

Town of Lantana Police Relief and Pension Fund
BOARD OF TRUSTEES: QUARTERLY MEETING

Location: Police Department Multipurpose Room
901 N. 8th Street
Lantana, FL 33462
Meeting Contact: (800) 206-0116 (Plan Administrator)

Date & Time: **Wednesday, February 5, 2020**
8:30 AM

AGENDA

1. **Call to Order**
Simion Pavlov, Secretary
Troy Schaaf
Ken White
Renee Lampman
Stephanie Crowley
2. **Report**
 - a. 2019 Audit (Jeanine Bittering & Richard Cristini – Saltmarsh, Cleaveland & Gund)
3. **Public Comment**
4. **Approval of Minutes**
November 6, 2019 - Quarterly Meeting
5. **Reports**
 - a. Investment Consultant (Jennifer Gainfort , AndCo)
 - 1) Quarterly Investment Review
 - b. Attorney Report (Bonni Jensen, Klausner, Kaufman, Jensen & Levinson)
 - 1) Klausner, Kaufman, Jensen & Levinson Annual Client Conference 5/27-29/2020
 - 2) IRS Mileage Rate
 - 3) SECURE Act and IRS Limits
 - c. Administrator Report (Kyle Tintle, Resource Centers)
 - 1) 2020 Conference List
 - 2) Salem Trust Service Report
 - 3) Salem Trust Transition Update
6. **Plan Financials**
 - a. Approval of Expenses
 - 1) Disbursements – January 10, 2020

<p>NOTICE TO PUBLIC: In accordance with the Americans with Disabilities Act and F.S.S. 286.26, persons with disabilities needing special accommodation to participate in this meeting should contact Detective Troy Schaaf, no later than seven days subsequent to the proceeding at 561.540.5700 for assistance. If hearing impaired, please call the Florida Relay Service Numbers at 800-955-8771 (TDD) or 800-955-8770 (VOICE) for assistance.: If a person decides to appeal any decision made by the Board, with respect to any matter considered at such meeting or hearing, that person will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which appeal is to be based.</p>
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7. New Business

- a. Kenny Young

8. Old Business

- a. Death Benefits Study
- b. Pensionable Compensation Update

9. Adjournment

Next Meeting Date: Wednesday, May 6, 2020 at 8:30 AM

**LANTANA POLICE RELIEF
AND PENSION FUND**

FINANCIAL STATEMENTS
September 30, 2019 and 2018

draft

SALTMARSH, CLEVELAND & GUND, P.A.
Certified Public Accountants

LANTANA POLICE RELIEF AND PENSION FUND

September 30, 2019 and 2018

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The Board of Trustees
Lantana Police Relief and Pension Fund
Lantana, Florida

INDEPENDENT AUDITOR'S REPORT

Report on Financial Statements

We have audited the accompanying financial statements of Lantana Police Relief and Pension Fund (Plan), which comprise the statement of fiduciary net position as of September 30, 2019, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Plan's Board of Trustees 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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 Plan'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 Plan'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.

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The Board of Trustees
Lantana Police Relief and Pension Fund
Lantana, Florida

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 fiduciary net position of the Lantana Police Relief and Pension Fund as of September 30, 2019, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of Lantana Police Relief and Pension Fund as of September 30, 2018, were audited by other auditors whose report dated January 5, 2019, expressed an unmodified opinion on those statements.

Emphasis of Matter

As discussed in Note 1, these financial statements present only the Lantana Police Relief and Pension Fund, a pension trust fund of the Town of Lantana (Town), and are not intended to present fairly the financial position and changes in financial position of the Town in conformity 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 required supplementary information on pages 27 through 32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental 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 any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Board of Trustees
Lantana Police Relief and Pension Fund
Lantana, Florida

The Lantana Police Relief and Pension Fund has not presented a management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of the basic financial statements. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

The additional information on pages 33 is presented for purposes of additional analysis and is also not a required part of 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 above information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Tampa, Florida
January 6 2020

LANTANA POLICE RELIEF AND PENSION FUND

STATEMENTS OF FIDUCIARY NET POSITION

September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash	\$ 5,808	\$ 6,718
Receivables:		
Plan members	5,547	5,034
Interest and dividends	17,987	14,631
Broker-dealers	<u>-</u>	<u>81,396</u>
Total receivables	23,534	101,061
Prepaid insurance	2,620	2,570
Investments at fair value:		
U.S. Government obligations	1,131,907	1,318,848
Mortgage asset backed securities	-	169,237
Corporate bonds	1,718,572	1,156,353
Domestic fixed income investment fund	696,575	683,038
Domestic equity investment fund	8,696,645	8,309,491
International equity investment fund	2,486,141	2,285,841
Real estate investment fund	1,535,232	1,489,648
Temporary investment funds	<u>163,569</u>	<u>298,773</u>
Total investments	<u>16,428,641</u>	<u>15,711,229</u>
Total assets	16,460,603	15,821,578
<u>Liabilities</u>		
Accounts payable	12,576	13,840
Accounts payable, broker-dealers	<u>5,593</u>	<u>87,474</u>
Total liabilities	<u>18,169</u>	<u>101,314</u>
Net position restricted for pensions	<u>\$ 16,442,434</u>	<u>\$ 15,720,264</u>

See Notes to Financial Statements.

LANTANA POLICE RELIEF AND PENSION FUND

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

Years ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Additions:		
Contributions:		
Plan members	\$ 145,099	\$ 124,905
Employer	<u>833,774</u>	<u>701,427</u>
Total contributions	978,873	826,332
Intergovernmental revenue:		
Florida State excise tax rebate	133,628	116,796
Investment income:		
Net appreciation (depreciation) in fair value of investments	105,797	847,703
Interest	101,033	67,319
Dividends	566,147	393,076
Class action revenue	<u>1,442</u>	<u>9,639</u>
Total investment income (loss)	774,419	1,317,737
Less investment expenses	<u>50,660</u>	<u>49,724</u>
Net investment income (loss)	<u>723,759</u>	<u>1,268,013</u>
Total additions	1,836,260	2,211,141
Deductions:		
Benefits:		
Age and service	416,378	332,789
Beneficiary	44,983	44,983
DROP payments	565,418	-
Refunds	17,668	10,762
Administrative expenses	<u>69,643</u>	<u>86,349</u>
Total deductions	<u>1,114,090</u>	<u>474,883</u>
Net increase in net position	722,170	1,736,258
Net position restricted for pensions:		
Beginning of year	<u>15,720,264</u>	<u>13,984,006</u>
End of year	<u><u>\$ 16,442,434</u></u>	<u><u>\$ 15,720,264</u></u>

See Notes to Financial Statements.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

1. Description of Plan

The following brief description of the Town of Lantana Police Relief and Pension Fund (Plan) is provided for general information purposes only. Participants should refer to the Plan Ordinance for more complete information.

The plan is a defined benefit pension plan covering participating full-time sworn police officers of the Town of Lantana, Florida (Town).

During the fiscal year ended September 30, 2019 the Plan's membership consisted of:

Retirees and beneficiaries:

Currently receiving benefits	19
Drop Retirees	3
Terminated employees entitled to benefits but not yet receiving them	<u>6</u>

Total	<u><u>28</u></u>
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Current employees:

Vested	12
Nonvested	<u>15</u>

Total	<u><u>27</u></u>
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At September 30, 2018, the date of the most recent actuarial valuation, there were 19 retirees and beneficiaries receiving benefits.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2019 and 2018

1. Description of Plan (Continued)

General - The Plan is a defined benefit pension plan covering all sworn police officers of the Town. Police officers hired by the Town after June 22, 1987 shall become participants of the Plan effective on their employment date.

Originally established prior to 1982 and amended in 1987, 1991, 1993, 1996, 2000, 2005, and 2014 the Plan provides for pension, death and disability benefits. The Plan is subject to provisions of Chapter 185 of the State of Florida Statutes.

The Plan, in accordance with the above statute, is governed by a five member pension board. Two police officers, two Town residents and a fifth member elected by the other four members constitute the pension board. The Town and the Plan participants are obligated to fund all Plan costs based upon actuarial valuations. The Town is authorized to establish benefit levels and the Board of Trustees approves the actuarial assumptions used in the determination of contribution levels.

Pension Benefits - The pension plan provides retirement, death and disability benefits for its participants. A participant may retire with normal benefits after reaching age 50 and accumulating 10 or more years of credited service. Normal retirement benefits are based on 3.00% of the participant's final average salary times the number of his or her credited service years rendered. The final average salary for purposes of calculating benefits is the participant's average salary during the highest 5 years of a participant's last 10 years of employment. Salary does not include lump sum payments for accumulated leave.

A participant with 10 or more years of credited service is eligible for deferred retirement. These benefits begin upon application on or after reaching age 50 and are computed the same as normal retirement, based upon the participant's final average salary and credited service at the date of termination.

Any retiree or beneficiary who begins receiving pension benefits after October 2000 is entitled to a monthly supplemental pension benefit equal to \$35 per year of service.

Death Benefits - For any deceased employee who had been an actively employed participant eligible for normal or deferred retirement, the benefit payable shall be at least equal to the annuity of ten years calculated as of the date of death to the employee's designated beneficiary. Non-vested death benefits are based on the participant's accumulated contributions.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2019 and 2018

1. Description of Plan (Continued)

Disability Benefits - Disability benefits for service related disabilities for participants with 10 or more years of credited service are covered from the date of employment and are paid to a participant for life. Disability payments are based on the benefit amount accrued at the date of the disability.

Disability benefits for non-service related disabilities are paid to a participant for life. Benefits are calculated as the accrued normal retirement amount if the disability occurs after normal retirement eligibility. If the disability occurs before normal retirement eligibility and the participant has completed ten or more years of credited service, the disability benefit is computed as 2% of the sum of the participant's average final compensation with a minimum of 25% of the participant's average final salary.

Refund of Participant Contributions - A participant who terminates his or her employment with the Police Department, either voluntarily or by discharge, and is not eligible for any other benefits under this fund, shall be entitled to the following:

- i. If a participant has less than ten years of credited service upon termination, the participant shall be entitled to a refund of his or her contributions.
- ii. If a participant has ten or more years of credited service upon termination, the participant shall be entitled to either:
 - (1) A refund of his or her contributions to the Plan plus interest; or
 - (2) A deferred monthly benefit computed as for normal retirement, which is payable at the otherwise normal retirement date.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

2. Summary of Significant Accounting Policies

Basis of Accounting - Basis of accounting is the method by which revenues and expenses are recognized in the accounts and are reported in the financial statements. The accrual basis of accounting is used for the Plan. Under the accrual basis of accounting, revenues are recognized when they are earned and collection is reasonably assured, and expenses are recognized when the liability is incurred. Plan member contributions are recognized in the period in which the contributions are due. Town contributions to the plan as calculated by the Plan's actuary, are recognized as revenue when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Basis of Presentation - The accompanying financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statement 67, Financial Reporting for Defined Benefit Pension Plans and the Codification of Governmental Accounting and Financial Reporting Standards which covers the reporting requirements for defined benefit pensions established by a governmental employer. The accompanying financial statements include solely the accounts of the Plan which include all programs, activities and functions relating to the accumulation and investment of the assets and related income necessary to provide the service, disability and death benefits required under the terms of the Plan and the amendments thereto.

Valuation of Investments - Investments in common stock and bonds traded on a national securities exchange are valued at the last reported sales price on the last business day of the year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and asked prices; investments in securities not having an established market value are valued at fair value as determined by the Board of Trustees. The fair value of an investment is the amount that the Plan could reasonably expect to receive for it in a current sale between a willing buyer and a willing seller, other than in a forced or liquidation sale. Purchases and sales of investments are recorded on a trade date basis.

Investment income is recognized on the accrual basis as earned. Unrealized appreciation in fair value of investments includes the difference between cost and fair value of investments held. The net realized and unrealized investment appreciation or depreciation for the year is reflected in the Statement of Changes in Fiduciary Net Position.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Custody of Assets - Custodial and investment services are provided to the Plan under contract with a national trust company having trust powers in the State of Florida. The Plan's investment policies are governed by Florida State Statutes and ordinances of the Town of Lantana, Florida.

Authorized Plan Investments - The Board recognizes that the obligations of the Plan are long-term and that its investment policy should be made with a view toward performance and return over a number of years. The general investment objective is to obtain a reasonable total rate of return defined as interest and dividend income plus realized and unrealized capital gains or losses commensurate with the prudent investor rule and Chapter 185 of the Florida Statutes.

Permissible investments include obligations of the U.S. Treasury and U.S. agencies, high capitalization common or preferred stocks, pooled equity funds, high quality bonds or notes and fixed income funds. In addition, the Board requires that Plan assets be invested with no more than 60% in stocks and convertible securities measured at cost or 70% of the Plan assets at market (fair) value.

In addition, the Plan limits investment in common stock (equity investments) as follows:

- a. No more than five percent of the Plan's assets may be invested in the common or capital stock of any single corporation.
- b. The Plan's investment in the common stock of any single corporation shall not exceed three percent of such corporation's outstanding common or capital stock.

Actuarial Cost Method - The Plan has elected the Entry Age Normal Cost Method for funding purposes. This method provides for allocating the actuarial present value of future benefits between the actuarial present value of future normal costs and the actuarial accrued liability.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Reporting Entity - The financial statements presented are only for the Plan and are not intended to present the basic financial statements of the Town of Lantana, Florida.

The Plan is included in the Town's Comprehensive Annual Financial Report (CAFR) for the years ended September 30, 2019 and 2018, which are separately issued documents. Anyone wishing further information about the Town is referred to the Town's CAFR.

The Plan is a pension trust fund (fiduciary fund type) of the Town which accounts for the single employer defined benefit pension plan for all Town Police Officers. The provisions of the Plan provide for retirement, disability, and survivor benefits.

Funding Policy - Participants are required to contribute 7% of their annual earnings to the Plan. Prior to January 1, 2001, contributions to the Plan were made on an after-tax basis. Subsequent to this date, contributions are made on a pre-tax basis pursuant to an amendment to the Plan. These contributions are designated as employee contributions under Section 414(h)(2) of the Internal Revenue Code.

The Plan also provides for the purchase of credited service for military service prior to employment by the Town.

The Town's funding policy is to make actuarially computed quarterly contributions to the Plan in amounts, such that when combined with participants' contributions and the State insurance excise tax rebate, all participants' benefits will be fully provided for by the time that they retire.

The Town's actuarially determined contribution rate for the years ended September 30, 2019 and 2018 was 42.71% and 43.98% , respectively. This rate consists of 35.81% and 36.18% of member salaries to pay normal costs plus 6.90% and 7.80% to amortize the unfunded actuarially accrued liability pursuant to the September 30, 2018 actuarial valuation.

Administrative Costs - All administrative costs of the Plan are financed through investment earnings. The Plan has no undue investment concentrations.

Temporary Investment Funds - The Plan considers money market and demand account, bank and broker-dealer deposits as cash. Temporary investments, shown on the balance sheet are composed of investments in short-term custodial proprietary money market funds.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Federal Income Taxes - A favorable determination letter indicating that the Plan is qualified and exempt from Federal income taxes was not issued by the Internal Revenue Service. The Board believes that the Plan is designed and continues to operate in compliance with the applicable requirements of the Internal Revenue Code.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Risk and Uncertainties - The Plan invests in a variety of investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Reclassification - Certain figures in the financial statements for the fiscal year ended September 30, 2018 have been reclassified to conform to the presentation used in the financial statements for the fiscal year ended September 30, 2019.

Governmental Accounting Standards Board (GASB) 67, *Financial Reporting for Pension Plans* and GASB 68, *Accounting & Financial Reporting for Pensions (Employer)*, address accounting and financial reporting requirements for pension plan activities. The Lantana Police Relief and Pension Fund (Plan) is a single employer pension plan as defined by GASB 67. The requirements for GASB 67 provide for the presentation of the financial statements, notes to the financial statements, and required supplementary information.

It is important to note that the disclosures related to GASB 67 are accounting measurements, not actuarial measurements of the funded status of the Plan and are not used to develop employer contribution rates.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

GASB statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Fair value is described as an exit price. Fair value measurements assume a transaction takes place in a government's principal market, or a government's most advantageous market in the absence of a principal market. The fair value also should be measured assuming that general market participants would act in their economic best interest. Fair value should not be adjusted for transaction costs.

Subsequent Events - Management has adopted the provisions set forth in GASB statement No. 56, *Subsequent Events*, and considered subsequent events through January 6, 2020, which is the date that the financial statements were available to be issued.

3. Deposits and Investments

Deposits

Salem Trust Company (Salem) periodically holds uninvested cash in its respective capacity as custodian for the Plan. These funds exist temporarily as cash in the process of collection from the sale of securities.

Investments

Investments that are not evidenced by securities that exist in physical or book-entry form include investments in open-ended mutual funds.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

3. Deposits and Investments (Continued)

Investments (Continued)

The Plan's investments are segregated into domestic equity and fixed investment funds and international equity investment funds. The Plan's security investments are segregated into a separate account and managed under a separate investment agreement with Garcia, Hamilton & Associates, L.P. The Salem Trust Company (Salem) has the custodianship of the above investments. The investment funds have the authority to manage the investments in accordance with the specific investment guidelines of the Plan. Investment management fees are paid through the investment funds and are calculated quarterly as a percentage of the fair market value of the Plan's assets managed.

Including the ASB Allegiance Real Estate Fund, the Plan's investments are uninsured and unregistered and are held in the custodian's or the Bank's accounts in the Plan's name.

The Plan carried no investments that individually represented 5% or more of the Plan's net assets available for benefits as of September 30, 2019.

The Plan held the following fixed income investments as of September 30, 2019:

Investment Type	Fair Value	Rating	Effective
		Standard & Poor's	Duration (Years)
Corporate bonds	\$ 1,718,572	BBB-A	5.30
Domestic fixed income investment fund	696,575	AA	5.50
Temporary investment funds	163,569	Not Rated	Daily
	<u>\$ 2,578,716</u>		

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. Through its investment policies the Plan manages its exposure to fair value losses rising from increasing interest rates. The Plan limits the effective duration of its investment portfolio through the adoption of the Barclays Intermediate Aggregate Bond Index bench mark.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2019 and 2018

3. Deposits and Investments (Continued)

Investments (Continued)

Credit Risk - Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan's investment policy addresses credit risk by limiting investments in bonds and preferred stocks to securities rated investment grade or above by a Nationally Recognized Statistical Rating Organization, unless specifically approved by the Board of Trustees. Securities which are unrated may be purchased, if in the judgment of the investment manager, they would carry an investment grade rating. Consistent with state law the Plan's investment guidelines limit its fixed income investments to a quality rating of "A" or equivalent as rated by Moody's or by Standard & Poor's bond rating services at the time of purchase. Fixed income investments which are downgraded below the minimum rating must be liquidated at the earliest beneficial opportunity.

Custodial Credit Risk - Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another party in the event of a financial failure. The Plan requires all securities to be held by a third party custodian in the name of the Plan. Securities transactions between the broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

Investment in Foreign Markets - Investing in foreign markets may involve special risks and considerations not typically associated with investing in companies in the United States of America. These risks include revaluation of currencies, high rates of inflation, repatriation restrictions on income and capital, and future adverse political, social, and economic developments. Moreover, securities of foreign governments may be less liquid, subject to delayed settlements, taxation on realized or unrealized gains, and their prices are more volatile than those of comparable securities in U.S. companies.

Foreign Tax Withholdings and Reclaims - Withholding taxes on dividends from foreign securities are provided for based on rates established via treaty between the United States of America and the applicable foreign jurisdiction, or where no treaty exists at the prevailing rate established by the foreign country. Foreign tax withholdings are reflected as a reduction of dividend income in the statement of operations. Where treaties allow for a reclaim of taxes, the Plan will make a formal application for refund. Such reclaims are included as an addition to dividend income

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2019 and 2018

3. Deposits and Investments (Continued)

Investments (Continued)

Investment Asset Allocation - The Plan's adopted asset allocation policy as of September 30, 2019 is as follows:

In order to provide for a diversified portfolio, the Board has engaged investment professional(s) to manage and administer the fund. The investment manager(s) are responsible for the assets and allocation of their mandate only and may be provided as an addendum to this policy with their specific performance objectives and investment criteria. The Board has established the following asset allocation targets for the total fund:

<u>Asset Class</u>	<u>Target</u>	<u>Range</u>	<u>Benchmark Index</u>
Domestic Equity	50%	40%-60%	Russell 3000
International Equity	15%	10%-25%	MSCI AC World ex USA
Total Equities	65%	60%- 70%	
Domestic Core Fixed Income	20%	15%-25%	Barclays Aggregate
Diversified Fixed Income *	5%	0%-10%	Diversified Fixed Income Index**
Total Fixed Income	25%	20%-30%	
Core Real Estate*	10%	5%-15%	NCREIF ODCE
Total Real Estate	10%	5%-15%	

*Benchmark will default to "domestic core fixed income" if these portfolios are not funded.

**Diversified Fixed Index: 33% JPM EMBI + | 33% BC Corp HY { 33% Citigroup Non-US World Gov Bond

The investment consultant will monitor the aggregate asset allocation of the portfolio, and will rebalance to the target asset allocation based on market conditions. If at the end of any calendar quarter, the allocation of an asset class falls outside of its allowable range, barring extenuating circumstances such as pending cash flows or allocation levels viewed as temporary, the asset allocation will be rebalanced into the allowable range. To the extent possible, contributions and withdrawals from the portfolio will be executed proportionally based on the most current market value available. The Board does not intend to exercise short-term changes to the target allocation.

Rate of Return - For the years ended September 30, 2019 and 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.14 percent and 9.16 percent, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

4. Net Increase (Decrease) in Realized and Unrealized Appreciation (Depreciation) of Investments

The Plan's investments appreciated (depreciated) in value during the fiscal years ended September 30, 2019 and 2018 as follows:

	2019			2018		
	Realized Appreciation (Depreciation)	Unrealized Appreciation (Depreciation)	Total	Realized Appreciation (Depreciation)	Unrealized Appreciation (Depreciation)	Total
Investments at fair value as determined by quoted market price:						
U.S. Government obligations	\$ 23,107	\$ 95,796	\$ 118,903	\$ (6,467)	\$ (25,161)	\$ (31,628)
Mortgage asset backed securities	(9,221)	-	(9,221)	(17,089)	4,245	(12,844)
Corporate bonds	5,176	17,503	22,679	(213)	(2,026)	(2,239)
Domestic fixed income investment fund	(4,052)	(22,761)	(26,813)	(396)	(43,135)	(43,531)
Domestic equity investment fund	54,845	(100,978)	(46,133)	73,354	858,607	931,961
International equity investment fund	11,520	(30,111)	(18,591)	2,701	(105,900)	(103,199)
Real estate investment fund	1,539	63,434	64,973	572	108,611	109,183
Net increase (decrease) in realized and unrealized appreciation (depreciation) of investment	\$ 82,914	\$ 22,883	\$ 105,797	\$ 52,462	\$ 795,241	\$ 847,703

The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments.

Unrealized gains and losses on investments sold in 2019 that had been held for more than one year were included in net appreciation (depreciation) reported in the prior year.

The Plan has no instrument that, in whole or in part, is accounted for as a derivative instrument under GASB statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* during the current Plan year.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

5. Investments

The Plan's investments at both carrying value and cost or adjusted cost as of September 30, 2019 and 2018 are summarized as follows:

Investments	2019		2018	
	Cost	Fair Value	Cost	Fair Value
U.S. Government obligations	\$ 1,046,173	\$ 1,131,907	\$ 1,328,910	\$ 1,318,848
Mortgage asset-backed securities	-	-	177,698	169,237
Corporate bonds	1,699,773	1,718,572	1,155,057	1,156,353
Domestic fixed income investment fund	784,706	696,575	748,408	683,038
Domestic equity investment fund	6,825,399	8,696,645	6,337,267	8,309,491
International equity investment fund	2,270,226	2,486,141	2,039,816	2,285,841
Real estate investment fund	1,271,242	1,535,232	1,289,092	1,489,648
Temporary investment funds	163,569	163,569	298,773	298,773
Total	<u>\$ 14,061,088</u>	<u>\$ 16,428,641</u>	<u>\$ 13,375,021</u>	<u>\$ 15,711,229</u>

6. Plan Amendments

On March 25, 2019, the Plan was amended by Ordinance No. 0-11-2019. The actuary issued an impact statement on September 28, 2018. This amendment includes the following changes:

- Effective October 1, 2019, the member contribution rate would be increased from 7% to 8% of compensation.
- For members hired on or after October 1, 2017, the maximum annual CPI-based percentage would be lowered from 2.55% to 1%.

There were no Plan amendments during the fiscal year ended September 30, 2018.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2019 and 2018

7. Mortgage-Backed Securities

The Plan invests in mortgage-backed securities representing interests in pools of mortgage loans as part of its interest rate risk management strategy. The mortgage-backed securities are not used to leverage investments in fixed income portfolios. The mortgage-backed securities held by the Plan were guaranteed by federally sponsored agencies such as: Government National Mortgage Association, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation.

All of the Plan's financial investments are carried at fair value on the Statements of Fiduciary Net Position included in investments. The gain or loss on financial instruments is recognized and recorded on the Statements of Changes in Fiduciary Net Position as part of investment income.

8. Investment Measurement at Fair Value

Fair Value Hierarchy

The accounting standards break down the fair value hierarchy into three levels based on how observable the inputs are that make up the valuation. The most observable inputs are classified as Level 1 where the unobservable inputs are classified as Level 3.

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

As a general rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in active markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

As a general rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input would be.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2019 and 2018

8. Investment Measurement at Fair Value (Continued)

Fair Value Hierarchy (Continued)

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As a general rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

Net asset value (NAV) is a common measurement of fair value for Level 1, Level 2, and Level 3 investments. A fund's NAV is simply its assets less its liabilities, and is often reported as a per share amount for fair value measurement purposes. The Plan would multiply the NAV per share owned to arrive at fair value. Level 1 investment in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes in to play for Level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), a Plan can use the NAV per share for investments in a nongovernmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAV as a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAV as a matter of convenience.

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2019 and 2018:

- *Mutual funds* - The rationale for inclusion in Level 1 or Level 2 points to the unobservable inputs involved in mutual fund pricing. Mutual funds do not trade using bid and ask, as with ETF's or common stock. Instead, the prices are determined by the net asset value of the underlying investments at the close of business for the next day's open. The underlying assets themselves may include a variety of Level 1 and Level 2 securities and some may be valued using matrix pricing which interpolates the price of a security based on the price of similar securities.
- *Fixed income funds* - Valued using pricing models maximizing the use of observable input for similar securities. This includes basing value on yield currently available on comparable securities of issues with similar credit ratings.
- *Equity funds* - Valued at market prices for similar assets in active markets.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

8. Investment Measurement at Fair Value (Continued)

Fair Value Hierarchy (Continued)

- *Common stock* - Valued at quoted market prices for identical assets in active markets.
- *Debt securities* - Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Corporation and Bloomberg, L.P. to value securities based on the securities' relationship to benchmark quoted prices.

Investments by fair value level	September 30, 2019	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government obligations	\$ 1,131,907	\$ 1,131,907	\$ -	\$ -
Mortgage asset backed securities	-	-	-	-
Corporate bonds	1,718,572	-	1,718,572	-
Domestic fixed income investment fund	696,575	696,575	-	-
Domestic equity investment fund	8,696,645	8,696,645	-	-
International equity investment fund	2,486,141	2,486,141	-	-
Temporary investment funds	<u>163,569</u>	<u>163,569</u>	<u>-</u>	<u>-</u>
Total investments by fair value level	14,893,409	\$ <u>13,174,837</u>	\$ <u>1,718,572</u>	\$ <u>-</u>
Investment measured at the net asset value				
value (NAV):				
Real estate investment funds	<u>1,535,232</u>			
Total investment measured at NAV	<u>1,535,232</u>			
Total investments measured at fair value	\$ <u>16,428,641</u>			

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2019 and 2018

8. Investment Measurement at Fair Value (Continued)

Fair Value Hierarchy (Continued)

The real estate investment funds are open end, commingled private real estate portfolios. These REIT-based funds are structured as Limited partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the Trusts ownership interest in partners' capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

Investments by fair value level	September 30, 2018	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government obligations	\$ 1,318,848	\$ 1,318,848	\$ -	\$ -
Mortgage asset backed securities	169,237	-	169,237	-
Corporate bonds	1,156,353	-	1,156,353	-
Domestic fixed income investment fund	683,038	683,038	-	-
Domestic equity investment fund	8,309,491	8,309,491	-	-
International equity investment fund	2,285,841	2,285,841	-	-
Temporary investment funds	<u>298,773</u>	<u>298,773</u>	<u>-</u>	<u>-</u>
Total investments by fair value level	14,221,581	<u>\$ 12,895,991</u>	<u>\$ 1,325,590</u>	<u>\$ -</u>
Investment measured at the net asset value value (NAV):				
Real estate investment funds	<u>1,489,648</u>			
Total investment measured at NAV	<u>1,489,648</u>			
Total investments measured at fair value	<u>\$ 15,711,229</u>			

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

9. Plan Termination

Although it has not expressed an intention to do so, the Town may terminate the Plan at any time by a written ordinance of the Town Council of the Town of Lantana, Florida duly certified by an official of the Town. In the event that the Plan is terminated or contributions to the Plan are permanently discontinued, the benefits of each police officer in the Plan at such termination date would be non-forfeitable.

10. Deferred Retirement Option Plan

In lieu of terminating employment as a police officer, an officer who is eligible for normal retirement may elect to defer receipt of such service retirement pension and to participate in the DROP. Participation in the DROP may not exceed 60 months. Participation in the DROP shall cease at the earlier of:

- (A) the end of the above period of permissible participation; or
- (B) termination of employment as a police officer.

Upon termination of participation in the DROP all monthly benefits and investment earnings and losses or interest shall cease to be transferred to the participant's DROP account. Any amounts remaining in the participant's DROP account shall be paid to the participant upon termination of employment as a police officer.

11. Commitments and Contingencies

As described in Note 1, certain members of the Plan are entitled to refunds of their accumulated contributions, without interest, upon termination of employment with the Town prior to being eligible for pension benefits. At September 30, 2019 and 2018, aggregate contributions from active members of the Plan were approximately \$1,210,000 and \$1,068,000, respectively. The portion of these contributions which are refundable to participants who may terminate with less than ten years of service has not been determined.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

12. Risks and Uncertainties

The Plan invests in a variety of investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of fiduciary net position available for benefits.

13. Net Pension Liability of the Town

The components of net position liability of the Town of Lantana (Town) as of September 30, 2019 were as follows:

Total Pension Liability	\$ 19,879,371
Plan Fiduciary Net Position	<u>16,442,434</u>
Town's Net Pension Liability	<u><u>\$ 3,436,937</u></u>
Plan Fiduciary Net Position as a percentage total pension liability	<u><u>82.71%</u></u>

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of October 1, 2017 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary increases	6.00%, including inflation
Investment rate of return	7.25%

Mortality rates were based on the RP-2000 Mortality Table for annuitants with future improvements in mortality projected to all future years using Scale BB.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

13. Net Pension Liability of the Town (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 the 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, 2019 are summarized in the following table:

<u>Target Allocation</u>	<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
50%	Domestic Equity	5.20%
15%	International Equity	5.00
20%	Domestic Bonds	2.50
5%	International Bonds	3.50
10%	Real Estate	4.50

Discount Rate - A single discount rate of 7.25% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these 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 (7.25%) was applied to all periods of projected benefit payments to determine the total pension liability.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO FINANCIAL STATEMENTS September 30, 2019 and 2018

13. Net Pension Liability of the Town (Continued)

Sensitivity of the Net Pension Disability to Changes in the Discount Rate - Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher.

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
<u>\$ 6,128,518</u>	<u>\$ 3,436,937</u>	<u>\$ 1,246,295</u>

14. Designations

A portion of the fiduciary net position is designated for benefits that accrue in relation to the DROP account as further described in Note 1. Allocations to the DROP plan account for the years ended September 30, 2019 and 2018 are presented below as determined in the actuary's most recent valuation available for the fiscal years ended September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Designated for DROP accounts (fully funded)	\$ 192,235	\$ 656,353
Undesignated net position	<u>16,250,199</u>	<u>15,063,911</u>
Total net position	<u>\$ 16,442,434</u>	<u>\$ 15,720,264</u>

REQUIRED SUPPLEMENTARY INFORMATION

LANTANA POLICE RELIEF AND PENSION FUND

SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY

	Last Six Fiscal Years					
	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Total pension liability:						
Service cost	\$ 545,724	\$ 505,944	\$ 362,009	\$ 343,544	\$ 357,506	\$ 390,463
Interest	1,414,270	1,376,374	1,024,448	989,489	928,071	853,826
Benefit changes	(20,334)	-	3,021,409	-	-	-
Difference between actual and expected experience	(63,829)	(700,332)	512,020	(298,613)	(113,373)	(847)
Assumption changes	214,552	-	5,673	(221,282)	-	-
Benefit payments	(1,026,779)	(377,772)	(364,808)	(388,273)	(270,957)	(247,244)
Refunds	(17,668)	(10,762)	(930)	(31,262)	(6,834)	(716)
Other (increase in State Contribution Reserve and DROP expenses)	-	-	-	27,147	9,333	2,279
Net change in total pension liability	1,045,936	793,452	4,559,821	420,750	903,746	997,761
Total pension liability - beginning	18,833,435	18,039,983	13,480,162	13,059,412	12,155,666	11,157,905
Total pension liability ending (a)	\$ 19,879,371	\$ 18,833,435	\$ 18,039,983	\$ 13,480,162	\$ 13,059,412	\$ 12,155,666
Plan fiduciary net position:						
Contributions - employer	\$ 833,774	\$ 701,427	\$ 302,908	\$ 429,970	\$ 408,040	\$ 377,272
Contributions - non-employer contribution entity (State)	133,628	116,796	112,686	119,700	101,886	95,532
Contributions - members	145,099	124,905	120,005	120,049	105,492	111,001
Net investment income	723,759	1,268,013	1,510,543	987,257	(63,982)	992,243
Benefit payments	(1,026,779)	(377,772)	(364,808)	(388,273)	(270,957)	(247,244)
Refunds	(17,668)	(10,762)	(930)	(31,262)	(6,834)	(716)
Administrative expense	(69,643)	(86,349)	(57,996)	(65,361)	(51,501)	(42,022)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	722,170	1,736,258	1,622,408	1,172,080	222,144	1,286,066
Plan fiduciary net position - beginning	15,720,264	13,984,006	12,361,598	11,189,518	10,967,374	9,681,308
Plan fiduciary net position - ending (b)	\$ 16,442,434	\$ 15,720,264	\$ 13,984,006	\$ 12,361,598	\$ 11,189,518	\$ 10,967,374
Net pension liability (asset) (a) - (b)	\$ 3,436,937	\$ 3,113,171	\$ 4,055,977	\$ 1,118,564	\$ 1,869,894	\$ 1,188,292

LANTANA POLICE RELIEF AND PENSION FUND

SCHEDULE OF RATIOS

Last Six Fiscal Years

	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Plan fiduciary net position as a percentage of the total pension liability	<u>82.71%</u>	<u>83.47%</u>	<u>77.52%</u>	<u>91.70%</u>	<u>85.68%</u>	<u>90.22%</u>
Covered employee payroll	\$ <u>2,072,843</u>	\$ <u>1,784,354</u>	\$ <u>1,714,357</u>	\$ <u>1,704,833</u>	\$ <u>1,507,029</u>	\$ <u>1,589,229</u>
Net pension liability as a percentage of covered payroll	<u>165.81%</u>	<u>174.47%</u>	<u>236.59%</u>	<u>65.61%</u>	<u>124.08%</u>	<u>74.94%</u>

LANTANA POLICE RELIEF AND PENSION FUND

**SCHEDULES OF THE TOWN'S
NET PENSION LIABILITY**

Last Six Fiscal Years

<u>Fiscal Year Ended September 30,</u>	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>	<u>Plan Net Position as a Percentage of the Total Pension Liability</u>	<u>Covered Payroll</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>
2014	\$ 12,155,666	\$ 10,967,374	\$ 1,188,292	90.22%	\$ 1,585,229	74.94%
2015	13,059,412	11,189,518	1,869,894	85.68%	1,507,029	124.08%
2016	13,480,162	12,361,598	1,118,564	91.70%	1,704,833	65.61%
2017	18,039,983	13,984,006	4,055,997	77.52%	1,714,357	236.59%
2018	18,833,435	15,720,264	3,113,171	83.47%	1,784,354	174.47%
2019	19,879,371	16,442,434	3,436,937	82.71%	2,072,843	165.81%

LANTANA POLICE RELIEF AND PENSION FUND

SCHEDULE OF CONTRIBUTIONS

Last Ten Fiscal Years

<u>Fiscal Year Ended September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a Percentage of Covered Payroll</u>
2010	\$ 366,860	\$ 366,860	\$ -	\$ 1,841,722	19.9%
2011	424,733	424,733	-	1,677,543	25.3
2012	339,233	339,233	-	1,690,206	20.0
2013	375,132	375,132	-	1,662,329	22.5
2014	465,226	469,825	(4,599)	1,585,729	29.63
2015	500,593	500,593	-	1,507,029	33.22
2016	466,726	522,523	(55,797)	1,704,833	30.65
2017	415,594	415,594	-	1,714,357	24.24
2018*	904,992	818,223	86,769	1,784,354	45.86
2019	894,650	967,402	(72,752)	2,072,843	46.67

*A portion of the prepaid Town contribution was applied to meet the remainder of the actuarially determined contribution for the fiscal year ended September 30, 2018.

LANTANA POLICE RELIEF AND PENSION FUND

NOTES TO THE SCHEDULE OF CONTRIBUTIONS

September 30, 2019

Valuation date: October 1, 2017
Notes Actuarially determined contribution rates are calculated as of October 1, which is two year(s) prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry age normal
Amortization Method	Level dollar, closed
Remaining Amortization Period	20 years
Asset Valuation Method	5-year smoothed market
Inflation	3.0%
Salary Increases	6.0% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates
Mortality	The healthy mortality table is the RP-2000 Mortality Table for annuitants with future improvements in mortality projected to all future years using Scale BB. For females, the base mortality rates include a 100% white collar adjustment. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. The preretirement mortality table is the RP-2000 Combined Healthy Participant Mortality Table with the same white and blue collar adjustments and the same mortality improvement projection scales. For disabled retirees, the mortality table is the RP-2000 Mortality Table for disabled annuitants setback 4 years for males and set-forward 2 years for females, with no provision made for future mortality improvements. These are the same rates used for Special Risk Class members of the Florida Retirement System (FRS) in their Actuarial Valuation as of July 1, 2016.

Other Information:

Notes See Discussion of Valuation Results in the October 1, 2017 Actuarial Valuation Report

LANTANA POLICE RELIEF AND PENSION FUND

SCHEDULE OF INVESTMENT RETURNS

Last Six Fiscal Years

	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>	<u>September 30, 2014</u>
Annual money-weighted rate of return net of investment expenses	<u>4.14%</u>	<u>9.16%</u>	<u>11.67%</u>	<u>8.58%</u>	<u>-0.96%</u>	<u>9.68%</u>

ADDITIONAL INFORMATION

LANTANA POLICE RELIEF AND PENSION FUND

SCHEDULES OF INVESTMENT AND ADMINISTRATIVE EXPENSES

Years ended September 30, 2019 and 2018

	2019 Expenses		2018 Expenses	
	<u>Investment</u>	<u>Administrative</u>	<u>Investment</u>	<u>Administrative</u>
Actuary fees	\$ -	\$ 23,186	\$ -	\$ 34,353
Administrator	-	12,600	-	12,806
Audit fees	-	15,500	-	14,000
Custodial fees	5,234	-	7,638	-
Dues	-	600	-	660
Fiduciary insurance	-	2,687	-	2,739
Investment management fees:				
Garcia, Hamilton & Associates, LP	8,531	-	8,119	-
ASB Core Real Estate	19,395	-	16,467	-
Legal fees	-	7,773	-	9,038
Performance monitor	17,500	-	17,500	-
Seminars and travel	<u>-</u>	<u>7,297</u>	<u>-</u>	<u>12,753</u>
Total investment and administrative expenses	\$ <u>50,660</u>	<u>69,643</u>	\$ <u>49,724</u>	<u>86,349</u>
Percentage of Plan net position	<u>0.31%</u>	<u>0.42%</u>	<u>0.32%</u>	<u>0.55%</u>

Investment expenses do not include fees withheld from investment funds.

Investment Performance Review
Period Ending December 31, 2019

Town of Lantana Police Officers' Retirement System



First and foremost, “Thank you” for giving AndCo the opportunity to serve you. On behalf of our entire organization, we are extremely grateful and appreciative of our client partnerships and will continue working hard to maintain your trust and confidence. Our mission statement reads “To represent the sole interest of our clients by redefining independence.” We’re happy to report that we remain steadfast in this core belief and continue to build an organization with a service model that is independent, singularly focused, customized and passionately delivered.

2020 is a big year for AndCo. We are celebrating our 20-year anniversary of serving our valuable clients. As we start 2020, we are 89 people strong advising approximately \$92 billion in client assets – a record high. In 2019 we hired 9 new team members. All departments within AndCo have grown over the years as we thoughtfully invest in our firm to provide the services you expect. We have included our organizational chart in this report which your consultant will review to provide you a visualization of our continued commitment to service and quality.


2020 will also represent another year of significant investment in the organization. As a result, your feedback is invaluable as we continue to focus our reinvestment in areas that will enhance our services to clients. We would like to thank everyone for their participation in our client survey last year. Your honesty and candor allowed us to accurately assess where we are strong and where there are opportunities for improvement. The areas where our clients indicate potential room for improvement drive much of our investment and focus. This is a primary reason why we hired 7 new team members in our research group last year to help promote investment ideas and support our consultants. Today, we have 19 dedicated research analysts. As 2020 progresses, we are targeting additional investments within our finance, compliance, human resources, information technology, marketing and research departments.

Moreover, each January we have our annual firmwide retreat. This retreat is a great time for all of our employees to spend time together and for us to reinforce everyone’s understanding of AndCo’s primary purpose, share results highlighted by our strategic goals, and review areas of focus for the upcoming year. Since the inception of AndCo, the idea has been to make the firm a multigenerational organization owned and operated by its employees. As a result, since 2015, along with the strategic elements of our annual retreat, we also announce new partners of the firm to support our succession plan and the long-term sustainability of the organization. Today we have a total of 10 partners controlling 100% of the company. This year we added two new partners Kim Spurlin and Evan Scussel. Kim has been on our Executive Leadership team for the past 7 years and currently serves as our CFO. Evan has been on our research team for 7 years and was recently promoted to a Research Director. We couldn’t be happier for both Kim and Evan.

The evolution of our firm would not be possible without great client partners like you. Our name reminds us who we work for every day “Our Client” &Co. You will always be our first priority. As we continue to discuss strategic decisions regarding our firm, please know every decision is filtered through the following question “How does this benefit our clients?” and if it doesn’t benefit you, we don’t do it, it’s that simple. We said this last year and we’ll say it again next year. If this commitment ever falters, you need to find a new consultant.

We know each of our clients is facing many challenges and we want to be there to help support you through all environments. We are honored and humbled that you have chosen AndCo as your partner. We do not take that relationship and responsibility for granted and will continue to work tirelessly to exceed your expectations.

On behalf of AndCo, thank you for your valued partnership and the opportunity to serve you.



Mike Welker, CFA®
CEO

Organizational Chart

PARTNERSHIP

Mike Welker, CFA
Bryan Bakardjiev, CFA
Dan Johnson
David Ray
Donna Sullivan

Evan Scussel, CFA, CAIA
Jason Purdy
Kim Spurlin, CPA
Steve Gordon
Troy Brown, CFA

LEADERSHIP & MANAGEMENT

Mike Welker, CFA
CEO

Bryan Bakardjiev, CFA
COO

Kim Spurlin, CPA
CFO

Sara Searle
CCO

Rachel Brignoni, MHR
CHRO

Steve Gordon
Partner

Troy Brown, CFA
Executive Director

David Ray
Executive Director

Dan Johnson
Consulting Director

Derek Tangeman, CFP, CIMA
Marketing Director

Evan Scussel, CFA, CAIA
Research Director

Jack Evatt
Consulting Director

Jacob Peacock
Consulting Director

Jason Purdy
I.T. Director

Philip Schmitt, CIMA
Research Director

OPERATIONS

FINANCE
Brandie Rivera

I.T.
Jamie Utt

OPERATIONS
Dan Osika, CFA
Jerry Camel

MARKETING
Bonnie Burgess
Kim Goodearl
Tala Chin

INVESTMENT POLICY COMMITTEE

Mike Welker, CFA
Bryan Bakardjiev, CFA

David Ray
Sara Searle

Troy Brown, CFA

CONSULTING

Annette Bidart
Brad Hess, CFA
Brendon Vavrica, CFP
Brian Green
Brian King
Chris Kuhn, CFA, CAIA
Christiaan Brokaw, CFA
Dave West, CFA
Doug Anderson
Gwelda Swilley
Ian Jones

James Ross
Jeff Kuchta, CFA
Jennifer Brozstek
Jennifer Gainfort, CFA
Joe Carter, CPFA
John McCann, CIMA
John Mellinger
John Thinnies, CFA, CAIA
Jon Breth, CFP
Justin Lauver, Esq.
Kerry Richardville, CFA

Mary Nye
Michael Fleiner
Michael Holycross, CIMA
Mike Bostler
Paul Murray, CPFA
Peter Brown
Tim Nash
Tim Walters
Tony Kay
Trevor Jackson
Tyler Grumbles, CFA, CIPM

CLIENT SOLUTIONS

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Albert Sauerland
Amy Foster
Annie Lopez
Brooke Wilson, CIPM
David Gough, CPFA

Donnell Lehrer
Grace Niebrzydowski
Jeff Pruniski
John Rodak, CIPM
Junyan Peng
Kim Hummel

Mary Ann Johnson
Meghan Haines
Misha Bell
Rosemarie Kieskowski
Yoon Lee-Choi

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Austin Brewer, CFA
Public Fixed Income

Ben Baldridge, CFA, CAIA
Private & Hedged Fixed Income

David Julier
Real Estate & Real Assets

Elizabeth Wolfe
Capital Markets & Asset Allocation

Evan Scussel, CFA, CAIA
Private & Public Equity

Jeffrey Karansky
Public Equity

Jeremy Fisch
Public Multi Assets & Fixed Income

Joseph Ivaszuk
Operational Due Diligence

Josue Christiansen, CIPM
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Julie Baker, CFA
Private & Hedged Equity

Justin Ellsesser, CFA, CAIA
Private Equity

Kadmiel Onodje, CAIA
Hedged & Public Multi Assets

Kai Petersen, CFA
Asset Liability & Capital Markets

Kevin Laake, CFA
Private Equity

Matthew Ogren
Public Fixed Income

Philip Schmitt, CIMA
Fixed Income & Capital Markets

Rob Mills, CAIA
Real Estate & Real Assets

Tim Kominiarek, CAIA
Private Equity & Infrastructure

Zac Chichinski, CFA, CIPM
Public Equity

Updated as of 01/13/20



89
EMPLOYEES

33 ADVANCED
DEGREES

21 CFA

8 CAIA

5 CIPM

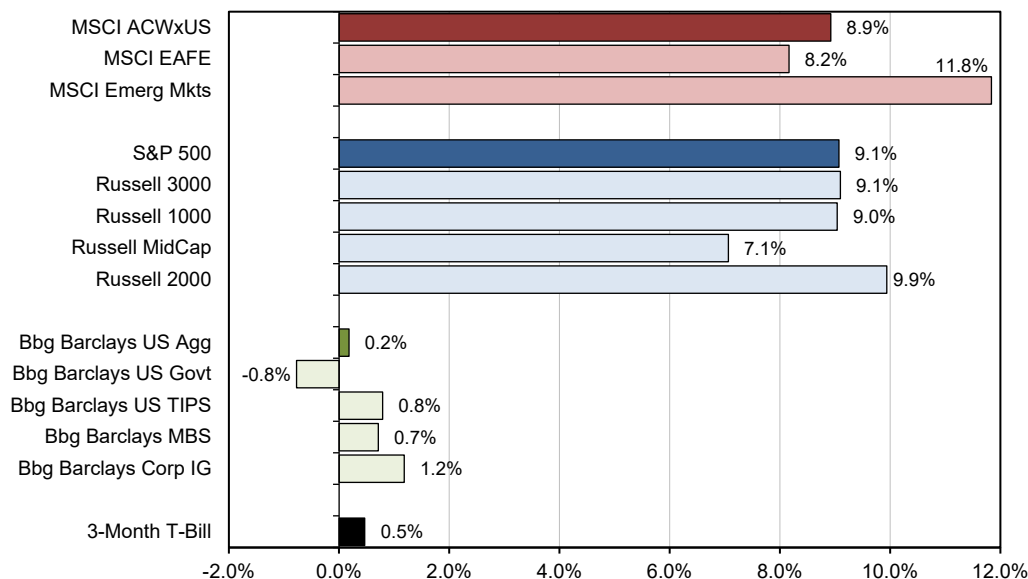


4th Quarter 2019 Market Environment

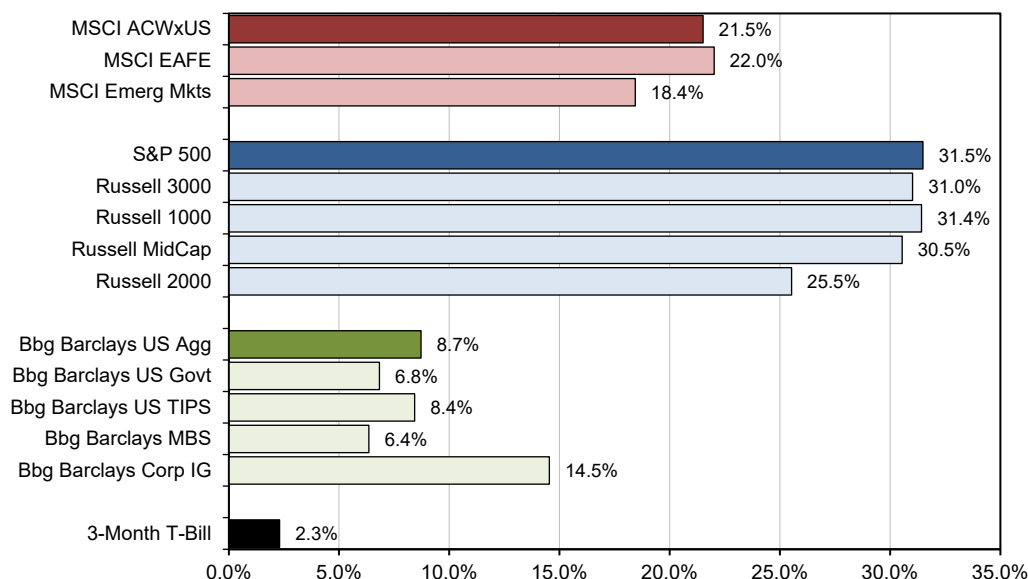


- Broad asset class returns were positive during the 4th quarter of 2019 with the exception of the US Gov't bond index. Both US and international equity markets benefited from positive developments concerning trade disruptions. Generally, the dispersion between US and international developed equities was muted during the quarter. Emerging markets significantly outperformed as previously noted trade tensions between the US and China eased. Monetary policy remained supportive with the Federal Reserve (Fed) cutting rates once during the period in addition to providing liquidity to the market through security purchases which acted as a catalyst to risk assets. Within domestic equity markets, the performance dispersion between large cap and small cap stocks reversed during the quarter with the S&P 500 Index returning 9.1% versus a return of 9.9% for the small cap Russell 2000 Index. 2019 performance of US equity markets was the highest since 2013 with large and mid-cap stocks returning 31.5% and 30.5%, respectively, while small cap stocks posted a return of 25.5%.
- International equity market returns were strong during the 4th quarter. Similar to US markets, international performance was impacted by continued monetary policy relief from the Bank of Japan and the European Central Bank, positive developments around global trade, and likely resolution on Brexit. International returns were also buoyed by a weakening US dollar (USD) which declined against most major currencies during the period. Emerging markets outperformed relative to developed markets during the period with the MSCI Emerging Markets Index posting a gain of 11.8% compared to a return of 8.2% for the MSCI EAFE Index. Both developed and emerging markets posted strong returns over the 1-year period, returning 22.0% and 18.4% respectively.
- Fixed income index performance was muted during the 4th quarter. The broad market Bloomberg Barclays Aggregate Index managed to gain 0.2% as investors favored equities and interest rates were generally flat during the quarter as concerns over an imminent US recession eased. Investment grade corporate bonds delivered solid performance for the 4th quarter returning 1.2%, which outperformed Treasury and securitized issues. Corporate bonds benefitted from the same increased investor risk appetite that fueled equity returns during the quarter. Overall, the bond market delivered strong trailing 1-year returns with the Bloomberg Barclays Aggregate posting a return of 8.7%.

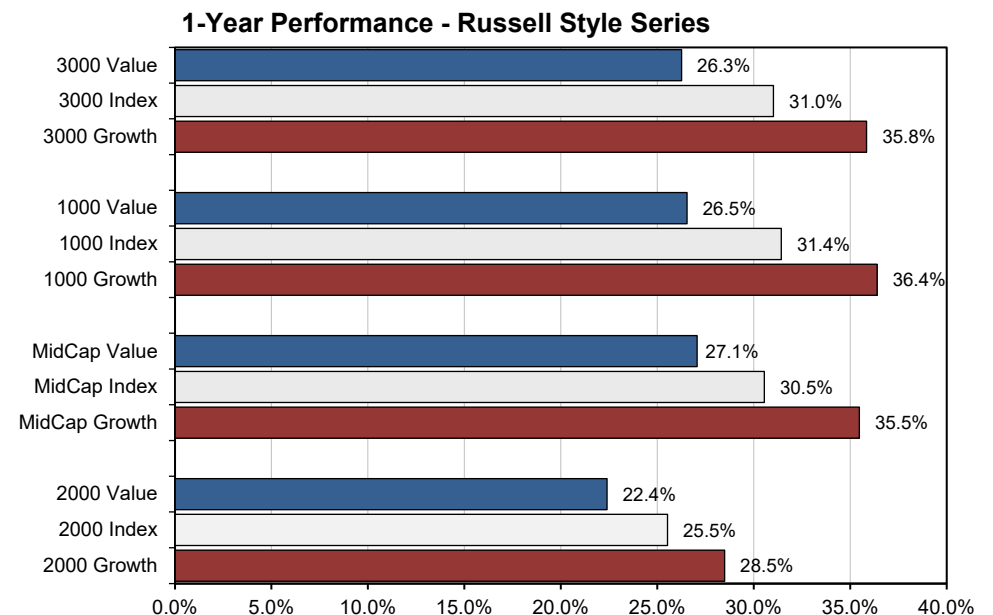
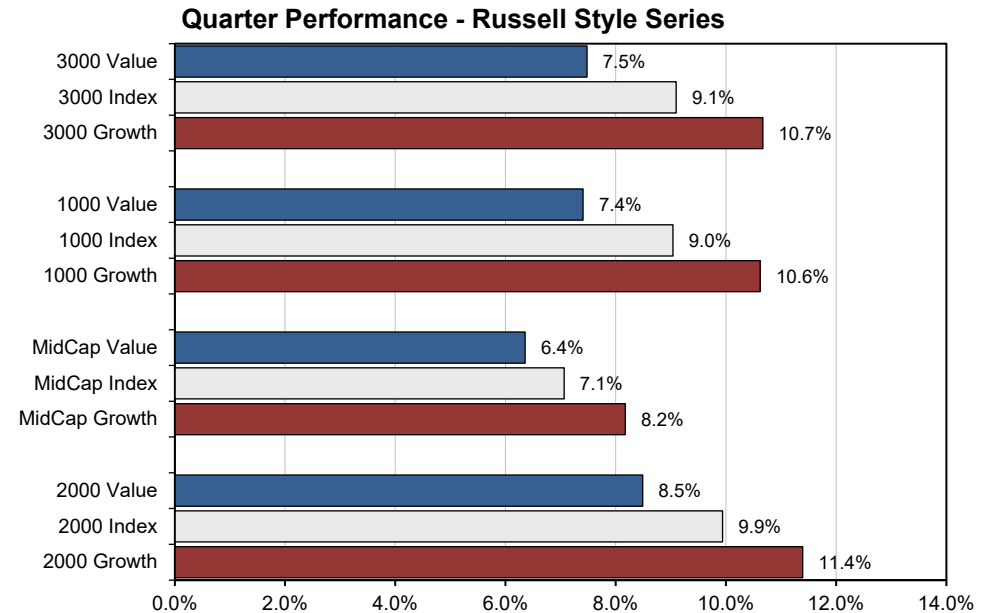
Quarter Performance



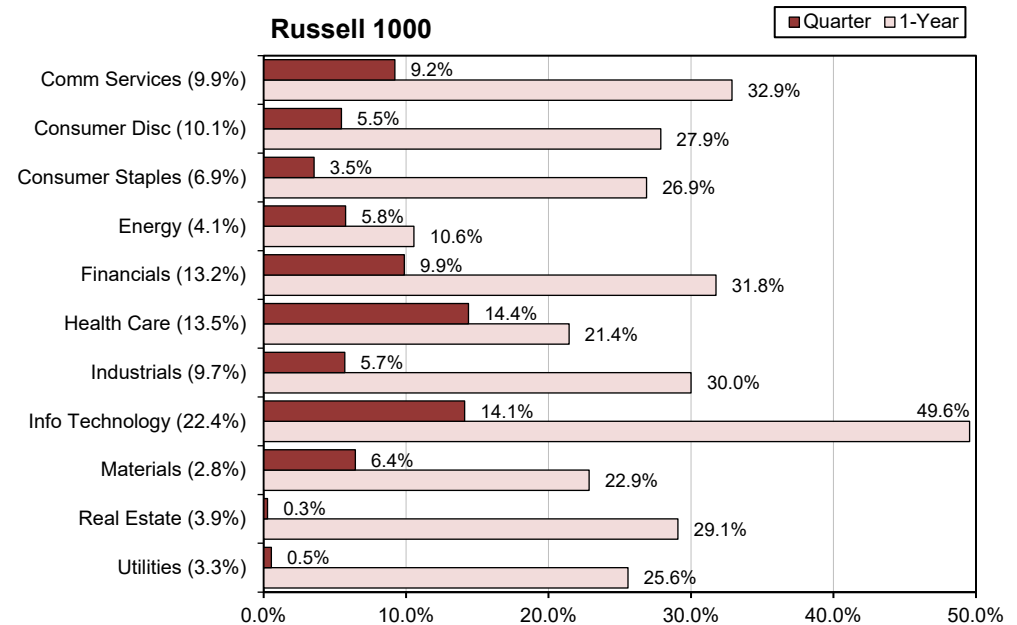
1-Year Performance



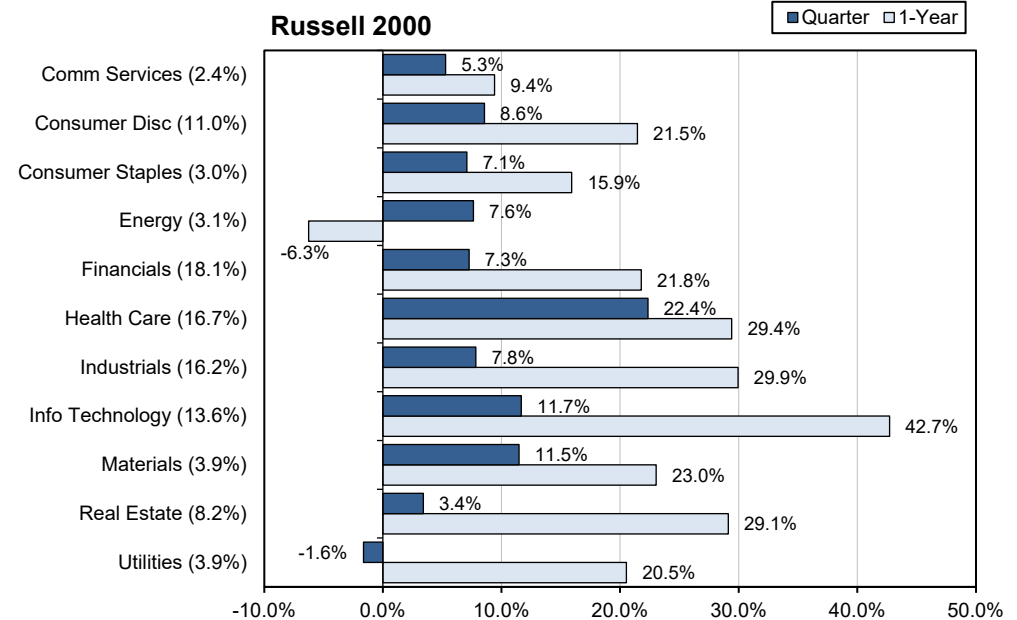
- Against the largely positive global economic backdrop detailed on the previous page, the US equity market delivered strong gains across the capitalization and style spectrum for the 4th quarter of 2019. Growth stocks outperformed value stocks for the full capitalization range during the period. Further, as is often the case during periods of strong “risk-on” performance, small cap growth stocks outpaced large cap growth stocks due primarily to an expectation that smaller companies have accelerated earnings growth relative to large companies.
- The Russell 2000 Growth Index was the best performing style index for the period, returning 11.4%, while large cap and mid-cap growth returned a solid 10.6% and 8.2% respectively. The outperformance of small cap stocks across the style spectrum for the period represented a reversal from previous quarters. The small cap Russell 2000 Index gained 9.9% during the period versus a 9.0% return for the large cap Russell 1000 Index.
- When viewed over the most recent 1-year period, large cap stocks significantly outperformed small cap stocks with the Russell 1000 posting a strong 31.4% gain while the Russell 2000 delivered a solid 25.5% return. Unsurprisingly, given the recent strong market environment, value stocks also trailed their growth counterparts over the trailing 1-year period. The technology-heavy Russell 1000 Growth Index was the best performing index over the 1-year period delivering a stellar 36.5% return compared to a return of 26.5% for the Russell 1000 Value Index



- Performance was positive across all eleven large cap economic sectors for the 4th quarter but four outpaced the return of the broader Russell 1000 Index. The more economically sensitive sectors, such as technology, financials and communication services posted returns of 14.1%, 9.9% and 9.2%, respectively, as investors' expectations of future economic growth improved. Health care stocks rallied as the cost and drug pricing rhetoric from Democratic Presidential candidates softened. Technology was also a leader with stocks such as Apple experiencing strong holiday sales and Microsoft making a strong earnings announcement. Not surprisingly, defensive sectors such as consumer staples, industrials and energy underperformed the broader market during the period. All eleven economic sectors were also positive over the 1-year trailing period with each sector posting a return in excess of 20% for the year. Similar to the quarter's results, economically sensitive sectors outpaced defensive ones by a considerable margin. The technology sector was 2019's standout performer, posting an impressive 49.6% for the year. The sector was buoyed by Apple's 89.0% return and Microsoft's 57.6% return for the year. The financial sector, which returned 31.8% for the year, also experienced strong earnings as recessionary fears subsided and the US yield curve moved toward a more normal, positively slope. The only other economic sector to outperform the broader Russell 1000 index return of 31.4% for the 1-year period was the communication services sector, which posted a return of 32.9% for the year.



- Quarterly results for small cap sectors were mixed compared to their large cap counterparts with seven of the eleven economic sectors outpacing their corresponding large cap equivalents. Ten of the eleven small cap sectors produced positive absolute returns during the quarter, but similar to large cap performance, only three sectors managed to outpace the broad Russell 2000 Index. Economically sensitive sectors were also the strongest performers in the small cap space as investors expressed an appetite for risk. The health care sector was the quarter's standout, posting a return of 22.4% for the quarter. The technology and materials sectors also posted double-digit performance for the period with returns of 11.7% and 11.5% respectively. While not a significant weight in the index, the utilities, which are considered defensive, was the only negative sector, posting a loss of -1.6%. Over the trailing 1-year period, returns were broadly positive with only the highly cyclical energy sector, largely tied to oil prices, producing negative performance with a return of -6.3%. Similar to large cap performance, technology led the way with the sector returning a stellar 42.7% for the year. Returns were also impressive in the industrials, health care and real estate sectors, which posted gains of 29.9%, 29.4% and 29.1%, respectively, and finished ahead of the Russell 2000 index return of 25.5% for the year.



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

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	4.40%	31.5%	89.0%	Information Technology
Microsoft Corp	4.02%	13.8%	57.6%	Information Technology
Amazon.com Inc	2.57%	6.4%	23.0%	Consumer Discretionary
Facebook Inc A	1.65%	15.3%	56.6%	Communication Services
Berkshire Hathaway Inc B	1.49%	8.9%	10.9%	Financials
JPMorgan Chase & Co	1.46%	19.4%	47.3%	Financials
Alphabet Inc A	1.35%	9.7%	28.2%	Communication Services
Alphabet Inc Class C	1.35%	9.7%	29.1%	Communication Services
Johnson & Johnson	1.31%	13.5%	16.2%	Health Care
Visa Inc Class A	1.08%	9.4%	43.3%	Information Technology

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Tesla Inc	0.20%	73.7%	25.7%	Consumer Discretionary
Sarepta Therapeutics Inc	0.03%	71.3%	18.2%	Health Care
Ubiquiti Inc	0.01%	60.1%	91.6%	Information Technology
Advanced Micro Devices Inc	0.16%	58.2%	148.4%	Information Technology
Qorvo Inc	0.05%	56.8%	91.4%	Information Technology
Zillow Group Inc A	0.01%	54.8%	45.5%	Communication Services
Align Technology Inc	0.07%	54.2%	33.2%	Health Care
Zillow Group Inc C	0.02%	54.1%	45.5%	Communication Services
Transocean Ltd	0.01%	53.9%	-0.9%	Energy
Skyworks Solutions Inc	0.07%	53.2%	84.1%	Information Technology

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Beyond Meat Inc	0.01%	-49.1%	N/A	Consumer Staples
Sage Therapeutics Inc	0.01%	-48.5%	-24.6%	Health Care
Chesapeake Energy Corp	0.00%	-41.4%	-60.7%	Energy
ServiceMaster Global Holdings Inc	0.02%	-30.8%	5.2%	Consumer Discretionary
Twitter Inc	0.08%	-22.2%	11.5%	Communication Services
Taubman Centers Inc	0.01%	-22.1%	-27.0%	Real Estate
Elastic NV	0.01%	-21.9%	-10.0%	Information Technology
Etsy Inc	0.02%	-21.6%	-6.9%	Consumer Discretionary
Sinclair Broadcast Group Inc	0.01%	-21.5%	29.0%	Communication Services
Ventas Inc	0.07%	-19.9%	3.4%	Real Estate

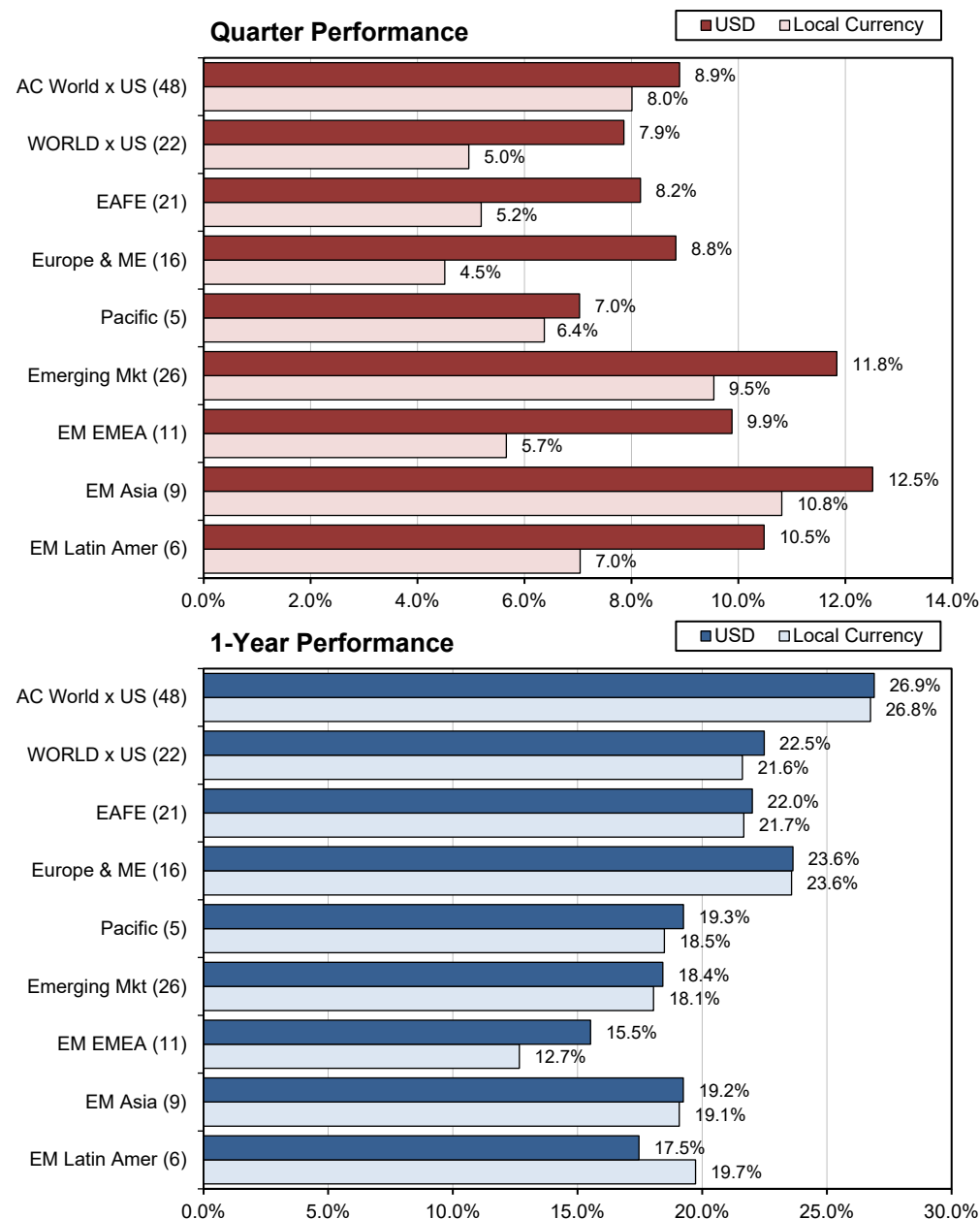
Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
NovoCure Ltd	0.35%	12.7%	151.7%	Health Care
The Medicines Co	0.30%	69.9%	343.8%	Health Care
Generac Holdings Inc	0.29%	28.4%	102.4%	Industrials
Lumentum Holdings Inc	0.29%	48.1%	88.8%	Information Technology
Teladoc Health Inc	0.29%	23.6%	68.9%	Health Care
Arrowhead Pharmaceuticals Inc	0.28%	125.1%	410.7%	Health Care
Haemonetics Corp	0.28%	-8.9%	14.8%	Health Care
Marriott Vacations Worldwide Corp	0.25%	24.8%	85.9%	Consumer Discretionary
Performance Food Group Co	0.25%	11.9%	59.5%	Consumer Staples
Trex Co Inc	0.25%	-1.2%	51.4%	Industrials

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Constellation Pharmaceuticals Inc	0.03%	629.3%	1074.8%	Health Care
Forty Seven Inc	0.04%	513.2%	150.4%	Health Care
ChemoCentryx Inc	0.08%	483.3%	262.5%	Health Care
Axsome Therapeutics Inc	0.12%	410.7%	3565.2%	Health Care
Kodiak Sciences Inc	0.08%	400.3%	913.4%	Health Care
Karuna Therapeutics Inc	0.02%	361.6%	N/A	Health Care
Intra-Cellular Therapies Inc	0.07%	359.3%	201.2%	Health Care
Synthorx Inc	0.03%	329.6%	302.1%	Health Care
Mersana Therapeutics Inc	0.01%	262.7%	40.4%	Health Care
VBI Vaccines Inc	0.01%	192.9%	-13.8%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
resTORbio Inc	0.00%	-83.1%	-82.7%	Health Care
TransEnterix Inc	0.00%	-81.8%	-95.0%	Health Care
Unit Corp	0.00%	-79.4%	-95.1%	Energy
Cyclerion Therapeutics Inc Ord Shrs	0.00%	-77.6%	N/A	Health Care
Waitr Holdings Inc Class A	0.00%	-74.9%	-97.1%	Consumer Discretionary
Intelsat SA	0.02%	-69.2%	-67.1%	Communication Services
Contura Energy Inc	0.01%	-67.6%	-86.2%	Energy
McDermott International Inc	0.01%	-66.5%	-89.7%	Energy
Pareteum Corp	0.00%	-66.1%	-74.1%	Communication Services
Exela Technologies Inc	0.00%	-65.4%	-89.5%	Information Technology



- Broad international equity returns were positive in both local currency and USD terms for the 4th quarter as investors benefited from a broad “risk-on” environment. US investors also benefited as the USD weakened relative to most major developed and emerging market currencies during the period. Within the broader currency moves that boosted USD return, the British pound and the Euro appreciated relative to the USD during the quarter which acted as a headwind to holdings in those sub-markets. However, the macro impact of the USD weakness for the period was positive for US investors for the broad market international indexes. The MSCI EAFE and ACWI ex US Indexes returned 8.2% and 7.9% respectively for the quarter. Similar to US markets, international equity markets were buoyed by loose central bank monetary policies which supplied the markets with liquidity. Christine Lagarde assumed the presidency of the European Central Bank (ECB) and announced that interest rates would remain negative at -0.5% while the Bank of Japan’s key rate also remains in negative territory at -0.1%. The People’s Bank of China announced during the quarter that it would continue with its prudent monetary policy with the goal of providing stimulus measures as needed.
- As previously noted, results for developed market indexes were strongly positive for the 4th quarter. European stocks moved higher on expectations of a trade resolution between China and the US. In the UK, Prime Minister Boris Johnson received a resounding mandate in recent elections resulting in a large majority in Parliament. The results make it highly likely that the UK will leave the European Union. The decrease in Brexit uncertainty led the British pound to rally against most major currencies. In contrast, the economy in Hong Kong fell into recession as continued political protests and the Chinese government’s response detracted from growth. While not as strong as US equity market returns, each of the broad, developed market benchmarks posted returns in excess of 20% for the trailing 1-year period.
- For the 4th quarter, emerging markets reversed the recent trend and managed to outperform developed international markets. The MSCI Emerging Markets Index returned a strong USD return of 11.8%. As previously noted, the prospect of reduced trade tensions between the US and China stoked returns in emerging markets. As a result, countries with greater sensitivities to commodity prices and global trade activity performed well during the period. As evidence, Russia and Brazil, both large energy exporters, returned 16.6% and 15.6%, respectively, during the quarter. For the full year, emerging markets delivered strong returns in both local currency and USD terms. The MSCI Emerging Markets Index climbed 18.4% in local currency and 18.1% in USD terms. The narrow performance differential between local currency and USD emerging market returns is also observable across each of the international benchmarks for the 1-year period as the year’s currency volatility largely balanced out.



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

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.2%	4.8%	12.7%
Consumer Discretionary	11.6%	9.4%	24.8%
Consumer Staples	11.3%	1.9%	18.9%
Energy	4.9%	3.8%	7.6%
Financials	18.6%	8.4%	17.7%
Health Care	12.2%	12.4%	30.7%
Industrials	15.0%	10.0%	26.2%
Information Technology	7.1%	12.6%	37.7%
Materials	7.1%	10.5%	22.9%
Real Estate	3.5%	4.2%	14.8%
Utilities	3.7%	5.3%	19.2%
Total	100.0%	8.2%	22.0%

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	6.7%	7.0%	12.1%
Consumer Discretionary	11.8%	11.4%	27.7%
Consumer Staples	9.4%	1.9%	17.5%
Energy	6.5%	6.5%	14.8%
Financials	21.4%	8.1%	17.2%
Health Care	8.9%	12.5%	27.7%
Industrials	11.9%	9.6%	24.0%
Information Technology	9.4%	15.5%	40.7%
Materials	7.4%	10.8%	18.6%
Real Estate	3.2%	7.3%	17.1%
Utilities	3.4%	4.8%	17.4%
Total	100.0%	8.9%	26.9%

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	11.0%	9.8%	11.2%
Consumer Discretionary	14.2%	16.7%	35.1%
Consumer Staples	6.3%	2.6%	10.7%
Energy	7.4%	9.8%	19.8%
Financials	24.2%	9.8%	12.6%
Health Care	2.8%	14.7%	3.7%
Industrials	5.3%	7.8%	7.1%
Information Technology	15.7%	18.9%	41.6%
Materials	7.4%	12.3%	5.9%
Real Estate	3.0%	17.6%	23.9%
Utilities	2.6%	4.3%	7.9%
Total	100.0%	11.8%	18.4%

Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1- Year Return
Japan	24.5%	16.1%	7.6%	19.6%
United Kingdom	16.5%	10.8%	10.0%	21.1%
France	11.4%	7.5%	8.5%	25.7%
Switzerland	9.3%	6.1%	7.6%	32.3%
Germany	8.7%	5.7%	9.9%	20.8%
Australia	6.8%	4.5%	4.3%	22.9%
Netherlands	4.0%	2.6%	7.4%	32.1%
Hong Kong	3.5%	2.3%	7.3%	10.3%
Spain	2.8%	1.9%	6.0%	12.0%
Sweden	2.7%	1.8%	13.1%	21.2%
Italy	2.3%	1.5%	8.1%	27.3%
Denmark	1.8%	1.2%	13.1%	28.2%
Singapore	1.3%	0.8%	7.4%	15.0%
Belgium	1.0%	0.7%	-1.1%	20.3%
Finland	0.9%	0.6%	3.0%	9.5%
Norway	0.6%	0.4%	4.3%	10.4%
Ireland	0.6%	0.4%	18.5%	37.5%
Israel	0.6%	0.4%	7.2%	9.6%
New Zealand	0.3%	0.2%	17.4%	38.2%
Austria	0.2%	0.2%	8.0%	14.5%
Portugal	0.2%	0.1%	8.7%	23.7%
Total EAFE Countries	100.0%	65.8%	8.2%	22.0%
Canada		6.7%	4.9%	27.5%
Total Developed Countries		72.5%	7.9%	22.5%
China		9.4%	14.7%	23.5%
Korea		3.2%	13.4%	12.5%
Taiwan		3.2%	17.9%	36.4%
India		2.4%	5.3%	7.6%
Brazil		2.1%	14.2%	26.3%
South Africa		1.3%	13.1%	10.0%
Russia		1.1%	16.8%	50.9%
Saudi Arabia		0.7%	2.7%	7.2%
Thailand		0.7%	-0.9%	9.5%
Mexico		0.6%	6.2%	11.4%
Indonesia		0.5%	7.0%	9.1%
Malaysia		0.5%	3.1%	-2.0%
Philippines		0.3%	2.9%	10.5%
Qatar		0.3%	2.2%	-1.0%
Poland		0.2%	4.1%	-5.9%
Chile		0.2%	-8.8%	-16.9%
United Arab Emirates		0.2%	-1.5%	4.0%
Turkey		0.1%	-0.1%	11.1%
Colombia		0.1%	14.4%	30.8%
Peru		0.1%	6.0%	4.8%
Greece		0.1%	12.7%	43.2%
Hungary		0.1%	22.2%	19.4%
Argentina		0.0%	15.4%	-20.8%
Czech Republic		0.0%	8.9%	4.2%
Egypt		0.0%	5.6%	41.8%
Pakistan		0.0%	26.5%	9.7%
Total Emerging Countries		27.5%	11.8%	18.4%
Total ACWIXUS Countries		100.0%	8.9%	26.9%

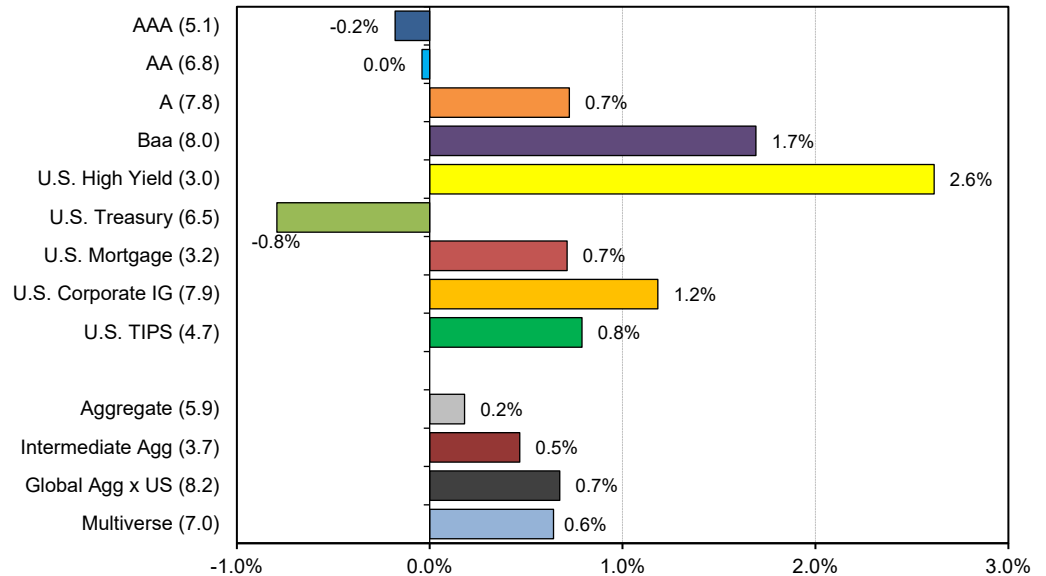
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)

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.

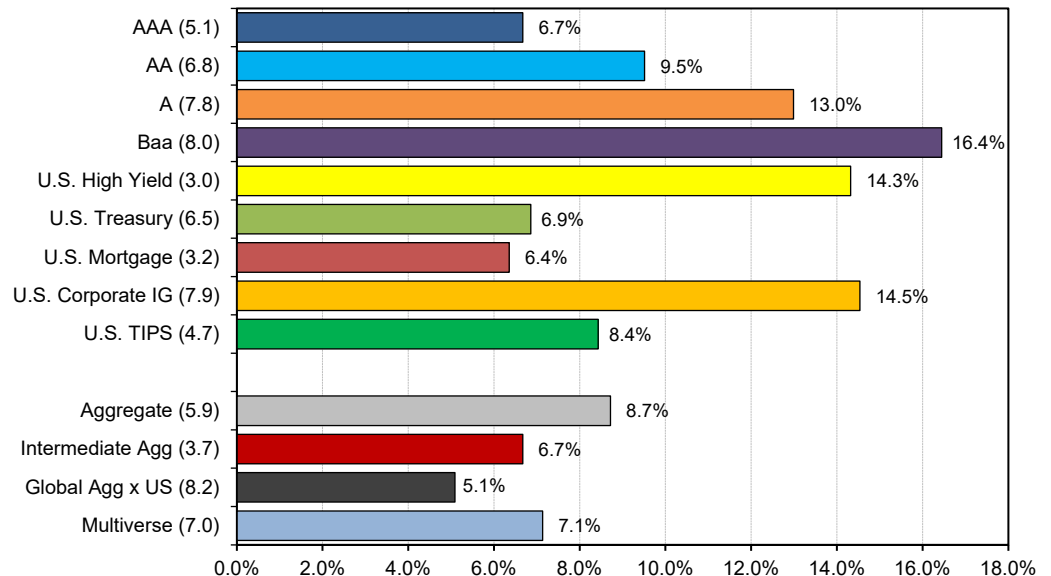


- Fixed income markets extended their gains in the 4th quarter, except for US Treasury bonds which declined during the period. Interest rates rose modestly across the US Treasury Yield Curve through the quarter as investors' confidence generally improved which resulted in bond prices falling. The Fed continued to provide liquidity by cutting short-term interest rates by 25 basis points to between 1.50% and 1.75% in October. The Fed began expanding its balance sheet by purchasing securities to provide the market with liquidity which is another form of monetary easing. The Fed made no changes to monetary policy at their December meeting and signaled that they would remain on hold but would continue to monitor the economy closely for any further deterioration. Importantly, the US Treasury Yield Curve normalized between the 2-year and 10-year issues which suggests that the threat of an imminent recession has been reduced. An inverted yield curve has historically preceded a recession within the next 6-24 months. The bellwether Bloomberg Barclays US Aggregate Index added 0.2% during the 4th quarter while returning 8.7% for the 1-year period ending in December.
- Within investment grade credit, lower quality issues resumed their outperformance over higher quality issues as investors' appetites for risk increased during the quarter. Bonds rated Baa were the best performing investment grade credit quality segment returning 1.7% for the quarter, while AAA was the worst performing, returning -0.2%. High yield corporate bonds outpaced all other credit sectors during the quarter returning 2.6%. For the full year both investment grade and high yield bonds delivered strong performance returning 14.5% and 14.3% respectively.
- Performance across defensive sectors such as US Treasury bonds, mortgage backed securities and TIPS were mixed during the quarter mostly due to their duration profiles. Rising interest rates during the quarter acted as a headwind to performance. As a result, US Treasury bonds, mortgage bonds and TIPS returned -0.8%, 0.7% and 0.8% respectively. Overall, fears of rising inflation remain relatively low while expectations for a positive economic environment remain strong. As a result, for the full 1-year period, US Treasury, mortgages and TIPS returned 6.9%, 6.4% and 8.4% respectively, trailing all corporate credit sectors significantly over the full year.

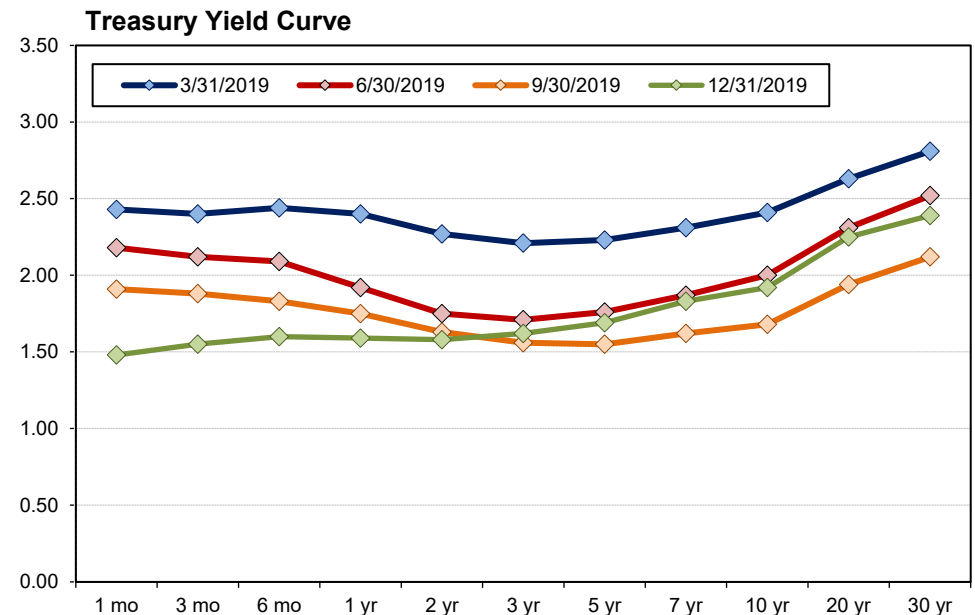
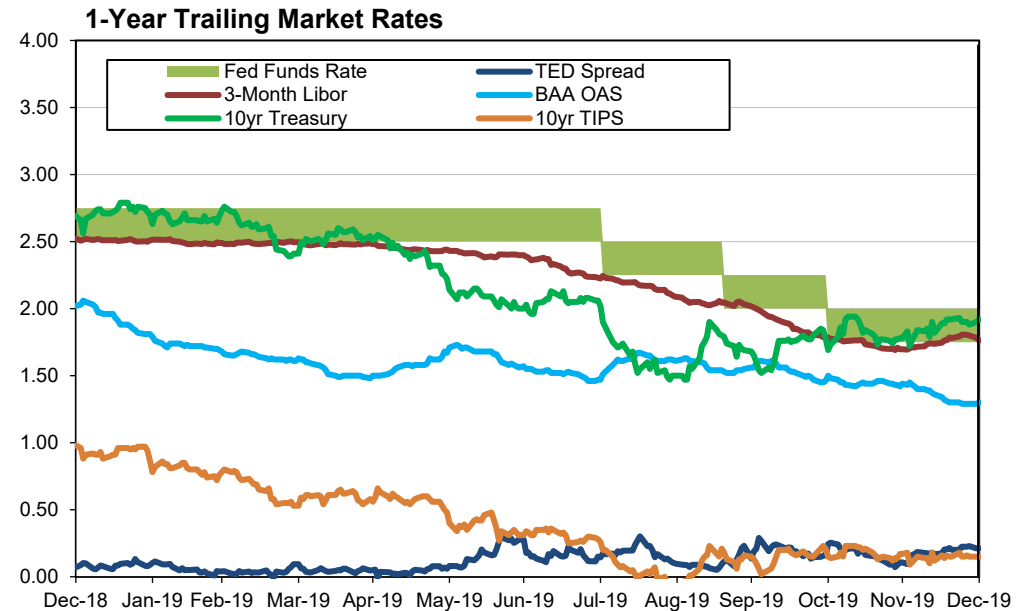
Quarter Performance



1-Year Performance



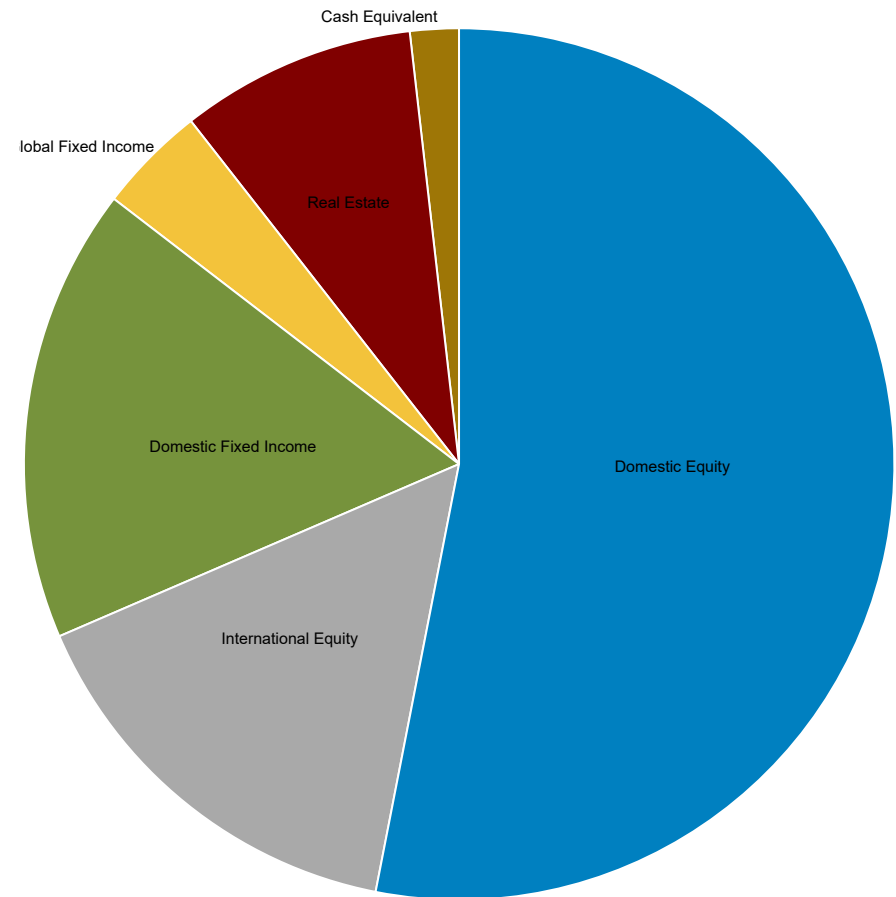
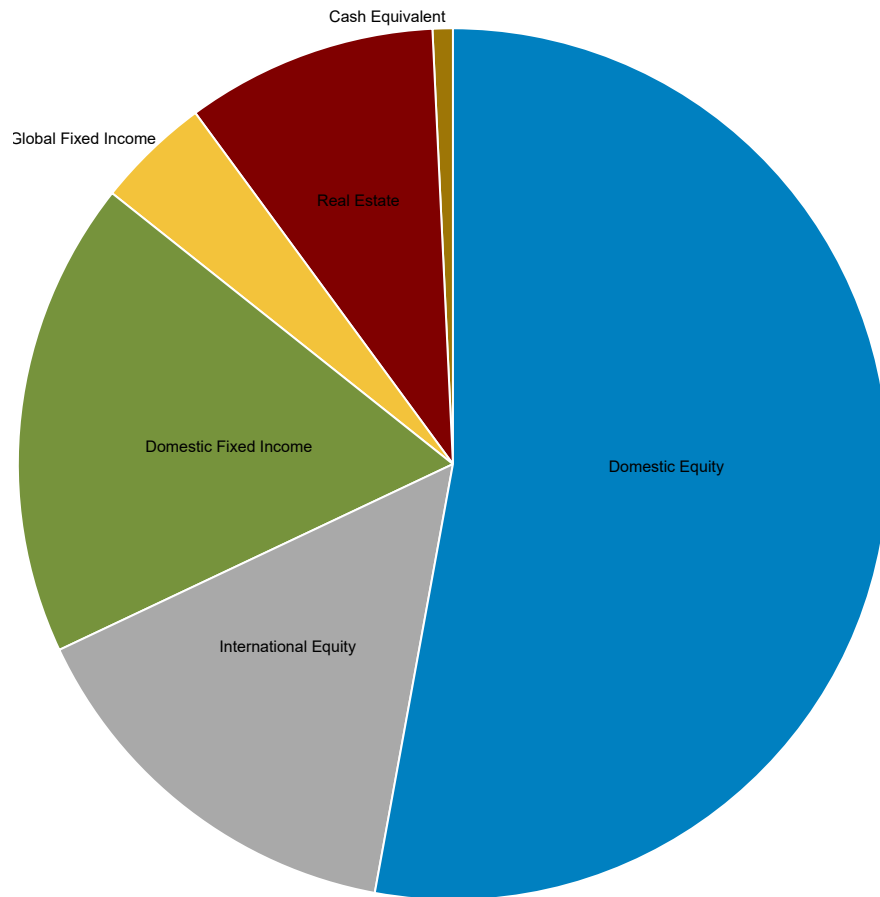
- Global fixed income returns were positive during the 4th quarter. Generally, global central bank monetary policy remains supportive as low economic growth persists in much of the world outside of the US. As a result, negative interest rates persist in much of Europe and Japan. However, the number of bonds with negative yields declined in recent months as future expectations for economic growth improved. As mentioned previously, we saw currency volatility increase during the quarter with the USD moving lower against most major developed and emerging market currencies. The depreciation of the USD acted as a catalyst for US investors compared to local investors. Global bonds, as represented by the Bloomberg Barclays Global Aggregate ex US Index, returned was 0.7% during the quarter which outperformed US bonds represented by the Bloomberg Barclays Aggregate Index. For the full 1-year period, global bonds underperformed domestic bonds 5.1% versus 8.7% respectively.
- 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 over the last year, the 10-year Treasury yield (green line) fell from highs near 2.8%, to yields below 1.5% before ending the quarter at 1.92%. 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 the continued decline from nearly 2.5% in the 1st quarter of 2019 to less than 1.6% in 4th quarter as investors sought out higher yielding assets and concerns regarding trade and the potential for a recession in the US declined. Spreads tightened by about 24 basis points during the quarter. Spread tightening is equivalent to an interest rate decrease on corporate bonds, which produces an additional tailwind for corporate bond index returns. The green band across the graph illustrates the decrease in the Federal Funds Rate due to the recent easing in US monetary policy. The Fed cut the Fed Funds Rate three times during the year on fears that economic growth was decelerating.
- The lower graph provides a snapshot of the US Treasury Yield Curve at the end of each of the last four calendar quarters. Interest rates were broadly lower over the full year as the Fed cut interest rates and expectations of future economic growth declined. During the year, the US Treasury curve was inverted between 2-year and 10-year rates. After multiple rate cuts, the curve finished the year with a more normalized shape with the long end of the curve higher than the short end.



Lantana Police Officers' Retirement System
Asset Allocation by Asset Class
As of December 31, 2019

September 30, 2019 : \$16,446,844

December 31, 2019 : \$17,697,699



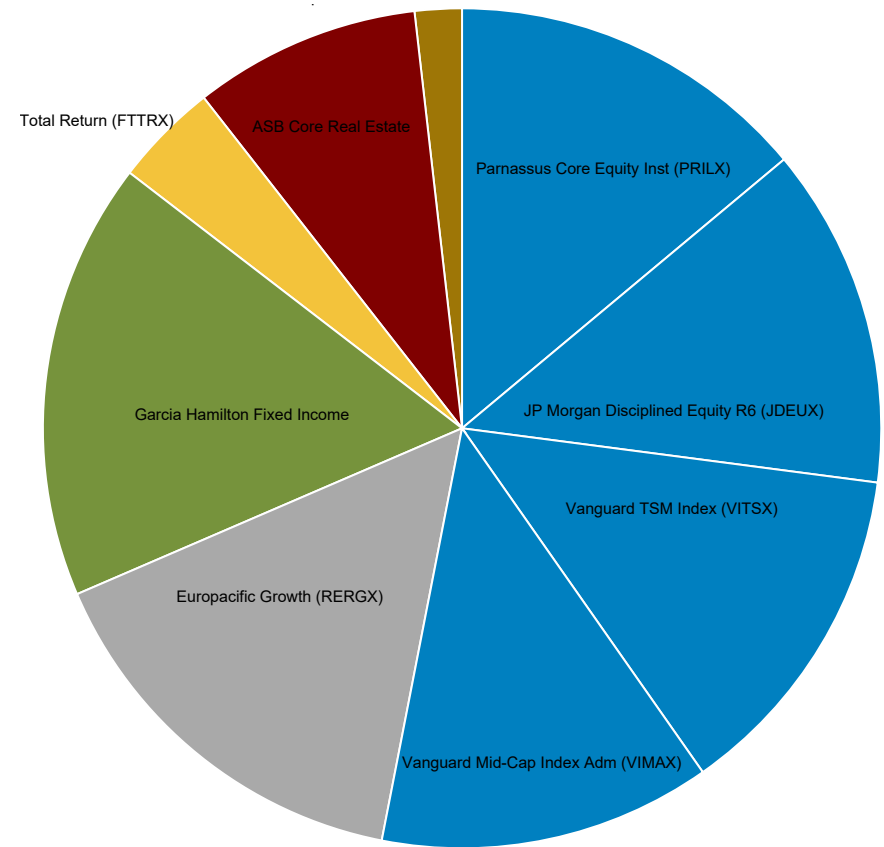
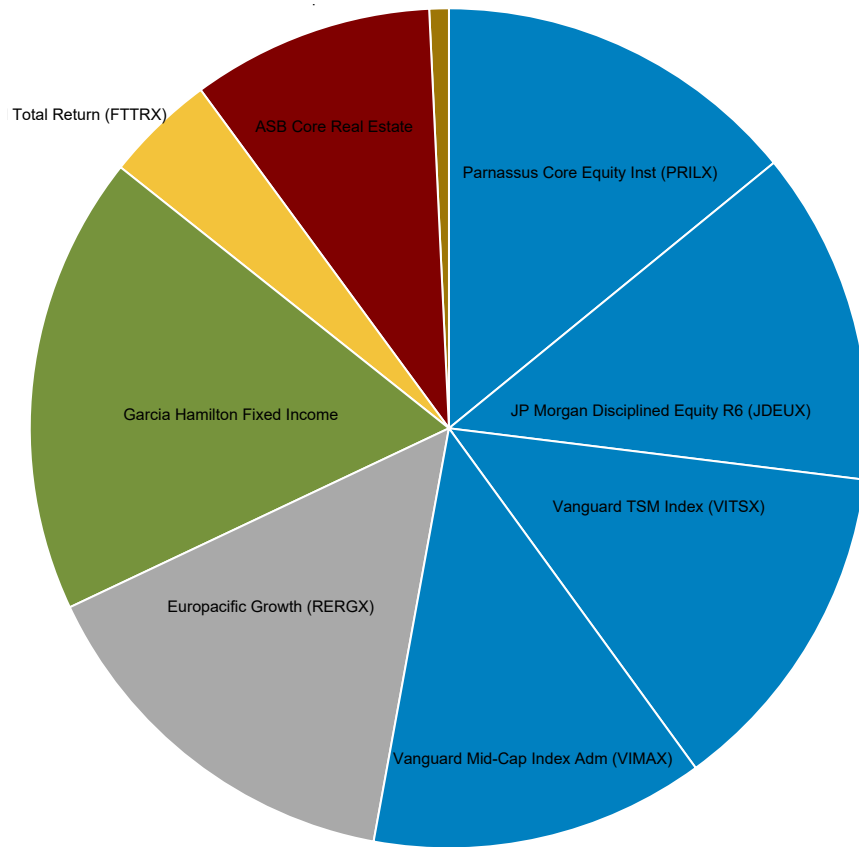
Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ Domestic Equity	8,696,645	52.9	■ Domestic Equity	9,392,711	53.1
■ International Equity	2,486,141	15.1	■ International Equity	2,737,082	15.5
■ Domestic Fixed Income	2,908,226	17.7	■ Domestic Fixed Income	2,987,295	16.9
■ Global Fixed Income	696,575	4.2	■ Global Fixed Income	709,680	4.0
■ Real Estate	1,535,232	9.3	■ Real Estate	1,549,969	8.8
■ Cash Equivalent	124,026	0.8	■ Cash Equivalent	320,961	1.8



Lantana Police Officers' Retirement System
Asset Allocation by Manager
As of December 31, 2019

September 30, 2019 : \$16,446,844

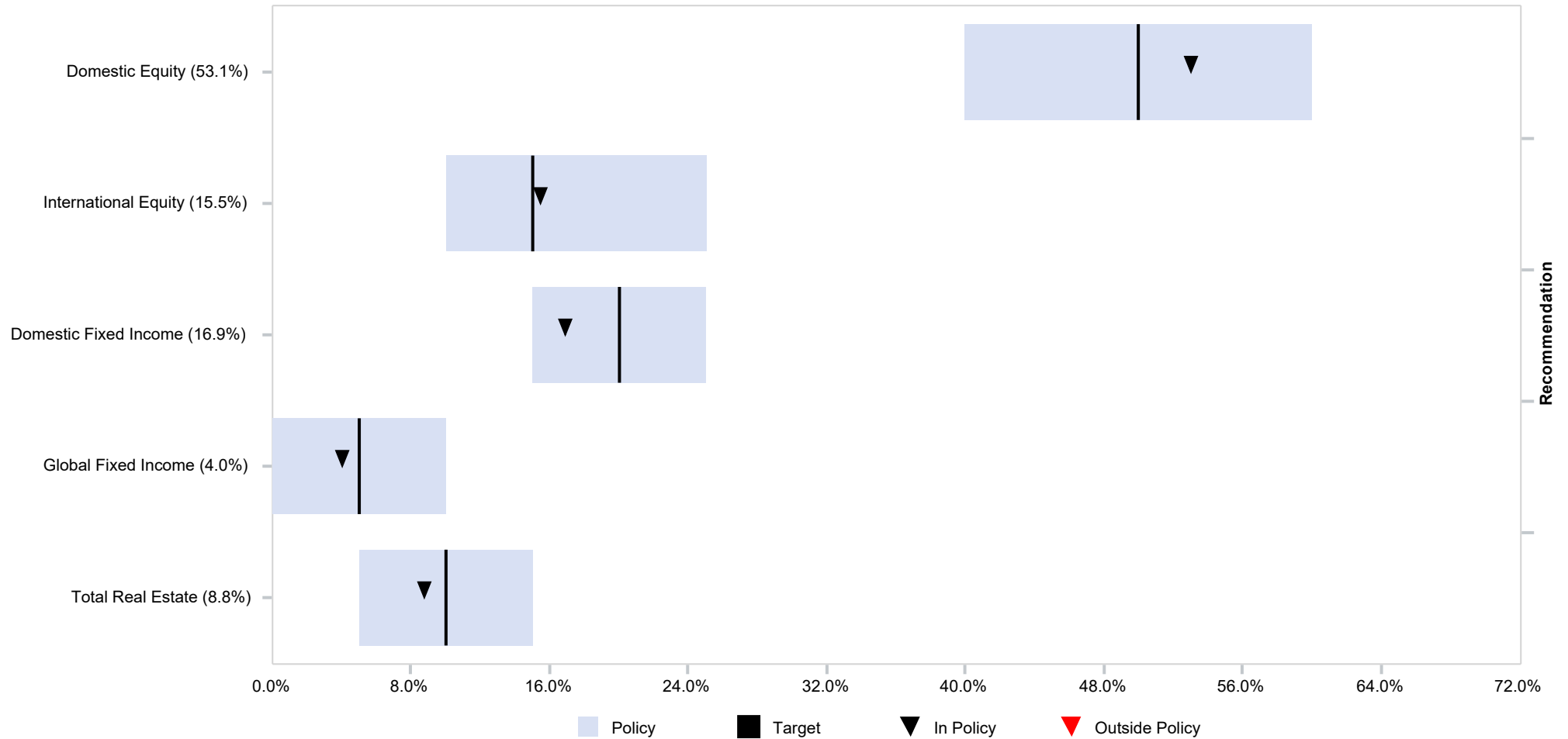
December 31, 2019 : \$17,697,699



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ Parnassus Core Equity Inst (PRILX)	2,320,352	14.1	■ Parnassus Core Equity Inst (PRILX)	2,466,936	13.9
■ JP Morgan Disciplined Equity R6 (JDEUX)	2,112,516	12.8	■ JP Morgan Disciplined Equity R6 (JDEUX)	2,323,122	13.1
■ Vanguard TSM Index (VITSX)	2,142,929	13.0	■ Vanguard TSM Index (VITSX)	2,335,968	13.2
■ Vanguard Mid-Cap Index Adm (VIMAX)	2,120,847	12.9	■ Vanguard Mid-Cap Index Adm (VIMAX)	2,266,685	12.8
■ Europacific Growth (RERGX)	2,486,141	15.1	■ Europacific Growth (RERGX)	2,737,082	15.5
■ Garcia Hamilton Fixed Income	2,908,226	17.7	■ Garcia Hamilton Fixed Income	2,987,295	16.9
■ Templeton Global Total Return (FTTRX)	696,575	4.2	■ Templeton Global Total Return (FTTRX)	709,680	4.0
■ ASB Core Real Estate	1,535,232	9.3	■ ASB Core Real Estate	1,549,969	8.8
■ Receipt & Disbursement	124,026	0.8	■ Receipt & Disbursement	320,961	1.8



Executive Summary

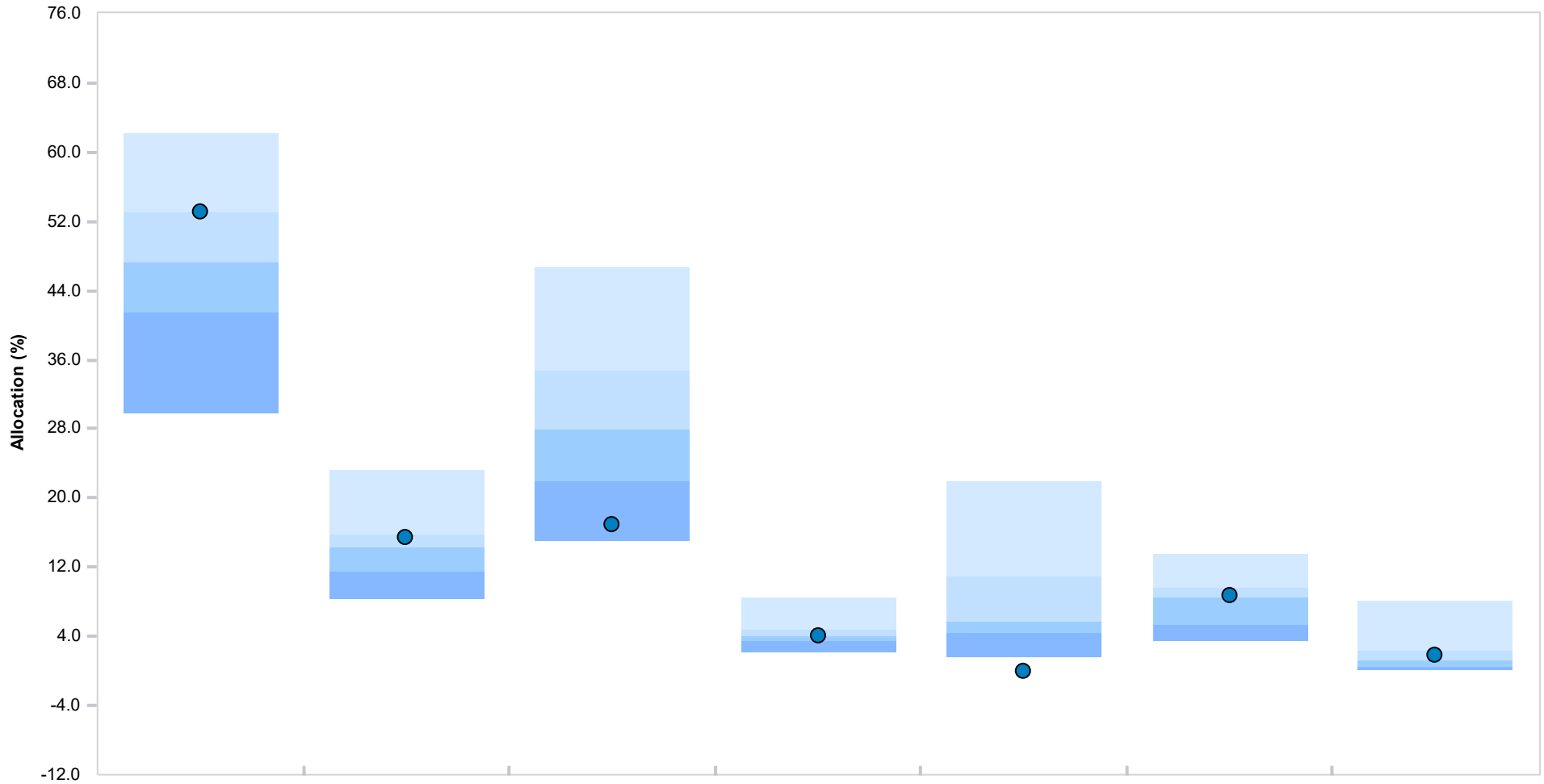


Asset Allocation Compliance

	Minimum Allocation (%)	Maximum Allocation (%)	Current Allocation (%)	Target Allocation (%)
Global Fixed Income	0.0	10.0	4.0	5.0
Total Real Estate	5.0	15.0	8.8	10.0
International Equity	10.0	25.0	15.5	15.0
Domestic Fixed Income	15.0	25.0	16.9	20.0
Domestic Equity	40.0	60.0	53.1	50.0
Total Fund	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
● Lantana Police	53.07 (26)	15.47 (30)	16.88 (92)	4.01 (56)	0.00	8.76 (46)	1.81 (34)
5th Percentile	62.20	23.27	46.69	8.49	21.98	13.63	8.19
1st Quartile	53.16	15.86	34.84	4.81	11.00	9.70	2.34
Median	47.23	14.33	27.99	4.09	5.66	8.51	1.31
3rd Quartile	41.46	11.47	21.84	3.45	4.43	5.31	0.50
95th Percentile	29.82	8.37	15.04	2.13	1.58	3.49	0.05
Population	233	212	234	84	35	153	217

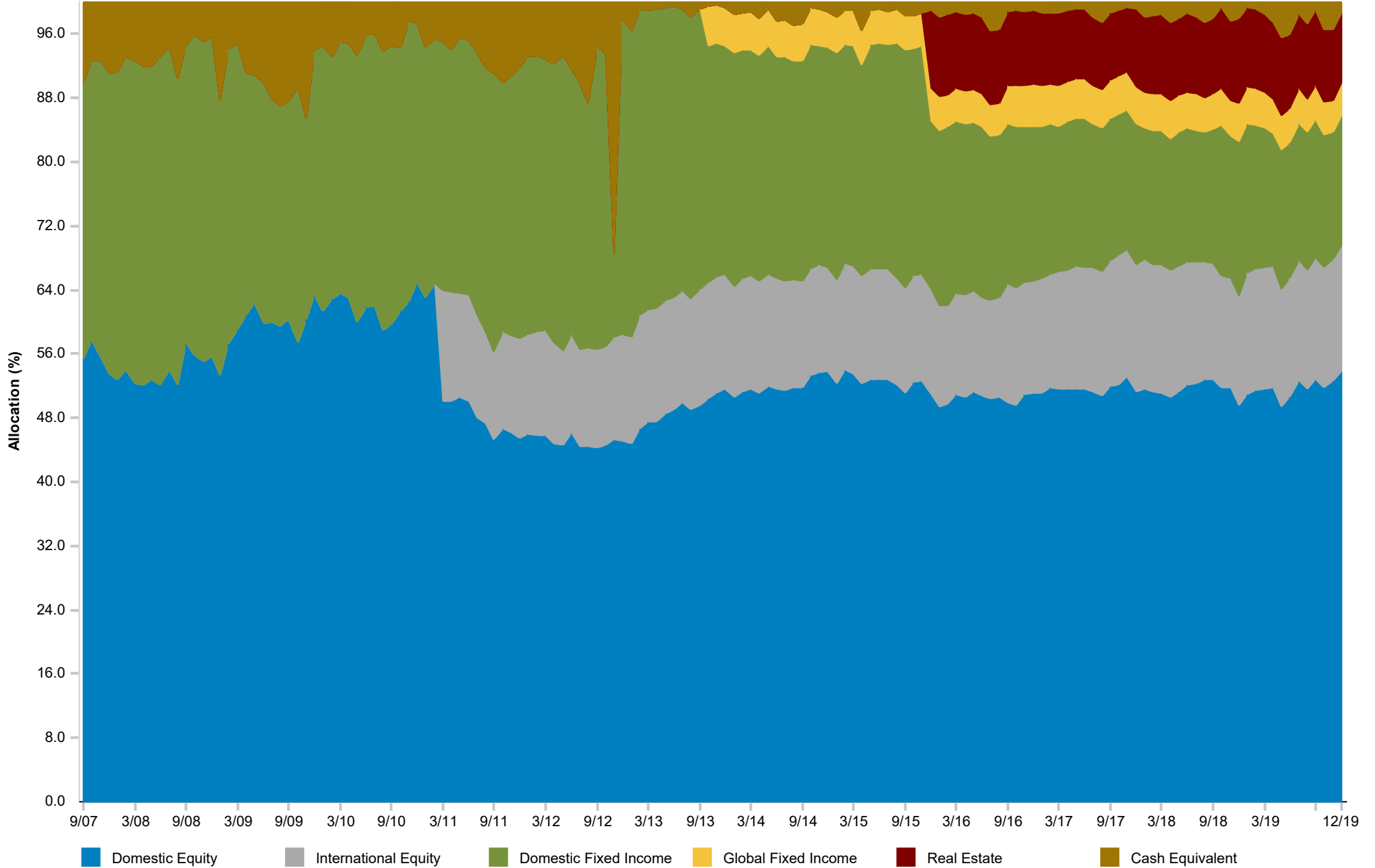
Parentheses contain percentile rankings.



Lantana Police Officers' Retirement System
Asset Allocation History by Portfolio
As of December 31, 2019

	Dec-2019		Sep-2019		Jun-2019		Mar-2019		Dec-2018	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
Total Equity	12,129,794	68.54	11,182,785	67.99	10,884,897	65.54	10,413,347	66.88	9,032,677	63.19
Total Domestic Equity	9,392,711	53.07	8,696,645	52.88	8,409,257	50.64	8,030,018	51.57	7,075,202	49.50
JP Morgan Disciplined Equity (JDEUX)	2,323,122	13.13	2,112,516	12.84	2,043,722	12.31	1,960,842	12.59	1,743,051	12.19
Parnassus Core Equity (PRILX)	2,466,936	13.94	2,320,352	14.11	2,223,207	13.39	2,094,832	13.45	1,861,402	13.02
Vanguard Mid-Cap Index (VIMAX)	2,266,685	12.81	2,120,847	12.90	2,065,336	12.44	1,978,988	12.71	1,707,795	11.95
Vanguard TSM Index (VITSX)	2,335,968	13.20	2,142,929	13.03	2,076,991	12.51	1,995,356	12.81	1,762,953	12.33
Total International Equity	2,737,082	15.47	2,486,141	15.12	2,475,640	14.91	2,383,330	15.31	1,957,475	13.69
Europacific Growth (RERGX)	2,737,082	15.47	2,486,141	15.12	2,475,640	14.91	2,383,330	15.31	1,957,475	13.69
Total Fixed Income	3,696,975	20.89	3,604,801	21.92	3,583,889	21.58	3,513,530	22.56	3,476,710	24.32
Total Domestic Fixed Income	2,987,295	16.88	2,908,226	17.68	2,882,096	17.35	2,821,809	18.12	2,792,351	19.54
Garcia Hamilton Fixed Income	2,987,295	16.88	2,908,226	17.68	2,882,096	17.35	2,821,809	18.12	2,792,351	19.54
Total Diversified Fixed Income	709,680	4.01	696,575	4.24	701,793	4.23	691,721	4.44	684,359	4.79
Templeton Global Total Return (FTTRX)	709,680	4.01	696,575	4.24	701,793	4.23	691,721	4.44	684,359	4.79
Total Real Estate	1,549,969	8.76	1,535,232	9.33	1,548,583	9.32	1,532,000	9.84	1,506,505	10.54
ASB Core Real Estate	1,549,969	8.76	1,535,232	9.33	1,548,583	9.32	1,532,000	9.84	1,506,505	10.54
Cash Accounts										
Receipt & Disbursement	320,961	1.81	124,026	0.75	590,073	3.55	112,110	0.72	277,562	1.94
Total Fund	17,697,699	100.00	16,446,844	100.00	16,607,443	100.00	15,570,986	100.00	14,293,453	100.00





Lantana Police Officers' Retirement System

Financial Reconciliation

1 Quarter Ending December 31, 2019

	Market Value 10/01/2019	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Capital Gain/Loss	Market Value 12/31/2019
Total Equity	11,182,785	-	-	-	-	-	272,051	674,957	12,129,794
Total Domestic Equity	8,696,645	-	-	-	-	-	239,002	457,065	9,392,711
JP Morgan Disciplined Equity (JDEUX)	2,112,516	-	-	-	-	-	207,575	3,031	2,323,122
Parnassus Core Equity (PRILX)	2,320,352	-	-	-	-	-	6,373	140,211	2,466,936
Vanguard Mid-Cap Index (VIMAX)	2,120,847	-	-	-	-	-	12,486	133,352	2,266,685
Vanguard TSM Index (VITSX)	2,142,929	-	-	-	-	-	12,567	180,472	2,335,968
Total International Equity	2,486,141	-	-	-	-	-	33,050	217,892	2,737,082
Europacific Growth (RERGX)	2,486,141	-	-	-	-	-	33,050	217,892	2,737,082
Total Fixed Income	3,604,801	82,303	-	-	-2,181	-625	36,283	-23,607	3,696,975
Domestic Fixed Income	2,908,226	82,303	-	-	-2,181	-625	19,633	-20,062	2,987,295
Garcia Hamilton Fixed Income	2,908,226	82,303	-	-	-2,181	-625	19,633	-20,062	2,987,295
Global Fixed Income	696,575	-	-	-	-	-	16,650	-3,545	709,680
Templeton Global Total Return (FTTRX)	696,575	-	-	-	-	-	16,650	-3,545	709,680
Total Real Estate	1,535,232	-	-	-	-4,797	-	2	19,533	1,549,969
ASB Core Real Estate	1,535,232	-	-	-	-4,797	-	2	19,533	1,549,969
Cash Accounts									
Receipt & Disbursement	124,026	-82,303	453,172	-146,641	-	-28,567	1,275	-	320,961
Total Fund	16,446,844	-	453,172	-146,641	-6,978	-29,192	309,611	670,883	17,697,699



Lantana Police Officers' Retirement System

Financial Reconciliation

October 1, 2019 To December 31, 2019

	Market Value 10/01/2019	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Capital Gain/Loss	Market Value 12/31/2019
Total Equity	11,182,785	-	-	-	-	-	272,051	674,957	12,129,794
Total Domestic Equity	8,696,645	-	-	-	-	-	239,002	457,065	9,392,711
JP Morgan Disciplined Equity (JDEUX)	2,112,516	-	-	-	-	-	207,575	3,031	2,323,122
Parnassus Core Equity (PRILX)	2,320,352	-	-	-	-	-	6,373	140,211	2,466,936
Vanguard Mid-Cap Index (VIMAX)	2,120,847	-	-	-	-	-	12,486	133,352	2,266,685
Vanguard TSM Index (VITSX)	2,142,929	-	-	-	-	-	12,567	180,472	2,335,968
Total International Equity	2,486,141	-	-	-	-	-	33,050	217,892	2,737,082
Europacific Growth (REGX)	2,486,141	-	-	-	-	-	33,050	217,892	2,737,082
Total Fixed Income	3,604,801	82,303	-	-	-2,181	-625	36,283	-23,607	3,696,975
Domestic Fixed Income	2,908,226	82,303	-	-	-2,181	-625	19,633	-20,062	2,987,295
Garcia Hamilton Fixed Income	2,908,226	82,303	-	-	-2,181	-625	19,633	-20,062	2,987,295
Global Fixed Income	696,575	-	-	-	-	-	16,650	-3,545	709,680
Templeton Global Total Return (FTTRX)	696,575	-	-	-	-	-	16,650	-3,545	709,680
Total Real Estate	1,535,232	-	-	-	-4,797	-	2	19,533	1,549,969
ASB Core Real Estate	1,535,232	-	-	-	-4,797	-	2	19,533	1,549,969
Cash Accounts									
Receipt & Disbursement	124,026	-82,303	453,172	-146,641	-	-28,567	1,275	-	320,961
Total Fund	16,446,844	-	453,172	-146,641	-6,978	-29,192	309,611	670,883	17,697,699



Lantana Police Officers' Retirement System

Trailing Returns

As of December 31, 2019

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		Inception		Inception Date
Total Fund (Gross)	5.87	(27)	5.87	(27)	21.28	(24)	10.57	(14)	7.56	(29)	8.83	(33)	7.66	(28)	07/01/2003
Total Fund Policy	6.18	(16)	6.18	(16)	21.50	(19)	10.81	(7)	8.15	(5)	9.42	(12)	7.31	(38)	
All Public Plans-Total Fund Median	5.33		5.33		19.88		9.57		7.13		8.28		7.12		
Total Fund (Net)	5.82		5.82		21.07		10.38		7.41		8.71		7.42		07/01/2003
Total Equity	8.47		8.47		30.21		13.82		9.57		12.08		9.91		07/01/2003
Total Equity Policy	9.08		9.08		28.77		13.57		9.97		12.27		8.44		
Domestic Equity	8.00	(51)	8.00	(51)	31.06	(23)	14.24	(26)	10.21	(27)	13.44	(35)	9.74	(71)	04/01/2011
Total Domestic Equity Policy	9.10	(27)	9.10	(27)	31.02	(23)	14.57	(18)	11.24	(8)	14.38	(11)	12.63	(11)	
IM U.S. Multi-Cap Core Equity (MF) Median	8.07		8.07		28.19		12.73		9.25		12.85		10.87		
International Equity	10.09	(17)	10.09	(17)	27.40	(11)	12.45	(9)	7.41	(1)	7.29	(2)	5.89	(2)	04/01/2011
Total International Equity Policy	8.99	(53)	8.99	(53)	22.13	(49)	10.40	(13)	6.01	(6)	5.93	(23)	4.51	(27)	
IM International Large Cap Core Equity (MF) Median	9.05		9.05		22.06		8.47		4.11		4.91		3.86		
Total Fixed Income	0.35		0.35		6.17		3.68		3.16		2.73		3.50		07/01/2003
Total Fixed Income Policy	0.54		0.54		9.14		4.30		3.34		2.99		3.98		
Domestic Fixed Income	-0.01	(86)	-0.01	(86)	7.20	(96)	3.99	(88)	3.24	(70)	2.84	(73)	3.55	(100)	07/01/2003
Total Domestic Fixed Income Policy	0.18	(56)	0.18	(56)	8.72	(77)	4.03	(87)	3.05	(89)	2.87	(69)	3.93	(98)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.22		0.22		9.24		4.41		3.46		3.07		4.49		
Global Fixed Income	1.88	(8)	1.88	(8)	2.12	(100)	2.46	(97)	2.24	(60)	N/A		2.14	(53)	11/01/2013
Global Fixed Income Index	1.97	(7)	1.97	(7)	10.75	(14)	5.31	(12)	4.46	(3)	3.16	(15)	3.74	(14)	
IM Global Fixed Income (MF) Median	0.68		0.68		8.12		4.04		2.46		1.70		2.21		
Total Real Estate	1.27	(80)	1.27	(80)	4.17	(89)	5.55	(90)	N/A		N/A		5.55	(92)	01/01/2016
NCREIF Fund Index-Open End Diversified Core (EW)	1.53	(58)	1.53	(58)	6.08	(77)	7.37	(72)	9.27	(62)	10.27	(64)	7.84	(68)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.59		1.59		7.02		7.71		9.54		10.76		8.34		

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



Lantana Police Officers' Retirement System

Trailing Returns

As of December 31, 2019

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		Inception		Inception Date
Domestic Equity Strategies															
JP Morgan Disciplined Equity (JDEUX)	9.97	(14)	9.97	(14)	31.56	(28)	14.78	(35)	N/A		N/A		12.92	(44)	09/01/2015
S&P 500 Index	9.07	(38)	9.07	(38)	31.49	(29)	15.27	(24)	11.70	(13)	14.73	(12)	14.38	(12)	
IM U.S. Large Cap Core Equity (MF) Median	8.71		8.71		29.62		13.95		10.30		13.31		12.73		
Parnassus Core Equity (PRILX)	6.32	(88)	6.32	(88)	30.95	(38)	15.24	(25)	N/A		N/A		13.63	(29)	09/01/2015
S&P 500 Index	9.07	(38)	9.07	(38)	31.49	(29)	15.27	(24)	11.70	(13)	14.73	(12)	14.38	(12)	
IM U.S. Large Cap Core Equity (MF) Median	8.71		8.71		29.62		13.95		10.30		13.31		12.73		
Vanguard Mid-Cap Index (VIMAX)	6.88	(50)	6.88	(50)	31.03	(20)	12.36	(12)	N/A		N/A		10.99	(24)	09/01/2015
Russell Midcap Index	7.06	(43)	7.06	(43)	30.54	(25)	12.06	(15)	9.33	(21)	13.21	(13)	11.45	(18)	
IM U.S. Mid Cap Core Equity (MF) Median	6.85		6.85		28.08		9.32		7.45		11.07		9.01		
Vanguard TSM Index (VITSX)	9.01	(29)	9.01	(29)	30.81	(26)	14.56	(19)	11.21	(8)	14.34	(12)	14.08	(17)	09/01/2012
Russell 3000 Index	9.10	(27)	9.10	(27)	31.02	(23)	14.57	(18)	11.24	(8)	14.38	(11)	14.12	(15)	
IM U.S. Multi-Cap Core Equity (MF) Median	8.07		8.07		28.19		12.73		9.25		12.85		12.76		
International Equity Strategies															
Europacific Growth (RERGX)	10.09	(17)	10.09	(17)	27.39	(11)	12.45	(9)	7.40	(1)	N/A		7.55	(1)	03/01/2013
MSCI AC World ex USA	8.99	(53)	8.99	(53)	22.13	(49)	10.40	(13)	6.01	(6)	5.93	(23)	5.62	(24)	
IM International Large Cap Core Equity (MF) Median	9.05		9.05		22.06		8.47		4.11		4.91		4.85		
Domestic Fixed Income Strategies															
Garcia Hamilton Fixed Income	-0.01	(86)	-0.01	(86)	7.20	(96)	3.99	(88)	3.24	(70)	N/A		3.29	(61)	12/01/2014
Blmbg. Barc. U.S. Aggregate Index	0.18	(56)	0.18	(56)	8.72	(77)	4.03	(87)	3.05	(89)	2.72	(88)	3.02	(91)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.22		0.22		9.24		4.41		3.46		3.07		3.40		
Global Fixed Income Strategies															
Templeton Global Total Return (FTTRX)	1.88	(8)	1.88	(8)	2.12	(100)	2.47	(97)	2.24	(60)	N/A		2.14	(53)	11/01/2013
Global Fixed Income Index	1.97	(7)	1.97	(7)	10.75	(14)	5.31	(12)	4.46	(3)	3.16	(15)	3.74	(14)	
IM Global Fixed Income (MF) Median	0.68		0.68		8.12		4.04		2.46		1.70		2.21		
Real Estate Strategies															
ASB Core Real Estate	1.27	(80)	1.27	(80)	4.17	(89)	5.55	(90)	N/A		N/A		5.55	(92)	01/01/2016
NCREIF Fund Index-Open End Diversified Core (EW)	1.53	(58)	1.53	(58)	6.08	(77)	7.37	(72)	9.27	(62)	10.27	(64)	7.84	(68)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.59		1.59		7.02		7.71		9.54		10.76		8.34		

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



Lantana Police Officers' Retirement System

Fiscal Year Returns

As of December 31, 2019

Comparative Performance																				
	FYTD		FY Sep-2019		FY 2018		FY 2017		FY 2016		FY 2015		FY 2014		FY 2013		FY 2012		FY 2011	
Total Fund (Gross)	5.87	(27)	4.92	(31)	9.35	(13)	12.38	(41)	9.45	(59)	-0.62	(47)	10.54	(40)	11.36	(60)	11.73	(92)	0.07	(63)
Total Fund Policy	6.18	(16)	4.77	(36)	9.52	(12)	13.13	(25)	11.38	(15)	-1.25	(62)	11.01	(31)	12.79	(39)	18.67	(31)	0.39	(55)
All Public Plans-Total Fund Median	5.33		4.30		7.09		11.82		9.74		-0.78		9.93		12.00		17.58		0.67	
Total Fund (Net)	5.82		4.72		9.16		12.22		9.25		-0.62		10.54		11.21		11.18		-0.23	
Total Equity	8.47		4.25		12.70		17.52		12.08		-2.28		14.51		20.88		16.62		-2.67	
Total Equity Policy	9.08		2.04		13.62		19.14		13.68		-3.37		14.53		20.52		26.34		-2.27	
Domestic Equity	8.00	(51)	5.21	(20)	16.21	(37)	16.60	(63)	12.96	(37)	-1.59	(48)	17.74	(33)	21.21	(65)	16.00	(97)	N/A	
Total Domestic Equity Policy	9.10	(27)	2.92	(37)	17.58	(19)	18.71	(36)	14.96	(17)	-0.49	(33)	17.76	(32)	21.60	(59)	30.20	(18)	0.55	(30)
IM U.S. Multi-Cap Core Equity (MF) Median	8.07		1.44		14.71		17.56		11.62		-1.81		16.35		22.62		27.03		-1.53	
International Equity	10.09	(17)	1.14	(10)	1.48	(38)	20.63	(23)	8.48	(6)	-4.88	(4)	3.47	(60)	19.20	(69)	18.77	(17)	N/A	
Total International Equity Policy	8.99	(53)	-0.72	(25)	2.25	(15)	20.15	(23)	9.80	(4)	-11.78	(69)	5.22	(28)	16.98	(70)	15.04	(51)	-10.42	(28)
IM International Large Cap Core Equity (MF) Median	9.05		-3.16		1.18		18.41		4.85		-8.36		4.07		21.59		15.06		-11.21	
Total Fixed Income	0.35		7.21		0.26		2.90		5.12		1.85		3.56		-2.37		5.02		4.67	
Total Fixed Income Policy	0.54		9.69		-1.19		0.62		7.01		1.58		4.06		-0.71		4.31		4.22	
Domestic Fixed Income	-0.01	(86)	8.42	(97)	0.87	(4)	0.31	(67)	5.72	(46)	3.43	(17)	3.37	(96)	-2.37	(96)	5.02	(95)	4.67	(77)
Total Domestic Fixed Income Policy	0.18	(56)	10.30	(70)	-1.22	(87)	0.07	(85)	5.19	(81)	2.94	(61)	3.96	(81)	-0.71	(25)	4.31	(98)	4.22	(91)
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.22		10.46		-0.75		0.61		5.66		3.02		4.47		-1.26		6.60		5.26	
Global Fixed Income	1.88	(8)	2.49	(99)	-1.92	(67)	13.82	(1)	2.62	(95)	-8.14	(94)	N/A		N/A		N/A		N/A	
Global Fixed Income Index	1.97	(7)	7.19	(57)	-1.16	(49)	2.82	(28)	14.46	(1)	-3.75	(49)	4.65	(36)	-1.58	(48)	14.19	(3)	2.52	(39)
IM Global Fixed Income (MF) Median	0.68		7.65		-1.29		1.02		7.42		-3.85		3.37		-1.81		7.17		1.74	
Total Real Estate	1.27	(80)	4.35	(89)	8.25	(67)	3.60	(100)	N/A		N/A		N/A		N/A		N/A		N/A	
NCREIF Fund Index-Open End Diversified Core (EW)	1.53	(58)	6.17	(75)	8.82	(57)	7.81	(58)	10.62	(67)	14.71	(60)	12.39	(66)	12.47	(68)	11.77	(64)	18.03	(43)
IM U.S. Open End Private Real Estate (SA+CF) Median	1.59		6.97		9.01		8.17		11.14		15.39		12.66		13.22		12.89		16.62	

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



Lantana Police Officers' Retirement System

Fiscal Year Returns

As of December 31, 2019

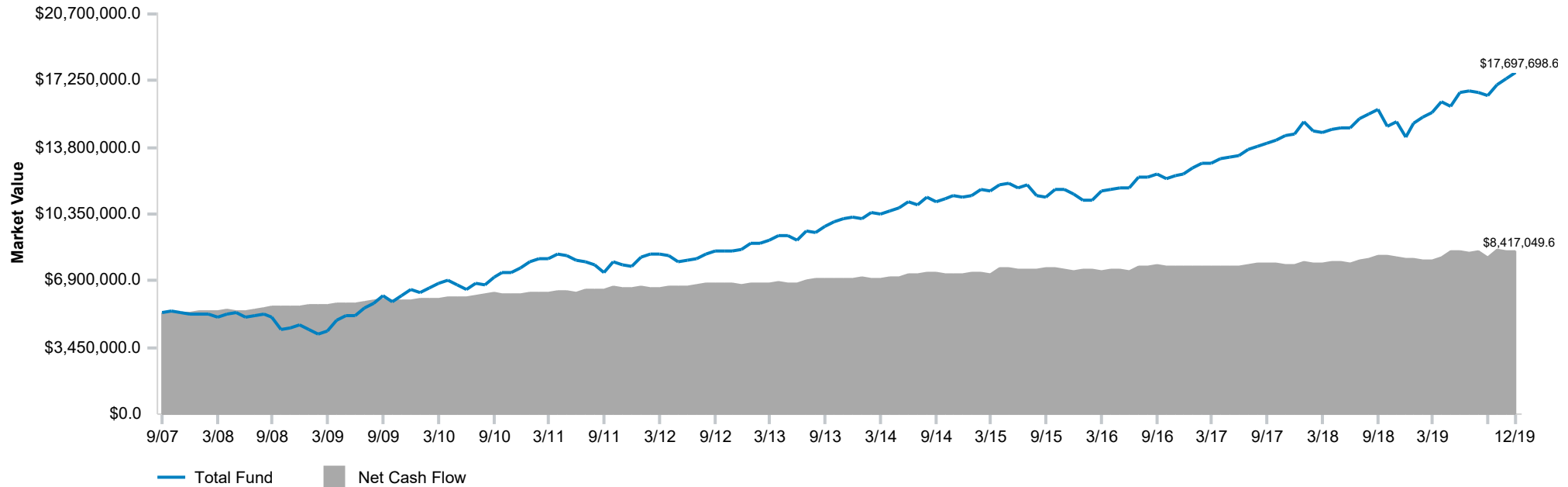
	FYTD	FY Sep-2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Domestic Equity Strategies										
JP Morgan Disciplined Equity (JDEUX)	9.97	(14)	2.98	(52)	16.98	(40)	19.32	(32)	11.00	(77)
S&P 500 Index	9.07	(38)	4.25	(39)	17.91	(27)	18.61	(46)	15.43	(18)
IM U.S. Large Cap Core Equity (MF) Median	8.71		3.15		16.07		18.38		13.06	
Parnassus Core Equity (PRILX)	6.32	(88)	11.42	(2)	16.75	(42)	13.15	(93)	13.37	(45)
S&P 500 Index	9.07	(38)	4.25	(39)	17.91	(27)	18.61	(46)	15.43	(18)
IM U.S. Large Cap Core Equity (MF) Median	8.71		3.15		16.07		18.38		13.06	
Vanguard Mid-Cap Index (VIMAX)	6.88	(50)	3.65	(24)	13.43	(30)	15.30	(49)	12.57	(41)
Russell Midcap Index	7.06	(43)	3.19	(27)	13.98	(25)	15.32	(47)	14.25	(25)
IM U.S. Mid Cap Core Equity (MF) Median	6.85		1.09		10.84		15.23		11.87	
Vanguard TSM Index (VITSX)	9.01	(29)	2.89	(38)	17.65	(17)	18.64	(38)	14.98	(16)
Russell 3000 Index	9.10	(27)	2.92	(37)	17.58	(19)	18.71	(36)	14.96	(17)
IM U.S. Multi-Cap Core Equity (MF) Median	8.07		1.44		14.71		17.56		11.62	
International Equity Strategies										
Europacific Growth (RERGX)	10.09	(17)	1.14	(10)	1.47	(39)	20.64	(23)	8.48	(6)
MSCI AC World ex USA	8.99	(53)	-0.72	(25)	2.25	(15)	20.15	(23)	9.80	(4)
IM International Large Cap Core Equity (MF) Median	9.05		-3.16		1.18		18.41		4.85	
Domestic Fixed Income Strategies										
Garcia Hamilton Fixed Income	-0.01	(86)	8.42	(97)	0.87	(4)	0.31	(67)	5.72	(46)
Blmbg. Barc. U.S. Aggregate Index	0.18	(56)	10.30	(70)	-1.22	(87)	0.07	(85)	5.19	(81)
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.22		10.46		-0.75		0.61		5.66	
PIMCO Total Return (PTTRX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.29	(83)
Blmbg. Barc. U.S. Aggregate Index	0.18	(51)	10.30	(25)	-1.22	(41)	0.07	(64)	5.19	(52)
IM U.S. Broad Market Core Fixed Income (MF) Median	0.18		9.82		-1.34		0.49		5.21	
Global Fixed Income Strategies										
Templeton Global Total Return (FTTRX)	1.88	(8)	2.50	(99)	-1.92	(67)	13.82	(1)	2.62	(95)
Global Fixed Income Index	1.97	(7)	7.19	(57)	-1.16	(49)	2.82	(28)	14.46	(1)
IM Global Fixed Income (MF) Median	0.68		7.65		-1.29		1.02		7.42	
Real Estate Strategies										
ASB Core Real Estate	1.27	(80)	4.35	(89)	8.25	(67)	3.60	(100)	N/A	N/A
NCREIF Fund Index-Open End Diversified Core (EW)	1.53	(58)	6.17	(75)	8.82	(57)	7.81	(58)	10.62	(67)
IM U.S. Open End Private Real Estate (SA+CF) Median	1.59		6.97		9.01		8.17		11.14	

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



Lantana Police Officers' Retirement System
Long-Term Performance
As of December 31, 2019

Plan Growth



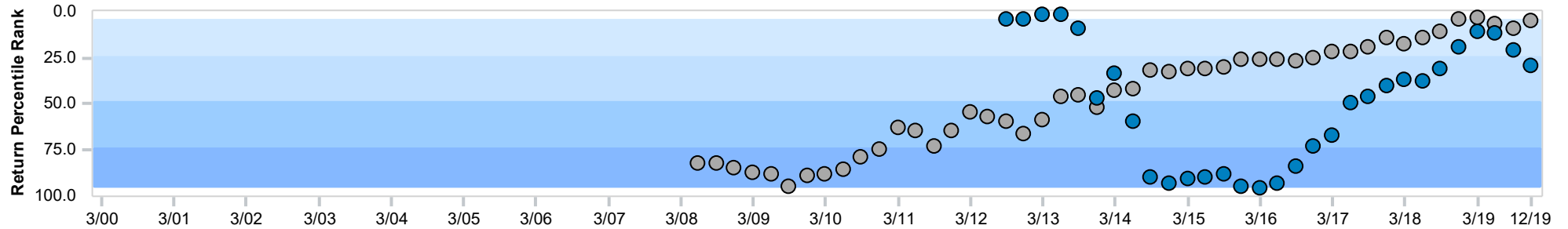
Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Total Fund	5.87 (27)	21.28 (24)	21.28 (24)	8.03 (13)	10.57 (14)	7.56 (29)	8.83 (33)	7.89 (72)	7.79 (1)
Total Fund Policy	6.18 (16)	21.50 (19)	21.50 (19)	8.10 (10)	10.81 (7)	8.15 (5)	9.42 (12)	9.15 (17)	6.88 (32)
Median	5.33	19.88	19.88	7.08	9.57	7.13	8.28	8.36	6.64

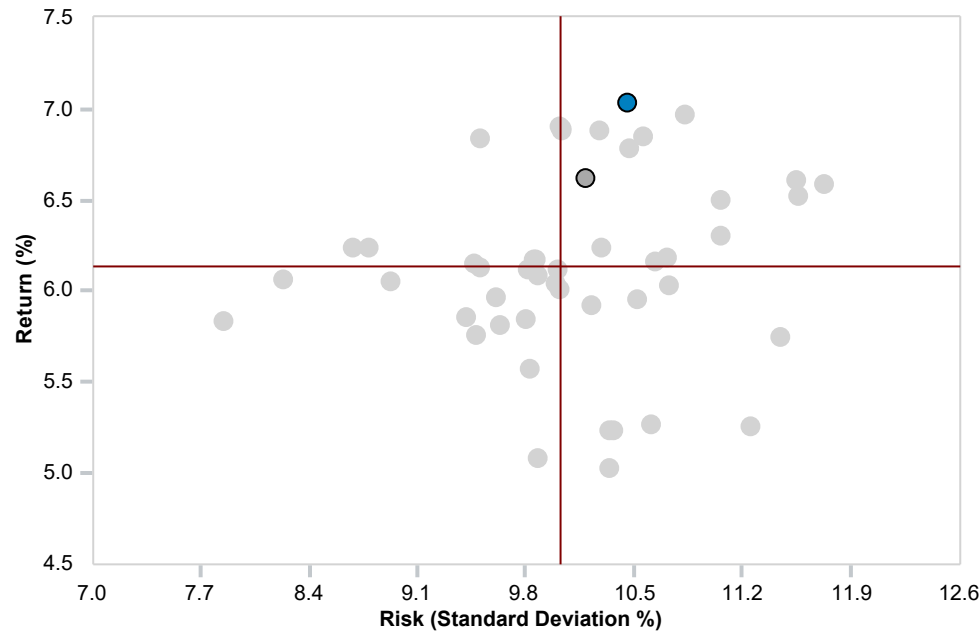
Fiscal Year Returns

	FYTD	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Total Fund	5.87 (27)	4.92 (41)	9.35 (19)	12.38 (28)	9.45 (57)	-0.62 (42)	10.54 (38)	11.36 (68)
Total Fund Policy	6.18 (16)	4.77 (45)	9.52 (18)	13.13 (24)	11.38 (3)	-1.25 (58)	11.01 (25)	12.79 (43)
Median	5.33	4.59	7.52	11.43	9.60	-0.92	9.77	12.37

5 Year Rolling Percentile Ranking

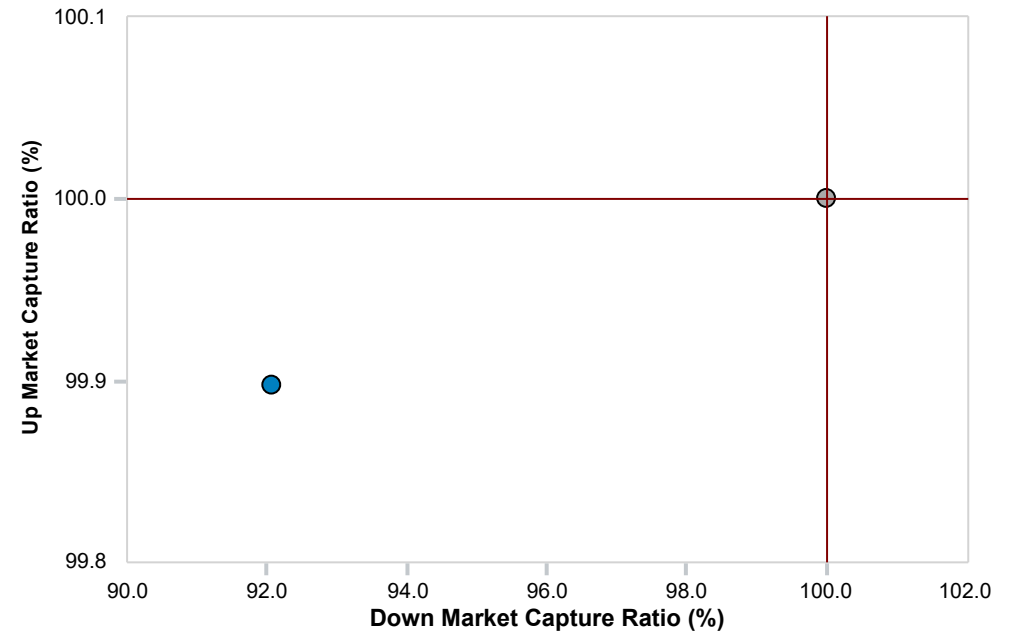


Risk vs Return: October 2007 to Present



● Total Fund ● Total Fund Policy

Up/Down Markets: October 2007 to Present



● Total Fund ● Total Fund Policy

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

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Total Fund	42.86	-23.88	0.53	0.41	0.63	0.13	0.07	0.98	3.06
Total Fund Policy	0.00	-28.33	0.00	0.00	0.61	N/A	0.06	1.00	0.00

Lantana Police Officers' Retirement System
Compliance Statistics
As of December 31, 2019

Multi Timeperiod Statistics

	1 Qtr Return		1 Quarter Ending Sep-2019 Return		1 Quarter Ending Jun-2019 Return		1 Quarter Ending Mar-2019 Return		3 YR Return		5 YR Return		3 YR Down Market Capture		5 YR Down Market Capture	
Total Fund (Gross)	5.87	(27)	0.68	(62)	3.56	(20)	9.87	(10)	10.57	(14)	7.56	(29)	93.08	(58)	97.88	(47)
Total Fund Policy	6.18	(16)	0.91	(42)	3.46	(27)	9.59	(16)	10.81	(7)	8.15	(5)	100.00		100.00	
All Public Plans-Total Fund Median	5.33		0.83		3.26		8.43		9.57		7.13		95.80		96.77	
Total Fund (Net)	5.82		0.64		3.51		9.83		10.38		7.41		94.38		98.69	
Total Fund Policy	6.18		0.91		3.46		9.59		10.81		8.15		100.00		100.00	
Total Equity	8.47		0.66		4.53		14.09		13.82		9.57		93.12		96.05	
Total Equity Policy	9.08		0.45		3.88		13.14		13.57		9.97		100.00		100.00	
Domestic Equity	8.00	(51)	1.33	(38)	4.72	(24)	14.35	(27)	14.24	(26)	10.21	(27)	92.72	(67)	99.57	(61)
Total Domestic Equity Policy	9.10	(27)	1.16	(42)	4.10	(40)	14.04	(31)	14.57	(18)	11.24	(8)	100.00		100.00	
IM U.S. Multi-Cap Core Equity (MF) Median	8.07		1.00		3.87		13.29		12.73		9.25		99.17		102.09	
International Equity	10.09	(17)	-1.59	(53)	3.87	(31)	13.20	(10)	12.45	(9)	7.41	(1)	96.39	(78)	106.68	(77)
Total International Equity Policy	8.99	(53)	-1.70	(59)	3.22	(38)	10.44	(40)	10.40	(13)	6.01	(6)	100.00		100.00	
IM International Large Cap Core Equity (MF) Median	9.05		-1.28		2.81		10.12		8.47		4.11		113.27		122.38	
Total Fixed Income	0.35		1.26		2.08		2.35		3.68		3.16		19.84		40.52	
Total Fixed Income Policy	0.54		1.79		3.19		3.35		4.30		3.34		100.00		100.00	
Domestic Fixed Income	-0.01	(86)	2.35	(46)	2.24	(97)	2.46	(96)	3.99	(88)	3.24	(70)	1.76	(97)	76.79	(85)
Total Domestic Fixed Income Policy	0.18	(56)	2.27	(70)	3.08	(70)	2.94	(83)	4.03	(87)	3.05	(89)	100.00		100.00	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.22		2.33		3.13		3.21		4.41		3.46		88.78		90.42	
Global Fixed Income	1.88	(8)	-3.09	(100)	1.46	(98)	1.94	(87)	2.46	(97)	2.24	(60)	94.79	(12)	-0.10	(83)
Global Fixed Income Index	1.97	(7)	-0.13	(88)	3.61	(36)	4.96	(4)	5.31	(12)	4.46	(3)	100.00		100.00	
IM Global Fixed Income (MF) Median	0.68		1.01		3.37		3.10		4.04		2.46		39.28		85.84	
Total Real Estate	1.27	(80)	-0.55	(100)	1.40	(54)	2.00	(41)	5.55	(90)	N/A		N/A		N/A	
NCREIF Fund Index-Open End Diversified Core (EW)	1.53	(58)	1.39	(77)	1.34	(59)	1.69	(78)	7.37	(72)	9.27	(62)	N/A		N/A	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.59		1.79		1.43		1.99		7.71		9.54		N/A		N/A	



Lantana Police Officers' Retirement System
Compliance Statistics
As of December 31, 2019

	1 Qtr Return		1 Quarter Ending Sep-2019 Return		1 Quarter Ending Jun-2019 Return		1 Quarter Ending Mar-2019 Return		3 YR Return		5 YR Return		3 YR Down Market Capture		5 YR Down Market Capture	
Domestic Equity Strategies																
JP Morgan Disciplined Equity (JDEUX)	9.97	(14)	1.25	(61)	4.23	(47)	13.36	(41)	14.78	(35)	N/A		107.81	(29)	N/A	
S&P 500 Index	9.07	(38)	1.70	(39)	4.30	(44)	13.65	(31)	15.27	(24)	11.70	(13)	100.00		100.00	
IM U.S. Large Cap Core Equity (MF) Median	8.71		1.46		4.15		13.08		13.95		10.30		99.33		103.51	
Parnassus Core Equity (PRILX)	6.32	(88)	2.38	(21)	6.13	(6)	13.36	(41)	15.24	(25)	N/A		68.26	(99)	N/A	
S&P 500 Index	9.07	(38)	1.70	(39)	4.30	(44)	13.65	(31)	15.27	(24)	11.70	(13)	100.00		100.00	
IM U.S. Large Cap Core Equity (MF) Median	8.71		1.46		4.15		13.08		13.95		10.30		99.33		103.51	
Vanguard Mid-Cap Index (VIMAX)	6.88	(50)	0.61	(62)	4.36	(41)	16.77	(8)	12.36	(12)	N/A		97.56	(83)	N/A	
Russell Midcap Index	7.06	(43)	0.48	(65)	4.13	(52)	16.54	(11)	12.06	(15)	9.33	(21)	100.00		100.00	
IM U.S. Mid Cap Core Equity (MF) Median	6.85		0.98		4.14		14.57		9.32		7.45		107.09		103.62	
Vanguard TSM Index (VITSX)	9.01	(29)	1.09	(47)	4.09	(41)	14.04	(31)	14.56	(19)	11.21	(8)	99.41	(50)	99.67	(60)
Russell 3000 Index	9.10	(27)	1.16	(42)	4.10	(40)	14.04	(31)	14.57	(18)	11.24	(8)	100.00		100.00	
IM U.S. Multi-Cap Core Equity (MF) Median	8.07		1.00		3.87		13.29		12.73		9.25		99.17		102.09	
International Equity Strategies																
Europacific Growth (RERGX)	10.09	(17)	-1.59	(53)	3.87	(31)	13.20	(10)	12.45	(9)	7.40	(1)	96.39	(78)	106.68	(77)
MSCI AC World ex USA	8.99	(53)	-1.70	(59)	3.22	(38)	10.44	(40)	10.40	(13)	6.01	(6)	100.00		100.00	
IM International Large Cap Core Equity (MF) Median	9.05		-1.28		2.81		10.12		8.47		4.11		113.27		122.38	
Domestic Fixed Income Strategies																
Garcia Hamilton Fixed Income	-0.01	(86)	2.35	(46)	2.24	(97)	2.46	(96)	3.99	(88)	3.24	(70)	1.76	(97)	76.79	(85)
Blmbg. Barc. U.S. Aggregate Index	0.18	(56)	2.27	(70)	3.08	(70)	2.94	(83)	4.03	(87)	3.05	(89)	100.00		100.00	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	0.22		2.33		3.13		3.21		4.41		3.46		88.78		90.42	
Global Fixed Income Strategies																
Templeton Global Total Return (FTTRX)	1.88	(8)	-3.09	(100)	1.46	(98)	1.94	(87)	2.47	(97)	2.24	(60)	94.58	(12)	-0.18	(83)
Global Fixed Income Index	1.97	(7)	-0.13	(88)	3.61	(36)	4.96	(4)	5.31	(12)	4.46	(3)	100.00		100.00	
IM Global Fixed Income (MF) Median	0.68		1.01		3.37		3.10		4.04		2.46		39.28		85.84	
Real Estate Strategies																
ASB Core Real Estate	1.27	(80)	-0.55	(100)	1.40	(54)	2.00	(41)	5.55	(90)	N/A		N/A		N/A	
NCREIF Fund Index-Open End Diversified Core (EW)	1.53	(58)	1.39	(77)	1.34	(59)	1.69	(78)	7.37	(72)	9.27	(62)	N/A		N/A	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.59		1.79		1.43		1.99		7.71		9.54		N/A		N/A	



Lantana Police Officers' Retirement System

Fee Analysis

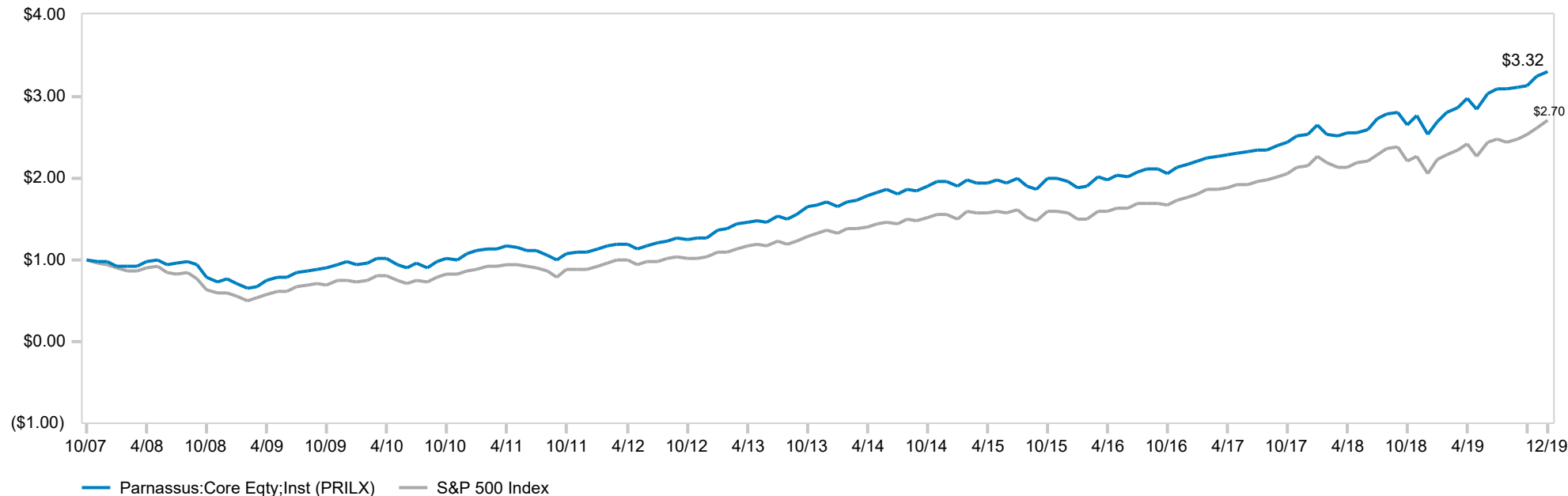
As of December 31, 2019

	Estimated Annual Fee (%)	12/31/19 Market Value	12/31/19 Allocation (%)	Estimated Annual Fee (\$)
Domestic Equity				
JP Morgan Disciplined Equity R6 (JDEUX)	0.35	2,323,122	13.13	8,131
Vanguard TSM Index (VITSX)	0.04	2,335,968	13.20	934
Vanguard Mid-Cap Index Adm (VIMAX)	0.09	2,266,685	12.81	2,040
Parnassus Core Equity Inst (PRILX)	0.67	2,466,936	13.94	16,528
International Equity				
Europacific Growth (RERGX)	0.49	2,737,082	15.47	13,412
Domestic Fixed Income				
Garcia Hamilton Fixed Income	0.25	2,987,295	16.88	7,468
Global Fixed Income				
Templeton Global Total Return (FTTRX)	0.66	709,680	4.01	4,684
Real Estate				
ASB Core Real Estate	1.25	1,549,969	8.76	19,375
Cash Accounts				
Receipt & Disbursement	0.00	320,961	1.81	-
Total Fund	0.41	17,697,699	100.00	72,572



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
Parnassus:Core Eqty;Inst (PRILX)	6.32 (88)	30.96 (38)	30.96 (38)	14.47 (6)	15.24 (25)	11.03 (30)	14.60 (15)	12.97 (26)	N/A
S&P 500 Index	9.07 (38)	31.49 (29)	31.49 (29)	12.13 (23)	15.27 (24)	11.70 (13)	14.73 (12)	13.56 (10)	9.00 (22)
Median	8.71	29.62	29.62	10.32	13.95	10.30	13.31	12.21	8.26

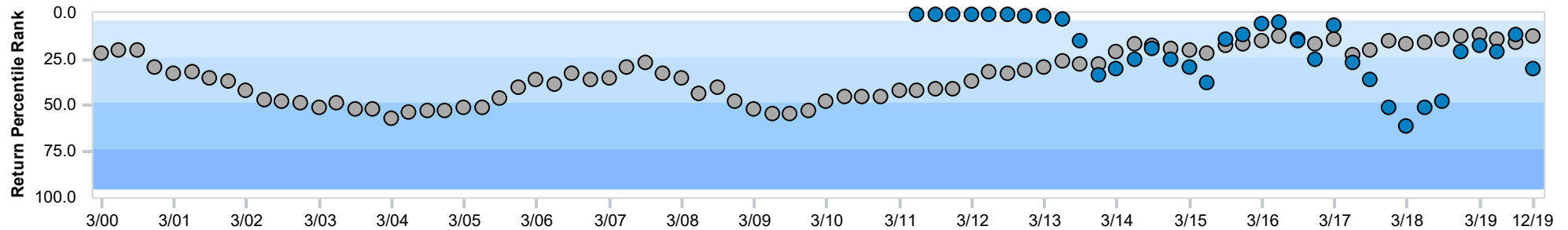
Fiscal Year Returns

	FYTD	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Parnassus:Core Eqty;Inst (PRILX)	6.32 (88)	11.43 (2)	16.74 (43)	13.15 (93)	13.41 (45)	1.09 (11)	18.51 (35)	23.61 (10)
S&P 500 Index	9.07 (38)	4.25 (39)	17.91 (27)	18.61 (46)	15.43 (18)	-0.61 (30)	19.73 (18)	19.34 (60)
Median	8.71	3.15	16.07	18.38	13.06	-1.61	17.39	19.95

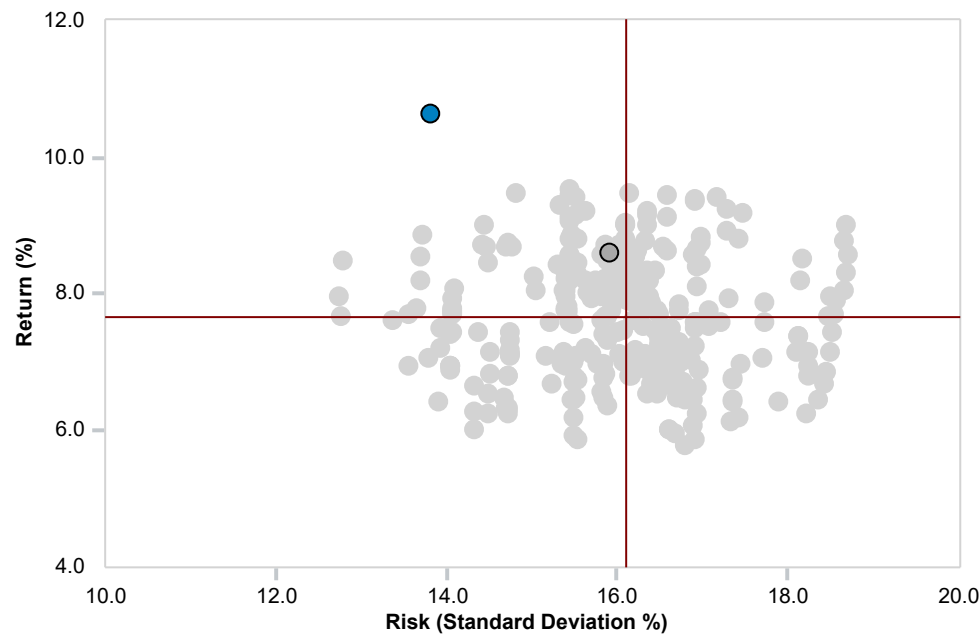
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Large Cap Core Equity (MF)



5 Year Rolling Percentile Ranking

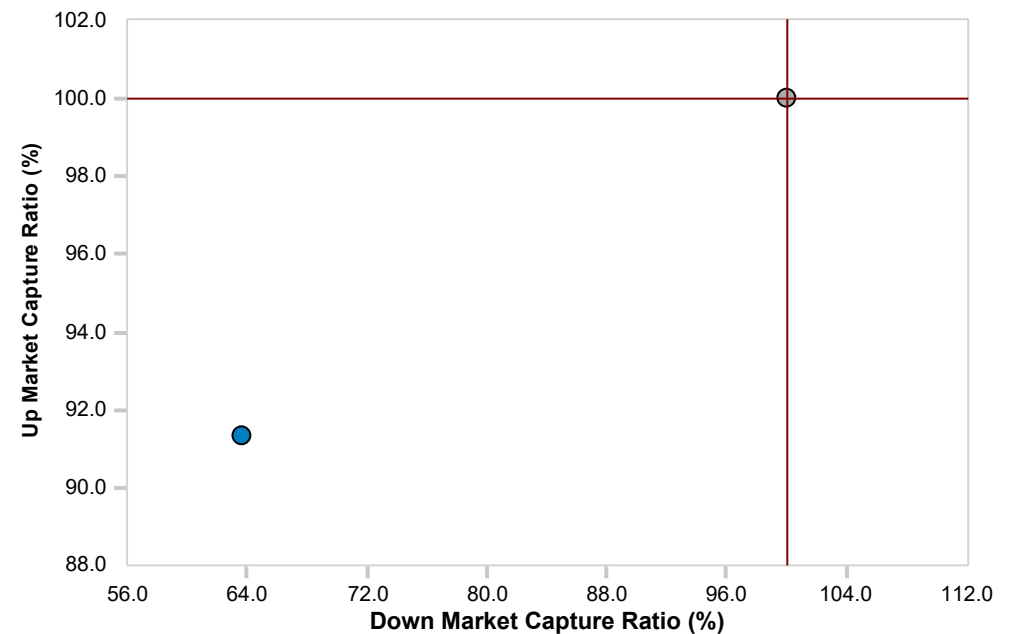


Risk vs Return: October 2007 to Present



● Parnassus:Core Eqty;Inst (PRILX) ● S&P 500 Index

Up/Down Markets: October 2007 to Present



● Parnassus:Core Eqty;Inst (PRILX) ● S&P 500 Index

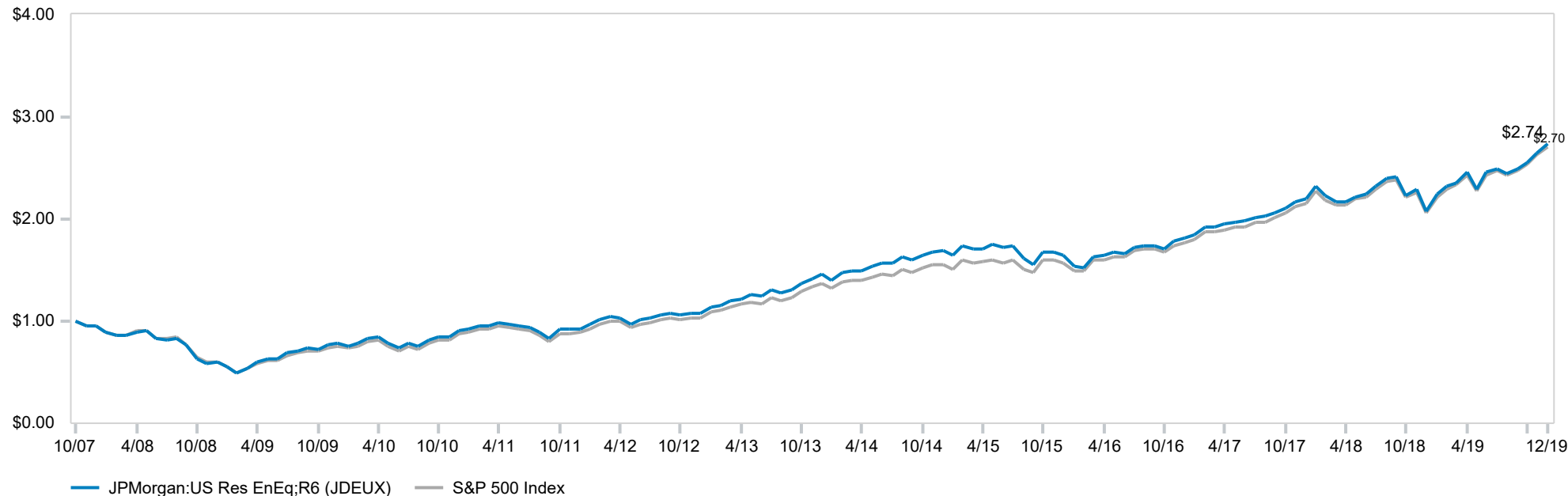
Historical Statistics: October 1, 2007 To December 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Parnassus:Core Eqty;Inst (PRILX)	51.02	-31.14	3.23	1.55	0.75	0.32	0.13	0.83	4.83
S&P 500 Index	0.00	-45.80	0.00	0.00	0.56	N/A	0.09	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 Core Equity (MF)



Growth of a Dollar



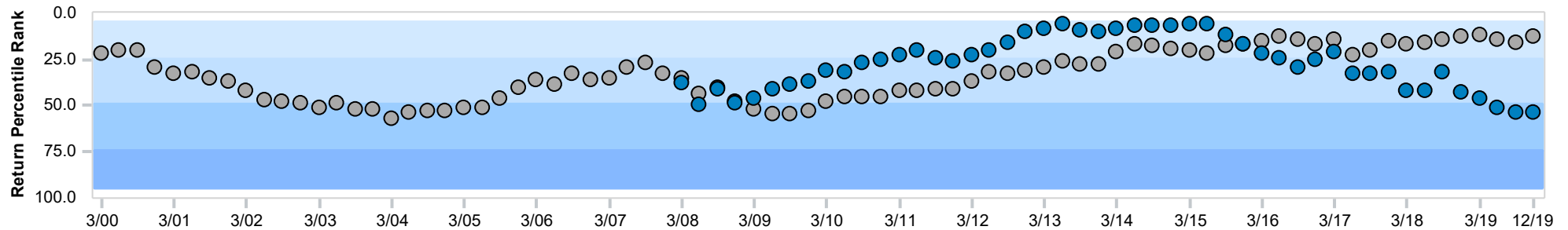
Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
JPMorgan:US Res EnEq;R6 (JDEUX)	9.97 (14)	31.56 (28)	31.56 (28)	11.50 (34)	14.78 (35)	10.20 (54)	14.16 (27)	13.24 (18)	9.03 (21)
S&P 500 Index	9.07 (38)	31.49 (29)	31.49 (29)	12.13 (23)	15.27 (24)	11.70 (13)	14.73 (12)	13.56 (10)	9.00 (22)
Median	8.71	29.62	29.62	10.32	13.95	10.30	13.31	12.21	8.26

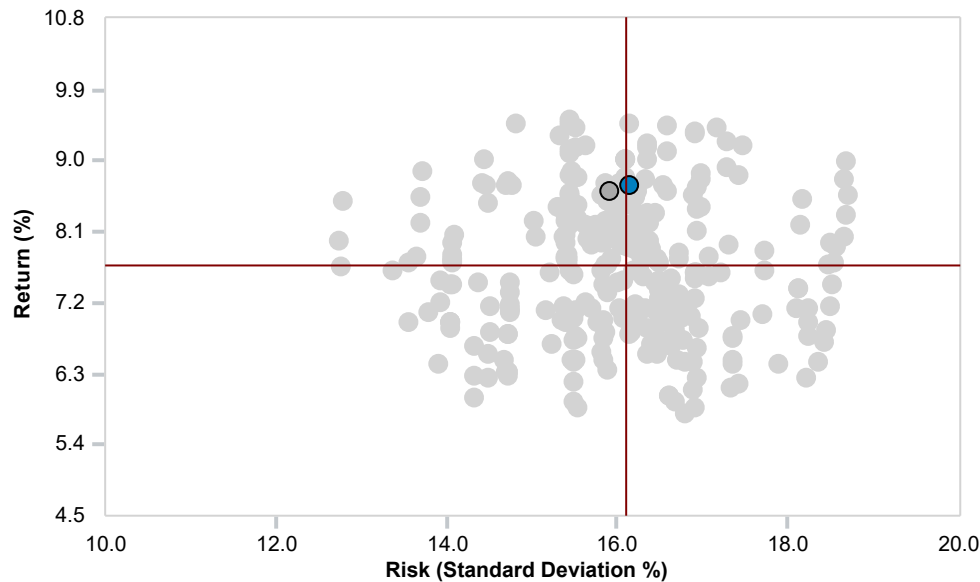
Fiscal Year Returns

	FYTD	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
JPMorgan:US Res EnEq;R6 (JDEUX)	9.97 (14)	2.98 (52)	16.97 (40)	19.31 (33)	11.02 (76)	-2.26 (61)	21.77 (4)	21.14 (31)
S&P 500 Index	9.07 (38)	4.25 (39)	17.91 (27)	18.61 (46)	15.43 (18)	-0.61 (30)	19.73 (18)	19.34 (60)
Median	8.71	3.15	16.07	18.38	13.06	-1.61	17.39	19.95

5 Year Rolling Percentile Ranking

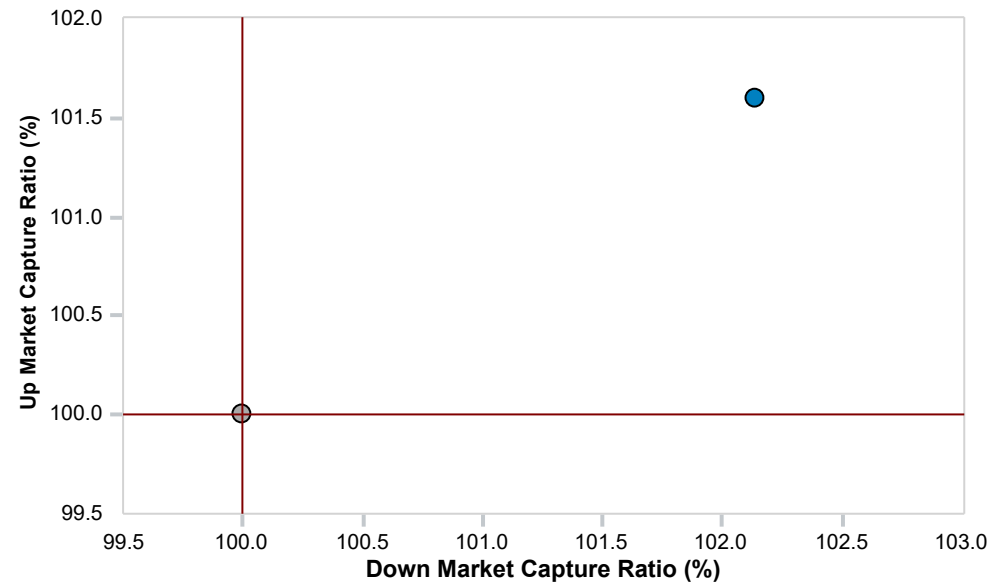


Risk vs Return: October 2007 to Present



● JPMorgan:US Res EnEq;R6 (JDEUX)
● S&P 500 Index

Up/Down Markets: October 2007 to Present



● JPMorgan:US Res EnEq;R6 (JDEUX)
● S&P 500 Index

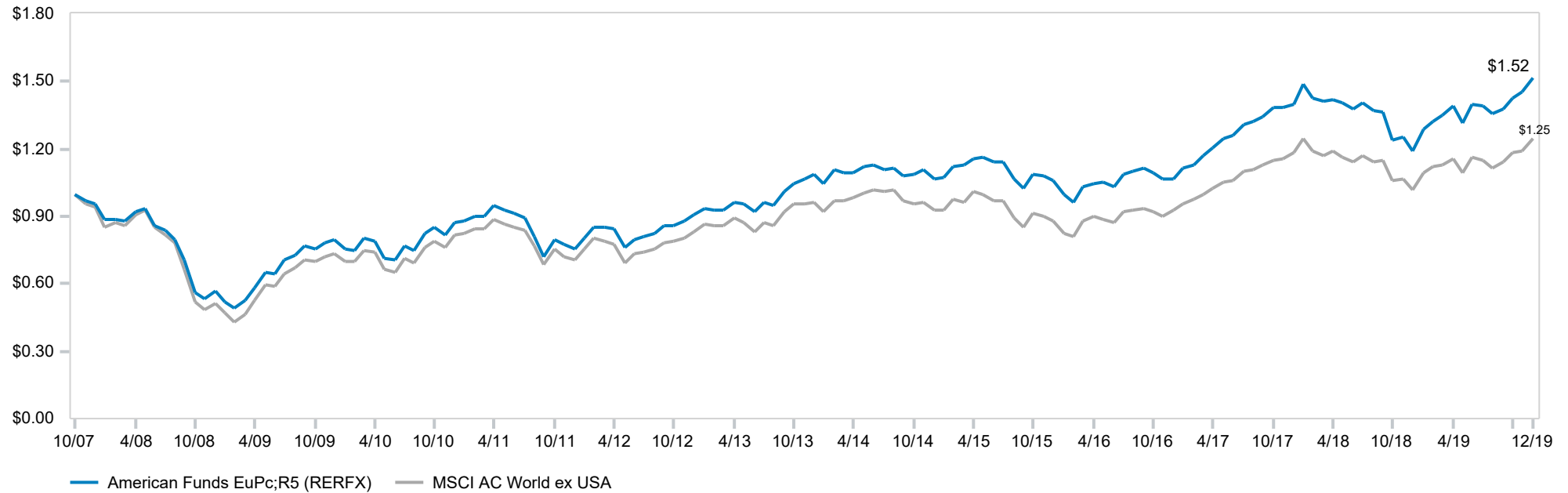
Historical Statistics: October 1, 2007 To December 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
JPMorgan:US Res EnEq;R6 (JDEUX)	57.14	-44.76	0.01	0.11	0.55	0.07	0.09	1.01	1.61
S&P 500 Index	0.00	-45.80	0.00	0.00	0.56	N/A	0.09	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 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;R5 (RERFX)	10.09 (17)	27.37 (11)	27.37 (11)	4.08 (9)	12.40 (9)	7.36 (1)	7.68 (1)	6.68 (1)	7.13 (1)
MSCI AC World ex USA	8.99 (53)	22.13 (49)	22.13 (49)	2.62 (31)	10.40 (13)	6.01 (6)	5.93 (23)	5.45 (27)	5.73 (17)
Median	9.05	22.06	22.06	1.44	8.47	4.11	4.91	4.53	4.82

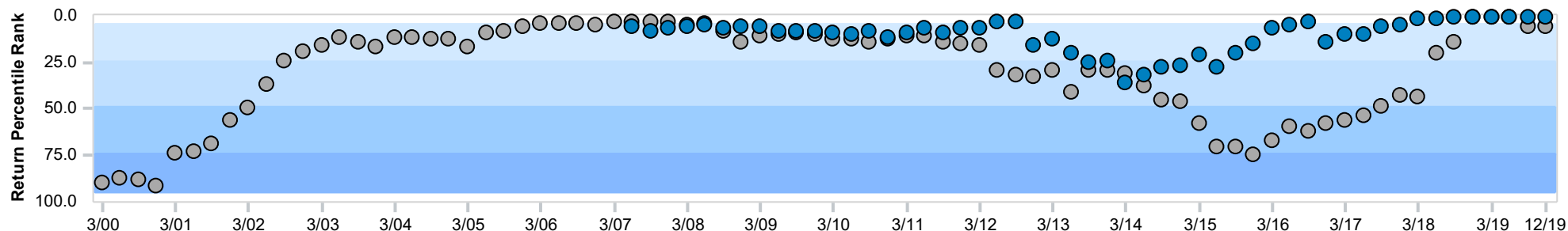
Fiscal Year Returns

	FYTD	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
American Funds EuPc;R5 (RERFX)	10.09 (17)	1.10 (10)	1.44 (39)	20.56 (23)	8.47 (6)	-4.97 (5)	6.93 (11)	18.22 (69)
MSCI AC World ex USA	8.99 (53)	-0.72 (25)	2.25 (15)	20.15 (23)	9.80 (4)	-11.78 (69)	5.22 (28)	16.98 (70)
Median	9.05	-3.16	1.18	18.41	4.85	-8.36	4.07	21.59

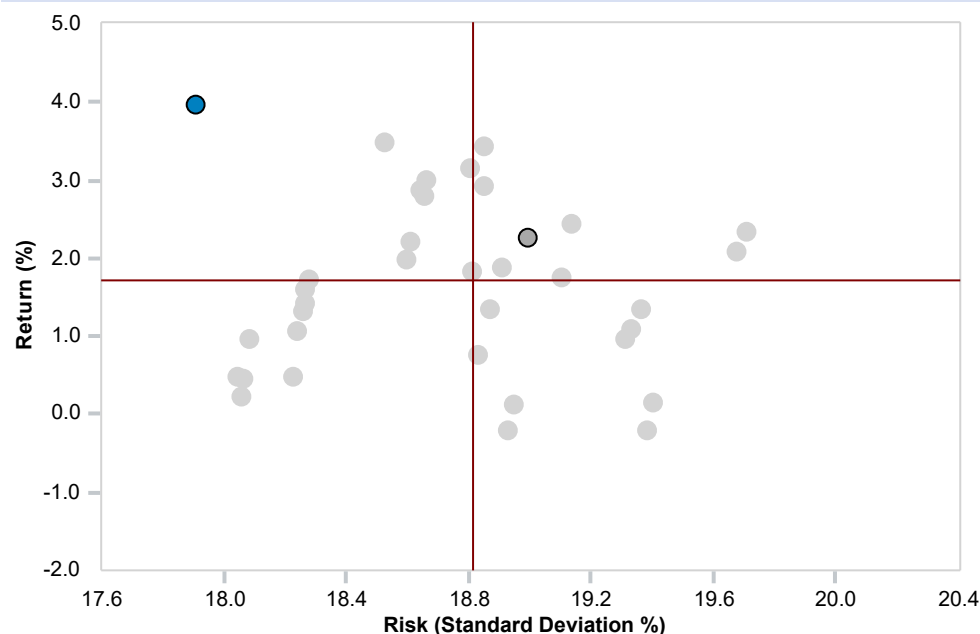
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM International Large Cap Core Equity (IMF)



5 Year Rolling Percentile Ranking

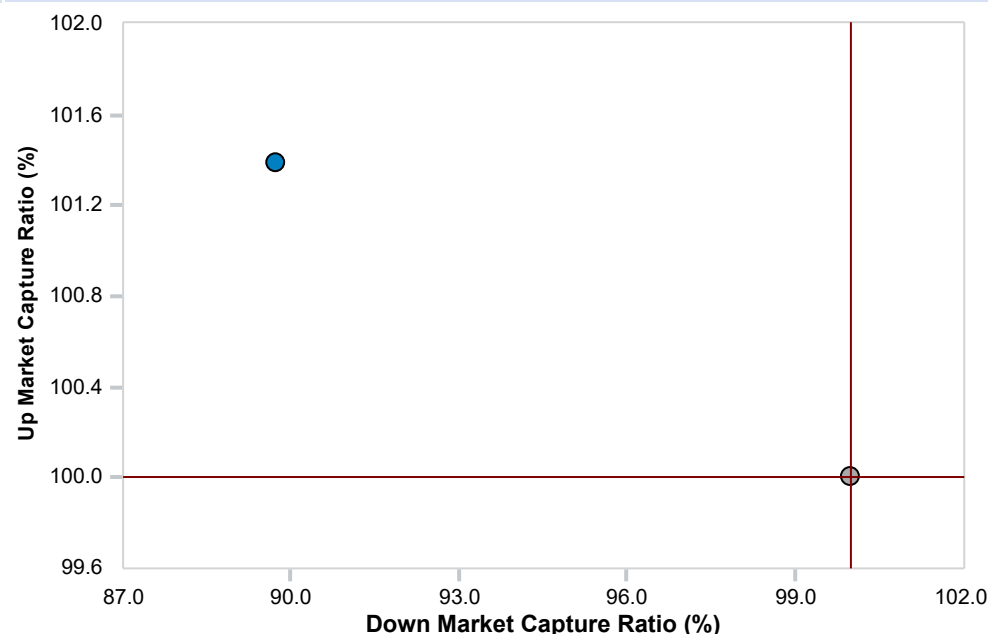


Risk vs Return: October 2007 to Present



● American Funds EuPc;R5 (RERFX) ● MSCI AC World ex USA

Up/Down Markets: October 2007 to Present



● American Funds EuPc;R5 (RERFX) ● MSCI AC World ex USA

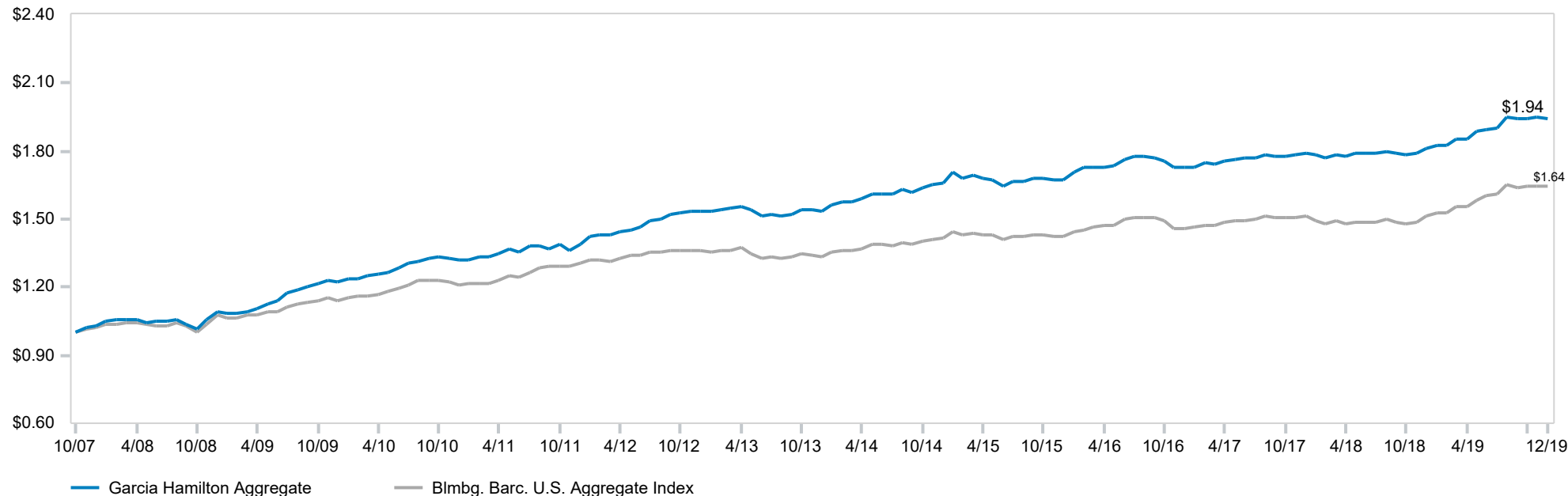
Historical Statistics: October 1, 2007 To December 31, 2019

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
American Funds EuPc;R5 (RERFX)	61.22	-45.07	1.76	1.46	0.27	0.42	0.05	0.93	3.44
MSCI AC World ex USA	0.00	-51.36	0.00	0.00	0.18	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
Garcia Hamilton Aggregate	-0.05 (93)	7.25 (96)	7.25 (96)	4.06 (94)	3.98 (91)	3.18 (84)	3.40 (41)	4.76 (40)	5.46 (14)
Blmbg. Barc. U.S. Aggregate Index	0.18 (69)	8.72 (83)	8.72 (83)	4.27 (86)	4.03 (90)	3.05 (94)	2.72 (91)	3.75 (95)	4.15 (94)
Median	0.31	9.55	9.55	4.65	4.56	3.60	3.29	4.57	4.84

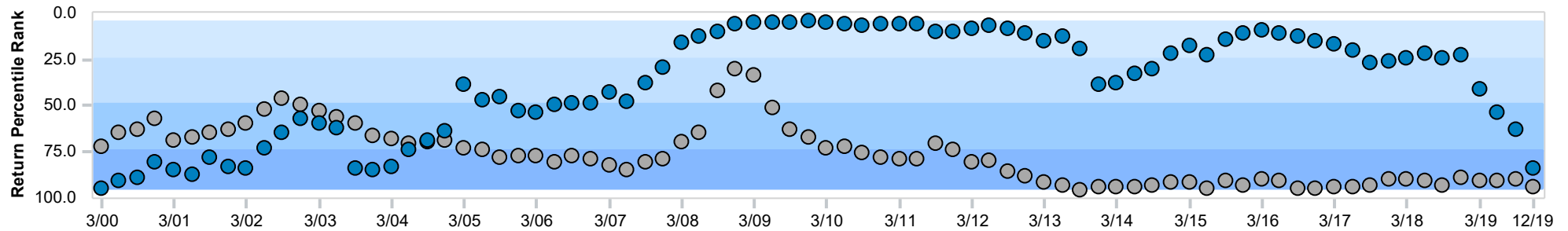
Fiscal Year Returns

	FYTD	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Garcia Hamilton Aggregate	-0.05 (93)	8.54 (89)	0.73 (8)	0.31 (81)	5.57 (70)	3.62 (9)	6.35 (18)	0.28 (22)
Blmbg. Barc. U.S. Aggregate Index	0.18 (69)	10.30 (62)	-1.22 (89)	0.07 (91)	5.19 (86)	2.94 (44)	3.96 (86)	-1.68 (84)
Median	0.31	10.42	-0.62	1.03	5.93	2.82	4.95	-0.85

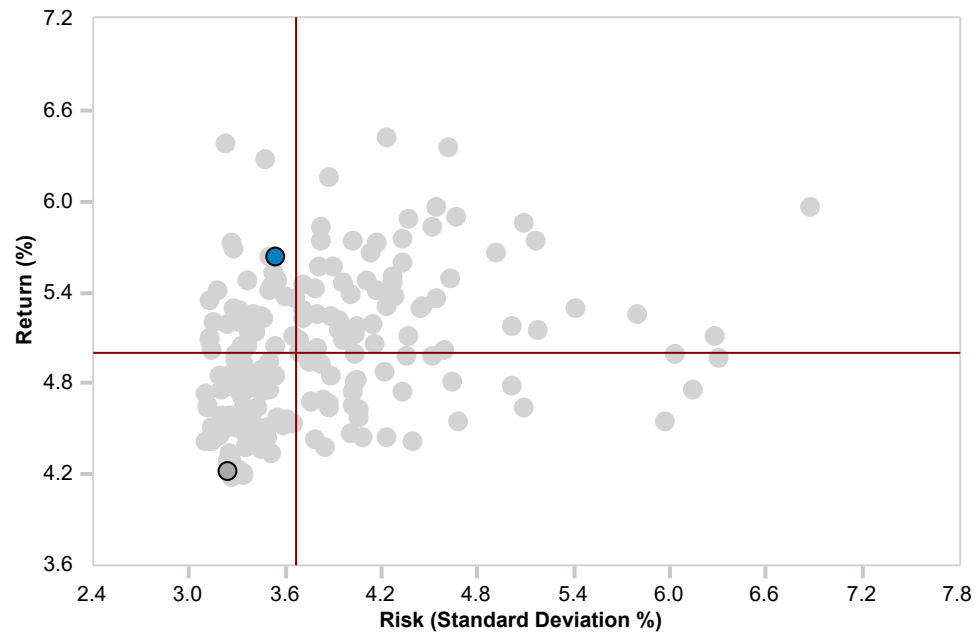
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Broad Market Fixed Income (SA+CF)



5 Year Rolling Percentile Ranking

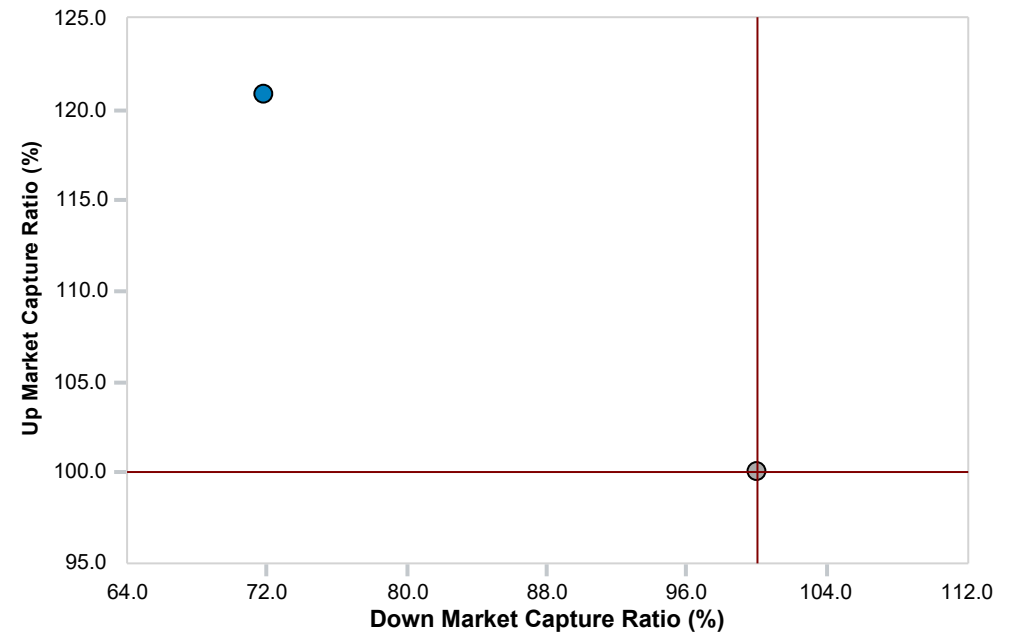


Risk vs Return: October 2007 to Present



● Garcia Hamilton Aggregate ● Blmbg. Barc. U.S. Aggregate Index

Up/Down Markets: October 2007 to Present

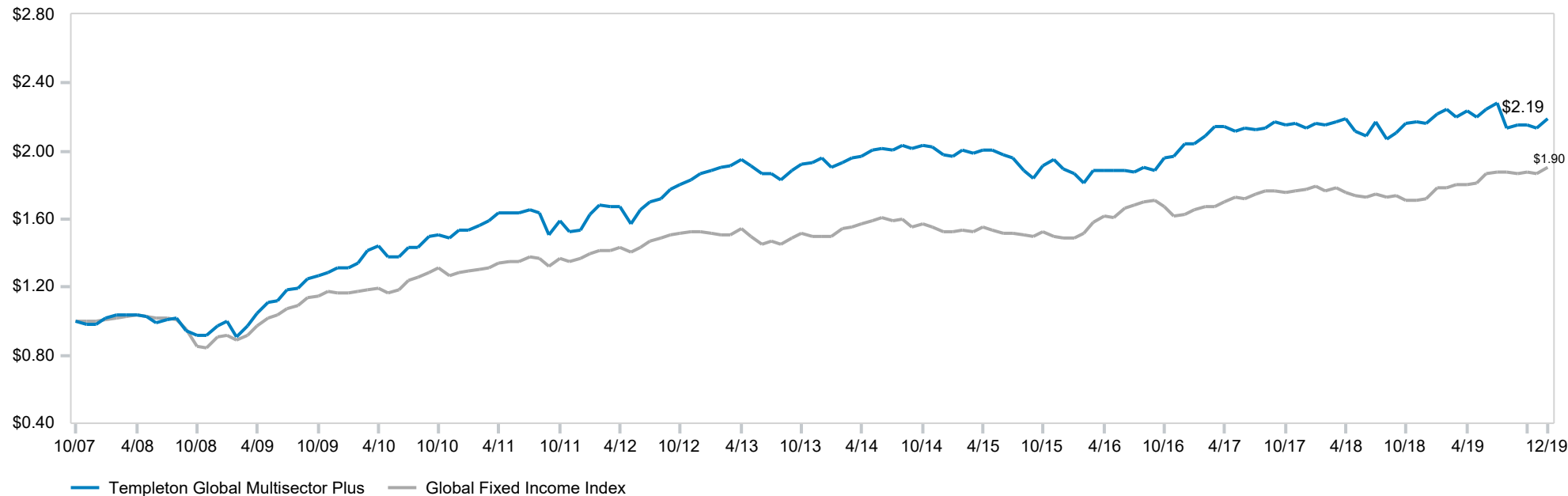


● Garcia Hamilton Aggregate ● Blmbg. Barc. U.S. Aggregate Index

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

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Garcia Hamilton Aggregate	69.39	-2.71	1.61	1.37	1.36	0.77	0.05	0.95	1.77
Blmbg. Barc. U.S. Aggregate Index	0.00	-2.98	0.00	0.00	1.08	N/A	0.03	1.00	0.00

Growth of a Dollar



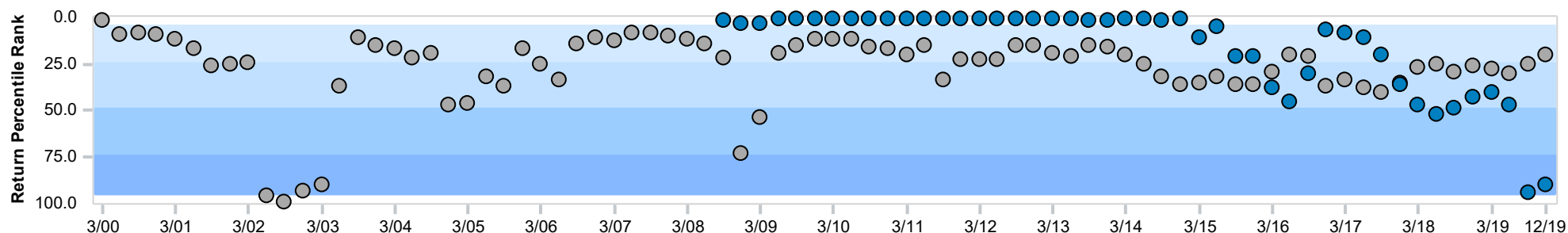
Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
Templeton Global Multisector Plus	2.03 (32)	1.39 (100)	1.39 (100)	1.28 (97)	2.44 (97)	2.09 (90)	2.35 (49)	5.30 (22)	7.41 (1)
Global Fixed Income Index	1.97 (33)	10.75 (25)	10.75 (25)	3.64 (48)	5.31 (44)	4.46 (20)	3.16 (37)	5.05 (26)	5.59 (18)
Median	1.21	8.85	8.85	3.52	5.18	3.12	2.27	3.56	3.92

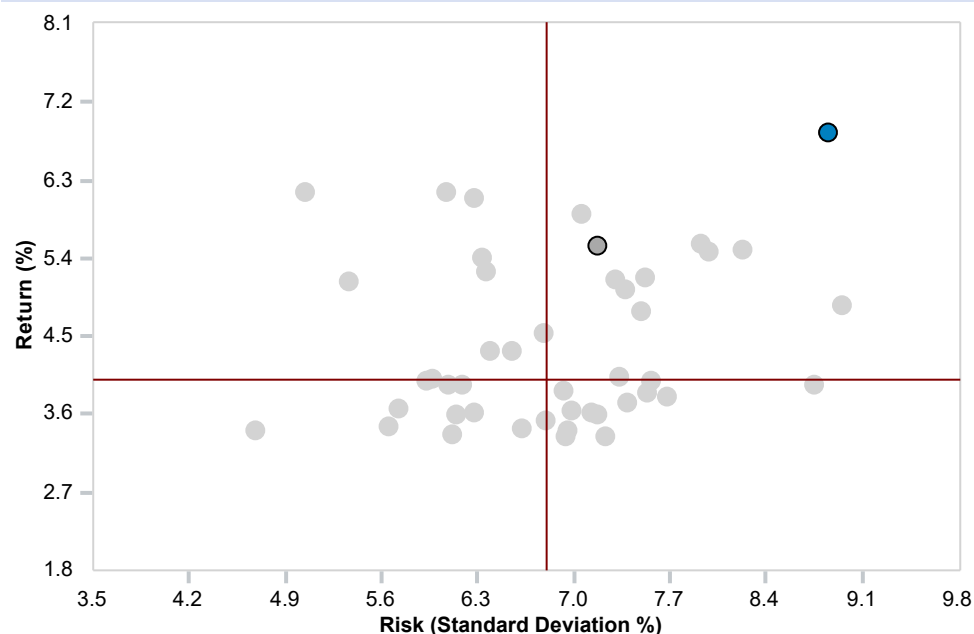
Fiscal Year Returns

	FYTD	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Templeton Global Multisector Plus	2.03 (32)	2.11 (92)	-2.92 (92)	15.27 (1)	2.07 (97)	-8.32 (97)	6.56 (25)	6.45 (6)
Global Fixed Income Index	1.97 (33)	7.19 (57)	-1.16 (54)	2.82 (54)	14.46 (2)	-3.75 (67)	4.65 (46)	-1.58 (66)
Median	1.21	7.77	-1.08	3.52	8.38	-3.03	4.38	-0.28

5 Year Rolling Percentile Ranking

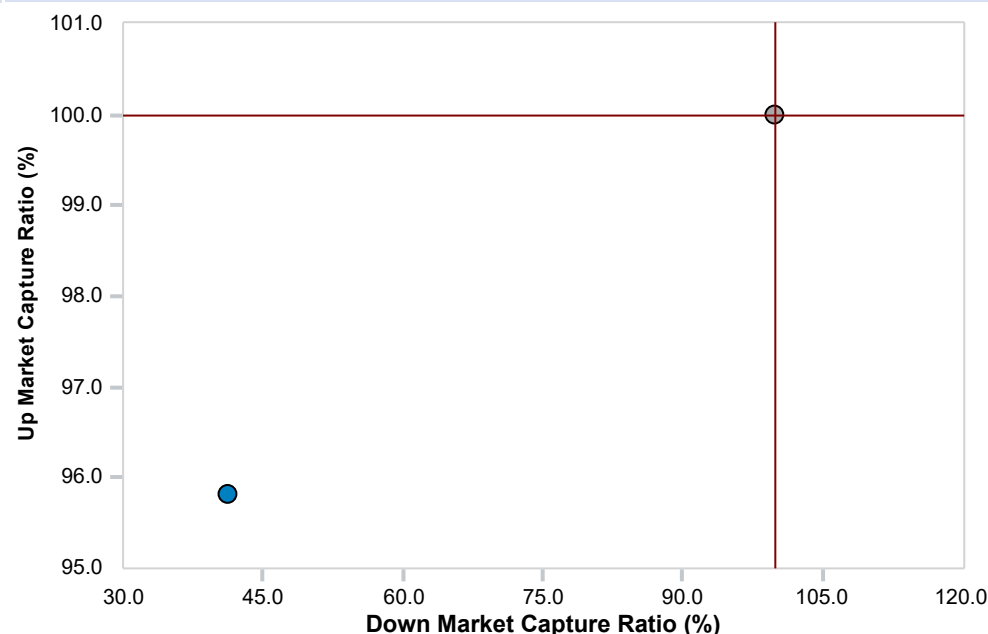


Risk vs Return: October 2007 to Present



● Templeton Global Multisector Plus ● Global Fixed Income Index

Up/Down Markets: October 2007 to Present

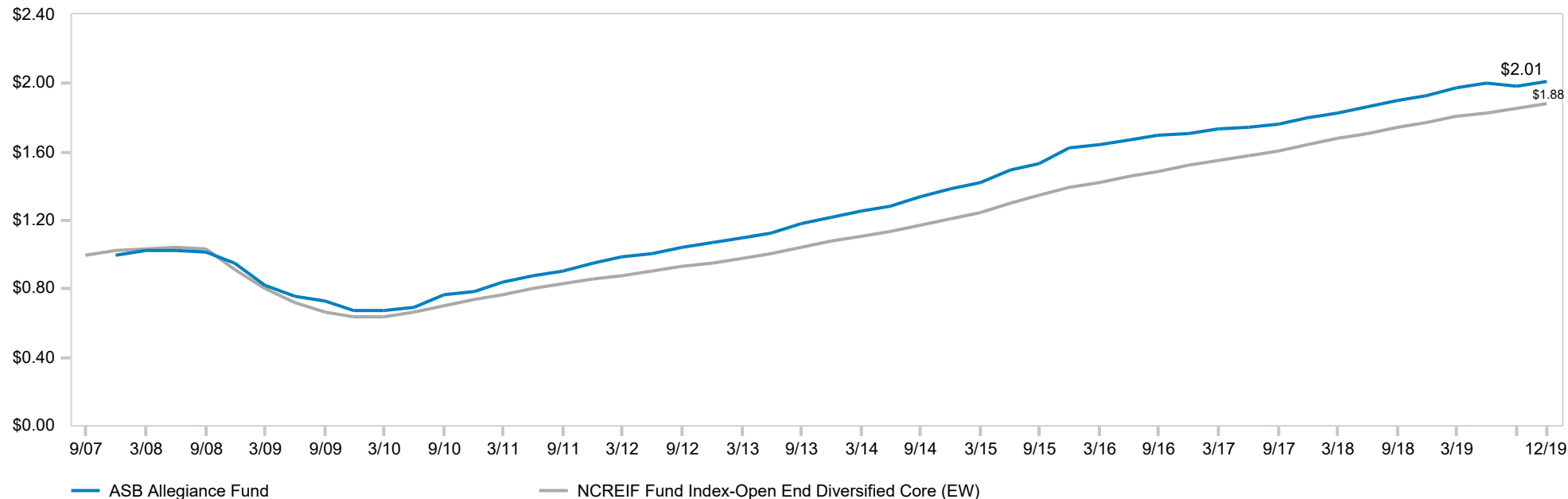


● Templeton Global Multisector Plus ● Global Fixed Income Index

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

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
Templeton Global Multisector Plus	55.10	-8.96	2.81	1.37	0.71	0.19	0.08	0.75	7.24
Global Fixed Income Index	0.00	-11.65	0.00	0.00	0.68	N/A	0.05	1.00	0.00

Growth of a Dollar



Trailing Returns

	QTR	YTD	1 YR	2 YR	3 YR	5 YR	7 YR	10 YR	15 YR
ASB Allegiance Fund	1.27 (80)	4.18 (89)	4.18 (89)	5.88 (88)	5.56 (90)	7.81 (85)	9.44 (78)	11.59 (64)	8.20 (16)
NCREIF Fund Index-Open End Diversified Core (EW)	1.53 (58)	6.08 (77)	6.08 (77)	7.16 (73)	7.37 (72)	9.27 (62)	10.27 (64)	11.48 (65)	7.56 (69)
Median	1.59	7.02	7.02	7.85	7.71	9.54	10.76	12.20	7.73

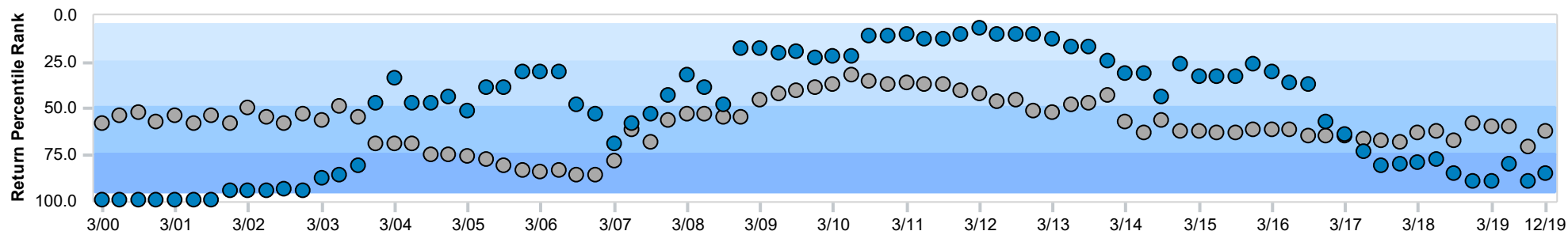
Fiscal Year Returns

	FYTD	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
ASB Allegiance Fund	1.27 (80)	4.36 (89)	8.25 (67)	3.61 (100)	10.65 (66)	15.06 (58)	12.90 (47)	13.22 (50)
NCREIF Fund Index-Open End Diversified Core (EW)	1.53 (58)	6.17 (75)	8.82 (57)	7.81 (58)	10.62 (67)	14.71 (60)	12.39 (66)	12.47 (68)
Median	1.59	6.97	9.01	8.17	11.14	15.39	12.66	13.22

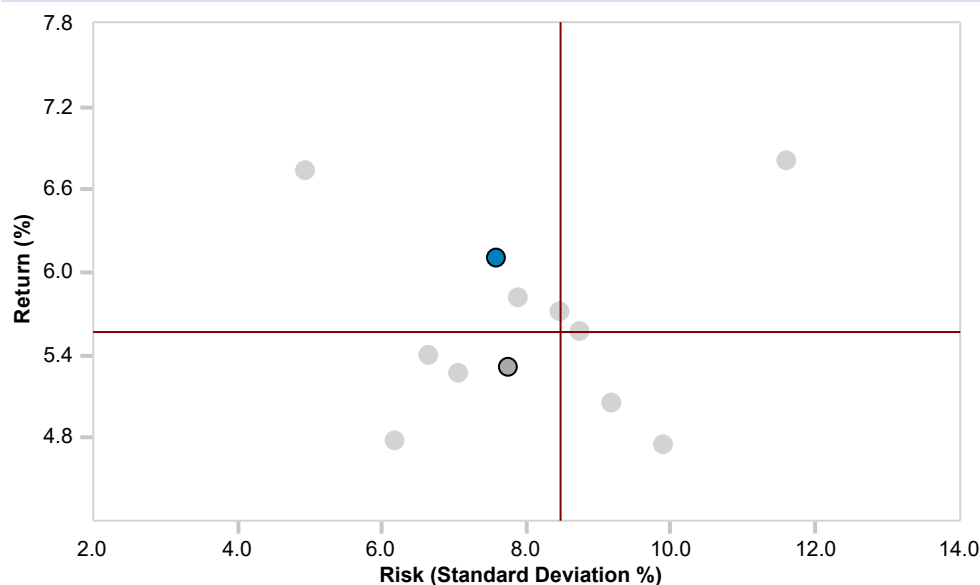
Long-term composite performance. Actual client results may vary.
October 2007 represents the beginning of the current market cycle.
Peer Group: IM U.S. Open End Private Real Estate (SA+CF)



5 Year Rolling Percentile Ranking

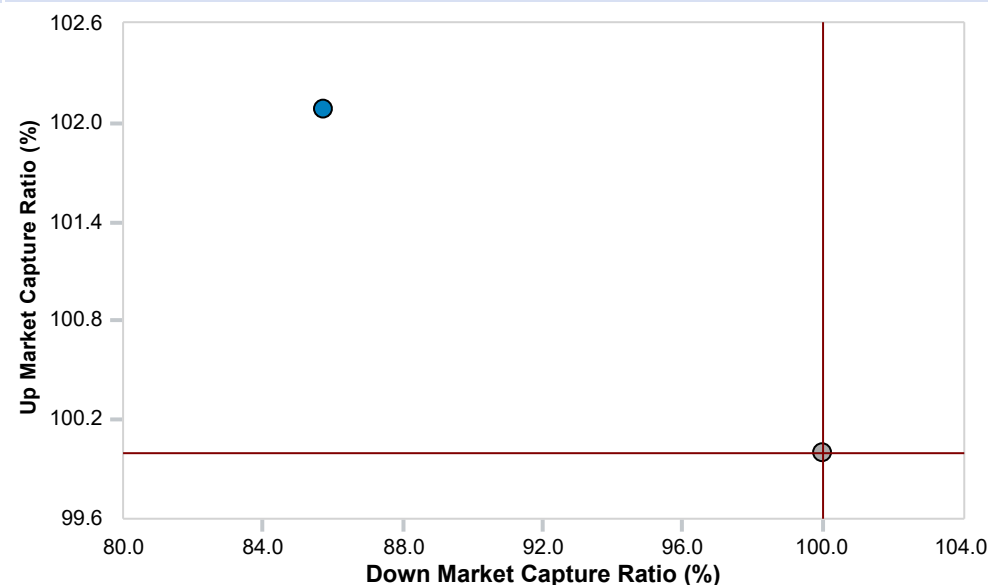


Risk vs Return: October 2007 to Present



- ASB Allegiance Fund
- NCREIF Fund Index-Open End Diversified Core (EW)

Up/Down Markets: October 2007 to Present



- ASB Allegiance Fund
- NCREIF Fund Index-Open End Diversified Core (EW)

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

	Consistency	Maximum Drawdown	Alpha	Active Return	Sharpe Ratio	Information Ratio	Treynor Ratio	Beta	Tracking Error
ASB Allegiance Fund	40.82	-34.71	1.27	0.74	0.72	0.25	0.06	0.91	3.02
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 Net 7.25% actuarial earnings assumption over the trailing three year period.											✓					
2. The Total Plan return equaled or exceeded the Net 7.25% actuarial earnings assumption over the trailing five year period.											✓					
3. The Total Plan return equaled or exceeded the total plan benchmark over the trailing three year period.												✓				
4. The Total Plan return equaled or exceeded the total plan benchmark over the trailing five year period.												✓				
5. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing three year period.											✓					
6. The Total Plan return ranked within the top 40th percentile of its peer group over the trailing five year period.											✓					
Equity Compliance:											Yes	No	N/A			
1. Total Domestic Equity return equaled or exceeded the benchmark over the trailing three year period.												✓				
2. Total Domestic Equity return equaled or exceeded the benchmark over the trailing five year period.												✓				
3. Total International Equity return equaled or exceeded the benchmark over the trailing three year period.											✓					
4. Total International Equity return equaled or exceeded the benchmark over the trailing five year period.											✓					
5. Total Equity investments do not exceed 75% of the market value of Plan assets.											✓					
6. Total market value of foreign securities do not exceed 25% of the market value of Plan assets.											✓					
Fixed Income Compliance:											Yes	No	N/A			
1. Total Domestic Fixed Income return equaled or exceeded the benchmark over the trailing three year period.												✓				
2. Total Domestic Fixed Income return equaled or exceeded the benchmark over the trailing five year period.											✓					
3. Total Global Fixed Income return equaled or exceeded the benchmark over the trailing three year period.												✓				
4. Total Global Fixed Income return equaled or exceeded the benchmark over the trailing five year period.												✓				
5. 95% of the fixed income investments have a minimum rating of investment grade or higher.											✓					
Manager Compliance:					JP Morgan (JDEUX)			Parnassus (PRILX)			Vanguard (VIMAX)			Vanguard (VITSX)		
					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 has had less than 4 consecutive quarters of underperformance.						✓		✓			✓			✓		
4. Manager ranked within the top 40th percentile over the trailing three year period.					✓			✓			✓			✓		
5. Manager ranked within the top 40th percentile over the trailing five year period.							✓			✓			✓		✓	
6. Manager three year down market capture ratio is less than the index.						✓		✓			✓			✓		
7. Manager five year down market capture ratio is less than the index.							✓			✓			✓		✓	
8. Manager reports compliance with PFIA							✓			✓			✓			✓
Manager Compliance:					Europacific (RERGX)			Garcia Hamilton			Templeton (FTTRX)			ASB Real Estate		
					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 has had less than 4 consecutive quarters of underperformance.					✓			✓				✓		✓		
4. Manager ranked within the top 40th percentile over the trailing three year period.					✓				✓			✓			✓	
5. Manager ranked within the top 40th percentile over the trailing five year period.					✓				✓			✓				✓
6. Manager three year down market capture ratio is less than the index.					✓			✓			✓					✓
7. Manager five year down market capture ratio is less than the index.						✓		✓			✓					✓
8. Manager reports compliance with PFIA							✓	✓				✓				✓



Lantana Police Officers' Retirement System
Benchmark History
As of December 31, 2019

Total Fund Policy

Allocation Mandate	Weight (%)
Jul-2003	
S&P 500 Index	60.00
Bloomberg Barclays Intermed Aggregate Index	40.00
Jul-2007	
S&P 500 Index	50.00
Bloomberg Barclays Intermed Aggregate Index	40.00
MSCI EAFE Index	10.00
Jul-2010	
Russell 3000 Index	50.00
Bloomberg Barclays Intermed Aggregate Index	35.00
MSCI AC World ex USA	15.00
Oct-2013	
Russell 3000 Index	50.00
Blmbg. Barc. U.S. Aggregate Index	30.00
MSCI AC World ex USA	15.00
Global Fixed Income Index	5.00
Jan-2016	
Russell 3000 Index	50.00
Blmbg. Barc. U.S. Aggregate Index	20.00
MSCI AC World ex USA	15.00
Global Fixed Income Index	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00

Total Equity Policy

Allocation Mandate	Weight (%)
Jul-2003	
S&P 500 Index	100.00
Aug-2007	
S&P 500 Index	85.00
MSCI EAFE Index	15.00
Jul-2010	
Russell 3000 Index	75.00
MSCI AC World ex USA	25.00

Total Fixed Income Policy

Allocation Mandate	Weight (%)
Jul-2003	
Bloomberg Barclays Intermed Aggregate Index	100.00
Oct-2013	
Blmbg. Barc. U.S. Aggregate Index	86.00
Global Fixed Income Index	14.00
Oct-2014	
Blmbg. Barc. U.S. Aggregate Index	80.00
Global Fixed Income Index	20.00



Total Domestic Equity Policy	
Allocation Mandate	Weight (%)
Jul-2003	
S&P 500 Index	100.00
Aug-2007	
S&P 500 Index	100.00
Jul-2010	
Russell 3000 Index	100.00

Total International Equity Policy	
Allocation Mandate	Weight (%)
Jan-1970	
MSCI EAFE Index	100.00
Jul-2010	
MSCI AC World ex USA	100.00

Total Domestic Fixed Income Policy	
Allocation Mandate	Weight (%)
Jun-2003	
Bloomberg Barclays Intermed Aggregate Index	100.00
Oct-2013	
Blmbg. Barc. U.S. Aggregate Index	100.00

Total Diversified Fixed Income Policy	
Allocation Mandate	Weight (%)
Jan-1994	
JPM EMBI+	33.33
Blmbg. Barc. U.S. Corp High Yield	33.33
FTSE Non-U.S. World Government Bond	33.34



- Neither AndCo, nor any covered associates, have made political contributions to any official associated with the Lantana Police Officers' Retirement Plan in excess of the permitted amount.
- The ICC Balanced account was broken out on March 2nd, 2011.
- ICC Separate accounts do not contain cash prior to April 2011.

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.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. Past performance is not an indication of future performance. 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, investment consulting, or investment management services.

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A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS
ATTORNEYS AT LAW

Save the Date

*Klausner, Kaufman,
Jensen & Levinson*

Annual Client Conference

May 27 - 29, 2020

W Hotel, Fort Lauderdale

For more information visit
KlausnerKaufman.com
or contact Dana Kornfeld at
dana@robertdklausner.com



A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS
ATTORNEYS AT LAW

MEMORANDUM

TO: Board of Trustees

FROM: Bonni S. Jensen
Fund Legal Counsel

DATE: January 2020

SUBJECT: IRS Mileage Rate for 2020

This is to inform you that the Internal Revenue Service ("IRS") released its updated Standard Mileage Rate for 2020. The new rate is 57.5 cents per mile for miles driven after January 1, 2020. This is down one half of a cent from last year.

As you know from previous years, the mileage rate can fluctuate within the same year. We will do our best to keep you and the administrator informed. You can find the current rate at the link below.

<https://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2020>

If you have any questions, please do not hesitate to contact us.

BSJ/dze
Enclosure
E-Copy: Administrator



Client Memorandum

To: Pension Clients
From: Klausner, Kaufman, Jensen & Levinson
Date: 1/15/2020
Re: SECURE ACT and IRS LIMITS for 2020

On December 20, President Trump signed into law the curiously named Setting Every Community Up for Retirement Enhancement Act (hereinafter the "Secure Act"). The new law is primarily intended to expand opportunities to increase individual retirement savings. This memo will highlight important amendments governing required minimum required distributions (RMDs), along with relevant amendments removing age restrictions on traditional IRA contributions. This memo will also summarize the updated IRS qualified plan limits for 2020.

Age 72 Start Date for RMDs

Of most interest to governmental retirement systems is the Secure Act's new age 72 start date for RMDs. Under prior law, qualified pension plans (including traditional IRAs, 401(k) accounts and SEP-IRAs) were required to start minimum distributions by age 70½. Effective 2020, the Secure Act increases the age to begin RMDs from 70½ to 72. Importantly, this new amendment only applies to individuals who reach 70½ *after* 2020. In other words, if an individual turned 70½ before 2020, the prior RMD requirements will still apply.

Removal of Age Limit for Traditional Ira Contributions

Consistent with the objective of increasing retirement savings, the Secure Act also removes the age 70½ limit on traditional IRA contributions. Prior to the Secure Act, contributions to a traditional IRA were not allowed after a taxpayer reached age 70½. The Secure Act removes this restriction, effective 2020. This is good news for savers who want to continue to make IRA contributions after reaching age 70½.

Other provisions

The Secure Act contains a grab bag of other provisions that are not particularly relevant to governmental plans. For example, the Act attempts to encourage employers with defined contribution plans to allow employees convert their savings into guaranteed lifetime income, through the purchase of annuities. In a way, this objective serves to reinforce the value of reliable, regular income provided by defined benefit plans. The Act also includes a potentially problematic provision that will complicate estate planning using “inherited” IRAs/“stretch” IRAs.¹

IRS Notice 2019-59

Every year the IRS updates the contribution and benefit limits for qualified plans. For 2020, the contribution limit for employees participating in 401(k), 457 and 403(b) plans increases from \$19,000 to \$19,500. By contrast, the limit on annual IRA contributions remains unchanged at \$6,000. Likewise, the additional catch-up contribution limit for individuals aged 50 and over is also unchanged at \$1,000.

Additional benefit limits for 2020 are set forth below:

Effective January 1, 2020, the limitation on the annual benefit under a defined benefit (DB) plan under § 415(b)(1)(A) increases from \$225,000 to \$230,000.

The annual compensation limit under §§ 401(a)(17), 404(l), 408(k)(3)(C), and 408(k)(6)(D)(ii) increases from \$280,000 to \$285,000.

The limitation for defined contribution (DC) plans under § 415(c)(1)(A) increases in 2020 from \$56,000 to \$57,000.

Here is a link to IRS [Notice 2019-59: https://www.irs.gov/pub/irs-drop/n-19-59.pdf](https://www.irs.gov/pub/irs-drop/n-19-59.pdf)

¹ The use of inherited/stretch IRAs is beyond the scope of this memo as it implicates individual tax planning.



2020 UPCOMING CONFERENCE LIST

(Florida and Georgia Conferences)

Florida Division of Management Services **(Municipal Police Officers & Firefighters Retirement Fund Office)**

41st Annual Police & Fire Trustee School May 2020 (TBA)
Tallahassee, Florida

50th Annual Police & Fire Pension Trustees' Conference October 2020 (TBA)
Orlando, Florida

FPPTA (Florida Public Pension Trustee Association) (www.fppta.org)

2020 Winter Trustee School January 26 – 29, 2020
Hyatt Regency Orlando – Orlando, FL

36th Annual Conference June 28 – July 1, 2020
Renaissance Orlando at Sea World – Orlando, FL

2020 Fall Trustee School October 4 – 7, 2020
Hilton Bonnet Creek – Orlando, FL

GAPPT (Georgia Association of Public Pension Trustees) (www.gappt.org)

7th Annual Trustee School September 21 – 23, 2020
Macon Marriott City Center – Macon, GA
Special Group Rate at Hyatt Place Athens

11th Annual Conference March 23 – 26, 2020
King and Prince Beach & Golf Resort – St Simons Island, GA

(Key Additional Conferences)

International Foundation of Employee Benefit Plans (IFEBP) (www.ifebp.org)

67th Annual Employee Benefits Conference October 17 – 20, 2021
Denver, CO

(Please refer to website for many additional conferences)

NCPERS (National Conference on Public Employee Retirement Systems) (www.ncpers.org)

2020 Annual Conference & Exhibition May 23 - 26, 2020
Caesars Palace – Las Vegas, NV

2020 Public Pension Funding Forum
Sheraton Grand Nashville Downtown – Nashville, TN

August 23 – 25, 2020

2020 Public Safety Conference
Sheraton Grand Nashville Downtown – Nashville, TN

October 25 – 28, 2020

2021 Legislative Conference
Renaissance Washington DC

January 24 – 26, 2021

(Additional Conferences)

[NASRA \(National Association of State Retirement Plan Administrators\) \(www.nasra.org\)](http://www.nasra.org)

11th Annual Retirement Policy Conference (The Future of Retirement) March 2 – 3, 2020
Westin City Center – Washington DC

[NAPo \(National Association of Police Officers\) \(www.napo.org\)](http://www.napo.org)

32nd Annual Police, Fire, EMS and Municipal Pension Seminar January 26 – 28, 2020
Caesar's Palace, Las Vegas, NV

[NIRS \(National Institute on Retirement Security\) \(www.nirsonline.org\)](http://www.nirsonline.org)

10th Annual Policy Conference February 25 - 26, 2019
The Westin at City Center, Washington, D.C.

Note: This list of upcoming conferences was compiled exclusively for Florida and Georgia public pension board clients of the Resource Centers, LLC. The list is not comprehensive. The Resource Centers has no affiliation other than affiliate membership with any organization appearing on the list; therefore, the list is not meant to imply a specific endorsement for any organization or conference appearing on the list.

ST SALEM TRUST C O M P A N Y

An Authentic Difference®

Salem Trust Service Report Summary

For the period ending December 31, 2019

Published Date: January 22, 2020



Downtown Quincy, FL: The Gasden Art Museum has been awarded the American Alliance of Museums (AAM) accreditation, the highest honor for a U.S. museum.

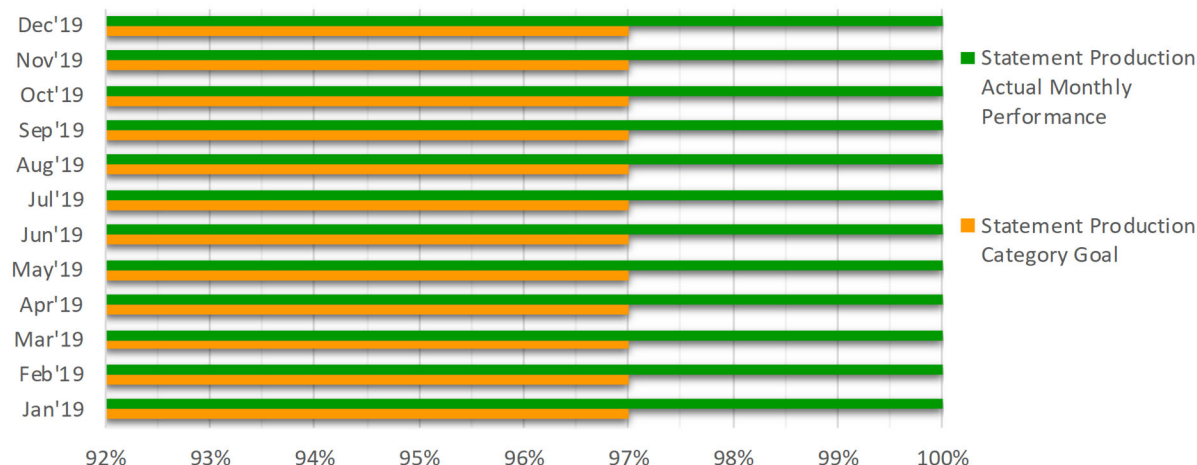
Special exhibits upcoming in 2020 include *Sharon Hester: Colored Pencils*, the 32nd Art in Gadsden regional exhibition and *Prison Art: Creativity in an Uncreative Place*.

Our Definition of Reliability:

An Authentic Difference® is a promise of transparency. Each quarter, we publish a report of operation stability and performance for the benefit of every client and industry partner. This Service Report Summary tracks 5 primary categories essential to core custody services. This summary is condensed from a comprehensive quarterly performance scorecard containing 17 discrete tasks, also available by request. Based on data used by our independent auditors and government regulators, we objectively compare how we have performed in relation to our goals. Our objective is to deliver better service to clients and their service partners by analyzing how the average performance can be improved.

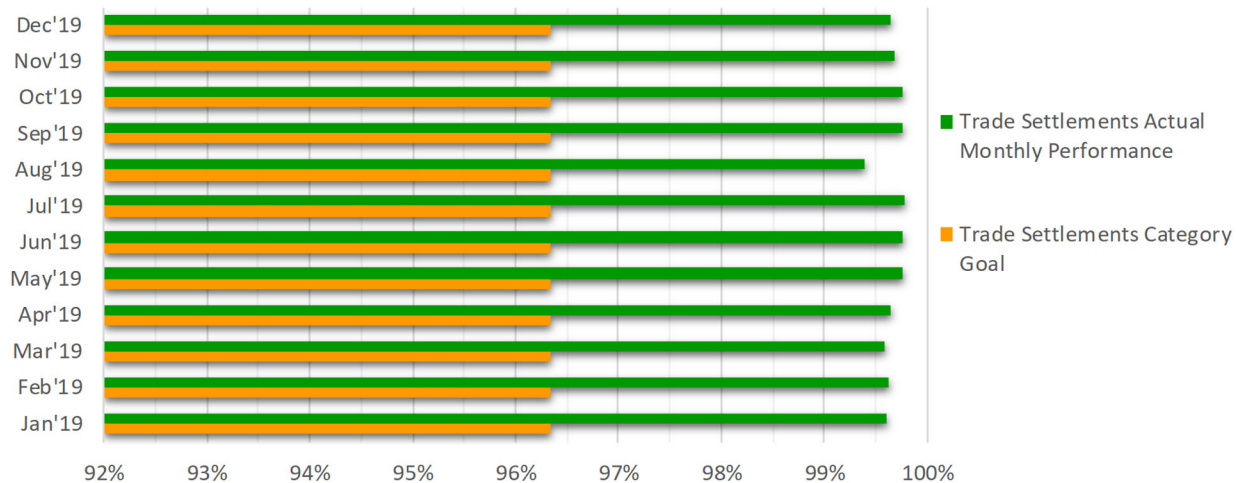
Client Statement Production:

Tracks when statements are released to our clients.



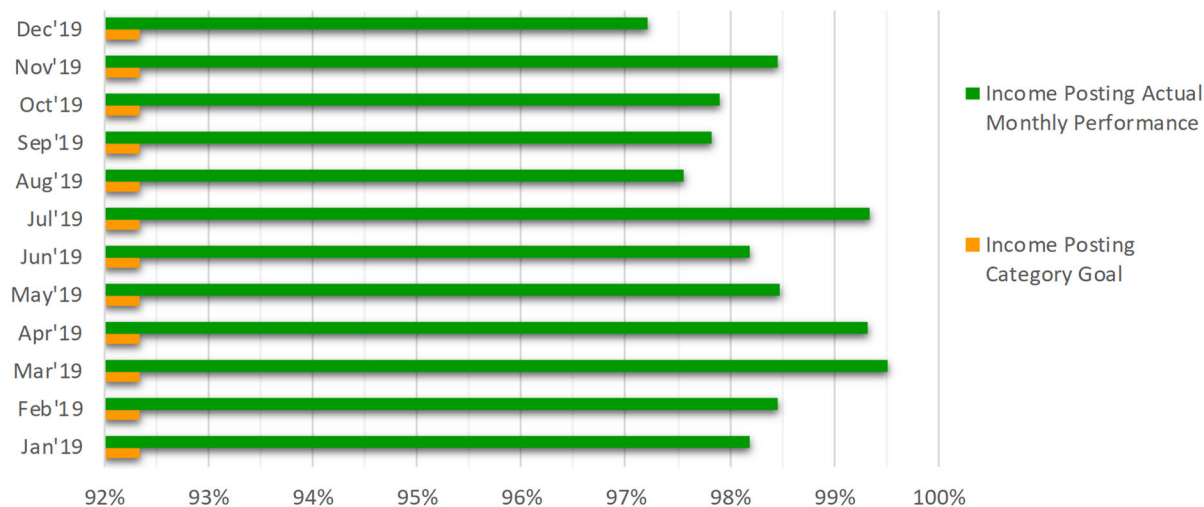
Trade Settlements:

Measures how many securities are posted by their settlement dates.



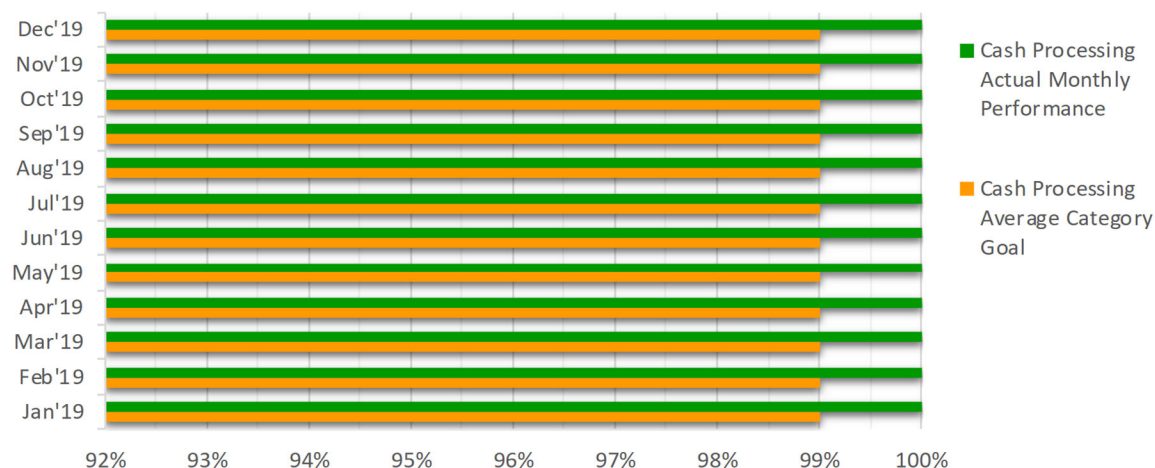
Income Posting:

Measures all types of income, including interest, dividends, capital gains and pay downs.



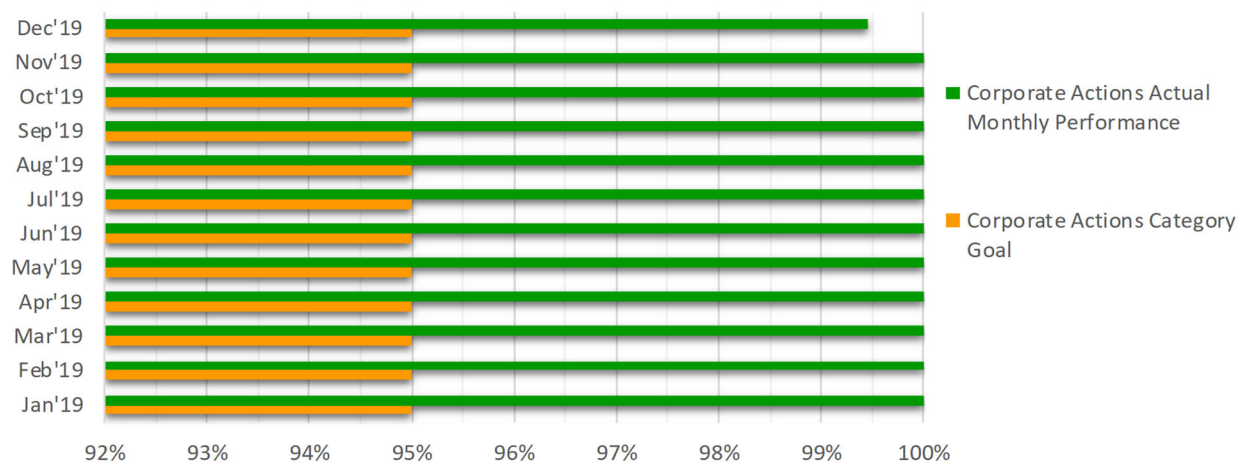
Cash Processing:

Tracks when wires, ACHs and checks are produced or transmitted.



Corporate Actions:

Measures the completion of stock splits, company reorganizations and stock calls.



Client Service Totals as of December 31, 2019:

Client relationships

- Client assets under administration: \$9.7 billion
- Client relationships: 221

Client service ratio

- Full-time Salem Trust client services employees: 8
- Average number of client relationships per Salem Trust relationship manager: 55

Benefit payments

- Monthly recurring payments made in past 12 months: 101,149
- Lump sum payments made in past 12 months: 1,892

Securities movement

- Number of security positions held: 29,093 (excluding money market funds)
- Number of securities trades processed in past 12 months: 143,149

Discrete Tasks per Service Category:

Listed below are the individual tasks, with their goals, for each category tracked in the comprehensive quarterly performance scorecard. The graphs in this Salem Trust Service Report Summary average all discrete tasks within a category.

Client statement production performance base:

- Standard statements released for print within 5 business days: >99%
- Employee benefit statements release for print within 10 business days: >95%

Trade settlements performance base:

- Money market trades posted on settlement date: >99%
- Mutual fund trades posted on settlement date: >95%
- DTC and Fed trades posted on settlement date: >95%

Income posting category performance base:

- Money market dividends posted within 1 business day of payable date: >99%
- Mutual fund dividends and capital gains distributions posted within 3 business days of payable date: >95%
- Book-entry DTC dividends posted within 1 business day of payable date: >95%
- Book-entry Fed interest posted within 1 business day of payable date: >85%
- MBS, CMO & asset-backed principal paydowns posted within 2 business days of payable date: >90%
- MBS, CMO & asset-backed interest posted within 2 business days of payable date: >90%

Cash processing category performance base:

- Wire transfers transmitted on same business day: >99%
- ACH transfers transmitted on same business day: >99%
- Checks produced on same business day: >99%

Corporate actions category performance base:

- Stock splits & stock dividends posted within 1 business day of ex-date: >95%
- Exchanges, spinoffs, mergers & all other reorgs posted within 1 business day after receipt: >95%
- Maturities & full calls posted within 1 business day of maturity or call date: >95%

Investment products and services are not bank deposits or obligations of, or guaranteed or endorsed or otherwise supported by, Salem Trust Company, its parent company or any affiliate, are not federally insured or guaranteed by the FDIC or any other agency of the United States, and are subject to investment risks, including possible loss of the principal amount invested.

Investments are:

Not FDIC INSURED	May lose value	Have no bank or trust company guarantee
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January 17 , 2020

Important Information from Salem Trust Company
System Transition on March 1, 2020
Second Communication

Dear Clients and Service Providers,

Here is a brief update to the status of our system transition:

Transition Milestone/Actions continue as planned. Please see the attachment for an update.

Manager Communication. Contacts at each of the more than 80 managers are being verified. Contact verification includes the name, phone number and email to send crucial revised trade settlement instructions. This process also includes an email test of the recipients' spam filter.

Managers will receive important information that must be delivered to their brokers. More on this as we approach the date of the transition, 5 weeks from now.

A soft stop to new trading is February 24, 5 business days before the conversion. A hard stop to new trading is February 26, 3 business days before the conversion. Support of normal trading is expected to resume March 3.

As usual, mortgage and other asset-backed securities will require special handling. February 27 is the final date for trades to settle on these securities.

Please be advised that trades using incorrect instructions will not settle.

New Relationships and Manager Transitions. Salem Trust will not accept requests after February 13 that require the issuance of a new account number. This restriction will end March 2.

This is to ensure stability to our clients' account numbers that will convert at the transition.

Benefit Payment Support. Recurring monthly pension payments will be processed as scheduled with funding from the pension plan to occur on February 28. Cut-off dates are unchanged.

Retirees will receive two 1099-R's for this tax year. We are aware that this may cause questions from retirees. This issue will be addressed later this year.

Salem Trust has a service level response of 5 business days. Benefit payment requests received in the last week of February will not be processed until the first week in March.

Administrator Support. A separate document will be sent to institutional clients, investment consultants and plan administrators that provides important information on matters such as revised wire transfer/ach instructions and trades requests for mutual funds.

Sincerely,

A handwritten signature in black ink, appearing to be 'Mark F. Rhein', is written over a horizontal line.

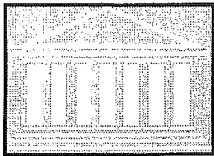
Mark F. Rhein, President
(813) 288-4991
mark.rhein@salemtrust.com

TransLtr2_1.17.2020

TRANSITION PLAN AND ACCOMPLISHMENTS

January 17, 2020

Transition Milestone/Action	Date Complete
Business Review and Data Mapping	8/7/19 – 8/9/19
Data Mapping Document Complete	8/30/2019
Mock 1 - Initial Data Load (Files as of 8/30/2019)	10/4/2019
Mock 1 - Verification of Data Load	10/05 - 11/14/19
Mock 1 - Change Control Feedback Provided	11/15/2019
Mock 1 - Change Controls Updates Completed	11/22/2019
Mock 2 - Secondary Data Load (Files as of 11/29/2019)	12/13/2019
Mock 2 - Verification of Data Load	12/14/19 - 1/09/20
Mock 2 - Change Control Feedback Deadline	1/10/20
Mock 2 - Change Controls Updates Completed	1/10/20
Final Account Data Load (Files as of 2/14/2020)	Est. 2/17/20
Final Holdings Conversion (Files as of 2/28/2020)	Est. 2/28/20
Post Conversion Support	3/2/20 - TBD
Begin using new banking instructions	3/2/2020
Begin using new trade settlement instructions	3/2/2020



THE PENSION RESOURCE CENTER, LLC

4360 Northlake Boulevard, Suite 206 ❖ Palm Beach Gardens, FL 33410
Phone (561) 624-3277 ❖ Fax (561) 624-3278 ❖ WWW.RESOURCECENTERS.COM

VIA EMAIL: salemops@salemtrust.com

January 10, 2020

Salem Trust Company
4890 W. Kennedy Blvd. Suite 160
Tampa, FL 33609

RE: Lantana Police Relief & Pension Fund
Disbursement Request – Accounts Payable

Dear Mallory:

As you know, our office serves as the administrator for the Lantana Police Relief & Pension Fund. The Trustees approved and will ratify the payment of the attached invoices. Please process the following disbursements accordingly:

- **\$1,050.00** payable to Pension Resource Center for Invoice 17611 for January 2020 Admin Fees. Please mail the check to:

Resource Centers, LLC
4360 Northlake Blvd, Suite 206
Palm Beach Gardens, FL 33410

- **\$277.50** payable to Klausner Kaufman Jensen & Levinson for Invoice 25109 Legal services through 12/31/19. Please mail the check to:

Klausner, Kaufman, Jensen & Levinson
7080 N.W. 4th Street
Plantation, FL 33317

- **\$4,375.00** payable to AndCo for Invoice 33952 Consulting services through 12/31/19. Please mail the check to:

AndCo
4901 Vineland Road, Suite 600
Orlando, FL 32811

- **\$717.00** payable to Hyatt Regency Orlando, hotel reservation for *Troy Schaaf* confirmation #48320940 (event: 2020 Winter Trustee School). Please mail the check to:

Hyatt Regency Orlando
9801 International Drive
Orlando, FL 32819

- **\$657.00** payable to Hyatt Regency Orlando, hotel reservation for *Simion Pavlov* confirmation #51257347 (event: 2020 Winter Trustee School). Please mail the check to:

Hyatt Regency Orlando
9801 International Drive
Orlando, FL 32819

- \$657.00 payable to Hyatt Regency Orlando, hotel reservation for *Stephanie Crowley* confirmation #52245919 (event: 2020 Winter Trustee School). Please mail the check to:

Hyatt Regency Orlando
9801 International Drive
Orlando, FL 32819

***Please include a copy of the enclosed Tax-Exempt Certificates with the payments to the hotel.**

If you have any additional questions regarding these disbursements, please do not hesitate to contact our office at 561-624-3277. Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kyle Tintle".

Kyle Tintle
Administrator