



November 14, 1995

The Wyatt Company

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Mr. Oscar Peters
City Employees' Retirement System
360 East Second Street, 8th Floor
Los Angeles, California 90012-4207

Agenda	NOV 14 1995
Item Number	V

RE: Revised Actuarial Valuation Report

Dear Oscar:

Attached is the revised "Summary of Significant Valuation Results" as of June 30, 1995 for the City Employees' Retirement System.

This revision reflects an updated market value of System assets, from \$4,458,509,000 to \$4,496,068,000.

This revision does *not* reflect certain salary increases due to M.O.U.'s settled *after* the June 30, 1995 valuation date, although these increases were retroactive to July 1, 1994. Based on our understanding of the level of the salary increases and the portion of the total membership affected, we believe reflecting these salary increases at this time will not significantly change the valuation results. In any case, to the extent these increases -- combined with other salary increases during July 1, 1995 to June 30, 1996 -- differ from the actuarially assumed increases for this period, actuarial gains/(losses) will be generated. These gains/(losses) will be amortized in future years.

We will be sending 40 copies of a completely revised actuarial valuation report on or before the end of the month.

Please call Sharon or me if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Judy C. Ocaya'.

Judy C. Ocaya, FSA
Consulting Actuary
JO:MC

c: Lorraine Osuna
Sharon Peake

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

Summary of Significant Valuation Results				
		June 30, 1995	June 30, 1994	Percent Change
I.	Total Membership			
	A. Active Members	22,538	22,270	+1.2%
	B. Pensioners	11,962	11,894	+0.6%
II.	Salaries at June 30			
	A. Total Annual Payroll	\$911,292,385	\$884,950,676	+3.0%
	B. Average Monthly Salary	\$3,369	\$3,311	+1.8%
III.	Benefits to Current Pensioners and Beneficiaries			
	A. Total Annual Benefits	\$205,047,801	\$196,438,501	+4.4%
	B. Average Monthly Benefit Amount	\$1,429	\$1,376	+3.9%
IV.	Total System Assets (Actuarial Value)	\$4,222,626,665	\$3,882,792,939	+8.8%
V.	Unfunded Actuarial Accrued Liability			
	A. Retirement Benefits	\$140,708,767	\$188,117,516	-25.2%
	B. Health Subsidy Benefits	\$178,219,962	\$238,710,302	-25.3%
VI.	Budget Items			
	A. Retirement Benefits			
	1. Normal Cost as a Percent of Pay	5.03%	6.58%	-23.6%
	2. Amortization of Unfunded Actuarial Accrued Liability			
	i) Percent of Pay, plus	5.67%	5.49%	+3.3%
	ii) Fixed Dollar Amount	\$2,724,502	\$2,724,502	+0.0%
	3. Total Retirement Contribution	10.70%	12.07%	-11.4%
	B. Health Subsidy Contribution, as a Percent of Pay	2.49%	2.99%	-16.7%
	C. Total Contribution (A+B)			
	i) Percent of Pay, plus	13.19%	15.06%	-12.4%
	ii) Fixed Dollar Amount	\$2,724,502	\$2,724,502	+0.0%
VII.	Funded Ratio (Based on Actuarial Value of Assets)			
	A. Retirement Benefits	96.6%	95.1%	+1.6%
	B. Health Subsidy Benefits	59.6%	49.5%	+20.4%
	C. Total	92.9%	90.1%	+3.1%