



**CITY OF FRESNO RETIREMENT SYSTEMS**  
**REGULAR MEETING OF THE INVESTMENT COMMITTEE**

**ACTION AGENDA**

July 16, 2008

Investment Committee held a meeting in Retirement Office, 2828 Fresno St., 2nd Fl., Board Chamber, Room 202, Fresno, California at the hour of 8:30 AM on the day above written.

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**ROLL CALL AT 8:40 AM**

COMMITTEE MEMBERS PRESENT: Paul Cliby, Brian Burry, Carla Lombardi, Ken Nerland, KC Chen, and Daniel Ray

Members Absent: None

Stanley McDivitt, Retirement Administrator, Kathleen Riley, Asst. Retirement Administrator and Michael Schlacter of Wilshire Associates

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**APPROVE AGENDA**

Approve the agenda of the July 16, 2008, regular meeting of the Investment Committee.

ACTION: Approved/Adopted

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**TIMED SCHEDULED HEARINGS AND MATTERS**

None

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**A. AGENDA ITEMS**

1. Review, discuss and consider preliminary Core Real Estate Manager Search report, determine final search criteria and schedule interviews with potential candidates.

ACTION: Received

The Committee reviewed and discuss the preliminary results from Wilshire's Core Real Estate Manager Search report and selected three semi-finalists to interview on August 27, 2008.

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2. Review, discuss and consider Requests for Qualification proposals for Legal Services Related to Institutional Investment of Public Pension Funds.

ACTION: Received

The Committee reviewed the qualification proposals for Legal Services related to Institutional Investment of Public Pension Plans and selected three firms to be interviewed at a date in August/September to be determined.

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3. Review, discuss and consider transition manager for portfolio termination.

ACTION: Approved/Adopted

The Committee reviewed and discussed the transition and approved recommendation for the Boards to hire BGI to manage the transition and restructure of the Emerald Advisors portfolio into the BGI Russell 2000 Growth Index Fund effective July 31, 2008.

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4. Status update and review of Phase I Implementation of Asset Allocation Plan and transition to International Equity.

ACTION: Approved/Adopted

The Committee reviewed the status update of the Phase I Implementation of the new Asset Allocation Plan and approved the proposals submitted to restructure domestic equity into international equity with a recommendation for the Boards to terminate the Goldman Sachs

Enhanced Large Cap Equity portfolio and to further reduce all domestic large cap equity necessary as necessary and fund the maximum available into international equity.

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5. Status update and monthly review, discussion and direction concerning Investment Manager Monitoring and Evaluation for period ending June 30, 2008.

LAID OVER TO NEXT MONTH FOR QUARTERLY EVALUATION

ACTION: Laid Over

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6. Consider staff recommendation for monthly drawback for operating and payroll costs.

ACTION: Received

The Committee reviewed last month's action to approve staff's recommendation to withdraw \$12.0 million from Kennedy Capital to fund benefit payments for the months of August and September and bring the Kennedy portfolio closer to its new target allocation.

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7. Review, discuss, update and prioritize Investment Committee projects, activities and schedule investment manager presentation for the remainder of Calendar Year 2008

ACTION: Received

: The Committee reviewed projects related to manager searches and made no changes to the target dates outlined.

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8. Review, discuss and reconsider the Due Diligence Site Visitation Sub-Committee recommendation concerning on-site visitations conducted with finalists in the core plus fixed income manager search and address policy issues.

Laid Over Pending Implementation of Phase I of the Asset Allocation Plan and Target Mix

ACTION: Laid Over

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#### **B. INFORMATION ONLY ITEMS**

1. Northern Trust Monthly Portfolio Performance Reports as of June 30, 2008.

ACTION: Received

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2. Northern Trust Monthly Asset Allocation Overview as of June 30, 2008.

ACTION: Received

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3. Monthly Fixed Income Analysis Report as of June 30, 2008.

ACTION: Received

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4. Action Agenda, Investment Committee Meeting June 18, 2008.

ACTION: Received

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5. June 5, 2008, FUNDfire article, Pensions Hit Brakes, Put Risk Above Returns.

ACTION: Received

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6. June 19, 2008, email from Dennis Byrne at GSAM, Re: Ed Forst, global head of Investment Management Division retires to become Executive Vice President of Harvard University.  
ACTION: Received
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7. June 27, 2008, Associated Press article, Who are those oil speculators, anyway? Maybe you.  
ACTION: Received
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8. July 1, 2008, Bloomberg.com article, Moody's Says Some Employees Breached Code of Conduct.  
ACTION: Received
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9. July 3, 2008, FUNDfire article, CalPERS Loses Another Senior Exec.  
ACTION: Received
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10. July 7, 2008, P&I Online article, Legg Mason view dims after bailout.  
ACTION: Received
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11. July 7, 2008, Letter from Kate Mahar, Sr. Account Executive, Pyramis Global Advisors, Change in Account Coverage.  
ACTION: Received
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12. 2007 Fee Study, eVestment Alliance.  
ACTION: Received
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13. December 2007, Segal Advisors, The Buyout Phenomenon.  
ACTION: Received
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**C. PROPOSED AGENDA ITEMS FOR NEXT COMMITTEE MEETING**

None

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**D. PUBLIC COMMENTS**

None

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**E. ADJOURNMENT**

11:00 am

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