



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

Tuesday, March 16, 2021  
2:00 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  
Richard Patsy

### Staff

Timothy H. Johnson, Executive Director – Plan Administrator  
Steve Lundy, Deputy Director

### Financial Investment and Advisory Committee (F.I.A.C.)

Kendall Park

### Guests

Kathryn Pasqualone, JP Morgan  
Jeffrey Fox, JP Morgan  
Lawrence Osto, JP Morgan  
Kimberly Adams, JP Morgan

### 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.

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. 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.

### Summary

#### I. Public Speaking

None.

#### II. Manager Update

*a. JP Morgan – Kathryn Pasqualone & Jeffrey Fox*

City of Jacksonville Police and Fire Pension Fund  
Summary to the Board of Trustees and F.I.A.C. Manager Update Workshop of  
Tuesday, March 16, 2021  
2:00 P.M. – 2:55 P.M.

Kathryn Pasqualone introduced everyone in attendance from JP Morgan today, Jeffery Fox, Lawrence Osto, and Kimberly Adams. She said Kimberly Adams would cover some market dynamics during the last year, and repositioning of the portfolio for the next market cycle.

Kimberly Adams discussed the following slides and topics from the presentation:

- Page 13: Performance
- Page 14: Portfolio Allocation
  - Geographic and Sector Exposure
  - 2020 Portfolio Activity
    - Over \$1.5B in office sales completed; anticipated close of one additional transaction that will further reduce the office allocation
    - Added \$650M of industrial development to SPF's infill pipeline across five projects; the Fund's 11M SF under development will grow the industrial allocation by 3-4% over the next two years
    - Acquired 1.8M sqft portfolio of over 50 truck terminals; acquired 15 sites with AMH for development of single family rentals
    - Borrowed \$500M via 10-12 year notes at 2.57%; Fund's cost of debt capital will drop below 3.6% in early 2021
    - Secured \$490M of new investor commitments in December 2020
- Page 16: Balance Sheet
- Page 17: Office
  - Continue to reduce allocation through the sale of non-strategic assets
  - Maintain overweight to innovation markets
- Page 19: Industrial
  - Deliver current development pipeline totaling 11M SF
  - Seek additional acquisition opportunities for infill development
  - Grow truck terminal holdings
- Page 21: Retail
  - Focused on retailer re-openings and income stabilization
  - Highest quality assets will dominate longer term
- Page 22: Retail Leasing Activity
- Page 23: Residential
  - Deliver and expand single family rental program
  - Increase exposure in Sunbelt
  - Suburban recovery continuing; urban assets stabilizing
- Page 24: Single Family Rental Demand has been Explosive

City of Jacksonville Police and Fire Pension Fund  
Summary to the Board of Trustees and F.I.A.C. Manager Update Workshop of  
Tuesday, March 16, 2021  
2:00 P.M. – 2:55 P.M.

III. Adjournment  
2:55 P.M.

Nawal McDaniel, Board Secretary

**Summary Prepared By:**

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

**Posted:** 03/17/2021

**To be Approved:** 03/19/2021