

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

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

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
NOVEMBER 18, 2019**

The Board of Trustees convened at the Pompano Beach Police and Firefighters' Pension Office, Pompano Beach, Florida. The Chairman called the meeting to order at 3:23 PM.

PRESENT: Chairman Paul O'Connell
Vice-Chairman Richard Samolewicz
Trustee Sharra Aaronian
Trustee Daniel Christophers
Trustee Vincent Femia
Trustee Patrick Hanrahan
Trustee Peter McGinnis
Trustee Jorge Rossi

ABSENT: Trustee David Hall

ALSO PRESENT: Robert Sugarman, Board Attorney
Debra Tocarchick, Executive Director
Maureen Femia, Deputy Director
Scott Owens, Graystone Consulting
Andy McIlvaine, Graystone Consulting
Michael Blatchley, Esq., BLBG, Via Conference Call
Hannah Ross, Esq., BLBG, Via Conference Call
Andrew McKeon, Economic Computers

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

MOTION: To approve the November 18, 2019 agenda as presented.
PASSED 8-0.

APPROVAL OF MINUTES

MOTION: To waive the reading of the minutes of the Regular Board Meeting on October 14, 2019, and to approve same as presented.
PASSED 8-0.

	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
O'Connell			X	
Samolewicz		X	X	
Aaronian			X	
Christophers	X		X	
Femia			X	
Hanrahan			X	
McGinnis			X	
Rossi			X	
O'Connell			X	
Samolewicz			X	
Aaronian			X	
Christophers		X	X	
Femia	X		X	
Hanrahan			X	
McGinnis			X	
Rossi			X	

Board of Trustees Minutes Page Two	November 18, 2019	TRUSTEES	M	S	Y	N
<u>APPROVAL OF DROP LOAN APPLICATIONS</u>						
<p>MOTION: To approve the DROP loan application from firefighter member, John Hudak. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>			<p>X X X X X X X X</p>	
<p>MOTION: To approve the DROP loan application from firefighter member, Jeffrey Valerga. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>		<p>X X X X X X X X</p>		
<u>RATIFICATION AND APPROVAL OF WARRANTS</u>						
<p>MOTION: To ratify and approve payment of benefits and expense as set forth on Warrant Nos. 5169, \$1,200.00; No. 5170, \$84,737.35; No. 5171, \$3,714.29; No. 5172, \$63,339.07, No. 5173, \$1,284.74; No. 5174, \$5,000.00; No. 5175, \$4,469.17; No. 5176, \$3,534.98; No. 5177, \$120,728.36; No. 5178, \$20,710.24; No. 5179, \$4,597.19, No. 5180, \$14.66; No. 5181, \$2,699.34; No. 5182, \$16,028.35; No. 5183, \$29,194.39; No. 5184, \$25,692.16; No. 5185, \$12,500.00. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>		
<u>SEPTEMBER 30, 2019 INVESTMENT PERFORMANCE REPORT PRESENTED BY GRAYSTONE CONSULTING</u>						
<p>Mr. Owens briefed the Board on the discussion regarding infrastructure that took place in the Investment Committee meeting noting that it would be a potential space to invest in when it is time to reallocate the MLP funds.</p>						
<p>Mr. Owens informed the Board that Morgan Stanley takes cybersecurity very seriously and distributed a document entitled Cybersecurity and Fraud Prevention at Morgan Stanley which describes their multiple layers of protection.</p>						
<p>Scott Owens and Andy McIlvaine, on behalf of Graystone Consulting, presented the investment performance report for the quarter ending September 30, 2019.</p>						
<p>Mr. McIlvaine reported on the state of the economy noting that GDP increased at an annualized rate of 2.0%. Morgan Stanley economists predict US real GDP growth will be 2.1% in 2019 and 1.7% in 2020. The seasonally adjusted unemployment rate was 3.7%. Inflation was generally lower in the US. Morgan Stanley forecasts a 1.9% annual inflation rate</p>						

<p>Board of Trustees Minutes Page Three</p> <p style="text-align: right;">November 18, 2019</p>	TRUSTEES	M	S	Y	N
<p>for 2019 and 2.5% for 2020.</p> <p>Mr. McIlvaine provided market commentary noting that there are a lot of solid fundamentals with an expectation of slower growth with a lot of volatility. The US equity markets had mixed returns and were relatively flat during the quarter. Large companies outperformed smaller companies in the Russell 2000 and value stocks have now outperformed growth stocks. Eight out of 11 S&P sectors were positive with the laggards being materials, health care and energy. Fixed income had positive gains in the quarter due to the Fed rate cuts. International equities underperformed due to weakening economic data in Europe.</p> <p>Mr. Owens reviewed the total fund as of September 30, 2019 noting a gain of \$977,770 and an overall portfolio value of \$242,838,728. The Fund was slightly overweight to target allocations in all asset classes except international growth equities, hedge FOF's, MLP's and private equity which were all slightly underweight. All asset classes were within their target ranges and no recommendation for rebalancing was made.</p> <p>Mr. Owens reviewed each investment manager's performance relative to their benchmark.</p> <p>While discussing Renaissance's performance, Mr. Owens noted that they should be considered on an informal watch based on their last 24 months of performance; however, over the long-term they are still adding value. The drag on their performance is due to the impact of international market performance on their portfolio.</p> <p>With respect to the office building, Mr. Owens indicated that he cannot make a recommendation as to whether the Board should extend the purchase money loan for one year. Mr. Owens indicated that this is a private loan, and during recent discussion with Sugarman & Susskind he suggested that the requestor seek out a lender to find out what terms they can get to be used as a fair basis of comparison. Mr. Owens noted that there are other options for private credit where the internal rates of return are closer to 10-12%.</p> <p>Mr. Owens commented that they are still searching for an exit strategy on MLP's. Chairman O'Connell recommended that there be an in-depth discussion at the upcoming educational symposium regarding the timing of a Brookfield (Center Coast) exit strategy, and Mr. Owens agreed that this would be a good plan of action.</p> <p>The Retirement System's portfolio has a higher return over the benchmark over all time periods, slightly lower risk and lower volatility. The alpha outperformance over the benchmark is 48 basis points on average since 2002.</p> <p>Total gross returns for the quarter, 1-year, 3-year and 5-year periods were 0.40%, 4.41%, 8.34%, and 6.39% respectively. The "Summary of Relevant Facts" and "Breakdown of Returns", showing values and returns by manager, are attached on the backup.</p>					

<p>Board of Trustees Minutes Page Four</p> <p>In reviewing the compliance checklist, Mr. Owens will follow-up with Incore regarding their percentage of BBB-rated bonds and with Ironwood regarding their overallocation. The Executive Director suggested incorporating Ironwood into the liquidity schedule to reduce their allocation.</p> <p>MOTION: To approve the September 30, 2019 Performance Evaluation Report as presented by Graystone Consulting. PASSED 8-0.</p> <p>MOTION: To set the net investment rate of return for the quarter ended 9/30/2019 at 0.40% for purposes of the Fund Rate DROP earnings in accordance with Mr. Owen's 11/6/2019 letter of certification. PASSED 8-0.</p> <p>MOTION: To approve the earnings for quarter ended 9/30/2019 at \$1,490.55 for purposes of the DROP money market account in accordance with Mr. Owen's 11/6/2019 letter of certification. PASSED 8-0.</p> <p>The Board of Trustees directed Graystone to present the educational material regarding infrastructure at the December 17 informal investment review meeting.</p> <p>Investment Committee Chairman Aaronian reported on active versus passive investments which were extensively reviewed at the earlier Investment Committee meeting. The recommendation by the Committee is not to pursue index funds at this time.</p> <p><u>SUGARMAN & SUSSKIND, PA LEGAL REPORT</u></p> <p>Mr. Sugarman reported on the request made to PBI, LLC to extend the purchase money loan on the building for one year at the existing terms. The principal payment is currently due March 1, 2020.</p> <p>After much discussion, the Board agreed that it would not be in the best interest of the Fund since there are investment opportunities available that could yield greater returns.</p> <p>Mr. Sugarman will notify Mr. Leopold, the System's real estate lawyer, of the Board's decision.</p>	<p>November 18, 2019</p> <p>TRUSTEES</p>	<p>M</p>	<p>S</p>	<p>Y</p>	<p>N</p>
	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	
	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	
	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	

Board of Trustees Minutes Page Five	November 18, 2019	TRUSTEES	M	S	Y	N
<p>MOTION: To decline the request from G&C Platinum 2500 Investors, LLC, to extend the purchase money loan from PBI, LLC for one year at the existing terms. PASSED 6-2.</p> <p>A letter was received from the attorney for retired police member, Ed Wolff. Mr. Wolff had previously approached the Board about the possibility of amending the ordinance to permit him to convert his normal retirement to a service-incurred disability retirement as a result of health issues developed from service at 911 Ground Zero during his employment at BSO. At that time, the Board discussed Mr. Wolff's request; however, discussion had died for lack of a motion.</p> <p>Mr. Sugarman reported that Mr. Wolff will be approaching the City Commission through his legal counsel on this issue and Mr. Wolff requests that 1) the Board of Trustees provide an actuarial impact statement on his proposed change, and 2) the Board of Trustees recommend the City adopt his proposed change.</p> <p>Chairman O'Connell passed the gavel to Vice-Chairman Samolewicz in order to make a motion for discussion.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X</p>	<p>X X</p>
<p>MOTION: To obtain an actuarial impact statement from the actuary at a cost of \$750 at the request of retired police member, Ed Wolff, so he may approach the City to request an ordinance amendment for conversion from normal to service-connected disability retirement in connection with service at 911 Ground Zero. PASSED 7-1.</p> <p>During discussion, Mr. Sugarman advised the Board that if this ordinance amendment is adopted by the City, Mr. Wolff would still have to undergo a disability hearing. It was noted that there is one other known member who could be similarly situated; however, the member has not expressed any health concerns.</p> <p>The Executive Director reported that the proposed ordinance would result in a decrease to Mr. Wolff's monthly pension benefit based on the service-incurred disability benefit formula.</p> <p>The Chairman asked whether any Trustees wished to make a motion to recommend to the City that it adopt Mr. Wolff's proposed ordinance amendment; however, no motion was made.</p> <p>Vice-Chairman Samolewicz handed the gavel back to Chairman O'Connell to continue the meeting.</p> <p>Mr. Sugarman reported that Sugarman & Susskind responded to the auditor's confirmation letter.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X</p>	<p>X</p>	<p>X</p>

Board of Trustees Minutes Page Six	November 18, 2019	TRUSTEES	M	S	Y	N
<p>At this time, a conference call was placed to attorneys Michael Blatchley and Hannah Ross of Bernstein, Litowitz, Berger & Grossmann (BLBG) to discuss a proposed securities litigation matter regarding Infosys Limited.</p> <p>Mr. Blatchley advised the Trustees that Infosys Limited is India's second largest provider of business consulting, information technology, and outsourcing services. BLBG is currently prosecuting another fraud class action against a similar company so they are very familiar with the industry. The claims against the company arise from a group of whistleblowers calling themselves the "Ethical Employees" who claim to have emails and voice recordings of the company's CEO and CFO manipulating the company's accounting and manipulating certain assumptions in order to make deals appear profitable. When this information came to light and the SEC launched an investigation, the ADR price declined dramatically, and the Retirement System incurred a loss of approximately \$65,000 during the class period.</p> <p>Mr. Blatchley recommended that the Board of Trustees authorize BLBG to seek appointment for lead plaintiff status on behalf of the Retirement System. The filing deadline is December 23. The System will not be required to hold shares.</p>						
<p>MOTION: To authorize Bernstein, Litowitz, Berger & Grossmann to file for lead plaintiff status on behalf of the Retirement System in the Infosys Limited class action as recommended by BLBG, and to authorize the Chairman to execute the necessary documents. PASSED 6-2.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>		<p>X X X X X X X</p>	<p>X X X X</p>	<p>X X</p>
<p>BLBG was directed to coordinate with Mr. Herrera as his point of contact.</p>			<p>X</p>	<p>X X X</p>		
<p><u>ADMINISTRATION AND MISCELLANEOUS ISSUES</u></p>						
<p>Mr. Andrew McKeon of Economic Computers was present to discuss price quotes received for penetration testing services. Three quotes were received from FireEye (parent company is Mandiant), Rapid7 and 1st Secure IT. The companies disclosed their hiring practices verbally since these practices are usually regarded as confidential. All three firms quoted penetration testing and one firm quoted both penetration testing and vulnerability scanning.</p>						
<p>Mr. McKeon disclosed that Economic Computers has not worked with any of these companies directly. FireEye and Rapid7 target large enterprises of 10,000-15,000 employees while 1st Secure IT is a smaller company that doesn't take bids for large government organizations.</p>						
<p>Mr. McKeon indicated that he has a personal bias for Rapid7 because he has personally known people that worked for the company; however, from a technical standpoint he does not differentiate between the three.</p>						
<p>Mr. McKeon discussed the quote for vulnerability scanning from Rapid7 noting that it would be scanning for known vulnerabilities and indications</p>						

Board of Trustees Minutes Page Seven	November 18, 2019	TRUSTEES	M	S	Y	N
<p>of breach. The scanning constantly collects data and statistics on the devices to determine if there is something that a threat actor can use. There is no remote access between the company and the solution. This would be on-going automatic assessments subject to an annual fee.</p> <p>During discussion, the Board agreed that a penetration test should be performed and if vulnerabilities are detected, then automatic scanning should be considered.</p> <p>The Board requested that the contractual documents include a non-disclosure agreement and an updated certificate of insurance.</p> <p>MOTION: To retain 1st Secure to perform penetration testing of the computer systems at a total cost of \$8,000 as recommended by Economic Computers and subject to review and approval of the contractual documents by Sugarman & Susskind. PASSED 8-0.</p>						
<p>The Executive Director submitted the revised 2020 Meeting Calendar which is acceptable to Graystone and Sugarman & Susskind.</p>						
<p>MOTION: To approve the 2020 meeting calendar as presented. PASSED 8-0.</p>						
<p>The Trustees reviewed the Your Pension Matters newsletter.</p>						
<p><u>COMMITTEE REPORTS</u></p>						
<p><i>Professional Advisors Review Committee:</i></p>						
<p>Committee Chairman Samolewicz reported that the 9463 Foundation will be holding a Toy Drive on December 8 on Dixon Ahl Hall in Lighthouse Point.</p>						
<p><i>Communications and Cyber Review Committee:</i></p>						
<p>Based on an inquiry from a retired police member, Committee Chairman Rossi inquired whether an out of state member can serve on the Board of Trustees via Skype or some other electronic medium. Mr. Sugarman responded that under the current state of the law, a person cannot serve as a trustee if they cannot physically attend the meetings.</p>						

Budget Committee:

The informal Budget Variance Report was distributed.

EXECUTIVE DIRECTOR'S REPORT

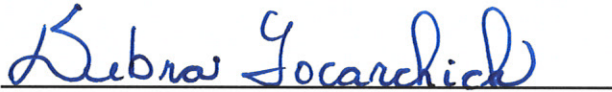
- Signed Notification of Benefits Form for Eddie Prince
- The firefighters' cancer bill ordinance passed first reading on November 12. Second reading is scheduled for December 10.
- The firefighters CBA was ratified on November 12.
- The Scott Winter's Park Re-Dedication is slated for January 12.

ADJOURNMENT

MOTION: To adjourn the November 18, 2019 Board meeting at 5:34 PM.
PASSED 8-0.

O'Connell			X
Samolewicz			X
Aaronian			X
Christophers			X
Femia			X
Hanrahan	X		X
McGinnis		X	X
Rossi			X

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 – NOVEMBER 18, 2019

ITEM NO. 6 - WARRANT NOS. 5169 THROUGH 5185

Ratified and Approved on 11/18/2019

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
5169	9463 Foundation for Florida's Fallen Officers	Donation for Florida's Fallen Officers Fund; \$1,200.00	1,200.00
5170	Sands Renaissance Lazard Victory	Inv Mgmt. fee quarter ended 9/30/2019; \$22,182.45 Inv Mgmt. fee quarter ended 9/30/2019; \$27,137.70 Inv Mgmt. fee quarter ended 9/30/2019; \$21,528.20 Inv Mgmt. fee quarter ended 9/30/2019; \$13,889.00	84,737.35
5171	Synchrony Bank – Retirement Services/IRA FBO Antonio D. Gonzalez	Refund of contributions via trustee-to-trustee transfer to Synchrony Bank – Retirement Services/IRA as a result of separation of employment on 8/20/2019; \$3,714.29	3,714.29
5172	BlackRock Wells Brookfield Marcum	Inv Mgmt. fee quarter beginning 10/1/2019; \$19,163.82 Inv Mgmt. fee quarter ended 9/30/2019; \$24,300.39 Inv Mgmt. fee quarter ended 9/30/2019; \$14,374.86 Inv No. 101345366, progress audit billing for 9/30/2019; \$5,500.00	63,339.07
5173	Debra Tocarchick Maureen Femia Patrick Hanrahan FP Mailing Solutions	IFEBP Annual Conference expense reimbursement; \$695.82 FPPTA Trustees School expense reimbursement; \$312.92 Division of Retirement Trustees School expense reimbursement; \$198.00 Inv No. RI104253959, 11/02/2019 – 02/01/2020 quarterly postage meter lease; \$78.00	1,284.74
5174	John D. Hudak Florida Department of Revenue Nyhart	DROP loan net amount to John D. Hudak; \$4,832.50 Documentary stamps for John D. Hudak's DROP loan; \$17.50 Loan processing fee for John D. Hudak; \$150.00	5,000.00
5175	Graciela E. Benito	Normal retirement benefit commencing 2/1/2020 as a result of reaching end of DROP period on 1/31/2019; \$4,469.17	4,469.17
5176	TD Ameritrade/IRA FBO Graciela Benito	Trustee-to-trustee transfer of Police Share Plan balance due to separation of service on 01/10/2020; \$3,534.98	3,534.98
5177	TD Ameritrade/IRA FBO Graciela Benito	Lump sum distribution of balance of Fund Rate DROP account via trustee-to-trustee transfer to TD Ameritrade/IRA due to separation of service on 01/10/2020; \$120,728.36	120,728.36
5178	FPPTA Xerox Corporation Morgan Stanley The Nyhart Company	CPPT re-certification fee 2019, Executive Director; \$31.00 Invoice No. 098493129, October lease; \$150.59, excess print charges; \$28.65, Total \$179.24 Investment consulting fee quarter ended 9/30/2019; \$16,250.00 Inv No. 0154651, interim bill for 10/1/19 valuation; \$4,250.00	20,710.24

REGULAR MEETING – NOVEMBER 18, 2019

ITEM NO. 6 - WARRANT NOS. 5169 THROUGH 5185

Ratified and Approved on 11/18/2019

5179	Bank of America	Debra Tocarchick: IFEBP Annual Conference expenses; \$617.52, Telephone & internet; \$301.27, Paper shredder; \$164.99, Publications; \$116.97; Board meeting supplies; \$46.90, Total \$1,247.65 Maureen Femia: FPPTA Fall Trustee School expenses; \$725.31, DOR Conference expense, Trustee Hanrahan; \$569.01, Board meeting supplies; \$81.13, Total \$1,375.45 Paul O'Connell: Business lunch; \$121.12 David Hall: FPPTA Fall Trustee School expenses; \$881.38 Patrick Hanrahan: DOR Conference expense; \$186.72 Jorge Rossi: FPPTA Fall Trustee School expenses; \$784.87	4,597.19
5180	UBS Financial Services/IRA FBO Ted Patton	Trustee-to-trustee transfer of final residual balance of Fund Rate DROP account earnings less fees for quarter ended 9/30/2019; \$14.66	14.66
5181	Vantagepoint Transfer Agents/457 FBO David W. Smith	Trustee-to-trustee transfer of balance of Fund Rate DROP account holdback and earnings less fees for quarter ended 9/30/2019; \$2,699.34	2,699.34
5182	Vantagepoint Transfer Agents/457 FBO Michael Johnson	Trustee-to-trustee transfer of balance of Fund Rate DROP account holdback and earnings less fees for quarter ended 9/30/2019; \$16,028.35	16,028.35
5183	Fidelity Management Trust Company/IRA FBO Robert Drago	Trustee-to-trustee transfer of Fund Rate DROP account holdback and earnings less fees for quarter ended 9/30/2019; \$29,194.39	29,194.39
5184	Vantagepoint Transfer Agents/457 FBO Tracy J. Glass	Trustee-to-trustee transfer of Fund Rate DROP account holdback and earnings less fees for quarter ended 9/30/2019; \$25,692.16	25,692.16
5185	Jeffrey J. Valerga Florida Department of Revenue Nyhart	DROP loan net amount to Jeffrey Valerga; \$12,306.25 Documentary stamps for Jeffrey Valerga's DROP loan; \$43.75 Loan processing fee for Jeffrey Valerga; \$150.00	12,500.00

SUMMARY OF RELEVANT FACTS
Pompano Beach Police & Firefighters' Retirement System
As of September 30, 2019

Distribution of Assets:

Equity	
-Large Cap. Value	\$30,528,489
-Large Cap. Growth	\$30,445,690
-Mid Cap. Value	\$12,563,997
-Small/Mid Cap. Growth	\$12,250,197
-International Value	\$18,266,004
-International Growth	\$17,929,389
Total Equity	\$121,983,764
Fixed Income	\$55,749,843
Private Real Estate	\$20,936,286
Fund of Hedge Funds	\$22,869,027
Master Limited Partnerships	\$11,406,138
Private Equity	\$8,583,904
Cash (Non-Managed Account)	\$1,309,766
Total Portfolio	\$242,838,728

Distribution by Percentages:

	Policy	Current
Equity Breakdown		
-Large Cap. Value	12.50%	12.57%
-Large Cap. Growth	12.50%	12.54%
-Mid Cap. Value	5.00%	5.17%
-Small/Mid Cap. Growth	5.00%	5.04%
-International Value	7.50%	7.52%
-International Growth	7.50%	7.38%
Total Equity	50.00%	50.23%
Fixed Income	22.50%	22.96%
Private Real Estate	7.50%	8.62%
Fund of Hedge Funds	10.00%	9.42%
Master Limited Partnerships	5.00%	4.70%
Private Equity	5.00%	3.53%
Cash (Non-Managed Account)	0.00%	0.54%
Total Portfolio	100.00%	100.00%

INVESCO (Private Real Estate)

Private Real Estate	100.00%	\$17,936,286
Fees		(\$45,235)
Gain or (Loss)		\$349,047

OFFICE BUILDING

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

Center Coast Master Limited Partnerships

Fund of Hedge Fund	100.00%	\$11,406,138
Gain or (Loss)		(\$168,822)

Other Important Facts:

Total Portfolio		\$242,838,728
Total Gain or (Loss) - Gross of Fees		\$977,770

BLACKROCK

Total Assets	100.00%	\$30,528,489
Equity	95.06%	\$29,019,042
Cash	4.94%	\$1,509,447
Fees		(\$18,894)
Gain or (Loss)		\$673,727

SANDS CAPITAL MANAGEMENT

Total Assets	100.00%	\$14,828,831
Equity	95.88%	\$14,218,228
Cash	4.12%	\$610,603
Fees		(\$23,747)
Gain or (Loss)		(\$790,144)

SAWGRASS ASSET MANAGEMENT

Total Assets	100.00%	\$15,616,859
Equity	97.19%	\$15,177,719
Cash	2.81%	\$439,140
Fees		(\$19,873)
Gain or (Loss)		\$323,479

NUANCE

Total Assets	100.00%	\$12,563,997
Equity	91.72%	\$11,524,199
Cash	8.28%	\$1,039,798
Fees		(\$10,956)
Gain or (Loss)		\$410,288

WELLS

Total Assets	100.00%	\$12,250,197
Equity	99.29%	\$12,163,540
Cash	0.71%	\$86,657
Fees		(\$25,549)
Gain or (Loss)		(\$516,758)

Pine Grove Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$10,722,934
Gain or (Loss)		\$58,918

Ironwood Fund of Hedge Fund

Fund of Hedge Fund	100.00%	\$12,146,093
Gain or (Loss)		\$60,470

MAIN ACCOUNT (NON-MANAGED)

Cash	100.00%	\$1,309,766
Gain or (Loss)		\$5,310

LAZARD (International Value)

Total Assets	100.00%	\$18,266,004
Equity	95.89%	\$17,515,539
Cash	4.11%	\$750,465
Fees		(\$21,698)
Gain or (Loss)		(\$372,282)

RENAISSANCE (International Growth)

Total Assets	100.00%	\$17,929,389
Equity	97.90%	\$17,552,699
Cash	2.10%	\$376,689
Fees		(\$27,357)
Gain or (Loss)		(\$335,956)

STANDISH MELLON

Total Assets	100.00%	\$27,852,266
Fixed	95.80%	\$26,683,311
Cash	4.20%	\$1,168,955
Fees		(\$14,779)
Gain or (Loss)		\$604,062

INCORE/VICTORY (FORMERLY MUNDER)

Total Assets	100.00%	\$27,897,577
Fixed	99.70%	\$27,813,030
Cash	0.30%	\$84,547
Fees		(\$13,461)
Gain or (Loss)		\$624,830

NB CROSSROADS (PRIVATE EQUITY) #1

Total Assets	100.00%	\$3,476,622
Gain or (Loss)		\$0

NB CROSSROADS (PRIVATE EQUITY) #2

Fund of Hedge Fund	100.00%	\$2,935,252
Gain or (Loss)		\$0

BLACKSTONE (PRIVATE EQUITY)

Total Assets	100.00%	\$1,261,620
Gain or (Loss)		\$19,727

GOLDMAN SACHS (PRIVATE EQUITY)

Total Assets	100.00%	\$910,410
Gain or (Loss)		(\$0)

BREAKDOWN OF RETURNS
Pompano Beach Police & Firefighters' Retirement System
As of September 30, 2019

TRADITIONAL INVESTMENTS

BLACKROCK		Your Returns		Russ 1000 Value	PSN Money Mgrs.	S&P 500
Large Cap. Value		Gross	Net			
Quarter		2.25	2.18	1.36	2.03	0.56
1 year		4.38	4.11	4.00	3.95	2.42
3 year		12.18	11.77	9.43	10.58	10.47
5 year		9.24	8.74	7.79	8.57	7.33
Since 1/31/2013		10.56	10.02	10.60	NA	8.76
SANDS CAPITAL				Russ 1000 Growth	PSN Money Mgrs.	
Large Cap. Growth						
Quarter		(5.07)	(5.21)	1.49	1.01	
1 year		(3.12)	(3.76)	3.71	4.25	
3 year		16.71	16.01	16.89	14.99	
5 year		11.53	10.87	13.39	11.71	
Since 5/31/2003		12.66	12.01	10.35	NA	
SAWGRASS				Russ 1000 Growth	PSN Money Mgrs.	
Large Cap. Growth						
Quarter		2.06	1.93	1.49	1.01	
Since 1/31/2019		14.92	14.64	13.13	NA	
NUANCE				Russ Mid Value	PSN Money Mgrs.	
Mid Cap. Value						
Quarter		3.33	3.24	1.22	0.37	
1 year		15.63	15.19	1.60	(2.19)	
Since 6/30/2018		14.76	14.40	3.93	1.26	
Nuance/RBC Global - 3 year		10.15	9.80	7.82	8.47	
Nuance/RBC Global - 5 year		8.44	7.91	7.55	7.27	
Nuance/RBC Global - Since 1/31/2009		15.17	14.55	15.23	NA	
WELLS				Russ 2500 Growth	PSN Money Mgrs.	
Small/Mid Cap. Growth						
Quarter		(4.03)	(4.22)	(3.18)	(4.05)	
1 year		4.95	4.08	(4.11)	(7.68)	
3 year		18.00	17.00	12.34	12.40	
5 year		12.99	12.01	10.22	10.62	
Since 1/31/2009		18.52	17.51	16.41	NA	
LAZARD				MSCI AC Wld x US		
International Value						
Quarter		(1.99)	(2.11)	(1.80)		
1 year		(1.03)	(1.50)	(1.23)		
3 year		5.73	5.22	6.33		
5 year		3.53	3.01	2.90		
Since 1/31/2013		4.38	3.88	3.75		
RENAISSANCE				MSCI AC Wld x US		
International Growth						
Quarter		(1.84)	(1.99)	(1.80)		
1 year		(7.20)	(7.75)	(1.23)		
3 year		3.33	2.70	6.33		
5 year		1.59	0.94	2.90		
Since 1/31/2009		8.43	7.76	8.18		
STANDISH MELLON				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
Fixed Income						
Quarter		2.22	2.16	2.27	1.38	1.37
1 year		9.97	9.72	10.30	8.08	8.16
3 year		2.95	2.70	2.92	2.39	2.40
5 year		3.31	3.02	3.38	2.74	2.68
Since 4/30/2003		4.27	3.95	4.16	3.74	3.56
INCORE/VICTORY (Munder)				BC Aggregate	BC Int. Aggregate	BC Int. Gov/Credit
Fixed Income						
Quarter		2.29	2.24	2.27	1.38	1.37
1 year		10.44	10.23	10.30	8.08	8.16
3 year		3.22	3.01	2.92	2.39	2.40
5 year		3.50	3.33	3.38	2.74	2.68
Since 9/30/2002		4.54	4.32	4.24	3.82	3.68

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

ALTERNATIVE INVESTMENTS

INVESCO						
<i>Private Real Estate</i>		Gross	Net	NCREIF	NCREIF ODCE	BC Aggregate
Quarter		1.98	1.72	1.41	1.31	2.27
1 year		6.41	5.26	6.23	5.60	10.30
3 year		8.05	6.86	6.76	7.31	2.92
5 year		9.89	8.69	8.57	9.35	3.38
Since 7/31/2006		6.49	5.35	7.31	6.52	4.49
OFFICE BUILDING						
<i>Private Real Estate</i>				90-Day T-Bill	BC Aggregate	
Quarter		1.07	1.07	0.56	2.27	
1 year		4.71	4.71	2.36	10.30	
3 year		4.59	4.59	1.52	2.92	
5 year		16.68	16.68	0.96	3.38	
Since 3/31/2007		1.01	0.95	0.84	4.31	
Ironwood						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
Quarter		0.50	0.50	(0.25)	2.27	
1 year		2.87	2.87	0.67	10.30	
3 year		5.41	5.41	3.01	2.92	
5 year		3.92	3.92	1.97	3.38	
Since 7/31/2008		3.60	3.60	1.41	4.24	
Pine Grove						
<i>Fund of Hedge Funds</i>				HFRI FOF Cons	BC Aggregate	
Quarter		0.55	0.55	(0.25)	2.27	
1 year		1.52	1.52	0.67	10.30	
3 year		4.15	4.15	3.01	2.92	
5 year		1.68	1.68	1.97	3.38	
Since 9/30/2008		3.56	3.56	2.07	4.35	
Center Coast						
<i>Master Limited Partnerships</i>				Alerian MLP		
Quarter		(1.46)	(1.59)	(5.02)		
1 year		(0.65)	(1.14)	(8.13)		
3 year		0.23	(0.27)	(2.46)		
Since 1/31/2015		(4.71)	(5.14)	(6.03)		
Neuberger Berman						
<i>Private Equity #1</i>		Time-Wtd	Dollar-Wtd	MSCI AC Wrlld / 90-Day T-Bill	BC Aggregate	
Quarter		0.00	0.00	0.56	2.27	
1 year		3.35	3.24	2.42	10.30	
3 year		11.12	11.78	10.47	2.92	
5 year		10.37	10.58	7.33	3.38	
Since 3/31/2010		4.85	10.42	8.58	3.73	
Neuberger Berman						
<i>Private Equity #2</i>		Time-Wtd	Dollar-Wtd	MSCI AC Wrlld / 90-Day T-Bill	BC Aggregate	
Quarter		0.00	0.00	0.56	2.27	
1 year		9.80	9.77	2.42	10.30	
3 year		13.29	13.17	10.47	2.92	
5 year		8.39	10.55	7.33	3.38	
Since 7/31/2014		8.11	10.46	6.87	3.05	
Blackstone						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	S&P 500	BC Aggregate	
Quarter		1.50	0.98	1.70	2.27	
1 year		(1.50)	(2.77)	4.25	10.30	
3 year		10.02	9.40	13.39	2.92	
5 year		8.85	7.63	10.84	3.38	
Since 11/30/2013		10.00	7.95	11.20	3.24	
Goldman Sachs						
<i>Private Equity</i>		Time-Wtd	Dollar-Wtd	MSCI AC Wrlld / 90-Day T-Bill	BC Aggregate	
Quarter		0.00	0.00	0.56	2.27	
1 year		(2.03)	(3.80)	2.42	10.30	
3 year		6.73	7.61	10.47	2.92	
5 year		6.65	7.08	7.33	3.38	
Since 12/31/2013		6.72	8.17	7.10		

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TOTAL FUND				Policy Index
<i>Time-Weighted Return (TWR)</i>				
Quarter	0.40	0.30		0.37
1 year	4.41	3.98		3.49
3 year	8.34	7.87		7.18
5 year	6.39	5.90		5.75
Since 9/30/2002	7.63	7.14		7.25
Since 6/30/1995	7.18			

TOTAL FUND				Actuarial Rate	CPI +3
<i>Dollar-Weighted Net Return (IRR)</i>					
Quarter		0.30		1.80	1.16
1 year		4.02		7.40	4.76
3 year		7.98		7.40	5.10
5 year		5.79		7.40	4.57
Since 9/30/2002		7.37		7.40	5.11

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.