

**CITY DAYTONA BEACH POLICE AND FIRE PENSION FUND
PENSION BOARD OF TRUSTEES SPECIAL MEETING
City Hall, Council Chambers
301 S. Ridgewood Ave, Daytona Beach, FL 32115**

Wednesday, December 18, 2019, 8:30AM

TRUSTEES PRESENT: Mark Eisner
Michael Rowley
Erin Masters

TRUSTEES ABSENT: Gregg Gurdak

OTHERS PRESENT: Pedro Herrera, Sugarman & Susskind (Via Phone)
Steven Cottle (Via Phone)
Chuck Bryant, Kennedy Capital (Via Phone)
Lauren Caldwell, Kennedy Capital (Via Phone)
Patrick Wolcott, Kennedy Capital (Via Phone)
Niraj Shah, Kennedy Capital (Via Phone)
Ferrell Jenne, Foster & Foster (Via Phone)

- I. **Call to Order/Roll Call/Determination of a Quorum** - Mark Eisner called the meeting to order at 8:36am.
- II. **Public Comment** - None
- III. **New Business**
 - A. Discussion of Kennedy Capital
 - i. Chuck Bryant commented the plan currently invested in the small cap core strategy using a commingled fund vehicle. Current management fee was 90 basis points. Chuck commented if the plan moved to Collective Investment Trust (CIT) vehicle, the plan would have daily liquidity and the management fee would be reduced by 5 basis points. Chuck confirmed there would be no change to the investment team or philosophy. Chuck stated nothing would change other than the vehicle.
 - ii. Erin Masters asked about the daily liquidity. Chuck Bryant commented the plan did not currently need the daily liquidity, but it was a nice option just in case it was needed.
 - iii. Steven Cottle asked about transaction costs. Niraj Shah commented there was a \$6 fee per position, but it would be billed directly to Kennedy Capital and they would cover the cost. Niraj confirmed the positions were moved in-kind and there was no change in the guidelines.
 - iv. Pedro Herrera commented there were no issues with the paperwork required to move from the commingled fund to the CIT vehicle. The board discussed the subscription agreement.
 - v. Patrick Wolcott discussed the holdback on the cash. Patrick explained when the transfer occurred on the 15th, there would be a percentage of the cash, approximately 10%-20%, held back to cover fees and serve as a catch all for the accrued dividends or late transactions. Once the valuation was finalized, the residual cash would be transferred over to Comerica. Chuck Bryant reviewed the timing of paying the management fee for the period of time the plan was still in the commingled fund. Chuck confirmed the residual cash would transfer over within 4-5 business days.

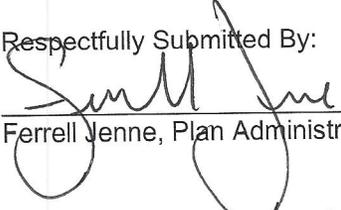
The board approved moving from Kennedy Capital Small Cap Core Commingled Fund to the Kennedy Capital CIT, upon motion by Erin Masters and second by Michael Rowley; motion carried 3-0.

vi. Lauren Caldwell commented Pedro Herrera could get in touch with her if he had any questions on the paperwork.

IV. **Adjournment** - The meeting adjourned at 8:52am

V. **Next Meeting** – February 4, 2020, at 8:30am

Respectfully Submitted By:



Ferrell Jenne, Plan Administrator

Approved By:



Mark Eisner, Chairman

Date Approved by the Pension Board:

FEBRUARY 4, 2020