

**CITY OF DAYTONA BEACH POLICE AND FIRE PENSION TRUST FUND  
PENSION BOARD OF TRUSTEES QUARTERLY MEETING  
City Hall Conference Room 149  
301 S. Ridgewood Ave, Daytona Beach, FL 32115**

**Tuesday, March 25, 2025, 10:30AM**

**TRUSTEES PRESENT:** Gregg Gurdak  
Jay Maher  
Erin Masters

**TRUSTEES ABSENT:** Michael Rowley  
Brenda Fischer

**OTHERS PRESENT:** Ferrell Jenne, Foster & Foster  
Kandyce Moss, Foster & Foster  
Sara Carlson, Foster & Foster  
David Robinson, SSBH (via Zoom)  
Steven Cottle, Segal Marco  
Doug Borths, Wolf Popper  
Brendan Hammond, Brookfield  
Matt Press, Brookfield  
Kurt Summers, Blackstone  
Gary Gustovich, DFA  
Patrick Southern, DFA  
Chuck Landers, Saltmarsh, Cleaveland & Gund  
Micah McCarthy, IAFF Local 1162  
Members of the Public

- 1) **Call to Order/Roll Call/Determination of a Quorum** – The meeting was called to order at 10:36AM by Jay Maher.
- 2) **Public Comments**
  - a) Micah McCarthy from IAFF Local 1162 stated they were seeking permission, along with the PBA, to utilize the Board's actuary to run cost studies on multiple benefits they wanted to propose. He advised the union would pay for the studies.

**The Board voted to allow IAFF Local 1162 to use the plan's actuary for cost studies with the cost to be paid by the union, upon motion by Gregg Gurdak and second by Erin Masters; motion carried 3-0.**

- 3) **Approval of Minutes**
  - a) January 31, 2025, quarterly meeting minutes

**The Board voted to approve minutes from the January 31, 2025, quarterly meeting as presented, upon motion by Gregg Gurdak and second by Erin Masters; motion carried 3-0.**

#### 4) New Business

##### a) Wolf Popper, Doug Borths

##### i) Securities Monitoring Presentation

- (1) Doug Borths stated they provided portfolio monitoring and securities litigation services. Doug explained the plan could have multiple securities litigation providers. Doug provided the firm's history, and the list of Florida plans they represented.
- (2) Doug Borths reviewed the process for co-counselor cases, as the plan currently had multiple firms who provided these services. Doug confirmed they were accustomed to working with other firms on a case. Doug described the review process and the details that were provided to the Board attorney.
- (3) Doug Borths stated the plan would never write a check to their firm, all their fees were taken from any recovery fees, and their fees were approved by the court.

##### b) Actual expenses as of September 30, 2024

- i) Ferrell Jenne reviewed the budget requirement and stated the plan was within the budget they set for fiscal year 2024. Ferrell reminded the Board they could go over on one expenditure but not the total budget.

**The Board voted to approve September 30, 2024, actual expenses as presented, upon motion by Gregg Gurdak and second by Erin Masters; motion carried 3-0.**

#### 5) Reports

##### a) Infrastructure Manager Interviews

##### i) Brookfield Asset Management, Brendan Hammond/Matt Press

- (1) Brendan Hammond introduced himself and thanked the Board for the opportunity to present. Brendan stated they would be reviewing the Brookfield Super-Core Infrastructure Partners (BSIP).
- (2) Matt Press introduced himself and stated he was a managing director at Brookfield. Matt stated they had 1 trillion in assets under management (AUM) and approximately 250,000 employees.
- (3) Matt Press stated the fund was open-ended with a 3-year lock up with quarterly distributions. Matt stated they were a leading asset manager, had a differentiated strategy, and a strong track record. The Board discussed the regions of investments.
- (4) Matt Press reviewed their team approach and stated no one had been doing this as long as BSIP. Matt reviewed the sector diversification they had and stated they were protected from market volatility. The Board discussed market trends and how they were incorporating the trends in their investment pipeline.
- (5) Matt Press reviewed their management fee of 100 basis points and stated they had quarterly investment periods. Matt stated they expected capital to be fully called over the next 12 months.

- ii) Blackstone Infrastructure Partners, Kurt Summers
  - (1) Kurt Summers stated they were targeted towards core to core plus infrastructure. Kurt stated they had a team of 85 members, over \$55 billion in AUM, and their gross performance had been 21% as of December 31, 2024.
  - (2) Kurt Summers stated they had a permanent capital base, high-conviction thematic investing, and believed in value creation at the company level.
  - (3) Kurt Summers reviewed their portfolio, sectors, and stated they owned the largest data center in the United States. Kurt stated 77% of their assets were in North America.
  - (4) Kurt Summers reviewed management fees and stated they were 90 basis points for Segal Marco clients.
  
- b) Dimensional Fund Advisors, Gary Gustovich/Patrick Southern, Investment Manager
  - i) Quarterly reports as of December 31, 2024
    - (1) Gary Gustovich gave a brief overview of the firm and stated they had \$777 billion in AUM.
    - (2) Patrick Southern reviewed how they managed portfolios and the historical observations of 5-year premiums.
    - (3) Patrick Southern reviewed the portfolio characteristics, sector allocations, and performance as of December 31, 2024. Patrick stated when value was in favor, the portfolio would do well.
  
  - ii) Steven Cottle reviewed the two infrastructure managers and stated they were both great firms. Steven stated his preference was to have more of the portfolio in the United States, which was Blackstone. Steven stated that the commitment size was \$12 million, which would come from JP Morgan. The Board discussed the risk/reward of each manager.

**The Board voted to approve a \$12,000,000 commitment to Blackstone, upon motion by Gregg Gurdak and second by Erin Masters; motion carried 3-0.**

- c) Foster & Foster, Sara Carlson, Actuary
  - i) October 1, 2024, actuarial valuation report
    - (1) Sara Carlson reviewed the contribution requirements and reminded the Board the amounts shown were applicable to fiscal year-end September 30, 2026.
    - (2) The City required contribution was \$11,032,090. Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an investment return of 6.31% (Actuarial Asset Basis) which fell short of the 7.50% assumption and more retirements than expected. There were no significant sources of actuarial gain.
    - (3) Sara Carlson reviewed the State Monies and reminded the Board that the City could use all the State Monies to offset their funding

requirements. Sara stated the City had a prepaid contribution of \$825,807. Sara stated the funded ratio was 74.6%, which remained the same as the prior year.

- (4) Sara Carlson reviewed the unfunded actuarial accrues liability (UAAL) and the bases that would fall off, in conjunction with the next valuation report.
- (5) Sara Carlson reviewed the assumptions that were measured in an experience study and stated the last study was done in 2020, so the plan was due for a new study.
- (6) Sara Carlson reminded the Board that the mortality assumption was controlled by the Florida Retirement System and the table was updated to show that public safety members were living longer. Sara stated the new tables would be used in the next valuation report and there would be a funding impact due to the assumption change.

**The Board approved the October 1, 2024, actuarial valuation report as presented, upon motion by Gregg Gurdak and second by Erin Masters; motion carried 3-0.**

**The Board voted for the declaration of returns for the plan shall be 7.50% for the next year, the next several years, and the long-term thereafter net of investment related expenses, upon motion by Jay Maher and second by Gregg Gurdak; motion carried 3-0.**

- d) Saltmarsh, Cleaveland & Gund, Chuck Landers, Auditor
  - i) Chuck Landers reviewed the significant risk factors and stated these were not unique to the pension plan. Chuck stated they issued a clean unmodified opinion, which was the highest opinion the plan could receive.
  - ii) Chuck Landers reviewed the assets and liabilities and stated the City's net pension liability was \$79,493,411. Chuck reviewed the sensitivity of the net pension liability due to changes in the discount rate.
  - iii) Chuck Landers reviewed the total fund net return of 6.5% as stated in the December 31, 2024, quarterly report.

**The Board approved the September 30, 2024, audit as presented, upon motion by Gregg Gurdak and second by Erin Masters; motion carried 3-0.**

**The Board approved hiring Wolf Popper to provide securities litigation services, upon motion by Gregg Gurdak and second by Erin Masters; motion carried 3-0.**

- e) Segal Marco, Steven Cottle, Investment Consultant
  - i) Final return information as of September 30, 2024
    - (1) Steven Cottle briefly reviewed the asset allocation study that was done in 2024 and the historical growth of assets as of September 30, 2024.

- ii) Quarterly report as of December 31, 2024
  - (1) Steven Cottle reminded the Board the December 31, 2024, quarterly report was preliminary, as it was missing returns for 20% of the portfolio from private equity and alternatives.
  - (2) The market value of assets (MVA) as of December 31, 2024, was \$217,300,792. The total fund gross earnings for the quarter were -1.2%, underperforming the policy benchmark of -0.9%. The 1, 3, 5, and 7-year trailing total fund gross returns were 7.9%, -0.3%, 5.7% and 6.2%, compared to the respective benchmarks of 10.5%, 2.7%, 6.7%, and 6.8%. Since inception (10/01/1997) total fund net returns were 6.4%, slightly underperforming the policy benchmark of 6.7%.
  
- f) SSBH, David Robinson, Board Attorney
  - i) David Robinson stated he was filling in for Pedro Herrera. David commented the independent medical examination for Mathew Smith was delayed, as he had a new medical provider. Once the new medical records were received, they would reschedule the appointment.
  - ii) David Robinson stated Elijah Wekony still needed to submit his disability questionnaire before this could continue to be processed.
  - iii) David Robinson stated that the last Summary Plan Description (SPD) was completed in 2023, and they would have the updated SPD at the next meeting.

**6) Old Business – None.**

**7) Consent Agenda**

- a) Payment ratification
  - i) Warrants #131
  - ii) Warrants #132
- b) New invoices for payment approval
  - i) None.
- c) Fund activity report January 25, 2025, through March 18, 2025

**The consent agenda was approved as presented, upon motion by Jay Maher and second by Erin Masters, motion carried 3-0.**

*Note: Erin Masters left at 12:32PM*

**8) Staff Reports**

- a) Foster & Foster, Ferrell Jenne, Plan Administrator
  - i) Ferrell Jenne reviewed the upcoming educational opportunities. Gregg Gurdak and Jay Maher requested to be registered for the FPPTA annual conference.
  - ii) Ferrell Jenne stated the annual report had been filed and they would send the final audit to the state, once it was received.
  - iii) Ferrell Jenne informed the Board they were using quorums@foster-foster.com to determine quorums. Ferrell asked the trustees to look for the emails and please respond with their attendance confirmation.

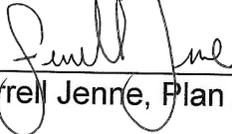
9) **Trustee Reports, Discussion, and Action**

a) Jay Maher asked about the BlackRock overdraft fee. Ferrell Jenne explained the trade ticket was placed with BlackRock and then a lump sum was paid out of the R&D account, prior to the trade settling and the wire being sent. The Board directed the overdraft fee to be paid from the R&D account, as advised by Segal Marco. The Board discussed a possible service with Segal Marco that handled capital calls and cash flow. Steven Cottle stated he would bring some more information to a future meeting.

10) **Adjournment** – The meeting adjourned at 1:09PM.

11) **Next Meeting** – June 17, 2025, at 10:30AM, Quarterly Meeting

Respectfully Submitted By:

  
\_\_\_\_\_  
Ferrell Jenne, Plan Administrator

Approved By:

  
\_\_\_\_\_  
Jay Maher, Chairman

Date Approved by the Pension Board:

6-17-2025