

MINUTES  
REGULAR MEETING OF THE  
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM  
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD  
April 20, 1992

**CALL TO ORDER AND ROLL CALL**

The Administration, Investment and Fiscal Management Board met in regular session in Conference Room 101, 921 10th Street, at 1:33 p.m. on April 20, 1992.

PRESENT: Frierson, Masuoka, Friery, DeCamilla  
ABSENT: Crist

**CONSENT CALENDAR**

MINUTES OF REGULAR MEETING HELD MARCH 23, 1992  
APPROVED

The Board received and reviewed the minutes of the regular meeting held March 23, 1992.

It was moved and seconded to approve the minutes.

AYES: Frierson, Masuoka, Friery, DeCamilla  
ABSENT: Crist

INVESTMENTS - TREASURER'S ACTIVITY REPORT  
ACCEPTED

The Board received the February 1992 Treasurer's Investment Activity Report. Michael Medema, Asst. City Treasurer, reviewed the investment report with the Board.

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

AYES: Frierson, Masuoka, Friery, DeCamilla  
ABSENT: Crist

**REPORTS OF CONSULTANTS AND ADVISORS**

REAL ESTATE ADVISOR'S REPORT  
ACCEPTED

The Board received the April, 1992 Real Estate Advisor's report, submitted by W. Jim Smith of WJS & Associates. Mr. Smith reviewed the report with the Board.

The Board questioned Mr. Smith on the clean-up of asbestos at 1414 K Street and approved up to \$10,000 to be used for asbestos clean-up without the need to come back to the Board for approval. The Board also requested the inclusion of a clause stipulating approval of any new tenants in Discovery Plaza.

Following the discussion, Mr. Friery moved to accept the real estate report with the inclusion of a clause stipulating approval of any new tenants in Discovery Plaza. The motion was seconded by Jo Ann Frierson and was carried by the following vote:

AYES: Frierson, Masuoka, Friery, DeCamilla  
ABSENT: Crist

**Jack Crist arrived at 2:00 p.m.**

Mr. Smith reported to the Board on an investment proposal concerning a mortgage loan on an office complex located at 2300 Stockton Boulevard, Sacramento, California. The subject property is located directly across Stockton Boulevard from the main entrance to the University of California Med Center.

The Board discussed the proposal. There was some concern voiced regarding the issue of asset liquidity in light of the current discussions regarding a SCERS to PERS transfer of miscellaneous members. The Board also discussed the need to allocate, from SCERS fixed bonds, the amount of monies, as well as, percentage of assets needed to accommodate the purchase for real estate mortgage, of the SCERS portfolio. Following the discussion, it was moved by Tom Friery and seconded by Jack Crist to authorize the loan. The motion carried by the following vote:

AYES: Crist, Frierson, Friery, DeCamilla  
NOES: Masuoka

At this time, Tom Friery requested that the motion regarding Discovery Plaza be amended as follows: Mr. Friery moved to accept the real estate report with the inclusion of a clause stipulating approval of any new tenants in Discovery Plaza and approval of up to \$10,000 to be used for asbestos clean-up without the need to come back to the Board for approval. The amended motion was seconded by Jo Ann Frierson and was carried by the following vote:

AYES: Crist, Frierson, Masuoka, Friery, DeCamilla  
NOES: None

**REPORTS OF SECRETARY** - Taken out of order

**CORRESPONDENCE FROM SACRAMENTO HOUSING & REDEVELOPMENT AGENCY REGARDING 1414 K STREET**  
REPORT BACK

The Board discussed the April 9, 1992 letter from the Sacramento Housing and Redevelopment Agency regarding the proposed Historic

Preservation Strategy for the Merged Downtown Sacramento Redevelopment Project Area. The letter states that the main component of the proposed strategy is a list of buildings for which staff will recommend that SHRA not consider demolition as part of its redevelopment actions.

Board members requested Mr. Smith research and report back on the benefit, if any, of being on the list and how 1414 K Street could be removed from the list.

**Tom Friery left the meeting at 2:20 p.m.**

**REPORTS OF CONSULTANTS AND ADVISORS - Continued**

**LEXINGTON CAPITAL MANAGEMENT, INC., FEBRUARY, 1992, PERFORMANCE REPORT**  
ACCEPTED

The Board accepted the February, 1992 performance report as informational.

**CORRESPONDENCE FROM LEXINGTON CAPITAL MANAGEMENT, INC.**  
ACCEPTED

The Board accepted the April 10, 1992 correspondence from Lexington Capital Management, Inc. introducing Karen Vick, Regional Client Service Manager in California as informational.

**AXE-HOUGHTON MANAGEMENT, INC., MARCH, 1992, PERFORMANCE REPORT**  
ACCEPTED

The Board accepted the March, 1992 performance report as informational.

**POLICY MATTERS TO BE CONSIDERED AND ACTED UPON**

**FISCAL YEAR 1992-1993 INTEREST RATE CREDIT MEMBER'S ACCOUNTS**  
ADOPTED

It was moved by Jack Crist to approve the resolution adopting a 9.25% rate of interest credited to member's accounts effective July 1, 1992. The motion was seconded by Jo Ann Frierson and carried with the following vote:

AYES: Crist, Frierson, Masuoka, DeCamilla  
ABSENT: Friery

**REPORTS OF SECRETARY**

**PENSIONER'S COST OF LIVING INCREASE**  
ACCEPTED

The Board accepted as informational the report on the pensioner's cost of living increase.

**GENERAL COMMUNICATIONS**

Jack Crist requested a copy of the CALAPRS 1992 Membership Roster that had been distributed at the previous meeting.

There being no further business, the meeting was adjourned at 2:25 p.m. to meet again at the call of the chair.