



SUMMARY TO THE BOARD OF TRUSTEES AND F.I.A.C. MANAGER UPDATE WORKSHOP

Tuesday, May 23, 2023
12:00 P.M. – 12:50 P.M.

City of Jacksonville Police and Fire Pension Fund
1 West Adams Street Suite 100, Jacksonville, FL 32202
Richard "Dick" Cohee Board Room

Board of Trustees

*Cpt. Michael Lynch

Staff

Steve Lundy, Deputy Director
Kevin Grant, Finance Manager

Guests

Mike Savinelli, Neuberger Berman
Nate Kush, Neuberger Berman

*Kevin Balaod, with.Intelligence
Renzer Bell

*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.

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Summary

I. Public Speaking

None.

II. Manager Update

a. Mike Savinelli & Nate Kush, Neuberger Berman

Mike Savinelli and Nate Kush, representatives from Neuberger Berman, an investment management firm, recently delivered a presentation covering various aspects of their firm's operations. The presentation provided insights into Neuberger Berman's people, philosophy, performance, and pricing. Notably, Neuberger Berman manages an approximately \$227 million core plus fixed income allocation for the Police and Fire Pension Fund as of April 30, 2023. The following topics were discussed during the presentation:

- Neuberger Berman Overview (page 4):
 - Neuberger Berman manages \$436 billion in assets under management (AUM) and has a presence in 39 cities worldwide.
 - The firm boasts a globally integrated platform for managing fixed income investments, with expertise spanning multiple sectors, including investment grade, non-investment grade, municipals, emerging markets, and private credit.
- Fixed Income at Neuberger Berman (page 5):
 - Neuberger Berman has a strong track record in managing fixed income investments, with over four decades of experience.
 - Their fixed income capabilities cover a wide range of markets, offering a comprehensive approach to fixed income investing.
- Experienced and stable fixed income team (page 6):
 - Neuberger Berman's lead portfolio managers collaborate with sector-specialty investment teams, incorporating diverse insights from across their fixed income platform.
 - The firm is supported by a global team of over 195 professionals dedicated to fixed income.
- Strategy Overview: An active approach to address today's fixed income markets (page 9):
 - Neuberger Berman's core plus strategy takes advantage of a broader opportunity set than the benchmark, aiming to add value through security selection and, to a lesser extent, duration management.
- Key element of investment process: Collaboration between lead portfolio managers and sector-specialty teams (page 10):
 - Neuberger Berman employs a proven approach to building diversified and dynamic portfolios by leveraging multiple potential alpha sources and emphasizing risk management.
 - The asset allocation process is informed by a quantitative framework, but final decisions are made by lead core plus portfolio managers.

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- Independent risk oversight is provided by the firm, while bottom-up decisions are driven by sector-specialty teams.

The presentation also covered additional topics such as current positioning themes, fund characteristics, detailed asset allocation, fund returns, outlook on US goods disinflation, US credit standards, global rates, sector investment processes for global investment-grade credit and securitized products, and more.

III. [Adjournment](#)

12:50 P.M.

Nawal McDaniel, Board Secretary

Summary Prepared By:

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

Posted: 05/24/2023

To be Approved: 06/16/2023