

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

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

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
FEBRUARY 20, 2018**

The Board of Trustees convened at the Pompano Beach Police and Firefighters' Pension Office, Pompano Beach, Florida. The Chairman called the meeting to order at 3:00 PM.

PRESENT: Chairman Paul O'Connell
Vice-Chairman Richard Samolewicz
Trustee Sharra Aaronian
Trustee Robert Drago
Trustee Vincent Femia
Trustee Peter McGinnis
Trustee Jorge Rossi (departed 5:21 PM)

ABSENT: Trustee Daniel Christophers
Trustee David Hall

ALSO PRESENT: Robert Sugarman, Esq., Board Attorney
Debra Tocarchick, Executive Director
Maureen Femia, Deputy Director
David Harris, The Nyhart Company, Inc.
Tayt Odom, The Nyhart Company, Inc.
Charles Mulfinger II, Graystone Consulting
Scott Owens, Graystone Consulting

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

MOTION: To approve the February 20, 2018 agenda as presented.
PASSED 7-0.

APPROVAL OF MINUTES

MOTION: To waive the reading of the minutes of the Investment Committee Meeting and the Regular Board Meeting on January 16, 2018, and to approve same as presented. PASSED 7-0.

	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
O'Connell			X	
Samolewicz		X	X	
Aaronian			X	
Drago			X	
Femia			X	
McGinnis			X	
Rossi	X		X	
O'Connell			X	
Samolewicz			X	
Aaronian	X		X	
Drago			X	
Femia			X	
McGinnis			X	
Rossi		X	X	

<p>Board of Trustees Minutes Page Two</p> <p style="text-align: right;">February 20, 2018</p>	TRUSTEES	M	S	Y	N
<p><u>APPROVAL OF DROP LOAN APPLICATION</u></p> <p>MOTION: To approve the DROP loan application from police member, Michael Johnson. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	
<p><u>RATIFICATION AND APPROVAL OF WARRANTS</u></p> <p>MOTION: To ratify and approve payment of benefits and expenses as set forth on Warrant Nos. 4935, \$2,000.00; No. 4936, \$95,114.03; No. 4937, \$618,419.04; No. 4938, \$60,114.48; No. 4939, \$8,473.78; No. 4940, \$8,185.48; No. 4941, \$50,000.00; No. 4942, \$842.02; No. 4943, \$788,010.42; No. 4944, \$68,366.66; No. 4945, \$3,325.24; No. 4946, \$56,959.78; No. 4947, \$12,097.93; No. 4948, \$16,504.89; No. 4949, \$9,187.65; No. 4950, \$6,000.00; No. 4951, \$821,380.30; No. 4952, \$68,366.66. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	
<p><u>PRESENTATION OF OCTOBER 1, 2017 ACTUARIAL REPORT BY NYHART</u></p> <p>Mr. David Harris was present to discuss the 10/1/2017 Actuarial Valuation Report on behalf of The Nyhart Company, Inc. Mr. Harris introduced Mr. Tayt Odom as the Chief Operating Officer for Nyhart's Account Management Development Group whose role is to oversee their process to ensure clients are receiving the highest level of service.</p> <p>Mr. Harris distributed a Board Summary Report of the valuation results noting that the funded ratio had gone up, and in combination with a strong market return, the actuarial value return was better than expected.</p> <p>Information highlighted included:</p> <ul style="list-style-type: none"> • Required funding for the Plan went up slightly from about \$10.7 million dollars to about \$11.0 million dollars. This increase is mainly a result of increasing amortization payments of the unfunded liability on the fire side. • The market value of assets related to the pension only (removes DROP/Share reserves) increased from \$205.9 to \$218.5 million. • The firefighter contribution as a percentage of payroll remained consistent with last year at 43%, with the jump in last year related to the mandatory change to the FRS mortality table. • The police contribution percentage of payroll increased to 1,185% due to the diminishing number of active officers in the Plan which was down to four at the time of the valuation. This number is no longer reported in the presentation to the City. 					

Board of Trustees Minutes Page Three	February 20, 2018	TRUSTEES	M	S	Y	N
<ul style="list-style-type: none"> • The FRS will soon be updating its generational mortality table to a new generational table which may result in increased cost; however, it would not be the impact that was seen last year in going from the Plan's static table to the FRS generational table. The new FRS table may increase cost because it is expected there may be evidence of improved mortality which would increase expected lifetime by one year. • Unfunded liability increased slightly from \$105.1 million to \$105.4 million; however, it was expected to decrease by approximately \$1 million. Good asset performance helped bring it down about \$700,000; however, some demographic loss occurred in mortality, retirement and salaries which brought it back up. Although liability increased, the ratio of assets to liability was greatly improved which resulted in the increased funded ratio. • Over the long-term horizon of 41 years, the Plan has returned an 8.4% investment rate of return on a market value basis and 7.5% on an actuarial value basis. The 10-year return should improve next year due to the Plan's five-year smoothing which will drop off the 2008 negative investment return. The long-term rate of return is consistent with the Plan's 7.5% investment assumption, and over the 41 year history of the Plan, a 9.5% investment rate of return was attained 50% of the time. • In reviewing the overall percentage of pay at 76%, it was noted that the annual cost of normal benefits is approximately 31% of pay for which the employer(s), the members, and the state are each paying roughly 1/3 of the cost. The amortization of unfunded liability is currently 60% of payroll that is paying off the \$105.4 million of unfunded liability. This will remain a painful point over time. Mr. Harris will bring forth this information to the City during its presentation to assist them in planning for future contributions. • Currently the Plan amortizes all bases over 30 years which is the longest period allowed by Florida Law. Mr. Harris recommended that the Board give consideration to amortizing all <u>future</u> bases over 25 years, or reduce the amortization period by 1 each year over the next five years. Ideally an amortization schedule set at 20 years would amortize the unfunded liability over the expected career of the member. <p>In discussion regarding the actuary's recommendation to reduce the amortization of future bases, it was noted that the actuarial gains and losses offset each other. The impact is in the assumption changes (i.e. FRS mortality table, lowering of the discount rate). These items generally do not have an offsetting item so the longer they are paid out, the more ends up being paid. Since this is being done on a percentage-of-payroll method, you end up with negative amortization - the unfunded liability actually froze for a period of time before it starts being written off. With the Plan's current reasonable payroll growth assumption and interest rate, the unfunded liability is still about 15 years out under a 30-year amortization. Where you would expect to see an unfunded liability dropping, it is still staying level after a long period of time before diminishing.</p>						

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<p>By shortening to a 25 year amortization, the period of not paying off the unfunded liability shrinks to about six years. By shortening to a 20 year amortization, it starts diminishing immediately. The impact of reducing the amortization is the upfront cost is higher but the cost is less overall.</p> <p>The actuary recommended that the amortization change occur with the 10/1/2018 valuation which sets the FY 2019/2020 contribution requirement. The recommendation proposes changing the amortization period for all future bases. Existing bases will remain at a 30 year amortization.</p> <p>The Chairman directed the Actuary to prepare separate cost scenarios for changing the amortization of all future bases to: 1) 25 years, 2) 20 years, 3) phase-in to 25 years, and 4) phase-in to 20 years. The information will be shared with the City for further discussion with the goal being a joint recommendation with the City, the Board and the actuary.</p> <p>Mr. Harris shared his comparison of assumed investment rates of Florida Police and Fire Plans noting that 50% of the Plans are above 7.50%, 20% of the Plans are at 7.50%, and 30% of the Plans are below 7.50%. The national average is between 7.0% - 7.50%.</p> <p>MOTION: To approve the October 1, 2017 actuarial report as presented and recommended by Nyhart. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>	<p></p>
<p><u>PRESENTATION OF THE DECEMBER 31, 2017 INVESTMENT PERFORMANCE REPORT BY GRAYSTONE</u></p>						
<p>Charles Mulfinger and Scott Owens, on behalf of Graystone Consulting, presented the investment performance report for the quarter and year ended December 31, 2017. The Plan had a gain of \$6.2 million for the quarter. Overall it was a strong quarter although the Plan did underperform relative to the benchmark.</p> <p>Mr. Owens reported on the general economy and market recalling that earnings were up year over year in the fourth quarter of 2016 for the first time since 2009. Every quarter since then, earnings have continued to be up double digits year after year. Volatility should be expected going forward as the market is fully priced and market participants have rotated from a valuation driven market to an earnings driven market. An upward trajectory is expected for the next 12-18 months.</p> <p>Unemployment is now at 4.1% and GDP is at 2.6% which are signs of good solid growth in the economy. Both the manufacturing and service indices reflect that the economy is continuing to expand. The new tax reform has a direct impact on the market with various companies increasing wages,</p>						

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<p>offering employee bonuses and increasing the match on 401K Plans. It remains to be seen what growth impact will occur for companies that have pledged to add billions of dollars in plant and equipment.</p> <p>The Russell 1000 Index was the top performer of the quarter. Large cap companies outperformed small cap companies and growth outperformed value. All ten sectors were positive with more than half being 6% or higher. International and emerging markets both performed well; however, fixed income markets continued to drag. As interest rates rise, consequently the value of bonds will suffer.</p> <p>Mr. Mulfingher addressed the current status of bonds and interest rates. For the last 35 years bonds have done well due to declining interest rates. That expectation has changed going forward as interest rates rise. The Plan is positioned well since it moved out of the typical 60/40 stocks and bonds awhile ago in anticipation that interest rates would rise eventually, and in turn, reduced the impact to the Plan.</p> <p>Mr. Mulfingher reported a market value gain of \$6,249,991 for the quarter, and a total portfolio market value of \$239,785,205. In reviewing the Plan's asset allocation, he noted that the Plan is slightly overweighted in overall equity. Fixed income, hedge fund-of-funds, MLP's and private equity are slightly underweighted, and private real estate is slightly overweighted. The Plan is not overly aggressive with total target equity set at 50% combined with private equity set at 5%. A total of 55% in equities is still conservative.</p> <p>Mr. Mulfingher reviewed and discussed each investment manager's performance relative to their benchmark.</p> <p>In discussing RBC Global, Mr. Mulfingher noted that on an annualized basis their returns are below the benchmark for every time period. They have negative alpha and a negative Sharpe ratio.</p> <p>It was observed that Wells Fargo was in the press again for the Fed limiting the amount of assets that they can grow by. This is strictly on the banking side and does not impact Wells Capital. Mr. Mulfingher noted that if talent departs from Wells, they are contractually obligated to notify Morgan Stanley.</p> <p>Total gross returns for the quarter, 1-year, 3-year and 5-year periods were -2.61%, 14.32%, 6.22% and 8.86%, respectively. The "Summary of Relevant Facts" and "Breakdown of Returns", showing values and returns by manager, are attached on the backup.</p> <p>Mr. Mulfingher did not recommend any change in the Plan's asset allocation or risk exposure.</p>						

<p>Board of Trustees Minutes Page Six</p> <p style="text-align: right;">February 20, 2018</p>	TRUSTEES	M	S	Y	N
<p>MOTION: To approve the December 31, 2017 Performance Evaluation Report as submitted by Graystone Consulting. PASSED 7-0.</p> <p>Mr. Mulfinger reviewed the DROP Quarterly Performance Evaluation. The net assets were \$19,649,983, with a net increase of \$945,190 from last quarter. Currently 4.58% is invested in the Money Market option and 74.69% in invested in the Fund Rate option.</p> <p>There are 21 available investment options, including the pension fund rate option. From the investment line-up, there were six funds that did not meet the investment policy criteria. In particular, there were two that are required to be replaced - Artisan International Inv and PIMCO Real Return A.</p> <p>Graystone recommended Artisan be dropped in favor of the existing American Funds Europacific Growth fund which is a great alternative that continues to perform.</p> <p>Graystone recommended replacing the PIMCO Real Return A with the Fidelity Inflation-Protection Bond Index Instl fund. Since there isn't another bond fund that has performed well, it makes sense to go into an index fund with a lower fee.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	
<p>MOTION: To approve the December 31, 2017 DROP Performance Evaluation Report as submitted by Graystone Consulting. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	
<p>MOTION: Based on Graystone's recommendation, to remove the PIMCO Real Return A bond fund from the DROP Fund investment line-up and replace it with Fidelity Inflation-Protection Bond Index Fund Instl; and to remove the Artisan International Fund and transfer those funds to the existing American Funds Europacific Growth Fund. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	
<p>MOTION: To set the net investment rate of return for the quarter ended 12/31/2017 at 2.61% for purposes of the Fund Rate DROP earnings in accordance with Mr. Mulfinger's 2/09/2018 letter of certification. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	

<p>Board of Trustees Minutes Page Seven</p> <p style="text-align: right;">February 20, 2018</p>	TRUSTEES	M	S	Y	N
<p><u>MANAGER SEARCH RESULTS FOR MID-CAP VALUE</u></p> <p>Mr. Owens reviewed the top four candidates that Graystone profiled as possible replacements for the current mid-cap value equities manager, RBC Global. Mr. Owens discussed the styles, performance, risk, fees and other important considerations of each manager candidate.</p> <p>Following Mr. Owens presentation of the Manager Search Summary, the Board discussed which firms they were most interested in interviewing as a possible replacement. It was agreed by Board consensus that the interview process would be conducted at the full Board level and not at the Investment Committee level. Based on the data presented, the Board agreed to interview Nuance Investments and Chartwell Investments, and directed Graystone to invite them to make a presentation at the April Board meeting starting at 3:30 PM, in alpha order, with thirty minutes each for presentation and 15 minutes each for Q&A.</p> <p>MOTION: To interview both Chartwell Investments and Nuance Investments at the April 16, 2018 Board meeting as a possible mid-cap value equities manager, as recommended by Graystone. PASSED 6-0.</p> <p>The Executive Director asked Mr. Mulfinger whether he had an opportunity to review the Cash Flow Policy from 2003 and whether any updates were recommended. Mr. Mulfinger confirmed the policy is sufficient and does not require any updates at this time.</p> <p><u>SUGARMAN & SUSSKIND PA LEGAL REPORT</u></p> <p>In the absence of Trustee Christophers, the Board tabled the item on surveillance in connection with disability claims and recipients.</p> <p>In the Jeff Poole appeal matter, Mr. Sugarman reported that Mr. Poole's attorney was granted a 60-day extension to file his Brief. The appeal may include an oral argument in the Court in West Palm Beach. Trustees may attend and observe and only the attorneys are permitted to speak. It is anticipated that a decision may come around the end of the year.</p> <p>Mr. Sugarman addressed the recent Orders regarding the Captain Sandell case of which the Court has ordered that the pre-retirement death benefit be paid to Diana Sandell and any fixed sums to the estate. Sugarman & Susskind is waiting for the estate to be established. The case has been appealed by Lisa Sandell. The appeal does not stay the Order; however, the Board cannot pay the benefit until the service-connected death benefit claim has been adjudicated or withdrawn. The parties are still discussing settlement and information has been provided by the Board's actuary to assist the parties.</p> <p>Sugarman & Susskind is reviewing some Morgan Stanley paperwork regarding changes to the brokerage Delivery versus Payment Agreement effective March 1.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis</p>	<p>X</p>	<p>X</p>	<p>X X X X</p>	

<p>Board of Trustees Minutes Page Eight</p> <p style="text-align: right;">February 20, 2018</p>	TRUSTEES	M	S	Y	N
<p>Mr. Sugarman reported that part of the Republican House Tax Bill that would have subjected MLP's to taxation at corporate rates did not become law.</p>					
<p>Mr. Sugarman reported on the Las Vegas Sands litigation which previously lost on Summary Judgment. An appeal was filed by Robbins Geller with the Federal Circuit Court and the oral argument will be held on April 12.</p>					
<p>The Board reviewed a case memo from Saxena White on the MetLife, Inc. securities litigation. Due to the late notice and the heavy agenda, Saxena White was not invited to the meeting to present the case. The Chairman will discuss the matter via telephone conference at a later date and decide whether to authorize them to file for lead plaintiff status on the Board's behalf which would be subject to ratification by the Board at the following meeting.</p>					
<p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p>					
<p>The Executive Director reported that she reviewed the recommended advisory committee members and found none that were noted on NCPERS' list of organizations that are deemed not "pension friendly".</p>					
<p>MOTION: To authorize the Chairman to execute the Invesco Ratification of Advisory Committee Members for 2018. PASSED 6-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	
<p>The Board agreed to sponsor the Emerald Society's 68th Annual St. Patrick's Day Gala. The Deerfield BSO firefighters and the President of MADD are being honored as community heroes.</p>					
<p>MOTION: To purchase a table of ten at a cost of \$450.00 and a full page Ad Journal at a cost of \$200.00 for the Emerald Society's 68th Annual St. Patrick's Day Gala. PASSED 5-0. (Chairman O'Connell abstained and filed Form 8B).</p>	<p>Samolewicz Aaronian Drago Femia McGinnis</p>	<p>X</p>	<p>X</p>	<p>X X X X X</p>	
<p>The Board agreed by consensus to reschedule the July 16 Board meeting to accommodate those Trustees who plan to attend the OPAL Public Funds Summit. The meeting will be held on Tuesday, July 10, 2018, at 10:00 AM.</p>					
<p>The Board reviewed the <i>Your Pension Matters</i> newsletter. The Chairman noted that he will add a paragraph to summarize the actuarial report and a paragraph regarding the Marjory Stoneman Douglas school shooting.</p>					
<p><u>COMMITTEE REPORTS</u></p>					
<p><i>Professional Advisors Review Committee:</i></p>					

Board of Trustees Minutes Page Nine	February 20, 2018	TRUSTEES	M	S	Y	N
<p>Committee Chairman Samolewicz presented updated salary scales that implement the changes made by the Board at the January 16 meeting. The new salary scales allow for between 0% and 5% incremental merit increases, eliminate the last three steps on the previous scales, and eliminate the bonus provision. Should an employee reach the top of his or her scale, the Board may recommend a lump-sum stipend.</p> <p>MOTION: To adopt the revised salary scale for the Executive Director's position. PASSED 6-0.</p> <p>MOTION: To adopt the revised salary scale for the Deputy Director's position. PASSED 5-0. (Trustee Femia abstained and filed Form 8B).</p> <p>No other Committee Reports were rendered.</p> <p><u>EXECUTIVE DIRECTOR'S REPORT</u></p> <p>The Executive Director reported on the following:</p> <ul style="list-style-type: none"> ➤ Signed Notification of Benefits form for Carlos Descalzo. ➤ John Devoe's IME appointment was February 19. Waiting for the IME Report. ➤ Actuarial valuations through 10/1/2015 are state-accepted after DOR compliance review. ➤ Difficulty obtaining a terminated member's contribution refund paperwork (resigned 8/4/2017). No response to letters, e-mails, and telephone calls. Mr. Sugarman recommended notifying him via certified mail and following up every six months. ➤ City of Coral Springs Police/Fire Pension officials will visit on February 22 for a site review of our pension administration system. <p><u>ADJOURNMENT</u></p> <p>MOTION: To adjourn the February 20, 2018 meeting at 6:23 PM. PASSED 6-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis</p> <p>O'Connell Samolewicz Aaronian Drago McGinnis</p>	<p>X</p> <p>X</p>	<p>X</p> <p>X</p>	<p>X X X X X</p> <p>X X X X X</p>	<p>X X X X X</p> <p>X X X X X</p>	

Respectfully submitted,



Debra Tocarchick, CEBS
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

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>O'Connell, Paul</i>	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Pompano Beach Police and Firefighters Retirement System
MAILING ADDRESS 2335 E. Atlantic Blvd, Suite 400	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
CITY Pompano Beach	COUNTY Broward
DATE ON WHICH VOTE OCCURRED <i>20 FEB 2018</i>	NAME OF POLITICAL SUBDIVISION: City of Pompano Beach
MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE	

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also **MUST ABSTAIN** from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Paul O'Connell, hereby disclose that on FEB 20, 20 18:

(a) A measure came or will come before my agency which (check one or more)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, _____;
- inured to the special gain or loss of Emerald Society of Ft. Lauderdale, Inc., by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Purchase of ad journal advertisement and table of 10 at 68th Annual St Patrick's Day Gala totalling \$650. I volunteer as the treasurer of the Emerald Society.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

20 February 2018
Date Filed

Paul O'Connell
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>FEMIA Vincent</i>		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Pompano Beach Police and Firefighters Retirement System	
MAILING ADDRESS 2335 E. Atlantic Blvd, Suite 400		THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:	
CITY Pompano Beach	COUNTY Broward	<input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY	
DATE ON WHICH VOTE OCCURRED <i>2-20-2018</i>		NAME OF POLITICAL SUBDIVISION: City of Pompano Beach	
		MY POSITION IS:	
		<input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE	

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also **MUST ABSTAIN** from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Vincent Femia, hereby disclose that on Feb 20, 2018:

(a) A measure came or will come before my agency which (check one or more)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, spouse Maureen Femia;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Pay and benefits for Deputy Director Maureen Femia, my wife.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

Date Filed Feb 20 2018

Signature [Handwritten Signature]

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

REGULAR MEETING – FEBRUARY 20, 2018

ITEM NO. 6 - WARRANT NOS. 4935 THROUGH 4952

Ratified and Approved on 02/20/2018

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
4935	Fort Lauderdale Pain Medicine, Inc.	Independent medical examination prepayment fee for John Devoe, \$2,000.00	2,000.00
4936	Lazard Renaissance BlackRock Wells Fargo	Inv No. 1751188, investment fee quarter ended 12/31/2017; \$21,712.30 Investment management fee quarter ended 12/31/2017; \$27,838.22 Investment management fee quarter beginning 01/01/18, Inv No. 20171231-9371-51959-A; \$18,882.43 Inv No. 11548564; Investment management fee for quarter ending 12/31/2017; \$26,681.08	95,114.03
4937	Interactive Brokers, LLC FBO Allen J. Scott	Lump sum distribution of Employee Directed DROP account via trustee-to-to transfer due to separation of service on 11/30/2017; \$618,419.04	618,419.04
4938	Interactive Brokers, LLC FBO Allen J. Scott	Lump sum distribution of balance of Share Plan via trustee-to-trustee transfer due to separation of service on 11/30/2017; \$60,114.48	60,114.48
4939	Weston Insurance The Nyhart Company Sugarman & Susskind Minuteman Press of Pompano	Annual premium for Commercial Wind Policy No. CFA 14010860409 effective 03/06/2018; \$1,187.00 Invoice No. 0136286, GASB 67/68 Report; \$3,000.00 Inv No. 126050, R. Sandell interpleader; \$4,260.00 Inv No. 59046, dated 1/25/2018, business cards for Deputy Director; \$26.78	8,473.78
4940	Daniel Y. Janvier	Refund of contributions as a result of separation of employment on 1/28/2018; \$8,185.48	8,185.48
4941	Randy D. Devore	Change in annual installments from DROP account commencing 3/1/2018; \$50,000.00	50,000.00
4942	Paul O'Connell Robert Drago Sharra Aaronian Vincent Femia	FPPTA Winter School expense reimbursement; \$15.00 OPAL Public Funds Summit expense reimbursement; \$40.86; FPPTA Winter School expense reimbursement; \$228.67, Total \$269.53 FPPTA Winter School expense reimbursement; \$331.10 FPPTA Winter School expense reimbursement; \$226.39	842.02
4943	Charles Schwab & Co., Inc. - IRA FBO John Devoe	Lump sum distribution of Fund Rate DROP account via trustee-to-trustee transfer to Charles Schwab & Co. Inc./IRA due to separation of service on 1/31/2018; \$788,010.42	788,010.42
4944	Charles Schwab & Co., Inc. – IRA FBO John Devoe	Trustee-to-trustee transfer of share plan balance due to separation of service on 1/31/2018; \$68,366.66	68,366.66
4945	Xerox Corporation Foremost Insurance Group	Inv No. 092039166, January lease; \$172.94, excess print charges \$10.00, Total \$182.94 Property, general liability and umbrella coverage, policy	3,325.24

REGULAR MEETING – FEBRUARY 20, 2018

ITEM NO. 6 - WARRANT NOS. 4935 THROUGH 4952

Ratified and Approved on 02/20/2018

	All Florida Alarm Systems Richard Samolewicz	period 2/15/2018 to 2/15/2019; \$2,342.43 Service call 12/16/2017, replace battery backup; \$95.00 FPPTA Winter School expense reimbursement; \$704.87	
4946	Victory Capital RBC Global The Nyhart Company Morgan Stanley	Inv No. 20171231-461-A, Investment management fee quarter ended 12/31/2017; \$12,319.00 Inv No. 20171231-189-A, Investment management fee quarter ended 12/31/2017; \$9,640.78 Invoice No. 0137376, actuarial valuation report (progress billing); \$10,000.00 Investment consulting fee quarter ended 12/31/2017; \$21,250.00, DROP consulting fee qtr starting 1/1/2018; \$3,750.00, Total \$25,000.00	56,959.78
4947	Bank of America	Debra Tocarchick: Telephone & internet; \$295.29, Wall Street Journal 12/31 qtrly subscription; \$98.97, Courier; \$56.34, Board meeting supplies; \$52.01, Total \$502.61 Maureen Femia: FPPTA Winter School expenses; \$26.45 Paul O'Connell: Mayor's State of the City Address/Table; \$1,000.00, FPPTA Winter School expenses; \$705.04, Total \$1,705.04 Sharra Aaronian: FPPTA Winter School Expenses; \$633.27 Robert Drago: IFEBP Wharton School registration; \$5,295.00, FPPTA Winter School expenses; \$633.27, OPAL Public Funds Summit expenses; \$582.45, Blockchain Finance course; \$132.87, Total \$6,643.59 Vincent Femia: FPPTA Winter School expenses; \$676.49 David Hall: FPPTA Winter School expenses; \$1,661.64 Richard Samolewicz: FPPTA Winter School expenses; \$248.84	12,097.93
4948	Francotyp-Postalia, Inc. Comerica Bank	Inv No. RI103540684, 2/2/18 – 5/1/18, quarterly postage meter lease; \$78.00 Inv No. 438430, custodial fee for quarter ended 12/31/2017; \$16,426.89	16,504.89
4949	UBS Financial Services/IRA FBO Scott Friend	Trustee-to trustee transfer of balance of Fund Rate DROP account for earnings less fees for quarter ended 12/31/2017; \$9,187.65	9,187.65
4950	Michael Johnson Florida Department of Revenue Alerus Financial	DROP loan net amount to Michael Johnson; \$5,879.00 Documentary stamps for Michael Johnson DROP loan; \$21.00 Loan processing fee for Michael Johnson; \$100.00	6,000.00
4951	Merrill Lynch – IRA FBO Deborah Zimmerman	Lump sum distribution of Fund Rate DROP account via trustee-to-trustee transfer to Merrill Lynch/IRA due to separation of service on 01/31/2018; \$821,380.30	821,380.30
4952	Merrill Lynch – IRA FBO Deborah Zimmerman	Trustee-to-trustee transfer of share plan balance due to separation of service on 01/31/2018; 68,366.66	68,366.66

SUMMARY OF RELEVANT FACTS
Pompano Beach Police & Firefighters' Retirement System
As of December 31, 2017

Distribution of Assets:

Equity	
-Large Cap. Value	\$30,238,707
-Large Cap. Growth	\$30,741,193
-Mid Cap. Value	\$10,966,128
-Small/Mid Cap. Growth	\$12,524,081
-International Value	\$18,468,087
-International Growth	\$18,412,755
Total Equity	\$121,350,952
Fixed Income	\$49,238,263
Private Real Estate	\$19,062,599
Fund of Hedge Funds	\$21,589,669
Master Limited Partnerships	\$11,254,303
Private Equity	\$9,501,759
Cash (Non-Managed Account)	\$7,787,661
Total Portfolio	\$239,785,205

Distribution by Percentages:

	Policy	Current
Equity Breakdown		
-Large Cap. Value	12.50%	12.61%
-Large Cap. Growth	12.50%	12.82%
-Mid Cap. Value	5.00%	4.57%
-Small/Mid Cap. Growth	5.00%	5.22%
-International Value	7.50%	7.70%
-International Growth	7.50%	7.68%
Total Equity	50.00%	50.61%
Fixed Income	22.50%	20.53%
Private Real Estate	7.50%	7.95%
Fund of Hedge Funds	10.00%	9.00%
Master Limited Partnerships	5.00%	4.69%
Private Equity	5.00%	3.96%
Cash (Non-Managed Account)	0.00%	3.25%
Total Portfolio	100.00%	100.00%

Other Important Facts:

Total Portfolio	\$239,785,205
Total Gain or (Loss) - Gross of Fees	\$6,249,991

BLACKROCK

Total Assets	100.00%	\$30,238,707
Equity	97.40%	\$29,451,496
Cash	2.60%	\$787,211
Fees		(\$31,442)
Gain or (Loss)		\$1,554,636

SANDS CAPITAL MANAGEMENT

Total Assets	100.00%	\$30,741,193
Equity	97.45%	\$29,958,280
Cash	2.55%	\$782,913
Fees		(\$45,022)
Gain or (Loss)		\$1,253,972

RBC GLOBAL

Total Assets	100.00%	\$10,966,128
Equity	96.78%	\$10,613,081
Cash	3.22%	\$353,047
Fees		(\$5,894)
Gain or (Loss)		\$258,436

WELLS

Total Assets	100.00%	\$12,524,081
Equity	98.22%	\$12,300,577
Cash	1.78%	\$223,504
Fees		(\$26,822)
Gain or (Loss)		\$805,890

Pine Grove Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$10,255,476
Gain or (Loss)		\$122,590

Center Coast Master Limited Partnerships

Fund of Hedge Fund	100.00%	\$11,254,303
Gain or (Loss)		(\$191,123)

NB CROSSROADS (PRIVATE EQUITY) #1

Total Assets	100.00%	\$3,606,602
Gain or (Loss)		\$0

LAZARD (International Value)

Total Assets	100.00%	\$18,468,087
Equity	96.76%	\$17,870,531
Cash	3.24%	\$597,556
Fees		(\$23,558)
Gain or (Loss)		\$943,159

RENAISSANCE (International Growth)

Total Assets	100.00%	\$18,412,755
Equity	97.44%	\$17,940,852
Cash	2.56%	\$471,903
Fees		(\$27,881)
Gain or (Loss)		\$550,943

STANDISH MELLON

Total Assets	100.00%	\$24,531,389
Fixed	96.40%	\$23,648,154
Cash	3.60%	\$883,235
Fees		(\$18,099)
Gain or (Loss)		\$192,907

INCORE/VICTORY (FORMERLY MUNDER)

Total Assets	100.00%	\$24,706,874
Fixed	98.94%	\$24,444,277
Cash	1.06%	\$262,597
Fees		(\$12,299)
Gain or (Loss)		\$125,647

INVESCO (Private Real Estate)

Private Real Estate	100.00%	\$16,062,599
Fees		(\$44,516)
Gain or (Loss)		\$404,910

OFFICE BUILDING

Total Assets	100.00%	\$3,000,000
Gain or (Loss)		\$42,500

Ironwood Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$11,334,192
Gain or (Loss)		\$183,944

MAIN ACCOUNT (NON-MANAGED)

Cash	100.00%	\$7,787,661
Gain or (Loss)		\$1,580

NB CROSSROADS (PRIVATE EQUITY) #2

Fund of Hedge Fund	100.00%	\$2,242,840
Gain or (Loss)		\$0

BLACKSTONE (PRIVATE EQUITY)

Total Assets	100.00%	\$2,038,791
Gain or (Loss)		(\$0)

GOLDMAN SACHS (PRIVATE EQUITY)

Total Assets	100.00%	\$1,613,526
Gain or (Loss)		\$0

BREAKDOWN OF RETURNS
Pompano Beach Police & Firefighters' Retirement System
As of December 31, 2017

TRADITIONAL INVESTMENTS

BLACKROCK		Your Returns				
<i>Large Cap. Value</i>		Gross	Net	Russ 1000 Value	PSN Money Mgrs.	S&P 500
	Quarter	5.22	5.11	5.33	6.04	6.65
	1 year	16.21	15.60	13.66	16.40	21.83
	3 year	10.40	9.77	8.65	9.68	11.42
	Since 1/31/2013	12.12	11.49	12.84	NA	14.90
SANDS CAPITAL				Russ 1000 Growth	PSN Money Mgrs.	
<i>Large Cap. Growth</i>						
	Quarter	3.92	3.77	7.86	6.83	
	1 year	35.98	35.22	30.21	26.53	
	3 year	9.66	9.01	13.79	11.60	
	5 year	15.73	15.05	17.33	16.06	
	Since 5/31/2003	12.48	11.84	10.19	NA	
RBC GLOBAL				Russ Mid Value	PSN Money Mgrs.	
<i>Mid Cap. Value</i>						
	Quarter	2.36	2.30	5.50	5.58	
	1 year	3.37	3.05	13.35	14.53	
	3 year	4.72	4.15	9.00	9.63	
	5 year	13.00	12.41	14.67	14.85	
	Since 1/31/2009	15.99	15.32	17.85	NA	
WELLS				Russ 2500 Growth	PSN Money Mgrs.	
<i>Small/Mid Cap. Growth</i>						
	Quarter	6.42	6.20	6.35	4.88	
	1 year	30.49	29.37	24.46	23.28	
	3 year	12.21	11.21	10.87	10.84	
	5 year	15.83	14.80	15.46	15.55	
	Since 1/31/2009	19.68	18.65	18.54	NA	
LAZARD				MSCI AC Wrld x US		
<i>International Value</i>						
	Quarter	5.15	5.01	5.00		
	1 year	27.06	26.44	27.19		
	3 year	8.50	7.95	7.83		
	Since 1/31/2013	6.72	6.20	6.06		
RENAISSANCE				MSCI AC Wrld x US		
<i>International Growth</i>						
	Quarter	2.88	2.73	5.00		
	1 year	27.97	27.18	27.19		
	3 year	8.09	7.39	7.83		
	5 year	9.97	9.26	6.80		
	Since 1/31/2009	11.50	10.81	10.40		
STANDISH MELLON				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
	Quarter	0.72	0.64	0.39	(0.07)	(0.20)
	1 year	3.84	3.53	3.54	2.27	2.14
	3 year	2.21	1.90	2.24	1.82	1.76
	5 year	2.15	1.81	2.10	1.69	1.50
	Since 4/30/2003	4.22	3.88	4.08	3.71	3.49
INCORE/VICTORY (Munder)				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
	Quarter	0.46	0.41	0.39	(0.07)	(0.20)
	1 year	4.01	3.80	3.54	2.27	2.14
	3 year	2.39	2.23	2.24	1.82	1.76
	5 year	2.36	2.24	2.10	1.69	1.50
	Since 9/30/2002	4.50	4.28	4.18	3.80	3.62

ALTERNATIVE INVESTMENTS

INVESCO						
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE	BC Aggregate
	Quarter	2.29	2.01	1.80	2.07	0.39
	1 year	8.45	7.24	6.98	7.62	3.54
	3 year	10.79	9.57	9.39	10.42	2.24
	5 year	11.81	10.59	10.19	11.53	2.10
	Since 7/31/2006	6.31	5.17	7.42	6.46	4.44
OFFICE BUILDING						
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate	
	Quarter	1.43	1.43	0.28	0.39	
	1 year	4.71	4.71	0.84	3.54	
	3 year	27.60	27.60	0.38	2.24	
	5 year	7.62	7.62	0.24	2.10	
	Since 3/31/2007	0.44	0.37	0.64	4.23	
Ironwood						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
	Quarter	1.65	1.65	1.05	0.39	
	1 year	7.28	7.28	3.98	3.54	
	3 year	3.93	3.93	2.07	2.24	
	5 year	6.10	6.10	3.38	2.10	
	Since 7/31/2008	3.52	3.52	1.31	4.14	
Pine Grove						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
	Quarter	1.21	1.21	1.05	0.39	
	1 year	5.56	5.56	3.98	3.54	
	3 year	1.90	1.90	2.07	2.24	
	5 year	3.42	3.42	3.38	2.10	
	Since 9/30/2008	3.75	3.75	2.09	4.27	
Center Coast						
<i>Master Limited Partnerships</i>				Alerian MLP	BC Aggregate	
	Quarter	(1.67)	(1.80)	(0.95)	0.39	
	1 year	(4.00)	(4.48)	(6.52)	3.54	
	Since 1/31/2015	(7.82)	(8.22)	(8.62)	1.58	
Neuberger Berman						
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	Dynamic S&P 500	BC Aggregate	
	Quarter	0.00	0.00	0.28	0.39	
	1 year	12.64	12.65	6.83	3.54	
	3 year	12.11	11.97	6.64	2.24	
	5 year	13.38	13.23	12.79	2.10	
	Since 3/31/2010	4.04		11.72	3.50	
Neuberger Berman						
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	Dynamic S&P 500	BC Aggregate	
	Quarter	0.00	0.00	0.28	0.39	
	1 year	8.87	8.88	6.83	3.54	
	3 year	6.62	8.10	6.64	2.24	
	Since 7/31/2014	5.00		8.10	2.62	
Blackstone						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	BC Aggregate	
	Quarter	0.00	(0.44)	6.65	0.39	
	1 year	8.27	6.79	21.83	3.54	
	3 year	8.05	6.36	11.42	2.24	
	Since 11/30/2013	9.40		12.40	2.95	
Goldman Sachs						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	BC Aggregate	
	Quarter	0.00	0.00	0.28	0.39	
	1 year	11.57	11.61	6.83	3.54	
	3 year	8.58	8.55	6.64	2.24	
	Since 12/31/2013	8.00		8.36	3.16	

TOTAL FUND				Policy Index
<i>Time-Weighted Return (TWR)</i>				
Quarter	2.61	2.49	3.24	
1 year	14.32	13.80	12.60	
3 year	6.22	5.71	6.10	
5 year	8.86	8.33	8.70	
Since 9/30/2002	7.79	7.30	7.65	
Since 6/30/1995	7.26			

TOTAL FUND				Actuarial Rate	CPI +3
<i>Dollar-Weighted Net Return (IRR)</i>					
Quarter		2.50	1.82	1.40	
1 year		13.86	7.50	4.90	
3 year		5.48	7.50	4.66	
5 year		8.40	7.50	4.43	

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.