

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

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

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
MAY 2-4, 2019**

The Board of Trustees convened at the Fort Lauderdale Marriott Pompano Beach Resort & Spa, 1200 N. Ocean Blvd., Pompano Beach. The Chairman called the meeting to order at 10:30 AM.

PRESENT: Chairman Paul O'Connell
Vice-Chairman Richard Samolewicz (11:15; 4:00 PM)
Trustee Sharra Aaronian
Trustee Daniel Christophers
Trustee Vincent Femia
Trustee David Hall
Trustee Peter McGinnis (departed at 1:55 PM)
Trustee Jorge Rossi

ABSENT: Trustee Robert Drago

ALSO PRESENT: Debra Tocarchick, Executive Director
Maureen Femia, Deputy Director
Charles Mulfinger II, Graystone Consulting
Scott Owens, Graystone Consulting
Andy McIlvaine, Graystone Consulting

VISITORS: Andrea Levine, Police Officer
Patrick Fletcher, Police Officer
Dann Smith, Wells Capital
Jim Kelts, Incore

AUDIENCE TO BE HEARD

None

KEY NOTE SPEAKER: GARY SCHLOSSBERG, WELLS FARGO

Prior to the key note speaker, Mr. Mulfinger announced to the Board of Trustees that he would be retiring effective June 30, 2019, and this would be his last meeting with the Board. Mr. Scott Owens and Mr. Andy McIlvaine will succeed Mr. Mulfinger as the account representatives. The Trustees extended their congratulations and deep appreciation for the many years of dedication and friendship created over the years.

Mr. Mulfinger introduced the key note speaker, Gary Schlossberg, Senior Economist with Wells Capital Management. Mr. Schlossberg spoke about the current state of the economy noting that the recent tax cuts helped play a key role in increased growth. Household wealth began to accelerate in the first quarter of this year. The decrease in mortgage rates late last year improved housing affordability, and therefore it is expected that home sales will begin to recover which is very important for the economy as it has a ripple effect on other aspects in the market. Consumer spending appears to be a main driver in the strength of the economy as we move through the second quarter.

M O T I O N	S E C O N D	V O T E D Y E S	V O T E D N O
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<p>Board of Trustees Minutes Page Two</p> <p style="text-align: right;">May 2-4, 2019</p>	TRUSTEES	M	S	Y	N
<p>Mr. Schlossberg discussed the status of the local economy noting the beneficial factors to living in Florida that bode well for the booming economy. Mr. Schlossberg did mention that due to Florida running on the leading edge during the market expansion, alternatively it may see more of a slow down when and if a recession occurs due to the strength it has sustained.</p> <p>Mr. Schlossberg predicts there will be rate increases by the Fed although they have held back some in the past quarters. Mr. Schlossberg noted the importance of the direction of the rates in relation to fixed income strategy and performance. Mr. Schlossberg concluded by discussing the potential risks in the market which may affect stock earnings, the economy and recession risk. Fortunately, the government is more aware and heavily regulated from the previous recession a decade ago and therefore a collapse in the economy is not expected.</p> <p><u>MARCH 31, 2019 PRELIMINARY INVESTMENT PERFORMANCE REPORT PRESENTED BY GRAYSTONE CONSULTING</u></p> <p>Charles Mulfinger, on behalf of Graystone Consulting, commented that his firm agrees with the thought expressed by the key note speaker in that after a slight slowdown in the market and GDP around 3.2% the market will sustain itself and then pick up again. Mr. Mulfinger encouraged the Board of Trustees to address any questions or issues with the investment managers during their individual presentations.</p> <p>Mr. Mulfinger distributed an investment manager fee summary as of May 2019 and a fee analysis by asset class as of March 31, 2019. Mr. Mulfinger noted that the fees are competitive and lower than the average for institutional clients. The only exception is Wells Capital which is slightly above.</p> <p>Mr. Mulfinger reviewed the state of the US equities market and the positive strong reaction in the first quarter. While there are certain market risks, most are believing risk will be reduced with some sort of trade agreement with China within the next few weeks. Brexit has been put off until October 31. The Fed is now having discussion about cutting interest rates which is a 180 degree change from the fourth quarter when the market was under tremendous pressure.</p> <p>The S&P 500 and the Dow were up 13.65% and 11.81% for the quarter respectively. Growth outperformed value, mid-size companies outperformed smaller companies and smaller companies outperformed larger companies. Technology, Real Estate, Industrials and Energy were the top performing sectors. Utilities, Materials, Financials and Health Care fell to the bottom of the list; however, all sectors were positive for the quarter. The international markets did well but not quite as strong as the US market. The bond market was also positive as interest rates fell and bond prices rose.</p> <p>Mr. Mulfinger reported the Plan's <i>preliminary</i> total portfolio market value as \$241,250,989 as of March 31, with a gain of \$20,065,568 million for the</p>					

Board of Trustees Minutes Page Three	May 2-4, 2019	TRUSTEES	M	S	Y	N
<p>quarter. This value does not include the private equity managers whose results are not yet available. In reviewing the Plan's asset allocation, equities and private real estate were slightly overweight to target allocations. Fixed income, hedge fund-of-funds, MLP's and private equity were slightly underweight to target allocations. All asset classes were within the target ranges and no recommendation for rebalancing was made.</p> <p>Mr. Mulfinger reviewed each individual investment manager's performance relative to their benchmark and commented on the specific managers as noted below.</p> <p>Invesco's fee for institutional products is slightly high. Perhaps it can be brought down somewhat in the future.</p> <p>Graystone still believes MLP's are cheap and their firm is overweight in this asset class. However, this is an area that the Fund will want to get out of in the future; however, they still think there is room to run.</p> <p>None of the private equity managers have their audited numbers as of March 31 yet. When the numbers are available, it should increase the final return for March 31.</p> <p>Total <i>preliminary</i> gross returns for the quarter, 1-year, 3-year and 5-year periods were 8.95%, 5.77%, 9.03% and 6.15%, respectively. The "Summary of Relevant Facts" and "Breakdown of Returns", showing the <i>final</i> values and returns by manager, are attached on the backup.</p>						
<p>MOTION: To approve the March 31, 2019 Preliminary Performance Evaluation Report as submitted by Graystone Consulting. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hall McGinnis Rossi</p>	<p>X</p>			<p>X X X X X X X X</p>	
<p>Mr. Mulfinger recommended that the Board of Trustees approve the proposed revised investment guidelines that incorporate the five-year phase-in to reduce the assumed investment rate from 7.50% to 7.0%.</p>						
<p>MOTION: To approve the revised Investment Policy Statement effective 31 days after the policy change is communicated to the Plan Sponsor, the actuary and the Division of Retirement as recommended by Graystone. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hall McGinnis Rossi</p>	<p>X</p>		<p>X X X X X X X X</p>		
<p>Mr. Mulfinger recommended having Sugarman & Susskind take another look at the provision for Ownership of a Private Office Building before finalizing the Investment Guidelines.</p>				<p>X</p>		

Board of Trustees Minutes Page Four	May 2-4, 2019	TRUSTEES	M	S	Y	N
<p>Mr. Mulfinger brought up the issue of Wells Fargo's list of approved broker dealers and the recent request by Wells to add WFS as a broker. Dann Smith of Wells confirmed the Plan is currently in an opt out position and will in no way be disadvantaged by not participating in the WFS program. Wells works with more than 150 broker dealers and cost is one of many factors. While they believe WFS can do it at a lower cost, they also understand the perceived conflict of interest. Because of Wells' size and scale in the marketplace they can still trade competitively with some clients using WFS and others not. Wells is still looking to have a conversation with Sugarman & Susskind to clarify the issue. Mr. Mulfinger agreed that Sugarman & Susskind should review Well's responses and address it at the June 17 Board meeting.</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>MELLON INVESTMENT CORPORATION</u> By: Scott Mountain, Senior Relationship Manager and David Bowser, Portfolio Manager.</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: Michael Martin, 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 Peter Montgomery, Relationship Manager, Director.</p> <p><u>THE BLACKSTONE GROUP</u> By: Michael Cambias, Principal.</p> <p>The session for Thursday, May 2, 2019 ended at 4:30 PM. A networking session was conducted from 5:15 – 6:15 PM followed by dinner with the investment managers at 7:00 PM at Oceans 234 in Deerfield Beach.</p> <p><u>FRIDAY, MAY 3, 2019</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 9:00 AM.</p>						

Board of Trustees Minutes Page Five	May 2-4, 2019	TRUSTEES	M	S	Y	N
<p><u>PRESENT:</u> Chairman Paul O'Connell Vice-Chairman Richard Samolewicz (arrived 9:05 AM) Trustee Sharra Aaronian Trustee Daniel Christophers Trustee Robert Drago Trustee Vincent Femia Trustee David Hall Trustee Peter McGinnis Trustee Jorge Rossi</p> <p><u>ALSO PRESENT:</u> Debra Tocarchick, Executive Director Maureen Femia, Deputy Director Charles Mulfinger, Graystone Consulting Scott Owens, Graystone Consulting Andy McIlvaine, Graystone Consulting</p> <p><u>VISITORS:</u> Andrea Levine, Police Officer Patrick Fletcher, Police Officer Mark Baker, Firefighter</p> <p><u>AUDIENCE TO BE HEARD</u></p> <p>None</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>GOLDMAN SACHS</u> By: Chris Hunter, Vice President Alternative Investments</p> <p><u>NB ALTERNATIVES ADVISERS, LLC</u> By: John Buser, Managing Director</p> <p><u>BLACKROCK</u> By: Phil Grohe Internal Partner, and Nathan Achezinski, Vice President Fundamental Active Equity</p> <p><u>SANDS CAPITAL MANAGEMENT, INC.</u> By: Kevin Murphy, Director of Wealth Management and Portfolio Manager</p> <p>Following the presentation by Sands Capital, Chairman O'Connell called the business meeting to order at 12:28 PM.</p>						

Board of Trustees Minutes Page Six	May 2-4, 2019	TRUSTEES	M	S	Y	N
<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 Trustee Jorge Rossi</p> <p><u>ALSO PRESENT:</u> Debra Tocarchick, Executive Director Maureen Femia, Deputy Director Charles Mulfinger, Graystone Consulting Andy McIlvaine, Graystone Consulting David Robertson, Board Attorney</p> <p><u>VISITORS:</u> Andrea Levine, Police Officer Patrick Fletcher, Police Officer Mark Baker, Firefighter</p>						
<p><u>AUDIENCE TO BE HEARD</u></p> <p>None</p>						
<p><u>APPROVAL OF AGENDA</u></p> <p>MOTION: To approve the May 3, 2019 business meeting agenda as presented, with the addition of an Application for Survivor Benefit from Kyle Machado, beneficiary for Janeen McKenzie. 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><u>APPROVAL OF MINUTES</u></p> <p>MOTION: To waive the reading of the minutes of the Regular Board Meeting on April 15, 2019, and to approve same as presented. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X X</p>		

Board of Trustees Minutes Page Seven	May 2-4, 2019	TRUSTEES	M	S	Y	N	
<u>APPROVAL OF DROP LOAN APPLICATION</u>							
<p>MOTION: To approve the DROP loan application from firefighter member, Mark Baker. PASSED 9-0.</p>	O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi		X		X X X X X X X X		
<u>APPROVAL OF SURVIVOR BENEFITS</u>							
<p>MOTION: To approve the application for survivor benefits from Kyle Machado, beneficiary of retiree Janeen McKenzie who deceased on 4/8/2019. 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>RATIFICATION AND APPROVAL OF WARRANTS</u>							
<p>MOTION: To ratify and approve payment of benefits and expenses as set forth on Warrant Nos. 5105, \$76,798.23; No. 5106, \$17,570.60; No. 5107, \$30,000.00; No. 5108, \$21,965.05; No. 5109, \$4,522.26. 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>SUGARMAN & SUSSKIND, PA LEGAL REPORT</u>							
<p>Mr. Sugarman was unable to attend the meeting due to the passing of his wife, Marilyn. Mr. Robertson attended in his place and the Board of Trustees asked Mr. Robinson to convey their condolences to Mr. Sugarman and the entire firm.</p>							
<p>Mr. Robinson reported that SB 426, the firefighters' cancer presumption bill passed the legislature and was waiting to be signed by the Governor.</p>							
<p>Sugarman & Susskind reviewed the proposed Xerox lease agreement that the Executive Director recommended. The proposed lease offers the same machine and features at a lower cost.</p>					X	X	

Board of Trustees Minutes Page Eight	May 2-4, 2019	TRUSTEES	M	S	Y	N
<p>MOTION: To approve the Copier Lease Agreement with Xerox Corporation for a period of 48-months effective 5/15/2019, at a monthly lease cost of \$150.59 month as recommended by the Executive Director. 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>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u>						
<p>MOTION: To approve attendance for any interested trustee at the annual Public Funds Forum in Park City, UT, September 3-5, 2019. PASSED 9-0.</p>		O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi	X		X X X X X X X X	
<u>COMMITTEE REPORTS</u>						
<i>Communication/Cyber Review Committee:</i>						
<p>Committee Chairman Rossi briefed the Board that he had a chance to review the employee self-service portal with the Executive Director and Deputy Director and was pleased with the results. Committee Chairman Rossi will convene a committee meeting for everyone to review and provide feedback. The Board discussed additional programming needed to add survivor beneficiaries and deferred to the Committee to answer the question.</p>						
<p>No other Committee Reports were rendered.</p>						
<u>EXECUTIVE DIRECTOR'S REPORT</u>						
<ul style="list-style-type: none"> ➤ Your Pension Matters newsletter was distributed for comments ➤ Targeting July or August meeting for presentation of actuarial experience study ➤ Reviewed Nyhart's test system for DROP recordkeeping 						
<p>The Executive Director advised the Board that she just received a quote of \$1,500.00 from Nyhart to review the pension recalculations from the BSO arbitration ruling.</p>						
<p>MOTION: To approve a fee of \$1,500.00 to Nyhart for review of the calculations for the BSO corrected pensions subject to review and approval of the service agreement by Sugarman & Susskind. MOTION WITHDRAWN.</p>		Samolewicz Rossi	X			
<p>Upon discussion, the Board weighed the cost of \$1,500.00 versus the total lump retroactive benefits of \$2,163.38. Since the corrections are so <i>de minimis</i> in nature, the Board agreed that there is no benefit to paying for</p>						

<p>Board of Trustees Minutes Page Nine</p> <p style="text-align: right;">May 2-4, 2019</p>	TRUSTEES	M	S	Y	N
<p>the analysis unless there are objections to the benefit payments and then the Board will revisit.</p>					
<p>The motion was withdrawn by the maker and the supporter.</p>					
<p>The Executive Director asked whether the Board would like to contribute a donation in lieu of flowers to the Marilyn Seskin Fund in Gynecologic Oncology at the University of Miami in honor of Marilyn's memory.</p>					
<p>After much discussion, the Board decided to contribute \$100.00 and each trustee would then decide what he or she wanted to contribute personally.</p>					
<p>MOTION: To approve a donation from the Pension Fund of \$100.00 to the Marilyn Seskin Fund in Gynecologic Oncology at the University of Miami. 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>Trustee Samolewicz distributed a flyer for the 9463 Fundraiser on Saturday, July 27, 2019.</p>					
<p>Chairman O'Connell updated the Board that the actuarial presentation was presented to the City Manager on April 22, and the City Commission on April 23.</p>					
<p>MOTION: To conclude the May 3, 2019 business meeting at 12:59 PM and resume investment manager presentations. 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>SAWGRASS ASSET MANGEMENT</u> By: Martin LaPrade, CFA Partner, Equity Portfolio Manager and Gregory Gosch, Institutional Client Services.</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: Mike Streitmarter, Research Analyst.</p>					

Board of Trustees Minutes Page Ten	May 2-4, 2019	TRUSTEES	M	S	Y	N	
<p>Following the presentations for the day, a roundtable was held with representatives from Brookfield, Incore, Lazard, Neuberger Berman, Nuance, Renaissance and Wells. Viewpoints were shared on infrastructure spending, trade deals, tax cuts, the future of social security and status of inflation.</p> <p>The presentations for Friday, May 3, 2019 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 Mastro’s in Fort Lauderdale.</p> <p><u>SATURDAY, MAY 4, 2019</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 9:00 AM.</p> <p><u>PRESENT:</u> Chairman Paul O’Connell Trustee Sharra Aaronian Trustee Daniel Christophers Trustee Robert Drago Trustee Vincent Femia Trustee David Hall Trustee Jorge Rossi</p> <p><u>ABSENT:</u> Vice-Chairman Richard Samolewicz Trustee Peter McGinnis</p> <p><u>ALSO PRESENT:</u> Debra Tocarchick, Executive Director Maureen Femia, Deputy Director Charles Mulfinger, Graystone Consulting Andy McIlvaine, Graystone Consulting</p> <p><u>AUDIENCE TO BE HEARD</u></p> <p>None</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>NUANCE INVESTMENTS</u> By: Paul Gillespie, Vice President & Senior Client Portfolio Manager.</p> <p>During a break between presentations, Mr. Mulfinger distributed an analysis of historical consulting fees paid to Graystone Consulting. Currently the fee is a hard dollar fee of \$85,000 (to be increased annually based on CPI). In appreciation of the Plan’s business, Graystone proposed to lower the fee to \$65,000, plus the annual increase tied to the CPI, effective quarter ending June 30, 2019. The Board gratefully accepted the fee reduction.</p>							

Board of Trustees Minutes Page Eleven	May 2-4, 2019	TRUSTEES	M	S	Y	N
<p>MOTION: To accept Graystone Consulting's fee reduction to an annual fee of \$65,000 to be increased annually based on CPI effective April 1, 2019. PASSED 7-0.</p> <p><u>WELLS CAPITAL MANAGEMENT</u> By: Amanda Leon, Client Relations Director and John Taphorn, Portfolio Specialist.</p> <p>Mr. Mulfinger reported to the Board that he has had some discussion with Wells about lowering their fees. He anticipates that they will report back with a fee reduction.</p> <p><u>BROOKFIELD (CENTER COAST)</u> By: Boran Buturovic, 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 existing investment managers are performing well. The Plan is well diversified among asset classes. He doesn't see any issues with the managers other than replacing the MLP over time. Mr. Mulfinger was pleased to see manager's fees reduced, as well as Graystone's fees, which will benefit the Plan.</p> <p>Trustee Christophers suggested sending a survey to the investment managers for their opinions, suggestions and feedback on the annual symposium so improvements can be made going forward. Suggested questions to be posed: What did you like? What did you not like? What can we improve upon?</p> <p>Mr. Mulfinger expressed his sincere gratitude for the longstanding relationship over the years with the Board and the members.</p> <p><u>ADJOURNMENT</u></p>	<p>O'Connell Aaronian Christophers Drago Femia 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>	
<p>MOTION: To adjourn the 2019 Educational Symposium at 11:15 AM. PASSED 7-0.</p>	<p>O'Connell Aaronian Christophers Drago Femia 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>	

Respectfully submitted,



Debra Tocarchick, CEBS
Executive Director

DISTRIBUTION:

- 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

REGULAR MEETING – MAY 3, 2019

ITEM NO. 6 - WARRANT NOS. 5105 THROUGH 5109

Ratified and Approved on 5/3/2019

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
5105	Sands BlackRock Lazard Victory	Inv mgmt. fee quarter ended 3/31/2019; \$23,774.84 Inv mgmt. fee quarter beginning 4/1/2019; \$18,918.41 Inv mgmt. fee quarter ended 3/31/2019; \$21,010.98 Inv mgmt. fee quarter ended 3/31/2019; \$13,094.00	76,798.23
5106	Brookfield Economic Computers Sugarman & Susskind Office Depot	Inv mgmt. fee quarter ended 3/31/2019; \$14,265.86 Annual maintenance contract for IT services: \$2,900.00 Inv No. 134663, R. Sandell matter; \$300.00 Inv No. 2298096669, office supplies; \$15.24, Inv No. 305942171001, office supplies; \$89.50, Total \$104.74	17,570.60
5107	Mark T. Baker Florida Department of Revenue Nyhart	DROP loan net amount to Mark T. Baker; \$29,745.00 Documentary stamps for Mark T. Baker DROP loan; \$105.00 Loan processing fee for Mark T. Baker; \$150.00	30,000.00
5108	Robert Drago Morgan Stanley	BLB&G Investors Forum expense reimbursement; \$311.30 Investment consulting fee quarter ending 3/31/2019; \$21,653.75	21,965.05
5109	Kyle W. Machado	Survivor benefit commencing 5/1/2019 under 10-Yr Certain and Life Annuity option to designated beneficiary of recipient, Janeen M. McKenzie, who died 04/08/2019; \$4,522.26	4,522.26

SUMMARY OF RELEVANT FACTS
Pompano Beach Police & Firefighters' Retirement System
As of March 31, 2019

Distribution of Assets:

Equity		
-Large Cap. Value	\$30,367,060	
-Large Cap. Growth	\$31,775,536	
-Mid Cap. Value	\$12,285,245	
-Small/Mid Cap. Growth	\$12,847,532	
-International Value	\$18,053,995	
-International Growth	\$18,049,534	
Total Equity	\$123,378,901	
Fixed Income	\$52,964,271	
Private Real Estate	\$20,500,196	
Fund of Hedge Funds	\$22,352,829	
Master Limited Partnerships	\$11,571,196	
Private Equity	\$9,123,158	
Cash (Non-Managed Account)	\$1,381,807	
Total Portfolio	\$241,272,359	

Distribution by Percentages:

	Policy	Current
Equity Breakdown		
-Large Cap. Value	12.50%	12.59%
-Large Cap. Growth	12.50%	13.17%
-Mid Cap. Value	5.00%	5.09%
-Small/Mid Cap. Growth	5.00%	5.32%
-International Value	7.50%	7.48%
-International Growth	7.50%	7.48%
Total Equity	50.00%	51.14%
Fixed Income	22.50%	21.95%
Private Real Estate	7.50%	8.50%
Fund of Hedge Funds	10.00%	9.26%
Master Limited Partnerships	5.00%	4.80%
Private Equity	5.00%	3.78%
Cash (Non-Managed Account)	0.00%	0.57%
Total Portfolio	100.00%	100.00%

INVESCO (Private Real Estate)

Private Real Estate	100.00%	\$17,500,196
Fees		(\$48,547)
Gain or (Loss)		\$188,444

OFFICE BUILDING

Total Assets	100.00%	\$3,000,000
Gain or (Loss)		\$42,501

Center Coast Master Limited Partnerships

Fund of Hedge Fund	100.00%	\$11,571,196
Gain or (Loss)		\$1,910,645

Other Important Facts:

Total Portfolio	\$241,272,359
Total Gain or (Loss) - Gross of Fees	\$20,159,873

BLACKROCK

Total Assets	100.00%	\$30,367,060
Equity	93.84%	\$28,495,133
Cash	6.16%	\$1,871,927
Fees		(\$16,610)
Gain or (Loss)		\$3,158,043

SANDS CAPITAL MANAGEMENT

Total Assets	100.00%	\$15,980,749
Equity	96.94%	\$15,491,375
Cash	3.06%	\$489,374
Fees		(\$40,649)
Gain or (Loss)		\$3,341,457

SAWGRASS ASSET MANAGEMENT

Total Assets	100.00%	\$15,794,787
Equity	98.69%	\$15,587,943
Cash	1.31%	\$206,845
Fees		\$0
Gain or (Loss)		\$2,328,430

NUANCE

Total Assets	100.00%	\$12,285,245
Equity	94.46%	\$11,604,206
Cash	5.54%	\$681,039
Fees		(\$11,799)
Gain or (Loss)		\$1,404,390

WELLS

Total Assets	100.00%	\$12,847,532
Equity	96.83%	\$12,439,847
Cash	3.17%	\$407,685
Fees		(\$23,879)
Gain or (Loss)		\$2,513,414

Pine Grove Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$10,526,051
Gain or (Loss)		\$213,390

Ironwood Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$11,826,778
Gain or (Loss)		\$308,256

MAIN ACCOUNT (NON-MANAGED)

Cash	100.00%	\$1,381,807
Gain or (Loss)		\$7,675

LAZARD (International Value)

Total Assets	100.00%	\$18,053,995
Equity	96.16%	\$17,361,410
Cash	3.84%	\$692,585
Fees		(\$18,827)
Gain or (Loss)		\$1,486,093

RENAISSANCE (International Growth)

Total Assets	100.00%	\$18,049,534
Equity	98.91%	\$17,853,398
Cash	1.09%	\$196,137
Fees		(\$21,725)
Gain or (Loss)		\$1,704,472

STANDISH MELLON

Total Assets	100.00%	\$26,464,085
Fixed	98.65%	\$26,106,234
Cash	1.35%	\$357,851
Fees		(\$15,514)
Gain or (Loss)		\$753,798

INCORE/VICTORY (FORMERLY MUNDER)

Total Assets	100.00%	\$26,500,187
Fixed	98.82%	\$26,186,890
Cash	1.18%	\$313,296
Fees		(\$12,973)
Gain or (Loss)		\$706,438

NB CROSSROADS (PRIVATE EQUITY) #1

Total Assets	100.00%	\$3,355,935
Gain or (Loss)		\$0

NB CROSSROADS (PRIVATE EQUITY) #2

Fund of Hedge Fund	100.00%	\$2,812,830
Gain or (Loss)		\$0

BLACKSTONE (PRIVATE EQUITY)

Total Assets	100.00%	\$2,010,893
Gain or (Loss)		\$92,424

GOLDMAN SACHS (PRIVATE EQUITY)

Total Assets	100.00%	\$943,500
Gain or (Loss)		(\$0)

BREAKDOWN OF RETURNS
Pompano Beach Police & Firefighters' Retirement System
As of March 31, 2019

TRADITIONAL INVESTMENTS

BLACKROCK		Your Returns		Russ 1000 Value	PSN Money Mgrs.	S&P 500
<i>Large Cap. Value</i>		Gross	Net			
Quarter		11.55	11.49	11.93	11.68	13.65
1 year		5.71	5.45	5.67	5.40	9.50
3 year		11.65	11.18	10.45	10.84	13.51
5 year		8.57	8.04	7.72	8.01	10.91
Since 1/31/2013		10.19	9.64	10.58	NA	13.22
SANDS CAPITAL				Russ 1000 Growth	PSN Money Mgrs.	
<i>Large Cap. Growth</i>						
Quarter		18.73	18.50	16.10	15.68	
1 year		16.23	15.50	12.75	10.92	
3 year		21.35	20.64	16.53	14.97	
5 year		12.88	12.21	13.50	11.71	
Since 5/31/2003		13.17	12.52	10.28	NA	
SAWGRASS				Russ 1000 Growth	PSN Money Mgrs.	
<i>Large Cap. Growth</i>						
Since 1/31/2019		7.62	7.62	6.53	NA	
NUANCE				Russ Mid Value	PSN Money Mgrs.	
<i>Mid Cap. Value</i>						
Quarter		12.55	12.43	14.37	13.68	
Since 6/30/2018		8.43	8.21	0.47	NA	
Nuance/RBC Global - 1 year		10.14	9.82	2.89	1.44	
Nuance/RBC Global - 3 year		9.48	9.05	9.50	10.28	
Nuance/RBC Global - 5 year		7.20	6.69	7.22	6.98	
Nuance/RBC Global - Since 1/31/2009		14.93	14.31	15.54	NA	
WELLS				Russ 2500 Growth	PSN Money Mgrs.	
<i>Small/Mid Cap. Growth</i>						
Quarter		23.19	22.96	18.99	17.35	
1 year		12.09	11.14	7.55	9.50	
3 year		19.57	18.54	15.60	17.36	
5 year		10.97	9.99	9.72	9.51	
Since 1/31/2009		18.77	17.76	17.19	NA	
LAZARD				MSCI AC Wld x US		
<i>International Value</i>						
Quarter		9.16	9.03	10.31		
1 year		(5.62)	(6.08)	(4.07)		
3 year		6.98	6.45	8.09		
5 year		2.79	2.27	2.57		
Since 1/31/2013		4.35	3.84	3.87		
RENAISSANCE				MSCI AC Wld x US		
<i>International Growth</i>						
Quarter		10.90	10.75	10.31		
1 year		(10.63)	(11.16)	(4.07)		
3 year		4.69	4.04	8.09		
5 year		1.75	1.10	2.57		
Since 1/31/2009		8.86	8.19	8.48		
STANDISH MELLON				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
Quarter		2.93	2.87	2.94	2.28	2.32
1 year		4.54	4.28	4.48	4.33	4.24
3 year		2.17	1.90	2.03	1.71	1.66
5 year		2.72	2.41	2.74	2.31	2.12
Since 4/30/2003		4.08	3.75	3.95	3.62	3.42
INCORE/VICTORY (Munder)				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
<i>Fixed Income</i>						
Quarter		2.74	2.69	2.94	2.28	2.32
1 year		4.50	4.29	4.48	4.33	4.24
3 year		2.50	2.30	2.03	1.71	1.66
5 year		2.89	2.72	2.74	2.31	2.12
Since 9/30/2002		4.36	4.14	4.04	3.70	3.54

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ALTERNATIVE INVESTMENTS

INVESCO						
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE	BC Aggregate
	Quarter	1.09	0.81	1.80	1.42	2.94
	1 year	7.87	6.68	6.82	7.52	4.48
	3 year	8.86	7.65	7.07	7.97	2.03
	5 year	10.69	9.47	9.13	10.18	2.74
	Since 7/31/2006	6.50	5.36	7.36	6.59	4.24
OFFICE BUILDING						
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate	
	Quarter	1.43	1.43	0.60	2.94	
	1 year	5.08	5.08	2.11	4.48	
	3 year	4.59	4.59	1.17	2.03	
	5 year	21.08	21.08	0.72	2.74	
	Since 3/31/2007	0.87	0.81	0.78	4.03	
Ironwood						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
	Quarter	2.68	2.68	3.14	2.94	
	1 year	3.15	3.15	1.62	4.48	
	3 year	5.86	5.86	3.40	2.03	
	5 year	4.10	4.10	2.04	2.74	
	Since 7/31/2008	3.52	3.52	1.36	3.93	
Pine Grove						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
	Quarter	2.07	2.07	3.14	2.94	
	1 year	1.36	1.36	1.62	4.48	
	3 year	4.99	4.99	3.40	2.03	
	5 year	1.65	1.65	2.04	2.74	
	Since 9/30/2008	3.55	3.55	2.05	4.04	
Center Coast						
<i>Master Limited Partnerships</i>				Alerian MLP		
	Quarter	19.78	19.65	16.82		
	1 year	17.90	17.34	15.11		
	3 year	5.63	5.11	5.69		
	Since 1/31/2015	(4.94)	(5.36)	(5.60)		
Neuberger Berman						
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Dec)	BC Aggregate	
	Quarter	0.00	0.00	0.60	2.94	
	1 year	1.61	1.80	(3.08)	4.48	
	3 year	10.82	11.39	8.99	2.03	
	5 year	10.99	11.35	8.24	2.74	
	Since 3/31/2010	4.46	10.34	11.15	3.34	
Neuberger Berman						
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	S&P 500 / 90 Day T-Bill (Dec)	BC Aggregate	
	Quarter	0.00	0.00	0.60	2.94	
	1 year	5.37	5.33	(3.08)	4.48	
	3 year	10.99	11.09	8.99	2.03	
	Since 7/31/2014	6.94	9.13	7.99	2.55	
Blackstone						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	BC Aggregate	
	Quarter	4.81	4.32	13.65	2.94	
	1 year	9.74	8.24	9.50	4.48	
	3 year	12.71	10.71	13.51	2.03	
	5 year	11.08	8.89	10.91	2.74	
	Since 11/30/2013	11.55	8.85	11.08	2.81	
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	0.60	2.94	
	1 year	(3.14)	(2.60)	(3.08)	4.48	
	3 year	4.98	6.62	8.99	2.03	
	5 year	9.15	8.37	8.24	2.74	
	Since 12/31/2013	5.81	7.75	8.20	2.97	

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TOTAL FUND				Policy Index
<i>Time-Weighted Return (TWR)</i>				
Quarter	9.00	8.89	8.61	
1 year	5.78	5.35	5.22	
3 year	9.04	8.55	8.10	
5 year	6.15	5.66	5.83	
Since 9/30/2002	7.61	7.12	7.34	
Since 6/30/1995	7.20			

TOTAL FUND				Actuarial Rate	CPI +3
<i>Dollar-Weighted Net Return (IRR)</i>					
Quarter		8.92	1.82	1.35	
1 year		5.44	7.50	4.94	
3 year		8.69	7.50	5.24	
5 year		5.56	7.50	4.56	
Since 9/30/2002		7.36	7.50	5.12	

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.