

MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
September 26, 1988

CALL TO ORDER AND ROLL CALL

The Administration, Investment and Fiscal Management Board met in regular session in Conference Room 103, 801 - 9th Street, at 1:37 p.m. on September 26, 1988.

PRESENT: Frierson, Masuoka, Wolford, Friery, DeCamilla

ABSENT: None

CONSENT CALENDAR

MINUTES OF REGULAR MEETING AUGUST 22, 1988

APPROVED

The Board received and reviewed the minutes of the regular meeting held August 22, 1988. Mr. Friery moved the minutes be approved. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: Frierson, Masuoka, Wolford, Friery, DeCamilla

NOES: None

INVESTMENTS - TREASURER'S ACTIVITY REPORT

ACCEPTED

The Board received the July, 1988 Treasurer's Investment Activity Report. Deborah Carter, Investment Officer, reviewed the investment report with the Board.

Ms. Carter updated the Board on the Capital Area Development Agency (CADA) - Brannan Court \$450,000 investment. Details of this private placement investment initially started in 1987. Permanent financing was closed in August, 1988 with a 5yr loan at 10.5%. It is anticipated that the loan will be paid off sometime in October 1988 when CADA obtains permanent financing from the California Housing Finance Agency (CHFA).

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

REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORT
ACCEPTED

The Board received the August, 1988 Real Estate Advisor's Report, submitted by W. Jim Smith of WJS & Associates. Mr. Smith reviewed the report with the Board.

Mr. Smith recommended that an additional \$18,000 be approved to completely dry wall all interior walls on the new improvements at the Enterprise property.

Mr. Smith reminded the Board that a tour and inspection of the recently renovated 1414 K Street Building was scheduled immediately following the meeting.

Ms. Masuoka moved to authorize the \$18,000 expenditure and accept the real estate report. The motion was seconded by Mr. Friery and was carried by the following vote:

AYES: Frierson, Masuoka, Wolford, Friery, DeCamilla

NOES: None

SEI JUNE 30, 1988 QUARTERLY PERFORMANCE REPORT
ACCEPTED

The Board received SEI's performance report for the quarter ending June 30, 1988. John McLaughlin, from SEI, reviewed the report with the Board.

Mr. Friery requested that the quarterly reports be submitted on a more timely basis in order for the Board to have ample time to review.

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

AYES: Frierson, Masuoka, Wolford, Friery, DeCamilla

NOES: None

SEI PERFORMANCE REVIEW FOR SECOND QUARTER
ACCEPTED AS INFORMATIONAL

The Board accepted as informational SEI's Performance Review for the second quarter of 1988.

LEXINGTON - JULY 1988 PERFORMANCE
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Lexington's July 1988 performance.

BATTERYMARCH - AUGUST 1988 PERFORMANCE
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Batterymarch's August 1988 performance.

DEED OF TRUST - BRANNAN COURT PROPERTY
ACCEPTED AS INFORMATIONAL

Deborah Carter, Investment Officer, discussed and reviewed this item with the Board during the Treasurer's Activity Report and the Board accepted it as informational.

POLICY MATTERS TO BE CONSIDERED AND ACTED UPON

PRIVATE PLACEMENT INVESTMENT RESOLUTION
ADOPTED

In response to a request from Mayor Anne Rudin on real estate investments of the SCERS, Mr. Friery prepared a report and submitted to the Board for adoption a policy resolution on private placement investments.

After discussion, the Board deemed the policy resolution very workable as it addresses all their concerns. Mr. Friery moved to adopt the private placement investment policy resolution. The motion was seconded by Mr. Wolford and was carried by the following vote:

AYES: Frierson, Masuoka, Wolford, Friery, DeCamilla

NOES: None

REPORTS OF THE SECRETARY

Richard Snyder, Secretary to the Board, reminded the Board that it is time to start preparing the annual transmittal letter.

There being no further business the meeting was adjourned at 2:45 p.m. to tour the 1414 K Street Building and to meet again at the call of the chair.