



## Legislation Text

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**File #:** 19-0325, **Version:** 1

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**ITEM TITLE:**

Approval of Permanent Fund Investment with QMA Small Cap Core Equity Fund for \$5.09MM.

**SUBMITTED BY:** Brian Carlson, Finance Director

**FISCAL NOTES:**

Expenditure Required: \$5,085,000

Unencumbered Balance: \$5,085,000

Funding Source: 607.1004.10354, Permanent Fund; proceeds from RBC Small Cap liquidiation;

**RECOMMENDATION:**

Approve

**SUMMARY STATEMENT:**

- During the May 16<sup>th</sup> quarterly meeting the Permanent Fund Committee unanimously approved replacing an underperforming manager (RBC Small Cap) with a new manager, QMA Core Small Cap Core Equity Fund.
- Finance staff liquidated the RBC account in July, and proceeds total approximately \$5.083MM.
- Legal has reviewed the attached documents and has approved them as to form.
- Upon approval, Finance staff anticipates funding this investment within five business days.
- Attachments (3):
  - QMA Fund Declaration - high-level summary of the fund management, characteristics, and risk profile
  - QMA Offering Memorandum - full details of Fund Declaration summary. Table of contents is on page 7.
  - QMA Subscription Trust Agreement - the City's application for investment in the commingled mutual fund