
**JACKSONVILLE POLICE AND FIRE PENSION FUND
FINANCIAL INVESTMENT AND ADVISORY COMMITTEE
MEETING AGENDA – MARCH 10, 2017 – 3:30PM
RICHARD “DICK” COHEE BOARD ROOM**

PFPF MISSION STATEMENT

To provide long term benefits to participants and their beneficiaries

PRESENT

Eric “Brian” Smith Jr., Chairman
Craig Lewis Sr., Secretary
Tracey Devine, *pending City Council approval*
Rob Kowkabany
Rodney Van Pelt

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator
Dan Holmes, Summit Strategies – *via webex*
Devin Carter, Chief Financial Officer
Steve Lundy, Pension Benefits Specialist / Economic Research Analyst
Debbie Manning, Executive Assistant

CITY REPRESENTATIVES INVITED

Joey Greive, City Treasurer

EXCUSED

NOTE:

Any person requiring a special accommodation to participate in the meeting because of disability shall contact Steve Lundy, Pension Benefits Specialist at (904) 255-7373, at least five business days in advance of the meeting to make appropriate arrangements.

I. CALL TO ORDER

II. PUBLIC SPEAKING PERIOD

III. MEETING SUMMARY TO BE APPROVED

1. Summary of the meeting held February 10, 2017. Copy held in the meeting file.

IV. OLD BUSINESS

V. EXECUTIVE DIRECTOR'S REPORT – *Timothy H. Johnson*

VI. INVESTMENT CONSULTANT REPORTS – *Dan Holmes*

1. Large Cap Growth Search/Review
2. Flash Report – January 31, 2017
3. Economic & Capital Market Review – January 31, 2017
4. Capital Market Snapshot – February 28, 2017

VII. NEW BUSINESS

1. Loomis Sayles Fee Schedule for PFPF & COJ

VIII. 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

**JACKSONVILLE POLICE AND FIRE PENSION FUND
FINANCIAL INVESTMENT AND ADVISORY COMMITTEE (FIAC)
MEETING SUMMARY – FEBRUARY 10, 2017 @ 3:30PM
RICHARD “DICK” COHEE BOARD ROOM**

PFPF MISSION STATEMENT

To provide long term benefits to participants and their beneficiaries

PRESENT

Eric “Brian” Smith Jr., Chairman
Craig Lewis Sr., Secretary
Tracey Devine, *pending City Council approval*
Rob Kowkabany
Rodney Van Pelt

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator – *via webex*
Dan Holmes, Summit Strategies
Devin Carter, Chief Financial Officer
Steve Lundy, Pension Benefits Specialist
Debbie Manning, Executive Assistant

CITY REPRESENTATIVES INVITED

Joey Greive, City Treasurer – *did not attend*

EXCUSED

GUESTS

Eric Smith

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.

I. CALL TO ORDER

CHAIRMAN SMITH CALLED THE MEETING TO ORDER AT 3:35PM.

TRACEY DEVINE HANDED OUT A PUBLICATION TO THE COMMITTEE FOR READING AT THEIR CONVENIENCE.

II. PUBLIC SPEAKING PERIOD

NO REQUESTS FOR PUBLIC SPEAKING. PUBLIC SPEAKING PERIOD CLOSED.

III. APPROVAL OF THE FIAC MEETING SUMMARY FOR DECEMBER 9, 2016, AND SPECIAL MEETING SUMMARY FOR BOARD OF TRUSTEES AND FIAC MEETING HELD ON JANUARY 18, 2017. COPIES HELD IN THE MEETING FILES.

A MOTION WAS MADE BY RODNEY VANPELT TO APPROVE THE FIAC MEETING SUMMARY FOR DECEMBER 9, 2016. SECONDED BY CRAIG LEWIS. VOTE WAS UNANIMOUS.

A MOTION WAS MADE BY RODNEY VANPELT TO APPROVE THE SPECIAL MEETING SUMMARY FOR BOARD OF TRUSTEES AND FIAC MEETING HELD ON JANUARY 18, 2017. SECONDED BY ROB KOWKABANY. VOTE WAS UNANIMOUS.

IV. OLD BUSINESS – *Dan Holmes w Summit*

- Discussion regarding Eagle

DAN HOLMES ADVISED THE COMMITTEE THAT HE IS NOT RECOMMENDING TO TERMINATE EAGLE EVEN THOUGH THEY UNDERPERFORMED FOR THE YEAR. SUMMIT VERIFIED THE PROCESS WITH EAGLE. THEY MADE A MISTAKE IN INTREPRETATION OF INFORMATION.

A MOTION WAS MADE BY RODNEY VANPELT TO ACCEPT THE RECOMMENDATION FROM SUMMIT TO CONTINUE TO RETAIN EAGLE IN THE LARGE CAP VALUE EQUITY. SECONDED BY ROB KOWKABANY. VOTE WAS UNANIMOUS.

- Discussion regarding Brown

DAN HOLMES DISCUSSED BROWN WITH THE COMMITTEE. REASONS FOR UNDERPERFORMANCE WERE SECTOR SELECTION AND STOCK STORIES. THEY HAVE NOT CHANGED THEIR STYLE OR PROCESS.

A RECOMMENDATION FROM SUMMIT TO THE COMMITTEE IS TO TAKE HALF FROM BROWN PORTFOLIO AND MOVE INTO RUSSELL 1000 INDEX. WE SHOULD HAVE A DEFINED TIME PERIOD TO REVISIT IF THINGS DO NOT IMPROVE.

A MOTION WAS MADE BY ROB KOWKABANY TO TERMINATE BROWN AND REDEPLOY FUNDS INTO THE RUSSELL 1000 INDEX. SECONDED BY RODNEY VANPELT. VOTE WAS UNANIMOUS.

A MOTION WAS MADE BY RODNEY VANPELT TO USE NORTHERN TRUST RUSSELL 1000 INDEX FUND TO LIQUIDATE BROWN FUNDS. SECONDED BY CRAIG LEWIS. VOTE WAS UNANIMOUS.

V. EXECUTIVE DIRECTOR'S REPORT – *Timothy H. Johnson*

- Status of City Council Confirmation of Tracey A. Devine

TIM JOHNSON UPDATED THE COMMITTEE THAT HE WAS VERY ENCOURAGED THAT TRACEY DEVINE'S APPOINTMENT TO THE COMMITTEE WOULD BE SWIFT.

TRACEY DEVINE EXPLAINED THAT SHE WOULD MEET WITH THE RULES COMMITTEE. TRACEY HAS THREE MEETINGS SCHEDULED WITH COUNCIL MEMBERS AND ANNA BROSCHE. FEBRUARY 22ND IS THE FORMAL PROCESS WITH RULES COMMITTEE.

TIM ADVISED THAT WE WILL BE HAVING ETHICS TRAINING WITH CARLA MILLER FROM OFFICE OF GENERAL COUNSEL POSSIBLY AFTER THE BOARD OF TRUSTEE MEETING IN MARCH. IF THIS IS NOT CONVENIENT FOR FIAC, MAYBE THIS COULD BE HELD AT ONE OF FIAC'S MEETING IN APRIL.

TIM UPDATED THE COMMITTEE ON THE CITY AND UNION NEGOTIATIONS REGARDING PENSION REFORM. MOVING TOWARDS A PROPOSED SETTLEMENT.

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

- Net of Fee Performance by Asset Class

DAN ADVISED THAT THE NET OF FEE PERFORMANCE BY ASSET CLASS REPORT WAS A RESPONSE TO RODNEY VANPELT'S REQUEST. IS THIS SUITABLE? RODNEY WOULD LIKE TO REVIEW FURTHER.

TRACEY DEVINE SAID THIS IS USER FRIENDLY BUT WHAT WOULD WE DO WITH THIS.

CRAIG LEWIS SAID THIS WAS A GREAT TOOL BUT NEEDS FURTHER DISCUSSION.

- Watch List Discussion

THE WATCH LIST REPORT WAS ALSO REQUESTED BY RODNEY VANPELT. DAN SAID THIS REPORT IS NOT CALLING FOR IMMEDIATE ACTION, BUT UNDERPERFORMANCE WOULD BE IDENTIFIED.

CHAIRMAN SMITH SUGGESTED A SUB-COMMITTEE COMPRISED OF RODNEY VANPELT AND TRACEY DEVINE TO REVIEW THESE TWO REPORTS FURTHER. DISCUSSION SHOULD FOLLOW BETWEEN TIM, DAN, AND THE SUB-COMMITTEE TO KEEP ON TRACK WITH PFPF STATEMENT OF INVESTMENT POLICY, REPORT BACK TO FIAC AT THE APRIL MEETING AS RODNEY WILL NOT BE HERE FOR THE MARCH MEETING.

- Investment Performance Review – 4Q – December 31, 2016

RECEIVED AS INFORMATION

- Asset Allocation Review

RECEIVED AS INFORMATION

- Proposed 2017 Agenda

DAN ADVISED THE COMMITTEE THAT OUR GOAL IS TO COMPLETE REVIEW OF THE PORTFOLIO AND MAKE ANY RECOMMENDATIONS.

VII. NEW BUSINESS

VIII. ADJOURNMENT

CHAIRMAN SMITH ADJOURNED THE MEETING AT 5:05PM.

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.

**TO BE APPROVED AT THE NEXT FIAC
MEETING ON MARCH 10, 2017**

Craig Lewis, FIAC Secretary



Summit Strategies Group

8182 Maryland Avenue, 6th Floor

St. Louis, Missouri 63105

314.727.7211

Large Cap Growth Search/Review

**City of Jacksonville Police & Fire
Pension Fund**

March 2017

BACKGROUND & RECOMMENDATION

Background

- The FIAC has been reviewing the underperformance of Brown Advisory for a number of quarters.
- At the February 10, 2017 FIAC meeting, the FIAC decided to recommend to the Board of Trustees the following actions:
 - Terminate Brown Advisory.
 - Replace them with a Russell 1000 Growth Index fund managed by The Northern Trust.
 - Once the custodian account and necessary contracts are in place have The Northern Trust transition the portfolio.
- The FIAC recommendation was made to the Board of Trustees at its meeting on February 17, 2017.
- The Board of Trustees asked Summit Strategies to bring additional active large cap growth managers for its consideration at the March Board of Trustees meeting.
 - It should be noted the City of Jacksonville Retirement System selected Loomis, Sayles to replace Brown Advisory in February.
- The purpose of today's presentation is to inform the FIAC of active managers Summit will recommend to the Board for consideration and interview and to obtain FIAC comments and considerations relative to these active managers.
- For purposes of comparison, the search book presents information on Brown Advisory and Sawgrass Asset Management, both managers currently in the portfolio.
- For consideration as additional active managers, the search book presents information on the following managers: CastleArk Management, HS Management Partners, Loomis Sayles & Co., and Sustainable Growth Advisors.

Recommendation

- Summit recommends the following managers be interviewed:
 - HS Management
 - Loomis Sayles
 - Sustainable Growth Advisors

POTENTIAL REPLACEMENTS FOR BROWN ADVISORY

MANAGER SEARCH FUNNEL

Large Growth Universe Screen

- Utilize manager database subscriptions, proprietary contacts and relationships to establish the total universe of domestic large cap growth strategies
(355 strategies managed by 231 managers)

Focus List of Managers (Top/Second Tier) - 12

- Identify open strategies that are attractive on the following criteria:
 - Firm – ownership, management, asset flows, legal/regulatory issues
 - People – additions, departures, changes in leadership or responsibilities
 - Portfolio – themes, allocations, performance
- (12 managers)

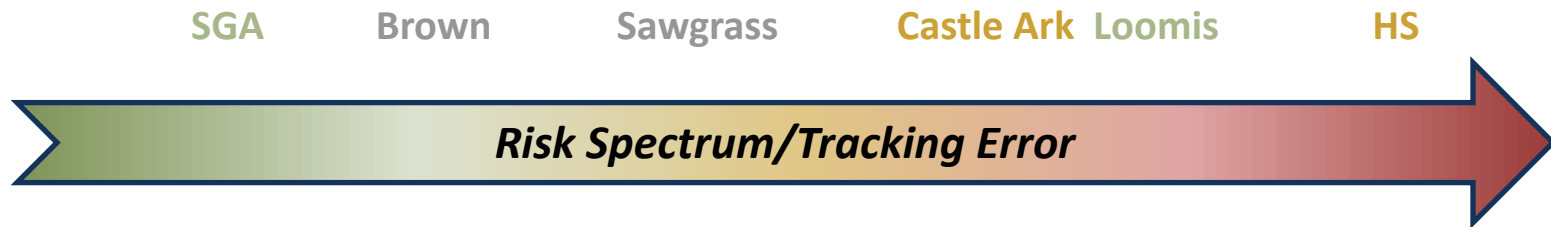
Final Candidates – 6 Products

- | | |
|------------------------------|-------------------------------------|
| • Brown Advisory – Incumbent | • HS Management |
| • Sawgrass – Incumbent | • Loomis Sayles |
| • CastleArk | • Sustainable Growth Advisers (SGA) |

REPLACEMENT OPTIONS FOR THE BROWN ADVISORY ALLOCATION

Risk Spectrum of Large Cap Growth Managers

Top Tier 2nd Tier Client Manager



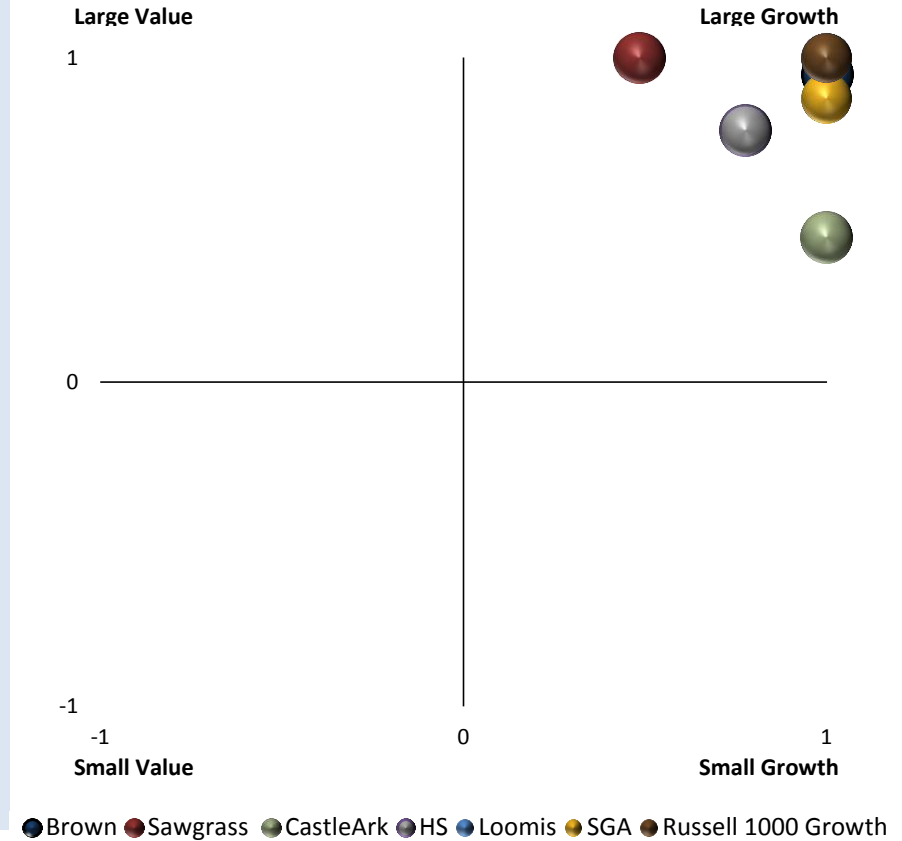
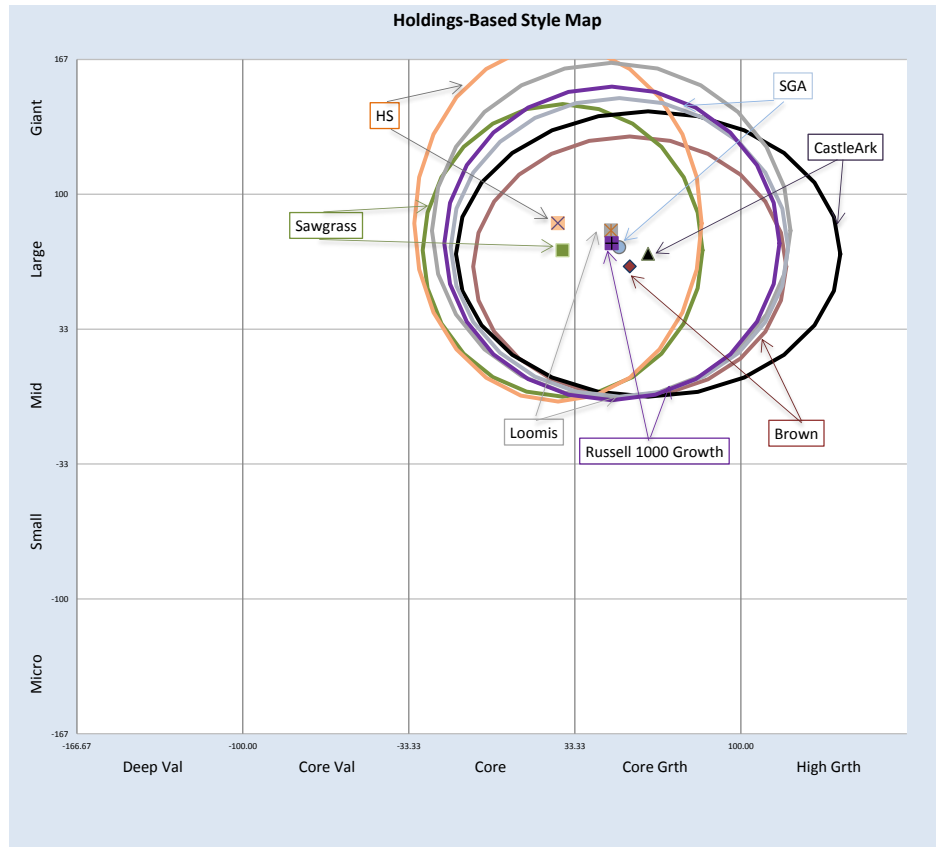
Largest Historical 3-Year Relative Outperformance/Underperformance

	Brown	Sawgrass	CastleArk	HS	Loomis	SGA
Highest Outperformance	10.61%	14.46%	11.51%	5.60%	6.36%	19.29%
Lowest Underperformance	-9.06%	-3.00%	-4.24%	-1.89%	-1.89%	-5.74%

- Managers return profiles come in many forms. Risk can be evaluated by looking at tracking error or by returns associated with a managers best and worst periods.
- All active managers should be expected to outperform/underperform at various points in an investment or economic cycle.
- The table above shows the best/worst benchmark relative 3-year excess returns for each of the managers evaluated.

STYLE CONSISTENCY

- Both Holdings-based and Returns-based style-analysis indicate that the managers are remaining true to their growth processes.
- Style purity is important to maintain diversification and to prevent asset class and risk concentration in portfolios.



EXCESS RETURN CORRELATION VS. CURRENT US EQUITY PORTFOLIO EX BROWN & SAWGRASS

3-Year Excess Return Correlation vs. Russell 3000						
	Brown	Sawgrass	CastleArk	HS	Loomis	SGA
Current US Equity Portfolio ex Brown & Sawgrass	-0.27	-0.65	-0.12	-0.15	-0.31	-0.20

5-Year Excess Return Correlation vs. Russell 3000						
	Brown	Sawgrass	CastleArk	HS	Loomis	SGA
Current US Equity Portfolio ex Brown & Sawgrass	-0.26	-0.60	-0.13	-0.07	-0.13	-0.12

7-Year Excess Return Correlation vs. Russell 3000						
	Brown	Sawgrass	CastleArk	HS	Loomis	SGA
Current US Equity Portfolio ex Brown & Sawgrass	-0.06	-0.44	0.00	-0.14	-0.19	-0.18

10-Year Excess Return Correlation vs. Russell 3000						
	Brown	Sawgrass	CastleArk	HS	Loomis	SGA
Current US Equity Portfolio ex Brown & Sawgrass	0.13	-0.25	0.22	---	-0.03	-0.18

- Each of the managers has historically had a low correlation to the plan's current domestic equity portfolio ex Brown and Sawgrass.

EXCESS RETURN CORRELATION VS. SAWGRASS

3-Year Excess Return Correlation vs. Russell 1000 Growth					
	Brown	CastleArk	HS	Loomis	SGA
Sawgrass	-0.18	-0.29	0.41	-0.33	-0.12

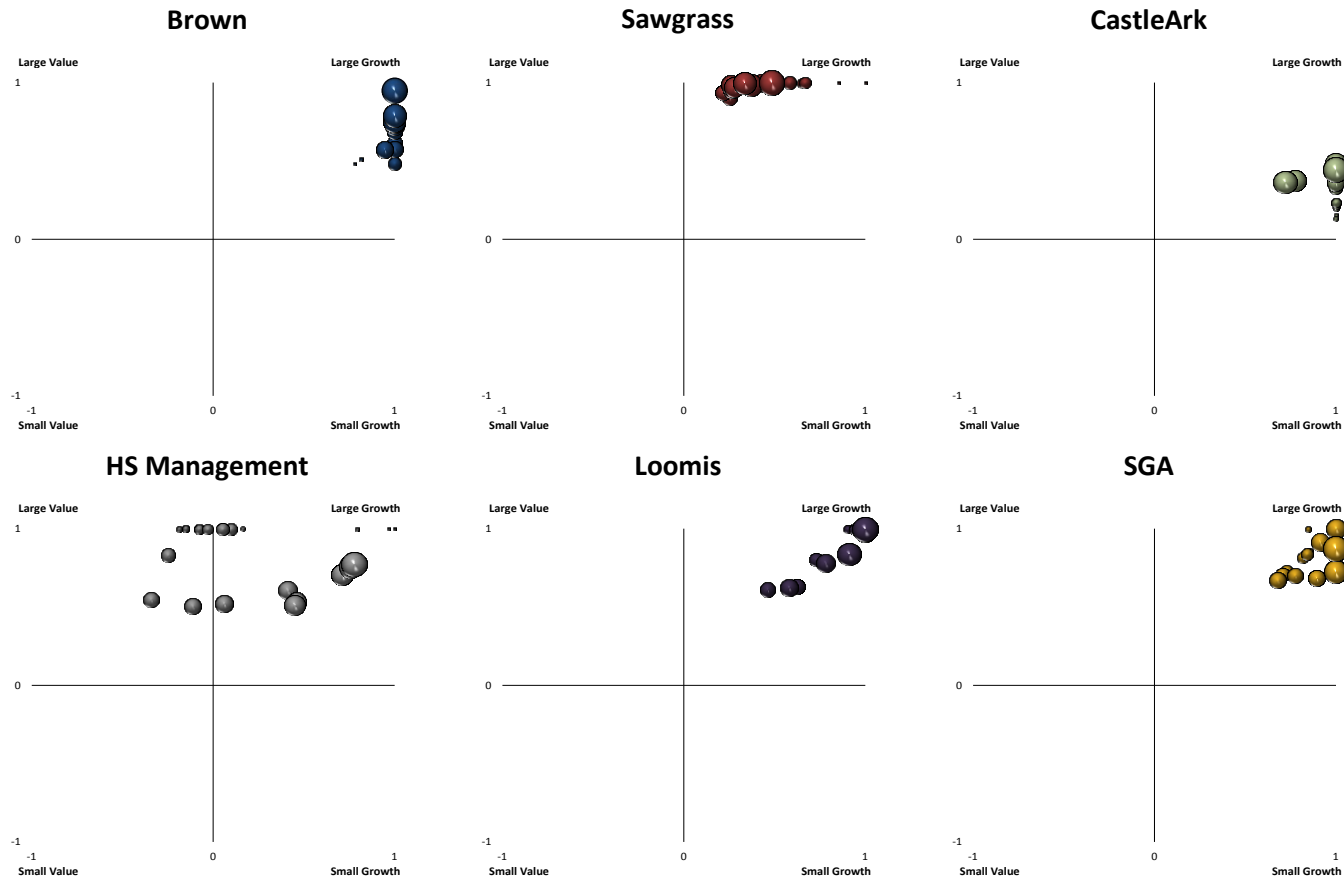
5-Year Excess Return Correlation vs. Russell 1000 Growth					
	Brown	CastleArk	HS	Loomis	SGA
Sawgrass	-0.31	-0.33	0.40	-0.20	-0.11

7-Year Excess Return Correlation vs. Russell 1000 Growth					
	Brown	CastleArk	HS	Loomis	SGA
Sawgrass	-0.26	-0.44	0.42	-0.06	-0.10

10-Year Excess Return Correlation vs. Russell 1000 Growth					
	Brown	CastleArk	HS	Loomis	SGA
Sawgrass	-0.15	-0.46	---	0.25	0.20

- When examining excess return vs. the Russell 1000 Growth correlation, SGA then Loomis have historically been the best diversifier to Sawgrass.

STYLE ANALYSIS, ROLLING THREE-YEAR PERIODS



- The charts above represent each manager's rolling three-year return correlation to the Russell 1000 Value (top left), Russell 1000 Growth (top right), Russell 2000 Value (bottom left), and Russell 2000 Growth (bottom right) over the last forty periods.
- Spheres are sized so that the most recent period's correlation is the largest and the oldest correlation is the smallest.

FEE ANALYSIS

Universe Fees	
Percentiles	\$85 mm
High	17
5th Percentile	39
25th Percentile	50
Median	55
75th Percentile	63
95th Percentile	90
Low	150
Observations	286

Manager Fees	
Strategy	\$85 mm
Brown	55
Sawgrass*	55
CastleArk**	59
HS	68
Loomis***	27
SGA	57

Manager Rank	
Strategy	\$85 mm
Brown	50
Sawgrass*	49
CastleArk**	64
HS	81
Loomis***	1
SGA	62

- The importance of fees cannot be overstated in an asset class that has historically added little to no excess returns after fees.
- Assuming an investment of \$80 million from the City of Jacksonville, Loomis is the most compelling option (from a fee perspective).

*Fee represents Sawgrass's rack rate. Jacksonville Police and Fire has a performance-based fee in place of 0.20% base, 18% of excess return, and max fee of 0.85%.

**CastleArk offers a performance-based fee as well.

***Assumes an investment of \$80 mm from City of Jacksonville.

SIDE BY SIDE COMPARISON

Large Cap Growth Equity								
As of 12/31/16		Brown Advisory	Sawgrass	CastleArk	HS	Loomis	SGA	Russell 1000 Growth
Firm	Headquarters Location	Baltimore, MD	Jacksonville, FL	Chicago, IL	New York, NY	Boston, MA	Stamford, CT	
	Firm Assets	\$25.4B	\$3.8B	\$3.5B	\$3.4B	\$240.2B	\$7.0B	
	Ownership	70% employee owned; 30% owned by Board of Directors, Clients, and Investors	100% employee owned	100% employee owned	100% employee owned	100% owned by Natixis Global Asset Management (NGAM)	76% employee owned; 24% owned by Estancia Capital Management	
	Product Inception Date	March 1993	March 1998	March 1999	April 2007	June 2006	March 2000	
Product	Product Assets	\$12.2B	\$1.9B	\$1.4B	\$3.4B	\$28.0B	\$5.1B	
	Vehicle(s) Available	SA, MF	SA	SA, CF	SA	SA, CF, MF	SA, CF, MF	
	Separate Account Minimum	\$5M	\$1M	\$10M	\$10M	\$20M	\$10M	
	Commingled Fund Minimum	N/A	N/A	\$1M	N/A	\$5M	\$5M	
	Mutual Fund Minimum	\$1M	N/A	N/A	N/A	\$100,000	\$250,000	
Characteristics	Stock Selection Method	Fundamental	Fundamental	Fundamental	Fundamental	Fundamental	Fundamental	Index
	No. of Securities	34	49	47	25	33	30	606
	Portfolio Turnover	30%	40%	101%	66%	9%	39%	N/A
	Wtd Avg Market Cap	\$89.2B	\$160.3B	\$109.4B	\$154.8B	\$143.3B	\$119.0B	\$153.4B
	Dividend Yield	0.43%	1.54%	1.15%	1.70%	1.39%	1.00%	1.58%
	P/E (trailing 12-mo)	32.5x	22.2x	27.0x	25.1x	22.1x	29.6x	23.0x
	P/B Ratio	4.7x	6.4x	4.8x	8.1x	5.0x	5.2x	5.7x

ANNUALIZED RETURNS

Manager vs Benchmark										
As of 12/31/16	1 year		3 years		5 years		7 years		10 years	
Brown Advisory	-2.30%		4.10%		11.40%		11.68%		9.12%	
Sawgrass	6.54%		7.47%		13.96%		12.84%		7.90%	
CastleArk	8.38%		6.34%		12.28%		11.96%		8.06%	
HS	6.93%		7.87%		16.34%		14.84%		N/A	
Loomis	6.54%		9.74%		16.71%		14.11%		11.09%	
SGA	1.79%		6.81%		13.56%		12.22%		8.51%	
Russell 1000 Growth	7.08%		8.55%		14.50%		13.03%		8.33%	
Calendar Year Return										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Brown Advisory	-2.30%	7.81%	7.10%	30.29%	16.73%	0.42%	25.74%	53.82%	-36.00%	12.25%
Sawgrass	6.54%	2.27%	13.91%	35.53%	14.28%	9.29%	10.86%	28.34%	-36.80%	13.18%
CastleArk	8.38%	4.26%	6.42%	30.50%	13.71%	1.30%	22.00%	37.80%	-43.62%	26.75%
HS	6.93%	3.83%	13.03%	31.76%	28.87%	5.55%	17.13%	35.92%	-34.49%	N/A
Loomis	6.54%	11.00%	11.75%	36.83%	19.76%	1.94%	14.13%	41.23%	-28.04%	11.78%
SGA	1.79%	9.38%	9.45%	27.97%	21.09%	4.85%	13.20%	46.25%	-34.21%	4.88%
Russell 1000 Growth	7.08%	5.67%	13.05%	33.48%	15.26%	2.64%	16.71%	37.21%	-38.44%	11.81%

STATISTICAL SUMMARY

As of 12/31/16	Brown Advisory	Sawgrass	CastleArk	HS	Loomis	SGA	Russell 1000 Growth
3 Year Performance:							
Annualized Return	4.1%	7.5%	6.3%	7.9%	9.7%	6.8%	8.6%
Annualized St. Dev	7.5%	5.7%	7.8%	6.0%	8.6%	8.1%	6.5%
Sharpe Ratio	0.53	1.30	0.80	1.29	1.12	0.82	1.29
Tracking Error	3.7%	3.6%	4.1%	5.1%	5.1%	5.2%	0.0%
Info Ratio	-1.19	-0.30	-0.54	-0.14	0.23	-0.34	0.00
Batting Average	41.7%	58.3%	41.7%	41.7%	41.7%	41.7%	0.0%
Up Market Capture	55.6%	85.5%	86.1%	85.8%	100.7%	74.7%	100.0%
Down Market Capture	93.9%	80.7%	134.4%	62.8%	46.4%	57.5%	100.0%
5 Year Performance:							
Annualized Return	11.4%	14.0%	12.3%	16.3%	16.7%	13.6%	14.5%
Annualized St. Dev	11.9%	9.3%	10.7%	8.9%	10.3%	10.0%	9.8%
Sharpe Ratio	0.95	1.49	1.14	1.82	1.62	1.35	1.46
Tracking Error	3.9%	3.3%	3.5%	5.4%	4.6%	4.5%	0.0%
Info Ratio	-0.78	-0.16	-0.63	0.34	0.48	-0.21	0.00
Batting Average	50.0%	55.0%	45.0%	45.0%	55.0%	45.0%	0.0%
Up Market Capture	84.8%	93.3%	90.4%	96.7%	102.5%	83.8%	100.0%
Down Market Capture	122.7%	78.4%	123.7%	5.2%	30.1%	30.7%	100.0%
7 Year Performance:							
Annualized Return	11.7%	12.8%	12.0%	14.8%	14.1%	12.2%	13.0%
Annualized St. Dev	14.9%	11.6%	15.0%	12.1%	13.1%	13.7%	13.3%
Sharpe Ratio	0.78	1.10	0.79	1.22	1.07	0.88	0.97
Tracking Error	4.0%	3.8%	3.8%	4.9%	4.6%	4.0%	0.0%
Info Ratio	-0.34	-0.05	-0.28	0.37	0.24	-0.20	0.00
Batting Average	60.7%	57.1%	50.0%	50.0%	50.0%	50.0%	0.0%
Up Market Capture	94.8%	91.9%	99.7%	97.2%	97.1%	89.3%	100.0%
Down Market Capture	106.1%	81.5%	114.2%	65.6%	76.5%	83.6%	100.0%
10 Year Performance:							
Annualized Return	9.1%	7.9%	8.1%	N/A	11.1%	8.5%	8.3%
Annualized St. Dev	17.9%	14.7%	18.8%	N/A	15.3%	16.4%	16.5%
Sharpe Ratio	0.47	0.49	0.39	N/A	0.68	0.47	0.46
Tracking Error	4.5%	4.0%	4.9%	N/A	5.8%	6.3%	0.0%
Info Ratio	0.18	-0.11	-0.06	N/A	0.48	0.03	0.00
Batting Average	65.0%	52.5%	57.5%	N/A	52.5%	50.0%	0.0%
Up Market Capture	101.8%	89.5%	106.5%	N/A	99.6%	84.9%	100.0%
Down Market Capture	96.0%	88.7%	110.9%	N/A	75.6%	76.2%	100.0%

Returns are gross of fees.

VEHICLE REVIEW

	Brown*	Sawgrass	CastleArk
Type of Fund	SA	SA	SA
Assets	\$10.2 billion	\$1.9 billion	\$1.4 billion
Fee	Accts. <\$50 million: 0.65% on all assets Accts. >\$50 million: 0.55% on all assets Accts. >\$100 million: 0.45% on all assets Accts. >\$150 million: 0.40% on all assets	Base: 0.20% Performance: 18% of Excess Return Max: 0.85%	0.70% on first \$25 mm; 0.60% on next \$25 mm; 0.50% on balance
Allowable Clients	ERISA & Non-ERISA	ERISA & Non-ERISA	ERISA & Non-ERISA
Liquidity	Daily	Daily	Daily
Lock-Ups	None	None	None
Entry/Exit Fees	None	None	None
Gate on Redemptions	None	None	None

*With the City of Jacksonville's reduction of Brown's allocation, fees will increase.

VEHICLE REVIEW (CONTINUED)

	HS	Loomis*	SGA
Type of Fund	SA	CF	SA
Assets	\$3.3 billion	\$844 million	\$4.1 billion
Fee	0.90% on first \$25 mm; 0.70% on next \$25 mm; 0.50% on balance	0.40% on first \$20 mm; 0.30% on next \$80 mm; 0.20% on balance	0.75% on first \$25 mm; 0.50% on next \$75 mm; 0.35% on balance
Allowable Clients	ERISA & Non-ERISA	ERISA Only	ERISA & Non-ERISA
Liquidity	Daily	Daily	Daily
Lock-Ups	None	None	None
Entry/Exit Fees	None	None	None
Gate on Redemptions	None	None	None

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: \$25.4 billion

PRODUCT DETAILS

Inception: March 1993

Assets Under Management: \$12.2 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: 30

Avg. Yrs at Firm: 20

Research Analysts: 25

Avg. Yrs of Experience: 13

Avg. Yrs at Firm: 7

Fee Schedule (SA)**:

Accts. <\$50 million: 0.65% on all assets

Accts. >\$50 million: 0.55% on all assets

Accts. >\$100 million: 0.45% on all assets

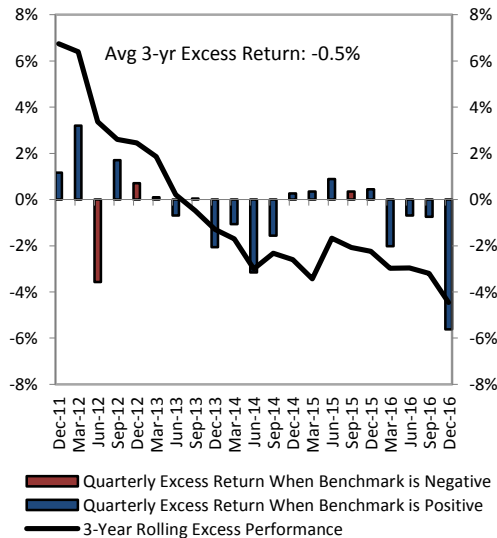
Accts. >\$150 million: 0.40% on all assets

CHARACTERISTICS

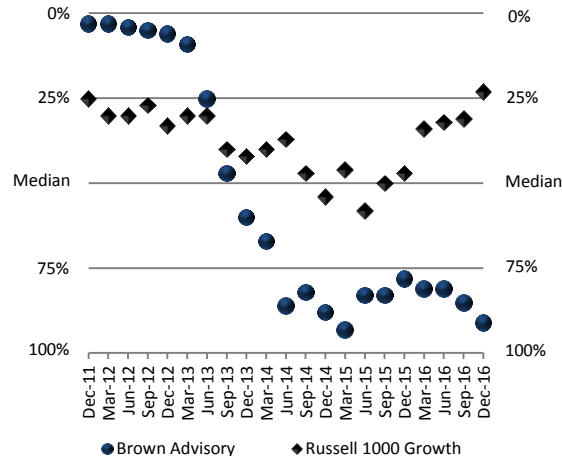
	Portfolio	Benchmark
No of Securities:	34	606
Portfolio Turnover:	29%	N/A
Dividend Yield:	0.4%	1.6%
Equity P/E:	32.5x	23.4x
Avg Market Cap:	\$89.2 billion	\$153.4 billion
Last 3 Years:		
Tracking Error:	3.7%	N/A
Information Ratio:	-1.2	N/A
Sharpe Ratio:	0.5	1.3

ROLLING PERFORMANCE AND RANKINGS

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



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 25 analysts on this team average thirteen years of investment experience and seven 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

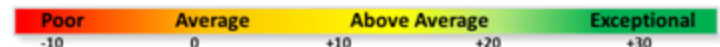
PERSONNEL	-3	-2	-1	0	1	2	3
Staff Depth							
Experience							
Stability							
Support							
TOTAL							+6

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

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

TOTAL QUALITATIVE SCORE:

+25



BROWN ADVISORY, LLC – LARGE CAP GROWTH

Key Differentiator: This team boasts the experience, expertise, and discipline to identify great companies in both traditional and non-traditional growth sectors.

- **Investment Thesis:**

- **Experienced Team** – Ken Stuzin has 30 years of investment experience and has built out an experienced team. Members are encouraged to challenge one another so only the best ideas enter the portfolio.
- **Unique Approach** – Analysts find growth wherever it may be and are not afraid to think outside the box. The firm has a successful track record buying companies with strong business models that translate to sustainable earnings power.
- **Patience** – Even if they favor a particular company's business model, Brown will wait until the valuation multiple makes sense. This has helped to avoid buying companies at peak valuation.

- **Risks/Concerns:**

- **Key Leader** – Ken Stuzin is at the helm of this strategy. Ken Stuzin has an investment acumen and an earned respect within Brown that would be hard to replace.
- **Valuation Sensitivity** – This portfolio is constructed from the bottom-up, which will lead to high tracking error at times. Underperformance can occur if fundamentals and valuation are ignored by the market.

- **Performance Review and Expectations:**

- The excess return target is 200 bps over the Russell 1000 Growth over a full market cycle. Tracking error of roughly 500 bps is expected.
- The portfolio underperformed the Russell 1000 Growth Index by 563 bps in the fourth quarter of 2016 and by 937 bps over the trailing one year. Stock selection was broadly challenged for the quarter and trailing year as no sector added value.

SAWGRASS ASSET MANAGEMENT, LLC – DIVERSIFIED LARGE CAP GROWTH EQUITY

FIRM DETAILS

Address: 1579 The Greens Way
Suite 20
Jacksonville, FL 32250

Phone: 904.493.5500

Asset Class: Large Cap Growth

Benchmark: Russell 1000 Growth

Founded: 1998

Ownership: 100% employee owned

Assets Under Management: \$3.8 billion

PRODUCT DETAILS

Inception: March 1998

Assets Under Management: \$1.9 billion

Vehicles Offered: SA, \$1 million minimum

Portfolio Managers/Dual Role PMs: 5

Avg. Yrs of Experience: 31

Avg. Yrs at Firm: 16

Research Analysts: 1

Avg. Yrs of Experience: 11

Avg. Yrs at Firm: 4

Fee Schedule (SA): 0.70% on first \$10 million
0.60% on next \$20 million
0.50% on balance

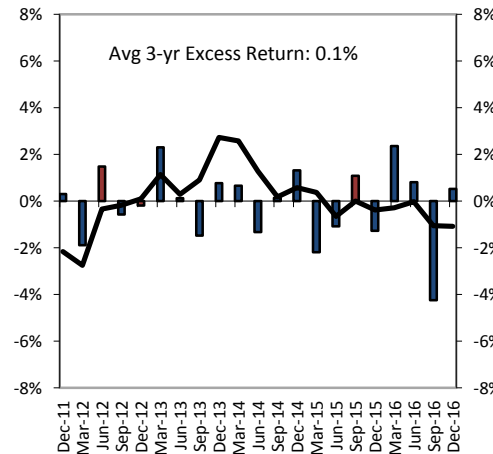
Performance-Based Fee Example:
Base: 0.20%
Share: 20%
Cap: 1.00%

CHARACTERISTICS

	Portfolio	Benchmark
No of Securities:	49	606
Portfolio Turnover:	40%	N/A
Dividend Yield:	1.5%	1.6%
Equity P/E:	22.2x	23.4x
Avg Market Cap:	\$160.3 billion	\$153.4 billion
Last 3 Years:		
Tracking Error:	3.6%	N/A
Information Ratio:	-0.3	N/A
Sharpe Ratio:	1.3	1.3

ROLLING PERFORMANCE AND RANKINGS

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

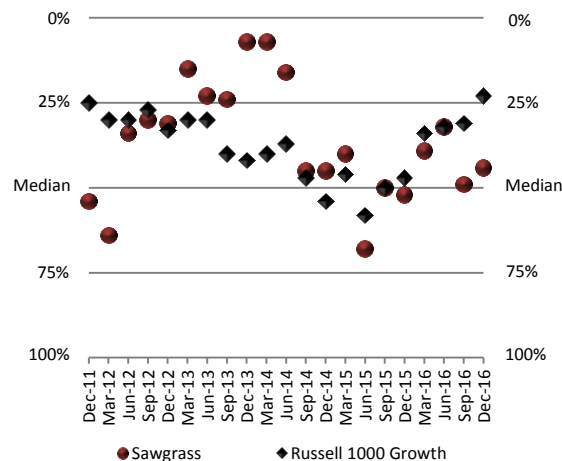


Quarterly Excess Return When Benchmark is Negative

Quarterly Excess Return When Benchmark is Positive

3-Year Rolling Excess Performance

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



QUALITATIVE OVERVIEW

- The firm was founded in 1998 by three principals and five other investment professionals which had previously worked together at Barnett Capital Advisors, the investment management arm of Barnett Bank. Their money management experience dates back to 1983, whereas their decision to form their own firm resulted from the 1997 acquisition of Barnett by NationsBank.
- The firm's three founding principals, Andrew Cantor, Dean McQuiddy, and Brian Monroe, own the controlling interest of the firm. Control has remained constant with the only change being a broadening of inside ownership as the total partner stake has increased from its original allotment of 50%. The firm is now 100% employee owned by seven staff members, following the '06 buyout of outside silent partner and seed investor, AmSouth Bank.
- By combining quantitative models with bottom-up fundamental research in a consistent and structured investment discipline, the strategy focuses on companies with greater earnings potential than the market, looking for the most successful and fastest growing companies. Factors crucial in their analysis are earnings momentum, earnings estimates, and reasonable valuation relative to the Russell 1000 Growth Index.
- This is a team approach with Martin LaPrade being the ultimate decision maker. Portfolios exhibit characteristics consistent with a quality growth style, with low tracking error, and volatility statistics. The firm's primary objective is to provide growth exposure, while adding value by avoiding torpedo stocks and preserving capital.

QUALITATIVE RANKING

FIRM	-2	-1	0	1	2
Empl Ownership					●
Mgmt Consistency					●
Integration					●
Cost					●
Litigation					●
Responsiveness					●
TOTAL					+9

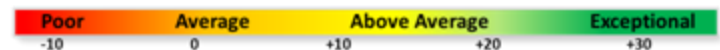
PRODUCT	-2	-1	0	1	2
History					●
Size					●
Growth					●
Asset Split					●
TOTAL					+5

TOTAL QUALITATIVE SCORE:

+28

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

PHILOSOPHY	-3	-2	-1	0	1	2	3
Philosophy							●
Purchase Discipline							●
Sell Discipline							●
Research							●
Trading Skills							●
Decision Process							●
Characteristics							●
TOTAL							+8



SAWGRASS ASSET MANAGEMENT, LLC – LARGE CAP GROWTH EQUITY

Key Differentiator: Offers consistent growth exposure with significantly less volatility than the index and peers.

- **Investment Thesis:**

- **Low Volatility Approach** – The strategy's volatility is among the lowest in the large cap growth universe. The approach focuses on fundamentals and financial statement analysis to uncover potential blowups before they get into the portfolio.
- **Experienced Team** – Portfolio Managers Marty LaPrade and Dean McQuiddy have run growth portfolios together for over two decades and have 38 and 33 years of investment experience, respectively. They have each seen multiple investment market cycles and have demonstrated the ability to add value.
- **Client-Centric Firm** – The firm excels in client service and communication has been superb. In addition, the firm is very accommodative to fee negotiations and is open to performance based fees.
- **Downside Market Performance** – The firm prides itself on capital preservation. Downside market capture is key to avoiding permanent losses in capital and Sawgrass has a demonstrated history of protecting in down markets.

- **Risks/Concerns:**

- **Momentum** – This strategy will likely not keep pace during a momentum-driven or low-quality market run as their valuation discipline has the team selling names as they reach valuation targets.

- **Performance Review and Expectations:**

- The portfolio outperformed the Russell 1000 Growth by 52 bps gross of fees in the fourth quarter. Stock selection in technology, healthcare, consumer discretionary and consumer staples drove underperformance for the quarter. For the trailing year, the strategy underperformed the benchmark by 54 bps gross of fees. For the year, strong stock selection in technology, healthcare, and consumer discretionary contributed to performance, while asset weighting in consumer staples and energy detracted from performance.
- There is not a high excess return target for this strategy, nor is high tracking error expected. Sawgrass is expected to provide around 100 basis points of net excess return with less volatility than the benchmark and do well during both growth and value market cycles.

CASTLEARK MANAGEMENT, LLC – LARGE CAP GROWTH EQUITY

FIRM DETAILS

Address: 1 N. Wacker Drive
Suite 3950
Chicago, IL 60606

Phone: 312.456.9682

Asset Class: Large Cap Growth

Benchmark: Russell 1000 Growth

Founded: 1999

Ownership: 100% employee owned

Assets Under Management: \$3.5 billion

PRODUCT DETAILS

Inception: March 1999

Assets Under Management: \$1.4 billion

Vehicles Offered: SA, CF

Separate Account Minimum: \$10 million

Commingled Fund Minimum: \$1 million

Portfolio Managers/Dual Role PMs: 3

Avg. Yrs of Experience: 35

Avg. Yrs at Firm: 16

Research Analysts: 2

Avg. Yrs of Experience: 9

Avg. Yrs at Firm: 9

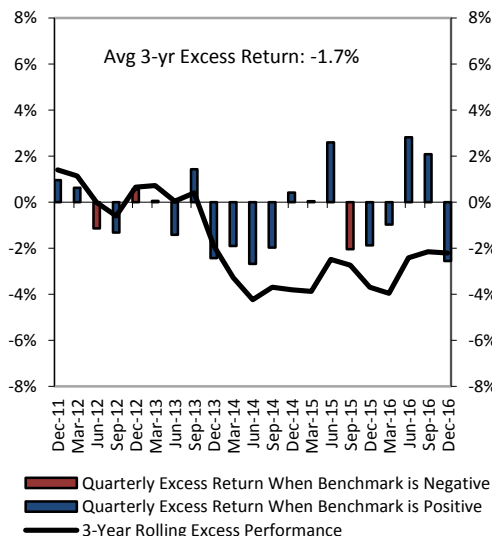
Fee Schedule (SA*): 0.70% on first \$25M
0.60% on next \$25M
0.50% on balance
(Performance-based fees are available)
(CF): 0.50% on all assets

CHARACTERISTICS

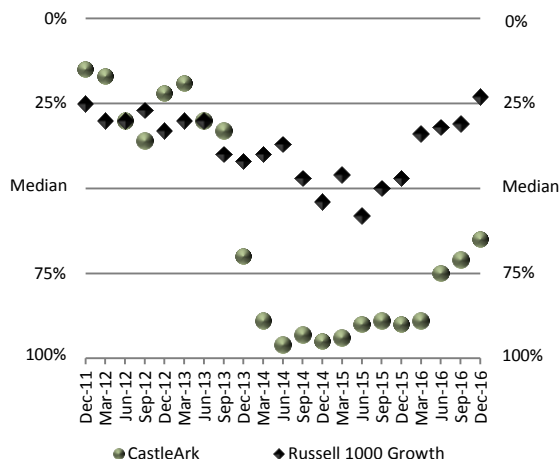
	Portfolio	Benchmark
No of Securities:	47	606
Portfolio Turnover:	101%	N/A
Dividend Yield:	1.1%	1.6%
Equity P/E:	27.0x	23.4x
Avg Market Cap:	\$109.4 billion	\$153.4 billion
Last 3 Years:		
Tracking Error:	4.1%	N/A
Information Ratio:	-0.54	N/A
Sharpe Ratio:	0.8	1.3

ROLLING PERFORMANCE AND RANKINGS

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



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



QUALITATIVE OVERVIEW

- CastleArk is a 100% employee-owned firm that was founded by a former Loomis Sayles team. The large cap growth product is managed using the same approach.
- Bob Takazawa serves as the lead manager and works with Scott Pape, Jerry Castellini, and Rick Drake in setting overall risk and sector allocations for the portfolio. The team is well experienced, and most of the investment professionals have worked together for more than two decades.
- The investment process is driven by an understanding of growth throughout the lifecycle of a company. The CastleArk team believes that all companies' earnings trends follow select lifecycle phases. They believe that the phase a company is in plays a dominant role in the stock's current and future valuation, thereby providing a more accurate means of matching company fundamentals with stock price behavior. Using this philosophy, portfolios are built in three steps: qualitative identification of dominant companies, valuation analysis relative to a company's lifecycle position, and diversifying with sensitivity to sector, liquidity, and life cycle.
- Portfolios will consist of 40-55 names and generally have a stronger growth orientation relative to the index. Risk controls are stated in both traditional terms and relative to the lifecycle stages. Portfolio allocation is broken down into three buckets: emerging growth: 8-25% (1.0-2.5% positions), consistent growth: 30-60% (2.5-5.0% positions), and cyclical growth: 25-55% (2.0-4.0% positions).

QUALITATIVE RANKING

FIRM	-2	-1	0	1	2
Empl Ownership					
Mgmt Consistency					
Integration					
Cost					
Litigation					
Responsiveness					
TOTAL					+9

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

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

PHILOSOPHY	-3	-2	-1	0	1	2	3
Philosophy							
Purchase Discipline							
Sell Discipline							
Research							
Trading Skills							
Decision Process							
Characteristics							
TOTAL							+8

TOTAL QUALITATIVE SCORE:

+26



CASTLEARK MANAGEMENT, LLC – LARGE CAP GROWTH EQUITY

Key Differentiator: A highly experienced team that takes a unique approach to growth investing with their lifecycle method of valuation.

- **Investment Thesis:**

- **Team Continuity and Experience** – Portfolio Managers Bob Takazawa, Jerry Castellini, and Scott Pape have managed the strategy since the firm's founding in 1999, in addition to their tenure at Loomis, Sayles & Company. The portfolio management team averages 35 years of experience over several market cycles.
- **Lifecycle Approach** – Company valuation is dependent on the earnings phase that a company is experiencing. The CastleArk process is designed to capture the mismatch between the multiple assigned by the market and the lifecycle-derived valuation.
- **Defined Asset Cap** – The members left Loomis due to excessive asset gathering, which they believed harmed performance. This team wants to avoid the potential for alpha deterioration and has stated that they intend to close the product at \$5 billion.

- **Risks/Concerns:**

- **Benchmark Risk** – This portfolio is constructed from the bottom-up, and it is common for the portfolio to look very different from the benchmark. The strategy does have risk controls in place, but annualized tracking error in excess of 500 bps should be expected.
- **Product Dependability** – Representing over half of the firm's existing assets under management, CastleArk is highly dependent on the large growth strategy. The firm launched a small growth strategy in 2007 to help diversify the firm's revenue stream; this product has experienced a pick-up in asset growth recently.

- **Performance Review and Expectations:**

- The strategy underperformed the Russell 1000 Growth index in the fourth quarter by 256 bps gross of fees. Underperformance for the quarter was driven by poor stock selection in technology, health care, and energy. For the trailing year, an overweight to energy combined with strong stock selection in the sector led to the strategy outperforming the Russell 1000 Growth by 130 bps. The strategy lags over the trailing 3, 5, 7, and 10 years.
- The excess return target is 100-200 bps over the Russell 1000 Growth over a market cycle. Tracking error of 400 to 700 bps is expected.
- The Russell 1000 Growth index has been a difficult benchmark for active large cap growth managers to outperform over the last five-years with the index being close to a top-quartile performer through much of that time.

HS MANAGEMENT PARTNERS, LLC – CONCENTRATED QUALITY GROWTH EQUITY

FIRM DETAILS

Address: 640 Fifth Avenue, 18th floor
New York, NY 10019

Phone: 212.888.0060

Asset Class: Large Cap Growth

Benchmark: Russell 1000 Growth

Founded: 2007

Ownership: 100% employee owned

Assets Under Management: \$3.4 billion

PRODUCT DETAILS

Inception: April 2007

Assets Under Management: \$3.4 billion

Vehicles Offered: SA (\$10 million minimum)

Portfolio Managers/Dual Role PMs: 1

Avg. Yrs of Experience: 35

Avg. Yrs at Firm: 10

Research Analysts: 6

Avg. Yrs of Experience: 22

Avg. Yrs at Firm: 7

Fee Schedule (SA): 0.90% on first \$25 million
0.70% on next \$25 million
0.50% on balance

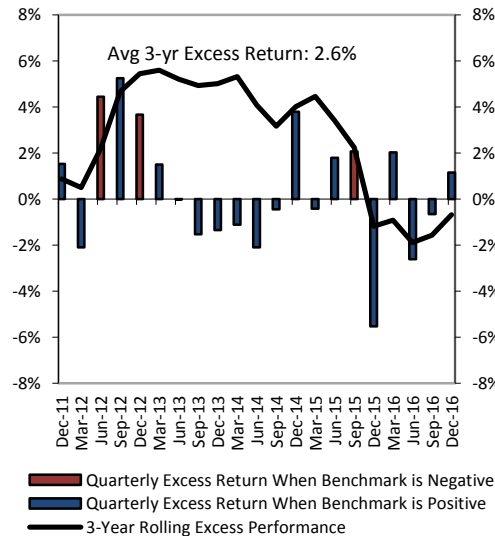
(Performance-based fees are not available)

CHARACTERISTICS

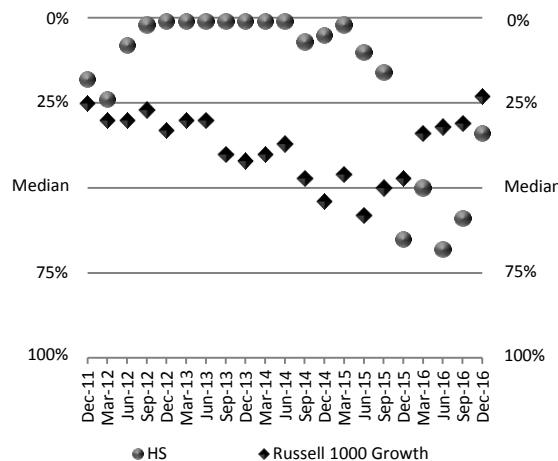
	Portfolio	Benchmark
No of Securities:	25	606
Portfolio Turnover:	66%	N/A
Dividend Yield:	1.7%	1.6%
Equity P/E:	25.1x	23.4x
Avg Market Cap: \$154.8 billion		\$153.4 billion
Last 3 Years:		
Tracking Error:	5.1%	N/A
Information Ratio:	-0.14	N/A
Sharpe Ratio:	1.3	1.3

ROLLING PERFORMANCE AND RANKINGS

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



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



QUALITATIVE OVERVIEW

- In 2007, senior investment professionals lifted out of W.P. Stewart to form HS Management Partners, a 100% employee-owned firm. There are four equity holders, including the three portfolio managers and the Director of Client Development. The firm has one offering, the Concentrated Quality Growth strategy, which has experienced strong growth since inception.
- Harry Segalas, former CIO of W.P. Stewart, and David Altman, former Director of Research, managed large growth assets together for 13 years before forming HS Management Partners. Including Greg Nejme, the Portfolio Management team averages over 30 years of investment experience. The bulk of the investment decision making is by the portfolio managers with final authority by Harry Segalas.
- This is a bottom-up, fundamental, benchmark agnostic, and concentrated investment approach. The team will invest down in market cap to as low as \$1 billion and can invest up to 30% outside the U.S. The team will invest across the growth spectrum from established franchises to up-and-coming businesses with higher growth potential. Attractive securities will have global platforms with defensible moats, new market opportunities, strong and sustainable earnings, and good management teams. The majority of research is concentrated on a 50-stock focus list, from which the team focuses on execution of the business model and long-term potential. Securities are continuously scrutinized on a 12-month forward P/E, free cash flow yield, and private market value; valuation is highly emphasized.
- The portfolio holds 20 to 25 stocks. Portfolio turnover averages 70 to 100%. The portfolio can vary significantly from the Russell 1000 Growth in terms of market cap distribution, sector allocation, and its investment in non-U.S. securities.

QUALITATIVE RANKING

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

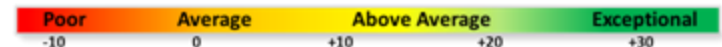
PRODUCT	-2	-1	0	1	2
History					
Size					
Growth					
Asset Split					
TOTAL					+5

TOTAL QUALITATIVE SCORE:

+26

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

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



HS MANAGEMENT PARTNERS, LLC – CONCENTRATED QUALITY GROWTH EQUITY

Key Differentiator: A true high conviction portfolio run by a collaborative, passionate, and experienced team.

- **Investment Thesis:**

- **High Collaboration on Research** – Every team member knows every position at this single-product shop. The team will bring two or three investment professionals to company management visits providing additional experience and perspective by the team.
- **Discipline on Valuation** – The team emphasizes valuation (forward P/E, free cash flow yield, and private market value) and continuously evaluates current portfolio positions relative to their focus list opportunities.
- **Continuity of Process** – Portfolio Manager, Harry Segalas was Chairman and CIO and Portfolio Manager, David Altman was Director of Research of their prior firm, W.P. Stewart. Harry, David, and Portfolio Manager, Robert Gebhart managed in excess of \$8 billion in concentrated large growth assets in a similar investment process before founding HS Management Partners in 2007.
- **Experience Relative to Peers** – Portfolio managers, Harry Segalas, David Altman, and Greg Nejmech each have over 30 years of investment experience and have born witness to multiple market cycles.

- **Risks/Concerns:**

- **Benchmark Agnostic Approach** – The portfolio may exhibit high tracking error: there are no sector constraints; there is an allowance for up to 30% in non-U.S. securities; and the team can opportunistically and meaningfully invest in companies with a market cap as low as \$1 billion. The team avoids commodity-like sectors (Energy) as well as many financial stocks; this could present a headwind in narrow markets favoring those areas. To be sure, the historic volatility of the portfolio has been low relative to most large growth peers (ranked in the bottom decile over 3- and 5-year periods). This team emphasizes the preservation of client capital.
- **Above Average Fee** – For accounts less than \$25 million, the firm charges 90 bps. For accounts over \$25 million, the tier of 70 bps is above the universe average.

- **Performance Review and Expectations:**

- The strategy outperformed the Russell 1000 Growth by 115 bps in the fourth quarter, but underperformed by 15 bps over the trailing year. Outperformance for the quarter was driven by strong stock selection in consumer discretionary. For the year, strong stock selection in consumer discretionary contributed to performance, while weak stock selection in technology detracted from performance.
- The portfolio has no excess return target; however, long-term results (including the record at W.P. Stewart) average 300 bps (gross) over the Russell 1000 Growth. HS Management is patient on long-term growth stories.

LOOMIS, SAYLES & COMPANY, L.P. – LARGE CAP GROWTH

FIRM DETAILS

Address: 1 Financial Center,
Boston, MA 02111

Phone: 617.482.2450

Asset Class: Large Cap Growth

Benchmark: Russell 1000 Growth

Founded: 1926

Ownership: 100% owned by Natixis Global
Asset Management

Assets Under Management: \$240.2 billion

PRODUCT DETAILS

Inception: June 2006

Assets Under Management: \$28.0 billion

Vehicles Offered: SA, CF, MF

Separate Account Minimum: \$20 million

Commingled Fund Minimum: \$5 million

Mutual Fund Minimum: \$100,000

Portfolio Managers/Dual Role PMs: 1

Avg. Yrs of Experience: 23

Avg. Yrs at Firm: 6

Research Analysts: 6

Avg. Yrs of Experience: 10

Avg. Yrs at Firm: 5

Fee Schedule (CF*): 0.40% on first \$20 million
0.30% on next \$80 million
0.20% on the balance

(Performance-based fees are available)

(MF): 0.85% on all assets

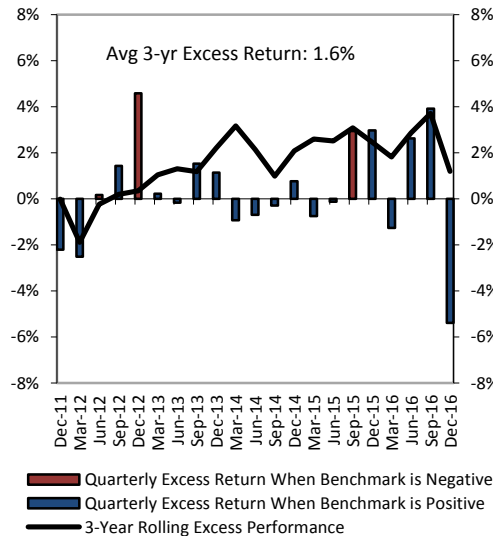
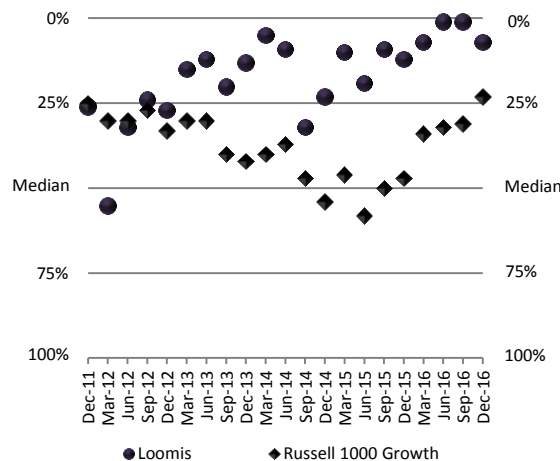
CHARACTERISTICS

	Portfolio	Benchmark
No of Securities:	33	606
Portfolio Turnover:	9%	N/A
Dividend Yield:	1.4%	1.6%
Equity P/E:	22.1x	23.4x
Avg Market Cap:	\$143.3 billion	\$153.4 billion
Last 3 Years:		
Tracking Error:	5.1%	N/A
Information Ratio:	0.2	N/A
Sharpe Ratio:	1.1	1.3

Returns are gross of fees.

*City of Jacksonville negotiated fee schedule.

ROLLING PERFORMANCE AND RANKINGS

Three-Year Rolling/Quarterly Excess Performance
vs. Russell 1000 Growth IndexManager vs. Large Cap Growth Universe
Rolling Three-Year Periods

QUALITATIVE OVERVIEW

- Loomis Sayles & Company, L.P. is wholly owned by Natixis Global Asset Management, L.P., which is the US-based subsidiary of Natixis that is based in Paris, France. The Large Cap Growth team was created in May of 2010 when Portfolio Manager Aziz Hamzaogullari and three analysts, Brian Coyle, Peter Linnard, and Rayon Ward, departed Evergreen Investments.
- The Large Cap Growth strategy has been managed by Aziz Hamzaogullari and three dedicated analysts since the strategy's mid-2006 inception at Evergreen Investments. Since coming to Loomis Sayles, the team added Research Analysts Igor Chan and Ryan Hill, as well as Research Associate Larry Keegan. The strategy is effectively closed to new clients. All potentially new institutional accounts must be funded by 5/1/17.
- Loomis uses a long-term private equity approach to investing. They seek high-quality businesses with sustainable competitive advantages and profitable growth trading at a significant discount to intrinsic value. The team seeks to identify potentially unique elements of a company's business model and its ability to defend competitive advantages. They require at least a 2:1 upside-to-downside, reward-to-risk opportunity.
- The team looks to manage a portfolio of 30-40 stocks that are diversified by business drivers. Because business drivers are imperfectly correlated, the positive impact of one may offset the negative impact of another. At any given time, there will be no more than 15-20% exposure to the same business driver. Turnover ranges from 10%-25%.

QUALITATIVE RANKING

FIRM	-2	-1	0	1	2
Empl Ownership					
Mgmt Consistency					
Integration					
Cost					
Litigation					
Responsiveness					
TOTAL					+4

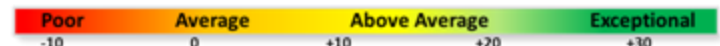
PRODUCT	-2	-1	0	1	2
History					
Size					
Growth					
Asset Split					
TOTAL					+3

TOTAL QUALITATIVE SCORE:

+23

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

PHILOSOPHY	-3	-2	-1	0	1	2	3
Philosophy							
Purchase Discipline							
Sell Discipline							
Research							
Trading Skills							
Decision Process							
Characteristics							
TOTAL							+10



SUSTAINABLE GROWTH ADVISERS, LP – FLAGSHIP US LARGE CAP GROWTH EQUITY

FIRM DETAILS

Address: 3 Stamford Plaza, Suite 1310
Stamford, CT 06901

Phone: 203.348.4742

Asset Class: Large Cap Growth

Benchmark: Russell 1000 Growth

Founded: 2003

Ownership: 76% employee owned;
24% owned by Estancia Capital

Assets Under Management: \$7.0 billion

PRODUCT DETAILS

Inception: March 2000

Assets Under Management: \$5.1 billion

Vehicles Offered: SA, CF, MF

Separate Account Minimum: \$10 million

Commingled Fund Minimum: \$5 million

Mutual Fund Minimum: \$250,000

Portfolio Managers/Dual Role PMs: 3

Avg. Yrs of Experience: 33

Avg. Yrs at Firm: 13

Research Analysts: 6

Avg. Yrs of Experience: 20

Avg. Yrs at Firm: 8

Fee Schedule (SA): 0.75% on first \$25 million
0.50% on next \$75 million
0.35% on balance

(CF): 0.80% on first \$50 million
0.65% on next \$50 million
0.55% on next \$100 million
0.50% on balance

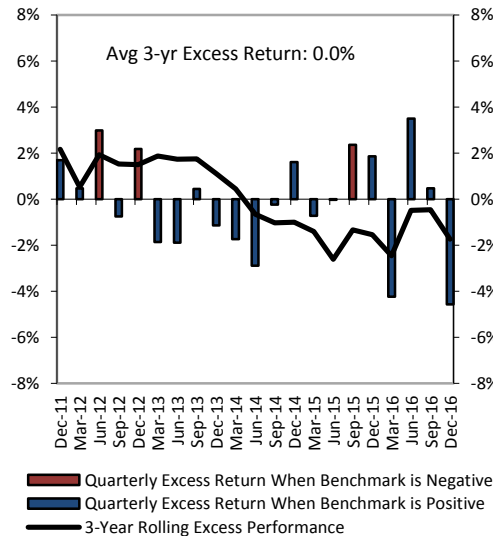
(MF): 0.85% on all assets

CHARACTERISTICS

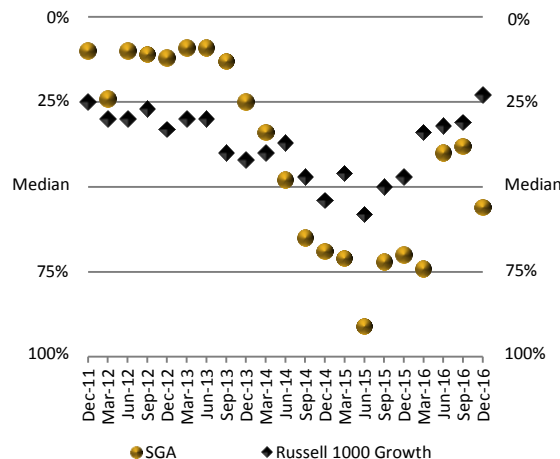
	Portfolio	Benchmark
No of Securities:	30	606
Portfolio Turnover:	39%	N/A
Dividend Yield:	1.0%	1.6%
Equity P/E:	29.6x	23.4x
Avg Market Cap:	\$119.0 billion	\$153.4 billion
Last 3 Years:		
Tracking Error:	5.2%	N/A
Information Ratio:	-0.3	N/A
Sharpe Ratio:	0.8	1.3

ROLLING PERFORMANCE AND RANKINGS

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



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



QUALITATIVE OVERVIEW

- Sustainable Growth Advisers (SGA) was founded in July 2003 by co-PMs George Fraise, Gordon Marchand, and Rob Rohn. In August 2013, SGA entered into a strategic partnership with Estancia Capital. Currently, 76% of the firm is held by seventeen employees and the remaining 24% is held by Estancia.
- Founders George, Gordon, and Rob serve as the portfolio management team for the Flagship US Large Cap Growth strategy. The three average thirty-three years of experience. The three are supported by six research analysts, averaging twenty years of experience and eight years at SGA.
- The investment process is a high quality approach. The team invests in a select number of businesses which have established strong, competitive positions in their respective industry. Each company is analyzed by two research analysts who assess the business's quality and strength, financial health, potential for sustainable growth, and fair value by meeting with company management, conducting industry analysis, and constructing detailed financial models. Investment decisions are made when two of the three members of the Investment Committee agree on a course of action.
- The strategy is fairly concentrated, holding between 25 and 30 securities. Annual turnover is expected to be 35-40%. Positions weights are typically 3-4%. The maximum exposure to a single sector is 40%. Industry exposure is limited to 25%. Cash is limited to 5%.

QUALITATIVE RANKING

FIRM	-2	-1	0	1	2
Empl Ownership					
Mgmt Consistency					
Integration					
Cost					
Litigation					
Responsiveness					
TOTAL					+5

PERSONNEL	-3	-2	-1	0	1	2	3
Staff Depth							
Experience							
Stability							
Support							
TOTAL							+8

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							+10

TOTAL QUALITATIVE SCORE:

+27



Style definitions are defined by analysis of historical return patterns and underlying investment philosophies of the strategies. Strategies are labeled within a “best fit” context to help differentiate.

Analyst Coverage: This is typically a small cap value strategy relying on the fact that sell side coverage is light and that the broader market has yet to properly recognize the actual opportunities/fundamentals of a company. (High-moderate tracking)

Catalyst: A manager that is looking for stocks in which the market has yet to price in present or future changes – i.e., management changes, new products, structural/regulatory changes in the industry, etc. (High-moderate tracking)

Deep Value: There is typically a right price for anything. Managers are typically looking for companies with depressed valuations (PE/PB/PCF). Despite market/structural/industry headwinds, are the future earnings of the company worth more than the present stock price? Long-term in nature. Value characteristics will typically be meaningfully cheaper than the value benchmark. (High tracking)

Fundamental Value: (Relative Value) Value and growth are not mutually exclusive. These managers are typically looking for companies with reasonable growth prospects that are trading at compelling valuations. They will typically have more of a quality bias than a deep value manager and value characteristics are generally in-line to slightly more rich than that of the value benchmarks. (Moderate tracking)

Fundamental Growth: These are growth at a reasonable price managers (GARP). These managers are similar to fundamental value but are ultimately more growth oriented. They will typically be looking for more conservative and less volatile growth companies than High Growth or Momentum managers. (Moderate tracking)

High Growth: These are still fundamentally based managers but they are looking for better than market growth characteristics. They typically have a growth hurdle rate for their stocks of more than 12%. Sell discipline can be a concern. (Moderate tracking)

Momentum: These are managers that invest in markets or stocks that are going up. They typically are looking for secular trends or opportunities that they believe will offer tailwinds. (Personal bias – these are generally traders and not investors; momentum should not be a standalone process but maybe a small part of an overall strategy). Sell discipline is a real concern. (High tracking)

Quality: These managers typically have a definition of quality incorporating the company’s balance sheet, industry fundamentals and/or management. Quality and risk (volatility) reduction go hand in hand here. Valuation and growth of the company are secondary to the quality metric. Tracking error will typically be high but overall volatility or Beta has historically been low. Portfolios (from a valuation perspective) are often times more expensive than the benchmark

Quantitative: Generally these are multifactor model driven, risk aware strategies. Broad factors generally include (valuation, business momentum, industry momentum and fundamentals, country price momentum, management). Models can (but are not always) be designed to assess industry fundamentals/opportunities or country fundamentals/opportunities. Most of these strategies have a targeted tracking error

Top Down: These are generally thematic managers with limited “bets” centered around broad macro change or views that are not reflected in the market today. These can include industry trends, commodity plays, or country views

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.



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City of Jacksonville Police & Fire Pension Fund

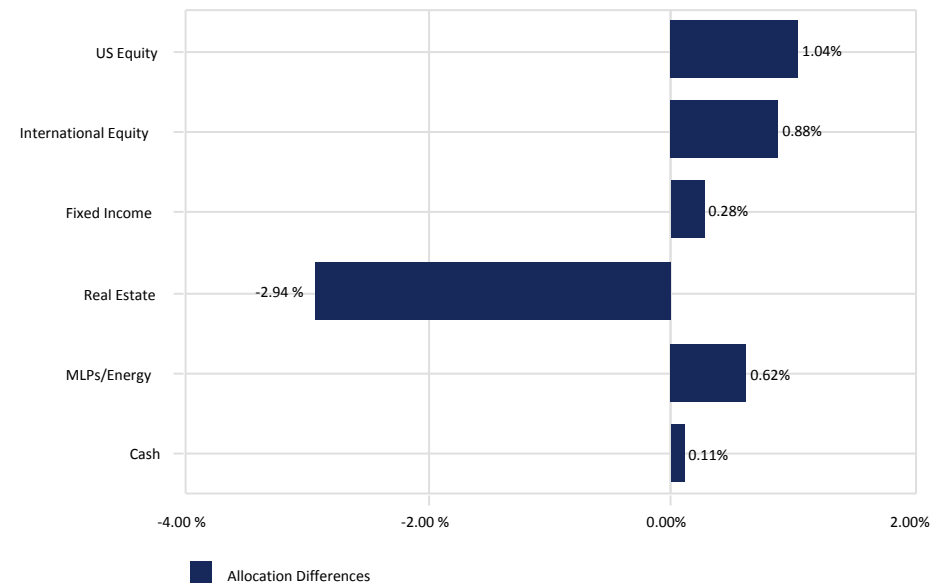
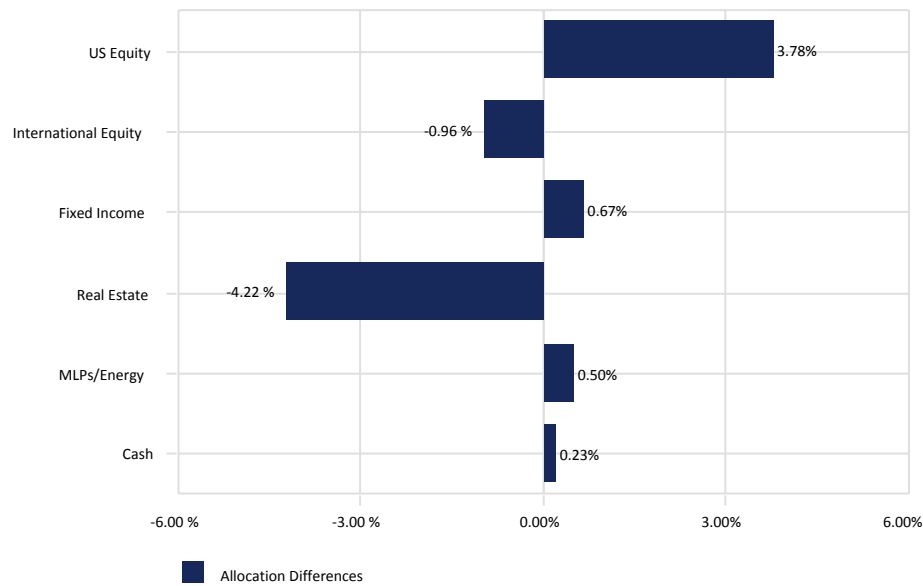
Flash Report

January 31, 2017

City of Jacksonville Police & Fire Pension Fund

Asset Allocation vs. Target Allocation

January 31, 2017



January 31, 2017

	<u>Market Value</u> <u>(\$)</u>	<u>Allocation</u> <u>(%)</u>	<u>Target</u> <u>(%)</u>
US Equity	772,279,339	42.78	39.00
International Equity	343,745,162	19.04	20.00
Fixed Income	382,195,271	21.17	20.50
Real Estate	194,507,164	10.78	15.00
MLPs/Energy	108,286,341	6.00	5.50
Cash	4,144,128	0.23	0.00
Total Fund	1,805,157,406	100.00	100.00

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

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees

January 31, 2017

			Performance(%)							
	Asset \$	Asset %	1 Month	3 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Total Fund Composite	1,805,157,406	100.00	2.49	4.78	2.49	3.61	16.38	6.04	8.72	5.74
<i>Total Fund Policy</i>			<i>1.68</i>	<i>4.62</i>	<i>1.68</i>	<i>3.00</i>	<i>15.50</i>	<i>6.06</i>	<i>8.55</i>	<i>5.22</i>
Excess Return			0.81	0.16	0.81	0.61	0.88	-0.02	0.17	0.52
Total Equity	1,116,024,501	61.82	3.45	6.73	3.45	5.31	21.00	6.57	10.47	-
US Equity	772,279,339	42.78	2.49	8.21	2.49	6.62	21.68	8.68	12.86	7.27
<i>US Equity Index</i>			<i>1.88</i>	<i>8.52</i>	<i>1.88</i>	<i>6.17</i>	<i>21.73</i>	<i>10.28</i>	<i>13.97</i>	<i>7.16</i>
Excess Return			0.61	-0.31	0.61	0.45	-0.05	-1.60	-1.11	0.11
International Equity	343,745,162	19.04	5.68	4.16	5.68	3.05	19.76	2.58	5.70	1.13
<i>International Equity Index</i>			<i>3.55</i>	<i>3.79</i>	<i>3.55</i>	<i>2.31</i>	<i>16.67</i>	<i>1.38</i>	<i>4.83</i>	<i>1.05</i>
Excess Return			2.13	0.37	2.13	0.74	3.09	1.20	0.87	0.08
Fixed Income	382,195,271	21.17	0.39	-1.03	0.39	-1.47	3.74	3.03	2.42	4.51
<i>Blmbg. Barc. U.S. Aggregate</i>			<i>0.20</i>	<i>-2.04</i>	<i>0.20</i>	<i>-2.79</i>	<i>1.45</i>	<i>2.59</i>	<i>2.09</i>	<i>4.37</i>
Excess Return			0.19	1.01	0.19	1.32	2.29	0.44	0.33	0.14
Real Estate	194,507,164	10.78	0.34	1.97	0.34	2.63	8.40	11.70	12.63	7.67
<i>NCREIF Fund Index - ODCE (VW) [M]</i>			<i>0.00</i>	<i>2.11</i>	<i>0.00</i>	<i>2.11</i>	<i>8.77</i>	<i>12.07</i>	<i>12.21</i>	<i>5.82</i>
Excess Return			0.34	-0.14	0.34	0.52	-0.37	-0.37	0.42	1.85
<i>NCREIF Property Index</i>			<i>0.00</i>	<i>1.73</i>	<i>0.00</i>	<i>1.73</i>	<i>7.97</i>	<i>11.02</i>	<i>10.92</i>	<i>6.93</i>
MLPs/Energy	108,286,341	6.00	4.14	11.84	4.14	6.61	40.61	0.40	8.60	-
<i>S&P MLP Index</i>			<i>3.64</i>	<i>12.41</i>	<i>3.64</i>	<i>7.08</i>	<i>44.36</i>	<i>-4.28</i>	<i>3.41</i>	<i>-</i>
Excess Return			0.50	-0.57	0.50	-0.47	-3.75	4.68	5.19	-
Cash	4,144,128	0.23	0.58	0.67	0.58	0.73	0.94	0.86	0.84	2.50

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees

January 31, 2017

	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	260,450,087	14.43	1.90	7.76	1.90	5.80	20.08	10.92	14.13	7.00	5.46	Jan-1999
<i>S&P 500</i>			1.90	7.76	1.90	5.79	20.04	10.85	14.09	6.99	5.45	
Excess Return			0.00	0.00	0.00	0.01	0.04	0.07	0.04	0.01	0.01	
Eagle Capital Management	191,182,241	10.59	2.82	9.50	2.82	10.11	22.09	10.91	15.36	-	13.43	Apr-2011
<i>Russell 1000 Value Index</i>			0.71	9.13	0.71	7.44	24.62	10.16	14.11	-	11.57	
Excess Return			2.11	0.37	2.11	2.67	-2.53	0.75	1.25	-	1.86	
Brown Investment Advisory	85,423,358	4.73	4.58	1.36	4.58	-0.17	9.77	6.51	-	-	6.74	Nov-2013
<i>Russell 1000 Growth Index</i>			3.37	6.93	3.37	4.42	17.23	10.82	-	-	10.87	
Excess Return			1.21	-5.57	1.21	-4.59	-7.46	-4.31	-	-	-4.13	
Sawgrass Asset Management	90,350,063	5.01	1.79	6.33	1.79	3.32	11.92	9.03	-	-	9.78	Nov-2013
<i>Russell 1000 Growth Index</i>			3.37	6.93	3.37	4.42	17.23	10.82	-	-	10.87	
Excess Return			-1.58	-0.60	-1.58	-1.10	-5.31	-1.79	-	-	-1.09	
Wedge Capital Mgmt	73,681,621	4.08	0.52	14.90	0.52	12.37	-	-	-	-	12.57	Sep-2016
<i>Russell 2000 Value Index</i>			-0.71	17.11	-0.71	13.26	-	-	-	-	14.15	
Excess Return			1.23	-2.21	1.23	-0.89	-	-	-	-	-1.58	
Pinnacle	71,191,968	3.94	4.31	13.91	4.31	7.83	23.82	7.33	13.55	-	21.32	Mar-2009
<i>Russell 2500 Growth Index</i>			2.37	10.81	2.37	5.03	24.65	6.95	12.73	-	19.52	
Excess Return			1.94	3.10	1.94	2.80	-0.83	0.38	0.82	-	1.80	
International Equity												
NT EAFE Index Fund	77,348,687	4.28	2.90	4.37	2.90	2.30	12.58	1.05	-	-	5.45	Apr-2012
<i>MSCI EAFE Index (Net)</i>			2.90	4.30	2.90	2.17	12.03	0.71	-	-	5.13	
Excess Return			0.00	0.07	0.00	0.13	0.55	0.34	-	-	0.32	
Baillie Gifford	98,704,620	5.47	8.06	4.08	8.06	0.75	21.27	1.85	7.56	-	5.04	Mar-2011
<i>MSCI EAFE Growth Index (Net)</i>			3.37	2.05	3.37	-2.34	7.03	1.44	6.25	-	3.31	
Excess Return			4.69	2.03	4.69	3.09	14.24	0.41	1.31	-	1.73	
Silchester	68,028,823	3.77	3.71	5.68	3.71	6.35	18.91	5.56	-	-	7.41	Sep-2013
<i>MSCI EAFE Value Index (Net)</i>			2.46	6.49	2.46	6.74	17.14	-0.14	-	-	2.83	
Excess Return			1.25	-0.81	1.25	-0.39	1.77	5.70	-	-	4.58	
Acadian Emerging Mkts Equity II Fund	99,663,032	5.52	6.97	3.10	6.97	4.06	30.07	2.79	-	-	0.92	Jan-2014
<i>MSCI Emerging Markets (Net)</i>			5.47	0.84	5.47	1.08	25.41	1.44	-	-	-0.79	
Excess Return			1.50	2.26	1.50	2.98	4.66	1.35	-	-	1.71	

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Gross of Fees

January 31, 2017

	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	25,985,453	1.44	0.23	-2.06	0.23	-2.83	1.44	2.63	-	-	1.96	Feb-2013
Blmbg. Barc. U.S. Aggregate			0.20	-2.04	0.20	-2.79	1.45	2.59	-	-	1.97	
Excess Return			0.03	-0.02	0.03	-0.04	-0.01	0.04	-	-	-0.01	
Neuberger Berman	161,398,904	8.94	0.70	-	0.70	-	-	-	-	-	0.70	Jan-2017
Blmbg. Barc. U.S. Aggregate			0.20	-	0.20	-	-	-	-	-	0.20	
Excess Return			0.50	-	0.50	-	-	-	-	-	0.50	
Loomis, Sayles & Company	108,000,000	5.98										
Thompson Siegel Fixed	86,692,501	4.80	0.24	-1.19	0.24	-1.71	3.59	3.32	3.25	5.10	6.22	Aug-1991
Thompson Policy Index			0.20	-2.04	0.20	-2.79	1.45	2.59	2.09	4.31	5.95	
Excess Return			0.04	0.85	0.04	1.08	2.14	0.73	1.16	0.79	0.27	
Eaton Vance Instl Senior Loan Trust	118,413	0.01										
Real Estate												
JP Morgan	147,919,976	8.19	0.34	1.90	0.34	2.51	7.95	11.37	12.49	6.44	8.27	Apr-2005
NCREIF Fund Index - ODCE (VW) [M]			0.00	2.11	0.00	2.11	8.77	12.07	12.21	5.82	7.60	
Excess Return			0.34	-0.21	0.34	0.40	-0.82	-0.70	0.28	0.62	0.67	
Principal Global Investments	46,587,189	2.58	0.32	2.29	0.32	3.08	9.89	12.80	-	-	13.08	Apr-2013
NCREIF Fund Index - ODCE (VW) [M]			0.00	2.11	0.00	2.11	8.77	12.07	-	-	12.33	
Excess Return			0.32	0.18	0.32	0.97	1.12	0.73	-	-	0.75	
MLPs/Energy												
Harvest MLP	54,265,712	3.01	3.68	11.28	3.68	5.47	41.24	0.22	8.47	-	10.66	Mar-2011
S&P MLP Index			3.64	12.41	3.64	7.08	44.36	-4.28	3.41	-	4.39	
Excess Return			0.04	-1.13	0.04	-1.61	-3.12	4.50	5.06	-	6.27	
Tortoise MLP	54,020,629	2.99	4.60	12.41	4.60	7.77	39.99	0.46	8.67	-	10.35	Mar-2011
S&P MLP Index			3.64	12.41	3.64	7.08	44.36	-4.28	3.41	-	4.39	
Excess Return			0.96	0.00	0.96	0.69	-4.37	4.74	5.26	-	5.96	
Cash	4,144,128	0.23	0.58	0.67	0.58	0.73	0.94	0.86	0.84	2.50	8.40	Dec-1998

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Net of Fees

January 31, 2017

	Asset \$	Asset %	Performance(%)							
			1 Month	3 Month	CYTD	FYTD	1 Year	3 Year	5 Year	10 Year
Total Fund Composite	1,805,157,406	100.00	2.47	4.70	2.47	3.52	15.92	5.56	8.22	5.39
<i>Total Fund Policy</i>			<i>1.68</i>	<i>4.62</i>	<i>1.68</i>	<i>3.00</i>	<i>15.50</i>	<i>6.06</i>	<i>8.55</i>	<i>5.22</i>
Excess Return			0.79	0.08	0.79	0.52	0.42	-0.50	-0.33	0.17
Total Equity	1,116,024,501	61.82	3.45	6.64	3.45	5.22	20.50	6.09	9.96	-
US Equity	772,279,339	42.78	2.49	8.10	2.49	6.51	21.13	8.15	12.29	6.90
<i>US Equity Index</i>			<i>1.88</i>	<i>8.52</i>	<i>1.88</i>	<i>6.17</i>	<i>21.73</i>	<i>10.28</i>	<i>13.97</i>	<i>7.16</i>
Excess Return			0.61	-0.42	0.61	0.34	-0.60	-2.13	-1.68	-0.26
International Equity	343,745,162	19.04	5.67	4.12	5.67	3.00	19.33	2.19	5.31	0.77
<i>International Equity Index</i>			<i>3.55</i>	<i>3.79</i>	<i>3.55</i>	<i>2.31</i>	<i>16.67</i>	<i>1.38</i>	<i>4.83</i>	<i>1.05</i>
Excess Return			2.12	0.33	2.12	0.69	2.66	0.81	0.48	-0.28
Fixed Income	382,195,271	21.17	0.39	-1.06	0.39	-1.50	3.62	2.89	2.26	4.39
<i>Blmbg. Barc. U.S. Aggregate</i>			<i>0.20</i>	<i>-2.04</i>	<i>0.20</i>	<i>-2.79</i>	<i>1.45</i>	<i>2.59</i>	<i>2.09</i>	<i>4.37</i>
Excess Return			0.19	0.98	0.19	1.29	2.17	0.30	0.17	0.02
Real Estate	194,507,164	10.78	0.19	1.81	0.19	2.44	7.68	10.69	11.57	6.98
<i>NCREIF Fund Index - ODCE (VW) [M]</i>			<i>0.00</i>	<i>2.11</i>	<i>0.00</i>	<i>2.11</i>	<i>8.77</i>	<i>12.07</i>	<i>12.21</i>	<i>5.82</i>
Excess Return			0.19	-0.30	0.19	0.33	-1.09	-1.38	-0.64	1.16
<i>NCREIF Property Index</i>			<i>0.00</i>	<i>1.73</i>	<i>0.00</i>	<i>1.73</i>	<i>7.97</i>	<i>11.02</i>	<i>10.92</i>	<i>6.93</i>
MLPs/Energy	108,286,341	6.00	4.14	11.73	4.14	6.50	39.69	-0.34	7.82	-
<i>S&P MLP Index</i>			<i>3.64</i>	<i>12.41</i>	<i>3.64</i>	<i>7.08</i>	<i>44.36</i>	<i>-4.28</i>	<i>3.41</i>	<i>-</i>
Excess Return			0.50	-0.68	0.50	-0.58	-4.67	3.94	4.41	-
Cash	4,144,128	0.23	0.58	0.67	0.58	0.73	0.94	0.86	0.84	2.32

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Net of Fees

January 31, 2017

	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	260,450,087	14.43	1.90	7.76	1.90	5.80	20.06	10.89	14.09	6.97	5.44	Jan-1999
S&P 500			1.90	7.76	1.90	5.79	20.04	10.85	14.09	6.99	5.45	
Excess Return			0.00	0.00	0.00	0.01	0.02	0.04	0.00	-0.02	-0.01	
Eagle Capital Management	191,182,241	10.59	2.82	9.32	2.82	9.93	21.32	10.12	14.52	-	12.64	Apr-2011
Russell 1000 Value Index			0.71	9.13	0.71	7.44	24.62	10.16	14.11	-	11.57	
Excess Return			2.11	0.19	2.11	2.49	-3.30	-0.04	0.41	-	1.07	
Brown Investment Advisory	85,423,358	4.73	4.58	1.26	4.58	-0.27	9.41	6.27	-	-	6.52	Nov-2013
Russell 1000 Growth Index			3.37	6.93	3.37	4.42	17.23	10.82	-	-	10.87	
Excess Return			1.21	-5.67	1.21	-4.69	-7.82	-4.55	-	-	-4.35	
Sawgrass Asset Management	90,350,063	5.01	1.79	6.21	1.79	3.20	11.67	8.77	-	-	9.54	Nov-2013
Russell 1000 Growth Index			3.37	6.93	3.37	4.42	17.23	10.82	-	-	10.87	
Excess Return			-1.58	-0.72	-1.58	-1.22	-5.56	-2.05	-	-	-1.33	
Wedge Capital Mgmt	73,681,621	4.08	0.52	14.77	0.52	12.24	-	-	-	-	12.44	Sep-2016
Russell 2000 Value Index			-0.71	17.11	-0.71	13.26	-	-	-	-	14.15	
Excess Return			1.23	-2.34	1.23	-1.02	-	-	-	-	-1.71	
Pinnacle	71,191,968	3.94	4.31	13.71	4.31	7.64	22.81	6.50	12.68	-	20.59	Mar-2009
Russell 2500 Growth Index			2.37	10.81	2.37	5.03	24.65	6.95	12.73	-	19.52	
Excess Return			1.94	2.90	1.94	2.61	-1.84	-0.45	-0.05	-	1.07	
International Equity												
NT EAFE Index Fund	77,348,687	4.28	2.90	4.37	2.90	2.30	12.55	0.99	-	-	5.40	Apr-2012
MSCI EAFE Index (Net)			2.90	4.30	2.90	2.17	12.03	0.71	-	-	5.13	
Excess Return			0.00	0.07	0.00	0.13	0.52	0.28	-	-	0.27	
Baillie Gifford	98,704,620	5.47	8.06	4.08	8.06	0.75	21.08	1.44	7.08	-	4.61	Mar-2011
MSCI EAFE Growth Index (Net)			3.37	2.05	3.37	-2.34	7.03	1.44	6.25	-	3.31	
Excess Return			4.69	2.03	4.69	3.09	14.05	0.00	0.83	-	1.30	
Silchester	68,028,823	3.77	3.64	5.48	3.64	6.08	17.99	4.76	-	-	6.57	Sep-2013
MSCI EAFE Value Index (Net)			2.46	6.49	2.46	6.74	17.14	-0.14	-	-	2.83	
Excess Return			1.18	-1.01	1.18	-0.66	0.85	4.90	-	-	3.74	
Acadian Emerging Mkts Equity II Fund	99,663,032	5.52	6.97	3.10	6.97	4.06	29.08	2.35	-	-	0.49	Jan-2014
MSCI Emerging Markets (Net)			5.47	0.84	5.47	1.08	25.41	1.44	-	-	-0.79	
Excess Return			1.50	2.26	1.50	2.98	3.67	0.91	-	-	1.28	

City of Jacksonville Police & Fire Pension Fund

Asset Allocation & Performance Net of Fees

January 31, 2017

	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	25,985,453	1.44	0.23	-2.06	0.23	-2.83	1.42	2.60	-	-	1.93	Feb-2013
Blmbg. Barc. U.S. Aggregate			0.20	-2.04	0.20	-2.79	1.45	2.59	-	-	1.97	
Excess Return			0.03	-0.02	0.03	-0.04	-0.03	0.01	-	-	-0.04	
Neuberger Berman	161,398,904	8.94	0.70	-	0.70	-	-	-	-	-	0.70	Jan-2017
Blmbg. Barc. U.S. Aggregate			0.20	-	0.20	-	-	-	-	-	0.20	
Excess Return			0.50	-	0.50	-	-	-	-	-	0.50	
Loomis, Sayles & Company	108,000,000	5.98										
Thompson Siegel Fixed	86,692,501	4.80	0.24	-1.24	0.24	-1.76	3.41	3.15	3.08	4.97	6.17	Aug-1991
Thompson Policy Index			0.20	-2.04	0.20	-2.79	1.45	2.59	2.09	4.31	5.95	
Excess Return			0.04	0.80	0.04	1.03	1.96	0.56	0.99	0.66	0.22	
Eaton Vance Instl Senior Loan Trust	118,413	0.01										
Real Estate												
JP Morgan	147,919,976	8.19	0.14	1.70	0.14	2.31	7.24	10.30	11.41	5.75	7.67	Apr-2005
NCREIF Fund Index - ODCE (VW) [M]			0.00	2.11	0.00	2.11	8.77	12.07	12.21	5.82	7.60	
Excess Return			0.14	-0.41	0.14	0.20	-1.53	-1.77	-0.80	-0.07	0.07	
Principal Global Investments	46,587,189	2.58	0.32	2.15	0.32	2.88	9.09	11.93	-	-	12.17	Apr-2013
NCREIF Fund Index - ODCE (VW) [M]			0.00	2.11	0.00	2.11	8.77	12.07	-	-	12.33	
Excess Return			0.32	0.04	0.32	0.77	0.32	-0.14	-	-	-0.16	
MLPs/Energy												
Harvest MLP	54,265,712	3.01	3.68	11.28	3.68	5.47	40.45	-0.49	7.71	-	9.94	Mar-2011
S&P MLP Index			3.64	12.41	3.64	7.08	44.36	-4.28	3.41	-	4.39	
Excess Return			0.04	-1.13	0.04	-1.61	-3.91	3.79	4.30	-	5.55	
Tortoise MLP	54,020,629	2.99	4.60	12.19	4.60	7.56	38.92	-0.31	7.87	-	9.63	Mar-2011
S&P MLP Index			3.64	12.41	3.64	7.08	44.36	-4.28	3.41	-	4.39	
Excess Return			0.96	-0.22	0.96	0.48	-5.44	3.97	4.46	-	5.24	
Cash	4,144,128	0.23	0.58	0.67	0.58	0.73	0.94	0.86	0.84	2.32	8.30	Dec-1998

City of Jacksonville Police & Fire Pension Fund

Benchmark Composition Total Fund & US Equity & International Equity

As of January 31, 2017

Total Fund Policy Index

	<u>(%)</u>
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 (VW) [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 (VW) [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 (VW) [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 (VW) [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 (VW) [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 (VW) [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 (VW) [M]	5.00

US Equity Index

	<u>(%)</u>
Jul-2009	
Russell 3000 Index	100.00
Jan-1988	
Dow Jones US Total Stock Market Index	100.00
International Equity Index	<u>(%)</u>
Oct-2009	
MSCI AC World ex USA	100.00
Feb-1999	
MSCI EAFE Index	100.00

Thompson Siegal Policy

	<u>(%)</u>
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 January 31, 2017

	% Current Target	% Actual	% Difference from Current Target	\$ Current Target	\$ Actual	\$ Difference
A. Total Equity	59.00%	61.82%	2.82%	\$1,065,042,870	\$1,116,024,501	\$50,981,632
1. <i>Domestic Large Cap Equity (70% of Domestic)</i>	31.40%	34.76%	3.36%	566,819,426	627,405,750	60,586,324
NT S&P 500 Index Fund		14.43%	14.43%		260,450,087	260,450,087
Eagle Capital Management		10.59%	10.59%		191,182,241	191,182,241
Brown Advisory		4.73%	4.73%		85,423,358	85,423,358
Sawgrass Asset Management		5.01%	5.01%		90,350,063	90,350,063
2. <i>Domestic Small/Mid Cap Equity (30% of Domestic)</i>	7.60%	8.03%	0.43%	137,191,963	144,873,589	7,681,626
Wedge Capital Mgmt		4.08%	4.08%		73,681,621	73,681,621
Pinnacle		3.94%	3.94%		71,191,968	71,191,968
3. <i>International Equity Developed</i>	14.00%	13.52%	(0.48%)	252,722,037	244,082,130	(8,639,906)
NT EAFE Index Fund		4.28%	4.28%		77,348,687	77,348,687
Baillie Gifford		5.47%	5.47%		98,704,620	98,704,620
Silchester		3.77%	3.77%		68,028,823	68,028,823
4. <i>International Emerging Markets</i>	6.00%	5.52%	(0.48%)	108,309,444	99,663,032	(8,646,412)
Acadian Emerging Markets		5.52%	5.52%		99,663,032	99,663,032
B. Total Fixed Income	20.50%	21.40%	0.90%	\$370,057,268	\$386,339,400	\$16,282,132
1. <i>Core Fixed Income</i>	4.00%	6.24%	2.24%	72,206,296	112,677,955	40,471,659
NTGI Aggregate Bond Index		1.44%	1.44%		25,985,453	25,985,453
Thompson Siegel Fixed		4.80%	4.80%		86,692,501	86,692,501
2. <i>Core Plus</i>	15.50%	14.92%	(0.58%)	279,799,398	269,398,904	(10,400,494)
Neuberger Berman		8.94%	8.94%		161,398,904	161,398,904
Loomis, Sayles & Company		5.98%	5.98%		108,000,000	108,000,000
3. <i>Senior Bank Notes</i>	0.00%	0.01%	0.01%	0	118,413	118,413
Eaton Vance Instl Senior Loan Trust		0.01%	0.01%		118,413	118,413
4 <i>Cash/Paid Receipts</i>	1.00%	0.23%	(0.77%)	18,051,574	4,144,128	(13,907,446)
C. Total Real Assets	20.50%	16.77%	(3.73%)	\$370,057,268	\$302,793,505	(\$67,263,763)
1. <i>Real Estate</i>	15.00%	10.78%	(4.22%)	270,773,611	194,507,164	(76,266,447)
JPM RE Strategic Property	5.00%	8.19%	3.19%	90,257,870	147,919,976	57,662,105
Principal Global Investments	5.00%	2.58%	(2.42%)	90,257,870	46,587,189	(43,670,682)
Non-Core Real Estate (TBD)	5.00%	0.00%	(5.00%)	90,257,870	0	(90,257,870)
2. <i>MLPs / Timber / Commodities</i>	5.50%	6.00%	0.50%	99,283,657	108,286,341	9,002,683
Harvest MLP		3.01%	3.01%		54,265,712	54,265,712
Tortoise MLP		2.99%	2.99%		54,020,629	54,020,629
D. TOTAL FUND	100.00%	100.00%			\$1,805,157,406	

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Monthly Economic & Capital Market Update

January 2017

Economic Perspective

January 31, 2017

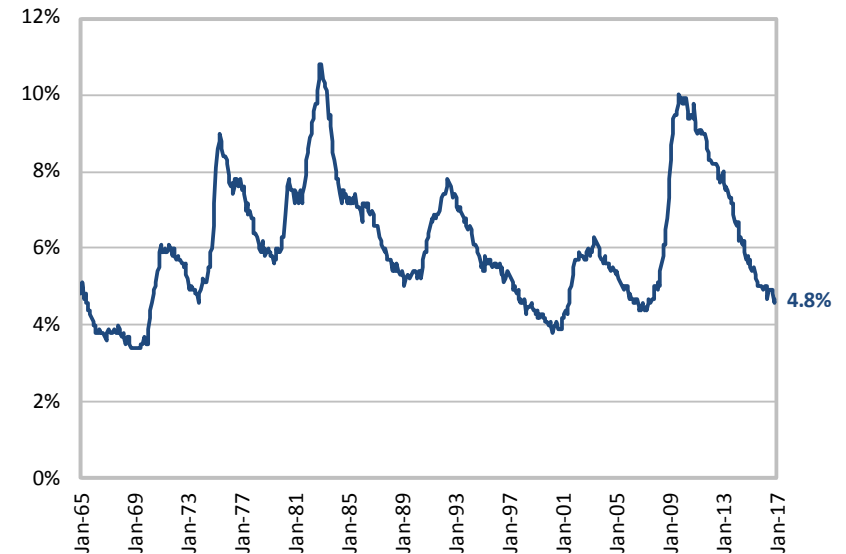
Economy

- From the election of Donald Trump in November to his inauguration in January, surveys of future economic conditions showed significantly increased expectations for global demand. Consumers and businesses alike have showed more economic optimism, which helped boost equity markets to begin 2017. While expectations have increased, actual economic data has been mostly in line with the slow, steady growth trajectory of economies over the past several years. A theme worth following in coming months and quarters will be to see if actual economic activity matches the increase in expectations since the election.
- The US economy experienced positive job growth for the 76th consecutive month in January as employers added 227,000 jobs during the month. January's strong figure exceeded market expectations by nearly 50,000 jobs and represented a 45% increase from December's figure of 156,000 jobs. The unemployment rate rose slightly to 4.8% from December's 4.7%, and the labor force participation rate was unchanged at 62.9%; the most concentrated job gains occurred in retail trade, construction, and financial activities. Wages, as measured by average hourly earnings of private sector workers, increased 0.1% for the month and 2.5% year-over-year. Payrolls from November and December were revised downward by 39,000 total jobs.
- Real GDP grew at a 1.9% annual rate during the fourth quarter, according to the first estimate released by the Bureau of Economic Analysis. The 1.9% GDP growth overall for the US economy in 2016 matches 2015's growth rate and remains well below historical levels. The fourth quarter figure, which will be revised twice in coming months, reflected lower exports and consumer spending than the previous quarter. GDP growth during the third quarter was 3.5%.
- January marked the 85th consecutive month of expansion in the US services sector. The ISM non-manufacturing Purchasing Managers Index (PMI) came in at 56.5, slightly below last month's record high of 57.2. A reading over 50.0 indicates expansion in the services sector.

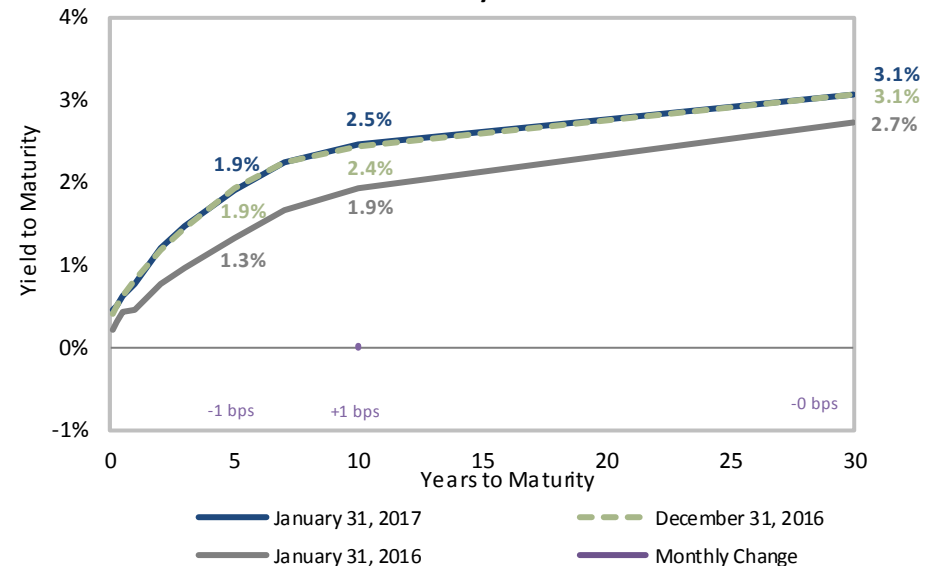
Yield Curve

- The spread between 2-year and 30-year Treasuries contracted 2 bps to 186 bps in January. Over the past 30 years the spread between the 2- and 30-year Treasuries has averaged 167 bps.

Unemployment Rate



Treasury Yield Curve



Growth Assets

January 31, 2017

Public Equities

- Global equity markets were broadly positive in January despite intra-month volatility. The S&P 500 gained 1.9%, outpacing domestic small cap stocks, as the Russell 2000 gained 0.4%. International markets outperformed domestic with developed large cap equities gaining 2.9% and developed small cap equities rising 3.5%. Emerging markets posted the strongest returns, gaining 5.5% as the dollar declined.
- Master limited partnerships (MLPs) returned 4.9% in January. Positive returns were posted across almost all sectors, with shipping leading outperformance at 11.0%. MLPs have gained 38.9% year-to-date, with energy services being the best performer at 118.7%. Positive performance for the month can be attributed to reduction in oil reserves and potential energy policies from the new administration.

Public Debt

- The Bloomberg Barclays High Yield Index returned 1.5% for the month of January as spreads tightened 21 bps, driving the strong performance for the month.
- Local currency-denominated emerging market debt returned 2.3% during January as the asset class continued to rebound after its 7.0% initial decline following the election.

Private Equity

- The private equity environment proved to be robust in 2016, with over 800 funds closing globally for a total of \$345 billion. This marks the fourth consecutive year of fundraising totals exceeding \$300 billion, which remains below the nearly \$400 billion raised in both 2007 and 2008. Purchase price multiples for larger deals, as measured by S&P Leveraged Commentary and Data (S&P LCD), remain steady from 2015, while multiples in the middle market have declined by 10%. Manager sentiment suggests that the lower multiples in the middle market demonstrate that managers remain disciplined on pricing, resulting in fewer deals being completed.

Private Debt

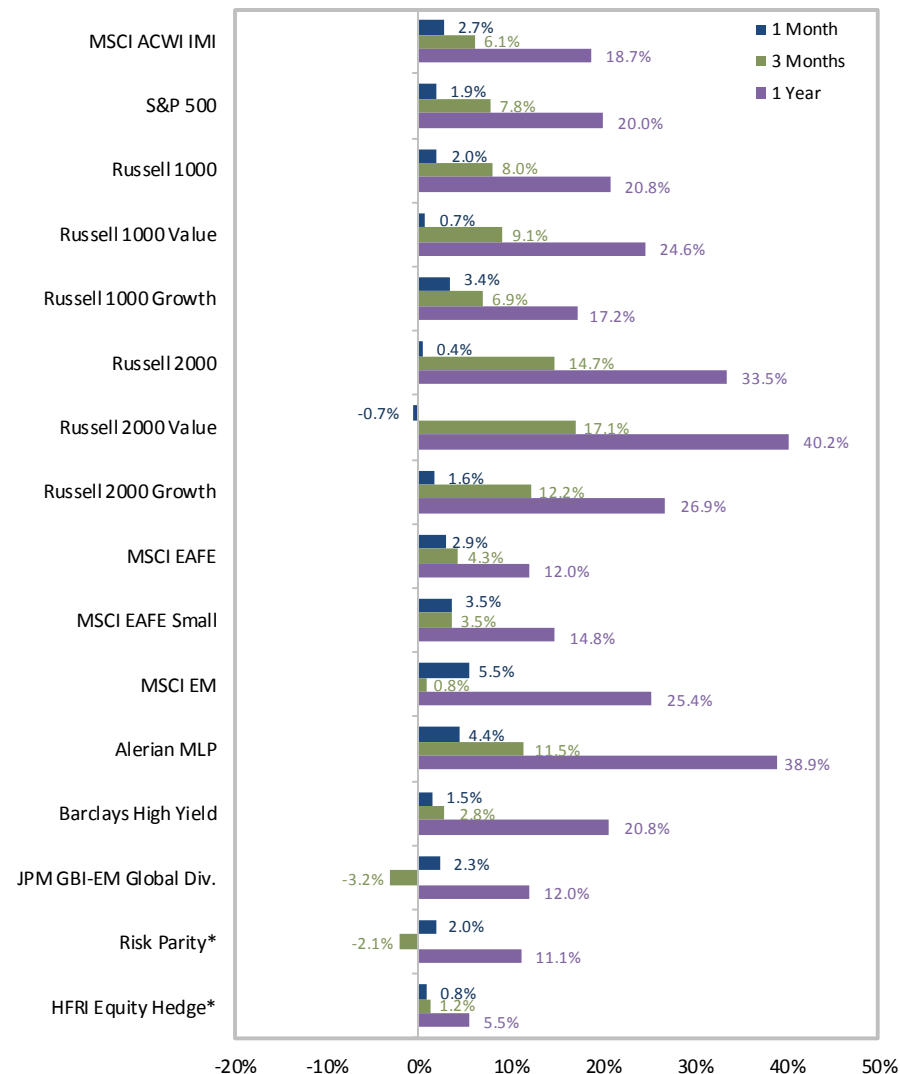
- In 2016, private debt saw 119 funds close for a combined total of \$74 billion, below the 2015 value of \$96 billion. According to Preqin, 2016 had the lowest number of fund closures since 2013, as the pace of fundraising has slowed to an average of 20 months, up from a 16-month average in 2015. Fundraising pace has slowed as capital is becoming increasingly concentrated among a small group of fund managers.

Risk Parity

- Risk Parity strategies gained in December, with gains distributed across most asset classes.

Growth Hedge Funds

- Growth hedge funds contributed in December, with the largest gains coming from distressed and activist strategies. Merger arbitrage and other event-driven strategies were also positive. Long/short equity funds also posted gains, especially quantitative strategies and fundamental value-driven programs.



* 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

January 31, 2017

Public Debt

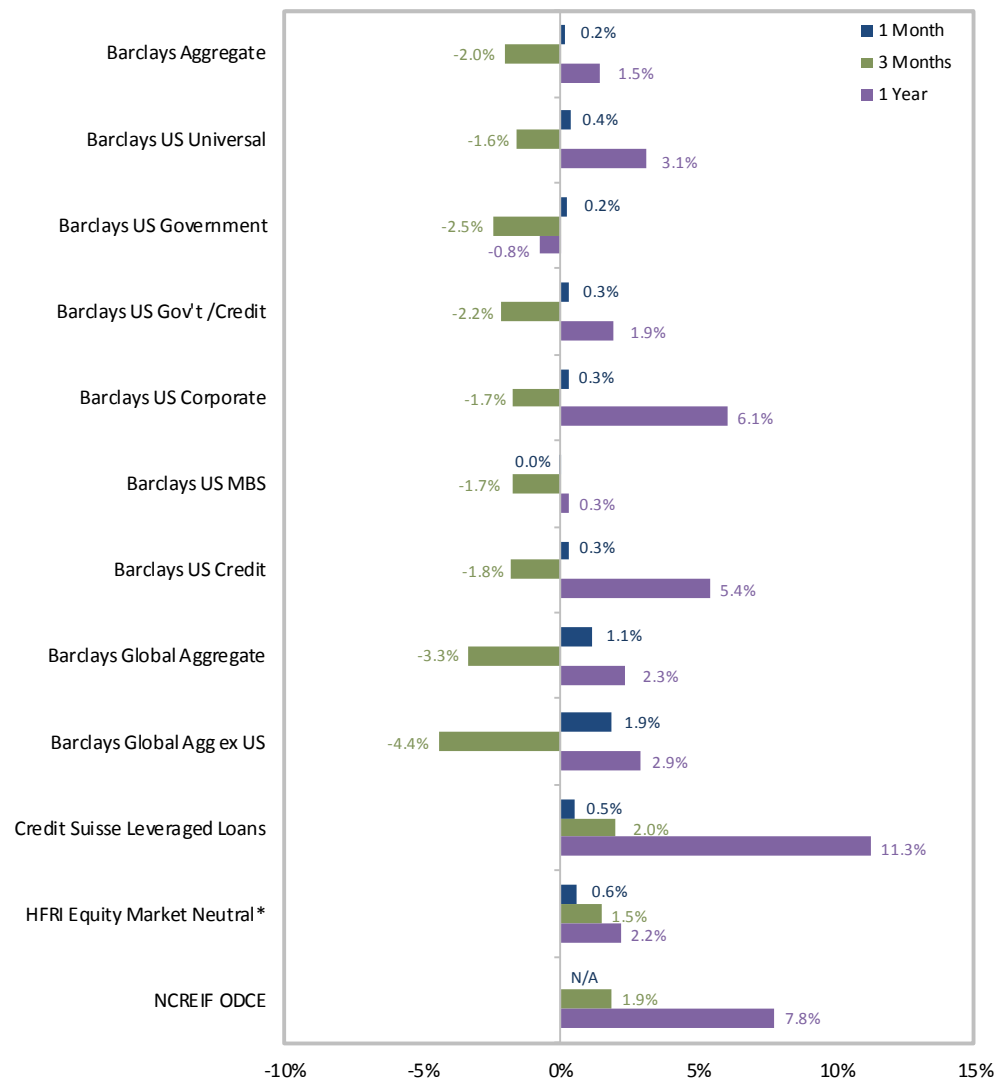
- The 10-year US Treasury yield traded within a 15 basis point band during the month before ending January at 2.4%, unchanged from the end of December.
- After the spread volatility observed to end 2016, January was a relatively calm month for core fixed income with OAS changing only one basis point during the month.
- The duration of the broad index remained stable during the month, as extensions in the securitized sector were offset by decreasing duration of the Treasury sector.
- International bonds posted a return of 1.9% during January, with gains on currency of 2.8% overwhelming a 1.1% price decline.
- Bank Loans returned 0.5% during the month of January, which is consistent with coupon-like returns for the month. A wave of refinancings within the asset class has offset the principal gains of some lower-rated issues, leaving the average price of loans in the index constant.

Relative Value Hedge Funds

- Relative value hedge funds outperformed in December, with long/short credit strategies and fixed income arbitrage being the strongest performers. Volatility arbitrage, asset-backed paper strategies, and equity market neutral programs were all positive as well.

Core Real Estate

- The fourth quarter return for the NCREIF ODCE Index was 2.1% gross and 1.8% net, with the majority of gains coming from income rather than price appreciation. Continued progress in the labor market and economic recovery have acted as a tailwind for real estate performance, with the asset class turning in a strong gain of 7.7% in 2016. As capitalization rates have decreased in recent years, so have core real estate returns; 2016's return was the lowest since 2009 for the asset class.



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

Diversification Assets

January 31, 2017

Inflation

- Inflation expectations continued to increase during January, ending the month with 10-year breakeven inflation expectations above 2.0%.

Deflation

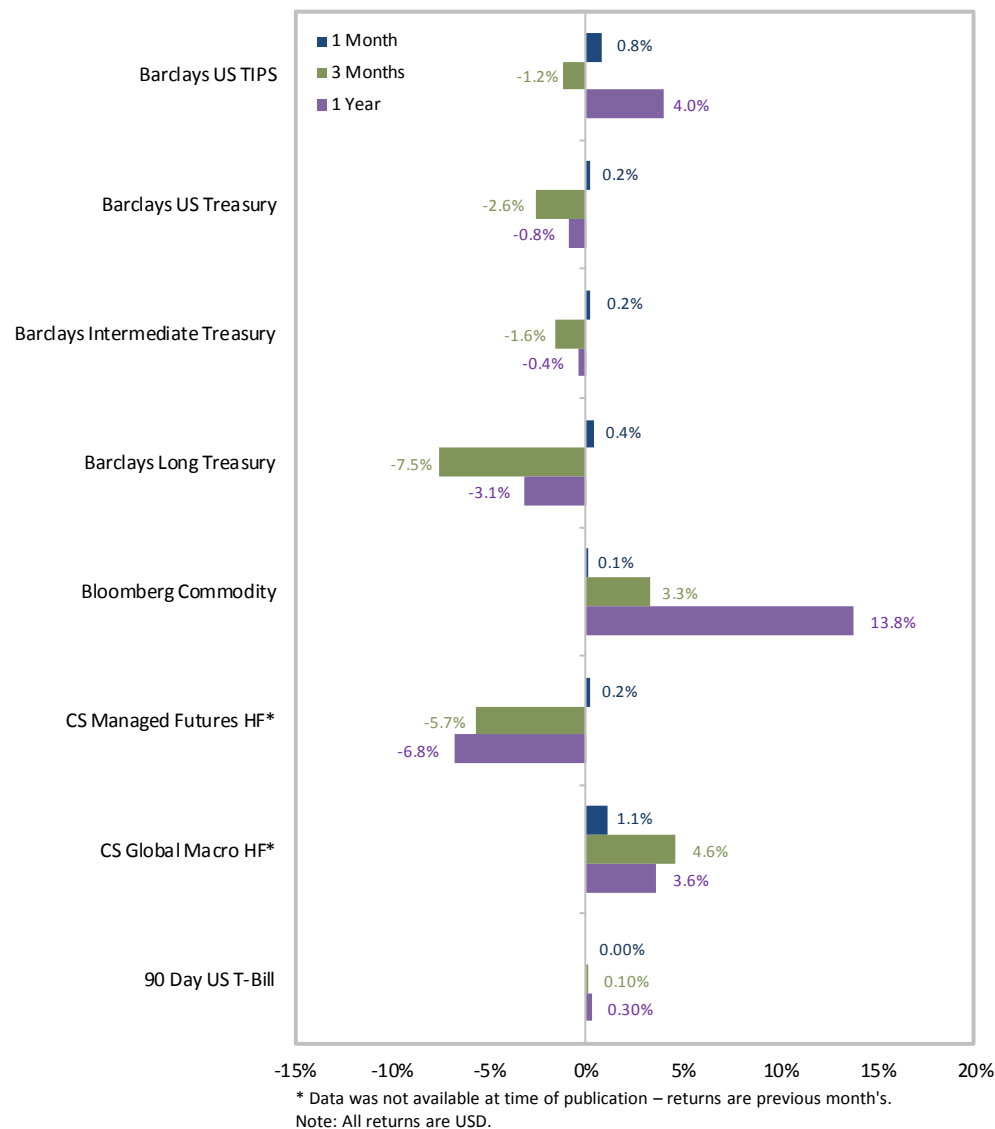
- The Bloomberg Barclays Long Treasury Index returned 0.4% for the month, 12 basis points of which can be attributed to price return. January was the first month to observe a positive price return for the Long Treasury index since July of 2016.
- Cash continues to offer no relative return, as 90-day T-bills were flat for the month and returned 0.3% for the one-year period.

Commodities

- The Bloomberg Commodity Index returned 0.1% for the month of January. The largest detractor from performance was energy, with natural gas declining 16.3% for the month. Zinc and silver produced the highest returns of 11.3% and 9.7%, respectively. Year-to-date, the index remains positive at 13.8% with zinc and Brent Crude Oil being the largest contributors to performance.

Tactical Trading

- Tactical Trading strategies gained in December. Discretionary global macro strategies led performance, while CTAs were also positive.



DISCLOSURES

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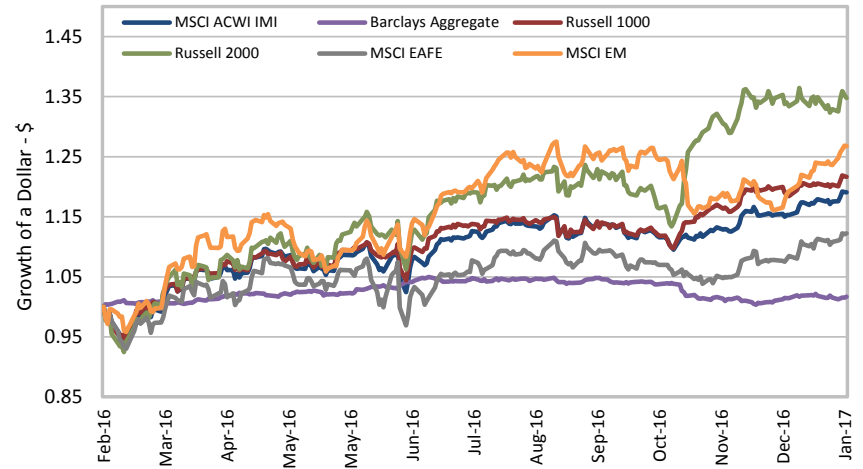
Capital Markets Snapshot

Performance as of 2/28/2017

Total Return Performance

	1-Week	MTD	QTD	YTD	1-Year
Domestic Equity					
MSCI ACWI IMI	-0.3%	2.8%	5.5%	5.5%	21.7%
Dow Jones Industrial	0.4%	5.2%	5.8%	5.8%	30.4%
S&P 500	-0.0%	4.0%	5.9%	5.9%	24.9%
Nasdaq Composite	-0.7%	3.9%	8.4%	8.4%	27.9%
Russell 3000	-0.2%	3.7%	5.7%	5.7%	26.3%
Russell 1000	-0.1%	3.9%	6.0%	6.0%	25.5%
Russell 1000 Value	-0.2%	3.6%	4.3%	4.3%	29.5%
Russell 1000 Growth	-0.0%	4.2%	7.7%	7.7%	21.7%
Russell 2000	-1.6%	1.9%	2.3%	2.3%	36.5%
Russell 2000 Value	-1.8%	1.4%	0.7%	0.7%	43.1%
Russell 2000 Growth	-1.5%	2.5%	4.1%	4.1%	29.9%
International Equity					
MSCI ACWI ex US	-0.5%	1.6%	5.2%	5.2%	17.3%
MSCI EAFE (USD)	0.1%	1.4%	4.4%	4.4%	12.7%
MSCI EAFE (Local)	-0.7%	2.1%	2.2%	2.2%	14.1%
Currency Impact	0.7%	-0.7%	2.1%	2.1%	-1.4%
MSCI EAFE Small	0.2%	2.2%	5.9%	5.9%	15.8%
MSCI Emerging (USD)	-1.0%	3.1%	8.7%	8.7%	29.2%
MSCI Emerging (Local)	-1.3%	1.7%	5.7%	5.7%	22.2%
Currency Impact	0.3%	1.4%	3.0%	3.0%	6.9%
Fixed Income					
Blmbg Barc. Treasury	0.3%	0.5%	0.7%	0.7%	-0.1%
Blmbg Barc. Long Treasury	1.2%	1.6%	2.0%	2.0%	-1.2%
Blmbg Barc. Infl Linked	0.5%	0.5%	1.4%	1.4%	5.1%
Blmbg Barc. US Aggregate	0.4%	0.7%	0.9%	0.9%	2.4%
Blmbg Barc. Corporates	0.7%	1.1%	1.5%	1.5%	7.6%
Blmbg Barc. High Yield	0.5%	1.5%	2.9%	2.9%	22.8%
Blmbg Barc. MBS	0.3%	0.5%	0.4%	0.4%	1.0%
CS Leveraged Loan	0.3%	0.6%	1.1%	1.1%	11.9%
Blmbg Barc. Global Agg ex USD	1.7%	0.3%	2.2%	2.2%	2.7%
Blmbg Barc. Global EMD - Hard	0.6%	1.4%	2.8%	2.8%	12.2%
Blmbg Barc. Global EMD - Local	0.9%	2.2%	5.2%	5.2%	11.4%
Other					
Alerian MLP	-2.5%	0.4%	5.3%	5.3%	42.3%
MSCI US REIT	0.5%	3.5%	3.4%	3.4%	16.1%
Gold	1.0%	3.1%	8.3%	8.3%	10.6%
Oil	-0.1%	2.3%	0.5%	0.5%	70.8%
Commodities (Bloomberg)	-0.1%	0.2%	0.3%	0.3%	16.0%
Dollar Index (DXY)	-0.2%	1.6%	-1.1%	-1.1%	2.1%

Growth of a Dollar - One Year



Relative Performance to the MSCI AC World IMI Index - YTD

	Value		Core			Growth	
	Domestic	Int'l	Domestic	Int'l	Emerging	Domestic	Int'l
Large	-1.2%	-2.4%	0.4%	-1.4%	3.2%	2.1%	-0.3%
All Cap	-1.5%	-2.1%	0.1%	-1.2%	3.4%	1.9%	-0.2%
Small	-4.8%	-0.1%	-3.2%	0.1%	4.6%	-1.4%	0.2%

MSCI AC World IMI Index YTD Return = 5.5%

Domestic Relative Performance to the Russell 3000 - YTD

	Value	Core	Growth
Top 200	-1.4%	0.5%	2.5%
Midcap	-1.1%	-0.4%	0.6%
Small	-4.9%	-3.3%	-1.6%
Micro	-7.0%	-6.2%	-4.7%

Russell 3000 YTD Return = 5.7%

Capital Markets Snapshot

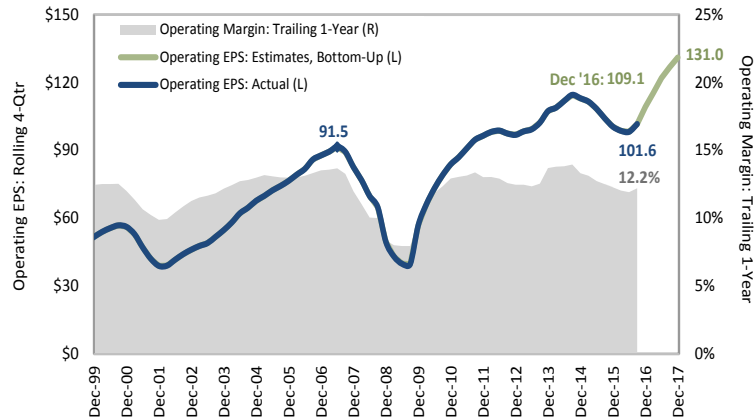
Performance as of 2/28/2017

Fundamental View

	P/E			EPS		Dividend	
	Trailing 12-Month All	12-Month Forecast	10y Med. All	Trailing 12-Month	12-Month Forecast	12-Month Trailing	10y Avg.
	EPS		EPS	Month			
S&P 500 ¹	23.5	18.0	16.6	100.6	131.0	2.0%	2.2%
R1000 ²	24.4	19.2	17.4	53.7	68.2	2.1%	2.0%
R1000 Value ²	22.2	17.9	15.8	51.5	64.1	2.7%	2.5%
R1000 Growth ²	27.0	20.6	20.4	42.0	54.8	1.6%	1.5%
R2000 ²	41.7	21.7	27.3	36.2	64.0	1.5%	1.3%
R2000 Value ²	32.6	20.5	23.1	55.0	87.2	2.3%	2.1%
R2000 Growth ²	58.2	23.1	33.4	27.9	35.2	0.8%	0.6%
EAFE ³	16.2	15.3	15.8	100.6	114.4	3.2%	3.2%
EAFE Small ³	21.6	16.9	13.4	9.9	12.9	2.2%	4.1%
Emerging ³	12.9	12.5	19.0	71.0	75.0	3.1%	2.3%
Treasury "P/E"	41.8	n/a	38.6	n/a	n/a	2.4%	2.8%

S&P 500 Operating Earnings

Rolling 4-Quarter, Actual and Estimated



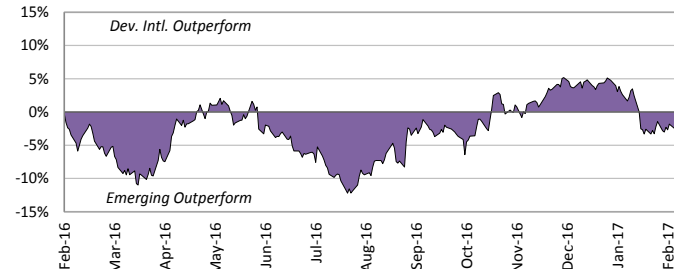
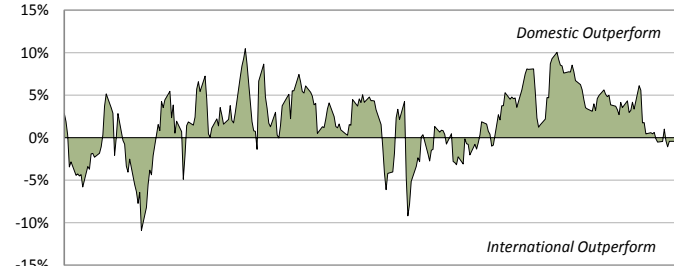
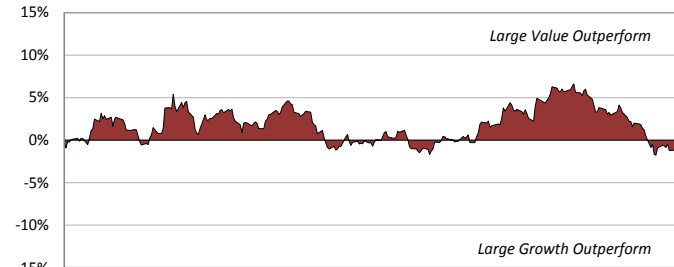
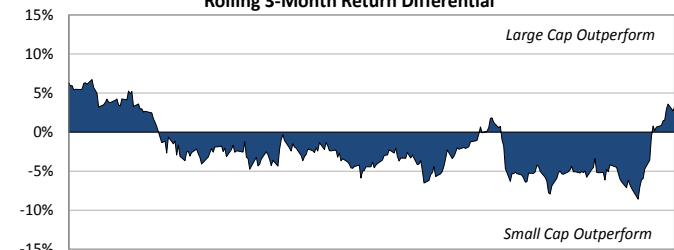
Note: P/E ratios and EPS are based on operating earnings.

¹ Data source is S&P.

² Data source is Russell and IBES forecasts. Trailing 12-month EPS reported ex-negative earnings, consistent with IBES forecasts.

³ Data source is MSCI for trailing P/E, EPS, and Dividend Yield; Bloomberg estimates for trailing ex-negative EPS P/E and both 12-month forecasts.

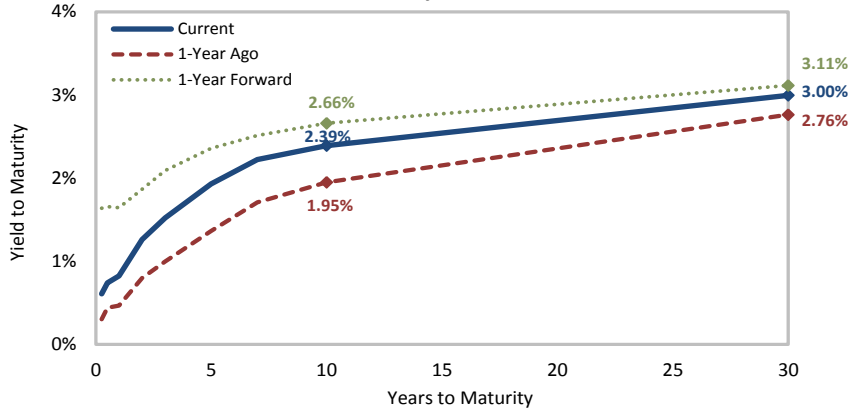
Rolling 3-Month Return Differential



Capital Markets Snapshot

Performance as of 2/28/2017

Treasury Yield Curve



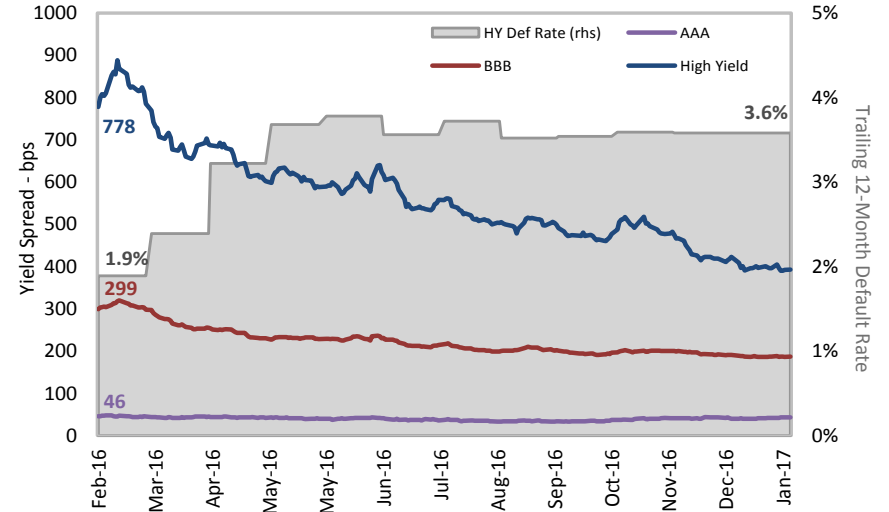
Implied Break-even Inflation Rates

	2-yr	5-yr	10-yr	30-yr	5y, 5y
Current	2.1%	2.0%	2.0%	2.1%	2.0%
Beg of Qtr	1.6%	1.9%	2.0%	2.1%	2.0%
1-Year Ago	#N/A	#N/A	#N/A	#N/A	#N/A
Real Yield	-0.9%	-0.1%	0.4%	0.9%	0.9%

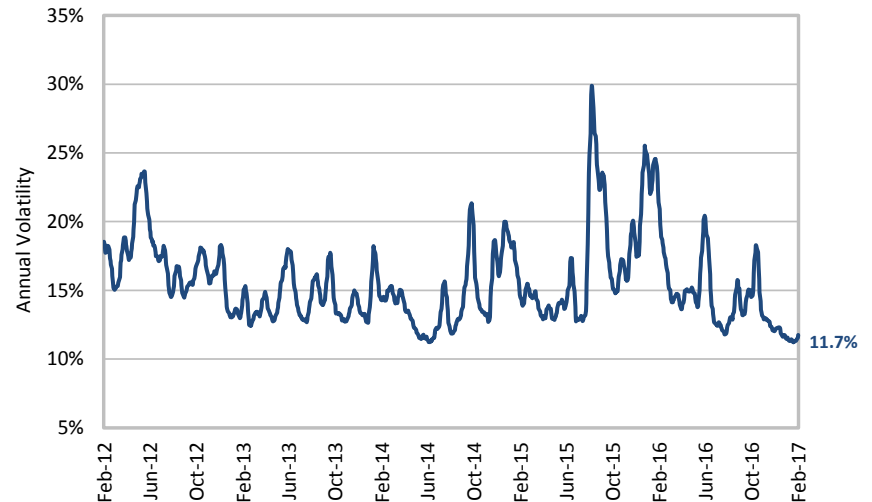
U.S. Dollar vs 6 Major Currencies



Fixed Income Spreads & Defaults



Equity Volatility (VIX)



Disclaimer: Although Summit Strategies Group (Summit) believes the modeling contained in this document to be reliable, the modeling of complex financial transactions has inherent limitations. Summit does not guarantee the results to be obtained by the use of this model. This model is developed by Summit based on information obtained from sources which Summit believes are reliable, but Summit does not warrant or guarantee the accuracy, completeness, or reliability of such information. Any information contained in or provided in connection with the model is for information purposes only, for the exclusive use by the client for which it was prepared, and is not intended and should not be construed to be an offer to buy or sell any securities, investment consulting or investment management services. No model can, in and of itself, be used to determine which securities or investments to buy or sell. All forward-looking projections are 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 projections of any model 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 decision to use or not use the model and any information accompanying or produced with the model remains solely with the client.

EXHIBIT C

FEE SCHEDULE

Jacksonville Police and Fire Pension Fund

Name of Account

_____ Date

The fees of Loomis, Sayles & Company, L.P. for investment management services for the above Account shall be paid quarterly in arrears at the rates indicated below based on the market value of the investment capital of the Account held for investment at the end of the quarter. Loomis, Sayles & Company, L.P. shall determine the market value of the account, including cash or its equivalent and accrued income held for investment, at the end of each quarter, applying the same valuation procedures and methods that it uniformly uses in its quarterly appraisals of investment management client accounts. The fee for any period which is less than a full quarter shall be prorated on a daily basis. If during the quarter assets are added or deleted by Jacksonville Police and Fire and made subject to or removed from management of Loomis, Sayles & Company, L.P, then the above fee shall be equitably prorated with respect to such added or deleted assets. In the event of termination, total assets for fee purposes shall mean the Account value at the date of notice termination.

Annual Fee Rates

.40% on the first \$20 million

.30% on the next \$80 million

.20% on value over \$100 million

Minimum aggregate account size: \$100 million

Minimum aggregate annual fee: \$320,000

The account fees for the account listed above will be aggregated with the
Consolidated City of Jacksonville Core Plus Full Discretion Account (**E442N6**)

This entity has approved a consolidated bill to be sent.

Please check box if applicable:

☐

Client directs Loomis, Sayles & Company, L.P. to send simultaneously to Client and the Trustee or Custodian of Client's Account a fee statement showing (x) the amount of the fee, (y) the value of Client's Account, and (z) the specific manner in which the fee was calculated. Client has directed its Trustee or Custodian to disburse payment from Client's Account to Loomis, Sayles & Company, L.P.

LOOMIS, SAYLES & COMPANY, L.P.

By: LOOMIS, SAYLES & COMPANY, INCORPORATED

Its: General Partner

Jacksonville Police and Fire Pension Fund

Name of Client

By: _____

Authorized Signature

Name:

Title:

By: _____

Authorized Signature

Name:

Title:

EXHIBIT C

FEE SCHEDULE

Consolidated City of Jacksonville

Name of Account

Date

The fees of Loomis, Sayles & Company, L.P. for investment management services for the above Account shall be paid quarterly in arrears at the rates indicated below based on the market value of the investment capital of the Account held for investment at the end of the quarter. Loomis, Sayles & Company, L.P. shall determine the market value of the account, including cash or its equivalent and accrued income held for investment, at the end of each quarter, applying the same valuation procedures and methods that it uniformly uses in its quarterly appraisals of investment management client accounts. The fee for any period which is less than a full quarter shall be prorated on a daily basis. If during the quarter assets are added or deleted by the CITY and made subject to or removed from management of Loomis, Sayles & Company, L.P, then the above fee shall be equitably prorated with respect to such added or deleted assets. In the event of termination, total assets for fee purposes shall mean the Account value at the date of notice termination.

Annual Fee Rates

.40% on the first \$20 million
.30% on the next \$80 million
.20% on value over \$100 million
Minimum aggregate account size: \$100 million
Minimum aggregate annual fee: \$320,000

The account fees for the account listed above will be aggregated with the
Jacksonville Police and Fire Pension Fund Core Plus Full Discretion Account (CP09N2)
This entity has approved a consolidated bill to be sent.

Please check box if applicable:

- ☐ Client directs Loomis, Sayles & Company, L.P. to send simultaneously to Client and the Trustee or Custodian of Client's Account a fee statement showing (x) the amount of the fee, (y) the value of Client's Account, and (z) the specific manner in which the fee was calculated. Client has directed its Trustee or Custodian to disburse payment from Client's Account to Loomis, Sayles & Company, L.P.

LOOMIS, SAYLES & COMPANY, L.P.

By: LOOMIS, SAYLES & COMPANY, INCORPORATED

Its: General Partner

Consolidated City of Jacksonville

Name of Client

By: _____

Authorized Signature

Name:

Title:

By: _____

Authorized Signature

Name:

Title: