

April 25, 1994

MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
April 25, 1994

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 1:33 p.m. on April 25, 1994.

PRESENT: Crist, DeCamilla, Friery, Sperling

ABSENT: Nishimoto

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD FEBRUARY 28, 1994
APPROVED

The Board received and reviewed the minutes of the regular meeting held on February 28, 1994. Mr. Friery moved to approve the minutes. The motion was seconded by Mr. Crist and was carried by the following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

MINUTES OF REGULAR MEETING HELD MARCH 8, 1994
APPROVED

The Board received and reviewed the minutes of the regular meeting held on March 8, 1994. Mr. Friery requested that the minutes regarding the 1994 Asset Allocation and Strategy Recommendation reflect that the Board originally considered reducing the equity exposure in 1978 or 1979. The action taken in 1990 was actually a follow-up to the original 1978/79 recommendation. Following this discussion, Mr. Friery moved to approve the minutes. The motion was seconded by Mr. Crist and was carried by the

April 25, 1994

following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

INVESTMENTS - TREASURER'S ACTIVITY REPORT
ACCEPTED

The Board received the January, 1994 Treasurer's Investment Activity Report. Mr. Glenn Hosokawa, Investment Officer, reviewed the investment report with the Board.

Mr. Sperling moved to accept the January, 1994 Treasurer's Investment Activity Report. The motion was seconded by Mr. Crist and was carried by the following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

INVESTMENTS - TREASURER'S ACTIVITY REPORT
ACCEPTED

The Board received the February, 1994 Treasurer's Investment Activity Report. Mr. Glenn Hosokawa, Investment Officer, reviewed the investment report with the Board.

Mr. Sperling moved to accept the February, 1994 Treasurer's Investment Activity Report. The motion was seconded by Mr. Crist and was carried by the following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

April 25, 1994

REPORTS OF CONSULTANTS AND ADVISORS

SEI, DECEMBER 31, 1993, QUARTERLY PERFORMANCE REPORT
ACCEPT

The Board discussed the report. Discussion followed regarding real estate equity. Mr. Friery stated he would have staff provide clarification on the performance of real estate. Following the discussion, it was moved by Mr. Crist to accept the report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

DELAWARE INVESTMENT ADVISERS, FEBRUARY, 1994 PERFORMANCE
INFORMATIONAL

The Board received this report as informational.

COMMUNICATION FROM DELAWARE INVESTMENT ADVISERS
INFORMATIONAL

The Board received this report as informational.

COMMUNICATION FROM AXE-HOUGHTON ASSOCIATES, INC.
INFORMATIONAL

The Board received this report as informational.

UPDATE ON REVISED BROWN ACT BY CATHERINE BROWN, COUNSEL TO THE BOARD
INFORMATIONAL

Catherine Brown, Counsel to the Board, provided a verbal report on amendments to the Brown Act. The Board accepted the verbal report as informational.

REAL ESTATE ADVISOR'S REPORTS, FEBRUARY, 1994
ACCEPTED

The Board received the February, 1994 Real Estate Advisor's report submitted by Jim Smith, of WJS & Associates.

April 25, 1994

Mr. Smith reviewed the report with the Board. There was discussion regarding the expenditures of \$12,142 for a security system at Discovery Plaza and \$1,710 for security gates at Larchmont Square.

Following the presentation, Mr. Sperling moved to accept the real estate report and approve the two expenditures which had been discussed. The motion was seconded by Mr. Friery and was carried by the following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

REAL ESTATE ADVISOR'S REPORTS, MARCH, 1994
ACCEPTED

The Board received the March, 1994 Real Estate Advisor's report submitted by Jim Smith, of WJS & Associates.

Mr. Smith reviewed the report with the Board. There was discussion regarding selling the Enterprise Building. The Board instructed Mr. Smith that they want to net \$6 million on the sale of the building.

Mr. Sperling moved to accept the real estate report. The motion was seconded by Mr. Crist and was carried by the following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

POLICY MATTERS TO BE CONSIDERED AND ACTED UPON

ADOPTING INTEREST RATE CREDITED TO MEMBERS' ACCOUNTS FY 1994/95
ADOPT

Mr. Crist moved to adopt the resolution adopting a 9.75% rate of interest credited to members' accounts effectively July 1, 1994. Mr.

April 25, 1994

Sperling seconded the motion which was carried by the following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

1994 ASSET ALLOCATION RESOLUTION
ADOPT

Mr. Sperling moved to adopt the 1994 Asset Allocation Resolution.

The motion was seconded by Mr. Crist and carried by the following vote:

AYES: Crist, DeCamilla, Friery, Sperling

NOES: None

ABSENT: Nishimoto

REPORTS OF THE SECRETARY

PROGRESS REPORT ON ASSET ALLOCATION STUDY RFP
INFORMATIONAL

The Board accepted the report as informational.

PENSIONERS' COST OF LIVING INCREASE EFFECTIVE JULY 1, 1994
INFORMATIONAL

The Board accepted the report as informational.

IDEAS AND QUESTIONS, MEMBERS OF THE BOARD

The Board discussed the possibility of having an AIFM Board member attend a meeting of the Retirees' Association updating association members on the status of the retirement system. There was a general consensus of the Board that this would be an excellent idea. Mr. Sperling, as current vice-president of the Retirees' Assn., stated he would follow up on this suggestion.

Next Mr. Sperling informed the Board that he had attended a three-day seminar on pension fund investing. He suggested that it would be

April 25, 1994

beneficial for both new and old Board members to consider attending this type of seminar. Mr. Friery stated that he would draft a letter to the City Attorney's office requesting possible methods of funding attendance at such seminars.

There being no further business, the meeting was adjourned at 3:15 p.m. to meet again at the call of the chair.