



**Arizona Public Safety Personnel
Retirement System**

**Consolidated Report of the
June 30, 2000, Actuarial Valuations**

**Gabriel, Roeder, Smith & Company
Consultants & Actuaries**





August 31, 2000

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

Submitted in this report are the consolidated results of the June 30, 2000 actuarial valuations of the Arizona Public Safety Personnel Retirement System. The valuations determine the 2001-2002 fiscal year employer contribution requirements and the June 30, 2000 actuarial present values associated with each unit's participation.

The valuations were based on data furnished by your Administrator concerning individual members, former members, retired members and their actual and potential survivors. The data was not audited but was checked for general consistency. Financial information was taken from the June 30, 2000 information submitted by your Administrator.

The valuations were made in accordance with recognized actuarial methods. The valuation assumptions were unchanged from those used for the June 30, 1999 valuation. It is our opinion that the actuarial information contained in this report is complete and accurate, being based on risk experience assumptions which are related to the experience of the System and are our best estimate of anticipated future experience.

Respectfully submitted,

Larry Langer/sig **Sandra W. Rodwan/sig**

Larry Langer Sandra W. Rodwan

Members, American Academy
of Actuaries

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Section A



Consolidated Valuation Results and Comments

Funding Objective

The funding objective of the Retirement System is to establish and receive percent-of-payroll contributions which remain approximately level from year to year and do not transfer costs between generations of taxpayers. This objective is stated in Article 4, Chapter 5, Title 38, Sections 843B and 848N of the Arizona Revised Statutes.

Contribution Rates

The Retirement System is supported by employer contributions, member contributions, earmarked state and local taxes, and investment income from Retirement System assets.

Contributions which satisfy the funding objective are determined by annual actuarial valuations and are sufficient to:

- (1) cover the actuarial costs allocated to the current year by the actuarial cost methods described in Section C (normal cost); and
- (2) finance over an open period of 20 years, the actuarial costs not covered by valuation assets and anticipated future normal costs (unfunded actuarial accrued liability).

Valuation assets exceeded the actuarial accrued liability in some participating units. The difference was amortized over an open period of 20 years and applied as a credit toward the computed normal cost of the units.

Contribution requirements for the fiscal year beginning July 1, 2001 are shown on page A-2.

Aggregate Computed Contribution Requirements 2001/2002 Fiscal Year

Member: 7.65% of 2001/2002 covered compensation.

Employers: 4.21% of 2001/2002 covered compensation, consisting of 10.86% for normal cost and (6.65)% for amortization of unfunded actuarial accrued liability.*#

Composition of Computed Normal Cost Requirement

	Percents of Covered Compensation	
Normal cost requirement		
Service pensions		
- members	14.98%	
- survivors of retired members	<u>1.13</u>	16.11%
Disability pensions		1.16
Survivors of active members		0.65
Refunds of members' accumulated contributions		0.23
Health insurance		<u>0.36</u>
Total normal cost requirement		18.51
Less member contribution		<u>7.65</u>
Employer normal cost contribution		<u>10.86%</u>

Historical contribution requirement are set forth on page A-3.

Contribution rates by individual employers are set forth on pages A-13, A-14, A-15, A-16 and A-17.

* *One hundred twenty participating units have valuation assets in excess of their actuarial accrued liability. The credit was amortized over an open period of 20 years. The amortization of unfunded actuarial accrued liability for the balance of the participating units is over an open period of 20 years.*

These contribution rates are prior to the application of the 2% minimum rate for each participating unit. The 2% minimum rate was established by the state legislature in 2000 and is effective beginning with the 2001/2002 fiscal year. The total aggregate required contribution including the 2% minimum is 4.71% of payroll.

Important Note: *Favorable experience conditions which have caused the credit for the unfunded actuarial accrued liability are subject to significant year to year variation and should **not** be expected to continue indefinitely. Please refer to Comment E on page A-11.*

Aggregate Computed Employer Contribution Requirements Historical Comparison Schedule

Valuation Date	Fiscal Year	Normal Cost	Unfunded Actuarial Accrued Liability	Total
6-30-77	78/79	11.37%	4.18%	15.55%
6-30-78(1)	79/80	10.00	3.46	13.46
6-30-79(1)*	80/81	9.25	3.03	12.28
6-30-80	81/82	9.15	2.71	11.86
6-30-81(2)*	82/83	9.16	1.45	10.61
6-30-82	83/84	8.65	1.45	10.10
6-30-83(3)	84/85	8.38	0.78	9.16
6-30-84(1)*	85/86	7.75	0.12	7.87
6-30-85*	86/87	7.67	0.00	7.67
6-30-86*	87/88	7.61	(0.94)	6.67
6-30-87(4)	88/89	7.79	(0.61)	7.18
6-30-88**	89/90	7.60	(0.88)	6.72
6-30-89(5)**	90/91	7.97	(0.96)	7.01
6-30-90(6)**	91/92	8.26	(0.16)	8.10
6-30-91(7)**	92/93	8.84	(0.11)	8.73
6-30-92(8)**	93/94	8.63	(0.47)	8.16
6-30-93**	94/95	8.59	(0.93)	7.66
6-30-94(9)**	95/96	8.74	(0.89)	7.85
6-30-95(10)**	96/97	9.96	(1.85)	8.11
6-30-96**	97/98	9.94	(3.58)	6.36
6-30-97**	98/99	9.92	(4.10)	5.82
6-30-98**	99/00	9.76	(4.47)	5.29
6-30-99(11)**	00/01	10.89	(5.68)	5.21
6-30-00(12)#	01/02	10.86	(6.65)	4.21

* *One-time cost-of-living adjustments for retired members and survivors, effective July 1, were included in this valuation.*

** *Cost-of-living adjustments for retired members and survivors were included pursuant to 1986 legislation.*

These computed contribution rates are before application of the 2% minimum employer contribution for each participating unit. The minimum rate was established by the state legislature in 2000 for fiscal years beginning with 2001/2002. The total aggregate required contribution including the 2% minimum is 4.71% of payroll.

Please refer to page A-4 for footnotes.

Footnotes to Page A-3

- (1) Assumed rate of investment return and base salary adjustment were increased by 0.5%.
- (2) Assumed rate of investment return and base salary adjustment were increased by 1.0%.
- (3) The assumptions with respect to salary increases, rates of retirement, active member separations and rates of disability, were revised for the valuation. The valuation results also reflect 1983 legislated benefit changes.
- (4) The valuation results reflect 1987 legislated benefit changes and a cost-of-living adjustment pursuant to 1986 legislation.
- (5) The assumptions with respect to inflation, active member separations and rates of disability were revised for the valuation. A one-time 3% adjustment in pensions of retired members and survivors, effective September 15, 1989, and retroactive to January 1, 1989, was included in this valuation.
- (6) The valuation includes the subsidy for post-retirement health insurance premiums provided in 1989 legislation. A one-time 3% adjustment in pensions of members and survivors who retired during the 12 months ended September 15, 1990 was included in this valuation.
- (7) The June 30, 1991 valuation includes the 1991 statutory amendment which increased duty-related death benefits and decreased the member's contribution requirement; cost-of-living adjustments for retired members and survivors pursuant to 1986 legislation; and, a one-time permanent 3% adjustment for retirements during the 12 months ended September 15, 1991.
- (8) The valuation includes the 1992 statutory amendment which provides i) a minimum monthly pension of \$950 and \$633 to retired members and surviving spouses (and guardians), respectively, on the rolls as of June 30, 1992 and ii) a one-time permanent 3% adjustment for retirements effective from September 15, 1991 through October 31, 1992.
- (9) The valuation includes an increase in post-retirement health insurance premium subsidy; 37.5% for retired members and survivors, 90% for dependents.
- (10) The assumptions with respect to non-disabled mortality, rates of retirement, active member separations and rates of disability were revised for the valuation. These revised assumptions were adopted by the Fund Manager following the 5 year experience study.
- (11) The assumptions with respect to mortality, rates of retirement, disability and active member separation were revised for the valuation. These revised assumptions were adopted by the Fund Manager following the 5 year experience study. The valuation includes the 1999 legislated benefit changes.
- (12) The valuation includes the 2000 statutory amendment which provides a one-time permanent 2% adjustment for members hired before September 15, 1989 who retired from November 1, 1996 to October 30, 2000.

Actuarial Accrued Liability

For sixty-one of the participating units, the value of future normal cost payments is only a portion of the value of future benefit payments. The excess, called actuarial accrued liability, requires separate funding in addition to normal cost to the extent that it exceeds accrued assets. The Legislature has established a policy of amortizing, or funding, the unfunded actuarial accrued liability by payments over an open period of 20 years.

One hundred twenty of the participating units have valuation assets in excess of their actuarial accrued liability. The excess was amortized over an open period of 20 years and applied as a credit to the computed normal cost.

For the Retirement System overall, valuation assets exceeded actuarial accrued liability by \$845,010,547.

Development of the Unfunded Actuarial Accrued Liability

Actuarial present value of future benefit payments	
- retired members and survivors	\$1,524,355,159
- former members with vested benefits	3,744,027
- active members	<u>3,281,719,929</u>
- total	4,809,819,115
Present value of future normal cost payments	<u>1,394,661,964</u>
Actuarial Accrued Liability	3,415,157,151
Valuation assets*	<u>4,260,167,698</u>
Unfunded Actuarial Accrued Liability	\$ (845,010,547)

* *Excluding the \$862,440,738 investment income reserve held for future pension increases pursuant to state statute.*

Actuarial accrued liability and related information in consolidated form is shown on page A-7.

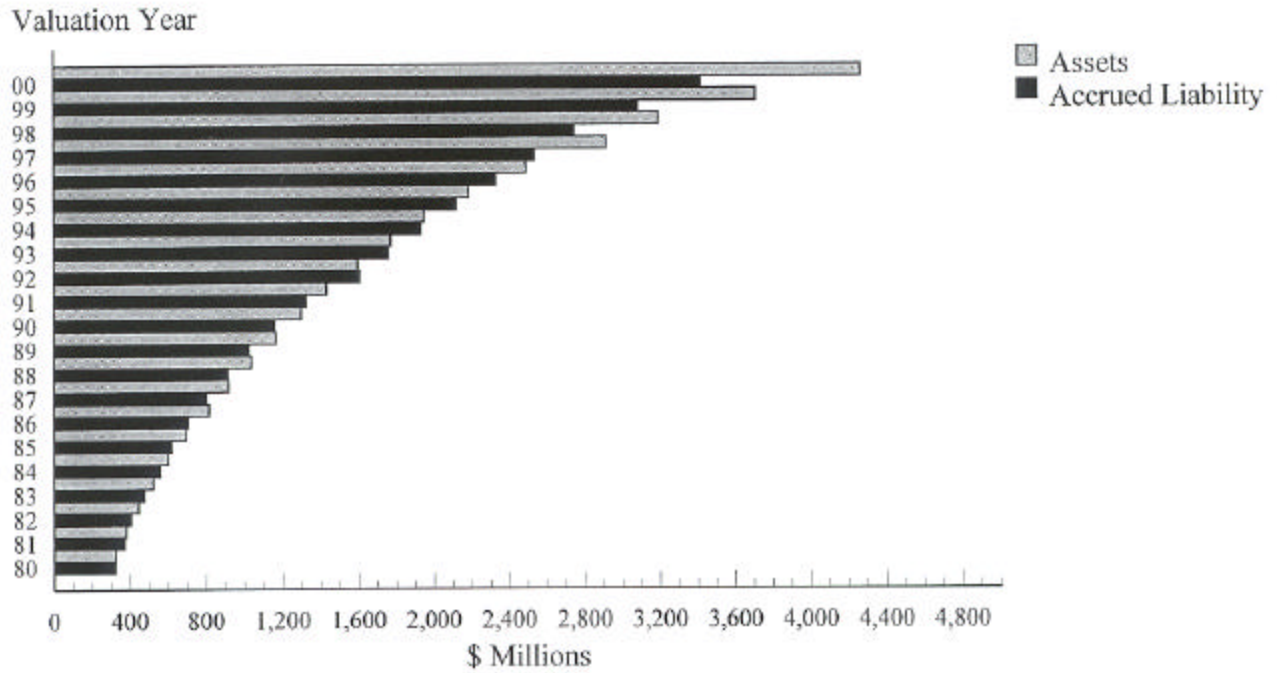
Actuarial accrued liability and related information by individual employers is set forth on pages A-18 through A-24.

Historical Comparison Schedule (\$ Thousands)

Valuation Date	Actuarial Accrued Liability	Valuation Assets	Unfunded Actuarial Accrued Liability		
			Dollar Amount	Financing Period	% of Member Payroll
6-30-77	\$ 252,662	\$ 198,449	\$54,213	40 yrs.	55.8%
6-30-78(1)	281,716	234,751	46,965	39	42.9
6-30-79(1)*	322,354	276,500	45,854	38	36.5
6-30-80	371,873	323,768	48,105	37	33.3
6-30-81(2)*	407,302	381,720	25,582	36	15.5
6-30-82	475,147	446,529	28,618	35	15.4
6-30-83(3)	557,232	519,155	38,077	34	19.1
6-30-84(1)*	617,369	599,945	17,424	33	8.0
6-30-85*	706,779	693,159	13,620	32	5.6
6-30-86*	802,038	816,882	- #	31	-
6-30-87(4)	915,089	919,931	- #	30	-
6-30-88(5)	1,026,251	1,037,988	- #	29	-
6-30-89(6)	1,156,502	1,164,003	- #	28	-
6-30-90(7)	1,322,781	1,297,562	25,219	27	6.8
6-30-91(8)	1,470,778	1,432,023	38,755	26	9.6
6-30-92(9)	1,605,890	1,595,739	10,151	25	2.4
6-30-93	1,758,746	1,769,345	-	24	-
6-30-94(10)	1,932,046	1,945,166	- #	23	-
6-30-95(11)	2,117,732	2,181,351	- #	22	-
6-30-96	2,328,276	2,487,953	- #	21	-
6-30-97	2,533,435	2,915,173	- #	20	-
6-30-98	2,743,998	3,192,627	- #	20	-
6-30-99(12)	3,082,202	3,709,251	- #	20	-
6-30-00	3,415,157	4,260,168	- #	20	-

Refer to page A-8 for footnotes.

Valuation Assets and Accrued Liability



Footnotes to Page A-7

- (1) Assumed rate of investment return and base salary adjustment were increased by 0.5%.
- (2) Assumed rate of investment return and base salary adjustment were increased by 1.0%.
- * One-time cost-of-living adjustments for retired members and survivors, effective July 1, were included in this valuation.
- (3) The assumptions with respect to salary increases, rates of retirement, active member separations and rates of disability, were revised for the valuation. The valuation results also reflect 1983 legislated benefit changes.
- # In the aggregate, valuation assets exceeded actuarial accrued liability (AAL).
- (4) The valuation results reflect 1987 legislated benefit changes and a cost-of-living adjustment for certain retired members and survivors in accordance with 1986 legislation.
- (5) Cost-of-Living adjustments for retired members and survivors, in accordance with 1986 legislation, are included in the valuation results.
- (6) The assumptions with respect to inflation, active member separation and rates of disability were revised for the valuation. Cost-of-living adjustments for retired members and survivors, in accordance with 1986 legislation, are included in the valuation results. A one-time 3% adjustment in pensions of retired members and survivors, effective September 15, 1989 and retroactive to July 1, 1989, was included in this valuation.
- (7) The June 30, 1990 valuation includes i) the subsidy for post-retirement health insurance provided in 1988 and 1989 legislation, ii) cost-of-living adjustments for retired members and survivors pursuant to 1986 legislation, and iii) a one-time permanent 3% adjustment for retirements during the 12 months ended September 15, 1990.
- (8) The June 30, 1991 valuation includes the 1991 statutory amendment which increased duty-related death benefits and decreased the member's contribution requirement; cost-of-living adjustments for retired members and survivors pursuant to 1986 legislation; and, a one-time permanent 3% adjustment for retirements during the 12 months ended September 15, 1991.
- (9) The valuation includes the 1992 statutory amendment which provides i) a minimum monthly pension of \$950 and \$633 to retired members and surviving spouses (and guardians), respectively, on the rolls as of June 30, 1992 and ii) a one-time permanent 3% adjustment for retirements effective from September 15, 1991 through October 31, 1992.
- (10) The valuation includes an increase in the post-retirement health insurance premium subsidy of 37.5% for retired members and survivors, and 90% for dependents.
- (11) The assumptions with respect to non-disabled mortality, rates of retirement, active member separations and rates of disability were revised for the valuation. The revised assumptions were adopted by the Fund Manager following the 5 year experience study.
- (12) The assumptions with respect to mortality, rates of retirement, disability and active member separation were revised for the valuation. These revised assumptions were adopted by the Fund Manager following the 5 year experience study. The valuation includes the 1999 legislated benefit changes.
- (13) The valuation includes the one-time permanent 2% adjustment for members hired before September 15, 1998 who retired from November 1, 1996 to October 30, 2000.

Source of Change in Unfunded Actuarial Accrued Liability (UAAL)
(\$ Thousands)

	Year Ended June 30			
	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.

Comment A

Aggregate valuation results shown on pages A-2 through A-9 and page A-13 are compilations of 181 separate valuations and are indicative of the overall condition of the System. The experience of each participating employer is accounted for separately and the overall condition is not conclusive with respect to any one employer. Valuation results by participating employers are summarized on pages A-13 through A-24. Additional details can be obtained from the separate valuation reports submitted for each participating unit.

Comment B

The June 30, 2000 annual actuarial valuation includes the following changes in benefit provisions enacted by the State Legislature in 2000:

- Require a minimum employer contribution rate of 2% of covered compensation for each participating unit, effective beginning with fiscal years 2001/2002.
- A member who was employed before September 15, 1989 and who retired after October 31, 1996 but before November 1, 2000 would be entitled to receive a tax equity benefit allowance consisting of two percent of the member's base benefit retroactive to the date of retirement.

The Legislature also adopted a Deferred Retirement Option Plan (DROP) as a pilot program effective July 1, 2001 through June 30, 2006. The DROP had been computed to be cost neutral assuming no significant change in retirement patterns. Future valuations will incorporate changes in retirement patterns if warranted based upon actual emerging experience.

Comment C

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.

Comment D

The number of pension recipients and pension payroll increased during the year ended June 30, 2000. The increases in pension recipients and pension payroll were 7.8% and 15.0%, respectively. The annualized pension payroll increased to 20.3% of active member payroll. As of June 30, 2000 there were 2.7 active members for each pension recipient.

Comment E

One hundred twenty participating units have fully funded actuarial accrued liability. This means the assets credited to the unit exceed the accumulated value of all past normal costs by the amount indicated in parentheses on pages A-18 through A-24. Fully funded actuarial accrued liability is the result of favorable experience, particularly with respect to investment earnings and salary increases.

It is important to note that the favorable experience conditions which have caused the credit toward the computed normal costs are subject to significant year to year variation and should **not** be expected to continue indefinitely. **The normal cost should be viewed as the minimum long-term funding requirement.**

Conclusion

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.

Aggregate Actuarial Balance Sheet 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 (future retirements)		3,215,022,259
Prospective health insurance payments (future retirements)		64,491,230
Prospective refunds of members contributions		5,950,466
Reserve for future pension increases		<u>862,440,738</u>
Total Actuarial Present Values (Liability)		<u>\$5,672,259,852</u>

EMPLOYER Contribution Requirements
2001/2002 Fiscal Year
Expressed as Percents of Covered Compensation

Employer	Normal Cost	Amort. of Unf. Act. Accr. Liability*	Total Computed Emp. Contrib. Requirement	Total Required Emp. Contrib. Requirement
Apache County Sheriffs	9.92%	2.84%	12.76%	12.76%
Apache Fire District	10.64	1.91	12.55	12.55
Apache Junction Police	10.07	(1.03)	9.04	9.04
Arizona Attorney General Investigators	9.91	(2.36)	7.55	7.55
Arizona Department of Liquor Licenses	10.17	(0.60)	9.57	9.57
Arizona State Capitol Police	10.18	(0.74)	9.44	9.44
ASU Police	10.85	(10.85)	0.00	2.00
Avondale Fire Fighters	10.53	0.90	11.43	11.43
Avondale Police	9.99	2.33	12.32	12.32
Avra Valley Fire District	10.73	(3.44)	7.29	7.29
Benson Police	10.49	(1.61)	8.88	8.88
Bisbee Fire Fighters	10.50	0.58	11.08	11.08
Bisbee Police	9.87	3.60	13.47	13.47
Buckeye Police	9.81	(1.64)	8.17	8.17
Buckskin Fire Fighters	10.62	(2.78)	7.84	7.84
Bullhead City Fire Fighters	10.91	(4.15)	6.76	6.76
Bullhead City Police	10.13	(0.45)	9.68	9.68
Camp Verde Marshals	10.14	(2.48)	7.66	7.66
Casa Grande Fire Fighters	10.43	(4.32)	6.11	6.11
Casa Grande Police	10.24	(0.12)	10.12	10.12
Central Yavapai Fire Fighters	10.51	(1.60)	8.91	8.91
Chandler Fire Fighters	10.46	(2.85)	7.61	7.61
Chandler Police	10.11	0.21	10.32	10.32
Chino Valley Fire District	10.14	0.21	10.35	10.35
Chino Valley Police	9.85	(2.81)	7.04	7.04
Clarkdale Police	10.14	(0.14)	10.00	10.00
Clifton Fire Fighters	11.04	(11.04)	0.00	2.00
Clifton Police	10.58	(10.58)	0.00	2.00
Cochise Sheriffs	10.34	(0.46)	9.88	9.88
Coconino County Sheriffs	10.24	0.11	10.35	10.35
Coolidge Police	10.23	0.54	10.77	10.77
Cornville-Page Springs Fire Fighters	9.74	1.15	10.89	10.89
Cottonwood Fire Fighters	10.17	(2.34)	7.83	7.83
Cottonwood Police	10.21	4.57	14.78	14.78
D.E.M.A.	10.41	(3.20)	7.21	7.21
Daisy Mountain Fire District	10.39	(0.22)	10.17	10.17

* Twenty years from July 1, 2000.

(continued on page A-14)

EMPLOYER Contribution Requirements
2001/2002 Fiscal Year
Expressed as Percents of Covered Compensation

Employer	Normal Cost	Amort. of Unf. Act. Accr. Liability*	Total Computed Emp. Contrib. Requirement	Total Required Emp. Contrib. Requirement
Department of Public Safety	11.17%	(11.17)%	0.00%	2.00%
Doney Park Rural Fire District	10.54	(0.23)	10.31	10.31
Douglas Fire Fighters	10.95	(3.10)	7.85	7.85
Douglas Police	10.44	(5.42)	5.02	5.02
Drexel Heights Fire Fighters	10.72	(4.18)	6.54	6.54
Eagar Police	10.11	(1.73)	8.38	8.38
El Mirage Fire Fighters	10.65	(0.80)	9.85	9.85
El Mirage Police	9.89	(1.00)	8.89	8.89
Eloy Police	9.88	(1.85)	8.03	8.03
Flagstaff Fire Fighters	11.03	(11.03)	0.00	2.00
Flagstaff Police	10.46	(4.84)	5.62	5.62
Florence Fire	9.86	0.31	10.17	10.17
Florence Police	9.79	(9.36)	0.43	2.00
Fort Mojave Mesa Fire District	10.53	0.69	11.22	11.22
Fountain Hills Marshals	9.45	0.28	9.73	9.73
Fredonia Marshals	0.00	0.00	0.00	2.00
Fry Fire Fighters	10.97	(5.96)	5.01	5.01
Game & Fish Department	11.07	(4.75)	6.32	6.32
Gila County Sheriffs	10.09	(2.76)	7.33	7.33
Gila River Fire Fighters	10.33	2.00	12.33	12.33
Gila River Police	9.72	1.33	11.05	11.05
Gilbert Fire Fighters	10.38	(0.84)	9.54	9.54
Gilbert Police	10.12	0.80	10.92	10.92
Glendale Fire Fighters	11.00	(9.15)	1.85	2.00
Glendale Police	10.17	(0.02)	10.15	10.15
Globe Fire Fighters	10.29	(7.15)	3.14	3.14
Globe Police	10.21	2.65	12.86	12.86
Golden Valley Fire District	10.30	(3.98)	6.32	6.32
Golder Ranch Fire District	10.67	(0.09)	10.58	10.58
Goodyear Fire Fighters	10.48	(0.14)	10.34	10.34
Goodyear Police	9.97	1.94	11.91	11.91
Graham County Sheriffs	9.88	1.61	11.49	11.49
Greenlee County Attorney Investigators	9.22	(1.85)	7.37	7.37
Greenlee County Sheriffs	10.54	(3.99)	6.55	6.55
Guadalupe Fire Fighters	10.34	0.61	10.95	10.95
Guadalupe Police	0.00	0.00	0.00	2.00

* Twenty years from July 1, 2000.

(continued on page A-15)

EMPLOYER Contribution Requirements
2001/2002 Fiscal Year
Expressed as Percents of Covered Compensation

Employer	Normal Cost	Amort. of Unf. Act. Accr. Liability*	Total Computed Emp. Contrib. Requirement	Total Required Emp. Contrib. Requirement
Hayden Police	9.67%	2.68%	12.35%	12.35%
Holbrook Police	10.30	(2.17)	8.13	8.13
Hualapai Valley Fire Fighters	10.33	(1.87)	8.46	8.46
Kearny Police	9.86	4.09	13.95	13.95
Kingman Fire Fighters	10.68	0.38	11.06	11.06
Kingman Police	10.18	(2.84)	7.34	7.34
La Paz County Attorney Investigators	9.12	(0.73)	8.39	8.39
La Paz County Sheriffs	10.16	(1.41)	8.75	8.75
Lake Havasu City Fire Fighters	11.16	(9.06)	2.10	2.10
Lake Havasu City Police	10.08	(2.41)	7.67	7.67
Lakeside Fire Fighters	10.64	2.05	12.69	12.69
Laveen Fire District	10.38	(2.77)	7.61	7.61
Mammoth Police	9.91	4.16	14.07	14.07
Marana Police	10.09	(0.05)	10.04	10.04
Maricopa County Attorney Investigators	9.92	(4.87)	5.05	5.05
Maricopa County Sheriffs	10.98	(7.47)	3.51	3.51
Mayer Fire District	10.16	1.94	12.10	12.10
Mesa Fire Fighters	10.89	(7.98)	2.91	2.91
Mesa Police	10.94	(4.46)	6.48	6.48
Miami Fire Fighters	0.00	0.00	0.00	2.00
Miami Police	10.40	(0.10)	10.30	10.30
Mohave Sheriffs	9.98	(3.59)	6.39	6.39
Mohave Valley Fire Fighters	10.83	(7.19)	3.64	3.64
NAU Police	10.24	(6.61)	3.63	3.63
Navajo County Attorney Investigators	11.55	(3.94)	7.61	7.61
Navajo County Sheriffs	9.96	(2.99)	6.97	6.97
Nogales Fire Fighters	10.95	(1.26)	9.69	9.69
Nogales Police	10.72	(1.45)	9.27	9.27
Northwest Fire District	10.69	(0.51)	10.18	10.18
Oro Valley Police	10.23	0.70	10.93	10.93
Page Fire Fighters	9.95	2.33	12.28	12.28
Page Police	9.98	(3.36)	6.62	6.62
Paradise Valley Police	9.60	(1.23)	8.37	8.37
Parker Police	10.26	(2.60)	7.66	7.66
Patagonia Marshals	9.94	(1.57)	8.37	8.37
Payson Fire Fighters	10.24	(3.30)	6.94	6.94

* Twenty years from July 1, 2000.

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EMPLOYER Contribution Requirements
2001/2002 Fiscal Year
Expressed as Percents of Covered Compensation

Employer	Normal Cost	Amort. of Unf. Act. Accr. Liability*	Total Computed Emp. Contrib. Requirement	Total Required Emp. Contrib. Requirement
Payson Police	10.13%	2.18%	12.31%	12.31%
Peoria Fire Fighters	10.65	(3.23)	7.42	7.42
Peoria Police	10.16	(0.20)	9.96	9.96
Phoenix Fire Fighters	11.21	(9.34)	1.87	2.00
Phoenix Police	11.14	(9.70)	1.44	2.00
Picture Rocks Fire Fighters	10.45	(5.45)	5.00	5.00
Pima Community College Police	9.89	(0.41)	9.48	9.48
Pima County Attorney Investigators	10.26	(4.82)	5.44	5.44
Pima Police	10.28	(10.28)	0.00	2.00
Pima Sheriffs	10.91	(10.91)	0.00	2.00
Pinal County Sheriffs	10.95	(6.49)	4.46	4.46
Pine/Strawberry Fire Fighters	10.53	2.56	13.09	13.09
Pinetop Fire Fighters	10.46	5.68	16.14	16.14
Pinetop Lakeside Police	10.18	0.22	10.40	10.40
Prescott Fire Fighters	10.97	(5.10)	5.87	5.87
Prescott Police	10.41	2.54	12.95	12.95
Prescott Valley Police	10.18	0.39	10.57	10.57
Quartzsite Marshalls	10.19	(0.71)	9.48	9.48
Safford Police	10.35	1.53	11.88	11.88
Sahuarita Police	10.08	(0.04)	10.04	10.04
Salt River Pima-Maricopa Fire Fighters	10.87	5.97	16.84	16.84
Salt River Pima-Maricopa Police	9.45	5.02	14.47	14.47
San Luis Fire Fighters	10.60	1.28	11.88	11.88
San Luis Police	10.19	0.43	10.62	10.62
Santa Cruz Sheriffs	10.21	2.78	12.99	12.99
Scottsdale Police	11.02	(6.54)	4.48	4.48
Sedona Fire District	10.39	3.15	13.54	13.54
Sedona Police	9.90	(1.49)	8.41	8.41
Show Low Fire Fighters	9.86	(0.33)	9.53	9.53
Show Low Police	10.19	(3.02)	7.17	7.17
Sierra Vista Fire Fighters	11.00	(8.42)	2.58	2.58
Sierra Vista Police	10.22	(3.33)	6.89	6.89
Snowflake Police	10.33	1.28	11.61	11.61
Somerton Fire Fighters	11.17	3.15	14.32	14.32
Somerton Police	10.10	4.56	14.66	14.66
South Tucson Fire Fighters	10.83	(5.29)	5.54	5.54

* Twenty years from July 1, 2000.

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EMPLOYER Contribution Requirements
2001/2002 Fiscal Year
Expressed as Percents of Covered Compensation

Employer	Normal Cost	Amort. of Unf. Act. Accr. Liability*	Total Computed Emp. Contrib. Requirement	Total Required Emp. Contrib. Requirement
South Tucson Police	9.57%	10.92%	20.49%	20.49%
Springerville Police	10.04	(3.36)	6.68	6.68
St. John's Police	9.85	0.41	10.26	10.26
Sun City Fire Fighters	10.66	5.74	16.40	16.40
Sun City West Fire Fighters	10.34	(0.75)	9.59	9.59
Sun Lakes Fire District	10.09	(1.86)	8.23	8.23
Superior Police	9.27	(8.81)	0.46	2.00
Surprise Fire Fighters	10.46	(1.07)	9.39	9.39
Surprise Police	9.92	(0.55)	9.37	9.37
Tempe Fire Fighters	11.19	(11.19)	0.00	2.00
Tempe Police	10.36	(1.82)	8.54	8.54
Thatcher Police	10.58	(1.82)	8.76	8.76
Three Points Fire Fighters	10.20	0.29	10.49	10.49
Tolleson Fire Fighters	10.15	(2.01)	8.14	8.14
Tolleson Police	10.09	(1.95)	8.14	8.14
Tombstone Police	8.78	(0.48)	8.30	8.30
Tubac Fire Fighters	10.72	0.44	11.16	11.16
Tucson Airport Authority Fire Fighters	11.12	0.32	11.44	11.44
Tucson Airport Authority Police	9.90	6.08	15.98	15.98
Tucson Estates Fire Fighters	10.49	(0.32)	10.17	10.17
Tucson Fire Fighters	11.13	(11.13)	0.00	2.00
Tucson Police	10.97	(10.97)	0.00	2.00
U of A Police	10.27	(2.48)	7.79	7.79
Verde Rural Fire District	10.41	(4.37)	6.04	6.04
Wellton Marshals	10.26	(2.32)	7.94	7.94
Wickenburg Police	10.38	6.82	17.20	17.20
Willcox Police	10.29	2.40	12.69	12.69
Williams Marshals	10.29	(5.33)	4.96	4.96
Winslow Fire Fighters	10.94	(10.94)	0.00	2.00
Winslow Police	10.19	(6.50)	3.69	3.69
Yavapai County Attorney Investigators	9.73	18.59	28.32	28.32
Yavapai County Sheriffs	9.95	2.27	12.22	12.22
Youngtown Police	9.83	(5.38)	4.45	4.45
Yuma Fire Fighters	11.05	(7.39)	3.66	3.66
Yuma Police	11.01	(11.01)	0.00	2.00
Yuma Sheriffs	11.06	(5.91)	5.15	5.15
Totals	10.86%	(6.65)%	4.21%	4.74%

* Twenty years from July 1, 2000.

Actuarial Accrued Liability -- Valuation Assets -- Amortization Payment

Employer	Actuarial Accrued Liability	Members	Employers	Employer Unfunded Actuarial Accrued Liability	Amortization Payment*
Apache County Sheriffs	\$ 3,427,926	\$ 415,887	\$ 2,536,636	\$ 475,403	\$ 29,678
Apache Fire District	4,967,621	908,885	3,272,963	785,773	49,101
Apache Junction Police	7,106,362	1,444,749	6,030,599	(368,986)	-
Arizona Attorney General Investigators	6,544,934	1,366,860	5,802,093	(624,019)	-
Arizona Department of Liquor Licenses	1,861,062	450,545	1,495,745	(85,228)	-
Arizona State Capitol Police	1,227,986	290,044	1,050,913	(112,971)	-
ASU Police	8,772,860	958,196	11,381,679	(3,567,015)	-
Avondale Fire Fighters	2,277,142	428,706	1,639,818	208,618	13,083
Avondale Police	4,377,027	837,452	2,581,489	958,086	59,804
Avra Valley Fire District	342,583	87,685	484,105	(229,207)	-
Benson Police	1,570,611	205,716	1,481,151	(116,256)	-
Bisbee Fire Fighters	4,053,632	336,733	3,644,539	72,360	4,538
Bisbee Police	2,895,397	300,501	2,201,349	393,547	24,622
Buckeye Police	1,332,004	322,763	1,196,319	(187,078)	-
Buckskin Fire Fighters	1,604,404	221,207	1,559,797	(176,600)	-
Bullhead City Fire Fighters	8,095,789	970,912	9,054,977	(1,930,100)	-
Bullhead City Police	9,059,992	1,891,267	7,409,148	(240,423)	-
Camp Verde Marshals	968,773	166,372	982,727	(180,326)	-
Casa Grande Fire Fighters	6,164,838	519,397	6,386,105	(740,664)	-
Casa Grande Police	10,995,477	1,299,971	9,743,951	(48,445)	-
Central Yavapai Fire Fighters	7,619,196	1,429,812	6,865,413	(676,029)	-
Chandler Fire Fighters	21,499,655	3,899,850	20,809,887	(3,210,082)	-
Chandler Police	33,812,424	6,266,362	27,123,647	422,415	26,906
Chino Valley Fire District	1,097,841	242,316	833,651	21,874	1,389
Chino Valley Police	935,241	224,015	938,949	(227,723)	-
Clarkdale Police	711,041	131,982	584,893	(5,834)	-

* Twenty years from July 1, 2000.

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Actuarial Accrued Liability -- Valuation Assets -- Amortization Payment

Employer	Actuarial Accrued Liability	Members	Employers	Employer Unfunded Actuarial Accrued Liability	Amortization Payment*
Clifton Fire Fighters	\$ 262,078	\$ 38,968	\$ 460,185	\$ (237,075)	\$ -
Clifton Police	138,652	45,040	337,958	(244,346)	-
Cochise Sheriffs	12,547,235	1,495,970	11,238,631	(187,366)	-
Coconino County Sheriffs	12,484,925	1,487,206	10,950,346	47,373	2,938
Coolidge Police	2,282,722	385,563	1,813,236	83,923	5,272
Cornville-Page Springs Fire Fighters	51,765	6,683	13,054	32,028	2,008
Cottonwood Fire Fighters	598,076	154,886	566,466	(123,276)	-
Cottonwood Police	2,655,335	339,857	1,727,145	588,333	36,759
D.E.M.A.	3,412,194	782,725	3,206,489	(577,020)	-
Daisy Mountain Fire District	882,838	251,590	669,312	(38,064)	-
Department of Public Safety	374,427,943	20,395,861	481,660,453	(127,628,371)	-
Doney Park Rural Fire District	601,258	123,469	493,952	(16,163)	-
Douglas Fire Fighters	5,565,713	604,749	5,419,007	(458,043)	-
Douglas Police	5,095,127	722,220	5,496,016	(1,123,109)	-
Drexel Heights Fire Fighters	3,291,045	894,986	3,429,151	(1,033,092)	-
Eagar Police	550,644	100,157	516,644	(66,157)	-
El Mirage Fire Fighters	265,536	77,699	225,188	(37,351)	-
El Mirage Police	727,243	195,142	683,687	(151,586)	-
Eloy Police	1,515,944	396,471	1,428,038	(308,565)	-
Flagstaff Fire Fighters	21,940,616	3,184,400	27,202,999	(8,446,783)	-
Flagstaff Police	18,497,514	2,380,375	19,199,965	(3,082,826)	-
Florence Fire	154,841	34,717	111,781	8,343	524
Florence Police	758,014	228,451	1,181,075	(651,512)	-
Fort Mojave Mesa Fire District	3,035,341	580,722	2,307,329	147,290	9,141
Fountain Hills Marshals	401,167	125,393	250,467	25,307	1,558
Fredonia Marshals	0	-	51,560	(51,560)	-
Fry Fire Fighters	4,884,844	660,922	5,279,984	(1,056,062)	-

* Twenty years from July 1, 2000.

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Actuarial Accrued Liability -- Valuation Assets -- Amortization Payment

Employer	Actuarial Accrued Liability	Members	Employers	Employer Unfunded Actuarial Accrued Liability	Amortization Payment*
Game & Fish Department	\$ 39,488,422	\$ 4,758,287	\$ 39,173,682	\$ (4,443,547)	\$ -
Gila County Sheriffs	4,424,431	773,011	4,242,749	(591,329)	-
Gila River Fire Fighters	1,303,252	190,054	388,071	725,127	45,297
Gila River Police	755,515	136,502	198,678	420,335	26,244
Gilbert Fire Fighters	3,148,347	900,284	2,634,566	(386,503)	-
Gilbert Police	11,601,621	2,512,717	8,305,658	783,246	48,780
Glendale Fire Fighters	36,357,639	5,852,904	43,433,340	(12,928,605)	-
Glendale Police	61,049,250	8,757,656	52,327,865	(36,271)	-
Globe Fire Fighters	2,648,205	228,440	3,014,333	(594,568)	-
Globe Police	2,976,816	442,433	2,172,115	362,268	22,665
Golden Valley Fire District	818,311	214,375	924,004	(320,068)	-
Golder Ranch Fire District	2,658,074	595,842	2,086,041	(23,809)	-
Goodyear Fire Fighters	1,142,484	299,577	871,498	(28,591)	-
Goodyear Police	3,481,718	731,069	2,221,972	528,677	33,019
Graham County Sheriffs	1,243,942	255,367	850,784	137,791	8,594
Greenlee County Attorney Investigators	23,599	7,764	24,906	(9,071)	-
Greenlee County Sheriffs	1,538,138	377,303	1,483,510	(322,675)	-
Guadalupe Fire Fighters	196,877	53,808	113,012	30,057	1,865
Guadalupe Police	0	-	279,947	(279,947)	-
Hayden Police	156,519	26,806	50,095	79,618	4,974
Holbrook Police	2,343,851	302,785	2,257,740	(216,674)	-
Hualapai Valley Fire Fighters	689,509	228,774	687,654	(226,919)	-
Kearny Police	391,161	51,458	241,932	97,771	6,116
Kingman Fire Fighters	5,693,217	976,066	4,629,731	87,420	5,468
Kingman Police	6,851,360	766,616	6,782,179	(697,435)	-
La Paz County Attorney Investigators	87,261	24,691	67,146	(4,576)	-
La Paz County Sheriffs	4,434,870	737,490	3,971,619	(274,239)	-

* Twenty years from July 1, 2000.

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Actuarial Accrued Liability -- Valuation Assets -- Amortization Payment

Employer	Actuarial Accrued Liability	Members	Employers	Employer Unfunded Actuarial Accrued Liability	Amortization Payment*
Lake Havasu City Fire Fighters	\$ 13,553,542	\$ 2,244,027	\$ 15,126,389	\$ (3,816,874)	\$ -
Lake Havasu City Police	9,896,699	1,775,520	9,296,442	(1,175,263)	-
Lakeside Fire Fighters	106,023	7,733	36,444	61,846	3,870
Laveen Fire District	356,795	108,795	405,733	(157,733)	-
Mammoth Police	255,087	67,675	86,826	100,586	6,280
Marana Police	4,249,197	884,045	3,381,492	(16,340)	-
Maricopa County Attorney Investigators	4,160,358	808,565	3,986,401	(634,608)	-
Maricopa County Sheriffs	131,971,723	14,897,220	149,715,192	(32,640,689)	-
Mayer Fire District	278,367	33,161	140,861	104,345	6,524
Mesa Fire Fighters	88,631,745	13,380,015	101,917,420	(26,665,690)	-
Mesa Police	138,558,410	19,822,792	148,242,632	(29,507,014)	-
Miami Fire Fighters	304,809	-	416,351	(111,542)	-
Miami Police	537,561	144,366	397,420	(4,225)	-
Mohave Sheriffs	11,055,727	1,736,523	11,408,322	(2,089,118)	-
Mohave Valley Fire Fighters	810,763	245,996	1,148,598	(583,831)	-
NAU Police	3,839,898	376,532	4,286,969	(823,603)	-
Navajo County Attorney Investigators	143,657	33,698	134,874	(24,915)	-
Navajo County Sheriffs	6,327,942	813,957	6,387,586	(873,601)	-
Nogales Fire Fighters	4,863,682	637,911	4,498,768	(272,997)	-
Nogales Police	6,227,859	1,193,240	5,548,385	(513,766)	-
Northwest Fire District	7,860,593	1,570,494	6,609,778	(319,679)	-
Oro Valley Police	4,862,212	1,137,205	3,446,086	278,921	17,451
Page Fire Fighters	552,751	36,602	436,082	80,067	4,996
Page Police	2,132,589	491,485	2,167,030	(525,926)	-
Paradise Valley Police	7,698,335	1,219,485	6,847,502	(368,652)	-
Parker Police	972,878	190,181	980,633	(197,936)	-
Patagonia Marshals	28,160	9,730	55,422	(36,992)	-

* Twenty years from July 1, 2000.

(continued on page A-22)

Actuarial Accrued Liability -- Valuation Assets -- Amortization Payment

Employer	Actuarial Accrued Liability	Members	Employers	Employer Unfunded Actuarial Accrued Liability	Amortization Payment*
Payson Fire Fighters	\$ 1,847,949	\$ 375,010	\$ 1,887,086	\$ (414,147)	\$ -
Payson Police	4,019,411	683,926	2,934,464	401,021	25,080
Peoria Fire Fighters	10,351,973	2,672,077	9,925,496	(2,245,600)	-
Peoria Police	13,627,582	2,252,500	11,534,156	(159,074)	-
Phoenix Fire Fighters	440,567,502	57,405,039	503,733,649	(120,571,186)	-
Phoenix Police	766,098,629	91,797,265	905,436,372	(231,135,008)	-
Picture Rocks Fire Fighters	573,335	166,357	756,064	(349,086)	-
Pima Community College Police	2,738,091	624,388	2,193,395	(79,692)	-
Pima County Attorney Investigators	1,032,025	248,158	1,001,968	(218,101)	-
Pima Police	13,494	3,843	116,598	(106,947)	-
Pima Sheriffs	96,275,855	6,828,069	122,161,487	(32,713,701)	-
Pinal County Sheriffs	15,572,584	2,390,485	17,945,401	(4,763,302)	-
Pine/Strawberry Fire Fighters	912,384	192,660	554,149	165,575	10,341
Pinetop Fire Fighters	419,941	15,615	42318	362,008	22,619
Pinetop Lakeside Police	1,811,133	169,370	1,627,975	13,788	861
Prescott Fire Fighters	14,651,380	1,639,847	14,969,765	(1,958,232)	-
Prescott Police	13,343,251	1,584,492	10,732,305	1,026,454	64,024
Prescott Valley Police	2,278,270	393,943	1,807,428	76,899	4,804
Quartzsite Marshalls	199,452	64,644	162,766	(27,958)	-
Safford Police	3,365,256	456,626	2,730,231	178,399	11,134
Sahuarita Police	103,900	36,074	68,986	(1,160)	-
Salt River Pima-Maricopa Fire Fighters	2,521,550	98,217	318,174	2,105,159	131,654
Salt River Pima-Maricopa Police	2,087,939	114,691	306,043	1,667,205	104,095
San Luis Fire Fighters	489,061	100,804	295,300	92,957	5,822
San Luis Police	1,313,689	294,209	951,412	68,068	4,258

* Twenty years from July 1, 2000.

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Actuarial Accrued Liability -- Valuation Assets -- Amortization Payment

Employer	Actuarial Accrued Liability	Members	Employers	Employer Unfunded Actuarial Accrued Liability	Amortization Payment*
Santa Cruz Sheriffs	\$ 4,014,051	\$ 557,264	\$ 2,884,404	\$ 572,383	\$ 35,795
Scottsdale Police	65,021,200	10,387,218	74,047,693	(19,413,711)	-
Sedona Fire District	3,095,463	475,292	1,852,320	767,851	47,923
Sedona Police	1,297,246	343,128	1,131,370	(177,252)	-
Show Low Fire Fighters	43,687	11,046	40291	(7,650)	-
Show Low Police	1,730,141	376,794	1,756,995	(403,648)	-
Sierra Vista Fire Fighters	6,193,776	1,226,699	7,191,754	(2,224,677)	-
Sierra Vista Police	10,167,092	1,377,631	9,987,726	(1,198,265)	-
Snowflake Police	1,110,737	190,133	848,927	71,677	4,496
Somerton Fire Fighters	416,337	58,283	206,855	151,199	9,451
Somerton Police	917,693	128,720	344,079	444,894	27,832
South Tucson Fire Fighters	1,419,700	151,071	1,620,073	(351,444)	-
South Tucson Police	3,007,132	253,550	1,322,864	1,430,718	89,452
Springerville Police	280,732	88,948	304,218	(112,434)	-
St. John's Police	155,892	55,790	85,335	14,767	913
Sun City Fire Fighters	9,481,547	3,281,004	3,011,956	3,188,587	199,101
Sun City West Fire Fighters	2,502,202	565,236	2,309,238	(372,272)	-
Sun Lakes Fire District	1,872,097	386,003	1,842,988	(356,894)	-
Superior Police	382,660	75,659	554,119	(247,118)	-
Surprise Fire Fighters	1,207,770	339,046	1,077,522	(208,798)	-
Surprise Police	3,374,756	710,824	2,814,471	(150,539)	-
Tempe Fire Fighters	46,999,401	5,496,346	57,309,063	(15,806,008)	-
Tempe Police	67,802,125	9,803,780	63,076,063	(5,077,718)	-
Thatcher Police	1,488,638	287,183	1,313,928	(112,473)	-
Three Points Fire Fighters	72,228	18,195	46,981	7,052	447
Tolleson Fire Fighters	1,223,125	364,748	1,150,086	(291,709)	-
Tolleson Police	1,864,249	282,188	1,810,712	(228,651)	-

* Twenty years from July 1, 2000.

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Actuarial Accrued Liability -- Valuation Assets -- Amortization Payment

Employer	Actuarial Accrued Liability	Members	Employers	Employer Unfunded Actuarial Accrued Liability	Amortization Payment*
Tombstone Police	\$ 108,607	\$ 47,207	\$ 75,401	\$ (14,001)	\$ -
Tubac Fire Fighters	481,698	109,345	344,013	28,340	1,769
Tucson Airport Authority Fire Fighters	4,845,798	770,768	4,030,087	44,943	2,795
Tucson Airport Authority Police	4,806,592	576,141	3,212,766	1,017,685	63,589
Tucson Estates Fire Fighters	82,789	26,101	65,624	(8,936)	-
Tucson Fire Fighters	171,815,352	17,574,310	205,891,188	(51,650,146)	-
Tucson Police	235,544,483	25,733,077	282,717,816	(72,906,410)	-
U of A Police	6,649,304	890,980	6,496,574	(738,250)	-
Verde Rural Fire District	839,453	223,393	954,037	(337,977)	-
Wellton Marshals	165,565	44,425	154,989	(33,849)	-
Wickenburg Police	1,390,700	183,735	781,048	425,917	26,609
Willcox Police	1,143,202	163,516	830,393	149,293	9,314
Williams Marshals	656,567	181,447	753,457	(278,337)	-
Winslow Fire Fighters	1,019,789	156,528	3,288,161	(2,424,900)	-
Winslow Police	2,497,669	262,678	3,122,344	(887,353)	-
Yavapai County Attorney Investigators	269,890	3,272	12,535	254,083	15,879
Yavapai County Sheriffs	12,248,600	1,755,298	9,067,849	1,425,453	89,214
Youngtown Police	537,899	77,815	647,355	(187,271)	-
Yuma Fire Fighters	24,894,069	2,334,422	27,352,684	(4,793,037)	-
Yuma Police	25,623,095	3,468,608	32,595,697	(10,441,210)	-
Yuma Sheriffs	10,086,539	982,421	11,238,521	(2,134,403)	-
Totals	\$3,415,157,151	\$418,847,014	\$3,841,320,684	\$(845,010,547)	\$1,518,735

* Twenty years from July 1, 2000.

Section B



Summary of Benefit Provisions and Valuation Data

Summary of Plan Provisions Valued and/or Considered

Membership: Persons who are employed in a covered position prior to attaining age 50 years, for at least 20 hours a week for more than 6 months a year.

Average Monthly Compensation: One-thirty-sixth of total compensation paid a member during the 3 years, out of the last 20 years of credited service, in which the amount paid was highest. Compensation is the amount including base salary overtime pay shift differential pay and holiday pay paid to an employee on a regular payroll basis and longevity pay paid at least every six months for which contributions are made to the System.

Normal Retirement: First day of month following completion of 20 years of service or following 62nd birthday and completion of 15 years of service.

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

- **For retirement with 25 or more years of credited service,** 50% of average monthly compensation for the first 20 years of credited service, plus 2-1/2% of average monthly compensation for each year of credited service above 20 years.
- **For retirement with 20 years of credited service but less than 25 years of credited service,** 50% of average monthly compensation for the first 20 years of credited service, plus 2% of average monthly compensation for each year of credited service between 20 and 25 years.
- **For retirement with less than 20 years of credited service,** the percent of average monthly compensation is reduced at a rate of 4% for each year less than 20 years.

The maximum amount payable as a normal retirement pension shall be 80% of the average monthly compensation.

Vested Termination (deferred retirement): Termination of covered position employment with 10 or more years of credited service. Pension is equal to twice the amount of pension based on the member's accumulated contributions with payments commencing at age 62. Benefit is forfeited if accumulated contributions are refunded. The following schedule shows additional money which would be payable to members who receive a refund of their accumulated member contributions.

<u>Years of Credited Service</u>	<u>Additional Monies (% of Contributions)</u>
0.0 years	0%
5.0	25
6.0	40
7.0	55
8.0	70
9.0	85
10.0	100

Ordinary Disability Retirement (not service connected): Physical condition which totally and permanently prevents performance of a reasonable range of duties or a mental condition which totally and permanently prevents any substantial gainful employment. The amount of pension is a percentage of normal pension, as follows:

<u>Credited Service</u>	<u>Percent of Normal Pension</u>
Less than 7 years	25%
7 thru 13 years	50
14 thru 19 years	75

Accidental Disability Retirement (service connected): Total and presumably 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. Pension is computed in same manner as normal pension based on credited service and average monthly compensation at time of termination of employment. Pension is 50% of average monthly compensation, or normal pension amount, whichever is greater.

Offset of Ordinary or Accidental Disability Retirement before the member’s normal retirement date: The pension is 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: Termination of employment prior to normal retirement eligibility by reason of temporary disability. Pension is 1/12 of 50% of compensation during year preceding date disability was incurred. Payments terminate after 12 months or prior recovery.

Survivor Pension: Death while a member employed by an employer or death after retirement. No credited service requirement.

Spouse’s pension: 75% (100% if duty-related) of pension deceased active member would have been paid for accidental disability retirement or, in the case of retired member, 3/4 of the retired member’s pension. Requires 2 years of marriage. Terminates upon death.

Child's pension: 1/9 of pension deceased active member would have been paid for accidental disability retirement (equal shares of 3/9 if more than 3 children); or, in the case of a retired member, 1/9 of the retired member's pension (equal shares of 3/9 if more than 3 children). Payable to a dependent child under age 18 (age 23 if a full time student).

Guardian's pension - same amount as spouse's pension. Payable only during periods no spouse is being paid and there is at least 1 child under age 18 (age 23 if a full-time student). Guaranteed return of accumulated contributions - if aggregate amount of pension payments to member and beneficiaries are less than member's accumulated contributions, difference is paid to designated contingent refund beneficiary, if living, otherwise to nearest kin as selected by board.

Other Termination of Employment: Member is paid his accumulated contributions.

Post-Retirement Adjustments: Effective July 1, 1986, retirants or beneficiaries who are age 55 or older and all disability retirants regardless of age and who were on the retirement rolls on June 30 of the previous year may receive pension increases. Effective July 1, 1999, retired members and survivors who have been on rolls at least 2 years, regardless of age, may receive pension increases. Increases are subject to the level of investment income earned.

Post-Retirement Health Insurance Subsidy: Payable on behalf of retired members and survivors who elect coverage provided by the state or participating employer. Amount cannot exceed \$82.50 per month for retired members and survivors plus an amount up to \$47.50 per month for family coverage, if any.

Deferred Retirement Option Plan (DROP): Available as a pilot program from July 1, 2001 through June 30, 2006. Members with at least 25 years of credited service may elect to enter the DROP for up to 60 months. During the DROP period, the frozen accrued pension is credited to the member's DROP account. The account is paid at time of actual retirement.

Member Contributions: Members contribute 7.65% of compensation.

Employer Contributions: Level percent of payroll normal cost plus 20 year amortization of unfunded actuarial accrued liability.

Derivation of Funding Value of Pension Fund Assets

	Values as of June 30				
	1996	1997	1998	1999	2000
Beginning of Year					
(1) Book Value	\$2,148,732,676	\$2,367,494,985	\$2,615,893,843	\$2,894,319,707	\$3,512,950,451
(2) Market Value	2,412,247,103	2,795,709,358	3,427,156,029	4,151,364,074	4,841,649,236
(3) Funding Value*	2,197,251,646	2,507,853,602	2,945,329,389	3,715,455,365	4,455,270,545
End of Year					
(4) Market Value	2,795,709,358	3,427,156,029	4,151,364,074	4,841,649,236	5,378,550,787
(5) Net Addition to Assets, Excluding Investment Income	(6,689,948)	(12,129,253)	(25,977,793)	(32,460,036)	(51,231,075)
(6) Total Net Investment Income = (4) - (2) - (5)	390,152,203	643,575,924	750,185,838	722,745,198	588,132,626
(7) Projected Net Rate of Return	9.00%	9.00%	9.00%	9.00%	9.00%
(8) Projected Investment Income = (7) x [(3) + .5 x (5)]	197,451,601	225,161,008	263,910,644	332,930,281	398,668,951
(9) Invest. Income in Excess of Proj.	192,700,602	418,414,916	486,275,194	389,814,917	189,463,675
(9a) Allocation to Future Benefit Increase Reserve (FBIR) (ACTUAL)			248,240,392	172,804,837	72,225,529
(9b) Allocation to Funding Value of Assets ((9) - (9a))			238,034,802	217,010,080	117,238,146
(10) Excess Investment Income Recognized (4 Year Recognition)					
(10a) From Current Year = .25 x (9b)	48,175,151	104,603,729	59,508,700	54,252,520	29,309,537
(10b) From One Year Prior	45,489,917	48,175,151	104,603,729	59,508,700	54,252,520
(10c) From Two Years Prior	---	45,489,917	48,175,151	104,603,729	59,508,700
(10d) From Three Years Prior	---	---	45,489,918	48,175,149	104,603,729
(11) Start Up Phase In**	26,175,235	26,175,235	26,175,235	0	0
(12) Change in Funding Value = (5) + (8) + (9a) + (10) [a .. d] + (11)	301,601,956	437,475,787	770,125,976	739,815,180	667,337,891
End of Year Values					
(13) Book Value	2,367,494,985	2,615,893,843	2,894,319,707	3,512,950,451	3,845,046,198
(4) Market Value	2,795,709,358	3,427,156,029	4,151,364,074	4,841,649,236	5,378,550,787
(14) Preliminary Funding Value (3) + (12)	2,507,853,602	2,945,329,389	3,715,455,365	4,455,270,545	5,122,608,436
(15) Future Benefit Increase Reserve	140,358,617	329,435,546	522,828,431	746,019,685	862,440,738
(16) Funding Value (14) - (15)			3,192,626,934	3,709,250,860	4,260,167,698
(17) Funding Value Adjustment (16) - (13)			298,307,227	196,300,409	415,121,500

* Book value for initial year.

** 25% of initial year beginning of year difference between market value and book value.

Summaries 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	<u>763</u>	<u>18,449,733</u>	24,181
- Totals	4,701	138,695,872	29,503
Survivors of Members			
- Spouses	710	13,204,775	18,598
- Children with Guardians*	<u>31</u>	<u>326,725</u>	10,540
- Totals	741	13,531,500	18,261
Total Pensions Being Paid	5,442	\$152,227,372	\$27,973

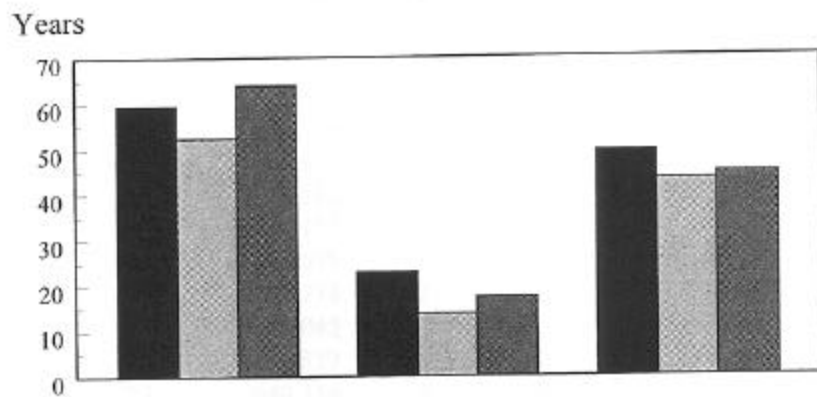
* Does not include pensions payable to children whose parent is being paid a survivor pension. Such pension amounts are included with the surviving spouse.

Summaries of Retired Members and Survivors
June 30, 2000
Tabulated by Attained Age of Recipient

Attained Ages	Service		Disability		Beneficiary		Totals	
	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions
Children with Guardians		\$ -		\$ -	31	\$ 326,725	31	\$ 326,725
20-24			1	12,149			1	12,149
25-29			2	32,022	6	118,587	8	150,609
30-34			19	375,481	6	129,974	25	505,455
35-39	1	30,885	54	1,172,157	28	521,630	83	1,724,672
40-44	107	3,196,745	96	2,323,990	38	716,742	241	6,237,477
45-49	411	12,902,447	133	3,461,034	61	1,084,275	605	17,447,756
50-54	913	29,406,459	198	5,003,258	65	1,144,639	1,176	35,554,356
55-59	844	27,755,266	109	2,823,356	69	1,350,601	1,022	31,929,223
60-64	652	20,093,243	65	1,441,590	88	1,607,646	805	23,142,479
65-69	484	13,689,822	49	1,059,086	85	1,613,314	618	16,362,222
70-74	291	7,732,744	23	473,639	93	1,756,655	407	9,963,038
75-79	145	3,499,155	6	122,384	71	1,342,122	222	4,963,661
80-84	57	1,282,599	7	131,282	55	1,005,589	119	2,419,470
85-89	25	499,412	1	18,305	30	557,487	56	1,075,204
90-94	8	157,362	-	-	12	210,328	20	367,690
95-99	-	-	-	-	3	45,186	3	45,186
Totals	3,938	\$120,246,139	763	\$18,449,733	741	\$13,531,500	5,442	\$152,227,372

Summaries of Retired Members and Survivors – June 30, 2000

Comparison of Averages



	Avg. Age	Avg. Service	Avg. Retirement Age
Service 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

Retired Members and Survivors - By Employer

Employer	Retired Members		Survivors			All Recipients	
	No.	Annual Pensions	No. Spouse	Child w/ Guardian	Annual Pensions	No.	Annual Pensions
Apache County Sheriffs	10	\$ 210,658			\$	10	\$210,658
Apache Fire District	2	49,920				2	49,920
Apache Junction Police	3	95,209	2		33,984	5	129,193
Arizona Attorney General Investigators	3	65,291	1		27,246	4	92,537
Arizona Department of Liquor Licenses							
Arizona State Capitol Police	1	17,640				1	17,640
ASU Police	21	497,600	1		14,777	22	512,377
Avondale Fire Fighters	2	42,038				2	42,038
Avondale Police	4	75,483				4	75,483
Avra Valley Fire District	0						
Benson Police	2	50,730	1		14,911	3	65,641
Bisbee Fire Fighters	14	239,385	2		36,927	16	276,312
Bisbee Police	8	136,279	2		33,164	10	169,443
Bowie Fire Fighters							
Buckeye Police			1		17,463	1	17,463
Buckskin Fire Fighters	3	70,819				3	70,819
Bullhead City Fire Fighters	6	160,477	1		13,482	7	173,959
Bullhead City Police	8	194,582				8	194,582
Camp Verde Marshals	2	40,197				2	40,197
Casa Grande Fire Fighters	13	381,679				13	381,679
Casa Grande Police	22	529,774	2		35,703	24	565,477
Central Yavapai Fire Fighters	6	174,042				6	174,042
Chandler Fire Fighters	13	381,837	3		57,565	16	439,402
Chandler Police	23	640,359	5	2	117,382	30	757,741
Chino Valley Fire District							
Chino Valley Police	1	16,053				1	16,053
Clarkdale Police	1	17,973				1	17,973
Clifton Fire Fighters			1		17,863	1	17,863
Clifton Police							
Cochise Sheriffs	27	663,323	1		17,071	28	680,394
Coconino County Sheriffs	22	553,709	3		45,135	25	598,844
Coolidge Police	3	67,508				3	67,508
Cornville-Page Springs Fire Fighters							
Cottonwood Fire Fighters							
Cottonwood Police	6	102,213	1		17,601	7	119,814
D.E.M.A.	3	50,319				3	50,319
Daisy Mountain Fire District							
Department of Public Safety	677	19,116,222	88	6	1,762,213	771	20,878,435
Doney Park Rural Fire District							

(continued on page B-9)

Retired Members and Survivors - By Employer

Employer	Retired Members		Survivors			All Recipients	
	No.	Annual Pensions	No.		Annual Pensions	No.	Annual Pensions
			Spouse	Child w/ Guardian			
Douglas Fire Fighters	15	\$ 330,418	1		\$ 20,658	16	\$351,076
Douglas Police	12	216,378				12	216,378
Drexel Heights Fire Fighters	1	16,433				1	16,433
Eagar Police	1	18,325				1	18,325
El Mirage Fire Fighters							
El Mirage Police							
Eloy Police	1	20,613				1	20,613
Flagstaff Fire Fighters	34	813,167	3		79,055	37	892,222
Flagstaff Police	26	779,984	2		39,210	28	819,194
Florence Fire							
Florence Police							
Fort Mojave Mesa Fire District	3	65,886				3	65,886
Fountain Hills Marshals							
Fredonia Marshals							
Fry Fire Fighters	7	222,395				7	222,395
Game & Fish Department	74	1,951,034	12	1	238,417	87	2,189,451
Gila County Sheriffs	6	132,085	2		31,427	8	163,512
Gila River Fire Fighters							
Gila River Police							
Gilbert Fire Fighters	1	18,795				1	18,795
Gilbert Police	7	216,635	1		20,976	8	237,611
Glendale Fire Fighters	36	1,092,708	3		48,630	39	1,141,338
Glendale Police	68	2,255,164	4	1	92,600	73	2,347,764
Globe Fire Fighters	8	184,667	1		17,296	9	201,963
Globe Police	5	111,153	1		17,988	6	129,141
Golden Valley Fire District							
Golder Ranch Fire District	1	21,102	1		13,393	2	34,495
Goodyear Fire Fighters							
Goodyear Police			2	2	37,093	4	37,093
Graham County Sheriffs	2	36,348				2	36,348
Greenlee County Attorney Investigators							
Greenlee County Sheriffs	1	8,398				1	8,398
Guadalupe Fire Fighters							
Guadalupe Police							
Hayden Police							
Holbrook Police	4	91,528	1		16,277	5	107,805
Hualapai Valley Fire Fighters							
Kearny Police	1	22,049				1	22,049
Kingman Fire Fighters	6	140,594	3		42,319	9	182,913

(continued on page B-10)

Retired Members and Survivors - By Employer

Employer	Retired Members		Survivors			All Recipients	
	No.	Annual Pensions	No. Spouse	Child w/ Guardian	Annual Pensions	No.	Annual Pensions
Kingman Police	14	\$ 400,039			\$	14	\$400,039
La Paz County Attorney Investigators							
La Paz County Sheriffs	5	113,735	2		23,248	7	136,983
Lake Havasu City Fire Fighters	10	319,995	1		20,385	11	340,380
Lake Havasu City Police	8	259,214	1		19,748	9	278,962
Lakeside Fire Fighters							
Laveen Fire District							
Mammoth Police				1	19,102	1	19,102
Marana Police	3	43,474	1		15,070	4	58,544
Maricopa County Attorney Investigators	4	113,491				4	113,491
Maricopa County Sheriffs	211	5,995,806	56	1	1,064,712	268	7,060,518
Mayer Fire District			1		14,246	1	14,246
Mesa Fire Fighters	78	2,680,803	12		256,431	90	2,937,234
Mesa Police	157	5,264,351	7		161,682	164	5,426,033
Miami Fire Fighters	1	23,761	1		19,226	2	42,987
Miami Police							
Mohave Sheriffs	13	292,575	6		82,542	19	375,117
Mohave Valley Fire Fighters							
NAU Police	9	231,720				9	231,720
Navajo County Attorney Investigators						0	
Navajo County Sheriffs	12	269,928	4		64,327	16	334,255
Nogales Fire Fighters	11	230,418	2		39,150	13	269,568
Nogales Police	8	150,274	1		18,927	9	169,201
Northwest Fire District	3	100,743				3	100,743
Oro Valley Police			2	1	32,761	3	32,761
Page Fire Fighters	1	18,181	1		20,202	2	38,383
Page Police	1	24,176				1	24,176
Paradise Valley Police	9	230,567	1		20,499	10	251,066
Parker Police	1	21,105				1	21,105
Patagonia Marshals							
Payson Fire Fighters	1	30,330				1	30,330
Payson Police	4	75,023	1		31,495	5	106,518
Peoria Fire Fighters			2	1	48,838	3	48,838
Peoria Police	11	329,175	2		33,923	13	363,098
Phoenix Fire Fighters	463	15,396,336	112	5	2,263,758	580	17,660,094
Phoenix Police	994	32,646,733	148	3	2,836,073	1,145	35,482,806
Picture Rocks Fire Fighters							
Pima Community College Police							
Pima County Attorney Investigators							

(continued on page B-11)

Retired Members and Survivors - By Employer

Employer	Retired Members		Survivors			All Recipients	
	No.	Annual Pensions	No. Spouse	Child w/ Guardian	Annual Pensions	No.	Annual Pensions
Pima Police		\$			\$		\$
Pima Sheriffs	204	5,249,886	28	1	495,615	233	5,745,501
Pinal County Sheriffs	28	625,032	9	1	136,716	38	761,748
Pine/Strawberry Fire Fighters							
Pinetop Fire Fighters							
Pinetop Lakeside Police	5	114,612				5	114,612
Prescott Fire Fighters	27	672,291	2		31,475	29	703,766
Prescott Police	26	651,973	4		60,374	30	712,347
Prescott Valley Police	3	83,355				3	83,355
Quartzsite Marshalls							
Safford Police	5	119,311	1		16,277	6	135,588
Sahuarita Police							
Salt River Pima-Maricopa Fire Fighters							
Salt River Pima-Maricopa Police	1	26,885				1	26,885
San Luis Fire Fighters							
San Luis Police			1		12,407	1	12,407
Santa Cruz Sheriffs	7	149,856	2		37,104	9	186,960
Scottsdale Police	69	2,209,303	5		69,601	74	2,278,904
Sedona Fire District	2	57,749				2	57,749
Sedona Police							
Show Low Fire Fighters							
Show Low Police	2	37,854				2	37,854
Sierra Vista Fire Fighters	4	111,160				4	111,160
Sierra Vista Police	12	387,060				12	387,060
Snowflake Police	2	46,149				2	46,149
Somerton Fire Fighters							
Somerton Police							
South Tucson Fire Fighters	4	70,078	1		16,277	5	86,355
South Tucson Police	9	179,937	2		30,193	11	210,130
Springerville Police							
St. John's Police							
Sun City Fire Fighters	1	24,990				1	24,990
Sun City West Fire Fighters							
Sun Lakes Fire District	1	20,751				1	20,751
Superior Police	1	18,082				1	18,082
Surprise Fire Fighters	0	0					
Surprise Police	2	29,177				2	29,177
Tempe Fire Fighters	61	1,939,983	6		107,962	67	2,047,945
Tempe Police	75	2,376,044	8		155,994	83	2,532,038

(concluded on page B-12)

Retired Members and Survivors - By Employer

Employer	Retired Members		Survivors			All Recipients	
	No.	Annual Pensions	No. Spouse	Child w/ Guardian	Annual Pensions	No.	Annual Pensions
Thatcher Police	2	\$ 23,772			\$	2	\$ 23,772
Three Points Fire Fighters							
Tolleson Fire Fighters							
Tolleson Police	3	73,920				3	73,920
Tombstone Police							
Tubac Fire Fighters							
Tucson Airport Authority Fire Fighters	5	142,168				5	142,168
Tucson Airport Authority Police	9	264,462				9	264,462
Tucson Estates Fire Fighters							
Tucson Fire Fighters	297	8,859,931	36		683,843	333	9,543,774
Tucson Police	410	11,224,817	48	3	878,350	461	12,103,167
U of A Police	11	229,853	7	1	123,364	19	353,217
Verde Rural Fire District							
Wellton Marshals							
Wickenburg Police	2	66,895				2	66,895
Willcox Police	1	17,397	2		36,789	3	54,186
Williams Marshals							
Winslow Fire Fighters	1	20,966	1		17,423	2	38,389
Winslow Police	6	122,662	2		27,353	8	150,015
Yavapai County Attorney Investigators							
Yavapai County Sheriffs	23	487,199	4		48,552	27	535,751
Youngtown Police	1	21,830	1		14,533	2	36,363
Yuma Fire Fighters	53	1,589,825	6		105,479	59	1,695,304
Yuma Police	42	1,106,945	9	1	201,364	52	1,308,309
Yuma Sheriffs	26	572,581	9		140,284	35	712,865
Totals	4,701	\$138,695,872	710	31	\$13,531,500	5,442	\$152,227,372

Retired Members and Survivors Historical Comparison Schedule

Valuation Date	Retired Members	Survivors	Totals	Annual Pensions	Actuarial Present Value of Pensions		Average Pension
					Total	Average	
6-30-77	630	264	894	\$ 4,420,061	\$ 54,318,828	\$ 60,759	\$ 4,944
6-30-80	947	251	1,198	8,921,649	97,745,828	81,591	7,447
6-30-81	1,075	264	1,339	11,145,990	112,206,576	83,799	8,324
6-30-82	1,212	266	1,478	12,938,656	131,237,268	88,793	8,754
6-30-83	1,329	285	1,614	14,805,839	150,041,568	92,963	9,173
6-30-84	1,489	300	1,789	18,532,774	180,803,556	101,064	10,359
6-30-85	1,613	314	1,927	21,986,179	214,202,673	111,159	11,410
6-30-86	1,761	335	2,096	25,526,417	248,133,744	118,384	12,179
6-30-87	1,870	350	2,220	28,531,465	276,817,044	124,692	12,852
6-30-88	1,973	371	2,344	31,608,067	306,597,600	130,801	13,485
6-30-89	2,119	410	2,529	36,286,530	360,069,033	142,376	14,348
6-30-90	2,325	446	2,771	43,514,479	419,548,188	151,407	15,704
6-30-91	2,483	486	2,969	49,103,054	471,289,068	158,737	16,539
6-30-92	2,677	507	3,184	56,057,423	553,619,474	173,875	17,606
6-30-93	3,114	520	3,634	69,708,708	688,359,780	189,422	19,182
6-30-94	3,192	553	3,745	77,548,220	763,016,844	203,743	20,707
6-30-95	3,385	574	3,959	85,544,676	831,141,888	209,937	21,608
6-30-96	3,609	566	4,210	94,897,897	919,714,550	218,460	22,541
6-30-97	3,813	627	4,440	104,374,026	1,008,310,914	227,097	23,508
6-30-98	4,041	659	4,700	115,542,977	1,103,897,830	234,872	24,584
6-30-99	4,349	701	5,050	132,364,761	1,287,068,837	254,865	26,211
6-30-00	4,701	741	5,442	152,227,372	1,478,844,686	271,747	27,973

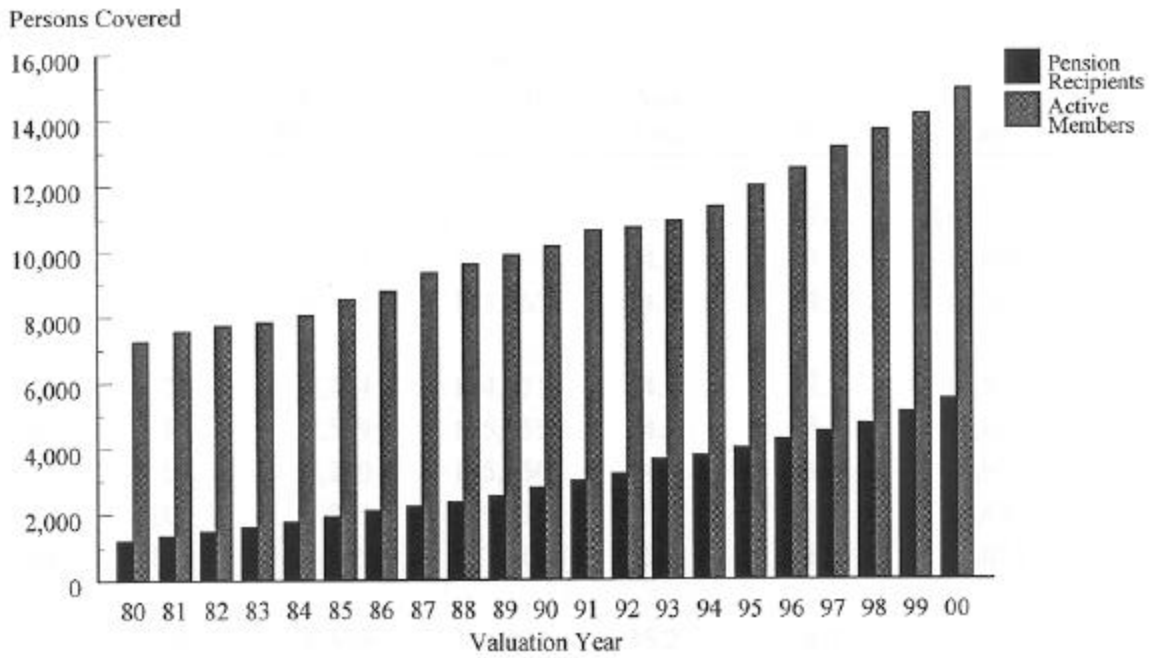
Sixty-one inactive vested members with entitlement to a deferred pensions were also included in the June 30, 2000 valuation.

Retired Members and Survivors Comparative Schedule (continued)

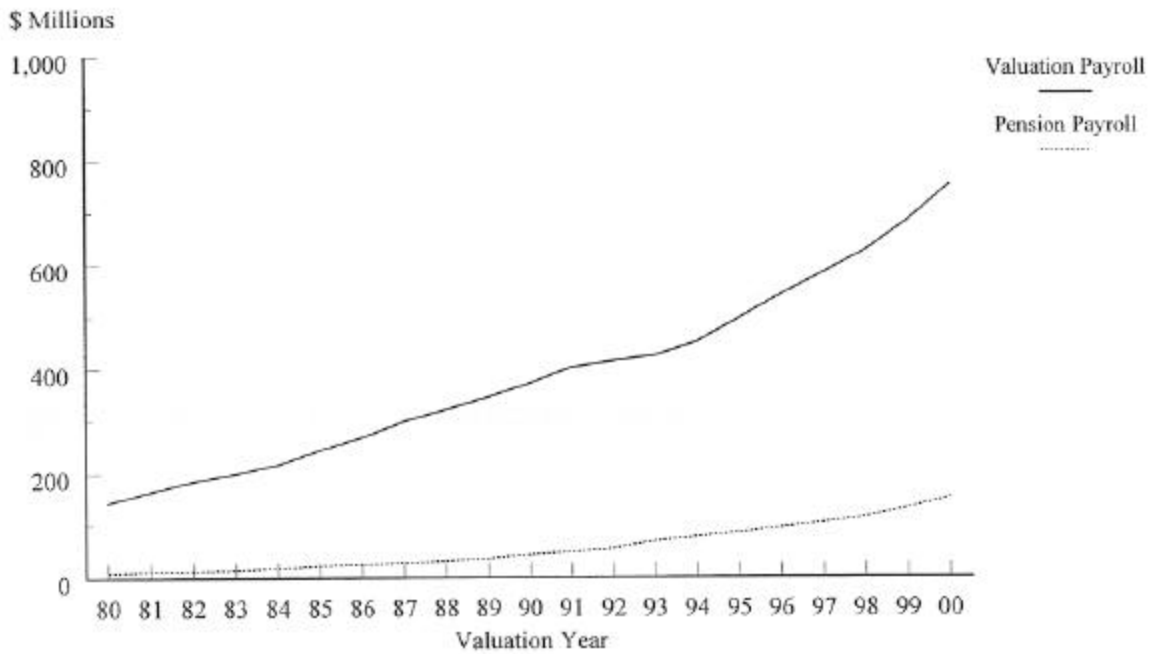
The number of retired members and the amount of annual pensions have increased at compounded annual rates of 6.6% and 12.2%, respectively, over the last 5 years.

Valuation Date	Percent Increase in		Ratio of Active Members to Pension Recipients	Pension Payroll as Percent of Member Payroll
	Pension Recipients	Annual Pensions		
6-30-78	5.7%	25.5%	6.9 to 1	5.1%
6-30-80	14.3	32.3	6.1 to 1	6.2
6-30-81	11.8	24.9	5.6 to 1	6.8
6-30-82	10.4	16.1	5.2 to 1	7.0
6-30-83	9.2	14.4	4.9 to 1	7.4
6-30-84	10.8	25.2	4.5 to 1	8.5
6-30-85	7.7	18.6	4.4 to 1	9.0
6-30-86	8.8	16.1	4.2 to 1	9.5
6-30-87	6.2	11.8	4.2 to 1	9.5
6-30-88	5.6	10.8	4.1 to 1	9.8
6-30-89	7.9	14.8	3.9 to 1	10.5
6-30-90	9.6	19.9	3.7 to 1	11.7
6-30-91	7.1	12.8	3.6 to 1	12.2
6-30-92	7.2	14.2	3.4 to 1	13.5
6-30-93	14.1	24.4	3.0 to 1	16.4
6-30-94	3.1	11.2	3.0 to 1	17.2
6-30-95	5.7	10.3	3.0 to 1	17.2
6-30-96	6.3	10.9	3.0 to 1	17.5
6-30-97	5.5	10.0	3.0 to 1	18.0
6-30-98	5.9	10.7	2.9 to 1	18.5
6-30-99	7.4	14.6	2.8 to 1	19.4
6-30-00	7.8	15.0	2.7 to 1	20.3

Active Members & Pension Recipients



Pension Payroll & Member Payroll



Active Members Included in Valuation Comparative Schedule

Valuation Date	Partic. Units	Active Members	Valuation	Average			% Increase in Avg. Pay
			Payroll (+000)	Age (Yrs.)	Service (Yrs.)	Pay	
6-30-77	54	6,405	\$ 97,177	33.9	7.6	\$15,172	- %
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	4.4
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	144	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	161	13,901	579,341	37.6	10.3	44,194	1.9
6-30-98	167	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

Active Members as of June 30, 2000

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				10	3	3	4	20	1,171,752
61			4	1	6		4	15	875,103
62	1		3	5	4			13	649,519
63			1	3	4	2	1	11	687,688
64			1		2	1	1	5	307,445
65							1	1	81,415
67	1			1			3	5	297,368
68				1				1	46,103
71							1	1	69,441
Totals	5,102	3,151	2,611	1,958	1,338	602	124	14,886	\$751,279,788

While not used in the financial computations, the following group averages are computed and shown because of their general interest.

Group Averages:

Age: 37.7 years.
 Service: 10.0 years.
 Annual Pay: \$50,469.

Active Members -- By Employer

Employer	No.	Annual Compensation	Average Compensation		Average	
			Amount	% Change	Age (Yrs.)	Service (Yrs.)
Apache County Sheriffs	31	\$ 1,045,000	\$33,710	(3.4)%	36.4	5.3
Apache Junction Fire District	55	2,570,732	46,741	4.7	34.4	7.1
Apache Junction Police	50	2,243,407	44,868	4.5	40.2	10.8
Arizona Attorney General Investigators	32	1,655,831	51,745	3.1	48.9	14.9
Arizona Department of Liquor Licenses	22	888,749	40,398	6.0	40.2	9.1
Arizona State Capitol Police	29	958,509	33,052	1.7	34.4	4.7
ASU Police	47	2,027,746	43,144	(3.6)	34.7	6.9
Avondale Fire Fighters	30	1,453,635	48,455	13.9	34.1	5.0
Avondale Police	59	2,566,684	43,503	8.2	34.1	5.7
Avra Valley Fire District	15	416,488	27,766	6.3	31.6	3.6
Benson Police	12	451,158	37,597	13.8	33.7	8.1
Bisbee Fire Fighters	22	782,328	35,560	6.3	36.1	6.7
Bisbee Police	18	683,937	37,997	2.1	36.1	7.5
Buckeye Police	20	712,162	35,608	17.1	38.9	6.8
Buckskin Fire Fighters	8	397,339	49,667	3.4	38.8	9.4
Bullhead City Fire Fighters	66	2,908,685	44,071	6.3	35.8	9.0
Bullhead City Police	74	3,351,974	45,297	2.1	37.3	8.1
Camp Verde Marshals	14	455,321	32,523	9.9	33.7	5.2
Casa Grande Fire Fighters	22	1,071,701	48,714	3.6	39.7	8.4
Casa Grande Police	55	2,479,485	45,082	8.8	36.8	8.6
Central Yavapai Fire Fighters	60	2,641,172	44,020	6.4	38.2	8.7
Chandler Fire Fighters	127	7,037,118	55,410	4.2	37.8	9.7
Chandler Police	244	12,812,399	52,510	6.8	35.2	8.1
Chino Valley Fire District	18	661,283	36,738	15.2	36.8	6.7
Chino Valley Police	14	506,814	36,201	8.6	38.8	6.8
Clarkdale Police	8	259,576	32,447	(1.9)	39.2	8.4
Clifton Fire Fighters	1	31,324	31,324	3.8	53.9	23.2
Clifton Police	5	109,968	21,994	6.0	36.3	5.6
Cochise County Sheriffs	72	2,543,102	35,321	7.8	39.7	9.4
Coconino County Sheriffs	62	2,670,631	43,075	7.4	38.5	10.3
Coolidge Police	26	976,235	37,548	11.2	36.9	6.4
Cornville-Page Springs Fire Fighters	6	174,591	29,099	-	34.4	1.5
Cottonwood Fire Fighters	8	329,150	41,144	1.2	39.6	7.8
Cottonwood Police	23	804,355	34,972	7.6	35.9	6.8

Compensation is not reported to the Retirement System by the participating employers. The amounts shown are derived from member contributions reported to the System.

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Active Members -- By Employer

Employer	No.	Annual Compensation	Average Compensation		Average	
			Amount	% Change	Age (Yrs.)	Service (Yrs.)
D.E.M.A.	31	\$ 1,126,356	\$36,334	9.0%	37.9	10.4
Daisy Mountain Fire District	26	1,063,328	40,897	22.1	32.9	3.9
Department of Public Safety	1,031	53,419,049	51,813	2.1	40.0	13.0
Doney Park Rural Fire District	12	434,687	36,224	18.3	34.6	6.5
Douglas Fire Fighters	24	922,029	38,418	4.7	39.3	11.4
Douglas Police	36	1,293,937	35,943	2.8	35.1	8.5
Drexel Heights Fire Fighters	47	1,544,795	32,868	0.4	37.3	8.9
Eagar Police	8	238,423	29,803	(2.1)	35.5	6.0
El Mirage Fire Fighters	9	291,990	32,443	16.6	31.8	3.8
El Mirage Police	30	946,553	31,552	6.6	34.8	2.9
Eloy Police	27	1,043,456	38,647	7.0	34.9	4.9
Flagstaff Fire Fighters	80	3,982,782	49,785	7.6	42.3	14.5
Flagstaff Police	91	3,983,197	43,771	7.1	34.4	9.3
Florence Fire Fighters	5	169,155	33,831	(1.6)	34.0	3.4
Florence Police	11	435,225	39,566	12.4	39.2	7.0
Fort Mojave Mesa Fire District	30	1,324,737	44,158	10.9	37.2	7.7
Fountain Hills Marshals	15	556,445	37,096	8.0	37.6	3.3
Fredonia Marshals	0	0	0	0.0	0.0	0.0
Fry Fire Fighters	25	1,107,139	44,286	1.7	35.2	8.5
Game & Fish Department	152	5,849,636	38,484	4.5	41.8	13.8
Gila County Sheriffs	43	1,341,317	31,193	3.5	42.1	8.6
Gila River Fire Fighters	61	2,264,856	37,129	-	32.3	3.0
Gila River Police	52	1,973,204	37,946	-	33.7	2.0
Gilbert Fire Fighters	60	2,868,560	47,809	13.3	33.4	4.8
Gilbert Police	125	6,097,439	48,780	5.2	33.3	6.3
Glendale Fire Fighters	152	8,832,145	58,106	10.5	39.4	12.2
Glendale Police	284	14,933,290	52,582	5.3	37.1	9.7
Globe Fire Fighters	18	519,422	28,857	8.8	37.6	6.4
Globe Police	27	855,282	31,677	4.6	35.9	7.9
Golden Valley Fire District	15	502,372	33,491	3.4	37.9	7.1
Golder Ranch Fire District	47	1,672,511	35,585	8.0	33.8	6.3
Goodyear Fire Fighters	25	1,307,525	52,301	6.0	33.1	3.7
Goodyear Police	37	1,702,002	46,000	9.0	37.0	7.6
Graham County Sheriffs	17	533,797	31,400	(1.4)	38.4	7.5

Compensation is not reported to the Retirement System by the participating employers. The amounts shown are derived from member contributions reported to the System.

(continued on page B-20)

Active Members -- By Employer

Employer	No.	Annual Compensation	Average Compensation		Average	
			Amount	% Change	Age (Yrs.)	Service (Yrs.)
Greenlee County Attorney Investigators	1	\$ 30,575	\$30,575	(1.7)%	31.9	3.4
Greenlee County Sheriffs	14	504,932	36,067	0.6	38.4	12.1
Guadalupe Fire Fighters	7	305,802	43,686	20.8	30.9	3.0
Guadalupe Police	0	0	0	0.0	0.0	0.0
Hayden Police	5	185,609	37,122	35.3	37.5	4.2
Holbrook Police	18	623,982	34,666	5.9	34.3	7.0
Hualapai Valley Fire Fighters	21	756,640	36,030	0.1	32.0	3.9
Kearny Police	4	149,524	37,381	37.9	43.3	5.1
Kingman Fire Fighters	33	1,439,073	43,608	2.8	39.6	11.7
Kingman Police	39	1,534,817	39,354	(0.3)	34.9	7.2
La Paz County Attorney Investigators	1	39,265	39,265	4.0	47.8	10.6
La Paz County Sheriffs	33	1,219,364	36,950	4.9	40.9	9.2
Lake Havasu City Fire Fighters	53	2,631,493	49,651	5.6	41.0	15.4
Lake Havasu City Police	65	3,045,091	46,848	2.5	38.5	9.2
Lakeside Fire Fighters	6	188,780	31,463	-	33.6	3.0
Laveen Fire District	9	356,444	39,605	4.5	34.0	4.3
Mammoth Police	5	150,953	30,191	11.6	34.8	6.8
Marana Police	51	2,014,412	39,498	9.1	37.1	7.3
Maricopa County Attorney Investigators	17	814,382	47,905	3.5	50.5	16.5
Maricopa County Sheriffs	586	27,298,124	46,584	2.6	37.4	9.0
Mayer Fire District	8	336,275	42,034	25.9	35.7	1.9
Mesa Fire Fighters	329	20,882,521	63,473	3.2	38.9	11.9
Mesa Police	718	41,356,041	57,599	9.4	34.7	7.9
Miami Fire Fighters	0	0	0	0.0	0.0	0.0
Miami Police	8	254,707	31,838	3.5	35.2	8.7
Mohave Sheriffs	86	3,639,536	42,320	12.6	38.4	8.1
Mohave Valley Fire Fighters	16	507,630	31,727	(0.2)	38.2	6.8
NAU Police	20	778,107	38,905	4.6	34.0	7.5
Navajo County Attorney Investigators	1	39,502	39,502	5.1	36.0	15.8
Navajo County Sheriffs	50	1,827,660	36,553	7.4	40.2	7.5
Nogales Fire Fighters	41	1,356,525	33,086	4.5	33.8	7.1
Nogales Police	60	2,209,313	36,822	2.5	34.1	7.4
Northwest Fire District	96	3,936,327	41,003	(2.3)	34.6	7.2
Oro Valley Police	57	2,493,062	43,738	6.1	35.9	7.5

Compensation is not reported to the Retirement System by the participating employers. The amounts shown are derived from member contributions reported to the System.

(continued on page B-21)

Active Members -- By Employer

Employer	No.	Annual Compensation	Average Compensation		Average	
			Amount	% Change	Age (Yrs.)	Service (Yrs.)
Page Fire Fighters	5	\$ 214,419	\$42,884	10.2%	43.0	2.9
Page Police	23	979,268	42,577	13.7	35.4	7.4
Paradise Valley Police	33	1,880,223	56,976	5.3	44.4	11.3
Parker Police	12	476,034	39,670	7.9	33.9	6.8
Patagonia Marshals	5	147,035	29,407	7.9	28.3	0.9
Payson Fire Fighters	18	783,669	43,537	(3.9)	43.1	8.2
Payson Police	25	1,150,458	46,018	(1.7)	41.2	10.5
Peoria Fire Fighters	88	4,348,293	49,412	1.9	36.6	9.4
Peoria Police	102	4,868,526	47,731	2.1	36.0	8.4
Phoenix Fire Fighters	1,267	80,638,891	63,646	2.7	40.7	14.3
Phoenix Police	2,636	148,948,369	56,505	4.2	37.3	10.9
Picture Rocks Fire Fighters	14	400,091	28,578	(1.0)	38.9	6.2
Pima Community College Police	28	1,219,199	43,543	12.7	42.0	9.2
Pima County Attorney Investigators	6	282,659	47,110	7.5	49.7	15.2
Pima County Sheriffs	433	18,278,489	42,214	2.6	37.6	8.4
Pima Police	2	42,677	21,339	(5.2)	35.0	1.2
Pinal County Sheriffs	125	4,587,131	36,697	7.3	38.3	7.7
Pine-Strawberry Fire Fighters	10	403,939	40,394	2.5	44.6	10.3
Pinetop Fire Fighters	13	398,228	30,633	-	36.9	3.8
Pinetop Lakeside Police	12	391,178	32,598	7.5	35.9	6.1
Prescott Fire Fighters	52	2,401,863	46,190	5.4	39.3	12.0
Prescott Police	58	2,520,629	43,459	3.1	36.2	9.8
Prescott Valley Police	35	1,231,709	35,192	6.4	32.2	4.9
Quartzsite Marshalls	7	247,521	35,360	10.5	33.9	3.5
Safford Police	19	727,721	38,301	10.4	39.5	10.6
Sahuarita Police	6	190,686	31,781	2.4	33.4	2.7
Salt River Pima-Maricopa Fire Fighters	44	2,205,267	50,120	-	32.4	4.7
Salt River Pima-Maricopa Police	41	2,073,597	50,576	-	35.6	4.2
San Luis Fire Fighters	16	454,805	28,425	10.5	33.2	4.6
San Luis Police	27	990,188	36,674	6.6	30.8	4.5
Santa Cruz Sheriffs	36	1,287,573	35,766	6.4	34.2	6.9
Scottsdale Police	320	18,547,256	57,960	3.1	36.4	9.2
Sedona Fire District	32	1,521,368	47,543	16.5	37.1	7.2
Sedona Police	18	743,108	41,284	8.4	36.7	7.5

Compensation is not reported to the Retirement System by the participating employers. The amounts shown are derived from member contributions reported to the System.

(concluded on page B-22)

Active Members -- By Employer

Employer	No.	Annual Compensation	Average Compensation		Average	
			Amount	% Change	Age (Yrs.)	Service (Yrs.)
Show Low Fire Fighters	5	\$ 144,391	\$28,878	- %	34.3	1.4
Show Low Police	24	836,107	34,838	5.8	33.3	6.3
Sierra Vista Fire Fighters	32	1,650,583	51,581	6.6	38.7	12.7
Sierra Vista Police	48	2,247,489	46,823	(0.4)	38.2	9.8
Snowflake Police	12	351,237	29,270	3.5	36.8	7.1
Somerton Fire Fighters	10	300,041	30,004	(1.4)	31.2	6.0
Somerton Police	17	610,353	35,903	12.1	35.1	6.3
South Tucson Fire Fighters	11	415,271	37,752	10.1	32.7	6.0
South Tucson Police	25	819,162	32,766	4.8	36.2	4.3
Springerville Police	7	208,878	29,840	4.3	37.7	5.9
St. John's Police	8	222,584	27,823	7.1	32.7	3.1
Sun City Fire Fighters	62	3,468,654	55,946	6.4	36.8	9.8
Sun City West Fire Fighters	65	3,104,024	47,754	9.1	33.9	3.8
Sun Lakes Fire District	24	1,201,365	50,057	10.4	37.8	6.3
Superior Police	6	175,256	29,209	(7.3)	42.4	3.4
Surprise Fire Fighters	29	1,215,856	41,926	5.9	32.8	4.5
Surprise Police	42	1,719,106	40,931	3.3	35.9	6.8
Tempe Fire Fighters	139	8,597,893	61,855	6.4	38.3	12.3
Tempe Police	320	17,446,020	54,519	5.4	35.5	9.1
Thatcher Police	10	387,136	38,714	8.4	38.1	12.3
Three Points Fire Fighters	6	154,248	25,708	-	39.8	2.5
Tolleson Fire Fighters	20	905,755	45,288	4.3	38.2	6.5
Tolleson Police	18	734,377	40,799	9.1	36.2	6.4
Tombstone Police	6	182,505	30,418	8.3	42.2	1.5
Tubac Fire Fighters	13	402,017	30,924	10.3	36.2	6.0
Tucson Airport Authority Fire Fighters	17	873,496	51,382	5.9	40.7	16.0
Tucson Airport Authority Police	22	1,045,873	47,540	1.9	37.0	8.6
Tucson Estates Fire Fighters	6	173,448	28,908	13.1	34.3	2.3
Tucson Fire Fighters	490	24,974,815	50,969	5.9	40.4	13.5
Tucson Police	846	41,527,028	49,086	8.2	39.0	11.2
U of A Police	45	1,859,143	41,314	1.5	34.9	7.6
Verde Rural Fire District	12	483,397	40,283	3.5	40.5	7.3
Wellton Marshals	3	91,092	30,364	5.3	34.5	7.1
Wickenburg Police	10	390,156	39,016	17.7	37.3	7.9

Compensation is not reported to the Retirement System by the participating employers. The amounts shown are derived from member contributions reported to the System.

(concluded on page B-23)

Active Members -- By Employer

Employer	No.	Annual Compensation	Average Compensation		Average	
			Amount	% Change	Age (Yrs.)	Service (Yrs.)
Willcox Police	11	\$ 388,082	35,280	13.3%	34.8	6.7
Williams Police	10	326,320	32,632	12.1	35.4	7.8
Winslow Fire Fighters	6	239,055	39,843	3.5	41.6	12.7
Winslow Police	25	853,554	34,142	5.9	31.4	4.7
Yavapai County Attorney Investigators	2	85,415	42,708	-	49.1	15.1
Yavapai County Sheriffs	105	3,930,149	37,430	0.6	37.5	7.2
Youngtown Police	7	217,580	31,083	(4.2)	30.4	2.0
Yuma County Sheriffs	62	2,257,733	36,415	5.5	37.4	6.3
Yuma Fire Fighters	89	4,056,042	45,574	3.1	36.3	9.0
Yuma Police	125	5,703,337	45,627	2.8	36.9	9.2
Total	14,886	\$751,279,788	\$50,469	4.52%	37.7	10.0

Compensation is not reported to the Retirement System by the participating employers. The amounts shown are derived from member contributions reported to the System.

Section C



Summary of Valuation Methods and Assumptions

Summary of Valuation Methods

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 actuarial cost method).

Actuarial accrued liability was computed and financed as follows:

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

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 were revised for the June 30, 1989 valuations. This assumption is used to discount the value of future payments.

Summary of Valuation Assumptions

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

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 Men	Women	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
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	46.27	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

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

The rates of separation for active membership were as follows:

These rates adopted by the Fund Manager, 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 Officers		Firefighters	
		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

The listing on page C-6 indicates the separation assumptions utilized for each participating unit.

Summary of Valuation Assumptions

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

Low Separation

ASU Campus Police	Mesa Fire Fighters	Scottsdale Police
Dept. of Public Safety	Mesa Police	Tempe Fire Fighters
Douglas Fire Fighters	Phoenix Fire Fighters	Tucson Fire Fighters
Flagstaff Fire Fighters	Phoenix Police	Tucson Police
Game & Fish Department	Pima Police	Winslow Fire Fighters
Glendale Fire Fighters	Pima Sheriffs	Yuma Fire Fighters
Maricopa Sheriffs	Pinal County Sheriffs	Yuma Police
		Yuma Sheriffs

High Separation

Apache County Sheriffs	Cochise Sheriffs	Globe Fire Fighters
Apache Junction Fire Fighters	Coconino County Sheriffs	Globe Police
Apache Junction Police	Coolidge Police	Golden Valley Fire Dist.
Arizona Dept. of Liquor Licenses	Cornville-Page Springs Fire Fighters	Golder Ranch Fire Fighters
Arizona State Attorney General Investigators	Cottonwood Fire Fighters	Goodyear Fire Fighters
Arizona State Capitol Police	Cottonwood Police	Goodyear Police
Avondale Fire Fighters	Daisy Mountain Fire Dist.	Graham County Sheriffs
Avondale Police	Dept. of Emergency & Military Affairs	Greenlee County Attorney Investigators
Avra Valley Fire District	Doney Park Rural Fire District	Greenlee County Sheriffs
Benson Police	Douglas Police	Guadalupe Fire Fighters
Bisbee Fire Fighters	Drexel Heights Fire Fighters	Guadalupe Police
Bisbee Police	Eagar Police	Hayden Police
Bowie Fire Fighters	El Mirage Fire Fighters	Holbrook Police
Buckeye Police	El Mirage Police	Hualapai Valley Fire Fighters
Buckskin Fire Fighters	Eloy Police	Kearny Police
Bullhead City Fire Fighters	Flagstaff Police	Kingman Fire Fighters
Bullhead City Police	Florence Fire Fighters	Kingman Police
Camp Verde Marshals	Florence Police	Lake Havasu City Fire Fighters
Casa Grande Fire Fighters	Fort Mojave Mesa Fire Fighters	Lake Havasu City Police
Casa Grande Police	Fountain Hills Marshals	Lakeside Fire Fighters
Central Yavapai Fire Fighters	Fredonia Marshals	La Paz County Attorney Investigators
Chandler Fire Fighters	Fry Fire Fighters	La Paz County Sheriffs
Chandler Police	Gila County Sheriffs	Laveen Fire Fighters
Chino Valley Fire Fighters	Gila River Fire Fighters	Mammoth Police
Chino Valley Police	Gila River Police	Marana Marshals
Clarkdale Police	Gilbert Fire Fighters	Maricopa County Attorney Investigators
Clifton Fire Fighters	Gilbert Police	Mayer Fire District
Clifton Police	Glendale Police	

Summary of Valuation Assumptions

High Separation (continued)

Miami Fire Fighters	Pine-Top Lakeside Police	Sun Lakes Fire District
Miami Police	Prescott Fire Fighters	Superior Police
Mohave Sheriffs	Prescott Police	Surprise Fire Fighters
Mohave Valley Fire Fighters	Prescott Valley Police	Surprise Police
NAU Police	Quartzsite Marshals	Tempe Police
Navajo County Attorney	Safford Police	Thatcher Police
Investigators	Sahuarita Police	Three Points Fire Fighters
Navajo County Sheriffs	Salt River Pima-Maricopa Fire	Tolleson Fire Fighters
Nogales Fire Fighters	Fighters	Tolleson Police
Nogales Police	Salt River Pima-Maricopa Police	Tombstone Marshals
Northwest Fire District	San Luis Fire Fighters	Tubac Fire Fighters
Oro Valley Police	Santa Cruz Sheriffs	Tucson Airport Auth. Fire
Page Fire Fighters	Sedona Fire District	Fighters
Page Police	Sedona Police	Tucson Airport Auth. Police
Paradise Valley Police	Show Low Fire Fighters	Tucson Estates Fire Fighters
Parker Police	Show Low Police	U of A Police
Payson Fire Fighters	Sierra Vista Fire Fighters	Verde Rural Fire District
Payson Police	Sierra Vista Police	Wellton Marshals
Peoria Fire Fighters	Snowflake Police	Wickenburg Police
Peoria Police	Somerton Fire Fighters	Willcox Police
Picture Rocks Fire Fighters	Somerton Police	Williams Marshals
Pima Comm. College Police	South Tucson Fire Fighters	Winslow Police
Pima County Attorney	South Tucson Police	Yavapai County Attorney
Investigators	Springerville Police	Investigators
Pima Police	St. Johns Police	Yavapai County Sheriffs
Pine/Strawberry Fire Fighters	Sun City Fire Fighters	Youngtown Police
Pinetop Fire Fighters	Sun City West Fire Fighters	

Section D



**Disclosures Required by
Statement No. 25 and No. 27
of The Governmental Accounting
Standards Board**

Actuarial Accrued Liability

The actuarial accrued liability is a measure intended to help users assess (i) a pension fund's funded status on a going concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. Allocation of the actuarial present value of projected benefits between past and future service was based on service using the individual entry-age actuarial cost method. Assumptions, including projected pay increases, were the same as used to determine the System's level percent of payroll annual required contribution between entry-age and assumed exit age. Entry-age was established by subtracting credited service from current age on the valuation date.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board.

The entry age actuarial accrued liability was determined as part of an actuarial valuation of the plan as of June 30, 2000. Significant actuarial assumptions used in determining the pension benefit obligation 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 inflation and other across-the-board increases (c) additional projected salary increases ranging from 0.0% to 0.3% per year, depending on age, attributable to seniority/merit.

Actuarial Accrued Liability:

Active members	\$1,887,057,965
Retired members and beneficiaries currently receiving benefits	1,524,355,159
Vested terminated members not yet receiving benefits	<u>3,744,027</u>
Total Actuarial Accrued Liability	3,415,157,151
Actuarial Value of Assets (market value was \$5,378,550,787)	<u>4,260,167,698</u>
Unfunded Actuarial Accrued Liability	<u><u>\$ (845,010,547)</u></u>

Required Supplementary Information
Schedule of Employer Contributions

Fiscal Year Ended June 30	Annual Required Contribution*	Percent Contributed
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	36,087,555	100.0
2001	35,385,278**	-

* Includes insurance premium tax, where applicable.

** Actual required contribution dollar amount will be based on the required contribution rate and the actual pensionable payroll for the period.

Schedule of Funding Progress

Valuation Date June 30	(1) Actuarial Value of Assets	(2) Entry Age Actuarial Accrued Liability (AAL)	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percentage of Covered Payroll (4)/(5)
1996	\$2,487,953,282	\$2,328,275,840	106.9%	\$(159,677,442)	\$541,231,192	- %
1997	2,915,172,697	2,533,435,124	115.1	(381,737,573)	579,341,301	-
1998	3,192,626,934	2,743,998,240	116.3	(448,628,694)	625,221,566	-
1999	3,709,250,860	3,082,201,971	120.3	(627,048,889)	682,184,396	-
2000	4,260,167,698	3,415,157,151	124.7	(845,010,547)	751,279,788	-

Trend Information

Fiscal Year Ended June 30,	Annual Pension Cost (APC)	Percent Contributed	Net Pension Obligation
1995	\$40,455,946	100.0%	\$0
1996	46,369,942	100.0	0
1997	52,469,969	100.0	0
1998	45,320,932	100.0	0
1999	44,384,344	100.0	0
2000	46,890,892	100.0	0

Notes to Required Supplementary Information Summary of Actuarial Methods and Assumptions

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date:	June 30, 2000
Actuarial cost method:	Entry Age
Amortization method:	Level percent open
Remaining amortization period:	Open 20 years from July 1, 2000
Asset valuation method:	4 year smoothed market
Actuarial assumptions:	
Investment rate of return	9.00%
Projected salary increases*	6.5% - 9.5%
* Includes inflation at	5.5%
Cost-of-living adjustments	none

Membership data as of June 30, 2000 is indicated in Section B of this report.

Information for Governmental Accounting Standards Board Statement No. 25

Employer	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percent of Covered Payroll (4)/(5)
Apache County Sheriffs	\$ 2,952,523	\$ 3,427,926	86.1%	\$ 475,403	\$ 1,045,000	45.5%
Apache Fire District	4,181,848	4,967,621	84.2	785,773	2,570,732	30.6
Apache Junction Police	7,475,348	7,106,362	105.2	(368,986)	2,243,407	-
Arizona Attorney General Investigators	7,168,953	6,544,934	109.5	(624,019)	1,655,831	-
Arizona Department of Liquor Licenses	1,946,290	1,861,062	104.6	(85,228)	888,749	-
Arizona State Capitol Police	1,340,957	1,227,986	109.2	(112,971)	958,509	-
ASU Police	12,339,875	8,772,860	140.7	(3,567,015)	2,027,746	-
Avondale Fire Fighters	2,068,524	2,277,142	90.8	208,618	1,453,635	14.4
Avondale Police	3,418,941	4,377,027	78.1	958,086	2,566,684	37.3
Avra Valley Fire District	571,790	342,583	166.9	(229,207)	416,488	-
Benson Police	1,686,867	1,570,611	107.4	(116,256)	451,158	-
Bisbee Fire Fighters	3,981,272	4,053,632	98.2	72,360	782,328	9.3
Bisbee Police	2,501,850	2,895,397	86.4	393,547	683,937	57.5
Buckeye Police	1,519,082	1,332,004	114.0	(187,078)	712,162	-
Buckskin Fire Fighters	1,781,004	1,604,404	111.0	(176,600)	397,339	-
Bullhead City Fire Fighters	10,025,889	8,095,789	123.8	(1,930,100)	2,908,685	-
Bullhead City Police	9,300,415	9,059,992	102.7	(240,423)	3,351,974	-
Camp Verde Marshals	1,149,099	968,773	118.6	(180,326)	455,321	-
Casa Grande Fire Fighters	6,905,502	6,164,838	112.0	(740,664)	1,071,701	-
Casa Grande Police	11,043,922	10,995,477	100.4	(48,445)	2,479,485	-
Central Yavapai Fire Fighters	8,295,225	7,619,196	108.9	(676,029)	2,641,172	-
Chandler Fire Fighters	24,709,737	21,499,655	114.9	(3,210,082)	7,037,118	-
Chandler Police	33,390,009	33,812,424	98.8	422,415	12,812,399	3.3
Chino Valley Fire District	1,075,967	1,097,841	98.0	21,874	661,283	3.3
Chino Valley Police	1,162,964	935,241	124.3	(227,723)	506,814	-
Clarkdale Police	716,875	711,041	100.8	(5,834)	259,576	-
Clifton Fire Fighters	499,153	262,078	190.5	(237,075)	31,324	-
Clifton Police	382,998	138,652	276.2	(244,346)	109,968	-

(continued on page D-5)

Information for Governmental Accounting Standards Board Statement No. 25

Employer	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percent of Covered Payroll (4)/(5)
Cochise Sheriffs	\$ 12,734,601	\$ 12,547,235	101.5%	\$ (187,366)	\$ 2,543,102	- %
Coconino County Sheriffs	12,437,552	12,484,925	99.6	47,373	2,670,631	1.8
Coolidge Police	2,198,799	2,282,722	96.3	83,923	976,235	8.6
Cornville-Page Springs Fire Fighters	19,737	51,765	38.1	32,028	174,591	18.3
Cottonwood Fire Fighters	721,352	598,076	120.6	(123,276)	329,150	-
Cottonwood Police	2,067,002	2,655,335	77.8	588,333	804,355	73.1
D.E.M.A.	3,989,214	3,412,194	116.9	(577,020)	1,126,356	-
Daisy Mountain Fire District	920,902	882,838	104.3	(38,064)	1,063,328	-
Department of Public Safety	502,056,314	374,427,943	134.1	(127,628,371)	53,419,049	-
Doney Park Rural Fire District	617,421	601,258	102.7	(16,163)	434,687	-
Douglas Fire Fighters	6,023,756	5,565,713	108.2	(458,043)	922,029	-
Douglas Police	6,218,236	5,095,127	122.0	(1,123,109)	1,293,937	-
Drexel Heights Fire Fighters	4,324,137	3,291,045	131.4	(1,033,092)	1,544,795	-
Eagar Police	616,801	550,644	112.0	(66,157)	238,423	-
El Mirage Fire Fighters	302,887	265,536	114.1	(37,351)	291,990	-
El Mirage Police	878,829	727,243	120.8	(151,586)	946,553	-
Eloy Police	1,824,509	1,515,944	120.4	(308,565)	1,043,456	-
Flagstaff Fire Fighters	30,387,399	21,940,616	138.5	(8,446,783)	3,982,782	-
Flagstaff Police	21,580,340	18,497,514	116.7	(3,082,826)	3,983,197	-
Florence Fire	146,498	154,841	94.6	8,343	169,155	4.9
Florence Police	1,409,526	758,014	185.9	(651,512)	435,225	-
Fort Mojave Mesa Fire District	2,888,051	3,035,341	95.1	147,290	1,324,737	11.1
Fountain Hills Marshals	375,860	401,167	93.7	25,307	556,445	4.6
Fredonia Marshals	51,560	0	0.0	(51,560)	0	0.0
Fry Fire Fighters	5,940,906	4,884,844	121.6	(1,056,062)	1,107,139	-
Game & Fish Department	43,931,969	39,488,422	111.3	(4,443,547)	5,849,636	-
Gila County Sheriffs	5,015,760	4,424,431	113.4	(591,329)	1,341,317	-
Gila River Fire Fighters	578,125	1,303,252	44.4	725,127	2,264,856	32.0

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Information for Governmental Accounting Standards Board Statement No. 25

Employer	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percent of Covered Payroll (4)/(5)
Gila River Police	\$ 335,180	\$ 755,515	44.4%	\$ 420,335	\$ 1,973,204	21.3%
Gilbert Fire Fighters	3,534,850	3,148,347	112.3	(386,503)	2,868,560	-
Gilbert Police	10,818,375	11,601,621	93.2	783,246	6,097,439	12.9
Glendale Fire Fighters	49,286,244	36,357,639	135.6	(12,928,605)	8,832,145	-
Glendale Police	61,085,521	61,049,250	100.1	(36,271)	14,933,290	-
Globe Fire Fighters	3,242,773	2,648,205	122.5	(594,568)	519,422	-
Globe Police	2,614,548	2,976,816	87.8	362,268	855,282	42.4
Golden Valley Fire District	1,138,379	818,311	139.1	(320,068)	502,372	-
Golder Ranch Fire District	2,681,883	2,658,074	100.9	(23,809)	1,672,511	-
Goodyear Fire Fighters	1,171,075	1,142,484	102.5	(28,591)	1,307,525	-
Goodyear Police	2,953,041	3,481,718	84.8	528,677	1,702,002	31.1
Graham County Sheriffs	1,106,151	1,243,942	88.9	137,791	533,797	25.8
Greenlee County Attorney Investigators	32,670	23,599	138.4	(9,071)	30,575	-
Greenlee County Sheriffs	1,860,813	1,538,138	121.0	(322,675)	504,932	-
Guadalupe Fire Fighters	166,820	196,877	84.7	30,057	305,802	9.8
Guadalupe Police	279,947	0	0.0	(279,947)	0	0.0
Hayden Police	76,901	156,519	49.1	79,618	185,609	42.9
Holbrook Police	2,560,525	2,343,851	109.2	(216,674)	623,982	-
Hualapai Valley Fire Fighters	916,428	689,509	132.9	(226,919)	756,640	-
Kearny Police	293,390	391,161	75.0	97,771	149,524	65.4
Kingman Fire Fighters	5,605,797	5,693,217	98.5	87,420	1,439,073	6.1
Kingman Police	7,548,795	6,851,360	110.2	(697,435)	1,534,817	-
La Paz County Attorney Investigators	91,837	87,261	105.2	(4,576)	39,265	-
La Paz County Sheriffs	4,709,109	4,434,870	106.2	(274,239)	1,219,364	-
Lake Havasu City Fire Fighters	17,370,416	13,553,542	128.2	(3,816,874)	2,631,493	-
Lake Havasu City Police	11,071,962	9,896,699	111.9	(1,175,263)	3,045,091	-
Lakeside Fire Fighters	44,177	106,023	41.7	61,846	188,780	32.8
Laveen Fire District	514,528	356,795	144.2	(157,733)	356,444	-

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Information for Governmental Accounting Standards Board Statement No. 25

Employer	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percent of Covered Payroll (4)/(5)
Mammoth Police	\$ 154,501	\$ 255,087	60.6%	\$ 100,586	\$ 150,953	66.6%
Marana Police	4,265,537	4,249,197	100.4	(16,340)	2,014,412	-
Maricopa County Attorney Investigators	4,794,966	4,160,358	115.3	(634,608)	814,382	-
Maricopa County Sheriffs	164,612,412	131,971,723	124.7	(32,640,689)	27,298,124	-
Mayer Fire District	174,022	278,367	62.5	104,345	336,275	31.0
Mesa Fire Fighters	115,297,435	88,631,745	130.1	(26,665,690)	20,882,521	-
Mesa Police	168,065,424	138,558,410	121.3	(29,507,014)	41,356,041	-
Miami Fire Fighters	416,351	304,809	136.6	(111,542)	0	0.0
Miami Police	541,786	537,561	100.8	(4,225)	254,707	-
Mohave Sheriffs	13,144,845	11,055,727	118.9	(2,089,118)	3,639,536	-
Mohave Valley Fire Fighters	1,394,594	810,763	172.0	(583,831)	507,630	-
NAU Police	4,663,501	3,839,898	121.4	(823,603)	778,107	-
Navajo County Attorney Investigators	168,572	143,657	117.3	(24,915)	39,502	-
Navajo County Sheriffs	7,201,543	6,327,942	113.8	(873,601)	1,827,660	-
Nogales Fire Fighters	5,136,679	4,863,682	105.6	(272,997)	1,356,525	-
Nogales Police	6,741,625	6,227,859	108.2	(513,766)	2,209,313	-
Northwest Fire District	8,180,272	7,860,593	104.1	(319,679)	3,936,327	-
Oro Valley Police	4,583,291	4,862,212	94.3	278,921	2,493,062	11.2
Page Fire Fighters	472,684	552,751	85.5	80,067	214,419	37.3
Page Police	2,658,515	2,132,589	124.7	(525,926)	979,268	-
Paradise Valley Police	8,066,987	7,698,335	104.8	(368,652)	1,880,223	-
Parker Police	1,170,814	972,878	120.3	(197,936)	476,034	-
Patagonia Marshals	65,152	28,160	231.4	(36,992)	147,035	-
Payson Fire Fighters	2,262,096	1,847,949	122.4	(414,147)	783,669	-
Payson Police	3,618,390	4,019,411	90.0	401,021	1,150,458	34.9
Peoria Fire Fighters	12,597,573	10,351,973	121.7	(2,245,600)	4,348,293	-
Peoria Police	13,786,656	13,627,582	101.2	(159,074)	4,868,526	-
Phoenix Fire Fighters	561,138,688	440,567,502	127.4	(120,571,186)	80,638,891	-

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Information for Governmental Accounting Standards Board Statement No. 25

Employer	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry Age	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percent of Covered Payroll (4)/(5)
Phoenix Police	\$ 997,233,637	\$ 766,098,629	130.2%	\$(231,135,008)	\$148,948,369	- %
Picture Rocks Fire Fighters	922,421	573,335	160.9	(349,086)	400,091	-
Pima Community College Police	2,817,783	2,738,091	102.9	(79,692)	1,219,199	-
Pima County Attorney Investigators	1,250,126	1,032,025	121.1	(218,101)	282,659	-
Pima Police	120,441	13,494	892.6	(106,947)	42,677	-
Pima Sheriffs	128,989,556	96,275,855	134.0	(32,713,701)	18,278,489	-
Pinal County Sheriffs	20,335,886	15,572,584	130.6	(4,763,302)	4,587,131	-
Pine/Strawberry Fire Fighters	746,809	912,384	81.9	165,575	403,939	41.0
Pinetop Lakeside Police	1,797,345	1,811,133	99.2	13,788	391,178	3.5
Pinetop Fire Fighters	57,933	419,941	13.8	362,008	398,228	90.9
Prescott Fire Fighters	16,609,612	14,651,380	113.4	(1,958,232)	2,401,863	-
Prescott Police	12,316,797	13,343,251	92.3	1,026,454	2,520,629	40.7
Prescott Valley Police	2,201,371	2,278,270	96.6	76,899	1,231,709	6.2
Quartzsite Marshalls	227,410	199,452	114.0	(27,958)	247,521	-
Safford Police	3,186,857	3,365,256	94.7	178,399	727,721	24.5
Sahuarita Police	105,060	103,900	101.1	(1,160)	190,686	-
Salt River Pima-Maricopa Fire Fighters	416,391	2,521,550	16.5	2,105,159	2,205,267	95.5
Salt River Pima-Maricopa Police	420,734	2,087,939	20.2	1,667,205	2,073,597	80.4
San Luis Fire Fighters	396,104	489,061	81.0	92,957	454,805	20.4
San Luis Police	1,245,621	1,313,689	94.8	68,068	990,188	6.9
Santa Cruz Sheriffs	3,441,668	4,014,051	85.7	572,383	1,287,573	44.5
Scottsdale Police	84,434,911	65,021,200	129.9	(19,413,711)	18,547,256	-
Sedona Fire District	2,327,612	3,095,463	75.2	767,851	1,521,368	50.5
Sedona Police	1,474,498	1,297,246	113.7	(177,252)	743,108	-
Show Low Fire Fighters	51,337	43,687	117.5	(7,650)	144,391	-
Show Low Police	2,133,789	1,730,141	123.3	(403,648)	836,107	-
Sierra Vista Fire Fighters	8,418,453	6,193,776	135.9	(2,224,677)	1,650,583	-
Sierra Vista Police	11,365,357	10,167,092	111.8	(1,198,265)	2,247,489	-

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Information for Governmental Accounting Standards Board Statement No. 25

Employer	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percent of Covered Payroll (4)/(5)
Snowflake Police	\$ 1,039,060	\$ 1,110,737	93.5%	\$ 71,677	\$ 351,237	20.4%
Somerton Fire Fighters	265,138	416,337	63.7	151,199	300,041	50.4
Somerton Police	472,799	917,693	51.5	444,894	610,353	72.9
South Tucson Fire Fighters	1,771,144	1,419,700	124.8	(351,444)	415,271	-
South Tucson Police	1,576,414	3,007,132	52.4	1,430,718	819,162	174.7
Springerville Police	393,166	280,732	140.1	(112,434)	208,878	-
St. John's Police	141,125	155,892	90.5	14,767	222,584	6.6
Sun City Fire Fighters	6,292,960	9,481,547	66.4	3,188,587	3,468,654	91.9
Sun City West Fire Fighters	2,874,474	2,502,202	114.9	(372,272)	3,104,024	-
Sun Lakes Fire District	2,228,991	1,872,097	119.1	(356,894)	1,201,365	-
Superior Police	629,778	382,660	164.6	(247,118)	175,256	-
Surprise Fire Fighters	1,416,568	1,207,770	117.3	(208,798)	1,215,856	-
Surprise Police	3,525,295	3,374,756	104.5	(150,539)	1,719,106	-
Tempe Fire Fighters	62,805,409	46,999,401	133.6	(15,806,008)	8,597,893	-
Tempe Police	72,879,843	67,802,125	107.5	(5,077,718)	17,446,020	-
Thatcher Police	1,601,111	1,488,638	107.6	(112,473)	387,136	-
Three Points Fire Fighters	65,176	72,228	90.2	7,052	154,248	4.6
Tolleson Fire Fighters	1,514,834	1,223,125	123.8	(291,709)	905,755	-
Tolleson Police	2,092,900	1,864,249	112.3	(228,651)	734,377	-
Tombstone Police	122,608	108,607	112.9	(14,001)	182,505	-
Tubac Fire Fighters	453,358	481,698	94.1	28,340	402,017	7.1
Tucson Airport Authority Fire Fighters	4,800,855	4,845,798	99.1	44,943	873,496	5.2
Tucson Airport Authority Police	3,788,907	4,806,592	78.8	1,017,685	1,045,873	97.3
Tucson Estates Fire Fighters	91,725	82,789	110.8	(8,936)	173,448	-
Tucson Fire Fighters	223,465,498	171,815,352	130.1	(51,650,146)	24,974,815	-
Tucson Police	308,450,893	235,544,483	131.0	(72,906,410)	41,527,028	-
U of A Police	7,387,554	6,649,304	111.1	(738,250)	1,859,143	-
Verde Rural Fire District	1,177,430	839,453	140.3	(337,977)	483,397	-

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Information for Governmental Accounting Standards Board Statement No. 25

Employer	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Percent Funded (1)/(2)	(4) Unfunded AAL (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded AAL as a Percent of Covered Payroll (4)/(5)
Wellton Marshals	\$ 99,414	\$ 165,565	120.4%	\$ (33,849)	\$ 91,092	- %
Wickenburg Police	964,783	1,390,700	69.4	425,917	390,156	109.2
Willcox Police	993,909	1,143,202	86.9	149,293	388,082	38.5
Williams Marshals	934,904	656,567	142.4	(278,337)	326,320	-
Winslow Fire Fighters	3,444,689	1,019,789	337.8	(2,424,900)	239,055	-
Winslow Police	3,385,022	2,497,669	135.5	(887,353)	853,554	-
Yavapai County Attorney Investigators	15,807	269,890	5.9	254,083	85,415	297.5
Yavapai County Sheriffs	10,823,147	12,248,600	88.4	1,425,453	3,930,149	36.3
Youngtown Police	725,170	537,899	134.8	(187,271)	217,580	-
Yuma Fire Fighters	29,687,106	24,894,069	119.3	(4,793,037)	4,056,042	-
Yuma Police	36,064,305	25,623,095	140.7	(10,441,210)	5,703,337	-
Yuma Sheriffs	12,220,942	10,086,539	121.2	(2,134,403)	2,257,733	-
Totals	\$4,260,167,698	\$3,415,157,151	124.7%	\$(845,010,547)	\$751,279,788	-