

Agenda
North Port Firefighters Pension – Local Option Trust Fund
Board of Trustees
Quarterly Meeting
May 16, 2019

Location: City of Northport City Hall
Committee Meeting Room 244
4970 City Hall Boulevard
North Port Florida 34286

Time: 9:00 AM

1. Call Meeting to Order/ Roll Call
2. Pledge of Allegiance
3. Public Comment
4. Approval of Minutes (February 2019)
5. Approval of Disbursements
6. Approval of Budgeted Expenditures
7. Investment Consultant Report : Kerry Richardville
8. Foster & Foster : Christine O’Neal, Not Attending
9. Attorney Report : Paul Donnelly
10. Salem Trust : Mark Rhein, Not Attending
11. Unfinished Business:
 - a, Approval of Annual Audit
12. New Business:
 - a, Shawn Neely disability application
13. Public Comment
14. Adjournment

Note: One or more Commissioners may be in attendance

The following Boards/Committees currently have or will have vacancies. If you are interested in service on any of those listed, please contact the City Clerk.

CITY OF NORTH PORT ADVISORY BOARD VACANCY LIST

Art Advisory Board 3 Regular Members, 2 Alternates	Audit Committee 2 North Port Citizens
Beautification & Tree/Scenic Highway Committee 3 Regular Members, 2 Alternates	Charter Review Advisory Board 2 Alternates
Citizens' Tax Oversight Committee 2 Regular Members	Community Economic Development Advisory Board 1 Financial Representative, 1 Home Owners Association Board Member Representative, 1 Diversified Light Industrial/Manufacturing Representative, 1 Higher Education/School Board Member Representative, 1 Development/Engineering Planning Representative, 1 Land Use Attorney Representative; 1 Public Relations Representative
Environmental Advisory Board 2 Alternate Members; 1 Youth Member	Historic and Cultural Advisory Board 2 Regular Members, 2 Alternates
Joint Management Advisory Board 1 North Port Citizen; 1 Citizen Representative of Sarasota County	Municipal Police Officers' Pension Board of Trustees 1 Member chosen by a majority of the other four members.
North Port Youth Council 6 to 11 Student Members	Parks & Recreation Advisory Board 2 Alternates; 1 Youth
Planning & Zoning Advisory Board 1 Regular Member, 2 Alternates	Public Utility Advisory Board 1 Regular, 2 Alternates, 1 Alternate may be a youth 14-17
Zoning Board of Appeals 1 Alternate	

UPCOMING EXPIRATION DATES FOR BOARD MEMBERS

2019		
05-08-19	Kody Parsotan	Parks & Recreation Advisory Board
05-08-19	Zhaneta Albritton	Art Advisory Board
05-23-19	Valerie LaBoy	Citizens' Tax Oversight Committee
05-23-19	Alice White	Citizens' Tax Oversight Committee
06-01-19	Josh Reid	Art Advisory Board
06-26-19	Shawn Singh	Art Advisory Board
06-26-19	Ashley Higgins	Environmental Advisory Board
07-11-19	Aron Walton	Community Economic Development Bd.

AMERICAN WITH DISABILITIES ACT OF 1990 - The North Port City Hall is wheelchair accessible. Special parking is available on the west side of City Hall and the building may be accessed from the parking area. Persons with hearing difficulties should contact the City Clerk to obtain a hearing device for use during meetings.

NONDISCRIMINATION: The City of North Port does not discriminate on the basis of race, color, national origin, sex, age, disability, family or religious status, marital status, sexual orientation, gender identity or expression, or physical characteristic in administration of its programs, activities or services.

No stenographic record by a certified court reporter is made of these recordings. Accordingly, anyone seeking to appeal any of the decisions involving the matters herein will be responsible for making a verbatim record of the meeting/testimony and evidence upon which any appeal is to be based. Copies of the tapes are available (for a fee) at the City Clerk's Office.

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**NORTH PORT FIREFIGHTERS' PENSION - LOCAL OPTION TRUST FUND
BOARD OF TRUSTEES
REGULAR QUARTERLY MEETING
THURSDAY, FEBRUARY 21, 2019**

Present: Tom Truesdale, Chair, Firefighter, elected by Firefighter Members; Scott Duff 5th Member Chosen by the Board, Secretary; Dylan Hamilton, Firefighter, elected by Firefighter members; Kerry Richardville, Investment Consultant, AndCo Consulting; Christine O'Neill, Actuary, Foster & Foster; Attorney Paul Donnelly (Donnelly & Gross); Dave Carroll, Plan Administrator; and Deputy City Clerk Taylor.

Absent: Gerardo Rodriguez, Resident, appointed by the Commission; David Ingalls, Resident, appointed by the Commission.

The North Port Firefighters' Pension – Local Option Trust Fund Board of Trustees Regular Quarterly Meeting was called to order in Meeting/Training Room 244 at 9:01 a.m. by Chair Tom Truesdale.

The Pledge of Allegiance was led by the Board.

3. **PUBLIC COMMENT**

There was no public comment.

4. **APPROVAL OF MINUTES**

Dylan Hamilton moved to approve the November 8, 2018 North Port Firefighters' Pension – Local Option Trust Fund Board of Trustees Regular Quarterly Meeting Minutes as presented; seconded by Scott Duff. The motion carried unanimously.

5. **APPROVAL OF DISBURSEMENTS**

A motion to approve the disbursements was requested.

Scott Duff moved to approve the Disbursements of February 21, 2019 as presented totaling \$21,994.11; seconded by Dylan Hamilton. The motion carried unanimously.

6. **APPROVAL OF BUDGETED EXPENDITURES**

Plan Administrator Carrol reported the totals reflect expenditures through the end of the quarter, ending December 31, 2018. The budgets are posted on the Board's webpage on the City's website. A motion to approve was requested.

Dylan Hamilton moved to approve the Budgeted Expenditures for Fiscal Year Quarter 10-01-2018 through 12-31-2018 as presented; seconded by Scott Duff. The motion carried unanimously.

8. **FOSTER & FOSTER: CHRISTINE O'NEAL**

a. **Valuation**

Foster & Foster Actuary, Christine O'Neill provided an overview of the Firefighters' Pension Actuarial Valuation Report as of October 1, 2018.

DRAFT

Following a question, it was stated that the dollar value for the Unfunded Actuarial Accrued Liability (UAAL) as of October 1, 2018 is \$766,297 and represents 1.6% of the total liability and the funded ratio is actually 98.4%.

b. State Report

Discussion ensued: 1) regarding a question about annual contribution funds from the State, Attorney Donnelly stated that “unless there is mutual consent between the Union and the employer otherwise, of the additional chapter monies in excess of the amount received for the 2012 year, 50% is used for benefits and 50% is used for defined contribution claim, supplemental benefit” and to understand what that amount is, the amount of chapter monies received for 2012 was cited on page 21 of the Actuarial Valuation Report; 2) it was stated that the 50% distribution was part of the start/stop agreement when the Pension Plan was closed; 3) currently the \$250,000 from the State’s insurance tax premiums offsets the City’s funding requirement of 18% on an annual basis; 4) future Actuarial Valuation Reports can include what the dollar contribution requirement would be; 5) clarification was provided on page 47 regarding inactive members receiving benefits, inactive members entitled to benefits but not yet receiving benefits, and active Plan members; 6) following a question, it was stated that when new job titles are created, those still in the Pension Plan may stay in the Pension, keep contributing to the Pension, and be hired in the newly created position as long as it is in the Fire Department, but he/she would have to keep all certifications up to date; 7) the premium tax revenues on page 21 are from the homeowners’ insurance tax.

7. INVESTMENT CONSULTANT REPORT: KERRY RICHARDVILLE

Kerry Richardville, AndCo Consulting, provided the quarter’s investment performance review including the uncertainties in the domestic and international equity markets, fixed income markets, and asset market values. Page 12, showed the Portfolio’s Asset Allocation ended the quarter within the required limits and there are no recommendations at this time for rebalancing the funds between managers. Page 18, showed the Trailing Returns for the quarter. The Plan ended with a -8.32% return compared to the benchmark of -7.72% but it was a difficult quarter for many pensions. A comparison was provided regarding the one-year returns for the Plan (-3.32%) vs the benchmark (-2.89%) but it was reported that numbers are expected to be better in 2019. A report of each of the Portfolio’s managers was provided with the majority with negative returns for the quarter, along with their respective benchmarks which also received negative returns.

Questions ensued: 1) due to GAMCO being under review for their poor performance, the Board may consider other active managers or roll GAMCO’s funds into Vanguard Equity Income; 2) following a question, it would take 90 days to liquidate the Portfolio’s assets in American Realty due to constraints of the real estate manager; 3) J.P. Morgan projects roughly a 6% return over a 15-year period for core real estate whereas fixed income is closer to 4% over the same period of time; 4) it was proposed to bring an Asset Allocation Study to the next quarterly meeting to discuss the risk return profile over the long term; 5) the Blackrock fund works better in a downside market but so far, it has proved to be a bull market but other options can be considered to replace Blackrock as well; 6) following a brief discussion, it was suggested to provide a report at the next quarterly meeting regarding lowering the assumption rate from 7.5% to a 7.45% rate of return; 7) the Portfolio investments for the quarter total \$48,574,619.

9. ATTORNEY REPORT: PAUL DONNELLY

Nothing to report.

10. SALEM TRUST: MARK RHEIN

Not in attendance.

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11. UNFINISHED BUSINESS

Nothing to report.

12. NEW BUSINESS

It was reported that, based on new State Legislation, Post Traumatic Stress Disorder (PTSD) cases will be handled like other disability cases that come before the Board.

A motion was requested to approve the Valuation Report.

Dylan Hamilton moved to approve the Firefighters' Pension Actuarial Valuation Report as of October 1, 2018; seconded by Scott Duff. The motion carried unanimously.

Dylan Hamilton moved that the Municipal Firefighter's Pension Local Option Trust Fund Board of Trustees set the Plan's Expected Rate of Return at 7.5% for the next year, next few years, and for the long term thereafter, based on the recommendation of Investment Consultant Kerry Richardville; seconded by Scott Duff. The motion carried unanimously.

13. PUBLIC COMMENT

There was no public comment.

14. ADJOURNMENT

Scott Duff Hamilton moved to adjourn the Regular Quarterly Meeting of the Municipal Firefighters' Pension – Local Option Trust Fund Board of Trustees; seconded by Dylan Hamilton. The motion carried unanimously.

The Regular Quarterly Meeting of the Municipal Firefighters' Pension – Local Option Trust Fund Board of Trustees adjourned at 10:26 a.m.

TOM TRUESDALE
CHAIR

Minutes approved this ____ day of _____, 2019.

North Port Firefighters Pension – Local Option Trust

Disbursements

May 16, 2019

Salem Trust (Fee for Services 1/1/2019-3/31/2019)	\$6,727.06
GAMCO (Management Fees 10/01/2018-12/31/2018)	\$5,114
1/1/2019-3/31/2019	\$5,306
AndCo Consulting (Consulting Services 1/1/2019-3/31/2019)	\$ 5625
Donnelly &Gross	
2/2049	\$1426.50
3/2019	\$97.50
4/2019	\$78.00
Annual Retainer	\$3,500
Tarcza & Associates (IRS Determination)	\$0
David A Carroll Third Party Administrator (Administrative Services 1/1/2019-3/31/2019)	\$4,500
Foster & Foster	
DROP and Annual reports	\$3,240
Valuation, misc reports	\$20,459

North Port Clerks Office Clerk Fees 2/2019	\$120.01
Maudlin & Jenkins (Fee for Audit Service 2019)	\$9,400
Gibson & Wirt [Fiduciary Liability]	\$0
FPPTA Annual Membership	\$0
Conference Registration	\$0
FPPTA Conference Expense Reimbursement	\$0
NAPO Conference Expense Reimbursement	
Election Mileage Reimbursement	\$0
Disbursements for Approval	\$65,593.07

(Chairman)

(Date)

(Secretary)

(Date)



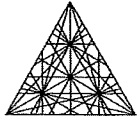
April 4, 2019

David A. Carroll
Third Party Plan Administrator
492 River Hills Drive
Max Meadows, VA 23460

City of North Port Firefighters
Fee A/C# M02774

Fee Advice for Period		January 1, 2019	to	March 31, 2019
Total Market Value for Fund:		\$44,847,076.25		
Detail of Calculation:				
Market Value	Basis Point Rate	Annual Fee	Quarterly Fee	
\$44,847,076.25	0.0006	\$26,908.25	\$6,727.06	
			Total	\$6,727.06

These fees will automatically be charged to your account.
If you have any questions, please contact Mark Rhein at 877-382-5268.



GAMCO
ASSET MANAGEMENT

One Corporate Center
Rye, NY 10580-1422
t 914.921.5000
GABELLI.COM

January 25, 2019

Mr. David Carroll
North Port Firefighters Pension Trst
Plan Administrator
492 River Hills Drive
Max Meadows, VA 24360

INVOICE FOR INVESTMENT MANAGEMENT SERVICES

PERIOD UNDER MANAGEMENT: October 1 - December 31, 2018

Portfolio Values

Q4931 North Port Fire Fighters Pension Local	10/31/2018	\$2,784,766
	11/30/2018	\$2,831,624
	12/31/2018	\$2,566,420
	Billable Value:	\$2,727,603

Fee Basis

0.750% Flat Fee

\$5,114

Current Amount Due

\$5,114

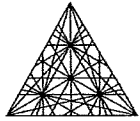
Due To Pay
David Carroll

Q4931 North Port Fire Fighters Pension Local Option Trust

January 25, 2019
20181231-158-6835-A

Current Amount Due \$5,114

Please make checks payable to Gamco Investors, Inc.



GAMCO
ASSET MANAGEMENT

One Corporate Center
Rye, NY 10580-1422
t 914.921.5000
GABELLI.COM

April 11, 2019

Mr. David Carroll
North Port Firefighters Pension Trst
Plan Administrator
492 River Hills Drive
Max Meadows, VA 24360

INVOICE FOR INVESTMENT MANAGEMENT SERVICES

PERIOD UNDER MANAGEMENT: January 1 - March 31, 2019

Portfolio Values

Q4931 North Port Fire Fighters Pension Local	01/31/2019	\$2,780,495
	02/28/2019	\$2,860,510
	03/31/2019	\$2,849,510
	Billable Value:	\$2,830,172

Fee Basis

0.750% Flat Fee

\$5,306

Current Amount Due

\$5,306

OK TO PAY
David Carroll

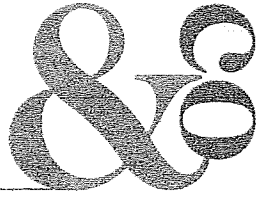
Q4931 North Port Fire Fighters Pension Local Option Trust

April 11, 2019

20190331-158-6835-A

Current Amount Due \$5,306

Please make checks payable to Gamco Investors, Inc.



AndCo
4901 Vineland Road, Ste 600
Orlando, FL 32811

Date	Invoice #
3/29/2019	30260

Bill To:

North Port Firefighters'
Pension Plan

Description	Amount
Consulting services and performance evaluation billed quarterly (January, 2019)	1,875.00
Consulting services and performance evaluation billed quarterly (February, 2019)	1,875.00
Consulting services and performance evaluation billed quarterly (March, 2019)	1,875.00
az to pay	
It is our pleasure to provide 100% independent consulting advice ALWAYS putting clients first!	Balance Due \$5,625.00

Dave Curran

DONNELLY + GROSS

2421 NW 41st Street, Suite A-1

Gainesville, FL 32606-6669

Phone: (352) 374-4001

Fax: (352) 374-4046

North Port Municipal Firefighters' Pension Local Option Trust

dcarrolltpa@gmail.com

February 28, 2019

File #: 13-1186

Inv #: 13550

Attn: dcarrolltpa@gmail.com

RE: Advice

DATE	DESCRIPTION	HOURS	AMOUNT	ATTY/ASST
Feb-01-19	Drafting and mailing letter of response to Mauldin & Jenkins re 2018 audit; Copy of letter emailed to Plan Administrator DC.	1.00	195.00	JB
Feb-20-19	Update pension ordinance	0.20	39.00	CB
Feb-21-19	Attendance at Quarterly Pension Board Meeting (travel time 3.0)	4.50	1,192.50	PAD

Totals

5.70 \$1,426.50

Total Fees & Disbursements

\$1,426.50

Previous Balance

\$156.00

Previous Payments

\$156.00

Balance Due Now

\$1,426.50

PAYMENT DUE UPON RECEIPT

Please reference the file # and invoice # with your payment

OK to Pay
Dave Carroll

Payments made by credit card will have 2.95% added to the total for American Express and 1.95% for Visa, MasterCard & Discover

DONNELLY + GROSS

2421 NW 41st Street, Suite A-1
Gainesville, FL 32606-6669

Phone: (352) 374-4001

Fax: (352) 374-4046

North Port Municipal Firefighters' Pension Local Option Trust
dcarrolltpa@gmail.com

March 31, 2019

File #: 13-1186

Inv #: 13677

Attn: dcarrolltpa@gmail.com

RE: Advice

DATE	DESCRIPTION	HOURS	AMOUNT	ATTY/ASST
Mar-26-19	Reviewing emails from Administrator DC re disability application from a bargaining unit member; T/C with DC re same; Reviewing plan documents re same; Researching medical / mental health professionals to send bargaining unit member to for confirmation examination.	0.50	97.50	JB

Totals	0.50	\$97.50
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Total Fees & Disbursements	\$97.50
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Previous Balance	\$1,426.50
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Previous Payments	\$1,426.50
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Balance Due Now

\$97.50

PAYMENT DUE UPON RECEIPT

Please reference the file # and invoice # with your payment

Payments made by credit card will have 2.95% added to the total for American Express
and 1.95% for Visa, MasterCard & Discover

DONNELLY + GROSS

2421 NW 41st Street, Suite A-1
Gainesville, FL 32606-6669

Phone: (352) 374-4001

Fax: (352) 374-4046

North Port Municipal Firefighters' Pension Local Option Trust
dcarrolltpa@gmail.com

April 30, 2019

File #: 13-1186

Inv #: 13790

Attn: dcarrolltpa@gmail.com

RE: Advice

DATE	DESCRIPTION	HOURS	AMOUNT	ATTY/ASST
Apr-02-19	List of three mental health professionals and draft language for letter emailed to Administrator DC so that letters can go to each soliciting their interest in providing IME for member filing for disability pension benefits.	0.40	78.00	JB

Totals	0.40	\$78.00
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Total Fees & Disbursements **\$78.00**

Previous Balance \$97.50

Previous Payments \$97.50

Balance Due Now

\$78.00

PAYMENT DUE UPON RECEIPT

Please reference the file # and invoice # with your payment

9/20/19
Dave Curren

*Payments made by credit card will have 2.95% added to the total for American Express
and 1.95% for Visa, MasterCard & Discover*

DONNELLY + GROSS

2421 NW 41st Street, Suite A-1

Gainesville, FL 32606-6669

Phone: (352) 374-4001

Fax: (352) 374-4046

North Port Municipal Firefighters' Pension Local Option Trust

dcarrolltpa@gmail.com

March 31, 2019

File #: 13-1188

Inv #: 13678

Attn: dcarrolltpa@gmail.com

RE: Retainer (Annually)

Total Fees & Disbursements \$3,500.00

Previous Balance \$3,500.00

Previous Payments \$3,500.00

Balance Due Now

\$3,500.00

PAYMENT DUE UPON RECEIPT

Please reference the file # and invoice # with your payment

9270 Pay
Dave Carroll

*Payments made by credit card will have 2.95% added to the total for American Express
and 1.95% for Visa, MasterCard & Discover*

David A Carroll
Plan Administrator
North Port Firefighters Pension Trust

492 River Hills Drive
Max Meadows VA 24360
276-617-8360
dcarrolltpa@gmail.com

INVOICE FOR ADMINISTRATIVE SERVICES FIRST QUARTER
FY 2019

January Monthly Contract Fee	\$1500.00
February Monthly Contract Fee	\$1500.00
March Monthly Contract Fee	\$1500.00

Total

\$4,500

PLEASE DIRECT DEPOSIT FUNDS TO ACCOUNT NUMBER ON FILE

dc to pay
Dave Carroll

David A Carroll
Plan Administrator
North Port Firefighters Pension Trust

492 River Hills Drive
Max Meadows VA 24360
276-617-8360
dcarrolltpa@gmail.com

INVOICE FOR ADMINISTRATIVE SERVICES FIRST QUARTER
FY 2019

Reimbursement for Mailing Supplies	\$9.41
Reimbursement Copies SPD	\$55.39
Reimbursement Stamps SPD Mailing	\$69.30
Reimbursement Metered Mail SPD & State Mailing	\$58.80

Total

\$192.90

PLEASE DIRECT DEPOSIT FUNDS TO ACCOUNT NUMBER ON FILE

OK To Pay
Dave Carroll



Date	Invoice #
4/23/2019	14497

Bill To
City of North Port Firefighters'
Pension Board
492 River Hills Drive
Max Meadows, Virginia 24360

Terms	Due Date
Net 30	5/23/2019

Description	Amount
Preparation of DROP account balance schedules: GARDY, HILL, LONGORIA, MCCORD	240.00
Preparation of the 2018 Annual Report for the Division of Retirement.	3,000.00

Balance Due (\$3,240.00

Please make all checks payable to:
Foster & Foster, Inc.
13420 Parker Commons Blvd, Suite 104
Fort Myers, FL 33912

OK to pay
Dave Curren



FOSTER & FOSTER

ACTUARIES AND CONSULTANTS

Invoice

Phone: (239) 433-5500
Fax: (239) 481-0634
data@foster-foster.com
www.foster-foster.com

Date	Invoice #
3/5/2019	14147

Bill To
City of North Port Firefighters' Pension Board 492 River Hills Drive Max Meadows, Virginia 24360

Terms	Due Date
Net 30	4/4/2019

Description	Amount
Preparation of DROP account balance schedules: GARDY, HILL, LONGORIA, MCCORD	240.00
Accrued Benefit Analysis: TIEFENTHALER	200.00
Preparation of GASB 67 Statement with measurement date of 09/30/18.	1,250.00
Preparation of GASB 68 Statement with measurement date of 09/30/18.	2,000.00
Electronic filing of 10/1/2018 valuation report to the Division of Retirement.	300.00
Preparation of the October 1, 2018 Actuarial Valuation and Report.	16,005.00
Preparation for and attendance at February 21, 2019 Board meeting (Board's share of expenses)	64.00
Benefit Calculations: DEANGELIS, TRUESDALE	400.00

Balance Due **\$20,459.00**

Thank you for your business!

Please make all checks payable to:
Foster & Foster, Inc.
13420 Parker Commons Blvd, Suite 104
Fort Myers, FL 33912

OK TO PAY
Dave Curren

INVOICE

Page 1 of 1

**CITY OF NORTH PORT**

4970 CITY HALL BLVD NORTH PORT, FL 34286 (941) 429-7122

To: Firefighters Pension Board
Attn: Dave Carroll
492 River Hills Drive
MAX MEADOWS, VA 24360

Invoice No: 3787
Date: 03/06/19

Customer No: 314/314

Type: CL – Clerk Admin Services

Quantity	Description	Unit Price	Extended Price
1.00	Clerk Admin Fees 2/21/19 Pension Board	120.01	120.01

Total Due:

\$120.01
OK TO PAY
Dave Carroll

Please detach and send this copy with remittance.

Due Date: **04/05/19**
Name: Firefighters Pension Board
Customer No: 314/314
Type: CL - Clerk Admin Services
Total Due: **\$120.01**
Invoice No: 3787
Terms: Net 30 Days

Remit and make check payable to:
City of North Port Clerks Office
4970 City Hall Boulevard
North Port, FL 34286
(941) 429-7270

0000003140000003140012001

MISCELLANEOUS INVOICE REQUEST FORM

GRAND TOTAL =		\$120.01
Customer Name	Firefighters Pension Board of Trustees	
Customer Address	North Port Firefighters' Pension Attn: Dave Carroll, 492 River Hills DriveMax Meadows, VA 24360	
Dollar Amount of Charge	\$120.01	
Frequency of Charge	Quarterly	
Description of Charge *	Meeting - 02-21-19 9:00 a.m. to 10:26 a.m. = 1 hour 26 minutes (1.43 hours)	
	Clerk Admin Fees for Firefighters' Pension Board 02-21-19 Meeting Transcription - 2 hour 52 minutes (2.87 hours)	
	Meeting time = 1.43 hrs + 2.87 hours Transcription time = 4.30 hours. Total Time = 4.30 x \$27.91 = \$120.01	

GL Account Number ** RV 314

Project Number

* Due to limited space on the invoice, the description will be abbreviated / summarized accordingly

** G/L account number to which the revenue (charge) is to be posted

MAULDIN & JENKINS

1401 Manatee Avenue West, Suite 1200 • Bradenton, Florida 34205 • Telephone (941) 747-4483 • www.mjcpa.com

Online Payments Available www.mjcpa.com

City of North Port, Florida, Firefighters Pension
Dave Carroll, Plan Administrator
492 River Hills Drive
Max Meadows, VA 24360-4150

Invoice No. 1183134
02/28/2019
Client No. 07786316.000

PLEASE DETACH HERE AND RETURN UPPER PORTION
WITH YOUR REMITTANCE

PAYMENT IS DUE UPON
RECEIPT OF INVOICE

AMOUNT ENCLOSED \$ _____

PROFESSIONAL SERVICES RENDERED AS FOLLOWS:

Progress billing number 1 (final) regarding the annual financial and compliance audit of the City of North Port Firefighters Pension Plan for the year ended September 30, 2018.

Progress Bill

	\$	9,400.00
Prior Balance		0.00
Total Amount Due	\$	9,400.00

WE APPRECIATE YOUR BUSINESS!

OK To Pay
Dave Carroll

[illegible]



Cornerstone Psychiatric Services, Inc

David Donahue, D.O. (NPI: 1871589028)
David Fawks, APRN (NPI: 1922094937)
Nina Kirchgessner, APRN (NPI: 1396920492)
Gerald Horton, LCSW (NPI: 1528311461)

1790 E Venice Ave. Ste 204
Venice, FL 34292
ph: (941) 488-8884
1st Fax: (941) 488-5554
Medical Records Fax: (941) 375-0119

3/26/2019

Shawn E Neeley
6282 Beedla St
North Port, Florida, USA, 34291

RE: Shawn E Neeley D.O.B.: 10/25/1978 Acct#: 726

To Whom It May Concern: Mr. Neely has been under my care for over six years. Due to the nature of his illness, he is unable to continue to maintain gainful employment in the capacity of firefighter. Unfortunately, that career exacerbates his Posttraumatic Stress Disorder. I do believe that it would be in his best interest to seek retirement at this time. He may be able to function in a different occupational setting providing that it is at a lower stress level. If you have any questions please feel free to contact my office.

David Fawks APRN

Electronically Signed By : David R Fawks, APRN on 03/26/2019 1:27PM

ERIC MICHAEL KAPLAN, M.D.

CURRICULUM VITAE

PERSONAL DATA

Business Address: 146 Whitaker Road, Suite B
Lutz, Florida 33549
Business Phone: (813)948-8541
(813)948-8625 (fax)
E-Mail Address erickaplan@mindspring.com
Birth Date: March 07, 1960
Birthplace: Newark, New Jersey
Spouse's Name: Carol Kovacs Kaplan
Children: Alexander Morris Kaplan, M.D.
Hannah Kaplan Plante
Elizabeth Mary Kaplan
Gracie Mae Kaplan

EDUCATION

University of Miami School of Medicine, Miami, Florida. Graduated May 11, 1986.
Degree: Doctor of Medicine.

Emory University, Atlanta, Georgia. Graduated June 1982. Degree: Bachelor of
Science, Biology.

Livingston Senior High School, Livingston, New Jersey. Graduated June 1978.

POSTGRADUATE EDUCATION

University of South Florida Department of Psychiatry, Tampa, Florida. Graduated June
29, 1990.

Chief Resident of the Department of Psychiatry. July 1989 to June
1990.

PAGE TWO, KAPLAN

MEDICAL LICENSURE

State of Florida #FLME0050985

BOARD CERTIFICATION

American Board of Psychiatry and Neurology, passed January 1992, certificate # 35192.
American College of Forensic Examiners, Board Certified 5/24/96
American Board of Forensic Medicine, Board Certified 2/97
American Board of Disability Analysts, Board Certified 10/97

PROFESSIONAL SOCIETY MEMBERSHIPS AND POSITIONS

American Psychiatric Association. 1986 to present.
American Psychiatric Association. Fellow designation. January 2012

Member of the APA National Commission on AIDS, October 1988 to
January 1992.

Florida Psychiatric Society. 1986 to present.

Tampa Psychiatric Society. 1988 to present.
Secretary, June 1990 to May 1991.

American Board of Forensic Examiners. January 1995 to present.

American Board of Disability Analysts. October 1997 to present.

AWARDS AND FELLOWSHIPS

Hibbs-Bourkard Award for outstanding resident in psychiatry. Awarded June 29, 1990.
University of South Florida Department of Psychiatry.

Chairman's Award for Scholarly and Creative Activity. Awarded June 29, 1990.
University of South Florida Department of Psychiatry.

Herman J. Selinsky Psychiatry Award (presented to the medical student who performed
best in their psychiatry rotation at University of Miami School of Medicine). Awarded
May 10, 1986.

PAGE THREE, KAPLAN

Harris Foundation Medical Student Clinical Oncology Fellowship of the American Cancer Society. June 1983 to August 1983.

Lamda Alpha Society (National Anthropology Honor Society). Awarded at Emory University, April 1982.

Phi Sigma Society (National Biology Honor Society). Awarded at Emory University, March 14, 1982.

EMPLOYMENT HISTORY

Charter Hospital of Pasco, Lutz, Florida.

Medical Director, April 1991 to June 1997.

Service Director of Adult Program. March 1990 to April 1991.

Service Director of Alcohol & Drug Dependence Program: January 1992 to December 1995

Chairman of the Quality Assurance Committee, March 1990 to June 1997.

Chairman of the Patient Care Committee, April 1991 to June 1997.

Care Unit of South Florida, Tampa, Florida

Psychiatric consultant for Alcohol & Drug Inpatient Program 1993-1995

Private Practice in General Psychiatry. July 02, 1990 to present.

Approved as a treatment provider by Impaired Physician's Network, State of Florida.

Saint Augustine Health Care Health Maintenance Organization, Medical Director of Mental Health Services. August 1, 1995 to June 1, 2000

Metropolitan Life Insurance Company, Disability Department, Psychiatric Consultant. November 1995 to 2018.

Guardian Life Insurance Company, Disability Department, Medical Director of Behavioral Health, November 2014 to present.

Medical Director for Cognitive & Behavioral Health Services, NeuLifeRehab, Mt. Dora, Florida, April 2016 to present.

Consultant Psychiatrist, Turning Point of Tampa (Addictions Residential Treatment Facility), Tampa, Florida, December 2016 to present.

Chief Medical Officer, Lakeview Health, June 2018 to present.

PAGE FOUR, KAPLAN

University Affiliation:

Assistant Professor, Affiliate Faculty, University of South Florida, School of Medicine, Department of Psychiatry. 1990 to present.

PRESENTATIONS

Dr. Kaplan has provided scientific presentations nationally and internationally since 1992. Dr. Kaplan has lectured to thousands of physicians, mental health professionals and the public regarding a variety of topics including Psychopharmacology and the Diagnosis and Treatment of Mental Illness and Substance Dependence/Abuse Disorders.

Dr. Kaplan has lectured for various physician organizations, mental health centers and academic settings, including medical school grand rounds.

Dr. Kaplan is currently a member of the speaker bureau for Takeda Pharmaceuticals.

PUBLICATIONS

Kaplan, Eric, M.D., An unforgettable moment: Finally, I'm a doctor!, American Medical News, American Medical Association, 10/6/89; 37-38.

Kaplan, Eric, M.D., The Treatment and Evaluation of Depression, Florida Pharmacy Today, Feb. 1994; 6-12.

Journal of Clinical Psychiatry, INTERCOM, THE EXPERTS CONVERSE, The Cytochrome P450 System & Drug - Drug Interactions, 7/26/95, journal article and cassette tape.

Journal of Clinical Psychiatry, INTERCOM, THE EXPERTS CONVERSE, Antidepressant Discontinuation Syndrome, 5/97, journal article and cassette tapes released to over 40,000 physicians.

Kaplan, Eric, M.D., Antidepressant Noncompliance as a Factor in the Discontinuation Syndrome, Journal of Clinical Psychiatry 1997;58 (suppl 7): 31-35.

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Kaplan, Eric, M.D., et. al., Serotonin Reuptake Inhibitor Discontinuation Syndrome: A Hypothetical Definition, *Journal of Clinical Psychiatry* 1997;58 (suppl 7): 5-10.

Kaplan, Eric, M.D., et. al., Possible Biological Mechanisms of the Serotonin Reuptake Inhibitor Discontinuation Syndrome, *Journal of Clinical Psychiatry* 1997;58 (suppl 7): 23-27.

Kaplan, Eric, M.D. et. al., Enhancing Patient Compliance to Antidepressant Therapy, *Journal of Clinical Psychiatry CME INFO PACK*, Sept. 1997.

Kaplan, Eric, M.D. et. al., Antidepressants and Sexual Dysfunction Side Effects , *Journal of Clinical Psychiatry CME INFO PACK*, Nov. 1997

Kaplan, Eric, M.D., Improving Patient Compliance to Antidepressant Therapy, *Florida Pharmacy Today*, Dec. 1998; 12-15.

Poster Presentation, July 13, 1998. "Weight Gain Associated with Long-Term Paroxetine Therapy", 21st Congress of the Collegium Internationale Neuro-Psychopharmacologicum, Glasgow, Scotland.

Kaplan, Eric, M.D., Recognition and Management of Antidepressant Discontinuation Syndrome, *Essential Psychopharmacology*, 3:1,1999; 105-111.

Kaplan, Eric , M.D., Efficacy of Venlafaxine in Patients with Major Depressive Disorder Who Have Unsustained or No Response to Selective Serotonin Reuptake Inhibitors: An Open-Label, Uncontrolled Study, *Clinical Therapeutics*, 24:7, 2002; 1194-2000.

Kaplan, Eric, M.D., DuPont, Robert, M.D., Benzodiazepines and anxiety disorders: a review for the practicing physician, *Current Medical Research and Opinions*, 21:6, 2005; 941-950.

PAGE SIX, KAPLAN

RESEARCH

Multicenter Trial to Evaluate the Efficacy and Safety of Sertraline in the Treatment of Major Depression. Protocol #R-0198. February 1991 to August 1991.

A Randomized, Comparative Study of Paroxetine in the Treatment of Depression Used in a Clinical Practice Setting. January 1992 to January 1993.

LEAPS Study, Study of Duloxetine in the Treatment of Major Depression in a Clinical Practice Setting. September 2004 to January 2005.

Eric Michael Kaplan, M.D.
146 Whitaker Road, Suite B
Lutz, Florida 33549

Office Phone: 813-948-8541 Fax: 813-948-8625
Email: erickaplan@mindspring.com

Forensic Fee Schedule

The charge for psychiatric consultative services is \$400.00 per hour. If travel is involved, the hourly charge begins when Dr. Kaplan leaves his office and ends when Dr. Kaplan returns to his office (unless other arrangements have been made).

The minimum fee for deposition and trial testimony is \$1,000.00. If the testimony time exceeds 2.5 hours, the additional time will be charged at \$400.00 per hour.

There is a \$750.00 charge if a scheduled examination is cancelled within 24 hours of the examination date, or the person whom is being evaluated does not show for the scheduled examination.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

FINANCIAL STATEMENTS

**FOR THE FISCAL YEARS ENDED
SEPTEMBER 30, 2018 AND 2017**

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND
FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2018 AND 2017**

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
City of North Port, Florida
Firefighters' Pension-Local Option Trust Fund
North Port, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the City of North Port, Florida, Firefighters' Pension-Local Option Trust Fund (the "Fund"), as of and for the years ended September 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of September 30, 2018 and 2017, and the changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Firefighters' Pension—Local Option Trust Fund and do not purport to, and do not present fairly, the financial position of the City of North Port, Florida, as of September 30, 2018 and 2017, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-8 and the Schedule of Changes in the City's Net Pension (Asset) Liability and Related Ratios, Schedule of Contributions and Schedule of Pension Investment Return on pages 21-23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Fund's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2019, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
February 26, 2019

CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2018 and 2017
(Unaudited)

As management of the City of North Port, Florida, Firefighters' Pension-Local Option Trust Fund (the "Fund"), we offer readers of the financial statements this narrative overview of the financial activities of the Fund for the years ended September 30, 2018 and 2017. This narrative is intended to supplement the Fund's financial statements.

Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Fund's financial statements. The financial statements are the: (1) Statements of Fiduciary Net Position, (2) Statements of Changes in Fiduciary Net Position, and (3) Notes to financial statements.

This report also contains the following "Required Supplementary Information" in addition to the financial statements: (1) Schedule of Changes in the City's Net Pension (Asset) Liability and Related Ratios, (2) Schedule of Contributions, (3) Schedule of Pension Investment Return, and (4) Notes to the Schedule of Changes in the City's Net Pension Liability and Related Ratios, Schedule of Contributions and Schedule of Investment Return.

Financial Statements

The financial statements contained in this report are described below.

The Statements of Fiduciary Net Position (page 9) is a point-in-time snapshot of account balances at fiscal year-end. It reports the assets available for future payments to retirees and any current liabilities that are owed as of the statement date. The resulting net position represents the value of assets held in trust for pension benefits.

The Statements of Changes in Fiduciary Net Position (page 10) displays the effect of pension fund transactions that occurred during the fiscal year, where Additions – Deductions = Net Increase (Decrease) in Net Position. This Net Increase (Decrease) in Net Position reflects the change in the net asset value of the Statements of Fiduciary Net Position from the prior year to the current year. Both statements are in compliance with Governmental Accounting Standards Board (GASB) Pronouncements.

Notes to Financial Statements

The Notes to Financial Statements are an integral part of the financial statements and provide additional information that is essential to the comprehensive understanding of the data provided in the financial statements. These notes describe the accounting and administrative policies under which the Fund operates and provide additional levels of detail for select financial statement items (see Notes to Financial Statements on pages 11-20 of this report).

CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2018 and 2017
(Unaudited)

Required Supplementary Information

Because of the long-term nature of a defined benefit pension plan, financial statements alone cannot provide sufficient information to properly reflect the ongoing plan perspective. Therefore, in addition to the financial statements explained above, this financial report includes two additional "Required Supplementary Information" schedules with historical trend information.

The Schedule of Changes in the City's Net Pension (Asset) Liability and Related Ratios (page 21) includes sources of changes in the City's net pension liability and information about the components of the net pension liability and related ratios, including the City's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percentage of covered-employee payroll.

The Schedule of Contributions (page 22) compares the actuarially determined contribution to the contributions made by the City and determines the ratio of contributions made as a percentage of the covered-employee payroll.

The Schedule of Pension Investment Return (page 23) represents the annual money-weighted rate of return, net of investment expenses for the Fund.

Notes to Required Supplementary Information

The Notes to the Schedule of Changes in the City's Net Pension (Asset) Liability and Related Ratios, the Schedule of Contributions and the Schedule of Pension Investment Return provide background information and explanatory detail to aid in understanding the required supplementary schedules.

Financial Highlights

- The net position of the Fund exceeded its liabilities at the close of the fiscal years ended September 30, 2018 and 2017, with \$50,458,542 and \$47,047,036 in net position held in trust for pension benefits, respectively.
- Net position increased \$3,411,506 or 7.3% during 2018, and \$4,711,944 or 11.1% during 2017, primarily due to contributions and investment income.
- The Fund's objective is to meet long-term benefit obligations. As of October 1, 2018, the date of the latest actuarial valuation, the funded ratio of the Fund was 98.4%. In general, this means that for every dollar of pension benefits due, the Fund has \$0.984 available for payment.

CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2018 and 2017

(Unaudited)

Analysis of Financial Activities

The Fund's objective is to meet long-term benefit obligations through investment income and contributions. Accordingly, the collection of employer and member contributions and the income from investments provide the reserves needed to finance future retirement benefits.

Contributions from the City of North Port, Florida (the "City"), are made at levels determined by the Fund's actuary. Because of higher than expected investment returns, the City's contributions are gradually declining. The Fund's investment portfolio produced good returns in the last three years. Net position held in trust for pension benefits increased by \$3,411,506 in 2018, compared to an increase of \$4,711,944 in 2017.

Net Position
As of September 30, 2018, 2017 and 2016

	2018	2017	2016	Increase (Decrease)			
				2018 to 2017		2017 to 2016	
				\$	%	\$	%
Current and other assets	\$ 178,562	\$ 209,569	\$ 247,466	\$ (31,007)	-14.8%	\$ (37,897)	-15.3%
Investments, at fair value	50,294,822	46,850,609	42,119,418	3,444,213	7.4%	4,731,191	11.2%
Total assets	50,473,384	47,060,178	42,366,884	3,413,206	7.3%	4,693,294	11.1%
Total liabilities	14,842	13,142	31,792	1,700	12.9%	(18,650)	-58.7%
Net assets	<u>\$50,458,542</u>	<u>\$47,047,036</u>	<u>\$42,335,092</u>	<u>\$ 3,411,506</u>	7.3%	<u>\$ 4,711,944</u>	11.1%

As the years roll forward and total assets and liabilities grow, investment income will continue to play an important role in funding future retirement benefits. Therefore, investment return over the long term is critical to the funding status of the Fund.

During 2018, the Fund's investment portfolio returned gains of approximately 7.3%. It is important to remember that a retirement plan's funding is based on a long time horizon, where temporary ups and downs in the market are expected. The more critical factor is that the Fund be able to meet an expected earnings yield of 7.5% annual return on investments.

Based on the latest actuarial valuation as of October 1, 2018, the Fund's actuarial accrued liability exceeds its actuarial value of assets by \$766,297, producing a funded ratio of 98.4%. The funded ratio is a key indication of financial strength of the Fund and analyzing this percentage over time indicates whether the Fund is becoming stronger or weaker. Investment and experience gains incurred in previous years have caused an upward trend in the funded ratio.

CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2018 and 2017
(Unaudited)

Financial Analysis Summary

As previously noted, net position viewed over time may serve as a useful indication of the Fund's financial position (see Net Position table above). At the close of fiscal years 2018 and 2017, the assets of the Fund exceeded its current liabilities by \$50,458,542 and \$47,047,036, respectively, shown as net position held in trust for pension benefits. The net position is available to meet the Fund's ongoing obligation to plan participants and their beneficiaries.

Net Position

The Fund's net position is established from employer and member contributions, and the accumulation of investment income, net of investment and administrative expenses and benefit payments.

Additions to Plan Net Position

As noted above, the net position needed to finance retirement benefits are accumulated through collecting employer and member contributions and through investment earnings (net of investment expenses). The additions for the year ended September 30, 2018, were \$5,806,188 compared to 2017 additions of \$5,998,412. The decrease of \$192,224 was primarily due to lower investment returns in 2018. Unlike the increase in additions from 2016 to 2017.

Additions to Net Position
For the Years Ended September 30, 2018, 2017 and 2016

	2018	2017	2016	Increase (Decrease)			
				2018 to 2017		2017 to 2016	
				\$	%	\$	%
Employer contributions	\$ 675,521	\$ 670,404	\$ 1,000,835	\$ 5,117	0.8%	\$ (330,431)	-33.0%
Member contributions	397,806	394,793	529,101	3,013	0.8%	(134,308)	-25.4%
State of Florida contributions	414,503	376,129	371,775	38,374	10.2%	4,354	1.2%
Net investment income	<u>4,318,358</u>	<u>4,557,086</u>	<u>2,867,698</u>	<u>(238,728)</u>	<u>-5.2%</u>	<u>1,689,388</u>	<u>-58.9%</u>
Total additions	<u>\$ 5,806,188</u>	<u>\$ 5,998,412</u>	<u>\$ 4,769,409</u>	<u>\$ (192,224)</u>	<u>-3.2%</u>	<u>\$ 1,229,003</u>	<u>25.8%</u>

CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2018 and 2017
(Unaudited)

Deductions from Plan Net Position

The Fund was created to provide retirement, survivor and disability benefits to qualified members and their beneficiaries. The cost of such programs includes recurring benefit payments, refunds of contributions to employees who terminate employment and the cost of administering the Fund. For the year ended September 30, 2018, deductions totaled \$2,394,682, an increase of 86.1% from 2017 and 8% from 2016. The increase was primarily due to the increase in the benefit payments paid out for the year ended September 30, 2018.

Deductions From Net Position
For the Years Ended September 30, 2018, 2017 and 2016

	2018	2017	2016	Increase (Decrease)			
				2018 to 2017		2017 to 2016	
				\$	%	\$	%
Benefit payments	\$ 2,018,603	\$ 1,017,778	\$ 727,866	\$ 1,000,825	98.3%	\$ 289,912	39.8%
Share account distributions	215,136	111,615	101,113	103,521	100.0%	10,502	100.0%
Refunds of contributions	72,854	70,944	279,124	1,910	2.7%	(208,180)	-74.6%
Administrative expenses	88,089	86,131	83,371	1,958	2.3%	2,760	3.3%
Total deductions	<u>\$ 2,394,682</u>	<u>\$ 1,286,468</u>	<u>\$ 1,191,474</u>	<u>\$ 1,108,214</u>	86.1%	<u>\$ 94,994</u>	8.0%

Fiduciary Responsibilities

The Board of Trustees is the fiduciary of the pension trust fund. Fiduciaries are charged with the responsibility of assuring that the assets of the Fund are used exclusively for the benefit of plan participants and their beneficiaries and defraying reasonable expenses of administering the Fund.

Requests for Information

This financial report is designed to provide the Board of Trustees, our membership, taxpayers and investment managers with an overview of the Fund's finances and accountability for the money received. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to David A. Carroll, Administrator, City of North Port, Florida Firefighters' Pension-Local Option Trust Fund at 492 River Hills Drive, Max Meadows, Virginia 24360.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

**STATEMENTS OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and equivalents	\$ -	\$ 779
Receivables		
Contributions	153,472	148,340
Interest and dividends	25,090	60,450
Total receivables	<u>178,562</u>	<u>208,790</u>
Investments, at fair market value		
Money market funds	326,980	457,382
U.S. Government and agency securities	-	3,140,491
Mortgage/Asset-backed securities	-	2,578,340
Corporate obligations	-	3,563,310
Municipal obligations	-	75,267
Fixed income mutual funds	14,201,514	4,290,717
Equity securities	30,642,700	28,013,039
International equity securities	45,638	-
Commingled real estate funds	5,077,990	4,732,063
Total investments	<u>50,294,822</u>	<u>46,850,609</u>
Total assets	<u>50,473,384</u>	<u>47,060,178</u>
Liabilities		
Accounts payable and accrued expenses	14,842	13,142
Total liabilities	<u>14,842</u>	<u>13,142</u>
Net position held in trust for pension benefits	<u>\$ 50,458,542</u>	<u>\$ 47,047,036</u>

The notes to financial statements are an integral part of this statement.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Additions		
Contributions		
Plan members	\$ 397,806	\$ 394,793
State of Florida	414,503	376,129
City of North Port	675,521	670,404
Total contributions	<u>1,487,830</u>	<u>1,441,326</u>
Investment income		
Net change in fair value of investments	2,906,948	3,756,493
Interest and dividends	1,559,872	1,043,266
Investment income	<u>4,466,820</u>	<u>4,799,759</u>
Less investment expenses	<u>148,462</u>	<u>242,673</u>
Net investment income	<u>4,318,358</u>	<u>4,557,086</u>
Total additions	<u>5,806,188</u>	<u>5,998,412</u>
Deductions		
Benefits to participants	2,018,603	1,017,778
Refunds of participant contributions	72,854	70,944
Share account distributions	215,136	111,615
Administrative expenses	88,089	86,131
Total deductions	<u>2,394,682</u>	<u>1,286,468</u>
Change in net position	3,411,506	4,711,944
Net position held in trust for pension benefits		
Beginning of year	<u>47,047,036</u>	<u>42,335,092</u>
End of year	<u>\$ 50,458,542</u>	<u>\$ 47,047,036</u>

The notes to financial statements are an integral part of this statement.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The City of North Port, Florida, Firefighters' Pension-Local Option Trust Fund (the "Fund"), was established to account for the financial activity of the City of North Port, Florida, Firefighters' Pension Fund. The Fund is managed by a five member Board of Trustees comprised of two members appointed by the Commission of the City of North Port, Florida (the "City"), two members elected by the Fund membership and one member elected by the other four members and subsequently appointed, as a ministerial duty, by the City Commission. The financial statements are only for the Fund and are not intended to present the basic financial statements of the City. The Fund is reported in the fiduciary funds (pension trust) of the City's basic financial statements.

Basis of Accounting: The Fund's financial statements are prepared using the accrual basis of accounting. Contributions from the Fund's members are recognized as additions in the period in which the contributions are due. Contributions from the City are recognized as additions when due and the City has made a formal commitment to provide the contributions. State contributions are recognized when received. Expenses are recognized in the accounting period incurred, if measurable. Benefits and refunds are recognized when due and payable in accordance with the terms of the Fund.

Method Used to Value Investments: Investments are reported at fair value. Money market mutual funds are reported at cost which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. By contract, an independent appraisal is obtained once every year to determine the fair market value of the real estate assets. Interest and dividend income is recognized on the accrual basis when earned. Purchases and sales of investments are recorded on a trade date basis.

Estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 2 – FUND DESCRIPTION AND CONTRIBUTION INFORMATION

Fund Description: Full-time firefighters of the City of North Port Fire Department participate in either the Florida Retirement System (FRS) or the Fund. Firefighters hired after July 1, 2017, participate solely in the FRS. Members active on July 1, 2017, had the option of participating prospectively in the FRS. The Fund is a single employer defined benefit pension Fund that was established November 5, 1974, pursuant to Florida Statutes, Chapter 175, and City Ordinance 74-13. The Fund was amended most recently by Ordinance 2012-18. Benefit provisions are established and may be amended by the City Commission.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – FUND DESCRIPTION AND CONTRIBUTION INFORMATION (CONTINUED)

The Fund provides retirement, death and disability benefits for its members. A member may retire with normal benefits after the earlier of age 55 with 10 years of credited service, or age 52 with 25 years of credited service. Reduced early retirement benefits are available once a member reaches age 50 and accumulates 10 years of credited service. Normal retirement benefits are 3.5% (3.0% for members hired on or after October 12, 2012) of the member's average final compensation times credited service years. Early retirement benefits are the same as normal retirement benefits, reduced by 3.0% for each year by which the commencement of benefits precedes the normal retirement date. Average final compensation for purposes of calculating benefits is the average annual salary for the highest 5 years of the last 10 years of credited service. Salary means the total compensation for services rendered to the City as a firefighter reportable on the member's W-2 form plus all tax-deferred or tax-sheltered items of income derived from elective employee payroll deduction or salary reduction. Effective July 5, 2012, salary shall include payment for up to 300 hours of overtime per fiscal year and exclude payments for accrued sick and annual leave accumulated after said date; however, salary for members who are employed on July 5, 2012, shall include payment for accrued sick and annual leave at termination of employment up to the dollar value of sick and annual leave accrued as of July 5, 2012.

Any member hired before October 1, 2012, who is eligible for normal retirement may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment as a firefighter. Upon participation in the DROP, the member becomes a retiree for all plan purposes so that he or she ceases to accrue any further benefits under the plan. Normal retirement payments that would have been payable to the member as a result are accumulated and invested in the DROP plan to be distributed to the member upon his or her termination of employment. Participation in the DROP plan ceases for a member at termination of employment or 5 years of participation, whichever comes first. Members hired on or after October 1, 2012, are not eligible to participate in the DROP. The DROP balance as of September 30, 2018 and 2017, were \$827,738 and \$1,211,604, respectively.

Eligibility for disability benefits begins from the member's date of hire, if the disability is service connected, or after 10 years of credited service if non-service incurred. Disability benefits are 3.5% of the member's average final compensation, and not less than 42.0% of the member's average final compensation times his or her credited service years.

The death benefit for a member who is vested is a payment of the member's accrued pension benefit to the member's beneficiary for 10 years, beginning on the date that the deceased member would have been eligible for early or normal retirement, at the option of the beneficiary. The death benefit for a member who is not vested is a return of the member's contributions to the member's beneficiary.

Termination benefits for unvested members are the return of the member's contributions. For members who are vested when they terminate, their vested accrued pension benefit is payable at the early or normal retirement date. Full vesting occurs at the completion of 10 years of credited service.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – FUND DESCRIPTION AND CONTRIBUTION INFORMATION (CONTINUED)

Beginning retroactively on October 1, 1999, and on each October 1 thereafter, the monthly benefit amount of each retiree (except disability retirees) and each terminated vested person who has been retired or who has been receiving benefit payments at least one year and who has attained age 55 shall be increased by 3%. Cost of living allowances shall cease once the retiree reaches age 63. This increase shall also be applicable to the benefit payments of the beneficiaries and joint pensioners of deceased members of retirees, and eligibility for the allowance shall be based on the date that the deceased retiree or member would have been eligible.

At October 1, 2017, the date of the latest actuarial valuation, membership consisted of:

Retirees and beneficiaries receiving benefits	25
Terminated employees entitled to benefits, but not yet receiving them	37
Members in DROP	4
Active members	<u>42</u>
Total	<u>108</u>

Effective September 1, 2012, a supplemental retirement benefit in the form of individual share accounts was created for each active firefighter, living retiree (including DROP participants) and disability benefit recipients and beneficiary survivors receiving a survivor retirement benefit. The total initial amount allocated to the share accounts was based on years of service of all active firefighters (including DROP participants) and retiree participants (including disability benefit recipients and beneficiary survivors) who were employees and members of the plan between December 1, 2005 and September 30, 2012, which included the accumulated excess premium tax revenues in the pension fund as of the October 1, 2011, actuarial valuation report, plus premium tax revenues received in excess of \$250,000 during 2012. For plan years beginning October 1, 2012, and later, all premium tax revenues received by the City in excess of \$250,000 will be allocated to the share accounts based on years of credited service. Effective December 31, 2013, and each December 31 thereafter, each share account will be credited or debited with earnings or losses based upon the amount in the share account at the close of the immediately preceding plan year at a rate equal to the pension plan's actual net rate of investment return for the preceding plan year. An active firefighter (including DROP participants) with 10 or more years of credited service upon termination of employment shall be eligible to receive a distribution of 100% of the balance in their respective share account, together with all earnings and losses and interest credited to the share account through the date of termination of employment. Retiree participants (including disability benefit recipients and beneficiary survivors) shall receive distribution of the annual share allocation in the form of a thirteenth monthly check equal to the annual crediting described above. Vested terminated members shall be entitled to participate in this supplemental retirement benefit upon commencing receipt of retirement benefits from the plan.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – FUND DESCRIPTION AND CONTRIBUTION INFORMATION (CONTINUED)

No benefit shall be payable to an active firefighter who terminates covered employment with less than 10 years of credited service. The share account balances of such non-vested terminated members shall be redistributed among all eligible participants' share accounts in the same manner as premium tax revenues in the following fiscal year. The designated beneficiary of a share plan member who dies shall receive the accumulated total of the share account balance at date of death, regardless of the member's length of service. A share plan member awarded a disability pension from the plan shall receive the accumulated total of the member's share account balance. As of October 1, 2018 and 2017, the date of the latest actuarial valuations, the balance of member share accounts was \$1,902,599 and \$1,828,357, respectively.

Contributions: Contribution requirements are established and may be amended by the City Commission and are based on the benefit structure established by the City. Members are required to contribute 10.6% of their salary (effective March 1, 2016). Pursuant to Chapter 175 *Florida Statutes*, a premium tax on certain casualty insurance contracts written on North Port properties is collected by the state and remitted to the Fund for the state's annual contribution amount. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions at actuarially determined rates. Administrative costs are financed through investment earnings.

A rehired member may buy back years of past service by paying into the Fund the amount of contributions the employee would otherwise have paid for such service. The maximum credit for service other than with the City shall be 5 years of credited service and shall count for all purposes, except vesting and eligibility for non-service incurred disability benefits. There shall be no maximum purchase of credit for prior service with the City and such credit shall count for all purposes, including vesting.

Investment Policy: The following was the Board's adopted asset allocation policy as of September 30, 2018:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	47.50%
International Equity	10.00%
Domestic Core Fixed Income	22.50%
Global Fixed Income	5.00%
Real Estate	10.00%
GTAA	5.00%
	<u>100.00%</u>

Rate of Return: For the years ended September 30, 2018 and 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.32% and 10.78%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – CASH AND INVESTMENTS

Authorized Investments: Florida Statutes and the Fund's investment policy limit investments to annuity and life insurance contracts; time or savings accounts; obligations issued by the United States Government or by an agency of the United States Government; bonds issued by the State of Israel; corporate stocks and bonds; and pooled funds, including mutual funds, commingled funds, exchange-traded funds, limited partnerships, and private equity. Investments in illiquid investments, as described by Florida Statutes, are prohibited. Investments in companies identified as scrutinized companies by the Florida State Board of Administration (SBA) are prohibited, with the exception of investments in scrutinized companies that are held within commingled funds (if the commingled fund sponsor does not offer a similar fund that does not hold investments in scrutinized companies).

At September 30, 2018, the Fund had the following investments:

Investment Type	Credit Rating		Fair Market	Investment Maturity (in Years)			
	(Moody's)	(S & P's)		Less Than 1	1 - 5	6 - 10	More Than 10
Money market funds	Aaa-mf	AAAm	\$ 326,980	\$ 326,980	\$ -	\$ -	\$ -
			326,980	<u>\$ 326,980</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fixed income mutual funds	Not rated	Not rated	14,201,514				
Equity securities	Not rated	Not rated	30,642,700				
International equity securities	Not rated	Not rated	45,638				
Commingled real estate funds	Not rated	Not rated	5,077,990				
Total investments			<u>\$ 50,294,822</u>				

At September 30, 2017, the Fund had the following investments:

Investment Type	Credit Rating		Fair Market	Investment Maturity (in Years)			
	(Moody's)	(S & P's)		Less Than 1	1 - 5	6 - 10	More Than 10
Money market funds	Aaa-mf	AAAm	\$ 457,382	\$ 457,382	\$ -	\$ -	\$ -
U.S. Government and agency securities	Aaa	AA+	3,140,491	-	2,012,326	1,128,165	-
Mortgage/Asset-backed securities	Aaa...Aa1	AAA...AA	2,578,340	-	584,513	-	1,993,827
Corporate obligations	Aaa...Baa3	AAA...BBB+	3,563,310	91,115	2,078,627	1,332,520	61,048
Municipal obligations	Aaa...Aa3	AAA...A	75,267	-	75,267	-	-
			9,814,790	<u>\$ 548,497</u>	<u>\$ 4,750,733</u>	<u>\$ 2,460,685</u>	<u>\$ 2,054,875</u>
Fixed income mutual funds	Not rated	Not rated	4,290,717				
Equity securities	Not rated	Not rated	28,013,039				
Commingled real estate funds	Not rated	Not rated	4,732,063				
Total investments			<u>\$ 46,850,609</u>				

There were \$1,843,566 in mortgage/asset-backed securities that were unrated at September 30, 2017. The Fund did not have any mortgage/asset-backed securities as of September 30, 2018.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk: This is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments that are held by the counterparty. The Fund's policy is to maintain investments in custodial accounts that identify securities held as assets of the Fund by registering securities in the name of the Fund.

Interest Rate Risk: This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Although the Fund's investment policy does not provide limitations as to maturities, the Fund minimizes risk of fair value losses in its fixed income portfolio due to rising interest rates by structuring its investment portfolio so that securities mature to meet ongoing cash requirements, thereby avoiding the need to sell securities in the open market prior to maturity; and by investing operating funds primarily in shorter-term securities or by cash flow projections.

Credit Risk: This is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization such as Moody's or Standard & Poor's. The Fund's investment policy states that the Fund's fixed income portfolio must have a weighted average quality of AA or better as measured by Standard & Poor's or Moody's and all bonds shall hold a rating in one of the three highest classifications by a major rating service. Equity investments must be traded on one or more of the recognized national exchanges. Money market deposits must have a rating of A1/P1 or its equivalent by a major credit rating service.

Foreign Currency Risk: At September 30, 2018, \$45,638 or 0.09% of the Fund's total assets had exposure of foreign currency risk through investments in foreign companies. These investments consisted of \$45,638 of international equity securities. At September 30, 2017, the Fund's total assets had no foreign currency risk exposure through investments in foreign companies.

Concentration of Credit Risk: This is the risk of loss attributable to the quantity of the Fund's investment in a single issuer. The Fund's investment policy limits investments in the stock of any one issuing company to 5% of the Fund's assets and to 5% of the outstanding capital stock of any issuing company. The Fund's investment policy limits investments in the bonds of any one issuing company to 3% of the Fund's assets. Furthermore, investments in corporate common stock and convertible bonds shall not exceed 60% of the Fund's investments at cost or 70% of the Fund's investments at market value; foreign securities shall not exceed 25% of the market value of the Fund's assets; and real estate investments shall not exceed 10% of the market value of the Fund's assets.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements: The Fund has the following recurring fair value measurements, broken into the fair value hierarchy, as of September 30, 2018:

Investment	Fair Value Hierarchy			
	Fair Value	Level 1	Level 2	Level 3
Commingled real estate funds	\$ 5,077,990	\$ -	\$ -	\$ 5,077,990
Equity investments:				
Common Stock	2,877,643	2,766,390	111,253	-
Foreign Stock	45,638	45,638	-	-
Mutual Funds - Fixed Income	14,201,514	14,201,514	-	-
Mutual Funds - Equity	27,765,057	27,765,057	-	-
Total equity investments	49,967,842	44,778,599	111,253	5,077,990
Money market funds	326,980	326,980	-	-
Total investments at fair value level	<u>\$ 50,294,822</u>	<u>\$ 45,105,579</u>	<u>\$ 111,253</u>	<u>\$ 5,077,990</u>

Fixed income securities and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income securities and equity investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The real estate funds classified in Level 3 are valued using discounted cash flow techniques.

NOTE 4 – FUND DISCLOSURES

Net Pension Asset of the City: The components of the net pension asset of the City at September 30, 2018 and 2017, were as follows:

	2018	2017
Total pension liability	\$ 47,927,196	\$ 44,936,096
Fund fiduciary net position	(50,458,542)	(47,047,036)
City's net pension asset	<u>\$ (2,531,346)</u>	<u>\$ (2,110,940)</u>
Fund fiduciary net position as a percentage of the total pension liability	105.28%	104.70%

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – FUND DISCLOSURES (CONTINUED)

The required Schedule of Changes in the City's Net Pension Asset and Related Ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of October 1, 2017 updated to September 30, 2018, using the following actuarial assumptions:

Inflation	2.50%
Salary increases	Service based
Discount Rate	7.50%
Investment rate of return	7.50%

Mortality Rate Healthy Active Lives:

Female: RP2000 Generational, 100% Combined Healthy (previously Annuitant) White Collar, Scale BB.

Male: RP2000 Generational, 10% Combined Healthy (previously Annuitant) White Collar/90% Combined Healthy Blue Collar, Scale BB.

Mortality Rate Healthy Inactive Lives:

Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB.

Mortality Rate Disabled Lives:

Female: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale.

Male: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

The most recent actuarial experience study used to review the other significant assumptions was dated May 10, 2017.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – FUND DISCLOSURES (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018 and 2017, are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	7.5%
International Equity	8.5%
Domestic Core Fixed Income	2.5%
Global Fixed Income	3.5%
Real Estate	4.5%
GTAA	3.5%

Discount rate. The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
City's net pension liability - 2018	\$ 3,897,508	\$ (2,531,346)	\$ (7,791,557)
City's net pension liability - 2017	3,872,766	(2,110,940)	(7,006,146)

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – FUND DISCLOSURES (CONTINUED)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2018 and 2017, and the current sharing pattern of costs between employer and employee.

NOTE 5 – RELATED PARTY TRANSACTIONS

A retired member of the Fund currently receiving benefits serves as the Administrator. The Administrator is paid quarterly administrative fees. Management believes that these transactions were consummated on terms equivalent to those that prevail in arm's length transactions. Administrative services expense in the amount of \$18,510 was reported for the year ended September 30, 2018, and \$18,408 for the year ended September 30, 2017.

NOTE 6 – SUBSEQUENT EVENTS

The Fund has evaluated all subsequent events through February 26, 2019, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION (ASSET) LIABILITY
AND RELATED RATIOS**

	2018	2017	2016	2015	2014
Total pension liability					
Service cost	\$ 904,670	\$ 1,264,321	\$ 1,693,631	\$ 1,716,153	\$ 1,686,083
Interest on total pension liability	3,351,560	3,620,964	3,400,658	3,048,515	2,767,378
Share plan allocation	164,503	126,129	121,775	126,215	137,316
Changes of benefit terms	-	-	174,592	-	-
Differences between expected and actual experience	876,960	(2,641,499)	(2,262,386)	555,367	-
Changes of assumptions	-	(831,381)	1,378,943	-	-
Contributions-buy back	-	-	2,808	-	-
Benefit payments, including refunds of employee contributions	(2,306,593)	(1,200,337)	(1,104,257)	(1,288,806)	(924,447)
Net change in total pension liability	2,991,100	338,197	3,405,764	4,157,444	3,666,330
Total pension liability, beginning	44,936,096	44,597,899	41,192,135	37,034,691	33,368,361
Total pension liability, ending (a)	\$ 47,927,196	\$ 44,936,096	\$ 44,597,899	\$ 41,192,135	\$ 37,034,691
Plan fiduciary net position					
Contributions, employer	\$ 675,521	\$ 670,404	\$ 1,000,835	\$ 1,079,568	\$ 1,250,193
Contributions, state	414,503	376,129	371,775	376,215	387,316
Contributions, employee	397,806	394,793	529,101	554,392	585,968
Net investment income	4,318,358	4,557,086	2,867,698	430,037	3,008,184
Benefit payments, including refunds of employee contributions	(2,306,593)	(1,200,337)	(1,108,103)	(1,288,806)	(924,447)
Administrative expenses	(88,089)	(86,131)	(83,371)	(66,053)	(64,072)
Net change in plan fiduciary net position	3,411,506	4,711,944	3,577,935	1,085,353	4,243,142
Plan fiduciary net position, beginning	47,047,036	42,335,092	38,757,157	37,671,804	33,428,662
Plan fiduciary net position, ending (b)	\$ 50,458,542	\$ 47,047,036	\$ 42,335,092	\$ 38,757,157	\$ 37,671,804
Net pension (asset) liability, ending (a) - (b)	\$ (2,531,346)	\$ (2,110,940)	\$ 2,262,807	\$ 2,434,978	\$ (637,113)
Plan fiduciary net position as a percentage of the total pension liability	105.28%	104.70%	94.93%	94.09%	101.72%
Covered payroll	\$ 3,752,890	\$ 3,724,458	\$ 5,136,900	\$ 5,806,134	\$ 5,689,014
City's net pension (asset) liability as a percentage of covered payroll	-67.45%	-56.68%	44.05%	41.94%	-11.20%

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

SCHEDULE OF CONTRIBUTIONS

	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 925,520	\$ 920,402	\$ 1,250,835	\$ 1,353,147	\$ 1,500,193
Contributions in relation to the actuarially determined contributions	925,521	901,310	1,269,928	1,353,147	1,500,193
	<u>\$ (1)</u>	<u>\$ 19,092</u>	<u>\$ (19,093)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	3,752,890	3,724,458	5,136,900	5,806,134	5,689,014
Contributions as a percentage of covered payroll	24.66%	24.20%	24.72%	23.31%	26.37%

Valuation Date 10/1/2016

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method	Entry age normal actuarial cost method
Amortization Method	Level percentage of pay, closed
Remaining amortization period	29 years (as of 10/01/2016)
Mortality	RP-2000 Table with no projection. Disabled lives set forward 5 years. We believe this assumption sufficiently accommodates expected future mortality improvements.
Interest rate	8.0% per year compounded annually
Retirement age	Earlier of age 55 with 10 years credited service or age 52 with 25 years of credited service. Also, any active member who is eligible for normal retirement is assumed to continue employment for one additional year.
Early retirement	Commencing with the earliest early retirement age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Disability rates	See table below. It is assumed that 75% of disablements are service related.
Termination rates	See table below.
Salary increases	7.5% per year until the assumed retirement age. Projected salary at retirement is increased by the frozen dollar value of sick and annual leave as of July 5, 2012.
Post retirement COLA	3.0% from age 55 until 63
Payroll growth	0.00% per year. This assumption is supported given that the Plan is closed to new hires.
Asset valuation method	Each year, the prior actuarial value of assets is brought forward utilizing the historical geometric 4-year average market value return. It is possible that over time this technique will produce an insignificant bias above or below market value.

Termination and disability rate table

	% Becoming Disabled During the Year	% Terminating During the Year
Age		
20	0.03%	6.00%
30	0.04%	5.00%
40	0.07%	2.60%
50	0.18%	0.80%

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

SCHEDULE OF PENSION INVESTMENT RETURN

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses	9.32%	10.78%	7.24%	1.09%	8.84%

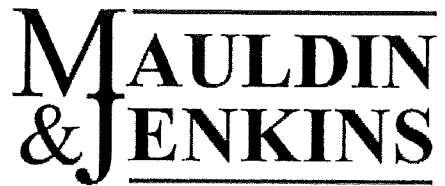
OTHER SUPPLEMENTARY INFORMATION

**CITY OF NORTH PORT, FLORIDA,
FIREFIGHTERS' PENSION-LOCAL OPTION TRUST FUND**

**SCHEDULE OF ADMINISTRATIVE AND INVESTMENT EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2018 AND 2017**

	2018	2017
Administrative Expenses		
Accounting services	\$ 9,300	\$ 9,300
Actuarial services	29,069	40,714
Administrative services	18,510	18,408
Insurance	4,145	4,145
Legal services	12,568	10,630
Miscellaneous expenses	14,497	2,934
Total administrative expenses	<u>\$ 88,089</u>	<u>\$ 86,131</u>
Investment Expenses		
Custodial fees	\$ 26,219	\$ 23,170
Investment management fees	94,189	193,145
Performance monitoring fees	28,019	16,875
ADR fees	35	45
Transfers	-	9,438
Total investment expenses	<u>\$ 148,462</u>	<u>\$ 242,673</u>

OTHER AUDITOR'S REPORT



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Trustees
City of North Port, Florida
Firefighters' Pension-Local Option Trust Fund
North Port, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of North Port, Florida, Firefighters' Pension-Local Option Trust Fund (the "Fund") as of and for the years ended September 30, 2018 and 2017, and the related notes to the financial statements, and have issued our report thereon dated February 26, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
February 26, 2019

***City of North Port, Florida
Firefighters' Pension –
Local Option Trust Fund***



***Auditor's Discussion & Analysis*
Financial & Compliance Audit Summary
*September 30, 2018***

Presented by:

**Wade Sansbury, CPA
(855) 891-0070**

**MAULDIN
& JENKINS**

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

PURPOSE OF THE AUDITOR'S DISCUSSION & ANALYSIS

- ◆ Engagement Team and Firm Information.
- ◆ Overview of:
 - Audit Opinion;
 - Financial Statements, Footnotes and Supplementary Information;
 - Compliance Reports;
 - Audit Scopes & Procedures.
- ◆ Required Communications under *Government Auditing Standards*.
- ◆ Accounting Recommendations and Other Matters.
- ◆ Other Items and Closing Thoughts.
- ◆ Answer Questions.

City of North Firefighters' Pension

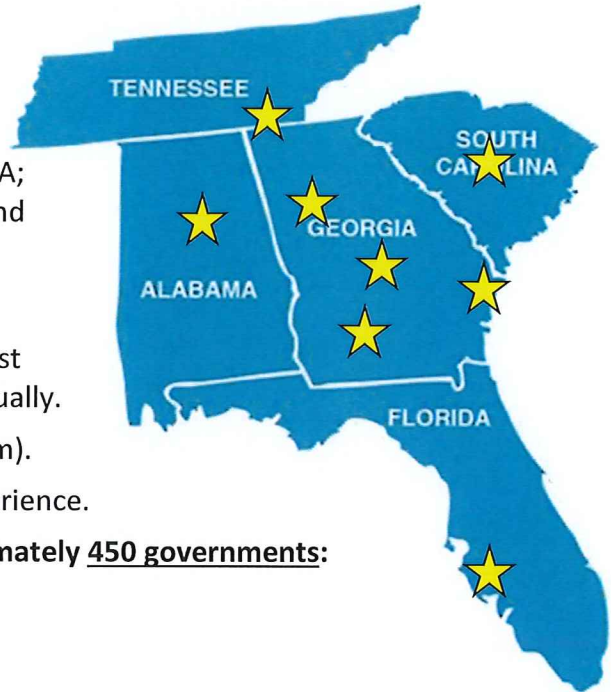
Auditor's Discussion & Analysis (AD&A)

September 30, 2018

MAULDIN & JENKINS – GOVERNMENTAL PRACTICE

General Information:

- Founded in 1918. Approximately 300 personnel. Large regional Southeastern firm.
- Offices in Macon, Atlanta, Albany, & Savannah, GA; Bradenton, FL; Chattanooga, TN; Columbia, SC; and Birmingham, AL.



Governmental Sector:

- Serve more governmental entities in the Southeast than any other firm with over 100,000 hours annually.
- Largest industry niche served by Firm (28% of Firm).
- Over 100 people with current governmental experience.
- **In the past three years, we have served approximately 450 governments:**
 - ✓ 115 cities;
 - ✓ 55 counties;
 - ✓ 55 school systems and 40 charter schools;
 - ✓ 40 state entities;
 - ✓ 45 stand-alone business-type special purpose entities (water/sewer, transit, gas, electric, and airports, etc.);
 - ✓ 105 stand-alone governmental special purpose entities (housing, development, industrial, other educational, health & welfare, retirement, libraries, etc.);
 - ✓ 100+ water & sewer systems, 25 airport operations, 10 gas systems, 15 electrical utilities, & 10 transit services;
 - ✓ 115 governments awarded the GFOA's and, or ASBO's Financial Reporting Certificates.
- Experience performing forensic audit services and information technology consultations.
- Experience performing municipal bond debt issuance attestation services serving approximately 50 clients with over \$11 billion in aggregate publicly issued debt instruments.
- Considered to be in the Top 20 total number of Single Audits conducted in U.S.A.

Engagement Team Leaders for the Pension Fund Include:

- Wade Sansbury - Engagement Lead Partner - 22 years of experience, 100% governmental.
- Meredith Lipson - Quality Assurance Partner - 25 years of experience, 100% governmental.
- Jennifer Ruffino-Cook - Manager - 12 years of experience.

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

MAULDIN & JENKINS – ADDITIONAL INFORMATION

Other Industries & Services by Mauldin & Jenkins:

Each of Mauldin & Jenkins' offices provides a wide variety of services to a broad range of clientele. We have partners and managers who are responsible for specialized practice areas of auditing and accounting, taxes and management advisory services. Their purpose, as leaders in the particular practice area, is to establish policies with respect to technical matters in these specific areas and ensure that the quality of the Firm's practice is maintained.

Industries Served: Over the years our partners have developed expertise in certain industries representative of a cross section of the Georgia economy, including:

- Governmental Entities (state entities, cities, counties, school systems, business type operations, libraries, and other special purpose entities)
- SEC Registrants
- Wholesale Distribution
- Agri-Businesses
- Manufacturing
- Professional Services
- Employee Benefit Plans
- Financial Institutions (community banks, savings & loans, thrifts, credit unions, mortgage companies, and finance companies)
- Non-Profit Organizations
- Retail Businesses
- Long-term Healthcare
- Construction & Development
- Individuals, Estates and Trusts
- Real Estate Management

Services Provided: This diversity of practice enables our personnel to experience a wide variety of business, accounting and tax situations. We provide the traditional and not-so-traditional services such as:

- Financial Audit/Review/Compilation
- Compliance Audits & Single Audits
- Agreed-Upon Procedures
- Forensic Audits
- Bond Issuance Services
- Performance Audits
- State Sales Tax Matters
- International Tax Matters
- Business & Strategic Planning
- Profitability Consulting
- Budgeting
- Buy-Sell Agreements & Business Valuation Issues
- Income Tax Planning & Preparation
- Multi-State Income Tax Issues
- Information Systems Consulting
- Cost Accounting Analysis
- Healthcare Cost Reimbursement
- Outsourced Billing Services
- Fixed Asset Inventories
- Succession & Exit Strategy Consulting
- Estate Planning
- Management Information Systems
- Employee Benefit Plan Administration
- Merger/Acquisition & Expansion Financing

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

INDEPENDENT AUDITOR'S REPORT

The independent auditor's report has specific significance to readers of the financial report.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of management.

Auditor's Responsibility

Our responsibility, as external auditors, is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We planned and performed our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Opinion

We have issued an unmodified audit report (i.e., "clean opinion"). The respective financial statements are considered to present fairly the financial position and results of operations as of, and for the year ended September 30, 2018.

Emphasis of Matter

The financial statements present only the Firefighters' Pension-Local Option Trust Fund and do not purport to, and do not present fairly, the financial position of the City of North Port, Florida.

Other Matters

Certain required supplementary information and other information is included in the financial report, and as directed by relevant auditing standards, we have not expressed an opinion or provided any assurance on the respective information.

Other Reporting

Government Auditing Standards require auditors to issue a report on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. We have issued such a report and reference to this report is included in the independent auditor's report.

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

COMPLIANCE REPORTS

The financial report package contains one compliance report.

Yellow Book Report: The compliance report is a report on our tests of the Fund's internal controls and compliance with laws, regulations, etc. The tests of internal controls were those we determined to be required as a basis for designing our financial statement auditing procedures. Such tests also considered the Fund's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. In accordance with the respective standards, the report is not intended to provide an opinion, but to provide a form of negative assurance as to the Fund's internal controls and compliance with applicable rules and regulations.

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

REQUIRED COMMUNICATIONS

The Auditor's Responsibility Under Government Auditing Standards and Auditing Standards Generally Accepted in the United States of America

Our audit of the financial statements of City of North Port, Florida Firefighters' Pension—Local Option Trust Fund (the "Fund") for the year ended September 30, 2018, was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplishes that objective.

In accordance with *Government Auditing Standards*, we have also performed tests of controls and compliance with laws and regulations that contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on the Fund's internal control or compliance with laws and regulations.

Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Fund. There are several new accounting standards which will be required to be implemented in the coming years. These are discussed later in this document.

In considering the qualitative aspects of the Fund's accounting policies, we did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. The Fund's policies relative to the timing of recording of transactions are consistent with GAAP and typical government organizations.

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us they used all the relevant facts available to them at the time to make the best judgments about accounting estimates and we considered this information in the scope of our audit. We considered this information and the qualitative aspects of management's calculations in evaluating the Fund's significant accounting policies. Estimates significant to the financial statements include such items as: actuarial assumptions and concepts relative to the benefit plan.

Financial Statement Disclosures

The footnote disclosures to the financial statements are also an integral part of the financial statements. The process used by management to accumulate the information included in the disclosures was the same process used in accumulating the financial statements, and the accounting policies described above are included in those disclosures. The overall neutrality, consistency, and clarity of the disclosures was considered as part our audit and in forming our opinion on the financial statements.

Significant Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management relating to the performance of the audit.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Representation from Management

We requested written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by us, during the audit. Management provided those written representations without a problem.

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

Management's Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

There were no significant issues discussed with management related to business conditions, plans, or strategies that may have affected the risk of material misstatement of the financial statements. We are not aware of any consultations management had with us or other accountants about accounting or auditing matters. No major issues were discussed with management prior to our retention to perform the aforementioned audit.

Audit Adjustments

During our audit of the Fund's basic financial statements as of and for the year ended September 30, 2018, there was one adjustment proposed to the Fund. The detail of all proposed adjustment have been provided to and discussed with management.

Uncorrected Misstatements

We had no passed adjustments.

Independence

We are independent of the Fund, and all related organizations, in accordance with auditing standards promulgated by the American Institute of Public Accountants and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that contain the audited basic financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the Fund.

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

FREE QUARTERLY CONTINUING EDUCATION AND NEWSLETTERS FOR GOVERNMENTAL CLIENTS

Free Continuing Education. We provide complimentary continuing education for all of our governmental clients. Annually, we pick a couple of significant topics tailored to be of interest to governmental entities. We provide these complimentary services typically in the summer months over a two day period and typically see 40 to 50 people. We obtain the input and services of experienced outside speakers along with providing instruction utilizing our in-house professionals. We hope staff and officials have been able to participate in this opportunity, and that it has been beneficial to you. Examples of subjects addressed in the past include:

1. American Recovery and Reinvestment Act (ARRA) information and issues;
2. Internal Controls Over Revenue and Cash Receipting;
3. Collateralization of Deposits and Investments;
4. Internal Controls Over Accounts Payable, Payroll and Cash Disbursements;
5. Capital Asset Accounting Processes and Controls;
6. Grant Accounting Processes and Controls;
7. American Recovery and Reinvestment Act (ARRA) Updates;
8. Policies and Procedures Manuals;
9. Segregation of Duties;
10. GASB No. 51—Intangible Assets;
11. Single Audits for Auditees;
12. GASB No. 54—Governmental Fund Balance (subject addressed twice);
13. Best Budgeting Practices, Policies and Processes;
14. Internal Revenue Service (IRS) Compliance Issues, Primarily Payroll Matters;
15. CAFR Preparation (several times including a two day hands-on course);
16. GASB No. 60, Service Concession Arrangements (webcast);
17. GASB No.'s 63 and 65, Deferred Inflows and Outflows (webcast);
18. GASB No. 61, the Financial Reporting Entity (webcast);
19. GASB No.'s 67 & 68, New Pension Standards.

Governmental Newsletters. We produce newsletters tailored to meet the needs of governments. The newsletters have addressed a variety of subjects and are intended to be timely in their subject matter. The newsletters are authored by Mauldin & Jenkins partners and managers, and are not purchased from an outside agency. The newsletters are produced and delivered periodically (approximately six times per year), and are intended to keep you informed of current developments in the government finance environment.

Communication. In an effort to better communicate our free continuing education plans and newsletters, please email Paige Vercoe at pvercoe@mjcpa.com and provide to her individual names, mailing addresses, email addresses and phone numbers of anyone you wish to participate and be included in our database.

City of North Firefighters' Pension

Auditor's Discussion & Analysis (AD&A)

September 30, 2018

CLOSING

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented, and all problems resolved quite timely should management elect to employ the corrective measures. If you have any questions regarding any comments, suggestions or recommendations set forth in this memorandum, we will be pleased to discuss it with you at your convenience.

This information is intended solely for the use of the Fund's management, and others within the Fund's organization and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to serve the City of North Port, Florida Firefighters' Pension-Local Option Trust Fund and look forward to serving the Fund in the future. Thank you.

Investment Performance Review
Period Ending March 31, 2019

City of North Port Firefighters' Pension Fund

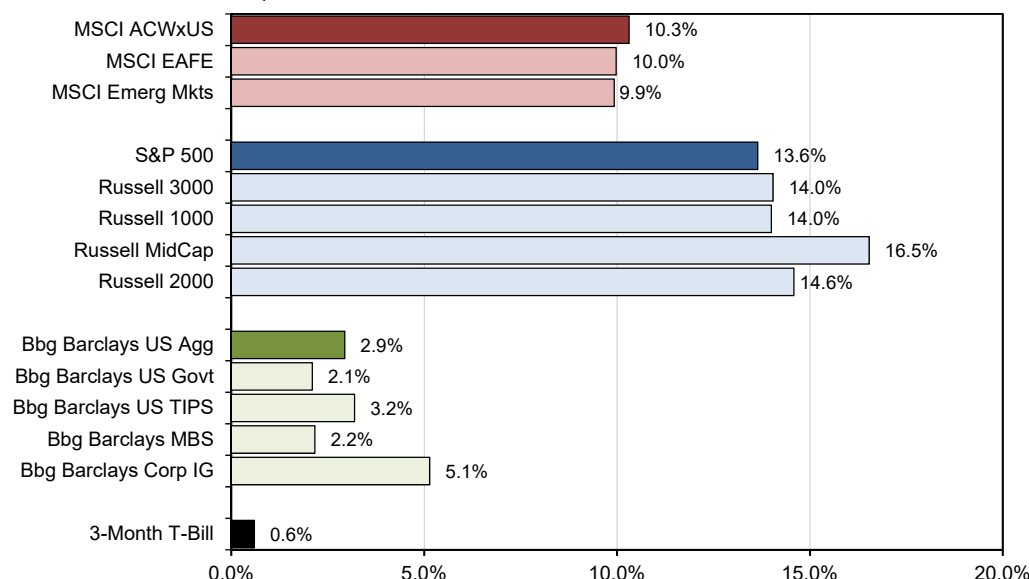


1st Quarter 2019 Market Environment

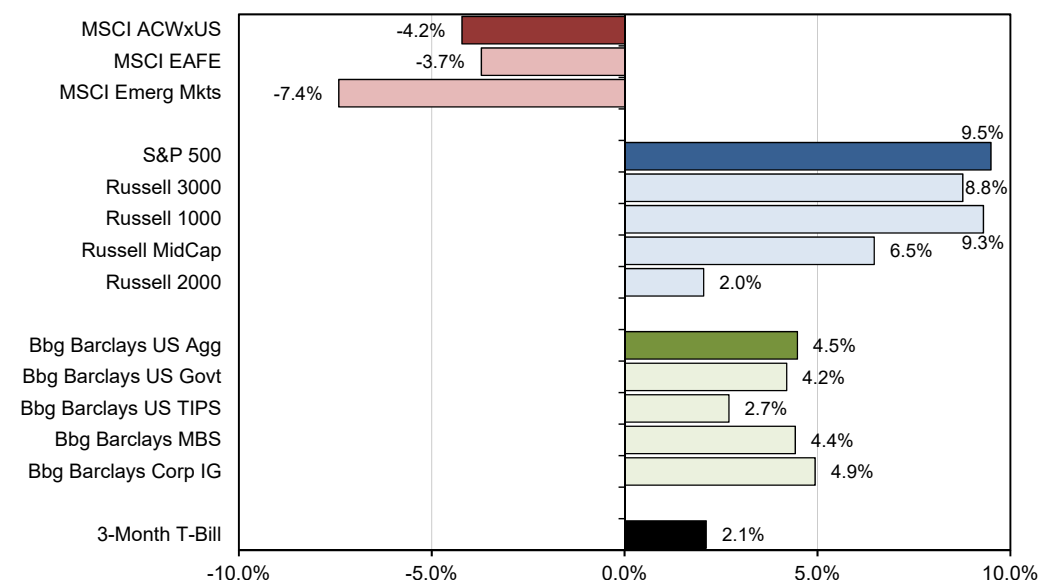


- After a difficult end to 2018, markets rebounded strongly during the 1st quarter of 2019 with higher risk assets posting the greatest returns. Broad international and domestic equity markets had double-digit gains during the period as investors overlooked signs of weakening global growth in favor of increased accommodation in global monetary policy and progress in global trade negotiations. While muted relative to equities, fixed income returns were also positive during the quarter. Within equities, domestic stocks outperformed international markets. US markets pushed higher as the US Federal Reserve (Fed) shifted their stance on monetary policy toward a more accommodative posture, the US and China moved closer to a resolution of their ongoing trade dispute and the partial government shutdown that began in December came to an end. The large cap S&P 500 Index returned 13.6% during the quarter while the small cap Russell 2000 Index gained 14.6% for the period. US equity returns over the 1-year period are positive with the S&P 500 appreciating 9.5% while the Russell 2000 posted a more modest gain of 2.0%.
- Similar to US markets, international equity investors were encouraged by a general easing in central bank monetary policy, including new stimulus measures in Europe and China, as well as the de-escalation of trade tensions with the US. Despite the continued softening in global macroeconomic data and the lack of certainty around Brexit, international equity index returns finished the quarter in positive territory with the MSCI ACWI ex US Index returning 10.3%. The developed market MSCI EAFE Index and the MSCI Emerging Markets Index had similar performance during the 1st quarter returning 10.0% and 9.9% respectively. Despite the strong quarter, returns over the 1-year period remain negative with developed markets falling -3.7%, outperforming emerging markets which fell -7.4%.
- Fixed income securities underperformed equities to start 2019 with the broad market Bloomberg Barclays Aggregate Index returning 2.9%. Interest rates fell for all maturities across the US Treasury Yield Curve as Fed guidance signaled a pause in monetary policy tightening through 2019. Interest rates in the middle of the curve saw the greatest declines causing the curve to invert with shorter-term maturities paying higher interest rates than those in the middle of the curve. This has historically preceded a recession by 6-24 months. Investment grade corporate issues were the best performing securities this quarter, outperforming Treasury and securitized issues. The Bloomberg Barclays Corporate IG Index returned 5.1% for the period, as corporate credit had tailwinds due to its greater interest rate sensitivity, higher yields and tightening credit spreads. Corporate issues also outperformed the other major fixed income sectors over the 1-year period, returning 4.9% versus a 4.5% return for the Bloomberg Barclays Aggregate Index.

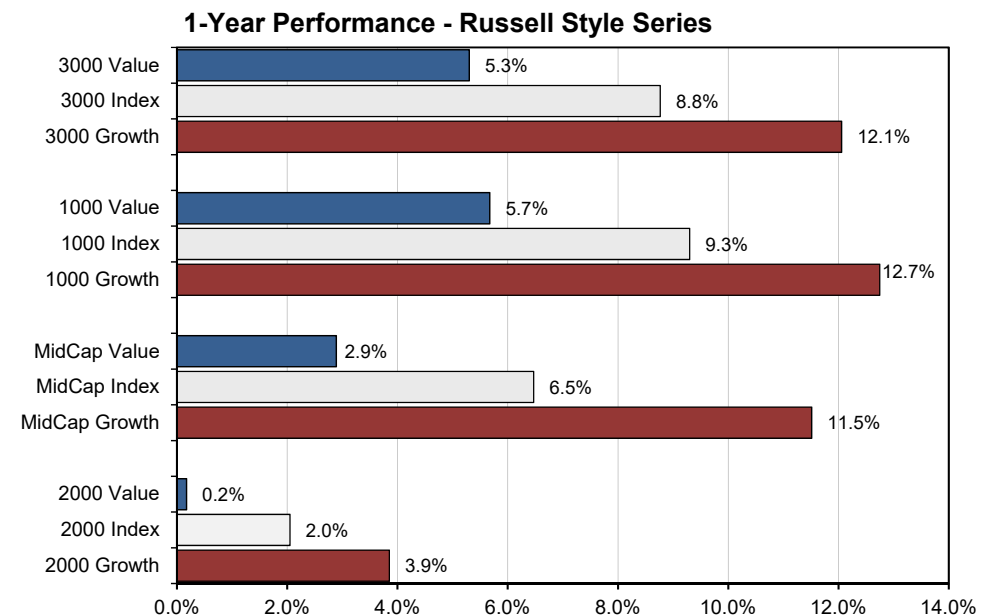
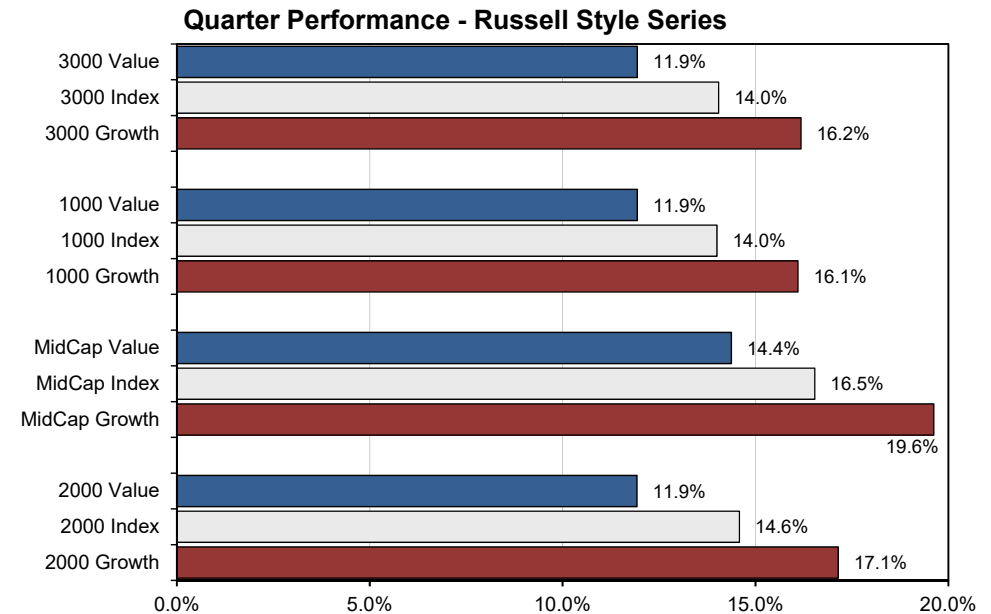
Quarter Performance



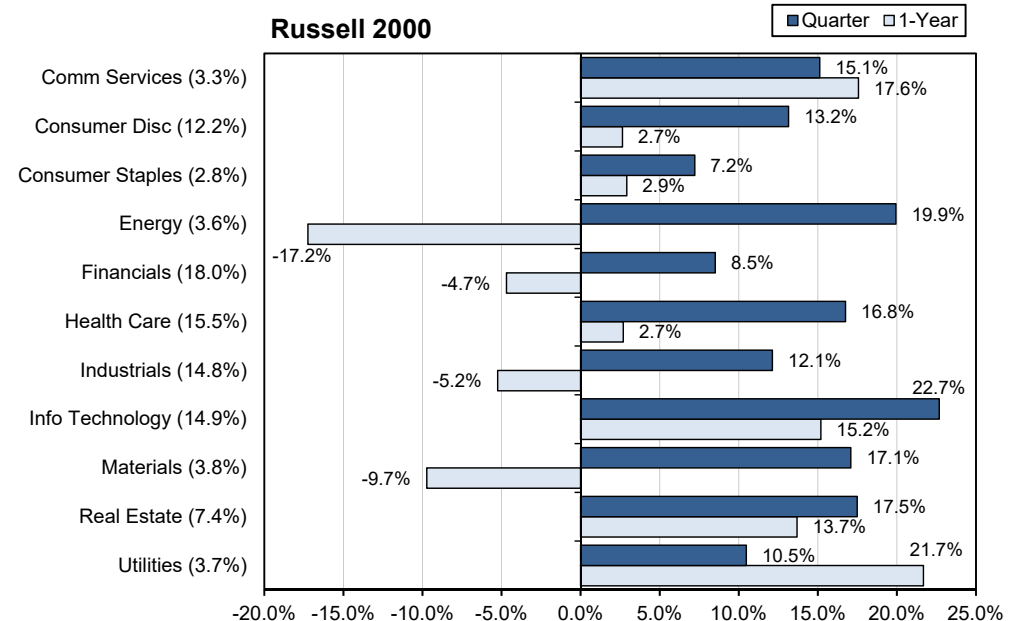
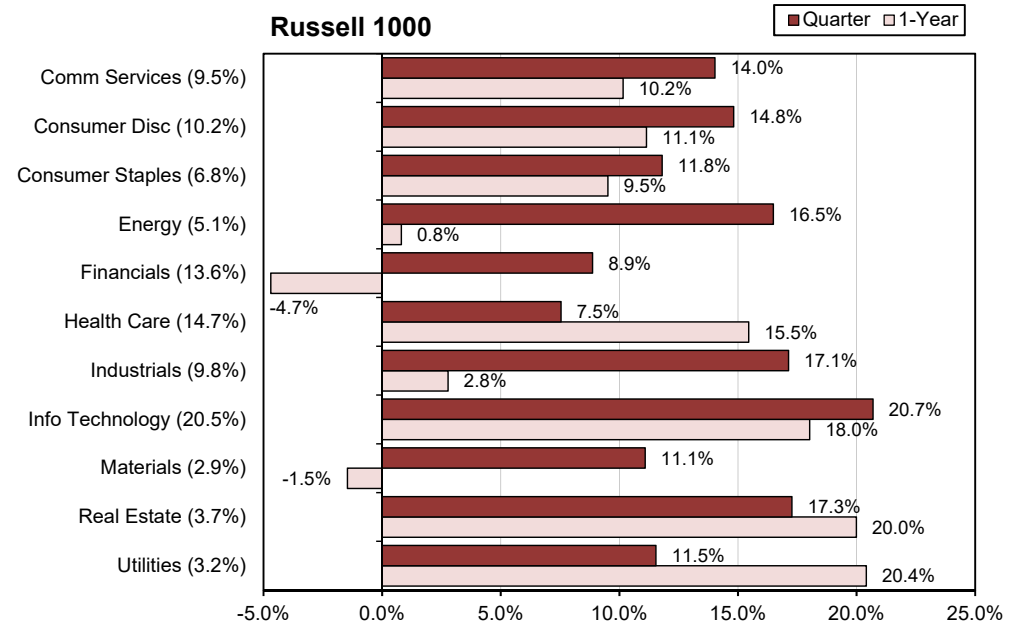
1-Year Performance



- US equity index returns were strongly positive across the style and capitalization spectrum to start the year with all indices posting double digit returns. Macroeconomic data released during the quarter was mixed with disappointing data released late in the quarter for GDP and employment being particularly notable. Even though earnings reported during the period were viewed favorably, many companies provided negative forward earnings guidance due to slowing global growth, trade concerns and the fading effects of US tax reform. However, investor concerns over the economy were overshadowed by positive developments in trade negotiations with China and an accommodative shift in Fed monetary policy. With regards to trade, President Trump delayed the implementation of new Chinese tariffs scheduled for March 1st citing substantial progress in ongoing discussions. Stocks also rallied on Fed guidance to put further monetary policy tightening on hold as they lowered projections for growth and inflation. Lastly, we saw the end of the partial government shutdown that began in December due to a partisan disagreement over funds for the construction of a border wall with Mexico. While the spending bill that passed did not budget for the wall, President Trump declared a national state of emergency later in the quarter in order to secure the needed funding.
- During the quarter, mid cap stocks were the best performers while small cap stocks outperformed large cap equities across growth, value and core indices. The Russell MidCap Index gained 16.5% during the period versus a 14.6% return for the small cap Russell 2000 Index and a 14.0% gain on the large cap Russell 1000 Index. Part of the reason for strength in small cap names is the projected hold on interest rate increases that occurred over 2018 as small and mid-cap companies typically maintain higher percentages of debt than their large cap peers. Small and mid-cap companies are usually more domestically focused which will serve as a tailwind in periods where the US economy is on stronger footing than international markets. It is also not unusual for smaller market cap stocks to outperform in risk-on market environments. When viewed over the most recent 1-year period, large cap stocks outperformed relative to small cap stocks. The Russell 1000 returned 9.3% for the year while the Russell 2000 gained only 2.0%.
- Growth indices outperformed value indices across the market cap spectrum during the 1st quarter. Growth stocks have outperformed value in all but one quarter over the last two years. The Russell MidCap Growth Index was the best performing style index for the period, returning 19.6% for the quarter. The large cap and small cap value indices had the lowest relative returns, both gaining 11.9%. The trend of growth outperformance is also visible over the 1-year period as growth indices have benefitted from larger exposures to technology which has been a large driver of index performance over the last year, as well as a meaningful underweight to financials which has been a relative detractor.



- Sector performance was broadly positive across large cap sectors for the 1st quarter. There were strong gains for all sectors within the Russell 1000 Index during for the period with five sectors outpacing the return of the index. While the rally was broad with nine of eleven sectors posting double digit returns, cyclical sectors such as technology, industrials and energy were some of the best performers through the quarter returning 20.7%, 17.1% and 16.5% respectively. Technology stocks rose on strong earnings and attractive valuations following their 4th quarter 2018 sell off. Energy companies benefitted from a large rebound in oil prices which increased by over 30% during the quarter following an OPEC led supply cut and US sanctions against Iran and Venezuela. Industrial stocks, among others, gained on hopes that trade tensions between the US and China would continue to abate. REITs also had a particularly strong quarter, returning 17.3% as the prospect of lower interest rates acted as a tailwind. Financials and health care stocks were the worst performers during the period returning 8.9% and 7.5% respectively. Health care stocks faced uncertainty around the potential for future regulation following congressional hearings on drug pricing while the prospect of lower earnings due to a muted interest rate environment weighed on financial stocks. Returns over the 1-year period were positive with nine out of eleven sectors posting gains, six of which were over 10%. Utilities, REITs and information technology were the best performers returning 20.4%, 20.0% and 18.0% respectively. Financials and materials posted negative results at -4.7% and -1.5% while energy was only slightly positive at 0.8%.
- Quarterly results for small cap sectors were mixed relative to their large capitalization counterparts with six of eleven sectors outperforming their corresponding large cap equivalents. Like large caps, all eleven sectors produced gains during the period with six of eleven economic sectors outpacing the Russell 2000 Index return for the quarter and nine returning over 10.0%. Similar to large caps, cyclical sectors performed well with technology, energy and materials returning 22.7%, 19.9% and 17.1% respectively. Real estate also did well returning 17.5%. The largest detractors over the period were consumer staples, financials and utilities which still produced gains of 7.2%, 8.5% and 10.5%. Over the trailing 1-year period, returns varied significantly with four sectors posting double digit gains and four losing value. Despite a very strong quarter, energy stocks were the worst performers over the 1-year period, falling a considerable -17.2%, while the defensive utilities sector produced the greatest gains, appreciating 21.7%.



The Market Environment
Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
As of March 31, 2019

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	3.42%	20.9%	14.9%	Information Technology
Microsoft Corp	3.39%	16.6%	30.8%	Information Technology
Amazon.com Inc	2.78%	18.6%	23.0%	Consumer Discretionary
Facebook Inc A	1.50%	27.2%	4.3%	Communication Services
Berkshire Hathaway Inc B	1.48%	-1.6%	0.7%	Financials
Johnson & Johnson	1.42%	9.0%	12.1%	Health Care
Alphabet Inc C	1.36%	13.3%	13.7%	Communication Services
Alphabet Inc A	1.33%	12.6%	13.5%	Communication Services
Exxon Mobil Corp	1.30%	19.8%	12.9%	Energy
JPMorgan Chase & Co	1.27%	4.6%	-5.6%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Versum Materials Inc	0.02%	81.9%	34.7%	Information Technology
Coty Inc Class A	0.02%	77.3%	-34.3%	Consumer Staples
Nabors Industries Ltd	0.00%	72.5%	-48.7%	Energy
Sage Therapeutics Inc	0.03%	66.0%	-1.3%	Health Care
Wayfair Inc Class A	0.03%	64.8%	119.8%	Consumer Discretionary
Chipotle Mexican Grill Inc Class A	0.07%	64.5%	119.8%	Consumer Discretionary
Universal Display Corp	0.02%	63.5%	51.7%	Information Technology
Xerox Corp	0.02%	63.1%	15.7%	Information Technology
Floor & Decor Holdings Inc	0.01%	59.2%	-20.9%	Consumer Discretionary
bluebird bio Inc	0.03%	58.6%	-7.9%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Uniti Group Inc	0.01%	-27.8%	-23.8%	Real Estate
PG&E Corp	0.03%	-25.1%	-59.5%	Utilities
The Kraft Heinz Co	0.07%	-23.2%	-45.1%	Consumer Staples
Realogy Holdings Corp	0.01%	-21.8%	-57.3%	Real Estate
Nu Skin Enterprises Inc Class A	0.01%	-21.5%	-33.7%	Consumer Staples
Biogen Inc	0.18%	-21.4%	-13.7%	Health Care
Centennial Resource Development A	0.01%	-20.2%	-52.1%	Energy
CenturyLink Inc	0.04%	-19.3%	-19.0%	Communication Services
Qurate Retail Inc Class A	0.03%	-18.1%	-36.5%	Consumer Discretionary
Macy's Inc	0.03%	-18.0%	-15.2%	Consumer Discretionary

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Etsy Inc	0.40%	41.3%	139.6%	Consumer Discretionary
Five Below Inc	0.33%	21.4%	69.4%	Consumer Discretionary
The Trade Desk Inc A	0.32%	70.6%	298.9%	Information Technology
Integrated Device Technology Inc	0.31%	1.2%	60.3%	Information Technology
HubSpot Inc	0.30%	32.2%	53.5%	Information Technology
Planet Fitness Inc A	0.30%	28.2%	81.9%	Consumer Discretionary
Cree Inc	0.29%	33.8%	41.9%	Information Technology
Ciena Corp	0.26%	10.1%	44.2%	Information Technology
Primerica Inc	0.26%	25.4%	27.7%	Financials
Array BioPharma Inc	0.25%	71.1%	49.4%	Health Care

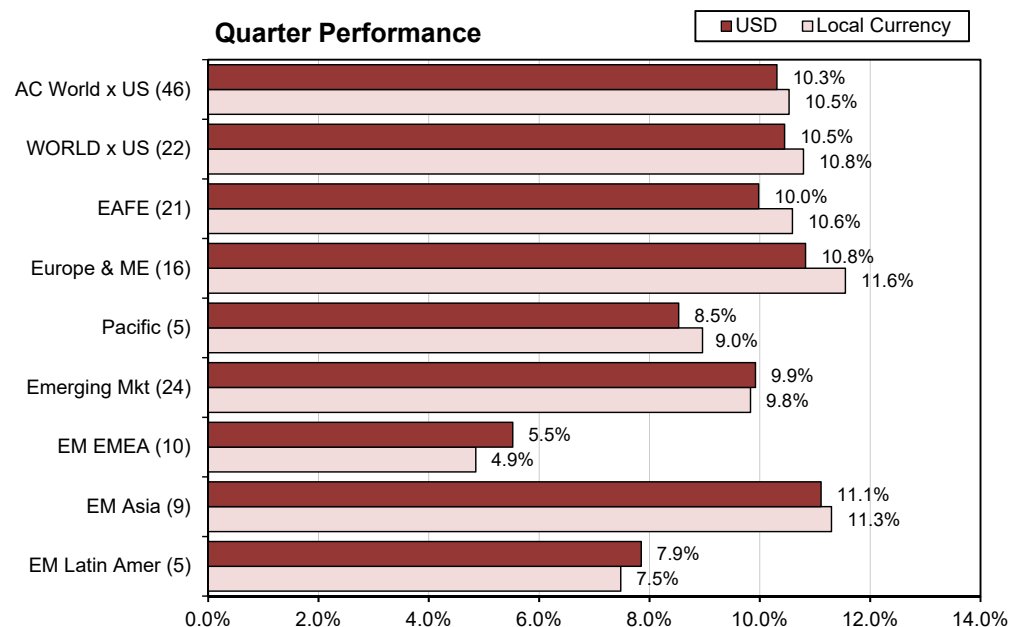
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Immune Design Corp	0.01%	350.0%	77.3%	Health Care
Diebold Nixdorf Inc	0.04%	344.6%	-28.1%	Information Technology
Constellation Pharmaceuticals Inc	0.01%	237.9%	N/A	Health Care
Flotek Industries Inc	0.01%	197.2%	-46.9%	Materials
Spark Therapeutics Inc	0.18%	191.0%	71.0%	Health Care
Magenta Therapeutics Inc	0.01%	188.9%	N/A	Health Care
ION Geophysical Corp	0.01%	178.8%	-46.7%	Energy
Catalyst Pharmaceuticals Inc	0.02%	165.6%	113.4%	Health Care
VirnetX Holding Corp	0.02%	163.8%	60.3%	Information Technology
Rockwell Medical Inc	0.01%	151.8%	9.2%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Zomedica Pharmaceuticals Corp	0.00%	-77.0%	-84.2%	Health Care
Aptinyx Inc	0.00%	-75.5%	N/A	Health Care
Alta Mesa Resources Inc Class A	0.00%	-73.5%	-96.7%	Energy
Novavax Inc	0.01%	-70.1%	-73.8%	Health Care
Maxar Technologies Inc	0.01%	-66.3%	-91.0%	Industrials
Solid Biosciences Inc	0.01%	-65.7%	22.7%	Health Care
Achaogen Inc	0.00%	-62.9%	-96.5%	Health Care
EP Energy Corp A	0.00%	-62.9%	-80.6%	Energy
Proteostasis Therapeutics Inc	0.00%	-61.1%	-73.5%	Health Care
Approach Resources Inc	0.00%	-59.4%	-86.4%	Energy

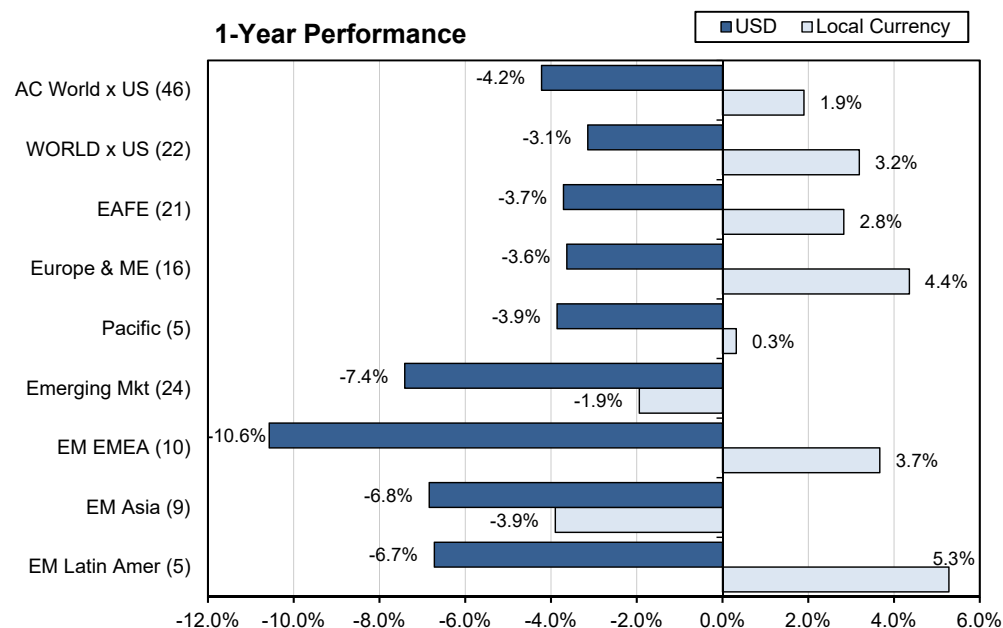


- Broad international equity returns were positive for the quarter in both local currency and USD terms. The MSCI ACWI ex US Index gained 10.5% in local currency terms and 10.3% in USD terms during the 1st quarter. Similar to US markets, international equity investors were encouraged by central bank responses to slowing global growth as they shifted towards more accommodative policies and the improvement in dialogue around global trade. Returns in local currency typically outperformed USD returns in the developed markets, as the USD continued to strengthen against most major developed currencies. While the currency effect was detrimental in developed markets, it acted as a slight tailwind in emerging markets. The USD strength is particularly noticeable over the 1-year period where local currency returns on the MSCI ACWI ex US Index were 1.9%, but after accounting for foreign exchange, translated to a loss of -4.2% for a USD investor.
- Fourth quarter results for developed market international indices were positive in both local currency and USD terms with the MSCI EAFE Index returning 10.6% and 10.0% respectively. Ongoing weakness in global economic reporting pushed major central banks to move toward less restrictive postures around monetary policy. In Europe, the European Central Bank (ECB) announced plans for additional stimulus while putting any future interest rate increases on hold until 2020. The Bank of England (BoE) left policy unchanged as uncertainties around Brexit coincided with a slowing economy. Prime Minister Theresa May held two votes on her withdrawal plan, both of which failed, forcing her to request an extension to the March 29th withdrawal deadline. Data from Japan drew concerns that the country's economy is contracting as corporate earnings, exports, manufacturing, retail sales and inflation all hinted at an economic slowdown. The MSCI EAFE Index returned 2.8% and -3.7% for the last twelve months in local currency and USD terms respectively.
- Emerging markets slightly underperformed relative to developed markets for the 1st quarter, but still appreciated in both local currency and USD terms with the MSCI Emerging Markets Index returning 9.8% and 9.9% respectively. A major tailwind for equity markets was the improvement in trade relations between the US and China. As Chinese economic data appeared to be slowing, the Chinese government also announced continued stimulus in the form of tax cuts, infrastructure investment and lowered the reserve requirement for banks in order to encourage lending. We also saw commodity prices rise over the quarter which is generally beneficial to emerging market countries with rising oil prices helping Russian and Colombian equity returns. In Brazil, President Jair Bolsonaro officially took office. Bolsonaro announced his plan to reform the country's debt laden pension system and promised market friendly economic reforms. One year returns for the MSCI Emerging Market Index were -1.9% in local currency terms and -7.4% in USD terms.

Quarter Performance



1-Year Performance



The Market Environment
US Dollar International Index Attribution & Country Detail
As of March 31, 2019

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.4%	4.3%	-4.5%
Consumer Discretionary	11.0%	7.5%	-10.4%
Consumer Staples	11.8%	12.4%	3.3%
Energy	5.9%	10.4%	4.6%
Financials	18.9%	6.9%	-12.7%
Health Care	11.3%	11.2%	7.4%
Industrials	14.4%	10.6%	-5.4%
Information Technology	6.3%	15.3%	-3.8%
Materials	7.5%	13.2%	-3.0%
Real Estate	3.9%	14.0%	4.2%
Utilities	3.7%	9.0%	8.7%
Total	100.0%	10.0%	-3.7%

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	7.1%	6.9%	-1.8%
Consumer Discretionary	11.1%	11.2%	-10.3%
Consumer Staples	9.9%	11.2%	1.6%
Energy	7.4%	12.4%	5.2%
Financials	21.6%	7.7%	-9.4%
Health Care	8.4%	11.0%	4.4%
Industrials	11.7%	10.2%	-4.9%
Information Technology	8.4%	14.7%	-7.3%
Materials	7.6%	11.3%	-3.6%
Real Estate	3.5%	14.4%	2.8%
Utilities	3.3%	8.2%	6.1%
Total	100.0%	10.3%	-4.2%

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	12.3%	9.5%	-3.3%
Consumer Discretionary	13.4%	20.8%	-13.2%
Consumer Staples	6.4%	5.3%	-8.4%
Energy	8.1%	12.2%	9.4%
Financials	24.2%	7.2%	-6.0%
Health Care	2.6%	3.6%	-23.4%
Industrials	5.4%	4.8%	-7.6%
Information Technology	14.6%	12.8%	-10.8%
Materials	7.4%	6.9%	-6.2%
Real Estate	3.2%	15.6%	-2.1%
Utilities	2.5%	4.2%	-2.7%
Total	100.0%	9.9%	-7.4%

Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1- Year Return
Japan	24.0%	16.1%	6.7%	-7.8%
United Kingdom	17.1%	11.5%	11.9%	-0.1%
France	11.3%	7.6%	10.7%	-3.7%
Switzerland	8.9%	6.0%	13.1%	7.5%
Germany	8.6%	5.8%	6.9%	-13.7%
Australia	6.9%	4.7%	11.4%	4.5%
Hong Kong	4.1%	2.8%	15.6%	8.0%
Netherlands	3.6%	2.4%	13.6%	-2.3%
Spain	3.0%	2.0%	7.0%	-8.8%
Sweden	2.6%	1.8%	7.4%	-5.1%
Italy	2.4%	1.6%	14.6%	-10.6%
Denmark	1.8%	1.2%	12.8%	-3.2%
Singapore	1.3%	0.9%	6.2%	-6.4%
Finland	1.0%	0.7%	8.0%	-3.6%
Belgium	1.0%	0.7%	16.2%	-15.5%
Norway	0.7%	0.5%	7.0%	-4.4%
Ireland	0.5%	0.4%	11.4%	-11.6%
Israel	0.5%	0.4%	10.1%	9.9%
Austria	0.2%	0.2%	8.4%	-23.0%
New Zealand	0.2%	0.2%	16.7%	18.1%
Portugal	0.2%	0.1%	10.2%	-4.9%
Total EAFE Countries	100.0%	67.1%	10.0%	-3.7%
Canada		6.8%	15.4%	3.1%
Total Developed Countries		73.9%	10.5%	-3.1%
China		8.6%	17.7%	-6.2%
Korea		3.4%	4.9%	-16.7%
Taiwan		3.0%	9.0%	-6.1%
India		2.4%	7.2%	6.8%
Brazil		1.9%	8.1%	-4.2%
South Africa		1.5%	4.4%	-18.0%
Russia		1.0%	12.2%	2.2%
Mexico		0.7%	5.5%	-11.7%
Thailand		0.6%	7.4%	-6.9%
Indonesia		0.6%	4.3%	2.0%
Malaysia		0.6%	0.3%	-13.1%
Poland		0.3%	-0.6%	-5.7%
Philippines		0.3%	7.9%	1.8%
Chile		0.3%	4.1%	-17.5%
Qatar		0.2%	-3.5%	22.2%
United Arab Emirates		0.2%	8.7%	1.3%
Turkey		0.1%	-3.2%	-40.3%
Colombia		0.1%	24.8%	5.3%
Peru		0.1%	11.0%	2.2%
Hungary		0.1%	6.0%	0.5%
Greece		0.1%	12.8%	-23.6%
Czech Republic		0.0%	3.8%	-6.8%
Egypt		0.0%	15.8%	-10.2%
Pakistan		0.0%	8.3%	-36.6%
Total Emerging Countries		26.1%	9.9%	-7.4%
Total ACWIXUS Countries		100.0%	10.3%	-4.2%

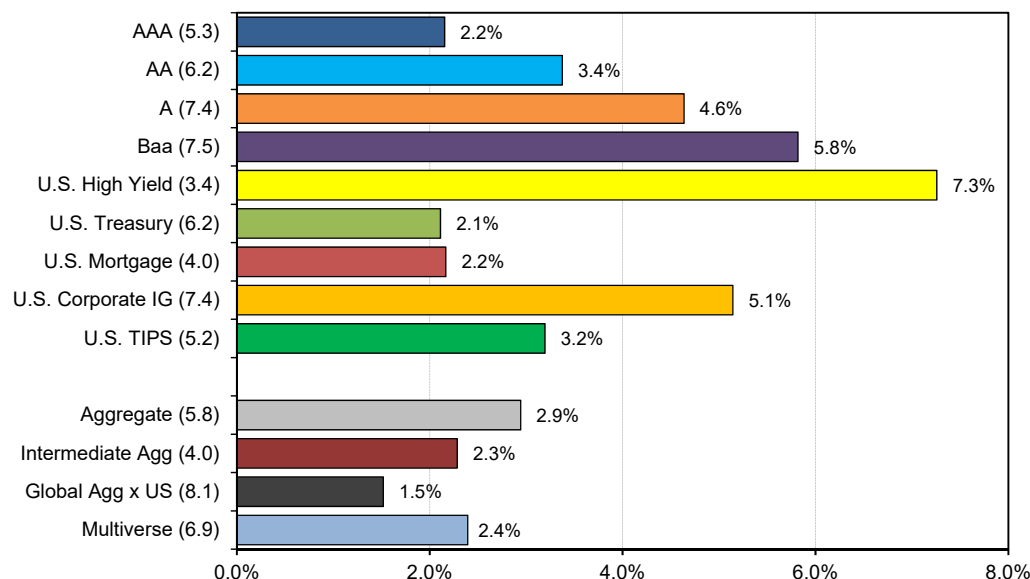
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)

As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

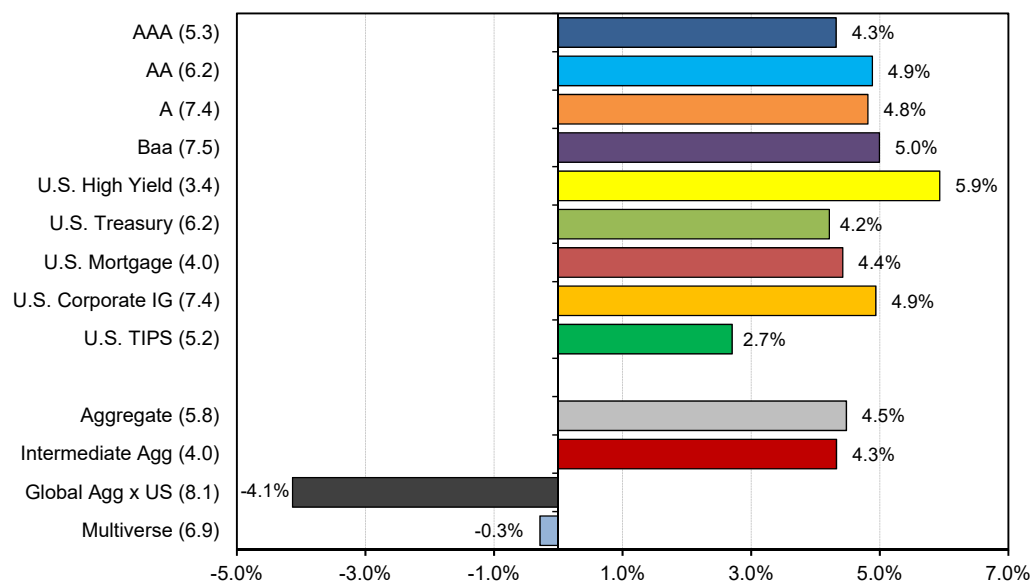


- Broad fixed income benchmarks were positive to start 2019. Following the late 2018 market volatility, the Federal Open Market Committee (FOMC) issued dovish guidance after their January meeting stating that they would be patient in determining future interest rate adjustments. The FOMC also commented on the ongoing balance sheet reduction program, stating that they would be open to changes to the program if market conditions warranted them. Later in March, Fed Chair Jerome Powell communicated that the FOMC is no longer projecting any further interest rate increases through 2019. He also stated that they would begin tapering the roll off from the balance sheet reduction program in May with a plan to halt the program entirely in September. The stoppage of the balance sheet reduction program represents an easing of monetary policy. Interest rates fell across all maturities on the US Treasury Yield Curve with the greatest declines occurring in the mid- and long-term issues. This caused continued inversion in the yield curve with short-term maturities paying higher interest rates than issues in the mid- to long-end of the curve. The difference in yields between the 2-year and 10-year Treasury now sits at just 0.14% with the 30-day T-Bill yielding more than the 10-year bond by 0.02%. Historically, an inverted yield curve has been a leading indicator of a recession in the next 6-24 months. The bellwether Bloomberg Barclays US Aggregate Index posted positive returns for both the 1st quarter and the 1-year period, returning 2.9% and 4.5% respectively.
- Within investment grade credit, lower quality issues outperformed higher quality issues as investors gravitated toward higher risk securities during the quarter. Lower quality issues also benefitted from their higher durations. On an absolute basis, without negating the duration differences in the sub-indices, Baa rated credit was the best performing investment grade credit quality segment returning 5.8% for the quarter, while AAA was the worst performing, returning 2.2%. Despite their relatively low durations, high yield securities posted very strong returns for the quarter, gaining 7.3%, as spreads tightened by 135 basis points on these issues. When viewed over the 1-year period, returns for the various quality segments generally show lower quality securities outperforming higher quality issues by a small margin.
- During the 1st quarter, investment grade corporates outperformed the more defensive Treasury and mortgage backed sectors of the Bloomberg Barclays US Aggregate Index's three broad sectors. Investment grade corporate credit returned 5.1%, as the drop in interest rates benefitted these securities to a greater degree and credit spreads tightened considerably since the end of 2018. This quarter's performance carried through to the 1-year period as corporate credit outperformed both Treasuries and mortgage backed securities. Corporate issues returned 4.9% versus a 4.4% return for mortgages and 4.2% gain on Treasury securities.

Quarter Performance

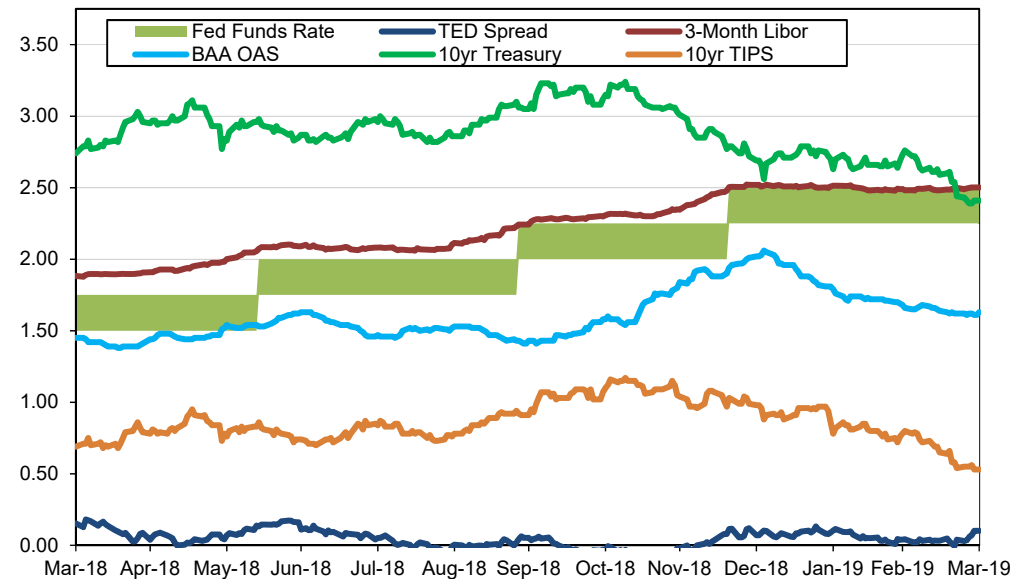


1-Year Performance

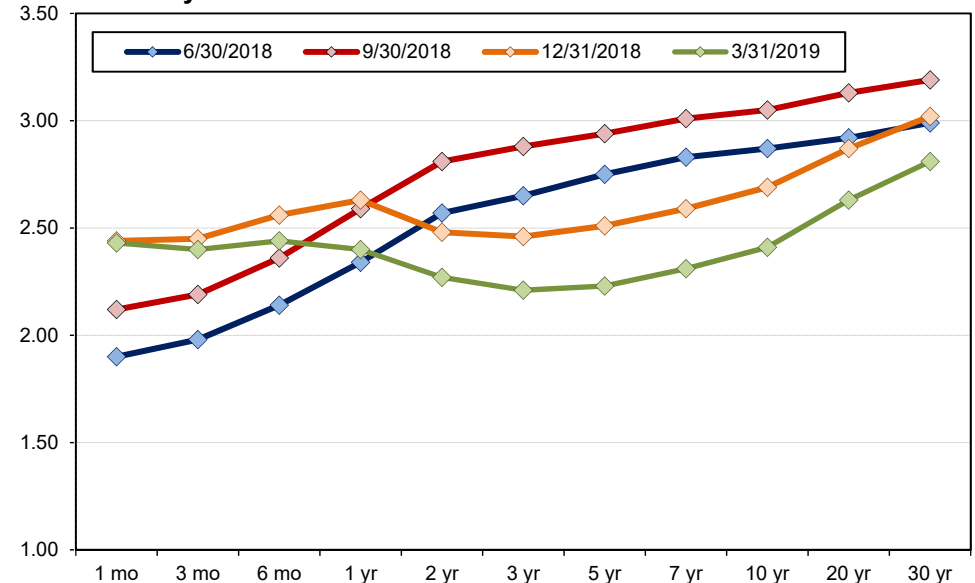


- Global fixed income indices continue to struggle relative to their domestic counterparts, underperforming during the 1st quarter. These indices have lower, or in some cases (Germany, Japan), negative yields and the returns of these indices are also significantly influenced by fluctuations in their currency denomination relative to the USD. The USD has appreciated against most other developed currencies, negatively impacting the returns on global bond indices. The return on global bonds, as represented by the Bloomberg Barclays Global Aggregate ex US Index, was 1.5% and -4.1% for the quarter and 1-year period respectively. As global growth has shown signs of stalling, several international central banks have started to step back from more restrictive postures. Notably, the ECB announced a program to extend loans to European banks in an effort to increase lending and pledged to keep interest rates steady through the end of 2019. China also announced new stimulus to help spur its economy. The Bank of England and the Bank of Japan made no major policy changes during the quarter as they continue to review macroeconomic data within their respective countries.
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that the 10-year Treasury yield (green line) fell from recent high's greater than 3.0%, to yields below 2.5% to end the first quarter. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury issues. This line illustrates a relatively tight range in credit spreads throughout most of 2018, but highlights an abrupt increase during the 4th quarter of 2018 as investors moved to higher quality assets during the quarter's risk-off environment. Subsequently, spreads dropped steadily over the 1st quarter of 2019. This spread tightening is equivalent to an interest rate decrease on corporate bonds, which produces an additional tailwind for corporate bond index returns. These credit spreads have tightened by about 34 basis points over the last three months. The green band across the graph illustrates the gradual increase in the Federal Funds Rate due to the tightening of US monetary policy during 2018. As mentioned, the Fed's current guidance is for zero rate increases in 2019.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four calendar quarters. The downward shift of interest rates as well as a general flattening of the yield curve are clearly visible over the last quarter. As mentioned, the yield curve continues to invert as yields on shorter-term maturities fell less than interest rates in the middle- to long-end of the curve.

1-Year Trailing Market Rates



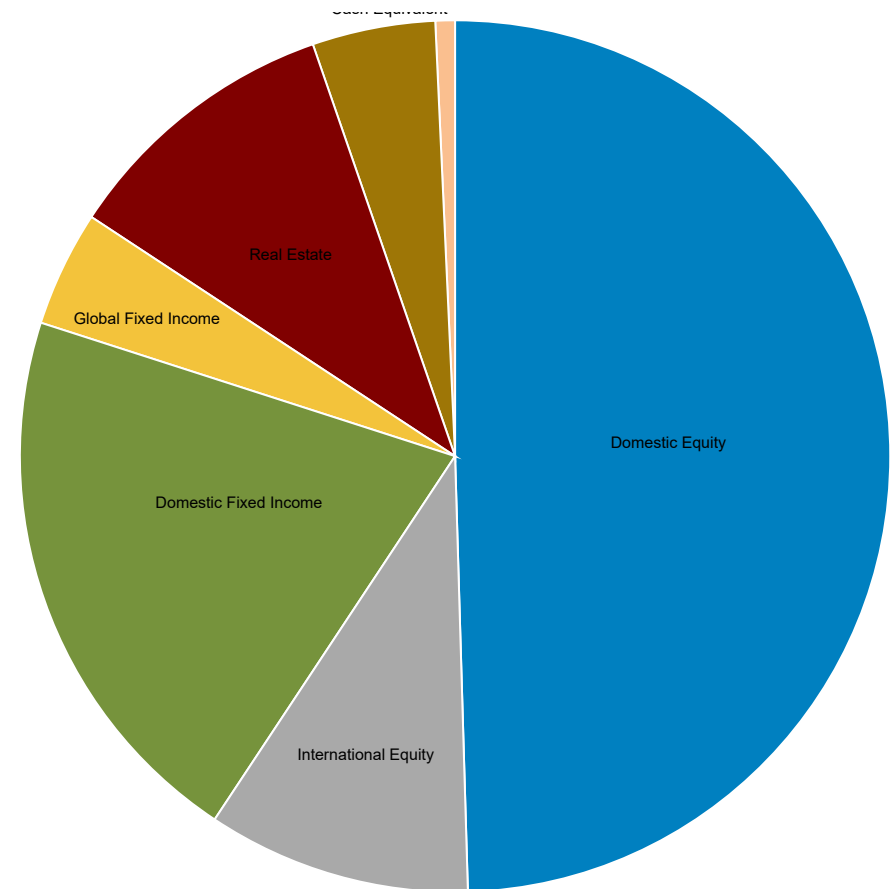
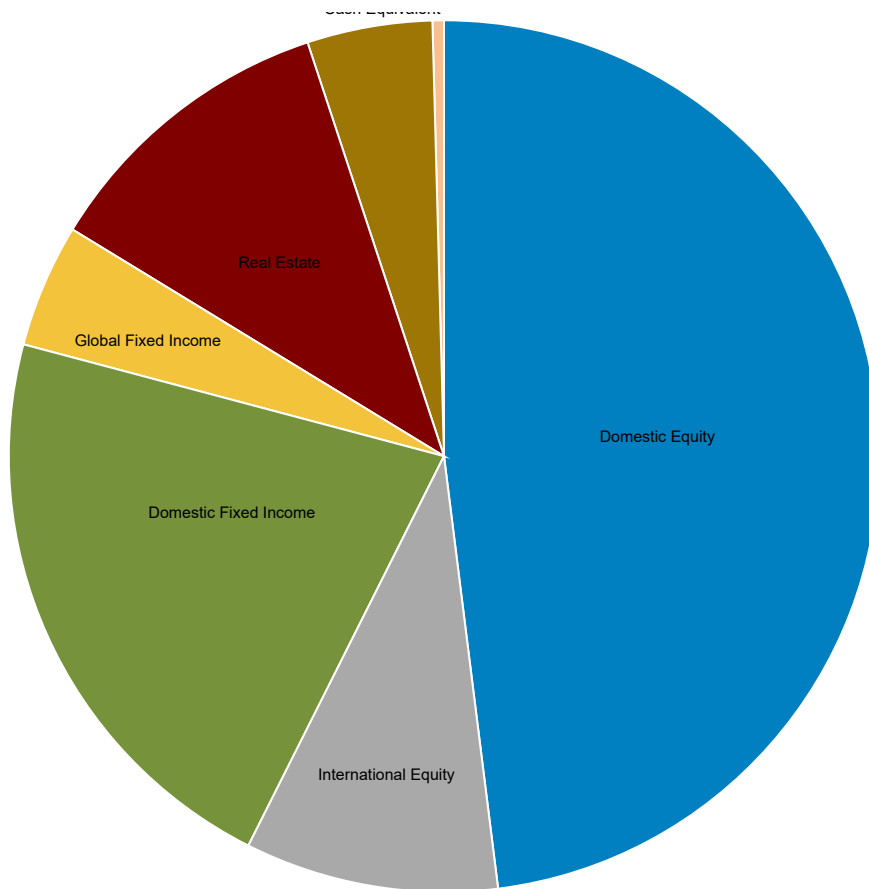
Treasury Yield Curve



North Port Firefighters' Pension Plan
Asset Allocation by Asset Class
As of March 31, 2019

December 31, 2018 : \$46,048,140

March 31, 2019 : \$50,112,200



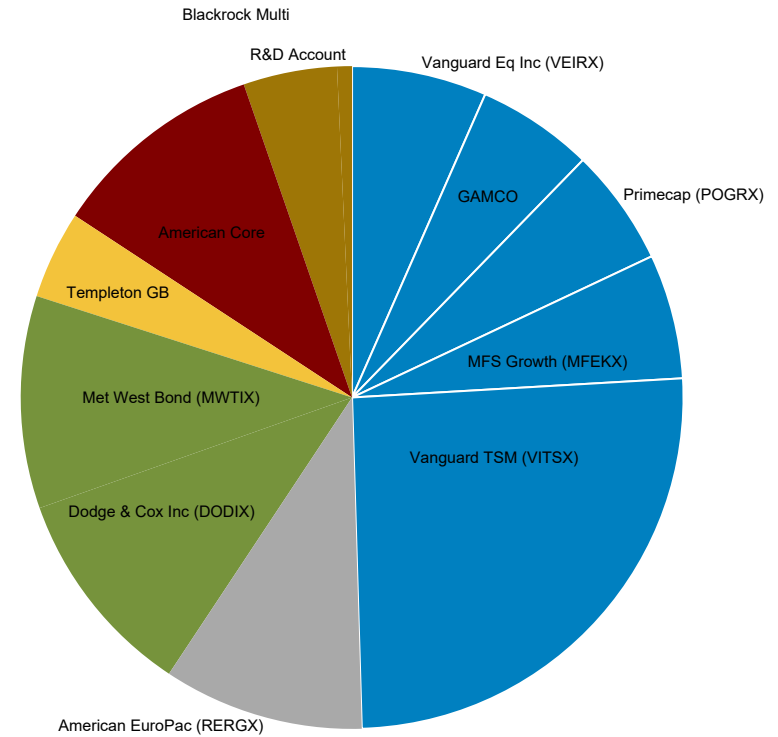
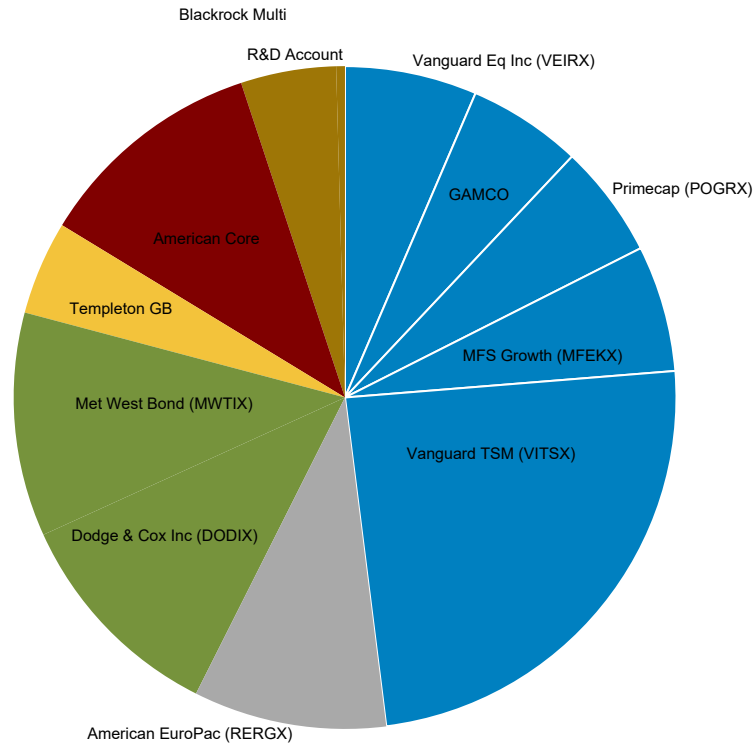
Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ Domestic Equity	22,109,894	48.0	■ Domestic Equity	24,822,410	49.5
■ International Equity	4,331,578	9.4	■ International Equity	4,903,474	9.8
■ Domestic Fixed Income	9,997,115	21.7	■ Domestic Fixed Income	10,341,400	20.6
■ Global Fixed Income	2,107,760	4.6	■ Global Fixed Income	2,150,120	4.3
■ Real Estate	5,162,111	11.2	■ Real Estate	5,237,355	10.5
■ Alternative Investments	2,143,633	4.7	■ Alternative Investments	2,293,546	4.6
■ Cash Equivalent	196,049	0.4	■ Cash Equivalent	363,896	0.7



North Port Firefighters' Pension Plan
Asset Allocation by Manager
As of March 31, 2019

December 31, 2018 : \$46,047,929

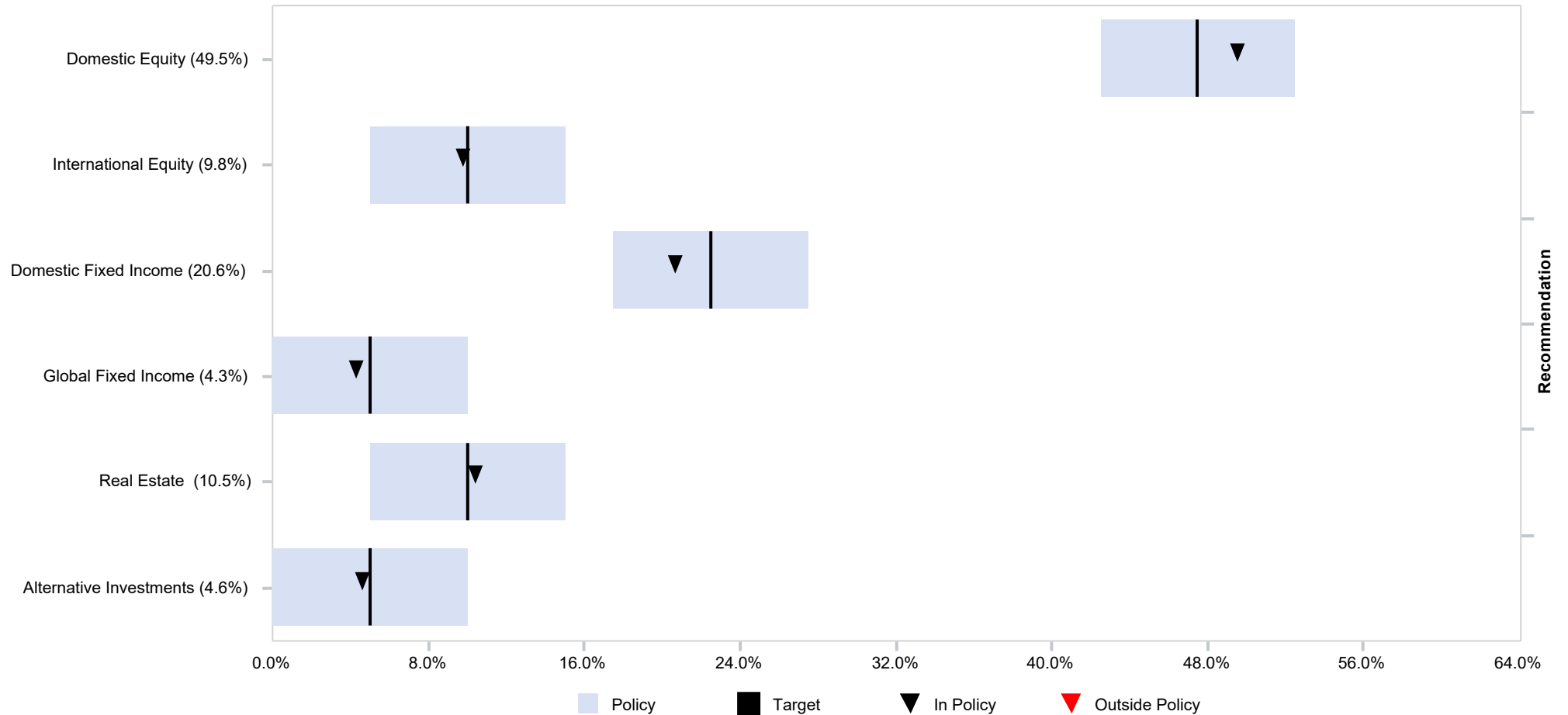
March 31, 2019 : \$50,112,200



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Vanguard Eq Inc (VEIRX)	2,969,707	6.4	Vanguard Eq Inc (VEIRX)	3,299,506	6.6
GAMCO	2,566,657	5.6	GAMCO	2,849,511	5.7
Primecap (POGRX)	2,549,080	5.5	Primecap (POGRX)	2,866,889	5.7
MFS Growth (MFEKX)	2,837,181	6.2	MFS Growth (MFEKX)	3,048,210	6.1
Vanguard TSM (VITSX)	11,187,269	24.3	Vanguard TSM (VITSX)	12,758,294	25.5
American EuroPac (RERGX)	4,331,578	9.4	American EuroPac (RERGX)	4,903,474	9.8
Dodge & Cox Inc (DODIX)	4,965,159	10.8	Dodge & Cox Inc (DODIX)	5,148,667	10.3
Met West Bond (MWTIX)	5,031,745	10.9	Met West Bond (MWTIX)	5,192,732	10.4
Templeton GB	2,107,760	4.6	Templeton GB	2,150,120	4.3
American Core	5,162,111	11.2	American Core	5,237,355	10.5
Blackrock Multi	2,143,633	4.7	Blackrock Multi	2,293,546	4.6
R&D Account	196,049	0.4	R&D Account	363,896	0.7



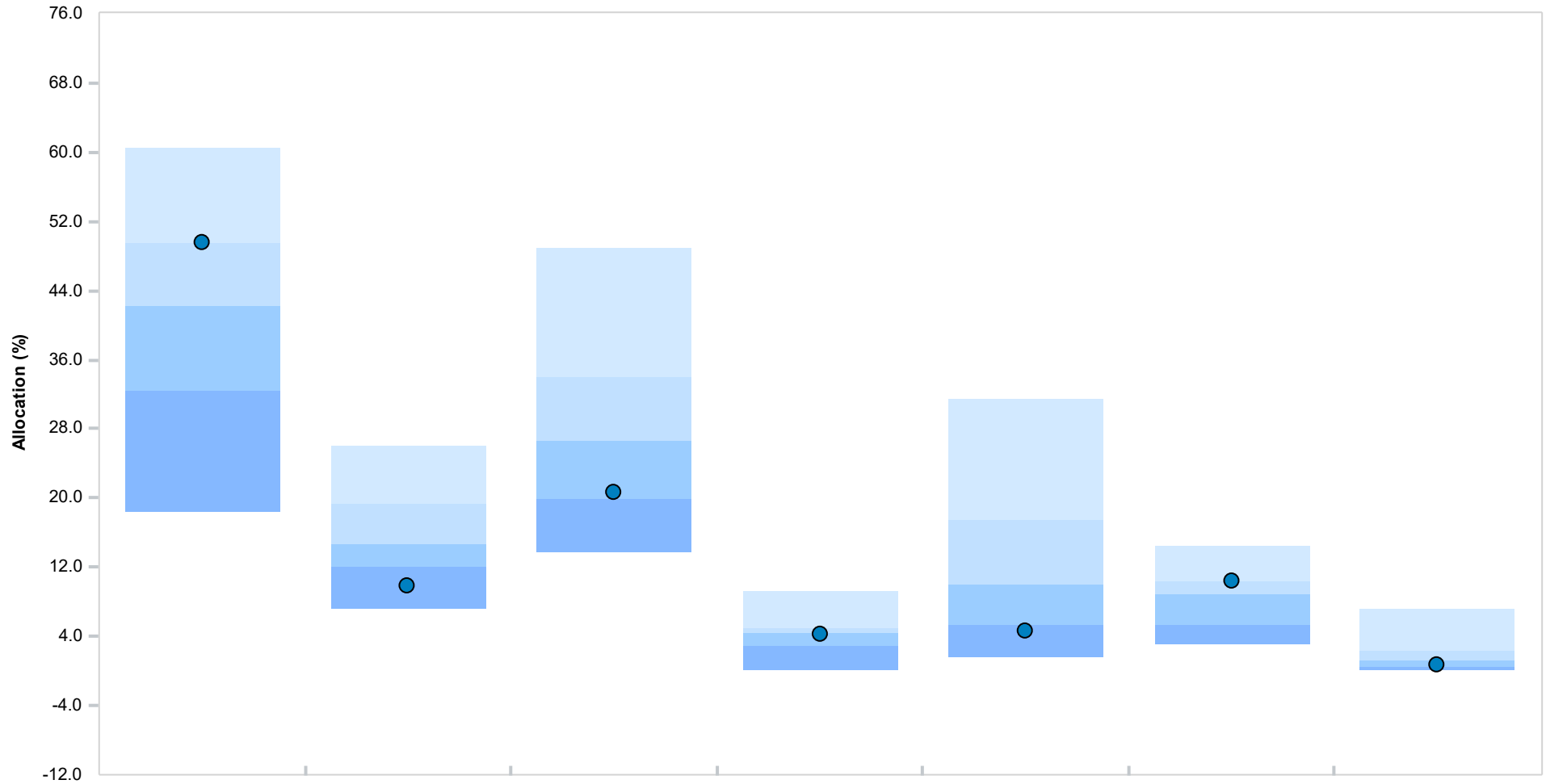
Executive Summary



Asset Allocation Compliance

	Minimum Allocation (%)	Maximum Allocation (%)	Current Allocation (%)	Target Allocation (%)
Global Fixed Income	0.0	10.0	4.3	5.0
Alternative Investments	0.0	10.0	4.6	5.0
International Equity	5.0	15.0	9.8	10.0
Real Estate	5.0	15.0	10.5	10.0
Domestic Fixed Income	17.5	27.5	20.6	22.5
Domestic Equity	42.5	52.5	49.5	47.5
Total Fund Portfolio	N/A	N/A	100.0	100.0

Plan Sponsor TF Asset Allocation vs. All Public Plans-Total Fund



	US Equity	Intl. Equity	US Fixed Income	Intl. Fixed Income	Alternative Inv.	Real Estate	Cash
● North Port Fire	49.53 (25)	9.78 (86)	20.64 (73)	4.29 (52)	4.58 (81)	10.45 (25)	0.73 (66)
5th Percentile	60.56	26.09	48.99	9.23	31.50	14.48	7.29
1st Quartile	49.49	19.38	34.07	4.95	17.43	10.45	2.37
Median	42.20	14.66	26.68	4.37	10.07	8.83	1.17
3rd Quartile	32.33	12.14	19.96	2.87	5.25	5.43	0.54
95th Percentile	18.40	7.15	13.81	0.15	1.59	3.13	0.07
Population	532	490	488	181	150	311	389

Parentheses contain percentile rankings.



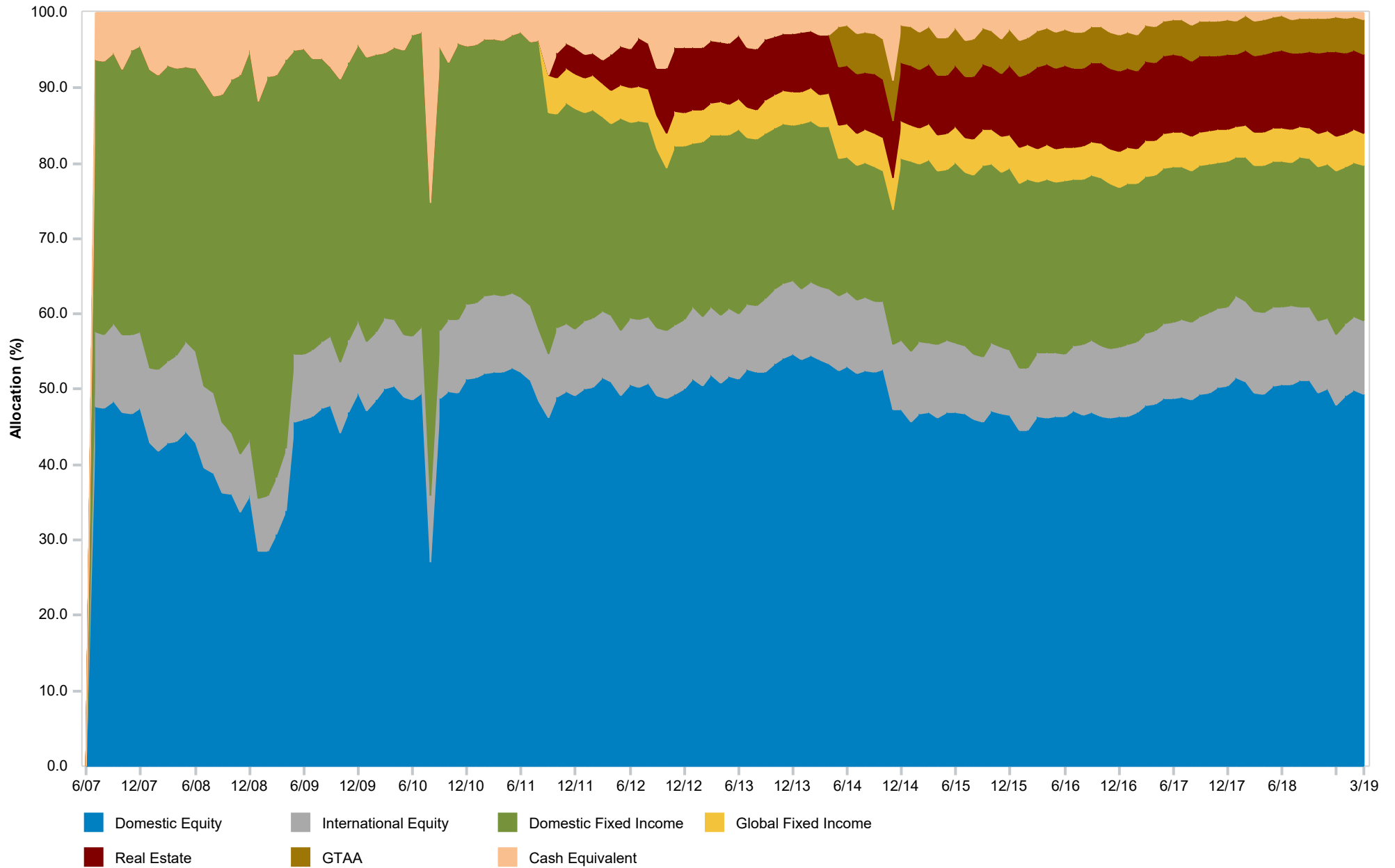
North Port Firefighters' Pension Plan
Asset Allocation History by Portfolio
As of March 31, 2019

Asset Allocation Attributes										
	Mar-2019		Dec-2018		Sep-2018		Jun-2018		Mar-2018	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
Total Equity	29,725,883	59.32	26,441,472	57.42	30,754,799	61.12	29,385,035	61.09	28,792,372	60.36
Domestic Equity	24,822,410	49.53	22,109,894	48.01	25,799,120	51.27	24,387,326	50.70	23,649,414	49.58
Vanguard Equity Income Adm (VEIRX)	3,299,506	6.58	2,969,707	6.45	3,276,320	6.51	3,110,146	6.47	3,067,138	6.43
GAMCO	2,849,511	5.69	2,566,657	5.57	2,989,742	5.94	2,877,505	5.98	2,821,405	5.92
Primecap Odyssey Growth Fund (POGRX)	2,866,889	5.72	2,549,080	5.54	3,136,607	6.23	2,864,295	5.95	2,884,360	6.05
MFS Growth Fund R-6 (MFEKX)	3,048,210	6.08	2,837,181	6.16	3,348,837	6.66	3,098,131	6.44	2,906,856	6.09
Vanguard Total Stock Market Index Fund (VITSX)	12,758,294	25.46	11,187,269	24.29	13,047,614	25.93	12,437,250	25.85	11,969,656	25.09
International Equity	4,903,474	9.78	4,331,578	9.41	4,955,679	9.85	4,997,708	10.39	5,142,958	10.78
American Funds EuroPacific Gr R6 (RERGX)	4,903,474	9.78	4,331,578	9.41	4,955,679	9.85	4,997,708	10.39	5,142,958	10.78
Total Fixed Income	12,491,520	24.93	12,104,875	26.29	11,978,525	23.80	11,369,575	23.64	11,443,049	23.99
Domestic Fixed Income	10,341,400	20.64	9,997,115	21.71	9,907,001	19.69	9,319,000	19.37	9,339,006	19.58
Dodge & Cox Income Fund (DODIX)	5,148,667	10.27	4,965,159	10.78	4,950,668	9.84	4,642,342	9.65	4,610,005	9.66
Metropolitan West Total Return Bond Fund (MWTIX)	5,192,732	10.36	5,031,745	10.93	4,956,122	9.85	4,676,448	9.72	4,632,828	9.71
Global Fixed Income	2,150,120	4.29	2,107,760	4.58	2,071,525	4.12	2,050,575	4.26	2,104,044	4.41
Templeton Global Bond (FBNRX)	2,150,120	4.29	2,107,760	4.58	2,071,525	4.12	2,050,575	4.26	2,104,044	4.41
Alternative Investments	2,293,546	4.58	2,143,633	4.66	2,244,128	4.46	2,197,263	4.57	2,194,800	4.60
Blackrock Multi-Asset Inc-I (BKMIX)*	2,293,546	4.58	2,143,633	4.66	2,244,128	4.46	2,197,263	4.57	2,194,800	4.60
Real Estate	5,237,355	10.45	5,162,111	11.21	5,077,990	10.09	4,982,762	10.36	4,894,219	10.26
American Core Realty Fund	5,237,355	10.45	5,162,111	11.21	5,077,990	10.09	4,982,762	10.36	4,894,219	10.26
Cash Accounts										
R&D Account	363,896	0.73	196,049	0.43	264,469	0.53	169,713	0.35	373,568	0.78
Total Fund Portfolio	50,112,200	100.00	46,048,140	100.00	50,319,912	100.00	48,104,347	100.00	47,698,009	100.00

*Share class change from from Blackrock I (BIICX) to Blackrock K (BKMIX)



Historical Asset Allocation by Segment



North Port Firefighters' Pension Plan
Financial Reconciliation: Quarter to Date
1 Quarter Ending March 31, 2019

Financial Reconciliation Quarter to Date									
	Market Value 01/01/2019	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Capital Gain/Loss	Market Value 03/31/2019
Total Equity	26,441,472	-290,875	-	-	-5,114	-	200,705	3,379,695	29,725,883
Domestic Equity	22,109,894	-290,875	-	-	-5,114	-	200,705	2,807,800	24,822,410
Vanguard Equity Income Adm (VEIRX)	2,969,707	-	-	-	-	-	22,634	307,165	3,299,506
GAMCO	2,566,657	-	-	-	-5,114	-	110,407	177,561	2,849,511
Primecap Odyssey Growth Fund (POGRX)	2,549,080	-	-	-	-	-	-	317,809	2,866,889
MFS Growth Fund R-6 (MFEKX)	2,837,181	-290,875	-	-	-	-	-	501,904	3,048,210
Vanguard Total Stock Market Index Fund (VITSX)	11,187,269	-	-	-	-	-	67,664	1,503,360	12,758,294
International Equity	4,331,578	-	-	-	-	-	-	571,895	4,903,474
American Funds EuroPacific Gr R6 (RERGX)	4,331,578	-	-	-	-	-	-	571,895	4,903,474
Total Fixed Income	12,104,875	-212	-	-	-	-	114,122	272,735	12,491,520
Domestic Fixed Income	9,997,115	-212	-	-	-	-	80,713	263,784	10,341,400
Dodge & Cox Income Fund (DODIX)	4,965,159	-	-	-	-	-	41,189	142,320	5,148,667
Metropolitan West Total Return Bond Fund (MWTIX)	5,031,745	-	-	-	-	-	39,523	121,464	5,192,732
Global Fixed Income	2,107,760	-	-	-	-	-	33,409	8,951	2,150,120
Templeton Global Bond (FBNRX)	2,107,760	-	-	-	-	-	33,409	8,951	2,150,120
Alternative Investments	2,143,633	-	-	-	-	-	29,037	120,876	2,293,546
Blackrock Multi-Asset Inc-I (BKMIX)	2,143,633	-	-	-	-	-	29,037	120,876	2,293,546
Real Estate	5,162,111	-	-	-	-14,443	-	77,424	12,264	5,237,355
American Core Realty Fund	5,162,111	-	-	-	-14,443	-	77,424	12,264	5,237,355
Cash Accounts									
R&D Account	196,049	291,087	298,809	-374,939	-	-47,852	742	-	363,896
Total Fund Portfolio	46,048,140	-	298,809	-374,939	-19,557	-47,852	422,029	3,785,570	50,112,200



North Port Firefighters' Pension Plan
Financial Reconciliation: Fiscal Year to Date
October 1, 2018 To March 31, 2019

Financial Reconciliation Fiscal Year to Date									
	Market Value 10/01/2018	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Capital Gain/Loss	Market Value 03/31/2019
Total Equity	30,754,799	-290,875	-	-	-10,633	-	211,275	-938,683	29,725,883
Domestic Equity	25,799,120	-290,875	-	-	-10,633	-	211,275	-886,478	24,822,410
Vanguard Equity Income Adm (VEIRX)	3,276,320	-	-	-	-	-	22,634	553	3,299,506
GAMCO	2,989,742	-	-	-	-10,633	-	120,978	-250,576	2,849,511
Primecap Odyssey Growth Fund (POGRX)	3,136,607	-	-	-	-	-	-	-269,718	2,866,889
MFS Growth Fund R-6 (MFEKX)	3,348,837	-290,875	-	-	-	-	-	-9,752	3,048,210
Vanguard Total Stock Market Index Fund (VITSX)	13,047,614	-	-	-	-	-	67,664	-356,984	12,758,294
International Equity	4,955,679	-	-	-	-	-	-	-52,206	4,903,474
American Funds EuroPacific Gr R6 (RERGX)	4,955,679	-	-	-	-	-	-	-52,206	4,903,474
Total Fixed Income	11,978,525	-212	-	-	-	-	220,491	292,715	12,491,520
Domestic Fixed Income	9,907,001	-212	-	-	-	-	117,496	317,115	10,341,400
Dodge & Cox Income Fund (DODIX)	4,950,668	-	-	-	-	-	41,189	156,810	5,148,667
Metropolitan West Total Return Bond Fund (MWTIX)	4,956,122	-	-	-	-	-	76,305	160,304	5,192,732
Global Fixed Income	2,071,525	-	-	-	-	-	102,995	-24,400	2,150,120
Templeton Global Bond (FBNRX)	2,071,525	-	-	-	-	-	102,995	-24,400	2,150,120
Alternative Investments	2,244,128	-	-	-	-	-	49,007	410	2,293,546
Blackrock Multi-Asset Inc-I (BKMIX)	2,244,128	-	-	-	-	-	49,007	410	2,293,546
Real Estate	5,077,990	-	-	-	-28,678	-	77,424	110,619	5,237,355
American Core Realty Fund	5,077,990	-	-	-	-28,678	-	77,424	110,619	5,237,355
Cash Accounts									
R&D Account	264,469	291,087	574,822	-702,063	-	-66,224	1,805	-	363,896
Total Fund Portfolio	50,319,912	-	574,822	-702,063	-39,311	-66,224	560,003	-534,938	50,112,200



Comparative Performance Trailing Returns

	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Total Fund Portfolio (Gross)	9.15 (30)	0.06 (57)	5.33 (16)	8.47 (48)	6.67 (17)	6.70 (54)	10/01/2001
Total Fund Policy	9.04 (31)	0.62 (32)	6.23 (5)	9.04 (21)	7.23 (5)	6.93 (35)	
All Public Plans-Total Fund Median	8.50	0.21	4.13	8.37	6.01	6.74	
Total Fund Portfolio (Net)	9.10	-0.02	5.13	8.11	6.20	6.29	10/01/2001
Total Fund Portfolio (AndCo Inception)	9.15 (30)	0.06 (57)	5.33 (16)	8.47 (48)	6.67 (17)	5.96 (24)	07/01/2007
Total Fund Policy	9.04 (31)	0.62 (32)	6.23 (5)	9.04 (21)	7.23 (5)	6.35 (11)	
All Public Plans-Total Fund Median	8.50	0.21	4.13	8.37	6.01	5.59	
Total Equity	13.54	-2.36	5.34	11.71	8.36	7.06	10/01/2001
Total Equity Policy	13.43	-2.23	6.60	12.69	9.12	7.79	
Domestic Equity	13.61 (52)	-2.62 (47)	7.52 (51)	12.20 (58)	9.65 (46)	7.22 (95)	10/01/2001
Russell 3000 Index	14.04 (39)	-2.27 (41)	8.77 (32)	13.49 (43)	10.36 (40)	8.39 (85)	
IM U.S. All Cap Core Equity (SA+CF) Median	13.66	-2.65	7.55	12.60	9.28	9.33	
International Equity	13.20 (18)	-1.05 (21)	-4.66 (49)	9.33 (20)	1.80 (73)	5.57 (26)	01/01/2006
International Equity Policy	10.44 (61)	-2.16 (33)	-3.74 (40)	8.61 (29)	3.05 (50)	3.74 (80)	
IM International Large Cap Equity (SA+CF+MF) Median	11.03	-3.52	-4.79	7.34	3.01	4.79	
Total Fixed Income	3.20	4.28	4.08	2.15	2.32	4.35	10/01/2001
Total Fixed Policy	2.94	4.63	4.48	1.76	2.34	4.10	
Domestic Fixed Income	3.45 (2)	4.39 (4)	4.51 (31)	1.69 (86)	2.36 (61)	4.23 (48)	10/01/2001
Total Fixed Policy	2.94 (10)	4.63 (2)	4.48 (34)	1.76 (83)	2.34 (64)	4.10 (55)	
IM U.S. Intermediate Duration (SA+CF) Median	2.45	3.90	4.36	2.04	2.43	4.18	
Global Fixed Income	2.01 (86)	3.79 (27)	2.19 (39)	4.33 (12)	2.04 (31)	3.99 (9)	10/01/2011
FTSE World Government Bond Index	1.74 (89)	3.53 (40)	-1.57 (76)	0.95 (88)	0.59 (85)	0.40 (92)	
IM Global Fixed Income (MF) Median	3.10	3.22	0.24	2.25	1.31	2.05	
Alternative Investments	6.99 (63)	2.20 (14)	4.50 (15)	6.05 (43)	N/A	3.54 (44)	06/01/2014
50% MSCI World/50% BC Agg	7.75 (51)	1.32 (30)	4.82 (13)	6.72 (28)	5.21 (16)	4.84 (16)	
IM Flexible Portfolio (MF) Median	7.77	-0.38	1.38	5.78	3.68	3.28	
Real Estate	1.74 (65)	3.71 (47)	8.20 (53)	7.65 (82)	9.82 (80)	10.53 (81)	10/01/2011
NCREIF Fund Index-Open End Diversified Core (EW)	1.69 (66)	3.33 (75)	7.74 (69)	8.17 (63)	10.34 (62)	10.91 (67)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.93	3.68	8.23	8.56	10.54	11.47	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



North Port Firefighters' Pension Plan
Trailing Returns
As of March 31, 2019

	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Domestic Equity Strategies							
Vanguard Equity Income Adm (VEIRX)	11.11 (59)	0.71 (9)	7.58 (14)	N/A	N/A	9.17 (18)	06/01/2017
Russell 1000 Value Index	11.93 (40)	-1.19 (22)	5.67 (33)	10.45 (47)	7.72 (32)	7.07 (48)	
IM U.S. Large Cap Value Equity (MF) Median	11.56	-2.83	4.23	10.28	7.12	6.88	
GAMCO	11.22 (72)	-4.33 (59)	2.77 (55)	8.42 (88)	7.03 (65)	8.84 (75)	05/01/2013
Russell 3000 Value Index	11.93 (61)	-1.76 (28)	5.30 (34)	10.50 (58)	7.56 (55)	9.68 (59)	
IM U.S. All Cap Value Equity (SA+CF) Median	12.50	-3.84	3.30	10.73	7.78	10.41	
Primecap Odyssey Growth Fund (POGRX)	12.47 (97)	-8.60 (100)	-0.61 (100)	N/A	N/A	12.69 (78)	06/01/2017
Russell 1000 Growth Index	16.10 (55)	-2.34 (60)	12.75 (41)	16.53 (42)	13.50 (24)	15.51 (43)	
IM U.S. Large Cap Growth Equity (MF) Median	16.26	-1.85	12.03	16.08	12.46	14.84	
MFS Growth Fund R-6 (MFEKX)	17.77 (11)	-0.22 (20)	14.95 (17)	N/A	N/A	17.54 (20)	06/01/2017
Russell 1000 Growth Index	16.10 (55)	-2.34 (60)	12.75 (41)	16.53 (42)	13.50 (24)	15.51 (43)	
IM U.S. Large Cap Growth Equity (MF) Median	16.26	-1.85	12.03	16.08	12.46	14.84	
Vanguard Total Stock Market Index Fund (VITSX)	14.04 (31)	-2.22 (35)	8.81 (16)	N/A	N/A	11.30 (19)	04/01/2017
Russell 3000 Index	14.04 (31)	-2.27 (36)	8.77 (17)	13.49 (12)	10.36 (8)	11.26 (19)	
IM U.S. Multi-Cap Core Equity (MF) Median	13.30	-3.12	5.52	11.47	8.21	9.21	
International Equity Strategies							
American Funds EuroPacific Gr R6 (RERGX)	13.20 (11)	-1.05 (3)	-4.66 (34)	9.33 (2)	4.27 (1)	8.82 (2)	06/01/2012
MSCI AC World ex USA	10.44 (35)	-2.16 (7)	-3.74 (20)	8.61 (6)	3.05 (1)	7.43 (36)	
IM International Large Cap Core Equity (MF) Median	10.04	-4.59	-5.89	6.36	1.45	7.01	
Fixed Income Strategies							
Dodge & Cox Income Fund (DODIX)	3.70 (15)	4.00 (69)	4.31 (34)	N/A	N/A	4.18 (55)	03/01/2018
Blmbg. Barc. U.S. Aggregate Index	2.94 (72)	4.63 (20)	4.48 (20)	2.03 (57)	2.74 (28)	4.75 (14)	
IM U.S. Broad Market Core Fixed Income (MF) Median	3.23	4.28	4.09	2.13	2.49	4.24	
Metropolitan West Total Return Bond Fund (MWTIX)	3.20 (53)	4.77 (8)	4.71 (10)	N/A	N/A	5.01 (8)	03/01/2018
Blmbg. Barc. U.S. Aggregate Index	2.94 (72)	4.63 (20)	4.48 (20)	2.03 (57)	2.74 (28)	4.75 (14)	
IM U.S. Broad Market Core Fixed Income (MF) Median	3.23	4.28	4.09	2.13	2.49	4.24	
Templeton Global Bond (FBNRX)	2.01 (86)	3.79 (27)	2.19 (39)	4.33 (12)	2.03 (31)	4.00 (9)	10/01/2011
FTSE World Government Bond Index	1.74 (89)	3.53 (40)	-1.57 (76)	0.95 (88)	0.59 (85)	0.40 (92)	
IM Global Fixed Income (MF) Median	3.10	3.22	0.24	2.25	1.31	2.05	

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North Port Firefighters' Pension Plan
Trailing Returns
As of March 31, 2019

	QTR	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Alternative Strategies							
Blackrock Multi-Asset Inc-I (BKMIX)	6.99 (63)	2.20 (14)	4.50 (15)	6.05 (43)	N/A	3.55 (44)	06/01/2014
50% MSCI World/50% BC Agg	7.75 (51)	1.32 (30)	4.82 (13)	6.72 (28)	5.21 (16)	4.84 (16)	
IM Flexible Portfolio (MF) Median	7.77	-0.38	1.38	5.78	3.68	3.28	
Real Estate Strategies							
American Core Realty Fund	1.74 (65)	3.71 (47)	8.20 (53)	7.65 (82)	9.82 (80)	10.53 (81)	10/01/2011
NCREIF Fund Index-Open End Diversified Core (EW)	1.69 (66)	3.33 (75)	7.74 (69)	8.17 (63)	10.34 (62)	10.91 (67)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.93	3.68	8.23	8.56	10.54	11.47	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



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North Port Firefighters' Pension Plan
Fiscal Year Returns
As of March 31, 2019

Comparative Performance Fiscal Year Returns

	FYTD	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015	Oct-2013 To Sep-2014	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011
Total Fund Portfolio (Gross)	0.06 (57)	9.64 (14)	11.43 (61)	8.00 (87)	1.82 (5)	9.78 (52)	15.34 (9)	18.95 (23)	-2.31 (95)
Total Fund Policy	0.62 (32)	9.39 (14)	11.84 (52)	10.96 (14)	0.41 (23)	11.13 (22)	12.93 (43)	18.95 (23)	1.45 (31)
All Public Plans-Total Fund Median	0.21	7.59	12.01	9.72	-0.78	9.83	12.45	17.45	0.50
Total Fund Portfolio (Net)	-0.02	9.43	10.94	7.38	1.22	9.04	14.65	18.16	-2.94
Total Equity	-2.36	15.09	16.85	10.41	0.29	12.35	24.14	28.10	-6.92
Total Equity Policy	-2.23	14.88	19.01	14.09	-2.46	15.56	20.87	27.57	-0.89
Domestic Equity	-2.62 (47)	18.09 (36)	16.05 (65)	11.10 (59)	3.62 (18)	12.95 (79)	25.82 (43)	28.56 (44)	-6.38 (97)
Russell 3000 Index	-2.27 (41)	17.58 (38)	18.71 (55)	14.96 (16)	-0.49 (51)	17.76 (32)	21.60 (79)	30.20 (30)	0.55 (60)
IM U.S. All Cap Core Equity (SA+CF) Median	-2.65	16.68	18.88	11.94	-0.47	16.38	24.50	27.38	1.04
International Equity	-1.05 (21)	1.47 (58)	20.64 (36)	6.82 (58)	-15.91 (94)	9.18 (9)	14.42 (92)	25.51 (2)	-9.80 (49)
International Equity	-2.16 (33)	2.25 (46)	20.15 (41)	9.80 (28)	-11.78 (86)	5.22 (44)	16.98 (79)	15.04 (66)	-8.94 (40)
IM International Large Cap Equity (SA+CF+MF) Median	-3.52	1.93	19.27	7.69	-7.27	4.80	21.12	16.84	-9.91
Total Fixed Income	4.28	-1.32	2.35	3.14	1.23	3.30	-0.77	6.22	4.93
Total Fixed Policy	4.63	-1.26	0.25	3.57	2.95	2.74	-0.71	4.31	4.52
Domestic Fixed Income	4.39 (4)	-1.17 (98)	0.18 (91)	3.61 (73)	3.07 (23)	2.67 (60)	-1.49 (97)	5.14 (63)	4.93 (8)
Total Fixed Policy	4.63 (2)	-1.26 (99)	0.25 (87)	3.57 (73)	2.95 (32)	2.74 (58)	-0.71 (77)	4.31 (84)	4.52 (17)
IM U.S. Intermediate Duration (SA+CF) Median	3.90	-0.38	0.69	3.90	2.70	2.88	-0.27	5.56	3.60
Global Fixed Income	3.79 (27)	-1.95 (67)	13.36 (1)	0.84 (100)	-7.53 (92)	6.44 (10)	3.39 (2)	13.25 (3)	N/A
FTSE World Government Bond Index	3.53 (40)	-1.54 (55)	-2.69 (94)	9.71 (20)	-3.83 (50)	-0.07 (96)	-4.60 (82)	3.29 (96)	4.61 (8)
IM Global Fixed Income (MF) Median	3.22	-1.29	1.02	7.42	-3.85	3.37	-1.81	7.17	1.74
Alternative Investments	2.20 (14)	2.64 (59)	7.82 (64)	7.39 (63)	-1.78 (24)	N/A	N/A	N/A	N/A
50% MSCI World/50% BC Agg	1.32 (30)	5.22 (33)	9.11 (50)	8.79 (47)	-0.71 (17)	8.39 (45)	9.16 (44)	13.82 (63)	0.99 (30)
IM Flexible Portfolio (MF) Median	-0.38	3.38	9.03	8.56	-4.23	8.00	8.24	15.70	-0.87
Real Estate	3.71 (47)	8.50 (66)	7.52 (67)	9.04 (97)	13.99 (69)	12.49 (64)	12.27 (70)	11.56 (64)	N/A
NCREIF Fund Index-Open End Diversified Core (EW)	3.33 (75)	8.82 (59)	7.81 (60)	10.62 (69)	14.71 (62)	12.39 (68)	12.47 (67)	11.77 (63)	18.03 (44)
IM U.S. Open End Private Real Estate (SA+CF) Median	3.68	9.04	8.29	11.32	15.45	12.78	13.18	12.87	16.96

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



North Port Firefighters' Pension Plan
Fiscal Year Returns
As of March 31, 2019

	FYTD	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015	Oct-2013 To Sep-2014	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011
Domestic Equity Strategies									
Vanguard Equity Income Adm (VEIRX)	0.71 (9)	10.70 (47)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 1000 Value Index	-1.19 (22)	9.45 (60)	15.12 (73)	16.19 (18)	-4.42 (40)	18.89 (20)	22.30 (52)	30.92 (16)	-1.89 (29)
IM U.S. Large Cap Value Equity (MF) Median	-2.83	10.41	16.79	12.58	-4.96	17.27	22.42	28.46	-3.43
GAMCO	-4.33 (59)	6.32 (92)	16.05 (68)	11.81 (70)	2.07 (7)	15.07 (55)	N/A	N/A	N/A
Russell 3000 Value Index	-1.76 (28)	9.46 (75)	15.53 (74)	16.38 (29)	-4.22 (67)	17.66 (25)	22.67 (72)	31.05 (19)	-2.22 (62)
IM U.S. All Cap Value Equity (SA+CF) Median	-3.84	12.17	17.68	14.57	-2.77	15.28	26.21	27.68	-1.21
Primecap Odyssey Growth Fund (POGRX)	-8.60 (100)	28.29 (24)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	-2.34 (60)	26.30 (39)	21.94 (28)	13.76 (18)	3.17 (45)	19.15 (23)	19.27 (52)	29.19 (35)	3.78 (17)
IM U.S. Large Cap Growth Equity (MF) Median	-1.85	25.08	20.13	10.96	2.85	16.89	19.35	27.38	0.51
MFS Growth Fund R-6 (MFEKX)	-0.22 (20)	29.09 (17)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	-2.34 (60)	26.30 (39)	21.94 (28)	13.76 (18)	3.17 (45)	19.15 (23)	19.27 (52)	29.19 (35)	3.78 (17)
IM U.S. Large Cap Growth Equity (MF) Median	-1.85	25.08	20.13	10.96	2.85	16.89	19.35	27.38	0.51
Brown Advisory Large Cap Growth	N/A	N/A	N/A	10.30 (68)	5.17 (30)	10.47 (97)	19.60 (59)	31.02 (24)	0.80 (57)
Russell 1000 Growth Index	-2.34 (61)	26.30 (36)	21.94 (37)	13.76 (23)	3.17 (55)	19.15 (40)	19.27 (63)	29.19 (39)	3.78 (30)
IM U.S. Large Cap Growth Equity (SA+CF) Median	-1.57	24.38	20.82	11.64	3.61	18.18	20.25	27.65	1.38
Vanguard Total Stock Market Index Fund (VITSX)	-2.22 (35)	17.62 (19)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 3000 Index	-2.27 (36)	17.58 (20)	18.71 (36)	14.96 (17)	-0.49 (32)	17.76 (32)	21.60 (59)	30.20 (18)	0.55 (30)
IM U.S. Multi-Cap Core Equity (MF) Median	-3.12	14.74	17.59	11.75	-1.81	16.34	22.72	27.01	-1.53
Moody Aldrich Focused Value	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26.31 (60)	-12.08 (100)
Russell 3000 Value Index	-1.76 (28)	9.46 (75)	15.53 (74)	16.38 (29)	-4.22 (67)	17.66 (25)	22.67 (72)	31.05 (19)	-2.22 (62)
IM U.S. All Cap Value Equity (SA+CF) Median	-3.84	12.17	17.68	14.57	-2.77	15.28	26.21	27.68	-1.21
International Equity Strategies									
American Funds EuroPacific Gr R6 (RERGX)	-1.05 (3)	1.47 (42)	20.64 (25)	8.52 (7)	-4.93 (5)	6.97 (12)	18.29 (74)	N/A	N/A
MSCI AC World ex USA	-2.16 (7)	2.25 (16)	20.15 (26)	9.80 (4)	-11.78 (77)	5.22 (30)	16.98 (75)	15.04 (47)	-10.42 (29)
IM International Large Cap Core Equity (MF) Median	-4.59	1.28	18.70	5.53	-8.03	4.30	21.75	14.76	-11.30
Wentworth, Hauser & Violich Int'l Portfolio	N/A	N/A	N/A	N/A	-21.13 (100)	10.51 (9)	12.73 (96)	25.12 (3)	-9.80 (61)
MSCI AC World ex USA	-2.16 (39)	2.25 (77)	20.15 (47)	9.80 (41)	-11.78 (98)	5.22 (47)	16.98 (84)	15.04 (79)	-10.42 (72)
IM International Large Cap Growth Equity (SA+CF) Median	-3.26	4.73	19.91	9.19	-5.00	4.75	20.59	18.75	-8.97

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



North Port Firefighters' Pension Plan
Fiscal Year Returns
As of March 31, 2019

	FYTD	Oct-2017 To Sep-2018	Oct-2016 To Sep-2017	Oct-2015 To Sep-2016	Oct-2014 To Sep-2015	Oct-2013 To Sep-2014	Oct-2012 To Sep-2013	Oct-2011 To Sep-2012	Oct-2010 To Sep-2011
Fixed Income Strategies									
Insight	N/A	N/A	0.18 (91)	3.59 (73)	2.95 (32)	2.78 (53)	-1.06 (90)	5.06 (65)	4.64 (14)
Bloomberg Barclays Intermed Aggregate Index	4.12 (19)	-0.93 (96)	0.25 (87)	3.57 (73)	2.95 (32)	2.74 (58)	-0.71 (77)	4.31 (84)	4.22 (23)
IM U.S. Intermediate Duration (SA+CF) Median	3.90	-0.38	0.69	3.90	2.70	2.88	-0.27	5.56	3.60
Cutwater TIPS Portfolio	N/A	N/A	N/A	N/A	N/A	N/A	-3.89 (17)	5.61 (98)	7.06 (89)
Blmbg. Barc. U.S. TIPS 1-10 Year	2.51 (83)	0.33 (91)	-0.14 (35)	4.83 (95)	-0.82 (56)	0.61 (81)	-3.90 (18)	6.32 (92)	7.19 (84)
IM U.S. TIPS (SA+CF) Median	2.77	0.43	-0.52	6.53	-0.79	1.57	-5.73	9.02	9.56
Dodge & Cox Income Fund (DODIX)	4.00 (69)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Blmbg. Barc. U.S. Aggregate Index	4.63 (20)	-1.22 (41)	0.07 (64)	5.19 (52)	2.94 (9)	3.96 (59)	-1.68 (53)	5.16 (81)	5.26 (14)
IM U.S. Broad Market Core Fixed Income (MF) Median	4.28	-1.35	0.48	5.21	1.98	4.19	-1.62	6.79	4.30
Metropolitan West Total Return Bond Fund (MWTIX)	4.77 (8)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Blmbg. Barc. U.S. Aggregate Index	4.63 (20)	-1.22 (41)	0.07 (64)	5.19 (52)	2.94 (9)	3.96 (59)	-1.68 (53)	5.16 (81)	5.26 (14)
IM U.S. Broad Market Core Fixed Income (MF) Median	4.28	-1.35	0.48	5.21	1.98	4.19	-1.62	6.79	4.30
Templeton Global Bond (FBNRX)	3.79 (27)	-1.95 (67)	13.36 (1)	0.84 (100)	-7.55 (92)	6.44 (10)	3.51 (2)	13.25 (3)	N/A
FTSE World Government Bond Index	3.53 (40)	-1.54 (55)	-2.69 (94)	9.71 (20)	-3.83 (50)	-0.07 (96)	-4.60 (82)	3.29 (96)	4.61 (8)
IM Global Fixed Income (MF) Median	3.22	-1.29	1.02	7.42	-3.85	3.37	-1.81	7.17	1.74
Alternative Strategies									
Blackrock Multi-Asset Inc-I (BKMIX)	2.20 (14)	2.64 (59)	7.82 (64)	7.39 (63)	-1.76 (23)	N/A	N/A	N/A	N/A
50% MSCI World/50% BC Agg	1.32 (30)	5.22 (33)	9.11 (50)	8.79 (47)	-0.71 (17)	8.39 (45)	9.16 (44)	13.82 (63)	0.99 (30)
IM Flexible Portfolio (MF) Median	-0.38	3.38	9.03	8.56	-4.23	8.00	8.24	15.70	-0.87
Real Estate Strategies									
American Core Realty Fund	3.71 (47)	8.50 (66)	7.52 (67)	9.04 (97)	13.99 (69)	12.49 (64)	12.27 (70)	11.56 (64)	N/A
NCREIF Fund Index-Open End Diversified Core (EW)	3.33 (75)	8.82 (59)	7.81 (60)	10.62 (69)	14.71 (62)	12.39 (68)	12.47 (67)	11.77 (63)	18.03 (44)
IM U.S. Open End Private Real Estate (SA+CF) Median	3.68	9.04	8.29	11.32	15.45	12.78	13.18	12.87	16.96

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

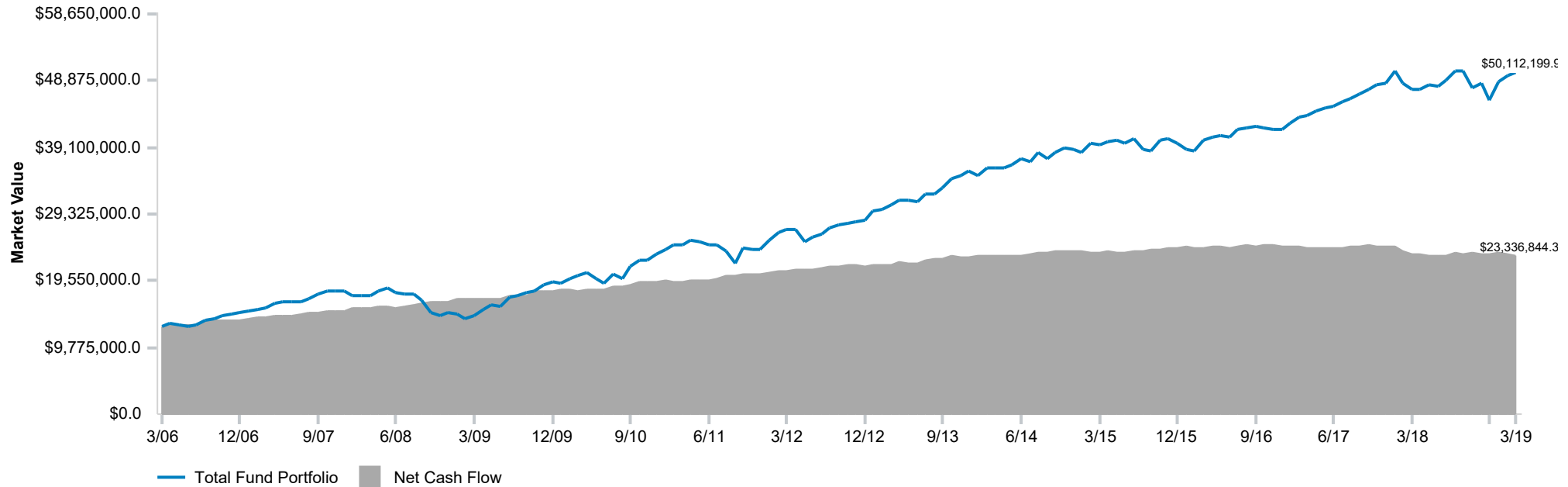


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North Port Firefighters' Pension Plan
Long-Term Performance
As of March 31, 2019

Plan Growth



Trailing Returns

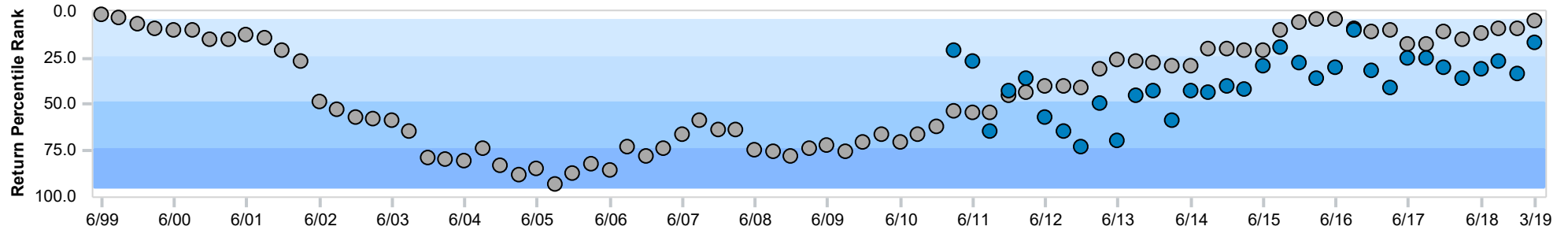
	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Total Fund Portfolio	9.15 (30)	9.15 (30)	5.33 (16)	8.15 (10)	8.47 (48)	6.67 (17)	7.91 (28)	10.04 (45)	6.73 (34)
Total Fund Policy	9.04 (31)	9.04 (31)	6.23 (5)	8.04 (12)	9.04 (21)	7.23 (5)	8.51 (10)	10.91 (14)	6.84 (26)
Median	8.50	8.50	4.13	7.11	8.37	6.01	7.39	9.83	6.47

Fiscal Year Returns

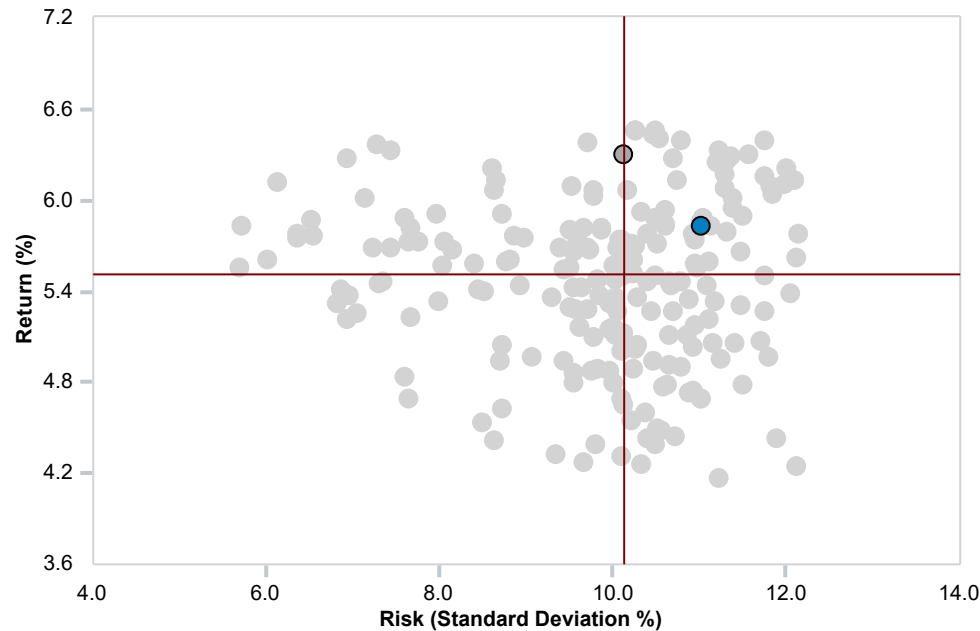
	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Total Fund Portfolio	0.06 (57)	9.64 (10)	11.43 (59)	8.00 (88)	1.82 (6)	9.78 (44)	15.34 (9)	18.95 (23)	-2.31 (95)
Total Fund Policy	0.62 (32)	9.39 (11)	11.84 (48)	10.96 (11)	0.41 (23)	11.13 (17)	12.93 (38)	18.95 (23)	1.45 (33)
Median	0.21	7.34	11.77	9.67	-0.62	9.47	12.18	16.97	0.59



5 Year Rolling Percentile Ranking

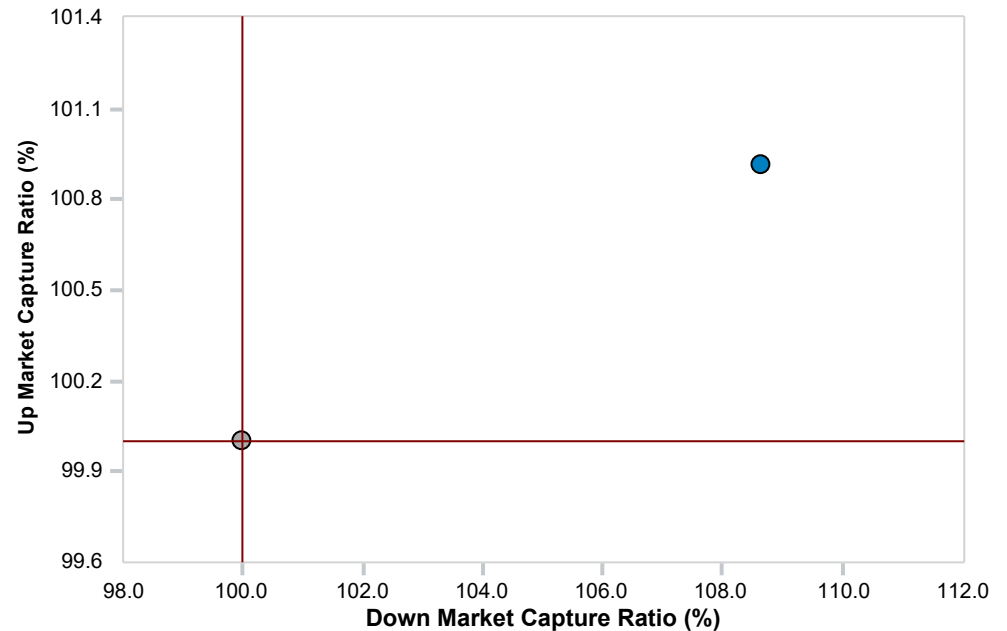


Risk vs Return: October 2007 to Present



● Total Fund Portfolio ● Total Fund Policy

Up/Down Markets: October 2007 to Present



● Total Fund Portfolio ● Total Fund Policy

Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Total Fund Portfolio	56.52	-26.72	-0.72	-0.35	0.51	-0.13	0.05	1.05	2.74
Total Fund Policy	0.00	-28.41	0.00	0.00	0.59	N/A	0.06	1.00	0.00

North Port Firefighters' Pension Plan
Compliance Statistics
As of March 31, 2019

Multi Timeperiod Statistics

	1 Qtr Return		1 Quarter Ending Dec-2018 Return		1 Quarter Ending Sep-2018 Return		1 Quarter Ending Jun-2018 Return		3 YR Return		5 YR Return		3 YR Down Market Capture		5 YR Down Market Capture	
Total Fund Portfolio (Gross)	9.15	(30)	-8.32	(63)	3.89	(8)	1.32	(44)	8.47	(48)	6.67	(17)	98.77	(52)	104.51	(61)
Total Fund Policy	9.04	(31)	-7.72	(48)	3.75	(9)	1.75	(24)	9.04	(21)	7.23	(5)	100.00		100.00	
All Public Plans-Total Fund Median	8.50		-7.75		2.70		1.19		8.37		6.01		99.79		111.42	
Total Fund Portfolio (Net)	9.10		-8.36		3.83		1.28		8.11		6.20		99.78		107.47	
Total Fund Policy	9.04		-7.72		3.75		1.75		9.04		7.23		100.00		100.00	
Total Equity	13.54		-14.01		5.69		2.08		11.71		8.36		92.10		97.76	
Total Equity Policy	13.43		-13.80		6.04		2.82		12.69		9.12		100.00		100.00	
Domestic Equity	13.61	(42)	-14.28	(60)	7.05	(54)	3.14	(43)	12.20	(62)	9.65	(70)	91.83	(58)	90.92	(61)
Russell 3000 Index	14.04	(30)	-14.30	(61)	7.12	(52)	3.89	(20)	13.49	(34)	10.36	(51)	100.00		100.00	
IM U.S. Large Cap Core Equity (SA+CF) Median	13.23		-13.84		7.15		2.90		12.88		10.38		95.60		93.36	
International Equity	13.20	(18)	-12.59	(38)	-0.84	(89)	-2.82	(70)	9.33	(20)	1.80	(73)	114.39	(57)	117.95	(17)
International Equity Policy	10.44	(61)	-11.41	(23)	0.80	(48)	-2.39	(62)	8.61	(29)	3.05	(50)	100.00		100.00	
IM International Large Cap Equity (SA+CF+MF) Median	11.03		-13.31		0.72		-1.91		7.34		3.01		117.27		103.94	
Total Fixed Income	3.20		1.05		0.45		-0.64		2.15		2.32		64.00		59.55	
Total Fixed Policy	2.94		1.64		0.02		-0.16		1.76		2.34		100.00		100.00	
Domestic Fixed Income	3.45	(2)	0.91	(83)	0.33	(63)	-0.21	(98)	1.69	(86)	2.36	(61)	107.12	(2)	102.26	(5)
Total Fixed Policy	2.94	(10)	1.64	(23)	0.02	(98)	-0.16	(97)	1.76	(83)	2.34	(64)	100.00		100.00	
IM U.S. Intermediate Duration (SA+CF) Median	2.45		1.39		0.37		0.12		2.04		2.43		77.85		81.96	
Global Fixed Income	2.01	(86)	1.75	(10)	1.02	(8)	-2.54	(52)	4.33	(12)	2.04	(31)	-50.37	(100)	-31.81	(100)
FTSE World Government Bond Index	1.74	(89)	1.75	(10)	-1.62	(97)	-3.35	(64)	0.95	(88)	0.59	(85)	100.00		100.00	
IM Global Fixed Income (MF) Median	3.10		0.35		-0.39		-2.29		2.25		1.31		52.78		63.42	
Alternative Investments	6.99		-4.48		2.13		0.11		6.05		N/A		67.45		N/A	
50% MSCI World/50% BC Agg	7.75		-5.97		2.54		0.88		6.72		5.21		100.00		100.00	
Real Estate	1.74	(65)	1.94	(28)	2.19	(47)	2.09	(66)	7.65	(82)	9.82	(80)	N/A		N/A	
NCREIF Fund Index-Open End Diversified Core (EW)	1.69	(66)	1.62	(65)	2.09	(54)	2.13	(61)	8.17	(63)	10.34	(62)	N/A		N/A	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.93		1.76		2.10		2.22		8.56		10.54		N/A		N/A	



North Port Firefighters' Pension Plan
Compliance Statistics
As of March 31, 2019

	1 Qtr Return		1 Quarter Ending Dec-2018 Return		1 Quarter Ending Sep-2018 Return		1 Quarter Ending Jun-2018 Return		3 YR Return		5 YR Return		3 YR Down Market Capture		5 YR Down Market Capture	
Domestic Equity Strategies																
Vanguard Equity Income Adm (VEIRX)	11.11	(59)	-9.36	(8)	5.34	(69)	1.40	(48)	N/A		N/A		N/A		N/A	
Russell 1000 Value Index	11.93	(40)	-11.72	(29)	5.70	(57)	1.18	(58)	10.45	(47)	7.72	(32)	100.00		100.00	
IM U.S. Large Cap Value Equity (MF) Median	11.56		-12.94		5.93		1.37		10.28		7.12		106.65		101.62	
GAMCO	11.22	(72)	-13.98	(40)	5.13	(47)	2.18	(53)	8.42	(88)	7.03	(65)	121.71	(26)	105.38	(35)
Russell 3000 Value Index	11.93	(61)	-12.24	(22)	5.39	(42)	1.71	(68)	10.50	(58)	7.56	(55)	100.00		100.00	
IM U.S. All Cap Value Equity (SA+CF) Median	12.50		-14.74		4.95		2.33		10.73		7.78		108.64		98.13	
Primecap Odyssey Growth Fund (POGRX)	12.47	(97)	-18.73	(97)	9.51	(5)	-0.70	(100)	N/A		N/A		N/A		N/A	
Russell 1000 Growth Index	16.10	(55)	-15.89	(53)	9.17	(11)	5.76	(51)	16.53	(42)	13.50	(24)	100.00		100.00	
IM U.S. Large Cap Growth Equity (MF) Median	16.26		-15.76		7.78		5.77		16.08		12.46		99.27		103.18	
MFS Growth Fund R-6 (MFEKX)	17.77	(11)	-15.28	(42)	8.09	(42)	6.58	(29)	N/A		N/A		N/A		N/A	
Russell 1000 Growth Index	16.10	(55)	-15.89	(53)	9.17	(11)	5.76	(51)	16.53	(42)	13.50	(24)	100.00		100.00	
IM U.S. Large Cap Growth Equity (MF) Median	16.26		-15.76		7.78		5.77		16.08		12.46		99.27		103.18	
Vanguard Total Stock Market Index Fund (VITSX)	14.04	(31)	-14.26	(47)	7.09	(23)	3.91	(18)	N/A		N/A		N/A		N/A	
Russell 3000 Index	14.04	(31)	-14.30	(48)	7.12	(20)	3.89	(19)	13.49	(12)	10.36	(8)	100.00		100.00	
IM U.S. Multi-Cap Core Equity (MF) Median	13.30		-14.37		5.83		2.65		11.47		8.21		100.02		102.78	
International Equity Strategies																
American Funds EuroPacific Gr R6 (RERGX)	13.20	(11)	-12.59	(25)	-0.84	(98)	-2.82	(87)	9.33	(2)	4.27	(1)	114.39	(67)	97.27	(96)
MSCI AC World ex USA	10.44	(35)	-11.41	(5)	0.80	(34)	-2.39	(84)	8.61	(6)	3.05	(1)	100.00		100.00	
IM International Large Cap Core Equity (MF) Median	10.04		-13.73		0.49		-1.75		6.36		1.45		120.24		112.01	
Domestic Fixed Income Strategies																
Dodge & Cox Income Fund (DODIX)	3.70	(15)	0.29	(86)	0.64	(5)	-0.33	(64)	N/A		N/A		N/A		N/A	
Blmbg. Barc. U.S. Aggregate Index	2.94	(72)	1.64	(11)	0.02	(65)	-0.16	(30)	2.03	(57)	2.74	(28)	100.00		100.00	
IM U.S. Broad Market Core Fixed Income (MF) Median	3.23		0.99		0.09		-0.25		2.13		2.49		97.32		99.27	
Metropolitan West Total Return Bond Fund (MWTIX)	3.20	(53)	1.53	(18)	0.03	(62)	-0.09	(20)	N/A		N/A		N/A		N/A	
Blmbg. Barc. U.S. Aggregate Index	2.94	(72)	1.64	(11)	0.02	(65)	-0.16	(30)	2.03	(57)	2.74	(28)	100.00		100.00	
IM U.S. Broad Market Core Fixed Income (MF) Median	3.23		0.99		0.09		-0.25		2.13		2.49		97.32		99.27	
Global Fixed Income Strategies																
Templeton Global Bond (FBNRX)	2.01	(86)	1.75	(10)	1.02	(8)	-2.54	(52)	4.33	(12)	2.03	(31)	-50.37	(100)	-31.76	(100)
FTSE World Government Bond Index	1.74	(89)	1.75	(10)	-1.62	(97)	-3.35	(64)	0.95	(88)	0.59	(85)	100.00		100.00	
IM Global Fixed Income (MF) Median	3.10		0.35		-0.39		-2.29		2.25		1.31		52.78		63.42	



North Port Firefighters' Pension Plan
Compliance Statistics
As of March 31, 2019

	1 Qtr Return		1 Quarter Ending Dec-2018 Return		1 Quarter Ending Sep-2018 Return		1 Quarter Ending Jun-2018 Return		3 YR Return		5 YR Return		3 YR Down Market Capture		5 YR Down Market Capture	
Alternative Strategies																
Blackrock Multi-Asset Inc-I (BKMIX)	6.99	(63)	-4.48	(18)	2.13	(41)	0.11	(54)	6.05	(43)	N/A		67.45	(87)		N/A
50% MSCI World/50% BC Agg	7.75	(51)	-5.97	(30)	2.54	(35)	0.88	(37)	6.72	(28)	5.21	(16)	100.00			100.00
IM Flexible Portfolio (MF) Median	7.77		-7.65		1.74		0.27		5.78		3.68		119.10			138.75
Real Estate Strategies																
American Core Realty Fund	1.74	(65)	1.94	(28)	2.19	(47)	2.09	(66)	7.65	(82)	9.82	(80)	N/A			N/A
NCREIF Fund Index-Open End Diversified Core (EW)	1.69	(66)	1.62	(65)	2.09	(54)	2.13	(61)	8.17	(63)	10.34	(62)	N/A			N/A
IM U.S. Open End Private Real Estate (SA+CF) Median	1.93		1.76		2.10		2.22		8.56		10.54		N/A			N/A

North Port Firefighters' Pension Plan
Fee Analysis
As of March 31, 2019

	Estimated Annual Fee (%)	03/31/19 Market Value	03/31/19 Allocation (%)	Estimated Annual Fee (\$)
Domestic Equity				
Vanguard Equity Income Adm (VEIRX)	0.17	3,299,506	6.58	5,609
GAMCO	0.75	2,849,511	5.69	21,371
Primecap Odyssey Growth Fund (POGRX)	0.65	2,866,889	5.72	18,635
MFS Growth Fund R-6 (MFEKX)	0.61	3,048,210	6.08	18,594
Vanguard Total Stock Market Index Fund (VITSX)	0.04	12,758,294	25.46	5,103
International Equity				
American Funds EuroPacific Gr R6 (RERGX)	0.49	4,903,474	9.78	24,027
Domestic Fixed Income				
Metropolitan West Total Return Bond Fund (MWTIX)	0.44	5,192,732	10.36	22,848
Dodge & Cox Income Fund (DODIX)	0.43	5,148,667	10.27	22,139
Global Fixed Income				
Templeton Global Bond (FBNRX)	0.51	2,150,120	4.29	10,966
Real Estate				
American Core Realty Fund	1.10	5,237,355	10.45	57,611
Alternatives				
Blackrock Multi-Asset Inc-I (BKMIX)	0.52	2,293,546	4.58	11,926
Cash Accounts				
R&D Account	0.00	363,896	0.73	-
Total Fund Portfolio	0.44	50,112,200	100.00	218,830

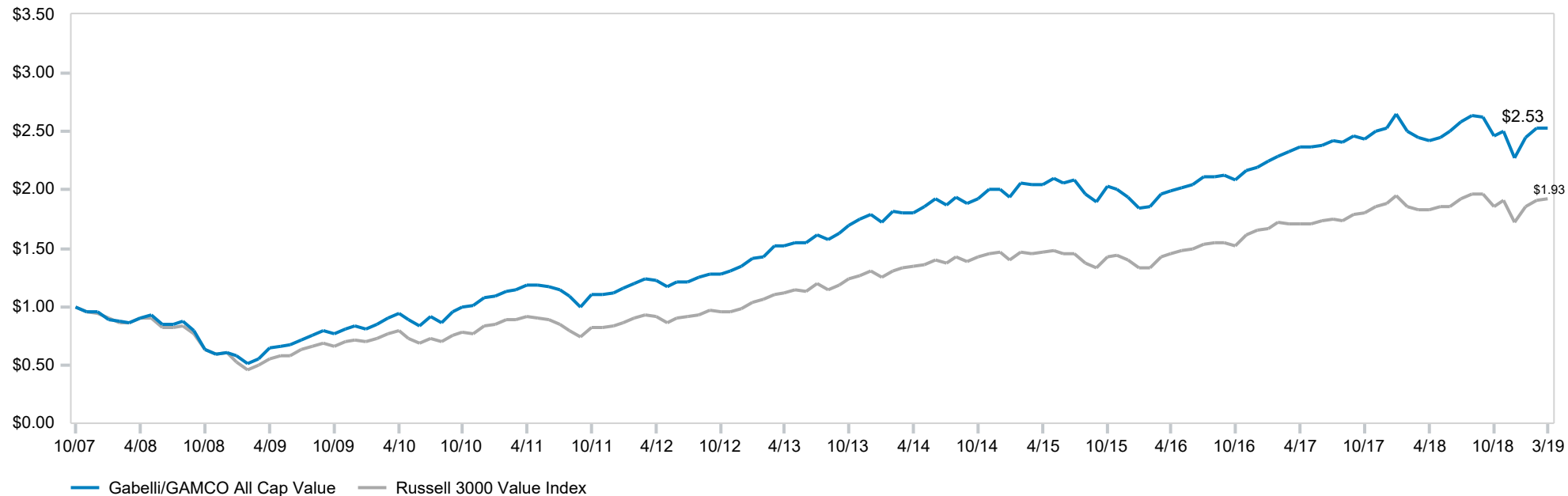


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Long-Term Manager Composite Data

Growth of a Dollar



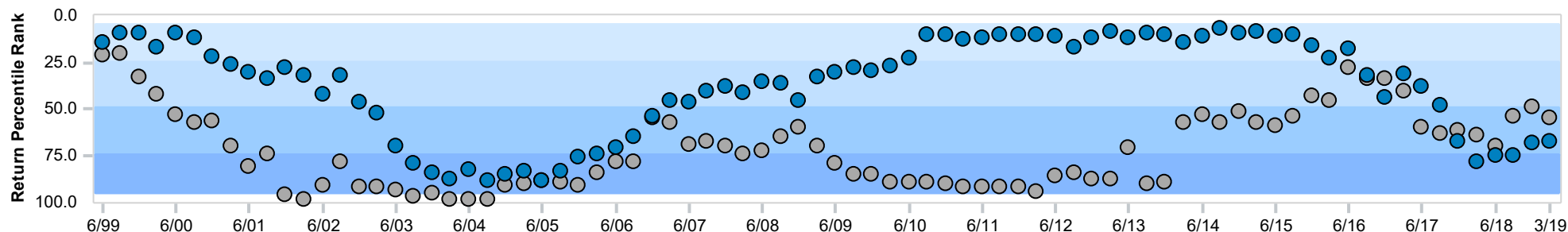
Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Gabelli/GAMCO All Cap Value	11.32 (72)	11.32 (72)	3.30 (50)	4.27 (82)	8.64 (85)	6.97 (67)	10.80 (62)	16.48 (23)	10.20 (10)
Russell 3000 Value Index	11.93 (61)	11.93 (61)	5.30 (34)	6.05 (59)	10.50 (58)	7.56 (55)	11.02 (56)	14.50 (65)	7.60 (81)
Median	12.50	12.50	3.30	7.11	10.73	7.78	11.15	15.14	8.83

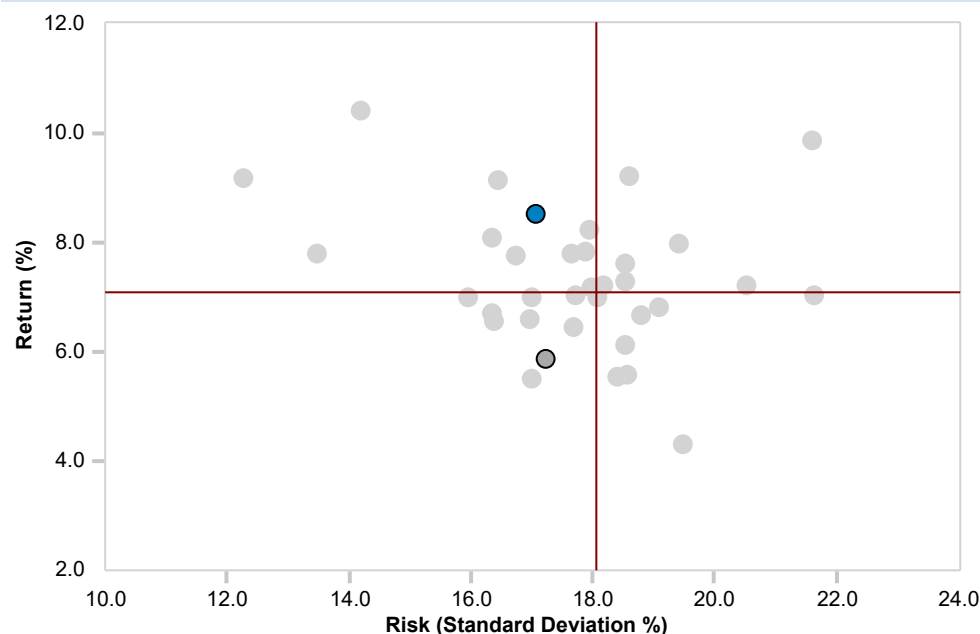
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Gabelli/GAMCO All Cap Value	-3.70 (47)	6.60 (91)	15.70 (73)	12.01 (66)	0.89 (14)	15.76 (43)	27.63 (41)	27.31 (53)	5.09 (10)
Russell 3000 Value Index	-1.76 (28)	9.46 (75)	15.53 (74)	16.38 (29)	-4.22 (67)	17.66 (25)	22.67 (72)	31.05 (19)	-2.22 (62)
Median	-3.84	12.17	17.68	14.57	-2.77	15.28	26.21	27.68	-1.21

5 Year Rolling Percentile Ranking

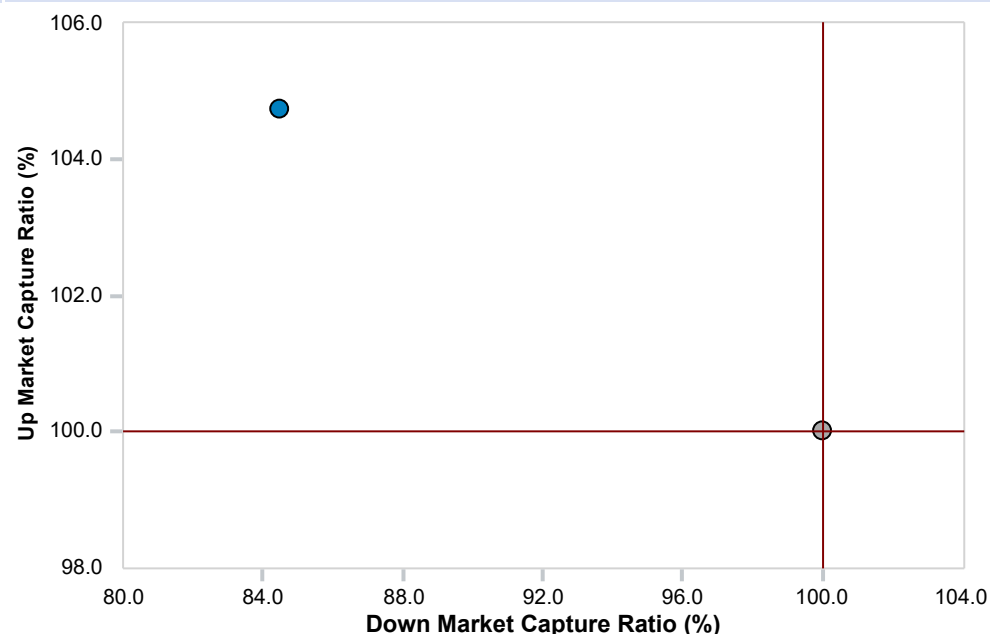


Risk vs Return: October 2007 to Present



● Gabelli/GAMCO All Cap Value ● Russell 3000 Value Index

Up/Down Markets: October 2007 to Present



● Gabelli/GAMCO All Cap Value ● Russell 3000 Value Index

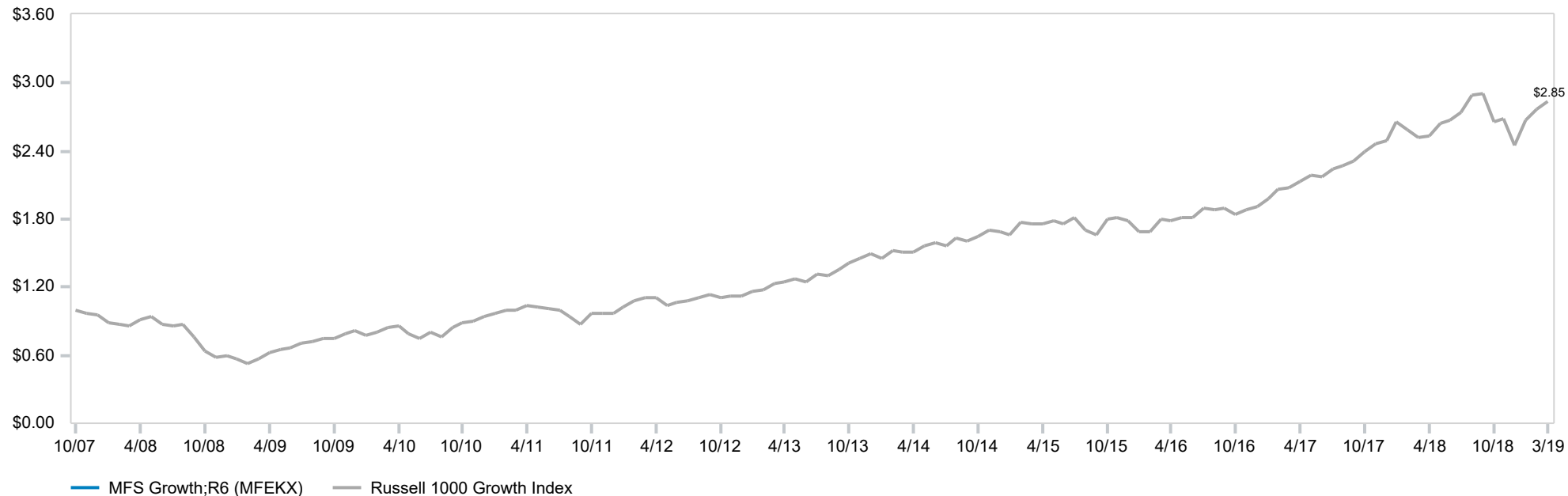
Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Gabelli/GAMCO All Cap Value	56.52	-44.33	2.77	2.45	0.53	0.58	0.09	0.96	4.25
Russell 3000 Value Index	0.00	-50.22	0.00	0.00	0.38	N/A	0.07	1.00	0.00

Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. All Cap Value Equity (SA+CF)



Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
MFS Growth;R6 (MFEKX)	17.77 (11)	17.77 (11)	14.95 (17)	20.16 (16)	18.14 (22)	13.75 (19)	14.91 (10)	N/A	N/A
Russell 1000 Growth Index	16.10 (55)	16.10 (55)	12.75 (41)	16.92 (48)	16.53 (42)	13.50 (24)	14.34 (19)	17.52 (17)	9.71 (27)
Median	16.26	16.26	12.03	16.72	16.08	12.46	13.28	16.16	9.01

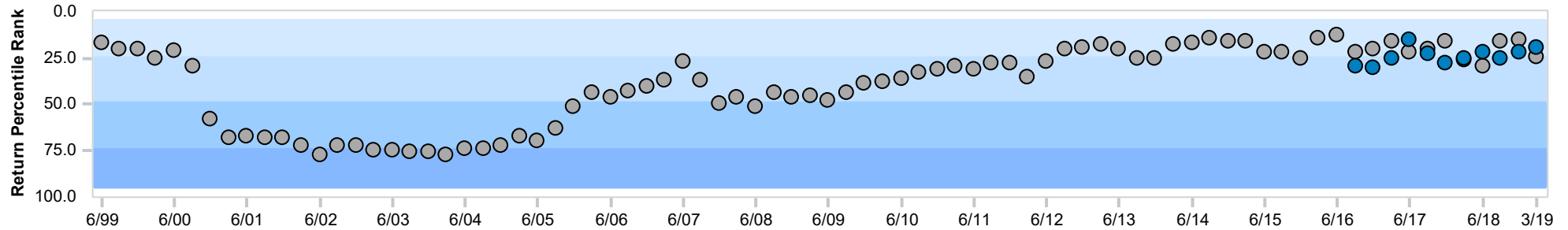
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
MFS Growth;R6 (MFEKX)	-0.22 (20)	29.09 (17)	20.84 (40)	13.24 (22)	4.06 (35)	14.93 (75)	23.22 (17)	27.37 (51)	N/A
Russell 1000 Growth Index	-2.34 (60)	26.30 (39)	21.94 (28)	13.76 (18)	3.17 (45)	19.15 (23)	19.27 (52)	29.19 (35)	3.78 (17)
Median	-1.85	25.08	20.13	10.96	2.85	16.89	19.35	27.38	0.51

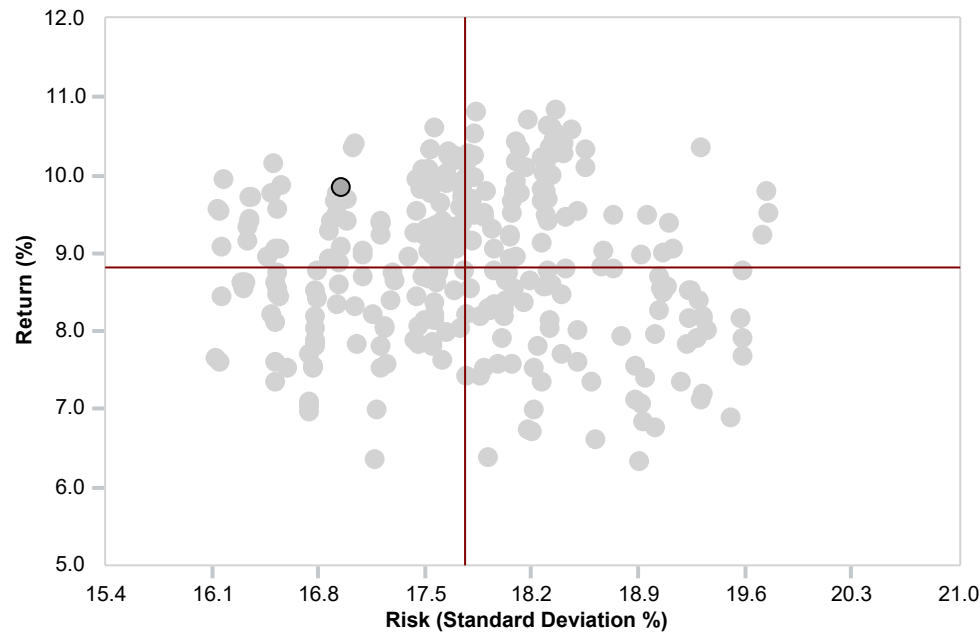
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Large Cap Growth Equity (MF)



5 Year Rolling Percentile Ranking

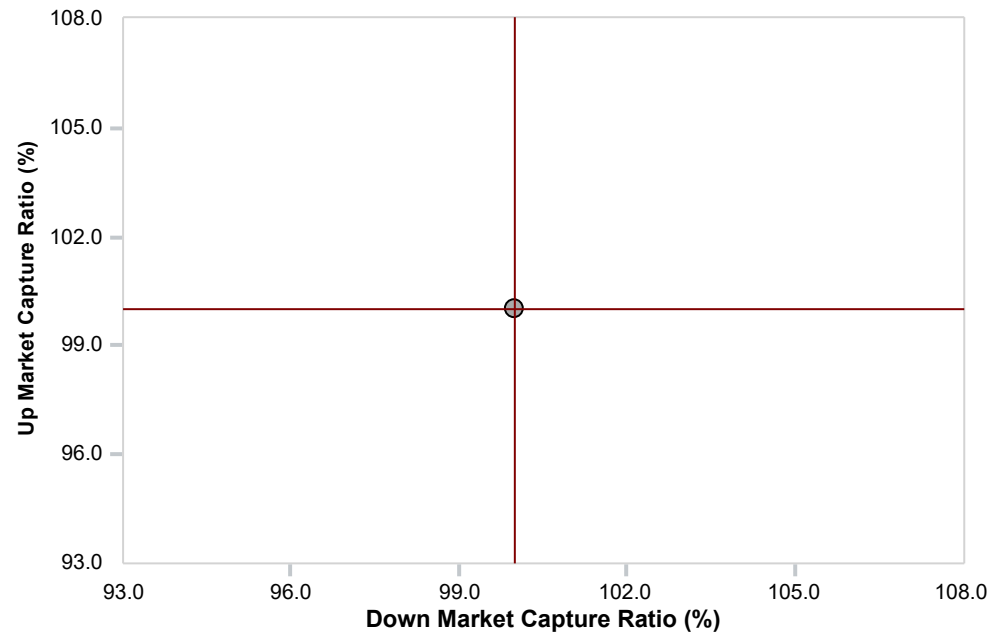


Risk vs Return: October 2007 to Present



● MFS Growth;R6 (MFEKX) ● Russell 1000 Growth Index

Up/Down Markets: October 2007 to Present



● MFS Growth;R6 (MFEKX) ● Russell 1000 Growth Index

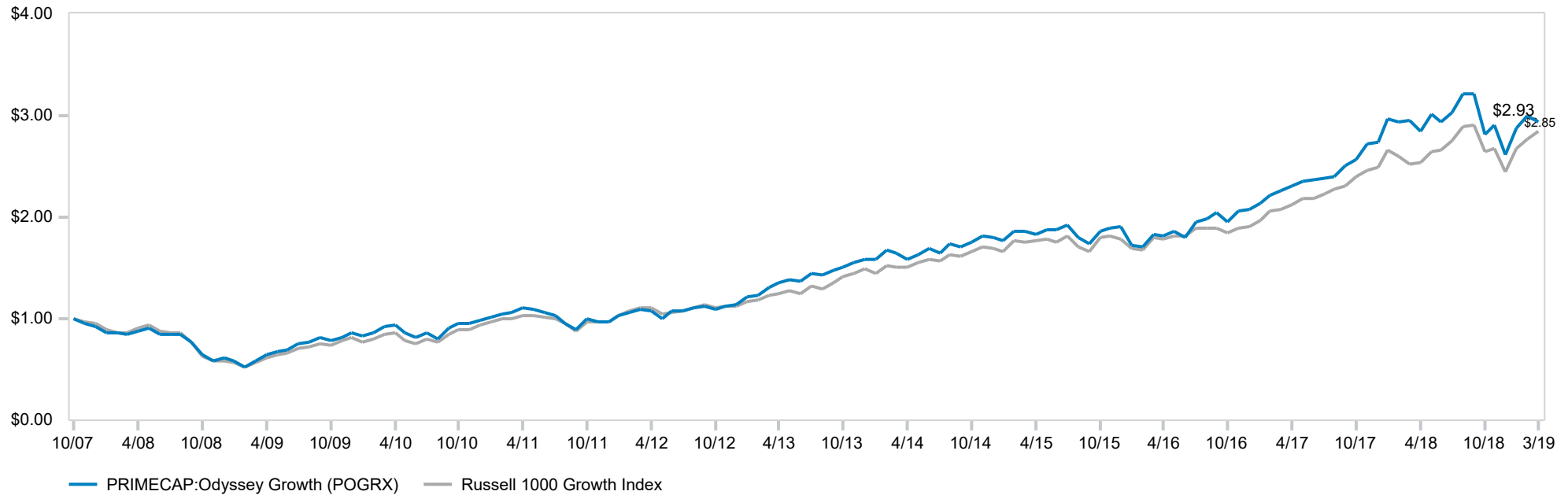
Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
MFS Growth;R6 (MFEKX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	0.00	-41.43	0.00	0.00	0.61	N/A	0.10	1.00	0.00

Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Large Cap Growth Equity (MF)



Growth of a Dollar



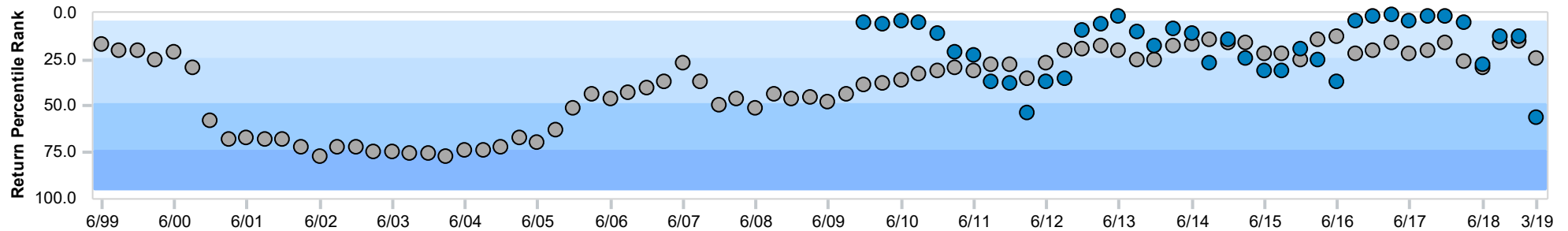
Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
PRIMECAP:Odyssey Growth (POGRX)	12.47 (97)	12.47 (97)	-0.61 (100)	14.00 (82)	16.89 (38)	12.27 (56)	15.24 (8)	17.52 (17)	N/A
Russell 1000 Growth Index	16.10 (55)	16.10 (55)	12.75 (41)	16.92 (48)	16.53 (42)	13.50 (24)	14.34 (19)	17.52 (17)	9.71 (27)
Median	16.26	16.26	12.03	16.72	16.08	12.46	13.28	16.16	9.01

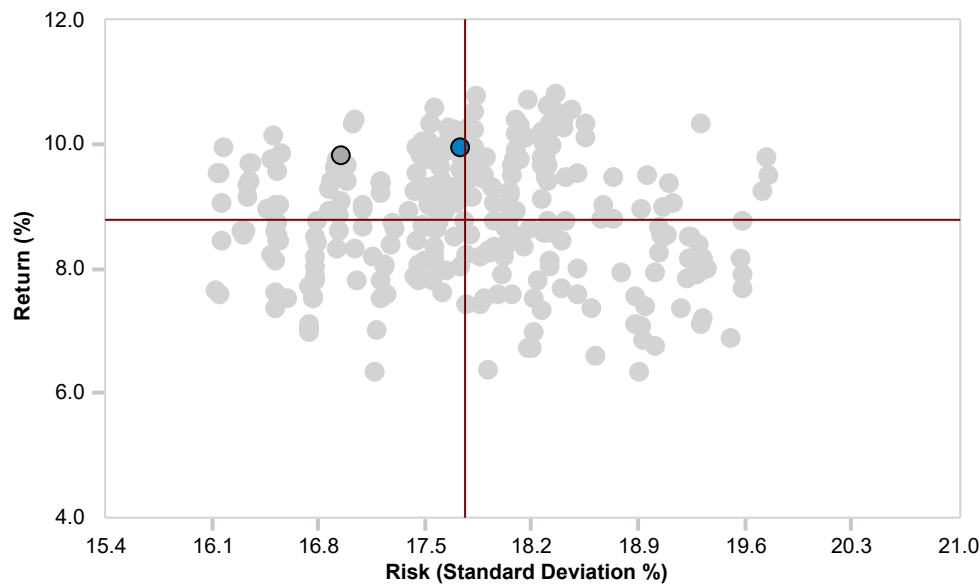
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
PRIMECAP:Odyssey Growth (POGRX)	-8.60 (100)	28.28 (24)	22.65 (21)	17.44 (2)	2.15 (60)	15.16 (74)	32.24 (1)	25.89 (62)	-1.55 (70)
Russell 1000 Growth Index	-2.34 (60)	26.30 (39)	21.94 (28)	13.76 (18)	3.17 (45)	19.15 (23)	19.27 (52)	29.19 (35)	3.78 (17)
Median	-1.85	25.08	20.13	10.96	2.85	16.89	19.35	27.38	0.51

5 Year Rolling Percentile Ranking

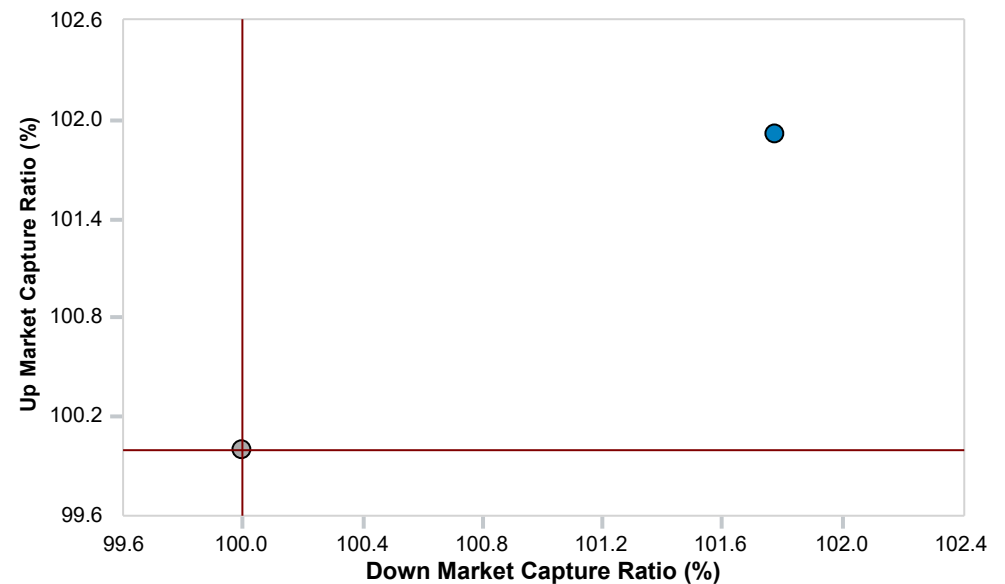


Risk vs Return: October 2007 to Present



- PRIMECAP:Odyssey Growth (POGRX)
- Russell 1000 Growth Index

Up/Down Markets: October 2007 to Present



- PRIMECAP:Odyssey Growth (POGRX)
- Russell 1000 Growth Index

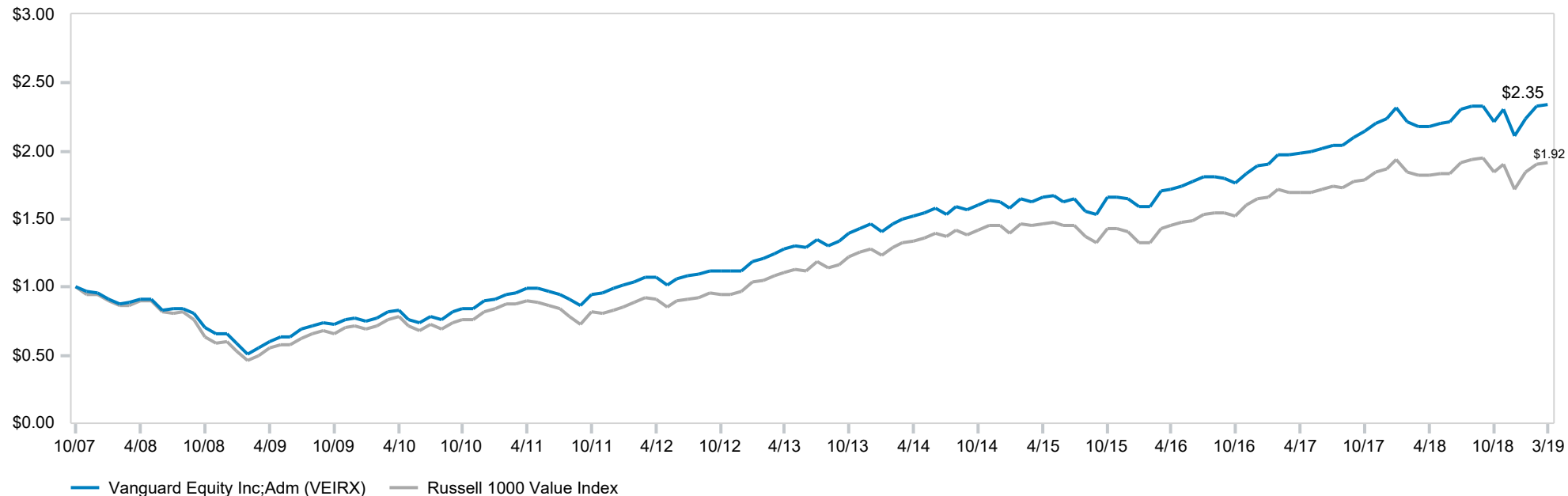
Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
PRIMECAP:Odyssey Growth (POGRX)	52.17	-40.86	0.41	0.22	0.59	0.04	0.11	0.98	6.09
Russell 1000 Growth Index	0.00	-41.43	0.00	0.00	0.61	N/A	0.10	1.00	0.00

Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Large Cap Growth Equity (MF)



Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Vanguard Equity Inc;Adm (VEIRX)	11.11 (59)	11.11 (59)	7.58 (14)	8.99 (13)	11.26 (24)	9.38 (3)	11.82 (9)	15.42 (11)	8.98 (3)
Russell 1000 Value Index	11.93 (40)	11.93 (40)	5.67 (33)	6.31 (54)	10.45 (47)	7.72 (32)	11.14 (18)	14.52 (24)	7.63 (26)
Median	11.56	11.56	4.23	6.51	10.28	7.12	10.23	13.41	6.99

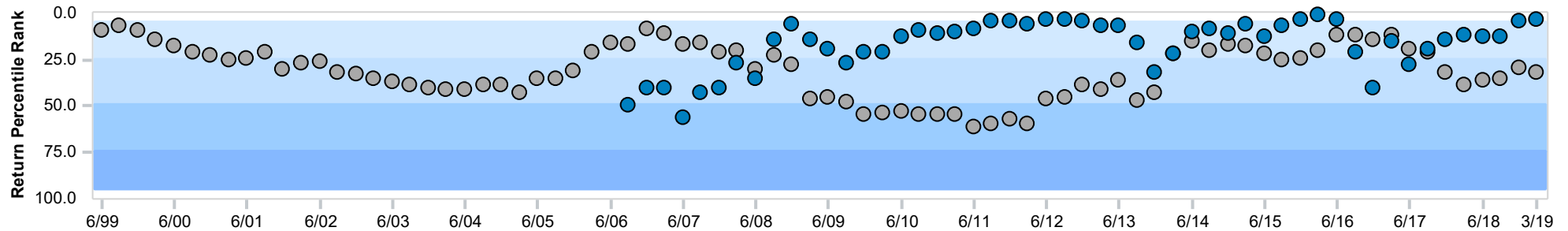
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Vanguard Equity Inc;Adm (VEIRX)	0.71 (9)	10.70 (47)	16.75 (51)	17.35 (13)	-2.03 (9)	16.70 (61)	19.61 (82)	29.06 (43)	6.10 (1)
Russell 1000 Value Index	-1.19 (22)	9.45 (60)	15.12 (73)	16.19 (18)	-4.42 (40)	18.89 (20)	22.30 (52)	30.92 (16)	-1.89 (29)
Median	-2.83	10.41	16.79	12.58	-4.96	17.27	22.42	28.46	-3.43

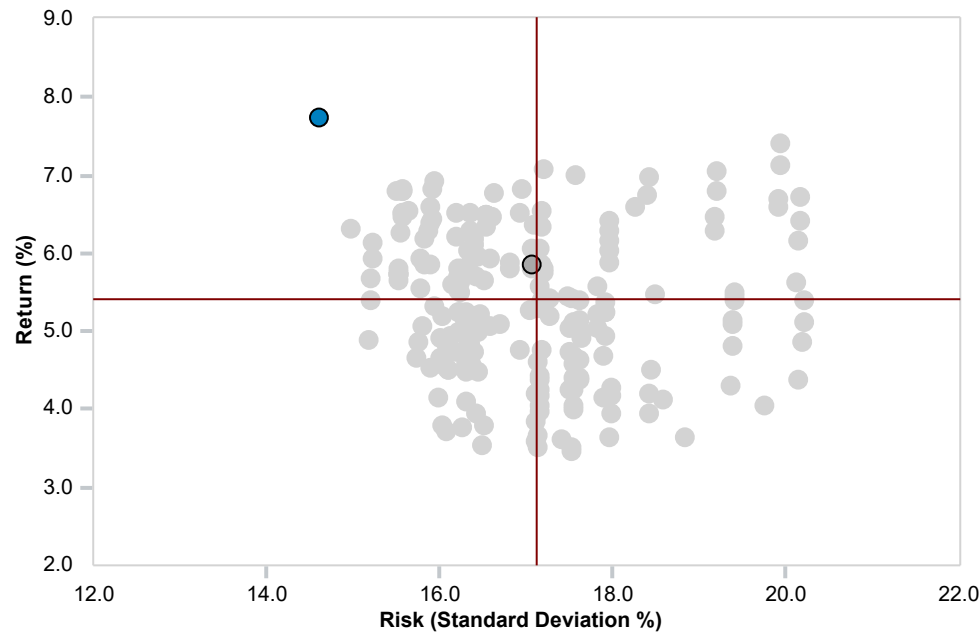
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Large Cap Value Equity (MF)



5 Year Rolling Percentile Ranking

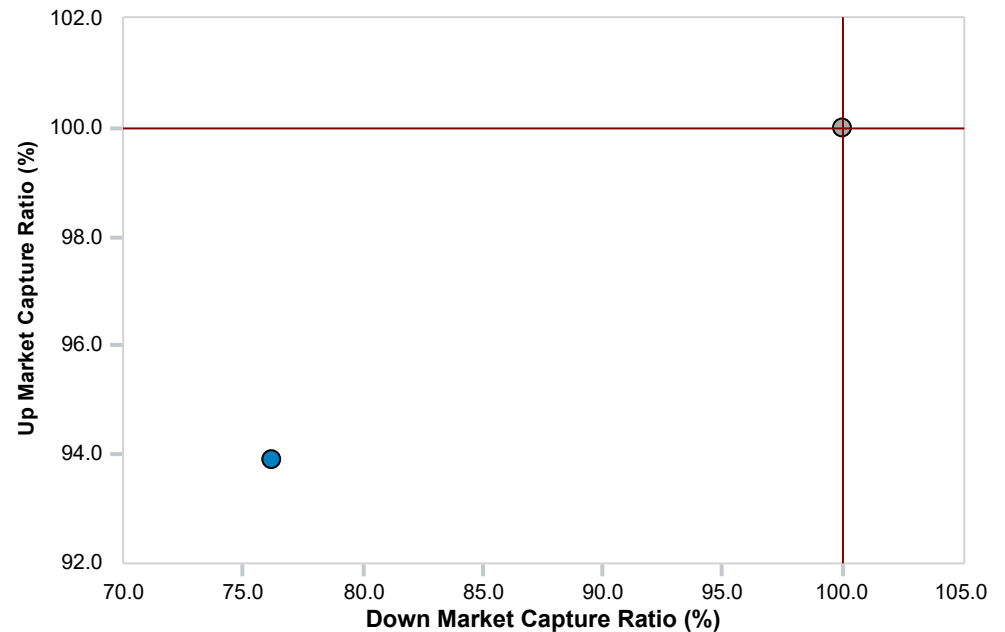


Risk vs Return: October 2007 to Present



● Vanguard Equity Inc;Adm (VEIRX) ● Russell 1000 Value Index

Up/Down Markets: October 2007 to Present



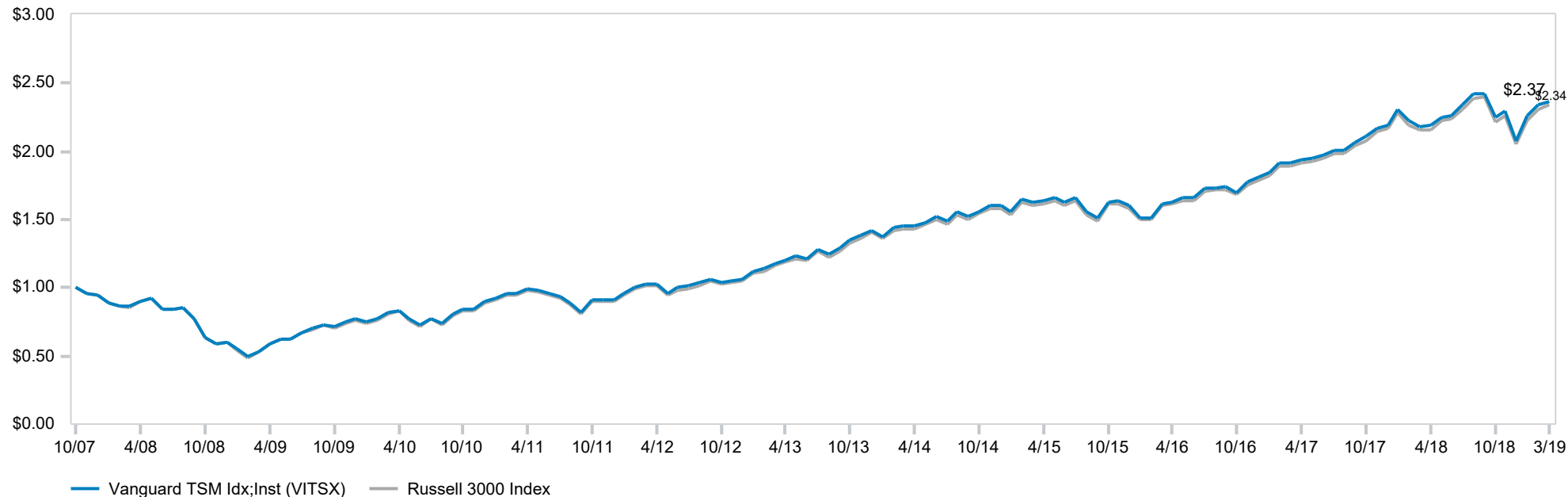
● Vanguard Equity Inc;Adm (VEIRX) ● Russell 1000 Value Index

Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Vanguard Equity Inc;Adm (VEIRX)	56.52	-43.88	2.53	1.38	0.54	0.39	0.09	0.84	3.59
Russell 1000 Value Index	0.00	-50.48	0.00	0.00	0.38	N/A	0.07	1.00	0.00

Vanguard TSM Idx;Inst (VITSX)
Long-Term Composite Performance
As of March 31, 2019

Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Vanguard TSM Idx;Inst (VITSX)	14.04 (31)	14.04 (31)	8.81 (16)	11.30 (18)	13.52 (11)	10.34 (9)	12.61 (12)	16.06 (11)	8.82 (12)
Russell 3000 Index	14.04 (31)	14.04 (31)	8.77 (17)	11.26 (19)	13.49 (12)	10.36 (8)	12.63 (11)	16.00 (14)	8.68 (16)
Median	13.30	13.30	5.52	9.21	11.47	8.21	11.05	14.40	7.63

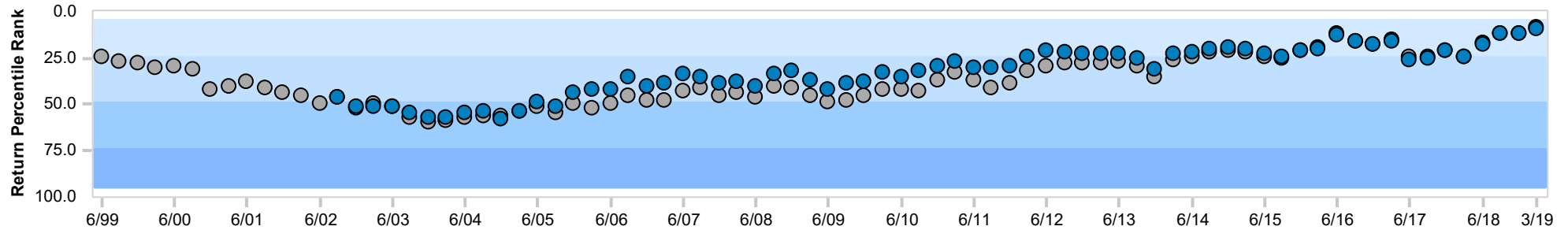
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Vanguard TSM Idx;Inst (VITSX)	-2.22 (35)	17.62 (19)	18.64 (38)	15.00 (16)	-0.57 (34)	17.76 (32)	21.52 (61)	30.24 (17)	0.72 (26)
Russell 3000 Index	-2.27 (36)	17.58 (20)	18.71 (36)	14.96 (17)	-0.49 (32)	17.76 (32)	21.60 (59)	30.20 (18)	0.55 (30)
Median	-3.12	14.74	17.59	11.75	-1.81	16.34	22.72	27.01	-1.53

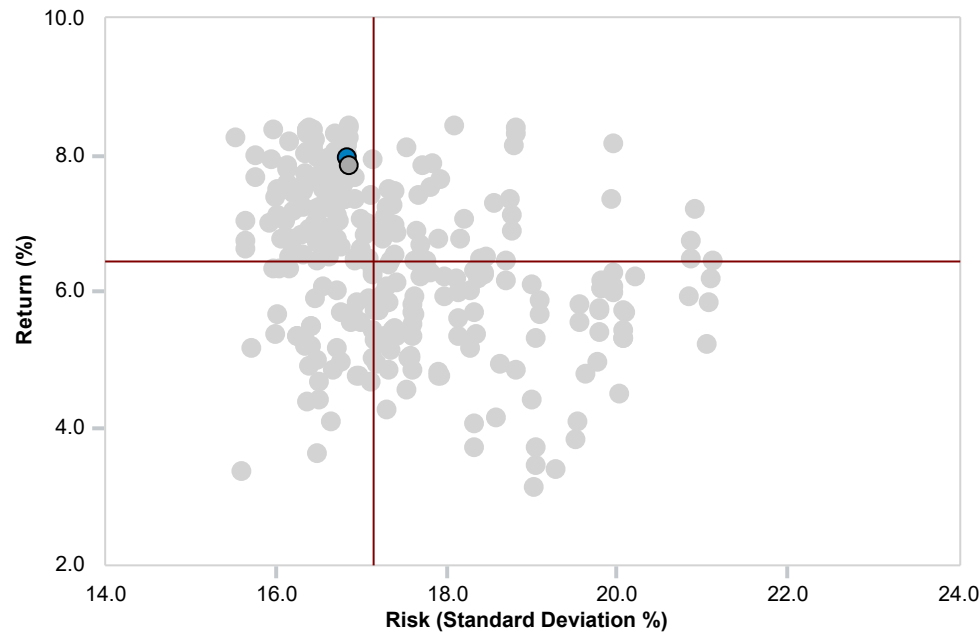
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Multi-Cap Core Equity (MF)



5 Year Rolling Percentile Ranking

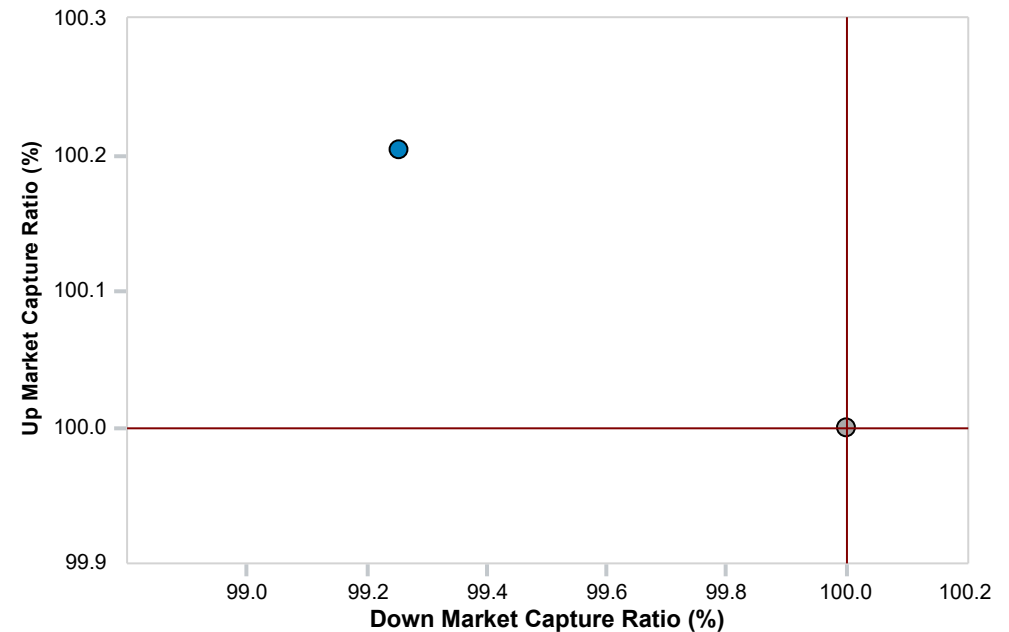


Risk vs Return: October 2007 to Present



● Vanguard TSM Idx;Inst (VITSX) ● Russell 3000 Index

Up/Down Markets: October 2007 to Present



● Vanguard TSM Idx;Inst (VITSX) ● Russell 3000 Index

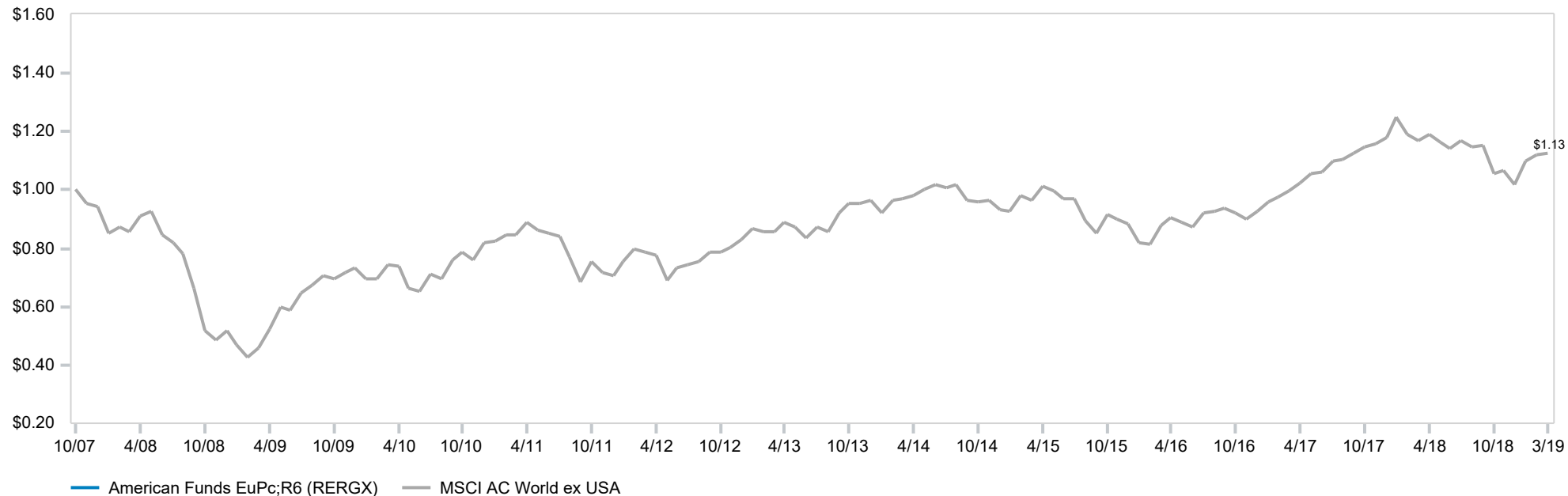
Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Vanguard TSM Idx;Inst (VITSX)	58.70	-45.55	0.12	0.11	0.50	0.84	0.09	1.00	0.13
Russell 3000 Index	0.00	-45.95	0.00	0.00	0.50	N/A	0.08	1.00	0.00

Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Multi-Cap Core Equity (MF)



Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
American Funds EuPc;R6 (RERGX)	13.20 (11)	13.20 (11)	-4.66 (34)	7.49 (8)	9.33 (2)	4.27 (1)	6.88 (1)	N/A	N/A
MSCI AC World ex USA	10.44 (35)	10.44 (35)	-3.74 (20)	6.15 (9)	8.61 (6)	3.05 (1)	5.21 (28)	9.35 (24)	6.06 (13)
Median	10.04	10.04	-5.89	3.68	6.36	1.45	4.65	8.24	5.09

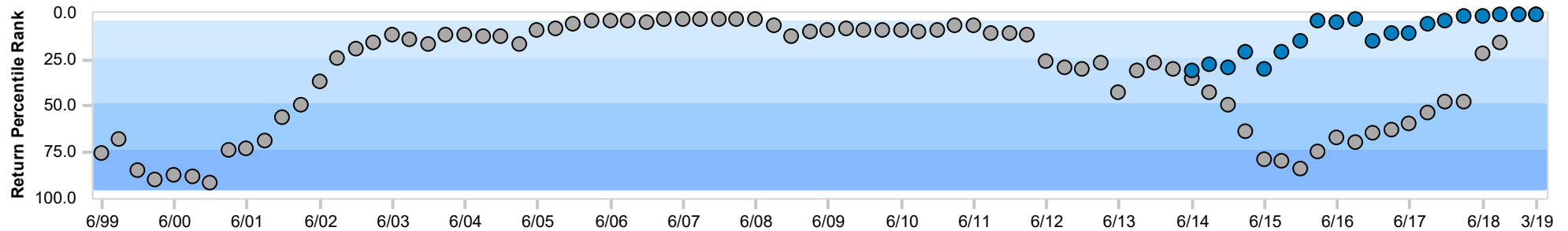
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
American Funds EuPc;R6 (RERGX)	-1.05 (3)	1.47 (42)	20.63 (25)	8.52 (7)	-4.93 (5)	6.98 (12)	18.28 (74)	18.44 (13)	-12.34 (74)
MSCI AC World ex USA	-2.16 (7)	2.25 (16)	20.15 (26)	9.80 (4)	-11.78 (77)	5.22 (30)	16.98 (75)	15.04 (47)	-10.42 (29)
Median	-4.59	1.28	18.70	5.53	-8.03	4.30	21.75	14.76	-11.30

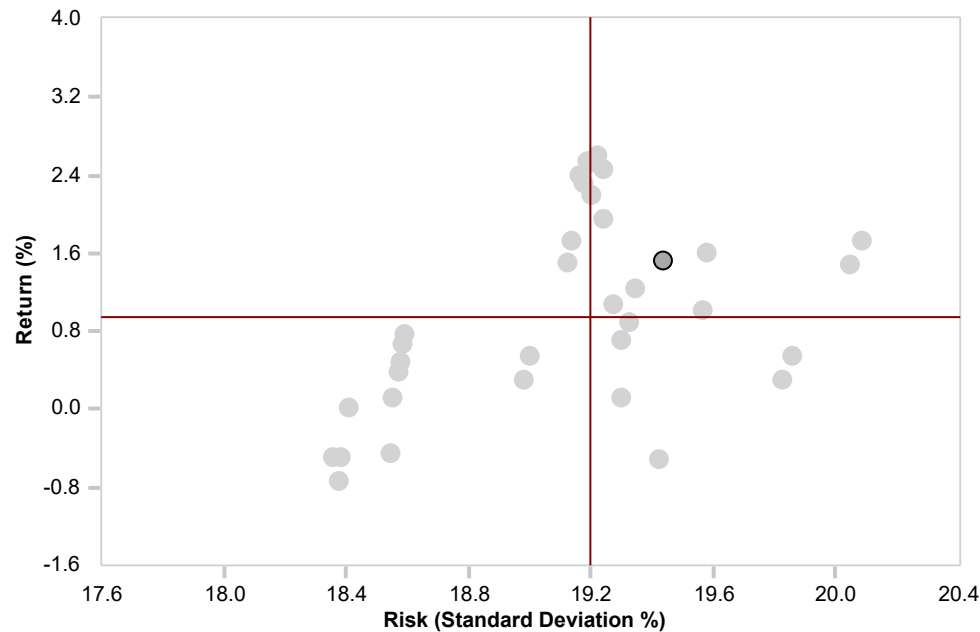
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM International Large Cap Core Equity (MF)



5 Year Rolling Percentile Ranking

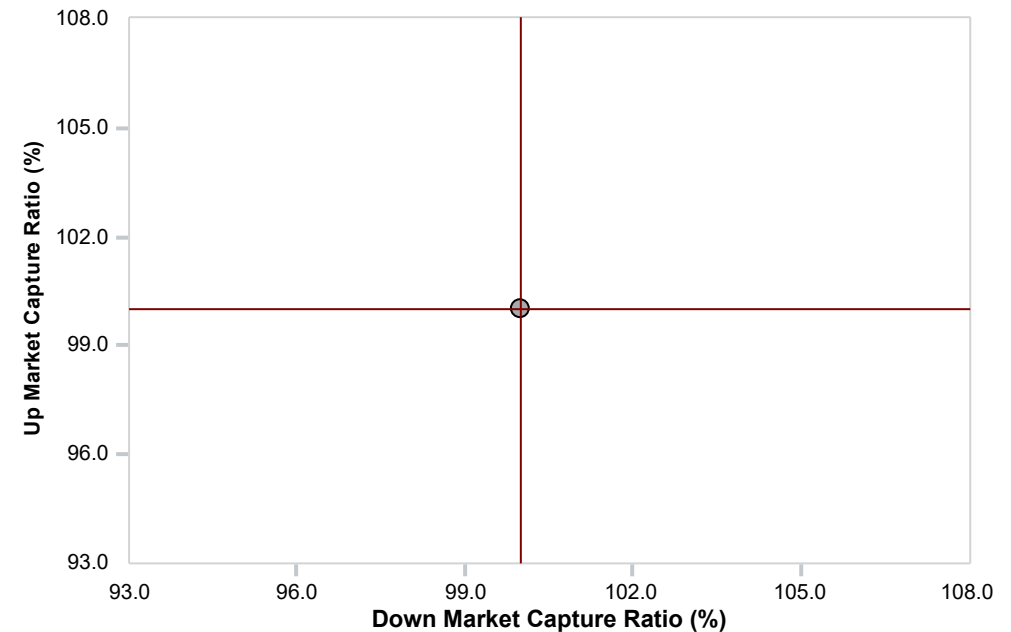


Risk vs Return: October 2007 to Present



● American Funds EuPc;R6 (RERGX) ● MSCI AC World ex USA

Up/Down Markets: October 2007 to Present



● American Funds EuPc;R6 (RERGX) ● MSCI AC World ex USA

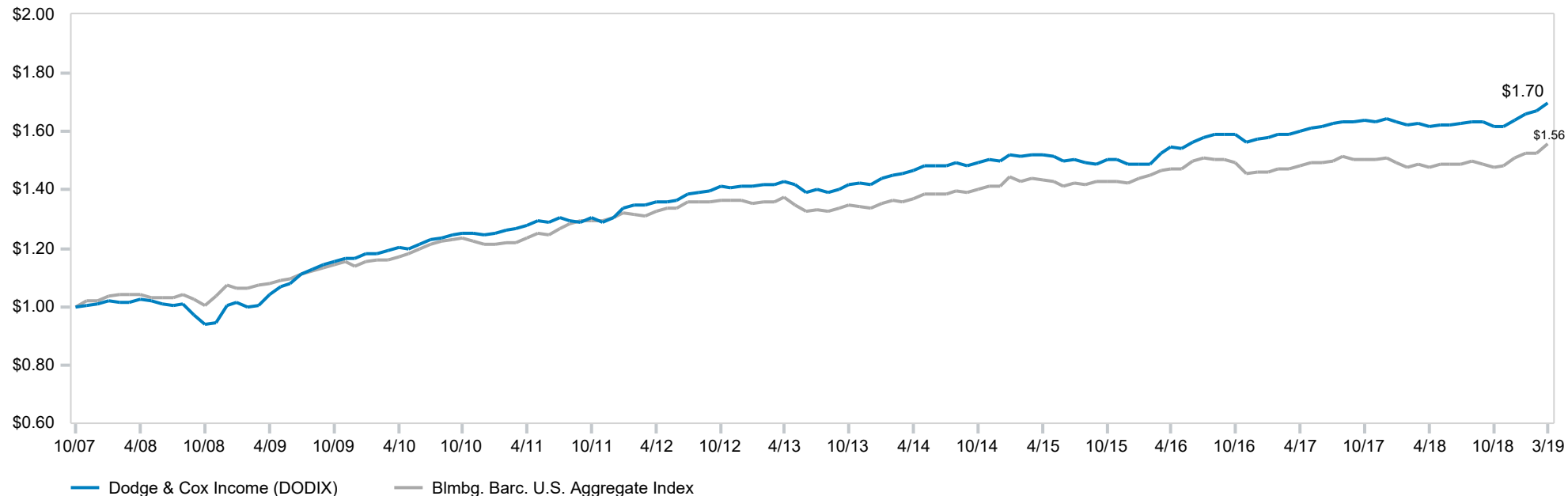
Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
American Funds EuPc;R6 (RERGX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA	0.00	-51.36	0.00	0.00	0.14	N/A	0.03	1.00	0.00

Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM International Large Cap Core Equity (MF)



Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Dodge & Cox Income (DODIX)	3.70 (15)	3.70 (15)	4.31 (34)	3.26 (10)	3.64 (3)	3.15 (8)	3.36 (5)	5.37 (17)	4.48 (6)
Blmbg. Barc. U.S. Aggregate Index	2.94 (72)	2.94 (72)	4.48 (20)	2.83 (30)	2.03 (57)	2.74 (28)	2.48 (48)	3.77 (76)	3.89 (35)
Median	3.23	3.23	4.09	2.63	2.13	2.49	2.45	4.50	3.72

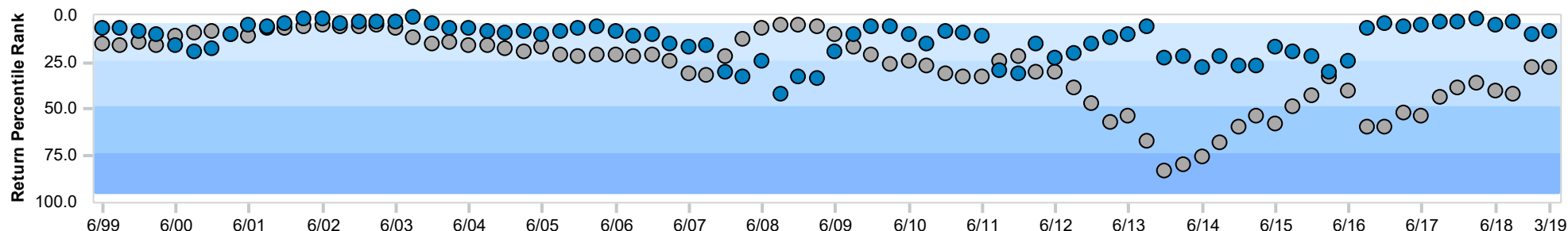
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Dodge & Cox Income (DODIX)	4.00 (70)	-0.12 (7)	2.57 (3)	7.09 (3)	0.16 (94)	5.76 (9)	0.46 (5)	8.37 (15)	3.55 (72)
Blmbg. Barc. U.S. Aggregate Index	4.63 (20)	-1.22 (41)	0.07 (64)	5.19 (52)	2.94 (9)	3.96 (59)	-1.68 (53)	5.16 (81)	5.26 (14)
Median	4.28	-1.35	0.48	5.21	1.98	4.19	-1.62	6.79	4.30

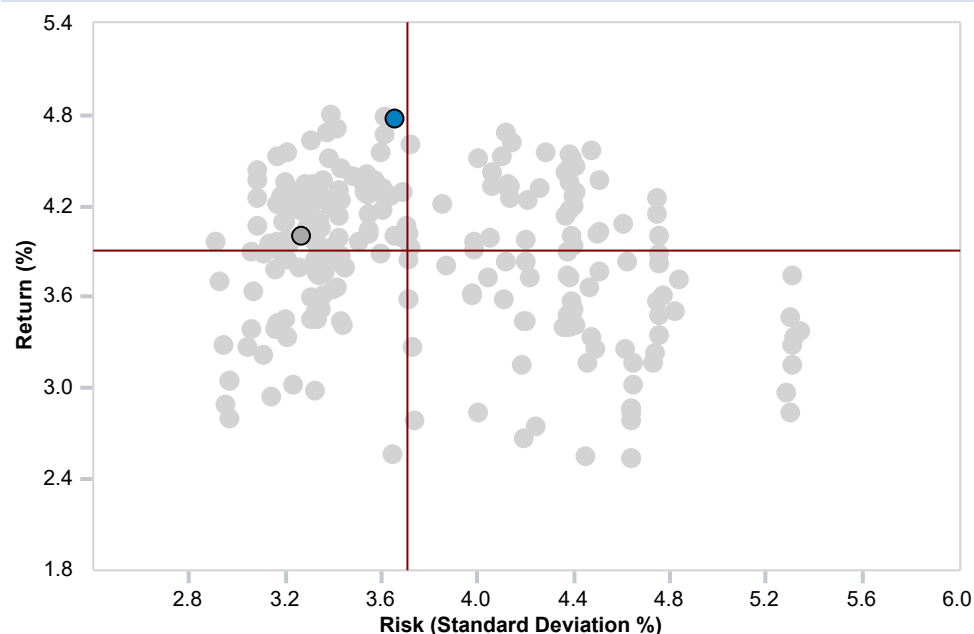
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Broad Market Core Fixed Income (IMF)



5 Year Rolling Percentile Ranking

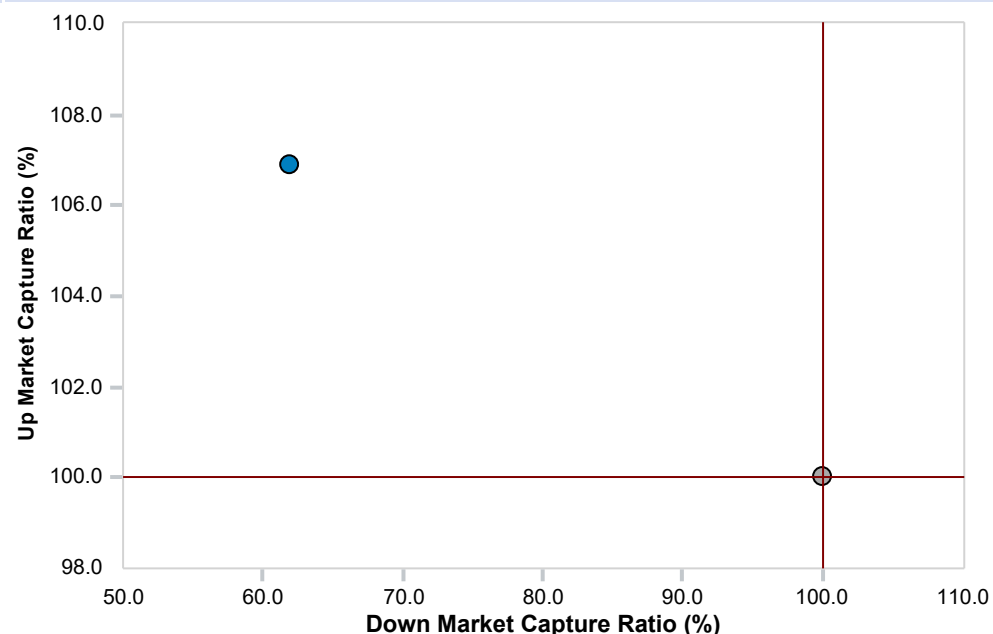


Risk vs Return: October 2007 to Present



● Dodge & Cox Income (DODIX) ● Blmbg. Barc. U.S. Aggregate Index

Up/Down Markets: October 2007 to Present



● Dodge & Cox Income (DODIX) ● Blmbg. Barc. U.S. Aggregate Index

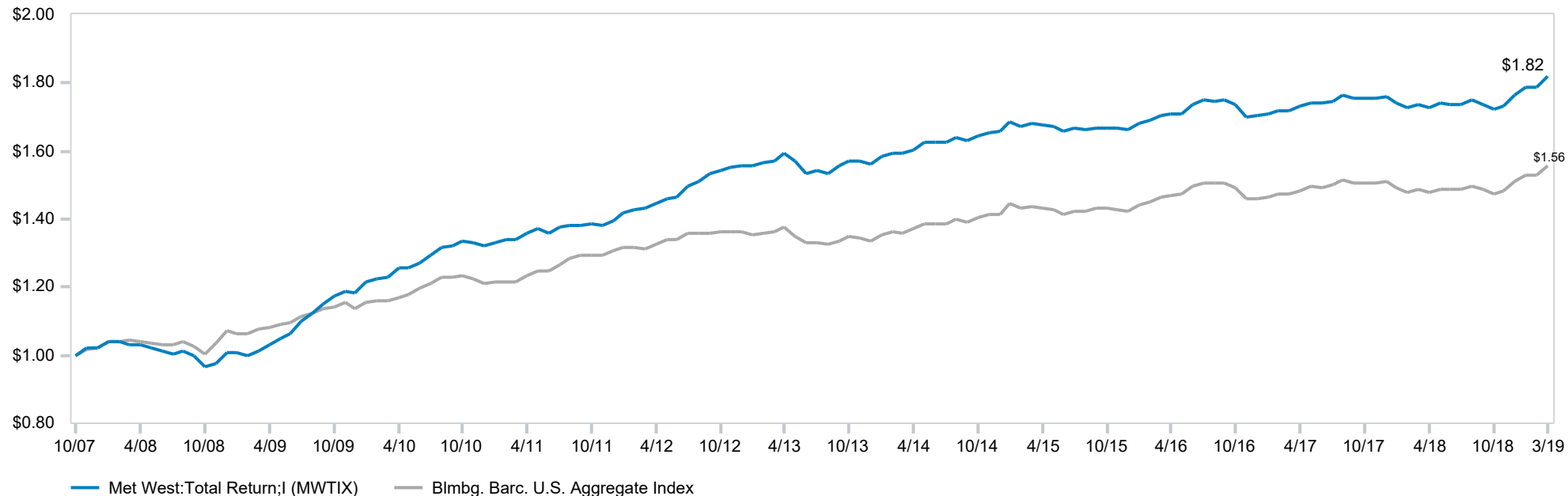
Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Dodge & Cox Income (DODIX)	67.39	-4.08	1.90	0.75	1.09	0.25	0.06	0.72	2.97
Blmbg. Barc. U.S. Aggregate Index	0.00	-2.98	0.00	0.00	1.04	N/A	0.03	1.00	0.00

Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Broad Market Core Fixed Income (MF)



Growth of a Dollar



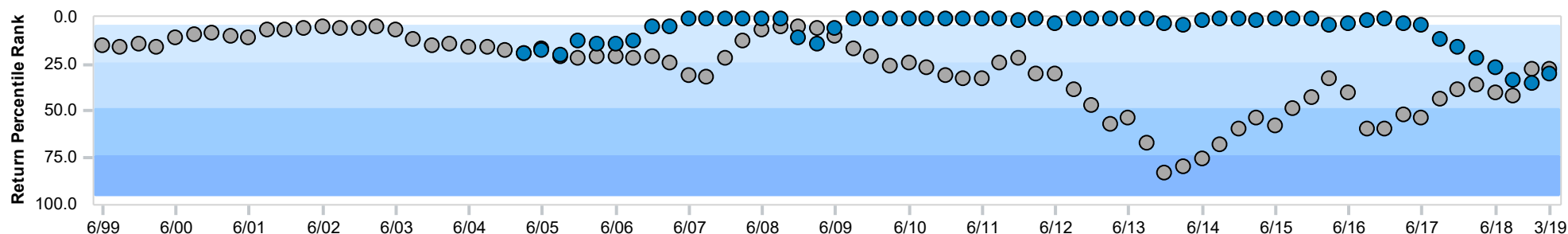
Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Met West:Total Return;I (MWTIX)	3.20 (53)	3.20 (53)	4.72 (10)	2.93 (24)	2.26 (43)	2.72 (30)	3.48 (4)	6.03 (6)	5.24 (1)
Blmbg. Barc. U.S. Aggregate Index	2.94 (72)	2.94 (72)	4.48 (20)	2.83 (30)	2.03 (57)	2.74 (28)	2.48 (48)	3.77 (76)	3.89 (35)
Median	3.23	3.23	4.09	2.63	2.13	2.49	2.45	4.50	3.72

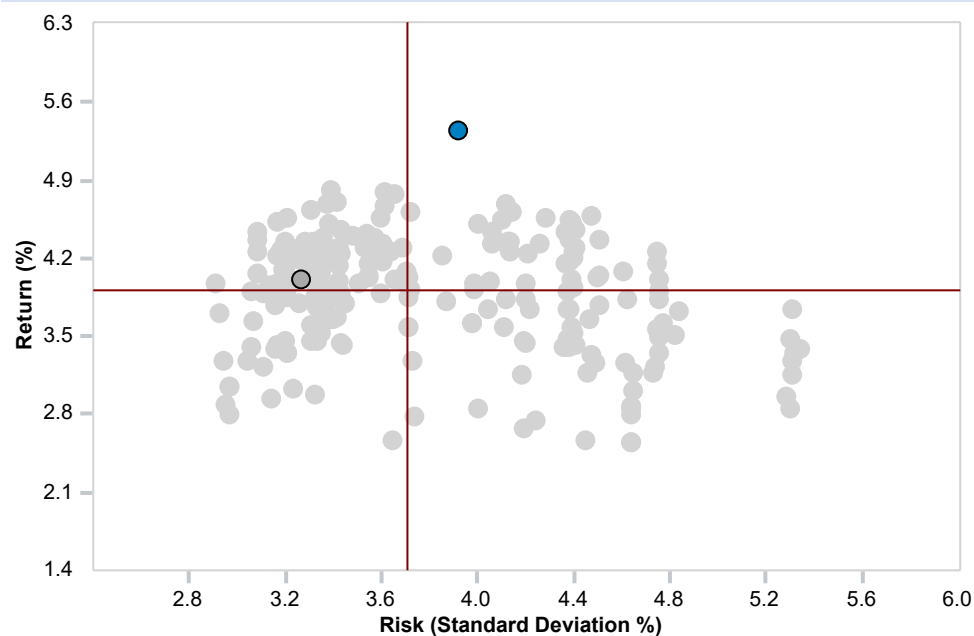
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Met West:Total Return;I (MWTIX)	4.77 (8)	-0.97 (27)	0.31 (56)	4.82 (71)	2.27 (37)	4.95 (23)	1.38 (2)	11.02 (1)	4.37 (47)
Blmbg. Barc. U.S. Aggregate Index	4.63 (20)	-1.22 (41)	0.07 (64)	5.19 (52)	2.94 (9)	3.96 (59)	-1.68 (53)	5.16 (81)	5.26 (14)
Median	4.28	-1.35	0.48	5.21	1.98	4.19	-1.62	6.79	4.30

5 Year Rolling Percentile Ranking

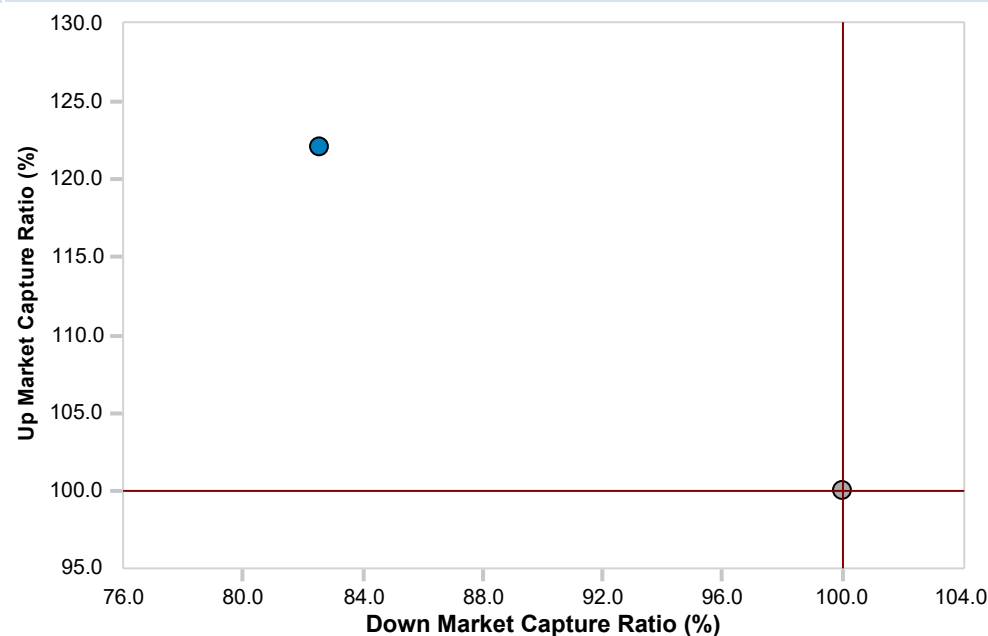


Risk vs Return: October 2007 to Present



● Met West:Total Return;I (MWTIX) ● Blmbg. Barc. U.S. Aggregate Index

Up/Down Markets: October 2007 to Present



● Met West:Total Return;I (MWTIX) ● Blmbg. Barc. U.S. Aggregate Index

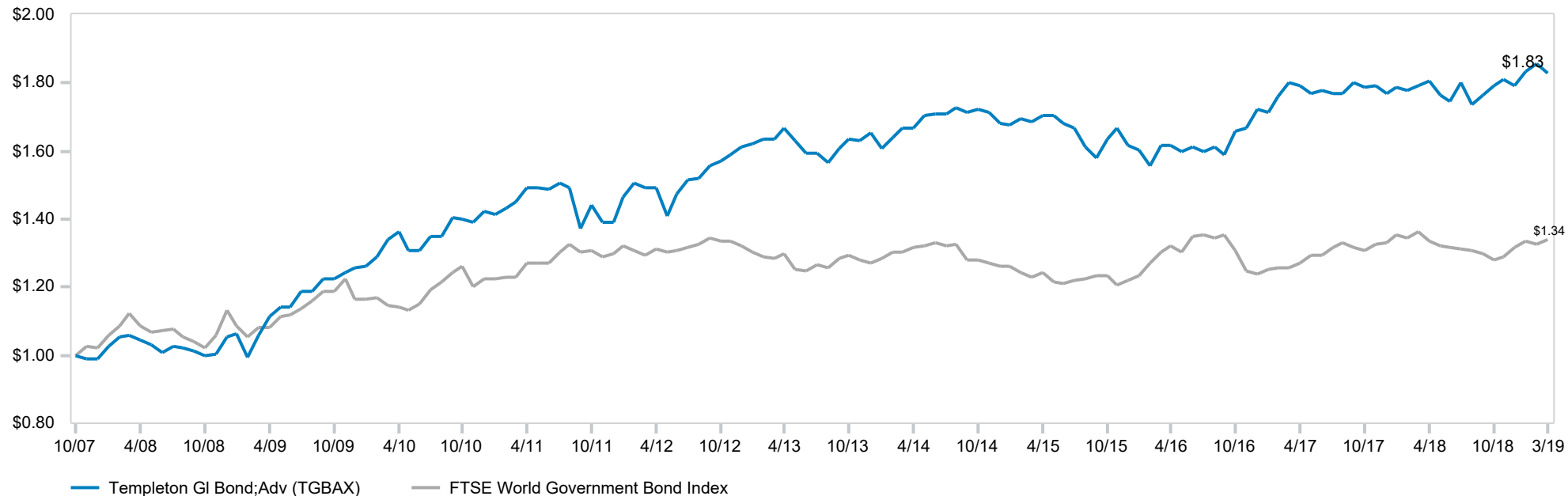
Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Met West:Total Return;I (MWTIX)	58.70	-3.50	1.79	1.31	1.16	0.49	0.05	0.88	2.69
Blmbg. Barc. U.S. Aggregate Index	0.00	-2.98	0.00	0.00	1.04	N/A	0.03	1.00	0.00

Templeton GI Bond;Adv (TGBAX)
Long-Term Composite Performance

As of March 31, 2019

Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Templeton GI Bond;Adv (TGBAX)	1.98 (87)	1.98 (87)	2.06 (40)	0.72 (100)	4.18 (13)	1.88 (35)	2.97 (19)	5.63 (27)	6.46 (1)
FTSE World Government Bond Index	1.74 (89)	1.74 (89)	-1.57 (76)	3.34 (25)	0.95 (88)	0.59 (85)	0.52 (87)	2.20 (95)	3.00 (73)
Median	3.10	3.10	0.24	2.78	2.25	1.31	1.70	3.95	3.67

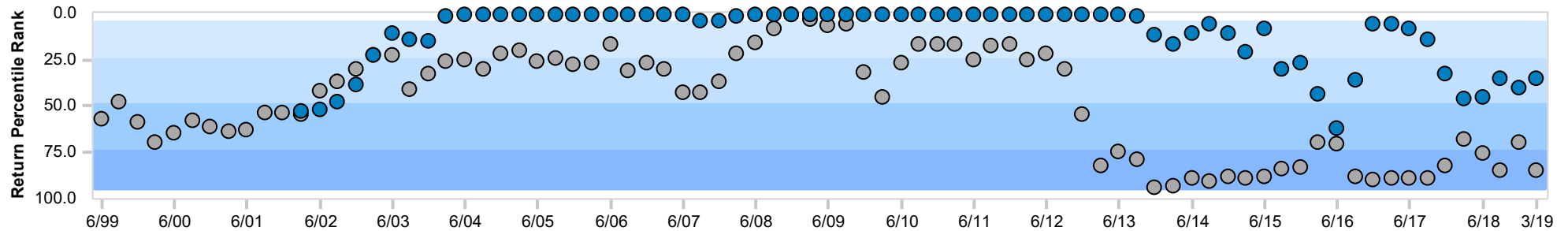
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Templeton GI Bond;Adv (TGBAX)	3.73 (31)	-2.07 (68)	13.17 (1)	0.68 (100)	-7.69 (93)	6.34 (11)	3.52 (2)	13.25 (3)	-2.10 (98)
FTSE World Government Bond Index	3.53 (40)	-1.54 (55)	-2.69 (94)	9.71 (20)	-3.83 (50)	-0.07 (96)	-4.60 (82)	3.29 (96)	4.61 (8)
Median	3.22	-1.29	1.02	7.42	-3.85	3.37	-1.81	7.17	1.74

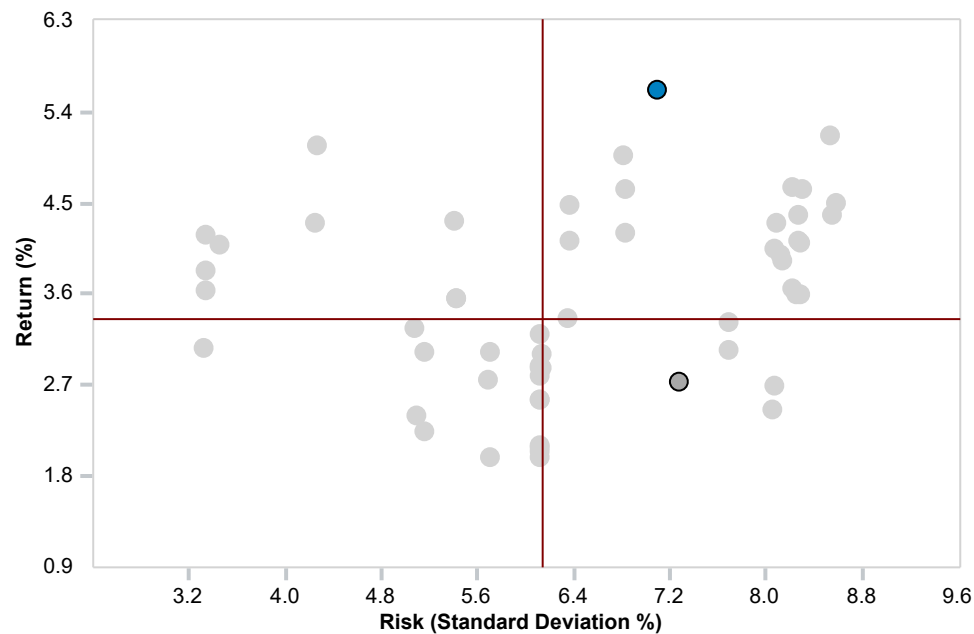
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM Global Fixed Income (MF)



5 Year Rolling Percentile Ranking

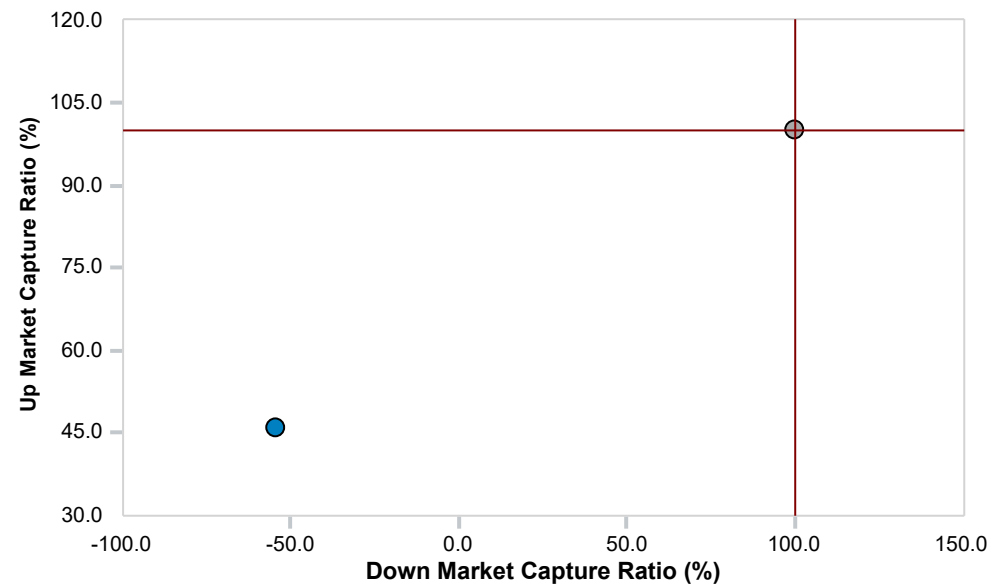


Risk vs Return: October 2007 to Present



● Templeton GI Bond;Adv (TGBAX) ● FTSE World Government Bond Index

Up/Down Markets: October 2007 to Present



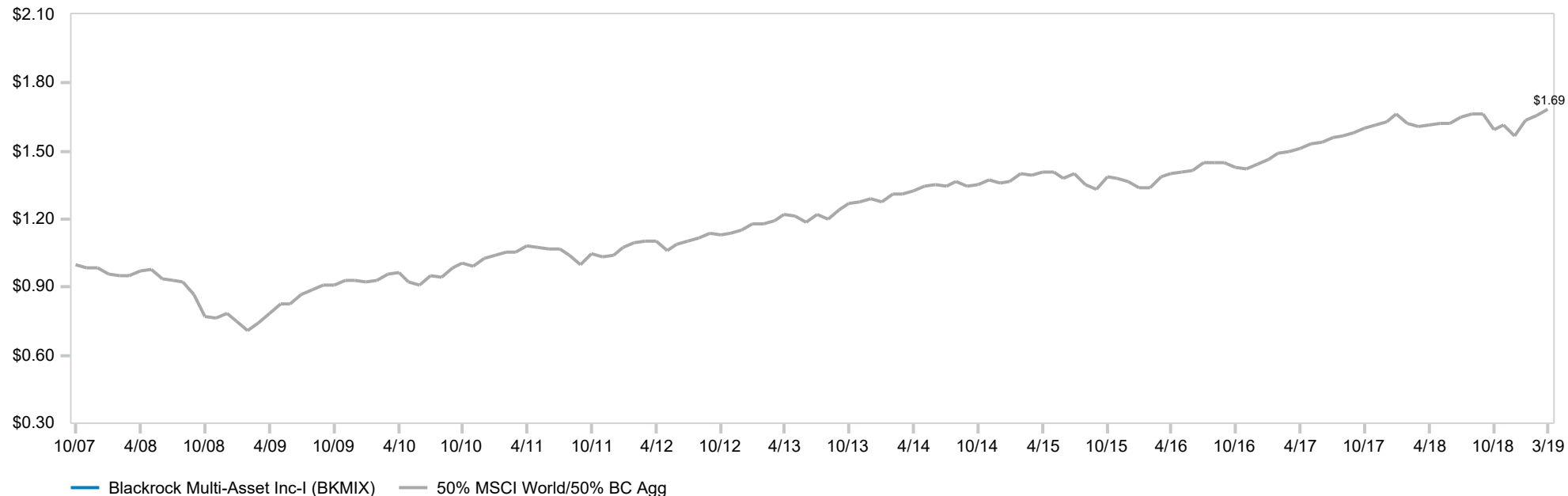
● Templeton GI Bond;Adv (TGBAX)
● FTSE World Government Bond Index

Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Templeton GI Bond;Adv (TGBAX)	54.35	-7.73	5.15	2.77	0.72	0.31	0.22	0.23	8.88
FTSE World Government Bond Index	0.00	-9.86	0.00	0.00	0.33	N/A	0.02	1.00	0.00

As of March 31, 2019

Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Blackrock Multi-Asset Inc-I (BKMIX)	6.99 (63)	6.99 (63)	4.50 (15)	4.53 (37)	6.05 (43)	N/A	N/A	N/A	N/A
50% MSCI World/50% BC Agg	7.75 (51)	7.75 (51)	4.82 (13)	6.21 (13)	6.72 (28)	5.21 (16)	6.25 (25)	8.56 (50)	5.92 (35)
Median	7.77	7.77	1.38	3.94	5.78	3.68	5.19	8.54	5.31

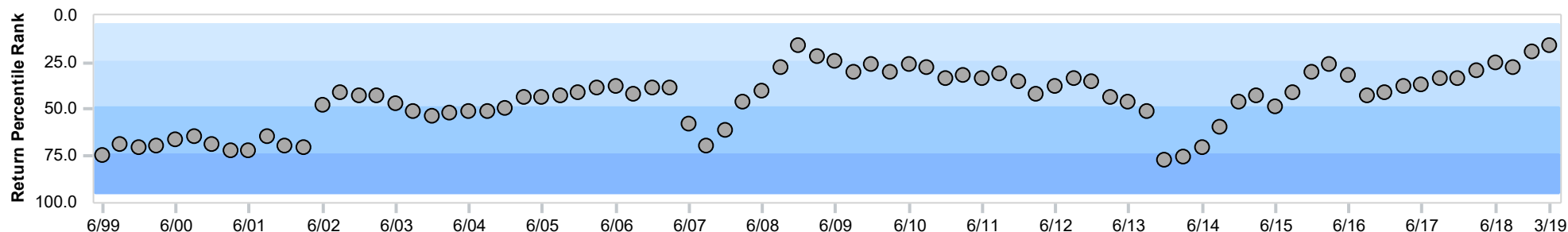
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Blackrock Multi-Asset Inc-I (BKMIX)	2.20 (14)	2.64 (59)	7.82 (64)	7.39 (63)	-1.76 (23)	N/A	N/A	N/A	N/A
50% MSCI World/50% BC Agg	1.32 (30)	5.22 (33)	9.11 (50)	8.79 (47)	-0.71 (17)	8.39 (45)	9.16 (44)	13.82 (63)	0.99 (30)
Median	-0.38	3.38	9.03	8.56	-4.23	8.00	8.24	15.70	-0.87

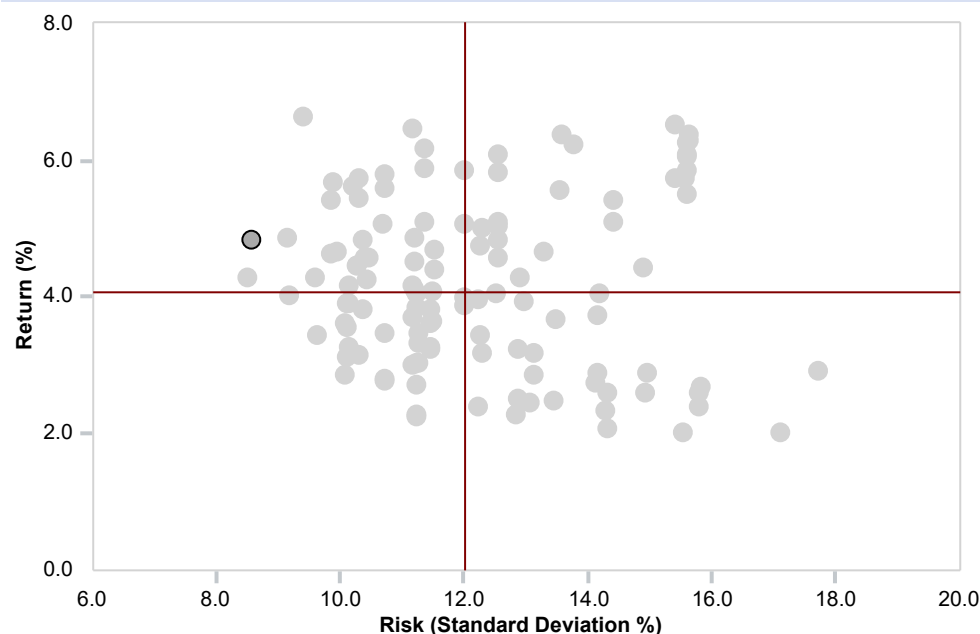
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM Flexible Portfolio (MF)



5 Year Rolling Percentile Ranking

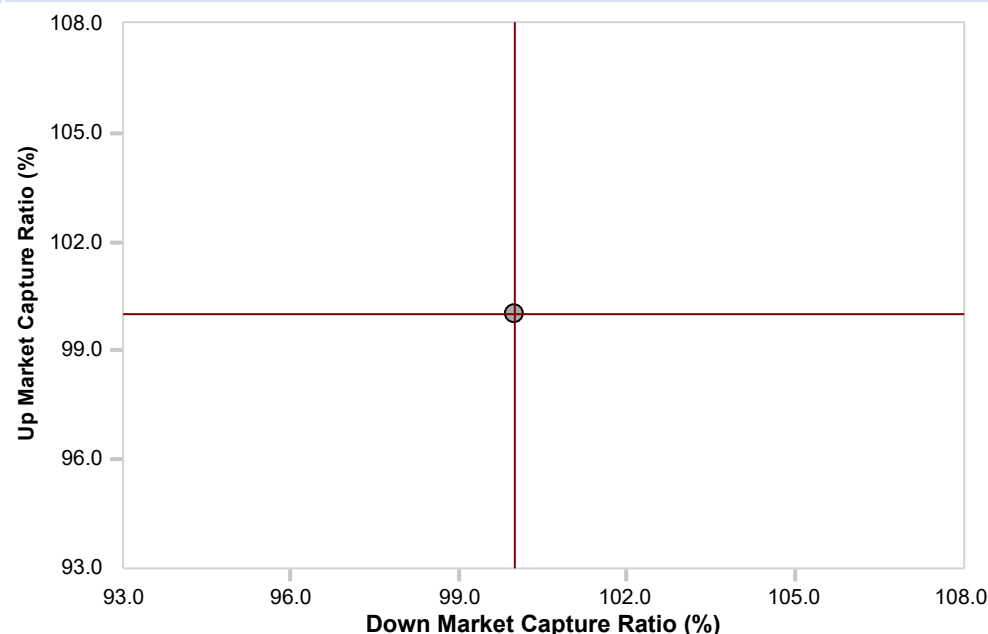


Risk vs Return: October 2007 to Present



● Blackrock Multi-Asset Inc-I (BKMIX) ● 50% MSCI World/50% BC Agg

Up/Down Markets: October 2007 to Present



● Blackrock Multi-Asset Inc-I (BKMIX) ● 50% MSCI World/50% BC Agg

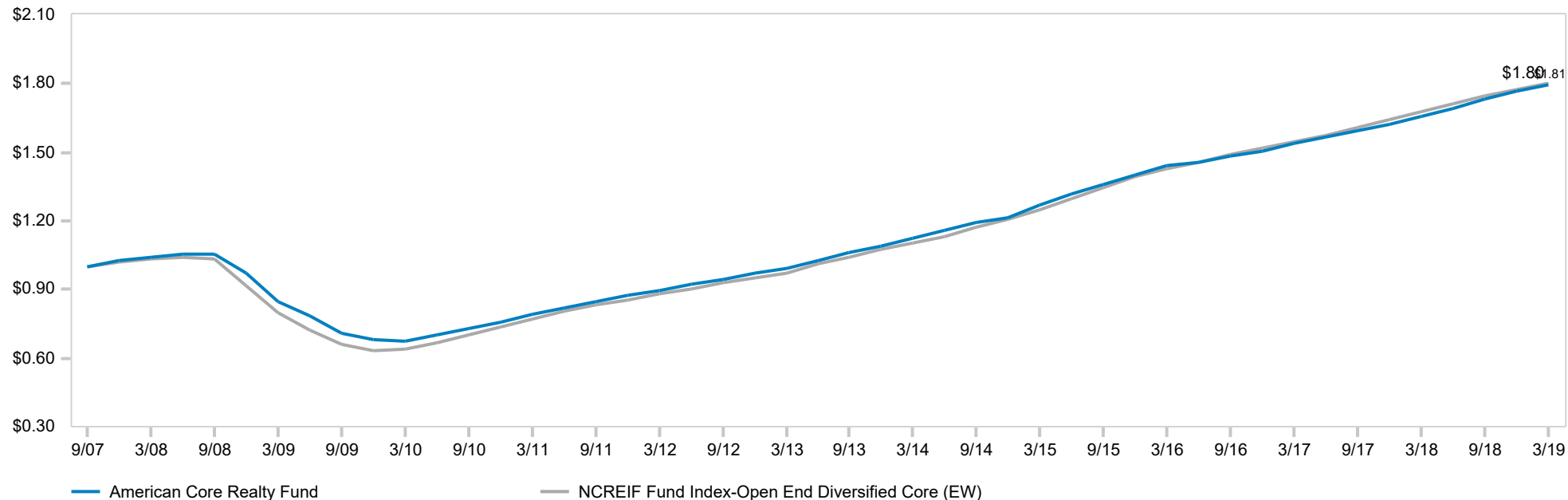
Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Blackrock Multi-Asset Inc-I (BKMIX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
50% MSCI World/50% BC Agg	0.00	-24.61	0.00	0.00	0.51	N/A	0.04	1.00	0.00

Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM Flexible Portfolio (MF)



Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
American Core Realty Fund	1.74 (65)	1.74 (65)	8.19 (53)	8.12 (59)	7.64 (82)	9.81 (82)	10.41 (82)	7.79 (100)	7.63 (100)
NCREIF Fund Index-Open End Diversified Core (EW)	1.69 (66)	1.69 (66)	7.74 (69)	7.95 (69)	8.17 (63)	10.34 (62)	10.81 (66)	8.46 (75)	7.95 (81)
Median	1.93	1.93	8.23	8.25	8.56	10.54	11.38	9.45	8.50

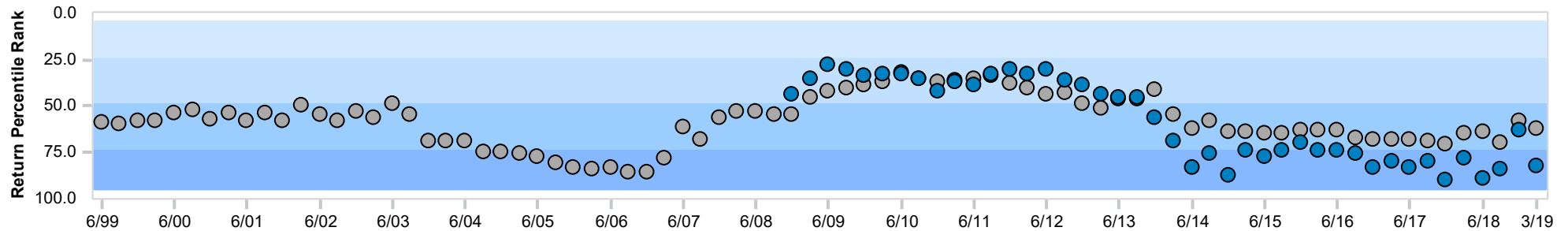
Fiscal Year Returns

	FYTD	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
American Core Realty Fund	3.71 (48)	8.49 (66)	7.51 (67)	9.03 (97)	13.97 (69)	12.48 (65)	12.26 (71)	11.55 (67)	16.10 (71)
NCREIF Fund Index-Open End Diversified Core (EW)	3.33 (75)	8.82 (59)	7.81 (60)	10.62 (69)	14.71 (62)	12.39 (68)	12.47 (67)	11.77 (63)	18.03 (44)
Median	3.68	9.04	8.29	11.32	15.45	12.78	13.18	12.87	16.96

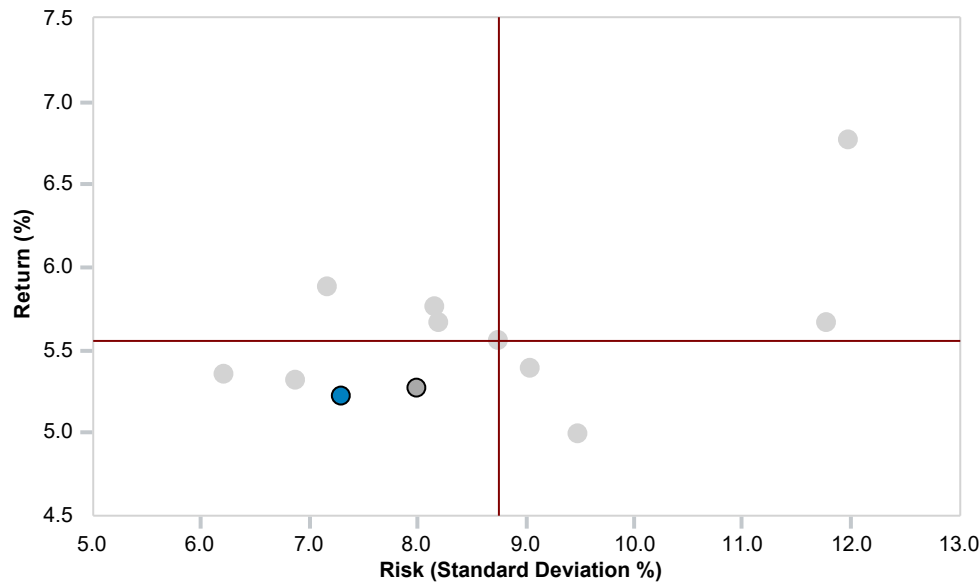
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Open End Private Real Estate (SA+CF)



5 Year Rolling Percentile Ranking

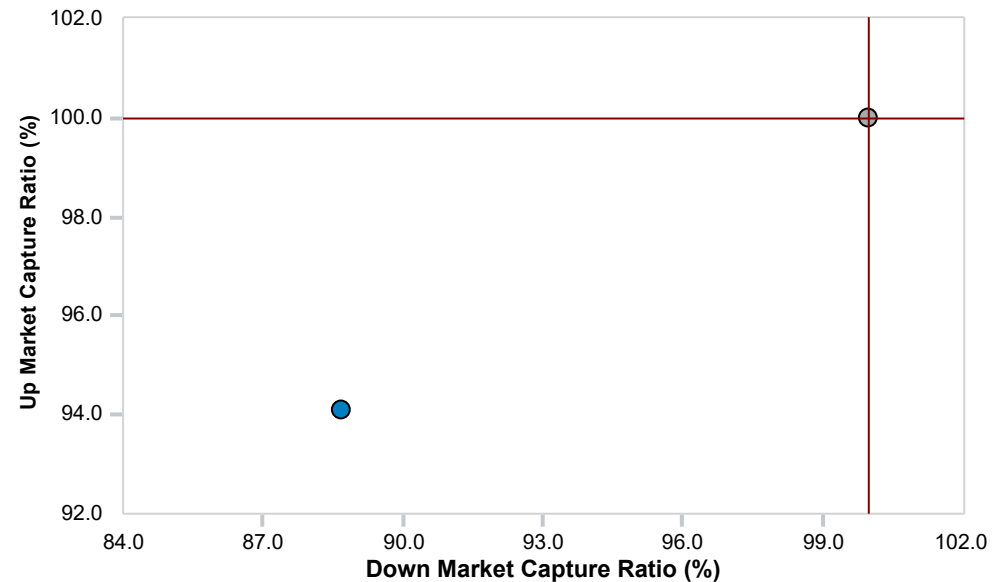


Risk vs Return: October 2007 to Present



- American Core Realty Fund
- NCREIF Fund Index-Open End Diversified Core (EW)

Up/Down Markets: October 2007 to Present



- American Core Realty Fund
- NCREIF Fund Index-Open End Diversified Core (EW)

Historical Statistics: October 1, 2007 To March 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
American Core Realty Fund	43.48	-35.88	0.52	-0.10	0.65	-0.06	0.05	0.89	1.87
NCREIF Fund Index-Open End Diversified Core (EW)	0.00	-39.11	0.00	0.00	0.61	N/A	0.05	1.00	0.00

Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Open End Private Real Estate (SA+CF)



Total Fund Compliance:			
	Yes	No	N/A
1. The Total Plan return equaled or exceeded the total plan benchmark over the trailing three year period.		✓	
2. The Total Plan return equaled or exceeded the total plan benchmark over the trailing five year period.		✓	
3. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing three year period.		✓	
4. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing five year period.	✓		
5. The Total Plan return equaled or exceeded the Net 7.5% acutarial earnings assumption over the trailing three year period.	✓		
6. The Total Plan return equaled or exceeded the Net 7.5% acutarial earnings assumption over the trailing five year period.		✓	
Equity Compliance:			
	Yes	No	N/A
1. Total domestic equity returns equaled or exceeded the benchmark over the trailing three year period.		✓	
2. Total domestic equity returns equaled or exceeded the benchmark over the trailing five year period.		✓	
3. Total domestic equity returns ranked within the top 40th percentile of its peer group over the trailing three year period.		✓	
4. Total domestic equity returns ranked within the top 40th percentile of its peer group over the trailing five year period.		✓	
5. Total international equity returns equaled or exceeded the benchmark over the trailing three year period.	✓		
6. Total international equity returns equaled or exceeded the benchmark over the trailing five year period.		✓	
7. Total international equity returns ranked within the top 40th percentile of its peer group over the trailing three year period.	✓		
8. Total international equity returns ranked within the top 40th percentile of its peer group over the trailing five year period.		✓	
9. The total equity allocation was less than 70% of the total plan assets at market.	✓		
10. The total equity allocation was less than 60% of the total plan assets at cost.	✓		
11. The total foreign equity was less than 25% of the total plan assets at market.	✓		
Fixed Income Compliance:			
	Yes	No	N/A
1. Total domestic fixed income returns equaled or exceeded the benchmark over the trailing three year period.		✓	
2. Total domestic fixed income returns equaled or exceeded the benchmark over the trailing five year periods.	✓		
3. Total domestic fixed income returns ranked within the top 40th percentile of its peer group over the trailing three year period.		✓	
4. Total domestic fixed income returns ranked within the top 40th percentile of its peer group over the trailing five year period.		✓	
5. Total global fixed income returns equaled or exceeded the benchmark over the trailing three year period.	✓		
6. Total global fixed income returns equaled or exceeded the benchmark over the trailing five year periods.	✓		
7. Total global fixed income returns ranked within the top 40th percentile of its peer group over the trailing three year period.	✓		
8. Total global fixed income returns ranked within the top 40th percentile of its peer group over the trailing five year period.	✓		
9. The total fixed income portfolio shall have a weighted averaged quality of AA or better.			✓
10. All investments issued by a corporation have a minimum rating of A or better.			✓
Real Estate Compliance:			
	Yes	No	N/A
1. Total real estate returns equaled or exceeded the benchmark over the trailing three year period.		✓	
2. Total real estate returns equaled or exceeded the benchmark over the trailing five year periods.		✓	
3. Total real estate returns ranked within the top 40th percentile of its peer group over the trailing three year period.		✓	
4. Total real estate returns ranked within the top 40th percentile of its peer group over the trailing five year period.		✓	
5. Investments, including REITS, do not exceed 10% of the total market value of the Plan at time of purchase.	✓		

Manager Compliance:	GAMCO			MFS Growth (MFEKX)			PrimeCap (POGRX)			Vanguard (VEIRX)		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
1. Manager outperformed the index over the trailing three year period.		✓				✓			✓			✓
2. Manager outperformed the index over the trailing five year period.		✓				✓			✓			✓
3. Manager ranked above the 40th percentile over the trailing three year period.		✓				✓			✓			✓
4. Manager ranked above the 40th percentile over the trailing five year period.		✓				✓			✓			✓
5. Less than four consecutive quarters of under performance relative to the benchmark.	✓			✓			✓			✓		
6. Three year down market capture ratio less than 100%.		✓				✓			✓			✓
7. Five year down market capture ratio less than 100%.		✓				✓			✓			✓
8. Manager reports compliance with PFIA.	✓					✓			✓			✓

Manager Compliance:	Vanguard (VITSX)			EuroPcfc (RERGX)			Dodge & Cox (DODIX)			MetWest (MTWIX)		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
1. Manager outperformed the index over the trailing three year period.			✓	✓					✓			✓
2. Manager outperformed the index over the trailing five year period.			✓	✓					✓			✓
3. Manager ranked above the 40th percentile over the trailing three year period.			✓	✓					✓			✓
4. Manager ranked above the 40th percentile over the trailing five year period.			✓	✓					✓			✓
5. Less than four consecutive quarters of under performance relative to the benchmark.	✓			✓			✓			✓		
6. Three year down market capture ratio less than 100%.			✓		✓				✓			✓
7. Five year down market capture ratio less than 100%.			✓	✓					✓			✓
8. Manager reports compliance with PFIA.			✓			✓			✓			✓

Manager Compliance:	Templeton (FBNRX)			Blackrock (BIICX)			American Realty		
	Yes	No	N/A	Yes	No	N/A	Yes	No	N/A
1. Manager outperformed the index over the trailing three year period.	✓				✓			✓	
2. Manager outperformed the index over the trailing five year period.	✓					✓		✓	
3. Manager ranked above the 40th percentile over the trailing three year period.	✓				✓			✓	
4. Manager ranked above the 40th percentile over the trailing five year period.	✓					✓		✓	
5. Less than four consecutive quarters of under performance relative to the benchmark.	✓				✓		✓		
6. Three year down market capture ratio less than 100%.	✓			✓					✓
7. Five year down market capture ratio less than 100%.	✓					✓			✓
8. Manager reports compliance with PFIA.			✓			✓			✓

Total Fund Policy

Allocation Mandate	Weight (%)
Jan-1979	
Russell 3000 Index	60.00
Blmbg. Barc. U.S. Gov't/Credit	40.00
Jan-2006	
Russell 3000 Index	50.00
Blmbg. Barc. U.S. Gov't/Credit	40.00
MSCI EAFE Index	10.00
Oct-2006	
Russell 3000 Index	50.00
Bloomberg Barclays Intermed Aggregate Index	35.00
MSCI EAFE Index	10.00
Blmbg. Barc. U.S. TIPS 1-10 Year	5.00
Oct-2011	
Russell 3000 Index	50.00
MSCI AC World ex USA	10.00
Bloomberg Barclays Intermed Aggregate Index	20.00
Blmbg. Barc. U.S. TIPS 1-10 Year	5.00
FTSE World Government Bond Index	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00
Apr-2018	
Russell 3000 Index	50.00
MSCI AC World ex USA	10.00
Blmbg. Barc. U.S. Aggregate Index	20.00
Blmbg. Barc. U.S. TIPS 1-10 Year	5.00
FTSE World Government Bond Index	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00

Total Equity Policy

Allocation Mandate	Weight (%)
Oct-2001	
Russell 3000 Index	100.00
Jan-2006	
Russell 3000 Index	85.00
MSCI EAFE Index	15.00
Oct-2011	
Russell 3000 Index	83.00
MSCI AC World ex USA	17.00

Total Int'l Equity Policy

Allocation Mandate	Weight (%)
Jan-2006	
MSCI EAFE Index	100.00
Oct-2011	
MSCI AC World ex USA	100.00

Total Fixed Income Policy

Allocation Mandate	Weight (%)
Oct-2001	
Blmbg. Barc. U.S. Gov't/Credit	100.00
Oct-2006	
Bloomberg Barclays Intermed Aggregate Index	90.00
Blmbg. Barc. U.S. TIPS 1-10 Year	10.00
Oct-2011	
Bloomberg Barclays Intermed Aggregate Index	100.00
Apr-2018	
Blmbg. Barc. U.S. Aggregate Index	100.00

Active Return	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
Alpha	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
Consistency	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
Distributed to Paid In (DPI)	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
Down Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
Downside Risk	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
Excess Return	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
Excess Risk	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
Public Market Equivalent (PME)	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
R-Squared	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
Standard Deviation	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
Total Value to Paid In (TVPI)	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
Tracking Error	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
Treynor Ratio	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
Up Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

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Asset Allocation Analysis

May 2019

City of North Port Firefighters' Pension Fund





ASSET ALLOCATION ANALYSIS

Introduction

This report provides a brief summary of the Asset Allocation modeling process.

Asset allocation is an effective tool to manage portfolio risk. However, the modeling process is an imperfect science that depends on forecasts and assumptions.

This report illustrates the Fund's current investment policies and a proposed portfolio mix. Our objective is to balance the Trustees' collective performance targets and risk tolerances.

Additional modeling may be performed to evaluate other asset allocation policies.

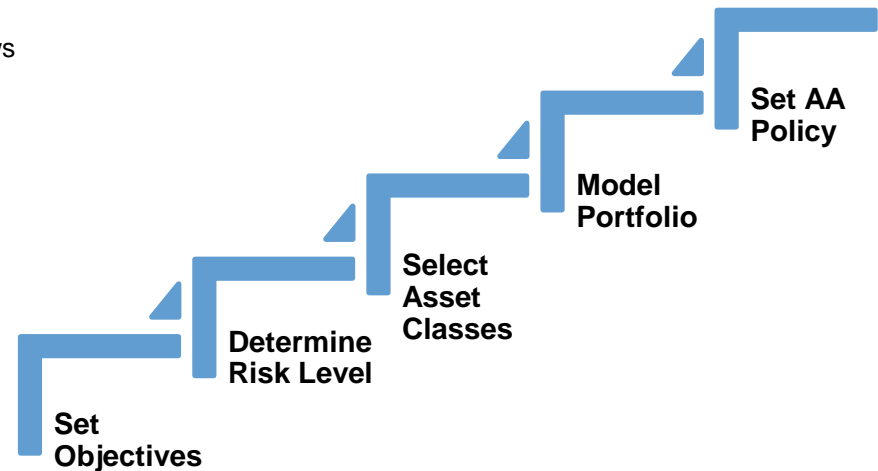


Introduction

- Asset allocation is a tool employed to manage a portfolio's risk. Risk may be defined as the standard deviation of returns, the probability of achieving a target return, or other measures of variability. In theory there is a positive relationship between risk and returns – the greater the risk, the greater the returns. However, the capital markets do not always behave in this manner.
- The modeling process is imperfect, relying on forecasts for the asset classes. Accurately predicting the performance of the capital markets is nearly impossible. Therefore, we utilize several models to help assist with the evaluation process. Additional modeling may be performed to evaluate other asset allocation policies.

- Key Steps In Conducting An Asset Allocation Study:

1. Identify and define the objectives.
 - a) Assess liquidity needs – current and future cash flows
 - b) Assess investment time horizon
 - c) Assess return target
2. Assess risk tolerance
3. Determine appropriate asset classes
4. Model investment portfolio alternatives
 - a) Historical model
 - b) Forecasting model
 - c) Monte Carlo simulations
 - d) Allocation to alternatives
 - e) Human overlay
5. Select an appropriate target asset allocation policy



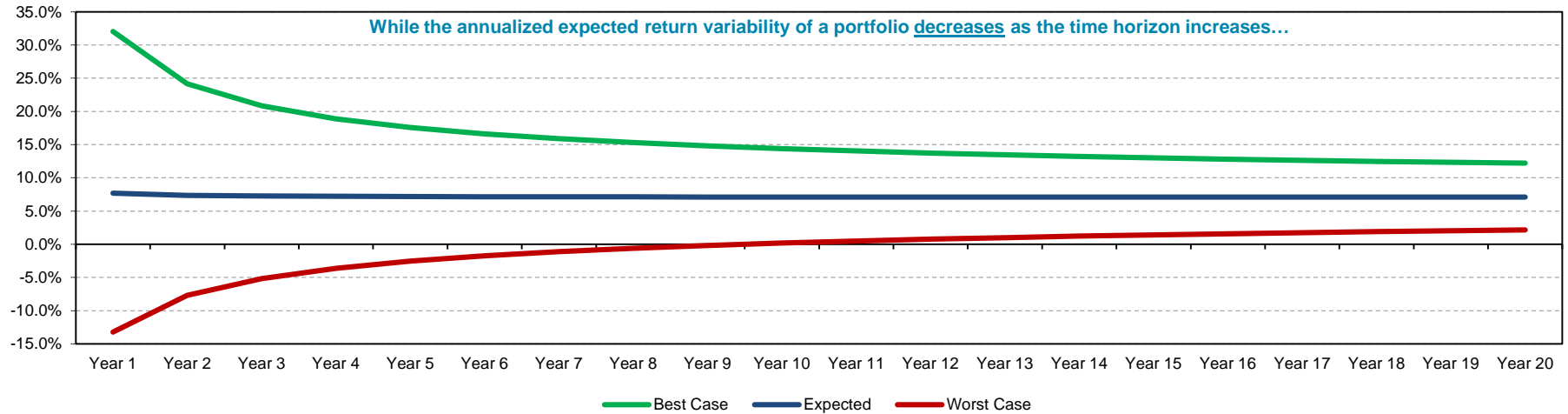


Limitation of Asset Allocation Models

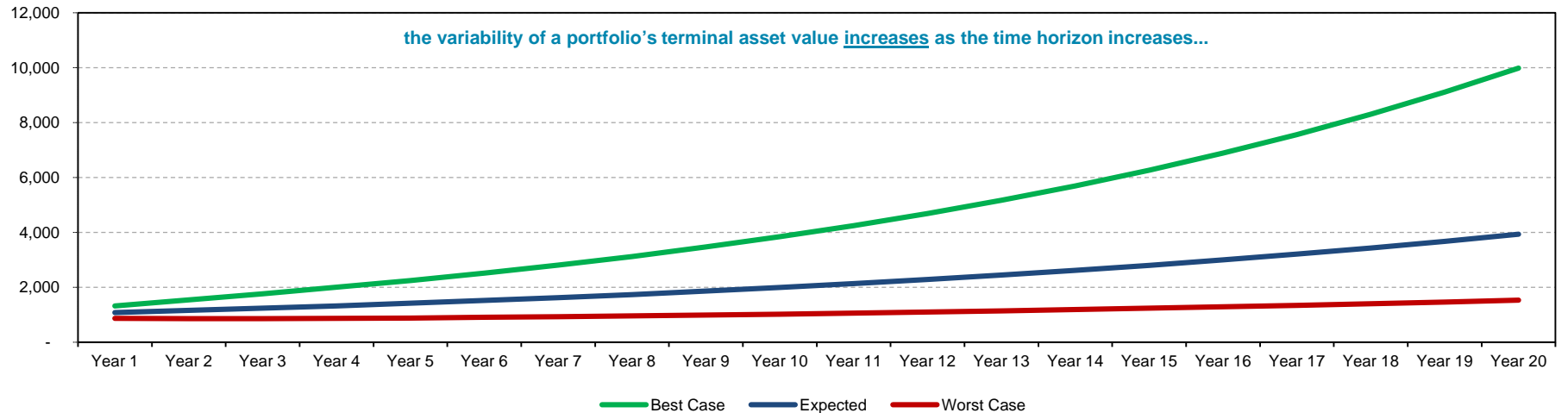
- **Limitations of Asset Allocation Models:**
 - The model output is based on the capital market assumptions; accurately predicting the expected return, standard deviation, and correlation coefficients for each asset class is very difficult.
 - Many asset classes have historically exhibited non-normal return distributions (fat-tails and/or skewness); models generally assume normal distributions.
 - Correlation coefficients change over time and may potentially overestimate the diversification benefits of combining asset classes (particularly during periods of market stress).
 - Alternative asset classes introduce risk factors that are not captured in their standard deviation.
- **The return, risk, and correlation forecasts utilized in this report were developed by JP Morgan Asset Management. These projections are based on its expectations over the next 10 to 15 years.**

Asset Allocation and Investment Policy

Projected Annualized Return Expectations (%)



Projected Growth of \$1 million (,000)

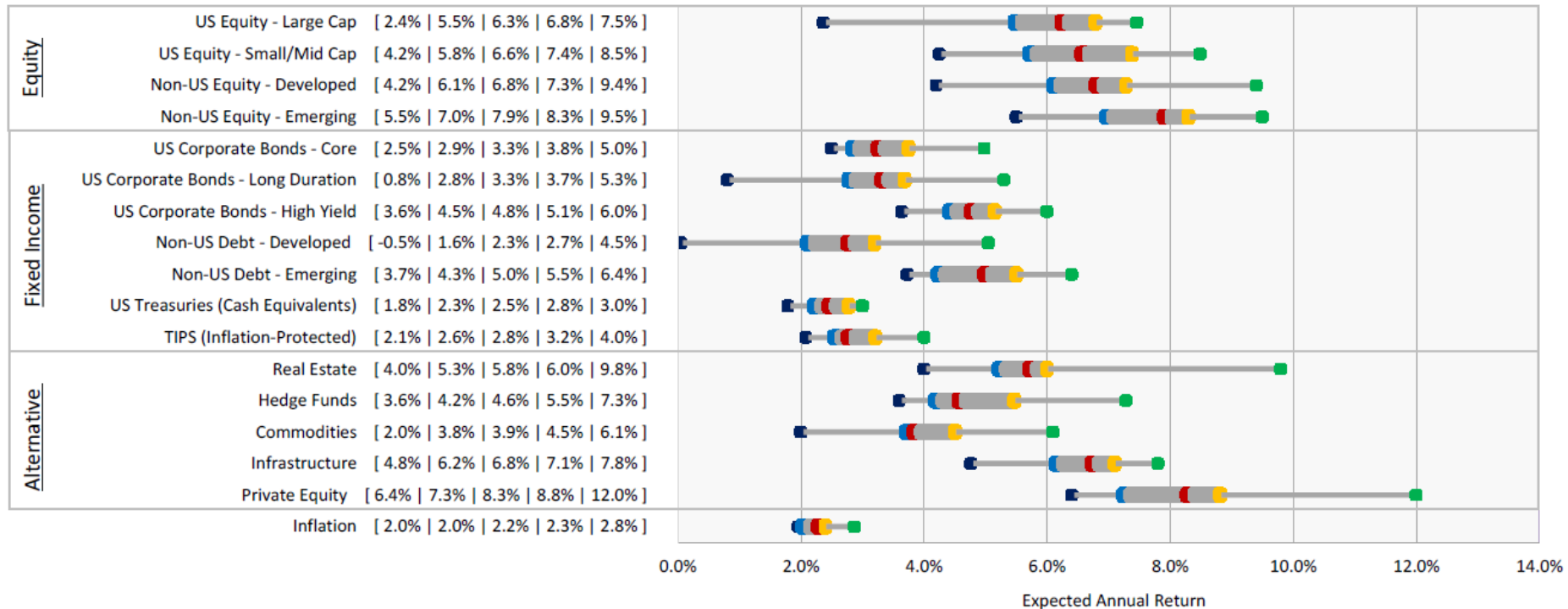


As a result, it is important to understand that you cannot “time diversify” away a portfolio’s risk.

Asset Allocation and Educated Guesses

10-Year Expected Return Ranges (Geometric Assumptions) Long-Term Survey Respondents - 34 Assumption Sets

Asset Class [Min | 25th | 50th | 75th | Max]



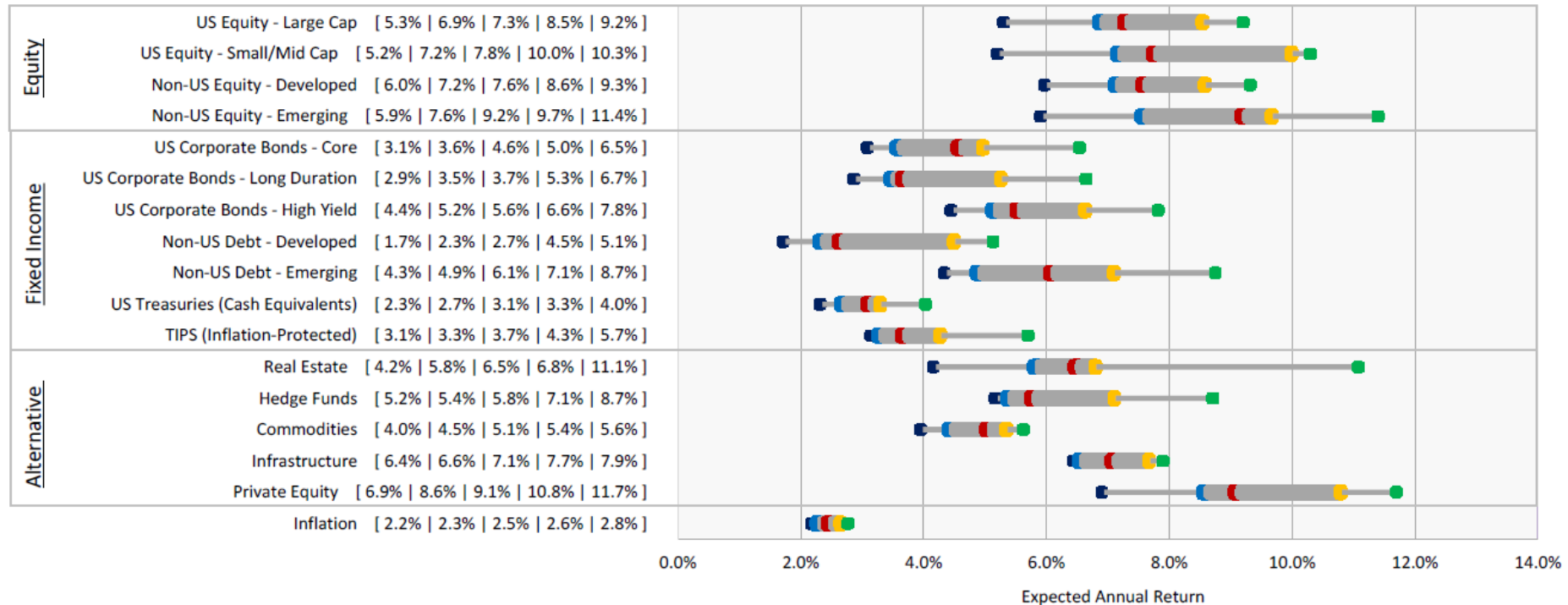
Expected returns are annualized over 10 years (geometric).

- While there is no shortage of forward-looking educated guesses for return, standard deviation, and correlation assumptions, practitioners do not:
 - Forecast the same asset classes.
 - Forecast the same time horizons.
 - Use the same tools and/or methodologies to develop their assumptions.

Asset Allocation and Educated Guesses

Long-Term (20-Years or More) Expected Return Ranges (Geometric Assumptions) Long-Term Survey Respondents - 13 Assumption Sets

Asset Class [Min | 25th | 50th | 75th | Max]



Expected returns are annualized over 20 years (geometric), based on a subset of 13 advisors who provided longer term assumptions.

- While there is no shortage of forward-looking educated guesses for return, standard deviation, and correlation assumptions, practitioners do not:
 - Forecast the same asset classes.
 - Forecast the same time horizons.
 - Use the same tools and/or methodologies to develop their assumptions.

Asset Allocation and Investment Policy

- **Developing an investment strategy is based on four decisions:**
 - What asset classes should be considered for potential investment?
 - What strategic (long-term) weights should be assigned to each asset class?
 - What are the appropriate allocation ranges (+/-) around the strategic weight of each asset class?
 - What are the most appropriate managers/vehicles to implement and retain for each asset class?
- **While manager and investment vehicle selection is an important part of implementing and maintaining an investment strategy, approximately 90% of a portfolio's variability over time is determined by the first two investment strategy decisions.**

Long Term Asset Allocation Model Inputs

	Expected Return	Std Dev	Correlation Matrix																		
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1. US Cash	2.00%	0.50%	1.00																		
2. US Aggregate	4.06%	3.50%	0.08	1.00																	
3. US High Yield	5.82%	8.25%	-0.11	0.21	1.00																
4. US Leveraged Loan	5.27%	7.50%	-0.15	-0.08	0.79	1.00															
5. WGBI ex US	2.96%	8.00%	0.10	0.59	0.23	-0.07	1.00														
6. Emg Mkt Sov Debt	6.67%	9.50%	-0.03	0.56	0.70	0.39	0.55	1.00													
7. US Large Cap	6.03%	13.75%	-0.07	-0.01	0.68	0.55	0.21	0.51	1.00												
8. US Mid Cap	6.79%	15.75%	-0.08	0.00	0.73	0.58	0.18	0.51	0.96	1.00											
9. US Small Cap	7.47%	18.25%	-0.08	-0.09	0.64	0.50	0.10	0.41	0.90	0.95	1.00										
10. EAFE Equity	7.94%	16.75%	-0.01	0.10	0.74	0.56	0.38	0.63	0.88	0.86	0.76	1.00									
11. Emerging Markets	10.43%	21.25%	0.06	0.13	0.72	0.54	0.39	0.68	0.76	0.76	0.66	0.87	1.00								
12. Private Equity	10.20%	21.00%	0.05	-0.22	0.69	0.64	0.05	0.50	0.72	0.75	0.68	0.77	0.80	1.00							
13. US Core Direct RE	6.45%	12.25%	-0.07	-0.19	0.54	0.63	-0.18	0.34	0.55	0.57	0.54	0.46	0.43	0.50	1.00						
14. US Val Add RE	9.53%	20.00%	-0.07	-0.19	0.54	0.63	-0.18	0.34	0.55	0.57	0.54	0.46	0.43	0.50	1.00	1.00					
15. US REITS	7.35%	15.50%	-0.07	0.26	0.60	0.35	0.30	0.56	0.72	0.75	0.72	0.64	0.54	0.41	0.63	0.63	1.00				
16. Infrastructure	6.64%	11.75%	-0.03	0.05	0.50	0.46	0.31	0.51	0.40	0.40	0.27	0.53	0.59	0.58	0.32	0.32	0.21	1.00			
17. HF Diversified	4.52%	7.50%	0.07	-0.11	0.59	0.64	0.03	0.35	0.66	0.68	0.57	0.71	0.69	0.78	0.49	0.49	0.32	0.49	1.00		
18. Direct Lending	8.14%	14.00%	-0.07	0.69	0.66	0.47	0.44	0.78	0.31	0.35	0.24	0.44	0.48	0.34	0.33	0.33	0.46	0.44	0.30	1.00	
19. Commodities	3.50%	16.25%	0.08	0.03	0.44	0.37	0.39	0.38	0.44	0.46	0.37	0.53	0.60	0.58	0.40	0.40	0.25	0.55	0.53	0.27	1.00

Note that not all asset classes are appropriate for every client portfolio.

Long Term Asset Allocation Model Inputs

- The first two columns in the table on the preceding slide shows the long-term (10-15 year) expected return and risk (standard deviation) for asset classes that will be modeled in this analysis.
- The expected return of a blended asset mix can be determined by simply multiplying each asset class allocation by its expected return using the following formula:

$$E(R_p) = \sum_{i=1}^n w_i E(R_i)$$

- The same basic multiplication methodology cannot be used to calculate an asset mix's standard deviation (risk). In order to model a portfolio's risk, we have to take correlation into account.
- The remainder of the table shows the model's correlation matrix. This matrix represents the degree of co-movement between each pair of asset classes when they are combined together to construct portfolios. The correlation coefficient ranges from +1.00 to -1.00. As the table illustrates, the correlation between an asset class and itself is +1.00 or perfect co-movement. Taken one step further, combining different asset classes together, with less than perfect or even negative correlation, will increase a portfolio's level of diversification.
- The variance of a blended asset mix is determined by the following formula where ρ_{ij} is the correlation coefficient between the returns on assets i and j . The standard deviation is then calculated by taking the square root of this variance calculation.

$$\sigma_p^2 = \sum_{i=1}^n w_i^2 \sigma_i^2 + \sum_i \sum_{j \neq i} w_i w_j \sigma_i \sigma_j \rho_{ij}$$

Asset Class Historical Performance vs. Assumptions

Annualized as of 12/31/2018

-----Historical-----Forecast-----

	5 Year	10 Year	15 Year	20 Year	LT Std. Dev.*	Return	Std. Dev.
US Cash	0.59%	0.34%	1.26%	1.82%	0.57%	2.00%	0.50%
US Aggregate	2.52%	3.48%	3.87%	4.55%	3.38%	4.06%	3.50%
US High Yield	3.83%	11.12%	7.00%	6.55%	9.04%	5.82%	8.25%
US Leveraged Loan	3.05%	8.57%	4.52%	4.62%	5.96%	5.27%	7.50%
WGB exUS	0.28%	1.27%	2.81%	3.41%	8.09%	2.96%	8.00%
Emerging Mkts Bond	4.80%	8.20%	7.05%	9.09%	8.25%	6.67%	9.50%
US Large Cap	8.21%	13.28%	7.93%	5.85%	14.66%	6.03%	13.75%
US Mid Cap	6.26%	14.03%	8.89%	8.47%	16.41%	6.79%	15.75%
US Small Cap	4.41%	11.97%	7.50%	7.40%	19.42%	7.47%	18.25%
EAFE Equity	0.53%	6.32%	4.74%	3.52%	16.32%	7.94%	16.75%
Emerging Markets Equity	1.65%	8.02%	7.90%	8.53%	21.81%	10.43%	21.25%
Private Equity**	13.67%	10.80%	14.70%	12.33%	11.62%	10.20%	21.00%
US Core RE	9.41%	6.01%	7.24%	7.55%	7.10%	6.45%	12.25%
US Val Add RE**	13.84%	3.35%	8.85%	9.50%	11.06%	9.53%	20.00%
US REITs	8.29%	12.41%	7.94%	9.58%	19.45%	7.35%	15.50%
Infrastructure	4.10%	7.58%	8.22%	—	15.46%	6.64%	11.75%
Hedge Funds – Diversified	1.47%	3.22%	2.80%	4.27%	5.23%	4.52%	7.50%
Commodities	-8.80%	-3.78%	-2.47%	1.75%	16.00%	3.50%	16.25%

*20 years or longest period available

**Due to the lag in reporting of index performance, trailing periods calculated as of 6/30/2018.

	5 Year	10 Year	15 Year	20 Year
Current Mix	5.32%	8.92%	6.48%	5.90%

Return	Std. Dev.
5.92%	9.72%

Asset class allocations proxied for the current mix where historical data was not available.



Model Asset Allocation

Core Asset Class Allocation (%)	Current	Mix 1	Mix 2	Mix 3	Constraints
US Fixed Income	22.50	27.50	32.50	37.50	17.5 - 27.5%
Non-Core Fixed Income	5.00	5.00	5.00	5.00	0.0 - 10.0%
Domestic Equity	47.50	42.50	37.50	37.50	42.5 - 52.5%
International Equity	10.00	10.00	10.00	5.00	5.0 - 15.0%
Real Estate	10.00	10.00	10.00	10.00	5.0 - 15.0%
Alternatives*	5.00	5.00	5.00	5.00	0.0 - 10.0%

* Global Tactical Asset Allocation (GTAA) is proxied using the following allocation weightings: 50% US Aggregate, 21% US Large Cap, 20% EAFE Equity, and 9% Emerging Markets Equity.



Model Asset Allocation

Broad Asset Class Allocation (%)	Current	Mix 1	Mix 2	Mix 3
US Aggregate*	25.00	30.00	35.00	40.00
US High Yield	1.00	1.00	1.00	1.00
WGB exUS	3.50	3.50	3.50	3.50
Emerging Mkts Bond	0.50	0.50	0.50	0.50
US Large Cap*	31.93	28.68	25.43	25.43
US Mid Cap	12.35	11.05	9.75	9.75
US Small Cap	4.28	3.83	3.38	3.38
EAFE Equity*	8.60	8.60	8.60	4.80
Emerging Markets Equity*	2.85	2.85	2.85	1.65
US Core RE	10.00	10.00	10.00	10.00

Single Year Expectations (%)	Current	Mix 1	Mix 2	Mix 3
Return	5.92	5.80	5.69	5.46
Standard Deviation	9.72	9.03	8.35	7.59
Sharpe Ratio	0.61	0.64	0.68	0.72
Best Case Return	23.69	22.10	20.69	19.03
Worst Case Return	-8.73	-7.74	-6.72	-5.95
Negative Return Probability	27.50	26.30	25.30	23.93
Time Horizon Expectations (%)	Current	Mix 1	Mix 2	Mix 3
Return	5.55	5.49	5.42	5.26
Best Case Return	9.25	8.93	8.62	8.13
Worst Case Return	2.07	2.25	2.42	2.54
Negative Return Probability	0.40	0.17	0.07	0.03

* Global Tactical Asset Allocation (GTAA) is proxied using the following allocation weightings: 50% US Aggregate, 21% US Large Cap, 20% EAFE Equity, and 9% Emerging Markets Equity.

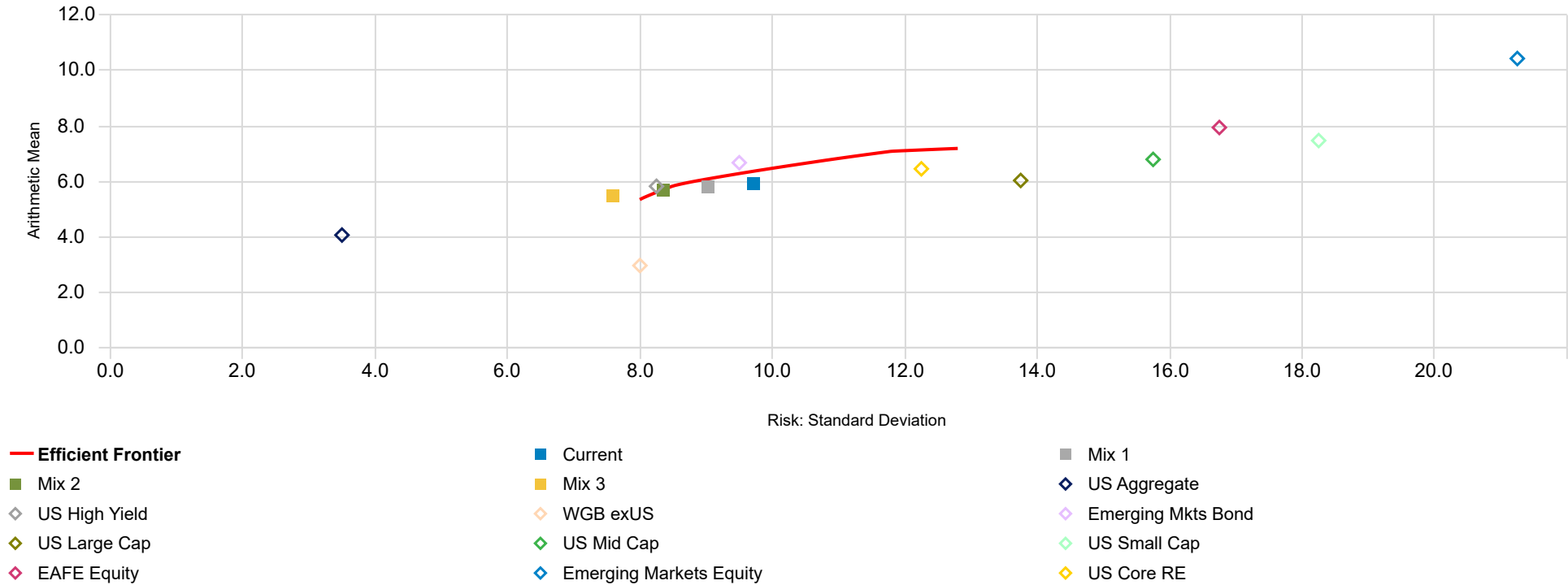


■ Restricted Efficient Frontier

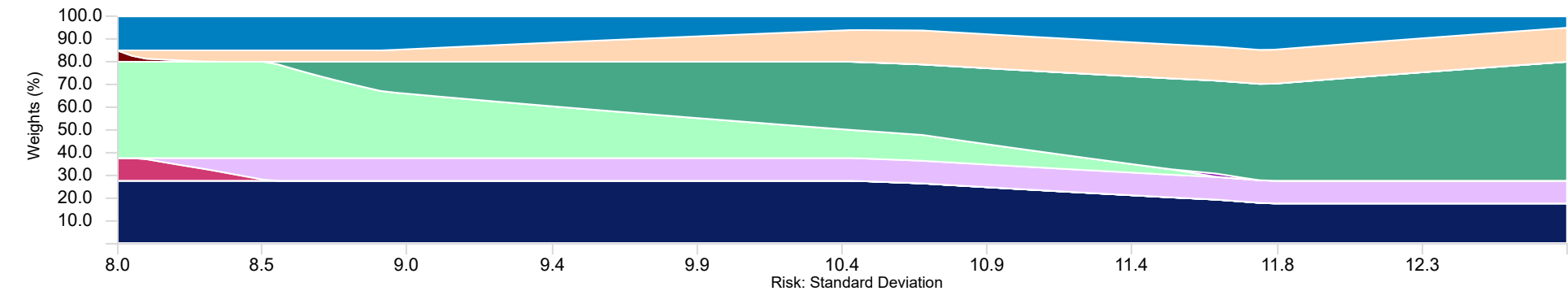
- The efficient frontier (EF) is a visual display of the mathematical optimization of mean/variance opportunities for a given set of asset class inputs.
- This red line represents the maximum level of return available for each level of standard deviation (risk). Stated another way, if a portfolio is being designed to target a specific, desired rate of return, the EF illustrates the risk that must be taken to achieve this objective.
- The restricted EF is limited by the constraints set on the individual asset classes and the various groups. Using the return, risk and correlation expectations for each asset classes in the model, the optimization software creates a set of portfolios that combine the various asset classes to create mathematically efficient portfolios (mean/variance optimized). As a result of this optimization, a portfolio cannot be created that plots above the EF.
- The restricted EF only includes the asset classes input into the model for this study.

Efficient Frontier, Asset Class Allocation & Asset Mixes

Efficient Frontier & Asset Mixes

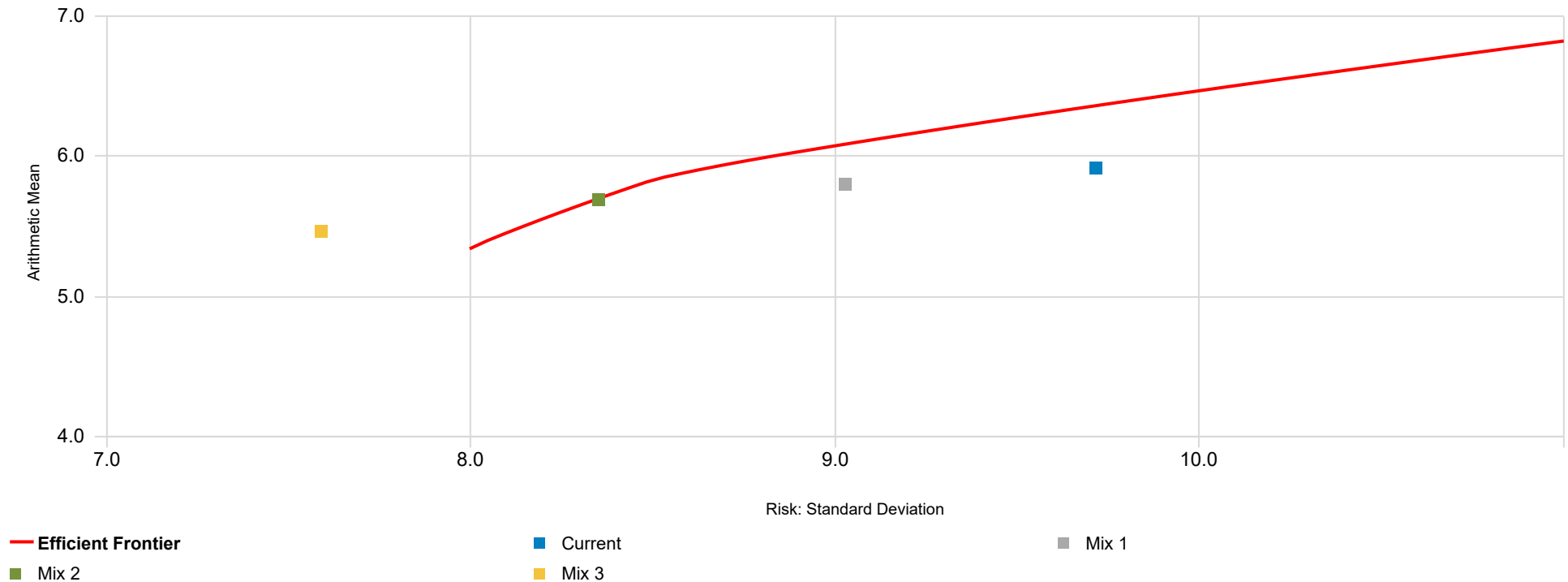


Efficient Frontier Asset Class Allocation



Efficient Frontier, Asset Class Allocation & Asset Mixes

Efficient Frontier & Asset Mixes



Asset Mix Statistics

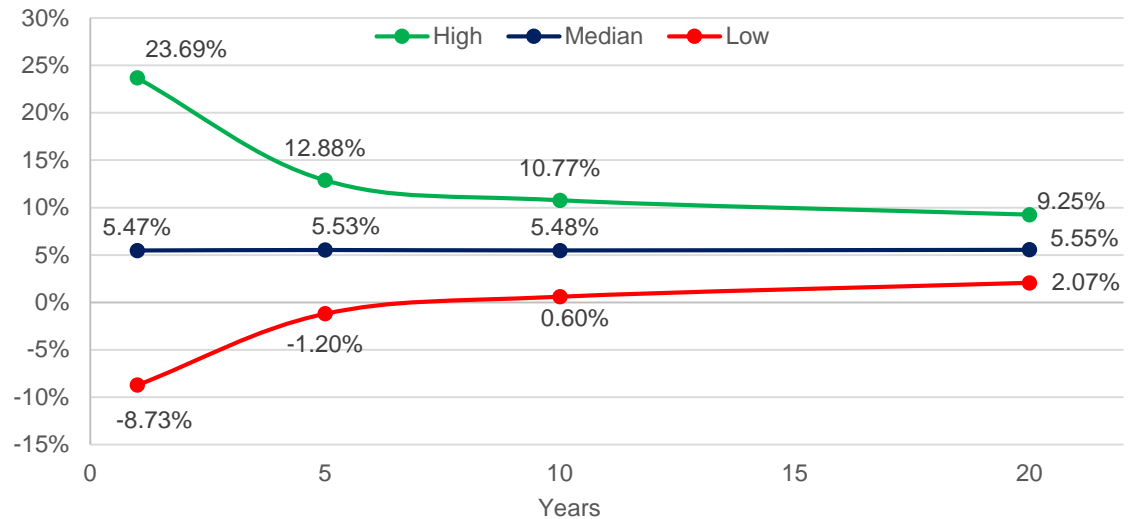
	Current	Mix 1	Mix 2	Mix 3
Arithmetic Mean	5.92	5.80	5.69	5.46
Standard Deviation	9.72	9.03	8.35	7.59
Sharpe Ratio	0.61	0.64	0.68	0.72

Current Mix – Return, Risk & Probability Forecasts

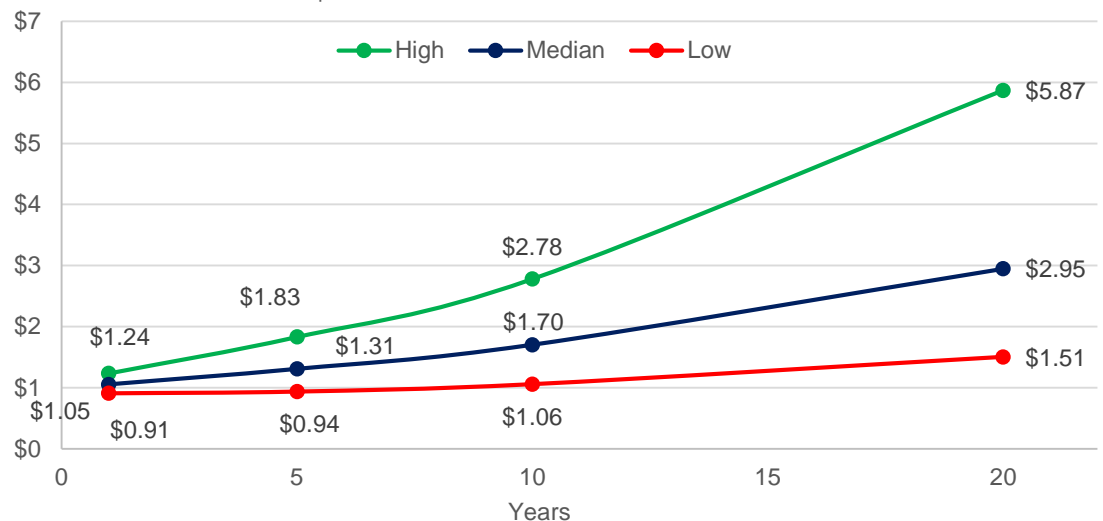
Broad Asset Class Allocation (%)	Current
US Aggregate	25.00
US High Yield	1.00
WGB exUS	3.50
Emerging Mkts Bond	0.50
US Large Cap	31.93
US Mid Cap	12.35
US Small Cap	4.28
EAFE Equity	8.60
Emerging Markets Equity	2.85
US Core RE	10.00

Single Year Expectations (%)	Current
Return	5.92
Standard Deviation	9.72
Sharpe Ratio	0.61
Best Case Return	23.69
Worst Case Return	-8.73
Negative Return Probability	27.50
Time Horizon Expectations (%)	Current
Return	5.55
Best Case Return	9.25
Worst Case Return	2.07
Negative Return Probability	0.40

Return Percentiles - Current Mix



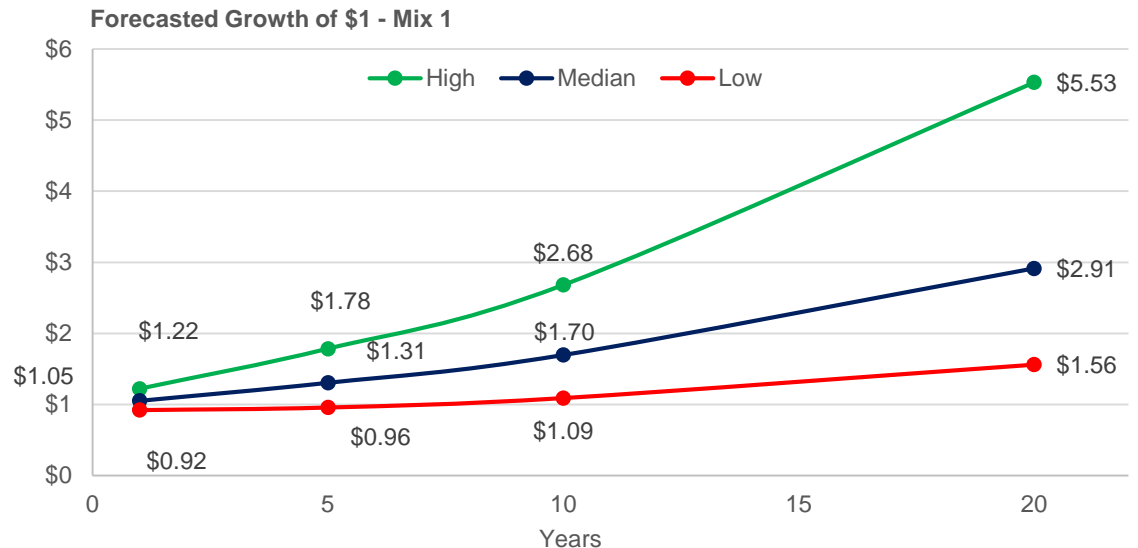
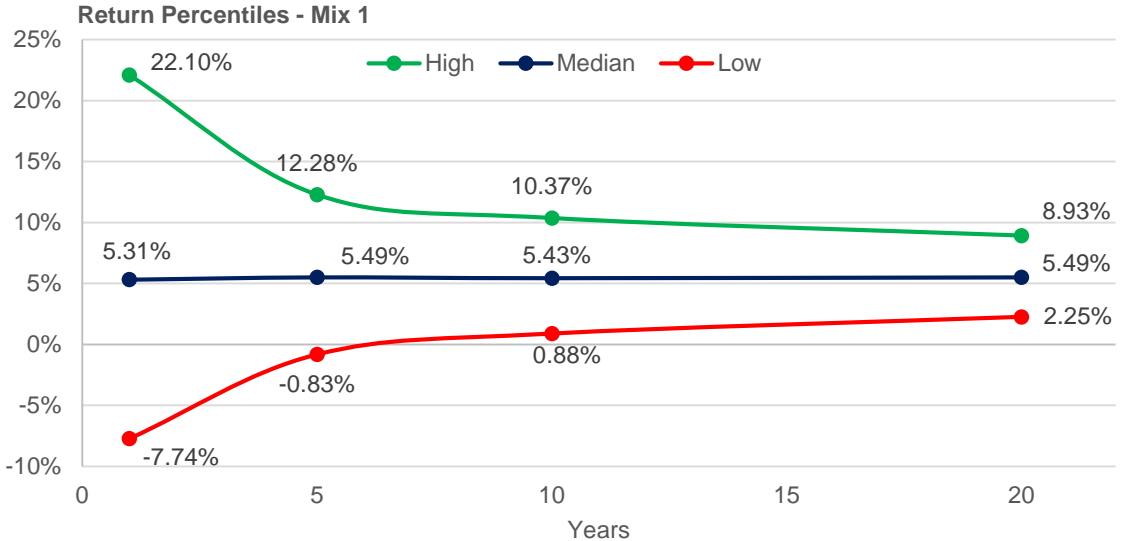
Forecasted Growth of \$1 - Current Mix



Mix 1– Return, Risk & Probability Forecasts

Broad Asset Class Allocation (%)	Mix 1
US Aggregate	30.00
US High Yield	1.00
WGB exUS	3.50
Emerging Mkts Bond	0.50
US Large Cap	28.68
US Mid Cap	11.05
US Small Cap	3.83
EAFE Equity	8.60
Emerging Markets Equity	2.85
US Core RE	10.00

Single Year Expectations (%)	Mix 1
Return	5.80
Standard Deviation	9.03
Sharpe Ratio	0.64
Best Case Return	22.10
Worst Case Return	-7.74
Negative Return Probability	26.30
Time Horizon Expectations (%)	Mix 1
Return	5.49
Best Case Return	8.93
Worst Case Return	2.25
Negative Return Probability	0.17

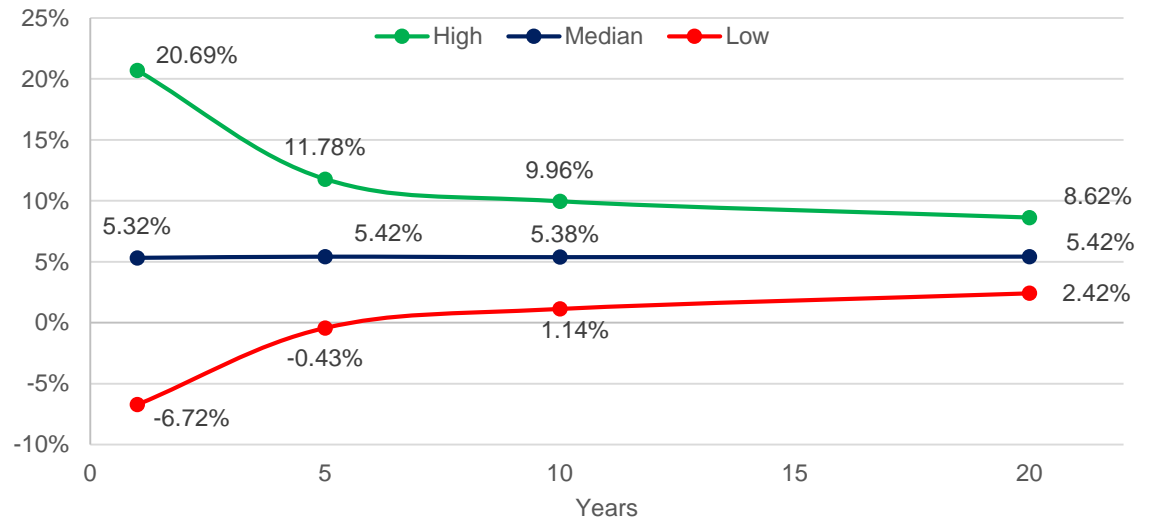


Mix 2 – Return, Risk & Probability Forecasts

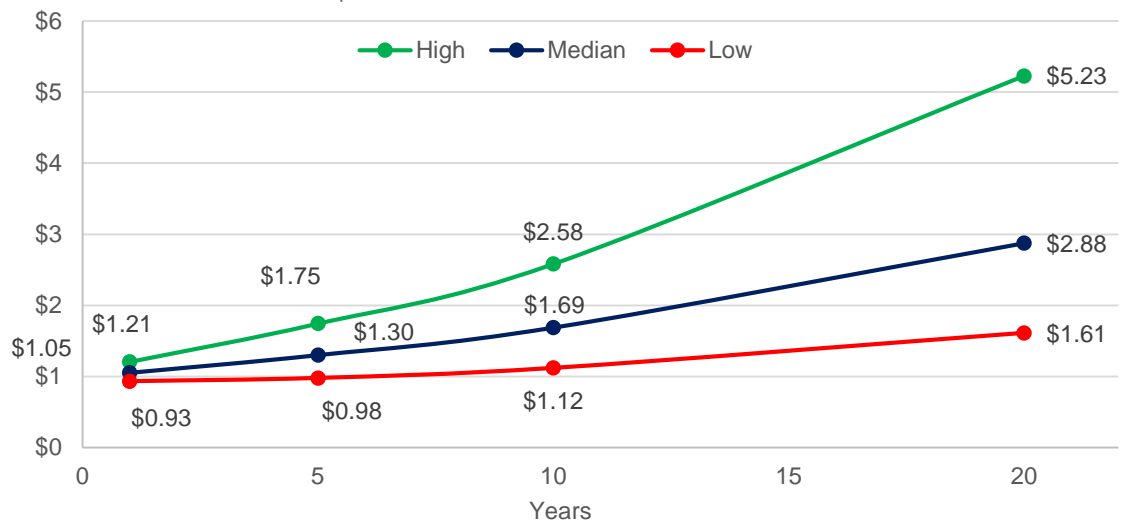
Broad Asset Class Allocation (%)	Mix 2
US Aggregate	35.00
US High Yield	1.00
WGB exUS	3.50
Emerging Mkts Bond	0.50
US Large Cap	25.43
US Mid Cap	9.75
US Small Cap	3.38
EAFE Equity	8.60
Emerging Markets Equity	2.85
US Core RE	10.00

Single Year Expectations (%)	Mix 2
Return	5.69
Standard Deviation	8.35
Sharpe Ratio	0.68
Best Case Return	20.69
Worst Case Return	-6.72
Negative Return Probability	25.30
Time Horizon Expectations (%)	Mix 2
Return	5.42
Best Case Return	8.62
Worst Case Return	2.42
Negative Return Probability	0.07

Return Percentiles - Mix 2



Forecasted Growth of \$1 - Mix 2

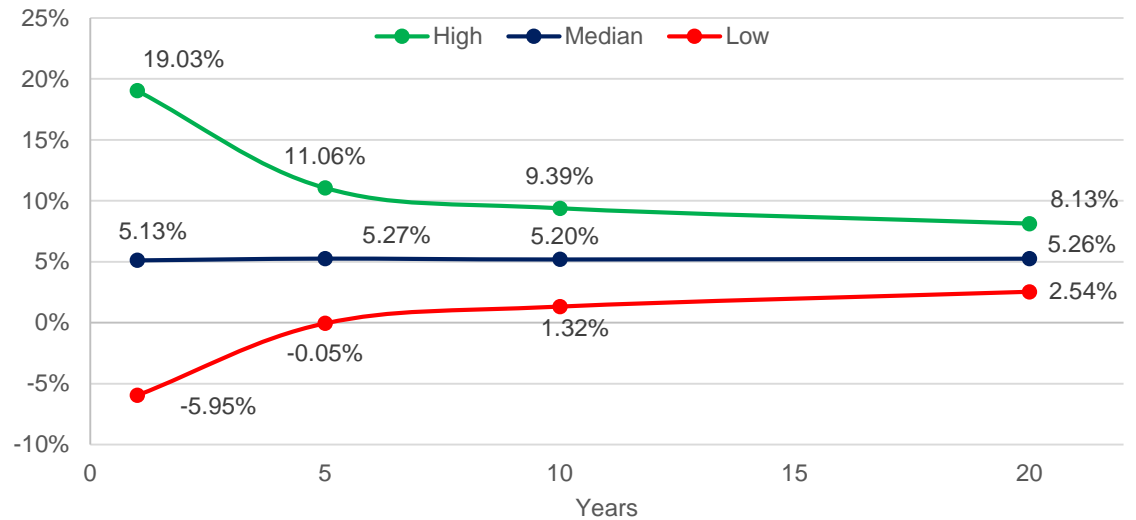


Mix 3 – Return, Risk & Probability Forecasts

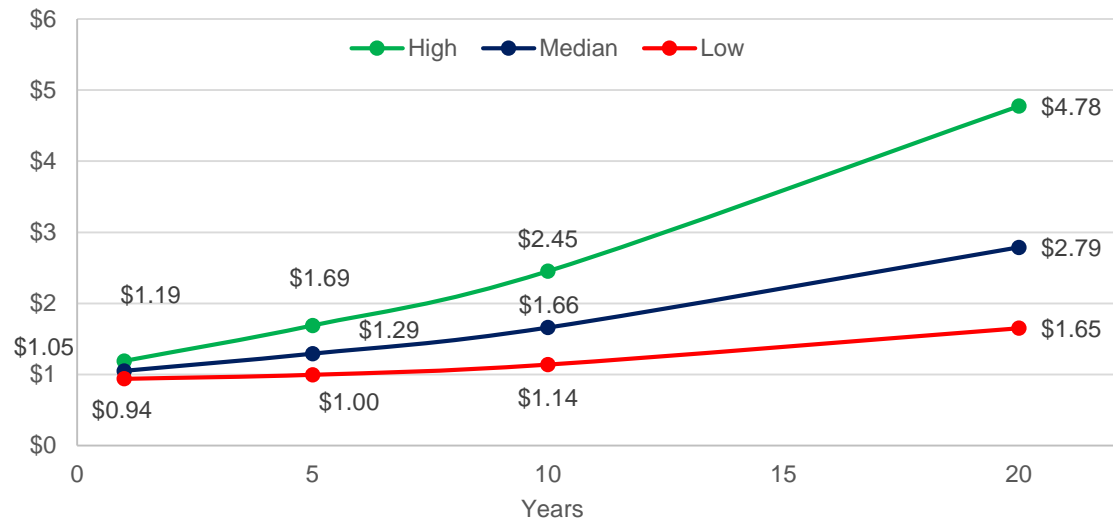
Broad Asset Class Allocation (%)	Mix 3
US Aggregate	40.00
US High Yield	1.00
WGB exUS	3.50
Emerging Mkts Bond	0.50
US Large Cap	25.43
US Mid Cap	9.75
US Small Cap	3.38
EAFE Equity	4.80
Emerging Markets Equity	1.65
US Core RE	10.00

Single Year Expectations (%)	Mix 3
Return	5.46
Standard Deviation	7.59
Sharpe Ratio	0.72
Best Case Return	19.03
Worst Case Return	-5.95
Negative Return Probability	23.93
Time Horizon Expectations (%)	Mix 3
Return	5.26
Best Case Return	8.13
Worst Case Return	2.54
Negative Return Probability	0.03

Return Percentiles - Mix 3



Forecasted Growth of \$1 - Mix 3





Conclusions / Action Items

- **Conclusions**
- **Action Items / Considerations**

Introduction To Asset Allocation Modeling

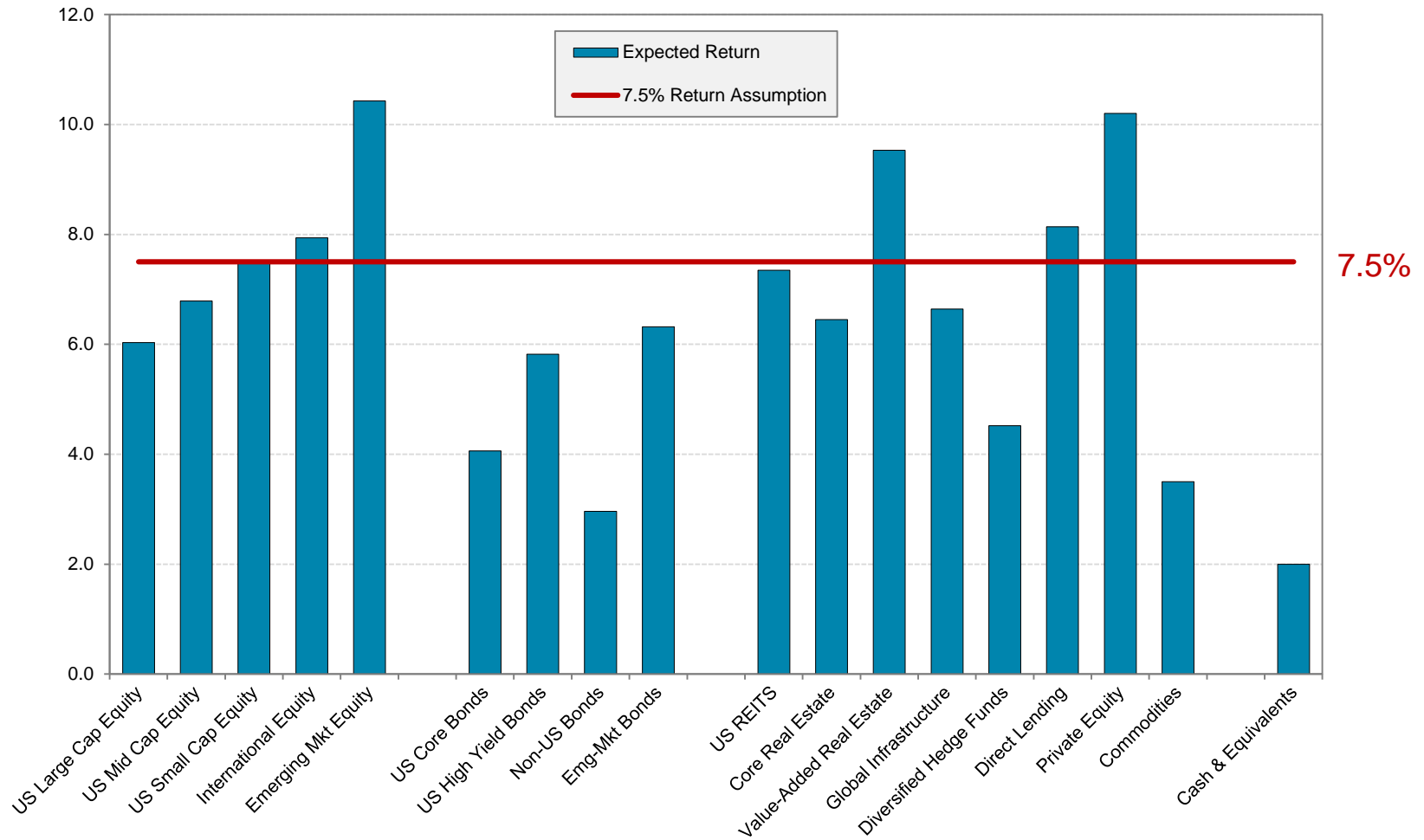
Mean/variance optimization using forecast capital market assumptions

Model Input	Description
Expected Return	The arithmetic average expected return (mean) of each asset class.
Expected Risk	The variability of each asset class around its mean return. The statistical measure known as standard deviation.
Correlation	The degree of co-movement of each asset class relative to all other asset classes. The statistical measure known as a correlation coefficient.

- **Understanding asset allocation model limitations:**
 - Output is based on forecasts (guesses) of each capital market assumption. Accurately predicting the expected return, expected risk (standard deviation), and correlation coefficients for each asset class is not a science, it's an economic methodology that varies by organization and forecast timeframe.
 - Assumes asset class returns are normally distributed (bell-shape curve). However, many asset classes exhibit non-normal (kurtosis - fat-tails and/or skewness) return distributions.
 - Assumes correlations between asset class pairs are static. However, since correlation coefficients can and do change over time, diversification and/or stability benefits of combining different asset classes may be overstated. Even historically stable correlation relationships may break down during periods of market stress.
 - Alternative asset classes introduce a variety of important risk factors that are not captured in their standard deviation measures.
- **Despite its shortcomings, asset allocation modeling provides a foundational framework for making sound portfolio decisions.**

A Closer Look at Expected Returns

10-15 Year Expected Returns Relative to a 7.5% Return Assumption

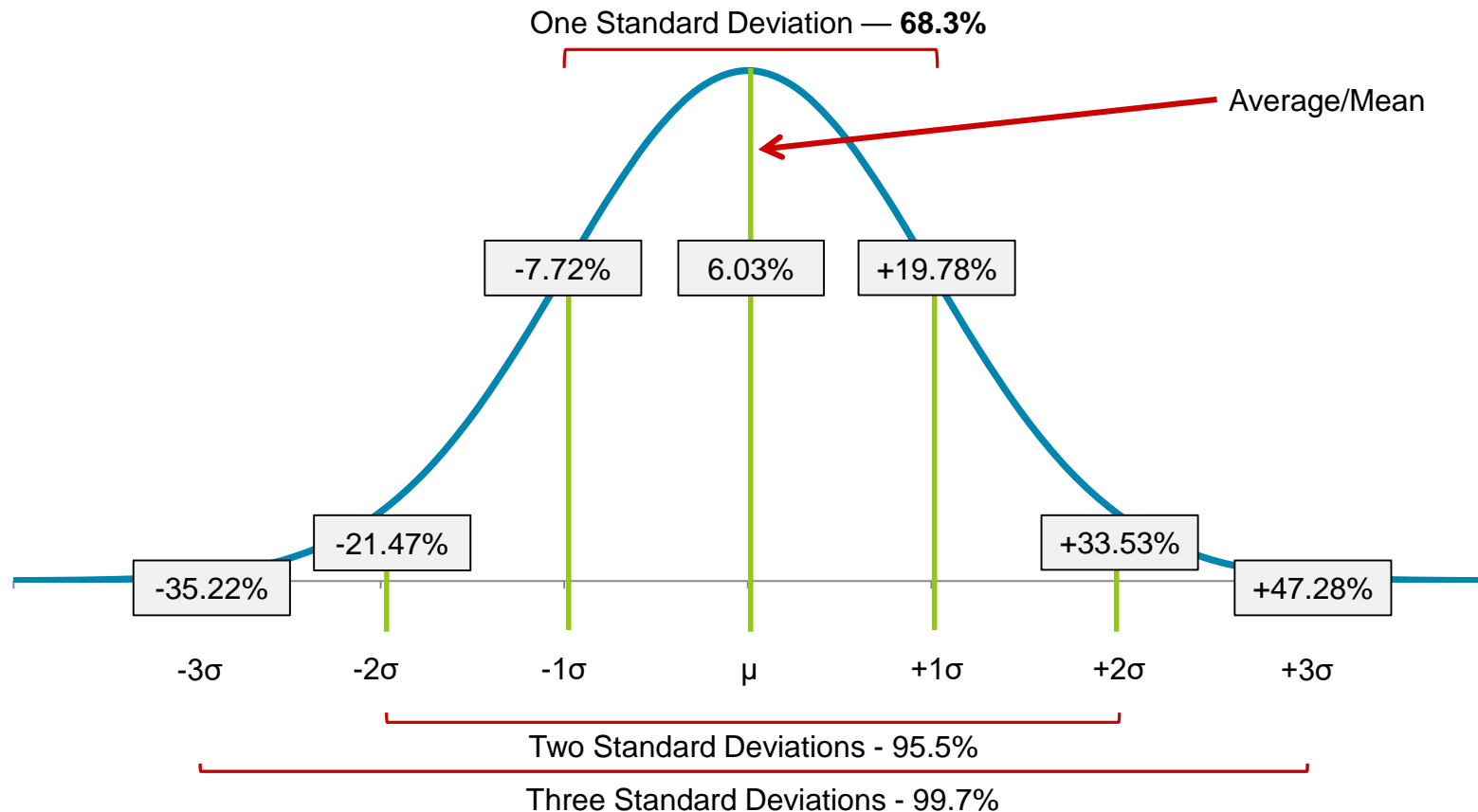


A Closer Look at Investment Risk as Defined by Math

Risk = Variability Around Mean = Standard Deviation

Variability of return around its arithmetic average

Large Cap Equity Average Expected Return of 6.03% with a Standard Deviation of 13.75%



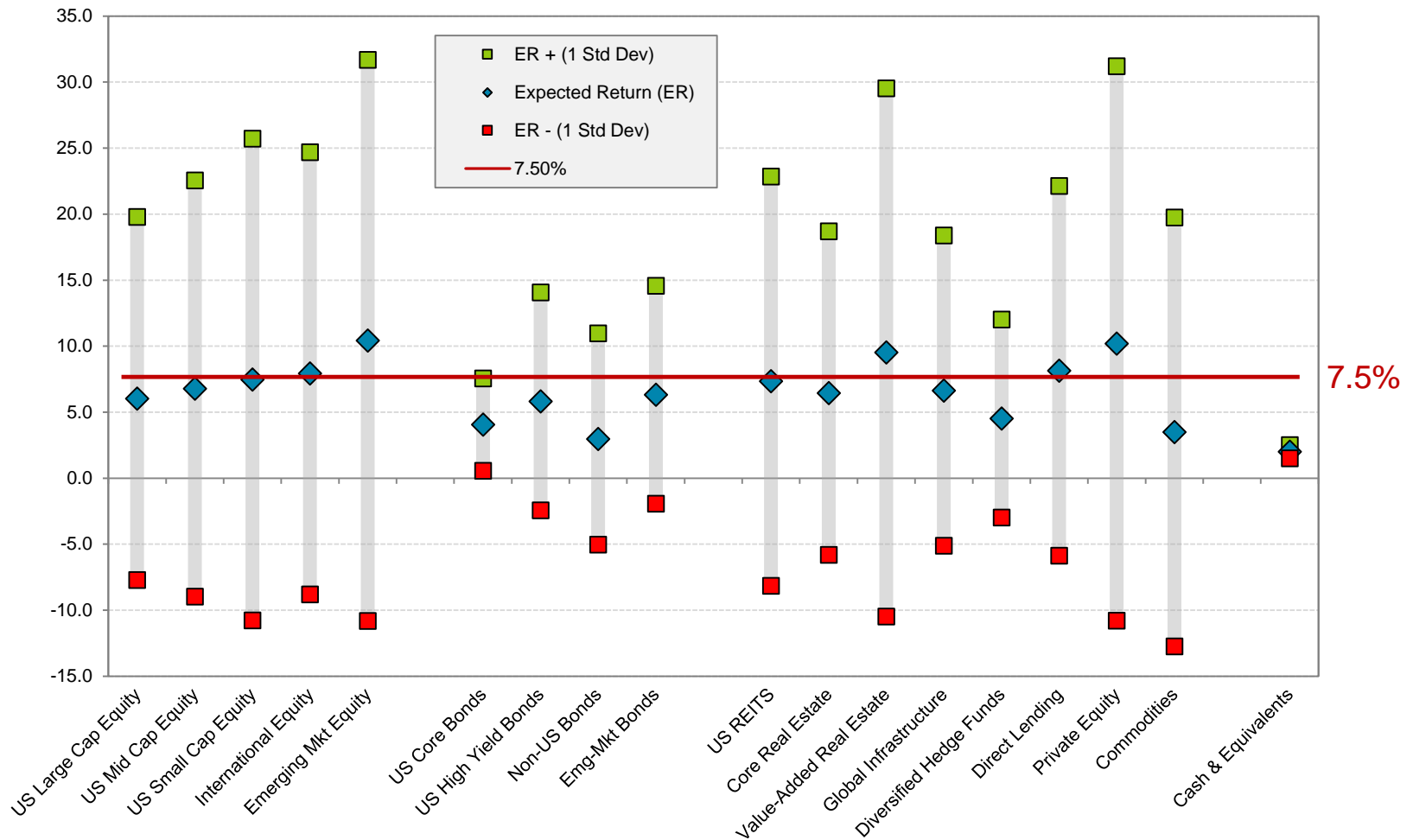
Other Investment Risks Not Captured by Standard Deviation

Beyond Variability – Other Risks Are Always Present

Interest Rate: Bonds decline in value when rates rise	Social/political/legislative: Investment landscape changes
Business: Underlying operational volatility/uncertainty	Currency/Exchange Rate: Change in price of one currency against another
Credit: Bond issuer defaults on interest/principal payment	Leverage: Amplifies losses
Call: Debt security called prior to maturity	Fiduciary: Potential non-arm's length transactions
Inflationary: Value of security eroded by inflation	Valuation: Some assets are difficult to price
Liquidity: Lock-up terms or gates during market stress	Headline: Manager makes the headlines or negative press
Systemic/market: Correlations go to "1" (like 2008)	Blow-up: Manager/strategy blows up

Blending the Return & Risk in a Single View

Expected Returns & Risk (Std Dev) Relative to a 7.5% Return Assumption

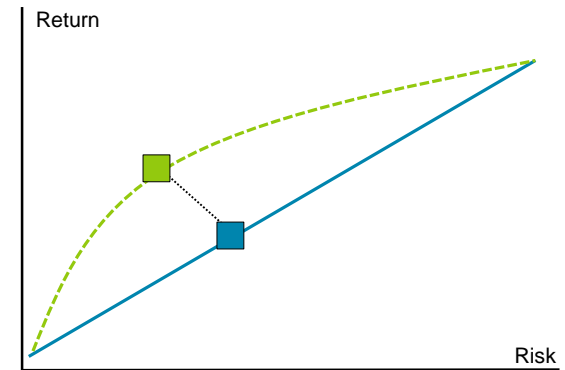


Understanding How Correlation Fits into the Process

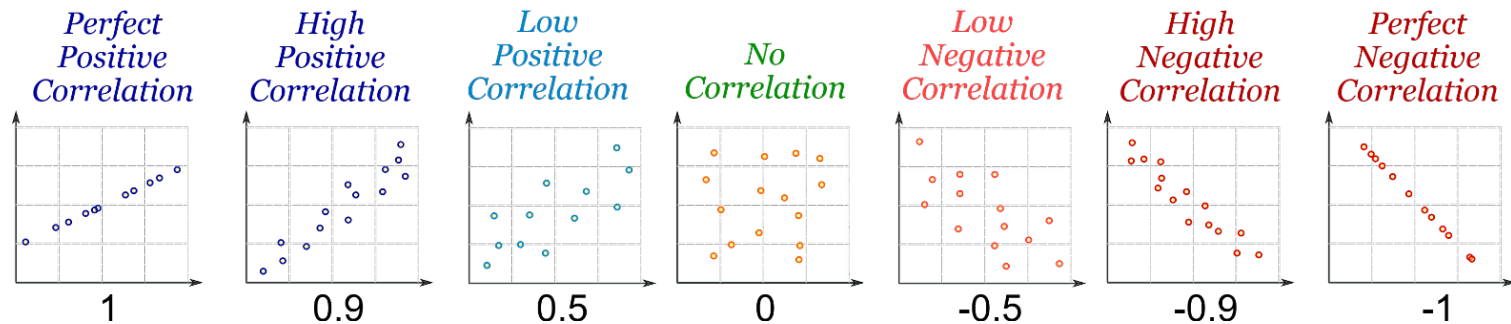
Understanding Correlations

Where the magic happens: How asset class pairs move relative to one another

- A statistical measure of co-movement with a range between +1 and -1.
 - **+1** = Perfect positive correlation. Assets move in tandem in the same direction.
 - **0** = No correlation. Assets move independently of one another – essentially no distinguishable pattern, more random.
 - **-1** = Perfect negative correlation. Assets move in opposite directions – one goes up the other goes down and vice versa.
- It is important to remember that correlations are not constant through time.

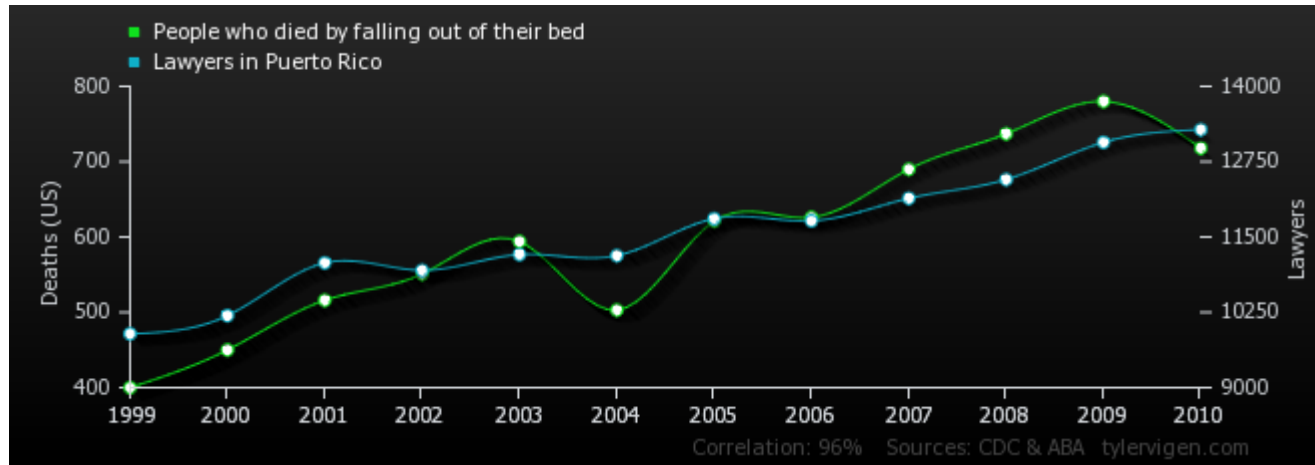


$$\sigma_p^2 = \sum_i w_i^2 \sigma_i^2 + \sum_i \sum_{j \neq i} w_i w_j \sigma_i \sigma_j \rho_{ij}$$

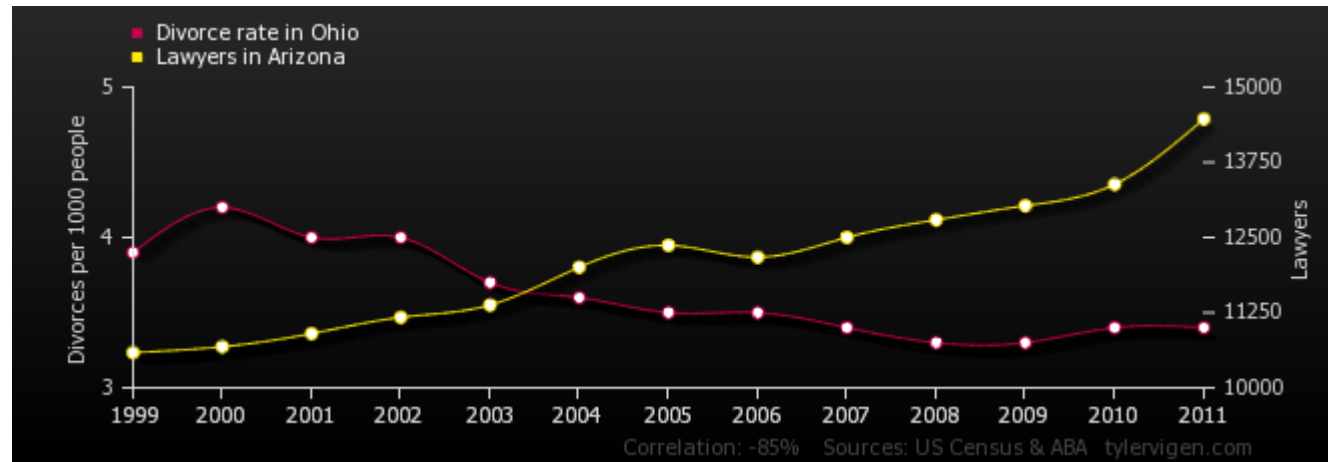


Is it Really Magic? Beware of Spurious Correlation

Don't Believe Everything You See



Correlation = 0.9571
96%



Correlation = -0.8547
85%

Correlation does not necessarily equal causation

Disclosures

IMPORTANT DISCLOSURE INFORMATION

This material is confidential and not intended for distribution to the public. AndCo Consulting ("AndCo") compiled this report for the sole use of the client for which it was prepared. AndCo uses the material contained in this evaluation to make observations and recommendations to the client, however the strategies listed may not be suitable for all investors and there is no guarantee that the strategies listed will be successful. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities for investment consulting, or investment management analysis services.

This Asset Allocation Study (the "Study") uses assumptions from the 2019 JPMorgan Long Term Capital Market Assumptions (the "2019 JPMorgan Assumptions"). Accordingly, there are statements of future expectations, estimates, projections, and other forward-looking statements that are based on available information and views as of the time of those statements. Such forward-looking statements are inherently speculative as they are based on assumptions which may involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such statements.

Furthermore, the reader should be aware that the outputs presented in this Study are slightly different than those presented in the original 2019 JPMorgan Assumptions. Due to changes in the underlying forecasted correlations from the 2018 JPMorgan Long Term Capital Assumptions, and thereby changes to the methodology used by JPMorgan to create correlation estimates, a malfunction occurs when the 2019 JPMorgan Assumptions interface with Morningstar (i.e., one of the means by which AndCo creates this Study). Accordingly, the utilization of a secondary resource created by Morningstar is utilized to remediate this issue; however, this remedy causes some deviation in figures from the original 2019 JPMorgan Assumptions. We consider these deviations to be generally immaterial.

Performance data is provided for historical and informational purposes only. Where applicable, results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Returns are typically stated net of fees, which may include: investment advisory fees, taxes and other expenses. There may be instances where certain returns are shown gross of fees (i.e., before the aforementioned fees are deducted) and would be noted as such. Generally, there are two instances where returns may be shown as gross figures. In the case of separate accounts, typically returns are demonstrated as gross of fees due to the fact that the fee structure would generally vary widely depending on the client's size and circumstances. Additionally, there are instances where a strategy vehicle is relatively new and does not have a sufficiently long track record to represent a viable comparison relative to other strategies. Accordingly, the returns for the separate account version of such a strategy could be used as demonstrative of the performance for a similar vehicle; separate account returns are generally shown as gross of fees. It is important to note that any such separate accounts being used as a "proxy" are strictly for illustrative purposes. An investor should not expect the same results from the actual strategy(ies) under consideration. When client-specific performance is shown, AndCo uses time-weighted calculations, which are founded on standards recommended by the CFA Institute. In these cases, the performance-related data shown are based on information that is received from custodians. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement.

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As presented in this report, although investing in equities can be beneficial, it is also important to consider the associated risks. Investing in such funds may not be suitable for all investors. Equity markets can be volatile and can decline significantly in response to, or investor perceptions of, issuer, market, economic, industry, political, regulatory, geopolitical, and other conditions. These conditions can affect a single issuer or type of security, issuers within a broad market sector, industry or geographic region, or the equity markets in general. The primary risk factors to consider include, but are not limited to: stock market risk, manager risk, investment style risk, sector-focus risk, issuer risk and liquidity risk. The securities markets are volatile and the market prices of the funds' securities may decline generally. Securities fluctuate in price based on changes in a company's financial condition and overall market and economic conditions. If the market prices of the securities owned by the fund fall, the value of your investment in the fund will decline. Depending on the specific strategy, there may be additional considerations such as the risks associated with equity investing.

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AndCo Consulting | (844) 44-ANDCO | *AndCoConsulting.com*

All Asset Fund

CLASS:	INSTITUTIONAL
FUND INCEPTION DATE:	31 JULY 2002
TICKER:	PAAIX
CUSIP:	722005626
TOTAL NET ASSETS (IN MILLIONS):	\$17,783.0

PORTFOLIO MANAGERS

Robert Arnott, Christopher Brightman

FUND STATISTICS

Effective duration (yrs)	3.68
Effective maturity (yrs)	6.25

MARKET VALUE ALLOCATION (%)

	Market value weighted
Third Pillar	80.0
Emerging Markets Equities	23.6
Commodities and REITs	8.4
Emerging Markets Bonds	15.4
Credit	8.5
Inflation Linked Bonds	7.3
Alternative Strategies	16.7
Second Pillar	13.9
US Core Bonds	4.6
US Long Maturity Bonds	5.1
Short-Term Bonds	4.3
First Pillar	6.1
Developed Ex-US Equities	6.1

Fund description

PIMCO All Asset Fund is a global tactical asset allocation strategy that seeks to provide investors with attractive long-term, real-return potential, while also diversifying traditional stock and bond allocations, reducing portfolio volatility and adding an explicit inflation buffer.

The fund traditionally emphasizes "third pillar" assets (e.g., emerging market bonds and stocks, credit, commodities REITs, TIPS and other alternative strategies), which provide diversifying sources of return and, unlike core stocks and bonds, tend to have a reflationary bias (i.e., outperform the market when inflation is rising).

The fund also benefits from two levels of expert management. Asset allocation decisions are managed by the fund's subadvisor, Research Affiliates, LLC, a leading tactical asset allocation firm and underlying funds are managed by PIMCO, benefiting from our extensive global resources and time-tested investment process.

The fund follows a value-oriented, contrarian approach - allocating to higher-yielding, lower-priced markets and shifting away from popular asset classes when they are overvalued.

INVESTOR BENEFITS

Potential benefits of this fund include:

- **Attractive long-term returns:** The fund aims to achieve high real returns (i.e., returns above inflation), consistent with its secondary benchmark of CPI +5% over a full market cycle
- **Diversification from traditional stocks and bonds:** The fund's global opportunity set and investment approach seek to provide attractive diversification characteristics and reduced loss potential than portfolios that rely on mainstream stocks and bonds to drive returns
- **Inflation protection:** The fund seeks to combat the effects of inflation through its focus on diversifying "third pillar" investments, which typically have a greater responsiveness to rising inflation than mainstream stocks and bonds

THE FUND ADVANTAGE

The All Asset Fund uniquely combines PIMCO's broad offering of global, actively managed strategies with the tactical asset allocation expertise of sub-advisor, Research Affiliates, LLC. PIMCO is recognized as a leading provider of traditional and alternative strategies across asset classes. Research Affiliates, which was founded in 2002 by Rob Arnott, is a leading provider of innovative, research-driven tactical asset allocation strategies.

VALUE OF ASSET ALLOCATION STRATEGIES

PIMCO's asset allocation strategies may be beneficial as a key component of an investor's portfolio. These strategies evaluate a wide spectrum of investments and tactically allocate among both traditional and alternative asset classes. This may improve portfolio diversification and lead to attractive risk-adjusted returns, enhancing the purchasing power of investors' capital.

Performance (net of fees)	15 yrs.	10 yrs.	5 yrs.	3 yrs.	1 yr.	6 mos.	3 mos.
PIMCO Fund (%)	5.26	7.36	3.07	7.14	-0.13	1.93	5.39
Benchmark 1 (%)	3.19	2.73	1.50	1.53	2.72	2.51	2.57
Benchmark 2 (%)	7.06	6.81	6.49	7.21	6.86	3.29	1.77

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, visit PIMCO.com or by calling 888.87.PIMCO.

Differences in the Fund's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the pricing methodologies used by the Fund and the index. There is no assurance that any fund, including any fund that has experienced **high or unusual performance** for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) a fund's total return in excess of that of the fund's benchmark between reporting periods or 2) a fund's total return in excess of the fund's historical returns between reporting periods. Unusual performance is defined as a significant change in a fund's performance as compared to one or more previous reporting periods.

Lipper rankings* (Alternative Global Macro Funds)	10 yrs.	5 yrs.	3 yrs.	1 yr.
Fund rank	20	60	28	145
Number of funds	73	199	228	257
Quartile	2	2	1	3

* Based on total return performance, with distributions reinvested, and operating expenses deducted.

Investors should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. This and other information are contained in the fund's prospectus and summary prospectus, if available, which may be obtained by contacting your PIMCO representative. Please read them carefully before you invest or send money.

Interest expense results from the Fund's use of certain investments such as tender option bond floating rate certificates. Such expense is required to be treated as a Fund expense for accounting purposes and is not payable to Pacific Investment Management Company LLC ("PIMCO"). Any interest expense amount will vary based on the Fund's use of those investments as an investment strategy best suited to seek the objective of the Fund.

MV% may not equal 100 due to rounding.

Prior to 31 July 2012 the fund's benchmark used the non-seasonally-adjusted CPI.

Performance reflects changes in share price, reinvestment of dividends and capital gains distributions. All periods longer than one year are annualized.

Effective duration is the duration for a bond with an embedded option when the value is calculated to include the expected change in cash flow caused by the option as interest rates change.

Investments made by a Fund and the results achieved by a Fund are not expected to be the same as those made by any other PIMCO-advised Fund, including those with a similar name, investment objective or policies. A new or smaller Fund's performance may not represent how the Fund is expected to or may perform in the long-term. New Funds have limited operating histories for investors to evaluate and new and smaller Funds may not attract sufficient assets to achieve investment and trading efficiencies. A Fund may be forced to sell a comparatively large portion of its portfolio to meet significant shareholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant share purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

A word about risk: The Fund invests in other PIMCO funds and performance is subject to underlying investment weightings which will vary. The cost of investing in a fund that invests in other funds will generally be higher than the cost of investing in a fund that invests directly in individual stocks and bonds. Investing in **foreign denominated and/or domiciled securities** may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. **Commodities** contain heightened risk including market, political, regulatory, and natural conditions, and may not be suitable for all investors. **Mortgage and asset-backed securities** may be sensitive to changes in interest rates, subject to early repayment risk, and their value may fluctuate in response to the market's perception of issuer creditworthiness; while generally supported by some form of government or private guarantee there is no assurance that private guarantors will meet their obligations. **Inflation-linked bonds (ILBs)** issued by a government are fixed-income securities whose principal value is periodically adjusted according to the rate of inflation; ILBs decline in value when real interest rates rise. Treasury Inflation-Protected Securities (TIPS) are ILBs issued by the U.S. Government. **Derivatives and commodity-linked derivatives** may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Commodity-linked derivative instruments may involve additional costs and risks such as changes in commodity index volatility or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Investing in derivatives could lose more than the amount invested. The Fund is **non-diversified**, which means that it may concentrate its assets in a smaller number of issuers than a diversified fund.

The value of most bond funds and fixed income securities are impacted by **changes in interest rates**. Bonds and bond funds with longer durations tend to be more sensitive and more volatile than securities with shorter durations; bond prices generally fall as interest rates rise.

Past rankings are no guarantee of future rankings. Rankings begin with the inception of the actual share class. Lipper does not take into account sales charges.

The minimum initial investment for institutional class shares is \$1 million; however, it may be modified for certain financial intermediaries who submit trades on behalf of eligible investors.

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BASIC FACTS

Dividend frequency	Quarterly
Total Expense Ratio	1.105%
Net Expense Ratio	1.005%

The Net Expense Ratio excluding interest expense is 0.865%. Interest expense can result from portfolio investment transactions and is not paid to PIMCO.

The Net Expense Ratio reflects a contractual fee waiver and/or expense reduction, which is in place through 31 July 2019 and renews automatically for a full year unless terminated by PIMCO in accordance with the terms of the agreement. See the Fund's prospectus for more information.

PERFORMANCE CHARACTERISTICS

SEC 30-day yield (%) ¹	
Subsidized:	4.29%
Unsubsidized:	4.14%

¹ The 30 day SEC Yield is computed under an SEC standardized formula based on net income earned over the past 30 days. The Subsidized yield includes contractual expense reimbursements and it would be lower without those reimbursements. The Unsubsidized 30 Day SEC yield excludes contractual expense reimbursements.

ABOUT THE BENCHMARK

Benchmark 1

Bloomberg Barclays U.S. TIPS: 1-10 Year Index is an unmanaged market index comprised of U.S. Treasury Inflation-Protected Securities having a maturity of at least 1 year and less than 10 years.

Benchmark 2

CPI + 500 Basis Points benchmark is created by adding 5% to the annual percentage change in the Consumer Price Index ("CPI"). This index reflects seasonally adjusted returns. The Consumer Price Index is an unmanaged index representing the rate of inflation of the U.S. consumer prices as determined by the U.S. Bureau of Labor Statistics. There can be no guarantee that the CPI or other indexes will reflect the exact level of inflation at any given time.

ABOUT PIMCO

PIMCO is one of the world's premier fixed income investment managers. Since our founding in 1971 in Newport Beach, California, we have continued to bring innovation and expertise to our partnership with clients seeking the best investment solutions. Today our professionals work in 14 offices across the globe, united by a single purpose: creating opportunities for investors in every environment.

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Introduction to Private Infrastructure A Primer for Institutional Clients

Putting clients first.





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The Investment Challenge

- Expected return from a traditional institutional portfolio will be challenged to meet return targets

Equities		Fixed Income	
U.S. Large Cap	6.41%	Core	3.32%
U.S. Mid Cap	6.93%	High Yield	5.59%
U.S. Small Cap	7.35%		
International	7.61%		

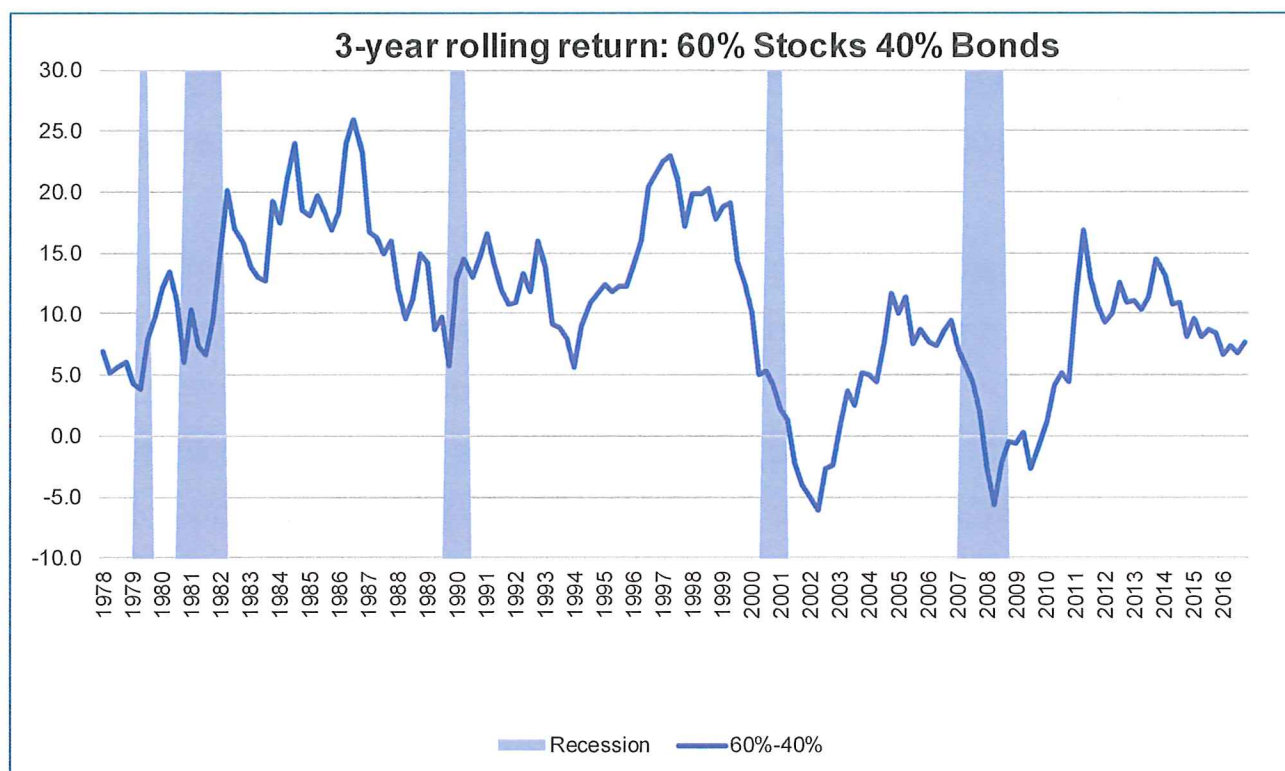
- Traditional asset classes (Equities and Fixed Income) tend to be highly correlated

	U.S. Large Cap	U.S. Mid Cap	U.S. Small Cap	International	Core FI	High Yield
U.S. Large Cap	1.00					
U.S. Mid Cap	0.96	1.00				
U.S. Small Cap	0.90	0.95	1.00			
International Equities	0.88	0.86	0.76	1.00		
Core Fixed Income	0.00	-0.01	-0.10	0.10	1.00	
High Yield	0.69	0.74	0.65	0.74	0.19	1.00

Source: Expected return and correlation are from the "2018 JPMorgan Long-Term Capital Market Assumptions"

The Investment Challenge

- The risk in most traditional institutional portfolios comes from exposure to economic growth, returns tend to decline significantly around recessions



*60-40 portfolio is comprised of 60% S&P 500 and 40% Bloomberg Barclays U.S. Aggregate Bond, rebalanced quarterly

Addressing the Investment Challenge

Infrastructure assets have characteristics that can address these challenges:

- Strong cash flow profile and expected total return
 - Relatively steady cash flow through an economic cycle
- Lower correlation to other asset classes
- Inflation protection
 - Some countries contractually link cash flows to inflation measures.
 - Overall value of investment should increase with inflation
- Less economic sensitivity than public equities
 - Essential nature of asset maintains cash flow during downturns
- Additionally, long term nature of assets match profile of institutional investor's liabilities

Ultimately, these benefits improve the risk-return characteristics of a traditional institutional portfolio, resulting in a more optimal asset allocation for institutional investors

Defining Infrastructure

Infrastructure is defined as essential public services and facilities needed for the general economic operation of a region.

Characteristics include:

- Monopolistic or semi-monopolistic position, high barriers to entry
- Long useful life
- Operate in regulated environments
- Stable, relatively predictable cash flows
- Lower exposure to business cyclicity

Common types of Infrastructure assets:

Sectors	Transportation	Energy/Utilities	Communications	Social
Subsectors	Toll roads/bridges/tunnels Municipal Parking Airports Rail Mass Transit Networks Port Facilities	Oil and Gas Pipelines Regulated Utilities Renewable Energy Water Treatment/Distribution	Communication Towers Cable Networks Satellite Systems	Education Facilities Healthcare Facilities Correctional Facilities

Institutional Investment in Infrastructure

- Infrastructure is a global asset class with a majority of the assets in North America, Western Europe, and Asia/Australia.
 - Infrastructure transactions in emerging markets also continue to grow. Oxford Economics forecasts 48% of annual global infrastructure spending will occur in Emerging Asia by 2025, up from 30% in 2012.
- Infrastructure investing has been popular in Australia for many years within its superannuation funds. It has also been widely implemented as an asset class in the public retirement systems of Canada and Western Europe.
 - Based on Preqin data, as of March 2017, there was approximately \$425 billion of unlisted infrastructure assets under management compared to \$110 billion as of December 2008.
- Acceptance of the asset class among U.S. institutional investors is increasing with numerous potential opportunities. Investing in U.S. infrastructure assets allows investors exposure to the asset class without the currency risk exposure.
- In 2016, Oxford Economics forecasts total global infrastructure spending from 2015 to 2020 will be in the \$26 to \$28 trillion range

Benefits of Implementing an Allocation to Infrastructure

Risk-Adjusted Return Potential

Private global infrastructure is anticipated to generate an attractive long-term, risk-adjusted return profile relative to equities and fixed income, and a similar profile to core private real estate.

	Return	Standard Deviation
Global Infrastructure*	6.89	11.75
U.S. Large Cap	6.41	14.00
U.S. Mid Cap	6.93	16.00
U.S. Small Cap	7.35	18.75
International Equities	7.61	17.25
Core Fixed Income	3.32	3.75
High Yield	5.59	8.50
U.S. Core Real Estate*	5.79	10.75

Source: Forecast returns are from the "2018 JPMorgan Long-Term Capital Market Assumptions"

*The JPMorgan assumptions for infrastructure real estate are unlevered returns.

Benefits of Implementing an Allocation to Infrastructure

Diversification

Private global infrastructure has a low correlation with equities, fixed income, and core private real estate.

	Global Infrastructure	U.S. Large Cap	U.S. Mid Cap	U.S. Small Cap	International	Core FI	High Yield	U.S. Core RE
Global Infrastructure	1.00							
U.S. Large Cap	0.30	1.00						
U.S. Mid Cap	0.30	0.96	1.00					
U.S. Small Cap	0.28	0.90	0.95	1.00				
International Equities	0.26	0.88	0.76	0.76	1.00			
Core Fixed Income	0.00	0.00	-0.01	-0.10	0.10	1.00		
High Yield	0.22	0.69	0.74	0.65	0.74	0.19	1.00	
U.S. Core Real Estate	0.30	0.30	0.31	0.31	0.26	0.31	0.23	1.00

Source: Correlations are derived from the "2018 JPMorgan Long-Term Capital Market Assumptions"



Implementation Considerations

Infrastructure Strategies

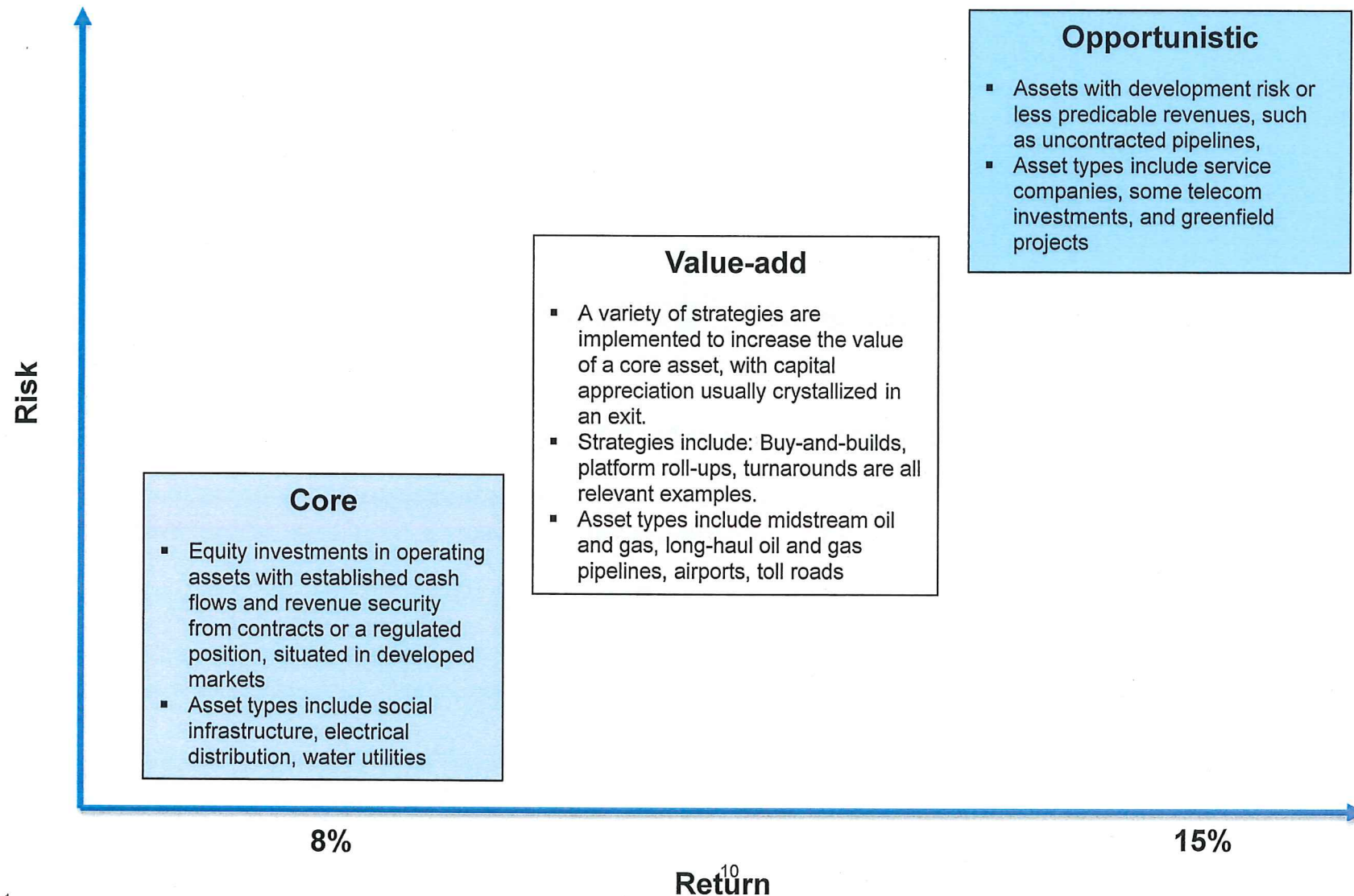
There are three primary types of strategies with varying risk and return profiles that an institution can utilize to construct an infrastructure portfolio.

- Core is a lower-risk strategy, driven primarily by current income
- Value-add provides more upside potential than Core, but also adds more risk. It seeks appreciation while mitigating volatility with some current income generation.
- Opportunistic offers the highest risk and highest return potential. It derives most of its return from appreciation.

	Core	Value-add	Opportunistic
Target Return (net)	8% to 10%	10% to 12%	15% to 17%
Key Risks	Operating	Operating Strategy Execution Construction	Construction Strategy Execution Market, Political
Primary Return Driver	Income	Appreciation	Appreciation
GDP Sensitivity	Low	High	High
Brownfield or Greenfield	Brownfield	Both	Both
Operating Complexity	Medium	High	High
Geography	OECD	OECD/Non OECD	OECD/Non OECD

Implementation Considerations

Infrastructure Strategies



Implementation Considerations

Investment Vehicles

Vehicle type	Minimum Investment	Liquidity	Fund Term	Typical Strategies
Open-end Funds (private)	\$10 million (negotiable)	Quarterly	Perpetual	Core
Closed-end Funds (private)	\$10 million (negotiable)	Illiquid	10 to 12 years	Core Value-add Opportunistic Debt

Implementation Considerations

What to consider when selecting the right strategy for your portfolio

	Open-end Funds (private assets)	Closed-end Funds (private assets)
Key Advantages	<ul style="list-style-type: none"> ▪ Current income generated from cash-flowing assets ▪ Low correlation to equity markets ▪ Direct exposure to infrastructure assets 	<ul style="list-style-type: none"> ▪ Broadest number of managers and strategies to select from ▪ Low correlation to public equity markets ▪ Direct exposure to infrastructure assets
Key Disadvantages	<ul style="list-style-type: none"> ▪ Higher fees ▪ Focus on cash-flow, less upside potential ▪ Leveraged ▪ Less liquid than listed securities 	<ul style="list-style-type: none"> ▪ Higher fees ▪ Leveraged ▪ Blind pool risk ▪ Liquidity is limited to complex secondary market transactions
Fit within Portfolio	<ul style="list-style-type: none"> ▪ Tend to focus on investments with long-term hold periods and stable cash flows ▪ Primary component of an institutional investor's infrastructure program 	<ul style="list-style-type: none"> ▪ Tend to focus on investments with a higher risk/return profile ▪ Complementary component of an institutional investor's infrastructure program

Implementation Considerations - Risks

Primary considerations to implementing an infrastructure allocation:

- **Political/Regulatory:**
 - Regulated Infrastructure assets are subject to changes in government regulations and guarantees. Governmental regulators typically determine rates that can be charged to customers. Energy infrastructure, including oil & gas, solar, wind, and nuclear, are particularly vulnerable to this risk.
- **Asset types:**
 - For some assets, rate increases are not built into contracts which reduces the extent of inflation protection. Particularly in US, there is a high reliance on regulators for rate increases, which can be time-consuming.
- **Headline:**
 - High potential for public backlash on rate increases
- **Currency:**
 - Exchange rate fluctuations on foreign investments can severely impact returns.
- **Benchmarking:**
 - There is no benchmarking standard for private infrastructure strategies. Alternatives include absolute return, CPI + x%, public benchmark + x%, or comparison to funds of the same vintage year.
- **Credit:**
 - Private funds typically carry 40% to 70% leverage and are sensitive to credit market conditions

Implementation Considerations - Risks

Primary considerations to implementing an infrastructure allocation:

- **Liquidity:**
 - Open-end private fund's quarterly liquidity option can lock up depending on withdrawal queue and market conditions.
- **UBTI:**
 - Most funds will structure investments to minimize the impact of Unrelated Business Taxable Income (UBTI). However, certain investments may result in the generation of UBTI. To remedy this, managers may have offshore blocker vehicle options. Please consult your tax advisor to determine the impact of UBTI.
- **ERISA Fiduciary:**
 - Most Private Equity managers are not ERISA fiduciaries by accepting less than 25% of ERISA commitments or by becoming exempt by registering as a venture capital operating company (VCOC). If either of these cases, managers will not comply with ERISA standards.

Implementation Considerations – Manager/Strategy Selection

What does AndCo look for when evaluating Infrastructure managers?

- Team stability
 - Due to the long-term nature of the investments it is crucial to partner with a team that has had minimal turnover of key professionals responsible for generating the firm's track record.
- Ability to add value through active management
 - Demonstrated capabilities of adding value through techniques such as adding key management personnel, negotiating contracts, optimizing the capital structure, and pursuing strategic acquisitions.
- Strong network for sourcing deal flow
 - A long history in the space provides the reputation and relationships needed to generate proprietary deals or greater participation in limited auctions, which can drive higher returns.
- Strong balance sheet for financing
 - Most private funds are levered, an ability to access attractive terms on debt will impact total return.
- Valuation Policy
 - Valuations are conducted on a quarterly basis. Managers must follow industry standard best practices that are audited annually by a third party.
- Exit strategy
 - Closed-end funds have a finite life, managers need to demonstrate a clearly defined exit strategy for the assets.
- Track record
 - Open-end funds manage redemptions through either cash inflows from new investors or selling assets. Poor performance can lead to increased redemptions and lack of new inflows. Current investors may be unable to receive redemption proceeds until assets are sold.

The Infrastructure Opportunity

AndCo's View

- Allocating 5% to 10% of an institutional portfolio to Infrastructure can make sense, depending on the investor's objectives.
- We view Infrastructure as a component of a strategic allocation, not a short-term trade idea.
- Investors seeking to reduce equity and fixed income risk without sacrificing significant return potential would benefit from an allocation to infrastructure.
- Lower-risk/return strategies with a focus on investments that have stable cash flows and are less sensitive to economic growth should be the primary component of an infrastructure program.
- Higher-risk/return strategies that are dependent on a manager's operational expertise to create value or take on development risk can serve as a complementary component of an infrastructure program.
- We would avoid listed infrastructure, which does not offer as much diversification or risk reduction as private infrastructure does.

Glossary

Brownfield – projects that have existing assets generating cash flow

Capital Call – Occurs when a manager requests a transfer of the portion of the investors' committed capital. The called capital is utilized by the manager to make investments and cover expenses.

Carried Interest – performance fee collected by the manager on profits in excess of a predetermined return referred to as a preferred return

Closed-end Fund – A fund with specified term the manager must liquidate the investments by, generally eight years or longer

Committed Capital – The amount of capital an investor has agreed to invest in a closed-end, private infrastructure fund. The capital is called on an as needed basis by the manager.

Greenfield – projects that include the construction of new assets

Investment Period or Commitment Period – Refers to the established length of time a manager can call capital for new investments, generally three to four years

Monopolistic – markets in which a product is controlled by a single producer and there are few, if any, substitutes

Open-end Fund – A perpetual fund with no set end date. New investors buy in at the current Net Asset Value and existing investors sell at the current Net Asset Value.

Preferred Return – Also referred to as a hurdle rate. The minimum level of return the investment or fund needs to earn before the manager can earn carried interest.

Vintage Year – The calendar year in which the manager begins investing capital of an infrastructure fund

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AndCo Consulting | (844) 44-ANDCO | AndCoConsulting.com

May 14, 2019

VIA EMAIL

Board of Trustees
c/o Dave Carroll, Plan Administrator
City of North Port
Firefighters' Pension – Local Option Trust Fund
P. O. Box 569
Max Meadows, VA 24360

Re: City of North Port
Firefighters' Pension – Local Option Trust Fund

Dear Board:

As requested, we have determined the impact on liabilities and funding requirements associated with a reduction in the net of fees investment return assumption from 7.50% to 7.45%, 7.40% and 7.25%. Results and details of the analysis, determined as of October 1, 2018, are set forth on the enclosed schedule.

Except for the investment return assumption, all methods and assumptions utilized for the performance of the October 1, 2018 valuation were employed for purposes of this study. The resulting change in the Unfunded Actuarial Accrued Liability is amortized as a level dollar over 15 years for each investment return assumption scenario.

The undersigned is familiar with the immediate and long-term aspects of pension valuations, and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All of the sections of this report are considered an integral part of the actuarial opinions.

If you have any questions, please let me know.

Sincerely,



Christine M. O'Neal, FSA, EA, MAAA

City of North Port
Firefighters' Pension - Local Option Trust Fund
Actuarial Analysis of Assumption Changes

Determined as of October 1, 2018
for the fiscal year ending September 30, 2020

Investment Return Assumption	Estimated GASB 67 Funded Ratio	Estimated GASB 67 Net Pension Liability	Annual City Contribution Requirement ¹ % of Payroll	Estimated Dollars	Est. City Without Regard to Minimum ²
7.50%	105.3%	(2,531,346)	18.0%	734,000	10.0%
7.45%	104.6%	(2,228,376)	18.0%	734,000	11.1%
7.40%	104.0%	(1,922,351)	18.0%	734,000	12.2%
7.25%	102.0%	(985,529)	18.0%	734,000	15.6%

¹ An 18.0% of pensionable payroll minimum is required by the City.

² This is shown to help quantify the full impact of the assumption change on the required contributions.

Prepared by: Foster & Foster, Inc.
May 14, 2019