

MINUTES

Regular Meeting of the
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
Monday, January 23, 2006

The Administration, Investment and Fiscal Management Board met in regular session in the Historic City Hall Hearing Room, 915 I Street, on Monday, January 23, 2006, at 1:40 p.m.

CALL TO ORDER AND ROLL CALL

Vice-Chairperson Tom Friery called the meeting to order at 1:40 p.m. Chairperson DeCamilla arrived at 1:43 p.m. during roll call.

PRESENT: Kauffman, Hamby, Friery, Sperling, and DeCamilla

ABSENT: None

1. ELECTION OF CHAIRPERSON FOR 2006
2. ELECTION OF VICE-CHAIRPERSON FOR 2006

Mr. Sperling made a motion to nominate Mr. DeCamilla as Chairperson and Mr. Friery as Vice-Chair for 2006. The motion was seconded by board member Hamby and was carried with the following roll call vote:

AYES: Kauffman, Hamby, Friery, Sperling, DeCamilla

NOES: None

ABSENT: None

3. MINUTES OF REGULAR MEETING OF OCTOBER 24, 2005
APPROVED

The Board received and reviewed the minutes of the regular meeting held October 24, 2005. Mr. Sperling moved the minutes be approved as submitted. The motion was seconded by Mr. Berke. Mr. Berke sat on the Board as Mr. Friery's delegated official at the October 24, 2005 meeting. The motion was carried by the following roll call vote:

AYES: Berke, Sperling, and DeCamilla

ABSTAIN: Kauffman and Hamby

NOES: None

ABSENT: None

4. MINUTES OF REGULAR MEETING OF NOVEMBER 28, 2005
APPROVED

The Board received and reviewed the minutes of the regular meeting held November 28, 2005. Mr. Sperling moved the minutes be approved as submitted. The motion was seconded by Mr. Berke. Mr. Berke sat on the Board as Mr. Friery's delegated official at the November 28, 2005 meeting. The motion was carried by the following roll call vote:

AYES: Kauffman, Berke, and Sperling

ABSTAIN: Hamby and DeCamilla

NOES: None

ABSENT: None

5. INVESTMENT - TREASURER'S ACTIVITY REPORTS FOR NOVEMBER 2005 AND DECEMBER 2005
ACCEPTED

John Coville provided a summary of the investment activity. Mr. DeCamilla moved the Board accept the reports as presented. The motion was seconded by Mr. Kauffman and was carried with the following roll call vote:

AYES: Kauffman, Hamby, Friery, Sperling, and DeCamilla

NOES: None

ABSENT: None

6. PRELIMINARY DISCUSSION OF ASSET ALLOCATION

Board Member Friery introduced his investment team from the City Treasurer's Office: Tom Berke, Assistant Treasurer; Lydia Abreu, Investment and Operations Manager; and John Colville, Senior Investment Officer. Friery said that his comments are for thought and future discussion. He gave a brief overview of the current investment climate, touching lightly on investment rates being down and the constraints of capital coming in. He spoke of hedge funds and mentioned that many have a requirement that you can't get out for seven years. He said that SCERS is mainly comprised of traditional stocks, bonds, and cash.

7. MEETING SCHEDULE FOR CALENDAR YEAR 2006
ACCEPTED

The Board accepted and reviewed a copy of the meeting schedule for calendar year 2006. Mr. Friery made a motion to accept the schedule as presented. The motion was seconded by Mr. Kauffman and carried with the following roll call vote:

AYES: Kauffman, Hamby, Friery, Sperling, and DeCamilla

NOES: None

ABSENT: None

CITIZENS & MEMBERS ADDRESSING THE BOARD ON MATTERS NOT ON THE AGENDA

NONE

IDEAS AND QUESTIONS, MEMBERS OF THE BOARD

NONE

CLOSED SESSION

NONE

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:20 p.m. to meet again at the call of the Chair.