

MINUTES  
REGULAR MEETING OF THE  
SACRAMENTO CITY EMPLOYEES' RETIREMENT SYSTEM  
ADMINISTRATION, INVESTMENT AND FISCAL MANAGEMENT BOARD  
June 26, 1989

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 1:45 p.m. on June 26, 1989.

PRESENT: Stamper, Sperling, DeCamilla

ABSENT: Frierson, Wolford

Due to a mechanical problem with the tape recorder the meeting could not be recorded. Mr. Sperling moved the meeting continue even though it could not be recorded. The motion was seconded by Mr. Stamper and was carried by the following vote:

AYES: Stamper, Sperling, DeCamilla

NOES: None

CONSENT CALENDAR

MINUTES OF REGULAR MEETING HELD MAY 22, 1989

APPROVED AS AMENDED

The Board received and reviewed the minutes of the regular meeting held May 22, 1989. Mr. Sperling requested the minutes be amended to reflect that Mr. Friery did submit an article to the City's newsletter regarding the 12.25% interest rate credit to members' SCERS accounts. Mr. Sperling moved the amended minutes be approved. The motion was seconded by Mr. Stamper and was carried by the following vote:

AYES: Stamper, Sperling, DeCamilla

NOES: None

INVESTMENTS - TREASURER'S ACTIVITY REPORT  
ACCEPTED

The Board received the April 1989 Treasurer's Investment Activity Report. Deborah Carter, Investment Officer, reviewed the investment report with the Board.

Ms. Carter distributed and reviewed an addendum report on the sale of SCERS assets to accommodate the transfer of active safety members to PERS.

She also informed the Board that the Treasurer's office is preparing a report, to be presented at the August meeting, on the effects of increasing the fixed income allocation.

Mr. Stamper moved to accept the investment activity report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Stamper, Sperling, DeCamilla

NOES: None

REPORTS OF CONSULTANTS AND ADVISORS

REAL ESTATE ADVISOR'S REPORT  
ACCEPTED

The Board received the June 1989 Real Estate Advisor's Report, submitted by W. Jim Smith of WJS & Associates. Mr. Smith reviewed the report with the Board.

Mr. Sperling moved to accept the real estate report. The motion was seconded by Mr. DeCamilla and was carried by the following vote:

AYES: Stamper, Sperling, DeCamilla

NOES: None

SEI MARCH 31, 1989 QUARTERLY PERFORMANCE REPORT  
ACCEPTED

The Board received SEI's performance reports for the quarter ending March 31, 1989. John McLaughlin, from SEI, reviewed the report with the Board.

After discussion, Mr. Stamper moved to accept the report. The motion was seconded by Mr. Sperling and was carried by the following vote:

AYES: Stamper, Sperling, DeCamilla

NOES: None

PRESENTATION BY TOUCHE ROSS, CITY'S EXTERNAL AUDITOR  
ACCEPTED AS INFORMATIONAL

At the request of the Board, Louis Paletta and Marty Tokunaga auditors for Touche Ross, presented an overview on how the 1988-89 audit of SCERS will be conducted. They distributed a time schedule and reported that the reliance testing portion of the audit had been completed and there were no exceptions this year. They stated the audit process reviews the reasonableness of the assumptions used by the system's actuary and discussed current regulatory matters in terms of reporting pension liability. They will report back to the Board when the audit is completed.

BATTERYMARCH, MAY 1989, PERFORMANCE  
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Batterymarch's May 1989 performance report.

SEI'S PERFORMANCE REVIEW 1989  
ACCEPTED AS INFORMATIONAL

The Board accepted as informational SEI's Performance Review for the first quarter of 1989.

LEXINGTON CAPITAL MANAGEMENT, INC., MAY 1989 PERFORMANCE  
ACCEPTED AS INFORMATIONAL

The Board accepted as informational Lexington Capital Management, Inc., May 1989 performance report.

GENERAL COMMUNICATIONS

ARTICLE ON AXE-HOUGHTON MANAGEMENT, INC.  
ACCEPTED AS INFORMATIONAL

The Board accepted as informational an article on Axe-Houghton Management, Inc. that appeared in the Gannett Westchester Newspaper on April 30, 1989.

There being no further business the meeting was adjourned at 3:15 p.m. to meet again at the call of the chair.