

**Public Safety Personnel Retirement System
Local Pension Board Meeting Agenda
Superstition Fire & Medical District**

PURSUANT TO A.R.S. §38.431.02

Notice is hereby given to the general public the Superstition Fire & Medical District (SFMD) Public Safety Personnel Retirement System Local Pension Board will hold a meeting on Tuesday, April 7, 2015. The meeting will be held at the Superstition Fire & Medical District's Administrative Office, located at 565 N. Idaho Road, Apache Junction, Arizona. The meeting will be open to the general public and will begin at 4:00 pm local time.

AGENDA:

- A. Call to Order.
- B. Pledge of Allegiance.
- C. Roll Call.

The following items are to be discussed at the board meeting; action or decisions may or may not be taken on any or all items. Agenda items may or may not be considered in the order listed:

1. Review and possible approval of the December 22, 2014 Local Pension Board meeting minutes.
2. Call to Public.
A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.
Scheduled: none at time of printing
3. Discussion and possible approval of the Administrative Rules of Local Board Procedure for the SFMD Public Safety Personnel Retirement System (PSPRS) Local Board.
4. Discuss and review of Local Pension Board roles and responsibilities.
5. Discussion and possible approval regarding realignment of the Local Pension Board member length of service.
6. Discussion and possible approval of the consolidated results of the June 30, 2014 Arizona Public Safety Personnel Retirement System actuarial validation.
7. Discussion and possible approval of the annual actuarial valuation as of June 30, 2014 of the Superstition Fire & Medical District participation in the Arizona Public Safety Personnel Retirement System.
8. Discussion and possible approval of Mike Farber's application to participate in the DROP program.
9. Announcements and Information.

10. Adjourn.

Notice: The Local Pension Board may go into Executive Session for the purpose of obtaining legal advice from the Fire District's attorney(s) on any of the above agenda items pursuant to A.R.S. 38-431.03(A)(3). One or more members of the Local Pension Board may attend the meeting telephonically.

Local Pension Board meeting agenda dated and posted:

On: April 2, 2015

At: 1730 hours

By: Roger Wood

Local Pension Board Meeting – April 7, 2015

Agenda Item: 1

Agenda Item Title: Review and possible approval of the December 22, 2014 Local Pension Board meeting minutes.

Background / Discussion:

The Local Pension Board meeting minutes are provided for Local Board review, comment, and approval. After approval, minutes are signed and kept as official public record and a copy is sent to Public Safety Personnel Retirement System.

Recommended Motion: *(please read motion as written)*

Motion to approve the December 22, 2014 Local Pension Board meeting minutes.

Enclosure: Local Pension Board Meeting Minutes from December 22, 2014.



Superstition Fire & Medical District
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www.ajfire.org



Public Safety Personnel Retirement System
Local Pension Board Meeting Minutes

December 22, 2014

PURSUANT TO A.R.S. 38.431.02, NOTICE IS HEREBY GIVEN TO THE GENERAL PUBLIC THAT THE SUPERSTITION FIRE & MEDICAL DISTRICT ("SFMD") PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM ("PSPRS"), THE LOCAL PENSION BOARD HELD A MEETING ON MONDAY, DECEMBER 22, 2014. THE MEETING WAS HELD AT THE SUPERSTITION FIRE & MEDICAL DISTRICT'S ADMINISTRATION OFFICE, AT 565 N. IDAHO ROAD, APACHE JUNCTION, ARIZONA. THE MEETING WAS OPEN TO THE GENERAL PUBLIC AND BEGAN AT 4:22 P.M.

- A. Chairperson Gene Gehrt called the meeting to order at 4:22 p.m.
- B. The Pledge of Allegiance was led by Board Member Carlos Rivera.
- C. Roll Call showed Local Board Member Chairperson Gene Gehrt, Local Board Member Jim Geil, and Local Board Member Carlos Rivera were present. Local Board Members Ruth Heer and Ryan Philips were absent. Also present was Assistant Chief Mike Farber and Local Board Secretary Roger Wood.
- 1. *Discussion and possible action regarding the election of SFMD PSPRS Local Pension Board members.*

Per ARS §38-847(A)(3), the Board Clerk of SFMD's Governing Board is to serve as the Board Chairperson of SFMD's PSPRS Local Pension Board ("Local Pension Board"). Gene Gehrt was elected as Board Clerk at the December 17, 2014 Governing Board meeting.

The term of Board member Paul Perkins expired in June 2014. Carlos Rivera was elected by the sworn ranks in a secret ballot to replace Perkins on the Local Pension Board.

Assistant Chief Mike Farber administered the Oath of Office to Chairperson Gehrt, Board Member Geil, and Board Member Rivera.

The position of Local Board Secretary was vacated by the departure of Rachel Krause from SFMD. A new Local Board Secretary needs to be appointed by the Local Pension Board Chairperson to fill this vacant position. Roger Wood has volunteered to serve as the Local Pension Board Secretary.

Motion by Chairperson Gene Gehrt to appoint Roger Wood as Local Pension Secretary. Seconded by Board Member Geil. Vote 3 ayes, 0 nays. Motion passed.

2. *Review and possible approval of the May 27, 2014 Local Pension Board meeting minutes.*

Motion by Local Board Member Geil to approve the May 27, 2014 Local Pension Board meeting minutes contingent on the approval of the District's legal counsel that the minutes can be properly approved in light of the fact that only Board Member Geil was actually present at the May 27, 2014 Local Pension Board meeting. Seconded by Board Member Rivera. Vote 3 ayes, 0 nays. Motion passed contingent on District legal counsel approval.

(NOTE: SFMD's legal counsel, Donna Aversa, affirmed that the Local Pension Board's approval of the December 22, 2014 meeting minutes was proper.)

3. *Call to Public.*

None.

4. *Discussion and possible approval of new hire retirement membership into the Public Safety Personnel Retirement System.*

Assistant Chief Farber provided the Local Pension Board with the names of the eight (8) firefighters hired on October 9, 2014, and confirmed that according to HR staff review of the NFPA compliant physicals administered to each of the new hire firefighter prior to employment, none of these new hires have any reportable pre-existing condition(s). The eight (8) new hire firefighters listed below are therefore eligible to join PSPRS:

- Jason Chapman
- Sean Matuszewski
- Jay Nelson
- Casey Schreiner
- Josiah Stiglitz
- Andrew Tyson
- Colt Weddell
- Travis Yates

Motion by Board Member Rivera to approve the new hire retirement membership of the eight (8) new hire firefighters, all without pre-existing condition, into the Public Safety Personnel Retirement System as of October 9, 2014. Seconded by Board Member Geil. Vote 3 ayes, 0 nays. Motion passed.

5. *Discussion and possible action regarding setting the date / time of the next SFMD Public Safety Personnel Retirement System Local Board meeting.*

Motion by Board Member Geil to approve April 7th, July 9th, October 6th, and December 8th as the dates for the regularly scheduled Local Pension Board meetings in 2015. Seconded by Board Member Rivera. Vote 3 ayes, 0 nays. Motion passed.

6. *Announcements and Information.*

PSPRS Local Board Newsletters for the period June 2014 – April 2015 will be provided at the April 7, 2015 Local Board meeting.

The June 30, 2014 Arizona Public Safety Personnel Retirement System actuarial validation report will be provided at the April 7, 2015 Local Board meeting.

Chairperson Gehrt requested Roger Wood, Local Pension Board Secretary, to prepare and present a document that outlines the terms of each Board Member in accordance with the Local Pension Board rules and regulations to allow for more comprehensive attention to consistent Board Member elections. This is to be provided at the April 7, 2015 Board Meeting.

7. *Adjourn.*

Motion by Board Member Geil to adjourn the meeting at 4:33 p.m. Seconded by Board Member Rivera. Vote 3 ayes, 0 nays. Motion passed.

Board Approval:

Gene Gehrt, Board Chairperson

Jim Geil, Board Member

Absent

Ruth Heer, Board Member

Carlos Rivera, Board Member

Absent

Ryan Philips, Board Member

Roger Wood

Local Pension Board Meeting – April 7, 2015

Agenda Item: 2

Agenda Item Title: Call to Public.

A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

Background / Discussion:

Call to Public is provided so citizens may address the public body (Local Pension Board) with matters concerning the retirement system. Arizona public meeting law provides that the public body may discuss, consider, or decide only matters listed on the agenda and other matters related thereto. Since the public body will generally not know what specific matters may be raised at call to public, they will be unable to act until the matter is placed on a subsequent meeting agenda (at the Local Board's discretion). The Local Board may also direct staff to follow up on an issue.

Recommended Motion: Not applicable

Enclosure: None

Local Pension Board Meeting – April 7, 2015

Agenda Item: 3

Agenda Item Title: Discussion and possible approval of the Revised Administrative Rules of Local Board Procedure for the SFMD PSPRS Local Board.

Background / Discussion:

To SFMD Local Pension Board originally approved the Administrative Rules for Local Board Procedures in January 2010. The original Administrative Rules are being revised to reflect the District's name change.

The Revised Administrative Rules of Local Board Procedure for the SFMD Local Board are based on the PSPRS Local Board Revised Model Uniform Rules of Local Board Procedure created pursuant to A.R.S. § 38-847(F) adopted by the PSPRS Board of Trustees on January 26, 2011.

The Revised Administrative Rules of Local Board Procedure define the roles and responsibilities of the SFMD Local Pension Board.

Recommended Motion: *(please read motion as written)*

Motion to approve the Revised Administrative Rules of Local Board Procedure updated and presented to the Local Pension Board on April 7, 2015.

Enclosure: Revised Administrative Rules of Local Board Procedure for the SFMD Public Safety Personnel Retirement System (PSPRS) Local Board.

ADMINISTRATIVE RULES Of Local Board Procedure

Superstition Fire & Medical District Public Safety Personnel Retirement System Local Board



Revised April 7, 2015

**ADMINISTRATIVE RULES
of Local Board Procedure**

**Superstition Fire & Medical District
Public Safety Personnel Retirement System Local Board**

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Pursuant to the provisions of A.R.S. §38-847, the following rules and regulations are hereby adopted:

1. Local Board Composition

A.R.S. §38-847 defines the composition of the Local Board.

The 4-year term of each Local Board member, other than the Chairman, will begin in January and end in December four years later, with the term of the citizen appointees being filled in “odd” years (2015, 2017, etc.) and the term of elected employee members being filled in “even” years (2016, 2018, etc.). If an appointee does not start his/her term in January, the appointee’s term will be deemed to have started in January. If someone resigns, their replacement will finish the current term.

2. Local Board Quorum

A quorum for the purpose of doing any business by any Board shall be three members, at least one of whom shall be one of the members elected by secret ballot.

3. Local Board Meetings

Meetings will be held at least twice a year, otherwise scheduled as needed. The Local Board shall normally meet in the Boardroom of the Superstition Fire & Medical District Administration Office, located at 565 N. Idaho Road, Apache Junction, Arizona. In the absence of a quorum for a scheduled meeting, the Chairman or any two members of the Board may reschedule the meeting as a special meeting. Any meeting may be continued to a later date.

4. Local Board Special Meetings

Subject to the requirements of the Open Meeting Law, special meetings can be held at any time upon the call of the Chairman or any two members of the Board. When notified of such a call, the Secretary shall post notice of and provide each Local Board member written notice of such meeting.

5. Open Meeting Law Compliance

In accord with A.R.S. §38-431.02.A.2, the Secretary shall file with the County Board of Supervisors a statement identifying where notices of the Local Board will be posted to meet the requirements of the Arizona Open Meeting Law. Unless otherwise exempted by the Open Meeting Law, notice of any meeting, including an agenda, shall be posted by the Secretary at least as early as the business day preceding the meeting, and at least 24 hours prior to the meeting.

6. Executive Sessions

To the extent, and in the manner, allowed by A.R.S. §38-431.03, the Local Board may hold executive sessions.

7. Notice to Local Board Members; Protests to Actions

The Secretary, not less than three (3) days prior to the date of the meeting, shall give each member of the Board notice of said meeting. A member who is not notified of a meeting, or who has not received the required three (3) days notice, shall be deemed to consent to all action taken by the Board at said meeting unless a written protest is filed with the Secretary within ten (10) days after the date that the minutes of the meeting are mailed or otherwise given to the member. If such a protest is duly filed, the action protested shall be re-opened for consideration and vote at the next regular meeting. Any notice may be given by placing a copy thereof in the U.S. Mail, postpaid, addressed to the address maintained in the files of the Retirement Board.

8. Voting

Any decision of the Local Board shall require three votes, regardless of the number of Local Board members present. A.R.S. §38-847.L.

9. Officers

The Clerk of the Fire Board, or his designee, shall serve as Chairman of the Local Pension Board.

10. Presiding Officer

If present, the Chairman shall preside at all meetings. If the Chairman is not present, the most senior Board member in attendance shall preside as Acting Chairman.

11. Conduct of Meetings

The presiding officer may conduct Local Board meetings informally, provided that if any time, any member present requests that further proceedings be conducted formally, the presiding officer shall conduct further proceedings in accord with Robert's Rules of Order.

12. Authority of Chairman

The Chairman shall have authority to sign contracts, certificates, and other documents necessary for or incidental to the operation of the System. When authorized by a resolution of the Local Board, the Chairman may sign such other documents as the Local Board may so approve.

13. Duties of Secretary

The Secretary shall be appointed by the Local Board Chairman. The Secretary shall prepare and keep minutes of each meeting. The Secretary shall have authority to prepare, execute, and file with the Fund Manager such certificates or other documents as may be necessary in, and incidental to, the operation of the System.

14. Records

Adequate records, necessary to the proper operation of the System, shall be maintained by the Secretary in such form and manner as the Board prescribes. Employer records may be used to avoid duplication.

15. Normal Pension Applications

Applications for normal pension shall be submitted to the Board's office with supporting documentation of certificates of birth, death, and marriage, as appropriate. The Secretary shall obtain appropriate certificates of service and rates of pay in writing from the appropriate departments in time for presentation to the appropriate Board at the next meeting following the filing of any application for any type of pension.

16. Deferred Retirement Option Plan (DROP)

The Deferred Retirement Option Plan (DROP) is a program that provides employees access to a lump sum benefit in addition to their monthly retirement benefit when they terminate employment and retire. Employees who became members of system before January 1, 2012, are eligible to participate in the DROP once they have 20 years of credited service. Employees who became members of the system on or after January 1, 2012, are not eligible to participate in the DROP.

Applications for the Deferred Retirement Option Plan (DROP) shall be submitted to the Board's office with supporting documentation of certificates of birth, death, and marriage, as appropriate. The Secretary shall obtain appropriate certificates of service and rates of pay in writing from the appropriate departments in time for presentation to the appropriate Board at the next meeting following the filing of any application for the DROP.

17. Disability Pension Applications

Any application for "accidental disability," for "temporary disability," or for "ordinary disability," shall include, in addition to documentation required of normal pension applicants, written medical evidence of the nature of the disability, and such other information as may be required to qualify under the relevant statutory definition set forth in A.R.S. §38-842. Generally, the applicant shall document whether the disability is temporary or permanent, the degree to which the disability precludes the employee's performing a reasonable range of duties within the employee's job classification or within the employee's department, the cause of such disability and, to the extent applicable, evidence that the applicant has diligently pursued in good faith any remedies available to him with the Industrial Commission of the State or the workers compensation carrier. Applicants for "accidental disability" or "temporary disability" shall further show that the injury causing the disability was incurred in the performance of the employee's duty.

18. Additional "Ordinary Disability" Application Requirements

Any application for "ordinary disability" shall include, in addition to documentation required of normal pension applications, written medical evidence establishing a physical condition which totally and permanently prevents the employee from performing a reasonable range of duties within the employee's department or a mental condition which totally and permanently prevents the employee from engaging in any substantial gainful activity.

19. Notice of and Action on Disability Pension Applications

Any action on a claim for disability, whether “accidental” or “ordinary”, shall require:

- a. Express written notice to the fund manager and to the disability applicant that such claim will be considered, and that either has a right to be heard at the hearing. Notice under this paragraph shall be mailed by certified first class mail to the fund manager and to the applicant’s last known address at least 10 days prior to the date set for the Local Board’s action.
- b. That in addition to the normal minutes required for Local Board actions, the proceedings of the Local Board pertaining to the disability pension application be either recorded on audiotape, which shall be preserved as a public record, or transcribed by a qualified court reporter;
- c. That oral evidence presented clearly identify the speaking party, and that documents presented during the proceeding be clearly identified by date, title, and author;
- d. That the Local Board make express findings regarding:
 1. Whether the underlying mental or physical condition, giving rise to the claimed disability:
 - A. Is established by the testimony and evidence presented by the Medical Board;
 - B. Was incurred:
 - i. In the performance of the employee’s duty;
 - ii. While the employee was engaged in a felonious criminal act or enterprise;
 - iii. While the employee was in service in the Armed Forces of the United States, such that the employee is entitled to a veteran’s disability pension;
 - iv. In whole or in part as a result of a physical or mental condition or injury that existed or occurred prior to the employee member’s date of membership in the public safety retirement system.
 - C. In the case of an application for an “accidental” disability pension, totally and permanently prevents the employee from performing a reasonable range of duties within the employee’s job classification;
 - D. In the case of an application for an “ordinary” disability pension, constitutes a physical condition that totally and permanently prevents the employee from performing a reasonable range of duties within the employee’s department, or constitutes a mental condition that totally and permanently prevents the employee from engaging in any substantial gainful activity;
 2. The resolution of any material conflicts in the medical evidence presented pertaining to the existence, non-existence, work-relatedness, causation, duration, origin, degree, or extent of a disability or impairment.

- e. That any determination by the Board be based on the evidence presented to the Board, and not on the basis of personal prejudices and information obtained outside the scope of the hearing before the Board;
- f. That following any final Local Board action on a disability pension application, the Secretary shall transmit a written copy of the action by certified first class mail to both the fund manager and the applicant; those notices shall each include the following notice:

IMPORTANT NOTICE

This action by the Local Board shall be final, conclusive, and binding upon all persons affected by it, unless a timely application for a rehearing or appeal is filed as provided in Arizona Revised Statutes, Title 38, Chapter 5, Article 4.

An application for rehearing must be filed in writing with a member of the Local Board or its Secretary within sixty days after:

- The applicant-claimant receives notification of the Local Board's original action by certified mail, by attending the meeting at which the action was taken, or by receiving benefits from the system pursuant to the Local Board's original action, whichever occurs first.
- The applicant-fund manager receives notification of the Local Board's original action by certified mail or by receipt of written directions from the Local Board pursuant to its original action, whichever occurs first.

20. Re-opening of Disability Determinations

For cause shown, the Local Board may re-open any determination regarding a finding of disability, whether "accidental", "temporary", or "ordinary". Any re-opening shall follow the procedure for an original disability determination.

21. Medical Board Appointment

The Board shall appoint a Medical Board comprised of a designated physician or clinic, provided that any such provider shall be other than the employer's regular employee or contractee.

22. Medical Board Examinations

Any type of disability applicant shall submit himself for examination by a physician appointed by the Board and such physician shall submit to the Board his written opinion regarding the nature, type, and cause of disability, if any.

23. Medical Board Re-examinations

The Secretary shall, unless otherwise directed by the Local Board, annually, for the period prior to the normal retirement date of such pensioner, notify such pensioner to report for examination by the Board's physician, and the Board, upon receipt of the physician's report, shall review the appropriateness of any such disability award.

24. Notice of and Action on Recovery-from-Disability Determinations

Any action by the Local Board, considering whether a disability, whether "accidental" or "ordinary" has ceased, shall require:

- a. Express written notice to the fund manager and to the disability pensioner that such a matter will be considered, and that either has a right to be heard at the hearing. Notice under this paragraph shall be mailed to the applicant's last known address at least 10 days prior to the date set for the Local Board's action.
- b. That in addition to the normal minutes required for Local Board actions, the proceedings of the Local Board pertaining to recovery-from-disability determinations be either recorded on audiotape, which shall be preserved as a public record, or transcribed by a qualified court reporter;
- c. that oral evidence presented clearly identify the speaking party, and that documents presented during the proceedings be clearly identified by date, title, and author;
- d. that the Local Board make express findings regarding:
 1. Whether the testimony of and evidence from the Medical Board supports a finding by the Local Board that the disability pensioner has sufficiently recovered from underlying mental or physical condition, so as to be able to engage in a reasonable range of duties within the member's department;
 2. If medical evidence presented from other than the Medical Board creates material conflicts, whether than evidence is sufficient to rebut the evidence and testimony of the Medical Board.
- e. In the event the Local Board determines that an "accidental", "temporary", or "ordinary" disability pensioner has sufficiently recovered so as to be able to engage in a reasonable range of duties within the member's department, the Local Board shall so notify the employer and the System Administrator.
- f. Following any final Local Board action making a determination regarding a recovery-from-disability, the Secretary shall transmit a written copy of the action by certified first class mail to both the fund manager and the applicant; those notices shall each include the following notice:

IMPORTANT NOTICE

This action by the Local Board shall be final, conclusive, and binding upon all persons affected by it, unless a timely application

for a rehearing or appeal is filed as provided in Arizona Revised Statutes, Title 38, Chapter 5, Article 4.

An application for rehearing must be filed in writing with a member of the Local Board or its Secretary within sixty days after:

- The applicant-claimant receives notification of the Local Board's original action by certified mail, by attending the meeting at which the action was taken, or by receiving benefits from the system pursuant to the Local Board's original action, whichever occurs first.
- The applicant-fund manager receives notification of the Local Board's original action by certified mail or by receipt of written directions from the Local Board pursuant to its original action, whichever occurs first.

25. Rehearing's of Board Actions

Any rehearing regarding a prior action by the Local Board shall require:

- a. Express written notice to both the fund manager and the affected employee that such a matter will be considered, and that either has a right to be heard at the hearing. Notice under this paragraph shall be mailed to the applicant's last known address at least 10 days prior to the date set for the Local Board's action.
- b. That in addition to the normal minutes required for Local Board actions, the proceedings of any rehearing before the Local Board be either recorded on audiotape, which shall be preserved as a public record, or transcribed by a qualified court reporter;
- c. That oral evidence presented clearly identify the speaking party, and that documents presented during the proceedings be clearly identified by date, title, and author;
- d. That the Local Board make express findings supporting the final decision, which findings should expressly address:
 - 1. Whether the testimony of and evidence from the Medical Board justifies sustaining, modifying, or reversing the original action of the Local Board;
 - 2. If medical evidence presented from other than the Medical Board creates material conflicts, whether that evidence is sufficient to rebut the evidence and testimony of the Medical Board, and thereby justify modifying or reversing the original action of the Local Board. Unless an affected disability claimant/pensioner raises or identifies such a material conflict prior to or during the re-hearing, such affected individual shall be deemed to have accepted the findings of the Local Board, without regard to whether those findings are expressly stated or necessarily implied by the action of the Board.
- e. That if the party requesting the re-hearing wishes to present new medical evidence relevant to the Medical Board testimony that supported the Local Board's original action, the rehearing proceedings may be continued to allow further evaluation by the Medical Board, or such other medical professional as the Local Board may designate;

- f. That any rehearing determination by the Board be based on the evidence presented to the Board, and not on the basis of personal prejudices and information obtained outside the scope of the hearing before the Board;
- g. That following any final Local Board action following a rehearing, the Secretary shall transmit a written copy of the action, and the Board's findings in support of that action, by certified first-class mail to both the fund manager and the affected employee; those notices shall each include the following notice:

IMPORTANT NOTICE

This action by the Local Board shall be final, conclusive, and binding upon all persons affected by it, unless a timely appeal is filed in Court. If you wish to appeal, you should consult an attorney immediately.

26. Annual Income Verification for Disability Pensioners

Each permanent disability pensioner shall, in the period prior to his normal retirement date, furnish to the Board by April 30, of each year, in such form as the Board may from time to time require, appropriate evidence of source and amount of any employment income for the preceding calendar year. No later than January 15 of each year, the Secretary shall notify each individual who received "accidental" or "ordinary" disability pension benefits during the preceding calendar year, that such individual shall, no later than April 30, submit to the Local Board a true and complete copy of that person's individual federal tax return, including supporting schedules and memoranda, for that preceding calendar year, as well as true and complete copies of federal tax returns for any earlier calendar year during which such individual received "accidental" or "ordinary" disability pension benefits and has not already submitted such tax returns to the Local Board. The Local Board shall consider the response from each such "accidental" or "ordinary" disability pensioner, to determine whether under the provisions of A.R.S. §38-844.F, the Local Board should pursue any reduction, suspension, or recovery of benefits.

27. Consequences of Failure to Comply

Any member of the Public Safety Personnel Retirement System who fails to comply with the provisions of these rules and regulations shall be deemed to be ineligible for the award of any benefits or the continuation of any benefits already awarded.

28. Conflicts of Interest

The Board, from time to time, shall decide all issues relating to eligibility for benefits or the amount thereof, but no member of the Board shall vote in any action affecting solely his own benefit. This information shall be certified by the Secretary.

29. Revision

These rules and regulation may be changed, amended, or revoked by a majority voted of the members of the Local Board.

ADOPTED THIS 7th DAY OF APRIL, 2015 by:

Gene Gehrt, Chairman

James Geil, Board Member

Ruth Heer, Board Member

Carlos Rivera, Board Member

Ryan Philips, Board Member

Roger Wood

Local Pension Board Meeting – April 7, 2015

Agenda Item: 4

Agenda Item Title: Discussion and review of Local Pension Board roles and responsibilities.

Background / Discussion:

The enclosed information is being provided to the SFMD Local Pension Board as a reference guide to the roles and responsibilities of being a Board member.

Recommended Motion:

No motion is required; this agenda item is for informational purposes only.

Enclosure: Public Safety Personnel Retirement System - Local Board Duties
 PSPRS – Your Retirement System – Local Board Duties FAQs

What are the Board responsibilities?

Attend Local Pension Board Meetings. Meetings are held at least once a year, typically 4-5 times per year. The term ends four years after the effective date.

Local Pension Board Members take an Oath of Office, which states they shall diligently and honestly administer the affairs of the local board and that the member shall not knowingly violate, or willingly permit to be violated, any of the provisions of law applicable to the system.

A.R.S. Title 38 sets forth numerous board responsibilities that the employer agrees to by completing the joinder agreement and joining PSPRS:

1. Decide all questions of eligibility and service credits, and determine the amount, manner and time of payment of any benefits under the plan (i.e., normal retirement, disability retirement, survivor benefits, DROP applications).
2. Review and acknowledge information from the medical board regarding any pre-existing medical conditions of new members.
3. Request and review information from the employer and members as is necessary for the proper administration of the system and action on claims for benefits and to forward such information to the fund manager.
4. Review and distribute information received from the fund manager.
5. Furnish the employer, the fund manager, and the legislature, upon request, with such annual reports with respect to the administration of the system as are reasonable and appropriate.
6. Receive and review the annual actuarial valuation of the system and the employer's participation within the system.
7. Receive and review reports of the financial condition and receipts and disbursements of the fund by the Fund Manager
8. Annually review members on disability prior to 20 years of service who may be able to return to work.
9. Receive and review reports of the financial condition and of the receipts and disbursements of the fund from the fund manager.

PSPRS - Your Retirement System
LOCAL BOARD DUTIES FAQS- www.psprs.com

Do you need a local police and fire board if you don't have anyone eligible to retire? "YES"

Reasons for your local board (s):

- The pension law under ARS Title 38 sets forth numerous board responsibilities the employer agrees to by completing the joinder agreement and joining PSPRS.
- If you do not comply you can jeopardize your participation in this plan.
- Ouch!!! You could lose you membership.
- The good news, currently the Fund Manager does not have staff to determine if you are in compliance with the law.
- But the responsibility still remains yours.

What board responsibilities?

- How about this biggie. The board must hire a medical board to complete an exam on all employees employed after 10-1-1992 to determine any physical or mental condition or injury that existed or occurred prior to the member's date of membership in the system.
- **The board staff must review the physical exam and if there are any pre-existing conditions they must be acknowledged by the board and preserved in the record. You should also notify the member about the identification of these conditions.**

Pre-existing conditions? Why?

- To protect the plan from non-qualifying disability applications.
- To protect the member by making it clear they "MAY" not qualify for a pension.
- Example: Asthma, dislocating knee, back problems. We have some stories. (Call us)
- There is some good news if you haven't been doing this. Good news?
- The local board can use the employer's physical to make these determinations. Hopefully, those doctors have been identifying pre-existing conditions.
- But, the employer can not use the local board's exam for hiring purposes.
- Since the employer pays for both exams why not coordinate and do only one. Save your money.
- **The local board "MUST" acknowledge the receipt to the confidential medical report and file it.**
- The board does not have to see the reports, just be confident staff has taken care of business by listing the names of those with P/E conditions.

More Good news?

- The medical board can be composed of a designated physician or a clinic (panel of doctors.)
- But, for the purpose of determining a disability you can not use the same board, panel or doctor. More on this later.

Does the employee have to take the exam?

- No, not under the pension law.
- But if they fail to take the exam they waive all rights to any disability benefits.
- I am sure most, if not all, employers require an exam. And don't forget the ADA.
- So the new hire medical exam is one of your best reasons for having board meetings. This information is listed under ARS 38-859

Do you want more reasons for your local board?

- Request and receive all information from employer and member for administration of the system
- Distribute information received from the fund manager
- Furnish the fund manager and employer annual reports, like minutes and budgets
- Request and receive the actuarial valuation of the system

- Request and receive report of the financial condition and receipts and disbursements of the fund by the Fund Manager
- Appoint medical boards
- Determine question of service credits and amounts
- Prescribe procedures for filing of applications for benefits
- Determine the rights of claimants to benefits
- And you are going to love this one...

To sue and be sued to effectuate the duties and responsibilities set forth in the law.

So, do you need a local board in place? YOU BET!

Meeting notices (Open Meeting Law)

- They have to be posted in a timely manner, 24 hours, in a public place.
- This is a state law.
- The same rules that apply to all public employer meetings.

Agendas

- They need to be clear.
- If you forgot something it can still be discussed under “new business” but no action can be taken until the next meeting. It’s best to place it on the next agenda.
- If you need to go into an executive session on an issue you must have it posted on the agenda that this may occur. I have one suggestion regarding executive sessions...

Executive sessions - Don’t do it without an attorney!

- Your attorney will know what you can and can’t discuss in this private meeting that should be recorded.
- This is the only area where a board member can be fined \$500 a pop for talking about the wrong stuff.
- The State Attorney General's Office enforces this and they give FREE classes so you don’t make a mistake.

Minutes

- I would record them and then make a brief typed electronic copy, not verbatim. Keep the tape for a year then dump it. (LESS IS BEST)
- You must send the fund manager a copy of the minutes signed by your chair or the entire board that was present.
- Keep them on file.

Appointing a board secretary

- Somebody has to do it.
- It can be a board member but...I would recommend having a staff member do this function.
- They will take and keep minutes. They will process all applications, agendas and other board needs. The bigger the agency the more responsibility.
- This is very important.
- Maybe someone in HR or personnel.
- It depends on how much work there is.
- I strongly discourage a board member from assuming this responsibility.
- It’s a lot of work!

Getting an attorney

- If you don’t have much of an agenda you may want to avoid this expense, but you really need guidance if you have a disability application or other legal questions.
- Don’t be a penny pincher on this issue because you will pay a lot more going to court trying to defend a simple mistake.

Advice

- For anything but legal stuff you can always call me, the fund manager's office or my local board.
- For local board questions you probably want to talk to someone who has been there and done that.
- Look to your sister boards that are busy and handle all the crazy stuff.

Oath of office

- It's required
- The fund manager has the form on the web site.
- You have 10 days to complete it and mail a copy to the Fund Manager.

Agenda

- New members in the system
 - List of names taking medical exam
 - List of those with P/E conditions
 - List of names not taking exam when offered
- Disability application
 - Accidental (job related)
 - Ordinary (non job related)
- Death of members
 - Still on job
 - Retired
- Normal Service Retirement applications
- Survivor benefits
 - Spouse
 - Eligible children
 - Guardian
- Annual review of members on disability prior to 20 years of service who may be healed and able to return to work.
- Refunds (Enhanced or not)
 - Quit
 - Fired
- Annual review of all the Fund Manager stuff we send you.
- Expenses of the board other than budgeted items
 - Board training, seminars & conferences
 - Attorney cost and additional fees other than retainer
 - Doctors Independent Medical Exams (Pre-hire, disability & re-exams)
- Hearing and re-hearings
- Service purchases of Military of prior service time.
- DROP applications
- Future agenda items
- Report election result of public safety board positions.
- Approve minutes from the previous meeting
- New business
- Call to the public
- Close session

Disability Applications

- Get a court reporter for these.
- If you end up in court you will be very happy you did.
- Any success in the superior court will hinge on the records you make and keep.
- See the training PowerPoint on Disabilities for more information on this important subject.

Local Boards

- The administration of the system and responsibility for making the provisions of the system effective for each employer are vested in a local board.
- All approved agencies shall have a local board.

Local Board term of office

- Term ends four years after the effective date.

Oath of office

- Each member of a local board shall, within ten days after the member's appointment or election, take an oath of office.
- The member shall diligently and honestly administer the affairs of the local board and that the member shall not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the system.

POWERS OF THE BOARD

- To decide all questions of eligibility and service credits, and determine the amount, manner and time of payment of any benefits under the system.
- To prescribe procedures to be followed by claimants in filing applications for benefits.
- To make a determination as to the right of any claimant to a benefit and to afford any claimant or the fund manager or both a right to rehearing on the original determination.
- To request and receive from the employer and from members such information as is necessary for the proper administration of the system and action on claims for benefits and to forward such information to the fund manager.
- To distribute, in such manner as the local board determines to be appropriate, information explaining the system received from the fund manager.
- To furnish the employer, the fund manager, and the legislature, upon request, with such annual reports with respect to the administration of the system as are reasonable and appropriate.
- To receive and review the actuarial valuation of the system for its group of members.
- To receive and review reports of the financial condition and of the receipts and disbursements of the fund from the fund manager.

Doctors and medical boards

- To appoint medical boards as provided in § 38-859.
- The doctor has two purposes in our system
 - Identify a physical or mental condition or injury that existed or occurred prior to the member's date of membership in the system and for which benefits may otherwise be limited by § 38-844, subsection C.
 - Evaluate a member's eligibility for an accidental disability pension.

Pre-existing conditions

- You want your doctor to find all pre-existing physical and medical conditions.
- If they have asthma you need to document it. If that condition gets so bad that they can no longer do the job, it may appear to qualify for one of the types of disability retirement.
- If the condition was pre-existing their employment it may not qualify for retirement consideration.
- If your doctor finds a condition you should put the member on notice, preferably in writing.
- Your board should also meet to approve the receipt of these doctors' reports on all new hires. More meetings

POWERS OF THE BOARD

- To sue and be sued to effectuate the duties and responsibilities set forth in this article.
- Remember, it is a privilege to be sued.

- A local board shall have no power to add to, subtract from, modify or waive any of the terms of the system, change or add to any benefits provided by the system, or waive or fail to apply any requirement of eligibility for membership or benefits under the system.
- A local board shall, from time to time, establish and adopt such rules as it deems necessary or desirable for its administration. All rules and decisions of a board shall be uniformly and consistently applied to all members in similar circumstances.
- Any action by a majority vote of the members of a local board which is not inconsistent with the provisions of the system shall be final, conclusive and binding upon all persons affected by it, unless a timely application for rehearing or appeal is filed as provided in this article.
- Any action by a majority vote of the members of a local board which is not inconsistent with the provisions of the system shall be final, conclusive and binding upon all persons affected by it, unless a timely application for rehearing or appeal is filed as provided in this article.
- A claimant or the fund manager may apply for rehearing before the local board within the time period prescribed in this subsection. An application for rehearing shall be filed in writing with a member of the local board or its secretary within sixty days after:

Rehearing

- The applicant-claimant receives notification of the local board's original action by certified mail, by attending the meeting at which the action is taken or by receiving benefits from the system pursuant to the local board's original action, whichever occurs first.
- The applicant-fund manager receives notification of the local board's original action by certified mail or by receipt of written directions from the local board pursuant to its original action, whichever occurs first.
- It is the member's responsibility to provide all evidence necessary for the local board to take action on an issue.
- It is the local board's responsibility to NOTIFY the member of all actions taken regarding their issue.
- The sixty day time limit will not begin until the notification has been made. It's in your court.
- That sixty days window could be extended indefinitely if your board fails to notify the member.

POWERS OF THE BOARD

- A hearing before a local board on a matter remanded from the superior court is not subject to rehearing before the local board.
- The court will send stuff back with very clear direction on what needs to be reviewed again. They rarely tell us to give someone a pension.
- Decisions of local boards are subject to judicial review pursuant to Title 12, Chapter 7, Article 6.
- When making a ruling, determination or calculation, the local board shall be entitled to rely upon information furnished by the employer, the fund manager, independent legal counsel, or the actuary for the system.

Board actions

- Each member of a local board is entitled to one vote. A majority of the appointed and elected members is necessary for a decision by the members of a local board at any meeting of the local board.
- Remember, that's three votes to approve or deny any action. Even if only three board members are attending the meeting.
- If you can't get three votes you should table that issue until you have a full board. Especially if the vote is regarding someone's disability application.

POWERS OF THE BOARD

- You will have to make decisions to approve or deny every action item on your meeting agenda.
- The only way around it is have it tabled until another meeting or ask if the person bringing the issue to the board wants to have it removed.
- If you do not have three members (a quorum) you can not even call a meeting to order so all issues would automatically move to the next agenda.

- The local board shall adopt such bylaws as it deems desirable.
- The local board shall elect a secretary who may, but need not, be a member of the local board. The secretary of the local board shall keep a record and prepare minutes of all meetings, forward the minutes to the fund manager within forty-five days after each meeting and forward all necessary communications to the fund manager.
- The fees of the medical board and of local legal counsel and all other expenses of the local board necessary for the administration of the system shall be paid by the employer at such rates and in such amounts as the local board shall approve.
- The local board shall issue directions to the fund manager concerning all benefits which are to be paid from the employer's account pursuant to the provisions of the fund.
- The local board shall keep on file, in such manner as it may deem convenient or proper, all reports from the fund manager and the actuary.

Board protection

- The local board and the individual members of the local board shall be indemnified from the assets of the employer's account in the fund against any and all liabilities arising by reason of any act, or failure to act, made in good faith pursuant to the provisions of the system, including expenses reasonably incurred in the defense of any claim relating to the act or failure to act.

Legal representation?

- Local boards have the ability to hire any legal council they wish and all expenses are paid by the employer.
- So hire an attorney and cover yourself and your members.
- In the big picture, it's chump change

Local Pension Board Meeting – April 7, 2015

Agenda Item: 5

Agenda Item Title: Discussion and possible approval regarding realignment of the Local Pension Board member length of service.

Background / Discussion:

Per A.R.S. § 38-847 Local Boards, “Each local board shall be constituted as follows:

(3) “For fire districts organized pursuant to section 48-804, the secretary-treasurer as chairman, two members elected by secret ballot by members employed by the fire district and two citizens appointed by the secretary-treasurer, one of whom is a resident of the fire district and one of whom has experience in personnel administration but who is not required to be a resident of the fire district.”

(B) “On the taking effect of this system for an employer, the appointments and elections of local board members shall take place with one elective and appointive local board member serving a term ending two years after the effective date of participation for the employer and other local board members serving a term ending four years after the effective date. Thereafter, every second year, and as a vacancy occurs, an office shall be filled for a term of four years in the same manner as previously provided.”

The proposal before the Local Pension Board is to define the 4-year term of each Local Board member, other than the Chairperson as beginning in January and ending in December four years later, with the term of the citizen appointees being filled in “odd” years (2015, 2017, etc.) and the term of elected employee members being filled in “even” years (2016, 2018, etc.). This realignment would give the Chairperson input on the new citizen Local Pension Board members. If in the future, an appointee does not start in January, the appointee’s term would be deemed to have started in January. If someone resigns, their replacement would finish the current term.

To accomplish this proposal, the term of the current Local Pension Board members would expire as follows:

Citizen Appointees

Ruth Heer	December 2015
Jim Geil	December 2017

Elected Employee Members

Ryan Philips	December 2016
Carlos Rivera	December 2018

In addition, the proposal is the most senior Board member attending the meeting would serve as the Acting Chairperson whenever the Chairperson is absent.

Recommended Motion: *(please read motion as written)*

Motion to approve the definition of the 4-year term of each SFMD Local Pension Board member other than the Chairperson, including the current board members, as beginning in January and ending in December four years later, with the term of citizen appointees beginning in odd years, and the term of elected employee members beginning in even years. In addition, a motion to approve the most senior Board member attending the meeting to serve as Acting Chairperson whenever the Chairperson is absent.

Enclosures: None.

Local Pension Board Meeting – April 7, 2015

Agenda Item: 6

Agenda Item Title: Discussion and possible approval of the consolidated results of the June 30, 2014 Arizona Public Safety Personnel Retirement System actuarial validation.

Background / Discussion:

Per A.R.S. §38-847(D)(7), the Local Board is “To receive and review the actuarial valuation of the system for its group of members.” This report is the consolidated result of the total fund for all of the Arizona PSPRS as of June 30, 2014.

Recommended Motion: *(please read motion as written)*

Motion to approve the consolidated results of the June 30, 2014 Arizona Public Safety Personnel Retirement System actuarial validation.

Enclosures:

Arizona Public Safety Personnel Retirement System, System Consolidated Report, 6/30/14 PSPRS Financial Report

**ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT
SYSTEM CONSOLIDATED REPORT**

JUNE 30, 2014

October 16, 2014

The Board of Trustees
Arizona Public Safety Personnel Retirement System
Phoenix, Arizona

**Re: Arizona Public Safety Personnel Retirement System Actuarial Valuation as of
June 30, 2014**

Ladies and Gentlemen:

The results of the June 30, 2014 annual actuarial valuation of members covered by the Arizona Public Safety Personnel Retirement System (PSPRS) are presented in this report. The purpose of the valuation was to measure the System's funding progress, provide actuarial information in connection with applicable Governmental Accounting Standards Board Statements and to determine the employer contribution for the 2015-2016 fiscal year. The funding objective is stated in Article 4, Chapter 5, Title 38, Sections 843B and 848N of the Arizona Revised Statutes. In addition, this consolidated report provides summary information for PSPRS participating employers. This report should not be relied upon for any other purpose. This report may be distributed to parties other than the System only in its entirety and only with the permission of the Board.

The valuation was based upon information, furnished by the State Retirement System, concerning Retirement System benefits, financial transactions, and individual members, terminated members, retirees and beneficiaries. Data was checked for internal and year to year consistency, but was not otherwise audited by us. As a result, we are unable to assume responsibility for the accuracy or completeness of the data provided.


Future actuarial measurements may differ significantly from those presented in this report due to such factors as experience differing from that anticipated by actuarial assumptions, changes in plan provisions, actuarial assumptions/methods or applicable law. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of future measurements.

To the best of our knowledge, this report is complete and accurate and the valuation was conducted in accordance with standards of practice prescribed by the Actuarial Standards Board and in compliance with the applicable state statutes. Mark Buis, James D. Anderson and Francois Pieterse are independent of the plan sponsor and are Members of the American Academy of Actuaries (MAAA) who meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. It is our opinion that the actuarial assumptions used for the valuation produce results which are reasonable.


Respectfully submitted,



Mark Buis
FSA, EA, MAAA



James D. Anderson
FSA, EA, MAAA



Francois Pieterse
ASA, MAAA

MB/JDA/FP:ah

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EXECUTIVE SUMMARY/BOARD SUMMARY

1. Required Employer Contributions to Support Retirement Benefits

The computed employer contribution and funded status for the fiscal year beginning July 1, 2015 is shown below.

Averages	Pension	Health	Total
Employer Contribution Rate	41.08%	0.29%	41.37%
Funded Status	49.2%	102.8%	50.4%

2. Contribution Rate Comparison

The chart below compares the results of this valuation for the Retirement System with the results of the prior year's valuation:

Valuation Date	Pension	Health	Total
6/30/2013	31.03%	1.51%	32.54%
6/30/2014 (prior to phase-in)	41.08%	0.29%	41.37%
6/30/2014 (after phase-in)	34.38%	0.29%	34.67%

Please note that the pension contribution rate increased significantly for most employers. This arose primarily due to the repeal of certain aspects of SB1609, which resulted in much larger recognition of liabilities related to Permanent Benefit Increases (PBI). The contribution rate also increased due to the continued recognition of 2008-2009 asset losses, or in some cases population movements. While it is recommended that employers contribute the full amount, the Board adopted a policy to allow employers to phase-in the pension contribution rate increase over 3 years, if necessary. Employers that have a funded ratio below 50% are strongly encouraged to contribute the full amount prior to phase-in.

EXECUTIVE SUMMARY/BOARD SUMMARY

3. Reasons for Change

In aggregate, changes in the contribution rate and funded status are illustrated on the following charts. The impact of each change will be different for each employer.

Contribution Rate	Pension	Health	Total
Contribution Rate Last Valuation	31.03%	1.51%	32.54%
PBI Effect	7.17%	N/A	7.17%
Asset Losses	1.30%	N/A	1.30%
Transfer of Assets to Health	1.38%	(1.38)%	0.00%
Other	0.20%	0.16%	0.36%
Contribution Rate This Valuation	41.08%	0.29%	41.37%

Funded Status	Pension	Health	Total
Funded Status Last Valuation	58.7%	0.0%	57.2%
PBI Effect	(6.1)%	N/A	(6.1)%
Asset Losses	(2.4)%	N/A	(2.4)%
Transfer of Assets to Health	(2.7)%	102.8%	0.0%
Other	1.7%	0.0%	1.7%
Funded Status This Valuation	49.2%	102.8%	50.4%

The PBI effect is the result of increases in liability due to the reversal of SB1609. Asset losses are based on 7-year smoothing of assets and therefore primarily attributable to the market downturn in 2008-2009. A transfer of assets from the Pension Plan to the Health Plan was also made this year. In accordance with IRS rules, assets dedicated to pay retiree health care benefits must be segregated from assets dedicated to pay pension benefits. The Board of Trustees provided this asset split for the year ending June 30, 2014. This resulted in an increase in the pension contribution with an equivalent decrease in the health contribution.

EXECUTIVE SUMMARY/BOARD SUMMARY

4. Plan Experience

Experience during the year ended June 30, 2014 was overall unfavorable. On a market value basis, the System's return for the year ended June 30, 2013 was 13.2%. However, the market value smoothing techniques used in this valuation of the System recognize both past and present investment gains and losses. The effects of the prior asset losses being phased-in were partially offset by gains attributable to demographic experience. Detailed information related to System experience is shown on page B-2.

5. Looking Ahead

The continuing effect of prior asset losses was dampened by the 7-year smoothing period, and further offset by the effect of lower than expected pay increases. There remains \$83 million of unrecognized investment losses that will, in the absence of other gains, put upward pressure on the contribution rate next year. Next year is the last year of the recognition of the 2008/2009 asset loss.

In 2014 the Society of Actuaries published new mortality tables which include mortality improvement scales. While these tables were not developed specifically for the Public Sector, we recommend that the mortality assumption be reviewed in conjunction with the next regularly scheduled experience study. That study will also investigate small and large groupings of Police and Fire plans for assumption setting purposes.

6. Conclusion

The reversal of some of the provisions in SB1609 due to the Fields decision resulted in a significant increase in the contribution rate. If pending litigation in the Hall case is ruled in favor of the plaintiffs, contribution rates will increase yet further. The Board adopted a provision allowing for up to a 3-year phase-in of contribution rate increases in this valuation only.

Member contributions are 11.65% of pay for FY 2015-2016. See page F-6 for details.

EXECUTIVE SUMMARY/BOARD SUMMARY

After accounting for active member contributions, the retired lives are less than fully funded on a funding value of assets basis, and much less than fully funded based upon the market value of assets (please see page B-4). It is most important that this plan receive contributions at least equal to the rates shown in this report.

SECTION A
INTRODUCTION

FUNDING OBJECTIVE

The purpose of the annual actuarial valuation of the Arizona Public Safety Personnel Retirement System as of June 30, 2014 is to:

- Compute the liabilities associated with benefits likely to be paid on behalf of current retired and active members. This information is contained in Section B.
- Compare accrued assets with accrued liabilities to assess the funded condition. This information is contained in Section B.
- Compute the employers' recommended contribution rates for the Fiscal Year beginning July 1, 2015. This information is contained in Section A.

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 member contributions, employer contributions and investment income from Retirement System assets.

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

- (1) Cover the actuarial present value of benefits allocated to the current year by the actuarial cost method described in Section E (the normal cost); and
- (2) Finance over a period of future years the actuarial present value of benefits not covered by valuation assets and anticipated future normal costs (the unfunded actuarial accrued liability).

Computed contribution rates for the fiscal year beginning July 1, 2015 are shown on page A-2.

CONTRIBUTION REQUIREMENTS

Development of Employer Contributions for the Indicated Valuation Date

	June 30,	
	2013	2014
Contribution for Fiscal Year Ending	2015	2016
Pension		
Normal cost requirement		
Service pensions	16.65%	16.22%
Disability pensions	1.77	1.90
Survivors of active members	0.59	0.62
Refunds of members' accumulated contributions	<u>1.19</u>	<u>1.31</u>
Total normal cost requirement	20.20%	20.05%
Employee contributions		
Total employee rate	11.05	11.65
Less portion used to pay down unfunded liability	<u>3.40</u>	<u>4.00</u>
Net employee rate	<u>7.65%</u>	<u>7.65%</u>
 Employer normal cost requirement	 12.55%	 12.40%
Amortization of unfunded liabilities	<u>18.48%</u>	<u>28.68%</u>
Total recommended pension contribution rate (before phase-in)	31.03%	41.08%
Total pension contribution rate (after phase-in)	N/A	34.38%
 Health		
Normal cost requirement	0.34%	0.35%
Amortization of unfunded liabilities	<u>1.17%</u>	<u>(0.06)%</u>
Total health contribution requirement	1.51%	0.29%
 Total contribution rate (before phase-in)	 32.54%	 41.37%
Total contribution rate (after phase-in)	N/A	34.67%

Actuarial accrued liability, \$12,519,531,279, exceeded the funding value of assets, which was \$6,313,415,550. The resulting unfunded actuarial accrued liabilities (after netting out the maintenance of effort reserve of \$85,714,927 from the actuarial value of assets) were amortized as a level percent of payroll over a closed period of 22 years ending June 30, 2037 and added to the employer normal cost. The 22-year period is a one-year decrease from last year. The results shown above are prior to the application of the statutory minimum of 8% of payroll (5% of payroll if the actual employer contribution rate is less than 5% for the 2006/2007 fiscal year).

HISTORICAL SUMMARY OF EMPLOYER PENSION RATES

Valuation Date June 30	Fiscal Year Ending June 30	Normal Cost	Unfunded Actuarial Accrued Liability	Total
2005	2007	10.71%	6.38%	17.09%
2006	2008	10.08	6.44	16.52
2007	2009	12.33	9.38	21.71
2008	2010	11.80	8.97	20.77
2009	2011	12.08	8.81	20.89
2010	2012	12.17	10.51	22.68
2011	2013	12.61	14.57	27.18
2012	2014	13.37	17.07	30.44
2013	2015	12.89	19.65	32.54
2014* (before phase-in)	2016	12.40	28.68	41.08
2014* (after phase-in)	2016	12.40	21.98	34.38

* Pension only beginning with the June 30, 2014 valuation.

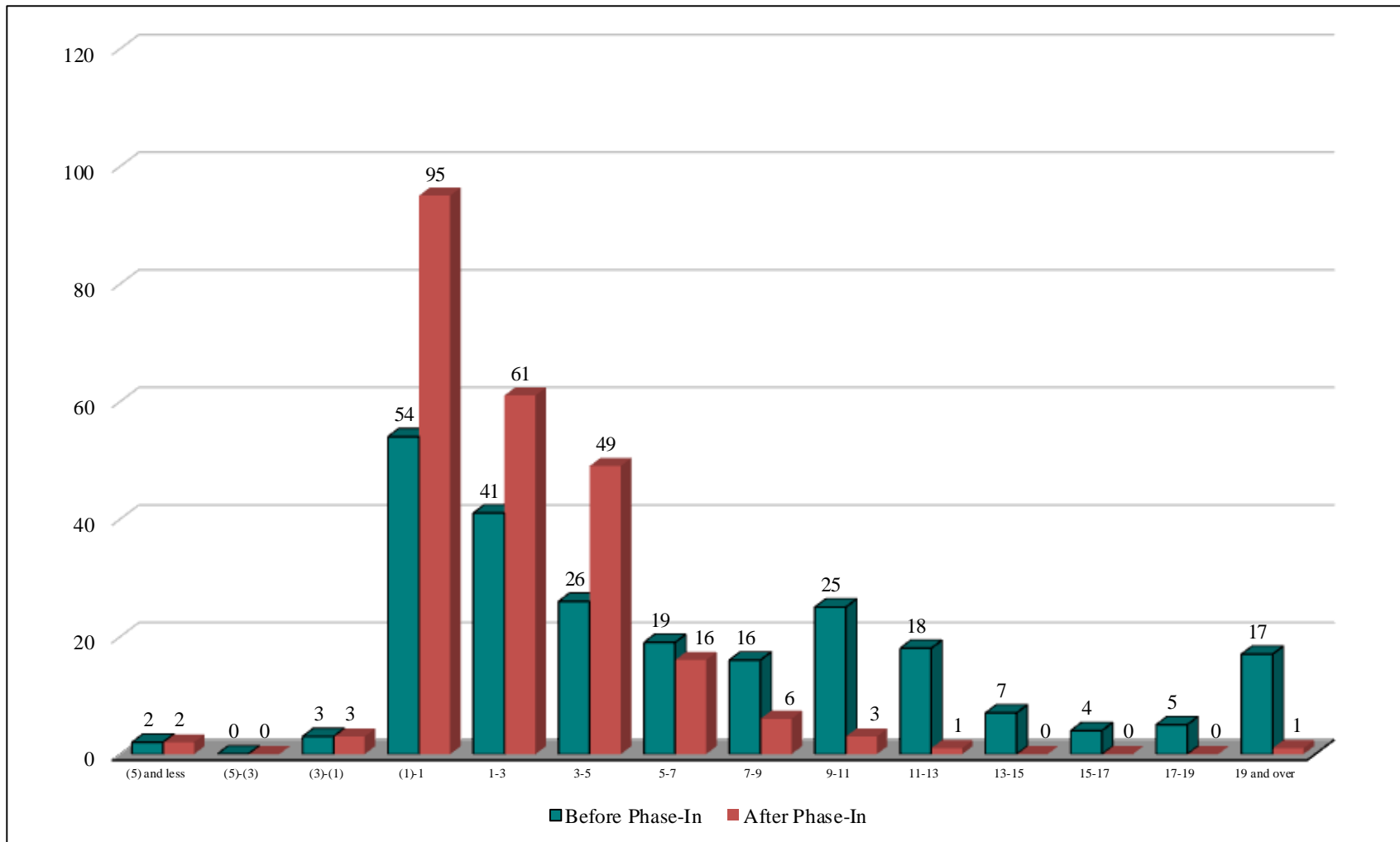
2005 results were revised pursuant to changes enacted by the 2006 Legislature and the PSPRS Board of Trustees.

Results prior to 2009 were calculated by the prior actuary.

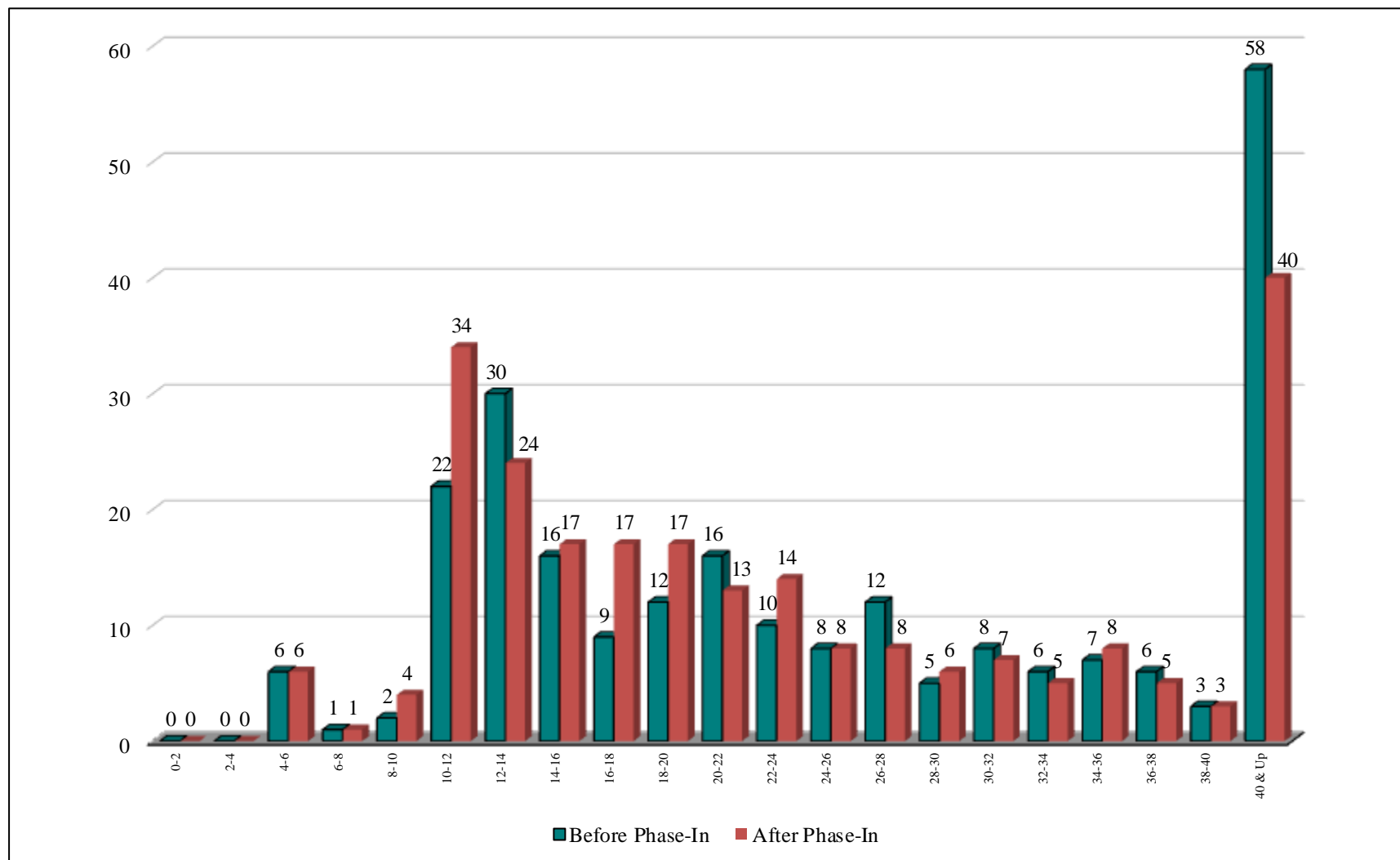
HISTORICAL SUMMARY OF EMPLOYER HEALTH RATES

Valuation Date June 30	Fiscal Year Ending June 30	Normal Cost	Unfunded Actuarial Accrued Liability	Total
2014	2016	0.35%	(0.06)%	0.29%

EMPLOYER PENSION CONTRIBUTION RATE CHANGES AT JUNE 30, 2014
ALL EMPLOYERS



EMPLOYER PENSION CONTRIBUTION RATES - ALL EMPLOYERS AT JUNE 30, 2014



SECTION B
FUNDING RESULTS

PRESENT VALUE OF FUTURE BENEFITS AND ACCRUED LIABILITY

	June 30,	
	2013	2014
Pension		
A. Accrued Liability		
1. For retirees and beneficiaries	\$ 5,142,376,315	\$ 6,423,088,556
2. For DROP members	1,363,153,228	1,526,606,719
3. For vested terminated members	25,997,914	31,162,685
4. For present active members		
a. Value of expected future benefit payments	6,352,571,232	6,494,332,233
b. Value of future normal costs	2,339,745,376	2,242,173,376
c. Active member accrued liability: (a) - (b)	4,012,825,856	4,252,158,857
5. Total accrued liability	10,544,353,313	12,233,016,817
B. Present Assets (Funding Value)	6,185,073,611	6,018,984,092
C. Unfunded Accrued Liability: (A.5) - (B)	4,359,279,702	6,214,032,725
D. Stabilization Reserve	16,068,231	15,315,551
E. Net Unfunded Accrued Liability: (C) + (D)	\$ 4,375,347,933	\$ 6,229,348,276
F. Funding Ratio: (B) / (A.5)	58.7%	49.2%
Health		
A. Accrued Liability		
1. For retirees and beneficiaries	\$ 119,839,000	\$ 121,922,988
2. For DROP members	26,901,246	28,740,470
3. For present active members		
a. Value of expected future benefit payments	172,646,404	175,386,610
b. Value of future normal costs	40,200,058	39,535,606
c. Active member accrued liability: (a) - (b)	132,446,346	135,851,004
4. Total accrued liability	279,186,592	286,514,462
B. Present Assets (Funding Value)	-	294,431,458
C. Net Unfunded Accrued Liability: (A.4) - (B)	\$ 279,186,592	\$ (7,916,996)
D. Funding Ratio: (B) / (A.4)	0.0%	102.8%

DERIVATION OF EXPERIENCE GAIN/(LOSS)

Actual experience will never (except by coincidence) exactly match assumed experience. Gains and losses often cancel each other over a period of years, but sizable year-to-year fluctuations are common. Detail on the derivation of the experience gain (loss) is shown below, along with a year-by-year comparative schedule.

(Dollar amounts in \$'000s)

	June 30,	
	2013	2014**
(1) UAAL* at start of year	\$4,273,935	\$4,638,844
(2) Normal cost from last valuation	293,207	286,676
(3) Actual contributions	515,047	565,868
(4) Interest accrual	333,041	353,191
(5) Expected UAAL before changes: (1) + (2) - (3) + (4)	4,385,136	4,712,843
(6) Changes from benefit increases, methods and assumptions	74,793	1,291,150
(7) Change in reserve for future pension increases	-	-
(8) Expected UAAL after changes: (5) + (6) + (7)	4,459,929	6,003,993
(9) Actual UAAL at end of year	4,638,466	6,214,033
(10) Experience Gain/(Loss): (8) - (9)	\$ (178,537)	\$ (210,040)

* Unfunded Actuarial Accrued Liability

** Pension only beginning with the June 30, 2014 valuation.

FY 2014 Gains and Losses by Source

	Gain/(Loss)	% of Liability
Investment Return	\$(281,753)	(2.7)%
Salary Increases	86,415	0.8%
Retirement	3,935	0.0%
Turnover	8,235	0.1%
Disability	5,945	0.1%
Death-in-Service	2,412	0.0%
Retiree Mortality	(4,537)	0.0%
Other	(30,692)	(0.3)%
Total	(210,040)	(2.0)%

UNFUNDED ACTUARIAL ACCRUED LIABILITIES COMPARATIVE STATEMENT

(Dollar amounts in \$'000s)

Pension

Valuation Date	(1) Actuarial Accrued Liabilities (AAL)	(2) Valuation Assets	(3) Unfunded AAL	(4) Funded Ratio (2)/(1)	(5) Financing Period	(6) Payroll	Liability Ratio	
							(7) Unfunded (3)/(6)	(8) Total (1)/(6)
2005	\$ 5,951,937	\$ 4,886,963	\$ 1,064,974	82.1%	20 yrs.	\$ 974,863	109.2%	610.5%
2006	6,495,012	4,999,911	1,495,101	77.0	30	1,073,685	139.2	604.9
2007	7,268,291	4,829,521	2,438,770	66.4	29	1,228,037	198.6	591.9
2008	7,662,779	5,095,645	2,567,134	66.5	28	1,383,332	185.6	553.9
2009	7,989,451	5,445,497	2,543,954	68.2	27	1,415,643	179.7	564.4
2010	8,491,822	5,591,304	2,900,518	65.8	26	1,400,544	207.1	606.3
2011	9,365,261	5,795,945	3,569,316	61.9	25	1,325,350	269.3	706.6
2012	10,325,530	6,051,595	4,273,935	58.6	24	1,349,252	316.8	765.3
2013	10,823,540	6,185,074	4,638,466	57.1	23	1,370,609	338.4	789.7
2014*	12,233,017	6,018,984	6,214,033	49.2	22	1,390,346	446.9	879.9

* Pension only beginning with the June 30, 2014 valuation.

Health

Valuation Date	(1) Actuarial Accrued Liabilities (AAL)	(2) Valuation Assets	(3) Unfunded AAL	(4) Funded Ratio (2)/(1)	(5) Financing Period	(6) Payroll	Liability Ratio	
							(7) Unfunded (3)/(6)	(8) Total (1)/(6)
2014	\$ 286,514	\$ 294,431	\$ (7,917)	102.8%	22	\$ 1,390,346	(0.6)%	20.6%

The Unfunded Liability ratio gives a general measure of the ability to collect contributions to pay off the unfunded liabilities. The Total Liability ratio gives a longer term indication of the volatility of the contribution rate.

2005 results revised pursuant to changes in assumptions and methods enacted by the 2006 Legislature and the PSPRS Board of Trustees. Results prior to 2009 were calculated by the prior actuary.

SHORT CONDITION TEST

If the contributions to PSPRS are soundly executed, the System will *pay all promised benefits when due -- the ultimate test of financial soundness*.

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

- 1) Member contributions on deposit;
- 2) The liabilities for future benefits to present retired lives; and
- 3) The liabilities for service already rendered by active and inactive members.

In a system that has been following the discipline of pre-funding, the liabilities for member contributions on deposit (liability 1) and the liabilities for future benefits to present retired lives (liability 2) will be fully covered by present assets (except in rare circumstances). In addition, the liabilities for service already rendered by active and inactive members (liability 3) will be partially covered by the remainder of present assets. The larger the funded portion of liability 3, the stronger the condition of the system.

Short Condition Test (in \$'000s)

Pension

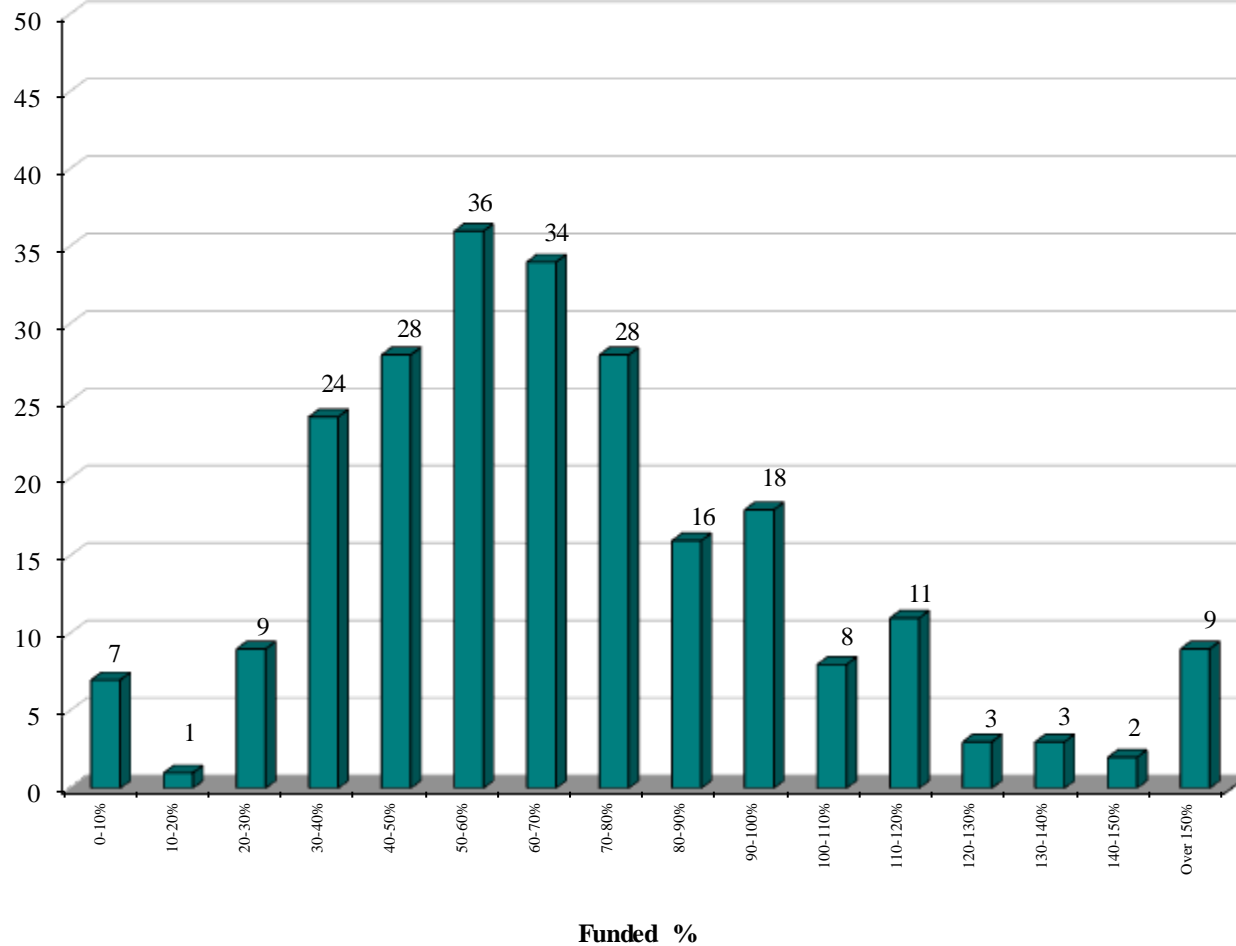
Calendar Year	Aggregate Actuarial Liabilities For			Actuarial Assets	Portion of Actuarial Liabilities covered by Assets		
	(1) Non-Retired Contributions	(2) Annuitants	(3) Non-Retired Members (Employer Financed Portion)		(1)	(2)	(3)
2009	\$ 737,839	\$4,622,427	\$2,629,185	\$5,445,497	100%	100%	3.2%
2010	808,207	4,993,382	2,690,233	5,591,304	100	96	0.0
2011	819,996	5,790,724	2,754,541	5,795,945	100	86	0.0
2012	897,597	6,364,273	3,063,659	6,051,595	100	81	0.0
2013	978,017	6,652,270	3,193,253	6,185,074	100	78	0.0
2014*	1,058,474	7,949,695	3,224,848	6,018,984	100	62	0.0

* Pension only beginning with the June 30, 2014 valuation.

Health

Calendar Year	Aggregate Actuarial Liabilities For			Actuarial Assets	Portion of Actuarial Liabilities covered by Assets		
	(1) Non-Retired Contributions	(2) Annuitants	(3) Non-Retired Members (Employer Financed Portion)		(1)	(2)	(3)
2014	\$ 0	\$150,663	\$135,851	\$294,431	100%	100%	105.8%

PENSION FUNDED PERCENTS - ALL EMPLOYERS AT JUNE 30, 2014



PENSION CONTRIBUTION PROJECTION

Without contribution phase-in during FYE16 & FYE17

Fiscal Year Ending June 30	Contribution Rate	Contribution Amount (Estimate)
2016	41.08%	\$617,760,392
2017	41.86	650,131,229
2018	41.77	670,633,417
2019	41.70	692,798,761
2020	41.80	719,245,342
2021	41.54	740,433,153
2022	41.33	762,824,070
2023	41.25	788,951,353
2024	41.13	815,786,316
2025	40.98	843,985,767
2026	40.81	873,217,826

With contribution phase-in during FYE16 & FYE17

Fiscal Year Ending June 30	Contribution Rate	Contribution Amount (Estimate)
2016	34.38%	\$517,005,897
2017	38.25	594,064,011
2018	42.26	678,500,555
2019	42.47	705,591,448
2020	42.57	732,494,598
2021	42.31	754,158,082
2022	42.11	777,220,459
2023	42.03	803,869,706
2024	41.92	831,455,443
2025	41.77	860,255,868
2026	41.61	890,335,549

Contribution Rate and Amount estimated based on June 30, 2014 valuation data, methods, and assumptions, including 7.85% investment return and 4% payroll growth.

SECTION C
FUND ASSETS

DEVELOPMENT OF PENSION FUNDING VALUE OF ASSETS (7-YEAR SMOOTHING)

Year Ended June 30:	2014	2015	2016	2017	2018	2019	2020
A. Funding Value Beginning of Year (Including Future Benefit Increases)	\$ 5,905,509,127						
B. Market Value End of Year	5,935,524,128						
C. Market Value Beginning of Year	5,306,086,372						
D. Non Investment Net Cash Flow	(65,772,608)						
E. Investment Income							
E1. Total: B-C-D	695,210,364						
E2. Amount for Immediate Recognition: (7.85%)	461,000,892						
E3. Amount for Phased-in Recognition: E1-E2	234,209,472						
F. Phased-in Recognition of Investment Income							
F1. Current Year: E3 / 7	33,458,496						
F2. First Prior Year	9,542,555	\$ 33,458,496					
F3. Second Prior Year	(72,234,304)	9,542,555	\$ 33,458,496				
F4. Third Prior Year	40,557,028	(72,234,304)	9,542,555	\$ 33,458,496			
F5. Fourth Prior Year	9,473,791	40,557,028	(72,234,304)	9,542,555	\$ 33,458,496		
F6. Fifth Prior Year	(183,695,537)	9,473,791	40,557,028	(72,234,304)	9,542,555	\$ 33,458,496	
F7. Sixth Prior Year	(118,855,348)	(183,605,170)	9,473,791	40,557,031	(72,234,303)	9,542,556	\$ 33,458,496
F8. Funding Value Corridor Adjustment							
F9. Total Recognized Investment Gain	(281,753,319)	(162,807,604)	20,797,566	11,323,778	(29,233,252)	43,001,052	33,458,496
G. Funding Value End of Year							
G1. Preliminary Funding Value End of Year: (A+D+E2+F1:F7)	6,018,984,092						
G2. Upper Corridor: (120% x B)	7,122,628,954						
G3. Lower Corridor: (80% x B)	4,748,419,302						
G4. End of Year: (G1 subject to max of G2 and min of G3)	6,018,984,092						
G5. Future Benefit Increases	0						
G6. End of Year: (G4-G5)	6,018,984,092						
H. Difference Between Market Value & Funding Value: (B-G6)	(83,459,964)	79,347,640	58,550,074	47,226,296	76,459,548	33,458,496	0
I. Market Rate of Return	13.2%						
J. Recognized Rate of Return	3.1%						
K. Ratio of Funding Value to Market Value	101.4%						

The funding value of assets recognizes assumed investment return (line E2) fully each year. Differences between actual and assumed investment return (line E3) are phased-in over a closed 7-year period. During periods when investment performance exceeds the assumed rate, funding value of assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, funding value of assets will tend to be greater than market value. The funding value of assets is **unbiased** with respect to market value. At any time it may be either greater or less than market value. If actual and assumed rates of investment return are exactly equal for 7 consecutive years, the funding value will become equal to market value.

DEVELOPMENT OF HEALTH FUNDING VALUE OF ASSETS (7-YEAR SMOOTHING)

Year Ended June 30:	2014	2015	2016	2017	2018	2019	2020
A. Funding Value Beginning of Year	\$ 279,564,484						
B. Market Value End of Year	290,897,309						
C. Market Value Beginning of Year	251,188,046						
D. Non Investment Net Cash Flow	5,956,011						
E. Investment Income							
E1. Total: B-C-D	33,753,252						
E2. Amount for Immediate Recognition: (7.85%)	22,179,585						
E3. Amount for Phased-in Recognition: E1-E2	11,573,667						
F. Phased-in Recognition of Investment Income							
F1. Current Year: E3 / 7	1,653,381						
F2. First Prior Year	451,741	\$ 1,653,381					
F3. Second Prior Year	(3,419,544)	451,741	\$ 1,653,381				
F4. Third Prior Year	1,919,954	(3,419,544)	451,741	\$ 1,653,381			
F5. Fourth Prior Year	448,486	1,919,954	(3,419,544)	451,741	\$ 1,653,381		
F6. Fifth Prior Year	(8,696,075)	448,486	1,919,954	(3,419,544)	451,741	\$ 1,653,381	
F7. Sixth Prior Year	(5,626,565)	(8,691,797)	448,486	1,919,954	(3,419,544)	451,740	\$ 1,653,381
F8. Funding Value Corridor Adjustment							
F9. Total Recognized Investment Gain	(13,268,622)	(7,637,779)	1,054,018	605,532	(1,314,422)	2,105,121	1,653,381
G. Funding Value End of Year							
G1. Preliminary Funding Value End of Year: (A+D+E2+F1:F7)	294,431,458						
G2. Upper Corridor: (120% x B)	349,076,771						
G3. Lower Corridor: (80% x B)	232,717,847						
G4. End of Year: (G1 subject to max of G2 and min of G3)	294,431,458						
H. Difference Between Market Value & Funding Value: (B-G4)	(3,534,149)	4,103,630	3,049,612	2,444,080	3,758,502	1,653,381	0
I. Market Rate of Return	13.3%						
J. Recognized Rate of Return	3.2%						
K. Ratio of Funding Value to Market Value	101.2%						

The funding value of assets recognizes assumed investment return (line E2) fully each year. Differences between actual and assumed investment return (line E3) are phased-in over a closed 7-year period. During periods when investment performance exceeds the assumed rate, funding value of assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, funding value of assets will tend to be greater than market value. The funding value of assets is **unbiased** with respect to market value. At any time it may be either greater or less than market value. If actual and assumed rates of investment return are exactly equal for 7 consecutive years, the funding value will become equal to market value.

REVENUES AND DISBURSEMENTS

Pension

	2013	2014
Market Value at the Beginning of Year:	\$ 4,854,329,749	\$ 5,306,086,372
Revenues:		
a. Member contributions	\$ 134,193,451	\$ 152,022,740
b. Employer contributions	360,458,794	413,845,614
c. Interest income (net of expenses)	522,414,101	689,384,116
d. Net transfers	230,447	724,805
e. Total	\$ 1,017,296,793	\$ 1,255,977,275
Disbursements:		
a. Refunds of member contributions	\$ 12,819,713	\$ 14,434,714
b. Pension benefits	492,506,527	527,134,758
c. DROP benefits	60,213,930	84,970,047
d. Total	\$ 565,540,170	\$ 626,539,519
Reserve Increase:		
Total revenues minus total disbursements	451,756,623	629,437,756
Market Value at the End of Year:	\$ 5,306,086,372	\$ 5,935,524,128

Health

	2013	2014
Market Value at the Beginning of Year:	\$ 220,358,125	\$ 251,188,046
Revenues:		
a. Health contributions	20,394,283	19,534,206
b. Interest income (net of expenses)	23,819,082	33,753,252
c. Total	\$ 44,213,365	\$ 53,287,458
Disbursements:	\$ 13,383,444	\$ 13,578,195
Reserve Increase:		
Total revenues minus total disbursements	30,829,921	39,709,263
Market Value at the End of Year:	\$ 251,188,046	\$ 290,897,309

SECTION D
CENSUS DATA

JUNE 30, 2014 VALUATION DATA SUMMARY

For purposes of the June 30, 2014 valuation, information on 32,172 covered persons was furnished. These people may be briefly described as follows.

	No.	Averages			
		Age	Years of Service	Annual Pay or Retirement Allowance	
				2014	2013
Actives	18,526	39.7	11.2	\$75,048	\$74,344
Retirees & Beneficiaries	10,524	63.3		51,616	49,571
DROP	1,559	54.0		64,173	63,236
Inactive Vested	1,563	38.0			
	32,172				

ACTIVE MEMBERS

Members in Active Service as of June 30, 2014 by Years of Service

Age	Years of Service							Total Count	Total Pay	Average Pay
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 & Up			
Under 25	341							341	\$ 16,663,619	\$48,867
25 - 29	1,149	626	1					1,776	100,924,102	56,827
30 - 34	788	2,197	371	1				3,357	223,367,517	66,538
35 - 39	401	1,498	1,483	306				3,688	269,781,006	73,151
40 - 44	226	909	1,281	1,451	186	2		4,055	324,962,274	80,139
45 - 49	136	401	622	1,110	567	159	1	2,996	254,938,032	85,093
50 - 54	44	198	260	465	336	269	39	1,611	141,168,145	87,628
55 - 59	18	68	106	170	99	69	28	558	46,928,737	84,102
60 - 64	8	19	23	41	11	8	5	115	9,310,716	80,963
65 and over	2	5	5	9	6	2		29	2,302,026	79,380
Total	3,113	5,921	4,152	3,553	1,205	509	73	18,526	\$ 1,390,346,174	\$75,048

TERMINATED VESTED MEMBERS

Age	Years of Service					Total Count
	0 - 4	5 - 9	10 - 14	15 - 19	20 & Up	
Under 30	249	29				278
30 - 39	537	146	28			711
40 - 44	173	32	35	8	1	249
45 - 49	99	29	26	6	3	163
50 - 54	56	13	14	9	1	93
55 - 59	20	12	7	6	2	47
60 - 69	9	3	5	1	1	19
70 and over	2		1			3
Total	1,145	264	116	30	8	1,563

RETIREES AND BENEFICIARIES

Attained Ages	Males		Females		Total	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 25	12	\$ 233,251	25	\$ 375,374	37	\$ 608,625
25-29	0	0	7	321,603	7	321,603
30-34	19	545,138	20	825,395	39	1,370,533
35-39	43	1,495,152	51	2,235,451	94	3,730,603
40-44	150	6,041,924	69	2,879,204	219	8,921,128
45-49	452	20,934,178	121	5,224,109	573	26,158,287
50-54	946	47,266,076	219	9,878,830	1,165	57,144,906
55-59	1,477	80,390,024	267	12,739,204	1,744	93,129,228
60-64	1,877	106,006,688	238	11,231,074	2,115	117,237,762
65-69	1,742	96,647,137	255	11,840,402	1,997	108,487,539
70-74	943	51,969,444	216	9,413,879	1,159	61,383,323
75-79	503	26,289,342	180	7,449,782	683	33,739,124
80-84	298	14,423,942	139	5,751,405	437	20,175,347
85-89	101	4,711,498	83	3,287,081	184	7,998,579
90-94	16	685,530	41	1,571,270	57	2,256,800
95-99	4	165,826	8	308,240	12	474,066
100 and Over	0	0	2	71,876	2	71,876
Totals	8,583	\$457,805,150	1,941	\$85,404,179	10,524	\$543,209,329

Pension Being Paid		Number	Annual Pensions	Average Pensions
Retired Members	Service Pensions	7,689	\$421,060,456	\$54,761
	Disability Pensions	1,460	63,630,465	43,583
Totals		9,149	484,690,921	52,977
Survivors of Members	Spouses	1,303	56,986,422	43,735
	Children with Guardians	72	1,531,986	21,278
Total		1,375	58,518,408	42,559
Total Pension being Paid		10,524	\$543,209,329	\$51,616
		Average Age	Average Service	Average Age at Retirement
Normal retired members		63.8	23.5	51.4
Disability retired members		57.2	14.3	43.9
Spouse beneficiaries		68.8	19.1	44.1

DROP MEMBERS

Attained Ages	Males		Females		Total	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 45	19	\$ 840,293	5	\$ 227,944	24	\$ 1,068,237
45-49	251	14,243,595	33	1,808,207	284	16,051,802
50-54	565	37,716,971	58	3,338,624	623	41,055,595
55-59	462	31,727,750	26	1,466,796	488	33,194,546
60-64	127	7,944,634	6	294,940	133	8,239,574
65 and Over	7	435,181	0	0	7	435,181
Totals	1,431	\$92,908,424	128	\$7,136,511	1,559	\$100,044,935

**BENEFITS BEING PAID
HISTORICAL SCHEDULE**

Valuation Date June 30	No.	Annual Pensions	% Incr. in Annual Pensions	Average Pension	Present Value of Pensions	
					Total	Average
2005	8,160	\$ 317,771,553	11.0%	\$ 38,943	\$ 3,607,372,524	\$ 442,080
2006	8,720	353,932,939	11.4	40,589	4,028,016,095	461,928
2007	8,958	375,472,203	6.1	41,915	4,266,600,730	476,289
2008	9,422	404,386,274	7.7	42,919	4,404,386,241	467,458
2009	9,653	435,480,427	7.7	45,113	4,513,524,906	467,577
2010	10,047	472,656,961	8.5	47,045	4,863,374,108	484,062
2011	10,941	541,794,019	14.6	49,520	5,648,799,031	516,296
2012	11,298	578,216,439	6.7	51,179	6,218,323,756	550,392
2013	11,641	597,303,323	3.3	51,310	6,505,529,543	558,846
2014	12,083	643,254,264	7.7	53,236	7,949,695,275	657,924

Results prior to 2009 were calculated by the prior actuary. Annual pensions include payments to DROP accounts.

6,965 retirees were receiving the Post-Retirement Health Insurance Subsidy and the average monthly benefit is \$175.17 per month.

SECTION E
METHODS AND ASSUMPTIONS

VALUATION METHODS

Actuarial Cost Method - Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an individual entry-age actuarial cost method having the following characteristics:

- (i) the annual normal costs for each individual active member, payable from the date of hire to the date of retirement, are sufficient to accumulate to the value of the member's benefits.
- (ii) each annual normal cost is a constant percentage of the member's year-by-year projected covered pay.

The entry-age actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's compensation between the entry age of the member and the assumed exit ages.

Actuarial Accrued Liability - The actuarial accrued liability is the portion of actuarial present value allocated to service rendered prior to the valuation date, including experience gains and losses. The actuarial accrued liability was computed using the assumptions summarized in this report.

Actuarial Value of System Assets - The actuarial value of assets recognizes assumed investment income fully each year. Differences between actual and assumed investment income are phased-in over a closed seven-year period subject to a 20% corridor. During periods when investment performance exceeds the assumed rate, actuarial value of assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, the actuarial value of assets will tend to be greater than market value.

Financing of Unfunded Actuarial Accrued Liabilities - The actuarial value of assets were subtracted from the computed actuarial accrued liability. Any unfunded amount would be amortized as level percent-of-payroll over a closed period of 22 years. If the actuarial value of assets exceeded the actuarial accrued liability, the excess was amortized over an open period of 20 years and applied as a credit to reduce the normal cost which otherwise would be payable.

Active member payroll was assumed to increase 4.0% annually for the purpose of computing the amortization payment (credit) as a level percent-of-payroll.

VALUATION ASSUMPTIONS

Beginning with the June 30, 2007 valuation and with each subsequent valuation, if the actuarial value of assets exceeds the actuarial accrued liabilities, one half of this excess in each year is allocated to a Stabilization Reserve. The Stabilization Reserve is excluded from the calculation of the employer contribution rates. The Stabilization Reserve continues to accumulate as long as the plan is over-funded. Once the plan becomes under-funded, the Stabilization Reserve will be used to dampen increases in the employer contribution rates.

The rate of investment return was 7.85% a year, compounded annually net of investment and administrative expenses.

The assumed real return is the rate of return in excess of wage growth. Considering other assumptions used in the valuation, the 7.85% nominal rate translates to a net real return over wage growth of 3.85% a year.

The rates of pay increase used for individual members are shown below. This assumption is used to project a member's current pay to the pay upon which System benefits will be based.

Salary Increase Assumptions For An Individual Member									
Sample Ages	Merit & Seniority				Base (Economy)	Increase Next Year			
	Police Large	Police Small	Fire Large	Fire Small		Police Large	Police Small	Fire Large	Fire Small
20	4.00%	4.00%	4.00%	4.00%	4.00%	8.00%	8.00%	8.00%	8.00%
25	3.70%	3.16%	3.70%	3.70%	4.00%	7.70%	7.16%	7.70%	7.70%
30	2.60%	2.12%	2.90%	2.66%	4.00%	6.60%	6.12%	6.90%	6.66%
35	1.22%	1.17%	1.54%	1.32%	4.00%	5.22%	5.17%	5.54%	5.32%
40	0.52%	0.36%	0.48%	0.41%	4.00%	4.52%	4.36%	4.48%	4.41%
45	0.28%	0.10%	0.14%	0.12%	4.00%	4.28%	4.10%	4.14%	4.12%
50	0.14%	0.07%	0.04%	0.07%	4.00%	4.14%	4.07%	4.04%	4.07%
55	0.04%	0.02%	0.00%	0.02%	4.00%	4.04%	4.02%	4.00%	4.02%
60	0.00%	0.00%	0.00%	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%
65	0.00%	0.00%	0.00%	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Ref	383	384	385	386	4.00%				

Active member payroll is assumed to grow at 4.0% per year. Although no specific price inflation assumption is required to perform this valuation, since no benefits are linked to prices, a price inflation assumption on the order of 3.0% to 4.0% would be consistent with the other economic assumptions.

VALUATION ASSUMPTIONS

The healthy mortality table used to evaluate death after retirement in this valuation of the System was the RP 2000 Mortality table projected to 2015 using projection scale AA (adjusted by 105% for males and females). This assumption was first used for the June 30, 2012 valuation of the System and includes margin for future improvements in mortality. Sample rates of mortality and years of life expectancy are shown below:

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.17%	0.14%	31.88	33.93
55	0.29	0.25	27.19	29.20
60	0.56	0.49	22.67	24.66
65	1.08	0.95	18.43	20.39
70	1.86	1.63	14.56	16.49
75	3.22	2.62	11.04	12.95
80	5.81	4.34	8.00	9.80
Ref:	397 x 1.05 0 year set forward	398 x 1.05 0 year set forward		

This assumption is used to measure the probabilities of each benefit payment being made after retirement.

The disabled mortality table used to evaluate death after retirement in this valuation of the System was the RP 2000 Mortality table projected to 2015 using projection scale AA set forward 10 years for both males and females. This assumption was first used for the June 30, 2012 valuation of the System. Sample rates of mortality and years of life expectancy are shown below:

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.53%	0.47%	23.05	25.08
55	1.03	0.90	18.79	20.80
60	1.77	1.55	14.89	16.86
65	3.06	2.49	11.34	13.29
70	5.54	4.13	8.25	10.09
75	9.97	7.08	5.81	7.35
80	17.27	12.59	4.02	5.30
Ref:	397 x 1.00 10 year set forward	398 x 1.00 10 year set forward		

VALUATION ASSUMPTIONS

For actives, the sample rates of mortality for death-in-service are shown below, and were first used for the June 30, 2012 valuation of the System.

Sample Attained Ages	Probability of Dying Next Year	
	Men	Women
50	0.10%	0.08%
55	0.16	0.14
60	0.32	0.28
65	0.62	0.54
Ref:	397 x 0.60 0 year set back	398 x 0.60 0 year set forward

The rates of regular retirement used to measure the probability of eligible members retiring during the next year are shown below. This assumption was first used for the June 30, 2012 valuation of the System.

Retirement/DROP Rates: Age-related rates for employees who were hired before January 1, 2012 are shown below:

Age at Retirement	Rates			
	Police Large	Police Small	Fire Large	Fire Small
62	75%	75%	75%	75%
63	60%	60%	60%	60%
64	60%	60%	60%	60%
65	60%	60%	60%	60%
66	60%	60%	60%	60%
67	60%	60%	60%	60%
68	60%	60%	60%	60%
69	60%	60%	60%	60%
70	100%	100%	100%	100%
Ref.	2145	2145	2145	2145

These retirement rates are applicable to employees attaining age 62 before attaining 20 years of service.

VALUATION ASSUMPTIONS

Service-related rates for employees who were hired before January 1, 2012 are shown below:

Service at Retirement	Rates			
	Police Large	Police Small	Fire Large	Fire Small
20	25%	37%	14%	20%
21	17%	33%	12%	20%
22	17%	20%	7%	10%
23	10%	13%	7%	10%
24	10%	10%	7%	8%
25	40%	35%	27%	25%
26	40%	35%	30%	25%
27	35%	30%	25%	25%
28	32%	30%	37%	25%
29	32%	30%	37%	25%
30	38%	30%	37%	35%
31	42%	30%	40%	35%
32	75%	75%	50%	35%
33	75%	75%	50%	35%
34	100%	100%	100%	100%
Ref.	2146	2147	2148	2149

These retirement rates are applicable to employees attaining 20 years of service before attaining age 62.

Age-related rates for employees who were hired after January 1, 2012 are shown below:

Age at Retirement	Rates			
	Police Large	Police Small	Fire Large	Fire Small
53	10%	15%	10%	10%
54	10%	10%	10%	10%
55	45%	40%	30%	20%
56	45%	40%	45%	30%
57	45%	30%	30%	30%
58	45%	30%	45%	30%
59	45%	30%	45%	30%
60	50%	30%	45%	45%
61	50%	30%	50%	45%
62	80%	65%	50%	45%
63	80%	65%	50%	45%
64	100%	100%	100%	100%
Ref.	1737	1738	1739	1740

VALUATION ASSUMPTIONS

Rates of separation from active membership used in the valuation are shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members remaining in employment. This assumption was first used for the June 30, 2012 valuation of the System.

Sample Ages	Service Index	% of Active Members Separating Within Next Year			
		Police Large	Police Small	Fire Large	Fire Small
All	1	16.00%	15.00%	8.50%	7.50%
	2	7.00%	10.00%	2.50%	6.00%
	3	4.00%	9.00%	1.00%	5.00%
	4	3.00%	7.00%	1.00%	5.00%
	5	2.50%	6.00%	1.00%	5.00%
	10	2.00%	5.30%	1.00%	3.00%
	15	0.60%	1.80%	0.10%	1.00%
	20	0.50%	1.80%	0.10%	1.00%
Ref.		757	603	758	605

Rates of disability among active members used in the valuation are shown below, and were first used for the June 30, 2012 valuation of the System.

Sample Ages	% of Active Members Becoming Disabled Within Next Year			
	Police Large	Police Small	Fire Large	Fire Small
20	0.08%	0.12%	0.02%	0.03%
25	0.08%	0.12%	0.02%	0.03%
30	0.17%	0.23%	0.04%	0.03%
35	0.22%	0.28%	0.09%	0.07%
40	0.36%	0.46%	0.16%	0.16%
45	0.51%	0.63%	0.16%	0.44%
50	0.78%	1.60%	0.40%	0.60%
55	1.02%	1.60%	0.93%	1.04%
Ref	588	589	590	591
	80%	80%	80%	80%

SUMMARY OF ASSUMPTIONS USED

JUNE 30, 2014

MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

Marriage Assumption:	85% of males and females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.
Pay Increase Timing:	Six months after the valuation date. This means that the pays received are assumed to be annual rates of pay on the valuation date as opposed to W-2 type earnings for the prior 12 months.
Decrement Timing:	Decrements of all types are assumed to occur mid-year.
Eligibility Testing:	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
Decrement Relativity:	Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.
Decrement Operation:	Disability and turnover decrements do not operate during retirement eligibility.
Service Credit Accruals:	It is assumed that members accrue one year of service credit per year.
Incidence of Contributions:	Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.
Normal Form of Benefit:	A straight life payment is the assumed normal form of benefit for members who are not married, and the 80% Joint and Survivor form of payment with no reduction, for married members. 85% of members are assumed to be married at time of retirement.
Benefit Service:	Exact fractional service is used to determine the amount of benefit payable.
Health Care Utilization:	75% of future retirees are expected to utilize retiree health care. 85% of those are assumed to be married.
Assumed Future Permanent Benefit Increases (PBI):	Members Retired on or before July 1, 2011: 2% compounded on average. Members Retired on or after August 1, 2011: 0.5% compounded on average. Since all current retirees receive the same dollar increase amount, approximation techniques were used to develop the assumed PBI for each member.

SECTION F
PLAN PROVISIONS

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

Membership: Persons who are employed in an eligible group, prior to attaining age 65 years, for at least 40 hours a week for more than six months per year.

Average Monthly Compensation:

For members hired before January 1, 2012:

One-thirty-sixth of total compensation paid to member during the three 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.

For members hired on or after January 1, 2012:

One-sixtieth of total compensation paid to member during the five 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:

For members hired before January 1, 2012:

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 of credited service.

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

For members hired on or after January 1, 2012:

First day of month following the attainment of age 52.5 and completion of 25 years of service.

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

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

- ***For retirement with 25 years of credited service***, 62.5% of average monthly compensation.
- ***For retirement with less than 25 years of credited service***, the monthly benefit is reduced at a rate of 4% for each year less than 25 years of credited service.
- ***For retirement with more than 25 years of credited service***, the monthly benefit is increased by 2.5% of the average monthly compensation multiplied by the numbers of credited years greater than 25 years.

The maximum amount payable as a normal retirement pension is 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 calculated based on twice 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>
0-4	0%
5-6	25-40
7-8	55-70
9-10	85-100

For members hired on or after January 1, 2012 that cease to hold office for any reason other than death or retirement, member can withdraw their accumulated contributions less any benefit payments already received or any amount the member owes the plan (no employer match of refund contributions) with interest at rate set by Board.

Ordinary Disability Retirement (not duty-related): 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 on employee's credited service (maximum of 20 years divided by 20).

Accidental Disability Retirement (duty-related): 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 the 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.

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

Temporary Disability: Termination of employment prior to normal retirement eligibility by reason of temporary disability. Pension is 1/12 of 50% of compensation during the year preceding the date disability was incurred. Payments terminate after 12 months of prior recovery.

Catastrophic Disability: Pension is 90% of average monthly compensation. After 60 months, the pension is the greater of 62.5% of average monthly compensation or the member's accrued normal pension.

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

Spouse Pension: 80% of pension deceased active member would have been paid for accidental disability retirement or, in the case of retired member, 80% of the retired member's pension. Requires two years of marriage*. Terminates upon death. For member killed in line of duty, 100% of average compensation, reduced by child's pension.

* If retired.

Child's Pension: 20% of the pension each month based on the calculation for an accidental disability retirement. Payable to a dependent child under age 18 or until 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 one child under age 18 or until age 23 if a full-time student. 80% of the member's pension and the child's pension will be paid to the guardian.

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

Permanent Benefit Increases:

For members retired on or before July 1, 2011:

Effective July 1st of each year, each retired member or survivor of a retired member may be entitled to a Permanent Benefit Increase (PBI) in base benefit. The maximum amount of the increase is four percent (4%) of the average normal PSPRS benefit being received on the preceding June 30th and is contingent upon sufficient excess investment earnings for the fund. To be eligible for the increase the member or survivor must be age 55 or older on July 1st of the current year and began receiving benefits on or before July 31st of the previous year. A member or survivor is also eligible if he began receiving benefits on or before July 31st of the two previous years regardless of age. A PBI reserve is maintained and used to pay for the post-retirement adjustment. The investment return on the PBI reserve is the same as the return on the market value of assets (whether the return is positive or negative). Additional amounts are added to the PBI reserve in years when the investment return on the market value of assets exceeds 9.0%. Each year the present value of that year's post-retirement adjustment is subtracted from the PBI reserve. A post-retirement adjustment is paid as long as there is a positive balance in the PBI reserve.

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

For members retired on or after August 1, 2011:

A PBI is only paid in a year when the annual return on the market value of assets of the prior fiscal year exceeds 10.5% and the plan is at least 60% funded. 100% of the excess earnings is used to determine whether a PBI can be paid and the size of the PBI for that year. No PBI reserves will accumulate and the present value of that year's PBI for eligible retirees cannot exceed 100% of the earnings in excess of 10.5%. If the excess earnings is high enough to exceed the present value of that year's PBI, the excess stays in the fund.

To be eligible for an increase the retiree or the survivor must be:

- In the case of a retired member who became a member of the plan before January 1, 2012, the retired member or survivor was receiving benefits on or before July 31st of the two previous years;
- In the case of a retired member who became a member of the plan before January 1, 2012, the retired member or survivor was 55 or older on July 1st of the current year and was receiving benefits on or before July 31st of the previous year;
- In the case of a retired member who became a member of the plan on or after January 1, 2012, the retired member or survivor was at least 55 or older on July 1st and receiving benefits;
- In the case of a retired member who became a member of the plan on or after January 1, 2012, if under 55 on July 1st, was receiving accidental disability benefits for the preceding 2 years; or
- In the case of a member who became a member of the plan on or after January 1, 2012, if the survivor is under 55 on July 1st, is the survivor of the member who was killed in the line of duty, and has been receiving a survivor benefits for the preceding 2 years.

The amount of the PBI to be paid is determined as follows:

- Funded ratio is 60-64%, PBI is 2%
- Funded ratio is 65-69%, PBI is 2.5%
- Funded ratio is 70-74%, PBI is 3%
- Funded ratio is 75-79%, PBI is 3.5%
- Funded ratio is 80% or more, PBI is 4%

Post-Retirement Health Insurance Subsidy: Payable on behalf of retired members and survivors who elect coverage provided by the state or participating employer. The monthly amounts cannot exceed:

Member Only		With Dependents		
Not Medicare Eligible	Medicare Eligible	All Not Medicare Eligible	All Medicare Eligible	One With Medicare
\$150	\$100	\$260	\$170	\$215

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

Deferred Retirement Option Plan (DROP): A member hired before January 1, 2012 with 20 or more years of credited service under the System may enter into the DROP program with his employer. Under the DROP program, the member must voluntarily and irrevocably elect to enter into the program with his employer for a period of up to 60 months. During the DROP period, the member remains in the employ of the employer as a full-time paid Firefighter or full-time paid certified Peace Officer but no member or employer contributions are made to the System, therefore no additional years of credited service are accrued on the member's behalf. The member's monthly pension is calculated based upon the years of credited service and average monthly compensation at the beginning of the DROP period. This monthly pension amount is credited to a DROP participation account with interest credited monthly to the account. The interest rate credited to the DROP account is 8.25% for the fiscal year beginning July 1, 2010, 8.0% for the fiscal year beginning July 1, 2011 and 7.85% for the fiscal years beginning July 1, 2012, July 1, 2013 and July 1, 2014.

At the end of the DROP period or prior to that time if the member terminates employment, the monies in the DROP participation account will be either paid to the member in a lump-sum amount or paid in a lump-sum distribution to an eligible retirement plan or individual retirement account. The member will then begin receiving the monthly pension amount directly from the System in the same amount as was being credited to the DROP participation account.

For members with less than 20 years of credited service on January 1, 2012, the monthly pension amount is credited to a DROP participation account with interest calculated as the average return on the actuarial value of assets, with a minimum of 2% and maximum equal to the actuarial assumed rate. The interest credited to the DROP account is 4.40% for the fiscal year beginning July 1, 2012, 3.20% for the fiscal year that starts July 1, 2013 and 3.40% for the fiscal year that starts July 1, 2014.

For members with less than 20 years of credited service on January 1, 2012, during the DROP period, the member remains in the employ of the employer as a full-time paid Firefighter or full-time paid certified Peace Officer and refundable member contributions are made to the System.

A member hired on or after January 1, 2012 may NOT enter into the DROP.

Reverse DROP: Expired effective July 1, 2010.

Employer Contributions: Percent-of-payroll normal cost plus 30-year (22 years remaining as of June 30, 2014) amortization of unfunded actuarial accrued liability (20-year amortization for credit). The statutory minimum is 8% of payroll (5% of payroll if the actual employer contribution rate is less than 5% for the 2006/2007 fiscal year). Employer will contribute to the system when members return to work.

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

Member Contributions: Member contribution rates are shown in the schedule below. Additional member contributions DO NOT reduce the employer contribution; this means there is a “maintenance of effort” provision.

- FY 2010-2011 – 7.65%
- FY 2011-2012 – 8.65%
- FY 2012-2013 – 9.55%
- FY 2013-2014 – 10.35%
- FY 2014-2015 – 11.05%
- FY 2015-2016 and after: the lesser of 11.65%; or 33.3% of the sum of the member’s contribution rate from the preceding fiscal year, plus the aggregate computed employer contribution rate; subject to a minimum employee contribution rate of 7.65%.
- The result for FY 2015-2016 is 11.65%.

SECTION G
FUNDING POLICY

ACTUARIAL FUNDING POLICY

Introduction

The purpose of this Actuarial Funding Policy is to record the funding objectives and policy set by the Board for the Arizona Public Safety Personnel Retirement System (PSPRS). The Board establishes this Funding Policy to help ensure the systematic funding of future benefit payments for members of the Retirement System.

In 2012, the Governmental Accounting Standards Board (GASB) approved two new financial reporting standards. GASB Statement No. 67, “Financial Reporting for Pension Plans” replaces the requirements of Statement No. 25. GASB Statement No. 68, “Accounting and Financial Reporting for Pensions” replaces the requirements of Statements No. 27 and No. 50. Prior to the changes, the Annual Required Contribution (ARC) rate was used as a basis for funding decisions. The new GASB statements separate accounting cost (expense) from funding cost (contributions), necessitating the creation of this funding policy.

This funding policy shall be reviewed by the Board annually for several years following initial adoption until the next experience study. Subsequently, it shall be reviewed every five years in conjunction with the experience study.

Funding Objectives

1. Maintain adequate assets so that current plan assets plus future contributions and investment earnings are sufficient to fund all benefits expected to be paid to members and their beneficiaries.
2. Maintain stability of employer contribution rates, consistent with other funding objectives.
3. Maintain public policy goals of accountability and transparency. Each policy element is clear in intent and effect, and each should allow an assessment of whether, how and when the funding requirements of the plan will be met.
4. Promote intergenerational equity. Each generation of members and employers should incur the cost of benefits for the employees who provide services to them, rather than deferring those costs to future members and employers.
5. Provide a reasonable margin for adverse experience to help offset risks.
6. Continue progress of systematic reduction of the Unfunded Actuarial Accrued Liabilities (UAAL).

ACTUARIAL FUNDING POLICY

Elements of Actuarial Funding Policy

1. Actuarial Cost Method

- a. The Individual Entry Age Normal level percent of pay actuarial cost method of valuation shall be used in determining Actuarial Accrued Liability (AAL) and Normal Cost. Differences in the past between assumed experience and actual experience (“actuarial gains and losses”) shall become part of the AAL. The Normal Cost shall be determined on an individual basis for each active member.

2. Asset Smoothing Method

- a. The investment gains or losses of each valuation period, resulting from the difference between actual investment return and assumed investment return, shall be recognized annually in level amounts over 7 years in calculating the Funding Value of Assets
- b. The Funding Value of Assets so determined shall be subject to a 20% corridor relative to Market Value of Assets.

3. Amortization Method

- a. The Funding Value of Assets are subtracted from the computed AAL. Any unfunded amount is amortized as a level percent of payroll over a closed period. If the Funding Value of Assets exceeds the AAL, the excess is amortized over an open period of 20 years and applied as a credit to reduce the Normal Cost otherwise payable.

4. Funding Target

- a. The targeted funded ratio shall be 100%.
- b. The maximum amortization period shall be 30 years.
- c. If the funded ratio is between 100% and 120%, a minimum contribution equal to the Normal Cost will be made.

ACTUARIAL FUNDING POLICY

Elements of Actuarial Funding Policy

5. Risk Management

a. Assumption Changes

- The actuarial assumptions used shall be those last adopted by the PSPRS Board based on the most recent experience study and upon the advice and recommendation of the actuary. In accordance with best practices, the actuary shall conduct an experience study every five years. The results of the study shall be the basis for the actuarial assumption changes recommended to the PSPRS Board.
- The actuarial assumptions can be updated during the five-year period if significant plan design changes or other significant events occur, as advised by the actuary.

b. Amortization Method

- The amortization method, Level Percent Closed, will ensure full payment of the UAAL over a finite, systematically decreasing period not to exceed 30 years. The amortization period will be reviewed once the period reaches 15 years.

c. Risk Measures

- The following risk measures will be annually determined to provide quantifiable measurements of risk and their movement over time.

(i) Classic measures currently determined

- Funded ratio (assets / liability)

(ii) UAAL / Total Payroll

- Measures the risk associated with contribution decreases relative impact on the ability to fund the UAAL. An increase in this measure indicates a increase in contribution risk.

(iii) Total Liability / Total Payroll

- Measures the risk associated with the ability to respond to liability experience through adjustments in contributions. An increase in this measure indicates an increase in experience risk.

ACTUARIAL FUNDING POLICY

Glossary

1. **Actuarial Accrued Liability (AAL):** The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as “accrued liability” or “past service liability”.
2. **Actuarial Assumptions:** Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
3. **Actuarial Cost Method:** A mathematical budgeting procedure for allocating the dollar amount of the “actuarial present value of future plan benefits” between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the “actuarial funding method”.
4. **Actuarial Gain (Loss):** A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used. For example, if during a given year the assets earn more than the investment return assumption, the amount of earnings above the assumption will cause an unexpected reduction in UAAL, or “actuarial gain” as of the next valuation. These include contribution gains and losses that result from actual contributions made being greater or less than the level determined under the policy.
5. **Actuary:** A person who is trained in the applications of probability and compound interest to problems in business and finance that involve payment of money in the future, contingent upon the occurrence of future events. Most actuaries in the United States are Members of the American Academy of Actuaries (MAAA). The Society of Actuaries (SOA) is an international research, education and membership organization for actuaries in the life and health insurance, employee benefits, and pension fields. The SOA administers a series of examinations leading initially to Associateship and the designation ASA and ultimately to Fellowship with the designation FSA.
6. **Amortization:** Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.
7. **Entry Age Normal Actuarial Cost Method:** A funding method that calculates the Normal Cost as a level percentage of pay over the working lifetime of the plan’s members.
8. **Experience Study:** An actuarial investigation of demographic and economic experiences of the system during the period studied. The investigation is made for the purpose of updating the actuarial assumptions used in valuing the actuarial liabilities.

ACTUARIAL FUNDING POLICY

9. **Funding Value of Assets:** The value of current plan assets recognized for valuation purposes. Generally based on a phased-in recognition of all or a portion of market related investment return. Sometimes referred to as Actuarial Value of Assets.
10. **Market Value of Assets:** The fair value of plan assets as reported in the plan's audited financial statements.
11. **Normal Cost (NC):** The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as "current service cost". Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.
12. **Unfunded Actuarial Accrued Liability (UAAL):** The positive difference, if any, between the actuarial accrued liability and valuation assets. Sometimes referred to as "unfunded accrued liability".

SECTION H

GLOSSARY

<i>Actuarial Accrued Liability</i>	The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as “accrued liability” or “past service liability.”
<i>Accrued Service</i>	The service credited under the plan which was rendered before the date of the actuarial valuation.
<i>Actuarial Assumptions</i>	Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
<i>Actuarial Cost Method</i>	A mathematical budgeting procedure for allocating the dollar amount of the “actuarial present value of future plan benefits” between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the “actuarial funding method.”
<i>Actuarial Equivalent</i>	A single amount or series of amounts of equal value to another single amount or series of amounts, computed on the basis of the rate(s) of interest and mortality tables used by the plan.
<i>Actuarial Present Value</i>	The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.
<i>Amortization</i>	Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.
<i>Experience Gain/(Loss)</i>	A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.
<i>Normal Cost</i>	The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as “current service cost.” Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.

<i>Reserve Account</i>	An account used to indicate that funds have been set aside for a specific purpose and is not generally available for other uses.
<i>Unfunded Actuarial Accrued Liability</i>	The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as “unfunded accrued liability.”
<i>Valuation Assets</i>	The value of current plan assets recognized for valuation purposes. Generally based on market value plus a portion of unrealized appreciation or depreciation.

APPENDIX I

ACCOUNTING DISCLOSURES

This information is presented in draft form for review by the System's auditor. Please let us know if there are any items that the auditor changes so that we may maintain consistency with the System's financial statements. Please note Plan reporting under GASB Statement No. 25 has been replaced by GASB Statement No. 67.

INFORMATION REQUIRED BY GASB STATEMENT NO. 67

The Governmental Accounting Standards Board Statement No. 67 (GASB 67) contains certain requirements regarding the accounting and disclosure of financial information. In addition to disclosing the system's fiduciary net position, retirement systems are also required to disclose information regarding the plan's total pension liability, net pension liability, and change in net pension liability from the prior year. In actuarial terms, these are the plan's actuarial accrued liability and unfunded actuarial accrued liability on a market value of asset basis. This section of the report contains information that is part of the Retirement System's disclosure requirements under this accounting standard.

Determination of the Total Pension Liability

The total pension liability shown in this subsection is also shown as of the last date of the pension plan's fiscal year, June 30, 2014.

A single discount rate of 7.85% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.85%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

An exhibit providing the projections and calculations used to determine the single equivalent discount rate under GASB No. 67 can be provided upon request.

Measurement of Net Pension Liability

The net pension liability is to be measured as the total pension liability, less the amount of the pension plan's fiduciary net position. As of the plan year ending June 30, 2014, the net pension liability is \$6,297,492,689. If a single discount rate that is 100 basis points lower was used, the net pension liability would have been \$7,754,804,263. Similarly, if a single discount rate that was 100 basis points higher was used, the net pension liability would have been \$5,081,326,834.

The following exhibit provides information regarding the total pension liability, net pension liability, and change in the net pension liability since the prior plan year (and related ratios).

Schedules of Required Supplementary Information

Schedule of Changes in the Employers' Net Pension Liability and Related Ratios

Last 10 Fiscal Years (which may be built prospectively)

Fiscal year ending June 30,	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Total Pension Liability										
Service Cost	\$ 286,676,175									
Interest on the Total Pension Liability	814,392,099									
Benefit and Assumption Changes	1,285,847,789									
Difference between expected and actual experience of the Total Pension Liability	(71,713,040)									
Benefit Payments and Refunds	(626,539,519)									
Net Change in Total Pension Liability	1,688,663,504									
Total Pension Liability - Beginning	10,544,353,313									
Total Pension Liability - Ending (a)	\$ 12,233,016,817									
Plan Fiduciary Net Position										
Employer Contributions	\$ 414,570,419									
Employee Contributions	152,022,740									
Pension Plan Net Investment Income	663,928,127									
Benefit Payments and Refunds	(626,539,519)									
Pension Plan Administrative Expense	(5,826,248)									
Other	31,282,237									
Net Change in Plan Fiduciary Net Position	629,437,756									
Plan Fiduciary Net Position - Beginning	5,306,086,372									
Plan Fiduciary Net Position - Ending (b)	\$ 5,935,524,128									
Net Pension Liability - Ending (a) - (b)	6,297,492,689									
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	48.52 %									
Covered Employee Payroll	\$ 1,390,346,174									
Net Pension Liability as a Percentage of Covered Employee Payroll	452.94 %									
Notes to Schedule:										
N/A										

Schedules of Required Supplementary Information
Schedule of the Employers' Net Pension Liability

Last 10 Fiscal Years (which may be built prospectively starting from 2014)

FY Ending June 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2005			-			
2006			-			
2007			-			
2008			-			
2009			-			
2010			-			
2011			-			
2012			-			
2013			-			
2014	\$12,233,016,817	\$5,935,524,128	\$6,297,492,689	48.52%	\$1,390,346,174	452.94%

Schedule of Contributions

Last 10 Fiscal Years (which may be built prospectively starting from 2014)

FY Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2007					
2008					
2009					
2010					
2011					
2012					
2013					
2014	\$ 432,133,225	\$ 414,570,419	\$ 17,562,806	\$1,390,346,174	29.82%
2015	464,438,313				
2016	617,760,392				

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

	1% Decrease 6.85%	Current Single Rate Assumption 7.85%	1% Increase 8.85%
Total Pension Liability	\$13,690,328,391	\$ 12,233,016,817	\$ 11,016,850,962
Plan Fiduciary Net Position	<u>5,935,524,128</u>	<u>5,935,524,128</u>	<u>5,935,524,128</u>
Net Pension Liability/(Asset)	\$ 7,754,804,263	\$ 6,297,492,689	\$ 5,081,326,834

Single Discount Rate Development Projection of Contributions

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost and Expense Contributions	UAL Contributions	Total Contributions
0	\$ 1,390,346,082				
1	1,374,972,005	\$ 160,184,239	\$ 116,001,886	\$ 276,663,311	\$ 552,849,436
2	1,344,840,464	156,673,914	111,785,404	433,053,878	701,513,196
3	1,317,916,485	153,537,271	109,328,656	463,319,208	726,185,135
4	1,291,421,165	150,450,566	106,916,336	479,750,103	737,117,005
5	1,262,915,865	147,129,698	104,346,740	497,544,638	749,021,076
6	1,227,871,011	143,046,973	101,247,373	520,451,995	764,746,340
7	1,185,375,034	138,096,191	97,546,475	535,504,598	771,147,264
8	1,138,608,150	132,647,849	93,508,935	551,786,849	777,943,634
9	1,089,776,676	126,958,983	89,227,255	573,858,323	790,044,561
10	1,038,789,642	121,018,993	84,880,163	596,812,656	802,711,813
11	981,390,038	114,331,939	79,864,173	620,685,163	814,881,275
12	913,614,926	106,436,139	74,045,397	645,512,569	825,994,105
13	835,351,461	97,318,445	67,425,062	671,333,072	836,076,579
14	748,046,375	87,147,403	60,005,727	698,186,395	845,339,524
15	662,409,685	77,170,728	52,641,407	726,113,850	855,925,986
16	588,764,246	68,591,035	46,251,277	755,158,405	870,000,716
17	520,748,612	60,667,213	40,389,522	785,364,741	886,421,476
18	452,050,882	52,663,928	34,535,991	816,779,330	903,979,249
19	384,295,060	44,770,374	28,817,292	849,450,504	923,038,170
20	324,577,510	37,813,280	23,692,647	883,428,524	944,934,451
21	278,719,613	32,470,835	19,651,199	918,765,665	970,887,699
22	243,563,654	28,375,166	16,525,592	955,516,291	1,000,417,049
23	213,787,511	24,906,245	13,955,212	993,736,943	1,032,598,400
24	186,524,229	21,730,073	11,664,665	-	33,394,737
25	159,944,352	18,633,517	9,577,613	-	28,211,130
26	135,696,077	15,808,593	7,787,709	-	23,596,302
27	115,765,307	13,486,658	6,355,601	-	19,842,259
28	98,553,035	11,481,429	5,189,770	-	16,671,198
29	82,569,088	9,619,299	4,183,577	-	13,802,876
30	67,148,527	7,822,803	3,290,784	-	11,113,588
31	51,899,858	6,046,333	2,470,251	-	8,516,585
32	37,551,402	4,374,738	1,737,445	-	6,112,184
33	25,746,136	2,999,425	1,157,042	-	4,156,467
34	17,062,660	1,987,800	745,559	-	2,733,359
35	11,023,417	1,284,228	469,778	-	1,754,006
36	6,982,021	813,405	291,173	-	1,104,579
37	4,317,908	503,036	175,770	-	678,807
38	2,525,919	294,270	100,098	-	394,367
39	1,355,168	157,877	52,128	-	210,005
40	656,766	76,513	24,391	-	100,904
41	281,938	32,846	10,049	-	42,895
42	103,887	12,103	3,522	-	15,625
43	30,832	3,592	992	-	4,583
44	6,538	762	200	-	962
45	1,042	121	29	-	150
46	-	-	-	-	-
47	-	-	-	-	-
48	-	-	-	-	-
49	-	-	-	-	-
50	-	-	-	-	-

Single Discount Rate Development Projection of Contributions (concluded)

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost and Expense Contributions	UAL Contributions	Total Contributions
51	-	-	-	-	-
52	-	-	-	-	-
53	-	-	-	-	-
54	-	-	-	-	-
55	-	-	-	-	-
56	-	-	-	-	-
57	-	-	-	-	-
58	-	-	-	-	-
59	-	-	-	-	-
60	-	-	-	-	-
61	-	-	-	-	-
62	-	-	-	-	-
63	-	-	-	-	-
64	-	-	-	-	-
65	-	-	-	-	-
66	-	-	-	-	-
67	-	-	-	-	-
68	-	-	-	-	-
69	-	-	-	-	-
70	-	-	-	-	-
71	-	-	-	-	-
72	-	-	-	-	-
73	-	-	-	-	-
74	-	-	-	-	-
75	-	-	-	-	-
76	-	-	-	-	-
77	-	-	-	-	-
78	-	-	-	-	-
79	-	-	-	-	-
80	-	-	-	-	-
81	-	-	-	-	-
82	-	-	-	-	-
83	-	-	-	-	-
84	-	-	-	-	-
85	-	-	-	-	-
86	-	-	-	-	-
87	-	-	-	-	-
88	-	-	-	-	-
89	-	-	-	-	-
90	-	-	-	-	-
91	-	-	-	-	-
92	-	-	-	-	-
93	-	-	-	-	-
94	-	-	-	-	-
95	-	-	-	-	-
96	-	-	-	-	-
97	-	-	-	-	-
98	-	-	-	-	-
99	-	-	-	-	-
100	-	-	-	-	-

Single Discount Rate Development Projection of Plan Fiduciary Net Position

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.85%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
1	\$ 5,935,524,128	\$ 552,849,436	\$ 716,885,740	\$ 459,621,845	\$ 6,231,109,669
2	6,231,109,669	701,513,196	900,651,991	481,473,564	6,513,444,438
3	6,513,444,438	726,185,135	837,042,017	507,036,451	6,909,624,006
4	6,909,624,006	737,117,005	858,638,508	537,725,868	7,325,828,371
5	7,325,828,371	749,021,076	942,418,442	567,630,076	7,700,061,081
6	7,700,061,081	764,746,340	883,138,968	599,895,667	8,181,564,120
7	8,181,564,120	771,147,264	929,644,017	636,149,304	8,659,216,670
8	8,659,216,670	777,943,634	974,440,704	672,181,692	9,134,901,293
9	9,134,901,293	790,044,561	1,017,723,763	708,322,156	9,615,544,248
10	9,615,544,248	802,711,813	1,065,111,517	744,715,592	10,097,860,136
11	10,097,860,136	814,881,275	1,120,811,829	780,901,080	10,572,830,662
12	10,572,830,662	825,994,105	1,181,191,672	816,289,065	11,033,922,160
13	11,033,922,160	836,076,579	1,238,781,676	850,655,302	11,481,872,365
14	11,481,872,365	845,339,524	1,295,662,826	883,985,685	11,915,534,748
15	11,915,534,748	855,925,986	1,333,685,203	916,971,665	12,354,747,196
16	12,354,747,196	870,000,716	1,371,224,898	950,546,240	12,804,069,254
17	12,804,069,254	886,421,476	1,418,897,781	984,614,548	13,256,207,496
18	13,256,207,496	903,979,249	1,466,539,850	1,018,948,898	13,712,595,793
19	13,712,595,793	923,038,170	1,507,889,760	1,053,916,985	14,181,661,188
20	14,181,661,188	944,934,451	1,529,092,670	1,090,765,320	14,688,268,288
21	14,688,268,288	970,887,699	1,541,923,784	1,131,039,291	15,248,271,495
22	15,248,271,495	1,000,417,049	1,556,402,632	1,175,579,116	15,867,865,028
23	15,867,865,028	1,032,598,400	1,568,380,248	1,224,995,225	16,557,078,404
24	16,557,078,404	33,394,737	1,574,292,821	1,240,392,910	16,256,573,231
25	16,256,573,231	28,211,130	1,576,268,663	1,216,527,554	15,925,043,251
26	15,925,043,251	23,596,302	1,575,763,028	1,190,344,212	15,563,220,737
27	15,563,220,737	19,842,259	1,569,283,936	1,162,046,082	15,175,825,142
28	15,175,825,142	16,671,198	1,559,926,797	1,131,873,745	14,764,443,288
29	14,764,443,288	13,802,876	1,547,448,130	1,099,950,349	14,330,748,383
30	14,330,748,383	11,113,588	1,532,991,887	1,066,358,428	13,875,228,511
31	13,875,228,511	8,516,585	1,515,929,494	1,031,157,159	13,398,972,761
32	13,398,972,761	6,112,184	1,495,416,294	994,468,426	12,904,137,077
33	12,904,137,077	4,156,467	1,470,361,302	956,513,344	12,394,445,585
34	12,394,445,585	2,733,359	1,441,065,033	917,575,917	11,873,689,828
35	11,873,689,828	1,754,006	1,407,811,555	877,939,420	11,345,571,699
36	11,345,571,699	1,104,579	1,371,288,792	837,863,577	10,813,251,062
37	10,813,251,062	678,807	1,332,134,640	797,567,780	10,279,363,009
38	10,279,363,009	394,367	1,290,935,554	757,233,132	9,746,054,953
39	9,746,054,953	210,005	1,248,047,535	717,012,905	9,215,230,328
40	9,215,230,328	100,904	1,203,693,631	677,046,975	8,688,684,576
41	8,688,684,576	42,895	1,158,101,958	637,466,569	8,168,092,082
42	8,168,092,082	15,625	1,111,476,369	598,394,491	7,655,025,829
43	7,655,025,829	4,583	1,063,991,603	559,946,935	7,150,985,744
44	7,150,985,744	962	1,015,797,849	522,235,520	6,657,424,377
45	6,657,424,377	150	967,035,483	485,368,689	6,175,757,733
46	6,175,757,733	-	917,847,545	449,452,008	5,707,362,195
47	5,707,362,195	-	868,382,068	414,587,802	5,253,567,928
48	5,253,567,928	-	818,796,340	380,874,426	4,815,646,014
49	4,815,646,014	-	769,262,375	348,405,037	4,394,788,675
50	4,394,788,675	-	719,964,139	317,266,139	3,992,090,675

Single Discount Rate Development

Projection of Plan Fiduciary Net Position (concluded)

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.85%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
51	\$ 3,992,090,675	\$ -	\$ 671,090,959	\$ 287,536,381	\$ 3,608,536,097
52	3,608,536,097	-	622,838,644	259,285,473	3,244,982,926
53	3,244,982,926	-	575,407,487	232,573,054	2,902,148,493
54	2,902,148,493	-	528,997,983	207,447,714	2,580,598,224
55	2,580,598,224	-	483,808,299	183,946,206	2,280,736,131
56	2,280,736,131	-	440,029,593	162,092,886	2,002,799,424
57	2,002,799,424	-	397,844,401	141,899,345	1,746,854,368
58	1,746,854,368	-	357,427,720	123,364,046	1,512,790,695
59	1,512,790,695	-	318,946,409	106,471,907	1,300,316,193
60	1,300,316,193	-	282,555,505	91,194,019	1,108,954,707
61	1,108,954,707	-	248,396,850	77,487,543	938,045,400
62	938,045,400	-	216,594,271	65,295,833	786,746,963
63	786,746,963	-	187,245,964	54,549,067	654,050,065
64	654,050,065	-	160,418,509	45,165,447	538,797,003
65	538,797,003	-	136,140,232	37,053,002	439,709,773
66	439,709,773	-	114,403,514	30,111,704	355,417,963
67	355,417,963	-	95,162,700	24,235,733	284,490,997
68	284,490,997	-	78,332,653	19,316,067	225,474,411
69	225,474,411	-	63,792,144	15,243,199	176,925,465
70	176,925,465	-	51,389,635	11,909,709	137,445,539
71	137,445,539	-	40,949,409	9,212,573	105,708,703
72	105,708,703	-	32,275,894	7,055,235	80,488,045
73	80,488,045	-	25,163,246	5,349,311	60,674,110
74	60,674,110	-	19,406,911	4,015,586	45,282,785
75	45,282,785	-	14,808,602	2,984,441	33,458,623
76	33,458,623	-	11,181,769	2,195,908	24,472,763
77	24,472,763	-	8,355,456	1,599,355	17,716,662
78	17,716,662	-	6,178,528	1,152,832	12,690,966
79	12,690,966	-	4,521,463	822,126	8,991,628
80	8,991,628	-	3,274,226	579,757	6,297,159
81	6,297,159	-	2,345,273	404,014	4,355,900
82	4,355,900	-	1,660,406	277,998	2,973,492
83	2,973,492	-	1,160,775	188,719	2,001,436
84	2,001,436	-	800,523	126,286	1,327,198
85	1,327,198	-	543,998	83,237	866,437
86	866,437	-	363,861	54,004	556,579
87	556,579	-	239,379	34,473	351,673
88	351,673	-	154,815	21,645	218,503
89	218,503	-	98,391	13,364	133,475
90	133,475	-	61,443	8,112	80,144
91	80,144	-	37,706	4,839	47,277
92	47,277	-	22,737	2,836	27,376
93	27,376	-	13,473	1,630	15,533
94	15,533	-	7,839	917	8,611
95	8,611	-	4,479	503	4,635
96	4,635	-	2,504	267	2,399
97	2,399	-	1,368	136	1,167
98	1,167	-	724	64	506
99	506	-	340	27	193
100	193	-	200	7	-

Single Discount Rate Development

Present Values of Projected Benefit Payments

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^a ((a)-.5)	(g)=(e)*vf ^a ((a)-.5)	(h)=((c)/(1+sdr) ^a ((a)-.5)
1	\$ 5,935,524,128	\$ 716,885,740	\$ 716,885,740	\$ -	\$ 690,303,168	\$ -	\$ 690,303,168
2	6,231,109,669	900,651,991	900,651,991	-	804,130,971	-	804,130,971
3	6,513,444,438	837,042,017	837,042,017	-	692,942,000	-	692,942,000
4	6,909,624,006	858,638,508	858,638,508	-	659,082,588	-	659,082,588
5	7,325,828,371	942,418,442	942,418,442	-	670,738,297	-	670,738,297
6	7,700,061,081	883,138,968	883,138,968	-	582,798,233	-	582,798,233
7	8,181,564,120	929,644,017	929,644,017	-	568,834,210	-	568,834,210
8	8,659,216,670	974,440,704	974,440,704	-	552,846,158	-	552,846,158
9	9,134,901,293	1,017,723,763	1,017,723,763	-	535,375,687	-	535,375,687
10	9,615,544,248	1,065,111,517	1,065,111,517	-	519,521,662	-	519,521,662
11	10,097,860,136	1,120,811,829	1,120,811,829	-	506,898,652	-	506,898,652
12	10,572,830,662	1,181,191,672	1,181,191,672	-	495,323,186	-	495,323,186
13	11,033,922,160	1,238,781,676	1,238,781,676	-	481,662,577	-	481,662,577
14	11,481,872,365	1,295,662,826	1,295,662,826	-	467,110,878	-	467,110,878
15	11,915,534,748	1,333,685,203	1,333,685,203	-	445,821,661	-	445,821,661
16	12,354,747,196	1,371,224,898	1,371,224,898	-	425,007,285	-	425,007,285
17	12,804,069,254	1,418,897,781	1,418,897,781	-	407,773,167	-	407,773,167
18	13,256,207,496	1,466,539,850	1,466,539,850	-	390,788,031	-	390,788,031
19	13,712,595,793	1,507,889,760	1,507,889,760	-	372,560,517	-	372,560,517
20	14,181,661,188	1,529,092,670	1,529,092,670	-	350,300,609	-	350,300,609
21	14,688,268,288	1,541,923,784	1,541,923,784	-	327,529,064	-	327,529,064
22	15,248,271,495	1,556,402,632	1,556,402,632	-	306,541,123	-	306,541,123
23	15,867,865,028	1,568,380,248	1,568,380,248	-	286,416,479	-	286,416,479
24	16,557,078,404	1,574,292,821	1,574,292,821	-	266,570,449	-	266,570,449
25	16,256,573,231	1,576,268,663	1,576,268,663	-	247,477,990	-	247,477,990
26	15,925,043,251	1,575,763,028	1,575,763,028	-	229,391,381	-	229,391,381
27	15,563,220,737	1,569,283,936	1,569,283,936	-	211,820,295	-	211,820,295
28	15,175,825,142	1,559,926,797	1,559,926,797	-	195,231,598	-	195,231,598
29	14,764,443,288	1,547,448,130	1,547,448,130	-	179,573,332	-	179,573,332
30	14,330,748,383	1,532,991,887	1,532,991,887	-	164,947,390	-	164,947,390
31	13,875,228,511	1,515,929,494	1,515,929,494	-	151,239,226	-	151,239,226
32	13,398,972,761	1,495,416,294	1,495,416,294	-	138,333,511	-	138,333,511
33	12,904,137,077	1,470,361,302	1,470,361,302	-	126,115,715	-	126,115,715
34	12,394,445,585	1,441,065,033	1,441,065,033	-	114,606,322	-	114,606,322
35	11,873,689,828	1,407,811,555	1,407,811,555	-	103,812,433	-	103,812,433
36	11,345,571,699	1,371,288,792	1,371,288,792	-	93,759,141	-	93,759,141
37	10,813,251,062	1,332,134,640	1,332,134,640	-	84,452,530	-	84,452,530
38	10,279,363,009	1,290,935,554	1,290,935,554	-	75,883,780	-	75,883,780
39	9,746,054,953	1,248,047,535	1,248,047,535	-	68,022,936	-	68,022,936
40	9,215,230,328	1,203,693,631	1,203,693,631	-	60,830,314	-	60,830,314
41	8,688,684,576	1,158,101,958	1,158,101,958	-	54,266,367	-	54,266,367
42	8,168,092,082	1,111,476,369	1,111,476,369	-	48,290,759	-	48,290,759
43	7,655,025,829	1,063,991,603	1,063,991,603	-	42,862,929	-	42,862,929
44	7,150,985,744	1,015,797,849	1,015,797,849	-	37,942,923	-	37,942,923
45	6,657,424,377	967,035,483	967,035,483	-	33,492,361	-	33,492,361
46	6,175,757,733	917,847,545	917,847,545	-	29,474,996	-	29,474,996
47	5,707,362,195	868,382,068	868,382,068	-	25,856,748	-	25,856,748
48	5,253,567,928	818,796,340	818,796,340	-	22,605,743	-	22,605,743
49	4,815,646,014	769,262,375	769,262,375	-	19,692,336	-	19,692,336
50	4,394,788,675	719,964,139	719,964,139	-	17,088,875	-	17,088,875

Single Discount Rate Development

Present Values of Projected Benefit Payments (concluded)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^a ((a)-.5)	(g)=(e)*vf ^a ((a)-.5)	(h)=((c)/(1+sdr) ^a (a-.5)
51	\$ 3,992,090,675	\$ 671,090,959	\$ 671,090,959	\$ -	\$ 14,769,434	\$ -	\$ 14,769,434
52	3,608,536,097	622,838,644	622,838,644	-	12,709,775	-	12,709,775
53	3,244,982,926	575,407,487	575,407,487	-	10,887,237	-	10,887,237
54	2,902,148,493	528,997,983	528,997,983	-	9,280,599	-	9,280,599
55	2,580,598,224	483,808,299	483,808,299	-	7,870,008	-	7,870,008
56	2,280,736,131	440,029,593	440,029,593	-	6,636,874	-	6,636,874
57	2,002,799,424	397,844,401	397,844,401	-	5,563,842	-	5,563,842
58	1,746,854,368	357,427,720	357,427,720	-	4,634,785	-	4,634,785
59	1,512,790,695	318,946,409	318,946,409	-	3,834,767	-	3,834,767
60	1,300,316,193	282,555,505	282,555,505	-	3,149,959	-	3,149,959
61	1,108,954,707	248,396,850	248,396,850	-	2,567,598	-	2,567,598
62	938,045,400	216,594,271	216,594,271	-	2,075,906	-	2,075,906
63	786,746,963	187,245,964	187,245,964	-	1,663,999	-	1,663,999
64	654,050,065	160,418,509	160,418,509	-	1,321,828	-	1,321,828
65	538,797,003	136,140,232	136,140,232	-	1,040,128	-	1,040,128
66	439,709,773	114,403,514	114,403,514	-	810,438	-	810,438
67	355,417,963	95,162,700	95,162,700	-	625,067	-	625,067
68	284,490,997	78,332,653	78,332,653	-	477,071	-	477,071
69	225,474,411	63,792,144	63,792,144	-	360,236	-	360,236
70	176,925,465	51,389,635	51,389,635	-	269,076	-	269,076
71	137,445,539	40,949,409	40,949,409	-	198,805	-	198,805
72	105,708,703	32,275,894	32,275,894	-	145,291	-	145,291
73	80,488,045	25,163,246	25,163,246	-	105,028	-	105,028
74	60,674,110	19,406,911	19,406,911	-	75,106	-	75,106
75	45,282,785	14,808,602	14,808,602	-	53,139	-	53,139
76	33,458,623	11,181,769	11,181,769	-	37,204	-	37,204
77	24,472,763	8,355,456	8,355,456	-	25,777	-	25,777
78	17,716,662	6,178,528	6,178,528	-	17,674	-	17,674
79	12,690,966	4,521,463	4,521,463	-	11,992	-	11,992
80	8,991,628	3,274,226	3,274,226	-	8,052	-	8,052
81	6,297,159	2,345,273	2,345,273	-	5,348	-	5,348
82	4,355,900	1,660,406	1,660,406	-	3,511	-	3,511
83	2,973,492	1,160,775	1,160,775	-	2,276	-	2,276
84	2,001,436	800,523	800,523	-	1,455	-	1,455
85	1,327,198	543,998	543,998	-	917	-	917
86	866,437	363,861	363,861	-	569	-	569
87	556,579	239,379	239,379	-	347	-	347
88	351,673	154,815	154,815	-	208	-	208
89	218,503	98,391	98,391	-	123	-	123
90	133,475	61,443	61,443	-	71	-	71
91	80,144	37,706	37,706	-	40	-	40
92	47,277	22,737	22,737	-	23	-	23
93	27,376	13,473	13,473	-	12	-	12
94	15,533	7,839	7,839	-	7	-	7
95	8,611	4,479	4,479	-	4	-	4
96	4,635	2,504	2,504	-	2	-	2
97	2,399	1,368	1,368	-	1	-	1
98	1,167	724	724	-	0	-	0
99	506	340	340	-	0	-	0
100	193	200	193	7	0	0	0
Totals					\$ 14,475,190,193	\$ -	\$ 14,475,190,193

GASB STATEMENT NO. 67 SUPPLEMENTARY INFORMATION

**SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED TO
DETERMINE CONTRIBUTION RATES**

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, 2014
Actuarial cost method	Entry Age Normal
Amortization method	Level percent-of-pay, Closed
Remaining amortization period	22 years
Asset valuation method	7-year smoothed market 80%/120% market corridor
Inflation:	4.00%; No explicit price inflation assumption is used in this valuation.
Actuarial assumptions:	
Investment rate of return	7.85%
Projected salary increases	4.00% - 8.00%
Payroll growth	4.00%
Retirement Age	Experience-based table of rates that is specific to the type of eligibility condition.
Mortality	RP-2000 mortality table projected to 2015 using projection scale AA (adjusted by 105% for both males and females)
Assumed Future Permanent Benefit Increases	Members Retired on or before July 1, 2011: 2% compounded on average. Members Retired on or after August 1, 2011: 0.5% compounded on average. Since all current retirees receive the same dollar increase amount, approximation techniques were used to develop the assumed PBI for each member.

GASB STATEMENT NO. 45 SUPPLEMENTARY INFORMATION

The following information is presented concerning the post-retirement health insurance subsidy. The liabilities and computed contribution for the post-retirement health insurance subsidy were based on the same assumptions and actuarial cost methods as indicated for GASB Statement No. 25.

SCHEDULE OF FUNDING PROGRESS

Valuation Date June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
2006	\$ 0	\$232,878,379	\$232,878,379	0.00%	\$1,073,685,222	21.69%
2007	0	256,905,578	256,905,578	0.00	1,228,037,467	20.92%
2008	0	257,381,466	257,381,466	0.00	1,383,332,020	18.61%
2009	0	211,056,746	211,056,746	0.00	1,415,642,509	14.91%
2010	0	236,637,370	236,637,370	0.00	1,400,543,761	16.90%
2011	0	270,813,801	270,813,801	0.00	1,325,349,817	20.43%
2012	0	270,777,736	270,777,736	0.00	1,349,251,544	20.07%
2013	0	279,186,592	279,186,592	0.00	1,370,609,327	20.37%
2014	294,431,458	286,514,462	(7,916,996)	102.8	1,390,346,174	(0.57)%

ANNUAL REQUIRED CONTRIBUTION

Valuation Date June 30	Fiscal Year Ended June 30	Normal Cost (a)	Actuarial Accrued Liability (b)	Total (a+b)	Dollar Amount
2005	2007	0.53%	1.17%	1.70%	\$21,797,745
2006	2008	0.51%	1.00%	1.51%	20,888,314
2007	2009	0.58%	0.98%	1.56%	22,084,023
2008	2010	0.51%	0.89%	1.40%	19,607,613
2009	2011	0.57%	0.72%	1.29%	20,325,827
2010	2012	0.57%	0.85%	1.42%	22,135,531
2011	2013	0.38%	1.10%	1.48%	21,625,733
2012	2014	0.33%	1.06%	1.39%	20,676,943
2013	2015	0.34%	1.17%	1.51%	22,600,769
2014	2016	0.35%	(0.06)%	0.29%	4,361,015

Fiscal Years prior to 2011 provided by the prior actuary.

Health Insurance Subsidy Payment Reported for FY 2014: \$13,578,195

Note: GASB Statement No. 45 Supplementary Information is shown individually in the separate reports for each participating unit.

APPENDIX II

SUMMARY OF POPULATION DATA BY INDIVIDUAL EMPLOYERS

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Number of Actives	Active Payroll	Number of Retirees	Annual Retiree Benefits	Number of DROP	Annual DROP Benefits	Number of Vested Inactive	Annual Vested Benefits
1	BISBEE FIRE DEPT.	17	\$ 809,095	21	\$ 799,388	1	\$ 33,743	8	\$ 106,562
2	CASA GRANDE FIRE DEPT.	57	4,550,140	18	931,312	1	47,298	1	7,687
3	CASA GRANDE POLICE DEPT.	73	5,253,943	43	1,971,740	3	179,765	3	68,737
4	CHANDLER FIRE DEPT.	179	15,201,535	48	2,765,551	18	1,403,892	3	357,316
5	CHANDLER POLICE DEPT.	291	24,120,110	101	5,332,103	24	1,647,124	8	237,727
6	CLIFTON FIRE DEPT.	-	-	1	29,974	-	-	-	-
7	DEPT. OF PUBLIC SAFETY	981	65,097,291	1,211	60,771,091	134	7,760,355	35	704,533
8	DOUGLAS FIRE DEPT.	22	1,273,232	23	923,687	2	88,512	5	59,213
9	DOUGLAS POLICE DEPT.	29	1,865,210	28	1,089,843	2	70,431	5	144,330
10	FLAGSTAFF FIRE DEPT.	73	4,788,198	80	3,732,135	12	696,195	2	1,365
11	FLAGSTAFF POLICE DEPT.	114	7,425,910	66	3,228,863	-	-	28	804,263
12	GLENDALE FIRE DEPT.	208	19,291,151	83	4,752,177	15	1,156,454	6	387,601
13	GLENDALE POLICE DEPT.	385	31,815,567	163	8,424,835	30	1,828,443	13	163,876
14	GLOBE FIRE DEPT.	17	823,922	11	398,775	1	37,949	1	132,261
15	KINGMAN FIRE DEPT.	43	2,655,299	15	704,348	7	367,373	-	-
16	MARICOPA COUNTY SHERIFF'S OFFICE	611	41,936,849	422	20,188,365	51	2,686,115	24	1,140,901
17	MESA FIRE DEPT.	360	30,782,411	207	12,393,580	42	2,781,115	11	248,414
18	MESA POLICE DEPT.	722	59,687,794	444	23,889,289	59	3,214,518	46	614,842
19	MIAMI FIRE DEPT.	-	-	-	-	-	-	-	-
20	NOGALES FIRE DEPT.	43	2,289,390	17	677,306	3	136,994	1	31,917
21	PHOENIX FIRE DEPT.	1,352	125,638,629	937	57,924,458	219	18,005,088	18	821,863
22	PHOENIX POLICE DEPT.	2,542	229,987,469	1,962	114,205,418	323	24,232,364	229	2,871,764
23	PRESCOTT FIRE DEPT.	53	3,581,592	56	2,884,842	7	350,017	7	144,227
24	PRESCOTT POLICE DEPT.	67	4,031,435	59	2,725,045	5	228,454	8	275,467
25	SCOTTSDALE POLICE DEPT.	385	32,015,573	199	10,543,289	27	1,766,892	56	1,592,634
26	SIERRA VISTA FIRE DEPT.	45	2,643,679	18	911,319	5	338,550	6	124,227
27	TEMPE FIRE DEPT.	140	12,719,049	116	6,529,730	17	1,519,896	6	123,240
28	TEMPE POLICE DEPT.	322	28,717,531	213	11,499,569	22	1,397,471	28	825,565
29	TUCSON FIRE	498	35,105,469	509	26,522,984	92	4,855,745	7	20,034
30	TUCSON POLICE	858	57,677,930	835	41,305,721	102	5,952,876	44	444,381
31	WINSLOW FIRE DEPT.	6	342,689	3	171,772	-	-	-	-
32	YUMA FIRE DEPT.	105	7,145,551	72	3,571,933	7	336,171	1	227,903
33	YUMA POLICE DEPT.	168	10,206,675	102	4,607,389	8	457,932	21	172,796
34	YUMA COUNTY SHERIFF'S DEPT.	78	4,961,705	35	1,461,165	4	175,700	11	227,865
35	GAME AND FISH DEPT.	123	6,476,246	142	6,378,195	12	526,060	7	248,764
36	SIERRA VISTA POLICE DEPT.	63	4,088,232	32	1,714,035	3	174,888	7	65,111
37	BENSON POLICE DEPT.	13	784,311	4	171,444	-	-	2	81,026
38	BISBEE POLICE DEPT.	13	605,943	16	639,229	1	47,643	2	4,288
39	PIMA COUNTY SHERIFF'S DEPT.	491	31,544,173	360	16,632,734	35	1,975,068	56	280,465
40	KINGMAN POLICE DEPT.	51	2,878,476	23	1,067,330	2	67,086	9	243,994
41	ASU CAMPUS POLICE	68	4,192,081	34	1,564,099	1	56,017	21	88,732
42	LAKE HAVASU CITY FIRE DEPT.	76	5,018,226	42	2,021,596	5	337,959	6	56,981
43	MOHAVE COUNTY SHERIFF'S DEPT.	78	4,440,966	36	1,497,237	9	477,170	14	128,062
44	BULLHEAD CITY FIRE DEPT.	69	5,079,268	17	779,006	12	680,519	2	17,156
45	U OF A CAMPUS POLICE	61	3,713,931	24	944,737	5	278,051	11	157,295
46	COCHISE COUNTY SHERIFF'S DEPT.	78	4,612,963	65	2,550,732	2	88,827	22	177,138
47	SAFFORD POLICE DEPT.	17	1,172,447	14	623,061	2	71,302	-	-
49	DREXEL HEIGHTS FIRE DISTRICT	76	4,300,717	15	536,776	8	386,694	8	113,314
50	WINSLOW POLICE DEPT.	17	925,436	8	316,107	4	164,505	3	84,279
51	PAYSON FIRE DEPT.	31	1,866,892	8	402,633	-	-	1	51,537

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Number of Actives	Active Payroll	Number of Retirees	Annual Retiree Benefits	Number of DROP	Annual DROP Benefits	Number of Vested Inactive	Annual Vested Benefits
52	PAYSON POLICE DEPT.	25	\$ 1,566,845	20	\$ 866,130	1	\$ 48,811	11	\$ 209,866
53	NORTHERN AZ. CONSOLIDATED FIRE DISTRICT	28	1,309,786	4	167,952	2	99,025	13	124,211
54	FRY FIRE DISTRICT	40	2,595,863	19	978,194	-	-	1	9,125
55	FREDONIA MARSHALS	3	122,521	1	28,875	-	-	1	7,159
56	NAU CAMPUS POLICE	16	1,036,765	11	527,807	1	29,212	-	-
58	SOUTH TUCSON FIRE DEPT.	3	160,129	6	214,224	-	-	1	810
59	AVONDALE FIRE DEPT.	68	5,123,434	7	357,206	2	97,189	1	47
60	PARKER POLICE DEPT.	10	544,043	3	118,252	-	-	4	71,455
61	COCONINO COUNTY SHERIFF'S DEPT.	51	2,950,184	52	2,404,799	2	90,637	11	211,890
62	CENTRAL YAVAPAI FIRE DISTRICT	78	5,536,675	30	1,648,614	9	534,572	4	327,174
64	BUCKSKIN FIRE DISTRICT	12	796,980	8	336,121	-	-	4	10,282
65	SNOWFLAKE POLICE DEPT.	14	687,608	6	220,446	-	-	2	32,219
66	COTTONWOOD POLICE DEPT.	31	1,913,358	14	552,414	1	53,805	5	45,933
67	LAKE HAVASU CITY POLICE DEPT.	66	4,534,608	42	1,951,754	11	538,641	10	224,743
69	SOUTH TUCSON POLICE DEPT.	14	642,885	15	571,435	-	-	2	5,508
70	APACHE JUNCTION POLICE DEPT.	47	3,110,727	33	1,494,512	5	217,107	8	120,225
71	NAVAJO COUNTY SHERIFF'S DEPT.	46	2,080,280	30	1,122,723	-	-	17	356,721
72	MOHAVE VALLEY FIRE DISTRICT	31	1,693,941	3	117,960	-	-	6	105,417
73	PEORIA FIRE DEPT.	136	10,735,468	23	1,133,942	13	879,807	2	7,102
74	PEORIA POLICE DEPT.	165	13,283,045	66	3,236,661	13	724,774	18	158,076
76	PARADISE VALLEY POLICE DEPT.	27	2,200,151	35	1,711,826	3	162,478	1	8,656
77	WILLCOX POLICE DEPT.	8	439,667	7	258,576	-	-	1	12,008
78	SHOW LOW POLICE DEPT.	28	1,909,357	12	483,743	-	-	3	44,533
79	ELOY POLICE DEPT.	26	1,760,803	8	326,878	2	87,291	5	131,072
80	NOGALES POLICE DEPT.	53	3,368,196	24	856,607	-	-	4	97,033
81	GILBERT POLICE DEPT.	220	18,650,590	40	2,012,399	7	447,567	26	326,817
83	CLIFTON POLICE DEPT.	6	313,353	1	29,362	-	-	1	2,053
85	COOLIDGE POLICE DEPT.	25	1,431,955	13	484,368	3	124,076	3	35,285
86	HOLBROOK POLICE DEPT.	13	612,402	14	504,139	-	-	3	61,302
87	SANTA CRUZ COUNTY SHERIFF'S DEPT.	30	1,706,477	17	684,781	1	36,835	13	567,961
88	PRESOTT VALLEY POLICE DEPT.	60	3,889,756	16	659,609	1	41,405	8	311,143
89	EAGAR POLICE DEPT.	7	360,723	5	181,203	1	50,862	2	98,634
90	TOLLESON POLICE DEPT.	28	1,956,233	8	355,991	-	-	3	77,797
91	FLORENCE POLICE DEPT.	29	1,721,954	5	166,758	-	-	3	5,347
92	SPRINGVILLE POLICE DEPT.	6	309,043	3	94,232	1	30,411	-	-
93	EL MIRAGE POLICE DEPT.	37	2,738,838	10	391,747	1	44,935	7	31,303
94	SUPERIOR POLICE DEPT.	6	323,968	2	59,767	-	-	4	165,716
95	SAN LUIS POLICE DEPT.	32	1,651,332	5	226,878	-	-	5	131,031
96	PAGE POLICE DEPT.	15	908,313	7	312,266	-	-	5	330,886
97	PAGE FIRE DEPT.	16	902,243	2	77,016	-	-	7	76,868
98	YAVAPAI COUNTY SHERIFF'S DEPT.	117	6,503,749	59	2,377,619	4	186,960	27	468,465
100	PIMA POLICE DEPT.	2	93,758	-	-	-	-	2	10,501
101	APACHE COUNTY SHERIFF'S DEPT.	28	1,514,813	20	779,477	-	-	6	130,312
102	COTTONWOOD FIRE DEPT.	27	1,658,454	3	127,376	-	-	-	-
103	LA PAZ COUNTY SHERIFF'S DEPT.	28	1,499,023	21	852,113	1	29,525	5	174,943
104	PINAL COUNTY SHERIFF'S DEPT.	204	12,939,866	87	3,471,421	5	194,308	21	448,911
105	CLARKDALE POLICE DEPT.	8	402,195	5	143,388	-	-	2	73,683
106	BUCKEYE POLICE DEPT.	84	6,415,170	14	634,365	-	-	5	19,293
107	MARANA POLICE DEPT.	73	4,638,418	21	855,625	3	118,401	15	124,481
108	TOLLESON FIRE DEPT.	27	2,274,468	5	230,973	1	45,288	2	1,501

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Number of Actives	Active Payroll	Number of Retirees	Annual Retiree Benefits	Number of DROP	Annual DROP Benefits	Number of Vested Inactive	Annual Vested Benefits
109	CHINO VALLEY POLICE DEPT.	19	\$ 1,077,712	7	\$ 282,391	2	\$ 65,410	3	\$ 118,299
110	SURPRISE POLICE DEPT.	120	8,561,827	19	784,257	7	397,395	12	129,008
111	WELLTON POLICE DEPT.	5	269,356	3	96,265	-	-	-	-
112	GILA COUNTY SHERIFF'S DEPT.	30	1,535,690	28	903,374	4	117,509	12	229,093
113	PINETOP-LAKESIDE POLICE DEPT.	12	655,492	10	369,607	-	-	3	64,574
114	BULLHEAD CITY POLICE DEPT.	68	4,626,038	34	1,540,331	4	173,417	5	182,672
115	WILLIAMS POLICE DEPT.	9	485,465	5	118,387	-	-	5	24,365
116	MIAMI POLICE DEPT.	5	225,093	2	68,984	-	-	1	19,677
117	THATCHER POLICE DEPT.	11	722,872	7	263,801	-	-	1	106,256
118	YOUNGTOWN POLICE DEPT.	1	55,994	3	108,731	-	-	3	78,002
119	DEPT. OF EMER & MILITARY AFF	42	2,214,471	15	597,412	3	109,267	6	134,199
120	SURPRISE FIRE DEPT.	107	8,942,411	7	438,700	1	45,477	2	21,593
121	CAMP VERDE MARSHALS	18	873,954	7	264,035	-	-	2	28,997
122	ORO VALLEY POLICE DEPT.	96	6,446,142	24	968,147	1	87,756	9	268,551
123	GREENLEE COUNTY SHERIFF'S DEPT.	16	936,659	4	147,847	-	-	3	57,886
124	TUCSON AIRPORT AUTHORITY FIRE DEPT.	14	1,013,578	16	824,232	2	88,433	3	139,313
125	TUCSON AIRPORT AUTHORITY POLICE DEPT.	17	1,305,875	18	815,264	3	117,826	2	6,247
126	WICKENBURG POLICE DEPT.	17	1,016,025	7	293,412	1	50,935	3	31,896
127	EL MIRAGE FIRE DEPT.	24	1,735,841	3	141,470	-	-	1	32,782
128	PATAGONIA MARSHALS	2	101,139	2	70,533	-	-	3	74,226
129	SEDONA POLICE DEPT.	25	1,651,848	9	387,284	-	-	5	10,100
130	MAMMOTH POLICE DEPT.	4	165,424	1	17,267	-	-	9	57,146
131	GLOBE POLICE DEPT.	19	910,117	13	494,536	2	54,568	4	127,002
132	TOMBSTONE MARSHALS	3	112,507	-	-	-	-	5	165,132
133	GOLDER RANCH FIRE DISTRICT	126	8,695,644	12	490,461	6	338,343	3	28,013
134	FORT MOJAVE MESA FIRE DISTRICT	28	2,166,197	11	501,456	1	46,093	3	27,985
136	GOODYEAR FIRE DEPT.	90	7,338,828	2	153,991	1	63,590	-	-
137	GOODYEAR POLICE DEPT.	88	6,630,426	17	811,403	3	164,617	6	215,479
138	CHINO VALLEY FIRE DISTRICT	32	1,990,512	5	265,132	5	241,916	-	-
139	A VONDALE POLICE DEPT.	110	7,503,471	22	961,932	1	78,435	25	267,492
140	GRAHAM COUNTY SHERIFF'S DEPT.	17	884,579	6	185,961	1	47,935	4	94,963
142	GOLDEN VALLEY FIRE DISTRICT	27	1,666,338	4	156,121	-	-	4	35,398
143	DAISY MOUNTAIN FIRE DISTRICT	86	6,556,127	2	102,740	-	-	3	85,532
144	QUARTZSITE POLICE DEPT.	7	410,633	4	144,426	-	-	3	103,031
145	PICTURE ROCKS FIRE DISTRICT	14	728,819	10	276,794	-	-	9	289,067
146	PIMA COUNTY COMM. COLLEGE POLICE	29	1,733,820	13	491,618	-	-	8	12,413
147	NORTHWEST FIRE DISTRICT	186	13,421,020	21	1,049,076	11	539,452	8	206,163
148	APACHE JUNCTION FIRE DISTRICT	77	5,794,922	12	570,191	4	225,594	3	180,424
149	GILBERT FIRE DEPT.	174	14,685,147	5	277,804	7	374,477	3	169,636
150	PINE-STRAWBERRY FIRE DISTRICT	16	1,062,081	4	171,012	2	92,979	2	200,322
151	ATTORNEY GENERAL INVEST.	19	1,298,534	30	1,261,090	2	78,632	1	12,637
153	ST. JOHNS POLICE DEPT.	4	221,222	2	50,439	-	-	4	139,604
154	PIMA COUNTY ATTORNEY INVEST.	5	251,743	4	192,040	1	46,587	-	-
155	SUN LAKES FIRE DISTRICT	38	3,520,423	10	447,207	1	84,850	4	7,663
156	KEARNY POLICE DEPT.	5	216,510	4	153,521	-	-	4	134,212
157	GREENLEE COUNTY ATTORNEY INVEST.	-	-	-	-	-	-	-	-
158	NAVAJO COUNTY ATTORNEY INVEST.	-	-	1	35,451	-	-	-	-
162	AVRA VALLEY FIRE DISTRICT	24	1,240,323	4	115,408	-	-	11	84,100
163	SAN LUIS FIRE DEPT.	29	1,520,802	1	25,329	1	33,439	3	31,867
164	AZ DEPT. LIQ. LIC. & CONTROL INVEST.	12	740,997	14	514,473	1	57,263	3	133,712

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Division Number	Employer Name	Number of Actives	Active Payroll	Number of Retirees	Annual Retiree Benefits	Number of DROP	Annual DROP Benefits	Number of Vested Inactive	Annual Vested Benefits
165	MARICOPA COUNTY ATTORNEY INVEST.	15	\$ 1,162,961	18	\$ 815,132	-	-	1	\$ 28,236
166	SEDONA FIRE DISTRICT	73	5,694,541	17	899,168	1	\$ 88,547	3	124,225
167	GUADALUPE FIRE DEPT.	4	261,990	1	48,359	-	-	-	-
168	MAYER FIRE DISTRICT	15	844,063	3	96,386	-	-	4	77,006
169	SOMERTON POLICE DEPT.	19	904,993	2	95,523	1	28,450	3	74,307
170	SUN CITY WEST FIRE DISTRICT	54	4,471,923	14	653,020	3	140,019	-	-
171	SOMERTON FIRE DEPT.	17	925,129	4	127,102	1	43,024	1	2,673
172	TUBAC FIRE DISTRICT	29	1,607,614	2	55,517	-	-	2	1,997
173	LA PAZ COUNTY ATTORNEY INVEST.	-	-	1	31,210	-	-	-	-
174	SAHUARITA POLICE DEPT.	40	2,590,256	1	37,716	-	-	2	5,587
176	FLORENCE FIRE DEPT.	30	1,770,958	-	-	-	-	-	-
177	SUN CITY FIRE DISTRICT	45	3,543,948	18	1,235,134	9	633,191	1	19,914
178	HAYDEN POLICE DEPT.	8	490,869	-	-	-	-	5	25,159
179	GILA RIVER FIRE DEPT.	69	4,633,213	8	215,596	-	-	8	90,915
180	GILA RIVER POLICE DEPT.	121	7,547,715	4	144,772	-	-	12	625,452
181	SALT RIVER PIMA-MARICOPA FIRE	74	5,975,567	11	483,759	1	47,736	3	73,723
182	SALT RIVER PIMA-MARICOPA POLICE	95	7,338,197	15	740,214	2	115,213	8	528,865
183	LAKESIDE FIRE DISTRICT	23	1,620,069	2	76,499	-	-	-	-
185	PINETOP FIRE DISTRICT	26	1,728,345	8	298,332	-	-	3	99,026
186	SHOW LOW FIRE DISTRICT	30	1,890,399	2	105,764	-	-	4	388,907
187	YAVAPAI COUNTY ATTORNEY INVEST.	-	-	2	76,767	-	-	-	-
188	THREE POINTS FIRE DISTRICT	16	853,942	2	108,899	-	-	2	73,988
190	BUCKEYE FIRE DEPT.	82	6,576,844	-	-	-	-	2	47,409
191	MONTEZUMA RIMROCK FIRE DISTRICT	8	451,416	2	61,449	1	28,493	3	34,428
192	HEBER-OVERGAARD FIRE DISTRICT	12	796,982	1	23,988	-	-	3	21,144
193	HELLSGATE FIRE DISTRICT	7	485,598	-	-	1	46,892	1	12,801
194	GREEN VALLEY FIRE DISTRICT	57	3,850,598	14	557,904	4	190,740	3	52,331
195	SUMMIT FIRE DISTRICT	38	2,220,974	4	171,255	3	146,947	5	63,209
196	CAMP VERDE FIRE DISTRICT	26	1,666,957	3	157,071	-	-	2	103,112
197	FORT MCDOWELL TRIBAL FIRE DEPT.	14	898,520	-	-	-	-	1	80,811
198	FORT MCDOWELL TRIBAL POLICE DEPT.	19	1,459,332	-	-	-	-	1	753
199	HIGHLANDS FIRE DISTRICT	22	1,658,989	5	212,349	-	-	1	4,937
200	RIO RICO FIRE DISTRICT	30	1,544,058	1	16,589	-	-	6	142,565
201	TRI-CITY FIRE DISTRICT	23	1,330,836	1	16,111	-	-	2	26,442
202	MARICOPA COUNTY PARK RANGERS	-	-	4	186,819	-	-	1	48,265
203	VERDE VALLEY FIRE DISTRICT	28	1,920,310	4	204,825	-	-	3	88,766
204	AZ. STATE PARK RANGERS	26	1,202,950	12	455,628	9	336,162	4	128,322
205	LINDEN FIRE DISTRICT	9	411,601	-	-	-	-	-	-
206	HUALAPAI INDIAN TRIBE POLICE DEPT.	16	1,015,980	-	-	-	-	2	28,002
207	PINEWOOD FIRE DISTRICT	17	1,183,884	3	161,419	-	-	-	-
208	RINCON VALLEY FIRE DISTRICT	35	1,842,968	1	67,006	-	-	7	240,947
209	TONOPAH VALLEY FIRE DISTRICT	13	486,112	-	-	-	-	3	12,159
210	JEROME POLICE DEPT.	4	167,936	-	-	-	-	1	20,579
211	FORT MOHAVE TRIBAL POLICE DEPT.	19	1,522,356	-	-	-	-	3	13,868
212	BUCKEYE VALLEY FIRE DISTRICT	67	3,928,301	-	-	1	46,725	6	305,667
213	ELOY FIRE DISTRICT	27	1,795,253	-	-	3	164,752	2	63,364
214	PASCUA YAQUI TRIBE FIRE DEPT.	23	1,474,842	1	49,470	-	-	2	31,823
215	PASCUA YAQUI TRIBE POLICE DEPT.	27	2,104,941	4	146,137	-	-	6	117,611
216	TOWN OF SUPERIOR FIRE DEPT.	5	207,207	1	17,597	-	-	-	-
217	WICKENBURG FIRE DEPT.	12	522,169	-	-	-	-	1	51,720

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Number of Actives	Active Payroll	Number of Retirees	Annual Retiree Benefits	Number of DROP	Annual DROP Benefits	Number of Vested Inactive	Annual Vested Benefits
219	BLACK CANYON FIRE DISTRICT	7	\$ 320,166	-	\$ -	-	\$ -	4	\$ 65,642
220	GRAHAM COUNTY ATTORNEY INVEST.	-	-	-	-	-	-	-	-
221	QUARTZSITE FIRE DISTRICT	8	460,678	-	-	-	-	3	35,573
222	RIO VERDE FIRE DISTRICT	14	1,088,488	1	23,410	1	42,214	1	5,471
223	SCOTTSDALE FIRE DEPT.	243	19,263,734	11	519,990	2	124,492	3	35,315
224	AK CHIN INDIAN COMM. FIRE DEPT.	37	2,163,153	5	166,013	-	-	8	172,745
225	AK CHIN INDIAN COMM. POLICE DEPT.	17	1,187,023	2	102,440	-	-	7	12,802
226	CORONA DE TUCSON FIRE DISTRICT	19	972,423	1	35,281	-	-	-	-
227	GOLDEN SHORES FIRE DISTRICT	9	481,524	-	-	-	-	-	-
228	CITY OF MARICOPA FIRE DEPT.	58	4,629,680	1	34,354	-	-	5	269,849
229	CAVE CREEK MARSHALS	1	90,274	-	-	-	-	-	-
231	SAN CARLOS TRIBAL POLICE DEPT.	24	1,752,413	-	-	-	-	4	90,851
232	GROOM CREEK FIRE DISTRICT	7	371,949	-	-	-	-	1	26,224
233	MOUNT LEMMON FIRE DISTRICT	5	260,961	-	-	-	-	-	-
234	YA VAPAI PRESCOTT TRIBAL POLICE	4	236,065	-	-	-	-	5	84,923
235	TOHONO O'ODHAM NATION FIRE DEPT.	51	2,760,099	1	17,248	-	-	5	30,503
236	TOHONO O'ODHAM NATION POLICE DEPT.	70	4,942,550	12	540,630	-	-	5	84,732
237	WILLIAMSON VALLEY FIRE DISTRICT	18	924,669	-	-	-	-	2	1,232
238	HARQUAHALA FIRE DISTRICT	13	722,416	-	-	-	-	8	121,253
239	COOLIDGE FIRE DEPT.	3	171,777	-	-	-	-	1	3,597
240	CLARKDALE FIRE DISTRICT	10	542,048	-	-	-	-	1	3,016
241	WITTMANN FIRE DISTRICT	11	549,473	-	-	-	-	-	-
242	CENTRAL AZ. COLLEGE POLICE DEPT.	6	317,835	1	44,926	-	-	-	-
243	CITY OF MARICOPA POLICE DEPT.	59	3,965,425	3	105,052	-	-	4	211,112
244	ORACLE FIRE DISTRICT	8	360,909	-	-	-	-	1	905
245	BENSON FIRE DEPT.	1	68,532	-	-	-	-	-	-
246	DESERT HILLS FIRE DEPT.	24	1,172,801	1	27,082	-	-	1	7,039
247	QUEEN CREEK FIRE DEPT.	29	2,129,346	2	129,228	-	-	1	900
248	SONOITA ELGIN FIRE DEPT.	9	426,782	-	-	-	-	6	259,119
249	CHRISTOPHER-KOHL'S FIRE DISTRICT	6	265,840	1	15,660	-	-	1	13,727
250	WHETSTONE FIRE DISTRICT	5	207,640	-	-	-	-	1	11,544
251	QUEEN VALLEY FIRE DISTRICT	3	124,497	-	-	-	-	-	-
252	LAKE MOHAVE RANCHOS FIRE DISTRICT	5	153,791	2	87,715	-	-	8	148,457
253	HUACHUCA CITY POLICE DEPT.	6	325,470	-	-	-	-	-	-
254	PALOMINAS FIRE DISTRICT	7	299,023	-	-	-	-	3	23,392
255	SUN SITES PEARCE FIRE DISTRICT	6	302,612	-	-	-	-	2	17,867
256	PONDEROSA FIRE DISTRICT	4	166,110	-	-	-	-	-	-
TOTAL		18,526	1,390,346,174	10,524	543,209,329	1,559	100,044,935	1,563	31,162,688

APPENDIX III

SUMMARY OF PENSION LIABILITY AND ASSET INFORMATION BY INDIVIDUAL EMPLOYERS

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Total AAL	Total Assets	Reserve for Future Pension Increases	Net Assets	Funded Percent	Unfunded Liability
1	BISBEE FIRE DEPT.	\$ 10,727,439	\$ 880,454	\$ -	\$ 880,454	8.20%	\$ 9,846,985
2	CASA GRANDE FIRE DEPT.	24,244,327	13,389,814	-	13,389,814	55.20%	10,854,513
3	CASA GRANDE POLICE DEPT.	41,256,413	16,441,370	-	16,441,370	39.90%	24,815,043
4	CHANDLER FIRE DEPT.	105,634,896	70,669,121	-	70,669,121	66.90%	34,965,775
5	CHANDLER POLICE DEPT.	176,848,516	105,289,281	-	105,289,281	59.50%	71,559,235
6	CLIFTON FIRE DEPT.	318,085	108,275	-	108,275	34.00%	209,810
7	DEPT. OF PUBLIC SAFETY	1,014,922,099	366,334,105	-	366,334,105	36.10%	648,587,994
8	DOUGLAS FIRE DEPT.	14,492,493	3,795,444	-	3,795,444	26.20%	10,697,049
9	DOUGLAS POLICE DEPT.	20,009,986	6,507,173	-	6,507,173	32.50%	13,502,813
10	FLAGSTAFF FIRE DEPT.	69,057,692	27,673,638	-	27,673,638	40.10%	41,384,054
11	FLAGSTAFF POLICE DEPT.	60,311,715	22,925,492	-	22,925,492	38.00%	37,386,223
12	GLENDALE FIRE DEPT.	144,123,401	87,644,180	-	87,644,180	60.80%	56,479,221
13	GLENDALE POLICE DEPT.	230,011,401	110,260,659	-	110,260,659	47.90%	119,750,742
14	GLOBE FIRE DEPT.	7,955,464	3,590,612	-	3,590,612	45.10%	4,364,852
15	KINGMAN FIRE DEPT.	23,726,013	14,535,992	-	14,535,992	61.30%	9,190,021
16	MARICOPA COUNTY SHERIFF'S OFFICE	423,712,440	188,638,358	-	188,638,358	44.50%	235,074,082
17	MESA FIRE DEPT.	299,681,376	164,241,457	-	164,241,457	54.80%	135,439,919
18	MESA POLICE DEPT.	542,744,735	278,810,934	-	278,810,934	51.40%	263,933,801
19	MIAMI FIRE DEPT.	-	18,791	-	18,791	0.00%	(18,791)
20	NOGALES FIRE DEPT.	17,992,415	9,087,407	-	9,087,407	50.50%	8,905,008
21	PHOENIX FIRE DEPT.	1,375,332,580	689,367,635	-	689,367,635	50.10%	685,964,945
22	PHOENIX POLICE DEPT.	2,539,761,009	1,221,186,119	-	1,221,186,119	48.10%	1,318,574,890
23	PRESCOTT FIRE DEPT.	52,497,781	16,724,687	-	16,724,687	31.90%	35,773,094
24	PRESCOTT POLICE DEPT.	46,640,460	11,972,296	-	11,972,296	25.70%	34,668,164
25	SCOTTSDALE POLICE DEPT.	254,343,664	142,564,658	-	142,564,658	56.10%	111,779,006
26	SIERRA VISTA FIRE DEPT.	24,094,592	13,583,474	-	13,583,474	56.40%	10,511,118
27	TEMPE FIRE DEPT.	146,404,949	72,143,847	-	72,143,847	49.30%	74,261,102
28	TEMPE POLICE DEPT.	250,620,596	104,904,888	-	104,904,888	41.90%	145,715,708
29	TUCSON FIRE	477,118,955	180,045,741	-	180,045,741	37.70%	297,073,214
30	TUCSON POLICE	767,401,990	301,500,859	-	301,500,859	39.30%	465,901,131
31	WINSLOW FIRE DEPT.	3,074,634	5,920,483	-	5,920,483	192.60%	(2,845,849)
32	YUMA FIRE DEPT.	69,412,162	29,101,594	-	29,101,594	41.90%	40,310,568
33	YUMA POLICE DEPT.	89,018,721	42,180,445	-	42,180,445	47.40%	46,838,276
34	YUMA COUNTY SHERIFF'S DEPT.	30,837,396	15,568,297	-	15,568,297	50.50%	15,269,099
35	GAME AND FISH DEPT.	105,523,155	28,743,341	-	28,743,341	27.20%	76,779,814
36	SIERRA VISTA POLICE DEPT.	33,424,475	14,303,827	-	14,303,827	42.80%	19,120,648
37	BENSON POLICE DEPT.	3,895,269	2,010,735	-	2,010,735	51.60%	1,884,534
38	BISBEE POLICE DEPT.	9,548,061	1,723,785	-	1,723,785	18.10%	7,824,276
39	PIMA COUNTY SHERIFF'S DEPT.	324,825,341	141,812,804	-	141,812,804	43.70%	183,012,537
40	KINGMAN POLICE DEPT.	22,675,593	11,804,172	-	11,804,172	52.10%	10,871,421
41	ASU CAMPUS POLICE	29,219,475	14,426,005	-	14,426,005	49.40%	14,793,470
42	LAKE HAVASU CITY FIRE DEPT.	44,101,777	20,232,497	-	20,232,497	45.90%	23,869,280
43	MOHAVE COUNTY SHERIFF'S DEPT.	37,588,720	19,477,891	-	19,477,891	51.80%	18,110,829
44	BULLHEAD CITY FIRE DEPT.	37,808,440	26,785,878	-	26,785,878	70.80%	11,022,562
45	U OF A CAMPUS POLICE	24,926,850	12,693,546	-	12,693,546	50.90%	12,233,304
46	COCHISE COUNTY SHERIFF'S DEPT.	41,801,873	13,272,277	-	13,272,277	31.80%	28,529,596
47	SAFFORD POLICE DEPT.	11,959,313	4,047,018	-	4,047,018	33.80%	7,912,295
49	DREXEL HEIGHTS FIRE DISTRICT	24,027,550	17,427,758	-	17,427,758	72.50%	6,599,792
50	WINSLOW POLICE DEPT.	8,717,151	5,337,636	-	5,337,636	61.20%	3,379,515
51	PAYSON FIRE DEPT.	9,126,705	5,458,152	-	5,458,152	59.80%	3,668,553

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52	PAYSON POLICE DEPT.	\$ 16,112,454	\$ 5,249,476	\$ -	\$ 5,249,476	32.60%	\$ 10,862,978
53	NORTHERN AZ. CONSOLIDATED FIRE DISTRICT #1	6,958,046	4,323,535	-	4,323,535	62.10%	2,634,511
54	FRY FIRE DISTRICT	19,304,681	8,249,952	-	8,249,952	42.70%	11,054,729
55	FREDONIA MARSHALS	576,040	586,510	-	586,510	101.80%	(10,470)
56	NAU CAMPUS POLICE	9,662,955	3,457,059	-	3,457,059	35.80%	6,205,896
58	SOUTH TUCSON FIRE DEPT.	3,471,204	1,432,344	-	1,432,344	41.30%	2,038,860
59	A VONDALE FIRE DEPT.	19,360,211	15,728,788	-	15,728,788	81.20%	3,631,423
60	PARKER POLICE DEPT.	3,422,247	2,095,753	-	2,095,753	61.20%	1,326,494
61	COCONINO COUNTY SHERIFF'S DEPT.	39,892,490	10,073,045	-	10,073,045	25.30%	29,819,445
62	CENTRAL YA VAPAI FIRE DISTRICT	45,278,068	24,217,738	-	24,217,738	53.50%	21,060,330
64	BUCKSKIN FIRE DISTRICT	5,651,533	1,744,697	-	1,744,697	30.90%	3,906,836
65	SNOWFLAKE POLICE DEPT.	4,218,295	1,982,167	-	1,982,167	47.00%	2,236,128
66	COTTONWOOD POLICE DEPT.	12,119,186	4,523,055	-	4,523,055	37.30%	7,596,131
67	LAKE HAVASU CITY POLICE DEPT.	44,818,613	20,789,353	-	20,789,353	46.40%	24,029,260
69	SOUTH TUCSON POLICE DEPT.	8,143,673	182,695	-	182,695	2.20%	7,960,978
70	APACHE JUNCTION POLICE DEPT.	29,632,199	11,207,426	-	11,207,426	37.80%	18,424,773
71	NA VAJO COUNTY SHERIFF'S DEPT.	17,034,621	5,399,797	-	5,399,797	31.70%	11,634,824
72	MOHAVE VALLEY FIRE DISTRICT	6,035,576	6,142,644	-	6,142,644	101.80%	(107,068)
73	PEORIA FIRE DEPT.	63,042,200	46,661,708	-	46,661,708	74.00%	16,380,492
74	PEORIA POLICE DEPT.	91,251,779	50,636,292	-	50,636,292	55.50%	40,615,487
76	PARADISE VALLEY POLICE DEPT.	28,203,076	7,172,192	-	7,172,192	25.40%	21,030,884
77	WILLCOX POLICE DEPT.	4,858,225	1,905,914	-	1,905,914	39.20%	2,952,311
78	SHOW LOW POLICE DEPT.	11,846,807	6,127,779	-	6,127,779	51.70%	5,719,028
79	ELOY POLICE DEPT.	9,214,306	6,109,044	-	6,109,044	66.30%	3,105,262
80	NOGALES POLICE DEPT.	23,001,990	12,430,324	-	12,430,324	54.00%	10,571,666
81	GILBERT POLICE DEPT.	83,549,777	54,735,780	-	54,735,780	65.50%	28,813,997
83	CLIFTON POLICE DEPT.	412,008	562,088	-	562,088	136.40%	(150,080)
85	COOLIDGE POLICE DEPT.	10,576,311	4,991,012	-	4,991,012	47.20%	5,585,299
86	HOLBROOK POLICE DEPT.	7,732,612	1,862,560	-	1,862,560	24.10%	5,870,052
87	SANTA CRUZ COUNTY SHERIFF'S DEPT.	14,707,593	6,057,280	-	6,057,280	41.20%	8,650,313
88	PRESCOTT VALLEY POLICE DEPT.	20,059,593	13,466,911	-	13,466,911	67.10%	6,592,682
89	EAGAR POLICE DEPT.	3,851,931	1,921,037	-	1,921,037	49.90%	1,930,894
90	TOLLESON POLICE DEPT.	9,093,341	4,937,695	-	4,937,695	54.30%	4,155,646
91	FLORENCE POLICE DEPT.	5,013,874	4,519,893	-	4,519,893	90.10%	493,981
92	SPRINGVILLE POLICE DEPT.	2,382,862	1,621,368	-	1,621,368	68.00%	761,494
93	EL MIRAGE POLICE DEPT.	12,817,742	7,274,580	-	7,274,580	56.80%	5,543,162
94	SUPERIOR POLICE DEPT.	1,157,803	934,116	-	934,116	80.70%	223,687
95	SAN LUIS POLICE DEPT.	7,123,712	5,000,800	-	5,000,800	70.20%	2,122,912
96	PAGE POLICE DEPT.	6,572,403	3,627,953	-	3,627,953	55.20%	2,944,450
97	PAGE FIRE DEPT.	2,055,946	1,571,053	-	1,571,053	76.40%	484,893
98	YAVAPAI COUNTY SHERIFF'S DEPT.	49,437,304	21,219,993	-	21,219,993	42.90%	28,217,311
100	PIMA POLICE DEPT.	114,473	394,800	-	394,800	344.90%	(280,327)
101	APACHE COUNTY SHERIFF'S DEPT.	13,071,475	3,527,553	-	3,527,553	27.00%	9,543,922
102	COTTONWOOD FIRE DEPT.	5,992,828	4,496,133	-	4,496,133	75.00%	1,496,695
103	LA PAZ COUNTY SHERIFF'S DEPT.	14,448,714	5,643,349	-	5,643,349	39.10%	8,805,365
104	PINAL COUNTY SHERIFF'S DEPT.	77,951,272	43,707,076	-	43,707,076	56.10%	34,244,196
105	CLARKDALE POLICE DEPT.	3,074,904	1,786,167	-	1,786,167	58.10%	1,288,737
106	BUCKEYE POLICE DEPT.	21,545,051	14,136,838	-	14,136,838	65.60%	7,408,213
107	MARANA POLICE DEPT.	23,540,591	14,431,215	-	14,431,215	61.30%	9,109,376
108	TOLLESON FIRE DEPT.	10,203,606	7,807,252	-	7,807,252	76.50%	2,396,354

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109	CHINO VALLEY POLICE DEPT.	\$ 6,601,880	\$ 4,206,915	-	\$ 4,206,915	63.70%	\$ 2,394,965
110	SURPRISE POLICE DEPT.	35,745,948	25,114,213	-	25,114,213	70.30%	10,631,735
111	WELLTON POLICE DEPT.	1,381,415	588,444	-	588,444	42.60%	792,971
112	GILA COUNTY SHERIFF'S DEPT.	16,809,197	6,461,379	-	6,461,379	38.40%	10,347,818
113	PINETOP-LAKESIDE POLICE DEPT.	6,305,811	1,933,402	-	1,933,402	30.70%	4,372,409
114	BULLHEAD CITY POLICE DEPT.	37,822,347	20,458,561	-	20,458,561	54.10%	17,363,786
115	WILLIAMS POLICE DEPT.	2,432,607	1,432,183	-	1,432,183	58.90%	1,000,424
116	MIAMI POLICE DEPT.	1,867,706	962,879	-	962,879	51.60%	904,827
117	THATCHER POLICE DEPT.	5,739,564	2,412,671	-	2,412,671	42.00%	3,326,893
118	YOUNGTOWN POLICE DEPT.	1,594,612	706,048	-	706,048	44.30%	888,564
119	DEPT. OF EMER & MILITARY AFF	14,572,150	7,984,906	-	7,984,906	54.80%	6,587,244
120	SURPRISE FIRE DEPT.	30,990,296	25,586,766	-	25,586,766	82.60%	5,403,530
121	CAMP VERDE MARSHALS	4,852,992	3,023,178	-	3,023,178	62.30%	1,829,814
122	ORO VALLEY POLICE DEPT.	36,122,643	23,567,852	-	23,567,852	65.20%	12,554,791
123	GREENLEE COUNTY SHERIFF'S DEPT.	4,982,058	3,281,773	-	3,281,773	65.90%	1,700,285
124	TUCSON AIRPORT AUTHORITY FIRE DEPT.	14,484,720	4,678,056	-	4,678,056	32.30%	9,806,664
125	TUCSON AIRPORT AUTHORITY POLICE DEPT.	15,294,242	4,259,925	-	4,259,925	27.90%	11,034,317
126	WICKENBURG POLICE DEPT.	5,368,878	2,567,923	-	2,567,923	47.80%	2,800,955
127	EL MIRAGE FIRE DEPT.	5,030,099	4,077,387	-	4,077,387	81.10%	952,712
128	PATAGONIA MARSHALS	1,162,051	575,219	-	575,219	49.50%	586,832
129	SEDONA POLICE DEPT.	8,846,249	5,247,551	-	5,247,551	59.30%	3,598,698
130	MAMMOTH POLICE DEPT.	606,967	340,858	-	340,858	56.20%	266,109
131	GLOBE POLICE DEPT.	9,655,027	3,637,067	-	3,637,067	37.70%	6,017,960
132	TOMBSTONE MARSHALS	312,874	803,353	-	803,353	256.80%	(490,479)
133	GOLDER RANCH FIRE DISTRICT	33,424,951	24,617,286	-	24,617,286	73.60%	8,807,665
134	FORT MOJAVE MESA FIRE DISTRICT	14,605,714	8,612,504	-	8,612,504	59.00%	5,993,210
136	GOODYEAR FIRE DEPT.	22,851,411	21,012,076	-	21,012,076	92.00%	1,839,335
137	GOODYEAR POLICE DEPT.	29,232,918	19,960,316	-	19,960,316	68.30%	9,272,602
138	CHINO VALLEY FIRE DISTRICT	11,322,290	8,012,911	-	8,012,911	70.80%	3,309,379
139	AVONDALE POLICE DEPT.	28,285,456	18,498,612	-	18,498,612	65.40%	9,786,844
140	GRAHAM COUNTY SHERIFF'S DEPT.	5,918,746	3,470,629	-	3,470,629	58.60%	2,448,117
142	GOLDEN VALLEY FIRE DISTRICT	5,433,396	3,691,463	-	3,691,463	67.90%	1,741,933
143	DAISY MOUNTAIN FIRE DISTRICT	20,167,102	19,471,182	-	19,471,182	96.50%	695,920
144	QUARTZSITE POLICE DEPT.	2,786,036	2,874,609	-	2,874,609	103.20%	(88,573)
145	PICTURE ROCKS FIRE DISTRICT	5,202,988	3,631,857	-	3,631,857	69.80%	1,571,131
146	PIMA COUNTY COMM. COLLEGE POLICE	10,189,138	5,010,910	-	5,010,910	49.20%	5,178,228
147	NORTHWEST FIRE DISTRICT	62,845,924	45,925,348	-	45,925,348	73.10%	16,920,576
148	APACHE JUNCTION FIRE DISTRICT	30,791,414	23,249,195	-	23,249,195	75.50%	7,542,219
149	GILBERT FIRE DEPT.	51,464,815	44,417,914	-	44,417,914	86.30%	7,046,901
150	PINE-STRAWBERRY FIRE DISTRICT	6,623,617	4,149,211	-	4,149,211	62.60%	2,474,406
151	ATTORNEY GENERAL INVEST.	16,237,603	3,576,001	-	3,576,001	22.00%	12,661,602
153	ST. JOHNS POLICE DEPT.	1,285,000	984,046	-	984,046	76.60%	300,954
154	PIMA COUNTY ATTORNEY INVEST.	3,764,955	1,676,002	-	1,676,002	44.50%	2,088,953
155	SUN LAKES FIRE DISTRICT	17,126,918	12,827,047	-	12,827,047	74.90%	4,299,871
156	KEARNY POLICE DEPT.	2,248,687	1,682,914	-	1,682,914	74.80%	565,773
157	GREENLEE COUNTY ATTORNEY INVEST.	-	50,278	-	50,278	0.00%	(50,278)
158	NAVAJO COUNTY ATTORNEY INVEST.	580,021	36,642	-	36,642	6.30%	543,379
162	AVRA VALLEY FIRE DISTRICT	3,145,639	3,124,467	-	3,124,467	99.30%	21,172
163	SAN LUIS FIRE DEPT.	3,801,840	3,683,462	-	3,683,462	96.90%	118,378
164	AZ DEPT. LIQ. LIC. & CONTROL INVEST.	10,218,001	3,782,108	-	3,782,108	37.00%	6,435,893

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165	MARICOPA COUNTY ATTORNEY INVEST.	\$ 11,195,054	\$ 4,336,729	\$ -	\$ 4,336,729	38.70%	\$ 6,858,325
166	SEDONA FIRE DISTRICT	27,960,111	17,382,599	-	17,382,599	62.20%	10,577,512
167	GUADALUPE FIRE DEPT.	1,407,245	798,666	-	798,666	56.80%	608,579
168	MA YER FIRE DISTRICT	3,631,473	3,051,865	-	3,051,865	84.00%	579,608
169	SOMERTON POLICE DEPT.	4,701,639	3,287,220	-	3,287,220	69.90%	1,414,419
170	SUN CITY WEST FIRE DISTRICT	26,611,870	16,068,508	-	16,068,508	60.40%	10,543,362
171	SOMERTON FIRE DEPT.	3,677,702	2,581,802	-	2,581,802	70.20%	1,095,900
172	TUBAC FIRE DISTRICT	5,291,587	4,559,805	-	4,559,805	86.20%	731,782
173	LA PAZ COUNTY ATTORNEY INVEST.	320,790	217,464	-	217,464	67.80%	103,326
174	SAHUARITA POLICE DEPT.	7,429,717	7,327,346	-	7,327,346	98.60%	102,371
176	FLORENCE FIRE DEPT.	2,612,785	3,046,854	-	3,046,854	116.60%	(434,069)
177	SUN CITY FIRE DISTRICT	38,148,300	19,336,785	-	19,336,785	50.70%	18,811,515
178	HA YDEN POLICE DEPT.	335,804	1,265,934	-	1,265,934	377.00%	(930,130)
179	GILA RIVER FIRE DEPT.	11,159,326	10,020,605	-	10,020,605	89.80%	1,138,721
180	GILA RIVER POLICE DEPT.	14,687,721	15,664,960	-	15,664,960	106.70%	(977,239)
181	SALT RIVER PIMA-MARICOPA FIRE	25,458,290	20,240,247	-	20,240,247	79.50%	5,218,043
182	SALT RIVER PIMA-MARICOPA POLICE	26,606,951	19,183,017	-	19,183,017	72.10%	7,423,934
183	LAKESIDE FIRE DISTRICT	4,526,857	3,848,538	-	3,848,538	85.00%	678,319
185	PINETOP FIRE DISTRICT	8,112,548	4,732,643	-	4,732,643	58.30%	3,379,905
186	SHOW LOW FIRE DISTRICT	5,393,849	5,313,751	-	5,313,751	98.50%	80,098
187	YA YAPAI COUNTY ATTORNEY INVEST.	1,122,474	(76,326)	-	(76,326)	-6.80%	1,198,800
188	THREE POINTS FIRE DISTRICT	3,029,615	2,191,478	-	2,191,478	72.30%	838,137
190	BUCKEYE FIRE DEPT.	15,420,456	14,346,447	-	14,346,447	93.00%	1,074,009
191	MONTEZUMA RIMROCK FIRE DISTRICT	1,919,374	1,289,069	-	1,289,069	67.20%	630,305
192	HEBER-OVERGAARD FIRE DISTRICT	1,615,731	1,819,533	-	1,819,533	112.60%	(203,802)
193	HELLSGATE FIRE DISTRICT	2,142,472	1,716,787	-	1,716,787	80.10%	425,685
194	GREEN VALLEY FIRE DISTRICT	20,423,538	14,584,942	-	14,584,942	71.40%	5,838,596
195	SUMMIT FIRE DISTRICT	9,731,112	7,894,211	-	7,894,211	81.10%	1,836,901
196	CAMP VERDE FIRE DISTRICT	5,990,770	4,766,919	-	4,766,919	79.60%	1,223,851
197	FORT MCDOWELL TRIBAL FIRE DEPT.	2,158,882	2,132,477	-	2,132,477	98.80%	26,405
198	FORT MCDOWELL TRIBAL POLICE DEPT.	4,386,688	4,277,402	-	4,277,402	97.50%	109,286
199	HIGHLANDS FIRE DISTRICT	7,414,642	4,619,589	-	4,619,589	62.30%	2,795,053
200	RIO RICO FIRE DISTRICT	3,003,127	3,455,880	-	3,455,880	115.10%	(452,753)
201	TRI-CITY FIRE DISTRICT	2,493,670	2,354,859	-	2,354,859	94.40%	138,811
202	MARICOPA COUNTY PARK RANGERS	2,472,809	1,697,305	-	1,697,305	68.60%	775,504
203	VERDE VALLEY FIRE DISTRICT	7,895,381	6,309,151	-	6,309,151	79.90%	1,586,230
204	AZ. STATE PARK RANGERS	15,060,702	9,286,746	-	9,286,746	61.70%	5,773,956
205	LINDEN FIRE DISTRICT	754,791	863,471	-	863,471	114.40%	(108,680)
206	HUALAPAI INDIAN TRIBE POLICE DEPT.	1,459,932	1,734,891	-	1,734,891	118.80%	(274,959)
207	PINEWOOD FIRE DISTRICT	4,058,970	2,267,755	-	2,267,755	55.90%	1,791,215
208	RINCON VALLEY FIRE DISTRICT	4,157,751	4,128,286	-	4,128,286	99.30%	29,465
209	TONOPAH VALLEY FIRE DISTRICT	465,240	718,147	-	718,147	154.40%	(252,907)
210	JEROME POLICE DEPT.	234,482	352,104	-	352,104	150.20%	(117,622)
211	FORT MOJA VE TRIBAL POLICE DEPT.	1,994,164	2,665,583	-	2,665,583	133.70%	(671,419)
212	BUCKEYE VALLEY FIRE DISTRICT	7,488,667	8,081,883	-	8,081,883	107.90%	(593,216)
213	ELOY FIRE DISTRICT	4,976,885	3,868,812	-	3,868,812	77.70%	1,108,073
214	PASCUA YAQUI TRIBE FIRE DEPT.	5,950,286	3,821,038	-	3,821,038	64.20%	2,129,248
215	PASCUA YAQUI TRIBE POLICE DEPT.	7,849,744	4,898,336	-	4,898,336	62.40%	2,951,408
216	TOWN OF SUPERIOR FIRE DEPT.	422,243	500,931	-	500,931	118.60%	(78,688)
217	WICKENBURG FIRE DEPT.	930,631	1,045,599	-	1,045,599	112.40%	(114,968)

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Total AAL	Total Assets	Reserve for Future Pension Increases	Net Assets	Funded Percent	Unfunded Liability
219	BLACK CANYON FIRE DISTRICT	\$ 647,879	\$ 777,349	-	\$ 777,349	120.00%	\$ (129,470)
220	GRAHAM COUNTY ATTORNEY INVEST.	-	981	-	981	0.00%	(981)
221	QUARTZSITE FIRE DISTRICT	1,081,411	1,015,564	-	1,015,564	93.90%	65,847
222	RIO VERDE FIRE DISTRICT	5,105,048	4,238,072	-	4,238,072	83.00%	866,976
223	SCOTTSDALE FIRE DEPT.	49,915,612	55,449,695	-	55,449,695	111.10%	(5,534,083)
224	AK CHIN INDIAN COMM. FIRE DEPT.	6,333,358	4,862,430	-	4,862,430	76.80%	1,470,928
225	AK CHIN INDIAN COMM. POLICE DEPT.	2,695,124	2,439,247	-	2,439,247	90.50%	255,877
226	CORONA DE TUCSON FIRE DISTRICT	2,722,177	2,063,118	-	2,063,118	75.80%	659,059
227	GOLDEN SHORES FIRE DISTRICT	929,241	1,098,120	-	1,098,120	118.20%	(168,879)
228	CITY OF MARICOPA FIRE DEPT.	10,197,594	10,441,953	-	10,441,953	102.40%	(244,359)
229	CAVE CREEK MARSHALS	247,575	206,803	-	206,803	83.50%	40,772
231	SAN CARLOS TRIBAL POLICE DEPT.	3,480,262	2,816,655	-	2,816,655	80.90%	663,607
232	GROOM CREEK FIRE DISTRICT	569,085	707,906	-	707,906	124.40%	(138,821)
233	MOUNT LEMMON FIRE DISTRICT	565,212	647,686	-	647,686	114.60%	(82,474)
234	YA VAPAI PRESCOTT TRIBAL POLICE	331,246	633,735	-	633,735	191.30%	(302,489)
235	TOHONO O'ODHAM NATION FIRE DEPT.	6,179,608	6,330,869	-	6,330,869	102.40%	(151,261)
236	TOHONO O'ODHAM NATION POLICE DEPT.	20,864,514	16,582,686	-	16,582,686	79.50%	4,281,828
237	WILLIAMSON VALLEY FIRE DISTRICT	426,023	520,961	-	520,961	122.30%	(94,938)
238	HARQUAHALA FIRE DISTRICT	918,311	1,232,051	-	1,232,051	134.20%	(313,740)
239	COOLIDGE FIRE DEPT.	182,815	325,605	-	325,605	178.10%	(142,790)
240	CLARKDALE FIRE DISTRICT	991,933	964,052	-	964,052	97.20%	27,881
241	WITTMANN FIRE DISTRICT	771,481	818,712	-	818,712	106.10%	(47,231)
242	CENTRAL AZ. COLLEGE POLICE DEPT.	971,339	627,314	-	627,314	64.60%	344,025
243	CITY OF MARICOPA POLICE DEPT.	7,222,779	7,159,704	-	7,159,704	99.10%	63,075
244	ORACLE FIRE DISTRICT	439,972	518,473	-	518,473	117.80%	(78,501)
245	BENSON FIRE DEPT.	500,384	421,688	-	421,688	84.30%	78,696
246	DESERT HILLS FIRE DEPT.	2,478,878	1,701,906	-	1,701,906	68.70%	776,972
247	QUEEN CREEK FIRE DEPT.	4,223,756	2,762,134	-	2,762,134	65.40%	1,461,622
248	SONOITA ELGIN FIRE DEPT.	806,513	724,373	-	724,373	89.80%	82,140
249	CHRISTOPHER-KOHL'S FIRE DISTRICT	523,456	384,269	-	384,269	73.40%	139,187
250	WHETSTONE FIRE DISTRICT	229,194	338,046	-	338,046	147.50%	(108,852)
251	QUEEN VALLEY FIRE DISTRICT	253,447	233,091	-	233,091	92.00%	20,356
252	LAKE MOHAVE RANCHOS FIRE DISTRICT	1,366,859	996,496	-	996,496	72.90%	370,363
253	HUACHUCA CITY POLICE DEPT.	545,002	318,688	-	318,688	58.50%	226,314
254	PALOMINAS FIRE DISTRICT	209,555	432,979	-	432,979	206.60%	(223,424)
255	SUN SITES PEARCE FIRE DISTRICT	533,714	506,495	-	506,495	94.90%	27,219
256	PONDEROSA FIRE DISTRICT	26,355	39,353	-	39,353	149.30%	(12,998)
TOTAL		12,233,016,817	6,018,984,092	-	6,018,984,092		6,214,032,725

APPENDIX IV

SUMMARY OF PENSION CONTRIBUTION INFORMATION BY INDIVIDUAL EMPLOYERS

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Recommended ER Cont	Phase-In ER Cont	Statutory Minimum
1	BISBEE FIRE DEPT.	10.68%	76.98%	87.66%	87.66%	72.42%	N/A
2	CASA GRANDE FIRE DEPT.	11.75%	15.43%	27.18%	27.18%	23.87%	N/A
3	CASA GRANDE POLICE DEPT.	11.73%	30.18%	41.91%	41.91%	35.20%	N/A
4	CHANDLER FIRE DEPT.	11.49%	14.99%	26.48%	26.48%	22.33%	N/A
5	CHANDLER POLICE DEPT.	11.86%	19.18%	31.04%	31.04%	25.94%	N/A
6	CLIFTON FIRE DEPT.	0.00%	0.00%	0.00%	5.00%	5.00%	5.00%
7	DEPT. OF PUBLIC SAFETY	12.98%	63.02%	76.00%	76.00%	62.20%	N/A
8	DOUGLAS FIRE DEPT.	12.32%	53.68%	66.00%	66.00%	51.27%	N/A
9	DOUGLAS POLICE DEPT.	11.63%	46.28%	57.91%	57.91%	45.45%	N/A
10	FLAGSTAFF FIRE DEPT.	12.64%	55.07%	67.71%	67.71%	53.91%	N/A
11	FLAGSTAFF POLICE DEPT.	11.19%	32.07%	43.26%	43.26%	36.99%	N/A
12	GLENDALE FIRE DEPT.	12.52%	18.93%	31.45%	31.45%	26.51%	N/A
13	GLENDALE POLICE DEPT.	11.87%	24.03%	35.90%	35.90%	31.43%	N/A
14	GLOBE FIRE DEPT.	11.42%	33.70%	45.12%	45.12%	38.85%	N/A
15	KINGMAN FIRE DEPT.	11.63%	22.34%	33.97%	33.97%	27.93%	N/A
16	MARICOPA COUNTY SHERIFF'S OFFICE	13.16%	35.67%	48.83%	48.83%	41.46%	N/A
17	MESA FIRE DEPT.	12.37%	28.16%	40.53%	40.53%	34.17%	N/A
18	MESA POLICE DEPT.	12.90%	28.32%	41.22%	41.22%	34.58%	N/A
19	MIAMI FIRE DEPT.	0.00%	0.00%	0.00%	5.00%	5.00%	5.00%
20	NOGALES FIRE DEPT.	12.12%	25.07%	37.19%	37.19%	30.18%	N/A
21	PHOENIX FIRE DEPT.	12.65%	34.86%	47.51%	47.51%	39.55%	N/A
22	PHOENIX POLICE DEPT.	13.34%	36.68%	50.02%	50.02%	40.71%	N/A
23	PRESCOTT FIRE DEPT.	11.37%	63.12%	74.49%	74.49%	63.44%	N/A
24	PRESCOTT POLICE DEPT.	11.56%	54.60%	66.16%	66.16%	54.31%	N/A
25	SCOTTSDALE POLICE DEPT.	12.89%	22.47%	35.36%	35.36%	29.81%	N/A
26	SIERRA VISTA FIRE DEPT.	11.59%	25.63%	37.22%	37.22%	30.17%	N/A
27	TEMPE FIRE DEPT.	12.44%	37.23%	49.67%	49.67%	41.30%	N/A
28	TEMPE POLICE DEPT.	11.68%	32.35%	44.03%	44.03%	37.12%	N/A
29	TUCSON FIRE	12.49%	53.74%	66.23%	66.23%	54.55%	N/A
30	TUCSON POLICE	12.74%	51.39%	64.13%	64.13%	52.14%	N/A
31	WINSLOW FIRE DEPT.	10.30%	0.46%	10.76%	10.76%	10.17%	N/A
32	YUMA FIRE DEPT.	12.59%	35.96%	48.55%	48.55%	40.75%	N/A
33	YUMA POLICE DEPT.	12.59%	29.46%	42.05%	42.05%	34.18%	N/A
34	YUMA COUNTY SHERIFF'S DEPT.	12.81%	19.79%	32.60%	32.60%	28.47%	N/A
35	GAME AND FISH DEPT.	12.99%	75.13%	88.12%	88.12%	71.89%	N/A
36	SIERRA VISTA POLICE DEPT.	12.22%	30.02%	42.24%	42.24%	34.27%	N/A
37	BENSON POLICE DEPT.	10.77%	15.56%	26.33%	26.33%	22.92%	N/A
38	BISBEE POLICE DEPT.	11.18%	82.08%	93.26%	93.26%	72.65%	N/A
39	PIMA COUNTY SHERIFF'S DEPT.	12.86%	36.90%	49.76%	49.76%	40.89%	N/A
40	KINGMAN POLICE DEPT.	11.61%	24.33%	35.94%	35.94%	29.47%	N/A
41	ASU CAMPUS POLICE	12.73%	22.58%	35.31%	35.31%	30.66%	N/A
42	LAKE HAVASU CITY FIRE DEPT.	11.53%	30.45%	41.98%	41.98%	34.42%	N/A
43	MOHAVE COUNTY SHERIFF'S DEPT.	12.30%	26.18%	38.48%	38.48%	31.89%	N/A
44	BULLHEAD CITY FIRE DEPT.	11.76%	14.22%	25.98%	25.98%	21.67%	N/A
45	U OF A CAMPUS POLICE	11.91%	21.13%	33.04%	33.04%	28.46%	N/A
46	COCHISE COUNTY SHERIFF'S DEPT.	11.92%	39.39%	51.31%	51.31%	42.56%	N/A
47	SAFFORD POLICE DEPT.	12.02%	42.79%	54.81%	54.81%	46.88%	N/A
49	DREXEL HEIGHTS FIRE DISTRICT	11.28%	10.23%	21.51%	21.51%	17.96%	N/A
50	WINSLOW POLICE DEPT.	11.99%	23.78%	35.77%	35.77%	27.76%	N/A
51	PAYSON FIRE DEPT.	11.14%	12.75%	23.89%	23.89%	20.94%	N/A

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Recommended ER Cont	Phase-In ER Cont	Statutory Minimum
52	PA YSON POLICE DEPT.	12.35%	44.22%	56.57%	56.57%	45.68%	N/A
53	NORTHERN AZ. CONSOLIDATED FIRE DISTRICT	12.50%	13.11%	25.61%	25.61%	22.69%	N/A
54	FRY FIRE DISTRICT	11.86%	27.29%	39.15%	39.15%	33.09%	N/A
55	FREDONIA MARSHALS	12.53%	0.48%	13.01%	13.01%	12.45%	N/A
56	NAU CAMPUS POLICE	10.74%	38.04%	48.78%	48.78%	40.95%	N/A
58	SOUTH TUCSON FIRE DEPT.	10.70%	81.52%	92.22%	92.22%	66.47%	N/A
59	AVONDALE FIRE DEPT.	11.63%	4.84%	16.47%	16.47%	15.46%	N/A
60	PARKER POLICE DEPT.	12.61%	16.04%	28.65%	28.65%	22.27%	N/A
61	COCONINO COUNTY SHERIFF'S DEPT.	11.16%	63.99%	75.15%	75.15%	62.46%	N/A
62	CENTRAL YAVAPAI FIRE DISTRICT	11.09%	24.33%	35.42%	35.42%	30.61%	N/A
64	BUCKSKIN FIRE DISTRICT	11.24%	31.13%	42.37%	42.37%	36.97%	N/A
65	SNOWFLAKE POLICE DEPT.	11.83%	20.99%	32.82%	32.82%	27.36%	N/A
66	COTTONWOOD POLICE DEPT.	11.68%	25.40%	37.08%	37.08%	31.52%	N/A
67	LAKE HAVASU CITY POLICE DEPT.	11.69%	33.91%	45.60%	45.60%	37.21%	N/A
69	SOUTH TUCSON POLICE DEPT.	12.00%	78.09%	90.09%	90.09%	76.57%	N/A
70	APACHE JUNCTION POLICE DEPT.	12.60%	37.71%	50.31%	50.31%	41.98%	N/A
71	NAVAJO COUNTY SHERIFF'S DEPT.	11.77%	35.85%	47.62%	47.62%	37.99%	N/A
72	MOHAVE VALLEY FIRE DISTRICT	12.33%	0.27%	12.60%	12.60%	12.20%	N/A
73	PEORIA FIRE DEPT.	11.64%	10.13%	21.77%	21.77%	18.35%	N/A
74	PEORIA POLICE DEPT.	11.76%	19.73%	31.49%	31.49%	26.42%	N/A
76	PARADISE VALLEY POLICE DEPT.	11.66%	60.12%	71.78%	71.78%	64.23%	N/A
77	WILLCOX POLICE DEPT.	13.02%	43.10%	56.12%	56.12%	42.98%	N/A
78	SHOW LOW POLICE DEPT.	11.17%	19.27%	30.44%	30.44%	26.05%	N/A
79	ELOY POLICE DEPT.	11.70%	11.70%	23.40%	23.40%	18.72%	N/A
80	NOGALES POLICE DEPT.	12.17%	20.31%	32.48%	32.48%	26.38%	N/A
81	GILBERT POLICE DEPT.	11.95%	10.18%	22.13%	22.13%	19.19%	N/A
83	CLIFTON POLICE DEPT.	9.92%	0.42%	10.34%	10.34%	10.34%	N/A
85	COOLIDGE POLICE DEPT.	11.28%	25.18%	36.46%	36.46%	29.23%	N/A
86	HOLBROOK POLICE DEPT.	10.53%	61.36%	71.89%	71.89%	53.64%	N/A
87	SANTA CRUZ COUNTY SHERIFF'S DEPT.	11.75%	32.75%	44.50%	44.50%	33.83%	N/A
88	PRESCOTT VALLEY POLICE DEPT.	11.94%	11.19%	23.13%	23.13%	19.21%	N/A
89	EAGAR POLICE DEPT.	9.82%	34.50%	44.32%	44.32%	33.69%	N/A
90	TOLLESON POLICE DEPT.	12.27%	13.79%	26.06%	26.06%	22.72%	N/A
91	FLORENCE POLICE DEPT.	12.72%	2.32%	15.04%	15.04%	12.92%	N/A
92	SPRINGVILLE POLICE DEPT.	11.57%	16.24%	27.81%	27.81%	21.47%	N/A
93	EL MIRAGE POLICE DEPT.	11.89%	13.19%	25.08%	25.08%	21.53%	N/A
94	SUPERIOR POLICE DEPT.	14.11%	4.57%	18.68%	18.68%	18.44%	N/A
95	SAN LUIS POLICE DEPT.	11.09%	8.57%	19.66%	19.66%	16.97%	N/A
96	PAGE POLICE DEPT.	12.41%	21.34%	33.75%	33.75%	24.62%	N/A
97	PAGE FIRE DEPT.	10.04%	3.83%	13.87%	13.87%	12.88%	N/A
98	YAVAPAI COUNTY SHERIFF'S DEPT.	11.77%	27.77%	39.54%	39.54%	33.25%	N/A
100	PIMA POLICE DEPT.	15.21%	-0.74%	14.47%	14.47%	12.66%	N/A
101	APACHE COUNTY SHERIFF'S DEPT.	12.79%	40.00%	52.79%	52.79%	45.12%	N/A
102	COTTONWOOD FIRE DEPT.	11.65%	6.12%	17.77%	17.77%	16.04%	N/A
103	LA PAZ COUNTY SHERIFF'S DEPT.	10.84%	37.40%	48.24%	48.24%	40.10%	N/A
104	PINAL COUNTY SHERIFF'S DEPT.	13.02%	17.17%	30.19%	30.19%	25.39%	N/A
105	CLARKDALE POLICE DEPT.	13.18%	20.89%	34.07%	34.07%	26.08%	N/A
106	BUCKEYE POLICE DEPT.	11.90%	7.64%	19.54%	19.54%	17.44%	N/A
107	MARANA POLICE DEPT.	11.95%	12.85%	24.80%	24.80%	21.19%	N/A
108	TOLLESON FIRE DEPT.	11.69%	7.03%	18.72%	18.72%	17.03%	N/A

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Recommended ER Cont	Phase-In ER Cont	Statutory Minimum
109	CHINO VALLEY POLICE DEPT.	11.86%	14.57%	26.43%	26.43%	21.56%	N/A
110	SURPRISE POLICE DEPT.	11.96%	8.30%	20.26%	20.26%	17.46%	N/A
111	WELLTON POLICE DEPT.	11.43%	19.39%	30.82%	30.82%	22.91%	N/A
112	GILA COUNTY SHERIFF'S DEPT.	12.33%	43.49%	55.82%	55.82%	40.28%	N/A
113	PINETOP-LAKESIDE POLICE DEPT.	11.51%	42.47%	53.98%	53.98%	44.35%	N/A
114	BULLHEAD CITY POLICE DEPT.	12.00%	24.16%	36.16%	36.16%	29.66%	N/A
115	WILLIAMS POLICE DEPT.	13.47%	13.69%	27.16%	27.16%	20.09%	N/A
116	MIAMI POLICE DEPT.	11.56%	25.30%	36.86%	36.86%	35.50%	N/A
117	THATCHER POLICE DEPT.	11.06%	29.42%	40.48%	40.48%	33.95%	N/A
118	YOUNGTOWN POLICE DEPT.	19.86%	102.23%	122.09%	122.09%	82.29%	N/A
119	DEPT. OF EMER & MILITARY AFF	11.99%	19.35%	31.34%	31.34%	25.14%	N/A
120	SURPRISE FIRE DEPT.	11.35%	4.23%	15.58%	15.58%	14.25%	N/A
121	CAMP VERDE MARSHALS	11.38%	13.54%	24.92%	24.92%	22.11%	N/A
122	ORO VALLEY POLICE DEPT.	11.97%	12.73%	24.70%	24.70%	21.13%	N/A
123	GREENLEE COUNTY SHERIFF'S DEPT.	11.61%	11.94%	23.55%	23.55%	19.55%	N/A
124	TUCSON AIRPORT AUTHORITY FIRE DEPT.	11.84%	61.71%	73.55%	73.55%	56.92%	N/A
125	TUCSON AIRPORT AUTHORITY POLICE DEPT.	11.95%	53.82%	65.77%	65.77%	52.48%	N/A
126	WICKENBURG POLICE DEPT.	10.97%	17.84%	28.81%	28.81%	24.07%	N/A
127	EL MIRAGE FIRE DEPT.	11.62%	3.96%	15.58%	15.58%	13.51%	N/A
128	PATAGONIA MARSHALS	16.76%	36.71%	53.47%	53.47%	47.17%	N/A
129	SEDONA POLICE DEPT.	11.03%	13.99%	25.02%	25.02%	23.19%	N/A
130	MAMMOTH POLICE DEPT.	10.64%	10.72%	21.36%	21.36%	16.15%	N/A
131	GLOBE POLICE DEPT.	11.62%	42.51%	54.13%	54.13%	40.92%	N/A
132	TOMBSTONE MARSHALS	10.19%	-2.97%	7.22%	7.22%	7.22%	N/A
133	GOLDER RANCH FIRE DISTRICT	11.50%	6.79%	18.29%	18.29%	16.64%	N/A
134	FORT MOJAVE MESA FIRE DISTRICT	11.65%	17.90%	29.55%	29.55%	25.02%	N/A
136	GOODYEAR FIRE DEPT.	11.48%	1.97%	13.45%	13.45%	12.90%	N/A
137	GOODYEAR POLICE DEPT.	11.98%	9.27%	21.25%	21.25%	18.47%	N/A
138	CHINO VALLEY FIRE DISTRICT	11.16%	11.02%	22.18%	22.18%	18.64%	N/A
139	AVONDALE POLICE DEPT.	11.39%	8.63%	20.02%	20.02%	17.69%	N/A
140	GRAHAM COUNTY SHERIFF'S DEPT.	11.54%	18.07%	29.61%	29.61%	23.69%	N/A
142	GOLDEN VALLEY FIRE DISTRICT	11.71%	7.03%	18.74%	18.74%	16.75%	N/A
143	DAISY MOUNTAIN FIRE DISTRICT	11.67%	1.06%	12.73%	12.73%	12.46%	N/A
144	QUARTZSITE POLICE DEPT.	11.98%	0.61%	12.59%	12.59%	12.58%	N/A
145	PICTURE ROCKS FIRE DISTRICT	12.30%	14.47%	26.77%	26.77%	19.52%	N/A
146	PIMA COUNTY COMM. COLLEGE POLICE	11.67%	19.27%	30.94%	30.94%	25.87%	N/A
147	NORTHWEST FIRE DISTRICT	11.86%	8.34%	20.20%	20.20%	18.39%	N/A
148	APACHE JUNCTION FIRE DISTRICT	11.35%	8.65%	20.00%	20.00%	17.66%	N/A
149	GILBERT FIRE DEPT.	11.27%	3.49%	14.76%	14.76%	13.19%	N/A
150	PINE-STRAWBERRY FIRE DISTRICT	11.52%	15.16%	26.68%	26.68%	23.22%	N/A
151	ATTORNEY GENERAL INVEST.	11.44%	58.53%	69.97%	69.97%	69.97%	N/A
153	ST. JOHNS POLICE DEPT.	11.64%	9.38%	21.02%	21.02%	15.21%	N/A
154	PIMA COUNTY ATTORNEY INVEST.	13.17%	52.79%	65.96%	65.96%	51.69%	N/A
155	SUN LAKES FIRE DISTRICT	11.19%	8.09%	19.28%	19.28%	17.40%	N/A
156	KEARNY POLICE DEPT.	12.66%	17.14%	29.80%	29.80%	22.73%	N/A
157	GREENLEE COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	5.00%	5.00%	5.00%
158	NAVAJO COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	5.00%	5.00%	5.00%
162	AVRA VALLEY FIRE DISTRICT	11.75%	0.53%	12.28%	12.28%	11.97%	N/A
163	SAN LUIS FIRE DEPT.	11.88%	0.89%	12.77%	12.77%	12.40%	N/A
164	AZ DEPT. LIQ. LIC. & CONTROL INVEST.	11.63%	55.19%	66.82%	66.82%	54.22%	N/A

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Recommended ER Cont	Phase-In ER Cont	Statutory Minimum
165	MARICOPA COUNTY ATTORNEY INVEST.	14.58%	36.37%	50.95%	50.95%	50.95%	N/A
166	SEDONA FIRE DISTRICT	11.47%	12.08%	23.55%	23.55%	21.02%	N/A
167	GUADALUPE FIRE DEPT.	11.30%	15.03%	26.33%	26.33%	23.12%	N/A
168	MAYER FIRE DISTRICT	12.10%	4.88%	16.98%	16.98%	14.35%	N/A
169	SOMERTON POLICE DEPT.	11.88%	10.29%	22.17%	22.17%	19.34%	N/A
170	SUN CITY WEST FIRE DISTRICT	11.31%	15.17%	26.48%	26.48%	24.03%	N/A
171	SOMERTON FIRE DEPT.	12.38%	7.95%	20.33%	20.33%	17.81%	N/A
172	TUBAC FIRE DISTRICT	11.94%	3.29%	15.23%	15.23%	14.12%	N/A
173	LA PAZ COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	8.00%	8.00%	N/A
174	SAHUARITA POLICE DEPT.	11.89%	0.66%	12.55%	12.55%	11.71%	N/A
176	FLORENCE FIRE DEPT.	11.16%	0.11%	11.27%	11.27%	10.80%	N/A
177	SUN CITY FIRE DISTRICT	11.59%	33.91%	45.50%	45.50%	38.15%	N/A
178	HA YDEN POLICE DEPT.	12.33%	-0.03%	12.30%	12.30%	12.30%	N/A
179	GILA RIVER FIRE DEPT.	11.26%	1.97%	13.23%	13.23%	12.60%	N/A
180	GILA RIVER POLICE DEPT.	11.72%	0.36%	12.08%	12.08%	11.43%	N/A
181	SALT RIVER PIMA-MARICOPA FIRE	11.71%	5.96%	17.67%	17.67%	15.96%	N/A
182	SALT RIVER PIMA-MARICOPA POLICE	11.75%	6.88%	18.63%	18.63%	16.28%	N/A
183	LAKESIDE FIRE DISTRICT	12.17%	3.13%	15.30%	15.30%	13.53%	N/A
185	PINETOP FIRE DISTRICT	11.53%	12.77%	24.30%	24.30%	21.32%	N/A
186	SHOW LOW FIRE DISTRICT	11.81%	0.72%	12.53%	12.53%	11.98%	N/A
187	YAVAPAI COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	5.00%	5.00%	5.00%
188	THREE POINTS FIRE DISTRICT	12.55%	6.60%	19.15%	19.15%	17.30%	N/A
190	BUCKEYE FIRE DEPT.	11.38%	1.45%	12.83%	12.83%	11.75%	N/A
191	MONTEZUMA RIMROCK FIRE DISTRICT	11.39%	9.19%	20.58%	20.58%	18.75%	N/A
192	HEBER-OVERGAARD FIRE DISTRICT	12.50%	0.43%	12.93%	12.93%	12.42%	N/A
193	HELLSGATE FIRE DISTRICT	12.15%	5.92%	18.07%	18.07%	16.53%	N/A
194	GREEN VALLEY FIRE DISTRICT	11.27%	10.06%	21.33%	21.33%	18.34%	N/A
195	SUMMIT FIRE DISTRICT	11.27%	5.64%	16.91%	16.91%	15.67%	N/A
196	CAMP VERDE FIRE DISTRICT	11.41%	5.06%	16.47%	16.47%	15.02%	N/A
197	FORT MCDOWELL TRIBAL FIRE DEPT.	11.94%	0.60%	12.54%	12.54%	12.09%	N/A
198	FORT MCDOWELL TRIBAL POLICE DEPT.	12.56%	0.90%	13.46%	13.46%	12.79%	N/A
199	HIGHLANDS FIRE DISTRICT	11.84%	11.09%	22.93%	22.93%	19.87%	N/A
200	RIO RICO FIRE DISTRICT	11.41%	-0.10%	11.31%	11.31%	11.05%	N/A
201	TRI-CITY FIRE DISTRICT	11.49%	1.03%	12.52%	12.52%	11.68%	N/A
202	MARICOPA COUNTY PARK RANGERS	0.00%	0.00%	0.00%	8.00%	8.00%	N/A
203	VERDE VALLEY FIRE DISTRICT	11.68%	5.61%	17.29%	17.29%	15.98%	N/A
204	AZ. STATE PARK RANGERS	11.97%	30.80%	42.77%	42.77%	34.02%	N/A
205	LINDEN FIRE DISTRICT	11.94%	0.05%	11.99%	11.99%	11.37%	N/A
206	HUALAPAI INDIAN TRIBE POLICE DEPT.	12.44%	-0.04%	12.40%	12.40%	12.40%	N/A
207	PINEWOOD FIRE DISTRICT	12.25%	9.89%	22.14%	22.14%	20.27%	N/A
208	RINCON VALLEY FIRE DISTRICT	11.53%	0.49%	12.02%	12.02%	12.02%	N/A
209	TONOPAH VALLEY FIRE DISTRICT	11.79%	-0.25%	11.54%	11.54%	11.34%	N/A
210	JEROME POLICE DEPT.	12.58%	0.07%	12.65%	12.65%	11.54%	N/A
211	FORT MOJAVE TRIBAL POLICE DEPT.	12.19%	0.17%	12.36%	12.36%	11.69%	N/A
212	BUCKEYE VALLEY FIRE DISTRICT	11.52%	-0.08%	11.44%	11.44%	11.44%	N/A
213	ELOY FIRE DISTRICT	11.51%	4.31%	15.82%	15.82%	14.93%	N/A
214	PASCUA YAQUI TRIBE FIRE DEPT.	11.91%	9.42%	21.33%	21.33%	20.16%	N/A
215	PASCUA YAQUI TRIBE POLICE DEPT.	11.60%	9.23%	20.83%	20.83%	18.88%	N/A
216	TOWN OF SUPERIOR FIRE DEPT.	10.96%	0.21%	11.17%	11.17%	10.81%	N/A
217	WICKENBURG FIRE DEPT.	11.00%	-0.21%	10.79%	10.79%	10.63%	N/A

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Recommended ER Cont	Phase-In ER Cont	Statutory Minimum
219	BLACK CANYON FIRE DISTRICT	10.58%	-0.18%	10.40%	10.40%	9.94%	N/A
220	GRAHAM COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	5.00%	5.00%	5.00%
221	QUARTZSITE FIRE DISTRICT	10.56%	1.31%	11.87%	11.87%	11.64%	N/A
222	RIO VERDE FIRE DISTRICT	11.50%	5.33%	16.83%	16.83%	16.52%	N/A
223	SCOTTSDALE FIRE DEPT.	11.61%	0.45%	12.06%	12.06%	11.51%	N/A
224	AK CHIN INDIAN COMM. FIRE DEPT.	11.04%	4.72%	15.76%	15.76%	14.37%	N/A
225	AK CHIN INDIAN COMM. POLICE DEPT.	12.59%	1.79%	14.38%	14.38%	13.30%	N/A
226	CORONA DE TUCSON FIRE DISTRICT	12.35%	4.67%	17.02%	17.02%	15.97%	N/A
227	GOLDEN SHORES FIRE DISTRICT	11.09%	-0.21%	10.88%	10.88%	10.83%	N/A
228	CITY OF MARICOPA FIRE DEPT.	11.83%	0.29%	12.12%	12.12%	11.69%	N/A
229	CAVE CREEK MARSHALS	12.02%	3.23%	15.25%	15.25%	14.32%	N/A
231	SAN CARLOS TRIBAL POLICE DEPT.	11.86%	2.70%	14.56%	14.56%	14.15%	N/A
232	GROOM CREEK FIRE DISTRICT	10.35%	-0.31%	10.04%	10.04%	9.99%	N/A
233	MOUNT LEMMON FIRE DISTRICT	11.72%	0.02%	11.74%	11.74%	11.19%	N/A
234	YA VAPAI PRESCOTT TRIBAL POLICE	14.08%	-0.57%	13.51%	13.51%	12.59%	N/A
235	TOHONO O'ODHAM NATION FIRE DEPT.	11.05%	0.22%	11.27%	11.27%	11.27%	N/A
236	TOHONO O'ODHAM NATION POLICE DEPT.	12.14%	5.93%	18.07%	18.07%	15.92%	N/A
237	WILLIAMSON VALLEY FIRE DISTRICT	10.40%	0.24%	10.64%	10.64%	10.43%	N/A
238	HARQUAHALA FIRE DISTRICT	11.66%	-0.31%	11.35%	11.35%	11.04%	N/A
239	COOLIDGE FIRE DEPT.	12.73%	-0.42%	12.31%	12.31%	11.67%	N/A
240	CLARKDALE FIRE DISTRICT	11.22%	0.71%	11.93%	11.93%	11.83%	N/A
241	WITTMANN FIRE DISTRICT	11.57%	0.19%	11.76%	11.76%	11.48%	N/A
242	CENTRAL AZ. COLLEGE POLICE DEPT.	12.86%	7.17%	20.03%	20.03%	18.47%	N/A
243	CITY OF MARICOPA POLICE DEPT.	11.47%	0.49%	11.96%	11.96%	11.58%	N/A
244	ORACLE FIRE DISTRICT	12.06%	0.18%	12.24%	12.24%	11.75%	N/A
245	BENSON FIRE DEPT.	14.32%	7.61%	21.93%	21.93%	20.56%	N/A
246	DESERT HILLS FIRE DEPT.	11.41%	4.54%	15.95%	15.95%	15.04%	N/A
247	QUEEN CREEK FIRE DEPT.	10.62%	4.74%	15.36%	15.36%	13.91%	N/A
248	SONOITA ELGIN FIRE DEPT.	11.05%	1.71%	12.76%	12.76%	12.33%	N/A
249	CHRISTOPHER-KOHL'S FIRE DISTRICT	11.11%	3.79%	14.90%	14.90%	12.58%	N/A
250	WHETSTONE FIRE DISTRICT	10.98%	-0.93%	10.05%	10.05%	10.05%	N/A
251	QUEEN VALLEY FIRE DISTRICT	13.35%	1.42%	14.77%	14.77%	14.35%	N/A
252	LAKE MOHAVE RANCHOS FIRE DISTRICT	10.06%	16.49%	26.55%	26.55%	23.53%	N/A
253	HUACHUCA CITY POLICE DEPT.	13.88%	4.57%	18.45%	18.45%	18.45%	N/A
254	PALOMINAS FIRE DISTRICT	13.18%	-0.59%	12.59%	12.59%	11.80%	N/A
255	SUN SITES PEARCE FIRE DISTRICT	11.28%	0.89%	12.17%	12.17%	11.69%	N/A
256	PONDEROSA FIRE DISTRICT	10.25%	-0.08%	10.17%	10.17%	10.17%	N/A
TOTAL		12.40%	28.68%	41.08%	41.08%	34.38%	

APPENDIX V

SUMMARY OF HEALTH LIABILITY AND ASSET INFORMATION BY INDIVIDUAL EMPLOYERS

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Total AAL	Total Assets	Funded Percent	Unfunded Liability
1	BISBEE FIRE DEPT.	\$ 162,285	\$ 219,718	135.40%	\$ (57,433)
2	CASA GRANDE FIRE DEPT.	525,683	371,272	70.60%	154,411
3	CASA GRANDE POLICE DEPT.	675,772	754,568	111.70%	(78,796)
4	CHANDLER FIRE DEPT.	2,503,120	2,155,271	86.10%	347,849
5	CHANDLER POLICE DEPT.	4,500,038	3,466,256	77.00%	1,033,782
6	CLIFTON FIRE DEPT.	10,381	13,606	131.10%	(3,225)
7	DEPT. OF PUBLIC SAFETY	23,685,568	29,722,203	125.50%	(6,036,635)
8	DOUGLAS FIRE DEPT.	203,884	403,836	198.10%	(199,952)
9	DOUGLAS POLICE DEPT.	372,417	557,306	149.60%	(184,889)
10	FLAGSTAFF FIRE DEPT.	1,554,131	2,489,925	160.20%	(935,794)
11	FLAGSTAFF POLICE DEPT.	1,103,593	1,383,853	125.40%	(280,260)
12	GLENDALE FIRE DEPT.	3,104,344	3,916,523	126.20%	(812,179)
13	GLENDALE POLICE DEPT.	5,927,625	4,368,899	73.70%	1,558,726
14	GLOBE FIRE DEPT.	292,182	155,938	53.40%	136,244
15	KINGMAN FIRE DEPT.	524,693	615,394	117.30%	(90,701)
16	MARICOPA COUNTY SHERIFF'S OFFICE	9,178,379	11,742,955	127.90%	(2,564,576)
17	MESA FIRE DEPT.	7,578,263	7,363,855	97.20%	214,408
18	MESA POLICE DEPT.	16,584,741	10,192,899	61.50%	6,391,842
19	MIAMI FIRE DEPT.	-	-	0.00%	-
20	NOGALES FIRE DEPT.	724,127	490,031	67.70%	234,096
21	PHOENIX FIRE DEPT.	27,735,485	35,063,593	126.40%	(7,328,108)
22	PHOENIX POLICE DEPT.	53,696,462	61,712,394	114.90%	(8,015,932)
23	PRESCOTT FIRE DEPT.	856,616	1,083,850	126.50%	(227,234)
24	PRESCOTT POLICE DEPT.	1,037,527	742,289	71.50%	295,238
25	SCOTTSDALE POLICE DEPT.	5,417,663	5,808,617	107.20%	(390,954)
26	SIERRA VISTA FIRE DEPT.	741,808	536,399	72.30%	205,409
27	TEMPE FIRE DEPT.	3,168,939	3,600,744	113.60%	(431,805)
28	TEMPE POLICE DEPT.	5,881,593	3,908,102	66.40%	1,973,491
29	TUCSON FIRE	12,908,005	10,990,964	85.10%	1,917,041
30	TUCSON POLICE	20,768,531	15,974,237	76.90%	4,794,294
31	WINSLOW FIRE DEPT.	62,201	260,220	418.40%	(198,019)
32	YUMA FIRE DEPT.	1,684,184	1,617,986	96.10%	66,198
33	YUMA POLICE DEPT.	1,692,255	2,614,548	154.50%	(922,293)
34	YUMA COUNTY SHERIFFS DEPT.	624,037	910,446	145.90%	(286,409)
35	GAME AND FISH DEPT.	2,799,905	2,726,405	97.40%	73,500
36	SIERRA VISTA POLICE DEPT.	1,049,038	675,223	64.40%	373,815
37	BENSON POLICE DEPT.	118,884	140,167	117.90%	(21,283)
38	BISBEE POLICE DEPT.	197,994	153,045	77.30%	44,949
39	PIMA COUNTY SHERIFFS DEPT.	7,336,653	7,549,103	102.90%	(212,450)
40	KINGMAN POLICE DEPT.	522,788	519,374	99.30%	3,414
41	ASU CAMPUS POLICE	623,042	868,582	139.40%	(245,540)
42	LAKE HAVASU CITY FIRE DEPT.	1,184,375	1,399,991	118.20%	(215,616)
43	MOHAVE COUNTY SHERIFFS DEPT.	896,475	1,195,069	133.30%	(298,594)
44	BULLHEAD CITY FIRE DEPT.	913,836	1,109,479	121.40%	(195,643)
45	U OF A CAMPUS POLICE	738,117	480,222	65.10%	257,895
46	COCHISE COUNTY SHERIFFS DEPT.	867,652	1,060,455	122.20%	(192,803)
47	SAFFORD POLICE DEPT.	346,077	254,585	73.60%	91,492
49	DREXEL HEIGHTS FIRE DISTRICT	699,261	715,613	102.30%	(16,352)
50	WINSLOW POLICE DEPT.	228,502	295,355	129.30%	(66,853)
51	PAYSON FIRE DEPT.	315,459	183,333	58.10%	132,126

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Total AAL	Total Assets	Funded Percent	Unfunded Liability
52	PAYSON POLICE DEPT.	\$ 383,971	\$ 258,408	67.30%	\$ 125,563
53	NORTHERN AZ. CONSOLIDATED FIRE DISTRICT #1	254,888	135,307	53.10%	119,581
54	FRY FIRE DISTRICT	495,270	307,622	62.10%	187,648
55	FREDONIA MARSHALS	13,428	45,803	341.10%	(32,375)
56	NAU CAMPUS POLICE	258,323	286,710	111.00%	(28,387)
58	SOUTH TUCSON FIRE DEPT.	96,337	80,966	84.00%	15,371
59	AVONDALE FIRE DEPT.	510,499	385,511	75.50%	124,988
60	PARKER POLICE DEPT.	72,667	128,282	176.50%	(55,615)
61	COCONINO COUNTY SHERIFF'S DEPT.	776,530	587,700	75.70%	188,830
62	CENTRAL YAVAPAI FIRE DISTRICT	958,774	913,281	95.30%	45,493
64	BUCKSKIN FIRE DISTRICT	74,519	59,279	79.50%	15,240
65	SNOWFLAKE POLICE DEPT.	101,025	113,835	112.70%	(12,810)
66	COTTONWOOD POLICE DEPT.	239,124	259,736	108.60%	(20,612)
67	LAKE HAVASU CITY POLICE DEPT.	1,012,795	978,025	96.60%	34,770
69	SOUTH TUCSON POLICE DEPT.	183,010	88,959	48.60%	94,051
70	APACHE JUNCTION POLICE DEPT.	567,658	658,367	116.00%	(90,709)
71	NAVAJO COUNTY SHERIFF'S DEPT.	293,122	553,923	189.00%	(260,801)
72	MOHAVE VALLEY FIRE DISTRICT	187,605	320,105	170.60%	(132,500)
73	PEORIA FIRE DEPT.	1,352,871	1,375,003	101.60%	(22,132)
74	PEORIA POLICE DEPT.	1,819,628	1,687,575	92.70%	132,053
76	PARADISE VALLEY POLICE DEPT.	566,330	415,682	73.40%	150,648
77	WILLCOX POLICE DEPT.	92,000	113,525	123.40%	(21,525)
78	SHOW LOW POLICE DEPT.	296,009	323,139	109.20%	(27,130)
79	ELOY POLICE DEPT.	189,537	292,853	154.50%	(103,316)
80	NOGALES POLICE DEPT.	954,345	868,677	91.00%	85,668
81	GILBERT POLICE DEPT.	1,993,264	1,764,456	88.50%	228,808
83	CLIFTON POLICE DEPT.	4,366	47,138	1079.70%	(42,772)
85	COOLIDGE POLICE DEPT.	228,035	316,856	139.00%	(88,821)
86	HOLBROOK POLICE DEPT.	114,229	202,543	177.30%	(88,314)
87	SANTA CRUZ COUNTY SHERIFF'S DEPT.	325,644	411,789	126.50%	(86,145)
88	PRESCOTT VALLEY POLICE DEPT.	550,880	511,871	92.90%	39,009
89	EAGAR POLICE DEPT.	44,022	109,821	249.50%	(65,799)
90	TOLLESON POLICE DEPT.	213,722	225,126	105.30%	(11,404)
91	FLORENCE POLICE DEPT.	150,541	192,545	127.90%	(42,004)
92	SPRINGERVILLE POLICE DEPT.	50,752	92,951	183.10%	(42,199)
93	EL MIRAGE POLICE DEPT.	283,104	249,081	88.00%	34,023
94	SUPERIOR POLICE DEPT.	16,885	77,938	461.60%	(61,053)
95	SAN LUIS POLICE DEPT.	213,629	238,401	111.60%	(24,772)
96	PAGE POLICE DEPT.	81,118	357,304	440.50%	(276,186)
97	PAGE FIRE DEPT.	48,273	49,997	103.60%	(1,724)
98	YAVAPAI COUNTY SHERIFF'S DEPT.	1,315,109	1,021,453	77.70%	293,656
100	PIMA POLICE DEPT.	4,618	21,821	472.50%	(17,203)
101	APACHE COUNTY SHERIFF'S DEPT.	257,589	256,880	99.70%	709
102	COTTONWOOD FIRE DEPT.	195,423	120,875	61.90%	74,548
103	LA PAZ COUNTY SHERIFF'S DEPT.	229,301	405,269	176.70%	(175,968)
104	PINAL COUNTY SHERIFF'S DEPT.	1,913,302	2,139,505	111.80%	(226,203)
105	CLARKDALE POLICE DEPT.	83,115	121,668	146.40%	(38,553)
106	BUCKEYE POLICE DEPT.	436,816	423,169	96.90%	13,647
107	MARANA POLICE DEPT.	651,207	645,386	99.10%	5,821
108	TOLLESON FIRE DEPT.	253,331	234,430	92.50%	18,901

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Total AAL	Total Assets	Funded Percent	Unfunded Liability
109	CHINO VALLEY POLICE DEPT.	\$ 174,025	\$ 222,278	127.70%	\$ (48,253)
110	SURPRISE POLICE DEPT.	952,965	797,597	83.70%	155,368
111	WELLTON POLICE DEPT.	7,075	46,441	656.40%	(39,366)
112	GILA COUNTY SHERIFF'S DEPT.	385,269	570,662	148.10%	(185,393)
113	PINETOP-LAKESIDE POLICE DEPT.	152,938	89,706	58.70%	63,232
114	BULLHEAD CITY POLICE DEPT.	898,176	939,141	104.60%	(40,965)
115	WILLIAMS POLICE DEPT.	43,427	92,776	213.60%	(49,349)
116	MIAMI POLICE DEPT.	44,761	55,198	123.30%	(10,437)
117	THATCHER POLICE DEPT.	78,755	183,818	233.40%	(105,063)
118	YOUNGTOWN POLICE DEPT.	10,380	53,685	517.20%	(43,305)
119	DEPT. OF EMER & MILITARY AFF	353,278	551,529	156.10%	(198,251)
120	SURPRISE FIRE DEPT.	806,301	615,616	76.40%	190,685
121	CAMP VERDE MARSHALS	145,215	163,233	112.40%	(18,018)
122	ORO VALLEY POLICE DEPT.	937,923	920,139	98.10%	17,784
123	GREENLEE COUNTY SHERIFF'S DEPT.	111,785	224,063	200.40%	(112,278)
124	TUCSON AIRPORT AUTHORITY FIRE DEPT.	197,356	305,586	154.80%	(108,230)
125	TUCSON AIRPORT AUTHORITY POLICE DEPT.	261,718	257,914	98.50%	3,804
126	WICKENBURG POLICE DEPT.	135,824	145,582	107.20%	(9,758)
127	EL MIRAGE FIRE DEPT.	92,837	102,992	110.90%	(10,155)
128	PATAGONIA MARSHALS	2,113	27,427	1298.00%	(25,314)
129	SEDONA POLICE DEPT.	140,876	247,352	175.60%	(106,476)
130	MAMMOTH POLICE DEPT.	11,568	31,970	276.40%	(20,402)
131	GLOBE POLICE DEPT.	274,293	257,069	93.70%	17,224
132	TOMBSTONE MARSHALS	10,769	49,379	458.50%	(38,610)
133	GOLDER RANCH FIRE DISTRICT	1,032,611	808,921	78.30%	223,690
134	FORT MOJAVE MESA FIRE DISTRICT	319,383	259,432	81.20%	59,951
136	GOODYEAR FIRE DEPT.	634,667	466,897	73.60%	167,770
137	GOODYEAR POLICE DEPT.	732,738	638,160	87.10%	94,578
138	CHINO VALLEY FIRE DISTRICT	328,071	268,479	81.80%	59,592
139	AVONDALE POLICE DEPT.	692,225	625,196	90.30%	67,029
140	GRAHAM COUNTY SHERIFF'S DEPT.	172,468	199,475	115.70%	(27,007)
142	GOLDEN VALLEY FIRE DISTRICT	135,990	147,301	108.30%	(11,311)
143	DAISY MOUNTAIN FIRE DISTRICT	604,706	462,277	76.40%	142,429
144	QUARTZSITE POLICE DEPT.	41,187	107,267	260.40%	(66,080)
145	PICTURE ROCKS FIRE DISTRICT	101,240	180,672	178.50%	(79,432)
146	PIMA COUNTY COMM. COLLEGE POLICE	215,331	346,559	160.90%	(131,228)
147	NORTHWEST FIRE DISTRICT	1,654,417	1,458,214	88.10%	196,203
148	APACHE JUNCTION FIRE DISTRICT	762,638	708,336	92.90%	54,302
149	GILBERT FIRE DEPT.	1,335,632	1,039,413	77.80%	296,219
150	PINE-STRAWBERRY FIRE DISTRICT	146,703	171,420	116.80%	(24,717)
151	ATTORNEY GENERAL INVEST.	362,597	303,941	83.80%	58,656
153	ST. JOHNS POLICE DEPT.	13,370	54,648	408.70%	(41,278)
154	PIMA COUNTY ATTORNEY INVEST.	80,959	100,942	124.70%	(19,983)
155	SUN LAKES FIRE DISTRICT	347,090	306,398	88.30%	40,692
156	KEARNY POLICE DEPT.	24,369	37,748	154.90%	(13,379)
157	GREENLEE COUNTY ATTORNEY INVEST.	-	-	0.00%	-
158	NAVAJO COUNTY ATTORNEY INVEST.	-	7,930	0.00%	(7,930)
162	AVRA VALLEY FIRE DISTRICT	64,602	135,393	209.60%	(70,791)
163	SAN LUIS FIRE DEPT.	158,388	155,510	98.20%	2,878
164	AZ DEPT. LIQ. LIC. & CONTROL INVEST.	338,437	99,659	29.40%	238,778

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Total AAL	Total Assets	Funded Percent	Unfunded Liability
165	MARICOPA COUNTY ATTORNEY INVEST.	\$ 195,399	\$ 243,445	124.60%	\$ (48,046)
166	SEDONA FIRE DISTRICT	641,587	403,388	62.90%	238,199
167	GUADALUPE FIRE DEPT.	51,313	28,702	55.90%	22,611
168	MAYER FIRE DISTRICT	89,209	84,168	94.30%	5,041
169	SOMERTON POLICE DEPT.	178,127	174,253	97.80%	3,874
170	SUN CITY WEST FIRE DISTRICT	761,966	387,218	50.80%	374,748
171	SOMERTON FIRE DEPT.	111,323	115,613	103.90%	(4,290)
172	TUBAC FIRE DISTRICT	188,556	175,353	93.00%	13,203
173	LA PAZ COUNTY ATTORNEY INVEST.	13,556	11,602	85.60%	1,954
174	SAHUARITA POLICE DEPT.	297,184	218,180	73.40%	79,004
176	FLORENCE FIRE DEPT.	98,726	91,668	92.90%	7,058
177	SUN CITY FIRE DISTRICT	908,783	790,233	87.00%	118,550
178	HA YDEN POLICE DEPT.	12,456	39,514	317.20%	(27,058)
179	GILA RIVER FIRE DEPT.	311,583	364,330	116.90%	(52,747)
180	GILA RIVER POLICE DEPT.	471,423	542,179	115.00%	(70,756)
181	SALT RIVER PIMA-MARICOPA FIRE	528,616	543,700	102.90%	(15,084)
182	SALT RIVER PIMA-MARICOPA POLICE	597,723	571,538	95.60%	26,185
183	LA KESIDE FIRE DISTRICT	116,668	111,678	95.70%	4,990
185	PINETOP FIRE DISTRICT	159,425	138,171	86.70%	21,254
186	SHOW LOW FIRE DISTRICT	128,030	130,418	101.90%	(2,388)
187	YAVAPAI COUNTY ATTORNEY INVEST.	15,189	17,214	113.30%	(2,025)
188	THREE POINTS FIRE DISTRICT	84,843	85,373	100.60%	(530)
190	BUCKEYE FIRE DEPT.	411,619	316,047	76.80%	95,572
191	MONTEZUMA RIMROCK FIRE DISTRICT	60,741	47,988	79.00%	12,753
192	HEBER-OVERGAARD FIRE DISTRICT	44,905	75,494	168.10%	(30,589)
193	HELLSGATE FIRE DISTRICT	73,230	47,728	65.20%	25,502
194	GREEN VALLEY FIRE DISTRICT	665,116	491,310	73.90%	173,806
195	SUMMIT FIRE DISTRICT	291,527	251,269	86.20%	40,258
196	CAMP VERDE FIRE DISTRICT	152,100	151,961	99.90%	139
197	FORT MCDOWELL TRIBAL FIRE DEPT.	68,464	81,766	119.40%	(13,302)
198	FORT MCDOWELL TRIBAL POLICE DEPT.	162,008	166,791	103.00%	(4,783)
199	HIGHLANDS FIRE DISTRICT	153,585	146,045	95.10%	7,540
200	RIO RICO FIRE DISTRICT	117,192	121,603	103.80%	(4,411)
201	TRI-CITY FIRE DISTRICT	78,622	86,494	110.00%	(7,872)
202	MARICOPA COUNTY PARK RANGERS	42,075	46,497	110.50%	(4,422)
203	VERDE VALLEY FIRE DISTRICT	193,707	246,408	127.20%	(52,701)
204	AZ. STATE PARK RANGERS	508,372	567,768	111.70%	(59,396)
205	LINDEN FIRE DISTRICT	38,533	37,400	97.10%	1,133
206	HUALAPAI INDIAN TRIBE POLICE DEPT.	56,654	45,616	80.50%	11,038
207	PINEWOOD FIRE DISTRICT	99,436	36,709	36.90%	62,727
208	RINCON VALLEY FIRE DISTRICT	154,195	135,911	88.10%	18,284
209	TONOPAH VALLEY FIRE DISTRICT	23,755	39,087	164.50%	(15,332)
210	JEROME POLICE DEPT.	11,085	18,011	162.50%	(6,926)
211	FORT MOJAVE TRIBAL POLICE DEPT.	56,319	82,989	147.40%	(26,670)
212	BUCKEYE VALLEY FIRE DISTRICT	271,964	240,685	88.50%	31,279
213	ELOY FIRE DISTRICT	132,286	113,491	85.80%	18,795
214	PASCUA YAQUI TRIBE FIRE DEPT.	201,456	146,128	72.50%	55,328
215	PASCUA YAQUI TRIBE POLICE DEPT.	234,434	163,371	69.70%	71,063
216	TOWN OF SUPERIOR FIRE DEPT.	23,820	26,738	112.30%	(2,918)
217	WICKENBURG FIRE DEPT.	46,082	34,505	74.90%	11,577

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	Total AAL	Total Assets	Funded Percent	Unfunded Liability
219	BLACK CANYON FIRE DISTRICT	\$ 26,596	\$ 34,132	128.30%	\$ (7,536)
220	GRAHAM COUNTY ATTORNEY INVEST.	-	1,972	0.00%	(1,972)
221	QUARTZSITE FIRE DISTRICT	38,863	34,658	89.20%	4,205
222	RIO VERDE FIRE DISTRICT	177,681	95,696	53.90%	81,985
223	SCOTTSDALE FIRE DEPT.	1,398,672	1,042,110	74.50%	356,562
224	AK CHIN INDIAN COMM. FIRE DEPT.	150,443	128,447	85.40%	21,996
225	AK CHIN INDIAN COMM. POLICE DEPT.	48,196	72,506	150.40%	(24,310)
226	CORONA DE TUCSON FIRE DISTRICT	83,052	82,209	99.00%	843
227	GOLDEN SHORES FIRE DISTRICT	35,843	25,583	71.40%	10,260
228	CITY OF MARICOPA FIRE DEPT.	312,300	230,236	73.70%	82,064
229	CAVE CREEK MARSHALS	8,049	6,534	81.20%	1,515
231	SAN CARLOS TRIBAL POLICE DEPT.	117,850	109,152	92.60%	8,698
232	GROOM CREEK FIRE DISTRICT	15,506	20,723	133.60%	(5,217)
233	MOUNT LEMMON FIRE DISTRICT	27,014	23,391	86.60%	3,623
234	YA VAPAI PRESCOTT TRIBAL POLICE	8,864	26,259	296.20%	(17,395)
235	TOHONO O'ODHAM NATION FIRE DEPT.	239,708	164,745	68.70%	74,963
236	TOHONO O'ODHAM NATION POLICE DEPT.	550,952	447,006	81.10%	103,946
237	WILLIAMSON VALLEY FIRE DISTRICT	12,666	23,137	182.70%	(10,471)
238	HARQUAHALA FIRE DISTRICT	30,025	42,010	139.90%	(11,985)
239	COOLIDGE FIRE DEPT.	6,998	-	0.00%	6,998
240	CLARKDALE FIRE DISTRICT	39,134	25,995	66.40%	13,139
241	WITTMANN FIRE DISTRICT	35,269	26,119	74.10%	9,150
242	CENTRAL AZ. COLLEGE POLICE DEPT.	17,735	19,106	107.70%	(1,371)
243	CITY OF MARICOPA POLICE DEPT.	187,675	182,469	97.20%	5,206
244	ORACLE FIRE DISTRICT	21,962	18,046	82.20%	3,916
245	BENSON FIRE DEPT.	18,787	8,188	43.60%	10,599
246	DESERT HILLS FIRE DEPT.	89,287	52,894	59.20%	36,393
247	QUEEN CREEK FIRE DEPT.	88,783	59,196	66.70%	29,587
248	SONOITA ELGIN FIRE DEPT.	19,951	29,405	147.40%	(9,454)
249	CHRISTOPHER-KOHL'S FIRE DISTRICT	8,476	14,786	174.40%	(6,310)
250	WHETSTONE FIRE DISTRICT	10,743	15,125	140.80%	(4,382)
251	QUEEN VALLEY FIRE DISTRICT	16,179	9,594	59.30%	6,585
252	LAKE MOHAVE RANCHOS FIRE DISTRICT	12,150	50,537	415.90%	(38,387)
253	HUACHUCA CITY POLICE DEPT.	26,399	-	0.00%	26,399
254	PALOMINAS FIRE DISTRICT	9,867	23,159	234.70%	(13,292)
255	SUN SITES PEARCE FIRE DISTRICT	24,151	-	0.00%	24,151
256	PONDEROSA FIRE DISTRICT	1,093	-	0.00%	1,093
TOTAL		286,514,462	294,431,458		(7,916,996)

APPENDIX VI

SUMMARY OF HEALTH CONTRIBUTION INFORMATION BY INDIVIDUAL EMPLOYERS

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Required ER Cont
1	BISBEE FIRE DEPT.	0.39%	-0.39%	0.00%	0.00%
2	CASA GRANDE FIRE DEPT.	0.31%	0.18%	0.49%	0.49%
3	CASA GRANDE POLICE DEPT.	0.36%	-0.16%	0.20%	0.20%
4	CHANDLER FIRE DEPT.	0.27%	0.09%	0.36%	0.36%
5	CHANDLER POLICE DEPT.	0.33%	0.21%	0.54%	0.54%
6	CLIFTON FIRE DEPT.	0.00%	0.00%	0.00%	0.00%
7	DEPT. OF PUBLIC SAFETY	0.42%	-0.42%	0.00%	0.00%
8	DOUGLAS FIRE DEPT.	0.37%	-0.37%	0.00%	0.00%
9	DOUGLAS POLICE DEPT.	0.41%	-0.41%	0.00%	0.00%
10	FLAGSTAFF FIRE DEPT.	0.36%	-0.36%	0.00%	0.00%
11	FLAGSTAFF POLICE DEPT.	0.36%	-0.33%	0.03%	0.03%
12	GLENDALE FIRE DEPT.	0.26%	-0.26%	0.00%	0.00%
13	GLENDALE POLICE DEPT.	0.32%	0.25%	0.57%	0.57%
14	GLOBE FIRE DEPT.	0.48%	0.96%	1.44%	1.44%
15	KINGMAN FIRE DEPT.	0.38%	-0.32%	0.06%	0.06%
16	MARICOPA COUNTY SHERIFF'S OFFICE	0.43%	-0.43%	0.00%	0.00%
17	MESA FIRE DEPT.	0.27%	-0.04%	0.23%	0.23%
18	MESA POLICE DEPT.	0.33%	0.61%	0.94%	0.94%
19	MIAMI FIRE DEPT.	0.00%	0.00%	0.00%	0.00%
20	NOGALES FIRE DEPT.	0.46%	0.56%	1.02%	1.02%
21	PHOENIX FIRE DEPT.	0.26%	-0.26%	0.00%	0.00%
22	PHOENIX POLICE DEPT.	0.32%	-0.32%	0.00%	0.00%
23	PRESCOTT FIRE DEPT.	0.33%	-0.33%	0.00%	0.00%
24	PRESCOTT POLICE DEPT.	0.42%	0.39%	0.81%	0.81%
25	SCOTTSDALE POLICE DEPT.	0.33%	-0.16%	0.17%	0.17%
26	SIERRA VISTA FIRE DEPT.	0.39%	0.41%	0.80%	0.80%
27	TEMPE FIRE DEPT.	0.25%	-0.25%	0.00%	0.00%
28	TEMPE POLICE DEPT.	0.29%	0.38%	0.67%	0.67%
29	TUCSON FIRE	0.34%	0.22%	0.56%	0.56%
30	TUCSON POLICE	0.40%	0.41%	0.81%	0.81%
31	WINSLOW FIRE DEPT.	0.31%	-0.31%	0.00%	0.00%
32	YUMA FIRE DEPT.	0.34%	-0.02%	0.32%	0.32%
33	YUMA POLICE DEPT.	0.42%	-0.42%	0.00%	0.00%
34	YUMA COUNTY SHERIFF'S DEPT.	0.41%	-0.41%	0.00%	0.00%
35	GAME AND FISH DEPT.	0.53%	-0.09%	0.44%	0.44%
36	SIERRA VISTA POLICE DEPT.	0.43%	0.52%	0.95%	0.95%
37	BENSON POLICE DEPT.	0.39%	-0.25%	0.14%	0.14%
38	BISBEE POLICE DEPT.	0.53%	0.36%	0.89%	0.89%
39	PIMA COUNTY SHERIFF'S DEPT.	0.42%	-0.14%	0.28%	0.28%
40	KINGMAN POLICE DEPT.	0.44%	-0.06%	0.38%	0.38%
41	ASU CAMPUS POLICE	0.44%	-0.44%	0.00%	0.00%
42	LAKE HAVASU CITY FIRE DEPT.	0.34%	-0.34%	0.00%	0.00%
43	MOHAVE COUNTY SHERIFF'S DEPT.	0.50%	-0.50%	0.00%	0.00%
44	BULLHEAD CITY FIRE DEPT.	0.32%	-0.32%	0.00%	0.00%
45	U OF A CAMPUS POLICE	0.44%	0.38%	0.82%	0.82%
46	COCHISE COUNTY SHERIFF'S DEPT.	0.45%	-0.37%	0.08%	0.08%
47	SAFFORD POLICE DEPT.	0.40%	0.39%	0.79%	0.79%
49	DREXEL HEIGHTS FIRE DISTRICT	0.39%	-0.08%	0.31%	0.31%
50	WINSLOW POLICE DEPT.	0.51%	-0.51%	0.00%	0.00%
51	PAYSON FIRE DEPT.	0.37%	0.40%	0.77%	0.77%

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Required ER Cont
52	PAYSON POLICE DEPT.	0.45%	0.43%	0.88%	0.88%
53	NORTHERN AZ. CONSOLIDATED FIRE DISTRICT ;	0.56%	0.52%	1.08%	1.08%
54	FRY FIRE DISTRICT	0.34%	0.41%	0.75%	0.75%
55	FREDONIA MARSHALS	0.70%	-0.70%	0.00%	0.00%
56	NAU CAMPUS POLICE	0.34%	-0.29%	0.05%	0.05%
58	SOUTH TUCSON FIRE DEPT.	0.43%	0.46%	0.89%	0.89%
59	A VONDALE FIRE DEPT.	0.30%	0.12%	0.42%	0.42%
60	PARKER POLICE DEPT.	0.53%	-0.53%	0.00%	0.00%
61	COCONINO COUNTY SHERIFF'S DEPT.	0.41%	0.31%	0.72%	0.72%
62	CENTRAL YA VAPAI FIRE DISTRICT	0.30%	-0.01%	0.29%	0.29%
64	BUCKSKIN FIRE DISTRICT	0.34%	0.09%	0.43%	0.43%
65	SNOWFLAKE POLICE DEPT.	0.56%	-0.18%	0.38%	0.38%
66	COTTONWOOD POLICE DEPT.	0.41%	-0.12%	0.29%	0.29%
67	LAKE HAVASU CITY POLICE DEPT.	0.38%	-0.03%	0.35%	0.35%
69	SOUTH TUCSON POLICE DEPT.	0.62%	0.86%	1.48%	1.48%
70	APACHE JUNCTION POLICE DEPT.	0.45%	-0.28%	0.17%	0.17%
71	NA VAJO COUNTY SHERIFF'S DEPT.	0.57%	-0.57%	0.00%	0.00%
72	MOHAVE VALLEY FIRE DISTRICT	0.45%	-0.45%	0.00%	0.00%
73	PEORIA FIRE DEPT.	0.29%	-0.06%	0.23%	0.23%
74	PEORIA POLICE DEPT.	0.33%	0.02%	0.35%	0.35%
76	PARADISE VALLEY POLICE DEPT.	0.32%	0.34%	0.66%	0.66%
77	WILLCOX POLICE DEPT.	0.57%	-0.42%	0.15%	0.15%
78	SHOW LOW POLICE DEPT.	0.35%	-0.16%	0.19%	0.19%
79	ELOY POLICE DEPT.	0.39%	-0.39%	0.00%	0.00%
80	NOGALES POLICE DEPT.	0.45%	0.06%	0.51%	0.51%
81	GILBERT POLICE DEPT.	0.32%	0.04%	0.36%	0.36%
83	CLIFTON POLICE DEPT.	0.37%	-0.37%	0.00%	0.00%
85	COOLIDGE POLICE DEPT.	0.43%	-0.43%	0.00%	0.00%
86	HOLBROOK POLICE DEPT.	0.45%	-0.45%	0.00%	0.00%
87	SANTA CRUZ COUNTY SHERIFF'S DEPT.	0.46%	-0.44%	0.02%	0.02%
88	PRESCOTT VALLEY POLICE DEPT.	0.41%	0.01%	0.42%	0.42%
89	EAGAR POLICE DEPT.	0.38%	-0.38%	0.00%	0.00%
90	TOLLESON POLICE DEPT.	0.41%	-0.08%	0.33%	0.33%
91	FLORENCE POLICE DEPT.	0.50%	-0.21%	0.29%	0.29%
92	SPRINGVILLE POLICE DEPT.	0.52%	-0.52%	0.00%	0.00%
93	EL MIRAGE POLICE DEPT.	0.38%	0.05%	0.43%	0.43%
94	SUPERIOR POLICE DEPT.	0.71%	-0.71%	0.00%	0.00%
95	SAN LUIS POLICE DEPT.	0.46%	-0.16%	0.30%	0.30%
96	PAGE POLICE DEPT.	0.48%	-0.48%	0.00%	0.00%
97	PAGE FIRE DEPT.	0.32%	-0.04%	0.28%	0.28%
98	YA VAPAI COUNTY SHERIFF'S DEPT.	0.49%	0.22%	0.71%	0.71%
100	PIMA POLICE DEPT.	0.74%	-0.74%	0.00%	0.00%
101	APACHE COUNTY SHERIFF'S DEPT.	0.55%	-0.07%	0.48%	0.48%
102	COTTONWOOD FIRE DEPT.	0.36%	0.25%	0.61%	0.61%
103	LA PAZ COUNTY SHERIFF'S DEPT.	0.43%	-0.43%	0.00%	0.00%
104	PINAL COUNTY SHERIFF'S DEPT.	0.44%	-0.18%	0.26%	0.26%
105	CLARKDALE POLICE DEPT.	0.59%	-0.59%	0.00%	0.00%
106	BUCKEYE POLICE DEPT.	0.35%	-0.01%	0.34%	0.34%
107	MARANA POLICE DEPT.	0.43%	-0.05%	0.38%	0.38%
108	TOLLESON FIRE DEPT.	0.29%	0.02%	0.31%	0.31%

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Required ER Cont
109	CHINO VALLEY POLICE DEPT.	0.49%	-0.38%	0.11%	0.11%
110	SURPRISE POLICE DEPT.	0.39%	0.08%	0.47%	0.47%
111	WELLTON POLICE DEPT.	0.48%	-0.48%	0.00%	0.00%
112	GILA COUNTY SHERIFF'S DEPT.	0.58%	-0.58%	0.00%	0.00%
113	PINETOP-LAKESIDE POLICE DEPT.	0.47%	0.55%	1.02%	1.02%
114	BULLHEAD CITY POLICE DEPT.	0.40%	-0.14%	0.26%	0.26%
115	WILLIAMS POLICE DEPT.	0.62%	-0.62%	0.00%	0.00%
116	MIAMI POLICE DEPT.	0.62%	-0.40%	0.22%	0.22%
117	THATCHER POLICE DEPT.	0.38%	-0.38%	0.00%	0.00%
118	YOUNGTOWN POLICE DEPT.	0.75%	-0.75%	0.00%	0.00%
119	DEPT. OF EMER & MILITARY AFF	0.52%	-0.52%	0.00%	0.00%
120	SURPRISE FIRE DEPT.	0.27%	0.11%	0.38%	0.38%
121	CAMP VERDE MARSHALS	0.52%	-0.18%	0.34%	0.34%
122	ORO VALLEY POLICE DEPT.	0.41%	-0.04%	0.37%	0.37%
123	GREENLEE COUNTY SHERIFF'S DEPT.	0.45%	-0.45%	0.00%	0.00%
124	TUCSON AIRPORT AUTHORITY FIRE DEPT.	0.33%	-0.33%	0.00%	0.00%
125	TUCSON AIRPORT AUTHORITY POLICE DEPT.	0.35%	-0.06%	0.29%	0.29%
126	WICKENBURG POLICE DEPT.	0.39%	-0.13%	0.26%	0.26%
127	EL MIRAGE FIRE DEPT.	0.32%	-0.06%	0.26%	0.26%
128	PATAGONIA MARSHALS	0.87%	-0.87%	0.00%	0.00%
129	SEDONA POLICE DEPT.	0.35%	-0.35%	0.00%	0.00%
130	MAMMOTH POLICE DEPT.	0.62%	-0.62%	0.00%	0.00%
131	GLOBE POLICE DEPT.	0.55%	0.02%	0.57%	0.57%
132	TOMBSTONE MARSHALS	0.60%	-0.60%	0.00%	0.00%
133	GOLDER RANCH FIRE DISTRICT	0.32%	0.13%	0.45%	0.45%
134	FORT MOJAVE MESA FIRE DISTRICT	0.30%	0.13%	0.43%	0.43%
136	GOODYEAR FIRE DEPT.	0.28%	0.12%	0.40%	0.40%
137	GOODYEAR POLICE DEPT.	0.36%	0.05%	0.41%	0.41%
138	CHINO VALLEY FIRE DISTRICT	0.35%	0.14%	0.49%	0.49%
139	AVONDALE POLICE DEPT.	0.35%	0.02%	0.37%	0.37%
140	GRAHAM COUNTY SHERIFF'S DEPT.	0.50%	-0.28%	0.22%	0.22%
142	GOLDEN VALLEY FIRE DISTRICT	0.36%	-0.08%	0.28%	0.28%
143	DAISY MOUNTAIN FIRE DISTRICT	0.31%	0.11%	0.42%	0.42%
144	QUARTZSITE POLICE DEPT.	0.49%	-0.49%	0.00%	0.00%
145	PICTURE ROCKS FIRE DISTRICT	0.46%	-0.46%	0.00%	0.00%
146	PIMA COUNTY COMM. COLLEGE POLICE	0.44%	-0.44%	0.00%	0.00%
147	NORTHWEST FIRE DISTRICT	0.32%	0.05%	0.37%	0.37%
148	APACHE JUNCTION FIRE DISTRICT	0.30%	0.02%	0.32%	0.32%
149	GILBERT FIRE DEPT.	0.27%	0.10%	0.37%	0.37%
150	PINE-STRAWBERRY FIRE DISTRICT	0.35%	-0.21%	0.14%	0.14%
151	ATTORNEY GENERAL INVEST.	0.41%	0.08%	0.49%	0.49%
153	ST. JOHNS POLICE DEPT.	0.48%	-0.48%	0.00%	0.00%
154	PIMA COUNTY ATTORNEY INVEST.	0.63%	-0.63%	0.00%	0.00%
155	SUN LAKES FIRE DISTRICT	0.24%	0.04%	0.28%	0.28%
156	KEARNY POLICE DEPT.	0.73%	-0.51%	0.22%	0.22%
157	GREENLEE COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	0.00%
158	NAVAJO COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	0.00%
162	AVRA VALLEY FIRE DISTRICT	0.41%	-0.41%	0.00%	0.00%
163	SAN LUIS FIRE DEPT.	0.45%	-0.02%	0.43%	0.43%
164	AZ DEPT. LIQ. LIC. & CONTROL INVEST.	0.43%	1.94%	2.37%	2.37%

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Required ER Cont
165	MARICOPA COUNTY ATTORNEY INVEST.	0.49%	-0.37%	0.12%	0.12%
166	SEDONA FIRE DISTRICT	0.29%	0.23%	0.52%	0.52%
167	GUADALUPE FIRE DEPT.	0.37%	0.50%	0.87%	0.87%
168	MAYER FIRE DISTRICT	0.48%	0.01%	0.49%	0.49%
169	SOMERTON POLICE DEPT.	0.56%	-0.04%	0.52%	0.52%
170	SUN CITY WEST FIRE DISTRICT	0.27%	0.49%	0.76%	0.76%
171	SOMERTON FIRE DEPT.	0.45%	-0.08%	0.37%	0.37%
172	TUBAC FIRE DISTRICT	0.44%	0.01%	0.45%	0.45%
173	LA PAZ COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	0.00%
174	SAHUARITA POLICE DEPT.	0.42%	0.16%	0.58%	0.58%
176	FLORENCE FIRE DEPT.	0.39%	0.00%	0.39%	0.39%
177	SUN CITY FIRE DISTRICT	0.31%	0.13%	0.44%	0.44%
178	HA YDEN POLICE DEPT.	0.49%	-0.40%	0.09%	0.09%
179	GILA RIVER FIRE DEPT.	0.32%	-0.11%	0.21%	0.21%
180	GILA RIVER POLICE DEPT.	0.42%	-0.09%	0.33%	0.33%
181	SALT RIVER PIMA-MARICOPA FIRE	0.29%	-0.05%	0.24%	0.24%
182	SALT RIVER PIMA-MARICOPA POLICE	0.34%	-0.01%	0.33%	0.33%
183	LAKESIDE FIRE DISTRICT	0.34%	-0.01%	0.33%	0.33%
185	PINETOP FIRE DISTRICT	0.34%	0.05%	0.39%	0.39%
186	SHOW LOW FIRE DISTRICT	0.36%	-0.04%	0.32%	0.32%
187	YAVAPAI COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	0.00%
188	THREE POINTS FIRE DISTRICT	0.48%	-0.04%	0.44%	0.44%
190	BUCKEYE FIRE DEPT.	0.27%	0.07%	0.34%	0.34%
191	MONTEZUMA RIMROCK FIRE DISTRICT	0.42%	0.14%	0.56%	0.56%
192	HEBER-OVERGAARD FIRE DISTRICT	0.42%	-0.29%	0.13%	0.13%
193	HELLSGATE FIRE DISTRICT	0.38%	0.30%	0.68%	0.68%
194	GREEN VALLEY FIRE DISTRICT	0.33%	0.24%	0.57%	0.57%
195	SUMMIT FIRE DISTRICT	0.37%	0.08%	0.45%	0.45%
196	CAMP VERDE FIRE DISTRICT	0.34%	-0.03%	0.31%	0.31%
197	FORT MCDOWELL TRIBAL FIRE DEPT.	0.39%	-0.13%	0.26%	0.26%
198	FORT MCDOWELL TRIBAL POLICE DEPT.	0.39%	-0.06%	0.33%	0.33%
199	HIGHLANDS FIRE DISTRICT	0.32%	0.00%	0.32%	0.32%
200	RIO RICO FIRE DISTRICT	0.43%	-0.05%	0.38%	0.38%
201	TRI-CITY FIRE DISTRICT	0.41%	-0.07%	0.34%	0.34%
202	MARICOPA COUNTY PARK RANGERS	0.00%	0.00%	0.00%	0.00%
203	VERDE VALLEY FIRE DISTRICT	0.35%	-0.24%	0.11%	0.11%
204	AZ. STATE PARK RANGERS	0.61%	-0.53%	0.08%	0.08%
205	LINDEN FIRE DISTRICT	0.55%	-0.01%	0.54%	0.54%
206	HUALAPAI INDIAN TRIBE POLICE DEPT.	0.45%	0.06%	0.51%	0.51%
207	PINEWOOD FIRE DISTRICT	0.35%	0.32%	0.67%	0.67%
208	RINCON VALLEY FIRE DISTRICT	0.42%	0.04%	0.46%	0.46%
209	TONOPAH VALLEY FIRE DISTRICT	0.62%	-0.24%	0.38%	0.38%
210	JEROME POLICE DEPT.	0.80%	-0.32%	0.48%	0.48%
211	FORT MOJAVE TRIBAL POLICE DEPT.	0.34%	-0.14%	0.20%	0.20%
212	BUCKEYE VALLEY FIRE DISTRICT	0.40%	0.03%	0.43%	0.43%
213	ELOY FIRE DISTRICT	0.33%	0.04%	0.37%	0.37%
214	PASCUA YAQUI TRIBE FIRE DEPT.	0.37%	0.20%	0.57%	0.57%
215	PASCUA YAQUI TRIBE POLICE DEPT.	0.34%	0.18%	0.52%	0.52%
216	TOWN OF SUPERIOR FIRE DEPT.	0.55%	-0.15%	0.40%	0.40%
217	WICKENBURG FIRE DEPT.	0.52%	0.11%	0.63%	0.63%

Arizona Public Safety Personnel Retirement System Annual Actuarial Valuation

Division Number	Employer Name	ER NC%	UAL Pmt %	Calculated ER Cont	Required ER Cont
219	BLACK CANYON FIRE DISTRICT	0.45%	-0.20%	0.25%	0.25%
220	GRAHAM COUNTY ATTORNEY INVEST.	0.00%	0.00%	0.00%	0.00%
221	QUARTZSITE FIRE DISTRICT	0.31%	0.03%	0.34%	0.34%
222	RIO VERDE FIRE DISTRICT	0.32%	0.44%	0.76%	0.76%
223	SCOTTSDALE FIRE DEPT.	0.31%	0.09%	0.40%	0.40%
224	AK CHIN INDIAN COMM. FIRE DEPT.	0.38%	0.05%	0.43%	0.43%
225	AK CHIN INDIAN COMM. POLICE DEPT.	0.43%	-0.16%	0.27%	0.27%
226	CORONA DE TUCSON FIRE DISTRICT	0.48%	-0.02%	0.46%	0.46%
227	GOLDEN SHORES FIRE DISTRICT	0.37%	0.11%	0.48%	0.48%
228	CITY OF MARICOPA FIRE DEPT.	0.31%	0.09%	0.40%	0.40%
229	CAVE CREEK MARSHALS	0.32%	0.08%	0.40%	0.40%
231	SAN CARLOS TRIBAL POLICE DEPT.	0.38%	0.01%	0.39%	0.39%
232	GROOM CREEK FIRE DISTRICT	0.36%	-0.12%	0.24%	0.24%
233	MOUNT LEMMON FIRE DISTRICT	0.44%	0.05%	0.49%	0.49%
234	YAVAPAI PRESCOTT TRIBAL POLICE	0.63%	-0.53%	0.10%	0.10%
235	TOHONO O'ODHAM NATION FIRE DEPT.	0.39%	0.15%	0.54%	0.54%
236	TOHONO O'ODHAM NATION POLICE DEPT.	0.40%	0.10%	0.50%	0.50%
237	WILLIAMSON VALLEY FIRE DISTRICT	0.40%	-0.10%	0.30%	0.30%
238	HARQUAHALA FIRE DISTRICT	0.43%	-0.13%	0.30%	0.30%
239	COOLIDGE FIRE DEPT.	0.57%	0.25%	0.82%	0.82%
240	CLARKDALE FIRE DISTRICT	0.44%	0.14%	0.58%	0.58%
241	WITTMANN FIRE DISTRICT	0.49%	0.09%	0.58%	0.58%
242	CENTRAL AZ. COLLEGE POLICE DEPT.	0.59%	-0.05%	0.54%	0.54%
243	CITY OF MARICOPA POLICE DEPT.	0.37%	-0.01%	0.36%	0.36%
244	ORACLE FIRE DISTRICT	0.53%	0.05%	0.58%	0.58%
245	BENSON FIRE DEPT.	0.42%	0.91%	1.33%	1.33%
246	DESERT HILLS FIRE DEPT.	0.45%	0.18%	0.63%	0.63%
247	QUEEN CREEK FIRE DEPT.	0.28%	0.08%	0.36%	0.36%
248	SONOITA ELGIN FIRE DEPT.	0.40%	-0.18%	0.22%	0.22%
249	CHRISTOPHER-KOHL'S FIRE DISTRICT	0.53%	-0.21%	0.32%	0.32%
250	WHETSTONE FIRE DISTRICT	0.42%	-0.17%	0.25%	0.25%
251	QUEEN VALLEY FIRE DISTRICT	0.72%	0.31%	1.03%	1.03%
252	LAKE MOHAVE RANCHOS FIRE DISTRICT	0.61%	-0.61%	0.00%	0.00%
253	HUACHUCA CITY POLICE DEPT.	0.64%	0.50%	1.14%	1.14%
254	PALOMINAS FIRE DISTRICT	0.63%	-0.33%	0.30%	0.30%
255	SUN SITES PEARCE FIRE DISTRICT	0.47%	0.50%	0.97%	0.97%
256	PONDEROSA FIRE DISTRICT	0.54%	0.04%	0.58%	0.58%
TOTAL		0.35%	-0.06%	0.29%	0.29%

October 16, 2014

Mr. Jared Smout
Deputy Administrator
Arizona Public Safety Personnel Retirement System
3010 E. Camelback Road, Suite 200
Phoenix, Arizona 85016

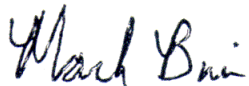
Re: Report of the June 30, 2014 Actuarial Valuation of PSPRS

Dear Mr. Smout:

Enclosed please find 5 copies of this report.

Any questions or comments you may develop will be welcome.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark Buis". The signature is fluid and cursive, with the first name "Mark" and last name "Buis" clearly distinguishable.

Mark Buis, FSA, EA, MAAA

MB:ah
Enclosures

Local Pension Board Meeting – April 7, 2015

Agenda Item: 7

Agenda Item Title: Discussion and possible approval of the annual actuarial valuation as of June 30, 2014 for the Superstition Fire & Medical (Apache Junction Fire District - 148) District's participation in the Arizona Public Safety Personnel Retirement System.

Background / Discussion: This report is also to be received and reviewed per A.R.S. This report provides the annual actuarial valuation of the Superstition Fire & Medical District's participation in the Arizona Public Safety Personnel Retirement System as of June 30, 2014. This report applies directly to SFMD, with our current benefits and liabilities.

	FY14/15	FY15/16
SFMD Contribution Rate	17.40%	20.32%
Employee Contribution Rate	11.05%	11.65%
Alternate Contribution Rate	19.65%	28.62%

Recommended Motion: *(please read motion as written)*

Motion to approve the annual actuarial valuation as of June 30, 2014 for the Superstition Fire & Medical District's participation in the Arizona Public Safety Personnel Retirement System.

Enclosures:

Apache Junction Fire District (148), Annual Actuarial Valuation of Members of PSPRS as of 6/30/14.

APACHE JUNCTION FIRE DISTRICT (148)

**ARIZONA PUBLIC SAFETY PERSONNEL
RETIREMENT SYSTEM**

JUNE 30, 2014

October 27, 2014

The Board of Trustees
Arizona Public Safety Personnel Retirement System
Phoenix, Arizona

Re: Apache Junction Fire District

Ladies and Gentlemen:

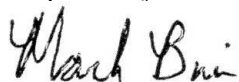
The results of the June 30, 2014 annual actuarial valuation of members covered by the Arizona Public Safety Personnel Retirement System (PSPRS) are presented in this report. The purpose of the valuation was to measure the System's funding progress, provide actuarial information in connection with applicable Governmental Accounting Standards Board Statements and to determine the employer contribution for the 2015-2016 fiscal year. The funding objective is stated in Article 4, Chapter 5, Title 38, Sections 843B and 848N of the Arizona Revised Statutes. This report should not be relied upon for any other purpose. This report may be distributed to parties other than the System only in its entirety and only with the permission of the Board.

The valuation was based upon information, furnished by the Retirement System, concerning Retirement System benefits, financial transactions, and individual members, terminated members, retirees and beneficiaries. Data was checked for internal and year to year consistency, but was not otherwise audited by us. As a result, we are unable to assume responsibility for the accuracy or completeness of the data provided.

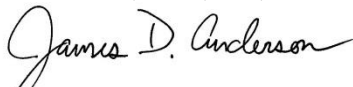
Future actuarial measurements may differ significantly from those presented in this report due to such factors as experience differing from that anticipated by actuarial assumptions, changes in plan provisions, actuarial assumptions/methods or applicable law. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of future measurements.

To the best of our knowledge, this report is complete and accurate and the valuation was conducted in accordance with standards of practice prescribed by the Actuarial Standards Board and in compliance with the applicable state statutes. Mark Buis, James D. Anderson and Francois Pieterse are independent of the plan sponsor and are Members of the American Academy of Actuaries (MAAA) who meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. It is our opinion that the actuarial assumptions used for the valuation produce results which are reasonable.

Respectfully submitted,



Mark Buis, FSA, EA, MAAA



James D. Anderson, FSA, EA, MAA



Francois Pieterse, ASA, MAAA

MB/JDA:sc

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SECTION A
INTRODUCTION

FUNDING OBJECTIVE

The purpose of the annual actuarial valuation of the Arizona Public Safety Personnel Retirement System as of June 30, 2014 is to:

- Compute the liabilities associated with benefits likely to be paid on behalf of current retired and active members. This information is contained in Section B.
- Compare accrued assets with accrued liabilities to assess the funded condition. This information is contained in Section B.
- Compute the employers' recommended contribution rates for the Fiscal Year beginning July 1, 2015. This information is contained in Section A.

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 member contributions, employer contributions and investment income from Retirement System assets.

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

- (1) Cover the actuarial present value of benefits allocated to the current year by the actuarial cost method described in Section E (the normal cost); and
- (2) Finance over a period of future years the actuarial present value of benefits not covered by valuation assets and anticipated future normal costs (the unfunded actuarial accrued liability).

Computed contribution rates for the fiscal year beginning July 1, 2015 are shown on page A-2.

CONTRIBUTION REQUIREMENTS

Development of Employer Contributions for the Indicated Valuation Date

Valuation Date	<u>June 30, 2013</u>	<u>June 30, 2014</u>
Contribution for Fiscal Year ending	2015	2016
Pension		
Normal cost requirement		
Service pensions	16.00 %	15.81 %
Disability pensions	1.25	1.22
Survivors of active members	0.61	0.61
Refunds of members' accumulated contributions	<u>1.25</u>	<u>1.36</u>
Total normal cost requirement	19.11 %	19.00 %
Employee Contributions		
Total employee rate	11.05	11.65
Less portion used to pay down unfunded liability	<u>3.40</u>	<u>4.00</u>
Net employee rate	<u>7.65 %</u>	<u>7.65 %</u>
 Employer normal cost requirement	 11.46 %	 11.35 %
Amortization of unfunded liabilities	<u>5.03 %</u>	<u>8.65 %</u>
Total recommended pension contribution rate (before phase-in)	16.49 %	20.00 %
Total pension contribution rate (after phase-in)	N/A	17.66 %
 Health		
Normal cost requirement	0.27 %	0.30 %
Amortization of unfunded liabilities	<u>0.64 %</u>	<u>0.02 %</u>
Total health contribution requirement	0.91 %	0.32 %
 Total contribution rate (before phase-in)	 17.40 %	 20.32 %
Total contribution rate (after phase-in)	N/A	17.98 %
 Minimum contribution requirement (if applicable)	 N/A	 N/A

The results above are shown both prior to and after the application of the statutory minimum contribution requirement of 8% of payroll (5% of payroll if the actual employer contribution rate is less than 5% for the 2006/2007 Fiscal Year). Please see important comments regarding the contribution on page A-3.

CONTRIBUTION REQUIREMENTS

Comments

Comment 1. Unfunded liabilities were amortized as level percent of payroll over a closed period of 22 years. If the actuarial value of assets exceeded the actuarial accrued liability, the excess was amortized over an open period of 20 years and applied as a credit to reduce the normal cost which otherwise would be payable.

Comment 2. A transfer of assets from the pension plan to the health plan was made this year. In accordance with IRS rules, assets dedicated to pay retiree health care benefits must be segregated from assets dedicated to pay pension benefits. The Retirement System provided the asset split for the year ending June 30, 2014. This resulted in an increase in the pension contribution rate with an equivalent decrease in the health contribution rate.

Comment 3. The pension contribution rate increased significantly for most employers. This arose primarily due to the repeal of certain aspects of SB1609 which resulted in much larger recognition of liabilities related to Permanent Benefit Increases (PBI). The contribution rate also increased due to the continued recognition of 2008-2009 asset losses, or in some cases population movements. While it is recommended that employers contribute the full amount, the Board adopted a policy to allow employers to phase-in the pension contribution rate increase over 3 years, if necessary. Results on page A-2 show the contribution rate before and after the phase-in. Plans that have a funded ratio below 50% are strongly encouraged to contribute the full amount prior to phase-in.

SECTION B
FUNDING RESULTS

PRESENT VALUE OF FUTURE BENEFITS AND ACCRUED LIABILITY

	<u>June 30, 2013</u>	<u>June 30, 2014</u>
Pension		
A. Accrued Liability		
1. For retirees and beneficiaries	\$ 5,754,386	\$ 7,551,957
2. For DROP members	1,967,025	3,140,602
3. For vested terminated members	180,424	180,424
4. For present active members		
a. Value of expected future benefit payments	29,097,103	28,413,488
b. Value of future normal costs	(9,827,462)	(8,495,057)
c. Active member accrued liability: (a) - (b)	<u>19,269,641</u>	<u>19,918,431</u>
5. Total accrued liability	27,171,476	30,791,414
B. Present Assets (Funding Value)	21,877,044	23,249,195
C. Unfunded Accrued Liability: (A.5) - (B)	5,294,432	7,542,219
D. Stabilization Reserve	<u>-</u>	<u>-</u>
E. Net Unfunded Accrued Liability: (C) + (D)	<u>\$ 5,294,432</u>	<u>\$ 7,542,219</u>
F. Funding Ratio: (B) / (A.5)	<u>80.5%</u>	<u>75.5%</u>
Health		
A. Accrued Liability		
1. For retirees and beneficiaries	\$ 55,593	\$ 78,106
2. For DROP members	48,875	65,997
3. For present active members		
a. Value of expected future benefit payments	732,955	753,734
b. Value of future normal costs	(141,774)	(135,199)
c. Active member accrued liability: (a) - (b)	<u>591,181</u>	<u>618,535</u>
4. Total accrued liability	695,649	762,638
B. Present Assets (Funding Value)	<u>-</u>	<u>708,336</u>
C. Net Unfunded Accrued Liability: (A.4) - (B)	<u>\$ 695,649</u>	<u>\$ 54,302</u>
D. Funding Ratio: (B) / (A.4)	<u>0.0%</u>	<u>92.9%</u>

SECTION C
FUND ASSETS

DEVELOPMENT OF PENSION FUNDING VALUE OF ASSETS (7-YEAR SMOOTHING)

Year Ended June 30:	2014	2015	2016	2017	2018	2019	2020
A. Funding Value Beginning of Year (Including Future Benefit Increases)	\$ 5,905,509,127						
B. Market Value End of Year	5,935,524,128						
C. Market Value Beginning of Year	5,306,086,372						
D. Non Investment Net Cash Flow	(65,772,608)						
E. Investment Income							
E1. Total: B-C-D	695,210,364						
E2. Amount for Immediate Recognition: (8.00%)	461,000,892						
E3. Amount for Phased-in Recognition: E1-E2	234,209,472						
F. Phased-in Recognition of Investment Income							
F1. Current Year: E3 / 7	33,458,496						
F2. First Prior Year	9,542,555	\$ 33,458,496					
F3. Second Prior Year	(72,234,304)	9,542,555	\$ 33,458,496				
F4. Third Prior Year	40,557,028	(72,234,304)	9,542,555	\$ 33,458,496			
F5. Fourth Prior Year	9,473,791	40,557,028	(72,234,304)	9,542,555	\$ 33,458,496		
F6. Fifth Prior Year	(183,695,537)	9,473,791	40,557,028	(72,234,304)	9,542,555	\$ 33,458,496	
F7. Sixth Prior Year	(118,855,348)	(183,605,170)	9,473,791	40,557,031	(72,234,303)	9,542,556	\$ 33,458,496
F8. Funding Value Corridor Adjustment							
F9. Total Recognized Investment Gain	(281,753,319)	(162,807,604)	20,797,566	11,323,778	(29,233,252)	43,001,052	33,458,496
G. Funding Value End of Year							
G1. Preliminary Funding Value End of Year: (A+D+E2+F1:F7)	6,018,984,092						
G2. Upper Corridor: (120% x B)	7,122,628,954						
G3. Lower Corridor: (80% x B)	4,748,419,302						
G4. End of Year: (G1 subject to max of G2 and min of G3)	6,018,984,092						
H. Difference Between Market Value & Funding Value: (B-G4)	(83,459,964)	79,347,640	58,550,074	47,226,296	76,459,548	33,458,496	0
I. Market Rate of Return	13.2%						
J. Recognized Rate of Return	3.1%						
K. Ratio of Funding Value to Market Value	101.4%						
L. Market Value of Assets for Division	22,926,819						
M. Funding Value of Assets for Division	23,249,195						

The funding value of assets recognizes assumed investment return (line E2) fully each year. Differences between actual and assumed investment return (line E3) are phased-in over a closed 7-year period. During periods when investment performance exceeds the assumed rate, funding value of assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, funding value of assets will tend to be greater than market value. The funding value of assets is **unbiased** with respect to market value. At any time it may be either greater or less than market value. If actual and assumed rates of investment return are exactly equal for 7 consecutive years, the funding value will become equal to market value.

DEVELOPMENT OF HEALTH FUNDING VALUE OF ASSETS (7-YEAR SMOOTHING)

Year Ended June 30:	2014	2015	2016	2017	2018	2019	2020
A. Funding Value Beginning of Year (Including Future Benefit Increases)	\$ 279,564,484						
B. Market Value End of Year	290,897,309						
C. Market Value Beginning of Year	251,188,046						
D. Non Investment Net Cash Flow	5,956,011						
E. Investment Income							
E1. Total: B-C-D	33,753,252						
E2. Amount for Immediate Recognition: (8.00%)	22,179,585						
E3. Amount for Phased-in Recognition: E1-E2	11,573,667						
F. Phased-in Recognition of Investment Income							
F1. Current Year: E3 / 7	1,653,381						
F2. First Prior Year	451,741	\$ 1,653,381					
F3. Second Prior Year	(3,419,544)	451,741	\$ 1,653,381				
F4. Third Prior Year	1,919,954	(3,419,544)	451,741	\$ 1,653,381			
F5. Fourth Prior Year	448,486	1,919,954	(3,419,544)	451,741	\$ 1,653,381		
F6. Fifth Prior Year	(8,696,075)	448,486	1,919,954	(3,419,544)	451,741	\$ 1,653,381	
F7. Sixth Prior Year	(5,626,565)	(8,691,797)	448,486	1,919,954	(3,419,544)	451,740	\$ 1,653,381
F8. Funding Value Corridor Adjustment							
F9. Total Recognized Investment Gain	(13,268,622)	(7,637,779)	1,054,018	605,532	(1,314,422)	2,105,121	1,653,381
G. Funding Value End of Year							
G1. Preliminary Funding Value End of Year: (A+D+E2+F1:F7)	294,431,458						
G2. Upper Corridor: (120% x B)	349,076,771						
G3. Lower Corridor: (80% x B)	232,717,847						
G4. End of Year: (G1 subject to max of G2 and min of G3)	294,431,458						
H. Difference Between Market Value & Funding Value: (B-G4)	(3,534,149)	4,103,630	3,049,612	2,444,080	3,758,502	1,653,381	0
I. Market Rate of Return	13.3%						
J. Recognized Rate of Return	3.2%						
K. Ratio of Funding Value to Market Value	101.2%						
L. Market Value of Assets for Division	699,834						
M. Funding Value of Assets for Division	708,336						

The funding value of assets recognizes assumed investment return (line E2) fully each year. Differences between actual and assumed investment return (line E3) are phased-in over a closed 7-year period. During periods when investment performance exceeds the assumed rate, funding value of assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, funding value of assets will tend to be greater than market value. The funding value of assets is **unbiased** with respect to market value. At any time it may be either greater or less than market value. If actual and assumed rates of investment return are exactly equal for 7 consecutive years, the funding value will become equal to market value.

SECTION D
CENSUS DATA

JUNE 30, 2014 VALUATION DATA SUMMARY

For purposes of the June 30, 2014 valuation, information on covered persons was furnished by the Board of Trustees. These people may be briefly described as follows.

	No.	Averages		
		Age	Service	Annual Pay or Retirement Allowance
Actives	77	40.7	12.6	\$75,259
Retirees & Beneficiaries	12			47,516
DROP	4			56,399
Inactive Vested	3			
	96			

ACTIVE MEMBERS

Members in Active Service as of June 30, 2014 by Years of Service

Age	Years of Service							Total Count	Total Pay	Average Pay
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 & Up			
Under 25								-	\$ 0	\$ 0
25 - 29	6	2						8	464,126	58,016
30 - 34	3	4						7	437,454	62,493
35 - 39	5	5	5	3				18	1,202,136	66,785
40 - 44	1	1	7	7	4			20	1,640,629	82,031
45 - 49		1	5	5	4	1		16	1,327,834	82,990
50 - 54			2		2	1	1	6	543,735	90,623
55 - 59				1	1			2	179,008	89,504
60 - 64								-	0	0
65 and over								-	0	0
Total	15	13	19	16	11	2	1	77	\$ 5,794,922	\$ 75,259

TERMINATED VESTED MEMBERS

Age	Years of Service					Total Count
	0 - 4	5 - 9	10 - 14	15 - 19	20 & Up	
Under 30						0
30 - 39	1					1
40 - 44						0
45 - 49						0
50 - 54			1			1
55 - 59		1				1
60 - 69						0
70 and over						0
Total	1	1	1	0	0	3

RETIREES AND BENEFICIARIES

Attained Ages	Males		Females		Total	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 25	0	\$ 0	0	\$ 0	0	\$ 0
25-29	0	0	0	0	0	0
30-34	0	0	0	0	0	0
35-39	0	0	0	0	0	0
40-44	0	0	0	0	0	0
45-49	2	90,291	0	0	2	90,291
50-54	3	154,746	0	0	3	154,746
55-59	4	225,000	0	0	4	225,000
60-64	1	41,489	0	0	1	41,489
65-69	2	58,665	0	0	2	58,665
70-74	0	0	0	0	0	0
75-79	0	0	0	0	0	0
80-84	0	0	0	0	0	0
85-89	0	0	0	0	0	0
90-94	0	0	0	0	0	0
95-99	0	0	0	0	0	0
100 and Over	0	0	0	0	0	0
Totals	12	\$ 570,191	0	\$ 0	12	\$ 570,191

Pension Being Paid		Number	Annual Pensions	Average Pensions
Retired Members	Service Pensions	8	\$386,881	\$48,360
	Disability Pensions	4	183,310	45,828
Totals		12	570,191	47,516
Survivors of Members	Spouses	0	0	0
	Children with Guardians	0	0	0
Total		0	0	0
Total Pension being Paid		12	\$570,191	\$47,516
		Average Age	Average Service	Average Age at Retirement
Normal retired members		56.5	20.9	52.3
Disability retired members		57.2	11.1	42.1
Spouse beneficiaries		0.0	0.0	0.0

DROP MEMBERS

Attained Ages	Males		Females		Total	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits
Under 45	0	\$ 0	0	\$ 0	0	\$ 0
45-49	1	53,869	0	0	1	53,869
50-54	1	56,251	0	0	1	56,251
55-59	2	115,474	0	0	2	115,474
60-64	0	0	0	0	0	0
65 and Over	0	0	0	0	0	0
Totals	4	\$225,594	0	\$0	4	\$225,594

SECTION E

METHODS AND ASSUMPTIONS

VALUATION METHODS

Actuarial Cost Method - Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an individual entry-age actuarial cost method having the following characteristics:

- (i) the annual normal costs for each individual active member, payable from the date of hire to the date of retirement, are sufficient to accumulate to the value of the member's benefits.
- (ii) each annual normal cost is a constant percentage of the member's year-by-year projected covered pay.

The entry-age actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's compensation between the entry age of the member and the assumed exit ages.

Actuarial Accrued Liability - The actuarial accrued liability is the portion of actuarial present value allocated to service rendered prior to the valuation date, including experience gains and losses. The actuarial accrued liability was computed using the assumptions summarized in this report.

Actuarial Value of System Assets - The actuarial value of assets recognizes assumed investment income fully each year. Differences between actual and assumed investment income are phased in over a closed seven year period subject to a 20% corridor. During periods when investment performance exceeds the assumed rate, actuarial value of assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, the actuarial value of assets will tend to be greater than market value.

Financing of Unfunded Actuarial Accrued Liabilities - The actuarial value of assets were subtracted from the computed actuarial accrued liability. Any unfunded amount would be amortized as level percent of payroll over a closed period of 22 years. If the actuarial value of assets exceeded the actuarial accrued liability, the excess was amortized over an open period of 20 years and applied as a credit to reduce the normal cost which otherwise would be payable.

Active member payroll was assumed to increase 4.0% annually for the purpose of computing the amortization payment (credit) as a level percent of payroll.

VALUATION ASSUMPTIONS

Beginning with the June 30, 2007 valuation and with each subsequent valuation, if the actuarial value of assets exceeds the actuarial accrued liabilities, one half of this excess in each year is allocated to a Stabilization Reserve. The Stabilization Reserve is excluded from the calculation of the employer contribution rates. The Stabilization Reserve continues to accumulate as long as the plan is over-funded. Once the plan becomes under-funded, the Stabilization Reserve will be used to dampen increases in the employer contribution rates.

The rate of investment return was 7.85% a year, compounded annually net of investment and administrative expenses.

The assumed real return is the rate of return in excess of wage growth. Considering other assumptions used in the valuation, the 7.85% nominal rate translates to a net real return over wage growth of 3.85% a year.

The rates of pay increase used for individual members are shown below. This assumption is used to project a member's current pay to the pay upon which System benefits will be based.

Salary Increase Assumptions For An Individual Member									
Sample Ages	Merit & Seniority				Base (Economy)	Increase Next Year			
	Police Large	Police Small	Fire Large	Fire Small		Police Large	Police Small	Fire Large	Fire Small
20	4.00%	4.00%	4.00%	4.00%	4.00%	8.00%	8.00%	8.00%	8.00%
25	3.70%	3.16%	3.70%	3.70%	4.00%	7.70%	7.16%	7.70%	7.70%
30	2.60%	2.12%	2.90%	2.66%	4.00%	6.60%	6.12%	6.90%	6.66%
35	1.22%	1.17%	1.54%	1.32%	4.00%	5.22%	5.17%	5.54%	5.32%
40	0.52%	0.36%	0.48%	0.41%	4.00%	4.52%	4.36%	4.48%	4.41%
45	0.28%	0.10%	0.14%	0.12%	4.00%	4.28%	4.10%	4.14%	4.12%
50	0.14%	0.07%	0.04%	0.07%	4.00%	4.14%	4.07%	4.04%	4.07%
55	0.04%	0.02%	0.00%	0.02%	4.00%	4.04%	4.02%	4.00%	4.02%
60	0.00%	0.00%	0.00%	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%
65	0.00%	0.00%	0.00%	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Ref	383	384	385	386	4.00%				

Active Member Payroll is assumed to grow at 4.0% per year. Although no specific price inflation assumption is required to perform this valuation, since no benefits are linked to prices, a price inflation assumption on the order of 3.0% to 4.0% would be consistent with the other economic assumptions.

VALUATION ASSUMPTIONS

The healthy mortality table used to evaluate death after retirement in this valuation of the System was the RP 2000 Mortality table projected to 2015 using projection scale AA (adjusted by 105% for males and females). This assumption was first used for the June 30, 2012 valuation of the System and includes margin for future improvements in mortality. Sample rates of mortality and years of life expectancy are shown below:

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.17%	0.14%	31.88	33.93
55	0.29	0.25	27.19	29.20
60	0.56	0.49	22.67	24.66
65	1.08	0.95	18.43	20.39
70	1.86	1.63	14.56	16.49
75	3.22	2.62	11.04	12.95
80	5.81	4.34	8.00	9.80
Ref:	397 x 1.05 0 year set forward	398 x 1.05 0 year set forward		

This assumption is used to measure the probabilities of each benefit payment being made after retirement.

The disabled mortality table used to evaluate death after retirement in this valuation of the System was the RP 2000 Mortality table projected to 2015 using projection scale AA set forward 10 years for both males and females. This assumption was first used for the June 30, 2012 valuation of the System. Sample rates of mortality and years of life expectancy are shown below:

Sample Attained Ages	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.53%	0.47%	23.05	25.08
55	1.03	0.90	18.79	20.80
60	1.77	1.55	14.89	16.86
65	3.06	2.49	11.34	13.29
70	5.54	4.13	8.25	10.09
75	9.97	7.08	5.81	7.35
80	17.27	12.59	4.02	5.30
Ref:	397 x 1.00 10 year set forward	398 x 1.00 10 year set forward		

VALUATION ASSUMPTIONS

For actives, the sample rates of mortality for death-in-service are shown below, and were first used for the June 30, 2012 valuation of the System.

Sample Attained Ages	Probability of Dying Next Year	
	Men	Women
50	0.10%	0.08%
55	0.16	0.14
60	0.32	0.28
65	0.62	0.54
Ref:	397 x 0.60 0 year set back	398 x 0.60 0 year set forward

The rates of regular retirement used to measure the probability of eligible members retiring during the next year are shown below. This assumption was first used for the June 30, 2012 valuation of the System.

Retirement/DROP Rates: Age-related rates for employees who were hired before January 1, 2012 are shown below:

Age at Retirement	Rates			
	Police Large	Police Small	Fire Large	Fire Small
62	75%	75%	75%	75%
63	60%	60%	60%	60%
64	60%	60%	60%	60%
65	60%	60%	60%	60%
66	60%	60%	60%	60%
67	60%	60%	60%	60%
68	60%	60%	60%	60%
69	60%	60%	60%	60%
70	100%	100%	100%	100%
Ref.	2145	2145	2145	2145

These retirement rates are applicable to employees attaining age 62 before attaining 20 years of service.

VALUATION ASSUMPTIONS

Service-related rates for employees who were hired before January 1, 2012 are shown below:

Service at Retirement	Rates			
	Police Large	Police Small	Fire Large	Fire Small
20	25%	37%	14%	20%
21	17%	33%	12%	20%
22	17%	20%	7%	10%
23	10%	13%	7%	10%
24	10%	10%	7%	8%
25	40%	35%	27%	25%
26	40%	35%	30%	25%
27	35%	30%	25%	25%
28	32%	30%	37%	25%
29	32%	30%	37%	25%
30	38%	30%	37%	35%
31	42%	30%	40%	35%
32	75%	75%	50%	35%
33	75%	75%	50%	35%
34	100%	100%	100%	100%
Ref.	2146	2147	2148	2149

These retirement rates are applicable to employees attaining 20 years of service before attaining age 62.

Age-related rates for employees who were hired after January 1, 2012 are shown below:

Age at Retirement	Rates			
	Police Large	Police Small	Fire Large	Fire Small
53	10%	15%	10%	10%
54	10%	10%	10%	10%
55	45%	40%	30%	20%
56	45%	40%	45%	30%
57	45%	30%	30%	30%
58	45%	30%	45%	30%
59	45%	30%	45%	30%
60	50%	30%	45%	45%
61	50%	30%	50%	45%
62	80%	65%	50%	45%
63	80%	65%	50%	45%
64	100%	100%	100%	100%
Ref.	1737	1738	1739	1740

VALUATION ASSUMPTIONS

Rates of separation from active membership used in the valuation are shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members remaining in employment. This assumption was first used for the June 30, 2012 valuation of the System.

Sample Ages	Service Index	% of Active Members Separating Within Next Year			
		Police Large	Police Small	Fire Large	Fire Small
All	1	16.00%	15.00%	8.50%	7.50%
	2	7.00%	10.00%	2.50%	6.00%
	3	4.00%	9.00%	1.00%	5.00%
	4	3.00%	7.00%	1.00%	5.00%
	5	2.50%	6.00%	1.00%	5.00%
	10	2.00%	5.30%	1.00%	3.00%
	15	0.60%	1.80%	0.10%	1.00%
	20	0.50%	1.80%	0.10%	1.00%
Ref.		757	603	758	605

Rates of disability among active members used in the valuation are shown below, and were first used for the June 30, 2012 valuation of the System.

Sample Ages	% of Active Members Becoming Disabled Within Next Year			
	Police Large	Police Small	Fire Large	Fire Small
20	0.08%	0.12%	0.02%	0.03%
25	0.08%	0.12%	0.02%	0.03%
30	0.17%	0.23%	0.04%	0.03%
35	0.22%	0.28%	0.09%	0.07%
40	0.36%	0.46%	0.16%	0.16%
45	0.51%	0.63%	0.16%	0.44%
50	0.78%	1.60%	0.40%	0.60%
55	1.02%	1.60%	0.93%	1.04%
Ref	588	589	590	591
	80%	80%	80%	80%

The Fire Small group assumptions were used for the Apache Junction Fire District valuation.

SUMMARY OF ASSUMPTIONS USED
JUNE 30, 2014
MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

Marriage Assumption:	85% of males and females are assumed to be married for purposes of death-in-service benefits. Male spouses are assumed to be three years older than female spouses for active member valuation purposes.
Pay Increase Timing:	Six months after the valuation date. This means that the pays received are assumed to be annual rates of pay on the valuation date as opposed to W-2 type earnings for the prior 12 months.
Decrement Timing:	Decrements of all types are assumed to occur mid-year.
Eligibility Testing:	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
Decrement Relativity:	Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.
Decrement Operation:	Disability and turnover decrements do not operate during retirement eligibility.
Service Credit Accruals:	It is assumed that members accrue one year of service credit per year.
Incidence of Contributions:	Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.
Normal Form of Benefit:	A straight life payment is the assumed normal form of benefit for members who are not married, and the 80% Joint and Survivor form of payment with no reduction, for married members. 85% of members are assumed to be married at time of retirement.
Benefit Service:	Exact fractional service is used to determine the amount of benefit payable.
Health Care Utilization:	75% of future retirees are expected to utilize retiree health care. 85% of those are assumed to be married.
Assumed Future Permanent Benefit Increases (PBI):	Members Retired on or before July 1, 2011: 2% compounded on average. Members Retired on or after August 1, 2011: 0.5% compounded on average. Since all current retirees receive the same dollar increase amount, approximation techniques were used to develop the assumed PBI for each member.

SECTION F
PLAN PROVISIONS

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

Membership: Persons who are employed in an eligible group, prior to attaining age 65 years, for at least 40 hours a week for more than six months per year.

Average Monthly Compensation:

For members hired before January 1, 2012:

One-thirty-sixth of total compensation paid to member during the three 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.

For members hired on or after January 1, 2012:

One-sixtieth of total compensation paid to member during the five 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:

For members hired before January 1, 2012:

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 of credited service.

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

For members hired on or after January 1, 2012:

First day of month following the attainment of age 52.5 and completion of 25 years of service.

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

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

- ***For retirement with 25 years of credited service***, 62.5% of average monthly compensation.
- ***For retirement with less than 25 years of credited service***, the monthly benefit is reduced at a rate of 4% for each year less than 25 years of credited service.
- ***For retirement with more than 25 years of credited service***, the monthly benefit is increased by 2.5% of the average monthly compensation multiplied by the numbers of credited years greater than 25 years.

The maximum amount payable as a normal retirement pension is 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 calculated based on twice 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>
0-4	0%
5-6	25-40
7-8	55-70
9-10	85-100

For members hired on or after January 1, 2012 that cease to hold office for any reason other than death or retirement, member can withdraw their accumulated contributions less any benefit payments already received or any amount the member owes the plan (no employer match of refund contributions) with interest at rate set by Board.

Ordinary Disability Retirement (not duty-related): 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 on employee's credited service (maximum of 20 years divided by 20).

Accidental Disability Retirement (duty-related): 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 the 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.

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

Temporary Disability: Termination of employment prior to normal retirement eligibility by reason of temporary disability. Pension is 1/12 of 50% of compensation during the year preceding the date disability was incurred. Payments terminate after 12 months of prior recovery.

Catastrophic Disability: Pension is 90% of average monthly compensation. After 60 months, the pension is the greater of 62.5% of average monthly compensation or the member's accrued normal pension.

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

Spouse Pension: 80% of pension deceased active member would have been paid for accidental disability retirement or, in the case of retired member, 80% of the retired member's pension. Requires two years of marriage*. Terminates upon death. For member killed in line of duty, 100% of average compensation, reduced by child's pension.

* If retired.

Child's Pension: 20% of the pension each month based on the calculation for an accidental disability retirement. Payable to a dependent child under age 18 or until 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 one child under age 18 or until age 23 if a full time student. 80% of the member's pension and the child's pension will be paid to the guardian.

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

Permanent Benefit Increases:

For members retired on or before July 1, 2011:

Effective July 1 of each year, each retired member or survivor of a retired member may be entitled to a Permanent Benefit Increase (PBI) in base benefit. The maximum amount of the increase is four percent (4%) of the average normal PSPRS benefit being received on the preceding June 30 and is contingent upon sufficient excess investment earnings for the fund. To be eligible for the increase the member or survivor must be age 55 or older on July 1 of the current year and began receiving benefits on or before July 31 of the previous year. A member or survivor is also eligible if he began receiving benefits on or before July 31 of the two previous years regardless of age. A PBI reserve is maintained and used to pay for the post-retirement adjustment. The investment return on the PBI reserve is the same as the return on the market value of assets (whether the return is positive or negative). Additional amounts are added to the PBI reserve in years when the investment return on the market value of assets exceeds 9.0%. Each year the present value of that year's post-retirement adjustment is subtracted from the PBI reserve. A post-retirement adjustment is paid as long as there is a positive balance in the PBI reserve.

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

For members retired on or after August 1, 2011:

A PBI is only paid in a year when the annual return on the market value of assets of the prior fiscal year exceeds 10.5% and the plan is at least 60% funded. 100% of the excess earnings is used to determine whether a PBI can be paid and the size of the PBI for that year. No PBI reserves will accumulate and the present value of that year's PBI for eligible retirees cannot exceed 100% of the earnings in excess of 10.5%. If the excess earnings is high enough to exceed the present value of that year's PBI, the excess stays in the fund.

To be eligible for an increase the retiree or the survivor must be:

- In the case of a retired member who became a member of the plan before January 1, 2012, the retired member or survivor was receiving benefits on or before July 31 of the two previous years;
- In the case of a retired member who became a member of the plan before January 1, 2012, the retired member or survivor was 55 or older on July 1 of the current year and was receiving benefits on or before July 31 of the previous year;
- In the case of a retired member who became a member of the plan on or after January 1, 2012, the retired member or survivor was at least 55 or older on July 1 and receiving benefits;
- In the case of a retired member who became a member of the plan on or after January 1, 2012, if under 55 on July 1, was receiving accidental disability benefits for the preceding 2 years; or
- In the case of a member who became a member of the plan on or after January 1, 2012, if the survivor is under 55 on July 1, is the survivor of the member who was killed in the line of duty, and has been receiving a survivor benefits for the preceding 2 years.

The amount of the PBI to be paid is determined as follows:

- Funded ratio is 60-64%, PBI is 2%
- Funded ratio is 65-69%, PBI is 2.5%
- Funded ratio is 70-74%, PBI is 3%
- Funded ratio is 75-79%, PBI is 3.5%
- Funded ratio is 80% or more, PBI is 4%

Post-Retirement Health Insurance Subsidy: Payable on behalf of retired members and survivors who elect coverage provided by the state or participating employer. The monthly amounts cannot exceed:

Member Only		With Dependents		
Not Medicare Eligible	Medicare Eligible	All Not Medicare Eligible	All Medicare Eligible	One With Medicare
\$150	\$100	\$260	\$170	\$215

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

Deferred Retirement Option Plan (DROP): A member hired before January 1, 2012 with 20 or more years of credited service under the System may enter into the DROP program with his employer. Under the DROP program, the member must voluntarily and irrevocably elect to enter into the program with his employer for a period of up to 60 months. During the DROP period, the member remains in the employ of the employer as a full-time paid firefighter or full-time paid certified Peace officer but no member or employer contributions are made to the System, therefore no additional years of credited service are accrued on the member's behalf. The member's monthly pension is calculated based upon the years of credited service and average monthly compensation at the beginning of the DROP period. This monthly pension amount is credited to a DROP participation account with interest credited monthly to the account. The interest rate credited to the DROP account is 8.25% for the fiscal year beginning July 1, 2010, 8.0% for the fiscal year beginning July 1, 2011 and 7.85% for the fiscal years beginning July 1, 2012, July 1, 2013 and July 1, 2014.

At the end of the DROP period or prior to that time if the member terminates employment, the monies in the DROP participation account will be either paid to the member in a lump-sum amount or paid in a lump-sum distribution to an eligible retirement plan or individual retirement account. The member will then begin receiving the monthly pension amount directly from the System in the same amount as was being credited to the DROP participation account.

For members with less than 20 years of credited service on January 1, 2012 the monthly pension amount is credited to a DROP participation account with interest calculated as the average return on the actuarial value of assets, with a minimum of 2% and maximum equal to the actuarial assumed rate. The interest credited to the DROP account is 4.40% for the fiscal year beginning July 1, 2012, 3.20% for the fiscal year that starts July 1, 2013 and 3.40% for the fiscal year that starts July 1, 2014.

For members with less than 20 years of credited service on January 1, 2012, during the DROP period, the member remains in the employ of the employer as a full-time paid Firefighter or full-time paid certified Peace Officer and refundable member contributions are made to the System.

A member hired on or after January 1, 2012 may NOT enter into the DROP.

Reverse DROP: Expired effective July 1, 2010.

Employer Contributions: Percent of payroll normal cost plus 30-year (22 years remaining as of June 30, 2014) amortization of unfunded actuarial accrued liability (20-year amortization for credit). The statutory minimum is 8% of payroll (5% of payroll if the actual employer contribution rate is less than 5% for the 2006/2007 fiscal year). Employer will contribute to the system when members return to work.

SUMMARY OF PLAN PROVISIONS VALUED AND/OR CONSIDERED

Member Contributions: Member contribution rates are shown in the schedule below. Additional member contributions DO NOT reduce the employer contribution; this means there is a “maintenance of effort” provision.

- FY 2010-2011 – 7.65%
- FY 2011-2012 – 8.65%
- FY 2012-2013 – 9.55%
- FY 2013-2014 – 10.35%
- FY 2014-2015 – 11.05%
- FY 2015-2016 and after: the lesser of 11.65%; or 33.3% of the sum of the member’s contribution rate from the preceding fiscal year plus the aggregate computed employer contribution rate; subject to a minimum employee contribution rate of 7.65%
- The result for FY 2015-2016 is 11.65%.

SECTION G
GLOSSARY

<i>Actuarial Accrued Liability</i>	The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as “accrued liability” or “past service liability.”
<i>Accrued Service</i>	The service credited under the plan which was rendered before the date of the actuarial valuation.
<i>Actuarial Assumptions</i>	Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
<i>Actuarial Cost Method</i>	A mathematical budgeting procedure for allocating the dollar amount of the “actuarial present value of future plan benefits” between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the “actuarial funding method.”
<i>Actuarial Equivalent</i>	A single amount or series of amounts of equal value to another single amount or series of amounts, computed on the basis of the rate(s) of interest and mortality tables used by the plan.
<i>Actuarial Present Value</i>	The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.
<i>Amortization</i>	Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.
<i>Experience Gain (Loss)</i>	A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.
<i>Normal Cost</i>	The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as “current service cost.” Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.

<i>Reserve Account</i>	An account used to indicate that funds have been set aside for a specific purpose and is not generally available for other uses.
<i>Unfunded Actuarial Accrued Liability</i>	The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as “unfunded accrued liability.”
<i>Valuation Assets</i>	The value of current plan assets recognized for valuation purposes. Generally based on market value plus a portion of unrealized appreciation or depreciation.

APPENDIX A

ACCOUNTING DISCLOSURES

This information is presented in draft form for review by the System's auditor. Please let us know if there are any items that the auditor changes so that we may maintain consistency with the System's financial statements.

Please note that Employer Reporting Information under GASB Statement No. 27 is being replaced by GASB Statement No. 68. In future years, Employers will receive a separate report for accounting disclosures under GASB Statement No. 68.

GASB STATEMENT NO. 27 SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
(EXCLUDING HEALTH INSURANCE SUBSIDY BEGINNING
JUNE 30, 2008)

Year Ended June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b)-(a)]/(c)
2003	\$7,098,614	\$ 7,644,529	\$ 545,915	92.9 %	\$ 4,067,997	13.4 %
2004	7,726,788	8,686,080	959,292	89.0 %	4,296,286	22.3 %
2005	9,241,451	10,277,417	1,035,966	89.9 %	4,371,608	23.7 %
2006	9,875,796	12,099,688	2,223,892	81.6 %	4,648,653	47.8 %
2007	10,618,947	15,372,851	4,753,904	69.1 %	5,244,322	90.6 %
2008	12,097,905	15,635,510	3,537,605	77.4 %	5,155,821	68.6 %
2009	14,176,388	17,298,862	3,122,474	81.9 %	5,521,465	56.6 %
2010	15,857,754	18,779,135	2,921,381	84.4 %	5,556,259	52.6 %
2011	17,519,983	21,588,897	4,068,914	81.1 %	5,194,183	78.4 %
2012	19,848,608	24,934,476	5,085,868	79.6 %	5,718,335	88.9 %
2013	21,877,044	27,171,476	5,294,432	80.5 %	6,201,982	85.4 %
2014	23,249,195	30,791,414	7,542,219	75.5 %	5,794,922	130.2 %

Results before 2009 were calculated by the prior actuary.

GASB STATEMENT NO. 27 SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ended June 30	Annual Required Contribution
2003	\$ 410,100
2004	505,257
2005	451,442
2006	333,270
2007	449,497
2008	594,035
2009	1,025,738
2010	833,047
2011	854,893 (est.)
2012	877,546 (est.)
2013	895,638 (est.)
2014	1,062,933 (est.)
2015	1,116,821 (est.)
2016*	1,253,558 (est.)

** This is the estimated Annual Required Contribution before the phase-in plan.*

Fiscal Years prior to 2011 provided by the prior actuary.

Beginning with the 2011 fiscal year, this schedule shows the estimated annual required contribution (calculated based on the recommended contribution rate and the projected payroll for the fiscal year). Actual amounts reported in the employer's financial statements may be different, due to differences between the projected payroll and the actual payroll during the fiscal year.

GASB STATEMENT NO. 27 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, 2014
Actuarial cost method	Entry Age Normal
Amortization method	Level percent-of-pay closed
Remaining amortization period	22 years for underfunded 20 years for overfunded
Asset valuation method	7-year smoothed market 80%/120% market
Actuarial assumptions:	
Investment rate of return	7.85%
Projected salary increases	4.0% - 8.0%
Payroll growth	4.0%
Permanent Benefit Increases	Members Retired on or before July 1, 2011: 2% compounded on average. Members Retired on or after August 1, 2011: 0.5% compounded on average. Since all current retirees receive the same dollar increase amount, approximation techniques were used to develop the assumed PBI for each member.

GASB STATEMENT NO. 45 SUPPLEMENTARY INFORMATION

The following information is presented concerning the post-retirement health insurance subsidy. The liabilities and computed contribution for the post-retirement health insurance subsidy were based on the same assumptions and actuarial cost methods as indicated for GASB Statement No. 27.

SCHEDULE OF FUNDING PROGRESS

Valuation Date June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
2006	\$0	\$269,006	\$269,006	0.00%	\$ 4,648,653	5.79%
2007	0	466,338	466,338	0.00	5,244,322	8.89%
2008	0	444,778	444,778	0.00	5,155,821	8.63%
2009	0	487,016	487,016	0.00	5,521,465	8.82%
2010	0	536,916	536,916	0.00	5,556,259	9.66%
2011	0	713,725	713,725	0.00	5,194,183	13.74%
2012	0	686,130	686,130	0.00	5,718,335	12.00%
2013	0	695,649	695,649	0.00	6,201,982	11.22%
2014	708,336	762,638	54,302	92.88	5,794,922	0.94%

ANNUAL REQUIRED CONTRIBUTION

Valuation Date June 30	Fiscal Year Ended June 30	Normal Cost (a)	Actuarial Accrued Liability (b)	Total (a+b)	Dollar Amount
2006	2008	0.38%	0.27%	0.65%	\$33,513
2007	2009	0.51	0.42	0.93	47,949
2008	2010	0.48	0.42	0.90	46,402
2009	2011	0.51	0.43	0.94	57,768
2010	2012	0.54	0.49	1.03	63,698
2011	2013	0.30	0.74	1.04	59,557
2012	2014	0.27	0.63	0.90	56,740
2013	2015	0.27	0.64	0.91	61,632
2014	2016	0.30	0.02	0.32	20,057

Fiscal Years prior to 2011 were provided by the prior actuary.

Health Insurance Subsidy Payment Reported for FY2014: \$7,505

Local Pension Board Meeting – April 7, 2015

Agenda Item: 8

Agenda Item Title: Discussion and possible approval of Mike Farber's application to participate in the DROP program.

Background / Discussion: The Deferred Retirement Option Plan (DROP) is a program that provides employees access to a lump sum benefit in addition to their monthly retirement benefit when they terminate employment and retire. Employees who became members of system before January 1, 2012, are eligible to participate in the DROP once they have 20 years of credited service. Employees who became members of the system on or after January 1, 2012, are not eligible to participate in the DROP.

According to the PSPRS Administrator's office, the Local Pension Board's (LPB's) responsibility regarding a District employee's DROP application is to verify that he/she has the minimum 20 years' qualifying service as of the time of application.

Assistant Chief Mike Farber has applied to enter the DROP program. Assistant Chief Farber started with SFMD on September 30, 1985, and has recently purchased 2.0 years' of service to increase his overall DROP years of service.

Recommended Motion: *(please read motion as written)*

Motion to approve Mike Farber's application to participate in the DROP program by validating he has 20 years' of qualifying service with the District.

Enclosures:

None.

Local Pension Board Meeting – April 7, 2015

Agenda Item: 9

Agenda Item Title: Announcements and Information.

Local Board may direct staff to act on any of these items or request that they be added to the next meeting agenda.

- Recent PSPRS newsletters.
 - o March / April 2014 Newsletter
 - o May / June 2014 Newsletter
 - o July / August 2014 Newsletter
 - o September / October 2014 Newsletter
 - o November / December 2014 Newsletter
 - o January / February 2015 Newsletter

Local Pension Board Meeting – April 7, 2015

Agenda Item: 10

Agenda Item Title: Adjourn.

Recommended Motion: *Motion to adjourn the Local Pension Board meeting.*

Enclosure: None.

THE PSPRS LOCAL BOARD NEWSLETTER

Volume: 6
Issue: 4

*"I know the price of success: dedication, hard work,
and an unremitting devotion to the things you want to see happen."
- Frank Lloyd Wright*

March / April 2014 Newsletter

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In this special issue of our Local Board Newsletter, the majority of the articles subjects are geared more to the contributing members of the Plans as the reading audience. So, we encourage our local boards to distribute this newsletter not only to the Local Board Members, but also to the active contributing members of the local board's group.

PSPRS Investment Update

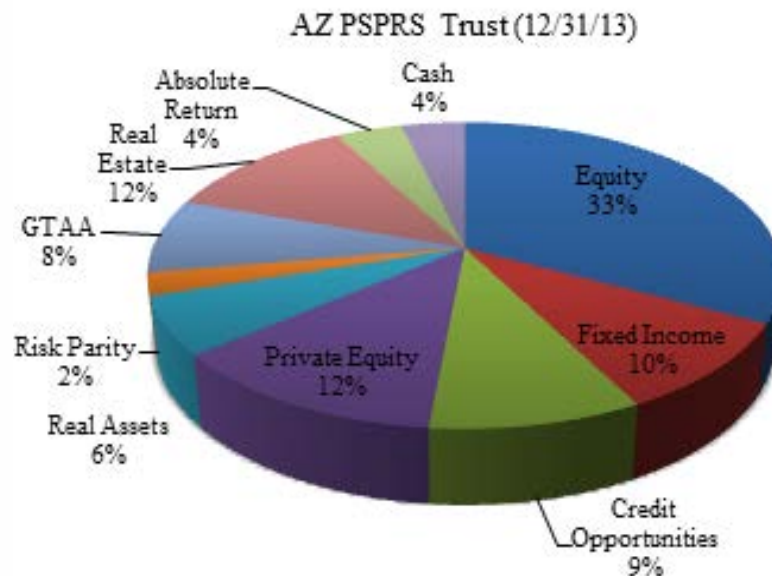
Mark Steed, Lead Portfolio Manager –Chief of Staff

We are happy to report that through December the PSPRS Trust (which aggregates the assets from CORP, EORP and PSPRS) is up 7.70%. That is a good start for the first six months of the fiscal year, considering that the assumed earnings rate for the Trust is 7.85% for the entire fiscal year. That said, our optimism is somewhat tempered by the fact that the financial markets tumbled by about 5% in January owing to lackluster economic data in the U.S. and Asia. Although we have not calculated January's performance as of this writing, we know that the Trust's portfolio is more resistant to market down-turns. So, we expect the Trust's January investment loss to be much less than 5%.

The portfolio breakdown through the end of December is indicated below. Excluding "Cash", there are nine asset classes ("Equity", "Fixed Income", etc.). Without going through the portfolio in detail, we wish to highlight its reduced exposure to Equities. At 33%, the Trust's equity allocation is sharply lower than that of most other public funds. Most funds have in excess of 60% of their assets invested in equities (we note most individuals have in excess of 80% invested in Equities in their personal retirement accounts). Our reduced exposure to equities is motivated by our desire to reduce risk and thereby make the Trust more resistant to financial market down-turns.



Public Safety Personnel Retirement System
3010 E. Camelback Road, Suite 200
Phoenix, Arizona 85016
<http://www.psprs.com>



In order to increase the chances of achieving a 7.85% return, the portfolio must be diversified. Diversification helps mitigate the risk of losing capital and offers a “smoother (investment) ride,” as they say. In any year, a single asset class will outperform a diversified portfolio such as ours. Portfolios with a higher concentration in equities will outperform a more balanced portfolio when equities do well. But the reverse is also true. If equities do poorly, a portfolio with a high concentration in equities will underperform a diversified portfolio like ours. As a general observation, concentrated portfolios are more volatile than diversified portfolios. Over time diversified portfolios offer superior returns when volatility is taken into consideration.

We think constructing a fully diversified portfolio with complimentary exposures offers the best chance of achieving the assumed earnings rate while avoiding possible investment losses of 40%, 30% or even 20%. Perhaps it's this commitment to diversification that explains why the PSPRS Investment Staff continues to garner national attention for best practices. Towards the end of 2013 the Investment Department was nominated for an Industry Innovation Award by Asset International's Chief Investment Officer Magazine (“aiCIO”). The award gives official recognition to institutional investors that are truly using innovative strategies to manage their organizations and invest capital. aiCIO joins Money Management Letter and Institutional Investor Magazine as the third organization to recognize the PSPRS Investment Staff's efforts in building a more robust portfolio.

We look forward to sharing more about the portfolio in coming newsletters.

Members Only Portal

We wish to increase our ability to communicate with our members. We therefore urge the local board to encourage all active participants to sign up for the Members Only Portal. As active members sign up, we will be able to collect email addresses and that will make it possible for us to communicate with our participating members via email.

If you are an active member but you have not signed up for the Members Only Portal, please do so now: <https://members2.psprs.com/ASPMembers/default.aspx>



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<http://www.psprs.com>

What you can do in the Members Only Portal:

- Create an account with a unique username and password to manage and view your pension
- View and update your name, mailing address, beneficiaries, tax withholding information (Active members and Retirees)
- View your entire contribution history (Active members)
- Calculate an estimated benefit amount (Active members)
- View and download your 1099s (Retirees)
- View and download your monthly Direct Deposit notices for the past three years (Retirees)

To create a new Members Only account, you will need:

- A computer with Internet access
- To know which plan you contribute to (Public Safety, Corrections Officers, Elected Officials)
- Your name, Social Security number, and date of birth
- Your employer's name
- An accessible private e-mail account (to retrieve your PIN)
- To create a username for logging in to your account

Members Handbook

We have developed a handbook for you to better understand your benefits.

For the PSPRS handbook click here:

http://www.psprs.com/Admin_Training/PSPRS%20Member%20Handbook.pdf

For the CORP handbook click here:

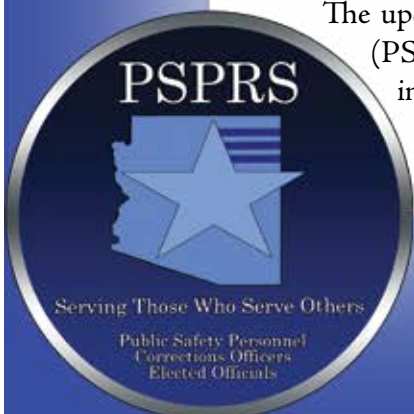
http://www.psprs.com/Admin_Training/CORP%20Member%20Handbook.pdf

The consequences of the Arizona Supreme Court's decision in the Fields v. EORP case

In the Fields case, the Arizona Supreme Court declared unconstitutional the Permanent Benefit Increase (PBI) formula changes made by the 2011 SB 1609 – at least to the extent those changes affected EORP (and PSPRS and CORP) members who were retired as of July 20, 2011. PSPRS will therefore reinstate the old PBI formula and use it for making benefit increases for all members who were already retired when SB 1609 became law. Retroactive “make-up” adjustments will be made for eligible beneficiaries as of July 1, 2011, July 1, 2012, and July 1, 2013..

“We estimate that retroactive payments to beneficiaries of all three PSPRS Plans will total \$40 million,” PSPRS administrator Jim Hacking said. “We also estimate that we will have to transfer \$335.6 million to the reestablished Reserve Accounts of our three Plans.”

The upcoming asset transfers will further reduce the funding ratios of the three PSPRS Plans (PSPRS, CORP and EORP). The decrease in the funding ratios of the Plans will further increase employer contribution rates, effective July 1, 2015.



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In 2011, the PSPRS Board supported the passage of SB 1609 in order to protect the long-term viability of the pension system. Prior to the passage of SB 1609 in 2011, during any year with an investment return in excess of nine percent, half of the excess return was diverted to a reserve account, the assets of which were used to fund fixed annual PBIs.

"The funds set aside for PBIs could not be used to offset PSPRS's liabilities," said PSPRS Board Chairman Brian Tobin. "This proved costly to the fund during 2008 and 2009 when the country was in the midst of a crippling recession, adversely affecting investment returns. The State's and its political subdivision's heavy budget cuts left fewer people contributing to the System. Even while the System was losing money, PSPRS was still required to pay fixed PBIs to its retirees."

Alternate Contribution Rates for 2014/2015

As employers begin the planning process for their upcoming FY 2015 budgets, the System would like to remind local boards and employer groups that the Alternate Contribution Rate (ACR) does change each fiscal year. The ACR has been established for the upcoming 2014-2015 Fiscal Year. So, if a retired member returns to work, the employer will pay the following rates:

The PSPRS rate is 19.65%

The EORP rate is 23.50%

The CORP rate is 7.34%

The ACR is a statutory contribution requirement for any PSPRS, CORP, or EORP employer that employs a retiree serving in a position that would normally be filled by a contributing member of the Plan from which the retiree is receiving pension benefits (i.e. PSPRS retiree in a PSPRS covered position). The ACR is required, regardless of the employee's current contributing status.

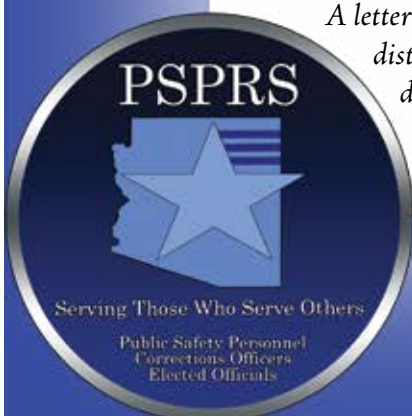
These new rates will take effect July 1, 2014. For more information on the ACR, please contact Alison Lidstone in Active Member Services at (602) 255-5575, extension 2009.

Notice to all members

Dear Member of PSPRS, CORP, or EORP:

A recent internal security incident has occurred at the System that may have resulted in the unauthorized disclosure of personal information. While we are not aware at this time of any misuse of your information, the Public Safety Personnel Retirement System (PSPRS) takes the matter very seriously and is providing resources to assist you with protecting your personal information.

A letter containing more information was provided to each participating employer group with direction to distribute to all active contributing members of all three of our plans. If you have not yet received this document, please contact your employer's HR department or Local Board Secretary for further information.



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Viewing Issues with Internet Explorer 11

It has come to our attention that individuals utilizing Internet Explorer 11 as their internet browser have encountered problems accessing and navigating the Members Only website and the Employer Contribution website.

There is a quick and easy fix to this viewing issue by following the step-by-step instructions on How To Enable Compatibility View. This guide is available on the main page of the PSPRS website. Again, this is only an issue for those individuals utilizing Internet Explorer 11.

If, after following all of the steps in the How To guide, you are still experiencing viewing issues, please contact PSPRS Web Support at: web_support@psprs.com.

Please forward this notice to your members; they will be grateful as they are attempting to view and download their direct deposit notices and 1099 statements!

Contact Information

PSPRS Administrative Offices
(for PSPRS, CORP, and EORP)
3010 E. Camelback Road, Suite 200
Phoenix, Arizona 85016
Tel. (602) 255-5575
Toll-Free (877) 925-5575
General Fax: (602) 255-5572
Active Members Fax: (602) 296-2368
Retired Members Fax: (602) 296-2369

E-Mail Directory

Below is an e-mail directory for the most common inquiries we receive, sorted alphabetically by inquiry.

Active Members Services:	ladawn@psprs.com
Cancer Insurance Program:	annette@psprs.com
Employer Contribution issues:	web_support@psprs.com
Members Only issues:	web_support@psprs.com
Retired Members Services:	bonnie@psprs.com
Service purchases or transfers:	tony@psprs.com
Training inquiries:	rortega@psprs.com or don@psprs.com
Website content:	webmaster@psprs.com



Public Safety Personnel Retirement System
3010 E. Camelback Road, Suite 200
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THE PSPRS LOCAL BOARD NEWSLETTER

*"If you don't design your own life plan, chances are you'll fall into someone else's plan.
And guess what they have planned for you? Not much."
- Jim Rohn*

May / June 2014 Newsletter

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Local Board Training

We would like to invite local boards who live in the southern region of Arizona to attend in person the following training session for local boards. A review of the duties and responsibilities will be discussed and the actuarial reports.

Friday, June 6, 2014
9:00 a.m. – 12:00 p.m.
Benson Fire Department (Meeting Room)
375 E. 7th Street, Benson, AZ, 85602

To register, please contact Don Mineer at don@psprs.com or by calling (602) 255-5575 extension 2023.

Investment Update

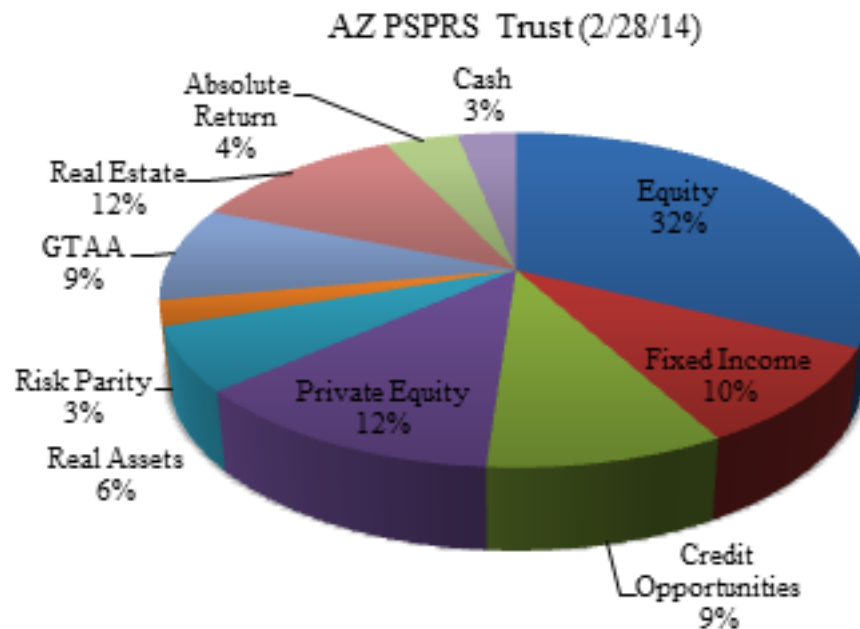
In the last newsletter we wrote the following:

"...our optimism is somewhat tempered by the fact that markets tumbled by about 5% in January owing to lackluster economic data in the U.S. and Asia. Though we are still calculating January's performance as of this writing the Trust's portfolio is more resilient and so we expect the loss to be less than 5%"

The AZ PSPRS Trust lost only 1.09% in January, a much better outcome than if the Trust was only invested in global equities. The losses incurred from stocks were partially offset by the Trust's exposure to Fixed Income and Opportunistic investments. Furthermore, the Trust gained 2.43% in February, bringing the Fiscal Year-to-Date return to 9.11%. The asset allocation through the end of February is presented on the following page.



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We reiterate our commitment to diversification. In order to increase the chances of achieving the actuarial rate of return of 7.85% the portfolio must contain complimentary exposures. Diversification helps mitigate the risk of losing capital (the month of January is a good example) and, over time, offers superior returns relative to concentrated portfolios, when volatility is considered. Overall we are pleased with the portfolio's resiliency and look forward to sharing additional details in future newsletters.

Legislative Update

The 51st Legislature – Second Regular Session adjourned April 24, 2014. During this past session, there were a limited number of bills that were passed and signed by the Governor that amended or added language to current statutes governing our Plans, than in prior years. Even so, it is important for local boards to review any legislation that could affect the Plans. Doing so allows you to better guide members on retirement decisions and institute any local board or employer procedural changes in order to be in compliance with law.

In maintaining our continued commitment to communication with all of our employers, local boards, and members, we have posted on our website those bills that we tracked during the session. To view basic highlights of those bills, please click on the link below:

http://www.psprs.com/Admin_Legislation/2014%20Proposed%20Legislation/2014%20Proposed%20Legislation.pdf

To view the bills in their entirety, please go to www.azleg.gov.

Please note that unless otherwise stated, the general effective date for legislation will be July 24, 2014.



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Q AND A - DIVORCE

Our Member Services and Legal Departments regularly receive questions from members regarding divorces and how they affect their pensions. There are many issues that arise out of a divorce that members need to consider. As a result, our office has developed a listing of Frequently Asked Questions (FAQs) regarding divorces. This FAQ can be accessed on our website by following the link below:

http://www.psprs.com/Admin_common/divorce/Divorce%20and%20Domestic%20Relations%20Order%20FAQs.pdf

Local boards should direct their members who may have questions on this issue to this FAQ document.

PSPRS Cancer Insurance Program Annual Premium Payments

The annual billings for the Cancer Insurance Program will be going out to employers in July. Per statutes, premium payments are to be made to the System on or before August 31. Those employers that do not submit premiums by August 31 are subject to late charges at an interest rate of 15%, which accrues monthly. The Board of Trustees has set this year's premium at \$50 per active member, which includes DROP participants.

We would like to remind all of our PSPRS participating local boards and employer groups that PSPRS statutes provide this program for active and retired PSPRS members. The program provides for benefit payments and reimbursements for cancer illness-related expenses.

Members become eligible for Cancer Plan benefits on:

- ♦ Membership date with the System or;
- ♦ The first of the month following the date that the employer pays the first Cancer Insurance premium, whichever is later

Coverage for retired members is based upon the number of years of credited service the member has in the PSPRS Plan at the time of retirement.

All payments are made in accordance with the Program's schedule of benefits. The entire schedule of eligible benefit payments and the program details are available at:

http://www.psprs.com/Admin_common/insurance/cato_cancerinsurance.htm

We greatly encourage our local boards and employer human resource departments to share this benefit information with all of their membership. If you have any questions, feel free to contact Annette Jorgensen at (602) 255-5575.

PSPRS gets involved with the local community

Mom's Pantry is a newly formed local food pantry, located north of Cactus on Cave Creek Rd. The pantry has been in operations for only 10 months and is open as a food shelter/pantry to serve the community.



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This is how PSPRS became involved...

During the holiday season our office traditionally participates in a food drive to collect and donate food and other dry goods to a food bank. In previous years, these donations were made to national organizations, but this year we wanted to accomplish something benefiting a local, grass roots organization, with localized neighborhood access. We met and put our collective brilliance and compassion to work and came up with the plan to hold the food drive after the holidays and, to further increase donations, we established a competition amongst the staff. In no time at all, we had a MOM'S TEAM put together (Susan, Paul, Michelle, Lori, and Tony) which set the parameters, strategies, developed staff teams, created awards and prizes, cooked breakfast or lunch for the section winners, and planned the final hurrah. At the end of the food drive we invited the staff at Mom's Pantry to join us for an all-staff hot dog barbecue luncheon cooked by all staff to celebrate the office's accomplishments. Joe Martinez from Mom's Pantry expressed his appreciation on behalf of the pantry for what PSPRS staff had accomplished during this event. He also provided some amazing news regarding the results of the drive.

We ran the collection in two-week increments, with a specific food or product per collection. Here are the final stats:

Week A: Dry beans = 244 pounds
Week B: Canned goods = 781 pounds
Week C: Pasta/Rice = 1,643 pounds
Week E: Paper goods = 235 pounds
Grand total = 3,109 pounds = 1.5 tons!
All donated by approximately 40 staff members

Our IT development team was the GRAND PRIZE winners, with a total in a single haul of 1,285 pounds which equaled 210 pounds per person! The comment from Mom's Pantry was this: "You really only have 40 people working here?" Since the pantry opened ten months ago, PSPRS staff is the LARGEST contributor to date!

It is amazing what a small group can accomplish when heart, spirit, and compassion take the lead...which is what we feel our office demonstrates regularly with our service to our members, local boards and employers.

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THE PSPRS LOCAL BOARD NEWSLETTER

Volume: 6
Issue: 6

*"Everyone is entitled to his own opinion, but not to his own facts."
- Daniel Patrick Moynihan*

July / August 2014 Newsletter

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With the start of Fiscal Year 2014/2015, we here at PSPRS wanted to take a moment to thank all of our Local Boards for the hard work put in over the last year. With the changing environment of not only our System but of many public pension plans, we are truly appreciative of the partnerships with each of our boards in ensuring that we provide the highest level of service, communication and value to all of our active and retired members, as well as their beneficiaries. We look forward to another year of positive collaboration with each of you.

Board of Trustee Spotlight: Brian Tobin, Chairman

While most 16-year-olds are busy learning to drive and hanging out with friends, PSPRS Board President Brian Tobin was helping the Phoenix Fire Fighters Union in an arbitration campaign with the city. Tobin decided early on to dedicate his life to public service and safety, following in the footsteps of his family. His father was a retired police officer from Long Island who moved the family to Arizona. Just into his teens, he was an original member of the Phoenix Fire Department's Cadet Program, eventually working his way to chief of the program.

"I spent every Saturday at the fire station doing chores around the house and learning about being a firefighter," Tobin said. "Eventually, they allowed me to come along on calls, though I didn't get to fight the fires."

Tobin was officially hired as a Phoenix Firefighter in 1983 and rose through the ranks in his three-decade



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career, attaining the shift commander position he holds now for Phoenix Fire, wherein he oversees all operations in the southern portion of the city.

Gov. Janet Napolitano first appointed Brian to the PSPRS board and Gov. Jan Brewer reappointed him in 2010.

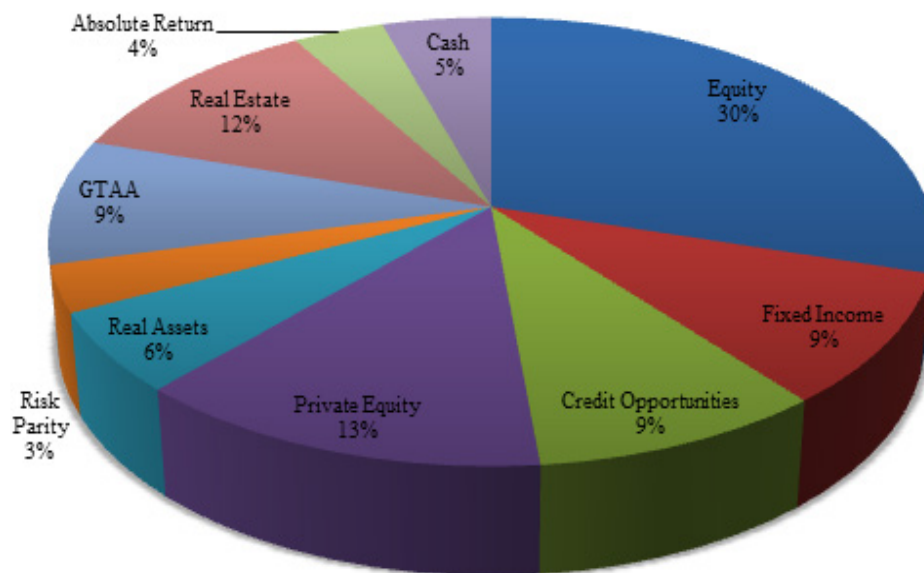
When he's not responding to incidents or helping run the System, Tobin, his wife and children enjoy the beach, visiting Rocky Point whenever possible.

Tobin continues to be a cornerstone of the Arizona Firefighter's ability to have a continuing positive impact on our state, cities, our fire departments, our members and their families.

Investment Update

With a month remaining in the fiscal year the PSPRS Trust (which aggregates the assets from PSPRS, EORP, and CORP) is up 12.94% (gross of fees). The asset allocation through the end of May is presented below. The percentages may not sum to 100% due to rounding.

AZ PSPRS Trust (5/31/14)



Over the last few months there have been several notable events. First, two asset-classes are substantially outperforming expectations both on an absolute and relative basis. The Private Equity portfolio has returned about 27% over the last twelve months compared to a benchmark return 22%. Venture-backed companies that went public are driving a lot of the appreciation in that asset class. At 27% we are confident the Private Equity program is among the best in the nation. Another portfolio worth mentioning is the Credit Opportunities portfolio. Over the last five years it has returned over 16%, well above its benchmark return of 11.5%. What's more is that it also outperformed the Equity benchmark, which only returned 15.28% over the same time period (all returns are gross of fees). Credit investments are generally safer than equity investments so we would expect



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to receive a lower return versus equity. The Credit Opportunities portfolio is ranked first in the nation on a one-year and three-year basis and seventh on a five-year horizon. Success in both the Private Equity and Credit Opportunities portfolios is the result of great work five years ago by members of the investment team who carefully laid the foundation for truly robust programs.

Finally, we highlight an academic paper written by the investment team entitled "Modern Pension Fund Diversification" which is posted on the Social Sciences Research Network (SSRN) and accessible by members of the public. It seems to be gaining some notoriety and was recently listed on SSRN's "Top Ten" download list. As a team we continue to innovate and seek ways to build enduring portfolios. To that point, we reiterate our commitment to diversification. In order to increase the chances of achieving the actuarial rate of return of 7.85% the portfolio must contain complimentary exposures. Diversification helps mitigate the risk of losing capital and, over time, offers superior returns relative to concentrated portfolios, when volatility is considered. Overall we are pleased with the portfolio's resiliency and look forward to sharing additional details in future newsletters. Thank you for your support.

News from our Retired Members Department

Permanent Benefit Increases

With the recent Arizona Supreme Court decision in the *Fields* case regarding Permanent Benefit Increases for eligible retiree and beneficiaries, our office has had to reassess current processing of these increases. Early in July our office sent out a communication to retirees and beneficiaries as well as to local boards regarding this issue.

The Permanent Benefit Increases (PBI) commonly referred to as the Cost-of-Living-Adjustment is still effective each July 1 for those individuals who are eligible. However, based on the need to have final fiscal year end performance investment results and the associated available assets to fund these increases, it has become necessary to now process these increases in the month of September. So, with this upcoming and all future PBI assessments and payment processing, those eligible retirees and beneficiaries will see those adjustments to their base benefit in their September pension payment. Additionally, our office will process a separate retroactive payment in that same month to reflect the additional increased amount that became effective as of July. Below highlights the new process:

Determining PBI:

- ✦ System closes fiscal year end (June 30th). This includes ensuring all contributions are received from each employer, applying proper service credit to each individual's account record and finalizing input of all June effective retirements and DROP participants.
- ✦ From June 30th until approximately August, the System receives final performance results for each of the investment asset classes. During this time, the System is compiling, auditing and preparing the necessary retiree demographic information that will be provided to the actuary.
- ✦ Approximately in early August finalized demographic and investment performance information is provided to the System's actuary for calculation of PBIs to be applied to all eligible recipients in all three plans.
- ✦ PBI information is received from our actuary in late August for processing.
- ✦ System applies and processes PBI amount to base benefit for each eligible member, and completes necessary calculations to determine retroactive payments for each individual recipient.



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- Approximately 1st or 2nd week of September PBI retroactive payment is made to eligible retirees and beneficiaries (amounts owed for July and August).
- Regular September pension payments are processed with new PBI amount included.

For the most up-to-date information regarding the 2014 PBI, please go to the PSPRS website at www.psprs.com, or you may listen to the voicemail greeting at the PSPRS administrative office.

Marriage Certificates vs. Marriage Licenses

We would like to remind boards, that we cannot accept marriage licenses when it comes to processing benefits. This is especially important for survivor benefits. Statutes require that a couple must be married for two consecutive years to grant a survivor benefit to a widow or widower who survives a retiree. If the individual is the survivor of an active member, they must have been married at time of death. In order to award this type of benefit, local boards must ensure that a lawful marriage has occurred, and the only document that proves that fact, is a member's marriage certificate. The marriage certificate validates that the marriage occurred and that it was properly filed and certified with the appropriate county/state legal entity. The System requires that when you are processing a survivor benefit and gathering the necessary supporting documents that you collect from the survivor a copy of a truly certified marriage certificate.

Local Board Agendas and Minutes

Our office continues to regularly receive from boards copies of their regular meeting board agendas as well as copies of executive session minutes. We would like to remind all boards that these documents do not need to be submitted to our office. Statutes only require that local boards submit minutes of their regular public session actions.

Annual Forms and Spreadsheets Update

System-approved individual forms and the electronic retirement spreadsheets are currently being updated and will be available for use on our website in September. You will find these documents under the "Employer" section on each Plan's main page and by clicking on the "Forms" or "Spreadsheet" links. The updated spreadsheets must be used with all new January 2015 effective retirements.

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PSPRS Local Board Newsletter

Volume 7, Issue 1

September / October 2014

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Please forward this edition of the newsletter to your employer and finance director.

2014 Actuarial Reports

The actuarial reports will be posted to the website at www.psprs.com in late October 2014, which you will be able to review the new employer rates and funding level for your group. This year your local board will need to review the actuarial report and in your local board minutes accept the actuarial report.

Investment Department Update

We are pleased to report the return for FY '14 exceeded expectations at 13.8%, gross of fees. The Trust's return, which resulted in an increase of about \$990 million, is outstanding considering the conservative nature of the portfolio. In fact, the Trust's returns were better than 90% of its peers with the same risk over the last three and five years.

In addition to the strong portfolio performance, we highlight an academic piece we wrote entitled "Modern Pension Fund Diversification". The paper made several appearances in the Social Sciences Research Network weekly top-10 list before being accepted by the Journal of Asset Management—arguably the most rigorous journal in our field. The document highlights our steady commitment to diversification. In order to increase the chances of achieving the actuarial rate of return of 7.85% the portfolio must contain complimentary exposures. Diversification helps mitigate the risk of losing capital and, over time, offers superior returns relative to concentrated portfolios, when volatility is considered. No portfolio guarantees positive returns every year, but we are pleased with the portfolio's resiliency so far and look forward to sharing additional details in future newsletters.

Thank you for your support.

Retired Members Department Spotlight

Benefits Manager Bonnie Brown boasts 10 years of experience with PSPRS, and her pension know-how dates back to her days as a local retirement board secretary for the Maricopa County Sheriff's Department. Brown's job has been anything but easy during the last several years, as she has led a team that has handled the aftermath of the PBI, the Fields decision, the closing of the EORP plan, and, lastly, ensuring that our beneficiaries' personal information is protected by LifeLock.

Looking out for others is nothing new to Bonnie, who graduated from Northern Arizona University with a degree in social work and a simultaneous Commissions Ceremony honoring as a second lieutenant with the U.S. Air Force. Her experience with the armed forces included enlisted mission support service in Florida, New Mexico and even Germany, and on several occasions Bonnie was honored on bases as "Officer of the Quarter" and "Officer of the Year."

Bonnie also spent a great deal of time volunteering and serving the community in special projects throughout her undergrad years. She assisted abused women and children at the Northland Crisis Shelter, spent several years with Big Brothers/Big Sisters, and served a charity center that benefitted a handful of national charities.

Bonnie's vast experience with pension benefits, service to vested beneficiaries and well-rounded background make her an invaluable addition to the PSPRS team.

Insurance Department Update

The annual state enrollment, including ASRS and ADOA, is coming; packets should start mailing out mid-September with enrollments being during October through November and coverage starting in January. We do not have the specific information as of yet but will update our website as soon as we do.

Active Members Department Update

HB2050, Social Security Agreement

ARS 38-766.02. Retired members; return to work; employer contribution payments; definitions

A. Notwithstanding section 38-766.01, subsection D, beginning July 1, 2012, an employer shall pay contributions at an alternate contribution rate on behalf of a retired member who returns to work in any capacity in a position ordinarily filled by an employee of the employer. This subsection applies to a retired member who has reached a normal retirement age or a retired member who retired under section 38-758 if the retired member's retirement benefit has not been suspended pursuant to section 38-766.

The enactment of HB2050 does not change how an employer implements the ACR with respect to a covered PSPRS positions. Should an employer take action and hire a PSPRS

retiree into a position that is traditionally filled by an individual who would have otherwise been required to contribute to our plan, the employer is still responsible for the ACR. This would be in addition to any requirement now in place under HB 2050 to require the employee to now contribute to ASRS.

Web Support Update

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PSPRS Local Board Newsletter

Volume 7, Issue 2

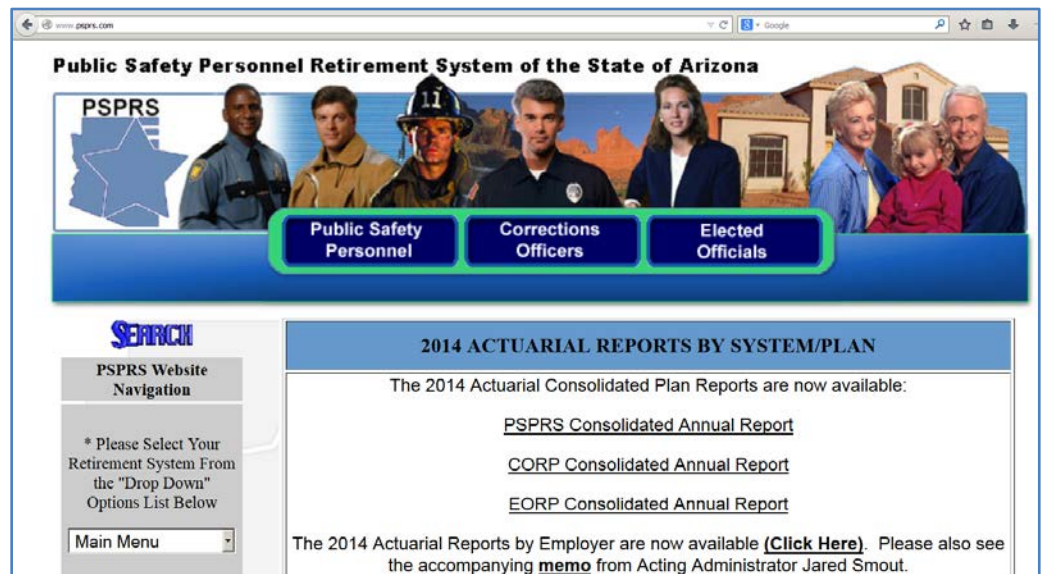
November / December 2014

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2014 Actuarial Reports

Please see our website and from the FRONT PAGE you may access the Consolidated and Individual Reports.



You can also click on the following links:

- [PSPRS Consolidated Annual Report](#)
- [CORP Consolidated Annual Report](#)
- [EORP Consolidated Annual Report](#)
- [Actuarial Reports by Employer](#)
- [Memo from Acting Administrator Jared Smout](#)

Investment Department Update

The last couple of months (September and October) have been marked by substantial volatility in investment markets. U.S. stock markets surged from 4 percent to 5 percent in August, but fell in September and part of October before a slight correction. With only a few days left in October, U.S. stocks are down about -13 percent for the fiscal year. As we have previously reported, the Trust has considerably less exposure to U.S. stocks and, as a result, has experienced only some of that volatility. Through the end of September the Trust was down less than half of one percent. That is still a ways from the Trust's assumed earnings rate of 7.85 percent but remarkably better than a 13 percent loss. Escaping broad market swings unscathed is almost impossible because of the resulting propensity to trigger panicked selling. In such scenarios, investors sell financial assets that to them appear to be risky, without discriminating between high and low quality. This results in wholesale value erosion for all financial assets regardless of whether they are stocks, high yield bonds or emerging market equities.

The Trust's portfolio is constructed to tolerate volatility and to provide a more stable rate of return. This is accomplished through careful diversification. You can read more about our views on diversification in an academic piece written by PSPRS entitled "Modern Pension Fund Diversification." The paper was published in the Social Sciences Research Network weekly top-10 list before being accepted by the Journal of Asset Management – arguably the most rigorous journal in our field. We maintain that the portfolio must contain complementary exposures in order to increase the chances of achieving the actuarial rate of return of 7.85 percent. Diversification helps mitigate the risk of losing capital and over time offers superior returns relative to concentrated portfolios when volatility is considered. No portfolio guarantees positive returns every year, but we are pleased with the portfolio's resiliency so far and look forward to sharing additional details in future newsletters.

Thank you for your support.

Same-Sex Marriage

Effective October 17, 2014, U.S. District Judge John W. Sedwick declared Arizona's ban on same-sex marriage unconstitutional and instructed the state to remove the ban effective immediately.

What does this mean to the Local Board and to the members?

- In general, same-sex legally married couples who marry in Arizona or in other states where it is legally recognized will now be able to qualify for a surviving spouse pension and health insurance benefits pursuant to statute(s).
- A.R.S. §§ 38-846(A), 38-887, and 38-807(A) - Requires that upon the death of a retired member, the member and spouse must be married for two consecutive years at the time of the members death in order to qualify for the surviving

spouse pension. *Please note that there is no time-requirement of marriage for a member that is currently employed with a PSPRS, CORP or EORP employer and making contributing to the Plan/System.*

- It is **required** that the PSPRS receive a copy of the **recorded/filed** marriage license or certificate. Failure to provide acceptable documentation validating that the marriage was **recorded/filed** with the Clerk of the Court/County may affect eligibility for the surviving spouse pension (and health insurance benefits).

Because litigation for same-sex marriage varies from state to state, the PSPRS will continuously review policies and procedures. This is not an official version of the Arizona Revised Statutes, or applicable laws. If there are any discrepancies, the official version(s) will prevail.

Active Members Department Spotlight

Our Active Member services department serves more than 34,000 members included within the three plans, with 250 employer groups under those plans. During the last 10 years the Active Member services has grown considerably alongside legislative and plan changes. Alison Lidstone is a part of these highly dedicated and very motivated staffers. Ali graduated from ASU WP Carey School of Business in 2011 with a Business Communications degree and she made the Dean's list three semesters during her academic career. In addition to her scholastic burden, which included taking 15 or more credit hours a semester, Ali spent 20 hours a week waiting tables at a local Red Lobster, and just after graduation and starting with PSPRS, Ali married the love of her life, Rob! Since Ali joined PSPRS she has been instrumental in helping streamline processes within the service purchase and fiscal year-end-close procedures. Her attention to detail and 100-watt smile have made her a staff favorite, and the membership asks for her by name. Active Member services are a high energy group providing service to the younger cross section of our membership. With ever-changing legislation our staff has to be flexible, pro-active, and forward-thinking. Ali has all of those qualities and her grace and customer service skills raise the bar for all PSPRS employees. Ali can be contacted at the office Tuesday through Friday, normal office hours on those days at extension 2009. If your department's active membership or board staff is in need of assistance you will be hard pressed to find anyone finer than Alison!

Local Board Training

Below are the dates, times, and topics of our currently scheduled trainings for fall 2014.

We would like to invite local boards who live in the southern region of Arizona to attend in person at the following training session. A review of the duties and responsibilities will be discussed and the actuarial reports.

Date: December 5, 2014, 10 AM

Plan Benefits, who should I contact if I am ready to retire? Duties of the Local Board Secretary

Location: 4631 W. Calle Torim Tucson, AZ 85757

Contact: Bernice Rodriquez at Bernice.E.Rodriguez@pascuayaqui-nsn.gov or Don Mineer at don@psprs.com to register

Contact Information

PSPRS Administrative Offices

(for PSPRS, CORP, and EORP)

3010 E. Camelback Road, Suite 200

Phoenix, Arizona 85016

Tel. (602) 255-5575

Toll-Free (877) 925-5575

General Fax: (602) 255-5572

Active Members Fax: (602) 296-2368

Retired Members Fax: (602) 296-2369

E-Mail Directory

Below is an e-mail directory for the most common inquiries we receive, sorted alphabetically by inquiry.

Active Members Services:	ladawn@psprs.com
Cancer Insurance Program:	annette@psprs.com
Employer Contribution issues:	web_support@psprs.com
Members Only issues:	web_support@psprs.com
Retired Members Services:	bonnie@psprs.com
Service purchases or transfers:	tony@psprs.com
Training inquiries:	rortega@psprs.com or don@psprs.com
Website content:	webmaster@psprs.com

PSPRS LOCAL BOARD

NEWSLETTER

Volume 7, Issue 3

January / February 2015

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1099-R Statements

The 1099-R will be available to the retired and refunding members on January 31, 2015. Our office continues to mail a hard copy to the membership, and of course the on-line offers instant access. Members will create an account in the Members Only portal- and then be able to retrieve their personal information, including the 1099-R.

One of the most common calls our office receives during tax time is in regards to Box 5 on the 1099-R. Our retired members believe it indicates their Medical and Dental Insurance premium deductions; and it is labeled as such on the form. However, the information is in regards to the “non-taxable portion” of their gross pension total. For the sake of tax reporting this dollar amount should NOT be included in reportable income as the member paid taxes on these earnings during his employment.

Did You Know?

In case you missed it...

PSPRS was cleared of any criminal wrongdoing related to its investment practices by the U.S. Department of Justice in late November. The federal investigation into PSPRS lasted more than a year and stemmed from former employees’ allegations that PSPRS investment staff overvalued real estate properties in order to trigger bonuses for themselves.

The finding by the U.S. Department of Justice, which investigated together with the FBI, exonerates PSPRS as an agency and its board of trustees. News of the announcement was made during a press conference at the office of PSPRS.

“From our perspective we feel vindicated, to say the least, even though we’ve known all along we had done nothing wrong, the allegations were not true and they were never true,” said PSPRS Board of Trustees Chairman Brian Tobin.

Participants of the press conference included PSPRS defense attorney Jim Belanger, PSPRS Audit and Compliance Officer Bridget Feeley, past-president of the Professional Firefighters of Arizona Tim Hill and Tobin.

According to Belanger, the absolving of the agency is a major development, as investigating authorities do not absolve entities without first finding no evidence of criminal conduct by personnel.

Mr. Belanger said federal authorities rarely make exonerations public, although a similar absolving of PSPRS investment staff could be issued in coming months.

It is important for local boards, members and the public to know that PSPRS and its staff members have consistently denied any wrongdoing. Additionally, values of assets are not determined by PSPRS staff. Valuations are typically determined by external asset managers associated with PSPRS investment partners.

The valuations of the real estate investment in question were reviewed and approved by several independent accounting firms, consultants and auditors. The Arizona Auditor General’s Office also concluded the contested valuations were “entirely appropriate.”

PSPRS members and beneficiaries are encouraged to watch the Nov. 24 press conference, which can be viewed at www.psprs.com.

Investment Department

As expected, market volatility reappeared in 2014 as evidenced by wide market swings in global stock prices, the significant devaluation of the Euro relative to the US dollar (a 15% decline over a period of about six months) and, of course, the price of crude oil (at its lowest level in seven years). It is almost impossible to escape these broad market swings unscathed because they have a propensity to trigger panicked selling. When investors panic, they sell financial assets that to them appear to be risky, without discriminating between high and low quality assets, and put the money in cash. This results in wholesale value erosion for all financial assets regardless of whether they are stocks, high yield bonds, or emerging market equities. Most pension plans do not have the luxury of avoiding or ignoring risk. If we use a US Treasury bill to proxy the return an investor would receive over the next year without assuming any risk the return would be 0.25% if purchased today (1/6/15). However, the Trust has a return target of 7.85%, which means the Trust must hold assets that contain some level of risk to meet the assumed earnings rate otherwise it would only earn 0.25%. We think the keys to success are twofold; to construct a portfolio of complimentary exposures and to recognize a long-term view is required because volatility can never be eliminated (and in some instances it creates attractive investment opportunities).

We are happy to report that through the end of November the Trust's annualized three-year and five-year returns are 9.75% and 8.29% respectively, both above the assumed earnings rate. No portfolio guarantees positive returns every year, but we are pleased with the portfolio's resiliency so far and look forward to sharing additional details in future newsletters.

Thank you for your support.

Active Member Services Department

Another year has come and gone. Based on the most recent combined actuarial valuation dated June 30, 2014, the Alternate rate for all 3 Plans has been determined. PSPRS is 28.62%, CORP is 11.33% and EORP will remain at 23.50%. As of July 1st, 2015 the Alternate transmittals on-line will reflect these new rates. Please take these percentages into account for budgeting purposes. The regular contributions rates were also made available in your individual actuarial valuations.

Retired Member Services Department

Each September we update our website with information needed by our local boards. We have posted the changes to our retirement instruction manual and spreadsheets to help you with your responsibilities. Please review this information. Please begin using the updated spreadsheets to process all benefit types. Beginning with January 2015 effective retirements, our Retired Members Department will not accept retirement packets with documents dated 9/13 (September 2013 edition of forms). You will find the form version on the upper right hand side of each document.

Also, as a reminder, if you have not met twice this year, be sure to meet and send in the minutes from your meeting. It is required by law to meet twice a year.

Working in accordance and by schedule of the Arizona State Records and Archives department, the PSPRS administrative office will no longer keep the paper copies of the minutes of each employer's board meetings. However, statute still requires that we receive via certified mail, and we will no longer maintain the paper copies. It would be advisable that each employer group seek legal opinion and guidance on your document retention policies for your agency as we are unable to provide guidance for each board.

Active Members Department Spotlight

LaDawn Toger is our Active Member Services Manager for Public Safety Retirement pension fund. She has spent the past 23 years with PSPRS wearing a variety of hats. Over two decades ago when LaDawn joined our staff she had graduated from Glendale High school and had another part time job. She began as a file clerk with a desk located in the hallway! As her amazing skill-set proved invaluable, she moved through the office assisting the Member Services with contributions, processing reports, benefits, and detective like file location prowess. If something was amiss or difficult to locate, LaDawn was the first and last stop! As the years have traveled by her involvement with our Local Boards, the City and State agency employer staff, and membership became

her focus. She is a seasoned expert on inter-system/plan transfers and the statutes specific to our Active membership. With over twenty years of experience the employers and members find her a wealth of information, and her historical value to our organization is beyond compare. LaDawn leads a staff of 5 terrific people, and they accomplish all of the new enrollments, refunds, transfers, redemption of service, payroll, Local Board assistance, annual and fiscal balancing and reporting, scanning, and keeping current with the ever changing statutes which govern the plans. She is quick thinking and problem solving from beginning to end, and the pension fund could not manage without her. You may reach LaDawn at her extension, 2001, Monday through Friday.

PSPRS Educational Seminar

I'd like to extend an invitation to all of our employer groups to attend a free educational session regarding PSPRS where we will discuss our current state with regards to unfunded liability and the impact of recent court decisions. We will also unveil tools developed by our actuaries designed to aid employers in making decisions impacting your account. This is a joint effort with the League of Arizona Cities and Towns where Scott McCarty, Chairman of the League's Pension Task Force, will also discuss options currently available to employers to help assess your own situation and the tools you can utilize to pay down your unfunded pension liabilities. Scott's presentation will include discussion of a document being developed by the Task Force highlighting employer best practices for managing your individual PSPRS account.

The following dates and locations have been finalized:

Monday, February 2, 2015, Oro Valley
Council Chambers, Oro Valley Town Hall
11000 North La Cañada Drive
Oro Valley, AZ 85737
2:00 - 4:30 pm

Monday, February 23, 2015, Phoenix
Burton Barr Central Library - Pulliam
Auditorium
1221 North Central Avenue
Phoenix, AZ 85004
1:00 - 4:00 pm

Friday, February 27, 2015, Show Low
Council Chambers
181 North 9th Street
Show Low, AZ 85901
9:00 am– 12:00 pm

Tuesday, February 10, 2015, Yuma
Council Chambers, Yuma City Hall
One City Plaza
Yuma, AZ 85364
11:00 am - 2:00 pm

Tuesday, February 24, 2015, Flagstaff
Council Chambers, Flagstaff City Hall
211 West Aspen Avenue
Flagstaff, AZ 86001
9:00 am– 12:00 pm

Please check our website (www.psprs.com) for further details and make note that we will send an e-mail notification to all employer contacts (local board, finance, etc.) within our system. To register, please email rsvp-psprsworkshops@azleague.org and provide your name, title, and the location you want to attend or call 602-258-5786.

We look forward to seeing you there.

Jared Smout
PSPRS Acting Administrator

On another note: While PSPRS is not affiliated nor promoting the Arizona Society of CPAs, I would like to inform you of their Governmental Accounting Conference on February 13, 2015 where the bulk of the conference will be focusing on the new GASB pronouncements for pension accounting that you have been learning about and will need to implement with your June 30, 2015 CAFR. You will learn more about these pronouncements, what your responsibility is, what we will be providing for you, and receive additional guidance from the Office of the Auditor General to help you. You can learn more and register for this conference by visiting their website at www.ascpa.com (click CPE > Conferences > Governmental Accounting Conference).

Contact Information

PSPRS Administrative Offices
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3010 E. Camelback Road, Suite 200
Phoenix, Arizona 85016
Tel. (602) 255-5575
Toll-Free (877) 925-5575
General Fax: (602) 255-5572
Active Members Fax: (602) 296-2368
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Retired Members Services:	bonnie@psprs.com
Service purchases or transfers:	tony@psprs.com
Training inquiries:	rortega@psprs.com or don@psprs.com
Website content:	webmaster@psprs.com