



INDEPENDENT AUDITORS' REPORT

Board of Trustees
Police and Fire Pension Fund
Jacksonville, Florida

We have audited the accompanying financial statements of the Police and Fire Pension Fund (the "Fund") as of September 30, 1999 and for the year then ended, listed in the foregoing table of contents. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial status of the Fund at September 30, 1999 and the changes in its financial status for the year then ended in conformity with generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The required supplemental schedules on pages 11 through 13 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of the Fund's management. Such schedules have been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

The year 2000 Readiness Disclosure on pages 15 and 16 is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the Fund is or will become year 2000 compliant, that the Fund's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Fund does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 10, 1999 on our consideration of the Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts.

Deloitte + Touche LLP

December 10, 1999

POLICE AND FIRE PENSION FUND

STATEMENT OF CHANGES IN PLAN NET ASSETS YEAR ENDED SEPTEMBER 30, 1999

ADDITIONS	
CONTRIBUTIONS:	
Employee	\$ 7,814,318
Employer	7,900,855
Total contributions	<u>15,715,173</u>
INVESTMENT INCOME:	
Interest and dividends	25,565,273 ✓
Rental revenue	142,321
Net appreciation in fair value of investments	<u>66,128,934</u>
Total investment gain	91,836,528
Less investment expenses	2,978,330
Rental expense	7,633
Net investment income	<u>88,850,565</u>
OTHER ADDITIONS:	
Court fines and penalties	2,708,261
State insurance contributions	4,245,943
Atlantic Beach Firefighters' Fund contribution	1,614,742
Other	36,576
Total other additions	<u>8,605,522</u>
TOTAL ADDITIONS	<u>113,171,260</u>
DEDUCTIONS	
BENEFITS PAID DIRECTLY TO PARTICIPANTS	38,223,449
REFUNDS OF CONTRIBUTIONS	211,047
ADMINISTRATIVE EXPENSES:	
Personnel services	432,746
Central services	118,575
Supplies	12,548
Depreciation	50,986
Other services and charges	152,275
Interest expense	123,157
Total administrative expenses	<u>890,287</u>
TOTAL DEDUCTIONS	<u>39,324,783</u>
NET INCREASE	73,846,477
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:	
Beginning of year	<u>687,345,328</u>
End of year	<u>\$ 761,191,805</u> ✓

See notes to financial statements.

BALANCE (Y,M,Q,A) : A TITLE NOTFOUND : CURRENCY CODE :
 FISCAL MO/YEAR : 14 1999 YREND1999
 FUND TYPE : 60 TRUST AND AGENCY FUNDS
 FUND : 620 POLICE & FIREMENS PENSION TRUST
 SUBFUND : 621 POLICE & FIREMENS PENSION TRUST
 CHARACTER : 360 MISCELLANEOUS REVENUE
 OBJECT : 361 INTEREST, INCL PROFITS ON INVESTMENTS
 PROJECT :
 GRANT :

S	SUBOBJ	DESCRIPTION	BUDGET	ACTUAL	ENCUMBERED	BALANCE
	36100	2400 FUND -		5,378,255		5,378,255
	36104	REALIZED GAI		2,357,004		2,357,004
	36112	REBATE OF CO		446,756 ✓		446,756
	36113	DIVIDENDS ON		5,278,560		5,278,560
	36118	2300 FUND -		5,732,730		5,732,730
	36120	INVESTMENT P		20,481		20,481
	36121	2100 FUND -		5,942,231		5,942,231

BALANCE (Y,M,Q,A) : A TITLE NOTFOUND : CURRENCY CODE :
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 FUND TYPE : 60 TRUST AND AGENCY FUNDS
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 CHARACTER : 360 MISCELLANEOUS REVENUE
 OBJECT : 361 INTEREST, INCL PROFITS ON INVESTMENTS
 PROJECT :
 GRANT :

S	SUBOBJ	DESCRIPTION	BUDGET	ACTUAL	ENCUMBERED	BALANCE
	36124	SECURITIES L		409,256		409,256
		REVENUE TOT		25,565,273 ✓		25,565,273

FISCAL MO/YEAR : 14 1999

CURRENCY CODE :

FUND TYPE : 60 TRUST AND AGENCY FUNDS

FUND : 620 POLICE & FIREMENS PENSION TRUST

SUBFUND : 621 POLICE & FIREMENS PENSION TRUST

S ACCT	DESCRIPTION	YREND1999	BALANCE
24110	ALLOTMENTS	4,593,982.00	0.00
24190	ALLOTMENTS - CONTRA (NON-CON	-4,593,982.00	0.00
24200	EXPENDITURES	-42,187,589.45	0.00
24201	TRANSFERS OUT - INTERFUND	-123,156.84	0.00
27105	FUND BALANCE - UNRESERVED	-73,839,579.02	-761,191,804.70 ✓
27300	BUDGETARY FUND BALANCE	0.00	0.00
	SUBFUND TOTAL	0.00	0.00

F1-HELP F2-SELECT F4-PRIOR F5-NEXT
 F7-PRIOR PG F8-NEXT PG F9-LINK
 G013 - LAST PAGE DISPLAYED