

**GENERAL EMPLOYEES ADVISORY COMMITTEE
FOR THE
BOARD OF PENSION TRUSTEES
July 14, 2021
2 PM
City Hall Conference Room 3C**

AGENDA

1. CALL TO ORDER

2. PUBLIC COMMENT

3. APPROVAL OF MINUTES

- a. Approval of June 9, 2021 Minutes

4. NEW BUSINESS

- a. Copy of Consent Agenda for Recommended Benefits dated June 2021
- b. Walton S Allen Jr Reinstatement of pension benefits

5. OLD BUSINESS

- a. Terry Crews survivor benefits update—no update

6. ADMINISTRATIVE

- a. Pension Office staff update
- b. LRO Update
- c. Board Rules and Regulations updates

7. INFORMATION

- a. Investment Flash Report
- b. Next meeting: August 11, 2021 at 2 PM

8. PRIVILEGE OF THE FLOOR

9. ADJOURNMENT

**GENERAL EMPLOYEES ADVISORY COMMITTEE
FOR THE
BOARD OF PENSION TRUSTEES
Wednesday, June 9, 2021 – 11 AM**

MINUTES

MEMBERS PRESENT

Judith Garard
James Healy, Vice-Chair
Ashley Mitchell
Becky Javurek

MEMBERS NOT PRESENT

Valerie Gutierrez, Chair
Pete Ison

STAFF PRESENT

John Sawyer, OGC
Tom Stadelmaier, Pension Administrator

OTHERS PRESENT

NA

1. CALL TO ORDER

Mr. Healy called the meeting to order at about 2:03 PM.

2. PUBLIC COMMENTS

None

3. APPROVAL OF MINUTES

Ms. Javurek motioned to approve the minutes. Ms. Garard seconded the motion. The Chair asked if there was any discussion and given none took a vote. The motion passed unanimously.

4. NEW BUSINESS

Ms. Garard made a motion to approve the consent agendas. Ms. Javurek seconded the motion. The Chair took a vote. The motion passed unanimously.

5. OLD BUSINESS

None.

6. ADMINISTRATIVE

Mr. Stadelmaier reviewed the latest LRO numbers. Additionally, it was discussed that PAC members attending may use the Library garage on Duval Street and obtain parking stickers from the Pension Office.

7. INFORMATION

Investment report was reviewed.

8. PRIVILEGE OF THE FLOOR

NA

9. ADJOURNMENT

The meeting adjourned at about 2:15 PM.

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

June 2021

CONSENT AGENDA FOR RECOMMENDED BENEFITS

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

1. TIME SERVICE RETIREMENTS

Dawn Barnes, (PA), effective May 22, 2021 in the monthly amount of \$3,494.95 at the rate of 63.13% (25 years, 3 months)

Robert Cook, (PA), effective May 14, 2021 in the monthly amount of \$3,072.09 at the rate of 61.88% (24 years, 9 months)

Velarmina Figuerrez, (Library), effective May 22, 2021 in the monthly amount of \$873.88 at the rate of 28.33% (11 years, 4 months)

Melba Gray, (Finance), effective May 22, 2021 in the monthly amount of \$1,878.86 monthly at the rate of 53.75% (21 years, 6 months) 15% PLOP \$51,400.75

David Roe, (R&E), effective May 29, 2021 in the monthly amount of \$954.14 at the rate of 28.13% (11 years, 3 months) 15% PLOP \$23,630.57

Kariel Scott, (JHA), effective May 1, 2021 in the monthly amount of \$2,435.92 at the rate of 73.93% (29 years, 7 months), 15% PLOP \$48,036.77

James Skulsky, (Library), effective May 22, 2021 in the monthly amount of \$871.53 at the rate of 28.33% (11 years, 4 months)

Larry Squire, (JEA), effective May 8, 2021 in the monthly amount of \$3,104.79 at the rate of 62.5% (25 years), 10% PLOP \$69,539.08

Anthony Tice, (P&R), effective May 14, 2021 in the monthly amount of \$1,178.10 (minimum benefit) at the rate of 50.42% (20 years, 2 months) with a 29% reduction for early retirement, 15% PLOP \$40,729.11

Thomas Varnadore, (PW), effective May 22, 2021 in the monthly amount of \$4,128.60 at the rate of 75.63% (30 years, 3 months)

John Wright, II, (ITD), effective June 5, 2021 in the monthly amount of \$1,131.53 at the rate of 16.46% (6 years, 7 months)

James Yeager, (JEA), effective June 5, 2021 in the monthly amount of \$7,470.48 at the rate of 80% (32 years), 36 months Backdrop \$279,530.89

2. LRO TIME SERVICE RETIREMENTS

Shamarr Anderson, (PW), effective June 5, 2021 in the monthly amount of \$1,295.91 at the rate of 45.33% (22 years, 8 months), 15% PLOP \$47,933.24

Roger Bottoms, (Fleet), effective May 22, 2021 in the monthly amount of \$1,519.51 at the rate of 42.71% (17 years, 1 month), 5% PLOP \$16,077.17

Curry Brown, (PW), effective June 5, 2021 in the monthly amount of \$1,178.10 at the rate of 40% (20 years), 15% PLOP \$46,586.65

John Campbell, (PW), effective May 22, 2021 in the monthly amount of \$883.58 at the rate of 38.13% (15 years, 3 months), 15% PLOP \$26,499.08

Tony Fountain, (PW), effective April 10, 2021 in the monthly amount of \$343.43 at the rate of 15.21% (6 years, 1 month), 15% PLOP \$9,937.34

Larry Lee, (JEA), effective May 22, 2021 in the monthly amount of \$2,747.06 at the rate of 45.63% (18 years, 3 months), 15% PLOP \$85,994.73

Loretta Major, (PWSW), effective June 5, 2021 in the monthly amount of \$2,248.00 at the rate of 41.04% (16 years, 5 months)

Jody McDaniel, (P&D), effective June 5, 2021 in the monthly amount of \$2,533.54 at the rate of 48.96% (19 years, 7 months), 5% PLOP \$19,946.40

Mercedia Myers, (Procurement), effective June 5, 2021 in the monthly amount of \$1,119.20 at the rate of 48.13% (19 years, 3 months), 15% PLOP \$36,126.59

Jeanette Watt, (Clerk of Court), effective May 22, 2021 in the monthly amount of \$1,309.77 at the rate of 42.5% (21 years, 3 months) 10% PLOP \$30,589.59

Charlene West, (JEA), effective May 22, 2021 in the monthly amount of \$981.61 at the rate of 25.63% (10 years, 3 months), 15% PLOP \$28,501.22

3. VESTED RETIREMENTS

New Commencements

None

New Deferrals

None

4. SURVIVOR BENEFITS

Shirley Hastings, (Roy Hastings), effective April 17, 2021 in the COLA base amount of \$4,755.05

Carol Napier, (Morris Napier), effective April 19, 2021 in the COLA base amount of \$3,226.24

Leila Young, (James Young), effective May 11, 2021 in the COLA base amount of \$3,456.79

5. RESTORATION OF SURVIVOR BENEFITS

None

6. CHILDREN/ORPHAN/GUARDIANSHIP BENEFITS

None

6. TIME SERVICE CONNECTIONS COMPLETED

Ricky Benjamin, (PW), 11.27 months in the amount of \$4,824.36

Delphine Brock, (KHA), 7.6 months in the amount of \$2,967.03

John Campbell, (PW), 62 months in the amount of \$17,246.66

William Goodrich, (JEA), 66.03 months in the amount of \$48,974.00

Susan Harnage, (R&E), 120 months in the amount of \$65,696.76

Roy Knight, (JEA), 24.18 months in the amount of \$13,640.90

Bernice Russell, (Mayor's Office), 14 months in the amount of \$20,870.51

Larry Squire, (JEA), 29.37 months in the amount of \$11,531.16

Tony Williams, (P&R), 43.13 months in the amount of \$25,873.83

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)

Roy Knight, (JEA), 12 months in the amount of \$16,923.40

Danny Nungester, (JEA), 6.03 months in the amount of \$9,722.44

Stephen Schneider, (ITD), 24 months in the amount of \$39,233.28

Charlene West, (JEA), 24 months in the amount of \$22,933.44

9. REFUNDS

John C Campbell, (PW) 15 years and 3 months, \$2,053.34

Carroll J Reed III, (JSO) 4 years \$10,804.09

John S Wheatley, (JSO) 3 years and 9 months, \$12,781.48

10. DB TO DC TRANSFER

Donald N Wilson (JEA) 11 years and 5 months, \$354,532.42

Donald W Taylor (Finance) 15 years and 8 months \$267,926.24

Timothy P Hartson (JEA) 7 years and 7 months \$191,700.61

Torrance Cox (PWK) 11 years and 4 months \$123120.38

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:

2020-529

2021 Limited Retirement Option

UPDATED 7/1/2021

Employee Communications

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	3/30/2021	ESTIMATED benefit options 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	4/6/2021-4/7/2021	
Estimated LRO Benefits for JEA Employees	LRO Eligible JEA Employees	Mail, Portal	5/1/2021	4/29/2021	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	5/3, 5/4, 5/11	
DEADLINE Reminder E-mail for CITY/JHA Employees	LRO Eligible CITY/JHA Employees	E-mail	5/20/2021	5/21/2021	
Election Window CLOSES for CITY/JHA Employees	LRO Eligible CITY/JHA Employees	Portal	5/31/2021	5/31/2021	
DEADLINE Reminder E-mail for JEA Employees	LRO Eligible JEA Employees	E-mail	6/23/2021	6/25/2021	
Election Window CLOSES for JEA Employees	LRO Eligible JEA Employees	Portal	6/30/2021	6/30/2021	

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

2020-529

2021 Limited Retirement Option

UPDATED 7/1/2021

LRO Active Member Populations

Employer	Eligible	Elected LRO	Elected %	Deadline to Elect
CITY	469	82	17.5%	May 31, 2021
JHA	18	4	22.2%	May 31, 2021
JEA	298	31	10.4%	June 30, 2021
TOTAL	785	117	14.9%	June 30, 2021

LRO Eligibility Categories

Category	Eligible	Eligible %	Elected LRO	Elected %
20+ Years of Service (Any Age)	187	24%	29	25%
10+ Years of Service (Age 55+)	534	68%	74	63%
5+ Years of Service (Age 60+)	64	8%	14	12%
TOTAL	785	100%	117	100%

LRO Pension Benefit Election

Election	Elected LRO	%
Regular Pension (Maximum Monthly Benefit)	38	32%
Reduced Pension with PLOP	56	48%
DB to DC Transfer	23	20%
TOTAL	117	100%

PLOP Elections	#
Reduced Pension with 5% PLOP	17
Reduced Pension with 10% PLOP	7
Reduced Pension with 15% PLOP	32

LRO Retirements By Month

April	May	June	July	August	September	October
13	23	13	16	6	36	10

Pension Office Employee Contacts

Activity	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Phone Calls	1,813	1,573	1,851	1,832	2,002	2,745	2,683	2,601	2,468
E-mail Responses	663	412	499	538	530	634	792	532	570
Documents Processed	2,340	2,292	1,991	2,010	1,843	2,439	3,176	15,113	37,320
Portal Sessions	NA	NA	NA	NA	NA	3,263	6,540	5,308	4,577

Daily Averages

Activity	Oct-20 to Feb-21	Mar-21 to Jun-21	Change
Phone Calls	91	121	+33%
E-Mail Responses	26	29	+12%
Documents Processed	105	667	+535%
Portal Sessions	NA	120	NA

**RULES AND REGULATIONS
OF
THE BOARD OF TRUSTEES
OF
THE CITY OF JACKSONVILLE RETIREMENT SYSTEM**

Contents:

- I. Definitions**
- II. Organization of the Board of Trustees**
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- IV. Role of City Treasurer, CIO, Plan Administrator, and Pension Office**
- V. Meetings**
- VI. Procedures for the Selection of Professional Services Providers**
- VII. Asset Management**
- VIII. Accounting, Actuarial and Legal Services**
- IX. Membership in the Plans**
- X. Administration of Benefits**
- XI. Procedural Due Process**
- XII. Ethics**
- XIII. Miscellaneous**

PART I – DEFINITIONS

The definitions set forth in Sections 120.201 and 120.301, *Ordinance Code*, shall apply to these Rules and Regulations. The terms “Plan” and “Plans” shall refer to the City of Jacksonville General Employees Retirement Plan and/or the City of Jacksonville Corrections Officers Retirement Plan, as the context requires. The term “System” shall refer to the City of Jacksonville Retirement System, which consists of the Plans and is administered by the Board of Trustees (the “Board”).

PART II – ORGANIZATION OF THE BOARD OF TRUSTEES

1. Authority. The System shall be placed under the exclusive administration and management of the Board. Consistent with such general authority, the Board shall have the authority to retain its own legal counsel, accountants, actuaries, money managers, performance monitors, and other professional advisors to assist the Board in the performance of its duties. The Board shall have the authority to operate, maintain and interpret the provisions of the state laws (Chapters 112 and 215) and local ordinances (Chapter 120, Ordinance Code) establishing the System. All decisions of the Board, made in good faith regarding the implementation of the

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provisions of the Plan, shall be final, binding and conclusive on all parties. The Board shall be solely responsible for establishing and executing the System's investment policy and selecting the System's professional advisors.

2. Fiduciary Responsibility. The Board shall act as the named fiduciary of the System as provided under Section 120.102(o), *Ordinance Code*, and under Florida law. In its capacity as a named fiduciary of the Plan, the Board shall discharge its responsibilities solely in the interest of the members and beneficiaries of the Plan for the exclusive purpose of providing benefits to the members and their beneficiaries and to defray the reasonable expenses of the Plan. Board members shall exercise those fiduciary responsibilities with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a similar character and with similar aims. Although the Board acknowledges that the Employee Retirement Income Security act of 1974, as amended ("ERISA"), does not apply to the Plan as a governmental retirement plan, it hereby adopts the fiduciary provisions of ERISA as expressed in 29 U.S.C. s. 1104(a)(1)(A)-(C).

3. Composition; Quorum; Majority Vote. The Board shall consist of nine (9) members selected in accordance with Section 120.102, *Ordinance Code*. A quorum for the Board consists of five (5) members. It will take five (5) concurring votes for the Board to take action.

4. Meetings. Regular meetings of the Board are held on the fourth Thursday of each month through October and the third Thursday of each November and December unless determined otherwise by the Board. Special meetings may be held at the request of any member. In recognition of the importance the work of the Board, regular attendance at Board meetings is expected of all Board members. See Part V below for additional meeting requirements.

5. Election of Officers. The October Board meeting shall be designated the organizational meeting. The Board will elect from among its members a Chair, a Vice-Chair and a Secretary, to serve for the year October 1, through September 30. Officers may continue to serve until their replacements are named. The Chair shall be selected from one of the two citizen Board members.

6. Board Committees. The Board may from time-to-time delegate any of its functions to a committee consisting of one or more Board members. Board Committees shall meet in accordance with the provisions of the Florida Government in the Sunshine Law (Chapter 286, Fla. Stat). All Board Committees shall be appointed by the Chairman.

7. Board Rules and Regulations. The Board is authorized by law to establish these and other uniform rules for the operation of the System. No such rule may conflict with any lawful ordinance, charter provision, state or federal law. Accordingly, the Rules and Regulations described herein are adopted only to the extent that they implement, interpret, or make specific the particular powers, duties and responsibilities by the enabling ordinances, charter provisions and State law. All rules shall be in writing and shall be adopted by a majority vote of the Board. The Board shall review its rules on a periodic basis, normally once per year. The Board's rules shall be made

available to Plan members, retirees and beneficiaries upon request and shall be posted on the System's website. All rule changes shall occur at a regular meeting of the Board.

8. Actuarial Valuation Reports to City Council. By law, the Board shall certify to City Council annually the amount the City is to contribute to the System. The City Council shall place said amount in the budget for the succeeding year. As a matter of standard practice, the contribution specified by the Board's actuary in its valuation report to the Board is the amount certified annually to City Council.

9. Collective Bargaining. The Board acknowledges that it is neither an employer organization nor an employer as defined by Chapter 447, Part II, Florida Statutes. Therefore the Board shall not engage in collective bargaining on behalf of the City of Jacksonville or on behalf of any employee organization. The Board shall make itself available as a resource to labor organizations and the City for all matters relating to pension and retirement.

10. Fiduciary Insurance. The Board is authorized by law to purchase fiduciary insurance to insure members of the Board and the Advisory Committees for errors and omissions. All such insurance shall be with recourse if paid for by System monies. This shall not preclude the Board from making individual payments for non-recourse exceptions from sources other than the System.

11. Statements and Reports. The following statements and reports are to be prepared on a routine basis and made available to the public at all times in the Pension Office:

- (a) Summary Plan Description (SPD).
- (b) Annual Actuarial Valuation Report
- (c) Report of Investments.

PART III – ADVISORY COMMITTEES

(A) GENERAL EMPLOYEES' PENSION ADVISORY COMMITTEE

1. Authority. The General Employees' Pension Advisory Committee (the "PAC") shall act as a preliminary investigative arm for the Board and is authorized to hear and investigate various matters and to make recommendations to the Board thereon. The PAC shall have the following administrative duties with regard to the determination of all issues of fact and recommendations for the granting or denial of benefits for its Plan:

- (a) Review and recommend action to the Board on all approved applications for benefits;

- (b) Conduct inquiry into disability applications and recommend final action to the Board;
- (c) Recommend to the Board amendments to the System documents; and
- (d) Such other duties as may be prescribed by the City Charter or Ordinance Code.

The PAC reviews all payments made from the Plan. As a matter of administrative policy and to ensure timely payment of benefits under Sections 120.206(c) and 120.306(c), Ordinance Code, the Pension Office may initiate payments using standard procedures so long as such payments are ratified by the PAC at the next ensuing meeting or in a reasonable timeframe.

2. Composition; Term of Office; Vacancies. The PAC shall consist of seven (7) members. Two (2) members shall be employees of JEA who (i) are members of the Plan; (ii) are the top two individuals with the highest votes from the JEA employee candidates elected by the active contributing general employee members voting in an election, and (iii) shall qualify on the next October 1 (or the first meeting after said election if there is a delay). Four (4) members shall be employees (other than JEA employees) who (i) are members of the Plan, (ii) are the top four individuals with the highest votes from the non-JEA employee candidates elected by the active contributing general employee members voting in an election, and (iii) shall qualify on the next October 1 (or the first meeting after said election if there is a delay). One (1) member shall be a retired person who (i) is a retired member of the Plan, (ii) is elected by membership of the Retired Employees Association voting in an election, and (iii) shall qualify on the first meeting after said election. All elected members shall hold office for the term of two years from their qualification date, or longer in the event that the Board approves an extension due to administrative/technical difficulties in the election of a successor. The Board shall establish uniform rules governing the specifics for each election of PAC members. Vacancies in the PAC will be filled by the number one candidate of the top three runner-up candidates. If for any reason that person cannot or does not want to serve, then the vacancy will be filled by number two candidate. Likewise to number three if number two is unavailable or declines to serve. In the event there are not available candidates as described, the vacancy will be reviewed by staff and legal to determine next steps. Terms for such members will end at the same time as the elected members.

3. Quorum; Majority Vote. A quorum for the PAC consists of four (4) members. It will take four (4) concurring votes for the PAC to take action.

4. Officers. The PAC will elect a Chair and a Vice Chair to serve for the year October 1, through September 30. The PAC may also elect a Secretary for the same term if the PAC determines that doing so will improve the administration of its work. The Vice Chair will conduct all meetings that the Chair is unable to attend. In the event that both the Chair and Vice Chair are absent, a temporary Chair may be appointed with the approval of a majority of members in attendance.

5. Meetings. Unless otherwise agreed, the PAC shall meet regularly on the second Wednesday of each month. Special meetings may be held at the request of any member. See Part V for additional requirements.

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The PAC will conduct a workshop meeting within three months after each general election of PAC members. The workshop will be designed to orient and train new PAC members with respect to their fiduciary responsibilities, their obligations under the Florida Sunshine laws, and their other duties as a PAC member. The Plan Administrator and a representative from the Office of General Counsel will assist in the presentations. This information may be shared as part of a regular PAC meeting.

(B) CORRECTIONS OFFICERS' PENSION ADVISORY COMMITTEE

1. Authority. The Corrections Officers' Pension Advisory Committee (the "COPAC") shall act as a preliminary investigative arm for the Board and is authorized to hear and investigate various matters and to make recommendations to the Board thereon. The COPAC shall have the following administrative duties with regard to the determination of all issues of fact and recommendations for the granting or the denial of benefits for its Plan:

- (a) Review and recommend action to the Board on all applications for benefits;
- (b) Conduct inquiry into disability applications and recommend final action to the Board;
- (c) Recommend to the Board amendments to the System documents; and
- (d) Such other duties as may be prescribed by the City Charter or Ordinance Code.

The COPAC reviews all payments made from the Plan. As a matter of administrative policy and to ensure timely payment of benefits under Section 120.306(c), Ordinance Code, the Pension Office may initiate payments using standard procedures so long as such payments are ratified by the COPAC at the next ensuing meeting or in a reasonable timeframe.

2. Composition; Term of Office; Vacancies. The COPAC shall consist of five (5) persons who (i) are active, contributing and certified corrections officers with the 5 highest vote totals, (ii) are members of the Plan, (iii) are elected by the active, contributing members of the Plan voting in an election, and (iv) shall qualify on October 1 (or the first meeting after said election if there is a delay). Each member shall hold office for the term of two years, from their qualification date, or longer in the event that the Board approves an extension due to administrative/technical difficulties in the election of a successor. The Board shall establish uniform rules governing the specifics for each election of COPAC members. Vacancies in the COPAC will be filled by the number one candidate of the top three runner-up candidates. If for any reason that person cannot or does not want to serve, then the vacancy will be filled by number two candidate. Likewise to number three if number two is unavailable or declines to serve. In the event there are not available candidates as described, the vacancy will be reviewed by staff and legal to determine next steps. Terms for such members will end at

the same time as the elected members.

3. Quorum; Majority Vote. A quorum for the COPAC consists of three (3) members. It will take three (3) concurring votes for the COPAC to take action.

4. Officers. The COPAC will elect a Chair, Vice Chair and Secretary to serve for the year October 1, through September 30. The Vice Chair will conduct all meetings that the Chair is unable to attend. In the event that both the Chair and Vice Chair are absent, a temporary Chair may be appointed with the approval of a majority of COPAC members in attendance.

5. Meetings. Unless otherwise agreed, the COPAC shall meet regularly on the first Tuesday of each month. Special meetings may be held at the request of any member. See Part V for additional requirements.

PART IV –
ROLE OF THE CITY TREASURER, THE CIO, THE PLAN ADMINISTRATOR,
AND THE PENSION OFFICE

1. Overview. Under Section 120.102, *Ordinance Code*, the Board is charged with the sole and exclusive responsibility to administer the System. However, under Section 24.204, *Ordinance Code*, the City Treasurer is given responsibility for the administrative support and financial management of the System. To harmonize these provisions, the Treasurer shall to the extent practicable consult with the Board in the training and evaluation of the Plan Administrator and other Pension Office staff. The Board may retain and compensate any additional professional or technical assistance deemed necessary to aid the Plan Administrator and other Pension Office staff in executing the Board’s policies and directives.

2. Treasurer and CIO. The City Treasurer, through the Pension Office, shall be responsible the administrative support and financial management of the System. The Treasurer shall be responsible for maintaining the financial records of the System as directed by the Board.

The Treasurer, and any Chief Investment Officer (“CIO”) reporting to the Treasurer, is authorized to transfer funds at such intervals as required to meet the Pension Payroll schedule for disbursement to beneficiaries of the Plans.

The CIO and the Treasurer are authorized to give direction to the authorized custodians of the System’s assets on any and all actions with respect to the custodial relationship. Authorized signatures of the Board Chair, the Treasurer and the CIO will be provided to the each custodian. The Board will provide the custodians with written notification of any changes.

3. Plan Administrator. The Plan Administrator shall directly report to the Treasurer. The day-to-day

Pension Board Rules 4/25/2019 BOARD APPROVED

supervision and management of the Pension Office staff shall be delegated to the Plan Administrator. The Plan Administrator shall be responsible for directing the activities of said employees as are reasonably necessary for the efficient performance of the responsibilities of the Plan and for ensuring that their functions are performed in accordance with the standards established by the Board, the Treasurer, and the Chief Financial Officer of the City. The Plan Administrator shall be subject to policies and directives issued by the Board and shall report his or her activities to the Board on a monthly basis when the Board meets. The Plan Administrator shall have no discretionary authority with regard to investments. The Plan Administrator is authorized to initiate the purchase of office supplies, equipment, publications, etc., as may be necessary to promote the discharge of the Plan's operating requirements, subject to budget limitations and any necessary organizational approvals from the Treasurer or CFO. The Plan Administrator shall be responsible for operational procedures and forms for the day to day administration of the System and for the orderly processing of benefits. This shall include, but not be limited to time connections, applications for service and disability retirement, survivorship applications, and returns of contributions. If, in the opinion of the Plan Administrator, circumstances warrant the development and implementation of additional forms and procedures, the Plan Administrator shall have the authority to make the required changes in the procedures and forms. Additional elaboration as to the administrative discretion to be granted to the Plan Administrator is described in the Board's "Statement of Administrative Policy" which is reflected herein as Section IV (3).

4. Statement of Administrative Policy. In an effort to further the goal of providing adequate clarification and direction as to the expected role and administrative discretion to be exercised by the Plan Administrator, the Board adopts the following Statement of Administrative Policy:

- (a) The Board assigns the Plan Administrator with the responsibility and commensurate authority to implement the policies and directives of the Board and to administer the day-to-day operations of the Plan consistent with established rules, regulations, and policies of the Board and in accordance with applicable laws, statutes, Ordinances, Resolutions and Charter provisions.
- (b) The Plan Administrator represents the executive arm of the Board and is authorized to act in the name of the Board in the transaction of routine business on behalf of the Plan.
- (c) The Plan Administrator is authorized to evaluate and make initial determinations of eligibility for benefits and programs, service credits and time connections, service retirement benefits computations, and is authorized to initiate the payment of pension benefits in accordance with the approval process established by the Board.
- (d) The Plan Administrator is authorized to administer the collection of data regarding disability applications and the assembly of data required for a determination of disability benefit eligibility.
- (e) The Plan Administrator is authorized to approve and pay refund requests made by members who have separated from service.

(f) The Plan Administrator will keep the Board informed as to the actions and activities of the Pension Office through appropriate reporting mechanisms.

(g) Questions as to the implementation of rules, regulations and policies of the Board shall be directed to the Plan Administrator who will:

- Adjudicate the question; or
- Refer the question to the Board or Advisory Committee, in the event the question involves a matter of policy not previously established by the Board or where sufficient doubt is raised in the mind of the Plan Administrator as to the proper course of action; or
- Refer the question to the Legal Counsel of the Plan in the event the question involves the need for legal support or guidance.

(h) Questions as to the interpretation of various provisions of the Plan shall be directed to the Plan Administrator who will:

- Obtain or render an interpretation of the section or language involved; or
- Refer the question to the Board or Advisory Committee if it requires a policy decision. In areas where there is no clear interpretation of a condition in the pension laws, it is the Board's final responsibility to interpret the language in the pension laws, and seek the input of Legal Counsel to the Plan, as deemed necessary in resolving the issue; or
- Refer the question to the Legal Counsel of the Plan in the event the condition involves the need for legal support and guidance.

(i) A participant of the Plan who is not satisfied with the determination rendered by the Plan Administrator may request that the case be presented to the Board or Advisory Committee for final ruling. After review of the request, the Board may then grant or refuse to grant a hearing on the matter.

(j) A record is to be maintained in the Pension Office covering all administrative and Board decisions or rulings which are of general interest or importance to the operation of the Plan. This record is to be available to the members of the Plan.

(k) The Plan Administrator shall have the authority to amend existing Time Service Connections as set forth in Part X, Paragraph 1(g)(iv).

5. Pension Office. The Treasurer shall establish a City Pension Office to provide administrative support to the Board and the Plan members. The Treasurer, not the Board, is responsible for the hiring of employees in the Pension Office and their supervision through the Plan Administrator. However, to the extent the Board believes the Pension Office is not performing in accordance with the standards established by the Board and by law, the Board shall take all appropriate action to (i) inform the Treasurer and appropriate decision makers in the City, and (ii) recommend corrective actions. The Board may also retain and compensate any additional

professional or technical assistance deemed necessary to aid the Pension Office in executing the Board's policies and directives.

- (a) **Decision Making Authority.** No employee of the Pension Office shall have the authority to bind the Board in any contract or endeavor without the express authority of the Board.
- (b) **Information Depository.** The Pension Office shall be the depository of all System and Plan documents, including the summary plan descriptions, summary annual reports, annual and periodic financial reports, actuarial studies and recommendations, minutes of meetings of the Board and Advisory Committees, Board rules and regulations, all forms used in conducting System business.
- (c) **Payroll Certifications.** Pension Payrolls of the System's trust funds will be reviewed each payment period by the Pension Administrator and made available to the Treasurer, CFO and Board as requested.
- (d) **Mail.** It is expected that all mail received by the System shall be reviewed for any time limitations or response dates. Mail addressed to the System in general and to no specific person shall be directed to the Pension Administrator or an appropriate designated Pension Office member unless otherwise directed by the Board. The Pension Office will make all reasonable efforts to maintain a record of materials received. The provisions of Florida Statute Chapter 119, the Public Records Act, shall be observed in all respects.
- (e) **Reporting of Fraud.** In the event that a perceived fraud has been perpetrated upon the Plan, the staff of the Pension Office shall strive to identify the person or persons committing the perceived fraud and the person or persons aiding or abetting the commission of any such perceived fraud on or to the Plan. Once appropriate documentation has been assembled with respect to the perceived fraud, the Plan shall seek to recover such fraudulently obtained funds and shall make a determination as to whether the facts surrounding the incident warrant the institution of supplemental investigations, the scheduling of administrative hearings, and/or the notification of such incident to the State Attorney's Office for disposition. Based upon the findings and determinations of such above described matters, the perpetrator(s) of such fraudulent activities may be subject to the forfeiture and disqualification for the receipt of pension benefits as provided under Section 112.3173, Florida Statutes, provided such perpetrator(s) is a Member or Beneficiary of the Plan.

PART V -- MEETINGS

The following provisions shall apply to all meetings of the Board, the PAC and the COPAC.

1. **Role of the Chair.** The Chair will conduct all meetings. The Chairman shall have voting rights the same as any other member of the Board. If the Chair is absent, the Vice Chair will assume those responsibilities. If both the Chair and Vice Chair are absent, a temporary Chair may be appointed with the approval of a majority of members in attendance.

2. Agendas and Meeting Materials. A published agenda shall be prepared for each regular and special meeting. The agenda will set forth those items upon which the Chair anticipates taking action or discussion. The Order of Business at regular meetings shall be as follows, unless changed by a majority of members in attendance:

- (a) Call to Order
- (b) Approval of Minutes
- (c) New Business (including the Consent Agenda)
- (d) Old Business
- (e) Information (including investment updates and administrative updates)
- (f) Privilege of the Floor
- (g) Adjournment

During the New Business portion of a meeting, a Consent Agendas may be used to approve (i) time service retirement benefit applications and other newly established ongoing payments such as term-vested retirements, term-vested commencements and rehired retirees starting pension payments again, (ii) survivor benefit applications, (iii) pension contribution refunds and other lump-sum payments (iv) credited service purchases, and (v) DROP program activities. The Consent Agenda format may not be used with respect to decisions on disability retirement benefit applications, or other matters warranting particular attention and review on the part of the Board.

Each agenda item shall have attached to it backup material necessary for discussion or action by the Board.

Each agenda shall, as required by Chapter 286, Florida Statutes, also inform members of the System and the public that should they wish to appeal any decision made by the Board, that they will need a record of the proceedings and that they may need to insure a verbatim record which includes testimony and evidence upon which the appeal is based.

A copy of the Notice of Meeting shall be posted in a location in the Jacksonville City Hall where notices of public meetings are customarily posted. A calendar of upcoming meetings will also be posted electronically on the City website. All agendas and meeting materials are public records as defined in Chapter 119, Florida Statutes.

The Board requests that all materials to be submitted to the Board or an Advisory Committee (including materials submitted by a board/committee member) be submitted at least three business days prior to the scheduled meeting. Materials submitted after this time might not be included in the package of materials provided at the meeting.

3. Actions Taken; Minutes. The Board or Advisory Committee shall have the right to take action on any matter related to the general business of the Board, whether or not such item has

been specifically placed on the agenda. The Secretary (or the Pension Office) shall be responsible for keeping written minutes of the transactions and actions of the Board and shall be the official custodian of records of the Board.

4. Appearances by the Public and/or Plan Members. As public bodies, the Board and the Advisory Committees have a responsibility to accommodate members of the public and members of the Plans who wish to conduct business before them. All such appearances shall be scheduled through the Plan Administrator and time limits for presentations may be limited by the Chairman, with the concurrence of the Board or Advisory Committee. Appearances may be in person or through a representative. No person shall be permitted to disrupt the meeting. The Chairman shall have the authority to determine appropriate conduct at the meeting and to direct the removal of any person who fails to abide by reasonable requests for order.

5. Disruption of Meetings. Any member of the Plan or member of the public making personal, impertinent or slanderous remarks or who shall become boisterous while the Board or the Advisory Committees are in session, shall forthwith be barred from further audience before the Board or the Advisory Committees by the Chairman at his/her discretion. No demonstration of approval or disapproval from the audience shall be permitted. If such demonstrations continue, the demonstrator(s) shall be removed from the meeting room.

6. Meeting Locations; Government in the Sunshine. All meetings and hearings of the Board and the Advisory Committees shall be held in Jacksonville, Florida at a location where public access is guaranteed. Meetings and hearings shall be open to the public and conducted in compliance with Chapter 286, Florida Statutes.

7. Workshops. The Board may from time to time wish to conduct workshop meetings for the purposes of developing policies or procedures of the Board or for the review of investment data of the Board. Workshops shall be conducted in a public forum the same as any other meeting or hearing and shall be properly noticed in advance of the workshop.

PART VI – PROCEDURES FOR THE SELECTION OF PROFESSIONAL SERVICES PROVIDERS

Section 120.102(q), *Ordinance Code*, provides that the Board shall have the authority to retain its own money managers, investment performance monitors, legal counsel, accountants, actuaries, and other professional advisors to assist the Board in the performance of its duties. The Board shall evaluate and select such professional advisors in strict accordance with the Ordinance Code and the City's Pension and Treasury Division's Procurement Procedures of Financial Instruments and Services. All selections shall be made at a meeting of the Board with the affirmative vote of at least five (5) Board members. All proposals and presentation materials considered in conjunction with the selection of professional services providers shall be made a part of the records of the Board.

PART VII -- ASSET MANAGEMENT

1. Statement of Investment Policy. As part of its duty to administer the Plans, the Board shall develop a Statement of Investment Policy to govern the investment of Plan assets. The Statement of Investment Policy represents the Board's attitudes, philosophy, expectations, and objectives regarding the investment of Plan assets. The development of this statement demonstrates that the Board has given adequate consideration to the development of an appropriate program of investment and has thereby fulfilled the requirements of prudence within their fiduciary responsibilities. The standards, objectives, guidelines and restrictions established by this policy statement are subject to changing conditions and investment opportunities. Accordingly, this statement is subject to review on an annual basis by the Board. The Board's Statement of Investment Policy shall conform to the guidelines provide by Sections 112.661 and 215.47, Florida Statutes, which govern the general structure and content of written investment policies for public retirement systems within the State of Florida.

2. Divestiture. No divestiture of any asset of the Plans shall be made for any reason other than fulfillment of the fiduciary obligations of the System.

3. Money Managers. In recognition of the importance of professional guidance in the investment of the assets of the Plans, all investments shall be performed by qualified, professional money managers. The Board shall establish performance standards for each money manager in each class of investment. Said performance standards shall be reduced to writing and shall be included in the contract between the Board and the manager. Said performance standards shall be reviewed on not less than an annual basis and shall be compared to the actual performance of a money manager to determine compliance with the standards set by the Board.

Each money manager shall enter into a written contract with the Board. Each contract shall include an acknowledgement by the money manager that it is familiar with the ordinances of the City of Jacksonville and the provisions of Florida Statutes, Chapter 112. Each money manager shall subscribe to the written goals and objectives of the System and said goals and objectives shall be incorporated into each money manager contract. Said contracts shall also provide that the money manager shall not make purchases which are prohibited by law and in the event such a purchase is made shall make the Plans whole for any loss incurred in the divestiture of said investment. Said contract shall also provide that the laws of Florida shall govern and that venue for any legal action shall be in Duval County, Florida. All written contracts shall set forth a specific duration, but shall allow the Board to terminate for convenience upon no more than 30 days' written notice. Each contract shall set forth with specificity the fees charged by the money manager to the System. All money manager contracts shall further set forth that the money manager is registered as an investment advisor and is qualified by law to engage in the management of the assets which are the subject of the contract. All written contracts shall be reviewed by the General Counsel's office or

Board Attorney who shall approve the form and correctness of each contract and sign each contract. All written contracts shall be executed by the Chairman and/or the Secretary of the System.

All money managers shall report on not less than a quarterly basis. Said money managers and advisors may, however, be directed by the Board, the Treasurer or the CIO to report on a more frequent basis. Upon request of the Board, all money managers shall make these presentations in person at a regular meeting of the Board and shall bear their own costs and expenses in traveling to Board meetings.

In recognition of the limited time resources of the Board members, presentations of prospective money managers shall be by written invitation of the Board only. Prospective money managers shall provide advanced written summaries of their presentations together with any backup materials deemed appropriate for analysis by the System.

4. Performance Monitor. The Board shall engage at all times at least one performance monitor who shall be responsible for reviewing the performance of each of the various money managers of the Board. The performance monitor shall report to the Board on such time schedules as the Board shall establish but not less than once per quarter. The performance monitor shall advise the Board as to the relative performance of each money manager as compared to the various stock, bond and cash indices as are generally accepted in the investment market place as reflective of satisfactory investment performance. The performance monitor shall recommend in writing to the Board the retention or discharge of money managers and the reasons supporting its recommendation. At the request of the Board, the performance monitor may perform evaluation and searches for money managers and such other services as the money manager shall be requested to perform.

5. Decision Making Authority. The Board shall determine the retention or discharge of any money manager or performance monitor. The Board shall also establish the amount of funds to be entrusted to any money manager and shall determine when funds shall be withdrawn and investments terminated. The members of the Board shall not however participate in the selection of individual stocks, bonds or cash funds, as that shall be the responsibility of the money manager within the context of the investment goals, objectives and performance standards established by the Board.

6. Proxy Voting. The Board shall be responsible for exercising all proxies on equities held by the System. The Board shall comply on a voluntary basis with the standards of the Employee Retirement Income Security Act of 1974 in the voting of proxies. The Board shall, by contract or other written agreement, give all money managers proxy voting responsibility and the Board shall monitor the voting of the managers.

The Board members (along with the United States Department of Labor) do not consider the following practices by investment management firms with proxy voting responsibility to be consistent with their fiduciary responsibility:

- a) Declining to vote proxies;
- b) Voting proxies exclusively for management without analysis of the underlying issues;
- c) Permitting negligent or inaccurate record keeping regarding proxy voting;
- d) Accepting directions from other parties;
- e) Permitting the absence of policies or procedures to assure the proper exercise of this fiduciary responsibility.

Any significant proxy items and the vote by individual money managers shall be reported in writing to the Board. Records of all proxy votes shall be maintained and made available to the Board members or any agents acting in their behalf. All such records shall be maintained in accordance with the Florida public records law.

It shall be the primary responsibility of money managers acting on behalf of the Board to vote all proxies to the benefit of the System assets for their primary or future value. All tender offers shall be treated in the same manner with regard to record keeping and asset enhancement.

7. Commission Recapture. The System may maintain a commission recapture program consistent with Section 28(e) of the Securities and Exchange Act of 1934. All trades shall be directed through the System's commission recapture programs to the extent provided in each money manager's professional services agreement.

PART VIII – ACCOUNTING, ACTUARIAL AND LEGAL SERVICES

1. Actuarial Services.

(a) Selection. The Board shall retain at all times the services of an enrolled actuary. An enrolled actuary shall mean an actuary who is enrolled under Subtitle C of Title III of the Employee Retirement Income Security Act of 1974 and who is a member of the Society of Actuaries or the American Academy of Actuaries. Competitive bidding shall not be required in the selection of actuaries.

(b) Reporting. The actuary shall report to the Board on not less than an annual basis so that the Board may establish the adequacy of employer and employee contributions. No proposed change in retirement benefits shall be made without an actuarial determination of the cost impact of said change. All actuarial reports shall be in accordance with the provisions of Florida Statutes, Section 112.63.

2. Accounting Services.

(a) Audits. The assets and liabilities of the System have historically been subject to annual audit reviews by the independent auditors under contract to the City in conjunction with the preparation of the City's Comprehensive Annual Financial Report (the "CAFR").

The Board retains the ability to optionally obtain on an annual basis, a separate independent audit of the assets and liabilities of the System with the System being the reporting entity, whereupon such separate audit of the System would be incorporated into the City's CAFR. To date, the Board has not elected to undertake the greater level of audit examination and testing that would accompany a separate audit of the System. Any such separate audit shall be performed in accordance with generally accepted accounting standards.

(b) Conflicts of Interest. In order to avoid conflicts of interest, the Board shall not retain auditors who are employed by the City of Jacksonville unless the Board shall be determined to be a separate client.

3. Legal Services.

(a) Selection. The General Counsel of the City shall be the primary counsel for the Board. The Board may also request the services of additional outside counsel with demonstrated experience in the area of public employee retirement systems in the State of Florida. Competitive bidding is not required in the selection of legal services.

(b) Privileged Communications. In all dealings between the Board members and the Board's attorneys, the Board shall be deemed the client rather than any individual member of the Board. All communications between the Board and its attorneys shall be privileged communications except where otherwise governed by the Florida law.

(c) Authority to Direct. The Board's attorneys shall take direction from the Board as may be given at the various meetings of the Board. In between meetings of the Board, direction to the attorneys shall be given by the Chairman or if directed by the Board, the Plan Administrator or the Treasurer or the CIO. All files of the Attorney shall be open for inspection by any member of the Board. The Board shall direct any outside counsel to consult with the General Counsel to assure consistency of legal services.

PART IX – MEMBERSHIP IN THE PLANS

1. Enrollment. New enrollment in the Plan is closed as of October 1, 2017. Employees hired prior to October 1, 2017, that elected to join the DC Plan may convert back to the Pension Plan prior to their fifth anniversary as long as they have not already changed Plans three times. Eligible transfers into the Plan will be reviewed and managed by the Pension Office.

2. Termination of Employment.

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(a) Employees who have been members of the Plan for less than five (5) years, who leave employment with the City, shall have all of their contributions, less required federal tax withholding unless the monies are rolled over to another qualified plan, returned to them and be removed from the Plan upon termination of employment. The Pension Office will maintain procedures around payment of refunds following termination of employment for non-vested members. Non-vested former employees must take a refund after termination.

(b) Employees who have been members of the Plan for five (5) or more years, who leave employment with the City, may elect to (i) vest for deferred retirement and leave their contributions in the fund, or (ii) request that their contributions be returned to them. The election must be made in accordance with Pension Office procedures. Employees who receive a refund of their contributions are no longer entitled to any benefits under the Plan. Former employees who have vested their rights to receive a pension retain inactive membership in the Plan.

(Note: Refund of contributions apply to Employee contributions only and does NOT include ANY Employer Contributions. Refund of contributions do NOT include employee contributions set aside, accounted for and designated as pertaining to disability benefits.)

3. Re-employed Pensioners. The administrative interpretation of Section 120.209 and 120.309, Ordinance Code, is as follows: When a former employee, who is a pensioner of the System, is re-employed full-time by the City, his/her right to receive a pension payment shall cease while they are employed full-time by the City or eligible agency. If they have not received any lump-sum payment (PLOP, BACKDROP or DROP: these elections are irrevocable per code once elected) from the System, they may re-join the Plan. All full-time rehired retirees, if in civil service or appointed status, may elect to join the DC Plan.

Rehired retirees that rejoin the Plan may be eligible for an updated benefit from the Plan. If the new employment period lasts longer than one (1) year, an incremental benefit may be added to the original vested benefit using service time from the new employment and compensation that includes the new employment period (ignoring the period of separation for determination of the average compensation over a consecutive period). If, however, the employment lasts for less than one (1) year, the employee shall be given time service credit for the additional service applied to the salary used to determine his/her original pension upon his/her return to retiree or inactive status. This incremental increase will be added to the previously calculated pension benefit.

When the employee re-retires, the “new pension benefit” required under Section 120.209(c) shall come with a new 5-year waiting period for COLA benefits.

(Note: For a returning separated vested member that has not received pension payments, they may rejoin the Plan and time service connection shall be automatic and the employee’s pension membership date will be adjusted for the period of separation.)

4. Board's Right to Terminate an Individual's Membership in the Plan. An individual's membership may be terminated by the Board in the event either Advisory Committee finds that the individual:

- (a) was granted membership based upon a fraudulent application, or
- (b) has been illegally receiving pension benefits, or
- (c) has made a willful misstatement of a material fact relating to his/her history.

No such action by the Board shall become final, however, unless the member has been afforded the opportunity to procedural due process as set forth in Part XI below.

PART X – ADMINISTRATION OF BENEFITS

1. Retirement Benefits Generally.

(a) Applications. All applications for retirement benefits shall be in accordance with Pension Office procedures. The procedures shall generally be uniform and established by the Pension Office. Applications shall be maintained in the Pension Office and shall be available upon request by any member or beneficiary.

(b) Proof of Earnings. No retirement benefit shall be granted unless earnings used for the applicable three (3) years of service prior to retirement shall be clearly identified.

(c) Calculations of Final Monthly Compensation. In calculating a member's Final Monthly Compensation, the Pension Office shall:

(i) skip over any pay period in which the member received partial or no compensation while on an apparent approved leave of absence, so that the pay periods before and after such leave of absence are considered to be consecutive pay periods (provided, however, the Pension Office shall not skip over such pay periods if doing so would be to the detriment of the member);

(ii) use the highest 36 consecutive months of earnable compensation out of the last ten years of employment, which generally equates to 78 pay periods.

(iii) Earnable compensation used will be based on the available pensionable earnings reported by the Employer payroll. Employee Services or the equivalent department of the Employer shall maintain documentation around what pay constitutes pensionable earnings. (This should be consistent with the definition of Earnable Compensation contained in Code.)

(d) Credit For Partial Years of Service. Where the Ordinance Code provides that retirement benefits shall be based on the number of years of credited service, the Board interprets that provision to allow credits for partial years of service based on the number of full months served. For instance if a member was continuously employed by the City on a full-time basis from January 1, 2005 to July 25, 2012, the member's retirement benefits would be based on 7.5 years of credited service.

(e) Definition of “Full-Time” Service. Where the Ordinance Code provides that retirement benefits shall be based on the amount of a member’s full-time service or employment, and the term “full-time” is not otherwise defined, the Board defines “full-time” as regularly requiring at least 80 hours of bi-weekly service (if paid on a bi-weekly basis) or 40 hours of weekly service (if paid on a weekly basis). Full-Time service or employment does not include part-time service or seasonal service. The following types of employment are considered examples of part-time or seasonal service: (i) court bailiffs, (ii) poll workers, (iii) student positions and internships, and (iv) positions filled through employment agencies.

The Pension Office may grant partial service for periods of time where there is evidence the employee worked less than full-time (with pay) due to an apparent approved leave of absence.

(f) Definition of Part-Time Service. The Board interprets Section 120.209(d), *Ordinance Code*, as follows: the phrase “...a position routinely requiring fewer than 25 hours of work per week (50 hours per pay period) on a regular and recurring basis...” is interpreted to mean a part-time employee may work 50 or fewer hours per pay period. For purposes of clarity, within the same pay period, a part-time employee may work more or fewer than 25 hours per week, provided the cumulative hours for the pay period does not exceed 50 hours.

(g) Time Service Connections. All time service connections shall be made in accordance with Sections 120.204, 120.304, and other applicable provisions of the Ordinance Code.

(i) Time must be documented as full time, be it special purpose positions, provisional, probationary, grant, temporary or permanent. All full time employment must be verified by either the Human Resources Division, the employer or from some other authoritative source. Members may purchase time as soon as they become members of the Plan, including while they are on probation. Requests for the actuarial equivalent cost for past service will be sent by the Pension Office to the Board’s actuary for calculation as needed and as determined as practical by the Pension Office. (Note: Time served in contract positions is NOT eligible for purchase of credited service.)

(ii) Military time may be purchased in accordance with Sections 120.205 and 120.305, and other applicable provisions of the Ordinance Code.

(iii) Members who can document an approved leave of absence without pay status may purchase up to six months of time.

(iv) Purchase of one (1) year or more of time service may be made by payroll deduction for a period of no more than 130 pay periods. No more than two payroll deduction agreements may be authorized per person at any time and no changes are permitted to any payroll deduction agreement except for a lump sum balance payment, or when satisfactory certificates or court orders are furnished to the Pension Office indicating that, after the date of purchase, there has occurred one of the following: 1)

the marriage or divorce of the employee; 2) the death of the employee's spouse or child; or 3) the birth or adoption of a child of the employee; or 4) the employee is on an approved medical leave of absence, until such time that the employee returns to work. In the case of the first three reasons, the employee may terminate the purchase, without prejudice for making future purchases, and shall be entitled to the prorated time service credit purchased. Notwithstanding the foregoing, upon the written request of an applicant and for good cause shown, the Plan Administrator is authorized to: (i) terminate an existing Time Service Connection (other than the hardships listed above) with the applicant being entitled to time service credit purchased as of the date of termination; and (ii) reduce the amount of time service credit being purchased within an existing Time Service Connection. This authority is limited to Time Service Connections authorized under Section 120.204(a), Ordinance Code. The authority granted hereby shall not apply to Time Service Connections where the applicant was required by Ordinance Code to pay the full actuarial costs of the time connection. Any applicant requests to terminate or reduce the term of an existing Time Service Connection made at the full actuarial costs shall be brought to the Board of Trustees for its review.

(v) Termination of employment during a payroll deduction agreement will result in the member or beneficiary having to choose to make a lump sum payment to complete the purchase or to accept a prorated portion of the time service purchased by deduction. In the event a member dies during a payroll deduction agreement term, the time service connection stops and credit is given only for the portion of the time service which was paid through the final paycheck.

(h) Payment Amounts. Conversion from monthly to bi-weekly pension is done by taking the monthly base benefit times 12 and then dividing the resulting annual benefit by 26 annual pay-periods.

(i) Supplement Payment. The monthly supplement is divided by 2 and paid just twice monthly. In months with three pay-periods the last period will not include a supplement payment.

2. Disability Retirement Benefits.

(a) Applications. To receive retirement benefits on account of disability, the applicant and his/her physician(s) shall complete a written disability application on the approved form. The application process must be initiated by the applicant while an active member of the Plan. (Reasonable accommodations for submitting applications will be allowed based on review of the Advisory Committee and the Board.) Each application shall be accompanied by a release of medical information authorizing the Board or any of its agents to have full access to all medical records of the applicant whether or not the subject of the particular claim of disability. In addition, all applicants shall authorize the Committee and Board to conduct a public discussion of the medical condition of the applicant and to release the Committee and Board from any liability for the public discussion of the medical condition of the applicant.

(b) Calculations and Effective Date. Disability pensions, when granted, shall be calculated in accordance with the applicable provisions of Chapter 120, Ordinance Code, and shall be effective as of the day after the termination date provided by the Employer. The benefit calculation will utilize final monthly compensation and credited service in the same fashion as time service and term-vested calculations. For periods less than three years available full-time compensation will be averaged. Supplement will be paid and COLA will be applied for disability benefits.

(c) Role of Medical Review Officer. The physician(s) directly or indirectly under contract with the City of Jacksonville to provide medical review services may serve as the System's Medical Review Officer ("MRO") without a formal appointment. The term "physician" as used in these rules shall mean any licensed doctor of medicine, osteopathy, chiropractic, dentistry, podiatry, psychology, vocational specialist, or any other licensed practitioner of the healing arts.

The Pension Office shall refer all disability application packages to a MRO for an evaluation. No disability retirement benefits shall be granted by the Board unless there is contained in the file written evidence that the medical case history has been evaluated by the MRO and the MRO has found that the applicant has suffered an illness, injury or disease which renders the applicant permanently and totally incapacitated, physically or mentally, from regular and continuous duty as an employee or officer of the City. The MRO shall also include a determination, to the extent reasonably possible, of the origin of the disability.

If additional medical information is desired by the Board or an Advisory Committee, the Board or the Advisory Committee may obtain further medical evaluations from the applicant, MRO or designate another MRO as it deems appropriate.

(d) Review By The Advisory Committee. Once an application for disability retirement and the report of the MRO(s) are received, the Pension Office shall refer the completed application package (including the MRO's recommendation) to the appropriate Advisory Committee. Upon receipt of the report of the board designated physician(s), the Advisory Committee shall schedule a public hearing at which time the Committee shall have available for review all reports of the MRO(s), together with any such documentary evidence as the applicant may wish to submit and any other available relevant materials. Based upon the written documentation presented, the Committee shall make a preliminary determination as to whether the member is permanently and totally disabled and whether the disability occurred in the course of service to the City.

If the Committee does not recommend that the Board grant the application based on the written documentation, it shall inform the member in writing of the reasons for the denial of the application. The member may within 30 days of receipt of the Committee's preliminary denial, request a full evidentiary hearing before the Committee. This hearing and any appeals therefrom will be conducted in accordance with Article XI below ("Procedural Due Process").

(e) Re-Examination of Disability Retirees. The Board or the Advisory Committee may cause such disability retiree to undergo periodic physical examinations to determine the continued existence of the disabling

condition. Any disability retiree who refuses a reexamination may be subject to denial of future pension benefits. All disability retirees who are to be reexamined shall be advised of the date and time of their reexamination. Disability retirees shall be required to execute such releases as the Board shall deem necessary to conduct the medical examination and to discuss the results. In the event that a disability retiree is found to have recovered and is shown to be physically able to perform his/her duty, the retiree shall be restored to employment with the City in the same position and pay rate that the retiree would have occupied but for the disability. There is no guarantee that such a position will be available and funded, but if such a position is available and funded then the disability benefits shall be terminated. If a disability retiree refuses an offer of reemployment with the City, disability benefits shall be discontinued.

(f) Presumptive Diseases. In the case of Corrections Officers who claim a service disability based on the presumptive disease provisions of Florida Statutes and the Ordinance Code, the Board's physician shall review the in-hiring physical of the applicant to determine if the presumption may be applied.

(g) Pre-Existing Conditions. In the case of Corrections Officers, the Ordinance Code prohibits any disability based on a preexisting condition. Accordingly, the MRO shall be asked to determine if the cause of the disability is the same medical condition as the observed preexisting condition. No disability application may be granted if the injury or illness giving rise to the disability pre-existed membership in the System, unless the injury or illness would be expected to cause the disability without regard to the pre-existing condition.

3. Survivor Benefits.

(a) Surviving Spouse. Following the death of a member, the Plan shall treat the surviving partner of any marriage, which was lawfully formed in the jurisdiction in which it was entered, as a surviving spouse. The surviving spouse of a pensioner must be married to and residing with the pensioner at the time of the pensioner's death, and otherwise comply with the requirements of the Ordinance Code and these rules with regard to eligibility.

(b) Applications. Applicants for survivor benefits must submit a written application on the appropriate form with the following documents (as applicable):

- (i) Marriage certificate or other reasonable official proof of marriage
- (ii) Death certificate, stating cause of death.
- (iii) Two affidavits stating that the witness (friend, neighbor, relative, personal and professional acquaintance have been deemed acceptable) knew of their own personal knowledge that the applicant was married to and living with the deceased employee or retiree at the time of death.
- (iv) Birth certificate and social security card of dependent children less than eighteen (18) years of age, or for a disabled child of any age.
- (v) Social Security Card of the Survivor
- (vi) Driver's License or other government-issued ID of the Survivor

(c) **Benefits Upon Death of a Pensioner.** The deceased pensioner is paid a final payment either on the date of death or on the next scheduled payment. The eligible surviving spouse will receive benefits starting with the next pension payroll following the last payment made to the pensioner.

If there is no eligible survivor entitled to an ongoing pension payment, any remaining employee contributions are paid to the estate of the pensioner. The amount is calculated by subtracting the total gross pension payments from the total employee contributions paid into the Plan.

(d) **Benefits Upon Death of Active Member.** For purposes of determining the amount of benefits due to a surviving spouse of an active member, it shall be assumed that the deceased employee would have continued working for the City until they reached unreduced retirement eligibility. The eligible surviving spouse would then receive 75% of the member benefit that was based on a 2% accrual.

(e) **Benefits paid for surviving minor children** are paid to the surviving child's guardian on behalf of the child. When the child reaches age 18 that benefit is stopped. This includes benefits related to the 10% increase to the surviving spouse benefit for active employees and retired pensioners.

(f) **Benefits to a Surviving Disabled Child.** Child or Orphan benefits may be payable to a surviving disabled child for life, providing the child became disabled prior to attaining 18 years of age. The standards for the disability determination shall generally conform to those used by the Social Security Administration in conjunction with the payment of supplemental security income benefits for children with disabilities. As part of the application review process, the Pension Office may request additional medical information for certification by the System's MRO.

4. **BACKDROP, PLOP and DROP Benefits.** Applications for retirement benefits under Sections 120.214 ("BACKDROP"), 120.215 ("PLOP"), and 120.314 ("DROP"), *Ordinance Code*, shall be on the approved forms and shall be processed in the same manner as time service retirements. The Pension Office shall maintain a documented practice for applying interest to lump-sums benefits from DROP and BACKDROP elections.

PLOP, BACKDROP and DROP elections are irrevocable and members that elect these benefits cannot earn additional benefits from the Plan.

BACKDROP interest is set annually and DROP interest is set monthly. DROP Phase 2 interest is set annually. Interest and mortality used for PLOP (and DB to DC transfers) is reviewed annually. Procedures for application of interest rate changes and other assumptions shall be maintained by the Pension Office.

5. **Funeral Expenses.** While there is a provision for providing funeral expenses, normal practice is to simply provide a return of employee contributions to the estate in cases where an active member or term vested member dies without a qualified survivor.

PART XI – PROCEDURAL DUE PROCESS

Pension Board Rules 4/25/2019 BOARD APPROVED

1. Hearings Before an Advisory Committee. The primary role of the Advisory Committees is to review applications for membership and benefits and, where appropriate, conduct evidentiary hearings on those matters. An Advisory Committee may not recommend the denial, termination or reduction of Plan benefits against an applicant without notifying the applicant in writing of the reasons for the recommendation. The applicant may, within 30 days of receipt of such notice, request a full evidentiary hearing before the Committee. All evidentiary hearings will be conducted consistent with the principles of due process, and the rules of evidence generally applicable to administrative proceedings shall apply. The Advisory Committees shall have the power to issue subpoenas compelling the attendance of witnesses. At a hearing, the applicant may present such oral and written evidence as the applicant deems necessary to establish its burden of proof. The applicant, the City and the Advisory Committee shall have the right to examine and cross-examine all witnesses. The recommended decision of the Advisory Committee shall be based solely upon the evidence presented and applicable law. Following the conclusion of the hearing, the Advisory Committee shall render an opinion in writing setting forth the reasons for recommending the grant or denial of the benefit.

2. Notice of Advisory Committee Recommendations. In cases where the Advisory Committee holds an evidentiary hearing and recommends a denial, termination or reduction in benefits, the Advisory Committee shall send a notice of the recommendation to the applicant, which shall include:

- (a) A citation to the applicable section of the Ordinance Code under which the Committee is acting;
- (b) A description of the reason or reasons for the Committee's position;
- (c) The date and place of the Board meeting where the recommendation will be reviewed and either adopted or disapproved (if applicable).
- (d) Notice of the applicant's right to attend the meeting and contest the Board's approval of the Committee's recommendation (if applicable).

3. Final Action by the Board. Once the Advisory Committee has reviewed the application for benefits and formulated a recommendation to the Board, the matter shall be forwarded to the Board for final action if approved or if requested for appeal by the applicant after an evidentiary hearing. The Board shall conduct a review of the Committee's recommendation and shall hold a public hearing on the matter. At that time, the applicant and the City shall be permitted to present such legal arguments as they deem advisable, which may not exceed fifteen minutes per side unless the Board determines that exceptional circumstances warrant more time. Following the presentation before the Board, the Board shall determine whether or not to grant the benefit. The Board shall confine its decision to the factual record made at the Advisory Committee meeting and shall not reject findings of fact unless the facts are not supported by competent and substantial evidence contained in the record. The Advisory Committee recommendation on the interpretation of legal issues shall not be binding on the Board. All decisions of the Board shall be reduced to writing and presented to the applicant by mail. The Board's decision shall be the final administrative action. If the Board finds that the factual record needs to be supplemented, it shall defer action on the application and return the matter to the Advisory Committee for additional fact finding.

4. Notices that a Record is Required to Appeal. Pursuant to Section 286.0105, Florida Statutes, each notice to an applicant of a hearing in which the Board or an Advisory Committee may take an adverse action, shall

include a statement substantially as follows:

IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE [**BOARD / COMMITTEE**] WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING OR HEARING, HE OR SHE WILL NEED A RECORD OF THE PROCEEDINGS. FOR THIS PURPOSE, HE OR SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

5. Appeal Procedures and Judicial Review. In all cases where the Board rules against an applicant, the Board shall formally issue an Order containing its findings of fact and conclusions. The Pension Office shall promptly provide the applicant with a copy of the Order. The applicant shall have 30 days from the date of the Order in which to appeal the decision to the Circuit Court of the Fourth Judicial Circuit of Florida in and for Duval County. Said review shall be by direct appeal as set forth in the Florida Rules of Appellate Procedure.

PART XII -- ETHICS

1. General Standards. Members of the Board and the Advisory Committees shall, in all transactions respecting the System, abide by the "Prudent Man Rule" as generally recognized in the American Law of Trusts. In addition, such members are governed by Florida Statutes, Chapter 112, Part III, the Code of Ethics for Public Officials and Employees.

2. Conflicts of Interest. Conflicts of interest in voting shall be governed by the provisions of Florida Statutes, Section 112.3143. No member of the Board or an Advisory Committee shall engage in any transaction or vote in any matter in which the member shall receive any direct or indirect personal gain. This shall not preclude, however, voting on benefit increases that are generally applicable to all Plan members and beneficiaries.

Prior to voting on any matter in which a member reasonably believes a conflict of interest exists, the member shall publicly announce the conflict and refrain from voting. The conflict statement required by law shall be recorded in the minutes of the meeting. In determining whether a conflict exists, members shall in all actions endeavor to avoid the appearance of impropriety.

3. Communication with Applicants. Unless authorized by the Board Chair and the Board's legal counsel, no member of the Board or an Advisory Committee shall engage in prior communication with any applicant for membership or benefits on any matter which is currently pending a hearing before either the Advisory Committee or the Board. This shall not preclude a Board or Committee member from answering questions of general application to Plan members where the information provided involves a restatement of benefits under the Plan and does not involve consideration of matters which will be presented in any evidentiary proceeding. All requests for information in conflict with this rule shall be referred to the Plan Administrator or other appropriate staff member for a response.

Members of the Board and the Advisory Committees should remain cognizant that statements regarding

Pension Board Rules 4/25/2019 BOARD APPROVED

benefits may be relied upon by applicants to their detriment thereby creating a risk of a claim of estoppel. When addressing benefit questions by Plan members, members of the Board and the Advisory Committees should clearly indicate that they are in no way capable of binding the System and that all questions are ultimately settled by the Board acting as a body.

4. Communications with Potential Contractors. Individual members of the Board shall not engage in any communication with persons or entities seeking to establish a contractual relationship with the Board during the period of an active solicitation for services that is being sought by the potential contractor. All contacts by potential contractors during such period shall be referred to the Plan Administrator.

5. Communications with Money Managers. All communications between individual members of the Board and money managers shall be for informational purposes only. No individual member of the Board may bind or promise any consideration on behalf of the System except as approved by the Board.

6. Application of Code of Ethics to Staff and Contractors. All staff members and contractors shall be bound by this code of ethics in their dealings with the Board and the System. All such persons are responsible to the Board and the System, and not any individual member of the Board or a Committee.

7. Reporting of Gifts. Any Board member, Advisory Committee member, Pension Office staff, or Plan fiduciary receiving anything of value in excess of the maximum allowed by law shall disclose said gift in writing and the disclosure shall be made a part of the records of the System.

8. Annual Reporting. All Board members shall complete public disclosure of financial interests form on an annual basis as required by Section 112.3144, Florida Statutes. Said disclosure forms shall be filed with the Supervisor of Elections for the City of Jacksonville.

PART XIII -- MISCELLANEOUS

1. Continuing Education and Travel Policy. The Board has established guidelines in accordance with Section 112.661(14), Florida Statutes, for members of the Board, members of an Advisory Committee, and staff members who wish to take advantage of continuing educational opportunities through attendance at conferences, seminars, programs, and due diligence evaluations. All such travel shall require prior approval by a majority of the Board present and eligible to vote at a Board of Trustees Meeting.

2. Defined Contribution Plan (the "DC Plan"). The System does not include the City's DC Plan established in 2007 pursuant to Chapter 120, Part V, *Ordinance Code*. However, the Board, through the Pension Office, shall work with the appropriate City departments to create and manage employee education programs with respect to the DC Plan. The Board will also adopt, to the extent needed, uniform rules for the implementation of the election and conversion rights with respect to the DC Plan.

(a) Board Rule Regarding Non-vested Conversions from DB to DC Plan. When a non-vested member (i.e., having fewer than 5 years of credited service) of the DB Plan elects to convert to the DC Plan, the Board shall transfer assets of the Plan to the newly created member account in the DC Plan in an amount equal to the employee contributions of such employee. No employer contributions shall be transferred into the DC Plan

in connection with a non-vested DB Plan member's conversion to the DC Plan.

(b) Board Rule Regarding Vested Conversions from DB to DC Plan. When a vested member of the DB Plan elects to convert to the DC Plan as authorized by Chapter 120 *Ordinance Code*, the Board shall transfer assets of the Plan to the newly created member account in the DC Plan in an amount equal to the actuarial present value of the member's then-accrued benefit in the DB plan, as determined by the actuary for the System. This election must be made while the member is still employed and once made this member forfeits all rights and benefits under the DB Plan.

3. Excess Benefits Administration. Under Section 120.401, *Ordinance Code*, the Board is required to administer the City's excess benefits arrangements. The Pension Office will compile and maintain all records and procedures necessary or appropriate for the administration of those arrangements.

4. Verification of Affidavits. In situations where the Board has requested pensioners to execute affidavits in connection with their continued eligibility for pension benefits and such affidavit is not returned by the scheduled date to the Pension Office, the pensioner will receive a follow-up notice. If the pensioner does not reply to the follow-up notice, an additional notice will be sent. If an affidavit has not been received after the third notice, the Pension Office may suspend all future pension benefits until suitable arrangements have been made to obtain said affidavit. The Pension Office may delay suspension of benefits if there is evidence that the pensioner is still alive and eligible to receive the benefit and there is a reasonable explanation for delay in receiving the affidavit. The Pension Office should continue to make reasonable efforts to obtain the affidavit in these situations.

5. Recovery of Overpayments. If a beneficiary of the System is paid an amount in excess of that due him, deductions will be made in future payments to recover the amount overpaid. The Pension Office should utilize standard guidelines for the recovery of funds and consult with the Board for unusual situations.

6. Recovery of Other Amounts Owed to the City. To the extent permitted by law, if a City employee or retiree owes the City any money, the Board shall comply with the requirements in Section 112.401, *Ordinance Code*, by placing an automatic deduction against the future payments to the employee or retiree to recover the amount owed to the City.

7. Deductions from Benefits for Payments to Third-Parties. Pursuant to Section 120.213(a), *Ordinance Code*, a retiree may authorize deductions from benefits payable to said retiree for payment of City related vendors, including but not limited to City-sponsored health insurance, the Police Charities Fund, Florida Retired Public Employee Fund, Firefighters Benefit Fund, the Fire Death Benefit Fund, Jaxpolice Death Benefits, or dues to retiree organizations of which the retiree is a member. No other deductions may be authorized by a retiree. Legacy deductions established at a prior time may be stopped by notification to the Pension Office.

New Income Deduction Orders will only be honored if they specify they are for alimony (NOT equitable distribution) or child support, include instructions to pay the State of Florida, reference the total amount per pay-period and are in compliance with State and Federal Law. The Plan does NOT accept QDROs for

Pension Board Rules 4/25/2019 BOARD APPROVED

establishing deductions.

8. Public Records. The records of the System are generally considered public records as set forth in Florida Statutes, Chapter 119. All requests for such records shall be handled in accordance with the City's public records policies in effect at that time. The Pension Office should consult the Office of General Counsel before releasing any records that might be considered confidential or exempt under the Florida Public Records Law (such as medical records, social security numbers, and law enforcement personnel information).

9. Medical Records. All medical records of Plan members and beneficiaries shall be maintained separately from other records of the Board so as to ensure security of the privileged information to which the Board is privy.

10. Administrative Budget of the System. In May of each year, the Plan Administrator shall work with the Treasurer, the City Budget Officer, and CFO to prepare an Annual Administrative Budget for the System. The budget shall be exclusive of expenditures for the payment of Plan benefits and refunds. Interim and final drafts of the Annual Administrative Budget shall be presented for review, comment, and recommendation by the Board prior to the Mayor's submittal of the City's Annual Budget to the City Council in July of each year.

* * *

These rules and regulations were updated by the Pension Office after Board approval April 25, 2019, and supersede all rules and regulations previously enacted and issued by the Board.



Monthly Investment Performance Analysis

City of Jacksonville Employees' Retirement System

Period Ended: May 31, 2021



General Market Commentary

- US equity markets yielded mixed results in May, experiencing a sell-off mid-month before rallying in the second half of the month to finish relatively flat. Value indices significantly outpaced their growth counterparts as technology stocks did not fare well during the month, finishing with a negative return for May. Inflation concerns combined with disappointing job growth contributed to the mid-month sell-off. Per the Department of Labor, only 266,000 new jobs were added in April compared to expectations of over 1 million, and the unemployment rate was little changed at 6.1%.
- The Federal Open Market Committee's minutes from their April meeting were released on May 19th, which aided the US equity market's rally late in the month. The Fed continued to project interest rates remaining low for years to come, but there has been some discussion regarding tapering the pace of asset purchases to keep inflation from rising too rapidly. The Fed also noted that they believe the current rise in inflation is transitory, though the 3.1% increase in PCE and 4.2% jump in CPI on a year-over-year basis led many investors to believe near-term inflation may be higher than initially projected by the Fed.
- International equity markets recorded their 4th consecutive monthly gain, finishing with low single digit returns. Strong economic data and accommodative monetary policy contributed to the strong performance for the month. COVID-19 cases have begun falling globally and countries have begun to reopen for tourism, adding to optimism for the international equity market going forward.
- Equity markets posted positive returns in May as the S&P 500 (Cap Wtd) Index returned 0.70% and the MSCI EAFE (Net) Index returned 3.26%. Emerging markets returned 2.32% as measured by the MSCI EM (Net) Index.
- The Bloomberg US Aggregate Bond Index returned 0.33% in May, outperforming the 0.32% return by the Bloomberg US Treasury Intermediate Term Index. International fixed income markets returned 1.23%, 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 1.02% in May and 7.20% over the trailing five-year period.
- The Cambridge US Private Equity Index returned 22.93% for the trailing one-year period and 15.59% for the trailing five-year period ending December 2020.
- Absolute return strategies, as measured by the HFRI FOF Comp Index, returned 0.22% for the month and 20.05% over the trailing one-year period.
- Crude oil's price increased by 4.31% during the month, and has increased by 86.87% YoY.

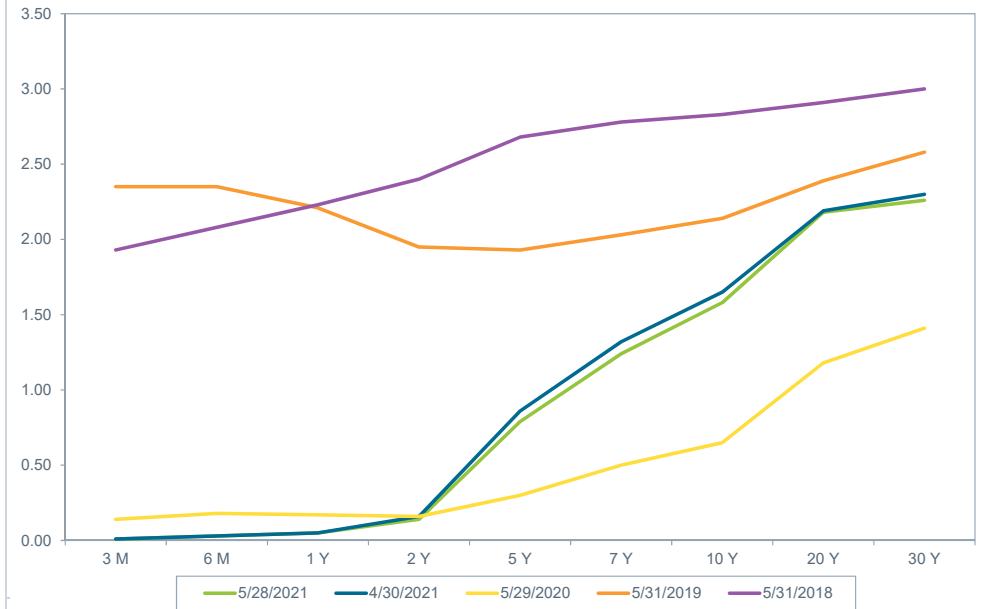
Economic Indicators	May-21	Apr-21	May-20	10 Yr	20 Yr
Federal Funds Rate (%)	0.05	—	0.05	0.05	1.39
Breakeven Inflation - 5 Year (%)	2.60 ▲	2.59	0.84	1.74	1.83
Breakeven Inflation - 10 Year (%)	2.45 ▲	2.41	1.14	1.93	2.02
Breakeven Inflation - 30 Year (%)	2.34 ▲	2.28	1.48	2.04	2.24
Bloomberg US Agg Bond Index - Yield (%)	1.50 ▼	1.51	1.34	2.29	3.41
Bloomberg US Agg Bond Index - OAS (%)	0.30 ▲	0.29	0.76	0.52	0.62
Bloomberg US Agg Credit Index - OAS (%)	0.79 ▼	0.83	1.64	1.28	1.43
Bloomberg US Corp: HY Index - OAS (%)	2.96 ▲	2.91	6.37	4.67	5.35
Capacity Utilization (%)	75.23 ▲	74.62	64.66	76.50	76.51
Unemployment Rate (%)	5.8 ▼	6.1	13.3	6.0	6.1
PMI - Manufacturing (%)	61.2 ▲	60.7	43.1	53.9	53.0
Baltic Dry Index - Shipping	2,596 ▼	3,053	1,366	1,140	2,312
Consumer Conf (Conf Board)	117.20 ▼	117.50	85.90	97.70	90.42
CPI YoY (Headline) (%)	4.2 —	4.2	0.1	1.8	2.1
CPI YoY (Core) (%)	3.0 —	3.0	1.2	2.0	2.0
PPI YoY (%)	8.70 ▼	9.5	-3.2	1.3	2.0
M2 YoY (%)	N/A	N/A	18.0	21.9	7.1
US Dollar Total Weighted Index	111.03 ▼	112.38	121.20	105.85	103.19
WTI Crude Oil per Barrel (\$)	66 ▲	64	35	67	63
Gold Spot per Oz (\$)	1,904 ▲	1,769	1,730	1,418	1,041

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.

Treasury Yield Curve (%)

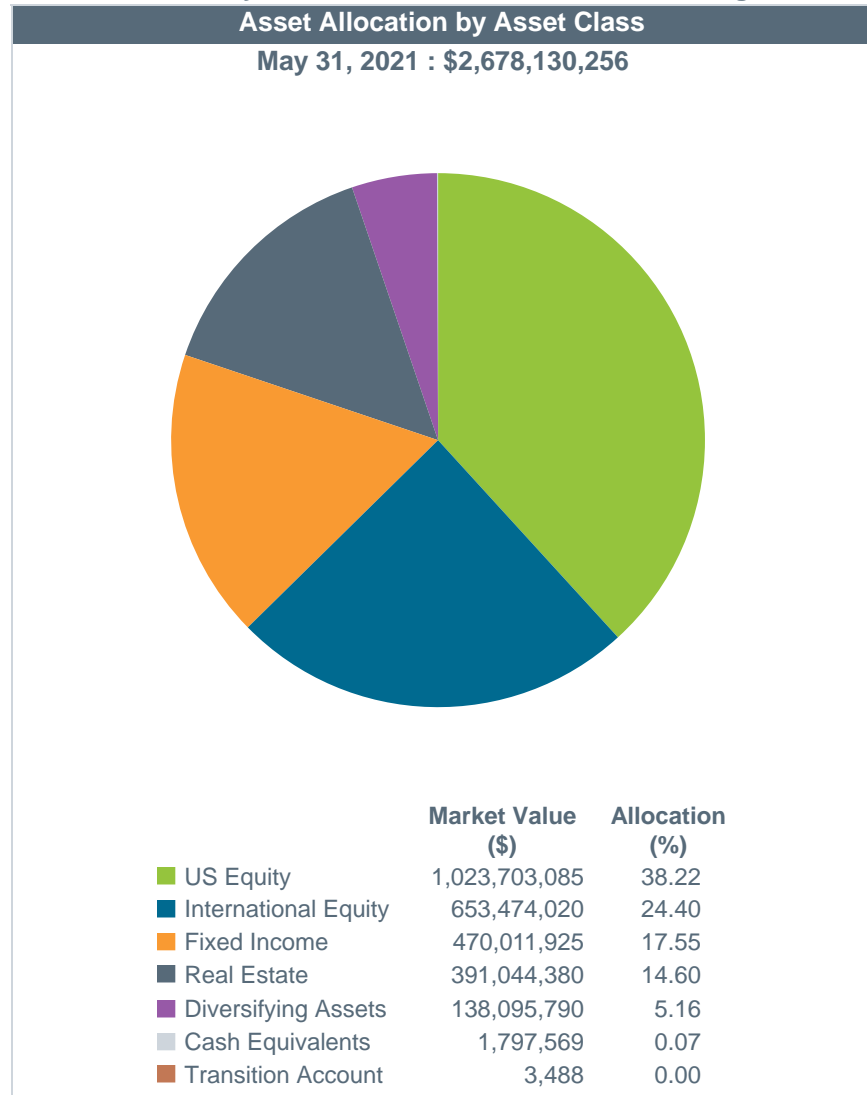


Treasury Yield Curve (%)	May-21	Apr-21	May-20	May-19	May-18
3 Month	0.01	0.01	0.14	2.35	1.93
6 Month	0.03	0.03	0.18	2.35	2.08
1 Year	0.05	0.05	0.17	2.21	2.23
2 Year	0.14	0.16	0.16	1.95	2.40
5 Year	0.79	0.86	0.30	1.93	2.68
7 Year	1.24	1.32	0.50	2.03	2.78
10 Year	1.58	1.65	0.65	2.14	2.83
20 Year	2.18	2.19	1.18	2.39	2.91
30 Year	2.26	2.30	1.41	2.58	3.00

Market Performance (%)	MTD	QTD	CYTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
S&P 500 (Cap Wtd)	0.70	6.07	12.62	40.32	18.00	17.16	14.06	14.38
Russell 2000	0.21	2.31	15.30	64.56	13.06	16.01	11.91	11.86
MSCI EAFE (Net)	3.26	6.37	10.07	38.41	8.23	9.77	5.27	5.88
MSCI EAFE SC (Net)	2.00	6.10	10.88	45.31	8.30	11.19	8.24	8.37
MSCI EM (Net)	2.32	4.87	7.26	51.00	9.65	13.88	6.73	4.11
Bloomberg US Agg Bond	0.33	1.12	-2.29	-0.41	5.05	3.25	3.18	3.29
ICE BofAML 3 Mo US T-Bill	0.00	0.00	0.03	0.11	1.40	1.18	0.87	0.63
NCREIF ODCE (Gross)	N/A	N/A	2.11	2.32	4.88	6.20	8.25	9.67
FTSE NAREIT Eq REITs Index (TR)	1.02	9.16	18.85	38.61	10.73	7.20	8.16	8.76
HFRI FOF Comp Index	0.22	2.40	4.45	20.05	5.99	5.93	4.17	3.67
Bloomberg Comdty Index (TR)	2.73	11.25	18.94	46.22	2.05	2.85	-4.30	-5.11

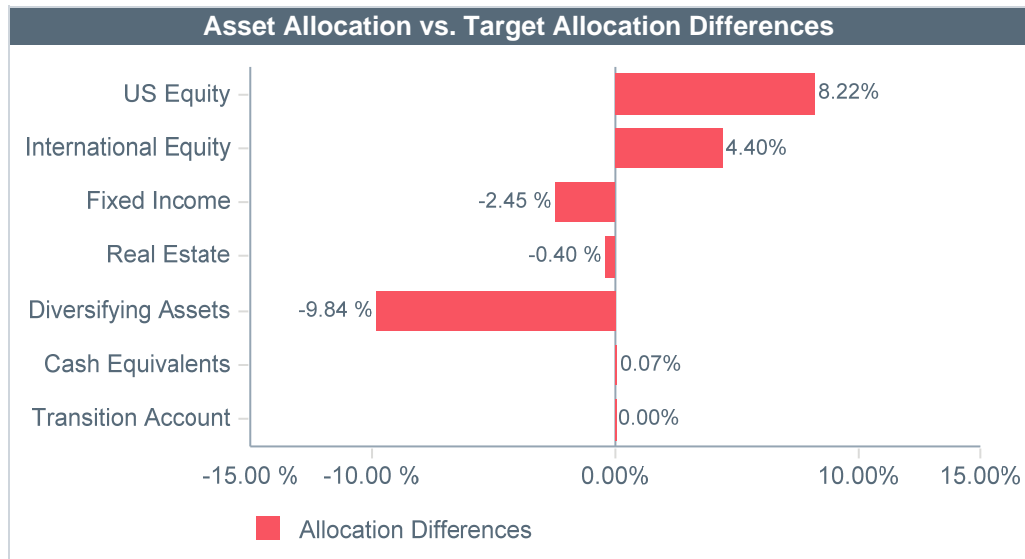


Asset Allocation by Asset Class, Asset Allocation vs. Target, and Schedule of Investable Assets



Asset Allocation vs. Target Allocation

	Market Value (\$)	Allocation (%)	Min (%)	Target (%)	Max (%)
Total Fund	2,678,130,256	100.00	-	100.00	-
US Equity	1,023,703,085	38.22	20.00	30.00	40.00
International Equity	653,474,020	24.40	10.00	20.00	25.00
Fixed Income	470,011,925	17.55	10.00	20.00	30.00
Real Estate	391,044,380	14.60	0.00	15.00	20.00
Diversifying Assets	138,095,790	5.16	0.00	15.00	20.00
Cash Equivalents	1,797,569	0.07	0.00	0.00	10.00
Transition Account	3,488	0.00	0.00	0.00	0.00



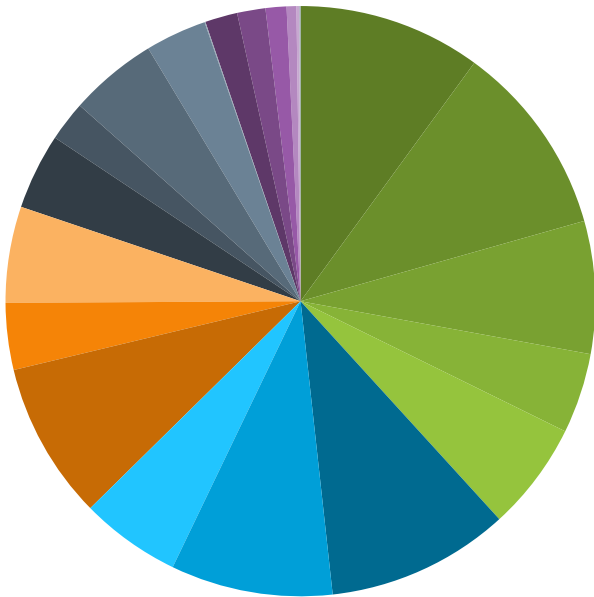
Schedule of Investable Assets

Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
CYTD	2,469,519,078	780,560	207,830,618	2,678,130,256	8.42

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.



May 31, 2021 : \$2,678,130,256



	Market Value (\$)	Allocation (%)
Eagle Capital Large Cap Value (SA)	268,769,386	10.04
Mellon Large Cap Core Index (CF)	283,319,437	10.58
Loomis Sayles Large Cap Growth (CF)	194,396,961	7.26
Mellon Small Cap Value Index (CF)	117,654,563	4.39
Pinnacle Associates US SMID Cap Growth (SA)	159,562,738	5.96
Silchester International Value (CF)	268,804,059	10.04
Baillie Gifford International Growth (BGEFX)	237,693,013	8.88
Acadian Emerging Markets (CF)	146,976,948	5.49
Baird Core Fixed Income (SA)	230,988,246	8.62
Franklin Templeton Global Multisector Plus (CF)	98,119,545	3.66
Loomis Sayles Multisector Full Discretion (CF)	140,904,134	5.26
Harrison Street Core Property, LP	111,656,349	4.17
PGIM Real Estate PRISA II LP (CF)	58,687,371	2.19
Principal US Property (CF)	129,374,827	4.83
UBS Trumbull Property (CF)	90,029,206	3.36
Vanguard RE Idx;ETF (VNQ)	1,296,627	0.05
Harvest Fund Advisors MLP (SA)	47,508,759	1.77
Tortoise Capital Advisors MLP (SA)	41,584,825	1.55
Hancock Timberland (SA)	30,604,373	1.14
Adams Street Private Equity (SA)	14,157,892	0.53
Hamilton Lane Private Credit (SA)	4,239,941	0.16
Dreyfus Gvt Csh Mgt;Inst (DGCXX)	1,797,569	0.07
Transition Account	3,488	0.00

Market values shown are preliminary and subject to change. Allocations shown may not sum up to 100% exactly due to rounding. Market value shown for William Blair Small Cap Value (SA) represents residual cash.

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

As of May 31, 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	2,678,130,256	100.00	0.93	4.07	8.42	20.64	27.91	9.71	10.66	8.08	8.90	6.86	07/01/1999
Current Total Fund Policy Index			1.47	4.58	9.08	20.28	24.54	9.42	9.68	7.68	8.42	6.31	
Difference			-0.54	-0.51	-0.66	0.36	3.37	0.29	0.98	0.40	0.48	0.55	
Total Equity	1,677,177,105	62.62	0.85	5.03	12.17	32.61	47.52	14.81	15.88	11.52	11.62	7.36	07/01/1999
US Equity	1,023,703,085	38.22	1.05	5.64	14.96	35.97	48.85	18.01	17.26	13.55	13.63	7.90	07/01/1999
US Equity Index			0.46	5.63	12.34	28.83	43.91	18.03	17.36	13.96	14.21	7.77	
Difference			0.59	0.01	2.62	7.14	4.94	-0.02	-0.10	-0.41	-0.58	0.13	
International Equity	653,474,020	24.40	0.53	4.08	8.14	27.74	45.49	9.92	13.73	8.03	8.01	6.90	07/01/1999
International Equity Index			3.13	6.16	9.87	28.56	42.78	8.93	10.88	5.68	5.36	4.79	
Difference			-2.60	-2.08	-1.73	-0.82	2.71	0.99	2.85	2.35	2.65	2.11	
Fixed Income	470,011,925	17.55	0.55	1.66	-0.88	0.67	2.43	3.96	3.52	2.61	3.32	5.15	07/01/1999
Fixed Income Index			0.38	1.23	-1.86	-0.60	1.22	5.33	3.40	3.29	3.37	4.88	
Difference			0.17	0.43	0.98	1.27	1.21	-1.37	0.12	-0.68	-0.05	0.27	
Real Estate	391,044,380	14.60	0.30	1.42	2.82	2.87	1.81	3.64	5.26	7.03	7.71	5.37	12/01/2005
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	1.89	3.00	1.47	3.96	5.26	7.28	8.67	5.72	
Difference			0.30	1.42	0.93	-0.13	0.34	-0.32	0.00	-0.25	-0.96	-0.35	
Diversifying Assets	138,095,790	5.16	5.35	9.40	21.91	37.84	26.71	-0.12	2.23	-0.64	5.54	5.44	03/01/2011
Diversifying Assets Index			4.21	9.51	24.87	42.09	22.32	-0.05	1.76	-0.25	3.41	3.27	
Difference			1.14	-0.11	-2.96	-4.25	4.39	-0.07	0.47	-0.39	2.13	2.17	

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

As of May 31, 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)	268,769,386	10.04	1.98	9.01	20.88	45.19	55.89	19.01	18.82	14.50	15.01	12.08	02/01/2007
Russell 1000 Val Index			2.33	6.43	18.41	37.65	44.38	12.94	12.33	10.00	11.51	7.36	
Difference			-0.35	2.58	2.47	7.54	11.51	6.07	6.49	4.50	3.50	4.72	
Mellon Large Cap Core Index (CF)	283,319,437	10.58	0.47	5.88	12.13	27.37	42.48	N/A	N/A	N/A	N/A	21.50	05/01/2019
Russell 1000 Index			0.47	5.88	12.14	27.50	42.66	18.43	17.46	14.13	14.41	21.61	
Difference			0.00	0.00	-0.01	-0.13	-0.18	N/A	N/A	N/A	N/A	-0.11	
Loomis Sayles Large Cap Growth (CF)	194,396,961	7.26	0.74	6.25	9.48	19.02	36.66	21.80	N/A	N/A	N/A	20.94	08/01/2017
Russell 1000 Grth Index			-1.38	5.33	6.32	18.43	39.92	23.02	22.07	17.86	16.98	22.85	
Difference			2.12	0.92	3.16	0.59	-3.26	-1.22	N/A	N/A	N/A	-1.91	
Mellon Small Cap Value Index (CF)	117,654,563	4.39	3.13	5.23	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.23	04/01/2021
Russell 2000 Val Index			3.11	5.20	27.47	69.99	79.38	10.72	13.83	10.03	10.64	5.20	
Difference			0.02	0.03	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.03	
Pinnacle Associates US SMID Cap Growth (SA)	159,562,738	5.96	-0.56	-0.34	11.05	47.73	62.97	22.03	20.48	14.48	14.13	16.24	03/01/2010
Russell 2500 Grth Index			-2.78	0.64	3.14	29.84	47.24	18.40	19.25	14.80	14.03	16.05	
Difference			2.22	-0.98	7.91	17.89	15.73	3.63	1.23	-0.32	0.10	0.19	
International Equity													
Silchester International Value (CF)	268,804,059	10.04	3.30	4.88	14.07	31.41	39.10	5.39	9.01	5.77	7.76	9.90	06/01/2009
MSCI EAFE Val Index (USD) (Net)			3.46	5.44	13.29	35.04	41.52	4.15	7.22	2.46	4.00	5.84	
Difference			-0.16	-0.56	0.78	-3.63	-2.42	1.24	1.79	3.31	3.76	4.06	
Baillie Gifford International Growth (BGEFX)	237,693,013	8.88	-2.38	2.68	-0.04	20.81	51.00	20.24	22.87	13.87	12.07	14.27	06/01/2009
Baillie Gifford Index			2.41	6.19	6.11	20.88	39.92	12.48	12.23	8.01	7.66	9.67	
Difference			-4.79	-3.51	-6.15	-0.07	11.08	7.76	10.64	5.86	4.41	4.60	
Baillie Gifford Spliced Index			3.13	6.16	9.87	28.56	42.78	9.49	10.54	5.79	6.24	8.10	
Difference			-5.51	-3.48	-9.91	-7.75	8.22	10.75	12.33	8.08	5.83	6.17	
Acadian Emerging Markets (CF)	146,976,948	5.49	0.43	4.95	12.29	33.21	52.18	7.24	12.91	5.81	4.07	4.70	02/01/2011
MSCI Emg Mkts Index (USD) (Net)			2.32	4.87	7.26	28.39	51.00	9.65	13.88	6.73	4.11	4.49	
Difference			-1.89	0.08	5.03	4.82	1.18	-2.41	-0.97	-0.92	-0.04	0.21	

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

As of May 31, 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)	230,988,246	8.62	0.36	1.26	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.11	03/01/2021
Bloomberg US Agg Bond Index			0.33	1.12	-2.29	-1.64	-0.41	5.05	3.25	3.18	3.29	-0.14	
Difference			0.03	0.14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.25	
Franklin Templeton Global Multisector Plus (CF)	98,119,545	3.66	0.98	2.80	-0.51	1.23	0.17	-1.61	1.09	-0.49	1.45	5.09	09/01/2007
Frank. Temp. Global Multisector Index			0.97	2.29	-2.15	1.30	5.03	4.47	3.33	2.19	2.32	3.74	
Difference			0.01	0.51	1.64	-0.07	-4.86	-6.08	-2.24	-2.68	-0.87	1.35	
Loomis Sayles Multisector Full Discretion (CF)	140,904,134	5.26	0.55	1.53	-1.02	3.09	8.42	7.62	6.97	5.10	5.99	6.85	10/01/2007
Bloomberg Gbl Agg Bond Index			0.74	2.01	-2.54	0.66	4.26	4.31	3.07	2.04	2.13	3.37	
Difference			-0.19	-0.48	1.52	2.43	4.16	3.31	3.90	3.06	3.86	3.48	
Real Estate													
Harrison Street Core Property LP	111,656,349	4.17	0.00	1.43	2.71	2.71	3.97	5.83	7.16	N/A	N/A	7.06	11/01/2015
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	1.89	3.00	1.47	3.96	5.26	7.28	8.67	5.64	
Difference			0.00	1.43	0.82	-0.29	2.50	1.87	1.90	N/A	N/A	1.42	
PGIM Real Estate PRISA II LP (CF)	58,687,371	2.19	0.00	1.78	3.21	3.21	0.56	4.35	5.87	N/A	N/A	7.33	01/01/2015
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	1.89	3.00	1.47	3.96	5.26	7.28	8.67	6.54	
Difference			0.00	1.78	1.32	0.21	-0.91	0.39	0.61	N/A	N/A	0.79	
Principal US Property (CF)	129,374,827	4.83	0.91	1.41	3.89	5.67	4.91	5.12	6.58	8.39	N/A	8.46	01/01/2014
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	1.89	3.00	1.47	3.96	5.26	7.28	8.67	7.19	
Difference			0.91	1.41	2.00	2.67	3.44	1.16	1.32	1.11	N/A	1.27	
UBS Trumbull Property (CF)	90,029,206	3.36	0.00	1.09	1.09	-1.01	-3.97	-0.83	1.68	4.24	5.87	4.42	12/01/2005
NCREIF ODCE Index (AWA) (Net)			0.00	0.00	1.89	3.00	1.47	3.96	5.26	7.28	8.67	5.72	
Difference			0.00	1.09	-0.80	-4.01	-5.44	-4.79	-3.58	-3.04	-2.80	-1.30	
Vanguard RE Idx;ETF (VNQ)	1,296,627	0.05	0.81	8.72	18.25	29.21	34.03	12.47	7.83	8.56	8.84	13.63	12/01/2008
Custom REITs Index			0.79	8.83	18.33	29.31	34.29	12.80	8.36	8.96	9.32	14.45	
Difference			0.02	-0.11	-0.08	-0.10	-0.26	-0.33	-0.53	-0.40	-0.48	-0.82	

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

As of May 31, 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)	47,508,759	1.77	6.71	13.06	33.83	64.16	41.72	-2.15	0.48	-3.51	4.36	4.56	03/01/2011
S&P MLP Index (TR)			6.47	14.55	37.95	78.28	41.91	-2.45	0.14	-5.13	1.31	1.11	
Difference			0.24	-1.49	-4.12	-14.12	-0.19	0.30	0.34	1.62	3.05	3.45	
Tortoise Capital Advisors MLP (SA)	41,584,825	1.55	6.30	12.60	32.08	60.81	27.53	-6.10	-1.89	-5.59	2.81	2.50	03/01/2011
Tortoise Spliced Index			6.00	12.54	36.04	63.45	35.26	-4.00	-0.81	-5.77	0.83	0.64	
Difference			0.30	0.06	-3.96	-2.64	-7.73	-2.10	-1.08	0.18	1.98	1.86	
Hancock Timberland (SA)	30,604,373	1.14	4.98	4.98	4.98	9.01	13.69	5.85	6.94	5.81	6.88	4.15	10/01/2006
NCREIF Timberland Index			0.00	0.00	0.76	1.34	1.46	1.71	2.51	3.69	4.55	5.07	
Difference			4.98	4.98	4.22	7.67	12.23	4.14	4.43	2.12	2.33	-0.92	
Adams Street Private Equity (SA)	14,157,892	0.53	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%			0.95	6.60	14.02	28.82	44.53	21.54	20.68	17.48	17.81	32.01	
Difference			-0.95	-6.60	-14.02	N/A	N/A	N/A	N/A	N/A	N/A	-32.01	
Hamilton Lane Private Credit (SA)	4,239,941	0.16	0.16	0.16	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	03/01/2021
ICE BofAML Gbl Hi Yld Index +2%			0.95	2.66	3.08	11.38	19.83	9.32	9.50	7.06	8.23	2.21	
Difference			-0.79	-2.50	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Dreyfus Gvt Csh Mgt;Inst (DGCXX)	1,797,569	0.07	0.17	0.17	0.18	0.18	0.21	1.35	1.15	0.85	0.62	1.35	04/01/2001
FTSE 3 Mo T-Bill Index			0.00	0.01	0.02	0.05	0.09	1.36	1.14	0.84	0.60	1.35	
Difference			0.17	0.16	0.16	0.13	0.12	-0.01	0.01	0.01	0.02	0.00	

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

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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).

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.

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