

August 22, 1994

**MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
August 22, 1994**

CALL TO ORDER AND ROLL CALL

The Administration, Investment and Fiscal Management Board met in regular session in Conference Room 101, 921 Tenth Street, at 1:35 p.m. on August 22, 1994.

PRESENT: Crist, Sperling, Friery, DeCamilla

ABSENT: Nishimoto

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD JULY 25, 1994

APPROVED

The Board received and reviewed the minutes of the regular meeting held July 25, 1994. Mr. Crist requested the minutes be amended to remove the wording "low risk" in describing the Board's current investment strategy.

Mr. Crist moved the amended minutes be approved. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Crist, Sperling, Friery, DeCamilla

NOES: None

INVESTMENTS - TREASURER'S ACTIVITY REPORT

ACCEPTED

The Board received the June, 1994 Treasurer's Investment Activity Report. Mr. Glenn Hosokawa, Investment Officer, reviewed the investment report with the Board.

August 22, 1994

Mr. Sperling asked where the proceeds from the June sale of U.S. Treasury bonds were invested. Mr. Friery will report back at the next meeting.

Mr. Crist moved to accept the June, 1994 Treasurer's report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Crist, Sperling, Friery, DeCamilla

NOES: None

REPORTS OF CONSULTANTS AND ADVISORS

**AXE-HOUGHTON ASSOCIATES, JUNE 30, 1994, QUARTERLY REPORT
PRESENTATION 1994
ACCEPTED**

The Board received Axe-Houghton Associates' June 30, 1994, Quarterly Report. Seth M. Lynn and Porter H. Sutro reviewed the report with the Board. In addition Mr. Porter distributed an updated report through August 22, 1994, reflecting an improved performance.

Jack Crist left at 2:00 p.m.

Mr. Sutro requested permission from the Board to occasionally use their parent to execute a listed stock transaction. Mr. Friery felt the contract permitted this but would review the contract and get back to Mr. Sutro.

Mr. Friery moved to accept the June 30, 1994, quarterly report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Sperling, Friery, DeCamilla

NOES: None

August 22, 1994

REAL ESTATE ADVISOR'S REPORT, JULY 1994
ACCEPTED

The Board received and reviewed the July, 1994 Real Estate Advisor's Report submitted by Jim Smith, of WJS & Associates. Mr. Friery moved to accept the July, 1994 Real Estate Advisor's report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Sperling, Friery, DeCamilla

NOES: None

DELAWARE INVESTMENT ADVISORS, JUNE 30, 1994, QUARTERLY REPORT
ACCEPTED

The Board received and reviewed Delaware Investment Advisors' June 30, 1994, quarterly report. Mr. Friery moved to accept the report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Sperling, Friery, DeCamilla

NOES: None

NEWBOLD'S ASSET MANAGEMENT, INC., JUNE 30, 1994, QUARTERLY REPORT
ACCEPTED

The Board received and reviewed Newbold's Asset Management, Inc. June 30, 1994, quarterly report. Mr. Friery moved to accept the report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Sperling, Friery, DeCamilla

NOES: None

August 22, 1994

LARGE CAPITALIZATION/GROWTH STOCK PORTFOLIO, JUNE 30, 1994,
QUARTERLY REPORT
ACCEPTED

The Board received and reviewed the Large Cap/Growth Stock Portfolio June 30, 1994, quarterly report. Mr. Friery reviewed the sector analysis and comparison and performance for the quarter.

Mr. Friery moved to accept the report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Sperling, Friery, DeCamilla

NOES: None

UTILITY STOCK FIXED INCOME ALTERNATIVE PORTFOLIO, JUNE 30, 1994,
QUARTERLY REPORT
ACCEPTED

The Board received the Utility Stock Fixed Income Alternative Portfolio June 30, 1994, quarterly report. Mr. Friery briefly reviewed the report.

Mr. Friery moved to accept the report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Sperling, Friery, DeCamilla

NOES: None

ANNUAL PROXY REPORT
ACCEPTED AS INFORMATIONAL

The Board accepted as informational the 1993/94 Report of Proxies Voted.

REPORTS OF SECRETARY
1995 AIFM BOARD SCHEDULE
ACCEPTED AS INFORMATIONAL

The Board accepted as information the 1995 AIFM Board schedule.

August 22, 1994

GENERAL COMMUNICATIONS

**SB 1459 REGARDING PUBLIC RETIREMENT SYSTEM'S INVESTMENT
ACCEPTED AS INFORMATION**

Mr. Friery expressed concerned about the removal of the standard fiduciary language from the bill.

Catherine Brown, Counsel to the Board, advised the Board that the bill added Section 7514.1 to the Government Code and included the language that ". . . any state or local public retirement system may invest, subject to and consistent with the standard for prudent investment set forth in Section 17 of Article XVI of the California Constitution,"

After Ms. Brown's clarification, the Board accepted this item as informational.

There being no further business the meeting was adjourned at 2:20 pm. to meet again at the call of the chair.