



| <p><b>Board of Trustees Minutes</b><br/><b>Page Two</b></p> <p style="text-align: right;"><b>February 16, 2021</b></p>   | <b>TRUSTEES</b>   | <b>M</b>                                | <b>S</b>                               | <b>Y</b>                               | <b>N</b>                              |
|--|---|---|--|--|---------------------------------------|
| <p><u>RATIFICATION AND APPROVAL OF WARRANTS</u></p> <p><b>MOTION:</b> To ratify and approve payment of benefits and expenses as set forth on Warrant Nos. 5313, \$99,920.56; No. 5314, \$2,567.10; No. 5315, \$8,974.88; No. 5316, \$69,005.14; No. 5317, \$2,737.47; No. 5318, \$6,404.80; No. 5319, \$11,428.33; No. 5320, \$16,149.83; No. 5321, \$12,795.34; No. 5322, \$24,152.81. PASSED 7-0.</p> <p><u>PRESENTATION OF OCTOBER 1, 2020 ACTUARIAL REPORT BY NYHART</u></p> <p>Mr. Lawrence Watts and Mr. Health Merlak of Nyhart were in virtual attendance to present the 10/1/2020 Actuarial Valuation Report.</p> <p>Highlighted information included:</p> <ul style="list-style-type: none"> <li>• The dollar-weighted return on market value of assets of 6.37% was slightly lower than the expected rate of return of 7.30%, and liabilities were higher than expected due to higher than expected pay increases and fewer than expected deaths.</li> <li>• The calculated liabilities and required contributions for the 10/1/2020 valuation remain at a 7.30% assumed rate of investment return due to the Board's decision to maintain the rate for an additional year due to the unique Covid pandemic circumstances as explained by the City.</li> <li>• The Plan's funding level decreased by 1.36% due to experience and methodology changes and the recommended employer contribution for fiscal year 2021/2022 is \$11.9 million, up approximately \$0.9 million from the prior year.</li> <li>• The funded ratio of the actuarial value of assets to accrued liability was 68.4%.</li> <li>• Mortality rates were updated for disabled to non-generational to align with a correction made by Florida Retirement System's actuary to the table. This assumption change saved approximately \$1 million.</li> <li>• The average return assumption for Florida plans was 7.14%, a decline from the average assumption of 7.26% seen in the previous year. Plans continue to make incremental steps downward in their assumed rates.</li> <li>• The valuation report contains a new section entitled Best Practice Scorecard. Among certain best practices, the actuary suggested: 1) the Board consider a written funding policy that targets full funding and is reviewed regularly; 2) the actuarial equivalence definition be reviewed and discussed every ten years, 3) consideration be given to reviewing annual cost projections outside of FS 112.664 benefit payment sustainment projections. The actuary commented that the Board is very well-governed, and these suggestions are offered from an actuarial perspective as items that are not thought about on a regular basis.</li> <li>• The actuary discussed the ASOP 51 key risks of investment and demographic risk.</li> </ul> | <p>O'Connell<br/>Samolewicz<br/>Aaronian<br/>Christophers<br/>Hall<br/>Hanrahan<br/>Rossi</p> | <p>X<br/><br/><br/><br/><br/><br/>X</p> | <p><br/><br/><br/>X<br/><br/><br/></p> | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> | <p><br/><br/><br/><br/><br/><br/></p> |

| Board of Trustees Minutes<br>Page Three  | February 16, 2021 | TRUSTEES   | M | S | Y                          | N |
|--|-------------------|--|---|---|----------------------------|---|
| <p><b>MOTION:</b> To approve the October 1, 2020 actuarial report as presented and recommended by Nyhart. PASSED 7-0.</p>  |                   | O'Connell<br>Samolewicz<br>Aaronian<br>Christophers<br>Hall<br>Hanrahan<br>Rossi |   | X | X<br>X<br>X<br>X<br>X<br>X |   |
| <p><u>DECEMBER 31, 2020 INVESTMENT PERFORMANCE REPORT PRESENTED BY GRAYSTONE CONSULTING</u></p>  |                   |  |   |   |                            |   |
| <p>Scott Owens and Andy McIlvaine were in virtual attendance to present the investment performance report for the quarter ending December 31, 2020, on behalf of Graystone Consulting.</p>   |                   |  |   |   |                            |   |
| <p>Mr. McIlvaine described the action items that would be addressed during the meeting and noted that the Blackstone alternative multi-strategy fund has a fund manager retiring at the end of May. The replacement is the former head of Brown Advisory who has an impressive track record.</p>   |                   |  |   |   |                            |   |
| <p>Mr. Owens reported that it has been a remarkable year by every stretch of the imagination. One year ago, the pandemic started which caused a global shutdown, a policy recession, and a market collapse. The government injected trillions of dollars into the economy and a policy recovery occurred. At some point, the stimulus money will have to be turned off and there will be a repricing in the market; however, when that will occur is unknown. Graystone believes 2021 will be a good year but noted that when the stimulus eventually does stop, the debt will have to be brought into line which can potentially cause a significant decrease the longer it takes.</p>              |                   |  |   |   |                            |   |
| <p>Graystone's economists project the annual GDP for 2021 to be between 6% and 8%. The stimulus money is coming in, more people are going back to work, and vaccines are being distributed, which all point to a good year. Fundamentally the economy is doing fine. The unemployment rate is down to about 6.3%. The biggest concern is inflation rising. The manufacturing and service indices suggest the economy is continuing to expand and certain businesses, such as travel and leisure, should start to improve toward the end of the year.</p>   |                   |  |   |   |                            |   |
| <p>Mr. Owens reviewed the capital markets noting that it was an incredible quarter with the DJIA being the lowest index at 10.74% and the Russell 2000 Value small cap index the highest at 33.36%. Mr. Owens pointed out the large, mid-cap and small cap indices over the last one year, three, five and seven-year timeframes showing growth stocks outperforming value stocks. Never before has the dispersion between value and growth been this great. Historically, when there is a recession, there is a change of leadership which means whatever was doing well going in, will not do well coming out, and vice versa. Going forward they expect to see more of the same trending out.</p> |                   |  |   |   |                            |   |
| <p>International was up 16% and emerging markets up 19% for the quarter.</p>   |                   |  |   |   |                            |   |

| Board of Trustees Minutes<br>Page Four   | February 16, 2021   | TRUSTEES | M        | S | Y  | N |
|--|---|----------|----------|---|--|---|
| <p>Graystone believes that international equities will be an up-and-comer for two reasons: valuations in the international market have not risen as much as the US market, and the value of the dollar is slowing down and becoming a tailwind.</p> <p>Fixed income was high for the year because when interest rates fell, bonds did well. Now interest rates are low, and the expectation is that they will go up. Graystone anticipates that fixed income may only return 2%; however, the fixed income portfolio is a risk mitigator.</p> <p>The Fund's total gross returns for the quarter, 1-year, 3-year, 5-year, 7-year and 10-year periods were 9.96%, 14.18%, 9.77%, 9.77%, 7.85% and 8.64%, respectively. The "Total Fund – Executive Summary" showing values, returns and benchmarks by manager is attached as backup.</p> <p>Mr. Owens noted that asset allocations on December 31 were overweight in equities, slightly underweight in fixed income and alternatives, and slightly overweight in cash; however, all were within policy guidelines.</p> <p>Mr. Owens reviewed each investment manager's performance relative to their benchmark.</p> <p>Mr. Owens reviewed a new Policy Index History that was added to the report. This shows all the policy changes over the years culminating in today's diverse portfolio. Having the diversifying, non-correlating assets is what has allowed the equity managers to take higher risks and what really sets the portfolio apart.</p> <p>After some discussion regarding the real estate asset class, Mr. Owens indicated he will do some research and bring quantifiable data on real estate to the next quarterly meeting. Mr. Owens was asked to also discuss real estate at the 2022 educational symposium.</p> |   |          |          |   |  |   |
| <p><b>MOTION:</b> To approve the December 31, 2020 Performance Evaluation Report as presented by Graystone Consulting. PASSED 7-0.</p>   | <p>O'Connell<br/>Samolewicz<br/>Aaronian<br/>Christophers<br/>Hall<br/>Hanrahan<br/>Rossi</p> | <p>X</p> |          |   | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> |   |
| <p><b>MOTION:</b> To set the net investment rate of return for the quarter ended 12/31/2020 at 9.96% for purposes of the Fund Rate DROP earnings in accordance with Mr. Owen's 2/5/2021 letter of certification. PASSED 7-0.</p>   | <p>O'Connell<br/>Samolewicz<br/>Aaronian<br/>Christophers<br/>Hall<br/>Hanrahan<br/>Rossi</p> | <p>X</p> | <p>X</p> |   | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> |   |

| Board of Trustees Minutes<br>Page Five   | February 16, 2021   | TRUSTEES | M        | S                                      | Y                                      | N |
|--|---|----------|----------|--|--|---|
| <p><b>MOTION:</b> To approve the earnings for quarter ended 12/31/2020 at \$9.93 and \$2.37 for purposes of two DROP money market accounts in accordance with Mr. Owen's 2/5/2021 letter of certification. PASSED 7-0.</p> <p>Mr. Owens presented an Asset Allocation Study to the Board and reviewed a linear growth analysis of the current asset allocation and three separate mixes. The purpose of the study is to determine how to redeploy the Pine Grove redeeming assets which are currently being placed in the BlackRock Credit Long/Short Fund and the Blackstone Alternative Multi-Strategy Fund as a temporary holding vehicle.</p> <p>Mix 1 adds the 5.0% (BlackRock and Blackstone liquid alternatives) to the small and mid-cap space to increase domestic equity exposure.</p> <p>Mix 2 adds the 5.0% (BlackRock and Blackstone liquid alternatives) to emerging markets to increase international exposure.</p> <p>Mix 3 adds the 5.0% (BlackRock and Blackstone liquid alternatives) to illiquid private credit.</p> <p>Mix 2 provides the best expected results with the highest investment return in the short and long-term, improves the efficiency of the portfolio and increases the yield in the short and long-term. Both Mix 2 and Mix 3 are the best options depending on whether the Board's focus is to increase the return or reduce the risk of the portfolio.</p> | <p>O'Connell<br/>Samolewicz<br/>Aaronian<br/>Christophers<br/>Hall<br/>Hanrahan<br/>Rossi</p> | <p>X</p> | <p>X</p> | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> |   |
| <p><b>MOTION:</b> To allocate 5.0% from the Pine Grove, Blackrock Global Long/Short and the Blackstone Alternative Multi-Strategy Funds according to Mix 2 of the Asset Allocation Strategy; and to direct Graystone to revise the Investment Policy Statement for Board approval at the March 15 meeting and prepare a manager search analysis to be presented to the Board at the May 10 quarterly meeting. PASSED 7-0.</p> <p>Mr. Owens discussed the Serenitas Credit Gamma Fund that Trustee Hall had recently inquired about. Mr. Owens advised the Board that he cannot make a recommendation because the product has not gone through Graystone's formal due diligence process. He did reach out to the manager to discuss the investment which is a hedge fund-of-fund, structured credit, illiquid fund. The Serenitas Fund has only been managed since 2013 although the company has existed since 2000. The company has gone through Graystone's traditional due diligence for equities; however, this mandate has not. Mr. Owens has requested that a due diligence be performed and will report back when completed.</p> <p>Mr. Owens will revise the Investment Policy Statement to incorporate the</p>   | <p>O'Connell<br/>Samolewicz<br/>Aaronian<br/>Christophers<br/>Hall<br/>Hanrahan<br/>Rossi</p> | <p>X</p> | <p>X</p> | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> |   |

| Board of Trustees Minutes<br>Page Six   | February 16, 2021 | TRUSTEES   | M | S | Y           | N                |
|---|-------------------|--|---|---|-------------|------------------|
| <p>prior action taken by the Board to freeze the assumed investment return rate and the revisions for Mix 2 so the Board can adopt one consolidated document.</p> <p>Mr. Owens discussed Mellon’s organizational change to realign its management with three other investment firms. Mr. Owens explained that this is to collaborate and share intellectual capital. Nothing has changed administratively or operationally and Graystone has no concerns.</p> <p><u>SUGARMAN AND SUSSKIND, PA LEGAL REPORT</u></p> <p>Mr. Sugarman reported that since the last meeting they reviewed a memorandum to the City Manager regarding the actuarial item that was approved at the February 5 special meeting and completed a review of the Nyhart fee addendum.</p> <p>Mr. Sugarman discussed the Orderly Liquidation Authority of the Dodd-Frank Act that was questioned by Vice-Chairman Samolewicz. Prior to the great recession, the risk of banks that were “too big to fail” was placed on the taxpayers who bailed them out. The Dodd-Frank Act changed that and placed the risk of failure on the depositors. The Plan’s risk is whether the money it has in bank deposits is at risk. Mr. Sugarman explained that those deposits are insured by the FDIC for \$250,000, per participant, for pension plans.</p> <p>Mr. Sugarman provided a Spousal Acknowledgment Form based on what the Florida Retirement System (FRS) does which also adds a paragraph if the participant cannot find their spouse or their spouse refuses to sign. This is designed to prevent port-mortem surprise to a widow after the death of a member.</p> <p>Under ERISA in the private sector, spousal approval is a requirement for members selecting something other than a joint and survivor pension option. This is not a requirement in the public sector. The FRS Form is for spousal acknowledgment rather than spousal approval. The Board is legally compliant whether it elects to remain status quo or to require the Spousal Acknowledgment Form.</p> <p><b>MOTION:</b> To require the Spousal Acknowledgment Form for all married members who select any pension option other than a joint and survivor pension option. MOTION FAILED 3/4.</p> <p>Much discussion ensued as to what the Board’s responsibility is to the members and how relevant the Form is if there is no assurance that the spouse has seen it.</p> <p>The Board reviewed legislation introduced for FRS that would require a waiver setting forth the facts and circumstances for why a member could not obtain spousal acknowledgment. Mr. Sugarman advised against this type of waiver since it would involve the Board in members’ personal decisions.</p> |                   |  |   |   |             |                  |
|   |                   | O’Connell<br>Samolewicz<br>Aaronian<br>Christophers<br>Hall<br>Hanrahan<br>Rossi | X | X | X<br>X<br>X | X<br>X<br>X<br>X |

| <p><b>Board of Trustees Minutes</b><br/><b>Page Seven</b></p> <p style="text-align: right;"><b>February 16, 2021</b></p>   | <b>TRUSTEES</b>   | <b>M</b> | <b>S</b> | <b>Y</b>                                     | <b>N</b> |
|--|---|----------|----------|--|----------|
| <p>Mr. Sugarman advised that the member filling in Box 2 Spousal Consent or Box 3 Spousal Refusal would allow the Board to assume it is the truth because if a member does not tell the truth, he or she could be subject to forfeiting their entire pension.</p> <p>After much discussion, the Board voted on the motion.</p>   |   |          |          |  |          |
| <p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p>  |   |          |          |  |          |
| <p>The Executive Director submitted a fiscal review of the Fund Rate DROP fees.</p>  |   |          |          |  |          |
| <p><b>MOTION:</b> To maintain the Fund Rate DROP fee at 0.60% of account balance in accordance with the 9/30/2020 annual fee review. PASSED 7-0.</p>   | <p>O'Connell<br/>Samolewicz<br/>Aaronian<br/>Christophers<br/>Hall<br/>Hanrahan<br/>Rossi</p> | <p>X</p> | <p>X</p> | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> |          |
| <p>The Board reviewed the Your Pension Matters newsletter.</p>   |   |          | <p>X</p> | <p>X</p>                                     |          |
| <p><u>COMMITTEE REPORTS</u></p>  |   |          |          |  |          |
| <p><i>Budget Committee:</i><br/>An informal budget variance report as of 12/31/2020 was circulated.</p>  |   |          |          |  |          |
| <p>No other Committee reports were rendered.</p>   |   |          |          |  |          |
| <p><u>EXECUTIVE DIRECTOR'S REPORT</u></p>  |   |          |          |  |          |
| <p>The Executive Director reported on the following:</p>   |   |          |          |  |          |
| <ul style="list-style-type: none"> <li>➤ An ethernet cable was installed to the conference room and the internet speed was increased to prevent wi-fi difficulties during video conferencing.</li> <li>➤ Presentation of the actuarial valuation report to the City Commission is scheduled on April 27.</li> <li>➤ Florida DOR School is postponed until 2022.</li> </ul> |   |          |          |  |          |
| <p>The Executive Director reported that the Hartford Business Insurance policy was renewed via her company credit card to avoid it being late. The charge exceeded the Board's policy granting her authority to purchase items up to \$1,000.</p>  |   |          |          |  |          |
| <p><b>MOTION:</b> To amend the Executive Director's Spending Limit policy to grant authority to purchase items at a cost of less than \$3,000 without prior Board approval subject to ratification via a Warrant at the next regular trustees' meeting. PASSED 7-0.</p>  | <p>O'Connell<br/>Samolewicz<br/>Aaronian<br/>Christophers<br/>Hall<br/>Hanrahan<br/>Rossi</p> | <p>X</p> | <p>X</p> | <p>X<br/>X<br/>X<br/>X<br/>X<br/>X<br/>X</p> |          |

**MOTION:** To adjourn the February 16, 2021 Regular Board meeting at 5:11 PM. PASSED 7-0.

O'Connell  
Samolewicz  
Aaronian  
Christophers  
Hall  
Hanrahan  
Rossi

X

X

X  
X  
X  
X  
X  
X  
X

Respectfully submitted,



Debra Tocarchick, CEBS  
Executive Director

DISTRIBUTION:

Board of Trustees  
Robert A. Sugarman, Esq.  
Pedro Herrera, Esq.  
Lawrence Watts, Actuary  
City Manager  
Mayor and City Commission  
City Clerk  
Assistant City Attorney  
City HR Director  
President IAFF Local 1549  
Marcum



**REGULAR MEETING – FEBRUARY 16, 2021**

**ITEM NO. 5 - WARRANT NOS. 5313 THROUGH 5322**

**Ratified and Approved on 2/16/2021**

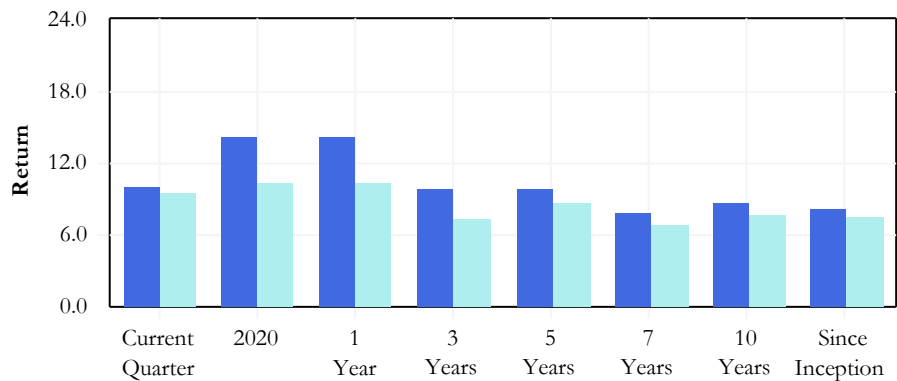
| <b>WARRANT NO.</b> | <b>PAYABLE TO</b>  | <b>DESCRIPTION</b>  | <b>AMOUNT</b>    |
|--------------------|--|---|------------------|
| <b>5313</b>        | Sands<br>Lazard<br>Renaissance<br>Victory  | Inv Mgmt. fee quarter ended 12/31/2020; <b>\$30,539.89</b><br>Inv Mgmt. fee quarter ended 12/31/2020; <b>\$23,009.89</b><br>Inv Mgmt. fee quarter ended 12/31/2020; <b>\$31,718.78</b><br>Inv Mgmt. fee quarter ended 12/31/2020; <b>\$14,652.00</b>  | <b>99,920.56</b> |
| <b>5314</b>        | Roberts W. Krebs   | Lump sum distribution of residual share plan account balance due to final allocation; <b>\$2,567.10</b>   | <b>2,567.10</b>  |
| <b>5315</b>        | Xerox Corp<br><br>Weston Insurance<br><br>Office Depot<br>Minuteman Press<br>Marcum, LLP | Inv No. 012241458, January lease; \$150.59; excess print charges; \$82.85, <b>Total \$233.44</b><br>Annual premium for commercial wind policy no. CFA000140108607, effective 3/6/2021; <b>\$1,187.00</b><br>Inv No. 154168733001, (2) trustee netbooks; <b>\$478.00</b><br>Inv No. 69172, dated 2/8/2021, envelopes; <b>\$76.44</b><br>Inv No. 10IN50007138; Final audit billing 9/30/2020; <b>\$7,000.00</b> | <b>8,974.88</b>  |
| <b>5316</b>        | Wells<br>BlackRock<br>Salem Trust  | Inv Mgmt. fee quarter ended 12/31/2020; <b>\$29,666.85</b><br>Inv Mgmt. fee quarter beginning 1/31/2021; <b>\$22,146.60</b><br>Custodial Fees for quarter ending 12/31/2020; <b>\$17,191.69</b>   | <b>69,005.14</b> |
| <b>5317</b>        | Bank of America  | Debra Tocarchick: Annual premium for general business insurance policy 2/15/21 – 2/15/22; \$2,173.16, Telephone & internet; \$313.98, Publications; \$116.97, Board meeting supplies; \$24.98, <b>Total \$2,629.09</b><br>Maureen Femia: Board meeting supplies; <b>\$85.39</b><br>Paul O'Connell: Publications; <b>\$22.99</b>   | <b>2,737.47</b>  |
| <b>5318</b>        | Nyhart<br><br>Richard Samolewicz<br><br>Francotyp-Postalia, Inc.                         | Progress billing 10/1/20 Actuarial Valuation; \$5,650.00, Notification of Benefits Calculation; \$300.00, <b>Total \$5,950.00</b><br>Airfare reimbursement for cancelled FPPTA NYSE program; <b>\$376.80</b><br>Inv No. RI104775657, 2/2/21 – 5/1/21, postage meter lease; <b>\$78.00</b>   | <b>6,404.80</b>  |
| <b>5319</b>        | JP Morgan<br>FBO Scott Ambrose (IRA)   | Trustee-to-trustee transfer of final residual balance of earnings less fees for quarter ended 12/31/2020; <b>\$11,428.33</b>  | <b>11,428.33</b> |
| <b>5320</b>        | Vantagepoint Transfer<br>Agent/457<br>FBO William Knowles                                | Trustee-to-trustee transfer of final residual balance of earnings less fees for quarter ended 12/31/2020; <b>\$16,149.83</b>  | <b>16,149.83</b> |
| <b>5321</b>        | Charles Schwab & Co.<br>FBO Robert Krebs (IRA)   | Trustee-to-trustee transfer of final residual balance of earnings less fees for quarter ended 12/31/2020; <b>\$12,795.34</b>  | <b>12,795.34</b> |
| <b>5322</b>        | Larry E. Jones<br>Vantagepoint Transfer<br>Agents/457                                    | Partial distribution to member; \$10,000.00, and trustee-to-trustee transfer; \$14,152.81, of earnings less fees for quarter ended 12/31/2020, <b>Total \$24,152.81</b>   | <b>24,152.81</b> |

# Pompano Beach Police & Firefighters' Retirement System

## Total Fund - Executive Summary

as of December 31, 2020

### Manager Performance Chart



### Manager Annualized Performance

|              | Current Quarter | Fiscal YTD | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | Inception 10/01/2002 |
|--------------|-----------------|------------|--------|---------|---------|---------|----------|----------------------|
| Total Fund   | 9.96            | 9.96       | 14.18  | 9.77    | 9.77    | 7.85    | 8.64     | 8.13                 |
| Policy Index | 9.48            | 9.48       | 10.26  | 7.41    | 8.68    | 6.88    | 7.72     | 7.52                 |
| Differences  | 0.48            | 0.48       | 3.92   | 2.36    | 1.09    | 0.97    | 0.92     | 0.61                 |

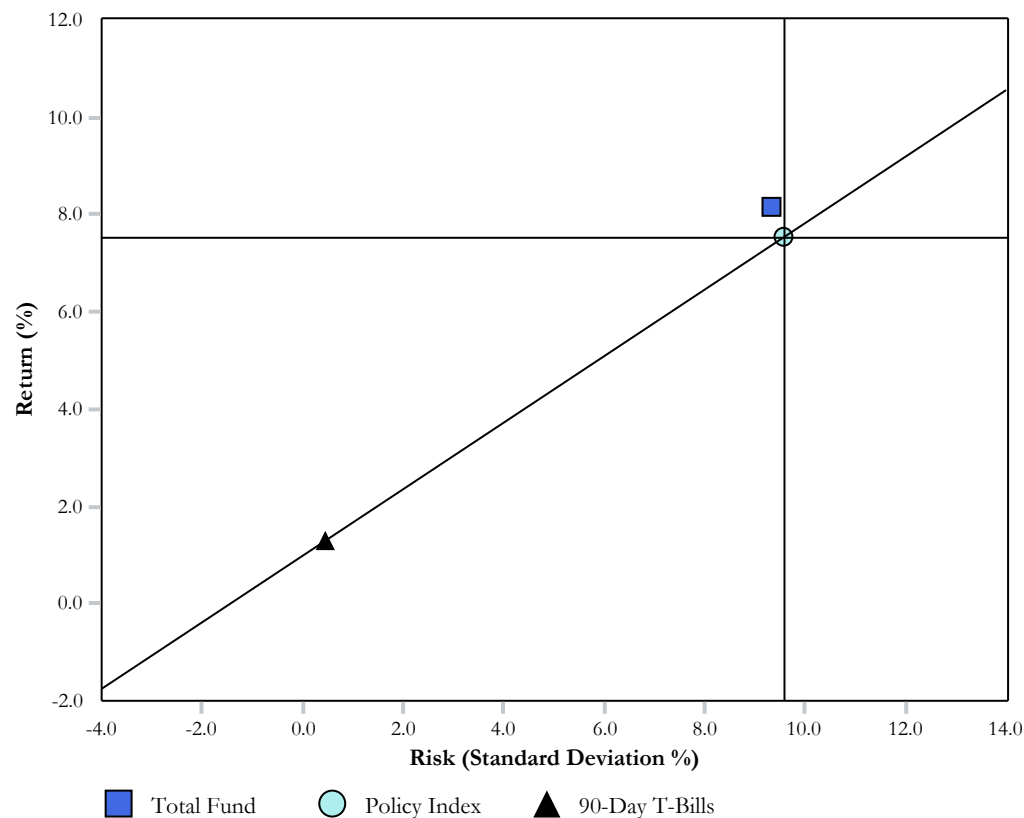
### Historic Asset Growth

|                        | Current Quarter | Fiscal YTD | 1 Year  | 3 Years | 5 Years | 7 Years | 10 Years | Inception 10/01/2002 |
|------------------------|-----------------|------------|---------|---------|---------|---------|----------|----------------------|
| Total Fund             |                 |            |         |         |         |         |          |                      |
| Beginning Market Value | 250,260         | 250,260    | 255,034 | 240,431 | 219,221 | 226,384 | 170,243  | 17,915               |
| Net Contributions      | -355            | -355       | -12,916 | -32,181 | -50,538 | -69,627 | -70,812  | 16,641               |
| Fees/Expenses          | -238            | -238       | -926    | -2,857  | -4,961  | -7,170  | -10,091  | -14,429              |
| Income                 | 784             | 784        | 4,031   | 13,912  | 22,226  | 30,113  | 39,773   | 61,129               |
| Gain/Loss              | 23,644          | 23,644     | 28,872  | 54,788  | 88,147  | 94,395  | 144,980  | 192,839              |
| Ending Market Value    | 274,094         | 274,094    | 274,094 | 274,094 | 274,094 | 274,094 | 274,094  | 274,094              |

### Modern Portfolio Statistics

|              | Return | Standard Deviation | Beta | Maximum Drawdown | Up Capture | Down Capture | Alpha | Sharpe Ratio | R-Squared | Inception Date |
|--------------|--------|--------------------|------|------------------|------------|--------------|-------|--------------|-----------|----------------|
| Total Fund   | 8.13   | 9.35               | 0.96 | -35.21           | 100.06     | 93.90        | 0.87  | 0.75         | 0.97      | 10/01/2002     |
| Policy Index | 7.52   | 9.58               | 1.00 | -35.28           | 100.00     | 100.00       | 0.00  | 0.67         | 1.00      | 10/01/2002     |

### Manager Risk & Return



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.

# Pompano Beach Police & Firefighters' Retirement System

## Asset Allocation & Time Weighted Performance

as of December 31, 2020

|  | Allocation         |               | Performance(%)  |             |              |             |             |             |             |                 |                   |
|--|--------------------|---------------|-----------------|-------------|--------------|-------------|-------------|-------------|-------------|-----------------|-------------------|
|  | Market Value (\$)  | %             | Current Quarter | Fiscal YTD  | 1 Year       | 3 Years     | 5 Years     | 7 Years     | 10 Years    | Since Inception | Inception Date    |
| <b>Total Fund</b>                      | <b>274,094,434</b> | <b>100.00</b> | <b>9.96</b>     | <b>9.96</b> | <b>14.18</b> | <b>9.77</b> | <b>9.77</b> | <b>7.85</b> | <b>8.64</b> | <b>8.13</b>     | <b>10/01/2002</b> |
| Total Fund (net)                       |                    |               | 9.85            | 9.85        | 13.74        | 9.33        | 9.30        | 7.37        | 8.14        | 7.65            |                   |
| Policy Index                           |                    |               | 9.48            | 9.48        | 10.26        | 7.41        | 8.68        | 6.88        | 7.72        | 7.52            |                   |
| <b>Domestic Equity</b>                 |                    |               |                 |             |              |             |             |             |             |                 |                   |
| BlackRock - Large Cap Value            | 35,468,399         | 12.94         | 16.95           | 16.95       | 3.31         | 7.43        | 10.91       | 8.93        | N/A         | 10.32           | 02/01/2013        |
| BlackRock - Large Cap Value (net)      |                    |               | 16.88           | 16.88       | 3.07         | 7.17        | 10.50       | 8.46        | N/A         | 9.83            |                   |
| Russell 1000 Value                     |                    |               | 16.25           | 16.25       | 2.80         | 6.07        | 9.74        | 8.20        | N/A         | 10.22           |                   |
| Sands Capital - Large Cap Growth       | 20,359,943         | 7.43          | 18.33           | 18.33       | 73.37        | 34.24       | 25.15       | 19.60       | 20.51       | 15.93           | 06/01/2003        |
| Sands Capital - Large Cap Growth (net) |                    |               | 18.14           | 18.14       | 72.36        | 33.44       | 24.41       | 18.89       | 19.80       | 15.26           |                   |
| Russell 1000 Gr                        |                    |               | 11.39           | 11.39       | 38.49        | 22.99       | 21.00       | 17.53       | 17.21       | 12.26           |                   |
| Sawgrass Asset Management              | 18,749,652         | 6.84          | 8.43            | 8.43        | 23.03        | N/A         | N/A         | N/A         | N/A         | 24.94           | 02/01/2019        |
| Sawgrass Asset Management (net)        |                    |               | 8.29            | 8.29        | 22.42        | N/A         | N/A         | N/A         | N/A         | 24.38           |                   |
| Russell 1000 Gr                        |                    |               | 11.39           | 11.39       | 38.49        | N/A         | N/A         | N/A         | N/A         | 33.21           |                   |
| Nuance - Mid Cap Value                 | 14,185,483         | 5.18          | 15.59           | 15.59       | 5.21         | N/A         | N/A         | N/A         | N/A         | 12.64           | 07/01/2018        |
| Nuance - Mid Cap Value (net)           |                    |               | 15.49           | 15.49       | 4.93         | N/A         | N/A         | N/A         | N/A         | 12.31           |                   |
| Russell Midcap Value                   |                    |               | 20.43           | 20.43       | 4.96         | N/A         | N/A         | N/A         | N/A         | 6.52            |                   |
| Wells - SMID Growth                    | 16,908,750         | 6.17          | 26.41           | 26.41       | 64.69        | 29.58       | 25.31       | 17.67       | 18.34       | 22.10           | 02/01/2009        |
| Wells - SMID Growth (net)              |                    |               | 26.18           | 26.18       | 63.53        | 28.57       | 24.28       | 16.66       | 17.33       | 21.07           |                   |
| Russell 2500 GR                        |                    |               | 25.89           | 25.89       | 40.47        | 19.91       | 18.68       | 14.09       | 15.00       | 18.87           |                   |
| <b>International Equity</b>            |                    |               |                 |             |              |             |             |             |             |                 |                   |
| Lazard - International Value           | 20,598,927         | 7.52          | 16.67           | 16.67       | 7.94         | 3.88        | 7.71        | 4.56        | N/A         | 5.63            | 02/01/2013        |
| Lazard - International Value (net)     |                    |               | 16.53           | 16.53       | 7.43         | 3.39        | 7.19        | 4.04        | N/A         | 5.12            |                   |
| MSCI AC World ex US Net                |                    |               | 17.01           | 17.01       | 10.65        | 4.88        | 8.93        | 4.82        | N/A         | 5.61            |                   |
| MSCI AC World ex US Value Net          |                    |               | 20.42           | 20.42       | -0.77        | -0.41       | 5.71        | 1.72        | N/A         | 2.74            |                   |

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.

# Pompano Beach Police & Firefighters' Retirement System

## Asset Allocation & Time Weighted Performance

as of December 31, 2020

|  | Allocation        |       | Performance(%)  |            |        |         |         |         |          |                 |                |
|--|-------------------|-------|-----------------|------------|--------|---------|---------|---------|----------|-----------------|----------------|
|  | Market Value (\$) | %     | Current Quarter | Fiscal YTD | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | Since Inception | Inception Date |
| Renaissance - International Growth       | 21,032,196        | 7.67  | 19.98           | 19.98      | 10.32  | 2.42    | 6.30    | 3.83    | 5.67     | 9.14            | 02/01/2009     |
| Renaissance - International Growth (net) |                   |       | 19.80           | 19.80      | 9.67   | 1.81    | 5.65    | 3.18    | 5.01     | 8.47            |                |
| MSCI AC World ex US Net                  |                   |       | 17.01           | 17.01      | 10.65  | 4.88    | 8.93    | 4.82    | 4.92     | 8.98            |                |
| <b>Fixed Income</b>                      |                   |       |                 |            |        |         |         |         |          |                 |                |
| Standish Mellon - Fixed Income           | 29,261,138        | 10.68 | 0.03            | 0.03       | 7.15   | 5.19    | 4.38    | 4.00    | 3.97     | 4.38            | 05/01/2003     |
| Standish Mellon - Fixed Income (net)     |                   |       | -0.03           | -0.03      | 6.91   | 4.97    | 4.12    | 3.71    | 3.67     | 4.06            |                |
| Barclays Aggregate                       |                   |       | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | 4.09    | 3.84     | 4.29            |                |
| Incore/Victory                           | 29,329,517        | 10.70 | -0.20           | -0.20      | 7.18   | 5.31    | 4.54    | 4.15    | 4.09     | 4.63            | 10/01/2002     |
| Incore/Victory (net)                     |                   |       | -0.25           | -0.25      | 6.97   | 5.10    | 4.35    | 3.98    | 3.91     | 4.41            |                |
| Barclays Aggregate                       |                   |       | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | 4.09    | 3.84     | 4.37            |                |
| <b>Alternatives</b>                      |                   |       |                 |            |        |         |         |         |          |                 |                |
| Invesco - Private Real Estate            | 17,844,952        | 6.51  | 1.64            | 1.64       | -1.48  | 4.68    | 6.33    | 8.36    | 9.78     | 5.96            | 08/01/2006     |
| Invesco - Private Real Estate (net)      |                   |       | 1.38            | 1.38       | -2.46  | 3.57    | 5.18    | 7.19    | 8.60     | 4.84            |                |
| NCREIF Property Idx                      |                   |       | 1.15            | 1.15       | 1.61   | 4.89    | 5.92    | 7.77    | 9.00     | 6.88            |                |
| Barclays Aggregate                       |                   |       | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | 4.09    | 3.84     | 4.62            |                |
| BlackRock - Global L/S Credit            | 3,195,722         | 1.17  | 5.33            | 5.33       | N/A    | N/A     | N/A     | N/A     | N/A      | 8.12            | 06/01/2020     |
| BlackRock - Global L/S Credit (net)      |                   |       | 5.33            | 5.33       | N/A    | N/A     | N/A     | N/A     | N/A      | 8.12            |                |
| HFRX Fixed Income - Credit Index         |                   |       | 5.38            | 5.38       | N/A    | N/A     | N/A     | N/A     | N/A      | 11.73           |                |
| Barclays Aggregate                       |                   |       | 0.67            | 0.67       | N/A    | N/A     | N/A     | N/A     | N/A      | 1.93            |                |
| Blackstone - Multi-Strategy              | 3,214,192         | 1.17  | 5.25            | 5.25       | N/A    | N/A     | N/A     | N/A     | N/A      | 10.70           | 06/01/2020     |
| Blackstone - Multi-Strategy (net)        |                   |       | 5.25            | 5.25       | N/A    | N/A     | N/A     | N/A     | N/A      | 10.70           |                |
| HFRX Global Hedge Fund                   |                   |       | 5.11            | 5.11       | N/A    | N/A     | N/A     | N/A     | N/A      | 9.88            |                |
| Barclays Aggregate                       |                   |       | 0.67            | 0.67       | N/A    | N/A     | N/A     | N/A     | N/A      | 1.93            |                |

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.

# Pompano Beach Police & Firefighters' Retirement System

## Asset Allocation & Time Weighted Performance

as of December 31, 2020

|  | Allocation        |      | Performance(%)  |            |        |         |         |         |          |                 |                |
|--|-------------------|------|-----------------|------------|--------|---------|---------|---------|----------|-----------------|----------------|
|  | Market Value (\$) | %    | Current Quarter | Fiscal YTD | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | Since Inception | Inception Date |
| Ironwood - FOHF                              | 14,326,258        | 5.23 | 7.64            | 7.64       | 15.00  | 8.12    | 6.82    | 6.15    | 6.55     | 4.62            | 08/01/2008     |
| Ironwood - FOHF (net)                        |                   |      | 7.64            | 7.64       | 15.00  | 8.12    | 6.82    | 6.15    | 6.55     | 4.62            |                |
| HFRI FOF Conservative                        |                   |      | 5.78            | 5.78       | 6.41   | 3.89    | 3.53    | 3.02    | 2.92     | 1.94            |                |
| Barclays Aggregate                           |                   |      | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | 4.09    | 3.84     | 4.43            |                |
| Pine Grove - FOHF                            | 477,276           | 0.17 | -0.16           | -0.16      | -16.65 | -4.20   | -0.63   | -0.62   | 0.77     | 1.74            | 10/01/2008     |
| Pine Grove - FOHF (net)                      |                   |      | -0.16           | -0.16      | -16.65 | -4.20   | -0.63   | -0.62   | 0.77     | 1.74            |                |
| HFRI FOF Conservative                        |                   |      | 5.78            | 5.78       | 6.41   | 3.89    | 3.53    | 3.02    | 2.92     | 2.54            |                |
| Barclays Aggregate                           |                   |      | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | 4.09    | 3.84     | 4.52            |                |
| Cohen & Steers - Global Infrastructure       | 13,155,199        | 4.80 | 7.42            | 7.42       | N/A    | N/A     | N/A     | N/A     | N/A      | 6.20            | 09/01/2020     |
| Cohen & Steers - Global Infrastructure (net) |                   |      | 7.42            | 7.42       | N/A    | N/A     | N/A     | N/A     | N/A      | 6.20            |                |
| DJ Brookfield Gbl Infra Comp TR              |                   |      | 8.38            | 8.38       | N/A    | N/A     | N/A     | N/A     | N/A      | 4.37            |                |
| Barclays Aggregate                           |                   |      | 0.67            | 0.67       | N/A    | N/A     | N/A     | N/A     | N/A      | 0.61            |                |
| Neuberger Berman - Private Equity #1         | 3,390,229         | 1.24 | 0.00            | 0.00       | -2.43  | 2.41    | 7.88    | 9.38    | 8.38     | 4.31            | 04/01/2010     |
| Neuberger Berman - Private Equity #1 (net)   |                   |      | 0.00            | 0.00       | -2.43  | 2.41    | 7.88    | 9.38    | 8.38     | 4.31            |                |
| MSCI ACWI / 90-Day T-Bill (Sept)             |                   |      | 0.03            | 0.03       | -5.41  | -0.46   | 5.56    | 2.50    | 3.29     | 3.92            |                |
| Barclays Aggregate                           |                   |      | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | 4.09    | 3.84     | 4.00            |                |
| Neuberger Berman - Private Equity #2         | 3,012,726         | 1.10 | 0.00            | 0.00       | 9.83   | 12.15   | 12.66   | N/A     | N/A      | 9.55            | 08/01/2014     |
| Neuberger Berman - Private Equity #2 (net)   |                   |      | 0.00            | 0.00       | 9.83   | 12.15   | 12.66   | N/A     | N/A      | 9.55            |                |
| MSCI ACWI / 90-Day T-Bill (Sept)             |                   |      | 0.03            | 0.03       | -5.41  | -0.46   | 5.56    | N/A     | N/A      | 2.03            |                |
| Barclays Aggregate                           |                   |      | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | N/A     | N/A      | 3.88            |                |
| Blackstone - Private Equity                  | 1,051,081         | 0.38 | 0.00            | 0.00       | -2.13  | 5.76    | 7.68    | 8.36    | N/A      | 8.77            | 12/01/2013     |
| Blackstone - Private Equity (net)            |                   |      | -0.33           | -0.33      | -3.80  | 4.19    | 6.09    | 6.29    | N/A      | 6.71            |                |
| S&P 500 / 90-Day T-Bill (Sept)               |                   |      | 0.03            | 0.03       | 5.60   | 9.91    | 12.61   | 11.09   | N/A      | 11.34           |                |
| Barclays Aggregate                           |                   |      | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | 4.09    | N/A      | 3.95            |                |
| Goldman Sachs - Private Equity               | 657,745           | 0.24 | 0.00            | 0.00       | -4.88  | -2.24   | 3.25    | 3.90    | N/A      | 3.90            | 01/01/2014     |
| Goldman Sachs - Private Equity (net)         |                   |      | 0.00            | 0.00       | -4.88  | -2.24   | 3.25    | 3.90    | N/A      | 3.90            |                |
| MSCI ACWI / 90-Day T-Bill (Sept)             |                   |      | 0.03            | 0.03       | -5.41  | -0.46   | 5.56    | 2.50    | N/A      | 2.50            |                |
| Barclays Aggregate                           |                   |      | 0.67            | 0.67       | 7.51   | 5.34    | 4.44    | 4.09    | N/A      | 4.08            |                |

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.

# Pompano Beach Police & Firefighters' Retirement System

## Asset Allocation & Time Weighted Performance

as of December 31, 2020

|                               | Allocation        |      | Performance(%)  |            |        |         |         |         |          |                 |                |
|-------------------------------|-------------------|------|-----------------|------------|--------|---------|---------|---------|----------|-----------------|----------------|
|                               | Market Value (\$) | %    | Current Quarter | Fiscal YTD | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | Since Inception | Inception Date |
| <b>Cash &amp; Equivalents</b> |                   |      |                 |            |        |         |         |         |          |                 |                |
| Non-Managed Account           | 7,875,049         | 2.87 | 0.93            | 0.93       | 1.20   | 1.82    | 1.27    | 1.55    | 1.25     | 1.38            | 10/01/2002     |
| 90-Day T-Bills                |                   |      | 0.03            | 0.03       | 0.58   | 1.56    | 1.16    | 0.84    | 0.60     | 1.27            |                |

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.

# Pompano Beach Police & Firefighters' Retirement System

## Asset Allocation & Net Dollar Weighted Performance (IRR)

as of December 31, 2020

|  | %      | Current<br>Quarter | Fiscal<br>YTD | 1<br>Year | 3<br>Years | 5<br>Years | 7<br>Years | 10<br>Years | Since<br>Inception | Inception<br>Date |
|--|--------|--------------------|---------------|-----------|------------|------------|------------|-------------|--------------------|-------------------|
| <b>Total Fund</b>                      | 100.00 | 9.80               | 9.80          | 12.99     | 9.01       | 9.06       | 7.01       | 8.08        | 7.76               | 09/30/2002        |
| <b>Domestic Equity</b>                 |        |                    |               |           |            |            |            |             |                    |                   |
| BlackRock - Large Cap Value            | 12.94  | 16.87              | 16.87         | 3.96      | 7.43       | 10.84      | 8.37       | N/A         | 10.40              | 01/31/2013        |
| Sands Capital - Large Cap Growth       | 7.43   | 17.78              | 17.78         | 71.87     | 27.43      | 18.43      | 13.83      | 16.48       | 11.20              | 05/31/2003        |
| Sawgrass Asset Management              | 6.84   | 8.04               | 8.04          | 21.99     | N/A        | N/A        | N/A        | N/A         | 24.35              | 01/31/2019        |
| Nuance - Mid Cap Value                 | 5.18   | 15.49              | 15.49         | 5.21      | N/A        | N/A        | N/A        | N/A         | 12.37              | 06/30/2018        |
| Wells - SMID Growth                    | 6.17   | 25.83              | 25.83         | 60.72     | 26.64      | 22.26      | 13.75      | 15.54       | 21.57              | 01/31/2009        |
| <b>International Equity</b>            |        |                    |               |           |            |            |            |             |                    |                   |
| Lazard - International Value           | 7.52   | 16.54              | 16.54         | 7.48      | 3.69       | 7.47       | 4.32       | N/A         | 5.16               | 01/31/2013        |
| Renaissance - International Growth     | 7.67   | 19.81              | 19.81         | 9.74      | 2.57       | 6.16       | 3.47       | 5.15        | 7.22               | 01/31/2009        |
| <b>Fixed Income</b>                    |        |                    |               |           |            |            |            |             |                    |                   |
| Standish Mellon - Fixed Income         | 10.68  | -0.03              | -0.03         | 6.99      | 4.94       | 4.17       | 3.72       | 3.68        | 4.09               | 04/30/2003        |
| Incure/Victory                         | 10.70  | -0.25              | -0.25         | 7.07      | 5.10       | 4.40       | 4.02       | 3.94        | 4.42               | 09/30/2002        |
| <b>Alternatives</b>                    |        |                    |               |           |            |            |            |             |                    |                   |
| Invesco - Private Real Estate          | 6.51   | 1.38               | 1.38          | -2.46     | 3.57       | 5.18       | 7.19       | 8.35        | 6.35               | 07/31/2006        |
| BlackRock - Global L/S Credit          | 1.17   | 5.33               | 5.33          | N/A       | N/A        | N/A        | N/A        | N/A         | 8.33               | 05/31/2020        |
| Blackstone - Multi-Strategy            | 1.17   | 5.25               | 5.25          | N/A       | N/A        | N/A        | N/A        | N/A         | 10.46              | 05/31/2020        |
| Ironwood - FOHF                        | 5.23   | 7.64               | 7.64          | 14.96     | 8.11       | 6.81       | 6.07       | 6.39        | 4.86               | 07/31/2008        |
| Pine Grove - FOHF                      | 0.17   | -0.16              | -0.16         | -19.74    | -0.23      | 2.17       | 1.11       | 1.89        | 2.59               | 09/30/2008        |
| Cohen & Steers - Global Infrastructure | 4.80   | 7.42               | 7.42          | N/A       | N/A        | N/A        | N/A        | N/A         | 6.20               | 08/31/2020        |
| Neuberger Berman - Private Equity #1   | 1.24   | 0.00               | 0.00          | -2.43     | 2.43       | 8.56       | 10.24      | 9.77        | 9.36               | 03/31/2010        |
| Neuberger Berman - Private Equity #2   | 1.10   | 0.00               | 0.00          | 9.22      | 11.97      | 12.91      | N/A        | N/A         | 11.59              | 07/31/2014        |
| Blackstone - Private Equity            | 0.38   | -0.33              | -0.33         | -4.70     | 5.52       | 7.17       | 7.26       | N/A         | 7.32               | 11/30/2013        |
| Goldman Sachs - Private Equity         | 0.24   | 0.00               | 0.00          | -4.87     | -2.08      | 5.99       | 6.51       | N/A         | 6.51               | 12/31/2013        |
| <b>Cash &amp; Equivalents</b>          |        |                    |               |           |            |            |            |             |                    |                   |
| Non-Managed Account                    | 2.87   | 0.63               | 0.63          | 0.69      | 0.99       | 0.51       | 0.25       | -0.91       | -0.47              | 09/30/2002        |

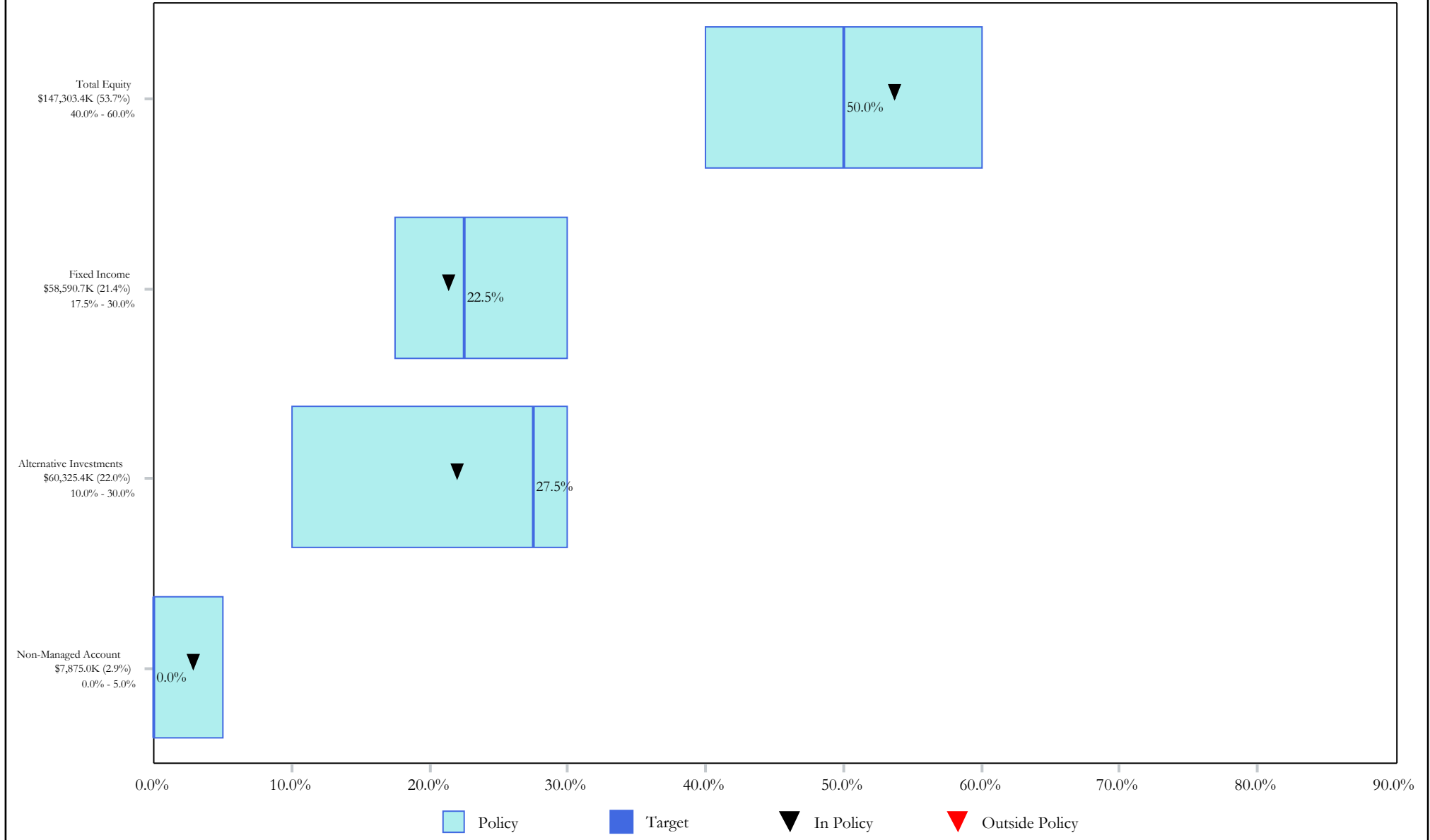
The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

# Pompano Beach Police & Firefighters' Retirement System

## Asset Allocation Compliance

as of December 31, 2020

### Executive Summary



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.

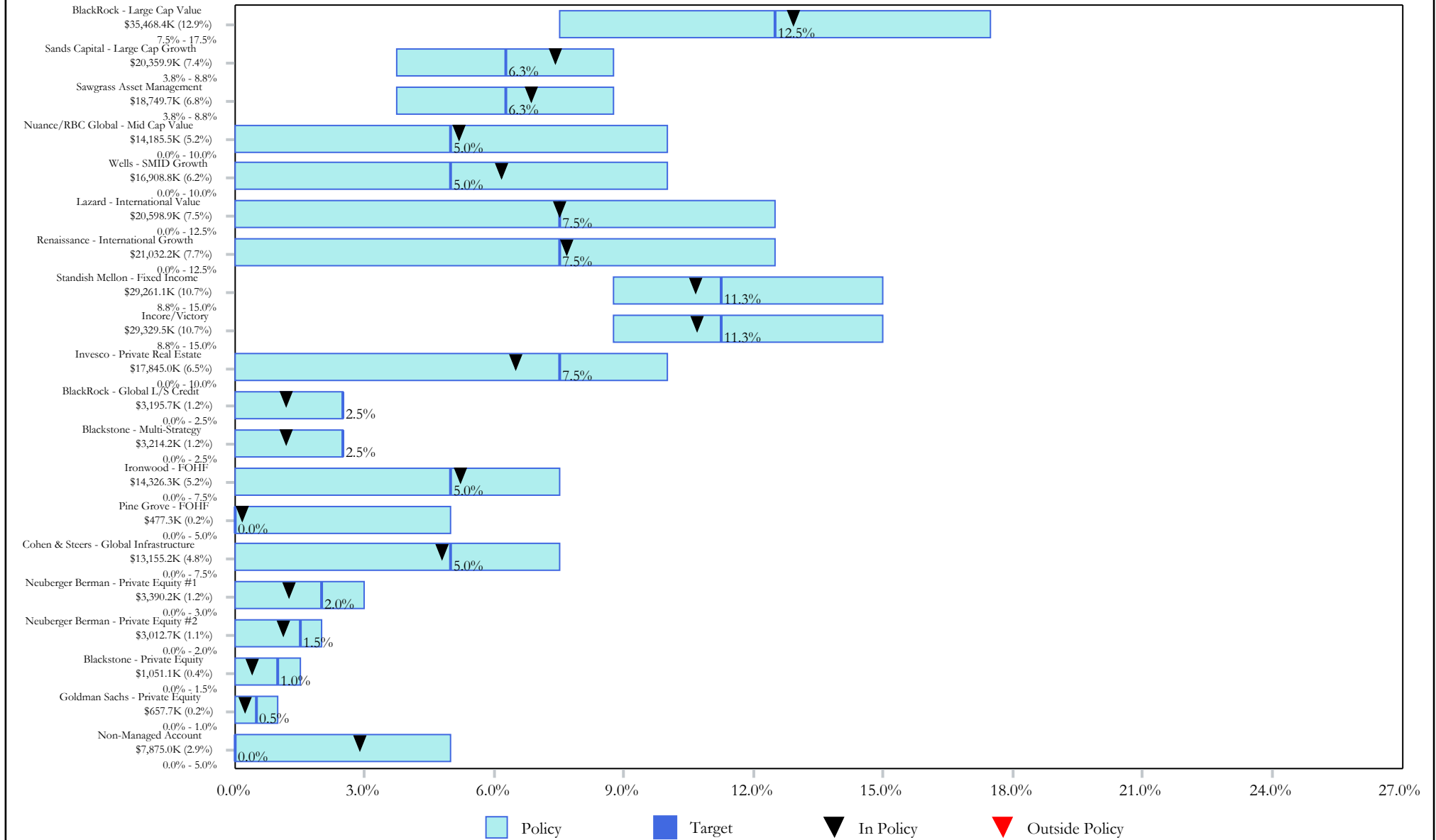


# Pompano Beach Police & Firefighters' Retirement System

## Asset Allocation Compliance

as of December 31, 2020

### Executive Summary



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.