



SUMMARY TO THE REGULAR F.I.A.C. MEETING

Tuesday, March 17, 2026

3:30 P.M.

City of Jacksonville Police and Fire Pension Fund
1 West Adams Street Suite 100, Jacksonville, FL 32202

Financial Investment and Advisory Committee

Kendall Park, Chair
Brian Chappell, Secretary
*Greg Ealey
Steve Glenn

Financial Investment and Advisory Committee

Eric "Brian" Smith Jr.

Fund Staff

Timothy H. Johnson, Executive Director – Plan Administrator
Steve Lundy, Deputy Director
Kevin Grant, Finance Manager

Guests

*Jordan Cipriani, RVK, Investment Consultant
*Spencer Hunter, RVK, Investment Consultant
*Ramneek Singh, RVK, Investment Consultant

*Asterisk denotes virtual meeting attendance via the ZOOM application.

Notice

Meeting Agendas and Summaries are available on our website at jaxpfpf.coj.net. For additional meeting documents, please contact Steve Lundy, Custodian of Public Records for the City of Jacksonville Police and Fire Pension Fund at 904-255-7373 or SLundy@coj.net to file a public records request.

If any person decides to appeal any decision made with respect to any matter considered at this public meeting such person will need a record of proceedings, and for such purpose such person may need to ensure that a verbatim record of the proceedings is made at their own expense and that such record includes the testimony and evidence on which the appeal is based. The public meeting may be continued to a date, time, and place to be specified on the record at the meeting. Additional items may be added / changed prior to meeting.

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I. Public Comment

None.

II. Meeting Summaries – action requested

a. February 17, 2026 FIAC Meeting Summary

Steve Glenn moved to approve the February 17, 2026 FIAC Meeting Summary, seconded by Brian Chappell. The vote passed unanimously.

III. Executive Director’s Report

Executive Director Timothy Johnson provided an update on proposed “Repeal Legislation” expected to be introduced to City Council the following week. The ordinance includes provisions to repeal the Financial Investment and Advisory Committee (FIAC), along with several additional governance-related updates.

Mr. Johnson explained that the FIAC was originally established as part of the 2015 Retirement Reform Agreement (Ordinance 2015-304), which was negotiated among the Pension Fund, the City, and other parties and subsequently approved by City Council. The current legislation proposes to remove that requirement.

Key provisions of the proposed ordinance include:

- Section 22.02 (Board Membership): Updates qualifications and experience requirements for Board members.
- Section 22.12 (Staff Retirement Benefits): Removes prohibition on the Board’s ability to create separate retirement plans for staff.
- Repeal of FIAC (Part 5): Eliminates the FIAC entirely from the Ordinance Code.
- Ethics and Fiduciary Standards: Removes redundant provisions and replaces them with references to applicable Florida Statutes.
- Reemployment Provisions: Removes outdated COVID-era language related to rehiring retirees.
- Forfeiture Standards: Aligns pension forfeiture provisions with Florida statutory definitions of fraud following an Administrative Law Judge ruling.

Mr. Johnson noted that City Council may approve, modify, or reject the ordinance. If adopted without changes, implementation would likely occur between the May and June FIAC meeting cycles.

Committee members discussed the practical implications of the proposed repeal:

- Kendall Park expressed that the FIAC’s role has been diminished over time, with limited decision-making authority, and questioned the necessity of the committee.
- Steve Glenn noted that many FIAC recommendations have not been adopted by the Board and questioned the committee’s overall impact over the past 18 months.

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- Mr. Johnson stated that while the FIAC has provided value, its effectiveness depends on how the Board utilizes its recommendations.

IV. Investment Consultant Reports

a. Preliminary Monthly Investment Performance Analysis as of February 28, 2026

Jordan Cipriani provided an overview of the Fund's performance and market conditions:

- The Fund returned approximately 3.06% CYTD and 5.06% FYTD.
- Total Fund market value was approximately \$3.19 billion.
- Asset allocation remained broadly in line with policy targets, with modest overweights to equities and underweights to private credit and real estate.

From a market perspective:

- U.S. equities declined during the month, particularly large-cap growth stocks.
- International equities posted positive returns.
- Treasury yields declined and credit spreads widened, reflecting a more risk-off environment.
- AI-driven disruption, particularly in the software sector, was a key theme impacting both public and private markets.

Portfolio diversification benefited performance, with managers such as Pinnacle and Wedge providing positive contributions.

b. The State of Private Credit

Spencer Hunter provided a detailed discussion on private credit markets, with a focus on recent concerns surrounding software sector exposure and broader market conditions.

Portfolio Exposure

- Total private credit exposure to software-related investments is approximately \$20 million (~10% of the private credit portfolio).
- Direct exposure to software companies is limited to approximately \$5 million (~3% of the portfolio).

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Key Observations

- Underlying loan performance across institutional private credit portfolios remains stable, with no meaningful increase in non-performing loans reported by managers.
- Much of the recent market concern has been driven by retail-oriented vehicles (BDCs), which have higher exposure to software and liquidity mismatches.
- Redemption pressure in semi-liquid vehicles has increased (reported ranges of ~7% to 20%+), but this dynamic does not materially impact the Fund's largely institutional and closed-end structures.

Market Trends and Risks

- Default rates have begun to trend upward modestly, driven by inflationary pressures on small and mid-sized businesses, and increased competition and capital inflows into private credit.
- AI-related disruption remains a developing risk, particularly for software companies, though impacts are not yet broadly reflected in portfolio performance.

Brian Chappell characterized current concerns as largely sentiment-driven rather than fundamentals-driven, a view generally supported by RVK.

Spencer Hunter emphasized continued monitoring of credit quality and manager reporting.

Portfolio Strategy and Pacing

The Committee discussed private market pacing and future commitments:

- The Fund remains underweight private credit relative to its 8% target (currently ~5.6%).
- RVK does not recommend pausing allocations, noting that market dislocations can present attractive opportunities when selecting high-quality managers.
- No new private market manager recommendations are expected in April or May.
 - Potential future activity may include:
 - Re-ups with existing managers (e.g., Ares, Churchill, Blue Owl)
 - Real estate re-ups later in 2026 or early 2027

Re-up Strategy Discussion

The Committee discussed whether to establish formal criteria (e.g., minimum track record) for re-investing with existing managers.

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- RVK advised against rigid rules, noting that:
 - Manager evaluation is based on ongoing portfolio-level insights, not just reported performance
 - Investment decisions often consider the broader fund series and pipeline visibility, rather than fully realized results

V. Old Business

None.

VI. New Business

None.

VII. Upcoming Meetings

- a. JP Morgan Large Cap Growth Manager Update Workshop – Tuesday, March 31, 2026 at 12:00 P.M.
- b. FIAC Meeting – Tuesday, April 21, 2026 at 3:30 P.M.

VIII. Adjournment

4:24PM

Brian Chappell, FIAC Secretary

Summary Prepared By:

Steve Lundy, Deputy Director
City of Jacksonville Police and Fire Pension Fund

Posted: 03/18/2026

To be Approved: 04/21/2026