

August 26, 1996

**MINUTES
REGULAR MEETING OF THE
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD
August 26, 1996**

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 August 26, 1996.

PRESENT: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

ABSENT: None

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD JULY 22, 1996

APPROVED

The Board received and reviewed the minutes of the regular meeting held July 22, 1996. Ms. Masuoka moved to approve the minutes. The motion was seconded by Mr. Nishimoto and carried by the following vote:

AYES: Masuoka, Nishimoto, Sperling, DeCamilla

NOES: None

ABSTAINED: Medema

INVESTMENTS - TREASURER'S ACTIVITY REPORT JUNE, 1996

ACCEPTED

The Board received the June, 1996 Treasurer's Investment Activity Report. Mr. Glenn Hosokawa, Investment Officer, reviewed the investment report with the Board.

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

AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

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REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORTS JULY, 1996 AND AUGUST, 1996
ACCEPTED

The Board received the July, 1996 and August, 1996 Real Estate Advisor's reports submitted by WJS & Associates. Mr. Smith reviewed the reports with the Board.

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

AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

AXE-HOUGHTON ASSOCIATES, INC., JUNE 30, 1996 QUARTERLY REPORT
PRESENTATION
ACCEPTED

The Board received Axe-Houghton Associates' June 30, 1996, quarterly report. Mr. Porter H. Sutro and Mr. Seth Williams reviewed the report with the Board.

Mr. Seth Williams announced to the Board that Mr. Sutro will be retiring and Ms. Robin Kerr will be replacing Mr. Sutro.

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

AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

DELAWARE INVESTMENT ADVISERS, JUNE 30, 1996 QUARTERLY REPORT
ACCEPTED

The Board received and reviewed the June 30, 1996 Quarterly Report submitted by Delaware Investment Advisers.

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

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AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

DELAWARE INVESTMENT ADVISERS JULY, 1996 PERFORMANCE REPORT
ACCEPTED AS INFORMATIONAL

The accepted as informational Delaware Investment Advisers' July, 1996 performance report.

NEWBOLD'S ASSET MANAGEMENT, INC., JUNE 30, 1996 QUARTERLY REPORT
ACCEPTED

The Board received and reviewed Newbold's Asset Management, Inc., June 30, 1996 Quarterly Report.

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

AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

LARGE CAP/GROWTH STOCK PORTFOLIO, JUNE 30, 1996 QUARTERLY REPORT
ACCEPTED

The Board received and reviewed the Large CAP/Growth Stock Portfolio, June 30, 1996 Quarterly Report.

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

AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

FIXED UTILITY HIGH INCOME STOCK PORTFOLIO, JUNE 30, 1996 QUARTERLY REPORT
ACCEPTED

The Board received and reviewed the Fixed Utility High Income Stock Portfolio, June 30, 1996 Quarterly Report.

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

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AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

TRAVEL REIMBURSEMENT REQUEST

APPROVED

The City Treasurer requested approximately \$2000 for travel costs, directly related to the management of SCERS investments, to have two Board members or staff members attend a conference sponsored by SEI entitled "Managing Tax Exempt Assets."

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

AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

POLICY MATTERS TO BE CONSIDERED AND ACTED UPON

FY 1995/96 AND 1996/97 SCERS DIRECT INVESTMENT COSTS

ADOPTED

The City Treasurer submitted for adoption a resolution approving the actual expenditures for FY 1995/96 and the proposed budget for FY 1996/97 for SCERS Direct Investment Costs.

The SCERS direct investment expenditures for FY 1995/96 exceeded the budgeted amount requested by the Treasurer's Office by \$10,027. The increase is the net result of the upgrade of the Local Area Network (LAN) microcomputers, wiring and software which had not been budgeted.

Ms. Masuoka requested that in the future staff should come to the Board for approval for items not budgeted.

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

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AYES: Masuoka, Nishimoto, Sperling, Medema, DeCamilla

NOES: None

REPORTS OF SECRETARY

CALPERS PENSION FUND INVESTING COURSE

The Board received information from CALPERS regarding a pension fund investing course. Course registration fee is \$1200. CALPERS will provide 15 fully paid "tuition" scholarships. Mr. Medema will check on the availability of the scholarships.

GENERAL COMMUNICATIONS

COMMUNICATION FROM ROBERT A. TOIGO FOUNDATION
ACCEPTED AS INFORMATIONAL

The Board accepted as informational a letter from the Robert A. Toigo Foundation requesting the Board to adopt a resolution commending the foundation for its work in preparing minority professionals for careers in the financial services industry.

There being no further business the meeting was adjourned at 2:15 p.m. to meet again at the call of the chair.