

**POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM**

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

**BOARD OF TRUSTEES MINUTES  
REGULAR MEETING  
FEBRUARY 19, 2019**

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 3:02 PM.

**PRESENT:** Chairman Paul O'Connell  
Vice-Chairman Richard Samolewicz  
Trustee Sharra Aaronian  
Trustee Daniel Christophers  
Trustee Robert Drago  
Trustee Vincent Femia  
Trustee David Hall  
Trustee Peter McGinnis  
Trustee Jorge Rossi

**ALSO PRESENT:** Robert Sugarman, Esq., Board Attorney  
Debra Tocarchick, Executive Director  
Maureen Femia, Deputy Director  
Tayt Odom, Nyhart  
Lawrence Watts, Nyhart  
Charles Mulfinger, Graystone Consulting  
Scott Owens, Graystone Consulting  
Andy McIlvaine, Graystone Consulting

**VISITORS:** George Taylor, Esq., Attorney for Diana Sandell  
Mark Booth, Esq., Attorney for Lisa Sandell  
Lisa Sandell

**AUDIENCE TO BE HEARD**

None

**APPROVAL OF AGENDA**

**MOTION:** To approve the February 19, 2019 agenda with one amendment to move Graystone's Report ahead of the Executive Director's Report. PASSED 9-0.

	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	
Aaronian			X	
Christophers		X	X	
Drago			X	
Femia			X	
Hall	X		X	
McGinnis			X	
Rossi			X	

Board of Trustees Minutes Page Two	February 19, 2019	TRUSTEES	M	S	Y	N
<u>APPROVAL OF MINUTES</u>						
<p><b>MOTION:</b> To waive the reading of the minutes of the Regular Board Meeting on January 22, 2019, and the Professional Advisors Review Committee Meeting on February 13, 2019, and to approve same as presented. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia 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><b>MOTION:</b> To ratify and approve payment of benefits and expenses as set forth on Warrant Nos. 5071, \$19,062.52; No. 5072, \$6,162.09; No. 5073, \$5,337.88; No. 5074, \$16,000.00; No. 5075, \$6,857.43; No. 5076, \$2,752.00; No. 5077, \$37,569.68; No. 5078, \$1,616.80; No. 5079, \$74,527.09; No. 5080, \$717,414.53; No. 5081, \$9,898.79; No. 5082, \$1,134.30; No. 5083, \$8,758.00. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia 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>DECEMBER 31, 2018 INVESTMENT PERFORMANCE REPORT PRESENTED BY GRAYSTONE CONSULTING</u>						
<p>Scott Owens, on behalf of Graystone Consulting, presented the investment performance report for the quarter ending December 31, 2018.</p> <p>Mr. Owens reported on the overall state of the economy and the markets noting that the fourth quarter was a very tough quarter for the market. Nothing changed fundamentally in the markets although there were headline risks worth mentioning such as Brexit, tariff talks and mid-term elections. The Fed did not raise rates in the fourth quarter signifying that growth was already slower than expected causing a tummult in the market. The fourth quarter was the worst since 2011 and the month of December alone was the worst since 2009. While December was an extremely volatile month, the market has increased dramatically since the start of 2019. Unemployment rates are very low; GDP growth was in the 3% range with expectations going forward in the 2% range; both the service and manufacturing indices indicate the economy is expanding; and the inflation rate was 2.2% contrary to the expectation of 2.7%.</p> <p>For the US equity markets, the large cap index was down -13.82%, followed by the midcap down -15.37% and small cap down -20.20% for the quarter. The negative results from the fourth quarter dragged the overall performance numbers down into negative territory for the 12-month period. Utilities was the only positive performing sector for the quarter.</p>						

Board of Trustees Minutes Page Three	October 10, 2018	TRUSTEES	M	S	Y	N
<p>International markets were down -12.54%, and the emerging markets, which is typically one of the most volatile asset classes, was only down -7.4%; both outperforming US equity markets.</p> <p>Fixed income was the safety net for the quarter with government bonds being up 2.5%. The quarter was a prime example of why fixed income is so important as a stabilizer for the portfolio in volatile markets.</p> <p>Mr. Owens reviewed the total fund as of December 31 noting that it lost \$18,966,035 putting it at a total of \$226,252,692. Equities, hedge funds and private equity were slightly underweight and fixed income, MLP's and private real estate were slightly overweight to target allocations. All asset classes were within the target ranges and no recommendation for rebalancing was made.</p> <p>Mr. Owens stressed the importance of asset allocation and maintaining defensive managers for protection particularly during times of volatility with the month of December being a primary example.</p> <p>Mr. Owens reviewed each investment manager's performance relative to their benchmark.</p> <p>Total gross returns for the quarter, 1-year, 3-year and 5-year periods were -7.84%, -2.21%, 5.63%, and 4.65% respectively. The "Summary of Relevant Facts" and "Breakdown of Returns", showing values and returns by manager, are attached on the backup.</p> <p>Mr. Mulfinger arrived at the meeting and briefed the Board on the portfolio's investment performance as of close on February 15, noting a \$15.5 million gain since the end of the quarter and up 6.8%.</p> <p>The Board discussed the manager line-up for the upcoming Educational Symposium. The Board agreed to maintain status quo and conduct the roundtable at the end of the day on Friday rather than moving it to Friday morning.</p>						
<p><b>MOTION:</b> To conduct the investment manager roundtable discussion on Friday afternoon. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia 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></p>

Board of Trustees Minutes Page Four	February 19, 2019	TRUSTEES	M	S	Y	N
<p><b>MOTION:</b> To approve the December 31, 2018 Performance Evaluation Report as presented by Graystone Consulting. PASSED 9-0.</p> <p><b>MOTION:</b> To set the net investment rate of return for the quarter ended 12/31/2018 at -7.84% for purposes of the Fund Rate DROP earnings in accordance with Mr. Mulfinger's 2/8/2019 letter of certification. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p> <p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p> <p>X</p>	<p></p> <p>X</p>	<p></p> <p>X</p>	<p>X X X X X X X X X</p> <p>X X X X X X X X X</p>	<p></p> <p></p>
<p><b><u>EXECUTIVE DIRECTOR'S REPORT</u></b></p>						
<p>The Executive Director provided an update in the Captain Sandell death benefits matter regarding Nyhart's calculation of the death benefit for the two child beneficiaries. An updated benefit calculation was performed on January 23, 2019 and provided to the Guardian Ad Litem to enable her to timely file her report with the court by the filing deadline. After further review and discussion with the actuary, it was observed that a different interpretation of Section 34.058(B)(4) was applied by Nyhart in the January 23 calculation than had been applied in March 18, 2016 calculation performed by the former Nyhart actuary. Nyhart requested guidance from the Board as to the correct interpretation of the ordinance; i.e. whether the benefit was intended to be fully actuarially equivalent or the participant's accrued benefit.</p>						
<p>Mr. Sugarman, Chairman O'Connell and the Executive Director discussed the issue and mutually agreed the ordinance provides for payment of the participant's accrued benefit (meaning the amount of his pension earned up to the day of death); and recommended that the Board accept the March 18, 2016 methodology as originally discussed and agreed upon by all parties as updated on the February 12, 2019 Nyhart report.</p>						
<p>Mr. Sugarman advised the Board that once it accepts the recommendation contained within the Executive Director's report, the attorneys for the parties will request the court appoint the guardians for the children who will then receive the benefit(s) for the children until the children reach the age of majority and the guardianship ends.</p>						
<p>Upon receipt of the court order, the guardians are advised to make an appointment with the Pension Office to file the appropriate paperwork to commence payment of the benefits.</p>						

<p><b>Board of Trustees Minutes</b> <b>Page Five</b></p> <p style="text-align: right;"><b>February 19, 2019</b></p>	<b>TRUSTEES</b>	<b>M</b>	<b>S</b>	<b>Y</b>	<b>N</b>
<p>Attorneys Booth and Taylor both advised the Board that the actuary was able to answer all their questions and they were both in agreement that the benefit should be approved by the Board as recommended.</p>					
<p>It was noted that if the court order was not available by March 1, then the calculation will be updated to the April 1 payment date.</p>					
<p><b>MOTION:</b> To accept the Executive Director's report regarding the Captain Sandell death benefit calculations. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>		<p>X</p>	<p>X X X X X X X X X</p>	
<p>In consideration of the presenters, the remainder of the Executive Director's Report was deferred to the end of the meeting.</p>					
<p><u>PRESENTATION OF OCTOBER 1, 2018 ACTUARIAL REPORT BY NYHART</u></p>					
<p>Mr. Tayt Odom and Lawrence Watts were in attendance to present the 10/1/2018 Actuarial Valuation Report on behalf of The Nyhart Company, Inc.</p>					
<p>Mr. Odom distributed a Board Summary Report of the results and provided an overview of focal points.</p>					
<p>Information highlighted included:</p> <ul style="list-style-type: none"> <li>• The Plan had strong performance of 8.59% on the market value of assets which was better than expected.</li> <li>• The assumed investment rate of return was lowered to 7.4% as part of an incremental five-year phase-in to 7.0% increasing the liability by approximately \$3.5 million; however, the funding level still improved to 69% on both an actuarial and market-value basis.</li> <li>• The 20-year amortization of unfunded liability on new bases was implemented and ended up saving the Plan money due to a better than expected year and lowered the contribution rate by accelerating the amortization.</li> <li>• The Plan saw a net experience gain of approximately \$3.3 million, enough to almost entirely offset the liability increase of \$3.5 million due to the change in assumptions.</li> <li>• The recommended contribution for fiscal year 2019-20 dropped approximately \$100,000.</li> <li>• Unfunded liability decreased to \$104.3 million.</li> <li>• Long-term historical rates of return over the past 42 years are 8.4% on the market value of assets and 7.50% on the actuarial value of assets.</li> </ul>					

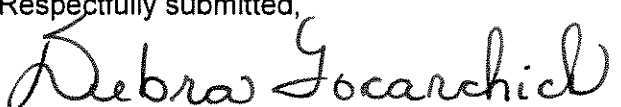
Board of Trustees Minutes Page Six	February 19, 2019	TRUSTEES	M	S	Y	N
<ul style="list-style-type: none"> <li>The trend among Florida pension plans has been to reduce their investment return assumption. The average return assumption was 7.31%, a decline from the average assumption of 7.44% seen in the prior year. The same trend is occurring on a national level among public pension plans.</li> <li>Actuarial Standard of Practice No. 51 went into effect 11/1/2018 and will pertain to future valuation reports. This practice will focus more on identifying risks that may affect the Plan's future financial condition.</li> </ul> <p>During discussion regarding participant demographics, the concept of an asset/liability study was raised since the police side only has two remaining active members. Mr. Odom explained the process as projecting the benefit payments and aligning the assets accordingly which would move the portfolio toward a more conservative allocation and lower expected returns.</p> <p>Mr. Odom recommending conducting an experience study at the same time as an asset/liability study since the last experience study was in 2013.</p> <p>The Board directed the actuary to contact Graystone Consulting to discuss an asset/liability study and provide a fee estimate for both studies to the Board for consideration.</p> <p><b>MOTION:</b> To approve the October 1, 2018 actuarial report as presented and recommended by Nyhart. PASSED 9-0.</p>						
<p><u>SUGARMAN &amp; SUSSKIND, PA LEGAL REPORT</u></p> <p>Mr. Sugarman advised the Board that Brookfield Investment Management, Inc changed its name and form of organization to Brookfield Public Securities Group, LLC. Therefore, it is legally a new entity and the investment management agreement must be amended. Mr. Sugarman recommended not paying the fee invoice to the new entity until the new contract is in place.</p> <p>Since filing the AmTrust derivative claim, the company went private so there is no more AmTrust stock and no standing to prosecute the derivative claims. However, the class action seeking damages related to the wrongdoing is still ongoing and the Plan is still in a leadership role in that case.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X X</p>	<p>X X X X X X X X X</p>	



Board of Trustees Minutes Page Eight	February 19, 2019	TRUSTEES	M	S	Y	N
<p>Mr. Sugarman provided an update on the award of attorney fees in the Jeff Poole case. The court did not set an amount but rather remanded it back to the lower court which in this case does not exist. Therefore, a hearing would have to be held by the Board of Trustees to decide the fee amount which is not recommended by Sugarman &amp; Susskind. The Board may elect to hire an administrative law judge to make the decision; however, this will incur a cost to the Plan.</p> <p>Mr. Sugarman questioned whether it is worth spending money to obtain a judgment where there may never be a collection. They asked the insurance company whether it would want to pursue this at the insurance company's expense; however, it asked for Mr. Poole's social security number to make a determination which Mr. Sugarman we cannot provide. Sugarman &amp; Susskind is still exploring the issue with the insurance company.</p> <p>Mr. Sugarman will advise the insurance company that they can pursue it at their own cost.</p> <p>Sugarman &amp; Susskind is still working on a contract with Labaton &amp; Sucharow.</p> <p>Sugarman &amp; Susskind reviewed the proposed agreement with Nyhart for DROP administration services and made some recommended changes which have been incorporated.</p>						
<p><b>MOTION:</b> To approve the DROP Administrative Service Agreement by and between the Pompano Beach Police and Firefighters Retirement System and the Nyhart Company and to authorize the Chairman to executed same. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X X</p>		
<p>Sugarman &amp; Susskind reviewed the Trust Agreement for John Tepedino's DROP account and found it acceptable after a recommended change to the beneficiary form.</p>						
<p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p>						
<p>The 9/30/18 audited financial statement was submitted for Board approval.</p>						
<p><b>MOTION:</b> To approve the 9/30/2018 audited financial statement as submitted. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X X</p>		





Board of Trustees Minutes Page Ten	February 19, 2019	TRUSTEES	M	S	Y	N
<i>Investment Committee:</i>						
The Board reviewed the draft letter to the investment managers regarding an informal year-end performance review and agreed on edits.						
<i>Communications and Cyber-Review Committee:</i>						
Committee Chairman Rossi submitted an updated quote from CNI for website redesign at the same cost as previously quoted. If approved, work would commence in mid-March.						
<p><b>MOTION:</b> To approve the website redesign for CNI work order #PBP021901. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>		
<i>Budget Committee:</i>						
An informal budget variance report was distributed for quarter ending 12/31/2018.						
Following the Committee Reports, the Board discussed dinner venues for the Educational Symposium.						
<u>ADJOURNMENT</u>						
<p><b>MOTION:</b> To adjourn the February 19, 2019 Board meeting at 5:59 PM. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>		
<p>Respectfully submitted,</p> 			<p>X</p>	<p>X X X X X X X X</p>		
<p>Debra Tocarchick, CEBS Executive Director</p>						
<u>DISTRIBUTION:</u>						
<p>Board of Trustees Robert A. Sugarman, Esq. Pedro Herrera, Esq. Tayt Odom, Actuary City Manager Mayor and City Commission</p>	<p>City Clerk Assistant City Attorney City HR Director President IAFF Local 1549 Marcum</p>					

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

LAST NAME—FIRST NAME—MIDDLE NAME Paul D. O'Connell		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 February 19, 2019		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 D. O'Connell, hereby disclose that on February 19, 20 19 :

(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 Fort 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 table of 10 and ad journal advertisement for the 69th Annual St. Patrick's Day Gala totaling \$650.00. 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.

February 19, 2019  
Date Filed

  
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 19, 2019**

**ITEM NO. 5 - WARRANT NOS. 5071 THROUGH 5083**

**Ratified and Approved on 02/19/2019**

<b>WARRANT NO.</b>	<b>PAYABLE TO</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>5071</b>	Office Depot Occupational Health Ctr  BlackRock  The Hartford	Inv No. 259751112001, Office Supplies; <b>\$87.40</b> Pre-employment physical for one (1) new-hire firefighter; <b>\$280.00</b> Inv No. 20181231-9371-51959-A, Inv mgmt fee for quarter beginning 1/1/2019; <b>\$16,610.04</b> Property, general liability and umbrella insurance coverage; Policy No. 21SBAVK0223, 2/15/2019 – 2/15/2020; <b>\$2,085.08</b>	<b>19,062.52</b>
<b>5072</b>	David W. Smith	Normal Retirement benefit commencing 3/1/2019 as a result of reaching end of DROP period on 2/28/2019; <b>\$6,162.09</b>	<b>6,162.09</b>
<b>5073</b>	Mitchell Grossman	Recalculated monthly service-incurred disability benefit as a result of offset of worker's compensation income impairment benefits and recoupment of overpayment effective 3/1/2019; <b>\$5,337.88</b>	<b>5,337.88</b>
<b>5074</b>	Frederick V. Fawcett	Change in annual installments from Fund Rate DROP account commencing 3/1/2019; <b>\$16,000.00</b>	<b>16,000.00</b>
<b>5075</b>	Weston Insurance  Bateman, Gordon, Sands  Xerox Corporation  RLI Insurance Co	Annual premium for Commercial Wind Policy No. CFA00014010860405 effective 3/6/2019; <b>\$1,187.00</b> Crime policy; policy period 4/20/2019 – 4/20/2020; <b>\$485.00</b> Inv No. 095846146, December lease; \$172.94, excess print charges; \$12.49, <b>Total \$185.43</b> Deductible for fiduciary liability insurance claim, Jeff Poole; <b>\$5,000.00</b>	<b>6,857.43</b>
<b>5076</b>	John Tepedino	Change in monthly installments from DROP account commencing 3/1/2019 for required minimum distribution for 2018; \$2,602.00, commencing 4/19/2019; \$150.00, <b>Total \$2,752.00</b>	<b>2,752.00</b>
<b>5077</b>	Victory Capital Wells Fargo Bank, NA Minuteman Press Sugarman & Susskind	Investment mgmt. fee qtr ended 12/31/2018; <b>\$12,973.00</b> Investment mgmt. fee qtr ended 12/31/2018; <b>\$23,878.61</b> Inv No. 63343, dated 2/6/2019, 500 envelopes; <b>\$73.07</b> Inv No. 135712, R. Sandell death benefits; <b>\$645.00</b>	<b>37,569.68</b>
<b>5078</b>	Robert Kazmierczak	Survivor benefit payable to beneficiary of Janet S. Kazmierczak for period of 4/1/2019 through 4/21/2019 due to end of the 10-Year Certain option on 4/21/2019; <b>\$1,616.80</b>	<b>1,616.80</b>
<b>5079</b>	UBS Financial Services FBO: Ted Patton	Trustee-to-trustee transfer of Share Plan balance due to separation of service on 2/28/2019; <b>\$74,527.09</b>	<b>74,527.09</b>

**REGULAR MEETING – FEBRUARY 19, 2019**

**ITEM NO. 5 - WARRANT NOS. 5071 THROUGH 5083**

**Ratified and Approved on 02/19/2019**

<b>5080</b>	UBS Financial Services FBO: Ted Patton	Lump sum distribution of 95% of Fund Rate DROP account via trustee-to-trustee transfer to UBS Financial Services/IRA – Due to separation of service on 2/28/2019; <b>\$717,414.53</b>	<b>717,414.53</b>
<b>5081</b>	Bank of America	Debra Tocarchick: IFEBP Annual Conference registration; \$1,995.00, Telephone & internet; \$298.50, Publication (WSJ Quarterly); \$110.97, Board meeting supplies; \$6.49, <b>Total \$2,410.96</b> Maureen Femia: Sympathy gift; \$102.11, Board meeting supplies; \$72.10, FPPTA Winter School expenses; \$48.25, <b>Total \$222.46</b> Sharra Aaronian: FPPTA Winter School registration; <b>\$650.00</b> Robert Drago: IFEBP Advanced Investments registration; \$5,495.00, BLB&G 2019 Forum registration; \$625.00, BLB&G Airfare; \$451.92, <b>Total \$6,571.92</b> Vinnie Femia: FPPTA Winter School expenses; <b>\$43.45</b>	<b>9,898.79</b>
<b>5082</b>	Robert Drago Vincent Femia Maureen Femia Sharra Aaronian Richard Samolewicz	FPPTA Winter School expense reimbursement; <b>\$253.84</b> FPPTA Winter School expense reimbursement; <b>\$240.50</b> FPPTA Winter School expense reimbursement; <b>\$38.87</b> FPPTA Winter School expense reimbursement; <b>\$346.63</b> FPPTA Winter School expense reimbursement; <b>\$254.46</b>	<b>1,134.30</b>
<b>5083</b>	FP Mailing Solutions  Alerus  Marcum	Inv No. #R1103946686, 02/02/2019 – 05/01/2019 quarterly postage meter lease; <b>\$78.00</b> Inv No. 20182555, dated 11/26/2018, Investment fund change fee; <b>\$500.00</b> Inv No. 101263116; Final audit billing 9/30/2018, Billing for PBI, LLC 9/30/2018; <b>\$8,180.00</b>	<b>8,758.00</b>

**SUMMARY OF RELEVANT FACTS**  
**Pompano Beach Police & Firefighters' Retirement System**  
**As of December 31, 2018**

**Distribution of Assets:**

Equity	
-Large Cap. Value	\$26,607,468
-Large Cap. Growth	\$27,520,649
-Mid Cap. Value	\$11,250,855
-Small/Mid Cap. Growth	\$10,469,118
-International Value	\$15,447,902
-International Growth	\$14,370,062
Total Equity	\$105,666,053
Fixed Income	\$51,503,945
Private Real Estate	\$20,360,299
Fund of Hedge Funds	\$21,831,182
Master Limited Partnerships	\$9,660,551
Private Equity	\$9,792,066
Cash (Non-Managed Account)	\$7,438,595
Total Portfolio	\$226,252,692

**Distribution by Percentages:**

	Policy	Current
Equity Breakdown		
-Large Cap. Value	12.50%	11.76%
-Large Cap. Growth	12.50%	12.16%
-Mid Cap. Value	5.00%	4.97%
-Small/Mid Cap. Growth	5.00%	4.63%
-International Value	7.50%	6.83%
-International Growth	7.50%	6.35%
Total Equity	50.00%	46.70%
Fixed Income	22.50%	22.76%
Private Real Estate	7.50%	9.00%
Fund of Hedge Funds	10.00%	9.65%
Master Limited Partnerships	5.00%	4.27%
Private Equity	5.00%	4.33%
Cash (Non-Managed Account)	0.00%	3.29%
Total Portfolio	100.00%	100.00%

**INVESCO (Private Real Estate)**

Private Real Estate	100.00%	\$17,360,299
Fees		(\$48,148)
Gain or (Loss)		\$367,823

**OFFICE BUILDING**

Total Assets	100.00%	\$3,000,000
Gain or (Loss)		\$31,875

**Ironwood Fund of Hedge Fund**

Fund of Hedge Fund	100.00%	\$11,518,522
Gain or (Loss)		(\$288,828)

**MAIN ACCOUNT (NON-MANAGED)**

Cash	100.00%	\$7,438,595
Gain or (Loss)		\$4,476

**Other Important Facts:**

Total Portfolio		\$226,252,692
Total Gain or (Loss) - Gross of Fees		(\$18,966,035)

**BLACKROCK**

Total Assets	100.00%	\$26,607,468
Equity	95.45%	\$25,397,312
Cash	4.55%	\$1,210,156
Fees		(\$19,463)
Gain or (Loss)		(\$3,937,058)

**SANDS CAPITAL MANAGEMENT**

Total Assets	100.00%	\$27,520,649
Equity	97.37%	\$26,796,327
Cash	2.63%	\$724,322
Fees		(\$47,940)
Gain or (Loss)		(\$5,819,482)

**NUANCE**

Total Assets	100.00%	\$11,250,855
Equity	92.25%	\$10,378,447
Cash	7.75%	\$872,408
Fees		(\$12,190)
Gain or (Loss)		(\$751,239)

**WELLS**

Total Assets	100.00%	\$10,469,118
Equity	95.85%	\$10,034,989
Cash	4.15%	\$434,129
Fees		(\$27,687)
Gain or (Loss)		(\$2,622,499)

**Pine Grove Fund of Hedge Fund**

Fund of Hedge Fund	100.00%	\$10,312,660
Gain or (Loss)		(\$249,942)

**Center Coast Master Limited Partnerships**

Fund of Hedge Fund	100.00%	\$9,660,551
Gain or (Loss)		(\$1,819,758)

**NB CROSSROADS (PRIVATE EQUITY) #1**

Total Assets	100.00%	\$3,739,123
Gain or (Loss)		\$0

**LAZARD (International Value)**

Total Assets	100.00%	\$15,447,902
Equity	94.13%	\$14,541,090
Cash	5.87%	\$906,812
Fees		(\$21,028)
Gain or (Loss)		(\$1,995,971)

**RENAISSANCE (International Growth)**

Total Assets	100.00%	\$14,370,062
Equity	98.35%	\$14,132,839
Cash	1.65%	\$237,223
Fees		(\$25,991)
Gain or (Loss)		(\$2,813,520)

**STANDISH MELLON**

Total Assets	100.00%	\$25,710,197
Fixed	99.49%	\$25,580,125
Cash	0.51%	\$130,071
Fees		(\$16,426)
Gain or (Loss)		\$387,140

**INCORE/VICTORY (FORMERLY MUNDER)**

Total Assets	100.00%	\$25,793,749
Fixed	98.91%	\$25,511,597
Cash	1.09%	\$282,151
Fees		(\$13,158)
Gain or (Loss)		\$540,948

**NB CROSSROADS (PRIVATE EQUITY) #2**

Fund of Hedge Fund	100.00%	\$2,802,575
Gain or (Loss)		\$0

**BLACKSTONE (PRIVATE EQUITY)**

Total Assets	100.00%	\$2,122,395
Gain or (Loss)		(\$0)

**GOLDMAN SACHS (PRIVATE EQUITY)**

Total Assets	100.00%	\$1,127,973
Gain or (Loss)		\$0

**BREAKDOWN OF RETURNS**  
**Pompano Beach Police & Firefighters' Retirement System**  
**As of December 31, 2018**

**TRADITIONAL INVESTMENTS**

<b>BLACKROCK</b>		<b>Your Returns</b>				
<i>Large Cap. Value</i>		<b>Gross</b>	<b>Net</b>	<b>Russ 1000 Value</b>	<b>PSN Money Mgrs.</b>	<b>S&amp;P 500</b>
	Quarter	(12.81)	(12.87)	(11.72)	(12.70)	(13.52)
	1 year	(7.08)	(7.31)	(8.27)	(7.95)	(4.38)
	3 year	7.94	7.45	6.95	7.42	9.26
	5 year	6.40	5.86	5.95	6.23	8.49
	Since 1/31/2013	8.62	8.06	8.96	NA	11.38
<b>SANDS CAPITAL</b>				<b>Russ 1000 Growth</b>	<b>PSN Money Mgrs.</b>	
<i>Large Cap. Growth</i>						
	Quarter	(17.41)	(17.55)	(15.89)	(15.14)	
	1 year	7.42	6.80	(1.51)	(2.19)	
	3 year	10.89	10.24	11.15	9.55	
	5 year	9.22	8.58	10.41	8.84	
	Since 5/31/2003	12.15	11.51	9.40	NA	
<b>NUANCE</b>				<b>Russ Mid Value</b>	<b>PSN Money Mgrs.</b>	
<i>Mid Cap. Value</i>						
	Quarter	(6.21)	(6.30)	(14.95)	(16.37)	
	Since 6/30/2018	(3.66)	(3.75)	(12.15)	(13.64)	
	Nuance/RBC Global - 1 year	(2.57)	(2.83)	(12.29)	(12.41)	
	Nuance/RBC Global - 3 year	5.27	4.81	6.06	5.98	
	Nuance/RBC Global - 5 year	5.92	5.42	5.44	5.26	
	Nuance/RBC Global - Since 1/31/2009	13.97	13.35	14.40	NA	
<b>WELLS</b>				<b>Russ 2500 Growth</b>	<b>PSN Money Mgrs.</b>	
<i>Small/Mid Cap. Growth</i>						
	Quarter	(20.03)	(20.22)	(20.08)	(20.96)	
	1 year	(5.91)	(6.73)	(7.47)	(4.69)	
	3 year	10.14	9.17	8.11	9.61	
	5 year	6.19	5.24	6.19	6.33	
	Since 1/31/2009	16.81	15.80	15.62	NA	
<b>LAZARD</b>				<b>MSCI AC Wld x US</b>		
<i>International Value</i>						
	Quarter	(11.44)	(11.56)	(11.46)		
	1 year	(13.49)	(13.91)	(14.19)		
	3 year	3.82	3.30	4.48		
	5 year	1.07	0.56	0.68		
	Since 1/31/2013	3.00	2.50	2.33		
<b>RENAISSANCE</b>				<b>MSCI AC Wld x US</b>		
<i>International Growth</i>						
	Quarter	(16.37)	(16.51)	(11.46)		
	1 year	(19.03)	(19.53)	(14.19)		
	3 year	0.76	0.13	4.48		
	5 year	(0.39)	(1.04)	0.68		
	Since 1/31/2009	7.96	7.29	7.63		
<b>STANDISH MELLON</b>				<b>BC Aggregate</b>	<b>BC Int. Aggregate</b>	<b>BC Int. Gov/Credit</b>
<i>Fixed Income</i>						
	Quarter	1.52	1.45	1.64	1.80	1.65
	1 year	0.09	(0.10)	0.01	0.92	0.88
	3 year	2.14	1.87	2.06	1.72	1.70
	5 year	2.51	2.19	2.52	2.09	1.86
	Since 4/30/2003	3.95	3.62	3.82	3.53	3.32
<b>INCORE/VICTORY (Munder)</b>				<b>BC Aggregate</b>	<b>BC Int. Aggregate</b>	<b>BC Int. Gov/Credit</b>
<i>Fixed Income</i>						
	Quarter	2.11	2.06	1.64	1.80	1.65
	1 year	0.55	0.35	0.01	0.92	0.88
	3 year	2.44	2.26	2.06	1.72	1.70
	5 year	2.73	2.58	2.52	2.09	1.86
	Since 9/30/2002	4.25	4.03	3.92	3.62	3.45

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.



**ALTERNATIVE INVESTMENTS**

<b>INVESCO</b>						
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE	BC Aggregate
	Quarter	2.16	1.88	1.37	0.00	1.64
	1 year	9.29	8.08	6.71	6.47	0.01
	3 year	9.00	7.79	7.22	7.62	2.06
	5 year	10.82	9.61	9.33	10.03	2.52
	Since 7/31/2006	6.54	5.40	7.36	6.46	4.08
<b>OFFICE BUILDING</b>						
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate	
	Quarter	1.07	1.07	0.57	1.64	
	1 year	4.34	4.34	1.86	0.01	
	3 year	4.47	4.47	0.99	2.06	
	5 year	20.87	20.87	0.60	2.52	
	Since 3/31/2007	0.77	0.70	0.74	3.86	
<b>Ironwood</b>						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
	Quarter	(2.45)	(2.45)	(3.55)	1.64	
	1 year	1.62	1.62	(1.05)	0.01	
	3 year	3.79	3.79	1.63	2.06	
	5 year	4.08	4.08	1.67	2.52	
	Since 7/31/2008	3.34	3.34	1.09	3.74	
<b>Pine Grove</b>						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
	Quarter	(2.37)	(2.37)	(3.55)	1.64	
	1 year	0.56	0.56	(1.05)	0.01	
	3 year	3.48	3.48	1.63	2.06	
	5 year	1.83	1.83	1.67	2.52	
	Since 9/30/2008	3.43	3.43	1.79	3.84	
<b>Center Coast</b>						
<i>Master Limited Partnerships</i>				Alerian MLP		
	Quarter	(15.85)	(15.97)	(17.30)		
	1 year	(14.26)	(14.68)	(12.42)		
	3 year	(1.83)	(2.33)	(1.06)		
	Since 1/31/2015	(9.51)	(9.91)	(9.59)		
<b>Neuberger Berman</b>						
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Sept)	BC Aggregate	
	Quarter	0.00	0.00	0.57	1.64	
	1 year	3.51	3.49	11.19	0.01	
	3 year	12.09	12.12	14.89	2.06	
	5 year	12.55	12.63	11.82	2.52	
	Since 3/31/2010	4.88	10.88	13.35	3.09	
<b>Neuberger Berman</b>						
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Sept)	BC Aggregate	
	Quarter	0.00	0.00	0.57	1.64	
	1 year	7.08	7.05	11.19	0.01	
	3 year	11.27	11.67	14.89	2.06	
	Since 7/31/2014	7.26	9.78	12.08	2.02	
<b>Blackstone</b>						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Sept)	BC Aggregate	
	Quarter	0.00	(0.28)	0.57	1.64	
	1 year	15.49	14.21	11.19	0.01	
	3 year	12.23	9.90	14.89	2.06	
	5 year	11.37	9.02	11.82	2.52	
	Since 11/30/2013	11.89	9.09	12.16	2.36	
<b>Goldman Sachs</b>						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Sept)	BC Aggregate	
	Quarter	0.00	0.00	0.57	1.64	
	1 year	6.05	4.85	11.19	0.01	
	3 year	10.02	10.18	14.89	2.06	
	Since 12/31/2013	8.21	9.42	11.82	2.52	

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TOTAL FUND				Policy Index
<i>Time-Weighted Return (TWR)</i>				
Quarter	(7.84)	(7.94)		(7.92)
1 year	(2.21)	(2.61)		(4.14)
3 year	5.63	5.15		5.49
5 year	4.65	4.16		4.50
Since 9/30/2002	7.17	6.68		6.92
Since 6/30/1995	6.85			

TOTAL FUND				Actuarial Rate	CPI +3
<i>Dollar-Weighted Net Return (IRR)</i>					
Quarter		(7.96)		1.82	0.98
1 year		(2.46)		7.50	4.98
3 year		5.29		7.50	5.01
5 year		4.19		7.50	4.52
Since 9/30/2002		6.96		7.50	5.11

**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.