

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

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

A PENSION TRUST FUND OF THE STATE OF ARIZONA

THIRTY-SECOND COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2000

This report was prepared by the staff of the PSPRS

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**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
THIRTY-SECOND COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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INTRODUCTORY SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
THIRTY-SECOND COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2000

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

September 11, 2000

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

Dear Governor Hull:

The Fund Manager of the Public Safety Personnel Retirement System respectfully submits the Thirty-Second Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000, 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 seventeenth year in a row the System remains more than 97% funded even in the face of improved retirement benefits. In fact, the System is 124.7% funded. This is one of the best funded plans in the country. Set forth below are some of the record-breaking highlights of the fiscal year ended June 30, 2000. Total System assets increased from \$4,841,649,236 to \$5,378,550,787 an increase of 11.1%. The fair value of the total System assets was almost 40% above cost. Benefits paid to retired members and their beneficiaries increased from \$125,879,371 to \$145,302,173. 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 4.21% for the 2001/02 fiscal year. This is a direct savings to the taxpayers of approximately \$135 million annually. The investment earnings provided 86% of the total revenue of the System. Net investment income for the year totaled \$588,132,626, which was the fourth best year on record.

The total rate of return, which includes realized as well as unrealized gains and losses, for the total fund was 12.31%. The total rates of return for the stock portfolio and bond portfolios were 15.31% and 3.50% respectively. The fund continues to outperform the market indexes (S&P 500 stock and Shearson Lehman Government/Corporate bond) on a short-term and a long-term basis. The net effective yield, which takes into account only realized gains and losses, was 10.99%.

Total administrative and investment expenses increased about 0.3% from \$925,090 last year to \$927,751 this year. Costs have increased only 44% during the past fifteen years. This increase is well below the rate of inflation (60% during this period) even though assets managed have increased 648% and the System membership has increased 95%.

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

Pat Cantelme/sig

Patrick Cantelme, Member

Ron Snodgrass/sig

Ron Snodgrass, Member

Robert Blendu/sig

Robert Blendu, Member

Betsey Bayless/sig

Betsey Bayless, Member

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
CORRECTIONS OFFICER RETIREMENT PLAN
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Michael H. Ong, J.D.
Assistant Administrator

September 11, 2000

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

Gentlemen:

There is presented herewith the Thirty-Second Comprehensive Annual Financial Report of the operations and financial conditions of the Public Safety Personnel Retirement System, State of Arizona, for the fiscal year ended June 30, 2000. Incorporated in this report are the audited financial statements and other financial data from the June 30, 2000, 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, 2000, Actuarial Valuation prepared by the System's actuary, Gabriel, Roeder, Smith & Company, Consulting Actuaries.

This report has been organized into five sections: (1) the Introductory Section containing general information regarding the operations of the PSPRS; (2) the Financial Section containing the financial reports and schedules of the funds administered by the PSPRS; (3) the Investment Section containing detailed lists of the investment transactions and portfolios of the system along with investment performance; (4) the Actuarial Section containing actuarial information regarding the funding of the pension trusts; and (5) the Statistical Section containing 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 in the Statistical Section later in this report, the investment earnings during the 1999/2000 fiscal year provided 86% of the total funding of the System. Member contributions made up 7% of total revenues, direct employer contributions made up 6% of the total revenues and insurance premium taxes provided 1% of the total revenues. Please refer to the Statistical Section for a ten-year history of revenues and expenses.

ADMINISTRATIVE AND INVESTMENT EXPENSES

The 1999/2000 Administrative and Investment Expenses of the Administrative Office totaled \$927,751 compared to \$925,090 for the prior year. This is only 44% higher than the total for fiscal year 1984/1985. This is a compounded annual rate of increase of 2.45% over the last fifteen 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 fifteen years even though inflation, membership and assets managed have increased substantially during this same period (over 60%, over 95%, and over 648%, respectively).

INVESTMENTS

Since the System is well-funded, 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 9.27% U. S. Government Securities, 9.88% Corporate Bonds, 2.28% Other Investments, 0.92% Corporate Notes, 0.04% insured Money Market Funds and 77.61% Common Stocks. All investments are 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 applicable Index in six of the last ten years. This extraordinary performance resulted in a net effective yield of 10.99% and a total rate of return of 12.31% for the 1999/2000 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, 2000, is 124.7% which is well ahead of schedule. One hundred and twenty of the 181 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 System. While each employer has a different contribution rate, the average for the entire System for the 2001/2002 fiscal year is 4.21% of gross payroll. Of the 181 groups that make up the System, twenty will be affected by the 2% floor enacted by recent legislation; and, 68 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 the 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 in monthly benefits 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
July 1, 2001 - \$93.24

Cumulative Total - \$931.41

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 of the United States and Canada (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, 1999. This was the sixth consecutive year that the System has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

SUMMARY

The System's actuary, Gabriel, Roeder, Smith & Company, summarized the results of the latest Actuarial Valuation as of June 30, 2000, as follows:

The results of the valuations indicate that Retirement System benefit obligations are being funded as incurred. Current assets are 124.7% of actuarial accrued liability. 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, 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-two 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 4.21%. Funding has increased to 124.7%. Over just the past twelve years, investment income and total assets of the System have more than tripled. I am proud to have been a part of the System's management team and I look forward to the System's continued success in the future.

Respectfully submitted,

Jack M. Cross/sig

Jack M. Cross, C.P.A., CFA
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, 1999

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.



Cary Brueckner
President
Jeffrey L. Essler
Executive Director

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

THE FUND MANAGER

		<u>Term Expires</u>
Donald L. De Ment Retired City Clerk City of Tucson	Chairman	January 2003
Pat Cantelme Retired Firefighter City of Phoenix	Member	January 2002
Robert Blendu Public Member	Member	January 2002
Ron Snodgrass Police Officer City of Phoenix	Member	January 2001
Betsey Bayless Secretary of State State of Arizona	Member	January 2003

PROFESSIONAL ADVISORS

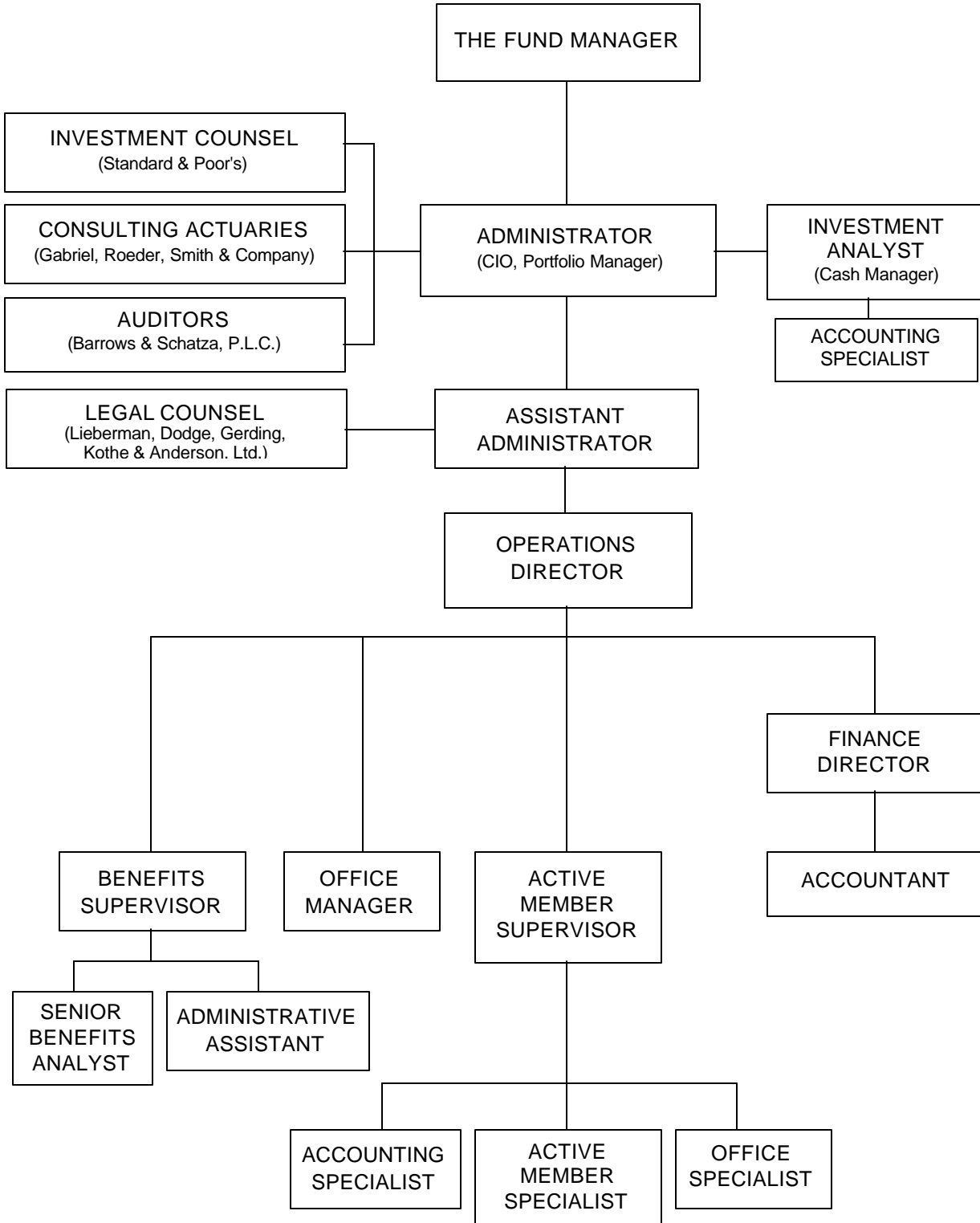
Standard & Poor's	Investment Counsel
Gabriel, Roeder, Smith & Company	Consulting Actuaries
Barrows & Schatza, P.L.C.	Auditors
Lieberman, Dodge, Gerding, Kothe & Anderson, Ltd.	Legal Counsel

ADMINISTRATIVE STAFF

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

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**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
ORGANIZATIONAL CHART**



FINANCIAL SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
THIRTY-SECOND COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2000

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, 2000, and Unfunded Accrued Normal Costs at June 30, 1999
Statement of Changes in Refundable Member Reserves Fiscal Year Ended June 30, 2000

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, 2000 and 1999, 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, 2000 and 1999, 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 23 and 24, 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 25 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 2000 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

August 25, 2000

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
STATEMENTS OF SYSTEM NET ASSETS
AS OF JUNE 30, 2000 AND 1999**

	2000		1999	
	Book Cost	See Note 2	Book Cost	See Note 2
ASSETS				
Receivables				
Members' Contributions		\$ 1,526,915		\$ 2,042,141
Employers' Contributions		3,654,949		3,673,829
Interest and Dividends		26,128,071		36,408,657
Total Receivables		<u>31,309,935</u>		<u>42,124,627</u>
Investments at Fair Value (Note 2)				
U.S. Government Securities	\$ 475,315,084	495,365,954	\$ 482,192,631	512,175,047
Corporate Bonds	577,199,461	528,329,515	622,219,496	624,438,028
Corporate Notes	48,931,375	48,931,375	43,952,939	43,952,939
Corporate Stocks	2,587,505,302	4,149,828,967	2,214,465,197	3,510,963,034
Other Investments	122,094,988	122,094,988	106,567,349	106,567,349
Money Market Account	2,209,341	2,209,341	935,635	935,635
Total Investments	<u>\$ 3,813,255,551</u>	<u>5,346,760,140</u>	<u>\$ 3,470,333,247</u>	<u>4,799,032,032</u>
Property (Note 2)		480,712		492,577
Total System Assets		<u>5,378,550,787</u>		<u>4,841,649,236</u>
Collateral Held in Trust for Securities on Loan		1,272,699,149		904,877,819
Liability - Collateral Subject to Return to Borrower		<u>(1,272,699,149)</u>		<u>(904,877,819)</u>
Net Assets Held in Trust for Pension Benefits		<u>\$ 5,378,550,787</u>		<u>\$ 4,841,649,236</u>
Net Asset Reserves				
Refundable Members' Reserve		\$ 418,847,014		\$ 395,990,517
Employers' Reserve		4,097,263,035		3,699,639,034
Future Benefit Increase Reserve		862,440,738		746,019,685
Total Net Asset Reserves		<u>\$ 5,378,550,787</u>		<u>\$ 4,841,649,236</u>

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, 2000 AND 1999**

	2000	1999
Additions		
Contributions		
Members' Contributions (Notes 1 and 3)	\$ 52,451,478	\$ 51,684,448
Employers' Contributions (Notes 1 and 3)	46,890,892	44,384,344
Total Contributions	99,342,370	96,068,792
Investment Income		
Net Appreciation in Fair Value of Investments (Note 2)	468,155,806	588,827,929
Interest	95,879,268	96,590,627
Dividends	22,894,141	37,186,307
Securities Lending Activities		
Securities Lending Income	\$ 67,274,690	\$ 44,588,011
Borrower Rebates	(64,943,856)	(42,948,912)
Agents Share of Income	(815,781)	(573,674)
Net Securities Lending Income (Note 2)	1,515,053	1,065,425
	588,444,268	723,670,288
Less Investment Expense	(311,642)	(300,380)
Net Investment Income	588,132,626	723,369,908
Amounts Transferred from Other State- Sponsored Pension Plans and Service Credits Purchased--Net	658,432	668,167
Total Additions	688,133,428	820,106,867
Deductions		
Pension and Insurance Benefits (Note 1)	145,302,173	125,879,371
Refunds to Terminated Members (Note 1)	5,313,595	3,317,624
Administrative Expenses	616,109	624,710
Total Deductions	151,231,877	129,821,705
Net Increase	536,901,551	690,285,162
Net Assets Held In Trust for Pension Benefits		
Beginning of Year - July 1	4,841,649,236	4,151,364,074
End of Year - June 30	\$ 5,378,550,787	\$ 4,841,649,236

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, 2000 AND 1999**

NOTE 1 - PLAN DESCRIPTION

Organization

The Public Safety Personnel Retirement System (PSPRS) , a pension trust fund of the State of Arizona, 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 181 Local Boards.

The Fund Manager is a five-member board. Effective August 6, 1999, it became the Governor's responsibility to appoint all members of the Fund Manager, who 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 System, setting up records, setting up accounts for each member and each Local Board, paying benefits 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, 2000 and 1999, the number of participating local government employer groups was:

	2000	1999
Municipalities	118	118
Counties or County Agencies	20	19
State Agencies	9	9
Special Districts	34	25
Total Employers	181	171

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 in hazardous duty positions) covered by the PSPRS. At June 30, 2000 and 1999, statewide PSPRS membership consisted of:

	2000	1999
Retirees and beneficiaries currently receiving benefits	5442	5,050
Terminated vested employees	61	53
Current employees		
Vested	6,633	6,469
Non-vested	8,253	7,659
Total Members	20,389	19,231

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. A summary of benefits and plan provisions follows.

SUMMARY OF BENEFITS

Purpose (A.R.S. §38-841)

To provide a uniform, consistent and equitable statewide program for public safety personnel who are regularly assigned hazardous duty in the employ of the State of Arizona, or a political subdivision of this State. Membership consists of those eligible employees who are employed by an employer who entered the System in 1968 or who has entered into an agreement to join the System on behalf of an eligible group.

Eligibility (A.R.S. §38-842, paragraph 13)

Full-time paid firefighters of a participating employer who is or was regularly assigned to hazardous duty of the type normally expected of a firefighter and full-time paid certified peace officers of a participating employer who is or was regularly assigned to hazardous duty of the type normally expected of a peace officer.

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 §48-803 or §48-804 with three 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 peace 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.

Contributions (A.R.S. §38-843)

Each member shall contribute 7.65% of compensation to the system on an after-tax basis by payroll deduction. Beginning July 1, 2000, contributions to the system are made on a pre-tax basis (subsection C). Each employer shall contribute a level percent of compensation as determined by actuarial valuation to ensure proper funding for the system but not less than 2% of compensation (subsection B).

Credited Service (A.R.S. §38-842, paragraph 8)

The member's total period of service prior to the member's effective date of participation, plus those compensated periods of the member's service thereafter for which the member made contributions to the fund.

Average Monthly Compensation (A.R.S. §38-842, paragraph 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. §38-842, paragraph 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. Compensation does not include payment for unused sick leave, payment in lieu of vacation, payment for compensatory time or any other payment for fringe benefits.

Normal Retirement Date (A.R.S. §38-842, paragraph 20)

First day of month immediately following 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. §38-845.A, paragraph 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. §38-845.A, paragraph 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. §38-845.A, paragraph 2)

Deferred Retirement Option Plan (DROP) (A.R.S. §§38-844.02 through 38-844.09)

Effective July 1, 2001, a member with 25 or more years of credited service under the system may enter into a DROP program with his employer. Under the DROP program, the member must voluntarily and irrevocably elect to enter into the program with his employer for a period of up to 60 months. During the DROP period, the member remains in the employ of the employer as a full-time paid firefighter or full-time paid certified peace officer but no member or employer contributions are made to the System; therefore no additional years of credited service are accrued on the member's behalf. The member's monthly pension is calculated based upon the years of credited service and average monthly compensation at the beginning of the DROP period. This monthly pension amount is credited to a DROP participation account with interest at the rate of 9% credited monthly to the account. At the end of the DROP period or prior to that time if the member terminates employment, the monies in the DROP participation account will be either paid to the member in a lump-sum amount or, if allowed by the Internal Revenue Service, paid in a lump-sum distribution to an eligible retirement plan or individual retirement account. The member will then begin receiving the monthly pension amount directly from the System in the same amount as was being credited to the DROP participation account.

Deferred Retirement (A.R.S. §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. Under this option, there is no survivor benefit payable. The benefit is forfeited if the member elects a refund of their contributions.

Accidental Disability Retirement (Service Connected) (A.R.S. §38-842, paragraph 1, A.R.S. §38-845.B and A.R.S. §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.

Ordinary Disability Retirement (Not Service Connected)

(A.R.S. §38-842, paragraph 21 and §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.

Offset of Accidental or Ordinary Disability Pension (A.R.S. §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. §38-844.H and §38-842, paragraph 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. Member must terminate employment to receive this benefit.

Survivor Pension (A.R.S. §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. §38-846.A and §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, a dependent of the surviving spouse or guardian and either under the age of 18 or a full-time student under the age of 23 or under a disability which began before the

age of 23. (A.R.S. §38-842, paragraph 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. §38-846.C and §38-846.D)

Death Benefit (A.R.S. §38-846.F)

If a member has accumulated contributions remaining in the System at the date of death of the last pension recipient the remaining accumulated contributions are payable to the beneficiary named by the member.

Termination Refund (A.R.S. §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% if left on deposit 30 days after termination

Transfer of Contributions to Another Employer (A.R.S. §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 the credited service transferred to the member's record with the new employer, provided the member leaves the accumulated contributions on deposit with the System. 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. §38-849.C)

Members who terminate and take a refund of their contributions may elect, only upon re-employment with the same employer, to recover their prior service. To recover this prior service, their re-employment must be within two years from date of termination and they sign a written election within ninety days after re-employment to reimburse the system within one year the amount of monies refunded plus interest at the rate of 9%.

Re-employment After Retirement (A.R.S. §38-849.D)

A retired member who is re-employed by an employer shall not make contributions nor accrue credited service during the period of re-employment. Beginning July 18, 2000, if the employer from which the member retired re-employs the retired member in the same position, the retired member's pension is suspended during the period of re-employment.

Transfer Into or Out of System (A.R.S. §38-855)

A member who changes employment or transfers or is assigned to a non-eligible position because of a change in duties or otherwise may elect one of the following options:

1. Leave service credits and contributions on account with the PSPRS, except that after two years, the member must request a refund of his accumulated contributions or transfer his credited service to another state retirement plan or system.
2. Apply for refund of accumulated member contributions (forfeiting all service credits and membership rights).
3. Transfer all service credits to the Arizona retirement system or plan applicable to the new position pursuant to the requirements for transfer between Arizona state retirement systems.

A member who begins employment with a participating employer in this System and who has credited service from a different Arizona state retirement system may transfer or redeem his prior service to this System pursuant to the requirements for transfer between Arizona state retirement systems.

Redemption of Prior Service (A.R.S. §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 subsection B.

Purchase of Prior Active Military Service (A.R.S. §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. §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. 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 or older 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. §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. §38-852 and §43-1022)

Effective tax year commencing January 1, 1989, all PSPRS retirement benefits in excess of \$2500 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 \$263,350,003 for FYE 2000 and \$517,173,512 for FYE 1999.

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 judgment and care under the circumstances then prevailing which men of ordinary prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income from their funds as well as the probable safety of their capital, provided:

- 1) That not more than 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", which primarily consists of loans and real estate investments, are not considered securities for purposes 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 fair value of the loaned U.S. Government or corporate security. Securities on loan are carried at fair value. As of June 30, 2000 and 1999 the fair value of securities on loan was \$1,147,924,294 (consisting of Stocks-\$732,086,638, Corporate Bonds-\$39,800,000 and Treasuries and Agencies-\$376,037,656) and \$886,759,736 (consisting of Stocks-\$542,889,328, Corporate Bonds-\$1,708,750 and Treasuries and Agencies-\$342,161,658), 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, 2000 are not matched in maturity and have a weighted average maturity of 7 days, 8 days as of June 30, 1999. 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, 2000 and 1999 was \$11,865 and \$28,786, respectively.

Property consists of the following:

	<u>Estimated Useful Life</u>	<u>2000</u>	<u>1999</u>
Land		\$ 158,731	\$ 158,731
Building	40 years	\$ 479,596	\$ 479,596
Fixtures	3 years	\$ 55,459	\$ 55,459
		<u>\$ 693,786</u>	<u>\$ 693,786</u>
Less Accumulated Depreciation		<u>\$ 213,074</u>	<u>\$ 201,209</u>
		\$ 480,712	\$ 492,577

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, 2000, contributions totaling \$99,342,370 (\$46,890,892 employer and \$52,451,478 member) were made in accordance with contribution requirements determined by an actuarial valuation of the System as of June 30, 1998. The employer contributions consisted of \$86,513,253 for normal cost less (\$39,622,361) for amortization of the assets in excess of the actuarial accrued liability in aggregate. Employer contributions represented 5.29% of covered payroll. [9.76% for normal costs and (4.47)% for amortization of assets in excess of the actuarial accrued liability in aggregate.] Member contributions represented 7.65% of covered payroll and are all attributable to normal costs.

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 are 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.

**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) %
6-30-00	\$ 4,260,168	\$ 3,415,157	\$ (845,011)	124.7 %	\$ 751,280	(112.5) %

* 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 System.

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%; and, (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**

Fiscal Year Ended June 30	Employer Contributions	
	Annual Required Contributions	Percentage Contributed
1990	\$19,854,866	100.0%
1991	\$23,984,837	100.0%
1992	\$35,813,576	100.0%
1993	\$41,332,044	100.0%
1994	\$41,197,876	100.0%
1995	\$40,455,946	100.0%
1996	\$46,369,942	100.0%
1997	\$52,469,969	100.0%
1998	\$45,320,932	100.0%
1999	\$44,384,344	100.0%
2000	\$46,890,892	100.0%

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SUPPORTING SCHEDULE OF CHANGES IN FUND BALANCE RESERVES
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	<u>Refundable Members' Reserve</u>	<u>Employers' Reserve</u>	<u>Future Benefit Increase Reserve</u>
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 Account 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
Distribution of Revenues and Expenses:			
Members' Contributions	52,451,478		
Employers' Contributions		46,890,892	
Earnings on Investments Net of Investment Expenses		588,132,626	
Pension Benefits		(145,302,173)	
Refunds to Terminated Members	(3,480,194)	(1,833,401)	
Administrative Expenses		(616,109)	
Distribution of Transfers:			
Excess Investment Earnings to be used for Future Benefit Increases		(72,225,529)	72,225,529
Earnings on Excess Investment Earnings Account Assets		(91,835,023)	91,835,023
Amount Utilized by Benefit Increases Granted		47,639,499	(47,639,499)
Net Transfers from Other State-Sponsored Pension Plans	298,995	359,437	
Inter-System Transfers -- Member Account Balances Transferred to Employers' Reserve due to Retirement	(26,413,782)	26,413,782	
Balance -- June 30, 2000	<u>\$ 418,847,014</u>	<u>\$ 4,097,263,035</u>	<u>\$ 862,440,738</u>

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SUPPORTING SCHEDULE OF ADMINISTRATIVE AND INVESTMENT EXPENSES
SUPPORTING SCHEDULE OF PAYMENTS TO CONSULTANTS
FOR THE YEAR ENDED JUNE 30, 2000**

	<u>Administrative</u>	<u>Investment</u>	<u>Total</u>
Accounting and Auditing Services	\$ 5,700	\$ -	\$ 5,700
Actuarial Services	75,540	-	75,540
Contractual Services	16,325	7,345	23,670
Educational Expenses	7,470	28,314	35,784
Furniture and Equipment	16,027	7,211	23,238
Investment Services	-	35	35
Occupancy Expenses	23,449	3,517	26,966
Office Supplies	6,684	2,256	8,940
Payroll Taxes and Fringe Benefits	51,210	34,563	85,773
Postage Expense	27,439	4,115	31,554
Printing, Publications and Subscriptions	8,494	2,786	11,280
Professional Services	57,916	8,686	66,602
Salaries and Wages	311,883	210,499	522,382
Telephone Expense	6,684	1,592	8,276
Travel Expense	1,288	723	2,011
	<u>\$ 616,109</u>	<u>\$ 311,642</u>	<u>\$ 927,751</u>

Consultants

	<u>Fees Paid</u>
Standard & Poor's - Investment Counsel	\$ (1)
Gabriel, Roeder, Smith & Company - Consulting Actuaries	75,540
Barrows & Schatza, P.L.C. - Auditors	5,700
Lieberman, Dodge, Gerding, Kothe & Anderson Ltd. - Legal Counsel	-
	<u>\$ 81,240</u>

(1) This Service was provided to the System without charge by Standard & Poor's Securities, Inc.
The value of these services is approximately \$212,500

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SUPPLEMENTAL SCHEDULE OF
CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999**

	<u>2000</u>	<u>1999</u>
RECEIPTS:		
Members' Contributions	\$ 52,966,704	\$ 51,301,321
Employers' Contributions	46,909,772	44,253,149
Interest	96,501,584	95,963,466
Dividends	32,587,507	29,565,836
Securities Lending Income	1,479,956	1,041,405
Amounts Transferred from Other		
State-Sponsored Pension Plans	952,294	760,190
Maturities and Sales of:		
U.S. Government Securities	105,549,968	122,050,543
Corporate Bonds	81,324,146	38,833,460
Corporate Notes	5,419,238,801	5,601,915,448
Other Investments	44,051,878	28,532,903
Common Stock	1,008,224,998	1,426,399,212
Net Decrease in Money Market Fund	-	308,361
Total Receipts:	<u>6,889,787,608</u>	<u>7,440,925,294</u>
DISBURSEMENTS:		
Pension Benefits	145,302,173	125,879,371
Refunds to Terminated Members	5,313,595	3,317,624
Investment and Administrative Expenses	915,886	896,304
Amounts Transferred to Other		
State-Sponsored Pension Plans	293,862	92,023
Acquisitions of:		
U.S. Government Securities	98,746,377	69,559,040
Corporate Bonds	38,239,951	119,987,198
Corporate Notes	5,424,217,237	5,624,892,751
Other Investments	53,296,585	57,671,943
Common Stock	1,122,188,235	1,438,629,040
Property	-	-
Net Increase in Money Market Fund	1,273,707	-
Total Disbursements:	<u>6,889,787,608</u>	<u>7,440,925,294</u>
DECREASE IN CASH	-	-
BEGINNING CASH BALANCES, July 1	<u>-</u>	<u>-</u>
ENDING CASH BALANCES, June 30	<u>\$ -</u>	<u>\$ -</u>

STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 2000
AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1999

Sys No	System	Insurance							Balances June 30, 2000	Unfunded Accrued Normal Costs at June 30, 1999
		Balances June 30, 1999	Reserve Transfers	Contributions Received	Premium Tax Received	Pension Payment	Enhanced Refunds	Distribution of Earnings		
001	Bisbee Fire	\$ 3,078,271.27	\$ -	\$ 77,425.68	\$ 5,529.27	\$ (266,200.76)	\$ -	\$ 361,567.20	\$ 3,256,592.66	\$ 104,317.00
002	Casa Grande Fire	\$ 5,248,354.30	\$ 107,163.63	\$ 48,260.49	\$ 23,603.68	\$ (341,561.11)	\$ -	\$ 627,394.93	\$ 5,713,215.92	\$ (459,448.00)
003	Casa Grande PD	\$ 7,967,595.18	\$ 104,737.80	\$ 169,571.04	\$ -	\$ (536,338.42)	\$ (32,805.55)	\$ 995,043.94	\$ 8,667,803.99	\$ 100,262.00
004	Chandler Fire	\$ 15,968,132.72	\$ 135,767.82	\$ 297,086.55	\$ 252,337.41	\$ (429,020.34)	\$ -	\$ 2,177,803.90	\$ 18,402,108.06	\$ (1,396,741.00)
005	Chandler Police	\$ 20,386,639.55	\$ 401,765.11	\$ 838,714.45	\$ -	\$ (658,838.68)	\$ (21,110.07)	\$ 2,922,869.63	\$ 23,870,039.99	\$ 1,450,871.00
006	Clifton Fire	\$ 381,660.77	\$ -	\$ -	\$ 1,202.65	\$ (16,518.16)	\$ -	\$ 45,201.23	\$ 411,546.49	\$ (195,790.00)
007	Dept of Pub Safety	\$ 402,709,493.87	\$ 1,744,468.82	\$ 589.11	\$ 2,989,721.00	\$ (20,232,073.41)	\$ (21,725.76)	\$ 45,548,344.80	\$ 432,738,818.43	\$ (96,679,947.00)
008	Douglas Fire	\$ 4,574,020.51	\$ -	\$ 86,674.74	\$ 8,810.01	\$ (341,231.00)	\$ (47,727.89)	\$ 551,490.24	\$ 4,832,036.61	\$ (190,379.00)
009	Douglas Police	\$ 4,525,916.40	\$ (65,959.04)	\$ 66,039.43	\$ -	\$ (201,854.76)	\$ -	\$ 565,952.58	\$ 4,890,094.61	\$ (660,593.00)
010	Flagstaff Fire	\$ 22,209,902.33	\$ 53,865.92	\$ -	\$ 99,106.05	\$ (857,418.45)	\$ -	\$ 2,736,518.48	\$ 24,241,974.33	\$ (6,822,235.00)
011	Flagstaff Police	\$ 15,707,632.73	\$ 86,632.54	\$ 166,411.71	\$ -	\$ (808,929.84)	\$ -	\$ 1,945,375.18	\$ 17,097,122.32	\$ (1,941,979.00)
012	Glendale Fire	\$ 34,758,854.48	\$ 168,076.36	\$ 166,523.98	\$ 232,740.07	\$ (1,099,655.75)	\$ -	\$ 4,404,224.82	\$ 38,630,763.96	\$ (10,423,671.00)
013	Glendale Police	\$ 41,436,093.92	\$ 524,277.00	\$ 1,244,110.95	\$ -	\$ (2,208,420.10)	\$ (78,105.18)	\$ 5,457,581.11	\$ 46,375,537.70	\$ 2,007,831.00
014	Globe Fire	\$ 2,586,046.45	\$ -	\$ 8,805.68	\$ 7,181.08	\$ (200,415.64)	\$ -	\$ 296,731.28	\$ 2,698,348.85	\$ (496,699.00)
015	Kingman Fire	\$ 3,593,579.49	\$ 4,141.45	\$ 139,540.76	\$ 28,468.55	\$ (177,950.58)	\$ -	\$ 495,707.95	\$ 4,083,487.62	\$ 439,192.00
016	Mrcpa Cnty Sheriff	\$ 123,809,998.87	\$ 686,140.36	\$ 1,223,311.18	\$ -	\$ (6,884,844.50)	\$ (34,947.50)	\$ 14,875,284.20	\$ 133,674,942.61	\$ (25,320,683.00)
017	Mesa Fire	\$ 80,720,503.64	\$ 1,135,253.52	\$ 629,912.14	\$ 474,001.93	\$ (2,558,922.36)	\$ -	\$ 10,281,798.57	\$ 90,682,547.44	\$ (20,500,587.00)
018	Mesa Police	\$ 117,301,136.97	\$ 1,451,362.94	\$ 3,349,089.63	\$ -	\$ (5,084,039.68)	\$ (86,534.06)	\$ 14,934,896.01	\$ 131,865,911.81	\$ (23,646,273.00)
019	Miami Fire	\$ 376,286.95	\$ -	\$ -	\$ 959.86	\$ (40,593.88)	\$ -	\$ 39,128.18	\$ 375,781.11	\$ (100,007.00)
020	Nogales Fire	\$ 3,633,216.75	\$ 38,484.97	\$ 108,385.97	\$ 21,858.91	\$ (262,273.32)	\$ (2,239.76)	\$ 460,803.00	\$ 3,998,236.52	\$ (27,732.00)
021	Phoenix Fire	\$ 409,838,787.49	\$ 2,193,283.12	\$ 2,148,963.61	\$ 1,725,052.39	\$ (17,290,490.40)	\$ (4,040.68)	\$ 50,443,322.05	\$ 449,054,877.58	\$ (82,269,820.00)
022	Phoenix Police	\$ 737,637,791.07	\$ 6,770,169.08	\$ 7,737,525.08	\$ -	\$ (33,419,893.59)	\$ (166,702.26)	\$ 89,704,525.43	\$ 808,263,414.81	\$ (177,412,148.00)
023	Prescott Fire	\$ 12,262,081.21	\$ 92,063.82	\$ 74,371.59	\$ 82,790.53	\$ (662,437.95)	\$ -	\$ 1,502,413.65	\$ 13,351,282.85	\$ (1,294,999.00)
024	Prescott Police	\$ 8,744,100.63	\$ 102,065.84	\$ 247,816.82	\$ -	\$ (672,504.83)	\$ -	\$ 1,110,646.29	\$ 9,532,124.75	\$ 1,353,473.00
025	Scottsdale Police	\$ 58,864,984.14	\$ 468,129.32	\$ 1,198,070.67	\$ -	\$ (2,222,044.34)	\$ (4,715.36)	\$ 7,515,717.63	\$ 65,820,142.06	\$ (14,349,167.00)
026	Sierra Vista Fire	\$ 5,721,389.05	\$ -	\$ 18,101.60	\$ 35,682.22	\$ (113,642.62)	\$ (42,848.65)	\$ 752,756.70	\$ 6,371,438.30	\$ (1,669,511.00)
027	Tempe Fire	\$ 46,441,090.69	\$ 787,002.23	\$ 43,357.80	\$ 284,149.18	\$ (2,029,960.96)	\$ -	\$ 5,663,507.08	\$ 51,189,146.02	\$ (13,009,177.00)
028	Tempe Police	\$ 49,924,949.59	\$ 946,397.06	\$ 1,115,495.42	\$ -	\$ (2,363,591.97)	\$ (158,964.79)	\$ 6,510,181.38	\$ 55,974,466.69	\$ (1,558,337.00)
029	Tucson Fire	\$ 170,789,684.99	\$ 1,090,131.09	\$ 735,474.34	\$ 567,385.35	\$ (9,350,470.31)	\$ -	\$ 20,283,939.18	\$ 184,116,144.64	\$ (39,937,729.00)
030	Tucson Police	\$ 230,689,523.18	\$ 2,974,568.52	\$ 2,498,003.64	\$ -	\$ (11,262,083.11)	\$ (88,890.19)	\$ 27,850,460.42	\$ 252,661,582.46	\$ (62,342,181.00)
031	Winslow Fire	\$ 2,677,960.21	\$ -	\$ -	\$ 5,101.75	\$ (38,775.36)	\$ -	\$ 308,215.58	\$ 2,952,502.18	\$ (2,027,556.00)
032	Yuma Fire	\$ 23,027,062.24	\$ 169,881.77	\$ 189,907.17	\$ 65,166.84	\$ (1,686,031.35)	\$ (15,862.06)	\$ 2,709,773.58	\$ 24,459,898.19	\$ (3,465,850.00)
033	Yuma Police	\$ 26,451,661.63	\$ 400,290.66	\$ 223,766.78	\$ -	\$ (1,225,268.48)	\$ (14,096.42)	\$ 3,245,145.44	\$ 29,081,499.61	\$ (8,312,224.00)
034	Yuma Cnty Sheriff	\$ 9,426,417.69	\$ 50,657.13	\$ 169,754.20	\$ -	\$ (687,994.35)	\$ (23,902.27)	\$ 1,112,748.33	\$ 10,047,680.73	\$ (1,558,341.00)
035	Game & Fish	\$ 32,119,914.09	\$ 252,675.03	\$ 671,099.29	\$ -	\$ (2,122,376.77)	\$ -	\$ 3,971,528.78	\$ 34,892,840.42	\$ (2,271,923.00)
036	Sierra Vista Police	\$ 7,569,927.99	\$ 493,784.76	\$ 134,872.60	\$ -	\$ (330,949.83)	\$ -	\$ 1,012,621.70	\$ 8,880,257.22	\$ (759,680.00)
037	Benson Police	\$ 1,119,830.94	\$ 56,054.85	\$ 25,368.84	\$ -	\$ (34,444.57)	\$ -	\$ 149,968.35	\$ 1,316,778.41	\$ (88,135.00)
038	Bisbee Police	\$ 1,872,131.44	\$ (39,968.93)	\$ 61,246.33	\$ -	\$ (164,848.19)	\$ -	\$ 229,001.59	\$ 1,957,562.24	\$ 433,577.00
039	Pima Cnty Sheriff	\$ 101,537,860.63	\$ 718,951.87	\$ 1,303,925.57	\$ -	\$ (5,559,336.95)	\$ (111,031.29)	\$ 11,702,049.17	\$ 109,592,419.00	\$ (25,631,156.00)
040	Kingman Police	\$ 5,452,784.47	\$ 174,997.10	\$ 106,952.49	\$ -	\$ (361,726.87)	\$ (7,328.03)	\$ 680,926.06	\$ 6,046,605.22	\$ (240,046.00)
041	A.S.U. Campus PD	\$ 9,441,239.53	\$ 101,151.48	\$ 62,682.72	\$ -	\$ (502,459.86)	\$ (43,374.82)	\$ 1,120,011.79	\$ 10,179,250.84	\$ (2,896,801.00)
042	Lake Havasu Fire	\$ 12,038,080.94	\$ 51,284.05	\$ 18,608.93	\$ 94,460.54	\$ (321,006.31)	\$ -	\$ 1,552,344.30	\$ 13,433,772.45	\$ (2,735,556.00)

STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 2000
AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1999

Sys No	System	Balances		Reserve Transfers	Contributions Received	Insurance		Pension Payment	Enhanced Refunds	Distribution of Earnings	Balances		Unfunded Accrued Normal Costs at June 30, 1999
		June 30, 1999	June 30, 2000			Premium Tax Received	June 30, 2000						
043	Mhve Cnty Sheriff	\$ 9,212,822.89	\$ 10,127,454.63	\$ 2,148.22	\$ 106,006.41	\$ -	\$ (354,643.24)	\$ (15,302.34)	\$ 1,176,422.69	\$ 10,127,454.63	\$ (1,912,466.00)		
044	Bullhead City Fire	\$ 7,026,166.46	\$ 8,078,029.26	\$ 89,447.97	\$ 234,006.68	\$ 48,131.67	\$ (174,355.10)	\$ (26,591.07)	\$ 881,222.65	\$ 8,078,029.26	\$ (1,371,804.00)		
045	U of A Campus PD	\$ 5,423,310.78	\$ 5,776,712.40	\$ (16,250.32)	\$ 85,135.33	\$ -	\$ (357,093.15)	\$ (30,697.28)	\$ 672,307.04	\$ 5,776,712.40	\$ (402,391.00)		
046	Cchise Cnty Shrff	\$ 9,181,160.07	\$ 9,997,739.40	\$ 149,271.12	\$ 203,024.46	\$ -	\$ (655,058.40)	\$ (29,703.86)	\$ 1,149,046.01	\$ 9,997,739.40	\$ 182,125.00		
047	Safford Police	\$ 2,280,533.78	\$ 2,419,695.36	\$ (87,147.39)	\$ 67,720.02	\$ -	\$ (132,476.26)	\$ -	\$ 291,065.21	\$ 2,419,695.36	\$ 232,329.00		
049	Drexel Heights Fire	\$ 2,568,118.20	\$ 3,007,795.93	\$ (18,649.05)	\$ 75,013.46	\$ 22,372.27	\$ (17,246.28)	\$ -	\$ 378,187.33	\$ 3,007,795.93	\$ (688,584.00)		
050	Winslow Police	\$ 2,579,381.87	\$ 2,792,498.82	\$ 43,591.57	\$ 676.45	\$ -	\$ (132,126.10)	\$ (6,128.52)	\$ 307,103.55	\$ 2,792,498.82	\$ (762,793.00)		
051	Payson Fire	\$ 1,439,546.61	\$ 1,666,661.68	\$ -	\$ 30,928.73	\$ 29,510.02	\$ (31,655.01)	\$ -	\$ 198,331.33	\$ 1,666,661.68	\$ (227,498.00)		
052	Payson Police	\$ 2,308,951.97	\$ 2,581,879.06	\$ (42,443.08)	\$ 99,293.81	\$ -	\$ (105,742.12)	\$ -	\$ 321,818.48	\$ 2,581,879.06	\$ 598,893.00		
053	Hualapai Valley Fire	\$ 524,754.57	\$ 598,355.20	\$ (71,479.69)	\$ 51,560.42	\$ 11,103.77	\$ -	\$ -	\$ 82,416.13	\$ 598,355.20	\$ (120,724.00)		
054	Fry Fire	\$ 4,279,540.16	\$ 4,701,087.05	\$ 38,177.67	\$ 59,770.55	\$ 17,020.05	\$ (227,379.73)	\$ -	\$ 533,958.35	\$ 4,701,087.05	\$ (736,663.00)		
055	Fredonia Marshals	\$ 94,817.06	\$ 46,536.42	\$ (57,386.83)	\$ -	\$ -	\$ -	\$ -	\$ 9,106.19	\$ 46,536.42	\$ (38,504.00)		
056	N.A.U. Police Dept	\$ 3,637,517.65	\$ 3,832,545.74	\$ (7,915.88)	\$ 9,443.78	\$ -	\$ (232,059.48)	\$ -	\$ 425,559.67	\$ 3,832,545.74	\$ (575,071.00)		
058	South Tucson Fire	\$ 1,317,369.92	\$ 1,447,487.64	\$ 41,556.13	\$ 10,218.73	\$ 2,833.87	\$ (84,579.81)	\$ -	\$ 160,088.80	\$ 1,447,487.64	\$ (318,674.00)		
059	Avondale Fire	\$ 1,120,395.95	\$ 1,438,255.67	\$ 34,415.25	\$ 111,249.74	\$ 22,799.55	\$ (24,351.57)	\$ -	\$ 173,746.75	\$ 1,438,255.67	\$ 90,165.00		
060	Parker Police	\$ 793,899.71	\$ 866,545.68	\$ -	\$ 19,413.87	\$ -	\$ (20,959.72)	\$ (32,108.09)	\$ 106,299.91	\$ 866,545.68	\$ (116,440.00)		
061	Cocnino Cnty Shrff	\$ 8,882,293.16	\$ 9,738,399.26	\$ 100,407.29	\$ 191,611.73	\$ -	\$ (553,258.64)	\$ -	\$ 1,117,345.72	\$ 9,738,399.26	\$ 440,663.00		
062	Cent Yvpai Fire	\$ 5,182,786.65	\$ 6,057,105.55	\$ 57,447.87	\$ 173,765.45	\$ 72,260.86	\$ (156,475.03)	\$ -	\$ 727,319.75	\$ 6,057,105.55	\$ (339,536.00)		
064	Buckskin Fire	\$ 1,178,149.54	\$ 1,386,251.55	\$ 29,594.13	\$ 77,716.58	\$ 7,454.57	\$ (63,127.38)	\$ -	\$ 156,464.11	\$ 1,386,251.55	\$ (18,752.00)		
065	Snowflake Police	\$ 667,109.07	\$ 746,338.33	\$ -	\$ 32,218.58	\$ -	\$ (45,042.48)	\$ -	\$ 92,053.16	\$ 746,338.33	\$ 152,787.00		
066	Cottonwood Police	\$ 1,368,095.68	\$ 1,525,731.22	\$ -	\$ 93,282.84	\$ -	\$ (115,899.09)	\$ (2,914.44)	\$ 183,166.23	\$ 1,525,731.22	\$ 618,154.00		
067	Lake Havasu Police	\$ 7,157,858.35	\$ 8,217,561.91	\$ 166,442.42	\$ 161,626.32	\$ -	\$ (248,278.01)	\$ -	\$ 979,912.83	\$ 8,217,561.91	\$ (695,970.00)		
068	Verde Rural Fire	\$ 741,439.94	\$ 839,304.84	\$ (24,017.94)	\$ 3,486.78	\$ 13,866.81	\$ -	\$ -	\$ 104,529.25	\$ 839,304.84	\$ (284,741.00)		
069	South Tucson Police	\$ 1,149,425.78	\$ 1,169,254.06	\$ (18,466.51)	\$ 127,127.58	\$ -	\$ (204,934.22)	\$ (30,748.27)	\$ 146,849.70	\$ 1,169,254.06	\$ 1,363,466.00		
070	Apache Junction PD	\$ 4,609,881.90	\$ 5,302,181.99	\$ 3,502.55	\$ 163,544.29	\$ -	\$ (131,306.58)	\$ -	\$ 656,559.83	\$ 5,302,181.99	\$ 159,656.00		
071	Navajo Cnty Shrff	\$ 5,302,907.00	\$ 5,685,849.41	\$ 7,775.70	\$ 74,917.53	\$ -	\$ (324,450.93)	\$ (26,177.52)	\$ 650,877.63	\$ 5,685,849.41	\$ (558,360.00)		
072	Mohave Valley Fire	\$ 903,871.98	\$ 1,012,705.50	\$ (41,020.89)	\$ 17,580.00	\$ 7,656.04	\$ -	\$ -	\$ 124,618.37	\$ 1,012,705.50	\$ (468,314.00)		
073	Peoria Fire	\$ 7,285,988.60	\$ 8,697,955.63	\$ 10,307.04	\$ 235,402.57	\$ 136,417.00	\$ (47,209.05)	\$ (18,869.71)	\$ 1,095,919.18	\$ 8,697,955.63	\$ (1,171,889.00)		
074	Peoria Police	\$ 8,649,870.29	\$ 10,190,749.11	\$ 177,658.26	\$ 503,436.57	\$ -	\$ (294,185.03)	\$ (58,982.60)	\$ 1,212,951.62	\$ 10,190,749.11	\$ 645,297.00		
076	Paradise Valley PD	\$ 5,510,679.56	\$ 6,061,434.14	\$ 18,683.86	\$ 118,285.86	\$ -	\$ (249,314.38)	\$ (60,345.30)	\$ 723,444.54	\$ 6,061,434.14	\$ 138,635.00		
077	Wilcox Police	\$ 662,525.61	\$ 733,543.98	\$ 9,158.14	\$ 39,431.46	\$ -	\$ (50,448.80)	\$ (15,888.77)	\$ 88,766.34	\$ 733,543.98	\$ 141,361.00		
078	Show Low Police	\$ 1,368,332.65	\$ 1,549,072.83	\$ -	\$ 30,042.61	\$ -	\$ (37,195.86)	\$ -	\$ 187,893.43	\$ 1,549,072.83	\$ (226,608.00)		
079	Eloy Police	\$ 1,071,057.39	\$ 1,250,252.59	\$ (18,828.15)	\$ 59,755.68	\$ -	\$ (20,554.44)	\$ -	\$ 158,822.11	\$ 1,250,252.59	\$ (94,334.00)		
080	Nogales Police	\$ 4,279,400.97	\$ 4,891,463.90	\$ 49,903.68	\$ 136,281.20	\$ -	\$ (169,394.08)	\$ -	\$ 595,272.13	\$ 4,891,463.90	\$ (97,518.00)		
081	Gilbert Police	\$ 6,117,688.86	\$ 7,251,487.53	\$ 17,557.66	\$ 451,222.31	\$ -	\$ (235,526.54)	\$ (32,354.99)	\$ 932,900.23	\$ 7,251,487.53	\$ 1,157,468.00		
083	Clifton Police	\$ 271,384.03	\$ 300,637.17	\$ (5,143.21)	\$ -	\$ -	\$ -	\$ -	\$ 34,396.35	\$ 300,637.17	\$ (223,716.00)		
084	Taylor Police	\$ 1,208.07	\$ 1,340.59	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132.52	\$ 1,340.59	\$ -		
085	Coolidge Police	\$ 1,472,596.97	\$ 1,598,979.71	\$ (30,850.81)	\$ 68,456.24	\$ -	\$ (69,119.75)	\$ (41,600.85)	\$ 199,497.91	\$ 1,598,979.71	\$ 85,168.00		
086	Holbrook Police	\$ 1,780,748.07	\$ 2,008,236.05	\$ 59,736.40	\$ 37,110.52	\$ -	\$ (97,784.35)	\$ -	\$ 228,425.41	\$ 2,008,236.05	\$ (200,127.00)		
087	Santa Cruz Police	\$ 2,328,929.53	\$ 2,549,039.16	\$ -	\$ 127,208.08	\$ -	\$ (184,236.96)	\$ (30,840.52)	\$ 307,979.03	\$ 2,549,039.16	\$ 675,071.00		
088	Prescott Valley PD	\$ 1,323,654.38	\$ 1,592,920.61	\$ 66,186.64	\$ 65,247.55	\$ -	\$ (53,213.55)	\$ -	\$ 191,045.59	\$ 1,592,920.61	\$ 46,270.00		
089	Eagar Police	\$ 370,299.46	\$ 456,542.03	\$ 29,909.58	\$ 15,280.55	\$ -	\$ (13,743.63)	\$ -	\$ 54,796.07	\$ 456,542.03	\$ (43,984.00)		

STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 2000
AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1999

Sys No	System	Balances		Reserve Transfers	Contributions Received	Insurance Premium Tax		Pension Payment	Enhanced Refunds	Distribution of Earnings	Balances		Unfunded Accrued Normal Costs at June 30, 1999
		June 30, 1999				Received	Received				June 30, 2000		
090	Tolleson Police	\$ 1,466,699.67	\$ (12,501.97)	\$ 37,355.22	\$ -	\$ (71,765.16)	\$ -	\$ 186,985.74	\$ 1,606,773.50	\$ (172,488.00)			
091	Florence Police	\$ 954,888.59	\$ -	\$ 1,993.63	\$ -	\$ -	\$ (40,835.45)	\$ 127,680.48	\$ 1,043,727.25	\$ (518,663.00)			
092	Springerville Police	\$ 232,469.34	\$ (5,347.37)	\$ 4,175.59	\$ -	\$ -	\$ -	\$ 34,609.44	\$ 265,907.00	\$ (80,515.00)			
093	El Mirage Police	\$ 487,558.45	\$ -	\$ 36,518.83	\$ -	\$ -	\$ -	\$ 73,974.83	\$ 598,052.11	\$ (73,276.00)			
094	Superior Police	\$ 404,802.52	\$ 42,079.87	\$ -	\$ -	\$ (10,547.60)	\$ -	\$ 56,417.01	\$ 492,751.80	\$ (221,436.00)			
095	San Luis Police	\$ 700,822.21	\$ 483.22	\$ 57,936.80	\$ -	\$ (11,062.84)	\$ (26,141.24)	\$ 107,997.20	\$ 830,035.35	\$ 61,701.00			
096	Page Police	\$ 1,652,541.73	\$ 12,363.85	\$ 35,021.32	\$ -	\$ (23,883.04)	\$ -	\$ 231,934.08	\$ 1,907,977.94	\$ (480,830.00)			
097	Page Fire	\$ 371,090.86	\$ (8,106.99)	\$ 1,517.34	\$ 7,524.14	\$ (25,971.75)	\$ -	\$ 43,968.35	\$ 390,021.95	\$ (91,704.00)			
098	Yvpai Cnty Sheriff	\$ 6,908,854.47	\$ 277,999.92	\$ 330,863.37	\$ -	\$ (462,821.04)	\$ -	\$ 958,317.04	\$ 8,013,213.76	\$ 1,228,399.00			
099	Guadalupe Police	\$ 227,692.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,976.38	\$ 252,668.39	\$ (243,461.00)			
100	Pima Police	\$ 93,999.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,862.21	\$ 104,861.84	\$ (100,437.00)			
101	Apache Cty Sheriff	\$ 2,008,566.93	\$ 117,616.08	\$ 73,980.57	\$ -	\$ (208,271.99)	\$ (5,021.63)	\$ 262,065.12	\$ 2,248,935.08	\$ 306,161.00			
102	Cottonwood Fire	\$ 405,306.09	\$ -	\$ 18,654.42	\$ 10,279.61	\$ -	\$ -	\$ 61,935.93	\$ 496,176.05	\$ (62,680.00)			
103	LaPaz Cty Sheriff	\$ 3,149,637.63	\$ -	\$ 94,792.94	\$ -	\$ (134,064.41)	\$ (17,322.64)	\$ 419,708.39	\$ 3,512,751.91	\$ 37,164.00			
104	Pinal Cty Sheriff	\$ 14,162,955.61	\$ 345,025.68	\$ 351,685.35	\$ -	\$ (708,149.21)	\$ -	\$ 1,812,303.49	\$ 15,963,820.92	\$ (3,668,822.00)			
105	Clarkdale Police	\$ 421,549.82	\$ 23,905.79	\$ 17,139.84	\$ -	\$ (11,394.18)	\$ -	\$ 63,837.68	\$ 515,038.95	\$ (18,455.00)			
106	Buckeye Police	\$ 894,448.99	\$ -	\$ 37,826.33	\$ -	\$ (16,118.44)	\$ -	\$ 132,138.76	\$ 1,048,295.64	\$ (77,570.00)			
107	Marana Marshals	\$ 2,438,923.26	\$ 116,008.66	\$ 106,655.23	\$ -	\$ (41,532.87)	\$ (20,334.61)	\$ 366,127.37	\$ 2,965,847.04	\$ (229,071.00)			
108	Tolleson Fire	\$ 810,543.38	\$ -	\$ 56,100.46	\$ 7,026.57	\$ -	\$ -	\$ 128,806.32	\$ 1,002,476.73	\$ (162,031.00)			
109	Chino Valley Police	\$ 717,461.05	\$ -	\$ 21,850.29	\$ -	\$ (15,397.24)	\$ -	\$ 101,713.29	\$ 825,627.39	\$ (168,926.00)			
110	Surprise Police	\$ 2,071,829.98	\$ 28,670.58	\$ 95,652.48	\$ -	\$ (30,275.69)	\$ -	\$ 305,080.77	\$ 2,470,958.12	\$ 30,114.00			
111	Welton Police	\$ 113,747.16	\$ (483.22)	\$ 5,055.70	\$ -	\$ -	\$ -	\$ 17,238.79	\$ 135,558.43	\$ (52,672.00)			
112	Gila Cty Sheriff	\$ 3,411,044.28	\$ 46,992.91	\$ 75,173.90	\$ -	\$ (170,804.53)	\$ (62,272.71)	\$ 453,867.37	\$ 3,754,001.22	\$ (268,313.00)			
113	Pinetop-Lakeside	\$ 1,307,067.75	\$ 40,089.38	\$ 34,088.04	\$ -	\$ (88,934.89)	\$ (2,583.80)	\$ 163,110.05	\$ 1,452,836.53	\$ 103,102.00			
114	Bullhead City Police	\$ 5,639,895.54	\$ 17,007.63	\$ 234,755.80	\$ -	\$ (189,709.09)	\$ (16,214.30)	\$ 817,156.82	\$ 6,502,892.40	\$ 471,237.00			
115	Williams Police	\$ 578,122.43	\$ (4,256.93)	\$ 7,313.59	\$ -	\$ -	\$ -	\$ 81,177.77	\$ 662,356.86	\$ (230,684.00)			
116	Miami Police	\$ 283,502.87	\$ (6,403.24)	\$ 20,711.17	\$ -	\$ -	\$ -	\$ 46,815.91	\$ 344,626.71	\$ 31,388.00			
117	Yatcher Police	\$ 930,852.57	\$ 96,371.78	\$ 18,647.87	\$ -	\$ (23,154.03)	\$ -	\$ 135,193.76	\$ 1,157,911.95	\$ (54,559.00)			
118	Youngtown Police	\$ 542,745.70	\$ (4,791.52)	\$ 6,918.10	\$ -	\$ (33,969.76)	\$ -	\$ 65,790.83	\$ 576,693.35	\$ (133,585.00)			
119	D.E.M.A.	\$ 2,466,979.68	\$ (10,742.33)	\$ 58,763.68	\$ -	\$ (50,467.04)	\$ -	\$ 353,235.67	\$ 2,817,769.66	\$ (427,839.00)			
120	Surprise Fire	\$ 688,522.40	\$ 14,967.40	\$ 78,199.16	\$ 42,154.07	\$ -	\$ -	\$ 115,644.76	\$ 939,487.79	\$ (80,988.00)			
121	Camp Verde Mrshls	\$ 790,584.69	\$ -	\$ 17,355.78	\$ -	\$ (39,210.86)	\$ -	\$ 102,025.91	\$ 870,755.52	\$ (178,360.00)			
122	Oro Valley Police	\$ 2,459,002.95	\$ 22,074.56	\$ 186,368.35	\$ -	\$ (30,380.84)	\$ (31,408.00)	\$ 393,820.69	\$ 2,999,477.71	\$ 333,025.00			
123	Greenlee Cty Sheriff	\$ 1,089,133.58	\$ 29,561.83	\$ 26,366.31	\$ -	\$ (5,598.88)	\$ -	\$ 162,724.05	\$ 1,302,186.89	\$ (196,433.00)			
124	Tucson Air Auth Fire	\$ 3,087,810.57	\$ 61,599.90	\$ 109,449.04	\$ -	\$ (122,084.62)	\$ -	\$ 425,505.37	\$ 3,562,280.26	\$ 307,226.00			
125	Tucson Air Auth Pd	\$ 2,640,958.84	\$ -	\$ 126,550.63	\$ -	\$ (264,865.87)	\$ -	\$ 340,921.14	\$ 2,843,564.74	\$ 1,175,544.00			
126	Wickenburg Police	\$ 610,433.19	\$ 4,993.49	\$ 52,749.36	\$ -	\$ (65,903.04)	\$ -	\$ 84,763.55	\$ 687,036.55	\$ 411,703.00			
127	El Mirage Fire	\$ 148,936.93	\$ -	\$ 17,559.50	\$ 3,856.76	\$ -	\$ -	\$ 25,320.46	\$ 195,673.65	\$ (31,300.00)			
128	Patagonia Marshals	\$ 13,713.38	\$ 61,657.63	\$ 7,370.88	\$ -	\$ (13,116.12)	\$ (24,621.45)	\$ 4,069.27	\$ 49,073.59	\$ 13,643.00			
129	Sedona Police	\$ 852,902.05	\$ -	\$ 41,227.54	\$ -	\$ -	\$ (37,654.53)	\$ 131,216.27	\$ 987,691.33	\$ (60,166.00)			
130	Mammoth Police	\$ 59,836.74	\$ (541.49)	\$ 16,952.52	\$ -	\$ (17,816.82)	\$ -	\$ 13,339.61	\$ 71,770.56	\$ 127,062.00			
131	Globe Police	\$ 1,677,043.38	\$ 58,513.30	\$ 78,466.95	\$ -	\$ (129,448.78)	\$ -	\$ 232,771.72	\$ 1,917,346.57	\$ 456,581.00			

STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 2000
AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1999

Sys No	System	Balances		Reserve Transfers	Contributions Received	Insurance Premium Tax		Pension Payment	Enhanced Refunds	Distribution of Earnings	Balances		Unfunded Accrued Normal Costs at June 30, 1999
		June 30, 1999				Received	Received				June 30, 2000		
132	Tombstone Police	\$ 72,233.00	\$ (22,549.10)	\$ 1,584.60	\$ -	\$ -	\$ -	\$ 12,184.88	\$ 63,453.38	\$ 35,064.00			
133	Golder Ranch Fire	\$ 1,510,927.09	\$ (6,821.07)	\$ 93,778.25	\$ 29,509.59	\$ (33,092.20)	\$ -	\$ 230,409.44	\$ 1,824,711.10	\$ 58,292.00			
134	Frt Mhve Mesa FD	\$ 1,716,391.23	\$ 9,449.94	\$ 119,287.19	\$ 14,950.80	\$ (64,430.07)	\$ (21,858.20)	\$ 252,118.69	\$ 2,025,909.58	\$ 295,120.00			
135	Laveen Fire	\$ 306,019.04	\$ (19,339.63)	\$ 17,073.01	\$ 6,848.35	\$ -	\$ -	\$ 44,995.30	\$ 355,596.07	\$ (130,660.00)			
136	Goodyear Fire	\$ 550,586.61	\$ 4,350.81	\$ 86,488.91	\$ 24,479.93	\$ -	\$ (4,509.27)	\$ 95,989.45	\$ 757,386.44	\$ 7,163.00			
137	Goodyear Police	\$ 1,585,364.17	\$ -	\$ 132,349.24	\$ -	\$ (35,760.20)	\$ -	\$ 252,267.18	\$ 1,934,220.39	\$ 659,289.00			
138	Chino Valley Fire	\$ 574,754.86	\$ -	\$ 48,656.99	\$ 14,565.10	\$ -	\$ -	\$ 90,828.63	\$ 728,805.58	\$ 1,810.00			
139	Avondale Police	\$ 1,799,085.62	\$ 52,448.83	\$ 179,714.22	\$ -	\$ (72,335.58)	\$ -	\$ 289,424.68	\$ 2,248,337.77	\$ 778,625.00			
140	Graham Cty Sheriff	\$ 635,403.32	\$ -	\$ 46,095.62	\$ -	\$ (35,210.50)	\$ -	\$ 96,709.45	\$ 742,997.89	\$ 199,137.00			
141	Flowing Wells Fire	\$ 53,464.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,864.67	\$ 59,328.73	\$ -			
142	Golden Valley Fire	\$ 702,296.36	\$ (1,927.28)	\$ 34,492.67	\$ 7,306.01	\$ -	\$ (30,362.93)	\$ 101,272.90	\$ 813,077.73	\$ (163,798.00)			
143	Daisy Mountain Fire	\$ 424,540.18	\$ (11,007.23)	\$ 73,462.53	\$ 17,087.23	\$ -	\$ -	\$ 75,494.55	\$ 579,577.26	\$ (51,470.00)			
144	Quartsite Marshals	\$ 115,403.33	\$ (7,091.35)	\$ 15,411.48	\$ -	\$ -	\$ (3,051.21)	\$ 19,934.55	\$ 140,606.80	\$ (35,019.00)			
145	Picture Rock Fire	\$ 431,372.14	\$ 124,868.17	\$ 31,365.84	\$ 6,434.53	\$ -	\$ -	\$ 72,140.60	\$ 666,181.28	\$ (150,625.00)			
146	Pima College	\$ 1,604,488.10	\$ (24,231.45)	\$ 98,182.31	\$ -	\$ -	\$ (3,438.59)	\$ 243,823.07	\$ 1,918,823.44	\$ (558.00)			
147	Northwest Fire	\$ 4,837,752.74	\$ (95,772.61)	\$ 279,803.64	\$ 113,372.22	\$ (86,269.62)	\$ -	\$ 704,455.98	\$ 5,753,342.35	\$ 479,186.00			
148	Apache Junct Fire	\$ 2,248,889.67	\$ (500.29)	\$ 272,357.31	\$ 43,128.97	\$ (50,373.00)	\$ -	\$ 351,970.33	\$ 2,865,472.99	\$ 1,003,189.00			
149	Gilbert Fire	\$ 1,711,873.85	\$ 26,347.02	\$ 118,713.57	\$ 157,809.40	\$ (17,747.04)	\$ -	\$ 293,124.34	\$ 2,290,121.14	\$ (222,735.00)			
150	Pine-Strwbrry Fire	\$ 362,959.14	\$ -	\$ 43,960.32	\$ 11,844.57	\$ -	\$ -	\$ 62,613.74	\$ 481,377.77	\$ 256,471.00			
151	Attorney Gen Inv	\$ 4,439,558.98	\$ -	\$ 122,780.62	\$ -	\$ (90,974.65)	\$ -	\$ 632,167.11	\$ 5,103,532.06	\$ 85,190.00			
152	Tucson Estate Fire	\$ 37,967.88	\$ (6,818.34)	\$ 15,158.91	\$ 3,139.14	\$ -	\$ -	\$ 7,238.09	\$ 56,685.68	\$ (12,778.00)			
153	St. Johns Police	\$ 24,167.06	\$ 22,302.15	\$ 15,803.75	\$ -	\$ -	\$ -	\$ 9,310.58	\$ 71,583.54	\$ 14,405.00			
154	Pima Cty Attn Inv	\$ 765,105.51	\$ -	\$ 20,396.90	\$ -	\$ -	\$ (16,834.24)	\$ 111,484.00	\$ 880,152.17	\$ (62,032.00)			
155	SunLakes Fire	\$ 1,382,809.03	\$ (48,634.22)	\$ 83,426.84	\$ 34,347.22	\$ (20,872.32)	\$ -	\$ 194,712.82	\$ 1,625,789.37	\$ (183,024.00)			
156	Kearny Police	\$ 192,561.01	\$ 5,962.99	\$ 11,039.12	\$ -	\$ (21,912.91)	\$ -	\$ 25,692.31	\$ 213,342.52	\$ 109,169.00			
157	Grnlee Cty Attn Inv	\$ 17,811.07	\$ -	\$ 1,171.03	\$ -	\$ -	\$ -	\$ 2,741.37	\$ 21,723.47	\$ (10,512.00)			
158	Navajo Cty Attn Inv	\$ 101,830.17	\$ -	\$ 1,817.14	\$ -	\$ -	\$ -	\$ 14,800.49	\$ 118,447.80	\$ (21,355.00)			
159	Doney Prk Rural FD	\$ 359,316.75	\$ (24,296.31)	\$ 36,322.83	\$ 8,676.98	\$ -	\$ -	\$ 53,769.04	\$ 433,789.29	\$ 4,405.00			
160	AZ State Capitol PD	\$ 669,461.32	\$ 97,954.11	\$ 62,534.13	\$ -	\$ (18,252.36)	\$ -	\$ 108,550.28	\$ 920,247.48	\$ 122,922.00			
161	Fountain Hills Mrshl	\$ 153,918.46	\$ 928.46	\$ 28,638.83	\$ -	\$ -	\$ -	\$ 30,356.67	\$ 213,842.42	\$ 4,621.00			
162	Avra Valley Fire	\$ 383,159.41	\$ (37,044.14)	\$ 26,769.63	\$ 4,585.09	\$ -	\$ -	\$ 50,918.32	\$ 428,388.31	\$ (140,656.00)			
163	San Luis Fire	\$ 185,244.20	\$ (6,453.28)	\$ 42,027.44	\$ 3,782.10	\$ -	\$ -	\$ 32,102.79	\$ 256,703.25	\$ 83,691.00			
164	AZ Dept. Liquor/Licn	\$ 1,072,388.38	\$ 23,598.82	\$ 43,636.90	\$ -	\$ -	\$ -	\$ 166,470.09	\$ 1,306,094.19	\$ (18,447.00)			
165	Mrcpa Cnty Atty Inv	\$ 3,034,510.64	\$ 122,505.21	\$ 54,870.18	\$ -	\$ (112,210.18)	\$ -	\$ 419,490.93	\$ 3,519,166.78	\$ (243,012.00)			
166	Sedona Fire	\$ 1,250,908.51	\$ 24,017.94	\$ 141,547.58	\$ 73,333.56	\$ (58,422.90)	\$ -	\$ 194,126.49	\$ 1,625,511.18	\$ 730,657.00			
167	Guadalupe Fire	\$ 56,727.61	\$ (423.87)	\$ 28,121.00	\$ -	\$ -	\$ -	\$ 12,331.83	\$ 96,756.57	\$ 3,590.00			
168	Mayer Fire	\$ 102,364.40	\$ 3,203.83	\$ 18,540.83	\$ 2,433.71	\$ (14,989.47)	\$ (2,729.11)	\$ 15,080.25	\$ 123,904.44	\$ (67,127.00)			
169	Somerton Police	\$ 200,630.34	\$ (3,428.87)	\$ 63,689.14	\$ -	\$ -	\$ -	\$ 37,117.38	\$ 298,007.99	\$ 396,700.00			
170	Sun City West Fire	\$ 1,597,496.02	\$ (58,930.63)	\$ 176,304.42	\$ 75,426.35	\$ -	\$ -	\$ 238,845.50	\$ 2,029,141.66	\$ (192,613.00)			
171	Somerton Fire	\$ 106,890.81	\$ 4,918.55	\$ 46,651.69	\$ 2,779.36	\$ -	\$ -	\$ 19,780.01	\$ 181,020.42	\$ 169,242.00			
172	Tubac Fire District	\$ 228,412.09	\$ -	\$ 26,710.95	\$ 7,291.76	\$ -	\$ -	\$ 37,422.69	\$ 299,837.49	\$ 33,431.00			
173	La Paz Cnty Atty Inv	\$ 49,808.86	\$ -	\$ 361.22	\$ -	\$ -	\$ -	\$ 8,027.20	\$ 58,197.28	\$ 373.00			

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN EMPLOYERS' RESERVE - YEAR ENDED JUNE 30, 2000
AND UNFUNDED ACCRUED NORMAL COSTS AT JUNE 30, 1999**

Sys No	System	Balances June 30, 1999	Reserve Transfers	Contributions Received	Insurance Premium Tax Received	Pension Payment	Enhanced Refunds	Distribution of Earnings	Balances June 30, 2000	Unfunded Accrued Normal Costs at June 30, 1999
174	Sahuarita Police	\$ 36,839.91	\$ 413.46	\$ 13,358.36	\$ -	\$ -	\$ -	\$ 8,136.31	\$ 58,748.04	\$ 8,323.00
176	Florence Fire	\$ 70,133.77	\$ -	\$ 12,858.26	\$ 2,629.50	\$ -	\$ -	\$ 11,884.16	\$ 97,505.69	\$ (5,236.00)
177	Sun City Fire	\$ 1,152,290.55	\$ 27,724.00	\$ 623,083.59	\$ 80,783.55	\$ (6,495.00)	\$ -	\$ 521,367.71	\$ 2,398,754.40	\$ 4,240,870.00
178	Hayden Police	\$ 19,275.96	\$ -	\$ 18,059.46	\$ -	\$ -	\$ -	\$ 5,266.67	\$ 42,602.09	\$ 53,539.00
179	Gila River Fire	\$ -	\$ -	\$ 304,606.25	\$ -	\$ -	\$ -	\$ 27,130.54	\$ 331,736.79	\$ -
180	Gila River Police	\$ -	\$ -	\$ 150,287.33	\$ -	\$ -	\$ -	\$ 15,729.50	\$ 166,016.83	\$ -
181	SaltRiver Pima-FD	\$ -	\$ -	\$ 258,059.64	\$ -	\$ -	\$ -	\$ 19,540.63	\$ 277,600.27	\$ -
182	SaltRiver Pima-PD	\$ -	\$ 3,383.59	\$ 244,158.49	\$ -	\$ (2,240.38)	\$ -	\$ 19,744.44	\$ 265,046.14	\$ -
183	Lakeside Fire Dist	\$ -	\$ -	\$ 14,434.01	\$ 15,365.39	\$ -	\$ -	\$ 2,339.42	\$ 32,138.82	\$ -
184	Crnville-PgSprngsF	\$ -	\$ -	\$ 10,203.67	\$ -	\$ -	\$ -	\$ 926.18	\$ 11,129.85	\$ -
185	Pinetop Fire District	\$ -	\$ -	\$ 33,953.84	\$ -	\$ -	\$ -	\$ 2,718.71	\$ 36,672.55	\$ -
186	Show Low Fire Dist	\$ -	\$ -	\$ 17,002.10	\$ 15,606.41	\$ -	\$ -	\$ 2,679.63	\$ 35,288.14	\$ -
187	Yavapai Cnty Attny	\$ -	\$ -	\$ 10,252.93	\$ -	\$ -	\$ -	\$ 741.81	\$ 10,994.74	\$ -
188	Three Points Fire	\$ -	\$ 36,274.09	\$ 1,297.39	\$ -	\$ -	\$ -	\$ 3,058.61	\$ 40,630.09	\$ -
TOTALS		\$ 3,116,959,934.24	\$ 26,773,219.15	\$ 38,645,798.28	\$ 8,245,093.72	\$ (145,302,173.47)	\$ (1,833,400.63)	\$ 382,710,713.48	\$ 3,426,199,184.77	\$ (626,639,928.00)

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES
FISCAL YEAR ENDED JUNE 30, 2000**

Sys No.	System	Balances June 30, 1999	Reserve Transfers	Contributions Received	Withdrawn Members	Balances June 30, 2000
001	BISBEE POLICE	\$ 279,507.47	\$ -	\$ 58,994.02	\$ (1,768.27)	\$ 336,733.22
002	CASA GRANDE FIRE	\$ 574,085.12	\$ (135,510.63)	\$ 80,822.58	\$ -	\$ 519,397.07
003	CASA GRANDE POLICE	\$ 1,201,899.80	\$ (99,385.80)	\$ 231,385.25	\$ (33,928.32)	\$ 1,299,970.93
004	CHANDLER FIRE	\$ 3,496,073.96	\$ (135,735.82)	\$ 539,511.92	\$ -	\$ 3,899,850.06
005	CHANDLER POLICE	\$ 5,691,304.45	\$ (359,032.11)	\$ 1,011,602.55	\$ (77,512.53)	\$ 6,266,362.36
006	CLIFTON FIRE	\$ 36,571.64	\$ -	\$ 2,396.25	\$ -	\$ 38,967.89
007	DEPT. OF PUBLIC SAFETY	\$ 20,168,361.91	\$ (1,445,142.82)	\$ 1,700,929.52	\$ (28,287.77)	\$ 20,395,860.84
008	DOUGLAS FIRE	\$ 591,479.14	\$ -	\$ 71,274.76	\$ (58,004.43)	\$ 604,749.47
009	DOUGLAS POLICE	\$ 746,501.57	\$ (101,590.96)	\$ 101,243.15	\$ (23,933.70)	\$ 722,220.06
010	FLAGSTAFF FIRE	\$ 2,946,181.71	\$ (67,843.92)	\$ 309,031.96	\$ (2,969.29)	\$ 3,184,400.46
011	FLAGSTAFF POLICE	\$ 2,229,469.01	\$ (143,576.54)	\$ 300,956.85	\$ (6,474.75)	\$ 2,380,374.57
012	GLENDALE FIRE	\$ 5,349,705.03	\$ (168,076.36)	\$ 685,618.21	\$ (14,343.36)	\$ 5,852,903.52
013	GLENDALE POLICE	\$ 8,394,119.55	\$ (674,437.00)	\$ 1,180,129.15	\$ (142,155.63)	\$ 8,757,656.07
014	GLOBE FIRE	\$ 190,527.08	\$ -	\$ 39,844.21	\$ (1,931.06)	\$ 228,440.23
015	KINGMAN FIRE	\$ 866,911.57	\$ 460.42	\$ 108,693.76	\$ -	\$ 976,065.75
016	MARICOPA CNTY SHERIFFS	\$ 13,708,045.67	\$ (766,538.79)	\$ 2,016,383.84	\$ (60,670.26)	\$ 14,897,220.46
017	MESA FIRE	\$ 12,733,768.67	\$ (984,424.52)	\$ 1,630,670.43	\$ -	\$ 13,380,014.58
018	MESA POLICE	\$ 18,246,856.60	\$ (1,349,199.94)	\$ 3,196,212.44	\$ (271,077.45)	\$ 19,822,791.65
019	MIAMI FIRE	\$ -	\$ -	\$ -	\$ -	\$ -
020	NOGALES FIRE	\$ 582,520.42	\$ (38,484.97)	\$ 102,834.82	\$ (8,959.02)	\$ 637,911.25
021	PHOENIX FIRE	\$ 53,021,648.27	\$ (1,752,560.12)	\$ 6,152,393.62	\$ (16,442.39)	\$ 57,405,039.38
022	PHOENIX POLICE	\$ 87,551,678.35	\$ (6,869,942.08)	\$ 11,425,280.44	\$ (309,750.47)	\$ 91,797,266.24
023	PRESCOTT FIRE	\$ 1,603,312.64	\$ (150,006.82)	\$ 186,541.63	\$ -	\$ 1,639,847.45
024	PRESCOTT POLICE	\$ 1,499,884.44	\$ (92,859.84)	\$ 195,242.08	\$ (17,774.43)	\$ 1,584,492.25
025	SCOTTSDALE POLICE	\$ 9,474,353.71	\$ (377,360.32)	\$ 1,354,446.38	\$ (64,221.48)	\$ 10,387,218.29
026	SIERRA VISTA FIRE	\$ 1,140,569.12	\$ -	\$ 128,978.16	\$ (42,848.65)	\$ 1,226,698.63
027	TEMPE FIRE	\$ 5,660,027.89	\$ (713,195.02)	\$ 574,075.74	\$ (24,562.32)	\$ 5,496,346.29
028	TEMPE POLICE	\$ 9,504,438.17	\$ (802,822.06)	\$ 1,360,763.53	\$ (258,599.96)	\$ 9,803,779.68
029	TUCSON FIRE	\$ 17,360,841.42	\$ (1,034,657.09)	\$ 1,248,125.62	\$ -	\$ 17,574,309.95
030	TUCSON POLICE	\$ 26,552,239.61	\$ (2,818,398.52)	\$ 2,107,074.71	\$ (107,839.13)	\$ 25,733,076.67
031	WINSLOW FIRE	\$ 138,240.29	\$ -	\$ 18,287.68	\$ -	\$ 156,527.97
032	YUMA FIRE	\$ 2,263,162.54	\$ (208,886.77)	\$ 304,004.51	\$ (23,858.26)	\$ 2,334,422.02
033	YUMA POLICE	\$ 3,410,774.63	\$ (368,827.66)	\$ 452,371.28	\$ (25,709.84)	\$ 3,468,608.41
034	YUMA COUNTY SHERIFFS	\$ 944,510.49	\$ (100,531.13)	\$ 178,381.68	\$ (39,940.16)	\$ 982,420.88
035	GAME & FISH	\$ 4,611,733.95	\$ (356,483.89)	\$ 503,036.87	\$ -	\$ 4,758,286.93
036	SIERRA VISTA POLICE	\$ 1,647,519.08	\$ (493,784.76)	\$ 224,243.93	\$ (346.84)	\$ 1,377,631.41
037	BENSON POLICE	\$ 241,954.60	\$ (65,517.85)	\$ 36,756.16	\$ (7,477.41)	\$ 205,715.50
038	BISBEE POLICE	\$ 274,098.73	\$ (18,496.07)	\$ 49,319.23	\$ (4,421.08)	\$ 300,500.81
039	PIMA COUNTY SHERIFFS	\$ 7,102,337.91	\$ (809,411.87)	\$ 747,817.95	\$ (212,674.85)	\$ 6,828,069.14
040	KINGMAN POLICE	\$ 829,964.18	\$ (155,695.10)	\$ 126,850.81	\$ (34,503.62)	\$ 766,616.27
041	A.S.U. CAMPUS POLICE	\$ 962,038.40	\$ (99,966.48)	\$ 149,383.87	\$ (53,259.61)	\$ 958,196.18

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES
FISCAL YEAR ENDED JUNE 30, 2000**

Sys No.	System	Balances June 30, 1999	Reserve Transfers	Contributions Received	Withdrawn Members	Balances June 30, 2000
042	LAKE HAVASU FIRE	\$ 2,094,582.12	\$ (51,284.05)	\$ 200,729.31	\$ -	\$ 2,244,027.38
043	MOHAVE CNTY SHERIFFS	\$ 1,548,852.33	\$ (60,519.22)	\$ 277,722.01	\$ (29,532.46)	\$ 1,736,522.66
044	BULLHEAD CITY FIRE	\$ 848,206.65	\$ 41,027.23	\$ 111,351.07	\$ (29,672.66)	\$ 970,912.29
045	U OF A CAMPUS POLICE	\$ 839,200.76	\$ (25,914.68)	\$ 144,089.67	\$ (66,395.64)	\$ 890,980.11
046	COCHISE CNTY SHERIFFS	\$ 1,424,258.98	\$ (67,599.12)	\$ 202,574.14	\$ (63,264.35)	\$ 1,495,969.65
047	SAFFORD POLICE	\$ 441,082.29	\$ (30,378.61)	\$ 55,171.24	\$ (9,249.16)	\$ 456,625.76
049	DREXEL HEIGHTS FIRE	\$ 791,829.48	\$ (10,330.95)	\$ 113,487.04	\$ -	\$ 894,985.57
050	WINSLOW POLICE	\$ 271,837.15	\$ (44,693.57)	\$ 64,406.18	\$ (28,871.61)	\$ 262,678.15
051	PAYSON FIRE	\$ 319,861.59	\$ -	\$ 55,148.52	\$ -	\$ 375,010.11
052	PAYSON POLICE	\$ 614,644.71	\$ (13,765.92)	\$ 84,026.02	\$ (978.46)	\$ 683,926.35
053	HUALAPAI VALLEY FIRE	\$ 227,862.51	\$ (34,704.18)	\$ 56,866.97	\$ (21,251.31)	\$ 228,773.99
054	FRY FIRE	\$ 619,604.25	\$ (38,177.67)	\$ 86,786.76	\$ (7,291.39)	\$ 660,921.95
055	FREDONIA MARSHALS	\$ 33,782.17	\$ (33,782.17)	\$ -	\$ -	\$ -
056	N.A.U. POLICE DEPARTMENT	\$ 338,018.57	\$ (5,755.12)	\$ 58,622.82	\$ (14,354.48)	\$ 376,531.79
058	SOUTH TUCSON FIRE	\$ 161,653.14	\$ (41,556.13)	\$ 30,974.07	\$ -	\$ 151,071.08
059	AVONDALE FIRE	\$ 343,500.66	\$ (22,267.25)	\$ 112,080.13	\$ (4,607.98)	\$ 428,705.56
060	PARKER POLICE	\$ 193,796.10	\$ -	\$ 33,438.36	\$ (37,053.65)	\$ 190,180.81
061	COCONINO CNTY SHERIFFS	\$ 1,381,551.37	\$ (100,407.29)	\$ 206,061.66	\$ -	\$ 1,487,205.74
062	CENTRAL YAVAPAI FIRE	\$ 1,285,091.44	\$ (57,447.87)	\$ 205,711.51	\$ (3,542.78)	\$ 1,429,812.30
064	BUCKSKIN FIRE	\$ 219,976.50	\$ (29,594.13)	\$ 30,825.09	\$ -	\$ 221,207.46
065	SNOWFLAKE POLICE	\$ 166,840.55	\$ -	\$ 24,093.24	\$ (801.29)	\$ 190,132.50
066	COTTONWOOD POLICE	\$ 289,076.71	\$ -	\$ 62,438.06	\$ (11,657.77)	\$ 339,857.00
067	LAKE HAVASU POLICE	\$ 1,695,319.64	\$ (143,214.42)	\$ 228,881.81	\$ (5,467.51)	\$ 1,775,519.52
068	VERDE RURAL FIRE DIST.	\$ 199,840.26	\$ (10,560.06)	\$ 34,113.07	\$ -	\$ 223,393.27
069	SOUTH TUCSON POLICE	\$ 252,070.27	\$ (16,365.49)	\$ 59,344.18	\$ (41,499.34)	\$ 253,549.62
070	APACHE JUNCTION POLICE	\$ 1,270,531.34	\$ 2,597.45	\$ 171,620.49	\$ -	\$ 1,444,749.28
071	NAVAJO COUNTY SHERIFFS	\$ 715,347.62	\$ 3,861.30	\$ 132,052.02	\$ (37,303.87)	\$ 813,957.07
072	MOHAVE VALLEY FIRE	\$ 230,367.94	\$ (19,885.11)	\$ 41,303.68	\$ (5,790.11)	\$ 245,996.40
073	PEORIA FIRE	\$ 2,357,836.59	\$ 21,427.96	\$ 319,768.71	\$ (26,956.73)	\$ 2,672,076.53
074	PEORIA POLICE	\$ 2,235,079.47	\$ (177,658.26)	\$ 263,828.76	\$ (68,750.39)	\$ 2,252,499.58
076	PARADISE VALLEY POLICE	\$ 1,122,112.13	\$ 13,645.57	\$ 143,843.09	\$ (60,116.14)	\$ 1,219,484.65
077	WILCOX POLICE	\$ 147,620.49	\$ 5,072.86	\$ 29,515.59	\$ (18,692.67)	\$ 163,516.27
078	SHOWLOW POLICE	\$ 319,477.44	\$ -	\$ 63,487.05	\$ (6,170.62)	\$ 376,793.87
079	ELOY POLICE	\$ 336,779.29	\$ (15,843.85)	\$ 80,057.69	\$ (4,522.21)	\$ 396,470.92
080	NOGALES POLICE	\$ 1,084,518.48	\$ (49,903.68)	\$ 168,258.33	\$ (9,633.13)	\$ 1,193,240.00
081	GILBERT POLICE	\$ 2,060,191.67	\$ 33,506.34	\$ 465,207.69	\$ (46,188.32)	\$ 2,512,717.38
083	CLIFTON POLICE	\$ 44,469.92	\$ (3,110.79)	\$ 7,386.56	\$ (3,705.99)	\$ 45,039.70
085	COOLIDGE POLICE	\$ 379,721.40	\$ (21,695.19)	\$ 67,485.91	\$ (39,949.12)	\$ 385,563.00
086	HOLBROOK POLICE	\$ 301,442.12	\$ (45,659.40)	\$ 47,002.68	\$ -	\$ 302,785.40
087	SANTA CRUZ COUNTY DEPUTIES	\$ 488,001.10	\$ -	\$ 100,739.91	\$ (31,477.11)	\$ 557,263.90
088	PRESCOTT VALLEY POLICE	\$ 363,783.32	\$ (64,817.64)	\$ 94,977.08	\$ -	\$ 393,942.76

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES
FISCAL YEAR ENDED JUNE 30, 2000**

Sys No.	System	Balances June 30, 1999	Reserve Transfers	Contributions Received	Withdrawn Members	Balances June 30, 2000
089	EAGER POLICE	\$ 126,871.87	\$ (45,599.58)	\$ 18,884.58	\$ -	\$ 100,156.87
090	TOLLESON POLICE	\$ 240,558.42	\$ (9,400.03)	\$ 51,029.61	\$ -	\$ 282,188.00
091	FLORENCE POLICE	\$ 228,559.02	\$ (77.76)	\$ 57,104.40	\$ (57,134.49)	\$ 228,451.17
092	SPRINGVILLE POLICE	\$ 78,304.50	\$ (3,427.63)	\$ 14,071.47	\$ -	\$ 88,948.34
093	EL MIRAGE POLICE	\$ 141,974.69	\$ -	\$ 57,197.98	\$ (4,030.56)	\$ 195,142.11
094	SUPERIOR POLICE	\$ 111,832.19	\$ (87,736.87)	\$ 51,563.35	\$ -	\$ 75,658.67
095	SAN LUIS POLICE	\$ 251,999.21	\$ 358.78	\$ 70,914.97	\$ (29,064.04)	\$ 294,208.92
096	PAGE POLICE	\$ 408,687.53	\$ 8,788.15	\$ 74,009.67	\$ -	\$ 491,485.35
097	PAGE FIRE	\$ 44,314.09	\$ (20,992.21)	\$ 16,021.61	\$ (2,741.58)	\$ 36,601.91
098	YAVAPAI COUNTY SHERIFFS	\$ 1,753,550.05	\$ (293,376.92)	\$ 295,687.30	\$ (562.15)	\$ 1,755,298.28
100	PIMA POLICE	\$ 6,204.03	\$ -	\$ 3,618.50	\$ (5,979.63)	\$ 3,842.90
101	APACHE COUNTY SHERIFFS	\$ 366,800.90	\$ (21,361.08)	\$ 89,018.91	\$ (18,571.28)	\$ 415,887.45
102	COTTONWOOD FIRE	\$ 129,982.69	\$ -	\$ 24,903.60	\$ -	\$ 154,886.29
103	LA PAZ COUNTY SHERIFFS	\$ 672,199.23	\$ -	\$ 89,837.69	\$ (24,547.22)	\$ 737,489.70
104	PINAL COUNTY SHERIFFS	\$ 2,338,023.72	\$ (303,911.68)	\$ 370,787.86	\$ (14,414.46)	\$ 2,390,485.44
105	CLARKDALE POLICE	\$ 159,192.53	\$ (48,222.79)	\$ 21,012.66	\$ -	\$ 131,982.40
106	BUCKEYE POLICE	\$ 275,863.24	\$ -	\$ 46,899.26	\$ -	\$ 322,762.50
107	MARANNA MARSHALS	\$ 752,762.00	\$ 7,813.34	\$ 156,605.02	\$ (33,135.84)	\$ 884,044.52
108	TOLLESON FIRE	\$ 296,233.99	\$ -	\$ 68,514.12	\$ -	\$ 364,748.11
109	CHINO VALLEY POLICE	\$ 189,106.69	\$ -	\$ 43,473.40	\$ (8,565.43)	\$ 224,014.66
110	SURPRISE POLICE	\$ 613,880.59	\$ (25,421.58)	\$ 122,364.90	\$ -	\$ 710,823.91
111	WELTON POLICE	\$ 37,815.56	\$ (358.78)	\$ 6,968.52	\$ -	\$ 44,425.30
112	GILA COUNTY SHERIFFS	\$ 790,987.61	\$ (54,990.91)	\$ 99,286.86	\$ (62,272.71)	\$ 773,010.85
113	PINETOP-LAKESIDE POLICE	\$ 207,753.70	\$ (61,566.38)	\$ 33,518.29	\$ (10,335.19)	\$ 169,370.42
114	BULLHEAD CITY POLICE	\$ 1,681,985.38	\$ 10,274.37	\$ 254,091.65	\$ (55,084.50)	\$ 1,891,266.90
115	WILLIAMS POLICE	\$ 139,332.03	\$ (2,577.07)	\$ 44,692.27	\$ -	\$ 181,447.23
116	MIAMI POLICE	\$ 127,895.59	\$ (4,796.76)	\$ 21,267.09	\$ -	\$ 144,365.92
117	THATCHER POLICE	\$ 224,178.65	\$ 34,358.22	\$ 28,645.77	\$ -	\$ 287,182.64
118	YOUNGTOWN POLICE	\$ 68,074.17	\$ (4,032.48)	\$ 17,183.97	\$ (3,411.06)	\$ 77,814.60
119	D.E.M.A.	\$ 726,162.14	\$ (13,169.67)	\$ 84,999.23	\$ (15,267.20)	\$ 782,724.50
120	SURPRISE FIRE	\$ 239,135.08	\$ 9,400.60	\$ 90,510.36	\$ -	\$ 339,046.04
121	CAMP VERDE MARSHALS	\$ 134,510.60	\$ -	\$ 34,126.70	\$ (2,265.77)	\$ 166,371.53
122	ORO VALLEY POLICE	\$ 978,505.47	\$ 6,028.44	\$ 184,918.06	\$ (32,247.19)	\$ 1,137,204.78
123	GREENLEE COUNTY SHERIFFS	\$ 360,980.61	\$ (21,307.83)	\$ 37,630.71	\$ -	\$ 377,303.49
124	TUCSON AIR.AUTH.FIRE	\$ 762,710.39	\$ (61,599.90)	\$ 69,657.54	\$ -	\$ 770,768.03
125	TUCSON AIR.AUTH.POLICE	\$ 496,131.40	\$ -	\$ 80,009.29	\$ -	\$ 576,140.69
126	WICKENBURG POLICE	\$ 149,017.89	\$ 5,026.51	\$ 29,847.03	\$ (156.66)	\$ 183,734.77
127	EL MIRAGE FIRE	\$ 62,808.90	\$ -	\$ 19,891.05	\$ (5,000.82)	\$ 77,699.13
128	PATAGONIA MARSHALS	\$ 5,745.77	\$ 21,035.37	\$ 8,796.70	\$ (25,847.90)	\$ 9,729.94
129	SEDONA POLICE	\$ 339,907.37	\$ -	\$ 57,553.06	\$ (54,332.79)	\$ 343,127.64
130	MAMMOTH POLICE	\$ 57,273.25	\$ (1,146.51)	\$ 11,547.89	\$ -	\$ 67,674.63

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES
FISCAL YEAR ENDED JUNE 30, 2000**

Sys No.	System	Balances June 30, 1999	Reserve Transfers	Contributions Received	Withdrawn Members	Balances June 30, 2000
131	GLOBE POLICE	\$ 439,979.62	\$ (58,513.30)	\$ 66,771.20	\$ (5,804.54)	\$ 442,432.98
132	TOMBSTONE POLICE	\$ 51,453.32	\$ (12,885.90)	\$ 14,965.04	\$ (6,325.43)	\$ 47,207.03
133	GOLDER RANCH FIRE DISTRICT	\$ 480,927.48	\$ (4,838.93)	\$ 119,753.94	\$ -	\$ 595,842.49
134	FORT MOHAVE MESA FIRE	\$ 518,643.51	\$ 8,212.06	\$ 106,210.71	\$ (52,344.15)	\$ 580,722.13
135	LAVEEN FIRE DISTRICT	\$ 91,682.61	\$ (10,822.37)	\$ 27,934.51	\$ -	\$ 108,794.75
136	GOODYEAR FIRE DEPT.	\$ 227,343.85	\$ 4,334.19	\$ 85,935.76	\$ (18,037.09)	\$ 299,576.71
137	GOODYEAR POLICE DEPT.	\$ 601,097.62	\$ -	\$ 129,970.89	\$ -	\$ 731,068.51
138	CHINO VALLEY FIRE	\$ 194,654.09	\$ -	\$ 47,661.47	\$ -	\$ 242,315.56
139	AVONDALE POLICE DEPT.	\$ 681,509.75	\$ (7,262.83)	\$ 172,066.83	\$ (8,861.35)	\$ 837,452.40
140	GRAHAM COUNTY SHERIFFS	\$ 226,204.34	\$ -	\$ 40,392.78	\$ (11,229.77)	\$ 255,367.35
141	FLOWING WELLS FIRE DISTRICT	\$ -	\$ -	\$ -	\$ -	\$ -
142	GOLDEN VALLEY FIRE DISTRICT	\$ 214,405.62	\$ (1,286.72)	\$ 39,962.13	\$ (38,705.68)	\$ 214,375.35
143	DAISY MOUNTAIN FIRE DISTRICT	\$ 188,709.91	\$ (7,916.77)	\$ 77,898.07	\$ (7,101.23)	\$ 251,589.98
144	QUARTZSITE MARSHALS	\$ 62,738.50	\$ (4,111.65)	\$ 18,222.25	\$ (12,204.84)	\$ 64,644.26
145	PICTUREROCKS FIRE	\$ 120,545.90	\$ 13,842.83	\$ 36,943.34	\$ (4,974.88)	\$ 166,357.19
146	PIMA COMMUNITY COLLEGE	\$ 541,649.33	\$ (12,946.55)	\$ 110,119.47	\$ (14,434.52)	\$ 624,387.73
147	NORTHWEST FIRE	\$ 1,331,501.51	\$ (65,534.39)	\$ 305,353.05	\$ (825.78)	\$ 1,570,494.39
148	APACHE JUNCTION FIRE	\$ 726,620.87	\$ (379.71)	\$ 191,349.56	\$ (8,705.74)	\$ 908,884.98
149	GILBERT FIRE	\$ 662,285.98	\$ 13,762.92	\$ 224,235.20	\$ -	\$ 900,284.10
150	PINE-STRAWBERRY FIRE	\$ 161,759.16	\$ -	\$ 30,901.29	\$ -	\$ 192,660.45
151	ATTORNEY GENERAL	\$ 1,248,258.33	\$ -	\$ 125,588.69	\$ (6,986.94)	\$ 1,366,860.08
152	TUCSON ESTATES FIRE	\$ 17,028.99	\$ (3,476.66)	\$ 13,489.26	\$ (940.45)	\$ 26,101.14
153	ST. JOHNS POLICE	\$ 27,525.81	\$ 13,537.85	\$ 14,726.53	\$ -	\$ 55,790.19
154	PIMA CO. ATTORNEY INVSTGTR	\$ 250,709.95	\$ -	\$ 22,515.94	\$ (25,067.77)	\$ 248,158.12
155	SUN LAKES FIRE DIST.	\$ 333,815.15	\$ (26,296.78)	\$ 91,849.18	\$ (13,365.00)	\$ 386,002.55
156	KEARNY POLICE	\$ 36,767.53	\$ 5,151.01	\$ 12,912.62	\$ (3,372.67)	\$ 51,458.49
157	GREENLEE CO. ATTRNY INVSTGTR	\$ 5,425.11	\$ -	\$ 2,338.95	\$ -	\$ 7,764.06
158	NAVAJO CO.ATTORNEY INVSTGTR	\$ 30,675.94	\$ -	\$ 3,021.94	\$ -	\$ 33,697.88
159	DONEY PARK RURAL FIRE	\$ 113,449.84	\$ (9,851.69)	\$ 33,532.33	\$ (13,661.98)	\$ 123,468.50
160	AZ STATE CAPITOL POLICE	\$ 207,949.82	\$ 23,651.89	\$ 73,757.36	\$ (15,314.87)	\$ 290,044.20
161	FOUNTAIN HILLS MARSHALS	\$ 90,683.28	\$ (1,336.46)	\$ 37,515.30	\$ (1,468.96)	\$ 125,393.16
162	AVRA VALLEY FIRE DISTRICT	\$ 77,866.28	\$ (8,866.86)	\$ 32,859.23	\$ (14,173.81)	\$ 87,684.84
163	SAN LUIS FIRE	\$ 72,877.92	\$ (3,744.72)	\$ 31,670.92	\$ -	\$ 100,804.12
164	AZ DEPT OF LIQUOR LICENSE	\$ 372,623.48	\$ 15,784.18	\$ 63,464.51	\$ (1,327.61)	\$ 450,544.56
165	MARICOPA CNTY ATTY INVSTGTR	\$ 705,653.15	\$ 41,268.79	\$ 61,643.53	\$ -	\$ 808,565.47
166	SEDONA FIRE DISTRICT	\$ 347,579.16	\$ 10,560.06	\$ 117,153.00	\$ -	\$ 475,292.22
167	GUADALUPE FIRE	\$ 29,880.87	\$ (338.28)	\$ 24,265.44	\$ -	\$ 53,808.03
168	MAYER FIRE DISTRICT	\$ 29,467.01	\$ (3,203.83)	\$ 17,814.69	\$ (10,916.42)	\$ 33,161.45
169	SOMERTON POLICE	\$ 86,505.37	\$ (1,553.13)	\$ 44,740.23	\$ (972.83)	\$ 128,719.64
170	SUN CITY WEST FIRE DSTRCT	\$ 364,156.16	\$ (36,326.37)	\$ 237,406.21	\$ -	\$ 565,236.00
171	SOMERTON FIRE	\$ 32,949.31	\$ 2,972.45	\$ 22,361.17	\$ -	\$ 58,282.93

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
STATEMENT OF CHANGES IN REFUNDABLE MEMBER RESERVES
FISCAL YEAR ENDED JUNE 30, 2000**

Sys No.	System	Balances June 30, 1999	Reserve Transfers	Contributions Received	Withdrawn Members	Balances June 30, 2000
172	TUBAC FIRE DISTRICT	\$ 78,677.91	\$ -	\$ 30,754.15	\$ (87.49)	\$ 109,344.57
173	LA PAZ CNTY ATTY INVSTGTR	\$ 21,686.98	\$ -	\$ 3,003.80	\$ -	\$ 24,690.78
174	SAHUARITA POLICE	\$ 24,820.28	\$ 364.54	\$ 14,661.46	\$ (3,772.13)	\$ 36,074.15
176	FLORENCE FIRE	\$ 24,606.68	\$ 77.76	\$ 10,381.35	\$ (349.28)	\$ 34,716.51
177	SUN CITY FIRE	\$ 3,155,904.79	\$ (144,985.00)	\$ 270,083.98	\$ -	\$ 3,281,003.77
178	HAYDEN POLICE	\$ 12,607.29	\$ -	\$ 14,199.11	\$ -	\$ 26,806.40
179	GILA RIVER FIRE	\$ -	\$ -	\$ 190,053.72	\$ -	\$ 190,053.72
180	GILA RIVER POLICE	\$ -	\$ -	\$ 136,502.07	\$ -	\$ 136,502.07
181	SALT RIVER PIMA-MARICOPA FIRE	\$ -	\$ -	\$ 98,216.66	\$ -	\$ 98,216.66
182	SALT RIVER PIMA-MARICOPA POLICE	\$ -	\$ (3,383.59)	\$ 120,972.47	\$ (2,898.34)	\$ 114,690.54
183	LAKESIDE FIRE DISTRICT	\$ -	\$ -	\$ 7,732.52	\$ -	\$ 7,732.52
184	CORNVILLE-PAGE SPRINGS FIRE	\$ -	\$ -	\$ 6,682.99	\$ -	\$ 6,682.99
185	PINETOP FIRE DISTRICT	\$ -	\$ -	\$ 15,615.19	\$ -	\$ 15,615.19
186	SHOW LOW FIRE DISTRICT	\$ -	\$ -	\$ 11,045.92	\$ -	\$ 11,045.92
187	YAVAPAI CNTY ATTRNY INVSTGTR	\$ -	\$ -	\$ 3,272.20	\$ -	\$ 3,272.20
188	THREE POINTS FIRE DISTRICT	\$ -	\$ 17,221.91	\$ 973.04	\$ -	\$ 18,194.95
TOTALS		\$ 395,990,517.41	\$ (26,114,787.01)	\$ 52,451,477.77	\$ (3,480,194.61)	\$ 418,847,013.56

INVESTMENT SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
THIRTY-SECOND COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2000

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

55 Water Street
New York, NY 10041
Tel 212 438 9546
Fax 212 438 9511

Kenneth A. Shea
Vice President
Director of Equity Research

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

August 29, 2000

The Fund Manager
Public Safety Retirement System
of the State of Arizona
1020 East Missouri Avenue
Phoenix, Arizona 85014

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.

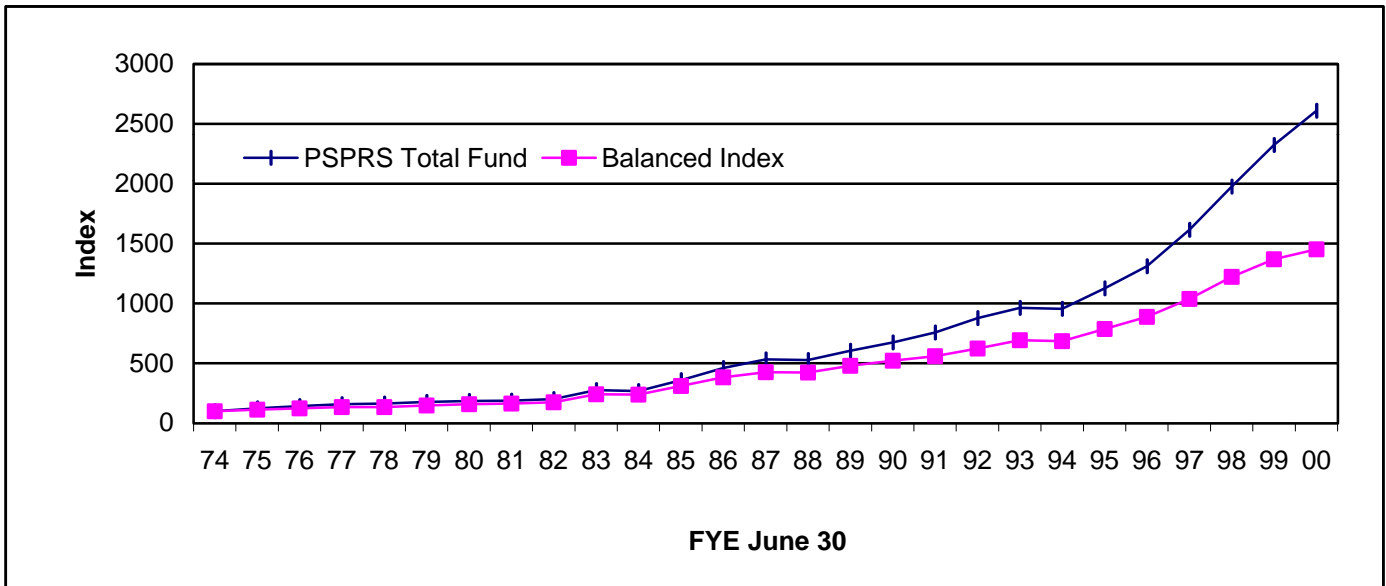
Based on the foregoing, during the past fiscal year, the stock portfolio outperformed the NYSE and S&P 500 indices, while the bond portfolio underperformed the Lehman Government/Credit Index. The overall fund outperformed a custom benchmark, using bond and stock index weighted in a fixed proportion. The overall fund has attained a rate of return over the past decade that compares favorably with this custom index.

Sincerely,

Kenneth Shea/sig

Kenneth Shea
VP - Director of Equity Research

**Investment Performance Data
Cumulative Return - Total Fund
Public Safety Personnel Retirement System**



FYE	Fair Value	Contribution	Total Return	Balanced Index*
06-30-00	\$ 5,346,760,140	\$ (40,728,025)	12.31%	6.02%
06-30-99	\$ 4,799,032,031	\$ (42,171,100)	17.70%	11.94%
06-30-98	\$ 4,117,504,057	\$ (27,295,036)	22.23%	17.82%
06-30-97	\$ 3,393,713,299	\$ (15,244,314)	23.42%	16.85%
06-30-96	\$ 2,764,579,315	\$ (13,627,135)	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%

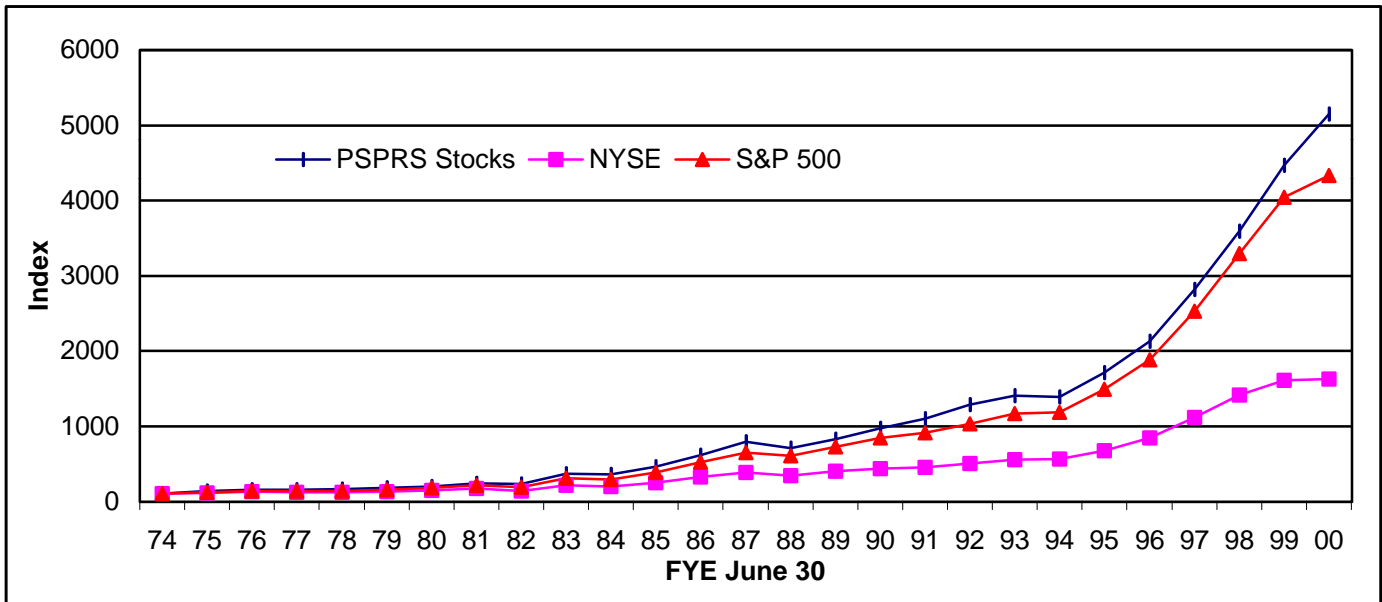
*Balanced Index is 45% NYSE + 45% Lehman Government/Corporate Bond + 10% 91 day T-bill. Beginning FY 98/99, S&P 500 replaces NYSE.

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	17.34%	11.82%
5-year	18.35%	13.05%

**Investment Performance Data
Cumulative Return - Stocks
Public Safety Personnel Retirement System**

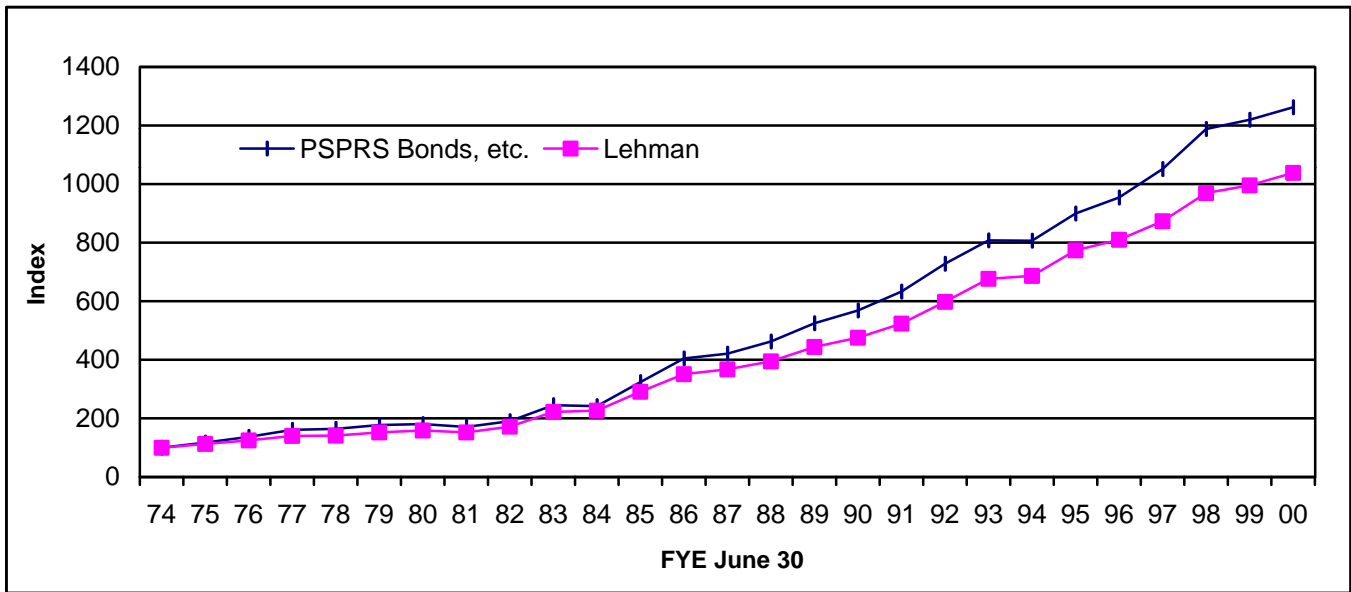


FYE	Fair Value	Contribution	Total Return	NYSE Index*	S&P 500
06-30-00	\$ 4,149,828,967	\$ 91,069,097	15.31%	0.84%	7.25%
06-30-99	\$ 3,510,963,034	\$ (24,956,479)	24.43%	13.86%	22.76%
06-30-98	\$ 2,847,416,226	\$ 62,789,349	27.27%	27.35%	30.16%
06-30-97	\$ 2,189,785,301	\$ 12,414,490	32.48%	31.63%	34.69%
06-30-96	\$ 1,646,181,750	\$ 72,955,246	24.62%	25.91%	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	-2.40%	-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	22.23%	13.50%	19.67%
5-year	24.69%	19.37%	23.80%

**Investment Performance Data
Cumulative Return - Bonds, Notes, Other Investments and Money Market
Public Safety Personnel Retirement System**



FYE	Fair Value	Contribution	Total Return	Lehman*
06-30-00	\$ 1,196,931,173	\$ (131,797,122)	3.50%	4.29%
06-30-99	\$ 1,288,068,997	\$ (17,214,621)	2.73%	2.69%
06-30-98	\$ 1,270,087,831	\$ (90,084,385)	12.97%	11.08%
06-30-97	\$ 1,203,927,998	\$ (27,658,804)	10.14%	7.75%
06-30-96	\$ 1,118,397,565	\$ (86,582,381)	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	6.30%	5.96%
5-year	7.03%	6.05%

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SUPPORTING SCHEDULE OF COMMISSIONS PAID TO BROKERS
FISCAL YEAR ENDED JUNE 30, 2000**

<u>Broker</u>	<u>Number of Shares Traded</u>	<u>Average Commission</u>	<u>Commissions</u>
Covato Lipsitz	1,540,000	0.050	\$ 77,000
ISI Group	1,205,000	0.050	60,250
J.W.Garrett	3,995,000	0.050	199,750
Merrill Lynch	4,250,000	0.017	74,000
Paine Webber	4,691,000	0.029	134,050
Prudential Securities	4,765,000	0.034	163,750
Simon Securities	4,580,400	0.050	229,020
Smith Barney--Phoenix	4,450,000	0.019	84,500
Smith Barney--Scottsdale	4,481,600	0.026	116,580
Standard & Poor's Securities	<u>8,185,500</u>	0.050	<u>409,275</u>
Total Commissions	<u><u>42,143,500</u></u>	<u>0.037</u>	<u><u>\$ 1,548,175</u></u>

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, 2000**

Description	Percent at Fair Value	Balance June 30, 1999		Acquisitions	Maturities and Sales	(Premium) Discount	Balance June 30, 2000		Percent at Fair Value
		Fair Value	Book Value				Book Value	Fair Value	
U.S. Treasury Obligations	5.03%	241,377,390.00	221,228,358.00	-	65,073,957.00	(1,047,373.00)	155,107,028.00	171,427,025.00	3.21%
Federal Agency Obligations	5.64%	270,797,656.86	260,964,273.45	98,746,377.14	39,502,595.03	-	320,208,055.56	323,938,929.08	6.06%
Total U.S. Government Securities	10.67%	512,175,046.86	482,192,631.45	98,746,377.14	104,576,552.03	(1,047,373.00)	475,315,083.56	495,365,954.08	9.27%
Corporate Bonds	13.01%	624,438,027.46	622,219,495.61	38,239,951.20	83,072,563.91	(187,422.00)	577,199,460.90	528,329,514.69	9.88%
Total Bond Portfolio	23.68%	1,136,613,074.32	1,104,412,127.06	136,986,328.34	187,649,115.94	(1,234,795.00)	1,052,514,544.46	1,023,695,468.77	19.15%
Corporate Notes	0.92%	43,952,939.43	43,952,939.43	5,424,217,236.98	5,419,238,801.43	-	48,931,374.98	48,931,374.98	0.92%
Common Stock	73.16%	3,510,963,034.25	2,214,465,197.38	1,122,188,235.15	749,148,130.49	-	2,587,505,302.04	4,149,828,967.06	77.61%
Other Investments	2.22%	106,567,349.09	106,567,349.09	53,296,584.66	37,768,946.04	-	122,094,987.71	122,094,987.71	2.28%
Money Market Account	0.02%	935,634.53	935,634.53	1,273,706.80	-	-	2,209,341.33	2,209,341.33	0.04%
Total Portfolio	100.00%	4,799,032,031.62	3,470,333,247.49	6,737,962,091.93	6,393,804,993.90	(1,234,795.00)	3,813,255,550.52	5,346,760,139.85	100.00%

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS ACQUIRED
JULY 1, 1999 THROUGH JUNE 30, 2000**

BONDS ACQUIRED

Security	Coupon	Maturity	Purchase Price	Par Value	Principal	(Premium) Discount	Accrued Interest	Total Amount	Book Yield
FEDERAL AGENCY OBLIGATIONS									
GNMA POOL #441619	7.500	11/15/29	99.60938	1,699,709.75	1,693,070.26	6,639.49	7,790.34	1,700,860.60	7.53%
GNMA POOL #464692	7.000	07/15/28	97.68750	13,665,999.54	13,349,973.30	316,026.24	58,460.11	13,408,433.41	7.17%
GNMA POOL #478875	7.500	11/15/29	99.60938	7,143,824.56	7,115,919.00	27,905.56	32,742.53	7,148,661.53	7.53%
GNMA POOL #478881	7.500	11/15/29	99.60938	7,156,465.39	7,128,510.45	27,954.94	32,800.47	7,161,310.92	7.53%
GNMA POOL #487221	7.000	05/15/29	95.75000	2,529,733.39	2,422,219.72	107,513.67	8,854.07	2,431,073.79	7.31%
GNMA POOL #487222	7.000	05/15/29	95.92188	14,280,774.48	13,698,386.65	582,387.83	49,982.71	13,748,369.36	7.30%
GNMA POOL #493996	7.000	07/15/29	95.75000	9,832,464.79	9,414,585.04	417,879.75	34,413.63	9,448,998.67	7.31%
GNMA POOL #503019	6.000	03/15/29	92.60938	15,771,719.77	14,606,091.11	1,165,628.66	52,572.40	14,658,663.51	6.48%
GNMA POOL #506075	7.000	11/15/29	95.92188	2,880,566.55	2,763,093.45	117,473.10	10,081.98	2,773,175.43	7.30%
GNMA POOL #509328	7.000	06/15/29	96.93750	6,848,400.34	6,638,668.08	209,732.26	27,964.30	6,666,632.38	7.22%
GNMA POOL #510302	7.000	08/15/29	95.92188	2,698,773.81	2,588,714.45	110,059.36	9,445.71	2,598,160.16	7.30%
GNMA POOL #510983	7.000	06/15/29	95.92187	2,139,885.24	2,052,618.04	87,267.20	7,489.60	2,060,107.64	7.30%
GNMA POOL #512888	7.000	07/15/29	96.93750	6,182,916.61	5,993,564.79	189,351.82	25,246.91	6,018,811.70	7.22%
GNMA POOL #512915	7.000	07/15/29	96.93750	6,968,683.61	6,755,267.67	213,415.94	28,455.46	6,783,723.13	7.22%
GNMA POOL #513367	7.000	08/15/29	95.75000	2,637,801.70	2,525,695.13	112,106.57	9,232.31	2,534,927.44	7.31%
TOTAL FEDERAL AGENCY OBLIGATIONS				102,437,719.53	98,746,377.14	3,691,342.39	395,532.53	99,141,909.67	7.18%
CORPORATE BONDS									
AON CAPITAL TRUST A	8.205	01/01/27	102.25200	2,935,000.00	3,001,096.20	(66,096.20)	21,405.93	3,022,502.13	8.02%
AON CAPITAL TRUST A	8.205	01/01/27	101.86900	5,000,000.00	5,093,450.00	(93,450.00)	37,606.25	5,131,056.25	8.05%
FIRST UNION CAPITAL II	7.950	11/15/29	89.92100	4,000,000.00	3,596,840.00	403,160.00	20,316.67	3,617,156.67	8.84%
HUNTING BANKS SUB NTS	6.600	06/15/18	90.30100	3,500,000.00	3,160,535.00	339,465.00	92,400.00	3,252,935.00	7.31%
KEY CORP CAPITAL III	7.750	07/15/29	95.10000	7,000,000.00	6,657,000.00	343,000.00	108,500.00	6,765,500.00	8.15%
OKLAHOMA GAS & ELECTRIC	6.500	04/15/28	82.87400	10,000,000.00	8,287,400.00	1,712,600.00	122,277.78	8,409,677.78	7.84%
TYCO INTERNATIONAL GROUP	6.875	01/15/29	89.66400	4,500,000.00	4,034,880.00	465,120.00	97,968.75	4,132,848.75	7.67%
TYCO INTERNATIONAL GROUP	6.875	01/15/29	88.17500	5,000,000.00	4,408,750.00	591,250.00	143,229.17	4,551,979.17	7.80%
TOTAL CORPORATE BONDS				41,935,000.00	38,239,951.20	3,695,048.80	643,704.55	38,883,655.75	7.96%
TOTAL BONDS ACQUIRED				144,372,719.53	136,986,328.34	7,386,391.19	1,039,237.08	138,025,565.42	7.40%

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS ACQUIRED
JULY 1, 1999 THROUGH JUNE 30, 2000**

SHORT TERM INVESTMENTS MATURED

Page 1 of 9

Date Acquired	Description	Interest Rate	Maturity Date	Cost	Amount of Interest	Maturity Value
06/30/99	MONTAUK FUNDING CORP	5.780	07/01/99	999,839.44	160.56	1,000,000.00
06/25/99	UBS FINANCIAL(DELAWARE)	5.200	07/02/99	22,976,744.44	23,255.56	23,000,000.00
07/01/99	AVNET INC.	5.600	07/02/99	4,999,222.22	777.78	5,000,000.00
06/28/99	ATLANTIS ONE FUNDING	5.320	07/06/99	19,976,355.55	23,644.45	20,000,000.00
07/02/99	ASSET PORTFOLIO FUNDING	5.060	07/09/99	25,974,418.89	25,581.11	26,000,000.00
07/06/99	HALIFAX PLC	5.030	07/09/99	21,990,778.33	9,221.67	22,000,000.00
07/09/99	KIMBERLY CLARK CORP	4.960	07/13/99	19,988,977.78	11,022.22	20,000,000.00
07/12/99	CVS CORPORATION	5.080	07/13/99	999,858.89	141.11	1,000,000.00
07/09/99	HALIFAX PLC	4.920	07/14/99	27,980,866.66	19,133.34	28,000,000.00
07/13/99	ABN AMRO	5.050	07/19/99	11,989,900.00	10,100.00	12,000,000.00
07/14/99	MERRILL LYNCH & CO, INC.	5.030	07/20/99	25,978,203.33	21,796.67	26,000,000.00
07/19/99	HOLLAND LIMITED SECURITIZATION	5.010	07/20/99	32,995,407.50	4,592.50	33,000,000.00
07/20/99	ASSET PORTFOLIO FUNDING	5.040	07/26/99	25,978,160.00	21,840.00	26,000,000.00
07/20/99	EXXON PROJECT INVEST.	5.000	07/27/99	32,967,916.67	32,083.33	33,000,000.00
07/22/99	SUNBELT-DIX INC.	5.030	07/28/99	1,998,323.34	1,676.66	2,000,000.00
07/26/99	WESTPAC TRUST NZ	5.060	07/29/99	26,988,615.00	11,385.00	27,000,000.00
07/27/99	CONSTELLATION ENERGY	5.050	07/29/99	32,990,741.67	9,258.33	33,000,000.00
07/02/99	REPUBLIC INDUSTRIES	5.110	07/30/99	10,956,281.11	43,718.89	11,000,000.00
07/28/99	TMI-1 FUEL CORP	5.100	08/02/99	2,997,875.00	2,125.00	3,000,000.00
07/30/99	DUKE CAPITAL CORP	5.150	08/02/99	34,984,979.17	15,020.83	35,000,000.00
07/29/99	CAISSE DE DEPOTS ET CONSIGNATIONS	5.110	08/03/99	30,977,998.61	22,001.39	31,000,000.00
08/02/99	DUKE CAPITAL CORP	5.220	08/03/99	6,998,985.00	1,015.00	7,000,000.00
08/02/99	LEXINGTON PARKER CAP.	5.200	08/03/99	29,995,666.67	4,333.33	30,000,000.00
08/02/99	K2 (USA)LLC	5.200	08/03/99	10,998,411.11	1,588.89	11,000,000.00
08/03/99	DUKE CAPITAL CORP	5.050	08/04/99	9,998,597.22	1,402.78	10,000,000.00
08/03/99	BALTIMORE GAS & ELEC.	5.020	08/05/99	9,997,211.11	2,788.89	10,000,000.00
08/03/99	EXPORT DEVELOPMENT CORP	5.030	08/05/99	1,999,441.11	558.89	2,000,000.00
08/03/99	EXXON PROJECT INVEST.	5.020	08/06/99	13,994,143.33	5,856.67	14,000,000.00
08/06/99	DUKE CAPITAL CORP	5.000	08/09/99	7,996,666.67	3,333.33	8,000,000.00
08/05/99	UNITED PARCEL SERVICE	4.950	08/10/99	2,997,937.50	2,062.50	3,000,000.00
08/06/99	EXXON PROJECT INVEST.	4.930	08/11/99	5,496,234.03	3,765.97	5,500,000.00
08/09/99	CENTENNIAL ENERGY HOLD	5.150	08/11/99	999,713.89	286.11	1,000,000.00
08/10/99	HALIFAX PLC	5.000	08/13/99	3,998,333.33	1,666.67	4,000,000.00
08/13/99	USA GROUP SECOND	5.080	08/18/99	4,996,472.22	3,527.78	5,000,000.00
08/16/99	FORD MOTOR CREDIT CO.	5.080	08/19/99	30,986,876.67	13,123.33	31,000,000.00
08/16/99	EXXON PROJECT INVEST.	5.250	08/20/99	2,998,250.00	1,750.00	3,000,000.00
08/18/99	UNITED PARCEL SERVICE	4.930	08/23/99	3,997,261.11	2,738.89	4,000,000.00
08/19/99	HALIFAX PLC	4.930	08/24/99	26,981,512.50	18,487.50	27,000,000.00
08/20/99	TMI-1 FUEL CORP	5.100	08/25/99	2,997,875.00	2,125.00	3,000,000.00
08/25/99	LEXINGTON PARKER CAP.	5.180	08/26/99	3,999,424.45	575.55	4,000,000.00
08/24/99	COUNTRYWIDE HOME LOANS	5.200	08/27/99	29,987,000.00	13,000.00	30,000,000.00
08/11/99	GENERAL ELEC CAP CORP	5.060	08/31/99	9,971,888.89	28,111.11	10,000,000.00
08/19/99	WORLD OMNI VEH. LEASING	5.020	08/31/99	1,996,653.33	3,346.67	2,000,000.00
08/26/99	WORLD OMNI VEH. LEASING	5.300	09/01/99	4,995,583.33	4,416.67	5,000,000.00
08/31/99	CONCORD MINUTEMAN CAP.	5.600	09/01/99	999,844.44	155.56	1,000,000.00
08/27/99	SIGMA FINANCE	5.300	09/02/99	27,975,266.67	24,733.33	28,000,000.00
09/02/99	FOUR WINDS FUNDING CORP	5.300	09/03/99	14,997,791.67	2,208.33	15,000,000.00
09/01/99	DUKE CAPITAL CORP	5.330	09/07/99	11,989,340.00	10,660.00	12,000,000.00
09/07/99	LEXINGTON PARKER CAP.	5.400	09/08/99	11,998,200.00	1,800.00	12,000,000.00
09/03/99	CASE EQUIPMENT LOAN	5.300	09/09/99	7,693,198.33	6,801.67	7,700,000.00
09/03/99	TEACHERS INSURANCE	5.240	09/10/99	8,291,543.22	8,456.78	8,300,000.00
09/09/99	MERRILL LYNCH & CO, INC.	5.220	09/13/99	30,982,020.00	17,980.00	31,000,000.00
09/08/99	CONCORD MINUTEMAN CAP.	5.300	09/15/99	12,986,602.78	13,397.22	13,000,000.00
09/09/99	FAIRWAY FINANCE	5.300	09/16/99	6,992,786.11	7,213.89	7,000,000.00
09/15/99	LEXINGTON PARKER CAP.	5.400	09/16/99	23,996,400.00	3,600.00	24,000,000.00

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09/10/99	ATLANTIS ONE FUNDING	5.240	09/20/99	10,983,988.89	16,011.11	11,000,000.00
09/13/99	MERRILL LYNCH & CO, INC.	5.250	09/21/99	30,963,833.33	36,166.67	31,000,000.00
09/20/99	BLOCK FINANCIAL CORP	5.250	09/21/99	11,998,250.00	1,750.00	12,000,000.00
09/21/99	DUKE CAPITAL CORP	5.200	09/22/99	11,998,266.66	1,733.34	12,000,000.00
09/16/99	AMSTERDAM FUNDING CORP	5.290	09/23/99	31,967,084.44	32,915.56	32,000,000.00
09/21/99	AMERITECH CAPITAL FUND.	5.220	09/27/99	30,973,030.00	26,970.00	31,000,000.00
09/22/99	WORLD OMNI VEH. LEASING	5.270	09/27/99	12,990,484.72	9,515.28	13,000,000.00
09/23/99	ASSET PORTFOLIO FUNDING	5.260	09/28/99	31,976,622.22	23,377.78	32,000,000.00
09/27/99	DUKE CAPITAL CORP	5.330	09/28/99	30,995,410.28	4,589.72	31,000,000.00
09/02/99	AMSTERDAM FUNDING CORP	5.330	09/30/99	11,950,253.34	49,746.66	12,000,000.00
09/30/99	AMSTERDAM FUNDING CORP	5.620	10/01/99	999,843.89	156.11	1,000,000.00
09/27/99	FORD MOTOR CREDIT CO.	5.240	10/01/99	12,992,431.11	7,568.89	13,000,000.00
09/28/99	BLOCK FINANCIAL CORP	5.400	10/01/99	19,991,000.00	9,000.00	20,000,000.00
09/28/99	OGE ENERGY CORP	5.430	10/04/99	30,971,945.00	28,055.00	31,000,000.00
10/01/99	MARKET STREET FUNDING	5.400	10/04/99	6,996,850.00	3,150.00	7,000,000.00
09/28/99	ARCO BRITISH LTD	5.380	10/05/99	12,986,400.55	13,599.45	13,000,000.00
10/01/99	SPECIAL PURPOSE ACCTS. REC.	5.380	10/05/99	30,981,468.89	18,531.11	31,000,000.00
10/04/99	AVNET INC.	5.350	10/05/99	3,999,405.55	594.45	4,000,000.00
10/05/99	CROWN POINT CAPITAL	5.270	10/06/99	1,999,707.22	292.78	2,000,000.00
10/05/99	ASSET SECUR. COOPERATIVE	5.350	10/07/99	17,994,650.00	5,350.00	18,000,000.00
10/07/99	NESS LLC	5.270	10/08/99	999,853.61	146.39	1,000,000.00
10/07/99	FOUR WINDS FUNDING CORP	5.280	10/08/99	15,997,653.34	2,346.66	16,000,000.00
10/08/99	MOBIL CORP	5.200	10/13/99	15,988,444.44	11,555.56	16,000,000.00
10/13/99	FOUR WINDS FUNDING CORP	5.250	10/14/99	11,998,250.00	1,750.00	12,000,000.00
10/15/99	MARKET STREET FUNDING	5.290	10/18/99	2,998,677.49	1,322.51	3,000,000.00
10/15/99	EAGLE FUNDING CAPITAL	5.320	10/21/99	7,992,906.67	7,093.33	8,000,000.00
10/18/99	BARTON CAPITAL CORP	5.270	10/21/99	999,560.84	439.16	1,000,000.00
10/21/99	DUKE CAPITAL CORP	5.150	10/22/99	7,998,855.56	1,144.44	8,000,000.00
10/22/99	NESS LLC	5.160	10/25/99	9,995,700.00	4,300.00	10,000,000.00
10/21/99	COMMED FUEL CO. INC.	5.260	10/28/99	7,991,817.78	8,182.22	8,000,000.00
10/25/99	KITTY HAWK FUNDING CORP	5.190	10/28/99	2,998,702.50	1,297.50	3,000,000.00
10/26/99	MERRILL LYNCH & CO, INC.	5.150	10/29/99	1,999,141.67	858.33	2,000,000.00
10/28/99	CONSTELLATION ENERGY	5.300	10/29/99	11,998,233.33	1,766.67	12,000,000.00
10/29/99	MERRILL LYNCH & CO, INC.	5.330	11/03/99	1,998,519.45	1,480.55	2,000,000.00
11/01/99	PROGRESS CAPITAL FUNDING	5.340	11/04/99	2,998,665.00	1,335.00	3,000,000.00
11/04/99	COMMED FUEL CO. INC.	5.300	11/08/99	2,998,233.34	1,766.66	3,000,000.00
11/08/99	BARTON CAPITAL CORP	5.180	11/10/99	4,998,561.11	1,438.89	5,000,000.00
11/09/99	MARKET STREET FUNDING	5.200	11/12/99	999,566.66	433.34	1,000,000.00
11/09/99	EMERSON ELECTRIC	5.180	11/15/99	1,998,273.33	1,726.67	2,000,000.00
11/10/99	EAGLE FUNDING CAPITAL	5.250	11/15/99	13,989,791.67	10,208.33	14,000,000.00
11/15/99	CENTENNIAL ENERGY HOLD	5.770	11/16/99	6,998,878.06	1,121.94	7,000,000.00
11/15/99	MERRILL LYNCH & CO, INC.	5.600	11/17/99	7,997,511.11	2,488.89	8,000,000.00
11/16/99	BARTON CAPITAL CORP	5.480	11/17/99	2,999,543.33	456.67	3,000,000.00
11/17/99	COUNTRYWIDE HOME LOANS	5.500	11/22/99	25,980,138.89	19,861.11	26,000,000.00
11/17/99	TRIPLE A-1 FUNDING	5.490	11/23/99	5,994,510.00	5,490.00	6,000,000.00
11/19/99	ACE INA HOLDINGS INC.	5.570	11/23/99	4,996,905.56	3,094.44	5,000,000.00
11/22/99	THUNDER BAY FUNDING	5.510	11/23/99	28,995,561.39	4,438.61	29,000,000.00
11/18/99	LIBERTY STREET FUNDING	5.530	11/24/99	8,991,705.00	8,295.00	9,000,000.00
11/23/99	NESS LLC	5.500	11/24/99	20,996,791.67	3,208.33	21,000,000.00
11/23/99	GIRO MULTI-FUNDING U.S. CORP	5.520	11/29/99	20,160,435.32	18,564.68	20,179,000.00
11/03/99	CAISSE DE DEPOTS ET CONSIGNATIONS	5.270	11/30/99	2,988,142.50	11,857.50	3,000,000.00
11/09/99	MERRILL LYNCH & CO, INC.	5.270	11/30/99	8,972,332.50	27,667.50	9,000,000.00
11/24/99	MARKET STREET FUNDING	5.680	11/30/99	29,971,600.00	28,400.00	30,000,000.00
11/29/99	FOUR WINDS FUNDING CORP	5.730	11/30/99	21,996,498.34	3,501.66	22,000,000.00
11/30/99	FOUR WINDS FUNDING CORP	5.660	12/01/99	29,995,283.33	4,716.67	30,000,000.00

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11/30/99	LEXINGTON PARKER CAP.	5.700	12/01/99	5,999,050.00	950.00	6,000,000.00
12/01/99	RECEIVABLES CAPITAL CORP	5.640	12/03/99	20,993,420.00	6,580.00	21,000,000.00
12/01/99	FPL FUELS, INC.	5.580	12/06/99	18,985,275.00	14,725.00	19,000,000.00
12/03/99	AMSTERDAM FUNDING CORP	5.460	12/06/99	999,545.00	455.00	1,000,000.00
12/06/99	THUNDER BAY FUNDING	5.460	12/09/99	8,995,905.00	4,095.00	9,000,000.00
12/08/99	GTE CORP	5.520	12/10/99	999,693.34	306.66	1,000,000.00
12/09/99	USAA CAPITAL CORP	5.450	12/14/99	8,993,187.50	6,812.50	9,000,000.00
12/10/99	ENTERPRISE FUNDING CORPORATION	5.500	12/15/99	3,996,944.45	3,055.55	4,000,000.00
12/14/99	FALCON ASSET SECURITIZATION	5.500	12/17/99	10,994,958.33	5,041.67	11,000,000.00
12/15/99	FORD MOTOR CREDIT CO.	5.470	12/20/99	13,989,363.89	10,636.11	14,000,000.00
12/16/99	NESS LLC	5.520	12/20/99	1,998,773.33	1,226.67	2,000,000.00
12/17/99	FORD MOTOR CREDIT CO.	5.420	12/22/99	16,987,202.78	12,797.22	17,000,000.00
12/20/99	EMERSON ELECTRIC	5.450	12/22/99	16,994,852.78	5,147.22	17,000,000.00
12/21/99	MARKET STREET FUNDING	5.520	12/22/99	999,846.67	153.33	1,000,000.00
12/22/99	GENERAL DYNAMICS CORP	5.500	12/23/99	999,847.22	152.78	1,000,000.00
12/22/99	EKSPORT FINANS	5.480	12/27/99	31,975,644.44	24,355.56	32,000,000.00
12/06/99	FORD MOTOR CREDIT CO.	5.390	12/29/99	11,958,676.66	41,323.34	12,000,000.00
12/27/99	MERRILL LYNCH & CO, INC.	5.380	12/29/99	32,990,136.67	9,863.33	33,000,000.00
12/29/99	COOP. ASSN. OF TRACTOR DEALERS	4.020	12/30/99	32,396,382.00	3,618.00	32,400,000.00
12/30/99	FAIRWAY FINANCE	5.010	01/03/00	6,996,103.33	3,896.67	7,000,000.00
12/30/99	CONSTELLATION ENERGY	4.500	01/03/00	8,495,750.00	4,250.00	8,500,000.00
12/30/99	PEOPLES GAS LIGHT AND COKE	4.500	01/03/00	5,497,250.00	2,750.00	5,500,000.00
12/28/99	EXXON PROJECT INVEST.	6.070	01/04/00	998,819.72	1,180.28	1,000,000.00
01/03/00	REVOLVING COMMITMENT VEHICLE	5.720	01/04/00	29,995,233.33	4,766.67	30,000,000.00
01/04/00	REVOLVING COMMITMENT VEHICLE	5.450	01/05/00	32,995,004.17	4,995.83	33,000,000.00
12/30/99	HOLLAND LIMITED SECURTIZATION	5.030	01/06/00	11,701,544.04	11,455.96	11,713,000.00
01/05/00	UBS FINANCIAL(DELAWARE)	5.440	01/06/00	32,995,013.33	4,986.67	33,000,000.00
01/06/00	COOP. ASSN. OF TRACTOR DEALERS	5.470	01/07/00	12,998,024.72	1,975.28	13,000,000.00
01/06/00	REVOLVING COMMITMENT VEHICLE	5.470	01/07/00	31,995,137.78	4,862.22	32,000,000.00
01/07/00	CDC COMMERCIAL PAPER PROGRAM	5.510	01/10/00	29,986,225.00	13,775.00	30,000,000.00
01/07/00	GIRO FUNDING(US)	5.490	01/10/00	18,991,307.50	8,692.50	19,000,000.00
01/10/00	NESS LLC	5.680	01/11/00	4,999,211.11	788.89	5,000,000.00
01/10/00	SIGMA FINANCE	5.660	01/12/00	4,998,427.77	1,572.23	5,000,000.00
01/10/00	AMSTERDAM FUNDING CORP	5.660	01/13/00	29,985,850.00	14,150.00	30,000,000.00
01/11/00	CENTENNIAL ENERGY HOLD	5.700	01/13/00	999,683.34	316.66	1,000,000.00
01/13/00	THREE RIVERS FUNDING	5.500	01/19/00	27,974,333.33	25,666.67	28,000,000.00
01/18/00	COOP. ASSN. OF TRACTOR DEALERS	5.800	01/19/00	16,997,261.11	2,738.89	17,000,000.00
01/19/00	CARDINAL HEALTH	5.500	01/20/00	15,997,555.56	2,444.44	16,000,000.00
01/19/00	COUNTRYWIDE HOME LOANS	5.500	01/24/00	30,976,319.45	23,680.55	31,000,000.00
01/20/00	FORD MOTOR CREDIT CO.	5.410	01/25/00	15,987,977.78	12,022.22	16,000,000.00
01/24/00	CROWN POINT CAPITAL	5.530	01/25/00	32,994,930.83	5,069.17	33,000,000.00
01/21/00	CARDINAL HEALTH	5.450	01/26/00	999,243.05	756.95	1,000,000.00
01/25/00	CROWN POINT CAPITAL	5.430	01/26/00	4,999,245.83	754.17	5,000,000.00
01/25/00	BARTON CAPITAL CORP	5.450	01/27/00	33,989,705.56	10,294.44	34,000,000.00
01/26/00	CARDINAL HEALTH	5.450	01/27/00	36,994,398.62	5,601.38	37,000,000.00
01/07/00	AMSTERDAM FUNDING CORP	5.530	01/28/00	11,961,289.99	38,710.01	12,000,000.00
01/26/00	FALCON ASSET SECURITIZATION	5.430	01/28/00	15,500,322.65	4,677.35	15,505,000.00
01/27/00	COOP. ASSN. OF TRACTOR DEALERS	5.570	01/28/00	29,995,358.33	4,641.67	30,000,000.00
01/27/00	DUKE CAPITAL CORP	5.580	01/28/00	11,998,140.00	1,860.00	12,000,000.00
01/26/00	GTE CORP	5.530	01/31/00	4,411,609.04	3,390.96	4,415,000.00
01/28/00	DUKE CAPITAL CORP	5.530	01/31/00	5,997,235.00	2,765.00	6,000,000.00
01/28/00	TRIPLE A-1 FUNDING	5.610	02/01/00	12,991,896.67	8,103.33	13,000,000.00
01/28/00	UNITED AIR FUNDING	5.570	02/02/00	28,977,565.27	22,434.73	29,000,000.00
01/31/00	MERRILL LYNCH & CO, INC.	5.780	02/03/00	10,994,701.67	5,298.33	11,000,000.00
02/01/00	FORD MOTOR CREDIT CO.	5.700	02/04/00	16,991,925.00	8,075.00	17,000,000.00

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02/02/00	DUKE ENERGY CORP	5.680	02/07/00	28,977,122.23	22,877.77	29,000,000.00
02/03/00	BLOCK FINANCIAL CORP	5.760	02/08/00	10,991,200.00	8,800.00	11,000,000.00
02/07/00	COOP. ASSN. OF TRACTOR DEALERS	5.770	02/08/00	29,995,191.67	4,808.33	30,000,000.00
02/04/00	FORD MOTOR CREDIT CO.	5.620	02/09/00	21,982,827.78	17,172.22	22,000,000.00
02/08/00	INTREPID FUNDING	5.660	02/10/00	6,997,798.89	2,201.11	7,000,000.00
02/09/00	CARDINAL HEALTH	5.730	02/10/00	30,995,065.84	4,934.16	31,000,000.00
02/09/00	HOMESIDE LENDING	5.730	02/10/00	21,996,498.33	3,501.67	22,000,000.00
02/08/00	MERRILL LYNCH & CO, INC.	5.650	02/11/00	30,985,404.17	14,595.83	31,000,000.00
02/08/00	NESTLE FINANCE FRANCHISE	5.700	02/14/00	16,983,850.00	16,150.00	17,000,000.00
02/09/00	COUNTRYWIDE HOME LOANS	5.730	02/14/00	5,995,225.00	4,775.00	6,000,000.00
02/10/00	AT&T CORP	5.650	02/14/00	30,980,538.89	19,461.11	31,000,000.00
02/10/00	NESTLE CAPITAL CORP	5.690	02/16/00	22,978,188.33	21,811.67	23,000,000.00
02/11/00	FORD MOTOR CREDIT CO.	5.650	02/16/00	13,989,013.88	10,986.12	14,000,000.00
02/14/00	MERRILL LYNCH & CO, INC.	5.700	02/17/00	15,992,400.00	7,600.00	16,000,000.00
02/16/00	BLOCK FINANCIAL CORP	5.720	02/18/00	13,995,551.11	4,448.89	14,000,000.00
02/11/00	NESS LLC	5.770	02/22/00	13,975,317.23	24,682.77	14,000,000.00
02/16/00	CINTAS EXECUTIVE SERVICES	5.710	02/22/00	12,987,628.34	12,371.66	13,000,000.00
02/16/00	EXXON PROJECT INVEST.	5.680	02/23/00	12,985,642.22	14,357.78	13,000,000.00
02/14/00	REPUBLIC INDUSTRIES	5.800	02/24/00	12,979,055.55	20,944.45	13,000,000.00
02/22/00	DELAWARE FUNDING CORP	5.750	02/24/00	1,999,361.11	638.89	2,000,000.00
02/23/00	MARKET STREET FUNDING	5.760	02/24/00	5,999,040.00	960.00	6,000,000.00
02/11/00	AI CREDIT CORP	5.680	02/25/00	12,971,284.45	28,715.55	13,000,000.00
02/22/00	FORD MOTOR CREDIT CO.	5.700	02/25/00	12,993,825.00	6,175.00	13,000,000.00
02/23/00	USA GROUP SECOND	5.700	02/25/00	7,997,466.67	2,533.33	8,000,000.00
02/14/00	HALIFAX PLC	5.700	02/28/00	12,971,183.33	28,816.67	13,000,000.00
02/22/00	TRIPLE A-1 FUNDING	5.760	02/28/00	12,987,520.00	12,480.00	13,000,000.00
02/24/00	COOP. ASSN. OF TRACTOR DEALERS	5.770	02/28/00	4,996,794.44	3,205.56	5,000,000.00
02/08/00	BANQUE ET CAISSE D'EPARGNE DE L'ETAT	5.720	02/29/00	11,959,960.01	40,039.99	12,000,000.00
02/18/00	EXXON PROJECT	5.690	02/29/00	998,261.39	1,738.61	1,000,000.00
02/24/00	USAA CAPITAL CORP	5.700	02/29/00	12,989,708.33	10,291.67	13,000,000.00
02/28/00	PROGRESS CAPITAL FUNDING	5.820	02/29/00	12,997,898.33	2,101.67	13,000,000.00
02/28/00	CENTENNIAL ENERGY HOLD	5.850	03/01/00	7,997,400.00	2,600.00	8,000,000.00
02/28/00	AT&T CORP	5.750	03/02/00	12,993,770.83	6,229.17	13,000,000.00
02/28/00	FORD MOTOR CREDIT CO.	5.720	03/02/00	12,993,803.33	6,196.67	13,000,000.00
02/29/00	GIRO MULTI-FUNDING U.S. CORP	5.850	03/02/00	12,995,775.00	4,225.00	13,000,000.00
02/14/00	BEETHOVEN FUNDING CORPORATION	5.800	03/03/00	12,962,300.00	37,700.00	13,000,000.00
02/29/00	MOBIL AUSTRALIA FINANCE CO.	5.780	03/03/00	2,998,555.00	1,445.00	3,000,000.00
03/02/00	COOP. ASSN. OF TRACTOR DEALERS	5.710	03/03/00	12,997,938.06	2,061.94	13,000,000.00
03/02/00	BARTON CAPITAL CORP	5.700	03/03/00	8,998,575.00	1,425.00	9,000,000.00
02/17/00	MERRILL LYNCH & CO, INC.	5.720	03/06/00	12,962,820.00	37,180.00	13,000,000.00
03/03/00	BEETHOVEN FUNDING CORPORATION	5.700	03/06/00	12,993,825.00	6,175.00	13,000,000.00
02/17/00	METLIFE FUNDING CORP	5.730	03/07/00	4,984,879.17	15,120.83	5,000,000.00
03/06/00	GIRO MULTI-FUNDING U.S. CORP	5.720	03/07/00	12,997,934.45	2,065.55	13,000,000.00
03/03/00	PROGRESS CAPITAL FUNDING	5.750	03/08/00	10,991,215.28	8,784.72	11,000,000.00
03/07/00	CARDINAL HEALTH	5.670	03/08/00	12,997,952.50	2,047.50	13,000,000.00
03/07/00	PENNSYLVANIA ELECTRIC COMPANY	5.670	03/08/00	4,999,212.50	787.50	5,000,000.00
03/03/00	NESTLE CAPITAL CORP	5.710	03/09/00	9,990,483.33	9,516.67	10,000,000.00
03/08/00	HOMESIDE LENDING	5.720	03/09/00	12,997,934.45	2,065.55	13,000,000.00
03/08/00	CARDINAL HEALTH	5.700	03/09/00	2,999,525.00	475.00	3,000,000.00
03/06/00	MOBIL AUSTRALIA FINANCE CO.	5.730	03/10/00	12,991,723.33	8,276.67	13,000,000.00
03/06/00	FORD MOTOR CREDIT CO.	5.690	03/10/00	12,991,781.10	8,218.90	13,000,000.00
03/10/00	METROPOLITAN EDISON COMPANY	5.700	03/13/00	12,993,825.00	6,175.00	13,000,000.00
03/08/00	BARTON CAPITAL CORP	5.730	03/14/00	12,987,585.00	12,415.00	13,000,000.00
03/10/00	CENTENNIAL ENERGY HOLD	5.750	03/14/00	2,998,083.34	1,916.66	3,000,000.00
03/13/00	CASE EQUIPMENT LOAN	5.800	03/14/00	2,999,516.67	483.33	3,000,000.00

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03/10/00	EMERSON ELECTRIC	5.670	03/15/00	12,989,762.50	10,237.50	13,000,000.00
03/14/00	HOMESIDE LENDING	5.780	03/15/00	12,997,912.78	2,087.22	13,000,000.00
03/14/00	METROPOLITAN EDISON COMPANY	5.780	03/15/00	6,998,876.11	1,123.89	7,000,000.00
03/15/00	PENNSYLVANIA ELECTRIC COMPANY	5.920	03/16/00	12,997,862.22	2,137.78	13,000,000.00
03/15/00	TRIPLE A-1 FUNDING	5.910	03/16/00	2,999,507.50	492.50	3,000,000.00
03/16/00	GIRO FUNDING(US)	5.750	03/17/00	12,997,923.61	2,076.39	13,000,000.00
03/16/00	COOP. ASSN. OF TRACTOR DEALERS	5.750	03/17/00	3,999,361.11	638.89	4,000,000.00
03/09/00	EXXON PROJECT INVEST.	5.700	03/20/00	12,977,358.33	22,641.67	13,000,000.00
03/09/00	NESTLE CAPITAL CORP	5.650	03/20/00	3,993,094.44	6,905.56	4,000,000.00
03/17/00	EXXONMOBIL AUSTRALIA PROPERTY	5.700	03/21/00	12,991,766.67	8,233.33	13,000,000.00
03/17/00	COUNTRYWIDE HOME LOANS	5.770	03/21/00	4,996,794.44	3,205.56	5,000,000.00
03/21/00	MARKET STREET FUNDING	5.860	03/22/00	5,922,035.87	964.13	5,923,000.00
03/21/00	GRAND FUNDING CORP	5.930	03/23/00	7,997,364.44	2,635.56	8,000,000.00
03/21/00	BEST FOODS	5.900	03/23/00	4,998,361.12	1,638.88	5,000,000.00
03/22/00	NESS LLC	5.980	03/27/00	5,995,016.67	4,983.33	6,000,000.00
03/23/00	LUCENT TECHNOLOGIES	5.930	03/28/00	12,989,293.06	10,706.94	13,000,000.00
03/09/00	GTE CORP	6.200	03/29/00	12,912,647.22	40,336.11	12,952,983.33
03/09/00	EAGLE FUNDING CAPITAL	5.770	03/29/00	5,980,766.67	19,233.33	6,000,000.00
03/15/00	FORRESTAL FUNDING MASTER TRUST	6.170	03/29/00	9,227,395.07	22,193.87	9,249,588.94
03/27/00	DEXIA CLF FINANCE	6.000	03/29/00	7,997,333.33	2,666.67	8,000,000.00
03/28/00	TRIPLE A-1 FUNDING	6.010	03/29/00	12,997,829.72	2,170.28	13,000,000.00
03/28/00	BLOCK FINANCIAL CORP	6.070	03/29/00	2,999,494.17	505.83	3,000,000.00
03/01/00	TRANSAMERICA ASSET FUNDING	6.200	03/30/00	10,940,911.67	51,510.55	10,992,422.22
03/15/00	REPUBLIC INDUSTRIES	6.180	03/30/00	12,924,672.22	30,694.45	12,955,366.67
02/18/00	GENERAL ELECTRIC COMPANY	5.740	03/31/00	12,912,943.33	87,056.67	13,000,000.00
03/13/00	FORD MOTOR CREDIT CO.	5.750	03/31/00	9,971,250.00	28,750.00	10,000,000.00
03/31/00	PENNSYLVANIA ELECTRIC COMPANY	6.250	04/04/00	11,991,666.67	8,333.33	12,000,000.00
04/03/00	ASSET PORTFOLIO FUNDING	6.170	04/05/00	999,657.23	342.77	1,000,000.00
03/20/00	ATLANTIS ONE FUNDING	5.980	04/06/00	12,963,289.45	36,710.55	13,000,000.00
03/20/00	ORANGE & ROCKLAND UTILITY	6.020	04/06/00	3,988,628.89	11,371.11	4,000,000.00
04/05/00	BEETHOVEN FUNDING CORPORATION	6.000	04/06/00	999,833.34	166.66	1,000,000.00
04/06/00	DEXIA CLF FINANCE	5.990	04/10/00	1,998,668.90	1,331.10	2,000,000.00
04/06/00	EXXONMOBIL AUSTRALIA PROPERTY	5.980	04/10/00	3,997,342.22	2,657.78	4,000,000.00
04/04/00	EXXON ASSET MANAGEMENT	5.970	04/12/00	1,997,346.67	2,653.33	2,000,000.00
04/10/00	DEXIA CLF FINANCE	6.020	04/12/00	12,995,652.22	4,347.78	13,000,000.00
04/11/00	THREE RIVERS FUNDING	6.040	04/13/00	999,664.44	335.56	1,000,000.00
04/12/00	COOP. ASSN. OF TRACTOR DEALERS	5.970	04/13/00	14,997,512.50	2,487.50	15,000,000.00
04/13/00	CONSOLIDATED EDISON COMPANY	5.970	04/14/00	9,998,341.66	1,658.34	10,000,000.00
04/14/00	NESTLE CAPITAL CORP	5.980	04/18/00	10,992,691.11	7,308.89	11,000,000.00
04/17/00	BEETHOVEN FUNDING CORPORATION	6.170	04/18/00	4,099,297.31	702.69	4,100,000.00
04/17/00	AIG FUNDING INC.	6.170	04/18/00	12,997,771.94	2,228.06	13,000,000.00
04/17/00	SWEETWATER CAPITAL	6.170	04/18/00	2,999,485.83	514.17	3,000,000.00
04/10/00	EXXONMOBIL AUSTRALIA PROPERTY	6.000	04/19/00	1,997,000.00	3,000.00	2,000,000.00
04/13/00	AT&T CORP	5.970	04/19/00	12,987,065.00	12,935.00	13,000,000.00
04/17/00	OGE ENERGY CORP	6.200	04/19/00	12,895,556.67	4,443.33	12,900,000.00
04/17/00	UNITED PARCEL SERVICE	5.970	04/19/00	12,995,688.33	4,311.67	13,000,000.00
04/18/00	COOP. ASSN. OF TRACTOR DEALERS	6.000	04/19/00	4,999,166.67	833.33	5,000,000.00
04/18/00	CONCORD MINUTEMAN CAP.	6.000	04/19/00	3,999,333.33	666.67	4,000,000.00
04/17/00	EDISON ASSET SECURITIZATION	6.030	04/20/00	12,993,467.50	6,532.50	13,000,000.00
04/18/00	QUINCY CAPITAL CORPORATION	6.010	04/20/00	12,995,659.44	4,340.56	13,000,000.00
04/19/00	CVS CORPORATION	5.980	04/20/00	4,999,169.44	830.56	5,000,000.00
04/20/00	EXXONMOBIL AUSTRALIA PROPERTY	5.920	04/25/00	12,989,311.10	10,688.90	13,000,000.00
04/24/00	AI CREDIT CORP	5.950	04/25/00	11,998,016.67	1,983.33	12,000,000.00
04/20/00	MERRILL LYNCH & CO, INC.	5.900	04/26/00	2,997,050.00	2,950.00	3,000,000.00
04/25/00	CARDINAL HEALTH	5.900	04/26/00	12,997,869.45	2,130.55	13,000,000.00

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04/24/00	NESTLE CAPITAL CORP	5.890	04/27/00	12,993,619.17	6,380.83	13,000,000.00
04/25/00	NIKE INC.	5.880	04/27/00	12,995,753.33	4,246.67	13,000,000.00
04/26/00	CARDINAL HEALTH	5.900	04/27/00	2,999,508.33	491.67	3,000,000.00
04/20/00	TEACHERS INSURANCE	5.910	04/28/00	12,982,926.67	17,073.33	13,000,000.00
04/26/00	ROCKWELL INTERNATIONAL	5.920	04/28/00	12,995,724.45	4,275.55	13,000,000.00
04/27/00	THREE RIVERS FUNDING	6.000	04/28/00	999,833.33	166.67	1,000,000.00
04/27/00	WELLS FARGO & COMPANY	5.960	05/02/00	12,989,238.89	10,761.11	13,000,000.00
04/27/00	NESTLE CAPITAL CORP	5.900	05/02/00	12,989,347.22	10,652.78	13,000,000.00
04/27/00	NESS LLC	6.030	05/03/00	4,994,975.00	5,025.00	5,000,000.00
05/02/00	LIBERTY MUTUAL CAPITAL	5.950	05/03/00	12,997,851.40	2,148.60	13,000,000.00
05/02/00	GIRO MULTI-FUNDING U.S. CORP	5.960	05/03/00	12,997,847.78	2,152.22	13,000,000.00
05/02/00	ORANGE & ROCKLAND UTILITY	5.980	05/03/00	11,998,006.66	1,993.34	12,000,000.00
05/01/00	NESS LLC	6.100	05/04/00	2,998,475.00	1,525.00	3,000,000.00
05/03/00	VULCAN MATERIALS CO.	6.020	05/04/00	12,997,826.10	2,173.90	13,000,000.00
05/03/00	DELMARVA POWER AND LIGHT	6.020	05/04/00	3,999,331.11	668.89	4,000,000.00
05/03/00	MERRILL LYNCH & CO, INC.	6.000	05/05/00	12,995,666.67	4,333.33	13,000,000.00
05/04/00	LIBERTY STREET FUNDING	6.030	05/05/00	9,998,325.00	1,675.00	10,000,000.00
05/03/00	CONCORD MINUTEMAN CAP.	6.040	05/08/00	12,989,094.45	10,905.55	13,000,000.00
05/05/00	DUKE CAPITAL CORP	5.980	05/08/00	12,993,521.67	6,478.33	13,000,000.00
05/08/00	DELMARVA POWER AND LIGHT	6.040	05/09/00	3,999,328.89	671.11	4,000,000.00
05/05/00	FORD MOTOR CREDIT CO.	5.930	05/10/00	7,993,411.11	6,588.89	8,000,000.00
05/08/00	PENNSYLVANIA ELECTRIC COMPANY	6.030	05/10/00	12,995,645.00	4,355.00	13,000,000.00
05/09/00	CVS CORPORATION	6.020	05/10/00	3,999,331.11	668.89	4,000,000.00
05/08/00	TRIPLE A-1 FUNDING	6.010	05/11/00	12,993,489.17	6,510.83	13,000,000.00
05/10/00	CVS CORPORATION	5.970	05/11/00	12,997,844.16	2,155.84	13,000,000.00
05/10/00	COOP. ASSN. OF TRACTOR DEALERS	5.930	05/11/00	12,997,858.60	2,141.40	13,000,000.00
05/10/00	BLOCK FINANCIAL CORP	5.970	05/11/00	12,997,844.17	2,155.83	13,000,000.00
05/09/00	ALLTEL CORP	6.020	05/12/00	12,993,478.33	6,521.67	13,000,000.00
05/10/00	EXXONMOBIL AUSTRALIA PROPERTY	5.930	05/12/00	12,995,717.22	4,282.78	13,000,000.00
05/11/00	COOP. ASSN. OF TRACTOR DEALERS	6.000	05/12/00	12,047,991.67	2,008.33	12,050,000.00
05/11/00	WOOD STREET FUNDING	5.990	05/12/00	12,997,836.95	2,163.05	13,000,000.00
05/11/00	MICHIGAN CONSOLIDATED GAS	6.030	05/12/00	5,998,995.00	1,005.00	6,000,000.00
05/11/00	MICHIGAN CONSOLIDATED GAS	6.030	05/12/00	999,832.50	167.50	1,000,000.00
05/10/00	FORD MOTOR CREDIT CO.	5.850	05/15/00	12,989,437.50	10,562.50	13,000,000.00
05/12/00	DUKE CAPITAL CORP	6.110	05/15/00	12,993,380.83	6,619.17	13,000,000.00
05/12/00	CVS CORPORATION	6.120	05/15/00	12,993,370.00	6,630.00	13,000,000.00
05/12/00	CONCORD MINUTEMAN CAP.	6.100	05/15/00	7,995,933.34	4,066.66	8,000,000.00
05/11/00	TRIDENT CAPITAL FINANCE	6.050	05/16/00	12,989,076.39	10,923.61	13,000,000.00
05/15/00	LIBERTY STREET FUNDING	6.330	05/16/00	12,997,714.17	2,285.83	13,000,000.00
05/12/00	LEXINGTON PARKER CAP.	6.100	05/17/00	12,988,986.10	11,013.90	13,000,000.00
05/12/00	COUNTRYWIDE HOME LOANS	6.100	05/17/00	12,988,986.10	11,013.90	13,000,000.00
05/15/00	LEXINGTON PARKER CAP.	6.350	05/17/00	12,995,413.90	4,586.10	13,000,000.00
05/15/00	ENTERPRISE FUNDING CORPORATION	6.300	05/17/00	12,995,450.00	4,550.00	13,000,000.00
05/16/00	CROWN POINT CAPITAL	6.430	05/17/00	12,997,678.05	2,321.95	13,000,000.00
05/16/00	EXXONMOBIL AUSTRALIA PROPERTY	6.370	05/18/00	12,995,399.45	4,600.55	13,000,000.00
05/17/00	LEXINGTON PARKER CAP.	6.360	05/18/00	9,998,233.33	1,766.67	10,000,000.00
05/16/00	LIBERTY STREET FUNDING	6.460	05/19/00	12,993,001.67	6,998.33	13,000,000.00
05/15/00	ALBERTSON'S INC.	6.430	05/19/00	12,990,712.22	9,287.78	13,000,000.00
05/17/00	RECEIVABLES CAPITAL CORP	6.370	05/19/00	12,995,399.45	4,600.55	13,000,000.00
05/18/00	COOP. ASSN. OF TRACTOR DEALERS	6.370	05/19/00	12,997,699.72	2,300.28	13,000,000.00
05/11/00	THE HERTZ CORPORATION	6.170	05/22/00	12,975,491.40	24,508.60	13,000,000.00
05/15/00	BEETHOVEN FUNDING CORPORATION	6.500	05/22/00	3,994,944.45	5,055.55	4,000,000.00
05/16/00	CENTRICA PLC	6.460	05/22/00	12,986,003.33	13,996.67	13,000,000.00
05/17/00	CONCORD MINUTEMAN CAP.	6.450	05/22/00	12,988,354.17	11,645.83	13,000,000.00
05/19/00	LEXINGTON PARKER CAP.	6.400	05/22/00	12,993,066.67	6,933.33	13,000,000.00

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05/19/00	DUKE CAPITAL CORP	6.420	05/22/00	12,993,045.00	6,955.00	13,000,000.00
05/19/00	NESS LLC	6.400	05/22/00	12,993,066.67	6,933.33	13,000,000.00
05/17/00	THUNDER BAY FUNDING	6.450	05/23/00	12,986,025.00	13,975.00	13,000,000.00
05/17/00	REPSOL INTERNATIONAL BV	6.500	05/23/00	12,985,916.67	14,083.33	13,000,000.00
05/17/00	WALT DISNEY CO.	6.430	05/23/00	12,986,068.33	13,931.67	13,000,000.00
05/18/00	EXXONMOBIL AUSTRALIA PROPERTY	6.360	05/23/00	12,988,516.67	11,483.33	13,000,000.00
05/22/00	NESTLE CAPITAL CORP	6.330	05/23/00	12,997,714.17	2,285.83	13,000,000.00
05/22/00	MONTAUK FUNDING CORP	6.470	05/23/00	12,997,663.61	2,336.39	13,000,000.00
05/22/00	EXXONMOBIL AUSTRALIA PROPERTY	6.450	05/23/00	3,999,283.34	716.66	4,000,000.00
05/18/00	BAUS FUNDING LLC	6.450	05/24/00	7,991,400.00	8,600.00	8,000,000.00
05/19/00	COUNTRYWIDE HOME LOANS	6.430	05/24/00	12,988,390.28	11,609.72	13,000,000.00
05/22/00	DEXIA CLF FINANCE	6.430	05/24/00	12,995,356.10	4,643.90	13,000,000.00
05/22/00	RECEIVABLES CAPITAL CORP	6.460	05/24/00	10,524,221.62	3,778.38	10,528,000.00
05/23/00	DUKE CAPITAL CORP	6.450	05/24/00	12,997,670.83	2,329.17	13,000,000.00
05/22/00	CINTAS EXECUTIVE SERVICES	6.450	05/25/00	12,593,227.50	6,772.50	12,600,000.00
05/23/00	NESTLE CAPITAL CORP	6.250	05/25/00	12,995,486.10	4,513.90	13,000,000.00
05/23/00	DELAWARE FUNDING CORP	6.430	05/25/00	12,995,356.10	4,643.90	13,000,000.00
05/24/00	COOP. ASSN. OF TRACTOR DEALERS	6.420	05/25/00	12,997,681.67	2,318.33	13,000,000.00
05/24/00	AMSTERDAM FUNDING CORP	6.420	05/25/00	12,997,681.67	2,318.33	13,000,000.00
05/24/00	NESS LLC	6.420	05/25/00	8,998,395.00	1,605.00	9,000,000.00
05/23/00	EXXONMOBIL AUSTRALIA PROPERTY	6.400	05/26/00	12,993,066.67	6,933.33	13,000,000.00
05/24/00	LIBERTY MUTUAL CAPITAL	6.430	05/26/00	9,996,427.77	3,572.23	10,000,000.00
05/25/00	NESS LLC	6.470	05/26/00	12,997,663.60	2,336.40	13,000,000.00
05/25/00	MARKET STREET FUNDING	6.470	05/26/00	7,998,562.22	1,437.78	8,000,000.00
05/23/00	NIKE INC.	6.400	05/30/00	12,983,822.22	16,177.78	13,000,000.00
05/24/00	COUNTRYWIDE HOME LOANS	6.450	05/30/00	12,986,025.00	13,975.00	13,000,000.00
05/25/00	CARGILL GLOBAL FUNDING PLC	6.450	05/30/00	12,988,354.17	11,645.83	13,000,000.00
05/25/00	EMERSON ELECTRIC	6.430	05/30/00	12,988,390.28	11,609.72	13,000,000.00
05/26/00	COOP. ASSN. OF TRACTOR DEALERS	6.450	05/30/00	12,990,683.33	9,316.67	13,000,000.00
05/04/00	BEETHOVEN FUNDING CORPORATION	6.220	05/31/00	13,006,042.44	60,957.56	13,067,000.00
05/30/00	WOOD STREET FUNDING	6.610	05/31/00	6,998,714.72	1,285.28	7,000,000.00
05/30/00	CARGILL GLOBAL FUNDING PLC	6.600	05/31/00	12,997,616.67	2,383.33	13,000,000.00
05/30/00	ORANGE & ROCKLAND UTILITY	6.600	05/31/00	12,997,616.67	2,383.33	13,000,000.00
05/25/00	BAUS FUNDING LLC	6.430	06/01/00	12,983,746.39	16,253.61	13,000,000.00
05/25/00	EXPORT DEVELOPMENT CORP	6.350	06/01/00	12,983,948.61	16,051.39	13,000,000.00
05/26/00	FORD MOTOR CREDIT CO.	6.400	06/01/00	8,990,400.00	9,600.00	9,000,000.00
05/31/00	PEOPLES GAS LIGHT AND COKE	6.770	06/01/00	12,997,555.28	2,444.72	13,000,000.00
05/31/00	WOOD STREET FUNDING	6.760	06/01/00	12,997,558.89	2,441.11	13,000,000.00
05/31/00	CBA(DELAWARE) FINANCE INC	6.790	06/01/00	3,999,245.56	754.44	4,000,000.00
05/23/00	INTERNATIONAL LEASE FINANCE	6.450	06/02/00	12,976,708.33	23,291.67	13,000,000.00
05/23/00	PARKER HANNIFIN CORP	6.450	06/02/00	4,991,041.67	8,958.33	5,000,000.00
05/30/00	MERRILL LYNCH & CO, INC.	6.550	06/02/00	12,992,904.17	7,095.83	13,000,000.00
05/30/00	CINTAS EXECUTIVE SERVICES	6.500	06/02/00	12,992,958.33	7,041.67	13,000,000.00
06/01/00	COOP. ASSN. OF TRACTOR DEALERS	6.620	06/02/00	12,997,609.45	2,390.55	13,000,000.00
06/01/00	WOOD STREET FUNDING	6.610	06/02/00	7,998,531.11	1,468.89	8,000,000.00
06/01/00	CONSTELLATION ENERGY	6.510	06/05/00	12,990,596.67	9,403.33	13,000,000.00
06/01/00	NESTLE CAPITAL CORP	6.450	06/05/00	12,990,683.33	9,316.67	13,000,000.00
06/02/00	DUKE CAPITAL CORP	6.450	06/05/00	12,993,012.50	6,987.50	13,000,000.00
06/02/00	COUNTRYWIDE HOME LOANS	6.420	06/05/00	12,993,045.00	6,955.00	13,000,000.00
06/02/00	COOP. ASSN. OF TRACTOR DEALERS	6.420	06/05/00	12,993,045.00	6,955.00	13,000,000.00
06/02/00	GIRO FUNDING(US)	6.410	06/05/00	12,993,055.83	6,944.17	13,000,000.00
06/02/00	AUTOBAHN FUNDING CORP	6.430	06/05/00	1,998,928.33	1,071.67	2,000,000.00
06/01/00	FORD MOTOR CREDIT CO.	6.480	06/06/00	12,988,300.00	11,700.00	13,000,000.00
06/05/00	GILFIN BV	6.470	06/06/00	12,997,663.60	2,336.40	13,000,000.00
06/05/00	DUKE CAPITAL CORP	6.520	06/06/00	13,997,464.44	2,535.56	14,000,000.00

**STATE OF ARIZONA
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JULY 1, 1999 THROUGH JUNE 30, 2000**

SHORT TERM INVESTMENTS MATURED

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Date Acquired	Description	Interest Rate	Maturity Date	Cost	Amount of Interest	Maturity Value
06/05/00	LEXINGTON PARKER CAP.	6.500	06/06/00	12,997,652.78	2,347.22	13,000,000.00
06/06/00	DIAGEO CAPITAL PLC	6.400	06/07/00	12,997,688.90	2,311.10	13,000,000.00
06/06/00	ALLTEL CORP	6.410	06/07/00	12,997,685.28	2,314.72	13,000,000.00
06/06/00	NESS LLC	6.420	06/07/00	12,997,681.67	2,318.33	13,000,000.00
06/06/00	CONSOLIDATED NATURAL GAS	6.450	06/07/00	2,999,462.50	537.50	3,000,000.00
06/02/00	HERTZ CORPORATION	6.450	06/08/00	8,858,466.90	9,533.10	8,868,000.00
06/05/00	EXXONMOBIL AUSTRALIA PROPERTY	6.450	06/08/00	12,993,012.50	6,987.50	13,000,000.00
06/05/00	NESTLE CAPITAL CORP	6.350	06/08/00	12,993,120.83	6,879.17	13,000,000.00
06/05/00	LIBERTY STREET FUNDING	6.530	06/08/00	12,992,925.83	7,074.17	13,000,000.00
06/06/00	COGENRIX OF RICHMOND	6.480	06/08/00	12,995,320.00	4,680.00	13,000,000.00
06/07/00	COOP. ASSN. OF TRACTOR DEALERS	6.420	06/08/00	12,997,681.67	2,318.33	13,000,000.00
06/07/00	CARGILL GLOBAL FUNDING PLC	6.400	06/08/00	10,998,044.45	1,955.55	11,000,000.00
06/05/00	CINTAS EXECUTIVE SERVICES	6.470	06/09/00	12,990,654.45	9,345.55	13,000,000.00
06/08/00	GILLETTE COMPANY	6.410	06/09/00	12,997,685.28	2,314.72	13,000,000.00
06/08/00	DUKE CAPITAL CORP	6.480	06/09/00	12,997,660.00	2,340.00	13,000,000.00
06/08/00	ORANGE & ROCKLAND UTILITY	6.430	06/09/00	1,999,642.78	357.22	2,000,000.00
06/06/00	FORD MOTOR CREDIT CO.	6.430	06/12/00	12,986,068.33	13,931.67	13,000,000.00
06/07/00	NEPTUNE FUNDING	6.480	06/12/00	12,988,300.00	11,700.00	13,000,000.00
06/08/00	NESTLE CAPITAL CORP	6.350	06/13/00	12,988,534.72	11,465.28	13,000,000.00
06/09/00	FORRESTAL FUNDING MASTER TRUST	6.430	06/14/00	12,988,390.28	11,609.72	13,000,000.00
06/09/00	TRIPLE A-1 FUNDING	6.420	06/14/00	12,988,408.33	11,591.67	13,000,000.00
06/12/00	ENTERPRISE FUNDING CORPORATION	6.500	06/14/00	11,995,666.67	4,333.33	12,000,000.00
06/13/00	CARGILL GLOBAL FUNDING PLC	6.430	06/14/00	6,998,749.72	1,250.28	7,000,000.00
06/08/00	HALIFAX PLC	6.440	06/15/00	12,983,721.10	16,278.90	13,000,000.00
06/08/00	MCDONALD'S CORP	6.420	06/15/00	12,983,771.67	16,228.33	13,000,000.00
06/14/00	SWEETWATER CAPITAL	6.520	06/15/00	12,997,645.55	2,354.45	13,000,000.00
06/09/00	ALBERTSON'S INC.	6.480	06/16/00	12,983,620.00	16,380.00	13,000,000.00
06/12/00	EAGLE FUNDING CAPITAL	6.550	06/16/00	12,990,538.89	9,461.11	13,000,000.00
06/13/00	CONSOLIDATED EDISON COMPANY	6.420	06/16/00	6,996,255.00	3,745.00	7,000,000.00
06/14/00	AT&T CORP	6.480	06/19/00	12,988,300.00	11,700.00	13,000,000.00
06/14/00	THUNDER BAY FUNDING	6.530	06/19/00	5,994,558.33	5,441.67	6,000,000.00
06/14/00	BARTON CAPITAL CORP	6.530	06/20/00	12,985,851.67	14,148.33	13,000,000.00
06/15/00	MCDONALD'S CORP	6.510	06/20/00	12,988,245.83	11,754.17	13,000,000.00
06/15/00	TRIPLE A-1 FUNDING	6.560	06/20/00	1,998,177.78	1,822.22	2,000,000.00
06/16/00	CONSTELLATION ENERGY	6.500	06/20/00	12,990,611.10	9,388.90	13,000,000.00
06/19/00	CONSOLIDATED NATURAL GAS	6.500	06/20/00	2,999,458.33	541.67	3,000,000.00
06/15/00	COUNTRYWIDE HOME LOANS	6.520	06/21/00	12,985,873.33	14,126.67	13,000,000.00
06/16/00	ALCATEL ALSTHOM INC	6.520	06/21/00	12,988,227.78	11,772.22	13,000,000.00
06/16/00	CINTAS EXECUTIVE SERVICES	6.510	06/22/00	8,990,235.00	9,765.00	9,000,000.00
06/19/00	TRIDENT CAPITAL FINANCE	6.500	06/22/00	12,992,958.33	7,041.67	13,000,000.00
06/21/00	COOP. ASSN. OF TRACTOR DEALERS	6.500	06/22/00	8,998,375.00	1,625.00	9,000,000.00
06/19/00	EDISON ASSET SECURITIZATION	6.480	06/23/00	12,990,640.00	9,360.00	13,000,000.00
06/21/00	USAA CAPITAL CORP	6.420	06/23/00	12,995,363.33	4,636.67	13,000,000.00
06/22/00	CONSOLIDATED EDISON COMPANY	6.500	06/23/00	12,997,652.78	2,347.22	13,000,000.00
06/22/00	DUKE CAPITAL CORP	6.520	06/23/00	1,999,637.78	362.22	2,000,000.00
06/20/00	MARKET STREET FUNDING	6.500	06/26/00	12,985,916.67	14,083.33	13,000,000.00
06/20/00	TRIPLE A-1 FUNDING	6.500	06/26/00	11,987,000.00	13,000.00	12,000,000.00
06/23/00	DELMARVA POWER AND LIGHT	6.500	06/26/00	999,458.34	541.66	1,000,000.00
06/26/00	ENTERPRISE FUNDING CORPORATION	6.600	06/29/00	12,992,850.00	7,150.00	13,000,000.00
06/26/00	TRANSAMERICA ASSET FUNDING	6.600	06/29/00	12,992,850.00	7,150.00	13,000,000.00
06/08/00	EXXONMOBIL AUSTRALIA PROPERTY	6.450	06/30/00	12,948,758.33	51,241.67	13,000,000.00
06/22/00	BAUS FUNDING LLC	6.480	06/30/00	8,987,040.00	12,960.00	9,000,000.00
06/27/00	AMERICAN HOME PRODUCTS	6.600	06/30/00	999,450.00	550.00	1,000,000.00
06/28/00	METROPOLITAN EDISON COMPANY	6.620	06/30/00	999,632.22	367.78	1,000,000.00
06/29/00	AUTOBAHN FUNDING CORP	6.630	06/30/00	12,997,605.83	2,394.17	13,000,000.00

STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS ACQUIRED
JULY 1, 1999 THROUGH JUNE 30, 2000
SHORT TERM INVESTMENTS MATURED

Date Acquired	Description	Interest Rate	Maturity Date	Cost	Amount of Interest	Maturity Value
06/29/00	DIAGEO CAPITAL PLC	6.620	06/30/00	12,997,609.44	2,390.56	13,000,000.00
TOTALS				5,419,238,801.43	3,659,559.73	5,422,898,361.16

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS ACQUIRED
JULY 1, 1999 THROUGH JUNE 30, 2000**

COMMON STOCK ACQUIRED

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Company	No. Shares	Dividend Rate	Annual Income	Book Yield	Average Cost	Book Cost
ADOBE SYSTEMS	350,000.00	0.10	35,000.00	0.13	79.68	27,887,502.00
ALLTEL CORPORATION	300,000.00	1.28	384,000.00	1.76	72.87	21,859,775.00
AMERICA ONLINE	150,000.00	-	-	-	101.54	15,230,640.00
AMERICAN GENERAL CORPORATION	250,000.00	1.76	440,000.00	2.27	77.44	19,359,086.90
AMGEN	150,000.00	-	-	-	73.72	11,057,812.50
ANALOG DEVICES, INC.	500,000.00	-	-	-	101.25	50,627,241.60
APACHE CORPORATION	700,000.00	0.28	196,000.00	0.55	50.79	35,554,615.72
ATLANTIC RICHFIELD COMPANY	400,000.00	-	-	-	89.19	35,675,115.00
BANK OF AMERICA CORPORATION	300,000.00	2.00	600,000.00	3.43	58.25	17,473,800.00
BARD (C.R.)	150,000.00	0.80	120,000.00	1.68	47.61	7,141,529.39
BIOGEN INC	170,000.00	-	-	-	81.25	13,813,304.00
BJ'S WHOLESALE CLUB, INC.	200,000.00	-	-	-	31.04	6,208,591.56
BP AMOCO PLC	150,000.00	1.67	250,500.00	3.06	54.52	8,178,289.40
CENTURY TELEPHONE INC	460,000.00	0.19	87,400.00	0.46	41.13	18,921,829.40
CHASE MANHATTAN CORP	100,000.00	1.28	128,000.00	1.64	78.03	7,803,089.00
CITIGROUP, INC.	600,000.00	0.64	384,000.00	1.07	59.79	35,871,880.00
CORNING INCORPORATED	200,000.00	0.72	144,000.00	0.34	208.87	41,774,664.75
COVAD COMMUNICATIONS GROUP	1,450,000.00	-	-	-	70.45	102,158,505.10
CYTYC CORPORATION	300,000.00	-	-	-	51.17	15,350,284.15
ECHOSTAR COMMUNICATIONS 'A'	950,000.00	-	-	-	55.05	52,297,683.85
EL PASO ENERGY CORPORATION	200,000.00	0.82	164,000.00	1.58	51.79	10,358,480.00
EXPRESS SCRIPTS	350,000.00	-	-	-	64.47	22,565,213.10
GENENTECH, INC.	100,000.00	-	-	-	135.52	13,551,627.46
IBP, INC.	1,250,000.00	0.10	125,000.00	0.61	16.39	20,484,778.46
INTEL CORPORATION	115,000.00	0.08	9,200.00	0.12	69.28	7,967,188.50
LEXMARK INTERNATIONAL GROUP	520,000.00	-	-	-	83.64	43,491,660.00
LSI LOGIC	800,000.00	-	-	-	61.80	49,440,142.40
MEDIMMUNE, INC.	125,000.00	-	-	-	175.81	21,976,699.00
MEDTRONIC, INC.	600,000.00	0.16	96,000.00	0.33	48.68	29,210,976.60
MICROSOFT CORPORATION	200,000.00	-	-	-	105.93	21,185,520.00
NORTH FORK BANCORPORATION	140,000.00	0.72	100,800.00	3.36	21.41	2,997,111.60
PLANTRONICS, INC.	300,000.00	-	-	-	82.40	24,721,205.92
ROPER INDUSTRIES, INC.	350,000.00	0.28	98,000.00	0.79	35.44	12,405,730.89
SANMINA CORP.	650,000.00	-	-	-	104.66	68,025,834.75
SMURFIT-STONE CONTAINER CORP	200,000.00	-	-	-	18.32	3,663,150.00
SOLECTRON	500,000.00	-	-	-	68.67	34,336,104.35
SUN MICROSYSTEMS, INC	500,000.00	-	-	-	82.65	41,325,980.00
SYMANTEC CORPORATION	800,000.00	-	-	-	48.03	38,422,567.40
T. ROWE PRICE ASSOCIATES	550,000.00	0.52	286,000.00	1.34	38.93	21,413,692.20
TEXACO INC.	170,000.00	1.80	306,000.00	2.89	62.29	10,589,775.00
TIME WARNER INC.	200,000.00	0.18	36,000.00	0.21	85.41	17,081,740.00
TYCO INTERNATIONAL LTD.	300,000.00	0.05	15,000.00	0.08	63.21	18,961,875.00
VISHAY INTERTECHNOLOGY INC	150,000.00	-	-	-	46.71	7,006,416.00
WAL-MART STORES	176,000.00	0.24	42,240.00	0.36	67.30	11,844,307.20
WILLIAMS COMPANIES, INC.	400,000.00	0.60	240,000.00	1.39	43.04	17,217,880.00
WORLDCOM INC.	200,000.00	-	-	-	38.49	7,697,340.00
TOTAL COMMON STOCK BOUGHT			4,287,140.00			1,122,188,235.15

STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS ACQUIRED
JULY 1, 1999 THROUGH JUNE 30, 2000
OTHER INVESTMENTS ACQUIRED

Name	Coupon	Maturity	Purchase Price	Book Cost
BRIDGE FINANCIAL				
BRIDGE FINANCIAL--BEAVER CREEK G.C.	13.000	09/13/99	100.00	64,000.00
BRIDGE FINANCIAL--DYNAMITE MTN. RANCH II	12.750	04/30/02	100.00	1,203,200.00
BRIDGE FINANCIAL--VILLAGES AT HASSAYAMPA	12.000	11/11/01	100.00	512,000.00
TOTAL BRIDGE FINANCIAL ACQUIRED				1,779,200.00
MISCELLANEOUS				
CRYSTAL GARDENS PROPERTIES, LLC	10.000	04/20/01		2,623,384.66
DESERT TROON PROPERTIES, LLC-SUMMIT PROJECT	10.000	06/24/07		2,000,000.00
DESERT TROON, LLC				19,840,000.00
PIVOTAL X, LLC				27,054,000.00
TOTAL MISCELLANEOUS ACQUIRED				51,517,384.66
TOTAL OTHER INVESTMENTS ACQUIRED				53,296,584.66

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SALES AND REDEMPTIONS OF INVESTMENTS
JULY 1, 1999 THROUGH JUNE 30, 2000**

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BONDS SOLD

Security	Coupon	Maturity	Par Value	Sale Price	Accrued Interest	Principal	Amortized Cost	Gain or (Loss)	Amount Due
<i>U.S. TREASURY OBLIGATIONS</i>									
U.S. TREASURY NOTE	6.38	07/15/99	10,000,000.00	100.00000	318,750.00	10,000,000.00	10,000,090.00	(90.00)	10,318,750.00
U.S. TREASURY NOTE	6.00	10/15/99	10,000,000.00	100.00000	300,000.00	10,000,000.00	10,012,945.00	(12,945.00)	10,300,000.00
U.S. TREASURY NOTE	5.50	04/15/00	45,000,000.00	100.00000	1,237,500.00	45,000,000.00	45,060,922.00	(60,922.00)	46,237,500.00
TOTAL U.S. TREASURY OBLIGATIONS			65,000,000.00		1,856,250.00	65,000,000.00	65,073,957.00	(73,957.00)	66,856,250.00
<i>FEDERAL AGENCY OBLIGATIONS</i>									
Detailed information for the redemptions of Federal Agency Obligations are too lengthy to include in this report; therefore, only totals are given.									
TOTAL FEDERAL AGENCY OBLIGATIONS							39,502,595.03		
<i>CORPORATE BONDS</i>									
AON CAPITAL TRUST A	8.21	01/01/27	7,935,000.00	103.00000	231,490.40	8,173,050.00	8,094,546.20	78,503.80	8,404,540.40
BEAR STEARNS COMPANIES INC	8.75	03/15/04	10,000,000.00	104.29600	87,500.00	10,429,600.00	10,374,635.00	54,965.00	10,517,100.00
FORD CAPITAL BV	10.13	11/15/00	5,000,000.00	104.00000	185,625.00	5,200,000.00	5,018,709.00	181,291.00	5,385,625.00
ICI WILMINGTON INC.	8.75	05/01/01	5,000,000.00	102.30000	53,472.22	5,115,000.00	5,083,887.00	31,113.00	5,168,472.22
LEHMAN BROS HOLDINGS, INC.	8.75	05/15/02	10,000,000.00	103.21200	379,166.67	10,321,200.00	10,185,774.00	135,426.00	10,700,366.67
LUMBERMANS MUT CASUALTY CO	9.15	07/01/26	5,000,000.00	96.52600	33,041.67	4,826,300.00	5,692,327.86	(866,027.86)	4,859,341.67
LUMBERMANS MUT CASUALTY CO	9.15	07/01/26	5,000,000.00	96.52600	41,937.50	4,826,300.00	5,692,327.86	(866,027.86)	4,868,237.50
POTOMAC CAPITAL INV CORP	7.10	03/09/00	10,000,000.00	100.00000	106,500.00	10,000,000.00	10,000,000.00	-	10,106,500.00
PRUDENTIAL INSUR CO OF AMERICA	8.30	07/01/25	7,000,000.00	102.94900	59,713.89	7,206,430.00	6,855,842.88	350,587.12	7,266,143.89
SAFECO CAPITAL TRUST	8.07	07/15/37	9,000,000.00	87.36200	48,432.00	7,862,580.00	9,059,797.11	(1,197,217.11)	7,911,012.00
SALOMON INC.	7.13	08/02/99	6,000,000.00	100.00000	213,750.00	6,000,000.00	6,003,776.00	(3,776.00)	6,213,750.00
TENNESSEE VALLEY AUTHORITY	8.63	11/15/29	1,108,000.00	106.16100	8,229.12	1,176,263.88	1,010,941.00	165,322.88	1,184,493.00
TOTAL CORPORATE BONDS			81,043,000.00		1,448,858.47	81,136,723.88	83,072,563.91	(1,935,840.03)	82,585,582.35
TOTAL BONDS SOLD			146,043,000.00		3,305,108.47	146,136,723.88	187,649,115.94	(2,009,797.03)	149,441,832.35

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SALES AND REDEMPTIONS OF INVESTMENTS
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COMMON STOCK SOLD

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Company	Shares Sold	Sale Price	Amount	Commission + SEC Fee	Net Amount	Book Cost	Gain (Loss) on Sale	% Gain on Sale
ABBOTT LABORATORIES	315,000	36.05	11,355,544.50	16,128.53	11,339,415.97	4,429,813.40	6,909,602.57	155.98%
AIRBORNE FREIGHT CORP	300,000	22.50	6,750,000.00	15,225.00	6,734,775.00	9,386,351.20	(2,651,576.20)	-28.25%
ALASKA AIR GROUP	190,000	27.38	5,202,167.62	9,673.45	5,192,494.17	7,097,014.30	(1,904,520.13)	-26.84%
ALLSTATE CORPORATION	200,000	23.06	4,612,500.00	10,153.75	4,602,346.25	3,718,704.80	883,641.45	23.76%
AMERICA ONLINE	320,000	56.34	18,028,286.00	16,600.96	18,011,685.04	12,465,286.38	5,546,398.66	44.49%
AMGEN	160,000	59.26	9,482,256.00	316.08	9,481,939.92	5,694,682.34	3,787,257.58	66.51%
AT&T CORP	725,000	48.11	34,877,987.50	37,412.61	34,840,574.89	29,106,726.82	5,733,848.07	19.70%
AUTOMATIC DATA PROCESSING	1,200,000	48.76	58,515,898.14	61,950.62	58,453,947.52	17,404,707.38	41,049,240.14	235.85%
BANK OF NEW YORK	200,000	48.60	9,720,000.00	10,324.00	9,709,676.00	7,620,989.42	2,088,686.58	27.41%
BANK ONE CORPORATION	1,066,500	29.26	31,202,080.41	54,365.09	31,147,715.32	25,485,367.15	5,662,348.17	22.22%
BARD (C.R.)	150,000	42.82	6,423,679.55	7,714.14	6,415,965.41	7,141,529.39	(725,563.98)	-10.16%
BESTFOODS	500,000	67.38	33,688,906.00	26,122.98	33,662,783.02	12,044,001.87	21,618,781.15	179.50%
BIOGEN INC	320,000	95.53	30,570,397.90	1,019.04	30,569,378.86	16,773,837.27	13,795,541.59	82.24%
BRISTOL-MYERS SQUIBB CO.	150,000	51.86	7,778,670.00	7,759.29	7,770,910.71	8,257,821.29	(486,910.58)	-5.90%
CABLEVISION SYSTEMS CORP	136,000	60.47	8,223,574.40	7,074.13	8,216,500.27	7,171,832.16	1,044,668.11	14.57%
CENTURY TELEPHONE INC	460,000	25.87	11,900,624.00	23,396.70	11,877,227.30	18,921,829.40	(7,044,602.10)	-37.23%
CISCO SYSTEMS	150,000	67.53	10,129,395.00	337.65	10,129,057.35	1,297,767.81	8,831,289.54	680.50%
CMS ENERGY	150,000	19.52	2,927,603.80	7,597.60	2,920,006.20	7,282,500.00	(4,362,493.80)	-59.90%
COCA-COLA CO	150,000	51.01	7,650,840.00	7,755.03	7,643,084.97	11,747,343.75	(4,104,258.78)	-34.94%
COMCAST CORP.	600,000	39.27	23,561,123.60	785.40	23,560,338.20	19,101,891.66	4,458,446.54	23.34%
COMPUWARE CORPORATION	1,380,000	15.08	20,804,433.40	693.53	20,803,739.87	47,854,527.70	(27,050,787.83)	-56.53%
CONTINENTAL AIRLINES	550,000	39.20	21,560,238.18	28,218.71	21,532,019.47	28,270,140.50	(6,738,121.03)	-23.83%
COSTCO WHOLESALE CORP	200,000	32.20	6,439,680.00	214.66	6,439,465.34	6,814,156.88	(374,691.54)	-5.50%
CVS CORP	1,440,000	36.22	52,162,089.90	73,738.79	52,088,351.11	27,677,358.52	24,410,992.59	88.20%
DANA CORP	500,000	27.86	13,927,859.00	25,464.28	13,902,394.72	20,650,994.19	(6,748,599.47)	-32.68%
DUKE ENERGY	120,000	51.27	6,152,816.00	6,205.10	6,146,610.90	7,206,000.00	(1,059,389.10)	-14.70%
ELECTRONIC DATA SYSTEMS	530,000	62.66	33,209,888.20	27,607.02	33,182,281.18	17,666,221.31	15,516,059.87	87.83%
EMC CORP	156,000	119.06	18,573,531.60	8,419.12	18,565,112.48	3,612,681.79	14,952,430.69	413.89%
EMERSON ELECTRIC	650,000	57.61	37,443,332.04	33,748.16	37,409,583.88	27,255,334.66	10,154,249.22	37.26%
EXPRESS SCRIPTS	65,000	53.07	3,449,315.00	114.99	3,449,200.01	3,115,840.73	333,359.28	10.70%
FIRST DATA CORP	150,000	48.75	7,312,500.00	7,743.75	7,304,756.25	4,955,171.55	2,349,584.70	47.42%
FIRST UNION CORP	300,000	34.86	10,456,725.00	15,348.57	10,441,376.43	15,467,415.00	(5,026,038.57)	-32.49%
FOX ENTERTAINMENT GRP, INC. A	435,000	26.15	11,375,957.80	22,129.23	11,353,828.57	12,109,436.98	(755,608.41)	-6.24%
FPL GROUP, INC.	500,000	47.03	23,513,977.15	25,783.81	23,488,193.34	16,802,594.85	6,685,598.49	39.79%
FURNITURE BRANDS INTERNATIONAL	400,000	17.37	6,949,516.63	20,231.67	6,929,284.96	10,264,366.73	(3,335,081.77)	-32.49%
GARTNER GROUP INC. B	122,388	21.88	2,677,237.50	-	2,677,237.50	3,330,759.31	(653,521.81)	-19.62%
GENERAL NUTRITION COMPANIES	1,630,000	24.93	40,637,500.00	371.25	40,637,128.75	31,571,421.10	9,065,707.65	28.71%
HOME DEPOT	355,000	50.34	17,870,969.31	18,345.72	17,852,623.59	3,630,633.31	14,221,990.28	391.72%
ILLINOIS TOOL WORKS	525,000	63.53	33,354,538.20	27,361.86	33,327,176.34	13,809,408.75	19,517,767.59	141.34%

**STATE OF ARIZONA
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COMMON STOCK SOLD

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Company	Shares Sold	Sale Price	Amount	Commission + SEC Fee	Net Amount	Book Cost	Gain (Loss) on Sale	% Gain on Sale
IMS HEALTH, INC.	590,000	16.91	9,978,718.60	29,832.66	9,948,885.94	18,773,518.56	(8,824,632.62)	-47.01%
INTEL CORPORATION	195,000	127.11	24,786,118.50	826.21	24,785,292.29	8,774,362.29	16,010,930.00	182.47%
JOHNSON CONTROLS	150,000	57.41	8,611,598.85	7,787.08	8,603,811.77	9,523,917.59	(920,105.82)	-9.66%
KIMBERLY-CLARK CORPORATION	200,000	59.18	11,835,871.50	10,394.53	11,825,476.97	5,707,336.57	6,118,140.40	107.20%
LILLY ELI	165,000	67.14	11,078,807.10	8,619.31	11,070,187.79	7,559,842.68	3,510,345.11	46.43%
LUCENT TECHNOLOGIES INC.	216,000	59.83	12,922,934.40	11,230.77	12,911,703.63	2,534,752.15	10,376,951.48	409.39%
MERCK & CO.	680,000	69.70	47,397,868.20	35,579.96	47,362,288.24	19,008,616.10	28,353,672.14	149.16%
NEWS CORPORATION	125,000	47.50	5,937,500.00	6,447.92	5,931,052.08	2,721,033.96	3,210,018.12	117.97%
NOKIA CORPORATION	190,000	50.59	9,611,853.00	9,820.40	9,602,032.60	3,447,495.01	6,154,537.59	178.52%
NORTEL NETWORKS CORP	100,000	103.78	10,378,491.40	5,345.96	10,373,145.44	3,154,784.66	7,218,360.78	228.81%
NORTH FORK BANCORPORATION	500,000	15.87	7,935,773.50	25,264.54	7,910,508.96	10,722,519.00	(2,812,010.04)	-26.23%
OFFICEMAX INC.	450,000	6.44	2,897,280.00	22,596.59	2,874,683.41	6,159,275.60	(3,284,592.19)	-53.33%
PFIZER INC.	258,000	34.26	8,838,530.20	13,194.63	8,825,335.57	6,152,420.45	2,672,915.12	43.44%
PITNEY BOWES, INC.	350,000	40.02	14,007,037.90	17,966.92	13,989,070.98	7,155,569.06	6,833,501.92	95.50%
PPG INDUSTRIES	150,000	59.58	8,937,633.22	7,797.94	8,929,835.28	3,892,212.71	5,037,622.57	129.43%
SAKS INCORPORATED	1,200,000	16.20	19,444,371.60	60,648.19	19,383,723.41	41,552,145.07	(22,168,421.66)	-53.35%
SCHERING-PLOUGH CORP	350,000	43.88	15,356,725.00	18,011.90	15,338,713.10	4,390,632.77	10,948,080.33	249.35%
SEALED AIR	150,000	54.55	8,182,277.00	7,772.76	8,174,504.24	9,444,135.00	(1,269,630.76)	-13.44%
SMURFIT-STONE CONTAINER CORP	200,000	15.12	3,024,057.50	100.81	3,023,956.69	3,663,150.00	(639,193.31)	-17.45%
SOLUTIA INC.	300,000	16.03	4,810,455.32	15,160.36	4,795,294.96	5,745,238.48	(949,943.52)	-16.53%
STARBUCKS CORP.	400,000	25.40	10,161,096.00	338.72	10,160,757.28	7,441,346.41	2,719,410.87	36.54%
TEXAS UTILITIES	150,000	30.33	4,549,657.70	7,651.67	4,542,006.03	7,052,085.00	(2,510,078.97)	-35.59%
VODAFONE AIRTOUCH PLC	150,000	58.69	8,803,680.00	7,793.46	8,795,886.54	3,227,219.93	5,568,666.61	172.55%
WALGREEN COMPANY	950,000	27.55	26,174,218.90	48,372.52	26,125,846.38	6,645,853.15	19,479,993.23	293.12%
WARNER-LAMBERT	150,000	87.46	13,118,890.90	7,937.31	13,110,953.59	10,484,206.64	2,626,746.95	25.05%
TOTAL STOCK SOLD	25,769,888		1,009,255,085.62	1,049,945.39	1,008,205,140.23	749,148,130.49	259,057,009.74	34.58%

**STATE OF ARIZONA
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OTHER INVESTMENTS SOLD

Name	Coupon	Maturity	Sale Price	Book Cost
SBA LOANS				
ALL UNLIMITED--SBA	9.750	05/01/09	100.00	32,046.18
ASAYO HOLDINGS, LTD.--SBA	9.500	07/01/10	100.00	33,259.93
DECO TURTLE L.P.	9.625	03/15/15	100.00	14,693.98
EQUITY PARTNERSHIP	9.250	03/31/08	100.00	103,743.10
NIARKOS--SBA	10.000	05/01/14	100.00	17,487.50
TOTAL SBA SOLD				201,230.69
BRIDGE FINANCIAL				
BRIDGE FINANCIAL--15 E. MONROE	12.500	01/05/01	100.00	200,000.00
BRIDGE FINANCIAL--69TH & BELL	12.750	11/30/99	100.00	1,600,000.00
BRIDGE FINANCIAL--CRYSTAL SPRINGS	12.750	08/17/99	100.00	1,045,600.00
BRIDGE FINANCIAL--HILTON HOTEL LAND	13.000	01/20/00	100.00	876,800.00
BRIDGE FINANCIAL--PECOS & COOPER	12.875	10/05/99	100.00	1,024,000.00
BRIDGE FINANCIAL--PIONEER INDUST. PARK	15.000	05/24/99	100.00	1,192,375.20
BRIDGE FINANCIAL--SCOTTSDALE LINKS	11.500	03/21/01	100.00	1,232,000.00
BRIDGE FINANCIAL--SHEA MEDICAL PLAZA	12.000	12/01/99	100.00	3,200,000.00
BRIDGE FINANCIAL--STETSON HILLS	14.000	10/10/99	100.00	1,708,800.00
TOTAL BRIDGE FINANCIAL SOLD				12,079,575.20
MISCELLANEOUS				
CRYSTAL GARDENS PROPERTIES, LLC	10.000	04/20/01	100.00	5,762,651.98
DESERT TROON PROPERTIES	10.000	03/01/03	100.00	11,000,000.00
PEBBLECREEK PROPERTIES L.P.	10.000	02/19/02	100.00	3,200,000.00
PIVOTAL X, LLC				3,600,000.00
TALLEY PROPERTIES	12.000	12/01/01	100.00	1,868,750.00
WALKER COTTON SEED, INC.	14.000	12/20/06	100.00	56,738.17
TOTAL MISCELLANEOUS SOLD				25,488,140.15
TOTAL OTHER INVESTMENTS SOLD				37,768,946.04

**STATE OF ARIZONA
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INVESTMENTS OWNED
JUNE 30, 2000**

BOND PORTFOLIO

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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	13,087,089.00	100.66992	103.09400	13,402,220.00	315,131.00	1,527,500.00	11.67	6.53
3,000,000.00	U.S. TREASURY BOND	13.125	05/15/01	2,997,228.00	99.90760	105.54700	3,166,410.00	169,182.00	393,750.00	13.14	6.42
6,500,000.00	U.S. TREASURY BOND	9.375	02/15/06	6,529,090.00	100.44754	114.37500	7,434,375.00	905,285.00	609,375.00	9.33	6.30
10,000,000.00	U.S. TREASURY BOND	9.125	05/15/09	9,996,951.00	99.96951	108.71900	10,871,900.00	874,949.00	912,500.00	9.13	6.53
10,000,000.00	U.S. TREASURY BOND	10.375	11/15/09	9,938,280.00	99.38280	114.51600	11,451,600.00	1,513,320.00	1,037,500.00	10.44	6.50
2,000,000.00	U.S. TREASURY BOND	11.750	02/15/10	1,983,556.00	99.17780	120.64100	2,412,820.00	429,264.00	235,000.00	11.85	6.50
15,000,000.00	U.S. TREASURY BOND	10.000	05/15/10	15,032,875.00	100.21917	114.39100	17,158,650.00	2,125,775.00	1,500,000.00	9.98	6.50
5,000,000.00	U.S. TREASURY BOND	12.750	11/15/10	4,940,795.00	98.81590	127.92200	6,396,100.00	1,455,305.00	637,500.00	12.90	6.50
10,000,000.00	U.S. TREASURY BOND	7.500	11/15/16	9,609,988.00	96.09988	112.93700	11,293,700.00	1,683,712.00	750,000.00	7.80	6.27
10,000,000.00	U.S. TREASURY BOND	9.125	05/15/18	10,000,000.00	100.00000	130.75000	13,075,000.00	3,075,000.00	912,500.00	9.13	6.24
10,000,000.00	U.S. TREASURY BOND	8.125	08/15/19	10,008,719.00	100.08719	120.89100	12,089,100.00	2,080,381.00	812,500.00	8.12	6.24
10,000,000.00	U.S. TREASURY BOND	8.000	11/15/21	10,000,000.00	100.00000	120.89100	12,089,100.00	2,089,100.00	800,000.00	8.00	6.29
15,000,000.00	U.S. TREASURY NOTE	7.750	02/15/01	15,193,850.00	101.29233	100.75000	15,112,500.00	(81,350.00)	1,162,500.00	7.65	6.47
15,000,000.00	U.S. TREASURY NOTE	7.875	08/15/01	15,350,863.00	102.33909	101.46900	15,220,350.00	(130,513.00)	1,181,250.00	7.70	6.48
20,000,000.00	U.S. TREASURY NOTE	7.500	11/15/01	20,437,744.00	102.18872	101.26600	20,253,200.00	(184,544.00)	1,500,000.00	7.34	6.51
154,500,000.00	TOTAL U.S. TREASURY OBLIGATIONS			155,107,028.00	100.39290		171,427,025.00	16,319,997.00	13,971,875.00	9.01	
FEDERAL AGENCY OBLIGATIONS											
530,303.53	GNMA POOL #153415	9.000	04/15/16	506,108.40	95.43749	104.46800	553,997.49	47,889.09	47,727.32	9.43	8.60
234,605.47	GNMA POOL #154058	9.000	06/15/16	227,270.53	96.87350	104.46800	245,087.64	17,817.11	21,114.49	9.29	8.60
272,738.52	GNMA POOL #155684	9.000	05/15/16	252,219.21	92.47656	104.46800	284,924.48	32,705.27	24,546.47	9.73	8.60
34,908.81	GNMA POOL #155939	9.000	08/15/16	32,282.46	92.47653	104.46800	36,468.54	4,186.08	3,141.79	9.73	8.60
293,658.39	GNMA POOL #156462	9.000	07/15/16	284,488.28	96.87729	104.46800	306,779.05	22,290.77	26,429.26	9.29	8.60
640,994.30	GNMA POOL #159801	9.000	09/15/19	623,366.93	97.25000	103.99900	666,627.66	43,260.73	57,689.49	9.25	8.70
230,455.40	GNMA POOL #160350	9.000	05/15/16	225,270.15	97.75000	104.46800	240,752.15	15,482.00	20,740.99	9.21	8.60
367,634.14	GNMA POOL #161638	9.000	09/15/16	341,091.34	92.78010	104.46800	384,060.03	42,968.69	33,087.07	9.70	8.60
538,237.18	GNMA POOL #161682	9.000	07/15/16	535,377.77	99.46875	104.46800	562,285.62	26,907.85	48,441.35	9.05	8.60
152,460.89	GNMA POOL #161684	9.000	07/15/16	148,935.24	97.68751	104.46800	159,272.84	10,337.60	13,721.48	9.21	8.60
58,904.80	GNMA POOL #162599	9.000	06/15/16	55,517.77	94.24999	104.46800	61,536.67	6,018.90	5,301.43	9.55	8.60
321,521.75	GNMA POOL #164468	9.000	12/15/16	297,332.24	92.47656	104.46800	335,887.34	38,555.10	28,936.96	9.73	8.60
735,586.91	GNMA POOL #164501	9.000	08/15/16	719,303.91	97.78639	104.46800	768,452.93	49,149.02	66,202.82	9.20	8.60
2,004,003.48	GNMA POOL #164681	9.000	10/15/16	1,957,034.76	97.65626	104.46800	2,093,542.36	136,507.60	180,360.31	9.22	8.60
447,529.95	GNMA POOL #164924	9.000	09/15/16	413,860.30	92.47656	104.46800	467,525.59	53,665.29	40,277.70	9.73	8.60
407,447.55	GNMA POOL #165172	9.000	06/15/16	376,793.48	92.47656	104.46800	425,652.31	48,858.83	36,670.28	9.73	8.60

**STATE OF ARIZONA
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BOND PORTFOLIO

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377,791.80	GNMA POOL #168283	9.000	08/15/16	358,198.94	94.81385	104.46800	394,671.54	36,472.60	34,001.26	9.49	8.60
242,399.86	GNMA POOL #172800	9.000	08/15/16	233,082.64	96.15626	104.46800	253,230.29	20,147.65	21,815.99	9.36	8.60
1,262,596.84	GNMA POOL #173847	9.000	09/15/16	1,245,630.73	98.65625	104.46800	1,319,009.67	73,378.94	113,633.72	9.12	8.60
354,505.69	GNMA POOL #174829	9.000	09/15/16	349,742.05	98.65626	104.46800	370,345.00	20,602.95	31,905.51	9.12	8.60
82,882.49	GNMA POOL #175236	9.000	10/15/16	82,053.67	99.00000	104.46800	86,585.68	4,532.01	7,459.42	9.09	8.60
16,593.13	GNMA POOL #175243	9.000	11/15/16	15,659.76	94.37498	104.46800	17,334.51	1,674.75	1,493.38	9.54	8.60
835,957.75	GNMA POOL #178234	9.000	11/15/16	773,001.11	92.46892	104.46800	873,308.34	100,307.23	75,236.20	9.73	8.60
448,202.50	GNMA POOL #182491	9.000	12/15/16	438,117.95	97.75000	104.46800	468,228.19	30,110.24	40,338.23	9.21	8.60
109,517.04	GNMA POOL #182914	9.000	10/15/16	108,421.89	99.00002	104.46800	114,410.26	5,988.37	9,856.53	9.09	8.60
294,914.30	GNMA POOL #183553	9.000	08/15/17	288,278.72	97.75000	104.46900	308,094.02	19,815.30	26,542.29	9.21	8.60
290,374.03	GNMA POOL #183715	9.000	11/15/16	281,935.10	97.09377	104.46800	303,347.94	21,412.84	26,133.66	9.27	8.60
1,479,033.28	GNMA POOL #183733	9.000	01/15/17	1,367,643.70	92.46876	104.46900	1,545,131.28	177,487.58	133,113.00	9.73	8.60
93,299.43	GNMA POOL #184707	9.000	12/15/16	90,354.68	96.84377	104.46800	97,468.05	7,113.37	8,396.95	9.29	8.60
224,425.78	GNMA POOL #185639	9.000	11/15/16	218,534.62	97.37501	104.46800	234,453.12	15,918.50	20,198.32	9.24	8.60
651,553.37	GNMA POOL #187705	9.000	01/15/17	630,988.71	96.84375	104.46900	680,671.29	49,682.58	58,639.80	9.29	8.60
262,669.03	GNMA POOL #188192	9.000	05/15/17	254,460.66	96.87501	104.46900	274,407.71	19,947.05	23,640.21	9.29	8.60
816,911.35	GNMA POOL #190921	9.000	12/15/16	794,318.67	97.23438	104.46800	853,410.95	59,092.28	73,522.02	9.26	8.60
61,853.93	GNMA POOL #191487	9.000	01/15/17	60,346.26	97.56252	104.46900	64,618.18	4,271.92	5,566.85	9.22	8.60
451,822.45	GNMA POOL #191648	9.000	05/15/17	428,384.10	94.81249	104.46900	472,014.40	43,630.30	40,664.02	9.49	8.60
433,209.68	GNMA POOL #191943	9.000	07/15/18	410,601.53	94.78125	104.00000	450,538.07	39,936.54	38,988.87	9.50	8.70
481,282.20	GNMA POOL #194468	9.000	12/15/16	466,242.02	96.87498	104.46800	502,785.89	36,543.87	43,315.40	9.29	8.60
75,610.86	GNMA POOL #198466	9.000	02/15/17	73,767.83	97.56248	104.46900	78,989.91	5,222.08	6,804.98	9.22	8.60
38,040.52	GNMA POOL #204136	9.000	05/15/17	37,339.13	98.15620	104.46900	39,740.55	2,401.42	3,423.65	9.17	8.60
210,552.73	GNMA POOL #206683	9.000	04/15/20	201,077.87	95.50001	103.87400	218,709.54	17,631.67	18,949.75	9.42	8.70
274,098.46	GNMA POOL #208638	9.000	05/15/17	259,879.86	94.81260	104.46900	286,347.92	26,468.06	24,668.86	9.49	8.60
450,992.38	GNMA POOL #210798	9.000	07/15/18	415,617.64	92.15624	104.00000	469,032.08	53,414.44	40,589.31	9.77	8.70
200,030.50	GNMA POOL #216520	9.000	05/15/17	189,653.92	94.81250	104.46900	208,969.86	19,315.94	18,002.75	9.49	8.60
286,172.45	GNMA POOL #221494	9.000	07/15/17	265,603.81	92.81250	104.46900	298,961.50	33,357.69	25,755.52	9.70	8.60
1,142,516.28	GNMA POOL #221509	9.000	12/15/16	1,108,240.80	97.00000	104.46800	1,193,563.91	85,323.11	102,826.47	9.28	8.60
295,503.17	GNMA POOL #223273	9.000	04/15/18	279,342.85	94.53125	104.00000	307,323.30	27,980.45	26,595.29	9.52	8.70
354,607.41	GNMA POOL #223282	9.000	05/15/18	339,067.92	95.61783	104.00000	368,791.71	29,723.79	31,914.67	9.41	8.70
207,630.17	GNMA POOL #223307	9.000	04/15/18	198,611.32	95.65629	104.00000	215,935.38	17,324.06	18,686.72	9.41	8.70
109,972.25	GNMA POOL #225586	9.000	05/15/18	103,648.85	94.25001	104.00000	114,371.14	10,722.29	9,897.50	9.55	8.70
227,262.69	GNMA POOL #226614	10.000	11/15/17	225,842.32	99.37501	106.06700	241,050.72	15,208.40	22,726.27	10.06	9.40
49,878.62	GNMA POOL #228184	9.000	05/15/18	47,010.64	94.25009	104.00000	51,873.76	4,863.12	4,489.08	9.55	8.70
329,481.07	GNMA POOL #228233	9.000	05/15/18	298,283.35	90.53126	104.00000	342,660.31	44,376.96	29,653.30	9.94	8.70
473,232.11	GNMA POOL #229731	9.000	07/15/17	439,218.52	92.81249	104.46900	494,380.85	55,162.33	42,590.89	9.70	8.60

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396,567.13	GNMA POOL #232531	9.000	10/15/17	387,644.36	97.75000	104.46900	414,289.72	26,645.36	35,691.04	9.21	8.60
394,897.04	GNMA POOL #234450	9.000	04/15/18	379,718.22	96.15626	104.00000	410,692.92	30,974.70	35,540.73	9.36	8.70
56,808.66	GNMA POOL #235308	10.000	10/15/17	56,453.61	99.37500	106.15600	60,305.80	3,852.19	5,680.87	10.06	9.40
245,660.42	GNMA POOL #236041	10.000	11/15/17	242,896.73	98.87499	106.06700	260,564.64	17,667.91	24,566.04	10.11	9.40
31,734.08	GNMA POOL #236835	10.000	11/15/17	31,606.86	99.59912	106.15600	33,687.63	2,080.77	3,173.41	10.04	9.40
182,728.60	GNMA POOL #236936	9.000	04/15/18	172,107.49	94.18749	104.00000	190,037.74	17,930.25	16,445.57	9.56	8.70
388,795.28	GNMA POOL #236937	9.000	04/15/18	370,935.02	95.40626	104.00000	404,347.09	33,412.07	34,991.58	9.43	8.70
89,065.68	GNMA POOL #236939	9.000	04/15/18	83,944.42	94.25002	104.00000	92,628.31	8,683.89	8,015.91	9.55	8.70
378,670.65	GNMA POOL #237138	10.000	10/15/17	376,303.94	99.37500	106.06700	401,644.60	25,340.66	37,867.07	10.06	9.40
57,115.62	GNMA POOL #237195	9.000	06/15/18	52,814.13	92.46880	104.00000	59,400.24	6,586.11	5,140.41	9.73	8.70
33,079.96	GNMA POOL #238133	9.000	04/15/18	31,674.09	95.75009	104.00000	34,403.16	2,729.07	2,977.20	9.40	8.70
575,717.69	GNMA POOL #247506	9.000	01/15/20	560,785.00	97.40625	103.87400	598,020.99	37,235.99	51,814.59	9.24	8.70
627,267.15	GNMA POOL #249621	9.000	05/15/18	581,986.28	92.78125	104.00000	652,357.84	70,371.56	56,454.04	9.70	8.70
394,752.66	GNMA POOL #252052	9.000	06/15/18	373,164.62	94.53125	104.00000	410,542.77	37,378.15	35,527.74	9.52	8.70
395,836.31	GNMA POOL #252055	9.000	06/15/18	364,787.89	92.15625	104.00000	411,669.76	46,881.87	35,625.27	9.77	8.70
284,608.15	GNMA POOL #256372	9.000	10/15/19	278,560.22	97.87500	103.99900	295,989.63	17,429.41	25,614.73	9.20	8.70
253,430.21	GNMA POOL #257869	9.000	09/15/19	245,193.69	96.74999	103.99900	263,564.88	18,371.19	22,808.72	9.30	8.70
95,112.32	GNMA POOL #260334	9.000	09/15/18	87,503.34	92.00001	104.00000	98,916.81	11,413.47	8,560.11	9.78	8.70
257,442.88	GNMA POOL #266545	9.000	01/15/19	238,858.72	92.78125	103.99900	267,738.02	28,879.30	23,169.86	9.70	8.70
326,885.94	GNMA POOL #271090	9.000	10/15/19	319,939.60	97.87500	103.99900	339,958.11	20,018.51	29,419.73	9.20	8.70
327,051.07	GNMA POOL #271897	9.000	09/15/19	317,239.50	96.99999	103.99900	340,129.84	22,890.34	29,434.60	9.28	8.70
389,587.21	GNMA POOL #273548	9.000	09/15/19	377,047.37	96.78125	103.99900	405,166.80	28,119.43	35,062.85	9.30	8.70
979,040.74	GNMA POOL #274140	9.000	09/15/19	947,833.81	96.81250	103.99900	1,018,192.58	70,358.77	88,113.67	9.30	8.70
301,525.24	GNMA POOL #277907	9.000	11/15/19	299,263.86	99.25002	103.99900	313,583.23	14,319.37	27,137.27	9.07	8.70
286,970.15	GNMA POOL #282815	9.000	11/15/19	284,504.03	99.14063	103.99900	298,446.09	13,942.06	25,827.31	9.08	8.70
260,856.91	GNMA POOL #284420	9.000	02/15/20	250,422.61	95.99999	103.87400	270,962.51	20,539.90	23,477.12	9.38	8.70
509,375.80	GNMA POOL #285101	9.000	04/15/20	482,633.61	94.75001	103.87400	529,109.02	46,475.41	45,843.82	9.50	8.70
226,353.21	GNMA POOL #285593	9.000	02/15/20	218,996.71	96.74999	103.87400	235,122.13	16,125.42	20,371.79	9.30	8.70
111,618.34	GNMA POOL #285654	9.000	05/15/20	105,758.39	94.75001	103.87400	115,942.43	10,184.04	10,045.65	9.50	8.70
704,172.84	GNMA POOL #286371	9.000	02/15/20	672,925.08	95.56249	103.87400	731,452.50	58,527.42	63,375.56	9.42	8.70
548,564.51	GNMA POOL #286427	9.000	04/15/20	523,879.08	95.50000	103.87400	569,815.90	45,936.82	49,370.81	9.42	8.70
230,765.19	GNMA POOL #287851	9.000	04/14/20	221,535.81	96.00053	103.87400	239,705.03	18,169.22	20,768.87	9.37	8.70
278,654.88	GNMA POOL #290000	9.000	04/15/20	278,654.88	100.00000	103.87400	289,449.97	10,795.09	25,078.94	9.00	8.70
150,952.95	GNMA POOL #290057	9.000	06/15/20	150,952.95	100.00000	103.87400	156,800.87	5,847.92	13,585.77	9.00	8.70
218,987.91	GNMA POOL #291136	9.000	05/15/20	205,711.76	93.93750	103.87400	227,471.50	21,759.74	19,708.91	9.58	8.70
210,308.92	GNMA POOL #295076	9.000	12/15/20	210,243.20	99.96875	103.87400	218,456.29	8,213.09	18,927.80	9.00	8.70
193,920.79	GNMA POOL #297590	9.000	03/15/21	193,860.21	99.96876	103.87400	201,433.28	7,573.07	17,452.87	9.00	8.70

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133,340.99	GNMA POOL #298952	9.000	04/15/21	133,340.99	100.00000	103.87400	138,506.62	5,165.63	12,000.69	9.00	8.70
879,985.08	GNMA POOL #319521	8.000	02/15/22	874,210.19	99.34375	101.40600	892,357.67	18,147.48	70,398.81	8.05	7.90
9,961,409.85	GNMA POOL #337419	7.000	06/15/23	9,349,717.28	93.85938	97.56200	9,718,550.68	368,833.40	697,298.69	7.46	7.20
3,708,269.92	GNMA POOL #345731	8.000	05/15/24	3,683,934.40	99.34375	101.25000	3,754,623.29	70,688.89	296,661.59	8.05	7.90
1,187,659.98	GNMA POOL #348865	8.000	06/15/23	1,179,865.95	99.34375	101.34300	1,203,610.25	23,744.30	95,012.80	8.05	7.90
1,355,961.15	GNMA POOL #352219	8.000	04/15/23	1,347,062.65	99.34375	101.34300	1,374,171.71	27,109.06	108,476.89	8.05	7.90
5,563,383.88	GNMA POOL #352964	7.000	05/15/24	5,205,241.03	93.56250	97.50000	5,424,299.28	219,058.25	389,436.87	7.48	7.20
8,243,055.31	GNMA POOL #366756	7.000	03/15/24	7,712,408.68	93.56250	97.50000	8,036,978.93	324,570.25	577,013.87	7.48	7.20
4,749,206.09	GNMA POOL #371734	7.000	04/15/24	4,443,475.93	93.56250	97.50000	4,630,475.94	187,000.01	332,444.43	7.48	7.20
11,919,461.25	GNMA POOL #377589	7.500	08/15/25	11,885,937.78	99.71875	99.43700	11,852,354.68	(33,583.10)	893,959.59	7.52	7.50
3,018,803.55	GNMA POOL #386030	7.000	05/15/24	2,824,468.09	93.56250	97.50000	2,943,333.46	118,865.37	211,316.25	7.48	7.20
3,049,734.05	GNMA POOL #398831	8.000	08/15/26	3,044,968.84	99.84375	101.12500	3,084,043.56	39,074.72	243,978.72	8.01	7.90
2,036,953.64	GNMA POOL #402544	7.500	04/15/26	2,030,906.57	99.70313	99.34400	2,023,591.22	(7,315.35)	152,771.52	7.52	7.60
3,730,843.70	GNMA POOL #403979	8.500	10/15/24	3,667,302.60	98.29687	102.49900	3,824,077.48	156,774.88	317,121.71	8.65	8.30
5,472,647.20	GNMA POOL #405618	7.500	04/15/26	5,465,806.37	99.87500	99.34400	5,436,746.63	(29,059.74)	410,448.54	7.51	7.60
2,698,315.44	GNMA POOL #417666	7.500	08/15/25	2,690,304.73	99.70312	99.43700	2,683,123.92	(7,180.81)	202,373.66	7.52	7.50
2,611,712.66	GNMA POOL #421711	7.500	04/15/26	2,608,448.01	99.87500	99.34400	2,594,579.82	(13,868.19)	195,878.45	7.51	7.60
2,277,739.69	GNMA POOL #429356	7.500	03/15/26	2,270,977.76	99.70313	99.34400	2,262,797.72	(8,180.04)	170,830.48	7.52	7.60
1,443,321.44	GNMA POOL #430384	8.000	08/15/26	1,441,066.25	99.84375	101.12500	1,459,558.81	18,492.56	115,465.72	8.01	7.90
3,848,655.89	GNMA POOL #432701	8.000	06/15/26	3,848,655.89	100.00000	101.12500	3,891,953.27	43,297.38	307,892.47	8.00	7.90
1,010,624.94	GNMA POOL #438772	8.000	08/15/26	1,009,045.84	99.84375	101.12500	1,021,994.47	12,948.63	80,850.00	8.01	7.90
1,682,343.31	GNMA POOL #438778	8.000	08/15/26	1,679,714.64	99.84375	101.12500	1,701,269.67	21,555.03	134,587.46	8.01	7.90
4,501,438.58	GNMA POOL #439645	8.000	09/15/26	4,498,625.16	99.93750	101.12500	4,552,079.76	53,454.60	360,115.09	8.01	7.90
1,699,709.75	GNMA POOL #441619	7.500	11/15/29	1,693,070.26	99.60938	99.28100	1,687,488.84	(5,581.42)	127,478.23	7.53	7.60
13,665,999.54	GNMA POOL #464692	7.000	07/15/28	13,349,973.30	97.68750	97.21800	13,285,811.43	(64,161.87)	956,619.97	7.17	7.20
9,620,443.74	GNMA POOL #470493	7.000	06/15/29	9,551,296.81	99.28125	97.18700	9,349,820.66	(201,476.15)	673,431.06	7.05	7.20
3,870,892.21	GNMA POOL #472997	7.000	06/15/29	3,850,328.09	99.46875	97.18700	3,762,004.01	(88,324.08)	270,962.45	7.04	7.20
7,143,824.56	GNMA POOL #478875	7.500	11/15/29	7,115,919.00	99.60938	99.36000	7,098,104.08	(17,814.92)	535,786.84	7.53	7.60
7,156,465.39	GNMA POOL #478881	7.500	11/15/29	7,128,510.45	99.60937	99.28100	7,105,010.40	(23,500.05)	536,734.90	7.53	7.60
8,155,905.11	GNMA POOL #482784	7.000	10/15/28	8,097,284.61	99.28125	97.21800	7,929,007.83	(168,276.78)	570,913.36	7.05	7.20
8,332,011.18	GNMA POOL #486539	7.000	09/15/28	8,272,124.90	99.28125	97.21800	8,100,214.63	(171,910.27)	583,240.78	7.05	7.20
2,503,945.06	GNMA POOL #487221	7.000	05/15/29	2,397,527.39	95.75000	97.18700	2,433,509.09	35,981.70	175,276.15	7.31	7.20
14,152,492.19	GNMA POOL #487222	7.000	05/15/29	13,575,335.86	95.92187	97.18700	13,754,382.58	179,046.72	990,674.45	7.30	7.20
9,717,966.79	GNMA POOL #493996	7.000	07/15/29	9,304,953.21	95.75000	97.18700	9,444,600.38	139,647.17	680,257.68	7.31	7.20
7,863,977.85	GNMA POOL #499876	7.000	06/15/29	7,822,200.46	99.46875	97.18700	7,642,764.15	(179,436.31)	550,478.45	7.04	7.20
6,344,923.89	GNMA POOL #500931	7.000	06/15/29	6,311,216.47	99.46875	97.18700	6,166,441.18	(144,775.29)	444,144.67	7.04	7.20
15,315,096.20	GNMA POOL #503019	6.000	03/15/29	14,183,214.85	92.60937	92.09300	14,104,131.54	(79,083.31)	918,905.77	6.48	6.50

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS OWNED
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BOND PORTFOLIO

Par Value	Security	Coupon	Maturity	Book Cost	Book Price	Current Price	Current Value	Gain or (Loss)	Annual Income	Book Yield	YTM
1,023,402.86	GNMA POOL #504418	7.000	06/15/29	1,017,966.04	99.46875	97.18700	994,614.54	(23,351.50)	71,638.20	7.04	7.20
14,413,891.51	GNMA POOL #505728	7.000	06/15/29	14,337,317.70	99.46875	97.18700	14,008,428.74	(328,888.96)	1,008,972.41	7.04	7.20
2,875,523.43	GNMA POOL #506075	7.000	11/15/29	2,758,255.99	95.92187	97.18700	2,794,634.96	36,378.97	201,286.64	7.30	7.20
6,842,426.51	GNMA POOL #509328	7.000	06/15/29	6,632,877.20	96.93750	97.18700	6,649,949.05	17,071.85	478,969.86	7.22	7.20
2,684,401.02	GNMA POOL #510302	7.000	08/15/29	2,574,927.80	95.92188	97.26300	2,610,928.96	36,001.16	187,908.07	7.30	7.20
6,517,067.22	GNMA POOL #510958	7.000	05/15/29	6,470,225.82	99.28125	97.18700	6,333,742.12	(136,483.70)	456,194.71	7.05	7.20
2,135,998.31	GNMA POOL #510983	7.000	06/15/29	2,048,889.62	95.92187	97.18700	2,075,912.68	27,023.06	149,519.88	7.30	7.20
6,174,686.58	GNMA POOL #512888	7.000	07/15/29	5,985,586.80	96.93750	97.18700	6,000,992.65	15,405.85	432,228.06	7.22	7.20
6,962,637.24	GNMA POOL #512915	7.000	07/15/29	6,749,406.47	96.93750	97.18700	6,766,778.25	17,371.78	487,384.61	7.22	7.20
2,618,899.01	GNMA POOL #513367	7.000	08/15/29	2,507,595.80	95.75000	97.26300	2,547,219.74	39,623.94	183,322.93	7.31	7.20
19,396,669.91	GNMA POOL #780076	8.000	02/15/25	19,061,773.30	98.27343	101.34300	19,657,167.19	595,393.89	1,551,733.59	8.14	7.90
23,169,234.12	GNMA POOL #780220	7.500	08/15/25	23,161,993.73	99.96875	99.53100	23,060,570.41	(101,423.32)	1,737,692.56	7.50	7.50
328,106,610.53	TOTAL FEDERAL AGENCY OBLIGATIONS			320,208,055.56	97.59269		323,938,929.08	3,730,873.52	24,287,184.61	7.58	
CORPORATE BONDS											
10,500,000.00	AGL CAPITAL TRUST	8.170	06/01/37	10,696,540.50	101.87181	95.90600	10,070,130.00	(626,410.50)	857,850.00	8.02	8.54
16,000,000.00	AMERICAN UNITED LIFE INS CO	7.750	03/30/26	15,254,304.00	95.33940	87.21900	13,955,040.00	(1,299,264.00)	1,240,000.00	8.13	9.04
34,000,000.00	ANTHEM INSURANCE COMPANY INC	9.000	04/01/27	35,691,158.00	104.97399	82.57200	28,074,480.00	(7,616,678.00)	3,060,000.00	8.57	11.04
163,007.57	AUTO BOND RECEIVABLE TRUST	7.100	06/15/21	163,007.57	100.00000	99.99800	163,004.31	(3.26)	11,573.54	7.10	7.10
116,514.95	AUTO BOND RECEIVABLES TRUST	6.400	04/15/01	116,514.95	100.00000	99.87500	116,369.31	(145.64)	7,456.96	6.40	6.90
10,000,000.00	BANKERS TRUST	7.750	12/01/26	9,739,583.00	97.39583	91.80200	9,180,200.00	(559,383.00)	775,000.00	7.96	8.40
12,000,000.00	BANKERS TRUST CORP 144A	8.090	12/01/26	12,000,000.00	100.00000	89.17700	10,701,240.00	(1,298,760.00)	970,800.00	8.09	9.10
5,500,000.00	CAROLINA POWER AND LIGHT CO.	7.500	03/01/23	5,479,163.00	99.62115	89.95300	4,947,415.00	(531,748.00)	412,500.00	7.53	8.51
10,500,000.00	COUNTRYWIDE CAPITAL I	8.000	12/15/26	10,500,000.00	100.00000	82.67000	8,680,350.00	(1,819,650.00)	840,000.00	8.00	9.85
5,000,000.00	DISCOVER CREDIT	9.100	04/13/12	5,000,000.00	100.00000	109.64700	5,482,350.00	482,350.00	455,000.00	9.10	7.83
19,000,000.00	FARMERS INSURANCE EXCHANGE	8.625	05/01/24	17,588,054.00	92.56871	95.99300	18,238,670.00	650,616.00	1,638,750.00	9.32	9.04
8,000,000.00	FIRST EMPIRE CAPITAL TRUST I	8.234	02/01/27	8,648,687.00	108.10859	81.30500	6,504,400.00	(2,144,287.00)	658,720.00	7.62	10.30
10,000,000.00	FIRST EMPIRE CAPITAL TRUST I	8.277	06/01/27	10,536,725.00	105.36725	94.10400	9,410,400.00	(1,126,325.00)	827,700.00	7.86	8.85
14,000,000.00	FIRST HAWAIIAN CAPITAL TRUST	8.343	07/01/27	14,799,804.00	105.71289	89.28800	12,500,320.00	(2,299,484.00)	1,168,020.00	7.89	9.30
4,000,000.00	FIRST UNION CAPITAL II	7.950	11/15/29	3,597,980.00	89.94950	87.49900	3,499,960.00	(98,020.00)	318,000.00	8.84	9.10
5,568,750.00	FIRSTPLUS HOME IMPROVEMENT	8.300	02/20/22	5,558,606.58	99.81785	100.56900	5,600,436.19	41,829.61	462,206.25	8.32	8.30
5,000,000.00	FORD MOTOR COMPANY	9.500	09/15/11	4,997,702.00	99.95404	111.93100	5,596,550.00	598,848.00	475,000.00	9.50	7.87
10,000,000.00	FUND AMERICA ENTERPRISES	7.750	02/01/03	10,039,172.00	100.39172	100.58500	10,058,500.00	19,328.00	775,000.00	7.72	7.49
17,000,000.00	GENERAL AMERICAN LIFE INS	7.625	01/15/24	15,028,537.00	88.40316	94.50500	16,065,850.00	1,037,313.00	1,296,250.00	8.63	8.15
10,000,000.00	GOLDMAN SACHS GROUP INC.	8.000	03/01/13	9,967,289.00	99.67289	101.40900	10,140,900.00	173,611.00	800,000.00	8.03	7.82
3,500,000.00	HUNTINGTON BANKS SUB NTS	6.600	06/15/18	3,172,686.00	90.64817	83.04300	2,906,505.00	(266,181.00)	231,000.00	7.28	8.45

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BOND PORTFOLIO

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Par Value	Security	Coupon	Maturity	Book Cost	Book Price	Current Price	Current Value	Gain or (Loss)	Annual Income	Book Yield	YTM
15,000,000.00	J HANCOCK MUTUAL LIFE INS CO	7.375	02/15/24	14,070,538.00	93.80359	91.58000	13,737,000.00	(333,538.00)	1,106,250.00	7.86	8.19
11,000,000.00	JPM CAPITAL TRUST II	7.950	02/01/27	11,483,422.00	104.39475	88.97400	9,787,140.00	(1,696,282.00)	874,500.00	7.62	9.05
7,000,000.00	KEYCORP CAPITAL III	7.750	07/15/29	6,666,101.00	95.23001	84.93700	5,945,590.00	(720,511.00)	542,500.00	8.14	9.25
5,000,000.00	LEHMAN BROTHERS HOLDINGS INC	8.500	05/01/07	5,200,265.00	104.00530	101.29600	5,064,800.00	(135,465.00)	425,000.00	8.17	8.24
5,000,000.00	LEHMAN BROTHERS HOLDINGS INC	8.800	03/01/15	5,543,093.76	110.86188	103.10300	5,155,150.00	(387,943.76)	440,000.00	7.94	8.43
18,000,000.00	LUMBERMANS MUTUAL CASUALTY CO	9.150	07/01/26	20,400,070.28	113.33372	85.82600	15,448,680.00	(4,951,390.28)	1,647,000.00	8.07	10.79
12,000,000.00	LUMBERMANS MUTUAL CASUALTY CO	8.300	12/01/37	12,964,061.00	108.03384	77.39500	9,287,400.00	(3,676,661.00)	996,000.00	7.68	10.79
10,000,000.00	MERRILL LYNCH & COMPANY	8.000	06/01/07	10,000,000.00	100.00000	101.80400	10,180,400.00	180,400.00	800,000.00	8.00	7.66
25,315,000.00	NATIONWIDE MUTUAL INS CO	7.500	02/15/24	24,365,808.00	96.25048	82.20400	20,809,942.60	(3,555,865.40)	1,898,625.00	7.79	9.39
15,000,000.00	NEW ENGLAND MUTUAL LIFE INSUR	7.875	02/15/24	14,830,054.00	98.86703	93.32800	13,999,200.00	(830,854.00)	1,181,250.00	7.97	8.54
14,000,000.00	OHIO NATIONAL LIFE INSURANCE	8.500	05/15/26	14,254,410.00	101.81721	97.08800	13,592,320.00	(662,090.00)	1,190,000.00	8.35	8.79
10,000,000.00	OKLAHOMA GAS & ELECTRIC	6.500	04/15/28	8,289,964.00	82.89964	82.06900	8,206,900.00	(83,064.00)	650,000.00	7.84	8.14
5,000,000.00	PACIFIC GAS & ELECTRIC CO.	7.250	03/01/26	4,835,473.00	96.70946	87.47000	4,373,500.00	(461,973.00)	362,500.00	7.50	8.45
10,000,000.00	PACIFIC MUTUAL LIFE INSURANCE	7.900	12/30/23	9,898,330.00	98.98330	95.54500	9,554,500.00	(343,830.00)	790,000.00	7.98	8.30
10,000,000.00	PAINÉ WEBER GROUP INC	7.605	07/17/17	9,753,190.00	97.53190	89.86000	8,986,000.00	(767,190.00)	760,500.00	7.80	8.76
17,000,000.00	PMI CAPITAL	8.309	02/01/27	17,529,365.00	103.11391	93.96800	15,974,560.00	(1,554,805.00)	1,412,530.00	8.06	8.90
23,200,000.00	PRINCIPAL MUTUAL LIFE INS CO	7.875	03/01/24	22,713,023.00	97.90096	97.47100	22,613,272.00	(99,751.00)	1,827,000.00	8.04	8.12
10,000,000.00	PRUDENTIAL FUNDING	6.750	09/15/23	8,453,236.00	84.53236	83.82900	8,382,900.00	(70,336.00)	675,000.00	7.99	8.34
9,000,000.00	PRUDENTIAL INSUR CO OF AMERICA	8.300	07/01/25	8,821,784.12	98.01982	102.29000	9,206,100.00	384,315.88	747,000.00	8.47	8.09
12,825,000.00	SAFECO CAPITAL TRUST	8.072	07/15/37	12,907,970.89	100.64695	84.99100	10,900,095.75	(2,007,875.14)	1,035,234.00	8.02	9.55
5,000,000.00	SEARS ROEBUCK & CO.	9.375	11/01/11	5,000,000.00	100.00000	106.44700	5,322,350.00	322,350.00	468,750.00	9.38	8.48
12,000,000.00	SECURITY MUTUAL LIFE NEW YORK	9.375	12/15/16	13,350,671.00	111.25559	102.40000	12,288,000.00	(1,062,671.00)	1,125,000.00	8.43	9.20
21,604,245.00	SECURITY NATIONAL MORTGAGE LOAN	7.870	08/25/30	21,604,245.00	100.00000	99.77000	21,554,555.24	(49,689.76)	1,700,254.08	7.87	7.90
7,487,575.00	SECURITY NAT'L MORTGAGE 99-1	8.353	09/25/30	7,487,575.00	100.00000	97.21900	7,279,345.54	(208,229.46)	625,437.14	8.35	8.60
15,000,000.00	SOUTHERN COMPANY CAPITAL TRUST	8.190	02/01/37	16,171,550.00	107.81033	90.84000	13,626,000.00	(2,545,550.00)	1,228,500.00	7.60	9.05
7,875,000.00	TRANSAMERICA CAPITAL II	7.650	12/01/26	8,003,819.25	101.63580	88.86500	6,998,118.75	(1,005,700.50)	602,437.50	7.53	8.74
9,500,000.00	TYCO INTERNATIONAL GROUP	6.875	01/15/29	8,465,260.00	89.10800	84.47700	8,025,315.00	(439,945.00)	653,125.00	7.72	8.30
11,500,000.00	UNION CENTRAL LIFE	8.200	11/01/26	12,229,719.00	106.34538	99.26800	11,415,820.00	(813,899.00)	943,000.00	7.71	8.27
17,000,000.00	USF&G CAPITAL II, SERIES B	8.470	01/10/27	18,575,229.00	109.26605	100.55500	17,094,350.00	(1,480,879.00)	1,439,900.00	7.75	8.42
14,000,000.00	XEROX CAPITAL TRUST I CAP SEC.	8.000	07/01/27	14,755,720.00	105.39800	83.05100	11,627,140.00	(3,128,580.00)	1,120,000.00	7.59	9.80
575,155,092.52	TOTAL CORPORATE BONDS			577,199,460.90	100.35545		528,329,514.69	(48,869,946.21)	46,548,119.47	8.06	
1,057,761,703.05	BOND PORTFOLIO TOTALS			1,052,514,544.46	99.50394		1,023,695,468.77	(28,819,075.69)	84,807,179.08	8.06	

**STATE OF ARIZONA
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CORPORATE NOTES

Date Acquired	Description	Interest Rate	Maturity Date	Cost	Amount of Interest	Maturity Value
06/30/00	AI CREDIT CORP	6.950	07/03/00	9,994,208.33	5,791.67	10,000,000.00
06/30/00	UBS FINANCIAL(DELAWARE)	6.920	07/05/00	12,987,505.55	12,494.45	13,000,000.00
06/30/00	CARGILL GLOBAL FUNDING PLC	6.920	07/05/00	12,987,505.55	12,494.45	13,000,000.00
06/20/00	FALCON ASSET SECURITIZATION	6.550	07/06/00	12,962,155.55	37,844.45	13,000,000.00
	TOTALS			48,931,374.98	68,625.02	49,000,000.00

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COMMON STOCK PORTFOLIO

Shares	Description	Div Rate	Book Cost per Share	Book Cost	Market Price	Market Value	Annual Income	Gain or (Loss) Amount
1,150,000	ABBOTT LABORATORIES	0.76	14.063	16,172,334.64	44.3750	51,031,250.00	874,000.00	34,858,915.36
350,000	ADOBE SYSTEMS	0.10	79.679	27,887,502.00	130.0000	45,500,000.00	35,000.00	17,612,498.00
700,000	ALLSTATE CORPORATION	0.68	18.594	13,015,466.80	22.5000	15,750,000.00	476,000.00	2,734,533.20
450,000	ALLTEL CORPORATION	1.28	70.519	31,733,724.80	61.9375	27,871,875.00	576,000.00	(3,861,849.80)
1,000,000	AMERICA ONLINE	0.00	38.954	38,954,019.92	52.6250	52,625,000.00	-	13,670,980.08
1,455,000	AMERICAN EXPRESS	0.32	35.122	51,102,706.26	52.1250	75,841,875.00	465,600.00	24,739,168.74
250,000	AMERICAN GENERAL CORPORATION	1.76	77.436	19,359,086.90	61.0000	15,250,000.00	440,000.00	(4,109,086.90)
837,500	AMERICAN INT'L GROUP	0.15	24.865	20,824,153.01	117.5000	98,406,250.00	125,625.00	77,582,096.99
1,450,000	AMGEN	0.00	35.592	51,608,058.66	70.2500	101,862,500.00	-	50,254,441.34
650,000	ANALOG DEVICES, INC.	0.00	77.888	50,627,241.60	76.0000	49,400,000.00	-	(1,227,241.60)
700,000	APACHE CORPORATION	0.28	50.792	35,554,615.72	58.8125	41,168,750.00	196,000.00	5,614,134.28
1,700,000	APPLIED MATERIALS	0.00	17.851	30,347,005.50	90.6250	154,062,500.00	-	123,715,494.50
550,000	AT&T CORP	0.88	40.147	22,080,965.18	31.6250	17,393,750.00	484,000.00	(4,687,215.18)
500,000	BANK OF AMERICA CORPORATION	2.00	62.294	31,146,820.00	43.2500	21,625,000.00	1,000,000.00	(9,521,820.00)
200,000	BESTFOODS	1.06	24.088	4,817,600.75	69.2500	13,850,000.00	212,000.00	9,032,399.25
850,000	BIOGEN INC	0.00	52.418	44,555,505.23	64.5000	54,825,000.00	-	10,269,494.77
200,000	BJ'S WHOLESALE CLUB, INC.	0.00	31.043	6,208,591.56	33.0000	6,600,000.00	-	391,408.44
806,000	BP AMOCO PLC	1.67	54.409	43,853,404.40	56.5625	45,589,375.00	1,346,020.00	1,735,970.60
850,000	BRISTOL-MYERS SQUIBB CO.	0.98	55.052	46,794,320.66	58.2500	49,512,500.00	833,000.00	2,718,179.34
1,100,000	CABLEVISION SYSTEMS CORP	0.00	52.734	58,007,465.97	67.8750	74,662,500.00	-	16,655,034.03
900,000	CHASE MANHATTAN CORP	1.28	30.296	27,265,964.00	46.0625	41,456,250.00	1,152,000.00	14,190,286.00
3,450,000	CISCO SYSTEMS	0.00	8.652	29,848,659.69	63.5625	219,290,625.00	-	189,441,965.31
1,050,000	CITIGROUP, INC.	0.64	51.464	54,036,730.00	60.2500	63,262,500.00	672,000.00	9,225,770.00
1,900,000	COMCAST CORP.	0.00	31.836	60,489,323.64	40.5000	76,950,000.00	-	16,460,676.36
369,027	COMPUTER ASSOCIATES INTL. INC	0.08	36.507	13,471,976.72	51.1875	18,889,569.56	29,522.16	5,417,592.84
200,000	CORNING INCORPORATED	0.72	208.873	41,774,664.75	269.5000	53,900,000.00	144,000.00	12,125,335.25
1,790,000	COSTCO WHOLESALE CORP	0.00	34.071	60,986,704.12	33.0000	59,070,000.00	-	(1,916,704.12)
2,100,000	COVAD COMMUNICATIONS GROUP	0.00	48.647	102,158,505.10	16.1250	33,862,500.00	-	(68,296,005.10)
300,000	CYTYC CORPORATION	0.00	51.168	15,350,284.15	53.3750	16,012,500.00	-	662,215.85
1,100,000	ECHOSTAR COMMUNICATIONS 'A'	0.00	47.543	52,297,683.85	33.1094	36,420,312.50	-	(15,877,371.35)
200,000	EL PASO ENERGY CORPORATION	0.82	51.792	10,358,480.00	50.9375	10,187,500.00	164,000.00	(170,980.00)
2,580,000	EMC CORP	0.00	11.579	29,874,099.41	76.1250	196,402,500.00	-	166,528,400.59
1,000,000	ENRON CORPORATION	0.50	18.245	18,244,900.92	64.5000	64,500,000.00	500,000.00	46,255,099.08
670,000	EXPRESS SCRIPTS	0.00	47.936	32,117,127.61	62.1250	41,623,750.00	-	9,506,622.39
495,056	EXXON MOBIL CORP	1.76	54.730	27,094,439.08	78.5000	38,861,896.00	871,298.56	11,767,456.92
100,000	GENENTECH, INC.	0.00	135.516	13,551,627.46	172.0000	17,200,000.00	-	3,648,372.54
300,000	GENERAL TEL & ELECTRONICS	1.88	29.275	8,782,455.81	62.0000	18,600,000.00	564,000.00	9,817,544.19

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS OWNED
JUNE 30, 2000**

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COMMON STOCK PORTFOLIO

Shares	Description	Div Rate	Book Cost per Share	Book Cost	Market Price	Market Value	Annual Income	Gain or (Loss) Amount
1,850,000	HOME DEPOT	0.16	10.227	18,920,201.69	49.9375	92,384,375.00	296,000.00	73,464,173.31
1,250,000	IBP, INC.	0.10	16.388	20,484,778.46	15.4375	19,296,875.00	125,000.00	(1,187,903.46)
350,000	IMS HEALTH, INC.	0.08	31.820	11,136,833.04	18.0000	6,300,000.00	28,000.00	(4,836,833.04)
1,220,000	INTEL CORPORATION	0.08	44.997	54,896,010.21	133.6875	163,098,750.00	97,600.00	108,202,739.79
930,000	INTERNATIONAL BUSINESS MACH.	0.52	24.410	22,701,387.00	109.5625	101,893,125.00	483,600.00	79,191,738.00
1,200,000	JABIL CIRCUIT	0.00	20.406	24,487,672.61	49.6250	59,550,000.00	-	35,062,327.39
200,000	KIMBERLY-CLARK CORPORATION	1.08	28.537	5,707,336.58	57.5625	11,512,500.00	216,000.00	5,805,163.42
780,000	LEXMARK INTERNATIONAL GROUP	0.00	72.514	56,560,664.00	67.2500	52,455,000.00	-	(4,105,664.00)
1,300,000	LSI LOGIC	0.00	38.031	49,440,142.40	54.1875	70,443,750.00	-	21,003,607.60
1,450,000	MBNA CORP	0.32	11.984	17,376,765.00	27.1250	39,331,250.00	464,000.00	21,954,485.00
375,000	MEDIMMUNE, INC.	0.00	58.605	21,976,699.00	74.0000	27,750,000.00	-	5,773,301.00
600,000	MEDTRONIC, INC.	0.16	48.685	29,210,976.60	49.8125	29,887,500.00	96,000.00	676,523.40
1,455,000	MICROSOFT CORPORATION	0.00	80.288	116,818,653.80	80.0000	116,400,000.00	-	(418,653.80)
1,000,000	NEWS CORPORATION	0.08	21.768	21,768,271.68	54.5000	54,500,000.00	80,000.00	32,731,728.32
1,570,000	NOKIA CORPORATION	0.19	18.145	28,487,195.63	49.9375	78,401,875.00	298,300.00	49,914,679.37
1,600,000	NORTEL NETWORKS CORP	0.08	15.774	25,238,277.28	68.2500	109,200,000.00	120,320.00	83,961,722.72
2,550,000	OFFICEMAX INC.	0.00	13.687	34,902,561.71	5.0000	12,750,000.00	-	(22,152,561.71)
1,562,500	PFIZER INC.	0.36	24.814	38,771,103.36	47.6250	74,414,062.50	562,500.00	35,642,959.14
300,000	PLANTRONICS, INC.	0.00	82.404	24,721,205.92	115.5000	34,650,000.00	-	9,928,794.08
300,000	PPG INDUSTRIES	1.60	25.948	7,784,425.41	44.3125	13,293,750.00	480,000.00	5,509,324.59
350,000	ROPER INDUSTRIES, INC.	0.28	35.445	12,405,730.89	25.6250	8,968,750.00	98,000.00	(3,436,980.89)
1,500,000	SAFEWAY INC	0.00	31.975	47,962,146.44	45.1250	67,687,500.00	-	19,725,353.56
1,300,000	SANMINA CORP.	0.00	52.328	68,025,834.75	85.5000	111,150,000.00	-	43,124,165.25
525,000	SBC COMMUNICATIONS INC.	1.02	53.945	28,321,030.00	43.2500	22,706,250.00	532,875.00	(5,614,780.00)
950,000	SCHERING-PLOUGH CORP	0.56	12.545	11,917,431.81	50.6250	48,093,750.00	532,000.00	36,176,318.19
460,000	SCHOLASTIC CORPORATION	0.00	44.422	20,434,338.00	61.1250	28,117,500.00	-	7,683,162.00
850,000	SOLECTRON	0.00	40.395	34,336,104.35	41.8750	35,593,750.00	-	1,257,645.65
500,000	SUN MICROSYSTEMS, INC	0.00	82.652	41,325,980.00	90.9375	45,468,750.00	-	4,142,770.00
800,000	SYMANTEC CORPORATION	0.00	48.028	38,422,567.40	53.9375	43,150,000.00	-	4,727,432.60
550,000	T. ROWE PRICE ASSOCIATES	0.52	38.934	21,413,692.20	42.5000	23,375,000.00	286,000.00	1,961,307.80
640,000	TARGET CORP	0.22	55.710	35,654,484.60	58.0000	37,120,000.00	140,800.00	1,465,515.40
750,000	TEXACO INC.	1.80	63.409	47,556,876.00	53.2500	39,937,500.00	1,350,000.00	(7,619,376.00)
200,000	TIME WARNER INC.	0.18	85.409	17,081,740.00	76.0000	15,200,000.00	36,000.00	(1,881,740.00)
1,935,756	TYCO INTERNATIONAL LTD.	0.05	33.190	64,247,482.92	47.1250	91,222,501.50	96,787.80	26,975,018.58
285,000	UNIVISION COMMUNICATIONS	0.00	34.970	9,966,495.20	103.5000	29,497,500.00	-	19,531,004.80
150,000	VISHAY INTERTECHNOLOGY INC	0.00	46.709	7,006,416.00	37.9375	5,690,625.00	-	(1,315,791.00)
2,350,000	VODAFONE AIRTOUCH PLC	0.23	21.515	50,559,778.93	41.7500	98,112,500.00	540,500.00	47,552,721.07

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS OWNED
JUNE 30, 2000**

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COMMON STOCK PORTFOLIO

Shares	Description	Div Rate	Book Cost per Share	Book Cost	Market Price	Market Value	Annual Income	Gain or (Loss) Amount
600,000	WALGREEN COMPANY	0.14	6.996	4,197,380.95	32.1250	19,275,000.00	81,000.00	15,077,619.05
700,000	WAL-MART STORES	0.24	54.222	37,955,382.80	57.6250	40,337,500.00	168,000.00	2,382,117.20
400,000	WILLIAMS COMPANIES, INC.	0.60	43.045	17,217,880.00	41.6875	16,675,000.00	240,000.00	(542,880.00)
1,400,000	WORLDCOM INC.	0.00	33.952	47,532,337.50	45.8750	64,225,000.00	-	16,692,662.50
850,000	XIRCOM, INC.	0.00	33.225	28,241,027.80	47.5000	40,375,000.00	-	12,133,972.20
700,000	ZEBRA TECHNOLOGIES A	0.00	31.397	21,977,786.25	44.3125	31,018,750.00	-	9,040,963.75
	TOTALS			2,587,505,302.04		4,149,828,967.06	18,609,348.52	1,562,323,665.02

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
INVESTMENTS OWNED
JUNE 30, 2000**

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	480,181.56	480,181.56	-	46,817.70	9.8%
ASAYO HOLDINGS, LTD. --SBA	9.500	07/01/10	505,289.28	505,289.28	-	48,002.48	9.5%
DECO TURTLE L.P.	9.625	03/15/15	511,673.07	511,673.07	-	49,248.53	9.6%
EQUITY PARTNERSHIP	9.250	03/31/08	1,254,628.09	1,254,628.09	-	116,053.10	9.3%
NIARKOS--SBA	10.000	05/01/14	559,405.50	559,405.50	-	55,940.55	10.0%
TOTAL SBA LOANS			3,311,177.50	3,311,177.50	-	316,062.37	9.5%
BRIDGE FINANCIAL LOANS							
BRIDGE FINANCIAL--15 E. Monroe	12.500	01/05/01	984,000.00	984,000.00	-	123,000.00	12.5%
BRIDGE FINANCIAL--Beaver Creek G.C.	11.500	08/03/01	736,000.00	736,000.00	-	84,640.00	11.5%
BRIDGE FINANCIAL--Desert Mirage G.C.	11.500	09/09/00	1,248,000.00	1,248,000.00	-	143,520.00	11.5%
BRIDGE FINANCIAL--Dynamite Ranch II	12.750	04/30/02	1,203,200.00	1,203,200.00	-	153,408.00	12.8%
BRIDGE FINANCIAL--Grand Inn	12.500	09/25/00	1,600,000.00	1,600,000.00	-	200,000.00	12.5%
BRIDGE FINANCIAL--Hawthorn Suites	12.500	07/11/00	2,560,000.00	2,560,000.00	-	320,000.00	12.5%
BRIDGE FINANCIAL--Lake Pleasant	18.000	07/15/00	8,000,000.00	8,000,000.00	-	1,440,000.00	18.0%
BRIDGE FINANCIAL--Sun Valley II	13.125	09/16/00	1,827,200.00	1,827,200.00	-	239,820.00	13.1%
BRIDGE FINANCIAL--Villages at Hassayampa	12.000	11/11/01	512,000.00	512,000.00	-	61,440.00	12.0%
TOTAL BRIDGE FINANCIAL LOANS			18,670,400.00	18,670,400.00	-	2,765,828.00	14.8%
MISCELLANEOUS							
ARIZONA GROWTH PARTNERS, L.P.	0.000	06/30/23	1,000.00	1,000.00	-	-	0.0%
CRYSTAL GARDENS PROPERTIES, LLC	10.000	04/20/01	3,665,937.42	3,665,937.42	-	366,593.74	10.0%
DESERT TROON PROP, LLC-Summit Project	10.000	06/24/07	8,000,000.00	8,000,000.00	-	800,000.00	10.0%
PEBBLECREEK PROPERTIES L. P.	10.000	02/19/02	2,104,472.79	2,104,472.79	-	210,447.28	10.0%
TOTAL MISCELLANEOUS			13,771,410.21	13,771,410.21	-	1,377,041.02	10.0%
TOTAL BEFORE LLC			35,752,987.71	35,752,987.71	-	4,458,931.39	12.5%
LLC							
DESERT TROON, LLC			32,000,000.00	32,000,000.00			
PIVOTAL X, LLC			54,342,000.00	54,342,000.00			
TOTAL LLC			86,342,000.00	86,342,000.00			
TOTAL OTHER INVESTMENTS			122,094,987.71	122,094,987.71			

ACTUARIAL SECTION

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
THIRTY-SECOND COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2000

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)



August 29, 2000

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, 2000 annual actuarial valuation of the Arizona Public Safety Personnel Retirement System, determining the June 30, 2000 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 124.7% 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 Rodwan/sig

Sandra W. Rodwan
Member, American Academy of Actuaries

SWR:ct
Enclosures

**Arizona Public Safety Personnel Retirement System
Actuarial Balance Sheet as of June 30, 2000**

Actuarial Assets

Accrued assets		
Member accumulated contributions	\$ 418,847,014	
Employer and benefit payment reserves	3,426,199,184	
Funding value adjustment	<u>1,277,562,238</u>	
Total accrued assets*		\$5,122,608,436
Prospective assets (computed value)		
Member contributions	579,664,848	
Employer normal costs	814,997,115	
Employer unfunded actuarial accrued liability	<u>(845,010,547)</u>	
Total prospective assets		<u>549,651,416</u>
Total Actuarial Assets		<u>\$5,672,259,852</u>

* Includes \$862,440,738 reserve for payment of ad hoc pension increases. The net funding value of assets is \$4,260,167,698.

Actuarial Present Values (Liability)

Pensions in payment status		
Service pensions	\$1,175,491,090	
Disability pensions	189,312,721	
Survivor pensions	114,040,875	
Health insurance	<u>45,510,473</u>	
Total benefit values		\$1,524,355,159
Prospective pension payments for future retirements		3,215,022,259
Prospective health insurance payments for future retirements		64,491,230
Prospective refunds of members contributions		5,950,466
Reserve for ad hoc pension increases		<u>862,440,738</u>
Total Actuarial Present Value of Benefits (Liability)		<u>\$5,672,259,852</u>

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) Retirees 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, 2000.
- (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, 2000. 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.

Sample Ages	Percent Increase in Salary During Following Year		
	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	\$12,930	\$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	

SUMMARY OF VALUATION ASSUMPTIONS (continued)

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.

Valuation Date	Aggregate Accrued Liabilities For				Portion Of Accrued Liabilities Covered by Net Assets Available for Benefits		
	(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%
6-30-00	\$ 418,847	\$ 1,524,355	\$1,471,955	\$ 4,260,168	100%	100%	100.0%

See notes on page 23.

**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 2,064 active members were eligible for retirement on June 30, 2000, compared to 1,915 for the prior year.

Attained Age	Years of Service to Valuation Date							Totals	
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 Plus	No.	Valuation Payroll
20 - 24	497	1						498	\$ 16,776,936
25 - 29	1,971	336	1					2,308	\$ 90,868,092
30 - 34	1,538	1,309	303	1				3,151	\$ 141,949,298
35 - 39	664	888	1,109	358				3,019	\$ 153,783,214
40 - 44	278	371	686	875	320	5		2,535	\$ 143,030,555
45 - 49	107	152	327	420	642	188	4	1,840	\$ 110,843,059
50 - 54	35	70	125	226	293	318	53	1,120	\$ 69,267,169
55 - 59	10	24	51	57	64	85	52	343	\$ 20,575,631
60 - 69	2		9	21	19	6	14	71	\$ 4,116,393
70+							1	1	\$ 69,441
Totals	5,102	3,151	2,611	1,958	1,338	602	124	14,886	\$751,279,788

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

COMPARATIVE SCHEDULE

Fiscal Year Ended	Participating Units	Active Members	Total Payroll (+000)	Averages			
				Age (years)	Service (years)	Pay	Percentage Increase in Average Pay
6-30-78	57	6,554	\$ 109,359	34.1	7.9	\$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	10.3	\$48,286	5.3
6-30-00	181	14,886	\$ 751,280	37.7	10.0	\$50,469	4.5

**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
6-30-00	84	436	5,442	\$152,227,372	15.0%	\$ 27,973

**STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
SCHEDULE OF EXPERIENCE GAIN/(LOSS)
YEAR ENDED JUNE 30, 2000**

	Year Ended June 30			
	(\$ Thousands)			
	2000	1999	1998	1997
(1) UAAL at start of year	\$(627,049)	\$(448,629)	\$(381,738)	\$(159,677)
(2) Normal cost	+126,477	+118,768	+109,851	+101,391
(3) Funding method contributions	-99,342	-96,069	-88,416	-80,755
(4) Interest accrual	-55,213	-39,355	-33,392	-15,280
(5) Expected UAAL before changes	(655,127)	(465,285)	(393,695)	(154,321)
(6) Change from amendments	978	88,894	none	none
(7) Change from assumption revision	None	(12,974)	none	none
(8) Expected UAAL after changes	(654,149)	(389,365)	(393,695)	(154,321)
(9) Actual UAAL	(845,011)	(627,049)	(448,629)	(381,738)
(10) Gain(+)/Loss(-) (8)-(9)	+190,862	+237,684	+54,934*	+227,417
(11) Percent of actuarial accrued liability	6.2%	8.7%	2.2%	9.0%

**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, 2000 was favorable, generating an experience gain of \$191 million (approximately 6.2% 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-SECOND COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2000

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*			Investment Income***	Total
		Direct Payments	Insurance Premium Tax	Percent of Annual Covered Payroll		
1991	\$30,392,870 16%	\$23,984,837 12%	\$3,860,423 2%	7.01%	\$134,468,900 70%	\$192,707,030 100%
1992	\$30,487,894 14%	\$28,723,991 13%	\$7,089,585 3%	8.10%	\$158,382,801 70%	\$224,684,271 100%
1993	\$30,982,571 13%	\$33,777,972 14%	\$7,554,072 3%	8.73%	\$173,241,734 70%	\$245,556,349 100%
1994	\$33,393,715 14%	\$34,120,463 14%	\$7,077,413 3%	8.16%	\$167,558,270 69%	\$242,149,861 100%
1995	\$35,341,047 13%	\$32,917,493 12%	\$7,538,453 3%	7.66%	\$199,847,112 72%	\$275,644,105 100%
1996	\$39,500,494 13%	\$37,734,258 12%	\$8,635,684 3%	7.85%	\$390,992,147 72%	\$312,162,637 100%
1997	\$39,788,668 6%	\$42,760,823 6%	\$9,709,146 1%	8.11%	\$644,440,774 87%	\$736,699,411 100%
1998	\$43,094,843 5%	\$38,287,697 5%	\$7,033,235 1%	6.36%	\$751,063,958 89%	\$839,479,733 100%
1999	\$51,684,448 6%	\$36,512,536 5%	\$7,871,808 1%	5.82%	\$723,670,288 88%	\$819,739,080 100%
2000	\$52,451,478 7%	\$38,645,798 6%	\$8,245,094 1%	5.29%	\$588,444,268 86%	\$687,786,638 100%

EXPENSES

Fiscal Year	Benefits	Admin & Invest Expenses	Refunds	Total
1991	\$47,753,834 95%	\$732,495 1%	\$1,975,573 4%	\$50,461,902 100%
1992	\$54,068,104 95%	\$682,652 1%	\$1,956,319 4%	\$56,707,075 100%
1993	\$65,787,637 96%	\$747,779 1%	\$2,006,416 3%	\$68,541,832 100%
1994	\$74,512,008 96%	\$764,719 1%	\$2,107,933 3%	\$77,384,660 100%
1995	\$83,992,275 97%	\$801,898 1%	\$2,172,524 2%	\$86,966,697 100%
1996	\$92,851,755 97%	\$839,944 1%	\$2,251,458 2%	\$95,943,157 100%
1997	\$102,404,128 96%	\$864,850 1%	\$2,866,764 3%	\$106,135,742 100%
1998	\$112,374,125 97%	\$878,120 1%	\$3,020,135 2%	\$116,272,380 100%
1999	\$125,879,371 97%	\$925,090 1%	\$3,317,624 2%	\$130,119,085 100%
2000	\$145,302,173 96%	\$927,751 1%	\$5,313,595 3%	\$151,543,519 100%

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 82%	\$2,588,194 10%	\$2,259,776 8%	-	\$27,028,389 100%
1988	\$24,445,979 82%	\$2,731,143 9%	\$2,563,086 9%	-	\$29,740,208 100%
1989	\$27,706,016 81%	\$3,018,943 9%	\$3,085,000 9%	\$ 292,628 1%	\$34,102,587 100%
1990	\$33,823,643 80%	\$3,644,963 9%	\$3,679,641 9%	\$ 876,734 2%	\$42,024,981 100%
1991	\$38,029,200 80%	\$4,329,314 9%	\$4,250,266 9%	\$1,145,054 2%	\$47,753,834 100%
1992	\$43,171,260 80%	\$4,860,391 9%	\$4,736,125 9%	\$1,300,328 2%	\$54,068,104 100%
1993	\$52,846,300 80%	\$6,009,143 9%	\$5,352,177 8%	\$1,580,017 3%	\$65,787,637 100%
1994	\$59,780,201 80%	\$7,068,362 10%	\$5,872,280 8%	\$1,791,165 2%	\$74,512,008 100%
1995	\$66,599,816 79%	\$8,246,615 10%	\$6,540,242 8%	\$2,605,602 3%	\$83,992,275 100%
1996	\$73,343,074 79%	\$9,359,298 10%	\$7,205,537 8%	\$2,943,846 3%	\$92,851,755 100%
1997	\$80,258,423 78%	\$10,871,547 11%	\$8,079,674 8%	\$3,194,484 3%	\$102,404,128 100%
1998	\$87,459,220 78%	\$12,460,407 11%	\$8,853,712 8%	\$3,600,786 3%	\$112,374,125 100%
1999	\$97,432,778 77%	\$14,628,479 12%	\$9,883,152 8%	\$3,934,962 3%	\$125,879,371 100%
2000	\$111,687,492 77%	\$17,061,548 12%	\$12,187,246 8%	\$4,365,887 3%	\$145,302,173 100%

**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 fifteen years. The number of retired members and the amount of annual pensions has increased at compounded annual rates of 6.6% and 12.1% over the last five years.

Year Ended	COMPARATIVE SCHEDULE Retired				Annual Pensions	Average Pension	Ratio of Active to Retired
	Normal	Disability	Survivors	Totals			
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
6-30-00	3,938	763	741	5,442	\$152,227,372	\$27,973	2.7 to 1

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

SUMMARY OF RETIRED MEMBERS AND SURVIVORS - JUNE 30, 2000

Pensions Being Paid		Number	Annual Pensions	Average Pensions
Retired Members	- Service Pensions	3,938	\$ 120,246,139	\$ 30,535
	- Disability Pensions	763	\$ 18,449,733	\$ 24,181
	TOTALS	4,701	\$ 138,695,872	\$ 29,503
Survivors of Members	- Spouses	710	\$ 13,204,775	\$ 18,598
	- Children with Guardians	31	\$ 326,725	\$ 10,540
	TOTALS	741	\$ 13,531,500	\$ 18,261
TOTAL PENSIONS BEING PAID		5,442	\$ 152,227,372	\$ 27,973

	Average Age (yrs)	Average Service (yrs)	Average Age at Retirement (yrs)
Normal retired members:	59.4	22.9	49.5
Disability retired members:	52.4	13.7	43.2
Spouse beneficiaries:	63.9	17.3	44.5

**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	<u>\$ 14,366,944</u>			
	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	<u>\$ 5,564,023</u>			
	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	<u>\$ 4,905,562</u>			
	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	<u>\$ 3,816,732</u>			
	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	<u>\$ 6,374,998</u>			
	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	<u>\$ 5,955,159</u>			
	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	<u>\$ 14,401,971</u>			
	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	<u>\$ 14,316,430</u>			
	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	<u>\$ 3,241,133</u>			
	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	<u>\$ 12,545,646</u>			
	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	<u>\$ 17,377,151</u>			
	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	<u>31,997,360</u>			
	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	<u>\$248,240,392</u>			
	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	<u>\$172,804,837</u>			
	Amount available:	7-1-00 increase	\$746,019,685	\$1,375.00	\$87.37	\$87.37
		Investment earnings on balance	91,835,023			
	Amount utilized:	7-1-00 increase	(47,369,499)			
6-30-00	3.31%	\$2,182,040,163	<u>\$72,225,529</u>			
	Amount available:	7-1-01 increase	\$862,440,738	\$1,490.00	\$93.24	\$93.24

*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 September 15, 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 August 15, 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	Gilbert Fire
Apache Junction Fire District	Gilbert Police
Apache Junction Police	Glendale Fire
Arizona State University Campus Police	Glendale Police
Avondale Fire	Globe Fire
Avondale Police	Globe Police
Avra Valley Fire District	Golden Valley Fire District
AZ State Attorney General	Golder Ranch Fire District
AZ State Capitol Police	Goodyear Fire
Benson Police	Goodyear Police
Bisbee Fire	Graham County Sheriffs
Bisbee Police	Greenlee County Attorney Investigators
Buckeye Police	Greenlee County Sheriffs
Buckskin Fire	Guadalupe Fire
Bullhead City Fire	Hayden Police
Bullhead City Police	Holbrook Police
Camp Verde Marshals	Hualapai Valley Fire
Casa Grande Fire	Kearny Police
Casa Grande Police	Kingman Fire
Central Yavapai Fire	Kingman Police
Chandler Fire	La Paz County Attorney Investigators
Chandler Police	La Paz County Sheriffs
Chino Valley Fire	Lake Havasu Fire
Chino Valley Police	Lake Havasu Police
Clarkdale Police	Lakeside Fire
Clifton Fire	Laveen Fire District
Clifton Police	Mammoth Police
Cochise County Sheriffs	Marana Marshals
Coconino County Sheriffs	Maricopa County Attorney Investigators
Coolidge Police	Maricopa County Sheriffs
Cornville~Page Springs Fire	Mayer Fire District
Cottonwood Fire	Mesa Fire
Cottonwood Police	Mesa Police
Daisy Mountain Fire District	Miami Fire
Department of Emergency and Military Affairs	Miami Police
Department of Game & Fish	Mohave County Sheriffs
Department of Public Safety	Mohave Valley Fire
Department of Liquor License and Control	Northern Arizona University Campus Police
Doney Park Rural Fire	Navajo County Attorney Investigators
Douglas Fire	Navajo County Sheriffs
Douglas Police	Nogales Fire
Drexel Heights Fire	Nogales Police
Eager Police	Northwest Fire District
El Mirage Fire	Oro Valley Police
El Mirage Police	Page Fire
Eloy Police	Page Police
Flagstaff Fire	Paradise Valley Police
Flagstaff Police	Parker Police
Florence Fire	Patagonia Marshals
Florence Police	Payson Fire
Fort Mojave Mesa Fire	Payson Police
Fountain Hill Marshals	Peoria Fire
Fredonia Marshals	Peoria Police
Fry Fire	Phoenix Fire
Gila County Sheriffs	Phoenix Police
Gila River Fire	Picture Rocks Fire District
Gila River Police	Pima County Attorney Investigators

STATE OF ARIZONA
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
PARTICIPATING EMPLOYERS (continued)

Pima County Community College Police
Pima County Sheriffs
Pima Police
Pinal County Sheriffs
Pine-Strawberry Fire
Pinetop Fire
Pinetop-Lakeside Police
Prescott Fire
Prescott Police
Prescott Valley Police
Quartzsite Marshals
Safford Police
Sahuarita Police
Salt River Pima-Maricopa Fire
Salt River Pima-Maricopa Police
San Luis Fire
San Luis Police
Santa Cruz County Deputies
Scottsdale Police
Sedona Fire District
Sedona Police
Showlow Fire
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 Fire District

Sun City West Fire District
Sun Lakes Fire District
Superior Police
Surprise Fire
Surprise Police
Tempe Fire
Tempe Police
Thatcher Police
Three Points Fire
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
Wellton Marshals
Wickenburg Police
Wilcox Police
Williams Police
Winslow Fire
Winslow Police
Yavapai County Attorney Investigators
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 Yield⁵	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%
1972-73¹	\$ 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%
1975-76²	\$ 166,054,317	\$ 11,453,347	6.50%	7.87%	20.24%
1976-77²	\$ 198,469,142	\$ 13,563,347	6.50%	7.70%	16.37%
1977-78²	\$ 234,790,742	\$ 16,463,161	6.50%	8.07%	15.34%
1978-79²	\$ 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%
1980-81²	\$ 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%
1982-83³	\$ 519,164,091	\$ 50,436,554	8.50%	11.05%	10.61%
1983-84²	\$ 599,947,817	\$ 57,911,781	9.00%	10.94%	10.10%
1984-85²	\$ 693,159,911	\$ 72,204,630	9.00%	11.85%	9.16%
1985-86²	\$ 816,881,983	\$ 103,855,044	9.00%	14.79%	7.87%
1986-87²	\$ 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%
1988-89³	\$ 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%
1990-91³	\$ 1,448,675,091	\$ 134,468,900	9.00%	10.23%	7.01%
1991-92⁴	\$ 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%	22.66%	5.82%
1999-00	\$ 3,845,046,198	\$ 383,638,465	9.00%	10.99%	5.29%
2000-01					5.21%
2001-02					4.21%

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.