

Page 2 – Capital Markets Review

- Financial markets experienced unprecedented turmoil during March, as COVID-19 spread rapidly across the globe. Containment efforts to reduce the number of infections have resulted in a standstill of many world economies.
- The unprecedented lockdown and “shelter in place” orders have materially impacted supply and demand dynamics at many stages of the supply chain. Supply chain disruptions have shifted from initial pressures following China’s lockdown, to unprecedented logistics issues across the globe. While the true economic impact of COVID-19 is still unknown, many economists and organizations are predicting negative global growth throughout 2020, with some economists predicting between a 10% to 30% drop in US GDP in the second quarter.
- In the United States, the Federal Reserve slashed interest rates 150 basis points during March to a range of 0% to 0.25% and announced the restart of quantitative easing to support business growth and market liquidity. Additionally, the US Congress and President Trump passed the CARES (Coronavirus Aid, Relief, and Economic Security) stimulus package, which provides financial assistance to US consumers and small businesses, as well as large corporations.
- Equity markets posted negative returns in March as the S&P (Standard & Poor's) 500 (Capitalization Weighted) Index returned -12.35% and the MSCI EAFE (Europe, Australasia and Far East) (Net) Index returned -13.35%. Emerging markets returned -15.40% as measured by the MSCI EM (Emerging Markets) (Net) Index.
- The Bloomberg US Aggregate Bond Index returned -0.59% in March, underperforming the 2.08% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned -2.88%, as measured by the FTSE (Financial Times Stock Exchange) Non-US World Government Bond Index.
- Public real estate, as measured by the FTSE (Financial Times Stock Exchange) NAREIT (National Association of Real Estate Investment Trusts) Equity REITs (Real Estate Investment Trusts) Index (Total Return), returned -21.92% in March and -0.35% over the trailing five-year period.
- The Cambridge US Private Equity Index returned 7.76% for the trailing one-year period and 11.68% for the trailing five-year period ending September 2019.
- Absolute return strategies, as measured by the HFRI (Hedge Fund Research Indices) FOF (Fund of Funds) Composite Index, returned -4.94% for the month and -2.60% over the trailing one-year period.

- Crude oil's price fell by 54.24% during the month, and has decreased by 65.94% year over year.

Page 3 – Asset Allocation by Asset Class, Asset Allocation vs. Target, and Schedule of Investable Assets

- As of March 31, 2020 total assets for the City of Jacksonville Police and Fire Pension Fund were \$1,826,536,690.
- Year to date assets declined -15.65% (net of fees) from prior year end of \$2,165,594,144.
- US Equity had a market value of \$695,873,014. This represented 38.10% of Total Plan assets compared to its Investment Policy target allocation of 39.00%.
- International Equity had a market value of \$389,429,272. This represented 21.32% of Total Plan assets compared to its Investment Policy target allocation of 20.00%.
- Fixed Income had a market value of \$454,421,960. This represented 24.88% of Total Plan assets compared to its Investment Policy target allocation of 19.50%.
- Real Estate had a market value of \$239,065,546. This represented 13.09% of Total Plan assets compared to its Investment Policy target allocation of 15.00%.
- MLPs (Master Limited Partnerships) had a market value of \$39,651,971. This represented 2.17% of Total Plan assets compared to its Investment Policy target allocation of 5.50%.
- Cash Equivalents had a market value of \$8,094,927. This represented 0.44% of Total Plan assets compared to its Investment Policy target of allocation 1.00%.
- All of the aforementioned asset classes, except for Fixed Income asset class, are within their allowable policy ranges. The Fixed Income asset class is above its maximum allowable target range of 24.5% by 0.38%.

Page 4 – Asset Allocation by Manager

- Eagle Capital Large Cap Value had a market value of \$165,816,109. This represented 9.08% of Total Plan assets.
- Northern Trust S&P (Standard & Poor's) 500 Index had a market value of \$219,218,700. This represented 12.00% of Total Plan assets.
- Loomis Sayles Large Cap Growth had a market value of \$102,785,944. This represented 5.63% of Total Plan assets.
- Sawgrass Diversified Large Cap Growth had a market value of \$94,591,318. This

represented 5.18% of Total Plan assets.

- Wedge Capital Small Cap Value had a market value of \$52,593,584. This represented 2.88% of Total Plan assets.
- Pinnacle Associates US SMID Cap Growth had a market value of \$60,836,235. This represented 3.33% of Total Plan assets.
- GAMCO had a market value of \$17,634. This represented 0.00% of Total Plan assets.
- Brown Investment Advisory had a market value was \$13,490. This represented 0.00% of Total Plan assets.
- Silchester International Value had a market value of \$121,369,872. This represented 6.64% of Total Plan assets.
- Northern Trust EAFE (Europe, Australasia and Far East) Index had a market value of \$30,206,544. This represented 1.65% of Total Plan assets.
- Baillie Gifford International Growth had a market value of \$118,101,677. This represented 6.47% of Total Plan assets.
- Acadian Emerging Markets had a market value of \$119,751,178. This represented 6.56% of Total Plan assets.
- Northern Trust Aggregate Bond Index had a market value of \$12,186,085. This represented 0.67% of Total Plan assets.
- Thompson Siegel Core Fixed Income had a market value of \$94,308,559. This represented 5.16% of Total Plan assets.
- Loomis Sayles Core Plus had a market value of \$140,770,316. This represented 7.71% of Total Plan assets.
- Neuberger Berman Core Plus had a market value of \$207,157,001. This represented 11.34% of Total Plan assets.
- JP Morgan Real Estate Strategic Property had a market value of \$181,053,919. This represented 9.91% of Total Plan assets.
- Principal US Property had a market value of \$58,011,627. This represented 3.18% of Total Plan assets.
- Harvest Fund Advisors MLP (Master Limited Partnerships) had a market value of \$19,794,646. This represented 1.08% of Total Plan assets.
- Tortoise Capital Advisors MLP (Master Limited Partnerships) had a market value of \$19,857,325. This represented 1.09% of Total Plan assets.
- Cash had a market value of \$8,094,927. This represented 0.44% of Total Plan assets.

Page 5 – Asset Allocation & Performance (Net of Fees); As of March 31, 2020

- The Total Fund returned -10.71% month to date, -10.13% fiscal year to date, and 3.08% for the 5-year annualized period and its benchmark, the Total Fund Policy Index, returned -11.01% month to date, -11.54% fiscal year to date, and 3.02% for the 5-year annualized period.
- The US Equity composite returned -14.30% month to date, -13.97% fiscal year to date, and 4.96% for the 5-year annualized period and its benchmark, the US Equity Policy Index, returned -13.75% month to date, -13.70% fiscal year to date, and 5.77% for the 5-year annualized period.
- The International Equity composite returned -12.48% month to date, -12.86% fiscal year to date, and 0.76% for the 5-year annualized period and its benchmark, the International Equity Policy Index, returned -14.48% month to date, -16.52% fiscal year to date, and -0.64% for the 5-year annualized period.
- The Fixed Income composite returned -4.49% month to date, -1.09% fiscal year to date, and 3.00% for the 5-year annualized period and its benchmark, the Fixed Income Policy Index, returned -1.67% month to date, 2.08% fiscal year to date, and 3.19% for the 5-year annualized period.
- The Real Estate composite returned 0.29% month to date, 3.03% fiscal year to date, and 7.67% for the 5-year annualized period. Returns for the stated benchmark, the NCREIF (National Council of Real Estate Investment Fiduciaries) ODCE (Open End Diversified Core Equity) Index (AWA) (Asset Weighted Allocation) (Net), returned 0.75% month to date, 2.03% fiscal year to date, and 7.48% for the 5-year annualized period.
- The MLP (Master Limited Partnerships) composite returned -40.28% month to date, -49.79% fiscal year to date, and -16.90% for the 5-year annualized period and its benchmark, the S&P (Standard & Poor's) MLP (Master Limited Partnerships) Index, returned -46.15% month to date, -57.24% fiscal year to date, and -19.88% for the 5-year annualized period.

Pages 6 and 7 – Asset Allocation & Performance (Net of Fees); As of March 31, 2020

- Eagle Capital Large Cap Value returned -17.18% month to date, -15.28% fiscal year to date, and 4.95% for the 5-year annualized period and its benchmark, the Russell 1000 Value Index, returned -17.09% month to date, -21.30% fiscal year to date, and 1.90% for the 5-year annualized period.
- Northern Trust S&P (Standard & Poor's) 500 Index returned -12.34% month to date, -12.30% fiscal year to date, and 6.75% for the 5-year annualized period and its benchmark, the S&P (Standard & Poor's) 500 Index, returned -12.35% month to date, -

12.31% fiscal year to date, and 6.73% for the 5-year annualized period.

- Loomis Sayles Large Cap Growth returned -7.42% month to date and -2.56% fiscal year to date. The manager does not have a 5-year performance history. Its benchmark, the Russell 1000 Growth Index, returned -9.84% month to date and -4.98% fiscal year to date.
- Sawgrass Diversified Large Cap Growth returned -8.71% month to date, -7.75% fiscal year to date, and 8.48% for the 5-year annualized period and its benchmark, the Russell 1000 Growth Index, returned -9.84% month to date, -4.98% fiscal year to date, and 10.36% for the 5-year annualized period.
- Wedge Capital Small Cap Value returned -27.33% month to date and -32.78% fiscal year to date. The manager does not have a 5-year performance history. Its benchmark, the Russell 2000 Value Index, returned -24.67% month to date and -30.20% fiscal year to date.
- Pinnacle Associates US SMID (Small Medium) Cap Growth returned -18.52% month to date, -14.91% fiscal year to date, and 3.05% for the 5-year annualized period and its benchmark, the Russell 2500 Growth Index, returned -17.72% month to date, -15.10% fiscal year to date, and 3.64% for the 5-year annualized period.
- Silchester International Value returned -12.85% month to date, -17.26% fiscal year to date, and -0.23% for the 5-year annualized period and its benchmark, the MSCI EAFE (Europe, Australasia and Far East) Value Index, returned -17.72% month to date, -22.59% fiscal year to date, and -3.83% for the 5-year annualized period.
- Northern Trust EAFE (Europe, Australasia and Far East) Index returned -13.77% month to date and -16.22% fiscal year to date. The manager does not have a 5-year performance history. Its benchmark, the MSCI EAFE (Europe, Australasia and Far East) Index, returned -13.35% month to date and -16.52% fiscal year to date.
- Baillie Gifford International Growth returned -8.77% month to date, -1.90% fiscal year to date, and 5.76% for the 5-year annualized period and its benchmark, the Baillie Gifford Index, returned -10.95% month to date, -10.22% fiscal year to date, and 2.55% for the 5-year annualized period.
- Acadian Emerging Markets returned -15.21% month to date, -15.21% fiscal year to date, and -1.66% for the 5-year annualized period and its benchmark, the MSCI EM (Emerging Markets) Index, returned -15.40% month to date, -14.55% fiscal year to date, and -0.37% for the 5-year annualized period.
- Northern Trust Aggregate Bond Index returned -0.46% month to date, 3.46% fiscal year to date, and 3.40% for the 5-year annualized period and its benchmark, the Bloomberg US Aggregate Bond Index, returned -0.59% month to date, 3.33% fiscal year to date, and 3.36% for the 5-year annualized period.
- Thompson Siegel Core Fixed Income returned -3.10% month to date, 0.51% fiscal year to date, and 3.39% for the 5-year annualized period and its benchmark, the Thompson

Siegel Policy Index, returned -0.59% month to date, 3.33% fiscal year to date, and 3.36% for the 5-year annualized period.

- Loomis Sayles Core Plus Full Discretion returned -5.73% month to date and -2.21% fiscal year to date. The manager does not have a 5-year performance history. Its benchmark, the Bloomberg US Universal Bond Index, returned -1.95% month to date and 1.76% fiscal year to date.
- Neuberger Berman Core Plus returned -4.48% month to date and -1.31% fiscal year to date. The manager does not have a 5-year performance history. Its benchmark, the Bloomberg US Universal Bond Index, returned -1.95% month to date and 1.76% fiscal year to date.
- JP Morgan Real Estate Strategic Property returned 0.49% month to date, 3.45% fiscal year to date, and 7.31% for the 5-year annualized period. The stated benchmark, the NCREIF (National Council of Real Estate Investment Fiduciaries) ODCE (Open End Diversified Core Equity) Index (AWA) (Asset Weighted Allocation) (Net), returned 0.75% month to date, 2.03% fiscal year to date, and 7.48% for the 5-year annualized period.
- Principal US Property returned -0.33% month to date, 1.75% fiscal year to date, and 8.84% for the 5-year annualized period. The stated benchmark, the NCREIF (National Council of Real Estate Investment Fiduciaries) ODCE (Open End Diversified Core Equity) Index (AWA) (Asset Weighted Allocation) (Net), returned 0.75% month to date, 2.03% fiscal year to date, and 7.48% for the 5-year annualized period.
- Harvest Fund Advisors MLP (Master Limited Partnerships) returned -40.80% month to date, -49.56% fiscal year to date, and -16.88% for the 5-year annualized period and its benchmark, the S&P (Standard & Poor's) MLP (Master Limited Partnerships) Index, returned -46.15% month to date, -57.24% fiscal year to date, and -19.88% for the 5-year annualized period.
- Tortoise Capital Advisors MLP (Master Limited Partnerships) returned -39.76% month to date, -50.00% fiscal year to date, and -16.83% for the 5-year annualized period and its benchmark, the S&P (Standard & Poor's) MLP (Master Limited Partnerships) Index, returned -46.15% month to date, -57.24% fiscal year to date, and -19.88% for the 5-year annualized period.

Custom Composite Benchmark Comments:

- Total Fund Policy Index: The passive Current Total Fund Policy Index is calculated monthly and currently consists of 39.00% Russell 3000 Index, 20.00% MSCI ACW (All Country World) Excluding US Index (US Dollars) (Net), 4.00% Bloomberg US Aggregate Bond Index, 15.50% Bloomberg US Universal Bond Index, 15.00% NCREIF (National Council of Real Estate Investment Fiduciaries) Fund ODCE (Open End Diversified Core Equity) Index (AWA) (Asset Weighted Allocation) (Net), 5.50% S&P (Standard & Poor's) MLP (Master Limited Partnerships) Index (Total Return), and 1.00% FTSE (Financial Times Stock Exchange) 3 Month Treasury Bill Index.

- US Equity Index: The passive US Equity Index consists of 100% US Equity Composite Custom Index through September 2013 and 100% Russell 3000 Index thereafter.
- International Equity Index: The passive International Equity Index consists of 100% MSCI EAFE (Europe, Australasia and Far East) Index (US Dollars) (Net) through September 2009 and 100% MSCI ACW (All Country World) Excluding US Index (US Dollars) (Net) thereafter.
- Fixed Income Index: The passive Fixed Income Index consists of 100% Bloomberg US Aggregate Bond Index through December 2016 and 20.50% Bloomberg US Aggregate Bond Index, 79.50% Bloomberg US Universal Bond Index thereafter.

Custom Manager Benchmark Comments:

- Baillie Gifford Index: The passive Baillie Gifford Index consists of 100% MSCI EAFE (Europe, Australasia and Far East) Growth Index (US Dollars) (Net) through November 2019 and 100% MSCI ACW (All Country World) Excluding US Growth Index (US Dollars) (Net) thereafter.
- Thompson Siegel Index: The passive Thompson Siegel Index consists of 100% Thompson Siegel Custom Policy Index through September 2009 and 100% Bloomberg US Aggregate Bond Index thereafter.