

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

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

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
NOVEMBER 17, 2014**

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 2:00 PM.

PRESENT: Chairman Paul O'Connell
Trustee Sharra Aaronian
Trustee Vincent Femia
Trustee Patrick Fletcher (entered 2:03 pm)
Trustee David Hall
Trustee Peter McGinnis (entered 2:26 pm)
Trustee Jorge Rossi

ABSENT: Vice-Chairman Richard Samolewicz
Trustee Daniel Christophers

ALSO PRESENT: Pedro Herrera, Esq., Board Attorney
Glenda Rowley, Executive Director
Debra Tocarchick, Deputy Director
Charles H. Mulfinger, Graystone Consulting
Scott Owens, Graystone Consulting
Jeff Jorgensen, Center Coast Capital Advisors, LP
Stephanie Geller, Miller/Howard Investments
John Cusick, Miller/Howard Investments
Adam Evans, Cushing Asset Management
Libby Toudouze, Cushing Asset Management

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

MOTION: To approve the agenda for November 17, 2014, as presented. PASSED 5-0.

O'Connell			X	
Aaronian		X	X	
Femia			X	
Hall	X		X	
Rossi			X	

APPROVAL OF MINUTES

MOTION: To waive the reading of the minutes of the Regular Board meeting on October 20, 2014 and the Investment Committee meeting on November 5, 2014, and to approve same as submitted. PASSED 5-0.

O'Connell			X	
Aaronian	X		X	
Femia			X	
Hall			X	
Rossi		X	X	

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

Board of Trustees Minutes Page Two	November 17, 2014	TRUSTEES	M	S	Y	N
<u>APPROVAL OF DROP LOAN APPLICATIONS</u>						
<p>MOTION: To approve a DROP loan application from Daron Davis. PASSED 5-0.</p>	<p>O'Connell Aaronian Femia Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X</p>	<p>X X X X X</p>	
<u>RATIFICATION AND APPROVAL OF WARRANTS</u>						
<p>MOTION: To ratify and approve payment of benefits and expenses as set forth on Warrants No. 4539, \$37,838.58; No. 4540, \$11,748.88; No. 4541, \$1,425.00; No. 4542, \$200,297.60; No. 4543, \$1,894.26; No. 4544, \$3,886.46; No. 4545, \$9,899.69; No. 4546, \$26,363.58; No. 4547, \$4,502.60; No. 4548, \$50,000.00; No. 4549, \$43,534.06; No. 4550, \$306,893.35; No. 4551, \$265,335.90. PASSED 6-0.</p>	<p>O'Connell Aaronian Femia Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>	
<u>MLP PRESENTATIONS</u>						
<p>Mr. Mulfinger provided educational information regarding the Master Limited Partnership (MLP) investment structure. The government created a benefit to corporations in the energy space in the form of a tax incentive. The favorable tax treatment is for purposes of having independence in the United States relative to the rest of the world from an energy standpoint. The tax benefit is subject to certain criteria, which include a requirement that they pay out 90% of the cash flow generated by the company. Assuming the criteria are met, MLP's are not subject to corporate income taxes. Instead, owners of an MLP are personally responsible for paying taxes on their individual portions of the MLP's income, gains, losses and deductions. This eliminates the "double taxation" generally applied to corporations where the corporation pays taxes on its income and the corporation's shareholders also pay taxes on the corporation's dividends. The MLP will annually send out an IRS Schedule K-1 that reports the taxable income to the owner. A retirement plan is exempt from taxation so the cash flow is tax-free according to most attorney opinions today. The Schedule K-1 would just be filed away.</p>						
<p>Mr. Mulfinger explained the different types of MLP's known as upstream, midstream and downstream. The three companies presenting to the Board focus on the midstream, which is the process of moving the energy, i.e. pipelines, transportation, etc. The mid-stream MLP is not subject to the commodity price of the energy because they don't own the energy or find the energy. Midstream companies simply move the energy so it generates more consistent cash flow and is less volatile. The cash flow is between 2-4%, so it is higher than bonds, but it moves more like a stock. Since it is a hybrid, Mr. Mulfinger recommended funding the mandate with 2.5% from equities and 2.5% from fixed income for a total investment of not more than 5.0%. The benefit of the MLP mid-stream structure is that there is expected to be a growing cash flow over time. Since prices have declined about 14% this year, timing to get in is good.</p>						

Board of Trustees Minutes Page Three	November 17, 2014	TRUSTEES	M	S	Y	N
<p>Mr. Mulfinger reviewed his firm’s research on the industry which noted that MLPs provide exposure to the following positive investment attributes: 1) growing free cash flow and yields; 2) a relatively insulated “utility-like” business model; 3) exposure to two secular trends - growing commodity consumption and US energy infrastructure build; and 4) a low correlation to equity and fixed income markets. The current low interest rate environment is a good time to consider MLPs. Because of the low correlation to stock and bonds, MLPs act as a diversifier to reduce the overall portfolio risk. They trade on the exchange and have a market value available on a daily basis.</p> <p>Unrelated Business Taxable Income (UBTI) was discussed. UBTI is income that is generated which is unrelated to the nature of the business of an otherwise tax-exempt entity. A tax-exempt entity that is not a governmental plan has to pay tax on UBTI income. However, the common position of attorneys is that the government does not pay tax, although that could be changed by future regulations. In any event, Mr. Mulfinger noted that the three firms presenting today have indicated that they don’t expect to generate UBTI taxable income for at least six years. If anything they will have a negative UBTI due to depreciation and depletion of assets for at least that time frame.</p> <p>Three mid-stream MLP firms made presentations to the Board. Center Coast Capital Advisors, LP was represented by Jeff Jorgensen, Miller/Howard Investments was represented by Stephanie Geller and John Cusick and Cushing Asset Management was represented by Adam Evans and Libby Toudouze. Following their presentations, the Board reviewed Graystone’s MLP Manager Search Summary report and discussed the firms and their investments, returns, and fees.</p>						
<p>MOTION: To hire Center Coast Capital Advisors, LP to run a Master Limited Partnership (MLP) portfolio subject to successful negotiation of a contract; Graystone Consulting will negotiate the best fee. PASSED 5-2.</p>	<p>O’Connell Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X</p>	<p>X X</p>	<p>X X</p>
<p>MOTION: To modify the Investment Policy by adding a 5% allocation to MLPs (approximately \$11 million) and reducing the target allocation of Large Cap Value equities from 12.50% to 10.0% and the target allocation of Fixed Income from 25.0% to 22.50%. PASSED 7-0.</p>	<p>O’Connell Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X X X X</p>	<p>X X X X X</p>
<p>It was noted that the investment policy change will not become effective for 31 days from when the change is reported to the City Manager, Actuary and Division of Retirement.</p>						

<p>Board of Trustees Minutes Page Four</p> <p style="text-align: right;">November 17, 2014</p> <p><u>SEPTEMBER 30, 2014 PERFORMANCE REPORT</u></p> <p>Mr. Mulfinger went on to present the investment performance report for the quarter and year ending September 30, 2014. The total fund was valued at \$227,076,282 as of September 30, gaining \$32 million during the quarter. The quarterly return, net of fees, was +0.04%, vs. the policy index of -0.52%. The one-year return was 10.03%, vs. the policy index of 10.78%, which is well ahead of the actuarial rate of return of 7.50%. Many plans are exceeding their actuarial assumption, but very few have a net rate of return over 10%.</p> <p>Mr. Mulfinger reported on the departure of Wells Capital's Chief Compliance Officer. Based on their research, Graystone has no concerns with this organizational change. Wells has a backup replacement and is a very large organization with deep compliance.</p> <p>Mr. Owens summarized the general economy and the markets. The markets experienced extreme volatility toward the end of the quarter but have since rebounded to an all time high. Fundamentally, the economy continues to do well with unemployment down to 5.8%, corporate profits continue to rise and inflation remains in check. Housing starts are up 8%, the manufacturing and service indices are over 50, indicating the economy is expanding, and GDP growth for the quarter was 3.5%. With regard to the equity markets, large cap outperformed small cap and growth outperformed value. The volatility of the equity markets caused a flight to quality, making this the first quarter in some time where government bonds outperformed the aggregate bond index.</p> <p>While the portfolio was overweight to target allocations in every equity asset class and overweight in total equity 58.26% versus 52.50%, it is still within the policy range so no rebalancing is needed. The action taken by the Board to fund the MLP mandate will assist in reducing the overweighting in equities. Fixed income returns are much lower than the actuarial assumption so it is a good opportunity to use fixed income to help fund the MLP mandate while rates are even lower. Private real estate, private equity and funds of hedge funds were underweight to their target allocations but still within policy ranges. The MLP asset class will be included in the investment policy as an alternative asset class even though they trade like stocks.</p> <p>Mr. Mulfinger reviewed each individual investment manager's performance relative to their benchmark and commented on the specific managers noted below.</p> <p>Although BlackRock underperformed during the year, their historical performance record showed outperformance in 11 out of 12 quarters when the markets were down, which is why they were hired.</p> <p>Mr. Mulfinger recommended that the Board focus on Cornerstone in the upcoming Educational Symposium. They were hired to be more defensive in a down market; however, their performance returns over all time periods are below the index, which is disappointing.</p>	TRUSTEES	M	S	Y	N

Board of Trustees Minutes Page Five	November 17, 2014	TRUSTEES	M	S	Y	N
<p>Mr. Mulfinger reported that Pine Grove is redeeming all of the assets in one of its hedge fund-of-funds due to an approximate \$12 Million embezzlement by its Comptroller. The Retirement System's value or funds are not affected. Graystone performed due diligence to evaluate Pine Grove's research of that hedge fund and was comfortable with their process.</p>						
<p>Mr. Mulfinger discussed CALPER's exit from the hedge fund arena. CALPER's use of hedge funds is macro-oriented; i.e. they use them to make big bets as a complement to both equities and fixed income by trying to pick the areas of the economy they think will do well. Their hedge funds are competing with an equity market that has risen for five years, and with huge fees, they didn't fare as well. PBPFRS' hedge funds are not macro-oriented and are used as a complement to bonds only – an entirely different strategy.</p>						
<p>MOTION: To approve the September 30, 2014 Performance Evaluation Report as submitted by Graystone Consulting. PASSED 7-0.</p>	<p>O'Connell Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>		<p>X X X X X X</p>	
<p>MOTION: To set the net investment rate of return for quarter ended 09/30/2014 at 0.04% for purposes of the Fund Rate DROP earnings in accordance with Mr. Mulfinger's 11/10/14 letter of certification. PASSED 7-0.</p>	<p>O'Connell Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>		<p>X X X X X X</p>	
<p>The Chairman and Mr. Mulfinger will confer to draft a letter to the investment managers setting the 2015 Educational Sponsorship fee at \$1,500. It will be reviewed by Sugarman & Susskind and signed by the Chairman.</p>						
<p><u>SUGARMAN & SUSSKIND PA LEGAL REPORT</u></p>						
<p>The merits of the KKR case were discussed by the Investment Committee, which recommended appealing the dismissal of the case by the Delaware Court of Chancery, as recommended by Grant & Eisenhofer.</p>						
<p>MOTION: To approve and ratify the appeal re the KKR securities litigation matter as recommended by Grant & Eisenhofer, Sugarman & Susskind and the Investment Committee. PASSED 7-0.</p>	<p>O'Connell Aaronian Femia Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>		<p>X X X X X X</p>	

Board of Trustees Minutes Page Six	November 17, 2014	TRUSTEES	M	S	Y	N
<p>The Board reviewed the response letters from its securities litigation firms outlining any prior disciplinary actions or awards against each of them. In an effort to reduce redundancies and improve administrative efficiencies, the Board agreed to reduce the number of firms performing portfolio monitoring services on their behalf from six to three. It was noted that Bernstein Litowitz and Grant & Eisenhofer had no history of any court ordered sanctions or disciplinary proceedings. Saxena White had only reported one minor instance that involved an attorney who is no longer with the firm. These firms cover both 10(b) securities cases and derivative actions.</p> <p>MOTION: To retain Bernstein Litowitz Berger & Grossman, Grant & Eisenhofer and Saxena White to provide portfolio monitoring services and to terminate the portfolio monitoring agreements with Motley Rice and Spector, Roseman, Kordroff & Willis, which will be notified by Sugarman & Susskind. PASSED 7-0.</p> <p>An update from Saxena White regarding the Barclay's securities litigation matter was reviewed. The Court rejected the defendant's motion to dismiss and the case is moving forward.</p> <p>Mr. Herrera reported that they have not received an update from attorney Ron Cohen on whether Jeff Poole accepts or objects to Bonnie Jensen serving as the Board's attorney advocate in his forfeiture hearing. They will continue to follow-up.</p> <p>In light of the coming holiday season, Mr. Herrera reminded everyone of the ethics laws regarding gifts.</p> <p><u>COMMITTEE REPORTS</u></p> <p>The Chairman reported that Butters received two viable purchase offers on the building in the amounts of \$4.15 million (4.5% commission with no buyer broker) and \$4.1 million (6% commission with a buyer broker). The Trustees discussed the offers and agreed that there wasn't a material change in the new offers and to continue to hold the investment.</p> <p>MOTION: To reject the offers and continue to hold the building. PASSED 7-0.</p>	<p>O'Connell Aronian Femia Fletcher 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 X</p>	<p>X X X X X X X</p>
	<p>O'Connell Aronian Femia Fletcher 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 X</p>	<p>X X X X X X X</p>

Board of Trustees Minutes Page Seven	November 17, 2014	TRUSTEES	M	S	Y	N
<p>MOTION: To approve a cash infusion to Pompano Beach Investors, LLC, for construction costs re Suite 405 (Soreide Law) according to the following draw schedule as recommended by Butters Realty & Management: \$25,225 by December 1 and \$25,225 prior to January 1. PASSED 7-0.</p> <p>Easley, McCaleb & Associates reported that they were able to further negotiate the 2013 property assessment down to \$3,016,230 resulting in a total 2013 tax savings of approximately \$4,431. A refund will be issued in approximately 4-6 weeks.</p> <p>The 2014 property tax bills were received totaling \$75,072.60. Easley, McCaleb & Associates will automatically appeal the assessment.</p>					X X X X X X	
<p>MOTION: To authorize Butters Realty & Management to pay, by November 30, the 2014 property taxes on the Bank of America parcels in the total amount of \$75,072.60 and to transfer to Pompano Beach Investors, LLC an equivalent amount. PASSED 7-0.</p> <p>No reports were rendered for the Professional Advisors Review Committee or the Communications Committee. The Investment Committee reported that it voted a proxy for the Prudential Jennison Natural Resources DROP mutual fund in accordance with its board delegated authority.</p>		X		X	X X X X X X	
<u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u>						
<p>The Board endorsed NCPER's response to comments requested from the Actuarial Standards Board regarding actuarial valuations and other analyses used for determining public pension and other post-employment plan funding and accounting.</p>						
<p>The Board received a communication that the Munder/Victory merger transaction was completed on October 31.</p>						
<p><i>Your Pension Matters</i> newsletter for quarter ending September 30 was reviewed. The Chairman reported that a joint memorial will take place on January 10 for police officers Scott Winters and Chris Reyka and firefighter Bill Elliott.</p>						
<p>The Chairman requested that the Board provide feedback regarding "The Retirement Gamble" video, which was distributed to each trustee.</p>						
<p>The following items were approved by the Chairman, as recommended by Butters Realty & Management, in accordance with Board policy: Asbestos removal on the 2nd floor, tile in the amount of \$5,700 and duct work in the amount of \$8,000.</p>						

EXECUTIVE DIRECTOR'S REPORT

Responses to the custodial bank fee study will be on the December agenda.

The wrong version of Ordinance 2014-61, enacting the new firefighter benefits, was adopted by the City. It will be rescinded and the correct version approved, which is acceptable to the Actuary and the Division of Retirement.

The trustees were reminded that they each have an assigned "pbpfrs.org" email address that will forward email to their personal email addresses.

The Board agreed that it would address shirts and business cards next year, as well as discuss a lobby memorial. Since the building was not sold, Trustee McGinnis will proceed with the camera and card access systems.


Sara Prieto replaced Kim Burns as the building manager.

ADJOURNMENT

MOTION: To adjourn the November 17, 2014 meeting at 6:10 PM.
PASSED 7-0.

O'Connell			X	
Aaronian			X	
Femia			X	
Fletcher		X	X	
Hall	X		X	
McGinnis			X	
Rossi			X	

Respectfully submitted,


Glenda Rowley, 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
Webmaster

SUMMARY OF RELEVANT FACTS
Pompano Beach Police & Firefighters' Retirement System
As of September 30, 2014

Distribution of Assets:

Equity	
-Large Cap. Value	\$31,802,195
-Large Cap. Growth	\$25,476,876
-Large Cap. Core	\$24,931,433
-Mid Cap. Value	\$13,417,526
-Small/Mid Cap. Growth	\$12,595,737
-International Value	\$11,391,205
-International Growth	\$12,687,751
Total Equity	\$132,302,723
Fixed Income	\$52,032,591
Private Real Estate	\$14,055,259
Fund of Hedge Funds	\$20,661,322
Private Equity	\$6,585,719
Cash (Non-Managed Account)	\$1,438,667
Total Portfolio	\$227,076,282

Distribution by Percentages:

	Policy	Current
Equity Breakdown		
-Large Cap. Value	12.50%	14.01%
-Large Cap. Growth	10.00%	11.22%
-Large Cap. Core	10.00%	10.98%
-Mid Cap. Value	5.00%	5.91%
-Small/Mid Cap. Growth	5.00%	5.55%
-International Value	5.00%	5.02%
-International Growth	5.00%	5.59%
Total Equity	52.50%	58.26%
Fixed Income	25.00%	22.91%
Private Real Estate	7.50%	6.19%
Fund of Hedge Funds	10.00%	9.10%
Private Equity	5.00%	2.90%
Cash (Non-Managed Account)	0.00%	0.63%
Total Portfolio	100.00%	100.00%

INVESCO (Private Real Estate)

Private Real Estate	100.00%	\$11,825,259
Fees		(\$32,560)
Gain or (Loss)		\$402,915

OFFICE BUILDING

Total Assets	100.00%	\$2,230,000
Gain or (Loss)		\$395,733

UBP Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$772,856
Gain or (Loss)		\$4,596

MAIN ACCOUNT (NON-MANAGED)

Cash	100.00%	\$1,438,667
Gain or (Loss)		\$1,962

Other Important Facts:

Total Portfolio	\$227,076,282
Total Gain or (Loss) - Gross of Fees	\$32,025

BLACKROCK

Total Assets	100.00%	\$31,802,195
Equity	96.76%	\$30,771,459
Cash	3.24%	\$1,030,736
Fees		(\$46,709)
Gain or (Loss)		\$125,617

SANDS CAPITAL MANAGEMENT

Total Assets	100.00%	\$25,476,876
Equity	97.76%	\$24,905,783
Cash	2.24%	\$571,093
Fees		(\$37,363)
Gain or (Loss)		\$846,716

CORNERSTONE

Total Assets	100.00%	\$24,931,433
Equity	97.92%	\$24,412,514
Cash	2.08%	\$518,918
Fees		(\$34,391)
Gain or (Loss)		(\$2,930)

RBC GLOBAL

Total Assets	100.00%	\$13,417,526
Equity	99.31%	\$13,324,532
Cash	0.69%	\$92,994
Fees		(\$11,995)
Gain or (Loss)		(\$391,600)

WELLS

Total Assets	100.00%	\$12,595,737
Equity	99.57%	\$12,542,005
Cash	0.43%	\$53,731
Fees		(\$28,512)
Gain or (Loss)		(\$416,582)

Ironwood Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$10,020,429
Gain or (Loss)		\$124,278

Pine Grove Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$9,868,037
Gain or (Loss)		(\$17,888)

LAZARD (International Value)

Total Assets	100.00%	\$11,391,205
Equity	98.70%	\$11,242,783
Cash	1.30%	\$148,422
Fees		(\$15,860)
Gain or (Loss)		(\$696,915)

RENAISSANCE (International Growth)

Total Assets	100.00%	\$12,687,751
Equity	98.48%	\$12,495,414
Cash	1.52%	\$192,338
Fees		(\$21,947)
Gain or (Loss)		(\$598,312)

STANDISH MELLON

Total Assets	100.00%	\$25,001,271
Fixed	99.13%	\$24,784,336
Cash	0.87%	\$216,935
Fees		(\$18,646)
Gain or (Loss)		\$14,423

MUNDER CAPITAL MANAGEMENT

Total Assets	100.00%	\$27,031,319
Fixed	99.34%	\$26,852,429
Cash	0.66%	\$178,891
Fees		(\$13,448)
Gain or (Loss)		\$13,493

NB CROSSROADS (PRIVATE EQUITY) #1

Total Assets	100.00%	\$3,531,557
Gain or (Loss)		\$139,477

NB CROSSROADS (PRIVATE EQUITY) #2

Fund of Hedge Fund	100.00%	\$435,000
Gain or (Loss)		\$0

BLACKSTONE (PRIVATE EQUITY)

Total Assets	100.00%	\$1,536,022
Gain or (Loss)		\$43,295

GOLDMAN SACHS (PRIVATE EQUITY)

Total Assets	100.00%	\$1,083,140
Gain or (Loss)		\$43,748

BREAKDOWN OF RETURNS
Pompano Beach Police & Firefighters' Retirement System
As of September 30, 2014

TRADITIONAL INVESTMENTS

BLACKROCK		Your Returns		Russ 1000 Value	PSN Money Mgrs.	S&P 500
<i>Large Cap. Value</i>		Gross	Net			
	Quarter	0.41	0.27	(0.18)	0.01	1.13
	1 year	14.98	14.34	18.89	18.36	19.74
	Since 1/31/2013	14.61	13.96	19.47	NA	20.47
SANDS CAPITAL				Russ 1000 Growth	PSN Money Mgrs.	
<i>Large Cap. Growth</i>						
	Quarter	3.43	3.28	1.49	1.04	
	1 year	16.45	15.74	19.15	17.94	
	3 year	27.20	26.45	22.45	22.13	
	5 year	22.40	21.67	16.50	15.64	
	Since 5/31/2003	13.16	12.52	9.04	NA	
CORNERSTONE				S&P 500	PSN Money Mgrs.	
<i>Large Cap. Core</i>						
	Quarter	(0.01)	(0.15)	1.13	0.63	
	1 year	16.65	16.02	19.74	18.85	
	3 year	21.04	20.32	23.00	22.95	
	5 year	13.70	13.00	15.70	15.68	
	Since 1/31/2009	17.65	16.95	19.16	NA	
RBC GLOBAL				Russ Mid Value	PSN Money Mgrs.	
<i>Mid Cap. Value</i>						
	Quarter	(2.80)	(2.89)	(2.64)	(2.68)	
	1 year	21.04	20.63	17.45	14.97	
	3 year	27.09	16.40	24.71	22.33	
	5 year	17.94	17.24	17.23	16.62	
	Since 1/31/2009	21.45	20.75	22.45	NA	
WELLS				Russ 2500 Growth	PSN Money Mgrs.	
<i>Small/Mid Cap. Growth</i>						
	Quarter	(3.18)	(3.39)	(4.21)	(5.04)	
	1 year	4.39	3.45	8.04	5.43	
	3 year	23.41	22.33	22.68	22.05	
	5 year	19.33	18.28	16.84	16.40	
	Since 1/31/2009	23.62	22.58	22.16	NA	
LAZARD				MSCI AC Wld x US		
<i>International Value</i>						
	Quarter	(5.75)	(5.87)	(5.26)		
	1 year	6.58	6.03	4.76		
	Since 1/31/2013	7.00	6.53	6.34		
RENAISSANCE				MSCI AC Wld x US		
<i>International Growth</i>						
	Quarter	(4.48)	(4.64)	(5.26)		
	1 year	11.11	10.38	4.76		
	3 year	16.96	16.21	11.80		
	5 year	9.48	8.79	6.03		
	Since 1/31/2009	14.86	14.16	13.06		
STANDISH MELLON				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
	Quarter	0.06	(0.02)	0.17	0.03	(0.03)
	1 year	4.34	3.96	3.96	2.74	2.20
	3 year	3.05	2.71	2.43	2.09	2.02
	5 year	4.70	4.37	4.12	3.58	3.42
	Since 4/30/2003	4.70	4.36	4.50	4.19	3.95
MUNDER CAPITAL				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
	Quarter	0.05	0.00	0.17	0.03	(0.03)
	1 year	4.45	4.40	3.96	2.74	2.20
	3 year	3.43	3.28	2.43	2.09	2.02
	5 year	4.55	4.35	4.12	3.58	3.42
	Since 9/30/2002	4.98	4.74	4.61	4.28	4.10

ALTERNATIVE INVESTMENTS

INVESCO					
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE
	Quarter	3.52	3.23	2.63	3.24
	1 year	12.32	11.07	11.26	12.40
	3 year	11.81	10.54	11.09	12.35
	5 year	11.50	10.23	11.00	12.40
	Since 7/31/2006	3.29	2.12	6.54	3.10
OFFICE BUILDING					
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate
	Quarter	21.34	21.34	0.01	0.17
	1 year	(26.39)	(26.39)	0.04	3.96
	3 year	(10.70)	(10.70)	0.06	2.43
	5 year	(14.46)	(14.46)	0.07	4.12
	Since 3/31/2007	(8.25)	(8.25)	0.65	4.93
UBP					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
	Quarter	0.04	0.04	0.24	
	1 year	0.07	0.07	5.63	
	3 year	2.35	2.35	4.93	
	5 year	2.20	2.20	3.42	
	Since 4/30/2008	(0.20)	(0.20)	0.80	
Ironwood					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
	Quarter	1.35	1.35	0.24	
	1 year	10.50	10.50	5.63	
	3 year	9.18	9.18	4.93	
	5 year	8.05	8.05	3.42	
	Since 7/31/2008	3.35	3.35	0.95	
Pine Grove					
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	
	Quarter	(0.14)	(0.14)	0.24	
	1 year	7.27	7.27	5.63	
	3 year	6.74	6.74	4.93	
	5 year	5.42	5.42	3.42	
	Since 9/30/2008	5.16	5.16	2.14	
Neuberger Berman					
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	4.11	4.08	1.13	
	1 year	20.54	20.24	19.74	
	3 year	12.00	13.52	23.00	
	Since 3/31/2010	(0.97)	10.18	14.72	
Neuberger Berman					
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Since 7/31/2014	0.00	0.00	2.54	
Blackstone					
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	2.99	2.37	1.13	
	Since 11/30/2013	6.31	4.80	11.09	
Goldman Sachs					
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	
	Quarter	8.49	6.75	1.13	
	Since 12/31/2013	(3.80)	5.31	8.34	
TOTAL FUND					
<i>Time-Weighted Return (TWR)</i>				Policy Index	Composite Index
	Quarter	0.04	(0.09)	(0.52)	(0.46)
	1 year	10.49	9.97	10.78	11.52
	3 year	14.07	13.49	13.70	14.21
	5 year	10.67	10.11	10.42	10.73
	Since 9/30/2002	8.12	7.61	8.03	8.33
	Since 6/30/1995	7.68			
TOTAL FUND					
<i>Dollar-Weighted Net Return (IRR)</i>				Actuarial Rate	CPI +3
	Quarter		(0.11)	1.82	0.71
	1 year		10.03	7.50	4.59
	3 year		13.62	7.50	4.53
	5 year		10.11	7.50	4.89
	Since 9/30/2002		7.59	7.50	5.33

REGULAR MEETING – NOVEMBER 17, 2014

ITEM NO. 6 - WARRANT NOS. 4539 THROUGH 4551

Ratified and Approved on 11/17/2014

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
4539	RBC Global Marcum, LLP Morgan Stanley Smith Barney	Inv. No. 24498, investment management performance fee quarter ended 9/30/2014; \$15,748.22 Inv No. 10531490, third progress audit billing for 9/30/14; \$1,336.00 Investment Consulting fee quarter ended 09/30/14; \$20,754.36	37,838.58
4540	Chad E. Brocato	Refund of contributions as a result of separation of employment on 10/17/2014; \$11,748.88	11,748.88
4541	FPPTA IFEBP NCPERS	CPPT re-certification fee, \$30 each for Trustees Aaronian, Hall, O'Connell, Samolewicz; \$120.00 Annual membership dues 2015; \$1,055.00 Annual membership dues 2015; \$250.00	1,425.00
4542	Pompano Beach Investors, LLC	Cash infusion to provide funds necessary for: first draw for construction costs for Suite 200 (Holy Cross), \$100,000.00; first draw for construction costs for Suite 405 (Soreide), \$25,225.00; 2014 property taxes on Bank of America Property; \$75,072.60, Total \$200,297.60	200,297.60
4543	Sharra Aaronian Daniel Christophers	IFEBP Annual Conference expense reimbursement; \$1,359.53 IFEBP Annual Conference expense reimbursement; \$534.73	1,894.26
4544	US Postal Service Bethesda Memorial Hospital Xerox Corporation Fort Lauderdale Marriott Pompano Beach Resort	Postage; \$200.00 Inv. No. 1410-363, Adam Burns Medical Records; \$27.00 Inv. No. 076573247, October Lease; \$159.46 Advance deposit for 2015 Educational Symposium; \$3,500.00	3,886.46
4545	Bank of America	Glenda Rowley: Medical Records, \$37.22; Courier, \$23.29; Miscellaneous; \$14.82, Total \$75.33 Debra Tocarchick: Meeting Supplies, \$28.48; IME, \$1,600.00; Telephone & Internet, \$254.10; Educational Expense (FPPTA), \$545.79; Educational Expense (CEBS), \$803.52, Bank Adjustment, (\$1.00), Total \$3,230.89 Paul O'Connell: Business Lunch, \$33.18; Publications, \$132.50; Educational Expense (IFEBP), \$1,748.93, Total \$1,914.61 Richard Samolewicz: Educational Expense (FPPTA), \$694.53 Sharra Aaronian: Educational Expense (IFEBP), \$335.13 Daniel Christophers: Educational Expense (IFEBP), \$1,259.61 Vincent Femia: Educational Expense (FPPTA), \$551.00 David Hall: Educational Expense (IFEBP), \$1,248.75 Jorge Rossi: Educational Expense (FPPTA), \$589.84	9,899.69

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4546	Vantagepoint Transfer Agents/457 FBO Janeen M. McKenzie	Trustee-to-trustee transfer of share plan balance due to separation of service on 08/15/2014; \$26,363.58	26,363.58
4547	Glenda R. Rowley Debra L. Tocarchick	Pension Fund Performance Bonus; \$2,749.48 Pension Fund Performance Bonus; \$1,753.12	4,502.60
4548	Daron Davis Florida Department of Revenue Alerus Financial	DROP loan net amount to Daron Davis; \$49,725.00 Documentary stamps for Daron Davis' DROP loan; \$175.00 Loan processing fee for Daron Davis; \$100.00	50,000.00
4549	Sun America IRA FBO Lisa Smith	Trustee-to-trustee transfer of Share Plan balance due to separation of service on 11/06/2014; \$43,534.06	43,534.06
4550	Sun America IRA FBO Lisa Smith	Balance of Fund Rate DROP account via trustee-to-trustee transfer to Sun America for deposit to IRA; \$306,893.35	306,893.35
4551	AXA Equitable FBO Victor Villalobos	Lump Sum distribution of DROP account due to separation of service on 11/01/2014; balance of DROP Loan increased 20% for income tax withholding; \$47,101.40; balance of DROP account after Loan payoff; \$218,234.50, Total \$265,335.90	265,335.90