

MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
June 23, 1997

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 June 23, 1997.

In the absence of Mr. Friery, Deputy City Treasurer Lydia Lara was Mr. Friery's designee.

PRESENT: Nishimoto, Masuoka*, Sperling, Lara

ABSENT: DeCamilla

*Ms. Masuoka left the meeting at 2:10 p.m.

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD MAY 19, 1997

CONTINUED

This item was continued to the June, 1997 meeting.

INVESTMENTS - TREASURER'S ACTIVITY REPORT APRIL, 1997

ACCEPTED

The Board received the April, 1997 Treasurer's Investment Activity Report. Ms. Deborah Contini, Investment Officer, reviewed the investment report with the Board.

Ms. Masuoka moved to accept the report. The motion was seconded by Mr. Nishimoto and was carried by the following vote:

AYES: Nishimoto, Masuoka, Sperling, Lara

NOES: None

REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORT, JUNE 1997

ACCEPTED

The Board received the June, 1997 Real Estate Advisor's report. Mr. Smith reviewed the report with the Board.

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The Board had a lengthy discussion regarding the system's property located at 1414 K and the continued negotiations on the procurement of the lot located at 1401 L for surface parking for the 1414 K property.

Mr. Smith informed the Board the system could enter into an eight year lease with the State Department of Social Services if 1414 K met the State standard for earthquake safety. The estimated cost to earthquake proof the property is between \$700,000 - \$750,000. Mr. Smith recommended the Board approve the expenditure.

Mr. Smith informed the Board negotiates continue on the property located at 1401 L. It will cost the system \$6,000 to complete the due diligence on the property. Mr. Smith recommended the Board approve the expenditure.

Mr. Smith informed the Board the auditors for the system have requested the properties owned by the system be reappraised. The estimated cost of updating the previous appraisal is \$6,500. Mr. Smith recommended the Board approve the expenditure.

Mr. Sperling moved to approve the following expenditures:

1. to earthquake proof 1414 K, with the understanding that the State Department of Social Services will enter into a new lease and if that does not occur Mr. Smith is to inform the Board immediately;
2. to do the due diligence on 1401 L Street, and;
3. to update the appraisals on the system's properties for the auditors.

The motion was seconded by Ms. Lara and was carried by the following vote:

AYES: Nishimoto, Masuoka, Sperling, Lara

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NOES: None

Ms. Masuoka left the meeting at 2:10 p.m.

**SEI MARCH 31, 1997 QUARTERLY PERFORMANCE MEASUREMENT REPORT
PRESENTATION**
ACCEPTED

The Board received SEI's March 31, 1997 Quarterly Performance Measurement Report. Mr. John McLaughlin reviewed the report with the Board.

Mr. Nishimoto moved to accept the March 31, 1997 quarterly report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Nishimoto, Sperling, Lara

NOES: None

CORRESPONDENCE FROM NEWBOLD'S ASSET MANAGEMENT, INC.
ACCEPTED AS INFORMATIONAL

The Board accepted as informational correspondence advising the City Treasurer that Newbold's has added a limited exposure of non-dividend value stocks to the SCERS portfolio.

DELAWARE INVESTMENT ADVISERS, MAY, 1997 PERFORMANCE REPORT
ACCEPTED AS INFORMATIONAL

The Board accepted as informational the May, 1997 performance report.

TRAVEL REQUEST
APPROVED

Mr. Sperling moved to approve retroactively an expenditure of approximately \$1,500 for travel costs to have the City Treasurer attend the Piper Jaffray Conference, June 17 - 19, 1997. The motion was seconded by Mr. Nishimoto and carried by the following vote:

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AYES: Nishimoto, Sperling, Lara

NOES: None

There being no further business the meeting was adjourned
at 2:30 p.m. to meet at the call of the chair.