

**BOARD OF PENSION TRUSTEES
FOR THE
CITY OF JACKSONVILLE RETIREMENT SYSTEM
Thursday, March 25, 2021 at 2 PM
City Hall Conference Room 3C, Virtual Meeting Access Information Below
AGENDA**

1. CALL TO ORDER

2. PUBLIC COMMENT

3. MINUTES

- a. Copy of February 25, 2021 Board of Trustees Minutes; RECOMMENDED ACTION: APPROVAL

4. NEW BUSINESS

- a. GEPP February 2021 and COPP February 2021 Consent; RECOMMENDED ACTION: APPROVAL
- b. 10/1/2020 Actuarial Valuations Preliminary Results (And Assumed Rate-of-Return Review)

5. INVESTMENT AND FINANCIAL MATTERS

- a. February 2021 Investment Performance Update
- b. Asset Allocation Study Review
- c. Staff Update: Capital Calls, WB Transition, Custodial and Securities Lending RFP, Hancock Timber NZ Property—60-day liquidation window

6. OLD BUSINESS

7. ADMINISTRATIVE

- a. Board Rules and Code Clarifications (BRACC) Committee Update
- b. Pension Office Activity and Limited Retirement Option (LRO) Update

8. INFORMATION

- a. Next regular BOT meeting scheduled for Thursday, April 22, 2021, at 2 PM

9. PRIVILEGE OF THE FLOOR

10. ADJOURNMENT

**BOARD OF PENSION TRUSTEES
FOR THE
CITY OF JACKSONVILLE RETIREMENT SYSTEM
Thursday, March 25, 2021 at 2 PM
City Hall Conference Room 3C, Virtual Meeting Access Information Below
AGENDA**

Join Zoom Meeting

<https://zoom.us/j/92365497276?pwd=Ukg2TVhBaGVpRFh0dktjdEVUYnpWQT09>

Meeting ID: 923 6549 7276

Passcode: 583340

One tap mobile

+13017158592,,92365497276#,,,,*583340# US (Washington DC)

+13126266799,,92365497276#,,,,*583340# US (Chicago)

Dial by your location

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

Meeting ID: 923 6549 7276

Passcode: 583340

Find your local number: <https://zoom.us/u/abZOdh5dsV>

**BOARD OF PENSION TRUSTEES
FOR THE
CITY OF JACKSONVILLE RETIREMENT SYSTEM
February 25, 2021**

MINUTES

2:00 PM, held in Person in City Hall Conference Room 3C and via Zoom

Members Present

Jeffrey Bernardo, Chair
Julie Bessent
Joey Greive, Vice-Chair
Valerie Gutierrez
Brian Hughes
David Kilcrease, Secretary (via Zoom)
Kristofer Pike (via Zoom)
Richard Wallace (via Zoom)

Members Not Present

Diane Moser

Staff Present

Randall Barnes, Treasurer (via Zoom)
Paul Barrett, Senior Manager of Debt and Investments (via Zoom)
Brennan Merrell, Manager of Debt and Investments
John Sawyer, OGC (via Zoom)
Tom Stadelmaier, Pension Administrator
Yolanda Tillman, Treasury Office (via Zoom)

Others Present

Jordan Cipriani, RVK (via Zoom)
Kevin-journalist (via Zoom)
Matt McCue (via Zoom)
Angela Myers (via Zoom)
Jason Parks (via Zoom)
Ed Rozell (via Zoom)
Kevin Schmidt, RVK (via Zoom)
Scott Wilson (via Zoom)

1. CALL TO ORDER

Chair Bernardo called the meeting to order at about 2:03 PM.

2. PUBLIC COMMENT

NA

3. MINUTES

Mr. Hughes made a motion to approve the minutes. Mr. Greive seconded the motion. The Chair asked for discussion and there was none. The Chair took a vote and the minutes passed unanimously.

4. NEW BUSINESS

Consent agendas

Mr. Greive made a motion to approve the consent. Mr. Hughes seconded the motion. The Chair summoned for discussion. Mr. Stadelmaier responded that there was nothing unusual in the prepared consent. The Chair took a vote and the consent passed unanimously.

5. INVESTMENT AND FINANCIAL MATTERS

Mr. Schmidt reviewed the 4th quarter performance report commenting in summary that stocks soared to record highs. In a deeper dive, he noted that value outpaced growth. The ongoing government stimulus and COVID vaccine rollout both had a positive influence.

Mr. Schmidt covered asset allocation vs. target and highlighted the underweight in diversifying assets, which will increase over time given the recent investment in private equity and private credit. Strategic asset allocation was a large driver of performance overall. The Fund was up 11.39% for the quarter, which ranked in the 19th percentile. Fixed Income remained challenged with the hope that recent changes in fixed income assets will improve performance long-term.

Mr. Greive asked about attribution analysis for the last ten years to understand and learn why the fund ranks highly. Mr. Schmidt responded that it's mainly related to being overweight to equities and specifically growth. Mr. Greive added that growth has dominated during this period leading to Mr. Merrell discussing that staff and RVK will provide the Board with an asset allocation study and structural review over the next few months. Ms. Cipriani added that RVK's assumed future returns from public equities will be lower than the recent performance. Chair Bernardo said there will be a time to shift to more fixed assets which is in an effort to not lose money as the Fund matures in order to reduce risk. The Chair added, a shift in allocation can be especially hard given the exceptional performance of the stock market.

Mr. Merrell reviewed the January performance, which showed modest gains of 0.71%. Mr. Schmidt provided analysis on the strong performance of the small cap equities during

the month of January. Mr. Schmidt discussed the driver of small cap returns included the fact that unprofitable and heavily shorted stocks accounted for over 80% of the index return in January. He added February has been strong with the Fund up 3.9% MTD, 4.3% CYTD and 18.7% FYTD.

Ms. Cipriani reviewed the watch list presentation. Franklin Templeton (FT) and Pinnacle remain on watch due to under-performance. RVK also recommends adding William Blair (WB) due to sustained underperformance and organizational changes. She reminded the Board that the Fund reduced exposure to FT by increasing the investment with Loomis Sayles Multisector fixed income fund during the Core Fixed Income transition to Baird. Chair Bernardo asked about changes and lessons learned from FT unprofitable decisions and bets in 2020. Mr. Schmidt said FT made clear they remain defensive on duration and wish to stay de-risked post-COVID. He added they are open about the fact that they got it wrong in 2020. Ms. Cipriani indicated their philosophy has not changed in her view. Turning to Pinnacle, she commented they were well-positioned for the reopening trade and the portfolio has benefited from the vaccine rollout and Mr. Merrell pointed to their great performance to start 2021.

Ms. Cipriani then addressed WB and said they have struggled with poor stock selection and are in the process of acquiring the investment management firm, Investment Counselors of Maryland (ICM). WB proposed the transition of the current small cap value fund to the portfolio management of the new ICM Small Cap Value management fund when the WB acquisition occurs later in the 2nd quarter. ICM is respected by RVK and offers a more diversified portfolio than the current WB small cap value fund. RVK has a mutual client and rates the firm positively. RVK recommends a watch on WB and a search to determine if ICM is the best solution, after the completion of the upcoming asset allocation review and equity structure review. Chair Bernardo asked why we wouldn't liquidate and move to an index while doing the search given that WB has fired their team and we will have transition costs either way. Ms. Cipriani said that view was fair but added WB agreed to cover any transition costs and reduce ongoing management fees as well. She also added WB still has a fiduciary responsibility to manage the fund. Ms. Bessent asked about fund asset loss and Ms. Cipriani said it was too early to say but that asset losses were anticipated. Ms. Cipriani recapped the options and Mr. Greive said the Board has a history of making an independent review on new providers and not just accepting a transition decided by another party as WB is doing. Mr. Greive expressed his preference to keep beta through an index and review providers to determine the best place to seek alpha long-term in this space. Mr. Greive made a motion to terminate WB and allow staff and RVK to evaluate the best cost-effectively move into a small cap value index until a search can be completed. Mr. Hughes agreed and seconded the motion. Chair Bernardo started discussion and indicated his agreement with the termination and move the assets to a passive fund until a search can be completed. The Chair highlighted additional savings from not having an active manager for a period as well. He asked staff what percentage we held of the WB fund and Mr. Merrell said about 10% of the \$1 billion fund. Ms. Bessent asked how quickly the assets could be sold and Mr. Schmidt indicated about 70% could be traded in one day, 25% over 2-3 days and the rest in 3-5 days. Chair Bernardo added we may benefit from exiting the portfolio positions before

other parties leave the WB fund. There was also a brief discussion about transition managers, and it was agreed staff would reach out to transition managers and follow the process of past transitions. The Chair took a vote and the motion passed 8-0.

Mr. Merrell wrapped up the investment section thanking OGC and Mr. Kilcrease for work to finalize Hamilton Lane and Baird contracts. He said the core fixed income transition was very successful resulting in no transition costs due to several factors. Mr. Merrell reported on the monthly due diligence calls which included Loomis Sayles, Principal, Hancock, WB and Adams Street. He inquired with the Board if they have an interest to participate in investment manager due diligence calls. Mr. Merrell added, he can bring in a manager to regular monthly Board meeting or have a separate non-actionable investment call with Board members. Mr. Hughes suggested using a monthly meeting over the summer to see how it goes and decide if we should use that approach or a separate meeting after that. Chair Bernardo added he favored whatever format would be most conducive to the best investigation possible. Mr. Merrell concluded by saying the RFP for custodial service and securities lending was issued with responses due in March. The RFP includes the City's operating portfolio as well.

6. OLD BUSINESS

Mr. Greive and Mr. Hughes gave an update on 2020-529 Limited Retirement Option (LRO) which passed on Tuesday and now includes JEA employees. Mr. Bernardo asked what changed to include JEA Mr. Hughes noted the change came through a City Council inquiry. Mr. Hughes added he was eager to see the number of participants who accept the LRO—adding he will be surprised if it's massive but for those that take it, he knows it's very important. Mr. Hughes continued, the City is glad to be able to support people and their needs regarding COVID and what works best for some individual employees and their families. Mr. Greive gave an update on resources requested by the Pension Office which includes two temporary employees, staff overtime and IT resources. He commented that the Pension Office will need to handle this project in addition to continuing with regular activity supported by the office. Mr. Barnes added the Pension Office has operated lean and efficiently recently and that the added resources will be required to support the project. Mr. Stadelmaier gave a summary of the IT work in progress and the review of eligible employee records. He commented an extensive review of the records is required to run calculations and the result will be cleaner data. He also added that it's important to give eligible employees good information in order for them to make informed decisions. Mr. Stadelmaier added, even if a couple hundred take the LRO, that will greatly increase the normal volume of work and most of the other 600+ eligible people will all at least consider their options. It is a large project but the pension office has started on the work needed to implement the program and successfully support current and former employees and the City.

7. ADMINISTRATIVE

Mr. Stadelmaier gave an update on the progress of the Board Rules and Code Clarifications (BRACC) Committee, which included review of the rehired retiree rules and introduction of review of board rules. Most of the discussion in the first two meetings focused on rehired retiree benefit issues. Mr. Greive discussed the distinction between vested rehires and rehired pensioners that have taken money from the Plan already. Several items are under legal review and the pension office is reviewing historical examples. The BRACC Committee will provide information to the Board for action in an upcoming meeting.

Mr. Stadelmaier told the Board that additional portal enhancements were rolled-out this week, which were highlighted by the addition of DROP information available real-time for both active employees and pensioners with DROP benefits. A number of other enhancements were implemented as well. Mr. Stadelmaier gave credit to ITD led by Mamta Gupta and her team for the great progress in the functionality of the portal. Ms. Gutierrez asked about offering BACKDROP detail on the portal. Mr. Stadelmaier agreed this would be positive and said it is on the proposed list of enhancements. Due to some data cleanup needed and complexities associated with BACKDROP benefits, adding benefit calculation functionality online would likely take time to implement. He added the pension office does focus on educating employees about BACKDROP and promptly provides employees with BACKDROP estimates when requested. The Pension Office also maintains a list of ITD priorities and works closely to implement enhancements as resources allow.

8. INFORMATION

The next regular BOT meeting is scheduled for Thursday, March 25, 2021, at 2 PM.

9. PRIVILEGE OF THE FLOOR

None

10. ADJOURNMENT

The Chair adjourned the meeting at about 3:31 PM.

**GENERAL EMPLOYEES PENSION ADVISORY COMMITTEE
FOR THE
BOARD OF PENSION TRUSTEES**

February 2021

CONSENT AGENDA FOR RECOMMENDED BENEFITS

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

1. TIME SERVICE RETIREMENTS

Charlene Adkins, (Library), effective January 30, 2021 in the monthly amount of \$4,823.21 at the rate of 78.33% (31 years, 4 months)

Ann Brackin, (PW), effective January 30, 2021 in the monthly amount of \$3,627.57 at the rate of 75% (30 years), BACKDROP \$29,100.30 (8 months)

Renee Brightman-Dawson, (R&E), effective January 30, 2021 in the monthly amount of \$1,998.29 at the rate of 50.83% (20 years, 4 months), 15% PLOP \$58,201.17

Kenneth Chascin, (JEA), effective January 16, 2021 in the monthly amount of \$5,211.07 at the rate of 50.21% (20 years, 1 month)

Robert Crawford, (R&E), effective January 2, 2021 in the monthly amount of \$1,821.37 at the rate of 47.71% (19 years, 1 month), 15% PLOP \$44,513.51

Daman Featheringill, (JEA), effective January 16, 2021 in the monthly amount of \$5,266.87 at the rate of 80% (32 years, 1 month), BACKDROP \$338,836.66 (60 months)

Sara Gunter, (Library), effective January 30, 2021 in the monthly amount of \$2,789.21 at the rate of 80% (32 years), 1 months BACKDROP is \$2,790.91

Lillian Kirkland, (R&E), effective January 30, 2021 in the monthly amount of \$970.28 at the rate of 36.88% (14 years, 9 months)

Edilberto Mendoza, (JHA), effective January 2, 2021 in the monthly amount of \$1,839.97 at the rate of 54.17% (21 years, 8 months), 15% PLOP \$48,604.94

Krystal Oellerich, (JEA), effective January 16, 2021 in the monthly amount of \$3,558.86 at the rate of 77.5% (31 years), BACKDROP \$141,250.87

Geoffrey Roegner, (P&R), effective January 26, 2021 in the monthly amount of \$706.86 at the rate of 30%, (12 years), 15% PLOP \$14,185.18

Laura Stagner-Crites, (R&E), effective January 23, 2021 in the monthly amount of \$3,081.95 at the rate of 50.21% (20 years, 1 month) with a 21% reduction for early retirement

Paul Steinbrecher, (JEA), effective January 30, 2021 in the monthly amount of \$7,588.70 at the rate of 50% (20 years)

Darrell P. Williams, (Solid Waste), effective January 30, 2021 in the monthly amount of \$2,845.97 at the rate of 75% (30 years), 15% PLOP \$78,562.43

2. VESTED RETIREMENTS

New Commencements

Karen Walker, effective January 21, 2021 in the monthly amount of \$1,856.55

New Deferrals

Kristina Quarterman, (JEA), effective February 8, 2043 in the monthly amount of \$2,830.91 at the rate of 33.54% (13 years, 5 months)

William Rodgers, (JEA), effective January 6, 2024 in the monthly amount of \$2,214.11 at the rate of 31.25% (12 year, 6 months)

Juliana Rowland, (OGC), effective June 6, 2034 in the monthly amount of \$1,965.90 at the rate of 23.33% (9 years, 4 months)

3. SURVIVOR BENEFITS

Marilyn Eckstine. (Gary Eckstine), effective January 14, 2021 in the COLA base amount of \$4,032.64

Leland Joyce, (Edward Joyce), effective September 16, 2020 in the COLA base amount of \$1,734.14

Kim McFarland, (James McFarland), effective December 12, 2020 in the monthly COLA base amount of \$1,674.07

Priscilla Pyles, (Gary Pyles), effective January 2, 2021 in the monthly COLA base amount of \$3,391.42

Rita Shteyn, (Moetel Shteyn), effective November 16, 2020 in the monthly COLA base amount of \$1,194.79

Joy Williams, (Lawrence Williams), effective January 10, 2021 in the COLA base amount of \$1,725.40

4. RESTORATION OF SURVIVOR BENEFITS

None

5. CHILDREN/ORPHAN/GUARDIANSHIP BENEFITS

None

6. TIME SERVICE CONNECTIONS COMPLETED

Pamela Beaton, (Library), 64.23 months in the amount of \$11,359.40

Bruce Chauncey, (R&E), 107.2 months in the amount of \$50,323.11

Aurelian Nicolaescu, (Medical Examiner), 24 months in the amount of \$40,080.05

7. TIME SERVICE CONNECTIONS COMPLETED PURSUANT TO ORDINANCE 2000- 624-E (Independent Agency)

None

8. TIME SERVICE CONNECTIONS COMPLETED PURSUANT TO ORDINANCE 2003-573-E (Military)

None

9. REFUNDS

Latrece Bartley, (JEA), 4 years, 7 months in the amount of \$30,531.70

Nichole M Oswald, (City Council), 10 years, 11 months in the amount of \$32,389.05

Charles H Smith, (JSO), 3 years, 9 months in the amount of \$10,129.99

Desiree J Weston, (Risk Mgmt) 4 years, 10 months in the amount of \$25,352.37

Latonya F Williams, (Tax Collector), 14 years, 7 months in the amount of \$35,215.88

10. DB TO DC TRANSFER

None

11. OTHER PAYMENTS AND TIME CONNECTIONS

None

12. RE-RETIREE

None

13. DISABILITY

None

PAC Secretary Approval

Date

BOT Secretary Approval

Date

Notes and Comments regarding Approval:

CORRECTIONAL OFFICERS PENSION ADVISORY COMMITTEE

February 28, 2021

CONSENT AGENDA FOR RECOMMENDED BENEFITS

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

1. TIME SERVICE RETIREMENTS

John Coughlin, effective February 6, 2021 in the amount of \$3,083.36 at the rate of 61.33% (20 years, 8 months)

2. TIME SERVICE CONNECTIONS COMPLETED

None

3. REFUNDS

Kaitlyn B Jacob, 4 years, 1 month in the amount of \$16,060.49

4. SURVIVOR BENEFITS APPLICATION

Roger Butler, (Stephanie Sloan-Butler), effective December 25, 2020 in the monthly COLA base amount of \$5,699.69

Barbara Gates, (Calvin Gates), effective January 3, 2021 in the monthly COLA base amount of \$2,958.63

5. VESTED BENEFIT

None

6. TIME SERVICE CONNECTIONS COMPLETED PURSUANT TO ORDINANCE 2003-573-E (Military)

None

7. OFFICERS ENTERING DROP

NA

8. Phase II Biweekly Distribution DROP Program

None

9. DROP Payments

Troy Brown,	\$626.12
Shawn L Bryant,	\$190,465.41
Christopher Knight,	\$30,472.27

Daniel Propes,	\$376.75
Kevin Smith,	\$633.26

COPAC Secretary Approval

Date

BOT Secretary Approval

Date

Notes and Comments regarding Approval:



Monthly Investment Performance Analysis

City of Jacksonville Employees' Retirement System

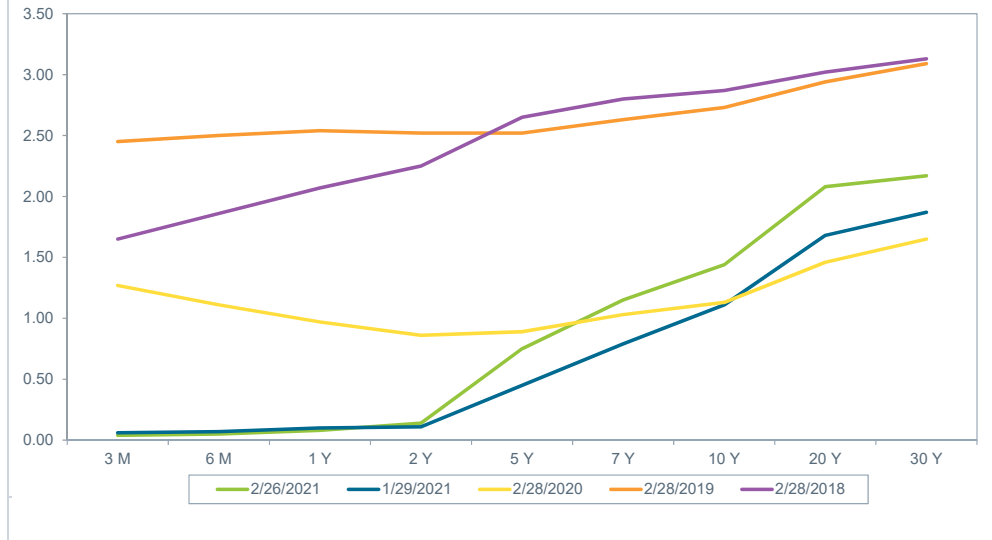
Period Ended: February 28, 2021



General Market Commentary

- Global equity markets rallied during the first half of the month, led by better than expected economic data, a continued decline in COVID-19 cases, as well as progress towards an additional US stimulus package. However, markets pulled back during the last week of the month, driven by fears of higher inflation. Ultimately, all major indices posted low to mid-single digit returns, with US small cap indices outperforming US large cap indices, and value indices significantly outpacing their growth counterparts.
- The fear of rising inflation prompted a sell-off in the bond market, resulting in negative broad market fixed income returns for the month. The sell-off led to rising bond yields, with the 10-year Treasury yield peaking at 1.61% in late February, the highest level in a year.
- Despite investor concerns regarding inflation, Fed Chairman Powell stated he does not currently see inflation as a major threat, and the Fed will continue with its policies of near-zero interest rates and bond purchasing program to help stimulate the economy.
- Equity markets posted positive returns in February as the S&P 500 (Cap Wtd) Index returned 2.76% and the MSCI EAFE (Net) Index returned 2.24%. Emerging markets returned 0.76% as measured by the MSCI EM (Net) Index.
- The Bloomberg US Aggregate Bond Index returned -1.44% in February, underperforming the -0.84% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned -2.56%, as measured by the FTSE Non-US World Gov't Bond Index.
- Public real estate, as measured by the FTSE NAREIT Eq REITs Index (TR), returned 4.01% in February and 6.43% over the trailing five-year period.
- The Cambridge US Private Equity Index returned 12.62% for the trailing one-year period and 12.87% for the trailing five-year period ending September 2020.
- Absolute return strategies, as measured by the HFRI FOF Comp Index, returned 2.59% for the month and 14.05% over the trailing one-year period.
- Crude oil's price increased by 17.82% during the month, and has increased by 37.40% YoY.

Treasury Yield Curve (%)



Economic Indicators	Feb-21	Jan-21	Feb-20	10 Yr	20 Yr
Federal Funds Rate (%)	0.07	0.07	1.58	0.63	1.45
Breakeven Inflation - 5 Year (%)	2.42 ▲	2.22	1.37	1.73	1.82
Breakeven Inflation - 10 Year (%)	2.15 ▲	2.10	1.43	1.93	2.01
Breakeven Inflation - 30 Year (%)	2.11 ▲	2.10	1.54	2.05	2.24
Bloomberg US Agg Bond Index - Yield (%)	1.42 ▲	1.17	1.68	2.33	3.47
Bloomberg US Agg Bond Index - OAS (%)	0.34 ▼	0.36	0.50	0.52	0.62
Bloomberg US Agg Credit Index - OAS (%)	0.86 ▼	0.92	1.17	1.29	1.44
Bloomberg US Corp: HY Index - OAS (%)	3.26 ▼	3.62	5.00	4.71	5.40
Capacity Utilization (%)	N/A	75.55	76.93	76.57	76.60
Unemployment Rate (%)	6.2 ▼	6.3	3.5	6.0	6.1
PMI - Manufacturing (%)	60.8 ▲	58.7	50.3	53.8	52.8
Baltic Dry Index - Shipping	1,675 ▲	1,452	1,366	1,113	2,300
Consumer Conf (Conf Board)	91.30 ▲	88.90	132.60	96.46	90.35
CPI YoY (Headline) (%)	1.4	1.4	2.3	1.7	2.1
CPI YoY (Core) (%)	1.4	1.4	2.4	1.9	2.0
PPI YoY (%)	N/A	0.4	1.3	1.2	2.0
M2 YoY (%)	N/A	25.8	6.8	7.7	6.9
US Dollar Total Weighted Index	113.12 ▲	112.24	117.74	105.19	103.22
WTI Crude Oil per Barrel (\$)	62 ▲	52	45	68	63
Gold Spot per Oz (\$)	1,734 ▼	1,848	1,586	1,410	1,022

Treasury Yield Curve (%)	Feb-21	Jan-21	Feb-20	Feb-19	Feb-18
3 Month	0.04	0.06	1.27	2.45	1.65
6 Month	0.05	0.07	1.11	2.50	1.86
1 Year	0.08	0.10	0.97	2.54	2.07
2 Year	0.14	0.11	0.86	2.52	2.25
5 Year	0.75	0.45	0.89	2.52	2.65
7 Year	1.15	0.79	1.03	2.63	2.80
10 Year	1.44	1.11	1.13	2.73	2.87
20 Year	2.08	1.68	1.46	2.94	3.02
30 Year	2.17	1.87	1.65	3.09	3.13

Market Performance (%)	MTD	QTD	CYTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
S&P 500 (Cap Wtd)	2.76	1.72	1.72	31.29	14.14	16.82	13.04	13.43
Russell 2000	6.23	11.58	11.58	51.00	14.87	17.92	10.78	11.86
MSCI EAFE (Net)	2.24	1.15	1.15	22.46	4.59	9.73	4.37	5.04
MSCI EAFE SC (Net)	2.65	2.27	2.27	31.18	5.15	11.73	7.01	7.76
MSCI EM (Net)	0.76	3.85	3.85	36.05	6.35	15.24	7.27	4.41
Bloomberg US Agg Bond	-1.44	-2.15	-2.15	1.38	5.32	3.55	3.47	3.58
ICE BofAML 3 Mo US T-Bill	0.01	0.02	0.02	0.40	1.54	1.20	0.87	0.63
NCREIF ODCE (Gross)	N/A	N/A	N/A	1.19	4.92	6.21	8.32	9.88
FTSE NAREIT Eq REITs Index (TR)	4.01	4.12	4.12	2.88	9.19	6.43	7.08	7.91
HFRI FOF Comp Index	2.59	1.59	1.59	14.05	5.15	5.70	3.74	3.38
Bloomberg Cmdty Index (TR)	6.47	9.27	9.27	20.32	0.32	3.52	-5.46	-5.88

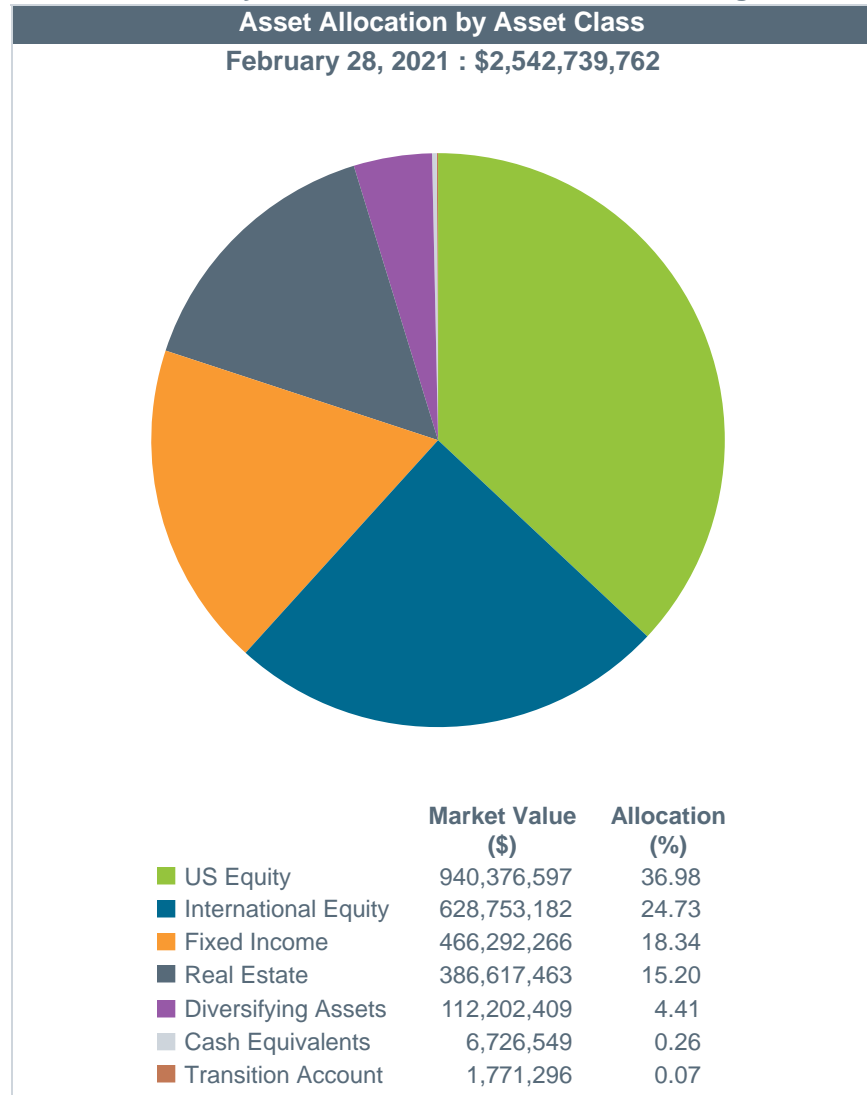
The previous month's CPI YoY is used as a proxy for the current YoY return until it becomes available.

NCREIF performance is reported quarterly; MTD and QTD returns are shown as "N/A" on interim-quarter months and until available. Data shown is as of most recent quarter-end.

Treasury data courtesy of the US Department of the Treasury. Economic data courtesy of Bloomberg Professional Service.

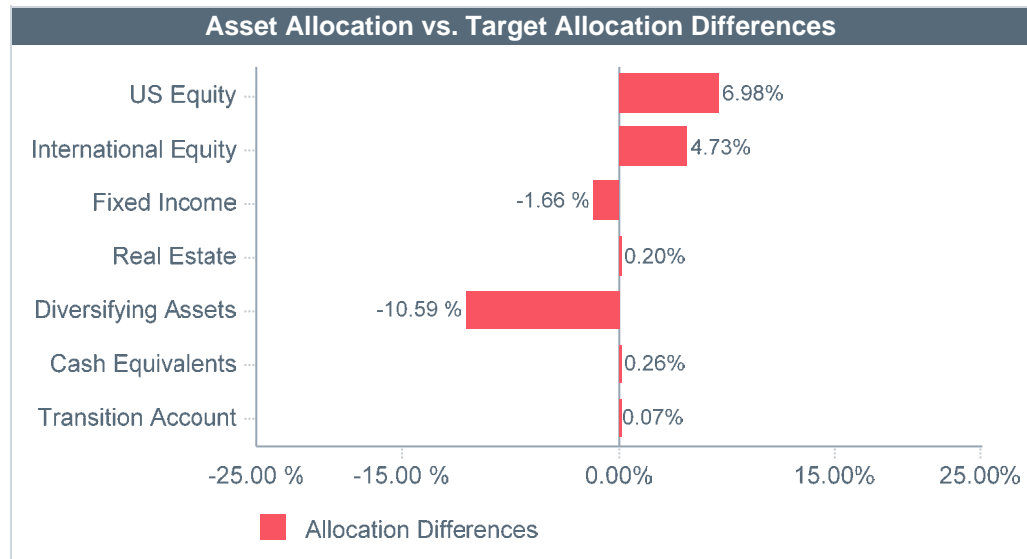


Asset Allocation by Asset Class, Asset Allocation vs. Target, and Schedule of Investable Assets



Asset Allocation vs. Target Allocation

	Market Value (\$)	Allocation (%)	Min (%)	Target (%)	Max (%)
Total Fund	2,542,739,762	100.00	-	100.00	-
US Equity	940,376,597	36.98	20.00	30.00	40.00
International Equity	628,753,182	24.73	10.00	20.00	25.00
Fixed Income	466,292,266	18.34	10.00	20.00	30.00
Real Estate	386,617,463	15.20	0.00	15.00	20.00
Diversifying Assets	112,202,409	4.41	0.00	15.00	20.00
Cash Equivalents	6,726,549	0.26	0.00	0.00	10.00
Transition Account	1,771,296	0.07	0.00	0.00	0.00



Schedule of Investable Assets

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
CYTD	2,469,519,078	175,521	73,045,163	2,542,739,762	3.05

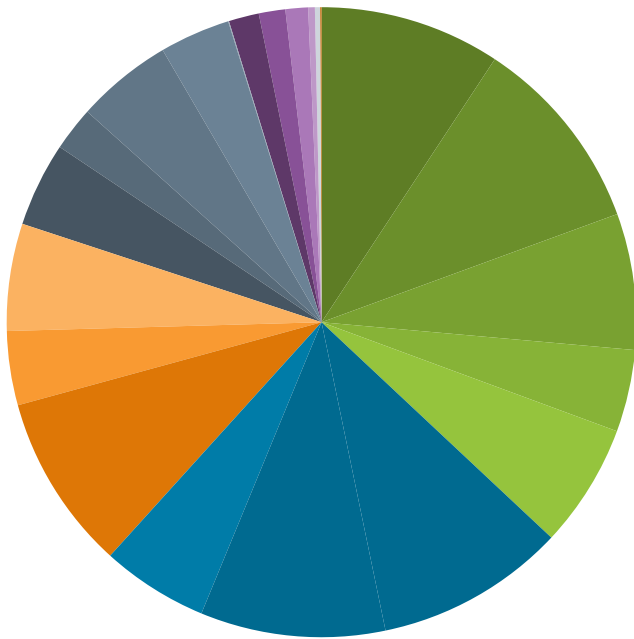
Market values and performance shown are preliminary and subject to change. Performance shown is net of fees. Allocations shown may not sum up to 100% exactly due to rounding.



City of Jacksonville Employees' Retirement System
Asset Allocation By Manager

As of February 28, 2021

February 28, 2021 : \$2,542,739,762



	Market Value (\$)	Allocation (%)
Eagle Capital Large Cap Value (SA)	236,014,216	9.28
Mellon Large Cap Core Index (CF)	257,836,448	10.14
Loomis Sayles Large Cap Growth (CF)	177,663,388	6.99
William Blair Small Cap Value (SA)	107,140,013	4.21
Pinnacle Associates US SMID Cap Growth (SA)	161,722,531	6.36
Silchester International Value (CF)	248,063,785	9.76
Baillie Gifford International Growth (BGEFX)	241,274,475	9.49
Acadian Emerging Markets (CF)	139,414,922	5.48
Baird Core Fixed Income (SA)	229,856,600	9.04
Richmond Capital Core (SA)	27	0.00
BMO Intermediate Fixed Income (SA)	30,047	0.00
Franklin Templeton Global Multisector Plus (CF)	96,597,279	3.80
Loomis Sayles Multisector Full Discretion (CF)	139,808,313	5.50
Harrison Street Core Property, LP	110,079,613	4.33
PGIM Real Estate PRISA II LP (CF)	57,660,857	2.27
Principal US Property (CF)	125,646,132	4.94
UBS Trumbull Property (CF)	92,096,444	3.62
Vanguard RE Idx;ETF (VNQ)	1,134,417	0.04
Harvest Fund Advisors MLP (SA)	39,370,885	1.55
Tortoise Capital Advisors MLP (SA)	34,629,863	1.36
Hancock Timberland (SA)	29,451,268	1.16
Adams Street, LP	8,750,392	0.34
Dreyfus Gvt Csh Mgt;Inst (DGCXX)	6,726,549	0.26
Transition Account	1,771,296	0.07

Market values shown are preliminary and subject to change. Allocations shown may not sum up to 100% exactly due to rounding. During February 2021, Richmond Capital Core (SA) and BMO Intermediate Fixed Income (SA) were terminated. The proceeds from liquidation were used to fund Baird Core Fixed Income (SA) and an additional contribution to Loomis Sayles Multisector Full Discretion (CF). Market values shown for Richmond Capital Core (SA) and BMO Intermediate Fixed Income (SA) represent residual cash.



City of Jacksonville Employees' Retirement System
 Asset Allocation & Performance (Net of Fees)

As of February 28, 2021

	Allocation		Performance (%)										
	Market Value (\$)	%	MTD	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Incep.	Inception Date
Total Fund	2,542,739,762	100.00	2.33	3.05	3.05	14.67	21.25	7.96	10.98	7.74	8.71	6.69	07/01/1999
Current Total Fund Policy Index			1.81	2.17	2.17	12.66	17.16	7.44	9.73	7.12	7.98	6.06	
Difference			0.52	0.88	0.88	2.01	4.09	0.52	1.25	0.62	0.73	0.63	
Total Equity	1,569,129,779	61.71	3.70	4.75	4.75	23.83	38.18	11.90	16.24	10.75	11.25	7.11	07/01/1999
US Equity	940,376,597	36.98	5.29	5.23	5.23	24.46	37.60	14.87	17.14	12.32	12.94	7.55	07/01/1999
US Equity Index			3.13	2.67	2.67	17.74	35.33	14.97	17.41	12.96	13.44	7.42	
Difference			2.16	2.56	2.56	6.72	2.27	-0.10	-0.27	-0.64	-0.50	0.13	
International Equity	628,753,182	24.73	1.42	4.05	4.05	22.91	38.98	7.35	14.79	8.01	8.13	6.79	07/01/1999
International Equity Index			1.98	2.20	2.20	19.59	26.18	5.44	11.21	5.11	4.77	4.49	
Difference			-0.56	1.85	1.85	3.32	12.80	1.91	3.58	2.90	3.36	2.30	
Fixed Income	466,292,266	18.34	-1.12	-1.91	-1.91	-0.38	1.70	3.51	3.91	2.80	3.55	5.16	07/01/1999
Fixed Income Index			-1.29	-1.91	-1.91	-0.64	2.13	5.45	3.66	3.55	3.63	4.93	
Difference			0.17	0.00	0.00	0.26	-0.43	-1.94	0.25	-0.75	-0.08	0.23	
Real Estate	386,617,463	15.20	0.18	0.87	0.87	0.91	0.17	3.69	5.32	7.16	7.89	5.32	12/01/2005
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	0.00	1.10	0.34	3.99	5.27	7.34	8.87	5.69	
Difference			0.18	0.87	0.87	-0.19	-0.17	-0.30	0.05	-0.18	-0.98	-0.37	
Diversifying Assets	112,202,409	4.41	3.17	6.74	6.74	20.68	0.50	-1.88	2.29	-1.05	4.18	4.18	03/01/2011
Diversifying Assets Index			4.87	8.89	8.89	23.90	1.29	-2.78	1.35	-1.39	1.95	1.95	
Difference			-1.70	-2.15	-2.15	-3.22	-0.79	0.90	0.94	0.34	2.23	2.23	

Market values and performance shown are preliminary and subject to change. Performance shown is net of fees and is annualized for periods greater than one year. Allocations may not sum up to 100% due to the exclusion of managers in liquidation. Please see the addendum for custom benchmark definitions. Fiscal year for the COJ ends 09/30. Performance for Harrison Street Core Property, LP, PGIM Real Estate PRISA II LP (CF), UBS Trumbull Property (CF), NCREIF ODCE Index (AWA) (Net), NCREIF Timberland Index, and Adams Street, LP is available quarterly; interim months assume a 0.00% return. Asset Valuations for Real Estate, Timberland, and Private Equity are lagged/unlagged as reported by the System's book of record, BNY Mellon.



City of Jacksonville Employees' Retirement System
Asset Allocation & Performance (Net of Fees)

As of February 28, 2021

	Allocation		Performance (%)										
	Market Value (\$)	%	MTD	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Incep.	Inception Date
US Equity													
Eagle Capital Large Cap Value (SA)	236,014,216	9.28	8.88	6.15	6.15	27.50	32.10	13.40	17.71	12.99	14.11	11.28	02/01/2007
Russell 1000 Val Index			6.04	5.07	5.07	22.15	22.22	8.23	12.02	8.87	10.40	6.58	
Difference			2.84	1.08	1.08	5.35	9.88	5.17	5.69	4.12	3.71	4.70	
Mellon Large Cap Core Index (CF)	257,836,448	10.14	2.90	2.04	2.04	15.91	34.09	N/A	N/A	N/A	N/A	18.52	05/01/2019
Russell 1000 Index			2.90	2.05	2.05	16.02	34.28	14.98	17.37	13.15	13.58	18.63	
Difference			0.00	-0.01	-0.01	-0.11	-0.19	N/A	N/A	N/A	N/A	-0.11	
Loomis Sayles Large Cap Growth (CF)	177,663,388	6.99	2.41	0.13	0.13	8.85	38.40	17.94	N/A	N/A	N/A	19.54	08/01/2017
Russell 1000 Grth Index			-0.02	-0.76	-0.76	10.54	44.26	20.97	22.22	17.05	16.45	22.25	
Difference			2.43	0.89	0.89	-1.69	-5.86	-3.03	N/A	N/A	N/A	-2.71	
William Blair Small Cap Value (SA)	107,140,013	4.21	8.55	9.91	9.91	40.01	21.17	3.95	9.03	N/A	N/A	5.60	11/01/2014
Russell 2000 Val Index			9.39	15.15	15.15	53.57	41.06	10.14	14.22	8.33	9.65	9.01	
Difference			-0.84	-5.24	-5.24	-13.56	-19.89	-6.19	-5.19	N/A	N/A	-3.41	
Pinnacle Associates US SMID Cap Growth (SA)	161,722,531	6.36	5.26	12.55	12.55	49.73	66.79	22.41	22.76	14.33	14.26	16.78	03/01/2010
Russell 2500 Grth Index			3.14	6.02	6.02	33.47	59.59	21.65	22.53	14.53	14.93	16.73	
Difference			2.12	6.53	6.53	16.26	7.20	0.76	0.23	-0.20	-0.67	0.05	
International Equity													
Silchester International Value (CF)	248,063,785	9.76	4.16	5.27	5.27	21.27	20.48	1.55	9.00	5.16	7.28	9.37	06/01/2009
MSCI EAFE Val Index (USD) (Net)			4.76	3.95	3.95	23.91	15.99	-0.08	7.23	1.62	2.97	5.19	
Difference			-0.60	1.32	1.32	-2.64	4.49	1.63	1.77	3.54	4.31	4.18	
Baillie Gifford International Growth (BGEFX)	241,274,475	9.49	-1.47	1.47	1.47	22.64	75.60	20.91	25.60	14.16	12.78	14.74	06/01/2009
Baillie Gifford Index			-0.36	0.24	0.24	14.20	33.42	9.92	12.71	7.44	7.31	9.35	
Difference			-1.11	1.23	1.23	8.44	42.18	10.99	12.89	6.72	5.47	5.39	
Baillie Gifford Spliced Index			1.98	2.20	2.20	19.59	26.18	6.23	10.76	5.07	5.53	7.62	
Difference			-3.45	-0.73	-0.73	3.05	49.42	14.68	14.84	9.09	7.25	7.12	
Acadian Emerging Markets (CF)	139,414,922	5.48	1.84	6.51	6.51	26.36	33.37	2.80	13.62	6.21	4.39	4.27	02/01/2011
MSCI Emg Mkts Index (USD) (Net)			0.76	3.85	3.85	24.31	36.05	6.35	15.24	7.27	4.41	4.27	
Difference			1.08	2.66	2.66	2.05	-2.68	-3.55	-1.62	-1.06	-0.02	0.00	

Market values and performance shown are preliminary and subject to change. Performance shown is net of fees and is annualized for periods greater than one year. Allocations may not sum up to 100% due to the exclusion of managers in liquidation. Please see the addendum for custom benchmark definitions. Fiscal year for the COJ ends 09/30. Performance for Harrison Street Core Property, LP, PGIM Real Estate PRISA II LP (CF), UBS Trumbull Property (CF), NCREIF ODCE Index (AWA) (Net), NCREIF Timberland Index, and Adams Street, LP is available quarterly; interim months assume a 0.00% return. Asset Valuations for Real Estate, Timberland, and Private Equity are lagged/unlagged as reported by the System's book of record, BNY Mellon.



City of Jacksonville Employees' Retirement System
Asset Allocation & Performance (Net of Fees)

As of February 28, 2021

	Allocation		Performance (%)										
	Market Value (\$)	%	MTD	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Incep.	Inception Date
Fixed Income													
Baird Core Fixed Income (SA)	229,856,600	9.04	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	03/01/2021
Bloomberg US Agg Bond Index			-1.44	-2.15	-2.15	-1.50	1.38	5.32	3.55	3.47	3.58	N/A	
Difference			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Franklin Templeton Global Multisector Plus (CF)	96,597,279	3.80	-0.46	-2.05	-2.05	-0.34	-4.99	-2.78	1.48	-0.24	1.77	5.06	09/01/2007
Frank. Temp. Global Multisector Index			-1.65	-2.50	-2.50	0.94	4.50	3.85	3.87	2.39	2.64	3.78	
Difference			1.19	0.45	0.45	-1.28	-9.49	-6.63	-2.39	-2.63	-0.87	1.28	
Loomis Sayles Multisector Full Discretion (CF)	139,808,313	5.50	-0.93	-1.81	-1.81	2.26	8.93	7.27	8.21	5.44	6.38	6.91	10/01/2007
Bloomberg Gbl Agg Bond Index			-1.72	-2.58	-2.58	0.61	4.33	3.84	3.61	2.27	2.48	3.43	
Difference			0.79	0.77	0.77	1.65	4.60	3.43	4.60	3.17	3.90	3.48	
Real Estate													
Harrison Street Core Property, LP	110,079,613	4.33	0.00	1.26	1.26	1.26	4.10	5.99	7.33	N/A	N/A	7.11	11/01/2015
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	0.00	1.10	0.34	3.99	5.27	7.34	8.87	5.54	
Difference			0.00	1.26	1.26	0.16	3.76	2.00	2.06	N/A	N/A	1.57	
PGIM Real Estate PRISA II LP (CF)	57,660,857	2.27	0.00	1.41	1.41	1.41	-0.18	4.71	5.97	N/A	N/A	7.33	01/01/2015
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	0.00	1.10	0.34	3.99	5.27	7.34	8.87	6.49	
Difference			0.00	1.41	1.41	0.31	-0.52	0.72	0.70	N/A	N/A	0.84	
Principal US Property (CF)	125,646,132	4.94	0.52	0.90	0.90	2.63	0.91	4.83	6.39	8.38	N/A	8.32	01/01/2014
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	0.00	1.10	0.34	3.99	5.27	7.34	8.87	7.17	
Difference			0.52	0.90	0.90	1.53	0.57	0.84	1.12	1.04	N/A	1.15	
UBS Trumbull Property (CF)	92,096,444	3.62	0.00	0.00	0.00	-2.08	-4.78	-0.64	1.82	4.41	6.09	4.42	12/01/2005
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	0.00	1.10	0.34	3.99	5.27	7.34	8.87	5.69	
Difference			0.00	0.00	0.00	-3.18	-5.12	-4.63	-3.45	-2.93	-2.78	-1.27	
Vanguard RE Idx;ETF (VNQ)	1,134,417	0.04	3.42	3.46	3.46	13.04	4.85	10.55	7.07	7.38	7.92	12.69	12/01/2008
Custom REITs Index			3.38	3.40	3.40	13.00	4.96	11.17	7.57	7.83	8.45	13.51	
Difference			0.04	0.06	0.06	0.04	-0.11	-0.62	-0.50	-0.45	-0.53	-0.82	

Market values and performance shown are preliminary and subject to change. Performance shown is net of fees and is annualized for periods greater than one year. Allocations may not sum up to 100% due to the exclusion of managers in liquidation. Please see the addendum for custom benchmark definitions. Fiscal year for the COJ ends 09/30. Performance for Harrison Street Core Property, LP, PGIM Real Estate PRISA II LP (CF), UBS Trumbull Property (CF), NCREIF ODCE Index (AWA) (Net), NCREIF Timberland Index, and Adams Street, LP is available quarterly; interim months assume a 0.00% return. Asset Valuations for Real Estate, Timberland, and Private Equity are lagged/unlagged as reported by the System's book of record, BNY Mellon.



City of Jacksonville Employees' Retirement System
 Asset Allocation & Performance (Net of Fees)

As of February 28, 2021

	Allocation		Performance (%)										
	Market Value (\$)	%	MTD	QTD	CYTD	FYTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Incep.	Inception Date
Diversifying Assets													
Harvest Fund Advisors MLP (SA)	39,370,885	1.55	5.14	10.91	10.91	36.04	-3.57	-5.48	0.98	-4.77	2.73	2.73	03/01/2011
S&P MLP Index (TR)			7.73	14.75	14.75	48.29	-0.21	-5.98	1.09	-6.32	-0.71	-0.71	
Difference			-2.59	-3.84	-3.84	-12.25	-3.36	0.50	-0.11	1.55	3.44	3.44	
Tortoise Capital Advisors MLP (SA)	34,629,863	1.36	4.60	9.99	9.99	33.92	-10.42	-9.32	-2.33	-6.50	0.70	0.70	03/01/2011
Tortoise Spliced Index			6.35	12.08	12.08	34.67	-5.79	-7.76	-0.07	-7.09	-1.28	-1.28	
Difference			-1.75	-2.09	-2.09	-0.75	-4.63	-1.56	-2.26	0.59	1.98	1.98	
Hancock Timberland (SA)	29,451,268	1.16	0.00	0.00	0.00	3.84	10.14	6.80	7.36	6.61	6.80	3.87	10/01/2006
NCREIF Timberland Index			0.00	0.00	0.00	0.58	0.81	1.77	2.30	3.81	4.55	5.10	
Difference			0.00	0.00	0.00	3.26	9.33	5.03	5.06	2.80	2.25	-1.23	
Adams Street, LP	8,750,392	0.34	0.00	0.00	0.00	N/A	N/A	N/A	N/A	N/A	N/A	0.00	11/01/2020
S&P 500 Index+3%			3.01	2.22	2.22	15.49	35.23	17.56	20.33	16.43	16.83	18.35	
Difference			-3.01	-2.22	-2.22	N/A	N/A	N/A	N/A	N/A	N/A	-18.35	
Dreyfus Gvt Csh Mgt;Inst (DGCXX)	6,726,549	0.26	0.00	0.01	0.01	0.01	0.13	1.42	1.13	0.84	0.61	1.36	04/01/2001
FTSE 3 Mo T-Bill Index			0.01	0.01	0.01	0.04	0.33	1.49	1.16	0.84	0.60	1.36	
Difference			-0.01	0.00	0.00	-0.03	-0.20	-0.07	-0.03	0.00	0.01	0.00	

Private equity funds tend to underperform in the early stages of their maturity; returns tend to improve as funds mature.

Market values and performance shown are preliminary and subject to change. Performance shown is net of fees and is annualized for periods greater than one year. Allocations may not sum up to 100% due to the exclusion of managers in liquidation. Please see the addendum for custom benchmark definitions. Fiscal year for the COJ ends 09/30. Performance for Harrison Street Core Property, LP, PGIM Real Estate PRISA II LP (CF), UBS Trumbull Property (CF), NCREIF ODCE Index (AWA) (Net), NCREIF Timberland Index, and Adams Street, LP is available quarterly; interim months assume a 0.00% return. Asset Valuations for Real Estate, Timberland, and Private Equity are lagged/unlagged as reported by the System's book of record, BNY Mellon.



Performance Related Comments:

- Performance is annualized for periods greater than one year.
- Performance and market values shown are preliminary and subject to change.
- The inception date shown indicates the first full month of performance following initial funding.
- The market value shown for the Transition Account includes residual assets from terminated managers.
- RVK began monitoring the assets of the City of Jacksonville Retirement System on 01/01/2019. Prior historical data was provided by the custodian and previous consultant.
- Franklin Templeton Global Multisector Plus (CF) performance prior to 03/2016 is represented by Templeton Global Total Return (SICAV).
- In January 2018, Taplin Canida & Habacht Intermediate Duration (SA) was renamed to BMO Intermediate Fixed Income (SA) as part of a rebranding initiative.

Custom Composite Benchmark Comments:

- **Current Total Fund Policy Index:** The passive Current Total Fund Policy Index is calculated monthly and currently consists of 30% Russell 3000 Index, 20% MSCI ACW Ex US Index (USD) (Net), 20% Fixed Income Index, 15% NCREIF ODCE Index (AWA) (Net), and 15% Diversifying Assets Index. Prior to 11/01/2017, the Current Total Fund Policy Index consists of the Legacy Total Fund Policy Index.
- **Legacy Total Fund Policy Index:** The passive Legacy Total Fund Policy Index is calculated monthly and currently consists of 35% Russell 3000 Index, 20% MSCI ACW Ex US Index (USD) (Net), 19% Fixed Income Index, 15% NCREIF ODCE Index (AWA) (Net), 10% Diversifying Assets Index, and 1% FTSE 3 Mo US T-Bill Index.
- **US Equity Index:** The passive US Equity Index consists of 100% DJ US TSM Index through 06/2009 and 100% Russell 3000 Index thereafter.
- **International Equity Index:** The passive International Equity Index consists of 100% MSCI EAFE Index (USD) (Gross) through 01/2011 and 100% MSCI ACW Ex US Index (USD) (Net) thereafter.
- **Fixed Income Index:** The passive Fixed Income Index consists of 100% Bloomberg US Agg Bond Index through 10/2017 and 100% Bloomberg US Universal Bond Index thereafter.
- **Diversifying Assets Index:** The active Diversifying Assets Index is calculated monthly using beginning of month investment weights applied to each corresponding primary benchmark return. Prior to 10/01/2020, the Diversifying Assets Index consist of 67% S&P MLP Index (TR)/33% NCREIF Timberland Index. Prior to 11/01/2017, the Diversifying Assets Index consist 50% S&P MLP Index (TR)/50% NCREIF Timberland Index.

Custom Manager Benchmark Comments:

- **Baillie Gifford Index:** The passive Baillie Gifford Index consists of 100% MSCI EAFE Grth Index (USD) (Net) through 10/2017 and 100% MSCI ACW Ex US Grth Index (USD) (Net) thereafter.
- **Baillie Gifford Spliced Index:** The passive Baillie Gifford Spliced Index consists of 100% MSCI EAFE Index (USD) (Net) through 11/2019 and 100% MSCI ACW Ex US Index (USD) (Net) thereafter.
- **Frank. Temp. Global Multisector Index:** The passive Frank. Temp. Global Multisector Index consists of 100% ICE BofAML Gbl Hi Yld Index through 12/2009 and 100% Bloomberg Multiverse Index thereafter.

- **Custom REITs Index:** The passive Custom REITs Index consists of 100% MSCI US REIT Index (USD) (Gross) through 01/2019 and 100% Vanguard Spl Real Estate Index thereafter.
- **Vanguard Spliced Real Estate Index:** The Vanguard Spl Real Estate Index consists of MSCI US REIT Index (USD) (Gross) adjusted to include a 2% cash position (Lipper Money Market Average) through 04/30/2009, MSCI US REIT Index (USD) (Gross) through 01/31/2018, MSCI US IM Real Estate 25/50 Transition Index through 07/24/2018, and MSCI US IM Real Estate 25/50 Index (Gross) thereafter.
- **Tortoise Spliced Index:** The passive Tortoise Spliced Index consists of 100% S&P MLP Index (TR) through 07/2020 and 100% Alerian Midstream Energy Index thereafter.

PORTLAND

BOISE

CHICAGO

NEW YORK

Disclaimer of Warranties and Limitation of Liability - This document was prepared by RVK, Inc. (RVK) and may include information and data from some or all of the following sources: client staff; custodian banks; investment managers; specialty investment consultants; actuaries; plan administrators/record-keepers; index providers; as well as other third-party sources as directed by the client or as we believe necessary or appropriate. RVK has taken reasonable care to ensure the accuracy of the information or data, but makes no warranties and disclaims responsibility for the accuracy or completeness of information or data provided or methodologies employed by any external source. This document is provided for the client's internal use only and does not constitute a recommendation by RVK or an offer of, or a solicitation for, any particular security and it is not intended to convey any guarantees as to the future performance of the investment products, asset classes, or capital markets.



March 2021

Capital Markets Update & Asset Allocation Review

City of Jacksonville Employees' Retirement System



Table of Contents

- Capital Market Assumptions Overview Tab 1
- Asset Allocation Study Tab 2
- Appendix Tab 3

Capital Market Assumptions Overview



Capital Markets Assumptions

Philosophy

- Each year, RVK's general consulting and research teams collaborate to review the capital markets environment and update long-term, forward-looking capital markets assumptions (CMAs) for each asset class utilized by our clients.
- The forecast horizon is for long-term periods – generally 10-20 years.
- The components we estimate include:
 - Return
 - Risk (volatility of returns)
 - Correlation (relationship of asset class returns with all other asset classes)
- Return assumptions are generally index-based and assume no investment manager alpha.
- Annual updates are typically gradual and incorporate historical performance, current valuations, as well as the overall economic environment.

What does it mean to get our Assumptions “right”?

Relative accuracy is most important...

- **Relative Accuracy:** Assumptions capture the relative relationships between asset classes, which are key to making trade-off decisions when modeling.
 - Having some assumptions that are spot on, and others that are far off, will produce unbalanced and poorly diversified portfolios.

But “absolute” accuracy matters too – just not as much.

- **Absolute Accuracy:** Assumptions reflect the absolute values actually experienced in future long-term market environments.
 - Having assumptions that are too high or too low across the board can cause a Fund to believe it can distribute more than it can afford or restrict spending more than necessary.
 - A well-structured and executed investment program, specifically a well diversified asset allocation, will be best positioned to benefit from the available market returns regardless of the forecasts for total returns.

Themes for 2021 Capital Markets Assumptions

Inflation

Past and future inflation levels are studied and considered given market conditions, break-even indications, sovereign intervention, and inflation component pricing behavior. *The 2021 inflation assumption remained the same at 2.0%, given ongoing debt and demographic issues – though new potentially inflationary policy considerations are being monitored closely.*




Mean-reversion

Mean reversion is considered for asset classes that demonstrated strong performance over the last year (or longer). *All equity return assumptions were decreased, given the historically elevated valuation levels and reduced dividend yields.*



Low yields

Yield history, current environment, and prospective environments are considered. *The majority of the fixed income return assumptions were decreased, given historically low starting yields and reduced spreads.*

2021 Capital Market Assumption Highlights

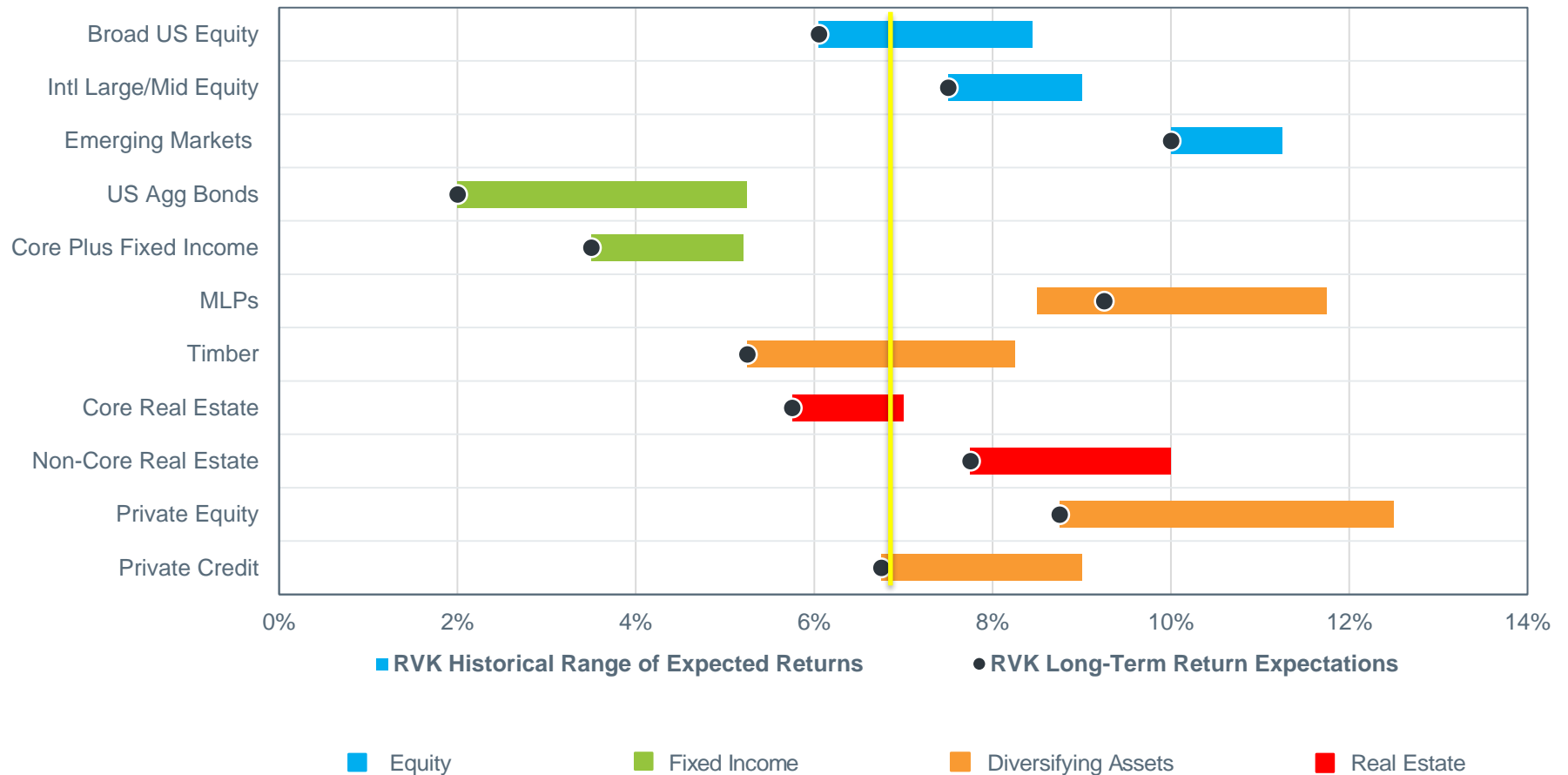
	Expected Return Trend	Basis	Potential Concerns & Risks	Current Positioning
Equity		Elevated Valuations	<ul style="list-style-type: none"> • Business risk uncertainty as pandemic closures continue • Lower starting dividend yields compared to historical averages 	<ul style="list-style-type: none"> • Fairly style-neutral structure, US emphasis • Active managers adding high quality companies at discounted prices
Fixed Income		Interest rates low	<ul style="list-style-type: none"> • Significantly reduced yields and spreads • Elevated durations, combined with the potential for rising rates 	<ul style="list-style-type: none"> • Core and Core Plus mandates • Active managers strategically selling and buying bonds depending on sector and credit outlook.
Real Estate		Cap rates remain low; Yields remain relatively attractive	<ul style="list-style-type: none"> • COVID-19 impact on rent collections uncertain; hospitality and retail most severely impacted in near-term • Lack of transactions makes price discovery more difficult 	<ul style="list-style-type: none"> • COVID-19 may accelerate multi-year trends of managers increasing exposure to industrial sector while reducing retail • Portfolio is exposed to strategies with strong demographic tailwinds (e.g. senior housing)

2021 Capital Market Assumption Highlights

	Expected Return Trend	Basis	Potential Concerns & Risks	Current Positioning
Private Equity		Elevated valuations	<ul style="list-style-type: none"> Increased deal valuation multiples and higher equity requirements will put pressure on forward-looking returns Traditional leverage-heavy deals could suffer in an environment of more equity and less leverage 	<ul style="list-style-type: none"> Thematic, defensive buyers in current climate. Backing firms/management who have a repeatable edge in finding and creating value. Overweight small market buyout with modest leverage, underweight mega/large buyout. Overweight early/mid-stage tech and healthcare.
Private Credit		Increase in defaults, and credit market dislocations	<ul style="list-style-type: none"> Increasing competition for deals Rising multiples on equity deals, combined with demand-driven yield compression and weaker industry-wide debt covenants are forcing investors to become even more selective in order to preserve their desired levels of risk-adjusted return 	<ul style="list-style-type: none"> While still early days, the portfolio will be diversified amongst origination (mezzanine) strategies, distressed strategies, structured credit, and opportunistic credit. The majority of the portfolio (~75%) will consist of North American deals, with the remainder predominately being in Europe.

Historical Perspective of Expected Returns

2021 Expected Returns vs. RVK Historical Range of Expected Returns



Data shown includes 2009 through 2021 Capital Market Assumptions for selected COJ ERS asset classes. Assumptions for Core Plus Fixed Income were developed in 2018. Assumptions for Private Credit were developed in 2017. Assumptions for Non-Core Real Estate were developed in 2011.

Asset Return Expectations and Uncertainty

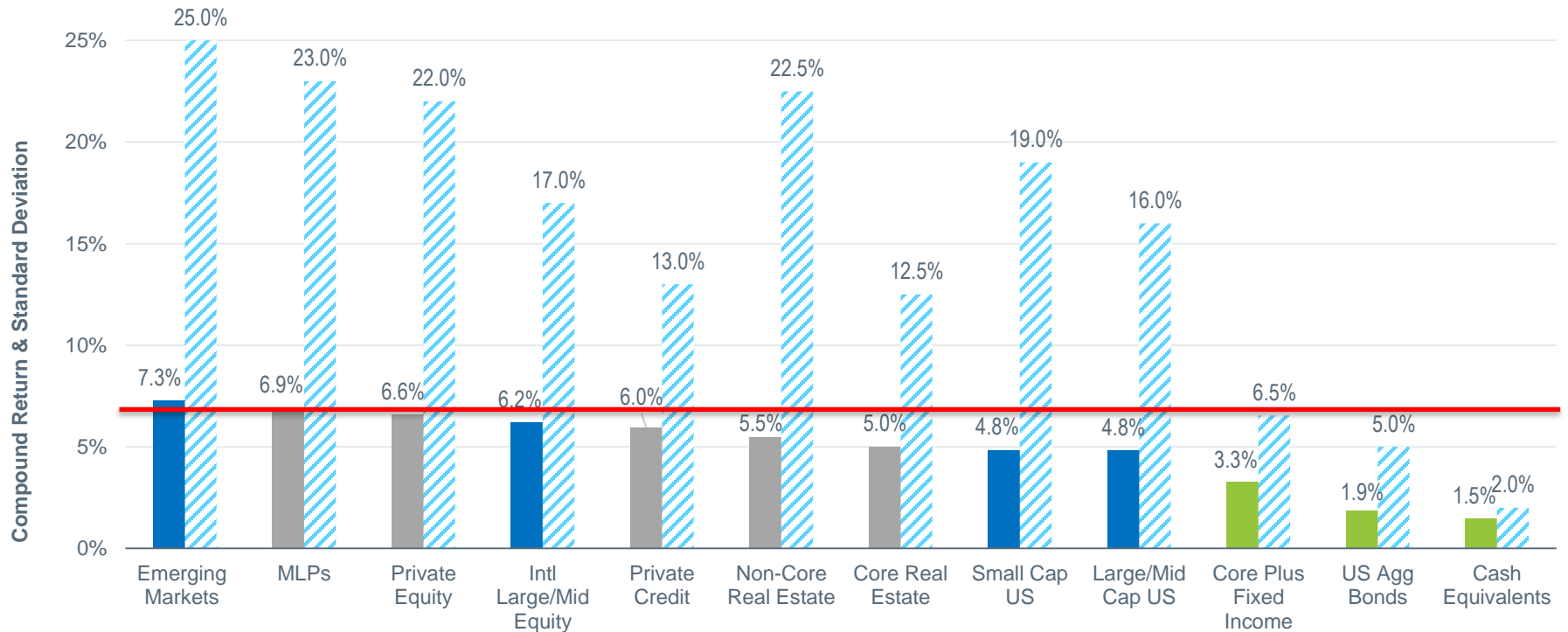
RVK 2021 Long-Term Return Expectations and Estimated Distribution of Returns



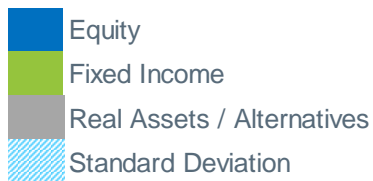
StDev is based on RVK 2021 CMA risk assumption for each asset class.

RVK 2021 Compound Return & Risk Assumptions

- Geometric return assumptions account for the dampening effect of volatility on the asset classes' compound returns and thus are less than their arithmetic counterparts over time.



Correlation to Large/Mid US	0.73	0.51	0.78	0.84	0.64	0.13	0.22	0.85	1.00	0.62	0.15	-0.01
-----------------------------	------	------	------	------	------	------	------	------	------	------	------	-------



RVK Capital Market Assumptions: COJ ERS

- The table below outlines RVK's year-over-year CMA changes for each of the asset classes utilized in our Asset Allocation Study.

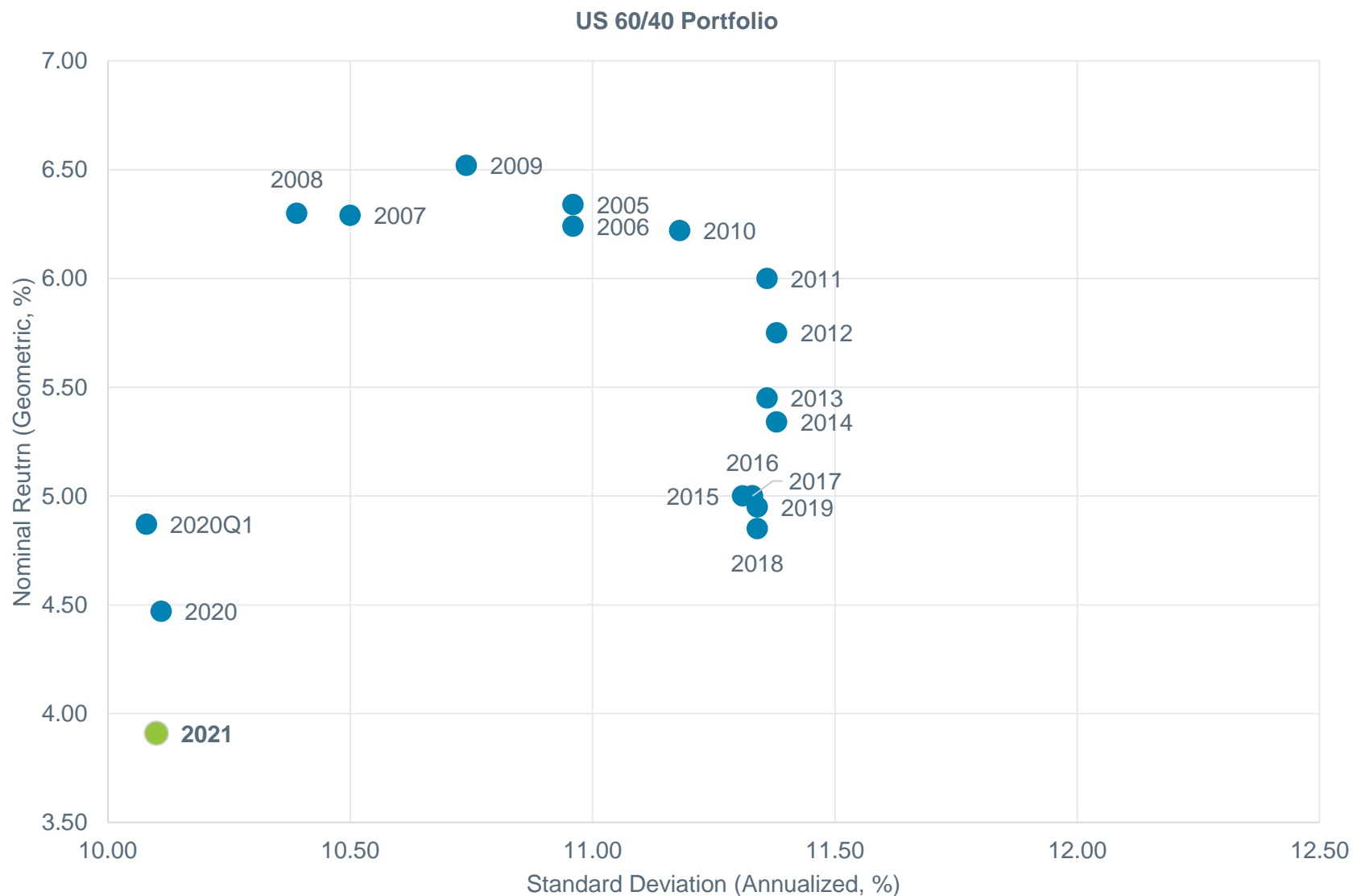
Asset Class	2020Q1		2021		Change (2021 - 2020Q1)	
	Nominal Return (Arith.)	Standard Deviation	Nominal Return (Arith.)	Standard Deviation	Nominal Return (Arith.)	Standard Deviation
Broad US Equity	7.30%	16.00%	6.05%	16.05%	-1.25%	0.05%
Dev' Large/Mid Int'l Equity	9.00%	17.00%	7.50%	17.00%	-1.50%	0.00%
Emerging Markets Equity	11.25%	25.00%	10.00%	25.00%	-1.25%	0.00%
US Agg Fixed Income	2.50%	5.00%	2.00%	5.00%	-0.50%	0.00%
Core Plus Fixed Income	5.20%	6.90%	3.50%	6.54%	-1.70%	-0.36%
Private Credit	9.00%	13.00%	7.75%	15.50%	-1.25%	2.50%
Core Real Estate	5.75%	12.50%	5.75%	12.50%	0.00%	0.00%
Non-Core Real Estate	7.75%	22.50%	7.75%	22.50%	0.00%	0.00%
MLPs	11.75%	23.00%	9.25%	23.00%	-2.50%	0.00%
Private Equity	10.00%	22.00%	8.75%	22.00%	-1.25%	0.00%
Timber	5.25%	9.00%	5.25%	9.00%	0.00%	0.00%

 Represents an increase year-over-year.

 Represents a decrease year-over-year.

Historical RVK Capital Market Assumptions

- Long-term return expectations for a traditional US 60/40 portfolio remain muted relative to prior years.



Next Step: Asset Allocation Study

Process Overview

- The **goal** of an Asset Allocation Study is to identify alternative portfolios that satisfy the return objectives and unique risk tolerances of a given institution.
- When conducting an asset allocation review, RVK employs a modelling process called **Mean Variance Optimization**, which produces a set of optimal (aka “efficient”) portfolios providing the highest level of expected return for a given level of risk. This set of optimal portfolios is called the **Efficient Frontier**.
- Inputs:
 - Allowable asset classes (cash, bonds, stocks, private equity, real estate, etc.)
 - **Capital Market Assumptions** for each individual asset class:
 - Expected Return
 - Expected Risk
 - Correlations
 - Constraints:
 - For each asset class (minimums, maximums)
 - Global constraints for “groups” of asset classes
- The Efficient Frontier is then referenced when identifying alternative portfolios; additional adjustments are typically necessary to take into account the **qualitative factors that the model simply cannot account for** (e.g. a Committee’s desire for a certain allocation cap on illiquid assets).
- Finally, a **Monte Carlo analysis** is incorporated, which allows us to ascertain the real-world probability of achieving various return targets over time as well as the associated risks.

Asset Allocation Study



Analysis: Efficient Frontier 1

- The table below shows the range of possible optimal allocations given those **asset classes and targets COJ ERS currently utilizes** and constraints listed under “min” and “max.” This range illustrates the tradeoff between return and risk; additional return can only be achieved by undertaking additional risk.

	Min	Max	1	2	3	4	5	6	7	8	9	10	Current (12/31/2020)	Current Target
Broad US Equity	0	40	27	15	13	16	19	22	24	25	31	40	36	30
Dev'd Large/Mid Int'l Equity	0	20	8	15	9	11	13	14	16	17	17	17	19	14
Emerging Markets Equity	0	10	0	0	4	5	6	7	8	8	8	8	5	6
US Agg Fixed Income	0	20	20	20	20	20	20	17	12	4	0	0	12	10
Core Plus Fixed Income	0	20	20	20	20	14	8	6	7	12	10	1	7	10
Core Real Estate	0	10	10	10	10	10	10	10	10	10	10	10	13	10
Non-Core Real Estate	0	5	5	5	5	5	5	5	5	5	5	5	2	5
MLPs	0	5	3	5	5	5	5	5	5	5	5	5	3	3
Timber	0	0	0	0	0	0	0	0	0	0	0	0	1	0
Private Equity	0	7	0	2	7	7	7	7	7	7	7	7	0	7
Private Credit	0	7	7	7	7	7	7	7	7	7	7	7	0	5
Total			100	100	100	100	100	100	100	100	100	100	100	100
Capital Appreciation			67	65	65	65	65	68	73	81	85	85	71	77
Capital Preservation			20	20	20	20	20	17	12	4	0	0	12	10
Alpha			0	0	0	0	0	0	0	0	0	0	0	0
Inflation			13	15	15	15	15	15	15	15	15	15	17	13
Expected Arithmetic Return			5.12	5.35	5.57	5.79	6.01	6.23	6.45	6.68	6.90	7.12	5.94	6.25
Expected Risk (Standard Deviation)			8.67	8.77	9.17	9.79	10.44	11.10	11.76	12.44	13.26	14.16	11.35	11.69
Expected Compound Return			4.76	4.99	5.17	5.34	5.50	5.65	5.81	5.96	6.09	6.20	5.34	5.61
Expected Return (Arithmetic)/Risk Ratio			0.59	0.61	0.61	0.59	0.58	0.56	0.55	0.54	0.52	0.50	0.52	0.53
RVK Expected Eq Beta (LCUS Eq = 1)			0.49	0.47	0.49	0.54	0.58	0.62	0.66	0.70	0.76	0.82	0.67	0.67
RVK Liquidity Metric (T-Bills = 100)			68	66	62	63	65	66	66	65	66	68	77	67

Total International Equity cannot exceed 25% of the Total Portfolio or Broad US Equity.

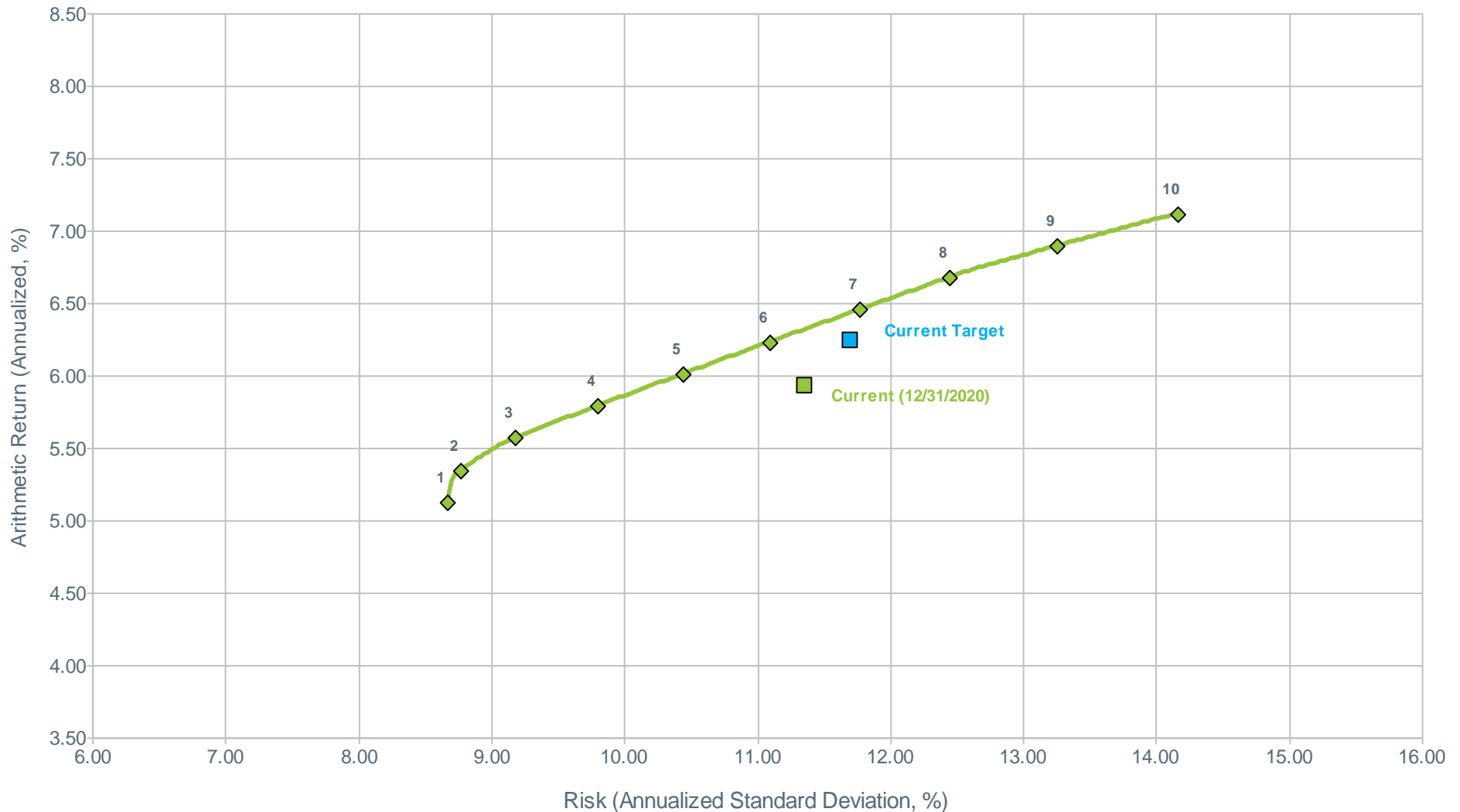
Emerging Markets Equity cannot exceed 50% of Dev'd Large/Mid Int'l Equity.

Total Non-Core Real Estate cannot exceed Core Real Estate.

Maximum Allocation for Diversified Assets is 20%

Analysis: Efficient Frontier 1

- The figure below illustrates the relationships between risk and return. The line connecting the points represents all the optimal portfolios subject to the given constraints and is known as the “efficient frontier.” The upward slope of the efficient frontier indicates the direct relationship between return and risk.



Analysis: Efficient Frontier 2

- The table below shows the range of possible optimal allocations utilizing those inputs and constraints on the prior frontier, **while removing the model's ability to allocate to MLPs**, and adding a newly **Proposed Target** for consideration.

	Min	Max	1	2	3	4	5	6	7	8	9	10	Current (12/31/2020)	Current Target	Proposed Target
Broad US Equity	0	40	30	18	16	18	20	22	24	25	32	40	36	30	30
Dev'd Large/Mid Int'l Equity	0	20	8	18	11	12	14	15	16	17	17	17	19	14	16
Emerging Markets Equity	0	10	0	0	4	6	7	7	8	8	8	8	5	6	7
US Agg Fixed Income	0	20	20	20	20	20	18	14	9	1	0	0	12	10	10
Core Plus Fixed Income	0	20	20	20	20	15	12	13	14	20	14	6	7	10	10
Core Real Estate	0	10	10	10	10	10	10	10	10	10	10	10	13	10	10
Non-Core Real Estate	0	5	5	5	5	5	5	5	5	5	5	5	2	5	5
MLPs	0	0	0	0	0	0	0	0	0	0	0	0	3	3	0
Timber	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0
Private Equity	0	7	0	2	7	7	7	7	7	7	7	7	0	7	7
Private Credit	0	7	7	7	7	7	7	7	7	7	7	7	0	5	5
Total			100	100	100	100	100	100	100	100	100	100	100	100	100
Capital Appreciation			70	70	70	70	72	76	81	89	90	90	71	77	80
Capital Preservation			20	20	20	20	18	14	9	1	0	0	12	10	10
Alpha			0	0	0	0	0	0	0	0	0	0	0	0	0
Inflation			10	10	10	10	10	10	10	10	10	10	17	13	10
Expected Arithmetic Return			5.03	5.23	5.43	5.63	5.83	6.03	6.23	6.43	6.63	6.83	5.94	6.25	6.23
Expected Risk (Standard Deviation)			8.70	8.81	9.14	9.70	10.30	10.90	11.51	12.12	12.90	13.71	11.35	11.69	11.81
Expected Compound Return			4.67	4.86	5.04	5.19	5.33	5.47	5.61	5.75	5.86	5.96	5.34	5.61	5.58
Expected Return (Arithmetic)/Risk Ratio			0.58	0.59	0.59	0.58	0.57	0.55	0.54	0.53	0.51	0.50	0.52	0.53	0.53
RVK Expected Eq Beta (LCUS Eq = 1)			0.49	0.49	0.50	0.54	0.58	0.61	0.65	0.68	0.74	0.80	0.67	0.67	0.68
RVK Liquidity Metric (T-Bills = 100)			69	66	62	63	64	64	64	63	65	67	77	67	67

Total International Equity cannot exceed 25% of the Total Portfolio or Broad US Equity.

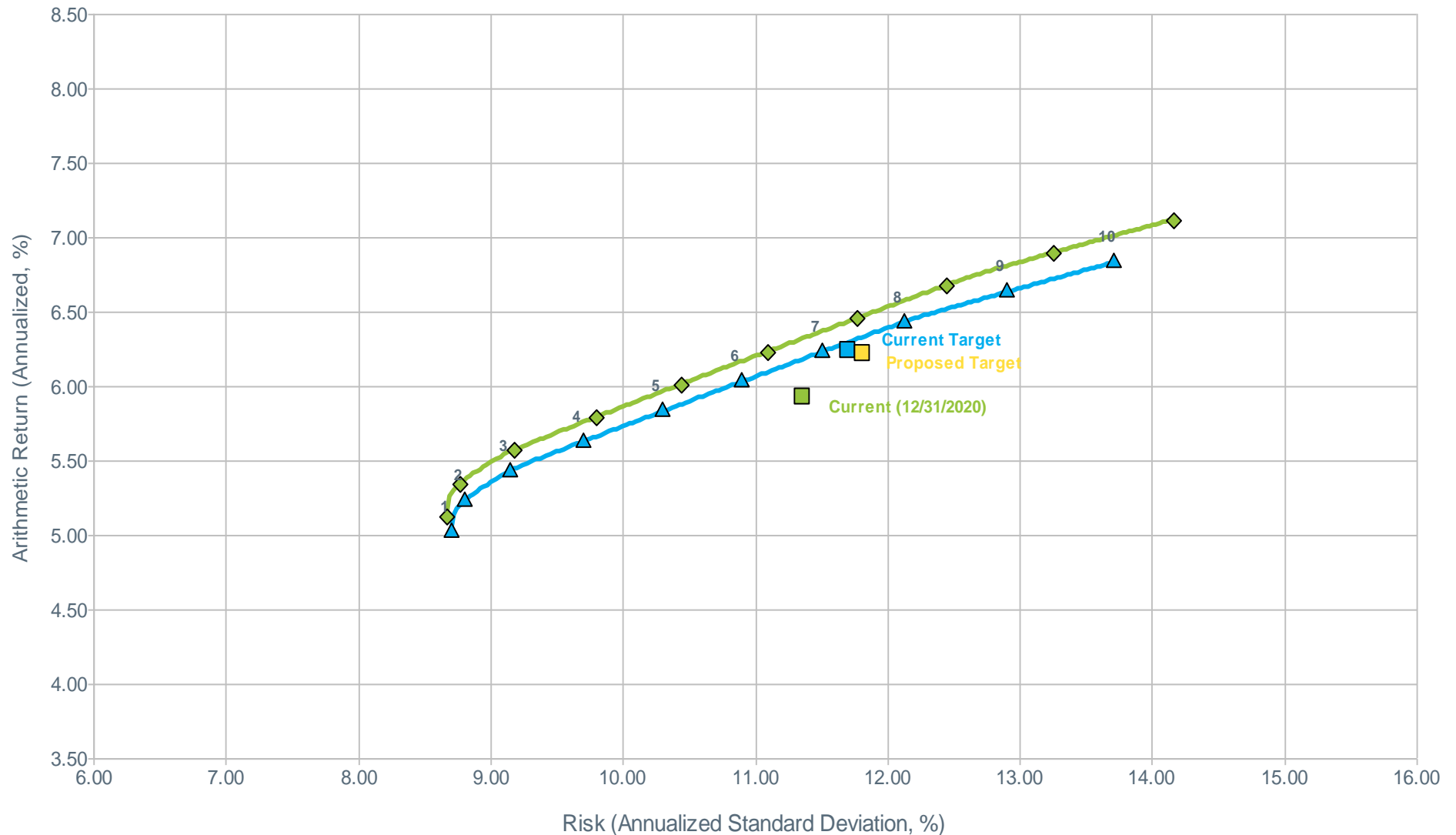
Emerging Markets Equity cannot exceed 50% of Dev'd Large/Mid Int'l Equity.

Total Non-Core Real Estate cannot exceed Core Real Estate.

Maximum Allocation for Diversified Assets is 20%

Analysis: Efficient Frontier 2

- A new frontier in **blue** connects all of the optimal portfolios subject to the updated constraints. The upward slope of the efficient frontier indicates the direct relationship between return and risk.



Analysis: Key Recommendations & Rationale

RVK, in conjunction with COJ Investment Staff, worked collaboratively to develop the proposed portfolio for consideration. This portfolio eliminates the Fund's relatively small long-term target (3%) to MLPs and increases its allocation to International Equity and Emerging Markets Equities. RVK and COJ Investment Staff believe this portfolio provides an optimal, diversified asset allocation mix given the long-term objectives of the Fund and associated asset class expectations, while still maintaining a reasonable degree of liquidity to fund future benefit payments.

1. Eliminate Target to MLPs – Changes in recent years to corporate tax rates and regulatory policy has seen MLP's lose some of their structural advantage versus other asset classes. Additionally, the collapse in oil prices and subsequent reduction in pipelines has cut the yields being offered, along with the number of investable assets. The current investable universe stands at, approximately, only forty two names, which we believe increases the risk profile of the asset class. Furthermore, we are cognizant of the longer term market trends that could act as headwinds for midstream energy. In particular, the increasing focus on carbon emissions and continually decreasing cost of renewable energy are likely to affect midstream energy at some point in the future. While near-term valuations may look attractive on a relative basis, given these dynamics, we no longer find the long-term thesis to be compelling enough to add value at a dedicated 3% total portfolio weight.

2. Increase Allocation to International Equity and Emerging Markets Equity – Currently the portfolio exhibits a “home bias” to US Equity, intra the total equity composite. By increasing the allocation to both International Equity and Emerging Markets Equity, we continue to maintain that home country bias, but allocate to two asset classes where our long-term return expectations are elevated as compared to other more liquid asset class options, including US Equities, given current valuations.

Monte Carlo Simulation

- The table below shows the **expected return by percentile** for each portfolio for the 1, 3, 5, and 10 year periods for Frontier 2.

1 Year	1	2	3	4	5	6	7	8	9	10	Current (12/31/2020)	Current Target	Proposed Target
1st Percentile	-17.74	-17.24	-17.49	-19.24	-20.84	-22.48	-24.41	-26.28	-29.18	-30.92	-26.38	-24.85	-25.21
5th Percentile	-7.96	-7.68	-7.61	-8.56	-9.51	-10.37	-11.30	-12.14	-13.59	-15.04	-12.97	-11.71	-12.01
25th Percentile	0.00	0.13	0.29	0.04	-0.24	-0.41	-0.68	-0.88	-1.40	-1.87	-1.70	-0.91	-1.19
50th Percentile	5.10	5.33	5.55	5.73	5.91	6.07	6.24	6.42	6.59	6.77	5.99	6.42	6.36
75th Percentile	10.27	10.42	10.70	11.31	11.96	12.63	13.27	13.92	14.79	15.57	13.84	13.70	13.88
95th Percentile	18.15	18.34	18.70	20.12	21.62	22.83	24.21	25.48	27.28	29.31	25.90	25.08	25.39
99th Percentile	24.09	24.21	24.52	26.67	28.92	30.76	32.55	34.29	36.99	39.89	35.05	34.02	34.69
3 Years													
1st Percentile	-8.81	-8.63	-8.54	-9.33	-10.54	-11.84	-13.13	-14.58	-16.47	-18.23	-15.24	-13.51	-13.98
5th Percentile	-3.46	-3.14	-3.03	-3.58	-4.18	-4.80	-5.39	-5.97	-6.85	-7.76	-6.45	-5.46	-5.66
25th Percentile	1.84	2.00	2.16	2.05	1.93	1.80	1.72	1.62	1.39	1.10	1.05	1.64	1.51
50th Percentile	4.97	5.20	5.39	5.53	5.70	5.86	6.04	6.25	6.36	6.49	5.66	6.06	6.00
75th Percentile	8.00	8.17	8.42	8.85	9.30	9.72	10.13	10.56	11.05	11.57	10.27	10.40	10.45
95th Percentile	12.45	12.51	12.83	13.70	14.58	15.31	16.09	16.89	17.96	19.04	17.05	16.90	16.99
99th Percentile	15.39	15.59	16.03	17.26	18.38	19.46	20.56	21.67	23.13	24.54	21.83	21.27	21.55
5 Years													
1st Percentile	-5.11	-4.87	-4.83	-5.50	-6.40	-7.11	-7.89	-8.92	-10.16	-11.63	-10.41	-9.24	-9.45
5th Percentile	-1.74	-1.50	-1.38	-1.76	-2.22	-2.67	-3.16	-3.61	-4.29	-5.12	-4.17	-3.24	-3.44
25th Percentile	2.41	2.58	2.72	2.66	2.61	2.56	2.49	2.45	2.27	2.03	1.88	2.45	2.34
50th Percentile	4.91	5.10	5.29	5.46	5.62	5.80	5.95	6.10	6.22	6.31	5.58	5.94	5.88
75th Percentile	7.27	7.49	7.70	8.06	8.44	8.80	9.16	9.53	9.92	10.32	9.18	9.35	9.36
95th Percentile	10.74	10.89	11.18	11.87	12.56	13.23	13.89	14.49	15.33	16.20	14.59	14.52	14.63
99th Percentile	13.19	13.40	13.74	14.68	15.60	16.46	17.36	18.15	19.30	20.58	18.37	18.04	18.27
10 Years													
1st Percentile	-2.39	-2.08	-2.04	-2.43	-2.85	-3.42	-3.98	-4.65	-5.51	-6.48	-5.68	-4.57	-4.97
5th Percentile	0.18	0.39	0.49	0.26	-0.04	-0.31	-0.60	-0.96	-1.46	-2.07	-1.72	-0.96	-1.16
25th Percentile	3.00	3.21	3.37	3.34	3.33	3.31	3.29	3.28	3.15	2.99	2.68	3.20	3.09
50th Percentile	4.79	5.01	5.22	5.35	5.50	5.63	5.78	5.94	6.03	6.08	5.39	5.80	5.76
75th Percentile	6.57	6.78	6.98	7.28	7.60	7.89	8.19	8.50	8.81	9.12	8.00	8.21	8.21
95th Percentile	9.02	9.22	9.50	10.01	10.56	11.06	11.56	12.08	12.70	13.38	11.59	11.65	11.72
99th Percentile	10.69	10.88	11.22	11.90	12.57	13.25	13.91	14.52	15.40	16.27	14.18	14.13	14.30

Monte Carlo Simulation

- The table below shows the **percentage chance** of achieving or exceeding the given return for each portfolio for the 1, 3, 5, and 10 year periods for Frontier 2.

1 Year	1	2	3	4	5	6	7	8	9	10	Current (12/31/2020)	Current Target	Proposed Target
Target 0%	75	75	76	75	74	74	73	72	72	70	70	72	72
Target 1%	71	71	72	71	71	70	70	69	68	68	67	69	68
Target 3%	61	62	63	63	63	63	63	63	62	62	60	62	62
Target 5%	51	52	53	53	54	54	55	56	56	56	53	55	55
Target 6.9%	40	42	43	44	46	47	48	48	49	50	47	48	48
Target 9%	31	31	32	34	36	38	39	41	42	43	39	40	40
3 Years													
Target 0%	85	86	87	85	84	83	82	82	80	79	79	82	81
Target 1%	80	81	82	81	80	79	78	78	77	75	75	78	77
Target 3%	67	68	69	69	69	69	69	69	68	67	65	68	67
Target 5%	50	52	53	54	55	56	57	57	57	58	54	57	56
Target 6.9%	33	35	37	39	41	43	44	46	47	48	43	45	45
Target 9%	18	19	21	24	27	29	31	34	35	37	31	33	33
5 Years													
Target 0%	90	91	91	90	89	88	87	87	85	84	84	87	86
Target 1%	85	86	87	86	85	84	83	83	81	80	80	83	82
Target 3%	69	71	73	72	72	72	71	71	70	70	68	72	71
Target 5%	49	51	53	54	55	56	57	58	58	58	54	57	57
Target 6.9%	28	30	32	35	38	40	42	44	45	46	40	43	42
Target 9%	12	13	15	18	21	24	26	28	31	33	26	27	27
10 Years													
Target 0%	96	96	96	96	95	94	93	92	91	90	90	92	92
Target 1%	92	93	93	92	91	91	90	89	88	86	86	89	88
Target 3%	75	77	79	78	78	78	77	77	76	75	72	77	76
Target 5%	47	50	53	55	56	58	59	60	60	60	54	59	58
Target 6.9%	21	23	26	30	33	36	38	40	42	43	35	39	38
Target 9%	5	6	7	10	13	16	18	21	23	26	17	18	19

Next Steps

- Seek feedback from the Board on the potential portfolio presented, in an effort to further refine, as necessary, a future target allocation for the Fund.
- Following any asset allocation decision, RVK will work with Staff to develop an implementation strategy and approach, whilst also seeking to prudently update the Investment Policy Statement for review and approval.

Appendix



2021 Capital Markets Assumptions vs 2020Q1

Asset Class	2020 Q1			2021			Change (2020 Q1 - 2021)		
	Nominal Return (Arith.)	Risk (St. Dev.)	Nominal Return (Geo.)	Nominal Return (Arith.)	Risk (St. Dev.)	Nominal Return (Geo.)	Nominal Return (Arith.)	Risk (St. Dev.)	Nominal Return (Geo.)
Large/Mid Cap US Equity	7.25%	16.00%	6.08%	6.00%	16.00%	4.81%	-1.25%	0.00%	-1.26%
Small Cap US Equity	8.50%	19.00%	6.87%	6.50%	19.00%	4.84%	-2.00%	0.00%	-2.03%
Broad US Equity	7.30%	16.00%	6.13%	6.05%	16.05%	4.86%	-1.25%	0.05%	-1.27%
Dev'd Large/Mid Cap Int'l Equity	9.00%	17.00%	7.70%	7.50%	17.00%	6.18%	-1.50%	0.00%	-1.52%
Dev'd Small Cap Int'l Equity	10.00%	20.00%	8.23%	8.00%	20.00%	6.19%	-2.00%	0.00%	-2.03%
Emerging Markets Equity	11.25%	25.00%	8.54%	10.00%	25.00%	7.26%	-1.25%	0.00%	-1.28%
Broad International Equity	9.70%	18.30%	8.20%	8.30%	18.80%	6.70%	-1.40%	0.50%	-1.50%
Global Equity	8.35%	16.35%	7.14%	7.05%	16.60%	5.79%	-1.30%	0.25%	-1.35%
US Aggregate Fixed Income	2.50%	5.00%	2.38%	2.00%	5.00%	1.88%	-0.50%	0.00%	-0.50%
Non-US Dev'd Sovereign Fixed Income UH	1.25%	8.50%	0.90%	1.00%	8.50%	0.64%	-0.25%	0.00%	-0.25%
Emerging Markets Debt Hard Currency	7.00%	10.00%	6.54%	5.00%	10.00%	4.53%	-2.00%	0.00%	-2.01%
Emerging Markets Debt Local Currency	5.75%	11.50%	5.13%	5.00%	11.50%	4.38%	-0.75%	0.00%	-0.75%
TIPS	2.50%	5.50%	2.35%	1.50%	5.50%	1.35%	-1.00%	0.00%	-1.00%
Low Duration Fixed Income	2.00%	2.50%	1.97%	1.50%	2.50%	1.47%	-0.50%	0.00%	-0.50%
Long Duration Fixed Income	3.00%	10.00%	2.52%	2.50%	10.00%	2.02%	-0.50%	0.00%	-0.50%
High Yield	7.50%	10.00%	7.04%	4.75%	10.00%	4.28%	-2.75%	0.00%	-2.76%
Bank Loans	7.00%	8.00%	6.70%	4.75%	8.00%	4.45%	-2.25%	0.00%	-2.26%
Core Real Estate	5.75%	12.50%	5.02%	5.75%	12.50%	5.02%	0.00%	0.00%	0.00%
Global REITs	7.50%	21.00%	5.51%	6.75%	21.00%	4.74%	-0.75%	0.00%	-0.76%
MLPs	11.75%	23.00%	9.46%	9.25%	23.00%	6.91%	-2.50%	0.00%	-2.55%
Funds of Hedge Funds	4.75%	9.50%	4.32%	4.25%	9.50%	3.82%	-0.50%	0.00%	-0.50%
Multi-Strategy Hedge Funds	5.50%	8.50%	5.16%	5.00%	8.50%	4.66%	-0.50%	0.00%	-0.50%
GTAA	5.50%	9.00%	5.12%	5.00%	9.00%	4.62%	-0.50%	0.00%	-0.50%
Private Credit	9.00%	13.00%	8.23%	6.75%	13.00%	5.97%	-2.25%	0.00%	-2.27%
Senior Secured Direct Lending	8.00%	9.00%	7.63%	5.75%	9.00%	5.37%	-2.25%	0.00%	-2.26%
Private Equity	10.00%	22.00%	7.86%	8.75%	22.00%	6.59%	-1.25%	0.00%	-1.27%
Commodities	5.00%	17.50%	3.57%	5.00%	17.50%	3.57%	0.00%	0.00%	0.00%
Diversified Inflation Strategies	5.00%	11.50%	4.38%	4.42%	11.55%	3.78%	-0.58%	0.05%	-0.59%
US Inflation	2.00%	1.50%	1.99%	2.00%	1.50%	1.99%	0.00%	0.00%	0.00%
Cash Equivalents	1.50%	2.00%	1.48%	1.50%	2.00%	1.48%	0.00%	0.00%	0.00%

Global Equity is a combination of 54.0% Broad US Equity and 46.0% Broad International Equity.

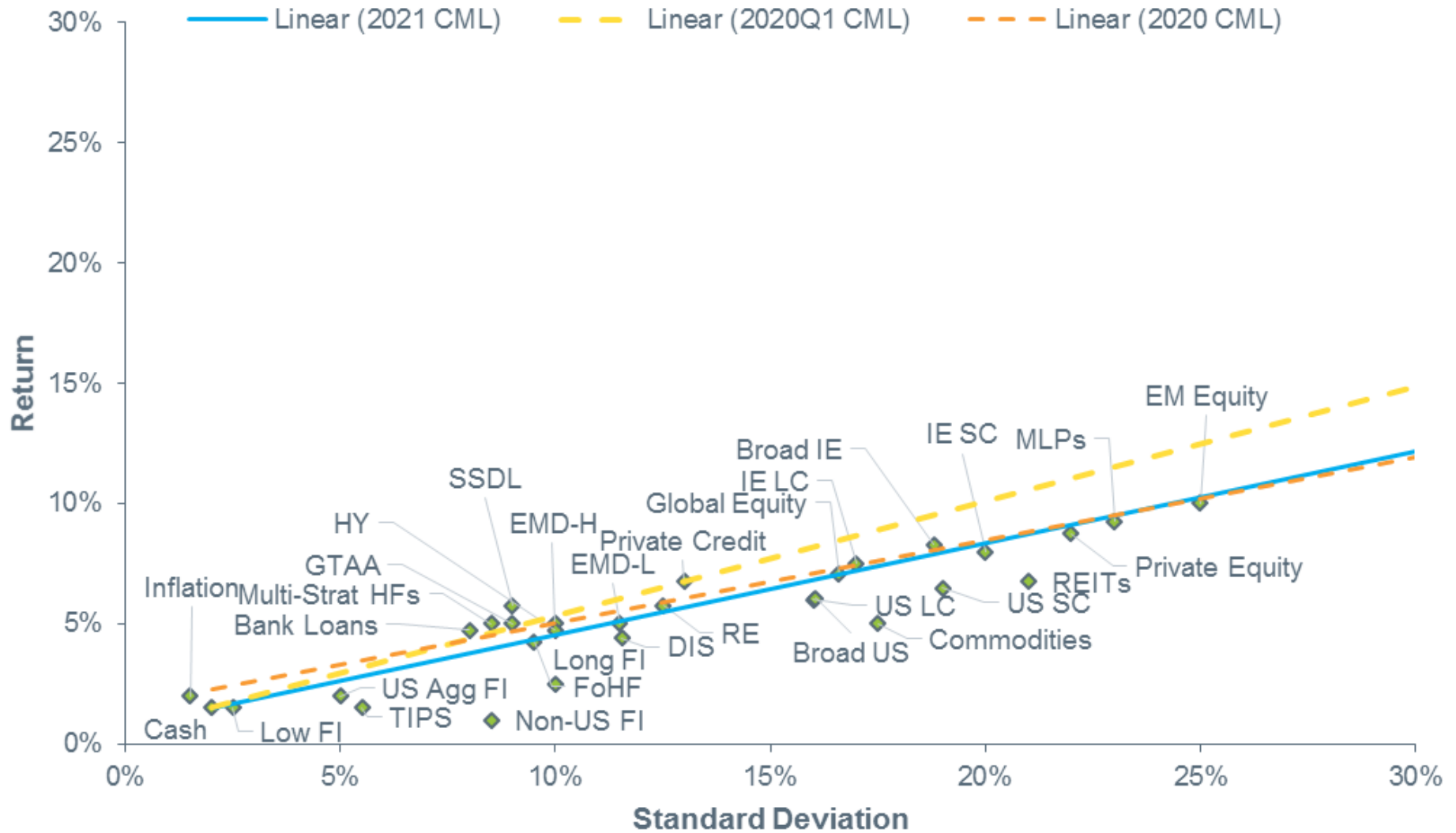
Broad US Equity is a combination of 92.9% Large/Mid Cap US Equity and 7.1% Small Cap US Equity.

Broad International Equity is a combination of 64.0% Dev'd Large/Mid Cap Int'l Equity, 10.7% Dev'd Small Cap Int'l Equity, and 25.3% Emerging Markets Equity.

Diversified Inflation Strategies is a combination of 1/3 TIPS, 1/3 Global REITs, and 1/3 Commodities.

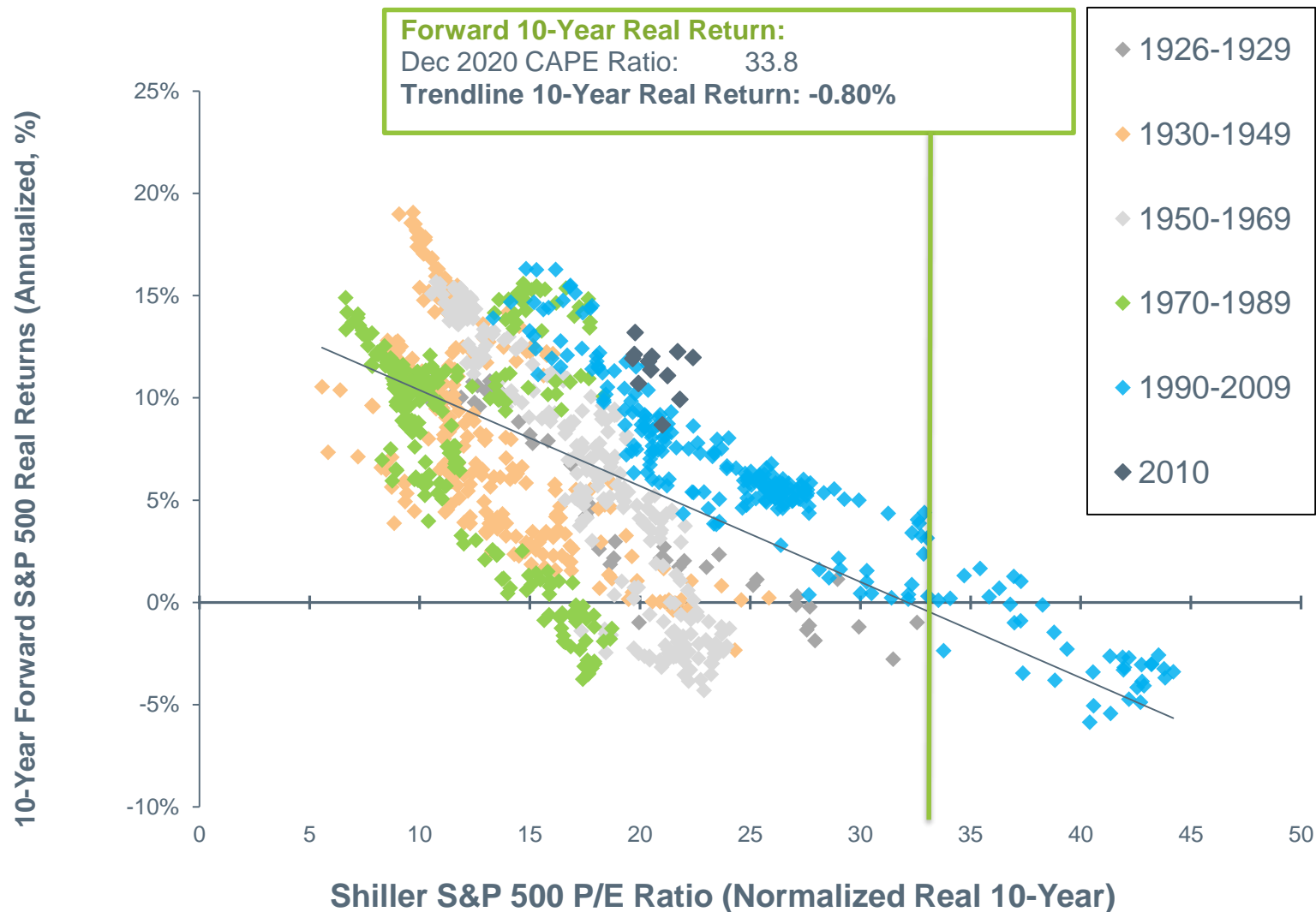


2021 Capital Markets Line



Equity Assumptions: Valuation Focused

- One of several metrics influencing RVK's equity assumptions is the *Cyclically-Adjusted Price/Earnings Ratio* (or "CAPE") – a measure of stock price relative to company earnings.
- Simply put, we have observed that, dating back to 1926, the *higher* the CAPE Ratio, the *lower* the subsequent 10-year return for the S&P 500 Index.



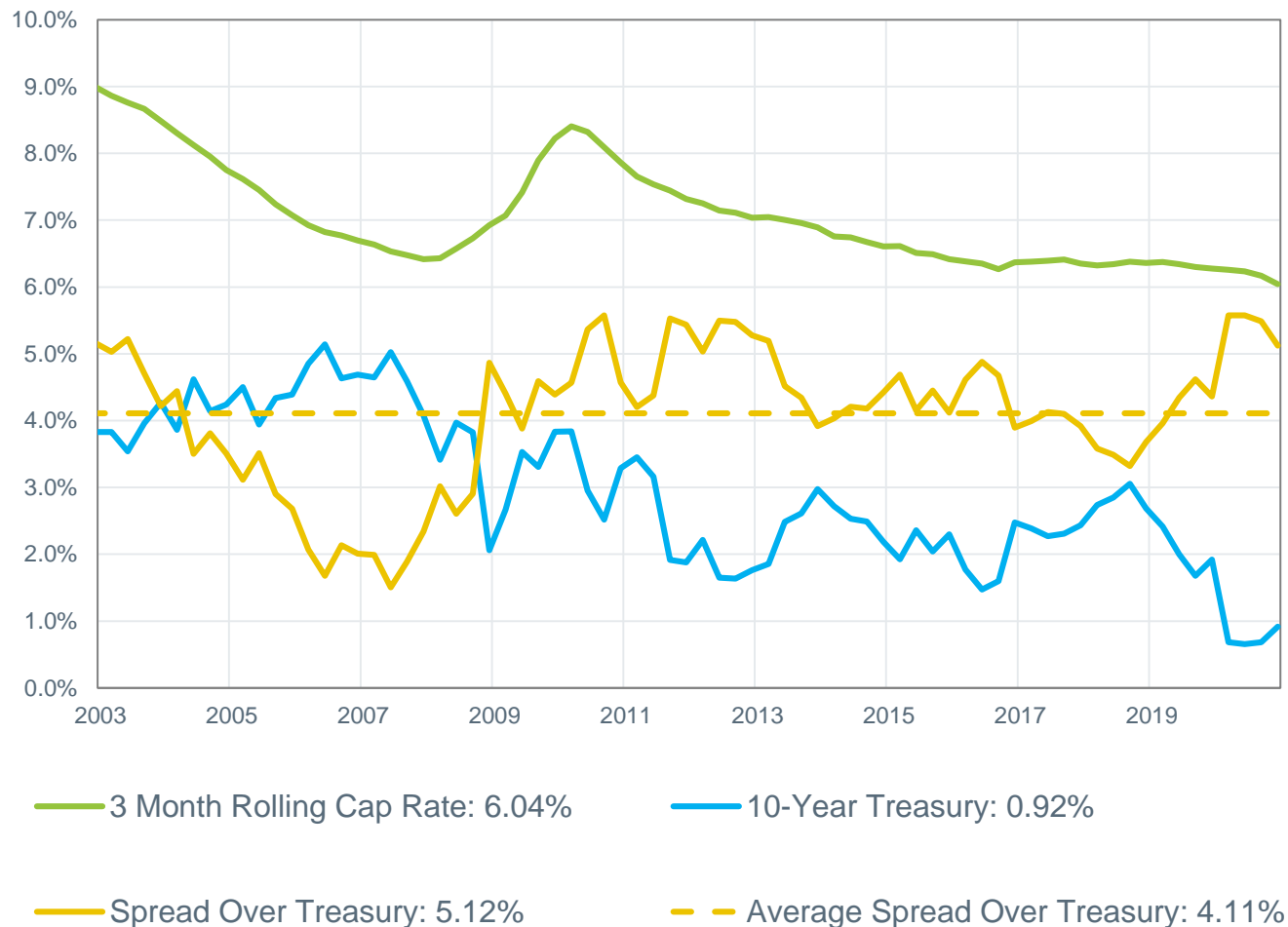
Fixed Income Assumptions: Yield Focused

- In fixed income, current yields are a reliable predictor of future performance.
- The lower the yield, the lower the subsequent 10-year return.



Real Estate Assumptions: Cap Rates Focused

- Cap rates (in **green**) are a common indicator of real estate yield.
- While cap rates are historically low, the yield relative to US Treasuries (in **blue**) remain especially attractive.



Correlation Matrix: COJ ERS

	Broad US Equity	Dev'd Large/Mid Int'l Equity	Emerging Markets Equity	US Agg Fixed Income	Core Plus Fixed Income	Core Real Estate	Non-Core Real Estate	MLPs	Timber	Private Equity	Private Credit
Broad US Equity	1.00	0.85	0.75	0.15	0.63	0.22	0.13	0.52	0.10	0.79	0.65
Dev'd Large/Mid Int'l Equity	0.85	1.00	0.81	0.01	0.68	0.30	0.16	0.47	0.12	0.79	0.64
Emerging Markets Equity	0.75	0.81	1.00	0.01	0.68	0.21	0.10	0.43	0.13	0.69	0.60
US Agg Fixed Income	0.15	0.01	0.01	1.00	0.48	-0.05	-0.04	0.08	0.00	-0.27	-0.15
Core Plus Fixed Income	0.63	0.68	0.68	0.48	1.00	0.20	0.11	0.53	0.00	0.56	0.68
Core Real Estate	0.22	0.30	0.21	-0.05	0.20	1.00	0.78	0.19	0.06	0.33	0.21
Non-Core Real Estate	0.13	0.16	0.10	-0.04	0.11	0.78	1.00	0.14	0.13	0.18	0.14
MLPs	0.52	0.47	0.43	0.08	0.53	0.19	0.14	1.00	0.00	0.53	0.67
Timber	0.10	0.12	0.13	0.00	0.00	0.06	0.13	0.00	1.00	0.06	0.02
Private Equity	0.79	0.79	0.69	-0.27	0.56	0.33	0.18	0.53	0.06	1.00	0.69
Private Credit	0.65	0.64	0.60	-0.15	0.68	0.21	0.14	0.67	0.02	0.69	1.00

RVK Thematic Buckets / Liquidity Metric

Asset Class	Thematic Bucket	RVK Liquidity Metric
Broad US Equity	Capital Appreciation	95
Large/Mid Cap US Equity	Capital Appreciation	95
Broad International Equity	Capital Appreciation	90
Dev'd Large/Mid Cap Int'l Equity	Capital Appreciation	90
Global Equity	Capital Appreciation	90
Dev'd Small Cap Int'l Equity	Capital Appreciation	85
Emerging Markets Equity	Capital Appreciation	85
Small Cap US Equity	Capital Appreciation	85
Emerging Markets Debt (Local and Hard)	Capital Appreciation	50
High Yield Fixed Income	Capital Appreciation	5
Private Credit and Senior Secured Direct Lending	Capital Appreciation	5
Private Equity	Capital Appreciation	5
T-Bills and Treasurys	Capital Preservation	100
Cash Equivalents	Capital Preservation	98
US Aggregate Fixed Income	Capital Preservation	85
Long Duration Fixed Income	Capital Preservation	85
Low Duration Fixed Income	Capital Preservation	85
Non-US Dev'd Sovereign Fixed Income UH	Capital Preservation	50
GTAA	Alpha	88
Funds of Hedge Funds	Alpha	35
Multi-Strategy Hedge Funds	Alpha	35
Commodities	Inflation	98
TIPS	Inflation	95
Diversified Inflation Strategies	Inflation	93
Global REITs	Inflation	85
MLPs	Inflation	85
Bank Loans	Inflation	50
Core Real Estate	Inflation	25

PORTLAND

BOISE

CHICAGO

NEW YORK

Disclaimer of Warranties and Limitation of Liability - This document was prepared by RVK, Inc. (RVK) and may include information and data from some or all of the following sources: client staff; custodian banks; investment managers; specialty investment consultants; actuaries; plan administrators/record-keepers; index providers; as well as other third-party sources as directed by the client or as we believe necessary or appropriate. RVK has taken reasonable care to ensure the accuracy of the information or data, but makes no warranties and disclaims responsibility for the accuracy or completeness of information or data provided or methodologies employed by any external source. This document is provided for the client's internal use only and does not constitute a recommendation by RVK or an offer of, or a solicitation for, any particular security and it is not intended to convey any guarantees as to the future performance of the investment products, asset classes, or capital markets.



2020-529

2021 Limited Retirement Option

Employee Communications UPDATED 3/23/2021

Employee Communication	Audience	Method	Target Date	Actual Date	Comments
General Information and FAQs for CITY/JHA	All GEPP Active Members	E-mail, Web	3/11/2021	3/11/2021	Post to pension portal, COJ websites. COJ intranet, JEA TBD based on union negotiations
General Information and FAQs for JEA	All GEPP Active Members	E-mail, Web	3/19/2021	3/15/2021	
Estimated LRO Benefits for CITY/JHA Employees	LRO Eligible CITY/JHA Employees	Mail, Portal	4/1/2021		ESTIMATED benefit options will be provided for April 10, 2021 or earliest eligible date using end of pay-period
CITY Employee Q&A Meetings	LRO Eligible CITY/JHA Employees	Zoom/in person	4/6/2021-4/7/2021		
Estimated LRO Benefits for JEA Employees	LRO Eligible JEA Employees	Mail, Portal	5/1/2021		ESTIMATED benefit options will be provided for May 8, 2021 or earliest eligible date using end of pay-period
JEA Employee Q&A Meetings	LRO Eligible JEA Employees	WebEx/in person	Early May		
DEADLINE Reminder E-mail for CITY/JHA Employees	LRO Eligible CITY/JHA Employees	E-mail	5/17/2021		
Election Window CLOSES for CITY/JHA Employees	LRO Eligible CITY/JHA Employees	Portal	5/31/2021		
DEADLINE Reminder E-mail for JEA Employees	LRO Eligible JEA Employees	E-mail	6/14/2021		
Election Window CLOSES for JEA Employees	LRO Eligible JEA Employees	Portal	6/30/2021		

Employees that elect the LRO will receive confirmation notices of their elections. Employees will also receive final calculations and applications following their election (up through the end the October based on retirement dates).

City of Jacksonville

2021 Limited Retirement Option (LRO)



For City and JHA employees in
the General Employees Pension
Plan (GEPP)



What is the 2021 Limited Retirement Option (LRO)?

As provided for in Ordinance 2020-529-E, the LRO is an opportunity for eligible employees in the GEPP to retire from employment sooner than normally allowed. Employees eligible for the LRO have the option to leave employment and immediately begin collecting pension payments from the Plan for life.

Who is eligible to elect the LRO?

The following chart shows eligibility requirements for the LRO:

Age Requirement	PENSION Service Requirement	Benefit
55	10 years	Normal Retirement with a 2.5% Accrual
60	5 Years	Normal Retirement with a 2.5% Accrual
NONE	20 years	Early Retirement with a 2.0% Accrual

What is PENSION credited service time?

PENSION credited service time is awarded for full-time employment with the City, JEA, JHA, NFTPO or other eligible agencies for which contributions to the Plan have been made and not refunded. This includes full-time service and purchases of credited service for previous periods of employment and military time. If you had leave-without-pay, that time is deducted from your PENSION credited service unless you have purchased that time back. If you started contributing to the Plan later than when you started working for the City, and you did not buy your previous time back, your PENSION service starts as of the time you started to make contributions.

Pension date or adjusted pension date reflects PENSION credited service time. The pension office can verify this information, as needed.

When can an employee elect the LRO?

Eligible City and JHA employees in the GEPP can elect the LRO from April 1, 2021 until May 31, 2021.

May 31, 2021 is the DEADLINE for electing the LRO for City and JHA employees. After this date electing the LRO is no longer an option.





When can an employee retire under the LRO?

Eligible City and JHA employees in the GEPP can retire under the LRO from April 1, 2021 until September 30, 2021.

If eligible, your retirement date is the day after your last day of employment. Employees electing the LRO will be asked to choose a last day of employment that matches the end of a pay-period, which is the Friday between paydays.

How can an employee elect the LRO?

If you are eligible, you can make your election to participate in the LRO by logging into:

<https://jaxpensionportal.coj.net>

There will be a section available to make an LRO Election during the LRO window.

To log into the portal, use your work e-mail. If you are a CITY employee, you can use your regular network password. If you are a JHA employee, you will need to sign up using your work e-mail address. To elect the LRO you will need to choose a last day of employment and a benefit option.

You must submit your request and **receive a confirmation** in order for it to be valid. If you are not sure if your LRO election has been received, please contact the Pension Office prior to the deadline to confirm.

If you have any problems accessing the portal, please contact the Pension Office at citypension@coj.net or 904.255.7280 for assistance in making your election at least a week in advance of the deadline, preferably sooner.





How can an employee find out about estimated benefits under the LRO?

City and JHA Employees who are eligible for the LRO (based on our current data) will receive a letter around the beginning of April that will outline ESTIMATED BENEFITS including different options if you retire under the LRO. This information will also be available in the pension portal.

If you do not receive estimated benefits and you think you may be eligible for the LRO, please contact the Pension Office for assistance.

Once employees elect the LRO, can they change their mind?

No. **The LRO election is binding and irrevocable.** Employees eligible for the LRO who make the election are resigning from employment as of the date they choose in the election.

Please consider your options carefully and consult with trusted advisors as needed prior to submitting your election.





Can an employee who elects the LRO be rehired full-time by the City, JHA or JEA? How are future benefits affected?

Employees who elect the LRO are prohibited from being re-employed full-time by the City, JHA, JEA and NFTPO for a period of one year from the date of retirement. Employees may potentially be eligible for rehire sooner as contractors or in a part-time role working 25 hours or less per week.

Employees that are rehired into full-time covered positions with the City more than one year after retirement are prohibited from becoming active members of the GEPP again. Their GEPP benefit will be suspended for the period they are re-employed and they will be eligible to participate in the General Employees Defined Contribution (GEDC) Plan. GEPP benefits will resume after they leave full-time employment.

What benefit options are included in the LRO?

LRO retirees have the same general options as other retirees. You can elect:

- Regular Pension: this is the option that provides for the highest monthly benefit
- Monthly pension with a 5% PLOP: PLOP is a partial lump-sum option. This option allows for a lump-sum check up-front in exchange for a lower monthly benefit. PLOP checks are generally eligible for rollover into a tax-deferred retirement account.
- Monthly pension with a 10% PLOP
- Monthly pension with a 15% PLOP
- You can also transfer your LRO benefit under GEPP to the GEDC Plan, which is administered by Empower. If you choose this option, you are waiving all future rights to benefits from the GEPP and you will not receive a payment for life from the GEPP.



If employees are eligible to purchase PENSION credited service time, can this help them qualify for the LRO and/or help increase the value of their GEPP benefit?

Yes! If you are eligible to purchase PENSION credited service time and you want that time to be considered for LRO eligibility and/or LRO retirement benefits, please contact the Pension Office as soon as possible. You will need to provide the time period you would like to consider for purchase. If you would like to buy military time, you will need to provide a copy of your DD214 Form. If you would like to purchase time from an outside agency, additional information will be required.

Please allow at least two weeks for the Pension Office to review your request to purchase PENSION service time. The Pension Office will prioritize service purchase requests related to LRO, however these requests can take time to process, so you should make the request as soon as possible.

Purchasing PENSION credited service time INCREASES the value of your pension benefit. Once you retire, you can no longer purchase PENSION service time.

What if an employee is in the middle of a service purchase request and wishes to elect the LRO?

You MUST complete all PENSION credited service purchase requests and PAYMENTS by your retirement date. The Pension Office must receive the payment for your service purchase by your retirement date for the service time to be considered for LRO eligibility and the LRO benefit calculation.

Please contact the Pension Office as soon as possible if you wish to complete a new or existing purchase of PENSION service time.

When will pension benefits be paid for employees who elect the LRO?

After an employee elects the LRO, the Pension Office will prepare final forms that are required to commence benefit payments from the pension. The forms will be e-mailed to your work e-mail address (or mailed to your address on file if requested). Once those forms are received back completed by you and found to be in good order, pension payments will typically commence within 1-2 pay-periods of receiving your final active paycheck. Ongoing pension payments are sent via direct deposit to your bank account. Lump sum checks for PLOPs will be mailed to your address on file or to your financial institution if you provide the address.

Ongoing pension checks are paid on a bi-weekly basis. The first payment is typically larger than ongoing payments since it is paid back to the retirement date. Pensioners are encouraged to register on the pension portal using a personal e-mail address once they receive their first pension payment to gain access to their pension payment information.



If you elect to transfer your benefit to the GEDC Plan as part of your LRO election, those funds will transfer to an account in your name at Empower typically within 1-2 pay-periods after your final active paycheck. You may contact Empower in advance of the transfer if you wish to make investment elections and choose your beneficiaries. Once the funds have transferred from the GEPP to the GEDC, you may contact Empower regarding how to access your benefits from the GEDC.

Are employees who elect to receive a monthly pension benefit from the GEPP eligible to receive a cost-of-living-adjustment (COLA) as a retiree?

Yes. LRO retirees are eligible for a COLA subject to the plan rules. The current COLA is a 3% increase to the base pension in the first full pay period each April annually starting after the retiree passes October 1 five times following retirement.

Are employees who elect to receive a monthly pension benefit from the GEPP eligible to receive the pension supplement as a retiree?

Yes. LRO retirees are eligible to receive a monthly supplement equal to \$5 per month for every whole year of PENSION service time up to a maximum of \$150 per month. The supplement is paid in full in the first two pension payments made each month.

What changes for GEPP members who were already retirement eligible?

Pension benefits will be the same for GEPP members after the LRO window as they were before the window. For most GEPP members that were already eligible to retire nothing changes. Estimated benefits will NOT be automatically provided to GEPP members unless the Pension Office identifies that there is the potential for a better benefit as part of the LRO.



What should employees do if they have pension questions, but they do NOT plan to participate in the LRO?

The Pension Office is always available to assist employees with questions regarding their retirement benefits. We do request that employees who do NOT have a time-sensitive request delay their questions until after the LRO.

If you have questions related to the LRO, if you are looking to retire or leave employment soon, or if you have any potentially time sensitive requests, please reach the Pension Office by e-mail or phone and we will be glad to help you.

Will Employee Services be notified when an employee elects the LRO?

Yes. However, employees should also notify their manager to ensure a smooth transition.

Can employees run out their time once they elect the LRO?

For most eligible employees no. Only employees in Leave Plan E can run out leave and their retirement date would have to be prior to September 30. Employees should check with their manager and Employee Services regarding options for using their leave time.

Will any remaining annual leave hours be paid after the last day of employment?

Yes. (Less than 5 years of service will be paid at 75%; 5 years or more will be paid at 100%.)

Employees who would like to roll over all or a portion of their leave payout to their Empower Deferred Compensation 457b account, will need to contact Empower during the month preceding separation to make that request (e.g., if separating in June, the request must be completed in May). After speaking with Empower, employees should also contact Employee Services (City Hall Suite 100) who will finalize the process and ensure the payment is made.

Will critical emergency leave bank (CELB) hours be paid after the last day of employment?

Yes, up to 40 hours with 20 years of service.





When will health insurance benefits coverage end?

If the last day of employment is between the 1st and the 15th of the month, health insurance will expire on the 15th. If the last day of employment is between the 16th and the end of the month, health insurance will expire on the last day of that month.

What options exist for retiring employees regarding continuing health insurance coverage and other benefits if an employee elects the LRO? What is the cost of keeping City-sponsored benefits as a retiree and how can an employee pay for them?

Employees should reach out to the Employee Benefits Office regarding their options for coverage post-employment. Retiree rates for all coverages are listed on the Benefits website:

coj.net/departments/employee-services/employee-information/employee-information

For retirees receiving pension payments from the GEPP, premium payments may be deducted from pension payments.



Pension Office

☎ 904.255.7280

✉ citypension@coj.net

Portal (sign-in required):

jaxpensionportal.coj.net

Website for general information:

coj.net/departments/finance/retirement-system

The Pension Office is NOT open for walk-in visitors.

Employee Benefits Office

📍 City Hall, 117 West Duval Street, Suite 150
Office Hours: 7:30am- 4:30pm Monday thru Friday

☎ 904.255.5555 or 904.255.5575
Fax: 904.255.5565 or 904.255.5697

✉ benefits@coj.net

coj.net/benefits

Renee Wells

Alpha A-D | 904.255.5554 | reneew@coj.net

Christy Ridenour

Alpha E-M | 904.255.5557 | cridenour@coj.net

Tes Patterson

Alpha N-Z | 904.255.5560 | mpatterson@coj.net

Employee Services

📍 City Hall, 117 West Duval Street, Suite 100
Office Hours: 7:30am- 4:30pm Monday thru Friday

☎ Sharyn Nelson 904.255.5620 or Jessica Lightner

For questions about leave and leave payout call:

Jackie Edwards | 904.255.5584 | JackieLE@coj.net

For Leave rollover to Deferred Comp call:

Sharyn Nelson | 904.255.5620 | SNelson@coj.net

Empower Retirement

☎ 1.855.265.4570
TTY 1.800.766.4952

COJDPC.com

Local Plan Advisors available by email or phone ONLY.
Monday thru Friday 7:30AM - 4:30PM

Laura Paz

Laura.Paz@empower-retirement.com | 904.540.3489

Christina Jamieson

Christina.Jamieson@empower-retirement.com | 904.252.4714

Don Wise

Donald.Wise@empower-retirement.com | 904.510.6911



City of Jacksonville

2021 Limited Retirement Option (LRO)

For JEA employees in the General
Employees Pension Plan (GEPP)



What is the 2021 Limited Retirement Option (LRO)?

As provided for in Ordinance 2020-529-E, the LRO is an opportunity for eligible employees in the GEPP to retire from employment sooner than normally allowed. Employees eligible for the LRO have the option to leave employment and immediately begin collecting pension payments from the Plan for life.

Who is eligible to elect the LRO?

The following chart shows eligibility requirements for the LRO:

Age Requirement	PENSION Service Requirement	Benefit
55	10 years	Normal Retirement with a 2.5% Accrual
60	5 Years	Normal Retirement with a 2.5% Accrual
NONE	20 years	Early Retirement with a 2.0% Accrual

What is PENSION credited service time?

PENSION credited service time is awarded for full-time employment with the City, JEA, JHA, NFTPO or other eligible agencies for which contributions to the Plan have been made and not refunded. This includes full-time service and purchases of credited service for previous periods of employment and military time. If you had leave-without-pay, that time is deducted from your PENSION credited service unless you have purchased that time back. If you started contributing to the Plan later than when you started working for the City (includes JEA), and you did not buy your previous time back, your PENSION service starts as of the time you started to make contributions.

Pension date or adjusted pension date reflects PENSION credited service time. The Pension Office can verify this information, as needed.

When can an employee elect the LRO?

Eligible JEA employees in the GEPP can elect the LRO from May 1, 2021 until June 30, 2021.

June 30, 2021 is the DEADLINE for electing the LRO for JEA employees. After this date electing the LRO is no longer an option.





When can an employee retire under the LRO?

Eligible JEA employees in the GEPP can retire under the LRO from May 1, 2021 until October 31, 2021.

If eligible, your retirement date is the day after your last day of employment. Employees electing the LRO will be asked to choose a last day of employment that matches the end of a pay-period, which is the Friday between paydays.

How can an employee elect the LRO?

If you are eligible, you can make your election to participate in the LRO by logging into:

<https://jaxpensionportal.coj.net>

There will be a section available to make an LRO Election during the LRO window.

To log into the portal, use your work e-mail. As a JEA employee, you will need to sign up using your work e-mail address. To elect the LRO you will need to choose a last day of employment and a benefit option.

You must submit your request and **receive a confirmation** in order for it to be valid. If you are not sure if your LRO election has been received, please contact the Pension Office prior to the deadline to confirm.

If you have any problems accessing the portal, please contact the Pension Office at citypension@coj.net or 904.255.7280 for assistance in making your election at least a week in advance of the deadline, preferably sooner.





How can an employee find out about estimated benefits under the LRO?

JEA Employees who are eligible for the LRO (based on our current data) will receive a letter around the beginning of May that will outline ESTIMATED BENEFITS including different options if you retire under the LRO. This information will also be available in the pension portal.

If you do not receive estimated benefits and you think you may be eligible for the LRO, please contact the Pension Office for assistance.

Once employees elect the LRO, can they change their mind?

No. **The LRO election is binding and irrevocable.** Employees eligible for the LRO who make the election are resigning from employment as of the date they choose in the election.

Please consider your options carefully and consult with trusted advisors as needed prior to submitting your election.





Can an employee who elects the LRO be rehired full-time by the City, JHA or JEA? How are future benefits affected?

Employees who elect the LRO are prohibited from being re-employed full-time by the City, JHA, JEA and NFTPO for a period of one year from the date of retirement. Employees may potentially be eligible for rehire sooner as contractors or in a part-time role working 25 hours or less per week.

Employees that are rehired into full-time covered positions with the City (includes JEA) more than one year after retirement are prohibited from becoming active members of the GEPP again. Their GEPP benefit will be suspended for the period they are re-employed and they will be eligible to participate in the General Employees Defined Contribution (GEDC) Plan. GEPP benefits will resume after they leave full-time employment.

What benefit options are included in the LRO?

LRO retirees have the same general options as other retirees. You can elect:

- Regular Pension: this is the option that provides for the highest monthly benefit
- Monthly pension with a 5% PLOP: PLOP is a partial lump-sum option. This option allows for a lump-sum check up-front in exchange for a lower monthly benefit. PLOP checks are generally eligible for rollover into a tax-deferred retirement account.
- Monthly pension with a 10% PLOP
- Monthly pension with a 15% PLOP
- You can also transfer your LRO benefit under GEPP to the GEDC Plan, which is administered by Empower. If you choose this option, you are waiving all future rights to benefits from the GEPP and you will not receive a payment for life from the GEPP.



If employees are eligible to purchase PENSION credited service time, can this help them qualify for the LRO and/or help increase the value of their GEPP benefit?

Yes! If you are eligible to purchase PENSION credited service time and you want that time to be considered for LRO eligibility and/or LRO retirement benefits, please contact the Pension Office as soon as possible. You will need to provide the time period you would like to consider for purchase. If you would like to buy military time, you will need to provide a copy of your DD214 Form. If you would like to purchase time from an outside agency, additional information will be required.

Please allow at least two weeks for the Pension Office to review your request to purchase PENSION service time. The Pension Office will prioritize service purchase requests related to LRO, however these requests can take time to process, so you should make the request as soon as possible.

Purchasing PENSION credited service time INCREASES the value of your pension benefit. Once you retire, you can no longer purchase PENSION service time.

What if an employee is in the middle of a service purchase request and wishes to elect the LRO?

You MUST complete all PENSION credited service purchase requests and PAYMENTS by your retirement date (or accept credit only for payments made by your retirement date). The Pension Office must receive the payment for your service purchase by your retirement date for the service time to be considered for LRO eligibility and the LRO benefit calculation.

Please contact the Pension Office as soon as possible if you wish to complete a new or existing purchase of PENSION service time.

When will pension benefits be paid for employees who elect the LRO?

After an employee elects the LRO, the Pension Office will prepare final forms that are required to commence benefit payments from the pension. The forms will be e-mailed to your work e-mail address (or mailed to your address on file if requested). Once those forms are received back completed by you and found to be in good order, pension payments will typically commence within 1-2 pay-periods of receiving your final active paycheck. Ongoing pension payments are sent via direct deposit to your bank account. Lump sum checks for PLOPs will be mailed to your address on file or to your financial institution if you provide the address. Financial institutions may include, but are not limited to, your JEA 457 Deferred Compensation Plan. Contact benefits Services to discuss this option.

Ongoing pension checks are paid on a bi-weekly basis. The first payment is typically larger than ongoing payments since it is paid back to the retirement date. Pensioners are encouraged to register on the pension portal using a personal e-mail address once they receive their first pension payment to gain access to their pension payment information.



If you elect to transfer your benefit to the GEDC Plan as part of your LRO election, those funds will transfer to an account in your name at Empower typically within 1-2 pay-periods after your final active paycheck. You may contact Empower in advance of the transfer if you wish to make investment elections and choose your beneficiaries. Once the funds have transferred from the GEPP to the GEDC, you may contact Empower regarding how to access your benefits from the GEDC.

Are employees who elect to receive a monthly pension benefit from the GEPP eligible to receive a cost-of-living-adjustment (COLA) as a retiree?

Yes. LRO retirees are eligible for a COLA subject to the plan rules. The current COLA is a 3% increase to the base pension in the first full pay period each April annually starting after the retiree passes October 1 five times following retirement.

Are employees who elect to receive a monthly pension benefit from the GEPP eligible to receive the pension supplement as a retiree?

Yes. LRO retirees are eligible to receive a monthly supplement equal to \$5 per month for every whole year of PENSION service time up to a maximum of \$150 per month. The supplement is paid in full in the first two pension payments made each month.

What changes for GEPP members who were already retirement eligible?

Pension benefits will be the same for GEPP members after the LRO window as they were before the window. For most GEPP members that were already eligible to retire nothing changes. Estimated benefits will NOT be automatically provided to GEPP members unless the Pension Office identifies that there is the potential for a better benefit as part of the LRO.



What should employees do if they have pension questions, but they do NOT plan to participate in the LRO?

The Pension Office is always available to assist employees with questions regarding their retirement benefits. We do request that employees who do NOT have a time-sensitive request delay their questions until after the LRO.

If you have questions related to the LRO, if you are looking to retire or leave employment soon, or if you have any potentially time sensitive requests, please reach the Pension Office by e-mail or phone and they will be glad to help you.

Will Human Resources be notified when an employee elects the LRO?

Yes. However, employees should also notify their manager to ensure a smooth transition.

Can employees run out their time once they elect the LRO?

Yes. You may run out your remaining annual leave, but it may not extend your eligible LRO retirement date. Employees must contact their manager in advance to arrange to run out leave.

Will any remaining annual leave hours be paid after the last day of employment?

Yes. Remaining annual leave will be paid following your last regular paycheck.





When will health insurance benefits coverage end?

All benefits will end on the last day of regular employment.

What options exist for retiring employees regarding continuing health insurance coverage and other benefits if an employee elects the LRO? What is the cost of keeping City-sponsored benefits as a retiree and how can an employee pay for them?

Employees electing the LRO are eligible for JEA retirement benefits to include medical, dental, vision and life insurance coverage. Employees must elect to participate in this coverage prior to retirement. If you should decline your retiree benefits, at any time or do not enroll in the coverage when you retire you may not rejoin the plan at a later date. Please contact JEA Benefits Services by emailing benefits@jea.com or call the Benefits Services team at 904-665-5300.



Pension Office

☎ 904.255.7280

✉ citypension@coj.net

Portal (sign-in required):
japensionportal.coj.net

Website for general information:
coj.net/departments/finance/retirement-system

The Pension Office is NOT open for walk-in visitors.

Employee Benefits Services

📍 JEA, 21 W Church Street, T6
Office Hours: 7:30am- 4:30pm Monday thru Friday

☎ 904.665-5300
Fax: 904.665-4561

✉ benefits@jea.com

Empower Retirement

(For transfers of GEPP to GEDC only)

☎ 1.855.265.4570
TTY 1.800.766.4952

COJDCP.com

Local Plan Advisors available by email or phone ONLY.
Monday thru Friday 7:30AM - 4:30PM

Laura Paz
Laura.Paz@empower-retirement.com | 904.540.3489

Christina Jamieson
Christina.Jamieson@empower-retirement.com | 904.252.4714

Don Wise
Donald.Wise@empower-retirement.com | 904.510.6911



2021 Limited Retirement Option (LRO) for the General Employees Pension Plan (GEPP) IMPORTANT DISCLOSURES

GENERAL DISCLOSURE: THE DECISION TO ELECT THE LIMITED RETIREMENT OPTION (“LRO”), SIMILAR TO ANY DECISION CONCERNING EMPLOYMENT, IS A UNIQUE AND PERSONAL DECISION THAT MAY HAVE IMPORTANT SHORT-TERM AND/OR LONG-TERM FINANCIAL CONSEQUENCES FOR THE EMPLOYEE AND ANY BENEFICIARIES. THE CITY OF JACKSONVILLE (“THE CITY”) STRONGLY RECOMMENDS THAT EMPLOYEES CONSIDERING ELECTION OF THE LRO CONSULT WITH ANY AND ALL TRUSTED ADVISORS AND FAMILY MEMBERS BEFORE MAKING THE ELECTION. ALL INFORMATION PROVIDED BY THE CITY TO AID EMPLOYEES IN UNDERSTANDING THEIR OPTIONS REGARDING THE LRO ARE ESTIMATES.

DECISION TO ELECT THE LRO: The election to take the LRO is binding and irrevocable. Employees that elect the LRO are resigning from employment as of the date chosen.

ESTIMATED BENEFITS AND ELIGIBILITY: All calculated figures presented are ESTIMATED benefits and subject to final review. Eligibility for the LRO program is also subject to final review.

FUTURE EMPLOYMENT WITH THE CITY: Any employee that retires under the LRO shall be prohibited from being re-employed by the City (including any employer that participates in the City’s retirement plans) for a period of one year from the date of retirement. Part-time, temporary, exempt positions and outside vendor employment may be allowed subject to Plan rules.

FUTURE PARTICIPATION IN THE GEPP: If an LRO retiree is re-employed by the City on a full-time basis more than one-year after retirement, the member shall be prohibited from becoming an active member of the GEPP and payment of retirement benefits from the GEPP shall be suspended for the period of re-employment.

PENSION SERVICE PURCHASES (includes time connections, military purchases and other service purchases): All pension service purchase payments must be received by the Pension Office by the retirement date in order for the service purchases to be included in the benefit calculation. Pension service purchases increase the value of an employee’s pension benefit. Those employees who are eligible to purchase service time are strongly encouraged to explore whether doing so is in their best interest.

LUMP-SUM PAYMENTS: Lump-sum payments from the GEPP are determined by many factors like marital status, age, and actuarial assumptions, including the GEPP assumed interest rate. The GEPP assumed interest rate is set by the Board of Trustees. Interest rate changes are typically set in conjunction with approval of the Plan’s actuarial valuation and are implemented for lump-sum payment calculations on June 1. Board practice in recent years has been to reduce the GEPP assumed interest rate. If the Board reduces the rate as part of the review of the current actuarial valuation, then the value of lump sums will increase starting on June 1.

TRANSFERS TO THE GEDC: Employees that elect to transfer to the DC Plan agree to waive the right to receive future rights to benefits from the GEPP. The election to transfer a lump sum from the GEPP to the GEDC at retirement is NOT the best decision for most situations. By electing this option, employees agree that they have considered their options, Plan rules, and all resources made available by the City and have consulted with any and all trusted advisors and family members, as necessary. Employees that elect to convert their GEPP benefit as a lump sum to the GEDC give up their option to receive a payment for life from the GEPP. Additionally, employees that elect to convert to the GEDC are encouraged to contact Empower Retirement prior to retirement in order to set up investment elections and beneficiary information and to learn about all relevant rules associated with the GEDC Plan. Funds transferred to the DC Plan will be invested in a default target date fund based on the employee’s age if a different election is not made in advance.