94 | 4,480,520.00 |
| PFIZER INC. | 46,000 | 0.88 | 40,480.00 | 0.80% | 110.06 | 5,062,875.00 |
| PROCTER & GAMBLE COMPANY | 43,000 | 1.16 | 49,880.00 | 1.46% | 79.56 | 3,421,187.50 |
| PROFFITT'S, INC. | 300,000 | 1.16 | 348,000.00 | 3.61% | 32.11 | 9,631,650.00 |
| SAFEWAY INC | 550,000 | 0.00 | 0.00 | 0.00% | 43.07 | 23,687,843.30 |
| SAKS INCORPORATED | 450,000 | 0.00 | 0.00 | 0.00% | 32.94 | 14,820,874.60 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS ACQUIRED**
**JULY 1, 1998 THROUGH JUNE 30, 1999**

**COMMON STOCK ACQUIRED**



| Company | No. Shares | Dividend Rate | Annual Income | Book Yield | Average Cost | Book Cost |
|---|---|---|---|---|---|---|
| SBC COMMUNICATIONS INC. | 525,000 | 0.98 | 514,500.00 | 1.82% | 53.94 | 28,321,030.00 |
| SCHOLASTIC CORPORATION | 180,000 | 0.00 | 0.00 | 0.00% | 56.71 | 10,208,129.25 |
| SEALED AIR | 150,000 | 0.00 | 0.00 | 0.00% | 62.96 | 9,444,135.00 |
| SOLUTIA INC. | 300,000 | 0.04 | 12,000.00 | 0.21% | 19.15 | 5,745,238.48 |
| STARBUCKS CORP. | 100,000 | 0.00 | 0.00 | 0.00% | 40.12 | 4,011,538.00 |
| STERLING SOFTWARE | 395,000 | 0.00 | 0.00 | 0.00% | 24.90 | 9,835,199.33 |
| TEXACO INC. | 580,000 | 1.80 | 1,044,000.00 | 2.82% | 63.74 | 36,967,101.00 |
| TEXAS UTILITIES | 150,000 | 2.30 | 345,000.00 | 4.89% | 47.01 | 7,052,085.00 |
| TRAVELERS GROUP INC | 300,000 | 2.30 | 690,000.00 | 3.80% | 60.55 | 18,164,850.00 |
| TYCO INTERNATIONAL LTD. | 350,000 | 0.10 | 35,000.00 | 0.14% | 70.05 | 24,517,765.00 |
| UNIVISION COMMUNICATIONS | 285,000 | 0.00 | 0.00 | 0.00% | 34.97 | 9,966,495.20 |
| WALGREEN COMPANY | 70,000 | 0.13 | 9,100.00 | 0.29% | 45.15 | 3,160,625.00 |
| WAL-MART STORES | 362,000 | 0.20 | 72,400.00 | 0.28% | 72.13 | 26,111,075.60 |
| WARNER-LAMBERT | 420,000 | 0.80 | 336,000.00 | 1.07% | 74.68 | 31,366,621.85 |
| WORLDCOM INC. | 500,000 | 0.00 | 0.00 | 0.00% | 53.30 | 26,651,993.50 |
| XIRCOM, INC. | 850,000 | 0.00 | 0.00 | 0.00% | 33.22 | 28,241,027.80 |
| ZEBRA TECHNOLOGIES A | 700,000 | 0.00 | 0.00 | 0.00% | 31.40 | 21,977,786.25 |
| **TOTAL COMMON STOCK BOUGHT** | | | **9,639,500.00** | **0.67%** | | **1,438,629,039.98** |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS ACQUIRED**
**JULY 1, 1998 THROUGH JUNE 30, 1999**

**OTHER INVESTMENTS ACQUIRED**

| Name | Coupon | Maturity | Purchase Price | Book Cost |
|---|---|---|---|---|
| ***BRIDGE FINANCIAL*** | | | | |
| BRIDGE FINANCIAL--15 E. MONROE | 12.500 | 01/05/00 | 100.00 | 1,184,000.00 |
| BRIDGE FINANCIAL--69TH & BELL | 12.750 | 10/07/99 | 100.00 | 1,600,000.00 |
| BRIDGE FINANCIAL--DESERT MIRAGE GC | 11.500 | 09/09/00 | 100.00 | 1,248,000.00 |
| BRIDGE FINANCIAL--GRAND INN | 12.500 | 09/25/00 | 100.00 | 1,600,000.00 |
| BRIDGE FINANCIAL--HAWTHORN SUITES | 12.500 | 05/11/00 | 100.00 | 2,560,000.00 |
| BRIDGE FINANCIAL--MONTESA HOMES | 13.000 | 05/23/00 | 100.00 | 640,000.00 |
| BRIDGE FINANCIAL--SAN TAN RANCH | 12.000 | 07/29/99 | 100.00 | 3,088,000.00 |
| BRIDGE FINANCIAL--SCOTTSDALE LINKS | 11.500 | 03/21/01 | 100.00 | 1,232,000.00 |
| BRIDGE FINANCIAL--SHEA MEDICAL PLAZA | 12.000 | 05/28/99 | 100.00 | 2,240,000.00 |
| **TOTAL BRIDGE FINANCIAL ACQUIRED** | | | | **15,392,000.00** |
| ***MISCELLANEOUS*** | | | | |
| CRYSTAL GARDENS PROPERTIES, LLC | 10.000 | 4/20/00 | 100.00 | 2,264,515.62 |
| DESERT TROON PROPERTIES,LLC-SUMMIT PRJCT | 10.000 | 6/24/07 | 100.00 | 2,000,000.00 |
| DESERT TROON,LLC | | | 100.00 | 12,160,000.00 |
| JYH NEVADA, INC. | 10.000 | 3/30/10 | 100.00 | 7,426.97 |
| PIVOTAL X,LLC | | | 100.00 | 22,428,000.00 |
| PIVOTAL X,LLC-SPA AT RED CANYON | | | 100.00 | 3,420,000.00 |
| **TOTAL MISCELLANEOUS ACQUIRED** | | | | **42,279,942.59** |
| **TOTAL OTHER INVESTMENTS ACQUIRED** | | | | **57,671,942.59** |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# SALES AND REDEMPTIONS OF INVESTMENTS
# JULY 1, 1998 THROUGH JUNE 30, 1999



## BONDS SOLD

| Security | Coupon | Maturity | Par Value | Sale Price | Accrued Interest | Principal | Amortized Cost | Gain or (Loss) | Amount Due |
|---|---|---|---|---|---|---|---|---|---|
| ***U.S. TREASURY OBLIGATIONS*** | | | | | | | | | |
| U.S. TREASURY NOTE | 5.125 | 12/31/98 | 25,000,000.00 | 99.97656 | 434,510.87 | 24,994,140.63 | 25,012,900.00 | (18,759.37) | 25,428,651.50 |
| U.S. TREASURY NOTE | 6.375 | 01/15/99 | 10,000,000.00 | 100.00000 | 318,750.00 | 10,000,000.00 | 10,038,712.00 | (38,712.00) | 10,318,750.00 |
| **TOTAL U.S. TREASURY OBLIGATIONS** | | | **35,000,000.00** | | **753,260.87** | **34,994,140.63** | **35,051,612.00** | **(57,471.37)** | **35,747,401.50** |
| ***CORPORATE BONDS*** | | | | | | | | | |
| AUTO BOND RECEIVABLE TRUST | 7.100 | 06/15/21 | 16,299.30 | 100.00000 | 8,810.70 | 16,299.30 | 16,299.30 | 0.00 | 25,110.00 |
| AUTO BOND RECEIVABLES TRUST | 6.400 | 04/15/99 | 84,470.16 | 100.00000 | 9,227.46 | 84,470.16 | 84,470.16 | 0.00 | 93,697.62 |
| BELL TELEPHONE OF PENNSYLVANIA | 7.500 | 05/01/13 | 1,000,000.00 | 102.04000 | 36,458.00 | 1,020,400.00 | 952,481.00 | 67,919.00 | 1,056,858.00 |
| CAJUN ELEC CO-OP TRUST | 9.520 | 03/15/19 | 11,500,000.00 | 104.76000 | 79,062.50 | 12,047,400.00 | 11,412,600.00 | 634,800.00 | 12,126,462.50 |
| MICHIGAN BELL TELEPHONE CO. | 7.750 | 06/01/11 | 2,000,000.00 | 101.63000 | 9,472.20 | 2,032,600.00 | 1,952,266.00 | 80,334.00 | 2,042,072.20 |
| OHIO BELL TELEPHONE COMPANY | 7.875 | 10/01/13 | 1,000,000.00 | 101.99000 | 17,937.50 | 1,019,900.00 | 987,045.00 | 32,855.00 | 1,037,837.50 |
| PAINE WEBBER GROUP INC | 7.000 | 03/01/00 | 10,000,000.00 | 100.75000 | 200,277.78 | 10,075,000.00 | 9,993,453.00 | 81,547.00 | 10,275,277.78 |
| SECURITY PACIFIC CORP. | 9.750 | 05/15/99 | 1,000,000.00 | 100.00000 | 48,750.00 | 1,000,000.00 | 999,672.00 | 328.00 | 1,048,750.00 |
| SOUTHERN COMPANY CAPITAL TRUST | 8.190 | 02/01/37 | 10,000,000.00 | 106.10800 | 154,700.00 | 10,610,800.00 | 10,823,732.00 | (212,932.00) | 10,765,500.00 |
| TUCSON ELECTRIC POWER COMPANY | 7.650 | 05/01/03 | 500,000.00 | 101.06000 | 12,962.50 | 505,300.00 | 500,000.00 | 5,300.00 | 518,262.50 |
| **TOTAL CORPORATE BONDS** | | | **37,100,769.46** | | **577,658.64** | **38,412,169.46** | **37,722,018.46** | **690,151.00** | **38,989,828.10** |
| **TOTAL BONDS SOLD** | | | **72,100,769.46** | | **1,330,919.51** | **73,406,310.09** | **72,773,630.46** | **632,679.63** | **74,737,229.60** |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SALES AND REDEMPTIONS OF INVESTMENTS**
**JULY 1, 1998 THROUGH JUNE 30, 1999**

**COMMON STOCK SOLD**



| Company | Shares Sold | Sale Price | Amount | Commission + SEC Fee | Net Amount | Book Cost | Gain (Loss) on Sale | % Gain on Sale |
|---|---|---|---|---|---|---|---|---|
| 3COM CORPORATION | 552,000 | 23.67 | 13,065,990.30 | 435.55 | 13,065,554.75 | 21,242,911.60 | (8,177,356.85) | -38.49% |
| ABBOTT LABS | 55,000 | 49.08 | 2,699,592.50 | 2,839.99 | 2,696,752.51 | 773,459.48 | 1,923,293.03 | 248.66% |
| ADAPTEC, INC | 300,000 | 13.76 | 4,128,838.80 | 137.65 | 4,128,701.15 | 13,528,086.00 | (9,399,384.85) | -69.48% |
| ALLSTATE CORP | 350,000 | 42.41 | 14,842,039.20 | 17,994.76 | 14,824,044.44 | 6,507,733.40 | 8,316,311.04 | 127.79% |
| AMERICAN HOME PROD | 1,440,000 | 53.15 | 76,543,053.02 | 74,551.49 | 76,468,501.53 | 21,577,888.89 | 54,890,612.64 | 254.38% |
| AMERICAN INT'L GROUP | 440,000 | 98.24 | 43,226,785.00 | 23,440.91 | 43,203,344.09 | 13,675,563.18 | 29,527,780.91 | 215.92% |
| AMP INC. | 76,650 | 44.50 | 3,410,925.00 | 0.00 | 3,410,925.00 | 3,041,664.58 | 369,260.42 | 12.14% |
| AUTOLIV, INC. | 119,000 | 32.91 | 3,916,187.50 | 6,080.55 | 3,910,106.95 | 3,373,508.39 | 536,598.56 | 15.91% |
| AUTO. DATA PROCESSING | 400,000 | 42.66 | 17,063,493.50 | 20,568.81 | 17,042,924.69 | 5,801,569.12 | 11,241,355.57 | 193.76% |
| BANC ONE CORPORATION | 510,000 | 45.49 | 23,201,145.00 | 26,273.39 | 23,174,871.61 | 13,938,817.45 | 9,236,054.16 | 66.26% |
| BELL ATLANTIC CORP. | 500,000 | 42.00 | 21,001,086.20 | 25,700.05 | 20,975,386.15 | 13,837,912.10 | 7,137,474.05 | 51.58% |
| BESTFOODS | 500,000 | 52.73 | 26,365,005.25 | 21,211.97 | 26,343,793.28 | 12,044,001.87 | 14,299,791.41 | 118.73% |
| BOEING CO. | 790,000 | 37.53 | 29,647,154.90 | 40,488.28 | 29,606,666.62 | 37,590,996.00 | (7,984,329.38) | -21.24% |
| CORN PRODUCTS INT'L INC. | 150,000 | 32.63 | 4,894,125.00 | 7,663.15 | 4,886,461.85 | 2,136,604.18 | 2,749,857.67 | 128.70% |
| CVS CORP | 160,000 | 43.92 | 7,027,500.00 | 0.00 | 7,027,500.00 | 3,075,262.05 | 3,952,237.95 | 128.52% |
| DIAMOND OFFSHORE DRILL | 300,000 | 22.73 | 6,817,932.75 | 15,227.29 | 6,802,705.46 | 13,112,207.60 | (6,309,502.14) | -48.12% |
| DISNEY CO. (WALT) | 1,050,000 | 34.36 | 36,074,039.25 | 53,702.54 | 36,020,336.71 | 20,964,825.00 | 15,055,511.71 | 71.81% |
| ELECTRONIC DATA SYS | 470,000 | 39.49 | 18,561,990.22 | 24,118.75 | 18,537,871.47 | 15,666,271.74 | 2,871,599.73 | 18.33% |
| EMERSON ELECTRIC | 350,000 | 61.67 | 21,585,585.00 | 18,219.54 | 21,567,365.46 | 14,675,949.42 | 6,891,416.04 | 46.96% |
| ERICSSON | 1,100,000 | 25.84 | 28,428,777.50 | 947.66 | 28,427,829.84 | 23,393,105.00 | 5,034,724.84 | 21.52% |
| FEDERATED DEPT STORES | 300,000 | 43.84 | 13,153,042.00 | 15,438.45 | 13,137,603.55 | 15,384,315.40 | (2,246,711.85) | -14.60% |
| FIRST CHICAGO NBD CORP | 525,000 | 37.30 | 19,581,868.00 | 0.00 | 19,581,868.00 | 19,581,868.00 | 0.00 | 0.00% |
| GANNETT CO. | 150,000 | 67.59 | 10,138,947.54 | 7,837.98 | 10,131,109.56 | 3,882,801.34 | 6,248,308.22 | 160.92% |
| GEN MOTORS CO, INC | 325,000 | 72.03 | 23,410,822.50 | 17,030.38 | 23,393,792.12 | 19,885,314.30 | 3,508,477.82 | 17.64% |
| GTE | 350,000 | 54.13 | 18,946,609.50 | 18,131.58 | 18,928,477.92 | 10,246,198.46 | 8,682,279.46 | 84.74% |
| GLOBAL MARINE | 600,000 | 8.60 | 5,158,120.00 | 30,171.95 | 5,127,948.05 | 15,037,191.00 | (9,909,242.95) | -65.90% |
| HEWLETT PACKARD | 500,000 | 71.79 | 35,894,446.80 | 26,196.49 | 35,868,250.31 | 24,416,295.00 | 11,451,955.31 | 46.90% |
| ILLINOIS TOOL WORKS | 375,000 | 62.75 | 23,532,949.78 | 19,534.46 | 23,513,415.32 | 9,863,863.40 | 13,649,551.92 | 138.38% |
| IBM | 35,000 | 171.00 | 5,985,000.00 | 1,949.50 | 5,983,050.50 | 1,708,706.55 | 4,274,343.95 | 250.15% |
| INTERSTATE BAKERIES | 450,000 | 22.54 | 10,141,130.40 | 22,838.07 | 10,118,292.33 | 15,277,410.00 | (5,159,117.67) | -33.77% |
| JOHNSON & JOHNSON CO | 700,000 | 87.54 | 61,277,467.72 | 37,042.61 | 61,240,425.11 | 43,279,292.87 | 17,961,132.24 | 41.50% |
| KIMBERLY-CLARK CORP | 500,000 | 44.81 | 22,404,395.00 | 25,746.83 | 22,378,648.17 | 14,268,341.43 | 8,110,306.74 | 56.84% |
| LILLY ELI | 615,000 | 75.00 | 46,125,304.30 | 32,287.54 | 46,093,016.76 | 28,177,595.42 | 17,915,421.34 | 63.58% |
| LOEWEN GROUP | 390,000 | 16.27 | 6,345,602.61 | 19,711.57 | 6,325,891.04 | 10,556,555.91 | (4,230,664.87) | -40.08% |
| MARSH & MCLENNAN COS | 1,350,000 | 58.15 | 78,496,207.60 | 70,116.63 | 78,426,090.97 | 37,958,638.70 | 40,467,452.27 | 106.61% |
| MCDONALDS CORP | 1,100,000 | 53.11 | 58,416,415.09 | 56,947.25 | 58,359,467.84 | 28,516,361.55 | 29,843,106.29 | 104.65% |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SALES AND REDEMPTIONS OF INVESTMENTS**
**JULY 1, 1998 THROUGH JUNE 30, 1999**

**COMMON STOCK SOLD**



| Company | Shares Sold | Sale Price | Amount | Commission + SEC Fee | Net Amount | Book Cost | Gain (Loss) on Sale | % Gain on Sale |
|---|---|---|---|---|---|---|---|---|
| MERCK & CO. | 560,000 | 90.97 | 50,943,483.35 | 29,698.15 | 50,913,785.20 | 17,890,462.19 | 33,023,323.01 | 184.59% |
| MOBIL OIL COMPANY | 505,000 | 86.92 | 43,894,533.40 | 26,713.17 | 43,867,820.23 | 26,079,813.91 | 17,788,006.32 | 68.21% |
| MORTON INT'L CORP | 700,000 | 35.87 | 25,105,731.00 | 35,836.87 | 25,069,894.13 | 17,195,111.25 | 7,874,782.88 | 45.80% |
| MOTOROLA, INC. | 225,000 | 53.85 | 12,117,321.13 | 11,653.93 | 12,105,667.20 | 10,225,074.61 | 1,880,592.59 | 18.39% |
| NATIONAL CITY CORP | 600,000 | 69.78 | 41,868,740.54 | 31,395.68 | 41,837,344.86 | 18,071,503.02 | 23,765,841.84 | 131.51% |
| NORTHROP GRUMMAN | 85,000 | 61.66 | 5,241,056.36 | 4,424.71 | 5,236,631.65 | 9,665,851.50 | (4,429,219.85) | -45.82% |
| ORTHOLOGIC CORP | 141,724 | 3.59 | 509,279.91 | 7,103.23 | 502,176.68 | 920,385.65 | (418,208.97) | -45.44% |
| PACIFIC CENT FINANCIAL | 1,125,000 | 20.40 | 22,946,249.13 | 57,014.99 | 22,889,234.14 | 17,206,443.74 | 5,682,790.40 | 33.03% |
| PARAMETRIC TECH | 750,000 | 15.53 | 11,651,111.20 | 388.41 | 11,650,722.79 | 18,551,027.00 | (6,900,304.21) | -37.20% |
| PEPSICO INC. | 900,000 | 35.74 | 32,164,116.93 | 46,072.18 | 32,118,044.75 | 18,613,565.25 | 13,504,479.50 | 72.55% |
| PILGRIM AMERICA CAP | 47,572 | 20.94 | 996,038.75 | 2,411.81 | 993,626.94 | 297,803.85 | 695,823.09 | 233.65% |
| PNC BANK CORPORATION | 600,000 | 53.57 | 32,141,075.23 | 31,071.41 | 32,110,003.82 | 14,263,293.75 | 17,846,710.07 | 125.12% |
| PROCTER & GAMBLE CO | 493,000 | 92.39 | 45,547,839.10 | 26,168.28 | 45,521,670.82 | 29,648,869.52 | 15,872,801.30 | 53.54% |
| QUANTUM CORPORATION | 500,000 | 16.99 | 8,493,412.00 | 283.14 | 8,493,128.86 | 14,944,508.00 | (6,451,379.14) | -43.17% |
| QUORUM HEALTH GROUP | 408,000 | 10.22 | 4,169,079.00 | 138.99 | 4,168,940.01 | 10,184,518.80 | (6,015,578.79) | -59.07% |
| RAYTHEON CORPORATION | 20,725 | 56.31 | 1,167,076.56 | 1,075.16 | 1,166,001.40 | 70,724.20 | 1,095,277.20 | 1548.66% |
| ROYAL DUTCH PETRO | 710,000 | 49.39 | 35,067,663.80 | 36,668.94 | 35,030,994.86 | 20,313,599.24 | 14,717,395.62 | 72.45% |
| SARA LEE CORP. | 1,600,000 | 28.02 | 44,839,786.15 | 81,494.71 | 44,758,291.44 | 23,326,178.43 | 21,432,113.01 | 91.88% |
| SCHERING-PLOUGH CORP | 625,000 | 95.78 | 59,860,589.77 | 33,245.40 | 59,827,344.37 | 15,680,831.32 | 44,146,513.05 | 281.53% |
| SCHLUMBERGER LTD. | 660,000 | 49.80 | 32,868,603.00 | 34,095.64 | 32,834,507.36 | 20,153,574.37 | 12,680,932.99 | 62.92% |
| STERLING SOFTWARE | 400,000 | 19.78 | 7,911,055.37 | 20,263.71 | 7,890,791.66 | 8,227,161.34 | (336,369.68) | -4.09% |
| UNION PACIFIC CORP | 375,000 | 41.13 | 15,422,963.59 | 19,264.11 | 15,403,699.48 | 15,705,609.06 | (301,909.58) | -1.92% |
| UNION PAC RESOURCES | 40,800 | 10.00 | 408,000.00 | 2,053.60 | 405,946.40 | 982,981.11 | (577,034.71) | -58.70% |
| WALGREEN COMPANY | 893,200 | 39.22 | 35,030,576.26 | 45,827.72 | 34,984,748.54 | 8,649,403.00 | 26,335,345.54 | 304.48% |
| WARNER-LAMBERT | 220,000 | 72.28 | 15,900,733.44 | 11,530.04 | 15,889,203.40 | 15,376,836.40 | 512,367.00 | 3.33% |
| **TOTAL STOCK SOLD** | **31,062,671** | | **1,427,775,689.70** | **1,376,477.60** | **1,426,399,212.10** | **910,244,216.89** | **516,154,995.21** | **56.71%** |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SALES AND REDEMPTIONS OF INVESTMENTS**
**JULY 1, 1998 THROUGH JUNE 30, 1999**

**OTHER INVESTMENTS SOLD**

| Name | Coupon | Maturity | Sale Price | Book Cost |
|---|---|---|---|---|
| ***SBA LOANS*** | | | | |
| ALL UNLIMITED--SBA | 9.750 | 05/01/09 | 100.00 | 29,044.59 |
| ASAYO HOLDINGS, LTD.--SBA | 9.500 | 07/01/10 | 100.00 | 30,219.50 |
| DECO TURTLE L.P. | 9.625 | 03/15/15 | 100.00 | 13,334.18 |
| EQUITY PARTNERSHIP | 9.250 | 03/31/08 | 100.00 | 94,493.58 |
| JYH NEVADA, INC. | 10.000 | 03/30/10 | 100.00 | 675,175.91 |
| NIARKOS--SBA | 10.000 | 05/01/14 | 100.00 | 15,810.31 |
| **TOTAL SBA SOLD** | | | | **858,078.07** |
| ***BRIDGE FINANCIAL*** | | | | |
| BRIDGE FINANCIAL--AMBASSADOR INN OF PHX | 13.000 | 03/09/98 | 100.00 | 1,664,000.00 |
| BRIDGE FINANCIAL--BELL LOAN | 13.000 | 07/22/99 | 100.00 | 1,644,800.00 |
| BRIDGE FINANCIAL--CRYSTAL SPRINGS | 12.750 | 08/17/99 | 100.00 | 23,200.00 |
| BRIDGE FINANCIAL--GREENFIELD LAKES GO | 12.750 | 10/31/99 | 100.00 | 1,120,000.00 |
| BRIDGE FINANCIAL--HOLIDAY INN III | 12.625 | 07/07/98 | 100.00 | 5,024,000.00 |
| BRIDGE FINANCIAL--MONTESA HOMES | 13.000 | 05/23/00 | 100.00 | 640,000.00 |
| BRIDGE FINANCIAL--PIONEER INDUST. PARK | 15.000 | 05/24/99 | 100.00 | 919,624.80 |
| BRIDGE FINANCIAL--SAN TAN RANCH | 12.000 | 07/29/99 | 100.00 | 3,088,000.00 |
| BRIDGE FINANCIAL--TARGET STORE SITE | 12.625 | 04/01/99 | 100.00 | 1,440,000.00 |
| BRIDGE FINANCIAL--UNITED HOMES | 12.500 | 03/26/99 | 100.00 | 1,651,200.00 |
| BRIDGE FINANCIAL--WHITE PEAK LAND | 14.000 | 06/19/99 | 100.00 | 2,432,000.00 |
| **TOTAL BRIDGE FINANCIAL SOLD** | | | | **19,646,824.80** |
| ***MISCELLANEOUS*** | | | | |
| CRYSTAL GARDENS PROPERTIES, LLC | 10.000 | 04/20/00 | 100.00 | 1,813,089.36 |
| PEBBLECREEK PROPERTIES L.P. | 10.000 | 02/19/02 | 100.00 | 205,926.19 |
| PIVOTAL X,LLC | | | 100.00 | 560,000.00 |
| TALLEY PROPERTIES | 12.000 | 12/01/01 | 100.00 | 5,016,250.00 |
| WALKER COTTON SEED, INC. | 14.000 | 12/20/06 | 100.00 | 46,897.23 |
| **TOTAL MISCELLANEOUS SOLD** | | | | **7,642,162.78** |
| **TOTAL OTHER INVESTMENTS SOLD** | | | | **28,147,065.65** |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS OWNED
# JUNE 30, 1999



## BOND PORTFOLIO

| Par Value | Security | Coupon | Maturity | Book Cost | Book Price | Current Price | Current Value | Gain or (Loss) | Annual Income | Book Yield | YTM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | ***U.S. TREASURY OBLIGATIONS*** | | | | | | | | | | |
| 13,000,000.00 | U.S. TREASURY BOND | 11.750 | 02/15/01 | 13,226,432.00 | 101.74178 | 109.56200 | 14,243,060.00 | 1,016,628.00 | 1,527,500.00 | 11.55 | 10.720 |
| 3,000,000.00 | U.S. TREASURY BOND | 13.125 | 05/15/01 | 2,994,061.00 | 99.80203 | 113.25000 | 3,397,500.00 | 403,439.00 | 393,750.00 | 13.15 | 11.590 |
| 6,500,000.00 | U.S. TREASURY BOND | 9.375 | 02/15/06 | 6,534,261.00 | 100.52709 | 118.51600 | 7,703,540.00 | 1,169,279.00 | 609,375.00 | 9.33 | 7.910 |
| 10,000,000.00 | U.S. TREASURY BOND | 9.125 | 05/15/09 | 9,996,608.00 | 99.96608 | 112.75000 | 11,275,000.00 | 1,278,392.00 | 912,500.00 | 9.13 | 8.090 |
| 10,000,000.00 | U.S. TREASURY BOND | 10.375 | 11/15/09 | 9,931,696.00 | 99.31696 | 119.43700 | 11,943,700.00 | 2,012,004.00 | 1,037,500.00 | 10.45 | 8.690 |
| 2,000,000.00 | U.S. TREASURY BOND | 11.750 | 02/15/10 | 1,981,847.00 | 99.09235 | 126.67200 | 2,533,440.00 | 551,593.00 | 235,000.00 | 11.86 | 9.280 |
| 15,000,000.00 | U.S. TREASURY BOND | 10.000 | 05/15/10 | 15,036,204.00 | 100.24136 | 119.12500 | 17,868,750.00 | 2,832,546.00 | 1,500,000.00 | 9.98 | 8.390 |
| 5,000,000.00 | U.S. TREASURY BOND | 12.750 | 11/15/10 | 4,935,089.00 | 98.70178 | 134.81200 | 6,740,600.00 | 1,805,511.00 | 637,500.00 | 12.92 | 9.460 |
| 10,000,000.00 | U.S. TREASURY BOND | 7.500 | 11/15/16 | 9,586,171.00 | 95.86171 | 112.70300 | 11,270,300.00 | 1,684,129.00 | 750,000.00 | 7.82 | 6.650 |
| 10,000,000.00 | U.S. TREASURY BOND | 9.125 | 05/15/18 | 10,000,000.00 | 100.00000 | 131.07800 | 13,107,800.00 | 3,107,800.00 | 912,500.00 | 9.13 | 6.960 |
| 10,000,000.00 | U.S. TREASURY BOND | 8.125 | 08/15/19 | 10,009,175.00 | 100.09175 | 120.78100 | 12,078,100.00 | 2,068,925.00 | 812,500.00 | 8.12 | 6.730 |
| 10,000,000.00 | U.S. TREASURY BOND | 8.000 | 11/15/21 | 10,000,000.00 | 100.00000 | 120.57800 | 12,057,800.00 | 2,057,800.00 | 800,000.00 | 8.00 | 6.630 |
| 10,000,000.00 | U.S. TREASURY NOTE | 6.375 | 07/15/99 | 10,000,090.00 | 100.00090 | 100.09400 | 10,009,400.00 | 9,310.00 | 637,500.00 | 6.37 | 6.370 |
| 10,000,000.00 | U.S. TREASURY NOTE | 6.000 | 10/15/99 | 10,012,945.00 | 100.12945 | 100.29700 | 10,029,700.00 | 16,755.00 | 600,000.00 | 5.99 | 5.980 |
| 45,000,000.00 | U.S. TREASURY NOTE | 5.500 | 04/15/00 | 45,060,922.00 | 100.13538 | 100.17200 | 45,077,400.00 | 16,478.00 | 2,475,000.00 | 5.49 | 5.490 |
| 15,000,000.00 | U.S. TREASURY NOTE | 7.750 | 02/15/01 | 15,504,011.00 | 103.36007 | 103.48400 | 15,522,600.00 | 18,589.00 | 1,162,500.00 | 7.50 | 7.490 |
| 15,000,000.00 | U.S. TREASURY NOTE | 7.875 | 08/15/01 | 15,662,742.00 | 104.41828 | 104.56200 | 15,684,300.00 | 21,558.00 | 1,181,250.00 | 7.54 | 7.530 |
| 20,000,000.00 | U.S. TREASURY NOTE | 7.500 | 11/15/01 | 20,756,104.00 | 103.78052 | 104.17200 | 20,834,400.00 | 78,296.00 | 1,500,000.00 | 7.23 | 7.200 |
| **219,500,000.00** | **TOTAL U.S. TREASURY OBLIGATIONS** | | | **221,228,358.00** | **100.78741** | | **241,377,390.00** | **20,149,032.00** | **17,684,375.00** | **8.0%** | **7.3%** |
| | ***FEDERAL AGENCY OBLIGATIONS*** | | | | | | | | | | |
| 629,728.38 | GNMA POOL #153415 | 9.000 | 04/15/16 | 600,996.99 | 0.95000 | 106.49900 | 670,654.43 | 69,657.44 | 56,675.55 | 9.43 | 8.450 |
| 430,567.77 | GNMA POOL #154058 | 9.000 | 06/15/16 | 417,106.08 | 0.97000 | 106.49900 | 458,550.37 | 41,444.29 | 38,751.10 | 9.29 | 8.450 |
| 288,614.10 | GNMA POOL #155684 | 9.000 | 05/15/16 | 266,900.41 | 0.92000 | 106.46400 | 307,270.12 | 40,369.71 | 25,975.27 | 9.73 | 8.450 |
| 35,809.65 | GNMA POOL #155939 | 9.000 | 08/15/16 | 33,115.52 | 0.92000 | 106.49900 | 38,136.92 | 5,021.40 | 3,222.87 | 9.73 | 8.450 |
| 381,784.13 | GNMA POOL #156462 | 9.000 | 07/15/16 | 369,862.10 | 0.97000 | 106.49900 | 406,596.28 | 36,734.18 | 34,360.57 | 9.29 | 8.450 |
| 814,159.23 | GNMA POOL #159801 | 9.000 | 09/15/19 | 791,769.81 | 0.97000 | 106.68700 | 868,602.06 | 76,832.25 | 73,274.33 | 9.25 | 8.440 |
| 297,422.61 | GNMA POOL #160350 | 9.000 | 05/15/16 | 290,730.59 | 0.98000 | 106.44600 | 316,594.47 | 25,863.88 | 26,768.03 | 9.21 | 8.450 |
| 407,125.39 | GNMA POOL #161638 | 9.000 | 09/15/16 | 377,731.37 | 0.93000 | 106.48200 | 433,515.26 | 55,783.89 | 36,641.29 | 9.70 | 8.450 |
| 659,795.29 | GNMA POOL #161682 | 9.000 | 07/15/16 | 656,290.08 | 0.99000 | 106.49900 | 702,675.39 | 46,385.31 | 59,381.58 | 9.05 | 8.450 |
| 244,830.15 | GNMA POOL #161684 | 9.000 | 07/15/16 | 239,168.46 | 0.98000 | 106.49900 | 260,741.66 | 21,573.20 | 22,034.71 | 9.21 | 8.450 |
| 60,416.44 | GNMA POOL #162599 | 9.000 | 06/15/16 | 56,942.50 | 0.94000 | 106.87400 | 64,569.47 | 7,626.97 | 5,437.48 | 9.55 | 8.420 |
| 486,589.25 | GNMA POOL #164468 | 9.000 | 12/15/16 | 449,980.99 | 0.92000 | 106.48200 | 518,129.97 | 68,148.98 | 43,793.03 | 9.73 | 8.450 |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS OWNED
# JUNE 30, 1999



## BOND PORTFOLIO

| Par Value | Security | Coupon | Maturity | Book Cost | Book Price | Current Price | Current Value | Gain or (Loss) | Annual Income | Book Yield | YTM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 955,555.21 | GNMA POOL #164501 | 9.000 | 08/15/16 | 934,402.99 | 0.98000 | 106.49900 | 1,017,656.74 | 83,253.75 | 85,999.97 | 9.20 | 8.450 |
| 2,762,278.69 | GNMA POOL #164681 | 9.000 | 10/15/16 | 2,697,537.88 | 0.98000 | 106.49900 | 2,941,799.18 | 244,261.30 | 248,605.08 | 9.22 | 8.450 |
| 507,570.97 | GNMA POOL #164924 | 9.000 | 09/15/16 | 469,384.18 | 0.92000 | 106.49900 | 540,558.01 | 71,173.83 | 45,681.39 | 9.73 | 8.450 |
| 608,173.71 | GNMA POOL #165172 | 9.000 | 06/15/16 | 562,418.14 | 0.92000 | 106.49900 | 647,698.92 | 85,280.78 | 54,735.63 | 9.73 | 8.450 |
| 446,473.95 | GNMA POOL #168283 | 9.000 | 08/15/16 | 423,319.12 | 0.95000 | 106.48200 | 475,414.39 | 52,095.27 | 40,182.66 | 9.49 | 8.450 |
| 283,195.37 | GNMA POOL #172800 | 9.000 | 08/15/16 | 272,310.05 | 0.96000 | 106.49900 | 301,600.24 | 29,290.19 | 25,487.58 | 9.36 | 8.450 |
| 1,560,716.46 | GNMA POOL #173847 | 9.000 | 09/15/16 | 1,539,744.37 | 0.99000 | 106.49900 | 1,662,147.42 | 122,403.05 | 140,464.48 | 9.12 | 8.450 |
| 533,912.08 | GNMA POOL #174829 | 9.000 | 09/15/16 | 526,737.68 | 0.99000 | 106.49900 | 568,611.03 | 41,873.35 | 48,052.09 | 9.12 | 8.450 |
| 92,044.65 | GNMA POOL #175236 | 9.000 | 10/15/16 | 91,124.22 | 0.99000 | 106.48200 | 98,010.98 | 6,886.76 | 8,284.02 | 9.09 | 8.450 |
| 17,012.31 | GNMA POOL #175243 | 9.000 | 11/15/16 | 16,055.37 | 0.94000 | 106.87400 | 18,181.74 | 2,126.37 | 1,531.11 | 9.54 | 8.420 |
| 1,095,420.90 | GNMA POOL #178234 | 9.000 | 11/15/16 | 1,012,923.90 | 0.92000 | 106.49900 | 1,166,612.30 | 153,688.40 | 98,587.88 | 9.73 | 8.450 |
| 545,129.00 | GNMA POOL #182491 | 9.000 | 12/15/16 | 532,863.61 | 0.98000 | 106.49900 | 580,556.93 | 47,693.32 | 49,061.61 | 9.21 | 8.450 |
| 151,042.14 | GNMA POOL #182914 | 9.000 | 10/15/16 | 149,531.72 | 0.99000 | 106.49900 | 160,858.37 | 11,326.65 | 13,593.79 | 9.09 | 8.450 |
| 426,251.05 | GNMA POOL #183553 | 9.000 | 08/15/17 | 416,660.39 | 0.98000 | 106.81200 | 455,287.27 | 38,626.88 | 38,362.59 | 9.21 | 8.430 |
| 497,978.98 | GNMA POOL #183715 | 9.000 | 11/15/16 | 483,506.51 | 0.97000 | 106.49900 | 530,342.63 | 46,836.12 | 44,818.11 | 9.27 | 8.450 |
| 1,618,844.39 | GNMA POOL #183733 | 9.000 | 01/15/17 | 1,496,925.28 | 0.92000 | 106.49900 | 1,724,053.09 | 227,127.81 | 145,696.00 | 9.73 | 8.450 |
| 130,859.47 | GNMA POOL #184707 | 9.000 | 12/15/16 | 126,729.23 | 0.97000 | 106.49900 | 139,364.03 | 12,634.80 | 11,777.35 | 9.29 | 8.450 |
| 283,094.99 | GNMA POOL #185639 | 9.000 | 11/15/16 | 275,663.76 | 0.97000 | 106.49900 | 301,493.33 | 25,829.57 | 25,478.55 | 9.24 | 8.450 |
| 863,396.00 | GNMA POOL #187705 | 9.000 | 01/15/17 | 836,145.07 | 0.97000 | 106.81200 | 922,210.54 | 86,065.47 | 77,705.64 | 9.29 | 8.430 |
| 389,366.42 | GNMA POOL #188192 | 9.000 | 05/15/17 | 377,198.76 | 0.97000 | 106.49900 | 414,671.34 | 37,472.58 | 35,042.98 | 9.29 | 8.450 |
| 1,044,258.23 | GNMA POOL #190921 | 9.000 | 12/15/16 | 1,015,377.98 | 0.97000 | 106.87400 | 1,116,040.54 | 100,662.56 | 93,983.24 | 9.26 | 8.420 |
| 63,345.36 | GNMA POOL #191487 | 9.000 | 01/15/17 | 61,801.34 | 0.98000 | 106.81200 | 67,660.45 | 5,859.11 | 5,701.08 | 9.22 | 8.430 |
| 552,826.95 | GNMA POOL #191648 | 9.000 | 05/15/17 | 524,149.01 | 0.95000 | 106.81200 | 590,485.52 | 66,336.51 | 49,754.43 | 9.49 | 8.430 |
| 547,013.16 | GNMA POOL #191943 | 9.000 | 07/15/18 | 518,465.90 | 0.95000 | 106.74900 | 583,931.08 | 65,465.18 | 49,231.18 | 9.50 | 8.430 |
| 676,702.75 | GNMA POOL #194468 | 9.000 | 12/15/16 | 655,555.66 | 0.97000 | 106.49900 | 720,681.66 | 65,126.00 | 60,903.25 | 9.29 | 8.450 |
| 78,010.89 | GNMA POOL #198466 | 9.000 | 02/15/17 | 76,109.36 | 0.98000 | 106.49900 | 83,080.82 | 6,971.46 | 7,020.98 | 9.22 | 8.450 |
| 52,945.86 | GNMA POOL #204136 | 9.000 | 05/15/17 | 51,969.63 | 0.98000 | 106.49900 | 56,386.81 | 4,417.18 | 4,765.13 | 9.17 | 8.450 |
| 440,690.51 | GNMA POOL #206683 | 9.000 | 04/15/20 | 420,859.44 | 0.96000 | 106.59300 | 469,745.24 | 48,885.80 | 39,662.15 | 9.42 | 8.440 |
| 453,241.91 | GNMA POOL #208638 | 9.000 | 05/15/17 | 429,730.38 | 0.95000 | 106.81200 | 484,116.75 | 54,386.37 | 40,791.77 | 9.49 | 8.430 |
| 532,146.95 | GNMA POOL #210798 | 9.000 | 07/15/18 | 490,406.65 | 0.92000 | 106.74900 | 568,061.55 | 77,654.90 | 47,893.23 | 9.77 | 8.430 |
| 317,346.98 | GNMA POOL #216520 | 9.000 | 05/15/17 | 300,884.59 | 0.95000 | 106.49900 | 337,971.36 | 37,086.77 | 28,561.23 | 9.49 | 8.450 |
| 425,708.20 | GNMA POOL #221494 | 9.000 | 07/15/17 | 395,110.44 | 0.93000 | 106.81200 | 454,707.44 | 59,597.00 | 38,313.74 | 9.70 | 8.430 |
| 1,507,945.21 | GNMA POOL #221509 | 9.000 | 12/15/16 | 1,462,706.87 | 0.97000 | 106.49900 | 1,605,946.57 | 143,239.70 | 135,715.07 | 9.28 | 8.450 |
| 335,431.69 | GNMA POOL #223273 | 9.000 | 04/15/18 | 317,087.78 | 0.95000 | 106.74900 | 358,069.97 | 40,982.19 | 30,188.85 | 9.52 | 8.430 |
| 440,711.08 | GNMA POOL #223282 | 9.000 | 05/15/18 | 421,398.40 | 0.96000 | 106.49900 | 469,352.89 | 47,954.49 | 39,664.00 | 9.41 | 8.450 |
| 253,920.04 | GNMA POOL #223307 | 9.000 | 04/15/18 | 242,890.49 | 0.96000 | 106.74900 | 271,057.10 | 28,166.61 | 22,852.80 | 9.41 | 8.430 |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS OWNED
# JUNE 30, 1999



## BOND PORTFOLIO

| Par Value | Security | Coupon | Maturity | Book Cost | Book Price | Current Price | Current Value | Gain or (Loss) | Annual Income | Book Yield | YTM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 112,357.03 | GNMA POOL #225586 | 9.000 | 05/15/18 | 105,896.51 | 0.94000 | 106.74900 | 119,940.01 | 14,043.50 | 10,112.13 | 9.55 | 8.430 |
| 232,719.36 | GNMA POOL #226614 | 10.000 | 11/15/17 | 231,264.89 | 0.99000 | 106.65700 | 248,211.49 | 16,946.60 | 23,271.94 | 10.06 | 9.380 |
| 69,850.34 | GNMA POOL #228184 | 9.000 | 05/15/18 | 65,833.98 | 0.94000 | 106.74900 | 74,564.54 | 8,730.56 | 6,286.53 | 9.55 | 8.430 |
| 424,557.31 | GNMA POOL #228233 | 9.000 | 05/15/18 | 384,357.05 | 0.91000 | 106.74900 | 453,210.68 | 68,853.63 | 38,210.16 | 9.94 | 8.430 |
| 912,373.88 | GNMA POOL #229731 | 9.000 | 07/15/17 | 846,796.98 | 0.93000 | 106.81200 | 974,524.79 | 127,727.81 | 82,113.65 | 9.70 | 8.430 |
| 595,836.17 | GNMA POOL #232531 | 9.000 | 10/15/17 | 582,429.85 | 0.98000 | 106.81200 | 636,424.53 | 53,994.68 | 53,625.26 | 9.21 | 8.430 |
| 404,300.01 | GNMA POOL #234450 | 9.000 | 04/15/18 | 388,759.77 | 0.96000 | 106.74900 | 431,586.22 | 42,826.45 | 36,387.00 | 9.36 | 8.430 |
| 121,905.03 | GNMA POOL #235308 | 10.000 | 10/15/17 | 121,143.13 | 0.99000 | 106.59300 | 129,942.23 | 8,799.10 | 12,190.50 | 10.06 | 9.380 |
| 285,244.82 | GNMA POOL #236041 | 10.000 | 11/15/17 | 282,035.81 | 0.99000 | 106.65700 | 304,233.57 | 22,197.76 | 28,524.48 | 10.11 | 9.380 |
| 32,347.41 | GNMA POOL #236835 | 10.000 | 11/15/17 | 32,217.73 | 1.00000 | 106.71300 | 34,518.89 | 2,301.16 | 3,234.74 | 10.04 | 9.370 |
| 187,673.10 | GNMA POOL #236936 | 9.000 | 04/15/18 | 176,764.59 | 0.94000 | 106.74900 | 200,339.16 | 23,574.57 | 16,890.58 | 9.56 | 8.430 |
| 440,127.50 | GNMA POOL #236937 | 9.000 | 04/15/18 | 419,909.16 | 0.95000 | 106.74900 | 469,831.70 | 49,922.54 | 39,611.48 | 9.43 | 8.430 |
| 123,459.60 | GNMA POOL #236939 | 9.000 | 04/15/18 | 116,360.70 | 0.94000 | 106.74900 | 131,791.89 | 15,431.19 | 11,111.36 | 9.55 | 8.430 |
| 501,772.21 | GNMA POOL #237138 | 10.000 | 10/15/17 | 498,636.12 | 0.99000 | 106.65700 | 535,175.19 | 36,539.07 | 50,177.22 | 10.06 | 9.380 |
| 95,289.81 | GNMA POOL #237195 | 9.000 | 06/15/18 | 88,113.32 | 0.92000 | 106.74900 | 101,720.92 | 13,607.60 | 8,576.08 | 9.73 | 8.430 |
| 34,553.27 | GNMA POOL #238133 | 9.000 | 04/15/18 | 33,084.78 | 0.96000 | 106.74900 | 36,885.27 | 3,800.49 | 3,109.79 | 9.40 | 8.430 |
| 848,143.96 | GNMA POOL #247506 | 9.000 | 01/15/20 | 826,145.22 | 0.97000 | 106.59300 | 904,062.09 | 77,916.87 | 76,332.96 | 9.24 | 8.440 |
| 785,130.93 | GNMA POOL #249621 | 9.000 | 05/15/18 | 728,454.26 | 0.93000 | 106.74900 | 838,119.42 | 109,665.16 | 70,661.78 | 9.70 | 8.430 |
| 445,823.46 | GNMA POOL #252052 | 9.000 | 06/15/18 | 421,442.48 | 0.95000 | 106.74900 | 475,912.09 | 54,469.61 | 40,124.11 | 9.52 | 8.430 |
| 603,687.77 | GNMA POOL #252055 | 9.000 | 06/15/18 | 556,335.99 | 0.92000 | 106.74900 | 644,430.66 | 88,094.67 | 54,331.90 | 9.77 | 8.430 |
| 292,199.87 | GNMA POOL #256372 | 9.000 | 10/15/19 | 285,990.62 | 0.98000 | 106.68700 | 311,739.28 | 25,748.66 | 26,297.99 | 9.20 | 8.440 |
| 337,975.06 | GNMA POOL #257869 | 9.000 | 09/15/19 | 326,990.84 | 0.97000 | 106.68700 | 360,575.45 | 33,584.61 | 30,417.76 | 9.30 | 8.440 |
| 96,982.65 | GNMA POOL #260334 | 9.000 | 09/15/18 | 89,224.04 | 0.92000 | 106.74900 | 103,528.01 | 14,303.97 | 8,728.44 | 9.78 | 8.430 |
| 262,664.01 | GNMA POOL #266545 | 9.000 | 01/15/19 | 243,702.94 | 0.93000 | 106.68700 | 280,228.35 | 36,525.41 | 23,639.76 | 9.70 | 8.440 |
| 390,108.74 | GNMA POOL #271090 | 9.000 | 10/15/19 | 381,818.92 | 0.98000 | 106.68700 | 416,195.31 | 34,376.39 | 35,109.79 | 9.20 | 8.440 |
| 635,917.14 | GNMA POOL #271897 | 9.000 | 09/15/19 | 616,839.59 | 0.97000 | 106.68700 | 678,440.92 | 61,601.33 | 57,232.54 | 9.28 | 8.440 |
| 424,724.31 | GNMA POOL #273548 | 9.000 | 09/15/19 | 411,053.50 | 0.97000 | 106.68700 | 453,125.62 | 42,072.12 | 38,225.19 | 9.30 | 8.440 |
| 1,311,981.48 | GNMA POOL #274140 | 9.000 | 09/15/19 | 1,270,162.06 | 0.97000 | 106.68700 | 1,399,713.68 | 129,551.62 | 118,078.33 | 9.30 | 8.440 |
| 417,178.31 | GNMA POOL #277907 | 9.000 | 11/15/19 | 414,049.52 | 0.99000 | 106.68700 | 445,075.02 | 31,025.50 | 37,546.05 | 9.07 | 8.440 |
| 391,406.20 | GNMA POOL #282815 | 9.000 | 11/15/19 | 388,042.59 | 0.99000 | 106.68700 | 417,579.53 | 29,536.94 | 35,226.56 | 9.08 | 8.440 |
| 337,840.18 | GNMA POOL #284420 | 9.000 | 02/15/20 | 324,326.56 | 0.96000 | 106.59300 | 360,113.98 | 35,787.42 | 30,405.62 | 9.38 | 8.440 |
| 632,583.76 | GNMA POOL #285101 | 9.000 | 04/15/20 | 599,373.15 | 0.95000 | 106.59300 | 674,290.01 | 74,916.86 | 56,932.54 | 9.50 | 8.440 |
| 333,792.31 | GNMA POOL #285593 | 9.000 | 02/15/20 | 322,944.04 | 0.97000 | 106.59300 | 355,799.24 | 32,855.20 | 30,041.31 | 9.30 | 8.440 |
| 208,319.66 | GNMA POOL #285654 | 9.000 | 05/15/20 | 197,382.89 | 0.95000 | 106.59300 | 222,054.18 | 24,671.29 | 18,748.77 | 9.50 | 8.440 |
| 948,565.45 | GNMA POOL #286371 | 9.000 | 02/15/20 | 906,472.78 | 0.96000 | 106.59300 | 1,011,104.37 | 104,631.59 | 85,370.89 | 9.42 | 8.440 |
| 656,308.68 | GNMA POOL #286427 | 9.000 | 04/15/20 | 626,774.77 | 0.95000 | 106.59300 | 699,579.11 | 72,804.34 | 59,067.78 | 9.42 | 8.440 |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS OWNED
# JUNE 30, 1999



## BOND PORTFOLIO

| Par Value | Security | Coupon | Maturity | Book Cost | Book Price | Current Price | Current Value | Gain or (Loss) | Annual Income | Book Yield | YTM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 311,851.09 | GNMA POOL #287851 | 9.000 | 04/14/20 | 299,378.71 | 0.96000 | 106.59300 | 332,411.43 | 33,032.72 | 28,066.60 | 9.37 | 8.440 |
| 373,203.05 | GNMA POOL #290000 | 9.000 | 04/15/20 | 373,203.05 | 1.00000 | 106.59300 | 397,808.33 | 24,605.28 | 33,588.27 | 9.00 | 8.440 |
| 352,514.25 | GNMA POOL #290057 | 9.000 | 06/15/20 | 352,514.25 | 1.00000 | 106.59300 | 375,755.51 | 23,241.26 | 31,726.28 | 9.00 | 8.440 |
| 285,652.79 | GNMA POOL #291136 | 9.000 | 05/15/20 | 268,335.10 | 0.94000 | 106.59300 | 304,485.88 | 36,150.78 | 25,708.75 | 9.58 | 8.440 |
| 336,599.16 | GNMA POOL #295076 | 9.000 | 12/15/20 | 336,493.95 | 1.00000 | 106.59300 | 358,791.14 | 22,297.19 | 30,293.92 | 9.00 | 8.440 |
| 446,462.51 | GNMA POOL #297590 | 9.000 | 03/15/21 | 446,323.01 | 1.00000 | 106.49900 | 475,478.11 | 29,155.10 | 40,181.63 | 9.00 | 8.450 |
| 135,390.07 | GNMA POOL #298952 | 9.000 | 04/15/21 | 135,390.07 | 1.00000 | 106.49900 | 144,189.07 | 8,799.00 | 12,185.11 | 9.00 | 8.450 |
| 1,004,789.84 | GNMA POOL #319521 | 8.000 | 02/15/22 | 998,195.92 | 0.99000 | 103.09300 | 1,035,867.99 | 37,672.07 | 80,383.19 | 8.05 | 7.760 |
| 11,704,883.78 | GNMA POOL #337419 | 7.000 | 06/15/23 | 10,986,130.93 | 0.94000 | 99.03100 | 11,591,463.46 | 605,332.53 | 819,341.86 | 7.46 | 7.070 |
| 4,204,989.91 | GNMA POOL #345731 | 8.000 | 05/15/24 | 4,177,394.67 | 0.99000 | 102.93700 | 4,328,490.46 | 151,095.79 | 336,399.19 | 8.05 | 7.770 |
| 1,460,222.71 | GNMA POOL #348865 | 8.000 | 06/15/23 | 1,450,640.01 | 0.99000 | 102.90600 | 1,502,656.78 | 52,016.77 | 116,817.82 | 8.05 | 7.770 |
| 1,696,141.43 | GNMA POOL #352219 | 8.000 | 04/15/23 | 1,685,010.49 | 0.99000 | 102.90600 | 1,745,431.30 | 60,420.81 | 135,691.31 | 8.05 | 7.770 |
| 6,695,489.96 | GNMA POOL #352964 | 7.000 | 05/15/24 | 6,264,467.79 | 0.94000 | 98.96900 | 6,626,459.46 | 361,991.67 | 468,684.30 | 7.48 | 7.070 |
| 9,612,064.39 | GNMA POOL #366756 | 7.000 | 03/15/24 | 8,993,287.78 | 0.94000 | 98.96900 | 9,512,964.01 | 519,676.23 | 672,844.51 | 7.48 | 7.070 |
| 5,501,023.33 | GNMA POOL #371734 | 7.000 | 04/15/24 | 5,146,894.94 | 0.94000 | 98.96900 | 5,444,307.78 | 297,412.84 | 385,071.63 | 7.48 | 7.070 |
| 13,676,519.92 | GNMA POOL #377589 | 7.500 | 08/15/25 | 13,638,054.71 | 1.00000 | 100.96800 | 13,808,908.63 | 170,853.92 | 1,025,738.99 | 7.52 | 7.430 |
| 3,314,313.20 | GNMA POOL #386030 | 7.000 | 05/15/24 | 3,100,954.31 | 0.94000 | 98.96900 | 3,280,142.63 | 179,188.32 | 232,001.92 | 7.48 | 7.070 |
| 3,554,876.86 | GNMA POOL #398831 | 8.000 | 08/15/26 | 3,549,322.36 | 1.00000 | 102.84300 | 3,655,942.01 | 106,619.65 | 284,390.15 | 8.01 | 7.780 |
| 2,651,579.71 | GNMA POOL #402544 | 7.500 | 04/15/26 | 2,643,707.93 | 1.00000 | 100.93700 | 2,676,425.01 | 32,717.08 | 198,868.48 | 7.52 | 7.430 |
| 5,236,832.73 | GNMA POOL #403979 | 8.500 | 10/15/24 | 5,147,642.83 | 0.98000 | 104.78100 | 5,487,205.70 | 339,562.87 | 445,130.78 | 8.65 | 8.110 |
| 6,576,820.25 | GNMA POOL #405618 | 7.500 | 04/15/26 | 6,568,599.21 | 1.00000 | 100.93700 | 6,638,445.06 | 69,845.85 | 493,261.52 | 7.51 | 7.430 |
| 3,129,475.32 | GNMA POOL #417666 | 7.500 | 08/15/25 | 3,120,184.62 | 1.00000 | 100.96800 | 3,159,768.64 | 39,584.02 | 234,710.65 | 7.52 | 7.430 |
| 3,200,585.64 | GNMA POOL #421711 | 7.500 | 04/15/26 | 3,196,584.89 | 1.00000 | 100.93700 | 3,230,575.13 | 33,990.24 | 240,043.92 | 7.51 | 7.430 |
| 3,124,738.25 | GNMA POOL #429356 | 7.500 | 03/15/26 | 3,115,461.76 | 1.00000 | 100.93700 | 3,154,017.05 | 38,555.29 | 234,355.37 | 7.52 | 7.430 |
| 1,749,058.24 | GNMA POOL #430384 | 8.000 | 08/15/26 | 1,746,325.35 | 1.00000 | 102.84300 | 1,798,783.97 | 52,458.62 | 139,924.66 | 8.01 | 7.780 |
| 4,717,753.05 | GNMA POOL #432701 | 8.000 | 06/15/26 | 4,717,753.05 | 1.00000 | 102.84300 | 4,851,878.77 | 134,125.72 | 377,420.24 | 8.00 | 7.780 |
| 1,316,214.01 | GNMA POOL #438772 | 8.000 | 08/15/26 | 1,314,157.42 | 1.00000 | 102.84300 | 1,353,633.97 | 39,476.55 | 105,297.12 | 8.01 | 7.780 |
| 2,071,212.37 | GNMA POOL #438778 | 8.000 | 08/15/26 | 2,067,976.10 | 1.00000 | 102.84300 | 2,130,096.94 | 62,120.84 | 165,696.99 | 8.01 | 7.780 |
| 5,760,091.73 | GNMA POOL #439645 | 8.000 | 09/15/26 | 5,756,491.66 | 1.00000 | 102.84300 | 5,923,851.14 | 167,359.48 | 460,807.34 | 8.01 | 7.780 |
| 9,999,000.00 | GNMA POOL #470493 | 7.000 | 06/15/29 | 9,927,132.20 | 0.99000 | 100.00000 | 9,999,000.00 | 71,867.80 | 699,930.00 | 7.05 | 7.000 |
| 4,044,316.00 | GNMA POOL #472997 | 7.000 | 06/15/29 | 4,022,830.57 | 0.99000 | 100.00000 | 4,044,316.00 | 21,485.43 | 283,102.12 | 7.04 | 7.000 |
| 8,999,107.47 | GNMA POOL #482784 | 7.000 | 10/15/28 | 8,934,426.45 | 0.99000 | 100.00000 | 8,999,107.47 | 64,681.02 | 629,937.52 | 7.05 | 7.000 |
| 8,999,107.20 | GNMA POOL #486539 | 7.000 | 09/15/28 | 8,934,426.18 | 0.99000 | 98.65600 | 8,878,159.20 | (56,266.98) | 629,937.50 | 7.05 | 7.100 |
| 8,261,615.00 | GNMA POOL #499876 | 7.000 | 06/15/29 | 8,217,725.17 | 0.99000 | 100.00000 | 8,261,615.00 | 43,889.83 | 578,313.05 | 7.04 | 7.000 |
| 6,659,273.00 | GNMA POOL #500931 | 7.000 | 06/15/29 | 6,623,895.61 | 0.99000 | 100.00000 | 6,659,273.00 | 35,377.39 | 466,149.11 | 7.04 | 7.000 |
| 1,034,569.00 | GNMA POOL #504418 | 7.000 | 06/15/29 | 1,029,072.85 | 0.99000 | 100.00000 | 1,034,569.00 | 5,496.15 | 72,419.83 | 7.04 | 7.000 |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS OWNED
# JUNE 30, 1999



## BOND PORTFOLIO

| Par Value | Security | Coupon | Maturity | Book Cost | Book Price | Current Price | Current Value | Gain or (Loss) | Annual Income | Book Yield | YTM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 15,000,227.00 | GNMA POOL #505728 | 7.000 | 06/15/29 | 14,920,538.29 | 0.99000 | 100.00000 | 15,000,227.00 | 79,688.71 | 1,050,015.89 | 7.04 | 7.000 |
| 6,999,300.00 | GNMA POOL #510958 | 7.000 | 05/15/29 | 6,948,992.54 | 0.99000 | 100.00000 | 6,999,300.00 | 50,307.46 | 489,951.00 | 7.05 | 7.000 |
| 23,393,987.54 | GNMA POOL #780076 | 8.000 | 02/15/25 | 22,990,074.83 | 0.98000 | 102.93700 | 24,081,068.95 | 1,090,994.12 | 1,871,519.00 | 8.14 | 7.770 |
| 27,339,413.28 | GNMA POOL #780220 | 7.500 | 08/15/25 | 27,330,869.71 | 1.00000 | 101.06200 | 27,629,757.85 | 298,888.14 | 2,050,456.00 | 7.50 | 7.420 |
| **266,094,370.72** | **TOTAL FEDERAL AGENCY OBLIGATIONS** | | | **260,964,273.45** | **98.07208** | | **270,797,656.86** | **9,833,383.41** | **20,392,782.94** | **7.8%** | **7.5%** |
| | ***CORPORATE BONDS*** | | | | | | | | | | |
| 10,500,000.00 | AGL CAPITAL TRUST | 8.170 | 06/01/37 | 10,701,864.50 | 101.92252 | 107.27700 | 11,264,085.00 | 562,220.50 | 857,850.00 | 8.02 | 7.620 |
| 16,000,000.00 | AMERICAN UNITED LIFE INS CO | 7.750 | 03/30/26 | 15,225,345.00 | 95.15841 | 98.80900 | 15,809,440.00 | 584,095.00 | 1,240,000.00 | 8.14 | 7.840 |
| 34,000,000.00 | ANTHEM INSURANCE COMPANY | 9.000 | 04/01/27 | 35,754,379.00 | 105.15994 | 99.41400 | 33,800,760.00 | (1,953,619.00) | 3,060,000.00 | 8.56 | 9.050 |
| 163,007.57 | AUTO BOND RECEIVABLE | 7.100 | 06/15/21 | 163,007.57 | 100.00000 | 99.99800 | 163,004.31 | (3.26) | 11,573.54 | 7.10 | 7.100 |
| 116,514.95 | AUTO BOND RECEIVABLE | 6.400 | 04/15/99 | 116,514.95 | 100.00000 | 100.01200 | 116,528.93 | 13.98 | 7,456.96 | 6.40 | 6.400 |
| 10,000,000.00 | BANKERS TRUST | 7.750 | 12/01/26 | 9,729,725.00 | 97.29725 | 96.77900 | 9,677,900.00 | (51,825.00) | 775,000.00 | 7.97 | 8.010 |
| 12,000,000.00 | BANKERS TRUST CORP 144A | 8.090 | 12/01/26 | 12,000,000.00 | 100.00000 | 98.88400 | 11,866,080.00 | (133,920.00) | 970,800.00 | 8.09 | 8.180 |
| 10,000,000.00 | BEAR STEARNS COS INC | 8.750 | 03/15/04 | 10,374,635.00 | 103.74635 | 107.48700 | 10,748,700.00 | 374,065.00 | 875,000.00 | 8.43 | 8.140 |
| 5,500,000.00 | CAROLINA POWER & LIGHT CO | 7.500 | 03/01/23 | 5,478,244.00 | 99.60444 | 95.10300 | 5,230,665.00 | (247,579.00) | 412,500.00 | 7.53 | 7.890 |
| 10,500,000.00 | COUNTRYWIDE CAPITAL I | 8.000 | 12/15/26 | 10,500,000.00 | 100.00000 | 94.33900 | 9,905,595.00 | (594,405.00) | 840,000.00 | 8.00 | 8.480 |
| 5,000,000.00 | DISCOVER CREDIT | 9.100 | 04/13/12 | 5,000,000.00 | 100.00000 | 115.55900 | 5,777,950.00 | 777,950.00 | 455,000.00 | 9.10 | 7.870 |
| 19,000,000.00 | FARMERS INSUR EXCHANGE | 8.625 | 05/01/24 | 17,528,811.00 | 92.25690 | 108.57700 | 20,629,630.00 | 3,100,819.00 | 1,638,750.00 | 9.35 | 7.940 |
| 8,000,000.00 | FIRST EMPIRE CAPITAL TRUST I | 8.234 | 02/01/27 | 8,673,089.00 | 108.41361 | 96.36400 | 7,709,120.00 | (963,969.00) | 658,720.00 | 7.59 | 8.540 |
| 10,000,000.00 | FIRST EMPIRE CAPITAL TRUST I | 8.277 | 06/01/27 | 10,556,665.00 | 105.56665 | 97.83800 | 9,783,800.00 | (772,865.00) | 827,700.00 | 7.84 | 8.460 |
| 14,000,000.00 | FIRST HAWAIIAN CAP TRUST | 8.343 | 07/01/27 | 14,829,426.00 | 105.92447 | 97.34400 | 13,628,160.00 | (1,201,266.00) | 1,168,020.00 | 7.88 | 8.570 |
| 5,568,750.00 | FIRSTPLUS HOME IMPROVEMEN | 8.300 | 02/20/22 | 5,558,138.58 | 99.80945 | 104.38900 | 5,813,162.44 | 255,023.86 | 462,206.25 | 8.32 | 7.950 |
| 5,000,000.00 | FORD CAPITAL BV | 10.125 | 11/15/00 | 5,018,709.00 | 100.37418 | 104.95000 | 5,247,500.00 | 228,791.00 | 506,250.00 | 10.09 | 9.650 |
| 5,000,000.00 | FORD MOTOR COMPANY | 9.500 | 09/15/11 | 4,997,497.00 | 99.94994 | 118.49000 | 5,924,500.00 | 927,003.00 | 475,000.00 | 9.50 | 8.020 |
| 10,000,000.00 | FUND AMERICA ENTERPRISES | 7.750 | 02/01/03 | 10,054,336.00 | 100.54336 | 102.09100 | 10,209,100.00 | 154,764.00 | 775,000.00 | 7.71 | 7.590 |
| 17,000,000.00 | GENERAL AMERICAN LIFE INS | 7.625 | 01/15/24 | 14,944,793.00 | 87.91055 | 96.11900 | 16,340,230.00 | 1,395,437.00 | 1,296,250.00 | 8.67 | 7.930 |
| 10,000,000.00 | GOLDMAN SACHS GROUP INC. | 8.000 | 03/01/13 | 9,964,707.00 | 99.64707 | 106.81300 | 10,681,300.00 | 716,593.00 | 800,000.00 | 8.03 | 7.490 |
| 5,000,000.00 | ICI WILMINGTON INC. | 8.750 | 05/01/01 | 5,083,887.00 | 101.67774 | 104.01500 | 5,200,750.00 | 116,863.00 | 437,500.00 | 8.61 | 8.410 |
| 15,000,000.00 | J HANCOCK MUTUAL LIFE INS | 7.375 | 02/15/24 | 14,031,196.00 | 93.54131 | 101.09300 | 15,163,950.00 | 1,132,754.00 | 1,106,250.00 | 7.88 | 7.300 |
| 11,000,000.00 | JPM CAPITAL TRUST II | 7.950 | 02/01/27 | 11,501,607.00 | 104.56006 | 99.57100 | 10,952,810.00 | (548,797.00) | 874,500.00 | 7.60 | 7.980 |
| 10,000,000.00 | LEHMAN BROS HOLDINGS, INC. | 8.750 | 05/15/02 | 10,185,774.00 | 101.85774 | 104.75600 | 10,475,600.00 | 289,826.00 | 875,000.00 | 8.59 | 8.350 |
| 5,000,000.00 | LEHMAN BROS HOLDINGS INC | 8.500 | 05/01/07 | 5,229,572.00 | 104.59144 | 107.33400 | 5,366,700.00 | 137,128.00 | 425,000.00 | 8.13 | 7.920 |
| 5,000,000.00 | LEHMAN BROS HOLDINGS INC | 8.800 | 03/01/15 | 5,580,122.76 | 111.60246 | 107.20000 | 5,360,000.00 | (220,122.76) | 440,000.00 | 7.89 | 8.210 |

# STATE OF ARIZONA
# PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
# INVESTMENTS OWNED
# JUNE 30, 1999



## BOND PORTFOLIO

| Par Value | Security | Coupon | Maturity | Book Cost | Book Price | Current Price | Current Value | Gain or (Loss) | Annual Income | Book Yield | YTM |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 28,000,000.00 | LUMBERMANS MUT CASUALTY | 9.150 | 07/01/26 | 31,877,036.00 | 113.84656 | 108.41800 | 30,357,040.00 | (1,519,996.00) | 2,562,000.00 | 8.04 | 8.440 |
| 12,000,000.00 | LUMBERMANS MUT CASUALTY | 8.300 | 12/01/37 | 12,989,827.00 | 108.24856 | 96.80800 | 11,616,960.00 | (1,372,867.00) | 996,000.00 | 7.67 | 8.570 |
| 10,000,000.00 | MERRILL LYNCH & COMPANY | 8.000 | 06/01/07 | 10,000,000.00 | 100.00000 | 106.82500 | 10,682,500.00 | 682,500.00 | 800,000.00 | 8.00 | 7.490 |
| 25,315,000.00 | NATIONWIDE MUTUAL INS CO | 7.500 | 02/15/24 | 24,325,631.00 | 96.09177 | 95.31000 | 24,127,726.50 | (197,904.50) | 1,898,625.00 | 7.81 | 7.870 |
| 15,000,000.00 | NEW ENGLAND MUT LIFE INSUR | 7.875 | 02/15/24 | 14,822,860.00 | 98.81907 | 103.76500 | 15,564,750.00 | 741,890.00 | 1,181,250.00 | 7.97 | 7.590 |
| 14,000,000.00 | OHIO NATIONAL LIFE INSUR | 8.500 | 05/15/26 | 14,264,242.00 | 101.88744 | 106.80100 | 14,952,140.00 | 687,898.00 | 1,190,000.00 | 8.34 | 7.960 |
| 5,000,000.00 | PACIFIC GAS & ELECTRIC CO. | 7.250 | 03/01/26 | 4,829,063.00 | 96.58126 | 94.56000 | 4,728,000.00 | (101,063.00) | 362,500.00 | 7.51 | 7.670 |
| 10,000,000.00 | PACIFIC MUTUAL LIFE INSUR | 7.900 | 12/30/23 | 9,894,004.00 | 98.94004 | 105.24500 | 10,524,500.00 | 630,496.00 | 790,000.00 | 7.98 | 7.510 |
| 10,000,000.00 | PAINE WEBER GROUP INC | 7.605 | 07/17/17 | 9,738,707.00 | 97.38707 | 98.10500 | 9,810,500.00 | 71,793.00 | 760,500.00 | 7.81 | 7.750 |
| 17,000,000.00 | PMI CAPITAL | 8.309 | 02/01/27 | 17,549,278.00 | 103.23105 | 97.10000 | 16,507,000.00 | (1,042,278.00) | 1,412,530.00 | 8.05 | 8.560 |
| 10,000,000.00 | POTOMAC CAPITAL INV CORP | 7.100 | 03/09/00 | 10,000,000.00 | 100.00000 | 101.12600 | 10,112,600.00 | 112,600.00 | 710,000.00 | 7.10 | 7.020 |
| 23,200,000.00 | PRINCIPAL MUTUAL LIFE INS CO | 7.875 | 03/01/24 | 22,692,446.00 | 97.81227 | 105.10900 | 24,385,288.00 | 1,692,842.00 | 1,827,000.00 | 8.05 | 7.490 |
| 10,000,000.00 | PRUDENTIAL FUNDING | 6.750 | 09/15/23 | 8,386,589.00 | 83.86589 | 90.31500 | 9,031,500.00 | 644,911.00 | 675,000.00 | 8.05 | 7.470 |
| 16,000,000.00 | PRUDENTIAL INSUR OF AMERIC/ | 8.300 | 07/01/25 | 15,670,498.00 | 97.94061 | 110.58000 | 17,692,800.00 | 2,022,302.00 | 1,328,000.00 | 8.47 | 7.510 |
| 21,825,000.00 | SAFECO CAPITAL TRUST | 8.072 | 07/15/37 | 21,970,008.00 | 100.66441 | 94.86100 | 20,703,413.25 | (1,266,594.75) | 1,761,714.00 | 8.02 | 8.510 |
| 6,000,000.00 | SALOMON INC. | 7.125 | 08/01/99 | 6,003,776.00 | 100.06293 | 100.12400 | 6,007,440.00 | 3,664.00 | 427,500.00 | 7.12 | 7.120 |
| 5,000,000.00 | SEARS ROEBUCK & CO. | 9.375 | 11/01/11 | 5,000,000.00 | 100.00000 | 114.02200 | 5,701,100.00 | 701,100.00 | 468,750.00 | 9.38 | 8.220 |
| 12,000,000.00 | SECURITY MUTUAL LIFE NY | 9.375 | 12/15/16 | 13,432,737.00 | 111.93948 | 108.26000 | 12,991,200.00 | (441,537.00) | 1,125,000.00 | 8.38 | 8.660 |
| 21,604,245.00 | SECURITY NATNL MORT LOAN | 7.870 | 08/25/30 | 21,604,245.00 | 100.00000 | 101.23800 | 21,871,705.55 | 267,460.55 | 1,700,254.08 | 7.87 | 7.770 |
| 7,487,575.00 | SECURITY NATNL MORT 99-1 | 8.353 | 09/25/30 | 7,487,575.00 | 100.00000 | 98.70100 | 7,390,311.40 | (97,263.60) | 625,437.14 | 8.35 | 8.460 |
| 15,000,000.00 | SOUTHERN CO CAPITAL TRUST | 8.190 | 02/01/37 | 16,203,574.00 | 108.02383 | 100.71700 | 15,107,550.00 | (1,096,024.00) | 1,228,500.00 | 7.58 | 8.130 |
| 1,108,000.00 | TENNESSEE VALLEY AUTH | 8.625 | 11/15/29 | 1,010,941.00 | 91.24016 | 106.70100 | 1,182,247.08 | 171,306.08 | 95,565.00 | 9.45 | 8.080 |
| 7,875,000.00 | TRANSAMERICA CAPITAL II | 7.650 | 12/01/26 | 8,008,695.25 | 101.69772 | 99.64400 | 7,846,965.00 | (161,730.25) | 602,437.50 | 7.52 | 7.680 |
| 11,500,000.00 | UNION CENTRAL LIFE | 8.200 | 11/01/26 | 12,257,430.00 | 106.58635 | 101.80600 | 11,707,690.00 | (549,740.00) | 943,000.00 | 7.69 | 8.050 |
| 17,000,000.00 | USF&G CAPITAL II, SERIES B | 8.470 | 01/10/27 | 18,634,578.00 | 109.61516 | 98.80000 | 16,796,000.00 | (1,838,578.00) | 1,439,900.00 | 7.73 | 8.570 |
| 14,000,000.00 | XEROX CAP TRUST I CAP SEC. | 8.000 | 07/01/27 | 14,783,710.00 | 105.59793 | 101.37200 | 14,192,080.00 | (591,630.00) | 1,120,000.00 | 7.58 | 7.890 |
| **614,263,092.52** | **TOTAL CORPORATE BONDS** | | | **622,219,495.61** | **101.29528** | | **624,438,027.46** | **2,218,531.85** | **50,302,789.47** | **8.1%** | **8.1%** |
| **1,099,857,463.24** | **BOND PORTFOLIO TOTALS** | | | **1,104,412,127.06** | **100.41411** | | **1,136,613,074.32** | **32,200,947.26** | **88,379,947.41** | **8.0%** | **7.8%** |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS OWNED**
**JUNE 30, 1999**

## CORPORATE NOTES

| Date Acquired | Description | Interest Rate | Maturity Date | Cost | Amount of Interest | Maturity Value |
|---|---|---|---|---|---|---|
| 06/25/99 | UBS FINANCIAL(DELAWARE) | 5.200 | 07/02/99 | 22,976,744.44 | 23,255.56 | 23,000,000.00 |
| 06/28/99 | ATLANTIS ONE FUNDING | 5.320 | 07/06/99 | 19,976,355.55 | 23,644.45 | 20,000,000.00 |
| 06/30/99 | MONTAUK FUNDING CORP | 5.780 | 07/01/99 | 999,839.44 | 160.56 | 1,000,000.00 |
| | **TOTALS** | | | **43,952,939.43** | **47,060.57** | **44,000,000.00** |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS OWNED**
**JUNE 30, 1999**



**COMMON STOCK PORTFOLIO**

| Shares | Description | Div Rate | Book Cost per Share | Book Cost | Market Price | Market Value | Annual Income | Gain or (Loss) Amount |
|---|---|---|---|---|---|---|---|---|
| 1,465,000 | ABBOTT LABORATORIES | 0.68 | 14.063 | 20,602,148.04 | 45.3750 | 66,474,375.00 | 996,200.00 | 45,872,227.00 |
| 300,000 | AIRBORNE FREIGHT CORP | 0.16 | 31.288 | 9,386,351.20 | 27.6875 | 8,306,250.00 | 48,000.00 | (1,080,101.00) |
| 190,000 | ALASKA AIR GROUP | 0.00 | 37.353 | 7,097,014.30 | 41.7500 | 7,932,500.00 | 0.00 | 835,486.00 |
| 900,000 | ALLSTATE CORPORATION | 0.60 | 18.594 | 16,734,171.60 | 35.8750 | 32,287,500.00 | 540,000.00 | 15,553,328.00 |
| 150,000 | ALLTEL CORPORATION | 1.22 | 65.826 | 9,873,949.80 | 71.5000 | 10,725,000.00 | 183,000.00 | 851,050.00 |
| 510,000 | AMERICA ONLINE | 0.00 | 70.958 | 36,188,666.30 | 110.0000 | 56,100,000.00 | 0.00 | 19,911,334.00 |
| 485,000 | AMERICAN EXPRESS | 0.92 | 105.366 | 51,102,706.26 | 130.1250 | 63,110,625.00 | 446,200.00 | 12,007,919.00 |
| 670,000 | AMERICAN INT'L GROUP | 0.24 | 31.081 | 20,824,153.01 | 117.2500 | 78,557,500.00 | 160,800.00 | 57,733,347.00 |
| 655,000 | AMGEN | 0.00 | 70.603 | 46,244,928.50 | 60.8750 | 39,873,125.00 | 0.00 | (6,371,804.00) |
| 850,000 | APPLIED MATERIALS | 0.00 | 35.702 | 30,347,005.50 | 73.8750 | 62,793,750.00 | 0.00 | 32,446,745.00 |
| 1,275,000 | AT&T CORP | 0.88 | 40.147 | 51,187,692.00 | 55.8125 | 71,160,937.50 | 1,122,000.00 | 19,973,246.00 |
| 1,200,000 | AUTOMATIC DATA PROCESSING | 0.31 | 14.504 | 17,404,707.38 | 44.0000 | 52,800,000.00 | 372,000.00 | 35,395,293.00 |
| 200,000 | BANK OF AMERICA CORPORATION | 1.80 | 68.365 | 13,673,020.00 | 73.3125 | 14,662,500.00 | 360,000.00 | 989,480.00 |
| 200,000 | BANK OF NEW YORK | 0.56 | 38.105 | 7,620,989.42 | 36.6875 | 7,337,500.00 | 112,000.00 | (283,489.00) |
| 1,066,500 | BANK ONE CORPORATION | 1.68 | 23.896 | 25,485,367.15 | 59.5625 | 63,523,406.25 | 1,791,720.00 | 38,038,039.00 |
| 700,000 | BESTFOODS | 0.98 | 24.088 | 16,861,602.62 | 49.5000 | 34,650,000.00 | 686,000.00 | 17,788,397.00 |
| 1,000,000 | BIOGEN INC | 0.00 | 47.516 | 47,516,038.50 | 64.3125 | 64,312,500.00 | 0.00 | 16,796,462.00 |
| 1,000,000 | BRISTOL-MYERS SQUIBB CO. | 0.88 | 55.052 | 55,052,141.95 | 70.4375 | 70,437,500.00 | 880,000.00 | 15,385,358.00 |
| 1,236,000 | CABLEVISION SYSTEMS CORP | 0.00 | 52.734 | 65,179,298.13 | 70.0000 | 86,520,000.00 | 0.00 | 21,340,702.00 |
| 500,000 | CHASE MANHATTAN CORP | 1.64 | 38.926 | 19,462,875.00 | 86.5000 | 43,250,000.00 | 820,000.00 | 23,787,125.00 |
| 1,800,000 | CISCO SYSTEMS | 0.00 | 17.304 | 31,146,427.50 | 64.4375 | 115,987,500.00 | 0.00 | 84,841,073.00 |
| 450,000 | CITIGROUP, INC. | 0.56 | 40.366 | 18,164,850.00 | 47.5000 | 21,375,000.00 | 252,000.00 | 3,210,150.00 |
| 150,000 | CMS ENERGY | 1.32 | 48.550 | 7,282,500.00 | 41.8750 | 6,281,250.00 | 198,000.00 | (1,001,250.00) |
| 150,000 | COCA-COLA CO | 0.64 | 78.316 | 11,747,343.75 | 62.0000 | 9,300,000.00 | 96,000.00 | (2,447,344.00) |
| 2,500,000 | COMCAST CORP. | 0.00 | 31.836 | 79,591,215.30 | 38.4375 | 96,093,750.00 | 0.00 | 16,502,535.00 |
| 1,380,000 | COMPUWARE CORPORATION | 0.00 | 34.677 | 47,854,527.70 | 31.8125 | 43,901,250.00 | 0.00 | (3,953,278.00) |
| 550,000 | CONTINENTAL AIRLINES | 0.00 | 51.400 | 28,270,140.50 | 37.6250 | 20,693,750.00 | 0.00 | (7,576,391.00) |
| 995,000 | COSTCO COMPANIES, INC. | 0.00 | 68.142 | 67,800,861.00 | 80.0625 | 79,662,187.50 | 0.00 | 11,861,327.00 |
| 1,440,000 | CVS CORP | 0.24 | 19.220 | 27,677,358.52 | 50.7500 | 73,080,000.00 | 345,600.00 | 45,402,641.00 |
| 500,000 | DANA CORP | 1.24 | 41.302 | 20,650,994.19 | 46.0625 | 23,031,250.00 | 620,000.00 | 2,380,256.00 |
| 640,000 | DAYTON HUDSON | 0.40 | 55.710 | 35,654,484.60 | 65.0000 | 41,600,000.00 | 256,000.00 | 5,945,515.00 |
| 120,000 | DUKE ENERGY | 2.20 | 60.050 | 7,206,000.00 | 54.4375 | 6,532,500.00 | 264,000.00 | (673,500.00) |
| 530,000 | ELECTRONIC DATA SYSTEMS | 0.60 | 33.332 | 17,666,221.31 | 56.6250 | 30,011,250.00 | 318,000.00 | 12,345,029.00 |
| 1,446,000 | EMC CORP | 0.00 | 23.158 | 33,486,781.20 | 55.0000 | 79,530,000.00 | 0.00 | 46,043,219.00 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS OWNED**
**JUNE 30, 1999**



**COMMON STOCK PORTFOLIO**

| Shares | Description | Div Rate | Book Cost per Share | Book Cost | Market Price | Market Value | Annual Income | Gain or (Loss) Amount |
|---|---|---|---|---|---|---|---|---|
| 650,000 | EMERSON ELECTRIC | 1.30 | 41.931 | 27,255,334.66 | 62.9375 | 40,909,375.00 | 845,000.00 | 13,654,040.00 |
| 500,000 | ENRON CORPORATION | 1.00 | 36.490 | 18,244,900.92 | 81.7500 | 40,875,000.00 | 500,000.00 | 22,630,099.00 |
| 385,000 | EXPRESS SCRIPTS | 0.00 | 32.903 | 12,667,755.24 | 60.1875 | 23,172,187.50 | 0.00 | 10,504,432.00 |
| 150,000 | FIRST DATA CORP | 0.08 | 33.034 | 4,955,171.55 | 48.9375 | 7,340,625.00 | 12,000.00 | 2,385,453.00 |
| 300,000 | FIRST UNION CORP | 1.88 | 51.558 | 15,467,415.00 | 47.1250 | 14,137,500.00 | 564,000.00 | (1,329,915.00) |
| 435,000 | FOX ENTERTAINMENT GRP, INC. A | 0.00 | 27.838 | 12,109,436.98 | 26.9375 | 11,717,812.50 | 0.00 | (391,624.00) |
| 500,000 | FPL GROUP, INC. | 2.08 | 33.605 | 16,802,594.85 | 54.6250 | 27,312,500.00 | 1,040,000.00 | 10,509,905.00 |
| 400,000 | FURNITURE BRANDS INTERNATIONAL | 0.00 | 25.661 | 10,264,366.73 | 27.8750 | 11,150,000.00 | 0.00 | 885,633.00 |
| 1,630,000 | GENERAL NUTRITION COMPANIES | 0.00 | 19.369 | 31,571,421.10 | 23.3125 | 37,999,375.00 | 0.00 | 6,427,954.00 |
| 300,000 | GENERAL TEL & ELECTRONICS | 1.88 | 29.275 | 8,782,455.81 | 75.5000 | 22,650,000.00 | 564,000.00 | 13,867,544.00 |
| 1,470,000 | HOME DEPOT | 0.12 | 15.341 | 22,550,835.00 | 64.4375 | 94,723,125.00 | 176,400.00 | 72,172,290.00 |
| 525,000 | ILLINOIS TOOL WORKS | 0.60 | 26.304 | 13,809,408.75 | 81.7500 | 42,918,750.00 | 315,000.00 | 29,109,341.00 |
| 940,000 | IMS HEALTH, INC. | 0.08 | 35.363 | 33,241,110.91 | 31.2500 | 29,375,000.00 | 75,200.00 | (3,866,111.00) |
| 1,300,000 | INTEL CORPORATION | 0.12 | 42.849 | 55,703,184.00 | 59.5000 | 77,350,000.00 | 156,000.00 | 21,646,816.00 |
| 930,000 | INTERNATIONAL BUSINESS MACH. | 0.48 | 24.410 | 22,701,387.00 | 129.2500 | 120,202,500.00 | 446,400.00 | 97,501,113.00 |
| 600,000 | JABIL CIRCUIT | 0.00 | 40.813 | 24,487,672.61 | 45.1250 | 27,075,000.00 | 0.00 | 2,587,327.00 |
| 150,000 | JOHNSON CONTROLS | 1.00 | 63.493 | 9,523,917.59 | 69.3125 | 10,396,875.00 | 150,000.00 | 872,957.00 |
| 400,000 | KIMBERLY-CLARK CORPORATION | 1.04 | 28.537 | 11,414,673.15 | 57.0000 | 22,800,000.00 | 416,000.00 | 11,385,327.00 |
| 260,000 | LEXMARK INTERNATIONAL GROUP | 0.00 | 50.265 | 13,069,004.00 | 65.5000 | 17,030,000.00 | 0.00 | 3,960,996.00 |
| 165,000 | LILLY ELI | 0.92 | 45.817 | 7,559,842.68 | 71.6250 | 11,818,125.00 | 151,800.00 | 4,258,282.00 |
| 216,000 | LUCENT TECHNOLOGIES INC. | 0.08 | 11.735 | 2,534,752.15 | 67.4375 | 14,566,500.00 | 17,280.00 | 12,031,748.00 |
| 1,450,000 | MBNA CORP | 0.28 | 11.984 | 17,376,765.00 | 30.6250 | 44,406,250.00 | 406,000.00 | 27,029,485.00 |
| 800,000 | MCI WORLDCOM INC. | 0.00 | 49.794 | 39,834,997.50 | 86.0625 | 68,850,000.00 | 0.00 | 29,015,003.00 |
| 680,000 | MERCK & CO. | 1.08 | 27.954 | 19,008,616.10 | 73.6250 | 50,065,000.00 | 734,400.00 | 31,056,384.00 |
| 1,255,000 | MICROSOFT CORPORATION | 0.00 | 76.202 | 95,633,133.80 | 90.1875 | 113,185,312.50 | 0.00 | 17,552,179.00 |
| 375,000 | MOBIL OIL COMPANY | 2.28 | 72.252 | 27,094,439.08 | 98.7500 | 37,031,250.00 | 855,000.00 | 9,936,811.00 |
| 1,125,000 | NEWS CORPORATION | 0.07 | 21.768 | 24,489,305.64 | 35.3125 | 39,726,562.50 | 78,750.00 | 15,237,257.00 |
| 440,000 | NOKIA CORPORATION | 0.37 | 72.579 | 31,934,690.64 | 91.5625 | 40,287,500.00 | 162,800.00 | 8,352,809.00 |
| 450,000 | NORTEL NETWORKS CORP | 0.30 | 63.096 | 28,393,061.94 | 86.8125 | 39,065,625.00 | 135,000.00 | 10,672,563.00 |
| 360,000 | NORTH FORK BANCORPORATION | 0.60 | 21.459 | 7,725,407.40 | 21.3750 | 7,695,000.00 | 216,000.00 | (30,407.00) |
| 3,000,000 | OFFICEMAX INC. | 0.00 | 13.687 | 41,061,837.31 | 12.0000 | 36,000,000.00 | 0.00 | (5,061,837.00) |
| 286,000 | PFIZER INC. | 0.88 | 71.540 | 20,460,375.00 | 109.0000 | 31,174,000.00 | 251,680.00 | 10,713,625.00 |
| 350,000 | PITNEY BOWES, INC. | 1.02 | 20.444 | 7,155,569.06 | 64.2500 | 22,487,500.00 | 357,000.00 | 15,331,931.00 |
| 450,000 | PPG INDUSTRIES | 1.52 | 25.948 | 11,676,638.12 | 59.0625 | 26,578,125.00 | 684,000.00 | 14,901,487.00 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**INVESTMENTS OWNED**
**JUNE 30, 1999**



**COMMON STOCK PORTFOLIO**

| Shares | Description | Div Rate | Book Cost per Share | Book Cost | Market Price | Market Value | Annual Income | Gain or (Loss) Amount |
|---|---|---|---|---|---|---|---|---|
| 1,500,000 | SAFEWAY INC | 0.00 | 31.975 | 47,962,146.44 | 49.5000 | 74,250,000.00 | 0.00 | 26,287,854.00 |
| 1,200,000 | SAKS INCORPORATED | 0.00 | 34.627 | 41,552,145.07 | 28.8750 | 34,650,000.00 | 0.00 | (6,902,145.00) |
| 525,000 | SBC COMMUNICATIONS INC. | 0.98 | 53.945 | 28,321,030.00 | 58.0000 | 30,450,000.00 | 514,500.00 | 2,128,970.00 |
| 1,300,000 | SCHERING-PLOUGH CORP | 0.52 | 12.545 | 16,308,064.58 | 52.5000 | 68,250,000.00 | 676,000.00 | 51,941,935.00 |
| 460,000 | SCHOLASTIC CORPORATION | 0.00 | 44.422 | 20,434,338.00 | 50.6250 | 23,287,500.00 | 0.00 | 2,853,162.00 |
| 150,000 | SEALED AIR | 0.00 | 62.961 | 9,444,135.00 | 64.8750 | 9,731,250.00 | 0.00 | 287,115.00 |
| 300,000 | SOLUTIA INC. | 0.04 | 19.151 | 5,745,238.48 | 21.3125 | 6,393,750.00 | 12,000.00 | 648,512.00 |
| 400,000 | STARBUCKS CORP. | 0.00 | 18.603 | 7,441,346.41 | 37.5625 | 15,025,000.00 | 0.00 | 7,583,654.00 |
| 655,000 | STERLING SOFTWARE | 0.00 | 20.568 | 13,471,976.72 | 26.4375 | 17,316,562.50 | 0.00 | 3,844,586.00 |
| 580,000 | TEXACO INC. | 1.80 | 63.736 | 36,967,101.00 | 62.3750 | 36,177,500.00 | 1,044,000.00 | (789,601.00) |
| 150,000 | TEXAS UTILITIES | 2.30 | 47.014 | 7,052,085.00 | 41.4375 | 6,215,625.00 | 345,000.00 | (836,460.00) |
| 742,878 | TYCO INTERNATIONAL LTD. | 0.10 | 60.960 | 45,285,607.92 | 94.7500 | 70,387,690.50 | 74,288.00 | 25,102,083.00 |
| 285,000 | UNIVISION COMMUNICATIONS | 0.00 | 34.970 | 9,966,495.20 | 65.0000 | 18,525,000.00 | 0.00 | 8,558,505.00 |
| 500,000 | VODAFONE AIRTOUCH PLC | 1.04 | 107.574 | 53,786,998.86 | 197.0000 | 98,500,000.00 | 520,000.00 | 44,713,001.00 |
| 1,550,000 | WALGREEN COMPANY | 0.13 | 6.996 | 10,843,234.10 | 29.3750 | 45,531,250.00 | 201,500.00 | 34,688,016.00 |
| 524,000 | WAL-MART STORES | 0.20 | 49.830 | 26,111,075.60 | 48.2500 | 25,283,000.00 | 104,800.00 | (828,076.00) |
| 500,000 | WARNER-LAMBERT | 0.80 | 69.895 | 34,947,355.45 | 69.1250 | 34,562,500.00 | 400,000.00 | (384,855.00) |
| 850,000 | XIRCOM, INC. | 0.00 | 33.225 | 28,241,027.80 | 30.0625 | 25,553,125.00 | 0.00 | (2,687,903.00) |
| 700,000 | ZEBRA TECHNOLOGIES A | 0.00 | 31.397 | 21,977,786.25 | 38.4375 | 26,906,250.00 | 0.00 | 4,928,464.00 |
| | **TOTALS** | | | **2,214,465,197.38** | | **3,510,963,034.25** | **24,069,318.00** | **1,296,497,840.00** |

**STATE OF ARIZONA**

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**

**INVESTMENTS OWNED**

**JUNE 30, 1999**

**OTHER INVESTMENTS PORTFOLIO**

| Security | Coupon | Maturity | Book Cost | Current Value | Gain or Loss | Annual Income | Book Yield |
|---|---|---|---|---|---|---|---|
| ***SBA LOANS*** | | | | | | | |
| ALL UNLIMITED--SBA | 9.750 | 05/01/09 | 512,227.74 | 512,227.74 | 0.00 | 49,942.20 | 9.8% |
| ASAYO HOLDINGS, LTD.--SBA | 9.500 | 07/01/10 | 538,549.21 | 538,549.21 | 0.00 | 51,162.17 | 9.5% |
| DECO TURTLE L.P. | 9.625 | 03/15/15 | 526,367.05 | 526,367.05 | 0.00 | 50,662.83 | 9.6% |
| EQUITY PARTNERSHIP | 9.250 | 03/31/08 | 1,358,371.19 | 1,358,371.19 | 0.00 | 125,649.34 | 9.3% |
| NIARKOS--SBA | 10.000 | 05/01/14 | 576,893.00 | 576,893.00 | 0.00 | 57,689.30 | 10.0% |
| **TOTAL SBA LOANS** | | | **3,512,408.19** | **3,512,408.19** | **0.00** | **335,105.84** | **9.5%** |
| ***BRIDGE FINANCIAL LOANS*** | | | | | | | |
| BRIDGE FINANCIAL--15 E. MONROE | 12.500 | 01/05/00 | 1,184,000.00 | 1,184,000.00 | 0.00 | 148,000.00 | 12.5% |
| BRIDGE FINANCIAL--69TH & BELL | 12.750 | 10/07/99 | 1,600,000.00 | 1,600,000.00 | 0.00 | 204,000.00 | 12.8% |
| BRIDGE FINANCIAL--BEAVER CREEK G.C. | 13.000 | 08/04/99 | 672,000.00 | 672,000.00 | 0.00 | 87,360.00 | 13.0% |
| BRIDGE FINANCIAL--CRYSTAL SPRINGS | 12.750 | 08/17/99 | 1,045,600.00 | 1,045,600.00 | 0.00 | 133,314.00 | 12.8% |
| BRIDGE FINANCIAL--DESERT MIRAGE GC | 11.500 | 09/09/00 | 1,248,000.00 | 1,248,000.00 | 0.00 | 143,520.00 | 11.5% |
| BRIDGE FINANCIAL--GRAND INN | 12.500 | 09/25/00 | 1,600,000.00 | 1,600,000.00 | 0.00 | 200,000.00 | 12.5% |
| BRIDGE FINANCIAL--HAWTHORN SUITES | 12.500 | 05/08/00 | 2,560,000.00 | 2,560,000.00 | 0.00 | 320,000.00 | 12.5% |
| BRIDGE FINANCIAL--HILTON HOTEL LAND | 13.000 | 10/20/99 | 876,800.00 | 876,800.00 | 0.00 | 113,984.00 | 13.0% |
| BRIDGE FINANCIAL--LAKE PLEASANT | 14.000 | 10/26/99 | 8,000,000.00 | 8,000,000.00 | 0.00 | 1,120,000.00 | 14.0% |
| BRIDGE FINANCIAL--PECOS & COOPER | 12.875 | 10/05/99 | 1,024,000.00 | 1,024,000.00 | 0.00 | 131,840.00 | 12.9% |
| BRIDGE FINANCIAL--PIONEER INDUST. PARK | 15.000 | 05/24/99 | 1,192,375.20 | 1,192,375.20 | 0.00 | 178,856.28 | 15.0% |
| BRIDGE FINANCIAL--SCOTTSDALE LINKS | 11.500 | 03/21/01 | 1,232,000.00 | 1,232,000.00 | 0.00 | 141,680.00 | 11.5% |
| BRIDGE FINANCIAL--SHEA MEDICAL PLAZA | 12.000 | 12/01/99 | 3,200,000.00 | 3,200,000.00 | 0.00 | 384,000.00 | 12.0% |
| BRIDGE FINANCIAL--STETSON HILLS | 14.000 | 10/16/99 | 1,708,800.00 | 1,708,800.00 | 0.00 | 239,232.00 | 14.0% |
| BRIDGE FINANCIAL--SUN VALLEY II (SPUR | 13.125 | 09/17/99 | 1,827,200.00 | 1,827,200.00 | 0.00 | 239,820.00 | 13.1% |
| **TOTAL BRIDGE FINANCIAL LOANS** | | | **28,970,775.20** | **28,970,775.20** | **0.00** | **3,785,606.28** | **13.1%** |
| ***MISCELLANEOUS*** | | | | | | | |
| ARIZONA GROWTH PARTNERS, L.P. | 0.000 | 06/30/23 | 1,000.00 | 1,000.00 | 0.00 | 0.00 | 0.0% |
| DESERT TROON PROPERTIES | 10.000 | 03/01/03 | 11,000,000.00 | 11,000,000.00 | 0.00 | 1,100,000.00 | 10.0% |
| PEBBLECREEK PROPERTIES L.P. | 10.000 | 02/19/02 | 5,304,472.79 | 5,304,472.79 | 0.00 | 530,447.28 | 10.0% |
| TALLEY PROPERTIES | 12.000 | 12/01/01 | 1,868,750.00 | 1,868,750.00 | 0.00 | 224,250.00 | 12.0% |
| WALKER COTTON SEED, INC. | 14.000 | 12/20/06 | 56,738.17 | 56,738.17 | 0.00 | 7,943.34 | 14.0% |
| **TOTAL MISCELLANEOUS** | | | **18,230,960.96** | **18,230,960.96** | **0.00** | **1,862,640.62** | **10.2%** |
| **TOTAL BEFORE L.L.C.** | | | **50,714,144.35** | **50,714,144.35** | **0.00** | **5,983,352.75** | **11.8%** |
| ***L.L.C.*** | | | | | | | |
| CRYSTAL GARDENS PROPERTIES, LLC | 10.000 | 04/20/00 | 6,805,204.74 | 6,805,204.74 | 0.00 | 680,520.47 | 10.0% |
| DESERT TROON PROPERTIES,LLC-SUMMIT PRJCT | 10.000 | 06/24/07 | 6,000,000.00 | 6,000,000.00 | 0.00 | 600,000.00 | 10.0% |
| DESERT TROON,LLC | | | 12,160,000.00 | 12,160,000.00 | 0.00 | 0.00 | 0.0% |
| PIVOTAL X,LLC | | | 30,888,000.00 | 30,888,000.00 | 0.00 | 0.00 | 0.0% |
| **TOTAL L.L.C.** | | | **55,853,204.74** | **55,853,204.74** | **0.00** | **1,280,520.47** | **2.3%** |
| **TOTAL OTHER INVESTMENTS** | | | **106,567,349.09** | **106,567,349.09** | **0.00** | **7,263,873.22** | **6.8%** |

# ACTUARIAL SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

THIRTY-FIRST COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 1999


Actuarial Certification Statement

Actuarial Balance Sheet – All Employees

Summary of Valuation Methods and Assumptions

Solvency Test

Summary of Active Member Data

Schedule of Retirants and Beneficiaries

Schedule of Experience Gain / (Loss)

**GABRIEL, ROEDER, SMITH & COMPANY**
**Consultants & Actuaries**

1000 Town Center • Suite 1000 • Southfield, Michigan 48075 • 248-799-9000 • 800-521-0498 • fax 248-799-9020

September 22, 1999

The Fund Manager
Arizona Public Safety Personnel
Retirement System
1020 East Missouri
Phoenix, Arizona 85014

Attention: Jack Cross, Administrator

We certify that the June 30, 1999 annual actuarial valuation of the Arizona Public Safety Personnel Retirement System, determining the June 30, 1999 actuarial assets and liabilities for participating groups, were made in accordance with recognized actuarial methods.

The data, submitted by the Administrator, was checked for completeness and year to year consistency but was not otherwise audited. The data was used by the actuary to generate all of the schedules in the actuarial section of the CAFR, and the Schedule of Funding Progress in the Financial Section.

Actuarial assets are computed on a smoothed market basis which spreads differences between actual and assumed investment return over a four year period.

We believe the actuarial assumptions, which are related to the experience of the System, provide a reasonable measure of liabilities and contribution requirements of the System. The actuarial assumptions were adopted by the Fund Manager based on the recommendations of the System's actuary. A complete experience analysis is performed every 5 years, the most recent 5 year period ended June 30, 1998. The assumptions and methods conform to the parameters established in Governmental Accounting Standards Board Statement 25. Actuarial gains (losses) are amortized as level percents of payroll over 20 years.

The results of the valuations indicate that the obligations of the System are being funded as incurred. Actuarial accrued liabilities are 120.3% funded, which is a superior achievement realized well ahead of schedule. The excellent current actuarial condition is primarily attributable to superior investment returns over an extended period.

Respectfully submitted,

Sandra W. Rodwan/sig

Sandra W. Rodwan
Member, American Academy of Actuaries

SWR:md
Enclosure

# Arizona Public Safety Personnel Retirement System
# Actuarial Balance Sheet as of June 30, 1999

## Actuarial Assets

| | | |
|---|---|---|
| Accrued assets | | |
| Member accumulated contributions | $ 395,990,517 | |
| Employer and benefit payment reserves | 3,116,959,934 | |
| Funding value adjustment | 942,320,094 | |
| Total accrued assets* | | $4,455,270,545 |
| Prospective assets (computed value) | | |
| Member contributions | 521,194,442 | |
| Employer normal costs | 735,110,958 | |
| Employer unfunded actuarial accrued liability | (627,048,889) | |
| Total prospective assets | | 629,256,511 |
| **Total Actuarial Assets** | | $5,084,527,056 |

** Includes $746,019,685 reserve for payment of ad hoc pension increases. The net funding value of assets is $3,709,250,860.*

## Actuarial Present Values (Liability)

| | | |
|---|---|---|
| Pensions in payment status | | |
| Service pensions | $1,023,304,444 | |
| Disability pensions | 163,312,534 | |
| Survivor pensions | 100,451,859 | |
| Health insurance | 41,259,155 | |
| Total benefit values | | $1,328,327,992 |
| Prospective pension payments for future retirements | | 2,942,252,878 |
| Prospective health insurance payments for future retirements | | 62,646,437 |
| Prospective refunds of members contributions | | 5,280,064 |
| Reserve for ad hoc pension increases | | 746,019,685 |
| **Total Actuarial Present Value of Benefits (Liability)** | | $5,084,527,056 |

## SUMMARY OF PLAN PROVISIONS

See Note 1 in the Notes to the Financial Statements.

## SUMMARY OF VALUATION METHODS

The ***actuarial cost method*** used for the valuation was the individual entry age normal cost method.

***Normal cost contributions*** were computed as follows:

The series of contributions, payable from date of employment, sufficient to accumulate at time of retirement the discounted value of each member's projected pension and potential survivors pension was computed, using the assumptions summarized on the following pages, so that each contribution in the series is a constant percentage of the member's year by year projected compensation (entry age normal cost).

***Actuarial accrued liability*** was computed and financed as follows:

(1) Retirants and beneficiaries. The discounted value of pensions likely to be paid retired members and their potential survivors were computed using the investment return and mortality assumptions. The computed amount was reduced by applicable valuation assets and the unfunded amount, if any, was amortized over an open period of 20 years from July 1, 1999.

(2) Active members and former members. The actuarial accrued liability associated with service rendered prior to the valuation date, including experience gains and losses, was computed using the investment return, mortality and other factors outlined on the following pages. The computed amount was reduced by applicable valuation assets and the unfunded amount, if any, was amortized over an open period of 20 years from July 1, 1999. If valuation assets exceed the actuarial accrued liability, the excess was amortized over an open period of 20 years and applied as a credit toward the computed normal cost.

## SUMMARY OF VALUATION ASSUMPTIONS

***The rate of investment return*** used was 9.0 percent a year, compounded annually. This assumption was first used for the June 30, 1984 valuations. The assumption consists of 3.5% for assuming maturity and principal risks and 5.5% in recognition of inflation. These components, adopted by the Fund Manager, as recommended by the system's actuary, were revised for the June 30, 1989 annual valuations. This assumption is used to discount the value of future payments.

***The rates of salary increase*** used are in accordance with the following graded table. These assumptions, adopted by the Fund Manager, as recommended by the System's actuary, were first used for the June 30, 1989 valuations. The assumption consists of 5.5% in recognition of inflation, a graded allowance for promotion and longevity, and 1.0% for other across-the-board factors.

The assumption is used to project current salaries to those upon which pension amounts will be based.

| | Percent Increase in Salary During Following Year | | |
|---|---|---|---|
| Sample Ages | Inflation | Promotion and Longevity | Other |
| 20 | 5.50% | 3.00% | 1.00% |
| 25 | 5.50 | 3.00 | 1.00 |
| 30 | 5.50 | 2.60 | 1.00 |
| 35 | 5.50 | 1.10 | 1.00 |
| 40 | 5.50 | 0.20 | 1.00 |
| 45 | 5.50 | 0.20 | 1.00 |
| 50 | 5.50 | 0.20 | 1.00 |
| 55 | 5.50 | 0.10 | 1.00 |
| 60 | 5.50 | - | 1.00 |
| 65 | 5.50 | - | 1.00 |

**SUMMARY OF VALUATION ASSUMPTIONS (continued)**

***Return on Investment:*** 9.0% per year, compounded yearly (no change).

***Non-Disability Mortality rates:*** 1971 Group Annuity Mortality Table Projected to 2000 (Male), female ages set back 6 years. (First used for June 30, 1999 valuation.)

***Disability Mortality rates:*** 1971 Group Annuity Mortality Table Projected to 1984 (Male), female ages set back 6 years.

These assumptions, adopted by the Fund Manager, as recommended by the system's actuary, were first used for the June 30, 1999 valuations.

| Sample Ages | Deaths per 1,000 | | Single Life Retirement Values | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Non-Disability Table | | Disability Table | | Non-Disability Table | | Disability Table | |
| | | | Present Value of $100 Monthly for Life | | Present Value of $100 Monthly for Life | | Future Life Expectancy (years) | | Future Life Expectancy (years) | |
| | Men | Women | Men | Women | Men | Women | Men | Women | Men | Women |
| 20 | 0.4 | 0.3 | | | | | 56.86 | 62.72 | 55.98 | 61.84 |
| 25 | 0.5 | 0.4 | | | | | 51.98 | 57.83 | 51.12 | 56.96 |
| 30 | 0.7 | 0.5 | | | | | 47.12 | 52.95 | 43.27 | 52.09 |
| 35 | 0.9 | 0.6 | | | | | 42.29 | 48.09 | 41.46 | 47.24 |
| 40 | 1.4 | 0.9 | $12930 | $13,272 | $12,861 | $13,225 | 37.51 | 43.25 | 36.69 | 42.42 |
| 45 | 2.4 | 1.2 | 12,522 | 12,997 | 12,430 | 12,933 | 32.80 | 38.46 | 32.01 | 37.64 |
| 50 | 4.4 | 2.1 | 11,997 | 12,613 | 11,879 | 12,526 | 28.28 | 33.73 | 27.53 | 32.93 |
| 55 | 7.1 | 3.9 | 11,342 | 12,112 | 11,199 | 11,999 | 23.98 | 29.17 | 23.28 | 28.40 |
| 60 | 10.9 | 6.5 | 10,513 | 11,485 | 10,346 | 11,347 | 19.90 | 24.82 | 19.27 | 24.11 |
| 65 | 17.7 | 9.9 | 9,490 | 10,694 | 9,308 | 10,532 | 16.09 | 20.70 | 15.55 | 20.05 |
| 70 | 30.7 | 15.9 | 8,326 | 9,710 | 8,145 | 9,530 | 12.69 | 16.82 | 12.25 | 16.27 |
| 75 | 48.4 | 27.4 | 7,124 | 8,564 | 6,963 | 8,382 | 9.82 | 13.32 | 9.49 | 12.87 |
| 80 | 78.7 | 44.6 | 5,879 | 7,371 | 5,748 | 7,206 | 7.39 | 10.36 | 7.17 | 10.02 |
| 85 | 120.6 | 71.4 | 4,791 | 6,120 | 4,696 | 5,983 | 5.57 | 7.83 | 5.43 | 7.59 |
| 90 | 171.3 | 111.7 | 3,864 | 4,994 | 3,796 | 4,893 | 4.19 | 5.89 | 4.10 | 5.74 |

The ***rates of retirement*** used to measure the probability of eligible members retiring were as follows:

| Service | Percent of Active Members Retiring During Next Year | | | |
|---|---|---|---|---|
| | Police Low | Police High | Fire Low | Fire High |
| 20 | 25% | 40% | 15% | 30% |
| 21 | 10 | 16 | 5 | 10 |
| 22 | 10 | 16 | 5 | 15 |
| 23 | 10 | 16 | 5 | 10 |
| 24 | 5 | 5 | 5 | 10 |
| 25 | 25 | 40 | 20 | 40 |
| 26 | 10 | 15 | 15 | 15 |
| 27 | 10 | 20 | 10 | 20 |
| 28 | 15 | 30 | 10 | 30 |
| 29 | 20 | 50 | 10 | 50 |
| 30 | 10 | 75 | 20 | 75 |
| 31 | 10 | 75 | 25 | 75 |
| 32 | 60 | 75 | 60 | 75 |
| 33 | 75 | 75 | 75 | 75 |
| 34 | 75 | 75 | 75 | 75 |
| 35 | 75 | 75 | 75 | 75 |
| 36 | 75 | 75 | 75 | 75 |
| 37 | 75 | 75 | 75 | 75 |
| 38 | 75 | 75 | 75 | 75 |
| 39 | 75 | 75 | 75 | 75 |

Active members with at least 40 years of service are assumed to retire within the year. Members who do not acquire 20 years of service prior to age 62 are assumed to retire upon first eligibility following age 62.

These rates, adopted by the Fund Manager, as recommended by the System's actuary, were first used for the June 30, 1999 valuations.

**SUMMARY OF VALUATION ASSUMPTIONS (continued)**

The ***rates of separation*** for active membership were as follows:

These rates, adopted by the Fund Manger, as recommended by the System's actuary, were first used for the June 30, 1999 valuations. Rates do not apply to members eligible to retire and do not include separation on account of death. This assumption measures the probabilities of members remaining in employment.

| Sample Ages | Years of Service | Percent of Active Members Separating Within Next Year | | | | Disability | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Police Officers | | Firefighters | | Police | | Fire | |
| | | Low | High | Low | High | Low | High | Low | High |
| ALL | 0 | 20.00% | 25.00% | 8.00% | 10.00% | (all years of service) | | | |
| | 1 | 8.50 | 15.00 | 3.00 | 7.00 | | | | |
| | 2 | 3.00 | 7.50 | 2.00 | 4.00 | | | | |
| | 3 | 2.50 | 7.00 | 1.00 | 4.00 | | | | |
| | 4 | 2.00 | 5.00 | 0.60 | 4.00 | | | | |
| 25 | 5 & Over | 1.00 | 2.50 | 0.60 | 2.50 | 0.15% | 0.15% | 0.12% | 0.14% |
| 30 | | 1.00 | 2.50 | 0.40 | 2.50 | 0.16 | 0.16 | 0.13 | 0.14 |
| 35 | | 0.95 | 2.35 | 0.35 | 1.70 | 0.23 | 0.23 | 0.18 | 0.21 |
| 40 | | 0.85 | 2.10 | 0.30 | 1.50 | 0.34 | 0.34 | 0.27 | 0.31 |
| 45 | | 0.75 | 1.85 | 0.20 | 1.50 | 0.52 | 0.52 | 0.42 | 0.47 |
| 50 | | 0.65 | 1.75 | 0.10 | 1.50 | 0.83 | 0.83 | 0.66 | 0.75 |
| 55 | | 0.55 | 1.75 | 0.10 | 1.50 | 1.45 | 1.45 | 1.16 | 1.30 |
| 60 | | 0.50 | 1.75 | 0.10 | 1.50 | 2.00 | 2.00 | 1.60 | 1.80 |

Separations from active employment (other than retirement or death) assumed for employer groups.

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SOLVENCY TEST**

SOLVENCY TEST – Testing the financial solvency of a retirement system 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 system are level in concept and soundly executed, and if the system continues its present operations pattern for the indefinite future, the system will pay all promised benefits when due—the ultimate test of financial soundness.

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

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

In a system 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 system 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.

| | Aggregate Accrued Liabilities For | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | Portion Of Accrued Liabilities Covered by Net Assets Available for Benefits | | |
| Valuation Date | (1) Active Member Contributions | (2) Retirants And Beneficiaries | (3) Active Members (Employer Financed Portion) | Valuation Assets Available for Benefits (2) | (1) | (2) | (3) |
| 6-30-83 [1] | $ 90,348 | $ 150,042 | $ 316,842 | $ 519,155 | 100% | 100% | 88.0% |
| 6-30-84* | 101,786 | 180,804 | 334,779 | 599,945 | 100 | 100 | 94.8 |
| 6-30-85* | 115,671 | 214,203 | 376,905 | 693,159 | 100 | 100 | 96.4 |
| 6-30-86* | 130,489 | 248,134 | 423,415 | 816,882 | 100 | 100 | 100.0 |
| 6-30-87* [1] | 149,457 | 276,817 | 488,815 | 919,931 | 100 | 100 | 100.0 |
| 6-30-88* | 169,445 | 306,598 | 550,208 | 1,037,988 | 100 | 100 | 100.0 |
| 6-30-89* [1] | 188,660 | 360,069 | 607,773 | 1,164,003 | 100 | 100 | 100.0 |
| 6-30-90* | 206,052 | 419,548 | 697,181 | 1,297,562 | 100 | 100 | 96.4 |
| 6-30-91* | 227,287 | 471,289 | 772,202 | 1,432,023 | 100 | 100 | 95.0 |
| 6-30-92* | 246,692 | 553,619 | 805,579 | 1,595,739 | 100 | 100 | 98.7 |
| 6-30-93* | 256,431 | 688,360 | 813,955 | 1,769,345 | 100 | 100 | 100.0 |
| 6-30-94 | 276,375 | 763,017 | 892,654 | 1,945,166 | 100 | 100 | 100.0 |
| 6-30-95 | 297,619 | 858,965 | 961,149 | 2,181,351 | 100 | 100 | 100.0 |
| 6-30-96 | 321,660 | 948,959 | 1,057,657 | 2,487,953 | 100 | 100 | 100.0 |
| 6-30-97 | 344,167 | 1,045,721 | 1,143,547 | 2,915,173 | 100 | 100 | 100.0 |
| 6-30-98 | 368,729 | 1,140,194 | 1,235,075 | 3,192,627 | 100 | 100 | 100.0 |
| 6-30-99 | $395,991 | $1,328,328 | $1,357,883 | $3,709,251 | 100 | 100% | 100.0% |

See notes on page 22.

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUMMARY OF ACTIVE MEMBER DATA**

Listed below is a summary of Active Members by age group, years of service and annual compensation. The summary points out that 1,915 active members were eligible for retirement on June 30, 1999, compared to 1,811 for the prior year.

**SUMMARY OF ACTIVE MEMBERS**

| | | | | | | | | T O T A L S | |
|---|---|---|---|---|---|---|---|---|---|
| Attained | YEARS OF SERVICE TO VALUATION DATE | | | | | | | | Valuation |
| Age | 0 - 4 | 5 - 9 | 10 – 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 Plus | No. | Payroll |
| 20 - 24 | 396 | 1 | | | | | | 397 | $ 12,911,875 |
| 25 - 29 | 1,948 | 275 | | | | | | 2,223 | 83,638,552 |
| 30 - 34 | 1,478 | 1,119 | 311 | | | | | 2,908 | 124,868,020 |
| 35 - 39 | 620 | 855 | 1,112 | 324 | 1 | | | 2,912 | 141,998,319 |
| 40 - 44 | 226 | 360 | 636 | 896 | 285 | 2 | | 2,405 | 128,855,085 |
| 45 - 49 | 90 | 152 | 332 | 459 | 611 | 193 | 1 | 1,838 | 105,814,945 |
| 50 - 54 | 37 | 75 | 128 | 216 | 284 | 285 | 39 | 1,064 | 62,278,504 |
| 55 - 59 | 7 | 18 | 52 | 58 | 53 | 78 | 46 | 312 | 17,933,506 |
| 60 - 69 | 2 | | 12 | 18 | 14 | 7 | 15 | 68 | 3,818,441 |
| 70 | | | | | | | 1 | 1 | 67,149 |
| Totals | 4,804 | 2,855 | 2,583 | 1,971 | 1,248 | 565 | 102 | 14,128 | $ 682,184,396 |

Listed below is a Comparative Schedule of the changes in active members since 6-30-78:

**COMPARATIVE SCHEDULE**

| | | | | A V E R A G E | | | |
|---|---|---|---|---|---|---|---|
| Fiscal Year Ended | Participating Units | Active Members | Total Payroll (+000) | Age | Service | Pay | Percentage Increase in Average Pay |
| 6-30-78 | 57 | 6,554 | $ 109,359 | 34.1 yrs | 7.9 yrs | $16,686 | 10.0% |
| 6-30-79 | 64 | 6,842 | 125,667 | 34.2 | 8.0 | 18,367 | 10.1 |
| 6-30-80 | 71 | 7,264 | 144,371 | 34.1 | 7.9 | 19,875 | 8.2 |
| 6-30-81 | 83 | 7,559 | 165,055 | 34.3 | 8.1 | 21,836 | 9.9 |
| 6-30-82 | 91 | 7,750 | 185,650 | 34.7 | 8.3 | 23,955 | 9.7 |
| 6-30-83 | 101 | 7,835 | 199,736 | 35.0 | 8.6 | 25,493 | 6.4 |
| 6-30-84 | 107 | 8,039 | 217,163 | 35.1 | 8.8 | 27,014 | 6.0 |
| 6-30-85 | 106 | 8,536 | 244,094 | 35.2 | 8.7 | 28,596 | 5.9 |
| 6-30-86 | 110 | 8,774 | 268,511 | 35.5 | 8.9 | 30,603 | 7.0 |
| 6-30-87 | 113 | 9,331 | 299,559 | 35.7 | 9.0 | 32,104 | 4.9 |
| 6-30-88 | 115 | 9,600 | 321,750 | 36.1 | 9.4 | 33,516 | 4.6 |
| 6-30-89 | 123 | 9,858 | 345,743 | 36.4 | 9.7 | 35,072 | 4.6 |
| 6-30-90 | 130 | 10,125 | 371,950 | 36.6 | 9.8 | 36,736 | 4.7 |
| 6-30-91 | 135 | 10,612 | 402,687 | 36.8 | 10.0 | 37,946 | 3.3 |
| 6-30-92 | 137 | 10,686 | 415,471 | 37.2 | 11.3 | 38,880 | 2.5 |
| 6-30-93 | 145 | 10,872 | 425,811 | 37.3 | 10.3 | 39,166 | 0.7 |
| 6-30-94 | 150 | 11,303 | 451,022 | 37.4 | 10.4 | 39,903 | 1.9 |
| 6-30-95 | 155 | 11,971 | 496,063 | 37.4 | 10.3 | 41,439 | 3.8 |
| 6-30-96 | 162 | 12,477 | 541,231 | 37.6 | 10.3 | 43,378 | 4.7 |
| 6-30-97 | 162 | 13,109 | 579,341 | 37.6 | 10.3 | 44,194 | (0.2) |
| 6-30-98 | 169 | 13,635 | 625,222 | 37.8 | 10.3 | 45,854 | 3.8 |
| 6-30-99 | 171 | 14,128 | $682,184 | 37.8 yrs | 10.3 yrs | $48,286 | 5.3% |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SCHEDULE OF RETIRANTS AND BENEFICIARIES**

| Valuation Date | Number Removed From roles | Number added to roles | Total | Annual Pensions | Percent Increase | Average Pension |
|---|---|---|---|---|---|---|
| 6-30-92 | | | 3,184 | $56,057,423 | 14.2% | $17,606 |
| 6-30-93 | | | 3,674 | $69,708,702 | 24.4% | $19,182 |
| 6-30-94 | 30 | 141 | 3,785 | $77,548,220 | 11.2% | $20,707 |
| 6-30-95 | 61 | 275 | 3,999 | $85,544,670 | 10.3% | $21,608 |
| 6-30-96 | 67 | 318 | 4,250 | $94,897,897 | 10.9% | $22,541 |
| 6-30-97 | 81 | 311 | 4,480 | $104,374,026 | 10.0% | $23,508 |
| 6-30-98 | 75 | 335 | 4,740 | $115,542,977 | 10.7% | $24,584 |
| 6-30-99 | 73 | 423 | 5,090 | $132,364,761 | 14.6% | $26,211 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SCHEDULE OF EXPERIENCE GAIN/(LOSS)**
**YEAR ENDED JUNE 30,1999**

| | Year Ended June 30 ($ Thousands) | | | |
|---|---|---|---|---|
| | **1999** | **1998** | **1997** | **1996** |
| (1) UAAL at start of year | $(448,629) | $(381,738) | $(159,677) | $(63,618) |
| (2) Normal cost | +118,768 | +109,851 | +101,391 | +93,141 |
| (3) Funding method contributions | -96,069 | -88,416 | -80,755 | -83,261 |
| (4) Interest accrual | -39,355 | -33,392 | -15,280 | -5,291 |
| (5) Expected UAAL before changes | (465,285) | (393,695) | (154,321) | (59,029) |
| (6) Change from amendments | 88,894 | none | none | none |
| (7) Change from assumption revision | (12,974) | none | none | none |
| (8) Expected UAAL after changes | (389,365) | (393,695) | (154,321) | (59,029) |
| (9) Actual UAAL | (627,049) | (448,629) | (381,738) | (159,677) |
| (10) Gain(+)/Loss(-) (8)-(9) | +237,684 | +54,934* | +227,417 | +100,648 |
| (11) Percent of actuarial accrued liability | 8.7% | 2.2% | 9.0% | 4.3% |

**Includes effect of the change in the computation of excess earnings credited to the future benefit increase reserve to total return rather than net effective yield.*

The gain/loss is calculated exclusive of the assets and liabilities associated with the future benefit increase reserve.

The overall experience of the Retirement System during the year ended June 30, 1999 was favorable, generating an experience gain of $238 million (approximately 8.7% of the actuarial accrued liability). The gain was primarily the result of recognized investment income in excess of the long-term assumed rate and salary increases which were less than assumed.

# STATISTICAL SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

THIRTY-FIRST COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 1999

Schedule of Revenues by Source and Expenses by Type

Schedule of Benefit Expenses by Type

Summary of Retired Member and Survivor Data

Summary of Benefit Increases

Participating Employers

Summary of Growth of the System

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SCHEDULE OF REVENUES BY SOURCE AND EXPENSES BY TYPE**

**REVENUES**

| Fiscal Year | Member ** Contributions | Employer Contributions* Direct Payments | Insurance Premium Tax | Percent of Annual Covered Payroll | Investment Income*** | Total |
|---|---|---|---|---|---|---|
| 1990 | $28,049,530 | $19,854,866 | $6,885,751 | 6.72% | $123,321,968 | $178,111,115 |
| | 16% | 11% | 4% | | 69% | 100% |
| 1991 | $30,392,870 | $23,984,837 | $3,860,423 | 7.01% | $134,468,900 | $192,707,030 |
| | 16% | 12% | 2% | | 70% | 100% |
| 1992 | $30,487,894 | $28,723,991 | $7,089,585 | 8.10% | $158,382,801 | $224,684,271 |
| | 14% | 13% | 3% | | 70% | 100% |
| 1993 | $30,982,571 | $33,777,972 | $7,554,072 | 8.73% | $173,241,734 | $245,556,349 |
| | 13% | 14% | 3% | | 70% | 100% |
| 1994 | $33,393,715 | $34,120,463 | $7,077,413 | 8.16% | $167,558,270 | $242,149,861 |
| | 14% | 14% | 3% | | 69% | 100% |
| 1995 | $35,341,047 | $32,917,493 | $7,538,453 | 7.66% | $199,847,112 | $275,644,105 |
| | 13% | 12% | 3% | | 72% | 100% |
| 1996 | $39,500,494 | $37,734,258 | $8,635,684 | 7.85% | $390,992,147 | $312,162,637 |
| | 13% | 12% | 3% | | 72% | 100% |
| 1997 | $39,788,668 | $42,760,823 | $9,709,146 | 8.11% | $644,440,774 | $736,699,411 |
| | 6% | 6% | 1% | | 87% | 100% |
| 1998 | $43,094,843 | $38,287,697 | $7,033,235 | 6.36% | $751,063,958 | $839,479,733 |
| | 5% | 5% | 1% | | 89% | 100% |
| 1999 | $51,684,448 | $36,512,536 | $7,871,808 | 5.82% | $723,670,288 | $819,739,080 |
| | 6% | 5% | 1% | | 88% | 100% |

**EXPENSES**

| Fiscal Year | Benefits | Admin & Invest Expenses | Refunds | Total |
|---|---|---|---|---|
| 1990 | $42,024,981 | $681,396 | $2,378,899 | $45,085,276 |
| | 93% | 2% | 5% | 100% |
| 1991 | $47,753,834 | $732,495 | $1,975,573 | $50,461,902 |
| | 95% | 1% | 4% | 100% |
| 1992 | $54,068,104 | $682,652 | $1,956,319 | $56,707,075 |
| | 95% | 1% | 4% | 100% |
| 1993 | $65,787,637 | $747,779 | $2,006,416 | $68,541,832 |
| | 96% | 1% | 3% | 100% |
| 1994 | $74,512,008 | $764,719 | $2,107,933 | $77,384,660 |
| | 96% | 1% | 3% | 100% |
| 1995 | $83,992,275 | $801,898 | $2,172,524 | $86,966,697 |
| | 97% | 1% | 2% | 100% |
| 1996 | $92,851,755 | $839,944 | $2,251,458 | $95,943,157 |
| | 97% | 1% | 2% | 100% |
| 1997 | $102,404,128 | $864,850 | $2,866,764 | $106,135,742 |
| | 96% | 1% | 3% | 100% |
| 1998 | $112,374,125 | $878,120 | $3,020,135 | $116,272,380 |
| | 97% | 1% | 2% | 100% |
| 1999 | $125,879,371 | $925,090 | $3,317,624 | $130,119,085 |
| | 97% | 1% | 2% | 100% |

**NOTE:** *Contributions were made in accordance with actuarially determined contribution requirements. The Employer contributions reported above are equal to the annual required contributions.
**The member contribution rate was 8% until fiscal year 1992 when it was reduced to 7.65% of covered payroll. Some employers have elected to pick up part of the member contributions.
***Prior to fiscal year 1996, Investment income includes only realized gains and losses. See note 2.

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SCHEDULE OF BENEFIT EXPENSES BY TYPE**

| Fiscal Year | Normal Benefits | Disability Benefits | Survivor Benefits | Insurance Benefits | Totals |
|---|---|---|---|---|---|
| 1987 | $22,180,419<br>82% | $2,588,194<br>10% | $2,259,776<br>8% | - | $27,028,389<br>100% |
| 1988 | $24,445,979<br>82% | $2,731,143<br>9% | $2,563,086<br>9% | - | $29,740,208<br>100% |
| 1989 | $27,706,016<br>81% | $3,018,943<br>9% | $3,085,000<br>9% | $ 292,628<br>1% | $34,102,587<br>100% |
| 1990 | $33,823,643<br>80% | $3,644,963<br>9% | $3,679,641<br>9% | $ 876,734<br>2% | $42,024,981<br>100% |
| 1991 | $38,029,200<br>80% | $4,329,314<br>9% | $4,250,266<br>9% | $1,145,054<br>2% | $47,753,834<br>100% |
| 1992 | $43,171,260<br>80% | $4,860,391<br>9% | $4,736,125<br>9% | $1,300,328<br>2% | $54,068,104<br>100% |
| 1993 | $52,846,300<br>80% | $6,009,143<br>9% | $5,352,177<br>8% | $1,580,017<br>3% | $65,787,637<br>100% |
| 1994 | $59,780,201 80% | $7,068,362<br>10% | $5,872,280<br>8% | $1,791,165<br>2% | $74,512,008<br>100% |
| 1995 | $66,599,816<br>79% | $8,246,615<br>10% | $6,540,242<br>8% | $2,605,602<br>3% | $83,992,275<br>100% |
| 1996 | $73,343,074<br>79% | $9,359,298<br>10% | $7,205,537<br>8% | $2,943,846<br>3% | $92,851,755<br>100% |
| 1997 | $80,258,423<br>78% | $10,871,547<br>11% | $8,079,674<br>8% | $3,194,484<br>3% | $102,404,128<br>100% |
| 1998 | $87,459,220<br>78% | $12,460,407<br>11% | $8,853,712<br>8% | $3,600,786<br>3% | $112,374,125<br>100% |
| 1999 | $97,432,778<br>77% | $14,628,479<br>12% | $9,883,152<br>8% | $3,934,962<br>3% | $125,879,371<br>100% |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUMMARY OF RETIRED MEMBER AND SURVIVOR DATA**

The following statement presents an analysis of the benefit changes that have taken place during the past ten years. The number of retired members and the amount of annual pensions has increased at compounded annual rates of 6.2% and 11.3% over the last five years.

**COMPARATIVE SCHEDULE**

| | Retired | | | | | | Ratio of |
|---|---|---|---|---|---|---|---|
| Year Ended | Normal | Disability | Survivors | Totals | Annual Pensions | Average Pension | Active to Retired |
| 6-30-86 | 1,513 | 248 | 335 | 2,096 | $25,526,417 | $12,179 | 4.2 to 1 |
| 6-30-87 | 1,612 | 258 | 350 | 2,220 | 28,531,465 | 12,852 | 4.2 to 1 |
| 6-30-88 | 1,709 | 264 | 371 | 2,344 | 31,608,067 | 13,485 | 4.1 to 1 |
| 6-30-89 | 1,839 | 280 | 410 | 2,529 | 36,286,530 | 14,348 | 3.9 to 1 |
| 6-30-90 | 2,003 | 322 | 446 | 2,771 | 43,514,479 | 15,704 | 3.7 to 1 |
| 6-30-91 | 2,134 | 349 | 486 | 2,969 | 49,103,054 | 16,539 | 3.6 to 1 |
| 6-30-92 | 2,314 | 363 | 507 | 3,184 | 56,057,423 | 17,606 | 3.4 to 1 |
| 6-30-93 | 2,697 | 417 | 520 | 3,634 | 69,708,702 | 19,182 | 3.0 to 1 |
| 6-30-94 | 2,756 | 436 | 553 | 3,745 | 77,548,220 | 20,707 | 3.0 to 1 |
| 6-30-95 | 2,914 | 471 | 574 | 3,959 | 85,544,676 | 21,608 | 3.0 to 1 |
| 6-30-96 | 3,082 | 527 | 601 | 4,210 | 94,897,897 | 22,541 | 3.0 to 1 |
| 6-30-97 | 3,240 | 573 | 627 | 4,440 | 104,374,026 | 23,508 | 3.0 to 1 |
| 6-30-98 | 3,415 | 626 | 659 | 4,700 | 115,542,977 | 24,584 | 2.9 to 1 |
| 6-30-99 | 3,655 | 694 | 701 | 5,050 | $132,364,761 | $26,211 | 2.8 to 1 |

Set forth below is a summary of pensions being paid to retired members and survivors:

**SUMMARIES OF RETIRED MEMBERS AND SURVIVORS - JUNE 30, 1999**

| Pensions Being Paid | | Number | Annual Pensions | Average Pensions |
|---|---|---|---|---|
| Retired Members | - Service Pensions | 3,655 | $104,580,168 | $28,613 |
| | - Disability Pensions | 694 | 15,878,994 | 22,880 |
| | TOTALS | 4,349 | $120,459,162 | $27,698 |
| Survivors of Members | - Spouses | 671 | $11,632,489 | $17,336 |
| | - Children with Guardians | 30 | 273,110 | 9,104 |
| | TOTALS | 701 | $11,905,599 | $16,984 |
| | TOTAL PENSIONS BEING PAID | 5,050 | $132,364,761 | $26,211 |

| | Average Age (yrs) | Average Service (yrs) | Average Age at Retirement (yrs) |
|---|---|---|---|
| Normal retired members: | 59.4 | 22.85 | 49.5 |
| Disability retired members: | 52.1 | 13.9 | 42.9 |
| Spouse beneficiaries: | 63.6 | 17.1 | 44.4 |

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUMMARY OF BENEFIT INCREASES**

State law provides for an annual benefit increase for retirees or their survivors who are over age fifty-five on the effective day of the increase and for disability retirees regardless of age. These increases are dependent upon the production of excess earnings on part of the assets of the Fund and are limited to four percent of the average benefit being paid to retirees and their survivors. The following schedule summarizes the statutorily-designed process of calculating the monthly benefit increases effective each July 1st.

**BENEFIT INCREASE SCHEDULE**

| Fiscal Year Ended | Excess Yield per Statute* | Excess Earnings Assets*** | Excess Earnings | Monthly Benefit Increase Fundable | Maximum per Statutory 4% Cap | Lesser of Two - Increase Awarded |
|---|---|---|---|---|---|---|
| 6-30-85 | 2.85% | $214,202,673 | $ 6,104,776 | | | |
| | Investment earnings on balance | | 902,896** | | | |
| | Amount utilized: 7-1-86 increase | | ( 4,482,398) | $ 50.00 | $ 36.17 | $ 36.17 |
| 6-30-86 | 5.79% | $248,133,744 | $ 14,366,944 | | | |
| | Amount available: 7-1-87 increase | | $ 16,892,218 | $ 120.00** | $ 38.59 | $ 38.59 |
| | Investment earnings on balance | | 1,859,833 | | | |
| | Amount utilized: 7-1-87 increase | | ( 5,185,664) | | | |
| 6-30-87 | 2.01% | $276,817,044 | $ 5,564,023 | | | |
| | Amount available: 7-1-88 increase | | $19,130,410 | $ 110.00** | $ 42.84 | $ 42.84 |
| | Investment earnings on balance | | 2,027,823 | | | |
| | Amount utilized: 7-1-88 increase | | ( 6,319,400) | | | |
| 6-30-88 | 1.60% | $306,597,600 | $ 4,905,562 | | | |
| | Amount available: 7-1-89 increase | | $ 19,744,395 | $ 95.00** | $ 44.95 | $ 44.95 |
| | Investment earnings on balance | | 1,986,286 | | | |
| | Amount utilized: 7-1-89 increase | | ( 7,236,088) | | | |
| 6-30-89 | 1.06% | $360,069,033 | $ 3,816,732 | | | |
| | Amount available: 7-1-90 increase | | $18,311,325 | $ 55.00** | $ 47.83 | $ 47.83 |
| | Investment earnings on balance | | 1,919,027 | | | |
| | Amount utilized: 7-1-90 increase | | ( 7,635,888) | | | |
| 6-30-90 | 1.48% | $430,743,103 | $ 6,374,998 | | | |
| | Amount available: 7-1-91 increase | | $ 18,969,462 | $ 75.00** | $ 52.35 | $ 52.35 |
| | Investment earnings on balance | | 1,940,576 | | | |
| | Amount utilized: 7-1-91 increase | | ( 10,212,948) | | | |
| 6-30-91 | 1.23% | $484,159,254 | $ 5,955,159 | | | |
| | Amount available: 7-1-92 increase | | $ 16,652,249 | $ 70.00 | $ 55.13 | $ 55.13 |
| | Investment earnings on balance | | 1,815,095 | | | |
| | Amount utilized: 7-1-92 increase | | ( 11,984,957) | | | |
| 6-30-92 | 1.90% | $757,998,498 | $ 14,401,971 | | | |
| | Amount available: 7-1-93 increase | | $ 20,884,358 | $ 80.00 | $ 58.69 | $ 58.69 |
| | Investment earnings on balance | | 2,234,626 | | | |
| | Amount utilized: 7-1-93 increase | | ( 13,063,068) | | | |

**SUMMARY OF BENEFIT INCREASES** (Continued)

| Fiscal Year Ended | Excess Yield per Statute* | Excess Earnings Assets*** | Excess Earnings | Monthly Benefit Increase Fundable | Maximum per Statutory 4% Cap | Lesser of Two - Increase Awarded |
|---|---|---|---|---|---|---|
| 6-30-93 | 1.70% | $842,142,928 | $ 14,316,430 | | | |
| | Amount available: 7-1-94 increase | | $ 24,372,346 | $ 90.00 | $ 63.94 | $ 63.94 |
| | Investment earnings on balance | | 2,278,814 | | | |
| | Amount utilized: 7-1-94 increase | | ( 15,878,424) | | | |
| 6-30-94 | .35% | $926,038,066 | $ 3,241,133 | | | |
| | Amount available: 7-1-95 increase | | $ 14,013,869 | $ 45.00 | $69.02 | $ 45.00 |
| | Investment earnings on balance | | 1,433,619 | | | |
| | Amount utilized: 7-1-95 increase | | ( 12,092,280) | | | |
| 6-30-95 | 1.23% | $1,019,971,216 | $ 12,545,646 | | | |
| | Amount available: 7-1-96 increase | | $15,900,854 | $ 50.00 | $72.03 | $ 50.00 |
| | Investment earnings on balance | | 1,677,540 | | | |
| | Amount utilized: 7-1-96 increase | | ( 15,055,224) | | | |
| 6-30-96 | 1.55% | $1,121,106,488 | $ 17,377,151 | | | |
| | Amount available: 7-1-97 increase | | $ 19,900,321 | $ 55.00 | $ 75.14 | $ 55.00 |
| | Investment earnings on balance | | 2,202,966 | | | |
| | Amount utilized: 7-1-97 increase | | (17,529,672) | | | |
| 6-30-97 | 2.07% | $1,545,766,186 | 31,997,360 | | | |
| | Amount available: 7-1-98 increase | | 36,570,975 | $80.00 | $78.36 | $78.36 |
| | Investment earnings on balance | | 8,129,728 | | | |
| | Amount utilized: 7-1-98 increase | | (26,935,849) | | | |
| | Prior Excess Earnings Transferred per HB 2496 | | 256,823,185 | | | |
| 6-30-98 | 13.23% | $1,876,344,607 | $248,240,392 | | | |
| | Amount available: 7-1-99 increase | | $522,828,431 | $1,335.00 | $81.95 | $81.95 |
| | Investment earnings on balance | | 92,540,632 | | | |
| | Amount utilized: 7-1-99 increase | | (42,154,215) | | | |
| 6-30-99 | 8.70% | $1,986,262,497 | $172,804,837 | | | |
| | Amount available: 7-1-00 increase | | $746,019,685 | $1,375.00 | $87.37 | $87.37 |

*Net effective yield less actuarial yield per statute of 9%. Beginning 6/30/98, total return less actuarial yield per statute of 9%.

**In 1989 Senate Bill 1129 was signed into law and became effective September15, 1989. This bill required future earnings on the excess account to be added back to the excess earnings account. In 1990 House Bill 2495 was signed into law and was effective August15, 1990. This bill required earnings on the excess earnings account between June 30, 1986, and September 15, 1989, be added to the excess earnings account. The Monthly Benefit Increase Fundable Amount prior to 7-1-91 has not been recalculated to reflect the effects of this retroactive legislation.

***Amount equal to retired reserves until 6-30-92 when the assets to be used was changed to one-half of the average net total assets as published in the annual report (market value was used beginning 6/30/97).

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**PARTICIPATING EMPLOYERS**

Apache County Sheriffs
Apache Junction Fire District
Arizona State University Campus Police
Avondale Fire
Avondale Police
Avra Valley Fire District
AZ State Attorney General
AZ State Capitol Police
Benson Police
Bisbee Fire
Bisbee Police
Buckeye Police
Buckskin Fire
Bullhead City Fire
Bullhead City Police
Camp Verde Marshals
Casa Grande Fire
Casa Grande Police
Central Yavapai Fire
Chandler Fire
Chandler Police
Chino Valley Fire
Chino Valley Police
Clarkdale Police
Clifton Fire
Clifton Police
Cochise County Sheriffs
Coconino County Sheriffs
Coolidge Police
Cottonwood Fire
Cottonwood Police
Daisy Mount Fire District
Department of Emergency and Military Affairs
Department of Game & Fish
Department of Public Safety
Department of Liquor License and Control
Doney Park Rural Fire
Douglas Fire
Douglas Police
Drexel Heights Fire
Eager Police
El Mirage Fire
El Mirage Police
Eloy Police
Flagstaff Fire
Flagstaff Police
Florence Police
Fort Mohave Mesa Fire
Fountain Hill Marshals
Fredonia Marshals
Fry Fire
Gila County Sheriffs
Gilbert Fire
Gilbert Police
Glendale Fire
Glendale Police
Globe Fire
Globe Police
Golden Valley Fire District
Golder Ranch Fire District
Goodyear Fire
Goodyear Police
Graham County Sheriffs
Greenlee County Attorney Investigators
Greenlee County Sheriffs
Guadalupe Fire
Holbrook Police
Hualapai Valley Fire
Kearny Police
Kingman Police
Kingman Police
La Paz County Attorney Investigators
La Paz County Sheriffs
Lake Havasu Fire
Lake Havasu Police
Laveen Fire District
Mammoth Police
Maranna Marshals
Maricopa County Attorney Investigators
Maricopa County Sheriffs
Mayer Fire District
Mesa Fire
Mesa Police
Miami Fire
Miami Police
Mohave County Sheriffs
Mohave Valley Fire
Northern Arizona University Campus Police
Navajo County Attorney Investigators
Navajo County Sheriffs
Nogales Fire
Nogales Police
Northwest Fire District
Oro Valley Police
Page Fire
Page Police
Paradise Valley Police
Parker Police
Patagonia Marshals
Payson Fire
Payson Police
Peoria Fire
Peoria Police
Phoenix Fire
Phoenix Police
Picture Rocks Fire District
Pima County Attorney Investigators
Pima County Community College Police
Pima County Sheriffs
Pima Police

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**PARTICIPATING EMPLOYERS**

Pinal County Sheriffs
Pine-Strawberry Fire
Pinetop-Lakeside Police
Prescott Fire
Prescott Police
Prescott Valley Police
Quartzsite Marshals
Safford Police
Sahuarita Police
San Luis Fire
San Luis Police
Santa Cruz County Deputies
Scottsdale Police
Sedona Fire District
Sedona Police
Showlow Police
Sierra Vista Fire
Sierra Vista Police
Snowflake Police
Somerton Fire
Somerton Police
South Tucson Fire
South Tucson Police
Springerville Police
St. Johns Police
Sun City West Fire District
Sun Lakes Fire District
Superior Police
Surprise Fire
Surprise Police
Tempe Fire
Tempe Police
Thatcher Police
Tolleson Fire
Tolleson Police
Tombstone Police
Tubac Fire District
Tucson Airport Authority Fire
Tucson Airport Authority Police
Tucson Estates Fire
Tucson Fire
Tucson Police
University of Arizona Campus Police
Verde Rural Fire District
Welton Police
Wickenburg Police
Wilcox Police
Williams Police
Winslow Fire
Winslow Police
Yavapai County Sheriffs
Youngtown Police
Yuma County Sheriffs
Yuma Fire
Yuma Police

**STATE OF ARIZONA**
**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**
**SUMMARY OF GROWTH OF THE SYSTEM**

Listed below is a table setting forth the growth of the System in some of the major areas since it was started July 1, 1968.

| Fiscal Year | Total Assets at Book | Realized Earnings from Investments | Assumed Actuarial Yield | Net Effective Yield[5] | Average Employer Cost |
|---|---|---|---|---|---|
| 1968-69 | $ 38,892,316 | $ 2,034,246 | 5.50% | 5.93% | — |
| 1969-70 | 45,368,608 | 2,199,532 | 5.50 | 5.33 | 14.49% |
| 1970-71 | 53,436,024 | 2,762,000 | 5.50 | 5.66 | 15.28 |
| 1971-72 | 65,047,747 | 4,242,551 | 5.50 | 7.33 | 15.58 |
| 1972-73 [1] | 84,362,537 | 5,297,962 | 5.50 | 7.30 | 22.13 |
| 1973-74 | 107,645,740 | 7,505,558 | 5.50 | 8.07 | 21.62 |
| 1974-75 | 135,240,197 | 9,206,170 | 5.50 | 7.85 | 20.79 |
| 1975-76 [2] | 166,054,317 | 11,453,347 | 6.50 | 7.87 | 20.24 |
| 1976-77 [2] | 198,469,142 | 13,563,347 | 6.50 | 7.70 | 16.37 |
| 1977-78 [2] | 234,790,742 | 16,463,161 | 6.50 | 8.07 | 15.34 |
| 1978-79 [2] | 276,477,938 | 20,545,314 | 7.00 | 8.36 | 15.62 |
| 1979-80 | 323,768,207 | 26,648,270 | 7.50 | 9.23 | 13.46 |
| 1980-81 [2] | 380,187,981 | 33,507,824 | 7.50 | 10.02 | 12.28 |
| 1981-82 | 446,521,727 | 42,444,841 | 8.50 | 10.85 | 11.86 |
| 1982-83 [3] | 519,164,091 | 50,436,554 | 8.50 | 11.05 | 10.61 |
| 1983-84 [2] | 599,947,817 | 57,911,781 | 9.00 | 10.94 | 10.10 |
| 1984-85 [2] | 693,159,911 | 72,204,630 | 9.00 | 11.85 | 9.16 |
| 1985-86 [2] | 816,881,983 | 103,855,044 | 9.00 | 14.79 | 7.87 |
| 1986-87 [2] | 930,734,209 | 91,102,340 | 9.00 | 11.01 | 7.67 |
| 1987-88 | 1,048,036,360 | 99,543,634 | 9.00 | 10.60 | 6.67 |
| 1988-89 [3] | 1,172,200,963 | 106,249,997 | 9.00 | 10.06 | 7.18 |
| 1989-90 | 1,305,872,179 | 123,320,968 | 9.00 | 10.48 | 6.72 |
| 1990-91 [3] | 1,448,675,091 | 134,468,900 | 9.00 | 10.23 | 7.01 |
| 1991-92 [4] | 1,616,623,400 | 158,382,801 | 9.00 | 10.90 | 8.10 |
| 1992-93 | 1,793,717,029 | 173,241,734 | 9.00 | 10.70 | 8.73 |
| 1993-94 | 1,959,179,925 | 167,558,270 | 9.00 | 9.35 | 8.16 |
| 1994-95 | 2,148,732,676 | 199,847,113 | 9.00 | 10.23 | 7.66 |
| 1995-96 | 2,367,494,985 | 226,292,201 | 9.00 | 10.55 | 7.85 |
| 1996-97 | 2,615,893,843 | 261,392,961 | 9.00 | 11.07 | 8.11 |
| 1997-98 | 2,894,319,707 | 305,281,778 | 9.00 | 11.73 | 6.36 |
| 1998-99 | 3,512,950,451 | 652,015,871 | 9.00 | 22.68 | 5.82 |
| 1999-00 | | | | | 5.29 |

1. Plan was changed from 25 years and age 55 to 20 years at any age.
2. One-time cost-of-living adjustments for retired members and survivors, effective July 1 were included in this valuation. Future increases for retirees and their survivors over age fifty-five are dependent upon excess earnings created by the Fund.
3. Significant benefit changes were enacted by the 1983 Legislature, the 1987 Legislature and the 1989 Legislature, respectively.
4. Employer contribution rate reflects the greatly-increased utilization of health insurance subsidies enacted by the 1988 and 1989 Legislature.
5. A detailed Schedule of Revenues by Source and Expenses by Type can be found in the Statistical Section.