

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

**October 1, 2000 Actuarial Report
(Revised)**

**For the Fiscal and Plan Year
October 1, 2001
through
September 30, 2002**

Prepared By:

**STANLEY, HOLCOMBE & ASSOCIATES, INC.
Eight Piedmont Center / Suite 310
3525 Piedmont Road, N. E.
Atlanta, GA 30305
(404) 262-7522**

**S
H
& A**

April 9, 2002

Stanley,
Holcombe
& Associates, Inc.

April 9, 2002

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

October 1, 2000 Actuarial Report
(Revised)

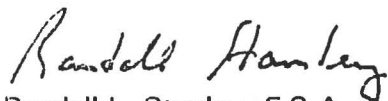
Dear Board Members:

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, 2001.

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 six 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 costs in this report do not reflect any future impact of Section 415 of the Internal Revenue Code. The City contribution requirement is \$1,051,629. The member contribution rate is 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, 2000 ACTUARIAL REPORT
(Revised)**

Table of Contents

	-Page-
SUMMARY OF RESULTS - Regular Fund	1-2
SUMMARY OF RESULTS - COLA Fund.....	3
REVIEW OF COSTS	4-11
Summary Discussion	4
Comparison of Deposit Requirements.....	4
Assumption Refinements	4
Analysis of Cost Changes	5
Plan Assets.....	9
Funding Progress	9
Governmental Accounting Standards	10
Application of GASB27.....	11
COLA Fund	11
Enrolled Actuary's Statement	12
 EXHIBITS	
1A City Contribution Requirement for 2000/2001 Fiscal Year	13
1B Contribution Surplus Account	15
2 Development of Actuarial Asset Value	16
3 Summary of Asset Transactions.....	18
4 Distribution of Assets	19
5 Summary of Accounting Information	21
6 Comparison of Funding Progress	22
7 Member Statistics	23

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

OCTOBER 1, 2000 ACTUARIAL REPORT
(Revised)

Table of Contents
(Continued)

EXHIBITS	-Page-
8 Summary of Principal System Provisions	26
9A Summary of Actuarial Basis - Regular Fund - Prior Basis	30
9B Summary of Actuarial Basis - Regular Fund - Revised Basis.....	34
10 Information Under Florida Statutes	38
11 Disclosure Information	40
12 COLA Benefits and Consumer Price Index	44
13 COLA Fund Assets and Liabilities	46
14 Cumulative Experience Position Net of Asset Transfers	48
15 Summary of Principal COLA Provisions	49
16A Summary of Actuarial Basis - COLA Fund - Prior Basis	52
16B Summary of Actuarial Basis - COLA Fund - Revised Basis.....	56
17 Disclosure Information	60

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

Comparative Summary of Principal Valuation Results - Regular Fund

	Actuarial Valuation Prepared as of	
	<u>10/1/2000</u>	<u>10/1/1999</u>
A. <u>Participant Data</u>		
Active Members	1,676	1,684
Total Annual Payroll	\$84,343,269	\$77,714,839
Retired Members and Beneficiaries	1,190	1,137
Total Annualized Benefits	\$37,214,360	\$33,897,228
Disabled Members	235	238
Total Annualized Benefits	\$3,867,542	\$3,843,012
Terminated Vested Members	19	20
Total Annualized Benefits	\$347,822	365,078
B. <u>Assets</u>	-\$-	-\$-
Actuarial Value (Ex. 2)	988,730,632	911,710,668
Market Value (Ex. 4)	994,587,398	932,848,186
C. <u>Liabilities (Excl. COLA)</u>		
Present Value of Benefits (Ex. 1)		
Active Members - Retirement	581,217,719	543,957,165
Vesting	10,774,606	9,300,714
Disability	14,530,526	11,136,818
Death	3,956,108	223,217
Return of Contributions	1,500,856	1,258,016
Total	<u>611,979,815</u>	<u>565,875,930</u>
Inactive Members - Retired and Beneficiaries	391,998,247	356,837,388
Disabled	36,885,331	36,995,628
Terminated Vested	2,925,924	2,954,136
Total	<u>431,809,502</u>	<u>396,787,152</u>
Total	<u>1,043,789,317</u>	<u>962,663,082</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>10/1/2000</u>	<u>10/1/1999</u>
D. <u>Actuarial Present Value of Accrued Benefits</u> (Exhibit 5)	-\$-	\$-
Vested Accrued Benefits		
Inactive Members and Beneficiaries	431,809,502	396,787,152
Active Members	<u>276,478,258</u>	<u>375,317,388</u>
Total	708,287,760	772,104,540
Non-Vested Accrued Benefits	<u>12,230,495</u>	<u>12,785,156</u>
Total	<u>720,518,255</u>	<u>784,889,696</u>
E. <u>Pension Cost</u> (Exhibit 1)		
Normal Cost	6,955,658	9,469,401
Payment to Amortize Unfunded Liability	N/A	N/A
Expected Plan Sponsor Contribution	1,051,629	4,029,362
As % of Payroll	1.25%	5.2%
Expected Member Contribution	5,904,029	5,440,039
As % of Payroll	7.0%	7.0%
F. <u>Past Contributions</u>	Year Ending <u>9/30/2000</u>	Year Ending <u>9/30/1999</u>
	-\$-	-\$-
Required Plan Sponsor Contribution	4,029,362	10,376,473
Required Member Contributions	6,257,588	8,556,140
Actual Contributions		
Plan Sponsor	5,400,784	10,376,473
Members	6,257,588	8,556,140
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)	673,260,118	384,635,338
Present Value Future Contributions (at attained age)	47,003,783	25,902,241

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

Comparative Summary of Principal Valuation Results – COLA Fund

		Actuarial Valuation	
		Prepared as of	
		<u>10/1/2000</u>	<u>10/1/1999</u>
A. <u>Participant Data</u>			
Active Members			
Total Annual Payroll			
Retired Members and Beneficiaries			
		1,190	1,137
	Total Annualized Benefits	\$6,902,203	5,848,101
Disabled Members			
		235	238
	Total Annualized Benefits	\$1,852,985	\$1,606,118
Terminated Vested Members			
Total Annualized Benefits			
Table			
		\$850	\$750
B. <u>Assets</u>			
		-\$-	-\$-
	Actuarial Value (Ex. 13)	245,544,421	205,855,412
	Market Value (Ex. 13)	189,930,782	151,842,885
C. <u>Liabilities (COLA Only)</u>			
Present Value of Benefits (Ex. 13)			
Active Members -	Reserve for Current Actives	32,529,315	31,333,770
	Reserve for Contribution Refunds	14,889	30,969
	Reserve for Future Actives	<u>4,879,398</u>	<u>4,700,066</u>
	Total	37,423,602	36,064,805
Inactive Members -	Frozen COLA I Benefits	3,200,988	3,436,654
	COLA II Benefits	<u>101,692,702</u>	<u>99,622,534</u>
	Total	104,893,690	103,059,188
Total		<u>142,317,292</u>	<u>139,123,993</u>

Comparative Summary of Total Assets - Combined

Market Value (Ex. 4)	1,184,518,180	1,084,691,071
----------------------	---------------	---------------

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

REVIEW OF COSTS

Summary Discussion

This is the actuarial report for the fiscal year beginning October 1, 2001 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, as amended through September 30, 2000.

Comparison of Deposit Requirements

The City contribution requirement, and the results calculated for the 2001/2002 fiscal year, are as follows:

	<u>2001/2002</u>	<u>2000/2001</u>	<u>1999/2000</u>
	-\$-	-\$-	-\$-
Past Service Cost	N/A	N/A	N/A
Normal Cost	1,051,629	4,029,362	5,400,784
Payment Timing	<u>0</u>	<u>0</u>	<u>0</u>
	1,051,629	4,029,362	5,400,784

Both the 2000/2001 and the 2001/2002 City contribution amounts reflect a member contribution rate of 7%.

Assumption Refinements

The cost calculations as of October 1, 2000 reflect the following assumption changes:

- Reduction of the inflation component of the salary increase assumption from 4.5% to 4%.
- Reduction in the compensation increase assumption at expected retirement from 13% to 7%.

Assumption Refinements (continued)

- Modification of the retirement assumption from 100% assumed to retire at eligibility for Rule of 64 to the following:

After eligibility for Rule of 64 and attainment of age:

Prior to 50	15%/year
50 – 59	30%/year
60 and later	100%

The reduction in the inflation component of the salary increase assumption is in recognition of lower expected inflation levels. Our annual gain/loss analyses have shown lower than expected compensation increases.

The reduction in the compensation increase assumption at retirement reflects our conclusion that the data quality has improved with the conversion to the Pension Gold system. The reduction to 7% was determined by reviewing all retirements between October 1998 and October 2001, which averaged 6.78%.

The modifications to the retirement assumption are made in recognition that members in significant numbers were deferring retirement beyond earliest eligibility for Rule of 64. It should be noted that the Pension Board Consultants' 1996/1999 Experience Study contained the recommendation that the retirement decrements be reduced. Our recommendation at that time was that no change be made, due to the number of benefit changes, making it very difficult to predict how members would retire in the future. Two further years of experience continue to support this trend. Therefore, making this change effectively anticipates the conclusions expected from the next Experience Study.

Contribution Surplus Account

Exhibit 1B reflects a contribution surplus of \$1,477,707 as of September 30, 2001, based on the difference between the \$5,400,784 actual City contribution and the City contribution requirement of \$4,029,362 from the revised October 1, 1999 actuarial report, accumulated at 7.75% interest for one year.

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.

Analysis of Cost Changes (continued)

Quantification of the reasons for the changes is as follows:

Analysis of Cost Changes from October 1, 1999 to October 1, 2000

	<u>Normal Cost</u>	
	<u>-\$-</u>	<u>-%-</u>
2000/2001 Normal Cost	4,029,362	5.18
2001/2002 Normal Cost Expected (for continuing participants)	3,804,052	5.18
<u>Element of Experience</u>		
Salary Increases	+419,000	+0.52
Turnover	+36,000	+0.04
Mortality	+91,000	+0.12
Retirement	-1,826,000	-2.03
New Participants	+1,394,000	+1.80
Disability	-103,000	-0.14
Investment Return	-5,034,000	-7.16
Reduction in Member Rate		
Other, Data, One Year Lag	<u>+4,077,274</u>	<u>5.06</u>
Total	-945,726	(1.79)
2001/2002 Normal Cost	2,858,326	3.39
Changes in Florida Law 99-1	+83,303	+0.10
Changes in Assumptions	<u>-1,890,000</u>	<u>-2.24</u>
2001/2002 Normal Cost	1,051,629	1.25
Payment Timing	<u>0</u>	<u> </u>
	1,051,629	1.25

As may be noted from the table, the effects of some elements of experience (investment return, e.g.) in the 1999/2000 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, 1999 through September 30, 2000, covered payroll for the continuing actives increased more than expected, resulting in an increase of \$419,000 in the Normal Cost. Covered payroll for continuing active participants at September 30, 2000 was approximately 100.9% of expected. (This compares to 97.8% of expected for the previous year, which decreased the normal cost by \$1,240,000.)

Mortality - For active members there were no deaths, as compared to 1.2 expected; for inactive members there were 30 deaths (15 without survivors), as compared to about 16 expected.

Disability - During the past year there were 2 disabilities, as compared to 4.0 expected. Over the past 20 years, there have been 107 disabilities, as compared to about 122 expected.

Turnover - From October 1, 1999 to September 30, 2000, there were 19 employee terminations, as compared to about 23 predicted by the actuarial assumptions. Following is a comparison of the expected and actual turnover rates for the past six years:

Age	<u>1994/1995</u>		<u>1995/1996</u>		<u>1996/1997</u>		<u>1997/1998</u>		<u>1998/1999</u>		<u>1999/2000</u>	
	Expected	Actual	Expected	Actual	Expected	Actual	Expected	Actual	Expected	Actual	Expected	Actual
20-24	2.3	1	1.8	1	1.4	2	0.6	0	0.9	1	1.3	1
25-29	7.4	2	6.6	5	6.5	3	3.6	3	3.8	4	4.5	2
30-34	12.8	11	11.0	8	9.5	7	5.5	7	5.3	7	5.9	7
35-39	9.0	7	9.3	10	9.7	11	7.9	5	7.4	4	7.2	6
40+	<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>	<u>4.0</u>	<u>3</u>
	36.2	23	33.9	27	32.8	33	22.5	18	21.5	23	22.9	19

Retirement - There were 63 retirements during the period, as compared to about 374 expected (27 firefighters, 36 police). This resulted in a \$1,826,000 decrease in the Normal Cost. Note that retirees electing DROP are included among the actual retirees for the last four years.

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

Age	<u>1994/1995</u>		<u>1995/1996</u>		<u>1996/1997</u>		<u>1997/1998</u>		<u>1998/1999</u>		<u>1999/2000</u>	
	Expected	Actual	Expected	Actual	Expected	Actual	Expected	Actual	Expected	Actual	Expected	Actual
Under 44	48.1	21	9.8	6	8.5	7	9.1	7	56.8	2	72.7	8
45-49	132.0	48	57.8	6	66.0	36	78.6	9	187.9	16	197.0	24
50-54	69.4	16	56.4	18	53.0	32	31.1	8	75.0	9	84.0	24
55-59	13.0	4	9.4	2	10.4	9	3.7	1	17.0	2	18.0	6
60+	<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>	<u>2.0</u>	<u>1</u>
	263.5	89	134.4	33	138.4	84	122.9	25	338.7	30	373.7	63

Investment Return - The rate of return for the year ending September 30, 2000 was 12.7% on mean market value, as shown in Exhibit 4 (16.97% on actuarial asset value, Exhibit 2). A \$32.8 million gain decreased the Normal Cost by \$5,034,000. In addition, there will be a COLA transfer of \$33,619,502 as of January 1, 2002, 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, 2002 was 12.7%, 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, 2000, this resulted in an actuarial asset value of \$5.8 million less than market value, as compared to \$21.1 million less as of September 30, 1999.

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, 2000 is \$994,587,000, as compared to the value of accrued benefits of \$720,518,000 for a ratio of 138.0%. The ratio as of October 1, 1999 was 120.5%.

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 required for financial reports issued for fiscal years beginning after December 15, 1986 (and before the effective dates of GASB 25 and GASB 27).

Statement 5 uses 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 GASB 5 disclosures 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 were not available, the disclosure requirements were limited to the information available.

Calculations have been made as of October 1, 2000 to determine the pension obligation, \$823.1 million. This compares to assets of \$994.6 million, for a funded ratio of 121%. Last year the funded ratio was 114%. These amounts, together with other disclosures, are contained in Exhibit 11.

These calculations are made for 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 FIPO Trust.

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 was effective for periods beginning after June 15, 1996; Statement No. 27, for periods beginning after June 15, 1997.

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 FIPO 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 five years, only five 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 10/1/2000. The calculations reflect the approach adopted with the Amended Final Judgement in the matter of Gates vs. City of Miami.

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 is to be provided as of January 1, 2001), 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 102% of the target. A comparison of COLA increases to 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, 2000 for the Retirement Fund and for the COLA 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

April 9, 2002

Date

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

City Contribution Requirement for 2001/2002 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	581,217,719	579,432,578
b. Disability	14,530,526	11,966,185
c. Death	3,956,108	765,631
d. Turnover	10,774,606	9,686,054
e. Return of Contributions	<u>1,500,856</u>	<u>1,454,773</u>
f. Total	611,979,815	603,305,221
2. <u>Retired Members and Beneficiaries</u>		
a. Service Retirements	378,660,685	378,660,685
b. Beneficiaries	13,337,562	13,337,562
c. Disability Retirements	36,885,331	36,885,331
d. Terminated Vested Members	<u>2,925,924</u>	<u>2,925,924</u>
e. Total	431,809,502	431,809,502
3. Total	<u>1,043,789,317</u>	<u>1,035,114,723</u>

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

City Contribution Requirement for 2001/2002 Fiscal Year

	<u>Revised Assumptions</u> -\$-	<u>Prior Assumptions</u> -\$-
II. <u>Normal Cost (Cont'd)</u>		
A. Total Present Value of Future Benefits	1,043,789,317	1,035,114,723
B. Present Value of Future Member Contributions	47,003,793 ⁽¹⁾	27,926,790 ⁽¹⁾
C. Actuarial Asset Value	988,730,623	988,730,623
D. Unfunded Actuarial Accrued Liability	<u>0</u>	<u>0</u>
E. Present Value of Future Normal Costs (A-B-C-D)	8,054,901	18,457,310
F. Present Value of Future Payrolls	673,260,118	414,506,562
G. Current Payroll for those under Expected Retirement Age	81,577,049	61,304,652
H. Current Normal Cost - Payable 10/1/2001 [(E) (G) / (F)] (1.0775)	1,051,629	2,941,357
I. Covered Payroll	84,343,269	84,343,269
J. (H)/(I)	1.25%	3.49%
III. <u>City Contribution Schedule</u>		
A. Past Service Cost	0	0
B. Normal Cost	1,051,629	2,941,357
C. Payment Timing	<u>0</u>	<u>0</u>
D. Total	1,051,629	2,941,357

⁽¹⁾7% of Covered Payroll

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

Contribution Surplus Account

-\$-

A. Contribution Surplus at October 1, 2000	0
B. Actual 2000/2001 Contribution made on 10/1/2000	5,400,784
C. Required Contribution as of 10/1/2000	4,029,362
D. Interest at 7.75%	106,285
D. Contribution Surplus at September 30, 2001 (A) + (B) - (C) + (D)	<u>1,477,707</u>

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

I. Development of Actuarial Asset Value

	<u>9/30/2000</u>	<u>9/30/1999</u>	<u>9/30/1998</u>
	-\$-	-\$-	-\$-
A. Book Value	854,106,177	760,554,174	720,981,723
B. Market Value	994,587,398	932,848,186	857,657,547
C. B/A	1.1644775	1.2265375	1.1895691
<hr style="border-top: 1px dashed black;"/>			
D. 1/3 Σ (C)		1.1935280	
E. Adjusted Market Value at 9/30/2000 D x \$854,106,177		1,019,399,637	
F. 1. 80% of Market Value		795,669,918	
2. 120% of Market Value		1,193,504,878	
G. Preliminary Actuarial Asset Value		1,019,399,637	
H. Present Value of 1/1/2002 COLA Transfer, discounted at 7.75%		30,624,547	
I. Actuarial Asset Value		988,775,090	

II. Rate of Return on Actuarial Asset Value

A. Actuarial Asset Value at 10/01/1999	-\$-	911,710,668
B. Contributions		
1. City		5,400,784
2. Members		<u>6,257,588</u>
3. Total		11,658,372
C. Benefits and Expenses		44,812,949
D. Present Value of 1/1/2002 COLA Transfer		30,624,547
E. Actuarial Asset Value at 10/01/2000		988,775,090
F. Net Return on Investment [E + D + C - B - A]		140,843,546
G. Rate of Return [2 x F / (A + E - F)]		16.01%

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

**2002 Cost-of-Living Adjustment
(COLA) Distribution Plan**

**Calculation of Excess Investment Return
On Membership and Benefits Accounts for 1999/2000 Fiscal Year**

I.	Net Actual Return on Actuarial Asset Value		-\$-
	A. Preliminary Actuarial Asset Value as of 10/1/2000		1,019,399,637
	B. Benefits Paid During Plan Year		41,237,423
	C. Value of COLA transfer for 1998/1999 Year		31,016,064
	D. Contributions Refunded During Plan Year		258,804
	E. City Contributions During Plan Year		5,400,784
	F. Member Contributions During Plan Year		6,257,588
	G. Actuarial Asset Value as of 10/1/1999		<u>911,710,668</u>
	H. Total Actual Return During Plan year (A) + (B) + (C) + (D)-(E)-(F)-(G)		168,542,888
	I. Investment Expenses Paid During Plan Year		<u>2,520,808</u>
	J. Net Actual Return During Plan Year		166,022,080
II.	Net Expected Return on Actuarial Asset Value		
	A. Actuarial Asset Value as of 10/1/1999		911,710,668
	B. Benefits Paid During Plan Year		41,237,423
	C. Value of COLA transfer for 1998/1999 Year		31,016,064
	D. Contributions Refunded During Plan Year		258,804
	E. City Contributions During Plan Year		5,400,784
	F. Member Contributions During Plan Year		6,257,588
	G. Expected Rate of Return		7.625%
	H. Expected Return During Plan Year		68,359,652*
	I. Base Amount for Expected Return (H)/.07625		896,520,026
	J. Excess Return on Assets (I(J) - II(H))		97,662,428
	K. Excess Return as % of II(I)		10.893502%
III.	Amount to be Transferred to COLA Fund		
	A.		
		<u>Excess Return</u>	<u>COLA Transfer</u>
		% \$	% \$-
	First	2.5 22,413,001	75 16,809,751
	Next	2.5 22,413,001	50 11,206,501
	Next	2.5 22,413,001	25 5,603,250
		3.3935% 30,423,725	-- --
	B. Total Transfer Amount at 1/1/2002		<u>33,619,502</u>

*Assumes Uniform Quarterly Contributions and Monthly Benefits

$$\frac{[(911,710,668) + (5,400,784 + 6,257,588) (2.5/4) - (41,237,423 + 258,804) (13/24)](.07625)}{1} =$$
68,359,652

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

Summary of Asset Transactions for Year Ending September 30, 2000

	<u>Membership and Benefits Accounts</u> -\$-	<u>COLA I Account</u> -\$-	<u>COLA II Account</u> -\$-
A. Market Value as of October 1, 1999 ⁽¹⁾	960,212,523	29,236,476	95,242,072
B. Book Value as of October 1, 1999 ⁽¹⁾	787,918,511	23,990,481	78,152,482
C. Income During Year			
1. City Contributions	5,400,784		
2. Member Contributions	6,257,588	293	
3. Interest	26,961,542	717,533	2,742,367
4. Dividends	5,421,247	144,491	539,679
5. Net Realized Gains (Losses)	120,048,317	3,249,816	11,439,536
6. Income Transfer	(23,437,048)		23,437,048
7. Securities Lending Income	559,361	15,020	56,634
8. Rental and Other Income	198,918	5,505	21,514
	<u>141,410,709</u>	<u>4,132,658</u>	<u>38,236,778</u>
D. Disbursements During Years			
1. Benefit Payments	41,237,423	494,740	6,521,638
2. Contribution Refunds	258,804	13,932	
3. Custodial and Investment Expenses	2,520,808	65,348	247,744
4. Administrative Expenses	22,136		
5. Securities Lending Fees	167,808	4,506	16,990
	<u>44,206,979</u>	<u>578,526</u>	<u>6,786,372</u>
E. Book Value as of 9/30/2000 ⁽²⁾ (B) + (C)-(D)	885,122,241	27,544,613	109,602,888
F. Net Change in Unrealized Gains (Losses)	(31,812,791)	(874,282)	305,914
G. Market Value as of 9/30/2000 (A) + (C)-(D) + (F)	1,025,603,462	31,916,326	126,998,392
H. January 1, 2001 Allocation to COLA II (discounted)	<u>(31,016,064)</u>		<u>31,016,064</u>
I. Net Market Value as of 9/30/2000 ⁽²⁾	994,587,398	31,916,326	158,014,456

⁽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, 2000⁽¹⁾

Membership and Benefits and Cost-of-Living Adjustment Accounts

<u>Description</u>	<u>Market</u>	<u>Book</u>
	-\$-	-\$-
Bills, Bonds, Notes	375,095,437	374,755,559
Corporate Stocks	726,008,593	571,912,728
Money Market Funds and Time Deposits	19	19
Guaranteed Inv. Contract	0	0
Mutual Funds	50,676,855	42,864,160
Rental Property	<u>70,202</u>	<u>70,202</u>
A: Sub-Total	1,152,551,106	990,302,668
B: Cash	40,187,910	40,187,910
Receivables:		
City Contributions	(6,879)	(6,879)
Accounts Receivable	102	102
Member Contributions		
Accrued Interest	3,287,182	3,287,182
Securities Proceeds	<u>9,422,132</u>	<u>9,422,132</u>
C: Sub-Total	12,702,537	12,702,537
Payables:		
Budget Advance	644,692	644,692
Deferred Rental Income		
Tax Withheld	(14)	(14)
Accounts Payable	116,187	116,187
Securities Purchased	<u>20,162,508</u>	<u>20,162,508</u>
D: Sub-Total	20,923,373	20,923,373
E. Total (A + B + C-D)	1,184,518,180	1,022,269,742
Accounts:		
COLA I Account	31,916,326	27,544,613
COLA II Account	126,998,392	109,602,888
COLA II Transfer (1/1/2001)	31,016,064 ⁽²⁾	31,016,064 ⁽²⁾
F: Membership & Benefits Account	994,587,398	854,106,177

⁽¹⁾Based on unaudited financial statements.

⁽²⁾Actual book value of transfer will be based on relationship between book and market on December 31, 2000.

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

Investment Results

Yield on Mean Values for 12-Month Period Ending 9/30/2000

	-\$-	<u>Market</u> -%-	<u>Book</u> -%-
<u>Membership and Benefits Accounts</u>			
Interest	26,961,542	2.9	3.5
Dividends	5,421,247	0.6	0.7
Rental and Other Income	198,918	0.0	0.0
Realized Gains	120,048,317	12.9	15.8
Securities Lending (Net)	391,553	0.0	0.1
Increase in Unrealized Gains	(31,812,791)	(3.4)	--
Custodial and Investment Expenses	(2,520,808)	(0.3)	(0.3)
	<u>118,082,026</u>	<u>12.7</u>	<u>19.8</u>
 <u>COLA I Account</u>			
Interest	717,533	2.5	3.0
Dividends	144,491	0.5	0.6
Rental and Other Income	5,505	0.0	0.0
Realized Gains	3,249,816	11.2	13.7
Securities Lending (Net)	10,514	0.0	0.0
Increase in Unrealized Gains	(874,282)	(3.0)	--
Custodial and Investment Expenses	(65,348)	(0.2)	(0.2)
	<u>3,188,229</u>	<u>11.0</u>	<u>17.1</u>
 <u>COLA II Account</u>			
Interest	2,742,367	2.6	3.2
Dividends	539,679	0.5	0.6
Rental and Other Income	21,514	0.0	0.0
Realized Gains	11,439,536	11.1	13.3
Securities Lending (Net)	39,644	0.0	0.0
Increase in Unrealized Gains	305,914	0.3	--
Custodial and Investment Expenses	(247,744)	(0.2)	(0.3)
	<u>14,840,910</u>	<u>14.3</u>	<u>16.8</u>

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

Summary of Accounting Information
As of October 1, 2000

	<u>October 1, 2000</u>		<u>October 1, 1999</u>
	<u>Revised</u> <u>Assumptions</u>	<u>Prior</u> <u>Assumptions</u>	
	-\$ <u> </u>	-\$-	-\$-
I. <u>Present Value of Vested Accrued Benefits</u>			
A. Service Retirements and Beneficiaries	391,998,247	391,998,247	356,837,388
B. Disability Retirements	36,885,331	36,885,331	36,995,628
C. Vested Terminated Members	2,925,924	2,925,924	2,954,136
D. Active Members	<u>276,478,258</u>	<u>376,132,110</u>	<u>375,317,388</u>
E. Total	708,287,760	807,941,612	772,104,540
II. <u>Present Value of Non-Vested Accrued Benefits</u>	12,230,495	14,261,599	12,785,156
III. <u>Present Value of Accrued Benefits</u>	720,518,255	822,203,211	784,889,696
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 Beginning of Year		784,889,696	740,580,703
B. Increase (Decrease) During the Year Attributable to:			
1. Benefits Accumulated		19,361,062	14,998,898
2. Benefits Paid and Contributions Refunded		(41,496,227)	(37,158,884)
3. Plan Amendment		227,707	0
4. Assumption Changes		(101,684,956)	10,513,881
5. Increase Due to Decrease in Discount Period		<u>59,220,973</u>	<u>55,955,098</u>
6. Net Increase		(64,371,441)	44,308,993
C. Present Value of Accrued Benefits at End of Year		720,518,255	784,889,696

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

Comparison of Funding Progress
(\$000)

I. <u>Assets</u>	<u>10/1/2000</u>	<u>10/1/1999</u>
	-\$-	-\$-
A. Book Value	854,106	760,554
B. Market Value	994,587	932,848
II. <u>Liabilities</u>		
A. Retired and Vested	431,810	396,787
B. Active		
Employee Contributions	100,472	95,963
Other Vested	176,006	279,355
Non-Vested Accrued	<u>12,230</u>	<u>12,785</u>
C. Total Accrued	720,518	784,890
III. <u>Ratios</u>	%	%
IA/IIC	118.5	96.9
IB/IIC	138.0	118.9

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

Member Statistics

I. Active Members

<u>Number of</u>	<u>Date</u>		
	<u>10/1/2000</u>	<u>10/1/1999</u>	<u>10/1/1998</u>
Males	1,436	1,444	1,352
Females	240	240	235
Total	1,676	1,684	1,587

Averages

Current Age	38.4	38.1	38.2
Past Service	12.8	12.5	12.8
Credited Past Service	12.5	12.2	12.5
Annual Earnings	\$50,324	\$46,149	\$46,809

II. Inactive Members

A. Retirees and Beneficiaries

Number	1,190	1,137	1,111
Average Annual Benefit	\$31,273	\$29,813	\$28,910
Average Age	63.4	63.3	63.0

B. Disabled

Number	235	238	244
Average Annual Benefit	\$16,458	\$16,147	\$15,796
Average Age	62.8	62.0	61.5

C. Vested Terminated

Number	19	20	20
Average Deferred Benefit	\$18,306	\$18,648	\$18,602
Average Age	44.7	44.0	44.7

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

Age-Service Distribution

<u>Age</u>	<u>Completed Years of Service</u>									<u>Total</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>Avg.</u>
											-\$-	-\$-
15-24	16	51	1	-	-	-	-	-	-	68	2,439,554	35,876
25-29	17	138	47	3	-	-	-	-	-	205	7,910,475	38,588
30-34	12	90	104	70	1	-	-	-	-	277	11,827,511	42,699
35-39	3	39	62	163	137	2	-	-	-	406	20,656,594	50,878
40-44	1	15	20	64	241	63	8	-	-	412	22,728,202	55,166
45-49	-	5	3	19	67	56	68	1	-	219	13,475,009	61,530
50-54	-	-	2	5	17	21	23	5	-	73	4,496,589	61,597
55-59	-	2	-	4	3	-	4	2	-	15	756,893	50,460
60-64	-	-	-	-	-	-	-	1	-	1	52,442	52,442
65+	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	49	340	239	328	466	142	103	9	-	1676	84,343,269	50,324

Average Age: 38.4

Average Service: 12.8

**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>
10/1/1999	1,684	1,137	238	20
Changes due to:				
Retirement	-63	+64		-1
Withdrawal	-19			
Disability	-2		+2	
Death		-27	-3	
New Beneficiary		+15		
New Hires	+76			
Data Changes		+1	-2	
	<hr/>	<hr/>	<hr/>	<hr/>
10/1/2000	1,676	1,190	235	19

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

Summary of Principal System Provisions

(Based on Ordinance No. 10002, as Amended
by Ordinances Nos. 112351 and 11944, and Resolution 657)

Effective Date:	January 1, 1940, as restated effective May 23, 1985, and amended through September 30, 2000.
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 will 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; up to 5 years, without member contributions, if member was an employee before period of military service.
Average Final Compensation:	Average Compensation during the highest year of Creditable Service.
Normal Service Age:	Age 50

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

Summary of Principal System Provisions
(Continued)

- 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:** Ordinary Disability: 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; 10 years' certain and life normal form.
- Accidental Disability: Incurred as accident in performance of duties. 66 2/3% of Average Final Compensation, or 66 2/3% of Final Compensation, whichever is greater. 40% joint & survivor normal form, with a minimum of 10 years' certain and life.
- Deferred Retirement Option Plan:** Members who are eligible for Service Retirement or Rule of 64 Retirement after September 1998 may elect self-directed Deferred Retirement Option Plan, for a maximum of 3 years. 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:

Changes required by Chapter 99-1, including:

- Minimum normal form of 10 years' certain and life;
- Up to 5 years credit for military service if member was Employee prior to military service;
- 10 years' certain and life normal form for ordinary disability;
- Minimum normal form of 10 years' certain and life for accidental disability;
- Death benefit after 10 years of Creditable Service and before eligibility for Early Service or Rule of 64 retirement, equal to accrued benefit, deferred to earlier of member's 50th birthday or Rule of 64 eligibility, payable for 10 years. Beneficiary is not required to survive deferred period or 10 years' certain period.

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

Summary of Actuarial Basis – Prior Basis

Valuation Date: October 1, 2000 for Fiscal Year beginning October 1, 2001.

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%

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

Summary of Actuarial Basis – Prior Basis
(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

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

Summary of Actuarial Basis - Prior Basis
(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, 2000 and 2001, instead of the 4.5% increase expected due to inflation.

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

Summary of Actuarial Basis – Prior Basis
(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 was furnished by Administrator. Although our valuation procedures include a detailed gain/loss analysis by source, we do not specifically audit the data.
Changes Since Prior Valuation:	None. Same as revised October 1, 1999 actuarial basis.

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

Summary of Actuarial Basis – Revised Basis

Valuation Date: October 1, 2000 for Fiscal Year beginning October 1, 2001.

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%

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

Summary of Actuarial Basis – Revised Basis
(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		.088
21	.00095	.0240	.0192		.086
22	.00105	.0240	.0192		.083
23	.00110	.0240	.0192		.081
24	.00125	.0240	.0192		.078
25	.00130	.0240	.0192		.075
26	.00140	.0240	.0192		.073
27	.00150	.0240	.0192		.071
28	.00160	.0240	.0192		.068
29	.00170	.0240	.0192		.066
30	.00180	.0240	.0192		.065
31	.00200	.0240	.0192		.064
32	.00220	.0240	.0192		.064
33	.00245	.0240	.0192		.063
34	.00265	.0240	.0192		.062
35	.00285	.0240	.0192		.061
36	.00305	.0228	.0182		.061
37	.00325	.0216	.0173		.060
38	.00345	.0204	.0163		.060
39	.00370	.0192	.0154		.059
40	.00390	.0180	.0144		.058
41	.00470	.0168	.0134		.058
42	.00555	.0156	.0125		.057
43	.00635	.0144	.0115		.057
44	.00720	.0132	.0106		.057
45	.00800	.0120	.0096	.15	.056
46	.00880	.0096	.0077	.15	.056
47	.00965	.0072	.0057	.15	.056
48	.01045	.0048	.0038	.15	.056
49	.01130	.0024	.0019	.15	.055
50	.01210	.0000	.0000	.30	.055

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

Summary of Actuarial Basis - Revised Basis
(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	.30	.053
52	.01375	.0000	.0000	.30	.051
53	.01455	.0000	.0000	.30	.050
54	.01540	.0000	.0000	.30	.048
55	.01620	.0000	.0000	.30	.047
56	.01785	.0000	.0000	.30	.046
57	.01870	.0000	.0000	.30	.044
58	.01950	.0000	.0000	.30	.043
59	.02030	.0000	.0000	.30	.041
60	.00000	.0000	.0000	1.00	.040
61	.00000	.0000	.0000	1.00	.040
62	.00000	.0000	.0000	1.00	.040
63	.00000	.0000	.0000	1.00	.040
64	.00000	.0000	.0000	1.00	.040
65	.00000	.0000	.0000	1.00	.040

* After eligibility for Rule of 64 Retirement.

** A 7% 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 Basis
(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 was furnished by Administrator. Although our valuation procedures include a detailed gain/loss analysis by source, we do not specifically audit the data.
Changes Since Prior Valuation:	The inflation component of the salary increase assumption was reduced from 4.5% to 4%, and current pay was increased by 2%; the pay increase assumption at expected retirement was reduced from 13% to 7%; the retirement assumption was changed from 100% when eligible for Rule of 64 or Service Retirement to 15%/year prior to age 50, 30%/year from age 50 to age 60 (if eligible for Rule of 64 Retirement), and 100% at age 60.

**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>
-%-	-%-	-%-
9/30/00	7.12	2.00
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>
-%-	-%-	-%-	-%-
9/30/00	12.7	16.01	7.75
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> -%-
9/30/00	8.5	N.A.
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, 2000 and 1999

Pension benefit obligation:	<u>\$(Millions)</u>	
	<u>Sept. 30, 2000</u>	<u>Sept. 30, 1999</u>
	-\$-	-\$-
- Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	431.8	396.8
- Current employees - Accumulated employee contributions including interest	100.5	96.0
Employer - financed vested	176.0	279.4
Employer - financed nonvested	<u>114.8</u>	<u>48.0</u>
Total pension benefit obligation	823.1	820.2
Net assets available for benefits (market value)	<u>994.6</u>	<u>932.8</u>
Unfunded pension benefit obligation	(171.5)	(112.6)

The pension benefit obligation was determined as part of actuarial valuations at September 30, 2000 and 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 4.00 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 \$11,658,372 (\$5,400,784 employer and \$6,257,588 employee) were made for the year ending September 30, 2000. These contributions consisted of (a) \$11,658,372 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)
2000	994.6	823.1	121	(171.5)	84.3	(203)

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

(Excluding COLA Fund)

IV. Revenues and Expenses

Fiscal Year	Revenues by Source			
	Employee Contributions (\$)	Employer Contributions (\$)	Investment Income (\$)	Total (\$)
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
2000	6,257,588	5,400,784	129,752,337	141,410,709
Fiscal Year	Expenses by Type			
	Benefits (\$)	Administrative Expenses (\$)	Refunds (\$)	Total (\$)
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
2000	41,237,423	2,710,752	258,804	44,206,979

**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>\$</u>)	<u>Percentage Contributed</u> (<u>%</u>)	<u>Net Pension Obligation</u> (<u>\$</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
2000	5,400,784	100	0

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

(COLA Fund)

I. COLA Increases by Duration Since Retirement (Including 2000 Increment)

<u>Years Retired</u>	<u>No.</u>	<u>FIPO Benefits</u> -\$-	<u>COLA Benefits</u> -\$-	<u>%</u>
0 - 5	254	1,100,675	2,232	0.2
5 -15	318	1,165,523	65,890	5.7
10-15	167	436,899	76,232	17.4
15-20	159	283,891	104,338	36.8
20-25	244	250,288	196,191	78.4
25-30	188	134,036	171,717	128.1
30-35	57	33,217	64,985	195.6
35-40	27	13,329	33,662	252.6
40-45	6	3,024	7,232	239.2
45-50	4	1,803	5,552	307.9
50 +	1	499	1,568	314.0
Total	1,425	3,423,184	729,599	21.3

II. COLA Increases by Attained Age (Including 2001 Increment)

<u>Age</u>	<u>No.</u>	<u>FIPO Benefits</u> -\$-	<u>COLA Benefits</u> -\$-	<u>%</u>
<45	31	73,969	869	1.2
45-50	108	389,140	1,225	0.3
50-54	219	814,232	18,270	2.2
55-59	237	839,797	54,956	6.5
60-64	170	440,183	66,699	15.2
65-69	216	392,725	148,759	37.9
70-74	222	280,353	194,783	69.5
75-79	143	137,302	150,794	109.8
80-84	55	40,539	62,301	153.7
85-89	22	14,171	28,274	199.5
>90	2	773	2,629	339.9
Total	1,425	3,423,184	729,599	21.3

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

(COLA Fund)

III. COLA Increases vs. CPI (Including 2001 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	254	2,232	3.9	5.2
5 -10	318	65,890	16.4	34.4
10-15	167	76,232	38.3	45.6
15-20	159	104,338	64.9	56.6
20-25	244	196,191	127.9	61.3
25-30	188	171,717	233.6	54.8
30-35	57	64,985	355.5	55.0
35-40	27	33,662	449.3	56.2
40-45	6	7,232	494.0	48.4
45-50	4	5,552	540.6	56.9
50+	1	1,568	557.0	56.4
Total	1,425	729,599	41.6	51.2

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
			2000	174.1*	3.4

*November 2000 Index was used; December 2000 Index will be published in late January 2001.

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

(COLA Fund)

I. Summary of Assets Available for Benefits at October 1, 2000

		-\$-
A.	COLA Accounts	
1.	COLA I Account (Exhibit 3) at 9/30/2000	31,916,326
2.	COLA II Account (Exhibit 3) at 9/30/2000	126,998,392
B.	Transfers of Excess Investment Income	
1.	\$31,591,116 due on 1/1/2001, discounted	31,007,064
2.	\$33,619,502 due on 1/1/2002, discounted	30,624,547
C.	Minimum City Contributions ⁽¹⁾ \$3,558,280 beginning 1/1/2003, payable for 12 years discounted	24,746,240
D.	\$0 City Contribution due 1/1/2001	0
E.	Assets Available for COLA Benefits	245,292,569

II. COLA Fund Liabilities for Benefits at 10/1/2000

A.	Present Value of Existing COLA Benefits for inactives	
1.	Frozen COLA I benefits	3,201,528
2.	COLA II benefits	101,290,763
3.	Total inactive COLA benefits	104,492,291
B.	Present Value of Projected COLA Benefits for Current Actives	
1.	Reserve for current actives	32,538,914
2.	Reserve for contribution refunds	14,890
3.	Reserve for future actives (15% of B1)	4,880,837
4.	Total	37,434,641
C.	Total Liability Allocated (A3 + B4)	141,926,932
D.	Contingency Reserve [22% of I(E)-I(B)(2)]	47,226,965
E.	Unallocated Reserve	56,138,672
F.	Total Liability for COLA Benefits	245,292,569

Notes: (1) $(1/1.0775)^{1.25} \approx 0.727$ = 6.954551.2
(2) For \$750 Table

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

(COLA Fund)

III. Derivation of Increase in Table

		-\$-
A.	Liability based on current \$750 table	
1.	Inactive COLA II Benefits	101,290,763
2.	Present Value of Projected COLA benefits for current actives	32,538,914
3.	Reserve for future actives [15% of (2)]	<u>4,880,637</u>
4.	Total	138,710,514
B.	Assets available to increase table	
1.	Total assets available for COLA Benefits	245,292,569
2.	Total Liability Allocated (current \$750 table)	141,926,932
3.	Contingency Reserve II(D)	<u>47,226,965</u>
4.	Available Assets [(1)-(2)-(3)]	56,138,672
5.	\$33,619,502 due on 1/1/2002, discounted	<u>30,624,547</u>
6.	Net Available Assets [(4)-(5)]	25,514,125
7.	Increase ratio [(B6)/(A4)]	.18394
8.	Table increase [\$750x(7)]	137
9.	New table amount [\$750 + (8)]	887
10.	Actual new table amount	850

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

(COLA Fund)

Cumulative Experience Position Net of Asset Transfers

I.	<u>Calculation of Expected Unfunded Actuarial Accrued Liability at 10/1/2000</u>	
		-\$-
A.	Expected Unfunded Actuarial Accrued Liability at 10/1/99	211,915,040
B.	Additional Unfunded Actuarial Accrued Liability due to Plan Changes	0
C.	Entry Age Normal Cost for 1999/2000 Year Paid or Payable by Employer	0
D.	Interest on (A), (B), and (C)	16,423,416
E.	Contributions for 1999/2000 Year Paid or Payable by Employer	5,400,784
F.	Interest on (E)	<u>418,561</u>
G.	Expected Unfunded Actuarial Accrued Liability at 9/30/2000	222,519,111
H.	Additional Unfunded Actuarial Accrued Liability due to Florida Law 99-1	313,416
I.	Additional Unfunded Actuarial Accrued Liability due to Assumption Changes	<u>(37,465,722)</u>
J.	Final Expected Unfunded Actuarial Accrued Liability at 9/30/2000	185,366,755
II.	<u>Determination of Net Cumulative Experience Position at 10/1/2000</u>	
A.	Expected Unfunded Actuarial Liability as of September 30, 2000	222,989,488
B.	Entry Age Reserve - Actives	431,548,056
	- Inactives	<u>431,809,502</u>
	- Total	863,357,558
C.	Actuarial Asset Value (Net of Future Transfers)	988,775,090
D.	Actual Unfunded Actuarial Liability (B)-(C)	<u>(125,417,532)</u>
E.	Cumulative Experience Gain (Loss) (A)-(D)	310,784,287
III.	<u>Future Transfers of Excess Investment Income at 10/1/2000</u>	
A.	\$31,591,116 due on 1/1/2001, discounted	31,007,064
B.	\$33,619,502 due on 1/1/2002, discounted	<u>30,624,547</u>
C.	Total Future Transfers at 10/1/2000	61,631,611

**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 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 September 30, 2000, plus present value of \$2.5 million minimum guarantee for 14 years. The 4% future annual increases is 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 \$850 monthly benefit for 25 years of creditable service and 22 completed years of retirement (after age 46). The \$850 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 \$750 table was increased to the \$850 table.

MIAMI FIREFIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
2001 MONTHLY RETIREMENT SUPPLEMENTS

COMPLETED YEARS OF RETIREMENT (AFTER AGE 46)

	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	21	32	42	53	64	74	85	96	106	117	128	138	149	159	170	181	191	202	213	223	234	244
11	0	0	0	25	38	51	64	76	89	102	115	128	140	153	166	179	191	204	217	230	242	255	268	281	293
12	0	0	0	30	45	59	74	89	104	119	134	149	164	179	193	208	223	238	253	268	283	298	312	327	342
13	0	0	0	34	51	68	85	102	119	136	153	170	187	204	221	238	255	272	289	306	323	340	357	374	391
14	0	0	0	38	57	76	96	115	134	153	172	191	210	230	249	268	287	306	325	344	363	383	402	421	440
15	0	0	0	42	64	85	106	127	149	170	191	213	234	255	276	298	319	340	361	383	404	425	446	468	489
16	0	0	0	47	70	93	117	140	164	187	210	234	257	281	304	327	351	374	397	421	444	468	491	514	538
Y 17	0	0	0	51	76	102	127	153	178	204	229	255	281	306	332	357	383	408	434	459	485	510	536	561	587
18	0	0	0	55	83	110	138	166	193	221	249	276	304	332	359	387	414	442	470	497	525	553	580	608	635
A 19	0	0	0	59	89	119	149	178	208	238	268	298	327	357	387	417	446	476	506	536	565	595	625	655	684
R 20	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
S 21	0	0	0	68	102	136	170	204	238	272	306	340	374	408	442	476	510	544	578	612	646	680	714	748	782
22	0	0	0	72	108	144	181	217	253	289	325	361	397	434	470	506	542	578	614	650	686	723	759	795	831
O 23	0	0	0	76	115	153	191	229	268	306	344	383	421	459	497	536	574	612	650	689	727	765	803	842	880
F 24	0	0	0	81	121	161	202	242	283	323	363	404	444	485	525	565	606	646	686	727	767	808	848	888	929
25	0	0	0	85	127	170	212	255	297	340	383	425	468	510	553	595	638	680	723	765	808	850	893	935	978
C 26	0	0	0	89	134	178	223	268	312	357	402	446	491	536	580	625	669	714	759	803	848	893	937	982	1026
R 27	0	0	0	93	140	187	234	280	327	374	421	468	514	561	608	655	701	748	795	842	888	935	982	1029	1075
E 28	0	0	0	98	147	195	244	293	342	391	440	489	538	587	635	684	733	782	831	880	929	978	1026	1075	1124
D 29	0	0	0	102	153	204	255	306	357	408	459	510	561	612	663	714	765	816	867	918	969	1020	1071	1122	1173
I 30	0	0	0	106	159	212	266	319	372	425	478	531	584	638	691	744	797	850	903	956	1009	1063	1116	1169	1222
T 31	0	0	0	110	166	221	276	331	387	442	497	553	608	663	718	774	829	884	939	995	1050	1105	1160	1216	1271
A 32	0	0	0	115	172	229	287	344	402	459	516	574	631	689	746	803	861	918	975	1033	1090	1148	1205	1262	1320
B 33	0	0	0	119	178	238	297	357	416	476	536	595	655	714	774	833	893	952	1012	1071	1131	1190	1250	1309	1369
L 34	0	0	0	123	185	246	308	370	431	493	555	616	678	740	801	863	924	986	1048	1109	1171	1233	1294	1356	1417
E 35	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
36	0	0	0	132	198	263	329	395	461	527	593	659	725	791	856	922	988	1054	1120	1186	1252	1318	1383	1449	1515
S 37	0	0	0	136	204	272	340	408	476	544	612	680	748	816	884	952	1020	1088	1156	1224	1292	1360	1428	1496	1564
E 38	0	0	0	140	210	280	351	421	491	561	631	701	771	842	912	982	1052	1122	1192	1262	1332	1403	1473	1543	1613
R 39	0	0	0	144	217	289	361	433	506	578	650	723	795	867	939	1012	1084	1156	1228	1301	1373	1445	1517	1590	1662
V 40	0	0	0	149	223	297	372	446	521	595	669	744	818	893	967	1041	1116	1190	1264	1339	1413	1488	1562	1636	1711
I 41	0	0	0	153	229	306	382	459	536	612	689	765	842	918	995	1071	1148	1224	1301	1377	1454	1530	1607	1683	1760
C 42	0	0	0	157	236	314	393	472	550	629	708	786	865	944	1022	1101	1179	1258	1337	1415	1494	1573	1651	1730	1808
E 43	0	0	0	161	242	323	404	484	565	646	727	808	888	969	1050	1131	1211	1292	1373	1454	1534	1615	1696	1777	1857
44	0	0	0	166	249	331	414	497	580	663	746	829	912	995	1077	1160	1243	1326	1409	1492	1575	1658	1740	1823	1906
45	0	0	0	170	255	340	425	510	595	680	765	850	935	1020	1105	1190	1275	1360	1445	1530	1615	1700	1785	1870	1955
46	0	0	0	174	261	348	436	523	610	697	784	871	958	1046	1133	1220	1307	1394	1481	1568	1655	1743	1830	1917	2004
47	0	0	0	178	268	357	446	535	625	714	803	893	982	1071	1160	1250	1339	1428	1517	1607	1696	1785	1874	1964	2053
48	0	0	0	183	274	365	457	548	640	731	822	914	1005	1097	1188	1279	1371	1462	1553	1645	1736	1828	1919	2010	2102
49	0	0	0	187	280	374	467	561	654	748	841	935	1029	1122	1216	1309	1403	1496	1590	1683	1777	1870	1964	2057	2151
50	0	0	0	191	287	382	478	574	669	765	861	956	1052	1148	1243	1339	1434	1530	1626	1721	1817	1913	2008	2104	2199

MIAMI FIREFIGHTERS' AND POLICE OFFICERS'
RETIREMENT TRUST
2001 MONTHLY RETIREMENT SUPPLEMENTS
COMPLETED YEARS OF RETIREMENT (AFTER AGE 46)

	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	255	266	276	287	298	308	319	329	340	351	361	372	383	393	404	414	425	436	446	457	468	478	489	499	510
	11	306	319	332	344	357	370	383	395	408	421	434	446	459	472	485	497	510	523	536	548	561	574	587	599	612
	12	357	372	387	402	417	431	446	461	476	491	506	521	536	550	565	580	595	610	625	640	655	669	684	699	714
	13	408	425	442	459	476	493	510	527	544	561	578	595	612	629	646	663	680	697	714	731	748	765	782	799	816
	14	459	478	497	516	536	555	574	593	612	631	650	669	689	708	727	746	765	784	803	822	842	861	880	899	918
	15	510	531	553	574	595	616	638	659	680	701	723	744	765	786	808	829	850	871	893	914	935	956	978	999	1020
	16	561	584	608	631	655	678	701	725	748	771	795	818	842	865	888	912	935	958	982	1005	1029	1052	1075	1099	1122
Y	17	612	638	663	689	714	740	765	791	816	842	867	893	918	944	969	995	1020	1046	1071	1097	1122	1148	1173	1199	1224
F	18	663	691	718	746	774	801	829	856	884	912	939	967	995	1022	1050	1077	1105	1133	1160	1188	1216	1243	1271	1298	1326
A	19	714	744	774	803	833	863	893	922	952	982	1012	1041	1071	1101	1131	1160	1190	1220	1250	1279	1309	1339	1369	1398	1428
R	20	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
S	21	816	850	884	918	952	986	1020	1054	1088	1122	1156	1190	1224	1258	1292	1326	1360	1394	1428	1462	1496	1530	1564	1598	1632
	22	867	903	939	975	1012	1048	1084	1120	1156	1192	1228	1264	1301	1337	1373	1409	1445	1481	1517	1553	1590	1626	1662	1698	1734
O	23	918	956	995	1033	1071	1109	1148	1186	1224	1262	1301	1339	1377	1415	1454	1492	1530	1568	1607	1645	1683	1721	1760	1798	1836
F	24	969	1009	1050	1090	1131	1171	1211	1252	1292	1332	1373	1413	1454	1494	1534	1575	1615	1655	1696	1736	1777	1817	1857	1898	1938
	25	1020	1063	1105	1148	1190	1233	1275	1318	1360	1403	1445	1488	1530	1573	1615	1658	1700	1743	1785	1828	1870	1913	1955	1998	2040
C	26	1071	1116	1160	1205	1250	1294	1339	1383	1428	1473	1517	1562	1607	1651	1696	1740	1785	1830	1874	1919	1964	2008	2053	2097	2142
R	27	1122	1169	1216	1262	1309	1356	1403	1449	1496	1543	1590	1636	1683	1730	1777	1823	1870	1917	1964	2010	2057	2104	2151	2197	2244
E	28	1173	1222	1271	1320	1369	1417	1466	1515	1564	1613	1662	1711	1760	1808	1857	1906	1955	2004	2053	2102	2151	2199	2248	2297	2346
D	29	1224	1275	1326	1377	1428	1479	1530	1581	1632	1683	1734	1785	1836	1887	1938	1989	2040	2091	2142	2193	2244	2295	2346	2397	2448
I	30	1275	1328	1381	1434	1488	1541	1594	1647	1700	1753	1806	1859	1913	1966	2019	2072	2125	2178	2231	2284	2338	2391	2444	2497	2550
T	31	1326	1381	1437	1492	1547	1602	1658	1713	1768	1823	1879	1934	1989	2044	2100	2155	2210	2265	2321	2376	2431	2486	2542	2597	2652
A	32	1377	1434	1492	1549	1607	1664	1721	1779	1836	1893	1951	2008	2066	2123	2180	2238	2295	2352	2410	2467	2525	2582	2639	2697	2754
B	33	1428	1488	1547	1607	1666	1726	1785	1845	1904	1964	2023	2083	2142	2202	2261	2321	2380	2440	2499	2559	2618	2678	2737	2797	2856
L	34	1479	1541	1602	1664	1726	1787	1849	1910	1972	2034	2095	2157	2219	2280	2342	2403	2465	2527	2588	2650	2712	2773	2835	2896	2958
E	35	1530	1594	1658	1721	1785	1849	1913	1976	2040	2104	2168	2231	2295	2359	2423	2486	2550	2614	2678	2741	2805	2869	2933	2996	3060
	36	1581	1647	1713	1779	1845	1910	1976	2042	2108	2174	2240	2306	2372	2437	2503	2569	2635	2701	2767	2833	2899	2964	3030	3096	3162
S	37	1632	1700	1768	1836	1904	1972	2040	2108	2176	2244	2312	2380	2448	2516	2584	2652	2720	2788	2856	2924	2992	3060	3128	3196	3264
E	38	1683	1753	1823	1893	1964	2034	2104	2174	2244	2314	2384	2454	2525	2595	2665	2735	2805	2875	2945	3015	3086	3156	3226	3296	3366
R	39	1734	1806	1879	1951	2023	2095	2168	2240	2312	2384	2457	2529	2601	2673	2746	2818	2890	2962	3035	3107	3179	3251	3324	3396	3468
V	40	1785	1859	1934	2008	2083	2157	2231	2306	2380	2454	2529	2603	2678	2752	2826	2901	2975	3049	3124	3198	3273	3347	3421	3496	3570
I	41	1836	1913	1989	2066	2142	2219	2295	2372	2448	2525	2601	2678	2754	2831	2907	2984	3060	3137	3213	3290	3366	3443	3519	3596	3672
C	42	1887	1966	2044	2123	2202	2280	2359	2437	2516	2595	2673	2752	2831	2909	2988	3066	3145	3224	3302	3381	3460	3538	3617	3695	3774
E	43	1938	2019	2100	2180	2261	2342	2423	2503	2584	2665	2746	2826	2907	2988	3069	3149	3230	3311	3392	3472	3553	3634	3715	3795	3876
	44	1989	2072	2155	2238	2321	2403	2486	2569	2652	2735	2818	2901	2984	3066	3149	3232	3315	3398	3481	3564	3647	3729	3812	3895	3978
	45	2040	2125	2210	2295	2380	2465	2550	2635	2720	2805	2890	2975	3060	3145	3230	3315	3400	3485	3570	3655	3740	3825	3910	3995	4080
	46	2091	2178	2265	2352	2440	2527	2614	2701	2788	2875	2962	3049	3137	3224	3311	3398	3485	3572	3659	3746	3834	3921	4008	4095	4182
	47	2142	2231	2321	2410	2499	2588	2678	2767	2856	2945	3035	3124	3213	3302	3392	3481	3570	3659	3749	3838	3927	4016	4106	4195	4284
	48	2193	2284	2376	2467	2559	2650	2741	2833	2924	3015	3107	3198	3290	3381	3472	3564	3655	3746	3838	3929	4021	4112	4203	4295	4386
	49	2244	2338	2431	2525	2618	2712	2805	2899	2992	3086	3179	3273	3366	3460	3553	3647	3740	3834	3927	4021	4114	4208	4301	4395	4488
	50	2295	2391	2486	2582	2678	2773	2869	2964	3060	3156	3251	3347	3443	3538	3634	3729	3825	3921	4016	4112	4208	4303	4399	4494	4590

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

(COLA Fund)

Summary of Actuarial Basis – Prior Basis

Valuation Date: January 1, 2001.

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

Asset Valuation Method: Market Value, plus present value of future minimum City contributions.

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%

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

(COLA Fund)

Summary of Actuarial Basis – Prior Basis
(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 Basis
(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 Basis
(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 was furnished by Administrator. Although our valuation procedures include a detailed gain/loss analysis by source, we do not specifically audit the data.
Changes from Prior Year Valuation:	None. Same as revised October 1, 1999 actuarial basis.

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

(COLA Fund)

Summary of Actuarial Basis – Revised Basis

Valuation Date: January 1, 2001.

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

Asset Valuation Method: Market Value, plus present value of future minimum City contributions.

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%

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

(COLA Fund)

Summary of Actuarial Basis – Revised Basis
(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	.15
46	.00880	.0096	.0077	.15
47	.00965	.0072	.0057	.15
48	.01045	.0048	.0038	.15
49	.01130	.0024	.0019	.15
50	.01210	.0000	.0000	.30

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

(COLA Fund)

Summary of Actuarial Basis – Revised Basis
(Continued)

<u>Age</u>	<u>Disability</u>	<u>Turnover</u>		<u>Retirement*</u>
		<u>< 5</u>	<u>5 +</u>	
51	.01295	.0000	.0000	.30
52	.01375	.0000	.0000	.30
53	.01455	.0000	.0000	.30
54	.01540	.0000	.0000	.30
55	.01620	.0000	.0000	.30
56	.01785	.0000	.0000	.30
57	.01870	.0000	.0000	.30
58	.01950	.0000	.0000	.30
59	.02030	.0000	.0000	.30
60	.00000	.0000	.0000	1.00
61	.00000	.0000	.0000	1.00
62	.00000	.0000	.0000	1.00
63	.00000	.0000	.0000	1.00
64	.00000	.0000	.0000	1.00
65	.00000	.0000	.0000	1.00

- After eligibility for Rule of 64 Retirement.

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

(COLA Fund)

Summary of Actuarial Basis – Revised Basis
(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 was furnished by Administrator. Although our valuation procedures include a detailed gain/loss analysis by source, we do not specifically audit the data.
Changes from Prior Year Valuation:	The retirement assumption was changed from 100% when eligible for Rule of 64 or Service Retirement to 15%/year prior to age 50, 30%/year from age 50 to age 60 (if eligible for Rule of 64 Retirement), and 100% at age 60.

**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, 1999 and 2000

Pension benefit obligation:	<u>\$(Millions)</u>	
	<u>2000</u>	<u>1999</u>
- Retirees and beneficiaries currently receiving prior COLA benefits	3.2	3.4
- Retirees and beneficiaries receiving COLA tabular benefits (beginning January 1) and terminated employees not yet receiving tabular benefits	101.3	84.3
- Current Employees Accumulated employee contributions including interest	6.4	9.5
Employer - financed vested	0.0	0.0
Employer - financed non-vested	<u>26.1</u>	<u>17.1</u>
- Total pension benefit obligation	137.0	114.3
Net assets available for benefits	<u>220.5</u>	<u>180.6</u>
Unfunded pension benefit (obligation)/asset	83.5	66.3

The pension benefit obligations were determined as part of actuarial valuations at January 1, 2000 and January 1, 1999, based on data and asset information at September 30, 2000 and September 30, 1999. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.75% per year compounded annually, (b) post retirement COLA benefits based on the table in effect at January 1, 2000 and January 1, 1999.

**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 was \$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 7.625 percent assumption. The \$31,591,116 amount to be transferred on January 1, 2001 is due to excess investment income during the year ended September 30, 1999, and therefore already is part of the Retirement Trust. The \$33,619,502 amount to be transferred on January 1, 2002 is due to excess investment income during the year ending September 30, 2000.

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	116.3	155	(64.4)	77.7	(83)
2000	220.5	137.0	161	(83.5)	84.3	(99)

* 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
(COLA Fund)

IV. Revenues and Expenses

Fiscal Year	Revenues by Source			
	Employee Contributions (\$)	Employer Contributions (\$)	Investment Income (\$)	Total (\$)
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
2000	293	23,437,048	18,932,095	42,369,436

Fiscal Year	Expenses by Type			
	Benefits (\$)	Administrative Expenses (\$)	Refunds (\$)	Total (\$)
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
2000	7,016,378	334,588	13,932	7,364,898