

MINUTES

**Regular Meeting of the
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
Monday, May 24, 2004**

The Administration, Investment and Fiscal Management Board met in regular session in Conference Room 101, 921-10th Street, on Monday, May 24, 2004 at 1:38 p.m.

CALL TO ORDER AND ROLL CALL

Tom Berke, Acting Vice Chairperson, called the meeting to order at 1:38 p.m.

PRESENT: Woods, Berke and Vina and DeCamilla. Tom Berke sat in for Mr. Friery and Terrence Woods sat in for Mr. Nishimoto.

ABSENT: Sperling, Vina (Arrived at 1:40 p.m.)

1. MINUTES OF REGULAR MEETING OF MARCH 22, 2004

APPROVE

The Board received and reviewed the minutes of the regular meeting of April 26, 2004. Mr. Woods moved the minutes be approved. The motion was seconded by Mr. Berke and carried by the following vote:

AYES: Woods, Berke and Decamilla

NOES: None

ABSENT: Vina, Sperling

2. INVESTMENT – TREASURER ACTIVITY REPORTS FOR MARCH 2004

Mr. Berke walked the Board through April 2004's Treasurer Activity report. Mr. Woods moved the report be accepted. The motion was seconded by Mr. Vina and carried by the following vote:

AYES: Woods, Berke, Vina and DeCamilla

NOES: None

ABSENT: Sperling

3. BIOTECH – TECHNOLOGY GROWTH FUND, MARCH 31, 2004 QUARTERLY REPORT

4. FIXED ALTERNATIVE EQUITY INCOME REPORT, MARCH 31, 2004 QUARTERLY REPORT

5. LARGE CAPITALIZATION/GROWTH STOCK PORTFOLIO, MARCH 31, 2004 QUARTERLY REPORT

A motion was made by Mr. Vina to accept Items 3, 4, and 5 above. Mr. Woods seconded the motion and the items were carried on the following vote.

AYES: Woods, Berke, Vina and DeCamilla

NOES: None

ABSENT: Sperling

6. SCERS LOAN TO WEST DAVIS ASSOCIATES – CONSIDERATION OF PARTIAL RECONVEYANCE OF REAL PROPERTY SECURING LOAN

Jim Smith was present at the meeting to explain the request and to answer any questions the Committee might have. He explained that this was a request for the Board to release a part of the land that is securing the above loan. It would be at no expense to the system to make such an amendment. Mr. Smith went on to explain that this loan was at 7.5% interest and not due for another 10 years. The U.C. Regents are the long-term lessee and Mr. Smith feels that the first deed is secure.

Mr. DeCamilla stated that he saw no reason of why not to go forward with this loan. Mr. Woods was concerned if this was actually a parcel that could be reconveyed at this time. The Board directed Mr. Smith to proceed with the reconveyance and a motion was made By Mr. Wood that the Board move to approve this request subject to a legal reconveyance within escrow. Mr. Vina seconded the motion and the item carried as follows:

AYES: Woods, Berke, Vina and DeCamilla

NOES: None

ABSENT: Sperling

7. PENSIONERS COST OF LIVING INCREASE

This item was moved by Mr. Vina and seconded by Mr. Berke. The motion carried as follows:

AYES: Woods, Berke, Vina and DeCamilla

NOES: None

ABSENT: Sperling

REPORTS OF THE SECRETARY

NONE

GENERAL COMMUNICATIONS

Under General Communications, Mr. Vina asked legal counsel if he was able to designate someone in his place when he was unable to attend. Mr. Tokugana advised Mr. Vina to write an email to Ms. Flores, the Board Secretary, and indicate who he was designating as his designee.

The question was asked about how we benchmark performance. Mr. Berke answered that once a year Capital Resource makes a presentation to the Board and goes over how well SCERS investments have done. Also once a year Towers Perrin, our Actuary, presents to the board whether it is still reasonable to use the 7.5% assumption.

CITIZENS and MEMBERS ADDRESSING THE BOARD ON MATTERS NOT ON THE AGENDA

NONE

IDEAS AND QUESTIONS, MEMBERS OF THE BOARD

NONE

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:05 p.m. to meet again at the call of the Chair.