



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, 1995 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 *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, 1995 and the changes in its financial status for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 15, 1995 on our consideration of the Fund's internal control structure and a report dated December 15, 1995 on its compliance with laws and regulations.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule listed in the Table of Contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This schedule is the responsibility of the management of the Fund. Such schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

December 15, 1995

POLICE AND FIRE PENSION FUND

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS SEPTEMBER 30, 1995

ASSETS

CASH AND INVESTMENTS:

Equity in pooled cash	\$ 160,175
Short term investments	24,331,889
Investments	<u>479,285,654</u>
Total cash and investments	503,777,718

ACCRUED INTEREST

3,142,517

PROPERTY, PLANT AND EQUIPMENT:

Land	16,093
Building and improvements	235,942
Furniture and equipment	106,501
Accumulated depreciation	<u>(84,123)</u>
Net property, plant and equipment	<u>274,413</u>

TOTAL ASSETS

507,194,648

LIABILITIES

ACCOUNTS PAYABLE AND ACCRUED EXPENSES

556,586

ACCRUED COMPENSATED ABSENCES

97,558

TOTAL LIABILITIES

654,144

NET ASSETS AVAILABLE FOR BENEFITS

\$506,540,504

See notes to financial statements.

POLICE AND FIRE PENSION FUND

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS YEAR ENDED SEPTEMBER 30, 1995

ADDITIONS

INVESTMENT INCOME:

Interest and dividends	\$ 20,646,107
Net appreciation in fair value of investments	<u>63,470,329</u>
Total investment gain	84,116,436
Less investment expenses	<u>2,137,960</u>
Net investment income	<u>81,978,476</u>

CONTRIBUTIONS:

Employee	7,252,822
Employer	<u>3,608,587</u>
Total contributions	<u>10,861,409</u>

OTHER ADDITIONS:

Court fines and penalties	2,729,666
State insurance contributions	3,386,923
Miscellaneous	<u>190,251</u>
Total other additions	<u>6,306,840</u>

TOTAL ADDITIONS 99,146,725

DEDUCTIONS

BENEFITS PAID DIRECTLY TO PARTICIPANTS 19,366,304

REFUNDS OF CONTRIBUTIONS 195,341

ADMINISTRATIVE EXPENSES:

Personnel services	252,340
Central services	36,009
Supplies	1,938
Depreciation	31,354
Other services and charges	<u>126,739</u>
Total administrative expenses	<u>448,380</u>

TOTAL DEDUCTIONS 20,010,025

NET INCREASE 79,136,700

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year	<u>427,403,804</u>
End of year	<u>\$506,540,504</u>

See notes to financial statements.



POLICE AND FIRE PENSION FUND

THIRTY TWO HUNDRED EMERSON STREET

JACKSONVILLE, FLORIDA 32207-6822

"We Serve ... and We Protect"

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John Keane
Administrator

March 29, 1996

Mr. Richard Cohee, Treasurer
City of Jacksonville
220 East Bay Street, 7th Flr.
Room 702, City Hall
Jacksonville, FL 32202

Dear Mr. Cohee:

Enclosed is a copy of the September 30, 1995 audit by Deloitte & Touche for the Police & Fire Pension Fund.

Sincerely,

John Keane
Administrator

JK/jg

Enclosure