

RESOLUTION NO. 81-003

Adopted by the Administration, Investment and Fiscal Management Board on date of:
May 18, 1981


A RESOLUTION ADOPTING THE INVESTMENT PORTFOLIO ASSET MIX.

BE IT RESOLVED BY THE ADMINISTRATION, INVESTMENT, AND FISCAL MANAGEMENT BOARD THAT:

- A) The General Portfolio Mix be allocated 60% to fixed income instruments and 40% to equity instruments as defined by the Board.
- B) The detail asset mix breakdown within A) above be further diversified as outlined in Exhibit B attached and incorporated herein by reference. It is intended that Exhibit B be general guidelines and may be attained over a 12 month implementation period.
- C) The City Treasurer is designated as the responsible investment manager for all investment categories except common stocks and stock options.
- D) The common stock and stock option category may be managed by at least two separate investment counseling firms.


CHAIRMAN

ATTEST:


SECRETARY

APPROVED AS TO FORM:

JAMES P. JACKSON
CITY ATTORNEY

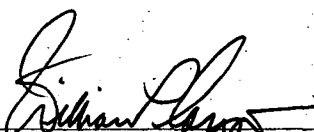
BY: 
William P. Cannizzo
Counsel to the Board

EXHIBIT B

Fixed (60%)

- a) Bonds
- b) 2nd Trust Deeds
- c) Mortgage Cert. (GNMA, etc)
- d) Residential Mortgages
- e) Miscellaneous Fixed

Subtotal 60%

Equity (40%)

- f) Common stocks and covered call options
- g) Real Estate Equity Funds
- h) Full options Mgmt
- i) Short-term construction financing (equity part)
- j) Hard money assets such as silver, gold, diamonds, etc.)
- k) Miscellaneous Equity

Subtotal 40%

TOTAL 100%

6/15/81

Motion approved

ASSET DIVERSIFICATION - CONTINUED DISCUSSION
CONTINUED
(Continued)

EXHIBIT B

Fixed (60%)

a) Bonds	40%
b) 2nd Trust Deeds	5
c) Mortgage Cert (GNMA, etc)	10
d) Miscellaneous Mortgages	5
	<hr/>
Subtotal	60%

Equity (40%)

f) Common stocks and covered call options	30
g) Real Estate Equity Funds	2
h) Full options Mgmt	5
i) Hard money assets such as silver, gold, diamonds, etc.	1
j) Miscellaneous Equity	2
	<hr/>
Subtotal	40%
TOTAL	<u>100%</u>

The Board instructed the City Treasurer proceed with the investment into second trust deeds, recommending a limitation of 2.5% of the portfolio. The Board continued the discussion of asset diversification to the next meeting and requested presentations on real estate equity and gold and silver.

Mr. Friery moved that the Secretary develop a Request for Proposal (RFP) for firms that specialize in the selection of equity (common stock) managers, soliciting proposals to define emerging growth advisors. The Request for Proposal will include a timetable and limit the funds to five million dollars.

The motion was seconded by Mr. Crist and was carried by the following vote:
AYES: Crist, D'Agostini, Friery, Mulder.
NOES: None.

There being no further business, the meeting was adjourned at 4:00 p.m. to meet again at the call of the chair.