

October 25, 1999

**MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
October 25, 1999**

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 1:35 p.m. on October 25, 1999.

PRESENT: Nishimoto, Masuoka*, Sperling, Berke, DeCamilla

ABSENT: None

*Ms. Masuoka arrived at 1:55 p.m.

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD AUGUST 23, 1999

APPROVED

The Board received and reviewed the minutes of the regular meeting held August 23, 1999. Mr. Sperling moved the minutes be approved. The motion was seconded by Mr. Nishimoto and was carried by the following vote:

AYES: Nishimoto, Sperling, Berke, DeCamilla

NOES: None

MINUTES OF SPECIAL MEETING HELD OCTOBER 4, 1999

APPROVED

The Board received and reviewed the minutes of the special meeting held October 4, 1999. Mr. Nishimoto moved the minutes be approved. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Nishimoto, Sperling, Berke, DeCamilla

NOES: None

October 25, 1999

INVESTMENTS - TREASURER'S ACTIVITY REPORTS JULY AND AUGUST 1999
ACCEPTED

The Board received the July and August 1999 Treasurer's Investment Activity Reports.

Mr. Thomas Berke, Chief Investment Officer briefly reviewed the reports with the Board.

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

AYES: Nishimoto, Sperling, Berke, DeCamilla

NOES: None

REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORTS SEPTEMBER AND OCTOBER 1999
ACCEPTED

The Board received and reviewed the September and October 1999 reports.

In the September report, Mr. Smith reported that a sale has been worked out on 1414 K and 1401 L Street. The terms of purchase remain as were originally approved by the Board as follows:

The total overall sale price remains at \$6,216,260, including the early termination of the Social Services lease which drops the initial sale price of \$6.5 million by \$283,740.00.

The System agrees to make a loan on the 1414 K Street project for \$2,477,507 after a cash down payment of \$1,238,753. The loan is for 7% for a period of 10 yrs with a 30 year amortization. The 1401 L Street parking facility is being sold for \$2,500,000 with a cash down payment of \$625,000. The System agrees to take back a note and deed of trust on the land at 8% interest rate for a period of 18 months with payments made quarterly.

October 25, 1999

The 1414 K Street includes an agreement that the Allen Group will make parking available for tenants in the building as long as the System has a loan on the building. Should the City of Sacramento agree with the Allen Group to permit demolition of all or part of the building the System's loan would be paid in full immediately.

In the October report, Mr. Smith reported that the attorneys are finalizing the purchase/sale agreement as well as the loan documentation on 1414 K and 1401 L Street properties.

Mr. Nishimoto moved to accept the reports. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Nishimoto, Sperling, Berke, DeCamilla

NOES: None

Ms. Masuoka arrived at 1:55 p.m.

CAPITAL RESOURCE ADVISORS' JUNE 30, 1999, QUARTERLY REPORT AND QUARTERLY PRESENTATION
ACCEPTED

The Board received Capital Resource Advisors' June 30, 1999 Quarterly Report. Mr. John McLaughlin reviewed the report with the Board.

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

AYES: Nishimoto, Masuoka, Sperling, Berke, DeCamilla

NOES: None

DELAWARE INVESTMENT ADVISERS' SEPTEMBER 30, 1999 QUARTERLY REPORT AND ANNUAL PRESENTATION
ACCEPTED

The Board received Delaware Investment Advisers' September 30, 1999 Quarterly Report. Mr. George Deming, III and

October 25, 1999

Mr. James Peters reviewed the report with the Board.

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

AYES: Nishimoto, Masuoka, Sperling, Berke, DeCamilla

NOES: None

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