

POMPAÑO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

**2335 EAST ATLANTIC BLVD.
SUITE 400
POMPAÑO BEACH, FLORIDA**

**BOARD OF TRUSTEES MINUTES
ANNUAL EDUCATIONAL SYMPOSIUM & BUSINESS MEETING
MAY 7-9, 2015**

The Board of Trustees convened at the Fort Lauderdale Marriott Pompano Beach Resort and Spa, 1200 N. Ocean Blvd., Pompano Beach, Florida for its Ninth Annual Educational Symposium. The Chairman called the meeting to order at 10:30 AM.

PRESENT: Chairman Paul O'Connell
Vice-Chairman Richard Samolewicz
Trustee Sharra Aaronian
Trustee Daniel Christophers
Trustee Vincent Femia
Trustee Patrick Fletcher (arrived at 10:37 AM)
Trustee David Hall
Trustee Peter McGinnis (arrived at 11:18 AM)
Trustee Jorge Rossi

ALSO PRESENT: Glenda Rowley, Executive Director
Debra Tocarchick, Deputy Director
Charles Mulfinger II, Graystone Consulting

VISITORS: Robert Drago, Retired police member
Jerry Squadrito, Police member
Amanda Cintron, Guest

KEY NOTE SPEAKER: ANDREW SLIMMON, MORGAN STANLEY WEALTH MANAGEMENT

Mr. Slimmon's presentation focused on the Investor Psychology Cycle and the consistency of investor behavior over various market cycles. Human behavioral patterns create investment conflicts, such as "recency" bias, where recent experience is used as a baseline for what will happen in the future, rather than the concept of reversion to the mean, where prices and returns have historically moved back toward the average.

In his overall conclusions, Mr. Slimmon predicted that this will likely be a subpar year for US equities due to the key market drivers of changing central bank policy, lower earnings estimates due to dollar appreciation, and price/earnings multiples expansion being a more challenging environment. He estimated the US equity market to be up in the mid-single digits range and characterized this as a pause in the market. International markets should likely fare better than US markets due to the continuation of accommodative European central bank policy and the cyclical recovery predicted on the weaker Euro. Any dollar reversal would be positive for US earnings and negative for Europe. The reversion to the mean suggests active over passive, growth over dividend yield, and hedged ETF's are very crowded.

M O T I O N	S E C O N D	V O T E D Y E S	V O T E D N O
----------------------------	----------------------------	--------------------------------------	---------------------------------

Board of Trustees Minutes Page Two	May 7-9, 2015	TRUSTEES	M	S	Y	N
<u>MARCH 31, 2015 PERFORMANCE REPORT PRESENTED BY GRAYSTONE CONSULTING</u>						
<p>Charles Mulfinger, on behalf of Graystone Consulting, presented the preliminary investment performance report for the quarter and year ending March 31, 2015. Mr. Mulfinger described the general economy as still being in a slow growth environment with GDP for the quarter initially reported at 0.2%, and then revised downward two days ago due to a less than favorable import/export trade deficit report. The manufacturing and service sector was still positive. Unemployment was down to 5.5%, and inflation at 1.6% was still below the Fed mandate. The environment of a slow growing economy with low inflation is good for financial assets. While there are uncertainties, the general belief is that the economy is not headed into recession and the market should do well in the short-term.</p>						
<p>Mr. Mulfinger reviewed the results of the major indices noting that the S&P 500 was up 0.96% for the quarter and 12.75% for the 1-year and the DJIA was up 0.33% for the quarter and 10.56% for the 1-year. Smaller companies did better than mid and large cap companies and growth outperformed value in all areas. Health care and consumer discretionary were the best performing sectors and energy and utilities were the worst.</p>						
<p>The international markets were positive at 4.88% for the quarter and down -0.92% for the 1-year period due to the impact of the currency exchange. Emerging markets were up 2.28% for the quarter and 0.79% for the past year. The fixed income markets saw corporate and government bonds and mortgages outperform in the quarter. A significant increase in interest rates occurred in the past couple weeks which will likely impact bond prices in the next quarter.</p>						
<p>The total fund portfolio was valued at \$230,165,411 as of March 31, gaining \$2.75 million during the quarter. The portfolio was overweight to target allocations in every US equity asset class and international growth equities, and slightly underweight in international value, but still within an acceptable target range. Fixed income was slightly below target allocation but well positioned within an acceptable range. No rebalancing was recommended at this time. Private real estate, funds of hedge funds, private equity, and MLP's were all slightly under target allocations with capital calls still occurring on the private equity mandates.</p>						
<p>Mr. Mulfinger reviewed each individual investment manager's performance relative to their benchmark and commented on the specific managers as noted below.</p>						
<p>Cornerstone's (large cap core equity) returns were down -5.48% to the benchmark of 0.96% for the quarter, and 1.11% to the benchmark of 12.75% for the 1-year. They have been on the watch list. Their quarterly performance was hurt as a result of underweighting healthcare and consumer discretionary and overweighting industrials, with bad stock selection in the technology, consumer discretionary, energy, healthcare, industrial and financial sectors. Mr. Mulfinger encouraged the Board to</p>						

<p>Board of Trustees Minutes Page Four</p> <p style="text-align: right;">May 7-9, 2015</p> <p><u>RBC GLOBAL ASSET MANAGEMENT, INC.</u> By: Stephen Kylander, VP Senior Portfolio Manager, and Michael Schantz, VP Institutional Portfolio Manager.</p> <p>RBC requested that the Board’s Proxy Voting Policy be resent to them for review to determine whether it can be used, modified or implemented in place of their custom RBC GAM guidelines. RBC commented that they do not foresee it as a stumbling block to the relationship.</p> <p>With the conclusion of the afternoon presenters, all of the Retirement System’s invited investment managers returned and participated in a roundtable discussion on various investment related topics.</p> <p>At the conclusion of the manager roundtable, Mr. Mulfinger and the Board discussed whether or not, given time, Cornerstone’s style would return to favor and their performance improve, such as what occurred with RBC Global. Cornerstone was given more time one year ago and the question now is whether they are better positioned to outperform with an additional year of underperformance behind them. The board discussed options with regard to paring back or terminating the Cornerstone investment.</p> <p>MOTION: Terminate the relationship with Cornerstone. MOTION TABLED</p> <p>Upon discussion regarding the potential redeployment of assets, the Board agreed to table the motion until after hearing the presentations from its international equities managers on Friday.</p> <p>The session for Thursday, May 7, 2015 ended at 5:15 pm. A networking session was conducted from 5:15 – 7:00 pm following by dinner sponsored by the investment managers at 7:00 pm at La Veranda Restaurant in Pompano Beach.</p> <p><u>FRIDAY, MAY 8, 2015</u></p> <p>The Board of Trustees reconvened at the Fort Lauderdale Marriott Pompano Beach Resort and Spa, 1200 N. Ocean Blvd in Pompano Beach, Florida. Chairman O’Connell called the meeting back to order at 9:04 am.</p> <p><u>PRESENT:</u> Chairman Paul O’Connell Vice-Chairman Richard Samolewicz Trustee Sharra Aaronian Trustee Vincent Femia Trustee Patrick Fletcher Trustee David Hall Trustee Peter McGinnis (arrived 10:45 am) Trustee Jorge Rossi</p> <p><u>ABSENT:</u> Trustee Daniel Christophers</p>	<p>TRUSTEES</p> <p>Christophers McGinnis</p>	<p>M</p> <p>X</p>	<p>S</p> <p>X</p>	<p>Y</p>	<p>N</p>
--	---	--------------------------	--------------------------	-----------------	-----------------

Board of Trustees Minutes Page Five	May 7-9, 2015	TRUSTEES	M	S	Y	N
<p><u>ALSO PRESENT:</u> Pedro Herrera, Esq., Board Attorney Glenda Rowley, Executive Director Debra Tocarchick, Deputy Director Charles H. Mulfinger, Graystone Consulting</p> <p><u>VISITORS:</u> Robert Drago, Retired police member Jerry Squadrito, Police member</p> <p>The following investment managers presented their investment reports throughout the morning. All the manager reports and recordings of their presentations are available at the Pension Office.</p> <p><u>WELLS CAPITAL MANGEMENT</u> By: John Taphorn, Client Portfolio Specialist and Tom Galfano, Client Relations Director</p> <p><u>LAZARD ASSET MANGEMENT</u> By: Frank Sposato, Director, and Michael Powers, Managing Director and Portfolio Manager/Analyst</p> <p><u>RENAISSANCE INVESTMENT MANAGEMENT</u> By: Andrew Temming, Partner, Research Analyst</p> <p><u>MUNDER CAPITAL MANAGEMENT, LLC</u> By: Jim Kelts, Portfolio Manager and Fixed Income Trader.</p> <p>Following the presentation by Munder, now known as INCORE, Chairman O'Connell called the business meeting to order at 11:41 am.</p> <p><u>PRESENT:</u> Chairman Paul O'Connell Vice-Chairman Richard Samolewicz Trustee Sharra Aaronian Trustee Daniel Christophers (arrived at 11:56 am) Trustee Vincent Femia Trustee Patrick Fletcher Trustee David Hall Trustee Peter McGinnis Trustee Jorge Rossi</p> <p><u>ALSO PRESENT:</u> Pedro Herrera, Esq., Board Attorney Glenda Rowley, Executive Director Debra Tocarchick, Deputy Director Charles H. Mulfinger, Graystone Consulting</p> <p><u>VISITORS:</u> Robert Drago, Retired police member Jerry Squadrito, Police member</p> <p><u>AUDIENCE TO BE HEARD</u></p> <p>None</p>						

Board of Trustees Minutes Page Six	May 7-9, 2015	TRUSTEES	M	S	Y	N		
<u>APPROVAL OF AGENDA</u>								
<p>MOTION: To approve the agenda for May 8, 2015, as presented. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>		
<u>APPROVAL OF MINUTES</u>								
<p>MOTION: To waive the reading of the minutes of the Regular Board meeting on April 20, 2015, and to approve same as presented. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>		
<u>APPROVAL OF DROP LOAN APPLICATIONS</u>								
<p>MOTION: To approve the DROP loan application from Allen J. Scott. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>		
<u>RATIFICATION AND APPROVAL OF WARRANTS</u>								
<p>MOTION: To ratify and approve payment of benefits and expenses as set forth on Warrants No. 4599, \$35,000.00; No. 4600, \$81,901.10; No. 4601, \$3,710.28; No. 4602, \$45,661.27. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>		
<u>SUGARMAN & SUSSKIND PA LEGAL REPORT</u>								
<p>Sugarman & Susskind reported that Ironwood revised their Offering Memorandum to reflect certain changes including a lowered management fee from 1.45% to 1.2%, the manager receives operating expenses of .25% of NAV of new investors, the retention of Ernst & Young as the new auditor and preferred liquidity for Class A, B, C and D shares. No action was required to be taken by the Board.</p>								

Board of Trustees Minutes Page Seven	May 7-9, 2015	TRUSTEES	M	S	Y	N
<p>Sugarman & Susskind reported that Blackstone's legal counsel provided an opinion letter dated April 10 setting forth their objections to the disclosure of certain confidential trade secret materials in response to a public records request from a New York Times reporter. The reporter has not initiated any further contact since March 9. Mr. Herrera will notify Blackstone that the Board will not take any further action to release the records and any contact from the reporter will be referred to Blackstone along with a copy of their opinion letter.</p>						
<p>Other matters reported by Sugarman & Susskind included legislative updates on three Bills that have been enacted and sent to the Governor for signature. The Bills will be effective July 1 unless vetoed by the Governor:</p>						
<ul style="list-style-type: none"> ➤ HB 105 to allow municipal service taxing units in unincorporated areas where a city provides fire services to participate in premium tax funding under Chapter 175. ➤ Of particular note is HB 1309, which amends Chapter 112, and requires all municipal plans to assume one of the two most recent mortality tables used by the Florida Retirement System (FRS). This is significant in that it is the first time the legislature has changed the law to require something from municipal plans that actually affects the funding. The Chairman reported that he notified the Mayor regarding this Bill and requested that the City send a letter to Governor asking that he veto it. ➤ SB 172 to amend Chapters 175 and 185 to redefine the rules for the allocation of premium tax monies. This Bill also requires an administrative expense budget to be provided to the plan sponsor and the Division of Retirement annually. 						
<p>Sugarman & Susskind also reported on educational opportunities for the Division of Retirement School in Tallahassee June 2-4 and the FPPTA Annual Conference June 28 through July 1 in Boca Raton.</p>						
<p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p>						
<p>Trustee Hall reported that he has a meeting scheduled with an insurance agent the following week. The item of Trustee travel insurance was deferred to the June meeting agenda.</p>						
<p>Trustee McGinnis reported that the Board is permitted to use the City logo on shirts, although it cannot be altered. The PBPFRS name is too long to be spelled out so the acronym will have to be used. It was suggested that the logo be printed on one side of the shirt and the PBPFRS acronym, trustee's name and title be printed on the opposite side. The prices range from \$25 to \$55 per shirt. Trustee McGinnis had a dry-fit shirt priced for \$33 although the representative is going to provide three different types of shirts for review at the June meeting.</p>						

Board of Trustees Minutes Page Eight	May 7-9, 2015	TRUSTEES	M	S	Y	N
<p>Chairman O'Connell thanked the Board for approving his attendance at the 'Senior Executives in State and Local Government program' at Harvard and reported that the City of Wilton Manors would be sharing the cost with a \$4,000 contribution. Chairman O'Connell also volunteered to contribute \$2,000 personally toward the cost. The Board accepted the City of Wilton Manor's contribution but didn't feel that Trustees should begin personally funding their education, particularly when the Board's overall administrative expenses are well within the limitation permitted by Ordinance.</p>						
<p>The Board discussed the action taken at the last meeting to modify the fees for legal services in the retainer agreement with Sugarman & Suskind. Trustee Christophers was receptive to Sugarman & Suskind's offer to voluntarily reduce their fee for the remainder of 2015, but objected to the Board's renegotiation of the agreement to further reduce the fee for calendar year 2016. In consideration of their service and support, he felt this was an unfair action since those fees had already been negotiated and set.</p>						
<p>MOTION: To reconsider the action taken on April 20 to approve the revised retainer agreement for legal services at the following monthly rates: \$5,000 effective May 1, 2015, \$6,000 effective January 1, 2016 and \$7,000 effective January 1, 2017, and to authorize Chairman to execute same. PASSED 7-2.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>		<p>X</p>		<p>X X</p>
<p>MOTION: To accept the original offer tendered by Sugarman & Suskind to modify the retainer agreement for legal services at the following monthly rates: \$5,000 effective May 1, 2015, and \$7,000 effective January 1, 2016 through December 31, 2017, and to authorize Chairman to execute same. PASSED 7-2.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X</p>		<p>X X</p>
<p><u>COMMITTEE REPORTS</u></p>						
<p>No reports were rendered for the Professional Advisors Review Committee, Investment Committee or Communications Committee.</p>						
<p><u>EXECUTIVE DIRECTOR'S REPORT</u></p>						
<p>Mrs. Rowley reported that she signed Notification of Benefit forms for Rhonda Wardlaw.</p>						
<p>She also recommended closing the Pompano Beach Investors' checking account at Bank of America and opening a zero balance, no fee account at Comerica Bank. When the monthly note interest is received, it will be</p>						

<p>Board of Trustees Minutes Page Nine</p> <p style="text-align: right;">May 7-9, 2015</p>	TRUSTEES	M	S	Y	N
<p>transferred directly to the Comerica custody account.</p> <p>MOTION: To close the Bank of America checking account and authorize the opening of a Comerica Bank account for Pompano Beach Investors, LLC. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X X</p>	
<p>The Board returned to the previous day's discussion regarding the large cap core equity manager, Cornerstone, who currently has 10% of Retirement System's assets, or approximately \$23 million, and who has acknowledged their poor performance record.</p> <p>When asked for his opinion, Mr. Mulfinger offered that there is an opportunity to allocate more funds toward international equities. International has not performed well in the past five years relative to other asset classes; however, it is starting to improve based on monetary policy. The portfolio is currently not over-weighted to international so there is an opportunity to add 25% of Cornerstone's portfolio to each of the two international equity managers. Should the Board decide to do so, it can decide whether to leave the remaining 50% with Cornerstone, who offered to lower their fees, or reallocate it to its existing large cap growth and value equity managers.</p> <p>The Board discussed the options based on their comfort level with Cornerstone's explanation for their poor performance and belief as to whether they can improve their performance.</p>					
<p>MOTION: To terminate Cornerstone Investment Partners, LLC and relocate 25% each to the international growth and value equity managers, Renaissance and Lazard, and 25% each to the large cap growth and value equity managers, Sands and BlackRock. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X X</p>	
<p>There being no further business, the Board concluded the business meeting at 1:01 pm.</p>					
<p>The following investment managers presented their investment reports throughout the afternoon. All the manager reports and recordings of their presentations are available at the Pension Office.</p>					
<p><u>INVESCO</u> By: Laler DeCosta, Client Portfolio Manager and Keri Hepburn, Managing Director</p>					

Board of Trustees Minutes Page Ten	May 7-9, 2015	TRUSTEES	M	S	Y	N
<p><u>NB ALTERNATIVES ADVISERS, LLC</u> By: Chris Frattaroli, Senior Vice President</p> <p><u>THE BLACKSTONE GROUP</u> By: Michael Cambias, Principal</p> <p><u>GOLDMAN SACHS</u> By: Stephen Lessar, Managing Director AIMS Group</p> <p>The investment manager presentations for Friday, May 8, 2015 concluded at 4:00 pm. They were followed by a networking session from 5:00 – 6:30 pm and a dinner meeting, sponsored by the investment managers, at 7:00 pm at Blue Moon Fish Co. in Lauderdale-By-The-Sea.</p> <p><u>SATURDAY, MAY 9, 2015</u></p> <p>The Board of Trustees reconvened at the Fort Lauderdale Marriott Pompano Beach Resort and Spa, 1200 N. Ocean Blvd in Pompano Beach, Florida. Chairman O’Connell called the meeting back to order at 9:00 am.</p> <p><u>PRESENT:</u> Chairman Paul O’Connell Vice-Chairman Richard Samolewicz Trustee Sharra Aaronian Trustee Daniel Christophers Trustee Vincent Femia Trustee Patrick Fletcher Trustee David Hall Trustee Jorge Rossi</p> <p><u>ABSENT:</u> Trustee Peter McGinnis</p> <p><u>ALSO PRESENT:</u> Glenda Rowley, Executive Director Debra Tocarchick, Deputy Director Charles H. Mulfinger, Graystone Consulting</p> <p>The following investment managers presented their investment reports. All the manager reports and recordings of their presentations are available at the Pension Office.</p> <p><u>PINE GROVE ASSOCIATES, INC.</u> By: Manish Keshive, Director of Research, and John Feeley, Senior Relationship Manager</p> <p><u>IRONWOOD CAPITAL MANAGEMENT</u> By: Ben Zack, Managing Director, Investment and Risk Committee</p> <p><u>CENTER COAST CAPITAL ADVISORS, LP</u> By: Jeff Jorgensen, Director of Research</p>						

Mr. Mulfinger reiterated the Investment Policy change and reallocation of funds as a result of the termination of Cornerstone. Their portfolio will be reallocated 25% each to large cap growth and value and international growth and value. This change will be effective 31 days after the policy change is communicated to the plan sponsor, the actuary and the Division of Retirement.

Mr. Mulfinger summarized the outlook for the portfolio noting that, while it is heavily weighted in equities, the returns in the upcoming year are expected to be in the mid-single digits range due to deleveraging, the global economy and rising interest rates. Some returns are expected to come from the alternative investment asset classes. Market performance of 6-7% would be better than some studies suggest.

The Board suggested a competition for the invited investment managers, such as a prediction on where the DOW would be, at next year's Symposium date.

ADJOURNMENT

The Board adjourned the meeting at 10:58 am.

Respectfully submitted,


Glenda Rowley, Executive Director

Distribution:

- Board of Trustees
- Robert A. Sugarman, Esq.
- Pedro Herrera, Esq.
- David Harris, Actuary
- City Manager
- Mayor and City Commission
- City Clerk
- Assistant City Attorney
- City HR Director
- President IAFF Local 1549
- Marcum
- Webmaster

SUMMARY OF RELEVANT FACTS
Pompano Beach Police & Firefighters' Retirement System (REVISED)
As of March 31, 2015

Distribution of Assets:	
Equity	
-Large Cap. Value	\$24,054,331
-Large Cap. Growth	\$24,445,086
-Large Cap. Core	\$23,419,845
-Mid Cap. Value	\$12,974,840
-Small/Mid Cap. Growth	\$13,380,449
-International Value	\$11,365,246
-International Growth	\$12,315,291
Total Equity	\$121,955,090
Fixed Income	\$51,360,482
Private Real Estate	\$16,767,886
Fund of Hedge Funds	\$20,919,447
Master Limited Partnerships	\$11,024,838
Private Equity	\$8,149,808
Cash (Non-Managed Account)	\$2,025,066
Total Portfolio	\$232,202,617

Distribution by Percentages:	Policy	Current
Equity Breakdown		
-Large Cap. Value	10.00%	10.36%
-Large Cap. Growth	10.00%	10.53%
-Large Cap. Core	10.00%	10.09%
-Mid Cap. Value	5.00%	5.59%
-Small/Mid Cap. Growth	5.00%	5.76%
-International Value	5.00%	4.89%
-International Growth	5.00%	5.30%
Total Equity	50.00%	52.52%
Fixed Income	22.50%	22.12%
Private Real Estate	7.50%	7.22%
Fund of Hedge Funds	10.00%	9.01%
Master Limited Partnerships	5.00%	4.75%
Private Equity	5.00%	3.51%
Cash (Non-Managed Account)	0.00%	0.87%
Total Portfolio	100.00%	100.00%

INVESCO (Private Real Estate)		
Private Real Estate	100.00%	\$12,569,956
Fees		(\$34,681)
Gain or (Loss)		\$395,050

OFFICE BUILDING		
Total Assets	100.00%	\$4,197,930
Gain or (Loss)		\$1,912,575

UBP Fund of Hedge Fund		
Fund of Hedge Fund	100.00%	\$786,828
Gain or (Loss)		\$12,750

MAIN ACCOUNT (NON-MANAGED)		
Cash	100.00%	\$2,025,066
Gain or (Loss)		\$1,617

Other Important Facts:		
Total Portfolio		\$232,202,617
Total Gain or (Loss) - Gross of Fees		\$4,679,173

BLACKROCK			
Total Assets	100.00%	\$24,054,331	
Equity	95.73%	\$23,027,018	
Cash	4.27%	\$1,027,313	
Fees		(\$44,074)	
Gain or (Loss)		(\$208,460)	

SANDS CAPITAL MANAGEMENT			
Total Assets	100.00%	\$24,445,086	
Equity	98.47%	\$24,069,871	
Cash	1.53%	\$375,216	
Fees		(\$37,002)	
Gain or (Loss)		\$153,290	

CORNERSTONE			
Total Assets	100.00%	\$23,419,845	
Equity	96.79%	\$22,669,158	
Cash	3.21%	\$750,687	
Fees		(\$34,557)	
Gain or (Loss)		(\$1,333,493)	

RBC GLOBAL			
Total Assets	100.00%	\$12,974,840	
Equity	97.35%	\$12,630,413	
Cash	2.65%	\$344,427	
Fees		(\$20,461)	
Gain or (Loss)		\$454,575	

WELLS			
Total Assets	100.00%	\$13,380,449	
Equity	98.45%	\$13,172,719	
Cash	1.55%	\$207,730	
Fees		(\$29,108)	
Gain or (Loss)		\$857,313	

Ironwood Fund of Hedge Fund			
Fund of Hedge Fund	100.00%	\$10,382,681	
Gain or (Loss)		\$286,085	

Pine Grove Fund of Hedge Fund			
Fund of Hedge Fund	100.00%	\$9,749,937	
Gain or (Loss)		\$56,325	

Center Coast Master Limited Partnerships			
Fund of Hedge Fund	100.00%	\$11,024,838	
Gain or (Loss)		(\$60,162)	

LAZARD (International Value)			
Total Assets	100.00%	\$11,365,246	
Equity	97.12%	\$11,037,646	
Cash	2.88%	\$327,600	
Fees		(\$14,744)	
Gain or (Loss)		\$397,383	

RENAISSANCE (International Growth)			
Total Assets	100.00%	\$12,315,291	
Equity	98.87%	\$12,175,812	
Cash	1.13%	\$139,479	
Fees		(\$19,345)	
Gain or (Loss)		\$677,547	

STANDISH MELLON			
Total Assets	100.00%	\$25,821,182	
Fixed	94.03%	\$24,278,405	
Cash	5.97%	\$1,542,777	
Fees		(\$18,998)	
Gain or (Loss)		\$394,979	

MUNDER CAPITAL MANAGEMENT			
Total Assets	100.00%	\$25,539,300	
Fixed	99.22%	\$25,339,635	
Cash	0.78%	\$199,665	
Fees		(\$13,708)	
Gain or (Loss)		\$421,744	

NB CROSSROADS (PRIVATE EQUITY) #1			
Total Assets	100.00%	\$4,102,373	
Gain or (Loss)		\$241,955	

NB CROSSROADS (PRIVATE EQUITY) #2			
Fund of Hedge Fund	100.00%	\$623,891	
Gain or (Loss)		(\$10,189)	

BLACKSTONE (PRIVATE EQUITY)			
Total Assets	100.00%	\$2,193,653	
Gain or (Loss)		\$28,287	

GOLDMAN SACHS (PRIVATE EQUITY)			
Total Assets	100.00%	\$1,229,891	
Gain or (Loss)		\$0	

BREAKDOWN OF RETURNS
Pompano Beach Police & Firefighters' Retirement System (REVISED)
As of March 31, 2015

TRADITIONAL INVESTMENTS

BLACKROCK		Your Returns		Russ 1000 Value	PSN Money Mgrs.	S&P 500
<i>Large Cap. Value</i>		Gross	Net			
	Quarter	(0.79)	(0.96)	(0.72)	0.25	0.96
	1 year	7.31	6.67	9.34	9.56	12.75
	Since 1/31/2013	12.64	11.98	16.87	NA	18.51
SANDS CAPITAL				Russ 1000 Growth	PSN Money Mgrs.	
<i>Large Cap. Growth</i>						
	Quarter	0.62	0.47	3.84	3.58	
	1 year	9.64	8.99	16.10	14.55	
	3 year	16.70	16.01	16.34	16.07	
	5 year	20.13	19.43	15.64	15.06	
	Since 5/31/2003	12.99	12.35	9.42	NA	
CORNERSTONE				S&P 500	PSN Money Mgrs.	
<i>Large Cap. Core</i>						
	Quarter	(5.35)	(5.48)	0.96	1.74	
	1 year	1.66	1.11	12.75	12.67	
	3 year	12.46	11.80	16.12	16.41	
	5 year	12.05	11.39	14.47	14.59	
	Since 1/31/2009	15.90	15.22	18.58	NA	
RBC GLOBAL				Russ Mid Value	PSN Money Mgrs.	
<i>Mid Cap. Value</i>						
	Quarter	3.59	3.42	2.42	2.53	
	1 year	16.47	15.85	11.70	10.26	
	3 year	19.17	18.52	18.60	17.19	
	5 year	17.28	16.57	15.84	15.39	
	Since 1/31/2009	21.87	21.15	22.08	NA	
WELLS				Russ 2500 Growth	PSN Money Mgrs.	
<i>Small/Mid Cap. Growth</i>						
	Quarter	6.68	6.44	7.44	5.87	
	1 year	9.61	8.63	13.81	9.74	
	3 year	16.16	15.13	17.90	16.96	
	5 year	18.57	17.53	16.97	16.64	
	Since 1/31/2009	23.88	22.84	23.03	NA	
LAZARD				MSCI AC Wld x US		
<i>International Value</i>						
	Quarter	3.62	3.49	3.49		
	1 year	(1.43)	(1.95)	(1.03)		
	Since 1/31/2013	5.23	4.75	4.59		
RENAISSANCE				MSCI AC Wld x US		
<i>International Growth</i>						
	Quarter	5.74	5.57	3.49		
	1 year	1.66	1.00	(1.03)		
	3 year	9.99	9.28	6.41		
	5 year	8.31	7.62	4.82		
	Since 1/31/2009	13.72	13.03	11.84		
STANDISH MELLON				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
	Quarter	1.55	1.48	1.61	1.32	1.45
	1 year	5.58	5.11	5.71	4.23	3.58
	3 year	3.45	3.09	3.10	2.41	2.31
	5 year	4.92	4.57	4.41	3.62	3.52
	Since 4/30/2003	4.78	4.43	4.61	4.23	3.98
MUNDER CAPITAL				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
	Quarter	1.67	1.61	1.61	1.32	1.45
	1 year	5.69	5.53	5.71	4.23	3.58
	3 year	3.79	3.64	3.10	2.41	2.31
	5 year	4.81	4.61	4.41	3.62	3.52
	Since 9/30/2002	5.06	4.82	4.70	4.31	4.12

ALTERNATIVE INVESTMENTS

INVESCO					
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE
	Quarter	3.24	2.95	3.57	3.39
	1 year	14.19	12.92	12.72	13.45
	3 year	12.33	11.08	11.47	12.66
	5 year	13.98	12.69	12.76	14.52
	Since 7/31/2006	3.89	2.72	6.95	5.27
OFFICE BUILDING					
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate
	Quarter	84.96	84.96	0.01	1.61
	1 year	118.85	118.85	0.03	5.71
	3 year	8.73	8.73	0.05	3.10
	5 year	5.79	5.79	0.07	4.41
	Since 3/31/2007	(0.86)	(0.86)	0.61	5.06
UBP					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
	Quarter	1.65	1.65	1.82	
	1 year	(0.35)	(0.35)	3.64	
	3 year	2.42	2.42	4.78	
	5 year	1.88	1.88	3.27	
	Since 4/30/2008	0.07	0.07	1.04	
Ironwood					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
	Quarter	2.83	2.83	1.82	
	1 year	7.31	7.31	3.64	
	3 year	9.08	9.08	4.78	
	5 year	7.80	7.80	3.27	
	Since 7/31/2008	3.64	3.64	1.08	
Pine Grove					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
	Quarter	0.58	0.58	1.82	
	1 year	0.55	0.55	3.64	
	3 year	5.19	5.19	4.78	
	5 year	4.03	4.03	3.27	
	Since 9/30/2008	4.56	4.56	2.30	
Center Coast					
<i>Master Limited Partnerships</i>				Alerian MLP	
	Since 1/2/2015	(0.54)	(0.54)	(5.23)	Index Return Since 12/31/2014
Neuberger Berman					
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	6.49	6.57	0.96	
	1 year	16.85	17.00	12.75	
	3 year	13.32	14.49	16.12	
	Since 3/31/2010	0.54	11.07	14.47	
Neuberger Berman					
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	(1.65)	(1.93)	0.96	
	Since 7/31/2014	(4.12)	(4.54)	8.63	
Blackstone					
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	1.37	0.89	0.96	
	1 year	9.45	6.27	12.75	
	Since 11/30/2013	11.75	6.34	12.99	
Goldman Sachs					
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	0.00	0.00	0.96	
	1 year	22.37	16.65	12.75	
	Since 12/31/2013	4.97	11.48	11.66	

TOTAL FUND				Policy Index	Composite Index
<i>Time-Weighted Return (TWR)</i>					
Quarter	2.07	1.95	1.81	1.91	
1 year	7.52	6.99	7.99	8.36	
3 year	10.18	9.62	10.34	10.78	
5 year	10.08	9.52	9.78	10.05	
Since 9/30/2002	8.16	7.66	8.10	8.39	
Since 6/30/1995	7.43				

TOTAL FUND				Actuarial Rate	CPI +3
<i>Dollar-Weighted Net Return (IRR)</i>					
Quarter		1.96	1.82	0.51	
1 year		6.95	7.50	2.99	
3 year		9.57	7.50	3.99	
5 year		9.51	7.50	4.59	
Since 9/30/2002		7.63	7.50	5.17	

Note

Per the Board's request, all performance results (including but not limited to rates of return, risk, measures, unit values, and dollar values) prior to September 30, 2002, were provided by GRS Asset Consulting Group, who was the previous consultant. The performance data is believed to be accurate, but there is no assurance. Graystone Consulting has not calculated or independently verified the accuracy of the returns or market values and is not responsible or liable for any mistake or miscalculations. Effective September 30, 2002, all valuations and rates of return are calculated by Graystone Consulting.

REGULAR MEETING – MAY 8, 2015

ITEM NO. 6 - WARRANT NOS. 4599 THROUGH 4602

Ratified and Approved on 05/08/2015

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
4599	Allen J. Scott Florida Department of Revenue Alerus Financial	DROP loan net amount to Allen J. Scott; \$34,777.50 Documentary stamps for Allen J. Scotts' DROP loan; \$122.50 Loan processing fee for Allen J. Scott; \$100.00	35,000.00
4600	BlackRock Renaissance Lazard RBC Global	Investment mgmt fee qtr ended 6/30/15; \$34,895.57 Investment mgmt fee qtr ended 3/31/15; \$19,742.91 Investment mgmt fee qtr ended 3/31/15; \$15,161.03 Investment mgmt fee qtr ended 3/31/15; \$12,101.59	81,901.10
4601	Economic Computers Xerox Corporation Glenda Rowley Klausner, Kaufman, Jensen & Levinson	Annual maintenance contract for IT services; \$2,900.00 Inv No. 079264108, April lease; \$159.46 Reimbursement for Educational Symposium supplies; \$50.82 Invoice No. 16813, legal services through 4/30/15; \$600.00	3,710.28
4602	Wells Capital Comerica Bank	Investment mgmt fee qtr ended 3/31/15; \$29,612.09 Inv. No. 412431, custodial fees qtr ended 3/31/15; \$16,049.18	45,661.27