

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

**October 1, 1999 Actuarial Report
(Revised)**

**For the Fiscal and Plan Year
October 1, 2000
through
September 30, 2001**

Prepared By:

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March 28, 2002

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& A**

March 28, 2002

Board of Trustees
City of Miami Fire Fighters' and
Police Officers' Retirement Trust
2828 Coral Way, Suite 101
Miami, FL 33145-3214

Revised Actuarial Report

Dear Board Members:

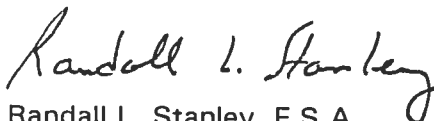
Enclosed is our revised report on the actuarial valuation of the City of Miami Fire Fighters' and Police Officers' Retirement Trust for the fiscal year beginning October 1, 2000.


The report is based upon the terms of Ordinance No. 10002 and the Amended Final Judgment in the matter of Gates v. City of Miami. Consistent with reports for the past five years, no liabilities or costs are included for the provision to transfer compensated absence balances into FIPO to purchase additional creditable service, based on our understanding that assets will be transferred immediately prior to retirement to cover 100% of the liability for the additional service.

The calculations summarized in this report reflect the recommendations from the triennial experience study, dated January 5, 2000, which were adopted at the April 14, 2000 Board meeting, as revised at the March 1, 2002 Board meeting.

Please note that the City contribution has been calculated based on a Member contribution rate of 7%, even though the City contribution rate is less than 7%.

Sincerely,


Randall L. Stanley, F.S.A.
Consulting Actuary and Principal


Frans Christ, F.S.A.
Consulting Actuary

RLS/FC/di
MIAMI01B

Enclosures (15)

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

OCTOBER 1, 1999 ACTUARIAL REPORT

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CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

OCTOBER 1, 1999 ACTUARIAL REPORT

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CITY OF MIAMI
 'FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Comparative Summary of Principal Valuation Results - Regular Fund

	Actuarial Valuation	
	Prepared as of	
	<u>10/1/99</u>	<u>10/1/98</u>
A. <u>Participant Data</u>		
Active Members	1,684	1,587
Total Annual Payroll	\$77,714,839	\$74,285,456
Retired Members and Beneficiaries	1,137	1,111
Total Annualized Benefits	\$33,897,228	\$32,119,544
Disabled Members	238	244
Total Annualized Benefits	\$3,843,012	\$3,854,337
Terminated Vested Members	20	20
Total Annualized Benefits	\$365,078	\$372,959
B. <u>Assets</u>	\$-	\$-
Actuarial Value (Ex. 2)	911,710,668	850,724,632
Market Value (Ex. 4)	932,848,186	857,657,547
C. <u>Liabilities (Excl. COLA)</u>		
Present Value of Benefits (Ex. 1)		
Active Members - Retirement	543,957,165	511,500,876
Vesting	9,300,714	9,216,541
Disability	11,136,818	10,653,622
Death	223,217	243,185
Return of Contributions	1,258,016	1,427,951
Total	<u>565,875,930</u>	<u>533,042,175</u>
Inactive Members - Retired and Beneficiaries	356,837,388	333,841,021
Disabled	36,995,628	37,317,465
Terminated Vested	2,954,136	3,214,033
Total	<u>396,787,152</u>	<u>374,372,519</u>
Total	<u><u>962,663,082</u></u>	<u><u>907,414,694</u></u>
Actuarial Accrued Liability	N/A	N/A
Unfunded Actuarial Accrued Liability	N/A	N/A

CITY OF MIAMI
 'FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Comparative Summary of Principal Valuation Results - Regular Fund
 (Continued)

	Actuarial Valuation	
	Prepared as of	
	<u>10/1/99</u>	<u>10/1/98</u>
D. <u>Actuarial Present Value of Accrued Benefits</u> (Exhibit 5)	\$-	\$-
Vested Accrued Benefits		
Inactive Members and Beneficiaries	396,787,152	374,372,519
Active Members	375,317,388	353,901,635
Total	772,104,540	728,274,154
Non-Vested Accrued Benefits		
Total	<u>12,785,156</u>	<u>12,306,549</u>
	784,889,696	740,580,703
E. <u>Pension Cost</u> (Exhibit 1)		
Normal Cost	9,469,401	10,750,476
Payment to Amortize Unfunded Liability	N/A	N/A
Expected Plan Sponsor Contribution	4,029,362	5,550,494
As % of Payroll	5.2%	7.5%
Expected Member Contribution	5,440,039	5,199,982
As % of Payroll	7.0%	7.0%
F. <u>Past Contributions</u>	<u>Year Ending</u> <u>9/30/99</u>	<u>Year Ending</u> <u>9/30/98</u>
	\$-	\$-
Required Plan Sponsor Contribution	10,376,473	14,155,472
Required Member Contributions	8,556,140	7,692,571
Actual Contributions		
Plan Sponsor	10,376,473	14,155,472
Members	8,556,140	7,692,571
G. <u>Net Actuarial Gain (Loss)</u>	N/A	N/A
H. <u>Other Disclosures</u>		
Active Members:		
Present Value Future Salaries (at attained age)	384,635,338	361,360,257
Present Value Future Contributions (at attained age)	25,902,241	24,360,892

CITY OF MIAMI
 'FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Comparative Summary of Principal Valuation Results – COLA Fund

		Actuarial Valuation	
		Prepared as of	
		<u>10/1/99</u>	<u>10/1/98</u>
A. <u>Participant Data</u>			
Active Members			
Total Annual Payroll			
Retired Members and Beneficiaries			
		1,137	1,111
	Total Annualized Benefits	\$5,848,101	-
Disabled Members			
		238	244
	Total Annualized Benefits	\$1,606,118	-
Terminated Vested Members			
Total Annualized Benefits			
B. <u>Assets</u>			
		\$-	\$-
	Actuarial Value (Ex. 13)	205,855,412	169,260,446
	Market Value (Ex. 13)	180,669,469	144,191,624
C. <u>Liabilities (COLA Only)</u>			
Present Value of Benefits (Ex. 13)			
Active Members -			
	Reserve for Current Actives	31,333,770	20,379,934
	Reserve for Contribution Refunds	30,969	44,285
	Reserve for Future Actives	<u>4,700,066</u>	<u>3,056,990</u>
	Total	36,064,805	23,481,209
Inactive Members -			
	Frozen COLA I Benefits	3,436,654	3,611,116
	COLA II Benefits	<u>99,622,534</u>	<u>66,883,148</u>
	Total	103,059,188	70,494,264
Total		<u>139,123,993</u>	<u>93,975,473</u>

Comparative Summary of Total Assets - Combined

Market Value (Ex. 4)	1,084,691,071	976,453,035
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CITY OF MIAMI
 'FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

REVIEW OF COSTS

Summary Discussion

This is a revised actuarial report for the fiscal year beginning October 1, 2000 for the Board of Trustees of the City of Miami Fire Fighters' and Police Officers' Retirement Trust. This report is intended to reflect the provisions and requirements of Ordinance No. 10002.

Comparison of Deposit Requirements

The City contribution requirement, and the results calculated for the 2000/2001 fiscal year, are as follow:

	<u>1999/2000</u>	<u>2000/2001</u>	
		<u>Prior</u>	<u>Revised</u>
		<u>Assumptions</u>	<u>Assumptions</u>
	-\$-	-\$-	-\$-
Past Service Cost	N/A	N/A	N/A
Normal Cost	5,400,784	3,064,572	4,029,362
Payment Timing	<u>0</u>	<u>0</u>	<u>0</u>
	5,400,784	3,064,572	4,029,362

As will be noted, the 2000/2001 deposit amount of \$3,064,572 (prior to the assumption change) was approximately \$2.3 million less than the \$5,400,784 for the prior year. Approximately \$2.7 million is due to investment experience more favorable than expected during the year ending September 30, 1999.

Experience Study

The triennial experience study, covering the period October 1, 1996 through September 30, 1998, was completed by Pension Board Consultants, Inc. Their report, dated January 5, 2000 contained the following recommendations:

<u>Assumptions</u>	<u>Recommendation</u>
<input type="checkbox"/> Retirement	Reduce decrements
<input type="checkbox"/> Active Mortality	Change from 1983 to 1994 table
<input type="checkbox"/> Inactive Healthy Mortality	Change from 1983 to 1994 table
<input type="checkbox"/> Net Investment Return	Reduce from 7.75% to 7.50%

Retirement: Our annual gain/loss analyses (see next Section) tend to support the reduction of the retirement decrements, with the differences between actual and expected retirements particularly pronounced in the year ending September 30, 1999. Some of the benefits changes which can be expected to impact the incidences of retirement have been:

- As of October 1, 1994:
 - 3% multiplier for firefighters
 - Police changed from Rule of 70 to Rule of 64
 - Early retirement window in June - July, 1995

- As of October 1, 1998:
 - DROP for firefighters

- As of October 1, 1998:
 - Firefighters changed from Rule of 70 to Rule of 64
 - DROP for police
 - Back DROP for both groups
 - Multiplier increased from 3% to 3.5% after 15 years

With the introduction of DROP for each group, the retirement assumptions were changed to the assumption that all members would retire (DROP) when first eligible. Emerging experience seems to clearly indicate that this is not occurring. However, because of the variety of changes summarized above, it is very difficult to predict how members will retire in the future. Consequently, we recommend no change in the retirement assumption at this time.

Mortality: The Experience Study report recommended that the Board consider changing from the 1983 Group Annuity Mortality Table to the 1994 Group Annuity Mortality Table. Since the 1994 Table is the more current table, we support this recommendation.

Investment Return/Interest Discount: The Experience Study report recommends that the Board consider reducing the investment return/interest discount assumption from 7.75% to 7.5%. This recommendation was due to the payment of investment expenses from the Trust and the expectation that future investment yields will be lower than in the past.

We do not disagree with these recommendations. The reduction of .25% is approximately equivalent to a \$30 million increase in liabilities. In many respects, this may be viewed as equivalent to a reserve of \$30 million from past investment gains. Conceptually, this has a great deal of appeal. In fact, it could well be prudent to reserve substantially more than the \$30 million (which is approximately 3% of assets).

Consequently, with the caveat that it may not be sufficient, we agree with this recommendation.

At the April 14, 2000 Board Meeting the change to the 1994 Group Annuity Mortality Table and reduction of 1/8% to 7.625% in the Investment Return/Interest Discount were approved by the Board. At the March 1, 2002 Board Meeting, the Investment Return/Interest Discount assumption was changed back to 7.75%.

Analysis of Cost Changes

The Normal Cost element of FIPO costs is expected to remain level as a percentage of covered payroll, if the actual Plan experience is the same as the actuarial assumptions. An increase in the Normal Cost rate indicates that experience has been less favorable than assumed, while a decrease indicates more favorable experience.

Quantification of the reasons for the changes is as follows:

Analysis of Cost Changes from October 1, 1998 to October 1, 1999

	<u>Normal Cost</u>	
	<u>-\$</u>	<u>-%</u>
1998/1999 Normal Cost	5,400,784	9.6
1999/2000 Normal Cost Expected (for continuing participants)	5,464,778	9.6
<u>Element of Experience</u>		
Salary Increases	-1,240,000	-2.1
Turnover	+66,000	+0.1
Mortality	+334,000	+0.6
Retirement	-1,674,000	-2.6
New Participants	+2,441,000	+3.9
Disability	-96,000	-0.2
Investment Return	-2,699,000	-4.7
Other, Data	<u>-293,941</u>	<u>-0.6</u>
Total	(3,161,941)	(5.6)
2000/2001 Normal Cost - Preliminary	2,302,837	4.0
Changes in Member Contribution Rate	<u>761,735</u>	<u>+1.3</u>
1999/2000 Normal Cost	3,064,572	5.3
Assumption Changes	<u>964,790</u>	<u>+1.7</u>
2000/2001 Normal Cost	4,029,362	7.0

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As may be noted from the table, the effects of some elements of experience (salary increases and investment return, e.g.) in the 1998/99 year were favorable relative to the actuarial assumption basis. The combined net effect was to decrease both the dollar amount of the Normal Cost and the Normal Cost as a percentage of payroll. Following is a more detailed description of the elements of experience.

Salary Increases - During the period October 1, 1998 through September 30, 1999, covered payroll for the continuing actives increased less than expected, resulting in a decrease of \$1,240,000 in the Normal Cost. Covered payroll for continuing active participants at September 30, 1999 was approximately 97.8% of expected. (This compares to 96.0% of expected for the previous year, which decreased the normal cost by \$2,315,000.)

Mortality - For active members there were no deaths, as compared to 1.2 expected; for inactive members there were 30 deaths (17 without survivors), as compared to about 15 expected.

Disability - During the past year there were 3 disabilities, as compared to 3.9 expected. Over the past 20 years, there have been 105 disabilities, as compared to about 118 expected.

Turnover - From October 1, 1998 to September 30, 1999, there were 23 employee terminations, as compared to about 22 predicted by the actuarial assumptions. Following is a comparison of the expected and actual turnover rates for the past six years:

Age	<u>1993/94</u>		<u>1994/95</u>		<u>1995/96</u>		<u>1996/97</u>		<u>1997/98</u>		<u>1998/99</u>	
	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>
20-24	1.8	0	2.3	1	1.8	1	1.4	2	0.6	0	0.9	1
25-29	8.0	7	7.4	2	6.6	5	6.5	3	3.6	3	3.8	4
30-34	13.7	8	12.8	11	11.0	8	9.5	7	5.5	7	5.3	7
35-39	8.7	6	9.0	7	9.3	10	9.7	11	7.9	5	7.4	4
40+	<u>3.8</u>	<u>8</u>	<u>4.7</u>	<u>2</u>	<u>5.2</u>	<u>3</u>	<u>5.7</u>	<u>10</u>	<u>4.9</u>	<u>3</u>	<u>4.1</u>	<u>7</u>
	36.0	29	36.2	23	33.9	27	32.8	33	22.5	18	21.5	23

Retirement - There were 30 retirements during the period, as compared to about 339 expected (13 firefighters, 17 police). This resulted in a \$1,674,000 decrease in the Normal Cost. Note that retirees electing DROP are included among the actual retirees for the last three years.

Following is a comparison of the expected and actual retirements in the last six years:

Age	<u>1993/94</u>		<u>1994/95</u>		<u>1995/96</u>		<u>1996/97</u>		<u>1997/98</u>		<u>1998/99</u>	
	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>	<u>Expected</u>	<u>Actual</u>
Under 44	2.4	1	48.1	21	9.8	6	8.5	7	9.1	7	56.8	2
45-49	28.5	15	132.0	48	57.8	6	66.0	36	78.6	9	187.9	16
50-54	21.6	11	69.4	16	56.4	18	53.0	32	31.1	8	75.0	9
55-59	2.7	1	13.0	4	9.4	2	10.4	9	3.7	1	17.0	2
60+	<u>0.0</u>	<u>0</u>	<u>1.0</u>	<u>0</u>	<u>1.0</u>	<u>1</u>	<u>0.5</u>	<u>0</u>	<u>0.5</u>	<u>0</u>	<u>2.0</u>	<u>1</u>
	55.2	28	263.5	89	134.4	33	138.4	84	122.9	25	338.7	30

Investment Return

The rate of return for the year ending September 30, 1999 was 13.8% on mean market value, as shown in Exhibit 4 (13.41% on actuarial asset value, Exhibit 2). A \$16.8 million gain decreased the Normal Cost by \$2,699,000. In addition, there will be a COLA transfer of \$31,591,116 as of January 1, 2001, resulting in no City minimum contribution to the COLA fund as of that date.

Plan Assets

Exhibits 3 and 4 show the asset transactions and investment results during the year. The rate of return on mean market value for the period ending September 30, 1999 was 13.8%, as compared to the 7.75% assumption.

The actuarial asset valuation method (Exhibit 2) involves a moving average of the ratios of market to book values. Under the method, one-third of the change in unrealized gains or losses is immediately reflected, in addition to one-third of the relationships existing as of the two previous valuation dates. The result is not allowed to exceed 120% of the market value of assets, nor be less than 80% of market value (shown in Exhibit 4). The Actuarial Asset Value is further reduced to reflect anticipated future COLA transfers based on past investment results. As of September 30, 1999, this resulted in an actuarial asset value of \$21.1 million less than market value, as compared to \$6.9 million less as of September 30, 1998.

Funding Progress

The comparison of the present values of vested and accrued benefits to FIPO assets from one year to the next, or over a period of time, is a measure of interim funding progress and the degree of benefit security.

Exhibit 6 contains the result of this comparison for the past two years. The market value of assets on October 1, 1999 is \$932,848,000, as compared to the value of accrued benefits of \$774,376,000 for a ratio of 120.5% (prior assumptions) or \$784,890,000 (revised assumptions) for a ratio of 118.9. The ratio as of October 1, 1998 was 115.8%.

A ratio in excess of 100% typically may be viewed to be that of a well-funded program.

Governmental Accounting Standards

In November, 1986 the Governmental Accounting Standards Board issued Statement No. 5, Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Governmental Employers. Calculations and Disclosures under the Statement have been required for financial reports issued for fiscal years beginning after December 15, 1986.

Statement 5 requires the computation and disclosure of a "standardized measure" of the pension obligation. This measure, the actuarial present value (APV) of credited projected benefits, is based on a proration of total projected benefits over total predicted service (past and prospective), including the impact of future expected salary increases. These calculations are used for disclosure items. They do not determine funding or expense requirements.

The disclosure requirements include information for ten years on assets and pension obligation, contributions required and contributions made, revenues by source, and expenses by type. During the transition period when ten years of standardized measures are not available, the disclosure requirements are limited to the information available.

Calculations have been made as of October 1, 1999 to determine the pension obligation, \$820.2 million. This compares to assets of \$932.8 million, for a funded ratio of 114%. Last year the funded ratio was 111%. These amounts, together with other required disclosures, are contained in Exhibit 11.

These calculations are made to comply with the requirements of GASB 5. It should be understood that they are only one approach to the measurement of funding progress. They should not be used for any other purpose, such as determination of compliance with City ordinances or State Statutes or the current or future solvency of the F.I.P.O. Trust.

Revised Standards for Governmental Accounting

In November 1994 GASB issued Statement No. 25, Financial Reporting for Defined Benefit pension Plans...and Statement No. 27, Accounting for Pensions by State and Local Governmental Employers. Statement No. 25 provides parameters for financial reporting and comparison of actual contributions to "actuarially required contributions." Statement No. 27 provides standards for the financial reports of the state and local governmental employers. Statement No. 25 is effective for periods beginning after June 15, 1996; Statement No. 27, for periods beginning after June 15, 1997. GASB encourages early implementation of both statements.

The Statements do not directly impact funding, although they do require calculation of an "actuarially required contribution," or "ARC" and amortization of any deficiency or excess of actual contributions made in relation to the ARC.

This is essentially the first GASB standard for disclosures comparing actual funding to GASB standards, which are actually very permissive. The requirements of GASB25 include reporting a Schedule of Funding Progress and a Schedule of Employer Contributions.

Since the F.I.P.O. Trust uses the Aggregate Cost Method, technically no Schedule of Funding Progress is required. However, such a Schedule of Funding Progress may be prepared using another acceptable cost method. Based on our recommendation in the 1997 report, and discussion with FIPO auditors, it is our understanding that the Schedule of Funding Progress will be prepared using the Projected Unit Credit Actuarial Accrued Liability, which was previously required under GASB5. This Schedule is shown in Exhibit 11, Section III.

As recommended in the 1997 report, and reviewed by FIPO auditors, the employer contributions made in accordance with the requirements of the Florida Division of Retirement should be used as the Actuarially Required Contribution (ARC), since an exact calculation of the ARC would not differ materially from the required contribution amount. On this basis a Schedule of Employer Contributions has been added to Exhibit 11 in order to comply with the reporting requirements of GASB25. Since the Aggregate Cost Method has been in use for the past four years, only four years are shown on this Schedule.

Application of GASB27

The provisions of GASB27 are virtually identical to those of GASB25. It is our understanding that the same schedules used for GASB25 disclosure may also be used for GASB27 purposes.

COLA Fund

Calculations were made based on the updated information provided as of 10/1/99. The calculations reflect the approach adopted with

Exhibit 12, parts I and II, illustrate the general impact of the COLA increases which have been provided thus far (including the additional benefit which was provided as of January 1, 2000), by duration since retirement and by age, respectively.

As discussed in earlier reports, there is probably no completely acceptable index for measuring the impact of inflation on retirees' benefits. Although the CPI is the most widely used inflation index, it is generally considered to overstate inflation for retirees since it includes components which are not typically germane to them, such as home purchases. In the absence of a suitable alternative, a percentage of the CPI is often used as a target. If 50% of the cumulative CPI is used as a target, the current COLA equals 95% of the target. A comparison of COLA increases vs. the CPI is shown in Exhibit 12, part III. Historical data on the CPI is shown in Exhibit 12, part IV.

Enrolled Actuary's Statement

This report has been prepared in accordance with standards established by the American Academy of Actuaries. To the best of our knowledge, it reflects the actuarial condition of the City of Miami Fire Fighters' and Police Officers' Retirement Trust as of October 1, 1999 for the Retirement Fund and as of January 1, 2000 for the C.O.L.A. Fund.

All costs and cost components are calculated on the basis of actuarial assumptions which reasonably reflect the experience of the Trust.

This actuarial valuation and/or cost determination was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

Randall L. Stanley
Signature

Enrolled Actuary No. 99-602

March 28, 2002
Date

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

City Contribution Requirement for 2000/2001 Fiscal Year

	<u>Revised Assumptions</u> -\$-	<u>Prior Assumptions</u> -\$-
I. <u>Unfunded Actuarial Accrued Liability</u>	0	0
II. <u>Normal Cost</u>		
A. Present Value of Future Benefits		
1. <u>Active Members</u>		
a. Retirement	543,957,165	538,636,626
b. Disability	11,136,818	11,135,175
c. Death	223,217	255,446
d. Turnover	9,300,714	9,164,031
e. Return of Contributions	<u>1,258,016</u>	<u>1,312,267</u>
f. Total	565,875,930	560,503,545
2. <u>Retired Members and Beneficiaries</u>		
a. Service Retirements	344,200,941	337,486,596
b. Beneficiaries	12,636,447	12,617,937
c. Disability Retirements	36,995,628	36,994,780
d. Terminated Vested Members	<u>2,954,136</u>	<u>2,923,781</u>
e. Total	396,787,152	390,023,094
3. Total	<u>962,663,082</u>	<u>950,526,639</u>

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

City Contribution Requirement for 2000/2001 Fiscal Year

	<u>Revised Assumptions</u> -\$-	<u>Prior Assumptions</u> -\$-
II. <u>Normal Cost (Cont'd)</u>		
A. Total Present Value of Future Benefits	962,663,082	950,526,639
B. Present Value of Future Employee Contributions	25,902,241 ⁽²⁾	19,763,357 ⁽¹⁾
C. Actuarial Asset Value	911,710,668	911,710,668
D. Unfunded Actuarial Accrued Liability	<u>0</u>	<u>0</u>
E. Present Value of Future Normal Costs (A-B-C-D)	25,050,173	19,052,614
F. Present Value of Future Payrolls	384,635,338	384,643,454
G. Normal Cost as a Percentage of Payroll (E/F)	6.5127%	4.9533%
H. Current Payroll for those under Expected Retirement Age	57,419,305	57,419,305
I. Current Normal Cost - Payable 10/1/2000	4,029,362	3,064,572
J. (I)/(H)	7.0%	5.3%
III. <u>Recommended City Contribution</u>		
A. Past Service Cost	0	0
B. Normal Cost	4,029,362	3,064,572
C. Payment Timing	<u>0</u>	<u>0</u>
D. Total	4,029,362	3,064,572

⁽¹⁾5.3% of Compensation

⁽²⁾7% of Compensation

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CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

I. Development of Actuarial Asset Value

	<u>9/30/99</u>	<u>9/30/98</u>	<u>9/30/97</u>
	-\$-	-\$-	-\$-
A. Book Value	760,554,174	720,981,723	645,682,485
B. Market Value	932,848,186	857,657,547	835,280,017
C. B/A	1.2265375	1.1895691	1.2936390

D. $1/3 \sum(C)$		1.2365819	
E. Adjusted Market Value at 9/30/99: D x \$760,554,174		940,487,526	
F. 1. 80% of Market Value		746,278,549	
2. 120% of Market Value		1,119,417,823	
G. Preliminary Actuarial Asset Value		940,487,526	
H. Present Value of 1/1/2001 COLA Transfer, discounted at 7.75%		28,776,858	
I. Actuarial Asset Value		911,710,668	

II. Rate of Return on Actuarial Asset Value

A. Actuarial Asset Value at 10/01/98	-\$-	850,724,632
B. Contributions		
1. City		10,376,473
2. Members		<u>8,556,140</u>
3. Total		18,932,613
C. Benefits and Expenses		39,847,963
D. Present Value of 1/1/2001 COLA Transfer		28,776,858
E. Actuarial Asset Value at 10/01/99		911,710,668
F. Net Return on Investment [E+D+C-B-A]		110,678,244
G. Rate of Return [2 x F/(A+E-F)]		13.40%

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

2001 Cost-of-Living Adjustment
(COLA) Distribution Plan

Calculation of Excess Investment Return
On Membership and Benefits Accounts for 1998/99 Fiscal Year

I. Net Actual Return on Actuarial Asset Value	-\$-
A. Preliminary Actuarial Asset Value as of 10/1/99	940,487,526
B. Benefits Paid During Plan Year	36,900,501
C. Value of COLA transfer for 1997/98 Year	27,364,337
D. Contributions Refunded During Plan Year	258,383
E. City Contributions During Plan Year	10,376,473
F. Member Contributions During Plan Year	8,556,140
G. Actuarial Asset Value as of 10/1/98	<u>850,724,632</u>
H. Total Actual Return During Plan year (A)+(B)+(C)+(D)-(E)-(F)-(G)	135,353,502
I. Investment Expenses Paid During Plan Year	<u>2,614,094</u>
J. Net Actual Return During Plan Year	132,739,408
 II. Net Expected Return on Actuarial Asset Value	
A. Actuarial Asset Value as of 10/1/98	850,724,632
B. Benefits Paid During Plan Year	36,900,501
C. Value of COLA transfer for 1997/98 Year	27,364,337
D. Contributions Refunded During Plan Year	258,383
E. City Contributions During Plan Year	10,376,473
F. Member Contributions During Plan Year	8,556,140
G. Expected Rate of Return	7.75%
H. Expected Return During Plan Year	65,288,308*
I. Base Amount for Expected Return (H)/.0775	842,429,786
J. Excess Return on Assets (I(J) - II(H))	67,451,100
K. Excess Return as % of II(I)	8.006733%
 III. Amount to be Transferred to COLA Fund	

A.	<u>Excess Return</u>		<u>COLA Transfer</u>		
		%	\$	%	\$
	First	2.5	21,060,745	75	15,795,558
	Next	2.5	21,060,745	50	10,530,372
	Next	2.5	21,060,745	25	5,265,186
		.506733	4,268,865	--	--
B.	Total Transfer Amount at 1/1/2001				<u>31,591,116</u>

*Assumes Uniform Quarterly Contributions and Monthly Benefits

$$[(850,724,632) + (10,376,473 + 8,556,140)(2.5/4) - (36,900,501 + 258,383)(13/24)](.0775) = \underline{65,288,308}$$

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Asset Transactions for Year Ending September 30, 1999

	<u>Membership and Benefits Accounts</u>	<u>COLA I Account</u>	<u>COLA II Account</u>
	-\$-	-\$-	-\$-
A. Market Value as of October 1, 1998 ⁽¹⁾	879,469,701	26,643,487	70,519,847
B. Book Value as of October 1, 1998 ⁽¹⁾	742,793,877	22,350,874	59,560,563
C. Income During Year			
1. City Contributions	10,376,473		
2. Member Contributions	8,556,140	11,792	
3. Interest	25,324,784	688,024	2,134,630
4. Dividends	8,260,901	224,463	695,674
5. Net Realized Gains (Losses)	49,115,452	1,314,160	4,179,689
6. Income Transfer	(17,020,337)		17,020,337
7. Securities Lending Income	206,841	5,676	18,750
8. Rental and Other Income	<u>152,343</u>	<u>4,089</u>	<u>12,966</u>
	84,972,597	2,248,204	24,062,046
D. Disbursements During Years			
1. Benefit Payments	36,900,501	518,566	5,246,476
2. Contribution Refunds	258,383	17,974	
3. Custodial and Investment Expenses	2,614,094		
4. Administrative Expenses	13,021	70,356	218,034
5. Securities Lending Fees	<u>61,964</u>	<u>1,701</u>	<u>5,617</u>
	39,847,963	608,597	5,470,127
E. Book Value as of 9/30/99 ⁽²⁾ (B)+(C)-(D)	787,918,511	23,990,481	78,152,482
F. Net Change in Unrealized Gains (Losses)	35,618,188	953,382	6,130,306
G. Market Value as of 9/30/99 (A)+(C)-(D)+(F)	960,212,523	29,236,476	95,242,072
H. January 1, 2000 Allocation to COLA II (discounted)	<u>(27,364,337)</u>	_____	<u>27,364,337</u>
I. Net Market Value as of 9/30/99 ⁽²⁾	932,848,186	29,236,476	122,606,409

⁽¹⁾Based on unaudited financial statements.

⁽²⁾Based on unaudited financial statements.

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Distribution of Assets as of September 30, 1999⁽¹⁾
Membership and Benefits and Cost-of-Living Adjustment Accounts

<u>Description</u>	<u>Market</u>	<u>Book</u>
	-\$-	-\$-
Bills, Bonds, Notes	353,699,575	364,477,316
Corporate Stocks	653,525,552	453,675,115
Money Market Funds and Time Deposits	0	0
Guaranteed Inv. Contract	976,011	976,011
Mutual Funds	44,614,848	39,057,947
Rental Property	<u>70,202</u>	<u>70,202</u>
A: Sub-Total	1,052,886,188	858,256,591
B: Cash	26,406,425	26,406,425
Receivables:		
City Contributions	314,980	314,980
Accounts Receivable	102	102
Member Contributions		
Accrued Interest	4,370,483	4,370,483
Securities Proceeds	<u>4,572,767</u>	<u>4,572,767</u>
C: Sub-Total	9,258,332	9,258,332
Payables:		
Budget Advance	526,313	526,313
Deferred Rental Income		
Tax Withheld	(119)	(119)
Accounts Payable	87,094	87,094
Securities Purchased	<u>3,246,586</u>	<u>3,246,586</u>
D: Sub-Total	<u>3,859,874</u>	<u>3,859,874</u>
E. Total (A+B+C-D)	1,084,691,071	890,061,474
Accounts:		
COLA I Account	29,236,476	23,990,481
COLA II Account	95,242,072	78,152,482
COLA II Transfer (1/1/2000)	27,364,337	27,364,337 ⁽²⁾
F: Membership & Benefits Account	932,848,186	760,554,174

⁽¹⁾Based on unaudited financial statements.

⁽²⁾Actual book value of transfer will be based on relationship between book and market on December 31, 1999.

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Investment Results

Yield on Mean Values for 12-Month Period Ending 9/30/99

	-\$-	<u>Market</u> -%-	<u>Book</u> -%-
<u>Membership and Benefits Accounts</u>			
Interest	25,324,784	2.9	3.5
Dividends	8,260,901	1.0	1.1
Rental and Other Income	152,343	0.0	0.0
Realized Gains	49,115,452	5.8	6.9
Securities Lending (Net)	144,877	0.0	0.0
Increase in Unrealized Gains	35,618,188	4.1	-
	<u>118,616,545</u>	<u>13.8</u>	<u>11.5</u>
<u>COLA I Account</u>			
Interest	688,024	2.6	3.1
Dividends	224,463	0.9	1.0
Rental and Other Income	4,089	0.0	0.0
Realized Gains	1,314,160	5.0	6.0
Securities Lending (Net)	3,975	0.0	0.0
Increase in Unrealized Gains	953,382	3.6	-
Custodial and Investment Expenses	(70,356)	(0.3)	(0.3)
	<u>3,117,737</u>	<u>11.8</u>	<u>9.8</u>
<u>COLA II Account</u>			
Interest	2,134,630	2.8	3.3
Dividends	695,674	0.9	1.1
Rental and Other Income	12,966	0.0	0.0
Realized Gains	4,179,689	5.5	6.3
Securities Lending (Net)	13,133	0.0	0.0
Increase in Unrealized Gains	6,130,306	8.0	-
Custodial and Investment Expenses	(218,034)	(0.3)	(0.3)
	<u>12,948,364</u>	<u>16.9</u>	<u>10.4</u>

CITY OF MIAMI
 FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
 Summary of Accounting Information
As of October 1, 1999

	<u>Revised</u> <u>Assumptions</u> -\$-	<u>Prior</u> <u>Assumptions</u> -\$-
I. <u>Present Value of Vested Accrued Benefits</u>		
A. Service Retirements and Beneficiaries	356,837,388	350,104,533
B. Disability Retirements	36,995,628	36,994,780
C. Vested Terminated Members	2,954,136	2,923,781
D. Active Members	<u>375,317,388</u>	<u>371,646,823</u>
E. Total	772,104,540	761,669,917
II. <u>Present Value of Non-Vested Accrued Benefits</u>	12,785,156	12,705,898
III. <u>Present Value of Accrued Benefits</u>	784,889,696	774,375,815
IV. The values of accumulated plan benefits were determined in accordance with the Academy of Actuaries Interpretations and FASB Statement No. 35, <u>Accounting and Reporting by Defined Benefit Pension Plans</u> .		
V. <u>Statement of Changes in Accrued Benefits</u>		
A. Present Value of Accrued Benefits at 10/1/98	740,580,703	740,580,703
B. Increase (Decrease) During the Year Attributable to:		
1. Benefits Accumulated	14,998,898	14,998,898
2. Benefits Paid and Contributions Refunded	(37,158,884)	(37,158,884)
3. Plan Amendment	0	0
4. Assumption Changes	10,513,881	0
5. Increase Due to Decrease in Discount Period	<u>55,955,098</u>	<u>55,955,098</u>
6. Net Increase	44,308,993	33,795,112
C. Present Value of Accrued Benefits at 10/1/99	784,889,696	774,375,815

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CITY OF MIAMI
 FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Comparison of Funding Progress
 (\$000)

	<u>10/1/99</u>		<u>10/01/98</u>
	<u>Revised</u> <u>Assumptions</u>	<u>Prior</u> <u>Assumptions</u>	
I. <u>Assets</u>	-\$-	-\$-	-\$-
A. Book Value	760,554	760,554	720,982
B. Market Value	932,848	932,848	857,658
II. <u>Liabilities</u>			
A. Retired and Vested	396,787	390,023	374,373
B. Active			
Employee Contributions	95,963	95,963	89,590
Other Vested	279,355	275,684	264,311
Non-Vested Accrued	<u>12,785</u>	<u>12,706</u>	<u>12,307</u>
C. Total Accrued	784,890	774,376	740,581
III. <u>Ratios</u>	%	%	%
IA/IIC	96.9	98.2	97.4
IB/IIC	118.9	120.5	115.8

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CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Member Statistics

I. Active Members

<u>Number of</u>	<u>Date</u>		
	<u>10/1/99</u>	<u>10/1/98</u>	<u>10/1/97</u>
Males	1,444	1,352	1,319
Females	240	235	217
Total	1,684	1,587	1,536

Averages

Current Age	38.1	38.2	37.9
Past Service	12.5	12.8	12.6
Credited Past Service	12.2	12.5	12.4
Annual Earnings	\$46,149	\$46,809	\$45,281

II. Inactive Members

A. Retirees and Beneficiaries

Number	1,137	1,111	1,089
Average Annual Benefit	\$29,813	\$28,910	\$28,458
Average Age	63.3	63.0	62.5

B. Disabled

Number	238	244	251
Average Annual Benefit	\$16,147	\$15,796	\$15,984
Average Age	62.0	61.5	60.9

C. Vested Terminated

Number	20	20	22
Average Annual Benefit	\$18,254	\$18,648	\$18,602
Average Age	44.0	44.7	45.7

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Age-Service Distribution

Age	<u>Completed Years of Service</u>									<u>Earnings</u>		
	<u>0-1</u>	<u>2-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35+</u>	<u>Total</u>	<u>Total</u>	<u>Avg.</u>
											-\$-	-\$-
15-24	29	40	-	-	-	-	-	-	-	69	2,125,063	30,798
25-29	41	99	62	2	-	-	-	-	-	204	6,888,700	33,768
30-34	20	75	108	89	3	-	-	-	-	295	11,618,463	39,385
35-39	9	28	64	162	158	-	-	-	-	421	19,666,798	46,714
40-44	1	14	18	72	227	54	6	-	-	392	20,076,556	51,216
45-49	1	3	5	19	66	58	56	3	-	211	12,201,398	57,827
50-54	-	2	-	8	17	16	25	6	-	74	4,177,898	56,458
55-59	1	-	1	5	1	2	3	3	-	16	861,055	53,816
60-64	-	-	-	-	-	-	2	-	-	2	98,907	49,454
65+	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	102	261	258	357	472	130	92	12	-	1684	77,714,839	46,149

Average Age: 38.1

Average Service: 12.5

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Reconciliation of Participant Counts

	<u>Actives</u>	<u>Retirees & Beneficiaries</u>	<u>Disableds</u>	<u>Vested Terminated</u>
10/1/98	1,587	1,111	244	20
Changes due to:				
Retirement	-30	+34		-4
Withdrawal	-23			+4
Disability	-3		+3	
Death		-21	-9	
New Beneficiary		+13		
New Hires	+153			
Data Changes	—	—	—	—
10/1/99	1,684	1,137	238	20

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Principal System Provisions

(Based on Ordinance No. 10002, as Amended
by Ordinance No. 11235)

- Effective Date: January 1, 1940, as restated effective May 23, 1985.
- Fiscal Year: October 1 - September 30.
- Membership: Police officers and fire fighters.
- Covered Compensation: An employee's base salary, including pick-up contributions, for all straight time hours worked, plus assignment pay and payments received for vacation and sick leave taken, jury duty, and death-in-family leave taken. Earnable compensation shall not include overtime pay; payments for accrued sick leave, accrued vacation leave, or accrued compensatory leave; holiday pay; premium pay for holidays worked; the value of any employment benefits or non-monetary entitlements; or any other form of remuneration.
- Contributions: Members: 7% of Compensation effective 10/01/99.
City: Balance, as actuarially determined; if the City contribution were less than 7%, then the portion of each Member's contribution exceeding the City contribution percentage shall be set aside in separate Individual Contribution Accounts in the Trust.
- Creditable Service: Service credited under Retirement System; military service (maximum of four years) during wartime for which Member makes contributions; maternity leave (maximum of 180 days for each leave) for which Member makes contributions.
- Average Final Compensation: Average Compensation during the highest year of Creditable Service.

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Summary of Principal System Provisions
(Continued)

Normal Service Age:	Age 50
Service Retirement	3.0% of Average Final Compensation for each of the first fifteen years of Creditable Service plus 3.5% of Average Final Compensation for each year of Creditable Service after the fifteenth year; maximum of 100% for those with less than 100% under prior rules on 9/30/98.
Early Service Retirement	After 20 years of Creditable Service. Benefits are based on Average Final Compensation and Creditable Service at retirement date. Actuarial equivalence for early commencement.
Rule of 64 Retirement	Service retirement on the basis of combined age and Creditable Service equaling 64 or more.
Disability:	<p><u>Ordinary Disability:</u> After 10 or more years of Creditable Service, and not eligible for service retirement. Not incurred as accident in performance of duties. 90% of benefit rate times Average Final Compensation times Creditable Service, with a minimum benefit of 30% of Average Final Compensation.</p> <p><u>Accidental Disability:</u> Incurred as accident in performance of duties. 66 2/3% of Average Final Compensation, or 66 2/3% of Final Compensation, whichever is greater.</p>

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Principal System Provisions
(Continued)

- Deferred Retirement
Option Plan: Members who are eligible for Service Retirement or Rule of 64 after September 1998 may elect Deferred Retirement Option Plan for a maximum of 3 years.
- Death: Ordinary Death: (a) After 3 or more years of Creditable Service, and death not accidentally incurred in performance of duties. Lump sum benefit equal to 50% of Compensation received in year preceding death. (b) If eligible for service, early service, or Rule of 70 retirement, considered to have retired on the date of death. Surviving spouse would receive 40% of the member's monthly retirement allowance.
- Accidental Death: Incurred in performance of duties. Pension of 50% of Average Final compensation to spouse until death or remarriage. If there is no spouse, or if spouse dies or remarries before youngest child is 18, payable until attainment of age 18. If no spouse or no children under 18, benefit is payable to dependent parents.
- Employment Termination: After 10 years of Creditable Service, based on Creditable Service and Average Final Compensation at termination date. If Member contributions are withdrawn, benefit is forfeited. Benefits are deferred to Normal Retirement Age.
- Optional Allowances: Normal form is joint and 40% contingent survivor. Option 1 is cash refund annuity, based on present value at retirement. Option 2 is joint and 100% survivor. Option 3 is joint and 50% contingent survivor. Option 4 is open option. Option 5 is determined by Board due to incapacity of Member. Option 6 is withdrawal of employee contributions with credited interest; monthly benefits is 1/2 of normal level; A Back DROP option (maximum of 3 years) may be elected prior to DROP entry; combined years of Back DROP and DROP may not exceed 3.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Principal System Provisions
(Continued)

Transfer of Compensated
Leave Balances:

Accumulated leave balances may be transferred into system immediately prior to retirement to purchase additional Creditable Service, on an actuarially equivalent basis.

Changes Since Prior
Valuation:

Member Contributions are reduced from 10% to 7% effective 10/1/99.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Actuarial Basis - Prior Assumptions

Valuation Date: October 1, 1999 for Fiscal Year beginning October 1, 2000.

Valuation Method: Aggregate Cost Method.

Asset Valuation Method: Average of ratios of market to book values as of current and most recent September 30's. Average ratio is applied to book value at current September 30. The result cannot be greater than 120% of market value or less than 80% of market value.

Actuarial Assumptions:

Interest Discount/
Investment Return: 7.75%, compounded annually.

Mortality: 1983 Group Annuity Mortality Table, producing following specimen rates:

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	.0377%	.0189%
30	.0607%	.0342%
40	.1238%	.0665%
50	.3909%	.1647%
60	.9158%	.4241%
70	2.7530%	1.2385%

Disabled Mortality: In accordance with Pension Benefit Guaranty Corporation non-OASDI basis, producing following specimen rates:

<u>Age</u>	<u>Male</u>	<u>Female</u>
30	0.13%	0.11%
40	0.31%	0.19%
50	0.83%	0.51%
60	2.05%	1.30%
70	4.85%	3.21%

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Actuarial Basis - Prior Assumptions
(Continued)

<u>Age</u>	<u>Disability</u>	<u>Turnover</u>		<u>Retirement*</u>	<u>Salary Increase**</u>
		<u><5</u>	<u>5+</u>		
20	.00085	.0240	.0192		.093
21	.00095	.0240	.0192		.091
22	.00105	.0240	.0192		.088
23	.00110	.0240	.0192		.086
24	.00125	.0240	.0192		.084
25	.00130	.0240	.0192		.082
26	.00140	.0240	.0192		.079
27	.00150	.0240	.0192		.077
28	.00160	.0240	.0192		.075
29	.00170	.0240	.0192		.072
30	.00180	.0240	.0192		.070
31	.00200	.0240	.0192		.069
32	.00220	.0240	.0192		.068
33	.00245	.0240	.0192		.068
34	.00265	.0240	.0192		.067
35	.00285	.0240	.0192		.066
36	.00305	.0228	.0182		.065
37	.00325	.0216	.0173		.064
38	.00345	.0204	.0163		.064
39	.00370	.0192	.0154		.063
40	.00390	.0180	.0144		.062
41	.00470	.0168	.0134		.062
42	.00555	.0156	.0125		.061
43	.00635	.0144	.0115		.061
44	.00720	.0132	.0106		.061
45	.00800	.0120	.0096		.061
46	.00880	.0096	.0077		.061
47	.00965	.0072	.0057		.060
48	.01045	.0048	.0038		.060
49	.01130	.0024	.0019		.059
50	.01210	.0000	.0000		.059

* 100% are assumed to retire when first eligible for Rule of 64 or Service Retirement.

** A 13% additional increase applies in the final year of Creditable Service.

A 2% across-the-board salary increase is included for September 30, 1999 (Fire only), 2000 (all), and 2001 (all), instead of the 4.5% increase expected due to inflation; For Police, a 0% increase is included as of September 30, 1999.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Actuarial Basis - Prior Assumptions
(Continued)

<u>Age</u>	<u>Disability</u>	<u>Turnover</u>		<u>Retirement*</u>	<u>Salary Increase**</u>
		<u><5</u>	<u>5+</u>		
51	.01295	.0000	.0000		.058
52	.01375	.0000	.0000		.056
53	.01455	.0000	.0000		.055
54	.01540	.0000	.0000		.053
55	.01620	.0000	.0000		.052
56	.01785	.0000	.0000		.051
57	.01870	.0000	.0000		.049
58	.01950	.0000	.0000		.048
59	.02030	.0000	.0000		.046
60	.00000	.0000	.0000		.045
61	.00000	.0000	.0000		.045
62	.00000	.0000	.0000		.045
63	.00000	.0000	.0000		.045
64	.00000	.0000	.0000		.045
65	.00000	.0000	.0000		.045

*100% are assumed to retire when first eligible for Rule of 64 or Service Retirement.

**A 13% additional increase applies in the final year of Creditable Service.

A 2% across-the-board salary increase is included for September 30, 1999 (Fire only), 2000 (all), and 2001 (all), instead of the 4.5% increase expected due to inflation; For Police, a 0% increase is included as of September 30, 1999.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Actuarial Basis - Prior Assumptions
(Continued)

Type of Disability:	100% of the disabilities are expected to be accidental disabilities.
Recovery:	No probabilities of recovery are used.
Type of Death:	100% of the assumed deaths are expected to be ordinary deaths.
Remarriage:	No probabilities of remarriage are used.
Spouse's Ages:	Females are assumed to be 3 years younger than males.
Marital Status:	All employees are assumed to be married.
Investment Expenses:	None; the investment return assumption of 7.75% is net of investment expenses.
Withdrawal of Employee Contributions:	It is assumed that employees do not withdraw their contribution balances upon employment termination or retirement.
Adjustments from Valuation Date:	One year's interest is added to the calculated deposit to reflect ordinance provision.
Sources of Data:	Asset data is from unaudited financial statements. Membership data is furnished by Administrator.
Changes Since Prior Valuation:	None.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Actuarial Basis - Revised Assumptions

Valuation Date: October 1, 1999 for Fiscal Year beginning October 1, 2000.

Valuation Method: Aggregate Cost Method.

Asset Valuation Method: Average of ratios of market to book values as of current and most recent September 30's. Average ratio is applied to book value at current September 30. The result cannot be greater than 120% of market value or less than 80% of market value.

Actuarial Assumptions:

Interest Discount/
Investment Return: 7.75%, compounded annually.

Mortality: 1994 Group Annuity Mortality Table, producing following specimen rates:

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	.0507%	.0284%
30	.0801%	.0351%
40	.1072%	.0709%
50	.2579%	.1428%
60	.7976%	.4439%
70	2.3730%	1.3730%

Disabled Mortality: In accordance with Pension Benefit Guaranty Corporation non-OASDI basis, producing following specimen rates:

<u>Age</u>	<u>Male</u>	<u>Female</u>
30	0.13%	0.11%
40	0.31%	0.19%
50	0.83%	0.51%
60	2.05%	1.30%
70	4.85%	3.21%

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**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Actuarial Basis - Revised Assumptions
(Continued)

<u>Age</u>	<u>Disability</u>	<u>Turnover</u>		<u>Retirement*</u>	<u>Salary Increase**</u>
		<u><5</u>	<u>5+</u>		
20	.00085	.0240	.0192		.093
21	.00095	.0240	.0192		.091
22	.00105	.0240	.0192		.088
23	.00110	.0240	.0192		.086
24	.00125	.0240	.0192		.084
25	.00130	.0240	.0192		.082
26	.00140	.0240	.0192		.079
27	.00150	.0240	.0192		.077
28	.00160	.0240	.0192		.075
29	.00170	.0240	.0192		.072
30	.00180	.0240	.0192		.070
31	.00200	.0240	.0192		.069
32	.00220	.0240	.0192		.068
33	.00245	.0240	.0192		.068
34	.00265	.0240	.0192		.067
35	.00285	.0240	.0192		.066
36	.00305	.0228	.0182		.065
37	.00325	.0216	.0173		.064
38	.00345	.0204	.0163		.064
39	.00370	.0192	.0154		.063
40	.00390	.0180	.0144		.062
41	.00470	.0168	.0134		.062
42	.00555	.0156	.0125		.061
43	.00635	.0144	.0115		.061
44	.00720	.0132	.0106		.061
45	.00800	.0120	.0096		.061
46	.00880	.0096	.0077		.061
47	.00965	.0072	.0057		.060
48	.01045	.0048	.0038		.060
49	.01130	.0024	.0019		.059
50	.01210	.0000	.0000		.059

* 100% are assumed to retire when first eligible for Rule of 64 or Service Retirement.

**A 13% additional increase applies in the final year of Creditable Service.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Actuarial Basis - Revised Assumptions
(Continued)

<u>Age</u>	<u>Disability</u>	<u>Turnover</u>		<u>Retirement*</u>	<u>Salary Increase**</u>
		<u><5</u>	<u>5+</u>		
51	.01295	.0000	.0000		.058
52	.01375	.0000	.0000		.056
53	.01455	.0000	.0000		.055
54	.01540	.0000	.0000		.053
55	.01620	.0000	.0000		.052
56	.01785	.0000	.0000		.051
57	.01870	.0000	.0000		.049
58	.01950	.0000	.0000		.048
59	.02030	.0000	.0000		.046
60	.00000	.0000	.0000		.045
61	.00000	.0000	.0000		.045
62	.00000	.0000	.0000		.045
63	.00000	.0000	.0000		.045
64	.00000	.0000	.0000		.045
65	.00000	.0000	.0000		.045

* 100% are assumed to retire when first eligible for Rule of 64 or Service Retirement.

** A 13% additional increase applies in the final year of Creditable Service.

A 2% across-the-board salary increase is included for September 30, 1999 (Fire only), 2000 (all), and 2001 (all), instead of the 4.5% increase expected due to inflation; For Police, a 0% increase is included as of September 30, 1999.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Summary of Actuarial Basis - Revised Assumptions
(Continued)

Type of Disability:	100% of the disabilities are expected to be accidental disabilities.
Recovery:	No probabilities of recovery are used.
Type of Death:	100% of the assumed deaths are expected to be ordinary deaths.
Remarriage:	No probabilities of remarriage are used.
Spouse's Ages:	Females are assumed to be 3 years younger than males.
Marital Status:	All employees are assumed to be married.
Investment Expenses:	None; the investment return assumption of 7.755% is net of investment expenses.
Withdrawal of Employee Contributions:	It is assumed that employees do not withdraw their contribution balances upon employment termination or retirement.
Adjustments from Valuation Date:	One year's interest is added to the calculated deposit to reflect ordinance provision.
Sources of Data:	Asset data is from unaudited financial statements. Membership data is furnished by Administrator.
Changes Since Prior Valuation:	The mortality table was updated to the 1994 Group Annuity Mortality Table (from the 1983 Group Annuity Mortality Table).

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**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Information Under Florida Statutes

I. Comparison of Salary Increases

<u>Year Ending</u>	<u>Actual</u> -%-	<u>Assumed</u> -%-
9/30/99	0.52	2.75
9/30/98	(1.35)	2.75
9/30/97	(1.07)	2.75
9/30/96	0.76	2.75
9/30/95	5.50	2.75
9/30/94	2.86	3.00
9/30/93	6.37	6.80
9/30/92	3.48	6.80
9/30/91	2.65	6.80
9/30/90	2.79	7.00
9/30/89	8.64	7.00
9/30/88	6.05	7.00
9/30/87	7.45	7.50
9/30/86	7.49	7.50
9/30/85	14.28	7.50
9/30/84	11.53	7.50

II. Comparison of Investment Returns

<u>Year Ending</u> -%-	<u>Actual MV</u> -%-	<u>Actual AAV(1)</u> -%-	<u>Assumed</u> -%-
9/30/99	13.8	13.40	7.75
9/30/98	6.9	19.45	7.75
9/30/97	28.3	26.34	8.00
9/30/96	13.2	11.27	8.00
9/30/95	21.0	12.86	7.75
9/30/94	(1.7)	5.18	7.75
9/30/93	15.8	13.73	7.75
9/30/92	9.9	12.48	7.75
9/30/91	25.9	20.93	7.75
9/30/90	0.4	1.89	7.50
9/30/89	N.A.	16.09	7.50
9/30/88	N.A.	0.08	7.50
9/30/87	N.A.	22.64	7.00
9/30/86	N.A.	21.66	7.00

(1) Based on mean actuarial asset values for periods ending 9/30.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Information Under Florida Statutes
(Continued)

III. Comparison of Payroll Growth

<u>Year Ending</u>	<u>Actual</u> -%-	<u>Assumed</u> -%-
9/30/99	4.6	N.A.
9/30/98	6.8	N.A.
9/30/97	(4.5)	N.A.
9/30/96	1.9	N.A.
9/30/95	(1.9)	N.A.
9/30/94	1.1	N.A.
9/30/93	7.5	N.A.
9/30/92	2.1	N.A.
9/30/91	(7.6)	5.00
9/30/90	(0.8)	5.00
9/30/89	9.5	5.00
9/30/88	3.4	5.00
9/30/87	5.9	5.00
9/30/86	5.8	5.00
9/30/85	7.8	5.00
9/30/84	9.7	5.00

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Disclosure Information Under GASB 5 and 25
(Excluding COLA Fund)

I. Funding Status and Progress as of September 30, 1998 and 1999

Pension benefit obligation:

	<u>\$(Millions)</u>		
	<u>1999</u>		
	<u>Revised</u>	<u>Prior</u>	<u>1998</u>
	<u>Assump.</u>	<u>Assump.</u>	
- Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	396.8	390.0	374.4
- Current employees - Accumulated employee contributions including interest	96.0	96.0	89.6
Employer - financed vested	279.4	275.7	264.3
Employer - financed nonvested	<u>48.0</u>	<u>47.6</u>	<u>46.2</u>
Total pension benefit obligation	820.2	809.3	774.5
Net assets available for benefits (market value)	<u>932.8</u>	<u>932.8</u>	<u>857.7</u>
Unfunded pension benefit obligation	(112.6)	(123.5)	<u>(83.2)</u>

The pension benefit obligation was determined as part of an actuarial valuation at September 30, 1999. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.75 percent per year compounded annually, (b) projected salary increases of 4.50 percent per year compounded annually, attributable to inflation, and (c) additional projected salary increases of 0.0 percent to 5.1 percent per year, attributable to seniority/merit.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Disclosure Information Under GASB 5 and 25
(Excluding COLA Fund)

II. Contributions Required and Contributions Made

The funding policy provides for periodic employer contributions at actuarially determined rates that are sufficient to pay benefits when due. Contributions for normal costs are determined using the aggregate actuarial cost method. This cost method does not provide for an unfunded actuarial accrued liability.

Contributions totaling \$18,932,613 (\$10,376,473 employer and \$8,556,140 employee) were made for the year ending September 30, 1999. These contributions consisted of (a) \$18,932,613 normal cost, (b) \$0 amortization of the unfunded actuarial accrued liability, and (c) \$0 noninvestment expenses.

Significant actuarial assumptions used to compute contribution requirements are the same as those used to compute the standardized measure of the pension obligation as of the beginning of the preceding year.

III. Analysis of Funding Progress (\$ Millions)

Fiscal Year	(1) Net Assets Available for Benefits (\$)	(2) Pension Benefit Obligation (\$)	(3) Percent Funded (%)	(4) Unfunded PBO (2)-(1) (\$)	(5) Annual Covered Payroll (\$)	(4)/(5) (%)
1987	309.1	335.7	92	26.6	63.3	42
1988	307.7	357.9	86	50.2	65.4	77
1989	364.2	385.9	94	21.7	71.6	30
1990	364.7	394.6	92	29.9	71.1	42
1991	455.3	450.0	101	(5.3)	71.4	(7)
1992	492.0	458.1	107	(33.9)	67.1	(50)
1993	550.6	488.2	113	(62.4)	72.0	(87)
1994	516.4	522.9	99	6.5	72.9	9
1995	616.5	583.1	106	(33.4)	71.5	(47)
1996	674.7	620.7	109	(54.0)	72.9	(74)
1997	835.3	702.1	119	(133.2)	69.6	(191)
1998	857.7	774.5	111	(83.2)	74.3	(112)
1999	932.8	820.2	114	(112.6)	77.7	(145)

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

(Excluding C.O.L.A. Fund)

IV. Revenues and Expenses

<u>Fiscal Year</u>	<u>Revenues by Source</u>			
	<u>Employee Contributions</u> (\$)	<u>Employer Contributions</u> (\$)	<u>Investment Income</u> (\$)	<u>Total</u> (\$)
1987	5,385,969	14,200,675	48,891,929	68,478,573
1988	5,516,972	11,515,831	19,011,633	36,044,436
1989	5,989,692	11,157,203	33,064,932	50,211,827
1990	6,303,644	9,579,771	37,046,457	52,929,872
1991	6,474,938	8,959,044	46,689,710	62,123,692
1992	6,115,655	10,029,747	44,569,353	60,714,755
1993	6,455,623	10,442,881	50,309,468	67,207,972
1994	7,435,034	9,296,175	36,915,202	53,646,411
1995	8,318,833	10,880,346	38,919,229	58,118,408
1996	7,852,469	16,547,235	55,421,603	79,821,307
1998	7,692,571	14,155,472	96,007,011	117,855,054
1997	7,664,034	14,377,032	83,180,597	105,221,663
1998	7,692,571	14,155,472	96,007,011	117,855,054
1999	8,556,140	10,376,473	66,039,984	84,972,597

<u>Fiscal Year</u>	<u>Expenses by Type</u>			
	<u>Benefits</u> (\$)	<u>Administrative Expenses</u> (\$)	<u>Refunds</u> (\$)	<u>Total</u> (\$)
1987	12,655,732	522,090	556,895	13,734,717
1988	13,556,449	443,765	650,068	14,650,282
1989	14,179,715	493,209	371,459	15,044,383
1990	15,572,994	568,072	659,176	16,800,242
1991	16,764,637	973,982	555,661	18,294,280
1992	22,345,166	1,137,047	751,088	24,233,301
1993	22,735,888	1,314,925	672,376	24,723,189
1994	23,787,091	1,420,693	510,074	25,717,858
1995	25,846,564	1,567,841	703,269	28,117,674
1996	29,506,924	1,870,188	822,497	32,199,609
1997	33,841,809	2,079,183	1,225,239	37,146,231
1998	35,593,108	2,543,855	391,524	38,537,297
1999	36,900,501	2,689,079	258,383	39,847,963

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

(Excluding COLA Fund)

V. Schedule of Employer Contributions

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u> (\$)	<u>Percentage Contributed</u> (%)	<u>Net Pension Obligation</u> (\$)
1994	9,296,175	100	0
1995	10,880,346	100	0
1996	16,547,235	100	0
1997	14,377,032	100	0
1998	14,155,472	100	0
1999	10,376,473	100	0

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

(C.O.L.A. Fund)

I. C.O.L.A. Increases by Duration Since Retirement (Including 2000 Increment)

<u>Years Retired</u>	<u>No.</u>	<u>FIPO Benefits</u> <u>\$-</u>	<u>COLA Benefits</u> <u>\$-</u>	<u>%</u>
0 - 5	300	1,217,256	5,546	0.5
5 -15	251	873,797	54,384	6.2
10-15	159	388,767	65,378	16.8
15-20	173	267,870	101,440	37.9
20-25	245	246,600	177,525	72.0
25-30	159	106,794	129,615	121.4
30-35	58	31,153	56,766	182.2
35-40	20	9,664	22,854	236.5
40-45	7	3,417	7,997	234.0
45+	4	1,415	4,480	316.6
Total	<u>1,376</u>	<u>3,146,734</u>	<u>625,985</u>	<u>19.9</u>

II. C.O.L.A. Increases by Attained Age (Including 2000 Increment)

<u>Age</u>	<u>No.</u>	<u>FIPO Benefits</u> <u>\$-</u>	<u>COLA Benefits</u> <u>\$-</u>	<u>%</u>
<45	29	65,995	597	0.9
45-50	107	367,050	943	0.3
50-54	218	776,345	17,408	2.2
55-59	209	699,959	43,063	6.2
60-64	175	421,560	63,835	15.1
65-69	219	383,634	134,179	35.0
70-74	220	267,974	173,576	64.8
75-79	131	117,143	120,096	102.5
80-84	49	35,674	50,841	142.5
85-89	17	11,047	19,678	178.1
>90	2	353	1,768	500.9
Total	<u>1,376</u>	<u>3,146,734</u>	<u>625,985</u>	<u>19.9</u>

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
(C.O.L.A. Fund)

III. C.O.L.A. Increases vs. CPI (Including 2000 Increment)

<u>Years Retired</u>	<u>No.</u>	<u>COLA</u> <u>-\$</u>	<u>CPI</u> <u>-%</u>	<u>COLA/CPI</u> <u>%</u>
0 - 5	300	5,546	3.7	12.3
5 -10	251	54,384	17.1	36.5
10-15	159	65,378	41.1	41.0
15-20	173	101,440	65.4	57.9
20-25	245	177,525	140.3	51.3
25-30	159	129,615	241.4	50.3
30-35	58	56,766	359.9	50.6
35-40	20	22,854	441.3	53.6
40-45	7	7,997	486.5	48.1
45+	4	4,480	536.0	59.1
Total	<u>1,376</u>	<u>625,985</u>	<u>41.7</u>	<u>47.7</u>

IV. Consumer Price Index (CPI-U)

<u>Year</u>	<u>December Index</u>	<u>Annual %</u>	<u>Year</u>	<u>December Index</u>	<u>Annual %</u>
1956	27.6	2.9	1976	58.2	4.8
1957	28.4	3.0	1977	62.1	6.8
1958	28.9	1.8	1978	67.7	9.0
1959	29.4	1.5	1979	76.7	13.3
1960	29.8	1.5	1980	86.3	12.4
1961	30.0	0.7	1981	94.0	8.9
1962	30.4	1.2	1982	97.6	3.9
1963	30.9	1.6	1983	101.3	3.8
1964	31.2	1.2	1984	105.3	4.0
1965	31.8	1.9	1985	109.3	3.8
1966	32.9	3.4	1986	110.5	1.1
1967	33.9	3.0	1987	115.4	4.4
1968	35.5	4.7	1988	120.5	4.4
1969	37.7	6.1	1989	126.1	4.6
1970	39.8	5.5	1990	133.8	6.2
1971	41.1	3.4	1991	137.9	3.0
1972	42.5	3.4	1992	141.9	2.9
1973	46.2	8.7	1993	145.8	2.7
1974	51.9	12.2	1994	149.7	2.7
1975	55.5	7.0	1995	153.5	2.5
			1996	158.6	3.3
			1997	161.3	1.7
			1998	163.9	1.6
			1999	168.3	2.7

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
(COLA Fund)

I. Summary of Assets Available for Benefits at October 1, 1999

	<u>Revised Assumptions</u>	<u>Prior Assumptions</u>
	\$-	\$-
A. COLA Accounts		
1. COLA I Account (Exhibit 3) at 9/30/99	29,236,476	29,236,476
2. COLA II Account (Exhibit 3) at 9/30/99	95,242,072	95,242,072
B. Transfers of Excess Investment Income		
1. \$27,879,774 due on 1/1/2000, discounted	27,364,337	27,364,337
2. \$31,591,116 due on 1/1/2001, discounted	28,776,858	28,776,858
C. Minimum City Contributions ⁽¹⁾ \$3,421,423 beginning 1/1/2002, payable for 13 years discounted	24,975,490	24,975,490
D. \$0 City Contribution due 1/1/2000	<u>0</u>	<u>0</u>
E. Assets Available for COLA Benefits	<u>205,595,233</u>	<u>205,595,233</u>

II. COLA Fund Liabilities for Benefits at 10/1/99

A. Present Value of Existing COLA Benefits for inactives		
1. Frozen COLA I benefits	3,436,654	3,353,247
2. COLA II benefits	<u>84,347,079</u>	<u>81,780,587</u>
3. Total inactive COLA benefits	87,783,733	85,133,834
B. Present Value of Projected COLA Benefits for Current Actives		
1. Reserve for current actives	26,529,259	25,869,278
2. Reserve for contribution refunds	30,969	34,845
3. Reserve for future actives (15% of B1)	<u>3,979,389</u>	<u>3,880,392</u>
4. Total	30,539,617	29,784,515
C. Total Liability Allocated (A3+B4)	118,323,350	114,918,349
D. Contingency Reserve [22% of I(E)-I(B)(2)]	38,900,043	38,900,043
E. Unallocated Reserve	<u>48,371,840</u>	<u>51,776,841</u>
F. Total Liability for COLA Benefits	<u>205,595,233</u>	<u>205,595,233</u>

Note: (1) $(1/1.0775)^{125}$ at 3 = 7.29973767

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CITY OF MIAMI
 FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
 (COLA Fund)

III. Derivation of Increase in Table

	<u>Revised Assumptions</u>	<u>Prior Assumptions</u>
	-\$-	-\$-
A. Liability based on current \$635 table		
1. Inactive COLA II Benefits	84,347,079	81,780,587
2. Present Value of Projected COLA benefits for current actives	26,529,259	25,869,278
3. Reserve for future actives [15% of (2)]	<u>3,979,389</u>	<u>3,880,392</u>
4. Total	114,855,727	111,530,257
B. Assets available to increase table		
1. Total assets available for COLA Benefits	205,595,233	205,595,233
2. Total Liability Allocated (current \$635 table)	118,323,350	114,918,349
3. Contingency Reserve II(D)	38,900,043	38,900,043
4. Available Assets [(1)-(2)-(3)]	48,371,840	51,776,841
5. \$31,591,116 due on 1/1/2001, discounted	28,776,858	28,776,858
6. Net Available Assets [(4)-(5)]	19,594,982	22,999,983
7. Increase ratio [(B6)/(A4)]	0.17061	0.20622
8. Table increase [\$635x(7)]	108	131
9. New table amount [\$635+(8)]	743	766
10. Actual new table amount	<u>750</u>	<u>750</u>

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CITY OF MIAMI
 FIRE FIGHTERS' AND POLICE OFFICERS'
 RETIREMENT TRUST
 (COLA Fund)

Cumulative Experience Position Net of Asset Transfers

	<u>Revised Assumptions</u>	<u>Prior Assumptions</u>
I. <u>Calculation of Expected Unfunded Actuarial Accrued Liability at 10/1/99</u>	-\$-	-\$-
A. Expected Unfunded Actuarial Accrued Liability at 10/1/98	149,680,142	149,680,142
B. Additional Unfunded Actuarial Accrued Liability due to Plan Changes	46,786,371	46,786,371
C. Entry Age Normal Cost for 1998/99 Year Paid or Payable by Employer	0	0
D. Interest on (A), (B), and (C)	15,226,155	15,226,155
E. Contributions for 1998/99 Year Paid or Payable by Employer	10,376,473	10,376,473
F. Interest on (E)	<u>502,610</u>	<u>502,610</u>
G. Expected Unfunded Actuarial Accrued Liability at 9/30/99	200,813,585	200,813,585
H. Additional Unfunded Actuarial Accrued Liability due to Assumption Changes	<u>11,101,455</u>	<u>N/A</u>
I. Final Expected Unfunded Actuarial Accrued Liability at 9/30/99	211,915,040	200,813,585
II. <u>Determination of Net Cumulative Experience Position at 10/1/99</u>		
A. Expected Unfunded Actuarial Liability as of September 30, 1999	211,915,040	200,813,585
B. Entry Age Reserve - Actives	446,395,431	442,058,034
- Inactives	<u>396,787,152</u>	<u>390,023,094</u>
- Total	843,182,583	832,081,128
C. Actuarial Asset Value (Net of Future Transfers)	911,710,668	911,710,668
D. Actual Unfunded Actuarial Liability (B)-(C)	<u>(68,528,085)</u>	<u>(79,629,540)</u>
E. Cumulative Experience Gain (Loss) (A)-(D)	280,443,125	280,443,125
III. <u>Future Transfers of Excess Investment Income at 10/1/99</u>		
A. \$27,879,774 due on 1/1/2000, discounted	27,364,337	27,364,337
B. \$31,591,116 due on 1/1/2001, discounted	<u>28,776,858</u>	<u>28,776,858</u>
C. Total Future Transfers at 10/1/99 (A)+(B)	56,141,195	56,141,195

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**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

(COLA Fund)

Summary of Principal COLA Provisions

- Effective Date: January 1, 1994, amended January 1, 1995.
- Eligibility: All inactive members in Miami Fire Fighters' and Police Officers' Retirement Trust.
- Prior COLA: Benefits granted through 1993 will continue to be paid, in addition to benefits to be granted in the future.
- Available Assets: Existing COLA assets as of January 1, 1995; beginning with the 1991/92 fiscal year, a percentage of excess investment return on FIPO assets (75% of first 2.5%, 50% of next 2.5%, 25% of next 2.5%), subject to a minimum City contribution of \$2.5 million, increasing 4% annually.
- Allocated Assets: Current COLA assets as of December 31, 1998, plus present value of \$2.5 million minimum guarantee for 14 years. The 4% future annual increases are not pre-allocated. A contingency reserve of 22% has been established for adverse experience.
- COLA Benefits: In addition to prior COLA, benefits are based on attached table, with \$635 monthly benefit for 25 years of creditable service and 22 completed years of retirement (after age 46). The \$635 amount is reduced by 5% for each year of retirement less than 22 and each year of creditable service less than 25 and increased similarly for years of retirement greater than 22 and years of creditable service greater than 25.
- Benefits are based on the FIPO option elected. Tabular amounts are adjusted, based on the FIPO adjustments at the time of FIPO benefit commencement, for options other than Option 8 (Joint & 40%). Surviving spouses receive the percentage of the table amount determined under the FIPO election.
- Service-incurred and accidental disabilities and deaths receive benefits based on the greater of 25 years or actual creditable service.
- Changes from Prior
Year Valuation: The \$635 table was increased to the \$750 table.

MIAMI FIREFIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
2000 MONTHLY RETIREMENT SUPPLEMENTS

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
10	0	0	0	19	28	37	47	56	66	75	84	94	103	113	122	131	141	150	159	169	178	188	197	206	215
11	0	0	0	22	34	45	56	67	79	90	101	113	124	135	146	158	169	180	191	203	214	225	236	248	260
12	0	0	0	26	39	52	66	79	92	105	118	131	144	158	171	184	197	210	223	236	249	263	276	289	302
13	0	0	0	30	45	60	75	90	105	120	135	150	165	180	195	210	225	240	255	270	285	300	315	330	345
14	0	0	0	34	51	67	84	101	118	135	152	169	186	203	219	236	253	270	287	304	321	338	354	371	388
15	0	0	0	37	56	75	94	112	131	150	169	188	206	225	244	263	281	300	319	338	356	375	394	413	431
16	0	0	0	41	62	82	103	124	144	165	186	206	227	248	268	289	309	330	351	371	392	413	433	454	474
17	0	0	0	45	67	90	112	135	157	180	203	225	248	270	293	315	338	360	383	405	428	450	473	495	518
18	0	0	0	49	73	97	122	146	171	195	219	244	268	293	317	341	366	390	414	439	463	488	512	536	561
19	0	0	0	52	79	105	131	157	184	210	236	263	289	315	341	368	394	420	446	473	499	525	551	578	604
20	0	0	0	56	84	112	141	169	197	225	253	281	309	338	366	394	422	450	478	506	534	563	591	619	647
21	0	0	0	60	90	120	150	180	210	240	270	300	330	360	390	420	450	480	510	540	570	600	630	660	690
22	0	0	0	64	96	127	159	191	223	255	287	319	351	383	414	446	478	510	542	574	606	638	669	701	733
23	0	0	0	67	101	135	169	202	236	270	304	338	371	405	439	473	506	540	574	608	641	675	708	743	776
24	0	0	0	71	107	142	178	214	249	285	321	356	392	428	463	499	534	570	606	641	677	713	748	784	819
25	0	0	0	75	112	150	187	225	263	300	338	375	413	450	488	525	563	600	638	675	713	750	788	825	863
26	0	0	0	79	118	157	197	236	276	315	354	394	433	473	512	551	591	630	669	709	748	788	827	866	906
27	0	0	0	82	124	165	206	247	289	330	371	413	454	495	536	578	619	660	701	743	784	825	866	908	949
28	0	0	0	86	129	172	216	259	302	345	388	431	474	518	561	604	647	690	733	776	819	863	906	949	992
29	0	0	0	90	135	180	225	270	315	360	405	450	495	540	585	630	675	720	765	810	855	900	945	990	1035
30	0	0	0	94	141	187	234	281	328	375	422	469	516	563	609	656	703	750	797	844	891	938	984	1031	1078
31	0	0	0	97	146	195	244	292	341	390	439	488	536	585	634	683	731	780	829	878	926	975	1024	1073	1121
32	0	0	0	101	152	202	253	304	354	405	456	506	557	608	658	709	759	810	861	911	962	1013	1063	1114	1164
33	0	0	0	105	157	210	262	315	367	420	472	525	578	630	683	735	788	840	893	945	998	1050	1103	1155	1208
34	0	0	0	109	163	217	272	326	381	435	489	544	598	653	707	761	816	870	924	979	1033	1088	1142	1196	1251
35	0	0	0	112	169	225	281	337	394	450	506	563	619	675	731	788	844	900	956	1013	1069	1125	1181	1238	1294
36	0	0	0	116	174	232	291	349	407	465	523	581	639	698	756	814	872	930	988	1046	1104	1163	1221	1279	1337
37	0	0	0	120	180	240	300	360	420	480	540	600	660	720	780	840	900	960	1020	1080	1140	1200	1260	1320	1380
38	0	0	0	124	186	247	309	371	433	495	557	619	681	743	804	866	928	990	1052	1114	1176	1238	1299	1361	1423
39	0	0	0	127	191	255	319	382	446	510	574	638	701	765	829	893	956	1020	1084	1148	1211	1275	1339	1403	1466
40	0	0	0	131	197	262	328	394	459	525	591	656	722	788	853	919	984	1050	1116	1181	1247	1313	1378	1444	1509
41	0	0	0	135	202	270	337	405	472	540	608	675	743	810	878	945	1013	1080	1148	1215	1283	1350	1418	1485	1553
42	0	0	0	139	208	277	347	416	486	555	624	694	763	833	902	971	1041	1110	1179	1249	1318	1388	1457	1526	1596
43	0	0	0	142	214	285	356	427	499	570	641	713	784	855	926	998	1069	1140	1211	1283	1354	1425	1496	1568	1639
44	0	0	0	146	219	292	366	439	512	585	658	731	804	878	951	1024	1097	1170	1243	1316	1389	1463	1536	1609	1682
45	0	0	0	150	225	300	375	450	525	600	675	750	825	900	975	1050	1125	1200	1275	1350	1425	1500	1575	1650	1725
46	0	0	0	154	231	307	384	461	538	615	692	769	846	923	999	1076	1153	1230	1307	1384	1461	1538	1614	1691	1768
47	0	0	0	157	236	315	394	472	551	630	709	788	866	945	1024	1103	1181	1260	1339	1418	1496	1575	1654	1733	1811
48	0	0	0	161	242	322	403	484	564	645	726	806	887	968	1048	1129	1209	1290	1371	1451	1532	1613	1693	1774	1854
49	0	0	0	165	247	330	412	495	577	660	743	825	908	990	1073	1155	1238	1320	1403	1485	1568	1650	1733	1815	1898
50	0	0	0	169	253	337	422	506	591	675	759	844	928	1013	1097	1181	1266	1350	1434	1519	1603	1688	1772	1856	1941

MIAMI FIREFIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
2000 MONTHLY RETIREMENT SUPPLEMENTS

	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50
10	225	234	244	253	263	272	281	291	300	309	319	328	338	347	356	366	375	384	394	403	413	422	431	441	450
11	270	281	293	304	315	326	338	349	360	371	383	394	405	416	428	439	450	461	473	484	495	506	518	529	540
12	315	328	341	354	368	381	394	407	420	433	446	459	473	486	499	512	525	538	551	564	578	591	604	617	630
13	360	375	390	405	420	435	450	465	480	495	510	525	540	555	570	585	600	615	630	645	660	675	690	705	720
14	405	422	439	456	473	489	506	523	540	557	574	591	608	624	641	658	675	692	709	726	743	759	776	793	810
15	450	469	488	506	525	544	563	581	600	619	638	656	675	694	713	731	750	769	788	806	825	844	863	881	900
16	495	516	536	557	578	598	619	639	660	681	701	722	743	763	784	804	825	846	866	887	908	928	949	969	990
17	540	563	585	608	630	653	675	698	720	743	765	788	810	833	855	878	900	923	945	968	990	1013	1035	1058	1080
18	585	609	634	658	683	707	731	756	780	804	829	853	878	902	926	951	975	999	1024	1048	1073	1097	1121	1146	1170
19	630	656	683	709	735	761	788	814	840	866	893	919	945	971	998	1024	1050	1076	1103	1129	1155	1181	1208	1234	1260
20	675	703	731	759	788	816	844	872	900	928	956	984	1013	1041	1069	1097	1125	1153	1181	1209	1238	1266	1294	1322	1350
21	720	750	780	810	840	870	900	930	960	990	1020	1050	1080	1110	1140	1170	1200	1230	1260	1290	1320	1350	1380	1410	1440
22	765	797	829	861	893	924	956	988	1020	1052	1084	1116	1148	1179	1211	1243	1275	1307	1339	1371	1403	1434	1466	1498	1530
23	810	844	878	911	945	979	1013	1046	1080	1114	1148	1181	1215	1249	1283	1316	1350	1384	1418	1451	1485	1519	1553	1586	1620
24	855	891	926	962	998	1033	1069	1104	1140	1176	1211	1247	1283	1318	1354	1389	1425	1461	1496	1532	1568	1603	1639	1674	1710
25	900	938	975	1013	1050	1088	1125	1163	1200	1238	1275	1313	1350	1388	1425	1463	1500	1538	1575	1613	1650	1688	1725	1763	1800
26	945	984	1024	1063	1103	1142	1181	1221	1260	1299	1339	1378	1418	1457	1496	1536	1575	1614	1654	1693	1733	1772	1811	1851	1890
27	990	1031	1073	1114	1155	1196	1238	1279	1320	1361	1403	1444	1485	1526	1568	1609	1650	1691	1733	1774	1815	1856	1898	1939	1980
28	1035	1078	1121	1164	1208	1251	1294	1337	1380	1423	1466	1509	1553	1596	1639	1682	1725	1768	1811	1854	1898	1941	1984	2027	2070
29	1080	1125	1170	1215	1260	1305	1350	1395	1440	1485	1530	1575	1620	1665	1710	1755	1800	1845	1890	1935	1980	2025	2070	2115	2160
30	1125	1172	1219	1266	1313	1359	1406	1453	1500	1547	1594	1641	1688	1734	1781	1828	1875	1922	1969	2016	2063	2109	2156	2203	2250
31	1170	1219	1268	1316	1365	1414	1463	1511	1560	1609	1658	1706	1755	1804	1853	1901	1950	1999	2048	2096	2145	2194	2243	2291	2340
32	1215	1266	1316	1367	1418	1468	1519	1569	1620	1671	1721	1772	1823	1873	1924	1974	2025	2076	2126	2177	2228	2278	2329	2379	2430
33	1260	1313	1365	1418	1470	1523	1575	1628	1680	1733	1785	1838	1890	1943	1995	2048	2100	2153	2205	2258	2310	2363	2415	2468	2520
34	1305	1359	1414	1468	1523	1577	1631	1686	1740	1794	1849	1903	1958	2012	2066	2121	2175	2229	2284	2338	2393	2447	2501	2556	2610
35	1350	1406	1463	1519	1575	1631	1688	1744	1800	1856	1913	1969	2025	2081	2138	2194	2250	2306	2363	2419	2475	2531	2588	2644	2700
36	1395	1453	1511	1569	1628	1686	1744	1802	1860	1920	1980	2040	2100	2160	2220	2280	2340	2400	2460	2520	2580	2640	2700	2760	2820
37	1440	1500	1560	1620	1680	1740	1800	1860	1920	1980	2042	2104	2166	2228	2289	2351	2413	2475	2537	2599	2661	2723	2784	2846	2908
38	1485	1547	1609	1671	1733	1794	1856	1918	1980	2042	2104	2166	2231	2295	2359	2423	2486	2550	2614	2678	2741	2805	2869	2933	3000
39	1530	1594	1658	1721	1785	1849	1913	1976	2040	2104	2166	2231	2297	2363	2428	2494	2559	2625	2691	2756	2822	2888	2953	3019	3084
40	1575	1641	1706	1772	1838	1903	1969	2034	2100	2166	2231	2297	2363	2430	2498	2565	2633	2700	2768	2835	2903	2970	3038	3105	3173
41	1620	1688	1755	1823	1890	1958	2025	2093	2160	2228	2295	2363	2430	2498	2565	2633	2700	2768	2835	2903	2970	3038	3105	3173	3240
42	1665	1734	1804	1873	1943	2012	2081	2151	2220	2289	2359	2428	2498	2567	2636	2706	2775	2844	2914	2983	3053	3122	3191	3261	3330
43	1710	1781	1853	1924	1995	2066	2138	2209	2280	2351	2423	2494	2565	2636	2708	2779	2850	2921	2993	3064	3135	3206	3278	3349	3420
44	1755	1828	1901	1974	2048	2121	2194	2267	2340	2413	2486	2559	2633	2706	2779	2852	2925	2998	3071	3144	3218	3291	3364	3437	3510
45	1800	1875	1950	2025	2100	2175	2250	2325	2400	2475	2550	2625	2700	2775	2850	2925	3000	3075	3150	3225	3300	3375	3450	3525	3600
46	1845	1922	1999	2076	2153	2229	2306	2383	2460	2537	2614	2691	2768	2844	2921	2998	3075	3152	3229	3306	3383	3459	3536	3613	3690
47	1890	1969	2048	2126	2205	2284	2363	2441	2520	2599	2678	2756	2835	2914	2993	3071	3150	3229	3308	3386	3465	3544	3623	3701	3780
48	1935	2016	2096	2177	2258	2338	2419	2499	2580	2661	2741	2822	2903	2983	3064	3144	3225	3306	3386	3467	3548	3628	3709	3789	3870
49	1980	2063	2145	2228	2310	2393	2475	2558	2640	2723	2805	2888	2970	3053	3135	3218	3300	3383	3465	3548	3630	3713	3795	3878	3960
50	2025	2109	2194	2278	2363	2447	2531	2616	2700	2784	2869	2953	3038	3122	3206	3291	3375	3459	3544	3628	3713	3797	3881	3966	4050

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

(COLA Fund)

Summary of Actuarial Basis - Prior Assumptions

Valuation Date: January 1, 2000.

Valuation Method: Accrued Benefit Cost Method, based on benefits granted to date.

Asset Valuation Method: Market Value.

Actuarial Assumptions:

Investment Return: 7.75% compounded annually.

Mortality: 1983 Group Annuity Mortality Table, producing following specimen rates:

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	.0377%	.0189%
30	.0607%	.0342%
40	.1238%	.0665%
50	.3909%	.1647%
60	.9158%	.4241%
70	2.7530%	1.2385%

Disabled Mortality: In accordance with Pension Benefit Guaranty Corporation non-OASDI basis, producing following specimen rates:

<u>Age</u>	<u>Male</u>	<u>Female</u>
30	0.13%	0.11%
40	0.31%	0.19%
50	0.83%	0.51%
60	2.05%	1.30%
70	4.85%	3.21%

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
(COLA Fund)

Summary of Actuarial Basis - Prior Assumptions
(Continued)

<u>Age</u>	<u>Disability</u>	<u>Turnover</u>		<u>Retirement*</u>
		<u><5</u>	<u>5+</u>	
20	.00085	.0240	.0192	
21	.00095	.0240	.0192	
22	.00105	.0240	.0192	
23	.00110	.0240	.0192	
24	.00125	.0240	.0192	
25	.00130	.0240	.0192	
26	.00140	.0240	.0192	
27	.00150	.0240	.0192	
28	.00160	.0240	.0192	
29	.00170	.0240	.0192	
30	.00180	.0240	.0192	
31	.00200	.0240	.0192	
32	.00220	.0240	.0192	
33	.00245	.0240	.0192	
34	.00265	.0240	.0192	
35	.00285	.0240	.0192	
36	.00305	.0228	.0182	
37	.00325	.0216	.0173	
38	.00345	.0204	.0163	
39	.00370	.0192	.0154	
40	.00390	.0180	.0144	
41	.00470	.0168	.0134	
42	.00555	.0156	.0125	
43	.00635	.0144	.0115	
44	.00720	.0132	.0106	
45	.00800	.0120	.0096	
46	.00880	.0096	.0077	
47	.00965	.0072	.0057	
48	.01045	.0048	.0038	
49	.01130	.0024	.0019	
50	.01210	.0000	.0000	

* 100% are assumed to retire when first eligible for Rule of 64 or Service Retirement.

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
(COLA Fund)

Summary of Actuarial Basis - Prior Assumptions
(Continued)

<u>Age</u>	<u>Disability</u>	<u>Turnover</u>		<u>Retirement*</u>
		<u><5</u>	<u>5+</u>	
51	.01295	.0000	.0000	
52	.01375	.0000	.0000	
53	.01455	.0000	.0000	
54	.01540	.0000	.0000	
55	.01620	.0000	.0000	
56	.01785	.0000	.0000	
57	.01870	.0000	.0000	
58	.01950	.0000	.0000	
59	.02030	.0000	.0000	
60	.00000	.0000	.0000	
61	.00000	.0000	.0000	
62	.00000	.0000	.0000	
63	.00000	.0000	.0000	
64	.00000	.0000	.0000	
65	.00000	.0000	.0000	

* 100% are assumed to retire when first eligible for Rule of 64 or Service Retirement.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

(COLA Fund)

Summary of Actuarial Basis - Prior Assumptions
(Continued)

Type of Disability:	100% of the disabilities are expected to be accidental disabilities.
Recovery:	No probabilities of recovery are used.
Type of Death:	100% of the assumed deaths are expected to be ordinary deaths.
Remarriage:	No probabilities of remarriage are used.
Spouse's Ages:	Females are assumed to be 3 years younger than males.
Marital Status:	All employees are assumed to be married.
Investment Expenses:	Not provided for.
Withdrawal of Employee Contributions:	It is assumed that employees do not withdraw their contribution balances upon employment termination or retirement.
Adjustments from Valuation Date:	Liabilities are discounted for 3 months at the Investment Return assumption.
Sources of Data:	Asset data is from unaudited financial statements. Membership data is furnished by Administrator.
Changes from Prior Year Valuation:	None.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

(COLA Fund)

Summary of Actuarial Basis - Revised Assumptions

Valuation Date: January 1, 2000.

Valuation Method: Accrued Benefit Cost Method, based on benefits granted to date.

Asset Valuation Method: Market Value.

Actuarial Assumptions:

Investment Return: 7.75% compounded annually.

Mortality: 1994 Group Annuity Mortality Table, producing following specimen rates:

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	.0507%	.0284%
30	.0801%	.0351%
40	.1072%	.0709%
50	.2579%	.1428%
60	.7976%	.4439%
70	2.3730%	1.3730%

Disabled Mortality: In accordance with Pension Benefit Guaranty Corporation non-OASDI basis, producing following specimen rates:

<u>Age</u>	<u>Male</u>	<u>Female</u>
30	0.13%	0.11%
40	0.31%	0.19%
50	0.83%	0.51%
60	2.05%	1.30%
70	4.85%	3.21%

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CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

 (COLA Fund)

Summary of Actuarial Basis - Revised Assumptions
(Continued)

Age	Disability	Turnover		Retirement*
		<5	5+	
20	.00085	.0240	.0192	
21	.00095	.0240	.0192	
22	.00105	.0240	.0192	
23	.00110	.0240	.0192	
24	.00125	.0240	.0192	
25	.00130	.0240	.0192	
26	.00140	.0240	.0192	
27	.00150	.0240	.0192	
28	.00160	.0240	.0192	
29	.00170	.0240	.0192	
30	.00180	.0240	.0192	
31	.00200	.0240	.0192	
32	.00220	.0240	.0192	
33	.00245	.0240	.0192	
34	.00265	.0240	.0192	
35	.00285	.0240	.0192	
36	.00305	.0228	.0182	
37	.00325	.0216	.0173	
38	.00345	.0204	.0163	
39	.00370	.0192	.0154	
40	.00390	.0180	.0144	
41	.00470	.0168	.0134	
42	.00555	.0156	.0125	
43	.00635	.0144	.0115	
44	.00720	.0132	.0106	
45	.00800	.0120	.0096	
46	.00880	.0096	.0077	
47	.00965	.0072	.0057	
48	.01045	.0048	.0038	
49	.01130	.0024	.0019	
50	.01210	.0000	.0000	

* 100% are assumed to retire when first eligible for Rule of 64 or Service Retirement.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

(COLA Fund)

Summary of Actuarial Basis -Revised Assumptions
(Continued)

<u>Age</u>	<u>Disability</u>	<u>Turnover</u>		<u>Retirement*</u>
		<u><5</u>	<u>5+</u>	
51	.01295	.0000	.0000	
52	.01375	.0000	.0000	
53	.01455	.0000	.0000	
54	.01540	.0000	.0000	
55	.01620	.0000	.0000	
56	.01785	.0000	.0000	
57	.01870	.0000	.0000	
58	.01950	.0000	.0000	
59	.02030	.0000	.0000	
60	.00000	.0000	.0000	
61	.00000	.0000	.0000	
62	.00000	.0000	.0000	
63	.00000	.0000	.0000	
64	.00000	.0000	.0000	
65	.00000	.0000	.0000	

* 100% are assumed to retire when first eligible for Rule of 64 or Service Retirement.

**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

(COLA Fund)

Summary of Actuarial Basis - Revised Assumptions
(Continued)

Type of Disability:	100% of the disabilities are expected to be accidental disabilities.
Recovery:	No probabilities of recovery are used.
Type of Death:	100% of the assumed deaths are expected to be ordinary deaths.
Remarriage:	No probabilities of remarriage are used.
Spouse's Ages:	Females are assumed to be 3 years younger than males.
Marital Status:	All employees are assumed to be married.
Investment Expenses:	Not provided for.
Withdrawal of Employee Contributions:	It is assumed that employees do not withdraw their contribution balances upon employment termination or retirement.
Adjustments from Valuation Date:	Liabilities are discounted for 3 months at the Investment Return assumption.
Sources of Data:	Asset data is from unaudited financial statements. Membership data is furnished by Administrator.
Changes from Prior Year Valuation:	The mortality table was updated to the 1994 Group Annuity Mortality Table (from the 1983 Group Annuity Mortality Table).

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**CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST**

Disclosure Information Under GASB 5
(COLA Fund)

I. Funding Status and Progress as of September 30, 1998 and 1999

Pension benefit obligation:

	\$(Millions)		
	1999		1998
	Current Assump.	Prior Assump.	
- Retirees and beneficiaries currently receiving prior COLA benefits	3.4	3.4	3.6
- Retirees and beneficiaries receiving COLA tabular benefits (beginning January 1) and terminated employees not yet receiving tabular benefits	84.3	81.8	66.9
- Current Employees Accumulated employee contributions including interest	9.5	9.5	9.9
Employer - financed vested	0.0	0.0	0.0
Employer - financed non-vested	<u>17.1</u>	<u>16.3</u>	<u>14.1</u>
- Total pension benefit obligation	114.3	111.0	90.9
Net assets available for benefits	<u>180.6</u>	<u>180.6</u>	<u>144.2</u>
Unfunded pension benefit (obligation)/asset	66.3	69.6	<u>53.3</u>

The pension benefit obligation was determined as part of an actuarial valuation at January 1, 2000, based on data and asset information at September 30, 1999. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.75 percent per year compounded annually, (b) post retirement COLA benefits based on the table in effect at January 1, 1999, assuming it will be updated to reflect the current level of COLA assets.

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Disclosure Information Under GASB 5
(COLA Fund)

II. Contributions Required and Contributions Made

The funding policy provides for annual employer contributions for 21 years from January 1, 1994. The amount of the contribution will be \$2.5 million, beginning January 1, 1994, increasing 4% per year each year thereafter, and reduced (but not below zero) by any excess investment income transfer due on the same date.

The excess investment income transfer consists of a portion of gains due to investment return exceeding the lesser of 7.75 percent and the 7.75 percent assumption. The \$27,879,774 amount to be transferred on January 1, 2000 is due to excess investment income during the year ended September 30, 1998, and therefore already is part of the Retirement Trust. The \$31,591,116 amount to be transferred on January 1, 2001 is due to excess investment income during the year ending September 30, 1999.

III. Analysis of funding Progress (\$ Millions)

Fiscal Year	(1) Net Assets Available for Benefits* (\$)	(2) Pension Benefit Obligation** (\$)	(3) Percent Funded (%)	(4) Unfunded PBO (2)-(1) (\$)	(5) Annual Covered Payroll (\$)	(4)/(5) (%)
1993	40.8	32.5	126	(8.3)	72.0	(12)
1994	42.6	51.5	83	8.9	72.9	12
1995	63.8	52.0	123	(11.8)	71.5	(17)
1996	83.9	65.7	128	(18.1)	72.9	(25)
1997	117.7	70.8	166	(46.9)	69.6	(67)
1998	144.2	90.9	159	(53.3)	74.3	(72)
1999	180.7	114.3	158	(66.4)	77.7	(85)

* Excluding future City minimum contributions.

** Excluding new increment, contingency reserves, and reserves for future actives.

CITY OF MIAMI
FIRE FIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST

Disclosure Information Under GASB 5
(C.O.L.A. Fund)

IV. Revenues and Expenses

<u>Fiscal Year</u>	<u>Revenues by Source</u>			<u>Total</u> <u>(\$)</u>
	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Investment Income</u>	
	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	
1987	1,246,688	298,682	871,969	2,417,339
1988	1,272,000	0	393,935	1,665,935
1989	1,381,407	0	686,477	2,067,884
1990	1,457,451	0	694,749	2,152,200
1991	1,505,015	0	1,024,972	2,529,987
1992	1,422,192	0	1,031,806	2,453,998
1993	1,493,735	0	1,151,821	2,645,556
1994	474,233	9,481,546	1,313,750	11,269,529
1995	506	16,818,431	3,754,787	20,573,724
1996	0	2,622,149	3,795,508	6,417,657
1997	4,226	12,736,609	7,724,214	20,465,049
1998	1,094	14,344,834	10,325,730	24,671,658
1999	11,792	17,020,337	9,278,121	26,310,250

<u>Fiscal Year</u>	<u>Expenses by Type</u>			<u>Total</u> <u>(\$)</u>
	<u>Benefits</u>	<u>Administrative Expenses</u>	<u>Refunds</u>	
	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	
1987	183,548	7,301	36,679	227,528
1988	321,908	387	68,950	391,245
1989	430,185	0	46,021	476,206
1990	534,058	0	85,067	619,125
1991	578,758	0	76,730	655,488
1992	628,793	20,956	78,054	727,803
1993	665,938	27,288	84,945	778,171
1994	1,657,947	7,430	72,595	1,737,972
1995	2,706,830	0	101,814	2,808,644
1996	3,051,315	0	84,143	3,135,458
1997	3,676,801	0	124,925	3,801,726
1998	4,695,927	0	30,136	4,726,063
1999	5,765,042	295,708	17,974	6,078,724