



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

Tuesday, March 25, 2025

4:05 P.M. – 5:15 P.M.

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

The next Financial Investment and Advisory Committee (F.I.A.C.) meeting will be held Tuesday, April 22, 2025 at 3:30 P.M.

Financial Investment and Advisory Committee

Eric "Brian" Smith Jr., Chair
Brian Chappell, Secretary
Greg Ealey
Steve Glenn

Guests

*Ramneek Singh, RVK, Investment Consultant
*Pete Strong, GRS, Fund Actuary
*Kevin Balaod, With Intelligence

Excused

Kendall Park

Fund Staff

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

*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.

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.

City of Jacksonville Police and Fire Pension Fund
F.I.A.C. Meeting Summary
Tuesday, March 25, 2025
4:05 P.M. – 5:15 P.M.

I. Public Comment

None.

II. Meeting Summaries – action requested

a. February 25, 2025 FIAC Meeting

Steve Glenn moved to approve the February 25, 2025 FIAC Meeting summary, seconded by Greg Ealey. The vote passed unanimously.

III. Actuary Report

a. SSVRP Actuarial Valuation Report as of October 1, 2024 – action requested

Pete Strong covered the Senior Staff Voluntary Retirement Plan (SSVRP) Valuation Report as of October 1, 2024:

The Actuarial Valuation Report as of October 1, 2024 for the Jacksonville Police and Fire Pension Fund SSVRP provides an analysis of the plan's funding status and required employer contributions. The plan is closed to new members and currently only supports retirees. As of the valuation date, the fund had three retirees receiving benefits totaling approximately \$402,269 annually. The funded ratio decreased from 83.05% to 79.89%, with an unfunded actuarial accrued liability (UAAL) of \$953,740. The required employer contribution for the fiscal year ending September 30, 2026, increased to \$100,830, driven mainly by investment returns below the assumed rate (4.13% actual vs. 6.50% assumed) and demographic experience losses. No changes were made to benefits or actuarial assumptions. The report emphasizes that while the current contribution meets funding policy, higher contributions could enhance benefit security, especially since the fund is now underfunded for inactive members and faces increasing maturity-related risks.

Steve Glenn moved to approve the SSVRP Actuarial Valuation Report, seconded by Greg Ealey. The vote passed unanimously.

IV. Auditor Report

a. PFPF Annual Audit as of October 1, 2024 – action requested

Although the auditor was not available to present the report, Kevin Grant presented the audit to the FIAC:

The Jacksonville Police and Fire Pension Fund Draft Audit Report for the Fiscal Year Ending September 30, 2024, provides a comprehensive financial overview of the pension fund. The audit confirms that the financial statements present the fund's condition fairly, with total assets of approximately \$2.9 billion and a fiduciary net position of \$2.61 billion. The fund experienced a strong investment return of 20.42% for the year, contributing to a \$387.8 million increase in net position. However, the plan remains significantly underfunded, with a net pension liability of approximately \$2.92

City of Jacksonville Police and Fire Pension Fund
F.I.A.C. Meeting Summary
Tuesday, March 25, 2025
4:05 P.M. – 5:15 P.M.

billion, representing only 47.2% funded status. Employer contributions met actuarially required levels, totaling over \$174 million. The report details funding policies, benefits structure, DROP participation, investment strategies, and risk exposures, highlighting the ongoing challenges related to unfunded liabilities and the importance of continued strong investment performance and funding discipline.

Importantly, the independent auditors reported no findings, material weaknesses, or significant deficiencies in internal controls over financial reporting or compliance. Their opinion affirms that the fund's financial statements are presented fairly in all material respects and that internal controls are operating effectively, reinforcing confidence in the fund's financial management and reporting integrity.

Steve Glenn moved – based on Kevin Grant's presentation – to approve the annual audit and the written report as submitted and give the FIAC's recommendation to approve to the Board of Trustees, seconded by Brian Chappell. The vote passed unanimously.

V. Executive Director's Report

Timothy Johnson provided the FIAC with an update on the Board of Trustees' recent decisions regarding its investment allocations:

In February, the Board approved two new manager appointments. Churchill Asset Management was selected to manage a \$30 million allocation in their Levered Evergreen Fund within the private credit portfolio. Additionally, Waycross Partners will manage a \$150 million Large Cap Core allocation, with these funds being transferred from the PFPF's existing S&P 500 index fund.

Looking ahead, the Board is actively considering the PFPF's Large Cap Growth allocation. Interviews with four potential managers – Slow Capital, J.P. Morgan, Loomis Sayles, and Sawgrass – are scheduled for March 28.

Kevin Grant also provided an update, announcing the Board's approval of WEDGE Capital Management to manage the SMID Cap Value allocation. This will involve a transfer of assets from WEDGE's current Small Cap Value allocation.

Timothy Johnson then drew the FIAC's attention to upcoming events. The Virtual Annual Members' Meeting will be held on April 25 at 9:00 AM. Immediately following, at 9:30 AM on the same day, the Fiduciary & Ethics Training will take place.

Steve Lundy clarified that this Ethics Training on April 25 will fulfill the mandatory ethics training requirement for FIAC members, which is required every four years.

VI. Investment Consultant Reports

a. Monthly Investment Performance Analysis as of February 28, 2025

Ramneek Singh covered the Monthly Investment Performance Analysis as of February 28, 2025, highlighting the General Market Commentary:

City of Jacksonville Police and Fire Pension Fund

F.I.A.C. Meeting Summary

Tuesday, March 25, 2025

4:05 P.M. – 5:15 P.M.

- During February, non-US equities substantially outperformed domestic stocks as trade and general policy uncertainty drove a domestic sell-off in the latter half of the month.
- US stock market declines were most notably felt in the tech-heavy Nasdaq, which declined 3.9%, its worst month since April 2024.
- The Consumer Confidence Index declined for a third consecutive month, and during February registered its largest monthly decline since August 2021, as investors worry that trade and tariff policies may impact inflation and dampen economic outlook.
- The Consumer Price Index registered its fourth straight month of rising year-over-year inflation, with the latest reading at 3.0%. While the Fed did not meet in February, markets are eagerly anticipating the March 19 meeting and the monetary policy implications given recent trends in inflation.
- Equity markets posted mixed returns in February as the S&P 500 (Cap Wtd) Index returned -1.30% and the MSCI EAFE (Net) Index returned 1.94%. Emerging markets returned 0.48%, as measured by the MSCI EM (Net) Index.
- The Bloomberg US Aggregate Bond Index returned 2.20% in February, outperforming the 1.41% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned 0.84%, as measured by the FTSE Non-US World Gov't Bond Index.
- Public real estate returned 3.61% in February and 6.75% over the trailing five-year period, as measured by the FTSE NAREIT Eq REITs Index (TR).
- The Cambridge US Private Equity Index returned 9.07% for the trailing one-year period and 15.34% for the trailing five-year period ending September 2024.
- Absolute return strategies returned -0.15% for the month and 7.74% over the trailing one-year period, as measured by the HFRI FOF Comp Index.
- The price of crude oil fell by 3.82% during the month and has decreased by 10.86% YoY.

VII. Old Business

None.

VIII. New Business

None.

IX. Upcoming Meetings

- a. FIAC Meeting – Tuesday, April 22, 2025 at 3:30PM
- b. Virtual Annual Members' Meeting – Friday, April 25, 2025 at 9:00AM
- c. Fiduciary & Ethics Training – Friday, April 25, 2025 at 9:30 A.M.
- d. Manager Update Workshop – Baillie Gifford – Friday, May 9, 2025 at 12:00PM

City of Jacksonville Police and Fire Pension Fund
F.I.A.C. Meeting Summary
Tuesday, March 25, 2025
4:05 P.M. – 5:15 P.M.

X. Adjournment
5:14 P.M.

Brian Chappell, FIAC Secretary

Summary Prepared By:

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

Posted: 03/26/2025

To be Approved: 04/22/2025