

June 22, 1992

MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
June 22, 1992

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 1:30 p.m. on June 22, 1992.

PRESENT: Frierson, Friery, DeCamilla

ABSENT: Crist, Masuoka

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD MAY 18, 1992
APPROVED

The Board received and reviewed the minutes of the regular meeting held May 18, 1992. Mr. Friery moved to approve the minutes. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: Frierson, Friery, DeCamilla

NOES: None

INVESTMENTS - TREASURER'S ACTIVITY REPORT
ACCEPTED

The Board received the April, 1992 Treasurer's Investment Activity Report. Mr. Friery, City Treasurer, reviewed the investment report with the Board.

Ms. Frierson moved to accept the investment activity report. The motion was seconded by Mr. DeCamilla and carried by the following vote:

AYES: Frierson, Friery, DeCamilla

NOES: None

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REPORTS OF CONSULTANTS AND ADVISORS

CITY TREASURER'S UTILITY STOCK FIXED INCOME ALTERNATIVE PORTFOLIO,
MARCH 31, 1992 - CONTINUED

ACCEPTED

The Board received the March 31, 1992 Quarterly Report on the City Treasurer's Utility Stock Fixed Income Alternative Portfolio. Mr. Friery, City Treasurer, reviewed the report with the Board.

Ms. Frierson moved to accept the March 31, 1992 Quarterly Report. The motion was seconded by Mr. DeCamilla and carried by the following vote:

AYES: Frierson, Friery, DeCamilla

NOES: None

REAL ESTATE ADVISOR'S REPORT

ACCEPTED

The Board received and reviewed the June, 1992 real estate advisor's report submitted by Jim Smith, WJS Associates.

Mr. Friery informed the Board that he spoke with Mr. Smith and that there are no action items on the report.

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

AYES: Frierson, Friery, DeCamilla

NOES: None

HISTORIC PRESERVATION STRATEGY - 1414 K STREET BUILDING

CONTINUED

Mr. Friery informed the Board that Mr. Smith, Real Estate Advisor, has requested that Don Pach, the system's real estate attorney, review and advise the Board on this issue. Mr. Smith will report back to the Board at the next meeting.

The Board continued this item to the July, 1992 meeting.

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SEI MARCH 31, 1992 QUARTERLY REPORT
ACCEPTED

The Board received SEI's performance report for the quarter ending March 31, 1992. Bruce Pflug reviewed the report with the Board.

The Board requested that Mr. Pflug prepare an analysis on Lexington Capital Management performance to see if they are meeting the Board's objectives.

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

AYES: Frierson, Friery, DeCamilla

NOES: None

DELAWARE INVESTMENT ADVISERS, APRIL AND MAY 1992 PERFORMANCE REPORT
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Delaware Investment Advisers' April and May, 1992 performance report.

LEXINGTON CAPITAL MANAGEMENT, INC., APRIL 1992 PERFORMANCE REPORT
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Lexington Capital Management's April, 1992 performance report.

GENERAL COMMUNICATIONS

POSSIBLE TRANSFER OF ACTIVE SCERS MEMBERS TO PERS
ACCEPTED AS INFORMATIONAL

Mr. Steve Lakich, Employee Relations Director, updated the Board on the transfer of active SCERS members to PERS. Mr. Lakich informed the Board that negotiations with the recognized employee organizations concluded last month without an agreement; therefore, there will not be a Charter amendment to permit the SCERS to PERS transfer for the November

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ballot. Mr. Lakich informed the Board that the issue could be reopened during the 1993 negotiations.

Mr. Friery stated for the record that this type of major change really alters the characteristics of the pension plan and the uncertainty of any future SCERS to PERS transfer makes it difficult for the Board to plan and recommend an asset strategy. Mr. Friery hoped that the transfer issue could be resolved one way or the other so that the Board could determine the proper investment strategy.

Mr. Lakich stated that it is difficult to predict what will happen in future negotiations regarding this issue.

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