

April 23, 1990

MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
April 23, 1990

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 1:35 p.m. on April 23, 1990.

Chairman DeCamilla welcomed back Mr. Jack Crist who will be serving as the City Manager's designee replacing Mr. Terry Wolford.

PRESENT: Crist, Frierson, Masuoka, Friery, DeCamilla

ABSENT: None

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD APRIL 23, 1990

APPROVED

The Board received and reviewed the minutes of the regular meeting held April 23, 1990.

For Mr. Crist's behalf, Mr. Friery explained why the Board will be periodically transferring the interest earned from the fixed income program into the operating cash of the System. Mr. Friery informed the Board that at the next meeting a policy resolution will be submitted for adoption to formalize this action.

Mr. Friery moved the minutes be approved. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: Frierson, Masuoka, Friery, DeCamilla

NOES: None

ABSTAINED: Crist

April 23, 1990

INVESTMENTS - TREASURER'S ACTIVITY REPORT
ACCEPTED

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

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

AYES: Crist, Frierson, Masuoka, Friery, DeCamilla

NOES: None

REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORT
APPROVED

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

Mr. Smith informed the Board that he had attended the City Council meeting of April 11, 1990 and had verbally expressed concerns relative to the expansion of the community center and the impact on the System's investment property at 1414 K Street. Mr. Smith felt the Board needed to write a letter to the City Council expressing concerns about the possible adverse effects Council action could have on the future value of the System's investment.

After discussion, the Board directed Mr. Smith to prepare a draft letter to the City Council, to be presented and reviewed at the next meeting, outlining the Board's position on this matter.

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

AYES: Crist, Frierson, Masuoka, Friery DeCamilla

NOES: None

April 23, 1990

LEXINGTON CAPITAL MANAGEMENT, INC., FEBRUARY 1990 PERFORMANCE
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Lexington Capital Management's February, 1990 performance report.

POLICY MATTERS TO BE CONSIDERED AND ACTED UPON

FISCAL YEAR 1990-1991 INTEREST RATE CREDIT TO MEMBERS' ACCOUNTS
ACCEPTED AS INFORMATIONAL

Betty Masuoka, Director of Finance and Thomas P. Friery, City Treasurer, submitted a report for the adoption of a 10.25% interest rate to be credited to members' account. The report stated that the three-year moving average actual rate of return on investable assets was approximately 10.54%. The Board accepted the report as informational and will adopt a resolution to formalize this action at the next meeting.

REPORTS OF SECRETARY

PENSIONERS' COST OF LIVING INCREASE
ACCEPTED AS INFORMATIONAL

Secretary Margaret Allen submitted a memorandum informing the Board that system retirees and beneficiaries will be receiving a 3% cost of living increase effective July 1, 1990. The Board accepted the memorandum as informational.

CLOSED SESSION - REAL PROPERTY TRANSACTIONS

The Board met in executive session to discuss a real estate proposal submitted by Jim Smith, real estate advisor.

The Board reconvened. There being no further business, the meeting was adjourned at 2:40 p.m. to meet again at the call of the chair.