

MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
August 22, 1988

CALL TO ORDER AND ROLL CALL

The Administration, Investment and Fiscal Management Board met in regular session in Conference Room 103, 801 - 9th Street, at 1:32 p.m. on August 22, 1988.

PRESENT: Frierson, Friery, DeCamilla

ABSENT: Masuoka, Wolford

CONSENT CALENDAR

MINUTES OF REGULAR MEETING JULY 25, 1988

APPROVED

The Board received and reviewed the minutes of the regular meeting held July 25, 1988. Mr. Friery moved the minutes be approved. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: Frierson, Friery, DeCamilla

NOES: None

INVESTMENTS - TREASURER'S ACTIVITY REPORT

ACCEPTED

The Board received the June, 1988 Treasurer's Investment Activity Report. Deborah Carter, Investment Officer, reviewed the investment report with the Board.

Ms. Carter reminded the equity managers that they can enhance their cash rates of return by using the City's short-term Pool A fund as an alternative to the lower yielding bank sweep account

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

AYES: Frierson, Friery, DeCamilla

NOES: None

REPORTS OF CONSULTANTS AND ADVISORS

CITY TREASURER'S UTILITY STOCK JUNE 30, 1988 QUARTERLY REPORT
ACCEPTED

The Board received the Treasurer's Utility Stock Fixed Income Alternative Portfolio and Portfolio Results for the quarter ending June 30, 1988. Mr. Friery reviewed the report with the Board.

After discussion, Ms. Frierson moved to accept the report. The motion was seconded by Mr. DeCamilla and was carried by the following vote:

AYES: Frierson, Friery, DeCamilla

NOES: None

HARD ASSET JUNE 30, 1988 QUARTERLY REPORT
ACCEPTED

The Board received the Hard Asset Quarterly Report for the quarter ending June 30, 1988. Mr. Friery reviewed the report with the Board. Ms. Frierson moved to accept the report. The motion was seconded by Mr. DeCamilla and was carried by the following vote:

AYES: Frierson, Friery, DeCamilla

NOES: None.

REAL ESTATE ADVISOR'S REPORT
ACCEPTED

The Board received the August, 1988 Real Estate Advisor's Report, submitted by W. Jim Smith of WJS & Associates. Mr. Smith reviewed the report with the Board.

Mr. Smith stated that he was looking for properties for the System but he had none currently to bring forth. In response to an inquiry by Mr. DeCamilla, Mr. Smith informed the Board that the 1414 K Street property was approximately 90% leased. Mr. Friery expressed a wish to have the Board meet and walk through the 1414 K Street property in the future.

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

AYES: Frierson, Friery, DeCamilla

NOES: None

DELAWARE INVESTMENT ADVISORS JUNE 30, 1988 QUARTERLY REPORT
ACCEPTED

The board received the June 30, 1988 quarterly report from Delaware Investment Advisors. George Deming and John Durham, Chairman, reviewed the report with the Board.

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

AYES: Frierson, Friery, DeCamilla

NOES: None

BATTERYMARCH JUNE 30, 1988 QUARTERLY REPORT
ACCEPTED

The Board received the June 30, 1988 quarterly report from Batterymarch Larry Speidell reviewed the report with the Board.

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

AYES: Frierson, Friery, DeCamilla

NOES: None

NEWBOLD'S ASSET MANAGEMENT JUNE 30, 1988 QUARTERLY REPORT
ACCEPTED

The Board received the June 30, 1988 quarterly report from Newbold's Asset Management. Harry K. Hiestand reviewed the report with the Board.

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

AYES: Frierson, Friery, DeCamilla

NOES: None

AXE-HOUGHTON MANAGEMENT JUNE 30, 1988 QUARTERLY REPORT
ACCEPTED

The Board received the June 30, 1988 quarterly report from Axe-Houghton. John Schroeder and Porter Sutro reviewed the report with the Board.

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

AYES: Frierson, Friery, DeCamilla

NOES: None

LEXINGTON CAPITAL MANAGEMENT JUNE 30, 1988 QUARTERLY REPORT
ACCEPTED

The Board received the June 30, 1988 quarterly report from Lexington Capital. Ralph D'Agostini and Janet Acheatel reviewed the report with the Board.

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

AYES: Frierson, Friery, DeCamilla

NOES: None

SEI PERFORMANCE SUMMARY AND MARKET INDEXES, JUNE 1988
ACCEPTED AS INFORMATIONAL

The Board accepted as informational SEI's June 1988 Performance Summary and Market Indexes.

REPORTS OF SECRETARY

Secretary Richard Snyder expressed to the fund managers the need to have their reports submitted on a timely basis.

IDEAS AND QUESTIONS, MEMBERS OF THE BOARD

Mr. DeCamilla requested that the draft resolution establishing policy and guidelines for the acquisition of private placement securities be

agendized. Mr. Friery also commented that he would like to see this item brought before the Board. Mr. Snyder responded that a motion could not be made to agendize this item. However, the request and concurrence of Mr. DeCamilla and Mr. Friery respectively is cause for the Secretary to agendize this item for the next meeting. Following Board discussion this item could be acted upon at the next meeting.

There being no further business, the meeting was adjourned at 3:23 p.m. to meet again at the call of the chair.