



## SUMMARY TO THE REGULAR BOARD OF TRUSTEES MEETING

Friday, September 26, 2025

9:00 A.M. – 11:15 A.M.

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

The next Board of Trustees meeting will be held Friday, October 24, 2025 at 9:00 A.M.

### Board of Trustees

Capt. Michael Lynch, Chair  
Terry Wood, Secretary  
Chief Chris Brown  
Thomas Donahoo Jr.

### Fund Staff

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

### Excused

Mia Jones

### Guests

\*Chris Cicero, Fund Treasurer  
Jordan Cipriani, RVK, Investment Consultant  
Kelly Dobson, President, IAFF Local 122  
Gregg Gosch, Nuveen Investment Management  
\*Pedro Herrera, Fund Counsel  
Spencer Hunter, RVK, Investment Consultant  
Sayuri Khandavilli, Nuveen Investment Management  
Brennan Merrell, COJ  
Christine Nardecchia, Nuveen Investment Management  
\*Dylan Reingold, Office of General Counsel  
\*Pete Strong, GRS, Fund Actuary  
\*Jim Voytko, RVK, Investment Consultant  
Randy White, City Council Liaison  
  
\*Gar Chung, FIN NEWS  
\*Cyril Espanol, With Intelligence  
\*Evan  
\*Annis Gillis  
\*Chris Greco, Waycross Partners  
\*John Hoag  
\*Ramneek Singh, RVK, Investment Consultant  
\*Nate Weinstein, Osmosis

\*Asterisk denotes virtual meeting attendance via the ZOOM application.

### Notice

Meeting Agendas and Summaries are available on our website at [jaxpfpf.coj.net](http://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](mailto: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.

Pursuant to the American with Disabilities Act, accommodations for persons with disabilities are available upon request. Please allow 1-2 business days notification to process; last minute requests will be accepted but may not be possible to fulfill. Please contact Disabled Services Division at: V(904) 630-4940, TTY-(904) 630-4933, or email your request to [SLundy@coj.net](mailto:SLundy@coj.net).

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## Agenda

### I. Pledge of Allegiance

### II. Invocation

Timothy Johnson gave the invocation.

### III. Moment of Silence

William S. Cater, Active Police Officer  
Lawrence E. Futch, Retired Fire Lieutenant  
George W. Grant, Retired Police Lieutenant  
Stephen J. Schwader, Retired Police Officer  
Acie C. Stroughter III, Retired Firefighter Engineer  
Wayne L. Wright, Retired Fire Lieutenant

### IV. Public Comment

None.

### V. Consent Agenda Items 2025-09-(01-06CA) – Action Requested

Chris Brown moved to approve the Consent Agenda, seconded by Thomas Donahoo. The vote passed unanimously.

#### *2025-09-01CA Meeting Summaries to be Approved*

##### 1. Summary to the Board of Trustees Meeting of August 22, 2025

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*2025-09-02CA Disbursements*

The listed expenditures in DISBURSEMENTS A & B have been reviewed and deemed payable. The Police and Fire Pension Fund Finance Manager certifies that they are proper and in compliance with the appropriated budget. Transaction lists attached.

**DISBURSEMENTS A**

08-01-2025 thru 08-31-2025

1. Eagle Capital Management	\$	607,688.87
2. Pinnacle Associates	\$	149,059.00
3. Acadian Asset Management	\$	274,959.00
<b>Total</b>	<b>\$</b>	<b>1,031,706.87</b>

**DISBURSEMENTS B**

08-01-2025 thru 08-31-2025

1. Accounts Payable Distributions	\$	69,639.54
2. Accounts Receivables	\$	41,523.17

*2025-09-03CA Pension Distributions*

All calculation and dollar amounts have been reviewed and calculated in accordance with accepted procedures.

	<b>August 1, 2025</b>	<b>August 15, 2025</b>	<b>August 29, 2025</b>
Regular Gross	\$ 7,855,352.44	7,852,122.83	7,859,554.70
Regular Lump sum	\$ 130.35	0.00	0.00
Regular Rollover	\$ 0.00	0.00	0.00
Regular DROP Gross	\$ 1,529,695.07	1,527,839.17	1,527,118.09
DROP Lump sum	\$ 0.00	0.00	0.00
DROP Rollover	\$ 0.00	0.00	0.00
Share Plan Payments Lump Sum	\$ 3,066.98	0.00	0.00
Share Plan Payments Rollover	\$ 0.00	0.00	0.00
<b>Total</b>	<b>\$ 9,388,244.84</b>	<b>9,379,962.00</b>	<b>9,386,672.79</b>

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**BENEFIT APPLICATIONS TO APPROVE:**

The following Consent Agenda items 2025-09-(04-05CA) were verified with supporting documentation and approved at the Advisory Committee meeting held on September 9, 2025. Meeting Summary attached.

[2025-09-04CA](#)

Application for Survivor Benefits

[2025-09-05CA](#)

Application for DROP

**BENEFIT APPLICATIONS TO RECEIVE AS INFORMATION:**

The following Consent Agenda item 2025-09-06CA was verified with supporting documentation and received as information at the Advisory Committee meeting held on September 9, 2025. Meeting Summary attached.

[2025-09-06CA](#)

DROP Distributions for Survivors

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VI. Executive Director's Report  
a. City Reimbursement Loan Update

Timothy Johnson commended Kevin Grant for doing an outstanding job coordinating all parties involved in arranging the City Reimbursement Loan.

Kevin Grant then updated the Board of Trustees on the progress of reimbursing the City for its advance of benefit payments. He explained that the PFPF is using Truist Bank for the loan and outlined the key terms:

- Par Amount: \$201,500,000
- Interest Rate: 4.408% (SOFR at 4.158% + 25 bps)
- Closing Date: September 29
- Funds Provided to the City of Jacksonville: \$250,000,000 on September 29
- Payoff Date: October 2
- Payoff Amount to Truist: \$201,653,004
  - \$73,004 (three days' interest at 4.408%)
  - \$40,000 (bank fee)
  - \$40,000 (lender's counsel fee)
- Other Fees (to be paid after payoff): approximately \$90,000+ for Special Consultant, Bond Counsel, SSBH, and OGC

Michael Lynch asked how much the PFPF saved by reimbursing the City through a loan instead of selling assets.

Jordan Cipriani responded that RVK's estimates showed about \$100,000 saved in trading costs, with an additional \$4.8 million in avoided opportunity risk—a figure far less than the cost of the loan. She noted that this situation was a clear example of singular market timing risk.

Thomas Donahoo asked if the Fund would have to repeat this process next year.

Kevin Grant clarified that this was a one-time arrangement. Going forward, the Fund will remit cash to the City on a quarterly basis. He expressed his thanks to Brennan Merrell and Chris Cicero at the City for their assistance in coordinating the transaction, as well as to Truist Bank for stepping in on short notice.

Pedro Herrera informed the Board of Trustees that Truist Bank requested additional authorization specifically for this transaction. He then read the proposed resolution for the Board's approval:

*"The Board of Trustees of the City of Jacksonville Police and Fire Pension Fund ("Pension Fund") hereby approves and authorizes the acceptance of the Loan Agreement between the Pension Fund and Truist Bank, along with any and all related documents and agreements necessary to consummate the transaction described therein (the "Transaction").*

*Be it further resolved that:*

*The Board hereby authorizes the Executive Director, Board Chair or other designee, acting on behalf of the Pension Fund, to execute and deliver the Loan Agreement and any other documents, certificates, or instruments referenced in or necessary to complete the Transaction with Truist Bank; and*

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*The Board ratifies and affirms all prior actions taken by Pension Fund Board of Trustees, staff, advisors, and/or legal counsel in connection with the negotiation and preparation of the Loan Agreement and the related documents; and*

*The Board further authorizes the Executive Officer to make any non-material modifications, corrections, or amendments to the documents as may be necessary or advisable to carry out the intent of this resolution, subject to review and approval by legal counsel.*

*This motion and the actions authorized herein shall be effective immediately upon adoption by the Board of Trustees.”*

Chris Brown moved to approve the resolution, seconded by Thomas Donahoo. The vote passed unanimously.

VII. Investment Consultant Reports

a. Monthly Investment Performance Analysis as of August 31, 2025

Jordan Cipriani presented the Monthly Investment Performance Analysis as of August 31, 2025. She reported that the Fund began Fiscal Year 2025 at \$2.8 billion and had grown to \$3.07 billion by the end of August, reflecting a 9.44% fiscal year-to-date return.

She noted that all asset classes posted positive performance on a month-to-date basis. Waycross Partners is off to a strong start both on a relative and absolute basis, while WEDGE SMID is also performing well. Private Credit continues to mature in line with expectations.

Jordan Cipriani highlighted that the Large Cap Growth transition is the major focus this month. The assets are scheduled to move over next week, and RVK will provide a detailed transition analysis at the next Board meeting.

VIII. Counsel Report

Pedro Herrera stated that the Board may need to amend the Investment Policy Statement to reflect the Protect Florida’s Investments Act, though he noted that the current policy is already in compliance with the statute.

Dylan Reingold reported that he had signed his opinion letter regarding the Truist loan.

IX. Council Liaison Report

Randy White said he had nothing new to report, except that the City Budget was passed following a more than 13-hour City Council meeting. He added that the Council will be establishing a \$13.4 million contingency fund for Police and Fire, with expectations that it will eventually increase to \$20 million.

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a. Asset / Liability Study Education

Jordan Cipriani and Spencer Hunter presented the Asset / Liability Study Education to the Board of Trustees. They explained that an asset/liability study is the only standard analysis that integrates investment policy, contribution policy, and benefit policy into a single framework. The purpose is to guide the Board in evaluating how different investment strategies align with the Fund's liabilities, liquidity needs, and long-term objectives. The study differs from standard asset allocation or actuarial studies by explicitly incorporating liabilities into the analysis and using both deterministic (fixed assumptions) and stochastic (probabilistic, Monte Carlo) forecasts to assess outcomes under a range of economic conditions.

Their presentation outlined the benefits of each approach: deterministic analysis provides clear directional insight under set assumptions, while stochastic analysis introduces uncertainty to model best- and worst-case outcomes with probabilities of insolvency or full funding. Key metrics include effects on funding ratio, liquidity, stability of contributions, and resilience to short-term shocks. This process ultimately helps answer the central question: should the Fund pursue higher-return but riskier strategies, or lower-return strategies with more stability?

Finally, they previewed the asset allocation study, emphasizing that asset allocation remains the most critical investment decision because it drives both return and volatility. Using RVK's 2025 capital market assumptions, they modeled efficient portfolios across current, target, and potential alternative allocations, incorporating private equity and private core infrastructure as possible enhancements. Monte Carlo simulations were used to test thousands of scenarios, showing probabilities of achieving different return targets and the tradeoffs between risk and reward. The Board was asked for feedback to help refine the direction of the upcoming full Asset / Liability Study, scheduled for presentation in November.

Michael Lynch requested long-term projections based on 10- and 20-year timeframes. He asked Trustees to forward any questions to Tim Johnson, who will relay them to RVK in advance of their final Asset-Liability Study presentation in November.

X. Nuveen Investment Management Presentation

Gregg Gosch, Christine Nardecchia and Sayuri Khandavilli of Nuveen Investment Management made the following presentation to the Board of Trustees: They began by providing an overview of the U.S. Strategic Industrial Fund (SIF) platform, which has grown to \$18 billion in U.S. industrial assets under management since its launch in 2017. The strategy emphasizes off-market deal sourcing, granular light industrial property investments, and active asset management. Prior funds demonstrated strong results, including SIF I's net realized IRR of 54.1% and MOIC of 2.39x. The team highlighted the benefits of focusing on light industrial properties—smaller facilities averaging under 100,000 square feet—which have shown greater rent growth, lower vacancy trends, and resilience compared to bulk logistics.

The presentation emphasized that supply of light industrial assets remains extremely constrained, with nearly no net new development, while demand drivers remain strong. Vacancy spreads between light and bulk industrial properties are at their widest in decades, supporting expectations of continued rent outperformance. Market data was shared to illustrate how logistics availability rates favor light industrial space across most U.S. regions, including key Sun Belt and coastal markets. The team stressed that submarket selection has grown increasingly critical, given heightened vacancy

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variances, and argued that this environment positions SIF III well to capture value through disciplined acquisitions, development, and lease-ups.

Finally, the presenters detailed SIF III's seed portfolio, consisting of eight buildings totaling 757,000 square feet across markets such as Salt Lake City, Chicago, Houston, Dallas, and Minneapolis. Acquired at an average 27% discount to replacement cost, these assets had a weighted average 62% occupancy and leases ~25% below market rents at the time of acquisition, providing significant upside through re-leasing and repositioning. SIF III targets a fund size of \$800 million (with a \$1 billion hard cap) and is structured as a value-add strategy with a net IRR target of 14–16%. The team closed by underscoring Nuveen's scale, experience, and demonstrated ability to deliver tactical value creation for institutional investors.

The Trustees held a discussion with Jordan Cipriani and Spencer Hunter regarding pacing and the potential addition of Nuveen to the Fund's portfolio. Jordan and Spencer noted that two re-ups—Bell Partners and Hammes—are already in the pipeline, which would complete the Fund's 2025 private asset allocation pacing.

Spencer Hunter emphasized that a decision on Nuveen would need to be made by November, prior to the fund's closing.

Chris Brown commented that he would like to engage further with RVK on Nuveen's Strategic Income Fund (SIF). He stated that he finds the opportunity appealing, while also recognizing the Fund's current pacing considerations. He recommended scheduling a call to review the opportunity in more detail, revisit it in a future Board discussion, and obtain additional information. Brown added that Nuveen's comments today were consistent with what he has observed in their presentations over the past several years.

## XI. Old Business

### a. Experience Study – Action Requested

Pete Strong presented the 2025 Experience Study Follow-Up Analysis to the Board of Trustees of the Jacksonville Police and Fire Pension Fund. The analysis was prepared in response to the Board's request for further evaluation of the investment return assumption, particularly comparing the impact of using a 6.50% net investment return assumption versus a 6.25% net assumption. The original experience study recommended changing from a 6.50% gross to a 6.50% net return assumption (net of investment expenses), which by itself would have increased the required employer contribution by \$18.2 million, or 10.80% of covered payroll, with no change to the funded ratio.

As a follow-up, Strong's team calculated the effects of lowering the investment return assumption to 6.25% net of expenses. This adjustment alone would increase the required employer contribution by \$6.4 million, or 3.77% of payroll, while decreasing the funded ratio by 1.47%. When combined with all other recommended assumption changes, the results were even more pronounced: the 6.50% net return assumption would lead to a first-year cost increase of \$13.7 million (8.12% of payroll) with a 2.04% decrease in funded ratio, while the 6.25% net assumption would increase costs by \$27.2 million (16.10% of payroll) with a 3.48% decrease in funded ratio. Strong noted that these figures reflect interactions among assumptions and plan provisions, so the total impact differs from the sum of individual changes.

In closing, Strong emphasized that this follow-up was designed to help the Board evaluate the appropriate investment return assumption for use in the October 1, 2025 actuarial valuation. All other recommended assumptions from the August 15, 2025 experience study have already been adopted.



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The Trustees held a discussion with Spencer Hunter and Jordan Cipriani regarding capital market assumptions and forward return expectations in equity markets.

Michael Lynch stated that he was comfortable adopting a 6.5% net return assumption for now and preferred to wait before making any changes to the assumed rate.

Chris Brown, however, said he believed now was the right time to act. He supported adopting a revised net assumed rate of 6.25%, consistent with the discussion on capital market assumptions.

**Chris Brown moved to use a net assumed rate of 6.25%, seconded by Thomas Donahoo. Discussion:**

During discussion, Michael Lynch asked Pete Strong about the dollar impact of this decision. Pete explained that the change from a 6.5% gross to a 6.25% net assumed rate results in a \$6 million decrease attributable to investment return assumptions. However, when combined with the \$31.9 million increase from demographic changes, the net effect is an overall \$27 million increase.

**The vote passed unanimously.**

XII. New Business

None.

XIII. Privilege of the Floor

Chris Brown commended Michael Lynch for his excellent leadership as Board Chair this year, and stated that he intends to recommend in January that Lynch continue serving as Chair.

XIV. Upcoming Events

- a. Manager Update Workshop – ARES – Wednesday, October 22, 2025 at 12:00 P.M.
- b. Annual Trustee Breakfast – Friday, October 24, 2025 at 8:00 A.M.
- c. Board of Trustees Meeting – Friday, October 24, 2025 at 9:00 A.M.

Thomas Donahoo informed the Board that he will be unable to attend the October 24 meeting in person, though he will attempt to participate virtually via Zoom for the first hour.

Michael Lynch closed by expressing his appreciation for the day's discussion and the time and effort of the Trustees. He reflected that, as many of them are in the twilight of their careers, his priority is to ensure that the Fund is sailing in the right direction for the Trustees of the future.

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XV. Adjournment  
11:15 A.M.

Terry Wood, Board Secretary

**Summary Prepared By:**

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

**Posted:** 10/03/2025

**To be Approved:** 10/24/2025