

January 7, 1991

MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
January 7, 1991

CALL TO ORDER AND ROLL CALL

The Administration, Investment and Fiscal Management Board met in regular session in Conference Room 101, 921 - 10th Street, at 1:30 p.m. on January 7, 1991.

PRESENT: Crist, Frierson, Sperling

ABSENT: Masuoka, DeCamilla

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD NOVEMBER 26, 1990
APPROVED

The Board received and reviewed the minutes of the regular meeting held November 26, 1990. Mr. Crist moved the minutes be approved. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: Crist, Frierson, Sperling

NOES: None

INVESTMENTS - TREASURER'S ACTIVITY REPORT
ACCEPTED

The Board received the October 1990 Treasurer's Investment Activity Report. Deborah Carter, Investment Officer, reviewed the investment report with the Board.

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

AYES: Crist, Frierson, Sperling

NOES: None

Ms. Carter informed the Board that Rich Gula, the system's portfolio manager with Batterymarch, is no longer with Batterymarch. Larry Spiedel has replaced Mr. Gula as the portfolio manager.

REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORT

ACCEPTED

The Board received the December 1990 Real Estate Advisor's report, submitted by W. Jim Smith of WJS & Associates.

Ms. Crist moved to accept the report and to continue the issue of replacing the trees on the Discovery Plaza property until the February 1991 meeting, when Mr. Smith will be present. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: Crist, Frierson, Sperling

NOES: None

SEI SEPTEMBER 30, 1990 QUARTERLY PERFORMANCE REPORT

ACCEPTED

The Board received SEI's performance report for the quarter ending September 30, 1990. As in the last several performance reviews, Mr. McLaughlin focused on the performance of Batterymarch and discussed the performance of the other equity managers, knowing the Board will be considering the asset allocation policy in February.

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Mr. McLaughlin discussed establishing a "custom benchmark for the fund." SEI currently provides this service for other funds. Mr. McLaughlin wanted the Board to be aware of this concept.

BATTERYMARCH SEPTEMBER 30, 1990 QUARTERLY REPORT
ACCEPTED

The Board received the September 30, 1990 quarterly report from Batterymarch.

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

AYES: Crist, Frierson, Sperling

NOES: None

BATTERYMARCH OCTOBER 1990 PERFORMANCE REPORT
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Batterymarch's October 1990 performance report.

LEXINGTON CAPITAL MANAGEMENT OCTOBER 1990 PERFORMANCE REPORT
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Lexington's October 1990 performance report.

DELAWARE INVESTMENT ADVISERS NOVEMBER 1990 PERFORMANCE REPORT
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Delaware's November 1990 performance report.

CORRESPONDENCE - TOWERS, PERRIN, FORSTER & CROSBY
ACCEPTED AS INFORMATIONAL

Per the Board's request David LeSueur, the system's actuary, provided statistical information on actual retirements during the last five years. The Board accepted this as informational.

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POLICY MATTERS TO BE CONSIDERED AND ACTED UPON

RESOLUTION ADOPTING CITY CONTRIBUTION RATES TO SCERS FOR FISCAL YEAR
1990-91 - CONTINUED
ADOPTED AS AMENDED

This item was continued from the last meeting in order to receive comments from Ms. Masuoka. Since Ms. Masuoka was unable to attend this meeting, she informed Yvonne Berdan, Retirement Officer, that she recommended the resolution be amended to incorporate language from the actuarial report that the City's contribution rate for amortization of the unfunded actuarial accrued liability is 0.74% of total payroll or the equivalent to 1.17% of total miscellaneous payroll.

Mr. Crist moved to amend the resolution. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Crist, Frierson, Sperling

NOES: None

REPORTS OF SECRETARY

SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM ANNUAL FINANCIAL REPORT JUNE
30, 1990
ACCEPTED AS INFORMATIONAL

The Board accepted as informational the Sacramento City Employees' Retirement System Annual Financial Report, June 30, 1990. The Board complimented staff for an excellent and timely report.

Mr. DeCamilla and Mr. Friery will present the report to the City Council.

CALAPRS GENERAL ASSEMBLY

Margaret Allen, Secretary to the Board, distributed information regarding CALAPRS General Assembly, scheduled for March 3-4 in Palm Springs. Ms. Allen informed the Board because of budget constraints she would not be attending this meeting but plans to attend the 1992 General

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Assembly to be held in northern California. Ms. Allen informed the Board that she attends the quarterly CALAPRS System Administrators meetings.

CLOSED SESSION - REAL PROPERTY TRANSACTIONS (GOVERNMENT CODE SECTION 54956.8) AND PENDING LITIGATION (GOVERNMENT CODE SECTION 54956.9(a))

The Board adjourned to closed session at 2:30 p.m.

The Board reconvened to open session at 2:45 p.m.

There being no further business, the meeting was adjourned at 2:45 p.m. to meet again at the call of the chair.