

October 4, 1999

**MINUTES
SPECIAL MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
October 4, 1999**

CALL TO ORDER AND ROLL CALL

The Administration, Investment and Fiscal Management Board met in special session in Conference Room 101, 921 Tenth Street, at 11:07 a.m. on October 4, 1999.

PRESENT: Nishimoto, Masuoka, Sperling, Friery

ABSENT: DeCamilla

REPORTS OF CONSULTANTS AND ADVISORS

TOWERS PERRIN FY 1998-99 ACTUARIAL VALUATION

ACCEPTED/APPROVED

The Board received Towers Perrin June 30, 1999 Actuarial Valuation. Mr. David LeSueur reviewed the report with the Board.

Mr. LeSueur informed the Board the system has \$124.5 million in excess contributions as of June 30, 1999.

The Board discussed the current economic and non economic assumptions that were used for the June 30, 1999 valuation and the Actuarial Assumption Study performed in January, 1999 which recommended changes to those assumptions.

After further discussion Ms. Masuoka moved to accepted the June 30, 1999 Valuation using the current assumptions, directed staff to prepared a resolution to adopt new actuarial assumptions to be used for the June 30, 2000 valuation and adopt a resolution establishing the City's contribution rate for normal cost at 0.0% through June 30, 2001 and 0.0% for amortization of the unfunded actuarial accrued liability (UAAL) through June 30, 2001. The

October 4, 1999

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

AYES: Nishimoto, Masuoka, Sperling, Friery

NOES: None

TRAVEL REQUEST

APPROVED

The Board received and reviewed a travel request to send one Board member to the Capital Resources Advisors conference to be held in San Diego from October 6 through October 8, 1999 at an approximate cost of \$250.00.

Ms. Masuoka moved to approve the travel request. The motion was seconded by Mr. Nishimoto and was carried by the following vote:

AYES: Nishimoto, Masuoka, Sperling, Friery

NOES: None

REDUCTION IN THE FIXED ALTERNATIVE UTILITY STOCK PROGRAM

APPROVED

The Board received and reviewed a report informing the Board that the Treasurer has liquidated one half of the investments in the fixed alternative program and the proceeds were used to acquire fixed-income securities in the one to seven year maturity range to meet retirement benefit payments. This action did increase the cash rate of return and permits the payment of benefits without a concern for liquidating investment securities at market risk.

After discussion, Ms. Masuoka moved to approve the action. The motion was seconded by Mr. Sperling and was carried by the following vote:

October 4, 1999

AYES: Nishimoto, Masuoka, Sperling, Friery

NOES: None

The meeting was adjourned at 11:45 a.m. to meet again at the call of the chair.