

Board of Trustees Minutes Page Two	May 3-5, 2018	TRUSTEES	M	S	Y	N
<u>MARCH 31, 2018 PRELIMINARY INVESTMENT PERFORMANCE REPORT PRESENTED BY GRAYSTONE CONSULTING</u>						
<p>Charles Mulfinger, on behalf of Graystone Consulting, commented that his manner of presentation during the annual Educational Symposium is to discuss the state of the economy, the capital markets, and any potential issues with the investment managers that the Board of Trustees should address during the managers' individual presentations.</p>						
<p>While the economy has been growing for nine straight years, Graystone still believes that it is one to 1 ½ years out from any type of recession. GDP for quarter ended March 31 was 2.3%. The manufacturing and service sectors are still above 50. Corporate profits are still very strong. The tax reduction of 2018 impacted the market in a positive way. There is a slight concern with rising inflation numbers which is causing some volatility in the markets. Unemployment numbers are at 4.1% and expected to fall below 4% in upcoming quarters. Overall there is no negative economic news to report.</p>						
<p>The volatility in the capital markets; however, is creating some uncertainty. The lack of volatility in last year's market was unheard of so to see some pullback in the market in this quarter is not unusual. This volatility is expected to continue for the remainder of the year although higher projected returns than those reported at March 31 are expected.</p>						
<p>Mr. Mulfinger reviewed US equity markets noting that large companies outperformed smaller companies, and growth has consistently outperformed value. Information Technology and Consumer Discretionary were the only two positive performing sectors. Graystone's view of international markets is that they will outperform US markets and eventually revert back to the trend line. Two reasons for this are that they are just beginning to apply some quantitative easing to their economy while the US is pulling back some; and valuations in international markets are cheaper than the US market. The fixed income markets were nearly all negative and validate the Plan's asset allocation strategy to move away from fixed income.</p>						
<p>Mr. Mulfinger reported the Plan's preliminary total portfolio market value as \$235,088,514 as of March 31, with a gain of \$1,723,349 for the quarter. In reviewing the Plan's asset allocation, no rebalancing was recommended.</p>						
<p>Mr. Mulfinger reviewed each individual 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 -0.59%, 9.75%, 5.72% and 7.81%, respectively. The "Summary of Relevant Facts" and "Breakdown of Returns", showing values and returns by manager, are attached on the backup.</p>						

Board of Trustees Minutes Page Three	May 3-5, 2018	TRUSTEES	M	S	Y	N
<p>Mr. Mulfinger noted that there is a lot of margin compression on fees in the fixed income arena and the Board may wish to give consideration to asking the fixed income managers to reduce their fees. Last year, Standish lowered their fees by 5 bps while Incore did not. Although Wells lowered their fees by 5 bps last year, they are still in the mid-range for fees. Mr. Mulfinger presented a schedule illustrating the investment manager fee reductions since last year.</p> <p>Mr. Mulfinger was asked if he was comfortable that the Plan would meet its assumed target rate of return of 7.50% going forward. He responded that Graystone's expectation is that returns will be lower going forward over the next seven years. Over the next 20 years, they believe the Plan may be closer to meeting its 7.50% return assumption; however, in the next seven years it is expected to be lower. If they ran an asset allocation study today and assumed the existing managers met (not outperformed) their benchmarks, they believe it would be closer to 6.0% over the next seven years.</p> <p>The Chairman briefed the Board on his meeting with the City Manager regarding the actuary's recommendation to shorten the amortization period for unfunded liabilities from 30 years to 20 years, and indicated that this topic will be brought up for further discussion during the business meeting on Friday.</p> <p>Mr. Mulfinger commented that he is supportive if the Board wishes to lower its assumed rate of investment return. The Chairman expressed his thought that it would be better to deal with one issue at a time, and at this time, the actuary is recommending shortening the amortization period.</p>						
<p>MOTION: To approve the March 31, 2018 preliminary Performance Evaluation Report as submitted by Graystone Consulting. 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>At 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><u>BNY MELLON ASSET MANAGEMENT NA (STANDISH)</u> By: Scott Mountain, Senior Relationship Manager and Nathaniel Hyde, Portfolio Manager.</p>						
<p>Mr. Mountain advised the Board that he would speak to his Committee about lowering their investment fee and report back.</p>						

Board of Trustees Minutes Page Four	May 3-5, 2018	TRUSTEES	M	S	Y	N
<p><u>BLACKROCK</u> By: Ryan McNulty, Vice President, Equity Dividend Team.</p> <p><u>SANDS CAPITAL MANAGEMENT, INC.</u> By: Kevin Murphy, Director of Wealth Management and Portfolio Manager.</p> <p><u>BROOKFIELD ASSET MANAGEMENT (CENTER COAST)</u> By: Jeff Jorgensen, Managing Director.</p> <p><u>WELLS CAPITAL MANAGEMENT</u> By: John Taphorn, Client Portfolio Specialist and Tom Galfano, Client Relations Director.</p> <p>The Wells representatives noted that small and SMID-cap is a capacity constrained asset class so they typically see higher fees; however, they are realistic that the fee structure in the industry is coming down. Historically they feel their fees are in-line with their SMID peers; however, they are willing to have further conversation.</p> <p>The session for Thursday, May 3, 2018 ended at 4:30 PM. A networking session was conducted from 5:00 – 6:30 PM followed by dinner with the investment managers at 7:00 PM at Blue Moon Fish Co. in Lauderdale By The Sea.</p> <p><u>FRIDAY, MAY 4, 2018</u></p> <p>The Board of Trustees reconvened at the Fort Lauderdale Marriott Pompano Beach Resort and Spa, 1200 N. Ocean Blvd in Pompano Beach, Florida. Chairman O’Connell called the meeting back to order at 9:03 AM.</p> <p><u>PRESENT:</u> Chairman Paul O’Connell Vice-Chairman Richard Samolewicz Trustee Sharra Aaronian Trustee Daniel Christophers Trustee Robert Drago Trustee Vincent Femia Trustee David Hall (arrived 11:05 AM) Trustee Peter McGinnis Trustee Jorge Rossi</p> <p><u>ALSO PRESENT:</u> Debra Tocarchick, Executive Director Maureen Femia, Deputy Director Charles Mulfinger II, Graystone Consulting Scott Owens, Graystone Consulting Pedro Herrera, Esq., Board Attorney</p> <p><u>VISITORS:</u> Andrea Levine, Police Member Patrick Fletcher, Police Member David Loy, Chairman of Fire Board, City of Coral Springs Gina Orlando, Pension Admin, City of Coral Springs</p>						

Board of Trustees Minutes Page Five	May 3-5, 2018	TRUSTEES	M	S	Y	N
<p>The following investment managers presented their investment reports throughout the morning. All the manager reports and recordings of their presentations are available at the Pension Office.</p>						
<p><u>INCORE CAPITAL MANAGEMENT, LLC</u> By: Ian Hendry, Director Institutional Markets and Jim Kelts, Senior Portfolio Manager.</p>						
<p><u>PINE GROVE INVESTMENTS</u> By: John Feeley, Managing Director and Manish Keshive, Director of Research.</p>						
<p><u>IRONWOOD CAPITAL MANAGEMENT</u> By: Ben Zack, Managing Director.</p>						
<p><u>INVESCO</u> By: Laler DeCosta, Client Portfolio Manager, and Suzanna Sanchez, Senior Associate Director.</p>						
<p>Following the presentation by INVESCO, Chairman O'Connell called the business meeting to order at 11:51 PM.</p>						
<p><u>PRESENT:</u> 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 (arrived 11:55 AM) Trustee Jorge Rossi</p>						
<p><u>ALSO PRESENT:</u> Debra Tocarchick, Executive Director Maureen Femia, Deputy Director Charles Mulfinger II, Graystone Consulting Scott Owens, Graystone Consulting Pedro Herrera, Esq., Board Attorney</p>						
<p><u>VISITORS:</u> Andrea Levine, Police Member Patrick Fletcher, Police Member David Loy, Chairman of Fire Board, City of Coral Springs Gina Orlando, Pension Adm, City of Coral Springs</p>						
<p><u>AUDIENCE TO BE HEARD</u></p>						
<p>None</p>						


<p>Board of Trustees Minutes Page Six</p> <p style="text-align: right;">May 3-5, 2018</p>	TRUSTEES	M	S	Y	N
<p><u>APPROVAL OF AGENDA</u></p> <p>MOTION: To approve the May 4, 2018 business meeting agenda as presented. PASSED 8-0 (Trustee McGinnis was out of the room).</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall 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><u>APPROVAL OF MINUTES</u></p> <p>MOTION: To waive the reading of the minutes of the Regular Board Meeting on April 16, 2018, and to approve same as presented. PASSED 8-0 (Trustee McGinnis was out of the room).</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall 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><u>RATIFICATION AND APPROVAL OF WARRANTS</u></p> <p>MOTION: To ratify and approve payments of benefits and expenses as set forth on Warrant Nos. 4971, \$3,756.79; No. 4972, \$3,822.98; No. 4973, \$84,969.04; No. 4974, \$3,664.74; No. 4975, \$2,000.00. PASSED 8-0 (Trustee McGinnis was out of the room).</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall 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><u>SUGARMAN & SUSSKIND LEGAL REPORT, PA</u></p> <p>Mr. Herrera advised the Board that Grant & Eisenhofer desired to seek further information through a second 220 Demand Letter to resolve some inconsistencies in the documentation in the AmTrust matter.</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>
<p>Mr. Herrera reported that Mrs. Diana Sandell asked for an extension of time from opposing counsel on her appellate brief which was granted. The informal service-incurred death benefit hearing with Mrs. Diana Sandell is set for June 18. Mr. Herrera noted that it is Mrs. Sandell's burden to prove her case and her responsibility to provide any and all records to support her claim.</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 Seven	May 3-5, 2018	TRUSTEES	M	S	Y	N
<p>Mr. Herrera reported that the attorney for Jeff Poole asked for a third extension of time to file his Initial Brief and Sugarman & Susskind recommended the Chairman approve it.</p> <p>MOTION: To ratify the Chairman’s decision to approve a 15-day extension of time to file the Initial Brief in the Jeff Poole appeal as recommended by Sugarman & Susskind. PASSED 6-3.</p> <p>Mr. Herrera reported that the Investment Manager Agreement for Nuance Investments is finalized with the exception of providing them the most recent Investment Policy Statement.</p> <p>Mr. Herrera noted that he would like to revisit the Board’s Proxy Voting Policy at a future meeting date.</p> <p>Form 1 financial disclosure forms are due July 1.</p> <p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p> <p>Chairman O’Connell reported on his April 24 meeting with the City Manager and staff where discussion took place with the actuary regarding Nyhart’s recommendation to shorten the amortization period for unfunded liabilities on future bases from 30 years to 20 years. The City was advised that while the Board is contemplating scenarios, it also desires its City partner’s input. During the meeting, it was agreed that the Board would seek a cost analysis from its actuary for a 5-year phase in plan.</p> <p>During discussion, the Board agreed that a cost analysis should be sought for both a 5-year phase-in and an immediate implementation.</p> <p>MOTION: To direct Nyhart to prepare cost analyses to shorten the amortization of unfunded liabilities on future bases to 20 years by 1) a 5-year phase-in of 2% per year, and 2) immediately commencing with the October 1, 2018 actuarial recommendation; as recommended by Nyhart, and consistent with the discussion with the City Manager and City Staff. PASSED 9-0.</p> <p>Trustee Samolewicz discussed the educational benefits of the 2018 Public Funds Forum and recommended that attendance be approved for any interested Trustee. If approved, registration is now open for this event.</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</p>	<p>X X X</p>	<p>X X X</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</p>	<p>X X X X X X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>

Board of Trustees Minutes Page Eight	May 3-5, 2018	TRUSTEES	M	S	Y	N
<p>MOTION: To approve attendance for any interested Trustee at the 2018 Public Funds Forum, September 4-6, Laguna Beach, CA. PASSED 9-0.</p> <p>Trustee Drago discussed the educational benefits of the IFEBP Wharton Alternative Investments Conference and recommended that attendance be approved for any interested Trustee. He noted that this conference is only offered every other year.</p>		O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi	 X 	 X 	X X X X X X X X 	
<p>MOTION: To approve attendance for any interested Trustee at the IFEBP Wharton Alternative Investments Conference, July 30 – August 1, in San Francisco, CA. PASSED 9-0.</p>		O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi	 X 	 X 	X X X X X X X X 	
<u>COMMITTEE REPORTS</u>						
<i>Communication Committee:</i>						
<p>Committee Chairman Rossi reported that some responses have been received from Committee members regarding potential updates to the website. He will soon be reaching out to convene a Committee meeting for further discussion.</p>						
<p>The Executive Director reported that the current website was designed on the WordPress platform, is hosted by CNI, and Pension Staff functions as the webmaster for purposes of routine maintenance and updates.</p>						
<p>No other Committee Reports were rendered.</p>						
<u>EXECUTIVE DIRECTOR'S REPORT</u>						
<ul style="list-style-type: none"> ➤ Received service-incurred disability application on April 16 from active firefighter, Mitchell Grossman. At MMI with 18% impairment rating as of April 26. Pending update from the City as to his work status and whether they will be providing a letter to him. A notice of appearance was submitted by attorney Michael Clelland. ➤ Tayt Odom is the actuary replacing David Harris who left Nyhart on April 27. 						

<p>Board of Trustees Minutes Page Nine</p> <p style="text-align: right;">May 3-5, 2018</p>	TRUSTEES	M	S	Y	N
<p>Chairman O’Connell suggested that the Board take action to authorize the Executive Director to coordinate an independent medical examiner’s appointment once the City provides the required records.</p>					
<p>The Board discussed the current process of handling disability claims. Being that the natural progression is to schedule an appointment with the independent medical examiner once the record is complete, it was suggested that the disability procedures be amended to authorize an IME appointment to be scheduled once the record is complete rather than waiting for Board approval. This will reduce processing delays.</p>					
<p>MOTION: To authorize the Executive Director to direct legal counsel to schedule an appointment with an independent medical examiner once all required records are received by the Pension Office. 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>MOTION: To adjourn the May 4, 2018 business meeting at 12:22 PM and recess to 1:00 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 X</p>	
<p>The Board returned from recess and resumed the investment manager presentations. The following investment managers presented their investment reports throughout the afternoon. All the manager reports and recordings of their presentations are available at the Pension Office.</p>					
<p><u>THE BLACKSTONE GROUP</u> By: Michael Cambias, Principal and Matthew Pedley, Managing Director.</p>					
<p><u>GOLDMAN SACHS</u> By: Chris Hunter, Vice President Alternative Investments and Jenna Shen, Managing Director Wealth Management.</p>					
<p><u>NB ALTERNATIVES ADVISERS, LLC</u> By: John Buser, Managing Director.</p>					
<p>Following the presentations for the day, a roundtable was held with representatives from Blackstone, Brookfield, Goldman Sachs, Incore, Lazard, Neuberger Berman, Renaissance and Wells. Viewpoints were shared on the effect of the recent tax cuts and the implications of a possible trade war.</p>					

Board of Trustees Minutes Page Ten	May 3-5, 2018	TRUSTEES	M	S	Y	N
<p>The presentations for Friday, May 4, 2018 ended at 4:30 PM. A networking session was conducted from 5:00 – 6:15 PM followed by dinner with the investment managers at 7:00 PM at Chops Lobster Bar in Boca Raton.</p> <p><u>SATURDAY, MAY 5, 2018</u></p> <p>The Board of Trustees reconvened at the Fort Lauderdale Marriott Pompano Beach Resort and Spa, 1200 N. Ocean Blvd in Pompano Beach, Florida. Chairman O’Connell called the meeting back to order at 9:06 AM.</p> <p><u>PRESENT:</u> Chairman Paul O’Connell Vice-Chairman Richard Samolewicz Trustee Sharra Aaronian Trustee Daniel Christophers Trustee Robert Drago Trustee Vincent Femia Trustee Jorge Rossi</p> <p><u>ABSENT:</u> Trustee David Hall Trustee Peter McGinnis</p> <p><u>ALSO PRESENT:</u> Debra Tocarchick, Executive Director Maureen Femia, Deputy Director Charles Mulfinger II, Graystone Consulting Scott Owens, Graystone Consulting</p> <p><u>VISITORS:</u> Pat Fletcher, Police Member</p> <p>The following investment managers presented their investment reports throughout the morning. All the manager reports and recordings of their presentations are available at the Pension Office.</p> <p><u>LAZARD ASSET MANGEMENT</u> By: Frank Sposato, Director and Michael Powers, Managing Director and Portfolio Manager.</p> <p><u>RENAISSANCE INVESTMENT MANAGEMENT</u> By: Andrew Temming, Partner, Research Analyst and Mike Streitmarter, Research Analyst.</p> <p><u>GRAYSTONE WRAP-UP</u></p> <p>At the conclusion of the investment manager presentations, Mr. Mulfinger made the following observations:</p> <p>All of the investment managers are performing well. RBC Global is in the process of being replaced by Nuance. The Plan is well diversified among asset classes. The traditional managers, overall, are more conservative which is where we want to be to capture less of the downside should there be a decline in the market.</p>						

Board of Trustees Minutes Page Eleven	May 3-5, 2018	TRUSTEES	M	S	Y	N
<p>The exposure to the alternative investments arena is developing well and creating added value. With regard to master limited partnerships, Mr. Mulfinger recommended staying the course. Mr. Mulfinger will be reviewing the best areas to reinvest proceeds from the Plan's unwinding private equity investments.</p> <p>The Board discussed possible revisions to the Educational Symposium format:</p> <ul style="list-style-type: none"> ➤ Move the roundtable to Friday morning rather than afternoon. ➤ Notify the investment managers that casual attire (no ties) is appropriate in 2019. <p>The target date for the 2019 Symposium is May 2-4.</p> <p><u>ADJOURNMENT</u></p> <p>MOTION: To adjourn the 2018 Educational Symposium at 10:19 AM. PASSED 7-0.</p> <p>Respectfully submitted,</p> <p></p> <hr/> <p>Debra Tocarchick, CEBS Executive Director</p>						
		O'Connell Samolewicz Aaronian Christophers Drago Femia Rossi	X	X X X X X X	X X X X X X	
<p><u>DISTRIBUTION:</u> Board of Trustees Robert A. Sugarman, Esq. Pedro Herrera, Esq. Tayt Odom, Actuary City Manager Mayor and City Commission City Clerk Assistant City Attorney City HR Director President IAFF Local 1549 Marcum</p>						

REGULAR MEETING – MAY 4, 2018

ITEM NO. 5 - WARRANT NOS. 4971 THROUGH 4975

Ratified and Approved on 05/04/2018

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
4971	Maureen Femia Vantagepoint Transfer Agents/401	One time payroll due for pay period ending date 5/15/2018 reflecting pro-rated salary increase effective on 5/6/2018, less 10% 401(a) employee contribution; \$3,073.73, 401(a) employee and employer contribution \$683.06, Total \$3,756.79	3,756.79
4972	Maureen Femia Vantagepoint Transfer Agents/401	Salary increase to be applied commencing 5/16/2018, less 10% 401(a) employee contributions; \$3,127.90; 401(a) employee and employer contribution, \$695.08, Total \$3,822.98	3,822.98
4973	Sands Capital Lazard Asset Management BlackRock	Invoice No. 76576, Investment management fee for quarter ending 3/31/2018; \$45,387.61 Invoice No. 1753850, Investment management fee quarter ending 3/31/2018; \$21,317.26 Invoice No. 20180331-9371-51959-A, Inv mgmt fee quarter beginning 4/01/18; \$18,264.17	84,969.04
4974	Robert Schmidt	Normal Retirement benefit commencing 6/1/2018 as a result of reaching end of DROP period on 5/31/2018; \$3,664.74	3,664.74
4975	Robert Schmidt	Monthly installments from Fund Rate DROP account commencing 6/1/2018; \$2,000.00	2,000.00

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

Distribution of Assets:

Equity	
-Large Cap. Value	\$29,255,714
-Large Cap. Growth	\$31,436,132
-Mid Cap. Value	\$11,853,347
-Small/Mid Cap. Growth	\$12,341,491
-International Value	\$18,023,343
-International Growth	\$17,999,278
Total Equity	\$120,909,305
Fixed Income	\$52,578,624
Private Real Estate	\$19,404,804
Fund of Hedge Funds	\$21,850,313
Master Limited Partnerships	\$9,803,365
Private Equity	\$9,808,260
Cash (Non-Managed Account)	\$1,229,375
Total Portfolio	\$235,584,046

Distribution by Percentages:

	Policy	Current
Equity Breakdown		
-Large Cap. Value	12.50%	12.42%
-Large Cap. Growth	12.50%	13.34%
-Mid Cap. Value	5.00%	5.03%
-Small/Mid Cap. Growth	5.00%	5.24%
-International Value	7.50%	7.65%
-International Growth	7.50%	7.64%
Total Equity	50.00%	51.32%
Fixed Income	22.50%	22.32%
Private Real Estate	7.50%	8.24%
Fund of Hedge Funds	10.00%	9.27%
Master Limited Partnerships	5.00%	4.16%
Private Equity	5.00%	4.16%
Cash (Non-Managed Account)	0.00%	0.52%
Total Portfolio	100.00%	100.00%

INVESCO (Private Real Estate)

Private Real Estate	100.00%	\$16,404,804
Fees		(\$45,485)
Gain or (Loss)		\$433,175

OFFICE BUILDING

Total Assets	100.00%	\$3,000,000
Gain or (Loss)		\$21,250

Ironwood Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$11,465,320
Gain or (Loss)		\$131,128

MAIN ACCOUNT (NON-MANAGED)

Cash	100.00%	\$1,229,375
Gain or (Loss)		\$8,433

Other Important Facts:

Total Portfolio		\$235,584,046
Total Gain or (Loss) - Gross of Fees		\$1,865,963

BLACKROCK

Total Assets	100.00%	\$29,255,714
Equity	95.46%	\$27,926,830
Cash	4.54%	\$1,328,883
Fees		(\$18,882)
Gain or (Loss)		(\$551,111)

SANDS CAPITAL MANAGEMENT

Total Assets	100.00%	\$31,436,132
Equity	98.74%	\$31,040,695
Cash	1.26%	\$395,437
Fees		(\$44,676)
Gain or (Loss)		\$3,066,614

RBC GLOBAL

Total Assets	100.00%	\$11,853,347
Equity	96.61%	\$11,451,787
Cash	3.39%	\$401,560
Fees		(\$9,641)
Gain or (Loss)		(\$53,140)

WELLS

Total Assets	100.00%	\$12,341,491
Equity	96.76%	\$11,941,663
Cash	3.24%	\$399,828
Fees		(\$26,681)
Gain or (Loss)		\$460,091

Pine Grove Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$10,384,993
Gain or (Loss)		\$129,516

Center Coast Master Limited Partnerships

Fund of Hedge Fund	100.00%	\$9,803,365
Gain or (Loss)		(\$1,450,938)

NB CROSSROADS (PRIVATE EQUITY) #1

Total Assets	100.00%	\$3,586,796
Gain or (Loss)		\$0

LAZARD (International Value)

Total Assets	100.00%	\$18,023,343
Equity	97.51%	\$17,575,359
Cash	2.49%	\$447,984
Fees		(\$21,712)
Gain or (Loss)		\$41,969

RENAISSANCE (International Growth)

Total Assets	100.00%	\$17,999,278
Equity	98.93%	\$17,805,826
Cash	1.07%	\$193,453
Fees		(\$27,838)
Gain or (Loss)		\$128,361

STANDISH MELLON

Total Assets	100.00%	\$26,236,551
Fixed	97.69%	\$25,630,693
Cash	2.31%	\$605,858
Fees		(\$15,283)
Gain or (Loss)		(\$359,660)

INCORE/VICTORY (FORMERLY MUNDER)

Total Assets	100.00%	\$26,342,072
Fixed	99.52%	\$26,215,899
Cash	0.48%	\$126,174
Fees		(\$12,319)
Gain or (Loss)		(\$280,786)

NB CROSSROADS (PRIVATE EQUITY) #2

Fund of Hedge Fund	100.00%	\$2,415,564
Gain or (Loss)		\$0

BLACKSTONE (PRIVATE EQUITY)

Total Assets	100.00%	\$2,322,882
Gain or (Loss)		\$141,061

GOLDMAN SACHS (PRIVATE EQUITY)

Total Assets	100.00%	\$1,483,018
Gain or (Loss)		\$0

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

TRADITIONAL INVESTMENTS

BLACKROCK		Your Returns		Russ 1000 Value	PSN Money Mgrs.	S&P 500
<i>Large Cap. Value</i>		Gross	Net			
	Quarter	(1.94)	(2.00)	(2.83)	(2.32)	(0.76)
	1 year	11.28	10.79	6.95	9.60	13.99
	3 year	9.97	9.39	7.87	8.63	10.78
	5 year	10.55	9.91	10.78	11.28	13.31
	Since 1/31/2013	11.08	10.47	11.56	NA	13.96
SANDS CAPITAL				Russ 1000 Growth	PSN Money Mgrs.	
<i>Large Cap. Growth</i>						
	Quarter	9.73	9.58	1.42	1.33	
	1 year	30.84	30.11	21.26	18.57	
	3 year	12.87	12.22	12.90	10.70	
	5 year	16.23	15.54	15.54	14.00	
	Since 5/31/2003	12.97	12.32	10.11	NA	
RBC GLOBAL				Russ Mid Value	PSN Money Mgrs.	
<i>Mid Cap. Value</i>						
	Quarter	(0.44)	(0.52)	(2.50)	(1.98)	
	1 year	0.61	0.30	6.50	9.33	
	3 year	3.35	2.80	7.22	8.35	
	5 year	10.38	9.82	11.10	11.77	
	Since 1/31/2009	15.47	14.81	17.00	NA	
WELLS				Russ 2500 Growth	PSN Money Mgrs.	
<i>Small/Mid Cap. Growth</i>						
	Quarter	3.41	3.20	2.38	2.95	
	1 year	22.51	21.46	19.92	19.53	
	3 year	11.06	10.06	9.10	9.88	
	5 year	13.76	12.75	13.36	13.38	
	Since 1/31/2009	19.53	18.50	18.29	NA	
LAZARD				MSCI AC Wld x US		
<i>International Value</i>						
	Quarter	0.06	(0.06)	(1.18)		
	1 year	18.48	17.90	16.53		
	3 year	7.24	6.70	6.18		
	5 year	6.87	6.34	5.89		
	Since 1/31/2013	6.39	5.88	5.51		
RENAISSANCE				MSCI AC Wld x US		
<i>International Growth</i>						
	Quarter	0.47	0.33	(1.18)		
	1 year	16.62	15.91	16.53		
	3 year	6.27	5.58	6.18		
	5 year	9.01	8.31	5.89		
	Since 1/31/2009	11.23	10.54	9.96		
STANDISH MELLON				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
	Quarter	(1.45)	(1.45)	(1.46)	(1.05)	(0.98)
	1 year	1.55	1.32	1.20	0.51	0.35
	3 year	1.19	0.91	1.20	1.01	0.94
	5 year	1.88	1.56	1.82	1.45	1.25
	Since 4/30/2003	4.04	3.71	3.91	3.57	3.36
INCORE/VICTORY (Munder)				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
	Quarter	(1.14)	(1.19)	(1.46)	(1.05)	(0.98)
	1 year	1.88	1.68	1.20	0.51	0.35
	3 year	1.44	1.29	1.20	1.01	0.94
	5 year	2.09	1.97	1.82	1.45	1.25
	Since 9/30/2002	4.35	4.13	4.01	3.66	3.50

ALTERNATIVE INVESTMENTS

INVESCO						
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE	BC Aggregate
	Quarter	2.42	2.13	1.70	2.20	(1.46)
	1 year	8.31	7.11	7.13	8.07	1.20
	3 year	10.50	9.28	8.73	9.99	1.20
	5 year	11.63	10.41	10.00	11.43	1.82
	Since 7/31/2006	6.38	5.25	7.41	6.51	4.21
OFFICE BUILDING						
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate	
	Quarter	0.71	0.71	0.35	(1.46)	
	1 year	4.34	4.34	1.07	1.20	
	3 year	4.20	4.20	0.49	1.20	
	5 year	7.93	7.93	0.31	1.82	
	Since 3/31/2007	0.50	0.43	0.64	3.99	
Ironwood						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
	Quarter	1.16	1.16	0.43	(1.46)	
	1 year	6.32	6.32	3.30	1.20	
	3 year	3.36	3.36	1.61	1.20	
	5 year	5.67	5.67	2.93	1.82	
	Since 7/31/2008	3.55	3.55	1.33	3.88	
Pine Grove						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
	Quarter	1.26	1.26	0.43	(1.46)	
	1 year	5.26	5.26	3.30	1.20	
	3 year	2.13	2.13	1.61	1.20	
	5 year	3.07	3.07	2.93	1.82	
	Since 9/30/2008	3.78	3.78	2.09	3.99	
Center Coast						
<i>Master Limited Partnerships</i>				Alerian MLP	BC Aggregate	
	Quarter	(12.89)	(13.00)	(11.12)	(1.46)	
	1 year	(20.98)	(21.37)	(20.07)	1.20	
	3 year	(11.64)	(12.04)	(11.25)	1.20	
	Since 1/31/2015	(11.18)	(11.57)	(11.34)	1.58	
Neuberger Berman						
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Sept)	BC Aggregate	
	Quarter	0.00	0.00	0.35	(1.46)	
	1 year	14.34	14.45	8.38	1.20	
	3 year	11.59	11.09	8.94	1.20	
	5 year	13.48	13.31	12.18	1.82	
	Since 3/31/2010	4.55		12.36	3.20	
Neuberger Berman						
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Sept)	BC Aggregate	
	Quarter	0.00	0.00	0.35	(1.46)	
	1 year	15.05	15.18	8.38	1.20	
	3 year	9.90	11.31	8.94	1.20	
	Since 7/31/2014	6.79		9.70		
Blackstone						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Dec)	BC Aggregate	
	Quarter	6.47	6.00	0.35	(1.46)	
	1 year	19.50	16.48	15.26	1.20	
	3 year	12.07	9.65	11.20	1.20	
	Since 11/30/2013	11.97		11.74		
Goldman Sachs						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Dec)	BC Aggregate	
	Quarter	0.00	0.00	0.35	(1.46)	
	1 year	5.47	6.11	15.26	1.20	
	3 year	7.71	7.81	11.20	1.20	
	Since 12/31/2013	6.90		11.33		

TOTAL FUND				Policy Index
<i>Time-Weighted Return (TWR)</i>				
Quarter	0.65	0.54	(1.01)	
1 year	9.98	9.49	7.61	
3 year	5.80	5.29	5.27	
5 year	7.85	7.33	7.31	
Since 9/30/2002	7.72	7.23	7.49	
Since 6/30/1995	7.26			

TOTAL FUND				Actuarial Rate	CPI +3
<i>Dollar-Weighted Net Return (IRR)</i>					
Quarter		0.59	1.82	1.53	
1 year		9.57	7.50	5.65	
3 year		5.08	7.50	5.01	
5 year		7.38	7.50	4.49	

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.