

**FRESNO COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION**

Financial Statements for the
Years Ended June 30, 1995 and 1994
and Independent Auditors' Report

September 19, 1995

Deloitte & Touche LLP

In our opinion, such financial statements present fairly, in all material respects, information regarding Fresno County Employees' Retirement Association's net assets available for benefits as of June 30, 1995, and the changes therein for the year then ended and its financial status as of June 30, 1994 and the changes therein for the year then ended, in conformity with generally accepted accounting principles.

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.

We have audited the accompanying statements of net assets available for benefits of Fresno County Employees' Retirement Association (the "Association") as of June 30, 1995 and 1994, and the related statements of changes in net assets available for benefits 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.

To the Board of Retirement of
Fresno County Employees'
Retirement Association
Fresno, California

INDEPENDENT AUDITORS' REPORT

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Deloitte &
Touche LLP

FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

JUNE 30, 1995 AND 1994

(in thousands of dollars)

	1995	1994
ASSETS:		
Investments, at cost; market value of \$886,723 in 1995 and \$689,020 in 1994 (Note 3)	\$ 839,148	\$ 688,971
Cash and cash equivalents (Note 4)	19,858	64,487
Investment trades receivable (Note 5)	20,406	34,614
Interest and dividends receivable	1,411	4,983
Contributions and other receivables	2,068	2,628
Other assets	55	65
Total assets	882,946	795,748
LIABILITIES:		
Investment trades payable (Note 5)	30,755	11,596
Accounts payable	1,872	1,036
Total liabilities	32,627	12,632
NET ASSETS AVAILABLE FOR BENEFITS (Note 6)	\$ 850,319	\$ 783,116

See notes to financial statements.

FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED JUNE 30, 1995 AND 1994

(in thousands of dollars)

	1995	1994
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	\$ 783,116	\$ 707,779
INCREASES:		
Investment income:		
Interest	24,490	24,910
Dividends	7,635	5,943
Real estate income	3,810	2,380
Realized net gain on sales of investments	39,193	49,167
Commingled equity fund income	2,161	1,426
Securities lending	90	132
Miscellaneous income	173	200
Contributions (Note 2):		
Employers	22,707	21,428
Employees	6,723	6,374
	<u>29,430</u>	<u>27,802</u>
Total increases	106,982	111,960
DECREASES:		
Benefits paid to participants	35,341	32,845
Refunds of prior contributions	1,298	1,478
Investment counselor fees	2,182	1,605
Custodian service fees	139	57
Actuarial service fees	35	6
Fiduciary insurance premiums	64	72
Consultant fees	60	40
Administrative expenses	660	520
Total decreases	<u>39,779</u>	<u>36,623</u>
NET INCREASE	67,203	75,337
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	\$ 850,319	\$ 783,116

See notes to financial statements.