

**COMPREHENSIVE  
ANNUAL FINANCIAL  
REPORT**

LOS ANGELES COUNTY  
EMPLOYEES RETIREMENT  
ASSOCIATION

Los Angeles, California

June 30, 1990

**LACERA**

**COMPREHENSIVE  
ANNUAL FINANCIAL  
REPORT**

*For the Year Ended  
June 30, 1990*

*Issued by  
Charles F. Conrad  
Retirement Administrator*

*Marsha D. Richter  
Assistant Retirement  
Administrator*

**LOS ANGELES COUNTY  
EMPLOYEES RETIREMENT  
ASSOCIATION**

Room 140, Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012-2719

**L/CERA**

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INTRODUCTORY  
SECTION

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# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Charles F. Conrad  
Retirement Administrator

October 22, 1990

Los Angeles County Employees  
Retirement Association  
Board of Retirement  
Board of Investments  
140 Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Board Members:

## LETTER OF TRANSMITTAL

In accordance with the County Employees Retirement Law of 1937, I am pleased to submit the Comprehensive Annual Financial Report of the Los Angeles County Employees Retirement Association (LACERA) for the year ended June 30, 1990. The report contains financial statements that have been prepared in accordance with generally accepted accounting principles and reporting guidelines prescribed for governmental entities and provides for a comprehensive overview of LACERA's financial position and operating result. These statements have been audited by Ernst & Young and Quezada Godsey and Company, independent certified public accountants.

Under the leadership of the Boards of Retirement and Investments, fund assets continue to grow, reflecting superior investment performances, while member service levels continue to improve.

I would like to thank our Boards, LACERA staff and contract auditors, Ernst & Young Quezada Godsey and Company for their professionalism and assistance.

## LACERA AND ITS SERVICES

The County Employees Retirement Law of 1937, California Government Code Sections 31450 through 31898, authorized the establishment of the Los Angeles County Employees Retirement Association. System operations began on January 1, 1938.

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140 HALL OF ADMINISTRATION • 500 WEST TEMPLE STREET • LOS ANGELES, CALIFORNIA 90012-2719 • (213) 687-8040

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LACERA is governed by the California Constitution, the County Employees Retirement Law of 1937, and the By-Laws, procedures and policies adopted by the Boards of Retirement and Investments. The County Board of Supervisors may also adopt resolutions which may affect the benefits of LACERA members.

The general management of LACERA is the responsibility of the Board of Retirement. The Board of Investments is responsible for setting forth investment strategies, policies and objectives for the employees retirement fund. Each board is composed of four elected members, four appointed members and one ex-officio member. The Board of Retirement retains a fifth elected board member as an alternate.

LACERA provides retirement, disability and death benefits to its active general and safety members. Safety membership includes law enforcement (Sheriff, Marshal, and District Attorney Investigators), firefighting, forester and lifeguard classifications. General membership is applicable to all other occupational classifications.

LACERA collects, deposits, invests and manages retirement trust funds solely in the interest of, and for the exclusive purposes of providing benefits to participants and their beneficiaries and minimizing employer contributions; acts as a fiduciary agent for the accounting and control of member and employer contributions and investment income; acts on the direction of the Boards of Retirement and Investments; and identifies, develops and advances legislation, rules and policies which promote the interests of the system.

#### FUNDS AND ENTITIES INCLUDED

The report includes financial data for all LACERA funds and the following additional entities which are considered part of the retirement system for purposes of meeting the accounting requirements prescribed by the Governmental Accounting Standards Board (GASB):

Little Lake Cemetery District  
Local Agency Formation Commission  
South Coast Air Quality Management District  
County Superintendent of Schools

#### RETIREMENT FUND FINANCIAL ACTIVITY

The Balance Sheet and Statement of Revenues, Expenses and Changes in Reserves are presented in accordance with Statement 1, "Governmental Accounting and Financial Reporting Principles" issued by the National Council on Governmental Accounting. The California Constitution and the County Employees Retirement Law of 1937 requires that LACERA be accounted for as a trust fund.

The Retirement Fund total reserves balance as of June 30, 1990 was \$9.3 billion representing a net increase from the previous year of \$835 million.

The following is a comparison (in thousands) of the 1990 revenues and expenditures with corresponding 1989 revenues and expenditures:

	Year Ended June 30		Increase (Decrease)
	1990	1989	
<b>REVENUES</b>			
Member Contributions	117,249	103,879	13,370
Employer Contributions	364,600	383,820	(19,220)
<b>Total Contributions</b>	<b>481,849</b>	<b>487,699</b>	<b>(5,850)</b>
Other Additions	68	75	(7)
Investment Income	843,076	837,117	5,959
Less Investment Expenses	21,708	16,484	5,224
<b>Net Investment Income</b>	<b>821,368</b>	<b>820,633</b>	<b>735</b>
Other Revenue	72	9	63
<b>TOTAL REVENUES</b>	<b>1,303,357</b>	<b>1,308,416</b>	<b>(5,059)</b>
<b>EXPENSES</b>			
Benefits	441,834	389,949	51,885
Other Expenses	26,316	28,768	(2,452)
<b>TOTAL EXPENSES</b>	<b>468,150</b>	<b>418,717</b>	<b>49,433</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>835,207</b>	<b>889,699</b>	<b>(54,492)</b>

#### INTERNAL ACCOUNTING AND BUDGETARY CONTROLS

LACERA utilizes a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use and disposition and to provide reliable records for preparing financial statements and maintaining accountability for the assets. All internal accounting control evaluations occur within the above framework.

Application of generally accepted governmental budgetary controls assure effective budgetary control and accountability.

#### ACTUARIAL REQUIREMENTS

For purposes of determining contribution rates for members and employers and determining the trust's funding status, LACERA engages an independent actuarial firm to conduct a triennial actuarial valuation and investigation in accordance with the County Employees Retirement Law of 1937. The last such valuation was performed using the entry age normal method as of June 30, 1989.

For purposes of disclosure as required by Statement 5 of the Governmental Accounting Standards Board (GASB), LACERA engages an independent actuary to perform an annual actuarial valuation in conformance with GASB methodology. The latest such valuation was reported using the projected unit credit method as of June 30, 1990.

#### INTEGRATED RETIREMENT INFORMATION SYSTEM (IRIS)

The Integrated Retirement Information System (IRIS), currently production ready, is designed to replace the active member, retired member, actuarial benefit calculation, and benefit disbursement systems with a single on-line data base. IRIS tracks all pertinent member data for both active and retired members, records contributions and interest, calculates retirement benefits, and issues benefit payments to retired members. Active member data and functions began operations in August, 1990. Retiree data and functions are scheduled for operation in January, 1991. Once IRIS is fully operational, "state of the art" services will be provided to all LACERA members.

#### GATEWAY PLAZA - LACERA'S NEW LOCATION

LACERA will relocate its headquarters in January, 1991 from the current Hall of Administration offices to Gateway Plaza in downtown Pasadena. Gateway Plaza (300 North Lake Avenue) is less than one block from the Lake Avenue exit of the 210 Freeway

Board of Retirement  
Board of Investments  
October 22, 1990  
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at the corner of Lake Avenue and Corson Street. Gateway Plaza is a thirteen story, Class "A" office building with an adjacent ten level parking structure. LACERA will occupy the fifth through eighth floors and will have a reception area for active and retired members on the first floor.

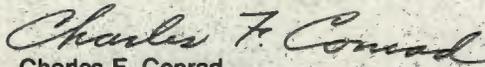
The Boards of Retirement and Investments approved the real estate investment proposal to purchase Gateway Plaza on January 25, 1990. Heitman Advisory Corporation (engaged by LACERA for real estate consulting services) conducted the selection process and submitted the recommendation. The transaction was completed with the closing of escrow on April 17, 1990.

#### SUPPLEMENTAL TARGETED ADJUSTMENT FOR RETIREES (STAR)

STAR is designed to share LACERA's unprecedented investment earnings of the 1980's with retirees who experienced erosion of their retirement allowance as a result of the double digit inflation of the late 1970's and early 1980's.

STAR is a supplemental cost-of-living benefit for retirees or their survivors who have lost 25% or more of the purchasing power of their original retirement benefit. The Board of Retirement unanimously approved STAR in December, 1989. Approximately 19,000 retirees began receiving STAR increases in January, 1990.

Respectfully submitted,



Charles F. Conrad  
Retirement Administrator

CFC:SM:ew

## MEMBERS OF THE BOARD OF RETIREMENT

Members of the Board of Retirement at June 30, 1990 were as follows:



**Chairman**  
Robert J. Hermann  
Sheriff's Department. Elected by safety members. Present term expires December 31, 1992. Elected Chairman of the Board, January 4, 1990.



**Vice Chairman**  
Warren S. Pope  
Appointed by the Board of Supervisors. Present term expires December 31, 1990. Elected Vice Chairman of the Board, January 4, 1990.



**Secretary**  
Robert Stotelmeyer  
Retired. Elected by retired members. Present term expires December 31, 1990. Elected Secretary of the Board, January 4, 1990.



**Member**  
Howard L. Chambers  
Appointed by the Board of Supervisors. Present term expires December 31, 1990.



**Member**  
Sandra M. Davis  
Treasurer and Tax Collector appointed by the Board of Supervisors. Ex-officio member.



**Member**  
Michael Falabrino  
Appointed by the Board of Supervisors. Present term expires December 31, 1991.



**Member**  
Simon S. Russin  
Department of Health Services. Elected by general members. Present term expires December 31, 1991.



**Member**  
Richard Shumsky  
Probation Department. Elected by general members. Present term expires December 31, 1990.



**Member**  
Linda J. Wong  
Appointed by the Board of Supervisors. Present term expires December 31, 1992.



**Alternate Member**  
Cody Ferguson  
Forester and Fire Warden's Department. Elected by safety members. Present term expires December 31, 1992.

## MEMBERS OF THE BOARD OF INVESTMENTS

Members of the Board of Investments at June 30, 1990 were as follows:



**Chairman**  
Norman S. Johnson  
Retired. Elected by retired members. Present term expires December 31, 1990. Elected Chairman of the Board, January 10, 1990.



**Vice Chairman**  
J. Lawrence Stone  
Appointed by the Board of Supervisors. Present term expires December 31, 1990. Elected Vice Chairman of the Board, January 10, 1990.



**Secretary**  
Sandra M. Davis  
Treasurer and Tax Collector appointed by the Board of Supervisors. Ex-officio member. Elected Secretary of the Board, January 10, 1990.



**Member**  
Sandra J. Anderson  
Department of Health Services. Elected by general members. Present term expires December 31, 1991.



**Member**  
Leo B. Babich  
Appointed by the Board of Supervisors. Present term expires December 31, 1992.



**Member**  
Bondie O. Gambrell  
Appointed by the Board of Supervisors. Present term expires December 31, 1990.



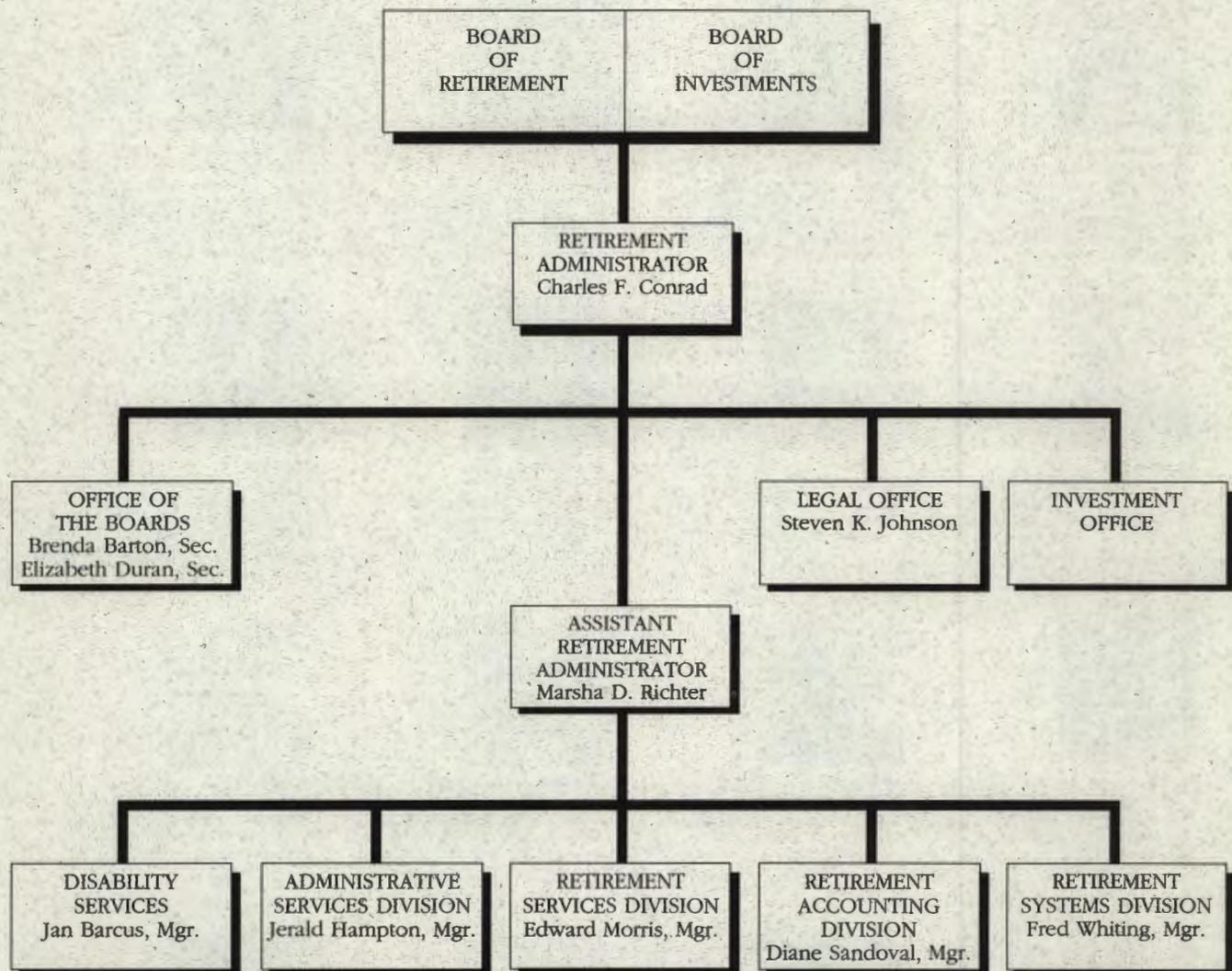
**Member**  
Robert J. Hermann  
Sheriff's Department. Elected by safety members. Present term expires December 31, 1992.



**Member**  
Alan Lowy  
Appointed by the Board of Supervisors. Present term expires December 31, 1991.



**Member**  
Simon S. Russin  
Department of Health Services. Elected by general members. Present term expires December 31, 1990.



# LIST OF PROFESSIONAL CONSULTANTS

## CONSULTING SERVICES

### ACTUARY

TPF&C, a Towers Perrin Company  
*Los Angeles, CA*

### INVESTMENT CONSULTANTS

Callan Associates, Inc.  
Callan Real Estate Services  
*San Francisco, CA*

The Russell Company  
*Tacoma, WA*

### GOVERNANCE CONSULTANT

The Analysis Group  
*Boston, MA*

### SYSTEMS CONSULTANT

Canyon Pacific Management Group  
*Canyon Country, CA*

### AUDITOR

Ernst & Young  
Quezada, Godsey & Company  
*Los Angeles, CA*

### DATA PROCESSING

Los Angeles County Department  
of Data Processing  
Security Pacific Employee  
Benefits Services  
Warner-Information Center  
*Los Angeles, CA*

### CUSTODIAN

Security Pacific National Bank  
*Pasadena, CA*  
Chase Manhattan Bank  
*New York, NY*

### MASTER SERVICER - MORTGAGE LOAN PORTFOLIO

Financial Products and Services  
*Palm Beach, FL*

### LEGAL COUNSEL

Gibson, Dunn & Crutcher  
Gold, Marks, Ring & Pepper  
Hufstедler, Miller, Kaus and Beardsley  
*Los Angeles, CA*  
Kirkland and Ellis  
*Chicago, IL*

## INVESTMENT ADVISORS

### EQUITY - DOMESTIC

Capital Guardian Trust Company  
Morgan Stanley Asset  
Management, Inc.  
Security Pacific Investment  
Managers, Inc.  
TSA Capital Management  
*Los Angeles, CA*

Loomis, Sayles & Company  
*Pasadena, CA*

Invesco Capital Management  
*San Francisco, CA*

Stein Roe & Farnham  
*Chicago, IL*

Putnam Advisory Company, Inc.  
*Boston, MA*

Weiss, Peck & Greer Associates  
*New York, NY*

Pilgrim, Baxter, Grieg & Associates  
*Wayne, PA*

### EQUITY - INTERNATIONAL

Capital Guardian Trust Company  
*Los Angeles, CA*

Brown Brothers Harriman &  
Company  
Chase Investors Management  
Corporation  
Daiwa International Capital  
Management Corporation  
Morgan Grenfell Capital  
Management, Inc.  
Warburg Investment Management  
International, Ltd.  
*New York, NY*

### FIXED INCOME - DOMESTIC

Bradford & Marzec, Inc.  
Capital Guardian Trust Company  
*Los Angeles, CA*

Massachusetts Financial Services Co.  
*Boston, MA*

Brown Brothers Harriman &  
Company  
J. P. Morgan Investment  
Management, Inc.  
Mackay - Shields Financial  
Corporation  
*New York, NY*

Criterion Investment Management Co.  
*Houston, TX*

### CASH & SHORT-TERM

Discount Corporation of  
New York Advisers  
*New York, NY*

### REAL ESTATE

Public Storage, Inc.  
*Glendale, CA*

Equitable Real Estate  
Investment Management  
*Irvine, CA*

Trust Company of the West  
*Los Angeles, CA*

Prudential Asset  
Management Co., Inc.  
*San Francisco, CA*

Heitman Advisory Corporation  
JMB Institutional Realty Corporation  
*Chicago, IL*

Goldman Sachs & Co.  
Sentinel Real Estate Corporation  
*New York, NY*

Lehndorff and Babson  
Real Estate Counsel  
Trammell Crow Equity Partners  
*Dallas, TX*

Shurgard Capital Group  
*Seattle, WA*

### VENTURE CAPITAL

GKH Partners  
*Farmington, CT*

Copley Venture Partners  
TA Communications Partners  
*Boston, MA*

Prudential Venture Capital  
Management, Inc.  
E. M. Warburg, Pincus  
Capital Co., Inc.  
*New York, NY*



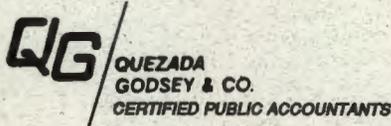
FINANCIAL  
SECTION

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# Ernst & Young



515 South Flower Street, Suite 2800  
Los Angeles, California 90071-2283  
(213) 621-1666

## REPORT OF INDEPENDENT AUDITORS

Boards of Investments and Retirement  
Los Angeles County Employees Retirement  
Association

We have audited the accompanying balance sheets of the Los Angeles County Employees Retirement Association as of June 30, 1990 and 1989, and the related statements of revenues and expenses and changes in reserves for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Los Angeles County Employees Retirement Association at June 30, 1990 and 1989, and the results of its operations and changes in its reserves for the years then ended in conformity with generally accepted accounting principles.

*Ernst & Young*

*Quezada Godsey & Co.*

October 22, 1990

## Balance Sheets For The Years Ended June 30, 1990 and 1989

### ASSETS (Amounts in Thousands)

	1990	1989
<b>Current Assets</b>		
Cash--Notes F and G		
Cash and Cash Equivalents	\$ 16,065	\$ 5,728
Foreign Currency	27,822	13,533
Total Cash	<u>43,887</u>	<u>19,261</u>
Accounts Receivable		
Member Contributions	9,684	8,899
Employer Contributions	27,627	32,887
Principal and Interest Due on Bonds		
Domestic	65,700	53,346
International	647	292
Principal and Interest Due on Mortgages	2,904	1,469
Dividends on Stocks		
Domestic	7,823	5,432
International	4,023	3,489
Withholding Tax Reclaim	1,487	1,231
Proceeds from Sale of Stocks		
Domestic	25,479	20,635
International	8,307	8,097
Interest on Pooled Surplus Investment	82	106
Interest Due on Retirement Trust Fund Float		97
Miscellaneous	294	250
Total Accounts Receivable	<u>154,057</u>	<u>136,230</u>
Current Investments--Notes A and G		
Repurchase Agreements		
Domestic		50,082
International	11,176	
Other Short Term Investments		
Domestic	870,117	1,978,898
International	<u>9,947</u>	<u>26,630</u>
Total Current Investments	<u>891,240</u>	<u>2,055,610</u>
Total Current Assets	<u>1,089,184</u>	<u>2,211,101</u>

**Balance Sheets (Continued)**  
**For the Years Ended June 30, 1990 and 1989**

<b>ASSETS</b>		
(Amounts in Thousands)		
	<b>1990</b>	<b>1989</b>
<b>Long Term Investments (Notes A, G, H, J and M)</b>		
Bonds--Domestic		
Publicly Traded	\$ 4,101,889	\$ 2,876,038
Private Placements	66,341	68,381
Total Bonds	<u>4,168,230</u>	<u>2,944,419</u>
Equities		
Common Stock		
Domestic	2,373,584	1,972,657
International	919,354	891,315
Preferred Stock		
Domestic	44,176	29,841
International	9,460	4,818
Convertible Debentures		
Domestic	44,387	43,873
International	5,640	8,731
LACERA Gateway Property, Inc.		
Total Equities	<u>67,959</u>	<u>2,951,235</u>
Mortgages--Domestic		
FHA and VA Insured Mortgages (Residential)	84,455	98,650
Conventional Mortgages (Residential)	5,880	7,985
Total Mortgages	<u>90,335</u>	<u>106,635</u>
Other--Domestic		
Real Estate Equity Funds	303,791	254,900
Core Group Trust	69,852	
Venture Capital Investment Funds	194,439	131,656
Total Other--Domestic	<u>568,082</u>	<u>386,556</u>
Total Long-Term Investments	<u>8,291,207</u>	<u>6,388,845</u>
<b>Fixed Assets--Note A</b>		
Furniture and Equipment	687	906
Structures and Improvements	442	871
Total Fixed Assets (Net of Depreciation)	<u>1,129</u>	<u>1,777</u>
<b>Total Assets</b>	<b><u>\$9,381,520</u></b>	<b><u>\$8,601,723</u></b>

**Balance Sheets (Continued)**  
**For the Years Ended June 30, 1990 and 1989**

**LIABILITIES AND RESERVES**  
(Amounts in Thousands)

	1990	1989
<b>Current Liabilities</b>		
Retirement Allowances Payable	\$ 17,184	\$ 15,293
Retiree Payroll Deductions Payable	7,054	5,993
Accounts Payable--Purchase of Common Stocks		
Domestic	27,292	89,399
International	12,808	3,597
Administrative Expense Payable	1,806	1,658
Accrued Vacation & Sick Leave	795	733
Investment Expenses Payable	4,899	4,239
Retiree Payroll Warrants Payable	2,119	8,043
Other Warrants Payable	817	991
Direct Deposit-Retired Members Payroll	30	10
Contribution Refunds Payable	1,141	182
Supplemental Benefits Payable	119	306
Mortgage Loan Payments Collected in Advance		37
Long Term Bond Principal Collected in Advance		197
Miscellaneous Accounts Payable	662	1,458
Total Current Liabilities	<u>76,726</u>	<u>132,136</u>
<b>Reserves--Notes A and K:</b>		
Members Deposit Reserves		
General Members	717,796	667,877
Safety Members	342,978	307,702
Cost-of-Living	356,062	321,993
Unclaimed Deposits of Former Members	547	660
Total Members Deposit Reserves	<u>1,417,383</u>	<u>1,298,232</u>
Employers Reserves		
General Members	561,128	351,931
Safety Members	297,246	232,989
Cost-of-Living	102,329	167,821
Total Employers Reserves	<u>960,703</u>	<u>752,741</u>
Retired Members Reserves		
General Members	2,443,620	2,220,578
Safety Members	989,601	881,604
Cost-of-Living	3,222,419	2,935,651
STAR--Note K	177,253	
Total Retired Members Reserves	<u>6,832,893</u>	<u>6,037,833</u>

**Balance Sheets (Continued)**  
**For the Years Ended June 30, 1990 and 1989**

	<b>1990</b>	<b>1989</b>
Reserve for Earnings' Deficiencies, Investment		
Losses and Other Contingencies	\$ <u>93,815</u>	\$ <u>380,781</u>
 Total Reserves	 <u>9,304,794</u>	 <u>8,469,587</u>
 <b>Total Liabilities and Reserves</b>	 <b><u>\$9,381,520</u></b>	 <b><u>\$8,601,723</u></b>

See notes to financial statements.

**Statement of Revenues and Expenditures  
For the Fiscal Years Ended June 30, 1990 and 1989**

(Amounts in Thousands)

	1990	1989
<b>Revenues</b>		
Contributions		
Member Contributions	\$ 117,249	\$ 103,879
Employer Contributions (Note L)	364,600	383,820
Total Contribution Revenue	<u>481,849</u>	<u>487,699</u>
Miscellaneous Additions	<u>68</u>	<u>75</u>
Investment Income		
Interest Income--Long Term Bonds		
Domestic	328,689	273,668
International	420	497
Interest Income--Short Term Investments		
Domestic	104,689	141,316
International	3,211	3,419
Interest Income--Securities on Loan		
Domestic	4,517	5,414
International	43	
Interest Income on Mortgages	9,985	12,132
Other Interest Income	337	485
Income--Real Estate Equity Funds	13,915	9,933
Income--Core Group Trust	2,074	
Income--Venture Capital	1,147	2,398
Dividend Income		
Domestic	88,526	72,651
International	17,691	15,275
Income--LACERA Gateway Property	(41)	
Net Gain (Loss)--Sale of Bonds		
Domestic	2,427	10,190
International	(126)	(16)
Net Gain (Loss)--Sale of Stocks		
Domestic	264,398	273,190
International	19,312	18,063
Net Gain (Loss)--Mortgage Loans	(10)	68
Net Gain (Loss)--Foreign Exchange	(432)	(3,780)
Net Gain (Loss)--Sale of Short Term	(2,061)	1,478
Net Gain (Loss)--Futures Contract	(8,484)	
Net Gain (Loss)--Cost or Market Adjustments		
Foreign Currency	(3,167)	
Domestic--Preferred and Convertible Bonds	(4,391)	
International--Convertible Bonds	(816)	
Other Investment Income	1,223	736
Total Investment Income	<u>843,076</u>	<u>837,117</u>

## Statement of Revenues and Expenditures For the Fiscal Years Ended June 30, 1990 and 1989

(Amounts in Thousands)

	1990	1989
<b>Deduct: Investment Expenses</b>		
Investment Counsel Fees		
Domestic	\$ 13,873	\$ 10,821
International	2,289	2,396
Mortgage Loan Service Fees	433	401
Custodial Fees		
Domestic	419	397
International	1,759	603
Actuarial Fees	85	
Commission Fees on Futures Contract	122	
Withholding Tax on Foreign Income	1,733	1,538
Consultant Services	323	175
Legal and Other Services	661	80
Other Investment Expenses	11	73
Total Investment Expenses	<u>21,708</u>	<u>16,484</u>
Net Investment Income	<u>821,368</u>	<u>820,633</u>
Other Revenues	<u>72</u>	<u>9</u>
<b>Total Revenues</b>	<u>1,303,357</u>	<u>1,308,416</u>
<b>Expenditures</b>		
Benefits		
Death Benefits--Lump Sum	1,400	1,269
Interest and Payments under Sections 31725.5 and .6 (Note E)	459	307
Pension and Annuity Payments	439,975	388,373
Total Benefits Payments	<u>441,834</u>	<u>389,949</u>
Other Expenditures		
Refunds to Terminated Members	11,029	16,147
Administrative Expenses (Note A)	15,143	12,581
Other Expenditures		1
Miscellaneous Deductions	144	39
Total Other Expenditures	<u>26,316</u>	<u>28,768</u>
<b>Total Expenditures</b>	<u>468,150</u>	<u>418,717</u>
<b>Excess of Revenues over Expenditures</b>	<u>\$ 835,207</u>	<u>\$ 889,699</u>

See notes to financial statements.

## Statement of Changes in Reserves As of June 30, 1990

(Amounts in Thousands)

	Members Deposit Reserves	Employers Reserves	Retired Members Reserves	Cost-of-Living Reserves			STAR	Reserve For Earnings' Deficiencies, Investment Losses and Other Con- tingencies	Total Reserves
				Members	Employers	Retired			
<b>Balance, July 1, 1989</b>	<b>\$ 976,239</b>	<b>\$ 584,920</b>	<b>\$3,102,182</b>	<b>\$ 321,993</b>	<b>\$ 167,821</b>	<b>\$2,935,651</b>		<b>\$ 380,781</b>	<b>\$8,469,587</b>
<b>Additions:</b>									
Contributions	87,414	320,092		29,836	44,507				481,849
Investment Income								821,368	821,368
Other Revenues								72	72
Miscellaneous	49		16	3					68
<b>Total Additions</b>	<b>87,463</b>	<b>320,092</b>	<b>16</b>	<b>29,839</b>	<b>44,507</b>			<b>821,440</b>	<b>1,303,357</b>
<b>Deductions:</b>									
Pension & Annuity Benefits			326,100			89,928	23,947		439,975
Death Benefits-Lump Sum		1,400							1,400
Interest & Payments under Sects. 31725.5/.6 (Note E)		459							459
Refunds	8,794			2,235					11,029
Administrative Expenses								15,143	15,143
Miscellaneous	121		15	8					144
<b>Total Deductions</b>	<b>8,915</b>	<b>1,859</b>	<b>326,115</b>	<b>2,243</b>		<b>89,928</b>	<b>23,947</b>	<b>15,143</b>	<b>468,150</b>
<b>Transfers:</b>									
Pension and Annuities	(70,619)	(331,828)	402,447	(19,248)	(118,214)	137,462			
Interest Credited	77,188	37,470	254,691	25,728	8,215	239,234		(642,526)	
Cost-of-Living Adj. (STAR) (Note K)							201,200	(201,200)	
Dist. of excess over 1% of total assets to Employers Reserves		249,537						(249,537)	
Miscellaneous	(35)	42		(7)					
<b>Total Transfers</b>	<b>6,534</b>	<b>(44,779)</b>	<b>657,138</b>	<b>6,473</b>	<b>(109,999)</b>	<b>376,696</b>	<b>201,200</b>	<b>(1,093,263)</b>	
<b>Balance - June 30, 1990</b>	<b>\$1,061,321</b>	<b>\$ 858,374</b>	<b>\$3,433,221</b>	<b>\$ 356,062</b>	<b>\$ 102,329</b>	<b>\$3,222,419</b>	<b>\$ 177,253</b>	<b>\$ 93,815</b>	<b>\$9,304,794</b>

See notes to financial statements.

EXHIBIT C, Chart 2 of 2

## Statement of Changes in Reserves As of June 30, 1989

(Amounts in Thousands)

	Members Deposit Reserves	Employers Reserves	Retired Members Reserves	Cost-of-Living Reserves			Reserve For Earnings' Deficiencies, Investment Losses and Other Con- tingencies	Total Reserves
				Members	Employers	Retired		
<b>Balance, July 1, 1988</b>	<b>\$ 902,609</b>	<b>\$ 489,791</b>	<b>\$2,842,653</b>	<b>\$ 289,960</b>	<b>\$ 210,289</b>	<b>\$2,651,923</b>	<b>\$ 192,663</b>	<b>\$7,579,888</b>
<b>Additions:</b>								
Contributions		76,269	340,687		27,610	43,133		487,699
Investment Income							820,633	820,633
Other Revenues							9	9
Miscellaneous	20		56	(1)				75
<b>Total Additions</b>	<b>76,289</b>	<b>340,687</b>	<b>56</b>	<b>27,609</b>	<b>43,133</b>		<b>820,642</b>	<b>1,308,416</b>
<b>Deductions:</b>								
Pension & Annuity Benefits			308,714			79,659		388,373
Death Benefits-Lump Sum		1,269						1,269
Interest & Payments under Sections 31725.5 and .6 (Note E)		307						307
Refunds	13,018			3,129				16,147
Administrative Expenses							12,581	12,581
Miscellaneous	24		13	2			1	40
<b>Total Deductions</b>	<b>13,042</b>	<b>1,576</b>	<b>308,727</b>	<b>3,131</b>		<b>79,659</b>	<b>12,582</b>	<b>418,717</b>
<b>Transfers:</b>								
Pension and Annuities	(60,434)	(276,718)	337,152	(15,625)	(98,737)	114,362		
Interest Credited	70,983	32,637	231,048	23,113	13,136	217,758	(588,675)	
COL Supplemental						31,267	(31,267)	
Miscellaneous	(166)	99		67				
<b>Total Transfers</b>	<b>10,383</b>	<b>(243,982)</b>	<b>568,200</b>	<b>7,555</b>	<b>(85,601)</b>	<b>363,387</b>	<b>(619,942)</b>	
<b>Balance - June 30, 1989</b>	<b>\$ 976,239</b>	<b>\$ 584,920</b>	<b>\$3,102,182</b>	<b>\$ 321,993</b>	<b>\$ 167,821</b>	<b>\$2,935,651</b>	<b>\$ 380,781</b>	<b>\$8,469,587</b>

See notes to financial statements.

# NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1990

## NOTE A--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**General:** The County Employees Retirement Law of 1937, Government Code Sections 31450 through 31898, authorizes the formation and operation of the Los Angeles County Employees Retirement Association (LACERA) and requires that it be accounted for as a trust fund.

LACERA follows the accounting principles and reporting guidelines as set forth in Statement 1, Governmental Accounting and Financial Reporting Principles, issued by the National Council on Governmental Accounting. Accounting records are maintained on an accrual method, and the financial statements reflect the overall operation of the Trust. LACERA is accounted for as an unexpendable trust in the financial statements of the County of Los Angeles (County).

**Administrative Expenses:** Government Code Section 31580.2 allows the entire expense of the administration of the retirement system to be charged against the earnings of the fund. The charge is limited to fifteen-hundredths of one percent of the total assets for general administrative expenses and three-hundredths of one percent of total assets for capital improvements and systems enhancements.

**Investments:** Bonds and mortgages are carried at cost adjusted for amortized premium or discount. Premium or discount on long-term bonds is amortized using the constant-yield amortization or straight-line method, depending on the nature of the security. Premium or discount on mortgage loans is amortized using the straight-line method over a period of 120 months. Stocks, short-term investments, real estate equity funds, core group trust and venture capital funds are carried at cost.

Market values for investments are derived by various methods as indicated in the following table:

<b>Asset Description</b>	<b>Market Value Description</b>
Bonds, publicly traded; stocks, common and preferred; issues of the U.S. Government and its agencies	Most recent sales price as of the balance sheet date, international securities reflect currency exchange rates in effect at June 30, 1990 and 1989
Cash and cash equivalents, Equity in pooled cash funds	Cash value (cost), international currency holdings reflect currency exchange rates in effect at June 30, 1990 and 1989
Mortgages	Equivalent pricing to comparable GNMA issues
Real estate, real estate equity funds, venture capital investment funds, core group trust and private placement bonds	Market appraisal by qualified market experts

Please refer to Note G, Deposits and Investments, for comparative book and market values for fiscal years ending June 30, 1990 and 1989.

In computing gains and losses on sales of stocks and bonds, cost is determined using the average cost method. The method of determining cost for mortgage loans and short term investments is specific identification method.

**Fixed Assets:** Fixed assets are carried at cost less accumulated depreciation. Depreciation is calculated using the straight-line method with five-year useful life for equipment and ten-years for furniture, structures, and leasehold improvements. The cost and accumulated depreciation of fixed assets as of June 30, 1990 and 1989 were as follows (amounts in thousands):

	1990	1989
Furniture and Equipment	\$1,327	\$1,614
Structures and Improvements	642	1,175
Total Fixed Assets (at cost)	<u>1,969</u>	<u>2,789</u>
Less:		
Accumulated Depreciation Furniture and Equipment	(640)	(708)
Accumulated Depreciation Structures and Improvements	<u>(200)</u>	<u>(304)</u>
<b>Total Fixed Assets--Net of Depreciation</b>	<b><u>\$1,129</u></b>	<b><u>\$1,777</u></b>

**Reclassification:** The 1989 Financial Statements have been reclassified to conform to the current year presentation.

**Reserves:** The fund has five major classes of reserves as follows:

1. *Members Deposit Reserves* represent the balance of active members' contributions. Additions include members' contributions and related earnings; deductions include refunds to terminating members and transfers to Retired Members Reserves.
2. *Employer Reserves* represent the balance of employers' contributions for future retirement payments to current active members. Additions include contributions from the employers and related earnings; deductions include transfers to Retired Members Reserves, Lump Sum Death Benefits, and interest and payments under sections 31725.5 and 31725.6.
3. *Retired Members Reserves* represent the balance of transfers from Members Deposit Reserves and Employer Reserves, and related earnings less payments to retired members.
4. *Cost-of-Living Reserves* relate to each of the above reserves. The purpose of these reserves is to provide for anticipated cost-of-living increases in pension allowances.
5. *Reserve for Earnings' Deficiencies, Investment Losses and Other Contingencies* represents reserves accumulated for such future events. Additions include investment income and other revenues; deductions include administrative expenses, interest allocated to other reserves, funding of the Supplemental Targeted Adjustments for Retirees reserves and distribution of excess assets to employers.

Reserves are established from employee and employer contributions and appropriations of earnings in excess of current earnings assumption. Reserves do not represent the present value of assets needed, as determined by actuarial valuation, to satisfy retirements and other benefits as they become due.

#### **NOTE B--PLAN DESCRIPTION**

LACERA operates as a cost sharing multi-employer defined benefit plan. The County, other participating agencies, and their employees, the latter on an elective basis beginning in 1982, contribute to LACERA based on rates recommended by an independent actuary and adopted by the Board of Investments and Board of Supervisors. Employer and employee contributions are invested and the earnings and contributions are used for monthly payments to retired members.

Employer contributions are expressed as a percentage of applicable payroll, dependent on plan. Member rates are based upon age upon entry to the system and plan enrollment. LACERA has adopted unisex contribution rates for members. As a result of collective bargaining, employee rates for various plans have been reduced through additional employer contributions, known as a surcharge rate.

Vesting occurs when a member accumulates five years of creditable service under contributory plans or accumulates ten years of creditable service under the noncontributory plan. Benefits are based upon twelve or thirty-six months average compensation, depending on plan; age at retirement and length of service as of the retirement date, according to applicable statutory formulae.

Service connected disability benefits may be granted regardless of length of service consideration. Five years of service is required for non-service connected disability eligibility according to applicable statutory formulae except for members of the noncontributory plan who are covered under separate long-term disability provisions not administered by LACERA. Components of LACERA membership are detailed on Schedule 3, Membership Data.

**NOTE C-- TRIENNIAL ACTUARIAL VALUATION AND INVESTIGATION  
(Amounts in Thousands)**

For purposes of examining noneconomic assumptions and determining the trust's funding status, LACERA engages an independent actuarial firm to conduct a triennial actuarial valuation and investigation, in accordance with the County Employees Retirement Law of 1937,

The last such valuation was made using the **entry age normal method** as of June 30, 1989 on the basis of an 8% interest assumption specified by the Board of Investments. It assumed a 6% annual increase in salary based on 5% inflation and a 1% merit and productivity increase assumptions. Use of an inflation factor complies with recommendations of the American Academy of Actuaries.

The asset valuation used was changed from the Book Value Method to an Actuarial Asset Value Method, also known as Adjusted Market Value Method, which values the assets through a 5-year phase-in of unrealized gains and losses. The change in the valuation method reduced the unfunded actuarial accrued liability from \$2,276,789 as of June 30, 1986 to \$1,511,388 as of June 30, 1989. The new Unfunded Actuarial Accrued Liability (UAAL) is composed of \$2,307,874 in basic benefits and \$(796,486) in cost-of-living benefits. The total UAAL is being funded directly by employer contributions over a period of 30 years which commenced July 1, 1978 and ends June 30, 2008. The contributions are based on rates recommended by the actuary and adopted by the Board of Investments and the Los Angeles County Board of Supervisors.

**NOTE D-- ANNUAL ACTUARIAL VALUATION FOR PURPOSES OF  
UNIFORM DISCLOSURE**

For purposes of examining economic assumptions and to provide pension disclosure information as required by Statement 5 of the Governmental Accounting Standards Board (GASB), LACERA engages an independent actuary to perform an annual actuarial valuation in conformance with GASB methodology. The latest such valuation was performed using the **projected unit credit method** as required by GASB as of June 30, 1990 with an 8% interest earnings assumption and a 6% assumption for annual salary increases based on factors of 5% for inflation and 1% for merit and productivity increases.

Funding Status and Progress: The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess LACERA on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among other pension funds. The unfunded pension benefit obligations at June 30, 1990 and 1989 were \$1,274,114 and \$1,743,392 respectively, computed as follows (amounts in thousands):

	1990	1989
<b>Pension benefit obligation:</b>		
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$4,722,828	\$4,455,572
Current employees:		
Accumulated employee contributions	1,453,784	1,196,696
Employer-financed vested	4,022,917	4,063,699
Employer-financed nonvested	135,017	115,571
Total Pension Benefit Obligation	<u>10,334,546</u>	<u>9,831,538</u>
<b>Net assets available for benefits, at cost</b> (Actuarial market value is \$10,149,563 for 1990 and \$8,984,173 for 1989)	9,060,432	8,088,146
<b>Unfunded Pension Benefit Obligation</b>	<u>\$1,274,114</u>	<u>\$1,743,392</u>

Contributions Required and Contributions Made: LACERA funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate the required assets to pay benefits when due.

The contributions to LACERA for 1990 and 1989 were made in accordance with the actuarially determined requirements as follows (amounts in thousands):

	1990		1989	
	Contributions	Percent of Covered Payroll	Contributions	Percent of Covered Payroll
<b>Employer contributions:</b>				
Normal Cost	\$233,192	10.10%	\$223,196	9.74%
Amortization of the unfunded actuarial accrued liability	131,408	5.69%	160,624	7.01%
Member Contributions:	<u>117,249</u>	5.08%	<u>103,879</u>	4.53%
<b>TOTAL</b>	<b><u>\$481,849</u></b>		<b><u>\$487,699</u></b>	

LACERA has adopted a phased adoption of Schedule 1, Analysis of Funding Progress, as permitted under GASB implementation guidelines. For the fiscal years ending June 30, 1990 and 1989, available assets were sufficient to fund 87.67% and 82.27%, respectively, of the total accrued pension benefit obligation. The unfunded pension benefit obligation represented 12.33% and 17.73% of the value of accrued benefits for the fiscal years ending June 30, 1990 and 1989, respectively.

Ten year historical trend information is presented in Schedule 2, Revenues by Source and Expenses by Type. Trend information gives an indication of the progress made in accumulating sufficient assets to pay for benefits when due.

**NOTE E--INTEREST AND PAYMENTS UNDER SECTIONS 31725.5 AND .6**

Sections 31725.5 and .6 provide that a member, incapacitated and thereby eligible for disability retirement under his former position, may accept a lower paying position for which he is not disabled. In such cases, LACERA pays the member an amount that equals the difference in salary between the member's current and former positions, not to exceed the amount of the disability allowance to which the member would otherwise be entitled. Such payments and related interest in lieu of a disability retirement allowance are considered a charge against Employer Reserves.

**NOTE F--CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at June 30, 1990 and 1989 is composed of the following (amounts in thousands):

	1990	1989
Investment Trust Accounts	14,874	3,987
Pension Payroll Direct Deposit Account	29	10
Foreign Currency Accounts	27,822	13,533
Equity in Treasurer's Pooled Investments		
County Employees Retirement Trust Fund	\$940	\$1,472
County Employees Retirement Admin. Fund	<u>222</u>	<u>259</u>
	<b><u>\$43,887</u></b>	<b><u>\$19,261</u></b>

## NOTE G--DEPOSITS AND INVESTMENTS

The following information is presented in accordance with the requirements of Statement No. 3, Deposits With Financial Institutions, Investments including Repurchase Agreements and Reverse Repurchase Agreements issued by the Governmental Accounting Standards Board.

LACERA maintains cash balances with the County Treasury which are incorporated into the Treasurer's pooled investments. These funds are included under the heading "Cash and Cash Equivalents" as shown in the Balance Sheets and discussed in Note F.

**Deposits** - At June 30, 1990 and 1989 deposits consisted primarily of bank deposits and negotiable certificates of deposit (amounts in thousands):

Deposits	1990	
	Insured (FDIC)	Uninsured and Uncollateralized
\$198,069	\$200	\$197,869

Deposits	1989	
	Insured (FDIC)	Uninsured and Uncollateralized
\$585,103	\$100	\$585,003

*GASB Statement No. 3 specifies that Negotiable Certificates of Deposit be classified under this disclosure as "Deposits." Such instruments are not covered under Federal Depository Insurance. This accounts for the low ratio of insured to uninsured deposits.*

**Investments** - Investment authority is granted to LACERA by the County Employees Retirement Law of 1937. Statutes authorize a "Prudent Expert" guideline as to the form and types of investment vehicles which may be purchased. Investments are categorized as to the level of risk held as of June 30, 1990 and 1989 as follows:

- CATEGORY 1 - includes investments which are insured or registered or for which the securities are held by LACERA or its custodian in LACERA's name.
- CATEGORY 2 - includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or their agent in LACERA's name. LACERA has no such investments.
- CATEGORY 3 - includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by their agent but not in LACERA's name. LACERA has no such investments.

Investments by category at June 30, 1990 and 1989 are composed of the following (amounts in thousands):

	1990		1989	
	BOOK VALUE	MARKET VALUE	BOOK VALUE	MARKET VALUE
<b>CATEGORY 1</b>				
Bankers acceptances, commercial paper and discount note				
Domestic	\$688,212	\$686,165	\$1,412,517	\$1,399,459
International	7,946	7,973	22,729	22,852
Repurchase agreements	11,176	11,176	50,082	50,253
Common stocks				
Domestic	2,441,543	3,439,435	1,972,657	2,763,409
International	919,354	967,825	891,315	890,609
Preferred stocks				
Domestic	44,176	44,817	29,841	29,176
International	9,460	12,572	4,818	5,143
Convertible debentures				
Domestic	44,387	44,387	43,873	50,051
International	5,640	5,640	8,731	7,702
U. S. Government securities	1,903,754	1,920,043	1,240,551	1,301,122
U. S. Government agency bonds	1,124,437	1,121,872	542,942	551,923
Corporate bonds	734,069	732,524	764,765	783,700
Private placement bonds	66,341	66,818	68,381	68,869
Nongovernment pass-throughs	33,953	32,840	154,034	156,398
Other asset backed obligations	241,391	243,512	148,817	153,842
Other State municipal bonds			5,092	5,440
Foreign municipal bonds			4,044	4,269
Foreign Government bonds	64,285	64,396	10,526	10,423
Foreign corporate bonds			5,268	5,506
Mortgages	90,335	92,914	106,635	113,117
Real estate funds	303,791	318,321	254,900	265,948
Core group trust	69,852	69,852		
Venture capital investment funds	194,439	204,590	131,656	136,631
<b>TOTAL CATEGORY 1</b>	<b>8,998,541</b>	<b>10,087,672</b>	<b>7,874,174</b>	<b>8,775,842</b>
Equity in short term investment fund				
custodial trust	28,562	28,562	2,708	2,708
Certificates of deposit	155,344	155,344	567,573	565,328
Foreign currency accounts	27,822	27,822	13,533	10,137
Equity in treasurer's pooled investments	1,162	1,162	1,731	1,731
Investment trust accounts	14,874	14,874	3,987	3,987
Pension payroll direct deposit account	29	29	10	10
<b>TOTAL UNCATEGORIZED INVESTMENTS</b>	<b>227,793</b>	<b>227,793</b>	<b>589,542</b>	<b>583,901</b>
<b>TOTAL PORTFOLIO</b>	<b>\$9,226,334</b>	<b>\$10,315,465</b>	<b>\$8,463,716</b>	<b>\$9,359,743</b>

#### NOTE H--STOCKS AND BONDS ON LOAN

Under agreements with Security Pacific National Bank (SPNB) and Chase Manhattan Bank (Chase), LACERA lends specified equities and bonds that are being held in trust to various banks or brokers.

SPNB is authorized to handle all of LACERA's domestic loan activity and Chase is authorized to lend LACERA's international equities. SPNB and Chase have agreed to "hold (LACERA) harmless" for any losses of securities or income, or from any litigation arising from these loans. Consequently, the securities on loan at June 30, 1990 and 1989 are not shown separately on the balance sheet but are included in their respective accounts on that statement.

According to the agreement with SPNB, the loans must be secured by collateral with a market value of at least 102% of the market value of the securities loaned. According to the agreement

with Chase, the loans must be secured by collateral with a market value of at least 105% of the market value of the international equities loaned. At June 30, the market value of the stocks and bonds on loan through SPNB and Chase were (amounts in thousands):

	1990 MARKET VALUE	1989 MARKET VALUE
<b>EQUITIES</b>		
Domestic	\$351,826	\$108,568
International	51,858	
<b>BONDS, Domestic</b>		
	1,814,917	979,616
	<u>\$2,218,601</u>	<u>\$1,088,184</u>

#### **NOTE I--LITIGATION**

LACERA is a defendant in various lawsuits and other claims arising in the ordinary course of its operations. LACERA's management and legal counsel estimate that the ultimate outcome of such litigation will not have a material effect on LACERA's financial statements.

#### **NOTE J--ACQUISITION OF GATEWAY PLAZA**

In April 1990, LACERA formed a title holding corporation to acquire Gateway Plaza for a total investment of \$68 million. The duly executed certificate for 100 shares common stock represents LACERA's ownership in the corporation as the sole shareholder. The property is a 13-story class "A" office building and adjacent 10-level parking structure, which was completed in May 1989. The subject property contains approximately 282,000 net rentable square feet of office area and approximately 14,000 square feet of lower level storage area for a total of 296,000 square feet of net rentable area. It is situated on an approximate 1.8 acres parcel of land located at the southeast corner of the intersection of Lake Avenue and Corson Street in downtown Pasadena, California.

LACERA will be occupying approximately 85,000 square feet in the subject property.

Property management and leasing is handled by Heitman Properties Ltd.

#### **NOTE K--STAR RESERVE**

The Board of Retirement approved on December 20, 1989 the STAR (Supplemental Targeted Adjustments for Retirees) program pursuant to authority granted to them under Section 31874.3(b) of the Government Code. This program provides a supplemental cost of living increase for retirees to restore lost purchasing power to a level equal to 75% of the purchasing power they held when their benefit began.

The Board of Retirement authorized the transfer of \$201.2 million from the reserve for earnings' deficiencies, investment losses and other contingencies, of which \$51.2 million was utilized to implement the supplemental cost of living increase from January 1, 1990 through December 31, 1990.



## NOTE L--DECREASE IN COUNTY'S EMPLOYER CONTRIBUTION RATES

On January 10, 1990, LACERA's Board of Investments approved a change in the method used to determine the actuarial value of fund assets. The new method is called The Adjusted Market Value Method, which recognizes proportional unrealized gains and losses over a five year historical period. Previous asset valuations had been made on the basis of book value, or amortized acquisition cost.

The Board of Investments has taken this action for the following reasons:

1. The new method recognizes unrealized gains and losses which provides a more accurate valuation of assets for a highly diversified fund such as LACERA.
2. Asset valuation that includes some recognition of market value is required of ERISA (Employee Retirement Income Security Act of 1974) plans and is expected to become standard industry practice. GASB has recommended asset valuation based on market value in advance copies of its exposure draft on public pension accounting.
3. Adoption of this new method of asset valuation satisfies LACERA's statutory obligation to adequately fund benefits and to minimize employer costs. In declining markets, this method protects plan beneficiaries because it acknowledges in a timely fashion, losses in the value of the portfolio which can be recovered through an **increase in contributions**. In rising markets, the new method allows the employer to share in the results of good investment performance through **decreases in contributions**.

As a consequence of the Board of Investments' decision to adopt this change in the actuarial method, the triennial actuarial valuation as of June 30, 1989 was able to recognize \$872 million in unrealized market gain. This change in method does not effect the actuarial valuation for purposes of uniform disclosure, Note D. The Board of Investments recommended a reduction in the employer contribution rates and those rates were adopted by the Los Angeles County Board of Supervisors for implementation effective February 1, 1990.

### EMPLOYER CONTRIBUTION RATES

February 1, 1990			
Plan	Old Rate*	New Rate*	Change
A - General	18.64% (1)	15.18% (1)	-3.46%
B - General	15.05% (1)	11.59% (1)	-3.46%
C - General	14.75%	11.29%	-3.46%
D - General	14.63%	11.17%	-3.46%
E - General	13.28%	9.82%	-3.46%
A - Safety	27.04% (1)	21.02% (1)	-6.02%
B - Safety	19.31% (1)	13.29% (1)	-6.02%

(1) The rates for General Plans A and B and Safety Plans A and B include the following surcharge amounts:

Plan	Surcharge
A - General	.73%
B - General	.16%
A - Safety	1.52%
B - Safety	.04%

These surcharges represent a portion of member contributions that the County has agreed to pay.

- \* Percent of monthly salary subject to retirement.

#### **NOTE M--DECLINE IN MARKET VALUES**

At June 30, 1990, the market value of LACERA's total portfolio was \$10.3 billion with a book value of \$9.2 billion, for an unrealized gain of \$1.1 billion. Included in the portfolio were certain securities with an unrealized loss of approximately \$45 million. Subsequent to the Balance Sheet date, these securities declined a further \$25 million in value as of September 18, 1990. Investment advisors involved in acquisition of these securities are continuing to hold them in their portfolios, believing the market for those issues will rebound in 1991.

As of October 15, 1990, a general decline in the financial markets precipitated by events in the Middle East has reduced the market value of the total portfolio to \$9.6 billion.

#### **NOTE N--PARTIAL ANNUITIZATION OF BENEFIT PAYMENTS (amounts in thousands)**

As of January 1, 1987, LACERA purchased two annuity contracts from insurance carriers to provide benefit payments to a portion of its retired members. Under the terms of the annuity contracts, LACERA will continue to administer benefit payments to affected members, to be reimbursed monthly by the carriers for the gross amounts of benefits disbursed. LACERA received \$46,493 and \$45,821 in related reimbursements during the year ended June 30, 1990 and 1989 respectively. Such amounts have reduced the pension and annuity payments in the financial statements. There is no effect on covered members. Covered members retain all benefits accorded other members of the system, including rights to continuance of benefits to survivors, insurance subsidies and cost-of-living increases.

**Ernst & Young**

**QG** /  
QUEZADA  
GODSEY & CO.  
CERTIFIED PUBLIC ACCOUNTANTS

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**REPORT OF INDEPENDENT AUDITORS  
ON REQUIRED SUPPLEMENTARY INFORMATION**

**Los Angeles County Employees Retirement  
Association**

The audited financial statements of the Los Angeles County Employees Retirement Association and our report thereon are presented in the preceding section of this report. The following information is presented for purposes of additional analysis and is a required part of the financial statement presentation of the Association. Such information, except for that pertaining to the periods 1981, 1982, and 1983 audited by other auditors on which we express no opinion, has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

October 22, 1990

*Ernst + Young*  
*Quezada Godsey & Co.*

**REQUIRED SUPPLEMENTARY INFORMATION  
ANALYSIS OF FUNDING PROGRESS**

(Amounts in Thousands)

Fiscal Year	Net Assets Available for Benefits	Pension Benefit Obligation	Percentage Funded	Unfunded Pension Benefit Obligation	Annual Covered Payroll	Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll
1988	7,386,397	8,897,693	83.00%	1,511,296	2,037,097	74.19%
1989	8,088,146	9,831,538	82.27%	1,743,392	2,290,407	76.12%
1990	9,060,432	10,334,546	87.67%	1,274,114	2,309,674	55.16%

This schedule provides the actuarial information on LACERA's funding status and progress. Adopted in 1988, it will be expanded through experience to the ten-year historical trend data required by GASB Statement 5, in conformance with GASB implementation guidelines.

Due to time constraints and the absence of current data, the payroll periods used for the fiscal years ending June 30, 1990 and 1989 were as of June 30, 1989 and March 31, 1989 respectively. The actuary has indicated that they are not aware of any significant events occurring after June 30, 1989, which would require the use of more current data.

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the fund. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the fund.

**REQUIRED SUPPLEMENTARY INFORMATION  
REVENUES BY SOURCE AND EXPENSES BY TYPE**

(Amounts in Thousands)

Fiscal Year	REVENUES BY SOURCE				Total
	Employee Contributions	Employer Contributions	Investment Income	Other Revenues	
1981	78,484	273,489	233,003	405	585,381
1982	78,936	267,792	254,643	382	601,753
1983	73,879	295,181	400,583	350	769,993
1984	74,805	282,024	370,740	845	728,414
1985	77,399	321,183	501,767	404	900,753
1986	82,356	335,754	879,042	310	1,297,462
1987	86,790	336,533	892,749	145	1,316,217
1988	93,862	352,076	652,731	82	1,098,751
1989	103,879	383,820	820,633	84	1,308,416
1990	117,249	364,600	821,368	140	1,303,357

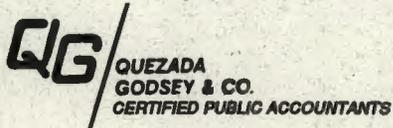
Fiscal Year	EXPENSES BY TYPE				Total
	Benefits	Administrative Expenses	Refunds	Other Expenses	
1981	199,952	3,618	20,036	23	223,629
1982	226,030	4,373	101,406	321	332,130
1983	235,309	4,782	7,860	155	248,106
1984	268,056	5,196	8,175	310	281,737
1985	299,715	6,439	25,436	353	331,943
1986	326,186	6,689	6,700	298	339,873
1987	336,117	6,606	18,152	142	361,017
1988	345,924	8,234	7,918	78	362,154
1989	389,949	12,581	16,147	40	418,717
1990	441,834	15,143	11,029	144	468,150

**REQUIRED SUPPLEMENTARY INFORMATION  
MEMBERSHIP DATA**

The components of LACERA's membership were as follows:

	1988	1989	1990
Active			
General	58,361	58,734	60,748
Safety	9,460	10,112	10,642
<b>TOTAL</b>	<b>67,821</b>	<b>68,846</b>	<b>71,390</b>
Vested Active			
General	34,527	34,485	33,735
Safety	7,312	7,628	7,542
<b>TOTAL</b>	<b>41,839</b>	<b>42,113</b>	<b>41,277</b>
Deferred Vested			
General	2,492	2,639	2,794
Safety	89	86	84
<b>TOTAL</b>	<b>2,581</b>	<b>2,725</b>	<b>2,878</b>
Unclaimed Accounts			
General	2,008	1,447	1,258
Safety	84	69	61
<b>TOTAL</b>	<b>2,092</b>	<b>1,516</b>	<b>1,319</b>
Retired			
General	28,079	28,894	29,700
Safety	5,040	5,203	5,441
<b>TOTAL</b>	<b>33,119</b>	<b>34,097</b>	<b>35,141</b>

# Ernst & Young



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## REPORT OF INDEPENDENT AUDITORS ON OTHER FINANCIAL INFORMATION

### Los Angeles County Employees Retirement Association

The audited financial statements of the Los Angeles County Employees Retirement Association and our report thereon are presented in a preceding section of this report. The following financial information is presented for purposes of additional analysis and is not a required part of the financial statements of the Association. Such information, except for that marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

October 22, 1990

*Ernst & Young*  
*Quezada Godsey & Co.*

**Schedule Of Administrative Expenses  
For The Fiscal Years Ended June 30, 1990 and 1989**

	(Amounts in Thousands)	1990	1989
<b>Personnel Services</b>			
Salaries and Wages		\$4,886	\$4,301
Employee Benefits			
Retirement Contributions		657	644
Workers Compensation		96	77
Medical Insurance		246	220
Dental Insurance		21	18
Life Insurance		2	2
Hospital Insurance Tax		8	5
Flexible Benefit Plan		143	118
Thrift Plan		6	2
Savings Plan		57	45
Retirees Health Plan		120	94
Long Term Disability		13	13
Unemployment Insurance		13	9
Total Employee Benefits		<u>1,382</u>	<u>1,247</u>
Total Personnel Services		<u>6,268</u>	<u>5,548</u>
<b>Office Expense</b>			
Postage		131	123
Stationery and Forms		214	184
Other		170	138
Total Office Expense		<u>515</u>	<u>445</u>
<b>Other Services and Charges</b>			
Communications		138	129
Maintenance--Office Equipment		117	43
Maintenance--Structures, Improvements and Grounds		12	17
Attorney Fees		41	69
Department Charge-Pension Bond		34	33
County Data Processing Charges		250	234
Other Data Processing Charges		427	437
Hearing Officer Fees		170	118
Medical Fees		604	685
Stenographic Fees		40	38
Other Professional and Specialized Services		4,659	3,057
Rent and Leases--Office Equipment		22	32
Rent and Leases--Building and Improvements		233	200
Administrative Support		280	288
Computers Services and Support		118	246
Transportation and Travel		81	41
Educational Expenses		83	35
Other Charges		707	511
Total Other Services and Charges		<u>8,016</u>	<u>6,213</u>
<b>Depreciation--Fixed Assets</b>		344	375
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<u><b>\$15,143</b></u>	<u><b>\$12,581</b></u>

**Schedule Of Administrative Expenses  
For The Fiscal Years Ended June 30, 1990 and 1989**

	(Amounts in Thousands)	1990	1989
Included under Other Professional and Specialized Services are the following:			
1. Systems Consulting Software Development and Implementation		\$2,273	\$1,110
2. Data Processing Hardware and Systems Support		1,540	1,230
3. Temporary Personnel Services		343	351
4. Automated File Tracking System		125	0-
5. Actuarial Consulting Fees		68	107
6. Audit Fees		76	79
7. Other County Department Charges		77	17
8. Other		157	163
<b>TOTAL</b>		<u><b>\$4,659</b></u>	<u><b>\$3,057</b></u>

## Los Angeles County Employees Retirement Association Investment Portfolio

As of June 30, 1990

CASH	Par Value	Book Value	Market Value
FOREIGN CURRENCIES	\$27,822,306	\$27,822,306	\$27,822,306
EQUITY IN TREASURER'S POOLED INVESTMENTS	1,162,424	1,162,424	1,162,424
CASH IN BANKS	14,902,659	14,902,659	14,902,659
<b>TOTAL CASH</b>	<b>\$43,887,388</b>	<b>\$43,887,388</b>	<b>\$43,887,388</b>

### SHORT-TERM INVESTMENTS

BANKERS ACCEP. & COMM. PAPER - DOMESTIC	Rate	Maturity	Par Value	Book Value	Market Value
B.A.T. CAPITAL CORPORATION	8.190	07/03/1990	\$70,000,000	\$69,968,150	\$69,777,050
BB FINANCE (DELAWARE) INC.	8.200	07/02/1990	45,000,000	44,989,750	44,822,333
BB FINANCE (DELAWARE) INC.	8.300	07/05/1990	23,100,000	23,078,697	23,057,393
BFCE US FINANCE CORPORATION	8.220	07/18/1990	10,000,000	9,961,183	9,936,067
BNP US FINANCE CORPORATION	8.200	07/20/1990	40,000,000	39,826,889	39,726,667
CIC FINANCE (DELAWARE) INC.	8.270	08/01/1990	15,000,000	14,893,179	14,882,842
CREDIT AGRICOLE USA INC.	8.180	07/06/1990	25,000,000	24,971,597	24,903,431
DEERFIELD CAPITAL	8.300	07/13/1990	27,500,000	27,423,917	27,398,556
DEERFIELD CAPITAL	8.250	07/20/1990	56,900,000	56,652,248	56,508,813
DEN DANSKE CORPORATION	8.200	07/18/1990	25,000,000	24,903,194	24,834,861
F & T ENTERPRISE INC.	8.220	07/23/1990	34,000,000	33,829,207	33,743,810
FIRST FUNDING CORPORATION OF AMERICA	8.250	07/27/1990	10,000,000	9,940,417	9,926,667
FIRST NATIONWIDE BANK	8.220	07/25/1990	11,000,000	10,939,720	10,891,998
FORD MOTOR CREDIT COMPANY	8.375	07/02/1990	25,000,000	24,994,184	24,982,552
GENERAL ELECTRIC CAPITAL CORPORATION	8.280	07/02/1990	12,700,000	12,697,079	12,691,237
GIROZENTRALE VIENNA FIN. (DELAWARE) INC.	8.180	07/13/1990	25,000,000	24,931,833	24,835,264
HELLER INTERNATIONAL CORPORATION	8.230	07/06/1990	7,000,000	6,991,999	6,977,596
KONICA FINANCE USA CORPORATION	8.200	07/20/1990	6,400,000	6,372,302	6,356,267
KUMAGAI INTERNATIONAL USA	8.250	07/25/1990	7,000,000	6,961,500	6,951,875
LEATHERS L.P.	8.200	07/23/1990	10,000,000	9,949,889	9,906,611
PACIFIC FUNDING TRUST	8.200	07/13/1990	17,678,000	17,629,680	17,577,334
QUEENSLAND TREASURY CORPORATION	8.200	07/24/1990	23,964,000	23,838,455	23,772,954
SHOWA LEASING (USA) INC.	8.200	07/13/1990	18,000,000	17,950,800	17,897,500
TGG FUNDING INC.	8.200	07/20/1990	44,103,000	43,912,132	43,801,630
UNIFUNDING INC.	8.200	07/13/1990	25,000,000	24,931,667	24,869,028
UNITED STATES TREASURY BILLS	0.000	08/30/1990	5,500,000	5,429,254	5,161,561
WOODSIDE FINANCE LTD	8.200	07/20/1990	48,030,000	47,822,137	47,614,274
WOODSIDE FINANCE LTD	8.200	07/25/1990	22,544,000	22,420,759	22,359,139
<b>TOTAL BANKERS ACCEP. &amp; COMM. PAPER - DOMESTIC</b>			<b>\$690,419,000</b>	<b>\$688,211,818</b>	<b>\$686,165,307</b>

### BANKERS ACCEP. & COMM. PAPER - INTERNATIONAL

HELLER INTERNATIONAL CORPORATION	0.000	07/06/90	\$2,000,000	\$1,993,599	\$1,998,160
QUEENSLAND ALUMINA LTD.	0.000	07/31/90	2,000,000	1,981,667	1,986,620
SHOWA LEASING USA, INC.	0.000	07/18/90	2,000,000	1,986,789	1,992,620
TOKAI CREDIT CORPORATION	0.000	07/11/90	2,000,000	1,984,114	1,995,860
<b>TOTAL BANKERS ACCEP. &amp; COMM. PAPER - INT'L</b>			<b>\$8,000,000</b>	<b>\$7,946,168</b>	<b>\$7,973,260</b>

### REPURCHASE AGREEMENTS

UNITED STATES TREASURY NOTES	8.220	07/02/1990	\$11,275,000	\$11,176,000	\$11,176,000
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### CERTIFICATES OF DEPOSIT

SUMITOMO BANK	8.230	07/12/1990	\$10,000,000	\$9,999,816	\$9,999,816
SUMITOMO BANK LTD JAPAN	8.320	08/31/1990	75,000,000	75,002,588	75,002,550
SANWA BANK	8.250	07/25/1990	15,000,000	14,999,487	14,999,487
TOKAI BANK LTD JAPAN	8.438	07/02/1990	53,342,000	53,342,000	53,342,000
FUJI BANK	8.438	07/02/1990	2,000,000	2,000,000	2,000,000
<b>TOTAL CERTIFICATES OF DEPOSIT</b>			<b>\$155,342,000</b>	<b>\$155,343,891</b>	<b>\$155,343,854</b>

### EQUITY IN SHORT TERM INVESTMENT FUND

PACIFIC HORIZON			\$28,562,181	\$28,562,181	\$28,562,181
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### TOTAL SHORT TERM INVESTMENTS

**\$893,598,181    \$891,240,059    \$889,220,601**

**LONG TERM INVESTMENTS**

U.S. GOVERNMENT SECURITIES	Rate	Maturity	Par Value	Book Value	Market Value
RESOLUTION FUNDING CORPORATION	0.000	04/15/2003	\$1,000,000	\$319,455	\$324,370
RESOLUTION FUNDING CORPORATION	0.000	10/15/2003	1,250,000	381,804	387,888
UNITED STATES TREASURY BILLS	0.000	11/01/1990	183,500,000	176,096,999	178,705,145
UNITED STATES TREASURY BONDS	0.000	02/15/2019	34,295,000	3,453,290	3,466,196
UNITED STATES TREASURY BONDS	0.000	08/15/2012	11,725,000	1,679,922	1,847,508
UNITED STATES TREASURY BONDS	7.250	05/15/2016	8,560,000	7,359,813	7,452,507
UNITED STATES TREASURY BONDS	8.125	08/15/2019	40,000,000	40,639,559	38,600,000
UNITED STATES TREASURY BONDS	8.500	02/15/2020	15,055,000	14,754,378	15,153,761
UNITED STATES TREASURY BONDS	8.750	05/15/2017	35,980,000	38,299,446	36,924,475
UNITED STATES TREASURY BONDS	8.750	05/15/2020	8,025,000	8,132,043	8,325,938
UNITED STATES TREASURY BONDS	8.750	05/17/2017	4,000,000	4,100,580	4,105,000
UNITED STATES TREASURY BONDS	8.750	11/15/2008	10,000,000	9,699,894	10,121,900
UNITED STATES TREASURY BONDS	8.875	02/15/2019	50,000,000	54,286,481	52,172,000
UNITED STATES TREASURY BONDS	8.875	08/15/2017	80,915,000	84,410,918	84,075,540
UNITED STATES TREASURY BONDS	9.000	11/15/2018	5,000,000	5,080,111	5,279,700
UNITED STATES TREASURY BONDS	9.375	02/15/2006	43,000,000	47,023,812	46,130,830
UNITED STATES TREASURY BONDS	10.000	05/15/2010	10,000,000	10,530,230	11,103,100
UNITED STATES TREASURY BONDS	10.375	11/15/2012	20,400,000	23,851,872	23,523,648
UNITED STATES TREASURY BONDS	10.750	02/15/2003	16,000,000	17,924,722	18,655,040
UNITED STATES TREASURY BONDS	10.750	08/15/2005	6,000,000	7,064,257	7,078,140
UNITED STATES TREASURY BONDS	11.250	02/15/2015	6,000,000	4,094,069	4,083,840
UNITED STATES TREASURY BONDS	11.625	11/15/2002	3,000,000	3,593,392	3,691,860
UNITED STATES TREASURY BONDS	11.625	11/15/2004	24,975,000	30,634,954	31,132,836
UNITED STATES TREASURY BONDS	14.000	11/15/2011	6,850,000	9,974,700	10,016,002
UNITED STATES TREASURY NOTES	0.000	05/15/2001	23,500,000	8,775,705	9,380,260
UNITED STATES TREASURY NOTES	7.250	11/15/1996	13,960,000	13,083,726	13,122,400
UNITED STATES TREASURY NOTES	7.375	02/15/1991	36,150,000	35,971,791	35,980,457
UNITED STATES TREASURY NOTES	7.750	02/15/1995	14,825,000	14,256,020	14,454,375
UNITED STATES TREASURY NOTES	7.875	07/15/1996	61,510,000	59,246,093	59,799,407
UNITED STATES TREASURY NOTES	8.000	06/30/1990	15,000,000	14,999,941	15,000,000
UNITED STATES TREASURY NOTES	8.000	08/15/1999	42,650,000	41,727,600	41,370,500
UNITED STATES TREASURY NOTES	8.000	11/15/1990	55,900,000	55,885,493	55,847,454
UNITED STATES TREASURY NOTES	8.125	05/15/1991	19,000,000	19,079,651	18,994,110
UNITED STATES TREASURY NOTES	8.250	06/30/1991	12,000,000	12,022,313	12,007,440
UNITED STATES TREASURY NOTES	8.250	06/30/1992	9,700,000	9,641,844	9,700,000
UNITED STATES TREASURY NOTES	8.250	09/30/1993	42,525,000	42,839,334	42,405,505
UNITED STATES TREASURY NOTES	8.250	10/31/1990	56,300,000	56,317,892	56,300,000
UNITED STATES TREASURY NOTES	8.250	11/15/1994	76,605,000	75,448,708	76,198,227
UNITED STATES TREASURY NOTES	8.375	04/15/1995	5,500,000	5,504,503	5,493,125
UNITED STATES TREASURY NOTES	8.500	02/15/2000	81,300,000	80,746,421	81,503,250
UNITED STATES TREASURY NOTES	8.500	04/15/1997	74,870,000	74,175,294	75,033,965
UNITED STATES TREASURY NOTES	8.500	05/15/1997	36,000,000	35,134,368	36,033,840
UNITED STATES TREASURY NOTES	8.625	01/15/1995	27,255,000	27,251,082	27,476,311
UNITED STATES TREASURY NOTES	8.625	08/15/1997	52,000,000	51,110,847	52,373,880
UNITED STATES TREASURY NOTES	8.750	01/15/1993	6,000,000	5,987,761	6,061,860
UNITED STATES TREASURY NOTES	8.750	09/30/1992	7,750,000	7,789,597	7,820,215
UNITED STATES TREASURY NOTES	8.875	02/15/1999	9,975,000	10,191,333	10,196,345
UNITED STATES TREASURY NOTES	8.875	05/15/2000	61,625,000	62,209,945	63,473,750
UNITED STATES TREASURY NOTES	8.875	07/15/1995	13,950,000	14,013,439	14,207,238
UNITED STATES TREASURY NOTES	9.000	05/15/1998	20,000,000	19,973,958	20,575,000
UNITED STATES TREASURY NOTES	9.125	02/15/1992	12,354,000	12,554,282	12,500,547
UNITED STATES TREASURY NOTES	9.125	05/15/1999	76,465,000	78,901,641	79,379,846
UNITED STATES TREASURY NOTES	9.250	08/15/1998	25,000,000	25,462,714	26,070,250
UNITED STATES TREASURY NOTES	9.375	04/15/1996	42,620,000	44,608,677	44,351,224
UNITED STATES TREASURY NOTES	9.500	05/15/1998	20,000,000	20,352,594	20,768,800
UNITED STATES TREASURY NOTES	9.500	10/15/1994	36,290,000	37,254,610	37,684,988
UNITED STATES TREASURY NOTES	10.375	07/15/1992	5,000,000	5,178,509	5,192,200
UNITED STATES TREASURY NOTES	11.250	05/15/1995	8,000,000	8,935,575	8,874,960
UNITED STATES TREASURY NOTES	11.625	01/15/1992	10,000,000	10,181,912	10,471,900
UNITED STATES TREASURY NOTES	11.750	11/15/1993	23,000,000	22,766,290	25,199,260
UNITED STATES TREASURY NOTES	11.875	08/15/1993	29,500,000	30,463,184	32,274,770
UNITED STATES TREASURY NOTES	13.125	05/15/1994	71,730,000	82,071,726	82,601,399
UNITED STATES TREASURY RECEIPTS	0.000	02/15/1995	24,370,000	17,050,030	16,587,197
UNITED STATES TREASURY RECEIPTS	0.000	02/15/2011	54,000,000	8,405,139	9,644,940
UNITED STATES TREASURY RECEIPTS	0.000	05/15/2003	23,500,000	7,301,673	7,902,345
UNITED STATES TREASURY RECEIPTS	0.000	05/15/2005	35,000,000	9,066,637	9,950,150
UNITED STATES TREASURY RECEIPTS	0.000	08/15/2000	4,925,000	2,085,219	2,096,179
UNITED STATES TREASURY RECEIPTS	0.000	08/15/2002	1,000,000	333,740	358,260
UNITED STATES TREASURY RECEIPTS	0.000	08/15/2011	53,600,000	7,974,355	9,181,680
UNITED STATES TREASURY RECEIPTS	0.000	11/15/1996	19,500,000	11,740,294	11,447,085
UNITED STATES TREASURY RECEIPTS	11.250	02/15/2015	10,510,000	1,412,421	1,369,558
UNITED STATES TREASURY RECEIPTS	13.375	08/15/1995	4,547,500	2,880,961	2,969,017
<b>TOTAL U.S. GOVERNMENT SECURITIES</b>			<b>\$2,092,287,500</b>	<b>\$1,903,753,541</b>	<b>\$1,920,042,690</b>

U.S. GOVERNMENT AGENCY BONDS	Rate	Maturity	Par Value	Book Value	Market Value
FEDERAL HOME LOAN MORTGAGE CORPORATION	6.500	01/15/2021	\$6,830,500	\$5,275,661	\$5,013,935
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.000	10/15/2020	15,000,000	11,406,730	12,033,000
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	01/01/2007	11,963	10,934	10,991
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	01/01/2017	2,762,689	2,521,900	2,486,421
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	02/01/2017	2,026,494	1,849,887	1,823,845
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	03/01/2017	5,994,914	5,472,519	5,396,740
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	04/01/2017	2,977,058	2,717,666	2,679,352
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	05/01/2017	4,290,608	3,916,804	3,861,546
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	05/01/2018	335,834	306,611	302,250
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	06/01/2017	1,566,868	1,430,375	1,415,061
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	07/01/2016	746,877	681,737	672,189
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	07/01/2017	739,494	675,083	665,545
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	08/01/2017	24,307	22,190	24,512
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	11/01/2016	4,697,023	4,165,479	4,227,321
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	12/01/2016	850,507	776,370	765,456
FEDERAL HOME LOAN MORTGAGE CORPORATION	7.500	12/01/2018	349,800	319,382	314,820
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	02/01/2017	1,202,045	1,120,788	1,108,887
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	03/01/2016	374,894	351,217	345,841
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	03/01/2017	6,540,151	6,111,827	6,033,290
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	03/01/2018	119,943	110,266	110,647
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	04/01/2001	754,785	739,699	726,005
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	04/01/2010	112,479	103,839	105,871
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	04/01/2017	2,075,831	1,913,063	1,914,955
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	05/01/2016	614,732	575,915	567,091
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	05/01/2017	1,131,433	1,045,085	1,051,743
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	06/01/2007	33,121	31,033	30,554
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	06/01/2016	281,526	263,751	259,708
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	06/01/2017	4,139,967	3,817,979	3,819,121
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	07/01/2016	1,500,824	1,387,515	1,384,511
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	07/01/2017	169,069	156,091	155,966
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	07/01/2018	483,987	445,633	446,478
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	08/01/2016	481,027	447,073	443,748
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	08/01/2017	79,482	74,471	73,322
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	09/01/2016	4,100,346	3,716,725	3,782,569
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	10/01/2016	736,359	676,851	679,292
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	11/01/2007	669,456	624,146	630,126
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	11/01/2016	1,216,623	1,124,496	1,122,335
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	11/01/2017	3,093,268	2,898,328	2,853,540
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.000	12/01/2007	319,273	294,875	300,516
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.250	06/01/2006	1,545,832	1,439,661	1,456,947
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.250	11/01/2007	3,163,867	2,904,834	2,981,945
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	01/01/2005	11,757,117	11,407,257	11,308,818
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	02/01/2005	14,525,473	13,966,872	13,426,316
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	03/01/2008	1,631,965	1,513,842	1,569,738
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	04/01/2001	8,802,552	8,623,145	8,466,911
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	08/01/2016	8,662,365	8,067,908	8,169,650
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	09/01/2001	4,445,037	4,354,442	4,275,548
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	10/01/1996	5,291,474	5,079,081	5,102,939
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	10/01/2004	513,106	493,384	493,542
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	11/01/2004	3,955,871	3,815,712	3,805,034
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.500	12/01/2004	260,808	253,842	250,863
FEDERAL HOME LOAN MORTGAGE CORPORATION	8.850	03/15/2008	540,000	412,221	520,776
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.000	01/01/2017	3,621,450	3,429,499	3,498,067
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.000	02/15/2018	524,000	506,493	512,215
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.000	07/01/2008	1,741,404	1,646,275	1,708,195
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.000	07/15/2015	10,000,000	9,841,074	9,656,200
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.000	12/01/2016	1,957,747	2,002,911	1,891,047
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.100	10/15/2019	2,618,701	2,575,960	2,617,429
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.400	09/15/2008	6,579,000	5,199,807	6,495,578
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.500	01/01/2010	3,788,180	3,740,906	3,766,857
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.500	06/01/2010	2,793,038	2,758,153	2,777,314
FEDERAL HOME LOAN MORTGAGE CORPORATION	9.500	12/15/2017	2,340,000	2,382,199	2,353,806
FEDERAL HOME LOAN MORTGAGE CORPORATION	10.000	09/15/2009	316,800	307,166	322,556
FEDERAL HOME LOAN MORTGAGE CORPORATION	10.500	10/01/2000	9,611	9,395	9,846
FEDERAL HOME LOAN MORTGAGE CORPORATION	12.000	02/01/2015	1,639,583	1,591,156	1,748,713
FEDERAL HOME LOAN MORTGAGE CORPORATION	12.000	03/01/2015	1,176,847	1,240,187	1,255,178
FEDERAL HOME LOAN MORTGAGE CORPORATION	12.000	04/01/2013	7,298,309	7,723,208	7,784,085
FEDERAL HOME LOAN MORTGAGE CORPORATION	12.000	06/01/2015	2,767,174	2,927,894	2,951,357
FEDERAL HOME LOAN MORTGAGE CORPORATION	12.000	08/01/2014	3,781,096	3,995,859	4,032,766
FEDERAL HOME LOAN MORTGAGE CORPORATION	12.000	10/01/2009	3,961,061	4,221,692	4,224,709
FEDERAL HOME LOAN MORTGAGE CORPORATION	12.500	04/15/2019	583	627	629
FEDERAL HOUSING AUTHORITY	7.430	02/01/2023	9,019,522	8,381,534	7,295,531

U.S. GOVERNMENT AGENCY BONDS	Rate	Maturity	Par Value	Book Value	Market Value
FEDERAL HOUSING AUTHORITY	7.430	05/01/2023	\$7,899	\$7,362	\$6,387
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.000	07/05/2014	59,120,000	7,247,190	7,278,854
FEDERAL NATIONAL MORTGAGE ASSOCIATION	6.500	02/25/2020	14,218,000	10,772,763	10,404,548
FEDERAL NATIONAL MORTGAGE ASSOCIATION	7.000	03/25/2020	7,055,000	5,529,969	5,667,987
FEDERAL NATIONAL MORTGAGE ASSOCIATION	7.000	08/01/2006	1,901,590	1,469,511	1,717,364
FEDERAL NATIONAL MORTGAGE ASSOCIATION	7.000	09/25/2018	4,000,000	3,407,216	3,356,136
FEDERAL NATIONAL MORTGAGE ASSOCIATION	7.250	02/01/2023	4,786,393	3,579,350	4,218,009
FEDERAL NATIONAL MORTGAGE ASSOCIATION	7.350	01/25/2020	12,000,000	10,193,130	9,949,200
FEDERAL NATIONAL MORTGAGE ASSOCIATION	7.900	08/12/1996	4,180,000	4,119,589	3,991,900
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.000	01/01/2005	7,342,010	6,817,469	6,954,205
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.000	02/01/2005	12,852,044	12,125,177	12,173,199
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.000	07/10/1996	10,640,000	10,211,439	10,220,997
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.000	08/01/2004	4,585,448	4,456,828	4,343,244
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.200	12/23/1996	19,535,000	18,896,486	18,894,057
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	01/01/2004	537,741	513,262	519,592
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	01/01/2019	189,930	180,739	179,898
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	02/01/2004	371,613	354,696	359,071
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	02/01/2005	3,707,185	3,538,331	3,519,971
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	02/01/2009	54,117	51,281	52,273
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	02/01/2020	912,291	864,570	864,104
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	02/25/2019	6,500,000	5,857,201	5,920,226
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	03/01/2005	7,319,737	6,986,377	6,930,839
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	03/01/2017	35,221	33,377	33,361
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	03/01/2020	14,011,482	13,278,577	13,271,396
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	04/01/2002	1,840,684	1,757,211	1,778,561
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	04/01/2003	718,496	685,798	694,247
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	04/01/2005	6,987,402	6,669,168	6,616,162
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	05/01/2002	1,452,203	1,386,563	1,403,191
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	05/01/2003	7,044,923	6,723,086	6,807,157
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	05/01/2004	646,358	616,930	612,017
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	05/01/2005	5,540,303	5,287,941	5,245,947
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	06/01/2002	1,626,167	1,552,466	1,571,284
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	06/01/2003	13,609,332	12,987,091	13,150,016
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	06/01/2005	2,426,588	2,316,065	2,297,663
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	06/01/2017	293,577	281,710	278,071
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	07/01/2001	168,542	161,002	162,854
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	07/01/2002	957,576	914,211	925,258
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	07/01/2003	4,314,284	4,116,872	4,168,678
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	07/01/2017	71,369	67,632	67,599
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	08/01/2001	242,872	231,988	234,675
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	08/01/2002	72,245	68,970	69,807
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	08/01/2003	477,592	455,720	461,473
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	08/01/2004	425,794	406,406	403,172
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	09/01/2001	164,733	157,347	159,173
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	09/01/2004	330,873	315,807	313,294
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	09/01/2019	147,560	140,423	139,766
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	09/25/2018	7,840,000	7,460,624	7,296,218
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	10/01/2004	1,843,920	1,759,938	1,755,370
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	10/01/2019	9,451,206	9,295,803	8,951,994
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	11/01/2001	801,637	765,616	774,582
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	11/01/2004	21,125,921	20,578,036	20,431,047
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	11/01/2019	4,617,739	4,431,429	4,373,830
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.500	12/01/2004	600,726	573,369	568,809
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.550	08/30/1999	7,515,000	7,660,535	7,352,977
FEDERAL NATIONAL MORTGAGE ASSOCIATION	8.900	05/25/2004	880,000	878,819	876,392
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.000	02/01/2020	3,026,126	2,933,839	2,939,124
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.000	03/01/2020	32,203,732	31,221,721	31,277,876
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.000	05/01/2001	372,191	369,423	366,609
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.000	08/01/2001	227,027	225,213	223,622
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.000	09/01/2019	959,226	932,225	931,648
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.000	11/01/2002	30,606	30,391	30,147
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.000	12/01/2019	940,833	925,928	913,784
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.050	10/12/1993	5,793,125	5,793,125	5,814,849
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.150	11/25/2001	875,000	876,390	875,000
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.450	02/25/2013	2,332,096	2,349,488	2,376,196
FEDERAL NATIONAL MORTGAGE ASSOCIATION	9.800	02/25/2005	3,350,000	3,508,527	3,417,000
FEDERAL NATIONAL MORTGAGE ASSOCIATION	10.000	05/01/2010	2,194,180	2,223,999	2,223,648
FEDERAL NATIONAL MORTGAGE ASSOCIATION	11.000	06/01/2009	243,831	226,659	253,889
FEDERAL NATIONAL MORTGAGE ASSOCIATION	14.000	12/01/2012	1,162,861	1,277,419	1,278,415
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	01/15/2005	1,411,371	1,307,814	1,301,990
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	02/15/2005	264,781	246,602	244,261
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	03/15/2005	1,227,047	1,151,142	1,131,950

U.S. GOVERNMENT AGENCY BONDS	Rate	Maturity	Par Value	Book Value	Market Value
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	04/15/2005	\$435,141	\$407,713	\$401,418
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	04/15/2006	360,685	342,220	332,732
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	06/15/2005	394,943	365,939	364,335
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	08/15/2005	1,139,629	1,060,975	1,051,307
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	08/15/2006	293,560	278,657	270,809
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	11/15/2004	429,480	403,413	396,19.5
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.250	12/15/2004	315,212	292,088	290,783
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.252	03/15/2005	591,162	547,771	545,346
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	01/15/2006	853,043	806,057	785,328
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	01/15/2007	5,698,785	5,292,302	5,245,848
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	02/15/2007	3,905,408	3,623,167	3,595,396
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	02/15/2017	813,153	744,183	728,023
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	03/15/2006	1,322,785	1,245,392	1,217,783
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	03/15/2007	4,160,182	3,854,766	3,829,947
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	03/15/2017	1,887,805	1,727,701	1,690,170
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	04/15/2007	10,673,739	9,942,639	9,809,692
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	05/15/2005	82,214	76,297	75,688
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	05/15/2007	14,289,139	13,337,560	13,154,865
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	05/15/2017	696,963	637,866	623,998
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	06/15/2005	322,586	299,366	296,979
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	06/15/2006	931,264	867,377	857,340
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	06/15/2007	10,224,850	9,528,693	9,413,200
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	07/15/2006	448,693	414,989	413,075
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	07/15/2007	8,777,889	8,117,661	8,081,101
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	08/15/2006	1,096,390	1,017,239	1,009,358
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	08/15/2007	722,557	669,598	665,201
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	09/15/2006	360,087	333,395	331,503
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	09/15/2007	1,392,404	1,287,112	1,281,874
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	10/15/2007	171,409	159,003	157,802
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	11/15/2005	1,258,520	1,188,360	1,158,619
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	11/15/2006	60,098	56,288	55,327
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	11/15/2007	91,907	85,253	84,611
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	11/15/2016	178,318	163,189	159,650
GOVERNMENT NATIONAL MORTGAGE ASSOC.	7.500	12/15/2005	803,534	755,345	739,750
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	01/15/2007	748,569	707,588	704,823
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	01/15/2008	4,910,394	4,544,029	4,532,884
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	01/15/2017	2,704,095	2,416,544	2,495,451
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	02/15/2007	375,657	355,240	353,704
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	02/15/2008	3,350,475	3,100,489	3,092,890
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	02/15/2017	7,886,225	7,139,988	7,277,634
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	03/15/2008	4,858,214	4,524,930	4,514,310
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	03/15/2017	11,743,545	10,692,247	10,837,212
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	03/15/2018	503,724	462,840	464,842
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	04/15/2005	211,971	195,668	199,583
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	04/15/2008	2,621,807	2,457,084	2,438,881
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	04/15/2017	18,499,324	17,006,711	17,084,119
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	05/15/2008	692,387	638,236	640,247
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	05/15/2016	1,324,949	1,206,845	1,222,676
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	05/15/2017	32,572,875	30,146,327	30,059,093
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	06/15/2005	186,755	177,982	175,841
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	06/15/2016	452,632	401,211	417,693
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	06/15/2017	12,684,065	11,757,627	11,702,493
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	07/15/2016	1,829,737	1,621,538	1,688,500
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	07/15/2017	6,892,182	6,291,446	6,363,004
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	08/15/2007	3,554,890	3,386,528	3,347,142
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	08/15/2008	41,839	38,717	38,623
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	08/15/2016	2,335,142	2,170,547	2,157,058
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	08/15/2017	1,514,364	1,376,268	1,397,469
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	09/15/2006	203,603	187,656	191,704
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	09/15/2007	492,376	470,713	463,602
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	09/15/2016	638,405	570,318	589,127
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	10/15/2006	2,298,014	2,173,006	2,163,718
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	10/15/2007	419,038	396,227	394,550
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	10/15/2016	2,017,818	1,869,461	1,862,064
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	10/15/2017	301,305	274,579	278,141
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	11/15/2006	937,372	889,160	882,592
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	11/15/2007	2,103,558	1,979,383	1,966,432
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	11/15/2016	4,177,246	3,881,486	3,854,804
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	12/15/2006	770,699	733,101	725,659
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	12/15/2007	1,739,448	1,626,243	1,626,162
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	12/15/2008	516,437	489,316	486,256
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.000	12/15/2016	1,624,116	1,486,761	1,498,750
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.250	04/15/2006	136,508	133,852	128,062

U.S. GOVERNMENT AGENCY BONDS	Rate	Maturity	Par Value	Book Value	Market Value
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.250	05/15/2006	\$97,095	\$95,203	\$91,087
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.250	06/15/2008	99,761	97,769	93,587
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.250	07/15/2004	83,816	82,226	78,630
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.250	08/15/2004	66,907	65,636	62,767
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	01/15/2017	9,695,925	9,155,333	9,180,779
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	01/15/2020	48,599	46,102	46,017
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	02/15/2006	1,225,141	1,221,505	1,175,743
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	02/15/2017	3,599,880	3,359,755	3,408,619
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	02/15/2020	6,349,577	6,023,369	6,012,224
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	03/15/2016	497,294	462,718	470,873
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	03/15/2017	6,683,652	6,248,201	6,328,550
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	03/15/2020	2,999,262	2,845,180	2,839,911
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	04/15/2017	4,802,682	4,461,603	4,537,732
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	05/15/2017	3,032,139	2,801,363	2,859,338
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	05/15/2018	491,849	459,979	465,717
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	06/15/2017	2,351,695	2,194,852	2,226,750
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	07/15/2016	451,301	419,927	427,323
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	07/15/2017	893,501	831,617	846,029
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	08/15/2016	489,400	455,379	463,398
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	09/15/2016	778,261	726,338	736,912
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	09/15/2017	421,110	391,850	398,737
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	10/15/2017	1,776,879	1,664,951	1,767,426
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	11/15/2016	403,008	374,996	381,596
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	11/15/2017	651,700	606,421	617,075
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	11/15/2019	491,302	466,059	465,199
GOVERNMENT NATIONAL MORTGAGE ASSOC.	8.500	12/15/2016	475,832	442,759	450,551
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	01/15/2000	3,989,450	3,937,920	3,875,990
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	01/15/2017	6,542,725	6,370,779	6,356,650
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	01/15/2019	964,430	912,957	937,002
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	01/15/2020	996,482	983,326	968,142
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	02/15/2017	3,369,324	3,265,646	3,273,501
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	02/15/2018	1,172,989	1,120,275	1,144,593
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	02/15/2020	10,120,145	9,754,830	9,832,328
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	03/15/2017	396,054	364,741	384,790
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	03/15/2020	4,349,267	4,175,670	4,225,573
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	04/15/2016	1,701,427	1,685,085	1,653,039
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	04/15/2018	3,689,556	3,496,136	3,584,626
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	04/15/2020	2,014,578	1,934,169	1,957,283
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	05/15/2016	852,508	847,467	828,263
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	05/15/2017	1,121,342	1,077,768	1,089,451
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	05/15/2018	3,599,088	3,406,407	3,496,730
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	05/15/2019	996,591	947,613	968,248
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	05/15/2020	2,004,360	1,924,360	1,947,356
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	06/15/2016	3,485,393	3,402,991	3,386,269
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	06/15/2017	1,781,362	1,693,065	1,730,700
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	06/15/2018	3,155,479	3,013,944	3,065,736
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	07/15/2016	981,835	976,031	953,912
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	07/15/2017	1,002,151	948,516	973,650
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	07/15/2018	93,541	88,523	90,880
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	08/15/2016	2,021,112	1,969,729	1,960,718
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	08/15/2017	297,989	296,229	289,514
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	08/15/2019	1,008,323	968,073	979,647
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	09/15/2016	5,580,173	5,479,542	5,421,474
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	09/15/2017	2,955,599	2,842,233	2,871,542
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	09/15/2018	937,796	891,669	911,125
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	09/15/2019	17,909,636	17,420,939	17,400,286
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	10/15/2016	16,250,018	15,992,298	15,787,867
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	10/15/2019	1,003,666	963,603	975,122
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	11/15/2016	1,833,823	1,819,471	1,781,669
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	12/15/2016	1,267,238	1,181,077	1,231,198
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	12/15/2017	335,575	360,829	357,806
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.000	12/15/2019	1,075,164	1,060,971	1,044,588
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	02/15/2019	4,958,280	4,797,429	4,931,902
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	03/15/2019	1,034,990	995,118	1,029,484
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	04/15/2019	1,006,511	966,804	1,001,156
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	07/15/2017	845,185	791,900	840,688
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	08/15/2016	834,004	796,244	829,568
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	08/15/2019	5,909,333	5,940,478	5,877,896
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	09/15/2017	1,888,213	1,818,616	1,878,167
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	09/15/2018	344,758	342,383	342,923
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	09/15/2019	2,931,098	2,898,510	2,915,505
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	10/15/2017	1,876,004	1,808,847	1,866,024
GOVERNMENT NATIONAL MORTGAGE ASSOC.	9.500	11/15/2018	937,050	926,624	932,065

U.S. GOVERNMENT AGENCY BONDS	Rate	Maturity	Par Value	Book Value	Market Value
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.000	02/15/2019	\$963,483	\$981,999	\$980,643
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.000	05/15/2019	11,449,955	11,583,530	11,653,878
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.000	06/15/2019	3,974,284	4,050,631	4,045,066
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.000	07/15/2019	4,995,893	5,119,242	5,084,870
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.000	08/15/2018	18,614,470	18,898,510	18,945,994
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.000	09/15/2019	4,824,891	4,885,908	4,910,822
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	01/15/2016	3,679,993	3,837,438	3,813,393
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	01/15/2018	466,146	486,053	483,044
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	01/15/2019	160,524	167,373	166,343
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	02/15/2013	990,939	1,033,476	1,027,168
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	02/15/2019	4,834,684	4,580,915	4,700,078
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	03/15/2016	770,766	803,737	798,706
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	03/15/2018	859,767	896,477	890,934
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	03/15/2019	939,478	979,557	973,534
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	05/15/2019	533,267	556,015	552,598
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	06/15/2018	732,655	763,929	759,214
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	06/15/2019	487,937	508,750	505,625
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	07/15/2017	644,621	672,161	667,989
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	07/15/2018	1,576,718	1,644,018	1,633,875
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	07/15/2019	5,210,713	5,399,920	5,399,600
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	08/15/2017	57,006	59,442	59,073
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	08/15/2018	908,128	946,890	941,047
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	08/15/2019	797,811	831,836	826,733
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	09/15/2015	965,846	1,007,183	1,000,858
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	09/15/2019	499,845	521,161	517,964
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	10/15/2018	783,638	817,082	812,045
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	10/15/2019	1,557,180	1,623,576	1,613,628
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	11/15/2017	94,212	98,236	97,627
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	11/15/2019	74,731	77,918	77,440
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	12/15/2015	83,639	87,218	86,671
GOVERNMENT NATIONAL MORTGAGE ASSOC.	10.500	12/15/2017	231,115	240,997	239,493
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.250	12/15/2000	430,938	389,946	439,557
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	01/15/2013	2,042,091	2,197,022	2,177,378
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	01/15/2016	986,530	1,054,420	1,045,944
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	02/15/2013	1,398,680	1,505,602	1,491,342
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	03/15/2013	216,517	232,874	230,861
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	04/15/2013	1,324,906	1,425,057	1,412,681
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	05/15/2013	2,019,302	2,170,022	2,153,079
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	06/15/2013	2,031,627	2,186,200	2,166,224
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	06/15/2015	32,163	34,613	34,294
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	07/15/2013	2,004,765	2,156,333	2,137,580
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	07/15/2015	847,977	912,307	904,155
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	08/15/2013	1,307,537	1,406,440	1,394,161
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	08/15/2015	884,876	951,993	943,500
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	08/15/2018	153,195	164,717	163,344
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	09/15/2015	307,501	330,682	327,873
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	10/15/2010	686,957	739,418	732,468
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	10/15/2013	373,881	402,431	398,651
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	10/15/2015	670,933	722,007	715,382
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	11/15/2010	311,135	335,026	331,747
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	11/15/2015	1,195,246	1,285,333	1,274,432
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	12/15/2012	167,182	179,815	178,258
GOVERNMENT NATIONAL MORTGAGE ASSOC.	11.500	12/15/2018	295,474	317,695	315,049
GOVERNMENT NATIONAL MORTGAGE ASSOC.	15.000	03/15/2012	1,073	1,185	1,226
GOVERNMENT NATIONAL MORTGAGE ASSOC.	16.000	10/15/2011	372,675	412,123	429,274
GOVERNMENT TRUST CERTIFICATES	0.000	05/15/1993	10,355,000	8,016,944	8,096,885
GOVERNMENT TRUST CERTIFICATES	0.000	11/15/2007	15,600,000	3,331,162	3,397,992
INTERNATIONAL BANK FOR RECON. & DEV.	12.375	10/15/2002	2,645,000	3,153,127	3,250,388
RESOLUTION FUNDING CORPORATION	0.000	01/15/2001	5,470,000	2,158,627	2,165,792
RESOLUTION FUNDING CORPORATION	0.000	04/15/2015	3,584,000	494,341	421,120
RESOLUTION FUNDING CORPORATION	0.000	04/15/2016	3,176,000	408,319	345,390
RESOLUTION FUNDING CORPORATION	0.000	04/15/2017	8,812,000	1,053,978	892,215
RESOLUTION FUNDING CORPORATION	0.000	04/15/2018	8,807,000	991,365	825,656
RESOLUTION FUNDING CORPORATION	0.000	10/15/1993	3,245,000	2,501,050	2,453,025
RESOLUTION FUNDING CORPORATION	0.000	10/15/2016	2,925,000	363,137	307,125
RESOLUTION FUNDING CORPORATION	0.000	10/15/2017	8,802,000	1,022,493	858,195
RESOLUTION FUNDING CORPORATION	8.125	10/15/2003	6,250,000	2,427,054	2,419,938
RESOLUTION FUNDING CORPORATION	8.125	10/15/2019	61,720,000	57,405,615	57,303,317
RESOLUTION FUNDING CORPORATION	8.625	01/15/2030	9,750,000	9,668,483	9,646,358
RESOLUTION FUNDING CORPORATION	8.625	07/15/2001	5,037,000	1,889,218	1,907,764
RESOLUTION FUNDING CORPORATION	8.875	04/15/2030	20,095,000	20,066,803	20,484,240
TENNESSEE VALLEY AUTHORITY	8.625	11/15/2029	39,585,000	37,647,914	36,062,727
TENNESSEE VALLEY AUTHORITY	8.750	10/01/2019	18,000,000	17,406,291	16,583,040
<b>TOTAL U.S. GOVERNMENT AGENCY BONDS</b>			<b>\$1,292,297,458</b>	<b>\$1,124,437,310</b>	<b>\$1,121,871,953</b>

CORPORATE BONDS	Rate	Maturity	Par Value	Book Value	Market Value
AETNA LIFE AND CASUALTY COMPANY	8.000	01/15/2017	\$1,000,000	\$851,677	\$863,270
AFRICAN DEVELOPMENT BANK	8.800	09/01/2019	17,500,000	17,463,246	17,282,125
AHMANSON (H.F.) & COMPANY	9.875	11/15/1999	3,000,000	2,996,380	2,887,860
AIR & WATER TECHNOLOGIES CORPORATION	8.000	05/15/2015	2,743,000	2,776,126	2,983,013
ALASKA AIR GROUP INC.	7.750	06/15/2010	1,320,000	1,430,846	1,267,200
ALUMINUM COMPANY OF AMERICA	6.250	05/27/2002	1,175,000	1,308,189	1,291,795
AMOCO CDA PETROLEUM COMPANY	7.375	09/01/2013	1,950,000	2,341,928	2,203,500
ANHEUSER BUSCH COMPANIES INC.	10.000	07/01/2018	1,500,000	1,535,259	1,519,470
ASSOCIATES CORP. OF NORTH AMERICA	8.625	11/15/1994	17,500,000	17,432,270	17,193,400
ASSOCIATES CORP. OF NORTH AMERICA	9.700	05/01/1997	3,900,000	4,061,404	3,982,680
ATLANTIC RICHFIELD COMPANY	10.375	07/15/1995	5,000,000	5,347,326	5,250,700
BANKERS TRUST OF NEW YORK CORP.	9.375	05/15/1994	10,750,000	10,730,253	10,792,248
BANKERS TRUST OF NEW YORK CORP.	9.500	06/14/2000	11,525,000	11,429,870	11,322,736
BARCLAYS NORTH AMERICAN CAPITAL CORP.	11.625	05/01/2003	17,000,000	19,553,848	18,889,720
BERGEN BRUNSWIG CORPORATION	0.000	11/16/2004	4,000,000	1,538,765	1,510,000
BRITISH PETROLEUM OF NORTH AMERICA INC.	9.875	03/15/2004	2,805,000	2,795,193	2,934,787
BURLINGTON RESOURCES INC.	9.875	06/15/2010	3,500,000	3,491,950	3,499,440
CANADIAN PACIFIC LIMITED	9.450	05/01/1998	5,400,000	5,394,136	5,402,646
CBS INC.	5.000	04/07/2002	150,000	159,053	153,000
CBS INC.	5.000	04/07/2007	2,665,000	2,582,243	2,718,300
CHASE MANHATTAN CORPORATION	9.375	07/01/2001	3,000,000	2,989,186	2,799,090
CHEMICAL BANKING CORPORATION	10.125	11/01/2000	3,000,000	3,059,956	2,642,280
CHEMICAL FINANCIAL ACCEPTANCE CORP.	9.250	05/15/1998	12,522,897	12,478,434	12,323,282
CHEVRON CORPORATION	9.375	06/01/2016	1,630,000	1,618,025	1,593,455
CHRYSLER FINANCIAL CORPORATION	9.000	10/15/1994	25,000,000	24,128,466	23,051,500
CHUBB CAPITAL CORPORATION	0.000	10/16/1993	500,000	535,167	524,850
CITICORP	8.625	11/15/1994	13,000,000	12,905,163	12,680,200
COEUR D'ALENE MINES	6.000	06/10/2002	1,500,000	1,279,628	1,282,500
COLLEGE & UNIVERSITY FAC LOAN TRUST	4.000	06/01/2018	5,000,000	2,523,702	2,494,800
COMCAST CORPORATION	2.750	04/15/2003	2,820,000	3,596,355	2,721,300
CONSOLIDATED RAIL CORPORATION	9.750	06/15/2020	10,500,000	10,416,980	10,640,175
CONSUMERS POWER COMPANY	4.625	08/01/1991	500,000	500,092	478,460
CONSUMERS POWER COMPANY	4.625	12/01/1990	475,000	475,065	467,153
CROCKER NATIONAL BANK	0.000	02/24/1992	20,000,000	14,969,971	14,969,971
DART & KRAFT FIN NV	7.750	11/30/1998	1,010,000	1,358,055	1,631,150
DAYTON HUDSON CORPORATION	9.250	11/15/2016	5,000,000	5,026,593	4,605,400
EASTMAN KODAK COMPANY	6.375	07/01/2001	2,575,000	2,652,473	2,439,813
EXXON CAPITAL CORPORATION	8.250	10/15/1994	1,805,000	1,751,900	1,764,640
FINANCING CORPORATION OF AMERICA	10.000	11/11/1992	6,100,000	4,807,319	4,977,112
FIRST INTERSTATE BANCORP	8.625	04/01/1999	5,000,000	4,458,287	4,121,300
FIRST NATIONWIDE BANK	9.080	06/25/1993	10,000,000	10,019,853	9,943,100
FORD CAPITAL B.V.	9.875	05/15/2002	2,150,000	2,206,512	2,209,899
FORD HOLDINGS INC.	9.250	03/01/2000	1,920,000	1,897,484	1,904,198
FORD HOLDINGS INC.	9.350	03/01/2020	11,485,000	11,104,280	11,296,301
FORD MOTOR CREDIT COMPANY	7.875	01/15/1997	1,625,000	1,554,922	1,532,359
FORD MOTOR CREDIT COMPANY	8.000	12/01/1996	2,075,000	1,935,811	1,942,926
FORD MOTOR CREDIT COMPANY	8.250	05/15/1996	4,000,000	3,815,388	3,875,600
FORD MOTOR CREDIT COMPANY	8.375	07/15/1994	3,950,000	3,919,775	3,843,192
FORD MOTOR CREDIT COMPANY	8.750	01/15/1995	9,000,000	8,930,806	8,877,420
FORD MOTOR CREDIT COMPANY	8.750	01/17/1995	3,340,000	3,291,957	3,280,548
FORD MOTOR CREDIT COMPANY	9.300	02/10/1998	15,000,000	15,000,000	14,907,150
GENERAL DYNAMICS CORPORATION	5.750	07/15/2011	3,282,000	3,262,860	2,970,210
GENERAL ELECTRIC CREDIT CORPORATION	5.500	11/01/2001	6,350,000	4,660,729	4,765,675
GENERAL ELECTRIC CREDIT CORPORATION	8.625	06/15/2008	13,100,000	13,067,674	13,078,647
GENERAL MOTORS ACCEPTANCE CORP.	8.125	07/15/1990	1,795,000	1,794,456	1,791,069
GENERAL MOTORS ACCEPTANCE CORP.	8.400	10/15/1999	5,750,000	5,754,715	5,629,538
GENERAL MOTORS ACCEPTANCE CORP.	9.625	05/15/2000	22,500,000	22,434,596	22,831,200
GENERAL TELEPHONE COMPANY OF OHIO	9.000	05/15/2016	5,000,000	4,880,156	4,708,600
GOLDEN WEST FINANCIAL CORPORATION	10.250	05/15/1997	5,000,000	4,990,888	5,068,750
GOLDEN WEST FINANCIAL CORPORATION	10.250	12/01/2000	4,000,000	4,198,878	4,004,120
GRACE (W.R.) & COMPANY	7.000	02/07/2001	2,000,000	2,338,684	2,210,000
GREAT WESTERN BANK	10.250	06/15/2000	5,000,000	4,963,190	5,000,000
GTE SOUTHWEST INC.	9.375	06/15/2030	21,000,000	20,336,987	20,001,660
HOME SAVINGS OF AMERICA	10.250	12/05/1996	8,000,000	7,965,955	7,932,320
INTER-AMERICAN DEVELOPMENT BANK	8.500	03/15/2011	2,435,000	2,250,364	2,308,015
INTERNATIONAL BUSINESS MACHINES CORP.	8.375	11/01/2019	11,500,000	11,428,896	10,717,195
INTERNATIONAL BUSINESS MACHINES CORP.	9.375	10/01/2004	2,543,000	2,543,000	2,573,007
IOWA POWER & LIGHTING COMPANY	8.250	09/15/2007	1,500,000	1,323,777	1,342,890
KFW INTERNATIONAL FINANCIAL INC.	9.375	07/15/1998	1,605,000	1,692,505	1,625,063
LAFARGE CORPORATION	7.000	07/01/2013	3,380,000	3,429,575	3,346,200
LEVINGSTON FALCON 11 SHIPPING	11.000	06/01/2004	6,900,000	5,063,702	7,240,170
LONG ISLAND LIGHTING COMPANY	11.375	06/15/2019	11,535,000	11,664,057	11,736,863
LOUISVILLE & NASHVILLE RAIL ROAD CO.	12.300	02/01/1995	712,000	650,541	726,240

CORPORATE BONDS	Rate	Maturity	Par Value	Book Value	Market Value
LSI LOGIC CORPORATION	6.250	04/14/2002	\$1,670,000	\$1,233,974	\$1,260,850
MCA INC.	5.500	09/15/2002	6,000,000	5,293,217	5,677,800
MERRILL LYNCH HUBBARD INC.	7.430	10/01/2020	9,813,166	8,797,946	7,960,735
MIDLAND AMERICAN CAPITAL CORPORATION	12.750	01/15/2003	3,000,000	3,459,993	3,494,820
MID-STATES TRUST II	9.625	04/01/2003	8,000,000	7,895,735	8,279,280
MOBIL OIL CORPORATION	7.375	10/01/2001	2,585,000	2,323,602	2,262,444
MOBIL OIL CORPORATION	9.170	02/29/2000	11,830,000	11,830,000	11,876,847
MOTOROLA INC.	0.000	09/07/2009	39,000,000	13,073,177	15,795,000
MOUNTAIN SYS. TELEPHONE & TELEGRAPH CO.	9.000	04/01/2026	7,500,000	7,220,524	6,940,275
MUNICIPAL FINANCIAL AUTHORITY	8.750	10/15/2001	3,000,000	2,944,873	2,912,610
NATIONAL ARCHIVES FAC TRUST	8.500	09/01/2019	10,500,000	10,554,011	10,177,545
NATIONAL CREDIT CARD TRUST	8.750	08/15/1994	19,030,000	18,647,548	18,758,823
NATIONAL CREDIT CARD TRUST	9.450	12/31/1997	10,000,000	9,989,987	10,170,100
NCNB CORPORATION	10.500	03/15/1999	1,840,000	1,958,587	1,886,589
NEW YORK TELEPHONE COMPANY	8.250	10/15/2015	1,630,000	1,363,015	1,441,230
NEW YORK TELEPHONE COMPANY	8.300	08/15/2012	1,010,000	855,716	900,183
NEW YORK TELEPHONE COMPANY	8.650	05/15/2024	3,000,000	2,798,059	2,693,850
NORGES KOMMUNALBANK	9.875	09/01/1999	8,790,000	8,947,047	8,790,000
OCCIDENTAL PETROLEUM CORPORATION	11.125	06/01/2019	7,000,000	7,274,286	6,897,310
OCCIDENTAL PETROLEUM CORPORATION	13.500	12/31/1990	87,000	87,000	87,901
OMNICOM GROUP INC.	6.500	07/27/2004	2,575,000	2,659,312	2,731,818
PACIFIC GAS & ELECTRIC COMPANY	7.500	12/01/2003	3,590,000	3,066,853	3,100,145
PACIFIC GAS & ELECTRIC COMPANY	8.500	02/01/2009	5,000,000	4,510,482	4,571,900
PACIFIC TELEPHONE & TELEGRAPH COMPANY	8.950	06/20/1995	10,000,000	9,980,440	9,897,400
PACIFIC TELEPHONE & TELEGRAPH COMPANY	9.875	02/15/2016	4,890,000	4,992,405	4,963,839
PEDERNALES ELECTRIC COOP INC.	10.875	09/01/2017	4,000,000	4,449,252	4,522,720
PENNSYLVANIA POWER & LIGHTING COMPANY	9.250	10/01/2019	7,000,000	6,986,132	6,779,710
PHILIP MORRIS COMPANIES INC.	8.875	07/01/1996	7,675,000	7,510,316	7,535,008
PLENUM PUBLISHING CORPORATION	6.500	04/15/2007	1,255,000	1,202,316	1,179,700
POTOMAC ELECTRIC POWER COMPANY	9.750	05/01/2019	1,875,000	1,927,790	1,887,169
RGS AEGCO FUNDING CORPORATION	9.820	12/07/2022	7,500,000	7,500,000	7,413,825
RGS I&M FUNDING CORPORATION	9.820	12/07/2022	7,500,000	7,500,000	7,413,825
SAN DIEGO GAS & ELECTRIC COMPANY	9.625	04/15/2020	3,979,000	3,844,350	4,046,006
SEAGRAM, JOSEPH & SONS INC.	0.000	03/05/2006	9,050,000	3,231,638	3,439,000
SECURED FINANCE INC.	9.050	12/15/2004	5,000,000	4,987,660	4,796,050
SOUTHERN NATURAL GAS COMPANY	11.375	11/15/1994	2,250,000	2,307,776	2,285,865
SOUTHWESTERN BELL TELEPHONE COMPANY	8.250	03/01/2014	3,000,000	2,625,085	2,658,270
SOUTHWESTERN BELL TELEPHONE COMPANY	8.250	04/01/2017	1,940,000	1,623,037	1,706,967
SOUTHWESTERN BELL TELEPHONE COMPANY	8.625	04/15/2020	8,400,000	7,568,987	7,559,580
STANDARD CREDIT CARD TRUST	9.375	06/10/1995	15,750,000	15,788,319	15,885,608
SUMITOMO BANK LIMITED	9.400	09/29/1993	4,000,000	3,964,410	3,980,480
TERMINAL RAIL ROAD ASSOC. OF ST LOUIS	4.000	07/01/2019	403,000	341,532	169,361
TEXAS INSTRUMENTS INC.	2.750	09/29/2002	3,360,000	2,650,709	2,610,384
TIMES MIRROR COMPANY	8.550	06/01/2000	15,000,000	14,897,340	14,957,550
TRANSCO ENERGY COMPANY	9.875	06/15/2020	10,000,000	9,912,614	9,912,800
TURNER BROADCASTING SYSTEMS INC.	0.000	10/26/2004	4,000,000	1,207,127	1,200,000
UNITED ARTISTS COMMUNICATIONS	6.375	09/15/2002	4,535,000	4,737,819	4,512,325
UNITED TECHNOLOGIES CORPORATION	8.875	11/15/2019	9,135,000	8,154,484	8,650,388
UNITED TELECOMMUNICATIONS INC.	9.750	09/01/2010	5,055,000	6,137,411	6,622,050
VIRGINIA ELECTRIC & POWER COMPANY	9.375	06/01/1998	3,000,000	3,091,296	3,025,440
VIRGINIA ELECTRIC & POWER COMPANY	9.750	02/01/2019	9,500,000	9,650,903	9,483,945
WCS INTL. POLLUTION CONTROL	12.500	02/15/2003	1,632,000	1,744,905	1,899,876
WELLS FARGO & COMPANY	8.000	07/15/1993	5,000,000	4,979,843	4,844,000
WEST AMERICAN CORPORATION	12.500	02/15/2003	661,000	664,693	640,899
<b>TOTAL CORPORATE BONDS</b>			<b>\$787,548,063</b>	<b>\$734,069,283</b>	<b>\$732,524,538</b>

<b>FOREIGN GOVERNMENT OBLIGATIONS</b>	Rate	Maturity	Par Value	Book Value	Market Value
ALBERTA, PROVINCE OF CANADA	8.625	11/27/1996	\$2,555,000	\$2,415,894	\$2,481,161
HYDRO-QUEBEC	9.375	04/15/2030	12,000,000	12,096,395	12,090,960
HYDRO-QUEBEC	9.400	03/23/2000	6,100,000	6,101,586	6,242,069
HYDRO-QUEBEC	13.250	10/15/2010	2,000,000	2,358,080	2,363,460
NATIONAL AUSTRALIA BANK LIMITED	9.700	10/15/1998	5,000,000	4,919,507	4,931,850
NEW ZEALAND GOVERNMENT	8.750	04/01/2016	5,000,000	4,631,628	4,736,250
NEW ZEALAND GOVERNMENT	9.500	06/29/2000	3,000,000	2,911,826	2,956,770
QUEBEC, PROVINCE OF CANADA	9.125	03/01/2000	18,695,000	18,540,104	18,485,242
TOKYO METROPOLIS JAPAN	10.375	10/20/1997	1,875,000	2,082,067	2,001,938
WORLD BANK	10.625	10/15/2000	7,500,000	8,228,030	8,106,000
<b>TOTAL FOREIGN GOVERNMENT OBLIGATIONS</b>			<b>\$63,725,000</b>	<b>\$64,285,117</b>	<b>\$64,395,699</b>

<b>ASSET-BACKED OBLIGATIONS</b>	Rate	Maturity	Par Value	Book Value	Market Value
AMERICAN HOUSING TRUST II	8.300	09/25/2018	\$10,000,000	\$8,415,705	\$8,578,900
AMERICAN HOUSING TRUST II	8.300	10/25/2010	6,018,614	5,796,253	5,629,932
BEAR STEARNS SECURED INVESTMENTS INC.	0.000	03/01/2019	9,696,042	5,633,713	6,1267,031
BEAR STEARNS SECURED INVESTMENTS INC.	0.000	12/01/2018	6,146,000	3,648,758	3,990,942
CHEMICAL FINANCIAL ACCEPTANCE CORP.	9.250	05/15/1998	4,638,110	4,621,557	4,564,178
COLLATERALIZED MORTG. OBLIGATION TRUST	0.000	10/01/2014	19,022,044	15,017,871	13,827,124
COLLATERALIZED MORTG. SECURITIES CORP.	8.000	09/20/2019	4,500,000	3,575,353	3,622,212
DISCOVER CARD TRUST	9.000	02/15/1996	15,000,000	15,006,679	15,004,050
FEDERAL HOME LOAN MORTGAGE CORP.	9.500	05/15/2018	16,100,000	15,619,531	16,479,638
FEDERAL HOUSING AUTHORITY	7.440	03/01/2022	5,940	5,331	5,253
FINANCING CORPORATION OF AMERICA	0.000	06/06/1993	12,000,000	9,171,166	9,309,480
FINANCING CORPORATION OF AMERICA	0.000	06/06/1994	15,000,000	10,408,444	10,633,200
FINANCING CORPORATION OF AMERICA	0.000	12/06/1991	6,000,000	5,285,952	5,321,280
FIRST CHICAGO MASTER TRUST	8.500	12/15/1991	1,695,124	1,694,051	1,688,666
FIRST USA CREDIT CARD TRUST	9.150	10/31/1995	7,000,000	6,956,275	7,004,060
FLEETWOOD CREDIT CORPORATION	8.750	10/15/2004	12,087,879	12,006,212	11,863,769
FORD CREDIT TRUST	8.600	12/15/1994	15,887,073	15,795,988	15,762,836
FORD CREDIT TRUST	8.700	10/17/1994	9,075,550	9,009,587	9,018,828
GOLDOME CREDIT CORP. HOME EQUITY TST.	10.000	07/15/2005	6,668,926	6,633,709	6,657,462
GOLDMAN SACHS TRUST 2	9.200	08/01/2017	2,868,202	2,822,526	2,870,623
MARINE MIDLAND CREDIT CARD TRUST	8.950	12/15/1994	10,400,000	10,393,591	10,393,500
MARYLAND TRUST XXIX	0.000	05/01/2013	2,377,149	1,845,159	1,720,343
MBNA CREDIT CARD TRUST	8.500	11/30/1994	10,550,000	10,508,665	10,427,515
MBNA CREDIT CARD TRUST	9.000	09/30/1993	3,900,000	3,898,919	3,894,735
MBNA CREDIT CARD TRUST	9.650	06/15/1994	25,180,000	25,527,983	25,598,744
MID-STATES TRUST II	7.625	04/01/2017	3,638,325	3,375,024	3,357,956
MLABC AUTOMOBILE LOAN TRUST	9.125	05/15/1995	2,901,378	2,894,215	2,899,057
MORGAN STANLEY MORTGAGE TRUST	8.450	05/01/2017	3,840,128	3,683,417	3,790,436
SEARS CREDIT ACCOUNT TRUST	8.650	11/15/1994	7,500,000	7,276,396	7,361,100
SEARS MORTGAGE SECURITIES CORPORATION	10.500	11/25/2000	2,021,930	1,996,822	2,042,149
SECURITY PACIFIC NATIONAL BANK	8.500	03/01/2017	16,354	15,007	15,066
SHAWMUT NATIONAL TRUST	9.150	09/15/1995	5,017,097	4,988,649	5,013,836
SHEARSON LEHMAN INC.	9.550	08/25/2013	5,000,000	4,931,377	4,931,250
SOUTHEAST BANK CREDIT CARD TRUST	9.000	08/15/1994	17,250,000	17,177,509	17,247,240
STANDARD CREDIT CARD TRUST	9.375	07/10/1997	4,750,000	4,728,218	4,738,125
UNITED STATES AUTO CREDIT TRUST	9.250	07/17/1995	15,000,000	14,978,507	14,962,500
<b>TOTAL ASSET-BACKED OBLIGATIONS</b>			<b>\$298,751,866</b>	<b>\$275,344,116</b>	<b>\$276,353,015</b>

<b>PRIVATE PLACEMENT BONDS</b>	Rate	Maturity	Par Value	Book Value	Market Value
BEVERLY HILLS SAVINGS & LOAN ASSOC.	11.750	07/15/1993	\$5,000,000	\$5,000,000	\$5,000,000
CIGNA HOSPITAL, LOS ANGELES	9.500	09/30/1999	6,520,735	6,520,735	6,520,735
DOMINION PROPERTY COMPANY	12.450	09/20/1994	288,782	288,782	288,782
DOMINION PROPERTY COMPANY	12.840	01/20/1991	372,044	372,044	370,780
DOMINION PROPERTY COMPANY	12.840	03/20/1991	306,480	306,480	306,480
KAISER FOUNDATION HOSPITALS	10.000	06/30/2000	2,500,000	2,500,000	2,500,000
METROPOLITAN LIFE INSURANCE	12.250	07/01/1990	22,582,883	22,583,633	22,582,883
NORWEST MORTGAGE	7.430	01/01/2020	2,852,617	1,803,525	2,317,295
OLEFINS PROPERTIES	9.150	06/06/1995	2,175,611	2,175,611	2,175,611
PACIFIC DOMINION PROPERTY COMPANY	12.840	07/20/1990	360,711	360,711	360,711
PACIFIC DOMINION PROPERTY COMPANY	12.840	09/20/1990	258,399	258,399	258,399
PACIFIC LIGHT PROPERTIES	8.250	11/01/2004	21,353,674	21,357,534	21,352,289
PACIFIC LIGHT PROPERTIES	10.000	10/01/2004	2,190,161	2,190,161	2,190,161
TICOR INVESTMENT SECURITIES	12.125	07/22/1998	380,922	380,857	351,313
VALLEY PRESBYTERIAN HOSPITAL	8.333	12/01/1990	242,400	242,400	242,400
<b>TOTAL PRIVATE PLACEMENT BONDS</b>			<b>\$67,385,419</b>	<b>\$66,340,873</b>	<b>\$66,817,838</b>

## COMMON STOCKS - DOMESTIC

	Shares	Book Value	Market Value
A & W BRANDS INC.	96,300	\$2,050,554	\$3,177,900
AAR CORPORATION	230,000	5,850,802	5,520,000
ABBOTT LABORATORIES	258,000	5,584,203	10,578,000
ACUSON COMPUTED SONOGRAPHY	155,300	4,305,708	6,017,875
ADAPTEC INC.	50,000	894,138	1,043,750
ADDINGTON RESOURCES	40,000	730,038	710,000
ADOBE INC.	23,700	495,515	870,975
ADT LTD.	48,725	1,512,029	1,553,109
ADVANCED MICRO DEVICES INC.	93,000	738,419	883,500
ADVO SYSTEMS INC.	42,500	485,938	499,375
AETNA LIFE & CASUALTY COMPANY	121,300	7,141,484	6,337,925
AFFILIATED PUBLICATIONS INC.	295,000	2,014,246	3,208,125
AHMANSON H F & COMPANY	405,500	9,307,479	8,312,750
AIR PRODUCTS & CHEMICALS INC.	163,500	6,874,039	9,237,750
AIR & WATER TECHNOLOGIES CORP. (CLASS A)	139,500	2,810,640	4,080,375
ALASKA AIR GROUP INC.	59,000	1,396,145	1,327,500
ALBERTO CULVER COMPANY (CLASS A)	31,600	462,781	600,400
ALCAN ALUMINIUM LIMITED	200,000	4,312,000	4,500,000
ALCO STANDARD	10,000	343,625	351,250
ALDUS CORPORATION	28,000	483,590	756,000
ALEXANDER & BALDWIN INC.	44,600	1,619,938	1,338,000
ALLTEL CORPORATION	79,500	1,749,250	2,623,500
ALTERA CORPORATION	45,000	446,235	568,125
ALUMINUM COMPANY OF AMERICA	110,300	5,635,793	7,031,625
ALZA CORPORATION	24,100	1,024,593	1,126,675
AMAX INC.	23,900	615,248	582,563
AMERICAN BRANDS INC.	84,700	5,602,562	5,473,738
AMERICAN CYANAMID COMPANY	115,600	5,487,816	6,632,550
AMERICAN ELECTRIC POWER INC.	83,100	2,508,353	2,472,225
AMERICAN EXPRESS COMPANY	249,800	6,023,630	7,681,350
AMERICAN GENERAL CORPORATION	140,000	4,599,258	6,720,000
AMERICAN GREETINGS CORPORATION (CLASS A)	18,700	578,690	654,500
AMERICAN HOME PRODUCTS CORPORATION	177,800	8,699,267	9,334,500
AMERICAN INFORMATION	335,360	11,209,325	20,540,800
AMERICAN INTERNATIONAL GROUP INC.	174,800	12,511,869	16,846,350
AMERICAN PRESIDENT COS LTD	58,824	1,901,534	1,323,540
AMERICAN SOFTWARE INC. (CLASS A)	113,000	2,092,561	2,923,875
AMERICAN TELEPHONE & COMMUNICATIONS (CLASS A)	60,000	1,729,008	2,220,000
AMERICAN TELEPHONE & TELEGRAPH COMPANY	619,600	24,376,543	23,854,600
AMERICUS TRUST FOR MERCK SHARES	400,000	5,025,137	20,760,000
AMERITRUST CORPORATION	56,400	1,423,792	1,015,200
AMGEN INC.	71,400	4,261,396	5,551,350
AMOCO CORPORATION	355,400	15,279,221	18,169,825
AMP INC.	300,000	10,700,616	14,137,500
AMR CORPORATION	421,600	19,577,351	27,035,100
ANADARKO PETROLEUM CORPORATION	241,000	8,036,019	8,133,750
ANHEUSER-BUSCH COMPANIES INC.	360,000	11,076,970	15,525,000
ANTHEM ELECTRONICS INC.	20,000	410,880	597,500
APPLIED BIOSCIENCE INTERNATIONAL INC.	58,000	1,674,900	2,044,500
APPLIED METALS INC.	30,000	881,250	1,140,000
ARCHER-DANIELS-MIDLAND COMPANY	114,300	2,690,465	2,928,938
ARCHIVE CORPORATION	95,000	1,049,161	997,500
ARCTIC ALASKA FISHERIES CORPORATION	51,000	368,064	408,000
ARKLA EXPLORATION COMPANY	25,000	572,075	506,250
ASHLAND OIL INC.	171,000	5,223,602	5,985,000
ATLANTIC RICHFIELD COMPANY	310,600	20,676,165	36,495,500
AUGAT INC.	60,000	795,689	840,000
AUTO DESK INC.	59,200	1,708,634	3,285,600
A.L. LABORATORIES INC. (CLASS A)	30,000	520,775	690,000
BALDOR ELECTRIC COMPANY	27,150	446,535	566,756
BALDWIN TECHNOLOGY INC. (CLASS A)	22,800	282,668	188,100
BANCORP HAWAII INC.	65,395	2,434,473	3,318,796
BANK OF BOSTON CORPORATION	67,800	1,988,238	839,025
BANK OF NEW YORK COMPANY INC.	160,300	8,107,161	4,845,813
BANKERS TRUST OF N.Y. CORPORATION	44,100	2,377,328	1,846,688
BANTA CORPORATION	46,000	961,763	1,127,000
BARNETT BANKS INC.	30,000	894,300	975,000
BAROID CORPORATION	75,000	693,316	834,375
BAYOU STEEL CORPORATION	75,000	634,874	225,000
BCE INC.	31,300	1,110,802	1,056,375
BEAR STEARNS	54,023	671,175	729,304
BEAZER PLC	24,000	230,940	279,000
BELL ATLANTIC CORPORATION	357,372	8,809,073	17,734,586

COMMON STOCKS - DOMESTIC	Shares	Book Value	Market Value
BELLSOUTH CORPORATION	175,500	\$8,915,840	\$9,126,000
BEMIS COMPANY INC.	1,500	49,605	53,438
BEN & JERRYS HOMEMADE INC.	30,000	405,300	517,500
BERKLEY W R CORPORATION	58,000	2,363,332	2,363,500
BERLITZ INTERNATIONAL INC.	57,000	986,277	1,325,250
BHA GROUP INC. (CLASS A)	30,000	355,815	735,000
BIOGEN INC.	107,300	1,333,192	2,588,613
BIOMET INC.	105,825	1,920,090	3,095,381
BMA CORPORATION	25,000	781,615	775,000
BMC SOFTWARE INC.	194,550	2,623,005	5,058,300
BOEING COMPANY	1,510,981	27,693,986	88,392,389
BONNEVILLE PACIFIC CORPORATION	37,500	266,250	234,375
BOOLE & BABBAGE INC.	15,800	296,492	323,900
BORLAND INTERNATIONAL INC.	45,000	804,375	961,875
BOWATER INC.	15,500	442,504	356,500
BRAND COMPANIES INC.	17,500	295,461	660,625
BRISTOL MYERS SQUIBB COMPANY	471,800	22,188,325	29,900,325
BROWN GROUP INC.	14,900	362,846	411,613
BROWNING-FERRIS INDUSTRIES INC.	219,700	5,142,503	9,749,188
BRUNOS INC.	100,500	1,134,919	1,557,750
BRUNSWICK CORPORATION	58,500	998,985	745,875
BUFFETS INC.	90,950	1,196,671	2,023,638
BURLINGTON COAT FACTORY	39,900	523,759	518,700
BURR BROWN CORPORATION	95,500	759,188	955,000
BUSINESSLAND INC.	214,500	2,027,607	1,635,563
B.A.T. INDUSTRIES PLC	575,700	6,054,520	6,584,281
CABLEVISION SYSTEMS CORPORATION (CLASS A)	40,200	1,364,284	1,080,375
CADENCE DESIGN SYSTEMS INC.	15,800	282,488	430,550
CAERE CORPORATION	69,800	1,532,001	1,675,200
CAESARS WORLD INC.	15,200	455,753	281,200
CALGON CARBON CORPORATION	51,000	1,768,372	2,371,500
CALMAT COMPANY	24,000	660,496	816,000
CAPITAL CITIES/ABC INC.	28,400	10,823,513	17,693,200
CAPITAL HOLDING CORPORATION	216,800	9,145,206	9,810,200
CARNIVAL CRUISE LINES INC.	40,000	585,898	970,000
CAROLCO PICTURES INC.	207,000	2,318,847	2,277,000
CASH AMERICA INVESTMENTS INC.	120,000	1,649,181	2,340,000
CATERPILLAR INC.	115,000	7,250,075	6,051,875
CBS INC.	145,100	26,575,806	29,183,238
CELLULAR COMMUNICATIONS INC.	85,200	2,766,919	2,832,900
CENTEL CORPORATION	197,400	6,247,605	6,834,975
CENTEX TELEMAGEMENT INC.	137,500	2,409,139	3,368,750
CENTOCOR INC.	23,000	603,854	1,014,875
CENTRAL NEWSPAPERS INC. (CLASS A)	20,000	409,499	392,500
CENTRAL & SOUTH WEST CORPORATION	110,100	3,889,722	4,431,525
CENTURY TELEPHONE ENTERPRISES INC.	141,550	1,830,412	3,928,013
CHAMBERS DEVELOPMENT INC. (CLASS A)	128,000	1,577,651	2,976,000
CHART HOUSE ENTERPRISES INC.	14,500	173,737	188,500
CHEMDESIGN CORPORATION	80,000	1,175,215	840,000
CHEMICAL BANKING CORPORATION	15,100	429,287	385,050
CHEMICAL WASTE MANAGEMENT INC.	16,000	195,208	386,000
CHEMPOWER INC.	43,500	735,045	712,313
CHESAPEAKE CORPORATION	85,000	1,981,885	1,625,625
CHEVRON CORPORATION	325,900	13,847,372	22,935,213
CHILIS INC.	21,000	701,085	761,250
CHIRON CORPORATION	67,500	1,347,928	2,632,500
CHRYSLER CORPORATION	23,800	614,946	374,850
CHUBB CORPORATION	129,400	4,063,428	5,790,650
CHURCH & DWIGHT INC.	40,000	623,750	770,000
CINCINNATI GAS & ELECTRIC COMPANY	37,400	1,084,937	1,126,675
CINCINNATI MICROWAVE INC.	30,000	267,581	78,750
CINTAS CORPORATION	83,400	2,811,938	4,086,600
CIRCUS CIRCUS ENTERPRISES INC.	14,600	546,264	965,425
CISCO SYSTEMS INC.	74,000	1,687,168	1,961,000
CITICORP	175,200	4,434,462	3,963,900
CITIZENS UTILITIES COMPANY (CLASS A)	44,993	1,772,496	1,617,173
CLAIRE'S STORES INC.	46,000	854,778	793,500
CLEAN HARBORS INC.	16,800	195,863	140,700
CLOROX COMPANY	8,500	365,541	358,063
CMS ENERGY CORPORATION	80,500	2,314,312	2,565,938
COCA COLA COMPANY	96,800	2,081,290	4,295,500
COLGATE-PALMOLIVE COMPANY	75,300	3,654,056	5,148,638
COLLAGEN CORPORATION	50,000	868,512	1,106,250

COMMON STOCKS - DOMESTIC	Shares	Book Value	Market Value
COMCAST CORPORATION (CLASS A)	95,000	\$992,226	\$1,282,500
COMCAST CORPORATION (SPECIAL CLASS A)	444,350	4,920,983	5,943,181
COMERICA INC.	10,000	431,375	465,000
COMMONWEALTH EDISON COMPANY	518,800	15,991,004	16,990,700
COMMUNICATIONS SATELLITE CORPORATION	39,200	1,345,973	1,288,700
COMMUNITY PSYCHIATRIC CENTERS	142,800	3,214,667	3,819,900
COMPUTER ASSOCIATION INTERNATIONAL INC.	369,100	6,425,239	5,859,463
COMPUTER SCIENCES CORPORATION	150,000	8,305,574	7,125,000
CONNER PERIPHERALS INC.	137,000	1,943,120	3,836,000
CONSOLIDATED EDISON COMPANY OF N.Y. INC.	15,000	368,504	352,500
CONSOLIDATED PAPERS INC.	18,000	791,625	711,000
CONTEL CELLULAR INC. (CLASS A)	62,400	827,215	1,154,400
CONTEL CORPORATION	303,000	8,293,177	7,802,250
CONTINENTAL MEDICAL SYSTEMS INC.	75,000	844,011	1,125,000
CONTROL RESOURCE INDUSTRIES INC.	75,000	451,967	300,000
CONVEX COMPUTER	71,600	971,648	1,333,550
COOPER INDUSTRIES INC.	186,900	5,554,325	7,919,888
COOPER TIRE & RUBBER COMPANY	28,000	942,546	990,500
COORS ADOLPH COMPANY	24,100	433,288	635,638
CORROON & BLACK CORPORATION	40,000	1,609,919	1,270,000
COSTCO WHOLESALE CORPORATION	119,000	2,540,728	5,072,375
CPC INTERNATIONAL INC.	129,600	9,133,133	10,384,200
CRACKER BARREL OLD COUNTRY STORE	211,350	2,584,242	5,653,613
CRAY RESEARCH INC.	97,500	8,787,868	4,448,438
CSX CORPORATION	39,000	1,384,890	1,326,000
CYPRESS SEMICONDUCTOR CORPORATION	81,900	800,268	1,187,550
DAYTON HUDSON CORPORATION	36,700	2,196,169	2,669,925
DEAN FOODS COMPANY	37,000	1,217,632	1,350,500
DEERE & COMPANY	70,800	4,027,511	5,186,100
DETROIT EDISON COMPANY	110,000	2,576,750	2,873,750
DEVON ENERGY CORPORATION	25,000	182,969	331,250
DIAGNOSTIC PRODUCTS CORPORATION	110,000	2,333,275	3,905,000
DIGITAL EQUIPMENT CORPORATION	168,900	17,753,054	14,356,500
DIGITAL MICROWARE CORPORATION	50,000	1,277,451	862,500
DIGITAL SOUND CORPORATION	45,000	360,000	416,250
DILLARD DEPARTMENT STORES INC. (CLASS A)	27,800	1,162,876	2,446,400
DIME SAVINGS BANK OF NEW YORK	100,000	1,199,883	625,000
DIONEX CORPORATION	25,600	632,270	582,400
DOMINION RESOURCES INC.	374,266	10,749,523	16,608,054
DOW CHEMICAL COMPANY	472,550	29,484,973	27,053,488
DOW JONES & COMPANY	100,000	2,440,600	2,462,500
DRAVO CORPORATION	65,000	1,087,161	975,000
DRESS BARN INC.	100,000	1,519,175	1,075,000
DRESSER INDUSTRIES INC.	125,100	4,607,431	6,208,088
DREYERS GRAND ICE CREAM INC.	56,000	1,735,959	2,282,000
DREYFUS CORPORATION	40,000	1,307,454	1,350,001
DU PONT (E I) DE NEMOURS & COMPANY	957,100	26,126,743	36,848,350
DUN & BRADSTREET CORPORATION	100,000	4,585,916	4,625,000
DURIRON COMPANY INC.	30,000	498,750	517,500
DUTY FREE INTERNATIONAL INC.	90,000	2,387,380	2,295,000
DYNASTY CLASSICS CORPORATION	14,600	246,591	239,075
EASTMAN KODAK COMPANY	181,900	8,201,685	7,366,950
EATON CORPORATION	85,400	5,004,997	5,369,525
ECHLIN INC.	65,000	1,214,830	901,875
EDISTO RESOURCE CORPORATION	40,000	696,363	720,000
EGGHEAD INC.	26,000	320,750	370,500
ELAN CORPORATION	10,000	180,700	197,500
EMPLOYEE BENEFIT PLANS INC.	91,000	1,375,565	1,911,000
ENERGEN CORPORATION	22,500	412,200	407,813
ENERGY SERVICE INC.	200,000	852,014	850,000
ENRON CORPORATION	38,700	2,188,772	2,196,225
ENRON OIL & GAS COMPANY	27,000	550,710	641,250
ENTERGY CORPORATION	27,600	453,882	548,550
EQUITABLE RESOURCES INC.	60,000	2,204,287	2,190,000
ERICSSON (L.M.) TELEPHONE COMPANY	125,000	13,638,782	28,192,375
EXXON CORPORATION	211,400	9,397,556	10,120,775
FEDERAL EXPRESS CORPORATION	400,000	22,104,279	18,100,000
FEDERAL HOME LOAN MORTGAGE CORPORATION	41,000	2,824,951	3,095,500
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,681,100	21,284,070	67,699,688
FHP INTERNATIONAL CORPORATION	253,000	3,690,067	4,554,000
FILENET CORPORATION	64,500	539,156	1,193,250
FIRST CHICAGO CORPORATION	185,000	7,426,725	5,411,250
FIRST FINANCIAL MANAGEMENT CORPORATION	169,500	4,912,829	3,623,063

COMMON STOCKS - DOMESTIC	Shares	Book Value	Market Value
FIRST INTERSTATE BANCORP.	134,400	\$6,944,075	\$5,426,400
FIRST SECURITY CORPORATION	45,000	1,480,875	1,338,750
FIRST TENNESSEE NATIONAL CORPORATION	108,200	1,849,104	2,353,350
FIRSTFED FINANCIAL CORPORATION	54,275	929,152	1,261,894
FLEET/NORSTAR FINANCIAL GROUP INC.	82,500	2,111,359	1,598,438
FLIGHTSAFETY INTERNATIONAL INC.	201,100	6,281,203	11,890,038
FOOD LION INC. (CLASS A)	103,200	1,118,869	1,406,100
FORD MOTOR COMPANY	1,042,200	23,052,168	45,596,250
FOREST LABORATORIES INC. (CLASS A)	86,900	2,746,987	3,921,363
FOUR SEASONS HOTELS INC.	73,600	708,962	1,389,200
FPL GROUP INC.	120,000	3,809,575	3,675,000
FREEMPORT-MCMORAN COPPER INC. (CLASS A)	104,000	795,538	1,274,000
FREEMPORT-MCMORAN INC.	120,000	3,845,372	3,975,000
FRUIT OF THE LOOM INC. (CLASS A)	100,000	1,268,635	1,250,000
G & K SERVICES INC. (CLASS A)	75,000	814,375	1,209,375
GALLAGHER (ARTHUR D.) & COMPANY	97,000	2,146,714	2,231,000
GANNETT INC.	370,000	15,458,246	14,152,500
GAP INC.	42,800	2,453,436	2,482,400
GEICO CORPORATION	35,500	3,683,555	5,742,125
GENENTECH INC.	7,400	198,942	205,350
GENERAL DYNAMICS CORPORATION	53,000	3,442,399	1,696,000
GENERAL ELECTRIC COMPANY	962,180	28,400,541	66,630,965
GENERAL INSTRUMENT CORPORATION	82,000	3,202,579	2,972,500
GENERAL MOTORS CORPORATION	341,000	14,321,064	16,240,125
GENERAL MOTORS CORPORATION (CLASS E)	16,300	361,109	562,350
GENERAL RE CORPORATION	250,000	15,385,796	21,375,000
GENERAL SIGNAL CORPORATION	8,700	430,737	490,463
GENETICS INSTITUTE	10,000	263,577	366,250
GENZYME CORPORATION	33,300	511,542	607,725
GEORGIA-PACIFIC CORPORATION	37,900	2,111,380	1,568,113
GERAGHTY & MILLER INC.	50,000	605,322	862,500
GLAXO HOLDINGS PLC	1,185,000	20,404,497	34,365,000
GLOBAL MARINE INC.	242,000	1,064,270	1,028,500
GOAL SYSTEMS INTERNATIONAL	3,000	46,500	47,250
GOLDEN WEST FINANCIAL CORPORATION	81,000	1,527,217	2,460,375
GOODYEAR TIRE & RUBBER COMPANY	141,100	7,711,205	4,250,638
GREAT WESTERN FINANCIAL CORPORATION	430,000	6,907,832	7,740,000
GREINER ENGINEERING INC.	50,000	765,110	806,250
GREYHOUND DIAL CORPORATION	51,900	1,623,249	1,446,713
GTE CORPORATION	620,000	14,395,660	20,072,500
GULF STATES UTILITIES COMPANY	15,100	180,529	173,650
H & R BLOCK INC.	28,900	895,223	1,228,250
HALLIBURTON COMPANY	71,400	2,195,946	3,436,125
HANCOCK FABRICS	16,600	507,237	614,200
HARDING ASSOCIATES INC.	15,300	334,993	355,725
HARRIS CORPORATION	44,200	1,565,725	1,519,375
HARTFORD STEAM BOILER INSURANCE COMPANY	19,000	999,875	1,140,000
HEALTH SOUTH REHABILITATION CENTER	25,000	229,977	590,625
HEALTHCARE COMPARE CORPORATION	10,000	173,166	220,000
HEALTHCARE SERVICES GROUP INC.	28,500	496,875	662,625
HEALTHDYNE INC.	30,500	368,663	373,625
HEALTHSOUTH REHABILITATION CORPORATION	90,000	967,500	2,126,250
HELMERICH & PAYNE INC.	27,300	919,085	839,475
HENLEY INTERNATIONAL INC.	50,000	400,000	387,500
HERCULES INC.	110,000	4,570,965	3,671,250
HEXCEL CORPORATION	60,000	1,404,158	907,500
HOLOGIC INC.	57,000	1,208,380	1,289,625
HOME DEPOT INC.	386,050	12,620,539	22,294,388
HOMEFED CORPORATION	194,000	8,245,495	4,195,250
HOMESTYLE BUFFET INC.	35,000	355,330	411,250
HONEYWELL INC.	137,000	9,056,730	13,494,500
HORNBECK OFFSHORE SERVICES INC.	75,000	543,750	646,875
HORSEHEAD RESOURCES	55,000	875,625	969,375
HOUGHTON MIFFLIN	28,000	982,010	791,000
HOUSTON INDUSTRIES INC.	400,000	10,999,795	13,450,000
HUMANA INC.	60,782	2,336,619	2,978,318
HURCO COMPANIES	15,300	270,813	283,050
ILLINOIS TOOL WORKS INC.	222,000	10,756,627	11,960,250
INCO LTD.	144,400	4,203,634	4,133,450
INFORMATION RESOURCES INC.	100,000	1,453,700	1,462,500
INGERSOLL RAND COMPANY	127,200	4,569,718	7,282,200
INTEL CORPORATION	97,500	2,976,814	4,582,500
INTELLICALL INC.	24,100	407,304	355,475

COMMON STOCKS - DOMESTIC	Shares	Book Value	Market Value
INTERA INFORMATION CORPORATION (CLASS A)	50,000	\$905,875	\$893,750
INTERFACE INC.	200,000	3,363,448	3,725,000
INTERLEAF INC.	125,000	1,111,360	953,125
INTERNATIONAL BUSINESS MACHINES	506,136	41,784,437	59,470,980
INTERNATIONAL DAIRY QUEEN INC.	19,000	904,942	1,121,000
INTERNATIONAL DAIRY QUEEN INC. (CLASS A)	18,300	606,038	1,079,700
INTERNATIONAL FLAVORS & FRAGRANCES, INC.	40,000	1,882,173	2,770,000
INTERNATIONAL MULTIFOODS CORPORATION	15,900	526,831	484,950
INTERNATIONAL PAPER COMPANY	167,500	8,348,034	8,521,563
INTERPUBLIC GROUP COMPANIES INC.	86,350	2,066,209	3,000,663
INTERVOICE INC.	90,000	1,733,130	1,777,500
ITEL CORPORATION (NEW)	87,100	1,870,722	1,676,675
ITT CORPORATION	169,600	10,396,358	9,752,000
JAMES RIVER CORPORATION OF VIRGINIA	718,600	20,858,047	19,222,550
JEFFERSON-PILOT CORPORATION	25,400	990,330	1,111,250
JOHNSON CONTROLS INC.	30,000	1,135,347	948,750
JOHNSON & JOHNSON	422,900	13,692,141	28,651,475
JSB FINANCIAL INC.	75,000	935,249	984,375
K MART CORPORATION	348,000	12,817,900	12,180,000
KANSAS GAS & ELECTRIC COMPANY	14,700	331,262	301,350
KELLY SERVICES INC. (CLASS A )	28,575	901,405	1,085,850
KEYSTONE INTERNATIONAL INC.	112,500	1,725,550	2,981,250
KING WORLD PRODUCTIONS	34,500	1,238,337	1,293,750
KLA INSTRUMENTS CORPORATION	175,000	1,795,094	2,100,000
KLM ROYAL DUTCH AIR LINES	60,100	1,457,726	1,156,925
KNOWLEDGEWARE INC.	14,000	287,000	364,000
KOMAG INC.	50,000	562,628	706,250
KROGER COMPANY	40,100	649,809	646,613
LACERA GATEWAY PROPERTY INC.	100	67,959,020	67,959,020
LAIDLAW INC. (CLASS B)	50,000	1,020,911	1,137,500
LANDMARK GRAPHICS CORPORATION	15,000	245,462	226,875
LANDS' END	25,000	454,815	425,000
LATTICE SEMICONDUCTOR CORPORATION	20,500	213,222	279,313
LECHTERS INC.	15,000	348,438	386,250
LEGENT CORPORATION	112,923	2,117,013	3,133,613
LEGGETT & PLATT INC.	27,000	784,620	999,000
LIFETIME CORPORATION	32,300	660,973	936,700
LILLY (ELI) & COMPANY	190,000	10,121,385	15,793,750
LILLY (ELI) & COMPANY (WARRANT)	15,000	404,459	1,376,250
LIMITED INC.	250,000	4,814,365	6,031,250
LIN BROADCASTING CORPORATION	165,262	16,424,099	12,229,388
LINDSAY MANUFACTURING COMPANY	67,300	1,496,236	1,547,900
LINEAR TECHNOLOGY CORPORATION	209,300	2,078,513	2,642,413
LOCKHEED CORPORATION	257,700	10,843,074	8,632,950
LOEWS CORPORATION	62,000	3,929,457	6,796,750
LOTUS DEVELOPMENT CORPORATION	42,000	1,137,808	1,459,500
LOWE'S COMPANIES INC.	20,000	441,400	972,500
LSI LOGIC CORPORATION	233,000	2,460,859	2,621,250
LUFKIN INDUSTRIES INC.	4,700	611,000	540,500
MACNEAL SCHWENDLER CORPORATION	85,000	904,960	807,500
MAGMA COPPER COMPANY (NEW CLASS B)	150,000	938,240	750,000
MANNESMANN AG ADR	5,000	1,048,665	1,073,343
MANPOWER PLC ADR	41,800	605,030	616,550
MANUFACTURERS HANOVER CORPORATION	50,700	2,206,326	1,749,150
MAPCO INC.	15,100	574,555	687,050
MARSH & MCLENNAN COMPANIES INC.	248,600	15,113,231	19,080,050
MARTIN-MARIETTA CORPORATION	63,500	3,087,173	2,722,563
MASCO CORPORATION	252,000	5,961,321	6,174,000
MATTEL INC.	126,000	2,508,531	3,071,250
MAXIM INTEGRATED PRODUCTS INC.	25,000	210,171	303,125
MBIA INC.	21,000	780,210	861,000
MCKESSON CORPORATION	13,300	493,084	465,500
MCA INC.	429,800	22,578,838	23,853,900
MCCAW CELLULAR COMMUNICATIONS (CLASS A)	472,116	12,272,543	11,448,814
MCDONNELL DOUGLAS CORPORATION	60,000	2,686,560	2,190,000
MCGRAW-HILL INC.	185,000	11,784,690	10,406,250
MCI COMMUNICATIONS CORPORATION	839,700	19,455,206	35,162,438
MEDCO CONTAINMENT SERVICES INC.	319,000	6,531,874	7,456,625
MEDCO RESEARCH INC.	43,500	379,601	538,313
MEDICAL CARE INTERNATIONAL INC.	147,000	2,437,774	5,439,000
MEDICAL IMAGING CENTERS OF AMERICA INC.	105,200	1,130,186	1,354,450
MEDICINE SHOPPE INTERNATIONAL INC.	131,250	2,327,202	3,018,750
MEDTRONIC INC.	43,400	2,499,512	3,613,050

COMMON STOCKS - DOMESTIC	Shares	Book Value	Market Value
MELVILLE CORPORATION	150,000	\$6,813,728	\$7,856,250
MENTOR GRAPHICS CORPORATION	214,600	3,370,202	4,667,550
MERCANTILE BANCORPORATION INC.	21,500	595,105	526,750
MERCANTILE STORES INC.	115,000	2,366,784	4,643,125
MERCK & COMPANY INC.	735,951	21,706,739	63,843,678
METRO MOBILE INC. (CLASS B)	57,600	911,285	1,101,600
MID-AMERICAN WASTE SYSTEMS INC.	2,200	52,800	84,975
MILLICOM INC.	17,400	252,175	339,300
MINNESOTA MINING & MANUFACTURING COMPANY	334,900	17,632,369	29,010,713
MIPS COMPUTER SYSTEMS INC.	70,000	1,626,743	1,242,500
MOBIL CORPORATION	202,600	9,893,018	12,510,550
MOLEX INC.	93,000	3,375,000	4,161,750
MONSANTO COMPANY	137,800	6,103,202	6,562,725
MORGAN STANLEY GROUP INC.	31,100	1,916,978	2,262,525
MORGAN (J.P.) & COMPANY INC.	811,378	17,872,466	29,006,764
MORTON INTERNATIONAL INC.	40,300	1,492,642	1,768,163
MOTOROLA INC.	490,700	21,826,550	41,034,788
MR. COFFEE INC.	89,000	995,776	1,301,625
MULTIMEDIA INC. (NEW)	7,900	587,974	562,875
MYCOGEN CORPORATION	50,000	892,000	912,500
NAC RE CORPORATION	36,000	1,015,766	1,251,000
NATIONAL CITY CORPORATION	35,000	1,340,850	1,260,000
NATIONAL MEDICAL ENTERPRISES	333,800	8,430,882	12,642,675
NCNB CORPORATION	152,500	7,772,213	5,718,750
NETWORK EQUIPMENT TECHNOLOGIES INC.	55,000	566,888	529,375
NETWORK SYSTEM INC.	45,000	548,550	613,125
NEW ENGLAND CRITICAL CARE INC.	120,000	1,410,000	3,585,000
NEW YORK STATE ELECTRIC & GAS CORPORATION	97,000	2,577,558	2,352,250
NEWELL COMPANY	392,500	8,829,640	12,560,000
NIKE INC. (CLASS B)	29,000	1,539,500	2,225,750
NIPSCO INDUSTRIES INC.	25,000	465,875	440,625
NOBLE AFFILIATES INC.	123,000	1,988,826	1,952,625
NORFOLK SOUTHERN CORPORATION	380,300	8,356,720	16,305,363
NORTHEAST UTILITIES	170,000	3,713,454	3,293,750
NORTON COMPANY	23,181	1,432,273	2,060,211
NOVELL INC.	55,200	1,702,205	3,022,200
NOVELLUS SYSTEMS INC.	56,700	649,669	1,941,975
NOWSCO WELL SERVICE LTD.	128,000	1,606,145	1,744,000
NYMAGIC INC.	128,500	2,662,925	3,694,375
NYNEX CORPORATION	75,600	6,153,566	6,218,100
OCTEL COMMUNICATIONS CORPORATION	75,000	1,790,254	1,706,250
OFF SHORE LOGISTICS INC.	90,000	876,971	1,147,500
ONE PRICE CLOTHING STORES INC.	4,700	59,400	62,275
OPTICAL RADIATION CORPORATION	33,000	1,024,610	1,122,000
ORION PICTURES CORPORATION	110,000	2,220,511	1,801,250
OSBORN COMMUNICATIONS CORPORATION	50,000	591,676	550,000
PNC FINANCIAL CORPORATION	300,000	11,978,153	9,000,000
PACIFIC ENTERPRISES	58,000	2,560,704	2,523,000
PACIFIC TELESIS GROUP	596,000	13,630,389	26,522,000
PALL CORPORATION	104,100	3,258,043	3,539,400
PARAMETRIC TECHNOLOGY CORPORATION	20,000	470,630	540,000
PARAMOUNT COMMUNICATIONS INC.	258,700	9,299,559	11,156,438
PENN TRAFFIC COMPANY	41,500	893,618	804,063
PENNEY (J.C.) INC.	362,600	9,355,397	21,982,625
PENNSYLVANIA POWER & LIGHT COMPANY	80,000	3,347,050	3,420,000
PEOPLES HERITAGE FINANCIAL GROUP INC.	122,000	1,597,103	899,750
PEP BOYS - MANNY MOE & JACK	175,000	2,548,100	2,581,250
PEPSICO INC.	327,200	14,713,609	25,398,900
PFIZER INC.	48,600	3,357,153	3,116,475
PHELPS DODGE CORPORATION	74,300	4,413,848	4,420,850
PHILIP MORRIS COMPANIES INC.	2,199,200	24,795,958	102,262,800
PHILLIPS PETROLEUM COMPANY	20,900	480,366	538,175
PINKERTONS INC. (NEW)	45,000	637,000	883,125
PINNACLE WEST CAPITAL CORPORATION	29,000	346,108	474,875
PITNEY-BOWES INC.	1,020,000	24,924,757	50,235,000
POLICY MANAGEMENT SYSTEMS CORPORATION	125,700	3,394,738	5,185,125
POPE & TALBOT INC.	32,400	765,575	773,550
POTLATCH CORPORATION	15,800	647,547	641,875
PPG INDUSTRIES INC.	162,300	7,275,793	7,790,400
PRECISION CASTPARTS CORPORATION	42,500	1,327,000	1,306,875
PREMIER INDUSTRIAL CORPORATION (NEW)	97,500	1,978,771	2,559,375
PRICE COMPANY	14,400	544,704	597,600
PROCTER & GAMBLE COMPANY	313,500	11,928,395	27,313,688

COMMON STOCKS - DOMESTIC	Shares	Book Value	Market Value
PROVIDENT LIFE & ACCIDENT INSURANCE (CLASS B)	39,000	\$814,730	\$921,375
PUBLIC SERVICE ENTERPRISE GROUP	62,000	1,701,396	1,604,250
PUGET SOUND POWER & LIGHT COMPANY	76,500	1,535,159	1,558,688
PURITAN BENNETT	75,000	1,749,375	1,593,750
PYRAMID TECHNOLOGY CORPORATION	54,000	720,305	1,512,000
QUANTUM CORPORATION	60,000	803,520	1,320,000
QUIKSILVER INC.	33,300	637,029	790,875
RACAL TELECOM PLC	25,000	1,635,486	1,568,750
RALLYS INC.	15,000	228,106	266,250
RASTEROPS	25,500	444,300	484,500
RAYTHEON COMPANY	95,500	6,695,968	5,956,813
READERS DIGEST ASSOCIATION	310,000	7,418,500	7,943,750
REPSOL S.A.	285,700	6,497,898	7,178,213
REUTERS HOLDINGS PLC	461,100	18,150,500	30,893,700
REYNOLDS METALS COMPANY	247,400	13,686,119	14,318,275
RMI TITANIUM COMPANY	88,000	1,100,000	990,000
ROBERT HALF INTERNATIONAL INC.	39,600	730,529	618,750
ROHM & HAAS COMPANY	110,000	3,699,950	3,781,250
ROLLINS INC.	70,000	1,349,862	1,408,750
ROWAN COMPANIES INC.	75,000	501,763	881,250
ROYAL DUTCH PETROLEUM COMPANY	427,300	25,820,621	32,154,325
RUSSELL CORPORATION	48,200	1,037,063	1,283,325
RWE AG ADR	1,500	371,427	448,004
RYANS FAMILY STEAK HOUSE INC.	73,300	524,778	577,238
RYDER SYSTEMS INC.	36,300	1,057,601	789,525
SAATCHI & SAATCHI PLC	148,000	2,280,660	684,500
SAGE SOFTWARE INC.	70,000	905,969	997,500
SALOMON INC.	165,200	6,263,928	4,047,400
SANFORD CORPORATION	75,000	1,362,500	1,687,500
SARA LEE CORPORATION	11,300	328,159	329,113
SBARRO INC.	127,500	1,706,510	3,984,375
SCHERING-PLOUGH CORPORATION	557,500	18,213,442	26,341,875
SCHLUMBERGER LTD	37,800	1,831,939	2,173,500
SCOTT PAPER COMPANY	151,600	5,547,454	7,295,750
SCRIPPS (E.W.) COMPANY (CLASS A)	60,000	1,462,625	1,185,000
SEAGATE TECHNOLOGY	10,000	129,199	141,250
SEAGRAM COMPANY LTD.	41,700	3,220,810	3,429,825
SEARS ROEBUCK & COMPANY	209,300	9,485,644	7,639,450
SEI CORPORATION	54,500	1,066,893	1,130,875
SERVICE FRACTURING COMPANY	52,000	301,250	364,000
SHARED MEDICAL SYSTEMS CORPORATION	35,000	569,613	455,000
SHAW INDUSTRIES INC.	58,400	700,748	1,584,100
SHL SYSTEMHOUSE INC.	77,500	692,911	542,500
SHONEYS INC.	85,000	656,978	1,275,000
SHOREWOOD PACKAGING CORPORATION	61,200	958,320	1,591,200
SIGMA ALDRICH CORPORATION	56,800	2,570,236	3,848,200
SILICON GRAPHICS INC.	136,000	3,742,310	5,100,000
SMITHKLINE BEECHAM PLC	72,400	2,730,450	3,239,900
SMITHS FOOD & DRUG CENTERS INC.	24,500	532,748	811,563
SMUCKER (J.M.) COMPANY	30,000	1,007,675	1,245,000
SNAP-ON TOOLS CORPORATION	125,000	3,955,337	4,421,875
SNYDER OIL CORPORATION	100,000	876,100	750,000
SOFTWARE PUBLISHING CORPORATION	72,000	1,109,700	1,782,000
SONAT INC.	32,000	1,450,384	1,616,000
SOTHEBYS HOLDINGS INC.	33,500	710,577	506,688
SOUTHERN COMPANY	74,100	2,035,927	1,871,025
SOUTHERN NEW ENGLAND TELECOM	14,000	501,989	469,000
SOUTHWEST AIRLINES COMPANY	32,000	598,191	824,000
SOUTHWESTERN BELL CORPORATION	468,300	19,142,762	25,229,663
SOVRAN FINANCIAL CORPORATION	120,000	3,754,000	3,480,000
SPRING INDUSTRIES INC. (CLASS A)	24,600	1,058,823	793,350
SQUARE D COMPANY	88,000	4,439,780	5,082,000
STANHOME INC.	42,000	1,276,132	1,422,750
STAPLES INC.	9,500	194,576	225,625
STATE STREET BOSTON CORPORATION	65,000	1,695,000	2,640,625
STEVENS GRAPHICS CORPORATION (CLASS A)	56,500	373,061	995,813
STEVENS GRAPHICS CORPORATION (CLASS B)	55,000	363,157	990,000
STONE & WEBSTER INC.	49,000	1,837,335	1,917,125
STORAGE TECH CORPORATION	150,000	2,715,811	5,100,000
STRATUS COMPUTER INC.	45,500	1,165,854	1,211,438
STRUCTURAL DYNAMICS RESEARCH CORPORATION	201,200	2,191,412	5,382,100
STRYKER CORPORATION	112,150	1,910,689	3,140,200
STUDENT LOAN MARKETING ASSOCIATION	686,000	25,139,348	36,443,750

COMMON STOCKS - DOMESTIC	Shares	Book Value	Market Value
ST. JUDE MEDICAL INC.	150,200	\$2,106,346	\$5,181,900
SUN COMPANY INC.	56,700	2,289,832	2,104,988
SUN ELECTRIC CORPORATION	116,000	2,456,179	2,421,500
SUN MICROSYSTEMS INC.	108,900	1,943,768	3,702,600
SUNGARD DATA SYSTEMS INC.	100,000	1,879,500	2,425,000
SUPERIOR INDS INTERNATIONAL INC.	29,700	475,740	735,075
SURGICAL CARE AFFILIATES INC.	207,950	2,609,195	5,822,600
SYMANTEC CORPORATION	69,600	1,260,223	1,792,200
SYNCOR INTERNATIONAL CORPORATION (NEW)	100,000	755,000	925,000
SYNOPTICS COMMUNICATIONS INC.	50,700	1,751,606	2,680,763
SYNTELLECT INC.	40,000	737,925	880,000
SYNTEX CORPORATION	10,900	563,037	639,013
SYSTEM SOFTWARE ASSOCIATION INC.	29,100	726,251	782,063
SYSTEMS CENTER INC.	80,000	1,734,726	1,790,000
T2 MEDICAL INC.	40,000	851,000	1,060,000
TALMAN HOME FEDERAL SAVINGS & LOAN ASSOCIATION	77,000	849,498	587,125
TAMBRANDS INC.	29,000	2,323,063	2,450,500
TANDY BRANDS INC.	11,000	273,200	244,750
TCA CABLE TELEVISION INC.	31,800	522,313	488,925
TCBY ENTERPRISES INC.	32,400	679,054	615,600
TELECOM USA INC.	70,000	1,457,279	2,870,000
TELEFONOS DE MEXICO S.A.	750,000	1,269,063	1,218,750
TELEPHONE & DATA SYSTEMS INC.	30,900	827,991	1,127,850
TELE-COMMUNICATIONS INC. (CLASS A)	1,401,300	21,623,471	19,968,525
TELE-COMMUNICATIONS INC. (RIGHTS)	38,726	161,276	125,859
TEMPLE INLAND INC.	59,100	1,347,104	2,204,175
TERADATA CORPORATION	133,500	2,924,852	3,587,813
TERADYNE INC.	32,000	639,414	324,000
TEXACO INC.	91,400	4,609,273	5,175,525
TEXAS UTILITIES COMPANY	199,700	6,467,663	7,064,388
TEXTRON INC.	292,100	7,881,403	6,937,375
THAI CAPITAL FUND INC.	25,000	300,000	281,250
THOMAS & BETTS CORPORATION	9,000	455,670	492,750
TIDEWATER INC.	127,000	1,627,634	1,920,875
TIFFANY & COMPANY (NEW)	64,600	2,291,760	2,915,075
TIME WARNER INC.	279,369	10,849,251	28,076,585
TIMES MIRROR COMPANY (CLASS A)	40,700	1,674,021	1,266,788
TIMKEN COMPANY	27,300	1,000,690	856,538
TJX COMPANIES INC. (NEW)	33,600	722,571	445,200
TOSCO CORPORATION (NEW)	35,600	616,996	671,950
TOYS R US	763,850	17,851,328	36,760,281
TPI ENTERPRISES INC.	38,000	258,875	266,000
TRANSATLANTIC HOLDINGS INC.	46,500	1,266,400	1,290,375
TRANSCO ENERGY COMPANY	23,400	1,057,127	985,725
TRAVELERS CORPORATION	178,900	7,309,105	5,322,275
TRENWICK GROUP INC.	108,000	1,835,225	2,700,000
TRIBUNE COMPANY (NEW)	200,000	11,145,817	8,600,000
TRINOVA CORPORATION	184,200	4,784,152	4,950,375
TURNER BROADCASTING SYSTEMS INC. (CLASS A)	23,000	253,589	1,184,500
TURNER BROADCASTING SYSTEMS INC. (CLASS B)	81,000	924,918	4,070,250
20TH CENTURY INDUSTRIES	56,000	1,161,918	1,232,000
TYCO LABORATORIES INC.	362,900	15,048,169	20,639,938
U.S. BIOSCIENCE INC.	50,000	504,710	750,000
U.S. HEALTHCARE INC.	50,000	766,920	931,250
U.S. WEST INC.	223,200	7,971,597	8,007,300
UNION CAMP CORPORATION	38,400	1,403,032	1,353,600
UNION EXPLORATION PARTNERS LTD.	38,000	525,790	541,500
UNISYS CORPORATION	175,200	3,685,340	2,321,400
UNITED ARTISTS ENTERTAINMENT COMPANY (CLASS A)	38,527	613,223	587,537
UNITED HEALTHCARE INC.	25,000	352,809	431,250
UNITED STATES CELLULAR CORPORATION	38,600	857,134	974,650
UNITED STATES SURGICAL CORPORATION	44,200	1,101,549	2,049,775
UNITED TECHNOLOGIES CORPORATION	131,100	4,946,203	7,505,475
UNIVERSAL FOODS CORPORATION	20,000	476,332	647,500
UNOCAL CORPORATION	727,200	8,933,310	19,725,300
UPJOHN COMPANY	52,400	1,677,910	2,148,400
UST INC.	83,600	1,846,183	2,570,700
USX CORPORATION	79,900	2,439,502	2,636,700
U.S. BANCORP INC. (PORTLAND, OREGON)	71,600	1,974,857	1,995,850
U.S. WEST NEWVECTOR GROUP INC. (CLASS A)	33,400	849,699	1,127,250
VANGUARD CELLULAR SYSTEMS INC. (CLASS A)	38,200	1,308,736	945,450
VARCO INTERNATIONAL INC.	132,000	884,916	1,435,500
VIACOM INC.	43,500	691,429	1,179,938

COMMON STOCKS - DOMESTIC	Shares	Book Value	Market Value
VICORP RESTAURANTS	30,000	\$581,250	\$750,000
VIDEO JUKEBOX NETWORK INC.	16,000	86,740	100,000
WAINOCO OIL CORPORATION	50,000	388,413	450,000
WAL-MART STORES INC.	692,000	15,832,520	43,163,500
WALT DISNEY COMPANY	144,800	9,348,797	18,570,600
WARNER-LAMBERT COMPANY	502,400	15,997,962	33,095,600
WASHINGTON FEDERAL SAVINGS & LOAN	85,500	2,250,368	2,436,750
WASTE MANAGEMENT INC.	846,520	10,516,506	35,024,765
WATKINS-JOHNSON COMPANY	48,500	1,294,739	788,125
WATTS INDUSTRIES INC. (CLASS A)	60,000	1,609,940	2,430,000
WEATHERFORD INTERNATIONAL	100,000	550,000	800,000
WEITEK CORPORATION	82,700	1,565,133	1,798,725
WELLMAN INC.	475,000	14,048,883	12,943,750
WELLS FARGO & COMPANY	510,640	12,047,504	40,340,560
WESTERN INVESTMENT REAL ESTATE	17,000	302,599	301,750
WESTERN PUBLISHING GROUP INC.	75,000	1,420,360	1,275,000
WESTINGHOUSE ELECTRIC CORPORATION	977,400	14,583,197	35,919,450
WESTWOOD ONE INC.	22,100	208,961	110,500
WEYERHAEUSER COMPANY	134,000	3,870,261	3,417,000
WHIRLPOOL CORPORATION	17,900	520,735	503,438
WILLCOX & GIBBS INC.	75,000	837,876	778,125
WILMINGTON TRUST COMPANY	23,000	902,750	954,500
WINN-DIXIE STORES INC.	43,000	2,191,081	2,950,875
WOOLWORTH CORPORATION	252,000	6,191,681	8,284,500
WORTHINGTON INDUSTRIES INC.	8,400	189,600	205,800
XEROX CORPORATION	138,400	8,454,023	6,487,500
XILINX INC.	12,700	127,000	190,500
ZURN INDUSTRIES INC.	15,000	653,789	727,500
<b>TOTAL COMMON STOCK - DOMESTIC</b>		<b>\$2,441,543,346</b>	<b>\$3,439,434,602</b>

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
<b>AUSTRALIA</b>			
ABERFOYLE	10,500	\$43,444	\$41,622
ADELAIDE BRIGHTON	21,700	36,692	36,644
ADELAIDE STEAMSHIP	37,950	141,827	160,062
AMALGAMATED WIRELESS	9,000	17,662	2,925
AMCOR LTD	63,360	214,088	218,508
AMPOL EXPLORATION	21,066	47,219	39,749
ARNOTTS	18,500	86,416	71,134
ASHTON MINING LTD	35,600	40,649	45,158
BOND CORPORATION HOLDINGS	55,300	77,955	5,699
BORAL	121,308	323,059	330,835
BRAMBLES INDUSTRIES	28,599	220,558	315,159
BRIDGE OIL LIMITED	35,800	24,262	20,719
BRIDGE OIL LIMITED - RIGHTS	11,933	0	142
BROKEN HILL PROPRIETARY	361,770	2,230,511	2,690,290
BUNDABERG SUGAR COMPANY	9,900	23,843	29,040
BURNS PHILP & COMPANY	61,084	137,675	154,968
CALTEX AUSTRALIA	19,700	29,181	40,607
CENT NORSEMAN GOLD	26,500	23,511	6,933
COAL & ALLIED INDUSTRIES	7,000	36,819	53,831
COCA-COLA AMATIL	13,100	116,477	119,435
COLES MYER	86,400	553,653	531,544
CRA	131,000	830,716	1,277,439
CSR	100,700	336,210	426,319
ELDERS	422,426	753,709	576,027
EMAIL LTD	26,400	70,514	70,115
FAI INSURANCES	28,900	101,376	42,158
GENERAL PROPERTY TRUST	84,500	185,024	182,217
GOLD MINES KALGOORLI	30,400	36,551	17,594
HARDIE (JAMES) INDUSTRIES	43,344	87,482	89,344
HIGHLANDS GOLD LTD	122,400	71,943	78,977
HOOKER CORPORATION	28,600	53,137	5,895
I.C.I. AUSTRALIA	45,600	216,566	169,551
JENNINGS INDUSTRIES	35,850	53,229	47,749
KERN CORPORATION LTD.	9,467	17,450	4,879
KIDSTON GOLD MINES	18,200	36,780	36,072
LEND LEASE CORPORATION	109,533	873,794	1,172,310
METANA MINERALS NL	4,500	28,055	1,962
M.I.M. HOLDINGS	376,075	657,379	685,750
NATIONAL AUSTRALIA BANK	133,856	612,144	683,419

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
NEWS CORPORATION	38,900	\$378,013	\$348,491
N BROKEN HILL HOLDINGS	568,100	900,733	1,089,943
OPSM INDUSTRIES	18,260	37,850	32,427
PACIFIC DUNLOP LTD	1,300,690	3,692,206	5,259,054
PANCONTINENTAL MINING	8,700	12,148	13,933
PETERSVILLE SLEIGH	44,640	72,174	81,398
PIONEER INTERNATIONAL LTD	810,400	1,936,547	1,432,742
RENISON GOLD CONSTRUCTION	176,999	1,104,390	1,234,858
ROTHMANS HOLDINGS	15,360	87,502	124,818
SANTOS LIMITED	442,187	1,520,996	1,440,826
SCHRODERS PROPRIETARIES FD	26,000	54,891	60,189
SMITH (HOWARD)	26,979	80,079	113,361
SONS OF GWALIA NL	6,100	29,637	28,533
STOCKLAND TRUST GP	46,100	70,714	74,193
S.A. BREWING HOLDINGS	52,730	76,691	104,511
TUBEMAKERS OF AUSTRALIA	39,200	51,800	66,817
WESTERN MINING CP	653,000	2,919,611	2,345,174
WESTFIELD TRUST	87,650	124,881	122,300
WESTPAC BANKING CORPORATION	452,660	1,926,128	1,686,684
WOODSIDE PETROLEUM	317,000	668,784	681,071
		<b>\$25,193,332</b>	<b>\$26,824,105</b>
<i>AUSTRIA</i>			
CREDITANSTALT BANK	1,903	\$779,817	\$775,671
ERSTE ALLG VERISCH	157	1,446	13,659
ERSTE ALLGEMEINE	300	62,793	312,398
LEYKAM MURZTALER P. & Z.	1,400	77,414	85,030
OEST EL WIRTSCH	23,963	549,735	1,283,220
OSTERR BRAU A.G.	150	40,094	62,233
PERLMOOSER ZEMENT	665	30,398	112,635
REININGHAUS BRAUER	200	40,278	44,654
STEYR DAIMLER PUCH	2,850	18,613	50,954
VEITSCHER MAGNESIT	850	44,043	83,037
WIENERBERGER BAUST. - NEW	469	264,668	248,743
		<b>\$1,909,299</b>	<b>\$3,072,232</b>
<i>BELGIUM</i>			
A.G.FIN	1,050	\$234,628	\$300,791
ACEC UNION MINIERE	3,308	455,106	412,773
BEKAERT S.A.	289	78,399	119,359
C.B.R.CIMENTERIES	567	110,387	154,843
C.M.B.	134	46,456	127,563
DELHAIZE FRERES	1,306	163,118	242,149
E B E S	1,728	217,829	197,905
E B E S AFV1	680	86,152	75,888
GENERALE BANQUE	1,611	237,958	248,209
GEVAERT PHOTO PROD	538	106,701	130,954
GPE BRUXELLES LAM	2,362	219,669	269,824
INT SLEEP CAR TOUR	483	68,969	138,364
INTERCOM BELGE	4,036	389,777	371,208
KREDIETBANK	1,774	202,397	200,309
METALLURGIE H AFV	354	135,237	191,828
METALLURGIE HOBOKN	209	45,240	115,091
PETROFINA S.A.	2,907	877,431	1,008,951
ROYALE BELGE	1,817	277,317	290,592
SOLVAY ET CIE	1,069	352,528	426,629
TRACTEBEL	1,455	265,488	349,047
TRACTEBEL AFV 1	328	65,215	79,454
		<b>\$4,636,004</b>	<b>\$5,451,730</b>
<i>CANADA</i>			
IMASCO LTD	25,000	\$807,147	\$789,508
TORSTAR CORPORATION	46,000	1,011,979	1,087,050
		<b>\$1,819,126</b>	<b>\$1,876,558</b>
<i>DENMARK</i>			
BALTICA HOLDINGS	5,900	\$392,534	\$897,883
CARLSBERG - A	1,676	234,076	350,412
DAMPSKIPS SVENDBG - B	73	1,387,663	1,617,089
DANISCO	1,450	146,220	213,554
DANSKE LUFTFATSEL	75	33,535	63,974

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
DEN DANSKE BANK	9,596	\$469,742	\$497,565
D/S 1912	31	190,479	475,791
GN STORE NORD	400	26,438	55,411
ISS (INTL SER SYS) - B	489	50,258	69,543
KORN - OG FODERSTOF	166	19,235	19,657
LAURITZEN (J.) HOLDINGS	659	172,424	185,083
NORDISK KABEL & TRAADF	687	45,394	49,264
NORDISK KABEL & TRAADF - RIGHTS	2	0	8
NOVO NORDISK	4,200	212,210	209,734
RADIOMETER A/S 'B'	980	19,645	33,432
ROYAL COPENHAGEN - A	406	24,950	33,681
SMIDTH(F.L.) & COMPANY A.S.	1,000	41,387	151,266
SUPERFOS A.S.	50	34,350	45,232
UNIBANK A.S.	4,486	164,198	223,590
		<b>\$3,664,738</b>	<b>\$5,192,169</b>

*ENGLAND*

ABBEY NATIONAL	179,500	\$425,887	\$668,704
AMEC	13,927	94,053	104,497
AMSTRAD	79,350	267,502	97,842
ANGLIAN WATER	34,000	92,830	95,146
ARGOS	41,445	265,115	168,171
ARGYLL GROUP PLC	585,350	1,967,165	2,538,967
ASSOCIATED BRITISH FOODS	64,800	351,884	447,674
BARCLAYS	328,240	1,890,126	2,261,922
BARRATT DEVELOPMENT	25,550	87,398	86,022
BASS LTD	97,942	1,819,229	1,892,340
BEAZER (C.H.) HOLDINGS	45,550	149,277	129,857
BET (BRIT ELECT TRC)	122,249	536,445	573,020
BICC LTD	246,000	1,749,911	1,819,974
BLUE CIRCLE INDUSTRIES	76,972	310,278	337,906
BOC GROUP	73,200	547,219	779,683
BOOTS COMPANY LTD	137,256	568,067	710,580
BOWATER INDUSTRIES	29,375	241,168	270,859
BRITISH AERO PLC	36,800	279,273	343,699
BRITISH AIRWAYS	102,200	301,928	380,733
BRITISH GAS	1,547,550	4,943,203	6,062,929
BRITISH LAND COMPANY	34,953	212,860	193,791
BRITISH PETROLEUM	968,400	4,806,420	5,419,941
BRITISH STEEL	278,150	693,833	700,537
BRITISH TELECOM	821,150	3,683,075	4,351,660
BRITISH & COMMONWEALTH SHIP	59,600	306,815	55,247
BTR	447,500	2,162,535	3,330,293
B.A.T. INDUSTRIES	200,829	1,198,715	2,307,712
CABLE & WIRELESS	789,006	5,567,442	7,465,646
CADBURY SCHWEPES	100,111	627,797	630,339
CALOR GROUP	23,950	167,616	110,586
CARLTON COMMUNICATIONS	26,650	365,090	243,775
COMMERCIAL UNION ASSOCIATES	64,050	426,719	576,921
COSTAIN GROUP	28,100	167,360	141,543
COURTAULDS LIMITED	56,450	286,958	358,394
COURTAULDS TEXTILE	12,812	64,473	61,398
DE LA RUE COMPANY LTD	19,800	143,619	102,159
ECC	36,827	285,945	266,659
ELECTROCOMPONENTS	65,150	250,635	258,660
FISONS LIMITED	200,000	1,081,106	1,276,770
FR GROUP	13,850	63,225	39,000
GEN ACC FIRE & LIFE	32,950	557,530	657,340
GENERAL ELECTRIC	379,800	1,053,839	1,298,648
GLAXO HOLDINGS LTD	357,220	3,599,406	5,110,682
GRAND METROPOLITAN	143,700	1,334,452	1,636,167
GREAT PORTLAND EST	27,300	133,634	122,712
GREAT UNIV STORES - A	38,450	738,521	685,100
GUARDIAN ROYAL EX	134,145	454,679	570,126
GUINNESS PLC	358,750	2,258,483	4,981,983
HAMMERSON PROPERTIES 'A'	22,282	269,833	275,916
HANSON	1,227,687	3,615,483	5,142,603
HAWKER SIDDELEY GROUP	30,850	283,391	350,718
HEPWORTH	36,000	157,275	192,040
IMPERIAL CHEMICAL INDUSTRIES	96,000	1,797,593	1,923,021
KINGFISHER	145,500	824,584	883,044
KLEINWORT BENSON LTD	19,200	134,876	120,555
LADBROKE GROUP	132,100	519,960	783,235

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
LAING PROPERTIES	10,550	\$83,284	\$133,777
LAING (JOHN)	16,550	99,092	86,838
LAND SECURITIES	182,350	1,723,804	1,655,247
LASMO	220,066	1,401,126	1,585,769
LEGAL & GEN GROUP	76,527	412,602	588,921
LEX SERVICES	13,450	92,583	64,691
LLOYDS BANK LTD	464,405	1,964,310	2,323,019
LONRHO PLC	98,671	329,862	445,245
LOWE HOWARD SPINK	140,000	977,274	979,440
LUCAS INDUSTRIES	352,000	903,544	985,596
MARKS & SPENCER	1,101,800	3,792,000	4,528,563
MAXWELL COMM CORPORATION	90,924	387,001	301,354
MB GROUP	59,250	194,009	220,728
MCALPINE (ALFRED)	7,650	59,889	47,365
MEPC LTD	46,200	457,166	413,715
MEYER INTERNATIONAL	16,148	114,273	117,490
NATIONAL WESTMINSTER	219,600	1,120,605	1,225,216
NEXT	60,750	294,961	49,938
NORTH WEST WATER	40,000	103,962	109,837
OXFORD INSTRUMENT GROUP PLC	15,200	62,941	67,525
P & O	61,300	665,542	705,466
PEARSON	39,250	501,847	525,159
PILKINGTON	496,170	1,879,956	1,796,349
PROVINCE FINANCIAL GROUP	7,900	50,577	58,446
PRUDENTIAL CORPORATION	266,050	791,074	1,112,118
RACAL ELECTRONICS	577,600	1,784,305	2,030,547
RANK ORGANISATION	110,412	1,472,500	1,666,544
RANKS HOVIS MCDoug	49,750	323,151	306,285
REDLAND	41,300	318,712	447,127
REED INTERNATIONAL	83,800	623,073	680,067
RMC GROUP	31,150	284,513	387,362
ROLLS ROYCE	573,500	1,808,693	2,266,896
ROTHSCHILD (J) HOLDINGS	46,400	116,727	123,353
ROYAL BANK OF SCOTLAND GROUP	117,414	307,379	361,428
ROYAL INSURANCE HOLDINGS	146,900	1,093,607	1,269,225
RTZ BR	50,450	406,529	504,716
RTZ REGD	84,271	616,768	843,071
RUGBY GROUP	55,750	144,608	180,387
SAINSBURY J	217,500	917,555	1,118,398
SCHRODERS	18,600	204,612	259,601
SCOT & NEWCASTLE BWS	54,900	306,477	326,468
SEARS HOLDINGS LTD	220,000	506,133	369,389
SEDGWICK GROUP LD	59,800	242,570	257,292
SLOUGH EST	48,250	253,926	254,012
SMITHKLINE BEECHAM BEC UNITS	18,400	792,965	812,585
SMITHKLINE BEECHAM	93,775	685,053	893,868
SMITHS INDUSTRIES	47,700	223,794	192,717
SOUTHERN WATER	128,000	300,975	324,614
STANDARD CHARTERED BANK	120,000	954,426	980,140
SUN ALLIANCE GROUP	221,700	1,225,073	1,333,871
TARMAC	418,950	1,801,158	1,978,408
TATE & LYLE LTD	175,000	691,476	933,529
TAYLOR WOODROW LTD	350,800	1,600,512	1,809,970
TESCO	474,767	1,457,583	1,868,327
THAMES WATER	52,000	146,475	142,334
THORN EMI P.L.C.	43,525	509,097	593,016
TRAFALGAR HSE LTD	83,997	499,086	475,991
TRANSPORT DEV GROUP	21,500	84,896	81,600
TRUSTHOUSE FORTE	113,650	503,451	616,199
TSB GROUP	410,900	890,612	984,570
ULTRAMAR COMPANY LTD	366,096	1,905,413	2,151,414
UNIGATE LIMITED	34,100	186,397	182,501
UNILEVER LIMITED	110,500	968,009	1,376,043
UNITED BISCUITS	286,420	1,606,330	1,793,396
UNITED SCIENTIFIC	9,250	31,380	10,354
WARBURG (S.G.) GROUP	27,200	157,933	199,806
WELSH WATER	109,850	319,385	336,223
WIGGINS TEAPE APP	66,943	126,887	246,460
WILLIAMS (HOLDINGS)	46,400	218,252	223,984
WILSON (C.) HOLDINGS	22,850	78,602	70,737
		<b>\$105,344,071</b>	<b>\$126,788,090</b>

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
<i>FINLAND</i>			
AMER GROUP A FREE	21,700	\$832,785	\$677,084
INSTRUMENTARIUM B FREE	1,500	85,641	71,355
KONE CORP B FREE	1,000	60,494	180,307
KYMMENE OY FREE	33,850	901,645	723,749
NOKIA AB (OY) FREE	5,000	215,956	134,271
POHJOLA	500	9,094	7,315
POHJOLA 'A'	3,600	168,586	252,609
POHJOLA 'B'	15,700	426,753	421,611
STOCKMANN AB (OY) B	1,400	82,588	66,240
SUOMEN SOKERI OY # 2	6,400	93,034	130,946
UNION BANK FINLAND	18,920	141,483	125,811
WARTSILA AB(OY) SR 2	2,200	122,174	241,944
		<b>\$3,140,233</b>	<b>\$3,033,243</b>
<i>FRANCE</i>			
ACCOR	2,700	\$249,833	\$503,046
AIR LIQUIDE (L')	6,380	522,475	900,652
ARJOMARI PRIoux	353	139,199	144,501
AUXIL D'ENTREPRISE	665	102,212	132,476
BANQUE NATIONALE DE PARIS - CI	34,000	2,314,738	2,564,314
BANQUE NATIONALE DE PARIS - RIGHTS	34,000	0	179,076
BEGHIN SAY	1,500	112,916	236,206
BONGRAIN S.A.	300	125,253	175,743
BOUYGUES	4,025	406,783	477,347
BSN	17,400	1,327,211	2,668,291
CARREFOUR	916	283,120	585,013
CASINO (ETABL ECON)	7,200	173,974	168,198
CASTORAMA DUBOIS	249	104,583	50,808
CASTORAMA - RIGHTS	2,499	43,305	50,992
CFAO (AFRIQUE OCCIDENTAL)	1,700	114,372	175,116
CFI (CIE FONC INTL)	1,000	71,642	86,886
CIE BANCAIRE S.A.	2,820	176,724	307,159
CIE DE ST GOBAIN	8,394	678,852	873,686
CIE FIN PARIBAS	9,050	579,663	1,034,378
CIE FIN SUEZ	15,918	718,550	1,260,436
CIE GEN D'ELECTRIC	64,880	4,236,145	7,369,029
CIE GEN GEOPHYSIQUE	3,800	702,909	803,296
CIMENTS FRANCAIS	8,550	2,209,679	2,698,871
CLUB MEDITERRANEE	1,300	95,789	146,023
CMB PACKAGING	34,164	1,130,789	1,214,897
CODETEL	1,300	34,856	33,071
COFIMEG	62	2,979	3,976
COMPTOIRS MODERNES	550	57,563	109,369
CR FONCIER FRANCE	4,834	1,070,709	1,133,591
CREDIT MOBIL (SOVAC)	700	96,004	90,416
CREDIT NATIONAL	651	111,159	170,739
C.O.F.I.M.E.G.	1,050	54,584	67,341
C.S.F. (THOMSON CSF)	14,850	481,618	324,561
DOCKS DE FRANCE	150	45,533	100,797
DUMEZ	1,642	112,257	170,319
EAUX (CIE GENL)	14,195	4,547,307	6,700,793
ECCO STE	1,200	60,713	122,967
ESSILOR	250	102,347	123,119
EURAFRANCE	450	116,486	167,198
EUROPE NO.1 IMAGES	250	63,215	59,343
FINEXTEL (SOC.FIN)	1,300	45,485	41,944
FONCIERE LYONNAISE	500	41,073	97,187
GEN OCCIDENTALE	1,300	166,680	179,326
G.T.M. ENTREPOSE	4,504	1,082,977	1,419,301
HACHETTE	27,750	2,026,998	1,665,895
HAVAS	5,066	213,887	589,914
IMETAL	1,634	52,641	105,089
LAFARGE COPPEE SA	23,976	1,334,465	1,987,835
LEGRAND	400	178,650	319,670
LOCAFRANCE	350	26,049	30,849
LVMH MOET HENNESSY	2,664	1,019,537	2,142,845
LYONNAISE DES EAUX	4,118	279,318	528,214
L'OREAL	2,850	1,861,768	2,772,393
MATRA SA	3,200	183,757	210,391
MICHELIN C.G.D.E.'B'	14,439	419,313	266,172
MIDI(CIE DU)	3,461	807,316	809,137

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
MOULINEX	2,000	\$26,917	\$37,442
NORD EST	2,000	38,566	68,613
NOUVELLES GALERIES	715	43,578	97,092
OFF OMNIUM FIN PAR	300	78,735	103,081
PARISIENNE REESCOM	825	54,059	63,700
PARISIENNE REESCOM - NEW	42	2,450	3,243
PERNOD RICARD	1,800	215,431	394,697
PEUGEOT S.A.	17,750	2,056,543	2,636,107
POLIET	8,000	694,314	878,538
PRETABAIL SICOMI	400	79,335	88,857
PRENTEMPS (AU)	900	72,600	102,383
PROMODES	400	48,947	150,484
RADIOTECHNIQUE (LA)	350	46,540	45,772
SAGEM (APPLIC GEN)	250	67,591	70,091
SALOMON	370	87,097	104,862
SANOFI	2,450	302,317	424,866
SCHNEIDER S.A.	7,500	970,187	1,367,789
SEFIMEG - NEW	74	4,527	6,575
SIMCO UNION HABIT	1,275	111,663	129,282
SKIS ROSSIGNOL	200	38,306	37,621
SOC NATL ELF AQUITAIN	27,449	1,868,911	3,358,593
SOCIETE GENERALE	8,458	456,373	842,466
SODEXHO	750	88,470	92,709
SOMMER ALLIBERT	250	92,642	87,334
SOURCE PERRIER	1,200	153,297	340,093
S.E.F.I.M.E.G.	1,276	90,733	113,382
TOTAL CO FRAN PETR	4,950	310,709	616,311
UNION DE CREDIT	1,150	35,023	53,565
UNION IMMOB FRANCE	1,000	90,262	116,446
		<b>\$41,544,082</b>	<b>\$59,782,196</b>

#### HONG KONG

AMOY PROPERTIES	800,000	\$344,503	\$328,732
BANK OF EAST ASIA	32,453	47,652	64,177
CATHAY CITY INTERNATIONAL - RIGHTS	1,100	0	270
CATHAY PACIFIC AIRWY	559,000	526,832	678,337
CHEUNG KONG (HOLDINGS)	494,000	592,878	811,968
CHINA LIGHT & POWER	714,040	1,208,487	1,347,851
DAIRY FARMS INTL	348,000	324,016	433,464
DICKSON CONCEPTS	100,000	165,665	160,514
FURAMA HOTEL ENTERPRISES	113,000	109,943	96,494
HARBOUR CENTRE DEVELOPMENT	27,000	32,639	29,990
HENDERSON LAND DEVELOPMENT	100,000	73,703	105,939
HONG KONG AIRCRAFT	122,400	310,218	314,350
HONG KONG ELECTRIC	250,800	230,582	280,187
HONG KONG LAND HOLDINGS	2,003,000	1,948,286	2,134,819
HONG KONG TELECOMMUNICATIONS	814,340	566,259	653,563
HONG KONG & CHINA GAS	1,944,000	2,038,643	2,970,607
HONG KONG & SHANGHAI HOTELS	126,000	72,152	80,899
HONG KONG & SHANGHAI BANK	2,969,900	2,076,731	2,211,932
HOPEWELL HOLDINGS	179,000	89,529	74,128
HUTCHISON WHAMPOA	805,000	1,090,323	1,219,775
HYSAN DEVELOPMENT	585,000	75,133	95,403
JARDINE MATHESON	293,492	613,280	1,215,424
JARDINE STRATEGIC	400,000	954,813	909,149
JOHNSON ELECTRONIC HOLDINGS	705,000	883,710	588,443
NEW WORLD DEVELOPMENT	368,000	639,256	543,435
REGAL HOTELS	122,400	31,837	34,186
REGAL HOTELS(HGS) - WT	240	0	10
SAN MIGUEL BREWERY	44,800	23,489	23,155
STELUX HOLDINGS	244,000	116,745	136,295
SUN HUNG KAI PROPRIETARIES	747,000	1,390,813	1,448,437
SUNG FOQ KEE	304,000	115,530	131,750
SWIRE PACIFIC 'A'	342,000	887,549	913,464
TAI CHEUNG PROPRIETARIES	54,000	29,713	28,604
WHARF (HOLDINGS)	245,300	213,154	267,743
WING LUNG BANK	8,400	24,247	33,708
WINSOR INDUSTRIAL	35,000	35,530	37,753
		<b>\$17,883,838</b>	<b>\$20,404,954</b>

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
<i>ITALY</i>			
AEDES SPA LIQ LOMB	2,500	\$50,876	\$52,664
ALITALIA	329,864	189,941	246,992
ALITALIA LINEE	283,650	469,954	376,650
ASSICURAZ GENERALI	71,000	2,375,465	2,549,016
BANCA NAZ AGRICOLT	98,150	502,609	701,531
BANCA COM ITAL (COMIT)	361,668	1,134,969	1,562,287
BANCO AMBROS VENETO	131,000	560,483	592,721
BANCO AMBROS VENETO RISP	58,560	56,935	158,256
BREDA ERNESTO FINA	45,000	39,861	44,705
BURGO (CARTIERE) SPA	10,625	104,587	109,647
CEMENTIR SPA	14,666	22,724	36,425
CIGA HOTELS	20,264	54,807	97,168
COGEFAR IMPRESIT	8,500	50,447	52,240
CREDITO ITALIANO	178,000	153,858	395,539
DALMINE SPA	173,000	57,505	63,528
ERIDANIA ZUCCH NAZ	19,000	50,595	152,234
FALK,ACC LOMBARDE	7,500	41,295	71,004
FIAT SPA	186,500	1,341,072	1,565,224
FIAT SPA RISP	44,300	99,364	273,789
FIDIS	35,500	168,651	238,898
FRANCO TOSI SPA	2,500	26,110	73,750
GILARDINI INDUSTRY	33,500	109,071	146,219
ITALCABLE	11,232	52,231	74,260
ITALCABLE (SERV CAB)	263,470	1,395,425	2,332,357
ITALCEMENTI	2,000	162,152	254,098
ITALGAS (SOC ITAL)	67,000	162,120	163,656
ITALGAS (SOC ITAL) - NEW	6,700	12,277	16,366
LA PREVIDENTE	19,100	370,339	418,008
MARZOTTO & FIGLI SVG	6,000	17,627	39,344
MEDIOBANCA SPA	174,666	2,365,107	3,075,273
MONDADORI SVGS	2,450	13,253	35,023
MONTEDISON SPA	298,000	391,129	500,738
MONTEDISON SPA SVGS	463,200	359,103	510,659
OLIVETTI & C SPA	67,000	553,096	361,635
OLIVETTI & C SPA - RNC	175,000	815,028	675,902
PIRELLI SPA	115,499	266,288	260,346
PIRELLI SPA - RISP N.C.	52,000	69,965	94,197
RINASCENTE (LA)	19,000	57,652	122,254
RISANAMENTO NAPOLI	1,500	47,630	76,844
R.A.S.	19,000	473,081	412,549
R.A.S. - RISP	250,000	2,753,155	3,300,205
SAFFA SPA	6,500	33,560	56,582
SAIPEM A.G.	39,000	109,896	89,412
SELM	82,550	79,525	199,609
SELM - RISP	22,500	29,463	54,959
SETEMBER SPA	15,000	197,736	667,008
SIP	209,000	159,699	279,409
SIP - NEW ORD	123,500	128,802	165,105
SIP - RISP	110,100	87,097	135,369
SIRTI SPA	261,666	1,539,627	3,107,605
SME (MERIDONALE DI)	53,125	159,539	205,533
SMI (SOC METAL ITAL)	156,500	173,892	268,359
SNIA BPD	65,550	120,642	144,801
S.T.E.T.	192,000	763,184	1,101,482
S.T.E.T. - RISP	400,000	1,143,664	1,967,213
		<b>\$22,724,165</b>	<b>\$30,726,647</b>
<i>JAPAN</i>			
77TH BANK	49,000	\$374,078	\$344,821
AIDA ENGINEERING	13,000	109,916	110,293
AJINOMOTO COMPANY INC.	177,000	4,116,216	2,386,386
ALPS ELECTRIC COMPANY	25,000	374,933	401,184
AMADA COMPANY	39,000	415,891	443,736
AMANO CORPORATION	13,000	167,934	210,326
AOKI CORPORATION	54,000	452,009	422,624
ARABIAN OIL COMPANY	7,000	363,910	425,847
ASAHI BREWERIES	53,000	769,055	630,911
ASAHI CHEMICAL INDUSTRY	182,000	1,630,825	1,071,292
ASAHI GLASS COMPANY	156,000	2,520,677	1,877,540
ASAHI OPTICAL COMPANY	16,000	91,813	90,497
ASHIKAGA BANK	148,000	1,354,551	1,255,640

## COMMON STOCKS - INTERNATIONAL

	Shares	Book Value	Market Value
ASICS CORPORATION	29,000	\$153,622	\$150,674
BANK OF TOKYO	270,000	3,292,947	2,574,811
BANK OF YOKOHAMA	143,000	1,690,731	1,269,648
BANYU PHARMACEUTICAL	37,000	444,040	304,176
BRIDGESTONE CORPORATION	107,000	1,105,482	1,076,685
BROTHER INDUSTRIES	37,000	217,760	211,707
CABIN COMPANY LTD	61,000	1,026,409	874,581
CANON ELECTRONICS	77,000	911,192	815,324
CANON INC.	370,000	3,902,825	4,574,811
CANON SALES	40,000	1,068,967	1,339,033
CHIBA BANK	97,000	937,788	765,538
CHIYODA CORPORATION	26,000	168,827	437,751
CHIYODA FIRE & MARINE	70,000	488,063	437,356
CHIYODA SHOES COMPANY	20,000	542,813	824,729
CHUBU ELECTRIC POWER	61,866	1,972,190	1,318,289
CHUGAI PHARMACEUTICAL	183,000	2,336,152	1,925,682
CITIZEN WATCH COMPANY	41,000	246,420	302,006
COSMO OIL	307,000	2,280,136	1,932,253
CSK	8,000	256,309	336,731
DAI ICHI KANGYO BANK	418,000	9,331,084	6,570,339
DAI NIPPON PHARMACEUTICAL	139,000	2,752,491	2,888,787
DAI NIPPON PRINTING	284,000	4,759,397	3,511,476
DAI TOKYO FIRE & MARINE	7,000	63,641	45,807
DAICEL CHEMICAL	57,000	356,642	367,379
DAIDO STEEL COMPANY	58,000	403,111	333,772
DAIEI INC.	52,000	798,090	687,405
DAIFUKU	14,000	135,323	258,731
DAIICHI PHARMACEUTICAL COMPANY	41,700	746,226	671,917
DAIKIN KOGYO COMPANY LTD	35,000	298,802	458,073
DAIMARU INC.	35,000	297,784	306,149
DAINIPPON INK & CHEMICAL	103,000	647,758	462,670
DAINIPPON SCREEN	172,000	1,593,939	2,126,669
DAISHOWA PAPER MANUFACTURING	29,000	408,097	644,656
DAIWA HOUSE INDUSTRY COMPANY	62,000	990,642	1,035,712
DAIWA KOSHO LEASE	120,000	1,296,088	1,404,801
DAIWA SECURITIES	201,000	4,166,917	1,930,023
DAIWABO COMPANY LTD	210,000	1,264,118	1,068,990
DENKI KAGAKU KOGYO	65,000	365,162	280,007
DIAMOND CITY COMPANY	59,000	1,033,392	834,265
DOWA FIRE & MARINE	140,000	1,454,464	906,939
EBARA	112,000	1,091,532	1,487,932
EISAI COMPANY	32,000	554,307	385,136
ENPLAS CORPORATION	35,000	872,821	906,939
EZAKI GLICO	15,000	157,213	124,301
FANUC LTD	103,100	5,177,983	5,173,647
FUJI BANK	387,000	9,168,440	6,617,560
FUJI MACHINE MANUFACTURING	25,000	831,800	871,424
FUJI PHOTO FILM COMPANY	87,000	2,577,135	2,700,691
FUJI SOFTWARE	32,000	848,336	1,241,697
FUJITA	60,000	425,446	607,695
FUJITA TOURIST ENTERPRISES	16,000	263,745	415,653
FUJITSU DENSO COMPANY	38,000	602,381	624,794
FUJITSU	556,000	6,909,825	5,375,337
FURUKAWA ELECTRIC	84,000	581,769	471,240
GAKKEN COMPANY	14,000	161,674	193,357
GLORY KOGYO	30,000	1,049,491	1,381,125
GUNMA BANK	68,000	522,820	527,721
HANKYU CORPORATION	107,000	701,898	661,493
HANKYU DEPARTMENT STORES	24,000	231,710	263,598
HASEKO CORPORATION	57,000	544,950	483,591
HATTORI SEIKO	14,000	229,747	497,205
HAZAMA GUMI	42,000	246,073	383,953
HIGO BANK	32,000	231,373	235,712
HIROSE ELECTRIC	61,000	2,505,895	2,908,583
HITACHI	1,120,100	11,965,156	11,123,650
HITACHI KIDEN	28,000	299,799	313,055
HITACHI KOKI	90,000	1,229,588	1,373,232
HITACHI PLANT ENG	150,000	1,442,417	1,499,507
HITACHI TRANSPORTATION SYSTEM	70,000	690,515	704,374
HITACHI ZOSEN	150,000	806,276	801,052
HOKURIKU BANK	147,000	1,240,388	1,097,073
HONDA MOTOR COMPANY	130,000	1,899,131	1,521,868
HONSHU PAPER	45,000	319,659	807,958

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
HOUSE FOOD INDUSTRIAL	13,000	\$238,959	\$189,806
HOYA CORPORATION	77,000	1,427,537	1,620,520
IDEC IZUMI CORPORATION	49,500	746,159	664,124
INAX	32,000	398,442	372,509
INDUSTRIAL BANK OF JAPAN	315,000	8,322,093	8,079,579
ITO HAM FOODS INC.	32,000	387,677	239,921
ITO YOKADO	181,000	5,238,135	4,642,552
ITOH (C.) FUEL	120,000	1,319,398	994,410
ITOH (C.) & COMPANY	774,000	5,552,039	4,087,616
IWATANI & COMPANY	31,000	175,858	203,880
JAPAN AIRLINES	24,000	2,587,617	2,809,602
JAPAN AIRPORT TERM	71,500	1,742,362	1,664,650
JAPAN ELECTRON OPT	8,000	75,826	73,134
JAPAN MELTEX	24,000	610,025	718,185
JAPAN RADIO COMPANY	194,000	2,588,436	3,751,134
JAPAN STEEL WORKS	49,000	427,666	249,753
JOYO BANK	99,000	823,586	1,139,428
JUJO PAPER COMPANY	63,000	427,815	321,940
JUSCO COMPANY	127,000	1,880,262	1,662,151
KAGOME COMPANY	75,000	1,025,544	887,866
KAJIMA CORP	324,000	4,167,278	4,155,212
KAMIGUMI COMPANY	30,000	183,197	232,818
KANEBO	68,000	326,637	315,291
KANEGAFUCHI CHEMICAL	47,000	395,399	284,071
KANSAI ELECTRIC POWER	154,100	3,899,394	3,405,301
KANSAI PAINT COMPANY	35,000	267,695	267,017
KANTO BIOMED LABORATORIES	300	5,778	7,498
KAO CORPORATION	230,000	3,022,640	2,420,256
KAWASAKI K.K.	79,000	264,790	436,435
KAWASAKI STEEL CP	434,000	1,693,328	1,584,150
KEIHIN ELECTRIC EXPRESS	67,000	625,536	480,303
KIKKOMAN SHOYU COMPANY	21,000	203,343	186,452
KINDEN CORPORATION	57,000	1,288,352	1,334,561
KINKI NIPPON RLY	206,940	1,813,371	1,358,278
KIRIN BREWERY COMPANY	203,000	3,231,411	2,469,911
KOA FIRE & MARINE	108,000	836,870	706,741
KOBE STEEL	379,000	1,378,388	1,383,394
KOIKE SANSO KOGYO	200,000	1,581,262	1,907,267
KOKUYO	94,000	2,054,454	2,781,980
KOMATSU	135,000	747,262	1,047,682
KOMORI PRINTING	25,000	1,014,758	1,114,765
KONIKA	51,000	672,330	526,603
KORAKUEN COMPANY	19,000	591,409	467,346
KOYO SEIKO COMPANY	26,000	197,291	227,425
KUBOTA	189,000	1,112,824	1,292,733
KUMAGAI-GUMI COMPANY	91,000	743,327	676,291
KURABO	38,000	228,572	234,923
KURARAY COMPANY	125,000	1,449,914	1,298,915
KUREHA CHEMICAL	31,000	303,913	186,143
KURITA WATER INDUSTRIES	118,000	1,346,956	1,885,827
KYOCERA CORPORATION	150,000	6,211,696	8,770,141
KYOWA BANK	174,300	1,749,195	1,375,600
KYOWA HAKKO KOGYO	60,000	767,862	528,773
LION CORPORATION	34,000	287,975	220,256
MAEDA ROAD CONSTRUCTION	13,000	230,777	243,670
MAKINO MILLING	12,000	81,440	151,529
MAKITA ELECTRIC WK	88,000	1,079,259	1,637,882
MARUBENI CORPORATION	318,000	1,712,081	1,568,563
MARUDAI FOOD COMPANY	17,000	181,133	139,757
MARUI COMPANY	208,000	4,563,988	4,199,671
MATSUSHITA ELECTRIC INDUSTRY	279,000	5,738,804	3,926,735
MATSUSHITA ELECTRIC WK	100,000	1,411,034	1,354,817
MATSUSHITA REIKI	63,000	766,349	675,370
MEIJI MILK PRODUCT	39,000	286,853	218,277
MEIJI SEIKA KAISHA	56,000	439,699	342,151
MINEBEA	51,000	427,768	345,478
MISAWA HOMES	14,000	204,800	243,078
MITSUBISHI BANK	100	2,241	1,559
MITSUBISHI CORPORATION	392,000	4,185,415	3,764,025
MITSUBISHI ELECTRIC	427,000	3,093,710	2,808,287
MITSUBISHI ESTATE	264,000	5,512,369	2,587,044
MITSUBISHI GAS	68,000	389,189	334,969
MITSUBISHI HEAVY INDUSTRY	1,214,000	8,839,367	7,984,216

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
MITSUBISHI KASEI	191,000	\$1,796,657	\$935,843
MITSUBISHI METAL	122,000	917,845	698,060
MITSUBISHI OIL	45,000	274,610	340,349
MITSUBISHI PAPER	42,000	301,885	229,543
MITSUBISHI PETROCHEMICAL	67,000	728,742	515,554
MITSUBISHI STEEL	19,000	416,619	197,435
MITSUBISHI TRUST & BANKING	172,000	4,396,248	2,126,669
MITSUBISHI WAREHOUSE	22,000	282,546	244,525
MITSUI ENGINE & SHIPBUILDING	103,000	391,916	617,119
MITSUI MINING & SMELT	66,000	436,779	325,985
MITSUI O.S.K. LINES	371,000	1,466,327	1,969,069
MITSUI PETROCHEMICAL	175,000	1,233,733	1,254,522
MITSUI REAL ESTATE DEVELOPMENT	266,000	4,645,373	3,201,447
MITSUI TAIYO KOBE	442,000	7,222,328	6,395,265
MITSUI TOATSU CHEMICAL	101,000	650,765	455,015
MITSUI TRUST & BANKING	322,000	5,056,871	3,409,536
MITSUI & COMPANY	204,000	1,444,938	1,206,156
MITSUKOSHI	99,000	1,503,013	1,152,450
MIURA KOGYO	100,000	1,381,797	1,460,046
MIZUNO	110,000	1,337,395	1,258,796
MOCHIDA PHARMACEUTICAL	14,000	499,918	340,677
MORI SEIKI	13,000	266,862	376,192
MURATA MANUFACTURING	111,000	2,358,274	2,452,877
NAGOYA RAILROAD	98,000	729,866	612,299
NAIKAI SHIPBUILDING	30,000	128,731	226,899
NEC CORPORATION	652,000	10,371,237	8,576,126
NICHII	136,000	2,688,917	1,896,218
NICHIREI	41,000	348,925	283,131
NIHON CEMENT	44,000	418,818	315,423
NIHON IYAKUJIN KOG	39,000	352,678	315,488
NIHON KODEN CORPORATION	2,900	40,276	40,053
NIHON NOHYAKU	74,951	842,409	690,111
NIIGATA ENGINEERING	50,000	200,728	284,775
NIPPON BEET SUGAR	21,000	154,306	157,448
NIPPON DENKO	15,000	135,398	90,266
NIPPON EXPRESS	245,000	2,524,476	1,691,878
NIPPON FIRE & MARINE	176,000	1,627,891	1,296,416
NIPPON LIGHT METAL	64,000	329,591	417,126
NIPPON MEAT PACK	172,000	2,818,430	1,956,988
NIPPON MINING	117,000	558,956	677,146
NIPPON OIL	165,000	1,521,127	1,378,165
NIPPON SEIKO	76,000	466,360	529,826
NIPPON SHARYO SEIZO	19,000	208,846	193,686
NIPPON SHEET GLASS	229,000	1,906,373	1,325,353
NIPPON SHINPAN COMPANY	171,000	1,808,277	1,237,093
NIPPON SHOKUBAI K.K.	26,000	294,587	312,923
NIPPON STEEL	923,000	3,937,054	3,369,056
NIPPON YUSEN	157,000	856,417	887,997
NIPPONDENSO	111,000	1,618,526	1,679,053
NISSAN MOTOR	336,000	2,757,524	2,408,681
NISSHIN ELECTRIC COMPANY	150,000	1,627,408	1,558,698
NISSHINBO INDUSTRIES	30,000	332,566	260,441
NISSHO IWAI CORPORATION	193,000	1,293,034	1,039,573
NISSIN FOOD PRODUCTS	19,000	628,241	417,363
NITTO DENKO CORPORATION	21,000	421,501	225,123
NKK CORPORATION	486,000	1,867,213	1,943,361
NOMURA COMPANY	28,000	712,569	1,103,058
NOMURA SECURITIES	416,000	12,592,892	6,155,870
NORITAKE	17,000	145,910	185,597
NTN TOYO-BEARING	64,400	319,707	436,251
N.G.K. INSULATORS	198,000	2,098,441	1,927,261
ODAKYU ELECTRIC RAILWAY	237,000	2,079,325	1,730,155
OHYAYASHI-GUMI	100,000	773,048	1,098,323
OJI PAPER	83,000	943,788	589,543
OKUMA MACHINERY	18,000	148,325	217,823
OKUMURA CORPORATION	34,000	250,882	415,916
OLYMPUS OPTICAL COMPANY	30,000	258,405	309,767
OMRON CORPORATION	32,000	606,043	620,848
ONODA CEMENT	65,000	471,549	346,268
ONWARD KASHIYAMA	19,000	267,296	261,164
ORIENT CORPORATION	46,000	504,433	411,444
ORIX CORPORATION	27,000	707,264	806,182
OSAKA GAS	707,950	3,842,259	2,941,574

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
OSAKA ORGANIC CHEMICAL	38,000	\$658,252	\$574,811
PENTA OCEAN CONSTRUCTION	43,000	307,037	347,846
PIONEER ELECTRONIC CORPORATION	24,500	607,905	1,048,392
RENOWN INC.	259,000	2,110,842	1,754,489
RICOH COMPANY	87,000	860,498	635,120
SAGAMI COMPANY	20,000	260,285	269,648
SAGAMI RAILWAY COMPANY	52,000	367,114	345,413
SAKAI TEXTILE MANUFACTURING	70,000	482,490	474,186
SAKATA SEED	22,000	790,064	772,641
SANKI ENGINEERING	130,000	1,819,952	2,240,053
SANRIO COMPANY LTD	60,000	1,215,341	1,338,376
SANYO ELECTRIC COMPANY	460,000	2,708,711	2,795,396
SAPPORO BREWERIES	47,000	663,802	472,937
SECOM	14,000	578,032	621,506
SEINO TRANSPORT	68,000	1,035,719	961,526
SEIYU	26,000	391,198	360,802
SEKISUI CHEMICAL	271,000	2,796,280	2,691,286
SEKISUI HOUSE LTD	307,000	4,903,225	4,038,145
SETTSU	32,000	233,412	231,503
SEVEN-ELEVEN JAPAN	29,000	1,207,517	1,460,967
SHARP CORP.	297,000	2,961,112	3,633,147
SHIMADZU CORPORATION	75,000	677,508	591,911
SHIMIZU CONSTRUCTION	106,000	892,575	1,457,021
SHINETSU CHEMICAL	154,000	2,336,676	1,853,469
SHINKAWA	24,000	790,308	1,025,978
SHINKO KOGYO	120,000	1,231,834	1,791,516
SHIONOGI	50,000	771,800	486,682
SHISEIDO	95,000	1,334,150	1,487,011
SHIZUOKA BANK	102,000	986,965	845,248
SHOCHIKU COMPANY LTD	8,000	198,588	257,810
SHOKUSAN JUTAKU	19,000	147,094	146,202
SHOWA DENKO	140,000	910,583	644,525
SKYLARK COMPANY	10,000	243,680	189,411
SNOW BRAND MILK	38,000	402,251	264,913
SONY CORPORATION	102,600	5,129,978	6,126,985
SUMITOMO BANK	424,150	10,541,137	6,862,276
SUMITOMO CEMENT	42,000	291,432	211,036
SUMITOMO CHEMICAL	217,000	1,713,400	956,199
SUMITOMO CORPORATION	371,000	3,039,286	3,049,984
SUMITOMO ELECTRIC	536,000	6,236,224	5,604,998
SUMITOMO FORESTRY	40,000	418,308	652,417
SUMITOMO HEAVY INDUSTRY	85,000	439,935	486,353
SUMITOMO MARINE & FIRE	82,000	812,172	560,868
SUMITOMO METAL INDUSTRY	406,000	1,500,355	1,495,298
SUMITOMO METAL & MINING	67,000	760,125	616,902
SUMITOMO PRECISION	40,000	596,924	594,541
SUMITOMO REALTY & DEVELOPMENT	100,000	1,139,472	993,094
SUMITOMO RUBBER INDUSTRY	99,000	543,791	996,185
SUMITOMO SPECIAL METAL	101,000	1,807,643	1,952,910
SUMITOMO TRUST & BANKING	1,000	20,421	11,838
TAISEI CORPORATION	339,000	3,095,771	2,920,684
TAISHO MARINE & FIRE	90,000	842,550	609,668
TAISHO PHARMACEUTICAL	43,000	678,318	650,444
TAIYO FISHERY	44,000	199,743	197,935
TAIYO KAGAKU	20,000	362,444	280,171
TAIYO YUDEN	14,000	141,225	140,875
TAKARA SHUZO	27,000	199,379	172,246
TAKASHIMAYA	30,000	547,271	574,153
TAKEDA CHEMICAL	116,000	2,679,736	1,312,200
TANABE SEIYAKU	34,000	635,658	292,930
TASAKI SHINJU	40,000	958,813	970,733
TDK CORPORATION	30,000	1,219,878	1,479,776
TEIJIN	128,000	866,747	611,167
TEIKOKU OIL	38,000	256,310	289,905
TOA CORPORATION	23,920	183,084	165,183
TOBU RAILWAY	108,000	811,034	724,499
TODA CONSTRUCTION	60,000	866,060	844,459
TOHO	1,400	230,009	344,360
TOHOKU ELECTRIC POWER	91,700	2,043,477	1,827,366
TOHOKU ELECTRIC CONSTRUCTION	67,000	1,512,169	1,683,262
TOKAI BANK	271,000	4,526,928	3,208,155
TOKAI RIKI DENKI	75,000	836,239	828,675
TOKIO MARINE & FIRE	562,000	8,425,768	4,989,806

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
TOKYO BROADCASTING	112,000	\$2,365,908	\$2,239,263
TOKYO DENKI KOMUSHO	152,000	1,964,809	1,959,355
TOKYO ELECTRIC POWER	183,878	8,782,197	5,079,169
TOKYO ELECTRON	16,000	366,530	494,574
TOKYO GAS	488,750	4,154,436	2,362,586
TOKYO KIKAI SEISAK	85,000	851,987	1,006,248
TOKYO STYLE COMPANY	12,000	181,604	185,465
TOKYO TATEMONO	82,500	903,946	705,360
TOKYOTOKEIBA COMPANY	35,000	368,169	241,697
TOKYU CORPORATION	148,000	1,766,036	1,654,719
TOKYU LAND CORPORATION	5,000	41,913	32,851
TOPPAN PRINTING	169,000	2,542,239	1,933,969
TORAY INDUSTRIES INC.	661,000	4,746,241	3,325,649
TOTO	73,400	1,151,245	1,028,228
TOYO EXTERIOR	22,000	761,311	829,069
TOYO KANETSU	11,000	57,080	94,771
TOYO SASSHI	23,000	775,215	785,071
TOYO SEIKAN KAISHA	24,000	565,196	651,891
TOYOBO	97,000	465,183	456,133
TOYODA AUTO LOOM	38,000	543,539	742,256
TOYOTA MOTOR COMPANY	540,000	8,958,853	8,345,939
TSUGAMI CORPORATION	12,000	75,547	101,019
TSUMURA JUNTENDO	69,000	1,209,725	1,184,413
UBE INDUSTRIES	118,000	510,331	493,574
UNITIKA	71,000	268,617	332,003
YAMAHA CORPORATION	27,000	486,476	348,043
YAMAICHI SECURITIES	264,000	3,613,835	2,170,339
YAMANOUCHI PHARMACEUTICAL	178,000	4,906,246	3,430,056
YAMATO TRANSPORTATION	33,000	398,990	273,463
YAMAZAKI BANKING	76,000	1,010,043	869,714
YASUDA F & M INSURANCE	65,000	561,846	436,041
YASUDA TRUST & BANKING	138,000	2,122,925	1,706,281
YOKOGAWA ELECTRIC	150,000	1,502,392	1,588,293
		<b>\$520,657,941</b>	<b>\$454,692,070</b>

*NETHERLANDS*

AHOLD NV	3,325	\$146,019	\$262,444
AKZO NV	6,301	382,224	415,462
ALGEMENE BANK NED	17,200	360,702	343,080
AMSTERDAM ROTTERDAM BANK	8,856	331,798	352,819
BUHRMANN TETTERODE	44,479	1,249,108	1,726,850
ELSEVIER NV	120,161	3,736,596	5,898,813
GETRONICS	2,373	43,908	42,892
HEINEKEN NV	25,211	1,381,178	1,755,333
HOLLANDSCHE BETON	517	33,624	58,750
HOOGOVENS & STAALF	2,701	57,950	104,573
HUNTER DOUGLAS	18,000	594,240	926,952
IHC CALAND NV	1,043	26,429	31,234
NATIONAL NEDERLANDEN	62,166	1,872,627	2,426,811
NBM AMSTELLAND NV	50,000	474,883	387,701
NORIT NV	40,000	709,840	1,131,551
PAKHOED HOLDING NV	771	35,821	83,779
PHILIPS LAMPS HOLDINGS	137,823	2,826,872	2,439,541
ROYAL DUTCH PETROLEUM	101,841	6,358,673	7,673,474
STAD ROTTERDAM	43,202	1,035,702	1,076,585
STAD ROTTERDAM - WTS	2,879	0	17,089
UNILEVER NV	22,002	1,292,156	1,888,407
VMF STORK	3,372	33,292	99,176
WOLTERS KLUWER	6,137	115,556	169,342
		<b>\$23,099,199</b>	<b>\$29,312,657</b>

*NEW ZEALAND*

BANK OF NEW ZEALAND	1,081,905	\$690,808	\$566,676
BRIERLEY INVESTMENT	764,850	887,621	787,716
CARTER HOLT HARVEY	51,200	69,782	83,164
ELDERS RES (NZFP)	102,450	162,582	107,925
FISHER & PAYKEL	11,700	29,954	25,890
FLETCHER CHALLENGE	142,514	418,747	356,453
LION NATHAN LTD	70,000	124,040	115,348
WILSON & HORTON	6,300	23,284	32,998
		<b>\$2,406,818</b>	<b>\$2,076,169</b>

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
<i>NORWAY</i>			
BIK BOK GRUPPEN	3,650	\$7,948	\$7,711
DEN NORSKE BANK	8,600	286,716	197,840
DYNO INDUSTRIER - WTS	4	0	4
DYNO INDUSTRIER	6,666	105,216	163,781
ELKEM A/S	2,160	43,367	94,648
HAFSLUND NYCOMED - B	20,000	512,878	613,459
KVAERNER INDUSTRIES - B	26,545	1,268,227	1,329,347
KVAERNER - FREE	27,256	1,279,595	1,407,587
K AVKASTNING - UNITS	28,276	967,420	1,260,871
NORA EIENDOM - NEW	228	3,124	6,601
NORA INDUSTRIES	1,160	39,347	41,934
NORA INDUSTRIES - WTS	232	0	7,261
NORSK DATA A/S 'A'	3,000	30,625	23,005
NORSK HYDRO A/S	32,420	558,410	984,269
ORKLA BORREGAARD - B	320	0	11,668
ORKLA BORREGAARD - FREE	7,900	284,798	302,895
STOREBRAND A/S	6,800	64,285	120,782
		<b>\$5,451,957</b>	<b>\$6,573,663</b>
<i>SINGAPORE</i>			
AMALGAMATED STEEL MILLS BHD	206,000	\$245,179	\$358,261
AMCOL ELECTRIC INDUSTRY	300,000	201,863	314,674
ANTAH HOLDINGS BHD	100,000	145,139	138,007
ASIA PACIFIC BREWERIES	19,000	94,250	97,065
BANDAR RAYA DEVELOPMENT	333,000	277,094	233,462
BOUSTED HOLDINGS	18,000	10,623	18,880
CITY DEVELOPMENTS	155,200	285,320	298,591
CONSD PLANT BERHAD	91,500	76,960	94,484
DEVELOPMENT BANK SINGAPORE	434,220	1,709,530	3,020,661
DMIB BERHAD	43,000	22,532	30,614
FRASER & NEAVE	256,000	1,147,223	1,210,435
GENTING BERHAD	252,000	875,635	1,266,848
GOLDEN HOPE PLANT	120,000	152,405	103,696
HAW PAR BROTHERS INTERNATIONAL	21,000	35,378	31,272
HIGHLANDS & LOWLANDS	38,000	43,349	48,739
HONG LEONG INDUSTRIES	18,000	29,352	47,348
HOTEL PROPERTIES	200,000	268,958	289,130
INCHCAPE BERHAD	93,000	283,574	260,299
KEPPEL CORP.	407,000	1,352,588	1,681,087
KING S HOTEL LTD	11,000	21,728	21,043
KUALA LUMPUR KEPONG	56,000	90,539	87,348
MALAYAN BANKING	393,800	1,340,077	1,840,587
MALAYAN UNITED INDUSTRIES	202,600	212,721	156,669
MALAYAN UNITED - WTS	20,000	0	2,066
MALAYAWATA STEEL	50,000	92,428	95,941
MALAYSIAN AIRLINE SYSTEM	332,000	924,060	1,114,760
MALAYSIAN INTERNATIONAL SHIPPING	655,000	2,650,964	2,574,036
MALAYSIAN MINING COMPANY	55,000	51,377	56,196
MALAYSIAN TOBACCO	25,000	47,902	38,043
MULTI PURPOSE HOLDINGS	104,000	31,299	58,783
NATIONAL IRON & STEEL	238,000	1,043,431	1,196,467
NEPTUNE ORIENT LNS	47,000	39,634	52,364
OVERSEAS CHINESE BANKING	337,400	1,584,329	1,762,838
OVERSEAS CHINESE BANKING - RIGHTS	6,400	0	870
OVERSEAS UNION ENTERPRISES	14,000	39,018	72,283
PAN MALAYSIAN CEMENT	250,000	250,496	389,946
PELANGI BERHAD	50,000	53,754	71,956
PERLIS PLANTATION	25,333	47,345	79,854
PRIMA	8,000	26,012	26,957
PROMET BERHAD	500,000	254,382	190,037
PUBLIC BANK BERHAD	245,333	122,364	145,830
ROTHMANS INDUSTRIES	150,000	279,103	327,717
SELANGOR PROPERTIES	37,000	35,913	31,571
SHANGRI LA HOTEL	16,000	53,466	73,043
SHANGRI LA HOTEL - NEW	5,818	19,442	26,560
SHELL REF (MALAYA)	15,000	40,138	72,554
SIME DARBY BERHAD	1,772,500	1,820,884	2,764,715
SINGAPORE INTERNATIONAL AIR - F	232,000	1,539,561	2,269,565
SINGAPORE LAND	17,000	81,374	135,815
SINGAPORE PRESS HOLDINGS	23,000	63,441	99,375
SINGAPORE PRESS HOLDINGS - F	185,000	799,331	1,055,707

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
STRAITS STEAM SHIP	36,000	\$38,624	\$73,565
STRAITS TRADING COMPANY	50,000	85,646	90,761
TAN CHONG MOTOR HOLDINGS	400,000	248,525	521,739
TASEK CEMENT BERHD	18,000	21,785	32,283
TRACTORS (MALAYSIA)	72,000	242,580	371,739
UMW HOLDINGS BHD	94,600	193,753	277,630
UNITED ENGINEERS	100,000	280,132	509,225
UNITED INDUSTRIAL CP	63,000	95,272	95,870
UNITED OVERSEAS BANK	663,912	1,613,877	2,309,259
UNITED OVERSEAS LAND	74,000	62,699	86,870
UNITED PLANTATION BHD	11,000	14,082	16,261
WEARNE BROTHERS	10,800	22,980	35,804
		<b>\$23,833,421</b>	<b>\$30,856,055</b>

*SPAIN*

ACERINOX S.A.	1,006	\$141,944	\$96,466
AGUILA, EL	1,965	35,124	32,878
ASLAND S.A.	27,105	1,296,039	1,564,770
AZUCARERA ESPANA	952	50,674	70,795
AZUCARERA ESPANA - RIGHTS	825	0	61,350
BANCO BILBAO VIZCAYA	30,974	990,708	1,068,330
BANCO CENTRAL	2,004	76,317	96,082
BANCO DE SANTANDER	14,645	865,327	716,507
BANCO ESPANOL DE CREDITO	13,930	674,853	539,753
BANCO HISPANOAMERICANO	11,663	429,493	376,023
BANCO INTERCONTINENTAL ESPANA	13,373	1,133,729	1,133,172
BANCO POPULAR ESPANA	14,400	1,146,357	1,335,734
CATALANA GAS ELEC	3,529	94,493	171,616
CORP FIN ALBA	16,923	1,315,645	1,354,502
DRAGADOS & CONSTRUCTION S.A.	3,962	83,893	127,932
ERCROS S.A.	38,516	592,499	506,889
FABRICA AUTOMOTRIZ RENAULT	2,894	206,222	135,922
FINANZAUTO S.A.	1,143	36,181	39,983
FOMENTO OBRAS CONS	- 966	102,745	142,253
HIDROELECTRICA ESPANOLA	295,845	1,440,655	1,589,226
HIDROIBERICA IBER	62,518	394,658	436,158
HORNOS IBERICOS ALBA	11,249	399,641	637,297
METAL DURO FELGUERA	753	12,267	11,420
NISSAN MOTOR IBER - A	13,927	125,271	113,106
PORTLAND VALDERRIVAS	6,045	1,342,595	1,465,410
REPSOL S.A.	40,628	881,518	1,025,638
SEVILLANA DE ELECTRICIDAD	29,038	145,963	176,728
SNIACE SDAD NAC	1,064	13,704	7,288
TABACALERA S.A.	4,694	203,329	192,904
TELEFONICA DE ESPANA	125,626	1,020,993	1,068,190
UNION ELEC FENOSA	257,779	998,925	1,475,545
UNION Y EL FENIX	1,292	109,510	111,881
URALITA	3,977	138,999	149,624
URBIS S.A. SER 2	2,554	50,482	58,352
		<b>\$16,550,754</b>	<b>\$18,089,723</b>

*SWEDEN*

ASEA AB (FREE) - B	16,575	\$1,472,964	\$2,223,744
ASTRA AB (FREE) - A	18,726	614,617	1,793,407
ATLAS COPCO (FREE) - A	14,000	458,378	824,212
ATLAS COPCO (FREE) - B	18,000	950,254	1,005,970
ELECTROLUX AB (FREE) - B	44,500	2,025,254	1,918,740
ERICSSON(L.M.) TEL - B	15,616	1,485,505	3,522,017
ESSELTE AB (FREE) - B	15,800	535,272	576,451
MO OCH DOMSJO AB	6,200	348,672	323,881
PHARMACIA AB (FREE) - B	12,600	346,286	449,254
SKANDIA FORSAKRING	26,100	869,872	870,000
STORA KOPPABERGS - FREE	5,300	290,638	316,418
STORA KOPPARBERGS (FREE) - B	12,224	681,629	760,199
SVENSKA CELLULOSA (FREE) - B	9,700	194,604	193,035
TRELLEBORG AB (FREE) - B	27,268	525,931	759,705
TRELLEBORG - RIGHTS	25,268	0	12,571
VOLVO AB (FREE) - B	15,550	994,775	858,731
VOLVO AB - A	5,800	385,856	442,454
		<b>\$12,180,506</b>	<b>\$16,850,789</b>

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
<i>SWITZERLAND</i>			
ADIA SA	7,000	\$1,140,857	\$1,073,498
ADIA (BR)	284	364,677	316,113
ALUSUIS LONZA HOLDINGS PTG	2,300	96,163	182,862
ALUSUIS LONZA HOLDINGS (BR)	280	153,111	286,926
ARES SERONO	600	900,108	1,225,442
BBC BRN BOV & CIE (BR)	368	1,316,221	1,547,420
BBC BRN BOV & CIE - RIGHTS	66	0	1,119
CIBA GEIGY AG PTG	280	410,313	585,724
CIBA GEIGY AG (BR)	195	424,094	475,442
CIBA GEIGY AG (RGD)	1,125	1,993,266	2,380,389
C.S. HOLDINGS (BR)	1,091	1,854,881	1,918,972
GRANDS MAG JELMOLI	120	202,340	194,205
HOLDERBANK GLARUS PTG	4,600	1,198,711	2,116,325
INTERDISCOUNT HOLDINGS	60	129,106	193,357
INTERDISCOUNT HOLDINGS - RIGHTS	60	0	1,060
NESTLE AG PTG	299	321,869	363,449
NESTLE AG (BR)	229	1,339,954	1,432,261
NESTLE AG (REGD)	509	2,285,768	3,012,633
REISEBURO KUONI PTG	43	36,712	37,682
REISEBURO KUONI (BR)	41	1,023,432	854,770
ROCHE HOLDINGS (BR)	130	268,644	725,795
ROCHE HOLDINGS (GENUS)	852	1,723,845	2,631,265
SANDOZ AG (PTG)	275	364,494	454,770
SCHINDLER HLDG PTG	746	739,571	738,092
SCHW BANKVEREIN (BR)	4,250	992,839	952,120
SCHW RUCKVERSICH PTG	660	281,218	285,456
SCHWEIZ BANKVEREIN	8,150	1,951,929	1,606,961
SCHWEIZ RUCKVERSICH	57	174,597	143,004
SIKA FINANZ AG PTG	1,715	659,426	957,491
SIKA FINANZ AG (BR)	50	87,525	166,078
SIKA FINANZ AG (RFD)	6	5,441	19,929
SOC GEN SURVEILL (BR)	74	1,501,971	1,751,943
SOC GEN SURVEILL - A	450	1,467,187	1,828,622
SULZER GEBRUDER PTG	3,208	1,432,332	1,677,682
S.M.H.	2,900	1,201,392	1,399,788
UNION BANK SWITZ FIN (BR)	199	384,414	500,664
UNION BK SWITZ FIN (BR)	739	1,610,216	1,859,251
ZURICH VERSICHER PTG	1,240	1,588,620	1,892,862
ZURICH VERSICHER (BR)	114	444,171	376,240
		<b>\$32,071,414</b>	<b>\$38,167,663</b>
<i>UNITED STATES</i>			
ASEA ADR	13,000	\$885,000	\$1,725,750
BRITISH PETROLEUM PLC	18,000	1,160,010	1,197,000
EMPRESA NACIONAL DE ELECTRICIDAD	62,000	847,159	1,542,250
ERICSSON L.M. TEL COMPANY ADR	19,000	728,135	4,241,750
GLAXO HOLDINGS PLC	65,000	1,129,525	1,885,000
HITACHI LIMITED	5,500	554,510	543,813
HONG KONG TELECOMMUNICATIONS	25,000	480,025	590,625
HOYA CORPORATION	16	25,800	36,500
INCO LIMITED	38,000	1,043,710	1,087,750
NICHIREI CORPORATION - WTS	425	848,000	454,219
POLYGRAM NV	61,000	976,000	1,143,750
TAISHO MARINE & FIRE - WTS	330	561,000	249,563
TOYOTA MOTOR CORP. - WTS	105	471,084	450,188
		<b>\$9,709,958</b>	<b>\$15,148,156</b>
<i>WEST GERMANY</i>			
AGIV A.G. - NEW	60	\$10,727	\$31,252
ALLIANZ A.G.	2,250	1,949,920	3,766,484
AMB AACH & MUN BET	550	232,689	293,099
ASKO DEUT KAUFHAUS	475	214,498	265,716
BASF A.G.	8,350	1,254,159	1,369,627
BAYER A.G.	12,750	2,187,352	2,136,644
BAYER HYPO WECH BANK	2,750	588,217	633,393
BAYER HYPO WECH BANK - NEW	210	44,344	48,368
BAYER MOTOREN WERK	1,800	653,849	630,818
BAYER VEREINSBANK	2,137	427,737	508,289
BAYER VEREINSBANK - NEW	168	30,146	39,959
BEIERSDORF A.G.	650	217,203	355,784
BERZELIUS UMWELT SERVICE A.G.	1,600	541,880	621,425

COMMON STOCKS - INTERNATIONAL	Shares	Book Value	Market Value
BILFINGER & BERGER	368	\$57,268	\$207,033
BRAU UND BRUNNEN	500	68,378	158,066
COLONIA VERSICHER	3,950	2,162,877	2,851,840
DAIMLER BENZ A.G.	6,400	2,430,152	3,257,229
DEUTSCHE BANK A.G.	10,507	3,253,404	5,045,663
DEUTSCHE BANK A.G. - NEW	317	112,179	152,229
DOUGLAS HOLDINGS A.G.	6,000	1,932,105	3,255,254
DRESDNER BANK A.G.	4,444	717,685	1,135,954
DRESDNER BANK A.G. - NEW	518	83,887	132,409
DYCKERHOFF A.G.	250	38,720	155,808
FELDMUEHLE NOBEL A.G. - RIGHTS	6	0	90
FELDMUEHLE NOBEL - REG	1,092	199,146	340,613
HEIDELBERG ZEMENT	3,371	1,057,141	2,598,230
HOESCH A.G.	6,100	789,611	1,208,466
HOLSTEN BRAUEREI	200	73,429	85,506
KARSTADT A.G.	1,050	274,695	445,746
KAUFHOF A.G.	1,150	289,959	455,513
KAUFHOF A.G. - RIGHTS	2,300	0	7,988
LINDE A.G.	980	399,604	606,636
LUFTHANSA	4,125	356,678	427,726
MANNESMANN A.G.	15,150	2,254,323	3,275,035
MANNESMANN A.G. - NEW	422	48,899	91,225
MUNCHENER RUCKVERS	1,950	2,026,312	2,677,184
M.A.N. A.G.	1,450	186,354	415,608
M.A.N. A.G. - NEW	178	33,577	51,019
PAPIERWRKE WALDHOF	1,120	170,918	207,045
PREUSSAG A.G.	1,304	274,663	357,271
PREUSSAG A.G. - NEW	1,839	244,759	485,579
RHEINELEKTRA A.G.	2,000	1,177,059	3,372,072
RHEINMETALL BERLIN	350	59,202	94,207
RWE A.G.	18,366	2,372,866	5,501,948
SALAMANDER A.G.	281	39,790	96,786
SCHERING A.G.	2,940	1,297,638	1,414,500
SIEMENS A.G.	14,845	4,144,385	6,699,782
SPRINGER A VERLANG	3,650	1,075,645	1,749,503
STRABAG BAU A.G.	4,964	944,968	2,301,608
THYSSEN A.G.	13,300	1,036,478	2,270,458
VIAG A.G.	27,179	4,865,944	7,208,170
VOLKSWAGENWERK A.G.	3,750	630,144	1,407,915
		<b>\$45,533,563</b>	<b>\$72,905,771</b>
<b>TOTAL COMMON STOCK - INTERNATIONAL</b>		<b>\$919,354,417</b>	<b>\$967,824,640</b>
<b>TOTAL COMMON STOCK</b>		<b>\$3,360,897,762</b>	<b>\$4,407,259,243</b>

<b>PREFERRED STOCKS - DOMESTIC</b>	Shares	Book Value	Market Value
ADVANCED MICRO DEVICES INC.	40,000	\$1,270,000	\$1,270,000
ALLEN GROUP INC.	56,000	1,078,000	1,078,000
BIODIN INC.	7,500	187,500	303,750
CUMMINS ENGINE INC.	40,000	1,605,000	1,605,000
DEVON ENERGY CORPORATION	10,000	250,000	335,000
FEDERAL HOME LOAN MORTGAGE CORPORATION	163,900	12,374,450	12,374,450
FREEPORT-MCMORAN INC.	120,000	4,320,000	4,320,000
ITT CORPORATION	10,000	952,500	952,500
JAMES RIVER CORPORATION OF VIRGINIA	20,000	860,000	860,000
TIME WARNER INC.	219,326	9,481,986	9,481,986
TIME WARNER INC. (SERIES D)	95,843	4,133,229	4,133,229
TOSCO CORPORATION	7,500	361,140	370,313
UNISYS CORPORATION	200,000	6,450,000	6,450,000
WOLVERINE EXPLORATION COMPANY	60,000	851,672	1,282,500
<b>TOTAL PREFERRED STOCKS - DOMESTIC</b>		<b>\$44,175,477</b>	<b>\$44,816,728</b>

<b>PREFERRED STOCKS - INTERNATIONAL</b>	Shares	Book Value	Market Value
<i>AUSTRIA</i>			
CREDITANSTALT BANK	1,956	\$859,115	\$1,054,132
OEST LANDERBANK AG	7,236	283,895	495,192
		<b>\$1,143,010</b>	<b>\$1,549,324</b>
<i>DENMARK</i>			
CARLSBERG - B	379	\$72,778	\$76,646
<i>FINLAND</i>			
NOKIA - FREE	5,700	\$165,827	\$134,118
<i>ITALY</i>			
ALITALIA - LINEE	30,000	\$42,031	\$36,098
BANCA NAZ AGRICOLT	11,500	39,566	39,119
FIAT SPA	80,000	745,198	496,262
ITALCEMENTI	26,000	1,540,138	2,237,705
MONDADORI (ARNOLDO)	2,000	17,053	51,475
RINASCENTE (LA)	5,000	16,223	18,975
		<b>\$2,400,209</b>	<b>\$2,879,635</b>
<i>SWITZERLAND</i>			
MERCK AG	2,750	\$1,300,611	\$1,710,247
<i>WEST GERMANY</i>			
ASKO DEUT KAUFHS	50	\$25,073	\$24,538
DYCKERHOFF A.G.	200	25,813	107,184
ESCADA	2,160	459,574	1,216,114
M.A.N. A.G. - NEW	5,335	1,071,092	1,140,438
M.A.N. A.G.	13,050	2,342,887	2,883,934
RWE A.G.	2,450	292,496	579,048
VOLKSWAGEN A.G.	850	160,761	271,271
		<b>\$4,377,698</b>	<b>\$6,222,527</b>
<b>TOTAL PREFERRED STOCKS - INTERNATIONAL</b>		<b>\$9,460,133</b>	<b>\$12,572,497</b>

<b>CONVERTIBLE DEBENTURES - DOMESTIC</b>	Rate	Maturity	Par Value	Book Value	Market Value
ALEXANDER & ALEXANDER SERVICES	11.000	04/15/2007	\$2,291,762	\$2,188,750	\$2,188,750
AMOCO CDA PETROLEUM COMPANY	7.375	09/01/2013	4,064,584	4,802,500	4,802,500
BOISE CASCADE CORPORATION	7.000	05/01/2016	790,961	789,025	789,025
BROWNING FERRIS INDUSTRIES INC.	6.250	08/15/2012	1,020,743	1,110,000	1,110,000
BRUNOS INC.	6.500	09/01/2009	1,060,341	1,069,500	1,069,500
BUSINESSLAND INC.	5.500	03/01/2007	972,106	645,000	645,000
CARNIVAL CRUISE LINES INC.	0.000	06/15/2005	2,500,000	830,875	830,875
DANA CORPORATION	5.875	06/15/2006	1,240,824	1,360,000	1,360,000
FIELDCREST CANNON INC.	6.000	03/15/2012	3,558,181	2,539,694	2,539,694
FREEMPORT MCMORAN INC.	8.750	06/01/2013	3,612,196	4,205,450	4,205,450
HERCULES INC.	8.000	08/15/2010	743,571	849,375	849,375
KERR MCGEE CORPORATION	7.250	06/15/2012	1,311,676	1,575,000	1,575,000
MASCO CORPORATION	5.250	02/15/2012	973,852	760,000	760,000
MCCAUG CELLULAR COMMUNICATIONS	8.000	06/15/2008	1,036,391	1,085,000	1,085,000
NORWEST CORPORATION	6.750	07/01/2003	1,235,071	1,068,760	1,068,760
POPE & TALBOT INC.	6.000	03/01/2012	2,989,530	3,120,500	3,120,500
PRICE COMPANY	5.500	02/28/2012	994,084	930,700	930,700
SHONEYS INC.	0.000	04/11/2004	1,110,000	435,000	435,000
TELE-COMMUNICATIONS INC.	7.000	10/01/2012	6,934,930	7,362,875	7,362,875
TRINITY INDUSTRIES	6.750	04/01/2012	987,947	930,000	930,000
UNITED HEALTHCARE CORPORATION	7.500	11/01/2011	1,050,000	936,000	936,000
WASTE MANAGEMENT INC.	0.000	04/13/2012	9,594,687	3,506,250	3,506,250
WESTERN CO NORTH AMERICA	7.250	01/15/2015	507,500	507,500	507,500
WESTINGHOUSE ELECTRIC CORPORATION	9.000	08/15/2009	1,200,668	1,778,700	1,778,700
<b>TOTAL CONVERTIBLE DEBENTURES - DOMESTIC</b>			<b>\$51,781,607</b>	<b>\$44,386,454</b>	<b>\$44,386,454</b>

<b>CONVERTIBLE DEBENTURES - INTERNATIONAL</b>	Rate	Maturity	Par Value	Book Value	Market Value
<i>AUSTRALIA</i>					
MOUNT ISA FINANCE	9.750	06/10/1997	\$944,395	\$795,575	\$795,575
PIONEER CONCRETE	9.500	06/21/1998	356,087	360,922	360,922
			<b>\$1,300,482</b>	<b>\$1,156,497</b>	<b>\$1,156,497</b>
<i>ENGLAND</i>					
BELL GROUP NV	5.000	07/14/1997	\$744,918	\$169,434	\$169,434
ENGLISH CHINA CLAY	6.500	09/30/2003	689,977	695,555	695,555
GENERAL CINEMA CP	5.000	06/09/2002	670,220	726,549	726,549
PENINSULAR & ORIENTAL	4.750	06/17/2002	805,932	875,051	875,051
			<b>\$2,911,047</b>	<b>\$2,466,589</b>	<b>\$2,466,589</b>
<i>FRANCE</i>					
COMPAGNIE GENERALE D'ELECTRICI	6.500	01/01/2000	\$145,482	\$100,609	\$100,609
POLIET	0.000	01/01/1998	472,613	308,056	308,056
			<b>\$618,095</b>	<b>\$408,665</b>	<b>\$408,665</b>
<i>JAPAN</i>					
KOKUSAI DENSHIN	2.900	03/29/1991	\$522,108	\$641,894	\$641,894
NIPPON AIRWAYS	1.700	03/31/1997	562,090	579,415	579,415
			<b>\$1,084,198</b>	<b>\$1,221,309</b>	<b>\$1,221,309</b>
<i>SWITZERLAND</i>					
MITSUI TRUST BANK	0.6250	3/31/1993	\$379,473	\$386,749	\$386,749
<b>TOTAL CONVERTIBLES DEBENTURES - INT'L</b>			<b>\$6,293,294</b>	<b>\$5,639,810</b>	<b>\$5,639,810</b>

**TOTAL PREFERRED & CONVERTIBLE STOCKS** **\$58,074,901** **\$103,661,874** **\$107,415,487**

<b>WHOLE LOAN MORTGAGES</b>	<b>Book Value</b>	<b>Market Value</b>
FHA AND VA INSURED MORTGAGES	\$84,440,167	\$86,849,824
CONVENTIONAL MORTGAGES	5,894,922	6,063,887
<b>TOTAL WHOLE LOAN MORTGAGES</b>	<b>\$90,335,089</b>	<b>\$92,913,711</b>
<b>REAL ESTATE FUNDS</b>	<b>Book Value</b>	<b>Market Value</b>
HEITMAN REAL ESTATE II	\$36,035,398	\$42,206,384
HEITMAN REAL ESTATE IV	26,847,949	26,901,421
JMB GROUP TRUST V	36,878,292	36,878,292
PUBLIC STORAGE INS. FUND III	25,150,645	25,476,020
SHURGARD INSTITUTIONAL FUND L.P.	10,612,350	10,612,350
SRE REALTY PARTNERS I, L.P.	25,037,711	26,594,989
TCW REALTY FUND IV	15,813,312	18,213,672
TCW REALTY FUND V (A)	26,583,635	28,310,277
TRAMMELL CROW EQUITY PARTNERS	4,991,137	6,882,064
TRAMMELL CROW EQUITY PARTNERS II	6,432,755	5,877,049
INSTITUTIONAL PROPERTY ASSET FUND	7,413,078	5,571,740
PRISA FUND	19,274,294	19,949,844
SRE REAL ESTATE FUND	30,927,411	31,189,091
PRIME PROPERTY FUND	31,792,800	33,657,889
<b>TOTAL REAL ESTATE</b>	<b>\$303,790,767</b>	<b>\$318,321,082</b>
<b>VENTURE CAPITAL</b>	<b>Book Value</b>	<b>Market Value</b>
COPLEY VENTURE I	\$11,969,952	\$14,397,788
COPLEY VENTURE II	11,013,356	12,065,642
MEDIA/COMMUNICATIONS	25,863,345	30,380,222
WARBURG PINCUS CAPITAL	53,654,055	53,654,055
HARRY GRAY, MEL KLEIN & PARTNERS	57,021,658	57,177,945
PRUDENTIAL VENTURE	34,917,021	36,914,178
<b>TOTAL VENTURE CAPITAL</b>	<b>\$194,439,387</b>	<b>\$204,589,830</b>
<b>CORE GROUP TRUST</b>	<b>Book Value</b>	<b>Market Value</b>
LEHNDORFF AND BABSON	\$69,851,801	\$69,851,801
<b>TOTAL LONG TERM INVESTMENTS</b>	<b>\$8,291,206,921</b>	<b>\$9,382,356,887</b>
<b>TOTAL INVESTMENT PORTFOLIO</b>	<b>\$9,226,334,368</b>	<b>\$10,315,464,876</b>

ACTUARIAL  
SECTION

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3



Suite 1500  
1925 Century Park East  
Los Angeles, CA 90067-2790  
213 551-5600  
Facsimile: 213 551-5757

## TPF&C

a Towers Perrin company

October 16, 1990

Board of Investments  
Los Angeles County Employees  
Retirement Association  
500 West Temple Street  
440 Hall of Administration  
Los Angeles, California 90012

Members of the Board:

The financing objective of the plan is to reduce the unfunded actuarial accrued liability to zero over a 30-year period commencing July 1, 1978 while maintaining contribution rates which remain approximately level from generation to generation of covered participants. The progress being made toward realization of the financing objective is illustrated by the attached Exhibits I and II.

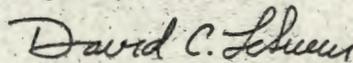
There have been no recent changes in the nature of the plan, benefits provided, actuarial methods, or economic assumptions. The noneconomic assumptions are modified every three years and were last modified as of June 30, 1989. The most recent valuation was done as of June 30, 1989. Actuarial investigations are performed every three years; valuations to comply with GASB requirements are performed at least every other year.

The asset value used in determining County contribution rates (the actuarial value of assets) recognizes unrealized appreciation or depreciation over a five-year period as described in the attachments (Exhibit IV). The data used in the actuarial valuation and investigation were provided by the Board and were used without audit. We have enclosed a summary of the employee data used for actuarial valuations over the past several years (Exhibit III).

The actuarial assumptions used in the June 30, 1989 valuation are summarized in the attachments. All assumptions were determined by the actuary and were adopted by the Board.

On the basis of the June 30, 1989 valuation, it is our opinion that LACERA continues in sound condition in accordance with the actuarial principles of level cost financing.

Respectfully submitted,



David C. LeSueur, F.S.A., M.A.A.A.  
Principal

## History of Unfunded Actuarial Accrued Liability

(Amounts in Thousands)

Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Ratio of Assets to Actuarial Accrued Liability	Annual Active Member Compensation	Ratio of Unfunded Actuarial Accrued Liability to Active Compensation
6/30/81	\$5,632,139	\$2,924,206	\$2,707,933	51.92%	\$1,600,618	169.18%
6/30/83	6,608,302	3,875,049	2,733,253	58.64%	1,623,137	168.39%
6/30/86	8,104,634	5,827,845	2,276,789	71.91%	1,837,244	123.92%
6/30/89	10,471,851	8,960,463	1,511,388	85.57%	2,309,674	65.44%

**Notes:**

The liabilities shown above were determined using the Entry Age Normal funding method as opposed to the Projected Unit Credit method required by GASB No. 5.

The actuarial valuation as of June 30, 1981 reflects the adoption of Plan E, effective as of January 4, 1982.

The asset valuation method was changed, effective June 30, 1989, from book value to an adjusted market value method that recognizes unrealized appreciation or depreciation of assets over a five-year period.

## History of County Contribution Rates

Valuation Date	County Contribution Rate by Plan				
	Plan A	Plan B	Plan C	Plan D	Plan E
<b>6/30/81:</b>					
<b>General Members:</b>					
w/o Surcharge	18.46%	14.55%	14.19%	14.09%	12.97%
Surcharge*	.65	.11	--	--	--
Total	19.11	14.66	14.19	14.09	12.97
<b>Safety Members:</b>					
w/o Surcharge	27.77	22.01	--	--	--
Surcharge*	1.53	.04	--	--	--
Total	29.30	22.05	--	--	--
<b>6/30/83:</b>					
<b>General Members:</b>					
w/o Surcharge	18.56	15.21	15.11	15.02	13.68
Surcharge*	.65	.11	--	--	--
Total	19.21	15.32	15.11	15.02	13.68
<b>Safety Members:</b>					
w/o Surcharge	30.56	24.27	--	--	--
Surcharge*	1.53	.04	--	--	--
Total	32.09	24.31	--	--	--
<b>6/30/86:</b>					
<b>General Members:</b>					
w/o Surcharge	17.91	14.89	14.75	14.63	13.28
Surcharge*	.73	.16	--	--	--
Total	18.64	15.05	14.75	14.63	13.28
<b>Safety Members:</b>					
w/o Surcharge	25.52	19.27	--	--	--
Surcharge*	1.52	.04	--	--	--
Total	27.04	19.31	--	--	--
<b>6/30/89:</b>					
<b>General Members:</b>					
w/o Surcharge	14.45	11.43	11.29	11.17	9.82
Surcharge*	.73	.16	--	--	--
Total	15.18	11.59	11.29	11.17	9.82
<b>Safety Members:</b>					
w/o Surcharge	19.50	13.25	--	--	--
Surcharge*	1.52	.04	--	--	--
Total	21.02	13.29	--	--	--

\*L.A. County and employers have negotiated with their employees to pick up a portion of the members' contributions which is called a surcharge. The employer contributes 76.16% for general members and 92.66% for safety members of the amount normally paid by the members. This percentage has been determined by LACERA's actuary. This discount results because the contributions will not be refundable on the death or termination of the member if contributed by the employer.

### Summary of Active Membership

Valuation Date	Number	Annual Salary	Average Age	Average Monthly Salary
06/30/81	70,341	\$1,600,618,107	40.4	\$1,896
06/30/83	66,371	1,623,136,856	41.4	\$2,038
06/30/86	67,389	1,837,244,352	41.8	\$2,272
06/30/89	68,846	2,309,673,619	42.0	\$2,796

### Summary of Retired Membership

Valuation Date	Number	Annual Allowance	Average Monthly Allowance
06/30/81	24,975	\$184,318,000	\$615
06/30/83	27,602	233,747,000	706
06/30/86	31,374	324,794,000	863
06/30/89	34,097	388,373,000	949

### Development of Actuarial Value of Assets

Plan Year Ending	Book Value	Market Value	As of June 30, 1989		Phase-In of Unrealized Gains
			Unrealized Gains	Change in Unrealized Gains	
6/30/89	\$8,088,146,000	\$8,984,173,000	\$ 896,027,000	\$ 272,447,000	20% of \$ 272,447,000 = \$ 54,489,000
6/30/88	7,386,397,000	8,009,977,000	623,580,000	(477,394,000)	40% of (477,394,000) = (190,958,000)
6/30/87	6,774,365,000	7,875,339,000	1,100,974,000	(23,066,000)	60% of (23,066,000) = (13,840,000)
6/30/86	5,828,814,000	6,952,854,000	1,124,040,000	507,070,000	80% of 507,070,000 = 405,656,000
6/30/85	4,880,910,000	5,497,880,000	616,970,000	616,970,000	100% of 616,970,000 = 616,970,000
(1) Total Phase-In of Unrealized Gains					872,317,000
(2) Book Value at June 30, 1989					8,088,146,000
(3) Actuarial Value at June 30, 1989					
Sum of (1) and (2)					8,960,463,000

### History of Actuarial Present Value of Accumulated Plan Benefits - FAS 35 Basis

Valuation Date	Present Value of Accumulated Plan Benefits
06/30/81	\$4,216,000,148
06/30/83	5,249,869,417
06/30/86	6,364,448,645
06/30/89	8,250,692,003

### Short-Term Solvency Test

Valuation Date	(Amounts in Thousands)						
	(1) Active Member Contributions	(2) Liability for Inactive Participants	(3) Liability for Active Members (Emp. Financed Portion)	Valuation Assets	Portion of Accrued Liability Covered by Valuation Assets		
					(1)	(2)	(3)
6/30/81	\$ 610,943	\$2,420,747	\$2,600,449	\$2,924,206	100%	95.56%	0%
6/30/83	794,893	3,117,241	2,696,168	3,875,049	100	98.81	0.
6/30/86	1,001,382	3,819,047	3,284,205	5,827,845	100	100.00	30.67
6/30/89	1,298,232	4,929,645	4,243,974	8,960,463	100	100.00	64.39

## ACTUARIAL ASSUMPTIONS

The Entry Age Normal method was used in conjunction with the following actuarial assumptions:

1. **Interest:** 8% per annum.
2. **Salary Scale:** 6% per annum.
3. **Consumer Price Index:** Increase of 5% per annum; cost-of-living increases subject to plan maximums.
4. **Taxable Wage Base Increases:** 6% per annum (Plan E only).
5. **Spouses and Dependents:** 85 % of male employees and 60% of female employees assumed married at retirement, with wives assumed four years younger than husbands.
6. **Rehire of Former Employees:** Assumed not to be rehired.
7. **Asset Valuation:** Asset values taken directly from statements furnished by LACERA. See Exhibit IV for a description of the development of the actuarial value of assets.
8. **Rates of Termination of Employment:** As shown in Tables I through VIII, which follow. The termination rates for Plan E are restricted to ordinary withdrawal and ordinary death. A retirement age assumption of age 65 was used for Plan E.
9. **Expectation of Life after Retirement:** As shown in Table IX.
10. **Expectation of Life after Disability:** As shown in Table X (not applicable to Plan E).

**PLAN A  
GENERAL MEMBERS—MALE**
**PROBABILITY OF OCCURRENCE (INCLUDING ELIGIBILITY)**

Age Nearest	Ordinary Withdraw	Vested Withdraw	Ordinary Death	Ordinary Disability	Service Retire	Service Disability	Service Death	DWE Svc Ret	DWE Dis Ret
18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1303	0.0000	0.0006	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
21	0.1262	0.0000	0.0006	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
22	0.1220	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
23	0.1196	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
24	0.1164	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
25	0.1131	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
26	0.1097	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
27	0.1073	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
28	0.1048	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
29	0.1007	0.0000	0.0013	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
30	0.0957	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0001
31	0.0891	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
32	0.0850	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
33	0.0792	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
34	0.0734	0.0000	0.0016	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
35	0.0684	0.0000	0.0016	0.0001	0.0000	0.0006	0.0000	0.0000	0.0002
36	0.0619	0.0000	0.0016	0.0001	0.0000	0.0010	0.0000	0.0000	0.0002
37	0.0553	0.0000	0.0016	0.0001	0.0000	0.0014	0.0000	0.0000	0.0003
38	0.0512	0.0000	0.0016	0.0001	0.0000	0.0018	0.0000	0.0000	0.0003
39	0.0471	0.0000	0.0016	0.0001	0.0000	0.0021	0.0000	0.0000	0.0004
40	0.0437	0.0000	0.0016	0.0004	0.0000	0.0024	0.0000	0.0000	0.0005
41	0.0404	0.0000	0.0016	0.0007	0.0000	0.0026	0.0000	0.0000	0.0005
42	0.0363	0.0000	0.0016	0.0009	0.0000	0.0028	0.0000	0.0000	0.0006
43	0.0330	0.0000	0.0019	0.0012	0.0000	0.0032	0.0000	0.0000	0.0007
44	0.0306	0.0000	0.0019	0.0015	0.0000	0.0034	0.0000	0.0000	0.0007
45	0.0272	0.0000	0.0022	0.0018	0.0000	0.0035	0.0000	0.0000	0.0008
46	0.0247	0.0000	0.0022	0.0021	0.0000	0.0040	0.0000	0.0000	0.0009
47	0.0231	0.0000	0.0022	0.0023	0.0000	0.0042	0.0000	0.0000	0.0010
48	0.0215	0.0000	0.0022	0.0026	0.0000	0.0044	0.0000	0.0000	0.0011
49	0.0206	0.0000	0.0025	0.0031	0.0000	0.0048	0.0000	0.0000	0.0012
50	0.0189	0.0000	0.0028	0.0034	0.0330	0.0050	0.0000	0.0000	0.0012
51	0.0182	0.0000	0.0031	0.0039	0.0330	0.0053	0.0000	0.0000	0.0013
52	0.0182	0.0000	0.0031	0.0043	0.0330	0.0058	0.0000	0.0000	0.0015
53	0.0165	0.0000	0.0034	0.0047	0.0330	0.0062	0.0000	0.0000	0.0016
54	0.0165	0.0000	0.0034	0.0052	0.0450	0.0065	0.0000	0.0000	0.0017
55	0.0165	0.0000	0.0038	0.0058	0.0510	0.0069	0.0000	0.0000	0.0019
56	0.0165	0.0000	0.0041	0.0064	0.0560	0.0074	0.0000	0.0000	0.0021
57	0.0165	0.0000	0.0044	0.0071	0.0840	0.0078	0.0000	0.0000	0.0023
58	0.0165	0.0000	0.0050	0.0077	0.1010	0.0079	0.0000	0.0000	0.0025
59	0.0165	0.0000	0.0056	0.0084	0.1010	0.0083	0.0000	0.0000	0.0027
60	0.0165	0.0000	0.0063	0.0091	0.1010	0.0088	0.0000	0.0000	0.0031
61	0.0165	0.0000	0.0072	0.0098	0.1180	0.0092	0.0000	0.0000	0.0033
62	0.0165	0.0000	0.0081	0.0105	0.1460	0.0095	0.0000	0.0000	0.0037
63	0.0165	0.0000	0.0097	0.0113	0.1460	0.0099	0.0000	0.0000	0.0040
64	0.0165	0.0000	0.0144	0.0121	0.1800	0.0104	0.0000	0.0000	0.0043
65	0.0165	0.0000	0.0000	0.0000	0.2810	0.0000	0.0000	0.0000	0.0000
66	0.0165	0.0000	0.0000	0.0000	0.2810	0.0000	0.0000	0.0000	0.0000
67	0.0000	0.0000	0.0000	0.0000	0.3930	0.0000	0.0000	0.0000	0.0000
68	0.0000	0.0000	0.0000	0.0000	0.4490	0.0000	0.0000	0.0000	0.0000
69	0.0000	0.0000	0.0000	0.0000	0.5610	0.0000	0.0000	0.0000	0.0000
70	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000

PLAN A  
 GENERAL MEMBERS—FEMALE

**PROBABILITY OF OCCURRENCE (INCLUDING ELIGIBILITY)**

Age Nearest	Ordinary Withdraw	Vested Withdraw	Ordinary Death	Ordinary Disability	Service Retire	Service Disability	Service Death	DWE Svc Ret	DWE Dis Ret
18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1457	0.0000	0.0003	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
21	0.1420	0.0000	0.0003	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
22	0.1384	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
23	0.1348	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
24	0.1303	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
25	0.1256	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
26	0.1212	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
27	0.1157	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
28	0.1102	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
29	0.1038	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
30	0.0983	0.0000	0.0005	0.0002	0.0000	0.0004	0.0000	0.0000	0.0000
31	0.0920	0.0000	0.0006	0.0002	0.0000	0.0004	0.0000	0.0000	0.0000
32	0.0866	0.0000	0.0006	0.0002	0.0000	0.0006	0.0000	0.0000	0.0000
33	0.0819	0.0000	0.0006	0.0004	0.0000	0.0009	0.0000	0.0000	0.0000
34	0.0764	0.0000	0.0006	0.0006	0.0000	0.0011	0.0000	0.0000	0.0000
35	0.0720	0.0000	0.0006	0.0008	0.0000	0.0011	0.0000	0.0000	0.0001
36	0.0683	0.0000	0.0006	0.0008	0.0000	0.0011	0.0000	0.0000	0.0001
37	0.0638	0.0000	0.0006	0.0010	0.0000	0.0011	0.0000	0.0000	0.0001
38	0.0601	0.0000	0.0008	0.0012	0.0000	0.0011	0.0000	0.0000	0.0001
39	0.0565	0.0000	0.0008	0.0012	0.0000	0.0011	0.0000	0.0000	0.0001
40	0.0528	0.0000	0.0008	0.0014	0.0000	0.0013	0.0000	0.0000	0.0002
41	0.0501	0.0000	0.0010	0.0016	0.0000	0.0015	0.0000	0.0000	0.0002
42	0.0474	0.0000	0.0010	0.0016	0.0000	0.0017	0.0000	0.0000	0.0002
43	0.0456	0.0000	0.0010	0.0017	0.0000	0.0017	0.0000	0.0000	0.0002
44	0.0428	0.0000	0.0011	0.0020	0.0000	0.0019	0.0000	0.0000	0.0002
45	0.0410	0.0000	0.0013	0.0021	0.0000	0.0019	0.0000	0.0000	0.0002
46	0.0392	0.0000	0.0013	0.0024	0.0000	0.0021	0.0000	0.0000	0.0002
47	0.0383	0.0000	0.0015	0.0028	0.0000	0.0021	0.0000	0.0000	0.0002
48	0.0364	0.0000	0.0016	0.0031	0.0000	0.0023	0.0000	0.0000	0.0002
49	0.0346	0.0000	0.0016	0.0034	0.0000	0.0026	0.0000	0.0000	0.0002
50	0.0328	0.0000	0.0018	0.0040	0.0280	0.0026	0.0000	0.0000	0.0003
51	0.0310	0.0000	0.0019	0.0045	0.0170	0.0028	0.0000	0.0000	0.0003
52	0.0282	0.0000	0.0023	0.0051	0.0210	0.0030	0.0000	0.0000	0.0003
53	0.0255	0.0000	0.0024	0.0059	0.0210	0.0032	0.0000	0.0000	0.0003
54	0.0228	0.0000	0.0027	0.0065	0.0280	0.0034	0.0000	0.0000	0.0003
55	0.0200	0.0000	0.0029	0.0071	0.0400	0.0036	0.0000	0.0000	0.0004
56	0.0173	0.0000	0.0032	0.0079	0.0400	0.0038	0.0000	0.0000	0.0004
57	0.0137	0.0000	0.0035	0.0087	0.0510	0.0043	0.0000	0.0000	0.0004
58	0.0091	0.0000	0.0039	0.0096	0.0570	0.0046	0.0000	0.0000	0.0004
59	0.0055	0.0000	0.0044	0.0106	0.0630	0.0051	0.0000	0.0000	0.0004
60	0.0000	0.0000	0.0047	0.0119	0.0690	0.0055	0.0000	0.0000	0.0005
61	0.0000	0.0000	0.0052	0.0127	0.1080	0.0062	0.0000	0.0000	0.0005
62	0.0000	0.0000	0.0056	0.0140	0.1700	0.0070	0.0000	0.0000	0.0005
63	0.0000	0.0000	0.0063	0.0154	0.1700	0.0079	0.0000	0.0000	0.0005
64	0.0000	0.0000	0.0068	0.0168	0.2100	0.0089	0.0000	0.0000	0.0005
65	0.0000	0.0000	0.0077	0.0000	0.2840	0.0100	0.0000	0.0000	0.0000
66	0.0000	0.0000	0.0087	0.0000	0.3410	0.0111	0.0000	0.0000	0.0000
67	0.0000	0.0000	0.0097	0.0000	0.3410	0.0123	0.0000	0.0000	0.0000
68	0.0000	0.0000	0.0113	0.0000	0.3410	0.0138	0.0000	0.0000	0.0000
69	0.0000	0.0000	0.0145	0.0000	0.5690	0.0159	0.0000	0.0000	0.0000
70	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000

PLAN A  
SAFETY MEMBERS

PROBABILITY OF OCCURRENCE (INCLUDING ELIGIBILITY)									
Age Nearest	Ordinary Withdraw	Vested Withdraw	Ordinary Death	Ordinary Disability	Service Retire	Service Disability	Service Death	DWE Svc Ret	DWE Dis Ret
18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.0972	0.0000	0.0002	0.0000	0.0000	0.0002	0.0001	0.0000	0.0000
21	0.0884	0.0000	0.0002	0.0000	0.0000	0.0002	0.0001	0.0000	0.0000
22	0.0806	0.0000	0.0002	0.0000	0.0000	0.0002	0.0001	0.0000	0.0000
23	0.0718	0.0000	0.0002	0.0000	0.0000	0.0004	0.0001	0.0000	0.0000
24	0.0641	0.0000	0.0002	0.0000	0.0000	0.0006	0.0001	0.0000	0.0000
25	0.0569	0.0000	0.0002	0.0000	0.0000	0.0010	0.0001	0.0000	0.0000
26	0.0530	0.0000	0.0002	0.0000	0.0000	0.0017	0.0001	0.0000	0.0000
27	0.0442	0.0000	0.0002	0.0000	0.0000	0.0025	0.0001	0.0000	0.0000
28	0.0398	0.0000	0.0002	0.0000	0.0000	0.0036	0.0001	0.0000	0.0000
29	0.0359	0.0000	0.0002	0.0000	0.0000	0.0048	0.0001	0.0000	0.0000
30	0.0342	0.0000	0.0003	0.0001	0.0000	0.0057	0.0001	0.0000	0.0002
31	0.0320	0.0000	0.0003	0.0007	0.0000	0.0068	0.0001	0.0000	0.0002
32	0.0298	0.0000	0.0003	0.0012	0.0000	0.0074	0.0001	0.0000	0.0002
33	0.0276	0.0000	0.0003	0.0015	0.0000	0.0084	0.0001	0.0000	0.0002
34	0.0254	0.0000	0.0004	0.0018	0.0000	0.0104	0.0001	0.0000	0.0002
35	0.0243	0.0000	0.0004	0.0019	0.0000	0.0120	0.0001	0.0000	0.0004
36	0.0221	0.0000	0.0004	0.0020	0.0000	0.0134	0.0001	0.0000	0.0004
37	0.0210	0.0000	0.0005	0.0022	0.0000	0.0146	0.0002	0.0000	0.0004
38	0.0188	0.0000	0.0005	0.0024	0.0000	0.0161	0.0002	0.0000	0.0004
39	0.0171	0.0000	0.0005	0.0024	0.0000	0.0176	0.0002	0.0000	0.0004
40	0.0149	0.0000	0.0006	0.0024	0.0000	0.0192	0.0002	0.0000	0.0005
41	0.0133	0.0000	0.0007	0.0024	0.0000	0.0204	0.0002	0.0000	0.0005
42	0.0110	0.0000	0.0008	0.0025	0.0000	0.0215	0.0002	0.0000	0.0005
43	0.0094	0.0000	0.0010	0.0026	0.0000	0.0232	0.0003	0.0000	0.0005
44	0.0010	0.0000	0.0012	0.0028	0.0000	0.0246	0.0003	0.0000	0.0005
45	0.0009	0.0000	0.0014	0.0029	0.0000	0.0263	0.0004	0.0000	0.0007
46	0.0008	0.0000	0.0016	0.0029	0.0000	0.0276	0.0004	0.0000	0.0007
47	0.0007	0.0000	0.0018	0.0030	0.0000	0.0291	0.0006	0.0000	0.0007
48	0.0006	0.0000	0.0019	0.0033	0.0000	0.0316	0.0007	0.0000	0.0007
49	0.0006	0.0000	0.0020	0.0030	0.0275	0.0350	0.0010	0.0000	0.0007
50	0.0006	0.0000	0.0021	0.0029	0.0730	0.0374	0.0014	0.0000	0.0008
51	0.0006	0.0000	0.0022	0.0028	0.0685	0.0403	0.0019	0.0000	0.0008
52	0.0006	0.0000	0.0023	0.0024	0.0685	0.0428	0.0024	0.0000	0.0008
53	0.0006	0.0000	0.0023	0.0017	0.0865	0.0466	0.0030	0.0000	0.0008
54	0.0006	0.0000	0.0024	0.0007	0.1595	0.0518	0.0037	0.0000	0.0008
55	0.0006	0.0000	0.0024	0.0000	0.2730	0.0614	0.0000	0.0000	0.0000
56	0.0006	0.0000	0.0025	0.0000	0.2095	0.0691	0.0000	0.0000	0.0000
57	0.0006	0.0000	0.0026	0.0000	0.1820	0.0767	0.0000	0.0000	0.0000
58	0.0006	0.0000	0.0026	0.0000	0.1820	0.0767	0.0000	0.0000	0.0000
59	0.0006	0.0000	0.0027	0.0000	0.1820	0.0767	0.0000	0.0000	0.0000
60	0.0006	0.0000	0.0000	0.0000	0.2275	0.0767	0.0000	0.0000	0.0000
61	0.0006	0.0000	0.0000	0.0000	0.2275	0.0767	0.0000	0.0000	0.0000
62	0.0006	0.0000	0.0000	0.0000	0.3640	0.0767	0.0000	0.0000	0.0000
63	0.0006	0.0000	0.0000	0.0000	0.3640	0.0767	0.0000	0.0000	0.0000
64	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000
65	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
66	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
67	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
68	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
69	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

PLAN B  
GENERAL MEMBERS—MALE

PROBABILITY OF OCCURRENCE (INCLUDING ELIGIBILITY)

Age Nearest	Ordinary Withdraw	Vested Withdraw	Ordinary Death	Ordinary Disability	Service Retire	Service Disability	Service Death	DWE Svc Ret	DWE Dis Ret
18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1303	0.0000	0.0006	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
21	0.1262	0.0000	0.0006	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
22	0.1220	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
23	0.1196	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
24	0.1164	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
25	0.1131	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
26	0.1097	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
27	0.1073	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
28	0.1048	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
29	0.1007	0.0000	0.0013	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
30	0.0957	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0001
31	0.0891	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
32	0.0850	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
33	0.0792	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
34	0.0734	0.0000	0.0016	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
35	0.0684	0.0000	0.0016	0.0001	0.0000	0.0006	0.0000	0.0000	0.0002
36	0.0619	0.0000	0.0016	0.0001	0.0000	0.0010	0.0000	0.0000	0.0002
37	0.0553	0.0000	0.0016	0.0001	0.0000	0.0014	0.0000	0.0000	0.0003
38	0.0512	0.0000	0.0016	0.0001	0.0000	0.0018	0.0000	0.0000	0.0003
39	0.0471	0.0000	0.0016	0.0001	0.0000	0.0021	0.0000	0.0000	0.0004
40	0.0437	0.0000	0.0016	0.0004	0.0000	0.0024	0.0000	0.0000	0.0005
41	0.0404	0.0000	0.0016	0.0007	0.0000	0.0026	0.0000	0.0000	0.0005
42	0.0363	0.0000	0.0016	0.0009	0.0000	0.0028	0.0000	0.0000	0.0006
43	0.0330	0.0000	0.0019	0.0012	0.0000	0.0032	0.0000	0.0000	0.0007
44	0.0306	0.0000	0.0019	0.0015	0.0000	0.0034	0.0000	0.0000	0.0007
45	0.0272	0.0000	0.0022	0.0018	0.0000	0.0035	0.0000	0.0000	0.0008
46	0.0247	0.0000	0.0022	0.0021	0.0000	0.0040	0.0000	0.0000	0.0009
47	0.0231	0.0000	0.0022	0.0023	0.0000	0.0042	0.0000	0.0000	0.0010
48	0.0215	0.0000	0.0022	0.0026	0.0000	0.0044	0.0000	0.0000	0.0011
49	0.0206	0.0000	0.0025	0.0031	0.0000	0.0048	0.0000	0.0000	0.0012
50	0.0189	0.0000	0.0028	0.0034	0.0170	0.0050	0.0000	0.0000	0.0012
51	0.0182	0.0000	0.0031	0.0039	0.0170	0.0053	0.0000	0.0000	0.0013
52	0.0182	0.0000	0.0031	0.0043	0.0170	0.0058	0.0000	0.0000	0.0015
53	0.0165	0.0000	0.0034	0.0047	0.0170	0.0062	0.0000	0.0000	0.0016
54	0.0165	0.0000	0.0034	0.0052	0.0230	0.0065	0.0000	0.0000	0.0017
55	0.0165	0.0000	0.0038	0.0058	0.0450	0.0069	0.0000	0.0000	0.0019
56	0.0165	0.0000	0.0041	0.0064	0.0560	0.0074	0.0000	0.0000	0.0021
57	0.0165	0.0000	0.0044	0.0071	0.0840	0.0078	0.0000	0.0000	0.0023
58	0.0165	0.0000	0.0050	0.0077	0.1010	0.0079	0.0000	0.0000	0.0025
59	0.0165	0.0000	0.0056	0.0084	0.1010	0.0083	0.0000	0.0000	0.0027
60	0.0165	0.0000	0.0063	0.0091	0.1010	0.0088	0.0000	0.0000	0.0031
61	0.0165	0.0000	0.0072	0.0098	0.1180	0.0092	0.0000	0.0000	0.0033
62	0.0165	0.0000	0.0081	0.0105	0.1460	0.0095	0.0000	0.0000	0.0037
63	0.0165	0.0000	0.0097	0.0113	0.1460	0.0099	0.0000	0.0000	0.0040
64	0.0165	0.0000	0.0144	0.0121	0.1800	0.0104	0.0000	0.0000	0.0043
65	0.0165	0.0000	0.0000	0.0000	0.2810	0.0000	0.0000	0.0000	0.0000
66	0.0165	0.0000	0.0000	0.0000	0.2810	0.0000	0.0000	0.0000	0.0000
67	0.0000	0.0000	0.0000	0.0000	0.3930	0.0000	0.0000	0.0000	0.0000
68	0.0000	0.0000	0.0000	0.0000	0.4490	0.0000	0.0000	0.0000	0.0000
69	0.0000	0.0000	0.0000	0.0000	0.5610	0.0000	0.0000	0.0000	0.0000
70	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000

PLAN B  
GENERAL MEMBERS—FEMALE

PROBABILITY OF OCCURRENCE (INCLUDING ELIGIBILITY)

Age Nearest	Ordinary Withdraw	Vested Withdraw	Ordinary Death	Ordinary Disability	Service Retire	Service Disability	Service Death	DWE Svc Ret	DWE Dis Ret
18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1457	0.0000	0.0003	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
21	0.1420	0.0000	0.0003	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
22	0.1384	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
23	0.1348	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
24	0.1303	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
25	0.1256	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
26	0.1212	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
27	0.1157	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
28	0.1102	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
29	0.1038	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
30	0.0983	0.0000	0.0005	0.0002	0.0000	0.0004	0.0000	0.0000	0.0000
31	0.0920	0.0000	0.0006	0.0002	0.0000	0.0004	0.0000	0.0000	0.0000
32	0.0866	0.0000	0.0006	0.0002	0.0000	0.0006	0.0000	0.0000	0.0000
33	0.0819	0.0000	0.0006	0.0004	0.0000	0.0009	0.0000	0.0000	0.0000
34	0.0764	0.0000	0.0006	0.0006	0.0000	0.0011	0.0000	0.0000	0.0000
35	0.0720	0.0000	0.0006	0.0008	0.0000	0.0011	0.0000	0.0000	0.0001
36	0.0683	0.0000	0.0006	0.0008	0.0000	0.0011	0.0000	0.0000	0.0001
37	0.0638	0.0000	0.0006	0.0010	0.0000	0.0011	0.0000	0.0000	0.0001
38	0.0601	0.0000	0.0008	0.0012	0.0000	0.0011	0.0000	0.0000	0.0001
39	0.0565	0.0000	0.0008	0.0012	0.0000	0.0011	0.0000	0.0000	0.0001
40	0.0528	0.0000	0.0008	0.0014	0.0000	0.0013	0.0000	0.0000	0.0002
41	0.0501	0.0000	0.0010	0.0016	0.0000	0.0015	0.0000	0.0000	0.0002
42	0.0474	0.0000	0.0010	0.0016	0.0000	0.0017	0.0000	0.0000	0.0002
43	0.0456	0.0000	0.0010	0.0017	0.0000	0.0017	0.0000	0.0000	0.0002
44	0.0428	0.0000	0.0011	0.0020	0.0000	0.0019	0.0000	0.0000	0.0002
45	0.0410	0.0000	0.0013	0.0021	0.0000	0.0019	0.0000	0.0000	0.0002
46	0.0392	0.0000	0.0013	0.0024	0.0000	0.0021	0.0000	0.0000	0.0002
47	0.0383	0.0000	0.0015	0.0028	0.0000	0.0021	0.0000	0.0000	0.0002
48	0.0364	0.0000	0.0016	0.0031	0.0000	0.0023	0.0000	0.0000	0.0002
49	0.0346	0.0000	0.0016	0.0034	0.0000	0.0026	0.0000	0.0000	0.0002
50	0.0328	0.0000	0.0018	0.0040	0.0140	0.0026	0.0000	0.0000	0.0003
51	0.0310	0.0000	0.0019	0.0045	0.0120	0.0028	0.0000	0.0000	0.0003
52	0.0282	0.0000	0.0023	0.0051	0.0120	0.0030	0.0000	0.0000	0.0003
53	0.0255	0.0000	0.0024	0.0059	0.0120	0.0032	0.0000	0.0000	0.0003
54	0.0228	0.0000	0.0027	0.0065	0.0170	0.0034	0.0000	0.0000	0.0003
55	0.0200	0.0000	0.0029	0.0071	0.0230	0.0036	0.0000	0.0000	0.0004
56	0.0173	0.0000	0.0032	0.0079	0.0400	0.0038	0.0000	0.0000	0.0004
57	0.0137	0.0000	0.0035	0.0087	0.0510	0.0043	0.0000	0.0000	0.0004
58	0.0091	0.0000	0.0039	0.0096	0.0570	0.0046	0.0000	0.0000	0.0004
59	0.0055	0.0000	0.0044	0.0106	0.0630	0.0051	0.0000	0.0000	0.0004
60	0.0000	0.0000	0.0047	0.0119	0.0690	0.0055	0.0000	0.0000	0.0005
61	0.0000	0.0000	0.0052	0.0127	0.1080	0.0062	0.0000	0.0000	0.0005
62	0.0000	0.0000	0.0056	0.0140	0.1700	0.0070	0.0000	0.0000	0.0005
63	0.0000	0.0000	0.0063	0.0154	0.1700	0.0079	0.0000	0.0000	0.0005
64	0.0000	0.0000	0.0068	0.0168	0.2100	0.0089	0.0000	0.0000	0.0005
65	0.0000	0.0000	0.0077	0.0000	0.2840	0.0100	0.0000	0.0000	0.0000
66	0.0000	0.0000	0.0087	0.0000	0.3410	0.0111	0.0000	0.0000	0.0000
67	0.0000	0.0000	0.0097	0.0000	0.3410	0.0123	0.0000	0.0000	0.0000
68	0.0000	0.0000	0.0113	0.0000	0.3410	0.0138	0.0000	0.0000	0.0000
69	0.0000	0.0000	0.0145	0.0000	0.5690	0.0159	0.0000	0.0000	0.0000
70	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000

PLAN B  
SAFETY MEMBERS

PROBABILITY OF OCCURRENCE (INCLUDING ELIGIBILITY)									
Age Nearest	Ordinary Withdraw	Vested Withdraw	Ordinary Death	Ordinary Disability	Service Retire	Service Disability	Service Death	DWE Svc Ret	DWE Dis Ret
18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.0972	0.0000	0.0002	0.0000	0.0000	0.0002	0.0001	0.0000	0.0000
21	0.0884	0.0000	0.0002	0.0000	0.0000	0.0002	0.0001	0.0000	0.0000
22	0.0806	0.0000	0.0002	0.0000	0.0000	0.0002	0.0001	0.0000	0.0000
23	0.0718	0.0000	0.0002	0.0000	0.0000	0.0004	0.0001	0.0000	0.0000
24	0.0641	0.0000	0.0002	0.0000	0.0000	0.0006	0.0001	0.0000	0.0000
25	0.0569	0.0000	0.0002	0.0000	0.0000	0.0010	0.0001	0.0000	0.0000
26	0.0530	0.0000	0.0002	0.0000	0.0000	0.0017	0.0001	0.0000	0.0000
27	0.0442	0.0000	0.0002	0.0000	0.0000	0.0025	0.0001	0.0000	0.0000
28	0.0398	0.0000	0.0002	0.0000	0.0000	0.0036	0.0001	0.0000	0.0000
29	0.0359	0.0000	0.0002	0.0000	0.0000	0.0048	0.0001	0.0000	0.0000
30	0.0342	0.0000	0.0003	0.0001	0.0000	0.0057	0.0001	0.0000	0.0002
31	0.0320	0.0000	0.0003	0.0007	0.0000	0.0068	0.0001	0.0000	0.0002
32	0.0298	0.0000	0.0003	0.0012	0.0000	0.0074	0.0001	0.0000	0.0002
33	0.0276	0.0000	0.0003	0.0015	0.0000	0.0084	0.0001	0.0000	0.0002
34	0.0254	0.0000	0.0004	0.0018	0.0000	0.0104	0.0001	0.0000	0.0002
35	0.0243	0.0000	0.0004	0.0019	0.0000	0.0120	0.0001	0.0000	0.0004
36	0.0221	0.0000	0.0004	0.0020	0.0000	0.0134	0.0001	0.0000	0.0004
37	0.0210	0.0000	0.0005	0.0022	0.0000	0.0146	0.0002	0.0000	0.0004
38	0.0188	0.0000	0.0005	0.0024	0.0000	0.0161	0.0002	0.0000	0.0004
39	0.0171	0.0000	0.0005	0.0024	0.0000	0.0176	0.0002	0.0000	0.0004
40	0.0149	0.0000	0.0006	0.0024	0.0000	0.0192	0.0002	0.0000	0.0005
41	0.0133	0.0000	0.0007	0.0024	0.0000	0.0204	0.0002	0.0000	0.0005
42	0.0110	0.0000	0.0008	0.0025	0.0000	0.0215	0.0002	0.0000	0.0005
43	0.0094	0.0000	0.0010	0.0026	0.0000	0.0232	0.0003	0.0000	0.0005
44	0.0010	0.0000	0.0012	0.0028	0.0000	0.0246	0.0003	0.0000	0.0005
45	0.0009	0.0000	0.0014	0.0029	0.0000	0.0263	0.0004	0.0000	0.0007
46	0.0008	0.0000	0.0016	0.0029	0.0000	0.0276	0.0004	0.0000	0.0007
47	0.0007	0.0000	0.0018	0.0030	0.0000	0.0291	0.0006	0.0000	0.0007
48	0.0006	0.0000	0.0019	0.0033	0.0000	0.0316	0.0007	0.0000	0.0007
49	0.0006	0.0000	0.0020	0.0030	0.0275	0.0350	0.0010	0.0000	0.0007
50	0.0006	0.0000	0.0021	0.0029	0.0730	0.0374	0.0014	0.0000	0.0008
51	0.0006	0.0000	0.0022	0.0028	0.0685	0.0403	0.0019	0.0000	0.0008
52	0.0006	0.0000	0.0023	0.0024	0.0685	0.0428	0.0024	0.0000	0.0008
53	0.0006	0.0000	0.0023	0.0017	0.0865	0.0466	0.0030	0.0000	0.0008
54	0.0006	0.0000	0.0024	0.0007	0.1595	0.0518	0.0037	0.0000	0.0008
55	0.0006	0.0000	0.0024	0.0000	0.2730	0.0614	0.0000	0.0000	0.0000
56	0.0006	0.0000	0.0025	0.0000	0.2095	0.0691	0.0000	0.0000	0.0000
57	0.0006	0.0000	0.0026	0.0000	0.1820	0.0767	0.0000	0.0000	0.0000
58	0.0006	0.0000	0.0026	0.0000	0.1820	0.0767	0.0000	0.0000	0.0000
59	0.0006	0.0000	0.0027	0.0000	0.1820	0.0767	0.0000	0.0000	0.0000
60	0.0006	0.0000	0.0000	0.0000	0.2275	0.0767	0.0000	0.0000	0.0000
61	0.0006	0.0000	0.0000	0.0000	0.2275	0.0767	0.0000	0.0000	0.0000
62	0.0006	0.0000	0.0000	0.0000	0.3640	0.0767	0.0000	0.0000	0.0000
63	0.0006	0.0000	0.0000	0.0000	0.3640	0.0767	0.0000	0.0000	0.0000
64	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000
65	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
66	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
67	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
68	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
69	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

PLANS C & D  
GENERAL MEMBERS—MALE

PROBABILITY OF OCCURRENCE (INCLUDING ELIGIBILITY)

Age Nearest	Ordinary Withdraw	Vested Withdraw	Ordinary Death	Ordinary Disability	Service Retire	Service Disability	Service Death	DWE Svc Ret	DWE Dis Ret
18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1303	0.0000	0.0006	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
21	0.1262	0.0000	0.0006	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
22	0.1220	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
23	0.1196	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
24	0.1164	0.0000	0.0009	0.0000	0.0000	0.0002	0.0000	0.0000	0.0000
25	0.1131	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
26	0.1097	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
27	0.1073	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
28	0.1048	0.0000	0.0009	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
29	0.1007	0.0000	0.0013	0.0001	0.0000	0.0002	0.0000	0.0000	0.0001
30	0.0957	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0001
31	0.0891	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
32	0.0850	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
33	0.0792	0.0000	0.0013	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
34	0.0734	0.0000	0.0016	0.0001	0.0000	0.0004	0.0000	0.0000	0.0002
35	0.0684	0.0000	0.0016	0.0001	0.0000	0.0006	0.0000	0.0000	0.0002
36	0.0619	0.0000	0.0016	0.0001	0.0000	0.0010	0.0000	0.0000	0.0002
37	0.0553	0.0000	0.0016	0.0001	0.0000	0.0014	0.0000	0.0000	0.0003
38	0.0512	0.0000	0.0016	0.0001	0.0000	0.0018	0.0000	0.0000	0.0003
39	0.0471	0.0000	0.0016	0.0001	0.0000	0.0021	0.0000	0.0000	0.0004
40	0.0437	0.0000	0.0016	0.0004	0.0000	0.0024	0.0000	0.0000	0.0005
41	0.0404	0.0000	0.0016	0.0007	0.0000	0.0026	0.0000	0.0000	0.0005
42	0.0363	0.0000	0.0016	0.0009	0.0000	0.0028	0.0000	0.0000	0.0006
43	0.0330	0.0000	0.0019	0.0012	0.0000	0.0032	0.0000	0.0000	0.0007
44	0.0306	0.0000	0.0019	0.0015	0.0000	0.0034	0.0000	0.0000	0.0007
45	0.0272	0.0000	0.0022	0.0018	0.0000	0.0035	0.0000	0.0000	0.0008
46	0.0247	0.0000	0.0022	0.0021	0.0000	0.0040	0.0000	0.0000	0.0009
47	0.0231	0.0000	0.0022	0.0023	0.0000	0.0042	0.0000	0.0000	0.0010
48	0.0215	0.0000	0.0022	0.0026	0.0000	0.0044	0.0000	0.0000	0.0011
49	0.0206	0.0000	0.0025	0.0031	0.0000	0.0048	0.0000	0.0000	0.0012
50	0.0189	0.0000	0.0028	0.0034	0.0000	0.0050	0.0000	0.0000	0.0012
51	0.0182	0.0000	0.0031	0.0039	0.0000	0.0053	0.0000	0.0000	0.0013
52	0.0182	0.0000	0.0031	0.0043	0.0000	0.0058	0.0000	0.0000	0.0015
53	0.0165	0.0000	0.0034	0.0047	0.0000	0.0062	0.0000	0.0000	0.0016
54	0.0165	0.0000	0.0034	0.0052	0.0000	0.0065	0.0000	0.0000	0.0017
55	0.0165	0.0000	0.0038	0.0058	0.0330	0.0069	0.0000	0.0000	0.0019
56	0.0165	0.0000	0.0041	0.0064	0.0450	0.0074	0.0000	0.0000	0.0021
57	0.0165	0.0000	0.0044	0.0071	0.0560	0.0078	0.0000	0.0000	0.0023
58	0.0165	0.0000	0.0050	0.0077	0.0680	0.0079	0.0000	0.0000	0.0025
59	0.0165	0.0000	0.0056	0.0084	0.0780	0.0083	0.0000	0.0000	0.0027
60	0.0165	0.0000	0.0063	0.0091	0.1010	0.0088	0.0000	0.0000	0.0031
61	0.0165	0.0000	0.0072	0.0098	0.1180	0.0092	0.0000	0.0000	0.0033
62	0.0165	0.0000	0.0081	0.0105	0.1460	0.0095	0.0000	0.0000	0.0037
63	0.0165	0.0000	0.0097	0.0113	0.1460	0.0099	0.0000	0.0000	0.0040
64	0.0165	0.0000	0.0144	0.0121	0.1800	0.0104	0.0000	0.0000	0.0043
65	0.0165	0.0000	0.0000	0.0000	0.2810	0.0000	0.0000	0.0000	0.0000
66	0.0165	0.0000	0.0000	0.0000	0.2810	0.0000	0.0000	0.0000	0.0000
67	0.0000	0.0000	0.0000	0.0000	0.3930	0.0000	0.0000	0.0000	0.0000
68	0.0000	0.0000	0.0000	0.0000	0.4490	0.0000	0.0000	0.0000	0.0000
69	0.0000	0.0000	0.0000	0.0000	0.5610	0.0000	0.0000	0.0000	0.0000
70	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000

PLANS C & D  
 GENERAL MEMBERS — FEMALE

**PROBABILITY OF OCCURRENCE (INCLUDING ELIGIBILITY)**

Age Nearest	Ordinary Withdraw	Vested Withdraw	Ordinary Death	Ordinary Disability	Service Retire	Service Disability	Service Death	DWE Svc Ret	DWE Dis Ret
18	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1457	0.0000	0.0003	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
21	0.1420	0.0000	0.0003	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
22	0.1384	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
23	0.1348	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
24	0.1303	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
25	0.1256	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
26	0.1212	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
27	0.1157	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
28	0.1102	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
29	0.1038	0.0000	0.0005	0.0002	0.0000	0.0002	0.0000	0.0000	0.0000
30	0.0983	0.0000	0.0005	0.0002	0.0000	0.0004	0.0000	0.0000	0.0000
31	0.0920	0.0000	0.0006	0.0002	0.0000	0.0004	0.0000	0.0000	0.0000
32	0.0866	0.0000	0.0006	0.0002	0.0000	0.0006	0.0000	0.0000	0.0000
33	0.0819	0.0000	0.0006	0.0004	0.0000	0.0009	0.0000	0.0000	0.0000
34	0.0764	0.0000	0.0006	0.0006	0.0000	0.0011	0.0000	0.0000	0.0000
35	0.0720	0.0000	0.0006	0.0008	0.0000	0.0011	0.0000	0.0000	0.0001
36	0.0683	0.0000	0.0006	0.0008	0.0000	0.0011	0.0000	0.0000	0.0001
37	0.0638	0.0000	0.0006	0.0010	0.0000	0.0011	0.0000	0.0000	0.0001
38	0.0601	0.0000	0.0008	0.0012	0.0000	0.0011	0.0000	0.0000	0.0001
39	0.0565	0.0000	0.0008	0.0012	0.0000	0.0011	0.0000	0.0000	0.0001
40	0.0528	0.0000	0.0008	0.0014	0.0000	0.0013	0.0000	0.0000	0.0002
41	0.0501	0.0000	0.0010	0.0016	0.0000	0.0015	0.0000	0.0000	0.0002
42	0.0474	0.0000	0.0010	0.0016	0.0000	0.0017	0.0000	0.0000	0.0002
43	0.0456	0.0000	0.0010	0.0017	0.0000	0.0017	0.0000	0.0000	0.0002
44	0.0428	0.0000	0.0011	0.0020	0.0000	0.0019	0.0000	0.0000	0.0002
45	0.0410	0.0000	0.0013	0.0021	0.0000	0.0019	0.0000	0.0000	0.0002
46	0.0392	0.0000	0.0013	0.0024	0.0000	0.0021	0.0000	0.0000	0.0002
47	0.0383	0.0000	0.0015	0.0028	0.0000	0.0021	0.0000	0.0000	0.0002
48	0.0364	0.0000	0.0016	0.0031	0.0000	0.0023	0.0000	0.0000	0.0002
49	0.0346	0.0000	0.0016	0.0034	0.0000	0.0026	0.0000	0.0000	0.0002
50	0.0328	0.0000	0.0018	0.0040	0.0000	0.0026	0.0000	0.0000	0.0003
51	0.0310	0.0000	0.0019	0.0045	0.0000	0.0028	0.0000	0.0000	0.0003
52	0.0282	0.0000	0.0023	0.0051	0.0000	0.0030	0.0000	0.0000	0.0003
53	0.0255	0.0000	0.0024	0.0059	0.0000	0.0032	0.0000	0.0000	0.0003
54	0.0228	0.0000	0.0027	0.0065	0.0000	0.0034	0.0000	0.0000	0.0003
55	0.0200	0.0000	0.0029	0.0071	0.0230	0.0036	0.0000	0.0000	0.0004
56	0.0173	0.0000	0.0032	0.0079	0.0280	0.0038	0.0000	0.0000	0.0004
57	0.0137	0.0000	0.0035	0.0087	0.0340	0.0043	0.0000	0.0000	0.0004
58	0.0091	0.0000	0.0039	0.0096	0.0450	0.0046	0.0000	0.0000	0.0004
59	0.0055	0.0000	0.0044	0.0106	0.0570	0.0051	0.0000	0.0000	0.0004
60	0.0000	0.0000	0.0047	0.0119	0.0690	0.0055	0.0000	0.0000	0.0005
61	0.0000	0.0000	0.0052	0.0127	0.1080	0.0062	0.0000	0.0000	0.0005
62	0.0000	0.0000	0.0056	0.0140	0.1700	0.0070	0.0000	0.0000	0.0005
63	0.0000	0.0000	0.0063	0.0154	0.1700	0.0079	0.0000	0.0000	0.0005
64	0.0000	0.0000	0.0068	0.0168	0.2100	0.0089	0.0000	0.0000	0.0005
65	0.0000	0.0000	0.0077	0.0000	0.2840	0.0100	0.0000	0.0000	0.0000
66	0.0000	0.0000	0.0087	0.0000	0.3410	0.0111	0.0000	0.0000	0.0000
67	0.0000	0.0000	0.0097	0.0000	0.3410	0.0123	0.0000	0.0000	0.0000
68	0.0000	0.0000	0.0113	0.0000	0.3410	0.0138	0.0000	0.0000	0.0000
69	0.0000	0.0000	0.0145	0.0000	0.5690	0.0159	0.0000	0.0000	0.0000
70	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000

TABLE IX

TABLE X

## Age and Service Retirees

## Disability Retirees

Expectation of Life					
1971 Group Annuity (X-2) (X-8)					
Age	Male	Female	Age	Male	Female
15	62.07	67.92	65	16.53	21.10
16	61.10	66.94	66	15.81	20.31
17	60.13	65.97	67	15.11	19.53
18	59.15	64.99	68	14.43	18.75
19	58.18	64.02	69	13.77	18.00
20	57.20	63.04	70	13.13	17.25
21	56.23	62.07	71	12.50	16.52
22	55.26	61.10	72	11.91	15.81
23	54.28	60.12	73	11.33	15.11
24	53.31	59.15	74	10.79	14.42
25	52.34	58.17	75	10.26	13.76
26	51.37	57.20	76	9.74	13.12
27	50.40	56.23	77	9.24	12.50
28	49.43	55.25	78	8.75	11.90
29	48.46	54.28	79	8.28	11.33
30	47.50	53.31	80	7.83	10.78
31	46.53	52.34	81	7.41	10.25
32	45.57	51.37	82	7.00	9.74
33	44.60	50.40	83	6.63	9.24
34	43.64	49.43	84	6.27	8.75
35	42.68	48.46	85	5.94	8.27
36	41.72	47.49	86	5.63	7.82
37	40.76	46.53	87	5.34	7.40
38	39.81	45.56	88	5.06	6.99
39	38.86	44.60	89	4.80	6.62
40	37.91	43.64	90	4.55	6.26
41	36.96	42.68	91	4.31	5.93
42	36.01	41.72	92	4.08	5.61
43	35.07	40.76	93	3.87	5.32
44	34.13	39.81	94	3.66	5.04
45	33.20	38.85	95	3.46	4.77
46	32.28	37.90	96	3.26	4.52
47	31.36	36.96	97	3.07	4.28
48	30.45	36.01	98	2.89	4.05
49	29.55	35.07	99	2.71	3.82
50	28.66	34.13	100	2.53	3.60
51	27.78	33.20	101	2.37	3.39
52	26.91	32.27	102	2.20	3.17
53	26.05	31.35	103	2.04	2.95
54	25.20	30.44	104	1.87	2.73
55	24.36	29.54	105	1.71	2.49
56	23.53	28.65	106	1.53	2.24
57	22.71	27.77	107	1.35	1.95
58	21.90	26.90	108	1.14	1.60
59	21.10	26.04	109	0.89	1.15
60	20.31	25.19			
61	19.53	24.35			
62	18.76	23.53			
63	18.00	22.71			
64	17.26	21.90			

Expectation of Life					
1971 Disability Mortality (X-0) (X-0)					
Age	Male	Female	Age	Male	Female
15	43.73	54.29	65	14.07	14.09
16	42.73	53.29	66	13.60	13.61
17	41.73	52.29	67	13.13	13.13
18	40.73	51.29	68	12.66	12.66
19	39.73	50.29	69	12.18	12.18
20	38.73	49.29	70	11.70	11.70
21	37.98	48.39	71	11.21	11.21
22	37.26	47.48	72	10.72	10.72
23	36.56	46.58	73	10.22	10.22
24	35.87	45.68	74	9.73	9.73
25	35.19	44.79	75	9.24	9.24
26	34.53	43.89	76	8.75	8.75
27	33.87	43.01	77	8.28	8.28
28	33.23	42.12	78	7.83	7.83
29	32.60	41.24	79	7.41	7.41
30	31.98	40.36	80	7.00	7.00
31	31.37	39.48	81	6.63	6.63
32	30.76	38.61	82	6.27	6.27
33	30.17	37.74	83	5.94	5.94
34	29.58	36.88	84	5.63	5.63
35	29.00	36.02	85	5.34	5.34
36	28.43	35.16	86	5.06	5.06
37	27.87	34.31	87	4.80	4.80
38	27.31	33.45	88	4.55	4.55
39	26.76	32.61	89	4.31	4.31
40	26.21	31.77	90	4.09	4.09
41	25.67	30.93	91	3.87	3.87
42	25.14	30.09	92	3.66	3.66
43	24.61	29.26	93	3.46	3.46
44	24.09	28.43	94	3.26	3.26
45	23.57	27.61	95	3.07	3.07
46	23.06	26.80	96	2.89	2.89
47	22.56	25.98	97	2.71	2.71
48	22.06	25.18	98	2.54	2.54
49	21.57	24.38	99	2.37	2.37
50	21.08	23.59	100	2.20	2.20
51	20.59	22.80	101	2.04	2.04
52	20.11	22.03	102	1.88	1.88
53	19.63	21.26	103	1.72	1.72
54	19.16	20.50	104	1.55	1.55
55	18.68	19.77	105	1.38	1.38
56	18.21	19.06	106	1.21	1.21
57	17.75	18.40	107	1.04	1.04
58	17.29	17.78	108	0.88	0.88
59	16.83	17.20	109	0.71	0.71
60	16.37	16.64			
61	15.91	16.11			
62	15.45	15.59			
63	14.99	15.08			
64	14.53	14.58			

# SUMMARY OF PLAN PROVISIONS

## PLANS A, B, C, AND D

### Government Code Sections

#### Membership

##### *Eligibility:*

Permanent employees who work 3/4 time or more.

- Employees eligible for safety membership (law enforcement) become safety members on the first of the month after date of hire. (31552)
- All other employees become general members on the first of the month after they make an election of either Plan D or Plan E. (31552)
- Elective officers become members on first of month after filing declaration with Board. (31553, 31562)

#### Service Retirement Allowance

(allowance at retirement not to exceed 100% of Final Compensation)

- **PLAN A** (member prior to 9/77)

##### *Eligibility:*

Age 50 with 10 years of County service, or any age with 30 years of service (20 years for safety Members). (31672, 31663.25)

##### *Allowance:*

(31462.1)

**General Members:**  $1/60 \times \text{Final Compensation} \times \text{years of service} \times \text{age factor}$ , where factor is defined in Section 31676.14 of the County Employees Retirement Law (CERL). (For those years of service in which the member is covered by Social Security, substitute 1/90 for 1/60 for compensation up to \$350 per month.) The above formula is also applicable for compensation in excess of \$350 per month.

**Safety Members:**  $1/50 \times \text{Final Compensation} \times \text{years of service} \times \text{age factor}$ , where factor is defined in Section 31664 of the CERL. (The factors are all functions of attained age only.)

Final Compensation is final one-year average monthly compensation if member does not elect a different period.

- **PLAN B** (new member after 8/77 through 9/78)

##### *Eligibility:*

Same as Plan A.

##### *Allowance:*

(31462)

**General Members:**  $1/60 \times \text{Final Compensation} \times \text{years of service} \times \text{age factor}$ , where factor is defined in Section 31676.11 of the CERL. (For those years of service in which the member is covered by Social Security, substitute 1/90 for 1/60 for compensation up to \$350 per month.) The above formula is also applicable for compensation in excess of \$350 per month.

Final Compensation is final three years' average monthly compensation if member does not elect a different period.

**Safety Members:** same as Plan A, except that Final Compensation is final three years' average monthly compensation if the member does not elect a different period.

- **PLAN C** (new General Member after 9/78 through 5/79)

Same eligibility and allowances as for Plan B except age factors are defined in Section 31676.1 of the CERL.

- **PLAN D** (new General Member after 5/79)

Same eligibility, age factors, and allowances as for Plan C except \$350 figure replaced by \$1,050.

For Plans A, B, C, and D, generally service prior to membership is credited at the nonintegrated rate, i.e., 1/60 and not 1/90.

For Plans A, B, C, and D, Final Compensation means three consecutive 12-month periods (as elected by member), average annual earnable compensation, or last three years' average if member does not elect otherwise. (Use total career earnings ÷ (months of service x 12) if less than three years of service.) For Plan A substitute one year for three years.

**Unmodified and Optional Forms of Benefit**

- The unmodified form** is a life allowance to the retired member with a continuance benefit of 60% of normal allowance payable to spouse or eligible children on member's death. To receive this continuance the spouse must be named as sole beneficiary and have been married to the member at least one year prior to retirement. (31760.1)
- The continuance of a service-connected disability benefit to the surviving spouse (or eligible children) of a retired member is 100% of the member's allowance. To receive this allowance the spouse must be named beneficiary and have been married to the member prior to retirement. Eligible children are unmarried children below the age of 18 (22 if full-time student in an accredited school). (31786)
- All allowances are made on a pro rata basis (based on the number of days in that month) if not in effect for the entire month as in the month of death or occasionally the month of retirement. (31760)
- Optional Forms** (The option must be elected before first payment is made; if any option is elected, the 60% continuance benefit described above is forfeited.) (31760)
- Option I Cash Refund Annuity (31761)
- Option II 100% Joint and Contingent Annuity (joint annuitant must have an insurable interest) (31762)
- Option III 50% Joint and Contingent Annuity (joint annuitant must have an insurable interest) (31763)
- Option IV Other % Joint and Contingent Annuity (joint annuitants must have an insurable interest) (31764)
- The automatic 60% continuance still applies to the Social Security Level Income Option (31810) based on the unmodified allowance. (31811)
- All options except Social Security Level Income are actuarially equivalent to the unmodified life allowance without continuance.

**Deferred Vested Benefits**

- General and Safety Members.
- 0% vested with fewer than five years of service; 100% vested with five or more years of service (years of service for determining eligibility for retirement include reciprocal service with all reciprocal agencies). (31700)
- Members may elect to retire at any time they could have retired had they remained in County service in a full-time position (but not later than compulsory retirement). (31700)
- Allowance calculated according to formula under service retirement at time of retirement (factor based on actual retirement age). (31703, 31704, 31705)
- For member to receive allowance, employee contributions must be left on deposit and the member must apply for deferred retirement benefits within 180 days of termination. (31700)
- Choice of deferred retirement date subject to eligibility requirements. (31700)
- If terminated employee dies while deferring retirement, the death benefit is the accumulated contributions. (31702)

**Service-Connected Disability Retirement Allowance**

- Eligibility:* (31720)
- Any age; disability must result from occupational injury or disease. (31720)
- Definition of Disability:* (31722)
- Permanently incapacitated for performance of duty; application for benefit must be made within four months of separation from service or any time thereafter while continuously incapacitated to perform duties.

*Allowance:*

Allowances begin from the date of application or the day following the last day of regular compensation, if later. (31724)

The monthly allowance would be 50% of Final Compensation or the service retirement (if eligible) allowance if greater.

Upon death of member while service-disabled, 100% of allowance continues to spouse or eligible child (see unmodified form description). (31786)

Member may elect optional forms in lieu of the 100% continuation benefit. (31760)

**Nonservice-connected Disability Retirement Allowance**

*Eligibility:*

Any age, with five years of County or reciprocal service. (31720)

*Definition of Disability:*

Permanently incapacitated for performance of duty; application must be made within four months of separation from service or any time thereafter while continuously incapacitated to perform duties. (31720, 31722)

*Allowance:*

If over age 65 and a General Member or over age 55 and a Safety Member: member's service retirement allowance, otherwise allowance equals the greater of a) or b) where: (31726, 31726.5)

a) is  $.9 \times 1/60 \times \text{years of service} \times \text{Final Compensation}$  if allowance exceeds 1/3 of Final Compensation (31727(a))

b) is  $.9 \times 1/60 \times \text{years of service projected to age 65} \times \text{Final Compensation}$  if allowance does not exceed 1/3 of Final Compensation. (Members are eligible for the amount determined by using b) only if they are eligible to retire without relying upon service in another retirement system.) (31727(b))

For Safety Members 1/60 is replaced by 1/50 and 65 is replaced by 55 in a) and b) above. (31727.2)

Upon death of member while eligible to receive or currently receiving nonservice-connected disability benefits, 60% of benefit continues to eligible spouse or child (see unmodified form description). (31760.1, 31781.1, 31785)

Member may elect optional forms of benefit in lieu of 60% of continuance. (31760)

**Nonservice-connected Death Benefits**

*Eligibility:*

All active members. (31780)

*Amount of Death Benefit (Lump Sum):*

The member's accumulated normal contributions plus 1/12 of compensation earned in preceding 12 months multiplied by number of completed years of service (benefit not to exceed 50% of the preceding 12 months' compensation). (31781)

*Optional Death Benefit:*

If a member who would have been entitled to nonservice-connected disability retirement benefit dies prior to retirement as a result of such disability, spouse or eligible children may elect to receive 60% of what the disability benefit would have been under normal continuance definition in lieu of nonservice-connected death benefit. (31781.1)

*Second Optional Death Benefit:*

In lieu of nonservice-connected death benefit and if member has 10 years of service, a surviving spouse may leave money on deposit and elect to receive the 60% continuation of the normal retirement benefit at the earliest date the member would have been eligible to retire had death not occurred. Note: this option would probably never be elected because the first optional death benefit would be elected instead. (31781.2)

*Third Optional Death Benefit:*

A surviving spouse of a member who dies after five years of service may elect: (31781.3)

a) the lump sum salary benefit (1/12 of compensation times service, etc.)

described above, and

- b) the 60% continuation entitled to by nonservice-connected disability retirement (or the 50% salary continuance entitled to by service-connected disability) less the actuarial equivalent of a) above.

*Fourth Optional Death Benefit (Death While Eligible):*

(31765.1)

If member dies while eligible for service retirement and if spouse is designated beneficiary, spouse may elect to receive a normal 60% continuance of the service retirement allowance that would have been payable at the member's date of death.

The person to whom any lump sum death benefit is payable may optionally elect to receive monthly installments (not to exceed 10 years) plus interest on the unpaid balance.

(31784)

**Service-Connected Death Benefits**

*Eligibility:*

(31787)

All members who die as a result of injury or disease arising out of and in the course of employment. Spouse or eligible child does not have to be designated beneficiary. Spouse or guardian of child may elect this service-connected death benefit in lieu of the nonservice-connected death benefit.

*Amount of Service Death Benefit:*

(31787, 31727.4)

Annual allowance payable monthly of 50% of member's Final Compensation or service retirement allowance if greater. Allowance continues as normal continuance to spouse or children below 18, etc.

*Additional Service Death Benefit:*

(31787.5)

If member dies as result of an accident or an injury caused by external violence or physical force, the allowance previously described is increased by 25% (i.e., to 62-1/2% of Final Compensation) for one child, by 40% for two children, and by 50% for three or more children.

A surviving spouse of a Safety Member would also receive a lump sum death benefit equal to 12 x monthly rate of compensation at time of member's death.

(31787.6)

**Post-retirement Death Benefit**

*Eligibility:*

All members while receiving a retirement allowance from the System.

*Amount:*

(31789.1)

\$750 (one-time lump sum). This is in addition to any other death or survivor benefits. Amount is paid from surplus earnings of the System, if any, or by the County based on agreement with the Retirement Association. It is payable to the named beneficiary or if no named beneficiary, to the estate.

*Employee Contributions*

Employee contributions are based on the nearest entry age of each member and are required of all members in Plans A, B, C, or D. A member is defined as a permanent employee who works 3/4 time or more. A different rate of contributions is applicable above and below the integration level (\$350 for Plans A, B, and C; \$1,050 for D). Contributions cease after they have been made for 30 years of service if a member before March 7, 1973.

(31620, 31625.2)

Service may be purchased if eligible for certain previous military service (if hired before July 1, 1974), U.S. federal government service (if hired before July 1, 1974), prior service (if hired before December 1, 1975), or other public agency service (if hired before October 1, 1974). The contributions for such service would be double those that would have been contributed, including interest (except for public agency service where carpenter's salary is used). The "purchase price" for such service may be amortized over a period up to five years, but must be made before actual retirement.

(31641.1, resolutions adopted by the Board of Supervisors and By-laws adopted by the Board of Retirement)

Elective officers whose terms expire may contribute for a full month and receive a full month of service if their term covers at least 20 days in their last month.

(31648.6)

Any member may redeposit accumulated normal contributions plus interest from date of withdrawal. Redeposit may be by lump sum or installment payments. Membership would be same as if unbroken except that future contributions would be based on age at reentrance. (31652)

Interest is compounded semiannually at an interest rate set by the Board of Investments. Only amounts that have been on deposit for at least six months earn interest. No interest is credited after termination unless deferred retirement is elected. The contributions are deducted monthly from wage warrants. (31591, 31625)

The County may make contributions for all members. The contributions are not added to the members' accounts in this case. (31581.1)

Effective August 1, 1983, under a local ordinance, and in accordance with Internal Revenue Code Section 414(h)(2), member contributions are considered to be employer contributions for tax purposes only.

For disability beneficiaries who are determined to be no longer incapacitated and immediately return to active service, contributions are based on age at reentry and accumulated contributions are set equal to actuarial value of annuity less amounts already paid. (31733)

A member, upon filing a withdrawal application, receives accumulated normal contributions if termination is by other than death or retirement. If no application filed by member, treasurer sends notice by registered mail within 90 days; if money is not claimed within 10 years (five years if a new member after 1/1/76), the money becomes a part of the current pension reserve fund. (31628, 31629)

#### **Service and Breaks in Service**

"Service" means uninterrupted employment of any person appointed or elected for that period: (31641)

- a) For which deductions are made from earnable compensation from the County or district for such service by a member of the retirement association.
- b) In military service for which the County or district or member is authorized by other provisions of the CERL to make, and does make, contributions.
- c) For which credit is received for County service or for public service or for both under the provisions of Article 7 in the CERL.
- d) Allowed for prior service.

The following are not considered as breaking service continuity: (31642)

- a) A temporary layoff because of illness, economy, suspension, or dismissal, followed by reinstatement or reemployment within one year.
- b) A leave of absence followed by reinstatement or reemployment within one year after the termination of the leave of absence.
- c) A resignation to enter, followed by entrance into, the armed forces of the United States, followed by reemployment by the County or district within six months after the termination of such service.
- d) Resignation of a member who has elected in writing to come within the provisions of Article 9 followed by reemployment before withdrawal of any accumulated contributions.

Note: The withdrawal of accumulated normal contributions followed by the redeposit of the contributions upon reentrance into service does not constitute a break in service continuity.

When service for which a member receives credit, either before or during membership, is on a tenure which is temporary, seasonal, intermittent, or part-time only, the member will receive credit for the time such position was held proportionate to the time required to perform the same duties in a full-time position. A "year of service" in such position means the time during which the member has earned one full year of credit, calculated as provided in this section. (31640.5)

Service with other public agencies whose duties are assumed by the County counts for benefit eligibility, but not directly in determining the benefit amount if under the reciprocity statute. (31672.5)

## Reciprocity

- Final Compensation may be based on service with PERS or other county plan, if higher. (31835)
- All PERS and other county service counts for benefit eligibility if compensation for such service constitutes compensation earnable. (31836)
- Deferred vested members are eligible for disability benefits from this system if disabled while a member of PERS or other county plan. In no event will the benefits be larger than if all service was spent with one system. (31837, 31838, 31838.5)
- Deferred vested members are eligible for death benefits from this System if they die while a member of PERS or other county plan. Death benefit would be return of accumulated normal contribution only if the death is service-related; if death is nonservice-related, benefit equals accumulated contributions plus amount necessary to bring total county plus PERS benefit up to 50% of final 12 months' compensation. (31839, 31840)
- Deferred vested members who are members of PERS or other county's plan are eligible for service retirement benefits in accordance with the provisions of the CERL on the date of retirement. (31705)

## Transfers

- For members who have transferred between Safety and General classification, the benefit percentage to which they would be entitled is based on Safety service times Safety formula plus General service times General formula. (31664.65)

## Cost-of-Living Increases

- Members of Plan A are limited to a maximum 3% CPI increase per year with a bank, whereas Plans B, C, and D are limited to a maximum 2% CPI increase with a bank. (31870, 31870.1)

The CPI increases are applied to all retirement allowances (service and disability), optional death allowances, and annual death allowance. The increases are made effective April 1 each year, based on the increase from the previous January 1 to the current January 1 to the nearest 1/2 if 1%. The CPI is based on the Bureau of Labor Statistics CPI for the area including the County seat.

No CPI decrease will decrease the allowance below the allowance on the effective date of retirement or the date of the CPI amendment to the CERL, whichever is later.

## SUMMARY OF PLAN PROVISIONS

### PLAN E

#### Eligibility

- All persons eligible for general membership, employed after the effective date of Plan E and who elect Plan E. (31487, By-laws)
- Existing General Members who transfer to Plan E. (31487)
- General Member means an employee hired on a monthly permanent basis of at least 3/4 time, except an employee eligible for Safety membership. (31488)
- Transferring members waive all previously available vested or accrued retirement, survivor, disability, and death benefits. (31494)

#### Service Retirement Allowance

(31491, 31488)

*Eligibility - Normal Retirement:*

Age 65 with 10 years of service.

*Normal Retirement Allowance:*

2% x Final Compensation x years of service not in excess of 35 years plus 1% x Final Compensation x years of service in excess of 35, not to exceed 10 additional years, reduced by the estimated Primary Insurance Amounts x a fraction, the numerator of which is the number of years of service with the employer subject to coverage under the federal system not to exceed 35 years, and the denominator of which is 35.

Final Compensation is average of best three years (whether or not consecutive).

Estimated Primary Insurance Amount is based on the employee's age and salary as of the date of retirement or the date of termination of a vested member, assuming that:

- Prior career earnings have been subject to the federal system and have increased at a yearly rate equal to the average wages reported by the Social Security Administration, and
- For those members who have not attained the normal retirement age under the federal system:
  - future earnings continue at the pay rate as of retirement or termination date
  - future wage bases, as defined by the federal system, continue at the level in effect in the year of retirement or termination
  - cost-of-living increases in the year of retirement and delayed retirement credit provided under the federal system are not included.

Adjustments will be made for members receiving a Normal Retirement Allowance upon presentation of the actual Primary Insurance Amount.

*Maximum Normal Retirement Allowance:*

The sum of the Normal Retirement Allowance and the estimated Primary Insurance Amount cannot exceed 70% of Final Compensation for a member with 35 or less years of service and cannot exceed 80% of Final Compensation if service exceeds 35 years.

*Eligibility - Early Retirement:*

Age 55 with 10 years of service.

*Early Retirement Allowance:*

The actuarial equivalent of the Normal Retirement Allowance.

**Unmodified and Optional Forms of Benefit**

(31492)

The unmodified form is a life allowance to the retired member; a continuance benefit of 50% of a normal allowance is payable to spouse or eligible children on death of member.

To receive this continuance the spouse must have been married to the member at least one year before retirement date.

Eligible children are unmarried children below the age of 18 (22 if full-time student in an accredited school).

*Optional Forms:*

In lieu of the Normal or Early Retirement Allowances, a retired member may elect to have a lesser amount (actuarial equivalent of the unmodified life allowance) paid during the retired member's life and a survivor allowance continued to a designated joint annuitant having an insurable interest in the life of the retired member.

Options must be elected before first payment is made and are the actuarial equivalent of the unmodified life allowance without continuance.

**Deferred Vested Benefits**

(31491)

Ten years of service must be completed to become 100% vested under Plan E. There is no vesting prior to completing 10 years of service.

Vested benefits are payable at Normal Retirement or in an actuarially equivalent reduced amount at Early Retirement.

**Service-Connected Disability Allowance**

(31487)

Not available under Plan E.

**Ordinary Disability Allowance**

(31487)

Not available under Plan E.

**Ordinary Death Benefit**

(31487)

Not available under Plan E.

**Optional Death Benefits**

(31487)

Not available under Plan E.

**Service-Connected Death**

Not available under Plan E.

(31487)

**Postretirement Death Benefit**

(31492)

The only death benefits payable are continuance or survivor allowances as described under Unmodified and Optional Forms of Benefit.

**Employee Contributions**

(31489)

There are no member contributions under Plan E.

A member who transfers to Plan E will have accumulated contributions with interest refunded.

**Service and Breaks in Service**

(31488)

Service means uninterrupted employment of a member and the time in which a member or former member is totally disabled and is receiving (or is eligible to receive) disability benefits under a disability plan provided by the County.

Except as otherwise provided, a member will not be credited with service for benefit purposes for any period, in excess of 22 consecutive workdays, in which the member is absent without pay. An unpaid leave of absence not exceeding one year, or a leave of absence for which an employee received any benefit, is not considered an interruption of service for vesting purposes.

Service does not include military or public service other than service with the County. Transferring members will receive credit for public service before the transfer, including service with the County, military service, and other public service for which the member is otherwise eligible.

**Reciprocity**

(31487)

The provisions are the same as for Plans A, B, C, and D except those provisions dealing with disability retirement, death benefits and the requirement relating to the deposit of accumulated member contributions.

**Cost-of-Living Increases**

(31487)

Not available under Plan E.



STATISTICAL  
SECTION

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4



### ACTIVE AND DEFERRED MEMBERS: 1981-1990

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
<b>ACTIVE MEMBERS</b>										
General	61,970	58,542	57,273	57,831	56,440	58,148	59,781	58,361	58,734	60,748
Safety	8,371	8,609	9,098	9,489	9,217	9,241	9,313	9,460	10,112	10,642
Total	70,341	67,151	66,371	67,320	65,657	67,389	69,094	67,821	68,846	71,390
<b>DEFERRED MEMBERS</b>										
General	1,883	1,610	1,655	1,628	1,667	1,813	1,992	2,492	2,639	2,794
Safety	222	132	121	103	93	92	89	89	86	84
Total	2,105	1,742	1,776	1,731	1,760	1,905	2,081	2,581	2,725	2,878

### RETIRED MEMBERS BY TYPE OF RETIREMENT: 1981-90

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
<b>SERVICE</b>										
General	16,010	16,867	17,428	18,387	19,012	19,569	20,025	20,507	21,115	21,658
Safety	1,390	1,458	1,613	1,690	1,726	1,797	1,858	1,949	2,007	2,039
Total	17,400	18,325	19,041	20,077	20,738	21,366	21,883	22,456	23,122	23,697
<b>DISABILITY</b>										
General	2,648	2,849	3,035	3,247	3,374	3,503	3,597	3,614	3,673	3,815
Safety	1,315	1,489	1,600	1,774	1,914	2,074	2,192	2,301	2,378	2,555
Total	3,963	4,338	4,635	5,021	5,288	5,577	5,789	5,915	6,051	6,370
<b>SURVIVORS</b>										
General	2,933	3,018	3,256	3,400	3,521	3,699	3,823	3,958	4,106	4,227
Safety	679	703	670	701	722	732	759	790	818	847
Total	3,612	3,721	3,926	4,101	4,243	4,431	4,582	4,748	4,924	5,074
<b>Grand Total</b>	<b>24,975</b>	<b>26,384</b>	<b>27,602</b>	<b>29,199</b>	<b>30,269</b>	<b>31,374</b>	<b>32,254</b>	<b>33,119</b>	<b>34,097</b>	<b>35,141</b>

### RETIRED MEMBER PROFILE

	JUNE 30, 1988		JUNE 30, 1989		JUNE 30, 1990	
<b>Age:</b>						
65 & Over	19,320	(58.3%)	20,829	(61.1%)	21,850	(62.2%)
Under 65	13,799	(41.7%)	13,268	(38.9%)	13,291	(37.8%)
<b>Type of Membership:</b>						
General	28,120	(84.9%)	28,894	(84.7%)	29,700	(84.5%)
Safety	4,999	(15.1%)	5,203	(15.3%)	5,441	(15.5%)
<b>Years of Service:</b>						
Under 10	4,361	(13.2%)	4,528	(13.3%)	4,567	(13.0%)
10-15	7,563	(22.8%)	7,595	(22.3%)	7,668	(21.8%)
15-20	5,751	(17.4%)	5,963	(17.5%)	6,191	(17.6%)
20-25	4,778	(14.4%)	4,961	(14.5%)	5,089	(14.5%)
25-or more	10,666	(32.2%)	11,050	(32.4%)	11,626	(33.1%)
<b>Monthly Allowance Distribution:</b>						
\$0.00 - 299.99	4,736	(14.3%)	4,364	(12.8%)	2,846	(8.1%)
300.00 - 599.99	8,172	(24.7%)	7,628	(22.4%)	6,613	(18.8%)
600.00 - 899.99	5,961	(18.0%)	6,335	(18.6%)	6,207	(17.7%)
900.00 - 1,199.99	4,230	(12.8%)	4,358	(12.8%)	4,933	(14.0%)
1,200.00 - 1,499.99	3,138	(9.5%)	3,351	(9.8%)	3,853	(11.0%)
1,500.00 - 1,999.99	3,156	(9.5%)	3,533	(10.3%)	4,353	(12.4%)
2,000.00 - 2,499.99	1,672	(5.0%)	1,968	(5.8%)	2,529	(7.2%)
2,500.00 - or more	2,054	(6.2%)	2,560	(7.5%)	3,807	(10.8%)

## CONTRIBUTIONS VS. BENEFITS AND REFUNDS

(Amounts in Thousands)

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
<b>Contributions</b>										
Member Contributions	\$78,484	\$78,935	\$73,879	\$74,805	\$77,399	\$82,356	\$86,790	\$93,862	\$103,879	\$117,249
Employer Contributions	273,489	267,793	295,181	282,024	321,183	335,754	336,533	352,076	383,820	364,600
<b>Total Contributions</b>	<u>351,973</u>	<u>346,728</u>	<u>369,060</u>	<u>356,829</u>	<u>398,582</u>	<u>418,110</u>	<u>423,323</u>	<u>445,938</u>	<u>487,699</u>	<u>481,849</u>
<b>Benefits</b>										
Death Benefits--Lump Sum	1,495	1,010	1,286	1,222	1,162	1,130	1,148	1,423	1,269	1,400
Int/Pmt Sections, 31725.5/6	125	188	205	234	222	262	245	297	307	459
Retired Members--Death Benefits	542	503	71	--*	--	--	--	--	--	--
Medical Ins & Dental/Vision Plan	13,472	16,405	--*	--	--	--	--	--	--	--
Pension & Annuity Payments	184,318	207,924	233,747	266,600	298,331	324,794	334,724	344,204	388,373	439,975
<b>Total Benefits</b>	<u>199,952</u>	<u>226,030</u>	<u>235,309</u>	<u>268,056</u>	<u>299,715</u>	<u>326,186</u>	<u>336,117</u>	<u>345,924</u>	<u>389,949</u>	<u>441,834</u>
<b>Refunds</b>	<u>20,036</u>	<u>101,406**</u>	<u>7,860</u>	<u>8,175</u>	<u>25,436</u>	<u>6,700</u>	<u>18,152</u>	<u>7,918</u>	<u>16,147</u>	<u>11,029</u>
<b>Total Benefits &amp; Refunds</b>	<u>219,988</u>	<u>327,436</u>	<u>243,169</u>	<u>276,231</u>	<u>325,151</u>	<u>332,886</u>	<u>354,269</u>	<u>353,842</u>	<u>406,096</u>	<u>452,863</u>
<b>Excess Contributions Over Benefits &amp; Refunds</b>	<u>\$131,985</u>	<u>\$19,292</u>	<u>\$125,891</u>	<u>\$80,598</u>	<u>\$73,431</u>	<u>\$85,224</u>	<u>\$69,054</u>	<u>\$92,096</u>	<u>\$81,603</u>	<u>\$28,986</u>

\*Effective July 1, 1982, the County of Los Angeles assumed the cost for payment of retiree health insurance (employer's share) and retired members death benefits.

\*\*Total included \$80,275 withdrawals on April 15, 1982 by members who transferred to noncontributory plan, known as Retirement Plan "E."

## EMPLOYER CONTRIBUTION RATES

Effective Date	Plan A		Plan B		Plan C	Plan D	Plan E
	General	Safety	General	Safety	General	General	General
7/1/80-6/30/81	20.84%	33.59%	9.73%	17.50%	7.97%	7.44%	
7/1/81-6/30/82	21.76%	35.52%	17.09%	27.56%	16.01%	16.26%	13.84%*
7/1/82-6/30/83	19.11%	29.30%	14.66%	22.05%	14.19%	14.09%	12.97%
7/1/83-8/31/84	19.11%	29.30%	14.66%	22.05%	14.19%	14.09%	12.97%
9/1/84-6/30/85	19.21%	32.09%	15.32%	24.31%	15.11%	15.02%	13.68%
7/1/85-6/30/86	19.21%	32.09%	15.32%	24.31%	15.11%	15.02%	13.68%
7/1/86-12/31/86	19.21%	32.09%	15.32%	24.31%	15.11%	15.02%	13.68%
1/1/87-8/31/87	18.01%	29.40%	14.12%	21.62%	13.91%	13.82%	12.48%
9/1/87-6/30/88	18.64%	27.04%	15.05%	19.31%	14.75%	14.63%	13.28%
7/1/88-6/30/89	18.64%	27.04%	15.05%	19.31%	14.75%	14.63%	13.28%
7/1/89-1/31/90	18.64%	27.04%	15.05%	19.31%	14.75%	14.63%	13.28%
2/1/90-6/30/90	15.18%	21.02%	11.59%	13.29%	11.29%	11.17%	9.82%

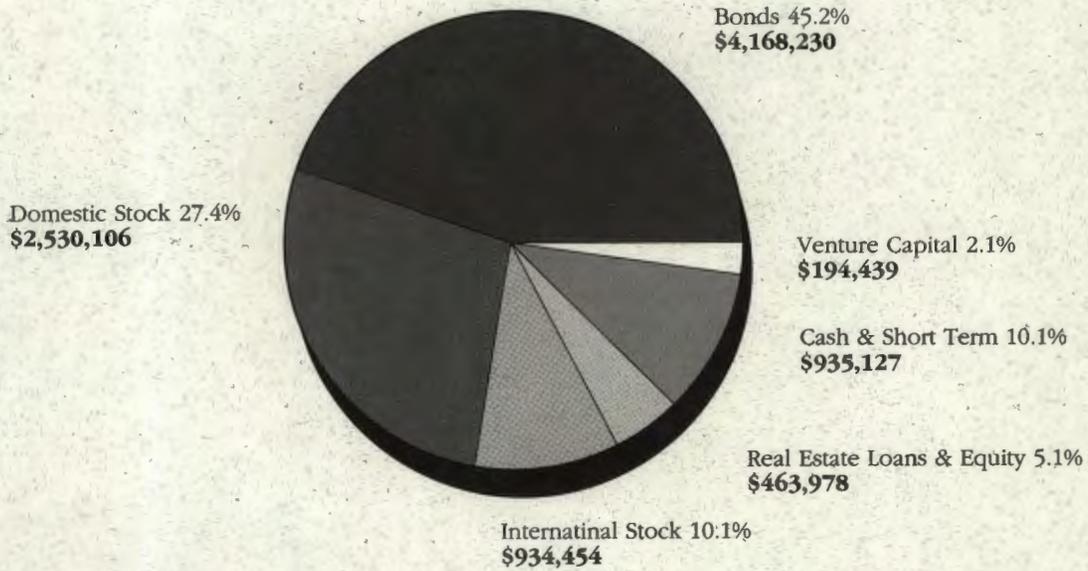
\*Effective September 28, 1981, the state legislature added article 1.5 (Sections 31487-31495) to the County Employees Retirement Law of 1937. This addition provides an optional, noncontributory retirement plan (know as Retirement Plan E) for general members of LACERA as an alternative to previously existing provisions and benefits. On December 8, 1981, the County Board of Supervisors approved a resolution to adopt Plan E.

Effective January 4, 1982, new employees eligible for general retirement membership must elect within 60 days of employment (as a condition of continued employment) coverage under either Retirement Plan D or Retirement Plan E.

## INVESTED ASSETS (AT BOOK VALUE)

(Amounts in Thousands)

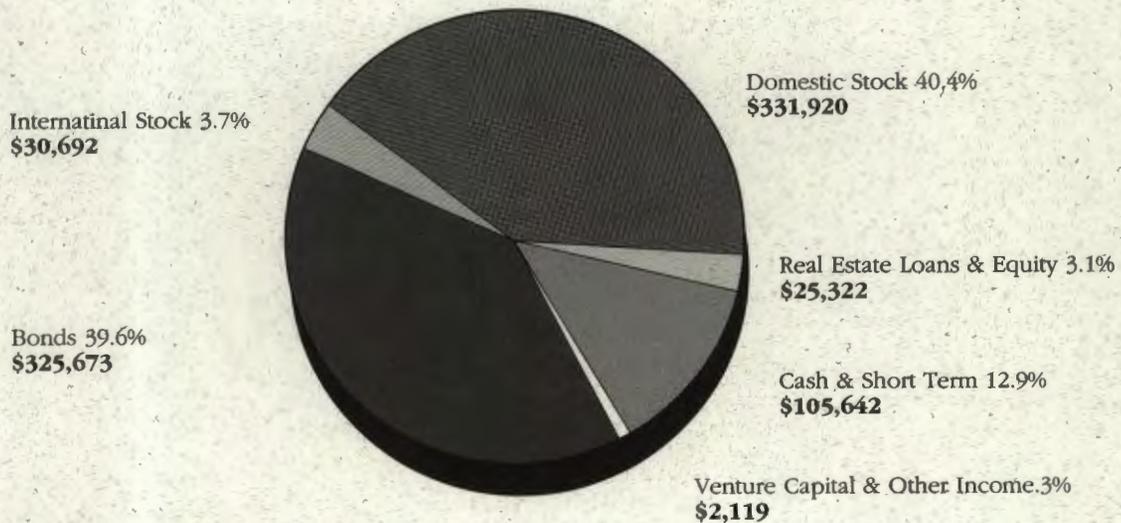
**\$9,226,334**



## NET INVESTMENT INCOME

(Amounts in Thousands)

**\$821,368**



**L//CERA**

Los Angeles County  
Employees Retirement  
Association

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Los Angeles, California 90012-2719