

RESOLUTION NO. **81-002**

SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD

April 20, 1981

BE IT RESOLVED BY THE ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD OF THE SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM:

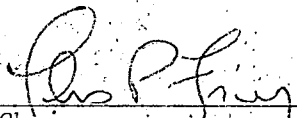
WHEREAS, Charter Section 385 requires, for purpose of amortizing the unfunded costs of the system by June 30, 2007, that the Board adopt City contribution rates as recommended by the actuary of record; and

WHEREAS, the Board has previously accepted the June 30, 1980 actuarial valuation report as submitted by the actuary of record;

NOW, THEREFORE BE IT RESOLVED THAT:

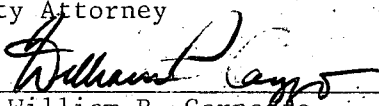
Effective with the pay period which includes July 1, 1981,

1. the City's contribution for normal cost is 6.1% of miscellaneous plus 17.1% of safety payroll, and the City contribution rate to amortize the unfunded liability for fiscal year 1981-82 be 8.58% of total payroll, which is equivalent to 6.89% of miscellaneous payroll and 10.44% of safety payroll; and
2. the City and member rates of contribution to the Equal Shares Plan and to former Charter Sections 175.1 and 175.13 plans be continued during fiscal year 1981-82 identical to the rates established for fiscal year 1980-81.

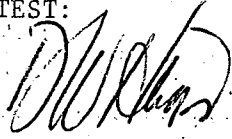

Board Chairman

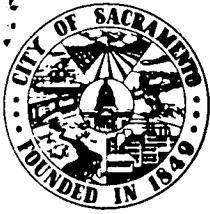
APPROVED AS TO FORM:

James P. Jackson
City Attorney

BY 
William P. Carnazzo
Counsel to the Board

ATTEST:


Secretary to the Board



CITY OF SACRAMENTO

DEPARTMENT OF FINANCE

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March 20, 1981
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JACK R. CRIST
DIRECTOR OF FINANCE

FRANK MUGARTEGUI
ASSISTANT DIRECTOR

Administration, Investment and
Fiscal Management Board
801 Ninth Street, Room 110
Sacramento, CA 95814

Members in Session:

SUBJECT: Board Action Adopting Interest Rate Credited
to Members' Accounts

SUMMARY

The attached draft resolution is presented for Board consideration.
Adoption is recommended.

BACKGROUND

Charter Section 387 requires the Board adopt an interest rate for purposes of crediting interest to members' accounts. The board has in the past taken action on this matter annually in February or March with the adopted rate to be effective the following July 1. The rate adopted must bear a reasonable relationship to the actual rate of return on investments.

FINANCIAL

The interest rate for crediting to members' accounts is currently 6.50% (6- $\frac{1}{2}$ %). Prior to July 1, 1980, the rate was 6.25%.

For the fiscal years ending June 30, 1978, 1979 and 1980, the three (3) year approximate actual rate of return on investable assets was 6.879%. The relevant information required for the calculation of this rate is shown on the attached Exhibit A.

RECOMMENDATION

That the attached resolution be approved by the Board adopting a 6.75% (6- $\frac{3}{4}$ %) rate of interest credited to members' accounts effective July 1, 1981.

Respectfully submitted,

Jack R. Crist, Director of Finance

Thomas P. Friery, City Treasurer

Attachment

RECEIVED
MAR 31 1981
EMPLOYEE SERVICES