

MINUTES  
REGULAR MEETING OF THE  
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM  
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD  
JANUARY 26, 1987

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 1:30 p.m. on January 26, 1987. Chairman Thomas Friery presiding.

Betty Masuoka, Director of Finance, was introduced as the new board member, succeeding Mr. Crist, who has served the Retirement Board and the AIFM Board for a total of 12 years.

PRESENT: Frierson, Friery, Masuoka

ABSENT: De Camilla, Wolford

CONSENT CALENDAR

Mr. DeCamilla arrived at 1:40 p.m.

ELECTION OF CHAIRPERSON FOR AND VICE CHAIRPERSON FOR 1987  
CONTINUED

As this was Ms. Masuoka's initial meeting, and due to the absence of Mr. Wolford, the Chairman requested that the election of Chairperson and Vice Chairperson be continued to the February 1987 meeting. Mr. DeCamilla moved that these items be continued to the February 1987 meeting. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: DeCamilla, Frierson, Friery, Masuoka

NOES: None

MINUTES OF REGULAR MEETING HELD DECEMBER 22, 1986

APPROVED

The Board received and reviewed the minutes of the regular meeting held December 22, 1986. Mr. DeCamilla moved the minutes be approved. The motion was seconded by Ms. Frierson and was carried by the following vote:

AYES: DeCamilla, Frierson, Friery, Masuoka

NOES: None

INVESTMENTS - TREASURER'S ACTIVITY REPORT

ACCEPTED

The Board received the November 1986 Treasurer's Investment Activity Report. Mr. Sperling, Assistant City Treasurer, reviewed the investment report and the gold and silver report with the Board. Mr. Friery informed the Board of the necessity to revise the report format in order to present a more timely report on transactions and asset allocations. The Treasurer's office will return to the Board with the resolution on the revisions.

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

AYES: DeCamilla, Frierson, Friery, Frierson

NOES: None

Mr. Sperling informed the Board a draft of the annual asset reallocation will be presented at the February meeting.

REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORT

ACCEPTED

The Board received the December 1986 Real Estate Advisor's Report submitted by W. Jim Smith of WJS & Associates. Mr. Smith reviewed the report with the Board which included an update on the Ron Watkins' suit. Mr. Smith

informed the Board a hearing to enforce the settlement was held on December 23, 1986, at which time the court requested further documentation from the attorney for Coldwell Banker relative to a Cross-Complaint filed by Watkins. The court continued the matter to January 14, 1987. Mr. Carnazzo, Counsel to the Board, informed the Board that at the January 14, 1987 hearing the judge determined that the matter should be set for a full trial, which is contrary to the Board's direction to seek enforcement of the agreed upon settlement. It was the judge's opinion that since the outside counsel of the AIFM Board initially sought a trial date it presumably meant that the AIFM Board felt the settlement agreement was not enforceable. Mr. Carnazzo advised the Board that no action should be taken at this time and that the Board will be kept informed as this matter proceeds.

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

AYES: DeCamilla, Frierson, Friery, Masuoka

NOES: None

Mr. Smith presented to the Board a proposed quotation for the renovation of the 1414 K Street Building submitted by Kimmel Construction, Inc. After discussion, Mr DeCamilla moved to proceed with the Kimmel Construction, Inc. contract for the renovation of the 1414 K Street Building and to set a maximum expenditure of \$400,000.00. The motion was seconded by Ms. Frierson and carried by the following vote:

AYES: DeCamilla, Frierson, Friery, Masuoka

NOES: None

RESOLUTION TO ADOPT NEW ACTUARIAL RATES  
ADOPTED

After a lengthy discussion, Ms. Frierson moved to adopt a resolution which memorialized new actuarial rates as adopted by the Board at the December 1986 meeting. The motion was seconded by Mr. DeCamilla and carried by the following vote:

AYES: DeCamilla, Frierson, Friery, Masuoka

NOES: None

IDEAS AND QUESTIONS, MEMBERS OF THE BOARD

Mr. Friery commented to the Board that because of the unique status of the Sacramento City Employees' Retirement System, not accepting new members, that at some time in the future, the Board will have to re-evaluate the present investment philosophy and allocation policies as they relate to meeting the system's future liabilities.

REPORTS OF SECRETARY

Richard E. Snyder, Secretary to the Board, informed the Board that he will be attending a CALAPRS administration meeting on January 30, 1987 and a CALAPRS general meeting on February 27, 1987. Mr. Friery requested to review minutes from the February 27, 1987 meeting.

TOUR ENTERPRISE DRIVE PROPERTIES

The meeting was adjourned to tour the Enterprise Drive Properties, 1740-1810 Enterprise Drive, West Sacramento, California.

There being no further business, the meeting was adjourned at 2:45 p.m. to meet again at the call of the chair.