

MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
APRIL 27, 1987

CALL TO ORDER AND ROLL CALL

The Administration, Investment and Fiscal Management Board met in regular session in Conference Room 103, 801 - 9th Street, at 1:32 p.m. on April 27, 1987.

PRESENT: DeCamilla, Frierson, Friery, Masuoka, Wolford

ABSENT: None

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD MARCH 23, 1987
APPROVED

The Board received and reviewed the minutes of the regular meeting held March 23, 1987. Mr. Wolford moved the minutes be approved. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: DeCamilla, Frierson, Friery, Masuoka, Wolford

NOES: None

INVESTMENTS - TREASURER'S ACTIVITY REPORT
ACCEPTED

The Board received the February 1987 Treasurer's Investment Activity Report. Don Sperling, Assistant City Treasurer, reviewed the investment report with the Board. Deborah Carter, Investment Officer, reviewed the gold and silver report with the Board. In the second paragraph of the report, the first sentence is to be deleted. After discussion, Mr. Wolford moved to accept the investment activity report. The motion was seconded by Ms. Masuoka and was carried by the following vote:

AYES: DeCamilla, Frierson, Friery, Masuoka, Wolford

NOES: None

REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORT

ACCEPTED

The Board received the March 1987 Real Estate Advisor's Report submitted by W. Jim Smith of WJS & Associates. Mr. Smith was not present to review the report with the Board.

After the Board reviewed the report, Mr. DeCamilla moved to accept the monthly report. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: DeCamilla, Frierson, Friery, Masuoka, Wolford

NOES: None

SEI 1986 PERFORMANCE REVIEW

ACCEPTED AS INFORMATIONAL

The Board received copies of SEI's 1986 Performance Review. The Board accepted the item as informational.

DELAWARE INVESTMENT ADVISERS, INC. - FIRST QUARTER REPORT

ACCEPTED AS INFORMATIONAL

The Board received the Delaware Investment Advisers, Inc. first quarter report. The Board accepted the item as informational.

BATTERYMARCH REPORT FOR MARCH, 1987

ACCEPTED AS INFORMATIONAL

The Board received the Batterymarch Report for March 1987. In reviewing the report the Board discussed the performance of the foreign investments. The Board accepted the item as informational.

POLICY MATTERS TO BE CONSIDERED AND ACTED UPON

FY 87-88 INTEREST RATE CREDIT TO MEMBERS' ACCOUNTS

ADOPTED

Betty Masuoka, Director of Finance, and Thomas Friery, City Treasurer, submitted a report and draft resolution for the adoption of a 10.50% interest rate to be credited to members' account. The report stated

that the three-year moving average actual rate of return on investable assets was approximately 10.94%.

After discussion, Mr. Wolford moved the adoption of the resolution to be effective July 1, 1987. The motion was seconded by Mr. DeCamilla and carried by the following vote:

AYES: DeCamilla, Frierson, Friery, Masuoka, Wolford

NOES: None

REPORTS OF SECRETARY

1987 CALAPRS MEMBERSHIP ROSTER ACCEPTED AS INFORMATIONAL

Richard Snyder, Secretary, distributed to the Board CALAPRS 1987 Membership Roster. Mr. Snyder informed the Board CALAPRS will be having a General Assembly meeting in the fall of 1987.

IDEAS AND QUESTIONS, MEMBERS OF THE BOARD

The Board discussed the performances of Batterymarch and Alliance. Mr. Friery suggested that SEI prepare an investment performance comparison between Batterymarch, Alliance, and those managers who were in contention in the manager search when Batterymarch and Alliance were selected.

The Board discussed the criteria used to select an investment manager. Mr. Wolford suggested that a reallocation of funds among the current managers would be more appropriate rather than proceeding with a new manager search.

Mr. Friery requested the Secretary to the Board to prepare a report, for a future meeting, regarding asset allocation by other public retirement systems in California, with emphasis on ~~dying~~ systems, to include percentages *amended* allocated to fixed, equity, real estate, cash and miscellaneous assets.

There being no further business, the meeting was adjourned at 2:35 p.m. to meet again at the call of the chair.