

RESOLUTION NO. 82-006

Adopted by the Administrative,
Investment and Fiscal Management Board

on June 21, 1982

A RESOLUTION AMENDING RESOLUTION NO. 82-004 APPROVING INVESTMENT OF SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM FUNDS IN GOLD AND SILVER BY ADDING THERETO AUTHORITY TO ENTER INTO GOLD AND SILVER FUTURES TRANSACTIONS

WHEREAS, Resolution No. 82-004 established guidelines for investment of Sacramento City Employees' Retirement System funds in gold and silver; and

WHEREAS, such guidelines did not provide authority for forward delivery or futures transactions; and

WHEREAS, the Board has approved use of forward delivery or futures transactions; and

WHEREAS, it is necessary to amend Resolution No. 82-004 to add authority for such transactions to the gold and silver guidelines;

NOW, THEREFORE, BE IT RESOLVED by the Administrative, Investment and Fiscal Management Board of the Sacramento City Employees' Retirement System that Resolution No. 82-004 is hereby amended to read as follows:

1. The City Treasurer is designated as the responsible investment manager for all investments of gold and silver, with full authority to make such investments within the limitations of this resolution.

2. The City Treasurer is authorized to invest up to one percent (1%) of Sacramento City Employees' Retirement System assets in gold and silver, with a mix of sixty percent (60%) of that amount in silver, and forty percent (40%) of that amount in gold;

3. The City Treasurer is authorized to make investments in gold and silver in the form of bullion or unallocated bullion certificates;

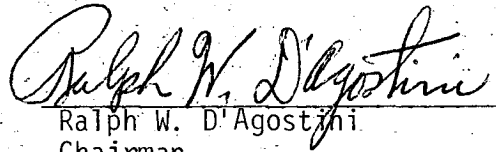
4. The City Treasurer is authorized to enter into gold and silver forward delivery or futures transactions, subject to the following limitations:

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a. Short sales in anticipation of future price declines shall not be permitted;

b. Leverage purchases shall not be permitted unless authorized in advance by the Board;

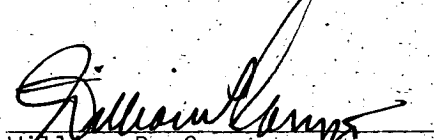
c. Hedging of gold and silver investments is permissible when in the opinion of the City Treasurer such technique is prudent and will benefit Sacramento City Employees' Retirement System. Provided, however, that no more than fifty percent (50%) of the total dollar amount of System assets which may be invested in hard assets may be utilized for such hedging technique.


Ralph W. D'Agostini
Chairman

Attest:


Richard E. Snyder
Retirement System Manager

APPROVED AS TO FORM:


William P. Carnazzo
Deputy City Attorney

AMENDED JULY 18, 1983 BY RESOLUTION NO. 83009

5. The City Treasurer is authorized to use funds allocated to the hard asset portfolio to purchase common stock of gold and silver producers when, in the City Treasurer's judgment, such investments are deemed more beneficial to the system and enhance investment flexibility."