

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

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

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
JUNE 19, 2017**

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 3:03 PM.

PRESENT: Chairman Paul O'Connell
Vice-Chairman Richard Samolewicz
Trustee Sharra Aaronian
Trustee Daniel Christophers (arrived at 3:33 PM)
Trustee Robert Drago
Trustee Vincent Femia
Trustee Peter McGinnis
Trustee Jorge Rossi (departed at 5:20 PM)

ABSENT: Trustee David Hall

ALSO PRESENT: Robert A. Sugarman, Esq., Board Attorney
Debra Tocarchick, Executive Director
Gregg Rossman, Gregg Rossman, PA
Ron Cohen, Esq., Rice, Pugatch, Robinson, Storfer & Cohen
T.J. Loew, Asst VP, Graystone, via telephone

VISITORS: Andrea Levine, Police Member

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

MOTION: To approve the agenda for June 19, 2017, as presented. PASSED 7-0.

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

APPROVAL OF MINUTES

MOTION: To waive the reading of the minutes of the Educational Symposium and Business Meeting on May 4-6, 2017, and to approve same as submitted. PASSED 7-0.

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

			V	V
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			T	T
			E	E
			D	D
			Y	N
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			S	N
			N	O
			O	N
			N	O

Board of Trustees Minutes Page Two	June 19, 2017	TRUSTEES	M	S	Y	N	
<u>APPROVAL OF DROP LOAN APPLICATION</u>							
<p>MOTION: To approve the DROP loan application of fire member, Jeffrey Valerga. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>			<p>X X X X X X X</p>		
<u>RATIFICATION AND APPROVAL OF WARRANTS</u>							
<p>MOTION: To ratify and approve payments of benefits and expenses as set forth on Warrant Nos. 4849, \$2,382.30; No. 4850, \$8,162.39; No. 4851, \$400.00; No. 4852, \$1,050.00; No. 4853, \$5,107.05; No. 4854, \$681.08; No. 4855, \$52,065.57; No. 4856, \$567.67; No. 4857, \$4,000.00; No. 4858, \$7,500.00; No. 4859, \$50,000.00; No. 4860, \$16,476.76; No. 4861, \$2,603.16; No. 4862, \$6,461.70; No. 4863, \$315.00; No. 4864, \$803,775.10; No. 4865, \$59,560.69; No. 4866, \$110,736.46, No. 4867 \$13,257.68. 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 X</p>		
<u>SUGARMAN & SUSSKIND LEGAL REPORT, PA</u>							
<p>Sugarman & Susskind submitted a recommended plan of action in response to Senate Bill 80, an amendment to the Public Records Act. The law responds to the practice of filing so-called "gotcha" lawsuits in which members of the public file frivolous public records requests intended primarily to cause a violation of the law and result in an attorney fee award. Under the new law, a member of the public who seeks an award of attorney fees and costs must provide written notice to the agency's custodian of records no less than five business days before filing the lawsuit, provided that the agency prominently posts contact information for the custodian of records in its primary administrative building and website.</p>							
<p>Mr. Sugarman recommended posting the proposed notice on the Retirement System's bulletin board and website, and also forwarding it to the City with a request that they do the same.</p>							
<p>The Board agreed by consensus and directed the Executive Director to post the notice and provide it to the City accordingly.</p>							
<p>Mr. Sugarman reported that his firm is still working on the proposed Ordinance amendments for the DROP Loan Interest, Normal Retirement Age/In-Service Distributions, and miscellaneous corrections.</p>							
<p>Mr. Sugarman requested a shade meeting on behalf of Grant & Eisenhofer to discuss a Section 220 Books and Records Demand regarding AmTrust Financial Services. The Chairman granted the shade meeting to be scheduled on Wednesday, July 12, at 4:00 PM time certain.</p>							

Board of Trustees Minutes Page Three	June 19, 2017	TRUSTEES	M	S	Y	N
<p>In order to accommodate the shade meeting and the Trustees' schedules, the Chairman rescheduled the July Board meeting to Wednesday, July 12, at 2:00 PM.</p> <p>In the interest of time, the updates regarding the Wells Fargo 220 Books and Records Demand and the Q1 Litigation Report regarding Las Vegas Sands were deferred to the July meeting agenda should action be required.</p> <p>Mr. Sugarman advised the Board that he was contacted by Mrs. Diana Sandell's attorney who inquired whether the Board was referring the formal hearing regarding his client's service-incurred death benefit claim to the Florida Division of Administration Hearings. Mr. Sugarman reminded the Board that its Administrative Hearing Policy permits this on a case by case basis, and encouraged the Trustees to give this matter some thought as he will likely recommend it at the appropriate time.</p> <p>Mr. Sugarman turned to the Jeff Poole forfeiture matter and advised the Board that the issue of whether or not the pension should have been forfeited is not being argued or re-litigated at today's meeting. Rather, the board will consider special counsel's recommended Final Order of Agency Action and Notice of Appeal Rights, and opposing counsel's exceptions to the recommended Order.</p> <p>The final order of agency action contains findings of fact, conclusions of law and the final order. Mr. Poole has the right to appeal the Board's final order to the Fourth District Court of Appeals. The Board was tasked with reviewing each of Mr. Cohen's exceptions one by one and taking action to either grant or deny the exception.</p>						
<p><u>Paragraph No. 7 Proposed Finding:</u></p> <p>MOTION: To correct paragraph no. 7 to read: His accumulated employee contributions were \$170,490.43; and to correct the dollar amount in line item c to \$36,500.25. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia McGinnis Rossi</p>	<p>X</p>			<p>X X X X X X X</p>	
<p><u>Paragraph No. 8 Proposed Finding:</u></p> <p>MOTION: To accept the language for paragraph no. 8 as written in Mr. Cohen's exception. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p>	<p>X</p>		<p>X X X X X X X</p>		

Board of Trustees Minutes Page Four	June 19, 2017	TRUSTEES	M	S	Y	N
<p><u>Paragraph No. 10 of Proposed Finding:</u></p> <p>MOTION: To deny Mr. Cohen's exception to paragraph no. 10 and accept it as written. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi	X	X	X X X X X X X	
<p><u>Paragraph No. 13 of Proposed Finding:</u></p> <p>MOTION: To deny Mr. Cohen's exception to paragraph no. 13 and to accept it as written. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi	X	X	X X X X X X X	
<p><u>Paragraph No. 17 of Proposed Finding:</u></p> <p>MOTION: To deny Mr. Cohen's exception to paragraph no. 17 and to accept it as written. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi	X	X	X X X X X X X	
<p><u>Paragraph No. 18 of Proposed Finding:</u></p> <p>MOTION: To deny Mr. Cohen's exception to paragraph no. 18, and to cite the specific record or records prefaced for context in the language of paragraph no. 18. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi	X	X	X X X X X X X	
<p><u>Paragraph No. 19 of Proposed Finding:</u></p> <p>MOTION: To deny Mr. Cohen's exception to paragraph no. 19, and to accept it as written. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi	X	X	X X X X X X X	

Board of Trustees Minutes Page Five	June 19, 2017	TRUSTEES	M	S	Y	N
<p>Due to time constraints, the Board agreed to reconvene and permit the attorneys to continue to argue special counsel's proposed findings of fact and opposing counsel's exceptions, commencing with Paragraph No. 20, at the July 12 meeting starting at 2:00 PM. Each attorney will have three minutes for oral argument.</p>						
<p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p>						
<p>Graystone submitted a final Performance Evaluation Report for quarter ended March 31 to supersede their preliminary Performance Evaluation Report presented at the Educational Symposium.</p>						
<p>Graystone submitted a DROP Performance Evaluation Report for quarter ended March 31.</p>						
<p>MOTION: To approve the March 31, 2017 Performance Evaluation Report as submitted by Graystone Consulting. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p>	<p>X</p>			<p>X X X X X X X X</p>	
<p>MOTION: To approve the March 31, 2017 DROP Performance Evaluation Report as submitted by Graystone Consulting. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p>	<p>X</p>		<p>X</p>	<p>X X X X X X X X</p>	
<p>MOTION: To set the net investment rate of return for quarter ended 3/31/2017 at 4.78% for purposes of the Fund Rate DROP earnings in accordance with Mr. Mulfinger's 5/30/2017 letter of certification. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p>	<p>X</p>		<p>X</p>	<p>X X X X X X X X</p>	
<p>Graystone submitted a recommended change to the Fund Evaluation Criteria for the DROP Investment Policy Statement. The Chairman contacted Mr. T.J. Loew of Graystone via telephone conference call to discuss the recommendation.</p>						
<p>Mr. Loew advised the Board that Graystone is moving away from relying on a fiduciary score based on the parameters currently in place and toward a score based system that they are controlling. Previously they used a fiduciary average score over a five-year time period as the primary driver for the watch list score.</p>						

Board of Trustees Minutes Page Six	June 19, 2017	TRUSTEES	M	S	Y	N
<p>The provider that produces this scoring is moving away from it so Graystone has utilized much of the functionality and created their own score based on the 20 bullet points highlighted in their recommendation. Mr. Loew reviewed the recommended scoring system with the Trustees.</p>						
<p>MOTION: To amend the Fund Evaluation Criteria in the Addendum to the Statement of Investment Policy for Pompano Beach Police & Firefighters Retirement System DROP accounts, as recommended by Graystone Consulting. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p>	<p>X</p>		<p>X X X X X X X X</p>		
<p>The Executive Director submitted a proposed Trustee Election Timetable. The Board requested that the proposed timetable be revised to permit the Election Committee to convene to count ballots and certify the election results the morning of the August 21 board meeting.</p>				<p>X</p>		
<p>MOTION: To approve the Trustee Election Timetable as presented, with the exception of changing the deadline to receive ballots to August 18 at 5:00 PM, and the date for the Committee to verify, count and certify the election to August 21. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p>			<p>X X X X X X X X</p>		
<p>The Chairman appointed the Election Committee to include: Chairman O'Connell, Vice-Chairman Samolewicz, Trustee Aaronian and Trustee Drago.</p>		<p>X</p>	<p>X</p>	<p>X X X X X X X</p>		
<p>The Chairman requested that the Board approve his attendance at the 2017 Standish Investor Forum.</p>						
<p>MOTION: To authorize the Chairman or any interested Trustees' attendance, and the expenses for meals and entertainment as invoiced by Standish, at the 2017 Standish Institutional Investor Forum in Boston, MA, on September 21-22, 2017. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>		
<p>The Board reviewed the semi-annual report of staff sick and vacation time accruals, the 2017 Educational Symposium financial report and the Your Pension Matters Newsletter.</p>						
<p><u>COMMITTEE REPORTS</u></p>						
<p><i>Professional Advisors Review Committee:</i> Committee Chairman Samolewicz reported that the Executive Director's annual performance review will be conducted in July.</p>						
<p>Committee Chairman Samolewicz reported that the Job Description for the Deputy Director position has very specific criteria and the position is open until filled. To date, five applications have been received and he has not</p>						

Board of Trustees Minutes Page Seven	June 19, 2017	TRUSTEES	M	S	Y	N
<p>had time to review them yet since he has been out of town. The Board agreed to receive applications until July 28 and then convene a meeting of the Professional Advisors Review Committee to evaluate and move forward with interviews.</p> <p><i>Communications Committee:</i> Committee Trustee Rossi reported that a request was made by Recovery Village to have their website added to the Retirement System's website links for members. Trustee Rossi reported that this organization is legitimately affiliated with IAFF and provides substance abuse programs.</p> <p>No other Committee Reports were rendered.</p> <p><u>EXECUTIVE DIRECTOR'S REPORT</u></p> <p>The Executive Director reported the following:</p> <ul style="list-style-type: none"> ➤ The documents/authorization forms requested from Mrs. Diana Sandell regarding her application for a service-incurred pre-retirement death claim were received on June 9. Record requests were issued on June 13 to the City and to the identified medical service providers. ➤ Richard Massarelli's IME appointment was initially set for June 9. It has since been changed by Mr. Massarelli to June 21. ➤ Douglas Cason's IME appointment is set for July 3. ➤ Vice-Chairman Samolewicz's Advisory Board Application was forwarded to the City Clerk's Office on June 2. ➤ Trustee Rossi was notified that he was selected in the FPPTA lottery to attend the New York Stock Exchange Program 3/25-3/31/2018. <p>MOTION: To authorize Trustee Rossi to attend the 2018 FPPTA CPPT NYSE Program from 3/25/18 – 3/31/18 in New York. PASSED 8-0.</p> <ul style="list-style-type: none"> ➤ The Division of Retirement engaged Milliman to perform an actuarial compliance review of the 10/1/14 and 10/1/15 actuarial valuations. The Board reviewed Milliman's report and Nyhart's response, and discussed Milliman's recommendation to give future consideration to lowering the Plan's assumed investment rate of return. The Board directed the Executive Director to forward Milliman's recommendation to its Investment Consultant and its Actuary, request their recommendation and reasoning for whether the rate should be lowered or remain status quo, and to notify the City of the conversation. 	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis 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>	

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<ul style="list-style-type: none"> ➤ Denise Picarella agreed to work on a temporary part-time as needed basis until the office is fully staffed again. She will be paid at the hourly rate she was receiving at the time of her retirement. ➤ The Executive Director deferred to the Board as to whether Recovery Village's request to add a link to the Retirement System's website should be granted. 						
<p>MOTION: Granting requests to post website links on the Retirement System's website will be limited to organizations that are endorsed by or affiliates of the City of Pompano Beach or labor unions representing its current or prior employees who are members or retirees of our Retirement System. PASSED 8-0.</p>	O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi				X X X X X X X X	
<p>The Executive Director reported that during the course of the design and implementation of the new pension administration system, a question arose regarding the methodology used to calculate the 3% interest earnings that are applied annually to the members' prior year September 30 contribution balances.</p>						
<p>During program testing, it was realized that the interest is applied on the contribution balance only, rather than the total accumulated balance. The Executive Director reviewed the minutes and found that the Board took action in 1974 to discontinue the practice of compounding interest; however, it is not clear why this action was taken. The only impact to change the Board's interpretation of the ordinance and policy prospectively is that unvested terminated member's would have a slightly higher refund.</p>						
<p>MOTION: Based on the advice of the Executive Director and the need to reprogram the pension administration system, to take action to revise the Board interpretation reflected in the March 12, 1974 meeting minutes with regard to Ordinance Sections 34.059(1) and 34.061(D) regarding interest, and to construe it to mean that 3% interest shall be applied annually to the prior year's September balance of accumulated contributions plus interest (i.e. compounding interest) effective 9/30/2017. PASSED 7-0.</p>	O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis			X X X X X X X		
<p><u>ADJOURNMENT</u></p>						
<p>MOTION: To adjourn the June 19, 2017 meeting at 5:30 PM. PASSED 7-0.</p>	O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis		X X X X X X X		X X X X X X X	

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

REGULAR MEETING – JUNE 19, 2017

ITEM NO. 6 - WARRANT NOS. 4849 THROUGH 4867

Ratified and Approved on 06/19/2017

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
4849	The Nyhart Company, Inc. Francotyp-Postalia, Inc. Office Depot Daniel Christophers	Inv No. 0129880, Actuarial Impact Statement requested by police members; \$1,536.00 Inv No. R1103231028, 5/5/17 – 8/1/17 quarterly postage meter lease; \$78.00 Inv No. 925400081-001, office supplies; \$13.46 Partial refund prepaid hotel for Opal Public Funds Summit East; \$754.84	2,382.30
4850	Bank of America	Debra Tocarchick: Board meeting supplies; \$64.49, Staff congratulations gift; \$54.00, Educational Symposium expenses; \$101.22; Annual Report filing for PBI, LLC; \$138.75; Publications; \$181.21; Pre-employment physical; \$280.00; OPAL Annual Conference registration; \$1,132.26, Total \$1,951.93 Amanda Cintron: Board meeting supplies; \$4.49; Wall Street Journal one-year renewal; \$98.97; Telephone and Internet; \$710.04, Total \$813.50 Paul O'Connell: FPPTA Annual Conference registration; \$650.00; Educational Symposium expense; \$4,746.96, Total \$5,396.96	8,162.39
4851	Aventura Heart Center	Richard Massarelli IME; \$400.00	400.00
4852	David Korn, MD	Richard Massarelli IME; \$1,050.00	1,050.00
4853	William J. Egan	Normal retirement benefit commencing 7/1/2017 as a result of reaching end of DROP period on 6/30/2017; \$5,107.05	5,107.05
4854	Amanda Cintron	Final payout of accrued vacation balance as a result of separation of service on 5/15/2017; \$681.08	681.08
4855	Victory Capital Comerica Bank Morgan Stanley Sugarman & Susskind	Inv mgmt fees qtr ended 3/31/2017; \$11,958.00 Inv No. 431368, custodial fee for qtr ended 3/31/2017; \$15,662.81 Investment Consulting fee qtr ended 3/31/2017; \$20,184.76; DROP consulting fee qtr starting 4/1/17; \$3,750.00, Total \$23,934.76 Inv No. 121385, R. Sandell interpleader; \$510.00	52,065.57
4856	City of Pompano Beach Debra Tocarchick Richard Samolewicz Xerox Corp	2016-17 Supplement S-69 through S-73, Code of Ordinances; \$86.92 NCPERS Annual Conference expense reimbursement; \$121.98 NCPERS Annual Conference expense reimbursement; \$175.20 Inv No. 089278336, May lease; \$172.94, excess print charges; \$10.63, Total \$183.57	567.67
4857	Fort Lauderdale Pain Medicine, Inc.	Douglas Cason IME; \$4,000.00	4,000.00

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ITEM NO. 6 - WARRANT NOS. 4849 THROUGH 4867

Ratified and Approved on 06/19/2017

4858	Barbara A. Smith	Change in annual installments from DROP account commencing 7/1/2017; \$7,500.00	7,500.00
4859	Jeffrey J. Valerga Florida Department of Revenue Alerus Financial	DROP loan net amount to Jeffrey J. Valerga; \$49,725.00 Documentary stamps for Jeffrey J. Valerga's DROP loan; \$175.00 Loan processing fee for Jeffrey J. Valerga; \$100.00	50,000.00
4860	Bank of America	Debra Tocarchick: Board meeting supplies; \$4.49, courier; \$89.86, NCPERS Annual Conference expense; \$109.12; IFEBP Job Announcement; \$240.00; Educational Symposium expense; \$1,862.00, Total \$2,305.47 Amanda Cintron: Educational Symposium expense; \$612.00; FPPTA Summer Conference registration (refunded by FPPTA); \$650.00, Total \$1,262.00 Paul O'Connell: Business lunch (refunded by Chairman O'Connell); \$75.89; Educational Symposium expense; \$5,263.91, Total \$5,339.80 Sharra Aaronian: Educational Symposium expense; \$388.00; FPPTA Summer Conference registration; \$650.00, Total \$1,038.00 Daniel Christophers: Educational Symposium expense; \$1,264.17 Robert Drago: Educational Symposium expense; \$408.00, OPAL Conference airfare; \$1,093.80, Total \$1,501.80 Vincent Femia: Educational Symposium expense; \$413.00 David Hall: Educational Symposium expense; \$1,847.16 Jorge Rossi: Educational Symposium expense; \$411.00; FPPTA Summer Conference registration; \$650.00, Total \$1,061.00 Richard Samolewicz: NCPERS Annual Conference expense; \$59.36, Educational Symposium expense; \$385.00, Total \$444.36	16,476.76
4861	Office Depot Sugarman & Susskind The Nyhart Company, Inc. Debra Tocarchick	Inv No. 933769466001, toner ink; \$98.50 Inv No. 121861, Captain Sandell interpleader; \$660.00 Inv No. 0130409, FAC 60T-1.0035 reporting; \$900.00; DOR audit response; \$864.00, Total \$1,764.00 Petty cash reimbursement: Educational Symposium expense; \$12.00, Board meeting expense; \$68.66, Total \$80.66	2,603.16
4862	Scott M. Downes	Normal retirement benefit commencing 9/1/2017 as a result of reaching end of DROP period on 8/31/2017; \$6,461.70	6,461.70
4863	Denise M. Picarella	Re-hire of temporary part-time employee on an intermittent as-needed basis effective June 7, 2017. Retroactive gross wages for pay period ending 6/15/2017; \$315.00	315.00

REGULAR MEETING – JUNE 19, 2017

ITEM NO. 6 - WARRANT NOS. 4849 THROUGH 4867

Ratified and Approved on 06/19/2017

4864	Pershing, LLC - IRA FBO Scott M. Downes	Lump sum distribution of Fund Rate DROP account via trustee-to-trustee transfer to Pershing, LLC – IRA due to separation of service on 8/31/2017; \$803,775.10	803,775.10
4865	Pershing, LLC - IRA FBO Scott M. Downes	Trustee-to-trustee transfer of share plan balance due to separation of service on 8/31/2017; \$59,560.69	59,560.69
4866	Michael J. Fox	Refund of contributions as a result of separation of employment on 11/23/2016; \$110,736.46	110,736.46
4867	Michael J. Fox	Lump sum distribution of 50% vested portion of Share Plan account; \$13,257.68	13,257.68

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

Distribution of Assets:	
Equity	
-Large Cap. Value	\$27,387,684
-Large Cap. Growth	\$29,127,921
-Mid Cap. Value	\$10,851,451
-Small/Mid Cap. Growth	\$11,551,190
-International Value	\$16,726,437
-International Growth	\$17,084,338
Total Equity	\$112,729,021
Fixed Income	\$47,781,387
Private Real Estate	\$18,316,365
Fund of Hedge Funds	\$20,649,797
Master Limited Partnerships	\$12,405,648
Private Equity	\$9,845,728
Cash (Non-Managed Account)	\$2,742,324
Total Portfolio	\$224,470,270

Distribution by Percentages:	Policy	Current
Equity Breakdown		
-Large Cap. Value	12.50%	12.20%
-Large Cap. Growth	12.50%	12.98%
-Mid Cap. Value	5.00%	4.83%
-Small/Mid Cap. Growth	5.00%	5.15%
-International Value	7.50%	7.45%
-International Growth	7.50%	7.61%
Total Equity	50.00%	50.22%
Fixed Income	22.50%	21.29%
Private Real Estate	7.50%	8.16%
Fund of Hedge Funds	10.00%	9.20%
Master Limited Partnerships	5.00%	5.53%
Private Equity	5.00%	4.39%
Cash (Non-Managed Account)	0.00%	1.22%
Total Portfolio	100.00%	100.00%

INVESCO (Private Real Estate)		
Private Real Estate	100.00%	\$15,316,365
Fees		(\$41,528)
Gain or (Loss)		\$421,895

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%	\$10,784,046
Gain or (Loss)		\$218,977

MAIN ACCOUNT (NON-MANAGED)		
Cash	100.00%	\$2,742,324
Gain or (Loss)		\$2,929

Other Important Facts:		
Total Portfolio		\$224,470,270
Total Gain or (Loss) - Gross of Fees		\$10,546,174

BLACKROCK		
Total Assets	100.00%	\$27,387,684
Equity	95.12%	\$26,052,257
Cash	4.88%	\$1,335,427
Fees		(\$38,375)
Gain or (Loss)		\$681,208

SANDS CAPITAL MANAGEMENT		
Total Assets	100.00%	\$29,127,921
Equity	98.61%	\$28,722,457
Cash	1.39%	\$405,464
Fees		(\$38,172)
Gain or (Loss)		\$3,624,800

RBC GLOBAL		
Total Assets	100.00%	\$10,851,451
Equity	99.54%	\$10,801,984
Cash	0.46%	\$49,467
Fees		(\$9,491)
Gain or (Loss)		\$252,749

WELLS		
Total Assets	100.00%	\$11,551,190
Equity	96.79%	\$11,180,843
Cash	3.21%	\$370,347
Fees		(\$23,926)
Gain or (Loss)		\$1,088,233

Pine Grove Fund of Hedge Fund		
Fund of Hedge Fund	100.00%	\$9,865,751
Gain or (Loss)		\$150,495

Center Coast Master Limited Partnerships		
Fund of Hedge Fund	100.00%	\$12,405,648
Gain or (Loss)		\$681,960

NB CROSSROADS (PRIVATE EQUITY) #1		
Total Assets	100.00%	\$3,575,253
Gain or (Loss)		\$123,606

LAZARD (International Value)		
Total Assets	100.00%	\$16,726,437
Equity	95.12%	\$15,910,745
Cash	4.88%	\$815,692
Fees		(\$19,183)
Gain or (Loss)		\$1,158,115

RENAISSANCE (International Growth)		
Total Assets	100.00%	\$17,084,338
Equity	98.56%	\$16,837,890
Cash	1.44%	\$246,449
Fees		(\$25,316)
Gain or (Loss)		\$1,613,613

STANDISH MELLON		
Total Assets	100.00%	\$23,806,857
Fixed	94.95%	\$22,603,768
Cash	5.05%	\$1,203,090
Fees		(\$17,860)
Gain or (Loss)		\$201,280

INCORE/VICTORY (FORMERLY MUNDER)		
Total Assets	100.00%	\$23,974,529
Fixed	99.44%	\$23,839,776
Cash	0.56%	\$134,753
Fees		(\$11,953)
Gain or (Loss)		\$232,397

NB CROSSROADS (PRIVATE EQUITY) #2		
Fund of Hedge Fund	100.00%	\$1,784,810
Gain or (Loss)		\$0

BLACKSTONE (PRIVATE EQUITY)		
Total Assets	100.00%	\$2,562,365
Gain or (Loss)		\$62,041

GOLDMAN SACHS (PRIVATE EQUITY)		
Total Assets	100.00%	\$1,923,300
Gain or (Loss)		(\$0)

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

TRADITIONAL INVESTMENTS

BLACKROCK		Your Returns		Russ 1000 Value	PSN Money Mgrs.	S&P 500
<i>Large Cap. Value</i>		Gross	Net			
Quarter		2.40	2.26	3.27	3.92	6.07
1 year		18.33	17.65	19.22	17.31	17.17
3 year		8.65	8.02	8.67	8.36	10.38
Since 1/31/2013		11.04	10.39	12.70	NA	13.96
SANDS CAPITAL				Russ 1000 Growth	PSN Money Mgrs.	
<i>Large Cap. Growth</i>						
Quarter		14.04	13.88	8.91	7.92	
1 year		17.51	16.82	15.76	15.55	
3 year		6.41	5.78	11.28	9.48	
5 year		11.80	11.14	13.32	12.66	
Since 5/31/2003		11.77	11.14	9.35	NA	
RBC GLOBAL				Russ Mid Value	PSN Money Mgrs.	
<i>Mid Cap. Value</i>						
Quarter		2.29	2.20	3.76	2.95	
1 year		18.40	17.71	19.82	21.04	
3 year		8.51	7.86	8.94	8.72	
5 year		13.17	12.52	14.06	13.16	
Since 1/31/2009		17.43	16.73	18.36	NA	
WELLS				Russ 2500 Growth	PSN Money Mgrs.	
<i>Small/Mid Cap. Growth</i>						
Quarter		10.15	9.91	6.25	5.98	
1 year		24.49	23.40	19.77	22.89	
3 year		7.01	6.04	7.22	6.53	
5 year		11.87	10.87	12.16	12.42	
Since 1/31/2009		19.17	18.14	18.09	NA	
LAZARD				MSCI AC Wld x US		
<i>International Value</i>						
Quarter		7.31	7.18	7.86		
1 year		9.48	8.93	13.13		
3 year		0.86	0.34	0.56		
Since 1/31/2013		3.68	3.18	3.03		
RENAISSANCE				MSCI AC Wld x US		
<i>International Growth</i>						
Quarter		10.25	10.08	7.86		
1 year		10.08	9.38	13.13		
3 year		1.52	0.84	0.56		
5 year		6.49	5.79	4.36		
Since 1/31/2009		10.58	9.90	9.18		
STANDISH MELLON				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
Quarter		0.78	0.70	0.82	0.68	0.78
1 year		0.45	0.15	0.44	0.35	0.42
3 year		2.51	2.15	2.68	2.25	2.01
5 year		2.47	2.13	2.34	1.95	1.88
Since 4/30/2003		4.23	3.89	4.11	3.80	3.58
INCORE/VICTORY (Munder)				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
Quarter		0.93	0.88	0.82	0.68	0.78
1 year		1.15	0.95	0.44	0.35	0.42
3 year		2.69	2.55	2.68	2.25	2.01
5 year		2.75	2.62	2.34	1.95	1.88
Since 9/30/2002		4.52	4.30	4.21	3.89	3.72

ALTERNATIVE INVESTMENTS

INVESCO					
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE
Quarter		2.55	2.26	1.55	N/A
1 year		10.43	9.20	7.27	N/A
3 year		12.45	11.22	10.58	N/A
5 year		12.02	10.80	10.69	N/A
Since 7/31/2006		6.20	5.08	7.43	N/A
OFFICE BUILDING					
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate
Quarter		1.07	1.07	0.12	0.82
1 year		4.34	4.34	0.34	0.44
3 year		33.38	33.38	0.15	2.68
5 year		6.87	6.87	0.11	2.34
Since 3/31/2007		0.12	0.04	0.53	4.27
Ironwood					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
Quarter		2.07	2.07	1.27	
1 year		8.17	8.17	5.37	
3 year		3.68	3.68	1.78	
5 year		6.15	6.15	3.19	
Since 7/31/2008		3.24	3.24	1.12	
Pine Grove					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
Quarter		1.55	1.55	1.27	
1 year		8.46	8.46	5.37	
3 year		0.58	0.58	1.78	
5 year		3.33	3.33	3.19	
Since 9/30/2008		3.61	3.61	1.96	
Center Coast					
<i>Master Limited Partnerships</i>				Alerian MLP	
Quarter		5.82	5.69	3.95	
1 year		26.49	25.86	28.32	
Since 1/31/2015		(6.26)	(6.64)	(6.97)	
Neuberger Berman					
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	Dynamic S&P 500	
Quarter		3.44	3.34	0.12	
1 year		14.71	14.40	2.74	
3 year		12.40	12.24	5.65	
5 year		12.07	12.44	10.37	
Since 3/31/2010		3.22	10.58	10.84	
Neuberger Berman					
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	Dynamic S&P 500	
Quarter		0.00	0.00	0.12	
1 year		8.52	8.97	2.74	
Since 7/31/2014		3.12	5.39	4.90	
Blackstone					
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	Dynamic S&P 500	
Quarter		2.48	2.12	0.12	
1 year		9.19	7.44	2.74	
3 year		8.84	6.64	5.65	
Since 11/30/2013		9.81	6.65	6.43	
Goldman Sachs					
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	Dynamic S&P 500	
Quarter		0.00	0.00	0.12	
1 year		4.15	4.29	2.74	
3 year		11.73	8.43	5.65	
Since 12/31/2013		6.07	7.46	5.78	

TOTAL FUND				Policy Index	
<i>Time-Weighted Return (TWR)</i>					
Quarter	4.78	4.66	3.77		
1 year	11.28	10.75	10.96		
3 year	4.99	4.47	5.25		
5 year	7.56	7.02	7.71		
Since 9/30/2002	7.56	7.07	7.40		
Since 6/30/1995	7.08				

TOTAL FUND				Actuarial Rate		CPI +3	
<i>Dollar-Weighted Net Return (IRR)</i>							
Quarter		4.67	1.82	0.81			
1 year		10.76	7.50	5.28			
3 year		4.37	7.50	4.12			
5 year		7.01	7.50	4.27			

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.