



CITY OF FRESNO RETIREMENT SYSTEMS REGULAR MEETING OF THE INVESTMENT COMMITTEE

AGENDA

Wednesday, August 15, 2007

8:30 AM

Retirement Office, 2828 Fresno St., 2nd Fl., Board Chamber, Room 202, Fresno, CA 93721

COMMITTEE MEMBERS:

Paul Cliby, Chair

Brian Burry

Carla Lombardi

Ken Nerland

KC Chen

Daniel Ray, Independent Advisor

STAFF & ADVISORS:

Stanley L. McDivitt, Retirement Administrator

Kathleen Riley, Asst Retirement Administrator

Michael Schlachter, Investment Consultant

(1) If you want to speak to the Committee, please complete a Request to Speak form and hand it to the Board Secretary at the beginning of the Board Meeting. (2) The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, signers, assistive listening devices, or translators should be made one week prior to the meeting. Please call the Retirement Board Secretary at 559-621-7085 to make arrangements.

ROLL CALL

APPROVE AGENDA

Approve the Investment Committee Agenda of August 15, 2007.

TIMED SCHEDULED HEARINGS AND MATTERS

8:30 AM Presentation and portfolio review of the AllianceBernstein Large Cap Core Equity portfolio managed by Cathy Woods, Portfolio Manager and Liz Smith, Managing Director, Public Funds.

Action: _____

9:30 AM Presentation and annual review of Securities Lending and Commission Recapture programs managed by Kerry Nelson, Sr. VP, Manager of Public Funds, Don Anderson, VP, Securities Lending Relationship Manager and Robert Ernst, VP, Custody Relationship Manager of Northern Trust.

Action: _____

A. AGENDA ITEMS

1. Review and accept the Investment Performance Reports from Wilshire Associates for the quarter ending June 30, 2007.

Action: _____

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

LAI D OVER PENDING COMPLETION OF ASSET ALLOCATION STUDY

Action: _____

3. Review, discussion and direction on Fee Proposal submitted for renewal of the Northern Trust's Master Trust and Custodial Bank contract.

Action: _____

4. Status update on action to terminate The Boston Company international core equity portfolio and transition of assets to BGI.

Action: _____

5. Consider staff recommendation for monthly drawback for operating and benefit payroll costs.

Action: _____

6. Review, discussion and direction on report provided by Michael Schlachter, Investment Consultant, evaluating all possible alternatives and ways to improve the Systems small cap equity asset class performance.

LAID OVER PENDING COMPLETION OF ASSET ALLOCATION STUDY

Action: _____

7. Review, discuss and prioritize Investment Committee projects and activities.

Action: _____

B. INFORMATION ONLY ITEMS

1. Northern Trust Monthly Portfolio Performance Reports as of July 31, 2007.
2. Northern Trust Monthly Asset Allocation Overview as of July 31, 2007.
3. Monthly Fixed Income Analysis Report as of July 31, 2007.
4. Action Agenda, Investment Committee Meeting July 18, 2007 and August 8, 2007.
5. February 2007, Greenwich Associates, Investment Management: The Calm Before the Liability Storm?
6. July 16, 2007, Bloomberg.com article, Stocks in US Poised for 10 Percent Drop, Options Bet Show.
7. July 24, 2007, Times article, State pension funds outshine Foreign stocks, private equity and other risky investments boost CalPERS and CalSTRS.
8. July 27, 2007, Wilshire Consulting, Rule 144A & the Capital Formation Landscape
9. July 27, 2007, email from Stuart Schweitzer, JPMorgan Asset Management, Reaction to the selloff.
10. August 2, 2007, email from Corey Griffin, Boston Co. re: resignation of Patrick Sheppard, President and Chief Operating Officer.
11. August 8, 2007, FUNDfire article, Goldman Hedge Fund Continues to Fall
12. August 9, 2007, FUNDfire article, Boston Co. Loses Mandate After Liftout.
13. August 9, 2007, email from Robert Thompson, Dodge & Cox, Subprime thoughts from Bob Thompson.
14. August 2007, AllianceBernstein, From Drought to Deluge: The Return of Volatility to the Fixed-Income Markets.

C. PROPOSED AGENDA ITEMS FOR NEXT BOARD MEETING

Action: _____

D. UNSCHEDULED ORAL COMMUNICATIONS

Action: _____

E. PUBLIC COMMENTS

Action: _____

**SCHEDULE OF
MEETING OF THE INVESTMENT COMMITTEE
(All Meeting Dates And Times are Subject To Change)**

Date	Scheduled Presentations/Comments
August 8, 2007	Special Meeting
August 15, 2007	Alliance Capital; Northern Trust
September 19, 2007	Genesis; Acadian
October 17, 2007	Fidelity; Boston Company
November 21, 2007	AXA Rosenberg
December 19, 2007	Heitman REIT; Principal REIT
January 16, 2008	JP Morgan; Prudential
February 20, 2008	
March 19, 2008	
April 18, 2008	
May 21, 2008	
June 18, 2008	
July 16, 2008	
August 20, 2008	

The schedule will be revised monthly and included in the agenda package. The Retirement Office will be responsible for notifying and confirming in writing all parties scheduled to attend retirement meetings.