

**INDEPENDENT AUDITOR'S  
REPORT**

*to all active members & retirees of the  
Policemen and Firemen retirement system  
of the City of Detroit*

*The financial statements of the Policemen and  
Firemen Retirement System of the City of Detroit  
have been audited by the independent auditing firm  
of KPMG. KPMG's report is available for review  
on the Retirement Systems website, [www.rscd.org](http://www.rscd.org).  
Copies of the report can be obtained by a request,  
in writing, to the Retirement System's Office.*

**STATEMENT OF NET ASSETS  
AVAILABLE FOR PENSION BENEFITS**

<b>ASSETS</b>	<b>2000</b>	<b>1999</b>
Cash .....	\$46,189	\$50,374
Investments .....	4,227,747,513	3,848,953,063
Accrued Investment Income .....	18,611,430	298,757,985
Contributions Receivable .....	2,111,371	709,799
Receivables from Investment Sales .....	262,492,416	32,022,779
Other Accounts Receivable .....	389,053	392,147
<b>TOTAL ASSETS</b> .....	<b>\$4,511,397,972</b>	<b>\$4,180,886,147</b>
<b>LIABILITIES AND FUND BALANCES</b>		
Payables for Investment Purchases .....	265,038,302	367,624,738
Claims Payable to Retirants and Beneficiaries .....	1,466,012	358,323
Accrued Pension Benefits .....	0	0
Due to Other Funds .....	6,500,326	1,650,379
Other Liabilities .....	5,346,764	3,355,343
<b>TOTAL LIABILITIES</b> .....	<b>\$278,351,404</b>	<b>\$372,988,783</b>
<b>FUND BALANCES</b>		
Annuity Reserves:		
Annuity Savings Fund .....	225,914,827	204,687,416
Annuity Reserve Fund .....	25,057,750	24,096,127
Survivor Benefit Fund .....	31,370,989	31,990,573
Pension Reserves:		
Pension Accumulation Fund .....	1,744,044,936	1,397,028,836
Pension Reserve Fund .....	1,994,942,969	2,010,560,026
Market Stabilization Fund .....	211,715,097	139,534,386
<b>TOTAL FUND BALANCES</b> .....	<b>\$4,233,046,568</b>	<b>\$3,807,897,364</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b> .....	<b>\$4,511,397,972</b>	<b>\$4,180,886,147</b>

**STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND BALANCE**

	<u>ANNUITY RESERVES</u>			<u>PENSION RESERVES</u>			<u>TOTAL</u>	
	ANNUITY SAVINGS FUND	ANNUITY RESERVE FUND	MARKET VALUE RESERVE	SURVIVOR BENEFIT FUND	PENSION ACCUMULATION FUND	PENSION RESERVE FUND	2000	1999
<b>POLICEMEN &amp; FIREMEN RETIREMENT SYSTEM</b>								
<b>REVENUES:</b>								
City Contributions .....	\$0	\$0	\$0	\$0	\$19,972,058	\$0	\$19,972,058	\$15,709,800
Members' Contributions .....	8,624,171	0	0	0	45,832	0	8,670,003	8,526,238
Investment Income-Net .....	38,855,351	1,848,070	72,180,711	2,378,014	331,067,776	150,574,662	596,904,584	328,055,372
<b>TOTAL REVENUES .....</b>	<b>47,479,522</b>	<b>1,848,070</b>	<b>72,180,711</b>	<b>2,378,014</b>	<b>351,085,666</b>	<b>150,574,662</b>	<b>625,546,645</b>	<b>352,291,410</b>
<b>EXPENSES:</b>								
Pension & Annuity Benefits .....	0	1,058,071	0	2,997,598	0	166,191,719	170,247,388	157,936,772
General & Administrative Expenses .....	0	0	0	0	3,656,663	0	3,656,663	3,155,896
Refunds .....	26,303,160	190,230	0	0	0	0	26,493,390	22,373,304
<b>TOTAL EXPENSES .....</b>	<b>26,303,160</b>	<b>1,248,301</b>	<b>0</b>	<b>2,997,598</b>	<b>3,656,663</b>	<b>166,191,719</b>	<b>200,397,441</b>	<b>183,465,972</b>
Excess (Deficiency) of Revenue Over (Under) Expenses .....	21,176,362	599,769	72,180,711	(619,584)	347,429,003	(15,617,057)	425,149,204	168,825,438
Transfers-Net .....	51,049	361,854	0	0	(412,903)	0	0	0
Fund Balances (Deficit) at Beginning of Year .....	204,687,416	24,096,127	139,534,386	31,990,573	1,397,028,836	2,010,560,026	3,807,897,364	3,639,071,926
<b>FUND BALANCES (DEFICIT) AT END OF YEAR .....</b>	<b>\$225,914,827</b>	<b>\$25,057,750</b>	<b>\$211,715,097</b>	<b>\$31,370,989</b>	<b>\$1,744,044,936</b>	<b>\$1,994,942,969</b>	<b>\$4,233,046,568</b>	<b>\$3,807,897,364</b>