

**JACKSONVILLE POLICE AND FIRE PENSION FUND
BOARD OF TRUSTEES
MEETING AGENDA – NOVEMBER 18, 2016 @ 9:00AM
RICHARD “DICK” COHEE BOARD ROOM**

PFPF MISSION STATEMENT:

To provide long term benefits to participants and their beneficiaries

NOTE: Any person requiring a special accommodation to participate in the meeting because of disability shall contact the Executive Assistant at (904) 255-7373, at least five business days in advance of the meeting to make appropriate arrangements.

PRESENT

Lt. Richard Tuten III, Board Chair
Richard Patsy, Board Secretary
Lt. Chris Brown, Trustee
Willard Payne, Trustee
William Scheu, Trustee

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator
Beth McCague, Consultant
Paul Daragjati, Fund Attorney
Dan Holmes, Summit Strategies
Debbie Manning, Executive Assistant
Denice Taylor, AAA Reporters

EXCUSED

CITY REPRESENTATIVES INVITED

Anna Brosche, City Council Liaison
Joey Greive, Fund Treasurer
Steve Durden, Office of General Counsel

GUESTS

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. A MOMENT OF SILENCE WILL BE OBSERVED FOR THE FOLLOWING DECEASED MEMBERS:

IV. PUBLIC SPEAKING PERIOD

V. CONSENT AGENDA - ITEMS 2016-11-(1-13)CA

2016-11-1CA FINAL TRANSCRIPT APPROVED

1. Final Transcript of the Board of Trustee Meeting held on October 21, 2016. Copies held in the meeting files.

2016-11-2CA DISBURSEMENTS

The listed expenditures in DISBURSEMENTS A have been reviewed and deemed payable. The Police and Fire Pension Fund Chief Financial Officer certifies that they are proper and in compliance with the appropriated budget.

DISBURSEMENTS A - 10/1/2016 thru 10/31/2016

1. McCague & Co. LLC	\$ 13,890.00
2. Baker-Gilmour Cardiovascular Int	\$ 3,500.00
3. Eagle Capital Management	\$ 327,059.04
4. Pension Board Consultants	\$ 59,500.00
5. Klausner, Kaufman, Jensen & Levinson	\$ 7,467.50
6. Sawgrass Asset	\$ 97,336.83
7. Tortoise Capital Advisors	\$ 93,987.26
8. The Northern Trust Co.	\$ 44,653.23
9. Brown Advisory	\$ 85,491.51
10. Thompson, Siegel & Walmsley LLC	\$ 70,743.84
TOTAL	\$ 803,629.21

The listed expenditures in DISBURSEMENTS B have been reviewed and deemed payable. The Police and Fire Pension Fund Chief Financial Officer certifies that they are proper and in compliance with the appropriated budget.

DISBURSEMENTS B

Transaction list of Accounts Payable distributions
10/1/2016 thru 10/31/2016

\$ 22,340.42

2016-11-3CA PENSION DISTRIBUTIONS

A. October 7, 2016	Regular Gross	\$5,013,438.35
	Regular Lumpsum	\$6,758.20
	Regular Rollover	\$9,100.83
	Regular DROP Gross	\$1,009,878.69
	DROP Lumpsum	\$0.00
	DROP Rollover	\$0.00
	TOTAL	\$6,039,176.07

B. October 21, 2016	Regular Gross	\$5,033,945.95
	Regular Lumpsum	\$0.00
	Regular Rollover	\$0.00
	Regular DROP Gross	\$1,017,707.21
	DROP Lumpsum	\$105,000.00
	DROP Rollover	\$375,543.57
	TOTAL	\$6,532,196.73

ALL CALCULATIONS AND DOLLAR AMOUNTS HAVE BEEN REVIEWED AND CALCULATED IN ACCORDANCE WITH ACCEPTED PROCEDURES.

The following Consent Agenda items 2016-11-(4-13) were verified with supporting documentation and approved at the Advisory Committee meeting held on November 9, 2016. Vote was unanimous.

2016-11-4CA APPLICATION FOR MEMBERSHIP

CLEARED (POLICE):

BARRIER, Christopher A.
LEGGETT, Whitney D.
LEVERENZ, Patrick T.
REYNOLDS, Jonathon S.
SANCHEZ, Aaron D.

TRUSTEE RULE 13.3 (POLICE):

BRABSTON, Derek A.
CAVENDER, Casey W.
DAUDELIN, Jay B.
FUSSELL, Garrett S.
LONGDON, Amber L.
LYLES, Willard E.
PARENT, J. Patrick G.
SOLOMON Jr., George H.

CLEARED (FIRE):

BRINSON, Rhett E.
BURT, Toure M.
CARTER, Doyle D.
CLARK, Nicole M.
DENBY, Jordan T.
DONNELL, Joseph C.
GRAY, Aaron G.
GREGORY, Jesse E.
JENNINGS, Adam M.
KRAUS, Robin O.
LAMPRECHT, Thomas B.
LAVASSEUR, Cullen N.
LOWELL, Joshua M.
O'STEEN, Justin R.
SEXTON, Nicholas H.
STRICKLAND, Marshall G.
TALAVERA, Gabriela I.
WALLACE Jr., Edward P.
WOMACK, David A.

TRUSTEE RULE 13.3 (FIRE):

FERGUSON, Theodore R.
FOLEY, Kyle J.
GEYER, Colin T.
MATTHEWS, Martin L.
NODINE, Robert A.
PHILIPS, Colton C.
STAFFORD, Brian H.
SWEAT, Zachary S.
WALKER, Caleb D.
WILLETTS, Eric A.

2016-11-5CA APPLICATION FOR SURVIVOR BENEFITS

1. **BLACKWELL, Rosemary**, widow of George R. Blackwell Jr. who passed away on September 25, 2016, bi-weekly gross pension benefit of \$2,523.74.
2. **DEARBORN, Barbara A.**, widow of William G. Dearborn who passed away on October 1, 2016, bi-weekly gross pension benefit of \$1,846.35.
3. **JOYEUSAZ, Deborah L.**, widow of Charles G. Joyeusaz who passed away on October 10, 2016, bi-weekly gross pension benefit of \$735.44.

2016-11-6CA APPLICATION FOR CHILD'S BENEFIT

1. **CALDWELL, Ava Tate**, child of deceased member Richard A. Caldwell who passed away on September 29, 2016, bi-weekly gross pension benefit of \$122.31 payable to Guardian Jennifer L. Caldwell-Short.

2016-11-7CA APPLICATION FOR TIME SERVICE CONNECTIONS

1. **BALANKY, Matthew D.**, Prior Wartime Military Service (2 yrs.), \$21,998.50.
Police Officer
2. **DOUGLAS, Quinton L.**, Prior Duval Service (2 yrs., 8 mths., 5 days),
\$12,038.08. Police Officer
3. **DUNAJSKI, Derek L.**, Prior Wartime Military Service (2 yrs.), \$14,495.95.
Police Officer
4. **MEJIA-ORTIZ, Freddy**, Prior Wartime Military Service (2 yrs.), \$18,785.62.
Fire Fighter
5. **PALMER III, Joseph C.**, Prior Florida Service (2 yrs., 7 mths., 29 days),
\$22,634.71. Fire Fighter
6. **RODRIQUENZ, Christopher J.**, Prior Wartime Military Service (11 mths., 29
days), \$8,905.57. Police Officer
7. **WINFREE, Robert C.**, Prior Florida Service (2 yrs., 1 mth., 16 days),
\$15,422.08. Police Officer

2016-11-8CA APPLICATION FOR TIME SERVICE RETIREMENT

1. **WYNNE, Daniel H.**, date of retirement October 21, 2016, monthly pension base amount of \$6,390.32. Police Officer

2016-11-9CA REFUND OF PENSION CONTRIBUTIONS

1. **ARCHIE, Bryan R.**, refund of pension contributions in the amount of \$6,758.20. Fire Fighter
2. **COHILL, David D.**, refund of pension contributions in the amount of \$4,851.04. Police Officer
3. **CRUZ, Kevin E.**, refund of pension contributions in the amount of \$9,357.33. Fire Fighter
4. **FRANCOIS, Gael**, refund of pension contributions in the amount of \$1,814.34. Fire Fighter
5. **OSHMANN, Emily L.**, refund of pension contributions in the amount of \$4,249.79. Police Officer
6. **POWELL, David P.**, refund of pension contributions in the amount of \$44,627.68. Fire Fighter

2016-11-10CA SHARE PLAN DISTRIBUTION

THE FOLLOWING MEMBERS RECEIVED A GROSS SHARE PLAN DISTRIBUTION IN THE AMOUNT OF \$1,500.65:

1. ATKINS, Glenn A.
2. BAKER, David B.
3. BINDER, Michael A.
4. CALDWELL, Richard A.
5. CALLAHAN, Trudy L.
6. CATIR, David W.
7. CREWS, David L.
8. DOSHIER, Anthony F.
9. ELLISON, Tracy M.
10. FEACHER, Roderic D.
11. GIBSON, Annmarie
12. GRAHAM, Gloria A.
13. HUBER, Stephen M.
14. JOHNSON, William M.
15. NEMETH, Mathew S.

16. PELLOT, Dennis E.
17. PENN, James T.
18. PFISTER, Shannon L.
19. POWELL, David P.
20. SMITH, Bradley R.
21. SNYDER, Gary M.
22. THOMAS, David
23. TUTEN III, Richard H.
24. VILLABROZA, Glenn G.
25. WHITE, Clifton E.

2016-11-11CA DROP PARTICIPANT TERMINATION OF EMPLOYMENT

1. **HAYES, Scott D.**, DROP commencement date of January 20, 2012, termination of employment date effective October 21, 2016, with a monthly retirement base of \$3,304.21. Police Officer
2. **JOHNSON, Rudolph**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,869.07. Fire Lieutenant
3. **MILEY, Kenneth R.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,505.95. Police Officer
4. **MORGAN II, Corinthian R.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,376.40. Police Officer
5. **NORSE, Ronald A.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$5,353.21. Police Lieutenant
6. **PARSHALL, Eric K.**, DROP commencement date of April 24, 2015, termination of employment date effective October 21, 2016, with a monthly retirement base of \$4,162.95. Fire Captain
7. **PEOPLES, Terence G.**, DROP commencement date of July 17, 2015, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,036.44. Police Officer
8. **RIGGS, Terrence W.**, DROP commencement date of January 20, 2012, termination of employment date effective October 21, 2016, with a monthly retirement base of \$4,341.37. Police Sergeant

9. **SMITH II, Wesley G.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,172.39. Fire Fighter Engineer
10. **SNOW, Randall J.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,107.82. Police Officer
11. **WALKER, Robert C.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,377.67. Fire Fighter Engineer
12. **WHITE JR., Dennis R.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,809.20. Police Sergeant
13. **WHITTLESEY, William D.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,495.26. Police Officer
14. **YOUNG, Terry L.**, DROP commencement date of October 28, 2011, termination of employment date effective October 7, 2016, with a monthly retirement base of \$3,899.16. Fire Captain

2016-11-12CA DROP DISTRIBUTIONS

1. **BROWN, Susan E.**, the entire value of her DROP account \$261,129.48 will be paid in a direct rollover to Midland National.
2. **GEORGE, Cornell L.**, the entire value of his DROP account \$18,880.00 will be paid to him lump sum.
3. **HAYES, Scott D.**, the entire value of his DROP account \$245,399.36 will be paid to him over the next 37 yrs.
4. **JOHNSON JR., Rudolph**, the entire value of his DROP account \$300,348.96 will be paid to him over the next 44.6 yrs.
5. **MILEY, Kenneth R.**, the entire value of his DROP account \$272,161.04 will be paid to him over the next 36 yrs.
6. **MORGAN II, Corinthian R.**, the entire value of his DROP account \$262,105.01 will be paid to him over the next 47.5 yrs.

7. **NORSE, Ronald A.**, the entire value of his DROP account \$415,560.79 will be paid to him over the next 45.5 yrs.
8. **PARSHALL, Eric K.**, the entire value of his DROP account \$82,818.23 will be paid to him over the next 20 yrs.
9. **PEOPLES, Terence G.**, the entire value of his DROP account \$49,414.09 will be paid to Ameriprise Financial.
10. **RIGGS, Terrence W.**, a portion of this DROP account \$122,427.75 will be paid to him lump sum; the balance \$200,000.00 will be paid to him over the next 42.6 hrs.
11. **SIEMER, Rex M.**, the entire value of his DROP account \$38,942.21 will be paid to him lump sum.
12. **SMITH II, Wesley G.**, a portion of his DROP account \$50,000.00 will be paid in a direct rollover to Empower Retirement; the balance \$196,069.03 will be paid to him over the next 12 yrs.
13. **SNOW, Randall J.**, the entire value of his DROP account \$241,255.08 will be paid to him over the next 48.8 yrs.
14. **WALKER, Robert C.**, a portion of his DROP account \$55,000.00 will be paid to him lump sum; the balance \$207,202.94 will be paid to him over the next 20 yrs.
15. **WHITE JR., Dennis R.**, the entire value of his DROP account \$295,701.02 will be paid to him over the next 51.5 yrs.
16. **WHITTLESEY, William D.**, the entire value of his DROP account \$271,332.60 will be paid to him over the next 35.1 yrs.
17. **YOUNG, Terry L.**, a portion of this DROP account \$50,000.00 will be paid to him lump sum; the balance \$252,685.91 will be paid to him over the next 25 yrs.

2016-11-13CA DROP PARTICIPATION FOR SURVIVOR

1. **BLACKWELL, Rosemary S.**, the entire value \$64,457.78 will be paid to her over the next 8 yrs.

V. EXECUTIVE DIRECTOR'S REPORTS – *Tim Johnson / Beth McCague*

- Monthly Status Report
- Time Service Connections (*DRAFT*) – Procedures Manual
- Draft of News Releases
 - PFPF Announces New Actuary
 - PFPF Reports Preliminary 2015-2016 Fiscal Year Investment Returns
- 2017 PFPF Calendar

- Consultant's Report

VI. COUNSEL REPORTS

- Legal Report – Jason Gabriel / *Steve Durden*
- Legal Report – *Paul Daragjati*

VII. INVESTMENT CONSULTANT REPORTS – *Dan Holmes w Summit*

- Investment Performance Report – Third Quarter – September 30, 2016
- Flash Report – October 31, 2016
- Monthly Economic & Capital Market Update – October 2016
- Approval of Investment Guidelines for Neuberger Berman & Loomis
- Eagle and Brown Advisory Review (FIAC review pending)

VIII. OLD BUSINESS

IX. NEW BUSINESS

X. ADJOURNMENT

NOTE: 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

BOARD OF TRUSTEES MEETING	10/31/2016	
MCCAGUE & CO. LLC 6740 EPPING FOREST WAY N #106 JACKSONVILLE, FL 32217	\$13,890.00	CONTRACTOR
BAKER- GILMOUR CARDIOVASCULAR INT 3550 UNIVERSITY BLVD SOUTH 302 JACKSONVILLE, FL 32216	\$3,500.00	MEDICALS
EAGLE CAPITAL MANAGEMENT 499 PARK AVENUE NEW YORK, NY 10022	\$327,059.04	September 30, 2016
PENSION BOARD CONSULTANTS 195 FOURTEENTH ST. NE SUITE 2307 ATLANTA, GA 30309-2677	\$59,500.00	ACTURIAL
KLAUSNER, KAUFMAN, JENSEN & LEVINSON 7080 N.W. 4TH STREET PLANTATION, FL 33317	\$7,467.50	#18931 #18932
SAWGRASS ASSET 1579 THE GREENS WAY #20 JACKSONVILLE BEACH, FL 32250	\$97,336.83	QTR 6/30/2016-9/30/2016
TORTOISE CAPITAL ADVISORS 11550 ASH STREET STE 300 LEAWOOD, KS 66211 WINTER PARK, FL 32789	\$93,987.26	QTR 9/30/2016
THE NORTHERN TRUST COMPANY 50 S. LASALLE ST. CHICAGO, ILL 60675	\$44,653.23	9/30/2016
BROWN ADVISORY 901 SOUTH BOND ST, SUITE 400 BALTIMORE, MD 21231	\$85,491.51	9/30/2016
THOMPSON, SEIGEL & WALMSLEY LLC 6806 PARAGON PLACE, SUITE 300 RICHMOND, VA 23230	\$70,743.84	INV 3256 20161019
	<hr/>	
	\$803,629.21	

PLEASE PROCESS CHECKS WITHIN 24 HOURS OF RECEIPT

APPROVALS:TIM JOHNSON



DEVIN CARTER



Transactions by Category
FY04-08AP

10/1/2016 Through 10/31/2016

	Num	Date Payee	C	Category	Amount
Opening Balance as of 10/1/2016					
Expense Categories					
Sales Tax		10/27/...		Sales Tax	(557.10) ‡
Total Sales Tax					(557.10)
5402 Member,dues,subs					
Total 5402 Member,dues,subs	9886	10/17/...		5402 Member,dues,subs	(136.24) ‡
					(136.24)
5101 Office Supplies					
Total 5101 Office Supplies	9902	10/27/...		5101 Office Supplies	(192.72) ‡
	9900	10/27/...		5101 Office Supplies	(262.30) ‡
					(455.02)
4938b Garage Exp					
Total 4938b Garage Exp	9893	10/17/...		4938b Garage Exp	(721.20) ‡
	VOID	10/17/...	R	4938b Garage Exp	(721.20) ‡
					(721.20)
4938a Building exp					
Total 4938a Building exp	9903	10/27/...		4938a Building exp	(105.90) ‡
	9893	10/17/...		4938a Building exp	(1,442.40) ‡
	VOID	10/17/...	R	4938a Building exp	(1,442.40) ‡
	9889	10/17/...		4938a Building exp	(47.25) ‡
	9888	10/17/...		4938a Building exp	(420.30) ‡
	9885	10/17/...		4938a Building exp	(196.00) ‡
	9884	10/17/...		4938a Building exp	(300.00) ‡
					(2,511.85)
4938 Miscellaneous					
Total 4938 Miscellaneous	9899	10/27/...		4938 Miscellaneous	(340.00) ‡
	9898	10/27/...		4938 Miscellaneous	(422.60) ‡
	9894	10/25/...		4938 Miscellaneous	(160.96) ‡
		10/24/...		4938 Miscellaneous	165.85 ‡
	9883	10/12/...		4938 Miscellaneous	(165.85) ‡
	VOID	10/12/...	R	4938 Miscellaneous	(176.76) ‡

Transactions by Category
FY04-08AP

10/1/2016 Through 10/31/2016

	Num	Date	Payee	C	Category	Amount
Total 4938 Miscellaneous						(923.56)
4603b GARAGE MAINTANIANCE AND REPAIR						
	9897	10/27/...	VIGNEAUX CORPORATION		4603b GARAGE MAINTANIAN...	(6,293.63) ‡
Total 4603b GARAGE MAINTANIANCE AND REPAIR						(6,293.63)
4304g Water						
	9892	10/17/...	JEA		4304g Water	(33.75) ‡
Total 4304g Water						(33.75)
4304 Water						
	9892	10/17/...	JEA		4304 Water	(618.37) ‡
Total 4304 Water						(618.37)
4301g Elec						
	9892	10/17/...	JEA		4301g Elec	(388.78) ‡
Total 4301g Elec						(388.78)
4301 Elec						
	9892	10/17/...	JEA		4301 Elec	(7,203.64) ‡
Total 4301 Elec						(7,203.64)
4101 Postage						
	9901	10/27/...	PITNEY BOWES		4101 Postage	(420.96) ‡
	9890	10/17/...	FEDERAL EXPRESS		4101 Postage	(358.42) ‡
Total 4101 Postage						(779.38)
4002 Travel						
	9905	10/27/...	DEVIN CARTER		4002 Travel	(284.90) ‡
	9904	10/27/...	RADISSON RESORT ORLANDO-CEL		4002 Travel	(338.00) ‡
	9896	10/27/...	RADISSON RESORT ORLANDO-CEL		4002 Travel	(338.00) ‡
	9895	10/27/...	RADISSON RESORT ORLANDO-CEL		4002 Travel	(507.00) ‡
Total 4002 Travel						(1,467.90)
15501 PREPAID ITEMS						
	9887	10/17/...	NCPRS		15501 PREPAID ITEMS	(250.00) ‡
Total 15501 PREPAID ITEMS						(250.00)
Total Expense Categories						(22,340.42)

Transactions by Category
FY04-08AP

10/1/2016 Through 10/31/2016

Num	Date Payee	C	Category	Amount
Grand Total				(22,340.42) †

JaxPension

POLICE AND FIRE PAYROLL REGISTER

PAY DATE 10/07/2016

Name	SSN	Marital Status	Tax Exem	Days	Rate	Index	Gross Pay	Tax	Net Pay	Check #
------	-----	----------------	----------	------	------	-------	-----------	-----	---------	---------

SUMMARY REPORT FOR PAY DATE : 10/07/2016

REGULAR PENSION GROSS	TOTAL	:	5,013,438.35
REGULAR LUMPSUM	TOTAL	:	6,758.20
REGULAR ROLLOVER	TOTAL	:	9,100.83
REGULAR DROP GROSS	TOTAL	:	1,009,878.69
DROP LUMPSUM	TOTAL	:	0.00
DROP ROLLOVER	TOTAL	:	0.00
LEAVE LUMPSUM	TOTAL	:	0.00
LEAVE ROLLOVER	TOTAL	:	0.00
GROSS	TOTAL	:	6,039,176.07
WITHHOLDING TAX	TOTAL	:	934,469.68
AFTER TAX DEDUCTIONS	TOTAL	:	763,536.63
PRE TAX DEDUCTION	TOTAL	:	9,555.62
NET PAY	TOTAL	:	4,331,614.14
DROP/RLA/REF CHECKS	TOTAL	:	13,831.57
CORRECTED CHECK	TOTAL	:	0.00
RETURN CHECK	TOTAL	:	0.00
NET PAY FOR REGULAR PEN & DROP	TOTAL	:	4,317,782.57
PENSIONERS	COUNT	:	2428

JaxPension

POLICE AND FIRE PAYROLL REGISTER

PAY DATE 10/21/2016

Name	SSN	Marital Status	Tax Exem	Days	Rate	Index	Gross Pay	Tax	Net Pay	Check #
------	-----	-------------------	-------------	------	------	-------	--------------	-----	------------	---------

SUMMARY REPORT FOR PAY DATE : 10/21/2016

REGULAR PENSION GROSS	TOTAL	:	5,033,945.95
REGULAR LUMP SUM	TOTAL	:	0.00
REGULAR ROLLOVER	TOTAL	:	0.00
REGULAR DROP GROSS	TOTAL	:	1,017,707.21
DROP LUMP SUM	TOTAL	:	105,000.00
DROP ROLLOVER	TOTAL	:	375,543.57
LEAVE LUMP SUM	TOTAL	:	0.00
LEAVE ROLLOVER	TOTAL	:	0.00
GROSS	TOTAL	:	6,532,196.73
WITHHOLDING TAX	TOTAL	:	963,319.55
AFTER TAX DEDUCTIONS	TOTAL	:	764,788.84
PRE TAX DEDUCTION	TOTAL	:	9,137.68
NET PAY	TOTAL	:	4,794,950.66
DROP/RLA/REF CHECKS	TOTAL	:	454,043.57
CORRECTED CHECK	TOTAL	:	0.00
RETURN CHECK	TOTAL	:	0.00
NET PAY FOR REGULAR PEN & DROP	TOTAL	:	4,340,907.09
PENSIONERS	COUNT	:	2439

Date: November 11, 2016

To: PFPF Board of Trustees

From: Timothy H. Johnson, Executive Director

RE: Executive Director's Monthly Status Report

DASHBOARDS

<i>BENEFITS</i>		
<i>Type</i>	<i>Prior Month</i>	<i>FYTD</i>
Retiree Payroll (\$)	\$ 12,571,372.80	\$ 12,571,372.80
Refunds (\$)	\$ 467,875.14	\$ 467,875.14
Refunds (#)	34	34
New Members	42	42
New Medicals	22	22
Disability Applications	0	0
Disability Appeals	0	0
Deaths	2	2
Pension Estimates	49	49
Buyback Applications	2	2
Reclamations (\$)	\$ 569.38	\$ 569.38
Reclamations (#)	1	1
DROP Revocations	0	0

<i>RETIREMENTS</i>		
<i>Type</i>	<i>Prior Month</i>	<i>FYTD</i>
Total	38	38
Full Retirement (No DROP)	1	1
Early Retirement (Vesting)	0	0
Enter DROP	22	22
Exit DROP	11	11
Disability	0	0

Survivor	3	3
Children	1	1

Retirement Appointments	8	8
DROP Appointments	0	0

PUBLIC RECORD REQUESTS

<i>Type</i>	<i>Prior Month</i>	<i># FYTD</i>
Requests (#)	11	11
Completed (#)	9	9

OPERATING BUDGET FY2016

<i>Description</i>	<i>Budget</i>	<i>Actual</i>	<i>\$ Variance</i>	<i>% Var.</i>	<i>Explanation</i>
Admin.	\$1,370,707	\$708,856	\$661,851	48%	Staff vacancy
Operating	\$482,806	\$1,164,263	-\$681,457	-141%	Legal settlements and IT charges
Prof. Services	\$9,836,452	\$9,181,386	\$655,066	7%	
Building	\$279,900	\$281,111	-\$1,211	-.5%	Purchased new gate for garage
Total	\$11,969,865	\$11,335,616	\$634,249	5%	

OPERATING BUDGET FY2017

<i>Description</i>	<i>Budget</i>	<i>Actual</i>	<i>\$ Variance</i>	<i>% Var.</i>	<i>Explanation</i>
Admin.	\$1,200,069	\$40,828	\$1,159,241	97%	
Operating	\$563,237	\$27,169	\$536,068	95%	
Prof. Services	\$9,416,829	\$0	\$9,416,829	100%	
Building	\$196,120	\$3,233	\$192,887	98%	
Total	\$11,376,255	\$71,230	\$11,305,025	99%	

UPDATES

Governance

Pension Trustees': Attended The 46th Annual Police Officers and Firefighters' Pension Conference will be held November 2-4, 2016, at the Radisson in Celebration, Florida with Trustee, Chris Brown.

Holiday Bonus: For eligible retirees or beneficiaries for holiday bonus, \$2 million was allocated to 2,397 participants. Payment equated to 2.43% of annual base pension benefit, NO COLA.

Solvency

Excerpts from November 1, 2016 Curry Letter to Stakeholders: Today, the negotiating team presented a wage and pension plan to JSA union leadership. **If accepted by union membership, and approved by the Jacksonville City Council, JSA employees will receive salary increases of 9.5 percent over the next three years and a one-time, 2 percent lump-sum payout. In addition, new employees will be placed in a new defined contribution plan as a retirement benefit.** A summary of my complete proposal is as follows:

Salary

For fiscal year 2017, all employees would receive a one-time, lump-sum consideration equal to 2% of their annual salary.

Future Salary Increases

10/01/2017 – 4.0%

10/01/2018 – 3.0%

10/01/2019 – 2.5%

Pension Plan

New Defined Contribution Plan

Years 1–15 Employee Contribution 8% - City Match Contribution 10%

Years 16+ Employee Contribution 8% - City Match Contribution 12%

Please note that all negotiations and offers are subject to the existing pension plan being closed to new employees and adherence to all state statute requirements.

Education

November Newsletter from Director Tim Johnson, “Members Want to Know More”

How well do you know your pension benefits? There is sometimes a big gap between what plan administrators think their members know about their benefits and what members actually know. Resolving this disconnect is one part of the five-point plan described in my September letter to members. This month I’m writing to tell you what we’re doing to better communicate benefit information to our members so that they can secure their financial future and the future of their families.

In October PFPF staff began preparing PowerPoint slides with the most important facts about the pension. Benefits Specialist Steve Lundy, accepted the assignment telling me, “I’m looking forward to working on this and giving these presentations!” He went on to design both a New Member Orientation and

DROP (Deferred Retirement Option Program) Workshop. The orientation is for members beginning their career and entering the PFPF. The workshop is for members nearing the end of their career (at least with the JSO or JFRD) and considering the DROP.

What is a pension? Why do contributions come out of my pay? Who looks after the money? How is my benefit calculated? What factors are used to determine benefits? What will my family receive if something happens to me? Can I get credit for other public service? These and many other questions were answered at the first New Member Orientation on Monday, October 17, 2016 at the JFRD headquarters.

“New police and fire hires need a welcome wagon pension book”, says pension board chairman Richard Tuten, III. So, every person received a booklet with the summary plan. There were at least 29 new hires in the JFRD recruitment class. One firefighter described the orientation as “...clear and easy to understand.” The New Member Orientation for police will be November 23, 2016 at the Northeast Florida Criminal Justice Training & Education Center.

The first DROP Workshop was held on October 26, 2016 at the PFPF One West Adams Street headquarters. How and when do I apply? How is interest accrued? What are the options for taking my money? Is there a cost of living adjustment? Steve addressed all of these questions and more. One police officer ironically commented, “It would be beneficial to discuss pensions when people are hired!”

Pensions make a big difference in providing a good standard of living as our community’s “thank you” for decades of public service. Member education helps ensure that pension benefits are understood and appreciated. With education our members are able to make well-informed decisions.

I invite your suggestions and input on this topic. Your feedback helps to improve and refine future presentations. Please let me hear from you at thjohnson@coj.net.

Outreach

Schellenberg Town Hall: October 20, 2016 at the invitation of the Councilman, spoke to over 100 resident of the district at the Mandarin Public Library. It is amazing the welcome I’ve received. A big part of my outreach initiative is building trust. That’s necessary before taxpayers will hear our message regarding the new future for PFPF. Thru trust and transparency, we can rebuild the confidence of stakeholders. I look forward to doing similar town halls in other council districts.

Press Releases: See attached.

NEWS and REPORTS

Lee sues over frequent flyer miles

<http://jacksonville.com/metro/2016-10-25/activist-curtis-lee-sues-over-frequent-flier-miles-awarded-john-keane>

This link to the story explains the position of Mr. Lee. Several named in suit. PFPF officials will be represented by the Office of General Counsel.

The following motions were filed by the OGC on behalf of the PFPF Board: (1) a motion to dismiss each individual from the suit, (2) a motion that would require Plaintiff to refile a complaint with more specific allegations as to what Lee claims was done wrong, (3) a motion to dismiss the fund because it is not a separate entity apart from the board of trustees, and (4) a motion to strike the jury demand.

Will Retirement Costs Bust State/Local Budgets?

http://crr.bc.edu/briefs/will-pensions-and-opebs-break-state-and-local-budgets/?utm_source=newsletter&utm_medium=email&utm_content=Will%20Retirement%20Costs%20Bust%20State/Local%20Budgets%3F&utm_campaign=Sping%202014%20Newsletter

Pensions and retiree health costs pose burdens for some jurisdictions, but many are fine.

Era of low interest rates hammers millions of pensions around world

<http://www.wsj.com/articles/era-of-low-interest-rates-hammers-millions-of-pensions-around-world-1479067408?emailToken=JRr8fv95ZX2TgdY3bcwxzlRtaadND+iWA1LRMH3QN1PQ8Wbcve+6ggU8gt66u3jqQEd+49ED6XV6QjOUmGdsR86WnaU6mE2jZn9R647DywmHfx2Hwx/SI7VA7vk=>

Respectfully submitted,



Timothy H. Johnson

Jacksonville Police and Fire Pension Fund

Standard Procedure Manual

Time Service Connections	Section	Page
Processing Applications and Authorizations for Time Service Connections	6 (a)	1 of 3
	Date Effective	Cancels Issue of
	5-1-2014 <u>12-1-2016</u>	<u>1 of 2</u>

Employees that have previous service with the City of Jacksonville for which they received a refund of pension contributions or did not originally participate in a City Pension Plan during the initial periods of City employment, may be able to purchase such previous service for pension purposes. Such time service purchases will allow the employee to connect their previous City service with their current City service for pension purposes. An application for Time Service Connection can be made at any time prior to retirement, termination of employment, or the commencement of DROP participation.

The cost to purchase such "City" time is based upon the Member's current pensionable pay which is applied against the employee pension contribution rate (~~currently 7%~~) (8% for Group 1A and 1B and 10% for Group 2). The payment of such purchase may be made in the form of a lump sum payment (personal check or 457 Trustee-to-Trustee transfer) or via payroll deduction over a series of bi-weekly payments not to exceed 130 pay periods (5 years). Payments by payroll deduction are available for treatment as a "pre-tax contribution" in accordance with Ordinance Code Section 121.113(f). Lump sum payments are available only in the form of "after-tax contributions".

In addition to the connection of time service credit for City of Jacksonville service as described above, Members may purchase time service credit for Active Duty Wartime Military Service, subject to a maximum purchase of 24 months for such military service. Members may also purchase service credit for Police Officer and Firefighter service rendered to a State, County, or Municipal Government employer in the State of Florida, subject to a maximum purchase of 5 years for such Florida-based public safety service. Please note that service previously rendered by a member as an MP or a firefighter for a military unit or other Federal Government employer does not qualify for TSC under the City Ordinance Code (even if such service was performed within the State of Florida). Please also note that service rendered as a Correctional Officer to an otherwise eligible unit of state or local government, does not qualify for TSC inasmuch as such service does not fall within the definition of service as a "Police Officer" under Sections 943.10 and 185.02, Florida Statutes. The pension contribution rate which is used for the purchase of Wartime Military Service and eligible Florida-based Public Safety Service is established at a rate of 20% ~~in lieu of the more favorable rate of 7% that is used for other forms of time service connection.~~

All Time Service Connections and purchases of time service credit require the approval of the Board of Pension Trustees. Accordingly, all such transactions are recorded as an agenda item at the monthly Pension Trustees meeting (on the Consent Agenda). However, in the interim, the Pension Office processes all TSC applications, receives lump sum payments and sets-up payroll deductions in advance of the formal approval by the Board of Pension Trustees based upon the presumption that all such transactions will be endorsed and approved by the Pension Trustees. In the event that a particular transaction is not approved by the Trustees, or if a transaction is subsequently determined to be improper or processed in error, appropriate adjustments and/or reversals will be made on a case by case basis.

Time Service Connections	Section	Page
Processing Applications and Authorizations for Time Service Connections	6 (a)	2 of 3
	Date Effective	Cancels Issue of
	5-1-2011 12-1-2016	1 of 2

Applications that relate to service that entitles a member to the current or future receipt of pension benefit distributions from another employer are not eligible for time connection with the PFPF under current City Ordinance Code provisions. Such denials due to the existence of pension benefit entitlements from other governmental entities relate both to members who are currently receiving pension distributions as well as to members who are currently only vested, but not presently receiving pension distributions from such governmental entity. Vested pension benefits under the FRS are currently attained upon 6 years of service under the FRS (previously 10 years of service). Military pensions are earned upon the attainment of 20 years of service.

APPLICATIONS FOR TSC CREDIT FOR PRIOR DUVAL COUNTY SERVICE:

1. Members who wish to purchase prior Duval County service ~~(at 7%)~~ (at 8% for Group 1A and 1B or 10% for Group 2) will express their desire to a PFPF staff member, ~~who will conduct research upon the member's record to verify that the desired TSC is eligible for connection.~~ An Application for Time Service provided by the PFPF staff member (sample attached) is required for the purpose of purchasing the prior full time service. The Application for Time Service must be completed by a COJ, JSO or JFRD Human Resources Director or Designee. The PFPF staff member will then conduct research upon the member's record to verify that the desired TSC is eligible for connection. A basic element of such research will be to review the "Employment Date" and the "Adjusted Employment Date" recorded for the member.
2. Upon verifying that the desired Duval County service is eligible for TSC, the member will be asked to sign an Authorization Letter that directs the PFPF to act upon the member's TSC request (See sample attached hereto as **Exhibit 1**).
3. Upon execution of this document, PFPF staff will process any lump sum payments and establish any payroll deductions that may be necessary to comply with the TSC authorization.
4. The Authorization Letter is forwarded to the Executive Director/Administrator for signature and inclusion on the next available Pension Trustees agenda.
5. Upon securing the signature of the Executive Director/Administrator and Trustee approval (which is evidenced on the Authorization Letter with a stamp indicating the Consent Agenda item), the Authorization Letter is placed in the member's file jacket.

APPLICATIONS FOR TSC CREDIT FOR WARTIME MILITARY SERVICE:

1. Members who wish to purchase prior Wartime Military Service (at 20%) will express their desire to a PFPF staff member in the form of the submittal of an "Application for the Purchase of Wartime Military Service for Pension Purposes" (See sample attached hereto as **Exhibit 2**).
2. Upon receipt of this application, PFPF staff will ask that the member provide a copy of a DD-214 Form as documentation for eligible periods of military service (See the sample DD-214 attached hereto as **Exhibit 3**). Part-time military service in the Reserves is not eligible for TSC purchase and

Time Service Connections	Section	Page
Processing Applications and Authorizations for Time Service Connections	6 (a)	3 of 3
	Date Effective	Cancels Issue of
	5-1-2011 <u>12-1-2016</u>	<u>1 of 2</u>

such service in a Reserve unit is generally not reflected on Form DD-214. Reserve units who are called up for active duty military service are reflected on the DD-214 Form.

3. Upon verifying that the desired Wartime Military service is eligible for TSC, the member will be asked to sign an Authorization Letter that directs the PFPF to act upon the member's TSC request (See sample attached hereto as **Exhibit 4**).
4. Upon execution of this document, PFPF staff will process any lump sum payments and establish any payroll deductions that may be necessary to comply with the TSC authorization.
5. The Authorization Letter is forwarded to the Executive Director/Administrator for signature and inclusion on the next available Pension Trustee agenda.
6. Upon securing the signature of the Executive Director/Administrator and Trustee approval (which is evidenced on the Authorization Letter with a stamp indicating the Consent Agenda item), the Authorization Letter is placed in the member's file jacket.

APPLICATIONS FOR TIME SERVICE CREDIT FOR PRIOR FLORIDA SERVICE:

1. Members who wish to purchase prior service as a police officer or firefighter within the State of Florida will express their desire to a PFPF staff member, who will review the eligibility requirements concerning the TSC requirements for this form of time connection with the member.
2. Members who wish to purchase time service credit for eligible public safety service rendered to an eligible Florida-based governmental unit are given an "Application For Time Service Purchase" (See sample attached hereto as **Exhibit 5**) and asked to have the application completed. The application includes a section that is to be completed by a personnel representative from the Florida-based governmental unit who certifies the dates of service and the nature of such service rendered to the governmental unit.
3. Upon completing this "Application For Time Service Purchase", the member will present the completed form to PFPF for review and verification.
4. Upon verifying that the Florida-based service is eligible for TSC, the member will be asked to sign an Authorization Letter that directs the PFPF to act upon the member's TSC request (See sample attached hereto as **Exhibit 6**).
5. Upon execution of this document, PFPF staff will process any lump sum payments and establish any payroll deductions that may be necessary to comply with the TSC authorization.
6. The Authorization Letter is forwarded to the Executive Director/Administrator for signature and inclusion on the next available Pension Trustee agenda.
7. Upon securing the signature of the Executive Director/Administrator and Trustee approval (which is evidenced on the Authorization Letter with a stamp indicating the Consent Agenda item), the Authorization Letter is placed in the member's file jacket.

Special Note: When structuring TSC programs for the purpose of buying the exact number of days in order to attain exactly one year of additional pension service credit, the operators should follow the "Anniversary Date and One Day Method".



POLICE AND FIRE PENSION FUND

"We Serve...and We Protect"

Telephone (904) 255-7373
Fax (904)-353-8837

APPLICATION FOR PURCHASE OF TSC CREDIT FOR PRIOR DUVAL COUNTY SERVICE FOR PENSION PURPOSES

Member Information: This section is to be completed by the Member before submitting to HR Director or Designee.

Printed Name: _____ SSN: XXX-XX-_____
Maiden/Other Names Previously Used: _____ Birth Date: _____
Signature: _____ Date: _____

Employment Certification: This section is to be completed by the HR Director or Designee.

<u>Governmental</u> <u>Prior Duval County Service</u>	<u>Retirement System</u>	<u>Periods of Service</u>
_____	_____	From _____ To _____
_____	_____	From _____ To _____
_____	_____	From _____ To _____

I hereby certify that the above named individual was employed by the indicated employing agency as a full-time Employee of the City of Jacksonville for the indicated periods of service.

Signature: _____ Date: _____
Print Name: _____ Title: _____
Employing Agency: _____
Address: _____ Phone: () _____

Pension Certification: This section is to be completed by the Plan Administrator or Designee.

I hereby certify that the above named individual is not eligible to receive a pension benefit from the governmental retirement system described above, now or in the future, in conjunction with the indicated service.

Signature: _____ Date: _____
Print Name: _____ Title: _____
Governmental Retirement System: _____
Address: _____ Phone: () _____

PLEASE RETURN COMPLETED FORM TO THE
JACKSONVILLE POLICE AND FIRE PENSION FUND
ONE WEST ADAMS STREET, SUITE 100
JACKSONVILLE, FLORIDA 32202-3616

FOR IMMEDIATE RELEASE

Contact: Jacksonville Police and Fire Pension Fund
Timothy H. Johnson, Executive Director - Plan Administrator
(904) 255-7373 (office)
thjohnson@coj.net

JACKSONVILLE POLICE AND FIRE PENSION FUND ANNOUNCES NEW ACTUARY

JACKSONVILLE, Fla., Nov. 07, 2016 - The Jacksonville Police and Fire Pension Fund announces the selection of Gabriel Roeder Smith & Company (GRS) as the fund's new actuary.

Board action to approve GRS occurred on October 21st following the recommendation of Finance Investment Advisory Committee Chairman Brian Smith who said, "The decision to select a new actuary for the Police and Fire Pension Fund was difficult because we had three excellent firms to interview."

The board voted unanimously to motion to award the contract to GRS.

The actuary shall prepare and present to the PFPF an annual actuarial report which complies with all applicable requirements of the Florida Statutes, Articles of the City Charter, State of Florida, Department of Administration, Division of Retirement, and Department of Insurance, Bureau of Municipal Police Officers and Firefighters' Fund and GASB.

Peter N. Strong, FSA, will serve as the Lead Consulting Actuary. He has more than 20 years of actuarial and benefits consulting experience and holds the designation of Fellow, Society of Actuaries, along with other professional designations. Mr. Strong commented, "The size of this plan makes it a top priority."

GRS is headquartered in Southfield, Michigan, with offices in Dallas, Detroit, Chicago, Denver, Minneapolis, Grand Rapids, and Fort Lauderdale. The firm is a leading provider of actuarial consulting services, focusing on public sector retirement systems.

The performance of this agreement shall commence on January 1, 2017 and shall terminate on December 31, 2019, at which time the PFPF Trustees will have the option to renew.

GRS replaces Pension Board Consultants, Inc. which has been the PFPF actuary since 1982.

According to PFPF Executive Director, Tim Johnson, "GRS has the technical foundation, Florida experience and caliber of consultants to do the job.

About The Jacksonville Police and Fire Pension Fund

The Jacksonville Police and Fire Pension Fund (the 'Fund') is a single-employer contributing defined benefit pension plan covering all full-time police officers and firefighters of the Consolidated City of Jacksonville. The Fund was created in 1937 and is structured as an independent agency of the City of Jacksonville. The Fund controls \$1.6 billion in assets and is administered solely by a five member Board of Trustees.

To learn more about the Jacksonville Police and Fire Pension Fund, visit <http://www.coj.net/departments/police---fire-pension-fund.aspx>.

###

FOR IMMEDIATE RELEASE

Contact: Jacksonville Police and Fire Pension Fund
Timothy H. Johnson, Executive Director - Plan Administrator
(904) 255-7373 (office)
thjohnson@coj.net

Jacksonville Police and Fire Pension Fund Reports Preliminary 2015-2016 Fiscal Year Investment Returns

JACKSONVILLE, Fla., Nov. 07, 2016 - The Jacksonville Police and Fire Pension Fund today reported a preliminary 10.48 percent net return on investments on a net of fees basis for the 12-month period that ended September 30, 2016. This return translates into greater than \$161 million earned by the Fund for the Fiscal Year after fees. Fund assets at the end of the fiscal year stood at \$1,599,226,126.

According to the Fund's Investment Manager, Dan Holmes of Summit, "Strong returns in energy investments, domestic equities and international equities combined with the Board's asset allocation decisions and long-term focus, allowing for recovery in some of these investments, helped drive the Fund's attractive return."

The Jacksonville Police and Fire Pension Fund achieved a positive net return although there was more market volatility during the past fiscal year than in any year since 2012. The total fund composite outperformed its benchmark by 14 basis points net of fees. The Fund's diversified exposure to many different asset classes allowed it to perform well for the fiscal year.

The ending value of the Jacksonville Police and Fire Pension Fund is based on several factors, and is not based on investment performance alone. Contributions made to the Fund from eligible employees and the City of Jacksonville, monthly payments made to retirees, and the performance of the Fund's investments, among other factors, all influence the ending total value of the Fund.

-more-

About The Jacksonville Police and Fire Pension Fund

The Jacksonville Police and Fire Pension Fund (the 'Fund') is a single-employer contributing defined benefit pension plan covering all full-time police officers and firefighters of the Consolidated City of Jacksonville. The Fund was created in 1937 and is structured as an independent agency of the City of Jacksonville. The Fund controls \$1.6 billion in assets and is administered solely by a five member Board of Trustees.

To learn more about the Jacksonville Police and Fire Pension Fund, visit <http://www.coj.net/departments/police---fire-pension-fund.aspx>.

###

POLICE AND FIRE PENSION FUND

Holiday - Meeting Schedules

2017

Holidays

Advisory Committee

Trustees

FIAC

JANUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

MARCH						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

APRIL						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

MAY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

JULY						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

AUGUST						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	30		

SEPTEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

OCTOBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

NOVEMBER						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

DECEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Consultant's Report to the Board

October 21, 2016

The following projects have been identified as necessary to complete prior to November 30, 2016:

1. Secure Board decision on CSO Purchase of Time

This is a long standing unresolved issue impacting members of the Fund who at one time worked as Community Service Officers in the City of Jacksonville. At the time of employment in that capacity these position were considered by the City to be "temporary" and therefore not eligible for benefits including participation in the pension plan. The OGC several years later issued an opinion stating that Federal Law requires individuals working in those positions be considered permanent employees and therefore eligible for benefits including purchase of pension benefits. Stephen Durden has researched this issue and presents his opinion at today's meeting. Currently 43 members of the Fund once served as Community Service Officers.

COMPLETE

2. Secure clarification of City Employees' Transfer of Time

It has been the Fund's policy to transfer City employee pension benefits to the Fund pension system at the point a City employee becomes a Firefighter or Police Officer with no distinction between "start date" and "pension date". A question has arisen as to whether or not such employees are eligible to transfer City pension time accrued prior to June 19, 2015 (pension reform legislation 304E) as Group IB rather than Group II. Stephen Durden from the OGC is researching this question and is expected to have an opinion to report to the Board at it October meeting. 37 individuals have transferred to the Jacksonville Police & Fire Pension Fund since June 19, 2105 as of August 1st.

DEFERRED UNTIL CITY AND UNION NEGOTIATIONS CONCLUDE

3. The Baldwin Bill

This is a long standing issue which involves securing 185 Funds as a result of providing Police service to the Town of Baldwin. In order to receive these funds from the State an Interlocal agreement between the City of Jacksonville and the Town of Baldwin must be executed. Approximately \$10,000 a year would be directed to the City of Jacksonville for the Fund.

4. Update contracts with Commission Recapture Service Providers

Language in the updated contracts has been negotiated with two of the four providers. One provider KMG has been eliminated as a provider. One provider, Abel Noser, is still in negotiations. Contracts with CAPIS and ConvergeX to be ratified by the Board in December.

5. Secure approval of 2017 Budget from City Council

The Fund's 2017 Budget was presented to City Council on August 26th. Recommendations from City Auditor were accepted. The Finance Committee recommended no further changes.

COMPLETE

6. Complete Performance Reviews for all Staff members

COMPLETE

7. Manage the Records Electronification and Retention Project

- *The Pilot effort for this project has been completed. All Board Meeting Minute Files SINCE January 1995 have been entered on the system and are available for review.*
- *Invoices and supporting documentation as of September 1, 2106 are filed in the Access system.*
- *Advisory Board minutes as of January 2016 have been entered and are available on the electronic system.*
- *All FIAC meeting materials have been entered and are available on the electronic system.*
- *All current contracts have been entered and are available on the electronic system.*
- *All state legislation documents impacting the fund have been entered on the electronic system.*

COMPLETE

- *The process for making member files available on the electronic file has been developed. The initial set of files (members retired on Disability) will be processed the week of November 21st. Jessica Fields will lead this effort which will take place in stages over the next several months.*
- *Affidavit forms for 2016 will be entered into the system in December.*
- *Four staff members have access to the electronic system. Three other staff members will have the system installed in December allowing all members needing to access documents the opportunity to do so quickly and efficiently. Training for staff members is scheduled for Wednesday, November 16th.*

IN PROCESS

8. Craft a Public Relations Program

The Fund needs to move beyond the objective of repairing relationships with the City and Civic leaders to the broader objective of rebuilding confidence and respect in the staff, the work and the results of the Fund throughout the Community. The program developed will have key repeatable actions with identified stakeholders and measurable goals to assure progress.

DETERMINING THE MOST COST EFFICIENT PROCESS TO PRODUCE A PROFESSIONAL, SUSTAINABLE STRATEGY.

9. Develop An Operating Structure for the Financial Investment & Advisory Committee

The FIAC, established as part of Pension Reform 304E, can be a valuable resource to the Board of Trustees. This Committee should be known and respected throughout the Community for its investment and finance acumen.

Creating community awareness and building the FIAC reputation will be incorporated into the above referenced public relations program.

A defined annual program of work will be developed to further educate and engage the Committee members. It is in the best interest of the Fund that these Committee members are directed to the most important finance and investment decision points so their considerable expertise and advice can guide the Board on these most important matters.

Annual cycle of work plan completed. Committee deliberation and decision making process now separate from Board. Recommendation from FIAC delivered to Board for Board action effective with Actuary selection process October 2016.

10. Coordinate the selection of a new Pension Services Attorney.

In collaboration with OGC four RFP's were issued. Please see attached timeline for selection process and highlights of the three firms which bid.

COMPLETE



Summit Strategies Group

8182 Maryland Avenue, 6th Floor

St. Louis, Missouri 63105

314.727.7211

City of Jacksonville Police & Fire Pension Fund

Investment Performance Review

September 30, 2016

Table of Contents

Executive Summary	3
Total Fund	11
US Equity	20
International Equity	44
Fixed Income	67
Real Estate	79
MLPs/Energy	89
Appendix	93
Benchmark Composition	94
Index Report	96
Glossary	102

Executive Summary

Economic & Capital Market Highlights

September 30, 2016

Economy

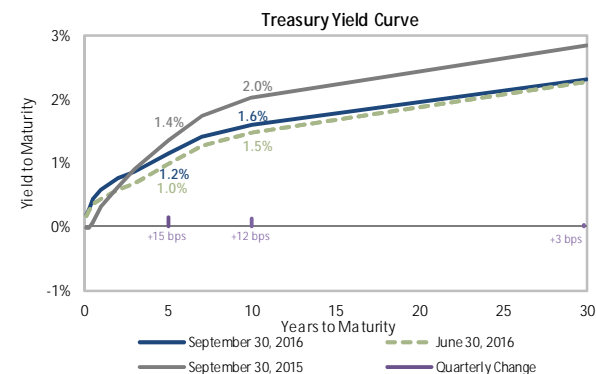
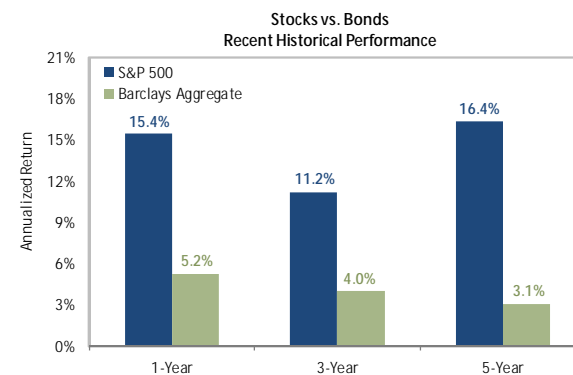
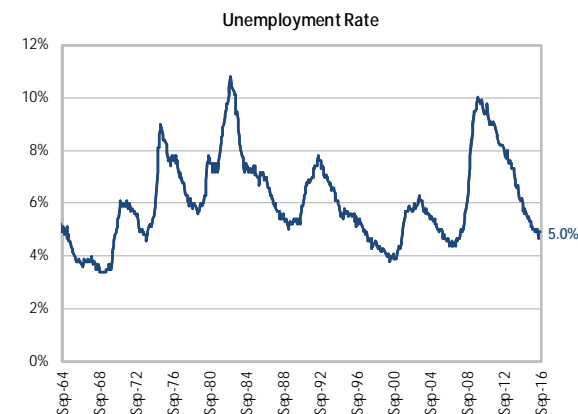
Following a tumultuous second quarter capped off by the United Kingdom's surprise vote to exit the European Union, the third quarter was more subdued in terms of economic developments and financial market movements. The economic data released following Brexit was mostly consistent with that of the recovery since the Global Financial Crisis, with low but steady GDP growth (1.4% annualized in the US for the second quarter). Continued progress and tightening in the labor market (575,000 jobs added in the US during the second quarter, near the average of the expansion) and low but rising wage growth (average hourly earnings up 2.6% year-over-year in September, matching the highest growth of the expansion) increased the likelihood of a Federal Reserve interest rate hike later in 2016. At the end of September the Fed Fund futures market implied a 60% chance of a rate hike at the Fed's December meeting, up from 9% at the end of June. Elsewhere in the world, monetary policy remains easy in developed economies such as Japan and the Eurozone. During the quarter, the Bank of Japan announced it would target a rate of 0% on 10-year government bonds in an attempt to increase the scope of its monetary policy.

Capital Markets

Despite continued lackluster economic performance, equity markets (particularly in the US) have performed well over the past several years. Global equities (MSCI ACWI IMI, +5.6%) turned in their best quarterly gain since the fourth quarter of 2013, led by emerging markets (MSCI EM, +9.0%). Low but steady economic growth has helped keep equity market volatility muted, and accommodative central bank policies throughout the world continue to act as a tailwind for many major equity markets. Across fixed income markets, credit outperformed government bonds and interest rates rose modestly. The yield on the 10-year Treasury rose 12 basis points to 1.60%, but remains well below the 20-year average of 3.94%.

Market Performance (Returns in USD)

		Quarter	1 Year	3 Year	5 Year
MSCI ACWI IMI	Global Equity	5.6%	12.3%	5.2%	10.9%
Russell 3000	US Equity	4.4%	15.0%	10.4%	16.4%
S&P 500	US Large Cap Equity	3.9%	15.4%	11.2%	16.4%
Russell 1000	US Large Cap Equity	4.0%	14.9%	10.8%	16.4%
Russell 1000 Value	US Large Cap Value Equity	3.5%	16.2%	9.7%	16.2%
Russell 1000 Growth	US Large Cap Growth Equity	4.6%	13.8%	11.8%	16.6%
Russell 2000	US Small Cap Core Equity	9.0%	15.5%	6.7%	15.8%
Russell 2000 Value	US Small Cap Value Equity	8.9%	18.8%	6.8%	15.4%
Russell 2000 Growth	US Small Cap Growth Equity	9.2%	12.1%	6.6%	16.1%
MSCI EAFE	Int'l Developed Large Cap Equity	6.4%	6.5%	0.5%	7.4%
MSCI EAFE Small Cap	Int'l Developed Small Cap Equity	8.6%	12.3%	5.1%	11.1%
MSCI Emerging Markets	Emerging Market Equity	9.0%	16.8%	-0.6%	3.0%
Alerian MLP	Master Limited Partnerships	1.1%	12.7%	-4.8%	5.0%
Barclays Aggregate	US Core Fixed Income	0.5%	5.2%	4.0%	3.1%
Barclays US Treasury	US Treasuries	-0.3%	4.1%	3.4%	2.2%
Barclays US Credit	US Corporate Bonds	1.2%	8.3%	5.4%	4.8%
Barclays US MBS	US Mortgage Backed Securities	0.6%	3.6%	3.6%	2.6%
Barclays US Corp: High Yield	US High Yield Bonds	5.6%	12.7%	5.3%	8.3%
NCREIF ODCE (net)	Core Real Estate	1.8%	9.1%	11.4%	11.3%

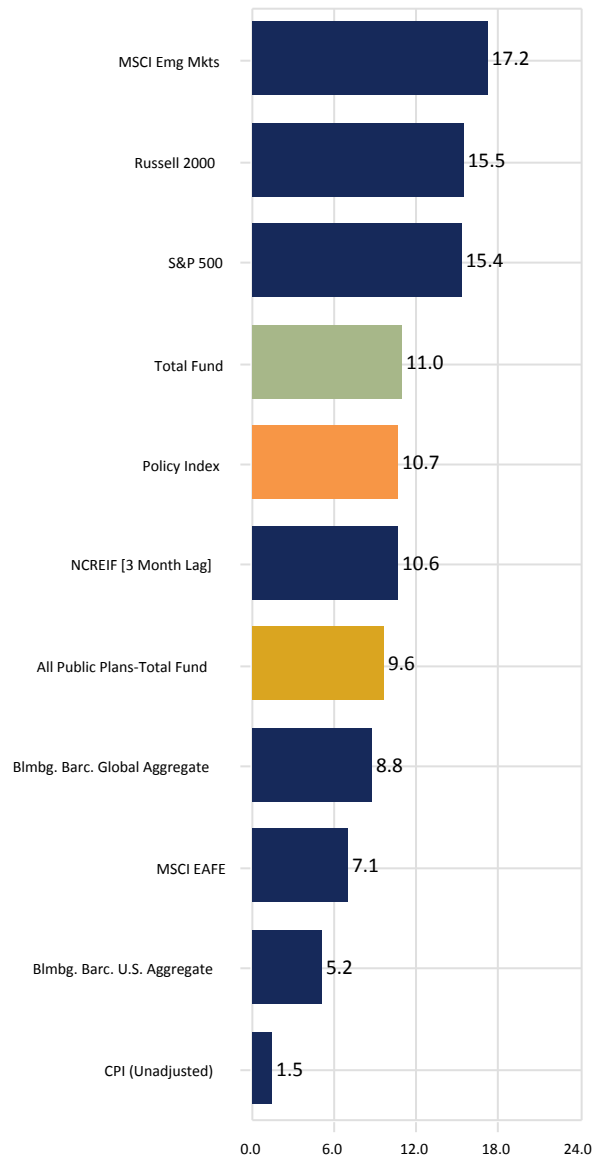


City of Jacksonville Police & Fire Pension Fund

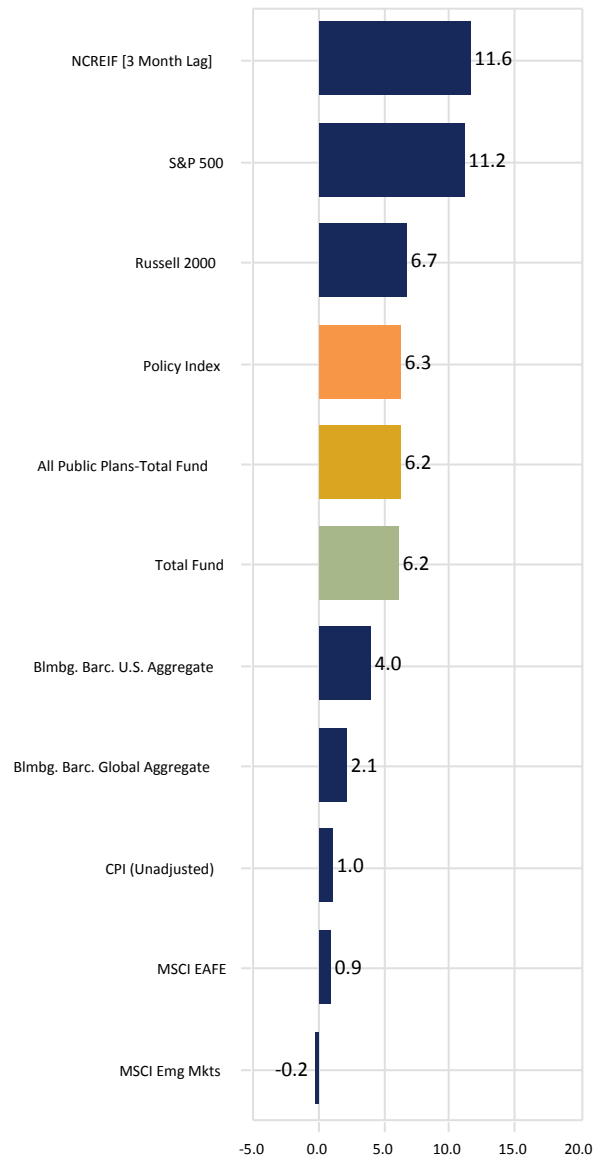
Market Overview

September 30, 2016

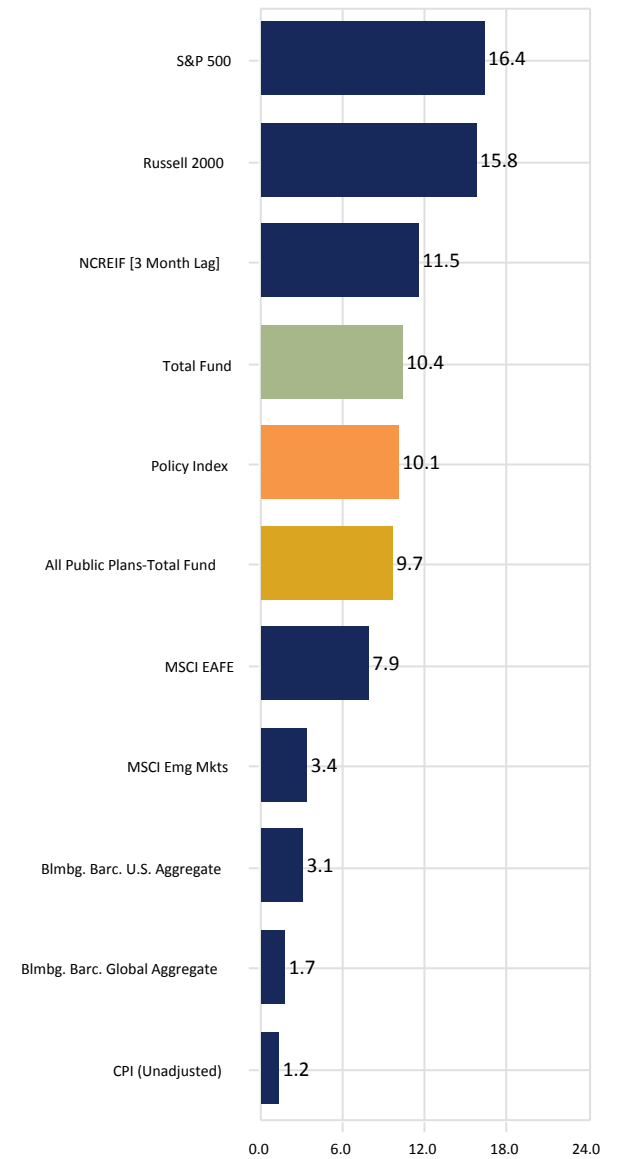
1 Year



3 Years



5 Years



City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees

September 30, 2016

	Asset \$	Asset %	Performance(%) and Percentile Rank															
			3 Month		FYTD		CYTD		1 Year		2 Year		3 Year		5 Year		10 Year	
Total Fund Composite	1,599,226,126	100.00	4.42	7	10.98	13	7.28	22	10.98	13	3.58	77	6.18	53	10.41	24	6.05	41
<i>Total Fund Policy</i>			3.66		10.69		7.70		10.69		3.49		6.28		10.10		5.55	
Excess Return			0.76		0.29		-0.42		0.29		0.09		-0.10		0.31		0.50	
All Public Plans-Total Fund Median			3.38		9.61		6.37		9.61		4.34		6.21		9.70		5.87	
US Equity	642,525,647	40.18	5.09	35	13.47	64	6.83	79	13.47	64	5.87	66	8.46	72	15.29	62	7.54	35
<i>US Equity Index</i>			4.40		14.96		8.18		14.96		6.96		10.44		16.36		7.47	
Excess Return			0.69		-1.49		-1.35		-1.49		-1.09		-1.98		-1.07		0.07	
All Master Trust-US Equity Segment Median			4.66		14.37		8.18		14.37		6.62		9.53		15.73		7.20	
International Equity	333,729,597	20.87	8.56	10	12.05	25	7.70	31	12.05	25	-0.28	61	1.83	55	7.54	65	2.02	88
<i>International Equity Index</i>			7.00		9.80		6.29		9.80		-1.58		0.64		6.52		1.90	
Excess Return			1.56		2.25		1.41		2.25		1.30		1.19		1.02		0.12	
All Master Trust-Intl. Equity Segment Median			6.78		10.31		6.38		10.31		0.13		2.05		8.10		3.38	
Fixed Income	330,054,270	20.64	1.09	51	5.69	58	6.39	53	5.69	58	4.18	49	3.83	63	3.25	70	4.78	68
<i>Blmbg. Barc. U.S. Aggregate</i>			0.46		5.19		5.80		5.19		4.06		4.03		3.08		4.79	
Excess Return			0.63		0.50		0.59		0.50		0.12		-0.20		0.17		-0.01	
All Master Trust-US Fixed Income Segment Median			1.12		6.19		6.64		6.19		4.13		4.30		4.04		5.31	
Real Estate	189,585,522	11.85	2.12	52	9.83	54	6.32	63	9.83	54	12.36	34	12.32	46	12.82	34	7.96	6
<i>NCREIF Fund Index - ODCE [M]</i>			2.07		10.09		6.52		10.09		12.48		12.45		12.40		6.02	
Excess Return			0.05		-0.26		-0.20		-0.26		-0.12		-0.13		0.42		1.94	
All Master Trust-Real Estate Segment Median			2.22		10.21		6.72		10.21		12.05		12.09		12.58		5.42	
<i>NCREIF Property Index</i>			1.77		9.22		6.13		9.22		11.33		11.31		11.18		7.22	
MLPs/Energy	101,576,733	6.35	3.49	70	14.53	35	15.47	76	14.53	35	-12.47	28	1.51	37	11.12	40	-	
<i>S&P MLP Index</i>			2.92		10.12		18.03		10.12		-17.88		-4.38		5.51		-	
Excess Return			0.57		4.41		-2.56		4.41		5.41		5.89		5.61		-	
Master Limited Partnerships (SA+CF) Median			4.45		13.01		20.32		13.01		-14.39		0.03		8.94		-	
Cash	1,754,355	0.11	0.12		0.27		0.22		0.27		0.20		0.70		0.70		3.42	

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees
September 30, 2016

		Performance(%) and Percentile Rank																Since Inception	Inception Date
	Asset \$	Asset %	3 Month		FYTD		CYTD		1 Year		3 Year		5 Year		10 Year				
US Equity																			
NT S&P 500 Index Fund	165,659,609	10.36	3.85	63	15.50	22	7.88	32	15.50	22	11.23	30	16.42	42	7.26	62	5.23	87	Jan-1999
S&P 500			3.85		15.43		7.84		15.43		11.16		16.37		7.24		5.22		
Excess Return			0.00		0.07		0.04		0.07		0.07		0.05		0.02		0.01		
IM U.S. Large Cap Equity (SA+CF) Median			4.33		13.19		6.61		13.19		10.36		16.19		7.49		6.38		
Eagle Capital Management	173,637,760	10.86	5.09	34	10.29	77	3.47	87	10.29	77	9.50	43	16.44	32	-		12.31	15	Apr-2011
Russell 1000 Value Index			3.48		16.19		10.00		16.19		9.70		16.15		-		10.85		
Excess Return			1.61		-5.90		-6.53		-5.90		-0.20		0.29		-		1.46		
IM U.S. Large Cap Value Equity (SA+CF) Median			4.10		13.12		7.58		13.12		9.13		15.58		-		10.59		
Brown Investment Advisory	85,568,469	5.35	3.69	81	10.33	68	2.34	74	10.33	68	-		-		-		7.60	83	Nov-2013
Russell 1000 Growth Index			4.58		13.76		6.00		13.76		-		-		-		10.53		
Excess Return			-0.89		-3.43		-3.66		-3.43		-		-		-		-2.93		
IM U.S. Large Cap Growth Equity (SA+CF) Median			5.15		11.69		4.45		11.69		-		-		-		9.60		
Sawgrass Asset Management	87,446,789	5.47	0.58	100	11.61	51	5.22	36	11.61	51	-		-		-		9.72	48	Nov-2013
Russell 1000 Growth Index			4.58		13.76		6.00		13.76		-		-		-		10.53		
Excess Return			-4.00		-2.15		-0.78		-2.15		-		-		-		-0.81		
IM U.S. Large Cap Growth Equity (SA+CF) Median			5.15		11.69		4.45		11.69		-		-		-		9.60		
Pinnacle	66,022,157	4.13	10.41	8	12.53	37	1.89	93	12.53	37	6.78	57	17.03	18	-		21.14	15	Mar-2009
Russell 2500 Growth Index			6.98		11.02		6.95		11.02		7.43		16.20		-		19.68		
Excess Return			3.43		1.51		-5.06		1.51		-0.65		0.83		-		1.46		
IM U.S. SMID Cap Growth Equity (SA+CF) Median			5.68		9.51		6.46		9.51		7.03		15.59		-		18.96		
Wedge Capital Mgmt	64,190,864	4.01																	
International Equity																			
NT EAFE Index Fund	82,791,648	5.18	6.48	65	6.81	77	2.10	77	6.81	77	0.77	71	-		-		5.34	58	Apr-2012
MSCI EAFE Index (Net)			6.43		6.52		1.73		6.52		0.48		-		-		5.02		
Excess Return			0.05		0.29		0.37		0.29		0.29		-		-		0.32		
IM International Equity (SA+CF) Median			7.26		11.24		6.22		11.24		2.18		-		-		5.74		
Baillie Gifford	97,966,173	6.13	11.48	2	15.76	15	8.95	9	15.76	15	2.32	65	10.46	33	-		5.20	46	Mar-2011
MSCI EAFE Growth Index (Net)			4.96		9.47		2.63		9.47		2.39		8.73		-		3.95		
Excess Return			6.52		6.29		6.32		6.29		-0.07		1.73		-		1.25		
IM International Growth Equity (SA+CF) Median			6.78		9.58		3.81		9.58		3.18		9.53		-		4.99		
Silchester	64,131,151	4.01	6.76	57	9.16	37	5.58	34	9.16	37	4.09	14	-		-		6.10	14	Sep-2013
MSCI EAFE Value Index (Net)			7.99		3.52		0.82		3.52		-1.49		-		-		0.99		
Excess Return			-1.23		5.64		4.76		5.64		5.58		-		-		5.11		
IM International Large Cap Value Equity (SA+CF) Median			7.03		8.35		4.11		8.35		1.51		-		-		3.58		
Acadian Emerging Mkts Equity II Fund	88,840,625	5.56	9.79	25	16.40	58	17.04	33	16.40	58	-		-		-		-0.42	59	Jan-2014
MSCI Emerging Markets (Net)			9.03		16.78		16.02		16.78		-		-		-		-1.27		
Excess Return			0.76		-0.38		1.02		-0.38		-		-		-		0.85		
IM Emerging Markets Equity (SA+CF) Median			8.63		17.15		15.46		17.15		-		-		-		0.05		
Fixed Income																			
NTGI Aggregate Bond Index	125,231,526	7.83	0.46	68	5.23	56	5.87	54	5.23	56	4.08	53	-		-		2.94	60	Feb-2013
Blmbg. Barc. U.S. Aggregate			0.46		5.19		5.80		5.19		4.03		-		-		2.94		
Excess Return			0.00		0.04		0.07		0.04		0.05		-		-		0.00		
IM U.S. Fixed Income (SA+CF) Median			0.89		5.66		6.17		5.66		4.19		-		-		3.28		

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees

September 30, 2016

	Performance(%) and Percentile Rank																	
	Asset \$	Asset %	3 Month		FYTD		CYTD		1 Year		3 Year		5 Year		10 Year		Since Inception	Inception Date
Fixed Income (continued)																		
Eaton Vance Instl Senior Loan Trust	41,168,899	2.57	2.89	49	5.67	53	7.82	30	5.67	53	3.47	90	-	-	3.55	89	Mar-2013	
S&P/LSTA Leverage Loan Index			3.07		5.46		7.72		5.46		3.39		-	-	3.47			
Excess Return			-0.18		0.21		0.10		0.21		0.08		-	-	0.08			
IM U.S. Bank Loans (SA+CF) Median			2.88		5.73		7.22		5.73		3.93		-	-	4.02			
Thompson Siegel Fixed	163,653,845	10.23	1.25	8	6.14	28	6.52	31	6.14	28	4.34	49	4.14	22	5.40	36	Aug-1991	
Thompson Policy Index			0.46		5.19		5.80		5.19		4.03		3.08		4.71	6.15		
Excess Return			0.79		0.95		0.72		0.95		0.31		1.06		0.69	0.23		
IM U.S. Broad Market Core Fixed Income (SA+CF) Median			0.68		5.62		6.13		5.62		4.31		3.66		5.22	6.49		
Real Estate																		
JP Morgan	144,301,596	9.02	2.06	50	9.67	78	6.09	89	9.67	78	12.09	73	12.71	53	6.74	20	Apr-2005	
NCREIF Fund Index - ODCE [M]			2.07		10.09		6.52		10.09		12.45		12.40		6.02	7.63		
Excess Return			-0.01		-0.42		-0.43		-0.42		-0.36		0.31		0.72	0.66		
IM U.S. Private Real Estate (SA+CF) Median			2.06		10.89		6.91		10.89		12.83		12.79		5.96	7.73		
Principal Global Investments	45,283,926	2.83	2.30	31	10.35	66	7.09	43	10.35	66	13.06	43	-	-	13.42	52	Apr-2013	
NCREIF Fund Index - ODCE [M]			2.07		10.09		6.52		10.09		12.45		-	-	12.91			
Excess Return			0.23		0.26		0.57		0.26		0.61		-	-	0.51			
IM U.S. Open End Private Real Estate (SA+CF) Median			2.06		10.89		6.91		10.89		12.83		-	-	13.50			
MLPs/Energy																		
Harvest MLP	51,449,602	3.22	4.39	52	13.44	45	17.93	70	13.44	45	1.41	38	11.26	39	-	10.28	Mar-2011	
S&P MLP Index			2.92		10.12		18.03		10.12		-4.38		5.51		-	3.38		
Excess Return			1.47		3.32		-0.10		3.32		5.79		5.75		-	6.90		
Master Limited Partnerships (SA+CF) Median			4.45		13.01		20.32		13.01		0.03		8.94		-	6.56		
Tortoise MLP	50,127,131	3.13	2.57	76	15.68	21	13.04	83	15.68	21	1.50	37	10.91	41	-	9.53	Mar-2011	
S&P MLP Index			2.92		10.12		18.03		10.12		-4.38		5.51		-	3.38		
Excess Return			-0.35		5.56		-4.99		5.56		5.88		5.40		-	6.15		
Master Limited Partnerships (SA+CF) Median			4.45		13.01		20.32		13.01		0.03		8.94		-	6.56		
Cash	1,754,355	0.11	0.12		0.27		0.22		0.27		0.70		0.70		3.42	8.52	Dec-1998	

City of Jacksonville Police & Fire Pension Fund

Asset Allocation

September 30, 2016

	Equity		Fixed Income		Illiquid Asset		Cash & Cash Equivalents		Total Fund	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
Total Fund Composite	952,283,235	59.55	327,570,192	20.48	289,337,941	18.09	30,034,757	1.88	1,599,226,126	100.00
US Equity	618,554,966	96.27	-	-	-	-	23,970,681	3.73	642,525,647	40.18
NT S&P 500 Index Fund	165,658,377	100.00	-	-	-	-	1,233	0.00	165,659,609	10.36
Eagle Capital Management	157,075,186	90.46	-	-	-	-	16,562,573	9.54	173,637,760	10.86
Brown Investment Advisory	82,098,076	95.94	-	-	-	-	3,470,393	4.06	85,568,469	5.35
Sawgrass Asset Management	83,984,325	96.04	-	-	-	-	3,462,464	3.96	87,446,789	5.47
Pinnacle	65,548,139	99.28	-	-	-	-	474,018	0.72	66,022,157	4.13
Wedge Capital Mgmt	64,190,864	100.00	-	-	-	-	-	-	64,190,864	4.01
International Equity	333,728,269	100.00	-	-	-	-	1,329	0.00	333,729,597	20.87
NT EAFE Index Fund	82,790,319	100.00	-	-	-	-	1,329	0.00	82,791,648	5.18
Baillie Gifford	97,966,173	100.00	-	-	-	-	-	0.00	97,966,173	6.13
Silchester	64,131,151	100.00	-	-	-	-	-	-	64,131,151	4.01
Acadian Emerging Mkts Equity II Fund	88,840,625	100.00	-	-	-	-	-	-	88,840,625	5.56
Fixed Income	-	-	327,570,192	99.25	-	-	2,484,078	0.75	330,054,270	20.64
NTGI Aggregate Bond Index	-	-	125,230,036	100.00	-	-	1,491	0.00	125,231,526	7.83
Eaton Vance Instl Senior Loan Trust	-	-	41,148,793	99.95	-	-	20,106	0.05	41,168,899	2.57
Thompson Siegel Fixed	-	-	161,191,364	98.50	-	-	2,462,481	1.50	163,653,845	10.23
Real Estate	-	-	-	-	189,585,522	100.00	-	-	189,585,522	11.85
JP Morgan	-	-	-	-	144,301,596	100.00	-	-	144,301,596	9.02
Principal Global Investments	-	-	-	-	45,283,926	100.00	-	-	45,283,926	2.83
MLPs/Energy	-	-	-	-	99,752,419	98.20	1,824,314	1.80	101,576,733	6.35
Harvest MLP	-	-	-	-	50,695,798	98.53	753,804	1.47	51,449,602	3.22
Tortoise MLP	-	-	-	-	49,056,621	97.86	1,070,510	2.14	50,127,131	3.13
Cash	-	-	-	-	-	-	1,754,355	100.00	1,754,355	0.11

City of Jacksonville Police & Fire Pension Fund

Fee Schedule

1 Quarter Ending September 30, 2016

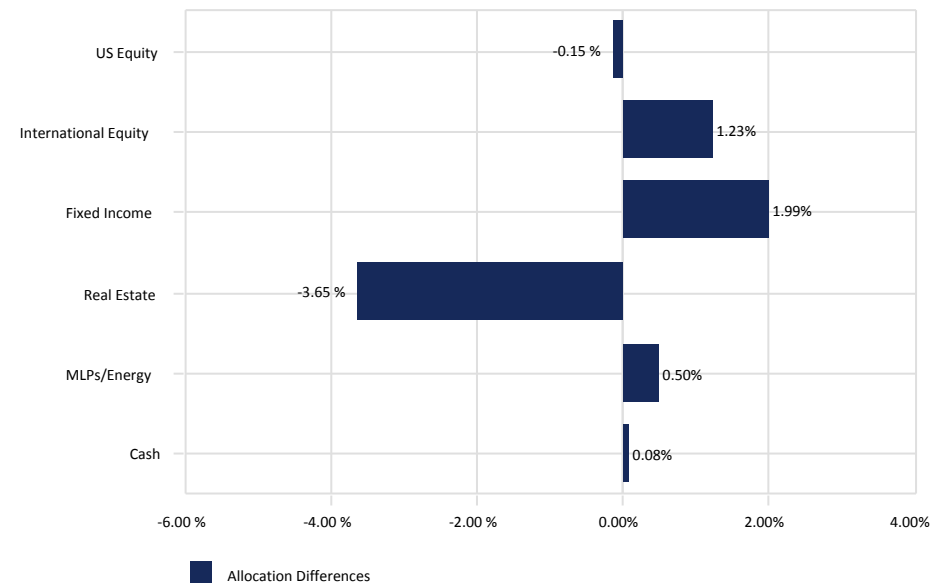
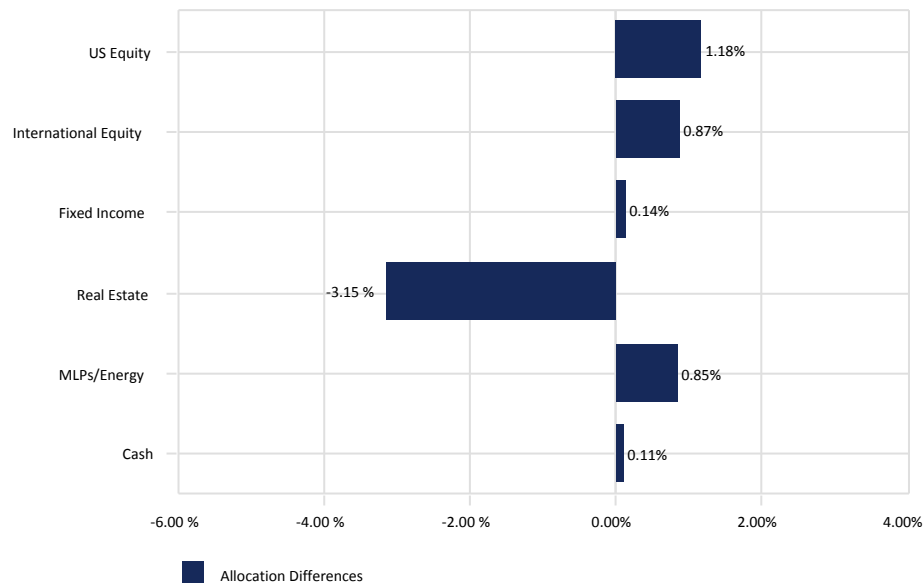
	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Market Value As of 09/30/2016	Return On Investment
NT S&P 500 Index Fund	86,222,860	76,081,746	-	-	-	-	165,659,609	3,355,003
Eagle Capital Management	103,489,561	63,980,919	-	-	-195,073	-3,840	173,637,760	6,366,192
Brown Investment Advisory	73,004,734	9,920,782	-	-	-73,620	-1,356	85,568,469	2,717,929
Sawgrass Asset Management	108,149,858	-21,478,253	-	-	-53,927	-1,545	87,446,789	830,656
Pinnacle	88,391,834	-29,835,257	-	-	-164,743	-779	66,022,157	7,631,102
Wedge Capital Mgmt	-	64,695,586	-	-	-	-	64,190,864	-504,722
NT EAFE Index Fund	118,487,732	-43,300,000	-	-	-	-	82,791,648	7,603,915
Baillie Gifford	87,878,482	-	-	-	-	-	97,966,173	10,087,691
Silchester	60,188,677	-	-	-	-122,136	-	64,131,151	4,064,610
Acadian Emerging Mkts Equity II Fund	80,915,365	233,391	-	-	-233,391	-	88,840,625	7,925,260
NTGI Aggregate Bond Index	166,589,541	-42,200,000	-	-	-	-	125,231,526	841,986
Eaton Vance Instl Senior Loan Trust	40,012,678	-	-	-	-	-6	41,168,899	1,156,228
Thompson Siegel Fixed	161,627,113	69,985	-	-	-69,985	-603	163,653,845	2,027,335
JP Morgan	141,384,164	665,022	-	-	-665,022	-	144,301,596	2,917,432
Principal Global Investments	44,356,291	-	-	-	-90,135	-	45,283,926	1,017,770
Harvest MLP	49,287,201	88,658	-	-	-88,658	-506	51,449,602	2,162,907
Tortoise MLP	48,869,271	91,629	-	-	-91,629	-312	50,127,131	1,258,173
Cash	1,388,981	105,566,904	-	-104,500,000	-	-711,008	1,754,355	9,478

Total Fund

City of Jacksonville Police & Fire Pension Fund

Asset Allocation vs. Target Allocation

September 30, 2016



September 30, 2016

	<u>Market Value</u> <u>(\$)</u>	<u>Allocation</u> <u>(%)</u>	<u>Target</u> <u>(%)</u>
US Equity	642,525,647	40.18	39.00
International Equity	333,729,597	20.87	20.00
Fixed Income	330,054,270	20.64	20.50
Real Estate	189,585,522	11.85	15.00
MLPs/Energy	101,576,733	6.35	5.50
Cash	1,754,355	0.11	0.00
Total Fund	1,599,226,126	100.00	100.00

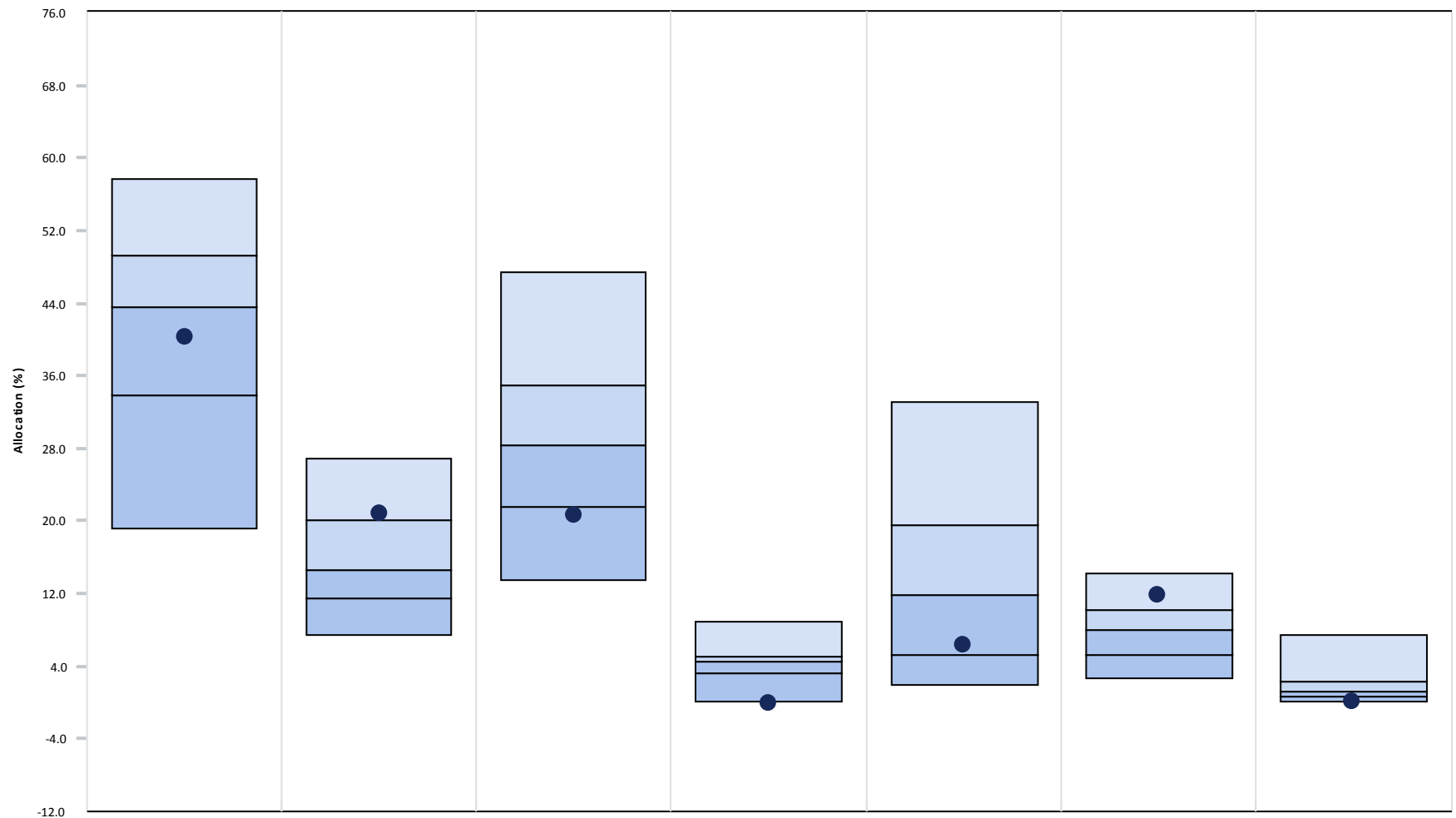
June 30, 2016

	<u>Market Value</u> <u>(\$)</u>	<u>Allocation</u> <u>(%)</u>	<u>Target</u> <u>(%)</u>
US Equity	636,040,652	38.85	39.00
International Equity	347,470,257	21.23	20.00
Fixed Income	368,229,746	22.49	20.50
Real Estate	185,740,455	11.35	15.00
MLPs/Energy	98,156,472	6.00	5.50
Cash	1,388,981	0.08	0.00
Total Fund	1,637,026,562	100.00	100.00

City of Jacksonville Police & Fire Pension Fund

All Public Plans-Total Fund

September 30, 2016



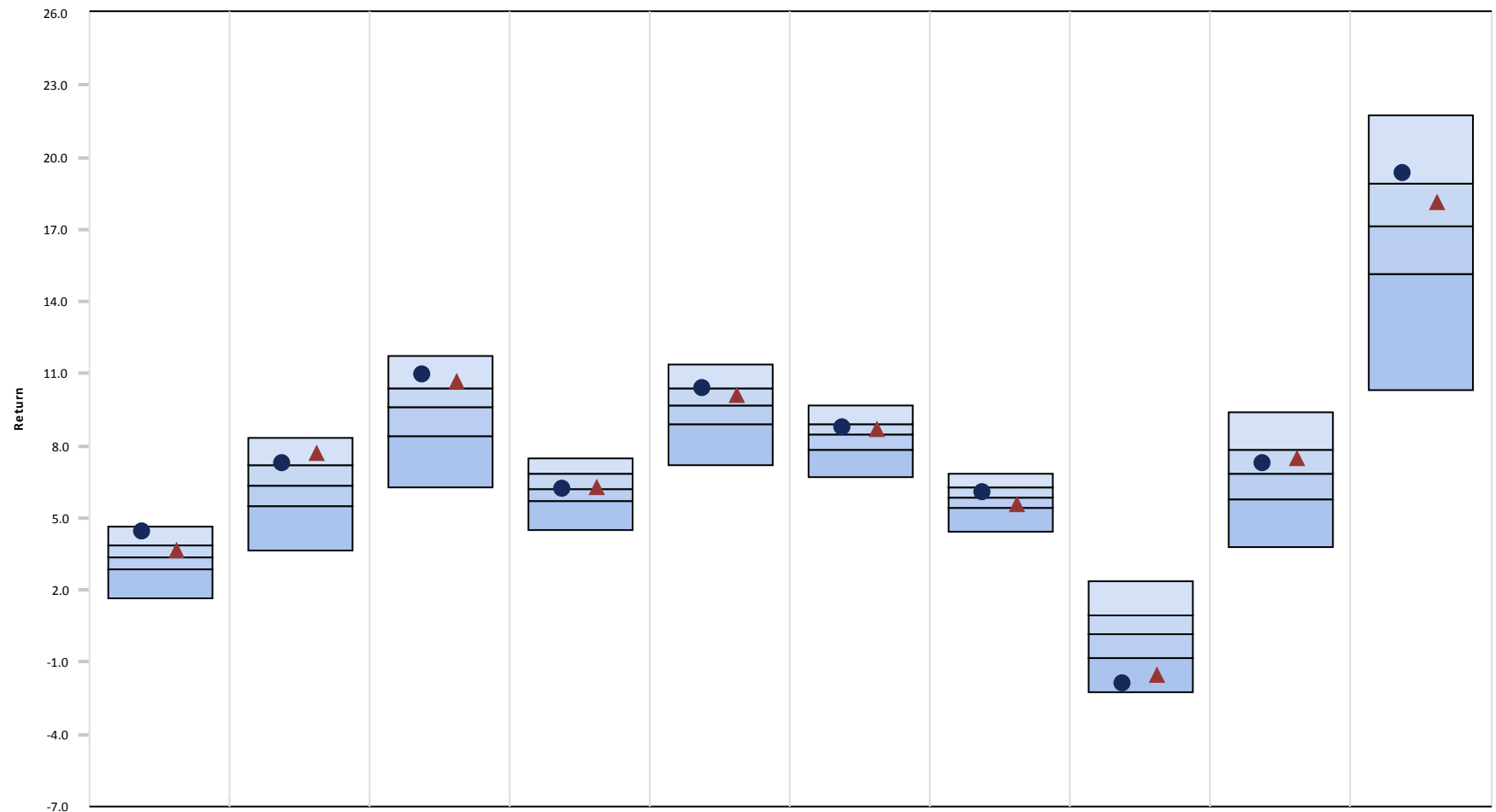
	<u>US Equity</u>	<u>Intl. Equity</u>	<u>US Fixed Income</u>	<u>Intl. Fixed Income</u>	<u>Alternative Inv.</u>	<u>Real Estate</u>	<u>Cash</u>
● Total Fund Composite	40.18 (62)	20.87 (22)	20.64 (79)	0.00	6.35 (68)	11.85 (13)	0.11 (94)
5th Percentile	57.64	26.88	47.40	8.87	33.05	14.15	7.35
1st Quartile	49.22	20.03	34.91	4.98	19.45	10.12	2.36
Median	43.51	14.57	28.37	4.47	11.78	8.05	1.24
3rd Quartile	33.82	11.45	21.49	3.27	5.28	5.31	0.69
95th Percentile	19.13	7.43	13.53	0.18	2.00	2.66	0.06

Parentheses contain percentile rankings.

City of Jacksonville Police & Fire Pension Fund

All Public Plans-Total Fund

September 30, 2016



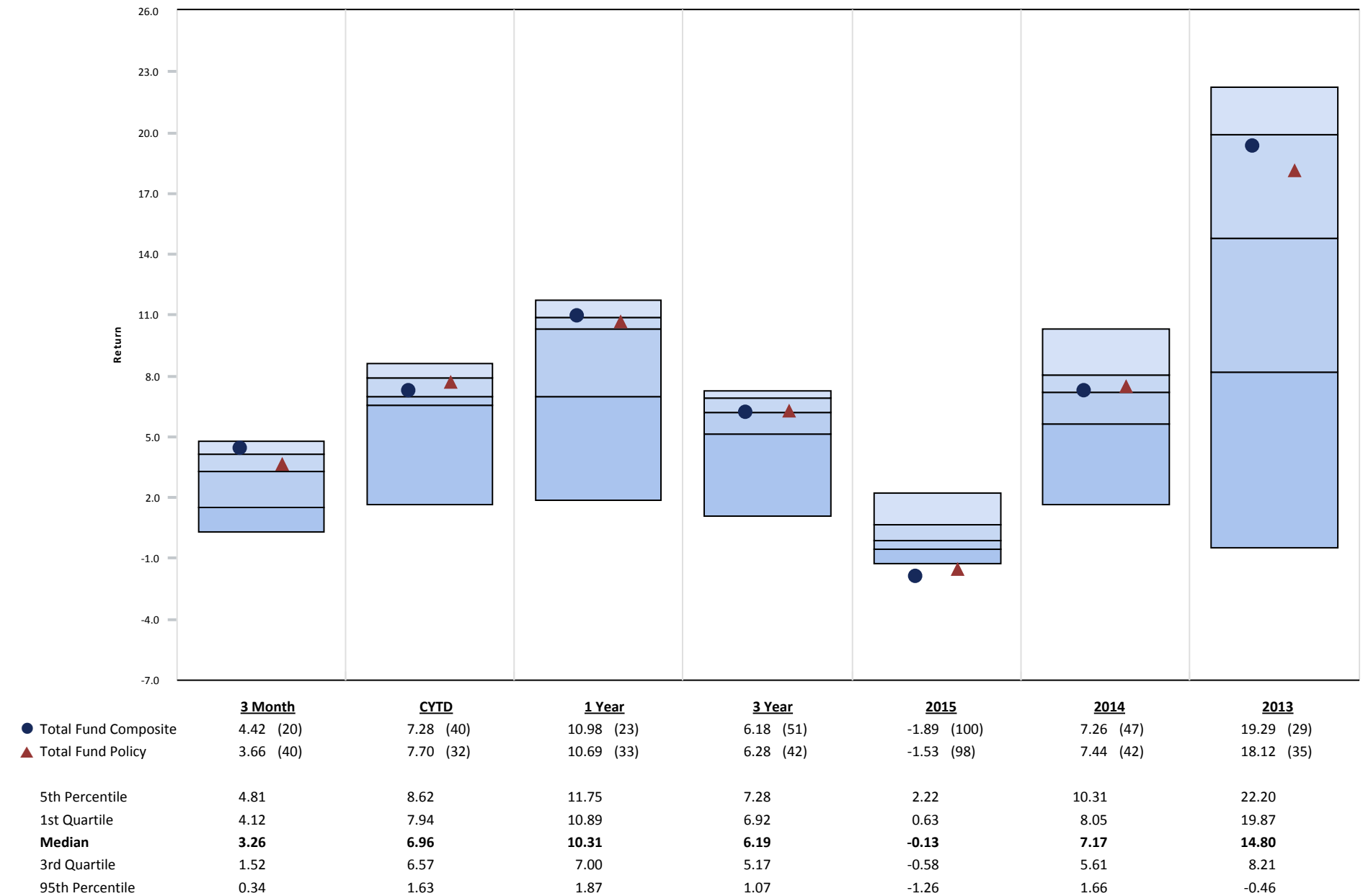
	<u>3 Month</u>	<u>CYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
● Total Fund Composite	4.42 (7)	7.28 (22)	10.98 (13)	6.18 (53)	10.41 (24)	8.79 (30)	6.05 (41)	-1.89 (92)	7.26 (38)	19.29 (21)
▲ Total Fund Policy	3.66 (37)	7.70 (15)	10.69 (19)	6.28 (48)	10.10 (38)	8.69 (35)	5.55 (72)	-1.53 (88)	7.44 (33)	18.12 (38)
5th Percentile	4.61	8.31	11.76	7.50	11.35	9.67	6.85	2.38	9.41	21.77
1st Quartile	3.87	7.17	10.37	6.83	10.38	8.86	6.29	0.96	7.82	18.91
Median	3.38	6.37	9.61	6.21	9.70	8.44	5.87	0.15	6.82	17.14
3rd Quartile	2.89	5.50	8.43	5.70	8.91	7.84	5.44	-0.79	5.81	15.14
95th Percentile	1.69	3.61	6.25	4.47	7.17	6.71	4.43	-2.27	3.76	10.32

Parentheses contain percentile rankings.

City of Jacksonville Police & Fire Pension Fund

Public Plans \$500 M to \$2 B excluding Alternatives except Real Estate

September 30, 2016

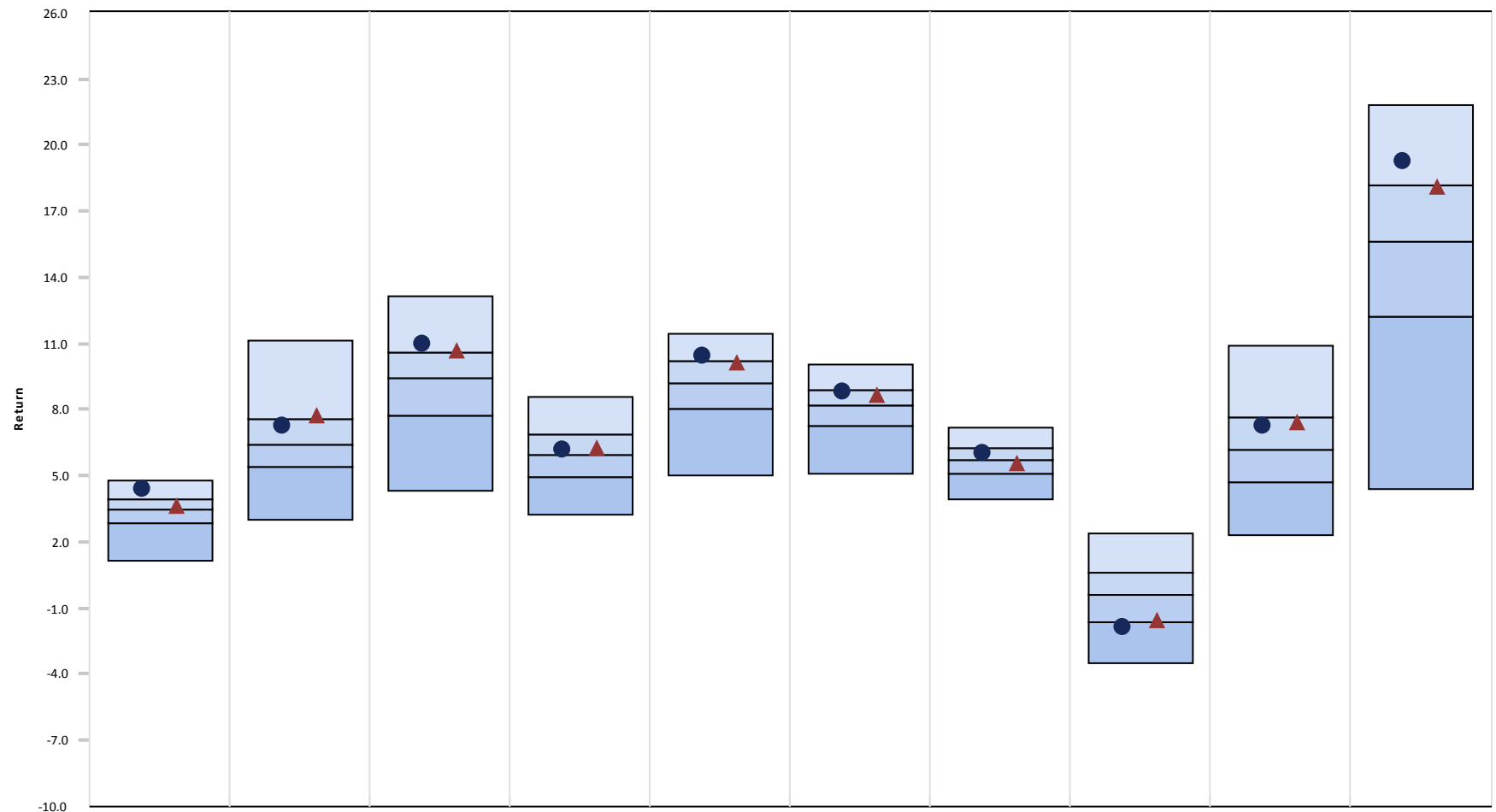


Parentheses contain percentile rankings.

City of Jacksonville Police & Fire Pension Fund

All Master Trust - Total Fund

September 30, 2016



	<u>3 Month</u>	<u>CYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
● Total Fund Composite	4.42 (11)	7.28 (30)	10.98 (21)	6.18 (43)	10.41 (20)	8.79 (28)	6.05 (35)	-1.89 (79)	7.26 (30)	19.29 (17)
▲ Total Fund Policy	3.66 (39)	7.70 (24)	10.69 (25)	6.28 (40)	10.10 (28)	8.69 (32)	5.55 (57)	-1.53 (74)	7.44 (28)	18.12 (26)
5th Percentile	4.76	11.13	13.17	8.59	11.44	10.03	7.20	2.35	10.92	21.83
1st Quartile	3.96	7.58	10.63	6.88	10.19	8.86	6.26	0.62	7.63	18.18
Median	3.46	6.45	9.40	5.94	9.22	8.18	5.68	-0.41	6.15	15.65
3rd Quartile	2.82	5.43	7.75	4.96	8.04	7.30	5.08	-1.65	4.67	12.23
95th Percentile	1.17	3.01	4.36	3.24	5.01	5.09	3.94	-3.46	2.30	4.37

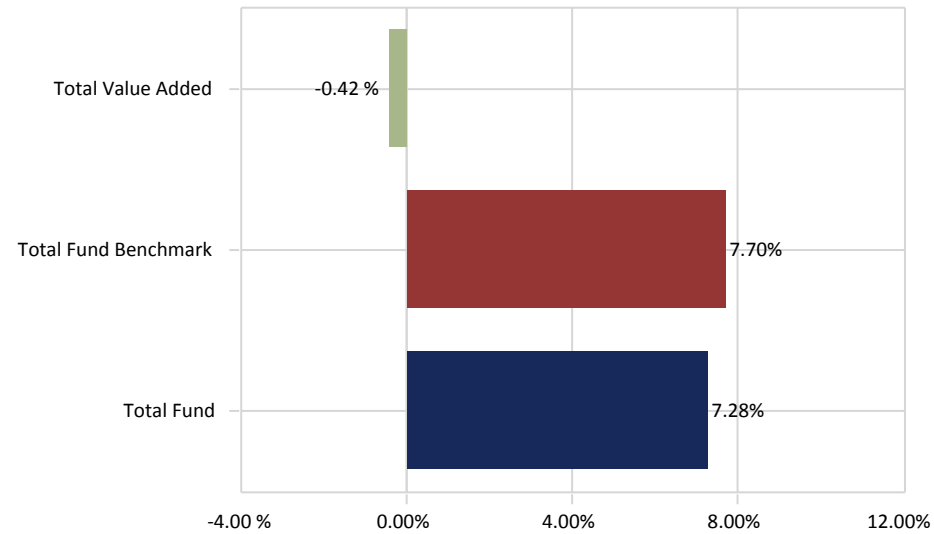
Parentheses contain percentile rankings.

City of Jacksonville Police & Fire Pension Fund

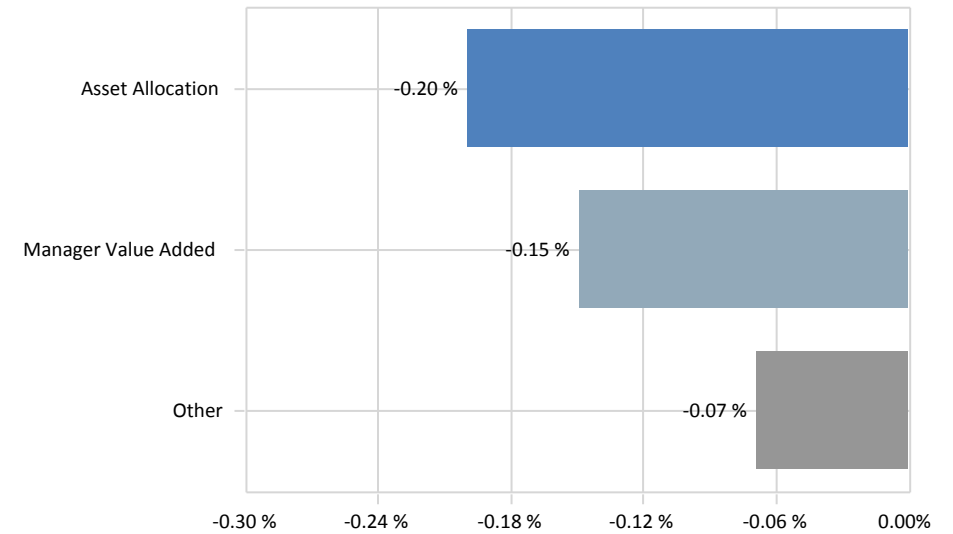
Total Fund Attribution

Year To Date Ending September 30, 2016

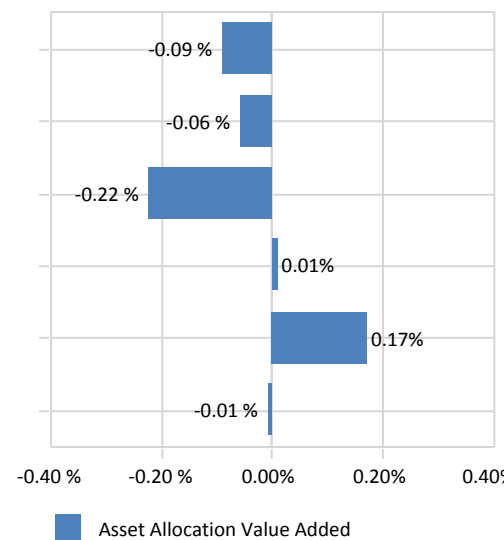
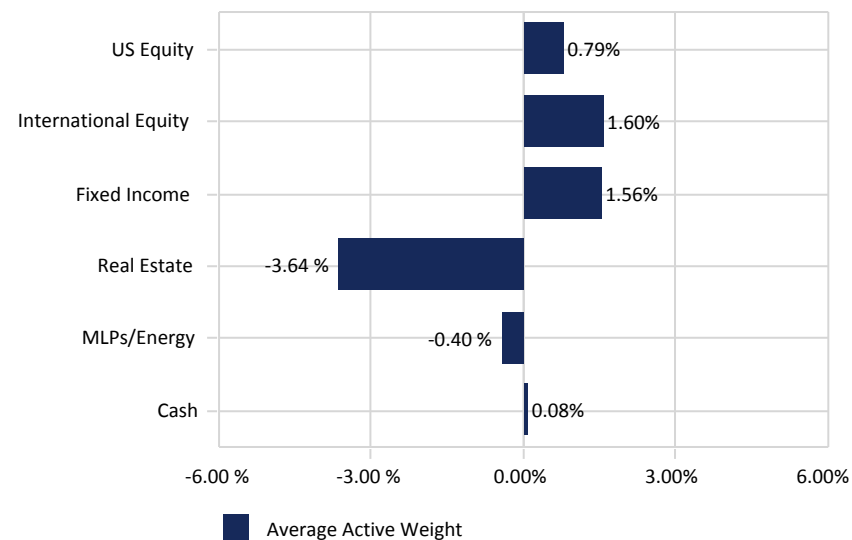
Total Fund Performance



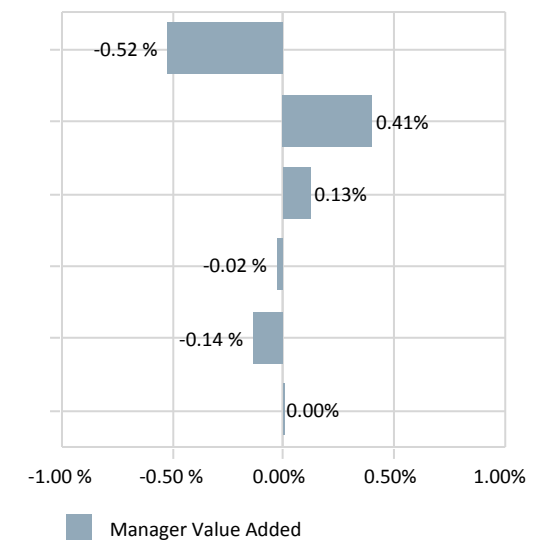
Total Value Added:-0.42 %



Total Asset Allocation:-0.20 %



Total Manager Value Added:-0.15 %

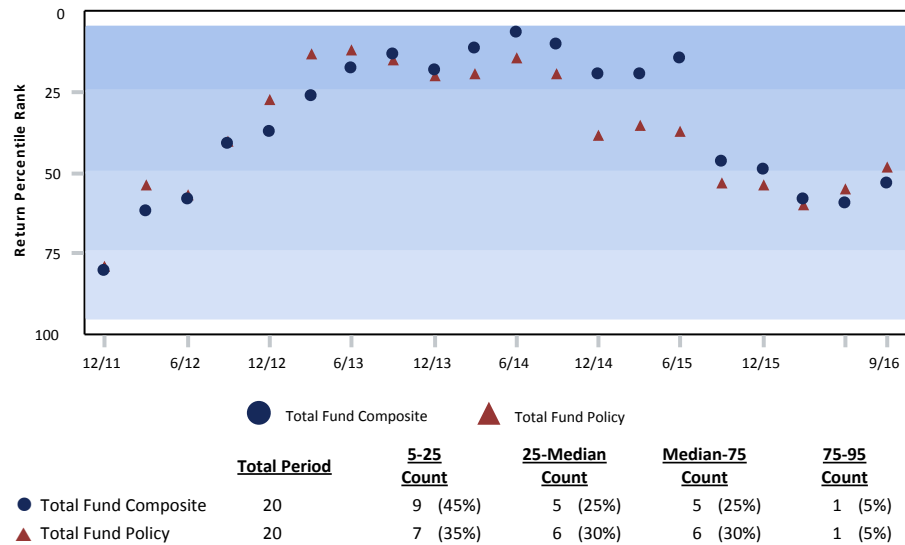


City of Jacksonville Police & Fire Pension Fund

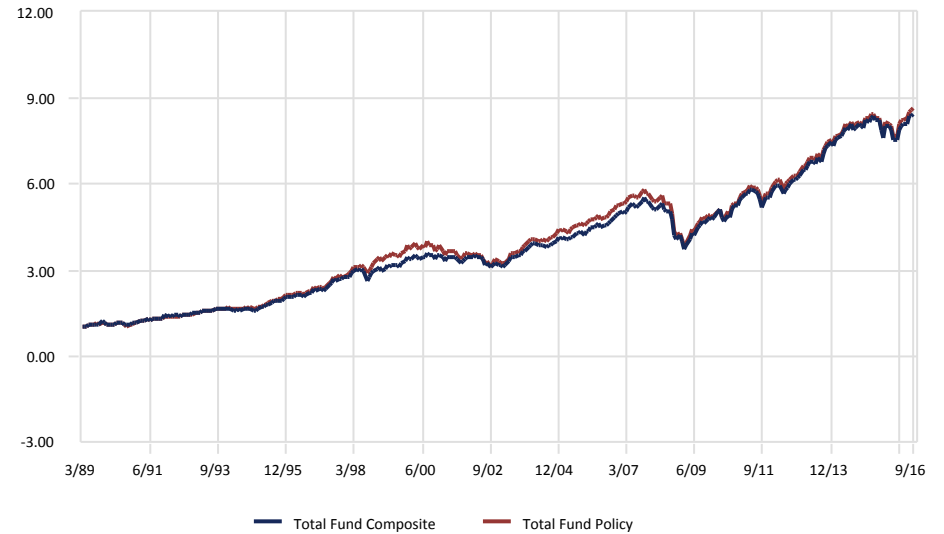
Total Fund Composite

September 30, 2016

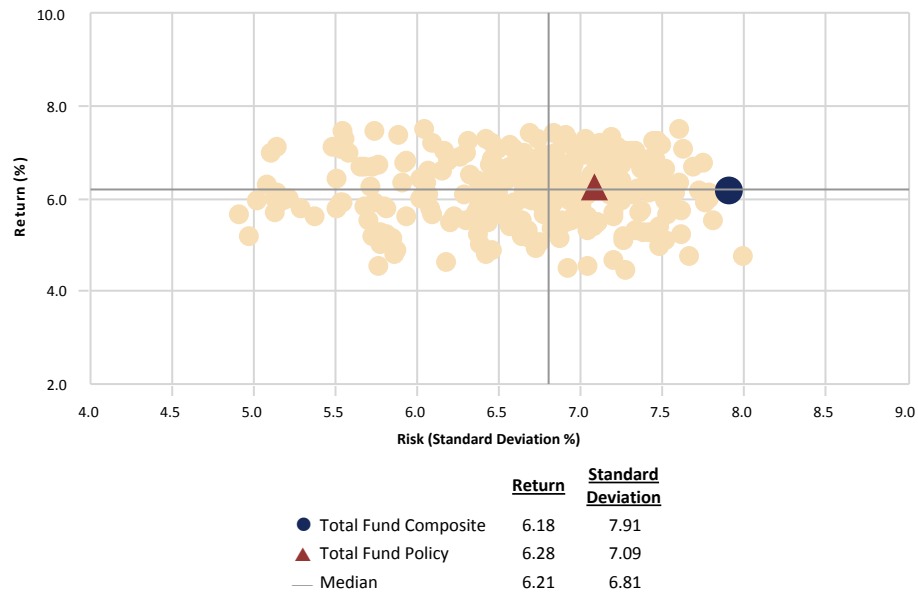
3 Year Rolling Return Rank



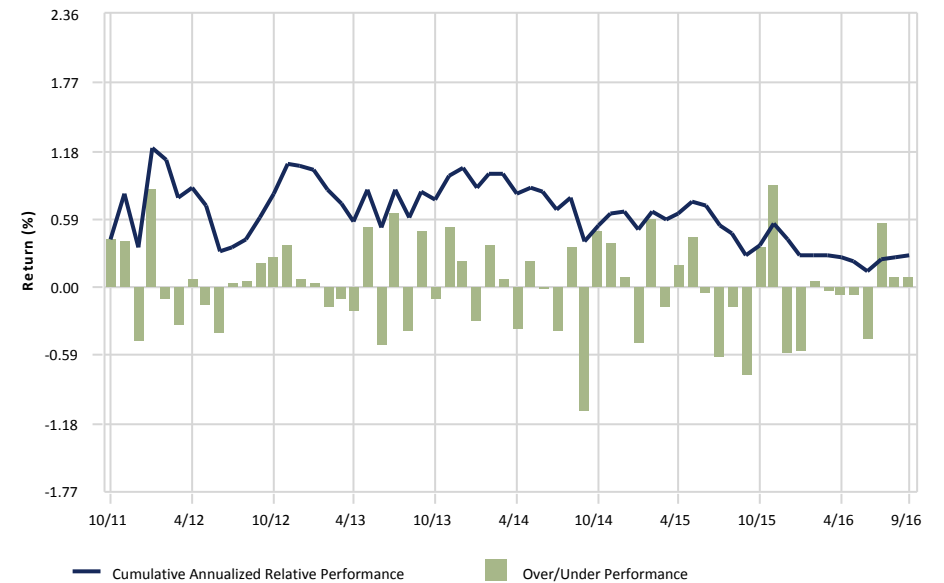
Growth of \$1 - Since Inception (04/01/89)



Risk vs. Return (10/01/13 - 09/30/16)



Relative Performance vs. Total Fund Policy

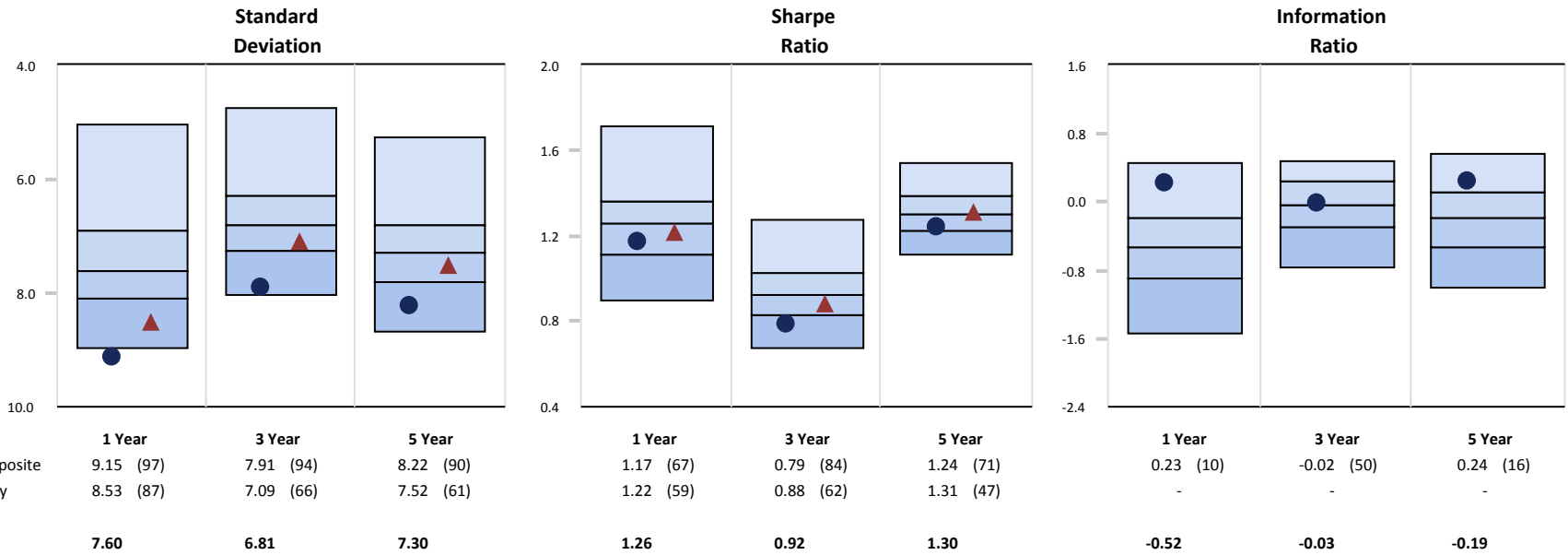


City of Jacksonville Police & Fire Pension Fund

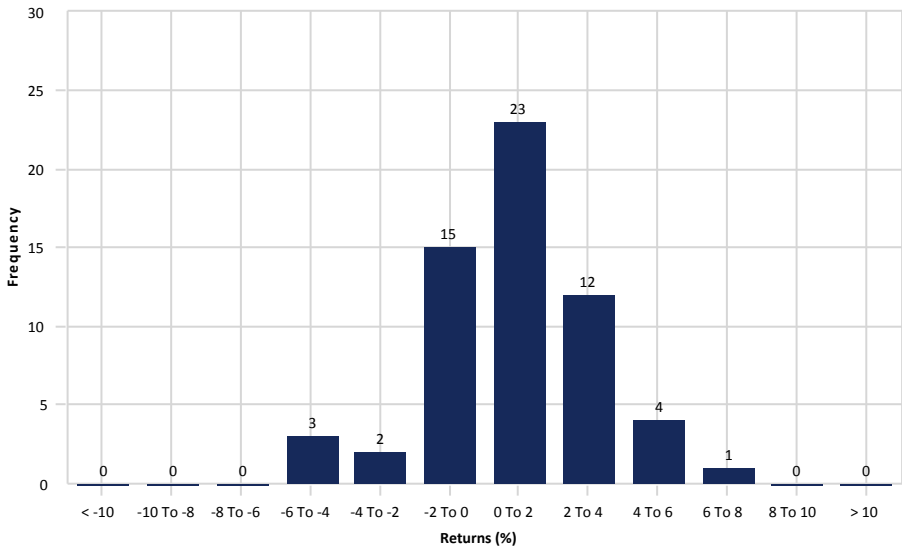
Total Fund Composite

September 30, 2016

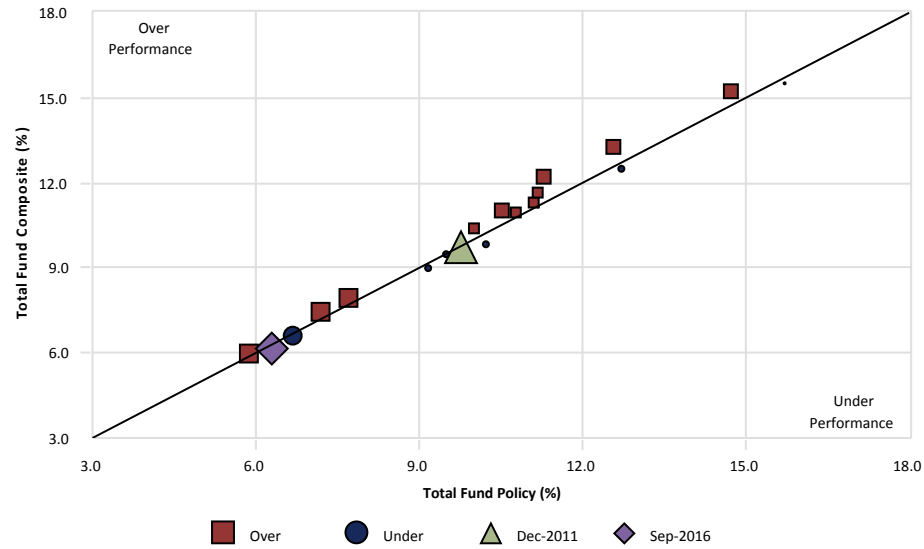
Peer Group Analysis: All Public Plans-Total Fund



Monthly Distribution of Returns



3 Year Rolling Under/Over Performance



US Equity

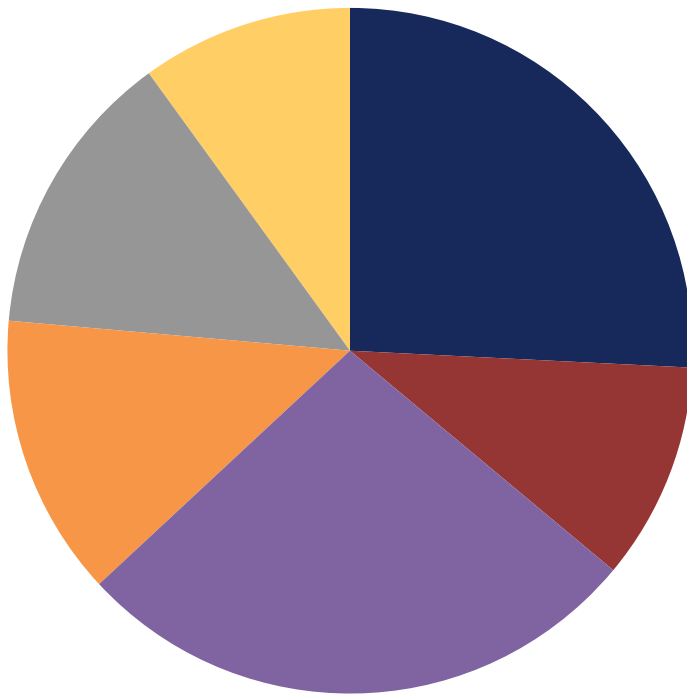
City of Jacksonville Police & Fire Pension Fund

US Equity vs. Russell 3000 Index

September 30, 2016

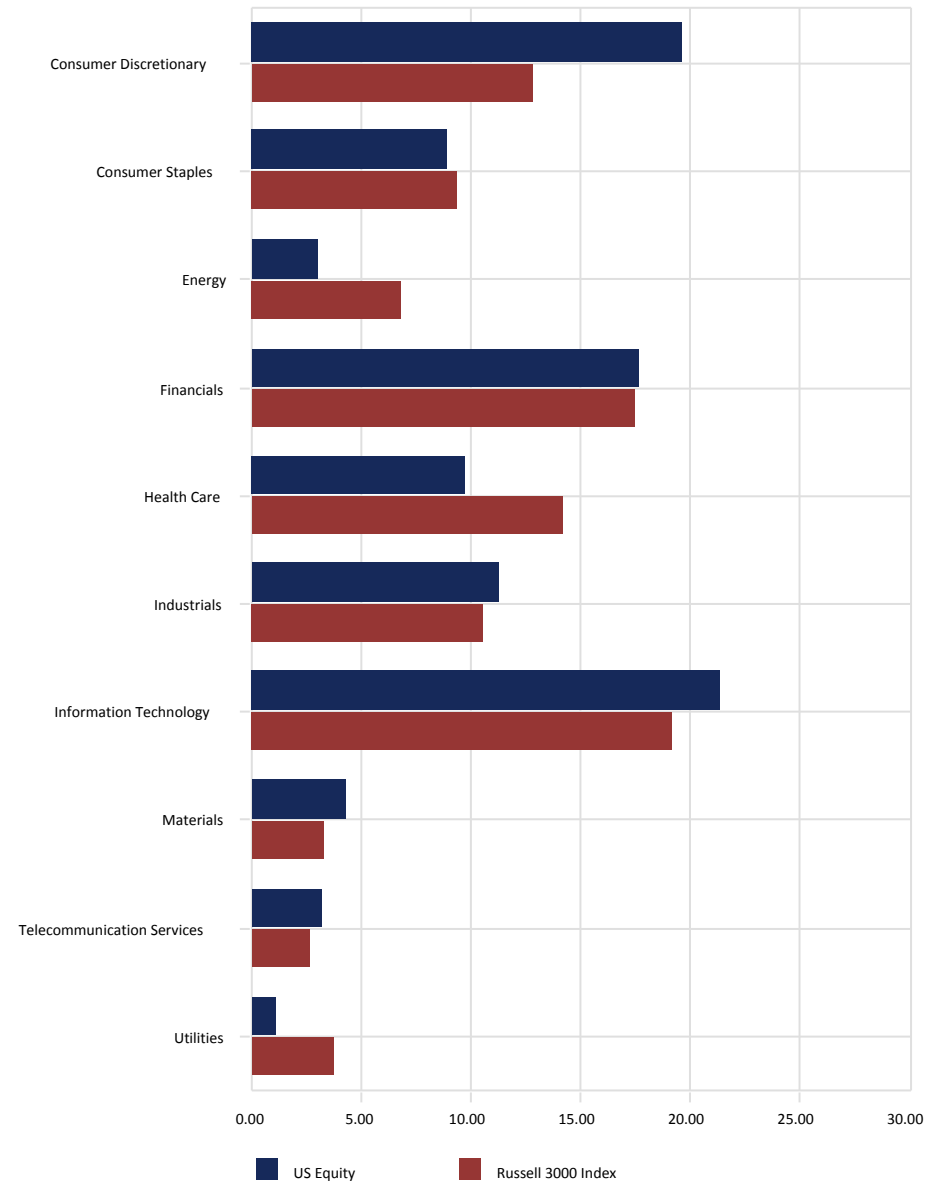
Manager Allocation

September 30, 2016 : \$642,525,647



	Market Value (\$)	Allocation (%)
NT S&P 500 Index Fund	165,659,609	25.78
Pinnacle	66,022,157	10.28
GAMCO	-	0.00
Eagle Capital Management	173,637,760	27.02
Brown Investment Advisory	85,568,469	13.32
Sawgrass Asset Management	87,446,789	13.61
Wedge Capital Mgmt	64,190,864	9.99

Sector Allocation - Holdings Based

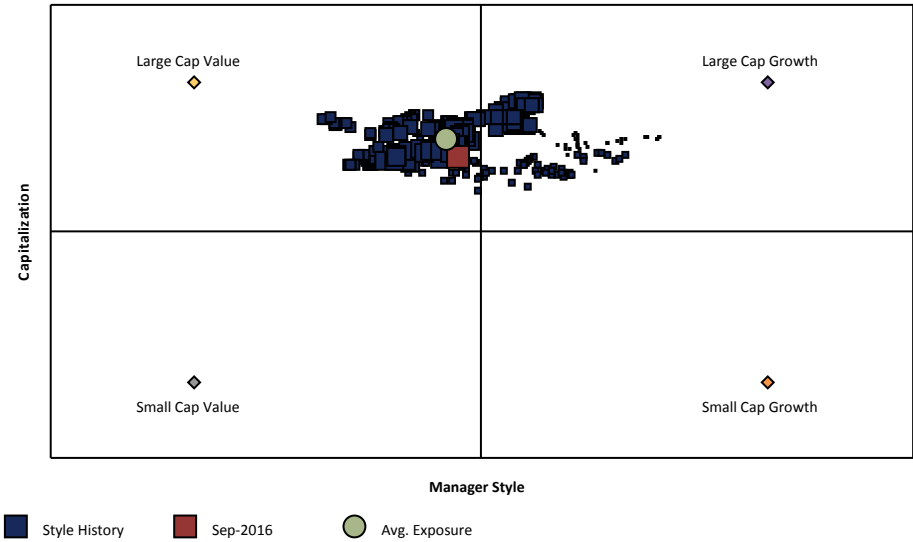


City of Jacksonville Police & Fire Pension Fund

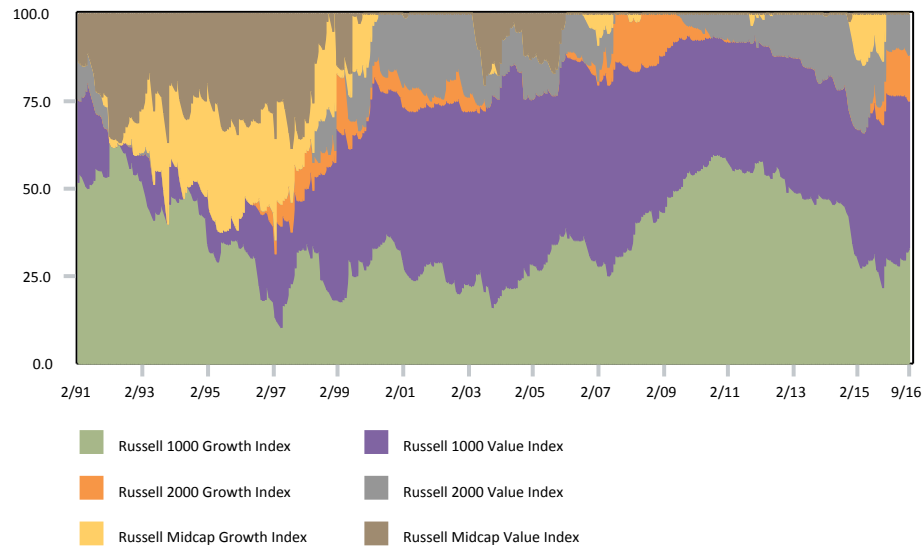
US Equity vs. Russell 3000 Index

September 30, 2016

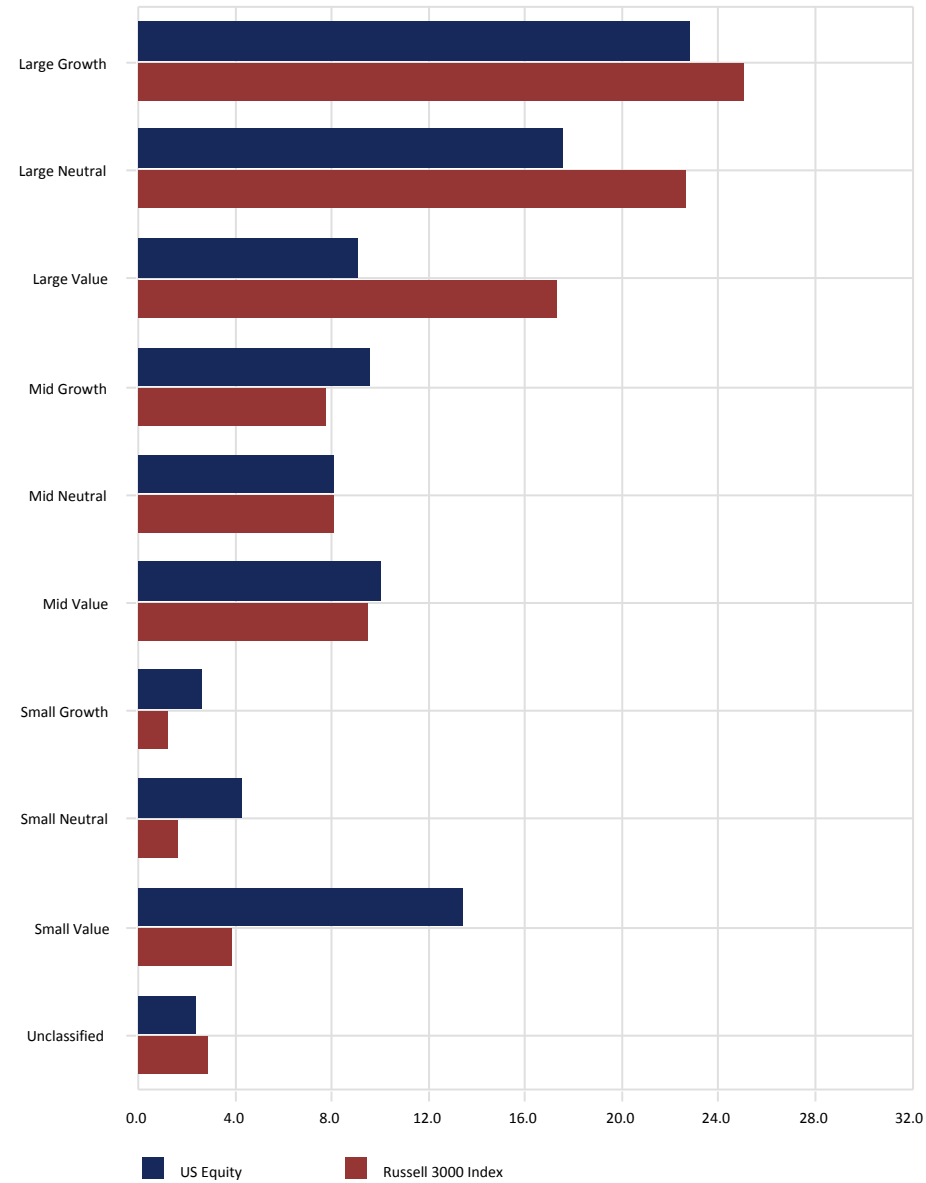
Style Analysis - Returns Based



3 Year Style Analysis



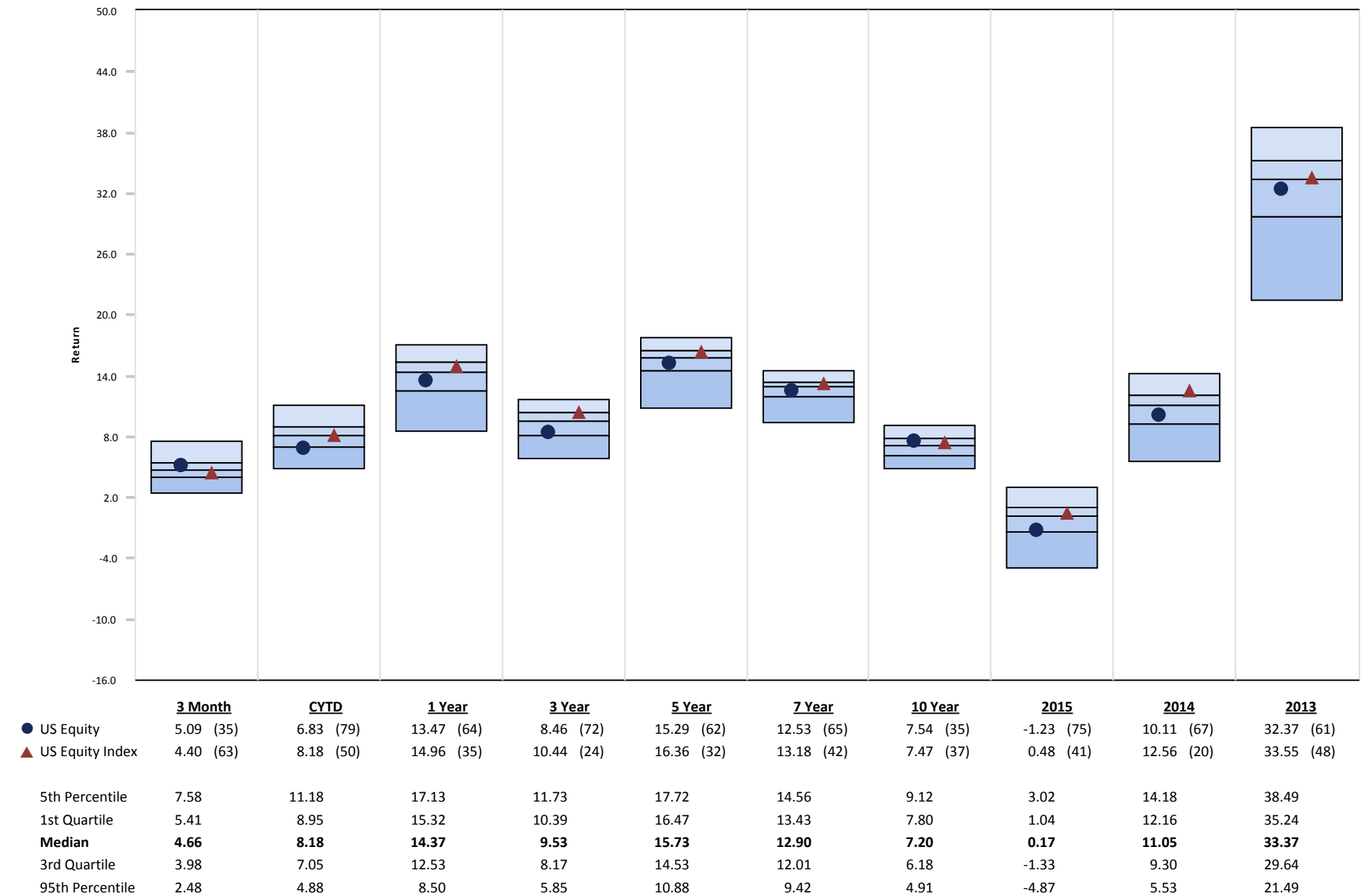
Style Allocation - Holdings Based



City of Jacksonville Police & Fire Pension Fund

All Master Trust-US Equity Segment

September 30, 2016



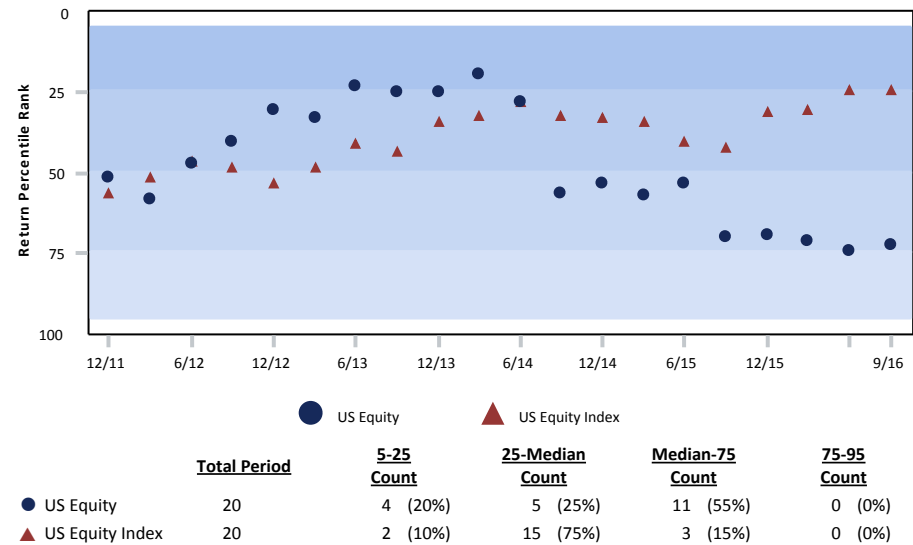
Parentheses contain percentile rankings.

City of Jacksonville Police & Fire Pension Fund

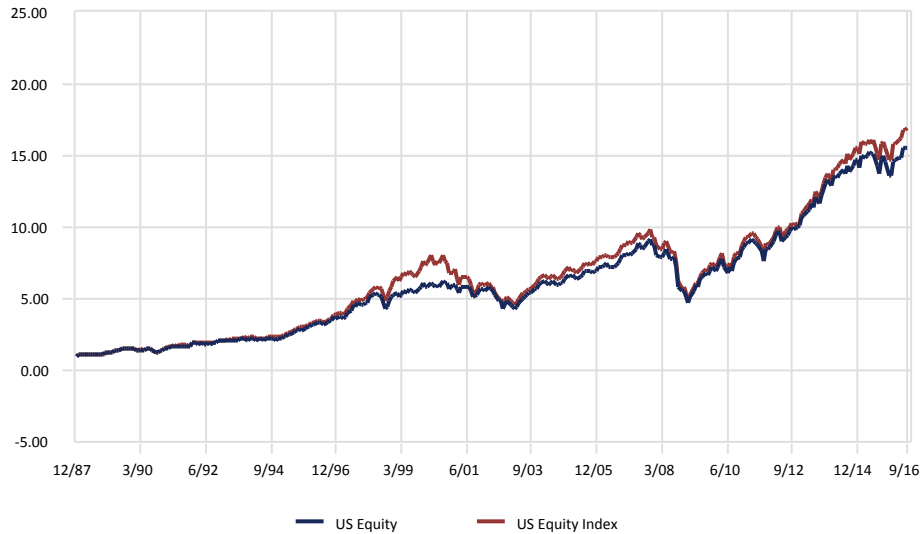
US Equity

September 30, 2016

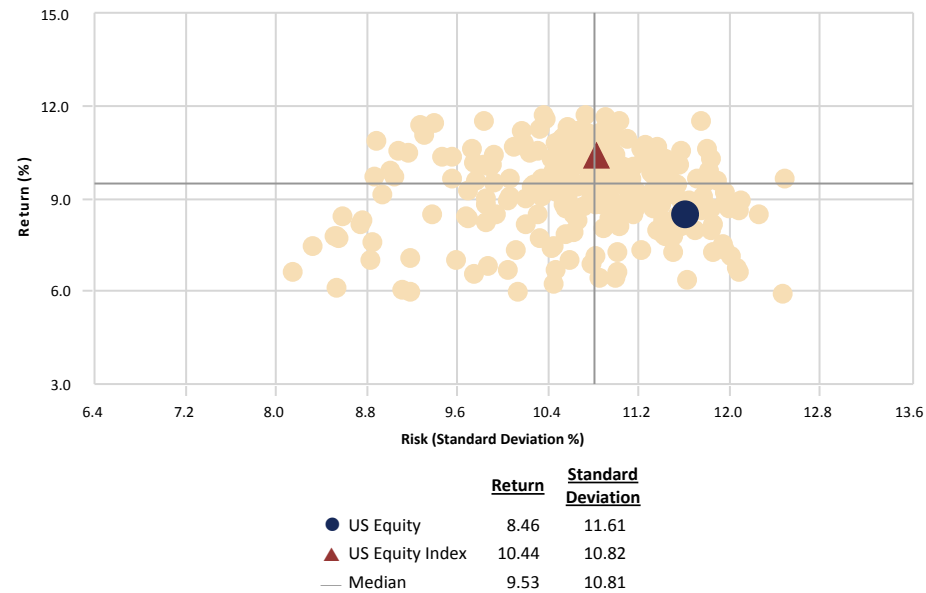
3 Year Rolling Return Rank



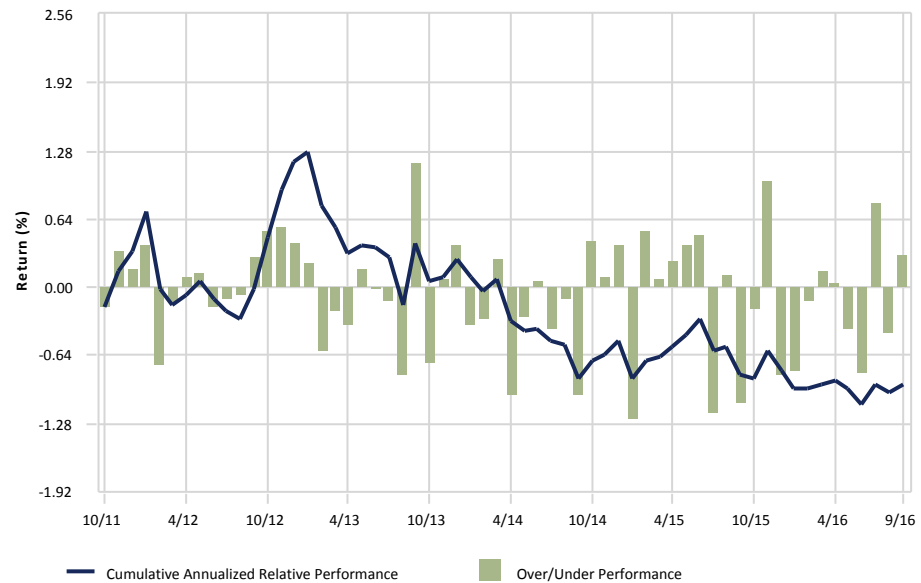
Growth of \$1 - Since Inception (01/01/88)



Risk vs. Return (10/01/13 - 09/30/16)



Relative Performance vs. US Equity Index

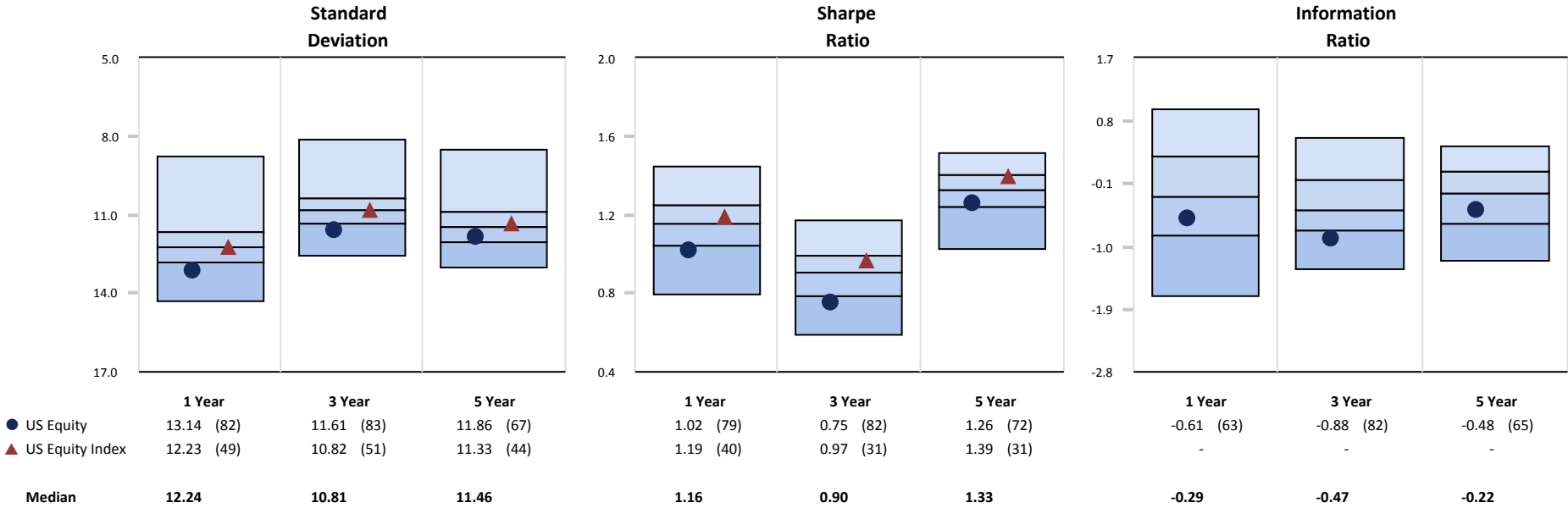


City of Jacksonville Police & Fire Pension Fund

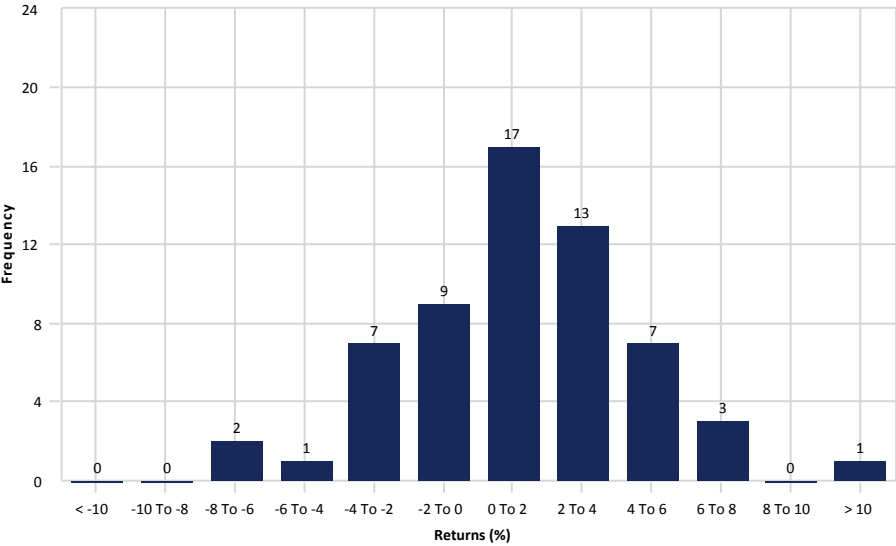
US Equity

September 30, 2016

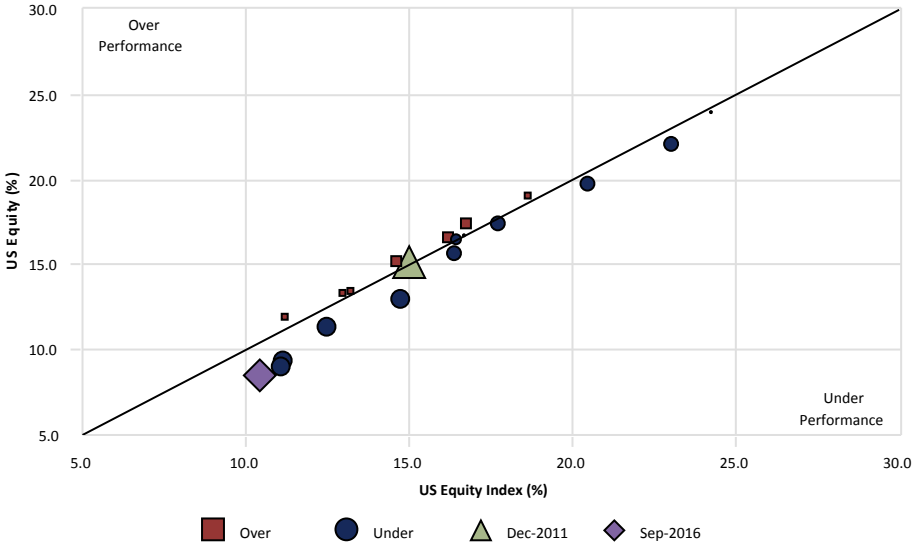
Peer Group Analysis: All Master Trust-US Equity Segment



Monthly Distribution of Returns



3 Year Rolling Under/Over Performance

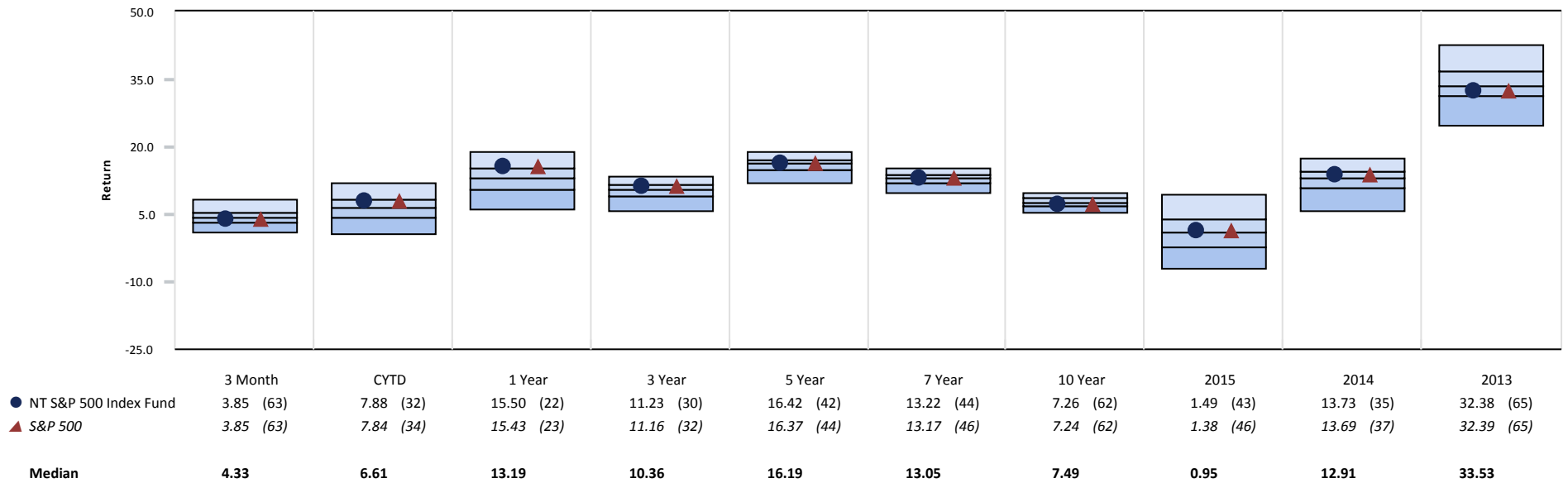


City of Jacksonville Police & Fire Pension Fund

NT S&P 500 Index Fund

September 30, 2016

Peer Group Analysis - IM U.S. Large Cap Equity (SA+CF)

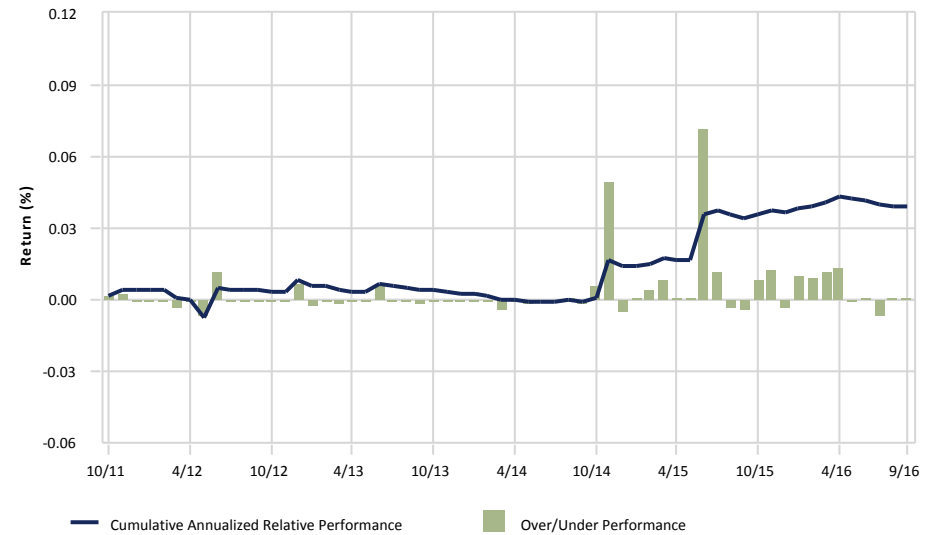


Growth of \$1 - Since Inception (01/01/99)



gross of fees

Relative Performance vs. S&P 500



City of Jacksonville Police & Fire Pension Fund

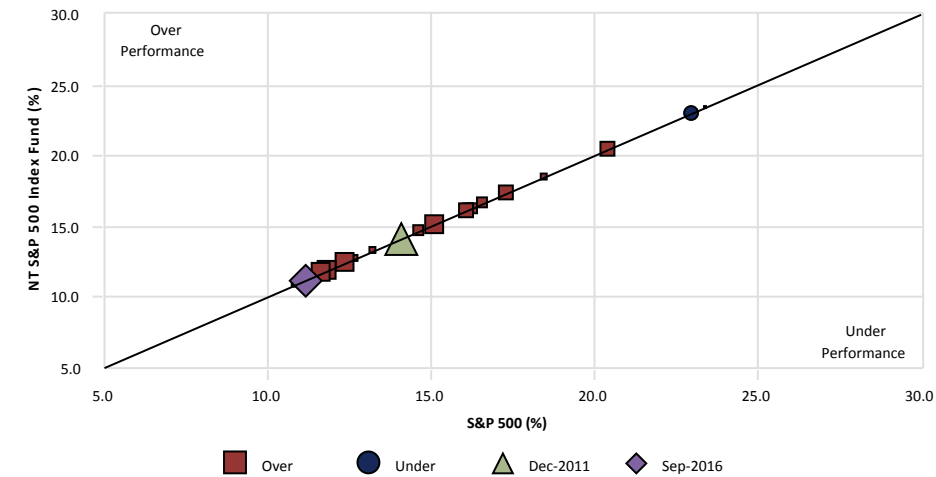
NT S&P 500 Index Fund

September 30, 2016

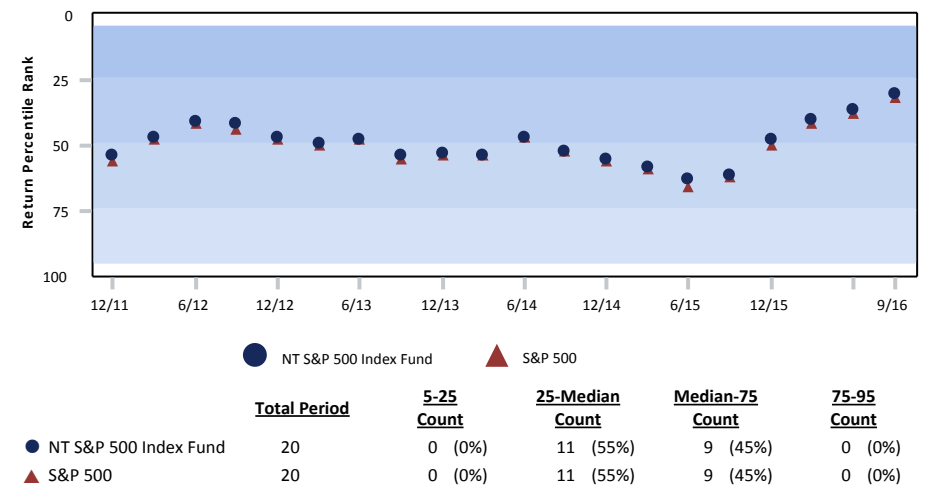
3 Year Portfolio Statistics

	Simple Alpha	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Sharpe Ratio	Consistency	Up Capture	Down Capture	Actual Correlation
NT S&P 500 Index Fund	0.07	0.06	1.00	1.00	0.05	1.24	1.05	55.56	100.18	99.72	1.00
S&P 500	0.00	0.00	1.00	1.00	0.00	-	1.04	0.00	100.00	100.00	1.00
90 Day US Treasury Bill	-11.08	0.09	0.00	0.00	10.68	-1.04	-	36.11	0.26	-0.35	-0.07

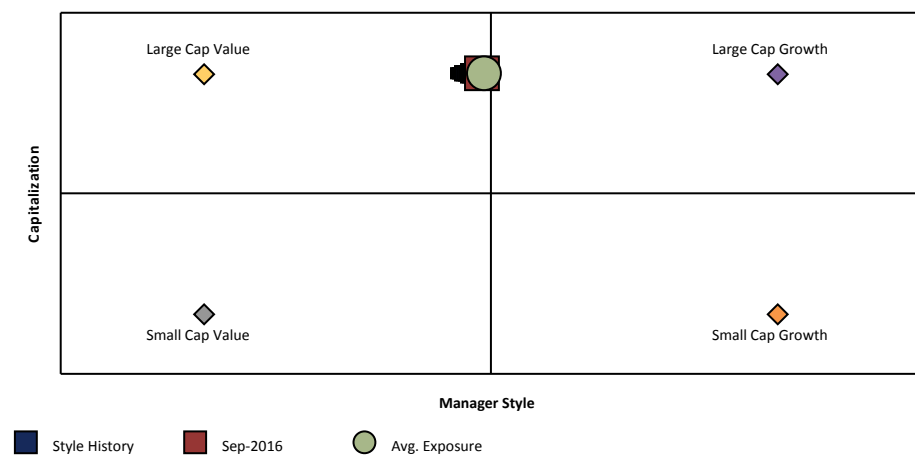
3 Year Rolling Under/Over Performance



3 Year Rolling Relative Ranking

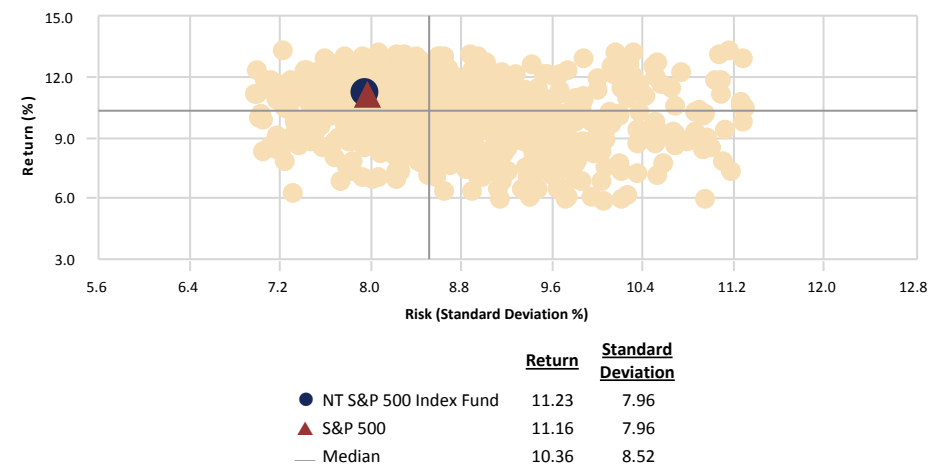


3 Year Style Analysis



gross of fees

Risk vs. Return (10/01/13 - 09/30/16)



City of Jacksonville Police & Fire Pension Fund

NT S&P 500 Index Fund vs. S&P 500

September 30, 2016

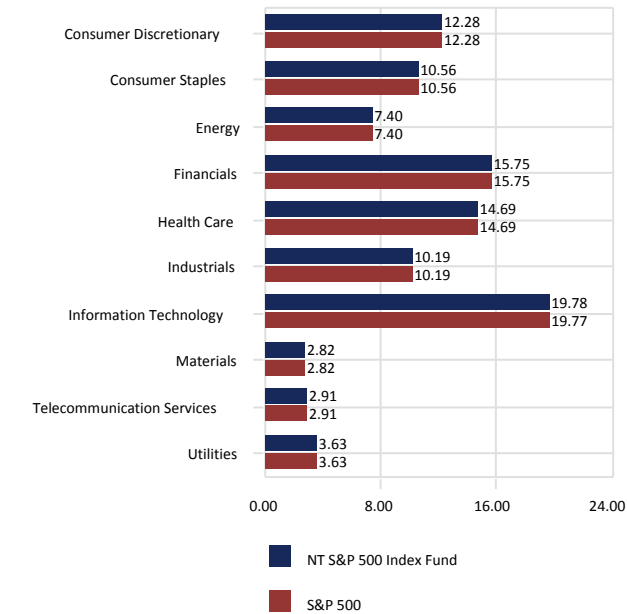
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Seagate Technology Plc	0.06	0.06	0.00	61.02
NetApp Inc	0.05	0.05	0.00	46.76
Chesapeake Energy Corp	0.02	0.02	0.00	46.50
NVIDIA Corp	0.20	0.20	0.00	46.02
Williams Cos Inc. (The)	0.11	0.11	0.00	43.01
eBay Inc.	0.18	0.18	0.00	40.54
Nordstrom Inc.	0.03	0.03	0.00	37.33
Autodesk Inc.	0.08	0.08	0.00	33.60
State Street Corp	0.14	0.14	0.00	29.85
American Airlines Group Inc	0.10	0.10	0.00	29.70
% of Portfolio	0.97	0.97		

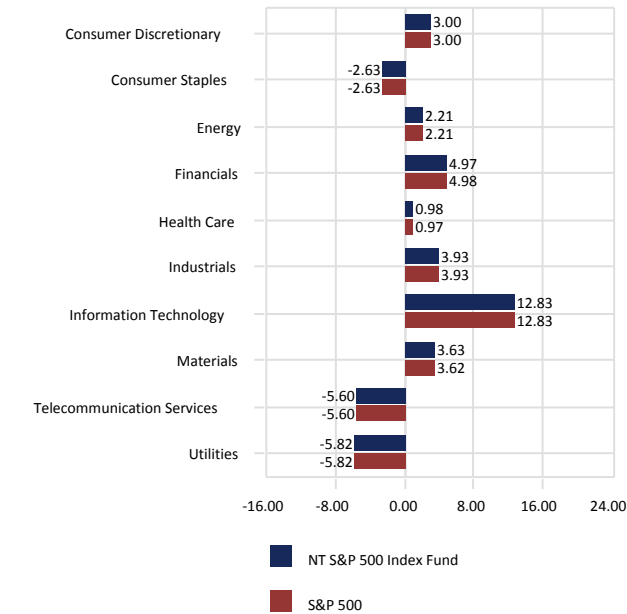
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Diamond Offshore Drilling Inc.	0.01	0.01	0.00	-27.62
Bristol-Myers Squibb Co	0.48	0.48	0.00	-26.69
Tractor Supply Co	0.05	0.05	0.00	-25.93
Dollar General Corp	0.10	0.10	0.00	-25.28
NRG Energy Inc	0.02	0.02	0.00	-25.06
Stericycle Inc	0.04	0.04	0.00	-23.03
Kroger Co. (The)	0.15	0.15	0.00	-19.03
First Solar Inc	0.02	0.02	0.00	-18.54
Campbell Soup Co	0.06	0.06	0.00	-17.40
Paragon Offshore Plc	0.00	0.00	0.00	-17.33
% of Portfolio	0.93	0.93		

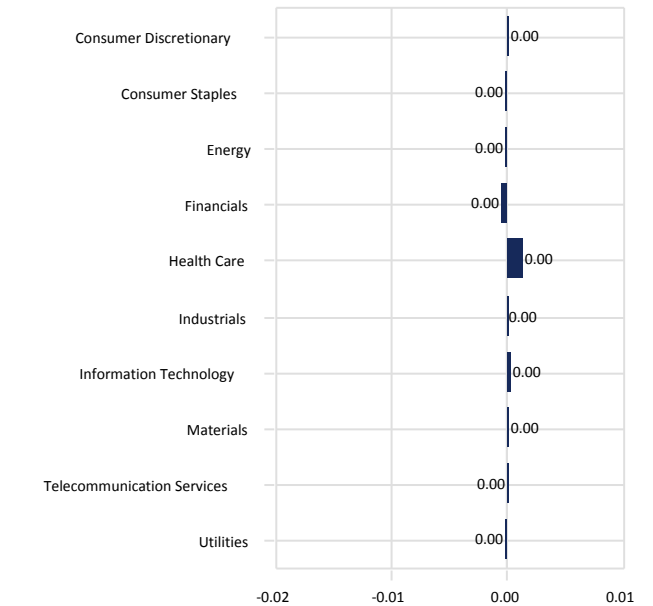
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

NT S&P 500 Index Fund vs. S&P 500

September 30, 2016

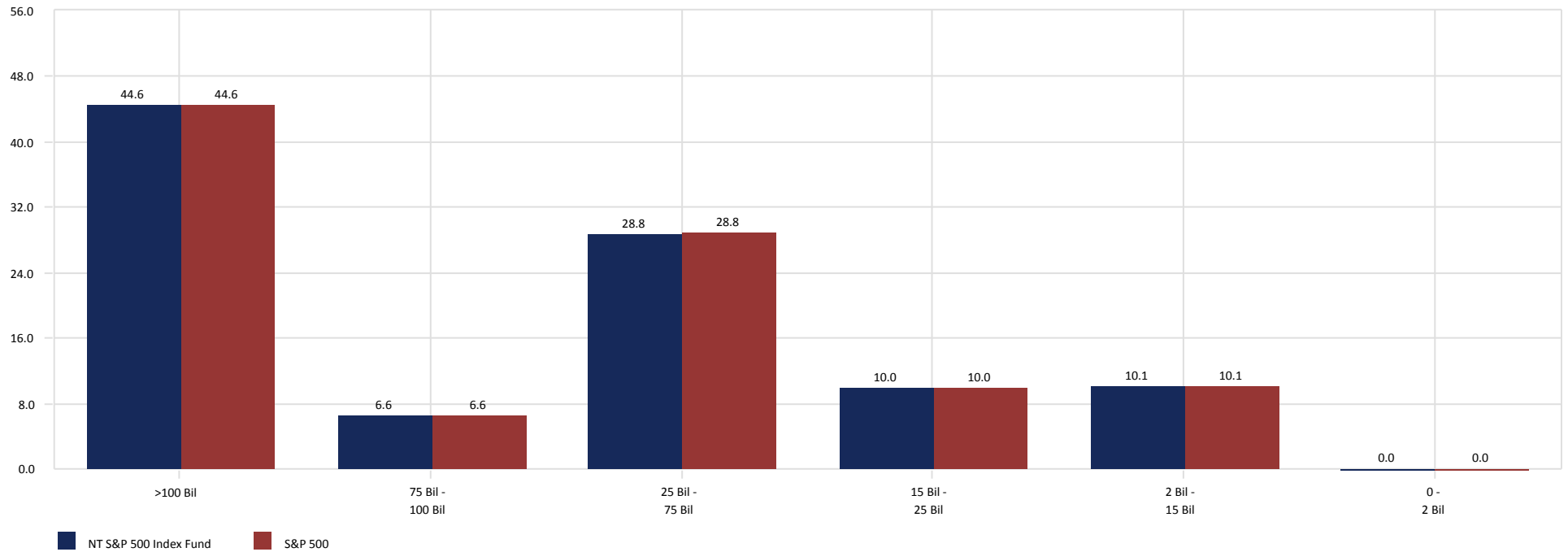
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	144,115,865	144,117,870
Median Mkt. Cap (\$000)	18,949,567	18,963,906
Price/Earnings ratio	19.72	19.72
Price/Book ratio	3.16	3.16
5 Yr. EPS Growth Rate (%)	7.76	7.76
Current Yield (%)	2.14	2.14
Beta (5 Years, Monthly)	1.00	1.00
Number of Stocks	511	505

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	3.25	3.25	0.00	18.89
Microsoft Corp	2.39	2.39	0.00	13.27
Exxon Mobil Corp	1.93	1.93	0.00	-6.08
Amazon.com Inc	1.76	1.76	0.00	17.00
Johnson & Johnson	1.73	1.72	0.01	-1.96
Facebook Inc	1.59	1.59	0.00	12.24
Berkshire Hathaway Inc	1.46	1.46	0.00	-0.22
General Electric Co	1.42	1.42	0.00	-5.18
AT&T Inc	1.33	1.33	0.00	-4.97
JPMorgan Chase & Co	1.29	1.28	0.01	8.00
% of Portfolio	18.15	18.13		

Distribution of Market Capitalization (%)

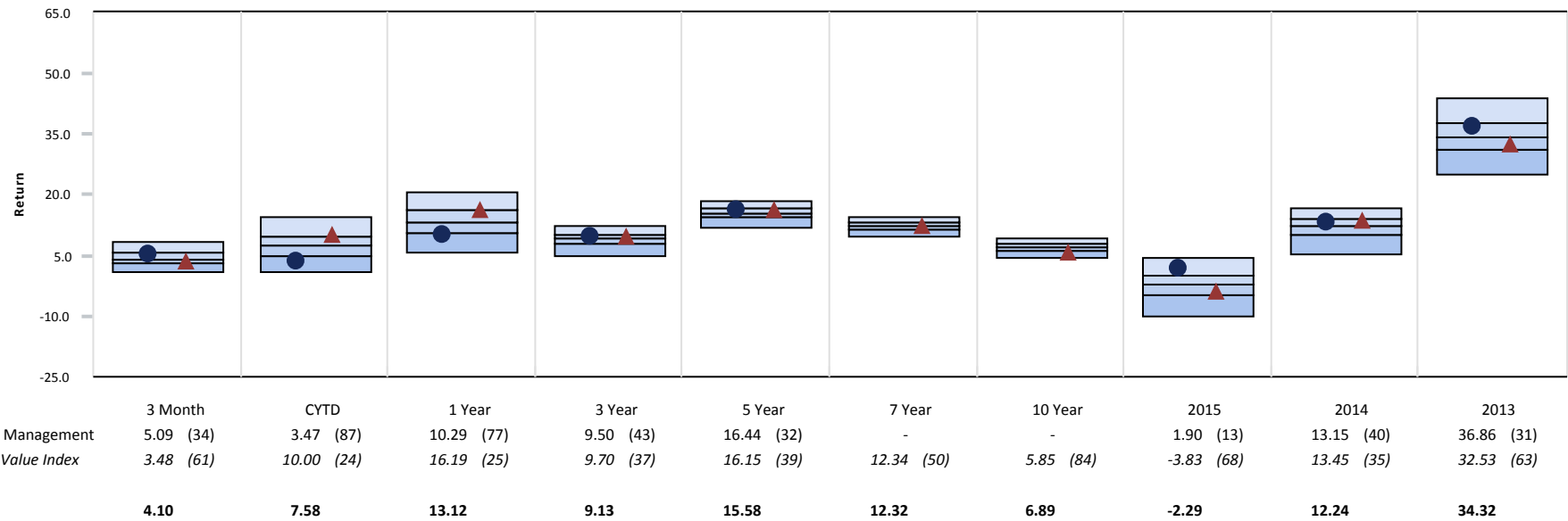


City of Jacksonville Police & Fire Pension Fund

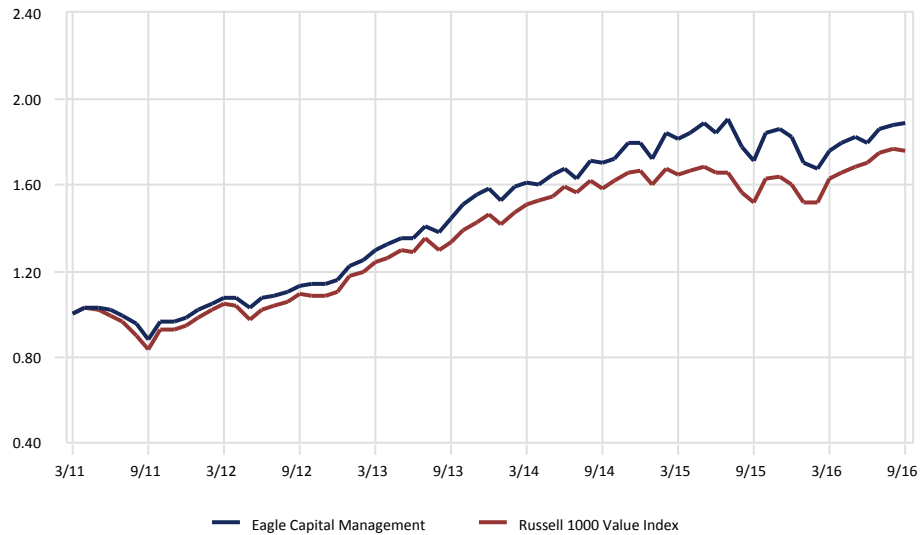
Eagle Capital Management

September 30, 2016

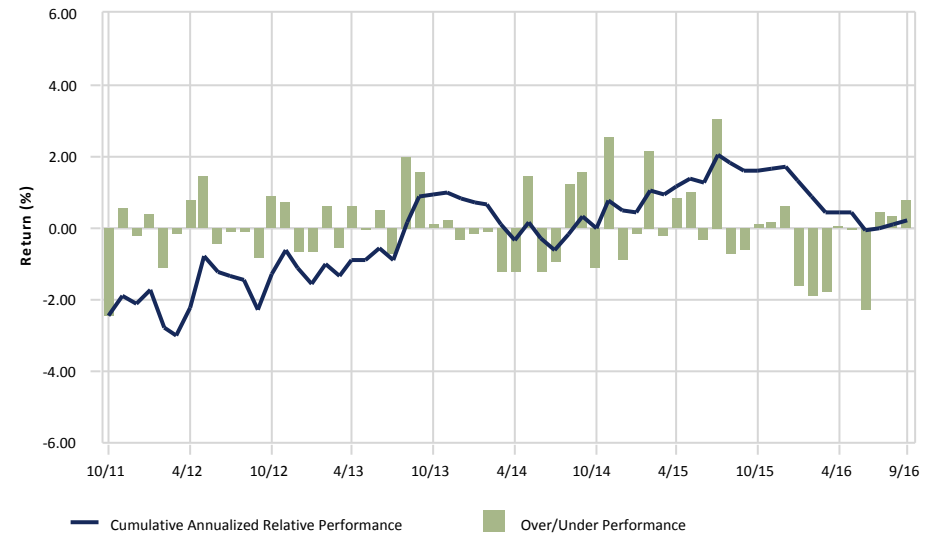
Peer Group Analysis - IM U.S. Large Cap Value Equity (SA+CF)



Growth of \$1 - Since Inception (04/01/11)



Relative Performance vs. Russell 1000 Value Index



gross of fees

City of Jacksonville Police & Fire Pension Fund

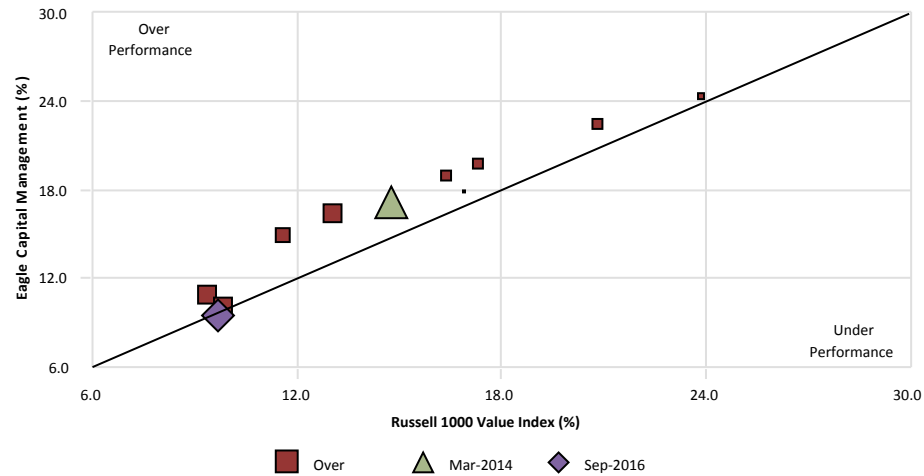
Eagle Capital Management

September 30, 2016

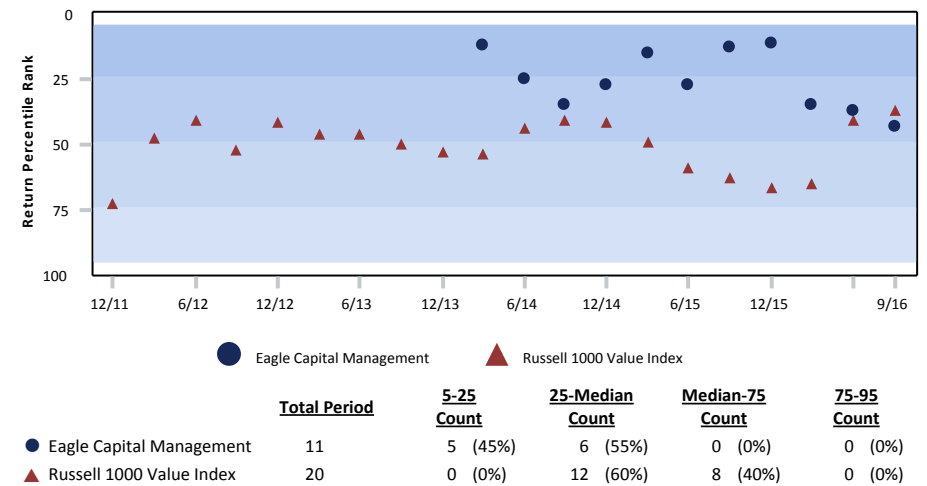
3 Year Portfolio Statistics

	Simple Alpha	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Sharpe Ratio	Consistency	Up Capture	Down Capture	Actual Correlation
Eagle Capital Management	-0.21	-0.51	1.05	0.87	4.25	-0.01	0.82	47.22	105.70	111.52	0.93
Russell 1000 Value Index	0.00	0.00	1.00	1.00	0.00	-	0.92	0.00	100.00	100.00	1.00
90 Day US Treasury Bill	-9.62	0.09	0.00	0.00	10.58	-0.92	-	33.33	0.20	-0.44	-0.01

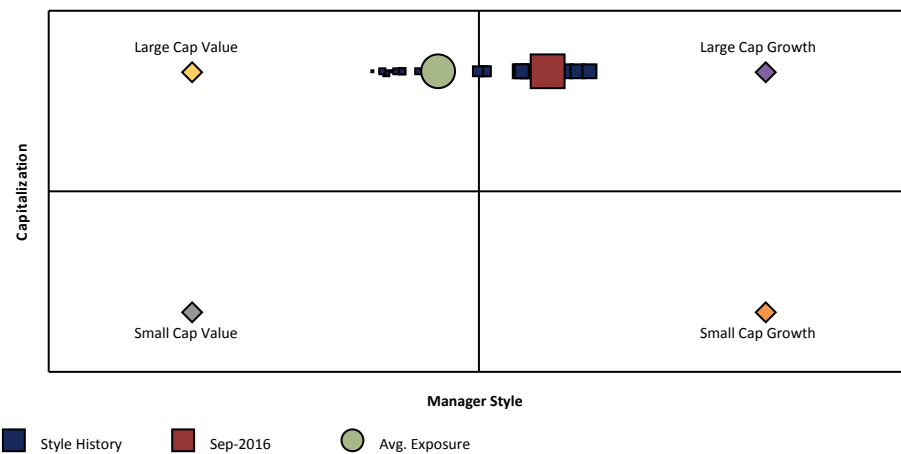
3 Year Rolling Under/Over Performance



3 Year Rolling Relative Ranking

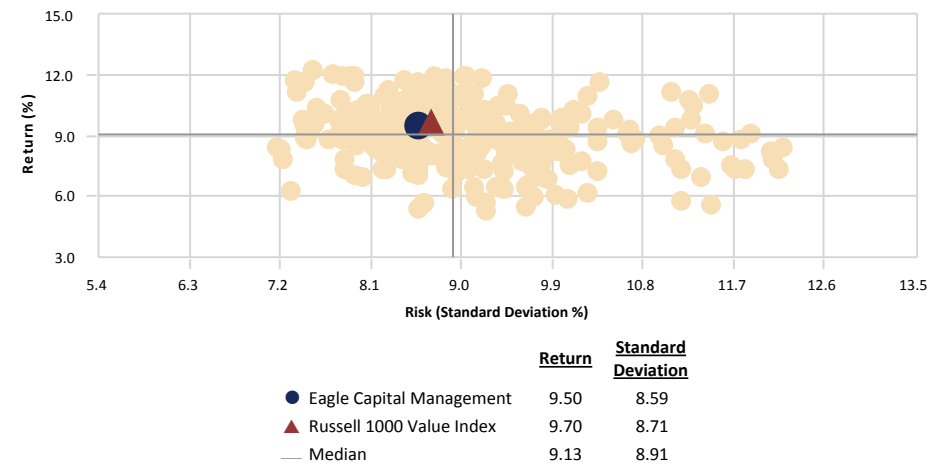


3 Year Style Analysis



gross of fees

Risk vs. Return (10/01/13 - 09/30/16)



City of Jacksonville Police & Fire Pension Fund

Eagle Capital Management vs. Russell 1000 Value Index

September 30, 2016

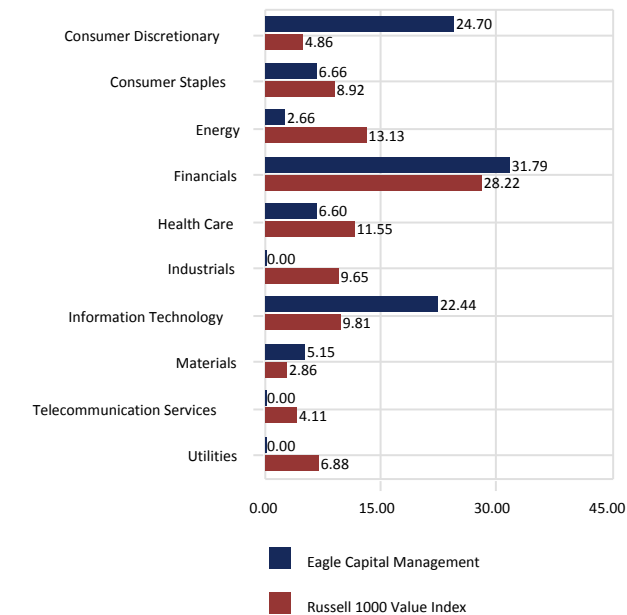
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Morgan Stanley	1.58	0.44	1.14	24.25
Anadarko Petroleum Corp	1.24	0.31	0.93	19.09
Bank of America Corp	2.50	1.54	0.96	18.48
Amazon.com Inc	5.30	0.00	5.30	17.00
Liberty Global Plc Global Group	7.06	0.00	7.06	15.32
Alphabet Inc	1.35	0.00	1.35	14.29
Microsoft Corp	7.03	0.00	7.03	13.27
Alphabet Inc	5.70	0.00	5.70	12.31
Citigroup Inc	5.81	1.33	4.48	11.82
Goldman Sachs Group Inc (The)	2.16	0.60	1.56	8.96
% of Portfolio	39.73	4.22		

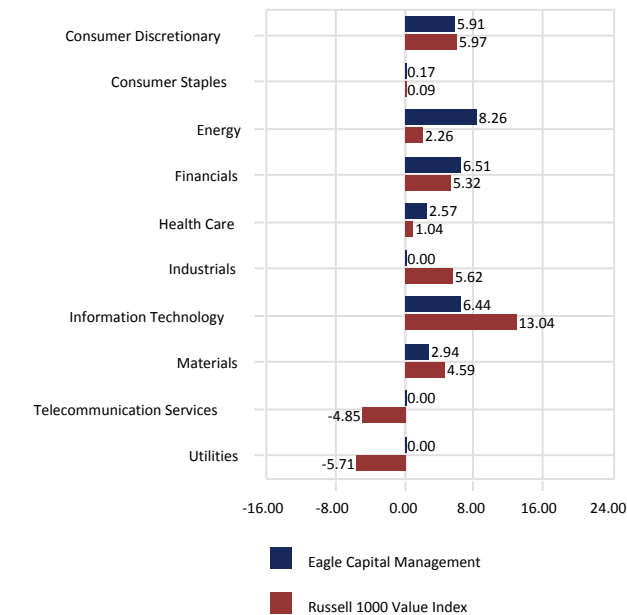
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Liberty Global Plc LiLAC Group	0.45	0.00	0.45	-13.67
Twenty-First Century Fox Inc	2.70	0.06	2.64	-9.79
Twenty-First Century Fox Inc	2.14	0.03	2.11	-8.55
Oracle Corp	7.15	1.01	6.14	-3.68
Mondelez International Inc	3.13	0.63	2.50	-3.12
Berkley (W R) Corp	1.58	0.05	1.53	-2.53
Unitedhealth Group Inc	3.73	0.00	3.73	-0.39
Berkshire Hathaway Inc	7.53	2.62	4.91	-0.22
Noble Energy Inc	1.28	0.15	1.13	-0.06
Marriott International Inc.	3.13	0.05	3.08	1.74
% of Portfolio	32.82	4.60		

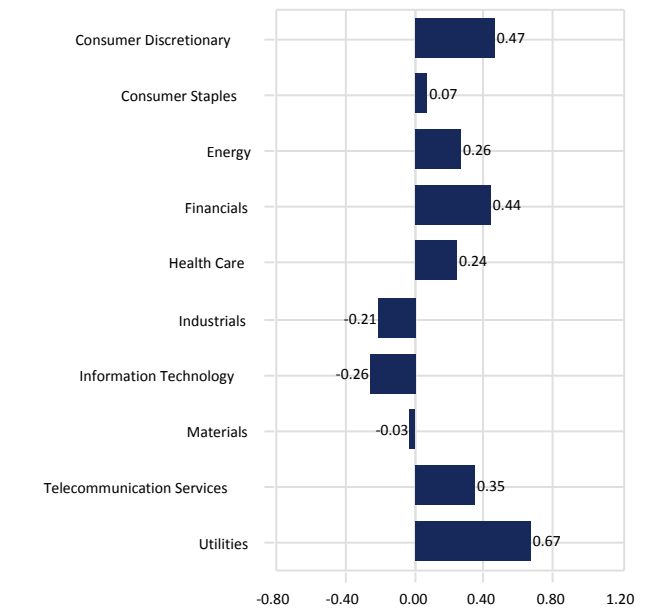
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

Eagle Capital Management vs. Russell 1000 Value Index

September 30, 2016

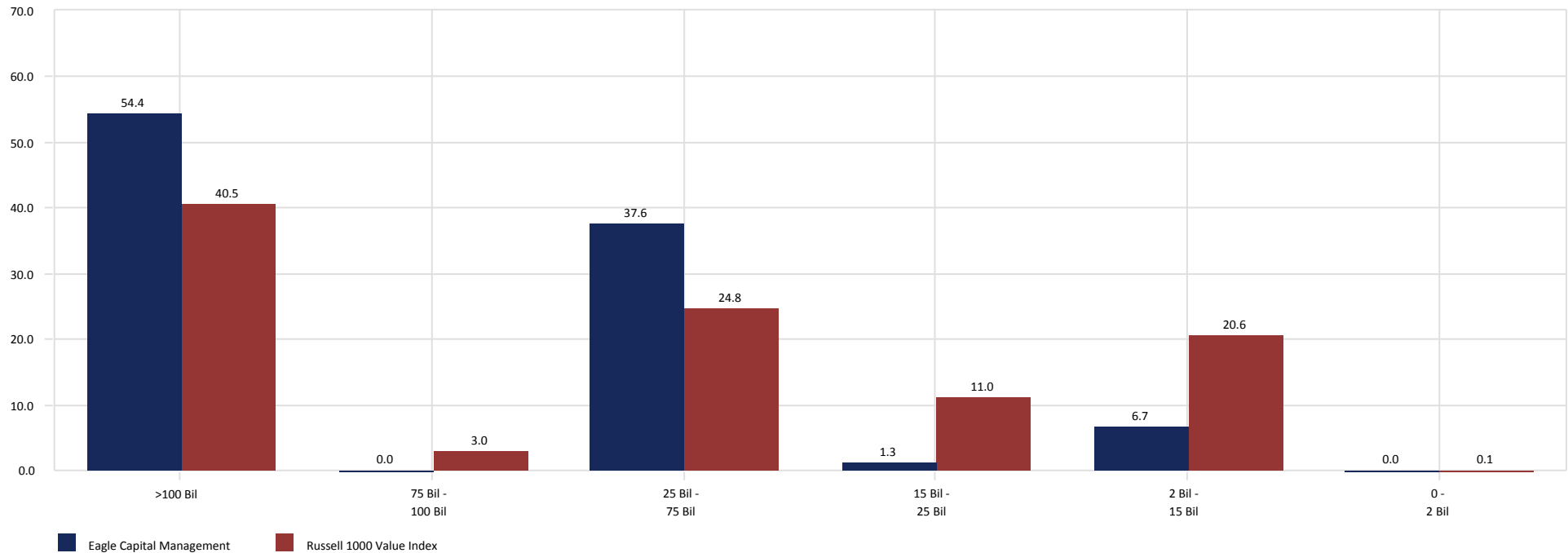
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	178,479,187	112,504,866
Median Mkt. Cap (\$000)	62,002,035	8,043,688
Price/Earnings ratio	18.92	17.03
Price/Book ratio	2.95	2.11
5 Yr. EPS Growth Rate (%)	7.99	3.84
Current Yield (%)	1.17	2.61
Beta (5 Years, Monthly)	0.92	1.00
Number of Stocks	28	687

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Berkshire Hathaway Inc	7.53	2.62	4.91	-0.22
Oracle Corp	7.15	1.01	6.14	-3.68
Liberty Global Plc Global Group	7.06	0.00	7.06	15.32
Microsoft Corp	7.03	0.00	7.03	13.27
Citigroup Inc	5.81	1.33	4.48	11.82
Alphabet Inc	5.70	0.00	5.70	12.31
Aon PLC	5.51	0.00	5.51	3.29
Ecolab Inc.	5.45	0.00	5.45	2.94
Amazon.com Inc	5.30	0.00	5.30	17.00
JPMorgan Chase & Co	5.10	2.33	2.77	8.00
% of Portfolio	61.64	7.29		

Distribution of Market Capitalization (%)

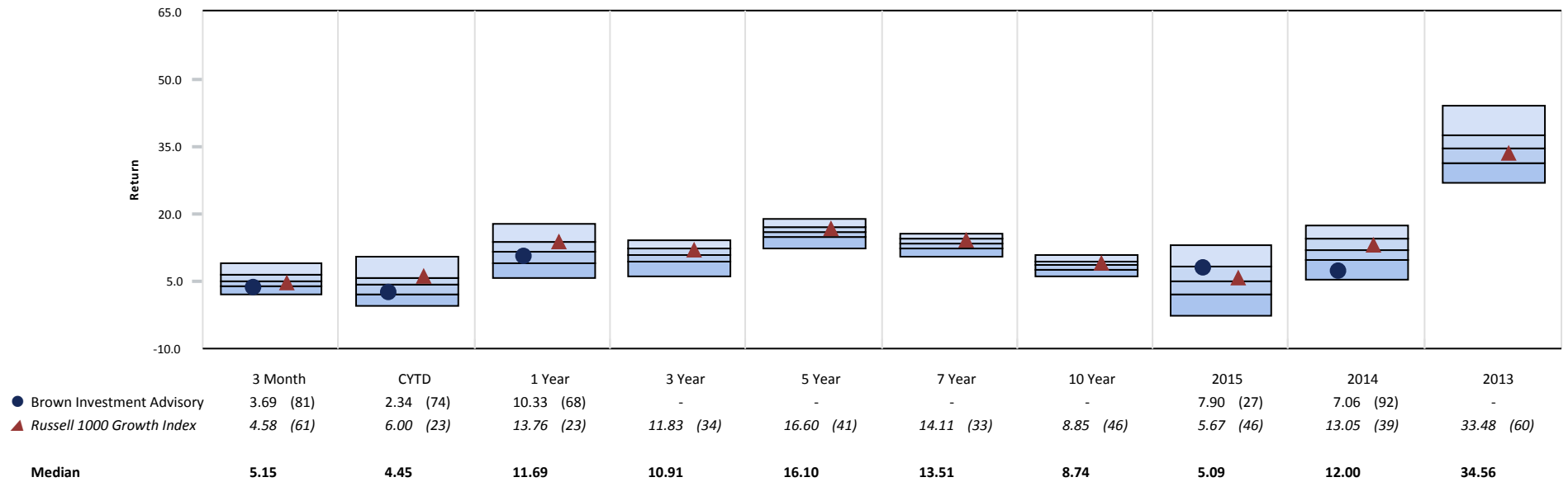


City of Jacksonville Police & Fire Pension Fund

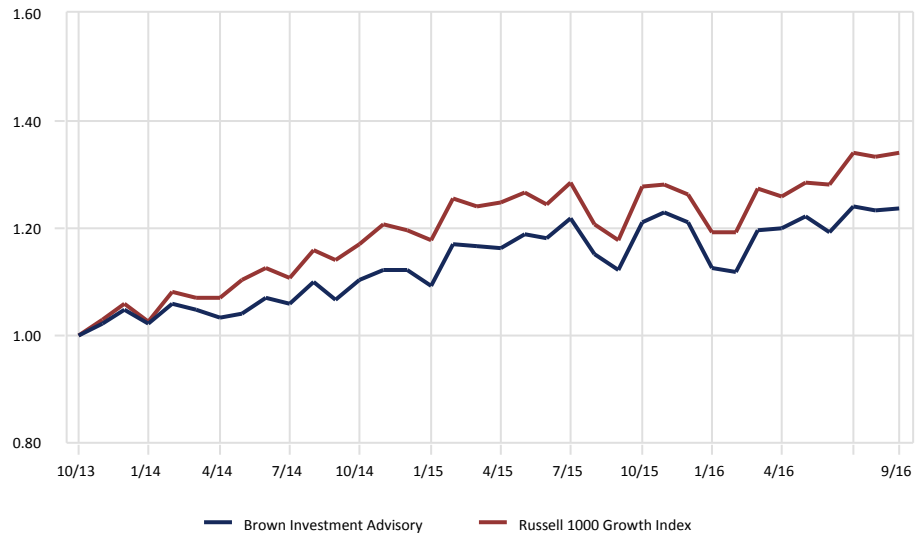
Brown Investment Advisory

September 30, 2016

Peer Group Analysis - IM U.S. Large Cap Growth Equity (SA+CF)

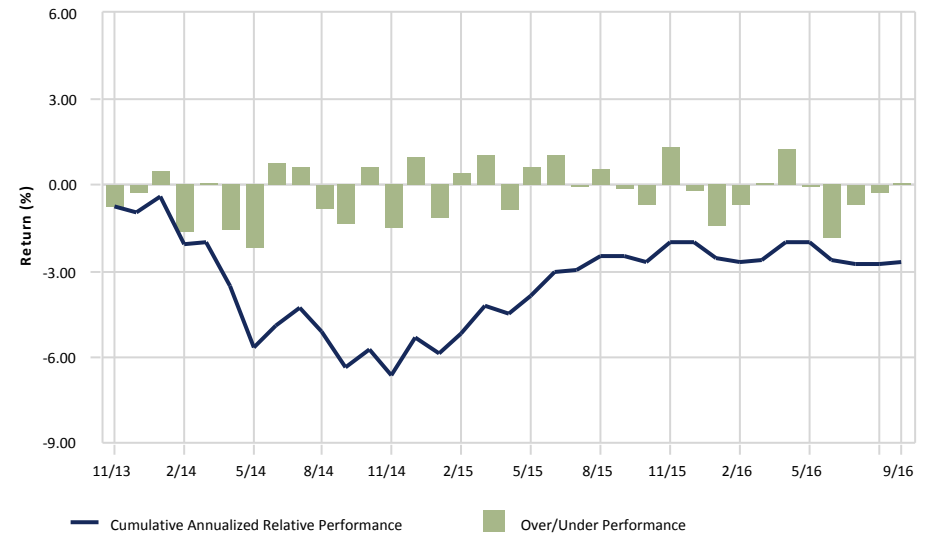


Growth of \$1 - Since Inception (11/01/13)



gross of fees

Relative Performance vs. Russell 1000 Growth Index



City of Jacksonville Police & Fire Pension Fund

Brown Investment Advisory vs. Russell 1000 Growth Index

September 30, 2016

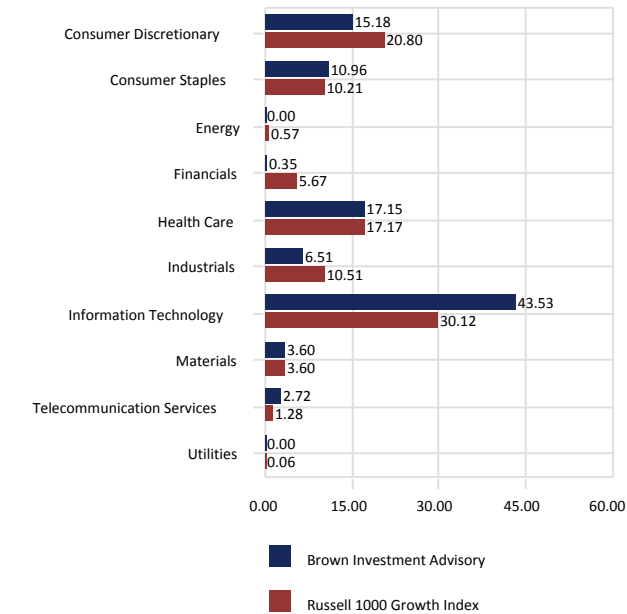
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
NetSuite Inc	2.92	0.04	2.88	52.05
NXP Semiconductors NV	3.54	0.00	3.54	30.22
FleetCor Technologies Inc	2.88	0.15	2.73	21.38
Amazon.com Inc	5.19	3.10	2.09	17.00
Wabtec Corp	2.46	0.07	2.39	16.42
Alphabet Inc	1.71	2.25	-0.54	14.29
Amphenol Corp	3.62	0.18	3.44	13.50
Adobe Systems Inc	3.17	0.50	2.67	13.31
Alphabet Inc	3.10	2.19	0.91	12.31
Facebook Inc	4.92	2.74	2.18	12.24
% of Portfolio	33.51	11.22		

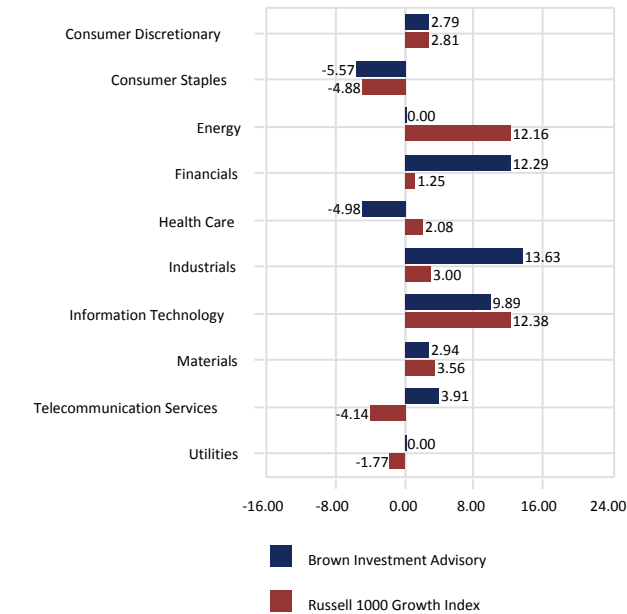
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Cognizant Technology Solutions Corp	2.15	0.27	1.88	-16.65
DaVita Inc	2.34	0.04	2.30	-14.55
Mead Johnson Nutrition Co	2.95	0.05	2.90	-12.47
Genpact Ltd	2.23	0.03	2.20	-10.77
salesforce.com Inc	3.29	0.43	2.86	-10.17
Under Armour Inc	1.41	0.06	1.35	-6.98
Akamai Technologies Inc	2.23	0.08	2.15	-5.26
Starbucks Corp	4.11	0.73	3.38	-4.88
Under Armour Inc	1.03	0.07	0.96	-3.61
Costco Wholesale Corp	3.71	0.63	3.08	-2.63
% of Portfolio	25.45	2.39		

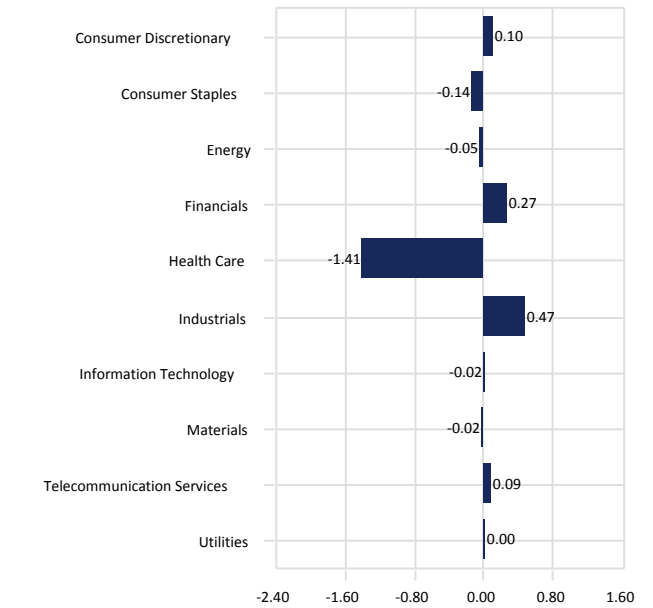
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

Brown Investment Advisory vs. Russell 1000 Growth Index

September 30, 2016

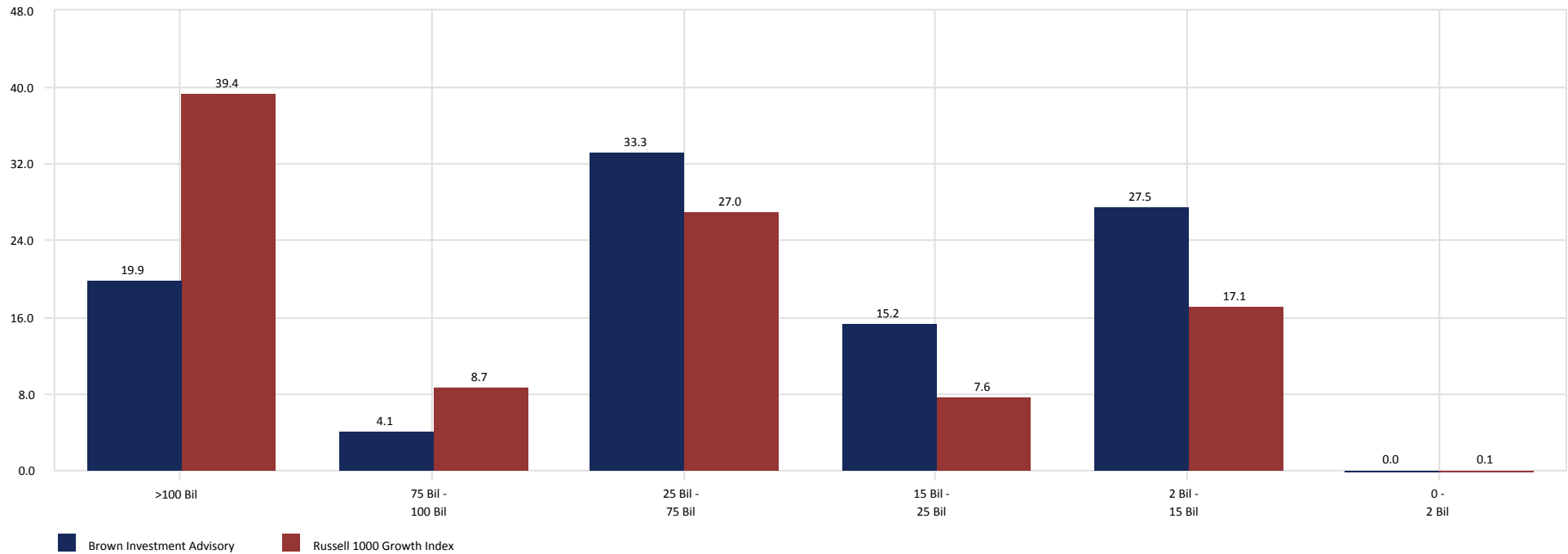
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	90,534,091	147,012,431
Median Mkt. Cap (\$000)	20,042,427	9,004,538
Price/Earnings ratio	35.46	23.31
Price/Book ratio	5.19	5.49
5 Yr. EPS Growth Rate (%)	12.93	11.74
Current Yield (%)	0.39	1.54
Beta	-	1.00
Number of Stocks	33	599

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Amazon.com Inc	5.19	3.10	2.09	17.00
Visa Inc	4.95	1.50	3.45	11.69
Facebook Inc	4.92	2.74	2.18	12.24
Starbucks Corp	4.11	0.73	3.38	-4.88
Danaher Corp	3.93	0.12	3.81	1.62
Intuitive Surgical Inc	3.80	0.26	3.54	9.59
Costco Wholesale Corp	3.71	0.63	3.08	-2.63
Estee Lauder Companies Inc. (The)	3.69	0.18	3.51	-2.38
Amphenol Corp	3.62	0.18	3.44	13.50
Ecolab Inc.	3.56	0.30	3.26	2.94
% of Portfolio	41.48	9.74		

Distribution of Market Capitalization (%)

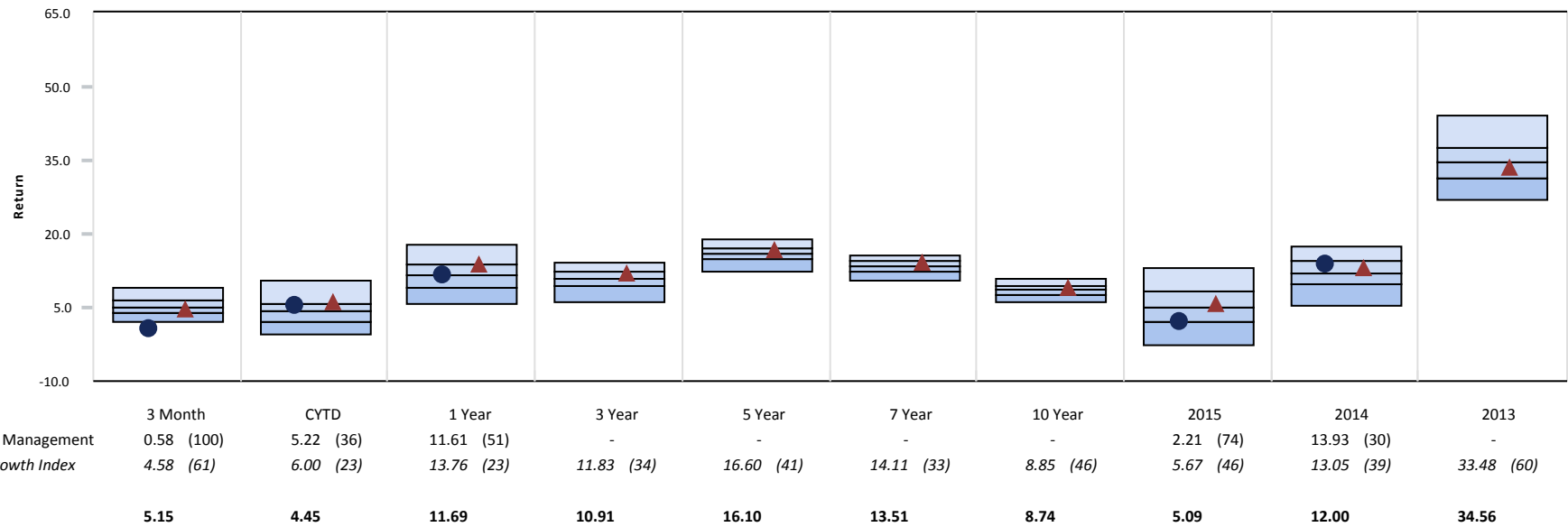


City of Jacksonville Police & Fire Pension Fund

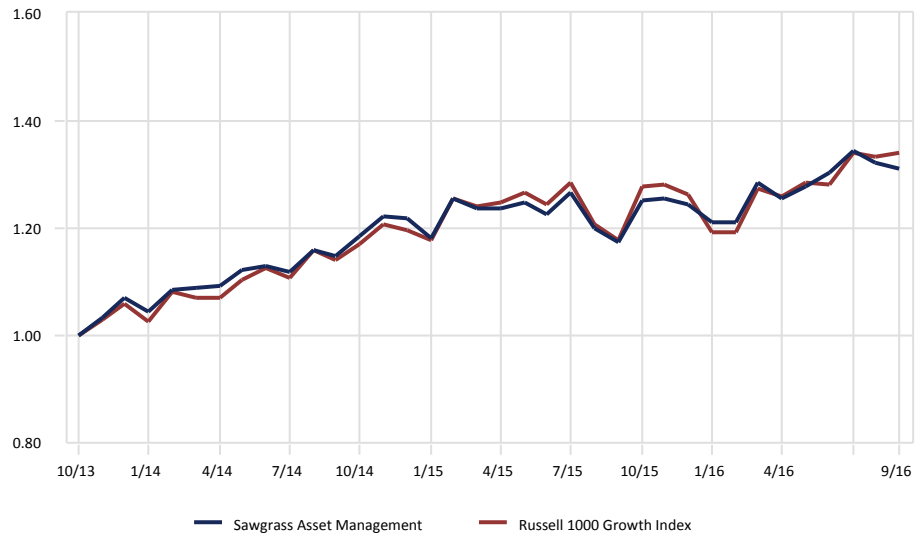
Sawgrass Asset Management

September 30, 2016

Peer Group Analysis - IM U.S. Large Cap Growth Equity (SA+CF)

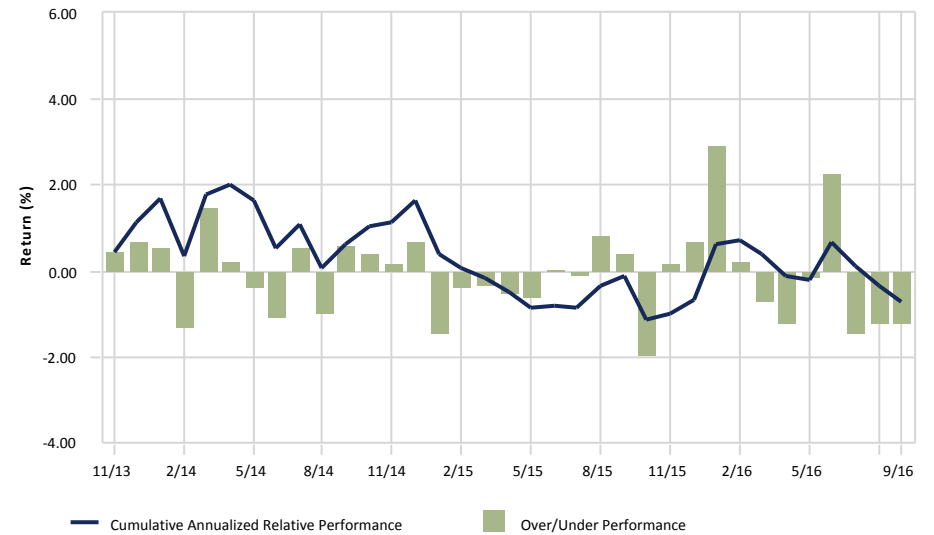


Growth of \$1 - Since Inception (11/01/13)



gross of fees

Relative Performance vs. Russell 1000 Growth Index



City of Jacksonville Police & Fire Pension Fund

Sawgrass Asset Management vs. Russell 1000 Growth Index

September 30, 2016

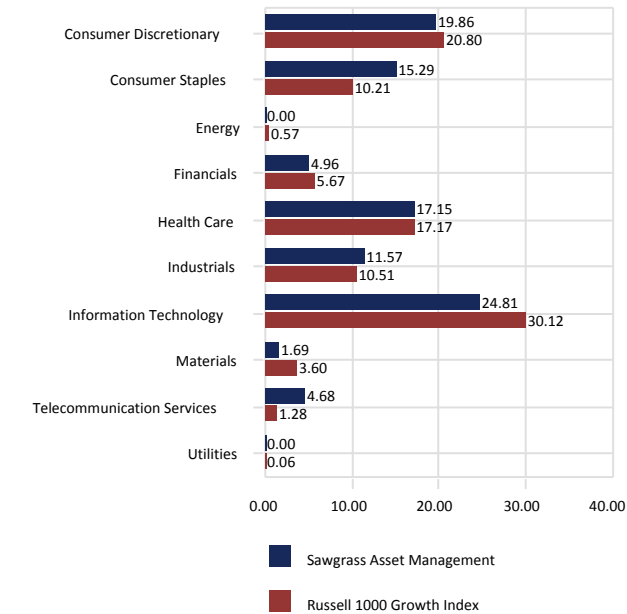
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Varian Medical Systems Inc	1.28	0.09	1.19	21.04
Apple Inc	5.11	5.40	-0.29	18.89
Intel Corp	2.27	0.15	2.12	15.96
Mastercard Inc	2.70	0.93	1.77	15.82
FedEx Corp.	1.17	0.41	0.76	15.37
Alphabet Inc	4.99	2.25	2.74	14.29
Microsoft Corp	5.11	4.15	0.96	13.27
Citrix Systems Inc.	2.38	0.13	2.25	6.41
Celgene Corp	1.85	0.76	1.09	5.98
Laboratory Corporation of America Holdings	3.10	0.06	3.04	5.54
% of Portfolio	29.96	14.33		

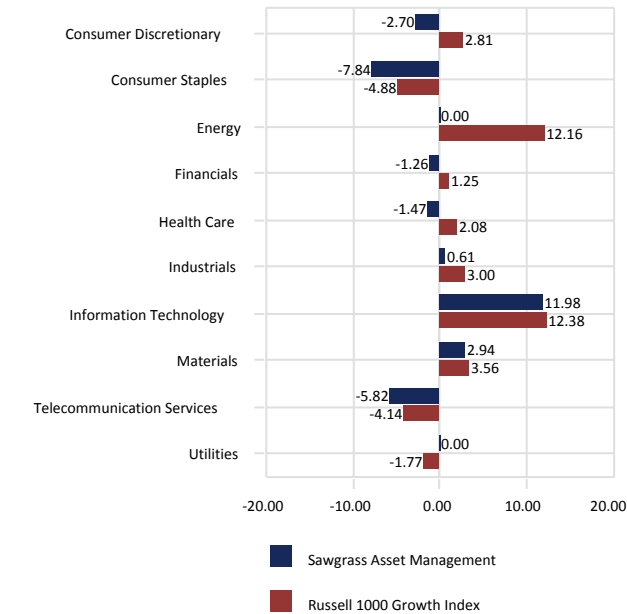
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Kroger Co. (The)	0.98	0.27	0.71	-19.03
Dollar Tree Inc	2.65	0.17	2.48	-16.25
McKesson Corp	1.91	0.36	1.55	-10.52
General Mills Inc.	1.39	0.36	1.03	-9.83
Henry Schein Inc	1.01	0.13	0.88	-7.82
Express Scripts Holding Co	0.72	0.37	0.35	-6.95
CVS Health Corp	2.98	0.86	2.12	-6.64
Verizon Communications Inc	3.92	1.01	2.91	-5.98
McCormick & Co Inc	1.50	0.11	1.39	-5.95
Coca-Cola Co (The)	2.96	1.17	1.79	-5.87
% of Portfolio	20.02	4.81		

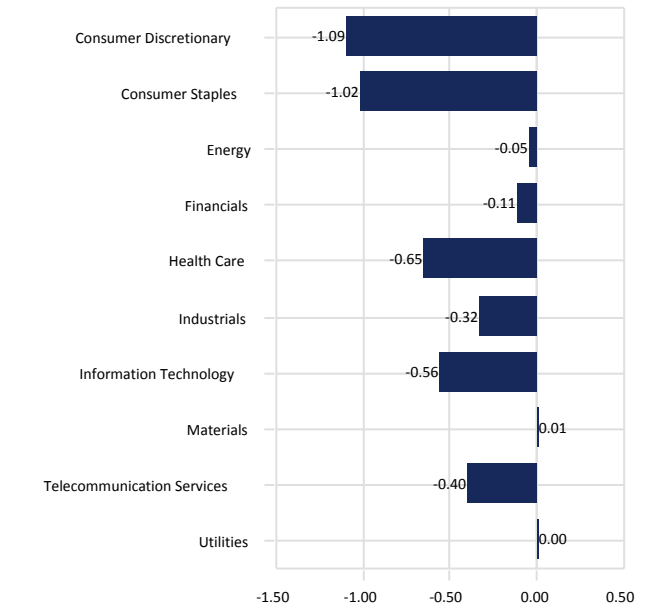
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

Sawgrass Asset Management vs. Russell 1000 Growth Index

September 30, 2016

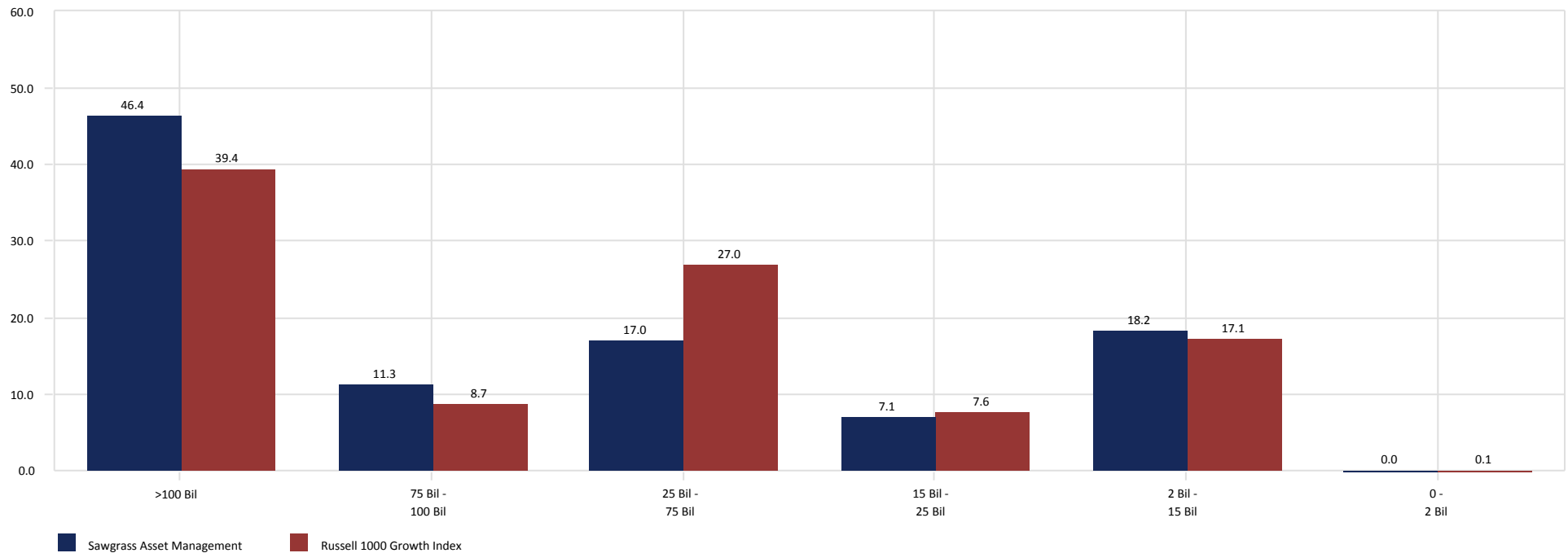
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	156,937,537	147,012,431
Median Mkt. Cap (\$000)	51,617,593	9,004,538
Price/Earnings ratio	21.64	23.31
Price/Book ratio	4.98	5.49
5 Yr. EPS Growth Rate (%)	9.91	11.74
Current Yield (%)	1.58	1.54
Beta	-	1.00
Number of Stocks	46	599

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	5.11	5.40	-0.29	18.89
Microsoft Corp	5.11	4.15	0.96	13.27
Alphabet Inc	4.99	2.25	2.74	14.29
Verizon Communications Inc	3.92	1.01	2.91	-5.98
Laboratory Corporation of America Holdings	3.10	0.06	3.04	5.54
Comcast Corp	3.09	1.41	1.68	2.19
CVS Health Corp	2.98	0.86	2.12	-6.64
McDonald's Corp	2.97	0.96	2.01	-3.40
Coca-Cola Co (The)	2.96	1.17	1.79	-5.87
AutoZone Inc	2.77	0.21	2.56	-3.21
% of Portfolio	37.00	17.48		

Distribution of Market Capitalization (%)

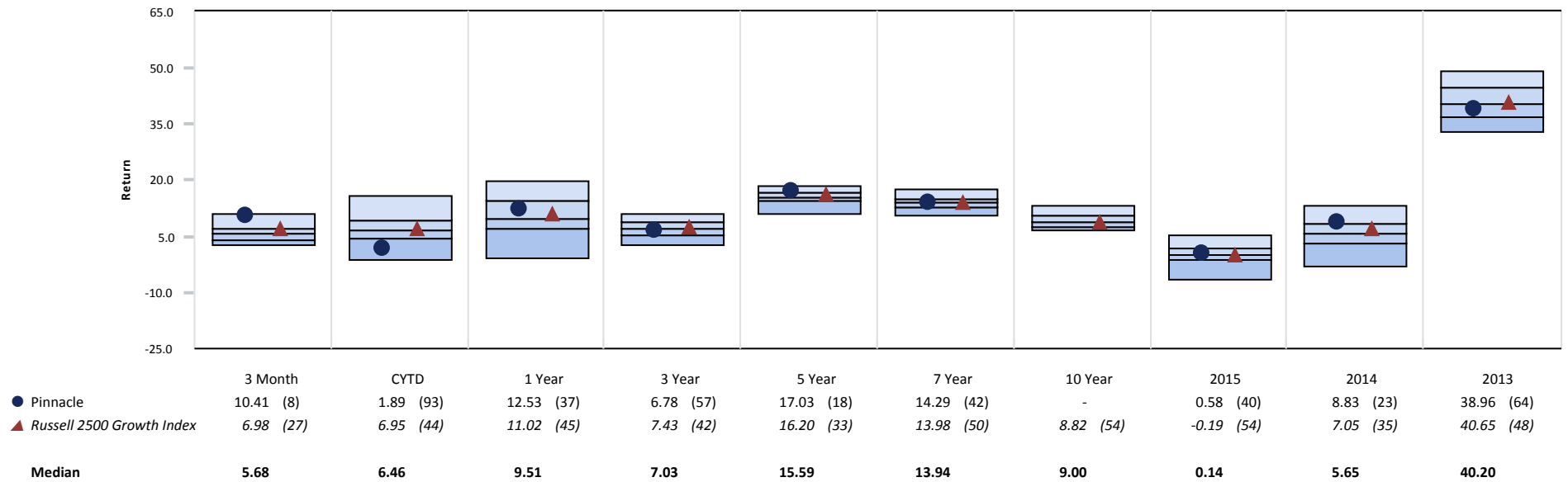


City of Jacksonville Police & Fire Pension Fund

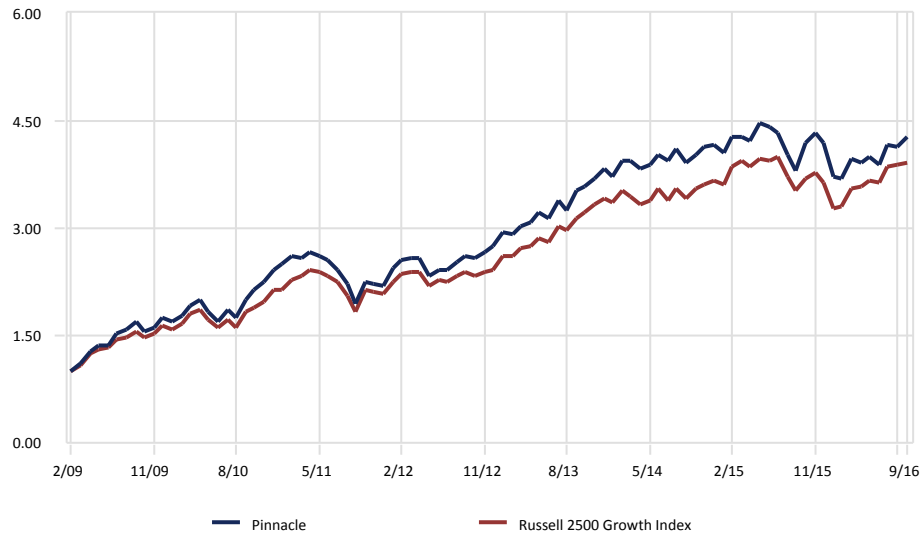
Pinnacle

September 30, 2016

Peer Group Analysis - IM U.S. SMID Cap Growth Equity (SA+CF)

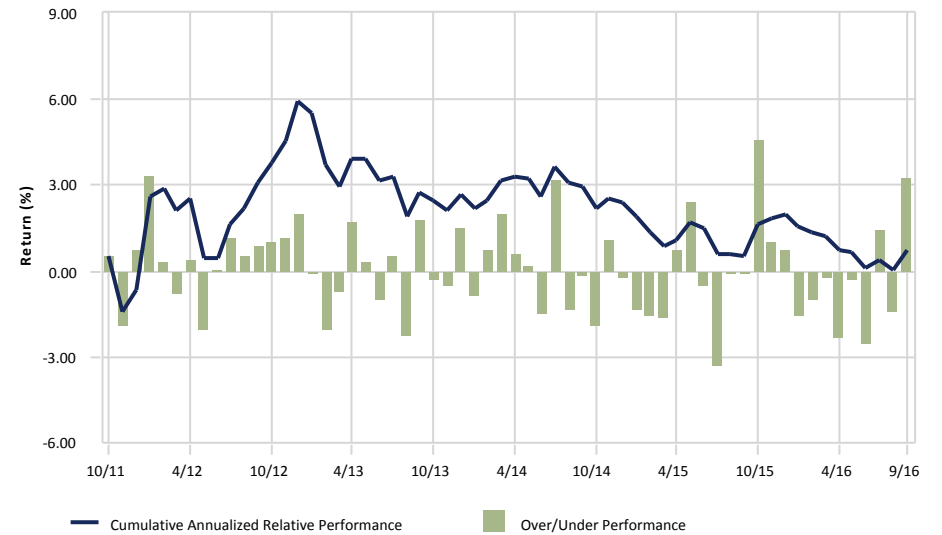


Growth of \$1 - Since Inception (03/01/09)



gross of fees

Relative Performance vs. Russell 2500 Growth Index



City of Jacksonville Police & Fire Pension Fund

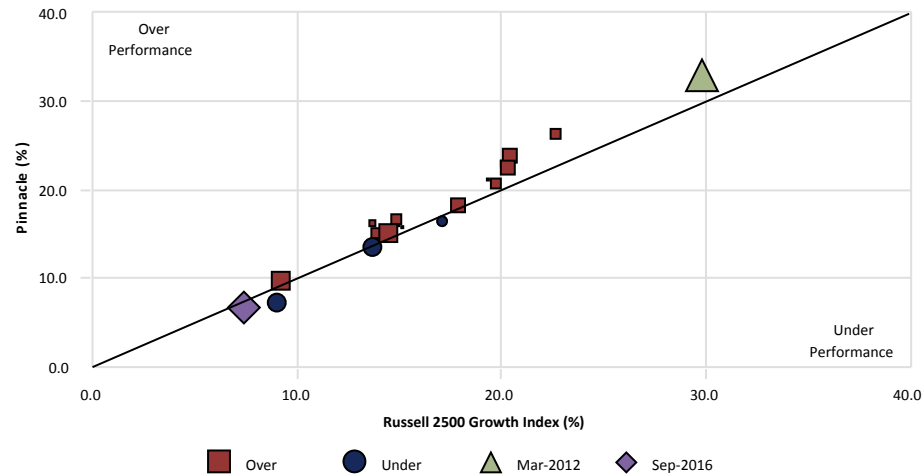
Pinnacle

September 30, 2016

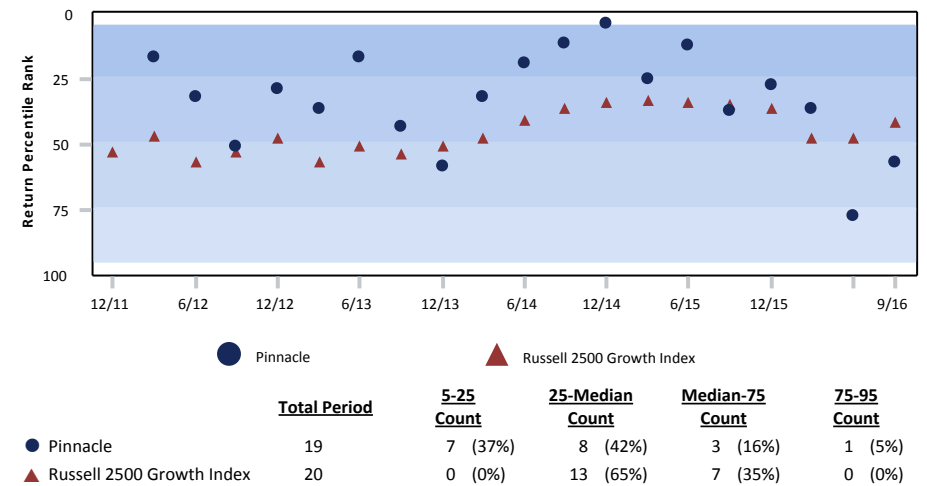
3 Year Portfolio Statistics

	Simple Alpha	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Sharpe Ratio	Consistency	Up Capture	Down Capture	Actual Correlation
Pinnacle	-0.65	-0.42	1.00	0.85	5.94	-0.07	0.51	38.89	98.08	99.89	0.92
Russell 2500 Growth Index	0.00	0.00	1.00	1.00	0.00	-	0.58	0.00	100.00	100.00	1.00
90 Day US Treasury Bill	-7.34	0.09	0.00	0.00	13.92	-0.58	-	36.11	0.17	-0.28	-0.02

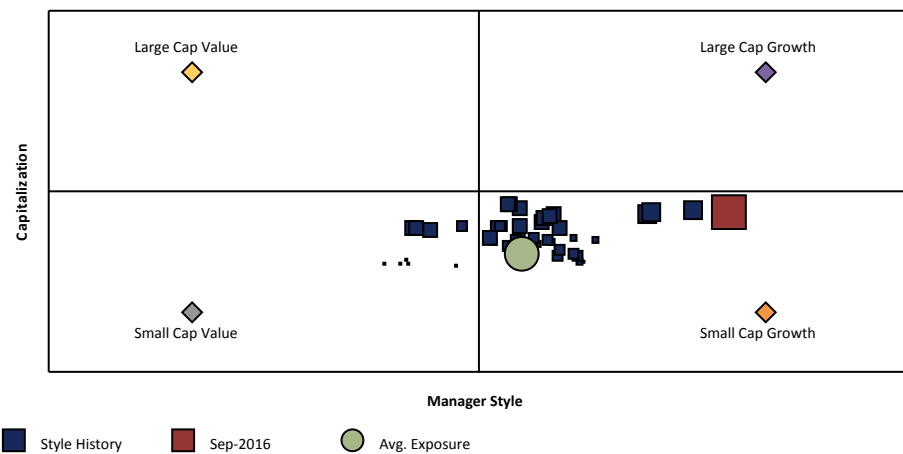
3 Year Rolling Under/Over Performance



3 Year Rolling Relative Ranking

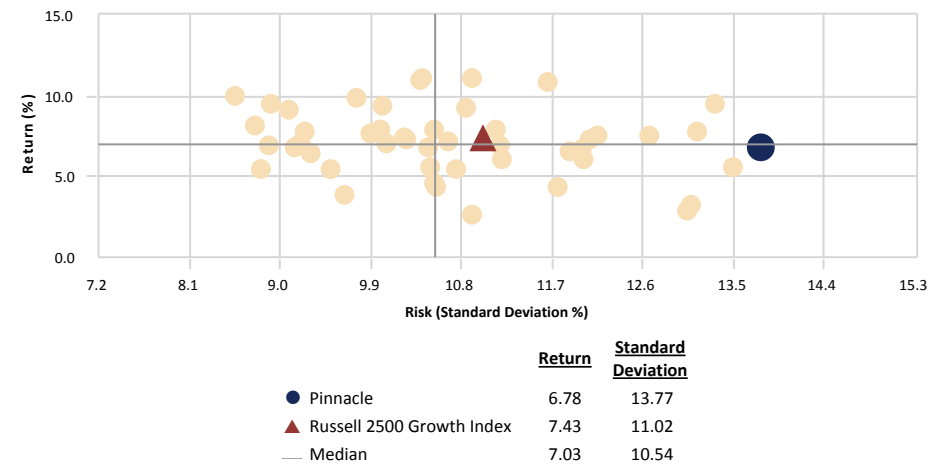


3 Year Style Analysis



gross of fees

Risk vs. Return (10/01/13 - 09/30/16)



City of Jacksonville Police & Fire Pension Fund

Pinnacle vs. Russell 2500 Growth Index

September 30, 2016

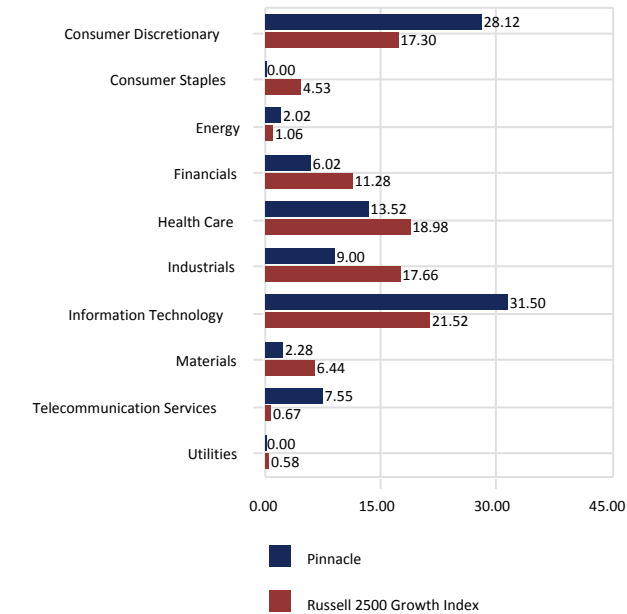
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Harmonic Inc	1.11	0.00	1.11	108.07
PTC Therapeutics Inc	0.20	0.00	0.20	99.57
Array BioPharma Inc	0.86	0.00	0.86	89.61
Lumentum Holdings Inc	2.26	0.11	2.15	72.60
Prothena Corp Plc	0.95	0.11	0.84	71.54
Ionis Pharmaceuticals Inc	1.87	0.24	1.63	57.32
GoPro Inc	0.97	0.00	0.97	54.30
Progenics Pharmaceuticals Inc	0.68	0.02	0.66	50.00
Ambarella Inc	1.35	0.05	1.30	44.87
Sotheby's	1.12	0.06	1.06	38.76
% of Portfolio	11.37	0.59		

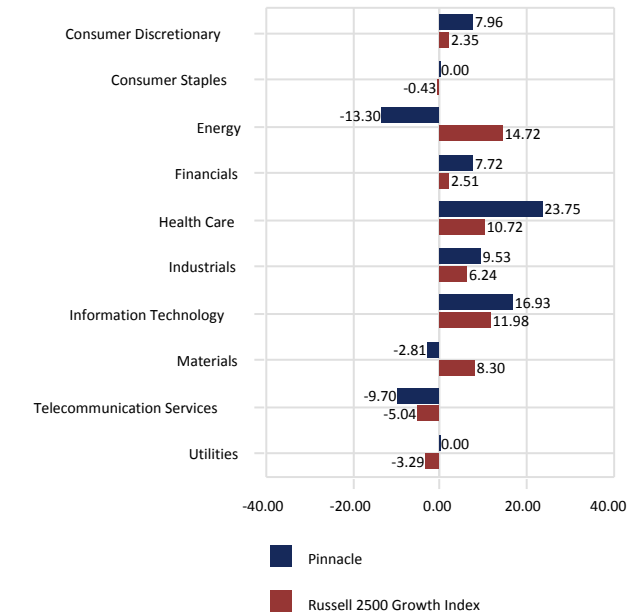
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Myriad Genetics Inc	0.71	0.07	0.64	-32.74
Cameco Corp	0.77	0.00	0.77	-21.03
Gannett Co Inc	0.59	0.00	0.59	-14.57
AMC Networks Inc	1.48	0.17	1.31	-14.17
Rowan Companies plc	0.47	0.00	0.47	-14.16
CyrusOne Inc	0.94	0.16	0.78	-13.86
ImmunoGen Inc	0.18	0.01	0.17	-12.99
Cincinnati Bell Inc	1.85	0.00	1.85	-10.72
FireEye Inc	0.99	0.03	0.96	-10.56
Level 3 Communications Inc	2.45	0.00	2.45	-9.92
% of Portfolio	10.43	0.44		

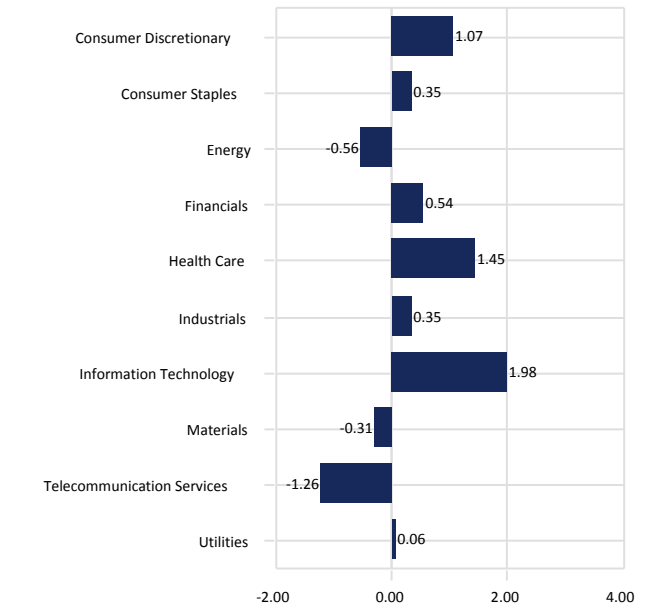
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

Pinnacle vs. Russell 2500 Growth Index

September 30, 2016

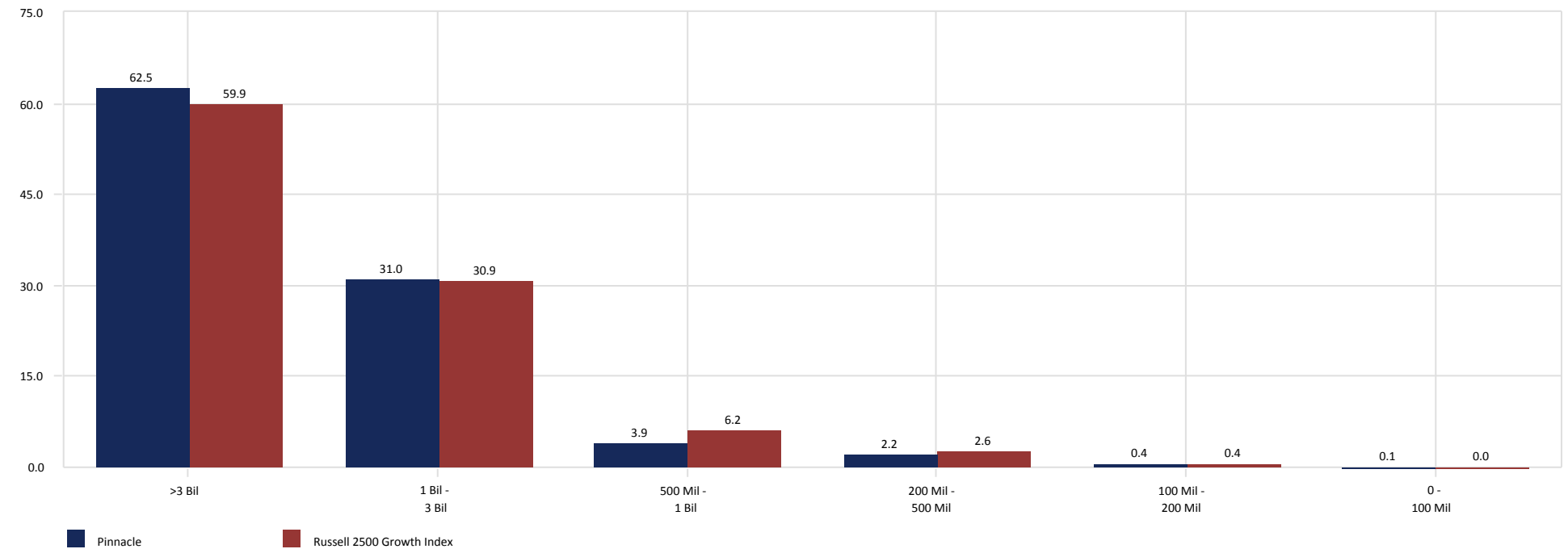
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	8,129,146	4,175,150
Median Mkt. Cap (\$000)	2,509,959	1,201,524
Price/Earnings ratio	16.68	24.69
Price/Book ratio	2.70	4.27
5 Yr. EPS Growth Rate (%)	6.66	12.80
Current Yield (%)	1.05	0.96
Beta (5 Years, Monthly)	1.06	1.00
Number of Stocks	76	1,442

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Lam Research Corp	4.65	0.00	4.65	13.03
Qorvo Inc	4.01	0.00	4.01	0.87
Royal Caribbean Cruises Ltd	3.76	0.00	3.76	12.34
Regeneron Pharmaceuticals Inc	3.45	0.00	3.45	15.12
ARRIS International plc	3.09	0.07	3.02	35.16
Trimble Inc	2.77	0.31	2.46	17.24
Las Vegas Sands Corp	2.63	0.00	2.63	34.00
Discovery Communications Inc	2.60	0.00	2.60	10.31
Level 3 Communications Inc	2.45	0.00	2.45	-9.92
Cummins Inc.	2.40	0.00	2.40	14.90
% of Portfolio	31.81	0.38		

Distribution of Market Capitalization (%)



International Equity

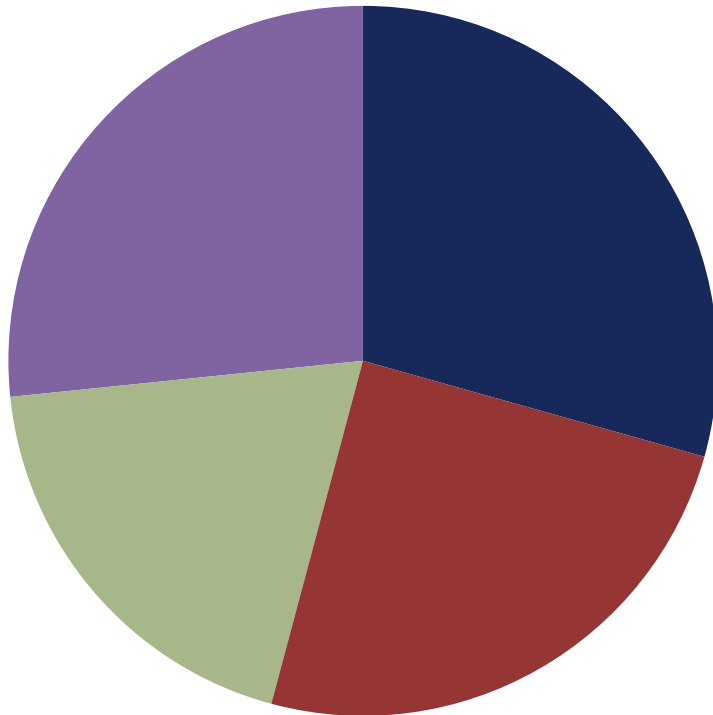
City of Jacksonville Police & Fire Pension Fund

International Equity vs. MSCI AC World ex USA (Net)

September 30, 2016

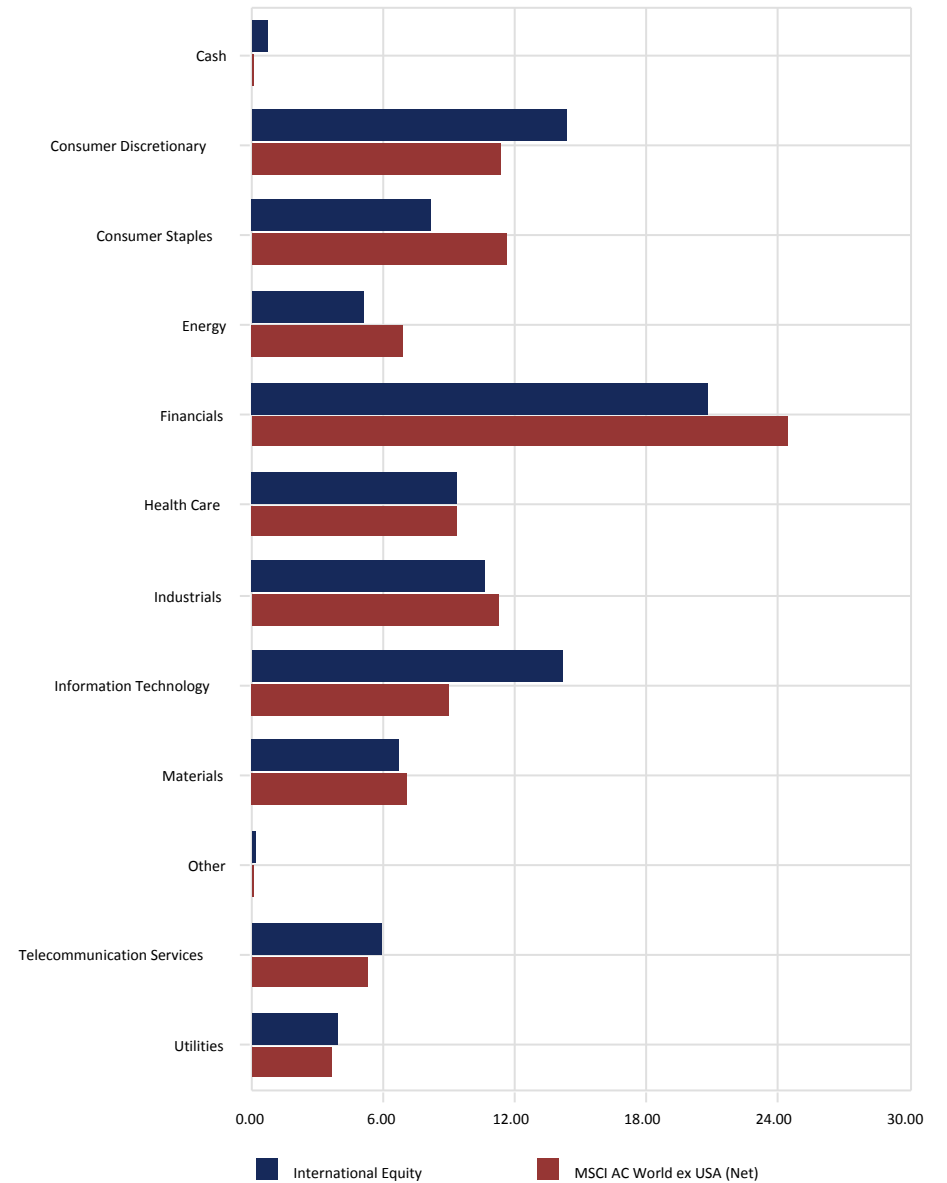
Manager Allocation

September 30, 2016 : \$333,729,597



	Market Value (\$)	Allocation (%)
Baillie Gifford	97,966,173	29.35
NT EAFE Index Fund	82,791,648	24.81
Silchester	64,131,151	19.22
Acadian Emerging Mkts Equity II Fund	88,840,625	26.62

Sector Allocation - Holdings Based

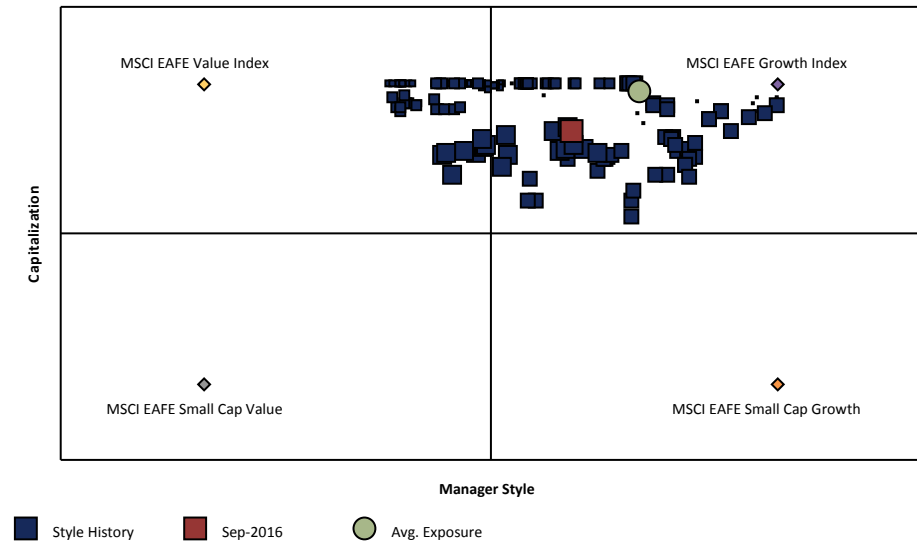


City of Jacksonville Police & Fire Pension Fund

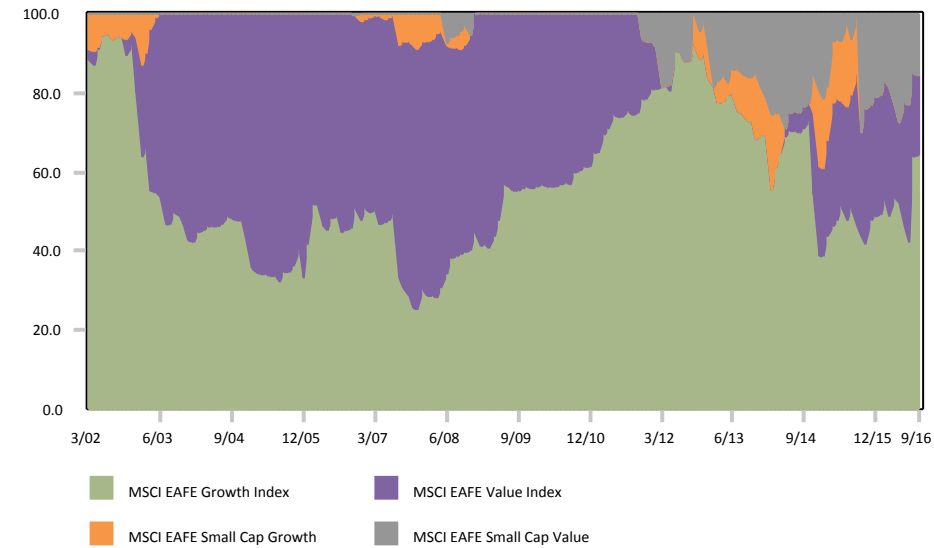
International Equity vs. MSCI AC World ex USA (Net)

September 30, 2016

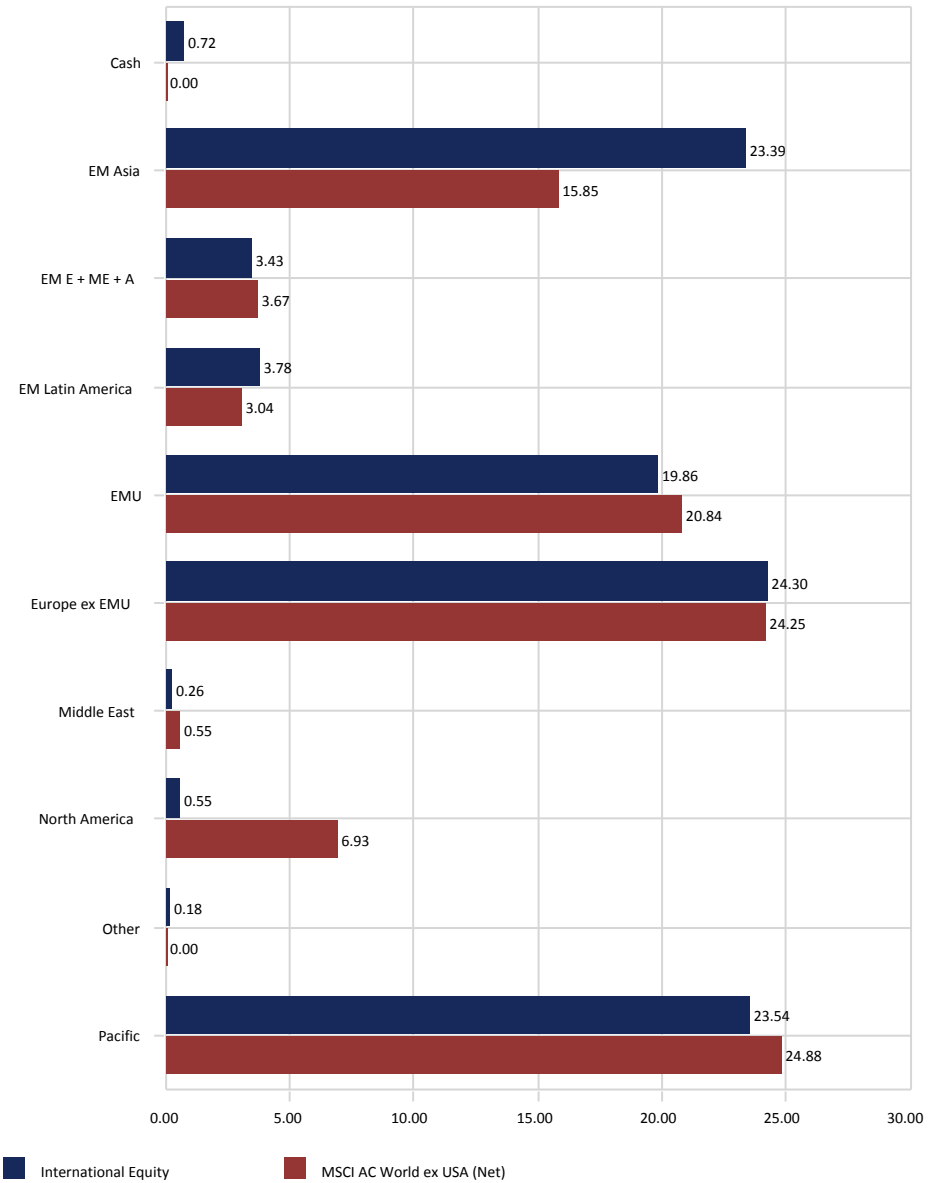
Style Analysis - Returns Based



3 Year Style Analysis



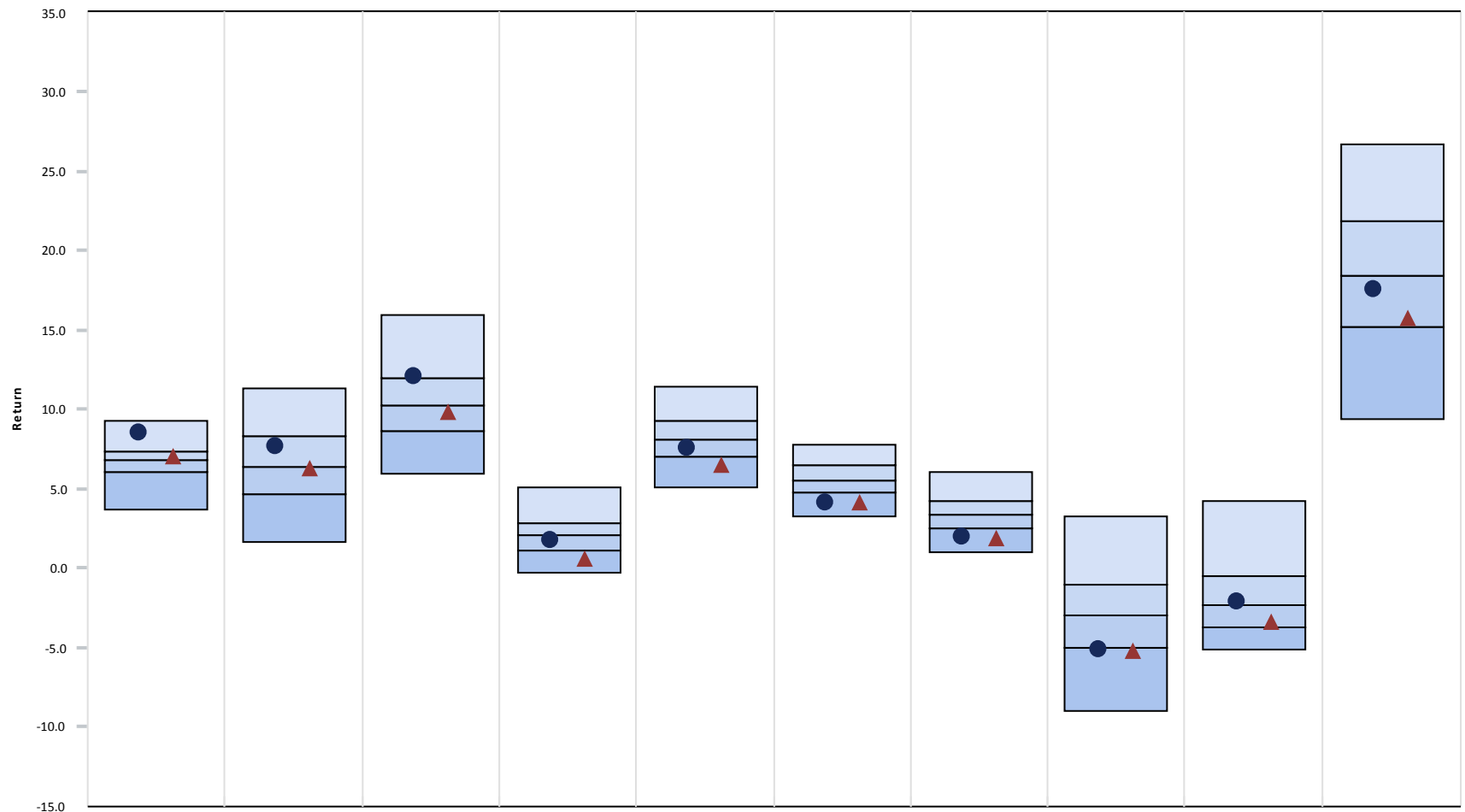
Region Allocation - Holdings Based



City of Jacksonville Police & Fire Pension Fund

All Master Trust-Intl. Equity Segment

September 30, 2016



	<u>3 Month</u>	<u>CYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
● International Equity	8.56 (10)	7.70 (31)	12.05 (25)	1.83 (55)	7.54 (65)	4.17 (87)	2.02 (88)	-5.08 (77)	-2.08 (46)	17.57 (61)
▲ International Equity Index	7.00 (38)	6.29 (52)	9.80 (59)	0.64 (86)	6.52 (84)	4.12 (87)	1.90 (90)	-5.25 (78)	-3.44 (72)	15.78 (71)
5th Percentile	9.25	11.30	16.00	5.13	11.42	7.77	6.07	3.28	4.28	26.72
1st Quartile	7.39	8.32	12.02	2.84	9.29	6.51	4.20	-1.03	-0.50	21.84
Median	6.78	6.38	10.31	2.05	8.10	5.52	3.38	-2.94	-2.28	18.44
3rd Quartile	6.11	4.64	8.71	1.17	7.09	4.75	2.56	-4.98	-3.66	15.25
95th Percentile	3.74	1.70	5.94	-0.23	5.09	3.28	1.01	-8.93	-5.15	9.44

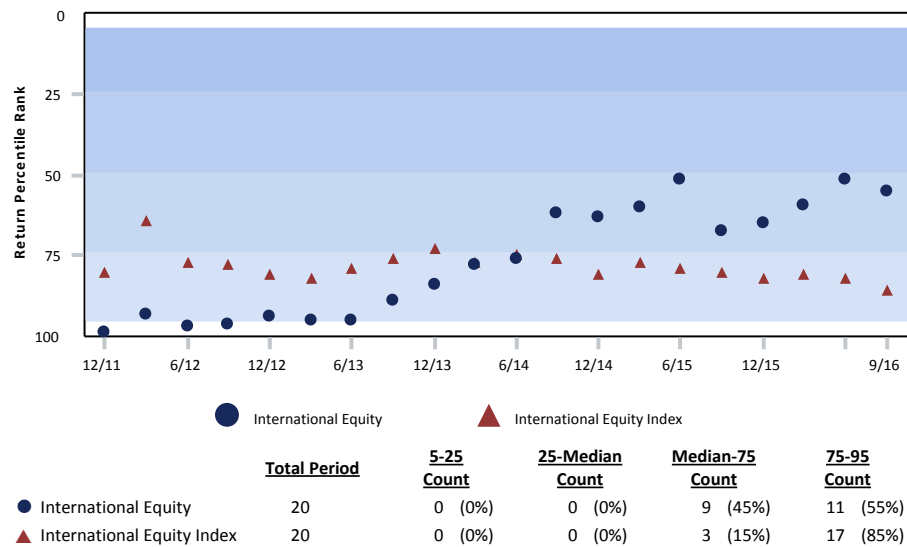
Parentheses contain percentile rankings.

City of Jacksonville Police & Fire Pension Fund

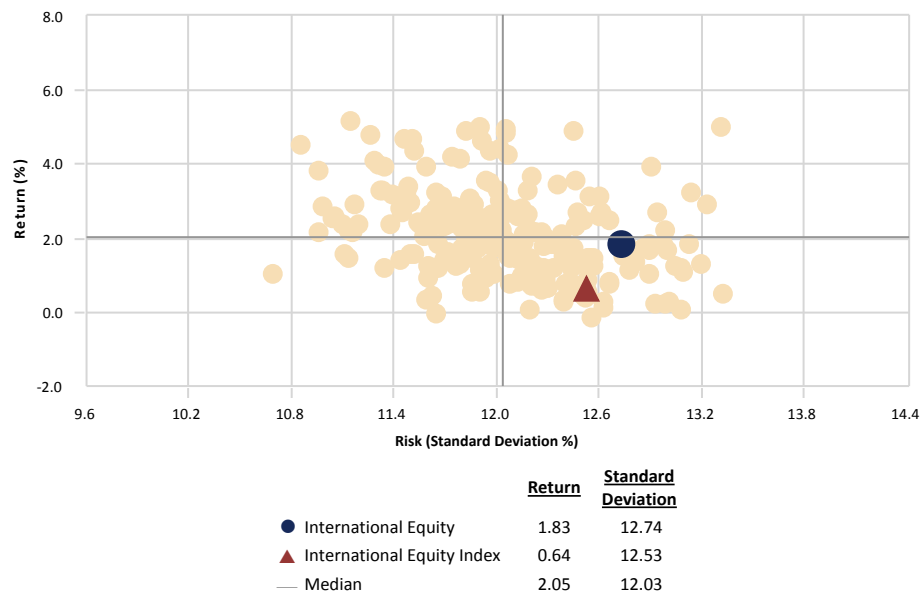
International Equity

September 30, 2016

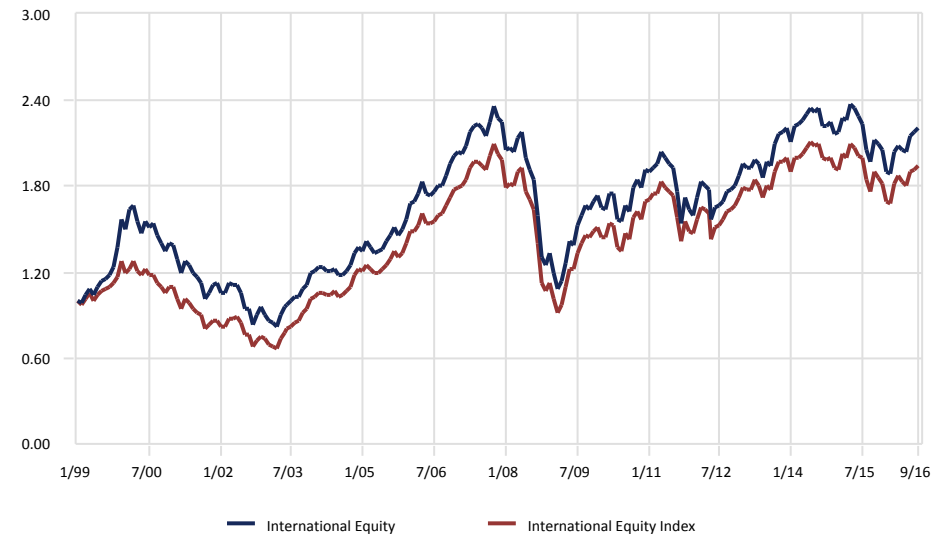
3 Year Rolling Return Rank



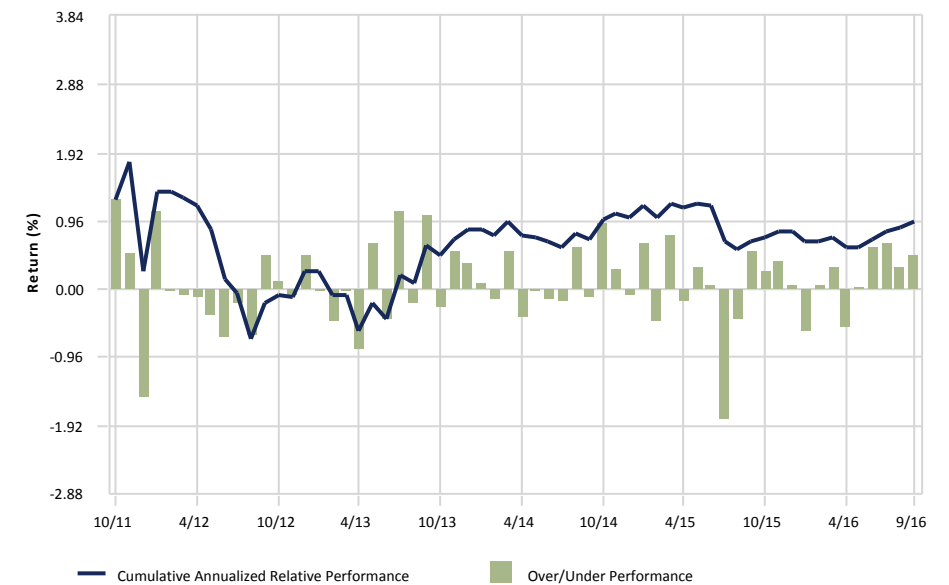
Risk vs. Return (10/01/13 - 09/30/16)



Growth of \$1 - Since Inception (02/01/99)



Relative Performance vs. International Equity Index

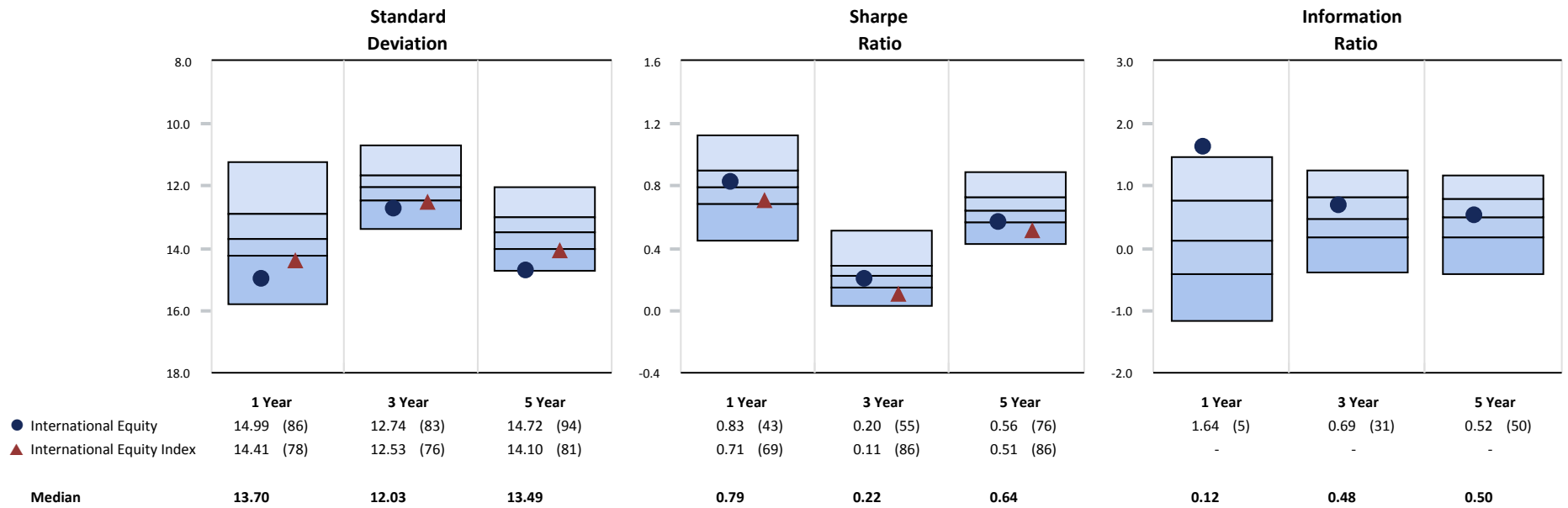


City of Jacksonville Police & Fire Pension Fund

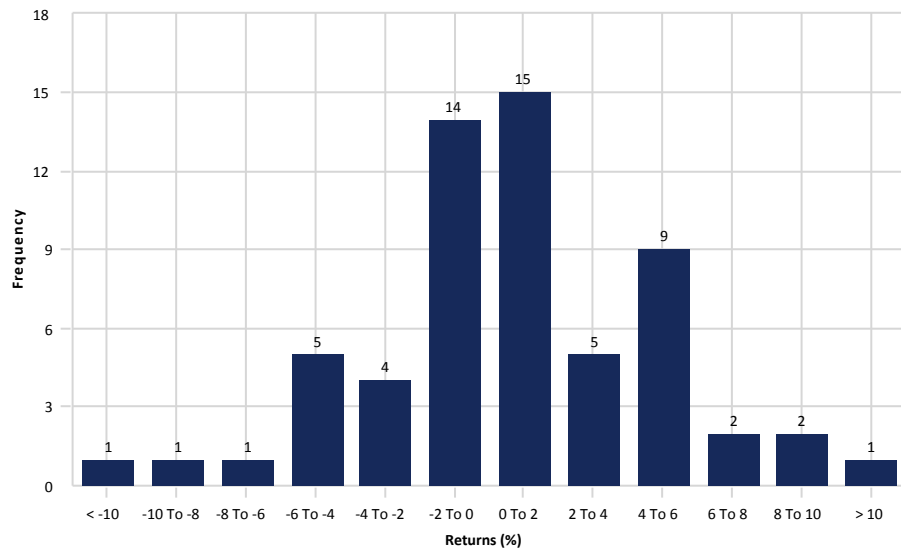
International Equity

September 30, 2016

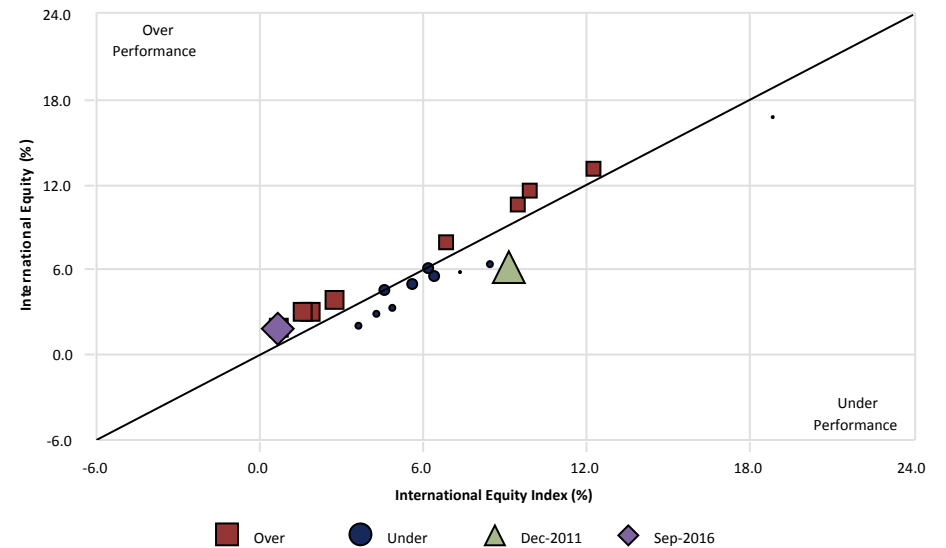
Peer Group Analysis: All Master Trust-Intl. Equity Segment



Monthly Distribution of Returns



3 Year Rolling Under/Over Performance

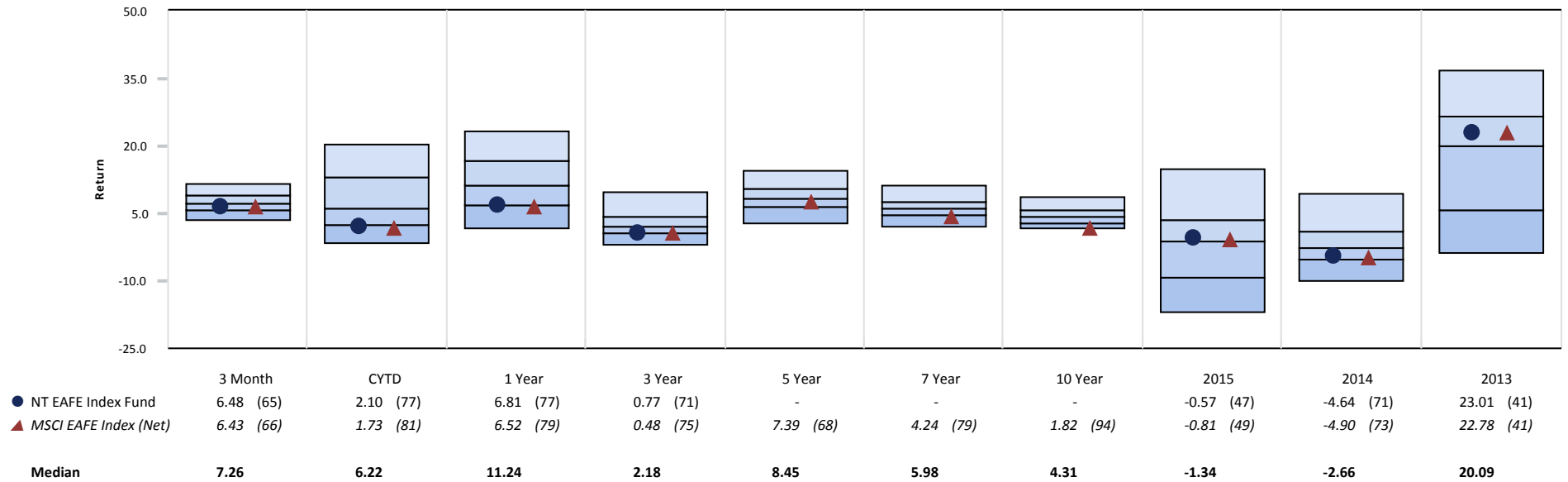


City of Jacksonville Police & Fire Pension Fund

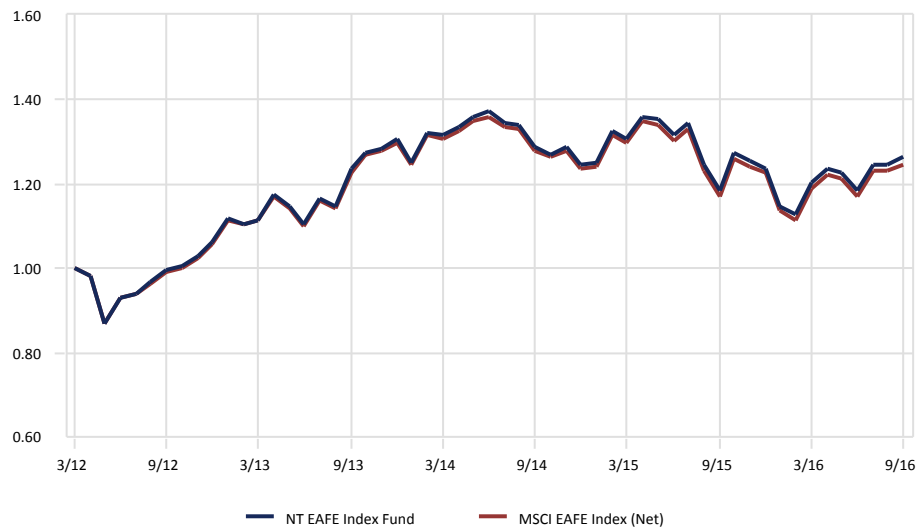
NT EAFE Index Fund

September 30, 2016

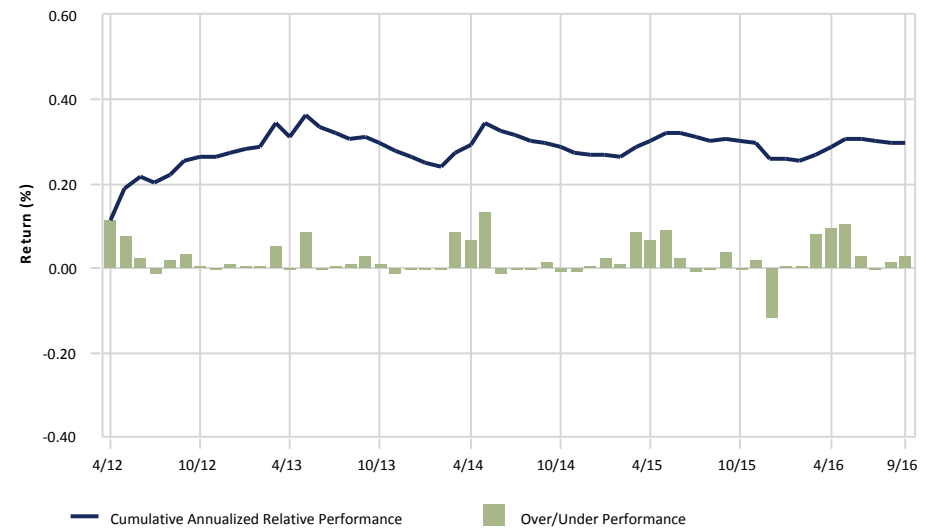
Peer Group Analysis - IM International Equity (SA+CF)



Growth of \$1 - Since Inception (04/01/12)



Relative Performance vs. MSCI EAFE Index (Net)



City of Jacksonville Police & Fire Pension Fund

NT EAFE Index Fund vs. MSCI EAFE Index (Net)

September 30, 2016

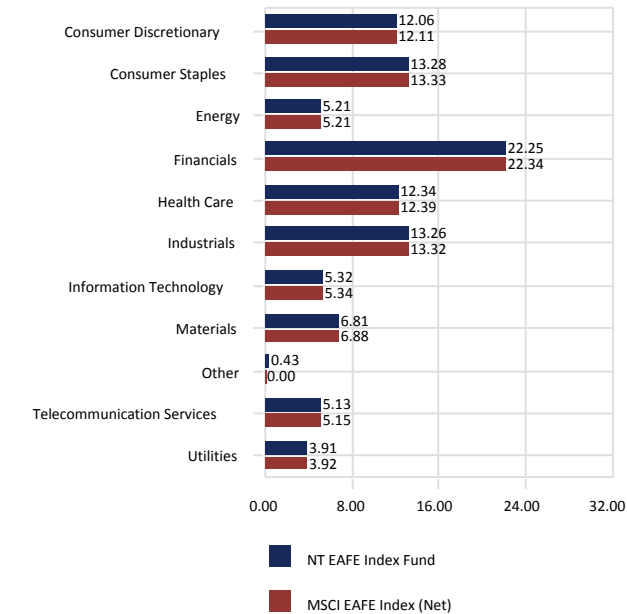
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Nintendo Co Ltd	0.24	0.24	0.00	85.30
Brother Industries Ltd	0.03	0.03	0.00	66.12
South32 Ltd	0.05	0.08	-0.03	62.18
South32 Ltd	0.03	0.08	-0.05	60.38
Zalando SE	0.03	0.03	0.00	58.55
Fortescue Metals Group Ltd	0.05	0.05	0.00	49.32
Hitachi High-Technologies Corp	0.02	0.02	0.00	47.78
Fujitsu Ltd	0.08	0.08	0.00	47.76
Lanxess AG	0.05	0.05	0.00	42.46
Nsk Ltd	0.04	0.04	0.00	41.96
% of Portfolio	0.62	0.70		

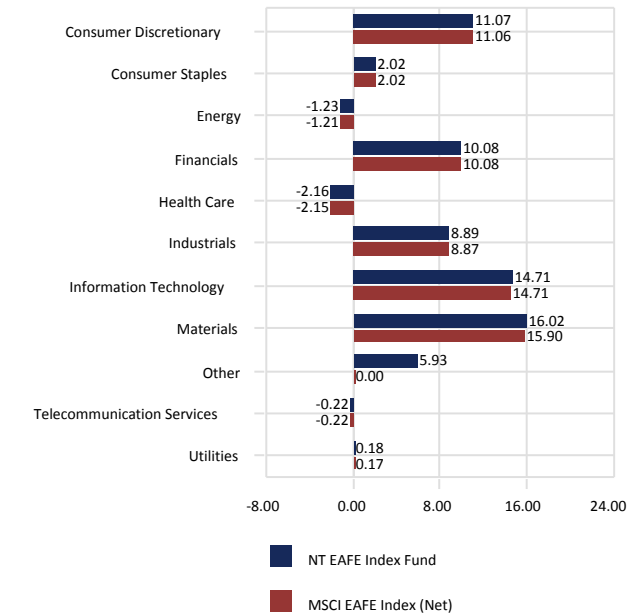
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Ono Pharmaceutical Co Ltd	0.09	0.09	0.00	-35.23
Capita PLC	0.05	0.05	0.00	-32.32
CYBERDYNE Inc	0.01	0.01	0.00	-30.26
Aggreko PLC	0.03	0.03	0.00	-26.82
TPG Telecom Ltd	0.02	0.02	0.00	-25.37
Ingenico Group	0.04	0.04	0.00	-25.12
Noble Group Ltd	0.01	0.01	0.00	-24.98
Taro Pharmaceutical Industries Ltd	0.01	0.01	0.00	-24.10
Vocus Communications Ltd	0.02	0.02	0.00	-22.92
Pearson PLC	0.06	0.07	-0.01	-22.75
% of Portfolio	0.34	0.35		

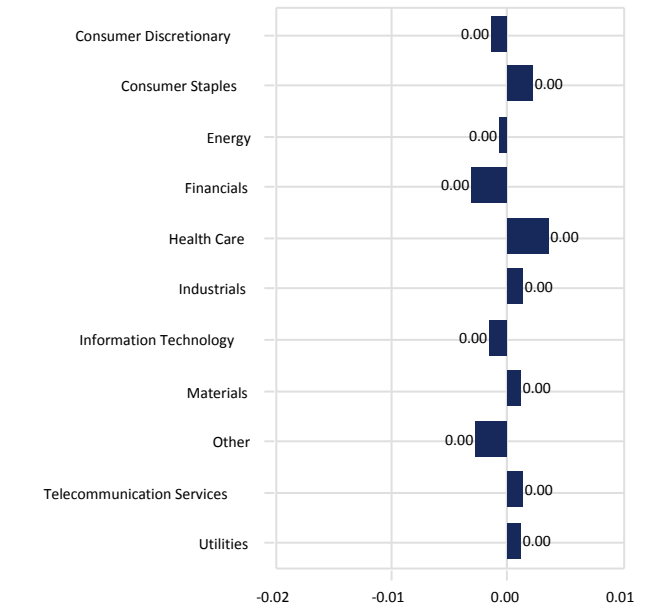
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

NT EAFE Index Fund vs. MSCI EAFE Index (Net)

September 30, 2016

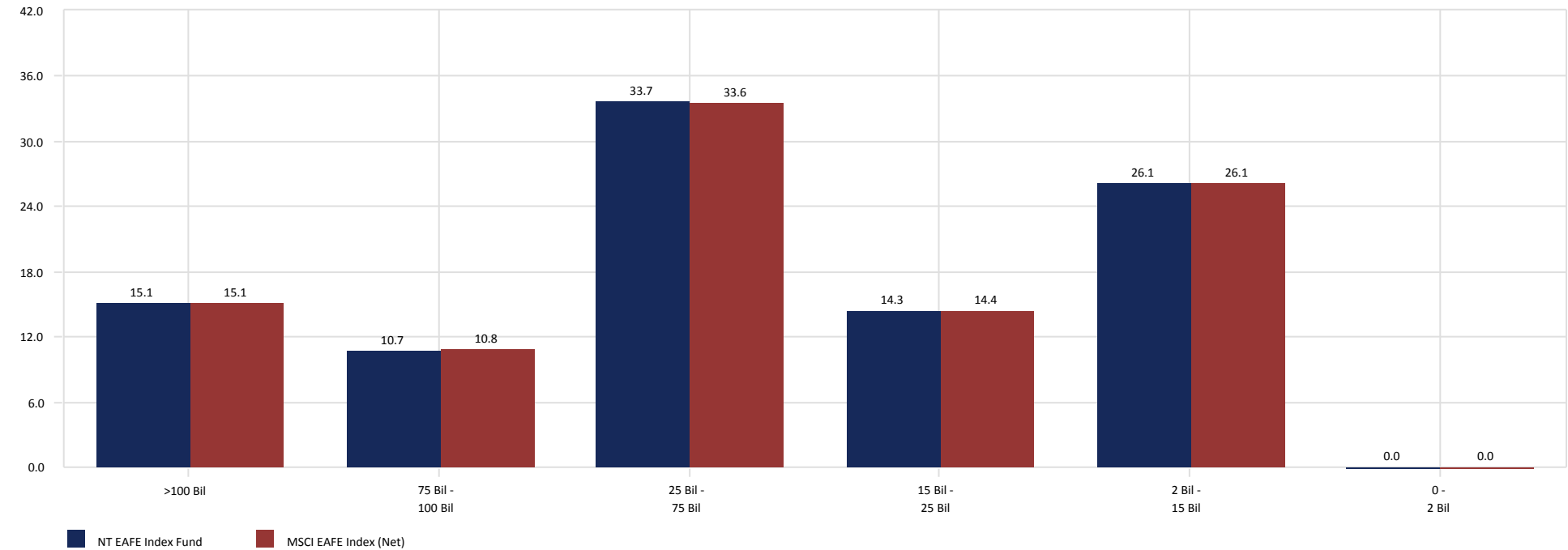
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	54,697,486	54,719,315
Median Mkt. Cap (\$000)	9,216,087	9,133,683
Price/Earnings ratio	16.80	16.80
Price/Book ratio	2.26	2.25
5 Yr. EPS Growth Rate (%)	3.46	3.48
Current Yield (%)	3.38	3.38
Beta (3 Years, Monthly)	1.00	1.00
Number of Stocks	957	927

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Nestle SA, Cham Und Vevey	2.03	2.04	-0.01	2.38
Novartis AG	1.42	1.42	0.00	-4.20
Roche Holding AG	1.41	1.41	0.00	-5.42
Toyota Motor Corp	1.23	1.23	0.00	17.68
HSBC Holdings PLC	1.20	1.20	0.00	22.41
British American Tobacco PLC	0.96	0.97	-0.01	-0.02
BP PLC	0.88	0.88	0.00	1.64
Royal Dutch Shell PLC	0.86	0.86	0.00	-7.44
Total	0.85	0.86	-0.01	-0.16
Anheuser-Busch InBev SA/NV	0.85	0.85	0.00	0.33
% of Portfolio	11.69	11.72		

Distribution of Market Capitalization (%)

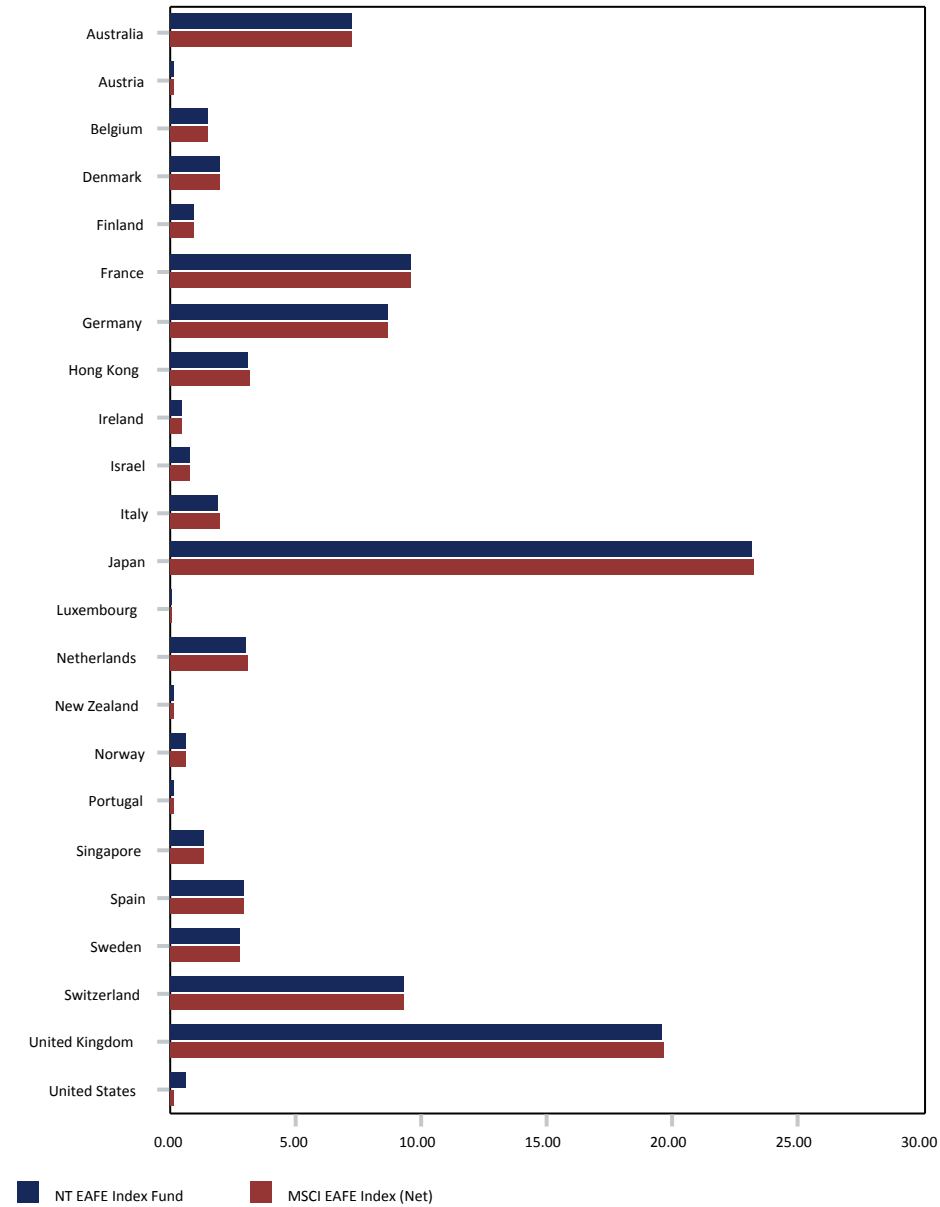


City of Jacksonville Police & Fire Pension Fund

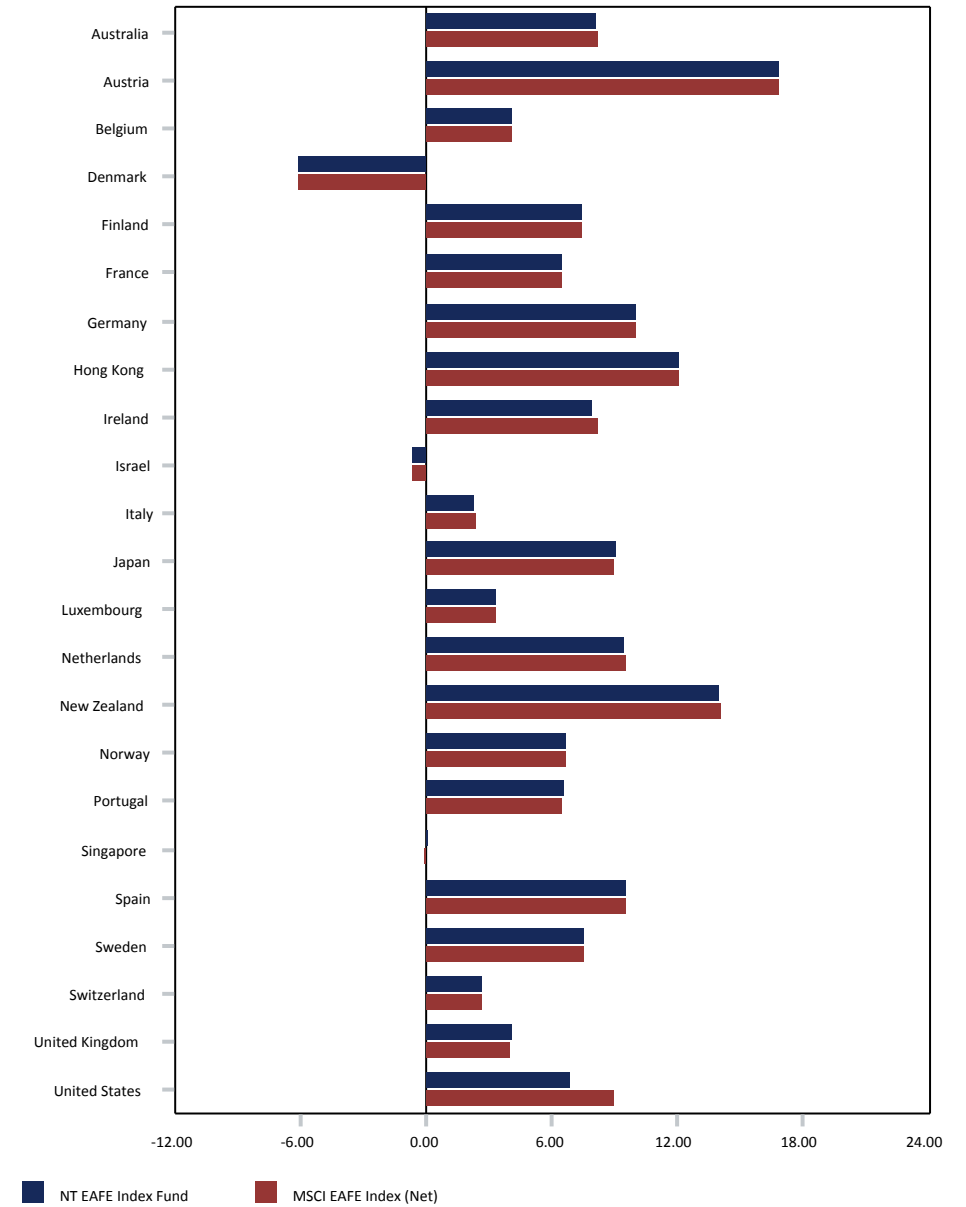
NT EAFE Index Fund vs. MSCI EAFE Index (Net)

September 30, 2016

Country Allocation



Country Performance

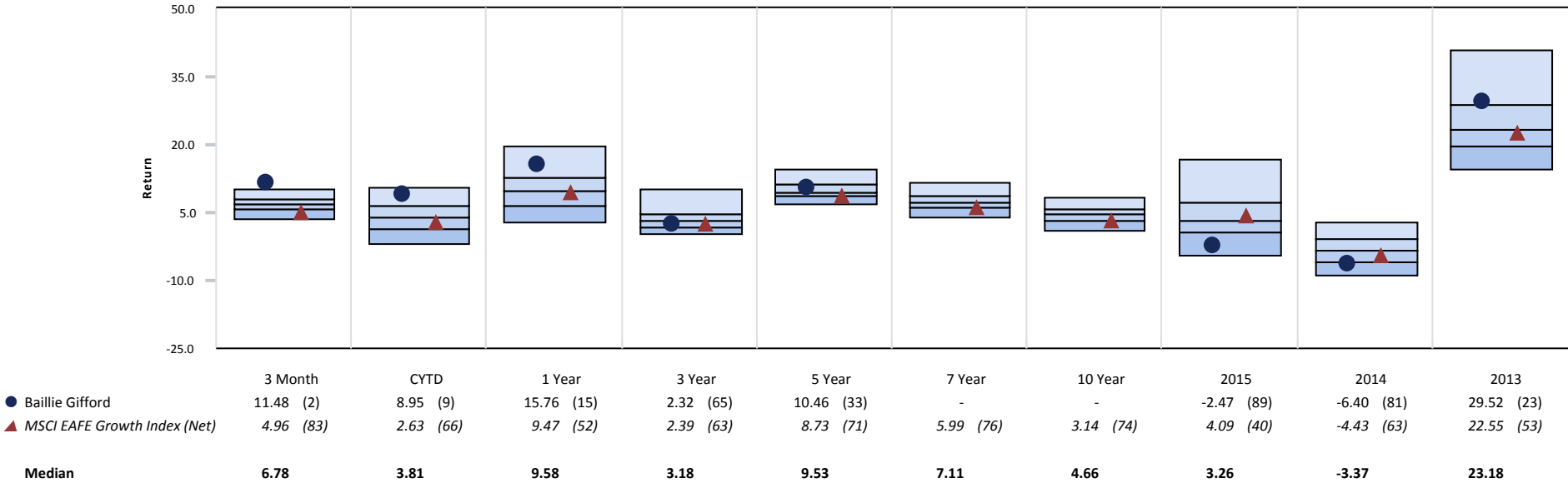


City of Jacksonville Police & Fire Pension Fund

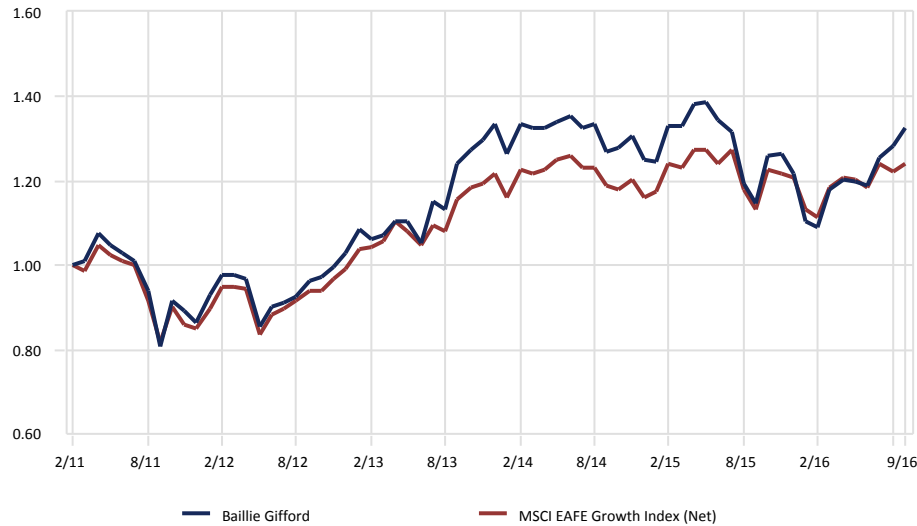
Baillie Gifford

September 30, 2016

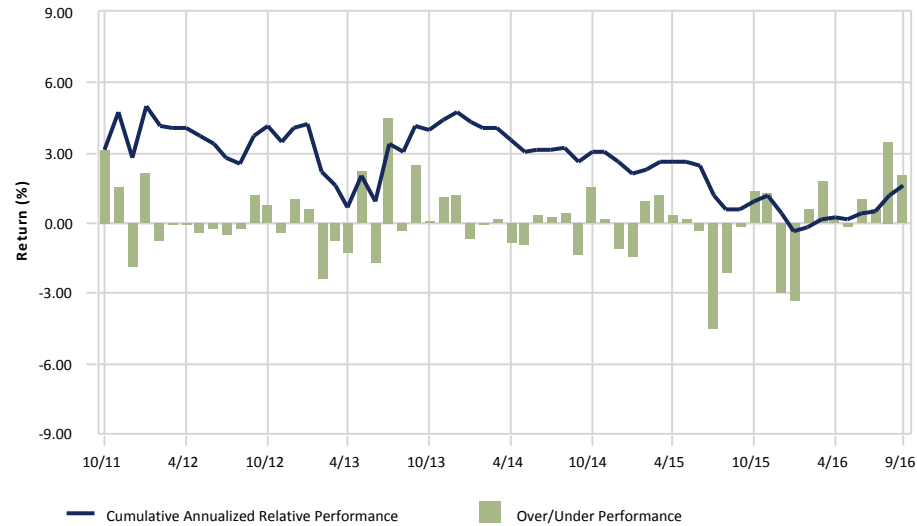
Peer Group Analysis - IM International Growth Equity (SA+CF)



Growth of \$1 - Since Inception (03/01/11)



Relative Performance vs. MSCI EAFE Growth Index (Net)



gross of fees

City of Jacksonville Police & Fire Pension Fund

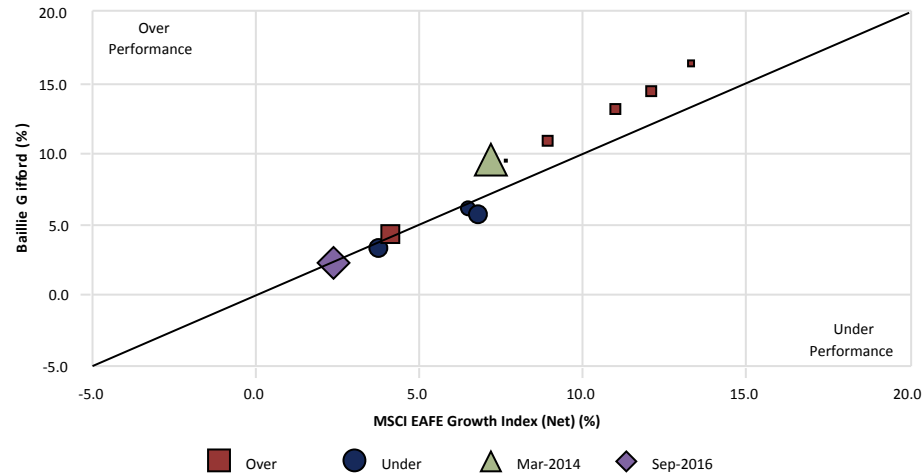
Baillie Gifford

September 30, 2016

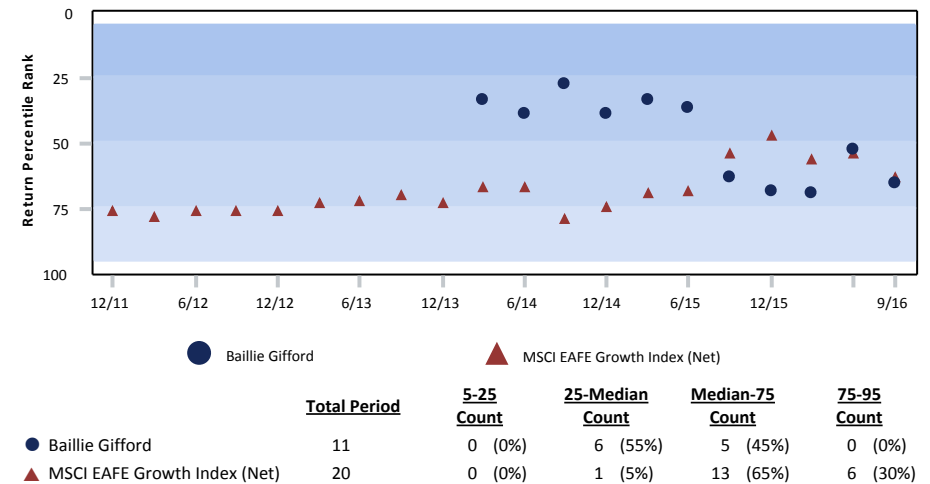
3 Year Portfolio Statistics

	Simple Alpha	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Sharpe Ratio	Consistency	Up Capture	Down Capture	Actual Correlation
Baillie Gifford	-0.08	-0.18	1.15	0.88	5.28	0.05	0.23	61.11	105.52	104.76	0.94
MSCI EAFE Growth Index (Net)	0.00	0.00	1.00	1.00	0.00	-	0.25	0.00	100.00	100.00	1.00
90 Day US Treasury Bill	-2.31	0.09	0.00	0.00	11.79	-0.25	-	50.00	0.23	-0.32	0.01

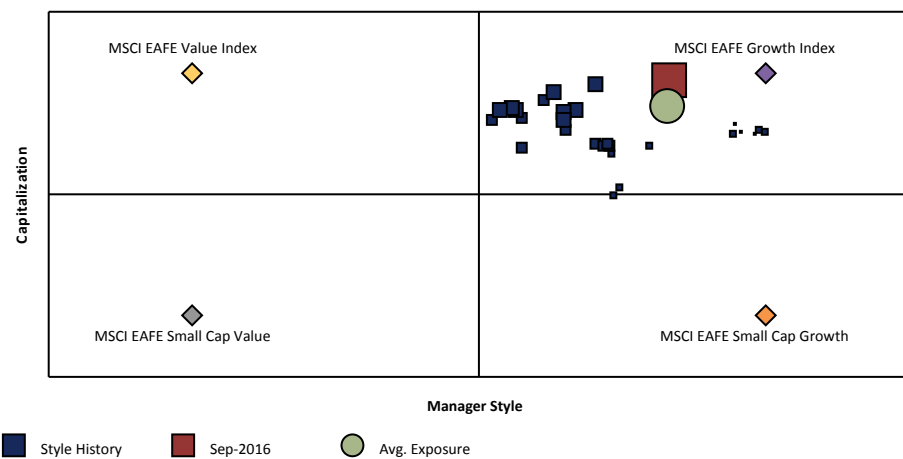
3 Year Rolling Under/Over Performance



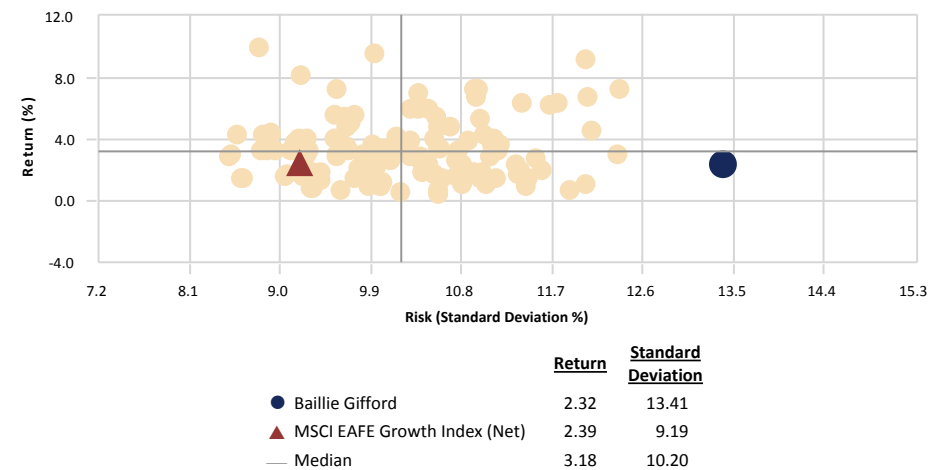
3 Year Rolling Relative Ranking



3 Year Style Analysis



Risk vs. Return (10/01/13 - 09/30/16)



gross of fees

City of Jacksonville Police & Fire Pension Fund

Baillie Gifford vs. MSCI EAFE Growth Index (Net)

September 30, 2016

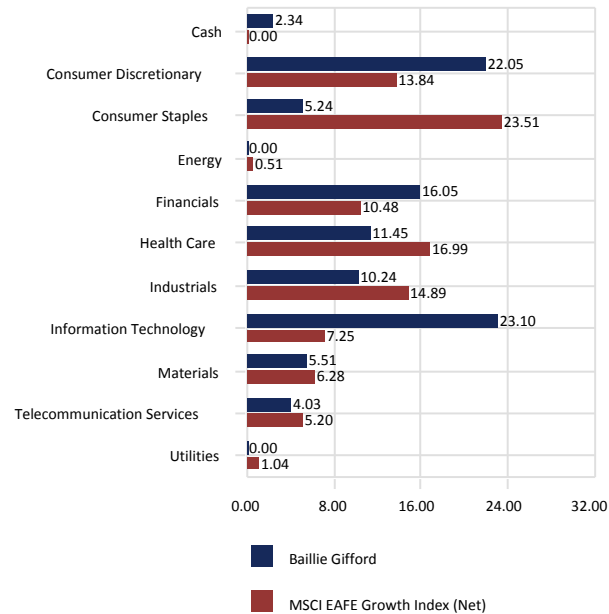
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Zalando SE	3.96	0.06	3.90	58.55
Alibaba Group Holding Ltd	3.97	0.00	3.97	33.02
MercadoLibre Inc	1.22	0.00	1.22	31.60
NAVER Corp	0.73	0.00	0.73	30.26
Dialog Semiconductor Plc, London	0.56	0.00	0.56	29.52
Ferrari NV	2.43	0.10	2.33	27.64
Kering	1.77	0.25	1.52	24.91
JD.com Inc	0.43	0.00	0.43	22.89
SBI Holdings Inc	0.54	0.01	0.53	21.42
Tencent Holdings LTD	4.65	0.00	4.65	20.99
% of Portfolio	20.26	0.42		

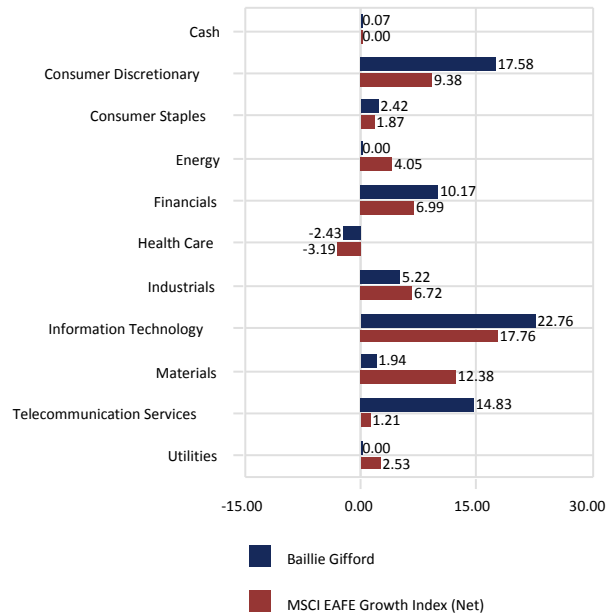
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Aggreko PLC	0.75	0.03	0.72	-26.82
Novo Nordisk A/S	1.36	1.27	0.09	-21.50
Chr.Hansen Holdings AS	0.81	0.09	0.72	-9.04
Novozymes A/S	1.18	0.16	1.02	-7.80
Mobileye NV	0.85	0.12	0.73	-7.74
Schibsted ASA	0.34	0.04	0.30	-5.69
Genmab A/S	1.97	0.16	1.81	-5.59
Banco Popular Espanol SA, Madrid	0.70	0.04	0.66	-3.20
CIE Generale D'Optique Essilor International SA	1.03	0.43	0.60	-2.26
Rolls Royce Holdings PLC	2.75	0.10	2.65	-1.66
% of Portfolio	11.74	2.44		

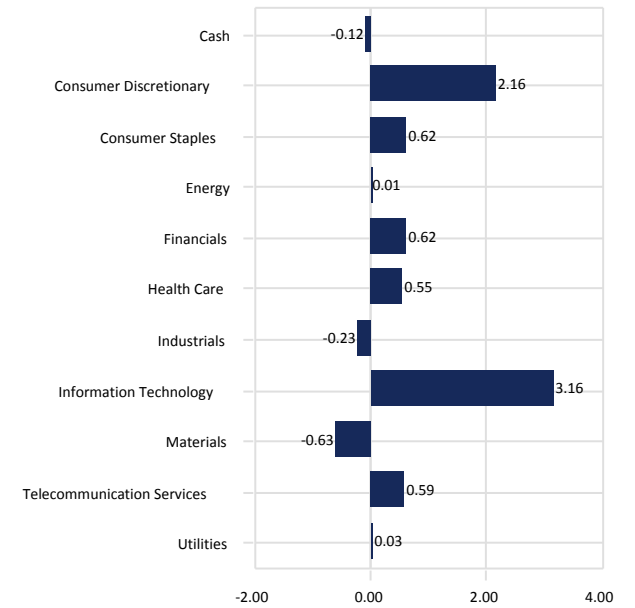
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

Baillie Gifford vs. MSCI EAFE Growth Index (Net)

September 30, 2016

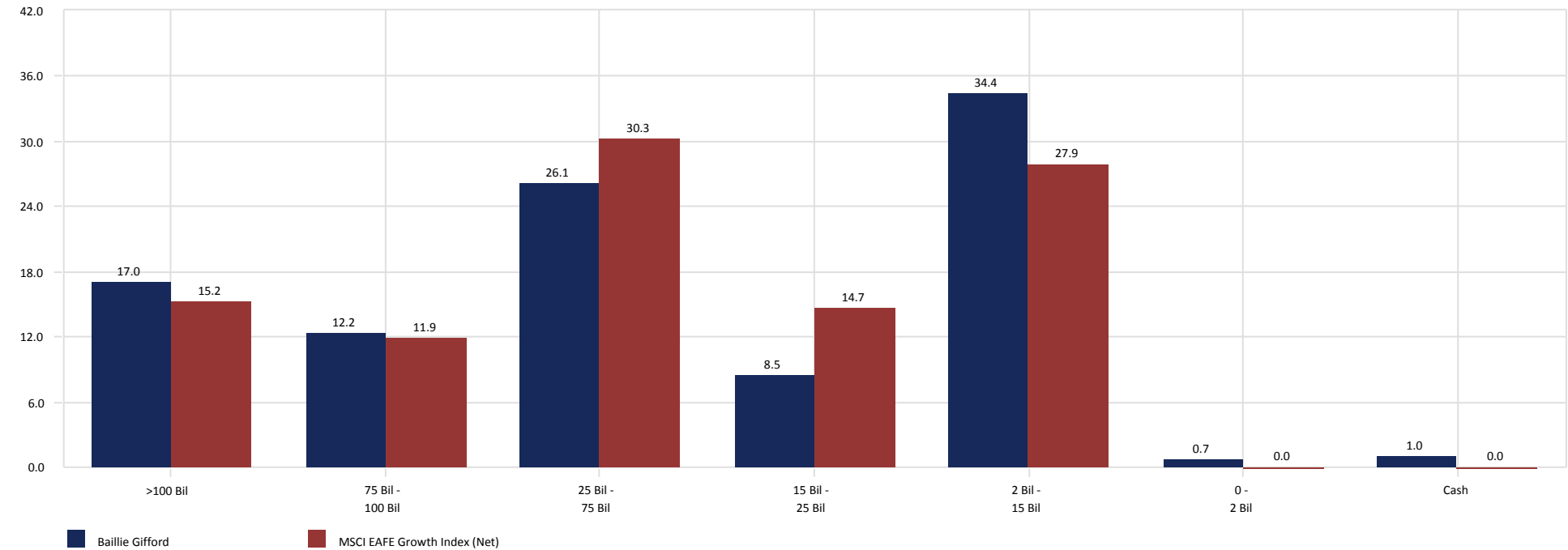
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	55,958,755	56,065,200
Median Mkt. Cap (\$000)	11,135,575	8,663,196
Price/Earnings ratio	27.58	21.08
Price/Book ratio	4.26	2.95
5 Yr. EPS Growth Rate (%)	10.50	7.86
Current Yield (%)	1.27	2.47
Beta (5 Years, Monthly)	1.15	1.00
Number of Stocks	61	540

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Industria De Diseno Textil Inditex SA	5.62	0.65	4.97	11.65
AIA Group Ltd	4.91	1.28	3.63	11.75
Baidu Inc	4.70	0.00	4.70	10.24
Tencent Holdings LTD	4.65	0.00	4.65	20.99
Softbank Group Corp	4.35	0.99	3.36	14.83
ASML Holding NV	4.21	0.65	3.56	11.84
Alibaba Group Holding Ltd	3.97	0.00	3.97	33.02
Zalando SE	3.96	0.06	3.90	58.55
M3 Inc	3.94	0.11	3.83	-1.57
Atlas Copco AB	3.24	0.32	2.92	17.61
% of Portfolio	43.55	4.06		

Distribution of Market Capitalization (%)

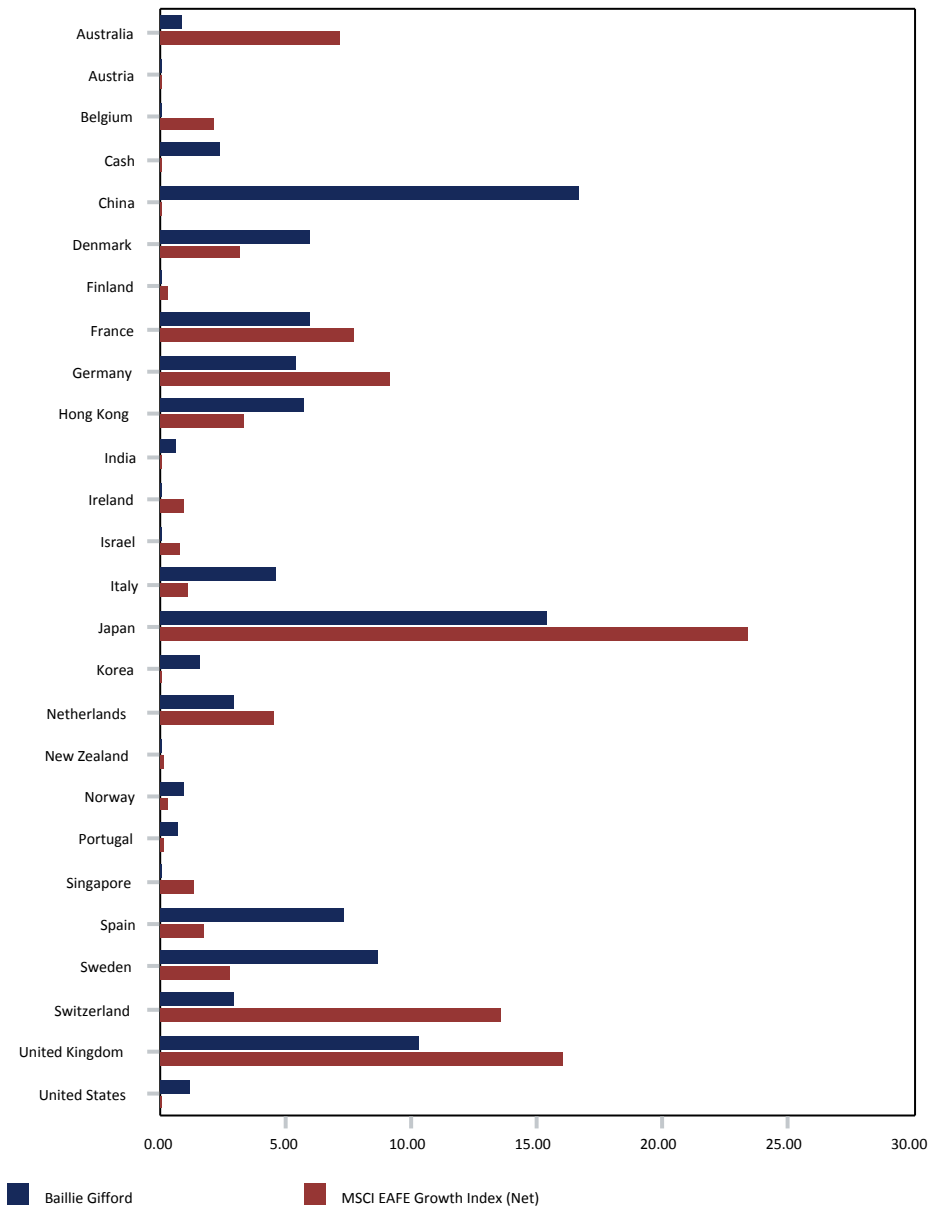


City of Jacksonville Police & Fire Pension Fund

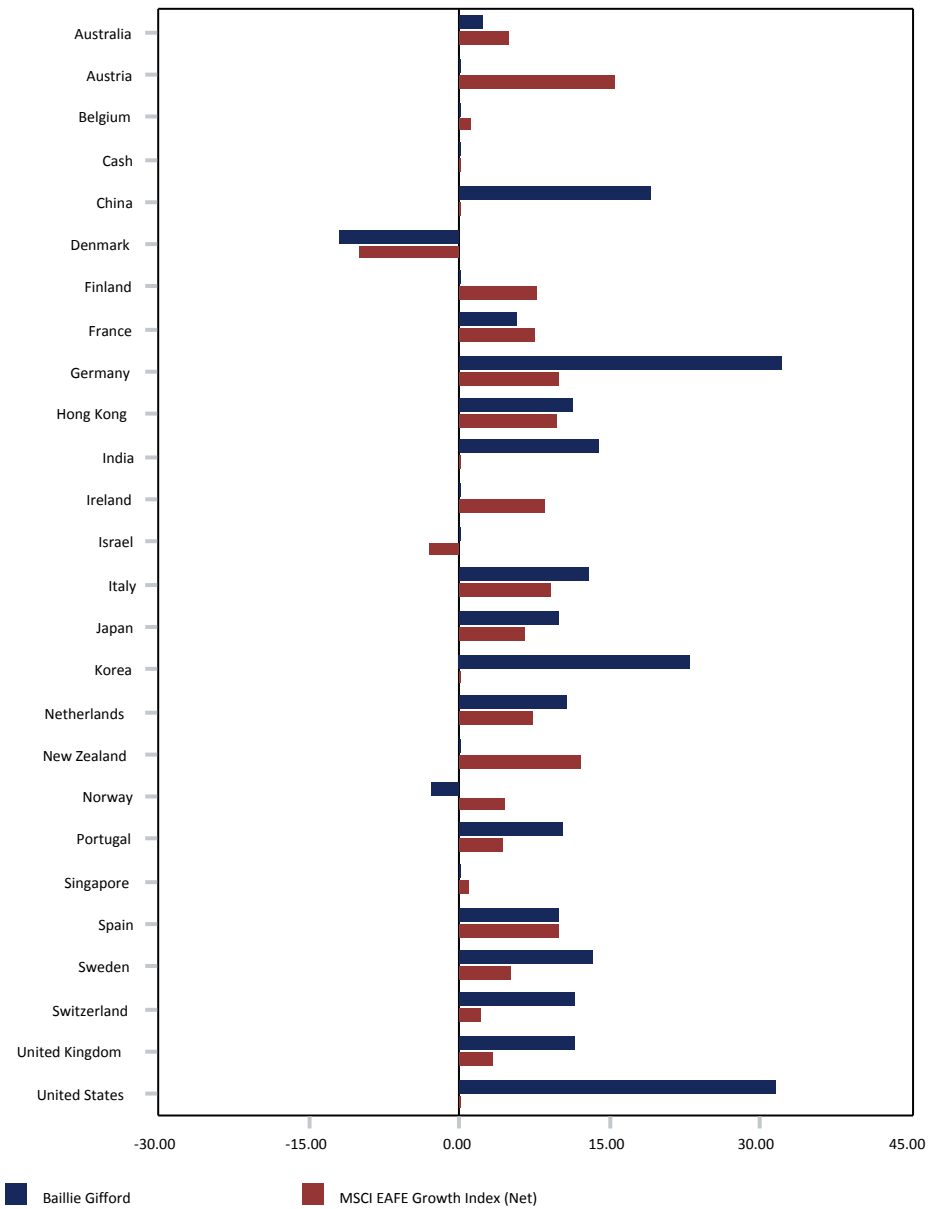
Baillie Gifford vs. MSCI EAFE Growth Index (Net)

September 30, 2016

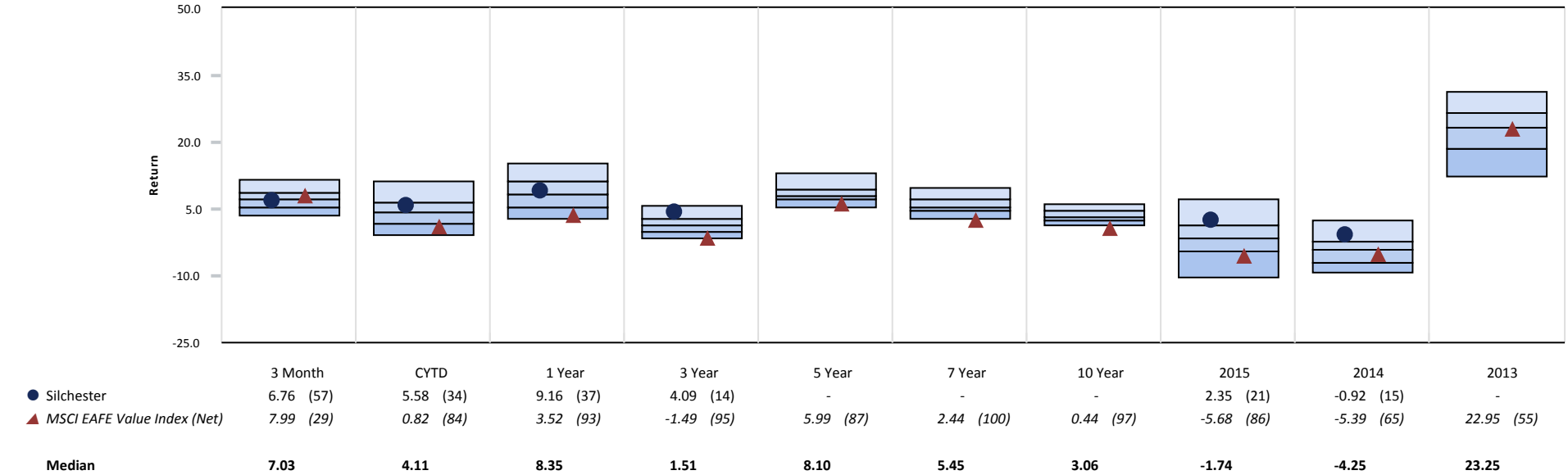
Country Allocation



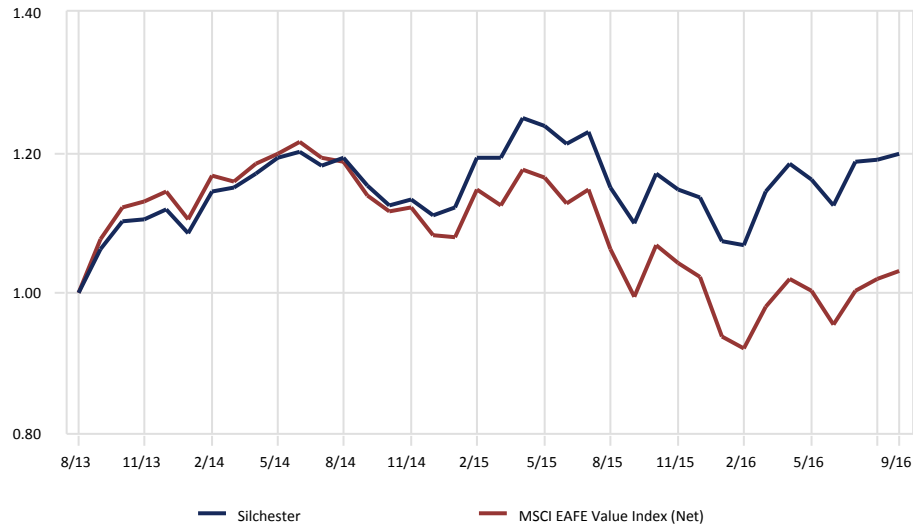
Country Performance



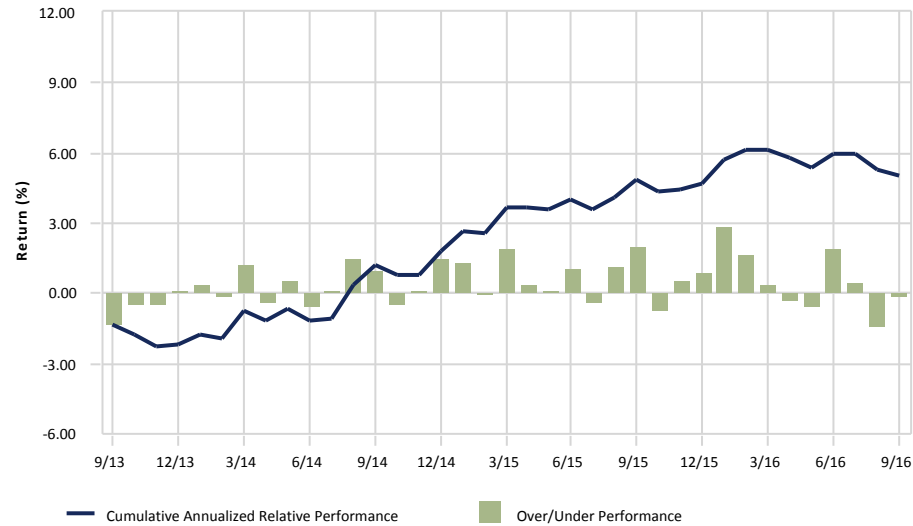
Peer Group Analysis - IM International Large Cap Value Equity (SA+CF)



Growth of \$1 - Since Inception (09/01/13)



Relative Performance vs. MSCI EAFE Value Index (Net)



gross of fees

City of Jacksonville Police & Fire Pension Fund

Silchester vs. MSCI EAFE Value Index (Net)

September 30, 2016

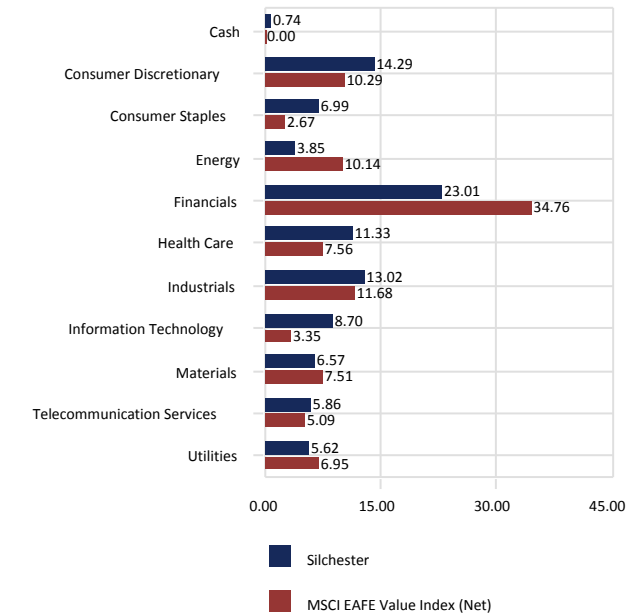
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
St.Ives PLC	0.03	0.00	0.03	56.85
Kingboard Chemical Holdings Ltd	0.37	0.00	0.37	54.99
Thai Oil PCL	0.06	0.00	0.06	31.06
Ryosan Co Ltd	0.60	0.00	0.60	30.34
Anglo American PLC	1.51	0.29	1.22	29.36
Hays PLC	0.21	0.00	0.21	29.17
Somfy SA	0.72	0.00	0.72	27.12
Electrocomponents PLC	1.07	0.00	1.07	26.80
Nomura Holdings Inc	1.16	0.26	0.90	26.05
Credit Suisse Group	2.30	0.20	2.10	23.90
% of Portfolio	8.03	0.75		

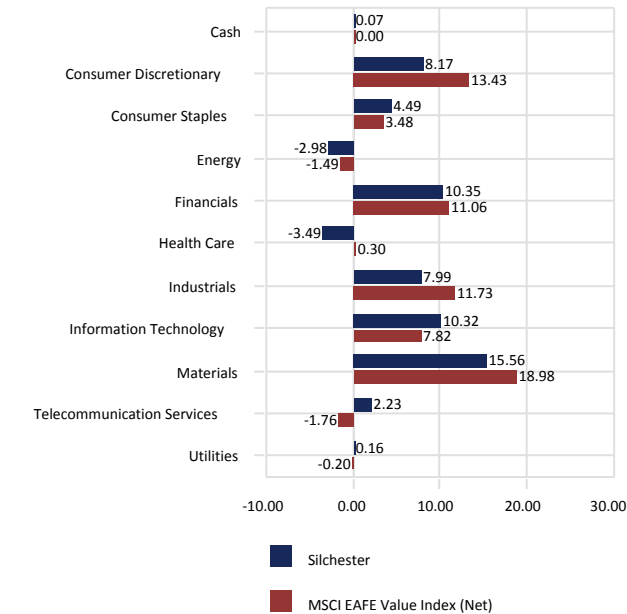
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Mitie Group PLC	0.25	0.00	0.25	-24.84
Pearson PLC	1.09	0.13	0.96	-22.75
Unione Di Banche Italiane S.p.A.	0.44	0.01	0.43	-16.15
Futaba Corp	0.17	0.00	0.17	-13.41
Turkcell Iletisim Hizmet	0.98	0.00	0.98	-11.98
Gam Holding Ltd	0.84	0.00	0.84	-9.88
Sanofi	3.06	1.44	1.62	-8.64
Royal Dutch Shell PLC	1.64	1.74	-0.10	-7.36
Central Glass Co Ltd	0.15	0.00	0.15	-7.00
Amano Corp	0.50	0.00	0.50	-6.73
% of Portfolio	9.12	3.32		

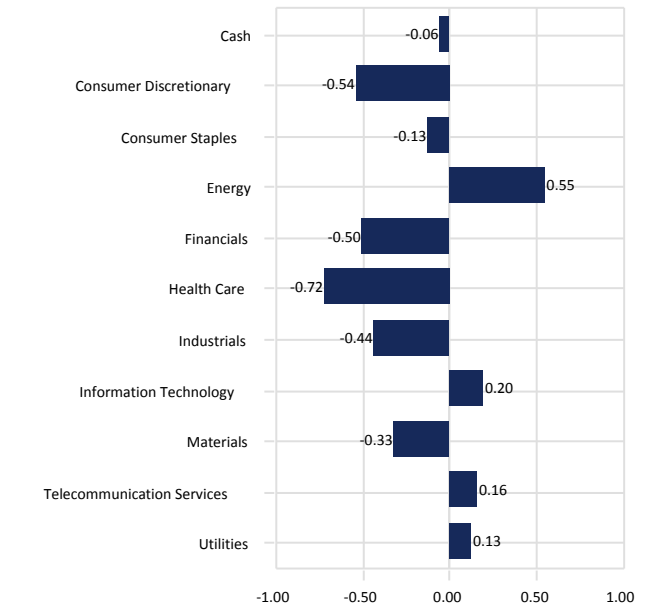
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

Silchester vs. MSCI EAFE Value Index (Net)

September 30, 2016

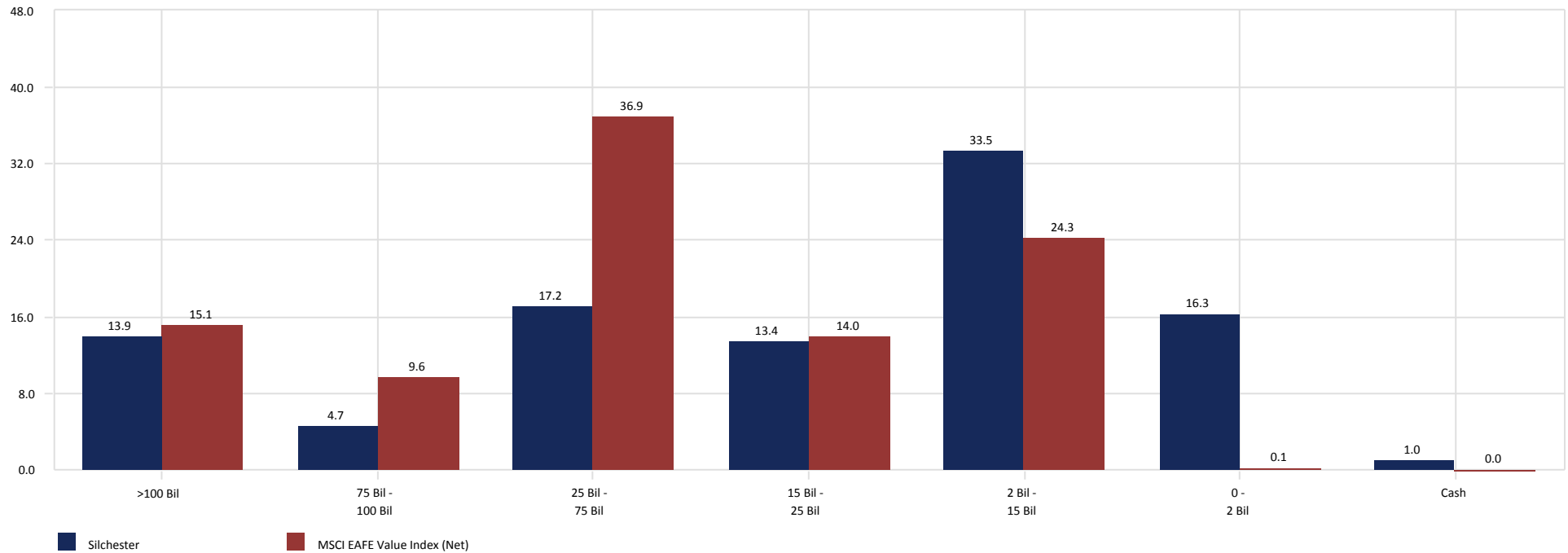
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	37,946,256	53,349,034
Median Mkt. Cap (\$000)	3,343,218	8,853,858
Price/Earnings ratio	14.45	13.54
Price/Book ratio	1.90	1.64
5 Yr. EPS Growth Rate (%)	-4.91	-1.66
Current Yield (%)	3.92	4.30
Beta (3 Years, Monthly)	0.85	1.00
Number of Stocks	146	506

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Sanofi	3.06	1.44	1.62	-8.64
Glaxosmithkline PLC	3.00	1.70	1.30	0.63
Honda Motor Co Ltd	2.69	0.76	1.93	14.88
Novartis AG	2.55	1.01	1.54	-4.20
Credit Suisse Group	2.30	0.20	2.10	23.90
Tesco PLC	2.11	0.00	2.11	1.65
Henderson Land Development Co Ltd	2.09	0.00	2.09	6.62
BAE Systems PLC	2.00	0.35	1.65	-2.82
Toyota Motor Corp	1.95	2.49	-0.54	17.68
HSBC Holdings PLC	1.92	2.43	-0.51	22.41
% of Portfolio	23.67	10.38		

Distribution of Market Capitalization (%)

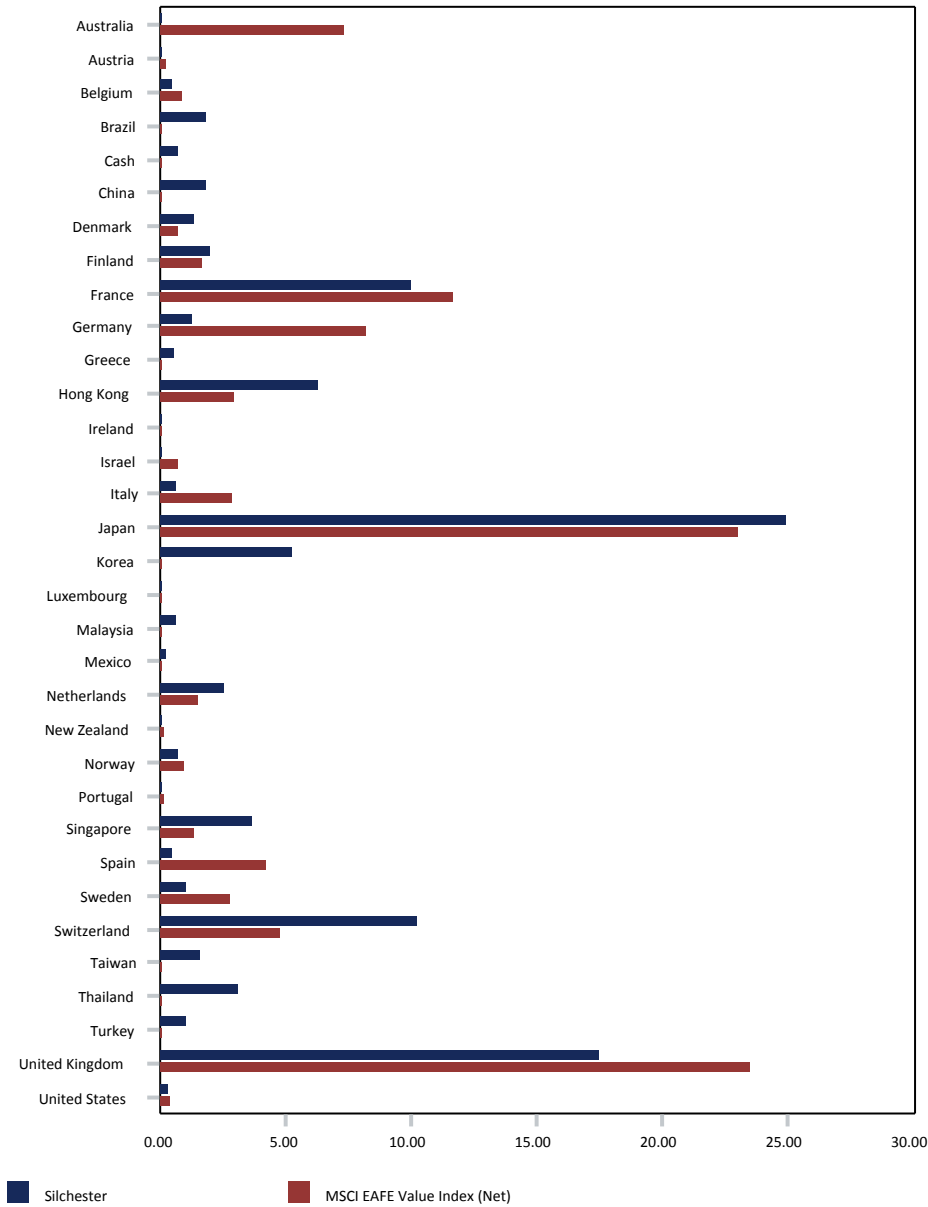


City of Jacksonville Police & Fire Pension Fund

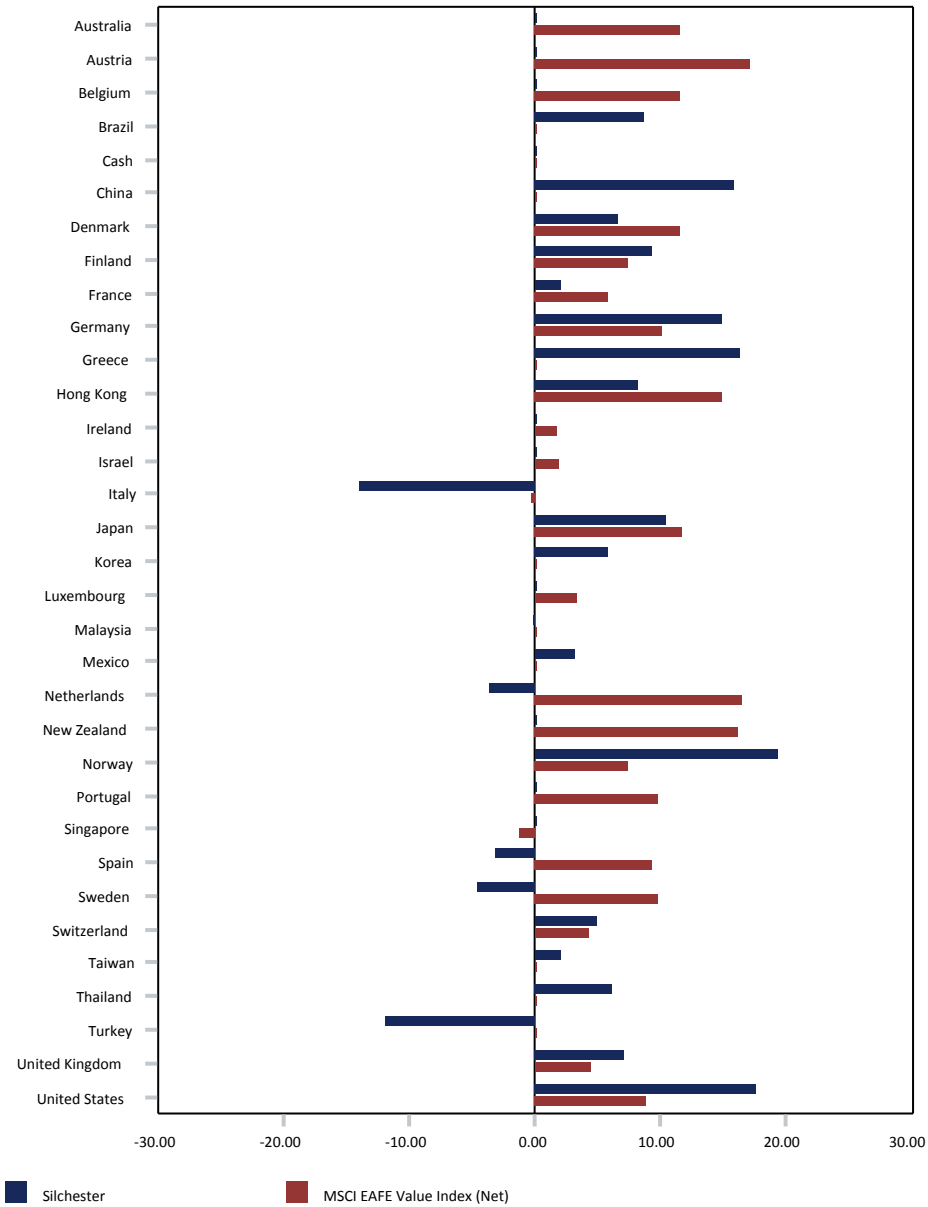
Silchester vs. MSCI EAFE Value Index (Net)

September 30, 2016

Country Allocation



Country Performance

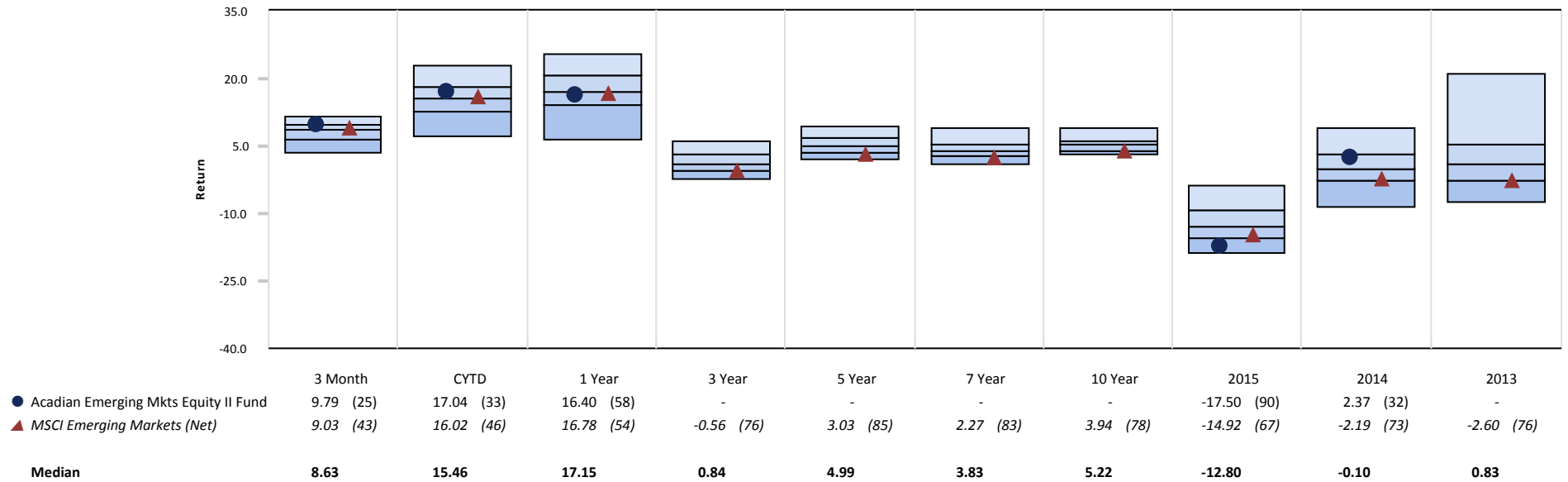


City of Jacksonville Police & Fire Pension Fund

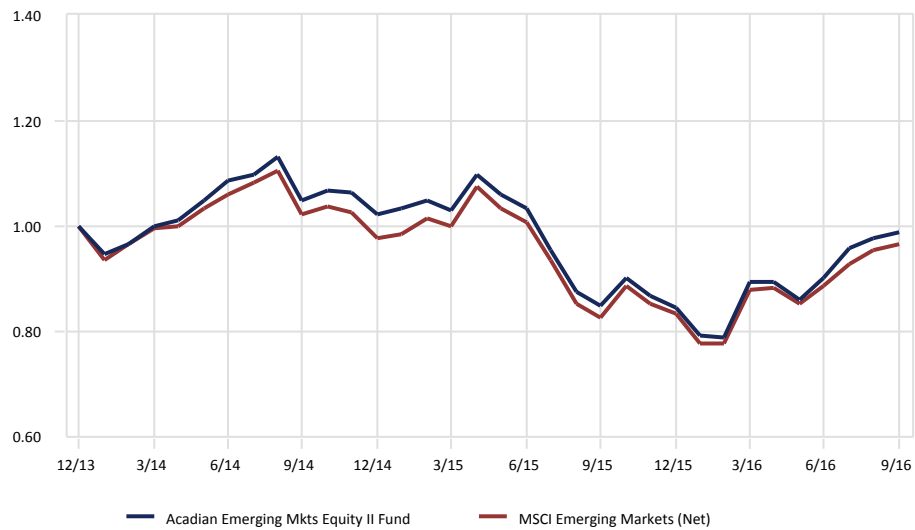
Acadian Emerging Mkts Equity II Fund

September 30, 2016

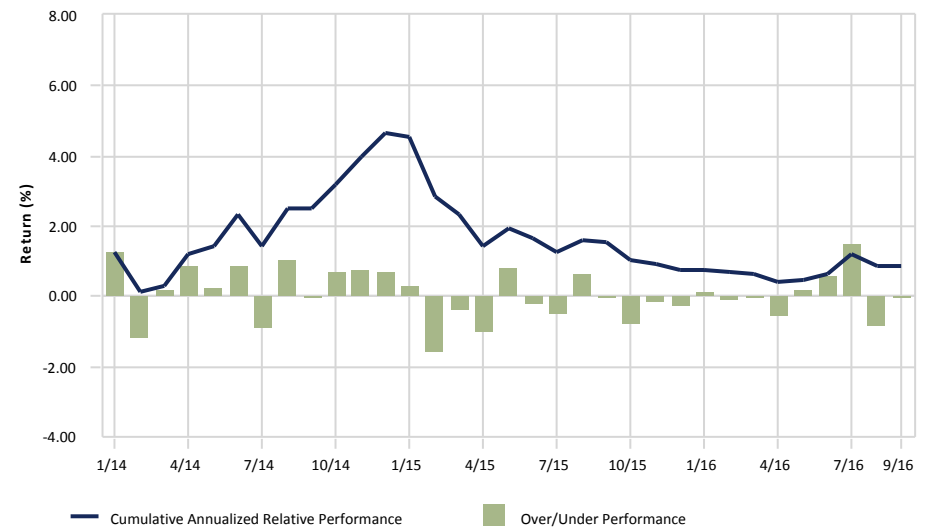
Peer Group Analysis - IM Emerging Markets Equity (SA+CF)



Growth of \$1 - Since Inception (01/01/14)



Relative Performance vs. MSCI Emerging Markets (Net)



gross of fees

City of Jacksonville Police & Fire Pension Fund

Acadian Emerging Mkts vs. MSCI Emerging Markets (Net)

September 30, 2016

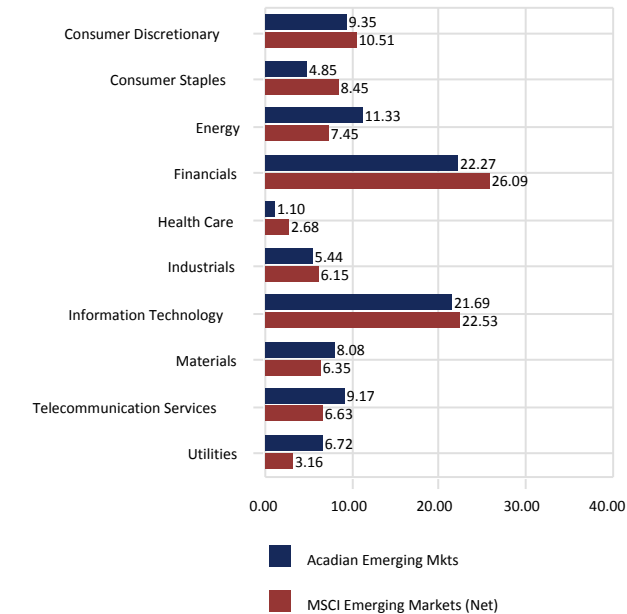
Ten Best Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Aptech Ltd	0.00	0.00	0.00	101.63
Jubilant Life Sciences Ltd	0.02	0.00	0.02	99.45
Magazine Luiza S/A	0.02	0.00	0.02	95.94
Aegean Marine Petroleum Network Inc	0.01	0.00	0.01	82.15
Weibo Corp	0.55	0.00	0.55	76.49
Zhongsheng Group Holdings Ltd	0.02	0.00	0.02	75.30
Kiza Anadolu Metal Madencilik Isletmeleri AS	0.04	0.00	0.04	70.89
JK Tyre & Industries Ltd	0.04	0.00	0.04	70.71
Yirendai Ltd	0.12	0.00	0.12	70.36
Fufeng Group Ltd	0.01	0.00	0.01	69.61
% of Portfolio	0.83	0.00		

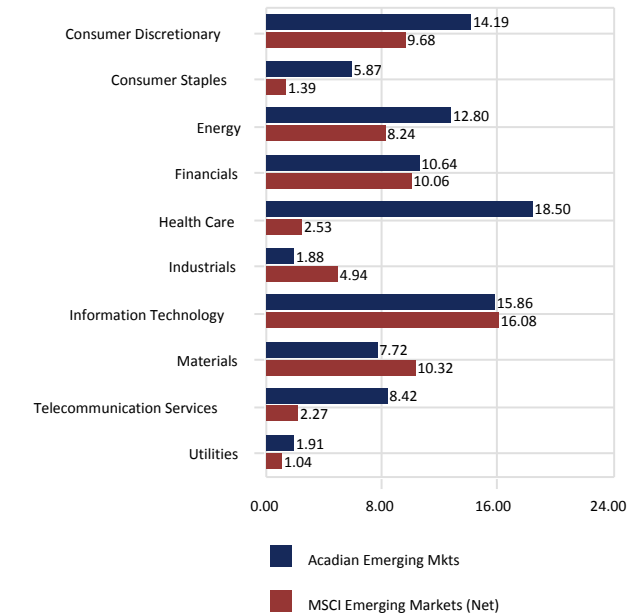
Ten Worst Performers

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
ChinaCache International Holdings Ltd	0.01	0.00	0.01	-40.59
Tipco Asphalt Public Co Ltd	0.14	0.00	0.14	-28.08
PT Lippo Cikarang TBK	0.02	0.00	0.02	-23.25
Housing Development and Infrastructure Ltd	0.10	0.00	0.10	-21.88
Elitegroup Computer Systems Co Ltd	0.01	0.00	0.01	-20.65
Com2us Corp	0.02	0.00	0.02	-20.35
CKH Food & Health Limited	0.00	0.00	0.00	-18.65
Enerasis Chile SA	0.08	0.04	0.04	-18.53
CJ Helloworld Co Ltd	0.02	0.00	0.02	-16.21
Hexaware Technologies Ltd	0.07	0.00	0.07	-16.17
% of Portfolio	0.47	0.04		

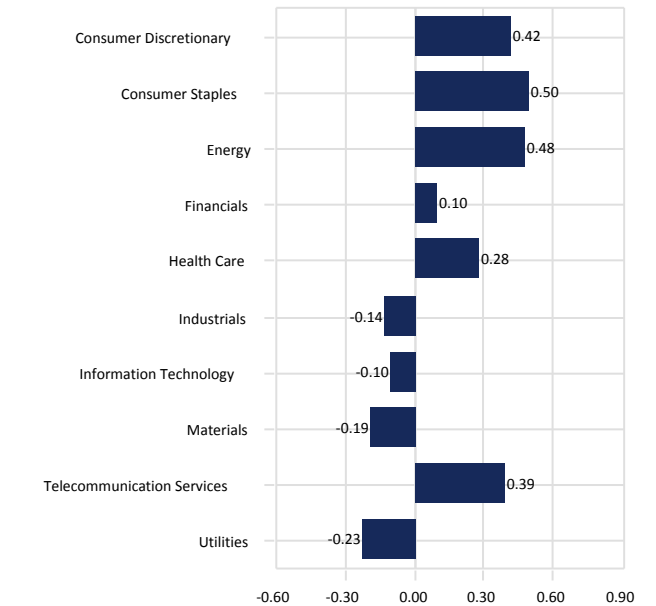
Sector Allocation



Sector Performance



Total Sector Attribution



City of Jacksonville Police & Fire Pension Fund

Acadian Emerging Mkts vs. MSCI Emerging Markets (Net)

September 30, 2016

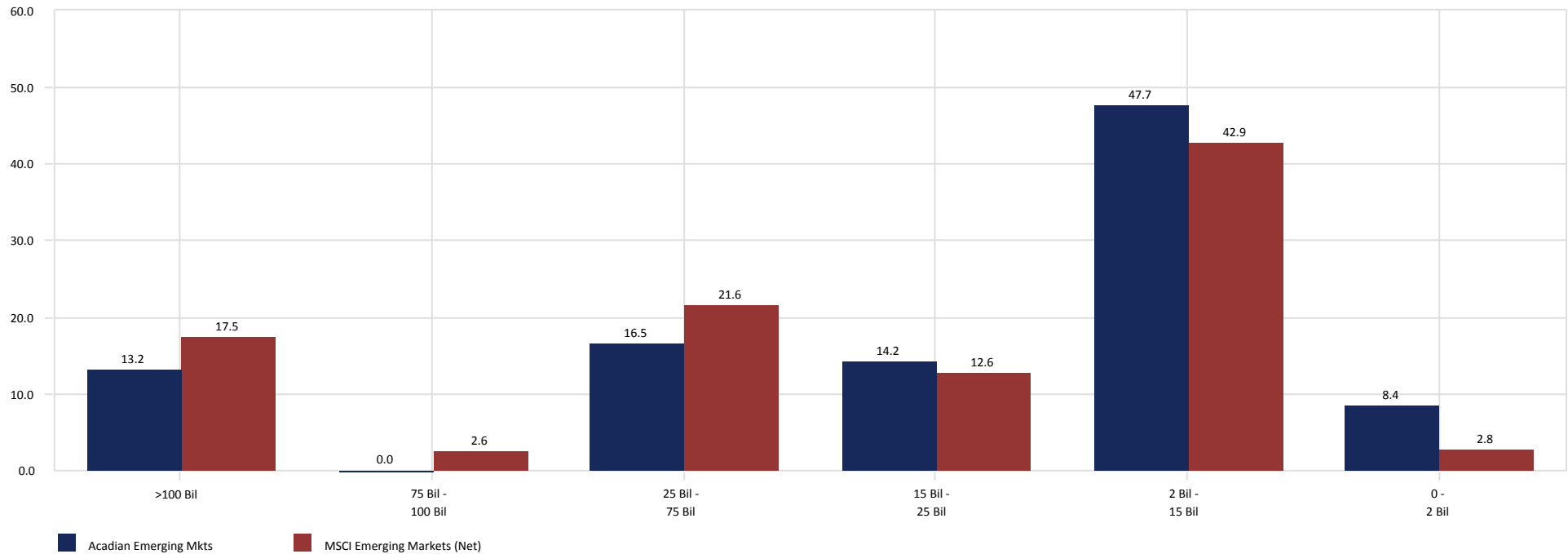
Portfolio Characteristics

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	36,397,983	53,563,967
Median Mkt. Cap (\$000)	2,388,976	4,827,847
Price/Earnings ratio	10.89	13.55
Price/Book ratio	1.87	2.39
5 Yr. EPS Growth Rate (%)	6.18	6.97
Current Yield (%)	2.94	2.54
Beta	-	1.00
Number of Stocks	461	833

Top Ten Equity Holdings

	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Samsung Electronics Co Ltd	5.98	3.56	2.42	17.45
Bank of China Ltd	2.50	0.89	1.61	14.60
China Construction Bank Corp	2.12	1.53	0.59	12.34
Netease Inc	2.07	0.47	1.60	25.07
Hon Hai Precision Industry Co Ltd	1.86	0.96	0.90	14.08
China Mobile Ltd	1.83	1.82	0.01	7.57
SK Hynix Inc	1.81	0.52	1.29	29.95
Credicorp Ltd	1.73	0.25	1.48	-1.37
Korea Electric Power Corp	1.60	0.31	1.29	-6.36
Tenaga Nasional Berhad	1.57	0.29	1.28	-0.95
% of Portfolio	23.07	10.60		

Distribution of Market Capitalization (%)

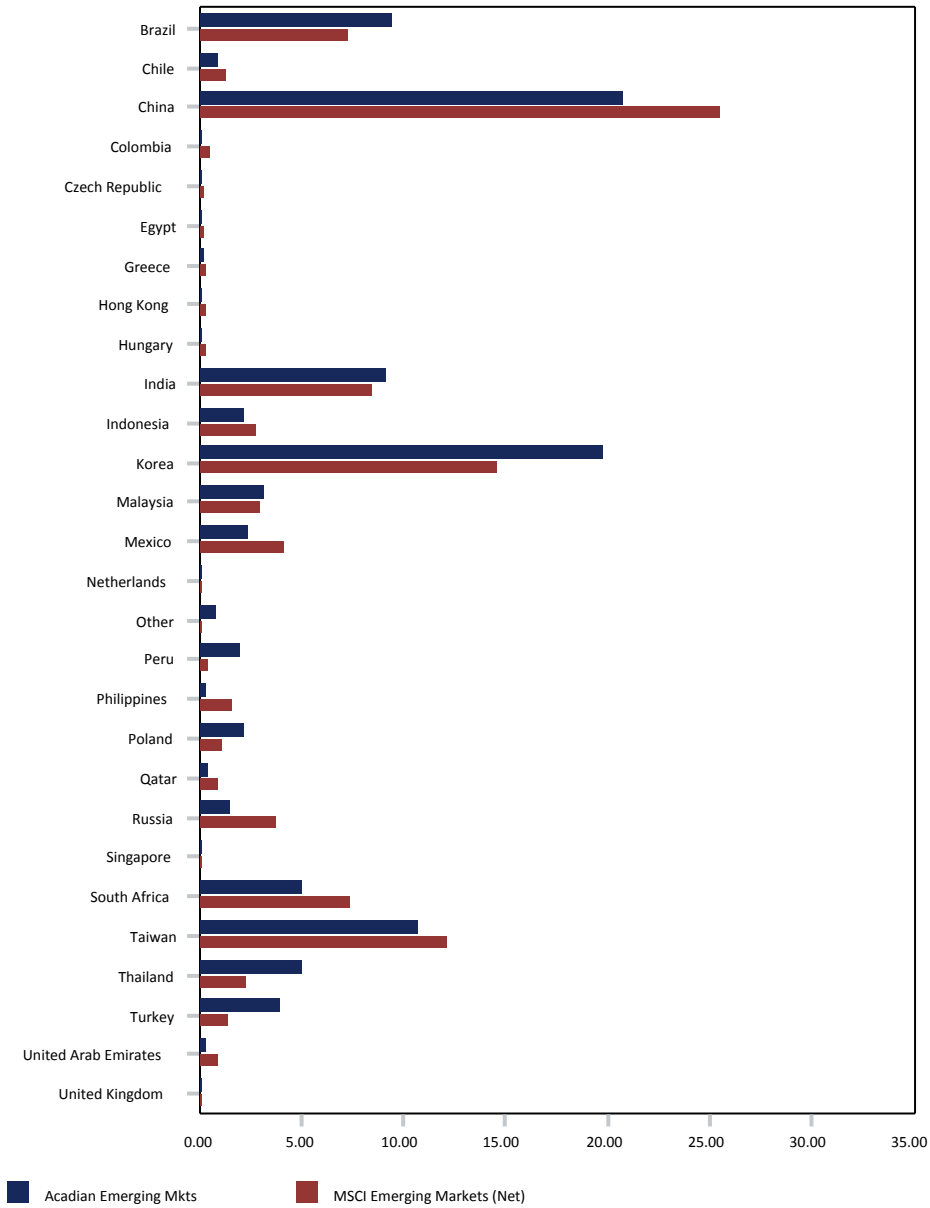


City of Jacksonville Police & Fire Pension Fund

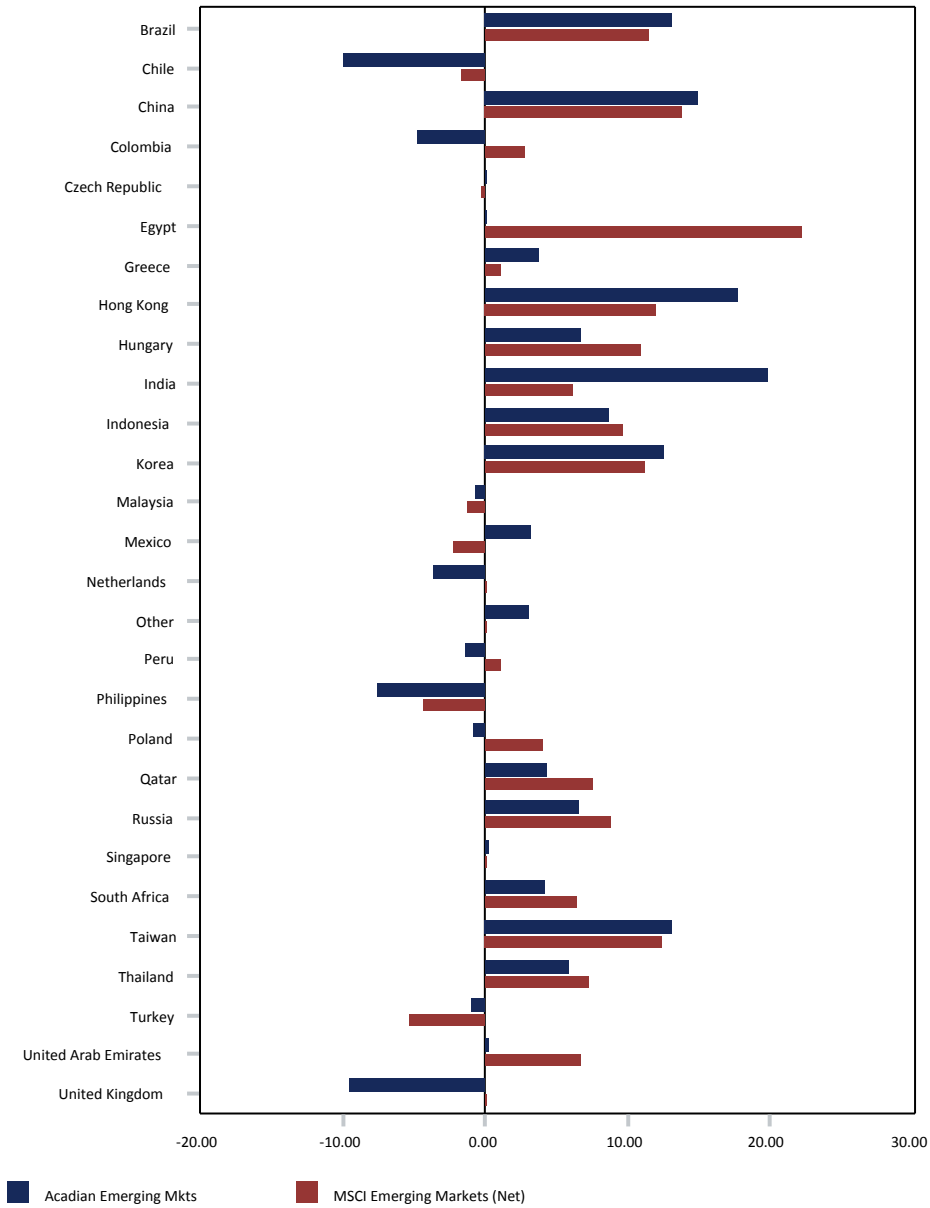
Acadian Emerging Mkts vs. MSCI Emerging Markets (Net)

September 30, 2016

Country Allocation



Country Performance



Fixed Income

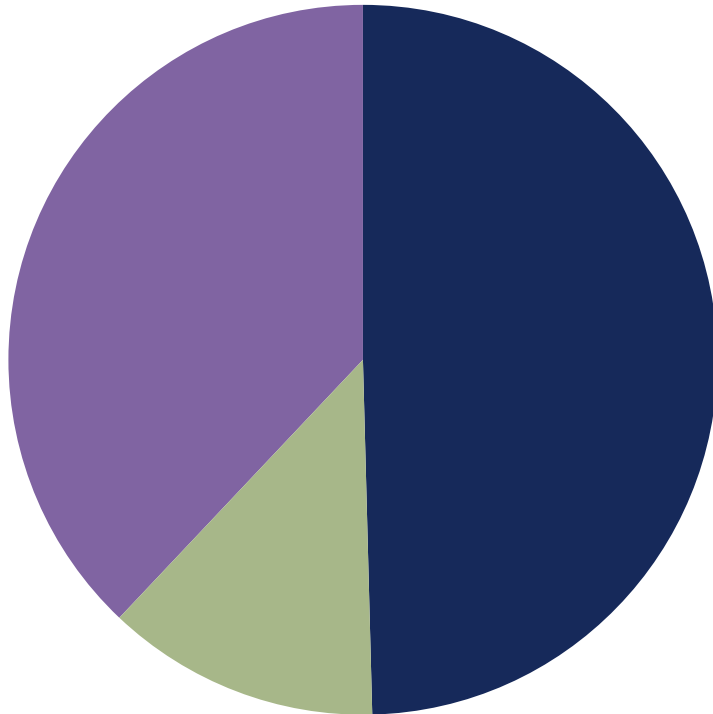
City of Jacksonville Police & Fire Pension Fund

Fixed Income

September 30, 2016

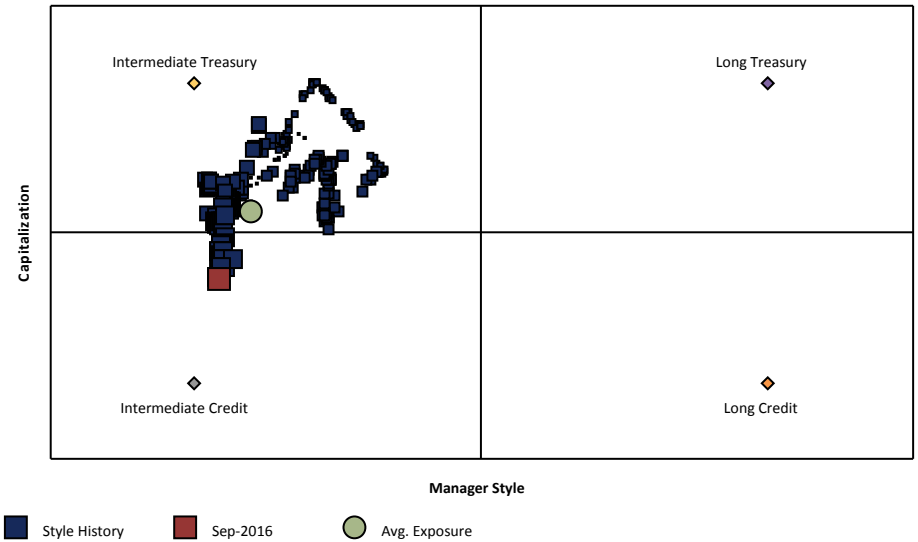
Manager Allocation

September 30, 2016 : \$330,054,270

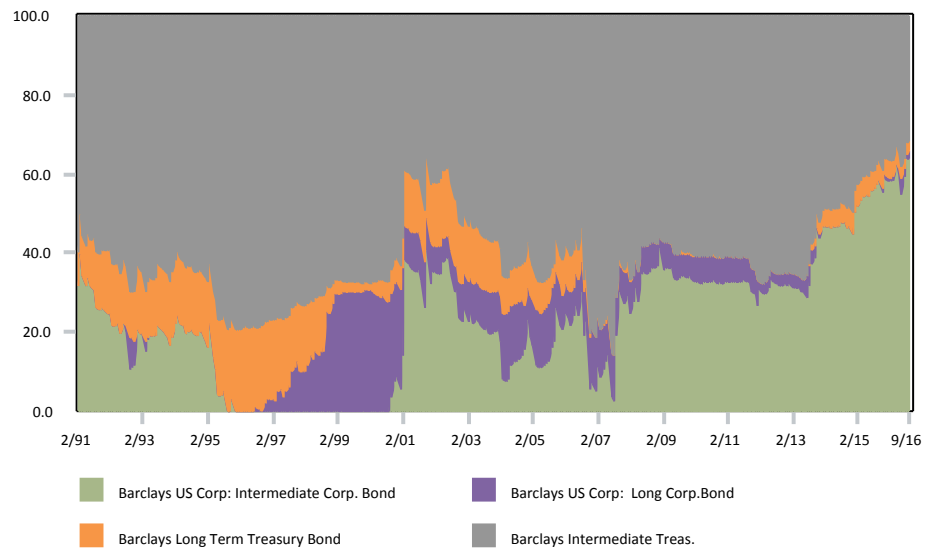


	Market Value (\$)	Allocation (%)
Thompson Siegel Fixed	163,653,845	49.58
NTGI TIPS	-	0.00
Eaton Vance Instl Senior Loan Trust	41,168,899	12.47
NTGI Aggregate Bond Index	125,231,526	37.94

Style Analysis - Returns Based



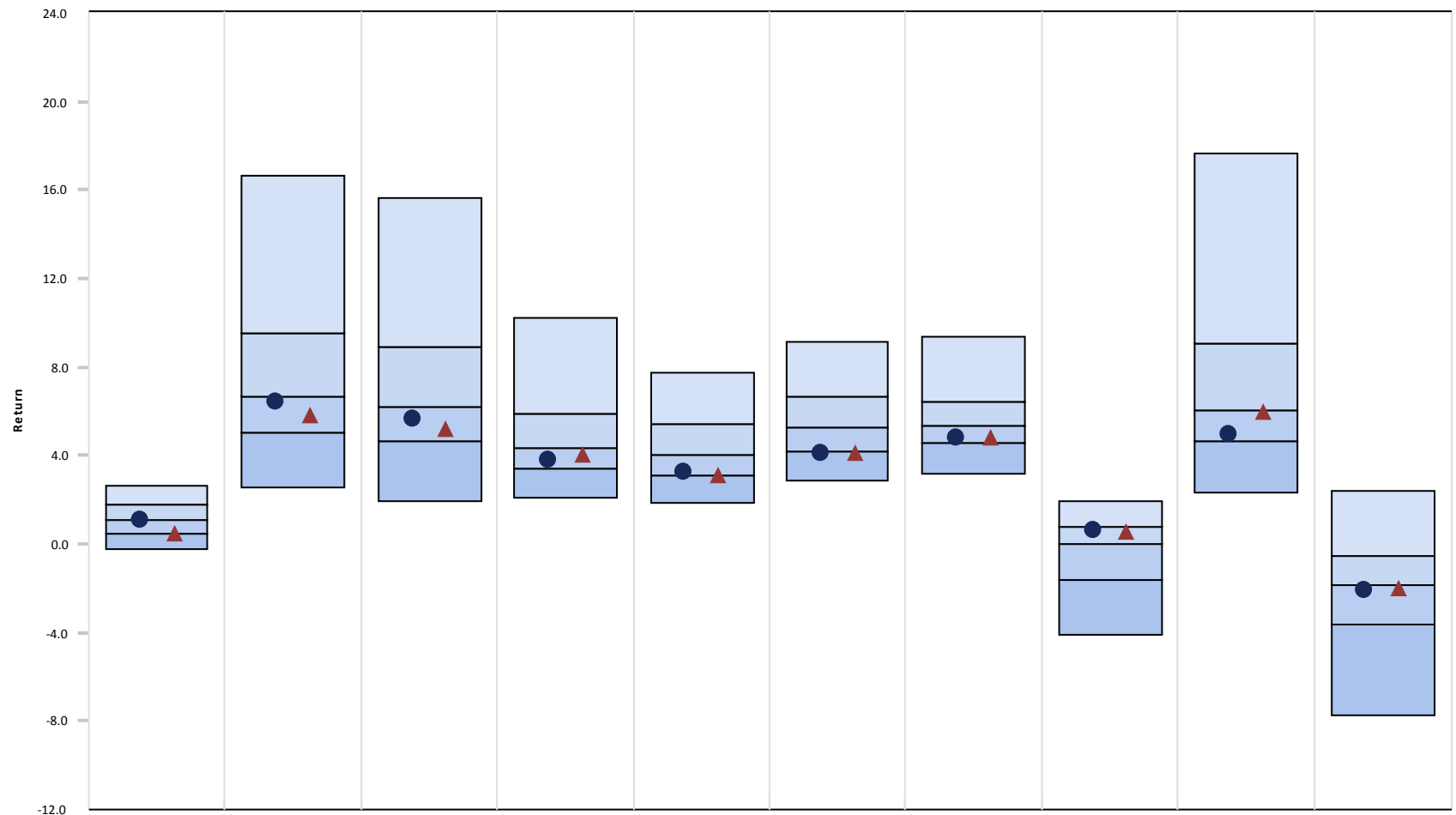
3 Year Style Analysis



City of Jacksonville Police & Fire Pension Fund

All Master Trust-US Fixed Income Segment

September 30, 2016



	<u>3 Month</u>	<u>CYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
● Fixed Income	1.09 (51)	6.39 (53)	5.69 (58)	3.83 (63)	3.25 (70)	4.12 (77)	4.78 (68)	0.66 (29)	4.94 (72)	-2.11 (58)
▲ Blmbg. Barc. U.S. Aggregate	0.46 (76)	5.80 (66)	5.19 (67)	4.03 (57)	3.08 (76)	4.10 (78)	4.79 (68)	0.55 (32)	5.97 (53)	-2.02 (54)
5th Percentile	2.64	16.65	15.68	10.19	7.71	9.10	9.37	1.95	17.66	2.43
1st Quartile	1.79	9.56	8.94	5.89	5.43	6.65	6.46	0.78	9.07	-0.52
Median	1.12	6.64	6.19	4.30	4.04	5.25	5.31	0.01	6.06	-1.82
3rd Quartile	0.47	5.03	4.62	3.42	3.09	4.18	4.58	-1.65	4.66	-3.66
95th Percentile	-0.23	2.59	1.92	2.11	1.86	2.89	3.20	-4.12	2.35	-7.73

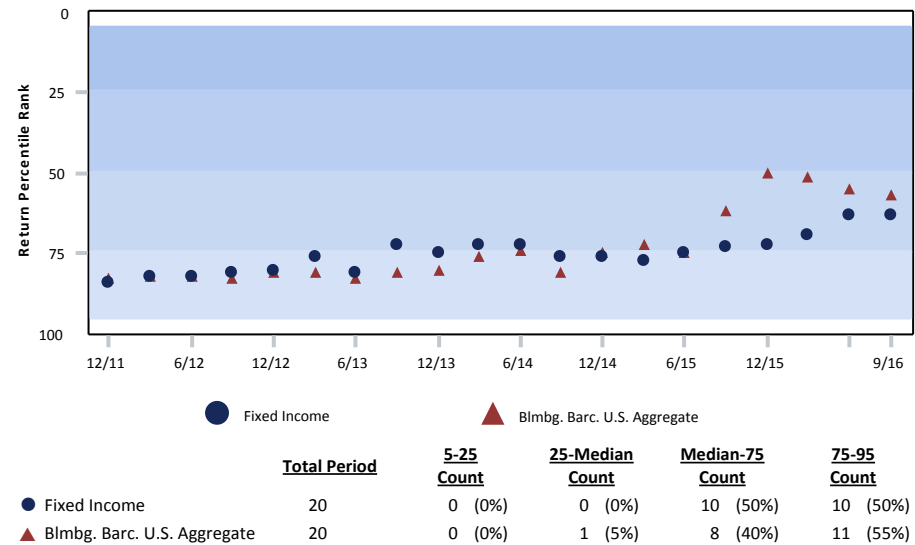
Parentheses contain percentile rankings.

City of Jacksonville Police & Fire Pension Fund

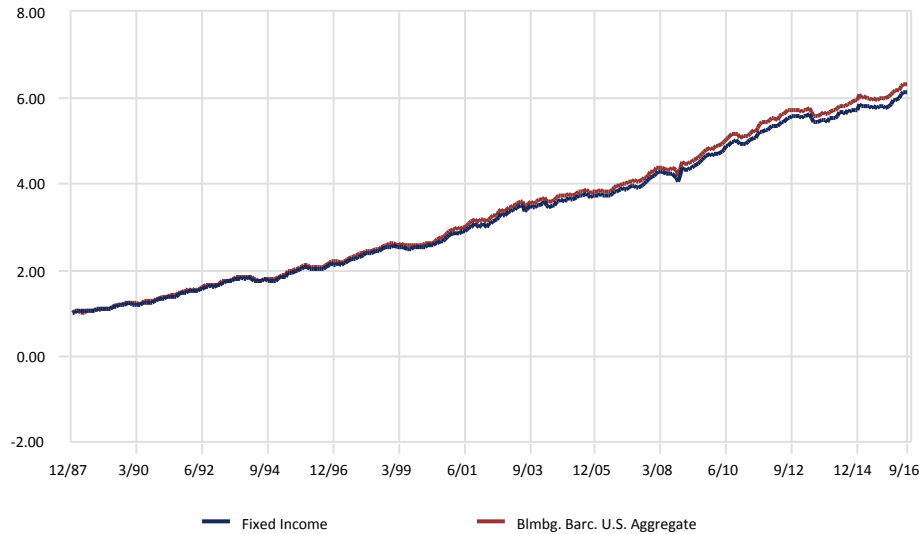
Fixed Income

September 30, 2016

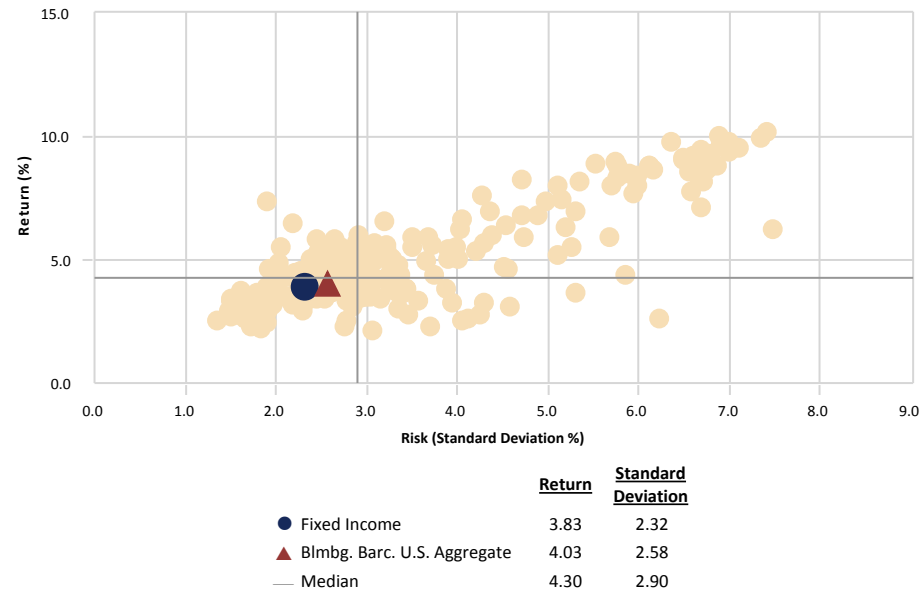
3 Year Rolling Return Rank



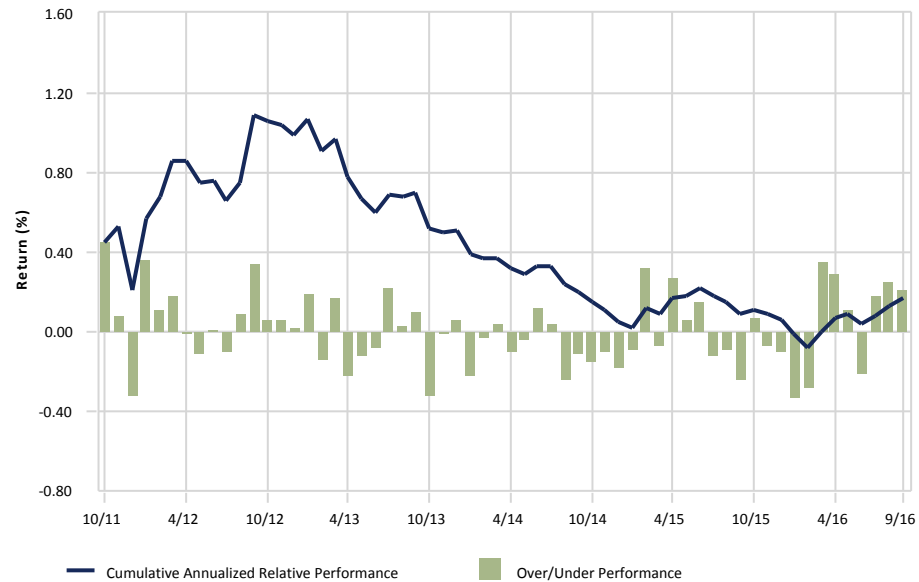
Growth of \$1 - Since Inception (01/01/88)



Risk vs. Return (10/01/13 - 09/30/16)



Relative Performance vs. Blmbg. Barc. U.S. Aggregate

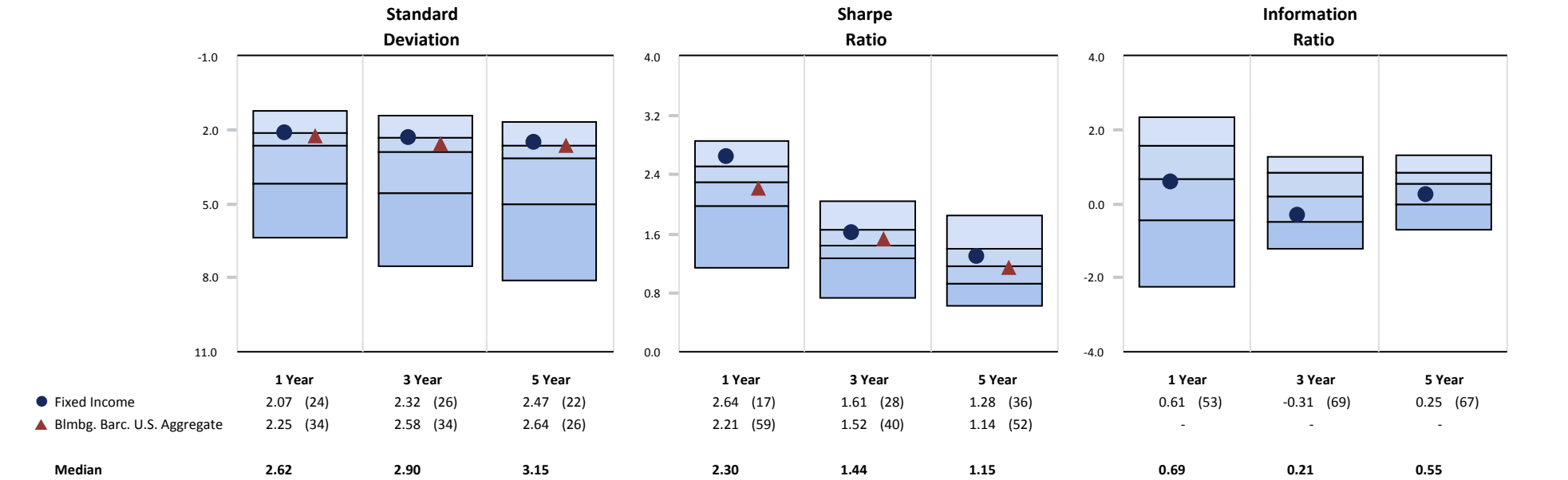


City of Jacksonville Police & Fire Pension Fund

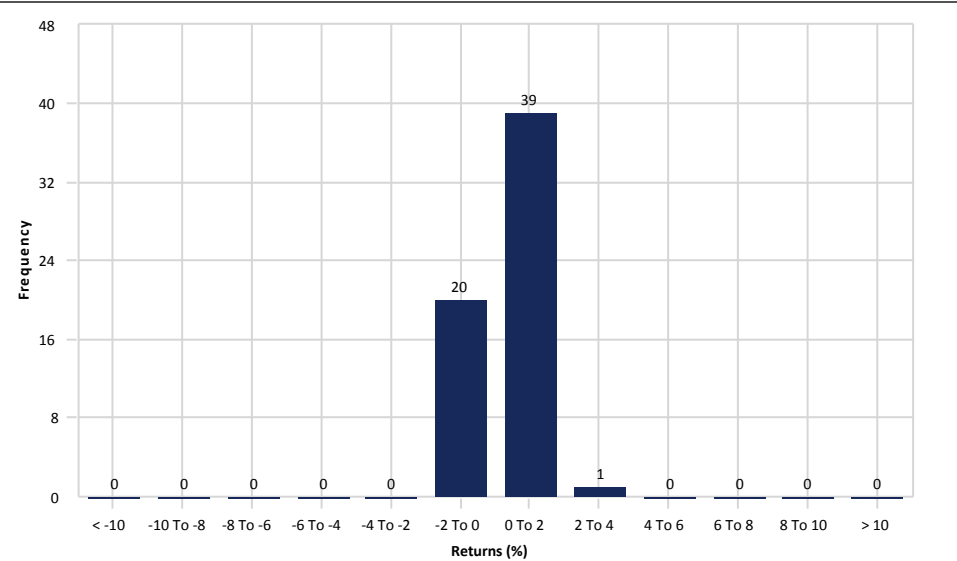
Fixed Income

September 30, 2016

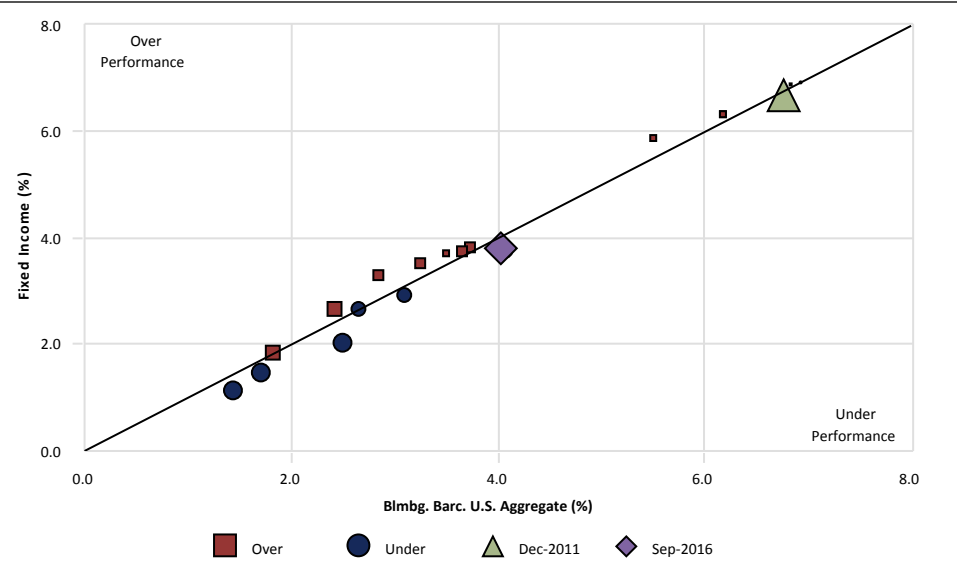
Peer Group Analysis: All Master Trust-US Fixed Income Segment



Monthly Distribution of Returns



3 Year Rolling Under/Over Performance

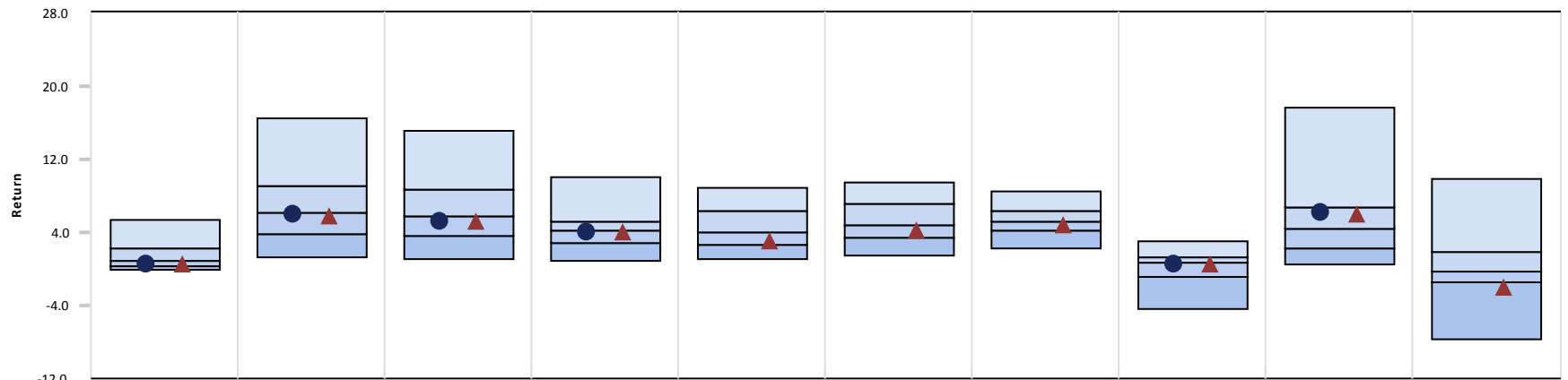


City of Jacksonville Police & Fire Pension Fund

NTGI Aggregate Bond Index

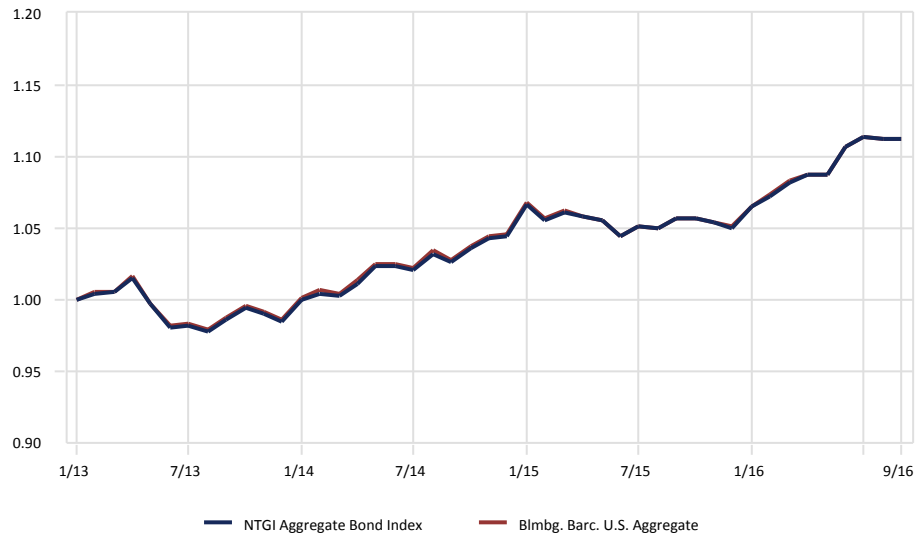
September 30, 2016

Peer Group Analysis - IM U.S. Fixed Income (SA+CF)

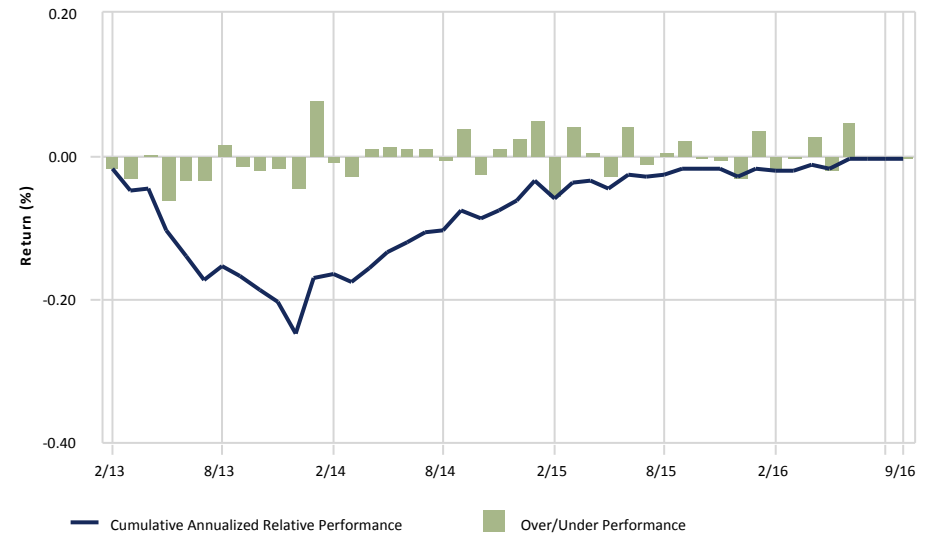


	3 Month	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	2015	2014	2013
● NTGI Aggregate Bond Index	0.46 (68)	5.87 (54)	5.23 (56)	4.08 (53)	-	-	-	0.58 (55)	6.11 (34)	-
▲ Blmbg. Barc. U.S. Aggregate	0.46 (68)	5.80 (55)	5.19 (57)	4.03 (55)	3.08 (67)	4.10 (64)	4.79 (61)	0.55 (56)	5.97 (36)	-2.02 (81)
Median	0.89	6.17	5.66	4.19	3.97	4.80	5.14	0.72	4.43	-0.21

Growth of \$1 - Since Inception (02/01/13)



Relative Performance vs. Blmbg. Barc. U.S. Aggregate



gross of fees

City of Jacksonville Police & Fire Pension Fund

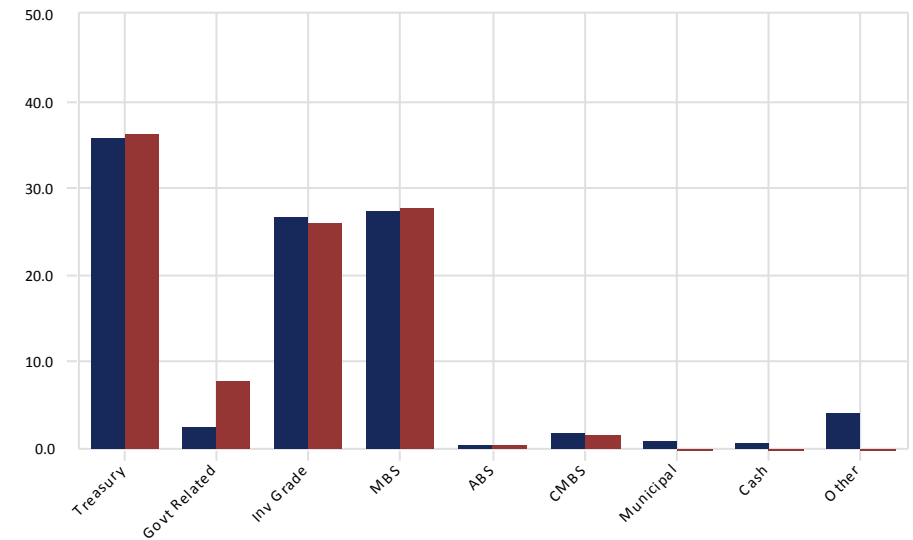
NTGI Aggregate Bond Index vs. Blmbg. Barc. U.S. Aggregate

September 30, 2016

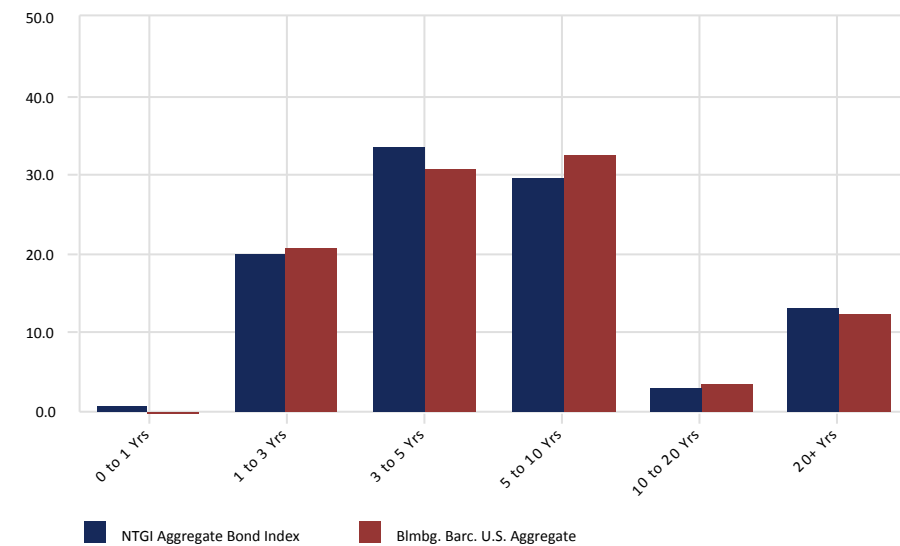
Portfolio Characteristics

	<u>Portfolio</u>	<u>Benchmark</u>
Avg. Maturity	7.71	7.82
Avg. Quality	AA	AA1/AA2
Coupon Rate (%)	3.18	3.09
Modified Duration	5.38	5.51

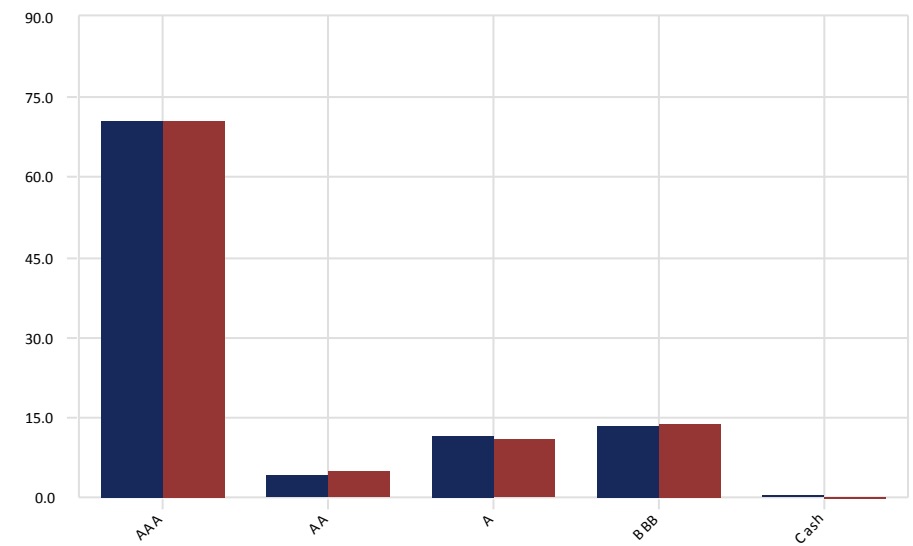
Sector Distribution (%)



Maturity Distribution (%)



Credit Quality Distribution (%)

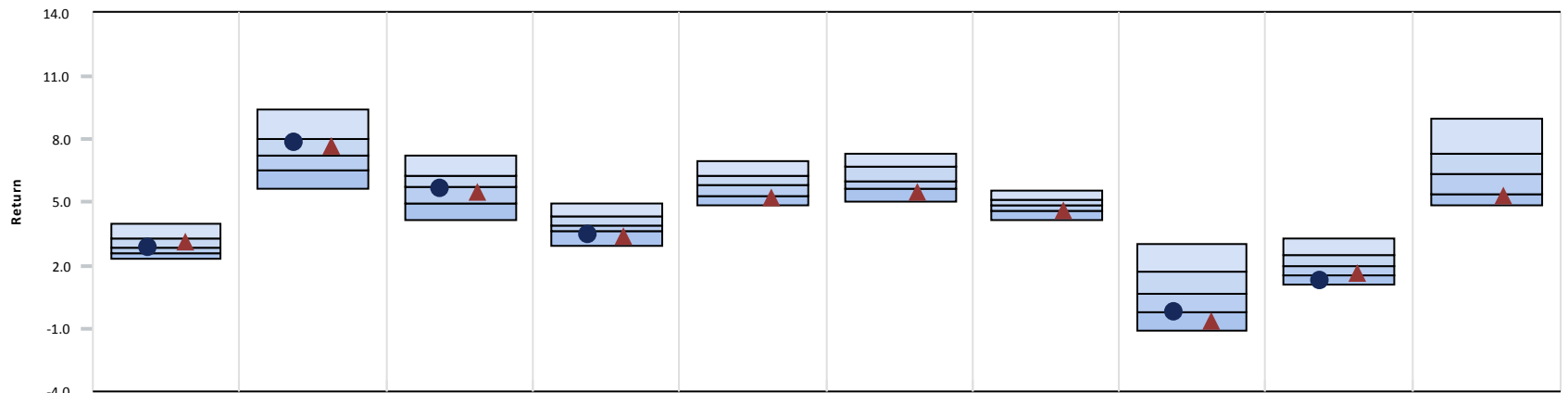


City of Jacksonville Police & Fire Pension Fund

Eaton Vance Instl Senior Loan Trust

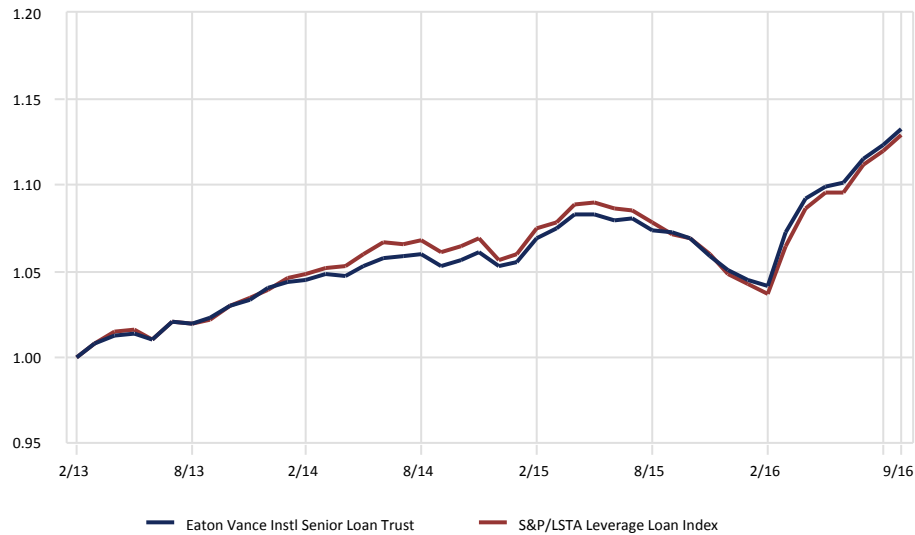
September 30, 2016

Peer Group Analysis - IM U.S. Bank Loans (SA+CF)

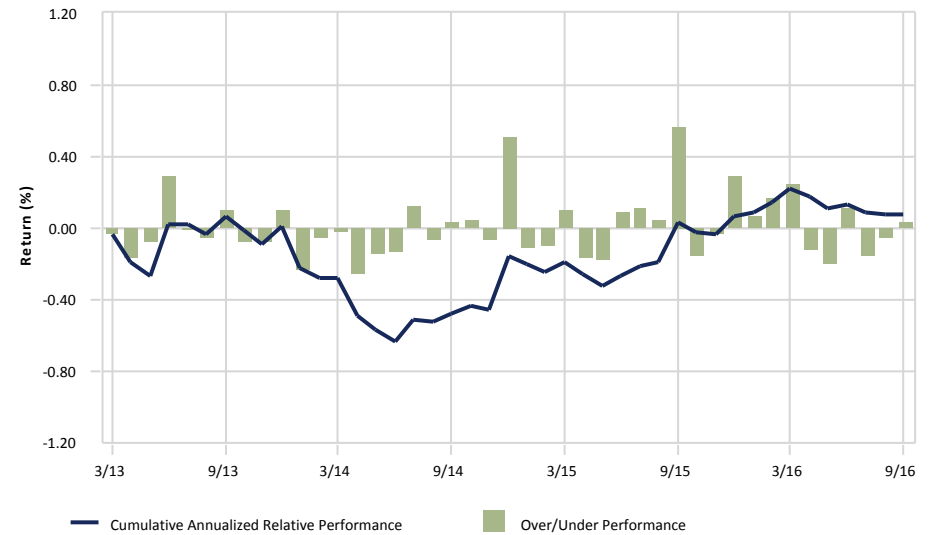


	3 Month	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	2015	2014	2013
● Eaton Vance Instl Senior Loan Trust	2.89 (49)	7.82 (30)	5.67 (53)	3.47 (90)	-	-	-	-0.22 (74)	1.30 (84)	-
▲ S&P/LSTA Leverage Loan Index	3.07 (37)	7.72 (36)	5.46 (56)	3.39 (92)	5.25 (82)	5.52 (78)	4.61 (73)	-0.69 (86)	1.60 (71)	5.29 (87)
Median	2.88	7.22	5.73	3.93	5.86	6.04	4.91	0.68	2.01	6.35

Growth of \$1 - Since Inception (03/01/13)



Relative Performance vs. S&P/LSTA Leverage Loan Index



gross of fees

City of Jacksonville Police & Fire Pension Fund

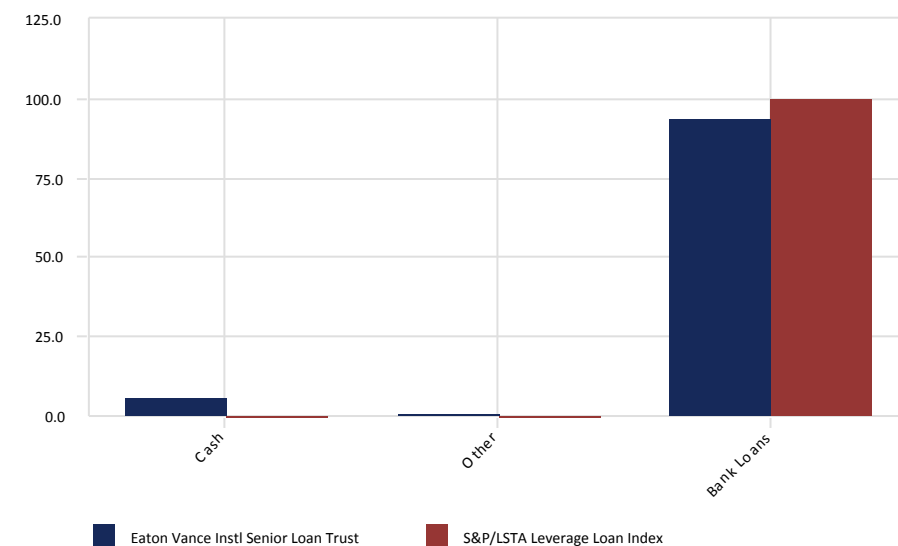
Eaton Vance Instl Senior Loan Trust vs. S&P/LSTA Leverage Loan Index

September 30, 2016

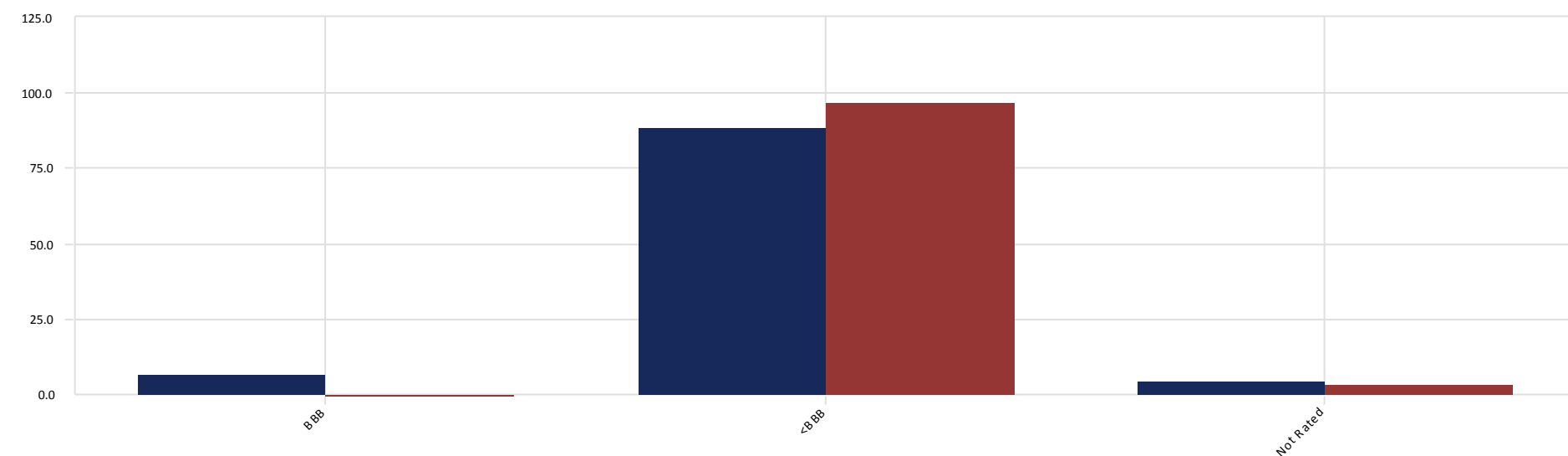
Portfolio Characteristics

	<u>Portfolio</u>	<u>Benchmark</u>
Effective Duration	0.10	0.25
Avg. Quality	B+	B+
Yield To Maturity (%)	5.64	5.52
Coupon Rate (%)	4.50	5.32

Sector Distribution (%)



Credit Quality Distribution (%)

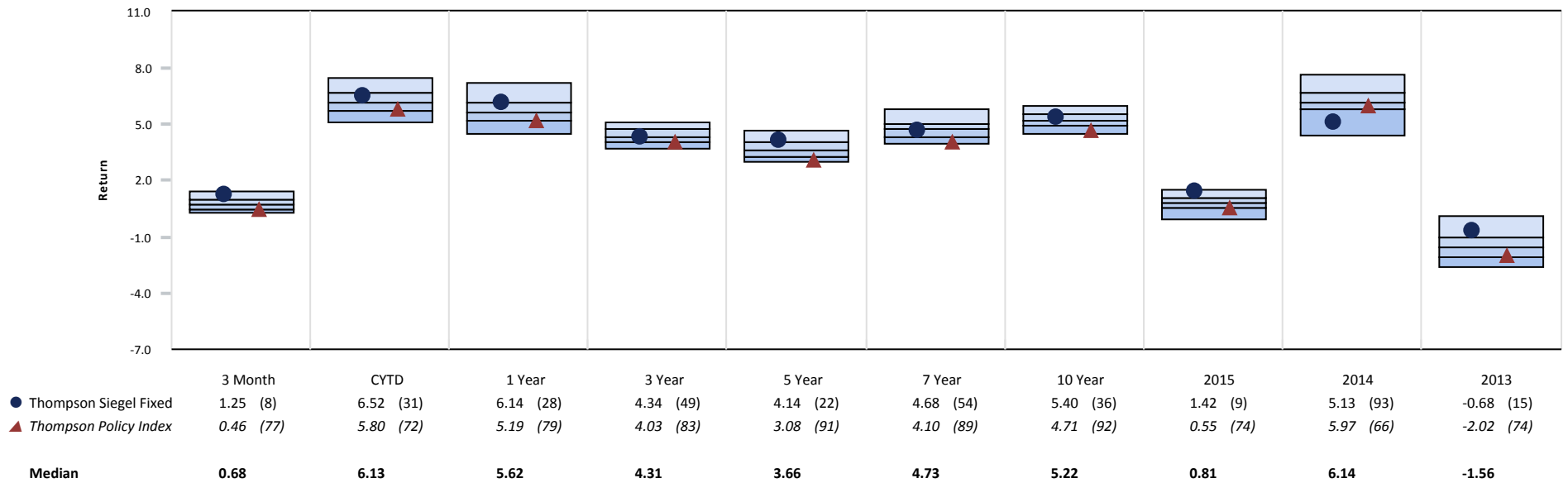


City of Jacksonville Police & Fire Pension Fund

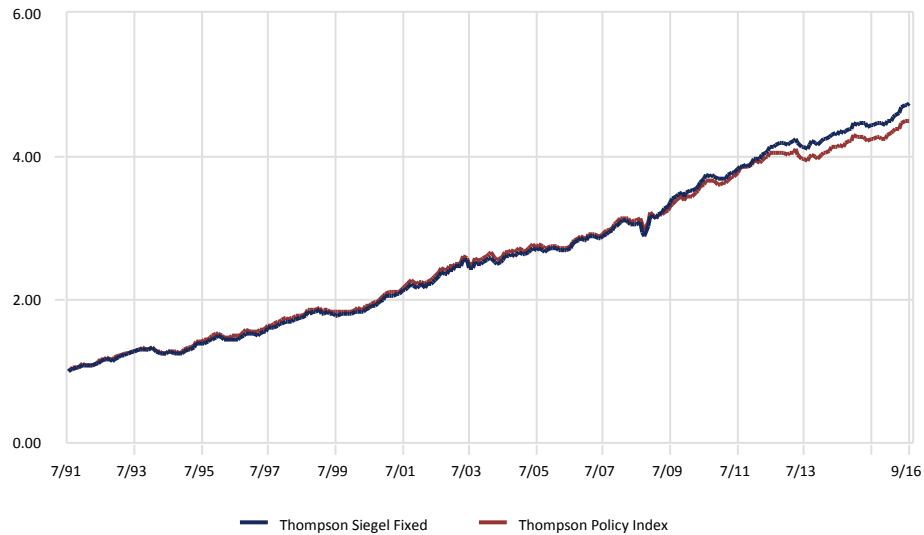
Thompson Siegel Fixed

September 30, 2016

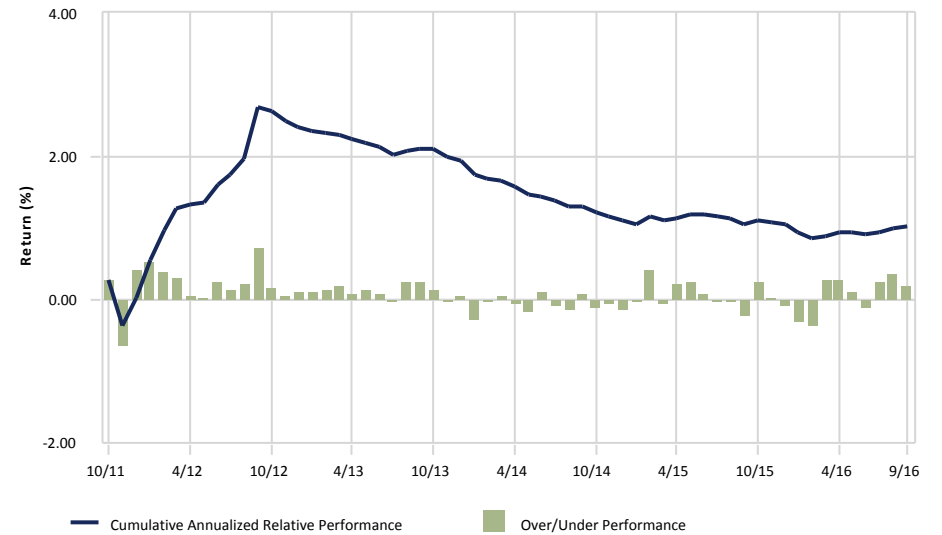
Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (SA+CF)



Growth of \$1 - Since Inception (08/01/91)



Relative Performance vs. Thompson Policy Index



gross of fees

City of Jacksonville Police & Fire Pension Fund

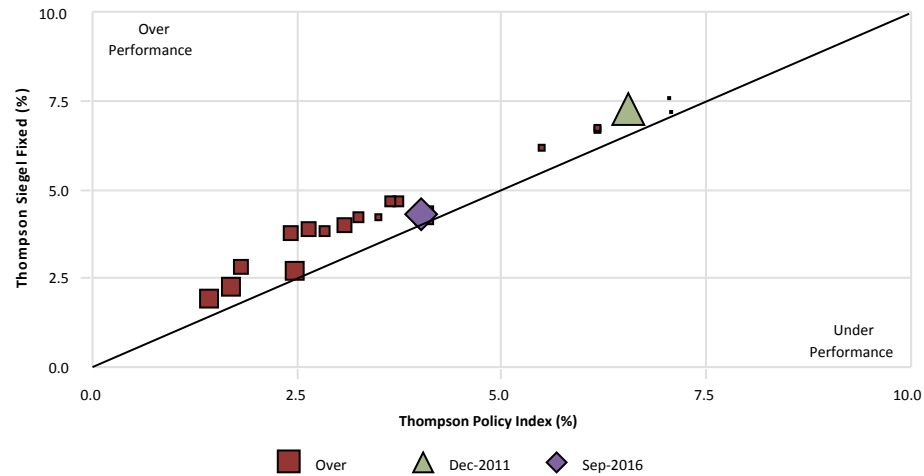
Thompson Siegel Fixed

September 30, 2016

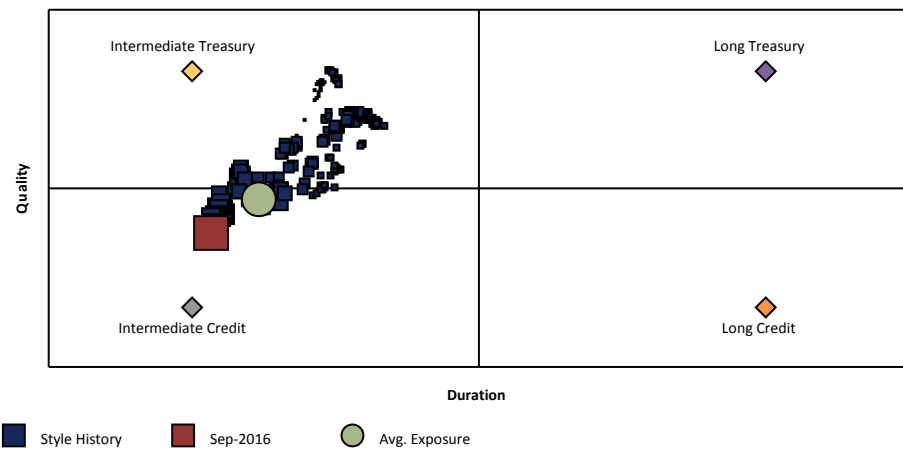
3 Year Portfolio Statistics

	Simple Alpha	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Sharpe Ratio	Consistency	Up Capture	Down Capture	Actual Correlation
Thompson Siegel Fixed	0.32	0.81	0.87	0.94	0.65	0.46	1.82	50.00	96.11	71.69	0.97
Thompson Policy Index	0.00	0.00	1.00	1.00	0.00	-	1.52	0.00	100.00	100.00	1.00
90 Day US Treasury Bill	-3.94	0.07	0.00	0.05	2.57	-1.52	-	38.89	0.94	-1.70	0.22

3 Year Rolling Under/Over Performance

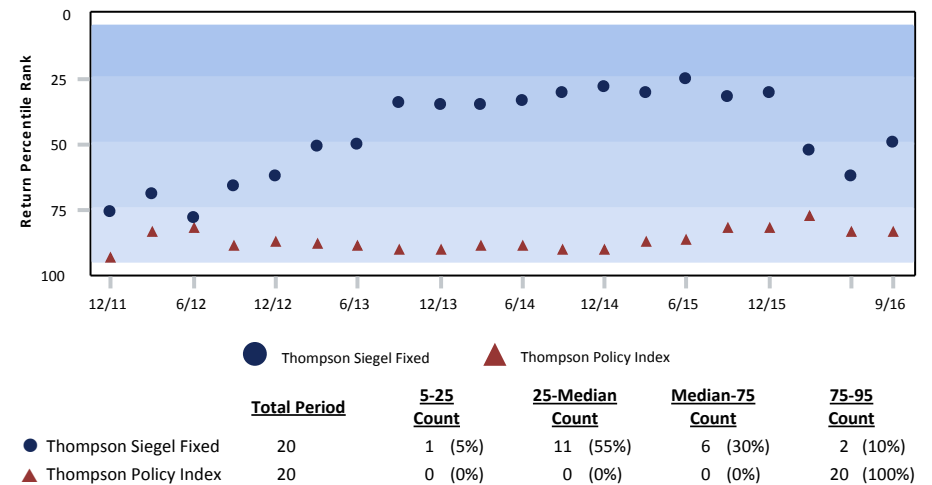


3 Year Style Analysis

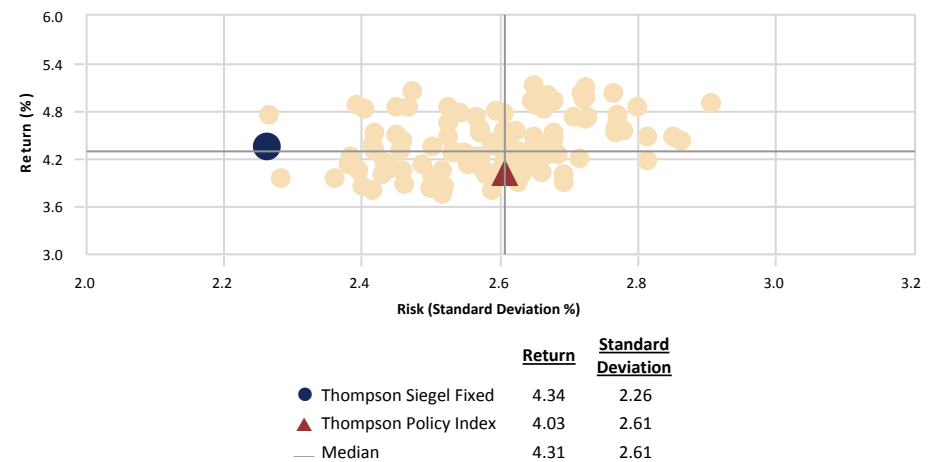


gross of fees

3 Year Rolling Relative Ranking



Risk vs. Return (10/01/13 - 09/30/16)



City of Jacksonville Police & Fire Pension Fund

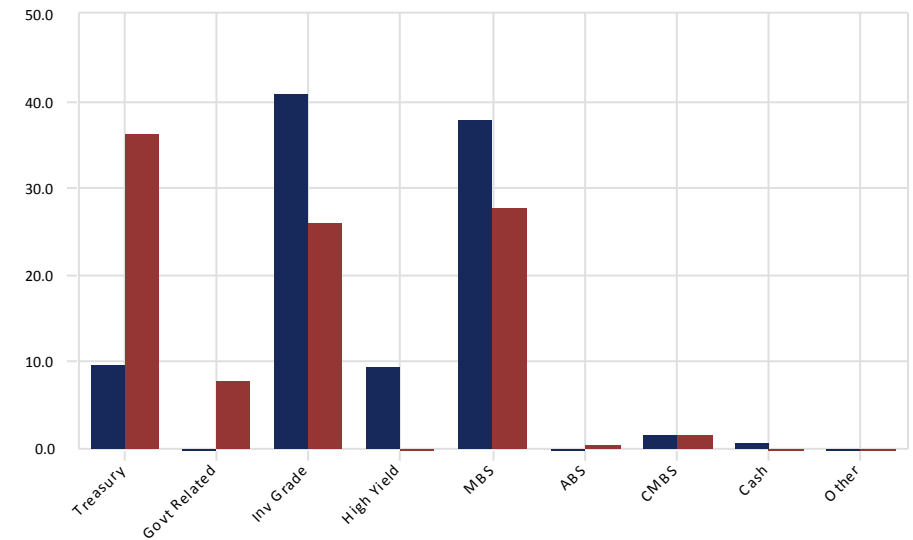
Thompson Siegel Fixed vs. Blmbg. Barc. U.S. Aggregate

September 30, 2016

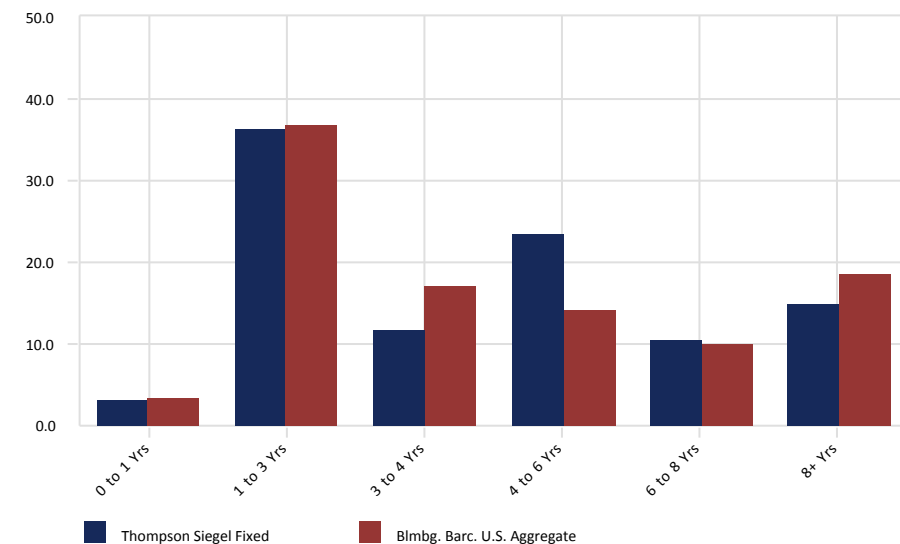
Portfolio Characteristics

	<u>Portfolio</u>	<u>Benchmark</u>
Effective Duration	4.97	5.42
Avg. Maturity	6.95	7.82
Avg. Quality	A1	AA1/AA2
Yield To Maturity (%)	2.86	1.97
Coupon Rate (%)	-	3.09

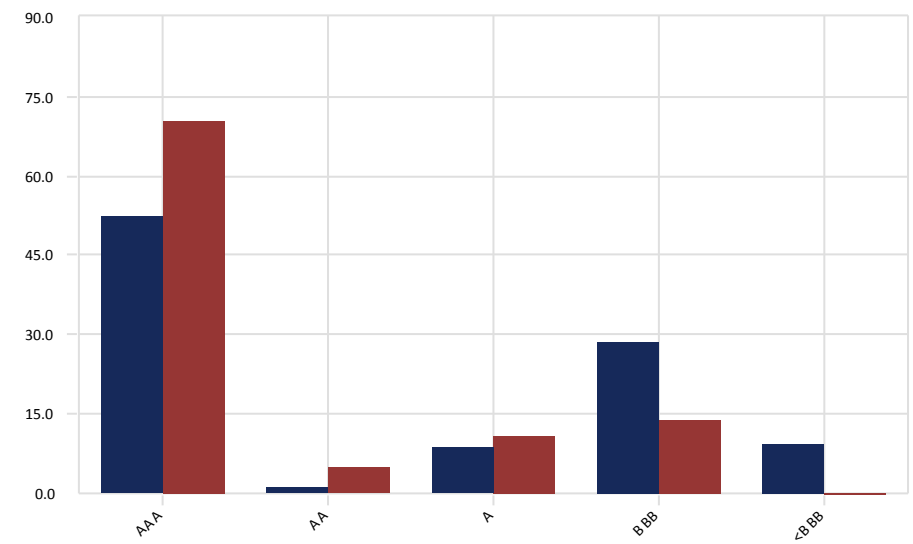
Sector Distribution (%)



Duration Distribution (%)



Credit Quality Distribution (%)



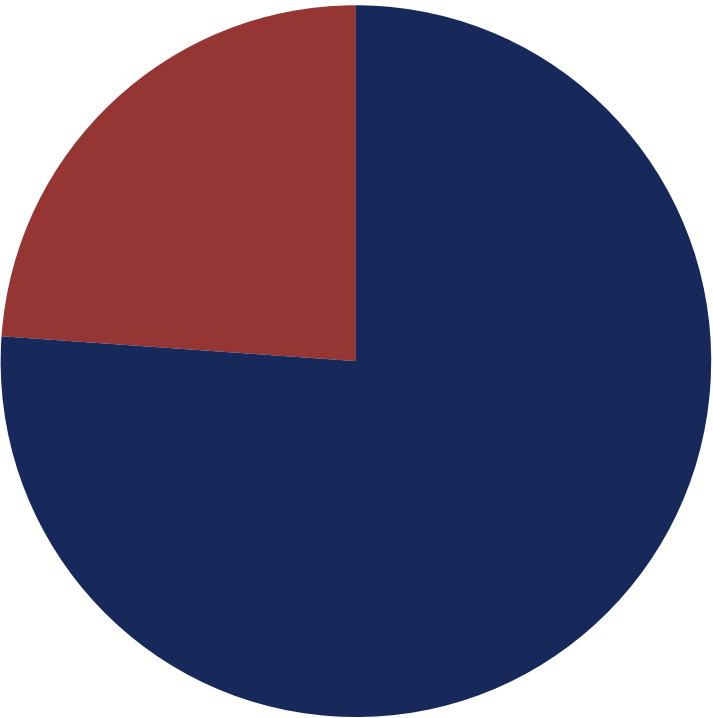
Real Estate

City of Jacksonville Police & Fire Pension Fund

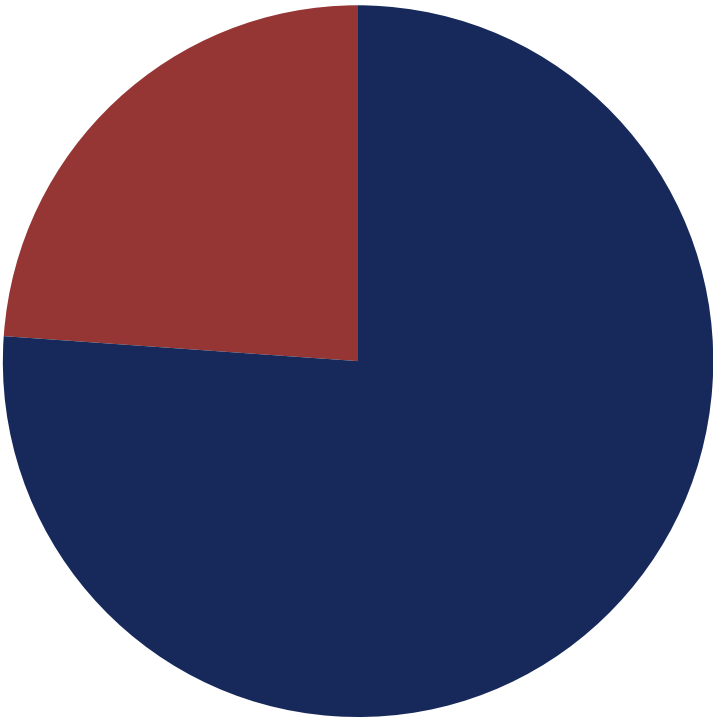
Real Estate Manager Allocation Chart

September 30, 2016

September 30, 2016 : \$189,585,522	June 30, 2016 : \$185,740,455
------------------------------------	-------------------------------



	Market Value (\$)	Allocation (%)
JP Morgan	144,301,596	76.11
Principal Global Investments	45,283,926	23.89

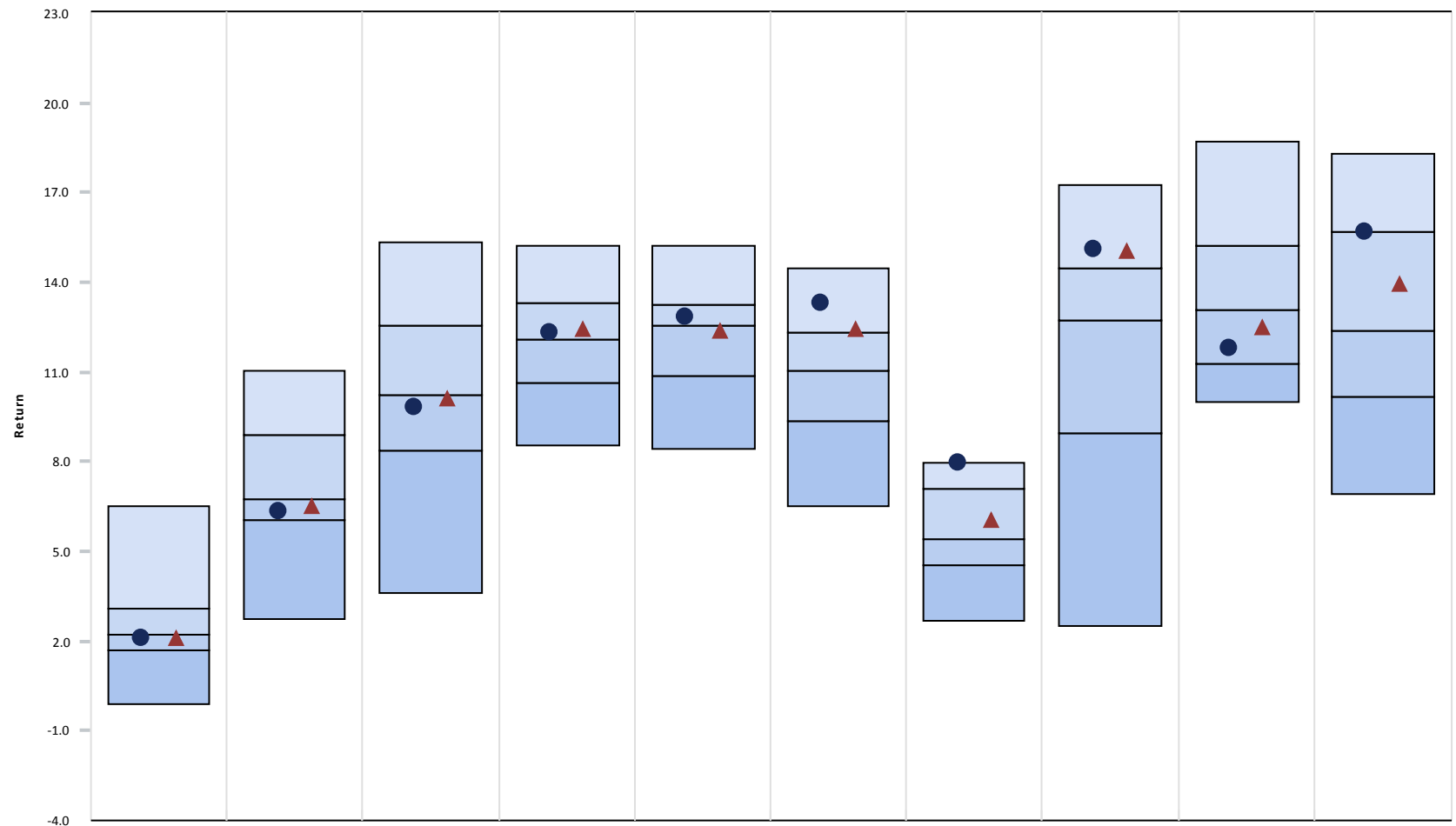


	Market Value (\$)	Allocation (%)
JP Morgan	141,384,164	76.12
Principal Global Investments	44,356,291	23.88

City of Jacksonville Police & Fire Pension Fund

All Master Trust-Real Estate Segment

September 30, 2016



	<u>3 Month</u>	<u>CYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
● Real Estate	2.12 (52)	6.32 (63)	9.83 (54)	12.32 (46)	12.82 (34)	13.28 (12)	7.96 (6)	15.10 (23)	11.79 (71)	15.66 (26)
▲ NCREIF Fund Index - ODCE [M]	2.07 (54)	6.52 (58)	10.09 (53)	12.45 (44)	12.40 (53)	12.42 (24)	6.02 (37)	15.02 (23)	12.50 (63)	13.94 (44)
5th Percentile	6.48	11.03	15.33	15.21	15.20	14.48	7.99	17.25	18.71	18.30
1st Quartile	3.10	8.89	12.56	13.33	13.23	12.33	7.10	14.45	15.20	15.71
Median	2.22	6.72	10.21	12.09	12.58	11.03	5.42	12.71	13.09	12.39
3rd Quartile	1.72	6.05	8.37	10.63	10.85	9.37	4.53	8.95	11.27	10.18
95th Percentile	-0.12	2.74	3.58	8.54	8.44	6.52	2.67	2.50	9.99	6.92

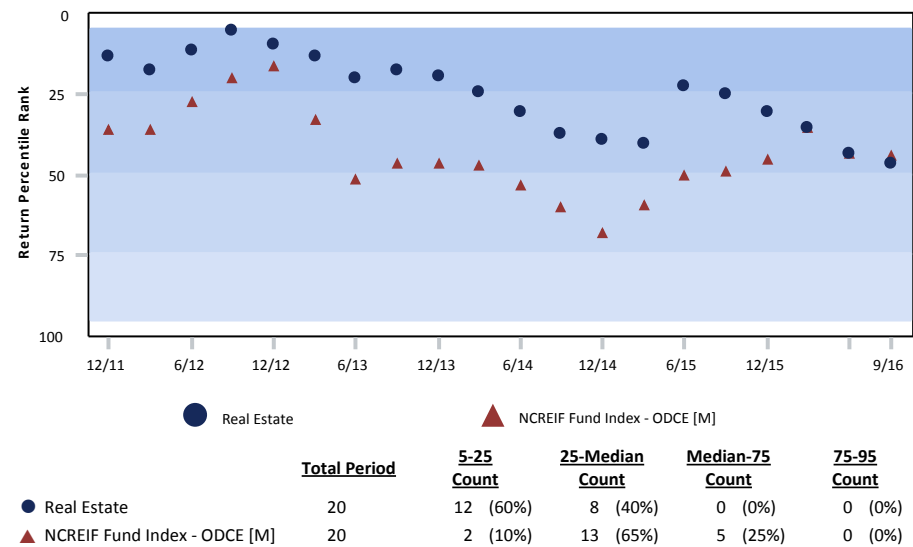
Parentheses contain percentile rankings.

City of Jacksonville Police & Fire Pension Fund

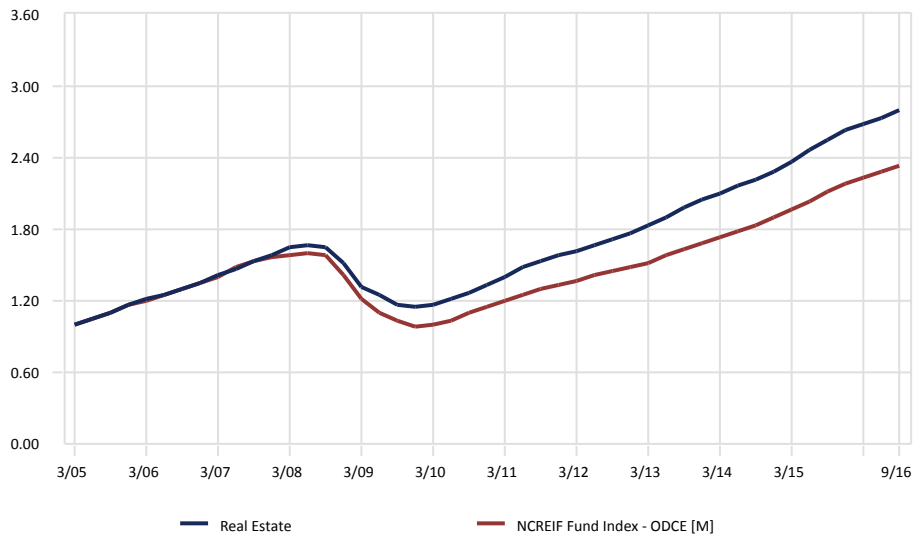
Real Estate

September 30, 2016

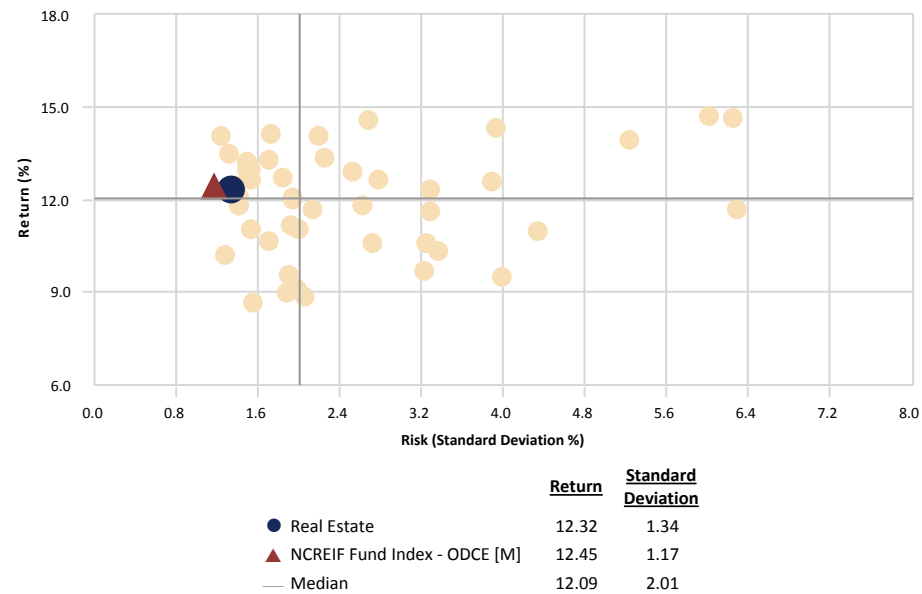
3 Year Rolling Return Rank



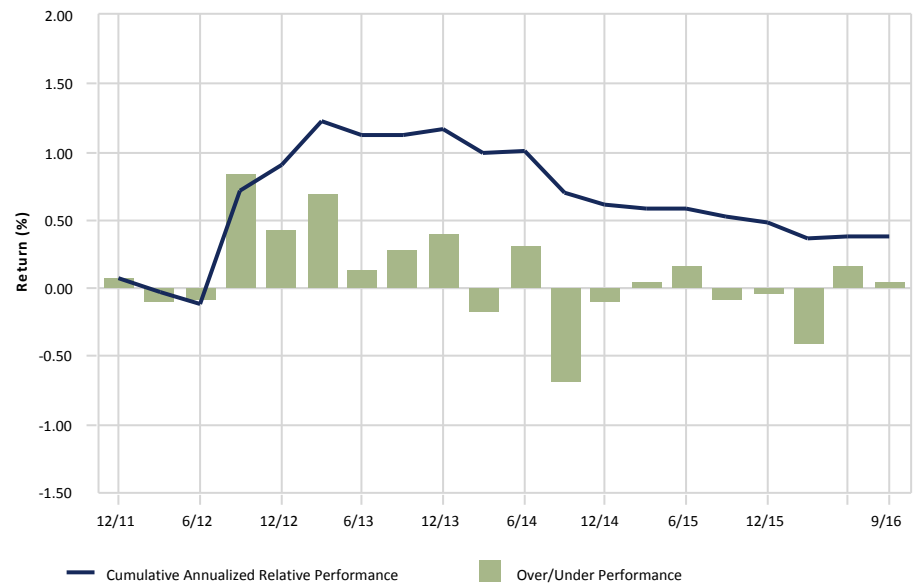
Growth of \$1 - Since Inception (04/01/05)



Risk vs. Return (10/01/13 - 09/30/16)



Relative Performance vs. NCREIF Fund Index - ODCE [M]

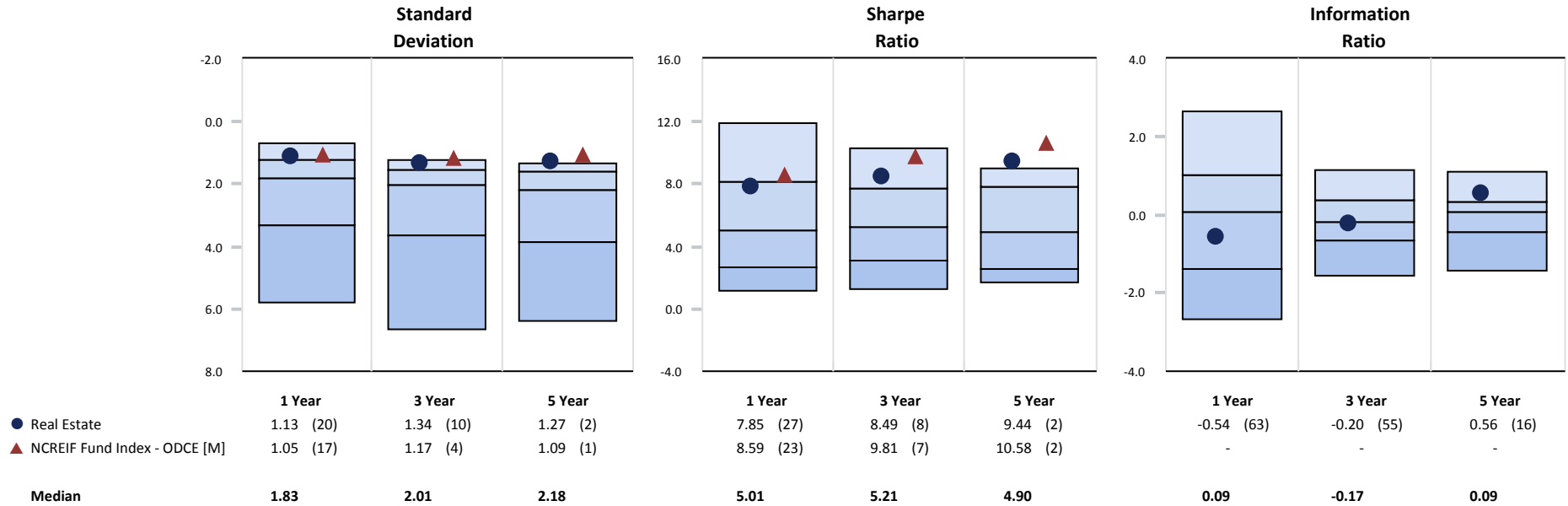


City of Jacksonville Police & Fire Pension Fund

Real Estate

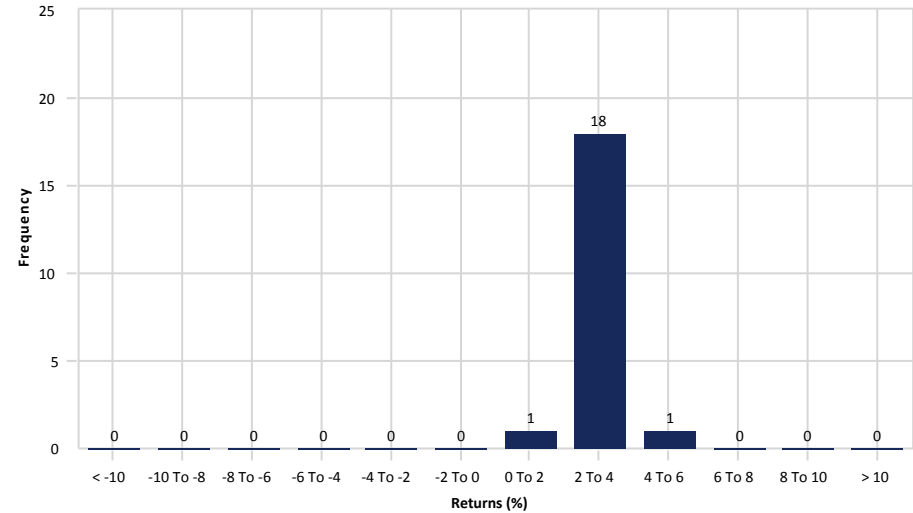
September 30, 2016

Peer Group Analysis: All Master Trust-Real Estate Segment

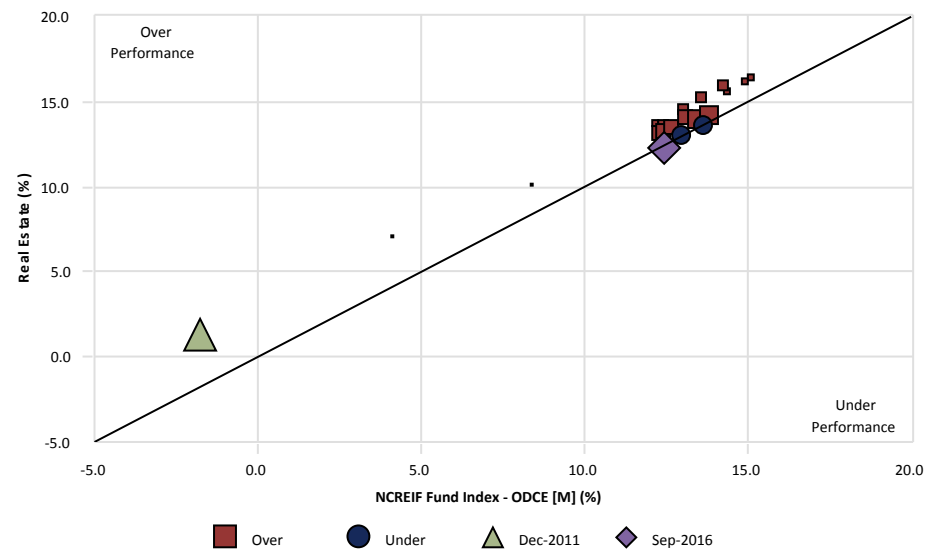


Quarterly Distribution of Returns

Distribution of Returns



3 Year Rolling Under/Over Performance

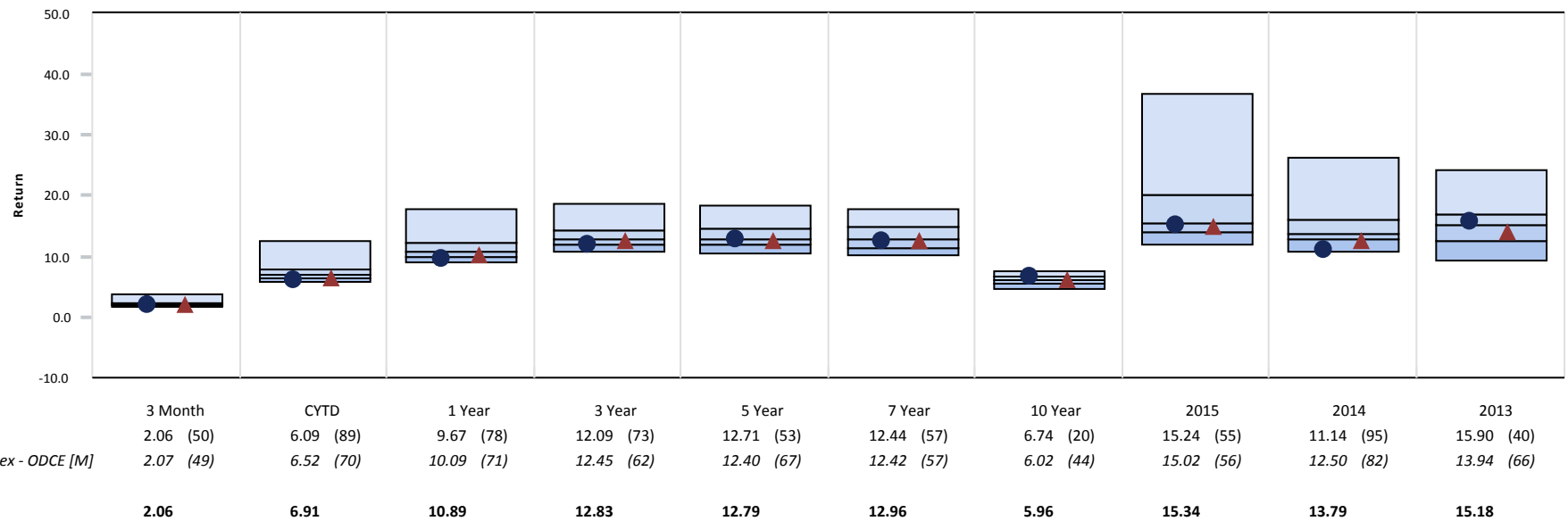


City of Jacksonville Police & Fire Pension Fund

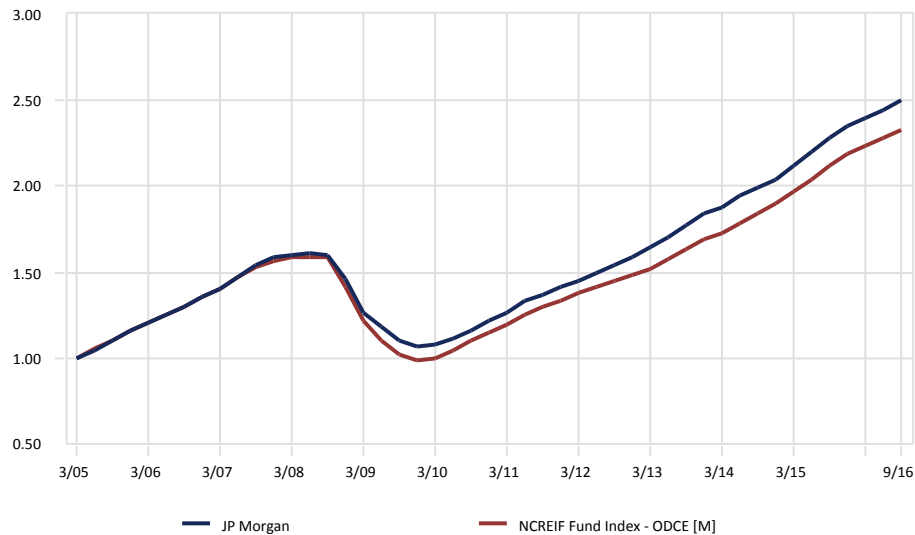
JP Morgan

September 30, 2016

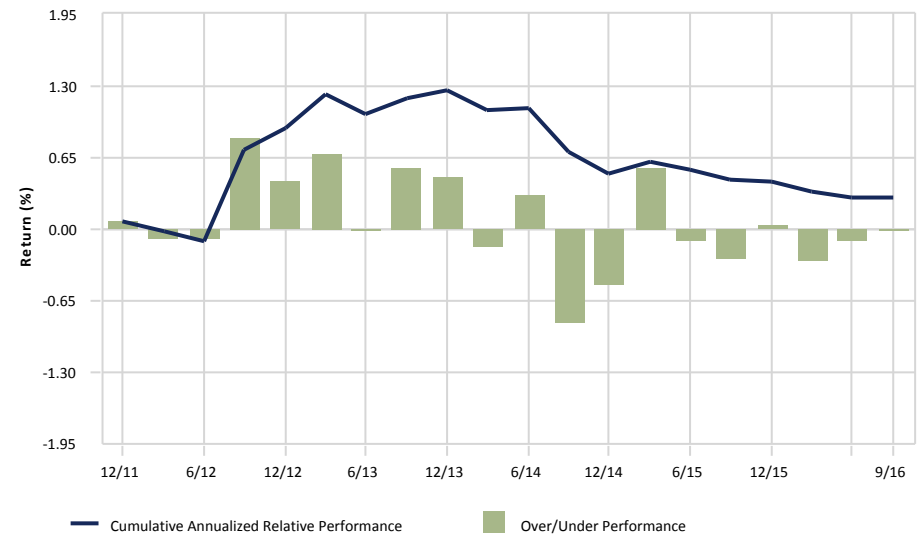
Peer Group Analysis - IM U.S. Private Real Estate (SA+CF)



Growth of \$1 - Since Inception (04/01/05)



Relative Performance vs. NCREIF Fund Index - ODCE [M]



City of Jacksonville Police & Fire Pension Fund

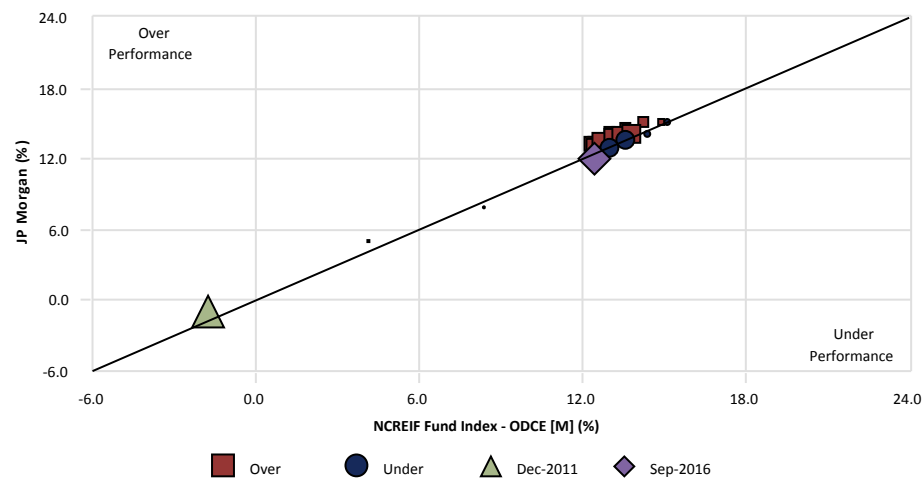
JP Morgan

September 30, 2016

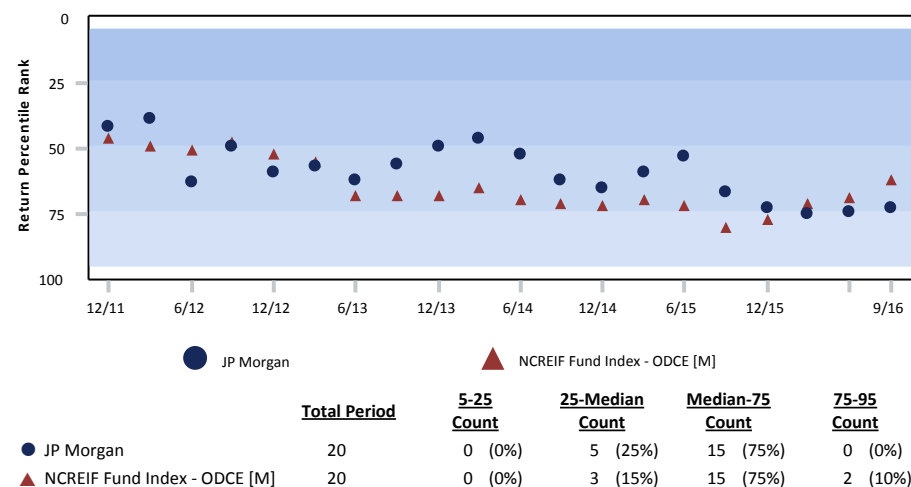
3 Year Portfolio Statistics

	Simple Alpha	Alpha	Beta	R-Squared	Tracking Error	Information Ratio	Sharpe Ratio	Consistency	Up Capture	Down Capture	Actual Correlation
JP Morgan	-0.36	10.50	0.12	0.21	4.55	-0.10	8.53	66.67	96.30	-	0.46
NCREIF Fund Index - ODCE [M]	0.00	0.00	1.00	1.00	0.00	-	2.37	0.00	100.00	-	1.00
90 Day US Treasury Bill	-12.37	0.05	0.00	0.09	4.99	-2.37	-	41.67	0.72	-	0.31

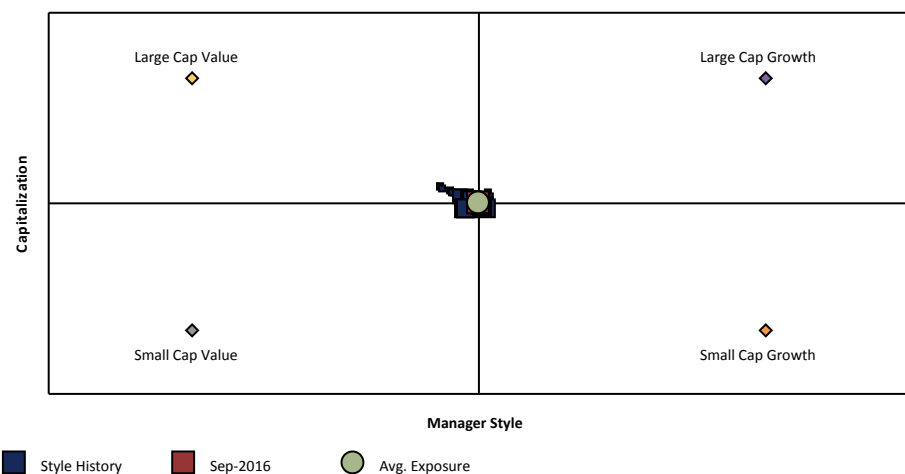
3 Year Rolling Under/Over Performance



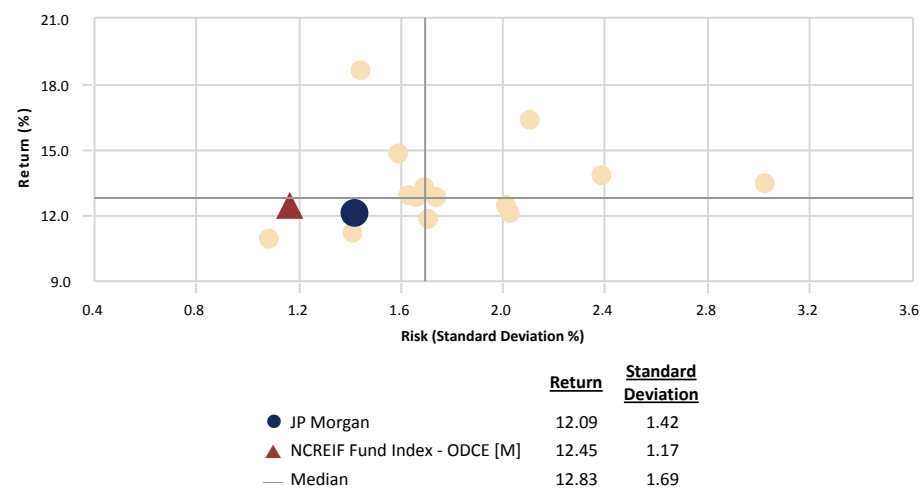
3 Year Rolling Relative Ranking



3 Year Style Analysis



Risk vs. Return (10/01/13 - 09/30/16)



JP MORGAN FLEMING: Strategic Property Fund

Quarter Ending: September 30, 2016

General Fund Information

Structure	Commingled Pension Fund
Inception Date	1/1/1998
Termination Date	Infinite Life
L/T Return Objective	1.0% over NCREIF
Eligible Property Types	Office, Residential, Industrial, Retail, Land
# of Investors	367
Maximum Leverage	Portfolio 35%; Asset Specific 65%

Fund Characteristics

# of Investments / Assets	172
Fund NAV (\$)	\$30.8 billion
Fund GAV (\$)	\$41.8 billion
Cash & Equivalents (% of NAV)	4%
Portfolio Leverage (%)	26%
Occupancy %	93%
# of Metro Areas Invested	53
Wtd Avg Cost of Debt	4.0%
% Debt that is Fixed	83.3%
Net Investor Flows this Qtr (\$)	\$531.0 million
Size of Contribution Queue (\$)	\$778.0 million

Contact Information

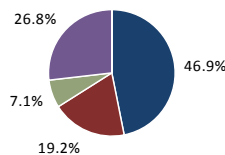
Portfolio Manager	Kimberly Adams
PM Tenure	July 2012
Address	270 Park Avenue, 7th Floor New York, NY 10017
Phone	212-648-2176
Email	kimberly.a.adams@jpmorgan.com

General Firm Information

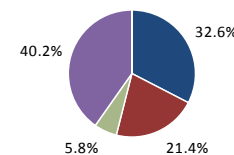
Year Founded	1871 (Firm); 1970 (Real Estate)
AUM (\$)	\$1.8 trillion

Fund Diversification

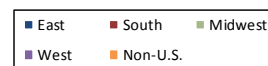
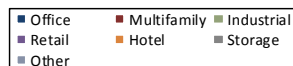
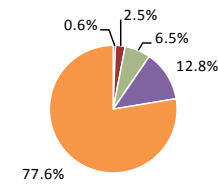
Property Type



Geographic Region



Property Size



Performance (% gross of fees)

	Fund			NFI ODCE		
	Income	Apprec	Total	Income	Apprec	Total
Quarter	1.1%	1.0%	2.1%	1.1%	1.0%	2.1%
YTD	3.4%	2.6%	6.1%	2.2%	2.1%	4.3%
1-Year	4.5%	4.9%	9.7%	4.6%	7.0%	10.1%
3-Years	4.9%	6.9%	12.1%	4.9%	7.8%	12.4%
5-Years	5.1%	7.3%	12.7%	5.1%	7.3%	12.4%

Top Six MSAs

MSA	% of GMV
New York-No. NJ	15.0%
Los Angeles, CA	10.9%
Boston, MA	9.8%
Dallas-Fort Worth, TX	8.8%
San Francisco, CA	6.5%
Houston, TX	5.2%

Ten Largest Investments (GMV)

Investment Name	GMV (\$)	MSA	Type	%
Edens	\$1,800,402,296	Various	Retail	4.3%
Donahue Schriber	\$1,622,427,320	Various	Retail	3.9%
1345 Ave. Americas	\$1,077,335,277	New York-No. NJ	Office	2.6%
200 Fifth Avenue	\$966,010,434	New York-No. NJ	Office	2.3%
Century Plaza Towers	\$927,955,048	Los Angeles, CA	Office	2.2%
Back Bay	\$904,129,121	Boston, MA	Office	2.2%
North Park Ctr.	\$882,133,764	Dallas, TX	Retail	2.1%
Valley Fair Mall	\$873,657,298	San Jose, CA	Retail	2.1%
Royal Hawaiian Ctr.	\$857,738,548	Honolulu, HI	Retail	2.1%
Alliance Texas	\$821,856,475	Dallas, TX	Industrial	2.0%

Quarterly Fund Activity

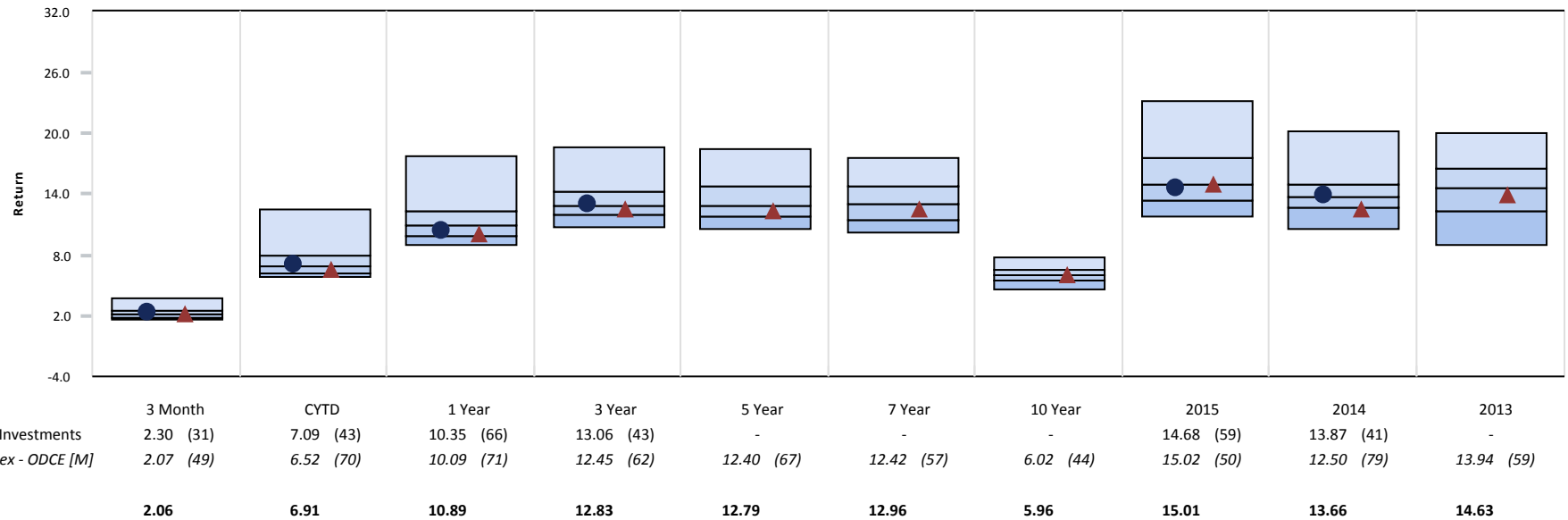
Acquisitions	
# of Investments	3
Total GMV (\$)	\$373.2 million
Dispositions	
# of Investments	6
Total GMV (\$)	\$893.8 million
Marked to Market	
# Written Up	55
# Written Down	29

City of Jacksonville Police & Fire Pension Fund

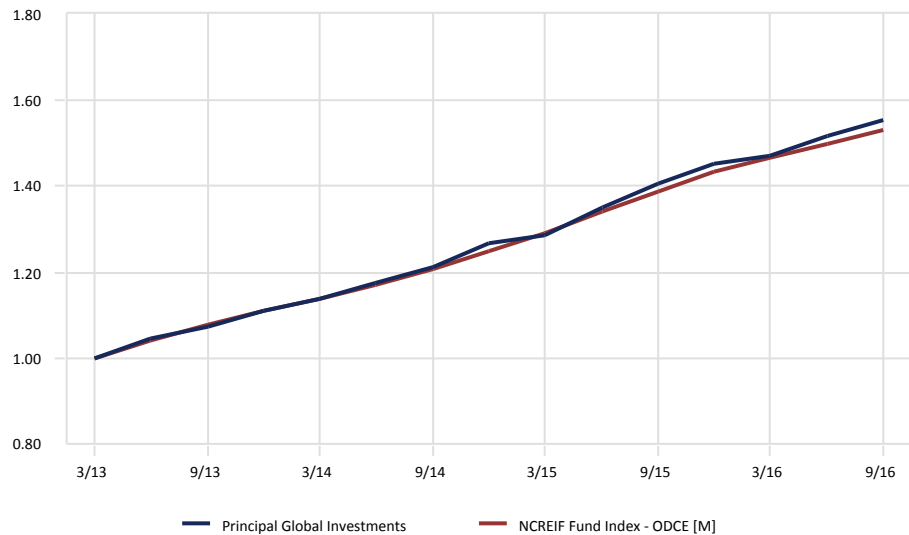
Principal Global Investments

September 30, 2016

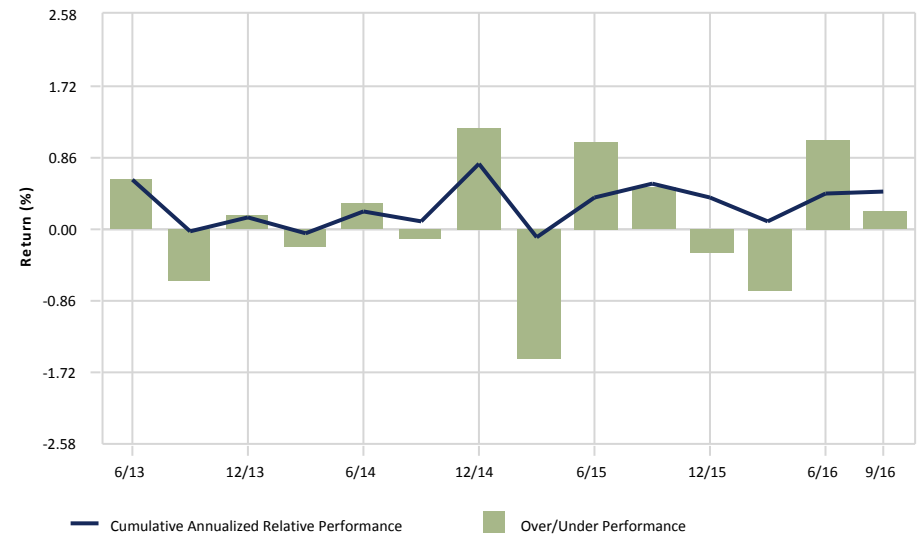
Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



Growth of \$1 - Since Inception (04/01/13)



Relative Performance vs. NCREIF Fund Index - ODCE [M]



PRINCIPAL REAL ESTATE: U.S. Property Account

Quarter Ending: September 30, 2016

General Fund Information

Structure	Insurance Co. Separate Account
Inception Date	1/31/1982
Termination Date	Infinite Life
L/T Return Objective	Returns = NFI-ODCE Equal Weight
Eligible Property Types	Office, Residential, Industrial, Retail, Hotel, Land
# of Investors	7,758
Maximum Leverage	33%

Fund Characteristics

# of Investments / Assets	147
Fund NAV (\$)	\$7.0 billion
Fund GAV (\$)	\$9.3 billion
Cash & Equivalents (% of NAV)	1%
Portfolio Leverage (%)	22%
Occupancy %	94.2% (core); 85.4% (total portfolio)
# of Metro Areas Invested	44
Wtd Avg Cost of Debt	3.4%
% Debt that is Fixed	70%
Net Investor Flows this Qtr (\$)	\$44.9 million
Size of Contribution Queue (\$)	\$69.4 million

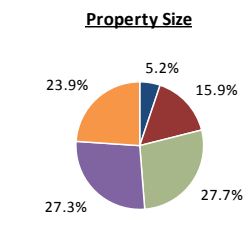
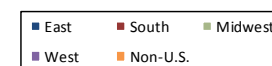
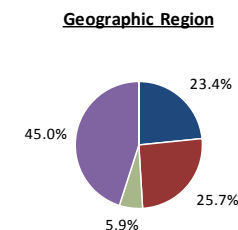
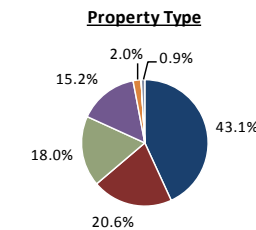
Contact Information

Portfolio Manager	John Berg
PM Tenure	January 1994
Address	801 Grand Avenue Des Moines, IA 50392
Phone	515-248-8261
Email	berg.john@principal.com

General Firm Information

Year Founded	1999
AUM (\$)	\$72.3 billion (Real Estate)

Fund Diversification



Performance (% gross of fees)

	Fund			NFI ODCE		
	Income	Apprec	Total	Income	Apprec	Total
Quarter	1.2%	1.1%	2.3%	1.1%	0.9%	2.1%
YTD	3.8%	3.2%	7.1%	3.4%	3.1%	6.5%
1-Year	5.0%	5.1%	10.4%	4.6%	5.3%	10.1%
3-Years	5.2%	7.6%	13.1%	4.8%	7.3%	12.4%
5-Years	5.4%	7.4%	13.1%	5.0%	7.1%	12.4%

Top Six MSAs

MSA	% of GMV
New York, NY	8.8%
Seattle, WA	7.3%
Houston, TX	5.9%
Cambridge, MA	5.6%
Washington, D.C.	5.5%
Austin, TX	5.5%

Ten Largest Investments (GMV)

Investment Name	GMV (\$)	MSA	Type	%
Park Place	\$401,760,000	Santa Ana, CA	Off./Ret.	4.3%
1370 Ave. Americas	\$350,400,000	New York, NY	Office	3.8%
Energy Center	\$326,900,000	Houston, TX	Office	3.5%
Watermark E. & W.	\$279,200,000	Cambridge, MA	MF/Ret.	3.0%
Charles Park	\$249,800,000	Cambridge, MA	Office	2.7%
Burbank Empire Ctr.	\$237,900,000	Los Angeles, CA	Retail	2.6%
555 City Center	\$211,600,000	Oakland, CA	Office	2.3%
112th at 12th Street	\$200,000,000	Seattle, WA	Office	2.2%
J.W. Marriott	\$192,984,000	San Antonio, TX	Hotel	2.1%
500 W. Second Street	\$185,250,000	Austin, TX	Office	2.0%

Quarterly Fund Activity

Acquisitions	
# of Investments	1
Total GMV (\$)	\$92.5 million
Dispositions	
# of Investments	4
Total GMV (\$)	\$98.4 million
Marked to Market	
# Written Up	87
# Written Down	16

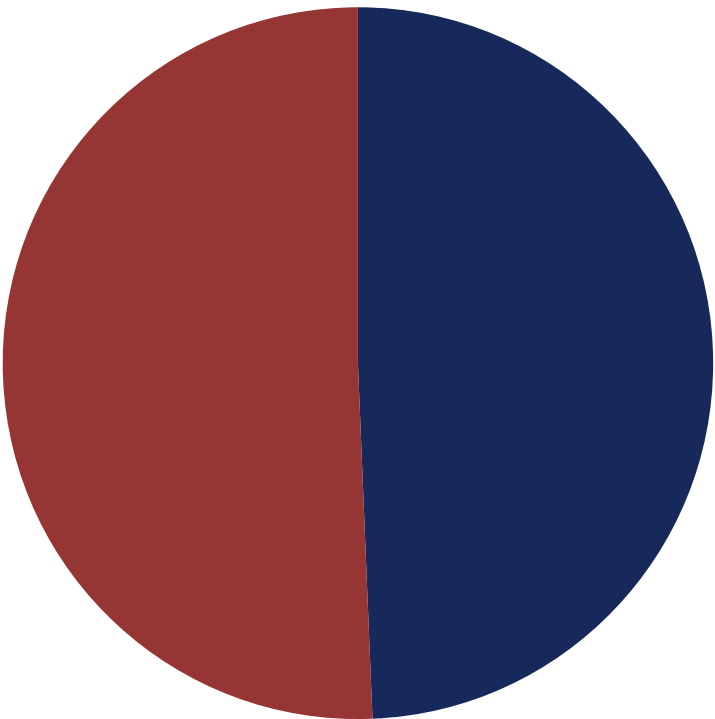
MLPs/Energy

City of Jacksonville Police & Fire Pension Fund

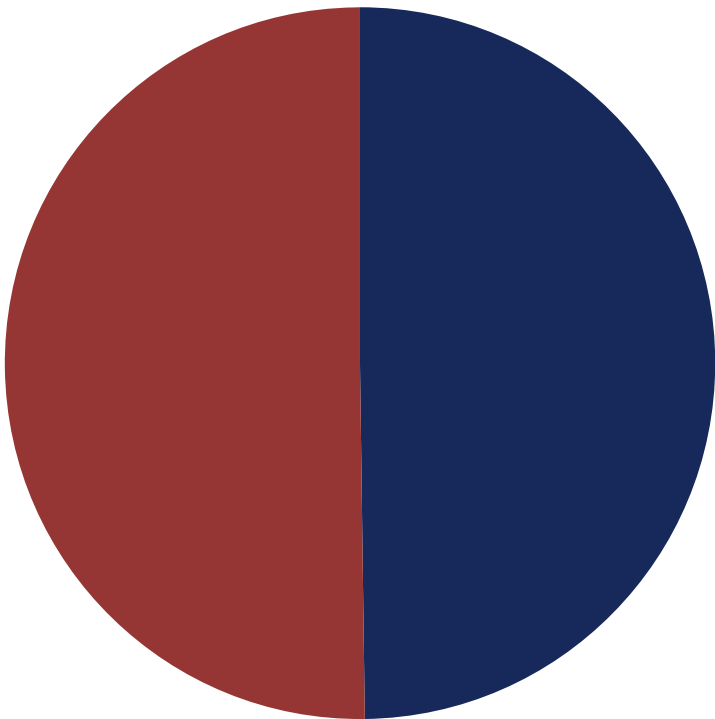
MLPs/Energy Asset Allocation Chart

September 30, 2016

September 30, 2016 : \$101,576,733	June 30, 2016 : \$98,156,472
------------------------------------	------------------------------



	Market Value (\$)	Allocation (%)
■ Tortoise MLP	50,127,131	49.35
■ Harvest MLP	51,449,602	50.65



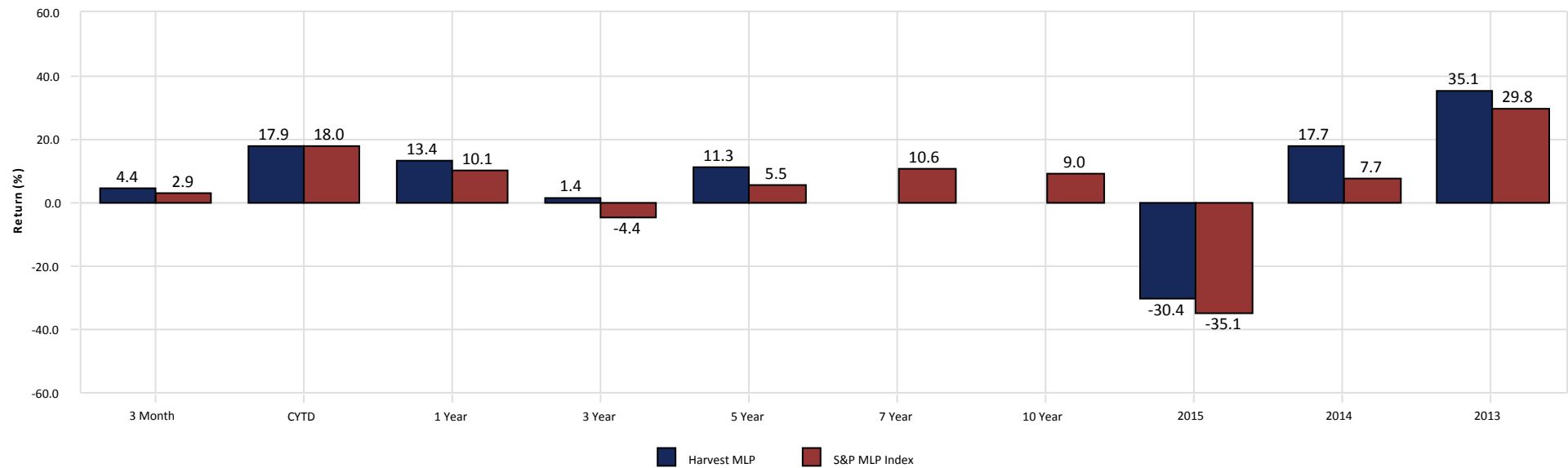
	Market Value (\$)	Allocation (%)
■ Tortoise MLP	48,869,271	49.79
■ Harvest MLP	49,287,201	50.21

City of Jacksonville Police & Fire Pension Fund

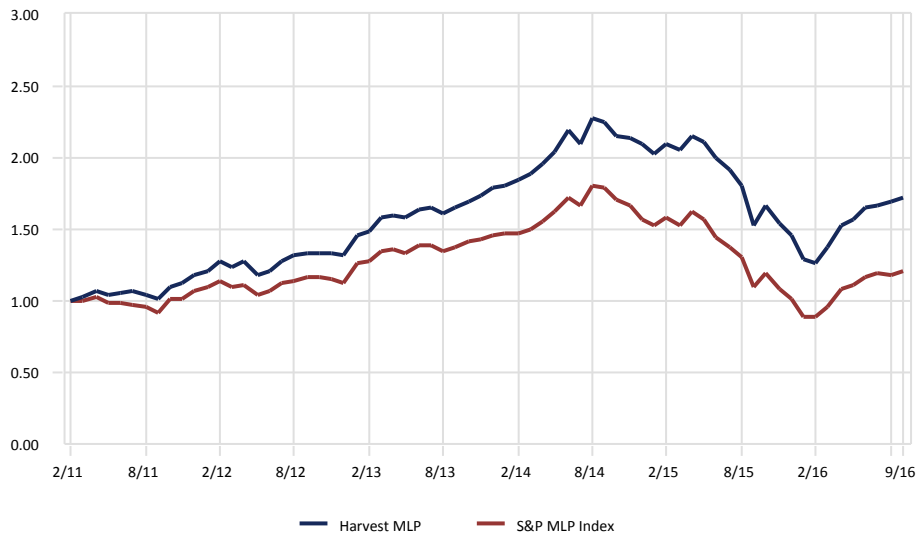
Harvest MLP

September 30, 2016

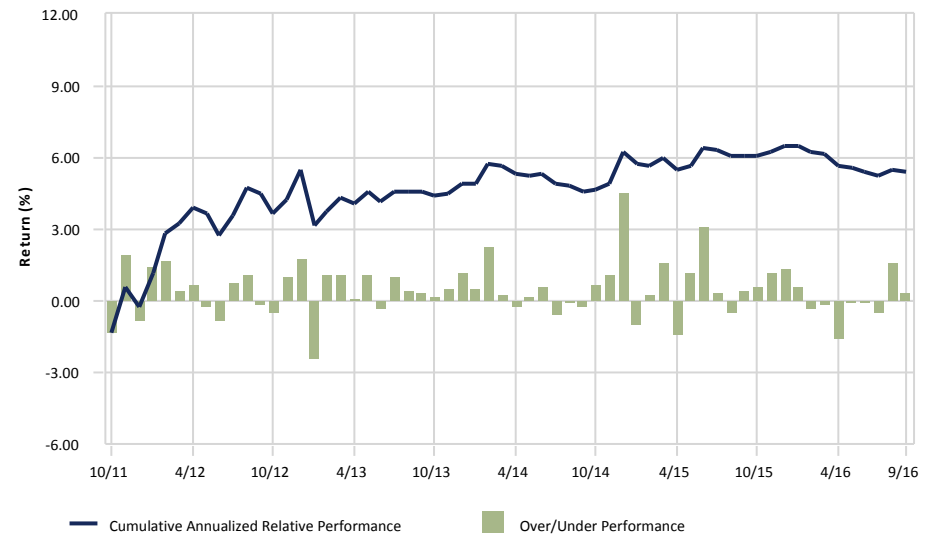
Comparative Performance



Growth of \$1 - Since Inception (03/01/11)



Relative Performance vs. S&P MLP Index



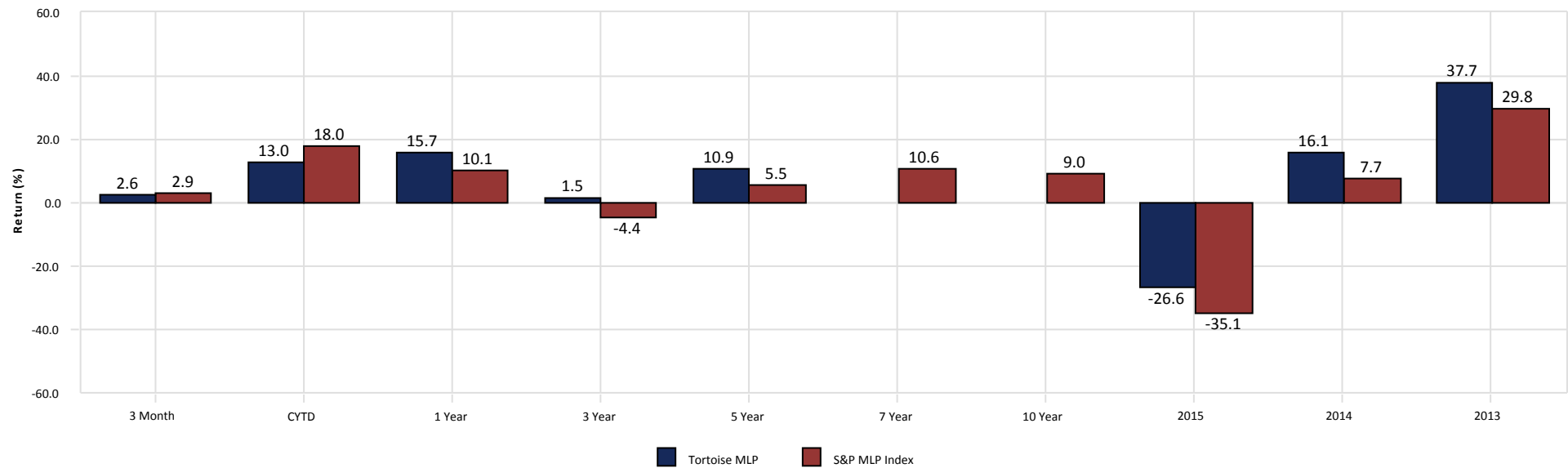
gross of fees

City of Jacksonville Police & Fire Pension Fund

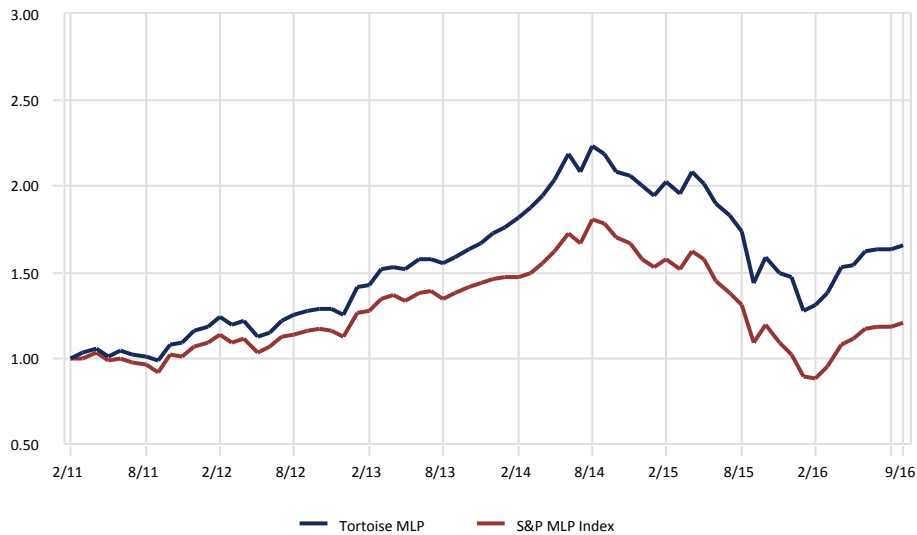
Tortoise MLP

September 30, 2016

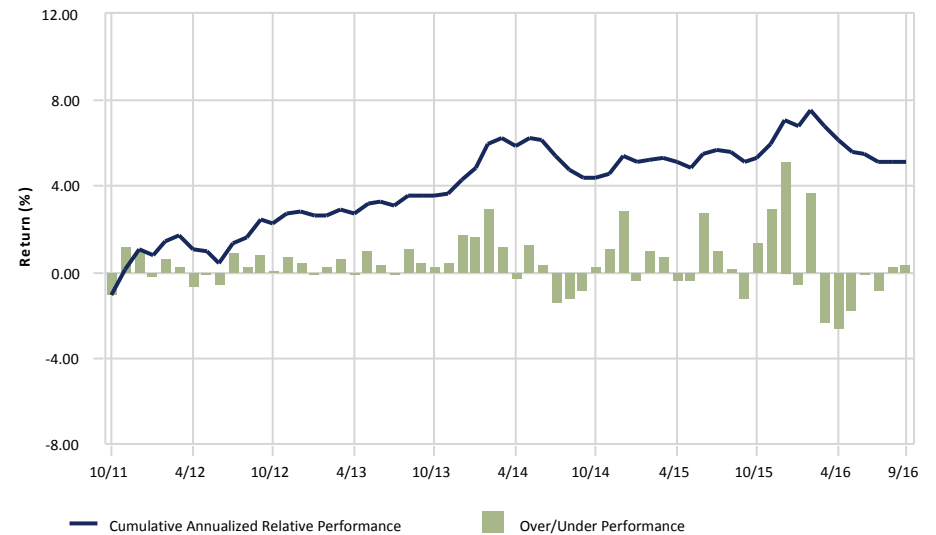
Comparative Performance



Growth of \$1 - Since Inception (03/01/11)



Relative Performance vs. S&P MLP Index



gross of fees

Appendix

City of Jacksonville Police & Fire Pension Fund

Benchmark Composition Total Fund & US Equity & International Equity

As of September 30, 2016

Total Fund Policy Index

	(%)
Mar-2016	
Russell 3000 Index	39.00
MSCI AC World ex USA (Net)	20.00
Blmbg. Barc. U.S. Aggregate	20.50
NCREIF Fund Index - ODCE [M]	15.00
S&P MLP Index	5.50
Mar-2013	
Russell 3000 Index	35.00
MSCI AC World ex USA (Net)	20.00
Blmbg. Barc. U.S. Aggregate	22.50
NCREIF Fund Index - ODCE [M]	15.00
S&P MLP Index	7.50
Apr-2012	
Russell 3000 Index	40.00
MSCI AC World ex USA (Net)	20.00
Blmbg. Barc. U.S. Aggregate	25.00
NCREIF Fund Index - ODCE [M]	10.00
S&P MLP Index	5.00
Jun-2011	
Russell 3000 Index	40.00
MSCI EAFE Index	20.00
Blmbg. Barc. U.S. Aggregate	25.00
NCREIF Fund Index - ODCE [M]	10.00
S&P MLP Index	5.00

Jul-2009

Russell 3000 Index	40.00
MSCI EAFE Index	20.00
Blmbg. Barc. U.S. Aggregate	25.00
NCREIF Fund Index - ODCE [M]	15.00

Oct-2008

Dow Jones US Total Stock Market Index	50.00
MSCI EAFE Index	10.00
BofA Merrill Lynch Gov Corp Master	30.00
NCREIF Fund Index - ODCE [M]	10.00

Apr-1989

Dow Jones US Total Stock Market Index	50.00
MSCI EAFE Index	10.00
BofA Merrill Lynch Gov Corp Master	35.00
NCREIF Fund Index - ODCE [M]	5.00

US Equity Index

	(%)
Jul-2009	
Russell 3000 Index	100.00
Jan-1988	
Dow Jones US Total Stock Market Index	100.00

International Equity Index

	(%)
Oct-2009	
MSCI AC World ex USA	100.00
Feb-1999	
MSCI EAFE Index	100.00

Thompson Siegal Policy

	(%)
Oct-2009	
Blmbg. Barc. U.S. Aggregate	100.00
Dec-1975	
BofA Merrill Lynch Gov Corp Master	100.00

City of Jacksonville Police & Fire Pension Fund

Benchmark Composition Managers

As of September 30, 2016

Thompson

(%)

Oct-2009

Blmbg. Barc. U.S. Aggregate

100.00

Dec-1975

BofA Merrill Lynch Gov Corp Master

100.00

Summit Strategies Group

Index Report

September 30, 2016

	1 Month	3 Month	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception	Inception Date
US Equity: All Cap										
Russell 3000 Index	0.16	4.40	8.18	14.96	10.44	16.36	13.18	7.37	11.68	01/01/1979
Dow Jones US Total Stock Market Index	0.18	4.43	8.14	14.93	10.39	16.30	13.22	7.49	10.06	01/01/1987
US Equity: Large Cap										
Russell 1000 Index	0.08	4.03	7.92	14.93	10.78	16.41	13.25	7.40	11.72	01/01/1979
Russell 1000 Value Index	-0.21	3.48	10.00	16.19	9.70	16.15	12.34	5.85	12.09	01/01/1979
Russell 1000 Growth Index	0.37	4.58	6.00	13.76	11.83	16.60	14.11	8.85	10.99	01/01/1979
S&P 500	0.02	3.85	7.84	15.43	11.16	16.37	13.17	7.24	10.03	01/01/1926
Dow Jones Industrials Average	-0.41	2.78	7.21	15.46	9.23	13.66	12.27	7.34	10.15	01/01/1955
US Equity: Mid Cap										
Russell Midcap Index	0.20	4.52	10.26	14.25	9.70	16.67	14.11	8.32	13.30	01/01/1979
Russell Midcap Value Index	0.42	4.45	13.72	17.26	10.49	17.38	14.27	7.89	11.96	01/01/1986
Russell Midcap Growth Index	-0.05	4.59	6.84	11.24	8.90	15.85	13.90	8.51	10.66	01/01/1986
NASDAQ Composite Index	1.96	10.02	7.09	16.42	13.45	18.54	15.33	10.08	10.22	01/01/1995
US Equity: SMID Cap										
Russell 2500 Index	0.48	6.56	10.80	14.44	7.77	16.30	13.40	7.94	12.73	01/01/1979
Russell 2500 Value Index	0.66	6.18	14.51	17.68	8.05	16.29	12.81	6.92	11.35	01/01/1986
Russell 2500 Growth Index	0.29	6.98	6.95	11.02	7.43	16.20	13.98	8.82	9.50	01/01/1986
US Equity: Small Cap										
Russell 2000 Index	1.11	9.05	11.46	15.47	6.71	15.82	12.49	7.07	11.48	01/01/1979
Russell 2000 Value Index	0.79	8.87	15.49	18.81	6.77	15.45	11.60	5.78	13.00	01/01/1979
Russell 2000 Growth Index	1.44	9.22	7.48	12.12	6.58	16.15	13.32	8.29	9.61	01/01/1979
Russell Microcap	2.94	11.25	9.38	13.47	5.84	16.37	11.79	5.50	7.03	07/01/2000

Summit Strategies Group

Index Report

September 30, 2016

	1 Month	3 Month	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception	Inception Date
International Equity: Unrestrained, All Cap										
MSCI World (Net)	0.53	4.87	5.55	11.36	5.85	11.63	8.50	4.47	8.61	01/01/1970
MSCI World ex-US (Net)	1.22	6.29	3.12	7.16	0.33	6.89	4.05	1.88	8.70	01/01/1970
MSCI AC World Index (Net)	0.61	5.30	6.60	11.96	5.17	10.63	7.77	4.34	4.37	01/01/2001
MSCI AC World ex USA (Net)	1.23	6.91	5.82	9.26	0.18	6.04	3.66	2.16	4.21	01/01/2001
S&P Developed Ex-US BMI	1.49	6.73	4.62	9.07	1.56	7.93	5.20	2.85	5.68	07/01/1989
S&P Developed Ex-US SmallCap	2.66	7.97	7.13	12.71	5.05	10.63	8.01	4.60	6.34	07/01/1989
International Equity: Developed Market, Large Cap										
MSCI EAFE Index	1.27	6.50	2.20	7.06	0.93	7.88	4.71	2.30	9.35	01/01/1970
MSCI EAFE Index (Net)	1.23	6.43	1.73	6.52	0.48	7.39	4.24	1.82	8.50	02/01/1985
MSCI EAFE Value Index (Net)	0.97	7.99	0.82	3.52	-1.49	5.99	2.44	0.44	10.94	01/01/1975
MSCI EAFE Growth Index (Net)	1.49	4.96	2.63	9.47	2.39	8.73	5.99	3.14	8.40	01/01/1975
S&P EPAC BMI	1.52	6.94	3.26	8.41	1.78	8.47	5.39	2.84	5.59	07/01/1989
S&P EPAC LargeMidCap	1.28	6.64	2.88	7.83	1.05	7.88	4.85	2.51	5.42	07/01/1989
S&P EPAC LargeMidCap Value	1.17	7.90	1.92	5.44	-0.20	7.47	4.17	2.15	5.90	07/01/1989
S&P EPAC LargeMidCap Growth	1.42	5.51	3.83	10.21	2.27	8.25	5.49	2.85	4.91	07/01/1989
International Equity: Developed Market, Small Cap										
MSCI EAFE Small Cap (Net)	2.97	8.64	5.19	12.33	5.08	11.07	8.11	4.39	8.36	01/01/2001
S&P EPAC SmallCap	2.73	8.49	5.27	11.44	5.59	11.50	8.24	4.76	6.30	07/01/1989
S&P EPAC SmallCap Value	2.47	8.92	6.00	11.03	5.44	11.63	8.21	4.86	7.28	07/01/1989
S&P EPAC SmallCap Growth	2.99	8.07	4.57	11.86	5.74	11.35	8.26	4.64	5.23	07/01/1989
International Equity: Emerging Market										
MSCI Emerging Markets (Net)	1.29	9.03	16.02	16.78	-0.56	3.03	2.27	3.94	9.14	01/01/2001
S&P Emerging BMI	1.15	8.85	15.54	18.38	0.85	3.99	3.07	5.12	7.51	01/01/1998
S&P Emerging LargeMidCap	1.18	8.94	16.21	18.41	0.85	3.72	2.80	4.89	7.47	01/01/1998

Summit Strategies Group

Index Report

September 30, 2016

	1 Month	3 Month	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception	Inception Date
S&P Emerging SmallCap	0.99	8.38	11.87	18.24	0.86	5.49	4.52	6.78	7.81	01/01/1998
International Equity: Developed Market, Country Specific										
MSCI Australia	2.46	7.95	10.84	21.95	-1.36	5.83	4.12	5.39	8.86	01/01/1970
MSCI Austria	5.31	16.86	5.03	12.23	-7.32	1.19	-4.68	-7.78	7.52	01/01/1970
MSCI Belgium	4.11	5.03	5.37	20.02	10.52	18.27	10.98	1.71	11.64	01/01/1970
MSCI Canada	1.18	5.04	21.33	15.37	-0.43	3.12	3.14	3.58	9.24	01/01/1970
MSCI Denmark	-4.08	-6.17	-7.15	-0.93	10.80	17.27	11.92	9.12	13.10	01/01/1970
MSCI Finland	3.60	7.42	1.12	10.87	5.56	12.20	4.34	1.68	10.57	01/01/1982
MSCI France	1.32	6.43	2.88	4.73	0.06	8.75	2.99	1.47	9.68	01/01/1970
MSCI Germany	0.39	10.02	2.01	9.87	0.97	10.57	5.61	4.40	9.59	01/01/1970
MSCI Greece	-5.32	0.99	-23.67	-38.17	-41.95	-26.96	-35.60	-27.79	-2.40	01/01/1988
MSCI Hong Kong	3.65	11.92	12.34	19.09	6.66	12.20	8.70	8.14	14.58	01/01/1970
MSCI Ireland	-2.02	7.50	-6.89	-0.36	7.52	15.53	6.36	-7.14	4.50	01/01/1988
MSCI Italy	-2.56	2.34	-18.34	-20.20	-5.38	1.23	-5.25	-5.79	4.76	01/01/1970
MSCI Japan	1.74	8.76	2.87	12.52	3.65	7.63	5.44	1.24	9.13	01/01/1970
MSCI Netherlands	1.16	9.23	7.51	10.91	4.78	12.51	6.78	3.98	11.89	01/01/1970
MSCI New Zealand	0.03	12.89	33.87	58.19	9.58	14.42	12.86	8.25	12.10	01/01/1982
MSCI Norway	4.34	6.36	11.68	11.31	-7.20	1.79	2.20	1.43	10.22	01/01/1970
MSCI Portugal	0.43	6.47	7.79	12.51	-11.52	-6.08	-7.81	-5.94	1.61	01/01/1988
MSCI Singapore	1.65	-0.13	5.29	9.77	-3.46	3.33	3.93	5.64	11.68	01/01/1970
MSCI Spain	1.42	9.45	-2.73	-5.16	-4.24	1.37	-3.55	-0.53	8.33	01/01/1970
MSCI Sweden	2.03	7.48	2.68	5.21	-1.05	9.29	7.87	5.34	13.00	01/01/1970
MSCI Switzerland	0.83	2.66	-0.19	1.85	1.97	10.41	8.18	5.42	11.25	01/01/1970
MSCI United Kingdom	1.02	3.99	0.85	1.60	-1.75	6.04	4.86	1.45	9.62	01/01/1970
International Equity: Emerging Market, Country Specific										
MSCI Argentina	5.34	2.78	19.71	50.43	19.30	7.67	8.64	4.43	14.89	01/01/1988

Summit Strategies Group

Index Report

September 30, 2016

	1 Month	3 Month	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception	Inception Date
MSCI Brazil	0.35	11.37	63.15	58.00	-7.85	-5.29	-5.72	2.81	14.56	01/01/1988
MSCI Chile	-0.42	-1.70	14.12	13.01	-8.11	-5.16	-0.75	3.83	13.89	01/01/1988
MSCI China	2.55	13.96	8.80	13.18	4.14	8.53	3.91	7.98	0.52	01/01/1993
MSCI Colombia	-0.40	2.76	29.45	17.28	-18.71	-7.92	-1.93	5.11	11.54	01/01/1993
MSCI Czech Republic	2.53	-0.37	0.96	-10.44	-5.99	-5.18	-5.36	-0.16	8.81	01/01/1995
MSCI Egypt	-1.15	21.55	15.59	6.53	10.93	9.95	0.27	2.42	13.91	01/01/1995
MSCI Hungary	-0.29	10.81	23.90	38.04	4.71	6.71	-1.81	-1.09	10.15	01/01/1995
MSCI India	-0.92	5.92	7.12	6.14	11.18	5.29	3.06	5.17	8.57	01/01/1993
MSCI Indonesia	2.06	9.54	27.34	53.92	7.71	2.33	6.94	10.89	10.57	01/01/1988
MSCI Israel	-3.88	-1.83	-14.91	-7.17	7.52	5.66	1.25	4.36	7.36	04/01/1995
MSCI Jordan	0.11	-2.10	-6.35	-5.32	0.24	-3.32	-6.03	-6.88	2.29	01/01/1988
MSCI Korea	1.37	10.97	15.34	21.94	0.13	5.29	4.95	3.95	6.67	01/01/1988
MSCI Malaysia	-2.94	-1.52	4.92	13.17	-7.56	0.59	4.37	7.15	7.10	01/01/1988
MSCI Mexico	-3.33	-2.20	-1.25	-2.36	-5.96	1.70	3.44	2.84	16.84	01/01/1988
MSCI Morocco	2.58	8.53	22.05	17.87	2.62	-3.85	-2.56	1.80	8.51	01/01/1995
MSCI Pakistan	1.66	6.58	21.57	21.06	10.67	14.71	13.44	4.82	7.45	01/01/1993
MSCI Peru	0.14	1.09	51.77	39.46	5.69	1.70	2.34	10.29	14.33	01/01/1993
MSCI Philippines	-5.61	-5.22	7.64	7.16	6.63	14.57	15.53	13.18	8.34	01/01/1988
MSCI Poland	-1.47	3.39	-2.65	-15.21	-13.10	-2.82	-2.29	-2.64	5.15	04/01/1995
MSCI Russia	3.87	8.90	31.34	26.10	-9.17	-1.67	-1.16	-4.15	10.16	01/01/1995
MSCI South Africa	5.87	6.39	23.31	10.35	-0.02	3.20	4.65	6.46	6.80	04/01/1995
MSCI Taiwan	2.97	12.35	22.23	23.73	7.71	9.03	7.31	6.19	6.38	01/01/1988
MSCI Thailand	-3.51	7.32	29.27	21.29	1.23	8.33	10.90	10.84	7.92	01/01/1988
MSCI Turkey	-0.85	-5.26	6.47	6.21	-9.33	-2.39	-1.46	2.06	8.48	01/01/1988
US Fixed Income										
Blmbg. Barc. U.S. Universal Index	0.02	0.96	6.69	6.11	4.27	3.62	4.53	5.00	6.49	01/01/1990
Blmbg. Barc. U.S. Aggregate	-0.06	0.46	5.80	5.19	4.03	3.08	4.10	4.79	7.68	01/01/1976

Summit Strategies Group

Index Report

September 30, 2016

	1 Month	3 Month	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception	Inception Date
Blmbg. Barc. U.S. Intermediate Aggregate	0.17	0.31	4.10	3.57	3.09	2.56	3.49	4.34	7.44	01/01/1976
Blmbg. Barc. U.S. Treasury	-0.13	-0.28	5.07	4.09	3.38	2.18	3.44	4.45	7.33	01/01/1973
Blmbg. Barc. U.S. TIPS	0.55	0.96	7.27	6.58	2.40	1.93	4.00	4.48	5.68	03/01/1997
Blmbg. Barc. U.S. Gov't/Credit	-0.19	0.40	6.66	5.86	4.22	3.24	4.28	4.86	7.47	01/01/1973
Blmbg. Barc. Intermed. U.S. Government/Credit	0.13	0.16	4.24	3.52	2.80	2.45	3.33	4.17	7.17	01/01/1973
Blmbg. Barc. U.S. Government	-0.12	-0.25	4.96	4.00	3.32	2.16	3.32	4.34	7.32	01/01/1973
Blmbg. Barc. U.S. Agency	0.09	0.14	3.42	2.76	2.61	1.86	2.54	3.74	7.26	01/01/1976
Blmbg. Barc. U.S. Credit Index	-0.28	1.23	8.86	8.30	5.44	4.83	5.74	5.77	6.57	01/01/1992
Blmbg. Barc. U.S. Mortgage Backed Securities	0.28	0.60	3.72	3.61	3.61	2.65	3.49	4.65	7.75	01/01/1976
Blmbg. Barc. U.S. Corp: High Yield	0.67	5.55	15.11	12.73	5.28	8.34	8.75	7.71	9.05	07/01/1983
BofAML Convertible Bonds, All Qualities	1.97	8.13	8.52	10.33	7.91	12.12	10.35	7.78	9.39	01/01/1988
BofA Merrill Lynch High Yield Master II	0.65	5.49	15.32	12.82	5.27	8.24	8.62	7.59	8.47	09/01/1986
BofA Merrill Lynch 1-3 Year Treasury	0.12	-0.11	1.32	0.88	0.85	0.69	1.03	2.25	6.19	01/01/1978
90 Day US Treasury Bill	0.04	0.07	0.19	0.18	0.09	0.08	0.09	0.89	3.59	01/01/1926
CPI - All Urban Consumers	0.29	0.46	1.24	1.48	1.04	1.24	1.59	1.74	2.89	01/01/1926
International Fixed Income										
Citigroup World Government Bond	0.65	0.30	11.07	9.71	1.78	0.77	1.90	4.10	7.41	01/01/1985
Citigroup World Government Bond Hedged	-0.06	-0.03	6.68	6.76	5.44	4.30	4.21	4.61	6.94	01/01/1985
Real Estate										
FTSE NAREIT Composite REIT	-1.37	-0.88	12.73	20.76	13.49	15.39	15.01	5.77	9.82	01/01/1972
FTSE NAREIT Equity REIT Index	-1.76	-1.43	11.75	19.86	14.22	15.91	15.56	6.35	12.07	01/01/1972
FTSE EPRA/NAREIT Developed Index	-0.90	1.46	10.97	15.85	8.59	13.16	10.77	4.16	7.77	01/01/1990
NCREIF Fund Index-ODCE (VW)	-	2.07	6.52	10.08	12.45	12.40	12.42	6.02	8.75	01/01/1978
NCREIF Property Index	-	1.77	6.13	9.22	11.31	11.18	11.09	7.22	9.30	01/01/1978
NCREIF Timberland Index	-	0.67	1.40	3.28	7.60	6.91	4.33	6.37	12.15	04/01/1987

Summit Strategies Group

Index Report

September 30, 2016

	1 Month	3 Month	CYTD	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception	Inception Date
Real Assets										
S&P GSCI Composite Index	4.14	-4.15	5.30	-12.21	-22.16	-12.61	-8.27	-9.04	6.92	01/01/1970
Bloomberg Commodity Index Total Return	3.13	-3.86	8.85	-2.59	-12.35	-9.37	-5.51	-5.33	2.35	02/01/1991
S&P North American Natural Resources Sector	3.76	4.23	24.62	22.36	-3.58	2.98	3.12	3.08	7.26	09/01/1996
Alerian MLP	1.85	1.07	15.94	12.74	-4.82	4.96	10.22	8.98	14.07	01/01/1996
Hedge Fund										
Credit Suisse/Tremont Hedge Fund Index	0.12	1.75	0.11	-0.01	2.54	4.26	4.54	4.22	7.79	01/01/1994
HFRI Fund of Funds Composite Index	0.44	2.42	-0.22	0.51	2.17	3.17	2.49	1.77	6.69	01/01/1990
HFRI FOF: Conservative Index	0.42	1.91	0.31	0.32	2.16	3.12	2.57	1.51	5.83	01/01/1990
HFRI ED: Distressed/Restructuring	1.05	5.27	8.91	5.34	1.00	4.90	5.38	3.80	10.70	01/01/1990
HFRI Equity Hedge (Total)	1.03	4.65	4.23	6.04	3.23	5.61	4.31	3.33	11.54	01/01/1990
HFRI EH: Equity Market Neutral	0.24	0.83	0.98	2.11	3.63	3.94	2.62	2.07	6.39	01/01/1990
HFRI Event-Driven (Total)	0.68	4.31	6.59	6.17	2.55	5.28	5.29	4.28	10.50	01/01/1990
HFRI Macro (Total)	-0.40	-1.07	1.66	1.52	2.57	0.70	1.31	3.36	10.58	01/01/1990

Glossary

<u>Term</u>	<u>Description</u>
Simple Alpha (Excess or Relative Return)	The arithmetic difference between the portfolio's return and the benchmark's return.
Alpha	A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
Asset Allocation Effect	In attribution analysis, the incremental return attributable to diverging from the target weights of the policy benchmark holding all other factors constant.
Beta	Also called systematic risk or non-diversifiable risk, beta measures the sensitivity of asset returns to the market (benchmark). In isolation a lower beta is considered less risky but does not distinguish between upside and downside risk.
Consistency	The percentage of periods that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.
Down Market Capture	The ratio of average portfolio return over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.
Excess Risk	A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager. Negative Information Ratios are difficult to interpret.
Manager Value-Added (Selection Effect)	In attribution analysis, the incremental return attributable to active management; the result of diverging from the benchmark allocation within a given asset class.
Market Timing / Other	In attribution analysis, represents the impact of intra-period shifts in asset allocation. For example a rapidly appreciating asset could have markedly different weights throughout the analysis period (which looks at fixed points in time).

Glossary

R-Squared	The percentage of portfolio performance explained by the performance of its benchmark; measured on a scale of 0 to 100, with 100 indicating that the portfolio's performance is entirely determined by the benchmark.
Sharpe Ratio	Also called the reward-to-variability ratio, Sharpe Ratio measures the absolute rate of return per unit of risk and is calculated as the Excess Return vs. the Risk Free Rate divided by the standard deviation of the Excess Return. Investors prefer higher Sharpe Ratios (more return per unit of risk).
Standard Deviation	Typically referred to as Volatility or Risk, standard deviation measures the dispersion of actual returns around their average.
Tracking Error	A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.
Treynor Ratio	Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Represents the excess rate of return over the risk free rate divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Up Market Capture	The ratio of average portfolio return over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.

DISCLAIMER

Summit Strategies Group (Summit) has prepared this report for the exclusive use by the client for which it was prepared. The information herein was obtained from various sources, such as the client's custodian(s) accounting statements, commercially available databases, and other economic and financial market data sources. While Summit believes these sources to be reliable, Summit does not guarantee nor shall be liable for the market values, returns, or other information contained in this report. The market commentary, portfolio holdings, and characteristics are as of the date shown and are subject to change. Past performance is not an indication of future performance. No graph, chart, or formula can, in and of itself, be used to determine which securities or investments to buy or sell. Any forward-looking projection contained herein is based on assumptions that Summit believes may be reasonable, but are subject to a wide range of risks, uncertainties, and the possibility of loss. Accordingly, there is no assurance that any estimated performance figures will occur in the amounts and during the periods indicated, or at all. Actual results and performance will differ from those expressed or implied by such forward-looking projections. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.



Summit Strategies Group

8182 Maryland Avenue, 6th Floor

St. Louis, Missouri 63105

314.727.7211

City of Jacksonville Police & Fire Pension Fund

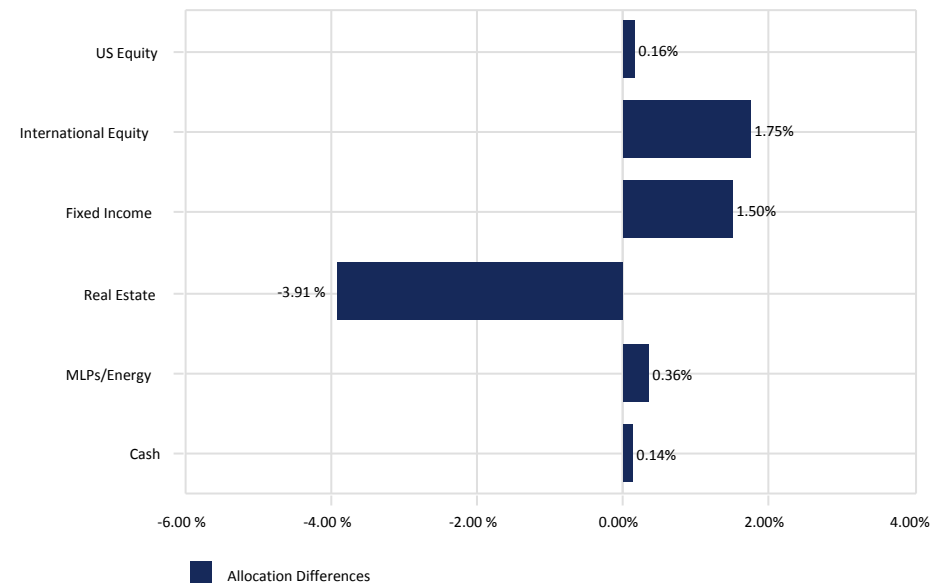
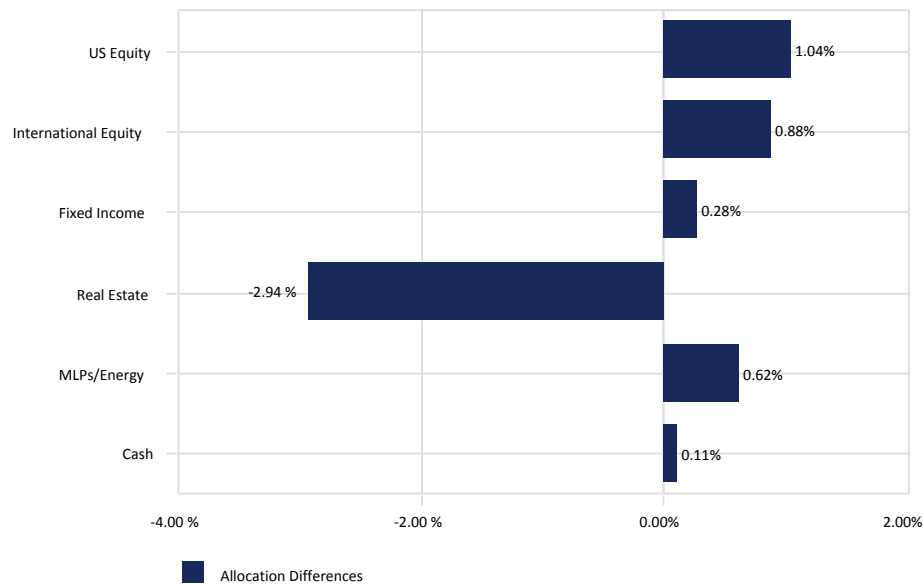
Flash Report

October 31, 2016

City of Jacksonville Police & Fire Pension Fund

Asset Allocation vs. Target Allocation

October 31, 2016



October 31, 2016

	<u>Market Value</u> <u>(\$)</u>	<u>Allocation</u> <u>(%)</u>	<u>Target</u> <u>(%)</u>
US Equity	633,110,577	40.04	39.00
International Equity	330,137,126	20.88	20.00
Fixed Income	328,586,978	20.78	20.50
Real Estate	190,772,314	12.06	15.00
MLPs/Energy	96,824,223	6.12	5.50
Cash	1,799,587	0.11	0.00
Total Fund	1,581,230,805	100.00	100.00

July 31, 2016

	<u>Market Value</u> <u>(\$)</u>	<u>Allocation</u> <u>(%)</u>	<u>Target</u> <u>(%)</u>
US Equity	660,813,608	39.16	39.00
International Equity	367,056,396	21.75	20.00
Fixed Income	371,210,988	22.00	20.50
Real Estate	187,170,698	11.09	15.00
MLPs/Energy	98,982,125	5.86	5.50
Cash	2,447,081	0.14	0.00
Total Fund	1,687,680,896	100.00	100.00

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees

October 31, 2016

	Asset \$	Asset %	Performance(%)							
			1 Month	3 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Total Fund Composite	1,581,230,805	100.00	-1.13	-0.07	6.07	-1.13	4.22	4.91	8.57	5.66
<i>Total Fund Policy</i>			<i>-1.55</i>	<i>-0.68</i>	<i>6.03</i>	<i>-1.55</i>	<i>3.87</i>	<i>4.83</i>	<i>8.27</i>	<i>5.13</i>
Excess Return			0.42	0.61	0.04	0.42	0.35	0.08	0.30	0.53
Total Equity	963,247,703	60.92	-1.33	-0.18	5.75	-1.33	3.61	4.57	10.04	-
US Equity	633,110,577	40.04	-1.46	-1.19	5.26	-1.46	3.84	6.70	12.52	6.97
<i>US Equity Index</i>			<i>-2.16</i>	<i>-1.76</i>	<i>5.84</i>	<i>-2.16</i>	<i>4.24</i>	<i>8.13</i>	<i>13.35</i>	<i>6.85</i>
Excess Return			0.70	0.57	-0.58	0.70	-0.40	-1.43	-0.83	0.12
International Equity	330,137,126	20.88	-1.06	1.66	6.55	-1.06	2.90	0.34	4.92	1.53
<i>International Equity Index</i>			<i>-1.43</i>	<i>0.48</i>	<i>4.77</i>	<i>-1.43</i>	<i>0.72</i>	<i>-1.04</i>	<i>4.11</i>	<i>1.36</i>
Excess Return			0.37	1.18	1.78	0.37	2.18	1.38	0.81	0.17
Fixed Income	328,586,978	20.78	-0.44	-0.16	5.92	-0.44	5.12	3.51	3.05	4.68
<i>Blmbg. Barc. U.S. Aggregate</i>			<i>-0.76</i>	<i>-0.94</i>	<i>4.99</i>	<i>-0.76</i>	<i>4.37</i>	<i>3.48</i>	<i>2.90</i>	<i>4.64</i>
Excess Return			0.32	0.78	0.93	0.32	0.75	0.03	0.15	0.04
Real Estate	190,772,314	12.06	0.63	1.96	6.99	0.63	9.67	12.27	12.75	7.93
<i>NCREIF Fund Index - ODCE [M]</i>			<i>0.00</i>	<i>2.07</i>	<i>6.52</i>	<i>0.00</i>	<i>10.09</i>	<i>12.45</i>	<i>12.40</i>	<i>6.02</i>
Excess Return			0.63	-0.11	0.47	0.63	-0.42	-0.18	0.35	1.91
<i>NCREIF Property Index</i>			<i>0.00</i>	<i>1.77</i>	<i>6.13</i>	<i>0.00</i>	<i>9.22</i>	<i>11.31</i>	<i>11.18</i>	<i>7.22</i>
MLPs/Energy	96,824,223	6.12	-4.68	-2.18	10.06	-4.68	-0.54	-0.99	8.19	-
<i>S&P MLP Index</i>			<i>-4.74</i>	<i>-3.46</i>	<i>12.43</i>	<i>-4.74</i>	<i>-3.55</i>	<i>-6.69</i>	<i>2.46</i>	<i>-</i>
Excess Return			0.06	1.28	-2.37	0.06	3.01	5.70	5.73	-
Cash	1,799,587	0.11	0.06	0.17	0.28	0.06	0.32	0.72	0.71	3.30

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees

October 31, 2016

	Performance(%)											
	Asset \$	Asset %	1 Month	3 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
US Equity												
NT S&P 500 Index Fund	162,638,658	10.29	-1.82	-1.67	5.91	-1.82	4.56	8.91	13.61	6.72	5.10	Jan-1999
S&P 500			-1.82	-1.67	5.87	-1.82	4.51	8.84	13.57	6.70	5.09	
Excess Return			0.00	0.00	0.04	0.00	0.05	0.07	0.04	0.02	0.01	
Eagle Capital Management	174,599,757	11.04	0.56	2.25	4.04	0.56	2.99	8.09	14.63	-	12.23	Apr-2011
Russell 1000 Value Index			-1.55	-1.00	8.29	-1.55	6.37	7.59	13.31	-	10.38	
Excess Return			2.11	3.25	-4.25	2.11	-3.38	0.50	1.32	-	1.85	
Brown Investment Advisory	84,278,562	5.33	-1.51	-1.79	0.80	-1.51	0.75	6.84	-	-	6.84	Nov-2013
Russell 1000 Growth Index			-2.35	-2.48	3.51	-2.35	2.28	9.36	-	-	9.36	
Excess Return			0.84	0.69	-2.71	0.84	-1.53	-2.52	-	-	-2.52	
Sawgrass Asset Management	84,969,279	5.37	-2.83	-5.30	2.24	-2.83	1.87	8.40	-	-	8.40	Nov-2013
Russell 1000 Growth Index			-2.35	-2.48	3.51	-2.35	2.28	9.36	-	-	9.36	
Excess Return			-0.48	-2.82	-1.27	-0.48	-0.41	-0.96	-	-	-0.96	
Wedge Capital Mgmt	64,126,737	4.06	-0.10	-	-	-0.10	-	-	-	-	0.00	Sep-2016
Russell 2000 Value Index			-3.29	-	-	-3.29	-	-	-	-	-2.52	
Excess Return			3.19	-	-	3.19	-	-	-	-	2.52	
Pinnacle	62,497,585	3.95	-5.34	-2.73	-3.55	-5.34	-3.17	4.16	12.36	-	20.03	Mar-2009
Russell 2500 Growth Index			-5.22	-4.29	1.37	-5.22	-0.00	4.72	11.71	-	18.62	
Excess Return			-0.12	1.56	-4.92	-0.12	-3.17	-0.56	0.65	-	1.41	
International Equity												
NT EAFE Index Fund	81,144,116	5.13	-1.99	-0.67	0.07	-1.99	-2.91	-1.00	-	-	4.78	Apr-2012
MSCI EAFE Index (Net)			-2.05	-0.77	-0.35	-2.05	-3.23	-1.31	-	-	4.46	
Excess Return			0.06	0.10	0.42	0.06	0.32	0.31	-	-	0.32	
Baillie Gifford	94,833,509	6.00	-3.20	2.27	5.47	-3.20	2.12	0.33	6.98	-	4.52	Mar-2011
MSCI EAFE Growth Index (Net)			-4.30	-4.24	-1.79	-4.30	-3.22	0.05	5.72	-	3.09	
Excess Return			1.10	6.51	7.26	1.10	5.34	0.28	1.26	-	1.43	
Silchester	64,495,919	4.08	0.63	1.64	6.25	0.63	3.07	3.08	-	-	6.15	Sep-2013
MSCI EAFE Value Index (Net)			0.23	2.84	1.05	0.23	-3.35	-2.74	-	-	1.03	
Excess Return			0.40	-1.20	5.20	0.40	6.42	5.82	-	-	5.12	
Acadian Emerging Mkts Equity II Fund	89,663,581	5.67	0.93	3.93	18.12	0.93	10.50	-	-	-	-0.08	Jan-2014
MSCI Emerging Markets (Net)			0.24	4.05	16.30	0.24	9.27	-	-	-	-1.15	
Excess Return			0.69	-0.12	1.82	0.69	1.23	-	-	-	1.07	

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees

October 31, 2016

	Performance(%)											
	Asset \$	Asset %	1 Month	3 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Fixed Income												
NTGI Aggregate Bond Index	124,243,584	7.86	-0.79	-0.96	5.04	-0.79	4.38	3.53	-	-	2.66	Feb-2013
<i>Blmbg. Barc. U.S. Aggregate</i>			-0.76	-0.94	4.99	-0.76	4.37	3.48	-	-	2.67	
Excess Return			-0.03	-0.02	0.05	-0.03	0.01	0.05	-	-	-0.01	
Eaton Vance Instl Senior Loan Trust	41,551,546	2.63	0.93	2.54	8.82	0.93	7.00	3.56	-	-	3.73	Mar-2013
<i>CS Leveraged Loan Index</i>			0.77	2.45	8.28	0.77	6.30	3.60	-	-	3.92	
Excess Return			0.16	0.09	0.54	0.16	0.70	-0.04	-	-	-0.19	
Thompson Siegel Fixed	162,791,848	10.30	-0.53	-0.15	5.96	-0.53	5.29	3.83	3.95	5.27	6.33	Aug-1991
<i>Thompson Policy Index</i>			-0.76	-0.94	4.99	-0.76	4.37	3.48	2.90	4.56	6.09	
Excess Return			0.23	0.79	0.97	0.23	0.92	0.35	1.05	0.71	0.24	
Real Estate												
JP Morgan	145,165,540	9.18	0.60	1.87	6.72	0.60	9.43	11.99	12.63	6.71	8.28	Apr-2005
<i>NCREIF Fund Index - ODCE [M]</i>			0.00	2.07	6.52	0.00	10.09	12.45	12.40	6.02	7.57	
Excess Return			0.60	-0.20	0.20	0.60	-0.66	-0.46	0.23	0.69	0.71	
Principal Global Investments	45,606,774	2.88	0.71	2.23	7.85	0.71	10.44	13.16	-	-	13.32	Apr-2013
<i>NCREIF Fund Index - ODCE [M]</i>			0.00	2.07	6.52	0.00	10.09	12.45	-	-	12.59	
Excess Return			0.71	0.16	1.33	0.71	0.35	0.71	-	-	0.73	
MLPs/Energy												
Harvest MLP	48,767,472	3.08	-5.21	-2.10	11.78	-5.21	-1.68	-1.26	8.23	-	9.08	Mar-2011
<i>S&P MLP Index</i>			-4.74	-3.46	12.43	-4.74	-3.55	-6.69	2.46	-	2.45	
Excess Return			-0.47	1.36	-0.65	-0.47	1.87	5.43	5.77	-	6.63	
Tortoise MLP	48,056,752	3.04	-4.13	-2.26	8.37	-4.13	0.63	-0.82	8.09	-	8.57	Mar-2011
<i>S&P MLP Index</i>			-4.74	-3.46	12.43	-4.74	-3.55	-6.69	2.46	-	2.45	
Excess Return			0.61	1.20	-4.06	0.61	4.18	5.87	5.63	-	6.12	
Cash	1,799,587	0.11	0.06	0.17	0.28	0.06	0.32	0.72	0.71	3.30	8.48	Dec-1998

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Net of Fees

October 31, 2016

	Asset \$	Asset %	Performance(%)							
			1 Month	3 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Total Fund Composite	1,581,230,805	100.00	-1.13	-0.16	5.70	-1.13	3.79	4.44	8.07	5.32
<i>Total Fund Policy</i>			<i>-1.55</i>	<i>-0.68</i>	<i>6.03</i>	<i>-1.55</i>	<i>3.87</i>	<i>4.83</i>	<i>8.27</i>	<i>5.13</i>
Excess Return			0.42	0.52	-0.33	0.42	-0.08	-0.39	-0.20	0.19
Total Equity	963,247,703	60.92	-1.33	-0.28	5.36	-1.33	3.19	4.11	9.52	-
US Equity	633,110,577	40.04	-1.46	-1.28	4.87	-1.46	3.43	6.19	11.94	6.61
<i>US Equity Index</i>			<i>-2.16</i>	<i>-1.76</i>	<i>5.84</i>	<i>-2.16</i>	<i>4.24</i>	<i>8.13</i>	<i>13.35</i>	<i>6.85</i>
Excess Return			0.70	0.48	-0.97	0.70	-0.81	-1.94	-1.41	-0.24
International Equity	330,137,126	20.88	-1.08	1.56	6.19	-1.08	2.49	-0.06	4.53	1.18
<i>International Equity Index</i>			<i>-1.43</i>	<i>0.48</i>	<i>4.77</i>	<i>-1.43</i>	<i>0.72</i>	<i>-1.04</i>	<i>4.11</i>	<i>1.36</i>
Excess Return			0.35	1.08	1.42	0.35	1.77	0.98	0.42	-0.18
Fixed Income	328,586,978	20.78	-0.44	-0.18	5.82	-0.44	4.99	3.37	2.88	4.56
<i>Blmbg. Barc. U.S. Aggregate</i>			<i>-0.76</i>	<i>-0.94</i>	<i>4.99</i>	<i>-0.76</i>	<i>4.37</i>	<i>3.48</i>	<i>2.90</i>	<i>4.64</i>
Excess Return			0.32	0.76	0.83	0.32	0.62	-0.11	-0.02	-0.08
Real Estate	190,772,314	12.06	0.63	1.75	6.26	0.63	8.68	11.22	11.68	7.26
<i>NCREIF Fund Index - ODCE [M]</i>			<i>0.00</i>	<i>2.07</i>	<i>6.52</i>	<i>0.00</i>	<i>10.09</i>	<i>12.45</i>	<i>12.40</i>	<i>6.02</i>
Excess Return			0.63	-0.32	-0.26	0.63	-1.41	-1.23	-0.72	1.24
<i>NCREIF Property Index</i>			<i>0.00</i>	<i>1.77</i>	<i>6.13</i>	<i>0.00</i>	<i>9.22</i>	<i>11.31</i>	<i>11.18</i>	<i>7.22</i>
MLPs/Energy	96,824,223	6.12	-4.68	-2.36	9.45	-4.68	-1.30	-1.74	7.41	-
<i>S&P MLP Index</i>			<i>-4.74</i>	<i>-3.46</i>	<i>12.43</i>	<i>-4.74</i>	<i>-3.55</i>	<i>-6.69</i>	<i>2.46</i>	<i>-</i>
Excess Return			0.06	1.10	-2.98	0.06	2.25	4.95	4.95	-
Cash	1,799,587	0.11	0.06	0.17	0.28	0.06	0.32	0.72	0.71	3.12

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Net of Fees

October 31, 2016

	Performance(%)											
	Asset \$	Asset %	1 Month	3 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
US Equity												
NT S&P 500 Index Fund	162,638,658	10.29	-1.82	-1.67	5.90	-1.82	4.55	8.88	13.57	6.68	5.08	Jan-1999
S&P 500			-1.82	-1.67	5.87	-1.82	4.51	8.84	13.57	6.70	5.09	
Excess Return			0.00	0.00	0.03	0.00	0.04	0.04	0.00	-0.02	-0.01	
Eagle Capital Management	174,599,757	11.04	0.56	2.14	3.55	0.56	2.50	7.32	13.79	-	11.45	Apr-2011
Russell 1000 Value Index			-1.55	-1.00	8.29	-1.55	6.37	7.59	13.31	-	10.38	
Excess Return			2.11	3.14	-4.74	2.11	-3.87	-0.27	0.48	-	1.07	
Brown Investment Advisory	84,278,562	5.33	-1.51	-1.87	0.57	-1.51	0.53	6.63	-	-	6.63	Nov-2013
Russell 1000 Growth Index			-2.35	-2.48	3.51	-2.35	2.28	9.36	-	-	9.36	
Excess Return			0.84	0.61	-2.94	0.84	-1.75	-2.73	-	-	-2.73	
Sawgrass Asset Management	84,969,279	5.37	-2.83	-5.30	2.13	-2.83	1.76	8.18	-	-	8.18	Nov-2013
Russell 1000 Growth Index			-2.35	-2.48	3.51	-2.35	2.28	9.36	-	-	9.36	
Excess Return			-0.48	-2.82	-1.38	-0.48	-0.52	-1.18	-	-	-1.18	
Wedge Capital Mgmt	64,126,737	4.06	-0.10	-	-	-0.10	-	-	-	-	0.00	Sep-2016
Russell 2000 Value Index			-3.29	-	-	-3.29	-	-	-	-	-2.52	
Excess Return			3.19	-	-	3.19	-	-	-	-	2.52	
Pinnacle	62,497,585	3.95	-5.34	-2.98	-4.16	-5.34	-3.94	3.35	11.51	-	19.31	Mar-2009
Russell 2500 Growth Index			-5.22	-4.29	1.37	-5.22	-0.00	4.72	11.71	-	18.62	
Excess Return			-0.12	1.31	-5.53	-0.12	-3.94	-1.37	-0.20	-	0.69	
International Equity												
NT EAFE Index Fund	81,144,116	5.13	-1.99	-0.67	0.04	-1.99	-2.94	-1.06	-	-	4.72	Apr-2012
MSCI EAFE Index (Net)			-2.05	-0.77	-0.35	-2.05	-3.23	-1.31	-	-	4.46	
Excess Return			0.06	0.10	0.39	0.06	0.29	0.25	-	-	0.26	
Baillie Gifford	94,833,509	6.00	-3.20	2.27	5.31	-3.20	1.83	-0.11	6.50	-	4.09	Mar-2011
MSCI EAFE Growth Index (Net)			-4.30	-4.24	-1.79	-4.30	-3.22	0.05	5.72	-	3.09	
Excess Return			1.10	6.51	7.10	1.10	5.05	-0.16	0.78	-	1.00	
Silchester	64,495,919	4.08	0.57	1.45	5.57	0.57	2.28	2.28	-	-	5.31	Sep-2013
MSCI EAFE Value Index (Net)			0.23	2.84	1.05	0.23	-3.35	-2.74	-	-	1.03	
Excess Return			0.34	-1.39	4.52	0.34	5.63	5.02	-	-	4.28	
Acadian Emerging Mkts Equity II Fund	89,663,581	5.67	0.93	3.66	17.22	0.93	9.65	-	-	-	-0.54	Jan-2014
MSCI Emerging Markets (Net)			0.24	4.05	16.30	0.24	9.27	-	-	-	-1.15	
Excess Return			0.69	-0.39	0.92	0.69	0.38	-	-	-	0.61	

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Net of Fees

October 31, 2016

	Performance(%)											
	Asset \$	Asset %	1 Month	3 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Fixed Income												
NTGI Aggregate Bond Index	124,243,584	7.86	-0.79	-0.96	5.02	-0.79	4.36	3.50	-	-	2.63	Feb-2013
<i>Blmbg. Barc. U.S. Aggregate</i>			-0.76	-0.94	4.99	-0.76	4.37	3.48	-	-	2.67	
Excess Return			-0.03	-0.02	0.03	-0.03	-0.01	0.02	-	-	-0.04	
Eaton Vance Instl Senior Loan Trust	41,551,546	2.63	0.93	2.54	8.53	0.93	6.57	3.09	-	-	3.25	Mar-2013
<i>CS Leveraged Loan Index</i>			0.77	2.45	8.28	0.77	6.30	3.60	-	-	3.92	
Excess Return			0.16	0.09	0.25	0.16	0.27	-0.51	-	-	-0.67	
Thompson Siegel Fixed	162,791,848	10.30	-0.53	-0.20	5.82	-0.53	5.11	3.67	3.78	5.15	6.29	Aug-1991
<i>Thompson Policy Index</i>			-0.76	-0.94	4.99	-0.76	4.37	3.48	2.90	4.56	6.09	
Excess Return			0.23	0.74	0.83	0.23	0.74	0.19	0.88	0.59	0.20	
Real Estate												
JP Morgan	145,165,540	9.18	0.60	1.65	5.96	0.60	8.39	10.90	11.54	6.03	7.69	Apr-2005
<i>NCREIF Fund Index - ODCE [M]</i>			0.00	2.07	6.52	0.00	10.09	12.45	12.40	6.02	7.57	
Excess Return			0.60	-0.42	-0.56	0.60	-1.70	-1.55	-0.86	0.01	0.12	
Principal Global Investments	45,606,774	2.88	0.71	2.09	7.21	0.71	9.64	12.27	-	-	12.40	Apr-2013
<i>NCREIF Fund Index - ODCE [M]</i>			0.00	2.07	6.52	0.00	10.09	12.45	-	-	12.59	
Excess Return			0.71	0.02	0.69	0.71	-0.45	-0.18	-	-	-0.19	
MLPs/Energy												
Harvest MLP	48,767,472	3.08	-5.21	-2.26	11.16	-5.21	-2.44	-2.01	7.43	-	8.34	Mar-2011
<i>S&P MLP Index</i>			-4.74	-3.46	12.43	-4.74	-3.55	-6.69	2.46	-	2.45	
Excess Return			-0.47	1.20	-1.27	-0.47	1.11	4.68	4.97	-	5.89	
Tortoise MLP	48,056,752	3.04	-4.13	-2.45	7.76	-4.13	-0.12	-1.58	7.33	-	7.86	Mar-2011
<i>S&P MLP Index</i>			-4.74	-3.46	12.43	-4.74	-3.55	-6.69	2.46	-	2.45	
Excess Return			0.61	1.01	-4.67	0.61	3.43	5.11	4.87	-	5.41	
Cash	1,799,587	0.11	0.06	0.17	0.28	0.06	0.32	0.72	0.71	3.12	8.38	Dec-1998

City of Jacksonville Police & Fire Pension Fund

Benchmark Composition Total Fund & US Equity & International Equity

As of October 31, 2016

Total Fund Policy Index

	(%)
Mar-2016	
Russell 3000 Index	39.00
MSCI AC World ex USA (Net)	20.00
Blmbg. Barc. U.S. Aggregate	20.50
NCREIF Fund Index - ODCE [M]	15.00
S&P MLP Index	5.50
Mar-2013	
Russell 3000 Index	35.00
MSCI AC World ex USA (Net)	20.00
Blmbg. Barc. U.S. Aggregate	22.50
NCREIF Fund Index - ODCE [M]	15.00
S&P MLP Index	7.50
Apr-2012	
Russell 3000 Index	40.00
MSCI AC World ex USA (Net)	20.00
Blmbg. Barc. U.S. Aggregate	25.00
NCREIF Fund Index - ODCE [M]	10.00
S&P MLP Index	5.00
Jun-2011	
Russell 3000 Index	40.00
MSCI EAFE Index	20.00
Blmbg. Barc. U.S. Aggregate	25.00
NCREIF Fund Index - ODCE [M]	10.00
S&P MLP Index	5.00

Jul-2009

Russell 3000 Index	40.00
MSCI EAFE Index	20.00
Blmbg. Barc. U.S. Aggregate	25.00
NCREIF Fund Index - ODCE [M]	15.00

Oct-2008

Dow Jones US Total Stock Market Index	50.00
MSCI EAFE Index	10.00
BofA Merrill Lynch Gov Corp Master	30.00
NCREIF Fund Index - ODCE [M]	10.00

Apr-1989

Dow Jones US Total Stock Market Index	50.00
MSCI EAFE Index	10.00
BofA Merrill Lynch Gov Corp Master	35.00
NCREIF Fund Index - ODCE [M]	5.00

US Equity Index

	(%)
Jul-2009	
Russell 3000 Index	100.00
Jan-1988	
Dow Jones US Total Stock Market Index	100.00

International Equity Index

	(%)
Oct-2009	
MSCI AC World ex USA	100.00
Feb-1999	
MSCI EAFE Index	100.00

Thompson Siegal Policy

	(%)
Oct-2009	
Blmbg. Barc. U.S. Aggregate	100.00
Dec-1975	
BofA Merrill Lynch Gov Corp Master	100.00

City of Jacksonville Police & Fire Fund
Asset Allocation as of October 31, 2016

	% Current Target	% Actual	% Difference from Current Target	\$ Current Target	\$ Actual	\$ Difference
A. Total Equity	59.00%	60.92%	1.92%	\$932,926,175	\$963,247,703	\$30,321,528
1. Domestic Large Cap Equity (70% of Domestic)	31.40%	32.03%	0.63%	496,506,473	506,486,256	9,979,783
NT S&P 500 Index Fund		10.29%	10.29%		162,638,658	162,638,658
Eagle Capital Management		11.04%	11.04%		174,599,757	174,599,757
Brown Advisory		5.33%	5.33%		84,278,562	84,278,562
Sawgrass Asset Management		5.37%	5.37%		84,969,279	84,969,279
2. Domestic Small/Mid Cap Equity (30% of Domestic)	7.60%	8.01%	0.41%	120,173,541	126,624,322	6,450,780
Wedge Capital Mgmt		4.06%	4.06%		64,126,737	64,126,737
Pinnacle		3.95%	3.95%		62,497,585	62,497,585
3. International Equity Developed	14.00%	15.21%	1.21%	221,372,313	240,473,545	19,101,232
NT EAFE Index Fund		5.13%	5.13%		81,144,116	81,144,116
Baillie Gifford		6.00%	6.00%		94,833,509	94,833,509
Silchester		4.08%	4.08%		64,495,919	64,495,919
4. International Emerging Markets	6.00%	5.67%	(0.33%)	94,873,848	89,663,581	(5,210,267)
Acadian Emerging Markets		5.67%	5.67%		89,663,581	89,663,581
B. Total Fixed Income	20.50%	20.89%	0.39%	\$324,152,315	\$330,386,565	\$6,234,250
1. Core Fixed Income	4.00%	18.15%	14.15%	63,249,232	287,035,431	223,786,199
NTGI Aggregate Bond Index		7.86%	7.86%		124,243,584	124,243,584
Thompson Siegel Fixed		10.30%	10.30%		162,791,848	162,791,848
2. Core Plus	15.50%	0.00%	(15.50%)	245,090,775	0	(245,090,775)
Manager TBD		0.00%	0.00%		0	0
3. Senior Bank Notes	0.00%	2.63%	2.63%	0	41,551,546	41,551,546
Eaton Vance Instl Senior Loan Trust		2.63%	2.63%		41,551,546	41,551,546
5. Emerging Market Debt	0.00%	0.00%	0.00%	0	0	0
Manager TBD		0.00%	0.00%		0	0
6. Cash/Paid Receipts	1.00%	0.11%	(0.89%)	15,812,308	1,799,587	(14,012,721)
C. Total Real Assets	20.50%	18.19%	(2.31%)	\$324,152,315	\$287,596,537	(\$36,555,778)
1. Real Estate	15.00%	12.06%	(2.94%)	237,184,621	190,772,314	(46,412,307)
JPM RE Strategic Property	5.00%	9.18%	4.18%	79,061,540	145,165,540	66,103,999
Principal Global Investments	5.00%	2.88%	(2.12%)	79,061,540	45,606,774	(33,454,766)
Non-Core Real Estate (TBD)	5.00%	0.00%	(5.00%)	79,061,540	0	(79,061,540)
2. MLPs / Timber / Commodities	5.50%	6.12%	0.62%	86,967,694	96,824,223	9,856,529
Harvest MLP		3.08%	3.08%		48,767,472	48,767,472
Tortoise MLP		3.04%	3.04%		48,056,752	48,056,752
D. TOTAL FUND	100.00%	100.00%			\$1,581,230,805	

DISCLAIMER

Summit Strategies Group (Summit) has prepared this report for the exclusive use by the client for which it was prepared. The information herein was obtained from various sources, such as the client's custodian(s) accounting statements, commercially available databases, and other economic and financial market data sources. While Summit believes these sources to be reliable, Summit does not guarantee nor shall be liable for the market values, returns, or other information contained in this report. The market commentary, portfolio holdings, and characteristics are as of the date shown and are subject to change. Past performance is not an indication of future performance. No graph, chart, or formula can, in and of itself, be used to determine which securities or investments to buy or sell. Any forward-looking projection contained herein is based on assumptions that Summit believes may be reasonable, but are subject to a wide range of risks, uncertainties, and the possibility of loss. Accordingly, there is no assurance that any estimated performance figures will occur in the amounts and during the periods indicated, or at all. Actual results and performance will differ from those expressed or implied by such forward-looking projections. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.



Summit Strategies Group

8182 Maryland Avenue, 6th Floor

St. Louis, Missouri 63105

314.727.7211

Monthly Economic & Capital Market Update

October 2016

Economic Perspective

October 31, 2016

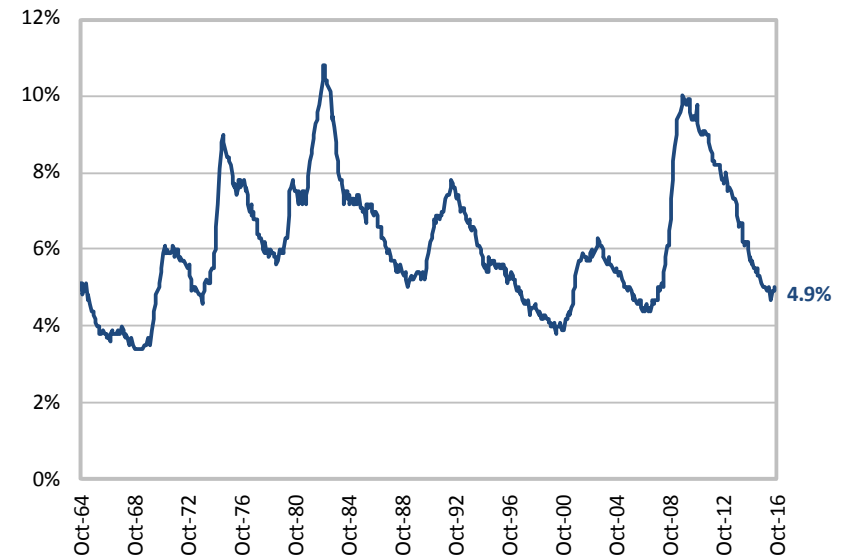
Economy

- The month of October saw increased volatility in financial markets due to the upcoming US election and increased expectations for an interest rate increase in December by the Federal Reserve. Market-implied interest rate projections at the end of October suggested an approximately 70% likelihood the Fed will raise rates in December, up from roughly 60% at the end of September. Economic data released during October remained consistent with the low growth environment of the past several years. Consumer spending appears to have moderated somewhat and the housing sector cooled modestly as well; these developments have been more recent, however, and as the labor market continues to tighten it should support consumer spending and wage gains. Notably, October was a record month for mergers and acquisitions, with roughly \$500 billion in transactions announced globally. Contributors to record deal making include a prolonged period of low interest rates, high stock prices, and sluggish economic growth, which has encouraged companies to create growth through acquisitions.
- The US economy saw positive job growth for the 73rd consecutive month in October, adding 161,000 payrolls. Year-to-date, employment growth has averaged 181,000 per month, down from an average increase of 229,000 in 2015. Wages, as measured by average hourly earnings of private-sector workers, rose 2.8% over the year ending October, the highest wage growth of the economic expansion. The unemployment rate and labor force participation rate both declined 10 basis points to 4.9% and 62.8%, respectively, and payrolls from August and September were revised upward by 44,000 total jobs.
- Real GDP grew at a 2.9% annualized rate during the third quarter of 2016 according to the initial estimate from the Bureau of Economic Analysis. The increase in real GDP growth reflected positive contributions from personal consumption expenditures, exports, private inventory investment, federal government spending, and nonresidential fixed investment. Detractors that partly offset growth included negative contributions from residential fixed investment and state and local government spending.
- The ISM non-manufacturing Purchasing Managers Index (PMI) declined to 54.8 in October, 2.3 points lower than September's record high of 57.1. A reading over 50.0 indicates expansion in the services sector. October marked the 81st consecutive month of growth in the US services sector.

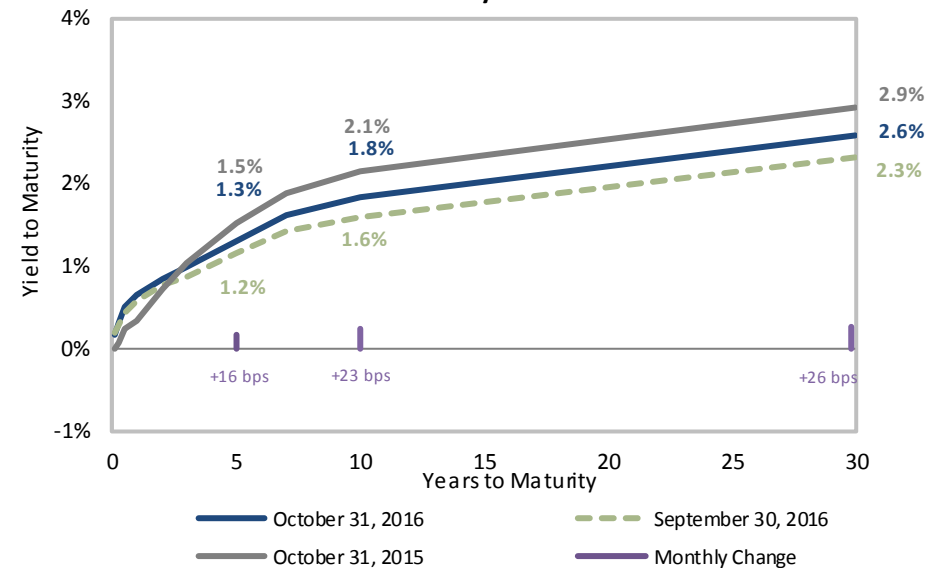
Yield Curve

- The yield curve rose modestly during the month. The spread between 2-year and 30-year Treasuries expanded 19 bps to 174 bps, above 30-year average spread of 167 bps.

Unemployment Rate



Treasury Yield Curve



Growth Assets

October 31, 2016

Public Equities

- In October, global equity markets generally declined as uncertainty of the US election outcome increased. US market declines were led by small cap equities, with the Russell 2000 falling 4.8% and the S&P 500 falling 1.8%. Developed international markets fell alongside their US counterparts, with large cap and small cap equities declining by 2.0% and 2.8%, respectively. Despite the increased volatility, emerging markets ended the month with a 0.2% gain, bringing the year to date return to 9.3%.
- Master limited partnerships (MLPs) declined 4.5% during the month. Coal and energy services were the only sectors with positive performance, turning in gains of 2.6% and 0.7%, respectively. Energy services, coal, and gathering and processing have been the strongest performing MLPs in 2016 at 58.0%, 30.5%, and 29.7%, respectively. Year-to-date, the Alerian MLP index has returned 10.8%.

Public Debt

- High yield returned 0.4% for the month, consistent with coupon-like returns and modest principal depreciation as the trailing 12-month default rate increased to 4.8%.
- Local currency-denominated emerging market debt had its first negative-returning month since May, as rising yields and currency depreciation detracted.

Private Equity

- Purchase price multiples, as measured by S&P Leveraged Commentary and Data (S&P LCD), continue to suggest significantly different environments for larger deals vs. those in the middle market. In 2015, larger deals and middle market deals both had an average purchase price multiple of 10.7x; in 2016 purchase price multiples for larger deals have increased, while those of middle market deals have moderated. Manager sentiment suggests that the lower multiples in the middle market demonstrate managers remain disciplined on pricing.

Private Debt

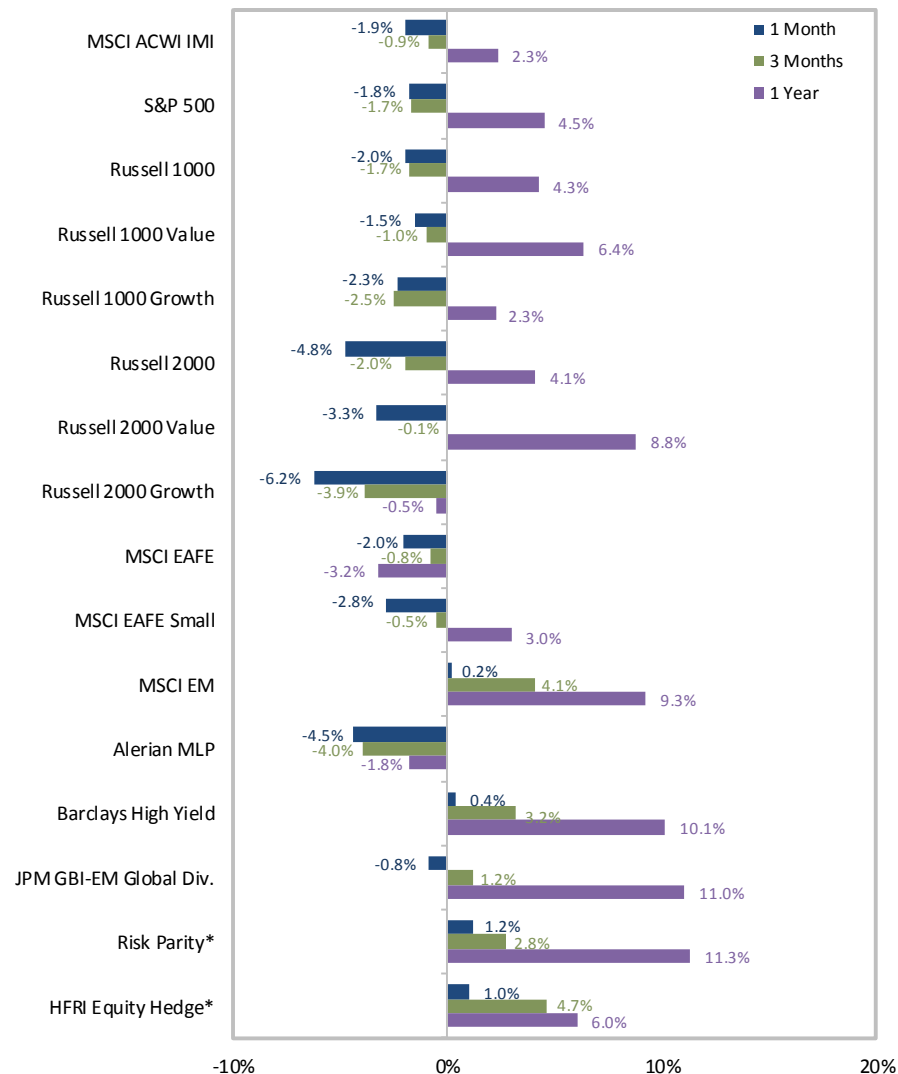
- Debt multiples for both middle market deals and larger deals have on average been lower than those experienced in 2015. After declining significantly during the first half of 2016, multiples of deals less than \$50m in EBITDA reverted back to levels seen over the past few years during the third quarter. Equity contribution in deals of all sizes in 2016 has been consistent with what was experienced in 2015, around 44%.

Risk Parity

- Risk parity strategies saw gains in September. Commodity and bond positions contributed while equities were roughly flat.

Growth Hedge Funds

- Growth hedge funds contributed gains in September, led by long/short equity in technology and healthcare. Distressed debt strategies contributed, while activists detracted.



* Data was not available at time of publication – returns are previous month's.
Note: Risk Parity returns are based on an internally comprised benchmark.
All returns are USD.

Income Assets

October 31, 2016

Public Debt

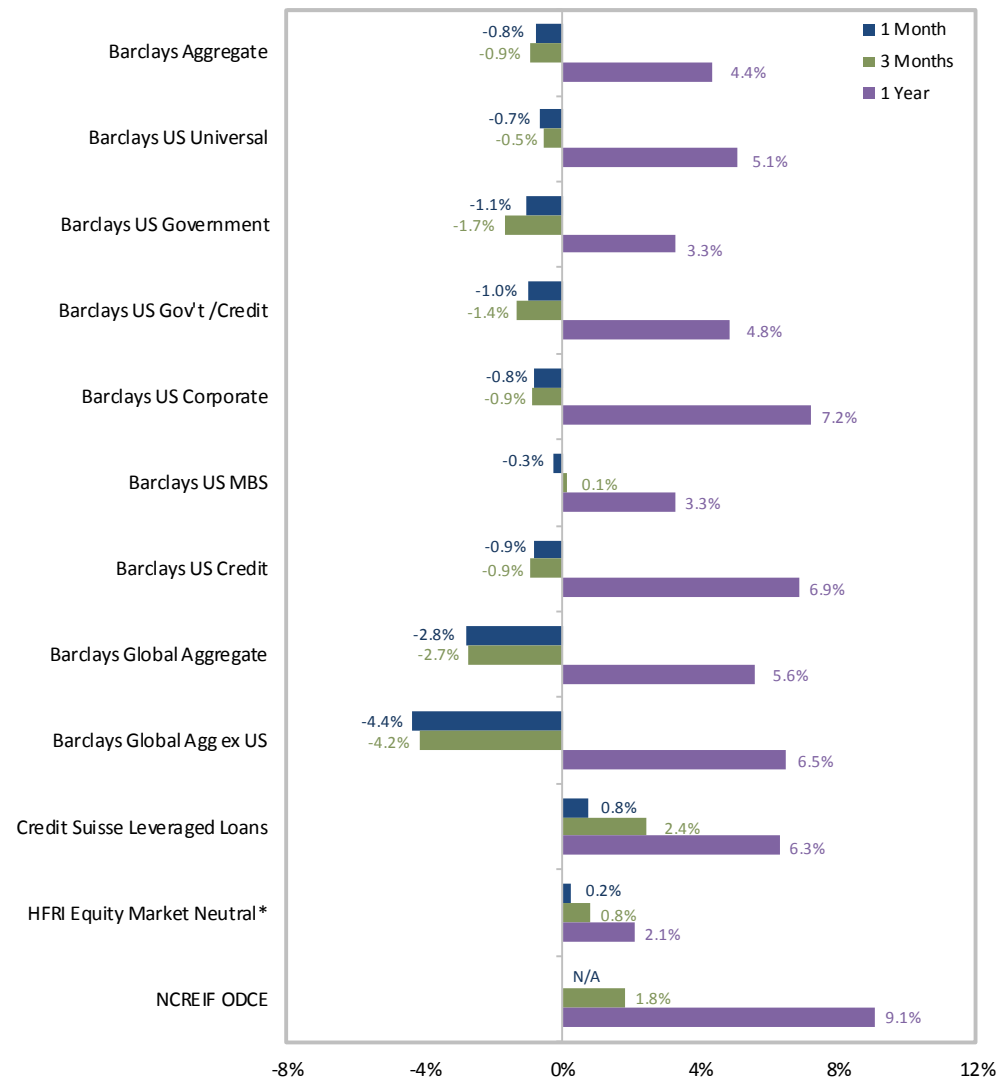
- The 10-year US Treasury yield ended October at 1.8%, up 24 bps from the end of September. Reasonably strong economic data compared to market expectations continued to support the case for a Federal Reserve interest rate increase in December, causing yields to rise.
- Investment grade credit saw spreads decrease during the month by two basis points, reversing the modest widening observed in September.
- Despite negative returns for the month, securitized sectors outperformed the Barclays Aggregate. The outperformance was a result of the securitized sector exhibiting shorter duration and paying a higher coupon rate than the broader index.
- International bonds retreated following the strong gains of the first three quarters, returning -4.4% in October. Despite the declines during the month, year-to-date gains for the Barclays Global Aggregate ex US Index were 8.2% at the end of October.
- Loans were the top-performing fixed income asset class during the month, generating a coupon-like return with modest capital appreciation. CLO origination in October totaled \$16.7B, outpacing the \$15.2B of net new issuance of loans.

Relative Value Hedge Funds

- Income hedge funds contributed in September. Relative value volatility, equity market neutral funds, and fixed income-oriented strategies all contributed.

Core Real Estate

- The third quarter return for the NCREIF ODCE Index was 2.1% gross (and 1.8% net), composed of 1.1% income and 1.0% appreciation. The third quarter returns reflect historic norms, as outsized appreciation returns have diminished but overall real estate fundamentals remain healthy. Positive job creation, continued high consumer confidence, and a limited amount of new supply have all contributed to strong returns.



* Data was not available at time of publication – returns are previous month's.
Note: All returns are USD.

Inflation

- Inflation expectations continued to increase during October, with 10-year breakevens reaching their highest level since July 2015 at 1.73%. Despite this, increasing real yields, due to rising expectations of a December Federal Reserve interest rate increase, detracted from TIPS returns.

Deflation

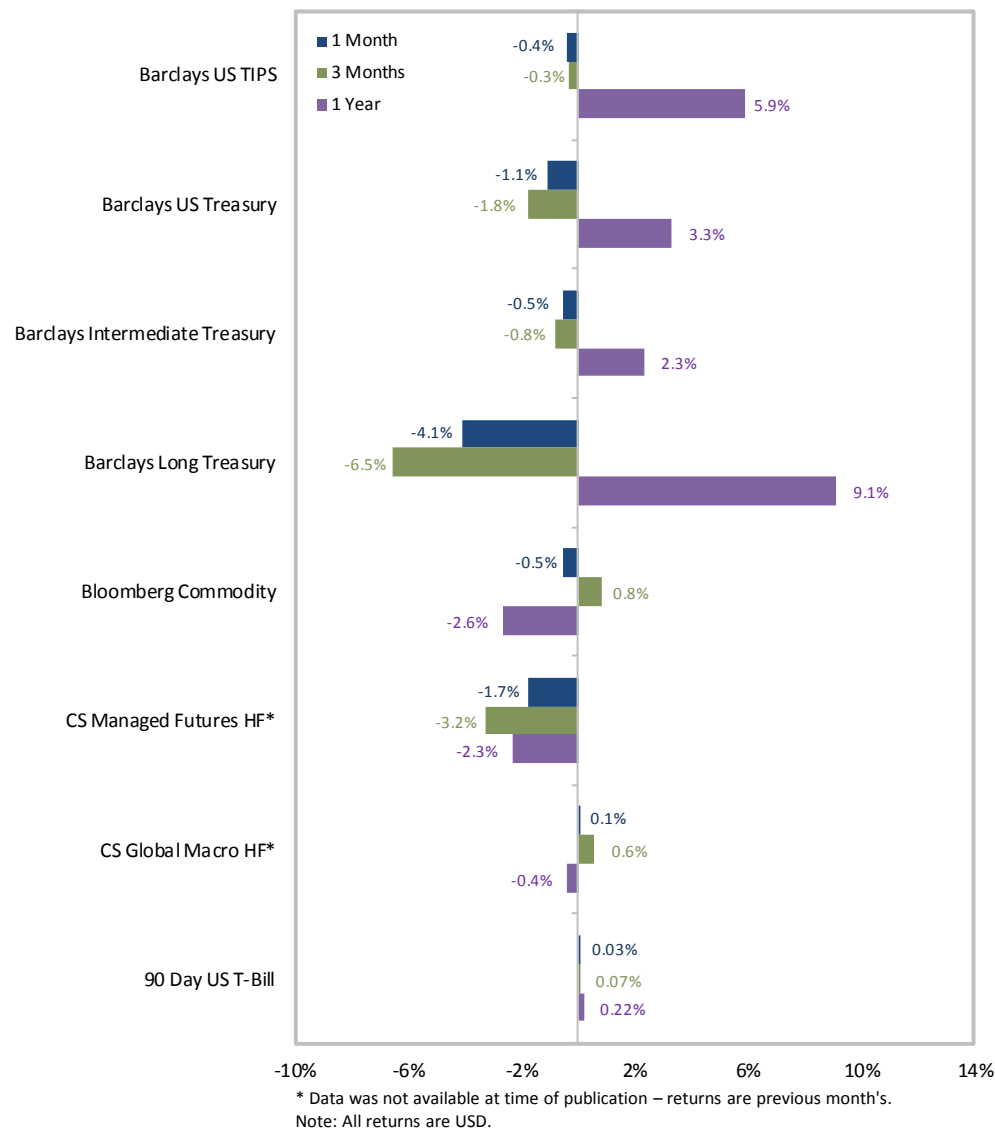
- The Barclays Long Treasury Index returned -4.1% as the yield on the 30-year Treasury increased 26 bps to 2.58%.
- Cash continues to offer no relative return, with 90-day T-bills returning 0.03% during the month of October.

Commodities

- The Bloomberg Commodity Index declined 0.5% during October. Wheat gained 3.5% but remains down 20.3% for the trailing 12-month period, as good weather has contributed to stronger yields. Energy underperformed the broad Index as WTI crude oil fell 2.9%, and heating oil and gasoline lost 2.1% and 2.5%, respectively. Natural gas gained 4.1% and has returned 30.4% over the 12-month period. Silver and gold were major detractors from performance; the sectors were down 7.4% and 2.9% for the month, respectively.

Tactical Trading

- Diversification hedge funds detracted in September. CTAs declined on trend reversals, while global macro funds were slightly positive.



DISCLOSURES

Summit has prepared this presentation for the exclusive use of its intended audience. Any information contained in this report is for information purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management. The information herein was obtained from various sources, which Summit believes to be reliable. Summit cannot assure the accuracy of any third-party-generated numbers. Past performance is no guarantee of future results, and no graph, chart, or formula can, in and of itself, be used to determine which managers or investments to buy or sell. Any forward-looking projection contained herein is based on assumptions that Summit believes is reasonable, but which are subject to a wide range of risks, uncertainties, and the possibility of loss. Actual results and performance will differ from those expressed or implied by such forward-looking projections.

This report may contain opinions developed by Summit. Summit does not guarantee the accuracy or completeness of the information contained in this report. The opinions, market commentary, portfolio holdings, and characteristics are as of the date(s) shown and subject to change.

Private investments and hedge funds are subject to less regulation than other types of pooled vehicles. Alternative investments may involve a substantial degree of additional risk, including the risk of total loss of an investor's capital and lack of liquidity, and therefore may not be appropriate for all investors. Clients should review the Offering Memorandum, the Subscription Agreement, and any other applicable documents prior to investing. Summit does not provide legal or accounting advice. Clients should consult with their own legal advisor and/or accountant on these opportunities, including the review of any Subscription Document, Offering Memorandum, or Partnership Agreement.

Summary statistical data such as standard deviation (risk), Sharpe ratio, and tracking error is calculated using industry-standard methodology. Details regarding these calculations are available upon request.

Investment Manager Instructions for Neuberger Berman Trust Company N.A.

Policy:

The portfolio under the supervision of Neuberger Berman Trust Company (Neuberger) is intended to be a primarily a domestic fixed income portfolio. Neuberger has been hired to pursue an investment style, which the Board has defined as an actively managed core-plus fixed income style. Neuberger is expected to produce investment returns that are 50 basis points over the Barclays U.S. Aggregate Bond Index on an annualized basis over rolling three-to-five year periods, net of fees, and rank above median compared to their style peers over the same period. It is understood that investment returns are not guaranteed.

Guidelines:

- A. The investment vehicle used is the Neuberger Berman Core Plus Trust, a collective investment trust. As such, the portfolio will be managed according to the trusts' investment guidelines. A copy of these guidelines is attached to these Instructions as Attachment A. The portfolio shall be constructed primarily as a domestic, investment grade bond portfolio but allowed to invest in "plus" sectors including: high yield bonds, emerging market debt and non-dollar bonds. The portfolio shall be adequately diversified regarding security, industry and sector weights.
- B. Neuberger will be reviewed quarterly based on the following:
 - 1. Adherence to style risk assignment, including portfolio characteristics relative to those of the benchmark.
 - 2. The value-added over the Barclays U.S. Aggregate Bond Index.
 - 3. The trend of value-added over the Barclays U.S. Aggregate Bond Index.
 - 4. The value-added over median similar style investment managers.

These guidelines are not to be construed as restrictive to Neuberger's ability to follow the strategies they consider are most appropriate given the Board's directive, but rather as an exercise of the Board's fiduciary responsibility. If at any time Neuberger feels that these instructions are unrealistic, or may be a hindrance in pursuing their investment style, the Executive Director and the investment consultant are to be notified immediately in writing.

ATTACHMENT A

NEUBERGER BERMAN TRUST COMPANY N.A. CORE PLUS TRUST PORTFOLIO GUIDELINES

Investment Objective:

The Trustee will seek to earn a return that exceeds the return of the Barclays U.S. Aggregate Bond Index ("the Benchmark") before fees over a market cycle (3-5 years).

Eligible Investments:

1. All securities contained in the Benchmark, their equivalents, and other instruments as determined by the Trustee.

Eligible Global investments specifically include but are not limited to:

- Treasury, Sovereign, and Agency securities
- Corporate securities
- Agency and non-Agency issued mortgage-backed securities including fixed and adjustable rate pass-throughs, collateralized mortgage obligations and other structures such as interest only (IO) and principal only (PO) structures
- Asset-backed securities
- Commercial mortgage-backed securities including Government Agency Multi-Family securities
- Securities issued under Rule 144A (with or without registration rights)
- Non-U.S. dollar fixed income securities (both investment grade and below investment grade)
- U.S. dollar securities issued by foreign entities
- Floating rate securities
- Inflation linked securities
- Floating rate loans
- High Yield Debt
- Emerging Market Debt
- International fixed income debt
- Cash and cash equivalents as described in the Short-Term Investments Section
- Forward purchase and sales transactions
- Derivatives as specified under the Derivatives Section, which may include exchange-traded and over-the-counter traded financial futures, forwards, options and swaps (interest rate, total return, and credit default swaps – both single name and index)
- Equity received as part of a restructuring or unit offering
- Preferred Instruments
- Corporate Hybrids
- Financial Hybrids
- Contingent convertible capital securities (CoCos)
- Deferred interest securities including, but not limited to, zero coupon bonds and pay-in-kind securities
- When-issued securities
- Securities purchased and sold for delayed settlement
- Subject to compliance with applicable law, affiliated mutual funds or commingled funds
- Exchange Traded Funds
- Foreign Currency Spot Transactions

Issuer/Issue Type/Industry restrictions:

1. The maximum holding in a single issue (at time of purchase), excluding any G-10 Sovereign, Government and Government Sponsored Enterprises, is 5% of the portfolio's total market value.

2. The maximum holding in a single issuer (at time of purchase), excluding any G-10 Sovereign, Government and Government Sponsored Enterprises is 10% of the portfolio's total market value.
3. The maximum holding in IO (interest only) and PO (principal only) securities is 20% of the portfolio's total market value.
4. The maximum amount in equity securities and/or equity-like securities including convertible bonds and preferred securities is 3% of the portfolio's total market value.

Extended Sectors: (maximum investment is calculated at the time of purchase)

1. The maximum investment in high yield debt (including bonds, ETFs, mutual funds, or commingled funds) is 30%.
2. The maximum investment in emerging markets debt (including bonds, ETFs, mutual funds, or commingled funds) is 30%. Emerging market debt includes sovereign plus non-sovereign issuers of emerging market countries. The Trustee considers emerging market countries to be those included in the JPMorgan Emerging Market Bond Global Diversified Index, the JPMorgan Corporate Emerging Market Bond Diversified Index, JPMorgan Emerging Local Markets Index or the JPMorgan Government Bond Index - Emerging Markets Global Diversified, as well as those countries which are not defined as a High Income Organization for Economic Cooperation and Development (OECD) member country by the World Bank.
3. The maximum allocation to floating rate loans (including loans, ETFs, mutual funds, or commingled funds) is 30%.
4. The maximum allocation to non-agency mortgage backed obligations is 30%.
5. The maximum investment in the combined amounts covered by points 1, 2, 3, and 4 above is 30%.

Ratings Restrictions:

1. Any restrictions will be based upon ratings by the Nationally Recognized Statistical Rating Organizations (NRSROs)
2. An investment grade bond is defined as follows: If, at the time of investment, the bond is rated investment grade by a majority of independent credit rating agencies or, if unrated, are determined by the Trustee to be of comparable quality. The portfolio may contain investment grade, noninvestment grade, and unrated bonds.

Derivatives:

1. Derivatives may not be used to create a portfolio structure that is incompatible with any guideline contained within this document.
2. Excluding Eurodollar futures, the maximum investment, as measured by net notional amount, in derivative instruments is 50% of the portfolio's total market value.
3. There is no limit on the maximum notional amount of Eurodollar futures so long as the portfolio does not violate any guideline with respect to overall portfolio duration.
4. The maximum investment, as measured by notional amount in a single type of swap transaction, is 25% of the portfolio's total market value excluding currency forwards.
5. The maximum investment, as measured by notional amount, in a single-name credit default swap is 5%.
6. The maximum investment, as measured by notional amount, in non exchange-traded futures and options (excluding currency instruments) is 5% of the portfolio's market value.

Short-Term Investments:

1. Cash and cash equivalents, excluding liquid assets required as collateral for forward commitments, is typically 10% or lower.
2. Permitted short-term securities include:
 - Treasury and Agency issues
 - Certificates of Deposit (CDs)
 - Bankers' Acceptances (BAs)
 - Commercial Paper
 - Repurchase agreements (Repos) collateralized by U.S. Treasury and Agency securities at a minimum 102%; the maximum maturity for the Repos is seven days.
 - Money market funds of commercial banks

Additional Restrictions:

1. The portfolio duration will generally be within +/- 2 years of the Benchmark duration as measured by the Trustee.
2. The maximum for forward purchases and sales, excluding mortgage TBA and currency, is 30% calculated based on the portfolio's total market value.
3. The active currency exposure, measured as the difference between the actual exposure in any currency and the benchmark, should not exceed 15%
4. Direct borrowing is prohibited.

Application of Guidelines:

1. The Trustee has three months to address restrictions for securities and sectors which, for any reason, appreciate in relative value after purchase to a level in excess of limits stated in these guidelines.
2. With respect to individual securities, the Trustee has 30 days to address restrictions for securities which, for any reason, become ineligible or otherwise do not qualify within the limits of these guidelines.

January 21, 2015

April 10, 2015

July 28, 2016

Investment Manager Instructions for Loomis Sayles & Co.

Policy:

The portfolio under the supervision of Loomis Sayles & Co. (Loomis) is intended to be a primarily a domestic fixed income portfolio. Loomis has been hired to pursue an investment style, which the Board has defined as an actively managed core-plus fixed income style. Loomis is expected to produce investment returns that are 50 basis points over the Barclays U.S. Aggregate Bond Index on an annualized basis over rolling three-to-five year periods, net of fees, and rank above median compared to their style peers over the same period. It is understood that investment returns are not guaranteed.

Guidelines:

- A. The portfolio shall be constructed as a core-plus bond separate account under Loomis' Core Plus Full Discretion Management strategy. As such, the portfolio will be managed according to Loomis' internal separate account guidelines subject to the Pension Plan's Investment Policy (Policy). Except as specifically limited by the Policy, the portfolio shall be adequately diversified according to Loomis' internal policies regarding security, industry and sector weights. In the event the Loomis guidelines as specified below conflict with the Policy, the guidelines below shall apply.
- B. Loomis' portfolio construction guidelines include the following restrictions:

Eligible Investments

- Public or private debt obligations issued or guaranteed by U.S. or foreign issuers, including but not limited to corporations, governments (including their agencies, instrumentalities and sponsored entities), supranational entities, partnerships and trusts. Such obligations may be issued at fixed, variable, adjustable or zero coupon rates or convertible into equity instruments, including contingent convertibles
- Preferred, hybrid, mortgage or asset-backed instruments (including, but not limited to, TBAs, CMOs and CMBS) issued by any of the above-named entities
- Securities issued pursuant to Rule 144A and/or Reg S
- Bank loans*
- Structured notes
- Reverse repurchase agreements
- CLOs
- ABS Residual securities
- Cash equivalents including, but not limited to, commercial paper, CDs, BAs, T-bills and repurchase agreements

- In addition to the above, any security type that is included in the benchmark is an eligible investment. New issues that are expected to be included in the benchmark at its next update are also permitted.

Diversification

- Maximum 30% of market value to Yankee Bonds
- Maximum 30% of market value to 144a (with and without reg rights)
- Maximum 10% of market value to RegS
- Maximum 10% of market value to Bank Loans
- Maximum 5% of market value to Structured Notes
- Maximum 5% of market value to Hybrids
- Maximum 5% of market value to Preferred Stock
- Maximum 15% of market value to Asset-Backed securities
- Maximum 15% of market value to Mortgage-Backed securities

Duration

The effective duration of the portfolio will generally not deviate from that of the benchmark index by more than +/-5 years.

Credit Quality

The portfolio may invest up to 15% of the market value of the portfolio in instruments rated below BBB- by S&P, Baa3 by Moody's and BBB- Fitch ("high yield instruments"), as determined at the time of purchase.

If the ratings assigned to an instrument by Standard & Poor's, Moody's, and/or Fitch are not the same, the highest rating of these rating agencies will be used.

If an instrument is not rated by Standard & Poor's, Moody's, and Fitch, the equivalent rating determined by the Loomis Sayles Research Department will be used.

U.S. Dollar Exposure

At least 80% of the market value of the portfolio must be invested in U.S. dollar denominated instruments, counting cash and cash equivalents toward this percentage, as determined at the time of purchase. Loomis Sayles may hedge any non-USD portion or none.

Issuer Limitation

No issuer, except instruments issued or guaranteed by the U.S. Government, its agencies, or instrumentalities or government sponsored entities will comprise more than 5% of the market value of the portfolio, as determined at the time of purchase.

Industry Limitation

No industry, as defined by Barclays level 4, except instruments issued or guaranteed by the U.S. Government, its agencies or instrumentalities or government sponsored entities will comprise more than 25% of the market value of the portfolio, as determined at the time of purchase.

Short-Term Investment Fund

The Client has arranged for a sweep of any cash in the portfolio into a short-term investment fund program. Loomis Sayles will not be responsible for investments made pursuant to that cash sweep.

Conversion

Notwithstanding the foregoing, the portfolio may receive instruments prohibited or not contemplated herein through the conversion, exchange, reorganization, corporate action or bankruptcy of an otherwise permissible investment. Loomis Sayles may hold or dispose of these investments at its discretion.

Guideline Cure Period

If any of the parameters described above are breached (except those that are to be determined at the time of purchase), as a result of market movements, capital additions or withdrawals or other events not within the control of Loomis Sayles, Loomis Sayles shall have a reasonable period of time, not to exceed six months, to bring the portfolio into compliance with the applicable investment guidelines.

Performance Measurement

Performance measurement for this portfolio will start on the first day of the month following the first full month of management after portfolio inception to permit the completion of portfolio construction and to manage any transitional issues (such as cash flow, instrument transfers) that may arise during portfolio construction.

* Investment in individual bank loans will generate a transaction cost associated with both the purchase and sale of these loans. The counterparty on these trades determines how they will settle and most choose ClearPar. ClearPar is the primary platform and supported by most banks. Bank loans that do not settle on this platform are prohibitively labor intensive and it is not likely many trades will occur away from the ClearPar platform.

Accounts participating in a bank loan trade will be charged by ClearPar a pro-rata share of the trade (a “subtrade”). ClearPar will deliver the invoice to the Loomis and, in turn, Loomis will deliver this invoice to your custodian to pay from the assets of the portfolio. While you may elect to pay the invoice directly, directing the custodian to pay the invoices from the portfolio assets will facilitate proper performance calculations for your portfolio. As of the current date, the subtrade fee structure is as follows:

Subtrades per Master Trade	Subtrade Fee per Subtrade
1-5	\$19
6-21	\$110 divided by number of subtrades
22 or more	\$5

There is also a volume discount schedule that is applied once trades on the platform exceed 5,000.

C. Loomis will be reviewed quarterly based on the following:

1. Adherence to style risk assignment, including portfolio characteristics relative to those of the benchmark.
2. The value-added over the Barclays U.S. Aggregate Bond Index.
3. The trend of value-added over the Barclays U.S. Aggregate Bond Index.
4. The value-added over median similar style investment managers.

These guidelines are not to be construed as restrictive to Loomis's ability to follow the strategies they consider are most appropriate given the Board's directive, but rather as an exercise of the Board's fiduciary responsibility. If at any time Loomis feels that these instructions are unrealistic, or may be a hindrance in pursuing their investment style, the Executive Director and the investment consultant are to be notified immediately in writing.



Summit Strategies Group

8182 Maryland Avenue, 6th Floor

St. Louis, Missouri 63105

314.727.7211

Eagle and Brown Advisory Review

City of Jacksonville Police & Fire Pension Fund

October 2016

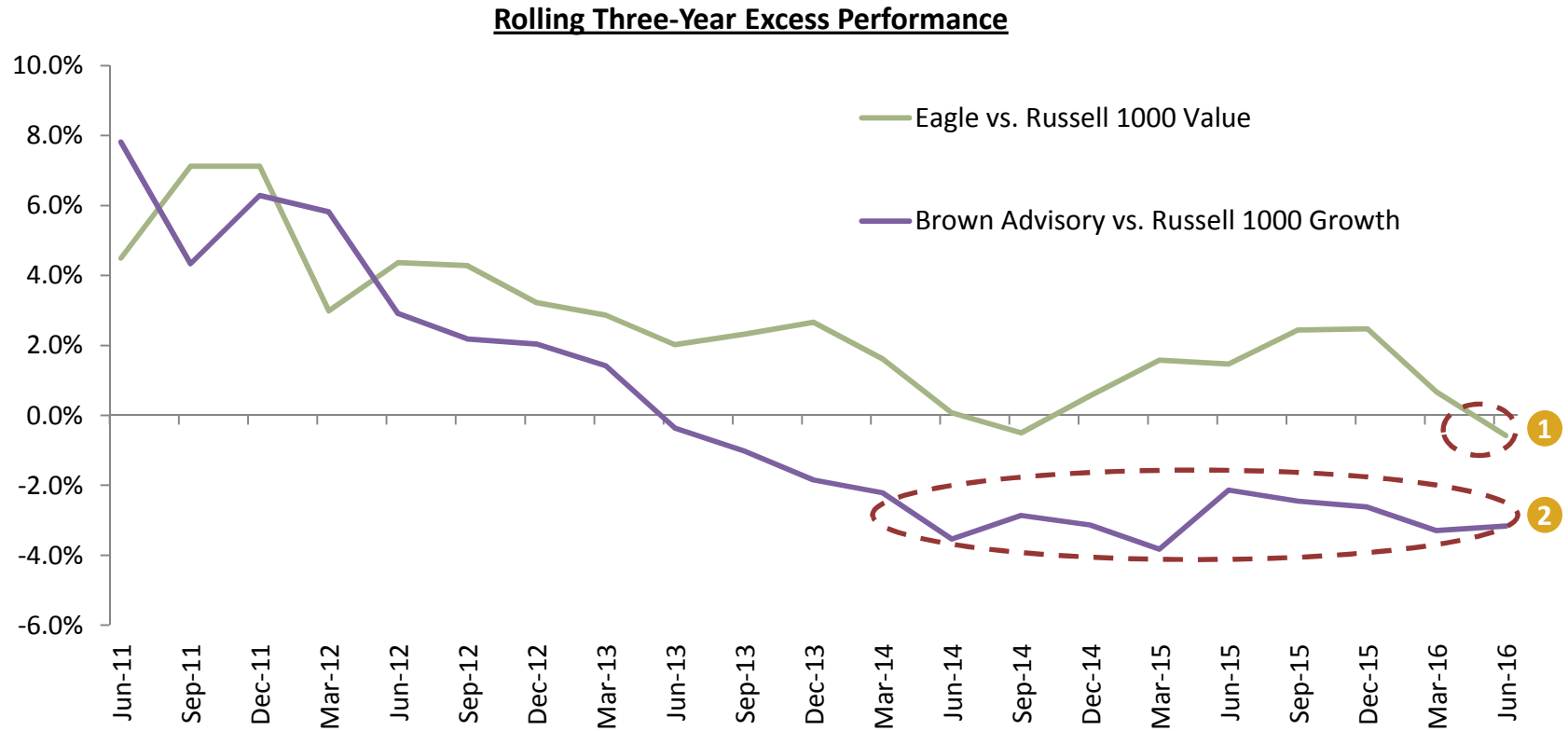
City of Jacksonville Police & Fire Pension Fund

ANNUALIZED PERFORMANCE – NET OF FEES

Manager vs Benchmark										
As of 6/30/16	1 year		3 years		5 years		7 years		10 years	
Eagle	-2.95%		9.29%		11.17%		15.99%		8.78%	
Russell 1000 Value	2.86%		9.87%		11.35%		14.50%		6.13%	
Brown	0.95%		9.90%		9.78%		15.49%		10.23%	
Russell 1000 Growth	3.02%		13.07%		12.35%		15.52%		8.78%	
Calendar Year Return										
	YTD 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Eagle	-1.89%	1.15%	12.28%	35.86%	17.47%	4.86%	20.57%	32.17%	-34.65%	8.03%
Russell 1000 Value	6.30%	-3.83%	13.45%	32.53%	17.51%	0.39%	15.51%	19.69%	-36.85%	-0.17%
Brown	-1.44%	7.71%	6.86%	29.42%	16.18%	0.12%	25.36%	53.05%	-36.27%	11.84%
Russell 1000 Growth	1.36%	5.67%	13.05%	33.48%	15.26%	2.64%	16.71%	37.21%	-38.44%	11.81%

Performance reflects City of Jacksonville Police & Fire Pension Fund net of fees returns, linked with composite net of fees returns to lengthen performance history as necessary.

HISTORICAL PERFORMANCE SUMMARY – NET OF FEES



- 1 A historically strong relative performer, Eagle's three-year relative performance (primarily due to performance over the past year) has fallen slightly below over the most recent three-year period.
- 2 After outperforming on a three-year rolling basis historically, Brown Advisory's performance has significantly trailed its benchmark in recent years.

Performance reflects City of Jacksonville Police & Fire Pension Fund net of fees returns, linked with composite net of fees returns to lengthen performance history as necessary.

City of Jacksonville Police & Fire Pension Fund

EAGLE CAPITAL MANAGEMENT, LLC – EAGLE EQUITY

FIRM DETAILS

Address: 499 Park Ave.
New York, NY 10022
Phone: 212.293.4040
Asset Class: Large Cap Value
Benchmark: Russell 1000 Value
Founded: 1988
Ownership: 100% employee owned
Assets Under Management: \$25.0 billion

PRODUCT DETAILS

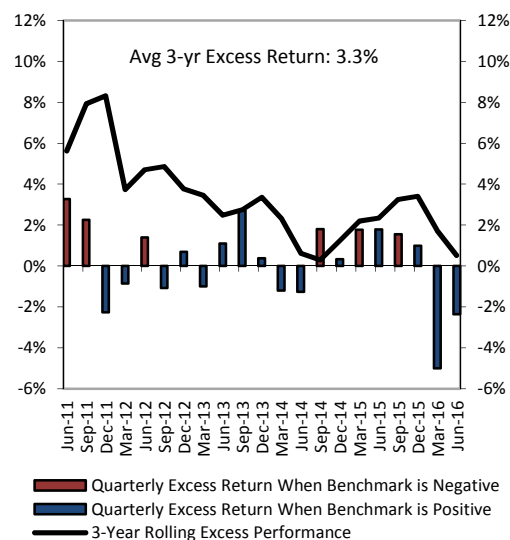
Inception: December 1988
Assets Under Management: \$25.0 billion
Vehicles Offered: SA (closed)
Separate Account Minimum: \$5 million
Portfolio Managers/Dual Role PMs: 1
Avg. Yrs of Experience: 48
Avg. Yrs at Firm: 28
Research Analysts: 5
Avg. Yrs of Experience: 20
Avg. Yrs at Firm: 13
Fee Schedule (SA): 1.00% on the first \$5 million
0.75% on the balance
(Performance-based fees are available)

CHARACTERISTICS

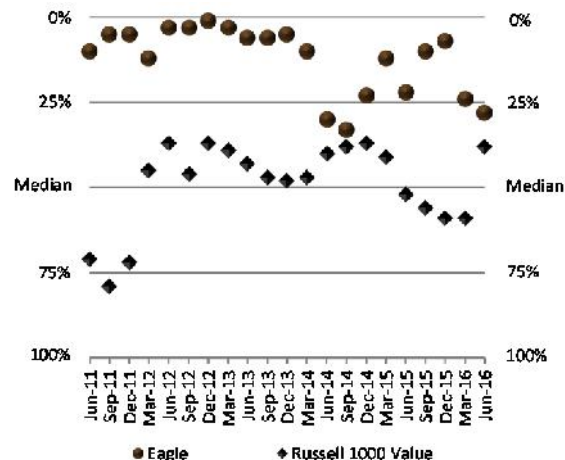
	Portfolio	Benchmark
No of Securities:	27	692
Portfolio Turnover:	20%	N/A
Dividend Yield:	1.1%	2.6%
Equity P/E:	18.3x	17.9x
Avg. Mkt Cap:	\$166.0 billion	\$114.1 billion
Last 3 Years:		
Tracking Error:	4.4%	N/A
Information Ratio:	0.1	N/A
Sharpe Ratio:	1.0	1.1

ROLLING PERFORMANCE AND RANKINGS

Three-Year Rolling/Quarterly Excess Performance vs. Russell 1000 Value Index



Manager vs. Large Cap Value Universe Rolling Three-Year Periods



QUALITATIVE OVERVIEW

- Eagle Capital Management, LLC was founded in late 1988 by Ravenel and Beth Curry. After the passing of Beth in 2015, 10 employees own 100% of the firm. Ravenel has been the portfolio manager since inception, though the strategy has become more team oriented over the last 10 years. Ravenel was formerly a partner at H.C. Wainwright and the portfolio manager of the Duke Endowment prior to co-founding ECM.
- This firm is focused on one strategy. Ravenel Curry leads the six-person team and is supported by Richard Ong, Mary Kush, Boykin Curry, Alex Henry, and Adrian Meli.
- Through industry contacts, reports, other investors, and trade shows, the team generates 100 new ideas a year. These are added to an existing inventory of 30 to 40 names per analyst. From this pool, approximately 50 names undergo a rigorous research process to identify companies with superior management, attractive current valuation, and a plan for significant growth that has not yet been recognized by the market. Approximately 5-10 of these names will be added to the portfolio each year.
- The strategy is opportunistic with regard to market cap, often with sizable positions in the mid cap space. Position sizes are limited to 5% at the time of purchase and 10% overall. Sector and industry exposure is limited to 25%. Expected alpha is 200 to 300 bps over the S&P 500, though they are comfortable with any benchmark over a 3- to 5-year horizon. Portfolios hold 25-35 stocks, and turnover averages 15%-30%.

QUALITATIVE RANKING

FIRM	-2	-1	0	1	2
Empl Ownership					
Mgmt Consistency					
Integration					
Cost					
Litigation					
Responsiveness					
TOTAL					+6

PERSONNEL	-3	-2	-1	0	1	2	3
Staff Depth							
Experience							
Stability							
Support							
TOTAL							+7

PHILOSOPHY	-3	-2	-1	0	1	2	3
Philosophy							
Purchase Discipline							
Sell Discipline							
Research							
Trading Skills							
Decision Process							
Characteristics							
TOTAL							+9

PRODUCT	-2	-1	0	1	2
History					
Size					
Growth					
Asset Split					
TOTAL					+1

TOTAL QUALITATIVE SCORE:	+23
---------------------------------	------------



EAGLE CAPITAL REVIEW

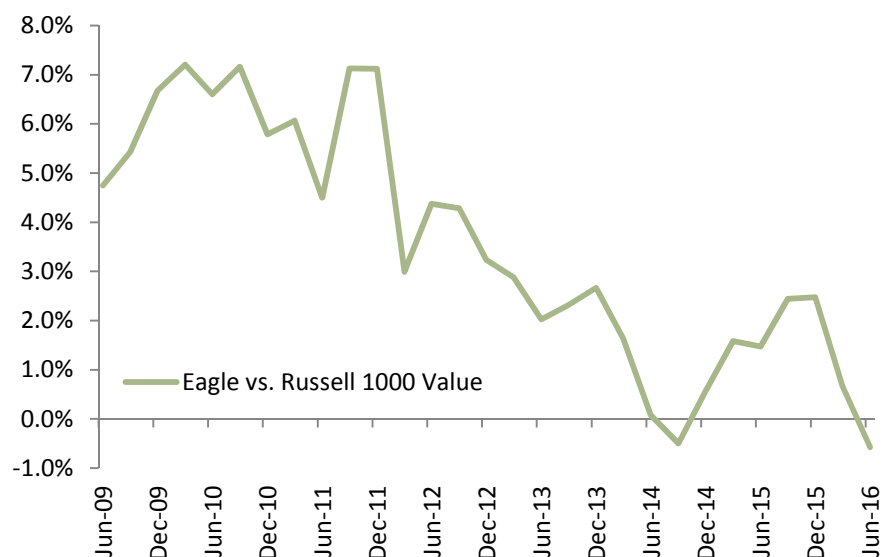
Background

Eagle Capital is one of four large cap managers in the portfolio (the others being Northern Trust, Brown Advisory, and Sawgrass). Eagle currently manages ~\$175 million in assets for the City of Jacksonville Police & Fire Pension Fund (~10% of portfolio assets and ~33% of the large cap equity portfolio assets).

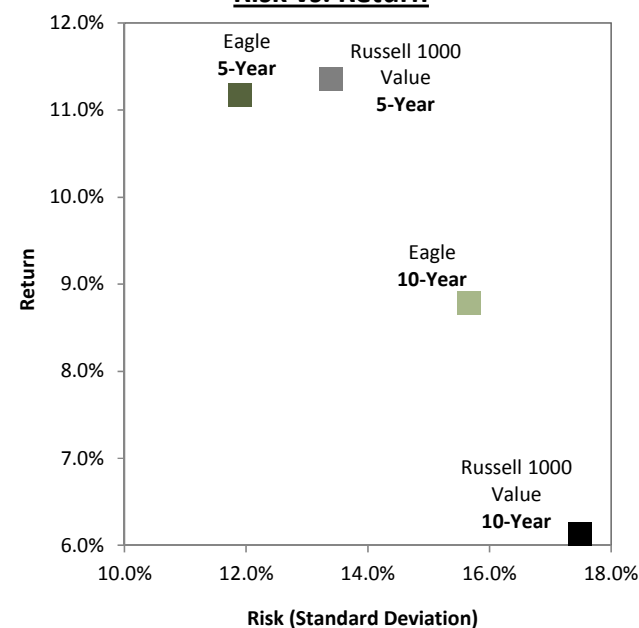
Recent underperformance warrants further analysis:

- The strategy has trailed the benchmark by 581 bps over the trailing year, net of fees, as of June 30, 2016.
- Performance lags the benchmark over the trailing one-, three-, and five-year periods, although it only trails by 58 bps over the trailing three years and 18 bps over the trailing five years, net of fees.

Rolling Three-Year Excess Performance



Risk vs. Return

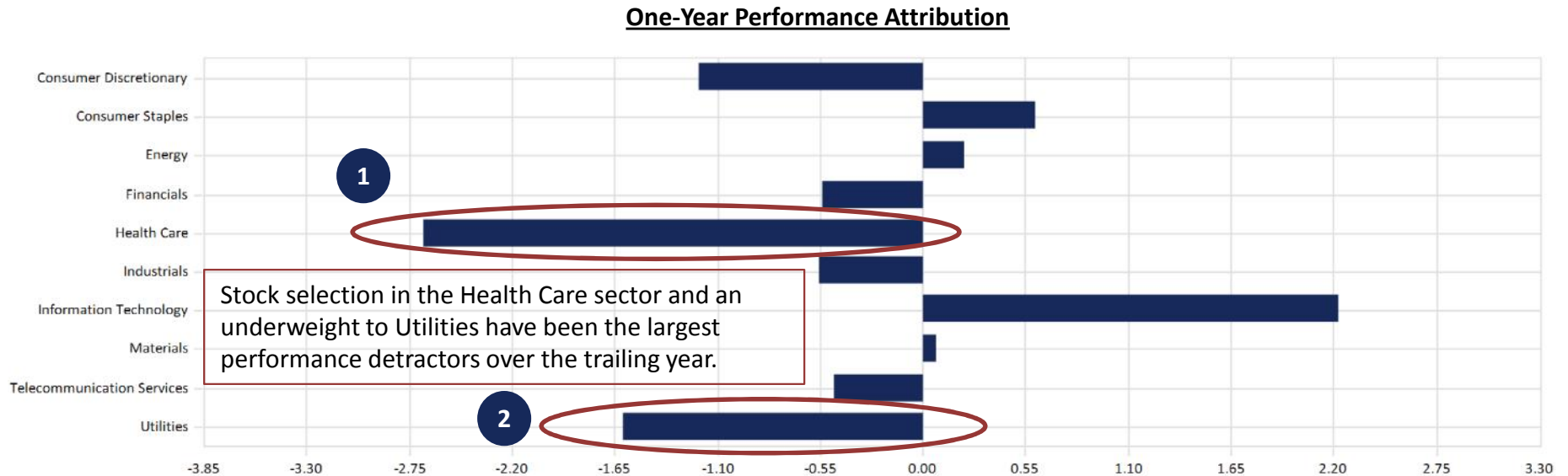
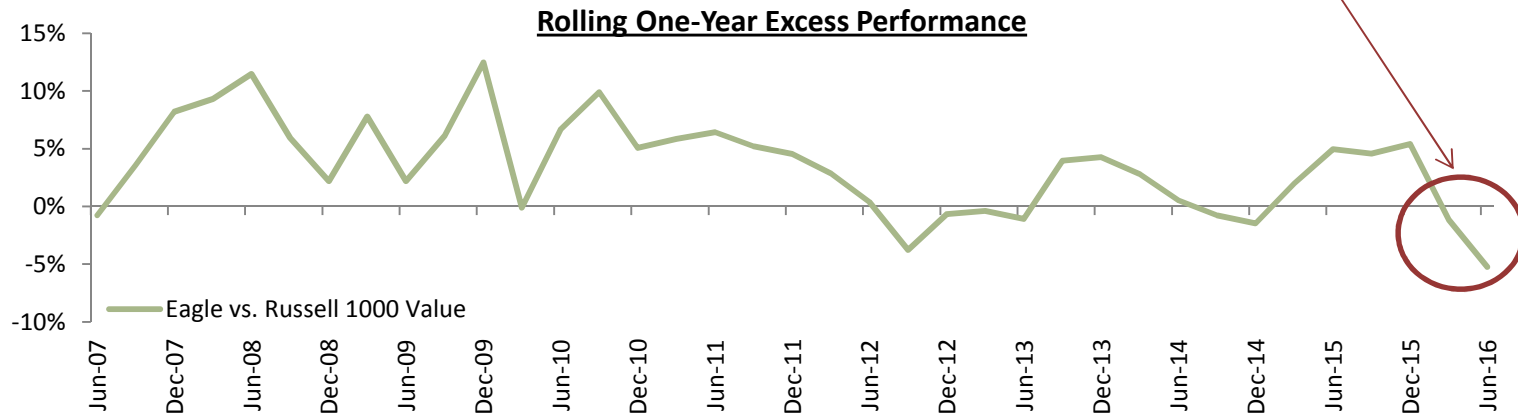


Eagle has significantly outperformed the benchmark over the trailing 10-year period with a lower volatility. However, over the trailing five years (and three years) performance has fallen in line to slightly below the benchmark.

Performance reflects City of Jacksonville Police & Fire Pension Fund net of fees returns, linked with composite net of fees returns to lengthen performance history as necessary.

EAGLE CAPITAL – UNDERPERFORMANCE SUMMARY

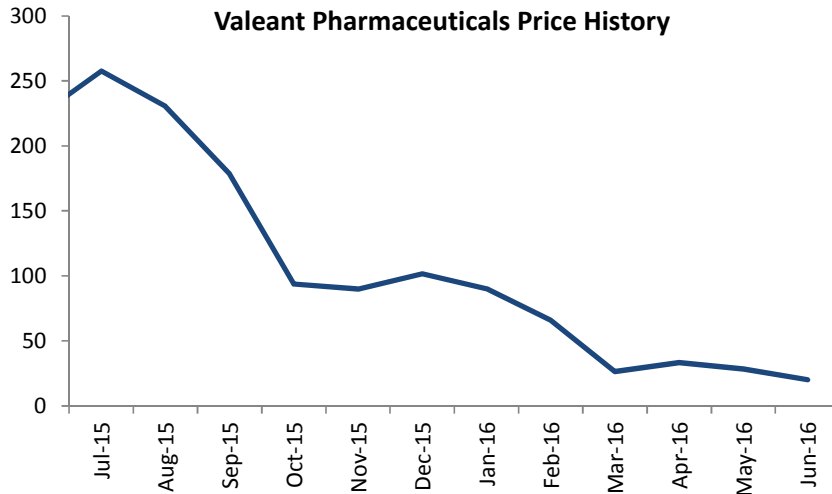
Eagle’s recent performance struggles can be almost entirely attributed to performance over the trailing one-year period.



Performance reflects City of Jacksonville Police & Fire Pension Fund net of fees returns, linked with composite net of fees returns to lengthen performance history as necessary.

EAGLE CAPITAL – UNDERPERFORMANCE EXPLAINED

1



As shown on the previous page, stock selection in the Health Care sector detracted significantly from performance over the trailing year.

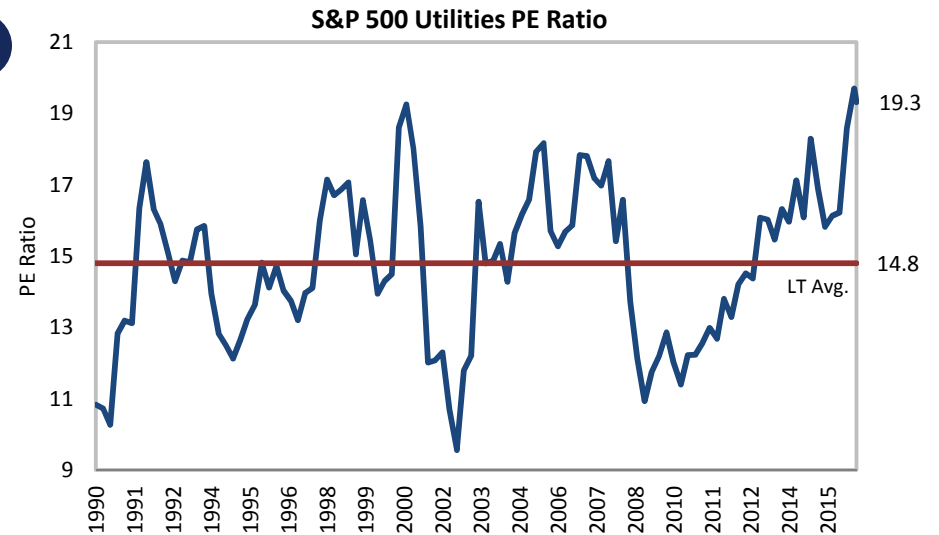
As a concentrated portfolio, individual stocks can have a material impact on Eagle's performance, as was the case with Valeant Pharmaceuticals over the trailing year.

At a 3.5% weight in the portfolio in June 2015, Valeant's subsequent 90% year-over-year price decline had a significant negative impact on performance.

Eagle has no exposure to the Utilities sector, compared to the index at ~7%, which has detracted from performance over the trailing year.

As investors have continued to migrate out the risk/asset curve in search of yield, utilities (typically "defensive", high dividend paying stocks) have performed extremely well, returning 32% over the trailing one-year period.

2



City of Jacksonville Police & Fire Pension Fund

BROWN ADVISORY, LLC – LARGE CAP GROWTH

FIRM DETAILS

Address: 901 South Bond Street, Ste. 400
Baltimore, MD 21231

Phone: 410.537.5400

Asset Class: Large Cap Growth

Benchmark: Russell 1000 Growth

Founded: 1993

Ownership: 70% employee owned; 30% owned by Board of Directors, clients, and investors

Assets Under Management: \$20.4 billion

PRODUCT DETAILS

Inception: April 1993

Assets Under Management: \$11.6 billion

Vehicles Offered: SA, MF

Separate Account Minimum: \$5 million

Mutual Fund Minimum (BAFGX): \$1 million

Portfolio Managers/Dual Role PMs: 1

Avg. Yrs of Experience: 29

Avg. Yrs at Firm: 19

Research Analysts: 22

Avg. Yrs of Experience: 12

Avg. Yrs at Firm: 6

Fee Schedule (SA): 0.80% on first \$10 million
0.65% on next \$15 million
0.50% on next \$25 million
0.40% on balance

(MF): 0.72% on all assets

CHARACTERISTICS

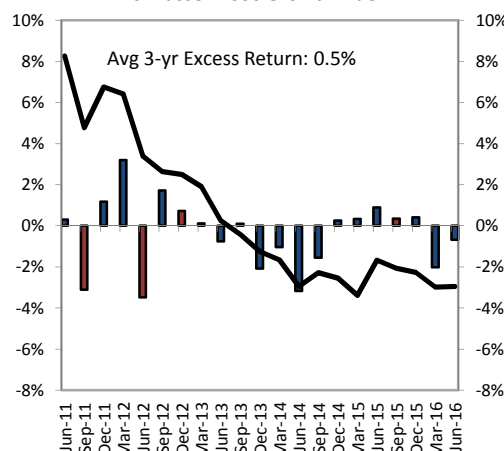
	Portfolio	Benchmark
No of Securities:	36	600
Portfolio Turnover:	25%	N/A
Dividend Yield:	0.5%	1.6%
Equity P/E:	32.2x	23.7x
Avg Market Cap:	\$92.7 billion	\$133.2 billion
Last 3 Years:		
Tracking Error:	2.6%	N/A
Information Ratio:	-1.2	N/A
Sharpe Ratio:	1.2	1.5

Performance reflects gross of fees composite returns.

*As of 3/31/2016

ROLLING PERFORMANCE AND RANKINGS

Three-Year Rolling/Quarterly Excess Performance vs. Russell 1000 Growth Index

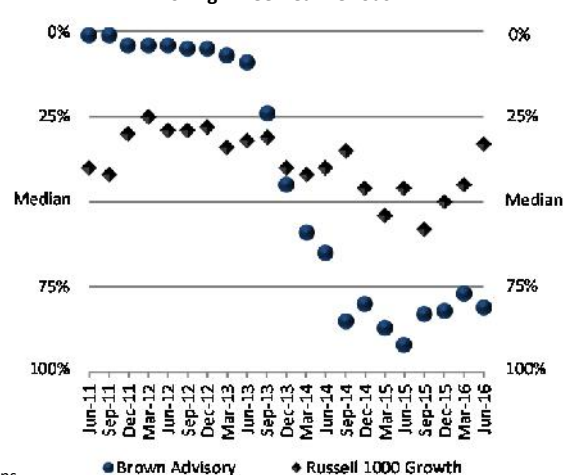


Quarterly Excess Return When Benchmark is Negative

Quarterly Excess Return When Benchmark is Positive

3-Year Rolling Excess Performance

Manager vs. Large Cap Growth Universe Rolling Three-Year Periods



QUALITATIVE OVERVIEW

- Brown Advisory was established in 1993 as an investment management arm of Alex Brown and Sons. Key professionals made an employee-led buyout in 1998 to gain independence from investment banking conflicts. 70% of the equity is held by a diverse group of employees, and 30% is held by members of the independent Board of Directors and a group of clients.
- Ken Stuzin took over as the lead manager for institutional large cap growth accounts in 2001 and proceeded to build out the research team. The 22 analysts on this team average twelve years of investment experience and six years with the firm.
- The process is designed to find quality sustainable growth companies through bottom-up research, focused on both traditional and non-traditional growth sectors. A quantitative screen, based on several growth and balance sheet metrics, is used to narrow the initial universe. Companies must have sustainable earnings growth rates of 14% or better. Favored companies will have large and enduring market opportunities, an experienced management team, and proprietary products or services. The firm tries to identify companies with a culture that rewards innovation and is adaptable to change. Patience on valuation is a key factor in the strategy's buy and sell discipline.
- Portfolios are relatively concentrated (30-35 stocks) with name turnover averaging 35%. Analysts remain style agnostic, which brings periods of significant benchmark risk, especially in momentum-driven or narrow markets.

QUALITATIVE RANKING

FIRM	-2	-1	0	1	2
Empl Ownership					
Mgmt Consistency					
Integration					
Cost					
Litigation					
Responsiveness					
TOTAL					+8

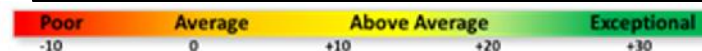
PERSONNEL	-3	-2	-1	0	1	2	3
Staff Depth							
Experience							
Stability							
Support							
TOTAL							+6

PRODUCT	-2	-1	0	1	2
History					
Size					
Growth					
Asset Split					
TOTAL					+4

PHILOSOPHY	-3	-2	-1	0	1	2	3
Philosophy							
Purchase Discipline							
Sell Discipline							
Research							
Trading Skills							
Decision Process							
Characteristics							
TOTAL							+9

TOTAL QUALITATIVE SCORE:

+27



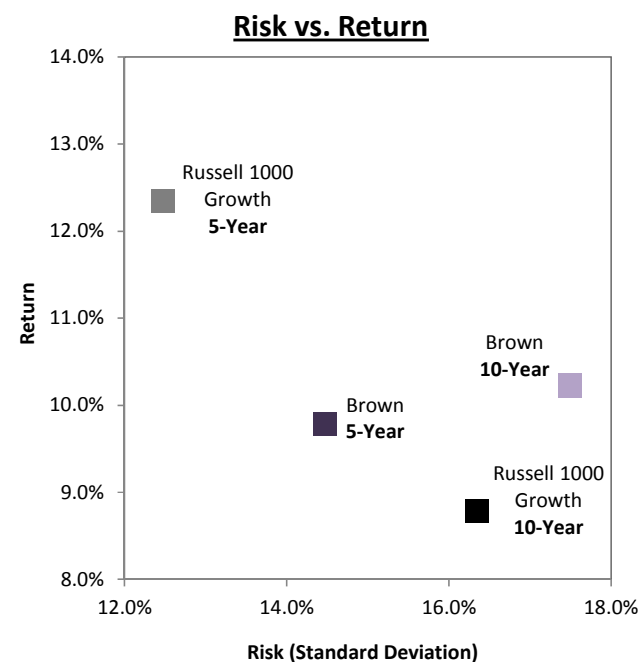
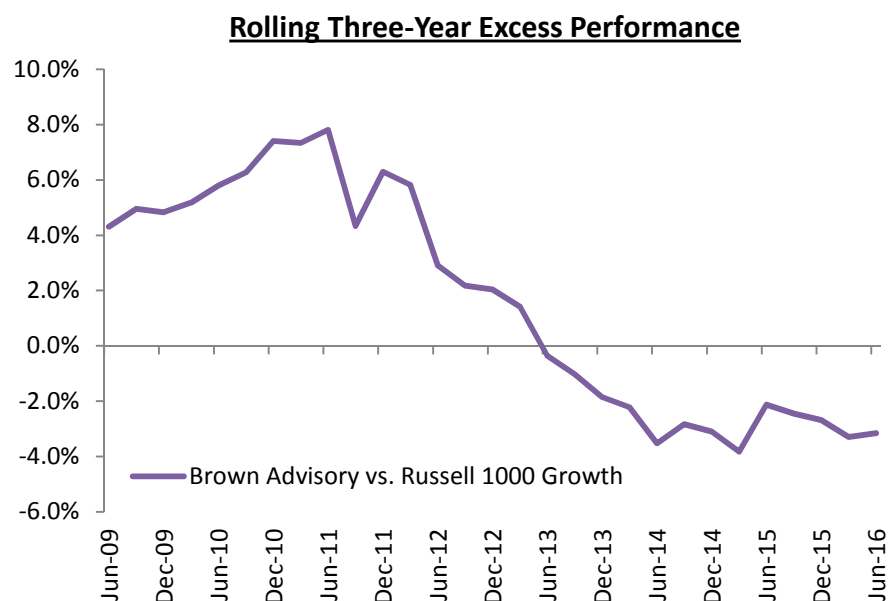
BROWN ADVISORY REVIEW

Background

Brown Advisory is one of four large cap managers in the portfolio (the others being Northern Trust, Eagle, and Sawgrass). Brown Advisory currently manages ~\$85 million in assets for the City of Jacksonville Police & Fire Pension Fund (~5% of portfolio assets and ~16% of the large cap equity portfolio assets).

Recent underperformance warrants further analysis:

- Below median rolling 3-year performance (versus peers) for the last 11 quarters.
- Performance currently lags the benchmark for the trailing 1-, 3-, and 5-year periods.

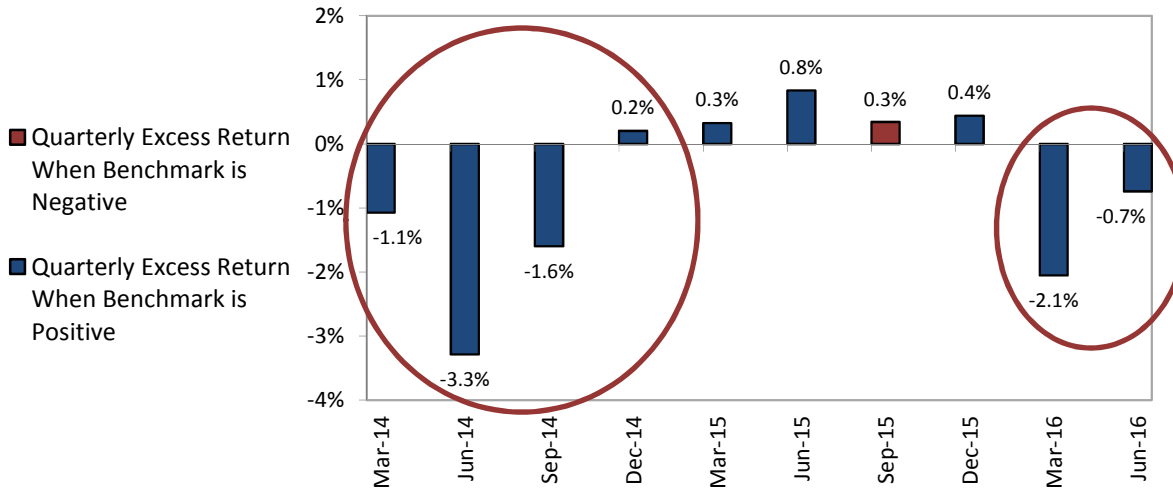


Over the trailing 10-year period, Brown has outperformed the Russell 1000 Growth, with a slightly higher volatility. However, over the trailing 5-year period, the index has outperformed Brown with a lower volatility.

Performance reflects City of Jacksonville Police & Fire Pension Fund net of fees returns, linked with composite net of fees returns to lengthen performance history as necessary.

BROWN ADVISORY – UNDERPERFORMANCE SUMMARY

Quarterly Excess Performance vs. Russell 1000 Growth



Brown Advisory's underperformance since inception in the portfolio can be entirely explained by relative performance in calendar year 2014 and the first two quarters of 2016.

Calendar year 2014 performance was hindered primarily by an energy overweight in a timeframe when oil was down close to 50%, in conjunction with poor stock selection in industrials (Flour Corp.) and Technology (Discovery Communications).

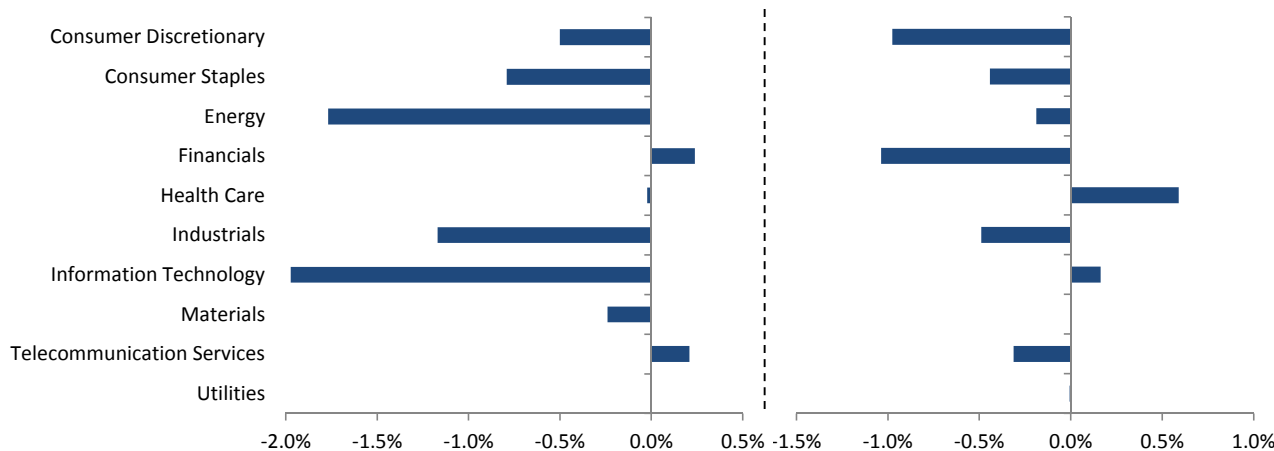
Year-to-date 2016 performance has been hurt by stock selection in the consumer discretionary and financials sectors. Investors searching for yield in the current low interest rate environment has also hurt, as Brown's pure growth, typically low-dividend paying holdings have not seen the gains of more dividend-oriented names.

While stock selection has hurt, the recent market environment has been very difficult for active managers in general, particularly in the large cap growth space (see next page).

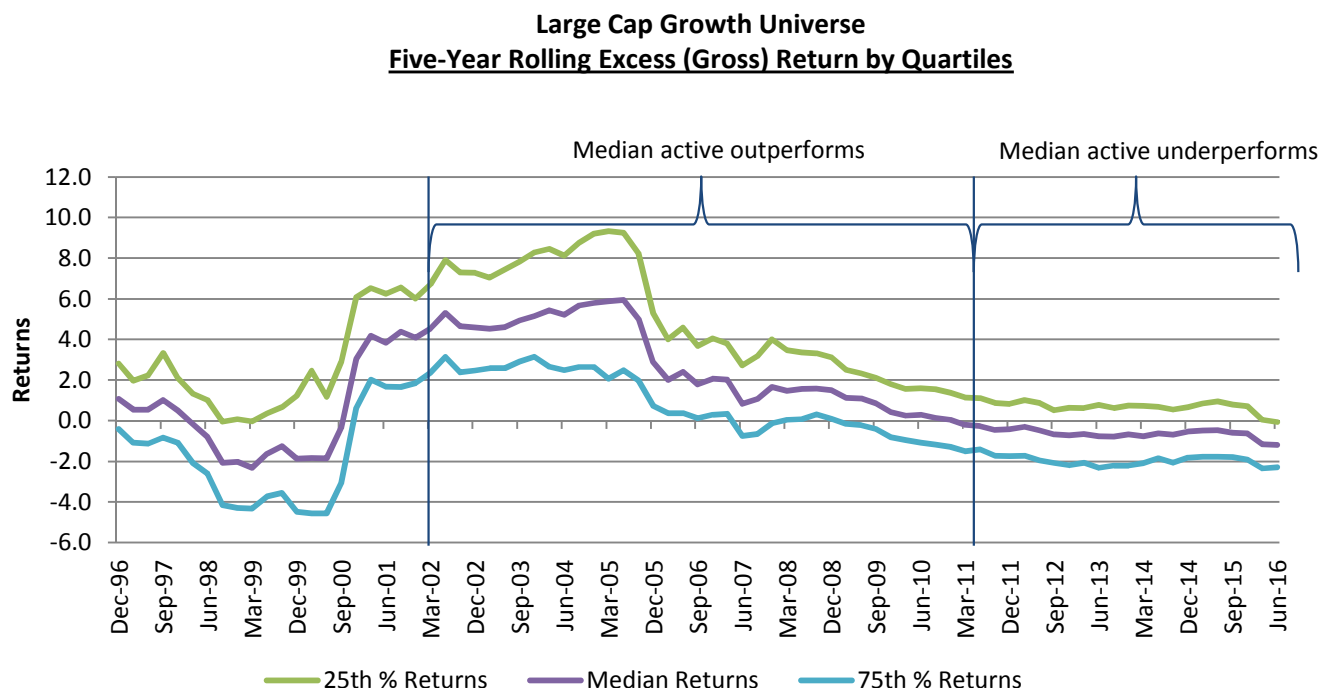
One-Year Performance Attribution

Calendar Year 2014 Attribution

Year-to-Date 2016 Attribution



LARGE CAP GROWTH UNIVERSE – EXCESS RETURN CHARACTERISTICS (AS OF JUNE 30, 2016)

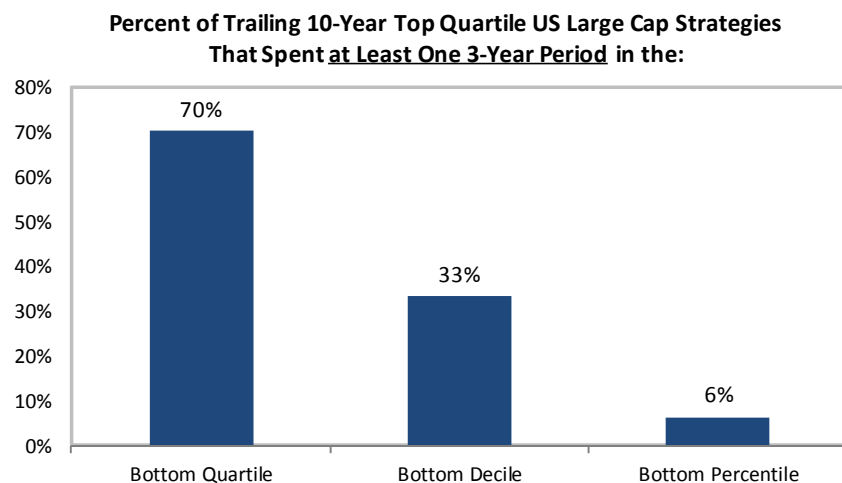


Active management's ability to add value is cyclical.

The five-year rolling excess returns of the median active manager have trailed the benchmark from December 2010 through June 2016.

The median active manager provided positive excess return from the end of the dot.com bubble until active excess returns began to decay in the aftermath of the Global Financial Crisis and start of quantitative easing.

US LARGE CAP MANAGER PERSISTENCE



Source: eVestment Alliance.

Consistent short- and long-term outperformance has been hard to come by.

Of the top quartile strategies over the past decade, 70% spent at least one three-year period in the bottom quartile. Additionally, 33% spent at least one three-year period in the bottom decile.

- This lack of persistence makes it challenging for investors to remain invested with the same manager during periods of poor performance.

Brown's return over the trailing 10 years places it in the second percentile (i.e., top decile) in the US large cap Universe.

Company	Annual Excess Return vs. S&P 500 (1985-2015)	Max Underperformance vs. S&P 500		
		Magnitude	Start	End
Home Depot	14.0%	-187%	Dec-92	Dec-07
Amgen	13.7%	-169%	Jan-92	Apr-98
Nike	12.0%	-259%	Dec-91	Mar-00
UnitedHealth	11.9%	-271%	May-94	Mar-00
Danaher	11.8%	-77%	Jul-88	Jan-92
Henry Jack & Assoc.	11.5%	-173%	Feb-86	Oct-89
Kansas City Southern	11.3%	-135%	Dec-85	Mar-91
Apple	10.8%	-771%	Oct-87	Oct-00
Altria Group	10.4%	-493%	Oct-87	Mar-00
Paychex	10.2%	-94%	Nov-00	Aug-14

Source: Windhorse Capital.

Unfortunately in the US large cap market, it has not been as easy as “buying the winners and holding them.” Many of the top-performing companies over the long term endured periods of significant underperformance.

ACTIVE VS. PASSIVE IMPLEMENTATION

BIG PICTURE: THE ACTIVE VS. PASSIVE DECISION

A rational investor will pay an active management fee only if the perceived alpha potential is in excess of the management fee.

- Typical target is gross alpha of 2x-4x the fee.
- Otherwise, the investor:
 - Experiences benchmark (or less) returns, and
 - Experiences high volatility / tracking error.
- Meanwhile, the manager:
 - Gets wealthy.

Some asset classes require an investor to pursue active management, as passive implementation is not available or feasible.

- Private Assets:
 - Private Equity, Private Debt, Private Real Assets (Real Estate, Infrastructure, Natural Resources)
 - Hedge Funds (“Passive” ETFs are available, but the concern is not selecting “alpha” managers and being left with “expensive beta”)
 - Risk Parity

All other (more traditional) asset classes can be garnered passively or actively.

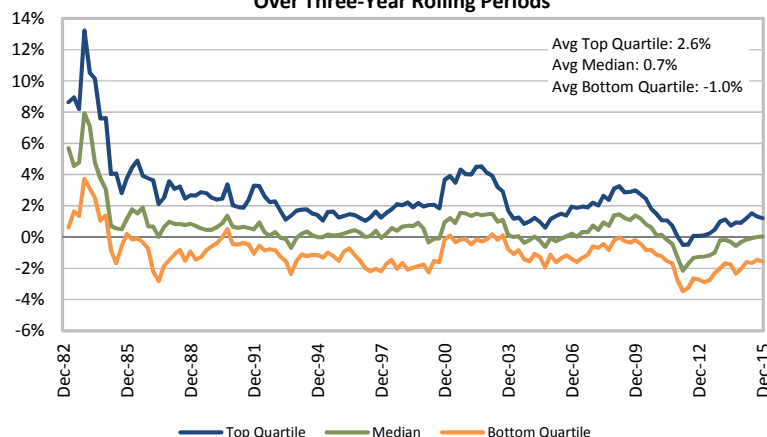
- Includes asset classes such as Public Equities, Public Fixed Income, Cash.
- Default position should be passive management, and an investor must be compelled to move away from this position.
- Reliant upon the skill of the active manager and the staff/consultant skill to select high quality managers.
- Must be sensitive to not over-diversify, ultimately producing an expensive index with active management fees.
- Caveat: All asset classes are subject to issues regarding the appropriateness of a benchmark comparison.
- Active and passive management both go through periods of under/outperformance.
- Some asset classes are better suited for active management.

INDUSTRY EXCESS RETURN CHARACTERISTICS: DOMESTIC EQUITY (AS OF DECEMBER 31, 2015)

Domestic Equity

Large Capitalization

Level of Over/Under Performance vs. Russell 1000
Over Three-Year Rolling Periods

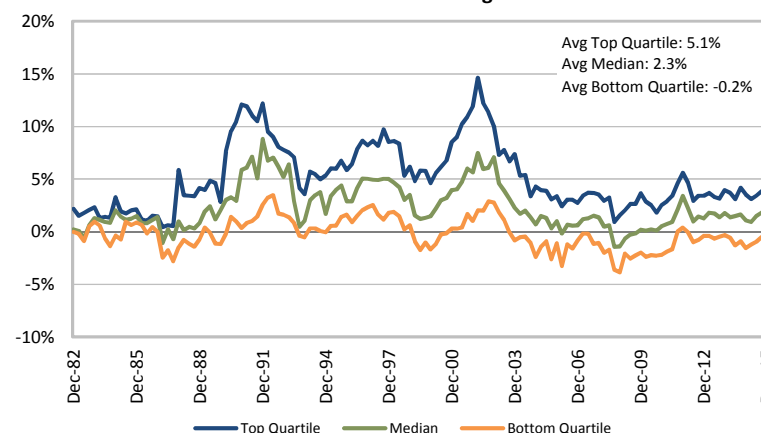


	Median	Top Quartile
Average Alpha	70 bps	260 bps
Average Fee	52 bps	
Multiple of Fee	1.3x	5.0x
Index Fee	2 bps	

Historically, a very challenging asset class to garner excess return with active management, net of fees. Index management is very inexpensive.

Small Capitalization

Level of Over/Under Performance vs. Russell 2000
Over Three-Year Rolling Periods



	Median	Top Quartile
Average Alpha	230 bps	510 bps
Average Fee	88 bps	
Multiple of Fee	2.6x	5.8x
Index Fee	7 bps	

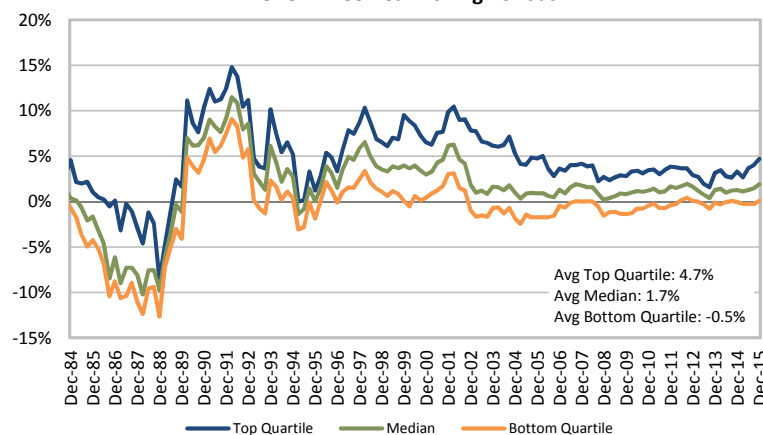
While an expensive asset class, greater excess returns can be realized with active management. Index management is fairly inexpensive.

INDUSTRY EXCESS RETURN CHARACTERISTICS: INTERNATIONAL EQUITY (AS OF DECEMBER 31, 2015)

International Equity

Developed International

Level of Over/Under Performance vs. MSCI EAFE
Over Three-Year Rolling Periods

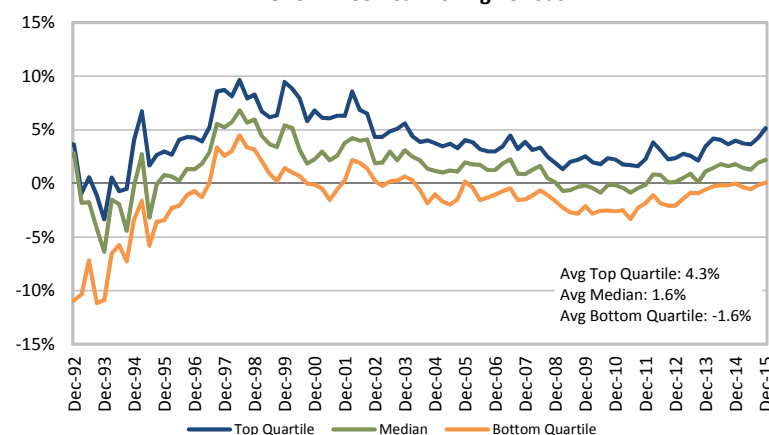


	Median	Top Quartile
Average Alpha	170 bps	470 bps
Average Fee	68 bps	
Multiple of Fee	2.5x	6.9x
Index Fee	7 bps	

The most substantial upside relative to the size of the active management fee.

Emerging Markets

Level of Over/Under Performance vs. MSCI Emerging Markets
Over Three-Year Rolling Periods



	Median	Top Quartile
Average Alpha	160 bps	430 bps
Average Fee	90 bps	
Multiple of Fee	1.8x	4.8x
Index Fee	20 bps	

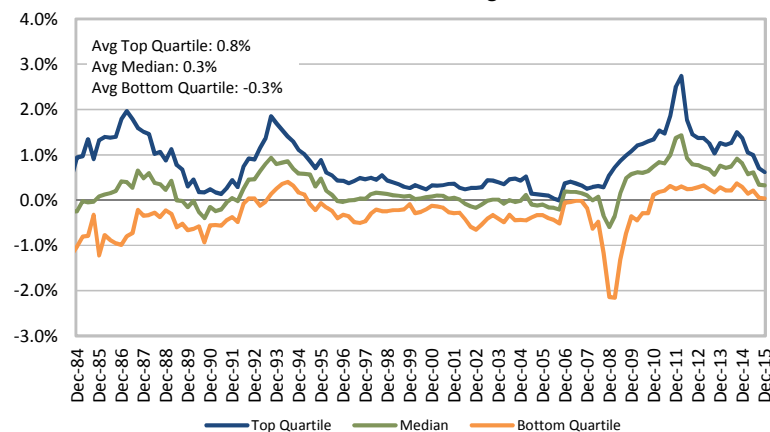
Substantial return difference between 1st quartile and median; asset class can be garnered inexpensively.

INDUSTRY EXCESS RETURN CHARACTERISTICS: FIXED INCOME (AS OF DECEMBER 31, 2015)

Fixed Income

Core Fixed Income

Level of Over/Under Performance vs. Barclays Aggregate Over Three-Year Rolling Periods

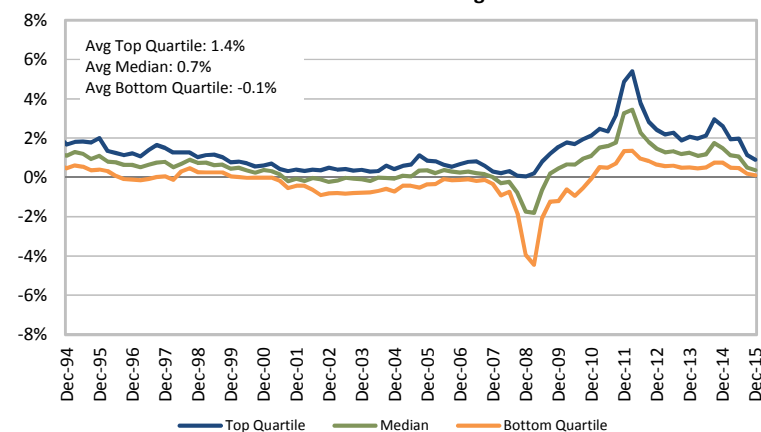


	Median	Top Quartile
Average Alpha	30 bps	80 bps
Average Fee	26 bps	
Multiple of Fee	1.2x	3.1x
Index Fee	~9 bps*	

Challenging to garner material excess returns from active management, net of fees.

Core Plus Fixed Income

Level of Over/Under Performance vs. Barclays Universal Over Three-Year Rolling Periods



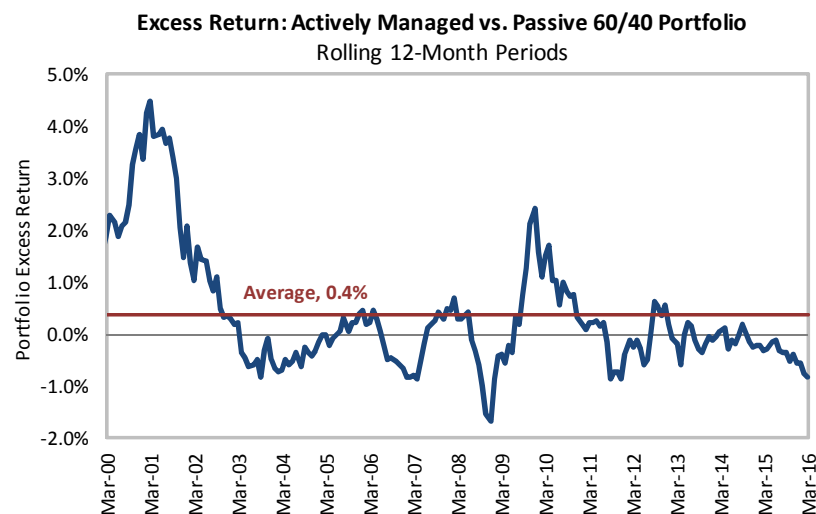
	Median	Top Quartile
Average Alpha	70 bps	140 bps
Average Fee	31 bps	
Multiple of Fee	2.3x	4.5x
Index Fee	~14 bps*	

A challenging space to realize substantial excess returns, net of fees, but significantly greater alpha potential than core fixed income.

Average fee estimates are for \$100 million mandate for Core Fixed Income and Core Plus Fixed Income.

*Index fee estimates based on iShares Core US Aggregate Bond ETF (Core) and iShares Core Total USD Bond Market ETF (Core Plus).

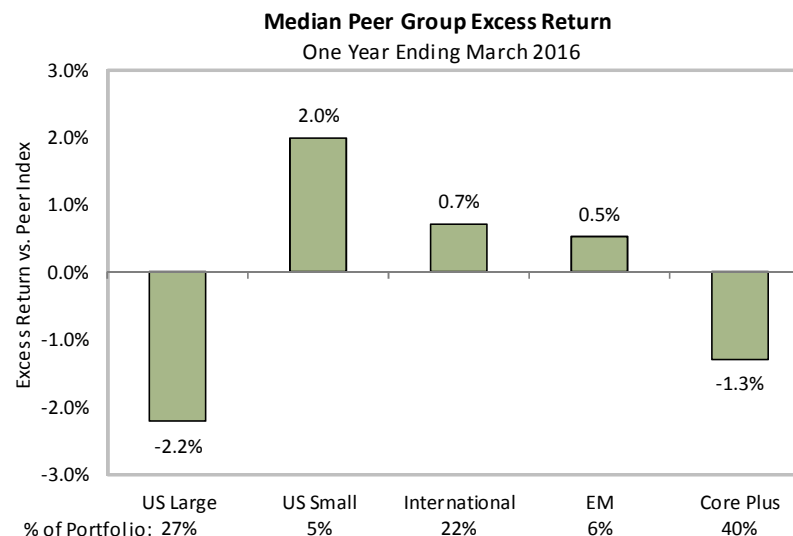
TRADITIONAL ACTIVE MANAGEMENT



In aggregate, a portfolio of median performing active managers has generated excess return for investors.

Positive excess returns for the median portfolio have occurred at a 52% batting average since December 1999.

For the 12 months ending March 2016 the portfolio underperformed by 0.8%, which falls in the 4th percentile of observations over this period.



During the most recent 12-month period, negative portfolio excess return has been driven by US large cap equity and core plus fixed income.

Given the large weights of these two categories in a hypothetical 60/40 portfolio (40% core plus and 27% US large), portfolios with more active management have in general been challenged.

Active management's underperformance has mostly been driven by US large cap and fixed income strategies.

Source: eVestment (Median Returns Net of Fees) – US Large vs. Russell 1000, US Small vs. Russell 2000, International vs. MSCI EAFE, Emerging Markets vs. MSCI EM, and Core Plus vs. Barclays Universal

INITIAL FINDINGS

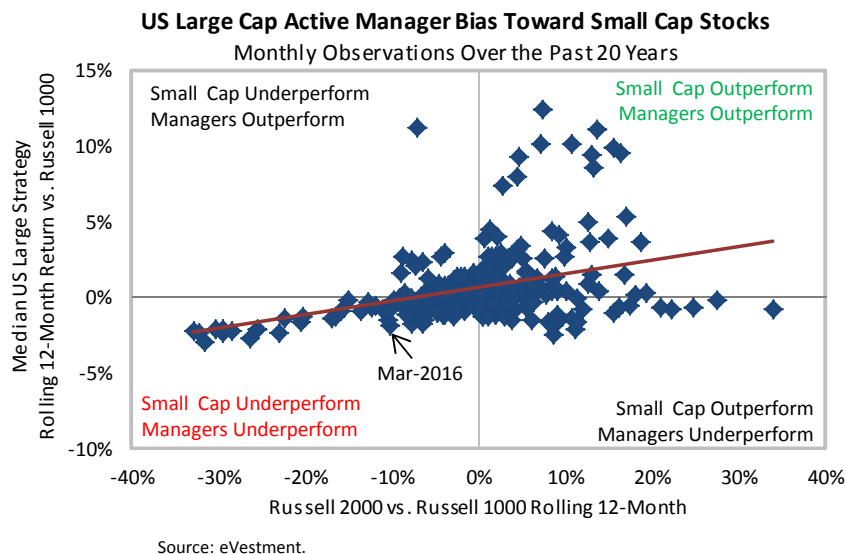
The most challenging asset class to generate consistent manager alpha has been large cap domestic equity.

— This statement applies to both:

- The industry in general, and;
- The Fund's experience.

The following pages contain a “deeper dive” on the dynamics that have potentially produced this situation within the domestic large cap equity space.

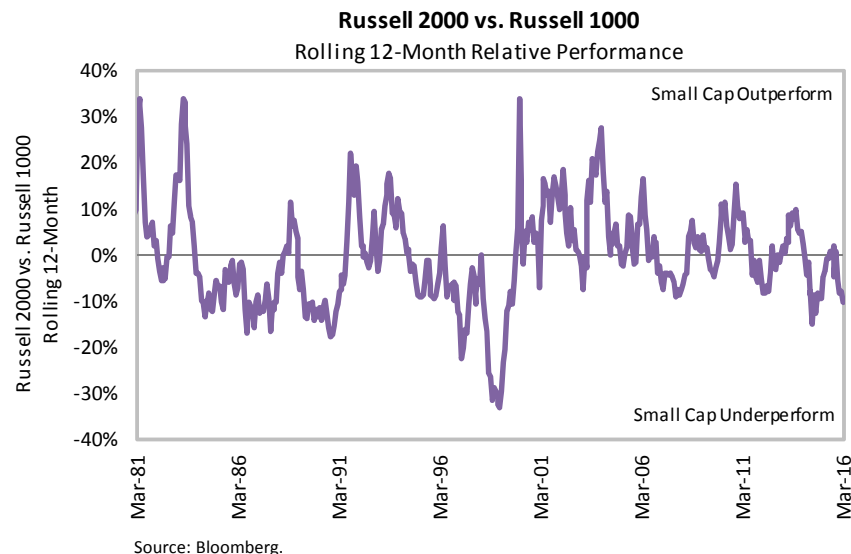
US LARGE CAP ACTIVE MANAGEMENT



Historically there has been a positive relationship between small cap equity performance (vs. large cap) and active manager performance (vs. benchmarks).

- Generally, small cap outperformance has resulted in better active manager performance vs. passive indices.

During the most recent 12-month period, the median US large active manager underperformed by 1.9%, and the Russell 2000 underperformed the Russell 1000 by 10.3%.



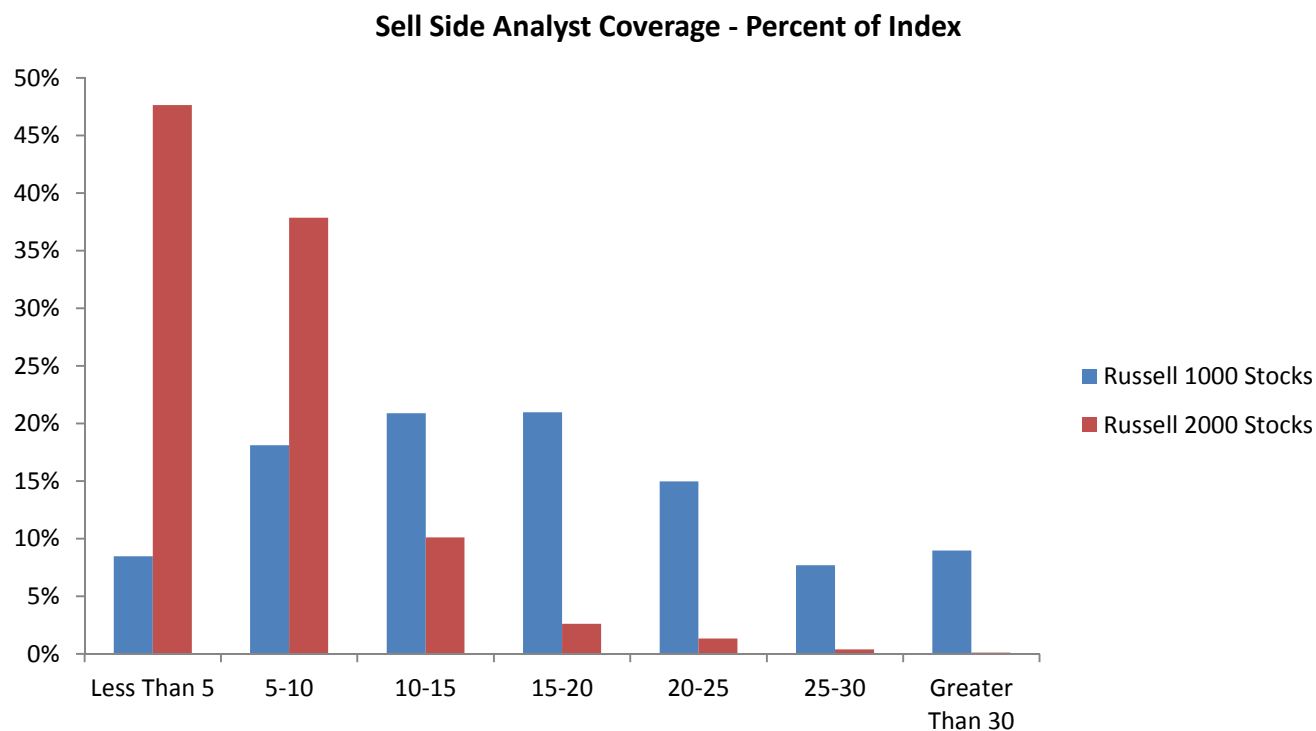
Historically, US small cap stocks have outperformed large cap stocks during 53% of monthly rolling 12-month periods.

At current valuations, US small caps are fairly valued relative to large cap, suggesting small cap performance should not be as much of a drag on active management going forward.

	Russell 2000	Russell 1000	Premium/ Discount
Current PE Ratio	40.5x	20.2x	2.0x
Historical Avg (ex GFC)	36.0x	16.9x	2.1x
Absolute Valuation Premium	12%	19%	

Source: Bloomberg.

US EQUITY SELL SIDE ANALYST COVERAGE: LARGE VERSUS SMALL



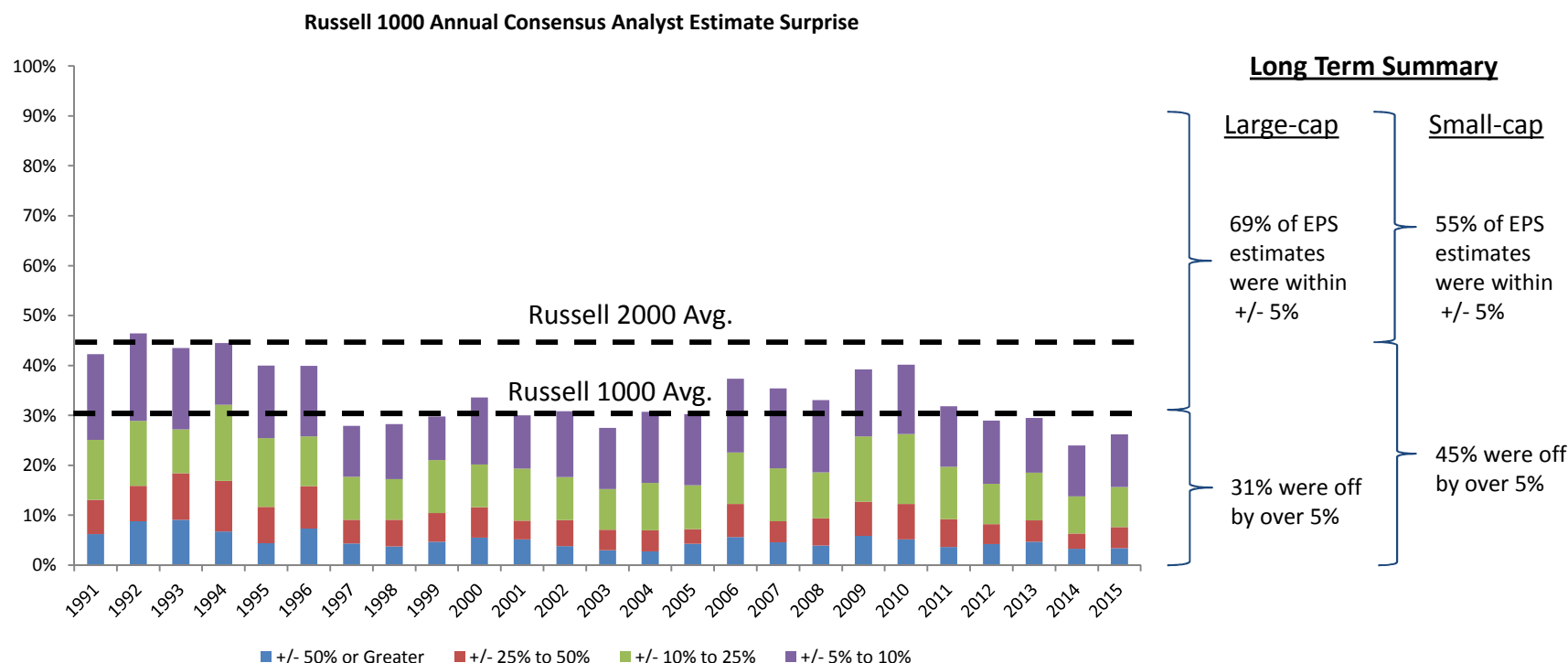
The median stock in the Russell 1000 Index currently has 16 independent sell-side analysts providing an EPS estimate for the next 12-month period. The most noteworthy stocks in the index have as many as 45 estimates – Google 45, Schlumberger 44, Facebook 44, Halliburton 42, Apple 41, Salesforce.com 40, etc.

It is hard to comprehend how an asset management firm can add much value by creating the 42nd opinion on Apple.

Coverage of small-cap stocks is dramatically lower, which is consistent with the less efficient, higher value added reality of the asset class.

— 85% of small cap names have less than ten analysts covering the stock.

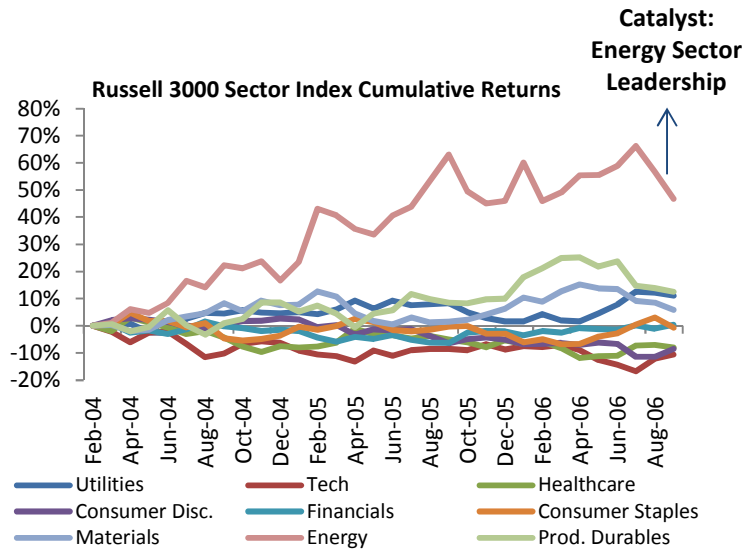
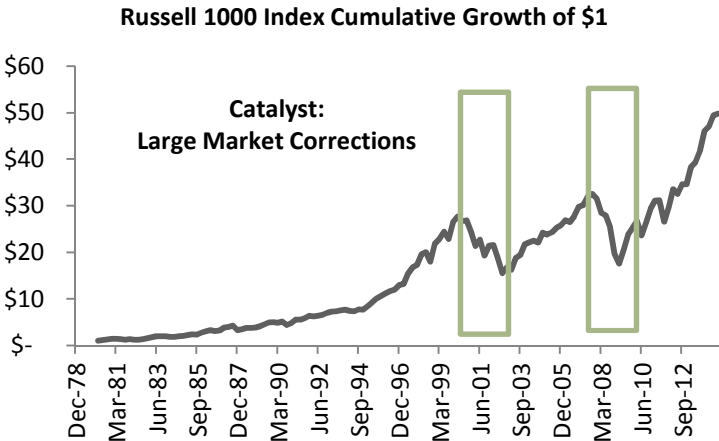
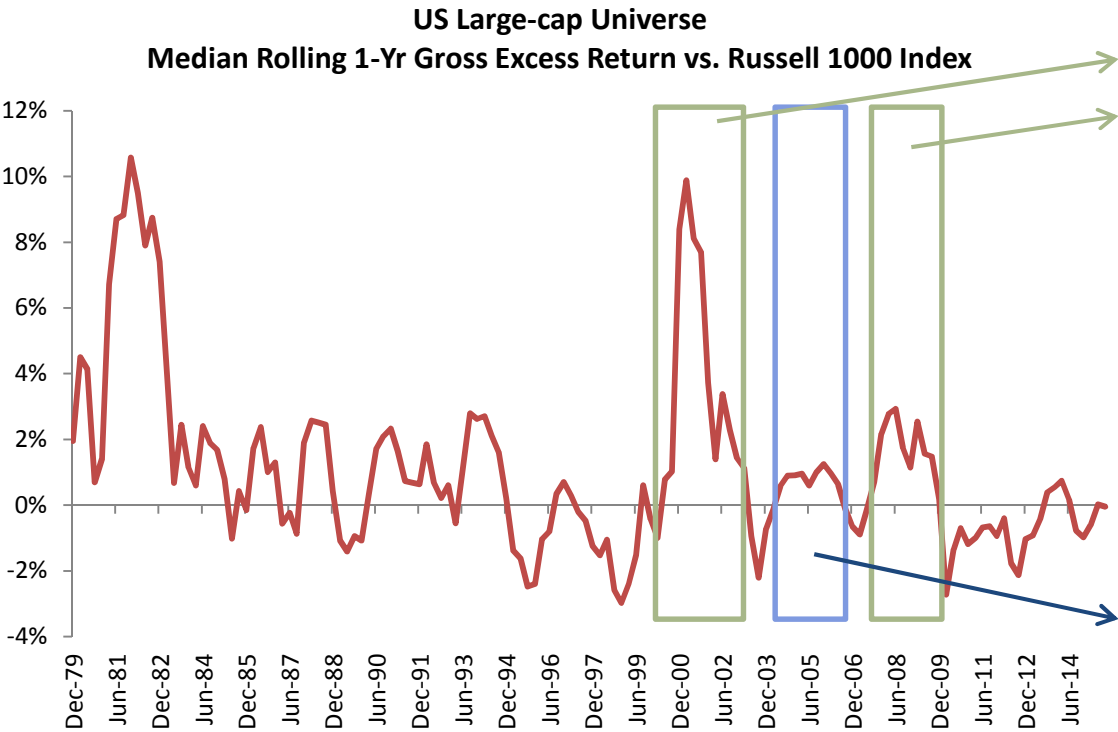
HOW “RIGHT” ARE ANALYSTS? EPS SURPRISE WITHIN LARGE CAP AND SMALL CAP



Fundamental research analysts at asset management firms generally take a view on whether a company is positioned to exceed or miss sell-side analyst estimates. When a company posts results widely off from sell-side estimates, the surprise results often are the catalyst for a large stock price move and future estimate revisions.

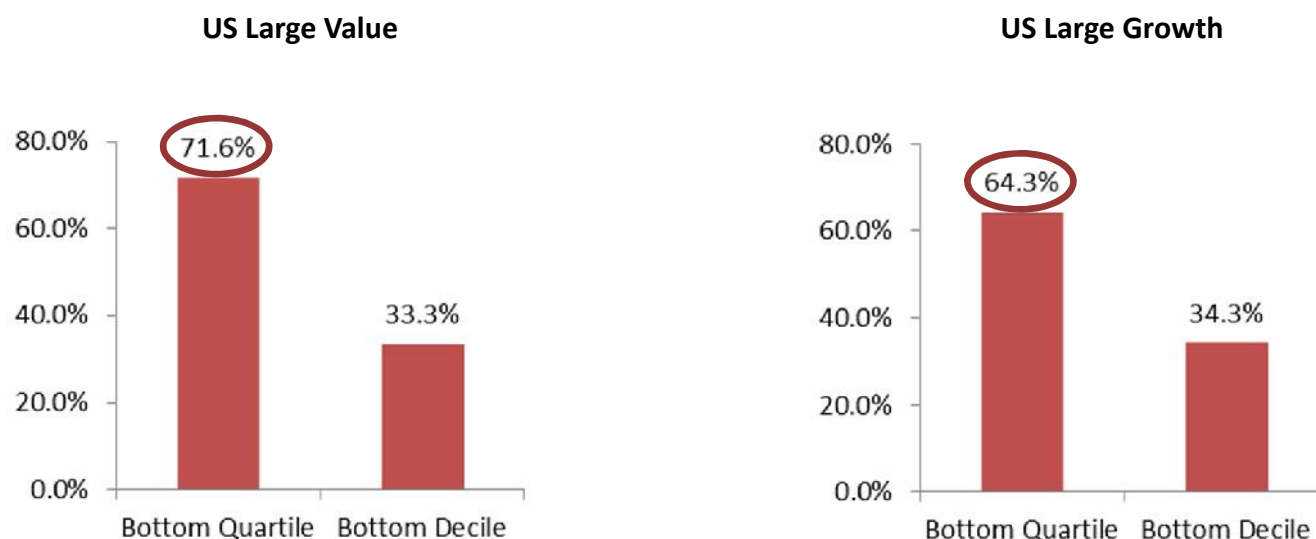
Within the Russell 1000 stock universe, sell-side analysts have historically been very accurate at estimating company results. In 2015, only 254 of the 1000 companies in the index surprised analyst estimates by greater or less than 5%. This implies that the opportunity set for fundamental analysts in US large-cap is fairly small.

MOST RECENT ENVIRONMENTS WHEN ACTIVE MANAGEMENT WORKED



LONG-TERM INVESTING PROOF STATEMENT: EVEN THE GOOD MANAGERS APPEAR “DUMB” SOMETIMES

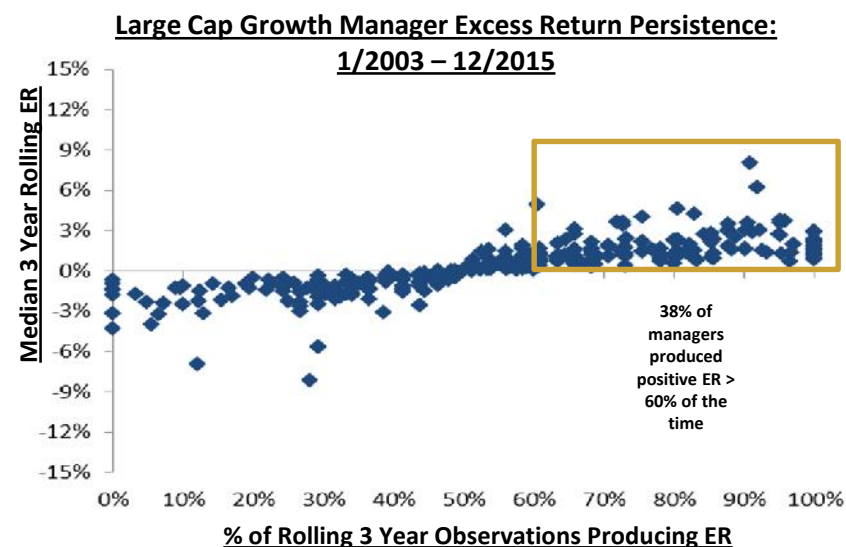
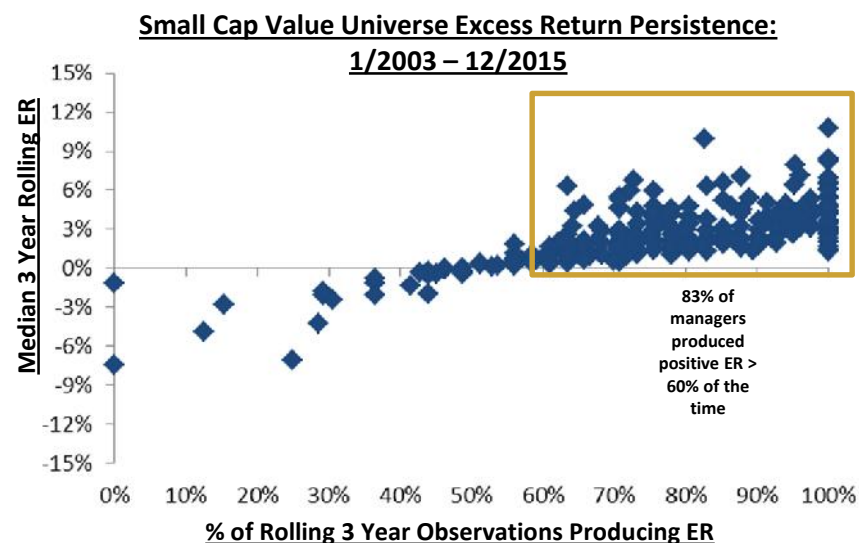
Percentage of Top-Quartile Managers over Most Recent 10 Years Who Ranked Poorly for at Least One 3-Year Period



The most successful large cap strategies over the most recent (March 2016) trailing 10-year period have almost all been significantly out of favor for a period of time.

Investors that have been able to weather the storm and remain invested in these managers have been rewarded; however, many of these managers will admit that a large number of clients hire and fire them at the absolute worst times.

LARGE CAP GROWTH INDEXATION – AN INEXPENSIVE ALTERNATIVE TO ACTIVE MANAGEMENT



Some asset classes (such as small cap value - upper left) are more inefficient, where active managers have more consistently added value over time.

The large cap growth space (upper right) has historically been one of the more difficult asset classes for managers to consistently add value. While Summit still believes alpha in the large cap growth space exists, the evidence is also supportive of the utilization of less expensive, passive alternatives for large cap growth allocations.

Because the asset class is large and liquid, several good options exist that tightly track the Russell 1000 Growth Index.

TAKEAWAYS REGARDING LARGE CAP ACTIVE MANAGEMENT

Unless an investor is willing to embrace the following concepts in implementing an actively managed structure, *there will be a higher likelihood of failure, and the default passive approach would have been preferable:*

- **Patience:** A long-term time horizon is required. No manager can “get it right” all of the time. Tracking error goes both ways, and excess returns are lumpy in markets that are largely efficient.
- **Build a Portfolio of Managers with Diversified Style Biases.** If all strategies in the portfolio outperform during the same type of market environment, they will likely all underperform in a different type of market environment. Proper manager sizing and diversification across styles will allow for a portfolio structure that can weather challenging performance cycles.
- **Avoid Reactionary Responses:** Simply put, chasing recent performance does not work.
- **Rebalancing Can Be Additive to Performance.** If manager excess return expectations are well defined, mean reversion opportunities will present themselves. Taking money from outperforming strategies and giving it to underperforming strategies can only be implemented successfully if an understanding of when each strategy should and has added value is established up-front.
- **Dedicate Resources to the Endeavor:** The successful implementation of such a structure requires that resources are continually dedicated to the oversight of the investment program, allowing for the production of analysis to continue to address if the investment program is on track, even at times when it does not appear at first glance to be on track.

OTHER POSSIBLE APPROACHES

Numerous strategies can be employed to try to improve upon the default position (index management) within domestic large cap.

- We must not lose sight that this is not purely about performance, but we must have an eye towards the volatility and tracking error introduced by moving away from the default position.

Other possible approaches are described on the following page, which generally include:

- Quantitative/enhanced strategies that focus on modest alpha production with tight tracking error.
- A diversified portfolio of very different, very active managers. This type of approach generally produces the most volatile portfolio, with the highest amount of tracking error.
- A core/satellite approach.
 - This approach is a blend of the two strategies described above.
 - This approach utilizes either a passive or quantitative manager to provide the “anchor” within the portfolio to control tracking error, complemented by a select number of managers (sized accordingly) to provide most of the alpha potential.

THE SPECTRUM OF ACTIVE/PASSIVE IMPLEMENTATION OPTIONS

Passive

Investment Goal – Track the desired benchmark.

Pros – Provides low-cost exposure to desired asset class.

Cons – Zero excess return potential and slightly negative excess return net of fees.

Investment Case – Active management and manager selection in US large-cap is challenging and has historically gone through extended periods when it has been out of favor.

Implementation Considerations – Minimize cost and tracking error and maximize liquidity.

Benchmark Aware

Investment Goal – Beat desired benchmark while limiting tracking error.

Pros – Potential excess return upside with limited risk of a blowup.

Cons – Net of fee excess return is low compared to more active strategies.

Investment Case – There have been a number of strategies that have produced very consistent levels of excess return while maintaining low tracking error through high diversification.

Implementation Considerations – Fees matter a lot due to lower expected returns. Many strategies in this category don't explicitly come out and say that this is what they are doing. A large number of strategies in this category fail to outperform.

Very Active

Investment Goal – Beat desired benchmark.

Pros – High potential excess return.

Cons – Excess returns are typically lumpy due to biased investment styles and tracking error is high.

Investment Case – There have been a number of strategies that have been able to deliver very high excess returns when the strategy's style was in favor and kept up with their benchmark in other periods.

Implementation Considerations – Hiring, firing, and reweighting these types of strategies at the right times is extremely important. Utilization of multiple strategies using different investment biases often produces higher risk adjusted returns than a single strategy.

Core/Satellite – utilizes a blend of approaches

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Some asset classes require the use of active management, as passive alternatives do not exist.

For those asset classes where a passive alternative exists, the default position should be passive management.

An investor must be compelled to move away from the default (passive) position.

Industry data indicates that large cap domestic is the most challenging asset class for active management to add value.

Active and passive move into and out of favor over time.

RECOMMENDATIONS

Large Cap:

- Current portfolio combination of active and passive index management is appropriate.
- Passive default is acceptable as well, especially in the large cap growth space.
- Sizing between active and passive should be discussed, as well as timing of possible shifts.

Note: Summit Strategies Group (Summit) has prepared this report for the exclusive use by its clients. The information herein was obtained from various sources, which Summit believes to be reliable, and may contain opinions developed by Summit. Summit does not guarantee the accuracy or completeness of the opinions, observations or other information contained in this report. The opinions, market commentary, portfolio holdings and characteristics are as of the date shown and are subject to change. Past performance is no guarantee of future performance. No graph, chart, or formula can, in and of itself, be used to determine which managers or investments to buy or sell. Any forward-looking projection contained herein is based on assumptions that Summit believes may be reasonable, but are subject to a wide range of risks, uncertainties and the possibility of loss. Accordingly, there is no assurance that any estimated performance figures will occur in the amounts and during the periods indicated, or at all. Actual results and performance will differ from those expressed or implied by such forward-looking projections. Any information contained in this report is for information purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting or investment management.