



<b>Board of Trustees Minutes May 5-7, 2016</b> <b>Page Two</b>	<b>TRUSTEES</b>	<b>M</b>	<b>S</b>	<b>Y</b>	<b>N</b>
<p>Mr. Mulfinger described the general economy as continued slow growth with the first quarter's GDP growth at 0.50%. The Morgan Stanley outlook for the US economy for 2016-2017 is about 1.6%-1.7%, and for the global economy is about 3.0%-3.5%. The previous quarter's number was revised up several times and ended up at 1.4%. The current quarter was helped by an improved manufacturing index. The service sector continues to show strength and the job number continues to improve. Inflation numbers are still below 2% and are not seen as a concern.</p> <p>In reviewing the results of the major indices, Mr. Mulfinger noted that January was the worst beginning of the year in history and February the largest recovery since 1933. Some of the worries generating a lot of "noise" in the market are the impact of what the Federal Reserve may decide to do, China growth and currency concerns, Brexit, oil prices and global supply, the election, and global recession.</p> <p>In the US equity markets, the S&amp;P 500 was up 1.34% for the quarter and 1.8% for the 1-year, and the DJIA was up 2.20% for the quarter and 2.08% for the 1-year. Larger companies outperformed smaller and mid-cap companies, and for the first time in many quarters, value outperformed growth in all capitalizations. Telecom and utilities were the best performing sectors and financials and health care were the lowest due to regulatory concerns. International developed markets were -3.00% while emerging markets were up 5.75%. In fixed income, the 10-year Treasury was at 2.27% in December and 1.7% in January. These rates do not keep up with inflation, but are attractive to those in other countries experiencing negative interest rates.</p> <p>The total fund portfolio was valued at \$214,083,415 as of March 31, a loss of \$2.3 million during the quarter. The fund was overweight in large and mid-cap value equities and small/mid-cap growth, and underweight in large cap growth and international equities, but overall right in line with the equity policy target. The fund was slighted overweight in fixed income and private real estate and underweight in the remaining alternative asset classes. Mr. Mulfinger noted that the master limited partnership had bounced back some since the end of the quarter. The plan is well diversified for the current environment.</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>Sands Capital (large cap growth) was hit hard this quarter with performance down -9.41% to their benchmark of 0.74%. They are bottom-up and are willing to pay more for growth stocks if they feel the growth is there. Some of those stocks that had the biggest move up also had the biggest move down.</p> <p>Mr. Mulfinger indicated that in the passive indexes with lowest to highest quality companies in a market that has gone straight up, lower quality has performed better. A bottom-up active manager such as Sands that</p>					

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<p>focuses on higher quality companies underperformed. However, in the last five years, over 70% of active managers underperformed their benchmark. While this does raise a question as to whether retirement plans should be in passive investing, the belief is that because the economy has grown and the market has done so well, this is actually the time active managers should outperform going forward. In Sands' presentation, the Trustees should be aware of what Sand's forward-looking outlook is and what changes they anticipate making to the portfolio, as well as whether their description makes sense for what they are investing in and why. Historically, their explanations of why they invest in a particular company have been correct.</p> <p>In reviewing the other equities managers, the trend was that underperformance was due to sector weighting.</p> <p>Mr. Mulfinger reported that Graystone and Invesco resolved their difference in the historical return calculation which was identified as a one quarter lag on the fees.</p> <p>Hedge funds in general have been under pressure due to unexpectedly low returns. Mr. Mulfinger encouraged discussion with Ironwood and Pine Grove about high redemption claims that some hedge funds are experiencing and what their process would be should they experience high redemption claims. Hedge funds are intended as a diversifier because they are lowly correlated to the market; however, the industry is being impacted by investor sentiment. Hedge funds should be considered on watch simply based on the current market sentiment.</p> <p>Center Coast (master limited partnership) will need to explain their large losses, unexpected correlation with oil prices, and strategy moving forward.</p> <p>The Plan is positioned for slow growth and a potential recession although one is not immediately anticipated. The market is in the second longest recovery in history.</p> <p>Total gross returns for the quarter, 1-year and 3-year periods were -1.01%, -3.29% and 6.03%, respectively, with a slight relative underperformance for all periods. The "Summary of Relevant Facts" and "Breakdown of Returns", showing values and returns by manager, are attached as backup.</p>						
<p><b>MOTION:</b> To approve the March 31, 2016 preliminary Performance Evaluation Report as submitted by Graystone Consulting. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall Rossi</p>	<p>X</p>		<p>X X X X X X X X</p>		
<p>With the conclusion of Mr. Mulfinger's presentation, 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>X</p>			

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<p><u>STANDISH MELLON ASSET MANAGEMENT COMPANY, LLC</u>  By: David Bowser, Managing Director and Senior Portfolio Manager, and Scott Mountain, Senior Relationship Manager.</p> <p><u>INCORE CAPITAL MANAGEMENT, LLC</u>  By: Jim Kelts, Portfolio Manager and Fixed Income Trader.</p> <p><u>PINE GROVE ASSOCIATES, INC.</u>  By: Tom Williams, CIO, 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>INVESCO</u>  By: Laler DeCosta, Client Portfolio Manager and Keri Hepburn, Managing Director</p> <p>The session for Thursday, May 5, 2016 ended at 5:00 PM. A networking session was conducted from 5:00 – 6:30 PM following by dinner sponsored by the investment managers at 7:00 PM at SeaWatch Restaurant in Fort Lauderdale.</p> <p><b><u>FRIDAY, MAY 6, 2016</u></b></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 (departed at 2:46)  Trustee Vincent Femia  Trustee Patrick Fletcher (departed at 1:52)  Trustee David Hall  Trustee Jorge Rossi (arrived at 11:13)</p> <p><u>ABSENT:</u> Trustee Peter McGinnis</p> <p><u>ALSO PRESENT:</u> Debra Tocarchick, Executive Director  Amanda Cintron, Deputy Director  Charles Mulfinger II, Graystone Consulting  Scott Owens, Graystone Consulting</p> <p><u>VISITORS:</u> Robert Drago, police member  Jonathan Friedberg, fire member  Andrea Levine, 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>						

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<p><u>BLACKROCK</u> By: William Gannon, Director/Product Strategist Team</p> <p><u>SANDS CAPITAL MANAGEMENT, INC.</u> By: Kevin Murphy, Director, Wealth Management Portfolio Manager</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><u>WELLS CAPITAL MANGEMENT</u> By: John Taphorn, Client Portfolio Specialist and Tom Galfano, Client Relations Director</p> <p>Following the presentation by Wells, Chairman O'Connell called the business meeting to order at 12:20 PM.</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> Pedro Herrera, Esq., Board Attorney Debra Tocarchick, Executive Director Amanda Cintron, Deputy Director Charles Mulfinger II, Graystone Consulting Scott Owens, Graystone Consulting</p> <p><u>VISITORS:</u> Robert Drago, police member Jonathan Friedberg, fire member Andrea Levine, police member</p> <p><u>AUDIENCE TO BE HEARD</u></p> <p>None</p> <p><u>APPROVAL OF AGENDA</u></p>						

Board of Trustees Minutes Page Six	May 5-7, 2016	TRUSTEES	M	S	Y	N
<p><b>MOTION:</b> To approve the agenda for May 6, 2016, as presented. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall Rossi		X	X X X X X X X X	
<p><u>APPROVAL OF MINUTES</u></p>					X X X X X X X X	
<p><b>MOTION:</b> To waive the reading of the minutes of the Regular Board meeting on April 20, 2016, and to approve same as presented. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall Rossi	X		X X X X X X X X	
<p><u>RATIFICATION AND APPROVAL OF WARRANTS</u></p>				X	X X X X X X X X	
<p><b>MOTION:</b> To ratify and approve payment of benefits and expenses as set forth on Warrants No. 4705, \$3,676.64; 4706, \$87,833.57; 4707, \$3,263.06; 4708, \$23,535.50. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall Rossi	X		X X X X X X X X	
<p><u>SUGARMAN &amp; SUSSKIND PA LEGAL REPORT</u></p>						
<p>Sugarman &amp; Susskind updated the beneficiary forms to include specific language requiring that a copy of the trust document be provided as supporting documentation when designating a trust as beneficiary. A question was raised regarding the privacy of the information obtained.</p>						
<p>Mr. Herrera responded that any documents provided to the Pension Office are subject to a public records request. The policy adopted by the Board on March 21 requires that a member submit only the portion of the trust document pertaining to the pension asset for those naming a trust as a beneficiary. All other information unrelated to the pension may be redacted. One alternative discussed was to collect the title page and signature page only to establish that the trust exists. Another alternative discussed was to request the contact information of the attorney who drafted the trust or the custodian of the trust.</p>						
<p>The Executive Director reported that the Pension Office requested copies of trust documents from those members who currently have a trust designated as a beneficiary and to date has not received any response.</p>						
<p>The topic was tabled to the June meeting to permit Sugarman &amp; Susskind and staff to confer as to whether an alternate method of collecting the trust information is more appropriate and enforceable, and whether the existing policy should be revised accordingly.</p>						


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<p>Sugarman and Susskind reported that the complaint in the interpleader action regarding Captain Sandell's death benefits has been drafted. The complaint has been provided to the other attorneys of record, along with Mr. Sean Sandell, for their review in order to provide an opportunity for the parties to reach accord.</p> <p>Sugarman and Susskind reminded the Board that financial disclosure forms are due on July 1 and updated them on upcoming educational opportunities.</p> <p>Chairman O'Connell advised the Board that during the annual meeting to brief the City Manager and his staff regarding the actuarial valuation report, the concept of the police share plan was raised. It was made clear that the City expected to get its 50% default of the Chapter 185 premium tax monies; however, the City did not take a position with regard to how the members divide their 50% share. Sugarman and Susskind is in the process of drafting a plan that mirrors the firefighters' share plan. Once the draft is complete, a meeting will be scheduled with the 16 police members for review and discussion. If the 16 members are in agreement, then it will be brought back to the Board for approval and recommended to the City for adoption. The meeting with the police members will be scheduled on a weekday evening in June.</p> <p>Sugarman &amp; Susskind reported that they are still awaiting confirmation from Ms. Wolfson on the proposed June 20 meeting date for Adam Burn's formal hearing on the denial of his disability benefit application.</p> <p>Mr. Herrera informed the Board that Mr. Sugarman will be out of the office for a short period for personal reasons and to copy Mr. Herrera on any communications to make sure they are addressed in Mr. Sugarman's absence.</p> <p>Sugarman and Susskind reported that the attorneys in the Poole forfeiture hearing are currently working to agree and amend the stipulated facts and coordinate a hearing date. Mr. Herrera clarified that the attorneys will isolate the facts to simplify the case when it is presented to the Board. The facts will be presented at one meeting and the forfeiture hearing scheduled for another meeting. The Chairman requested that the hearing on the motions be made part of a regular monthly Board meeting and the full forfeiture hearing as a special meeting.</p> <p>Sugarman &amp; Susskind reported that recent federal legislation had afforded banks the right to shorten their period of time for retaining client records and it would be prudent to verify with the Fund's custodian that all pension records were saved properly. The Executive Director advised the Board that its custodial bank provides a CD containing all reports on a monthly basis which is verified and retained in the Pension Office as a historical record.</p>						

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<u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u>						
<p>At the April 18 meeting, the Board was asked to review the memorandum and documentation compiled by staff in the ongoing search for a new pension administration system and formulate any questions they may have regarding the systems. The Chairman requested that the Executive Director discuss her preference and recommendation.</p>						
<p>The Executive Director reported that out of all three of the system demonstrations evaluated, staff and the Board's IT Consultant were in agreement that Pension Technology Group's (PTG) PensionPro was the most comprehensive and impressive system in terms of design and workflow capabilities. Additionally, PTG's security infrastructure both built into the product at the deepest levels and through their hosted data center was impressive. Finally, PTG demonstrated a willingness to learn more about the needs of the Plan and had the lowest overall implementation cost over a five year period.</p>						
<p>Vice-Chairman Samolewicz expressed his shared interest in PTG based on the fact that pension systems are their sole line of business and the lower maintenance fees were attractive. Ms. Tocarchick felt that there was room for further negotiation to lower the proposed annual maintenance fees.</p>						
<p><b>MOTION:</b> To retain Pension Technology Group (PTG) to implement and host the PensionPro pension administration system, and to authorize the Executive Director to further negotiate with PTG regarding the ongoing annual maintenance cost, and finally to authorize the Chairman to execute the Hosting Agreement subject to legal review and approval of the contractual documents. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia Fletcher Hall Rossi	X	X X X X X X X	X X X X X X X	
<p>Trustee Femia reported that members have requested that quarterly Investment Performance Reports prepared by Graystone be posted on the website. The reports are currently included with the newsletter to all members. The Board directed staff to also post the quarterly reports to the website.</p>						
<u>COMMITTEE REPORTS</u>						
<p>No committee reports were rendered.</p>						
<u>EXECUTIVE DIRECTORS REPORT</u>						
<p>The Executive Director reported that a 3-year Crime Policy was purchased from Traveler's at a cost of \$485.00/year.</p>						
<p>Trustee Samolewicz requested that the 2016 Public Funds Forum be added to the list of approved educational opportunities. The Board reviewed the conference specifics and requested that the agenda be made available to all Trustees.</p>						





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<b><u>SATURDAY, MAY 7, 2016</u></b>						
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><u>PRESENT:</u> Chairman Paul O'Connell Trustee Sharra Aaronian Trustee Daniel Christophers Trustee Vincent Femia Trustee Patrick Fletcher Trustee David Hall Trustee Jorge Rossi (arrived at 11:12)</p>						
<p><u>ABSENT:</u> Vice-Chairman Richard Samolewicz Trustee Peter McGinnis</p>						
<p><u>ALSO PRESENT:</u> Debra Tocarchick, Executive Director Amanda Cintron, Deputy Director Charles Mulfingher II, Graystone Consulting</p>						
<p><u>VISITORS:</u> Robert Drago, police member Andrea Levine, police member</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><u>CENTER COAST CAPITAL ADVISORS, LP</u> By: Boran Buturovic, Vice President and Greg Falzone, Vice President Investor Relations</p>						
Center Coast focused their discussion on the unexpected market reaction to oil and its unprecedented impact on the MLP space. Ever since the commodity price downturn began at the end of 2014, MLP's have sold off with commodities and the broader energy equities. They believe that the good MP's have been thrown out with the bad, and many have very little to do with the price of crude oil or production growth. Moreover, many can benefit from a low commodity price environment. Cash flows have been stable and growing in the past five quarters which proves that the recent poor price performance experienced by mid-stream MPS's is in stark contrast to the actual cash flow generated. Because prices have fallen and cash flow has proved resilient MLP's appear cheap. Their investment philosophy has not changed because they invest in high-quality assets that are critical to US oil and gas infrastructure needs and historically have generated stable, durable and growing cash flows across various commodity cycles.						
Mr. Mulfingher responded to the Board that he felt Center Coast's fundamentals were still solid and the market psychology is misaligned. The cash flows are stable and MLP's are currently so undervalued that should						

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<p>rebalancing occur, Graystone would recommend adding to the Center Coast allocation. Currently, Center Coast is within its investment allocation range. If the investment was outside of the target range, then the policy would be to unemotionally rebalance. However, since it is on the low end of the target range, the Board could elect to rebalance if it feels the investment is poised for a comeback. Mr. Mulfinger recommended moving assets from an area that was overpriced and reallocating to Center Coast approximately 1.25%.</p>						
<p><b>MOTION:</b> To strategically rebalance by reducing the overweight to the fixed income asset class and increasing MLP asset class back to its target allocation. PASSED 7-0.</p>	<p>O'Connell Aaronian Christophers Femia Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X</p>	<p>X X X X X X X</p>	
<p>Presentations continued from the scheduled money managers.</p>						
<p><u>NB ALTERNATIVES ADVISERS, LLC</u> By: Chris Frattaroli, Senior Vice President</p>						
<p><u>GOLDMAN SACHS</u> By: Bryn Gostin, Vice President AIMS Group, and Chris Hunter, Vice President AIMS Group</p>						
<p>Following the presentations Mr. Mulfinger provided a brief wrap-up of the day and the Symposium as a whole.</p>						
<p><u>ADJOURNMENT</u></p>						
<p><b>MOTION:</b> To adjourn the 2016 Educational Symposium at 11:13 AM. PASSED 7-0.</p>	<p>O'Connell Aaronian Christophers Femia Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X</p>	<p>X X X X X X X</p>	
<p>Respectfully submitted,</p>						
<p></p>				<p>X</p>	<p>X X X X X X X</p>	
<p>Debra Tocarchick, Executive Director</p>						
<p><u>DISTRIBUTION:</u> 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</p>						

**REGULAR MEETING – MAY 6, 2016**

**ITEM NO. 5 - WARRANT NOS. 4705 THROUGH 4708**

**Ratified and Approved on 05/06/2016**

<b>WARRANT NO.</b>	<b>PAYABLE TO</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>4705</b>	Amanda Cintron	Salary increase effective 5/1/2016, less 10% 401(a) employee contribution, less 457 deferred compensation, \$2,958.16; 401(a) employee and employer contribution, \$668.48; 457 employee contribution; \$50.00, <b>Total \$3,676.64</b>	<b>3,676.64</b>
<b>4706</b>	Victory Capital Lazard BlackRock RBC Global	Inv mgmt fees qtr ended 3/31/16; <b>\$12,769.00</b> Inv mgmt fees qtr ended 3/31/16; <b>\$20,538.73</b> Inv mgmt fees qtr beginning 04/01/16; <b>\$40,090.04</b> Inv mgmt fees qtr ended 3/31/16; <b>\$14,435.80</b>	<b>87,833.57</b>
<b>4707</b>	FP Mailing Solutions Economic Computers  Bateman, Gordon, Sands  The Nyhart Company	Inv No. RI102807824, InkJet Cartridge; <b>\$113.33</b> Inv No. 2168, Wi-Fi conference room, \$374.88; Inv No. 2181, PC image backup, \$289.85, <b>Total \$664.73</b> Casualty and surety crime policy, policy no. 106508046, policy period 04/20/16 – 04/20/17; <b>\$485.00</b> Inv No. 0120029, Actuarial services as billed through 4/3/2016; <b>\$2,000.00</b>	<b>3,263.06</b>
<b>4708</b>	Wells Capital Xerox Corporation	Inv mgmt fees qtr ended 3/31/16; <b>\$23,350.44</b> Inv No. 084338555, April lease; \$172.94; excess print charges; \$12.12, <b>Total \$185.06</b>	<b>23,535.50</b>

**SUMMARY OF RELEVANT FACTS**  
**Pompano Beach Police & Firefighters' Retirement System**  
**As of March 31, 2016**

Distribution of Assets:	
Equity	
-Large Cap. Value	\$28,206,593
-Large Cap. Growth	\$25,981,743
-Large Cap. Core	\$0
-Mid Cap. Value	\$11,035,732
-Small/Mid Cap. Growth	\$10,847,688
-International Value	\$15,923,535
-International Growth	\$15,778,358
<b>Total Equity</b>	<b>\$107,773,650</b>
Fixed Income	\$51,403,976
Private Real Estate	\$17,026,124
Fund of Hedge Funds	\$19,071,621
Master Limited Partnerships	\$7,988,608
Private Equity	\$9,261,803
Cash (Non-Managed Account)	\$1,583,470
<b>Total Portfolio</b>	<b>\$214,109,253</b>

Distribution by Percentages:		
	Policy	Current
Equity Breakdown		
-Large Cap. Value	12.50%	13.17%
-Large Cap. Growth	12.50%	12.13%
-Large Cap. Core	0.00%	0.00%
-Mid Cap. Value	5.00%	5.15%
-Small/Mid Cap. Growth	5.00%	5.07%
-International Value	7.50%	7.44%
-International Growth	7.50%	7.37%
<b>Total Equity</b>	<b>50.00%</b>	<b>50.34%</b>
Fixed Income	22.50%	24.01%
Private Real Estate	7.50%	7.95%
Fund of Hedge Funds	10.00%	8.91%
Master Limited Partnerships	5.00%	3.73%
Private Equity	5.00%	4.33%
Cash (Non-Managed Account)	0.00%	0.74%
<b>Total Portfolio</b>	<b>100.00%</b>	<b>100.00%</b>

INVESCO (Private Real Estate)		
Private Real Estate	100.00%	\$14,026,124
Fees		(\$38,301)
Gain or (Loss)		\$202,756

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

UBP Fund of Hedge Fund		
Fund of Hedge Fund	100.00%	\$5,493
Gain or (Loss)		(\$435)

MAIN ACCOUNT (NON-MANAGED)		
Cash	100.00%	\$1,583,470
Gain or (Loss)		\$197

Other Important Facts:	
Total Portfolio	\$214,109,253
Total Gain or (Loss) - Gross of Fees	(\$2,285,632)

BLACKROCK			
Total Assets	100.00%	\$28,206,593	
Equity	97.42%	\$27,479,878	
Cash	2.58%	\$726,716	
Fees		(\$40,041)	
Gain or (Loss)		\$215,808	

SANDS CAPITAL MANAGEMENT			
Total Assets	100.00%	\$25,981,743	
Equity	98.44%	\$25,575,775	
Cash	1.56%	\$405,968	
Fees		(\$42,097)	
Gain or (Loss)		(\$2,699,257)	

CORNERSTONE (TERMINATED)			
Total Assets		\$0	
Equity		\$0	
Cash		\$0	
Fees		\$0	
Gain or (Loss)		\$0	

RBC GLOBAL			
Total Assets	100.00%	\$11,035,732	
Equity	99.62%	\$10,993,295	
Cash	0.38%	\$42,438	
Fees		(\$20,730)	
Gain or (Loss)		\$6,301	

WELLS			
Total Assets	100.00%	\$10,847,688	
Equity	97.26%	\$10,550,291	
Cash	2.74%	\$297,397	
Fees		(\$25,859)	
Gain or (Loss)		(\$418,783)	

Ironwood Fund of Hedge Fund			
Fund of Hedge Fund	100.00%	\$9,969,551	
Gain or (Loss)		(\$332,540)	

Pine Grove Fund of Hedge Fund			
Fund of Hedge Fund	100.00%	\$9,096,577	
Gain or (Loss)		(\$211,040)	

Center Coast Master Limited Partnerships			
Fund of Hedge Fund	100.00%	\$7,988,608	
Gain or (Loss)		(\$320,226)	

LAZARD (International Value)			
Total Assets	100.00%	\$15,923,535	
Equity	98.48%	\$15,681,583	
Cash	1.52%	\$241,952	
Fees		(\$22,027)	
Gain or (Loss)		(\$36,728)	

RENAISSANCE (International Growth)			
Total Assets	100.00%	\$15,778,358	
Equity	97.49%	\$15,382,062	
Cash	2.51%	\$396,296	
Fees		(\$26,138)	
Gain or (Loss)		(\$179,331)	

STANDISH MELLON			
Total Assets	100.00%	\$25,699,831	
Fixed	96.95%	\$24,916,247	
Cash	3.05%	\$783,584	
Fees		(\$18,942)	
Gain or (Loss)		\$711,760	

INCORE/VICTORY (FORMERLY MUNDER)			
Total Assets	100.00%	\$25,704,145	
Fixed	99.95%	\$25,690,726	
Cash	0.05%	\$13,420	
Fees		\$0	
Gain or (Loss)		\$645,505	

NB CROSSROADS (PRIVATE EQUITY) #1			
Total Assets	100.00%	\$3,788,278	
Gain or (Loss)		\$40,660	

NB CROSSROADS (PRIVATE EQUITY) #2			
Fund of Hedge Fund	100.00%	\$1,232,800	
Gain or (Loss)		\$12,048	

BLACKSTONE (PRIVATE EQUITY)			
Total Assets	100.00%	\$2,574,231	
Gain or (Loss)		(\$3,337)	

GOLDMAN SACHS (PRIVATE EQUITY)			
Total Assets	100.00%	\$1,666,494	
Gain or (Loss)		\$49,135	

**BREAKDOWN OF RETURNS**  
**Pompano Beach Police & Firefighters' Retirement System**  
**As of March 31, 2016**

**TRADITIONAL INVESTMENTS**

<b>BLACKROCK</b>		<b>Your Returns</b>		<b>Russ 1000 Value</b>	<b>PSN Money Mgrs.</b>	<b>S&amp;P 500</b>
<i>Large Cap. Value</i>		<b>Gross</b>	<b>Net</b>			
	Quarter	0.78	0.63	1.64	1.58	1.34
	1 year	1.00	0.41	(1.55)	1.58	1.80
	3 year	7.83	7.16	9.38	1.58	11.83
	Since 1/31/2013	8.83	8.19	10.71	NA	12.96
<b>SANDS CAPITAL</b>				<b>Russ 1000 Growth</b>	<b>PSN Money Mgrs.</b>	
<i>Large Cap. Growth</i>						
	Quarter	(9.41)	(9.56)	0.74	(1.04)	
	1 year	(6.48)	(7.04)	2.53	(1.01)	
	3 year	11.32	10.65	13.62	12.11	
	5 year	12.76	12.10	12.38	11.06	
	Since 5/31/2003	11.34	10.71	8.86	NA	
<b>RBC GLOBAL</b>				<b>Russ Mid Value</b>	<b>PSN Money Mgrs.</b>	
<i>Mid Cap. Value</i>						
	Quarter	0.06	(0.15)	3.92	3.49	
	1 year	(7.34)	(7.95)	(3.40)	(3.59)	
	3 year	11.21	10.60	9.88	9.42	
	5 year	10.34	9.68	10.51	9.51	
	Since 1/31/2009	17.30	16.59	18.16	NA	
<b>WELLS</b>				<b>Russ 2500 Growth</b>	<b>PSN Money Mgrs.</b>	
<i>Small/Mid Cap. Growth</i>						
	Quarter	(3.72)	(3.96)	(2.66)	(3.79)	
	1 year	(10.19)	(11.05)	(9.58)	(10.03)	
	3 year	7.70	6.72	9.23	8.65	
	5 year	8.64	7.66	8.76	8.49	
	Since 1/31/2009	18.44	17.43	17.86	NA	
<b>LAZARD</b>				<b>MSCI AC Wld x US</b>		
<i>International Value</i>						
	Quarter	(0.23)	(0.38)	(0.37)		
	1 year	(4.92)	(5.41)	(9.18)		
	3 year	2.43	1.92	0.32		
	Since 1/31/2013	1.91	1.43	0.03		
<b>RENAISSANCE</b>				<b>MSCI AC Wld x US</b>		
<i>International Growth</i>						
	Quarter	(1.12)	(1.30)	(0.37)		
	1 year	(6.52)	(7.18)	(9.18)		
	3 year	6.24	5.54	0.32		
	5 year	3.87	3.20	0.31		
	Since 1/31/2009	10.66	9.97	8.64		
<b>STANDISH MELLON</b>				<b>BC Aggregate</b>	<b>BC Int. Aggregate</b>	<b>BC Int. Gov/Credit</b>
<i>Fixed Income</i>						
	Quarter	2.84	2.76	3.03	2.31	2.45
	1 year	1.56	1.26	1.96	2.20	2.07
	3 year	2.46	2.11	2.50	2.14	1.83
	5 year	4.03	3.69	3.78	3.11	3.01
	Since 4/30/2003	4.52	4.18	4.40	4.07	3.83
<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	2.57	2.57	3.03	2.31	2.45
	1 year	1.29	1.24	1.96	2.20	2.07
	3 year	2.48	2.41	2.50	2.14	1.83
	5 year	4.06	3.91	3.78	3.11	3.01
	Since 9/30/2002	4.78	4.55	4.50	4.15	3.97

**ALTERNATIVE INVESTMENTS**

<b>INVESCO</b>					
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE
	Quarter	1.47	1.19	2.21	2.18
	1 year	12.81	11.58	11.85	13.66
	3 year	13.17	11.95	11.91	13.62
	5 year	12.81	11.61	11.93	13.26
	Since 7/31/2006	5.79	4.66	7.45	6.03
<b>OFFICE BUILDING</b>					
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate
	Quarter	1.07	1.07	0.06	3.03
	1 year	3.91	3.91	0.08	1.96
	3 year	10.40	10.40	0.05	2.50
	5 year	5.36	5.36	0.06	3.78
	Since 3/31/2007	(0.34)	(0.34)	0.55	4.71
<b>Ironwood</b>					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
	Quarter	(3.23)	(3.23)	(2.04)	
	1 year	(3.98)	(3.98)	(3.54)	
	3 year	4.63	4.63	2.04	
	5 year	4.83	4.83	1.66	
	Since 7/31/2008	2.61	2.61	0.58	
<b>Pine Grove</b>					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
	Quarter	(2.27)	(2.27)	(2.04)	
	1 year	(6.70)	(6.70)	(3.54)	
	3 year	0.63	0.63	2.04	
	5 year	1.42	1.42	1.66	
	Since 9/30/2008	2.98	2.98	1.52	
<b>Center Coast</b>					
<i>Master Limited Partnerships</i>				Alerian MLP	
	Quarter	(3.86)	(3.98)	(4.17)	
	1 year	(30.98)	(31.24)	(31.84)	
	Since 1/31/2015	(27.50)	(27.73)	(29.39)	
<b>Neuberger Berman</b>					
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	1.06	1.06	1.34	
	1 year	5.94	5.88	1.80	
	3 year	12.79	12.69	11.83	
	5 year	8.53	10.49	11.59	
	Since 3/31/2010	1.42	9.76	12.25	
<b>Neuberger Berman</b>					
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	1.13	1.03	1.34	
	1 year	4.31	4.27	1.80	
	Since 7/31/2014	0.01	1.43	6.22	
<b>Blackstone</b>					
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	(0.13)	(0.52)	1.34	
	1 year	7.88	6.08	1.80	
	Since 11/30/2013	10.07	6.19	8.05	
<b>Goldman Sachs</b>					
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	2.88	2.91	1.34	
	1 year	7.88	6.84	1.80	
	Since 12/31/2013	6.25	8.57	7.16	

TOTAL FUND				Policy Index	Composite Index
<i>Time-Weighted Return (TWR)</i>					
Quarter	(1.00)	(1.13)		0.94	1.02
1 year	(3.28)	(3.76)		(2.14)	(2.32)
3 year	6.03	5.50		6.07	6.36
5 year	6.50	5.96		6.69	6.87
Since 9/30/2002	7.29	6.79		7.31	7.56
Since 6/30/1995	6.89				

TOTAL FUND				Actuarial Rate	CPI +3
<i>Dollar-Weighted Net Return (IRR)</i>					
Quarter		(1.18)		1.82	0.81
1 year		(3.80)		7.50	4.23
3 year				7.50	3.89
5 year		6.08		7.50	4.32
Since 9/30/2002		6.90		7.50	5.10

**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.